

Market Feasibility Analysis

Fairfield Apartments II
424 South Seventh Street
Vienna, Dooly County, Georgia 31092

Prepared For

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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the existing Fairfield Apartments II to be renovated utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Vienna, Georgia. Based on the findings contained in this report, we believe a market will continue to exist for the subject project following renovations, as long as the subject project is renovated and operated as proposed in this report.

1. Project Description:

Fairfield Apartments II was originally built in 1988 and has operated under the Rural Development 515 (RD 515) and Low-Income Housing Tax Credit (LIHTC) programs since that time. Currently, the project contains 18 one-bedroom units targeting senior households ages 62 and older. All 18 units receive Rental Assistance (RA) directly from Rural Development. The RA allows tenants to pay up to 30% of their adjusted gross incomes towards housing costs (collected rent and tenant-paid utilities). According to management, the subject project is currently 100.0% occupied and maintains an eight-household wait list.

The proposed Tax Credit renovations, which will be financed through a Tax Exempt Bond, will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, RA will be preserved on all 18 units and will continue to target households up to 60% of AMHI. All renovations are expected to be completed in 2014.

2. Site Description/Evaluation:

The subject site located within a rural area of Vienna. The surrounding land uses predominantly consist of residential dwellings, most of which are considered to be in good condition, and undeveloped land. The surrounding land uses are consistent with those observed throughout the market area and the subject site fits well with its surrounding land uses. Overall visibility is considered adequate, as it is not visible from arterial roadways; however, the subject site does benefit from proper signage. Overall access is considered good, as the subject site is within 2.0 miles of State Routes 7, 27, 90 and 215, U.S. Highway 41 and Interstate 75. On-call, on-site pickup transportation services are also available provided by the Vienna Senior Center. The subject site is within close proximity of basic shopping needs, as most are within 1.5 miles. Overall, the site's location and proximity to essential community services will continue to have a positive impact on the subject project's marketability.

3. Market Area Definition:

The Vienna PMA includes all of Vienna, as well as the surrounding unincorporated areas of Dooly County, Georgia. The boundaries of the Vienna Site PMA include Pinehurst Byromville Road, Pinehurst Hawkinsville Road and Third District Road to the north; Third District Road, Priest Road and State Route 257 to the east; the Dooly County line to the south; and River Road and South Oak Street to the west. A justification of these boundaries and a detailed map are included in Section D of this report.

4. Community Demographic Data:

Overall, population and households have experienced positive growth since 2000. These trends are projected to remain positive through 2015, increasing by 134 (1.5%) and 77 (2.3%), respectively, from 2013. Further, renter households ages 62 and older are projected to increase by 12 (6.6%) during the same time period. In addition, the subject project will continue to target one- to two-person households which comprise nearly all of the senior renter households within the Site PMA. As such, the project will continue to accommodate the majority of the Site PMA's senior renter households based on size. The preceding factors will have a positive impact on the continued marketability of the subject site. Detailed demographic information is included in Section E of this report.

5. Economic Data:

According to a representative with the City of Vienna's Economic Development Department, the local economy has been experiencing a slow recovery since the nationwide recession. In fact, both the employment base and unemployment rate within the county did not begin to stabilize until 2011, where most of the country began to experience economic improvements starting in 2010. On a positive note, there have been various small retailers and restaurants developed within the downtown area of Vienna since 2012, adding approximately 100 jobs. Although Georgia Pacific announced plans to close their chemical plant in Vienna on February 2012, there have been no additional WARN Notices of large scale layoffs and closures for the county since January 2012.

Considering that the unemployment rate is high at 13.3% through July 2013, the need for affordable housing is anticipated to remain strong. A high rate of unemployment contributes to the demand for affordable housing, as households with lower incomes due to unemployment or underemployment may not be able to afford their current housing costs. The subject site will provide a good quality housing option in an economy where lower-wage employees are most vulnerable.

6. Project-Specific Affordability and Demand Analysis:

Fairfield Apartments II has project-based Rental Assistance (RA) available to all 18 of its units. As such, tenants with little to no income are eligible to reside at this project. Following LIHTC renovations, all 18 units of RA are expected to remain in-place. Based on our demand estimates detailed in Section G of this report, there will be 102 income-qualified senior households to support the 18 renovated units. As such, the capture rate would be 17.6% ($18 / 102 = 17.6\%$) if all units were vacated. However, the project is 100.0% occupied and all current tenants are anticipated to remain following LIHTC renovations. Therefore, the renovated subject project will have an effective capture rate of 0.0%. A detailed capture rate analysis and alternative demand scenarios are provided in Section G of this report.

7. Comparable/Competitive Rental Analysis

Based on our research, there were no comparable Tax Credit properties identified and surveyed within the Site PMA. As such, we identified and surveyed three LIHTC properties located outside of the Site PMA, but within the nearby region, that we also consider comparable. All three comparable properties and the subject property are illustrated in the following table:

Map I.D.	Project Name	Year Built/Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Fairfield Apartments II	1988 / 2014	18	100.0%	-	8 H.H.	Seniors 62+; 60% AMHI & RD 515
910	Overlook Pointe	2006	56	100.0%	8.8 Miles	8 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
911	Suwanee House	1996	40	97.5%	8.8 Miles	None	Families; 50% & 60% AMHI
912	Americus Garden Apts.	1998	44	100.0%	29.0 Miles	30-40 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

900 series Map I.D.s are located outside of the Site PMA

The three LIHTC projects have a combined occupancy rate of 99.3%, indicating strong demand for affordable housing in the region. It should be noted that there are no age-restricted non-subsidized LIHTC projects within the market and, as such, the subject project will continue to provide a rental housing alternative to low-income seniors which is currently underserved in the market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Fairfield Apartments II	\$513*/60% (18)	-	-	-
910	Overlook Pointe	\$257/30% (3/0)	\$304/30% (3/0)		
		\$437/50% (14/0)	\$504/50% (14/0)		
		\$462/60% (11/0)	\$529/60% (11/0)	-	None
911	Suwanee House	\$454/50% (8/1)	\$545/50% (12/0)		
		\$458/60% (6/0)	\$556/60% (14/0)	-	None
912	Americus Garden Apts.	\$418/50% (9/0)	\$600/50% (12/0)	\$690/50% (4/0)	
		\$528/60% (3/0)	\$639/60% (12/0)	\$738/60% (4/0)	None

*2013 maximum allowable LIHTC gross rents at 60% of AMHI
900 series Map IDs are located outside of the Site PMA

As proposed, the subject rents reported in the preceding table will not be the actual rents tenants will be responsible for paying. The subject development will maintain Rental Assistance on all 18 of its units, which will effectively allow tenants to limit their gross rent to 30% of their adjusted gross household income.

Overall, the proposed project is older than the selected properties, but substantial renovations will effectively update its aesthetic appeal. Our comparative analysis in Section H reveals the unit designs (square footage and bathrooms) of the subject units are appropriate considering the 100.0% occupancy at the subject site. The proposed amenities package is considered generally similar to the comparable LIHTC projects. The subject project offers amenities that are designed for the senior population and will not lack any amenities that will have an adverse impact on its continued marketability. This is further evidenced by the subject's 100.0% occupancy and wait list. It should be noted that the subject project will be the only age-restricted LIHTC project in the market. As such, the subject project will continue to provide a rental housing alternative to low-income seniors which is currently underserved in the market. This will provide the subject with a market advantage.

8. Absorption/Stabilization Estimates

According to management, the subject project is currently 100.0% occupied and maintains a collective wait list of up to eight households for the next available unit. All current residents are expected to qualify for the subject units following renovations; therefore, few if any of the subject units will have to be re-rented immediately following renovations. **As proposed, there will be no absorption period for the subject units as all 18 are already effectively leased.** However, for the purposes of this analysis, we assume that all 18 subject units will be vacated and that all units will have to be re-rented (assuming RA is preserved on all units). We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy.

It is our opinion that the 18 units at the subject site will reach a stabilized occupancy of 93.0% within approximately three months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately five units per month. Our absorption projections assume that no other projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that RA on all 18 units will be maintained.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 18 units at the subject site, assuming it is renovated and operated as detailed in this report. Changes in the project's scope of renovations, rents, amenities or renovation completion date may alter these findings.

Based on the preceding analysis and information provided throughout this report, we have no recommendations or suggested modifications for the subject project at this time.

SUMMARY TABLE

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

Development Name:	Fairfield Apartments II	Total # Units:	18
Location:	424 South Seventh Street, Vienna, GA 31092	# LIHTC Units:	18
PMA Boundary:	Pinehurst Byromville Road, Pinehurst Hawkinsville Road and Third District Road to the north; Third District Road, Priest Road and State Route 257 to the east; the Dooly County line to the south; and River Road and South Oak Street to the west.		
	Farthest Boundary Distance to Subject:	12.3 miles	

RENTAL HOUSING STOCK (found on page H-2)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	266	19	92.9%
Market-Rate Housing	1	40	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	4	160	0	100.0%
LIHTC	2	66	19*	71.2%
Stabilized Comps (in PMA only)	-	-	-	-
Properties in Construction & Lease Up	-	-	-	-

*See Section H of market study for a further analysis on vacancy discrepancies

Subject Development					Achievable Market Rents			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent*	Per Unit	Per SF	Advantage	Per Unit	Per SF
18	One	1.0	800	\$425	\$540	\$0.68	21.3%	\$559	\$0.72

*2013 maximum allowable LIHTC gross rent less the value of tenant-paid utilities

DEMOGRAPHIC DATA (found in Section E & G)

	2010		2013		2015	
Senior Renter Households (62+)	222	19.3%	183	16.1%	195	16.2%
Income-Qualified Senior Renter HHs (LIHTC)*	N/A	N/A	140	12.3%	149	12.4%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

*As proposed with the retention of RA on all 18 units

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

Type of Demand	RA Units	Non-RA Units	Overall as Proposed	Market-rate	Other__	LIHTC Only Scenario
Renter Household Growth	9	-	9	-	-	1
Existing Households (Overburd + Substand)	91	-	91	-	-	13
Homeowner conversion (Seniors)	2	-	2	-	-	0
Total Primary Market Demand	102	-	102	-	-	14
Less Comparable/Competitive Supply	0	-	0	-	-	0
Net Income-Qualified Renter HHs	102	-	102	-	-	14

CAPTURE RATES (found on page G-5)

Targeted Population	RA Units	Non-RA Units	Overall as Proposed	Market-rate	Other__	LIHTC Only Scenario
Capture Rate	0.0%*	-	0.0%*	-	-	128.6%

*All occupied subsidized units at the project have been deducted from this demand analysis

SECTION B - PROJECT DESCRIPTION

Fairfield Apartments II was originally built in 1988 and has operated under the Rural Development 515 (RD 515) and Low-Income Housing Tax Credit (LIHTC) programs since that time. Currently, the project contains 18 one-bedroom units targeting senior households ages 62 and older. All 18 units receive Rental Assistance (RA) directly from Rural Development. The RA allows tenants to pay up to 30% of their adjusted gross incomes towards housing costs (collected rent and tenant-paid utilities). According to management, the subject project is currently 100.0% occupied and maintains an eight-household wait list.

