

**PROFESSIONAL MARKET STUDY
FOR THE MASON MANOR APARTMENTS
A PROPOSED LIHTC ELDERLY DEVELOPMENT**

**LOCATED IN:
COMMERCE, JACKSON COUNTY, GA**

***PREPARED FOR:
MASON MANOR, L.P.***

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SECTION A
EXECUTIVE SUMMARY

1. Project Description:

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

. The proposed LIHTC elderly apartment development is located off Georgia State Highway 326, approximately .1 mile west of US Highway 441 and 3 miles south of I-85.

. Construction and occupancy types.

. The proposed new construction development project design will comprise 3 two story residential buildings, with each building serviced by an elevator. The development will include a separate building comprising a manager's office, and community room/clubhouse. The project will provide 81-parking spaces.

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

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

Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
1BR/1b	12	900	970
2BR/2b	36*	1098	1,195
Total	48		

*1 unit set aside as non revenue

Project Rents:

The proposed development will target approximately 20% of the units at 50% or below of area median income (AMI), and approximately 80% of the units at 60% AMI. Rent excludes water, sewer, and includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	5	\$375	\$164	\$539
2BR/2b	5	\$440	\$208	\$648

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	7	\$375	\$164	\$539
2BR/2b	30	\$450	\$208	\$658

*Based upon GA-DCA Middle Region Utility Allowances.

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

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

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

- . Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the unit and the development amenity package.

2. Site Description/Evaluation:

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

- . The approximately 12-acre, polygon shaped tract is wooded and undulating. At present, there are no physical structures located upon the tract. The site is not located within a 100-year flood plain.
- . The overall character of the neighborhood in the immediate vicinity of the site can be defined as predominantly as a mixture of low density single-family development, 1 small commercial property and 1 small multi-family property. In addition, the immediate area contains several large vacant tracts of land.
- . Directly north of the site, on the opposite side of Georgia State Road 326 is low density single-family development. Directly south of the site is vacant land and low density single-family development. Directly

west of the tract along SR 326 is a small multi-family (market rate) apartment development, known as Town & Country Apartments. Directly east of the tract is a small metal building in which there is a truck repair business. On the opposite side of this property is US Highway 441.

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

- Access to the site is available off GA State Road 326. SR 326 is a primary connector that links the site with US 441 to the east and Downtown Commerce to the west. It is a low to medium density traveled road, with a speed limit of 55 miles per hour in the immediate vicinity of the site. Also, the location of the site off SR 326 does not present problems of egress and ingress to the site.
- The site in relation to the subject and the surrounding roads is agreeable to signage, in particular to passing traffic along Georgia SR 326. The site offers very good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities, including: noxious odors, close proximity to cemeteries, high tension power lines, rail lines and junk yards.

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

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

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, and Downtown Commerce	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

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

- Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers and area churches. All major facilities in the city can be accessed within a 5 to 10 minute drive. At the time of the market study, no significant infrastructure

development was in progress within the vicinity of the site.

- **An overall conclusion of the site's appropriateness for the proposed development.**

- The site location is considered to be very marketable. In the opinion of the analyst, the proposed site location offers attributes that will greatly enhance the rent-up process of the proposed LIHTC development.

3. Market Area Definition:

- **A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property.**

- The Primary Market Area (PMA) for the proposed multi-family development consists of the following 2010 census tracts:

103, 104, and 105 in Jackson County
201 and 205 in Madison County
9704 in Banks County

The PMA excluded the Jefferson PMA of Jackson County, as well as the remainder of both Banks and Madison Counties. The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	Banks & Franklin Counties	4 - 7 miles
East	Franklin & Madison Counties	6.5 - 10 miles
South	Clarke & Madison Counties	10.5-13.5 miles
West	Jefferson PMA	4 - 4.5 miles

4. Community Demographic Data:

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

- Total population and household losses over the next several years, (2010-2016) are forecasted for the PMA at a modest rate of decline, represented by a rate of change approximating -0.17% per year. In the PMA, in 2010, the total population count was 31,527 with a projected decrease to 30,716 in 2016.
- Population gains over the next several years, (2010-2016) are forecasted for the PMA for the 55 and over age group continuing at a very significant rate of increase, with a forecasted rate of growth

approximating +1.65% per year. In the PMA, in 2010, for population age 55 and over, the count was 8,038 with a projected increase to 8,871 in 2016. In the PMA, in 2010, for households age 55 and over, the count was 4,673 with a projected increase to 5,174 in 2016.

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

- The 2014 to 2016 tenure trend revealed an increase in both owner-occupied and renter-occupied tenure in the PMA for households age 55 and over. The tenure trend (on a percentage basis) currently favors owner-occupied households.

• ***Households by income level.***

- It is projected that in 2016, approximately **14.5%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$16,170 to \$24,600.
- It is projected that in 2016, approximately **18%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$16,170 to \$24,600.
- It is projected that in 2016, approximately **22.5%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$16,170 to \$29,250.
- It is projected that in 2016, approximately **27.5%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$16,170 to \$29,250.

• ***Impact of foreclosed, abandoned and vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development should be discussed.***

- The foreclosure problem is still very much evident Nationwide, Statewide, as well as in Commerce and Jackson County. ForeclosureListings.com is a nationwide data base with approximately 698,115 listings (54% foreclosures, 6% short sales, 20% auctions, and 10% brokers listings). As of 5/28/14, there were 61 foreclosure and foreclosure auction listings within Commerce, of which 3 of the 61 foreclosure listings had a listed value of greater than \$200,000.
- In the Commerce PMA and Jackson County as a whole, the relationship between the local area foreclosure market and existing LIHTC supply is not crystal clear. However, at the time of the survey, the one LIHTC elderly property located within Jackson County was 100% occupied. The property opened in October 2012 and was

100% occupied within 3 months. Presently, the property has 100-applicants on the waiting list.

- Note: Recent anecdotal news information points to the fact that the majority of the foreclosed properties were occupied by first time buyers or move-up buyers, of which the majority were younger households, still in the job market, (at the time) versus elderly homeowners. The recent recession and current slow recovery magnified the foreclosure problem and negatively impacted young to middle age homeowners more so than the elderly.
- With regard to the elderly desiring to sell a home in a market with many foreclosed properties they have the upper hand in terms of pricing power. Many purchased their homes decades ago at far lower prices than today and many own homes outright. Also, many transfer home ownership rights to heirs versus selling outright.

5. Economic Data:

- ***Trends in employment for the county and/or region. Employment should be based on the number of jobs in the county (i.e., covered employment).***
- Between 2005 and 2007, the average increase in employment was approximately 704 workers or approximately +2.89% per year. The rate of employment loss between 2008 and 2009, was very significant at over -7%, representing a net loss of around -1,850 workers. The rate of employment gain between 2009 and 2011, was significant, at approximately +3% per year. The 2012 to 2013, rate of growth was over 1.5%, representing a net gain of +426. The rate of employment change thus far into 2014, is forecasted to increase on a year to year basis, based upon the most recent labor force data in 2014, changes in the labor force participation rate, and recent economic growth announcement provided by the local chamber of commerce.
- The gains in covered employment in Jackson County between 2010 and 2012 and the gains in the 1st, 2nd Quarters of 2013 have been comparable to positive resident employment trends over the same period of time.
- ***Employment by sector for the county and/or region.***
- The top four employment sectors in the County are: manufacturing, trade, government and service. The 2014 forecast is for the manufacturing and retail trade sectors to increase and the government sector to stabilize.
- ***Unemployment trends for the county and/or region for the past 5 years.***

- Monthly unemployment rates in 2011 and 2012 were among the highest exhibited in over 10-years in Jackson County. Monthly unemployment rates remained high in very early 2013 and began declining by the Spring of 2013, overall ranging between 6.4% and 8.6%, with an overall estimate of 7.4%. The annual unemployment rate in 2014 in Jackson County is forecasted to continue to decline, to the vicinity of 5.7% to 6.7%, and improving on a relative year to year basis.

- ***A brief discussion of any recent or planned major employment contractions or expansions.***

- The Commerce-Jackson County local economy is very well diversified, with the major sectors of economy comprised of: (1) manufacturing, (2) local government and education, and (3) a sizable service and trade sector. The western portion of Jackson County, which includes Jefferson and Braselton has a large concentration of firms in the manufacturing, logistics and distribution sectors of the economy. The central and northern portions of the county have a number of firms and facilities that operate in the agribusiness sector of the economy, in particular poultry and cattle processing.
- Recent economic development news includes: (1) In February 2012, Kubota Industrial Equipment broke ground. The \$80 million, 600,000 sf capital plant expenditure will result in 200 jobs. The plant began operations in the Fall of 2013. (2) In 2012, Carter's Inc., announced that it would a distribution center in Jackson County which will result in 1,000 jobs.
- The Jackson County Alliance reported that economic development in 2013, and this far in 2014 has been "very positive". Both industrial and commercial growth has been occurring and is forecasted to continue to occur as a result on the ever expanding Atlanta metro market expanding north along I-85. Growth drivers include: (1) available affordable land, (2) access to I-85, (3) the availability of affordable housing, and (4) quality of life in terms of a rural to semi urban environment versus a 100% urban environment.

- ***An overall conclusion regarding the stability of the county's overall economic environment. This conclusion should include an opinion if the current economic environment will negatively impact the demand for additional or renovated rental housing.***

- The Commerce - Jackson County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the good location of the site, with good proximity to several employment nodes, the proposed subject development will very likely attract potential elderly renters from those sectors of the workforce who are in

need of affordable housing, a reasonable commute to work, and still participating in the local labor market.

- Even though the overall number of workers decreased between 2010 and 2011, owing primarily to a reduction in the labor force participation rate, recent economic indicators in 2012 and 2013 are more supportive of a moderately improving (in terms of growth) local economy into 2014 and 2015. This is mostly due to a well diversified employment base, and the very positive annual economic impact provided by the extension of Atlanta metro area, northward along the I-85 transportation corridor.
- One of the contributing factors of the labor force participation rate decline is the ever increasing number of workers retiring from the workforce, and in some cases electing to participate in social security at age 62.
- In addition, Jackson County will continue to become a destination point for (1) working class population from the surrounding rural counties owing to the size of the local trade and service sector economic base and (2) the aging baby boomer population in the State, as well as those individuals from out-of State seeking a retirement location.
- In summary, the near term outlook for the local economy is for a moderately improving economy into 2014 and early 2015, subject to an avoidance of both negative impacts owing to either or both national fiscal and monetary outcomes. Regardless of the national fiscal and monetary decisions, economic growth is expected between mid to late 2014. Over the next few years, most economists forecast that the overall regional, state and national economies will slowly.

6. Project-Specific Affordability and Demand Analysis:

- **Number of renter households income qualified for the proposed development given the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households.**
- The forecasted number of income qualified renter households for the proposed LIHTC elderly development is 240.
- **Overall estimate of demand based on DCA's demand methodology.**
- The overall forecasted number of income qualified renter households for the proposed LIHTC elderly development taking into consideration like-kind competitive supply introduced into the market since 2012 is 240.

- Capture Rates:

Proposed Project Capture Rate All Units	19.6%
Proposed Project Capture Rate LIHTC Units	19.6%
Proposed Project Capture Rate LIHTC Units @ 50% AMI	10.0%
Proposed Project Capture Rate LIHTC Units @ 60% AMI	26.4%
Proposed Project Capture Rate Market Rate Units	Na

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

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

7. Competitive Rental Analysis:

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

- At the time of the survey, the overall vacancy rate of the surveyed program assisted apartment properties was approximately 10.5%. Almost 62% of the vacant units were at Heritage Crossing, a LIHTC family property.
- At the time of the survey, the overall vacancy rate of the surveyed market rate properties was less than 1%.
- Presently, the Commerce PMA contains no supply of program assisted USDA-RD or LIHTC elderly apartments.

- ***Number of properties.***

- Five program assisted properties representing 324 units, were surveyed within the competitive environment. At present, there are no LIHTC nor USDA-RD elderly properties located within the Commerce PMA. However, there is one LIHTC elderly property located within Jackson County, in Jefferson. Even though this property is located outside of the PMA it was surveyed in order to ascertain market demand and absorption within Jackson County.
- Eight non-subsidized, market rate properties were surveyed representing 284 units.

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

Bedroom type	Rent Band (Subject)	Rent Band (Market Rate)
1BR/1b	\$375-\$375	\$475 - \$660
2BR/1b	Na	Na
2BR/2b	\$440-\$450	\$525-\$770
3BR/2b	Na	Na

- **Average Market rents.**

Bedroom type	Average Market Rent
1BR/1b	\$550 (Adjusted = \$525)
2BR/1b	Na
2BR/2b	\$620 (Adjusted=\$645)
3BR/2b	Na

8. Absorption/Stabilization Estimate:

- **An estimate of the number of units to be leased at the subject property, on average.**
- The forecasted rent-up scenario exhibits an average of 12-units being leased per month.
- **Number of units expected to be leased by AMI Targeting.**

AMI Target Group	Number of units Expected to be Leased*
50% AMI	10
60% AMI	37

* at the end of the 1 to 4-month absorption period

- **Number of months required for the project to reach stabilization of 93% occupancy.**
- A 93% occupancy rate is forecasted to occur within 4-months of the placed in service date. Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.
- **The absorption rate should coincide with other key conclusions. For example, insufficient demand or unachievable rents should be reflected in the absorption rate.**
- A reconciliation of the proposed LIHTC net rents by bedroom type with current average market rate net rents by bedroom type are supportive of the forecasted absorption and stabilization periods.

9. Overall Conclusion:

- ***A narrative detailing the key conclusions of the report including the analyst's opinion regarding the potential for success of the proposed development.***
- Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application **proceed forward based on market findings, as presently configured.**
- Elderly population and household growth is significant to very significant, with annual growth rates approximating +1.6% to +1.7% per year.
- Presently, the Commerce PMA contains no supply of program assisted USDA-RD or LIHTC elderly apartments. However, there is one LIHTC elderly property (Maple Square) located within Jackson County, in Jefferson. Even though this property is located outside of the PMA it was surveyed in order to ascertain market demand and absorption within Jackson County.
- At the time of the survey, the 56-unit Maple Square Apartments new construction LIHTC elderly development had 100-applicants on the waiting list. Maple Square opened in October 2012. Management reported that the development was 100% occupied within 3-months of opening.
- In the area of unit size, by bedroom type, the subject will offer a competitive unit size, based on the proposed floor plans. The proposed subject 1BR gross square footage is approximately 5% greater than the 1BR market average unit size. The proposed subject 2BR gross square footage is approximately 13% greater than the 2BR market average unit size.
- The subject will be competitive with the majority of the traditional market rate apartment properties in the market regarding proposed net rents by bedroom type.
- The 1BR net rent advantage at 50% AMI is estimated at 29%. At 60% AMI the 1BR net rent advantage is estimated at 29%.
- The 2BR net rent advantage at 50% AMI is estimated at 32%. At 60% AMI the 2BR net rent advantage is estimated at 30%.
- The overall project rent advantage is estimated at 30%.
- The subject bedroom mix is considered to be appropriate, given the successful rent-up of Maple Square in Jefferson. Fifty percent of the 56 units at Maple Square are 1BR and 50% are 2BR. The property has 100 applicants on a waiting list for both bedroom types.

Summary Table				
Development Name: Mason Manor			Total Number of Units: 48	
Location: Commerce, GA (Jackson Co)			# LIHTC Units: 47 (1 non rev)	
PMA Boundary: North 4-7 miles; East 6.5 to 10 miles South 10.5-13.5 miles; West 4 to 4.5 miles			Farthest Boundary Distance to Subject: 13.5 miles	
Rental Housing Stock (found on pages 71 - 93)				
Type	# Properties	Total Units	Vacant Units	Avg Occupancy
All Rental Housing	13	608	36	94.1%
Market Rate Housing	8	284	2	99.3%
Assisted/Subsidized Housing Ex LIHTC	2	68	5	92.6%
LIHTC	3	256	29	88.7%
Stabilized Comps	7	360	23	93.6%
Properties in Lease Up	Na	Na	Na	Na

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
Number Units	Number Bedrooms	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Adv (%)	Per Unit	Per SF
12	1	1	970	\$375	\$525	\$.61	29%	\$660	\$.68
36	2	2	1195	\$440-\$450	\$645	\$.64	30-32%	\$650	\$.65

Demographic Data (found on pages 39 & 66)						
	2011		2014		2016	
Renter Households	925	19.40%	1,023	20.26%	1,031	19.93%
Income-Qualified Renter HHs (LIHTC)	210	22.75%	235	23.00%	240	23.27%
Income-Qualified Renter HHs (MR)						

Targeted Income Qualified Renter Household Demand (found on pages 60 - 66)						
Type of Demand	30%	50%	60%	MR	Other	Overall
Renter Household Growth		1	1			2
Existing Households		97	136			233
Homeowner Conversion (Seniors)		2	3			5
Total Primary Market Demand		100	140			240
Less Comparable Supply		0	0			0
Adjusted Income-Qualified Renter HHs		100	140			240
Capture Rates (found on page 67 - 68)						
Targeted Population	30%	50%	60%	MR	Other	Overall
Capture Rate		10.0%	26.4%			19.6%

MARKET STUDY FOLLOWS

SECTION B
PROPOSED PROJECT
DESCRIPTION

The proposed Low Income Housing Tax Credit (LIHTC) multi-family development will target elderly households, age 55 and over in Commerce and Jackson County, Georgia. The subject property is located off Georgia State Highway 326, approximately .1 mile west of US Highway 441 and 3 miles south of I-85.

Scope of Work

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

Project Description:

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
1BR/1b	12	900	970
2BR/2b	36*	1098	1,195
Total	48		

*1 unit set aside as non revenue

The proposed new construction project design will comprise 3 two story residential buildings, with each building serviced by an elevator. The development will include a separate building comprising a manager's office, and community room/clubhouse. The project will provide 81-parking spaces.

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

Project Rents:

The proposed development will target approximately 20% of the units at 50% or below of area median income (AMI), and approximately 80% of the units at 60% AMI. Rent excludes water, sewer, and includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	5	\$375	\$164	\$539
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*Based upon GA-DCA Middle Region Utility Allowances.

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	7	\$375	\$164	\$539
2BR/2b	30	\$450	\$208	\$658

*Based upon GA-DCA Middle Region Utility Allowances.

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

Project Amenity Package

The proposed development will include the following amenity package:

Unit Amenities

- range
- disposal
- central air
- smoke alarms
- carpet
- microwave
- patio/balcony
- energy star refrigerator
- energy star dish washer
- cable ready
- washer/dryer hook-ups
- mini-blinds
- outside storage
- ceiling fans

Development Amenities

- on-site management
- laundry room
- elevator
- exterior gathering area
- community bldg w/activity center
- mail center
- covered pavilion w/picnic area and grills

Supportive Services Package*

- organized on-site social and recreational programs
- * provided by management & community partners

The projected first full year that the **Mason Manor Apartments** will be placed in service as a new construction property, is mid to late 2016. The first full year of occupancy is forecasted to be in 2016. Note: The 2014 GA QAP states that "owners of projects receiving credits in the 2014 round must place all buildings in the project in service by December 31, 2016".

The architectural firm for the proposed development is McKean & Associates Architects, LLC. At the time of the market study, the floor plans and elevations had not been completed. However, the conceptual site plan submitted to the market analyst was reviewed.

Utility estimated are based upon Georgia DCA utility allowances for the Middle Region. Effective date: July 1, 2014.

SECTION C
SITE & NEIGHBORHOOD

The site of the proposed elderly LIHTC apartment development is located off Georgia State Highway 326, approximately .1 mile west of US Highway 441 and 3 miles south of I-85. The site is located in the eastern portion of Commerce, within the city limits.

Specifically, the site is located in Census Tract 104, Census Block Group 1, and Census Block 1011.

Note: The site is not located within a Qualified Census Tract (QCT), nor a Difficult Development Area (DDA).

Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities in Commerce can be accessed within a 10-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site. Source: Mr. David Zellner, Planning and Development, City of Commerce, (706) 335-4200

Site Characteristics

The approximately 12-acre, polygon shaped tract is wooded and undulating. At present, there are no physical structures located upon the tract. The site is considered to be marketable and buildable. However, these assessments are subject to both environmental and engineering studies. All public utility services are available to the tract and excess capacity exists.

The buildable portion of the site is not located within a 100-year flood plain. The southern portion of the site has wetlands and more difficult terrain to develop. This area of the tract will remain as green space and a drainage area. At the time of the survey, the subject site was zoned R4, Multi-Family Residential. The surrounding land use and zoning around the site are detailed below:

Direction	Existing Land Use	Zoning
North	SF Residential	R3
East	Vacant, Commercial, US 441	C2 & R3
South	Vacant & Residential	R1 & AR
West	SF & MF Residential	R3

- C2 - General Commercial
- R3 - Two-family Residential
- AR - Agriculture / Residential

Source: Official Zoning Map of Commerce, GA

Neighborhood Description / Characteristics

The overall character of the neighborhood in the immediate vicinity of the site can be defined predominantly as a mixture of low density single-family development, 1 small commercial property and 1 small multi-family property. In addition, the immediate area contains several large vacant tracts of land.

Directly north of the site, on the opposite side of Georgia State Road 326 is low density single-family development.

Directly south of the site is vacant land and low density single-family development.

Directly west of the tract along SR 326 is a small multi-family (market rate) apartment development, known as Town & Country Apartments. This 26-unit property was built between 1989 and 1991 and is in good condition. At the time of the survey, it was 100% occupied and reported to be maintaining a waiting list on an "as needed" basis.

Directly east of the tract is a small metal building in which there is a truck repair business. On the opposite side of this property is US Highway 441.

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

Crime Statistics

The overall setting of the site is considered to be one that is acceptable for continuing residential development within the present neighborhood setting. The immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. The most recent crime rate trend data for Jackson County reported by the Georgia Bureau of Investigation in 2012 is exhibited below.

Type of Offence	Number of Offences	% of Total
Murder	0	0.00
Rape	12	0.83
Robbery	10	6.95
Assault	78	5.42
Burglary	260	18.06
Larceny	1,019	70.81
Vehicle Theft	60	4.17
Total	1,439	100%

Source: Georgia Bureau of Investigation



(1) Site, off SR 326, north to south.



(2) Site to the left, off SR 326, east to west.



(3) Site to the right, off SR 326, west to east.



(4) Metal Building directly east of site, off SR 326.



(5) Town & Country Apts, off SR 326, .2 miles fm site.



(6) Site, off SR 326, northeast to southwest.



(7) Property across from site entrance.



(8) Property immediately ne of Site off SR 326.

