



**A MARKET CONDITIONS AND PROJECT
EVALUATION SUMMARY OF**

**SOUTHWESTERN ESTATES
Felder Street
Americus, Sumter County, Georgia 31709**

Effective Date: May 16, 2014

Report Date: May 27, 2014

Prepared For

**MACO Development Company
C/O**

**Mr. Jason Maddox
111 North Main Street
Clarkston, MO 63837**

Prepared By

**Novogradac & Company LLP
2325 Lakeview Parkway
Suite 450
Alpharetta, Georgia 30009
678.867.2333**

May 27, 2014

MACO Development Company
C/O
Mr. Jason Maddox
111 North Main Street
Clarkston, MO 63837

Re: Market Study for Southwestern Estates Apartments in Americus, Georgia

Dear Mr. Maddox:

At your request, Novogradac & Company LLP performed a market study of the family rental market in the Americus, Sumter County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Southwestern Estates Apartments, a proposed development consisting of 64 units. Units will be restricted to family households earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

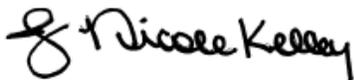
This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and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

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

Respectfully submitted,



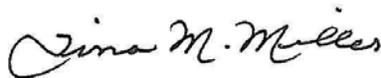
H. Blair Kincer, MAI, CRE
LEED Certified Associate
Partner
Novogradac & Company LLP



J. Nicole Kelley
Manager
Novogradac & Company LLP



Edward R. Mitchell
Senior Real Estate Analyst



Tina M. Miller
Real Estate Analyst

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Southwestern Estates (the Subject) will be located on Felder Street, west of its intersection with Thomas Drive, in Americus, Georgia. The Subject will be a newly constructed, two-story, garden-style, walk-up building targeting family households earning 50 and 60 percent of the AMI, or less. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

Unit Mix, Size, Rent

Unit Type	Number of Units	Unit Size	Asking Rent	Utility Allowance (1)	Gross Rent	2013 LIHTC	2013 HUD
						Maximum Allowable Gross Rent (2)	Fair Market Rents
<i>50% AMI</i>							
1BR	10	800	\$262	\$164	\$426	\$428	\$502
2BR	5	1,010	\$309	\$202	\$511	\$513	\$607
3BR	3	1,177	\$321	\$269	\$590	\$593	\$829
<i>60% AMI</i>							
1BR	6	800	\$347	\$164	\$511	\$513	\$502
2BR	27	1,010	\$411	\$202	\$613	\$616	\$607
3BR	13	1,177	\$439	\$269	\$708	\$711	\$829
Total	64						

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

Notes (2) Per GA DCA 2014 guidelines, the market analyst must use the maximum rents and income limits from the same year as the utility allowance. The Americus Housing Authority utility allowance is effective 7/2013 and, therefore, we have used the maximum rents and income limits for 2013.

The Subject will offer the following amenities: blinds, carpeting, central air conditioning, ovens/stoves, refrigerator, dishwashers, microwave, exterior storage, ceiling fans, garbage disposal, washer/dryer hookups, community building, central laundry facility, exercise facility, covered porch, computer lab, on-site management, and off-street parking. The Subject’s proposed amenities package will be competitive with the comparable properties.

2. Site Description/Evaluation:

The Subject site is currently wooded vacant land. Immediate surrounding uses include vacant land to the north and south, retail uses in average to good condition to the east, and single-family homes in average condition to the west. The single-family homes appear to be well occupied. Based on our site inspection, commercial and

retail uses appear to be 95 percent occupied. The Subject site is accessible from Felder Street, a two-lane, lightly travelled roadway. Felder Street provides access to Routes 30/280 approximately 0.5 miles east of the Subject site. Routes 30/280 provide access to various points throughout Sumter and the surrounding counties. The majority of the local amenities are located within 2.8 miles of the Subject site with limited amenities in walking distance. The Subject site is easily accessible to Routes 30, 280, and 19. Access is considered good and visibility is considered average. Overall, the Subject will be a conforming use in the neighborhood, and the site appears appropriate for a multifamily development.

3. Market Area Definition:

The Primary Market Area (PMA) encompasses portions of Sumter, Schley and Macon Counties. The PMA is defined as Georgia Highway 26 to the north, Georgia Highway 195 to the east, and the Sumter County border to the south and west. The area was defined based on interviews with local property managers, the majority of whom reported that residents originate from Americus and the surrounding areas. The manager at Starlight Place, a LIHTC property, reported that residents come from Andersonville, Ellaville, Leslie and Plains. The farthest boundary from the Subject is located approximately 23.4 miles (driving distance) northwest of the Subject site.

4. Community Demographic Data:

Population and households increased historically in the PMA but are projected to decrease slightly from projected market entry through 2018. However, declining population and households is typical in rural areas, like the Subject's market area, and the anticipated decline is nominal. The largest age cohorts in the PMA are the 15 to 24 age cohorts, which suggests that the PMA contains a large family population. Approximately 44.9 percent of households in the PMA are renter-occupied, which is well above the national average. Additionally, the largest income brackets in the PMA are the \$0 to \$29,999 income cohorts and is a positive indicator for the Subject's units.

We did not observe any abandoned homes in the Subject's neighborhood during our site inspection. According to www.RealtyTrac.com, as of April 2014, one in every 3,627 housing units in Americus received a foreclosure filing. In Sumter County, one in every 2,350 housing units received a foreclosure filing. Both the city and the county reported

lower foreclosure rates than the state of Georgia, which has a foreclosure rate of one in every 1,047 housing units. Nationally, the foreclosure rate is one in every 1,137 housing units.

5. Economic Data:

Overall, the area appears to have been heavily impacted by the national recession, with total employment in the SMA decreasing from 2007 through 2011. In 2007, Collins and Aikman, a local manufacturing plant, closed their plant in Americus resulting in 350 job losses. Total employment increased slightly in 2012. As of December 2013, total employment is down 1.9 percent over December 2012. However, more than 260 jobs are expected to be added to the local economy. The unemployment rates in the SMA have been above the nation for nearly all years. This is likely due to the rural nature of the area and its reliance on the manufacturing sector. As of December 2013, the unemployment rate declined 0.9 percentage points over the prior year, and remains well above the national average.

The largest sectors in the PMA are the healthcare/social assistance, educational services and manufacturing sectors, which is similar to the covered employment by industry data reported by the US Bureau of Labor Statistics. The retail trade sector also accounts for a large percentage of employment in the PMA. Although the manufacturing and retail trade sectors are volatile, the healthcare/social assistance and educational services sectors are generally considered to be stable employers, and could provide some stability during economic downturns.

The Americus Sumter Payroll Development Authority reported that the Georgia International Raceway Park is expected to begin construction in December 2014 and will be completed January 2017. The development will be constructed on 470 acres and will be located approximately 7.8 miles northeast of the Subject site. It will include a quarter-mile concrete dragstrip, a three-mile road race course, a training center, driving schools, training and testing facilities, a Motorsports Business Technology Park, condominiums and an outdoor amphitheater. The estimated cost of the complex is \$25 million and is expected to add more than 200 jobs to the local economy. The agency also reported that Caravelle Powerboats, located approximately 0.7 miles southeast of the Subject site, is expanding their facility and will add 60 jobs to the local economy. Triwood Inc., a mouldings and millworks

manufacturer, is also expected to expand and add new jobs to the local economy over the next five years. However, the number of jobs that will be added was not available. Overall, these planned developments and expansions will help stabilize the local economy and likely attract more residents to the market area.

6. Project-Specific Affordability And Demand Analysis:

Overall, there are a total of 380 income-qualified renter households in the PMA. All capture rates are within DCA’s threshold requirements, and are considered reasonable. The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR at 50% AMI	\$14,606 - \$18,250	10	72	0	72	13.8%
2BR at 50% AMI	\$17,520 - \$20,550	5	120	0	120	4.2%
3BR at 50% AMI	\$20,229 - \$24,650	3	77	0	77	3.9%
Overall 50% AMI	\$14,606 - \$24,650	18	269	0	269	6.7%
1BR at 60% AMI	\$17,520 - \$21,900	6	78	0	78	7.7%
2BR at 60% AMI	\$21,017 - \$24,660	27	129	0	129	21.0%
3BR at 60% AMI	\$24,274 - \$29,580	13	83	0	83	15.6%
Overall 60% AMI	\$17,520 - \$29,580	46	290	0	290	15.9%
Overall 1BR	\$14,606 - \$21,900	16	102	0	102	15.7%
Overall 2BR	\$17,520 - \$24,660	32	169	0	169	19.0%
Overall 3BR	\$20,229 - \$29,580	16	109	0	109	14.7%
Overall Project	\$14,606 - \$29,580	64	380	0	380	16.8%

The property managers surveyed reported demand for affordable housing in the market. Furthermore, the LIHTC properties reported low vacancy rates, waiting lists, rent growth, and are not offering concessions. While capture rates are moderate, there appears to be adequate demand for the Subject’s units.

7. Competitive Rental Analysis:

The availability of family LIHTC data in the PMA is considered limited. There are three family LIHTC properties located in the PMA, of which, one is further subsidized with Project Based rental assistance. Given that the property also offers market rate units, we have included this property in our analysis. The availability of market rate data is considered adequate. We have included four market rate properties in our analysis. All of the comparable properties, both LIHTC and market rate, are located in the city of Americus and within the PMA.

The Subject's rents at both 50 and 60 percent AMI will be slightly below the maximum allowable levels. The Subject's proposed two and three-bedroom rent at 50 percent will be below the range of the comparable LIHTC properties. Its proposed one-bedroom rent at 50 percent and its proposed rents at 60 percent of the AMI will be within the range of the comparable LIHTC properties. All of the LIHTC properties reported low vacancy rates, with just one property reporting any vacancy. Furthermore, all of the LIHTC properties reported maintaining a waiting list. The local property managers interviewed further stated that there is demand for more affordable housing options in the market. The Subject will be one of three LIHTC properties in the PMA, if allocated. Overall, we believe that the Subject's rents are feasible as proposed given the lack of LIHTC supply, the low vacancy rates reported at the LIHTC properties surveyed, the presence of waiting lists, and the fact that the rents will offer an advantage when compared to the majority of the existing LIHTC comparables.

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

The Subject's proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. The Subject's proposed two and three-bedroom rent at 50 percent are below the surveyed minimum, its proposed three-bedroom rent at 60 percent is equal to the minimum, and its proposed one-bedroom rent at 50 percent of the AMI and its one and two-bedroom rents at 60 percent of the AMI are above the surveyed minimum. This is considered reasonable given that there are no newly constructed market rate properties and the Subject will be significantly superior to the market rate inventory.

8. Absorption/Stabilization Estimate:

Of the comparable properties surveyed, two could provide their absorption information. Therefore, we searched

Sumter and the adjacent counties for properties that could provide absorption data. The following table details our findings. Two properties are located within Sumter County and one is located in Crisp County.

ABSORPTION

Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Rosewood Estates	Crisp	LIHTC	Family	2010	56	4
East Oaks*	Sumter	LIHTC	Family	2006	40	3
Starlight Place*	Sumter	LIHTC	Family	2005	52	3

*Utilized as a comparable property

As illustrated, the reported absorption pace ranges from three to four units per month. Given the low reported vacancy rates and the presence of waiting lists, we believe the Subject could absorb units at a slightly faster pace. We have concluded to an absorption pace of six units per month for an absorption period of 10 months.

9. Overall Conclusion:

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a family property in Americus. There are currently two LIHTC properties in the market area that are not further subsidized with Project Based rental assistance. Both properties reported low vacancy rates and are maintaining waiting lists. Furthermore, local property managers reported that there is demand for more affordable housing options in the PMA. The Subject will be one of three LIHTC properties in the PMA, if allocated. Overall, we believe that the Subject’s rents are feasible as proposed given the lack of LIHTC supply, the low vacancy rates reported at the LIHTC properties surveyed, the presence of waiting lists, and the fact that the rents will offer an advantage when compared to the majority of the existing LIHTC comparables.

Summary Table:

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

Development Name:	Southwestern Estates	Total # Units: 64
Location:	Felder Street	# LIHTC Units: 64
	Americus, GA	
PMA Boundary:	North: Georgia Highway 26; West: Sumter County border; South: Sumter County border; East: Georgia Highway 195	
	Farthest Boundary Distance to Subject:	<u>23.4 miles</u>

Rental Housing Stock (found on pages 90)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	364	13	96.4%
Market-Rate Housing	4	228	11	95.2%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	3	136	2	98.5%
Stabilized Comps	7	364	13	96.4%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
10	1BR at 50% AMI	1	800	\$262	\$417	\$0.52	37%	\$583	\$0.69
5	2BR at 50% AMI	1	1,010	\$309	\$591	\$0.59	48%	\$709	\$0.62
3	3BR at 50% AMI	2	1,177	\$321	\$651	\$0.55	51%	\$809	\$0.58
6	1BR at 60% AMI	1	800	\$347	\$476	\$0.60	27%	\$583	\$0.69
27	2BR at 60% AMI	1	1,010	\$411	\$636	\$0.63	35%	\$709	\$0.62
13	3BR at 60% AMI	2	1,177	\$439	\$708	\$0.60	38%	\$809	\$0.58

Demographic Data (found on page 25-28)

	2013		2018		2016	
Renter Households	5,888	44.90%	5,727	44.40%	5,794	44.60%
Income-Qualified Renter HHs (LIHTC)	1,533	26.04%	1,491	26.04%	1,509	26.04%

Targeted Income-Qualified Renter Household Demand (found on pages 42-52)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	-17	-19	N/Ap	N/Ap	-24
Existing Households (Overburdened + Substandard)	N/Ap	305	328	N/Ap	N/Ap	429
Homeowner conversion (Seniors)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Total Primary Market Demand						
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	288	309	N/Ap	N/Ap	405

Capture Rates (found on page 40-51)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	6.70%	15.90%	N/Ap	N/Ap	16.80%

*Includes LIHTC and unrestricted (when applicable)

**Does not account for bedroom types and persons by bedroom

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject will be located on Felder Street, west of its intersection with Thomas Drive, in southeastern portion of the city of Americus, Sumter County, Georgia.
Construction Type:	The Subject will be a newly constructed family development consisting of two-story, garden-style, walk-up buildings.
Occupancy Type:	The Subject will target general households.
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	None of the units will have Project-Based Rental Assistance.
Proposed Development Amenities:	See following property profile.

Property Profile Report

Southwestern Estates

Comp# Subject
 Effective Rent Date 4/16/2014
 Location Felder St
 Americus, GA 31709
 Sumter County County
 Distance n/a
 Units 64
 Vacant Units N/A
 Vacancy Rate N/A
 Type Garden
 (2 stories)
 Year Built / Renovated 2016 / n/a
 Contact Name Developer
 Phone n/a



Market

Program @50%, @60% Leasing Pace n/a
 Annual Turnover Rate N/A Change in Rent (Past Year) n/a
 Units/Month Absorbed n/a Concession
 Section 8 Tenants N/A

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (2 stories)	10	800	\$262	\$0	@50%	n/a	N/A	N/A	no
1	1	Garden (2 stories)	6	800	\$347	\$0	@60%	n/a	N/A	N/A	no
2	1	Garden (2 stories)	5	1,010	\$309	\$0	@50%	n/a	N/A	N/A	no
2	1	Garden (2 stories)	27	1,010	\$411	\$0	@60%	n/a	N/A	N/A	no
3	2	Garden (2 stories)	3	1,177	\$321	\$0	@50%	n/a	N/A	N/A	no
3	2	Garden (2 stories)	13	1,177	\$439	\$0	@60%	n/a	N/A	N/A	no

Amenities

In-Unit Balcony/Patio Security none
 Blinds
 Carpeting
 Central A/C
 Coat Closet
 Dishwasher
 Exterior Storage
 Ceiling Fan
 Garbage Disposal
 Microwave
 Oven
 Refrigerator
 Walk-In Closet
 Washer/Dryer hookup

Property Business Center/Computer Lab Premium none
 Clubhouse/Meeting Room/Community Room
 Exercise Facility
 Central Laundry
 Off-Street Parking
 On-Site Management
 Recreation Areas

Services none Other none

Comments

Utility estimates for the development will be \$164, \$202 and \$269 for a one, two and three-bedroom unit, respectively. Gross rents will be \$426, \$511 and \$590 for a one, two and three-bedroom unit at 50 percent of the AMI, and \$511, \$613 and \$708 for a one, two and three-bedroom unit at 60 percent of the AMI.

Scope of Renovations: The Subject will be new construction.

Current Rents: The Subject will be new construction.

Current Occupancy: The Subject will be new construction.

Current Tenant Income: The Subject will be new construction.

Placed in Service Date: The Subject is expected to be completed by June 2016.

