

Market Feasibility Analysis

Liberty Place Apartments
978 White Circle
Hinesville, Liberty County, Georgia 31313

Prepared For

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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the proposed Liberty Place Apartments to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Hinesville, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is constructed and operated as proposed in this report.

1. Project Description:

Liberty Place Apartments involves the new construction of 72 units located at 978 White Circle in Hinesville, Liberty County, Georgia. The subject project will be comprised of 12 one-, 30 two- and 30 three-bedroom garden-style units located within five (5) two-story, walk-up style residential buildings. The subject project will also include one (1) one-story community building which will house the subject project's management office and common space. The subject project will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Proposed monthly collected Tax Credit rents range from \$345 to \$585, depending upon bedroom type and AMHI level. It should be noted that the 11 one-bedroom units set aside at 50% of AMHI will target disabled households and will offer a project-based Section 811 subsidy, requiring such tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed subject project is expected to be complete by May 2016. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The subject site consists of undeveloped, wooded land located within an established residential area of Hinesville. A majority of the single-family homes within the site area are in good condition and well maintained and will have a positive impact on the site's marketability. Access to the site is considered good and is within 2.0 miles of State Route 119/196 and U.S. Highway 84/State Route 38. In addition, Liberty Transit provides public transportation services within Hinesville with a bus stop located at the site. Visibility of the site is considered good within the immediate neighborhood. However, the subject project is not visible from arterial roadways and promotional signage is recommended to increase awareness of the subject development during its initial lease up.

The site is close to shopping, employment, recreation, entertainment and education opportunities, and social services and public safety services are all within 3.0 miles. Overall, we expect the site's location and proximity to community services to have a positive impact on its marketability.

3. Market Area Definition:

The Hinesville Site PMA includes all of Hinesville, Walthourville, Allenhurst, Flemington, Fort Stewart and outlying unincorporated areas of Liberty County. The boundaries of the Site PMA generally include State Route 144 to the north; U.S. Highway 17/State Route 25, the Liberty County line and State Route 144 to the east; Jones Quarters Road, Lavier Road, South Arnold Drive, Pearl Davis Road, Pierce-Foote Road, Townsend Road, Builtown Road and the Liberty County line to the south; and Moody Bridge Road, Moody Road and Smiley Cross Road to the west. A map illustrating these boundaries is included on page D-2 of this report and details the furthest boundary is 15.6 miles from the site.

4. Community Demographic Data:

Overall, population and households have experienced positive growth since 2000. These trends are projected to remain positive, increasing by 2,646 (3.9%) and 1,050 (4.4%), respectively, between 2014 and 2016. Renter households are projected to increase by 445 (3.7%) between the same time period. The projected 12,489 renter households in 2016 within the market represent a significant base of potential support for the subject development. In addition, the subject project will be able to accommodate nearly all of the Site PMA's renter households based on household size. Overall, the demographic trends contained within this report demonstrate an increasing base of potential support for the proposed development. Additional demographic data is included in Section E of this report.

5. Economic Data:

According to representatives with the Liberty County Development Authority, the local economy is improving, as there have been several announcements of business expansions within the past year. Based on ESRI data and employment data from the Bureau of Labor Statistics, the county's employment base, despite minor fluctuations, has generally been stable since 2010. Conversely, the unemployment rate has consistently declined over the preceding four-year period. However, the current unemployment rate of 8.5% (through April 2014), is considered high and is still above prerecession levels.

Considering the high unemployment rate the need for affordable housing has remained strong, as evidenced by the high occupancies of the low-income housing projects in the Site PMA. In addition, a high rate of unemployment contributes to the demand for affordable housing, as households with lower incomes due to unemployment or underemployment may not be able to afford their current housing costs. The subject site will provide a good quality and affordable housing option in an economy where lower-wage employees are most vulnerable. Additional economic data is included in Section F of this report.

6. Project-Specific Affordability and Demand Analysis:

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the project's overall capture rate of 4.4% is considered low and easily achievable within the Hinesville Site PMA. This is especially true given the high occupancy rates and extensive waiting lists maintained among the existing affordable LIHTC rental product surveyed in the market. Note that this demand analysis assumes that all units at the proposed development will operate exclusively under LIHTC program guidelines. An analysis of the 11 one-bedroom units to operate with a project-based Section 811 subsidy targeting disabled persons (as proposed) is evaluated in Section G on page G-7.

7. Competitive Rental Analysis

We identified two family (general-occupancy) projects that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Hinesville Site PMA. These properties target households with incomes of up to 30%, 50% and/or 60% of Area Median Household Income (AMHI); therefore, these properties are considered competitive with the proposed subject development.

Given the lack of general-occupancy LIHTC housing within the Site PMA, we identified and surveyed one family LIHTC community outside of the Site PMA, but within the region, in the town of Ludowici (11.9 miles from the site). This one project targets households with incomes up to 50% of AMHI and is considered comparable. It should be noted that this project is not considered competitive with the proposed subject development, as it derives demographic support from a different geographical area. As such, this project has been included for comparison purposes only. These three LIHTC properties and the proposed subject development are summarized in the following table:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Liberty Place Apartments	2016	72	-	-	-	Families; 50% & 60% AMHI & Section 811
1	Ashton Place	1996	48	100.0%	3.1 Miles	6-24 Months	Families; 30%, 50%, & 60% AMHI
14	Pines at Willowbrook	2003	64*	100.0%	0.8 Miles	90 Days	Families; 50% & 60% AMHI
902	Twin Oaks Apartments	2000	40	100.0%	11.9 Miles	8-12 Months	Families; 50% AMHI

OCC. - Occupancy

*Tax Credit units only

Map ID 902 is located outside of Site PMA

The three LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This indicates that pent-up demand exists for affordable housing in both the market and region. Given that there are only two general-occupancy LIHTC projects within the market, which are 100.0% occupied, the subject project will provide a rental housing alternative to low-income households which is currently underserved in the market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Liberty Place Apartments	\$466*/50% (11) \$561/60% (1)	\$557/50% (6) \$672/60% (24)	\$645/50% (5) \$775/60% (25)	-
1	Ashton Place	\$327/30% (10/0)	\$597/50% (15/0) \$682/60% (8/0)	\$698/50% (2/0) \$800/60% (13/0)	None
14	Pines at Willowbrook	\$506/50% (1/0) \$600/60% (5/0)	\$607/50% (11/0) \$720/60% (28/0)	\$701/50% (5/0) \$831/60% (14/0)	None
902	Twin Oaks Apartments	\$437/50% (12/0)	\$527/50% (20/0)	\$674/50% (8/0)	None

Map ID 902 is located outside of Site PMA

*Subsidized; tenants pay up to 30% of their gross adjusted income towards housing costs

The proposed subject gross rents, ranging from \$466 to \$775, will be within the range of rents offered among the competitive/comparable LIHTC projects within the market and region targeting similar income levels. In fact, when considering the two family LIHTC projects within the market, the subject project will have the lowest gross rents targeting similar income levels. Given that both these projects are 100.0% occupied and maintain wait lists, the proposed gross rents are appropriately positioned. The proposed units will likely be viewed as a substantial value within both the market and region.

Comparable/Competitive Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the proposed development will be very competitive. This has been considered in our absorption projections.

An in-depth analysis of the Hinesville rental housing market is included in Section H of this report.

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2016 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2016.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Hinesville Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 72 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately seven months. This absorption period is based on an average monthly absorption rate of approximately ten units per month.

These absorption projections assume a 2016 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 LIHTC units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Hinesville rental housing market is performing very well, especially the affordable rental housing segment. Specifically, as indicated in our Field Survey of Conventional Rentals in Addendum A of this report, there are no vacancies among all affordable product (subsidized or non-subsidized) surveyed within the Hinesville Site PMA, all of which maintain extensive wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Additionally, the proposed subject project is considered to be competitively positioned within the market in terms of price, unit size (square feet) and amenities offered, as compared to similar unit types among the comparable LIHTC projects. In fact, the proposed subject development will offer some of the lowest priced LIHTC units among the competitive projects within the market, which will likely create a market advantage for the subject development.

The overall required capture rate of 4.4% for the proposed development is considered very low and further demonstrates that a significant base of potential income-appropriate renter support exists for the subject project within the Hinesville Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Hinesville Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

SUMMARY TABLE

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

Development Name:	Liberty Place Apartments	Total # Units:	72
Location:	978 White Circle, Hinesville, GA 31313	# LIHTC Units:	72
PMA Boundary:	State Route 144 to the north; U.S. Highway 17/State Route 25, the Liberty County line and State Route 144 to the east; Jones Quarters Road, Lavier Road, South Arnold Drive, Pearl Davis Road, Pierce-Foote Road, Townsend Road, Builtown Road and the Liberty County line to the south; and Moody Bridge Road, Moody Road and Smiley Cross Road to the west.		
	Farthest Boundary Distance to Subject:		15.6 miles

RENTAL HOUSING STOCK (found on page H-1, 2 & 7)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	16	2,009	46	97.7%
Market-Rate Housing	9	1,389	46	96.7%
Assisted/Subsidized Housing not to include LIHTC	5	463	0	100.0%
LIHTC	3	157	0	100.0%
Stabilized Comps	2	112	0	100.0%
Properties in Construction & Lease Up	-	-	-	-

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
11	One	1.0	750	\$345	\$932	\$1.26	63.0%	\$980	\$1.61
1	One	1.0	750	\$440	\$932	\$1.26	52.8%	\$980	\$1.61
6	Two	2.0	950	\$400	\$1,019	\$1.07	60.7%	\$1,079	\$1.35
24	Two	2.0	950	\$515	\$1,019	\$1.07	49.5%	\$1,079	\$1.35
5	Three	2.0	1,100	\$455	\$1,084	\$0.99	58.0%	\$1,200	\$0.82
25	Three	2.0	1,100	\$585	\$1,084	\$0.99	46.0%	\$1,200	\$0.82

DEMOGRAPHIC DATA (found on page E-3 & G-5)

	2010		2014		2016	
Renter Households	10,450	47.8%	12,044	50.7%	12,489	50.4%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	3,095	13.0%	3,106	12.5%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall
Renter Household Growth		0	18			11
Existing Households (Overburd + Substand)		1,167	1,185			1,637
Homeowner conversion (Seniors)		0	0			0
Total Primary Market Demand		1,167	1,203			1,648
Less Comparable/Competitive Supply		0	0			0
Net Income-Qualified Renter HHs		1,167	1,203			1,648

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate		1.9%	4.2%			4.4%

SECTION B - PROJECT DESCRIPTION

The proposed subject project involves the new construction of the 72-unit Liberty Place Apartments located at 978 White Circle in Hinesville, Liberty County, Georgia. The subject project will be comprised of 12 one-, 30 two- and 30 three-bedroom garden-style units located within five (5) two-story, walk-up style residential buildings. The subject project will also include one (1) one-story community building which will house the subject project's management office and common space. The subject project will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Proposed monthly collected Tax Credit rents range from \$345 to \$585, depending upon bedroom type and AMHI level. It should be noted that the 11 one-bedroom units set aside at 50% of AMHI will target disabled households and will offer a project-based Section 811 subsidy, requiring such tenants to pay up to 30% of their gross adjusted income towards housing costs (collected rent plus tenant-paid utilities). The proposed subject project is expected to be complete by May 2016. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Liberty Place Apartments
2. **Property Location:** 978 White Circle
Hinesville, Georgia 31313
(Liberty County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Subsidy	Proposed Program Rents			Maximum Allowable LIHTC Rent
							Collected	Utility Allowance	Gross	
11	One-Br.	1.0	Garden	750	50%	Sec. 811	\$345	\$121	\$466	\$468
1	One-Br.	1.0	Garden	750	60%	-	\$440	\$121	\$561	\$562
6	Two-Br.	2.0	Garden	950	50%	-	\$400	\$157	\$557	\$562
24	Two-Br.	2.0	Garden	950	60%	-	\$515	\$157	\$672	\$675
5	Three-Br.	2.0	Garden	1,100	50%	-	\$455	\$190	\$645	\$650
25	Three-Br.	2.0	Garden	1,100	60%	-	\$585	\$190	\$775	\$780
72	Total									

Source: Wolgast Corporation

AMHI – Area Median Household Income (Hinesville-Fort Stewart, GA HUD Metro FMR Area; 2014)

- 5. Target Market:** Low-Income Families/Disabled Households
- 6. Project Design:** Five (5) two-story, walk-up style residential and one non-residential community buildings
- 7. Original Year Built:** Not Applicable; New Construction
- 8. Projected Opening Date:** May 2016
- 9. Unit Amenities:**

Each unit will include the following amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Garbage Disposal
- Microwave Oven
- Carpet
- Window Blinds
- Central Air Conditioning
- Patio/Balcony
- Ceiling Fan

10. Community Amenities:

The subject property will include the following community features:

- On-Site Management
- Swimming Pool
- Playground
- Covered Picnic Area
- Social Services to include, but not limited to the following:
 - Birthday Parties
 - Potluck Dinners
 - Movie Night
 - Bingo
- Laundry Facility
- Club House/Community Room
- Computer Center
- Library
- Gazebo

11. Resident Services:

Services will be provided by a local mental health agency, specifically geared towards those disabled households qualified to reside at the proposed development.

12. Utility Responsibility:

The cost of cold water, sewer and trash collection will be included in the monthly rent. Tenants will be responsible for all other utility charges, including the cost of:

- Electricity
- Electric Heat
- Electric Hot Water
- Electric Cooking

13. Rental Assistance:

The project will offer a project-based Section 811 subsidy on the 11 one-bedroom units set aside at 50% of AMHI targeting disabled households. The project-based subsidy will require such tenants to pay up to 30% of their gross adjusted income towards housing costs.

14. Parking:

A paved surface parking lot will be provided at no additional charge to the tenants.

15. Current Project Status:

Not applicable; New Construction

16. Statistical Area:

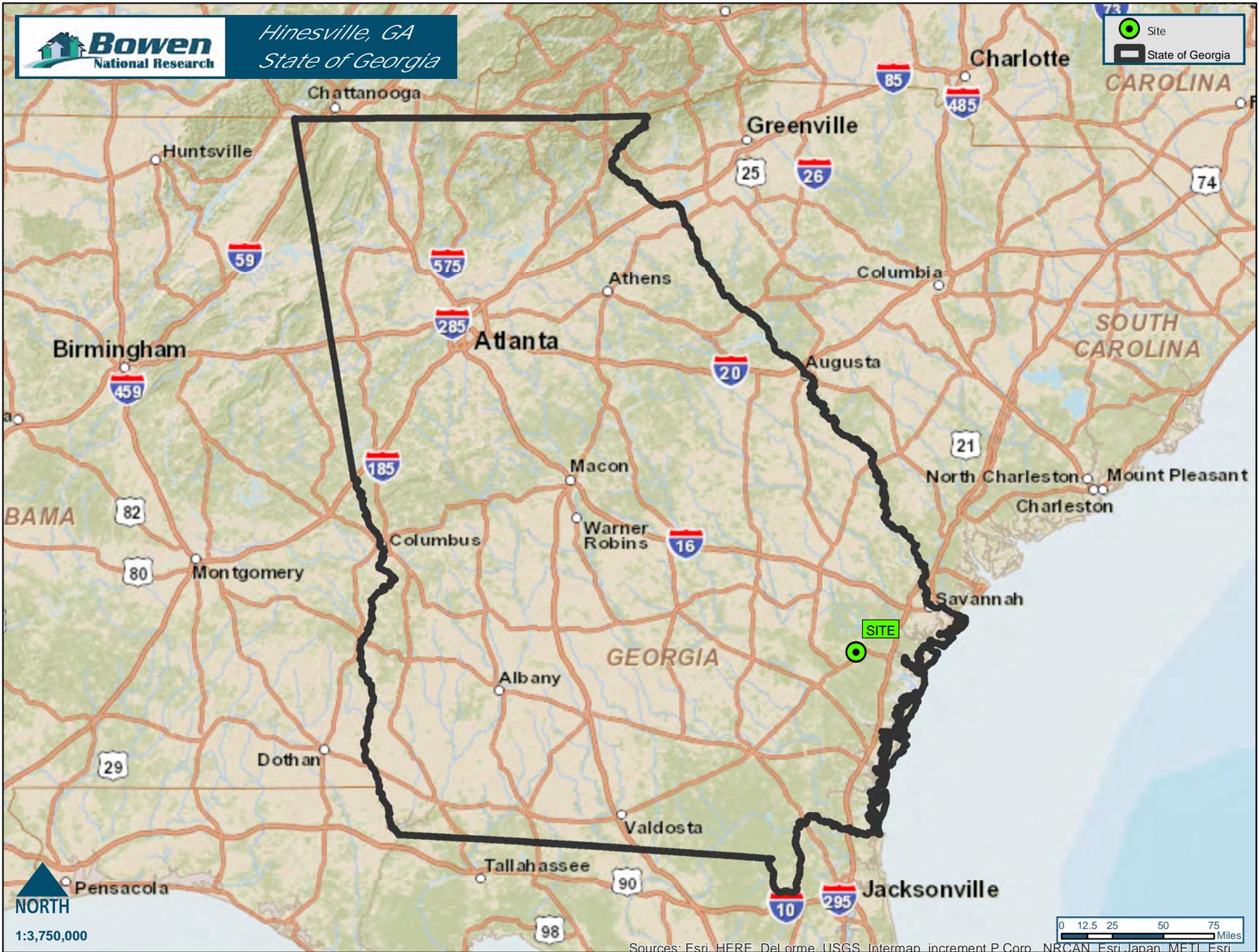
Hinesville-Fort Stewart, Georgia HUD Metro FMR Area (2014)

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



Hinesville, GA
State of Georgia

Legend:
● Site
▭ State of Georgia



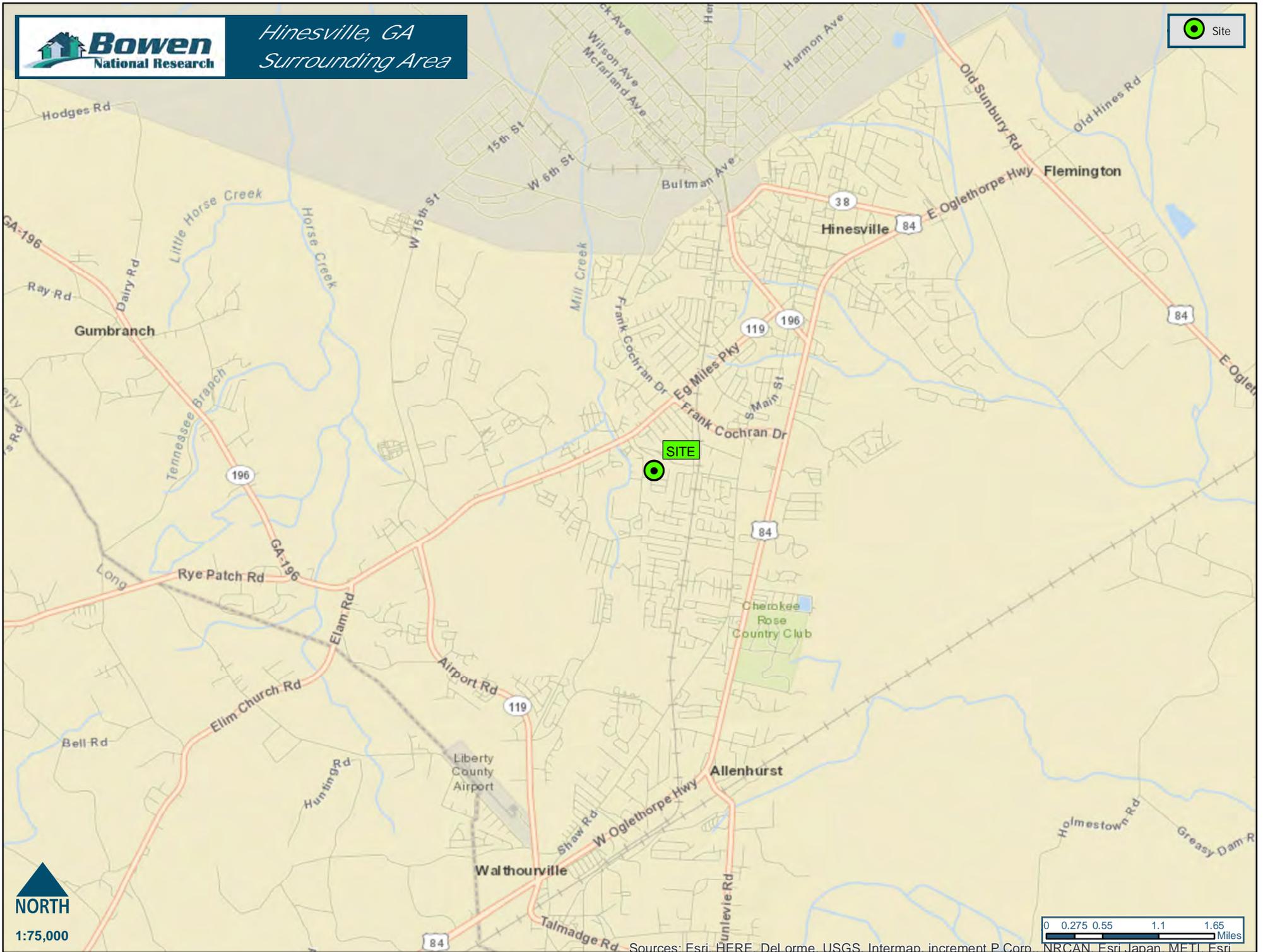
1:3,750,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