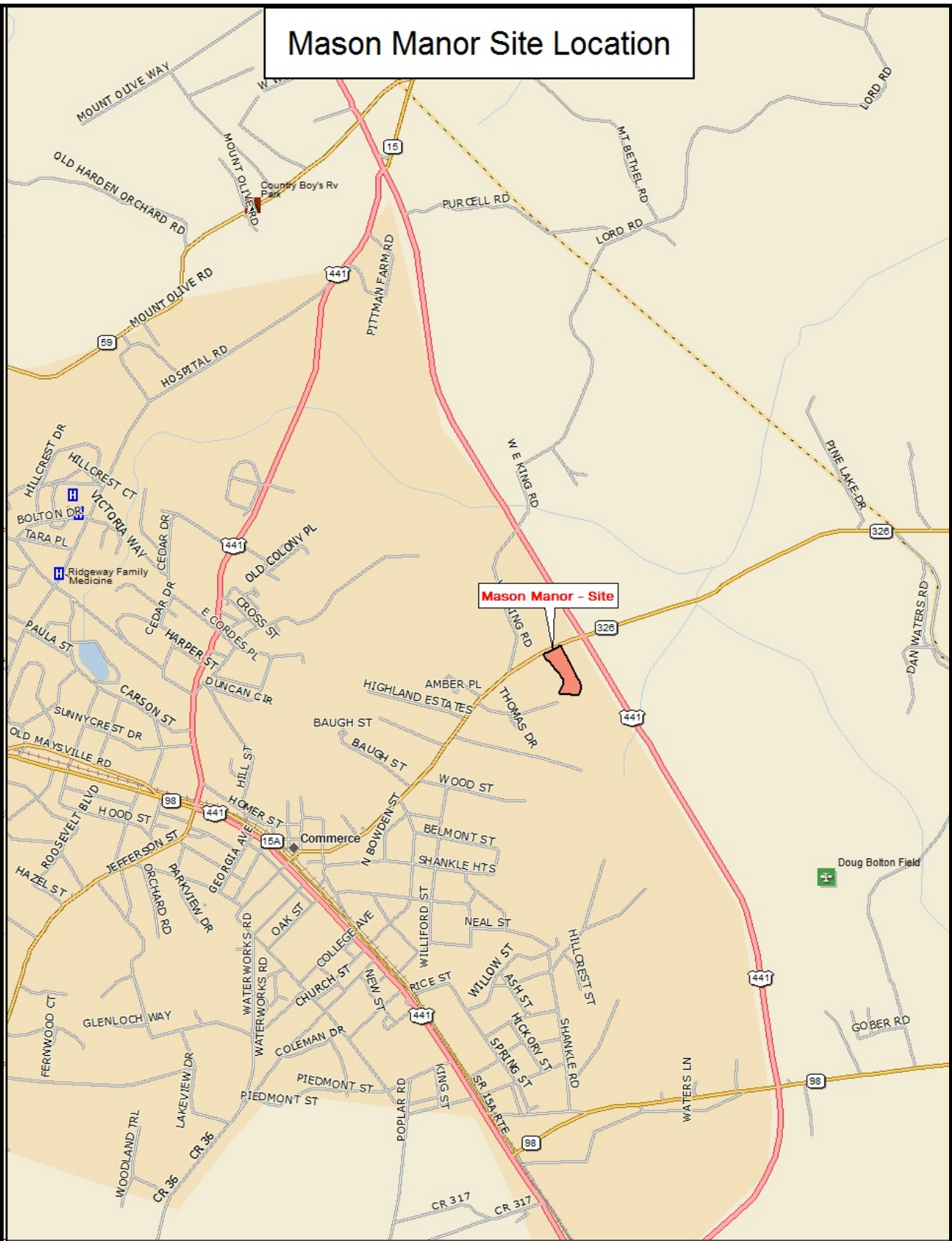


(9) Typical single-family home in vicinity of site.



(10) Walmart Supercenter 2.5 miles from site.

Mason Manor Site Location



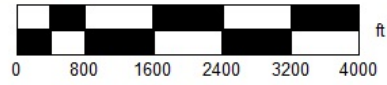
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MN (5.5° W)



Data Zoom 13-0

Access to Services

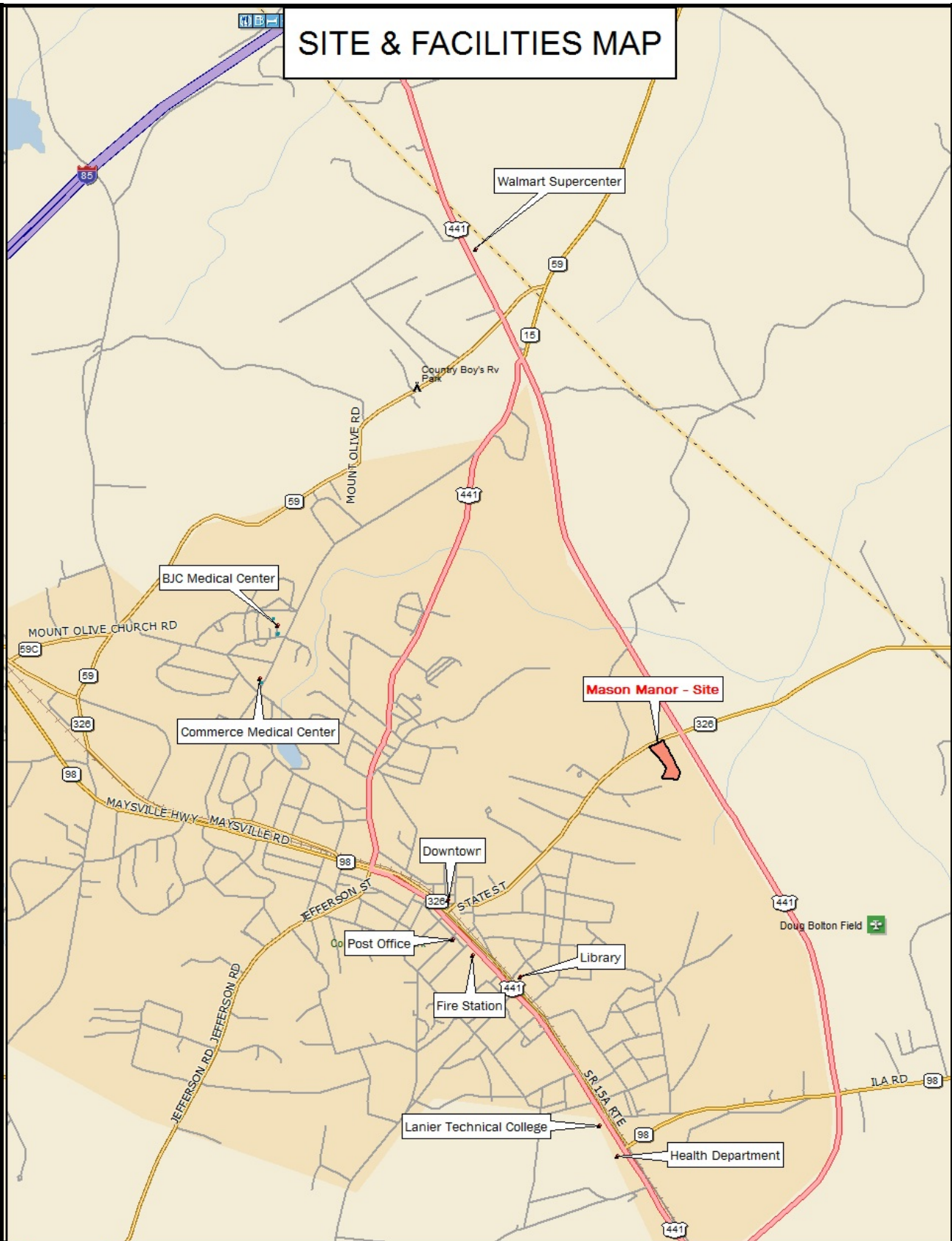
The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

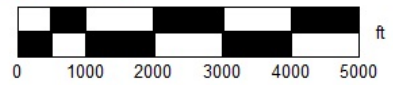
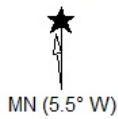
Points of Interest	Distance from Subject
Access to US 441	.1
Access to SR 98	1.0
Downtown Commerce	1.0
Post Office	1.2
Fire Station	1.3
Library	1.4
Walmart Supercenter	2.5
County Health Department	2.6
Lanier Technical College	2.7
BJC Medical Center	3.0
Commerce Medical Center	3.2
Access to I-85	3.5
Jackson County Senior Center	12.5

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

SITE & FACILITIES MAP



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Data Zoom 12-6

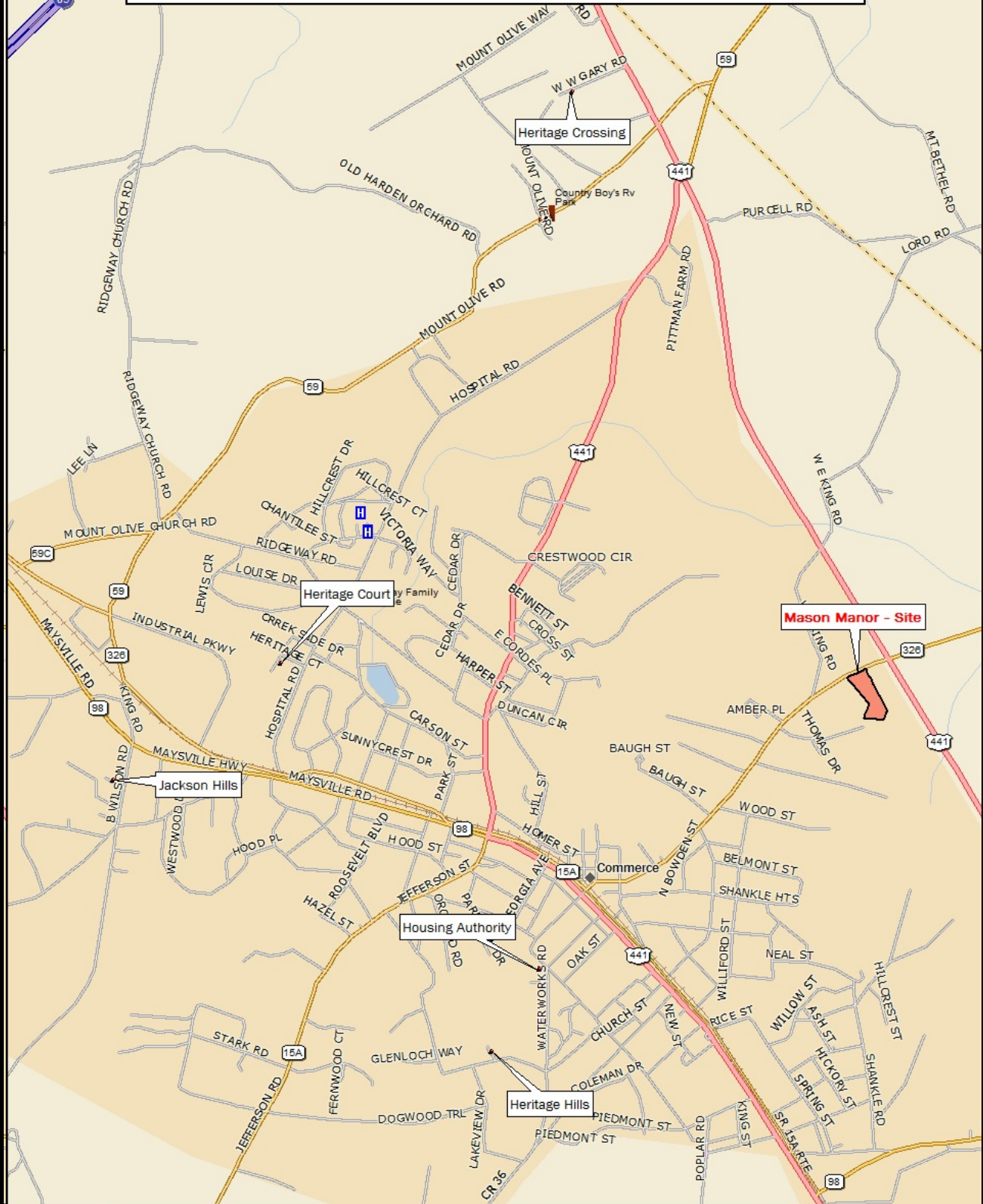


Program Assisted Apartments in Commerce - PMA

At present, there are four program assisted apartment complexes located within the Commerce PMA, in addition to the Commerce Housing Authority. All of the properties are located within the City of Commerce, and all target the general population. None are elderly specific. A map (on the next page) exhibits the program assisted properties located within Commerce in relation to the site.

Project Name	Program Type	Number of Units	Distance from Site (in miles)
Heritage Court	USDA-RD fm	24	3.6
Heritage Crossing	LIHTC/MR fm	120	2.2
Heritage Hills	LIHTC fm	80	1.8
Jackson Hills	HUD 8 fm	48	2.6
Commerce PHA	PHA	50	1.3

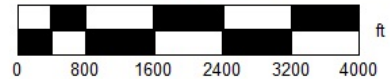
Program Assisted Properties Located w/in PMA



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Data Zoom 13-0

SUMMARY

The field visit for the site and surrounding market area was conducted on **May 14, 2014**. The site inspector was Mr. Jerry M. Koontz (of the firm Koontz & Salinger).

The overall character of the neighborhood in the immediate vicinity of the site can be defined predominantly as a mixture of low density single-family development, 1 small commercial property and 1 small multi-family property. In addition, the immediate area contains several large vacant tracts of land. Given the current area land use development and the fact that the proposed site is only 1 mile east of Downtown Commerce, the proposed development is considered to be consistent with the existing land uses within one mile of the proposed site. The site is located in the eastern portion of Commerce, within the city limits. At the time of the survey, the subject site was zoned R4, which allow multi-family development.

Access to the site is available off GA State Road 326. SR 326 is a primary connector that links the site with US 441 to the east and Downtown Commerce to the west. It is a low to medium density traveled road, with a speed limit of 55 miles per hour in the immediate vicinity of the site. Also, the location of the site off SR 326 does not present problems of egress and ingress to the site.

The site offers good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities including: noxious odors, close proximity to cemeteries, high tension power lines, rail lines and junk yards.

The site in relation to the subject and the surrounding roads is agreeable to signage, in particular to passing traffic along Georgia SR 326.

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

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, and Downtown Commerce	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

SECTION D

MARKET AREA DESCRIPTION

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

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

Primary Market Area

Based upon field research in Commerce and a 5 to 10 mile area, along with an assessment of: the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers - the Primary Market Area (PMA) for the proposed multi-family LIHTC elderly development consists of the following 2010 census tracts:

103, 104, and 105 in Jackson County
201 and 205 in Madison County
9704 in Banks County

The 2000 census tracts for the PMA were the same as the 2010 census tracts, and the overall geographic boundary remained unchanged. The only differences was that in Banks County the tract number changed from 9804 in 2000 to 9704 in 2010.

Commerce is the largest populated place in the PMA, representing approximately 21% of the total population. Only one other smaller incorporated place is located within the PMA: Nicholson had a 2010 population of 1,696.

The PMA excluded the Jefferson PMA of Jackson County, as well as the remainder of both Banks and Madison Counties.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	Banks & Franklin Counties	4 - 7 miles
East	Franklin & Madison Counties	6.5 - 10 miles
South	Clarke & Madison Counties	10.5-13.5 miles
West	Jefferson PMA	4 - 4.5 miles

Commerce is the trade area for the PMA regarding employment opportunities, finance, retail, and wholesale trade, entertainment and health care services. Jefferson is located about 12 to 13 miles west of Commerce, and is considered to be one of the major geographic areas that comprise the Secondary Market Area (SMA).

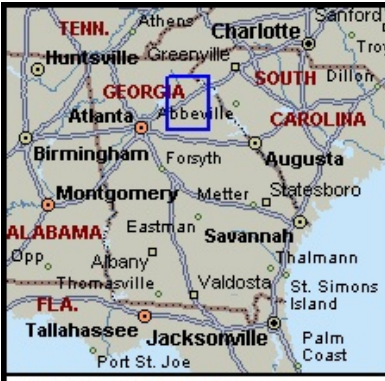
Transportation access to the site and PMA is excellent. The major east/west transportation corridors in the PMA is SR 98. The major north/south transportation corridors in the PMA are I-85, US Highway 441, and SR 59.

With regard to the location of an independent living elderly apartment complex, without deep subsidy rental assistance, the City of Commerce would be the most logical choice as a location of a LIHTC elderly complex in the PMA. In this case the complex would not only serve the City, but also the PMA as a whole, given the lack of alternative choices.

In addition, managers and/or management companies of existing LIHTC properties were surveyed, as to where the majority of their existing tenants previously resided.

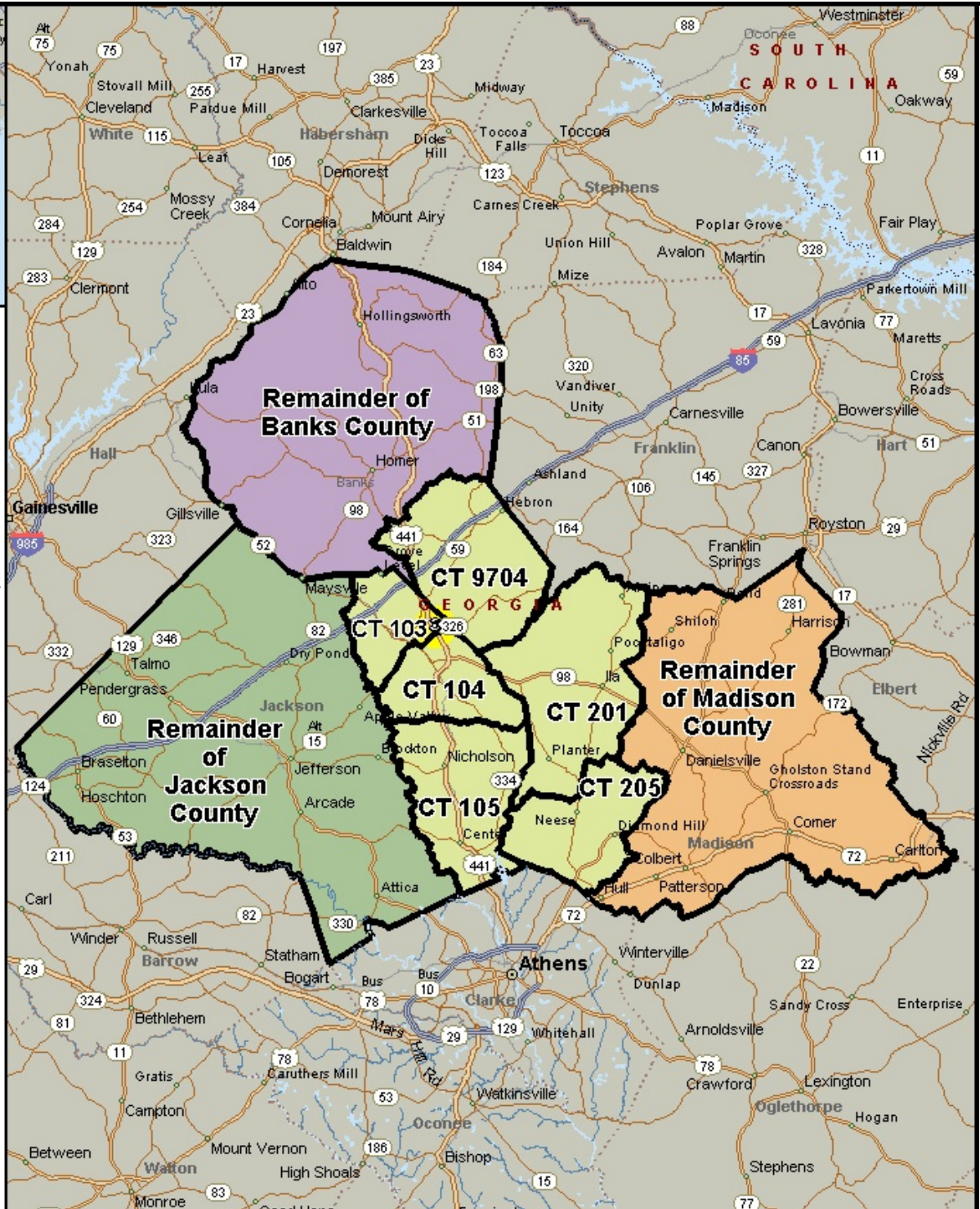
Secondary Market Area

The Secondary Market Area (SMA) consists of that area beyond the PMA, principally from out of market, as well as from out of state. Note: The demand methodology **excluded** any potential demand from a SMA, as stipulated within the 2014 GA-DCA market study guidelines.



- ☐ Commerce, GA - PMA
- CT 103
 - CT 104
 - CT 105
 - CT 201
 - CT 205
 - CT 9704
 - Remainder of Banks County
 - Remainder of Jackson County
 - Remainder of Madison County

- ☐ Pushpins
- § SITE



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SECTION E

COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 8 exhibit indicators of trends in total population and household growth, as well as for population and households and 55 and older.

Population Trends

Table 1, exhibits the change in **total** population in Commerce the Commerce PMA, and Jackson County between 2000 and 2019. Table 3, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Commerce, the Commerce PMA, and Jackson County between 2000 and 2019. The year 2016 is estimated to be the first year of availability for occupancy of the subject property, as noted within the 2014 GA-DCA Market Study Manual. The year 2014 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure, in accordance with the 2014 GA-DCA Market Study Manual (page 4 of 15, Summary Table).

Total Population

The PMA exhibited very significant total population gains between 2000 and 2010, at approximately +2.55% per year. Population gains over the next several years, (2014-2016) are not forecasted for the PMA. Population growth is forecasted for Jackson County. As a result population losses are forecasted for that portion of the PMA outside of Jackson County, in particular that area located within Madison County. The majority of the rate of change is subject to: (1) in and out-migration of population, and (2) a reduction in the local area labor force participation rate, owing to: (a) the very cyclical economic environment within the county during much of the last decade, and (b) an increase in the number of baby boomers entering retirement.

The projected change in population for Commerce is subject to local annexation policy and in-migration of rural county and surrounding county residents into Commerce. However, recent indicators, including the 2012 and 2013 US Census estimates (at the place level) suggest that the population trend of the mid to late 2000's in Commerce has continued at a similar rate of gain. Much of the recent growth has occurred in the north side of the city, as well as that area west of the downtown, and southwest towards Jefferson.

Population 55+

The PMA exhibited very significant population gains for population age 55+ between 2000 and 2010, at almost 3.85% per year. Population gains over the next several years (2014-2016) are forecasted for the PMA for the 55 and over age group continuing at a significant rate of increase, with a forecasted rate of growth at approximately 1.7% per year.

Population gains are forecasted in both the 55 and 65 and over age groups for the year 2016 and beyond. The projected increase is not owing to a significant increase in elderly in-migration into the PMA, but instead owing to significant age in-place as the "war baby generation, (1940-1945)" and the beginning of the "baby boom generation, (1946 to 1950)" begin to enter into the empty nester and retirement population segments in large numbers.