Conclusion: The Subject will be an excellent-quality brick and cement fiber siding two-story, walk-up, garden style apartment complex, comparable to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

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

Murad Karimi visited the site on May 16, 2014.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

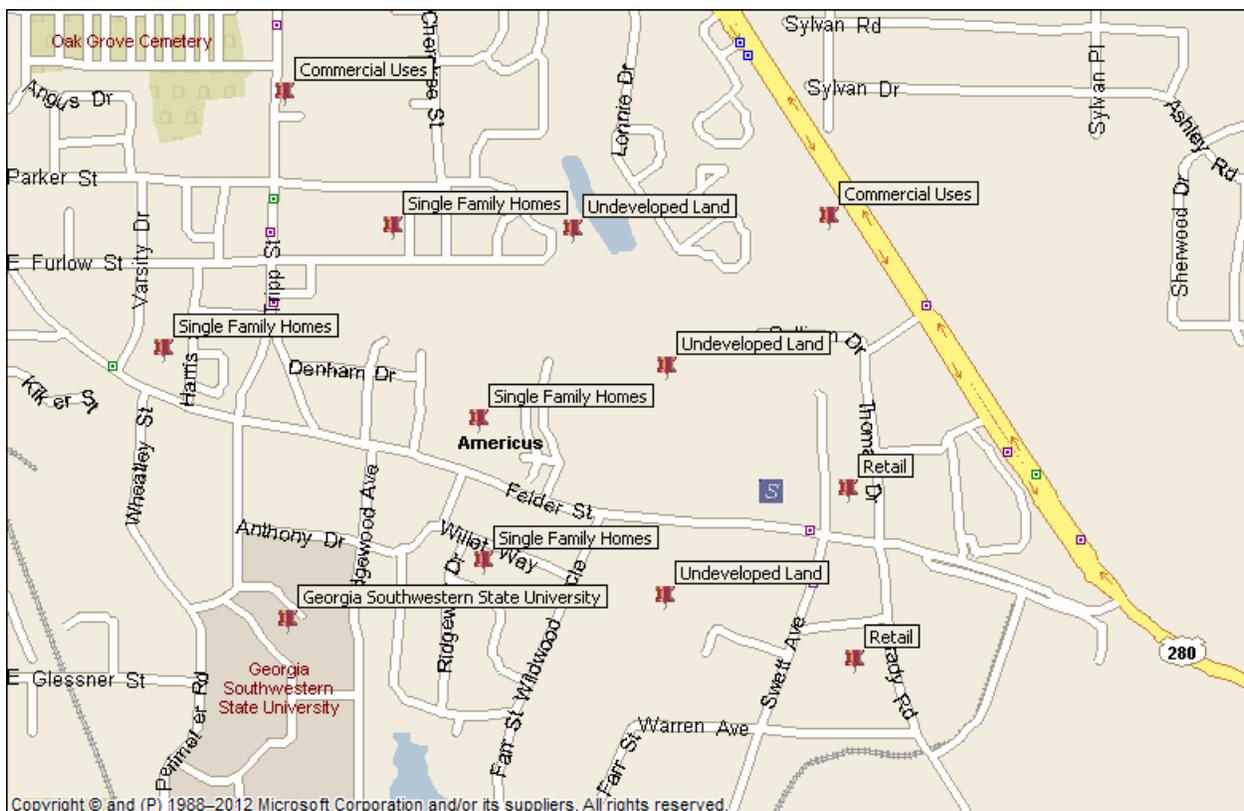
The Subject site has frontage along Felder Street.

Visibility/Views:

The Subject is located on the north side of Felder Street and has good visibility and average views.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The surrounding uses are in average to good condition. Single-family homes are in average condition and appear well occupied. Commercial and retail uses are in average to good condition and are approximately 95 percent occupied.

Positive/Negative Attributes of Site:

Positive attributes of the Subject site include its proximity to Walmart. Located just 0.6 miles from the site, Walmart is also one of the top employers in the Subject's market

area. There do not appear to be any negative attributes of the site.

3. Physical Proximity to Locational Amenities:

The majority of the local amenities are located within 2.8 miles of the Subject site with limited amenities within walking distance. The Subject site is easily accessible to Routes 30, 280, and 19. The majority of the local amenities, along with downtown Americus and most of the major employers, are located to the east of the Subject site.

4. Pictures of Site and Adjacent Uses:



Subject Site



Subject Site



View East Along Felder Street



View West Along Felder Street



M & S Thrift Store



Gas Station



Retail Uses



McDonald's



Save A Lot Food Store



Typical Single-Family Homes



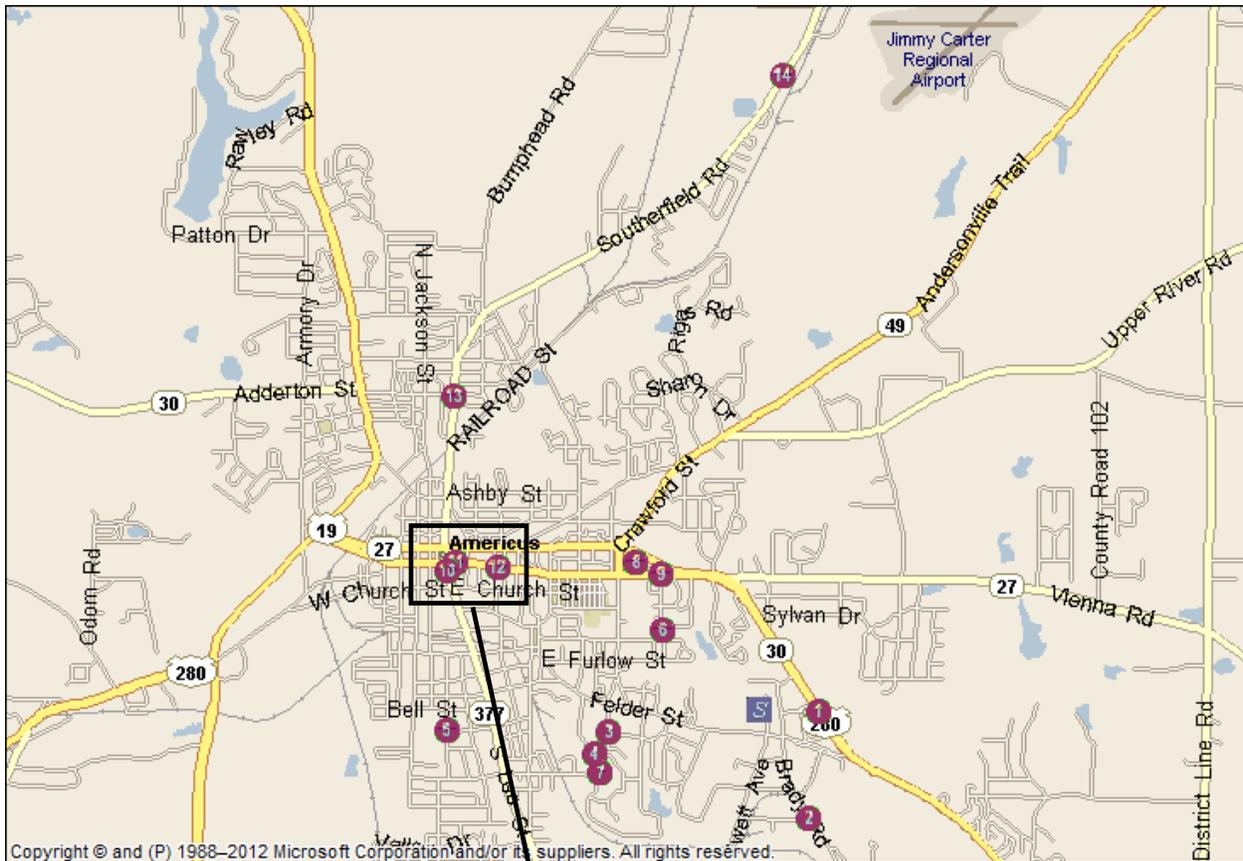
Typical Single-Family Homes

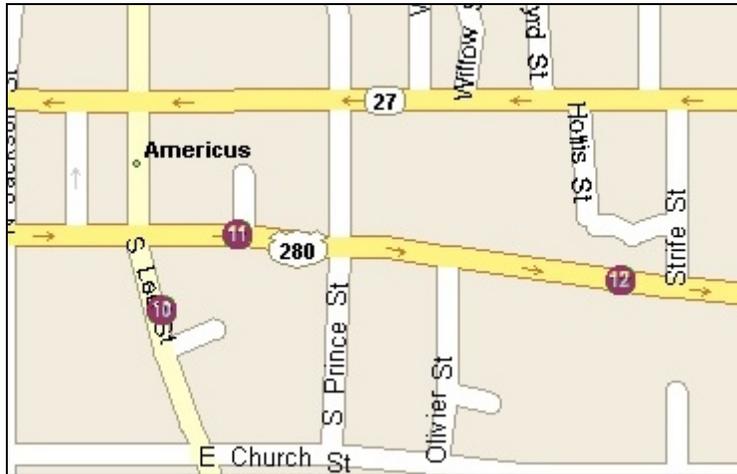


Typical Single-Family Homes

5. Proximity to Locational Amenities:

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





LOCATIONAL AMENITIES

Map Number	Service or Amenity	Miles From Subject
1	Walmart Supercenter and Pharmacy	0.6
2	Container Marketing, Inc. (Employment Center)	0.7
3	Post Office	0.9
4	Wells Fargo Bank	1.1
5	Americus Sumter High School	1.9
6	Cherokee Elementary School	1.3
7	Georgia Southwestern University (Employment Center)	1.3
8	Save-A-Lot Food Stores	1.8
9	Rite-Aid	2.1
10	Americus Police Department	2.1
11	Phoebe Sumter Medical Center	2.8
12	Lake Blackshear Regional Library	2.8
13	Staley Middle School	3.5
14	Cooper Lighting LLC (Employment Center)	5.1

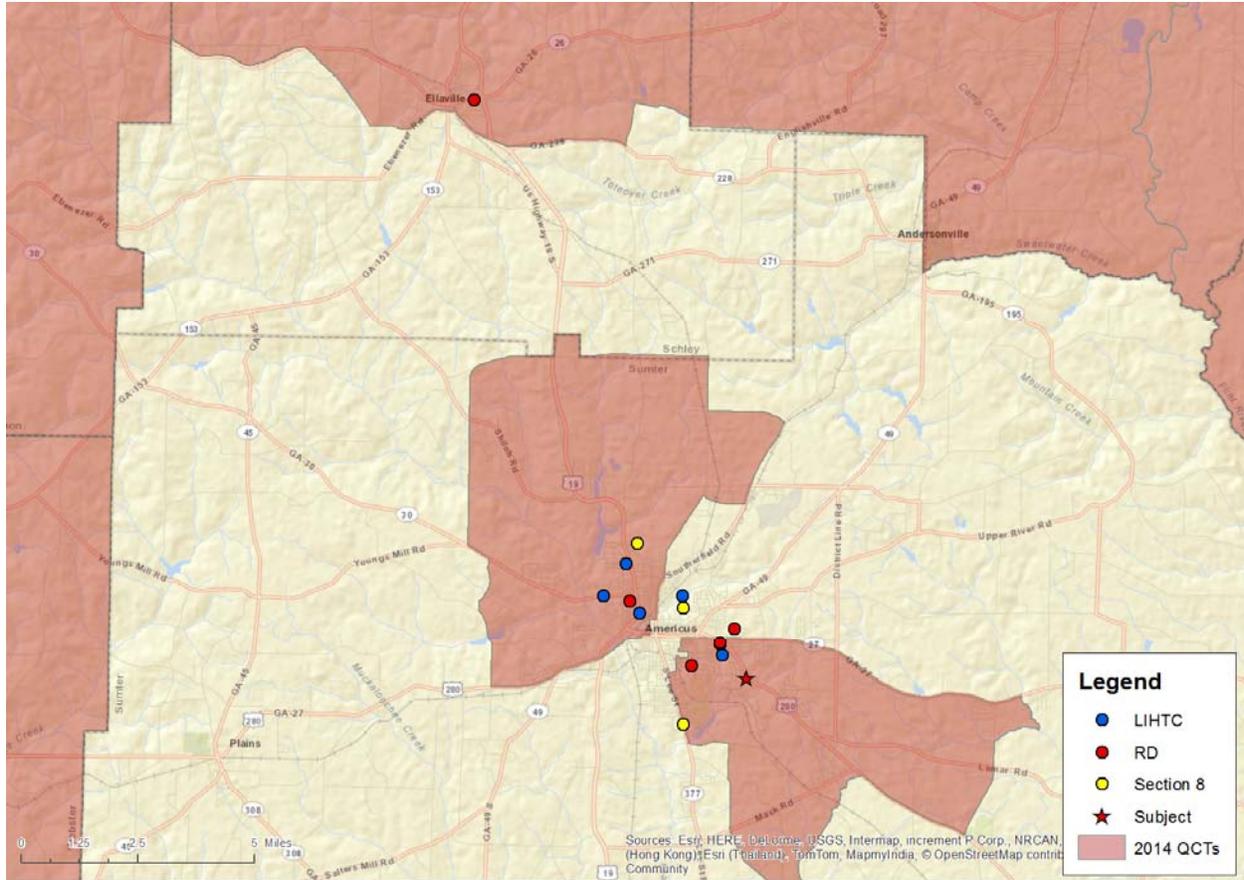
6. Description of Land Uses:

The Subject is located on the north side of Felder Street. Immediate surrounding uses include vacant land to the north and south, retail uses in average to good condition to the east, and single-family homes in average condition to the west. The single-family homes appear to be well occupied. Based on our site inspection, commercial and retail uses appear to be 95 percent occupied. There are no multifamily developments in the Subject’s immediate neighborhood. However, there is a mix of residential, commercial and retail uses that are well established. The Subject will be a consistent use with the existing land uses and will be considered an improvement to the neighborhood.

7. Existing Assisted Rental Housing

Property Map:

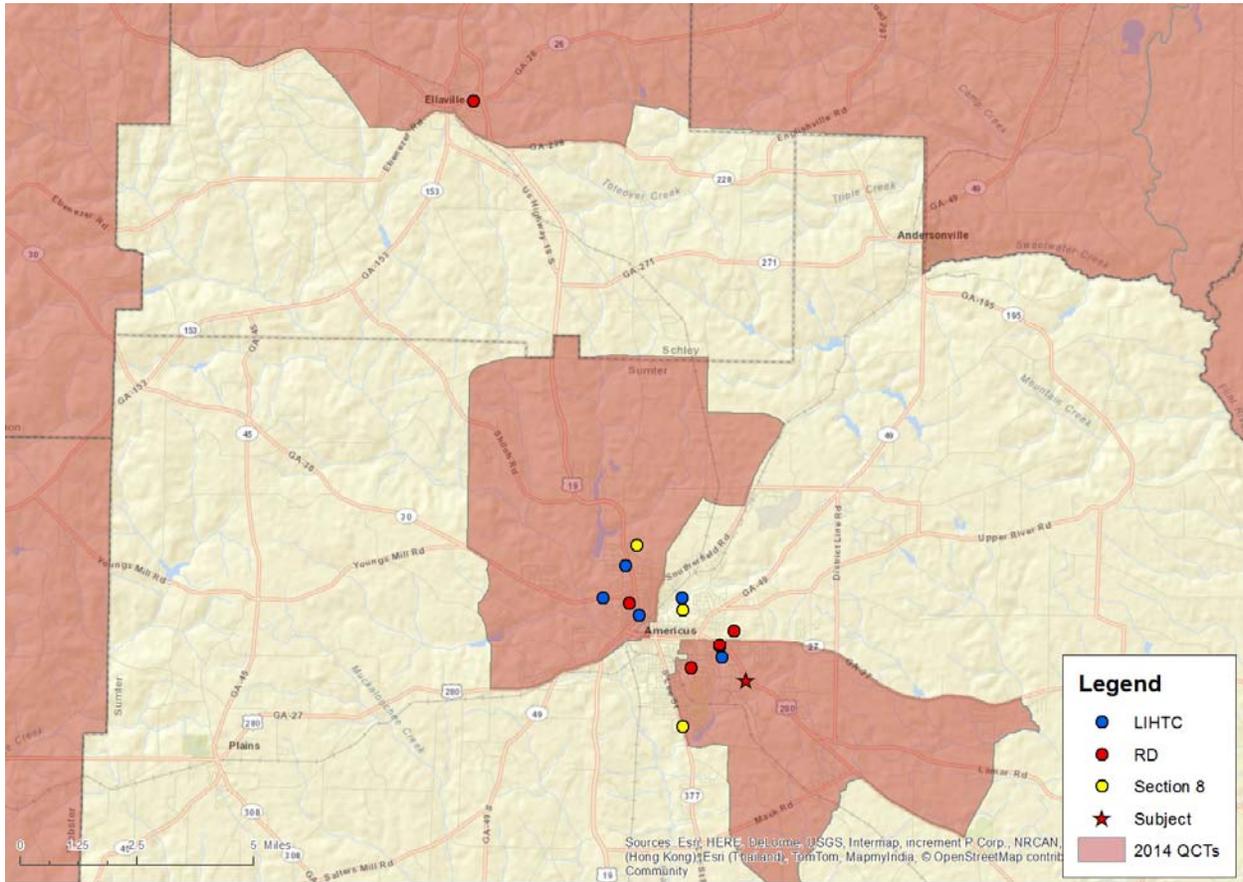
The following map and list identifies all assisted rental housing properties in the PMA.



Americus, GA



Name	City	State	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject
Cripple Creek Apartments	Americus	GA	USDA RD	Family	Red	Excluded	Does not reflect market rents	1.3 miles
Heritage Villas of Americus	Americus	GA	USDA RD	Family	Red	Excluded	Does not reflect market rents	0.9 miles
Meadowbrook Lane Apartments	Americus	GA	USDA RD/LIHTC	Family	Red	Excluded	Does not reflect market rents	1.5 miles
Meadowbrook Village Apartments	Americus	GA	USDA RD	Senior	Red	Excluded	Does not reflect market rents	1.5 miles
Ravenwood Apartments	Americus	GA	USDA RD/LIHTC	Senior	Red	Excluded	Does not reflect market rents	4.1 miles
Shady Grove Pecan Village	Ellaville	GA	USDA RD	Senior	Red	Excluded	Does not reflect market rents	16.4 miles
Eastview Apartments	Americus	GA	Section 8	Family	Yellow	Excluded	Rents based on income	2.6 miles
Joy Court Village Apartments	Americus	GA	Section 8	Family	Yellow	Excluded	Rents based on income	5.4 miles
Magnolia Gardens	Americus	GA	Section 8	Senior	Yellow	Excluded	Rents based on income	2.9 miles
Magnolia Manor	Americus	GA	Section 8	Senior	Yellow	Excluded	Rents based on income	2.9 miles
The Verandah Apartments	Americus	GA	LIHTC	Senior	Blue	Excluded	Not a similar tenancy	2.7 miles
Magnolia Village	Americus	GA	LIHTC/HOME/PBRA	Family	Blue	Excluded	All units operate with subsidy	4.9 miles
Americus Garden	Americus	GA	LIHTC	Family	Blue	Included	N/A	6.8 miles
Starlight Place	Americus	GA	LIHTC	Family	Blue	Included	N/A	4.7 miles
East Oaks	Americus	GA	LIHTC/Market	Family	Blue	Included	N/A	1.5 miles



Americus, GA



8. Road/Infrastructure

Proposed Improvements:

We did not observe any road/infrastructure improvements during our site inspection.

9. Access, Ingress/Egress and Visibility of site:

The Subject site is accessible from Felder Street, a two-lane, lightly travelled roadway. Felder Street provides access to Routes 30/280 approximately 0.5 miles east of the Subject site. Routes 30/280 provide access to various points throughout Sumter and the surrounding counties. Overall access and visibility is considered average.

10. Environmental Concerns:

None visible upon site inspection.