The proposed Tax Credit renovations, which will be financed through a Tax Exempt Bond, will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the 18 units of RA will be preserved and all units will continue to target senior households up to 60% of Area Median Household Income (AMHI) under Tax Credit guidelines. It should be noted that the proposed gross rents are above the 2013 maximum allowable gross LIHTC limits for Dooly County. Therefore, the proposed gross rents would need to be lowered to or below the 2013 maximum allowable gross LIHTC limits for Dooly County in the unlikely event that the subject project lost RA on all 18 units and had to operate exclusively under the LIHTC program. Note that the 2013 maximum allowable gross LIHTC rents for Dooly County are illustrated in the table on the following page and have been utilized throughout the remainder of this report. Regardless, the 18 units of RA will be preserved following renovations, requiring residents to continue to pay 30% of their gross adjusted incomes towards housing costs (rent plus tenant-paid utilities). A Private Rental Assistance (PRA) subsidy, which will be financed by the developer, will be available to all existing residents (PRA subsidy not to extend beyond existing residents). The PRA subsidy will prevent a rent increase on current residents, allowing existing residents to pay current rents. All renovations are expected to be completed in 2014. Additional project details follow:

- 1. PROJECT NAME:** Fairfield Apartments II
- 2. PROPERTY LOCATION:** 424 South Seventh Street
Vienna, Georgia 31092
(Dooly County)
- 3. PROJECT TYPE:** Current: Tax Credit & RD 515
Proposed: Tax Credit & RD 515

4. UNIT CONFIGURATION AND RENTS:

Total Units	Bedroom Type	Baths	Style	Square Feet	Current Rents*	2013 LIHTC Rents				2013 Rent Limits		Market Rents (CRCU)	Proposed Achievable Net Rents
						AMHI	Gross	U.A.	Net	Max. Allow.	Fair Market		
18		1.0	Garden	800	\$445	60%	\$513	\$88	\$425	\$513	\$505	\$540	\$425
18	Total												

Source: Boyd Management

AMHI – Area Median Household Income (Dooly County, GA; 2013)

*Denotes current basic rents under the RD 515 program

U.A. – Utility Allowance

Max. Allow. – Maximum Allowable

CRCU – Conventional Rents for Comparable Units

5. TARGET MARKET: Low-Income Seniors (62+)

6. PROJECT DESIGN: One-story residential buildings with one- and two-bedroom garden units.

7. ORIGINAL YEAR BUILT: 1988

8. ANTICIPATED RENOVATION COMPLETION DATE: 2014

9. UNIT AMENITIES:

Each unit, once renovated, will include the following amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Central Air Conditioning
- Washer/Dryer Hookups
- Ceiling Fan
- Carpet
- Window Blinds
- Patio
- Storage
- Emergency Call System

10. COMMUNITY AMENITIES:

The subject property will include the following community features:

- On-Site Management
- Community Room
- Centralized Laundry Facility
- Picnic Area

11. RESIDENT SERVICES:

None

12. UTILITY RESPONSIBILITY:

Water, sewer and trash collection are included in the rent, while tenants are responsible for the following:

- General Electricity
- Electric Heat
- Electric Water Heat
- Electric Cooking

13. RENTAL ASSISTANCE:

The subject project operates under RD 515 program guidelines with Rental Assistance on all 18 units. The Rental Assistance requires tenants to pay up to 30% of their gross adjusted income towards housing costs. Rental Assistance on all 18 units will remain in place following LIHTC renovations.

14. PARKING:

The subject site offers a surface parking lot at no additional charge to its residents.

15. CURRENT OCCUPANCY AND TENANT PROFILE:

The 18-unit project is currently 100.0% occupied and maintains an eight-household wait list. Based on information provided by the developer, we anticipate that most, if not all, current tenants will continue to income-qualify following renovations. This assumes that the subject project will maintain Rental Assistance on all 18 units as proposed.

16. PLANNED RENOVATIONS:

Currently, the subject project is considered to be of relatively good overall quality, and shows signs of slight property aging. According to the developer, the subject development will undergo approximately \$27,000 in renovations per unit. The subject is expected to include, but will not be limited to, the following renovations:

- Replacement of existing flooring
- Replacement of kitchen cabinets and countertops
- Replacement of existing kitchen appliances
- Replacement of plumbing fixtures
- Replacement of lighting fixtures
- Replace windows and window blinds
- Replacement of interior and exterior doorways
- Replacement of bathroom cabinets and countertop
- Painting of unit interiors
- Installation of new HVAC

- Re-roofing of buildings
- Upgrade and improve exteriors of buildings
- Landscape improvements to the entrance with new signage (as needed)
- ADA regulations met
- Upgrade sidewalks, dumpster surrounds and landscaping.

17. STATISTICAL AREA:

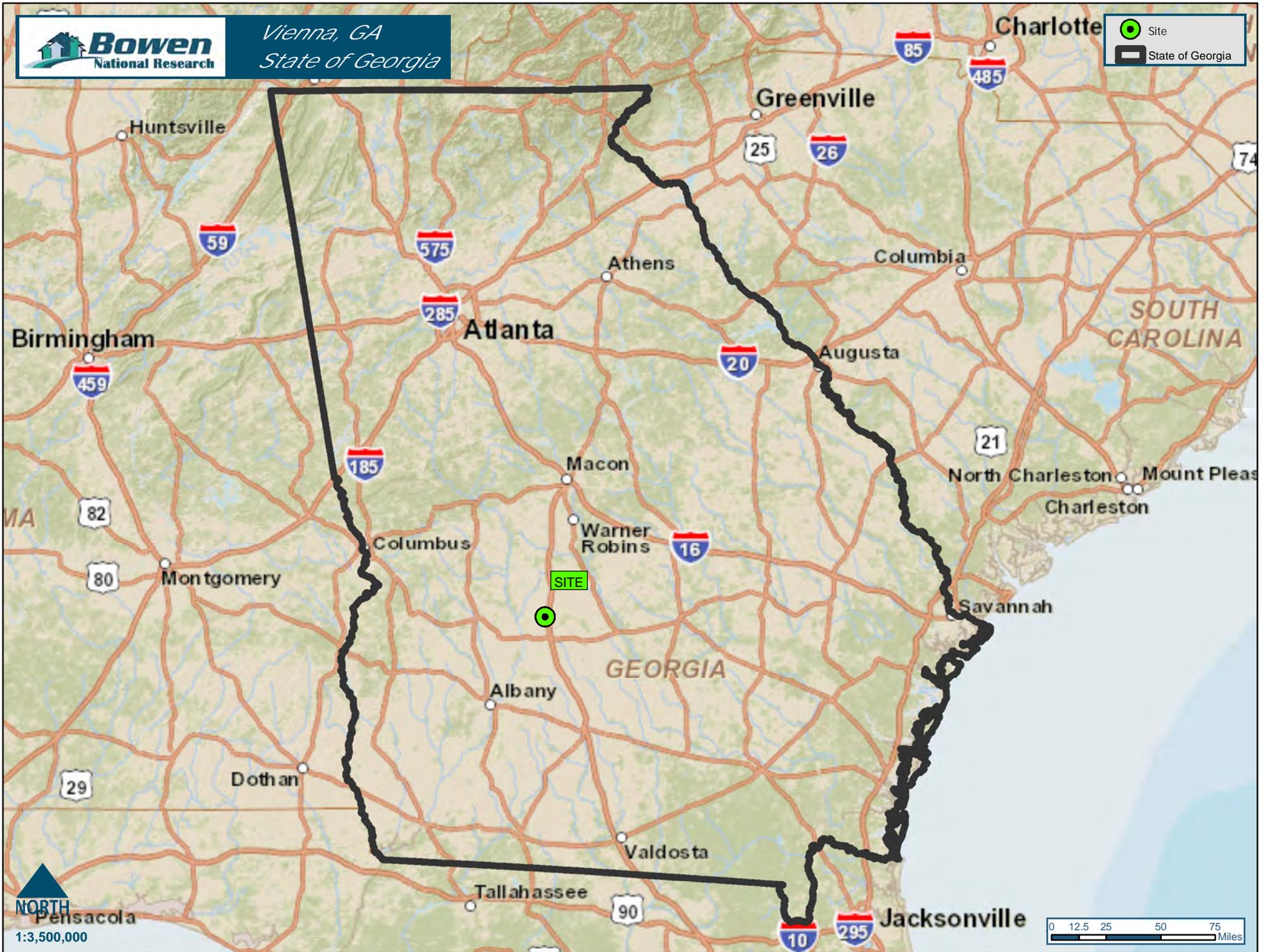
Dooly County, Georgia (2013)