Population Projection Methodology

The forecast for total population, and population age 55 and over is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas 2014 and 2019 population projections.

Sources: (1) 2000 and 2010 US Census.

(2) Nielsen Claritas 2014 and 2019 Projections.

(3) 2012 and 2013 US Census population estimates.

Table 1					
Total Population Trends and Projections: Commerce, Commerce PMA and Jackson County					
Year	Population	Total Change	Percent	Annual Change	Percent
Commerce					
2000	5,292	-----	-----	-----	-----
2010	6,544	+ 1,252	+ 23.65	+ 125	+ 2.15
2014	6,614	+ 70	+ 1.07	+ 18	+ 0.27
2016	6,646	+ 32	+ 0.48	+ 16	+ 0.24
2019	6,694	+ 48	+ 0.72	+ 16	+ 0.24
Commerce PMA					
2000	27,131	-----	-----	-----	-----
2010	31,527	+ 4,396	+ 16.20	+ 440	+ 1.51
2014	30,820	- 707	- 2.24	- 176	- 0.57
2016*	30,716	- 104	- 0.33	- 52	- 0.17
2019	30,561	- 155	- 0.50	- 52	- 0.17
Jackson County					
2000	41,589	-----	-----	-----	-----
2010	60,485	+18,896	+ 45.43	+1,890	+ 3.82
2014	60,593	+ 108	+ 0.18	+ 27	+ 0.45
2016	60,988	+ 395	+ 0.65	+ 198	+ 0.33
2019	61,581	+ 593	+ 0.97	+ 198	+ 0.32

* 2016 - Estimated year that project will be placed in service.

Calculations - Koontz and Salinger. May, 2014.

Table 2 exhibits the change in population by age group within the Commerce PMA between 2014 and 2019.

Table 2						
Population by Age Groups: Commerce PMA, 2014 - 2019						
	2014 Number	2014 Percent	2019 Number	2019 Percent	Change Number	Change Percent
Age Group						
0 - 20	8,637	28.02	8,268	27.05	- 369	- 4.27
21 - 24	1,588	5.15	1,622	5.31	+ 34	+ 2.14
25 - 44	7,659	24.85	7,399	24.21	- 260	- 3.39
45 - 54	4,354	14.13	3,968	12.98	- 386	- 8.87
55 - 64	3,910	12.69	3,958	12.95	+ 48	+ 1.22
65 +	4,672	15.16	5,346	17.49	+ 674	+ 14.43

Sources: Nielsen-Claritas Projections.
Koontz and Salinger. May, 2014.

Table 2 revealed that population increased in half of the displayed age groups in the PMA between 2014 and 2019. The increase in the primary renter age group of 55 and over is estimated at approximately 8.5%. Overall, a significant portion of the total population is in the target property age eligible group of 55 and over, representing around 30% of the total population.

Between 2014 and 2016 total population is projected to decrease in the PMA at approximately -.15% to -.20% per year. This is considered to be a modest annual rate of population decline. The majority of the loss, if not all is expected to occur in that portion of the PMA outside of Commerce and Jackson County.

The figure to the right presents a graphic display of the numeric change in population in the PMA between 2000 and 2019.

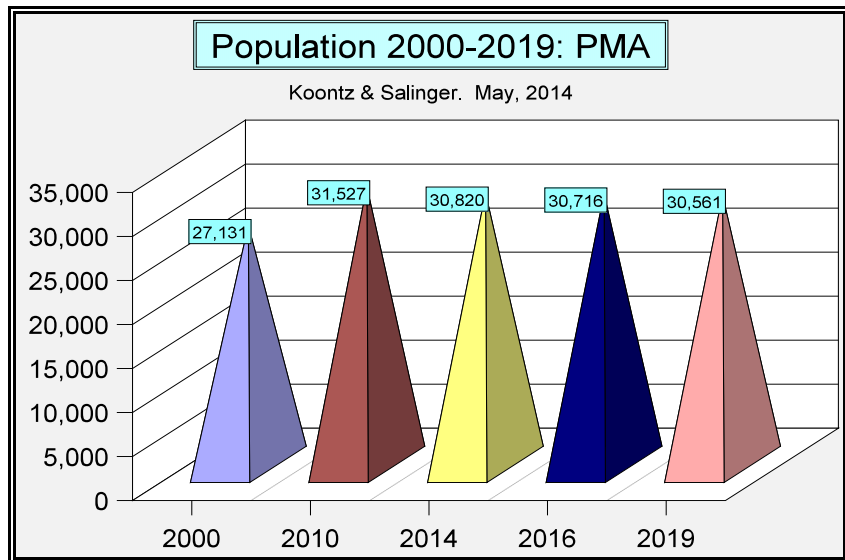


Table 3, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Commerce, the Commerce PMA, and Jackson County between 2000 and 2019.

Table 3					
Elderly Population (Age 55+) Trends and Projections: Commerce, Commerce PMA, and Jackson County					
Commerce					
2000	1,495	-----	-----	-----	-----
2010	1,787	+ 292	+ 19.53	+ 29	+ 1.80
2014	1,939	+ 152	+ 8.50	+ 38	+ 2.06
2016	1,976	+ 37	+ 1.91	+ 19	+ 0.95
2019	2,032	+ 56	+ 2.83	+ 19	+ 0.94
Commerce PMA					
2000	5,220	-----	-----	-----	-----
2010	8,038	+2,818	+ 53.98	+ 282	+ 3.83
2014	8,582	+ 544	+ 6.77	+ 136	+ 1.65
2016*	8,871	+ 289	+ 3.36	+ 144	+ 1.67
2019	9,304	+ 433	+ 4.88	+ 144	+ 1.60
Jackson County					
2000	8,269	-----	-----	-----	-----
2010	14,003	+5,734	+ 69.34	+ 573	+ 5.41
2014	15,515	+1,512	+ 10.80	+ 378	+ 2.60
2016	16,246	+ 731	+ 4.71	+ 366	+ 2.33
2019	17,344	+1,098	+ 6.76	+ 366	+ 2.20

* 2016 - Estimated year that project will be placed in service.

Calculations - Koontz and Salinger. Map, 2014.

HOUSEHOLD TRENDS & CHARACTERISTICS

Table 4 exhibits the change in **elderly** households (age 55 and over) in the Commerce PMA between 2000 and 2019. The significant increase in household formations age 55+ in the PMA has continued over a 10 year period and reflects the recent population trends and near term forecasts for population 55 and over.

The increase in the rate of persons per household exhibited between 2000 and 2010 was significant, yet is forecasted to stabilize at between 1.65 to 1.68 between 2010 and 2019 within the PMA. The rate of change in person per household is based upon: (1) the increase in the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and death rates.

The projection of household formations age 55 and over in the PMA between 2014 and 2016 exhibited a significant increase of around 63 households age 55 and over per year or by approximately +1.25% per year. The rate and size of the annual increase is considered to be very supportive of additional new construction LIHTC elderly apartment development, that targets the very low, low and moderate income elderly household population.

Table 4					
Household Formations Age 55+: 2000 to 2019					
Commerce PMA					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household	Total Households
2000	5,220	248	4,972	1.4185	3,505
2010	8,038	248	7,790	1.6670	4,673
2014	8,582	248	8,334	1.6506	5,049
2016	8,871	248	8,623	1.6666	5,174
2019	9,304	248	9,056	1.6892	5,361

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

Calculations: Koontz & Salinger. May, 2014.

Table 5A exhibits households in the Commerce PMA, age 55 and over, by owner-occupied and renter-occupied tenure. The 2010 to 2014 projected trend supports a change in the tenure ratio slightly favoring renter-occupied households on a percentage basis.

Overall, moderate net numerical gains are forecasted for both owner-occupied and renter-occupied households age 55 and over within the PMA. Between 2014 and 2016, the increase in renter-occupied households age 55 and over remains positive, but at a comparable of annual increase.

Table 5A					
Households by Tenure, Commerce PMA: Age 55+					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	3,505	2,938	83.82	567	16.18
2010	4,673	3,781	80.91	892	19.09
2011	4,767	3,842	80.60	925	19.40
2014	5,049	4,026	79.74	1,023	20.26
2016	5,174	4,143	80.07	1,031	19.93
2019	5,361	4,318	80.54	1,043	19.46

Sources: 2000 & 2010 Census of Population, Georgia.
Nielsen Claritas Projections.
Koontz and Salinger. May, 2014.

Table 5B exhibits households in the Commerce PMA, age 62 and over, by owner-occupied and renter-occupied tenure.

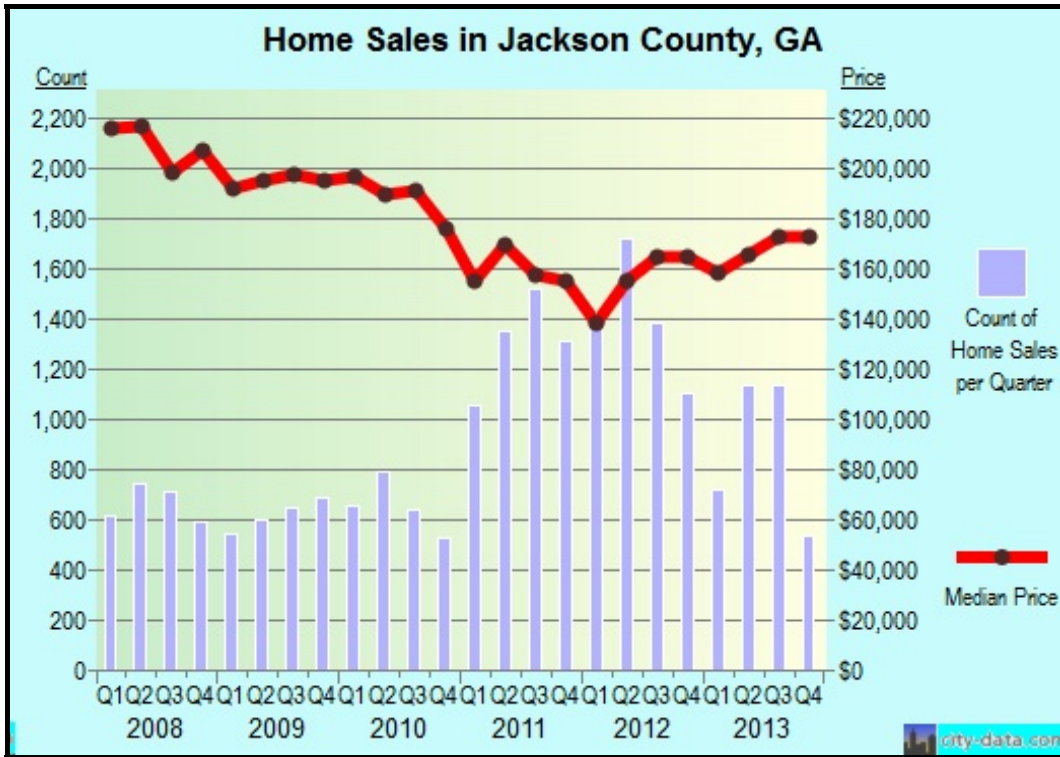
Table 5B					
Households by Tenure, Commerce PMA : Age 62+					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2010	3,214	2,614	81.33	600	18.67
2014	3,515	2,808	79.89	707	20.11
2016	3,651	2,928	80.20	723	19.80
2019	3,856	3,108	80.60	748	19.40

Sources: 2000 & 2010 Census of Population, Georgia.
Nielsen Claritas Projections.
Koontz and Salinger. May, 2014.

Calculations: The control for the forecast of households, by tenure was the 2010 Census. Hista data was interpolated between 2014 and 2019, for a 2016 estimate.

For Sale Market

The figure below exhibits home sales in Jackson County, between 2009 and 2013. Between the 1st Quarter of 2013 and the 4th Quarter of 2013, most home sales in Jackson County were in the vicinity of \$160,000 to \$175,000.



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

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

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

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

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

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

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

Tables 6A and 6B exhibit owner-occupied households, by age 55+, and by income group, in the Commerce PMA in 2010, and forecasted in 2014 and 2016. Tables 7A and 7B exhibit renter-occupied households, by age 55+, and by income group, in the Commerce PMA in 2010, and forecasted in 2014 and 2016.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2014 and 2019, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey. Hista data was interpolated between 2014 and 2019, for a 2016 estimate.

Tables 6A and 6B exhibit owner-occupied households age 55+, by income in the Commerce PMA in 2010, and projected in 2014 and 2016.

Table 6A				
Commerce PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2014 Number	2014 Percent
Under \$10,000	331	8.75	321	8.07
10,000 - 20,000	683	18.06	675	16.77
20,000 - 30,000	553	14.62	645	16.02
30,000 - 40,000	489	12.93	576	14.31
40,000 - 50,000	338	8.94	330	8.20
50,000 - 60,000	349	9.23	405	10.06
\$60,000 and over	1,038	27.45	1,074	26.68
Total	3,781	100%	4,026	100%

Table 6B				
Commerce PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2014 Number	2014 Percent	2016 Number	2016 Percent
Under \$10,000	321	8.07	395	9.54
10,000 - 20,000	675	16.77	735	17.75
20,000 - 30,000	645	16.02	693	16.73
30,000 - 40,000	576	14.31	610	14.73
40,000 - 50,000	330	8.20	351	8.47
50,000 - 60,000	405	10.06	392	9.46
\$60,000 and over	1,074	26.68	966	23.32
Total	4,026	100%	4,142	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. May, 2014.

Tables 7A and 7B exhibit renter-occupied households age 55+, by income in the Commerce PMA in 2010, and projected in 2014 and 2016.

Table 7A				
Commerce PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2014 Number	2014 Percent
Under \$10,000	154	17.26	164	16.03
10,000 - 20,000	213	23.88	232	22.68
20,000 - 30,000	156	17.49	196	19.16
30,000 - 40,000	88	9.87	145	14.17
40,000 - 50,000	77	8.63	61	5.96
50,000 - 60,000	45	5.04	48	4.69
60,000 +	159	17.82	177	17.31
Total	892	100%	1,023	100%

Table 7B				
Commerce PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2014 Number	2014 Percent	2016 Number	2016 Percent
Under \$10,000	164	16.03	188	18.25
10,000 - 20,000	232	22.68	242	23.50
20,000 - 30,000	196	19.16	204	19.81
30,000 - 40,000	145	14.17	143	13.88
40,000 - 50,000	61	5.96	60	5.82
50,000 - 60,000	48	4.69	42	4.08
60,000 +	177	17.31	152	14.66
Total	1,023	100%	1,031	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. May, 2014.

Table 8

**Households, by Tenure, by Person Per Household (Age 55+)
Commerce PMA, 2010 - 2016**

Households	Owner				Renter			
	2010	2016	Change	% 2016	2010	2016	Change	% 2016
1 Person	963	993	+ 30	23.97%	457	530	+ 73	51.46%
2 Person	1,890	2,047	+ 157	49.42%	227	248	+ 21	23.98%
3 Person	440	520	+ 80	12.55%	140	152	+ 12	14.76%
4 Person	329	408	+ 79	9.85%	55	82	+ 27	7.96%
5 + Person	159	174	+ 15	4.20%	13	19	+ 6	1.84%
Total	3,781	4,142	+ 361	100%	892	1,031	+ 138	100%

Sources: 2010 American Community Survey, North Carolina.
Nielsen Claritas Projections.
Koontz and Salinger. May, 2014.

Table 8 indicates that in 2016 approximately 75% of the renter-occupied households in the Commerce PMA contain 1 to 2 persons (the target group by household size).

Table 8 indicates that in 2016 approximately 73.5% of the owner-occupied households in the Commerce PMA contain 1 and 2 persons (the target group by household size).

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

SECTION F
ECONOMIC & EMPLOYMENT
TRENDS

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

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

Tables 8 through 14 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Jackson County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 8			
Civilian Labor Force and Employment Trends, Jackson County: 2005, 2012 and 2013			
	2005	2012	2013
Civilian Labor Force	25,565	27,665	27,799
Employment	24,385	25,302	25,728
Unemployment	1,180	2,363	2,071
Rate of Unemployment	4.6%	8.5%	7.4%

Table 9				
Change in Employment, Jackson County				
Years	# Total	# Annual*	% Total	% Annual*
2005 - 2007	+ 1,408	+ 704	+ 5.77	+ 2.89
2008 - 2009	- 1,849	Na	- 7.17	Na
2009 - 2011	+ 759	+ 380	+ 3.17	+ 1.58
2012 - 2013	+ 426	Na	+ 1.68	Na

* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2005 - 2013. Georgia Department of Labor, Workforce Information Analysis. Koontz and Salinger. May, 2014.

Table 10 exhibits the annual change in civilian labor force employment in Jackson County between 2005 and 2014. Also, exhibited are unemployment rates for the County, State and Nation.

Table 10							
Change in Labor Force: 2005 - 2014							
	Jackson County					GA	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2005	25,565	24,385	-----	1,180	4.6%	5.2%	5.1%
2006	26,775	25,677	1,292	1,098	4.1%	4.7%	4.6%
2007	26,934	25,793	116	1,141	4.2%	4.6%	4.6%
2008	27,499	25,779	(14)	1,720	6.3%	6.3%	5.8%
2009	26,868	23,930	(1,849)	2,938	10.9%	9.8%	9.3%
2010	27,233	24,329	399	2,904	10.7%	10.2%	9.6%
2011	27,367	24,689	360	2,678	9.8%	9.8%	8.9%
2012	27,665	25,302	613	2,363	8.5%	9.0%	8.1%
2013	27,799	25,728	426	2,071	7.4%	7.2%	7.4%
Month							
1/2014	27,770	25,900	-----	1,870	6.7%	7.4%	6.6%
2/2014	27,771	26,008	108	1,763	6.3%	7.2%	6.7%
3/2014	27,824	26,099	91	1,725	6.2%	7.2%	6.7%

Sources: Georgia Labor Force Estimates, 2005 - 2014.
 Georgia Department of Labor, Workforce Information Analysis.
 Koontz and Salinger. May, 2014.

Table 11 exhibits the annual change in covered employment in Jackson County between 2003 and 2013. Covered employment data differs from civilian labor force data in that it is based on a place -of- service work basis within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

Table 11		
Change in Covered Employment: 2003 - 2013		
Year	Employed	Change
2003	15,464	-----
2004	16,889	1,465
2005	18,493	1,604
2006	19,578	1,085
2007	18,581	(997)
2008	18,368	(213)
2009	16,744	(1,624)
2010	17,539	795
2011	17,962	423
2012	18,613	651
2013 1 st Q	19,017	-----
2013 2 nd Q	19,593	576
2013 3 rd Q	19,572	(21)

Sources: Georgia Department of Labor, Workforce Information Analysis, 2003 and 2013. Koontz and Salinger. May, 2014.

Commuting

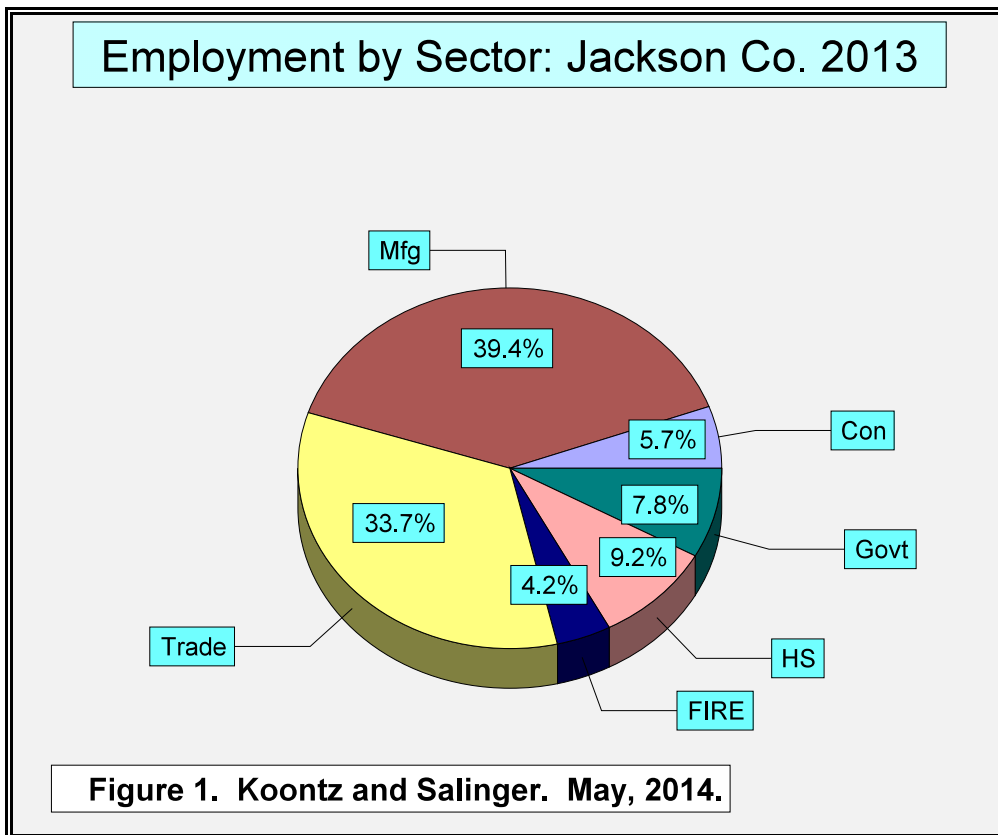
Approximately 42% of the area workforce lives and works in Jackson County. However, owing to the location of both US 129 and I-85 extending through the county a significant portion of the workforce commutes southwest into the north Atlanta employment markets, north to Gainesville, and south to the Athens/Clarke County metro market. Conversely, the proximity to the Atlanta MSA has contributed to major economic growth into Commerce and Jackson County, in particular residential, commercial and industrial growth.

Source: 2008-2012 American Community Survey, US Census.

Table 12 Average Monthly Covered Employment by Sector, Jackson County, 3 rd Quarter 2012 and 2013							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2012	18,585	833	4,457	3,638	515	1,131	932
2013	19,572	694	4,840	4,140	511	1,131	956
12-13 # Ch.	+ 987	-139	+ 383	+ 502	- 4	0	+ 24
12-13 % Ch.	+ 5.3	-16.7	+ 8.6	+13.8	-0.8	0.0	+2.6

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

Figure 1 exhibits employment by sector in Jackson County in the 3rd Quarter of 2013. The top four employment sectors are: manufacturing, trade, government and service. The 2014 forecast, is for the manufacturing sector to increase & the government sector to stabilize.



Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, 2012 and 2013. Koontz and Salinger. May, 2014.

Table 13, exhibits average annual weekly wages in the 3rd Quarter of 2012 and 2013 in the major employment sectors in Jackson County. It is estimated that the majority of workers in the service and trade sectors in 2014 will have average weekly wages between \$500 and \$900.