*Hinesville, GA
Surrounding Area*



NORTH
1:75,000

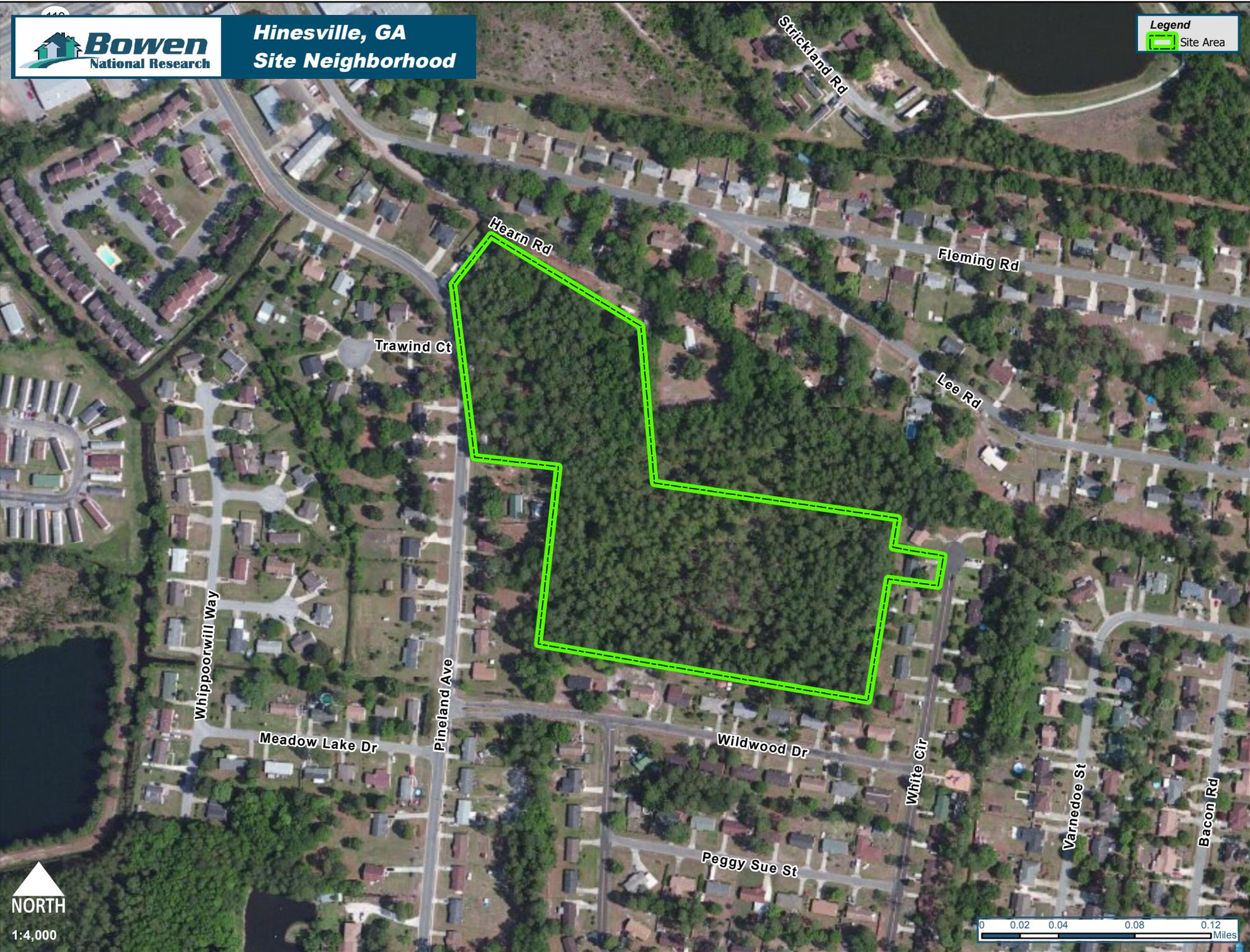
0 0.275 0.55 1.1 1.65 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

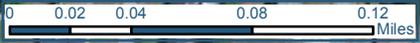


Hinesville, GA
Site Neighborhood

Legend
 Site Area



NORTH
1:4,000



SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site consists of undeveloped, wooded land at the northwest quadrant of White Circle and Wildwood Drive in the southwest portion of Hinesville, Georgia. Located within Liberty County, Hinesville is approximately 44.0 miles southwest of Savannah, Georgia and approximately 124.0 miles north of Jacksonville, Florida. Greg Gray, an employee of Bowen National Research, inspected the site and area apartments during the week of May 19, 2014.

2. SURROUNDING LAND USES

The subject site is within an established area of Hinesville. Surrounding land uses include single-family homes and undeveloped land. Adjacent land uses are detailed as follows:

North -	Undeveloped, wooded land borders the site to the north, followed by single-family homes, generally in good condition. Extending farther north is the Elma G. Miles Parkway/State Route 119/196, an arterial roadway with several commercial and retail businesses including gas stations, restaurants and various other businesses.
East -	Single-family homes in satisfactory to good condition border the site to the east, along White Circle, a two-lane residential court. Continuing east are additional single-family homes.
South -	Single-family homes in satisfactory to good condition border the site to the south, along Wildwood Drive. Continuing south are additional single-family homes and a small pond. Single-family homes extend farther south.
West -	Single-family homes in good condition are directly west of the site, along Pineland Avenue, a two-lane roadway. Continuing west are additional single-family homes, a mobile home park and a small pond.

The subject site is located within an established residential area, with single-family homes that are generally in good condition and well maintained. Several commercial and retail businesses are located along Elma G. Miles Parkway/State Route 119/196, located 0.4 miles north of the site. Overall, the subject property fits well with the surrounding land uses and they should contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

The subject property is located along the northwest quadrant of White Circle and Wildwood Drive, both two-lane residential roadways. Ultimate access to the site is derived from Pineland Avenue. Vehicular traffic along Pineland Avenue is light to moderate. Accessing the site from either direction should be convenient for motorists, due to the generally moderate traffic patterns. Ingress and egress are considered easy, with clear lines of sight provided in both directions. The proposed development is within 2.0 miles of State Route 119/196 and U.S. Highway 84/State Route 38. In addition, Liberty Transit provides public transportation services within Hinesville with a bus stop located at the site. Overall, access to the site is considered good. Visibility is considered excellent within the immediate site neighborhood; however, it will not be visible from arterial roadways. It is recommended that promotional signage is placed near the intersection of Elma G. Miles Parkway/State Route 119/196 and Pineland Avenue to increase awareness of the subject development during its initial lease up.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area. Note that if the subject site is developed, residential roadways to access the site will be constructed.

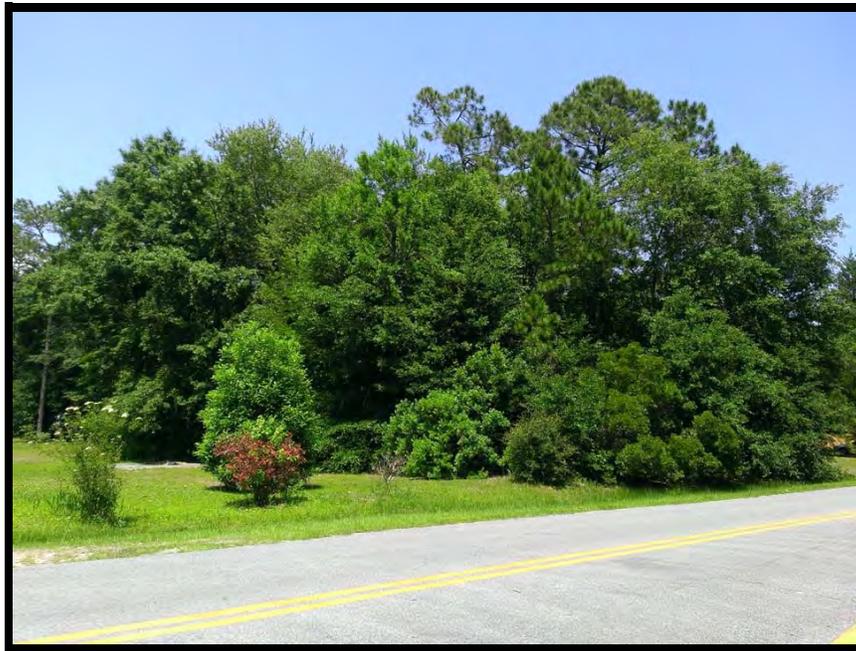
4. SITE PHOTOGRAPHS

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

SITE PHOTOGRAPHS



North view of site from Hearn Road



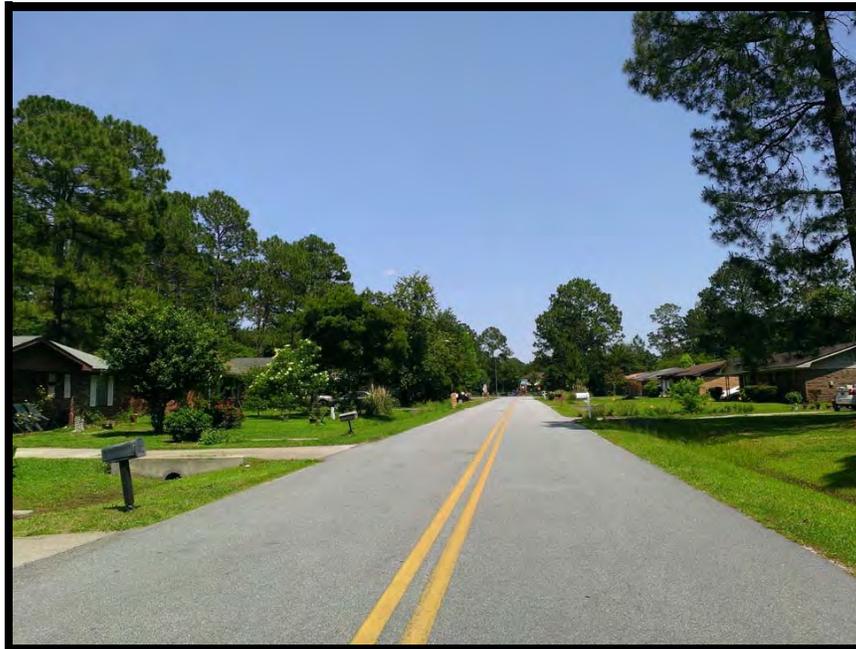
Southwest view of site from the corner of Wildwood Drive and Pineland Avenue



West view of site parcels on Pineland Avenue



South view of site from Wildwood Drive



East view on Wildwood Drive



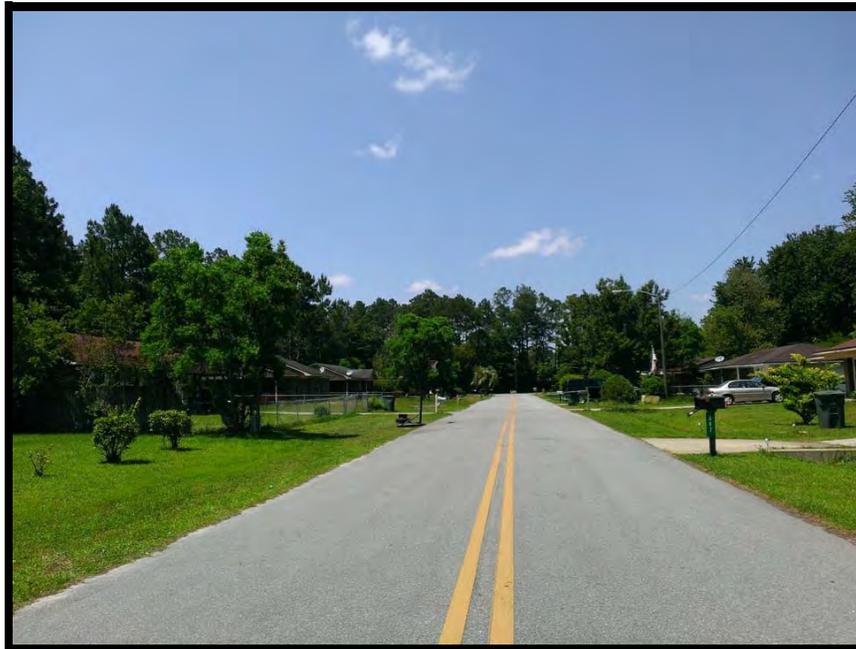
West view on Wildwood Drive



South view on Pineland Avenue



North view on Pineland Avenue



North view on White Circle



South view on White Circle



Single-family homes along west side of Pineland Avenue



Single-family homes along the north side of Wildwood Drive



Single-family homes along east side of White Circle



Single-family homes along east side of White Circle



East view along Hearn Road

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 119/196	0.4 North
	U.S. Highway 84/State Route 38	2.0 East
Public Bus Stop	Liberty Transit	Adjacent Southwest
Employment	Liberty Regional Medical Center	2.0 Northeast
	Walmart Supercenter	2.1 East
	Liberty County Schools	3.0 South
Convenience Store	Clyde's Market	0.5 Northwest
	Save A Ton	0.9 West
Grocery	Peddlers Walk	1.7 West
	Food Lion	2.3 West
	Kroger	2.5 Northeast
	Save-A-Lot	2.7 Northeast
Discount Department Store	Family Dollar Store	0.6 Northwest
	Fred's Store	1.1 North
	Dollar General	1.1 West
	Walmart Supercenter	2.1 East
Schools:		
Elementary	Waldo Pafford Elementary School	2.9 West
Middle	Snelson-Golden Middle School	5.2 Northwest
Senior High	Bradwell Institute High School	3.0 South
Hospital	Liberty Regional Medical Center	2.0 Northeast
Police	Hinesville Police Department	2.7 Northeast
Fire	Hinesville Fire Department	2.5 Northeast
Post Office	U.S. Post Office	3.5 South
Bank	South Georgia Bank	1.8 Northeast
	Heritage Bank	2.1 East
Recreational Facilities	Shuman Recreation Center	4.1 Northeast
Gas Station	Clyde's Market	0.5 Northwest
	Save A Ton	0.9 West
Pharmacy	Whitman Pharmacy	2.2 Northeast
	CVS Pharmacy	2.4 Northeast
	Kroger Pharmacy	2.5 Northeast
Restaurant	Crab House	0.5 Northwest
	Chopsticks Cafe	0.6 Northwest
	Seoul Restaurant	0.7 North
Day Care	ABC Children's Academy	0.4 Southwest
	Little Treasures Learning Center	0.9 West
Library	Liberty County Library	3.0 Northeast
College/University	Savannah Technical College	3.1 North
Medical Center	Liberty Care Center	3.9 Northeast
Fitness Center	Caro Fitness Center	3.6 North
Park	James A. Brown Park	4.1 Northeast
Swimming	Liberty County Swimming Pool	5.8 Southwest
Church	Progressive Church Of Our Lord	0.6 Northwest
	Hinesville Korean Presbyterian	0.8 West

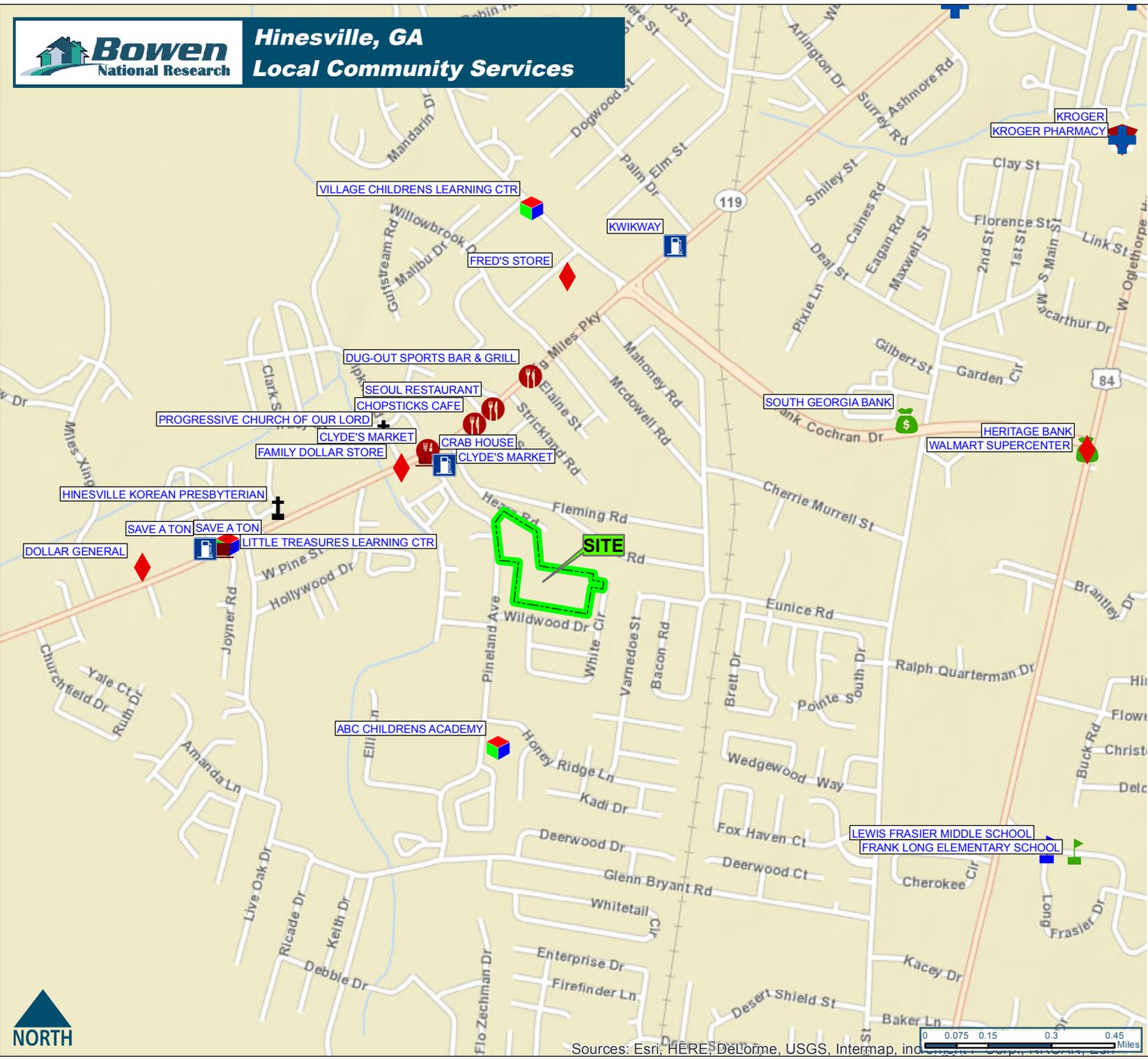
The subject site is within walking distance to various community services including various restaurants, Family Dollar and Clyde's Market and gas station. There are several grocery stores within 2.7 miles of the site including Food Lion, Kroger and Save-A-Lot. Other notable community services located within 3.0 miles of the site include banks, pharmacies, child care, library and churches. Employment opportunities within proximity of the site include the Liberty Medical Center, Liberty County Schools, Walmart and several businesses located along Elma G. Miles Parkway/State Route 119/196, a commercial corridor located 0.4 miles north of the site. Recreational opportunities include the Shuman Recreation Center, Caro Fitness Center and the James A. Brown Park.

The Liberty County Schools serve the subject site with the applicable elementary, middle and high schools being located within 5.2 miles of the site. The Savannah Technical College is located 3.1 miles north of the site.

The Hinesville Police and Fire Departments serve the subject site and are located within 2.7 miles of the site. The Liberty Regional Medical Center is located 2.0 miles northeast of the site.

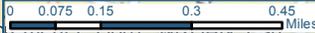
Overall, the site's proximity to community and safety services will have a positive impact on its marketability.