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



Vienna, GA
State of Georgia

● Site
▭ State of Georgia

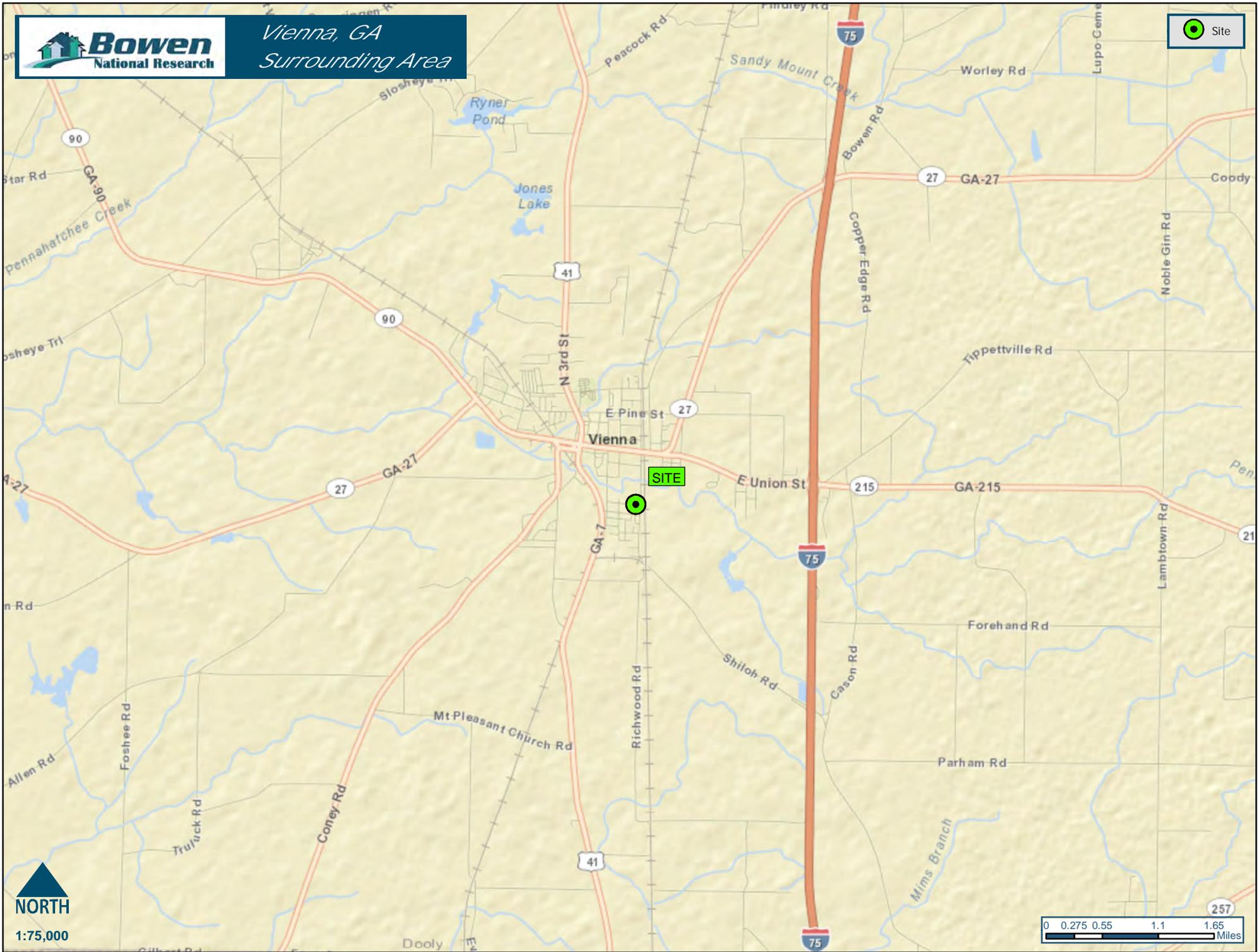


NORTH
1:3,500,000

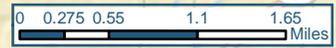
0 12.5 25 50 75 Miles

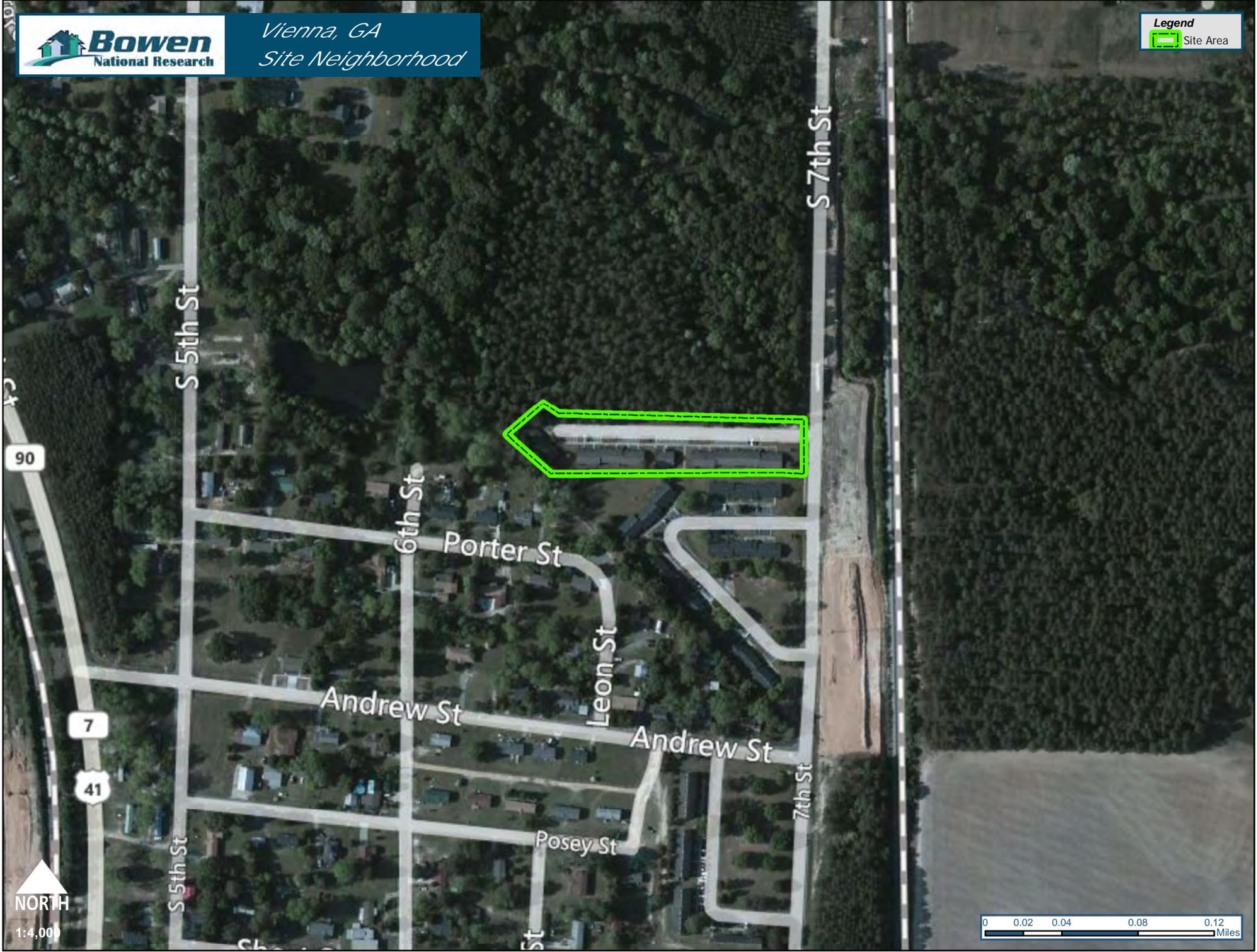


Vienna, GA
Surrounding Area



1:75,000





SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

Fairfield Apartments II is located on 424 South Seventh Street, in the southern portion of Vienna, Georgia. Located within Dooly County, Vienna is approximately 133.0 miles south of Atlanta, Georgia and approximately 85.0 miles east of the Georgia/Alabama state border. An employee of Bowen National Research inspected the site and area apartments during the week of September 9, 2013.

2. SURROUNDING LAND USES

The subject site is within a rural area of Vienna. Surrounding land uses include undeveloped land, multi- and single-family homes and rail road tracks. Adjacent land uses are detailed as follows:

North -	Undeveloped, wooded land defines the northern boundary of the site, and extend further north to Collier Street. Beyond are two-story, vinyl-sided, single-family homes in satisfactory condition, the Mini-Mart, Wash Bowl Laundromat and Video Game Room.
East -	South Seventh Street, a two-lane, moderately travelled feeder street, defines the eastern boundary of the site. Continuing east are undeveloped vacant land and railroad tracks. Undeveloped, wooded land extends further east for several miles.
South -	Fairfield Apartments I defines the southern boundary of the site and is considered to be in good condition. Continuing south are ranch-style single-family homes generally in good condition, followed by Andrews Street. Further south is the Timber Ridge Apartments, which is considered to be in satisfactory condition.
West -	Ranch-style single-family homes generally in good condition define the western boundary of the site. Continuing west is U.S. Highway 41/State Route 7/90, a two-lane, moderately-traveled arterial roadway, and railroad tracks.