Table 13				
Average 3rd Quarter Weekly Wages, 2012 and 2013				
Jackson County				
Employment Sector	2012	2013	% Numerical Change	Annual Rate of Change
Total	\$ 652	\$ 668	+ 16	+ 2.4
Construction	\$ 700	\$ 792	+ 92	+13.1
Manufacturing	\$ 781	\$ 814	+ 33	+ 4.2
Wholesale Trade	\$ 963	\$ 927	- 36	- 3.7
Retail Trade	\$ 490	\$ 489	- 1	- 0.2
Transportation & Warehouse	\$ 752	\$ 781	+ 29	+ 3.9
Finance & Insurance	\$ 910	\$ 963	+ 53	+ 5.8
Real Estate Leasing	\$ 591	\$ 489	-102	-17.2
Health Care Services	\$ 583	\$ 556	- 27	- 4.6
Educational Services	\$ 613	\$ 618	+ 5	+ 0.8
Hospitality	\$ 253	\$ 249	- 4	- 1.6
Federal Government	\$1188	\$1286	+ 98	+ 8.3
State Government	\$ 965	\$1015	+ 50	+ 5.2
Local Government	\$ 539	\$ 537	- 2	- 0.4

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2012 and 2013.

Koontz and Salinger. May, 2014.

Major Employers

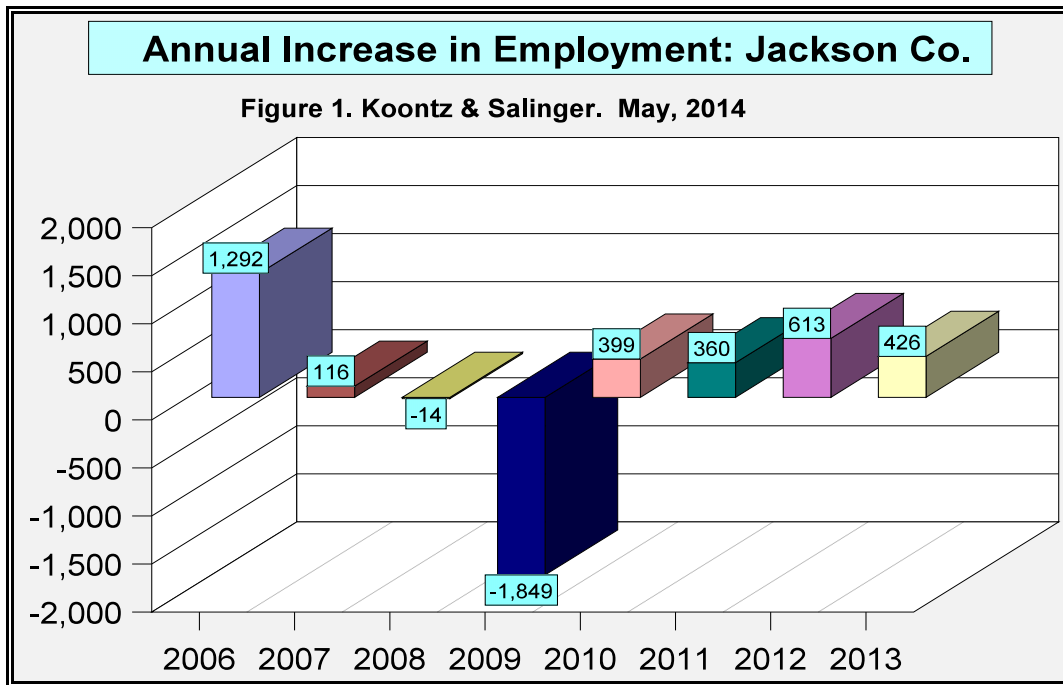
The major employers in Commerce and Jackson County are listed in Table 14.

Table 14		
Major Employers		
Firm	Product/Service	Employees
Wayne Farms	Processed Chicken	1,100
Jackson County	School System	825
Chateau Elan	Winery & Resort	500
Baker & Taylor	Book Distributor	400
Havertys	Furniture Distributor	450
Northridge Medical Center	Healthcare	422
Jackson County	Government	400
Mission Foods	Food Service	490
TenGate Geosynthetics	Textile Goods	300
Commerce City	School System	285
Kubota	Transportation Equipment	400
Braselton Poultry	Poultry	235
Jackson EMC	Utilities	110
Commerce City	School System	207
Roper Pump	Manufacturing	325
Buhler Quality Yarns	Yarn	125
GENCO/PETCO	Transportation	217
Country Charm	Poultry	100
Systemax	Wholesale Computer Products	300
Mayfield Dairy	Dairy Products	235
TD Automotive	Air & Gas Compressors	300
Pro View Foods	Fruits & Vegetables	183
Kroger Grocery	Retail Trade	180
Southeast Toyota	Distribution	180
Signature Foods	Groceries	155
Tractor Supply	Lawn & Garden Supply	165

Source: www.jacksonalliance.com

SUMMARY

The economic situation for Jackson County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 8-14, Jackson County experienced significant employment gains between 2005 and 2007. Between 2008 and 2009, in particular in 2009, the decrease in employment in Jackson County was moderate to very significant, owing to the recent "deep recession". The negative trend continued reversed in 2010 and remained positive into 2013. Early trend data in 2014, indicate an increase in both employment and a stabilization in the overall size of the labor force.



As represented in Figure 1 (and Table 8), between 2005 and 2007, the average increase in employment was approximately 704 workers or approximately +2.89% per year. The rate of employment loss between 2008 and 2009, was very significant at over -7%, representing a net loss of around -1,850 workers. The rate of employment gain between 2009 and 2011, was significant, at approximately +3% per year. The 2012 to 2013, rate of growth was over 1.5%, representing a net gain of +426. The rate of employment change thus far into 2014, is forecasted to increase on a year to year basis, based upon the most recent labor force data in 2014, changes in the labor force participation rate, and recent economic growth announcement provided by the local chamber of commerce.

Monthly unemployment rates in 2011 and 2012 were among the highest exhibited in over 10-years in Jackson County. Monthly unemployment rates remained high in very early 2013 and began declining by the Spring of 2013, overall ranging between 6.4% and 8.6%, with an overall estimate of 7.4%. These rates of unemployment for the local economy are reflective of Jackson County participating in the last State, National, and Global recession and the subsequent period of slow yet

improving recovery growth. The National forecast for 2014 (at present) is for the unemployment rate to approximate 6% to 6.5% in the later portion of the year. Typically, during the last two years, the overall unemployment rate in Jackson County has been comparable to both the state and national average unemployment rates. The annual unemployment rate in 2014 in Jackson County is forecasted to continue to decline, to the vicinity of 5.7% to 6.7%, and improving on a relative year to year basis.

The Commerce-Jackson County local economy is very well diversified, with the major sectors of economy comprised of: (1) manufacturing, (2) local government and education, and (3) a sizable service and trade sector. The western portion of Jackson County, which includes Jefferson and Braselton has a large concentration of firms in the manufacturing, logistics and distribution sectors of the economy. The central and northern portions of the county have a number of firms and facilities that operate in the agribusiness sector of the economy, in particular poultry and cattle processing.

Recent economic development news includes:

(1) In February 2012, Kubota Industrial Equipment broke ground. The \$80 million, 600,000 sf capital plant expenditure will result in 200 jobs. The plant began operations in the Fall of 2013.

(2) In 2012, Carter's Inc., announced that it would a distribution center in Jackson County which will result in 1,000 jobs.

The Jackson County Alliance reported that economic development in 2013, and this far in 2014 has been "very positive". Both industrial and commercial growth has been occurring and is forecasted to continue to occur as a result on the ever expanding Atlanta metro market expanding north along I-85. Growth drivers include: (1) available affordable land, (2) access to I-85, (3) the availability of affordable housing, and (4) quality of life in terms of a rural to semi urban environment versus a 100% urban environment.

Source: Mr. Josh Fenn, Jackson County Alliance, (706) 387-0300.

Local Economy - Relative to Subject & Impact on Housing Demand

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

Even though the overall number of workers decreased between 2010 and 2011, owing primarily to a reduction in the labor force participation rate, recent economic indicators in 2012 and 2013 are more supportive of a moderately improving (in terms of growth) local economy into 2014 and 2015. This is mostly due to a well diversified employment base, and the very positive annual economic impact provided by the extension of Atlanta metro area, northward along the I-85 transportation corridor.

One of the contributing factors of the labor force participation rate decline is the ever increasing number of workers retiring from the workforce, and in some cases electing to participate in social security at age 62.

In addition, Jackson County will continue to become a destination point for (1) working class population from the surrounding rural counties owing to the size of the local trade and service sector economic base and (2) the aging baby boomer population in the State, as well as those individuals from out-of State seeking a retirement location. It is believed that some aging baby boomers would desire to bring their elder parents with them to enjoy an overall retirement destination together.

In summary, the near term outlook for the local economy is for a moderately improving economy into 2014 and early 2015, subject to an avoidance of both negative impacts owing to either or both national fiscal and monetary outcomes. Regardless of the national fiscal and monetary decisions, economic growth is expected between mid to late 2014. Over the next few years, most economists forecast that the overall regional, state and national economies will slowly.

A map of the major employment concentrations in the area of Commerce is exhibited on the next page.

SECTION G

PROJECT-SPECIFIC DEMAND ANALYSIS

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

Commerce PMA market.

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

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimated projected year that the subject will be placed in service of 2016.

In this section, the effective project size is 48-units, of which 1 unit is set aside as a non revenue unit. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 6 and 7 from the previous section of the report.

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

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

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

Income Threshold Parameters

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

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2014 HUD Income Limits.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 12 one-bedroom and 35 two-bedroom units. The expected minimum to maximum number of people per unit is:

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

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

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

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

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

The proposed 1BR net rent at 50% AMI is \$375. The estimated utility costs is \$164. The proposed 1BR gross rent is \$539. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$16,170.

The proposed 2BR net rent at 50% AMI is \$440. The estimated utility costs is \$208. The proposed 2BR gross rent is \$648. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$19,440.

The proposed 1BR net rent at 60% AMI is \$375. The estimated utility costs is \$164. The proposed 1BR gross rent is \$539. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$16,170.

The proposed 2BR net rent at 60% AMI is \$450. The estimated utility costs is \$208. The proposed 2BR gross rent is \$658. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$19,740.

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

	50% <u>AMI</u>	60% <u>AMI</u>
1 Person -	\$21,550	\$25,860
2 Person -	\$24,600	\$29,250

Source: 2014 HUD MTSP Income Limits.

Target Income Ranges

The overall income range for the targeting of income eligible households at 50% AMI is \$16,170 to \$24,600.

The overall income range for the targeting of income eligible households at 60% AMI is \$16,170 to \$29,250.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 50% AMI is \$16,170 to \$24,600.

It is projected that in 2016, approximately **14.5%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$16,170 to \$24,600.

It is projected that in 2016, approximately **18%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$16,170 to \$24,600.

60% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$16,170 to \$29,250.

It is projected that in 2016, approximately **22.5%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$16,170 to \$29,250.

It is projected that in 2016, approximately **27.5%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$16,170 to \$29,250.

Adjustments

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

	<u>Owner-Occupied</u>	<u>Renter-Occupied</u>
50% AMI	9.0%	11.0%
60% AMI	13.5%	16.5%

Reconciliation of Net Rents

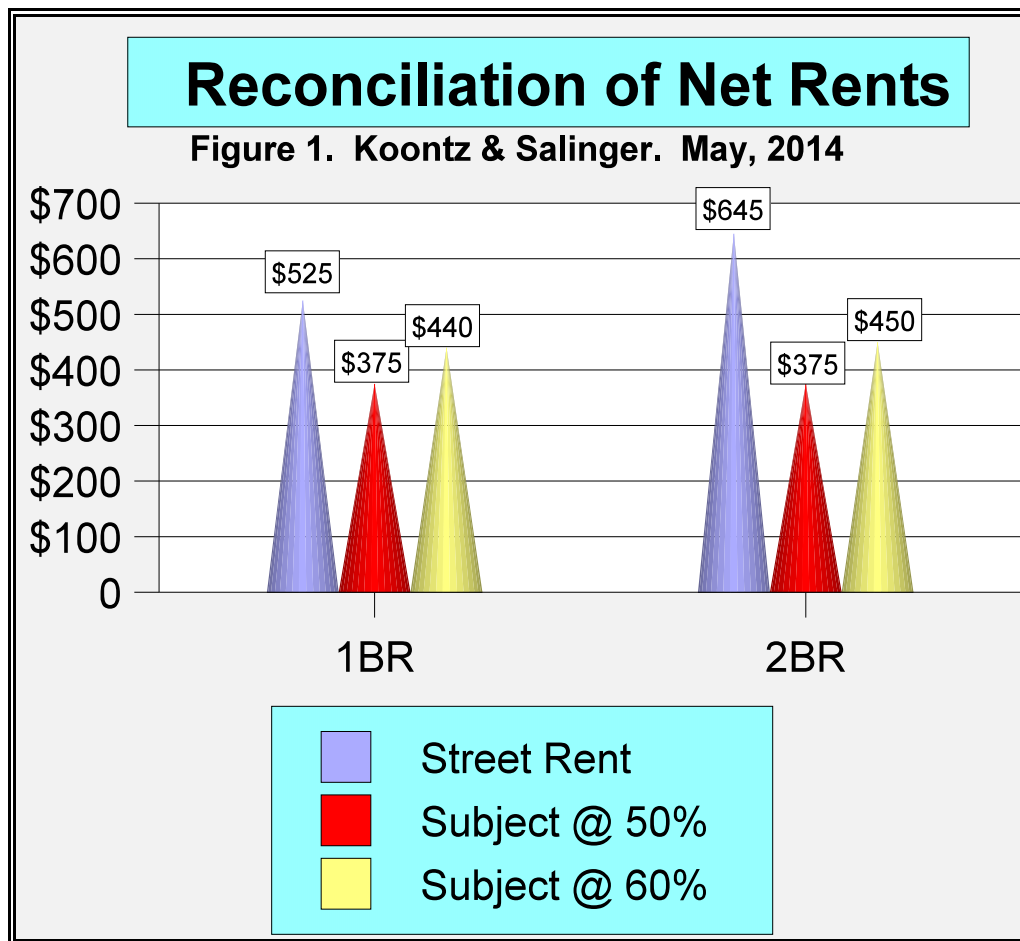
The survey of the competitive environment (which included local real estate professionals) revealed the following market based findings regarding net rents. Figure 1 below exhibits the estimated average conventional (street) net rents by bedroom type in relation to the proposed subject property net rents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

Data Set

<u>Bedroom Type</u>	<u>Street Rent*</u>	<u>Subject Rents at</u>	
		<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b	\$525	\$375	\$375
2BR/2b	\$645	\$440	\$450

* average adjusted net rent

Figure 1, reveals that the proposed subject 1BR net rent at 50% AMI is approximately 29% less and at 60% AMI is approximately 29% less than the comparable/competitive 1BR market rate net rent. The proposed subject 2BR net rent at 50% AMI is approximately 32% less and at 60% AMI is approximately 30% less than the comparable/competitive 2BR market rate net rent.



Effective Demand Pool

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

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

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

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

(2) taking into consideration like-kind competition introduced into the market between 2012 and 2013.

Demand from New Elderly Renter Households (Growth)

For the PMA, forecast housing demand through household formation totals 8 elderly renter-occupied households over the 2014 to 2016 forecast period.

Based on 2016 income forecasts, 1 new elderly renter household falls into the 50% AMI target income segment of the proposed subject property, and 1 into the 60% AMI target income segment.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2008-2012 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2008-2012 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 16 elderly renter-occupied households were defined as residing in substandard housing within the PMA. Based upon 2008-2012 American Community Survey data, 15 elderly renter-occupied households were defined as residing in substandard housing. The forecast in 2016 was for 15 elderly renter occupied households residing in substandard housing in the PMA.

Based on 2016 income forecasts, 2 substandard elderly renter households fall into the target income segment of the proposed subject property at 50% AMI, and 2 in the 60% AMI segment.

Demand from Existing Renters

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

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2008-2012 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2016 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to: (1) the recent 2008-2010 national and worldwide recession since the report of the findings in the 2008-2012 American Community Survey, and (2) the affordable net rents, by of the proposed subject development.

The 2008-2012, ACS indicates that within Jackson County about 70% of all households age 65 and over (owners & renters) are rent

overburdened. In addition, the ACS estimates that approximately 94% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened, versus 49% in the \$20,000 to \$34,999 income range.

It is estimated that approximately 85% of the elderly renters with incomes in the 50% AMI target income segment are rent overburdened, and 80% of the elderly renters with incomes in the 60% AMI target income segment are rent overburdened.

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

In the PMA it is estimated that 95 existing elderly renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property, and 134 are in the 60% AMI segment.

Elderly Homeowner Tenure Conversion

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

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

Note: This element of the demand methodology does not allow for more than 2% of the overall demand estimate (up to this portion of the demand methodology) to be derived from owner-occupied tenure. (This is to ensure that there is no over weighting of demand from this portion of the demand methodology.) In addition, it is limited to elderly owner-occupied households age 62 and over.

After income segmentation, this results in 5 elderly households added to the target demand pool at 50% AMI, and 8 elderly households added to the target demand pool at 60% AMI.

After adjusting for the 2% Rule, the 50% AMI segment was reduced to 2, and the 60% AMI segment was reduced to 3.

Total Effective Tenant Pool

The potential demand from these sources (in the methodology) total 100 households/units at 50% AMI. The potential demand from these sources (in the methodology) total 140 households/units at 60% AMI. These estimates comprise the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA. These estimates of demand were adjusted for the introduction of new like-kind supply into the PMA since 2012. Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

The final segmentation process of the demand methodology was to subtract out like-kind competition/supply in the PMA built since 2012. In the case of the subject, like-kind supply includes other LIHTC and/or LIHTC/Home elderly developments. Note: Since 2012, no like-kind LIHTC elderly developments have been introduced within the Commerce PMA.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct competitive supply under construction and/or in the pipeline for development must be taken into consideration.

A review of the 2010 to 2013 list of awards for both LIHTC & Bond applications made by the Georgia Department of Community Affairs revealed that no award were made for a LIHTC elderly development within the Commerce PMA.

In October of 2012, the 56 unit Maple Square LIHTC elderly development opened in Jefferson. At the time of the survey, the property was 100% occupied and had 100 applicants on the waiting list. This development will not be taken into consideration within the quantitative demand methodology, owing to the fact that it is located outside of the Commerce PMA and 10 miles away from the subject site.

Mr. David Zellner, Director of Planning and Development, for the City of Commerce, reported that no apartments have been built or are in the pipeline for development that target the elderly, or for that matter the non elderly population in Commerce. Source: Mr. David Zellner, (706) 335-4200.

The segmented, effective demand pool for the proposed LIHTC new construction development is summarized in Table 15.

Table 15

LIHTC Quantitative Demand Estimate: Commerce PMA

	AMI	AMI
● <u>Demand from New Growth - Elderly Renter Households</u>	<u>50%</u>	<u>60%</u>
Total Projected Number of Households (2016)	1,031	1,031
Less: Current Number of Households (2014)	<u>1,023</u>	<u>1,023</u>
Change in Total Renter Households	+ 8	+ 8
% of Renter Households in Target Income Range	<u>11%</u>	<u>16.5%</u>
Total Demand from New Growth	1	1
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing(2010)	15	15
Number of Households in Substandard Housing(2016)	15	15
% of Substandard Households in Target Income Range	<u>11%</u>	<u>16.5%</u>
Number of Income Qualified Renter Households	2	2
● <u>Demand from Existing Elderly Renter Households</u>		
Number of Renter Households (2016)	1,031	1,031
Minus Number of Substandard Renter Household	<u>- 15</u>	<u>- 15</u>
Total in Eligible Demand Pool	1,016	1,016
% of Households in Target Income Range	<u>11%</u>	<u>16.5%</u>
Number of Income Qualified Renter Households	112	168
Proportion Income Qualified (that are Rent Overburden)	<u>85%</u>	<u>80%</u>
Total	95	134
● <u>Total Demand From Elderly Renters</u>	98	137
● <u>Demand from Existing Elderly Owner Households (age 62+)</u>		
Number of Owner Households (2016)	2,928	2,928
% of Households in Target Income Range	<u>9%</u>	<u>13.5%</u>
Number of Income Qualified Owner Households	264	395
Proportion Income Qualified (likely to Re-locate)	<u>2.5%</u>	<u>2.5%</u>
Total	7	10
2% Rule Adjustment	<u>- 5</u>	<u>- 7</u>
Net (after adjustment)	2	3
● <u>Net Total Demand</u>	100	140
● <u>Minus New Supply of Competitive Units (2012-2013)</u>	<u>- 0</u>	<u>- 0</u>
● <u>Gross Total Demand - LIHTC Segment</u>	100	140

Table 15 - Converted w/in GA-DCA Required Table

	HH @30% AMI xx,xxx to xx,xxx	HH @50% AMI \$16,170 to \$24,600	HH@ 60% AMI \$16,170 to \$29,250	HH @ Market \$xx,xxx to \$xx,xxx	All LIHTC Households
Demand from New Households (age & income appropriate)		1	1		2
Plus					
Demand from Existing Renter Households - Substandard Housing		2	2		4
Plus					
Demand from Existing Renter Households - Rent Overburdened households		95	134		229
Sub Total		98	137		235
Demand from Existing Households - Elderly Homeowner Turnover (limited to 2%)		2	3		5
Equals Total Demand		100	140		240
Less					
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the project market between 2012 and the present		0	0		0
Equals Net Demand		100	140		240

Capture Rate Analysis

After adjusting for new like kind supply, the total number of LIHTC Income Qualified Households = 240. For the subject 47 LIHTC units (the 48-unit development will have 1 non revenue unit) this equates to an overall LIHTC Capture Rate of **19.6%**.

	50%	60%
	<u>AMI</u>	<u>AMI</u>
● <u>Capture Rate</u> (47 unit subject, by AMI)		
Number of Units in Subject Development	10	37
Number of Income Qualified Households	100	140
Required Capture Rate	10.0%	26.4%

● Total Demand by Bedroom Mix

Approximately 44% of the 55 and over population in the PMA is in the 55 to 64 age group. Also, of the PMA population that comprises 1 and 2 person households (both owners and renters), approximately 40% are 1 person and 60% are 2 person (see Table 8). In addition, the size of the households age 55+ in the 2014 to 2016 forecast period is forecasted to increase from 1.65 to 1.66, and by 2019 to have increased to a 1.68 ratio. Finally, the Applicant has experience in offering a product at a very affordable net rent, with large size units that make the proposed 2BR units very attractive to the market. All these factors in turn suggests additional demand support for 2BR units.