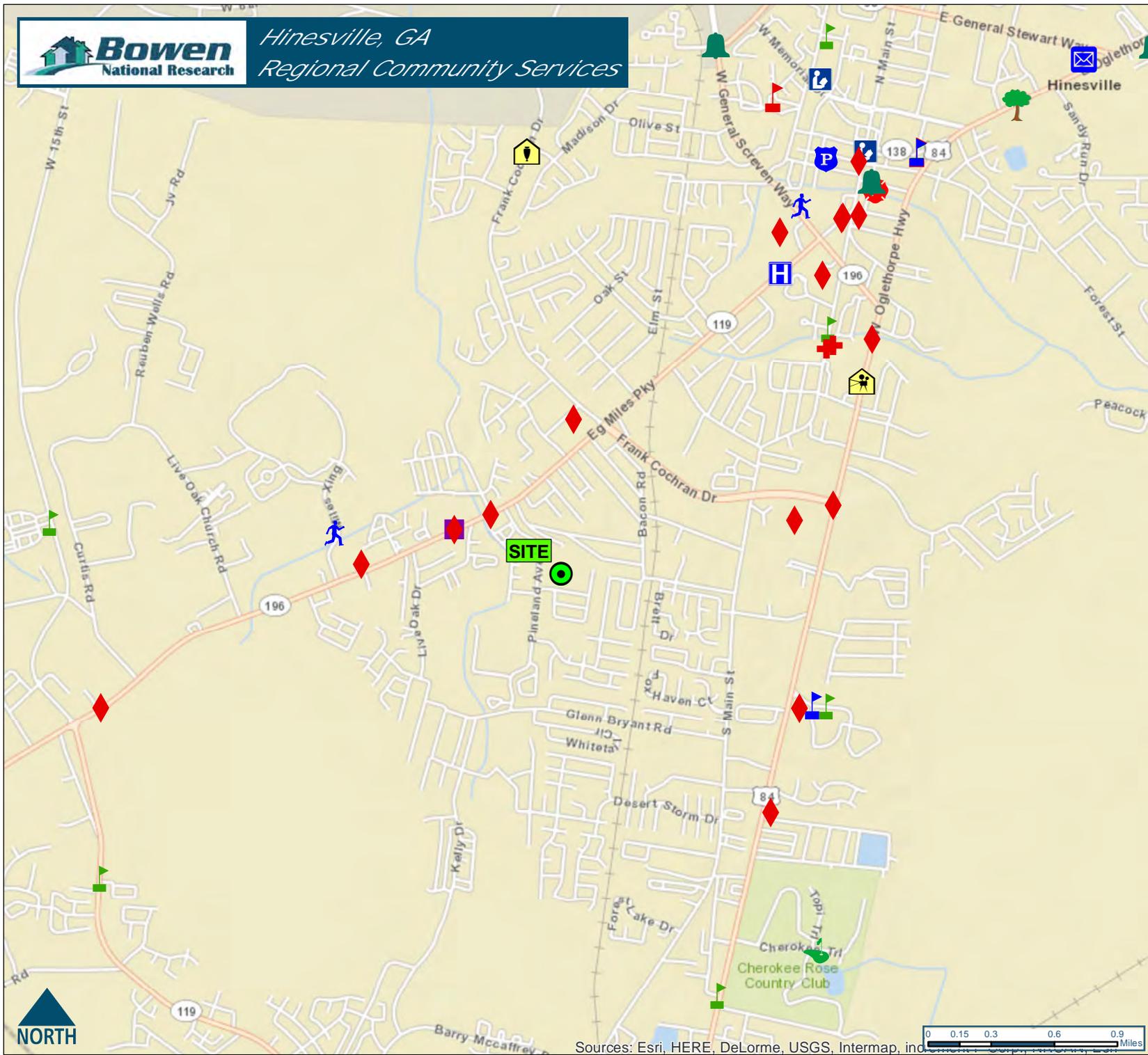
Maps illustrating the location of community services are on the following pages.



Legend

-  Site Area
-  bank
-  child care
-  church
-  convenience store
-  elementary school
-  gas
-  grocery
-  middle school
-  pharmacy
-  restaurant
-  shopping





Legend

-  Site
-  cinema
-  elementary school
-  fire
-  fitness center
-  golf
-  high school
-  hospital
-  library
-  medical center
-  middle school
-  museum
-  park
-  police
-  post office
-  shopping
-  university



6. CRIME ISSUES

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

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

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

Total crime risk (74) for the Site PMA is below the national average with an overall personal crime index of 68 and a property crime index of 70. Total crime risk (66) for Liberty County is below the national average with indexes for personal and property crime of 61 and 63, respectively.

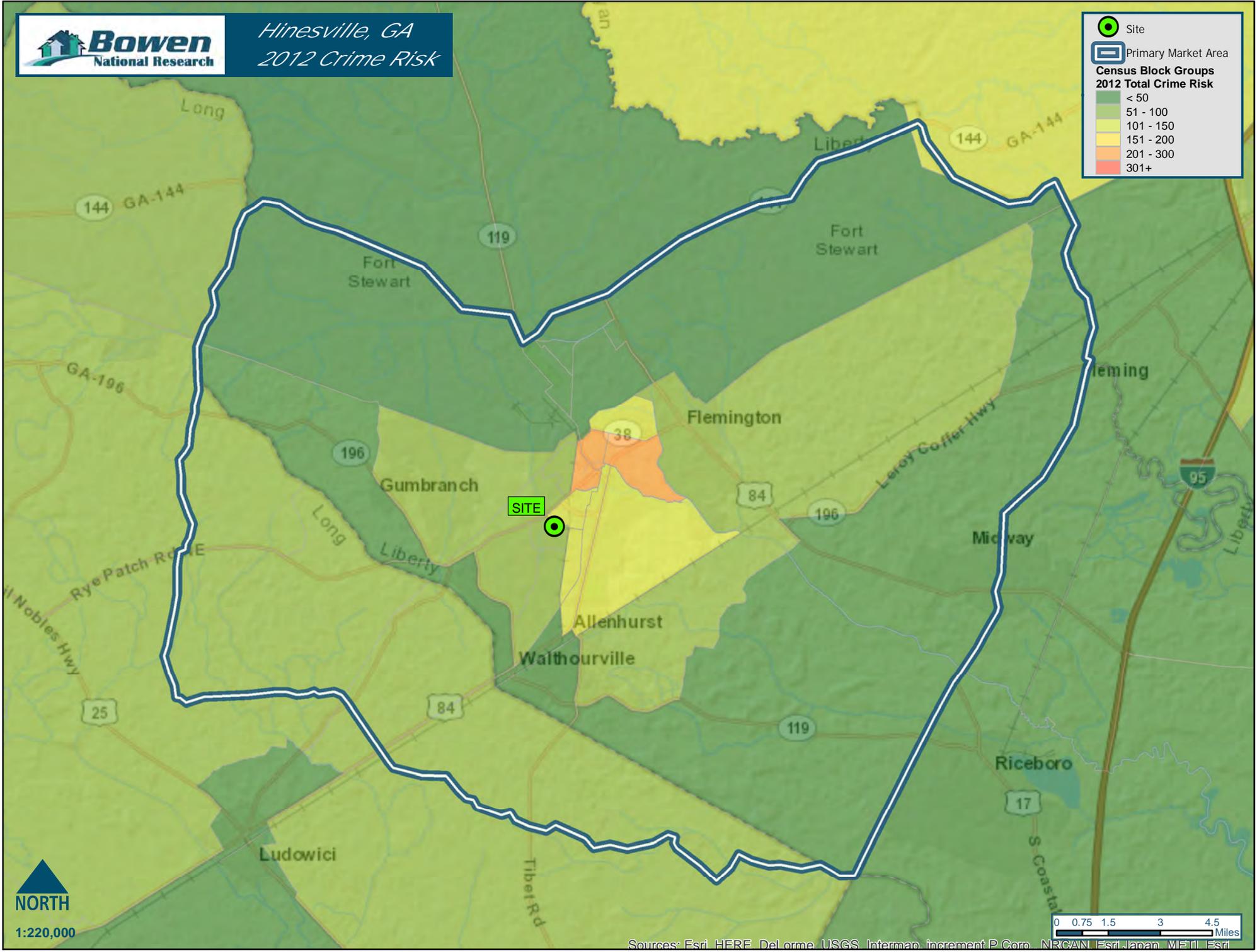
	Crime Risk Index	
	Site PMA	Liberty County
Total Crime	74	66
Personal Crime	68	61
Murder	126	112
Rape	73	64
Robbery	46	41
Assault	44	40
Property Crime	70	63
Burglary	92	84
Larceny	77	67
Motor Vehicle Theft	42	39

Source: Applied Geographic Solutions

As the preceding table illustrates, the crime risk indices for both the Site PMA and Liberty County are well below the national average. As such, the perception of crime (or lack thereof) will have a positive impact on the marketability of the proposed development.

A map illustrating crime risk is on the following page.

 Site
 Primary Market Area
**Census Block Groups
2012 Total Crime Risk**
 < 50
 51 - 100
 101 - 150
 151 - 200
 201 - 300
 301+



NORTH
1:220,000

0 0.75 1.5 3 4.5 Miles

7. OVERALL SITE EVALUATION

The subject site consists of undeveloped, wooded land located within an established residential area of Hinesville. A majority of the single-family homes within the site area are in good condition and well maintained and will have a positive impact on the site's marketability. Access to the site is considered good and is within 2.0 miles of State Route 119/196 and U.S. Highway 84/State Route 38. In addition, Liberty Transit provides public transportation services within Hinesville with a bus stop located at the site. Visibility of the site is considered good within the immediate neighborhood. However, the subject project is not visible from arterial roadways and promotional signage is recommended to increase awareness of the subject development during its initial lease up.

The site is close to shopping, employment, recreation, entertainment and education opportunities, and social services and public safety services are all within 3.0 miles. Overall, we expect the site's location and proximity to community services to have a positive impact on its marketability.

8. MAP OF LOW-INCOME RENTAL HOUSING

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

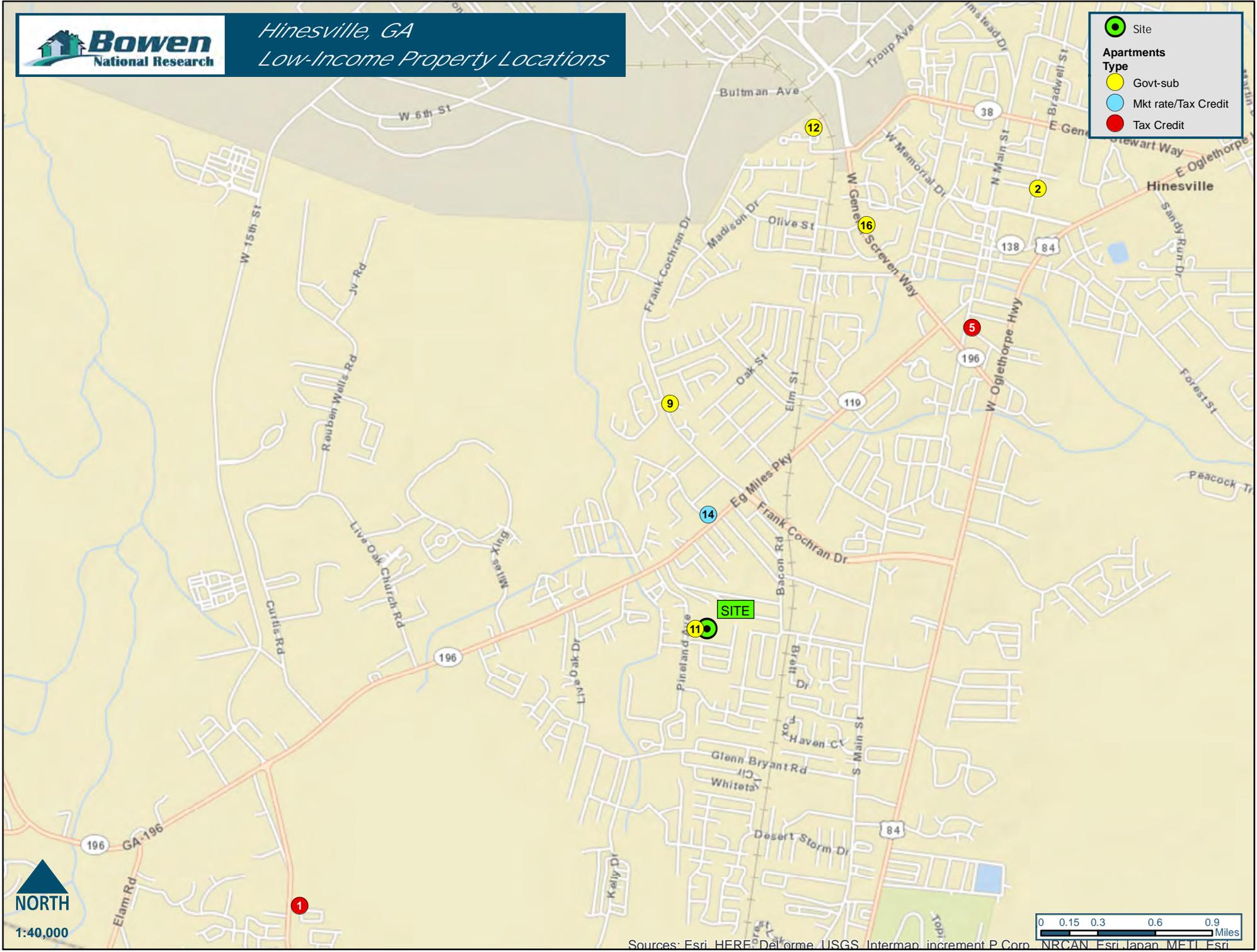


Hinesville, GA
Low-Income Property Locations

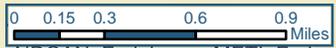
● Site

Apartment Type

- Govt-sub
- Mkt rate/Tax Credit
- Tax Credit



NORTH
1:40,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

SECTION D – PRIMARY MARKET AREA DELINEATION

The Site Primary Market Area (PMA) is the geographical area from which most of the demographic support for the subject development is expected to originate. The Hinesville Site PMA was determined through interviews with area leasing and real estate agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Hinesville Site PMA includes all of Hinesville, Walthourville, Allenhurst, Flemington, Fort Stewart and outlying unincorporated areas of Liberty County. The boundaries of the Site PMA generally include State Route 144 to the north; U.S. Highway 17/State Route 25, the Liberty County line and State Route 144 to the east; Jones Quarters Road, Lavier Road, South Arnold Drive, Pearl Davis Road, Pierce-Foote Road, Townsend Road, Builtown Road and the Liberty County line to the south; and Moody Bridge Road, Moody Road and Smiley Cross Road to the west.

Cynthia Bryant, Property Manager of the Pines at Willowbrook (Map I.D. 14), a general-occupancy Tax Credit and market-rate project, stated that up to 70% of their tenants originated from the immediate area of Hinesville, Walthourville, Allenhurst, Flemington and Fort Stewart. Ms. Bryant explained that they do not receive a significant amount of traffic from Midway, Glennville and Ludowici due to the distance to these areas, thus confirming the Site PMA.

Martina Kemp, Property Manager of the Ashton Place (Map I.D. 1), a general-occupancy Tax Credit apartment community, stated that approximately 60% to 70% of their tenants derived from the Hinesville, Walthourville, Allenhurst, Flemington and Fort Stewart areas. Mrs. Kemp noted that they occasionally receive inquiries from Glennville and Ludowici. However, the majority of such residents wish to stay in those areas, being close to family, friends and familiar community services. Mrs. Kemp also stated that they receive very few tenants from the Midway area due to distance, as well as more convenient access to Interstate 95 from Midway. As such, Glennville, Ludowici and Midway were excluded from the Site PMA.

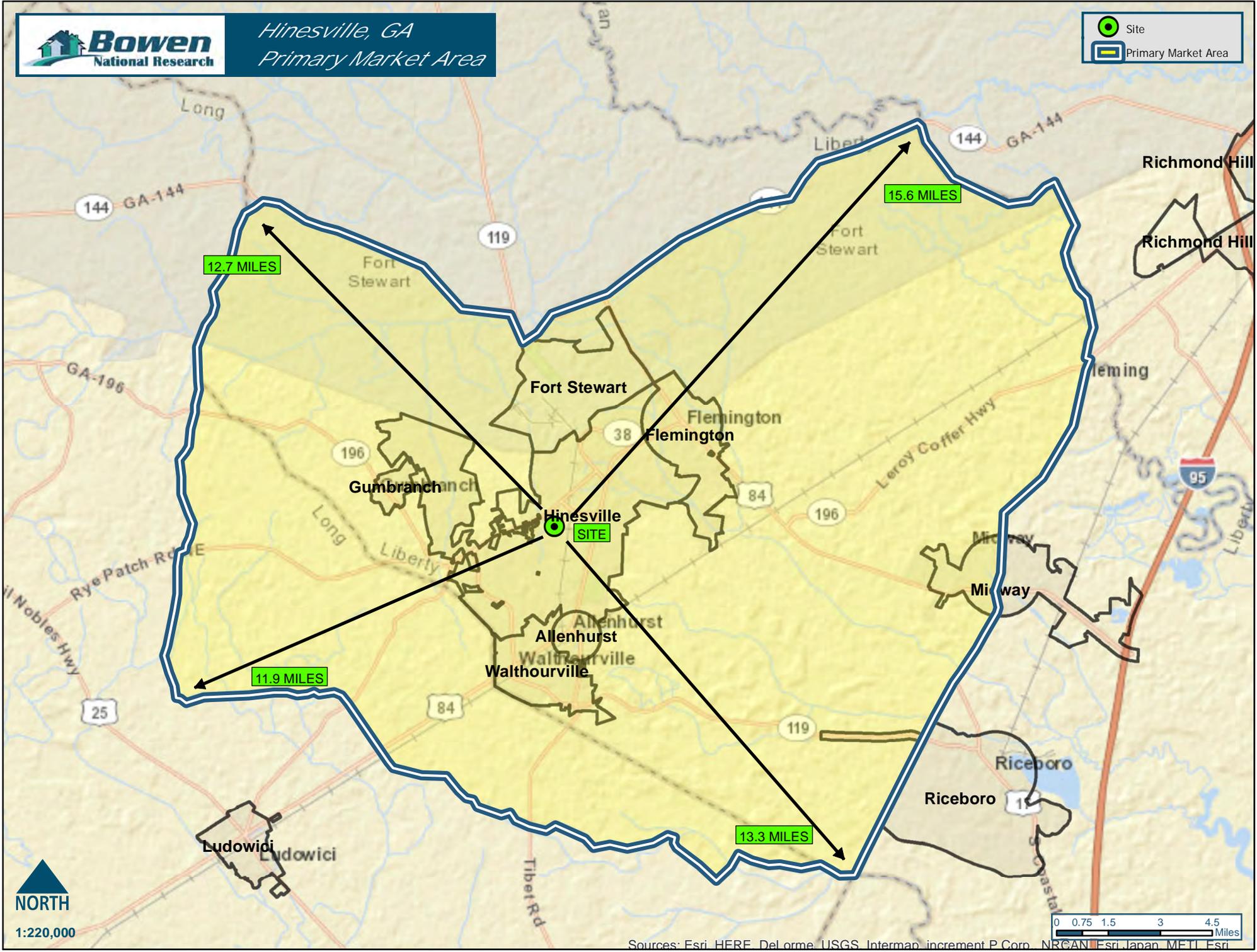
The areas to the north, south and west of the Site PMA are primarily rural, predominantly consisting of owner households that will not likely respond to an affordable apartment community. Areas to the east of the Site PMA predominantly consist of high-income households that will not likely qualify to reside at a LIHTC project.

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



Hinesville, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:220,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

SECTION E - COMMUNITY DEMOGRAPHIC DATA

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2014 (estimated) and 2016 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2014 (Estimated)	2016 (Projected)
Population	60,612	63,625	68,428	71,075
Population Change	-	3,013	4,803	2,646
Percent Change	-	5.0%	7.5%	3.9%

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

The Hinesville Site PMA population base increased by 3,013 between 2000 and 2010. This represents a 5.0% increase over the 2000 population, or an annual rate of 0.5%. Between 2010 and 2014, the population increased by 4,803, or 7.5%. It is projected that the population will increase by 2,646, or 3.9%, between 2014 and 2016.

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

Population by Age	2010 (Census)		2014 (Estimated)		2016 (Projected)		Change 2014-2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	22,047	34.7%	23,054	33.7%	23,821	33.5%	767	3.3%
20 to 24	6,877	10.8%	7,256	10.6%	7,133	10.0%	-122	-1.7%
25 to 34	10,861	17.1%	12,447	18.2%	13,239	18.6%	792	6.4%
35 to 44	7,840	12.3%	8,015	11.7%	8,344	11.7%	329	4.1%
45 to 54	7,719	12.1%	7,499	11.0%	7,352	10.3%	-148	-2.0%
55 to 64	4,874	7.7%	5,887	8.6%	6,294	8.9%	406	6.9%
65 to 74	2,257	3.5%	2,915	4.3%	3,354	4.7%	438	15.0%
75 & Over	1,147	1.8%	1,355	2.0%	1,538	2.2%	184	13.6%
Total	63,622	100.0%	68,428	100.0%	71,075	100.0%	2,646	3.9%

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

As the preceding table illustrates, nearly 50% of the population is expected to be between 25 and 64 years old in 2014. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2014 (Estimated)	2016 (Projected)
Households	18,831	21,878	23,739	24,788
Household Change	-	3,047	1,861	1,050
Percent Change	-	16.2%	8.5%	4.4%
Household Size	3.22	2.91	2.77	2.76

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

Within the Hinesville Site PMA, households increased by 3,047 (16.2%) between 2000 and 2010. Between 2010 and 2014, households increased by 1,861 or 8.5%. By 2016, there will be 24,788 households, an increase of 1,050 households, or 4.4% from 2014. This is an increase of approximately 525 households annually over the next two years, indicating that the demand for housing will likely increase through 2016.