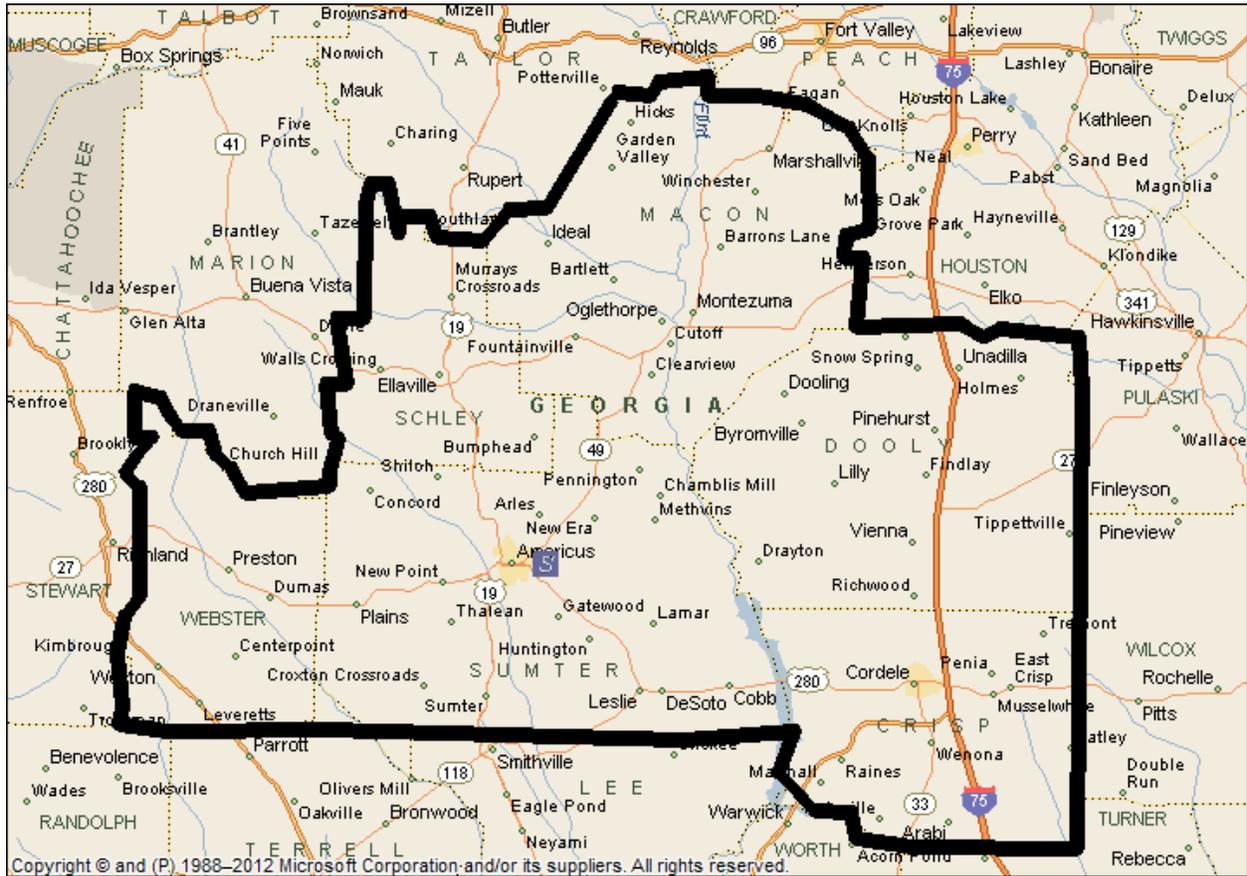
11. Conclusion:

The Subject will be located on the north side of Felder Street. Immediate surrounding uses include vacant land, residential, commercial and retail uses, generally in average to good condition. The Subject will be an improvement to the existing neighborhood.

D. MARKET AREA

Starlight Place, a LIHTC property, reported that residents come from Andersonville, Ellaville, Leslie and Plains. The farthest boundary from the Subject is located approximately 23.4 miles (driving distance) northwest of the Subject site.

The Subject is not located within a Metropolitan Statistical Area (MSA). The Secondary Market Area (SMA) is defined as Macon, Schley, Webster, Sumter, Dooly and Crisp Counties. The following map details the SMA boundaries.



E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

The following tables illustrate (a) Total Population and (b) Population by Age Group in the PMA, the SMA, and the nation from 1990 through 2018.

TOTAL POPULATION

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	31,768	-	79,103	-	248,709,873	-
2000	35,423	1.2%	86,949	1.0%	281,421,906	1.3%
2013	37,377	0.4%	94,409	0.6%	315,444,544	0.9%
Projected Mkt Entry June 2016	36,953	-0.4%	94,177	-0.1%	322,101,707	0.7%
2018	36,650	-0.4%	94,011	-0.1%	326,856,823	0.7%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

POPULATION BY AGE GROUP

Age Cohort	PMA				
	1990	2000	2013	Projected Mkt Entry June 2016	2018
0-4	2,569	2,784	2,549	2,516	2,493
5-9	2,576	2,755	2,462	2,391	2,340
10-14	2,573	2,775	2,445	2,368	2,313
15-19	2,745	2,822	3,015	2,900	2,818
20-24	2,827	2,917	3,336	3,163	3,039
25-29	2,446	2,490	2,827	2,810	2,798
30-34	2,388	2,526	2,537	2,584	2,618
35-39	2,166	2,515	2,176	2,255	2,312
40-44	2,045	2,384	2,300	2,120	1,991
45-49	1,659	2,245	2,383	2,255	2,163
50-54	1,327	2,117	2,344	2,254	2,189
55-59	1,150	1,657	2,204	2,180	2,162
60-64	1,141	1,221	2,073	2,064	2,057
65-69	1,147	1,060	1,658	1,771	1,852
70-74	1,036	982	1,153	1,304	1,412
75-79	853	813	790	887	956
80-84	586	672	533	547	557
85+	534	688	592	586	581
Total	31,768	35,423	37,377	36,954	36,651

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

POPULATION BY AGE GROUP

Age Cohort	SMA				
	1990	2000	2013	Projected Mkt Entry June 2016	2018
0-4	6,186	6,608	6,175	6,170	6,167
5-9	6,602	6,738	6,086	5,922	5,805
10-14	6,804	6,757	6,181	6,003	5,875
15-19	6,613	6,806	6,659	6,493	6,374
20-24	5,770	6,284	6,940	6,650	6,443
25-29	5,673	5,691	6,381	6,471	6,536
30-34	5,863	5,880	6,009	6,034	6,051
35-39	5,614	6,267	5,460	5,651	5,788
40-44	5,093	6,204	5,921	5,525	5,242
45-49	4,169	5,950	6,224	5,984	5,813
50-54	3,436	5,368	6,521	6,212	5,991
55-59	3,173	4,200	6,405	6,330	6,276
60-64	3,210	3,325	6,034	6,067	6,090
65-69	3,176	2,950	4,795	5,226	5,533
70-74	2,759	2,616	3,292	3,811	4,182
75-79	2,274	2,160	2,235	2,488	2,669
80-84	1,533	1,606	1,559	1,583	1,600
85+	1,157	1,541	1,532	1,558	1,576
Total	79,105	86,951	94,409	94,177	94,011

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

Population growth in the PMA and the SMA was positive but slightly below the nation from 1990 through 2013. From 2013 through 2018, population in both the PMA and the SMA is projected to decline slightly. The largest age groups in the PMA for all years are the 15 to 24 age cohorts. From 1990 through 2000, the largest age groups in the SMA are the 10 to 19 age cohorts. From 2013 through 2018, the largest age groups in the SMA will be the 15 to 29 age cohorts. The area contains a large concentration of children and young adults, indicating a large family population in the PMA, which is a positive indicator for the Subject.

2. Household Trends

2a. Total Number of Households, Average Household Size

The following tables illustrate (a) household growth and (b) average household size in the PMA, the SMA and the nation from 1990 through 2018.

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	10,999	-	27,829	-	91,947,410	-
2000	12,747	1.6%	31,759	1.4%	105,991,193	1.5%
2013	13,103	0.2%	34,806	0.7%	119,423,008	1.0%
Projected Mkt Entry June 2016	12,977	-0.3%	34,828	0.0%	122,050,187	0.8%
2018	12,887	-0.3%	34,843	0.0%	123,926,744	0.8%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

AVERAGE HOUSEHOLD SIZE

<i>Year</i>	PMA		SMA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.63	-	2.60	-	2.58	-
2013	2.59	-0.1%	2.53	-0.2%	2.57	0.0%
Projected Mkt Entry June 2016	2.58	-0.1%	2.52	-0.1%	2.57	0.0%
2018	2.58	-0.1%	2.51	-0.1%	2.57	0.0%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

Similar to population trends, households in the PMA and the SMA increased from 1990 through 2013. From 2013 through 2018, households in the PMA are projected to decrease slightly. This decrease is projected to be nominal. In the SMA, households are projected to remain stable. The PMA contains the largest average household size of all areas of analysis for all years. The larger household size in the PMA is a positive indicator for the Subject's one, two and three-bedroom units.

2b. Households by Tenure

The table below depicts household growth by tenure in the PMA from 1990 through 2018.

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
1990	7,064	64.2%	3,935	35.8%
2000	8,130	63.8%	4,617	36.2%
2013	7,215	55.1%	5,888	44.9%
Projected Mkt Entry June 2016	7,183	55.4%	5,794	44.6%
2018	7,160	55.6%	5,727	44.4%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

As illustrated, the PMA contains a slightly larger percentage of owner-occupied housing units. Since 1990 through 2013, the percentage of renter occupied households in the PMA increased steadily, with a significant increase occurring in 2013. The percentage of renter-occupied housing units in the PMA is well above the national average, of 36.4 percent as of 2013. From 2013 through 2018, the percentage of renter-occupied housing units is projected to decrease. However, the anticipated decrease is nominal, resulting in a loss of 161 renters.

2c. Households by Income

The following table depicts household income in 2013, 2016 and 2018 for the PMA.

HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2013		Projected Mkt Entry June 2016		2018	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,589	19.8%	2,681	20.7%	2,746	21.3%
\$10,000-19,999	2,360	18.0%	2,393	18.4%	2,416	18.7%
\$20,000-29,999	2,003	15.3%	2,011	15.5%	2,018	15.7%
\$30,000-39,999	1,640	12.5%	1,635	12.6%	1,631	12.7%
\$40,000-49,999	1,170	8.9%	1,127	8.7%	1,097	8.5%
\$50,000-59,999	856	6.5%	806	6.2%	770	6.0%
\$60,000-74,999	821	6.3%	783	6.0%	756	5.9%
\$75,000-99,999	837	6.4%	811	6.2%	792	6.1%
\$100,000-124,999	501	3.8%	444	3.4%	404	3.1%
\$125,000-149,999	171	1.3%	148	1.1%	131	1.0%
\$150,000-199,999	113	0.9%	100	0.8%	91	0.7%
\$200,000+	41	0.3%	38	0.3%	36	0.3%
Total	13,103	100.0%	12,977	100.0%	12,887	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, April 2014

The largest income brackets in the PMA for all years are the \$0 to \$29,999 income cohorts. The high percentage of low income households suggests a need for more affordable housing options, and is a positive indicator of demand for the Subject's units.

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

The following table illustrates the number of persons per household among renter households in the PMA for 2000, 2016 and 2018.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

	2000		2013		Projected Mkt Entry June 2016		2018	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,442	31.2%	1,978	33.6%	1,955	33.7%	1,938	33.8%
With 2 Persons	1,333	28.9%	1,457	24.7%	1,434	24.7%	1,417	24.7%
With 3 Persons	804	17.4%	988	16.8%	970	16.7%	957	16.7%
With 4 Persons	496	10.8%	721	12.2%	707	12.2%	697	12.2%
With 5+ Persons	542	11.7%	745	12.7%	729	12.6%	717	12.5%
Total Renter Households	4,617	100.0%	5,888	100.0%	5,794	100.0%	5,727	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, May 2014

The majority of households in the PMA are one and two person households. The Subject will offer one, two and three-bedroom units, which will permit up to five person households.

CONCLUSION

Population and households increased historically in the PMA but are projected to decrease slightly from projected market entry through 2018. However, declining population and households is typical in rural areas, like the Subject's market area, and the anticipated decline is nominal. The largest age cohorts in the PMA are the 15 to 24 age cohorts, which suggests that the PMA contains a large family population. Approximately 44.9 percent of households in the PMA are renter-occupied, which is well above the national average. Additionally, the largest income brackets in the PMA are the \$0 to \$29,999 income cohorts and is a positive indicator for the Subject's units.

F. EMPLOYMENT TRENDS

Employment Trends

The following section provides an analysis of the economic characteristics within the market area. Data such as employment, unemployment, expansions, and major employers will be studied to determine if the PMA and the SMA are areas of growth or contraction.

Consistent with national trends, the PMA and the SMA have undergone economic contractions over 2009 that are continuing into 2014. Various industries, including retail trade and manufacturing, and even historically stable industries, such as healthcare, have experienced layoffs. While there are some announced expansions in the Americus area, these are subject to the continuing economic recession, market demand fluctuations, and constraints on obtaining financing.

1. Total Jobs

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

Year	Total Employment	% Change
2004	13,671	-
2005	13,485	-1.4%
2006	13,877	2.8%
2007	13,613	-1.9%
2008	12,660	-7.5%
2009	11,540	-9.7%
2010	11,448	-0.8%
2011	11,534	0.7%
2012	11,279	-2.3%
2013	11,090	-1.7%
2014 YTD* Average	10,839	-2.3%
Feb-13	11,279	-
Feb-14	10,843	-4.0%

Source: U.S. Bureau of Labor Statistics

*YTD as of February 2014

Employment levels in Sumter County decreased all years, except 2006. In 2008 and 2009, Sumter County experienced its most significant employment losses, at 7.5 and 9.7 percent, respectively. Since 2009, job losses have slowed. As of year-to-date 2014, job losses were estimated at 2.3 percent, which is well below its 2009 peak.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the County as of September 2013.

September 2013 Total Jobs by Industry Sumter County, Georgia		
	Number	Percent
Total All Industries	8,141	-
Good producing	2,256	-
Natural Resources and Mining	664	8.16%
Construction	274	3.37%
Manufacturing	1,318	16.19%
Service-Providing	5,885	-
Trade, Transportation, and utilities	2,186	26.85%
Information	99	1.22%
Financial Activities	270	3.32%
Professional and business services	522	6.41%
Educational and health services	1,724	21.18%
Leisure and hospitality	893	10.97%
Other services	172	2.11%
Unclassified	19	0.23%

Source: Bureau of Labor Statistics, 2014

The largest sector in Sumter County, according to the Bureau of Labor Statistics, is the trade, transportation and utilities sector, followed by the educational and health services, and manufacturing sectors. Educational and health services are historically considered to be stable employers and could provide some additional stability to the local economy during a recession. The manufacturing sector is historically more volatile and was heavily impacted by the national recession.

2013 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	2,032	16.1%	20,080,547	14.0%
Educational Services	1,927	15.3%	12,979,314	9.1%
Manufacturing	1,532	12.2%	15,162,651	10.6%
Retail Trade	1,373	10.9%	16,592,605	11.6%
Other Services (excl Publ Adm)	884	7.0%	7,850,739	5.5%
Public Administration	822	6.5%	6,713,073	4.7%
Construction	718	5.7%	8,291,595	5.8%
Accommodation/Food Services	672	5.3%	10,849,114	7.6%
Agric/Forestry/Fishing/Hunting	436	3.5%	1,800,354	1.3%
Transportation/Warehousing	425	3.4%	5,898,791	4.1%
Admin/Support/Waste Mgmt Svcs	314	2.5%	6,316,579	4.4%
Wholesale Trade	293	2.3%	3,628,118	2.5%
Finance/Insurance	247	2.0%	6,884,133	4.8%
Prof/Scientific/Tech Services	229	1.8%	9,808,289	6.8%
Mining	197	1.6%	868,282	0.6%
Arts/Entertainment/Recreation	144	1.1%	3,151,821	2.2%
Real Estate/Rental/Leasing	126	1.0%	2,627,562	1.8%
Information	120	1.0%	2,577,845	1.8%
Utilities	113	0.9%	1,107,105	0.8%
Mgmt of Companies/Enterprises	0	0.0%	97,762	0.1%
Total Employment	12,604	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2014

As illustrated, the largest sectors in the PMA are the healthcare/social assistance, educational services and manufacturing sectors, which is similar to the covered employment by industry table illustrated previously. The retail trade sector also accounts for a large percentage of employment in the PMA. Although the manufacturing and retail trade sectors are volatile, the healthcare/social assistance and educational services sectors are generally considered to be stable employers, and could provide some stability during economic downturns.

3. Major Employers

The diversification of the Americus economic base is indicated by the following list of Sumter County's ten largest employers.

#	Firm/Institution	Industry	Number of Employees
1	Magnolia Manor, Inc.	Healthcare/Nonprofit	390
2	Container Marketing, Inc.	Manufacturing/Wholesale	300
3	Phoebe Sumter Medical Center, Inc.	Healthcare	300
4	Walmart	Retail Trade	300
5	Georgia Southwestern University	Educational Services	280
6	Cooper Lighting, Inc.	Manufacturing	250
7	Mullite Company of America	Mining/Refining	200
8	South Georgia Technical College	Educational Services	150
9	J & M Tank Lines, Inc.	Distribution	N/A
10	Thrift Savings Plan	Finance	N/A
TOTAL			2,170

Source: Americus Sumter Payroll Development Authority, May 2014

Magnolia Manor, Inc. and Containers Marketing, Inc. are the largest employers in the county. Six of the top ten employers are in the healthcare, manufacturing or educational services sectors.

Expansions/Contractions

The Americus Sumter Payroll Development Authority reported that the Georgia International Raceway Park is expected to begin construction in December 2014 and will be completed January 2017. The development will be constructed on 470 acres and will be located approximately 7.8 miles northeast of the Subject site. It will include a quarter-mile concrete dragstrip, a three-mile road race course, a training center, driving schools, training and testing facilities, a Motorsports Business Technology Park, condominiums and an outdoor amphitheater. The estimated cost of the complex is \$25 million and is expected to add more than 200 jobs to the local economy.