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

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

Total Demand by Bedroom Type (at 50% AMI)

1BR - 25
 2BR - 75
 Total - 100

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	25	0	25	5	20.0%
2BR	75	0	75	5	6.7%

Total Demand by Bedroom Type (at 60% AMI)

1BR - 35
 2BR - 105
 Total - 140

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	35	0	35	7	20.0%
2BR	105	0	105	30	28.6%

Capture Rate Analysis Chart

Income Targeting	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Abspt
30% AMI							
1BR							
2BR							
3BR							
4BR							
50% AMI							
1BR	\$16,170-\$21,150	5	25	0	25	20.0%	1 mo.
2BR	\$19,440-\$24,600	5	75	0	75	6.7%	1 mo.
3BR							
4BR							
60% AMI							
1BR	\$16,170-\$25,860	7	35	0	35	20.0%	1 mo.
2BR	\$19,740-\$29,250	30	105	0	105	28.6%	3 mos.
3BR							
4BR							
Market Rate							
1BR							
2BR							
3BR							
4BR							
Total 30%							
Total 50%	\$16,170-\$24,600	10	100	0	100	10.0%	1 mo.
Total 60%	\$16,170-\$29,250	37	140	0	140	26.4%	3 mos.
Total LIHTC	\$16,170-\$29,250	47	240	0	240	19.6%	3 mos.
Total Market							

- Penetration Rate:

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

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

The GA-DCA required Rent Analysis Chart follows:

Rent Analysis Chart

Income Targeting	Average Market Rent	Market Rent Band Min-Max	Proposed Rents
30% AMI			
1BR			
2BR			
3BR			
4BR			
50% AMI	Adjusted	Adjusted	
1BR	\$525	\$507-\$541	\$375
2BR	\$645	\$545-\$703	\$440
3BR			
4BR			
60% AMI	Adjusted	Adjusted	
1BR	\$525	\$507-\$541	\$375
2BR	\$645	\$545-\$703	\$450
3BR			
4BR			
Market Rate			
1BR			
2BR			
3BR			
4BR			

* Source: Comparable properties

Overall Impact to the Rental Market

In the opinion of the market analyst, the proposed LIHTC elderly development **will not negatively impact** the existing supply of program assisted properties located within the Commerce PMA in the short or long term. Presently, the Commerce PMA contains no existing supply of program assisted USDA-RD or LIHTC elderly apartments.

At the time of the survey, the existing LIHTC elderly development located within the competitive environment was 100% occupied. At the time of the survey, the newest LIHTC elderly development (Maple Square) introduced outside of the Commerce PMA, yet within Jackson County was 100% occupied, and maintained a lengthy waiting list, comprising 100 applicants.

Some relocation of elderly tenants in the existing program assisted family properties could occur in any of the properties, particularly those properties absent deep subsidy rental assistance (RA) support. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

SECTION H

COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS

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

includes two LIHTC families properties, both located within Commerce, and one LIHTC elderly property located within Jefferson. The analysis includes individual summaries and pictures of properties.

The Commerce apartment market is representative of a semi-urban apartment market, greatly influenced by a larger and adjacent rural hinterland. In addition, both program assisted and market rate supply is located in nearby Jefferson, about 12-miles southwest of Commerce. At present, Commerce has a small number market rate apartment properties. The Commerce apartment market contains a small supply of program assisted properties, including the local public housing authority. Two of the program assisted properties are LIHTC family developments. Presently, the Commerce PMA contains no supply of program assisted USDA-RD or LIHTC elderly apartments.

Part I - Sample Survey of Market Rate Apartments

Eight market rate properties representing 284 units, were surveyed in the subject's overall competitive environment, in detail. Note: In addition, the 24 market rate units at one of the surveyed LIHTC family properties were surveyed and analyzed within this section of the market study. Several key findings in the local conventional apartment market include:

- * At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties was less than 1%.
- * The bedroom mix of the surveyed market rate apartment properties is 4% 1BR, 94% 2BR and 2% 3BR.
- * A survey of the conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
1BR/1b	\$537	\$550	\$475-\$660
2BR/1b	\$557	\$575	\$520-\$600
2BR/1.5 & 2b	\$625	\$620	\$525-\$770
3BR/2b	\$840	\$840	\$840-\$840

Source: Koontz & Salinger. May, 2014

* At the time of the survey, none of the surveyed market rate properties were offering rent concessions.

* The survey of the competitive apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

Surveyed Competitive Environment - Unit Size			
BR/Size	Average	Median	Range
1BR/1b	920	925	900-975
2BR/1b	989	1000	875-1000
2BR/1.5b & 2b	1062	1050	750-1200
3BR/2b	1288	1300	1270-1350

Source: Koontz & Salinger. May, 2014

* In the area of unit size, by bedroom type, the subject will offer competitive unit sizes, by floor plan, in comparison with the existing market rate properties. The proposed subject 1BR gross square footage is approximately 5% greater than the 1BR market average unit size. The proposed subject 2BR gross square footage is approximately 13% greater than the 2BR market average unit size.

Part II - Survey of the Program Assisted Market

Five program assisted properties targeting the general population representing 324 units, were surveyed in detail. At present, there are no LIHTC nor USDA-RD elderly properties located within the Commerce PMA. However, there is one LIHTC elderly property located within Jackson County, in Jefferson. Even though this property is located outside of the PMA it was surveyed in order to ascertain market demand and absorption within Jackson County. In addition, two LIHTC family properties are located within Commerce. Several key findings in the local program assisted apartment market include:

* At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted apartment properties was approximately 10.5%. Almost 62% of the vacant units were at one property, Heritage Crossing, a LIHTC family property.

* At the time of the survey, one program assisted property was offering a rent concession, Heritage Crossing.

* The bedroom mix of the surveyed program assisted apartment properties is 22% 1BR, 60.5% 2BR, and 17.5% 3BR.

* At the time of the survey, the 56-unit Maple Square Apartments new construction LIHTC elderly development had 100-applicants on the waiting list. Maple Square opened in October 2012. Management reported that the development was 100% occupied within 3-months of opening.

Section 8 Vouchers

The Section 8 voucher program for Jackson County is managed by the Georgia Department of Community Affairs, Athens Office. At the time of the survey the Georgia DCA regional office stated that 19 vouchers were under contract. In addition, it was reported that presently there are 0 applicants on the waiting list owing primarily to the fact that the list is "closed", primarily due to current budget constraints. Source: Ms. Nancy Dove, Office Director, (706) 369-5636, May 21, 2014.

Most Comparable Property

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

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Heritage Crossing	Cross Creek	
Jefferson Heights	D & D Properties	
	Jackson Place	
	Jefferson Heights	
	Mount Olive Way	
	Town & Country	

Source: Koontz & Salinger. May, 2014

* The most direct like-kind comparable surveyed properties to the proposed subject development in terms of age and income targeting is the recently developed Maple Square LIHTC elderly property, located in Jefferson.

* In terms of market rents, and subject rent advantage, the most comparable properties, comprise a compilation of the surveyed market rate properties located within the Commerce competitive environment, in particular: Cross Creek, Jackson Place, Jefferson Heights and Mount Olive Way, in addition to the market rate units at Heritage Crossing (LIHTC-family).

Housing Voids

Presently in Commerce there no LIHTC or USDA-RD properties that are specifically targeted to seniors in the PMA. The nearest program assisted elderly property to the subject site is located outside of the Commerce PMA in Jefferson, about 13 to 14 miles south of the site. At the time of the survey, this property, Maple Square was 100% occupied, and had 100 applicants on the waiting list. Maple Square was 100% occupied within 3 months of opening. Given the lack of elderly program assisted supply a market housing void is evident. The subject, Mason Manor will fill this void in the market for good quality affordable rental units.

Fair Market Rents

The 2014 Fair Market Rents for Jackson County, GA are as follows:

Efficiency	=	\$ 570
1 BR Unit	=	\$ 574
2 BR Unit	=	\$ 777
3 BR Unit	=	\$ 968
4 BR Unit	=	\$1107

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

Source: www.huduser.org

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

Change in Average Rents

Between 2010 and 2014, the Commerce competitive environment conventional apartment market has exhibited the following change in average net rents, by bedroom type:

	<u>2010</u>	<u>2014</u>	<u>% Change</u>
1BR	\$520	\$550	+ 5.5%
2BR/1b	\$557	\$575	+ 3.1%
2BR/1.5b & 2b	\$583	\$620	+ 6.0%
3BR/2b	\$830	\$840	+ 1.2%

Table 16 exhibits building permit data between 2000 and March 2014. The permit data is for Jackson County.

Between 2000 and March 2014, 9,358 permits were issued in Jackson County, of which, 148 or approximately 2% were multi-family units.

Table 16			
New Housing Units Permitted: Jackson County, 2000-2014¹			
Year	Net Total ²	Single-Family Units	Multi-Family Units
2000	864	766	98
2001	772	762	10
2002	912	908	4
2003	856	850	6
2004	1,523	1,515	8
2005	1,457	1,445	12
2006	1,388	1,378	10
2007	816	819	--
2008	329	329	--
2009	72	72	--
2010	82	82	--
2011	116	60	56
2012	70	70	--
2013	74	74	--
2014	14	14	--
Total	9,358	8,144	204

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

Selig Center for Economic Growth.

²Net total equals new SF and MF dwellings units.

Table 17, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed conventional apartment properties in the Commerce competitive environment.

Table 17											
SURVEY OF CONVENTIONAL APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	48	12	36	--	Na	\$375	\$440-\$450	--	970	1195	--
Cross Creek	20	--	20	--	1	--	\$520-\$550	--	--	875-1050	--
Curry Crossing	24	--	24	--	0	--	\$525	--	--	1000	--
D & D	17	--	17	--	0	--	\$600-\$650	--	--	1000-1200	--
Jackson Pl	50	--	50	--	0	--	\$650	--	--	1000	--
Jefferson Heights	24	8	16	--	0	\$475	\$575	--	575	750	--
Mount Olive Way	103	--	103	--	1	--	\$620	--	--	1075	--
Riverwalk	20	--	20	--	0	--	\$575	--	--	1000	--
Town & Country	26	--	26	--	0	--	\$525-\$550	--	--	960	--
Total*	284	8	276	--	2						

* - Excludes the subject property

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. May, 2014.

Table 18, exhibits the key amenities of the subject and the surveyed conventional apartment properties. Overall, the subject is competitive to very competitive with all of the existing conventional apartment properties in the market regarding the unit and development amenity package.

Table 18													
SURVEY OF CONVENTIONAL APARTMENT COMPLEXES UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x				x	x	x	x	x	x	x	x
Cross Creek						x		x	x	x	x		
Curry Crossing						x		x	x	x	x		
D & D		x				x	x	x	x	x	x		
Jackson Pl						x		x	x	x	x		
Jefferson Heights		x							x	x	x	x	
Mount Olive Way					x	x	x	x	x	x	x		x
Town & Country	x				x	x		x	x	x	x		
Riverwalk						x		x	x	x	x		

Source: Koontz and Salinger. May, 2014.

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

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

Table 19											
SURVEY OF PROGRAM ASSISTED APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	48	12	36	--	Na	\$375	\$440-\$450	--	970	1195	--
USDA-RD											
Heritage Heights	44	10	34	--	5	\$460	\$490	--	Na	Na	--
Heritage Court	24	12	12	--	0	\$400	\$445	--	Na	Na	--
Sub Total	68	22	46	--	5						
LIHTC-EL											
Maple Square	56	28	28	--	0	\$422-\$436	\$456-\$485	--	822	1052	--
Sub Total	56	28	28	--	0						
LIHTC-FM											
Heritage Crossing	120	12	72	36	21	\$456-\$660	\$540-\$770	\$580-\$830	975	1175	1350
Heritage Hills	80	10	50	20	8	\$449-\$499	\$535-\$585	\$599-\$665	900	1150	1270
Sub Total	200	22	122	56	29						
Total*	324	72	196	56	34						

* - Excludes the subject property

Na - Not available

** Basic rent noted for USDA-RD properties

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. May, 2014.

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

Table 20													
SURVEY OF PROGRAM ASSISTED APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x				x	x	x	x	x	x	x	x
USDA-RD													
Heritage Heights	x	x						x	x	x	x		
Heritage Court	x	x						x	x	x	x		
LIHTC-FM													
Heritage Crossing	x	x	x		x	x	x	x	x	x	x	x	x
Heritage Hills	x	x	x		x	x	x	x	x	x	x	x	x
LIHTC-EL													
Maple Square	x	x				x		x	x	x	x	x	x

Source: Koontz and Salinger. May, 2014.

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

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

A map showing the location of the program assisted properties in the Commerce PMA is provided on page 94. A map showing the location of the surveyed Market Rate properties located within the Commerce competitive environment is provided on page 95. A map showing the location of the surveyed Comparable Market Rate properties in the Commerce competitive environment is provided on page 96.

Survey of the Competitive Environment - Market Rate

1. Cross Creek Duplexes, Hospital Rd, Commerce 706) 886-3858

Contact: Karen Rexall, Mgr (5/13/14)
Date Built: 1994

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Unit Size sf</u>	<u>Vacant</u>
2BR/1b & 1.5b	20	\$520-\$550	875-1050	1
Total	20			1

Typical Occupancy Rate: 95%
Security Deposit: 1 month rent
Normal Turnover: Low

Waiting List: No
Re-Lease: Na
Concessions: No

Utilities Included: None

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Picnic Area	No

Design: townhouse



2. Curry Crossing Apartments, Border St, Jefferson (706) 367-9464

Contact: Glenda, Hays Construction Company (5/12/14)

Type: Conventional

Date Built: 1986

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1b	24	\$525	1000	0
Total	24			0

Typical Occupancy Rate: 100%
Security Deposit: \$375
Utilities Included: trash

Waiting List: No
Concessions: No
Turnover: Na

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Picnic Area	No

Design: 1 story

Remarks: has been 100% occupied since August 2013



3. D & D Properties, Jefferson Road, Commerce (706) 296-9497

Contact: Mr Ron Bond, Schubert & Co.
(5/13/14)

Type: Conventional

Date Built: 1970/91

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1b	9	\$600	1000	0
2BR/1.5 TH	8	\$650	1200	0
Total	17			0

Typical Occupancy Rate: 95%-99%
Security Deposit: 1 month
Utilities Included: None

Waiting List: Yes (3 for TH's)
Concessions: No
Turnover: Na

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	Yes	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Picnic Area	No

Design: 2 story & townhouse

Remarks: all townhouse units include a washer/dryer unit



4. Jackson Place, 2007 Pine Ave, Commerce (706) 335-7853

Contact: Ms Rita, Kelly Realty (5/19/14) **Type:** Conventional

Date Built: 1997 **Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	50	\$650	1000	0
Total	50			0

Typical Occupancy Rate: 95%

Security Deposit: \$450

Utilities Included: None

Waiting List: No

Concessions: No

Turnover: Na

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Picnic Area	No

Design: 1 story



5. Jefferson Heights, 549 Danielsville St, Jefferson (706) 367-9891

Contact: Betty-Jo Standrich, Mgr (5/19/14)
Date Built: 1984

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$475	575	0
2BR/1b	16	\$575	750	0
Total	24			0

Typical Occupancy Rate: 99%
Security Deposit: 1 month rent
Utilities Included: None

Waiting List: No
Concessions: No
Turnover: Na

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Tennis Court	No

Design: 1 story

Remarks: this use to be a USDA-RD family property, the property pre paid and is not in the USDA program, presently most of the tenants are elderly households, 1BR units are in greatest demand



6. Mount Olive Way, Mt Olive Rd, Commerce (706) 336-8084

Contact: Cindy, Mgr (5/19/14)
Date Built: 1997-2001

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2.5b	103	\$620	1075	1
Total	103			1

Typical Occupancy Rate: 100%
Security Deposit: \$300
Utilities Included: trash

Waiting List: No
Concessions: No
Turnover: "low"

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	Yes
Business Ctr	No	Tennis Court	No

Design: townhouse

Remarks: "when a unit become vacant it is usually gone by the end of the day"



7. Riverwalk Apartments, Highway 11, Jefferson (866) 754-2863

Contact: Hays Construction Company
(5/19/14)

Type: Conventional

Date Built: 2003

Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1b	20	\$575	1000	0
Total	20			0

Typical Occupancy Rate: 95%-99%

Waiting List: No

Security Deposit: \$400

Concessions: No

Utilities Included: trash

Turnover: Na

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Business Ctr	No	Picnic Area	No

Design: 1 story



8. Town & Country Apartments, 774 Highway 326, Commerce (706) 335-4749

Contact: Mrs. Thomas, Mgr/Owner
(5/19/14)

Type: Conventional

Date Built: 1989-1991

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	14	\$525	960	0
2BR/1.5b TH	12	\$550	960	0
Total	26			0

Typical Occupancy Rate: 95%
Security Deposit: \$250
Utilities Included: water, sewer

Waiting List: "as needed"
Concessions: No
Turnover: Low

Amenities - Unit

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

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	Yes
Business Ctr	No	Picnic Area	No

Design: 2 story & 1 story townhouse

Remarks: the subject site is very close to this property



Survey of the Competitive Environment: Program Assisted & LIHTC

1. Heritage Heights, Heritage Ave, Jefferson (706) 547-0028

Type: USDA-RD family

Condition: Good

Contact: Ms Christy, USDA (5/13/14)

Date Built: 1998

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Vacant</u>
1BR/1b	10	\$460	\$595	\$72	4
2BR/1b	34	\$490	\$638	\$87	1
Total	44				5

Typical Occupancy Rate: 90%

Waiting List: Yes (for RA units)

Security Deposit: 1 month basic

Concessions: No

Utilities Included: allowance

Amenities - Unit

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

Amenities - Project

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

Design: one story & two story

Additional Information: 38 units have RA; no Section 8



2. Heritage Court, 112 Heritage Ct, Commerce

(706) 335-6410

Type: USDA-RD family

Condition: Good

Contact: Katerine Manning, Mgr (5/13/14)

Date Built: early 80's

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Utility Allowance</u>	<u>Vacant</u>
1BR/1b	12	\$400	\$540	\$120	0
2BR/1b	12	\$445	\$620	\$140	0
Total	24				0

Typical Occupancy Rate: 100%

Waiting List: Yes (5)

Security Deposit: 1 month basic

Concessions: No

Utilities Included: allowance

Amenities - Unit

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

Amenities - Project

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

Design: one story

Additional Information: 17 units have RA, 1 Section 8 voucher holder



3. Heritage Crossing, 100 Crossing Pl, Commerce (706) 335-2394

Type: LIHTC/Market Rate family
Contact: Randy, Mgr (5/13/14)

Condition: Very Good
Date Built: 2002

<u>Unit Type</u>	<u>Number</u>	<u>50% AMI Rent</u>	<u>60% AMI Rent</u>	<u>Market Rent</u>	<u>Unit Size sf</u>	<u>Vacant</u>
1BR/1b	12	\$456	\$560	\$660	975	1
2BR/2b	72	\$540	\$620	\$770	1175	15
3BR/2b	36	\$615	\$680	\$840	1350	5
Total	120					21

Typical Occupancy Rate: 85%
Security Deposit: \$200
Utilities Included: water, sewer, trash

Waiting List: No
Concessions: Yes

Amenities - Unit

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

Amenities - Project

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

Design: three story

Additional Information: 24 units are market rate; in 2010 Ambling took over management; currently offering 1st month free rent. 2nd month ½ off, w/12 month lease



4. Heritage Hills Apartments, 100 Heritage Rd, Commerce (706) 335-9550

Type: LIHTC family
Contact: Jessica, Mgmt (5/13/14)

Condition: Good
Date Built: 2000

<u>Unit Type</u>	<u>Number</u>	<u>50% AMI Rent</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Utility Allowance</u>	<u>Vacant</u>
1BR/1b	10	\$449	\$499	900	\$ 93	1
2BR/2b	50	\$535	\$585	1150	\$125	3
3BR/2b	20	\$599	\$665	1270	\$156	4
Total	80					8

Typical Occupancy Rate: 94% **Waiting List:** No
Security Deposit: \$200 **Concessions:** No
Utilities Included: water, sewer, trash **Turnover:** Na

Amenities - Unit

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

Amenities - Project

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

Design: 2 & 3 story walk-up

Remarks: 2-units occupied by a Section 8 voucher holder



5. Maple Square Apartments, 50 Nelson Dr, Jefferson (706) 367-7850

Type: LIHTC elderly

Condition: Excellent

Contact: Ms Megan, Gateway Mgmt (5/19/14)

Date Built: 2012

<u>Unit Type</u>	<u>Number</u>	<u>50% AMI Rent</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Utility Allowance</u>	<u>Vacant</u>
1BR/1b	28	\$422	\$436	822	\$ 99	0
2BR/1b	28	\$456	\$485	1052	\$128	0
Total	56					0

Typical Occupancy Rate: 100%

Waiting List: Yes (100 apps)

Security Deposit: \$200

Concessions: No

Utilities Included: trash removal

Turnover: "very low"

Amenities - Unit

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

Amenities - Project

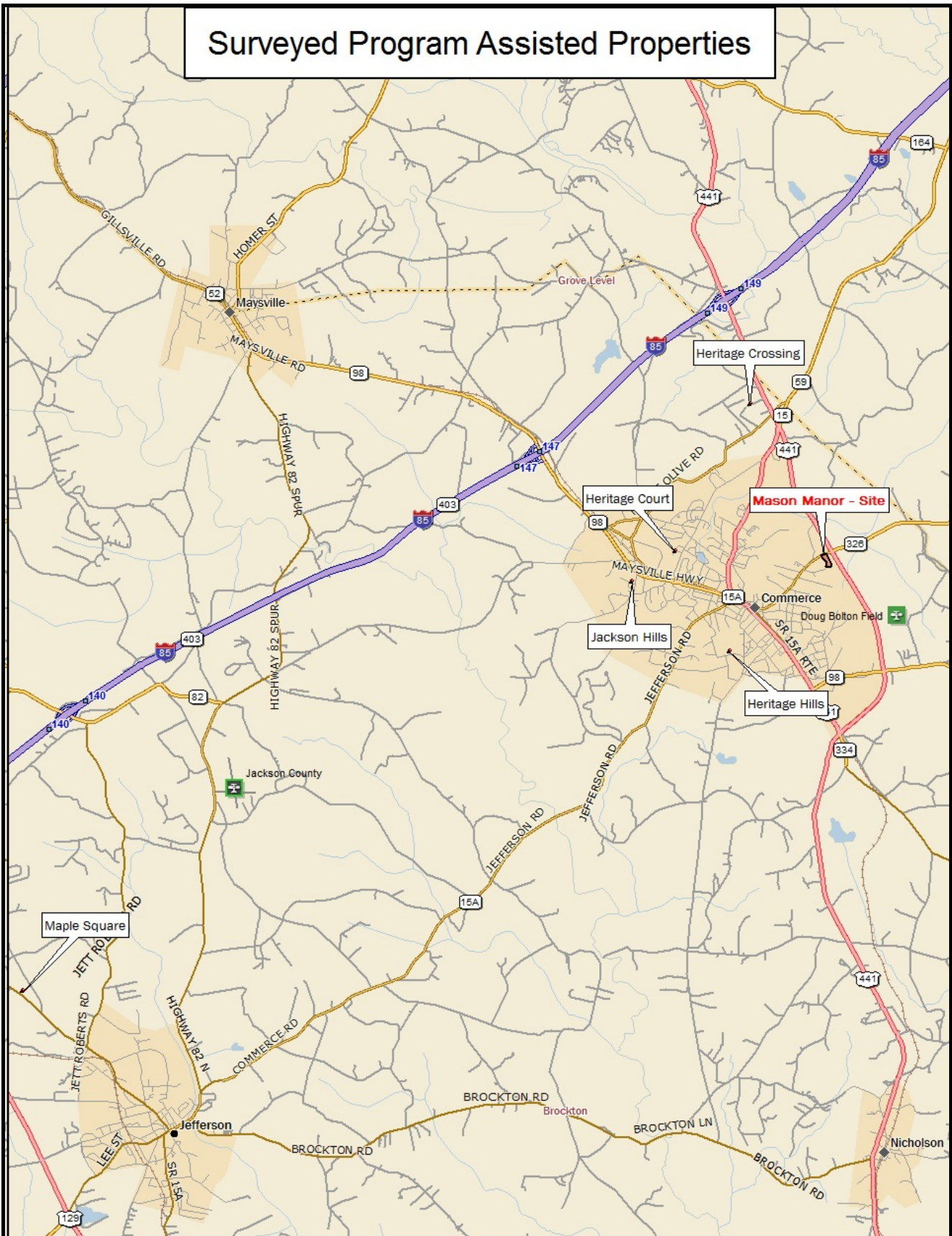
On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: 1 story