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

Households by Age	2010 (Census)		2014 (Estimated)		2016 (Projected)		Change 2014-2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	2,385	10.9%	2,421	10.2%	2,400	9.7%	-20	-0.8%
25 to 34	5,523	25.2%	6,357	26.8%	6,754	27.3%	398	6.3%
35 to 44	4,338	19.8%	4,470	18.8%	4,647	18.8%	178	4.0%
45 to 54	4,468	20.4%	4,364	18.4%	4,263	17.2%	-101	-2.3%
55 to 64	2,974	13.6%	3,491	14.7%	3,715	15.0%	224	6.4%
65 to 74	1,424	6.5%	1,776	7.5%	2,037	8.2%	261	14.7%
75 to 84	601	2.7%	714	3.0%	788	3.2%	74	10.4%
85 & Over	165	0.8%	143	0.6%	180	0.7%	37	26.0%
Total	21,878	100.0%	23,736	100.0%	24,786	100.0%	1,050	4.4%

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

Between 2014 and 2016, the greatest growth among household age groups is projected to be among the households ages 55 and older, an increase of 596, or 9.7%. Household growth is also occurring at a moderate rate among households between the ages of 25 and 44, an increase of 576, or 5.3%. This indicates that there will be an increasing need for housing for both families and seniors in the market.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2014 (Estimated)		2016 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	9,095	41.6%	8,733	36.8%	9,013	36.4%
Owner-Occupied (Age 62+)	2,333	10.7%	2,962	12.5%	3,287	13.3%
Renter-Occupied (<Age 62)	9,818	44.9%	11,439	48.2%	11,792	47.6%
Renter-Occupied (Age 62+)	632	2.9%	605	2.5%	697	2.8%
Total	21,878	100.0%	23,739	100.0%	24,788	100.0%

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

Currently, it is estimated that 48.2% of all occupied housing units within the Site PMA are occupied by renters under the age of 62.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2014 (Estimated)		2016 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,428	52.2%	11,695	49.3%	12,300	49.6%
Renter-Occupied	10,450	47.8%	12,044	50.7%	12,489	50.4%
Total	21,878	100.0%	23,739	100.0%	24,788	100.0%

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

As the preceding table illustrates, renter households are projected to increase by 445, or 3.7% between 2014 and 2016. This indicates that the demand for rental housing within the Hinesville Site PMA will increase in the foreseeable future.

The household sizes by tenure within the Site PMA, based on the 2014 estimates and 2016 projections, were distributed as follows:

Persons Per Renter Household	2014 (Estimated)		2016 (Projected)		Change 2014-2016	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,818	23.4%	2,948	23.6%	130	4.6%
2 Persons	3,107	25.8%	3,227	25.8%	120	3.9%
3 Persons	2,535	21.0%	2,624	21.0%	89	3.5%
4 Persons	1,918	15.9%	1,978	15.8%	60	3.1%
5 Persons+	1,667	13.8%	1,712	13.7%	45	2.7%
Total	12,044	100.0%	12,489	100.0%	444	3.7%

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

Persons Per Owner Household	2014 (Estimated)		2016 (Projected)		Change 2014-2016	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,293	19.6%	2,442	19.9%	148	6.5%
2 Persons	3,892	33.3%	4,097	33.3%	204	5.2%
3 Persons	2,484	21.2%	2,611	21.2%	128	5.1%
4 Persons	1,709	14.6%	1,785	14.5%	76	4.5%
5 Persons+	1,316	11.3%	1,365	11.1%	49	3.7%
Total	11,695	100.0%	12,300	100.0%	605	5.2%

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

The subject site will target one- to five-person households, which comprise nearly all renter households within the Site PMA. As such, the subject development will be able to accommodate the majority of renter households based on household size.

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

Household Income	2010 (Census)		2014 (Estimated)		2016 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,991	9.1%	2,341	9.9%	2,349	9.5%
\$10,000 to \$19,999	2,675	12.2%	2,692	11.3%	2,660	10.7%
\$20,000 to \$29,999	2,891	13.2%	3,080	13.0%	3,105	12.5%
\$30,000 to \$39,999	2,669	12.2%	3,186	13.4%	3,280	13.2%
\$40,000 to \$49,999	2,657	12.1%	2,627	11.1%	2,681	10.8%
\$50,000 to \$59,999	2,224	10.2%	2,249	9.5%	2,306	9.3%
\$60,000 to \$74,999	2,511	11.5%	2,544	10.7%	2,656	10.7%
\$75,000 to \$99,999	2,598	11.9%	2,865	12.1%	3,060	12.3%
\$100,000 to \$124,999	1,005	4.6%	1,217	5.1%	1,483	6.0%
\$125,000 to \$149,999	212	1.0%	355	1.5%	516	2.1%
\$150,000 to \$199,999	296	1.4%	333	1.4%	364	1.5%
\$200,000 & Over	150	0.7%	252	1.1%	329	1.3%
Total	21,878	100.0%	23,739	100.0%	24,788	100.0%
Median Income	\$42,685		\$42,177		\$43,733	

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

In 2010, the median household income was \$42,685. This declined by 1.2% to \$42,177 in 2014. By 2016, it is projected that the median household income will be \$43,733, an increase of 3.7% from 2014.

The following tables illustrate renter household income by household size for 2010, 2014 and 2016 for the Hinesville Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	470	210	280	198	141	1,299
\$10,000 to \$19,999	416	540	262	230	199	1,646
\$20,000 to \$29,999	380	529	413	292	160	1,774
\$30,000 to \$39,999	362	344	368	200	196	1,470
\$40,000 to \$49,999	383	261	302	146	145	1,237
\$50,000 to \$59,999	173	264	230	130	208	1,004
\$60,000 to \$74,999	63	223	190	226	140	842
\$75,000 to \$99,999	39	260	117	161	235	812
\$100,000 to \$124,999	16	69	39	68	17	209
\$125,000 to \$149,999	11	9	7	7	3	36
\$150,000 to \$199,999	14	16	16	9	14	68
\$200,000 & Over	7	12	13	15	7	52
Total	2,333	2,736	2,237	1,680	1,463	10,450

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2014 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	570	285	355	236	159	1,606
\$10,000 to \$19,999	474	554	277	212	226	1,743
\$20,000 to \$29,999	465	520	441	314	191	1,931
\$30,000 to \$39,999	499	456	441	275	257	1,928
\$40,000 to \$49,999	444	277	312	144	161	1,338
\$50,000 to \$59,999	190	294	254	164	233	1,135
\$60,000 to \$74,999	78	255	229	301	156	1,019
\$75,000 to \$99,999	33	312	140	182	236	903
\$100,000 to \$124,999	20	112	51	46	16	244
\$125,000 to \$149,999	16	11	11	9	11	58
\$150,000 to \$199,999	10	17	7	4	14	52
\$200,000 & Over	18	16	16	30	7	87
Total	2,818	3,107	2,535	1,918	1,667	12,044

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2016 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	585	285	358	233	163	1,624
\$10,000 to \$19,999	478	541	280	202	222	1,723
\$20,000 to \$29,999	472	527	446	313	186	1,944
\$30,000 to \$39,999	517	451	438	283	267	1,956
\$40,000 to \$49,999	478	289	328	150	164	1,410
\$50,000 to \$59,999	201	305	264	169	241	1,181
\$60,000 to \$74,999	87	277	242	325	164	1,095
\$75,000 to \$99,999	40	350	158	194	244	986
\$100,000 to \$124,999	27	144	63	54	18	305
\$125,000 to \$149,999	23	19	17	13	17	89
\$150,000 to \$199,999	14	18	9	3	15	58
\$200,000 & Over	26	22	21	38	11	119
Total	2,948	3,227	2,624	1,978	1,712	12,489

Source: Ribbon Demographics; ESRI; Urban Decision Group

Demographic Summary

Overall, population and households have experienced positive growth since 2000. These trends are projected to remain positive, increasing by 2,646 (3.9%) and 1,050 (4.4%), respectively, between 2014 and 2016. Renter households are projected to increase by 445 (3.7%) between the same time period. The projected 12,489 renter households in 2016 within the market represent a significant base of potential support for the subject development. In addition, the subject project will be able to accommodate nearly all of the Site PMA's renter households based on household size. Overall, the demographic trends contained within this report demonstrate an increasing base of potential support for the proposed development.

Data from the preceding tables is used in our demand estimates.

SECTION F - ECONOMIC TRENDS

1. LABOR FORCE PROFILE

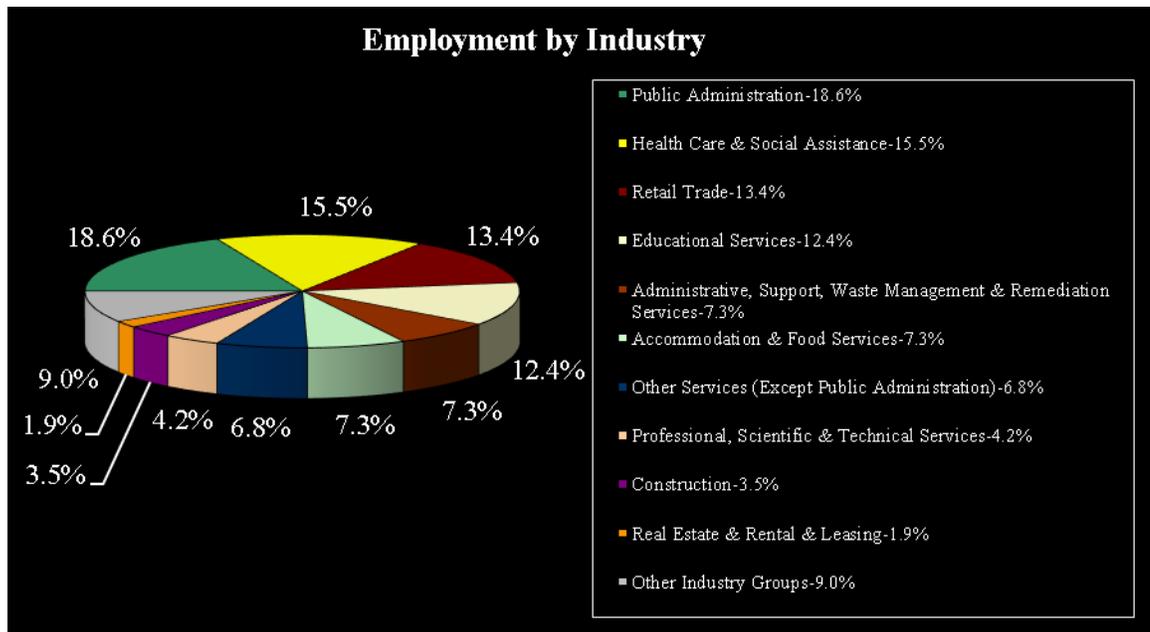
The labor force within the Hinesville Site PMA is based primarily in four sectors. Public Administration (which comprises 18.6%), Health Care & Social Assistance, Retail Trade and Educational Services comprise approximately 60% of the Site PMA labor force. Employment in the Hinesville Site PMA, as of 2014, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	9	0.5%	62	0.4%	6.9
Mining	1	0.1%	20	0.1%	20.0
Utilities	4	0.2%	50	0.4%	12.5
Construction	129	6.7%	490	3.5%	3.8
Manufacturing	36	1.9%	205	1.5%	5.7
Wholesale Trade	40	2.1%	106	0.8%	2.7
Retail Trade	227	11.8%	1,891	13.4%	8.3
Transportation & Warehousing	60	3.1%	229	1.6%	3.8
Information	32	1.7%	144	1.0%	4.5
Finance & Insurance	49	2.6%	249	1.8%	5.1
Real Estate & Rental & Leasing	100	5.2%	267	1.9%	2.7
Professional, Scientific & Technical Services	154	8.0%	591	4.2%	3.8
Management of Companies & Enterprises	3	0.2%	8	0.1%	2.7
Administrative, Support, Waste Management & Remediation Services	411	21.4%	1,033	7.3%	2.5
Educational Services	52	2.7%	1,744	12.4%	33.5
Health Care & Social Assistance	139	7.3%	2,188	15.5%	15.7
Arts, Entertainment & Recreation	29	1.5%	196	1.4%	6.8
Accommodation & Food Services	100	5.2%	1,030	7.3%	10.3
Other Services (Except Public Administration)	276	14.4%	953	6.8%	3.5
Public Administration	66	3.4%	2,618	18.6%	39.7
Total	1,917	100.0%	14,074	100.0%	7.3

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Hinesville-Fort Stewart Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Hinesville-Fort Stewart MSA	Georgia
Management Occupations	\$79,430	\$107,610
Business and Financial Occupations	\$61,350	\$70,200
Computer and Mathematical Occupations	\$63,190	\$78,100
Architecture and Engineering Occupations	\$73,580	\$74,830
Community and Social Service Occupations	\$46,460	\$42,570
Art, Design, Entertainment and Sports Medicine Occupations	\$48,580	\$49,030
Healthcare Practitioners and Technical Occupations	\$62,440	\$71,280
Protective Service Occupations	\$40,800	\$33,650
Food Preparation and Serving Related Occupations	\$18,150	\$19,720
Building and Grounds Cleaning and Maintenance Occupations	\$24,370	\$23,850
Personal Care and Service Occupations	\$23,100	\$22,810
Sales and Related Occupations	\$23,310	\$35,990
Office and Administrative Support Occupations	\$31,120	\$33,340
Construction and Extraction Occupations	\$45,270	\$38,160
Installation, Maintenance and Repair Occupations	\$39,070	\$42,140
Production Occupations	\$35,500	\$31,520
Transportation and Moving Occupations	\$30,850	\$34,450

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

Most annual blue-collar salaries range from -\$8 to \$48,580 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$67,998. It is important to note that most occupational types within the MSA have generally lower typical wages than the State of Georgia's typical wages. The area employment base has a sufficient number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest employers within the Liberty County area comprise a total of 7,589 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Fort Stewart	Defense	2,696
Liberty County Board of Education	Education	1,493
SNF	Chemical Manufacturer	936
Liberty Regional Medical Center	Healthcare	525
Wal-Mart Super Center	Retail	475
Target	Retail Distributor	470
Liberty County Board of Commissioners	Government	333
Interstate Paper LLC	Manufacturer	230
The Heritage Bank	Bank	220
City of Hinesville	Government	211
Total		7,589

Source: Liberty County Development of Georgia (2013)

According to a representative with the Liberty County Development Authority the economy is improving, as troops have been returning home from Iraq and Afghanistan. The following are summaries of key factors impacting the local economy:

- Firth Rixson, an advanced aircraft engine parts manufacturer located in Midway, signed an agreement in 2013 with Rolls-Royce that extends from 2015 to 2022, worth an approximate \$500 million, for the supply of seamless rolled rings. The number of jobs created was not available at this time.
- Florapharm Tea USA, a tea distributor headquartered in Germany, opened a facility in the Hinesville Technology Park in 2012. Florapharm hopes to create 50 additional jobs within the next five years due to increased demand.

- Hugo Boss, a German-based clothing company, located in Liberty County, recently expanded its facility and it is anticipated to create 100 new jobs by the end of 2015.
- The Armstrong Atlantic State University's Liberty Center expansion was approved in early 2013, and is expected to accept students for the spring 2015 semester. The new facility will provide increased opportunities for the residents of Liberty and surrounding counties, as well as the soldiers and military families from Fort Stewart. Construction of the Liberty Center expansion will help meet the growing demand for higher education options in the Hinesville area. Liberty Center currently offers associate's degrees in arts and applied sciences, as well as bachelor's degrees in areas including criminal justice, nursing, early childhood education, middle grades education and liberal studies. Once complete, the Liberty Center expansion will allow the university to offer new programs in a variety of fields, including programs tailored for working professionals and the military.
- A total of \$2 million in grant funding has been awarded to Liberty County for public-safety equipment, enhancement of the Irene B. Thomas Park, Azalea Street redevelopment, assistance to public-service agencies and homeless-prevention services. This will also include the development of a new downtown public library, the Central Avenue realignment and continued preservation of the Old Liberty County Jail, along with efforts to recruit more retail, mixed-use and residential development.
- A new VA primary-care clinic is anticipated to open June 2014. The VA clinic will be the largest in the southeastern region of Georgia, which is necessary due to the large number of veterans in Liberty County. Employment numbers were not available at this time.
- Two road construction projects underway include the widening of Veterans Parkway from E.G. Miles Parkway into Fort Stewart, as well as the widening of Airport Road into four-lanes from U.S. Highway 84 to Fort Stewart.

- The MidCoast Regional Airport will benefit from \$1 million in Airport Aid Program funds to extend its runway. The Georgia Department of Transportation indicated the project may start by the end of 2014. Several items such as land and hanger lease, new hangar construction and all of the permitting required for such still remains unresolved, but eliminating the runway-extension issue will be a major accomplishment. Expansions are necessary for the airport to bring in heavy aircraft with wingspans of 84 feet. The proposed runway expansion would extend the runway from 5,000 to 6,500 feet.

WARN (layoff notices):

According to the Georgia Department of Labor site, there have been no WARN notices reported for Liberty County since 2012.

3. EMPLOYMENT TRENDS

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

Excluding 2014, the employment base has declined by 4.8% over the past five years in Liberty County, while the state of Georgia increased by 1.9%. Total employment reflects the number of employed persons who live within the county.

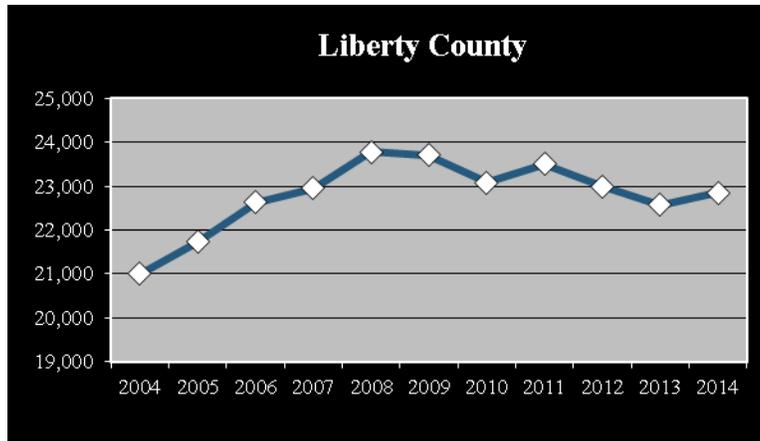
The following illustrates the total employment base for Liberty County, Georgia and the United States.

Year	Total Employment					
	Liberty County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2004	21,003	-	4,249,007	-	139,967,126	-
2005	21,731	3.5%	4,375,178	3.0%	142,299,506	1.7%
2006	22,641	4.2%	4,500,150	2.9%	145,000,043	1.9%
2007	22,957	1.4%	4,587,739	1.9%	146,388,369	1.0%
2008	23,786	3.6%	4,540,706	-1.0%	146,047,748	-0.2%
2009	23,705	-0.3%	4,295,453	-5.4%	140,696,560	-3.7%
2010	23,079	-2.6%	4,235,015	-1.4%	140,457,589	-0.2%
2011	23,505	1.8%	4,279,820	1.1%	141,727,933	0.9%
2012	22,998	-2.2%	4,342,275	1.5%	143,566,680	1.3%
2013	22,577	-1.8%	4,378,029	0.8%	144,950,662	1.0%
2014*	22,852	1.2%	4,410,974	0.8%	145,255,452	0.2%

Source: Department of Labor; Bureau of Labor Statistics

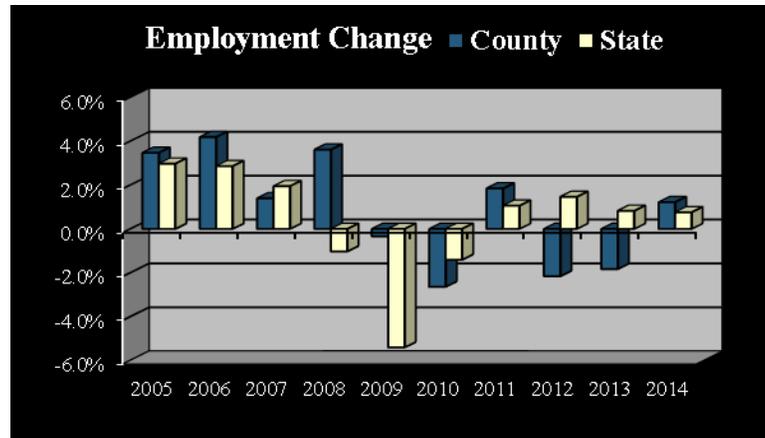
*Through April





As the preceding illustrates, the Liberty County employment base experienced growth between 2004 and 2008. Between 2008 and 2010, the county's employment base declined; however, it was not as severe as economic trends experienced by much of the country during the national recession. Since 2010, despite minor fluctuations, the employment base within Liberty County has generally been stable.