Caravelle Powerboats, located approximately 0.7 miles southeast of the Subject site, is expanding their facility and will add 60 jobs to the local economy. Additionally, Triwood Inc., a mouldings and millworks manufacturer, is expected to expand and add new jobs to the local economy over the next five years. However, the number of jobs that will be added was not available.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2002 through December 2013.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	<u>SMA</u>				<u>USA</u>			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	34,642	-	6.0%	-	136,485,000	-	5.8%	-
2003	34,710	0.2%	5.9%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2004	34,716	0.0%	6.0%	0.2%	139,252,000	1.1%	5.5%	-0.5%
2005	35,270	1.6%	6.8%	0.8%	141,730,000	1.8%	5.1%	-0.4%
2006	36,043	2.2%	6.1%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	35,973	-0.2%	6.5%	0.4%	146,047,000	1.1%	4.6%	0.0%
2008	34,980	-2.8%	7.6%	1.0%	145,362,000	-0.5%	5.8%	1.2%
2009	32,569	-6.9%	12.0%	4.4%	139,877,000	-3.8%	9.3%	3.5%
2010	31,072	-4.6%	13.5%	1.5%	139,064,000	-0.6%	9.6%	0.3%
2011	30,584	-1.6%	13.4%	-0.1%	139,869,000	0.6%	8.9%	-0.7%
2012	30,639	0.2%	12.8%	-0.6%	142,469,000	1.9%	8.1%	-0.8%
2013 YTD Average*	30,003	-2.1%	13.5%	0.7%	143,929,333	1.0%	7.4%	-0.7%
Dec-2012	30,186	-	12.8%	-	143,060,000	-	7.6%	-
Dec-2013	29,607	-1.9%	11.8%	-0.9%	144,423,000	1.0%	6.5%	-1.1%

Source: U.S. Bureau of Labor Statistics May 2014

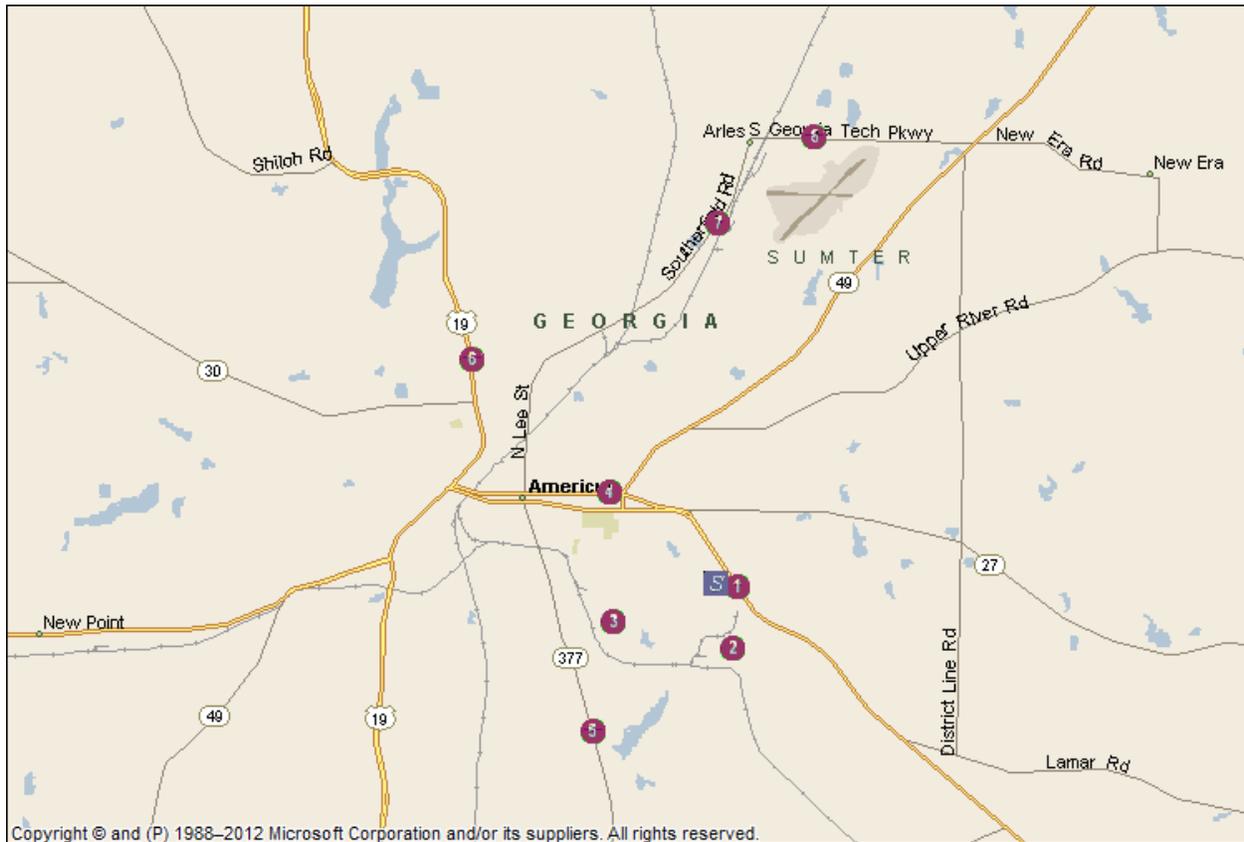
*2013 data is through December

As the previous table demonstrates, the local economy has fluctuated over the past 10 years. The area appears to have been heavily impacted by the national recession, with total employment in the SMA decreasing from 2007 through 2011. In 2007, Collins and Aikman, a local manufacturing plant, closed their plant in Americus resulting in 350 job losses. Total employment increased slightly in 2012. As of December 2013, total employment is down 1.9 percent over December 2012. As stated previously, more than 260 jobs are expected to be added to the local economy. The unemployment rates in the SMA have been above the nation for

nearly all years. This is likely due to the rural nature of the area and its reliance on the manufacturing sector. As of December 2013, the unemployment rate declined 0.9 percentage points over the prior year, and remains well above the national average.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Sumter County.



TOP EMPLOYERS - AMERICUS, GA

Map No.	Company	Distance from Subject (Miles)
1	Walmart	0.6
2	Container Marketing, Inc.	0.6
3	Georgia Southwestern University	1.4
4	Phoebe Sumter Medical Center	1.8
5	Magnolia Manor, Inc.	2.9
6	J & M Tank Lines, Inc.	4.4
7	Cooper Lighting LLC	5.0
8	South Georgia Technical College	7.6

Conclusion

Overall, it appears that the local economy and the SMA have been impacted by the national recession, and are still recovering. In 2007, Collins and Aikman, a local manufacturing plant, closed their plant in Americus resulting in 350 job losses. However, the construction of the Georgia International Raceway Park, which will be completed in 2017, along with the expansions of Caravelle Powerboats and Triwood, will add more than 260 jobs to the local

economy. The largest employment sectors in the PMA are the healthcare/social assistance, educational services and manufacturing sectors. The retail trade sector also accounts for a large percentage of employment in the PMA. Although the manufacturing and retail trade sectors are volatile, the healthcare/social assistance and educational services sectors are generally considered to be stable employers, and could provide some stability during economic downturns.

PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 35 percent of its household income at the appropriate AMI level.

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

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

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

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2016, the anticipated date of market entry, as the base year for the analysis. Therefore, 2013 household population estimates are inflated to 2016 by interpolation of the difference between 2013 estimates and 2016 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2016. This number takes the overall growth from 2013 to 2016 and applies it

to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

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

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

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

3C. SECONDARY MARKET AREA

Per the 2014 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. OTHER

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2012 to the present.

ADDITIONS TO SUPPLY

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2012 and 2013.
- Vacancies in projects placed in service prior to 2012 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2012 to present. As the following

discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development. There are no proposed developments in the Subject's PMA and no developments constructed since 2012.

PMA OCCUPANCY

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

Rehab Developments and PBRA

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

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

Capture Rates

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

Renter Household Income Distribution 2013 to Projected Market Entry June 2016					
Southwestern Estates					
PMA					
	2013		Projected Mkt Entry June 2016		Percent
	#	%	#	%	Growth
\$0-9,999	1,864	31.7%	1,907	32.9%	2.2%
\$10,000-19,999	1,240	21.1%	1,221	21.1%	-1.6%
\$20,000-29,999	902	15.3%	888	15.3%	-1.6%
\$30,000-39,999	709	12.0%	683	11.8%	-3.8%
\$40,000-49,999	319	5.4%	300	5.2%	-6.3%
\$50,000-59,999	257	4.4%	239	4.1%	-7.6%
\$60,000-74,999	205	3.5%	190	3.3%	-7.9%
\$75,000-99,999	207	3.5%	194	3.4%	-6.6%
\$100,000-124,999	84	1.4%	77	1.3%	-9.3%
\$125,000-149,999	45	0.8%	40	0.7%	-13.3%
\$150,000-199,999	49	0.8%	48	0.8%	-2.8%
\$200,000+	6	0.1%	8	0.1%	22.2%
Total	5,888	100.0%	5,794	100.0%	-1.6%

Renter Household Income Distribution Projected Market Entry June 2016			
Southwestern Estates			
PMA			
	Projected Mkt Entry June 2016		Change 2013 to Prj Mrkt Entry June 2016
	#	%	#
\$0-9,999	1,907	32.9%	-31
\$10,000-19,999	1,221	21.1%	-20
\$20,000-29,999	888	15.3%	-14
\$30,000-39,999	683	11.8%	-11
\$40,000-49,999	300	5.2%	-5
\$50,000-59,999	239	4.1%	-4
\$60,000-74,999	190	3.3%	-3
\$75,000-99,999	194	3.4%	-3
\$100,000-124,999	77	1.3%	-1
\$125,000-149,999	40	0.7%	-1
\$150,000-199,999	48	0.8%	-1
\$200,000+	8	0.1%	0
Total	5,794	100.0%	-94

Tenure Prj Mrkt Entry June 2016	
Renter	44.6%
Owner	55.4%
Total	100.0%

Renter Household Size for Prj Mrkt Entry June 2016		
Size	Number	Percentage
1 Person	1,955	33.7%
2 Person	1,434	24.7%
3 Person	970	16.7%
4 Person	707	12.2%
5+ Person	729	12.6%
Total	5,794	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,442	31.2%
2 Person	1,333	28.9%
3 Person	804	17.4%
4 Person	496	10.8%
5+ Person	542	11.7%
Total	4,617	100.0%

50% AMI

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,606		
Maximum Income Limit			\$24,650		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	-30.90	32.9%		0.0%	0
\$10,000-19,999	-19.78	21.1%	5,393	53.9%	-11
\$20,000-29,999	-14.39	15.3%	4,650	46.5%	-7
\$30,000-39,999	-11.07	11.8%		0.0%	0
\$40,000-49,999	-4.86	5.2%		0.0%	0
\$50,000-59,999	-3.88	4.1%		0.0%	0
\$60,000-74,999	-3.08	3.3%		0.0%	0
\$75,000-99,999	-3.15	3.4%		0.0%	0
\$100,000-124,999	-1.25	1.3%		0.0%	0
\$125,000-149,999	-0.65	0.7%		0.0%	0
\$150,000-199,999	-0.77	0.8%		0.0%	0
\$200,000+	-0.12	0.1%		0.0%	0
	-94	100.0%			-17
Percent of renter households within limits versus total number of renter households					18.49%

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,606		
Maximum Income Limit			\$24,650		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	1,907	32.9%	0	0%	0
\$10,000-19,999	1,221	21.1%	5,393	54%	658
\$20,000-29,999	888	15.3%	4,650	47%	413
\$30,000-39,999	683	11.8%	0	0%	0
\$40,000-49,999	300	5.2%	0	0%	0
\$50,000-59,999	239	4.1%	0	0%	0
\$60,000-74,999	190	3.3%	0	0%	0
\$75,000-99,999	194	3.4%	0	0%	0
\$100,000-124,999	77	1.3%	0	0%	0
\$125,000-149,999	40	0.7%	0	0%	0
\$150,000-199,999	48	0.8%	0	0%	0
\$200,000+	8	0.1%	0	0%	0
	5,794	100.0%			1,071
Percent of renter households within limits versus total number of renter households					18.49%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Family
Location of Subject (Rural versus Urban)	Rural
Percent of Income for Housing	35%
2000 Median Income	\$30,379
2013 Median Income	\$33,425
Change from 2013 to Prj Mrkt Entry June 2016	\$3,046
Total Percent Change	9.1%
Average Annual Change	0.6%
Inflation Rate	0.6%
Maximum Allowable Income	\$24,650
Maximum Allowable Income Inflation Adjusted	\$24,650
Maximum Number of Occupants	5
Rent Income Categories	50%
Initial Gross Rent for Smallest Unit	\$426
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$426.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	50%	50%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry June 2016

Income Target Population		50%
New Renter Households PMA		-94
Percent Income Qualified		18.5%
New Renter Income Qualified Households		-17

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

Demand from Existing Households 2013

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		5,794
Income Qualified		18.5%
Income Qualified Renter Households		1,071
Percent Rent Overburdened Prj Mrkt Entry June 2016		27.6%
Rent Overburdened Households		296

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,071
Percent Living in Substandard Housing		0.8%
Households Living in Substandard Housing		9

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		305
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		305
Total New Demand		-17
Total Demand (New Plus Existing Households)		287

By Bedroom Demand

One Person	33.7%	97
Two Persons	24.7%	71
Three Persons	16.7%	48
Four Persons	12.2%	35
Five Persons	12.6%	36
Total	100.0%	287

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	58
Of two-person households in 1BR units	20%	14
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	39
Of two-person households in 2BR units	80%	57
Of three-person households in 2BR units	50%	24
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	24
Of four-person households in 3BR units	80%	28
Of five-person households in 3BR units	70%	25
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	7
Of five-person households in 4BR units	30%	11
Total Demand		287
Check		OK

Total Demand by Bedroom	50%
1 BR	72
2 BR	120
3 BR	77
Total Demand	269

Additions To Supply 2013 to Proj Mrkt Entry June 2016	50%
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	50%
1 BR	72
2 BR	120
3 BR	77
Total	269

Developer's Unit Mix	50%
1 BR	10
2 BR	5
3 BR	3
Total	18

Capture Rate Analysis	50%
1 BR	13.8%
2 BR	4.2%
3 BR	3.9%
Total	6.7%

60%AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,520		
Maximum Income Limit			\$29,580		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-30.90			
\$10,000-19,999	-19.78	21.1%	2,479	24.8%	-5
\$20,000-29,999	-14.39	15.3%	9,580	95.8%	-14
\$30,000-39,999	-11.07	11.8%		0.0%	0
\$40,000-49,999	-4.86	5.2%		0.0%	0
\$50,000-59,999	-3.88	4.1%		0.0%	0
\$60,000-74,999	-3.08	3.3%		0.0%	0
\$75,000-99,999	-3.15	3.4%		0.0%	0
\$100,000-124,999	-1.25	1.3%		0.0%	0
\$125,000-149,999	-0.65	0.7%		0.0%	0
\$150,000-199,999	-0.77	0.8%		0.0%	0
\$200,000+	-0.12	0.1%		0.0%	0
	-94	100.0%			-19
Percent of renter households within limits versus total number of renter households					19.90%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,520		
Maximum Income Limit			\$29,580		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,907			
\$10,000-19,999	1,221	21.1%	2,479	25%	303
\$20,000-29,999	888	15.3%	9,580	96%	850
\$30,000-39,999	683	11.8%	0	0%	0
\$40,000-49,999	300	5.2%	0	0%	0
\$50,000-59,999	239	4.1%	0	0%	0
\$60,000-74,999	190	3.3%	0	0%	0
\$75,000-99,999	194	3.4%	0	0%	0
\$100,000-124,999	77	1.3%	0	0%	0
\$125,000-149,999	40	0.7%	0	0%	0
\$150,000-199,999	48	0.8%	0	0%	0
\$200,000+	8	0.1%	0	0%	0
	5,794	100.0%			1,153
Percent of renter households within limits versus total number of renter households					19.90%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2013 Median Income

Change from 2013 to Prj Mrkt Entry June 2016

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Rural		
35%		
\$30,379		
\$33,425		
\$3,046		
9.1%		
0.6%		
0.6%	Two year adjustment	1.0000
\$29,580		
\$29,580		
5		
60%		
\$511		
\$511.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	50%	50%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry June 2016

Income Target Population		60%
New Renter Households PMA		-94
Percent Income Qualified		19.9%
New Renter Income Qualified Households		-19

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

Demand from Existing Households 2013

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		5,794
Income Qualified		19.9%
Income Qualified Renter Households		1,153
Percent Rent Overburdened Prj Mrkt Entry June 2016		27.6%
Rent Overburdened Households		318

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,153
Percent Living in Substandard Housing		0.8%
Households Living in Substandard Housing		10

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		328
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		328
Total New Demand		-19
Total Demand (New Plus Existing Households)		309

By Bedroom Demand

One Person	33.7%	104
Two Persons	24.7%	76
Three Persons	16.7%	52
Four Persons	12.2%	38
Five Persons	12.6%	39
Total	100.0%	309

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	63
Of two-person households in 1BR units	20%	15
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	42
Of two-person households in 2BR units	80%	61
Of three-person households in 2BR units	50%	26
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	26
Of four-person households in 3BR units	80%	30
Of five-person households in 3BR units	70%	27
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	8
Of five-person households in 4BR units	30%	12
Total Demand		309
Check		OK

Total Demand by Bedroom	60%
1 BR	78
2 BR	129
3 BR	83
Total Demand	290

Additions To Supply 2013 to Prj Mrkt Entry June 2016	60%
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	60%
1 BR	78
2 BR	129
3 BR	83
Total	290

Developer's Unit Mix	60%
1 BR	6
2 BR	27
3 BR	13
Total	46

Capture Rate Analysis	60%
1 BR	7.7%
2 BR	21.0%
3 BR	15.6%
Total	15.9%

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,606		
Maximum Income Limit			\$29,580		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-30.90			
\$10,000-19,999	-19.78	21.1%	5,393	53.9%	-11
\$20,000-29,999	-14.39	15.3%	9,580	95.8%	-14
\$30,000-39,999	-11.07	11.8%		0.0%	0
\$40,000-49,999	-4.86	5.2%		0.0%	0
\$50,000-59,999	-3.88	4.1%		0.0%	0
\$60,000-74,999	-3.08	3.3%		0.0%	0
\$75,000-99,999	-3.15	3.4%		0.0%	0
\$100,000-124,999	-1.25	1.3%		0.0%	0
\$125,000-149,999	-0.65	0.7%		0.0%	0
\$150,000-199,999	-0.77	0.8%		0.0%	0
\$200,000+	-0.12	0.1%		0.0%	0
	-94	100.0%			-24
Percent of renter households within limits versus total number of renter households					26.04%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,606		
Maximum Income Limit			\$29,580		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2016		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,907			
\$10,000-19,999	1,221	21.1%	5,393	54%	658
\$20,000-29,999	888	15.3%	9,580	96%	850
\$30,000-39,999	683	11.8%	0	0%	0
\$40,000-49,999	300	5.2%	0	0%	0
\$50,000-59,999	239	4.1%	0	0%	0
\$60,000-74,999	190	3.3%	0	0%	0
\$75,000-99,999	194	3.4%	0	0%	0
\$100,000-124,999	77	1.3%	0	0%	0
\$125,000-149,999	40	0.7%	0	0%	0
\$150,000-199,999	48	0.8%	0	0%	0
\$200,000+	8	0.1%	0	0%	0
	5,794	100.0%			1,509
Percent of renter households within limits versus total number of renter households					26.04%