The subject site is primarily surrounded by residential dwellings and undeveloped land. The residential dwellings located within the immediate site neighborhood are generally considered to be in good condition and are conducive to the continued marketability of the subject site. Although the subject site is in close proximity of railroad tracks, they were observed to have no negative impact on its marketability. This is further evidenced by the project's 100.0% occupancy and wait list. Overall, the subject site fits well with the surrounding land uses.

3. VISIBILITY AND ACCESS

The subject site is located along the west side of South Seventh Street, a two-lane, moderately-traveled feeder street that derives access from both U.S. Highway 41/State Route 7/90 and State Route 27, major thoroughfares within Vienna. Ingress and egress are considered easy, with clear lines of sight provided in both directions. In addition, the site is within 2.0 miles of Interstate 75 and State Route 215. On-call, on-site pickup transportation services are available through the local senior center. Overall, access is considered good. Visibility of the site is considered to be good within the immediate area, although it is not visible from arterial roadways. However, the subject property does benefit from proper signage. Overall, visibility is considered adequate.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

4. SITE PHOTOGRAPHS

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

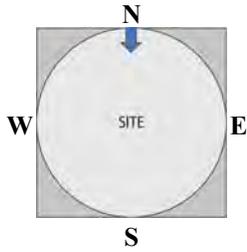
SITE PHOTOGRAPHS



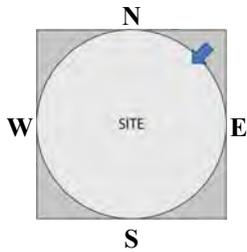
Entryway Signage



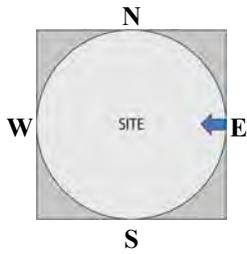
Property Photo



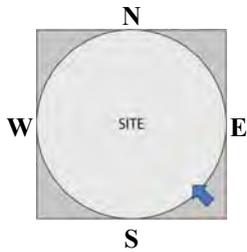
View of site from the north



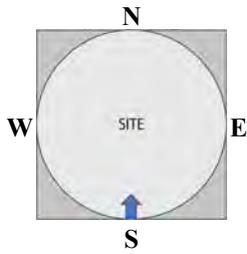
View of site from the northeast



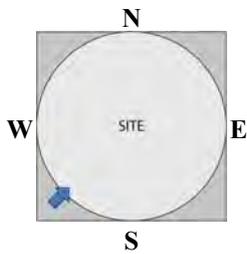
View of site from the east



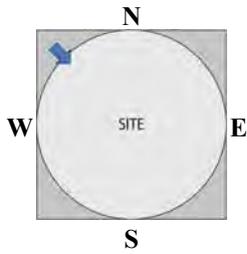
View of site from the southeast



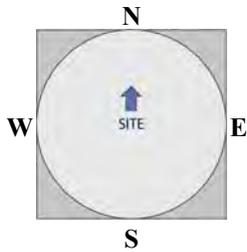
View of site from the south



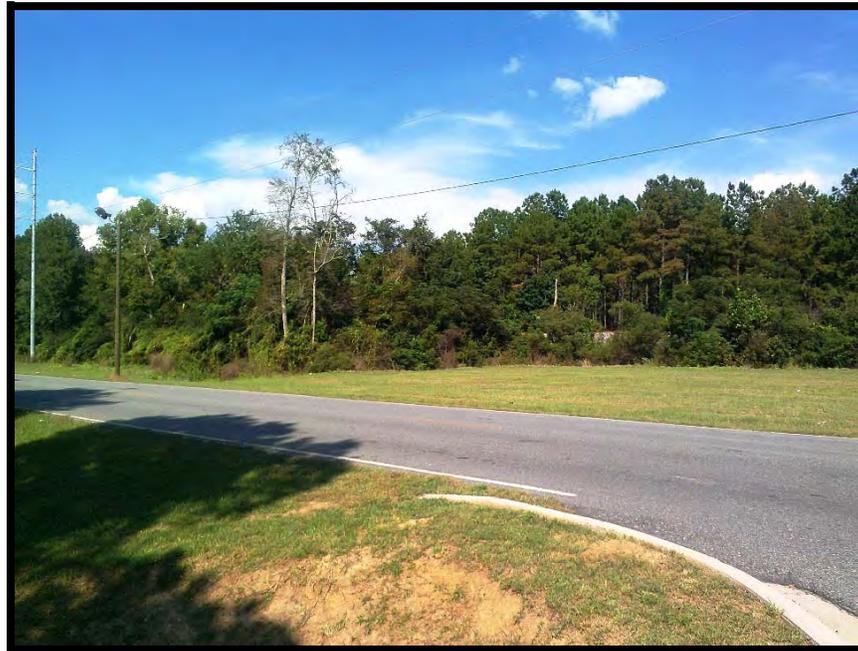
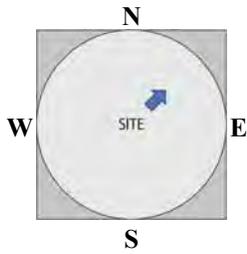
View of site from the southwest



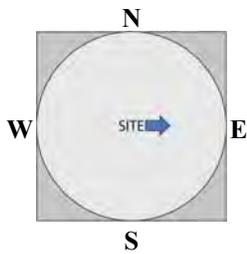
View of site from the northwest



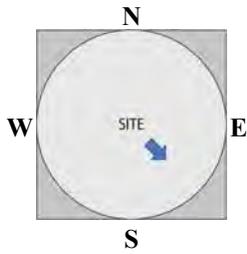
North view from site



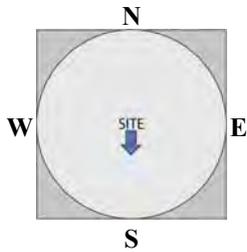
Northeast view from site



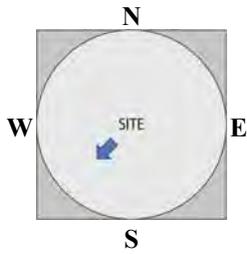
East view from site



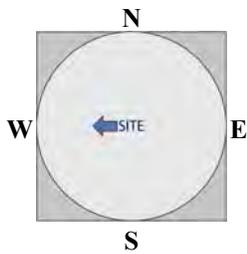
Southeast view from site



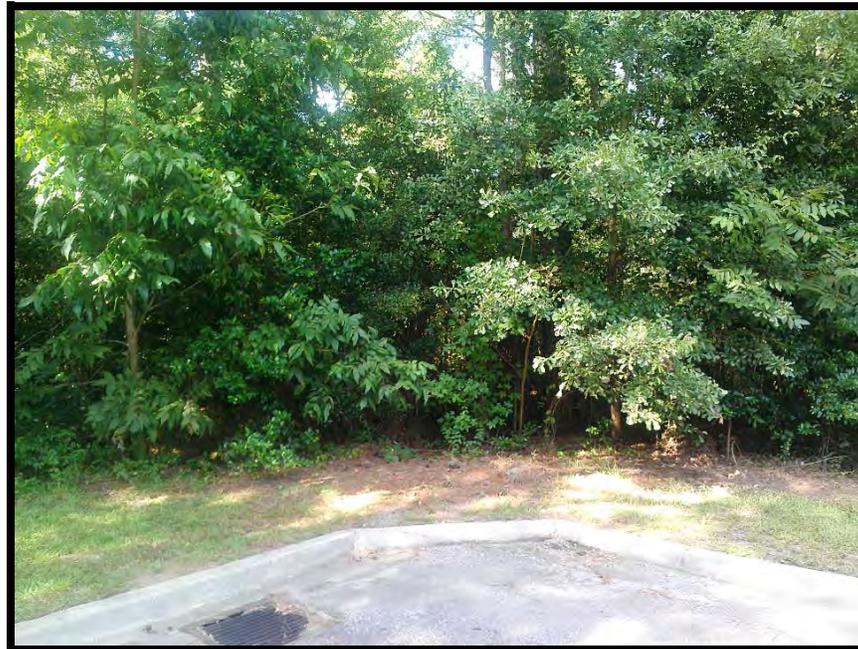
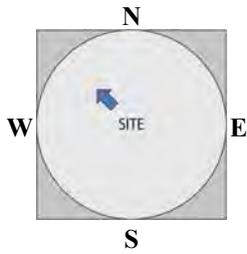
South view from site