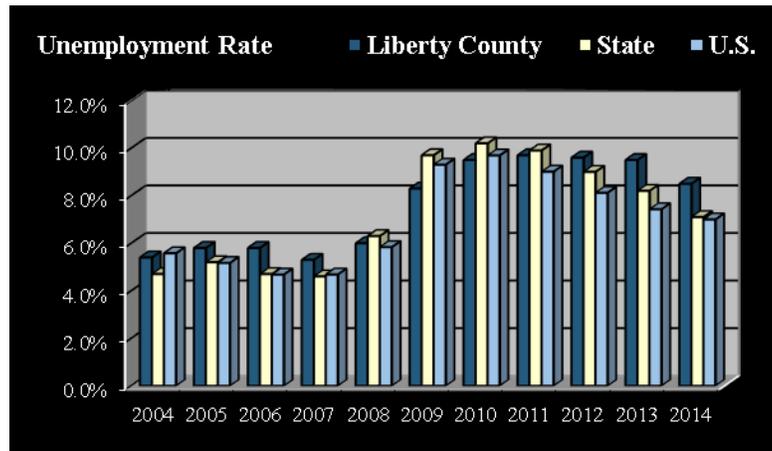
The following table illustrates the percent change in employment for Liberty County and Georgia.



Unemployment rates for Liberty County, Georgia and the United States are illustrated as follows:

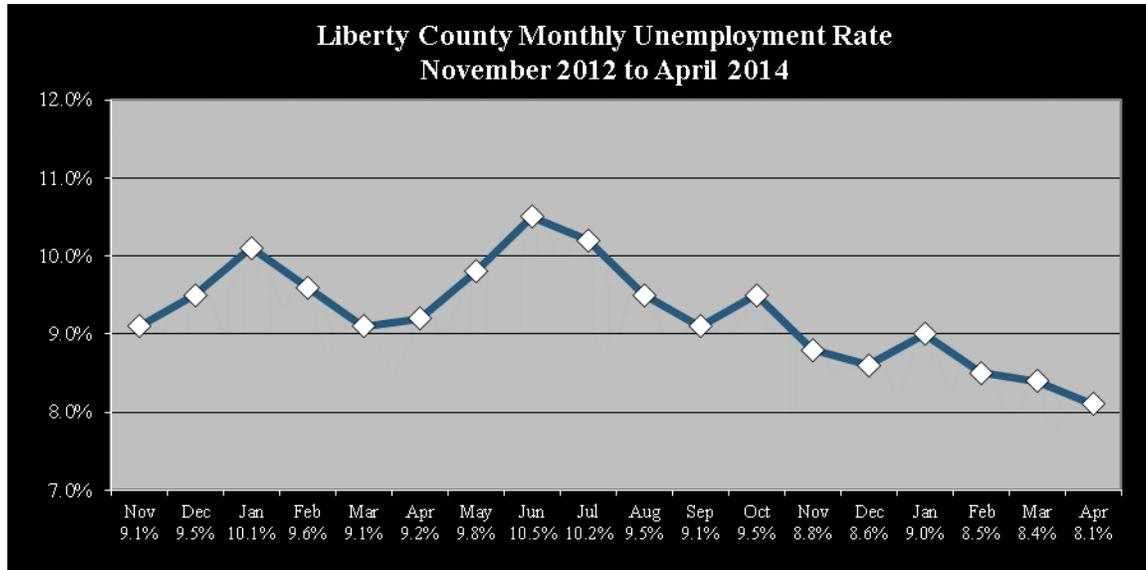
Year	Unemployment Rate		
	Liberty County	Georgia	United States
2004	5.4%	4.7%	5.6%
2005	5.8%	5.2%	5.2%
2006	5.8%	4.7%	4.7%
2007	5.3%	4.6%	4.7%
2008	6.0%	6.3%	5.8%
2009	8.3%	9.7%	9.3%
2010	9.5%	10.2%	9.7%
2011	9.7%	9.9%	9.0%
2012	9.6%	9.0%	8.1%
2013	9.5%	8.2%	7.4%
2014*	8.5%	7.1%	7.0%

Source: Department of Labor, Bureau of Labor Statistics
 *Through April



The unemployment rate in Liberty County has ranged between 5.3% and 9.7%, generally above both state and national averages since 2004. As the preceding table illustrates, the county's unemployment rate increased by over four percentage points between 2007 and 2011, similar to trends experienced by much of the nation during this time period. On a positive note, the county's unemployment rate has consistently decreased over the preceding four-year period. However, the current unemployment rate is still considered high, averaging 8.5% (through April 2014), and is above prerecession levels.

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



As the preceding table illustrates, despite fluctuations in the county's unemployment rate within the preceding 18-month period, it has generally been declining. It is noteworthy to point that the monthly unemployment rate between November 2013 and April 2014 is considerably lower than that reported in the corresponding months in 2012 and 2013.

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

In-Place Employment Liberty County			
Year	Employment	Change	Percent Change
2003	14,842	-	-
2004	15,764	922	6.2%
2005	16,055	291	1.8%
2006	16,766	711	4.4%
2007	16,712	-54	-0.3%
2008	17,685	973	5.8%
2009	17,637	-48	-0.3%
2010	18,108	471	2.7%
2011	18,525	417	2.3%
2012	18,185	-340	-1.8%
2013*	18,223	38	0.2%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2012, the most recent year that year-end figures are available, indicates in-place employment in Liberty County to be 79.1% of the total Liberty County employment. This means that Liberty County has more employed persons staying in the county for daytime employment than those who work outside the county. This indicates that there is likely a large share of nearby employment opportunities from which residents of the subject project could choose. This should contribute to its marketability.

4. ECONOMIC FORECAST

According to representatives with the Liberty County Development Authority, the local economy is improving, as there have been several announcements of business expansions within the past year. Based on ESRI data and employment data from the Bureau of Labor Statistics, the county's employment base, despite minor fluctuations, has generally been stable since 2010. Conversely, the unemployment rate has consistently declined over the preceding four-year period. However, the current unemployment rate of 8.5% (through April 2014), is considered high and is still above prerecession levels.

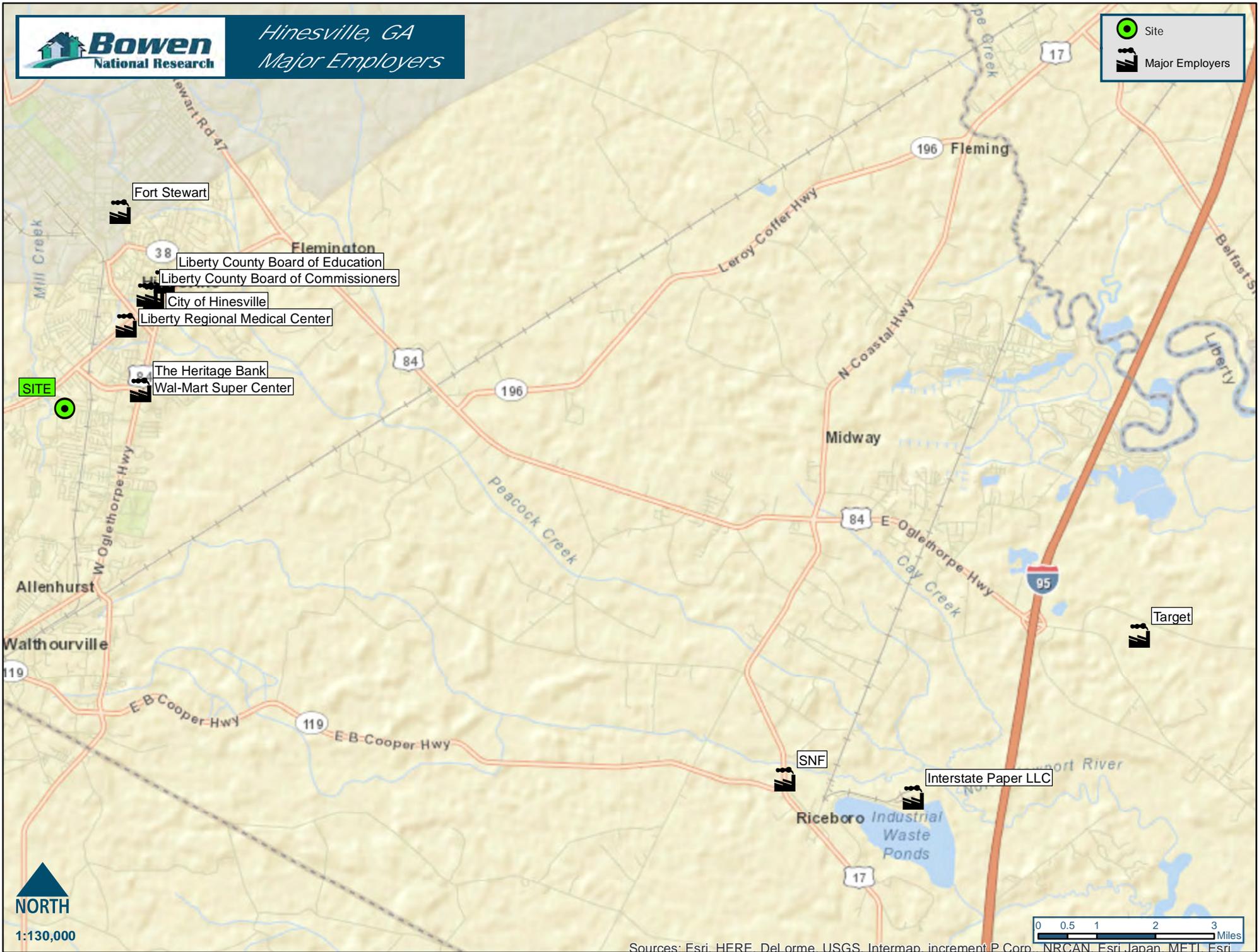
Considering the high unemployment rate the need for affordable housing has remained strong, as evidenced by the high occupancies of the low-income housing projects in the Site PMA. In addition, a high rate of unemployment contributes to the demand for affordable housing, as households with lower incomes due to unemployment or underemployment may not be able to afford their current housing costs. The subject site will provide a good quality and affordable housing option in an economy where lower-wage employees are most vulnerable.

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

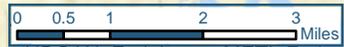


Hinesville, GA Major Employers

- Site
- Major Employers



NORTH
1:130,000



SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Hinesville-Fort Stewart, Georgia HUD Metro FMR Area, which has a four-person median household income of \$50,000 for 2014. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$17,500	\$21,000
Two-Person	\$20,000	\$24,000
Three-Person	\$22,500	\$27,000
Four-Person	\$25,000	\$30,000
Five-Person	\$27,000	\$32,400

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$32,400**.

b. Minimum Income Requirements

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

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$466 (at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,592.

Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$15,977**.

Since 11 one-bedroom units at the proposed development will have a Section 811 subsidy available that will target disabled (mentally and/or physically) persons, such persons will be required to pay up to 30% of their gross adjusted gross income towards housing costs. Therefore, such persons could effectively have no income and qualify to reside at the subject project. Capture rates have been calculated for the project in the unlikely event it did not offer a project-based subsidy on the 11 one-bedroom units and exclusively operated under LIHTC program guidelines, as well as proposed with the subsidy, targeting persons with a disability.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units operating exclusively under the LIHTC program are as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited to 50% of AMHI)	\$15,977	\$27,000
Tax Credit (Limited to 60% of AMHI)	\$19,234	\$32,400
Overall LIHTC Demand	\$15,977	\$32,400

2. METHODOLOGY

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2010 renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households.*



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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2006-2010 5-year estimates, approximately 43.9% to 53.8% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2006-2010 5-year estimates, 3.0% of all households in the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

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

Net Demand

The overall demand components illustrated above are added together and the competitive supply of developments awarded and/or constructed from 2012 to the present is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2012 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

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

Renaissance Park was recently awarded Tax Credit financing in 2013. This project will include 16 one- and 26 two-bedroom units targeting senior households ages 55 and older. Considering that this project will target a different demographic than that of the subject site, this project is not considered competitive. In addition, all competitive LIHTC developments placed in service prior to 2012 are 100.0% occupied. As such, there were no LIHTC units included in this demand analysis.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income		
	50% (\$15,977 To \$27,000)	60% (\$19,234 To \$32,400)	Overall (\$15,977 To \$32,400)
Demand From New Households (Age- And Income-Appropriate)	2,053 - 2,053 = 0	2,545 - 2,527 = 18	3,106 - 3,095 = 11
+			
Demand From Existing Households (Rent Overburdened)	2,053 X 53.8% = 1,105	2,527 X 43.9% = 1,109	3,095 X 49.9% = 1,544
+			
Demand From Existing Households (Renters In Substandard Housing)	2,053 X 3.0% = 62	2,527 X 3.0% = 76	3,095 X 3.0% = 93
=			
Demand Subtotal	1,167	1,203	1,648
+			
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A
=			
Total Demand	1,167	1,203	1,648
-			
Supply (Directly Comparable Units Built And/ Or Funded Since 2012)	0	0	0
=			
Net Demand	1,167	1,203	1,648
Proposed Units / Net Demand	22 / 1,167	50 / 1,203	72 / 1,648
Capture Rate	= 1.9%	= 4.2%	= 4.4%

N/A - Not applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the project's overall capture rate of 4.4% is considered low and easily achievable within the Hinesville Site PMA. This is especially true given the high occupancy rates and extensive waiting lists maintained among the existing affordable LIHTC rental product surveyed in the market. Note that the preceding and following demand analyses assume that all units at the proposed development will operate exclusively under LIHTC program guidelines. An analysis of the 11 one-bedroom units to operate with a project-based Section 811 subsidy targeting disabled persons (as proposed) is evaluated later in this section.

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

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	20.0%
Two-Bedroom	50.0%
Three-Bedroom	30.0%
Total	100.0%

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

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (20%)	50%	11	233	0	233	4.7%	1-2 Months	\$932	\$345
One-Bedroom (20%)	60%	1	240	0	240	0.4%	<1 Month	\$932	\$440
One-Bedroom	Total	12	473	0	473	2.5%	2 Months	\$932	\$353***
Two-Bedroom (50%)	50%	6	584	0	584	1.0%	<1 Month	\$1,019	\$400
Two-Bedroom (50%)	60%	24	602	0	602	4.0%	2-3 Months	\$1,019	\$515
Two-Bedroom	Total	30	1,186	0	1,186	2.5%	3 Months	\$1,019	492***
Three-Bedroom (30%)	50%	5	350	0	350	1.4%	<1 Month	\$1,084	\$455
Three-Bedroom (30%)	60%	25	361	0	361	6.9%	3-4 Months	\$1,084	\$585
Three-Bedroom	Total	30	711	0	711	4.2%	4 Months	\$1,084	\$563***

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

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

***Weighted Average

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

The capture rates by bedroom type and AMHI level, ranging from 0.4% to 6.9%, are considered low and achievable. This is especially true considering the high occupancy rates and extensive waiting lists maintained among the existing comparable LIHTC projects in the market, as well as fact that the proposed project will be the newest LIHTC community in the market.

Special Needs Households

As noted, the subject project will offer a project-based Section 811 subsidy on the 11 one-bedroom units (~15%) set aside at 50% of AMHI. These units will target persons with a physical and/or mental disability. Based on 2008-2012 American Community Survey (ACS) 5-Year Estimates Table S1810, there were 3,235 persons with some type of disability within Hinesville. While income data for such persons is not reported for those with a disability, most persons with a disability should qualify for the disabled special needs designation at the site. As a result, the 11 units set aside at the site for disabled persons represent a capture rate of only **0.3%** ($11 / 3,235 = 0.3\%$). This is a very low capture rate and indicates that there is a very large base of disabled persons that could respond to the subject site.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Hinesville Site PMA in 2010 and 2014 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2014 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	21,878	83.6%	23,739	84.0%
Owner-Occupied	11,428	52.2%	11,695	49.3%
Renter-Occupied	10,450	47.8%	12,044	50.7%
Vacant	4,287	16.4%	4,530	16.0%
Total	26,165	100.0%	28,268	100.0%

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

Based on a 2014 update of the 2010 Census, of the 28,268 total housing units in the market, 16.0% were vacant. In 2014, it was estimated that homeowners occupied 49.3% of all occupied housing units, while the remaining 50.7% were occupied by renters. The share of renters is considered high and the current 12,044 renter households represent a significant base of potential support in the market for the proposed development.

We identified and personally surveyed 16 conventional housing projects containing a total of 2,009 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.7%, a strong rate for rental housing. Among these projects, 11 are non-subsidized (market-rate and Tax Credit) projects containing 1,546 units. These non-subsidized units are 97.0% occupied. The remaining five projects contain 463 government-subsidized units, which are 100.0% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	8	1,373	46	96.6%
Market-rate/Tax Credit	1	80	0	100.0%
Tax Credit	2	93	0	100.0%
Government-Subsidized	5	463	0	100.0%
Total	16	2,009	46	97.7%

As the preceding table illustrates, all surveyed projects broken out by project type are maintaining strong occupancy levels, none lower than 96.6%. In fact, all affordable rental projects surveyed in the market are 100.0% occupied, all of which maintain extensive wait lists. Therefore, pent-up demand exists for additional affordable housing within the Hinesville Site PMA.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	42	3.0%	3	7.1%	\$640
One-Bedroom	1.0	472	34.0%	17	3.6%	\$1,061
Two-Bedroom	1.0	167	12.0%	15	9.0%	\$908
Two-Bedroom	2.0	309	22.2%	5	1.6%	\$1,196
Three-Bedroom	1.5	26	1.9%	0	0.0%	\$1,070
Three-Bedroom	2.0	45	3.2%	3	6.7%	\$1,466
Three-Bedroom	4.0	148	10.7%	2	1.4%	\$1,275
Four-Bedroom	4.0	180	13.0%	1	0.6%	\$1,398
Total Market-rate		1,389	100.0%	46	3.3%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	45	28.7%	0	0.0%	\$501
Two-Bedroom	1.0	35	22.3%	0	0.0%	\$607
Two-Bedroom	2.0	43	27.4%	0	0.0%	\$607
Three-Bedroom	2.0	34	21.7%	0	0.0%	\$800
Total Tax Credit		157	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit rents are significantly lower than the corresponding median gross market-rate rents. As such, Tax Credit properties likely represent excellent values to low-income renters within the market. This is further evidenced by the 100.0% occupancy and extensive wait lists among all Tax Credit projects surveyed. The subject project will be able to accommodate a portion of the unmet demand for such housing within the Hinesville Site PMA.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	918	1.3%
A-	1	16	0.0%
B+	1	54	9.3%
B	1	54	7.4%
B-	4	347	7.2%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	64	0.0%
B+	1	48	0.0%
B	1	45	0.0%

Vacancies are the highest among the market-rate properties with ratings of a "B+" or lower. All non-subsidized properties with ratings of an "A-" or higher are maintaining very low vacancy rates. As such, it can be concluded that high quality rental product has been very well received within the market. The proposed development is anticipated to be of excellent quality which will have a positive impact on its marketability.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of eight federally subsidized and Tax Credit apartment developments in the Hinesville Site PMA. These projects were surveyed in May 2014. They are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occup.	Gross Rent (Unit Mix)				
						Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Ashton Place	TAX	1996	48	100.0%	-	\$327 (10)	\$597 - \$682 (23)	\$698 - \$800 (15)	-
2	Baytree	SEC 8	1981	60	100.0%	-	\$862 (4)	\$1028 (40)	\$1196 (16)	-
5	Grove Park Apts.	TAX	1998	45	100.0%	-	\$501 (29)	\$577 (16)	-	-
9	Northgate Apts.	SEC 8	1980	80	100.0%	-	-	\$821 - \$853 (32)	\$1021 (40)	\$1129 (8)
11	Pineland Square	SEC 8	1975	76	100.0%	-	-	\$727 (56)	\$903 (18)	\$1010 (2)
12	Raintree	SEC 8	1980	200	100.0%	-	\$852 (32)	\$977 (112)	\$1120 (48)	\$1299 (8)
14	Pines at Willowbrook	TAX	2003	64*	100.0%	-	\$506 - \$600 (6)	\$607 - \$720 (39)	\$701 - \$831 (19)	-
16	301 Olive St.	P.H.	1971	47	100.0%	\$383 (6)	\$425 (14)	\$492 (18)	\$678 (5)	\$796 (4)
Total				620	100.0%					

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

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

P.H. - Public Housing

*Market-rate units not included

The overall occupancy is 100.0% for these affordable projects, of which all maintain extensive wait lists. As such, pent-up demand exists for affordable housing within the Site PMA.