Remarks: 1 unit occupied by a Section 8 voucher holder; 100% occupied w/in 3 months; 50 applicants on wait list for a 1BR units and 50 on the list for a 2BR unit



Surveyed Program Assisted Properties



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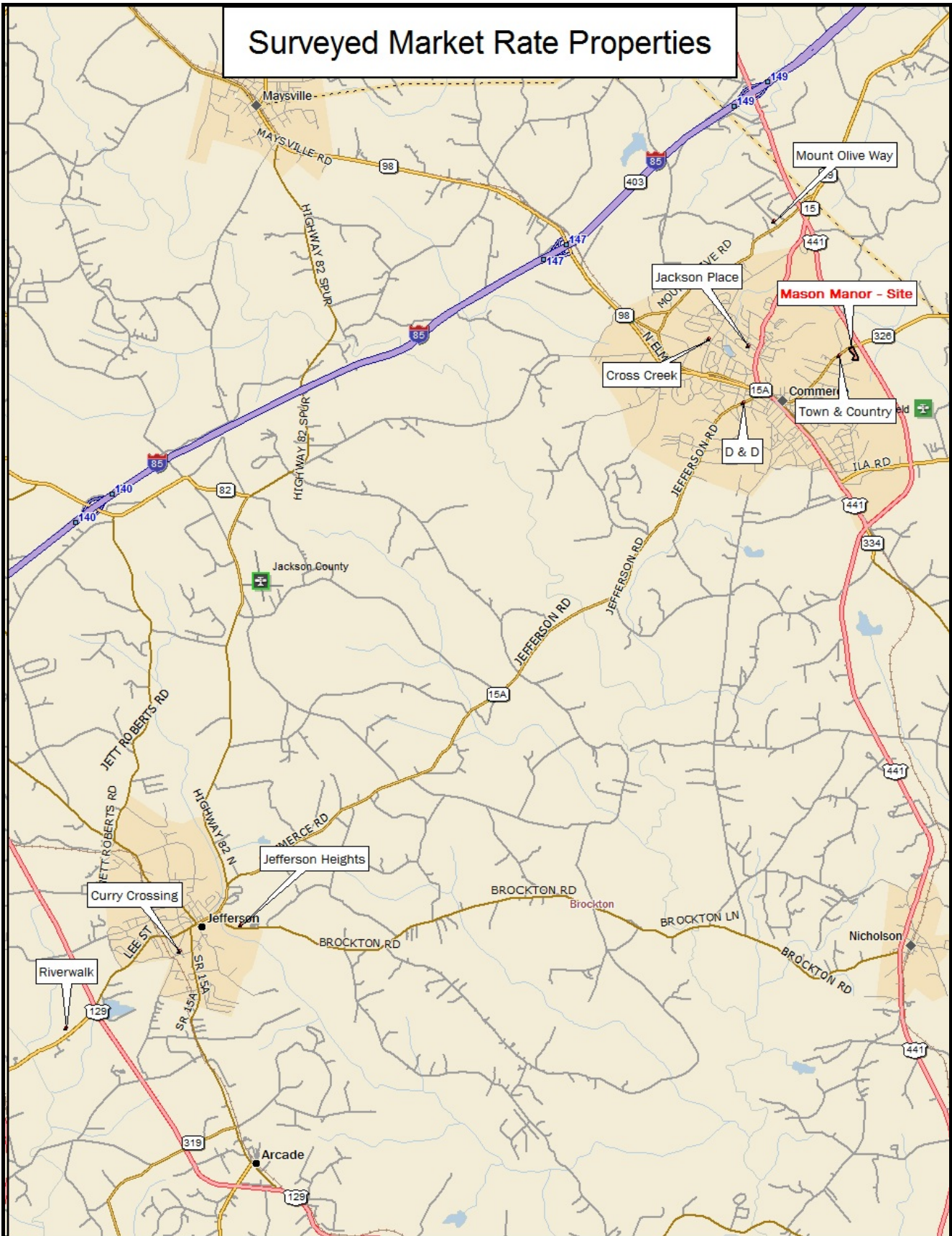
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Data Zoom 11-1

Surveyed Market Rate Properties



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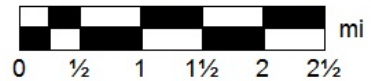
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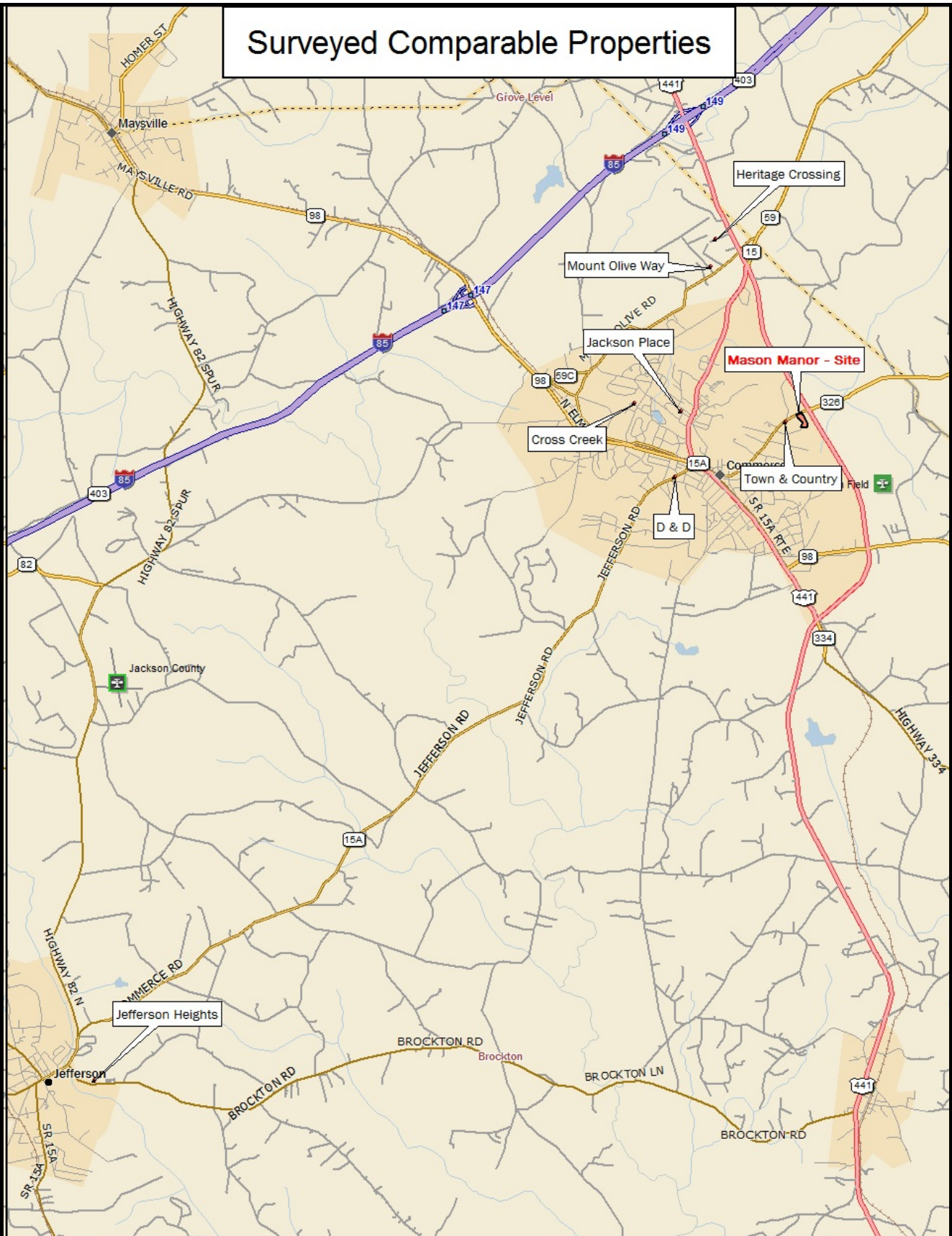


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Data Zoom 11-1

Surveyed Comparable Properties



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Data Zoom 11-3

SECTION I
ABSORPTION &
STABILIZATION RATES

Given the strength (or lack of strength) of the demand estimated in Table 15, the worst case scenario for 93% to 100% rent-up is estimated to be 4 months (at 12 units per month on average). The most likely/best case rent-up scenario suggests a 3-month rent-up time period (an average of 16-units per month).

The rent-up period is based upon recently built LIHTC-elderly development in Jefferson, Jackson County:

Jefferson

Maple Square 56-units 3-months to attain 100% occupancy

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

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

NCHMA Definitions

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

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

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

SECTION J
INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research process. In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site

location, project size, bedroom mix, income targeting and net rents. The following observations/comments were made:

(1) - Mr. David Zellner, Planning and Development for the City of Commerce reported that no ongoing, nor planned infrastructure development or improvements are in process within the immediate vicinity of the subject site. In addition, he reported that there are no apartments presently under construction or in the permitted pipeline for development. Contact Number: (706) 335-4200.

(2) - Ms. Nancy Dove of the Athens GA-DCA Office made available the number of Section 8 Housing Choice Vouchers being used within Jackson County. In addition, it was stated that the current waiting list for a Section 8 Housing Choice Voucher is closed, primarily due to budgetary constraints. Contact Number: (706) 369-5636.

(3) - The manager of the Maple Square (LIHTC elderly, new construction) Apartments in Jefferson, GA was interviewed. She was stated that the proposed subject development would not negatively impact Maple Square. At the time of the survey, Maple Square was 100% occupied, and maintained a waiting list with 100 applicants on the list. The manager stated that in her opinion, Jefferson and Commerce serve separate markets within Jackson County. She also stated that the demand is strong enough for two LIHTC elderly property to serve the county and not have to be concerned with negative impact. When Maple Square began leasing units in October of 2012, it was very well received by the market and was 100% occupied by the end of the year. Source: Ms. Megan, Manager, (706) 367-7850.

(4) - The manager of the Heritage Crossing (LIHTC family, new construction) Apartments was interviewed. It was stated that the proposed subject development would not negatively impact Heritage Crossing, as this property primarily serves the younger working age population, based on its current tenant mix and the walk-in, and telephone "traffic" it receives. Source: Ms. Randy, Manager, (706) 335-2394.

(5) - The manager of the Heritage Court (USDA-RD family) Apartments was interviewed. It was stated that the proposed subject development would not negatively impact Heritage Court. At the time of the survey, the property has 17-units of RA, was 100% occupied, has a very low turnover rate, and maintains a waiting list with 5 applicants on the list. Source: Ms. Kathy Manning, Manager, (706) 335-6410.

(6) - The manager of the Heritage & Jefferson Heights (USDA-RD family) apartment properties was interviewed. It was stated that the proposed subject development would not negatively impact either Heritage Heights or Jefferson Heights. Source: Ms. Standrich, Manager, (706) 367-4854.

SECTION K

CONCLUSIONS &
RECOMMENDATION

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that the Mason Manor Apartments (a proposed LIHTC property) targeting the elderly population age 55 and over should proceed forward with the development process.

Detailed Support of Recommendation

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC elderly development of **48**-units, of which 1 unit is non revenue, and 47-units are tax credit.

The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable, and within the GA-DCA threshold limits.**

2. The current elderly program assisted apartment market is **not** representative of a soft market. Presently, the Commerce PMA contains no supply of program assisted USDA-RD or LIHTC elderly apartments. The current market rate apartment market is not representative of a soft market. At the time of the survey, the overall vacancy rate of the surveyed market rate apartment properties located within the competitive environment was less than 1%.
3. The proposed complex amenity package is considered to be very competitive within the PMA apartment market for affordable properties. It will be competitive with older program assisted properties and older Class B market rate properties.
4. Bedroom Mix - The subject will offer 1BR and 2BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. Both typical elderly household sizes will be targeted, i.e., a single person household and a couple. The bedroom mix of the most recent LIHTC elderly property in Jackson County (Maple Square) offered a sizable number of both 1BR and 2BR units. Both bedroom types were very well received by the local market in terms of demand and absorption.
5. Assessment of rents - The proposed net rents, by bedroom type, will be very competitive within the PMA apartment market at 50%, and 60% AMI. Market rent advantage is greater than 25% in all AMI segments, and by bedroom type. The table on page 101, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties within the competitive environment.

6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 4-months.
5. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 93% or higher.
6. The site location is considered to be very marketable.
7. The proposed development will not negatively impact the existing supply of program assisted LIHTC elderly properties within the subject PMA. Currently the Commerce PMA is absent of both LIHTC and USDA-RD elderly supply.
8. No modifications to the proposed project development parameters as currently configured are recommended.

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

Market Rent Advantage

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

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	29%	29%
2BR/2b:	32%	30%
Overall:	30%	

Rent Reconciliation				
50% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$375	\$440	---	---
Estimated Market net rents	\$525	\$645	---	---
Rent Advantage (\$)	+\$150	+\$205	---	---
Rent Advantage (%)	29%	32%	-	---
60% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$375	\$450	-	---
Estimated Market net rents	\$525	\$645	-	---
Rent Advantage (\$)	+\$150	+\$195	-	---
Rent Advantage (%)	29%	30%	-	---

Source: Koontz & Salinger. May, 2014

Recommendation

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

Negative Impact

The proposed LIHTC elderly development **will not negatively impact** the existing supply of program assisted LIHTC properties located within the Commerce PMA competitive environment in the long term. At the time of the survey, the existing LIHTC elderly development located within the competitive environment was 100% occupied. At the time of the survey, the newest LIHTC elderly development (Maple Square) introduced outside of the Commerce PMA, yet within Jackson County was 100% occupied, and maintained a lengthy waiting list, comprising 100 applicants.

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

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50% and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income qualified Section 8 Housing Choice Voucher holders within Commerce and Jackson County, for the proposed subject 1BR and 2BR units.

It is recommended that the proposed subject LIHTC net rents at 50% and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC elderly development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers, when taking into consideration differences in income restrictions, unit size and amenity package.

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

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

Mitigating Risks

The subject development is very well positioned to be successful in the market place, in particular, when taking into consideration the current rent advantage positioning. It will offer a product that will be very competitive regarding project design, amenity package and professional management. The major unknown mitigating risk to the development process will be demand support from income eligible homeowners. Future economic market conditions in 2014 and 2015 will have an impact on the home buying and selling market environment in Commerce and Jackson County.

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

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

Rent Reconciliation Process

Six market rate properties in the Mason Manor competitive environment were used as comparables to the subject. In addition, the market rate units at the Heritage Crossing LIHTC family property were examined as comparable units, by bedroom type. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

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

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

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

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- an adjustment was made for the floor/level of the unit in the building; this adjustment is consider to be appropriate for elderly apartment properties in order to take into consideration 1 story structures or elevator status, versus walk-up properties,
- no "time adjustment" was made; all of the comparable properties were surveyed in May, 2014,
- no "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being made between all properties located within Jackson County,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no specific adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout, however, the floor level

does incorporate some project design factors,

- an adjustment was made for the age of the property; some of the comparables were built in the 1980's and 1990's; this adjustment was made on a conservative basis in order to take into consideration the adjustment for condition of the property,
- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment is made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- an adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. Some of the comparable properties include cold water, sewer, and trash removal within the net rent. Four exclude trash.

ADJUSTMENT ANALYSIS

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

Adjustments:

- **Concessions:** One of the 7 surveyed properties offers a rent concession. An adjustment is made.
- **Structure/Floors:** A \$10 net adjustment is made for 2 & 3 story structures versus the subject, owing to the fact that the subject offers a building design with an elevator.
- **Year Built:** Some of the comparable properties were built in the 1980's and 1990's, and will differ considerably from the subject (after new construction) regarding age. The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property.
Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative

and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.

- **Square Feet (SF) Area:** An adjustment was made for unit size; the overall estimated for unit size by bedroom type was \$.02. The adjustment factor allows for differences in amenity package and age of property.
- **Number of Baths:** An adjustment was made for the proposed 2BR/2b units owing to the fact that several of the comparable properties offered 2BR/1b units, and one offers a 2BR/2.5b unit. The adjustment is \$15 for a ½ bath and \$30 for a full bath.
- **Balcony/Terrace/Patio:** The subject will offer a traditional patio/balcony, with an attached storage closet. The adjustment process resulted in a \$5 value for the balcony/patio, and a \$5 value for the storage closet.
- **Disposal:** An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$175; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$4.
- **Dishwasher:** An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$600; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- **Washer/Dryer (w/d):** The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$12.50 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$50.
- **Carpet/Drapes/Blinds:** The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- **Pool/Recreation Area:** The subject offers recreation space, and a swimming pool, but not a tennis court. The estimate for a pool and tennis court is based on an examination of the

market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$15 for a tennis court and \$25 for a pool.

- Water: The subject excludes cold water and sewer in the net rent. Some of the comparable properties include water and sewer in the net rent. Note: The source for the utility estimates by bedroom type is based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2014). See Appendix.
- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.
- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$25. Note: None of the comparable properties are inferior to the subject regarding location.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Four of the comparable properties exclude trash in the net rent. If required the adjustment was based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2014). See Appendix.

Adjustment Factor Key:

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

Patio/balcony - \$5

Storage - \$5

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

Disposal - \$4

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

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

Pool - \$25 Tennis Court - \$15

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

Full bath - \$30; ½ bath - \$15

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

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

Water & Sewer - 1BR - \$63; 2BR - \$80; 3BR - \$99 (Source: GA-DCA Middle
Region)

Trash Removal - \$20 (Source: GA-DCA Middle Region)

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

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

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Mason Manor		Heritage Crossing		Jefferson Heights			
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$660		\$475			
Utilities	t	w, s, t	(\$63)	None	\$20		
Concessions		Yes	(\$77)	No			
Effective Rent		\$520		\$495			
B. Design, Location, Condition							
Structures/Stories	3 w/elv	3 wu	\$10	1			
Year Built/Rehab	2016	2002		1984	\$16		
Condition	Excell	V Good		Good	\$5		
Location	Good	Good		Good			
C. Unit Amenities							
# of BR's	1	1		1			
# of Bathrooms	1	1		1			
Size/SF	970	975		750	\$4		
Balcony/Patio/Stor	Y/Y	Y/N	\$5	N/N	\$10		
AC Type	Central	Central		Central			
Range/Refrigerator	Y/Y	Y/Y		Y/Y			
Dishwasher/Disp.	Y/Y	Y/Y		N/N	\$9		
W/D Unit	N	N		N			
W/D Hookups or CL	Y	Y		Y			
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y			
Pool/Tennis	N/N	Y/N	(\$25)	N/N			
Rec/Picnic Area	Y	Y		N	\$2		
Computer/Fitness	Y/N	N/Y		N/N	\$2		
F. Adjustments							
Net Adjustment			-\$10		+\$48		
G. Adjusted & Achievable Rent		\$510		\$543			
Estimated Market Rent (Avg of 2 comps, rounded)		\$526	Rounded to: \$525		see Table	% Adv	

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Mason Manor							
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities	t						
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories	3 w/elv						
Year Built/Rehab	2016						
Condition	Excell						
Location	Good						
C. Unit Amenities							
# of BR's	1						
# of Bathrooms	1						
Size/SF	848						
Balcony-Patio/Stor	Y/Y						
AC Type	Central						
Range/Refrigerator	Y/Y						
Dishwasher/Disp.	Y/Y						
W/D Unit	N						
W/D Hookups or CL	Y						
D. Development Amenities							
Clubhouse/Comm Rm	Y						
Pool/Tennis	Y/N						
Rec/Picnic Area	Y						
Computer/Fitness	Y/N						
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)				Rounded to:	see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Mason Manor		Cross Creek		D & D Properties		Jackson Place	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$550		\$650		\$650	
Utilities	t	None	\$20	None	\$20	None	\$20
Concessions		No		No		No	
Effective Rent		\$570		\$670		\$670	
B. Design, Location, Condition							
Structures/Stories	3 w/elv	2 wu	\$10	2 wu	\$10	1	
Year Built/Rehab	2016	1994	\$11	1991	\$12	1997	\$9
Condition	Excell	Good	\$5	Good	\$5	V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1.5	\$15	1.5	\$15	2	
Size/SF	1195	1050	\$3	1200		1000	\$4
Balcony-Patio/Stor	Y/Y	N/N	\$10	N/N	\$10	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$4	Y/N	\$4	Y/N	\$4
W/D Unit	N	N		Y	(\$50)	N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2	N	\$2
Pool/Tennis	N/N	N/N		N/N		N/N	
Rec/Picnic Area	Y	N	\$2	N	\$2	N	\$2
Computer/Fitness	Y/N	N/N	\$2	N/N	\$2	N/N	\$2
F. Adjustments							
Net Adjustment			+\$64		+\$12		+\$33
G. Adjusted & Achievable Rent		\$634		\$682		\$703	
Estimated Market Rent (Avg of 6 comps, rounded)		next page	Rounded to:		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Mason Manor		Jefferson Heights		Mount Olive		Town & Country	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$575		\$620		\$550	
Utilities	t	None	\$20	t		w,s	(\$60)
Concessions		No		No		No	
Effective Rent		\$595		\$620		\$490	
B. Design, Location, Condition							
Structures/Stories	3 w/elv	1		2 wu	\$10	1&2	
Year Built/Rehab	2016	1984	\$16	2001		1991	\$12
Condition	Excell	Good	\$5	V Good		Good	\$5
Location	Good	Good				Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1	\$30	2.5	(\$15)	1.5	\$15
Size/SF	1195	750	\$9	1075	\$2	960	\$5
Balcony-Patio/Stor	Y/Y	Y/N	\$5	Y/N	\$5	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	N/N	\$9	Y/Y		Y/N	\$4
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		N	\$2	N	\$2
Pool/Tennis	N/N	N/N		N/N		N/N	
Rec/Picnic Area	Y	N	\$2	Y		Y	
Computer/Fitness	Y/N	N/N	\$2	N/N	\$2	N/N	\$2
F. Adjustments							
Net Adjustment			+\$78		+\$6		+\$55
G. Adjusted & Achievable Rent		\$673		\$626		\$545	
Estimated Market Rent (Avg of 6 comps, rounded)		\$644	Rounded to: \$645		see Table	% Adv	

Three Bedroom Units (NA)							
Subject		Comp # 1		Comp # 2		Comp # 3	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities							
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories							
Year Built/Rehab							
Condition							
Location							
C. Unit Amenities							
# of BR's							
# of Bathrooms							
Size/SF							
Balcony-Patio/Stor							
AC Type							
Range/Refrigerator							
Dishwasher/Disp.							
W/D Unit							
W/D Hookups or CL							
D. Development Amenities							
Clubhouse/Comm Rm							
Pool/Tennis							
Recreation Area							
Computer/Fitness							
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)		next page		Rounded to:	see Table	% Adv	

SECTION L & M
IDENTITY OF INTEREST
&
REPRESENTATION STATEMENT

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

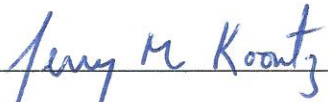
To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with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

The report was written in accordance with my understanding of the 2014 GA-DCA Market Study Manual and 2014 GA-DCA Qualified Action Plan.