Southwest view from site



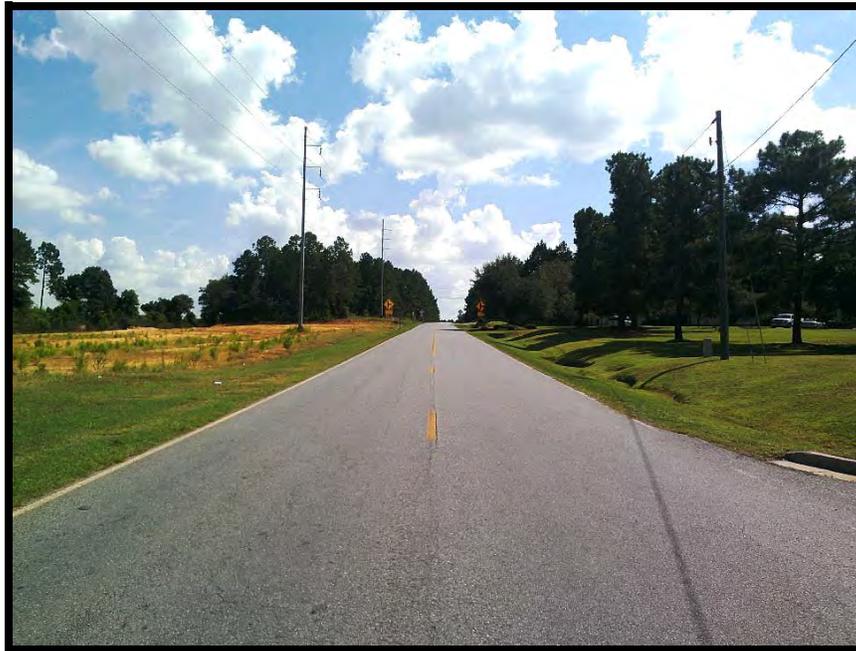
West view from site



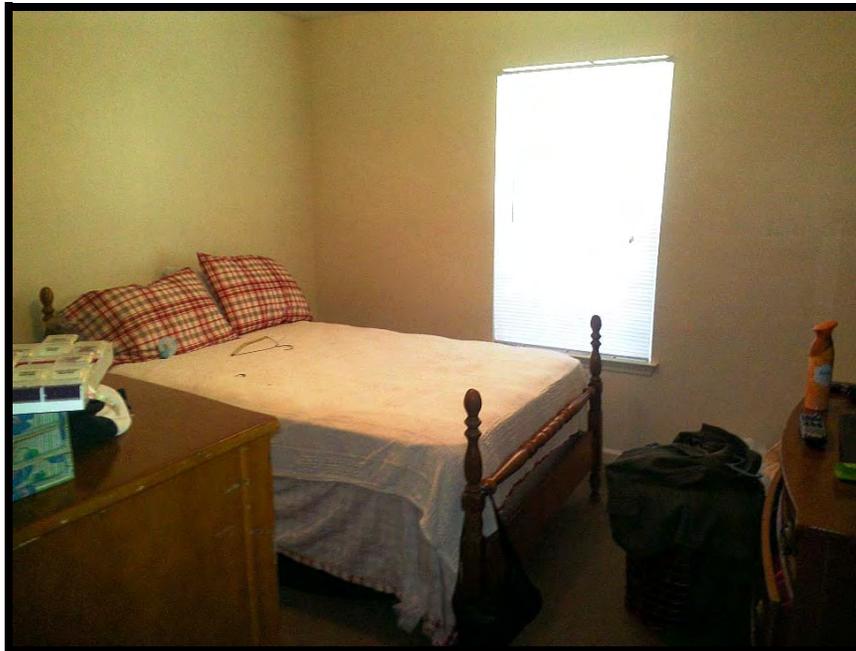
Northwest view from site



Streetscape north view of South 7th Street



Streetscape south view of 7th South Street



One Bedroom



One Bedroom- Bathroom



One Bedroom- Living Room



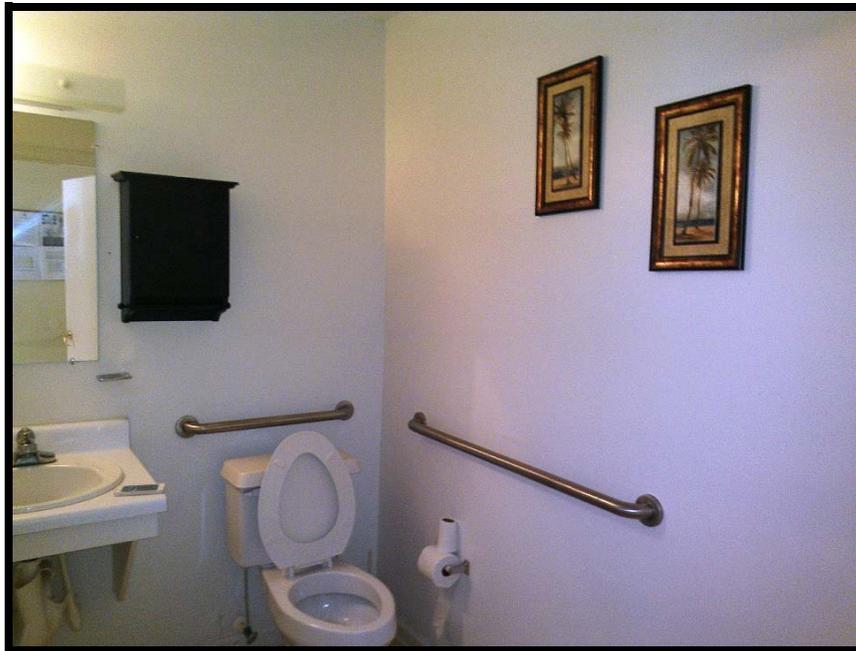
One-Bedroom- Dining Room



Community Room



Community Kitchen



Community Room Bathroom



Laundry Facility

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 41/State Route 7/90	0.4 West
	State Route 27	0.5 North
	U.S. Highway 75	2.0 East
Public Bus Stop	Vienna Senior Center	On-Site
Major Employers/ Employment Centers	Dollar General Market	1.2 Northeast
	Tyson Farms	1.7 Northeast
	Cordele Medical Center	8.2 South
Convenience Store	Mini Mart	0.6 North
	Causey's Gas Station	1.2 Northwest
	Sunoco	1.7 East
Grocery	Piggly Wiggly	1.1 Northwest
	Dollar General Market	1.2 Northeast
Discount Department Store	Family Dollar	1.1 Northwest
	Dollar General Market	1.2 Northeast
Hospital	Dooly County Community Health Center	1.4 Northeast
	Cordele Medical Center	8.2 South
Police	Vienna City Police Department	0.7 Northwest
Fire	Vienna Volunteer Fire Department	1.1 Northwest
Post Office	U.S. Post Office	1.1 Northwest
Bank	PNC Bank	1.0 Northwest
	Bank Of Dooly	1.1 Northwest
Senior Center	Vienna Senior Center	1.2 Northeast
Recreational Facilities	Vienna Fitness	0.9 Northwest
	George Busbee Park	0.9 Northwest
	Walter F. George Park	1.0 Northwest
	Anthony Bowens Park	1.7 Northwest
Gas Station	Causey's Gas Station	1.2 Northwest
	Sunoco	1.7 East
	Pilot Travel Center	2.1 East
Pharmacy	Forbes Drug Company	0.9 Northwest
Restaurant	Downtown Grill	1.0 Northwest
	Teddy's Sports Bar & Restaurant	1.1 Northwest
	Huddle House	1.6 East
Library	Dooly County Library	1.4 East
Church	Vienna United Methodist	0.7 North
	Faith Baptist Church	0.8 Northwest
	Mt Zion CME Church	0.8 Northeast

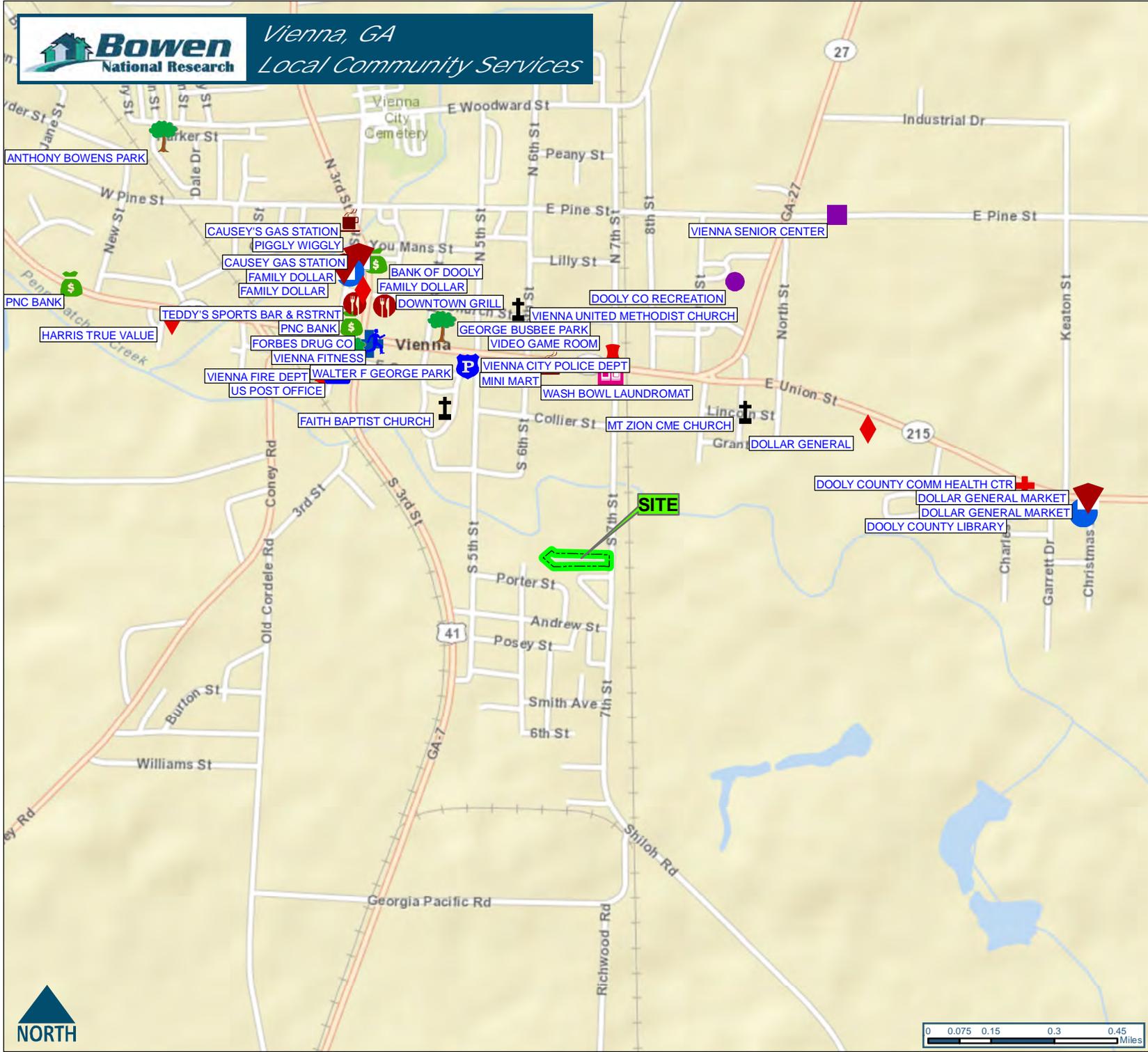
Due to the rural nature of the Vienna area, community services and shopping opportunities are somewhat limited within the area. However, many basic community services are located within 1.5 miles of the subject site including Piggly Wiggly, Family Dollar, Dollar General Market, Forbes Drug Company, Mini Mart, PNC Bank, Vienna Senior Center and Downtown Grill. Given the proximity of many of the community services in the Vienna area, residents of the subject site are able to obtain their basic shopping needs without traveling long distances. It should be of note that there is not a fixed-route public transportation system in the city of Vienna; however, the Vienna Senior Center provides free on-site transportation services to senior residents for shopping, doctor's appointments and senior center activities.