Housing Choice Voucher Holders

According to a representative with the Georgia Department of Community Affairs' (GDCA) Waycross Regional Office, there are approximately 132 Housing Choice Voucher holders in use within the office's jurisdiction. Currently there are no persons/households on the waiting list for additional Vouchers. The waiting list is closed and it is unknown as to when it will reopen again. The annual turnover of persons in the Voucher program was unavailable at the time of this report. Although modest, the 132 Housing Choice Vouchers currently in use within the jurisdiction of this regional GDCA office reflects the need for Housing Choice Voucher assistance within the area.

The following table identifies the competitive/comparable LIHTC properties that accept Housing Choice Vouchers as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
1	Ashton Place	48	6	12.5%
14	Pines at Willowbrook	64*	6	9.4%
902	Twin Oaks Apts.	40	4	10.0%
Total		152	16	10.5%

*Tax Credit units only
902 Map ID located outside of Site PMA

As the preceding table illustrates, approximately 16 units are occupied by Voucher holders out of the 152 units, comprising 10.5% of the total competitive/comparable LIHTC units in the market and region. Specifically, 12 units are occupied by Voucher holder out of the 112 LIHTC units in the market, comprising 10.7% of the total competitive LIHTC units in the Site PMA. This indicates that nearly 90% of the two competitive LIHTC projects in the market are occupied by tenants which are not currently receiving rental assistance. Given that these competitive LIHTC projects are 100.0% occupied, illustrate that the gross rents being charged at these projects are achievable.

If the rents do not exceed Fair Market Rents, some households with Housing Choice Vouchers may be eligible to reside at a LIHTC project. The following table outlines the HUD 2014 Fair Market Rents for the Hinesville-Fort Stewart, Georgia HUD Metro FMR Area and the proposed subject gross rents at the subject project:

Bedroom Type	Fair Market Rents	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$598	\$466 (50%) \$561 (60%)
Two-Bedroom	\$747	\$557 (50%) \$672 (60%)
Three-Bedroom	\$1,054	\$645 (50%) \$775 (60%)

As the preceding illustrates, all of the subject's proposed gross rents are set below current Fair Market Rents. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will likely increase the base of income-appropriate renter households within the Hinesville Site PMA for the subject development and has been considered in our absorption estimates in Section I of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with building and planning representatives within the Site PMA, it was determined that there are various apartment projects within the pipeline. These pipeline developments are summarized in the following table:

Project Name (Location)	Developer	Project Type	Total Units	Project Specifics	Development Status	Anticipated Opening Date
Ashley Place (311 Plantation Way, Hinesville)	Connelly Builders	MRR	Up to 240 units	Family; 1- and 2-BR	Proposed	N/A
TBD (845 Willowbrook Dr., Hinesville)	JPM Group LLC	TAX	72 units	Family; 1- and 2-BR	Proposed; has not been allocated per Georgia's Tax Credit list	N/A
Pines at Willowbrook II (843 Willowbrook Dr., Hinesville)	ABP Associates	MRT	96 units	Family; 1- to 3-BR	Proposed; has not been allocated per Georgia's Tax Credit list	N/A
Renaissance Park (205-207 East Memorial Drive, Hinesville)	W.H. Gross Construction	TAX	42 units	Senior (55+); 1- and 2-BR	Approved; has not broke ground	N/A
Beverly Searle's Foundation (Fort Howard Road, Hinesville)	N/A	TAX	60 units	Seniors; 1- and 2-BR	Zoning approved; has not been allocated per Georgia's Tax Credit list	N/A

TBD - To be determined
 N/A - Not available
 MRR - Market-rate
 TAX - Tax Credit

Considering that the aforementioned projects are either within very preliminary phases of development or target a different demographic than that of the proposed development, they are not likely to have an impact on the marketability of the subject project. As noted, none of these projects, with the exception of Renaissance Park, are on the state of Georgia's Tax Credit allocation list.

Building Permit Data

The following table illustrates single-family and multifamily building permits issued within the city of Hinesville and Liberty County for the past ten years:

Housing Unit Building Permits for Liberty County:										
Permits	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Multifamily Permits	10	2	12	264	0	252	0	0	0	0
Single-Family Permits	311	335	259	211	222	135	111	201	219	192
Total Units	321	337	271	475	222	387	111	201	219	192

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

Housing Unit Building Permits for Hinesville, GA:										
Permits	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Multifamily Permits	10	2	12	264	0	252	0	0	0	0
Single-Family Permits	107	112	84	58	66	71	59	142	164	130
Total Units	117	114	96	322	66	323	59	142	164	130

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

As the preceding tables indicate, there have been no multifamily building permits issued within Hinesville or Liberty County since 2009. Given the anticipated demographic growth, specifically among renter households, within the market, the combined occupancy rate of all rental projects identified and surveyed in the market of 97.7% and based on the limited number of multifamily building permits issued, it is likely that there is greater demand for additional rental housing units within the Site PMA.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified two family (general-occupancy) projects that offer non-subsidized Low-Income Housing Tax Credit (LIHTC) units within the Hinesville Site PMA. These properties target households with incomes of up to 30%, 50% and/or 60% of Area Median Household Income (AMHI); therefore, these properties are considered competitive with the proposed subject development.

Given the lack of general-occupancy LIHTC housing within the Site PMA, we identified and surveyed one family LIHTC community outside of the Site PMA, but within the region, in the town of Ludowici (11.9 miles from the site). This one project targets households with incomes up to 50% of AMHI and is considered comparable. It should be noted that this project is not considered competitive with the proposed subject development, as it derives demographic support from a different geographical area. As such, this project has been included for comparison purposes only. These three LIHTC properties and the proposed subject development are summarized in the table on the following page.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Liberty Place Apartments	2016	72	-	-	-	Families; 50% & 60% AMHI & Section 811
1	Ashton Place	1996	48	100.0%	3.1 Miles	6-24 Months	Families; 30%, 50%, & 60% AMHI
14	Pines at Willowbrook	2003	64*	100.0%	0.8 Miles	90 Days	Families; 50% & 60% AMHI
902	Twin Oaks Apartments	2000	40	100.0%	11.9 Miles	8-12 Months	Families; 50% AMHI

OCC. - Occupancy

*Tax Credit units only

Map ID 902 is located outside of Site PMA

The three LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This indicates that pent-up demand exists for affordable housing in both the market and region. Given that there are only two general-occupancy LIHTC projects within the market, which are 100.0% occupied, the subject project will provide a rental housing alternative to low-income households which is currently underserved in the market.

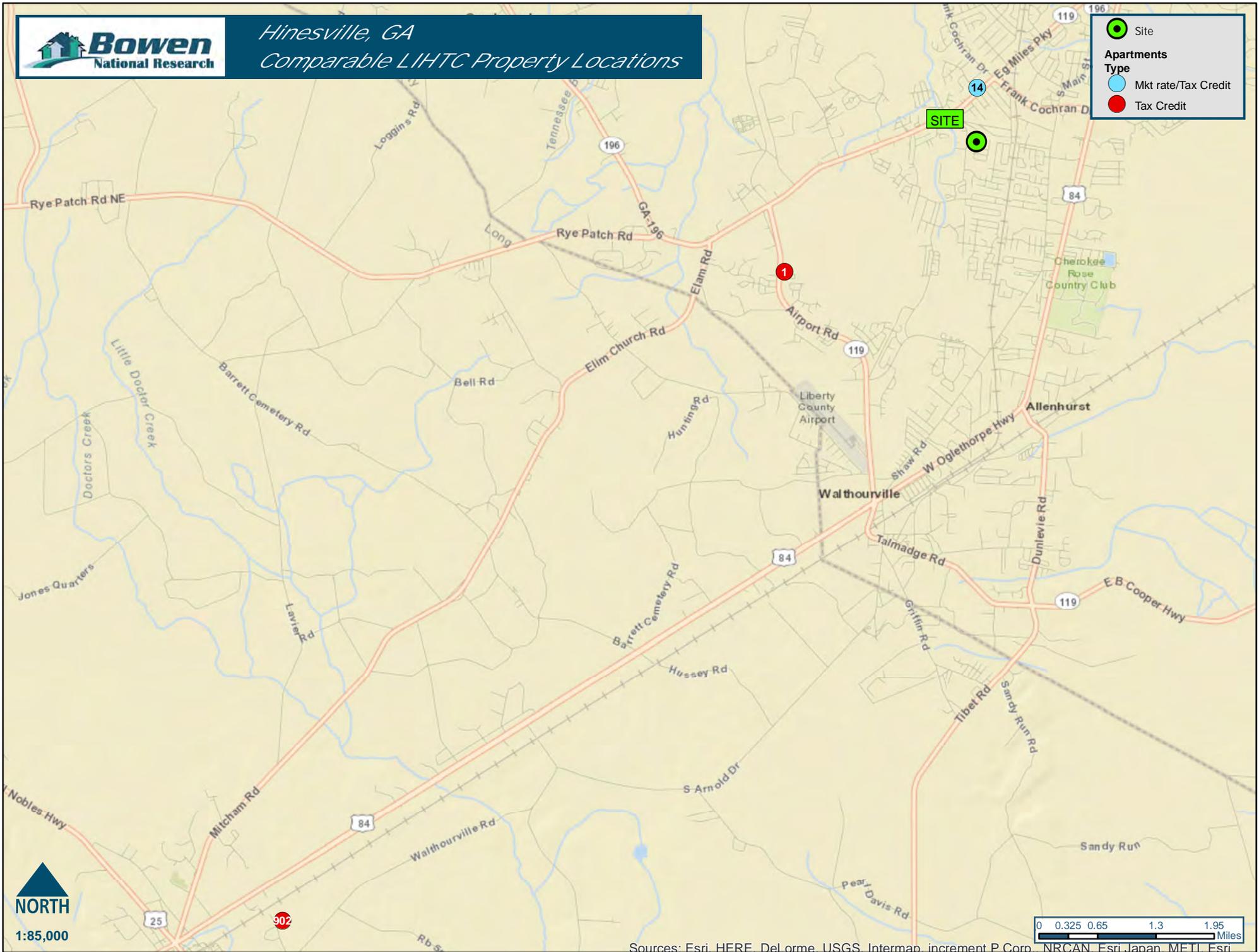
The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed site location.



Hinesville, GA

Comparable LIHTC Property Locations

- Site
- Apartment Type
 - Mkt rate/Tax Credit
 - Tax Credit



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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Liberty Place Apartments	\$466*/50% (11) \$561/60% (1)	\$557/50% (6) \$672/60% (24)	\$645/50% (5) \$775/60% (25)	-
1	Ashton Place	\$327/30% (10/0)	\$597/50% (15/0) \$682/60% (8/0)	\$698/50% (2/0) \$800/60% (13/0)	None
14	Pines at Willowbrook	\$506/50% (1/0) \$600/60% (5/0)	\$607/50% (11/0) \$720/60% (28/0)	\$701/50% (5/0) \$831/60% (14/0)	None
902	Twin Oaks Apartments	\$437/50% (12/0)	\$527/50% (20/0)	\$674/50% (8/0)	None

Map ID 902 is located outside of Site PMA

*Subsidized; tenants pay up to 30% of their gross adjusted income towards housing costs

The proposed subject gross rents, ranging from \$466 to \$775, will be within the range of rents offered among the competitive/comparable LIHTC projects within the market and region targeting similar income levels. In fact, when considering the two family LIHTC projects within the market, the subject project will have the lowest gross rents targeting similar income levels. Given that both these projects are 100.0% occupied and maintain wait lists, the proposed gross rents are appropriately positioned. The proposed units will likely be viewed as a substantial value within both the market and region.

The following table illustrates the weighted average collected rents of the two competitive LIHTC projects by bedroom type targeting similar income levels as the proposed development (50% and 60% AMHI) within the market:

Weighted Average Collected Rent Of Competitive LIHTC Units		
One-Br.	Two-Br.	Three-Br.
\$478	\$521	\$616

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

Bedrooms	Weighted Avg. Rent	Weighted Avg. Proposed Rent	Difference	Weighted Avg. Proposed Rent	Rent Advantage
One-Br.	\$478	- \$353	\$125	/ \$353	35.4%
Two-Br.	\$521	- \$492	\$29	/ \$492	5.9%
Three-Br.	\$616	- \$563	\$53	/ \$563	9.4%

As the table on the preceding page illustrates, the proposed collected rents at the subject project represent rent advantages between 5.9% and 35.4%. Therefore, the proposed collected rents at the subject project will likely represent good values to low-income renters within the market. However, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in Addendum E of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Liberty Place Apartments	750	950	1,100
1	Ashton Place	708	708 – 912	1,134
14	Pines at Willowbrook	703	923 – 960	1,150
902	Twin Oaks Apartments	647	920	1,080

Map ID 902 is located outside of Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Liberty Place Apartments	1.0	2.0	2.0
1	Ashton Place	1.0	2.0	2.0
14	Pines at Willowbrook	1.0	1.0 - 2.0	2.0
902	Twin Oaks Apartments	1.0	1.5	2.0

Map ID 902 is located outside of Site PMA

The proposed development will generally offer unit sizes, based on square feet and number of bathrooms offered, within the range of sizes offered at the comparable LIHTC projects within the market and region. Given that all of the comparable LIHTC projects are 100.0% occupied, demonstrate that the subject's unit sizes are appropriate. In fact, the proposed one-bedroom unit sizes will be the largest within the market and region. This will provide the subject with a competitive advantage.

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

COMPARABLE PROPERTIES AMENITIES - HINESVILLE, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES											OTHER		
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS		E-CALL BUTTONS	PARKING
SITE	X	X		X	X	X	X		C		X	X	X				B		S	
14	X	X		X	X		X		C		X	X	X				B		S	
1	X	X		X			X		C		X	X	X				B		S	Exterior Storage
902	X	X		X	X		X		C		X	X	X				B		S	Exterior Storage

MAP ID	PROJECT AMENITIES																	OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES		BUSINESS CENTER	
SITE	X	X	X	X	X		X							X	X	X	X			
14		X	X	X		X		X						X		X				
1		X	X				X									X				
902		X	X		X		X									X				

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

Parking	
A - Attached	C - Carport
D - Detached	O - On Street
S - Surface	G - Parking Garage
(o) - Optional	(s) - Some

Sports Courts	
B - Basketball	D - Baseball Diamonds
P - Putting Green	T - Tennis
V - Volleyball	X - Multiple

Floor Covering	
C - Carpet	H - Hardwood
V - Vinyl	W - Wood
T - Tile	

Community Space	
A - Activity Room	L - Lounge/Gathering Room
T - Training Room	

The amenity packages that will be included at the subject development are considered comprehensive relative to the comparable LIHTC communities. In regards to unit amenities, the subject project will be the only LIHTC project to offer in-unit microwave ovens. Although the subject project will be the only LIHTC project to not offer in-unit washer/dryer hookups, a centralized laundry facility will be available to the subject's residents. In regards to project amenities, the subject project will be the only LIHTC community to offer a swimming pool, library and a social services package. The inclusion of such amenities will provide the subject with a competitive advantage.

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the proposed development will be very competitive. This has been considered in our absorption projections.

Two affordable projects will directly compete with the proposed development. The anticipated occupancy rates of the existing non-subsidized general-occupancy Tax Credit developments during the first year of occupancy at the subject are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2016
1	Ashton Place	100.0%	95.0%+
14	Pines at Willowbrook	100.0%	95.0%+

The subject project is not expected to have a negative impact on the two existing general-occupancy Tax Credit projects within the Site PMA, which are currently 100.0% occupied and maintain extensive wait lists. Given the lack of availability for affordable units in the market, we expect the two Tax Credit projects to operate at or above 95.0% once the proposed subject units are built. As noted, Renaissance Park was recently allocated Tax Credits and will be an age-restricted (ages 55 and older) community. Considering that this affordable project will target a different demographic than the subject project, it is not anticipated to be directly competitive with the proposed development. Overall, we believe there is sufficient demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on the Tax Credit projects within the market if the proposed subject project is developed.

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

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$155,059. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$155,059 home is \$933, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$155,059
Mortgaged Value = 95% of Median Home Price	\$147,306
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$746
Estimated Taxes and Insurance*	\$187
Estimated Monthly Mortgage Payment	\$933

*Estimated at 25% of principal and interest

In comparison, the proposed collected LIHTC rents for the subject property range from \$345 to \$585 per month, depending on unit size and targeted income level. Therefore, the cost of a monthly mortgage for a typical home in the area is approximately \$348 to \$588 greater than the cost of renting at the subject project. Therefore, it is not likely that potential residents who would qualify to reside at the subject development would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. As such, we do not anticipate any competitive impact on or from the homebuyer market.

SECTION I – ABSORPTION & STABILIZATION RATES

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2016 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2016.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Hinesville Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 72 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately seven months. This absorption period is based on an average monthly absorption rate of approximately ten units per month.

These absorption projections assume a 2016 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

SECTION J – INTERVIEWS

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

Linda Griffin is the Executive Director with the Glenville Chamber of Commerce (near Hinesville). Ms. Griffin is very knowledgeable about Hinesville and believes that the area would benefit greatly if additional affordable housing were developed. There are few affordable developments (only two general-occupancy LIHTC developments within Hinesville) and the subsidized housing that exists is outdated and in need of repairs.

Martina Kemp is the Property Manager of Ashton Place Apartments (Map I.D. 1), a general-occupancy LIHTC project in Hinesville. Ms. Kemp stated that there is a definite need for additional affordable housing in the Hinesville area. Both general-occupancy LIHTC projects in Hinesville are 100.0% occupied and maintain extensive wait lists. Ms. Kemp went on to say that she receives numerous inquiries in regards to available affordable housing, much of which do not provide information to be put on the wait list as they are looking for immediate move-in. Ms. Kemp also stated that units targeting household incomes of up to 30% and 40% of AMHI are high in demand.

Cynthia Bryant is the Property Manager of Pines at Willowbrook (Map I.D. 14), a general-occupancy LIHTC and market-rate project in Hinesville. Ms. Bryant explained that there is a desperate need for additional affordable housing within Hinesville. Ms. Bryant consistently turns people away because her property is 100.0% occupied with an extensive wait list.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 LIHTC units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Hinesville rental housing market is performing very well, especially the affordable rental housing segment. Specifically, as indicated in our Field Survey of Conventional Rentals in Addendum A of this report, there are no vacancies among all affordable product (subsidized or non-subsidized) surveyed within the Hinesville Site PMA, all of which maintain extensive wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Additionally, the proposed subject project is considered to be competitively positioned within the market in terms of price, unit size (square feet) and amenities offered, as compared to similar unit types among the comparable LIHTC projects. In fact, the proposed subject development will offer some of the lowest priced LIHTC units among the competitive projects within the market, which will likely create a market advantage for the subject development.

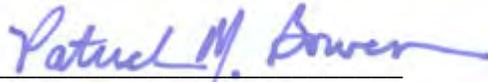
The overall required capture rate of 4.4% for the proposed development is considered very low and further demonstrates that a significant base of potential income-appropriate renter support exists for the subject project within the Hinesville Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Hinesville Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

SECTION L - SIGNED STATEMENT

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

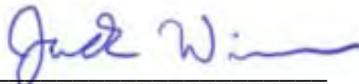
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SECTION M – MARKET STUDY REPRESENTATION

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

SECTION N - QUALIFICATIONS

The Company

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

The Staff

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

Benjamin J. Braley, Vice President and Market Analyst, has conducted market research since 2006 in more than 550 markets throughout the United States. He is experienced in preparing feasibility studies for a variety of applications, including those that meet standards required by state agency and federal housing guidelines. Additionally, Mr. Braley has analyzed markets for single-family home developments, commercial office and retail space, student housing properties and senior housing (i.e. nursing homes, assisted living, continuing care retirement facilities, etc.). Mr. Braley is a member of the National Council of Housing Market Analysts (NCHMA) and graduated from Otterbein College with a bachelor's degree in Economics.

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

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

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

Christine Atkins, In-House Research Coordinator, has experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis since 2012, she has the ability to analyze market and economic trends and conditions. Ms. Atkins holds a Bachelor of Arts in Communication from the University of Cincinnati.

Greg Gray, Market Analyst, has been conducting site-specific analysis in markets throughout the country since 2000. He is especially trained in the evaluation of condominium and senior living developments. Mr. Gray has the ability to provide detailed site-specific analysis as well as evaluate market and economic trends and characteristics.

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

Chuck Ewing, Market Analyst, has been conducting site-specific analysis throughout the United States since 2009. He has experience in the evaluation of a variety of real estate developments that include affordable and market-rate apartments, senior living facilities, student housing, supportive and disabled veteran housing, farm worker housing and regional rental supply analysis. Mr. Ewing has a Bachelor of Arts degree in Economics from the Ohio State University.

Tyler Bowers, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Bowers has a Bachelor Degree of Arts in History from Indiana University.

Desireé Johnson is the Executive Administrative Assistant at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Heather Moore, Marketing Director, has been with Bowen National Research since the fall of 2010. She has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Ms. Moore has a Bachelors of Arts in Marketing from Urbana University.