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

CERTIFICATION

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

 6-2-14

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

MARKET ANALYST
QUALIFICATIONS

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

agencies.

JERRY M. KOONTZ

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B.A. Economics 1980 Florida Atlantic Un.
A.A. Urban Studies 1978 Prince George Comm. Coll.

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

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

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

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

AREAS OF

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

WORK PRODUCT: Over last 30+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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National Council of Housing Market Analysts (NCHMA)

NCHMA Market Study Index

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

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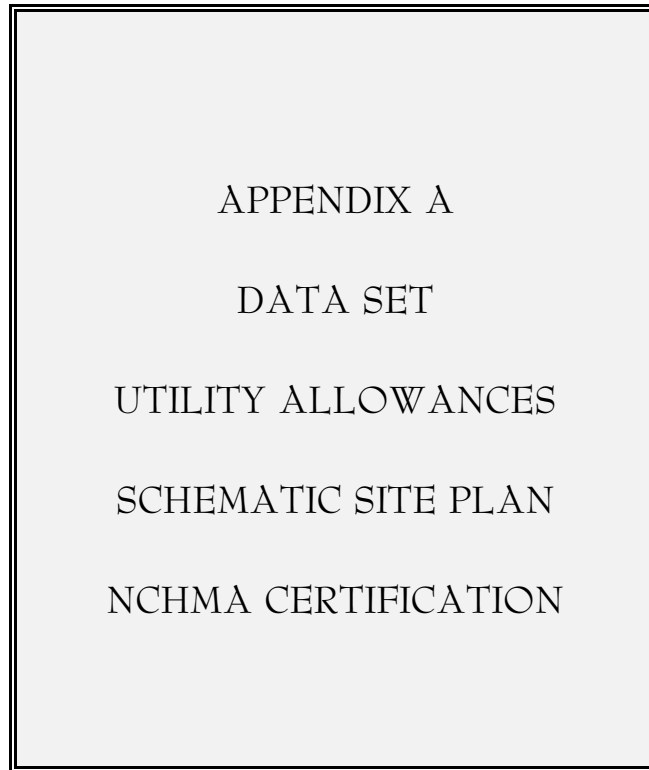
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NA

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

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

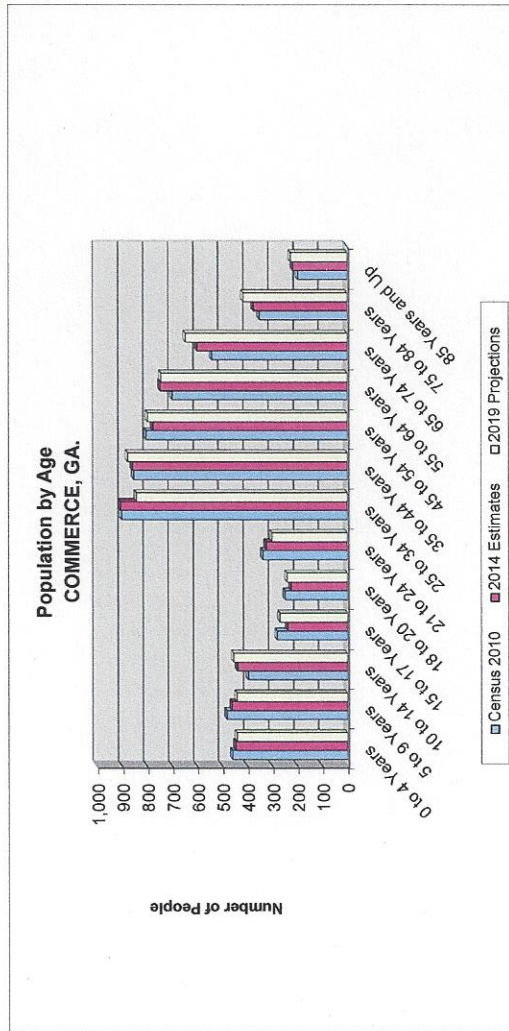


DATA SET

Population by Age & Sex COMMERCE, GA.											
Census 2010			Current Year Estimates - 2014			Five-Year Projections - 2019					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	228	231	459	0 to 4 Years	229	218	447	0 to 4 Years	225	216	441
5 to 9 Years	243	238	481	5 to 9 Years	230	231	461	5 to 9 Years	225	216	441
10 to 14 Years	187	209	396	10 to 14 Years	218	222	440	10 to 14 Years	227	227	454
15 to 17 Years	135	145	280	15 to 17 Years	116	123	239	15 to 17 Years	132	138	270
18 to 20 Years	125	123	248	18 to 20 Years	110	116	226	18 to 20 Years	119	122	241
21 to 24 Years	160	177	337	21 to 24 Years	159	165	324	21 to 24 Years	145	155	300
25 to 34 Years	453	448	901	25 to 34 Years	444	461	905	25 to 34 Years	408	433	841
35 to 44 Years	413	437	852	35 to 44 Years	413	444	857	35 to 44 Years	439	438	877
45 to 54 Years	376	427	803	45 to 54 Years	373	403	776	45 to 54 Years	387	410	797
55 to 64 Years	333	366	699	55 to 64 Years	355	392	747	55 to 64 Years	343	401	744
65 to 74 Years	226	315	541	65 to 74 Years	258	341	599	65 to 74 Years	288	358	646
75 to 84 Years	136	214	350	75 to 84 Years	149	226	375	75 to 84 Years	163	252	415
85 Years and Up	38	159	197	85 Years and Up	48	170	218	85 Years and Up	53	174	227
Total	3,055	3,489	6,544	Total	3,102	3,512	6,614	Total	3,154	3,540	6,694
55+ Years	733	1,054	1,787	55+ Years	810	1,129	1,939	55+ Years	847	1,185	2,032
62+ Years	n/a	n/a	1,304	62+ Years	n/a	n/a	1,397	62+ Years	n/a	n/a	1,508
Median Age:			37.0	Median Age:			38.1	Median Age:			39.1

Source: Nielsen Claritas, Ribbon Demographics

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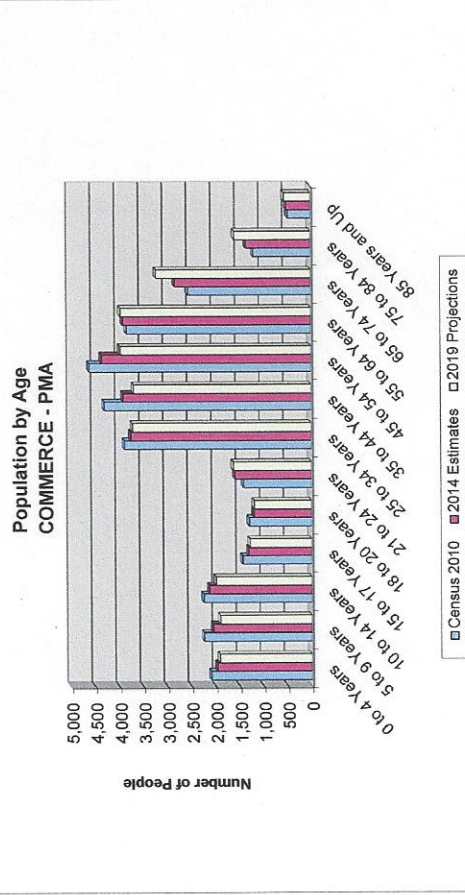
Source: Nielsen Claritas, Ribbon Demographics

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Population by Age & Sex COMMERCE - PMA												
Census 2010				Current Year Estimates - 2014				Five-Year Projections - 2019				
Age	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 to 4 Years	1,041	1,044	2,085	1,002	962	1,964	975	934	1,909	975	934	1,909
5 to 9 Years	1,165	1,069	2,234	1,055	995	2,050	969	933	1,902	969	933	1,902
10 to 14 Years	1,128	1,114	2,242	1,101	1,023	2,124	1,024	965	1,989	1,024	965	1,989
15 to 17 Years	757	698	1,455	665	646	1,311	661	622	1,283	661	622	1,283
18 to 20 Years	643	656	1,299	602	586	1,188	613	572	1,185	613	572	1,185
21 to 24 Years	717	695	1,412	796	792	1,588	821	801	1,622	821	801	1,622
25 to 34 Years	1,928	1,932	3,860	1,879	1,871	3,750	1,862	1,854	3,716	1,862	1,854	3,716
35 to 44 Years	2,142	2,153	4,295	1,932	1,977	3,909	1,824	1,859	3,683	1,824	1,859	3,683
45 to 54 Years	2,283	2,324	4,607	2,161	2,193	4,354	1,974	1,994	3,968	1,974	1,994	3,968
55 to 64 Years	1,878	1,954	3,832	1,914	1,996	3,910	1,927	2,031	3,958	1,927	2,031	3,958
65 to 74 Years	1,216	1,329	2,545	1,349	1,476	2,825	1,347	1,664	3,011	1,347	1,664	3,011
75 to 84 Years	482	711	1,193	571	775	1,346	681	905	1,586	681	905	1,586
85 Years and Up	123	345	468	139	362	501	164	383	549	164	383	549
Total	15,483	16,044	31,527	15,166	15,654	30,820	15,042	15,519	30,561	15,042	15,519	30,561
Under 18 Years	4,071	3,925	7,996	3,823	3,626	7,449	3,629	3,454	7,083	3,629	3,454	7,083
18 - 34 Years	3,288	3,303	6,591	3,277	3,249	6,526	3,296	3,227	6,523	3,296	3,227	6,523
35 - 54 Years	4,425	4,477	8,902	4,093	4,170	8,263	3,798	3,853	7,651	3,798	3,853	7,651
55+ Years	3,699	4,339	8,038	3,973	4,609	8,582	4,319	4,985	9,304	4,319	4,985	9,304
62+ Years	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median Age:	37.5			38.3			39.1					

Source: Nielsen Claritas; Ribbon Demographics

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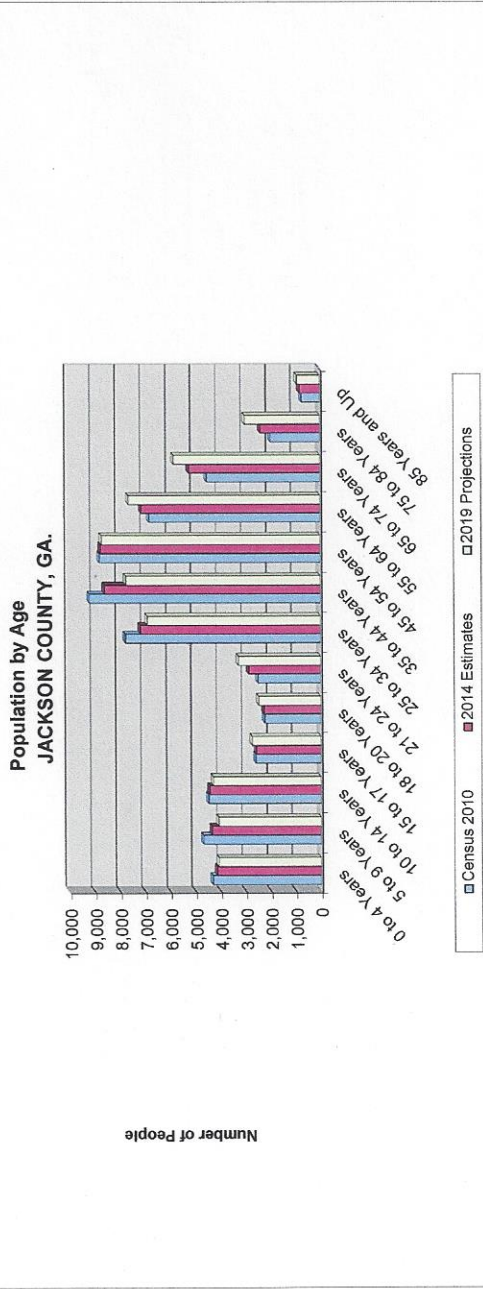


Source: Nielsen Claritas; Ribbon Demographics

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Population by Age & Sex JACKSON COUNTY, GA.											
Census 2010				Current Year Estimates - 2014				Five-Year Projections - 2019			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	2,196	2,117	4,313	0 to 4 Years	2,125	2,008	4,133	0 to 4 Years	2,078	1,990	4,068
5 to 9 Years	2,359	2,316	4,675	5 to 9 Years	2,212	2,127	4,339	5 to 9 Years	2,096	1,981	4,077
10 to 14 Years	2,269	2,197	4,466	10 to 14 Years	2,239	2,184	4,423	10 to 14 Years	2,186	2,102	4,288
15 to 17 Years	1,333	1,258	2,591	15 to 17 Years	1,305	1,257	2,562	15 to 17 Years	1,382	1,356	2,738
18 to 20 Years	1,133	1,099	2,232	18 to 20 Years	1,170	1,095	2,265	18 to 20 Years	1,269	1,199	2,468
21 to 24 Years	1,322	1,170	2,492	21 to 24 Years	1,471	1,395	2,866	21 to 24 Years	1,679	1,593	3,272
25 to 34 Years	3,829	3,925	7,754	25 to 34 Years	3,615	3,554	7,169	25 to 34 Years	3,545	3,349	6,894
35 to 44 Years	4,646	4,536	9,182	35 to 44 Years	4,305	4,280	8,585	35 to 44 Years	3,832	3,902	7,734
45 to 54 Years	4,492	4,285	8,777	45 to 54 Years	4,455	4,301	8,756	45 to 54 Years	4,387	4,311	8,698
55 to 64 Years	3,273	3,533	6,806	55 to 64 Years	3,477	3,641	7,118	55 to 64 Years	3,770	3,851	7,621
65 to 74 Years	2,128	2,386	4,514	65 to 74 Years	2,443	2,782	5,225	65 to 74 Years	2,752	3,088	5,820
75 to 84 Years	811	1,155	1,966	75 to 84 Years	1,019	1,354	2,373	75 to 84 Years	1,291	1,706	2,997
85 Years and Up	211	506	717	85 Years and Up	237	562	799	85 Years and Up	292	614	906
Total	30,002	30,483	60,485	Total	30,053	30,540	60,593	Total	30,539	31,042	61,581
55+ Years	6,423	7,580	14,003	55+ Years	7,176	8,339	15,515	55+ Years	8,085	9,259	17,344
62+ Years	n/a	n/a	9,228	62+ Years	n/a	n/a	10,323	62+ Years	n/a	n/a	11,777
Median Age:			36.9	Median Age:			38.0	Median Age:			38.9

Source: Nielsen Claritas; Ribbon Demographics
Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-880-1644



Source: Nielsen Claritas; Ribbon Demographics
Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-880-1644

Owner Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	31	36	33	26	22	148
\$10,000-20,000	74	53	75	34	2	238
\$20,000-30,000	126	88	136	40	12	402
\$30,000-40,000	25	135	77	51	86	374
\$40,000-50,000	73	148	67	150	108	546
\$50,000-60,000	54	148	131	68	151	552
\$60,000-75,000	69	125	220	110	90	614
\$75,000-100,000	31	225	186	194	182	818
\$100,000-125,000	1	96	105	156	88	446
\$125,000-150,000	3	26	19	39	25	112
\$150,000-200,000	2	18	56	4	26	106
\$200,000+	1	3	10	6	17	37
Total	490	1,101	1,115	878	809	4,393

Owner Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	161	123	20	15	12	331
\$10,000-20,000	396	250	9	24	4	683
\$20,000-30,000	133	270	96	28	26	553
\$30,000-40,000	72	280	68	67	2	489
\$40,000-50,000	65	202	23	28	20	338
\$50,000-60,000	36	177	68	52	16	349
\$60,000-75,000	35	176	45	12	10	278
\$75,000-100,000	18	205	57	50	52	382
\$100,000-125,000	32	88	26	36	8	190
\$125,000-150,000	7	47	21	10	2	87
\$150,000-200,000	6	54	4	4	3	71
\$200,000+	2	18	3	3	4	30
Total	963	1,890	440	329	159	3,781

Owner Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	115	103	12	13	2	245
\$10,000-20,000	345	232	8	23	4	612
\$20,000-30,000	126	212	84	12	1	435
\$30,000-40,000	60	215	42	16	2	335
\$40,000-50,000	30	150	13	21	1	215
\$50,000-60,000	25	92	36	10	16	179
\$60,000-75,000	23	108	17	11	0	159
\$75,000-100,000	10	163	24	42	1	240
\$100,000-125,000	21	46	23	14	0	104
\$125,000-150,000	6	25	7	2	1	41
\$150,000-200,000	4	20	2	4	0	30
\$200,000+	2	13	1	2	1	19
Total	767	1,379	269	170	29	2,614

Owner Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	192	159	53	41	34	479
\$10,000-20,000	470	303	84	58	6	921
\$20,000-30,000	259	358	232	68	38	955
\$30,000-40,000	97	415	145	118	88	863
\$40,000-50,000	138	350	90	178	128	884
\$50,000-60,000	90	325	199	120	167	901
\$60,000-75,000	104	301	265	122	100	892
\$75,000-100,000	49	430	243	244	234	1,200
\$100,000-125,000	33	184	131	192	96	636
\$125,000-150,000	10	73	40	49	27	199
\$150,000-200,000	8	72	60	8	29	177
\$200,000+	3	21	13	9	21	67
Total	1,453	2,991	1,555	1,207	968	8,174

Renter Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	241	84	38	15	20	398
\$10,000-20,000	44	137	109	87	19	396
\$20,000-30,000	64	143	63	66	173	509
\$30,000-40,000	88	134	82	10	3	317
\$40,000-50,000	86	53	31	60	26	256
\$50,000-60,000	36	35	36	37	20	164
\$60,000-75,000	0	0	16	88	27	131
\$75,000-100,000	0	0	0	1	69	70
\$100,000-125,000	0	1	0	1	1	3
\$125,000-150,000	3	7	2	4	2	18
\$150,000-200,000	0	1	1	10	2	14
\$200,000+	0	1	0	0	2	3
Total	562	596	378	379	364	2,279

Renter Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	97	37	18	2	0	154
\$10,000-20,000	129	48	30	3	3	213
\$20,000-30,000	91	20	14	28	3	156
\$30,000-40,000	41	9	34	4	0	88
\$40,000-50,000	40	28	3	5	1	77
\$50,000-60,000	18	10	12	5	0	45
\$60,000-75,000	23	4	8	2	2	39
\$75,000-100,000	4	48	10	2	0	64
\$100,000-125,000	4	23	4	0	0	31
\$125,000-150,000	5	0	0	2	1	8
\$150,000-200,000	3	0	2	0	1	6
\$200,000+	2	0	5	2	2	11
Total	457	227	140	55	13	892

Renter Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	95	36	4	2	0	137
\$10,000-20,000	112	11	3	3	2	131
\$20,000-30,000	75	18	13	27	3	136
\$30,000-40,000	41	7	2	1	0	51
\$40,000-50,000	39	20	0	4	1	64
\$50,000-60,000	13	7	1	3	0	24
\$60,000-75,000	14	2	0	2	2	20
\$75,000-100,000	1	14	1	1	0	17
\$100,000-125,000	3	0	1	0	0	4
\$125,000-150,000	5	0	0	2	1	8
\$150,000-200,000	3	0	0	0	0	3
\$200,000+	0	0	1	2	2	5
Total	401	115	26	47	11	600

Renter Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	338	121	56	17	20	552
\$10,000-20,000	173	185	139	90	22	609
\$20,000-30,000	155	163	77	94	176	665
\$30,000-40,000	129	143	116	14	3	405
\$40,000-50,000	126	81	34	65	27	333
\$50,000-60,000	54	45	48	42	20	209
\$60,000-75,000	23	4	24	90	29	170
\$75,000-100,000	4	48	10	3	69	134
\$100,000-125,000	4	24	4	1	1	34
\$125,000-150,000	8	7	2	6	3	26
\$150,000-200,000	3	1	3	10	3	20
\$200,000+	2	1	5	2	4	14
Total	1,019	823	518	434	377	3,171

Owner Households						
Age 15 to 54 Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	40	46	18	7	15	126
\$10,000-20,000	64	39	54	26	0	183
\$20,000-30,000	78	52	116	41	10	297
\$30,000-40,000	26	124	67	42	85	344
\$40,000-50,000	81	121	70	139	110	521
\$50,000-60,000	55	133	109	65	151	513
\$60,000-75,000	80	127	251	99	80	637
\$75,000-100,000	29	235	196	181	188	829
\$100,000-125,000	0	68	117	132	97	414
\$125,000-150,000	4	33	18	53	22	130
\$150,000-200,000	2	6	49	3	30	90
\$200,000+	1	1	14	7	15	38
Total	460	985	1,079	795	803	4,122

Owner Households						
Aged 55+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	141	129	16	22	13	321
\$10,000-20,000	363	262	10	35	5	675
\$20,000-30,000	160	310	117	30	28	645
\$30,000-40,000	91	321	77	86	1	576
\$40,000-50,000	69	188	26	25	22	330
\$50,000-60,000	42	186	92	63	22	405
\$60,000-75,000	36	182	53	14	13	298
\$75,000-100,000	22	246	61	64	50	443
\$100,000-125,000	29	81	24	33	8	175
\$125,000-150,000	6	38	18	6	1	69
\$150,000-200,000	5	42	0	5	1	53
\$200,000+	3	22	6	2	3	36
Total	967	2,007	500	385	167	4,026