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

No		
Type of Housing (Family vs Senior)	Family	
Location of Subject (Rural versus Urban)	Rural	
Percent of Income for Housing	35%	
2000 Median Income	\$30,379	
2013 Median Income	\$33,425	
Change from 2013 to Prj Mrkt Entry June 2016	\$3,046	
Total Percent Change	9.1%	
Average Annual Change	0.6%	
Inflation Rate	0.6%	Two year adjustment 1.0000
Maximum Allowable Income	\$29,580	
Maximum Allowable Income Inflation Adjusted	\$29,580	
Maximum Number of Occupants	\$5	
Rent Income Categories	Overall	
Initial Gross Rent for Smallest Unit	\$426	
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$426.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	50%	50%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry June 2016

	Overall
Income Target Population	
New Renter Households PMA	-94
Percent Income Qualified	26.0%
New Renter Income Qualified Households	-24

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

Demand from Existing Households 2013

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	5,794
Income Qualified	26.0%
Income Qualified Renter Households	1,509
Percent Rent Overburdened Prj Mrkt Entry June 2016	27.6%
Rent Overburdened Households	417

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,509
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	12

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

Senior Households Converting from Homeownership

		Overall
Income Target Population		
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		429
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		429
Total New Demand		-24
Total Demand (New Plus Existing Households)		405

By Bedroom Demand

One Person	33.7%	137
Two Persons	24.7%	100
Three Persons	16.7%	68
Four Persons	12.2%	49
Five Persons	12.6%	51
Total	100.0%	405

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	82
Of two-person households in 1BR units	20%	20
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	55
Of two-person households in 2BR units	80%	80
Of three-person households in 2BR units	50%	34
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	50%	34
Of four-person households in 3BR units	80%	40
Of five-person households in 3BR units	70%	36
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	10
Of five-person households in 4BR units	30%	15
Total Demand		405
Check		OK

Total Demand by Bedroom	Overall
1 BR	102
2 BR	169
3 BR	109
Total Demand	380

Additions To Supply 2013 to Prj Mrkt Entry June 2016	Overall
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	Overall
1 BR	102
2 BR	169
3 BR	109
Total	380

Developer's Unit Mix	Overall
1 BR	16
2 BR	32
3 BR	16
Total	64

Capture Rate Analysis	Overall
1 BR	15.7%
2 BR	19.0%
3 BR	14.7%
Total	16.8%

Conclusions

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

- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Average Absorption	Average Market Rent	Market Rents Band	Proposed Rents
1BR at 50% AMI	\$14,606 - \$18,250	10	72	0	72	13.8%	10 months	\$417	\$223 - \$583	\$262
2BR at 50% AMI	\$17,520 - \$20,550	5	120	0	120	4.2%	10 months	\$591	\$359 - \$709	\$309
3BR at 50% AMI	\$20,229 - \$24,650	3	77	0	77	3.9%	10 months	\$651	\$394 - \$809	\$321
Overall 50% AMI	\$14,606 - \$24,650	18	269	0	269	6.7%	10 months	-	-	-
1BR at 60% AMI	\$17,520 - \$21,900	6	78	0	78	7.7%	10 months	\$476	\$338 - \$583	\$347
2BR at 60% AMI	\$21,017 - \$24,660	27	129	0	129	21.0%	10 months	\$636	\$398 - \$709	\$411
3BR at 60% AMI	\$24,274 - \$29,580	13	83	0	83	15.6%	10 months	\$708	\$442 - \$809	\$439
Overall 60% AMI	\$17,520 - \$29,580	46	290	0	290	15.9%	10 months	-	-	-
Overall 1BR	\$14,606 - \$21,900	16	102	0	102	15.7%	10 months	-	\$223 - \$583	-
Overall 2BR	\$17,520 - \$24,660	32	169	0	169	19.0%	10 months	-	\$359 - \$709	-
Overall 3BR	\$20,229 - \$29,580	16	109	0	109	14.7%	10 months	-	\$394 - \$809	-
Overall Project	\$14,606 - \$29,580	64	380	0	380	16.8%	10 months	-	-	-

Demand and Net Demand

	HH at 50% AMI (\$14,606 to \$24,650)	HH at 60% AMI (\$17,520 to \$29,580)	All Tax Credit Households
Demand from New Households (age and income appropriate)	-17	-19	-24
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	9	10	12
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	296	318	417
=			
Sub Total	287	309	405
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0
Equals Total Demand	287	309	405
Less	-	-	-
New Supply	0	0	0
Equals Net Demand	287	309	405

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 3.9 to 13.8 percent, with an overall capture rate of 6.7 percent. The Subject's 60 percent AMI capture rates range from 7.7 to 21.0 percent, with an overall capture rate of 15.9 percent. The overall capture rate for the project's 50 and 60 percent units is 16.8 percent. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes seven “true” comparable properties containing 394 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

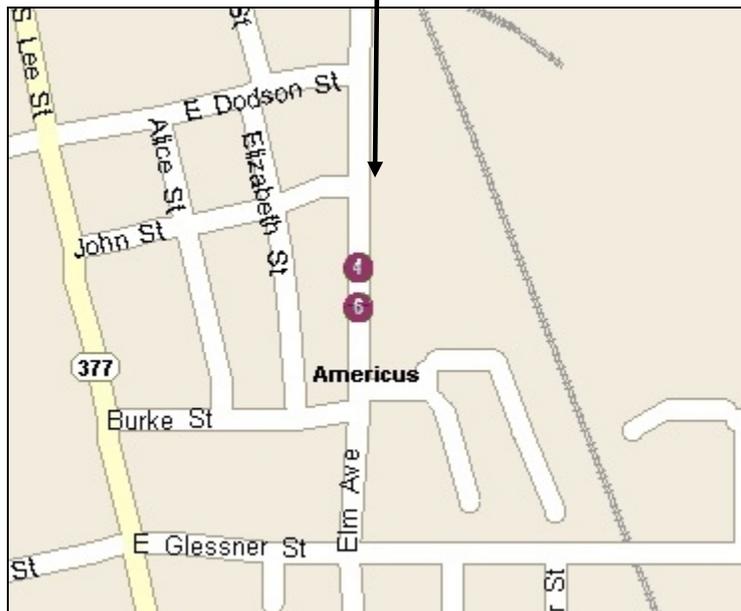
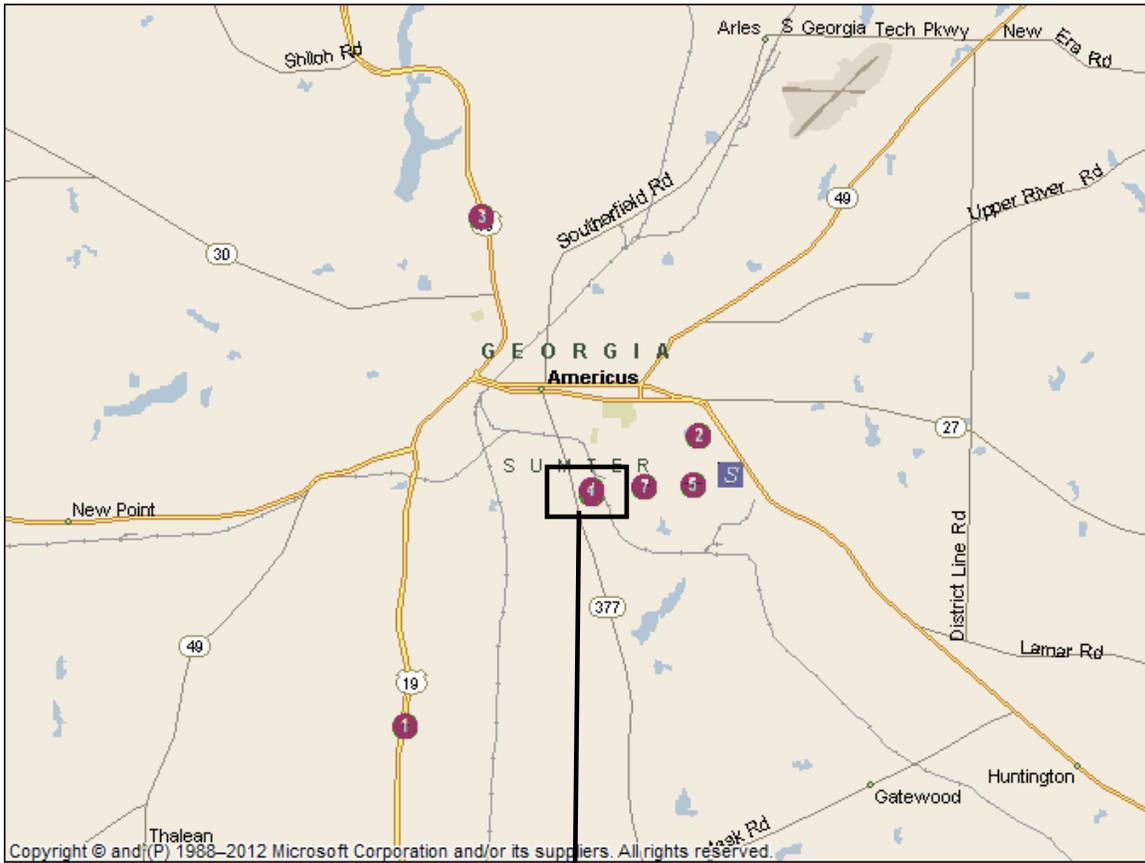
The availability of family LIHTC data in the PMA is considered limited. There are three family LIHTC properties located in the PMA, of which, one is further subsidized with Project Based rental assistance. Given that the property also offers market rate units, we have included this property in our analysis. The availability of market rate data is considered adequate. We have included four market rate properties in our analysis. All of the comparable properties, both LIHTC and market rate, are located in the city of Americus and within the PMA.

Excluded Properties

Several properties were excluded for various reasons. The following table illustrates the properties that have been excluded from the supply analysis of this report.

EXCLUDED PROPERTIES				
Property	Units	Program	Tenancy	Reason for Exclusion
Creekview Commons	50	LIHTC	Senior	Not a similar tenancy
The Verandah Apartments	40	LIHTC	Senior	Not a similar tenancy
Eastview Apartments	80	Section 8	Family	Rents based on income
Joy Court Village Apartments	20	Section 8	Senior	Rents based on income
Shady Grove Pecan Village	48	USDA RD	Senior	Does not reflect market rents
Magnolia Manor	238	Section 8	Senior	Rents based on income
Magnolia Gardens	50	Section 8	Senior	Rents based on income
Cripple Creek Apartments	49	USDA RD	Family	Does not reflect market rents
Heritage Villas of Americus	39	USDA RD	Family	Does not reflect market rents
Meadowbrook Lane Apartments	50	USDA RD	Family	Does not reflect market rents
Meadowbrook Village Apartments	55	USDA RD	Senior	Does not reflect market rents
Ravenwood Apartments	24	USDA RD	Senior	Does not reflect market rents
Magnolia Village	80	Section 8	Family	Rents based on income

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Americus Garden	Americus	@ 50% , @ 60%	6.8 miles
2	East Oaks	Americus	@ 50% (PBRA), Market	1.5 miles
3	Starlight Place	Americus	@ 30% , @ 50% , @ 60%	4.7 miles
4	George Town Apartmetns	Americus	Market	1.5 miles
5	Lexington Place Apartments	Americus	Market	0.2 miles
6	St. Charles	Americus	Market	1.5 miles
7	University Place Apartments	Americus	Market	0.7 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Southwestern Estates Felder St Americus, GA 31709 Sumter County County	n/a	Garden 2016 / n/a	@50%, @60%	1BR / 1BA	10	15.60%	@50%	\$262	800	no		N/A	N/A
					1BR / 1BA	6	9.40%	@60%	\$347	800	no	N/A	N/A	
					2BR / 1BA	5	7.80%	@50%	\$309	1,010	no	N/A	N/A	
					2BR / 1BA	27	42.20%	@60%	\$411	1,010	no	N/A	N/A	
					3BR / 2BA	3	4.70%	@50%	\$321	1,177	no	N/A	N/A	
					3BR / 2BA	13	20.30%	@60%	\$439	1,177	no	N/A	N/A	
						64	100%						N/A	N/A
1	Americus Garden 730 S Martin Luther King Dr Americus, GA 31719 Sumter County	6.8 miles	Garden (2 stories) 1998 / n/a	@50%, @60%	1BR / 1BA	6	13.60%	@50%	\$223	760	yes	50 hh	0	0.00%
					1BR / 1BA	6	13.60%	@60%	\$338	760	yes	50 hh	0	0.00%
					2BR / 1BA	12	27.30%	@50%	\$359	915	yes	10 hh	0	0.00%
					2BR / 1BA	12	27.30%	@60%	\$398	915	yes	10 hh	2	16.70%
					3BR / 2BA	4	9.10%	@50%	\$394	1,136	yes	5 hh	0	0.00%
					3BR / 2BA	4	9.10%	@60%	\$442	1,136	yes	5 hh	0	0.00%
						44	100%						2	4.50%
2	East Oaks 252 Lonnie Lane Americus, GA 31709 Sumter County	1.5 miles	Garden 2006 / n/a	@50% (PBRA), @50% (PBRA), Market	1BR / 1BA	6	15.00%	@50%	\$377	808	yes	100 hh	0	0.00%
					1BR / 1BA	2	5.00%	Market	\$398	808	n/a	100 hh	0	0.00%
					2BR / 2BA	13	32.50%	@50%	\$463	1,084	yes	100 hh	0	0.00%
					2BR / 2BA	3	7.50%	Market	\$487	1,084	n/a	100 hh	0	0.00%
					3BR / 2BA	13	32.50%	@50%	\$531	1,177	yes	25 hh	0	0.00%
					3BR / 2BA	3	7.50%	Market	\$568	1,177	n/a	25 hh	0	0.00%
						40	100%						0	0.00%
3	Starlight Place 154 Starlight Circle Americus, GA 31709 Sumter County	4.7 miles	Single Family 2005 / n/a	@30%, @50%, @60%	2BR / 2BA	3	5.80%	@30%	\$264	900	yes	Yes	0	0.00%
					2BR / 2BA	9	17.30%	@50%	\$464	900	yes	Yes	0	0.00%
					2BR / 2BA	10	19.20%	@60%	\$539	900	yes	Yes	0	0.00%
					3BR / 2BA	3	5.80%	@30%	\$274	1,100	yes	Yes	0	0.00%
					3BR / 2BA	14	26.90%	@50%	\$514	1,100	yes	Yes	0	0.00%
					3BR / 2BA	13	25.00%	@60%	\$589	1,100	yes	Yes	0	0.00%
						52	100%						0	0.00%
4	George Town Apartmetns 1034 Elm Ave Americus, GA 31709 Sumter County	1.5 miles	Garden 1990s / n/a	Market	Studio / 1BA	N/A	N/A	Market	\$483	500	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$583	850	n/a	No	2	N/A
											32	100%		
5	Lexington Place Apartments 1130 Felder St Americus, GA 31079 Sumter County	0.2 miles	Various (2 stories) 1998 / n/a	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$583	850	n/a	No	N/A	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$709	1,140	n/a	No	N/A	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$683	1,140	n/a	No	N/A	N/A
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$709	1,140	n/a	No	N/A	N/A
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$683	1,140	n/a	No	N/A	N/A
					3BR / 3.5BA (Townhouse)	N/A	N/A	Market	\$809	1,400	n/a	No	N/A	N/A
3BR / 3.5BA (Townhouse)	N/A	N/A	Market	\$783	1,400	n/a	No	N/A	N/A					
						97	100%						5	5.20%
6	St. Charles 1034 Elm Avenue Americus, GA 31709 Sumter County County	1.5 miles	Townhouse (2 stories) 1990s / n/a	Market	2BR / 2BA	N/A	N/A	Market	\$709	1,140	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$683	1,140	n/a	No	N/A	N/A
					3BR / 3BA	N/A	N/A	Market	\$809	1,400	n/a	No	N/A	N/A
					3BR / 3BA	N/A	N/A	Market	\$783	1,400	n/a	No	N/A	N/A
						42	100%						2	4.80%
7	University Place Apartments 950 Anthony Dr Americus, GA 31709 Sumter County County	0.7 miles	Garden (2 stories) 1998 / n/a	Market	Studio / 1BA	N/A	N/A	Market	\$409	500	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$709	N/A	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$683	N/A	n/a	No	N/A	N/A
					3BR / 3BA	N/A	N/A	Market	\$809	N/A	n/a	No	N/A	N/A
					3BR / 3BA	N/A	N/A	Market	\$783	N/A	n/a	No	N/A	N/A
						57	100%						2	3.50%

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

Effective Rent Date:	Apr-14	Units Surveyed:	364	Weighted Occupancy:	96.40%
		Market Rate	228	Market Rate	95.20%
		Tax Credit	136	Tax Credit	98.50%