The Cordele Medical Center is the nearest full-service hospital with emergency services and is located within 8.2 miles south of the subject site in the nearby town of Cordele. It should be noted that there is the Dooly County Community Health Center located in Vienna, located within 1.4 miles of the subject site. The Dooly County Community Health Center provides primary healthcare to residents of Vienna and is typically open 43 hours a week.

All public safety services are provided by the Vienna City Police Department and the Vienna Volunteer Fire Department which are located 1.1 miles from the subject site.

Overall, the subject site has convenient accessibility to community services located within Vienna and, as previously stated, senior transportation services are provided by the Vienna Senior Center on an "as needed" basis which further enhances the accessibility of select community services for senior residents of the subject site.

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

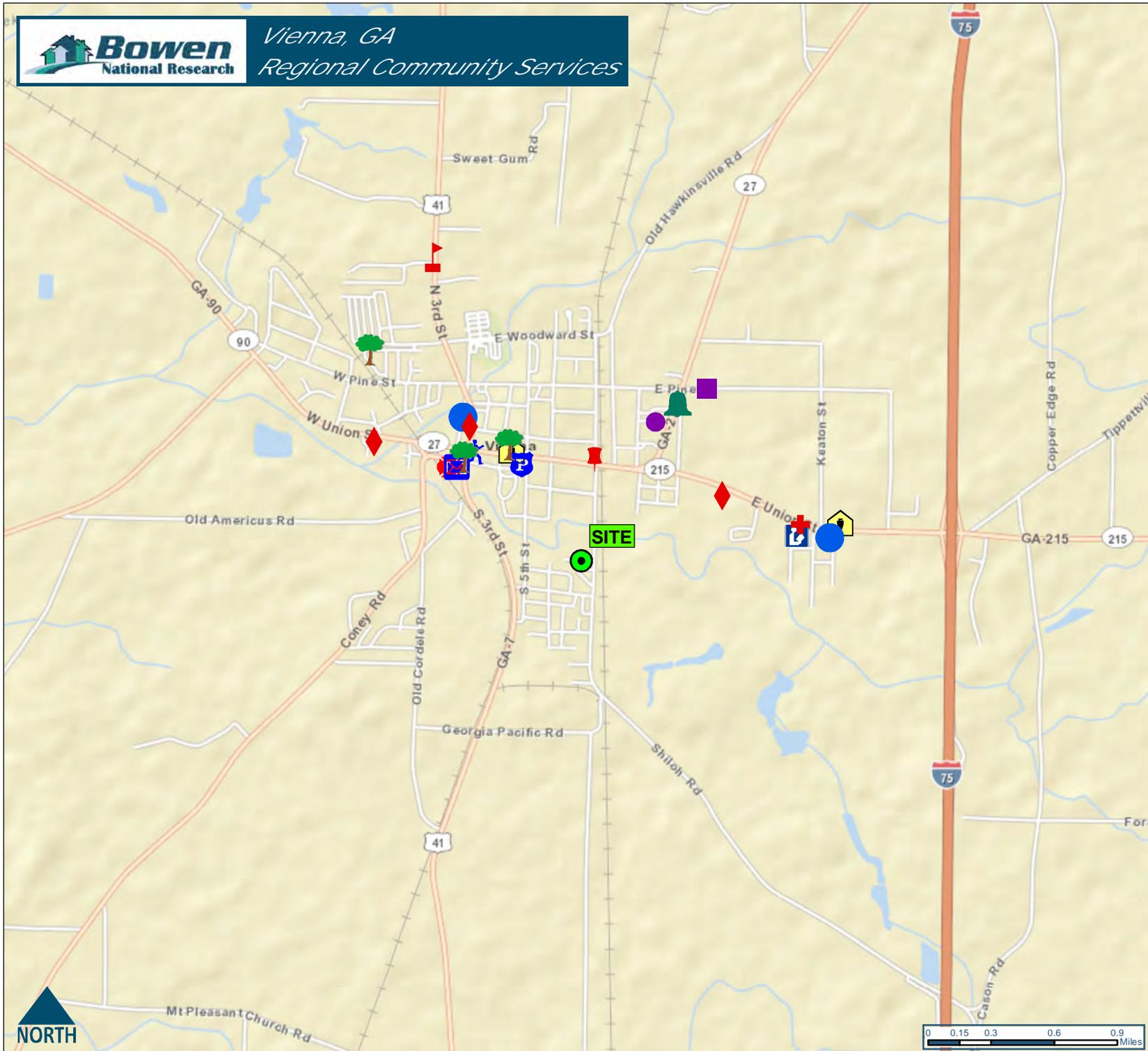


Legend

-  Site Area
-  bank
-  church
-  convenience store
-  entertainment
-  fire
-  fitness center
-  gas
-  grocery
-  laundry and drycleaning
-  library
-  medical center
-  park
-  pharmacy
-  police
-  post office
-  recreation center
-  restaurant
-  senior services
-  shopping
-  employers_1000_5000



1:20,000



Legend

-  Site
-  entertainment
-  fire
-  fitness center
-  high school
-  library
-  medical center
-  museum
-  park
-  police
-  post office
-  recreation center
-  senior services
-  shopping
-  university
-  employers_1000_5000



6. CRIME ISSUES

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

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

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

Total crime risk (53) for the Site PMA is below the national average with an overall personal crime index of 55 and a property crime index of 44. Total crime risk (50) for Dooly County is also below the national average with indexes for personal and property crime of 49 and 46, respectively.

	Crime Risk Index	
	Site PMA	Dooly County
Total Crime	53	50
Personal Crime	55	49
Murder	144	89
Rape	10	17
Robbery	26	23
Assault	62	77
Property Crime	44	46
Burglary	76	74
Larceny	36	43
Motor Vehicle Theft	22	22

Source: Applied Geographic Solutions

As the preceding table illustrates the crime indexes for both the Site PMA and Dooly County are significantly below the national average. As such, the perception of crime, or lack thereof, will not be a factor on the continued marketability of the site. This is evidenced by the subject's 100.0% occupancy and wait list. In fact, nearly all rental properties identified and surveyed within the market are 100.0% occupied, further providing evidence that crime does not play a significant role in the rental housing market.

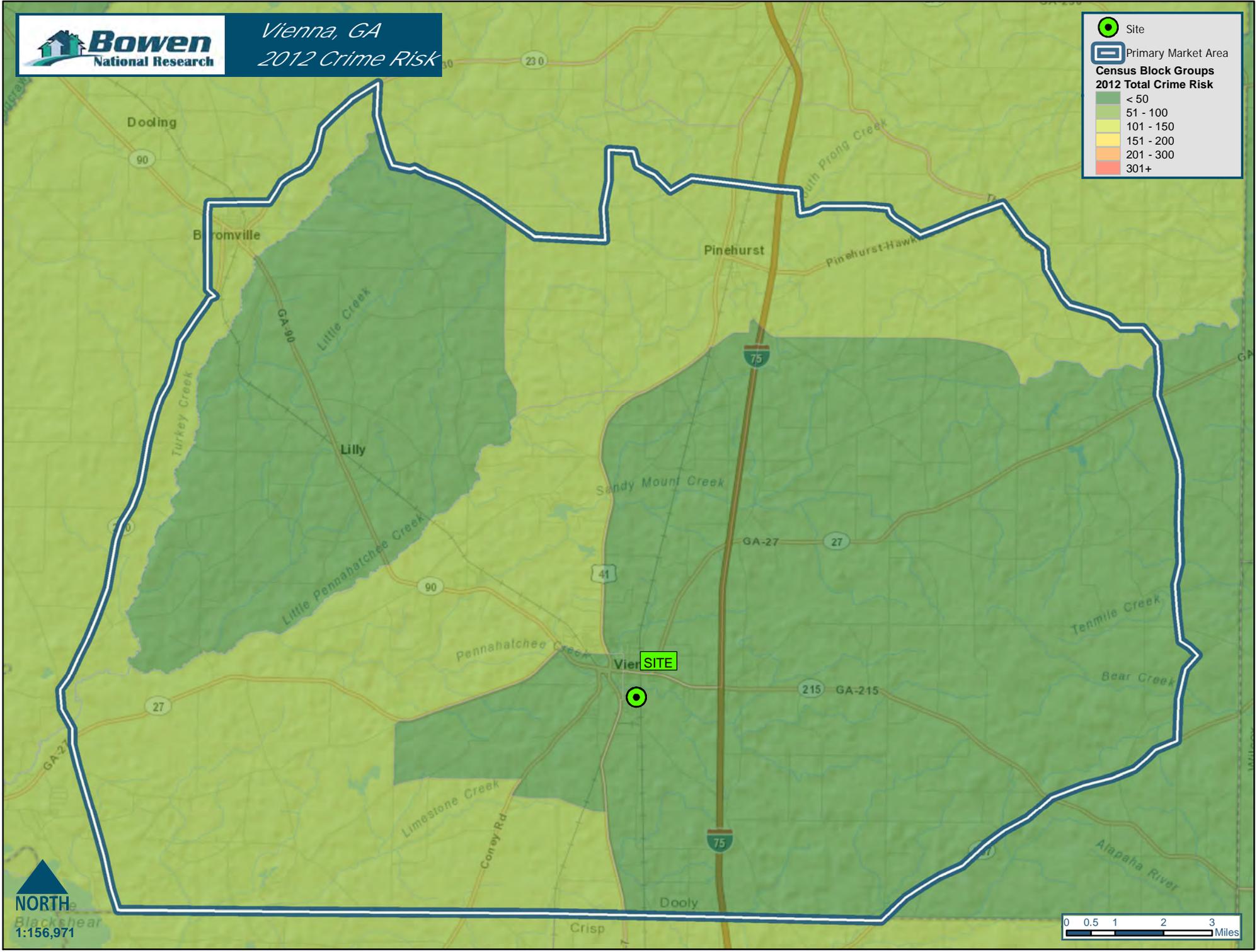
A map illustrating crime risk is on the following page.