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

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

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

HINESVILLE, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

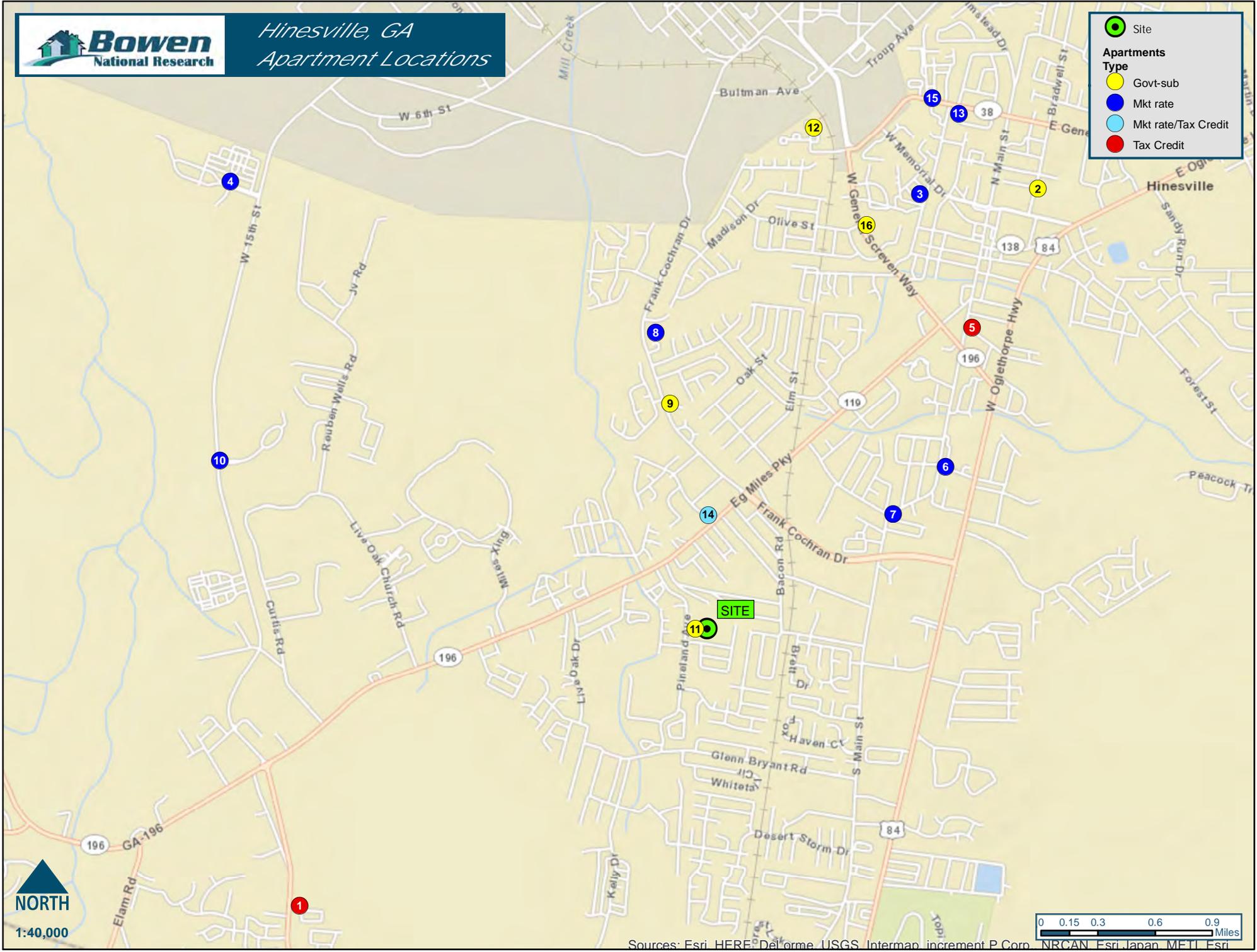


Hinesville, GA Apartment Locations

Site
● Site

Apartments Type

- Govt-sub
- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit



MAP IDENTIFICATION LIST - HINESVILLE, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Ashton Place	TAX	B+	1996	48	0	100.0%	3.1
2	Baytree	GSS	C-	1981	60	0	100.0%	3.0
3	Gateway Apts. I & II	MRR	B-	1978	32	9	71.9%	2.9
4	Tattersall Village	MRR	A	2010	222	1	99.5%	4.4
5	Grove Park Apts.	TAX	B	1998	45	0	100.0%	2.4
6	Link Terrace Apts.	MRR	B	1985	54	4	92.6%	2.2
7	Liberty Woods	MRR	B-	1980	48	5	89.6%	1.9
8	Mission Ridge Apts.	MRR	B+	1984	54	5	90.7%	1.9
9	Northgate Apts.	GSS	C-	1980	80	0	100.0%	1.5
10	Independence Place Apts.	MRR	A	2008	696	11	98.4%	3.2
11	Pineland Square	GSS	C-	1975	76	0	100.0%	0.2
12	Raintree	GSS	C	1980	200	0	100.0%	3.3
13	Stewart Way Apts.	MRR	B-	1986	191	3	98.4%	3.4
14	Pines at Willowbrook	MRT	A-	2003	80	0	100.0%	0.8
15	Treetop Apts.	MRR	B-	1980	76	8	89.5%	3.3
16	301 Olive St.	GSS	C	1971	47	0	100.0%	2.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	8	1,373	46	96.6%	0
MRT	1	80	0	100.0%	0
TAX	2	93	0	100.0%	0
GSS	5	463	0	100.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

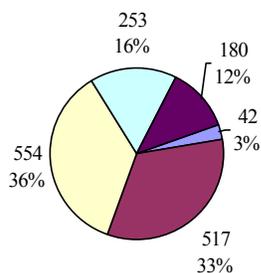
Survey Date: May 2014

DISTRIBUTION OF UNITS - HINESVILLE, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	42	3.0%	3	7.1%	\$640
1	1	472	34.0%	17	3.6%	\$1,061
2	1	167	12.0%	15	9.0%	\$908
2	2	309	22.2%	5	1.6%	\$1,196
3	1.5	26	1.9%	0	0.0%	\$1,070
3	2	45	3.2%	3	6.7%	\$1,466
3	4	148	10.7%	2	1.4%	\$1,275
4	4	180	13.0%	1	0.6%	\$1,398
TOTAL		1,389	100.0%	46	3.3%	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	45	28.7%	0	0.0%	\$501
2	1	35	22.3%	0	0.0%	\$607
2	2	43	27.4%	0	0.0%	\$607
3	2	34	21.7%	0	0.0%	\$800
TOTAL		157	100.0%	0	0.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
0	1	6	1.3%	0	0.0%	N.A.
1	1	50	10.8%	0	0.0%	N.A.
2	1	258	55.7%	0	0.0%	N.A.
3	1	53	11.4%	0	0.0%	N.A.
3	1.5	34	7.3%	0	0.0%	N.A.
3	2	40	8.6%	0	0.0%	N.A.
4	1.5	8	1.7%	0	0.0%	N.A.
4	2	14	3.0%	0	0.0%	N.A.
TOTAL		463	100.0%	0	0.0%	
GRAND TOTAL		2,009	-	46	2.3%	

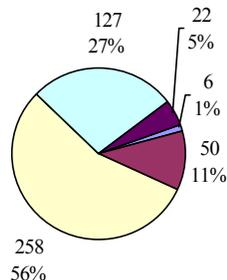
DISTRIBUTION OF UNITS BY BEDROOM

NON-SUBSIDIZED



- 0 BEDROOMS
- 1 BEDROOM
- 2 BEDROOMS
- 3 BEDROOMS
- 4 BEDROOMS

SUBSIDIZED



- 0 BEDROOMS
- 1 BEDROOM
- 2 BEDROOMS
- 3 BEDROOMS
- 4 BEDROOMS

SURVEY OF PROPERTIES - HINESVILLE, GEORGIA

1 Ashton Place			
	Address 634 Airport Rd. Hinesville, GA 31313	Phone (912) 876-8762 (Contact in person)	Total Units 48
	Year Built 1996 Comments 30%, 50% & 60% AMHI; HCV (6 units)	Contact Martina	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+
			Waiting List 6-24 months
2 Baytree			
	Address 217 Bradwell St. Hinesville, GA 31313	Phone (912) 369-8255 (Contact in person)	Total Units 60
	Year Built 1981 Comments HUD Section 8; 1st floor has patio; Square footage estimated	Contact Claudia	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C-
			Waiting List 80-100 households
3 Gateway Apts. I & II			
	Address Gause St. Hinesville, GA 31313	Phone (912) 368-3433 (Contact in person)	Total Units 32
	Year Built 1978 Comments Does not accept HCV; 2-br have washer/dryer hookups & pay water, sewer, trash; Vacancies due to military transfers	Contact Janet	Vacancies 9 Occupied 71.9% Floors 1, 2 Quality Rating B-
			Waiting List None
4 Tatersall Village			
	Address 501 Burke Dr. Hinesville, GA 31313	Phone (912) 330-2603 (Contact in person)	Total Units 222
	Year Built 2010 Comments Does not accept HCV; Rent range based on floor level	Contact Ellie	Vacancies 1 Occupied 99.5% Floors 3 Quality Rating A
			Waiting List None
5 Grove Park Apts.			
	Address 550 S. Main St. Hinesville, GA 31313	Phone (912) 877-6017 (Contact in person)	Total Units 45
	Year Built 1998 Comments 30% & 50% AMHI; HCV (10 units); Square footage estimated	Contact Sherry	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B
			Senior Restricted (62+) Waiting List 40 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

SURVEY OF PROPERTIES - HINESVILLE, GEORGIA

6 Link Terrace Apts.			
	Address 110 Link Street Apt. Ln. Hinesville, GA 31313	Phone (912) 368-3555 (Contact in person)	Total Units 54
	Year Built 1985 Comments Accepts HCV (0 currently); 1 & 2-br have washer/dryer hookups	Contact Danielle	Vacancies 4 Occupied 92.6% Floors 1 Quality Rating B
			Waiting List None
7 Liberty Woods			
	Address 740 S. Main St. Hinesville, GA 31313	Phone (912) 368-8401 (Contact in person)	Total Units 48
	Year Built 1980 Comments Former RD 515 property; Vacancies attributed to previous manager & military transfers	Contact Kayla	Vacancies 5 Occupied 89.6% Floors 1, 2 Quality Rating B-
			Waiting List None
8 Mission Ridge Apts.			
	Address 802 Frank Cochran Dr. Hinesville, GA 31313	Phone (912) 368-5715 (Contact in person)	Total Units 54
	Year Built 1984 Renovated 2009 Comments Does not accept HCV; Former RD 515 property; Vacancies attributed to military deployment	Contact Michelle	Vacancies 5 Occupied 90.7% Floors 2 Quality Rating B+
			Waiting List None
9 Northgate Apts.			
	Address 804 Frank Cochran Dr. Hinesville, GA 31313	Phone (912) 369-8279 (Contact in person)	Total Units 80
	Year Built 1980 Comments HUD Section 8; Higher rent on four 2-br handicap units; Square footage estimated	Contact Claudia	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C-
			Waiting List 73 households
10 Independence Place Apts.			
	Address 130 Independence Place Dr. Hinesville, GA 31313	Phone (912) 877-2270 (Contact in person)	Total Units 696
	Year Built 2008 Comments Does not accept HCV; Unit mix estimated	Contact Chalecia	Vacancies 11 Occupied 98.4% Floors 3 Quality Rating A
			Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

SURVEY OF PROPERTIES - HINESVILLE, GEORGIA

11 Pineland Square			
	Address 1001 Pineland Ave. Hinesville, GA 31313	Phone (912) 398-2144 (Contact in person)	Total Units 76
	Year Built 1975 Comments HUD Section 8; Square footage estimated	Contact Sharon	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C-
			Waiting List 8-24 months
12 Raintree			
	Address 601 Saunders Ave. Hinesville, GA 31313	Phone (912) 876-0906 (Contact in person)	Total Units 200
	Year Built 1980 Comments HUD Section 8	Contact April	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C
			Waiting List 1 year
13 Stewart Way Apts.			
	Address 1 Stewart Way Hinesville, GA 31313	Phone (912) 368-3777 (Contact in person)	Total Units 191
	Year Built 1986 Comments Accepts HCV (0 currently); 1 & 2-br units have dishwashers, washer/dryer hookups & patios	Contact Tracy	Vacancies 3 Occupied 98.4% Floors 1 Quality Rating B-
			Waiting List None
14 Pines at Willowbrook			
	Address 841 Willowbrook Dr. Hinesville, GA 31313	Phone (912) 877-2162 (Contact in person)	Total Units 80
	Year Built 2003 Comments Market-rate (16 units); 50% & 60% AMHI (64 units); HCV (6 units)	Contact Cynthia	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A-
			Waiting List 90 days
15 Treetop Apts.			
	Address 600 Taylor Rd. Hinesville, GA 31313	Phone (912) 289-4238 (Contact in person)	Total Units 76
	Year Built 1980 Comments HCV (6 units); Rent range based on upgrades appliances & new carpet; Vacancies due to military deployment	Contact Ashley	Vacancies 8 Occupied 89.5% Floors 1, 2 Quality Rating B-
			Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

SURVEY OF PROPERTIES - HINESVILLE, GEORGIA

16 301 Olive St.			
	Address 301 Olive St. Hinesville, GA 31313 Year Built 1971 Comments Public Housing	Phone (912) 876-6561 (Contact in person) Contact Melony	Total Units 47 Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C Waiting List 24 months

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

COLLECTED RENTS - HINESVILLE, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1		\$206	\$440 to \$525	\$508 to \$610					
3		\$425	\$525						
4		\$885 to \$930	\$1050 to \$1115	\$1200 to \$1220					
5		\$380	\$420						
6	\$542	\$640	\$756 to \$766						
7		\$625					\$700	\$750	
8							\$780 to \$880	\$880	
10		\$980	\$1079	\$1125	\$1195				
13	\$552	\$658	\$794 to \$804						
14		\$400 to \$650	\$470 to \$780	\$535 to \$900					
15		\$610	\$710 to \$750	\$850					

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

PRICE PER SQUARE FOOT - HINESVILLE, GEORGIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	Link Terrace Apts.	1	288	\$675	\$2.34
13	Stewart Way Apts.	1	288	\$640	\$2.22
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Gateway Apts. I & II	1	650	\$546	\$0.84
4	Tatersall Village	1	803 to 944	\$1061 to \$1106	\$1.17 to \$1.32
6	Link Terrace Apts.	1	576 to 600	\$816	\$1.36 to \$1.42
7	Liberty Woods	1	650	\$787	\$1.21
10	Independence Place Apts.	1	607	\$1061	\$1.75
13	Stewart Way Apts.	1	576	\$779	\$1.35
15	Treetop Apts.	1	650	\$714	\$1.10
14	Pines at Willowbrook	1	703	\$506 to \$756	\$0.72 to \$1.08
1	Ashton Place	1	708	\$327	\$0.46
5	Grove Park Apts.	1	600	\$501	\$0.84
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Gateway Apts. I & II	1	850	\$682	\$0.80
4	Tatersall Village	1	1134	\$1272 to \$1337	\$1.12 to \$1.18
		2	1180 to 1227	\$1287 to \$1332	\$1.09 to \$1.09
6	Link Terrace Apts.	1 to 2	864	\$978 to \$988	\$1.13 to \$1.14
7	Liberty Woods	1	850	\$908	\$1.07
8	Mission Ridge Apts.	1	700 to 900	\$937 to \$1037	\$1.15 to \$1.34
10	Independence Place Apts.	2	802	\$1196	\$1.49
13	Stewart Way Apts.	1 to 2	874	\$951 to \$961	\$1.09 to \$1.10
15	Treetop Apts.	1	850	\$844 to \$884	\$0.99 to \$1.04
14	Pines at Willowbrook	1 to 2	923 to 960	\$607 to \$917	\$0.66 to \$0.96
1	Ashton Place	2	708 to 912	\$597 to \$682	\$0.75 to \$0.84
5	Grove Park Apts.	1	850	\$577	\$0.68
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Tatersall Village	2	1461	\$1466 to \$1486	\$1.00 to \$1.02
7	Liberty Woods	1.5	950	\$1002	\$1.05
8	Mission Ridge Apts.	1.5	900	\$1070	\$1.19
10	Independence Place Apts.	4	1272	\$1275	\$1.00
15	Treetop Apts.	2	1000	\$1013	\$1.01

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

PRICE PER SQUARE FOOT - HINESVILLE, GEORGIA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
14	Pines at Willowbrook	2	1150	\$701 to \$1066	\$0.61 to \$0.93
1	Ashton Place	2	1134	\$698 to \$800	\$0.62 to \$0.71
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
10	Independence Place Apts.	4	1272	\$1398	\$1.10

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2014

AVERAGE GROSS RENT PER SQUARE FOOT - HINESVILLE, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.45	\$1.26	\$1.00
TOWNHOUSE	\$0.00	\$1.15	\$1.17

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.75	\$0.73	\$0.69
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.39	\$1.18	\$0.96
TOWNHOUSE	\$0.00	\$1.15	\$1.17

TAX CREDIT UNITS - HINESVILLE, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Ashton Place	10	708	1	30%	\$206
◆ 5	Grove Park Apts.	29	600	1	30%	\$380
14	Pines at Willowbrook	1	703	1	50%	\$400
14	Pines at Willowbrook	5	703	1	60%	\$494
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 5	Grove Park Apts.	16	850	1	50%	\$420
1	Ashton Place	15	912	2	50%	\$440
14	Pines at Willowbrook	11	923 - 960	1 - 2	50%	\$470
1	Ashton Place	8	708	2	60%	\$525
14	Pines at Willowbrook	28	923 - 960	1 - 2	60%	\$583
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Ashton Place	2	1134	2	50%	\$508
14	Pines at Willowbrook	5	1150	2	50%	\$535
1	Ashton Place	13	1134	2	60%	\$610
14	Pines at Willowbrook	14	1150	2	60%	\$665

◆ - Senior Restricted

QUALITY RATING - HINESVILLE, GEORGIA

MARKET-RATE PROJECTS AND UNITS

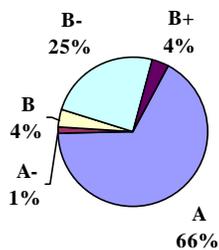
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	918	1.3%		\$1,061	\$1,196	\$1,275	\$1,398
A-	1	16	0.0%		\$756	\$917	\$1,066	
B+	1	54	9.3%			\$937	\$1,070	
B	1	54	7.4%	\$675	\$816	\$978		
B-	4	347	7.2%	\$640	\$779	\$908	\$1,013	

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

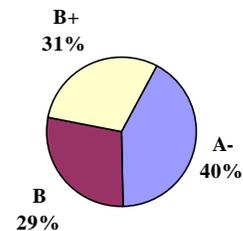
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	64	0.0%		\$600	\$720	\$831	
B+	1	48	0.0%		\$327	\$597	\$800	
B	1	45	0.0%		\$501	\$577		

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - HINESVILLE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	1	32	9	28.1%	32	2.1%
1980 to 1989	5	423	25	5.9%	455	27.4%
1990 to 1999	2	93	0	0.0%	548	6.0%
2000 to 2005	1	80	0	0.0%	628	5.2%
2006	0	0	0	0.0%	628	0.0%
2007	0	0	0	0.0%	628	0.0%
2008	1	696	11	1.6%	1324	45.0%
2009	0	0	0	0.0%	1324	0.0%
2010	1	222	1	0.5%	1546	14.4%
2011	0	0	0	0.0%	1546	0.0%
2012	0	0	0	0.0%	1546	0.0%
2013	0	0	0	0.0%	1546	0.0%
2014**	0	0	0	0.0%	1546	0.0%
TOTAL	11	1546	46	3.0%	1546	100.0 %

YEAR RENOVATED - HINESVILLE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	0	0	0	0.0%	0	0.0%
2008	0	0	0	0.0%	0	0.0%
2009	1	54	5	9.3%	54	100.0%
2010	0	0	0	0.0%	54	0.0%
2011	0	0	0	0.0%	54	0.0%
2012	0	0	0	0.0%	54	0.0%
2013	0	0	0	0.0%	54	0.0%
2014**	0	0	0	0.0%	54	0.0%
TOTAL	1	54	5	9.3%	54	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of May 2014

APPLIANCES AND UNIT AMENITIES - HINESVILLE, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	11	100.0%	1,546
REFRIGERATOR	11	100.0%	1,546
ICEMAKER	2	18.2%	918
DISHWASHER	9	81.8%	1,466
DISPOSAL	9	81.8%	1,450
MICROWAVE	3	27.3%	972
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	9	81.8%	1,301
AC - WINDOW	3	27.3%	277
FLOOR COVERING	11	100.0%	1,546
WASHER/DRYER	2	18.2%	918
WASHER/DRYER HOOK-UP	11	100.0%	1,546
PATIO/DECK/BALCONY	8	72.7%	742
CEILING FAN	4	36.4%	373
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	11	100.0%	1,546
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	9.1%	45