One Bedroom One Bath

Two Bedrooms One Bath

Three Bedrooms Two Bath

	Property	Average	Property	Average	Property	Average	
RENT	George Town Apartmetns	\$583	Lexington Place Apartments	\$709	Lexington Place Apartments (3.5BA)	\$809	
	Lexington Place Apartments	\$583	St. Charles	\$709	St. Charles (3BA)	\$809	
	East Oaks * (M)	\$398	University Place Apartments	\$709	University Place Apartments (3BA)	\$809	
	East Oaks * (50%)	\$377	Lexington Place Apartments	\$683	Lexington Place Apartments (3.5BA)	\$783	
	Southwestern Estates * (60%)	\$347	St. Charles	\$683	St. Charles (3BA)	\$783	
	Americus Garden * (60%)	\$338	University Place Apartments	\$683	University Place Apartments (3BA)	\$783	
	Southwestern Estates * (50%)	\$262	Starlight Place * (60%)	\$539	Starlight Place * (60%)	\$589	
	Americus Garden * (50%)	\$223	East Oaks * (M)	\$487	East Oaks * (M)	\$568	
			Starlight Place * (50%)	\$464	East Oaks * (50%)	\$531	
			East Oaks * (50%)	\$463	Starlight Place * (50%)	\$514	
			Southwestern Estates * (60%)	\$411	Americus Garden * (60%)	\$442	
			Americus Garden * (1BA 60%)	\$398	Southwestern Estates * (60%)	\$439	
			Americus Garden * (1BA 50%)	\$359	Americus Garden * (50%)	\$394	
			Southwestern Estates * (50%)	\$309	Southwestern Estates * (50%)	\$321	
			Starlight Place * (30%)	\$264	Starlight Place * (30%)	\$274	
	SQUARE FOOTAGE	George Town Apartmetns	850	Lexington Place Apartments	1,140	Lexington Place Apartments (3.5BA)	1,400
		Lexington Place Apartments	850	Lexington Place Apartments	1,140	Lexington Place Apartments (3.5BA)	1,400
East Oaks * (50%)		808	St. Charles	1,140	St. Charles (3BA)	1,400	
East Oaks * (M)		808	St. Charles	1,140	St. Charles (3BA)	1,400	
Southwestern Estates * (50%)		800	East Oaks * (50%)	1,084	East Oaks * (50%)	1,177	
Southwestern Estates * (60%)		800	East Oaks * (M)	1,084	East Oaks * (M)	1,177	
Americus Garden * (50%)		760	Southwestern Estates * (50%)	1,010	Southwestern Estates * (50%)	1,177	
Americus Garden * (60%)		760	Southwestern Estates * (60%)	1,010	Southwestern Estates * (60%)	1,177	
			Americus Garden * (1BA 50%)	915	Americus Garden * (50%)	1,136	
			Americus Garden * (1BA 60%)	915	Americus Garden * (60%)	1,136	
			Starlight Place * (30%)	900	Starlight Place * (30%)	1,100	
			Starlight Place * (50%)	900	Starlight Place * (50%)	1,100	
			Starlight Place * (60%)	900	Starlight Place * (60%)	1,100	
			University Place Apartments	N/A	University Place Apartments (3BA)	N/A	
			University Place Apartments	N/A	University Place Apartments (3BA)	N/A	
RENT PER SQUARE FOOT		George Town Apartmetns	\$0.69	Lexington Place Apartments	\$0.62	Lexington Place Apartments (3.5BA)	\$0.58
		Lexington Place Apartments	\$0.69	St. Charles	\$0.62	St. Charles (3BA)	\$0.58
	East Oaks * (M)	\$0.49	Lexington Place Apartments	\$0.60	Lexington Place Apartments (3.5BA)	\$0.56	
	East Oaks * (50%)	\$0.47	St. Charles	\$0.60	St. Charles (3BA)	\$0.56	
	Americus Garden * (60%)	\$0.44	Starlight Place * (60%)	\$0.60	Starlight Place * (60%)	\$0.54	
	Southwestern Estates * (60%)	\$0.43	Starlight Place * (50%)	\$0.52	East Oaks * (M)	\$0.48	
	Southwestern Estates * (50%)	\$0.33	East Oaks * (M)	\$0.45	Starlight Place * (50%)	\$0.47	
	Americus Garden * (50%)	\$0.29	Americus Garden * (1BA 60%)	\$0.43	East Oaks * (50%)	\$0.45	
			East Oaks * (50%)	\$0.43	Americus Garden * (60%)	\$0.39	
			Southwestern Estates * (60%)	\$0.41	Southwestern Estates * (60%)	\$0.37	
			Americus Garden * (1BA 50%)	\$0.39	Americus Garden * (50%)	\$0.35	
			Southwestern Estates * (50%)	\$0.31	Southwestern Estates * (50%)	\$0.27	
			Starlight Place * (30%)	\$0.29	Starlight Place * (30%)	\$0.25	
			University Place Apartments	\$0.00	University Place Apartments (3BA)	\$0.00	
			University Place Apartments	\$0.00	University Place Apartments (3BA)	\$0.00	

PROPERTY PROFILE REPORT

Americus Garden

Effective Rent Date 4/04/2014
Location 730 S Martin Luther King Dr
 Americus, GA 31719
 Sumter County
Distance 6.8 miles
Units 44
Vacant Units 2
Vacancy Rate 4.5%
Type Garden (2 stories)
Year Built/Renovated 1998 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Sister properties: East Oaks, Verandah
Tenant Characteristics Primarily from Americus
Contact Name Ann Gillis
Phone (229) 924-7475



Market Information

Program @50%, @60%
Annual Turnover Rate 9%
Units/Month Absorbed N/A
HCV Tenants 30%
Leasing Pace Within two weeks
Annual Chg. in Rent Increased 4%-7%
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	6	760	\$223	\$0	@50%	50 hh	0	0.0%	yes	None
1	1	Garden (2 stories)	6	760	\$338	\$0	@60%	50 hh	0	0.0%	yes	None
2	1	Garden (2 stories)	12	915	\$359	\$0	@50%	10 hh	0	0.0%	yes	None
2	1	Garden (2 stories)	12	915	\$398	\$0	@60%	10 hh	2	16.7%	yes	None
3	2	Garden (2 stories)	4	1,136	\$394	\$0	@50%	5 hh	0	0.0%	yes	None
3	2	Garden (2 stories)	4	1,136	\$442	\$0	@60%	5 hh	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$223	\$0	\$223	\$0	\$223	1BR / 1BA	\$338	\$0	\$338	\$0	\$338
2BR / 1BA	\$359	\$0	\$359	\$0	\$359	2BR / 1BA	\$398	\$0	\$398	\$0	\$398
3BR / 2BA	\$394	\$0	\$394	\$0	\$394	3BR / 2BA	\$442	\$0	\$442	\$0	\$442

Americus Garden, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The manager indicated that there is strong demand for affordable housing in the market. The property is currently achieving the maximum rents permitted by the state and the manager indicated that she has no difficulty leasing units or finding qualified residents.

Americus Garden, continued

Trend Report

Vacancy Rates

2Q11	2Q12	2Q13	2Q14
4.5%	5.0%	0.0%	4.5%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$362	\$0	\$362	\$362
2012	2	0.0%	\$122	\$0	\$122	\$122
2013	2	0.0%	\$122	\$0	\$122	\$122
2014	2	0.0%	\$223	\$0	\$223	\$223

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$391	\$0	\$391	\$391
2012	2	16.7%	\$338	\$0	\$338	\$338
2013	2	0.0%	\$338	\$0	\$338	\$338
2014	2	0.0%	\$359	\$0	\$359	\$359

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$439	\$0	\$439	\$439
2012	2	0.0%	\$382	\$0	\$382	\$382
2013	2	0.0%	\$382	\$0	\$382	\$382
2014	2	0.0%	\$394	\$0	\$394	\$394

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	25.0%	\$362	\$0	\$362	\$362
2012	2	0.0%	\$326	\$0	\$326	\$326
2013	2	0.0%	\$326	\$0	\$326	\$326
2014	2	0.0%	\$338	\$0	\$338	\$338

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	8.3%	\$420	\$0	\$420	\$420
2012	2	0.0%	\$378	\$0	\$378	\$378
2013	2	0.0%	\$378	\$0	\$378	\$378
2014	2	16.7%	\$398	\$0	\$398	\$398

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$449	\$0	\$449	\$449
2012	2	0.0%	\$417	\$0	\$417	\$417
2013	2	0.0%	\$417	\$0	\$417	\$417
2014	2	0.0%	\$442	\$0	\$442	\$442

Trend: Comments

- 2Q11** The contact reported the rents have remained the same. The contact could not report the number of tenants using Housing Choice Vouchers, annual turnover, leasing pace, or the number of people on the waiting list for the three-bedroom units.
- 2Q12** We spoke with Ann Gillis Property Manager for Gateway Management Company, LLC who oversee's this property and another comparable property, the Verandah. Rents are significantly less than when we last talked to them, and stated to be at the max allowable.
- We inquired why the rents for the one bedroom were decreased by almost \$200 and the other rents were reduced as well if they were 100% occupied and doing so well. She stated they are monitored by DCA and required to reduce them to the outlined updated HOME restriction rents.
- 2Q13** Ann Gillis stated that this complex is fully occupied presently and the demand is strong. There is a waiting list for future tenants. Housing Choice Voucher tenants have increased to 75%
- 2Q14** The manager indicated that there is strong demand for affordable housing in the market. The property is currently achieving the maximum rents permitted by the state and the manager indicated that she has no difficulty leasing units or finding qualified residents.

PROPERTY PROFILE REPORT

East Oaks

Effective Rent Date	4/04/2014
Location	252 Lonnie Lane Americus, GA 31709 Sumter County
Distance	1.5 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden
Year Built/Renovated	2006 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Meadowbrook, Hillside
Tenant Characteristics	Tenants are primarily from Americus with some originating from various cities throughout the county
Contact Name	Ann
Phone	(229) 928-5072; 229-924-3386



Market Information

Program	@50% (PBRA), @50% (PBRA), Market
Annual Turnover Rate	5%
Units/Month Absorbed	3
HCV Tenants	80%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3%-4%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	6	808	\$377	\$0	@50% (Project Based Rental Assistance - PBRA)	100 hh	0	0.0%	yes	None
1	1	Garden	2	808	\$398	\$0	Market	100 hh	0	0.0%	N/A	None
2	2	Garden	13	1,084	\$463	\$0	@50% (Project Based Rental Assistance - PBRA)	100 hh	0	0.0%	yes	None
2	2	Garden	3	1,084	\$487	\$0	Market	100 hh	0	0.0%	N/A	None
3	2	Garden	13	1,177	\$531	\$0	@50% (Project Based Rental Assistance - PBRA)	25 hh	0	0.0%	yes	None
3	2	Garden	3	1,177	\$568	\$0	Market	25 hh	0	0.0%	N/A	None

East Oaks, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$377	\$0	\$377	\$0	\$377	1BR / 1BA	\$398	\$0	\$398	\$0	\$398
2BR / 2BA	\$463	\$0	\$463	\$0	\$463	2BR / 2BA	\$487	\$0	\$487	\$0	\$487
3BR / 2BA	\$531	\$0	\$531	\$0	\$531	3BR / 2BA	\$568	\$0	\$568	\$0	\$568

Amenities

In-Unit

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

Blinds
 Central A/C
 Dishwasher
 Ceiling Fan
 Microwave
 Refrigerator

Security

None

Services

None

Property

Basketball Court
 Clubhouse/Meeting
 Off-Street Parking
 Picnic Area

Business Center/Computer Lab
 Exercise Facility
 On-Site Management
 Playground

Premium

None

Other

None

Comments

The manager reported that there is strong demand for affordable housing in the market. All of the LIHTC units operate with Project Based rental assistance. As such, tenants pay 30 percent of their income towards rent. The rents are LIHTC rents that are determined by the Georgia Department of Community Affairs (DCA).

East Oaks, continued

Trend Report

Vacancy Rates

3Q10	2Q12	2Q13	2Q14
0.0%	2.5%	5.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	\$362	\$0	\$362	\$362
2013	2	0.0%	\$362	\$0	\$362	\$362
2014	2	0.0%	\$377	\$0	\$377	\$377

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	N/A	\$0	N/A	N/A
2012	2	7.7%	\$446	\$0	\$446	\$446
2013	2	7.7%	\$446	\$0	\$446	\$446
2014	2	0.0%	\$463	\$0	\$463	\$463

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	\$516	\$0	\$516	\$516
2013	2	0.0%	\$516	\$0	\$516	\$516
2014	2	0.0%	\$531	\$0	\$531	\$531

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$383	\$0	\$383	\$383
2012	2	0.0%	\$383	\$0	\$383	\$383
2013	2	0.0%	\$383	\$0	\$383	\$383
2014	2	0.0%	\$398	\$0	\$398	\$398

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$472	\$0	\$472	\$472
2012	2	0.0%	\$472	\$0	\$472	\$472
2013	2	0.0%	\$472	\$0	\$472	\$472
2014	2	0.0%	\$487	\$0	\$487	\$487

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$553	\$0	\$553	\$553
2012	2	0.0%	\$553	\$0	\$553	\$553
2013	2	33.3%	\$553	\$0	\$553	\$553
2014	2	0.0%	\$568	\$0	\$568	\$568

Trend: Comments

- 3Q10** The property manager reported that the contract rent ranges from \$383 per month to \$553 per month. She could not comment on the average tenant paid portion of the rent, but the previous interview indicates that the range is from \$0 to \$300 per month. Tomeka Sparks, with the Americus Housing Authority, reported that the property increased their 30 percent PBRA rents to 50 percent PBRA rents. John Anderson, with the Americus housing authority, indicated there were 57 total people on the waiting list at East Oaks. One of these people is elderly, five are disabled, 53 are extremely low income, and four are very low income.
- 2Q12** The property currently only has one vacancy, and it will be filled shortly as they have a waiting list, PM did not provide how many people were on the waiting list. The rents are at the maximum allowable currently .
The housing choice voucher mix increased from last year to 80% or 32 of the total 40 units.
- 2Q13** The contact reported that demand is strong. The apartment complex is stable due to it being tied to the housing authority. Currently eight-units are market rate.
- 2Q14** The manager reported that there is strong demand for affordable housing in the market. All of the LIHTC units operate with Project Based rental assistance. As such, tenants pay 30 percent of their income towards rent. The rents are LIHTC rents that are determined by the Georgia Department of Community Affairs (DCA).

PROPERTY PROFILE REPORT

Starlight Place

Effective Rent Date	4/02/2014
Location	154 Starlight Circle Americus, GA 31709 Sumter County
Distance	4.7 miles
Units	52
Vacant Units	0
Vacancy Rate	0.0%
Type	Single Family
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	50% seniors; Tenants come from Leslie, Plains, Andersonville, Ellaville; Employed at Wal-Mart
Contact Name	Bertha Ross
Phone	(229) 928-0258



Market Information

Program	@30%, @50%, @60%
Annual Turnover Rate	2%
Units/Month Absorbed	3
HCV Tenants	15%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 4%-6%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Single Family	3	900	\$240	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Single Family	9	900	\$440	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Single Family	10	900	\$515	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Single Family	3	1,100	\$250	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Single Family	14	1,100	\$490	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Single Family	13	1,100	\$565	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$240	\$0	\$240	\$24	\$264	2BR / 2BA	\$440	\$0	\$440	\$24	\$464
3BR / 2BA	\$250	\$0	\$250	\$24	\$274	3BR / 2BA	\$490	\$0	\$490	\$24	\$514
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
2BR / 2BA	\$515	\$0	\$515	\$24	\$539						
3BR / 2BA	\$565	\$0	\$565	\$24	\$589						

Starlight Place, continued

Amenities

In-Unit

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

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Security

None

Services

None

Property

Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area

Exercise Facility
Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The manager reported a waiting list but could not provide its length. The manager stated that there is demand for more affordable housing in the market, indicating that they receive many inquiries and rarely have any vacancies at the property. Garage parking is available for residents at no additional charge.

Starlight Place, continued

Trend Report

Vacancy Rates

2Q11	2Q12	2Q13	2Q14
0.0%	0.0%	0.0%	0.0%

Trend: @30%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$158	\$0	\$158	\$182
2012	2	0.0%	\$193	\$0	\$193	\$217
2013	2	0.0%	\$210	\$0	\$210	\$234
2014	2	0.0%	\$240	\$0	\$240	\$264

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$169	\$0	\$169	\$193
2012	2	0.0%	\$204	\$0	\$204	\$228
2013	2	0.0%	\$220	\$0	\$220	\$244
2014	2	0.0%	\$250	\$0	\$250	\$274

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$390	\$0	\$390	\$414
2012	2	0.0%	\$400	\$0	\$400	\$424
2013	2	0.0%	\$415	\$0	\$415	\$439
2014	2	0.0%	\$440	\$0	\$440	\$464

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$437	\$0	\$437	\$461
2012	2	0.0%	\$445	\$0	\$445	\$469
2013	2	0.0%	\$460	\$0	\$460	\$484
2014	2	0.0%	\$490	\$0	\$490	\$514

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$465	\$0	\$465	\$489
2012	2	0.0%	\$475	\$0	\$475	\$499
2013	2	0.0%	\$490	\$0	\$490	\$514
2014	2	0.0%	\$515	\$0	\$515	\$539

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$525	\$0	\$525	\$549
2012	2	0.0%	\$525	\$0	\$525	\$549
2013	2	0.0%	\$540	\$0	\$540	\$564
2014	2	0.0%	\$565	\$0	\$565	\$589

Trend: Comments

- 2Q11** The property manager reported that there is demand for additional LIHTC rental units in the area, given the waiting list. She indicated that the public housing waiting list consists of approximately 426 households. The units either increased or decreased slightly due to a change in the utility allowance. The contact reported there isn't any competition from other properties due to the fact that they have single family units.
- 2Q12** The amount of housing choice voucher tenants increased from 25% to 50% as the PM stated that they have had their rents increased twice by the housing authority. She correlated that to the decrease in annual turnover as well.
- 2Q13** The contact reported that there is a waiting list of 335 people. Demand for subsidized single-family dwellings in this area is high.
- 2Q14** The manager reported a waiting list but could not provide its length. The manager stated that there is demand for more affordable housing in the market, indicating that they receive many inquiries and rarely have any vacancies at the property. Garage parking is available for residents at no additional charge.