● Site

▭ Primary Market Area

Census Block Groups
2012 Total Crime Risk

- < 50
- 51 - 100
- 101 - 150
- 151 - 200
- 201 - 300
- 301+



7. OVERALL SITE EVALUATION

The subject site located within a rural area of Vienna. The surrounding land uses predominantly consist of residential dwellings, most of which are considered to be in good condition, and undeveloped land. The surrounding land uses are consistent with those observed throughout the market area and the subject site fits well with its surrounding land uses. Overall visibility is considered adequate, as it is not visible from arterial roadways; however, the subject site does benefit from proper signage. Overall access is considered good, as the subject site is within 2.0 miles of State Routes 7, 27, 90 and 215, U.S. Highway 41 and Interstate 75. On-call, on-site pickup transportation services are also available provided by the Vienna Senior Center. The subject site is within close proximity of basic shopping needs, as most are within 1.5 miles. Overall, the site's location and proximity to essential community services will continue to have a positive impact on the subject project's marketability.

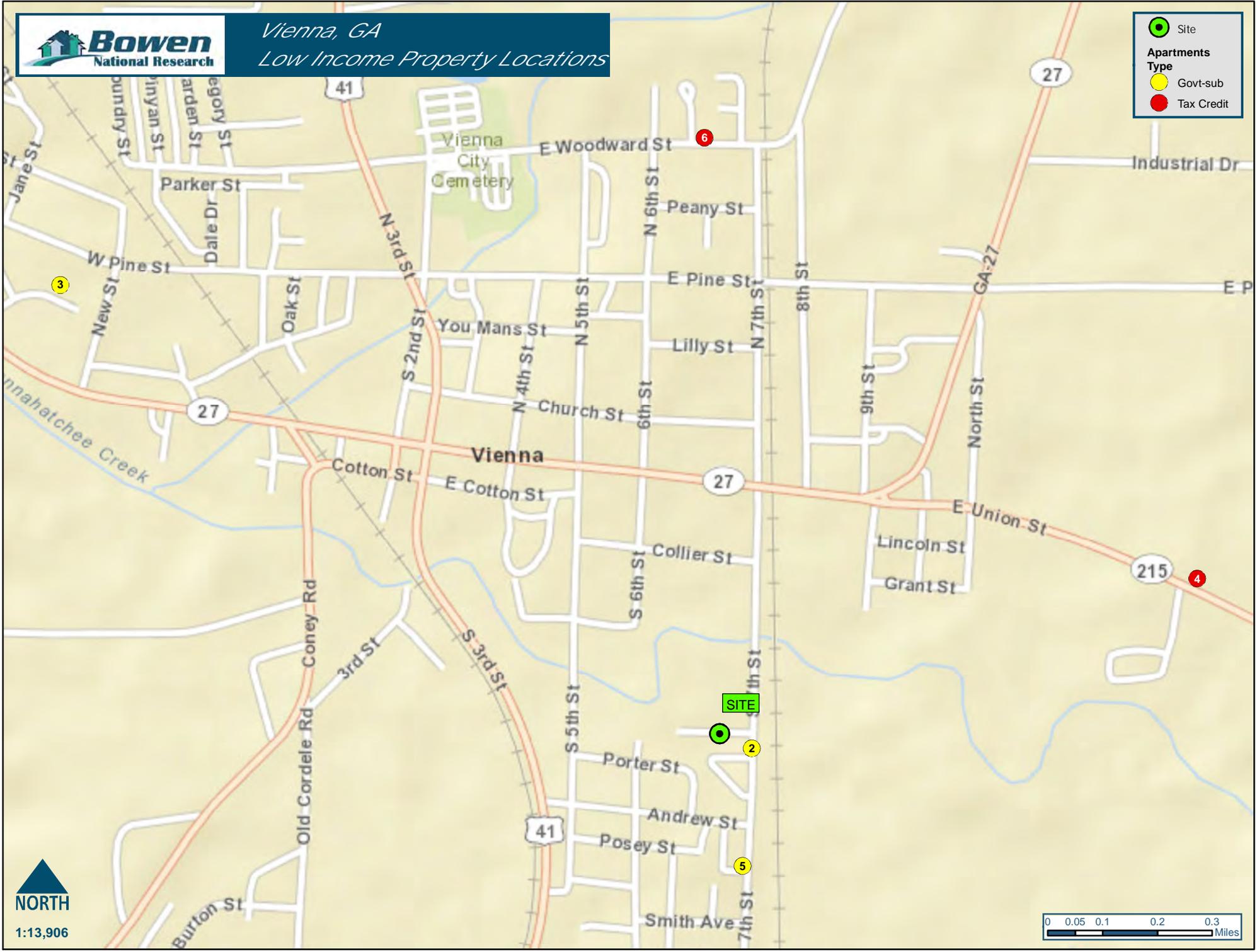
8. MAP OF LOW-INCOME RENTAL HOUSING

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

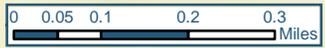


Vienna, GA
Low Income Property Locations

Site
Apartment Type
Govt-sub
Tax Credit



NORTH
1:13,906



SECTION D – PRIMARY MARKET AREA DELINEATION

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

The Vienna PMA includes all of Vienna, as well as the surrounding unincorporated areas of Dooly County, Georgia. The boundaries of the Vienna Site PMA include Pinehurst Byromville Road, Pinehurst Hawkinsville Road and Third District Road to the north; Third District Road, Priest Road and State Route 257 to the east; the Dooly County line to the south; and River Road and South Oak Street to the west.

Betty Town, Property Manager of the Fairfield Apartments II (subject site), stated that the majority of her tenants originate from Dooly County, with the highest concentration from Vienna. Ms. Town further stated that seniors typically stay close to family, friends and familiar community services, thus confirming the Site PMA.

Jana Beavers, Manager of the Vienna Senior Center, stated that the majority of senior residents in the Vienna area were born and raised in Vienna. Ms. Beavers further stated that many seniors have raised their own families in Vienna and remain in the city to stay close with family members.

Kimberly Kicliter, Property Manager of the Woodward Apartments (Map I.D. 6), a general-occupancy LIHTC community in Vienna, stated that approximately 90% of her tenants are originally from Vienna and the surrounding unincorporated areas of Dooly County.

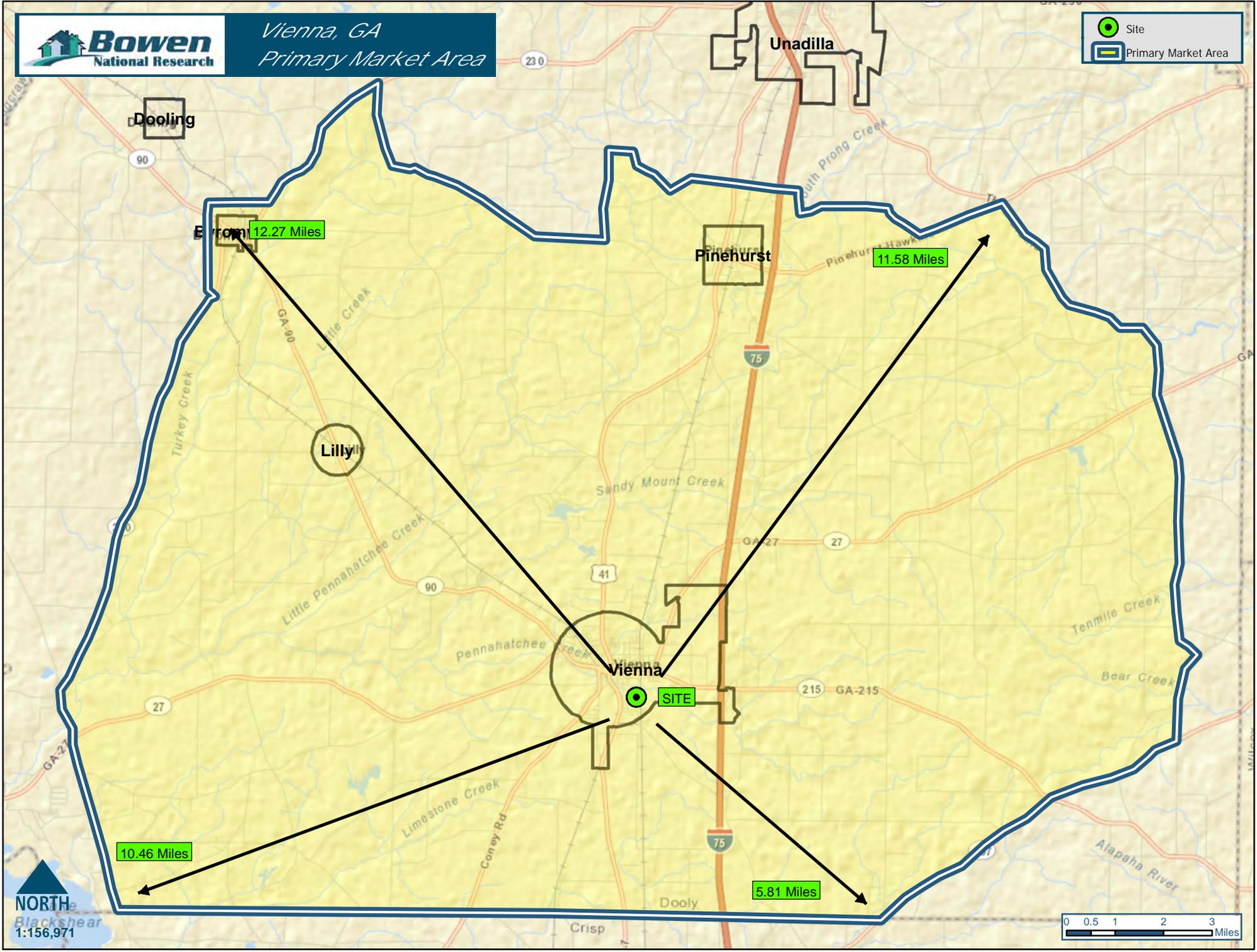
Although a small portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered any secondary market area in this report.