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - HINESVILLE, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	3	27.3%	994
ON-SITE MANAGEMENT	10	90.9%	1,514
LAUNDRY	5	45.5%	418
CLUB HOUSE	3	27.3%	998
MEETING ROOM	1	9.1%	45
FITNESS CENTER	4	36.4%	1,043
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	4	36.4%	1,046
COMPUTER LAB	2	18.2%	776
SPORTS COURT	2	18.2%	772
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	2	18.2%	918
CAR WASH AREA	0	0.0%	
PICNIC AREA	5	45.5%	1,122
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	9.1%	696

DISTRIBUTION OF UTILITIES - HINESVILLE, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	10	1,437	71.5%
GAS	6	572	28.5%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	11	1,517	75.5%
GAS	5	492	24.5%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	10	1,437	71.5%
GAS	6	572	28.5%
			100.0%
ELECTRIC			
TENANT	16	2,009	100.0%
			100.0%
WATER			
LANDLORD	13	1,685	83.9%
TENANT	3	324	16.1%
			100.0%
SEWER			
LANDLORD	13	1,685	83.9%
TENANT	3	324	16.1%
TRASH PICK-UP			
LANDLORD	14	1,733	86.3%
TENANT	2	276	13.7%
			100.0%

UTILITY ALLOWANCE - HINESVILLE, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$12	\$17		\$35	\$14	\$20	\$5	\$7	\$44	\$12	\$19	\$14	\$20
1	GARDEN	\$17	\$23		\$48	\$19	\$28	\$7	\$9	\$61	\$16	\$25	\$14	\$20
1	TOWNHOUSE	\$17	\$23		\$48	\$19	\$28	\$7	\$9	\$61	\$16	\$25	\$14	\$20
2	GARDEN	\$22	\$30		\$60	\$24	\$36	\$9	\$12	\$79	\$20	\$31	\$14	\$20
2	TOWNHOUSE	\$22	\$30		\$60	\$24	\$36	\$9	\$12	\$79	\$20	\$31	\$14	\$20
3	GARDEN	\$27	\$36		\$73	\$29	\$44	\$11	\$14	\$96	\$25	\$37	\$14	\$20
3	TOWNHOUSE	\$27	\$36		\$73	\$29	\$44	\$11	\$14	\$96	\$25	\$37	\$14	\$20
4	GARDEN	\$34	\$46		\$95	\$36	\$57	\$14	\$18	\$122	\$32	\$44	\$14	\$20
4	TOWNHOUSE	\$34	\$46		\$95	\$36	\$57	\$14	\$18	\$122	\$32	\$44	\$14	\$20

GA-Southern Region (7/2014)

Survey Date: May 2014

ADDENDUM B

COMPARABLE PROPERTY PROFILES

4 Tatersall Village

4.4 miles to site



Address	501 Burke Dr. Hinesville, GA 31313		
Phone	(912) 330-2603	Contact	Ellie
Total Units	222	Vacancies	1
		Percent Occupied	99.5%
Project Type	Market-Rate		
Year Open	2010	Floors	3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A	Neighborhood A	Access/Visibility
Remarks	Does not accept HCV; Rent range based on floor level		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Picnic Area, Business Center, Sundeck; Fire Pit, Bike Rack
Parking	Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	78	0	803 to 944	\$0.99 - \$1.10	\$885 to \$930
2	1	G	24	0	1134	\$0.93 - \$0.98	\$1050 to \$1115
2	2	G	96	0	1180 to 1227	\$0.90 - \$0.90	\$1065 to \$1110
3	2	G	24	1	1461	\$0.82 - \$0.84	\$1200 to \$1220

8 Mission Ridge Apts. 1.9 miles to site



Address	802 Frank Cochran Dr. Hinesville, GA 31313		
Phone	(912) 368-5715	Contact	Michelle
Total Units	54	Vacancies	5
		Percent Occupied	90.7%
Project Type	Market-Rate		
Year Open	1984	Renovated	2009
		Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV; Former RD 515 property; Vacancies attributed to military deployment		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Vinyl Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Storage
Project Amenities	On-site Management
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	T	32	5	700 to 900	\$0.98 - \$1.11	\$780 to \$880
3	1.5	T	22	0	900	\$0.98	\$880

10 Independence Place Apts.

3.2 miles to site



Address	130 Independence Place Dr. Hinesville, GA 31313		
Phone	(912) 877-2270	Contact	Chalecia
Total Units	696	Vacancies	11
		Percent Occupied	98.4%
Project Type	Market-Rate		
Year Open	2008	Floors	3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A	Neighborhood B+	Access/Visibility

Remarks Offers Basketball & Volleyball; Does not accept HCV; Unit mix estimated

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash, Cable, Internet
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Blinds
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Sports Court, Storage, Computer Lab, Picnic Area, Social Services, Business Center, Dog Park; Tanning Bed, Game Room
Parking	Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	177	3	607	\$1.61	\$980
2	2	G	191	5	802	\$1.35	\$1079
3	4	G	148	2	1272	\$0.88	\$1125
4	4	G	180	1	1272	\$0.94	\$1195

15 Treetop Apts.		3.4 miles to site	
	Address 600 Taylor Rd. Hinesville, GA 31313		
	Phone (912) 289-4238	Contact Ashley	
	Total Units 76	Vacancies 8	Percent Occupied 89.5%
	Project Type Market-Rate		
Year Open 1980		Floors 1, 2	
Concessions No Rent Specials			
Age Restrictions NONE			
Waiting List NONE			
Ratings: Quality B- Neighborhood B Access/Visibility			
Remarks HCV (6 units); Rent range based on upgrades appliances & new carpet; Vacancies due to military deployment			

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Blinds
Project Amenities	Swimming Pool, On-site Management, Sports Court, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	20	1	650	\$0.94	\$610
2	1	G	40	5	850	\$0.84 - \$0.88	\$710 to \$750
3	2	G	16	2	1000	\$0.85	\$850

14 Pines at Willowbrook

0.8 miles to site



Address	841 Willowbrook Dr. Hinesville, GA 31313		
Phone	(912) 877-2162	Contact	Cynthia
Total Units	80	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2003	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	90 days		
Ratings:	Quality A-	Neighborhood B	Access/Visibility
Remarks	Market-rate (16 units); 50% & 60% AMHI (64 units); HCV (6 units)		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	703	\$0.92	\$650	
1	1	G	5	0	703	\$0.70	\$494	60%
1	1	G	1	0	703	\$0.57	\$400	50%
2	1 to 2	G	9	0	923 to 960	\$0.81 - \$0.85	\$780	
2	1 to 2	G	28	0	923 to 960	\$0.61 - \$0.63	\$583	60%
2	1 to 2	G	11	0	923 to 960	\$0.49 - \$0.51	\$470	50%
3	2	G	5	0	1150	\$0.78	\$900	
3	2	G	14	0	1150	\$0.58	\$665	60%
3	2	G	5	0	1150	\$0.47	\$535	50%

1 Ashton Place 3.1 miles to site



Address	634 Airport Rd. Hinesville, GA 31313		
Phone	(912) 876-8762	Contact	Martina
Total Units	48	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1996	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	6-24 months		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	30%, 50% & 60% AMHI; HCV (6 units)		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Playground, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	708	\$0.29	\$206	30%
2	2	G	8	0	708	\$0.74	\$525	60%
2	2	G	15	0	912	\$0.48	\$440	50%
3	2	G	13	0	1134	\$0.54	\$610	60%
3	2	G	2	0	1134	\$0.45	\$508	50%

902 Twin Oaks Apts.

11.9 miles to site



Address	158 Twin Oaks Dr. SE Ludowici, GA 31316		
Phone	(912) 545-3161	Contact	Helene
Total Units	40	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2000	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	8-12 months		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	50% AMHI; HCV (4 units)		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Playground, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

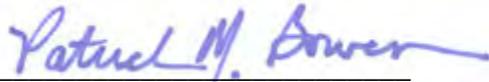
BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	12	0	647	\$0.43	\$275	50%
2	1.5	T	20	0	920	\$0.35	\$319	50%
3	2	T	8	0	1080	\$0.39	\$422	50%

ADDENDUM C – MEMBER CERTIFICATION & CHECKLIST

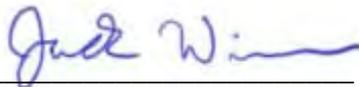
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard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

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

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ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Hinesville, Georgia by JPM Development LLC.

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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4. SOURCES

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

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- HISTA Data (household income by household size, tenure and age of head of household) by Ribbon Demographics

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

We identified five market-rate properties within the Hinesville Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Liberty Place Apartments	2016	72	-	12 (-)	30 (-)	30 (-)	-
4	Tatersall Village	2010	222	99.5%	78 (100.0%)	120 (100.0%)	24 (95.8%)	-
8	Mission Ridge Apts.	1984 / 2009	54	90.7%	-	32 (84.4%)	22 (100.0%)	-
10	Independence Place Apts.	2008	696	98.4%	177 (98.3%)	191 (97.4%)	148 (98.6%)	180 (99.4%)
14	Pines at Willowbrook	2003	16*	100.0%	2 (100.0%)	9 (100.0%)	5 (100.0%)	-
15	Treetop Apts.	1980	76	89.5%	20 (95.0%)	40 (87.5%)	16 (87.5%)	-

*Market-rate units only

The five selected market-rate projects have a combined total of 1,064 units with an overall occupancy rate of 97.7%, a strong rate for rental housing. This indicates that these projects will serve as accurate benchmarks with which to compare the subject project.

As the preceding table indicates, Treetop Apartments (Map I.D. 15), is operating at a relatively low occupancy of 89.5%. According to management, vacancies are attributed to military deployment. Based on historical data obtained by Bowen National Research, this property was 100.0% occupied in March 2011. Nonetheless, considering the strong occupancies maintained at the majority of rental projects surveyed in the Site PMA, the relatively low occupancy at this project does not accurately reflect the strength of the Hinesville rental housing market.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the proposed subject development.

Rent Comparability Grid

Unit Type → **ONE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Liberty Place Apartments		Tatersall Village		Independence Place Apts.		Pines at Willowbrook		Treetop Apts.			
978 White Circle		501 Burke Dr.		130 Independence Place Dr.		841 Willowbrook Dr.		600 Taylor Rd.			
Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA			
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$885		\$980		\$650		\$650			
2 Date Surveyed		May-14		May-14		May-14		May-14			
3 Rent Concessions		None		None		None		None			
4 Occupancy for Unit Type		100%		98%		100%		95%			
5 Effective Rent & Rent/ sq. ft	▼	\$885	1.10	\$980	1.61	\$650	0.92	\$650	1.00		
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2	WU/3		WU/3		WU/2		WU/1, 2			
7 Yr. Built/Yr. Renovated	2016	2010	\$6	2008	\$8	2003	\$13	1980	\$36		
8 Condition /Street Appeal	E	E		E		E		G	\$15		
9 Neighborhood	G	E	(\$10)	G		G		G			
10 Same Market?		Yes		Yes		Yes		Yes			
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		1		1			
12 # Baths	1	1		1		1		1			
13 Unit Interior Sq. Ft.	750	803	(\$15)	607	\$41	703	\$13	650	\$29		
14 Balcony/ Patio	Y	Y		N	\$5	Y		N	\$5		
15 AC: Central/ Wall	C	C		C		C		C			
16 Range/ refrigerator	R/F	R/F		R/F		R/F		R/F			
17 Microwave/ Dishwasher	Y/Y	Y/Y		Y/Y		N/Y	\$5	N/Y	\$5		
18 Washer/Dryer	L	W/D	(\$35)	W/D	(\$35)	HU/L	(\$10)	HU	(\$5)		
19 Floor Coverings	C	W		C		C		C			
20 Window Coverings	B	B		B		B		B			
21 Intercom/Security System	N/N	N/N		N/N		N/N		N/N			
22 Garbage Disposal	Y	Y		Y		Y		Y			
23 Ceiling Fans	Y	N	\$5	N	\$5	Y		N	\$5		
D Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0			
25 On-Site Management	Y	Y		Y		Y		Y			
26 Security Gate	N/N	N		N		N		N			
27 Clubhouse/ Meeting Rooms	Y	Y		Y		Y		N	\$5		
28 Pool/ Recreation Areas	P/L	P/F	(\$2)	P/F/S	(\$5)	F	\$8	P/S			
29 Computer Center	Y	N	\$3	Y		Y		N	\$3		
30 Picnic Area	Y	Y		Y		Y		Y			
31 Playground	Y	Y		Y		Y		N	\$3		
32 Social Services	Y	N	\$10	Y		N	\$10	N	\$10		
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/G		N/G			
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E			
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/G			
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/G		N/G			
37 Other Electric	N	N		N		N		N			
38 Cold Water/ Sewer	Y/Y	N/N	\$41	Y/Y		Y/Y		Y/Y			
39 Trash /Recycling	Y/N	N/N	\$14	Y/N		Y/N		Y/N			
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		4	4	4	2	5	1	10	1		
41 Sum Adjustments B to D		\$24	(\$62)	\$59	(\$40)	\$49	(\$10)	\$116	(\$5)		
42 Sum Utility Adjustments		\$55									
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$17	\$141	\$19	\$99	\$39	\$59	\$111	\$121		
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$902		\$999		\$689		\$761			
45 Adj Rent/Last rent			102%		102%		106%		117%		
46 Estimated Market Rent	\$690	\$0.92		← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Liberty Place Apartments		Tatersall Village		Mission Ridge Apts.		Independence Place Apts.		Pines at Willowbrook		Treetop Apts.	
978 White Circle		501 Burke Dr.		802 Frank Cochran Dr.		130 Independence Place Dr.		841 Willowbrook Dr.		600 Taylor Rd.	
Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,065		\$880		\$1,079		\$820		\$750	
2	Date Surveyed	May-14		May-14		May-14		May-14		May-14	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		84%		97%		100%		88%	
5	Effective Rent & Rent/ sq. ft	\$1,065	0.90	\$880	0.98	\$1,079	1.35	\$820	0.85	\$750	0.88
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		TH/2		WU/3		WU/2		WU/1, 2	
7	Yr. Built/Yr. Renovated	2016	\$6	1984/2009	\$19	2008	\$8	2003	\$13	1980	\$36
8	Condition /Street Appeal	E		G	\$15	E		E		G	\$15
9	Neighborhood	G	(\$10)	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		1	\$30	2		2		1	\$30
13	Unit Interior Sq. Ft.	950	(\$56)	900	\$12	802	\$36	960	(\$2)	850	\$24
14	Balcony/ Patio	Y		Y		N	\$5	Y		N	\$5
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y		Y/Y		N/Y	\$5	N/Y	\$5
18	Washer/Dryer	L	(\$35)	HU	(\$5)	W/D	(\$35)	HU/L	(\$10)	HU	(\$5)
19	Floor Coverings	C		W		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans	Y	\$5	N	\$5	N	\$5	Y		N	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N/N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	Y/Y	\$5	N/N	\$10	Y/N	\$5	Y/N	\$5	N/N	\$10
28	Pool/ Recreation Areas	P/L	(\$2)	N	\$13	P/F/S	(\$5)	F	\$8	P/S	
29	Computer Center	Y	\$3	N	\$3	Y		Y		N	\$3
30	Picnic Area	Y		N	\$3	Y		Y		Y	
31	Playground	Y		N	\$3	Y		Y		N	\$3
32	Social Services	Y	\$10	N	\$10	Y		N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/G		N/G	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/G	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/G		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	\$51	Y/Y		Y/Y		Y/Y		Y/Y	
39	Trash /Recycling	Y/N	\$14	Y/N		Y/N		Y/N		Y/N	
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	4	11	1	5	2	5	2	11	1
41	Sum Adjustments B to D	\$29	(\$103)	\$123	(\$5)	\$59	(\$40)	\$41	(\$12)	\$146	(\$5)
42	Sum Utility Adjustments	\$65									
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$9)	\$197	\$118	\$128	\$19	\$99	\$29	\$53	\$141	\$151
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,056		\$998		\$1,098		\$849		\$891	
45	Adj Rent/Last rent		99%		113%		102%		103%		119%
46	Estimated Market Rent	\$850	\$0.89 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Liberty Place Apartments		Tatersall Village		Mission Ridge Apts.		Independence Place Apts.		Pines at Willowbrook		Treetop Apts.	
978 White Circle		501 Burke Dr.		802 Frank Cochran Dr.		130 Independence Place Dr.		841 Willowbrook Dr.		600 Taylor Rd.	
Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA		Hinesville, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$1,200		\$880		\$1,125		\$900		\$850	
2 Date Surveyed		May-14		May-14		May-14		May-14		May-14	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		100%		99%		100%		88%	
5 Effective Rent & Rent/ sq. ft	▼	\$1,200	0.82	\$880	0.98	\$1,125	0.88	\$900	0.78	\$850	0.85
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2	WU/3		TH/2		WU/3		WU/2		WU/1, 2	
7 Yr. Built/Yr. Renovated	2016	2010	\$6	1984/2009	\$19	2008	\$8	2003	\$13	1980	\$36
8 Condition /Street Appeal	E	E		G	\$15	E		E		G	\$15
9 Neighborhood	G	E	(\$10)	G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	3	3		3		3		3		3	
12 # Baths	2	2		1.5	\$15	4	(\$60)	2		2	
13 Unit Interior Sq. Ft.	1100	1461	(\$77)	900	\$43	1272	(\$37)	1150	(\$11)	1000	\$21
14 Balcony/ Patio	Y	Y		Y		N	\$5	Y		N	\$5
15 AC: Central/ Wall	C	C		C		C		C		C	
16 Range/ refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	Y/Y		Y/Y		Y/Y		N/Y	\$5	N/Y	\$5
18 Washer/Dryer	L	W/D	(\$35)	HU	(\$5)	W/D	(\$35)	HU/L	(\$10)	HU	(\$5)
19 Floor Coverings	C	W		V		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	N/N	N/N		N/N		N/N		N/N		N/N	
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fans	Y	N	\$5	N	\$5	N	\$5	Y		N	\$5
D Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Gate	N/N	N		N		N		N		N	
27 Clubhouse/ Meeting Rooms	Y/Y	Y/N	\$5	N/N	\$10	Y/N	\$5	Y/N	\$5	N/N	\$10
28 Pool/ Recreation Areas	P/L	P/F	(\$2)	N	\$13	P/F/S	(\$5)	F	\$8	P/S	
29 Computer Center	Y	N	\$3	N	\$3	Y		Y		N	\$3
30 Picnic Area	Y	Y		N	\$3	Y		Y		Y	
31 Playground	Y	Y		N	\$3	Y		Y		N	\$3
32 Social Services	Y	N	\$10	N	\$10	Y		N	\$10	N	\$10
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/G		N/G	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/G	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/G		N/G	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/ Sewer	Y/Y	N/N	\$62	Y/Y		Y/Y		Y/Y		Y/Y	
39 Trash /Recycling	Y/N	N/N	\$14	Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap	Pos	Neg		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		5	4	11	1	4	4	5	2	10	1
41 Sum Adjustments B to D		\$29	(\$124)	\$139	(\$5)	\$23	(\$137)	\$41	(\$21)	\$113	(\$5)
42 Sum Utility Adjustments		\$76									
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$19)	\$229	\$134	\$144	(\$114)	\$160	\$20	\$62	\$108	\$118
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$1,181		\$1,014		\$1,011		\$920		\$958	
45 Adj Rent/Last rent			98%		115%		90%		102%		113%
46 Estimated Market Rent	\$940	\$0.85	←	Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$690 a one-bedroom unit, \$850 for a two-bedroom unit and \$940 for a three-bedroom unit, which are illustrated as follows. Conservatively, more weight was given to the comparable market-rate properties with the lowest adjusted rents to derive the subject's achievable market rents.

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$345 (50%)	\$690	50.0%
	\$440 (60%)		36.2%
Two-Bedroom	\$400 (50%)	\$850	52.9%
	\$515 (60%)		39.4%
Three-Bedroom	\$455 (50%)	\$940	51.6%
	\$585 (60%)		37.8%

The proposed collected rents represent market rent advantages ranging from 36.2% to 52.9%, depending on bedroom type and targeted income level. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow tenants. As such, the proposed rents should represent substantial values for the local market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1980 and 2010. Note that one property, Mission Ridge Apartments (Map I.D. 8), was significantly renovated in 2009. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties as compared to the subject development.

8. It is anticipated that the proposed subject project will have an excellent quality finish and attractive aesthetic street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
9. One of the selected properties, Tattersall Village (Map I.D. 4), is located in a neighborhood that is considered more desirable than that of the subject site. We have made an adjustment to this property to account for the differences in neighborhood quality compared to the subject project.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site compared with the competitive properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenities package generally similar to the selected properties. We have, however, made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The project offers a comprehensive project amenities package generally superior to the selected properties. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.