PROPERTY PROFILE REPORT

George Town Apartmetns

Effective Rent Date 4/04/2014
Location 1034 Elm Ave
 Americus, GA 31709
 Sumter County
Distance 1.5 miles
Units 32
Vacant Units 2
Vacancy Rate 6.2%
Type Garden
Year Built/Renovated 1990s / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Mostly students
Contact Name Property Manager
Phone (229) 928-8413



Market Information

Program Market
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within three weeks
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden	N/A	500	\$459	\$0	Market	No	0	N/A	N/A	None
1	1	Garden	N/A	850	\$559	\$0	Market	No	2	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$459	\$0	\$459	\$24	\$483
1BR / 1BA	\$559	\$0	\$559	\$24	\$583

Amenities

In-Unit

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

Blinds
 Central A/C
 Dishwasher
 Ceiling Fan
 Oven
 Walk-In Closet

Security

Patrol

Services

None

Property

Off-Street Parking

Premium

None

Other

None

Comments

None

George Town Apartmetns, continued

Trend Report

Vacancy Rates

2Q08	2Q14
N/A	6.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	N/A	\$0	N/A	N/A
2014	2	N/A	\$559	\$0	\$559	\$583

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$419	\$0	\$419	\$443
2014	2	N/A	\$459	\$0	\$459	\$483

Trend: Comments

2Q08 N/A

2Q14 N/A

PROPERTY PROFILE REPORT

Lexington Place Apartments

Effective Rent Date	4/04/2014
Location	1130 Felder St Americus, GA 31079 Sumter County
Distance	0.2 miles
Units	97
Vacant Units	5
Vacancy Rate	5.2%
Type	Various (2 stories)
Year Built/Renovated	1998 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sister properties: Georgetown, University Place
Tenant Characteristics	Mostly students, some seniors
Contact Name	Propery Manager
Phone	(229) 928-8413



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	2-3 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	N/A	850	\$559	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden	N/A	1,140	\$685	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden	N/A	1,140	\$659	\$0	Market	No	N/A	N/A	N/A	LOW
2	2.5	Townhouse	N/A	1,140	\$685	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2.5	Townhouse	N/A	1,140	\$659	\$0	Market	No	N/A	N/A	N/A	LOW
3	3.5	Townhouse	N/A	1,400	\$785	\$0	Market	No	N/A	N/A	N/A	HIGH
3	3.5	Townhouse	N/A	1,400	\$759	\$0	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$559	\$0	\$559	\$24	\$583
2BR / 2BA	\$659 - \$685	\$0	\$659 - \$685	\$24	\$683 - \$709
2BR / 2.5BA	\$659 - \$685	\$0	\$659 - \$685	\$24	\$683 - \$709
3BR / 3.5BA	\$759 - \$785	\$0	\$759 - \$785	\$24	\$783 - \$809

Lexington Place Apartments, continued

Amenities

In-Unit

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

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Security

Patrol

Services

None

Property

Off-Street Parking

Swimming Pool

Premium

None

Other

None

Comments

The contact reported that renter demand is strong, however, due to a large percentage of renters being college students, turnover and vacancy is seasonal.

Lexington Place Apartments, continued

Trend Report

Vacancy Rates

2Q11	2Q12	2Q13	2Q14
6.2%	0.0%	0.0%	5.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$559	\$0	\$559	\$583
2012	2	N/A	\$559	\$0	\$559	\$583
2013	2	N/A	\$559	\$0	\$559	\$583
2014	2	N/A	\$559	\$0	\$559	\$583

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2012	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2013	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2014	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2012	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2013	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709
2014	2	N/A	\$659 - \$685	\$0	\$659 - \$685	\$683 - \$709

3BR / 3.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$759 - \$785	\$0	\$759 - \$785	\$783 - \$809
2012	2	N/A	\$759 - \$785	\$0	\$759 - \$785	\$783 - \$809
2013	2	N/A	\$759 - \$785	\$0	\$759 - \$785	\$783 - \$809
2014	2	N/A	\$759 - \$785	\$0	\$759 - \$785	\$783 - \$809

Trend: Comments

- 2Q11** The contact reported that turnover and occupancy have increased because students will be moving out next month. There is a waiting list of about 20 people for the one-bedroom units and the three-bedroom units. The management was unable to give a complete unit breakdown. The base rents have increased \$10 due to improved market conditions. As tenants vacate the units, the management has been installing hardwood flooring in the living/dining areas. Units with the new hardwood flooring account for the higher monthly rates.
- 2Q12** Property Manager stated they were currently 100 percent occupied with zero vacancy and have carried that zero vacancy for approximately the last year. When asked what she believed to give them a competitive edge, she stated that the property is close to the university, and is a preferred community to live in amongst the students. She stated her turnover has been about 20 percent as of late, which shows stability for this year in comparison to the turnover of 60% from years prior.
- As tenants vacate the units, the management has been installing hardwood flooring in the living/dining areas. Units with the new hardwood flooring account for the higher monthly rates.
- 2Q13** The contact reported that renter demand is strong, however, due to a large percentage of renters being college students- the turnover rate is moderate. The asking rents have remained the same as last year.
- 2Q14** The contact reported that renter demand is strong, however, due to a large percentage of renters being college students, turnover and vacancy is seasonal.

PROPERTY PROFILE REPORT

St. Charles

Effective Rent Date 4/04/2014
Location 1034 Elm Avenue
 Americus, GA 31709
 Sumter County County
Distance 1.5 miles
Units 42
Vacant Units 2
Vacancy Rate 4.8%
Type Townhouse (2 stories)
Year Built/Renovated 1990s / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Mostly students
Contact Name Property Manager
Phone (229) 928-8413



Market Information

Program Market
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within three weeks
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Townhouse (2 stories)	N/A	1,140	\$685	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Townhouse (2 stories)	N/A	1,140	\$659	\$0	Market	No	N/A	N/A	N/A	LOW
3	3	Townhouse (2 stories)	N/A	1,400	\$785	\$0	Market	No	N/A	N/A	N/A	HIGH
3	3	Townhouse (2 stories)	N/A	1,400	\$759	\$0	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$659 - \$685	\$0	\$659 - \$685	\$24	\$683 - \$709
3BR / 3BA	\$759 - \$785	\$0	\$759 - \$785	\$24	\$783 - \$809

St. Charles, continued

Amenities

In-Unit

Balcony/Patio
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Security

Patrol

Services

None

Property

Off-Street Parking

Swimming Pool

Premium

None

Other

None

Comments

The property contains a high percentage of students resulting in seasonal vacancy and turnover. The annual average turnover is approximately 25 percent.

Photos



PROPERTY PROFILE REPORT

University Place Apartments

Effective Rent Date 4/04/2014
Location 950 Anthony Dr
 Americus, GA 31709
 Sumter County County
Distance 0.7 miles
Units 57
Vacant Units 2
Vacancy Rate 3.5%
Type Garden (2 stories)
Year Built/Renovated 1998 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Mostly students
Contact Name Property Manager
Phone (229) 928-8413



Market Information

Program Market
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within three weeks
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	N/A	500	\$385	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	N/A	\$685	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (2 stories)	N/A	N/A	\$659	\$0	Market	No	N/A	N/A	N/A	LOW
3	3	Garden (2 stories)	N/A	N/A	\$785	\$0	Market	No	N/A	N/A	N/A	HIGH
3	3	Garden (2 stories)	N/A	N/A	\$759	\$0	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / IBA	\$385	\$0	\$385	\$24	\$409
2BR / 2BA	\$659 - \$685	\$0	\$659 - \$685	\$24	\$683 - \$709
3BR / 3BA	\$759 - \$785	\$0	\$759 - \$785	\$24	\$783 - \$809

University Place Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Security

Patrol

Services

None

Property

Off-Street Parking
Volleyball Court

Picnic Area

Premium

None

Other

None

Comments

Many residents are students. Therefore, turnover and vacancies are seasonal. The average annual turnover is approximately 25 percent. Rents range based on whether the unit includes hard wood floors.

University Place Apartments, continued

Photos



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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Housing Choice Voucher Tenants
Americus Garden	LIHTC	30%
East Oaks	LIHTC/Market	80%
Starlight Place	LIHTC	15%
George Town Apartmetns	Market	0%
Lexington Place Apartments	Market	0%
St. Charles	Market	0%
University Place Apartments	Market	0%

As illustrated, all of the LIHTC properties reported having voucher tenants. East Oaks reported the highest percentage of voucher tenants. All of the property's LIHTC units operate with Project Based rental assistance. The property gives preference to voucher tenants. The market rate properties surveyed reported no voucher tenants. The Subject is expected to operate with a voucher tenancy of 25 percent or less, similar to Americus Garden and Starlight Place.

Lease Up History

Of the comparable properties surveyed, two could provide their absorption information. Therefore, we searched Sumter and the adjacent counties for properties that could provide absorption data. The following table details our findings. Two properties are located within Sumter County and one is located in Crisp County.

ABSORPTION

Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Rosewood Estates	Crisp	LIHTC	Family	2010	56	4
East Oaks*	Sumter	LIHTC	Family	2006	40	3
Starlight Place*	Sumter	LIHTC	Family	2005	52	3

*Utilized as a comparable property

As illustrated, the reported absorption pace ranges from three to four units per month. Given the low reported vacancy rates and the presence of waiting lists, we believe the Subject could absorb units at a slightly faster pace. We have concluded to an absorption pace of six units per month for an absorption period of 10 months.

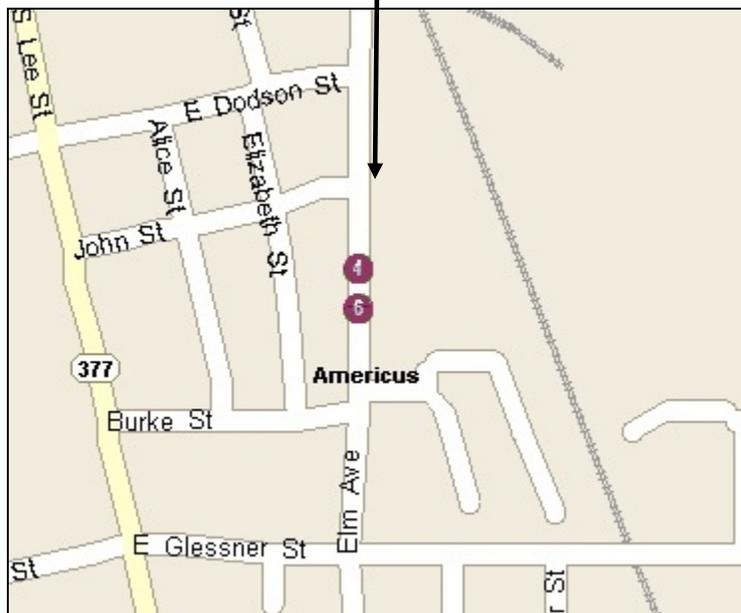
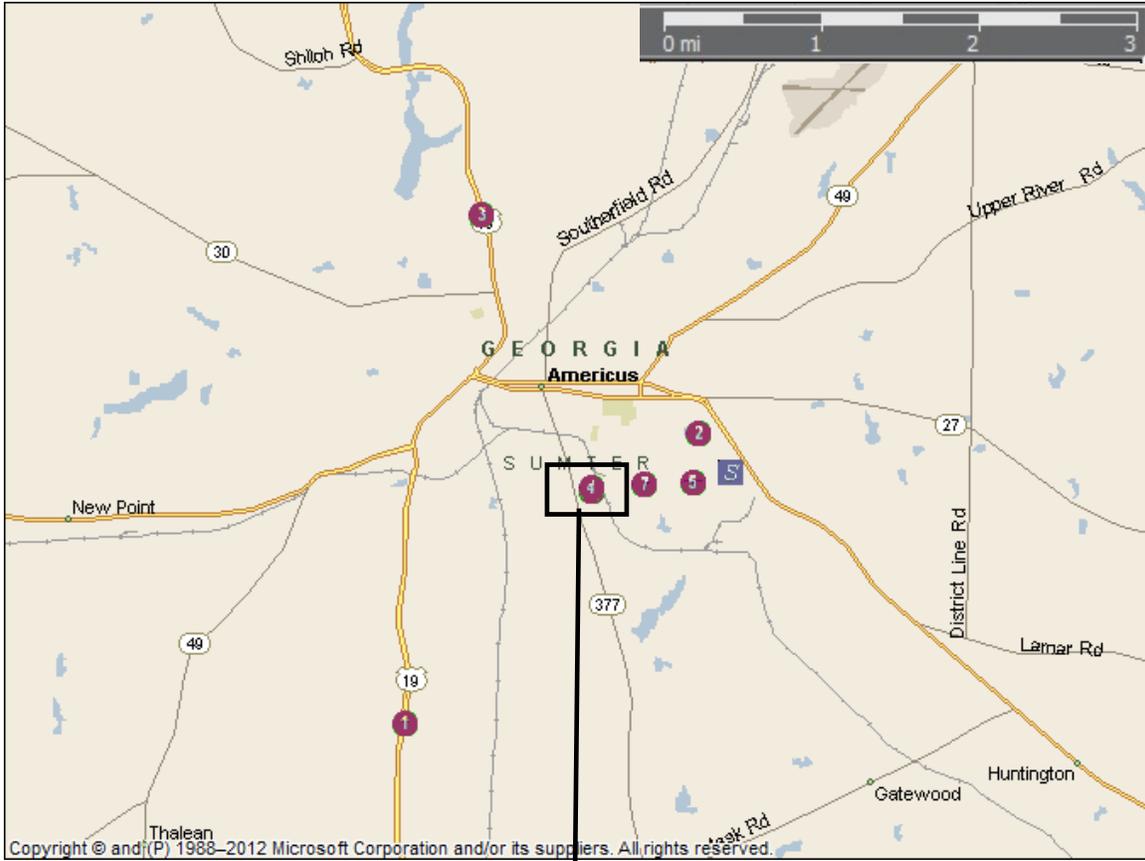
Phased Developments

The Subject will not be a phased development.

Rural Areas

The Subject is located within a rural area; however, there are a reasonable number of properties that have been included in our analysis.

3. COMPETITIVE PROJECT MAP



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Americus Garden	Americus	@ 50% , @ 60%	6.8 miles
2	East Oaks	Americus	@ 50% (PBRA), Market	1.5 miles
3	Starlight Place	Americus	@ 30% , @ 50% , @ 60%	4.7 miles
4	George Town Apartmetns	Americus	Market	1.5 miles
5	Lexington Place Apartments	Americus	Market	0.2 miles
6	St. Charles	Americus	Market	1.5 miles
7	University Place Apartments	Americus	Market	0.7 miles

4. Amenities

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

UNIT MATRIX REPORT

	Southwestern Estates	Americus Garden	East Oaks	Starlight Place	George Town Apartmetns	Lexington Place Apartments	St. Charles	University Place Apartments
Comp #	Subject	1	2	3	4	5	6	7

Property Information

Property Type	Garden (2 stories)	Garden (2 stories)	Garden (1-story)	Single Family	Garden	Various (2 stories)	Townhouse (2 stories)	Garden (2 stories)
Year Built / Renovated	2016 / n/a	1998 / n/a	2006 / n/a	2005 / n/a	1990s / n/a	1998 / n/a	1990s / n/a	1998 / n/a
Market (Conv.)/Subsidy Type	@50%, @60%	@50%, @60%	@50% (PBRA), Market	@30%, @50%, @60%	Market	Market	Market	Market

In-Unit Amenities

Balcony/Patio	yes							
Blinds	yes	yes	yes	yes	yes	yes	no	yes
Carpet/Hardwood	no	yes						
Carpeting	yes	no						
Central A/C	yes							
Coat Closet	yes	no	yes	yes	yes	yes	yes	yes
Dishwasher	yes							
Exterior Storage	yes							
Ceiling Fan	yes							
Garbage Disposal	yes							
Microwave	yes	no	yes	no	no	no	no	no
Oven	yes							
Refrigerator	yes							
Walk-In Closet	yes	no	no	yes	yes	yes	yes	yes
Washer/Dryer hookup	yes							

Property Amenities

Basketball Court	no	no	yes	no	no	no	no	no
Business Center/Computer Lab	yes	no	yes	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	no	no	no	no
Exercise Facility	yes	no	yes	yes	no	no	no	no
Garage	no	no	no	yes	no	no	no	no
Central Laundry	yes	yes	no	yes	no	no	no	no
Off-Street Parking	yes							
On-Site Management	yes	yes	yes	yes	no	no	no	no
Picnic Area	no	yes	yes	yes	no	no	no	yes
Playground	no	yes	yes	yes	no	no	no	no
Recreation Areas	yes	no						
Swimming Pool	no	no	no	no	no	yes	yes	no
Volleyball Court	no	yes						

Services

Security

Patrol	no	no	no	no	yes	yes	yes	yes
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The Subject will offer a competitive in-unit amenity package that will be comparable to the current inventory. Overall, the Subject will be similar to the market, with respect to unit amenities. In terms of common area amenities, the Subject will be generally similar to the LIHTC properties surveyed, and superior to the market rate properties surveyed.

5. The Subject will target family households. Therefore, per DCA’s guidelines, senior properties were not included.

6. Vacancy

The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Americus Garden	@50%, @60%	44	2	4.5%
East Oaks	@50% (PBRA), Market	40	0	0.0%
Starlight Place	@30%, @50%, @60%	52	0	0.0%
George Town Apartmetns	Market	32	2	6.2%
Lexington Place Apartments	Market	97	5	5.2%
St. Charles	Market	42	2	4.8%
University Place Apartments	Market	57	2	3.5%
Total		364	13	3.6%

The LIHTC comparable properties are outperforming the market with an average vacancy rate of 1.5 percent compared to an average of 4.8 percent among the market rate properties surveyed. Furthermore, all of the LIHTC properties are currently maintaining waiting lists. The current supply of LIHTC properties in the market is limited, with just two properties that do not operate with rental assistance. All of the property managers reported strong demand for more affordable housing options. Therefore, the Subject will fill a void in the market. We believe that the Subject will maintain a vacancy rate of five percent, or less, once stabilized.