Owner Households						
Aged 62+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	94	98	8	18	1	219
\$10,000-20,000	314	242	8	34	5	603
\$20,000-30,000	156	245	103	14	3	521
\$30,000-40,000	76	257	49	27	1	410
\$40,000-50,000	24	132	9	15	2	182
\$50,000-60,000	32	112	64	10	22	240
\$60,000-75,000	25	107	17	12	2	163
\$75,000-100,000	12	199	27	57	0	295
\$100,000-125,000	19	35	19	16	1	90
\$125,000-150,000	6	21	5	2	1	35
\$150,000-200,000	3	22	0	3	0	28
\$200,000+	2	16	3	1	0	22
Total	763	1,486	312	209	38	2,808

Owner Households						
All Age Groups						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	181	175	34	29	28	447
\$10,000-20,000	427	301	64	61	5	858
\$20,000-30,000	238	362	233	71	38	942
\$30,000-40,000	117	445	144	128	86	920
\$40,000-50,000	150	309	96	164	132	851
\$50,000-60,000	97	319	201	128	173	918
\$60,000-75,000	116	309	304	113	93	935
\$75,000-100,000	51	481	257	245	238	1,272
\$100,000-125,000	29	149	141	165	105	589
\$125,000-150,000	10	71	36	59	23	199
\$150,000-200,000	7	48	49	8	31	143
\$200,000+	4	23	20	9	18	74
Total	1,427	2,992	1,579	1,180	970	8,148

Renter Households						
Age 15 to 54 Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	208	47	35	15	15	320
\$10,000-20,000	54	112	93	81	22	362
\$20,000-30,000	35	112	50	43	192	432
\$30,000-40,000	78	127	74	11	5	295
\$40,000-50,000	70	49	30	52	33	234
\$50,000-60,000	33	39	35	53	19	179
\$60,000-75,000	0	0	18	97	33	148
\$75,000-100,000	0	4	0	0	73	77
\$100,000-125,000	0	0	1	0	2	3
\$125,000-150,000	1	9	0	2	0	12
\$150,000-200,000	0	1	0	3	3	7
\$200,000+	0	2	0	1	0	3
Total	479	502	336	358	397	2,072

Renter Households						
Aged 55+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	97	45	16	3	3	164
\$10,000-20,000	137	51	37	3	4	232
\$20,000-30,000	114	22	21	37	2	196
\$30,000-40,000	91	10	36	7	1	145
\$40,000-50,000	25	24	4	7	1	61
\$50,000-60,000	19	11	10	6	2	48
\$60,000-75,000	22	3	8	7	0	40
\$75,000-100,000	4	47	7	3	1	62
\$100,000-125,000	4	26	2	1	0	33
\$125,000-150,000	12	3	0	1	1	17
\$150,000-200,000	2	2	5	3	1	13
\$200,000+	0	2	6	2	2	12
Total	527	246	152	80	18	1,023

Renter Households						
Aged 62+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	91	45	4	2	3	145
\$10,000-20,000	112	13	6	3	4	138
\$20,000-30,000	97	21	20	36	1	175
\$30,000-40,000	91	6	3	1	1	102
\$40,000-50,000	25	12	1	6	1	45
\$50,000-60,000	15	9	2	5	2	33
\$60,000-75,000	13	2	0	5	0	20
\$75,000-100,000	0	13	0	2	1	16
\$100,000-125,000	3	1	1	0	0	5
\$125,000-150,000	9	3	0	0	1	13
\$150,000-200,000	2	2	1	2	1	8
\$200,000+	0	2	2	1	2	7
Total	458	129	40	63	17	707

Renter Households						
All Age Groups						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	305	92	51	18	18	484
\$10,000-20,000	191	163	130	84	26	594
\$20,000-30,000	149	134	71	80	194	628
\$30,000-40,000	169	137	110	18	6	440
\$40,000-50,000	95	73	34	59	34	295
\$50,000-60,000	52	50	45	59	21	227
\$60,000-75,000	22	3	26	104	33	188
\$75,000-100,000	4	51	7	3	74	139
\$100,000-125,000	4	26	3	1	2	36
\$125,000-150,000	13	12	0	3	1	29
\$150,000-200,000	2	3	5	6	4	20
\$200,000+	0	4	6	3	2	15
Total	1,006	748	488	438	415	3,095

Owner Households						
Age 15 to 54 Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	46	83	38	14	49	230
\$10,000-20,000	58	52	76	51	0	237
\$20,000-30,000	74	60	166	49	16	365
\$30,000-40,000	27	123	85	50	89	374
\$40,000-50,000	76	137	75	152	126	566
\$50,000-60,000	36	101	105	59	169	470
\$60,000-75,000	44	84	229	94	74	525
\$75,000-100,000	17	144	145	138	160	604
\$100,000-125,000	0	31	49	75	58	213
\$125,000-150,000	0	11	8	23	12	54
\$150,000-200,000	0	4	29	1	15	49
\$200,000+	2	0	10	3	10	25
Total	380	830	1,015	709	778	3,712

Owner Households						
Aged 55+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	202	199	34	46	26	507
\$10,000-20,000	402	336	17	63	7	825
\$20,000-30,000	173	372	151	41	29	766
\$30,000-40,000	94	361	98	106	2	661
\$40,000-50,000	66	222	32	30	32	382
\$50,000-60,000	35	166	84	65	22	372
\$60,000-75,000	25	150	56	17	12	260
\$75,000-100,000	14	209	51	50	43	367
\$100,000-125,000	10	41	14	18	5	88
\$125,000-150,000	5	20	13	3	1	42
\$150,000-200,000	4	21	0	3	2	30
\$200,000+	3	10	1	1	3	18
Total	1,033	2,107	551	443	184	4,318

Owner Households						
Aged 62+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	138	154	16	38	5	351
\$10,000-20,000	348	310	16	62	6	742
\$20,000-30,000	169	298	133	17	2	619
\$30,000-40,000	80	303	60	32	2	477
\$40,000-50,000	24	156	13	18	2	213
\$50,000-60,000	28	107	58	9	21	223
\$60,000-75,000	16	92	18	15	2	143
\$75,000-100,000	7	168	24	44	1	244
\$100,000-125,000	8	19	13	8	0	48
\$125,000-150,000	4	11	3	2	1	21
\$150,000-200,000	4	13	0	1	0	18
\$200,000+	2	6	0	1	0	9
Total	828	1,637	354	247	42	3,108

Owner Households						
All Age Groups						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	248	282	72	60	75	737
\$10,000-20,000	460	388	93	114	7	1,062
\$20,000-30,000	247	432	317	90	45	1,131
\$30,000-40,000	121	484	183	156	91	1,035
\$40,000-50,000	142	359	107	182	158	948
\$50,000-60,000	71	267	189	124	191	842
\$60,000-75,000	69	234	285	111	86	785
\$75,000-100,000	31	353	196	188	203	971
\$100,000-125,000	10	72	63	93	63	301
\$125,000-150,000	5	31	21	26	13	96
\$150,000-200,000	4	25	29	4	17	79
\$200,000+	5	10	11	4	13	43
Total	1,413	2,937	1,566	1,152	962	8,030

Renter Households						
Age 15 to 54 Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	225	81	36	21	26	389
\$10,000-20,000	40	110	89	92	30	361
\$20,000-30,000	38	109	48	46	201	442
\$30,000-40,000	63	98	84	9	2	256
\$40,000-50,000	69	45	35	55	32	236
\$50,000-60,000	16	28	29	40	19	132
\$60,000-75,000	0	0	7	86	28	121
\$75,000-100,000	0	0	0	0	70	70
\$100,000-125,000	0	0	0	0	3	3
\$125,000-150,000	1	3	0	1	0	5
\$150,000-200,000	0	1	0	2	1	4
\$200,000+	0	0	2	1	0	3
Total	452	475	330	353	412	2,022

Renter Households						
Aged 55+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	135	62	19	5	2	223
\$10,000-20,000	146	63	42	4	3	258
\$20,000-30,000	110	27	28	49	1	215
\$30,000-40,000	84	9	36	8	3	140
\$40,000-50,000	26	22	3	5	2	58
\$50,000-60,000	12	7	7	6	2	34
\$60,000-75,000	16	2	8	3	0	29
\$75,000-100,000	1	36	5	3	1	46
\$100,000-125,000	2	18	1	1	1	23
\$125,000-150,000	1	1	0	0	1	3
\$150,000-200,000	1	0	3	1	1	6
\$200,000+	1	2	0	1	4	8
Total	535	249	152	86	21	1,043

Renter Households						
Aged 62+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	131	61	4	4	2	202
\$10,000-20,000	117	14	7	3	3	144
\$20,000-30,000	93	26	26	48	1	194
\$30,000-40,000	84	6	3	3	3	99
\$40,000-50,000	26	11	1	4	2	44
\$50,000-60,000	9	5	0	5	2	21
\$60,000-75,000	10	2	1	2	0	15
\$75,000-100,000	0	11	1	1	1	14
\$100,000-125,000	2	1	0	0	0	3
\$125,000-150,000	1	1	0	0	1	3
\$150,000-200,000	1	0	0	1	1	3
\$200,000+	1	1	0	1	3	6
Total	475	139	43	72	19	748

Renter Households						
All Age Groups						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	360	143	55	26	28	612
\$10,000-20,000	186	173	131	96	33	619
\$20,000-30,000	148	136	76	95	202	657
\$30,000-40,000	147	107	120	17	5	396
\$40,000-50,000	95	67	38	60	34	294
\$50,000-60,000	28	35	36	46	21	166
\$60,000-75,000	16	2	15	89	28	150
\$75,000-100,000	1	36	5	3	71	116
\$100,000-125,000	2	18	1	1	4	26
\$125,000-150,000	2	4	0	1	1	8
\$150,000-200,000	1	1	3	3	2	10
\$200,000+	1	2	2	2	4	11
Total	987	724	482	439	433	3,065



B25074

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

Universe: Renter-occupied housing units

2008-2012 American Community Survey 5-Year Estimates

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

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

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

	Jackson County, Georgia		Commerce city, Georgia	
	Estimate	Margin of Error	Estimate	Margin of Error
Total:	4,935	+/-423	1,031	+/-161
Less than \$10,000:	728	+/-196	110	+/-68
Less than 20.0 percent	0	+/-31	0	+/-19
20.0 to 24.9 percent	17	+/-26	0	+/-19
25.0 to 29.9 percent	25	+/-38	25	+/-38
30.0 to 34.9 percent	15	+/-24	0	+/-19
35.0 percent or more	372	+/-134	54	+/-40
Not computed	299	+/-136	31	+/-38
\$10,000 to \$19,999:	1,207	+/-301	340	+/-126
Less than 20.0 percent	31	+/-41	0	+/-19
20.0 to 24.9 percent	2	+/-3	0	+/-19
25.0 to 29.9 percent	31	+/-29	22	+/-25
30.0 to 34.9 percent	76	+/-59	0	+/-19
35.0 percent or more	962	+/-272	301	+/-122
Not computed	105	+/-67	17	+/-21
\$20,000 to \$34,999:	1,184	+/-246	195	+/-88
Less than 20.0 percent	94	+/-79	0	+/-19
20.0 to 24.9 percent	120	+/-78	23	+/-29
25.0 to 29.9 percent	318	+/-150	56	+/-44
30.0 to 34.9 percent	207	+/-80	42	+/-38
35.0 percent or more	309	+/-112	69	+/-59
Not computed	136	+/-90	5	+/-10
\$35,000 to \$49,999:	692	+/-187	249	+/-99
Less than 20.0 percent	134	+/-65	49	+/-39
20.0 to 24.9 percent	163	+/-81	34	+/-41
25.0 to 29.9 percent	187	+/-114	78	+/-63
30.0 to 34.9 percent	60	+/-64	57	+/-63
35.0 percent or more	70	+/-49	31	+/-37
Not computed	78	+/-88	0	+/-19
\$50,000 to \$74,999:	738	+/-180	66	+/-55
Less than 20.0 percent	337	+/-117	44	+/-48
20.0 to 24.9 percent	126	+/-94	0	+/-19
25.0 to 29.9 percent	5	+/-8	0	+/-19
30.0 to 34.9 percent	46	+/-53	12	+/-25
35.0 percent or more	53	+/-45	0	+/-19
Not computed	171	+/-116	10	+/-14

	Jackson County, Georgia		Commerce city, Georgia	
	Estimate	Margin of Error	Estimate	Margin of Error
\$75,000 to \$99,999:	242	+/-98	71	+/-57
Less than 20.0 percent	185	+/-86	51	+/-48
20.0 to 24.9 percent	8	+/-14	0	+/-19
25.0 to 29.9 percent	34	+/-38	20	+/-35
30.0 to 34.9 percent	0	+/-31	0	+/-19
35.0 percent or more	0	+/-31	0	+/-19
Not computed	15	+/-26	0	+/-19
\$100,000 or more:	144	+/-108	0	+/-19
Less than 20.0 percent	144	+/-108	0	+/-19
20.0 to 24.9 percent	0	+/-31	0	+/-19
25.0 to 29.9 percent	0	+/-31	0	+/-19
30.0 to 34.9 percent	0	+/-31	0	+/-19
35.0 percent or more	0	+/-31	0	+/-19
Not computed	0	+/-31	0	+/-19

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

While the 2008-2012 American Community Survey (ACS) data generally reflect the December 2009 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

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

Source: U.S. Census Bureau, 2008-2012 American Community Survey

Explanation of Symbols:

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



B25072

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

Universe: Renter-occupied housing units

2008-2012 American Community Survey 5-Year Estimates

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

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

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

	Jackson County, Georgia		Commerce city, Georgia	
	Estimate	Margin of Error	Estimate	Margin of Error
Total:	4,935	+/-423	1,031	+/-161
Householder 15 to 24 years:	378	+/-145	38	+/-38
Less than 20.0 percent	102	+/-51	0	+/-19
20.0 to 24.9 percent	66	+/-81	13	+/-24
25.0 to 29.9 percent	14	+/-21	0	+/-19
30.0 to 34.9 percent	33	+/-30	10	+/-17
35.0 percent or more	63	+/-46	15	+/-24
Not computed	100	+/-96	0	+/-19
Householder 25 to 34 years:	944	+/-217	255	+/-105
Less than 20.0 percent	135	+/-85	30	+/-33
20.0 to 24.9 percent	70	+/-45	0	+/-19
25.0 to 29.9 percent	121	+/-92	32	+/-37
30.0 to 34.9 percent	44	+/-42	24	+/-39
35.0 percent or more	393	+/-165	161	+/-90
Not computed	181	+/-105	8	+/-14
Householder 35 to 64 years:	2,933	+/-375	521	+/-142
Less than 20.0 percent	639	+/-182	99	+/-66
20.0 to 24.9 percent	241	+/-123	34	+/-41
25.0 to 29.9 percent	395	+/-169	111	+/-79
30.0 to 34.9 percent	287	+/-117	67	+/-58
35.0 percent or more	937	+/-235	176	+/-99
Not computed	434	+/-176	34	+/-37
Householder 65 years and over:	680	+/-206	217	+/-89
Less than 20.0 percent	49	+/-44	15	+/-21
20.0 to 24.9 percent	59	+/-40	10	+/-16
25.0 to 29.9 percent	70	+/-48	58	+/-44
30.0 to 34.9 percent	40	+/-32	10	+/-15
35.0 percent or more	373	+/-144	103	+/-64
Not computed	89	+/-52	21	+/-24

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

UTILITY ALLOWANCES

Georgia Department of Community Affairs

Office of Housing Finance

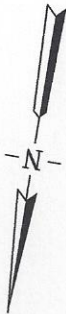
UTILITY ALLOWANCES

Effective 7/1/2014

MIDDLE REGION

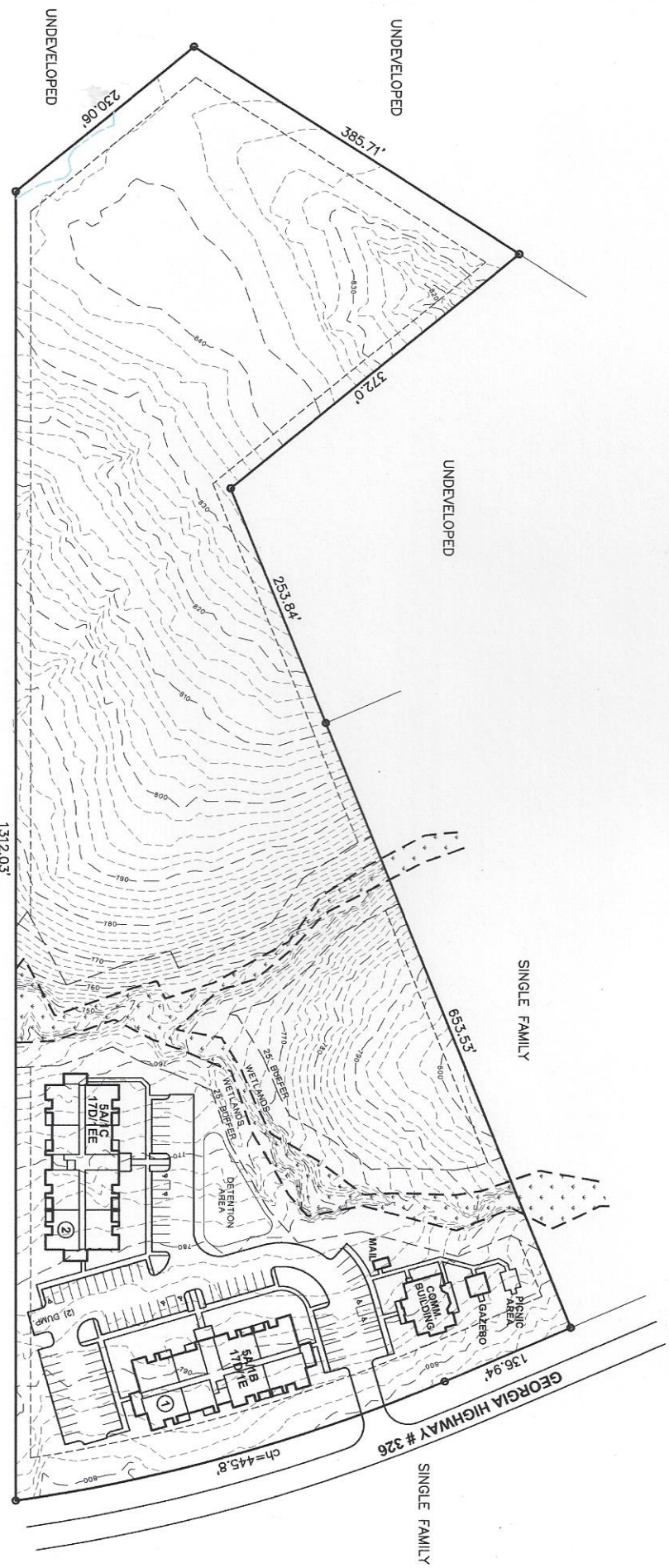
Unit Type	Use	Appliance Type	0 BR	1 BR	2 BR	3 BR	4 BR
MULTI-FAMILY	Heating	Natural Gas	19	26	33	42	53
		Electric	22	30	39	48	61
		Propane	48	67	86	105	133
		78%+ AFUE Gas	13	15	19	25	31
		Electric Heat Pump	7	7	9	13	15
		Electric Aquatherm	15	21	27	33	42
		Gas Aquatherm	14	18	24	29	38
	Cooking	Natural Gas	6	8	10	13	15
		Electric	6	9	11	14	17
		Propane	16	19	25	32	38
	Hot Water	Natural Gas	15	21	26	32	40
		Electric	19	27	34	42	53
		Propane	38	51	67	79	101
	Air Cond.	Electric	22	30	39	48	61
Lights/Refr.	Electric	18	25	32	39	50	
Sewer		31	40	51	63	78	
Water		18	23	29	36	45	
Trash Collection		20	20	20	20	20	
SINGLE FAMILY	Heating	Natural Gas	21	29	38	46	58
		Electric	24	34	43	53	67
		Propane	54	73	95	114	146
		78%+ AFUE Gas	18	25	31	36	46
		Electric Heat Pump	13	20	23	26	35
		Electric Aquatherm	17	24	30	37	47
		Gas Aquatherm	15	21	26	32	40
	Cooking	Natural Gas	6	8	10	13	15
		Electric	6	9	11	14	17
		Propane	16	19	25	32	38
	Hot Water	Natural Gas	15	21	26	32	40
		Electric	19	27	34	42	53
		Propane	38	51	67	79	101
	Air Cond.	Electric	24	34	43	53	67
Lights/Refr.	Electric	20	28	35	43	55	
Sewer		30	41	51	62	78	
Water		17	24	30	36	45	
Trash Collection		20	20	20	20	20	

SCHEMATIC SITE PLAN



OWNER	MASON MANOR, L.P. P.O. BOX 1909 ALBERTVILLE, ALABAMA 35950
ARCHITECT	McKEAN & ASSOCIATES, ARCHITECTS, LLC 2316 EASTCHASE LANE MONTGOMERY, ALABAMA 36117

LEGEND	
UNIT TYPE	COUNT
UNIT 'A' - ONE BEDROOM	10 UNITS
UNIT 'B' - ONE BEDROOM - HANDICAP/SHOWER	1 UNIT
UNIT 'C' - ONE BEDROOM - SENSOY IMPAIRED	1 UNIT
UNIT 'D' - TWO BEDROOM	34 UNITS
UNIT 'E' - TWO BEDROOM - HANDICAP	1 UNIT
UNIT 'EE' - TWO BEDROOM - HANDICAP/SHOWER	1 UNIT
TOTAL UNITS	48 UNITS
PARKING SPACES:	81
SITE AREA:	12.0 ACRES *



SCHEMATIC SITE PLAN

MASON MANOR
COMMERCE, GEORGIA

MAY 27, 2014

McKEAN & ASSOCIATES
ARCHITECTS
MONTGOMERY, ALABAMA

NCHMA CERTIFICATION

Certificate of Membership

Koontz & Salinger

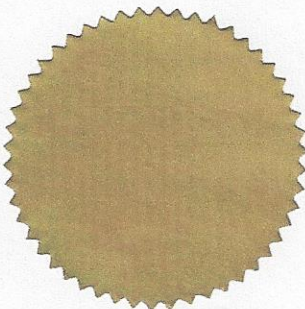
Is a Member Firm in Good Standing of



Formerly known as
National Council of Affordable
Housing Market Analysts

National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
202-939-1750

Membership Term
7/1/2013 to 06/30/2014



Thomas Amdur
Executive Director, NH&RA