7. Properties Under Construction and Proposed

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

8. Rental Advantage

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Age / Condition	Unit Size	Overall Comparison*
1	Americus Garden	@50%, @60%	Similar	Similar	Inferior	Similar	-10
2	East Oaks	@50% (PBRA), Market	Similar	Similar	Inferior	Similar	-10
3	Starlight Place	@30%, @50%, @60%	Similar	Similar	Inferior	Similar	-10
4	George Town Apartments	Market	Inferior	Similar	Inferior	Similar	-20
5	Lexington Place Apartments	Market	Inferior	Similar	Inferior	Similar	-20
6	St. Charles	Market	Inferior	Similar	Inferior	Similar	-20
7	University Place Apartments	Market	Inferior	Similar	Inferior	N/A	-20

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

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

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR	3BR
Sumter County Family (Subject)	\$262	\$309	\$321
LIHTC Maximum (Net)	\$265	\$313	\$327
Americus Garden	\$223	\$359	\$394
Starlight Place	n/a	\$464	\$514
Average (excluding Subject)	\$223	\$412	\$454

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR	3BR
Sumter County Family (Subject)	\$347	\$411	\$439
LIHTC Maximum (Net)	\$350	\$416	\$445
Americus Garden	\$338	\$398	\$442
Starlight Place	n/a	\$539	\$589
Average (excluding Subject)	\$338	\$469	\$516

The Subject's rents at both 50 and 60 percent AMI will be slightly below the maximum allowable levels. The LIHTC properties appear to be achieving rents that are above the maximum allowable levels, which is due to a variety of factors, including but not limited to variances in utility allowances and when a property was placed in service. According to the manager at Starlight Place, DCA permits them to utilize a private company to determine their utility allowances, which are significantly lower than the Subject's proposed utility allowances resulting in higher asking rents that appear to be above the maximum allowable rents. The Subject's proposed two and three-bedroom rent at 50 percent will be below the range of the comparable LIHTC properties. Its proposed one-bedroom rent at 50 percent and its proposed rents at 60 percent of the AMI will be within the range of the comparable LIHTC properties. All of the LIHTC properties reported low vacancy rates, with just one property reporting any vacancy. Furthermore, all of the LIHTC properties reported maintaining a waiting list. The local property managers interviewed further stated that there is demand for more affordable housing options in the market. The Subject will be one of three LIHTC properties in the PMA, if allocated. Overall, we believe that the Subject's rents are feasible as proposed given the lack of

LIHTC supply, the low vacancy rates reported at the LIHTC properties surveyed, the presence of waiting lists, and the fact that the rents will offer an advantage when compared to the majority of the existing LIHTC comparables.

Analysis of “Market Rents”

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

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

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

Subject Comparison to "Market Rents"					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage over Average
<i>50% AMI</i>					
1 BR	\$262	\$223	\$583	\$417	59%
2 BR	\$309	\$359	\$709	\$591	91%
3 BR	\$321	\$394	\$809	\$651	103%
<i>60% AMI</i>					
1 BR	\$347	\$338	\$583	\$476	37%
2 BR	\$411	\$398	\$709	\$636	55%
3 BR	\$439	\$442	\$809	\$708	61%

As illustrated, the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. The Subject’s proposed two and three-bedroom rent at 50 percent are below the surveyed minimum, its proposed three-bedroom rent at 60 percent is equal to the minimum, and its proposed one-bedroom rent at 50 percent of the AMI and its one and two-bedroom rents at 60 percent of the AMI are above the surveyed minimum. This is considered reasonable given that there are no newly constructed market rate properties and the Subject will be significantly superior to the market rate inventory.

The Subject will be most similar to Starlight Place, a LIHTC property, which reported no vacancies and is maintaining a waiting list. The manager also indicated that there is demand for

more affordable housing in the market. The Subject’s proposed rents will be below those charged at Starlight Place.

The Subject will be most similar to Lexington Place Apartments as a market rate property. This property was constructed in 1998 and will be inferior in condition to the proposed Subject. Its rents are significantly above the Subject’s proposed rents, and the development reported the highest rents in the market.

Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

There have been no recently allocated family properties in Sumter County. Creekside Commons, a senior property, received LIHTC allocation in 2012. However, as the property is restricted to senior households, it will not be directly competitive with the Subject.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,130	63.8%	4,617	36.2%
2013	7,215	55.1%	5,888	44.9%
Projected Mkt Entry				
June 2016	7,183	55.4%	5,794	44.6%
2018	7,160	55.6%	5,727	44.4%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

As illustrated, the PMA contains a slightly larger percentage of owner-occupied housing units. Since 1990 through 2013, the percentage of renter occupied households in the PMA increased steadily, with a significant increase occurring in 2013. The percentage of renter-occupied housing units in the PMA is well above the national average, of 36.4 percent as of 2013. From 2013 through 2018, the percentage of renter-occupied housing units is projected to decrease. However, the anticipated decrease is nominal, resulting in a loss of 161 renters.

Historical Vacancy

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

HISTORICAL VACANCY RATES

Comparable Property	Type	Total Units	2QTR 2011	2QTR 2012	2QTR 2013	2QTR 2014
Americus Garden	LIHTC	44	4.5%	5.0%	0.0%	4.5%
East Oaks	LIHTC/Market	40	N/A	2.5%	5.0%	0.0%
Starlight Place	LIHTC	52	0.0%	0.0%	0.0%	0.0%
George Town Apartmentns	Market	32	N/A	N/A	N/A	6.2%
Lexington Place Apartments	Market	97	6.2%	0.0%	0.0%	5.2%
St. Charles	Market	42	N/A	N/A	N/A	4.8%
University Place Apartments	Market	57	N/A	N/A	N/A	3.5%
Total/Average		364	3.6%	1.9%	1.3%	3.5%

As illustrated in the table, the average vacancy in the local market has varied over the last three years, but has remaining below four percent.

Change in Rental Rates

The following table details rent growth reported at the comparable properties surveyed.

RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Americus Garden	@ 50%, @ 60%	Increased 4%-7%
East Oaks	@ 50% (PBRA), Market	Increased 3%-4%
Starlight Place	@ 30%, @ 50%, @ 60%	Increased 4%-6%
George Town Apartmetns	Market	None
Lexington Place Apartments	Market	None
St. Charles	Market	None
University Place Apartments	Market	None

As illustrated, all of the LIHTC properties surveyed reported rent increases over the last year. None of the market rate properties surveyed reported a rent increase; however, the majority anticipate an increase this year.

11. Impact of Foreclosed, Abandoned and Vacant Structures

We did not observe any abandoned homes in the Subject's neighborhood during our site inspection. According to www.RealtyTrac.com, as of April 2014, one in every 3,627 housing units in Americus received a foreclosure filing. In Sumter County, one in every 2,350 housing units received a foreclosure filing. Both the city and the county reported lower foreclosure rates than the state of Georgia, which has a foreclosure rate of one in every 1,047 housing units. Nationally, the foreclosure rate is one in every 1,137 housing units.

12. Primary Housing Void

Due to the lack of affordable housing in the PMA in conjunction with a larger percentage of renter households, and a high performing family LIHTC supply in Americus and the surrounding areas, we believe that the Subject will fill a void in the market.

13. Affect of Subject on Other Affordable Units in Market

There is a limited supply of family LIHTC properties in the market. All of the LIHTC properties reported low vacancy rates with waiting lists. All of the property managers also reported demand for affordable housing in the market. Given the strength of the market, we do not believe the Subject will adversely affect the current housing stock.

Conclusions

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a family property in Americus. There are currently two LIHTC properties in the market area that are not further subsidized with Project Based rental assistance. Both properties reported low vacancy rates and are maintaining waiting lists. Furthermore, local property managers reported that there is demand for more affordable housing options in the PMA. Overall, due to the lack of affordable housing in the PMA in conjunction with strong household growth and a high performing family LIHTC supply in the Americus and surrounding areas, we believe that there is demand for the following family LIHTC property in Americus.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

Of the comparable properties surveyed, two could provide their absorption information. Therefore, we searched Sumter and the adjacent counties for properties that could provide absorption data. The following table details our findings. Two properties are located within Sumter County and one is located in Crisp County

ABSORPTION						
Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Rosewood Estates	Crisp	LIHTC	Family	2010	56	4
East Oaks*	Sumter	LIHTC	Family	2006	40	3
Starlight Place*	Sumter	LIHTC	Family	2005	52	3

*Utilized as a comparable property

As illustrated, the reported absorption pace ranges from three to four units per month. Given the low reported vacancy rates and the presence of waiting lists, we believe the Subject could absorb units at a slightly faster pace. We have concluded to an absorption pace of six units per month for an absorption period of 10 months.

J. INTERVIEWS

Housing Authority of the City of Americus

We spoke with George Edge, Manager of Housing with Housing Authority of the City of Americus. There are currently 716 vouchers for the city, of which, 85 percent are issued. The waiting list is approximately two years, and is currently closed. The current payment standard for Sumter County can be found in the following table.

Payment Standards	
1BR	\$579
2BR	\$700
3BR	\$956

The Subject's proposed rents are below the current payment standards. Therefore, voucher tenants will not be required to pay additional income towards rent to reside at the Subject.

Planning

We interviewed Josh Roth, the Building Official for the city of Americus. According to Mr. Roth, there are no proposed developments or developments under construction in the Subject's PMA.

The Americus Sumter Payroll Development Authority reported that the Georgia International Raceway Park is expected to begin construction in December 2014 and will be completed January 2017. The development will be constructed on 470 acres and will be located approximately 7.8 miles northeast of the Subject site. It will include a quarter-mile concrete dragstrip, a three-mile road race course, a training center, driving schools, training and testing facilities, a Motorsports Business Technology Park, condominiums and an outdoor amphitheater. The estimated cost of the complex is \$25 million and is expected to add more than 200 jobs to the local economy.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- Population and households increased historically in the PMA but are projected to decrease slightly into 2018. However, declining population and households is typical in rural areas, like the Subject's market area, and the anticipated decline is nominal. The largest age cohorts in the PMA are the 15 to 24 age cohorts, which suggests that the PMA contains a large family population. Approximately 44.9 percent of households in the PMA are renter-occupied, which is well above the national average. Additionally, the largest income brackets in the PMA are the \$0 to \$29,999 income cohorts and is a positive indicator for the Subject's units.
- Overall, the area appears to have been heavily impacted by the national recession, with total employment in the SMA decreasing from 2007 through 2011. In 2007, Collins and Aikman, a local manufacturing plant, closed their plant in Americus resulting in 350 job losses. Total employment increased slightly in 2012. As of December 2013, total employment is down 1.9 percent over December 2012. However, more than 260 jobs are expected to be added to the local economy. The unemployment rates in the SMA have been above the nation for nearly all years. This is likely due to the rural nature of the area and its reliance on the manufacturing sector. As of December 2013, the unemployment rate declined 0.9 percentage points over the prior year, and remains well above the national average.
- The largest sectors in the PMA are the healthcare/social assistance, educational services and manufacturing sectors, which is similar to the covered employment by industry data reported by the US Bureau of Labor Statistics. The retail trade sector also accounts for a large percentage of employment in the PMA. Although the manufacturing and retail trade sectors are volatile, the healthcare/social assistance and educational services sectors are generally considered to be stable employers, and could provide some stability during economic downturns.
- The Americus Sumter Payroll Development Authority reported that the Georgia International Raceway Park is expected to begin construction in December 2014 and will be completed January 2017. The development will be constructed on 470 acres and will be located approximately 7.8 miles northeast of the Subject site. It will include a quarter-mile concrete dragstrip, a three-mile road race course, a training center, driving schools, training and testing facilities, a Motorsports Business Technology Park, condominiums and an outdoor amphitheater. The estimated cost of the complex is \$25 million and is expected to add more than 200 jobs to the local economy. The agency also reported that Caravelle Powerboats, located approximately 0.7 miles southeast of the Subject site, is expanding their facility and will add 60 jobs to the local economy. Triwood Inc., a mouldings and millworks manufacturer, is also expected to expand and add new jobs to the local economy over the next five years. However, the number of jobs that will be added was not available. Overall, these planned developments and expansions will help stabilize the local economy and likely attract more residents to the market area.
- The Subject's capture rates at the 50 percent AMI level will range from 3.9 to 13.8 percent, with an overall capture rate of 6.7 percent. The Subject's 60 percent AMI

capture rates range from 7.7 to 21.0 percent, with an overall capture rate of 15.9 percent. The overall capture rate for the project’s 50 and 60 percent units is 16.8 percent. Therefore, we believe there is adequate demand for the Subject.

- Of the comparable properties surveyed, two could provide their absorption information. Therefore, we searched Sumter and the adjacent counties for properties that could provide absorption data. The following table details our findings. Two properties are located within Sumter County and one is located in Crisp County

ABSORPTION						
Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Rosewood Estates	Crisp	LIHTC	Family	2010	56	4
East Oaks*	Sumter	LIHTC	Family	2006	40	3
Starlight Place*	Sumter	LIHTC	Family	2005	52	3

*Utilized as a comparable property

As illustrated, the reported absorption pace ranges from three to four units per month. Given the low reported vacancy rates and the presence of waiting lists, we believe the Subject could absorb units at a slightly faster pace. We have concluded to an absorption pace of six units per month for an absorption period of 10 months.

- The following table summarizes overall weighted vacancy levels at the surveyed properties.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Americus Garden	@50%, @60%	44	2	4.5%
East Oaks	@50% (PBRA), Market	40	0	0.0%
Starlight Place	@30%, @50%, @60%	52	0	0.0%
George Town Apartmetns	Market	32	2	6.2%
Lexington Place Apartments	Market	97	5	5.2%
St. Charles	Market	42	2	4.8%
University Place Apartments	Market	57	2	3.5%
Total		364	13	3.6%

The LIHTC comparable properties are outperforming the market with an average vacancy rate of 1.5 percent compared to an average of 4.8 percent among the market rate properties surveyed. Furthermore, all of the LIHTC properties are currently maintaining waiting lists. The current supply of LIHTC properties in the market is limited, with just two properties that do not operate with rental assistance. All of the property managers reported strong demand for more affordable housing options. Therefore, the Subject will fill a void in the market. We believe that the Subject will maintain a vacancy rate of five percent, or less, once stabilized.

- Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a family property in Americus. There are currently two LIHTC properties in the market area that are not further subsidized with Project Based rental

assistance. Both properties reported low vacancy rates and are maintaining waiting lists. Furthermore, local property managers reported that there is demand for more affordable housing options in the PMA. Overall, due to the lack of affordable housing in the PMA in conjunction with strong household growth and a high performing family LIHTC supply in the Americus and surrounding areas, we believe that there is demand for the following family LIHTC property in Americus

Recommendations

- We do not recommend any changes to the proposed Subject.

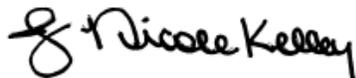
L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

5-27-2014
Date



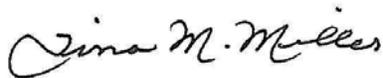
J. Nicole Kelley
Manager
Novogradac & Company LLP

5-27-2014
Date



Edward R. Mitchell
Senior Real Estate Analyst

5-27-2014
Date



Tina M. Miller
Real Estate Analyst

5-27-2014
Date

M. MARKET STUDY REPRESENTATION

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



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

5-27-2014

Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

5-27-2014

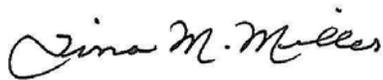
Date



Edward R. Mitchell
Senior Real Estate Analyst

5-27-2014

Date



Tina M. Miller
Real Estate Analyst

5-27-2014

Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

III. Professional Experience

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

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

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

V. Real Estate Assignments – Examples

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

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

H. Blair Kincer

Qualifications

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- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, the reports can be used in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and in the ITC funding process.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

J. Nicole Kelley

I. Education

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

II. Professional Experience

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

III. Professional Training and Continuing Education

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

IV. Real Estate Assignments

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

EDWARD R. MITCHELL

I. Education

Master of Science – Financial Planning
University of Alabama, Tuscaloosa, Alabama

Graduate Certificate (Half Master's) Conflict Management, Negotiation, and Mediation
University of Alabama, Tuscaloosa, Alabama

Bachelor of Science – Human Environmental Science
University of Alabama, Tuscaloosa, Alabama

Associate of Arts – Real Estate Management
San Antonio College, San Antonio, Texas

II. Professional Experience

Senior Real Estate Analyst; Novogradac & Company LLP (September 2013 – Present)
Senior Appraiser; Valbridge Property Advisors
Managing Partner; Consolidated Equity, Inc.
Appraiser; Schultz, Carr, Bissette
Disposition Manager; Resolution Trust Corporation (RTC)

III. Assignments

- Currently conducts market feasibility studies, valuation assignments, rent comparability studies (RCS) and consulting assignments for proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Performed work in Alabama, Alaska, California, Florida, Georgia, Kansas, Mississippi, Texas, New York, North Carolina, and Pennsylvania.
- Over 20 years' experience in real estate appraisal, investment, development, and construction. Past appraisal assignments include all types of vacant and improved commercial property and special use properties such as rail corridors, Right-of-Way projects, and recycling plants.

IV. Licensure

- State Certified General Real Property Appraiser (Georgia)
- Licensed Real Estate Salesperson (Georgia)
- Appraisal Institute – Candidate for Designation

STATEMENT OF PROFESSIONAL QUALIFICATIONS

TINA M. MILLER

I. Education

Pennsylvania State University, University Park, PA
Bachelor of Science, Economics

II. Professional Experience

Real Estate Analyst, Novogradac & Company LLP
Asset Manager, National Housing Trust
Asset Manager, Volunteers of America
Consultant, Valuation & Information Group

III. Real Estate Assignments

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

- Examined market data to determine feasibility of proposed developments or renovations, and reasonability of proposed rents for LIHTC, Section 8, and HOME and HOPE VI funded properties.
- Analyzed reported unit mix, bedroom types, amenities, and rents at local properties to determine adequacy of proposed development schemes. When appropriate, provided recommendations based on interviews with property managers, planning/revitalization departments, the housing authority, and other organizations.
- Analyzed demographic and economic data, including historical and projected growth or contraction, unemployment rates, total employment, major employers, and employment by industry, to determine general economic health of the market.
- Assisted in appraisals of general family properties, senior apartment complexes, assisted living facilities, and skilled nursing homes.
- Examined budgeted expenses to determine reasonability of operating budget for proposed and existing affordable housing developments. Provided recommendations based on actual comparable operating expense data, and historical operating expenses of the project, when applicable.
- Provided substantial assistance in appraisals of subsidized, family and senior apartment complexes for HUD financing, as well as Section 236 decoupling.
- Assisted with Rent Comparability Studies, both as is and as renovated, for subsidized senior and family developments. Included detailed market analysis of amenities, unit size, age and condition, location, and occupancy rates at comparable properties to determine potential market rents.

- Performed market studies of existing nursing homes and assisted living facilities. Analysis included interviewing comparable facilities to determine general market health within the Primary Market Area (PMA); determining feasibility of rates; and interviewing local planners and other officials to determine demand and future competition for skilled nursing homes or assisted living facilities.
- Performed a market study for a proposed, multifamily development targeting formerly homeless persons with HIV/AIDS, substance abuse, and mental health issues. Analysis included estimating market rents, and determining need for the development via interviews with permanent and transitional housing developments, The Office of Emergency and Shelter Services, and Drug and Alcohol Treatment Programs.