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



Vienna, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
Blackshear
1:156,971



SECTION E - COMMUNITY DEMOGRAPHIC DATA

The following demographic data relates to the Site PMA. It is important to note that not all 2015 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2015 projections do not vary more than 1.0%.

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2013 (estimated) and 2015 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2015 (Projected)
Population	6,597	8,454	8,756	8,890
Population Change	-	1,857	302	134
Percent Change	-	28.2%	3.6%	1.5%

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

The Vienna Site PMA population base increased by 1,857 between 2000 and 2010. This represents a 28.2% increase over the 2000 population, or an annual rate of 2.8%. Between 2010 and 2013, the population increased by 302, or 3.6%. It is projected that the population will increase by 134, or 1.5%, between 2013 and 2015.

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

Population by Age	2010 (Census)		2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	2,268	26.8%	2,286	26.1%	2,303	25.9%	18	0.8%
20 to 24	482	5.7%	497	5.7%	486	5.5%	-11	-2.2%
25 to 34	999	11.8%	1,046	12.0%	1,061	11.9%	15	1.4%
35 to 44	1,042	12.3%	1,038	11.9%	1,038	11.7%	0	0.0%
45 to 54	1,194	14.1%	1,180	13.5%	1,157	13.0%	-22	-1.9%
55 to 64	1,174	13.9%	1,276	14.6%	1,315	14.8%	40	3.1%
65 to 74	765	9.1%	875	10.0%	954	10.7%	78	9.0%
75 & Over	530	6.3%	559	6.4%	576	6.5%	17	3.1%
Total	8,454	100.0%	8,756	100.0%	8,890	100.0%	134	1.5%

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

As the preceding table illustrates, nearly 31% of the population is expected to be age 55 and older in 2013; 32% projected in 2015. This age group is the prime group of current and potential renters for the subject site and will likely represent a significant number of the tenants.

The following compares the PMA's elderly (age 62+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2013 (Estimated)	2015 (Projected)
Elderly (Age 62+)	1,652	1,825	1,936
Non-Elderly	6,802	6,931	6,955
Total	8,454	8,756	8,890

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

The elderly population is projected to increase by 111, or 6.1%, between 2013 and 2015. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2015 (Projected)
Households	2,420	3,303	3,386	3,463
Household Change	-	883	83	77
Percent Change	-	36.5%	2.5%	2.3%
Household Size	2.73	2.56	2.54	2.53

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

Within the Vienna Site PMA, households increased by 883 (36.5%) between 2000 and 2010. Between 2010 and 2013, households increased by 83 or 2.5%. By 2015, there will be 3,463 households, an increase of 77 households, or 2.3% over 2013 levels. This is an increase of approximately 38 households annually over the next two years.

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

Households by Age	2010 (Census)		2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	110	3.1%	100	2.9%	97	2.8%	-2	-2.4%
25 to 34	465	13.1%	448	13.2%	455	13.1%	7	1.6%
35 to 44	564	15.9%	516	15.2%	517	14.9%	0	0.1%
45 to 54	724	20.4%	647	19.1%	635	18.3%	-12	-1.9%
55 to 64	765	21.5%	739	21.8%	762	22.0%	24	3.2%
65 to 74	522	14.7%	539	15.9%	587	17.0%	48	8.9%
75 to 84	288	8.1%	289	8.5%	298	8.6%	8	2.9%
85 & Over	114	3.2%	109	3.2%	112	3.2%	4	3.5%
Total	3,553	100.0%	3,386	100.0%	3,463	100.0%	77	2.3%

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

Between 2013 and 2015, the greatest growth among household age groups is projected to be among the households ages 55 and older, an increase of 84 households, or 5.0%. This growth likely indicates an increasing need for senior housing in the market.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	1,364	41.3%	1,378	40.7%	1,387	40.0%
Owner-Occupied (Age 62+)	929	28.1%	954	28.2%	1,008	29.1%
Renter-Occupied (<Age 62)	787	23.8%	871	25.7%	874	25.2%
Renter-Occupied (Age 62+)	222	6.7%	183	5.4%	195	5.6%
Total	3,303	100.0%	3,386	100.0%	3,463	100.0%

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

Currently, 5.4% of all occupied housing units within the Site PMA are occupied by renters age 62 and older. Renters age 62 and older are projected to increase by 12 households, or 6.6%.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	2,294	69.4%	2,332	68.9%	2,394	69.1%
Renter-Occupied	1,009	30.6%	1,055	31.1%	1,069	30.9%
Total	3,303	100.0%	3,386	100.0%	3,463	100.0%

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

In 2013, homeowners occupied 68.9% of all occupied housing units, while the remaining 31.1% were occupied by renters.

Households by tenure for those age 62 and older in 2010, 2013 (estimated) and 2015 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	929	80.7%	954	83.9%	1,008	83.8%
Renter-Occupied	222	19.3%	183	16.1%	195	16.2%
Total	1,152	100.0%	1,137	100.0%	1,203	100.0%

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

A total of 183 (16.1%) of all households age 62 and older within the Site PMA were renters in 2013.

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2013 estimates and 2015 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Households	Percent	Households	Percent	Households	Percent
1 Person	148	80.6%	156	79.9%	8	5.5%
2 Persons	29	15.8%	32	16.5%	3	10.6%
3 Persons	0	0.0%	0	0.0%	0	0.0%
4 Persons	6	3.5%	6	3.3%	0	1.1%
5 Persons+	0	0.1%	1	0.3%	0	100.0%
Total	183	100.0%	195	100.0%	12	6.6%

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

Persons Per Owner Household Age 62+	2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Households	Percent	Households	Percent	Households	Percent
1 Person	391	41.1%	412	40.8%	20	5.1%
2 Persons	469	49.2%	495	49.1%	26	5.5%
3 Persons	56	5.9%	61	6.0%	5	8.3%
4 Persons	17	1.8%	19	1.9%	2	13.6%
5 Persons+	20	2.1%	21	2.1%	1	6.9%
Total	954	100.0%	1,008	100.0%	54	5.7%

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

The subject site targets one- to two-person senior households, which comprise nearly all of the Site PMA's senior renter households. As such, the subject project will continue to accommodate nearly all of the senior renter households within the Site PMA based on household size.

The distribution of households by income age 62 and older within the Vienna Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	262	22.7%	269	23.7%	280	23.3%
\$10,000 to \$19,999	236	20.5%	214	18.8%	222	18.5%
\$20,000 to \$29,999	133	11.5%	140	12.3%	152	12.6%
\$30,000 to \$39,999	90	7.8%	109	9.6%	114	9.5%
\$40,000 to \$49,999	115	10.0%	98	8.7%	107	8.9%
\$50,000 to \$59,999	63	5.5%	57	5.0%	59	4.9%
\$60,000 to \$74,999	49	4.3%	53	4.7%	57	4.7%
\$75,000 to \$99,999	83	7.2%	84	7.4%	89	7.4%
\$100,000 to \$124,999	44	3.8%	50	4.4%	55	4.6%
\$125,000 to \$149,999	13	1.1%	6	0.5%	9	0.7%
\$150,000 to \$199,999	24	2.1%	25	2.2%	25	2.0%
\$200,000 & Over	40	3.5%	31	2.8%	34	2.8%
Total	1,152	100.0%	1,137	100.0%	1,203	100.0%
Median Income	\$25,875		\$26,120		\$26,549	

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

In 2010, the median household income for households age 62 and older was \$25,875. This increased by 0.9% to \$26,120 in 2013. By 2015, it is projected that the median household income will be \$26,549, an increase of 1.6% over 2013.

The following tables illustrate renter household income by household size for age 62 and older for 2010, 2013 and 2015 for the Vienna Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	103	0	0	2	0	106
\$10,000 to \$19,999	45	11	0	2	0	58
\$20,000 to \$29,999	13	0	0	0	0	13
\$30,000 to \$39,999	4	0	0	0	0	5
\$40,000 to \$49,999	6	15	0	1	0	21
\$50,000 to \$59,999	3	0	0	0	0	3
\$60,000 to \$74,999	1	1	0	0	0	2
\$75,000 to \$99,999	3	0	0	1	0	4
\$100,000 to \$124,999	1	1	0	0	0	2
\$125,000 to \$149,999	0	0	0	0	1	2
\$150,000 to \$199,999	0	0	0	1	0	1
\$200,000 & Over	0	5	0	1	0	6
Total	180	33	0	8	1	222

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Age 62+ Households	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	92	0	0	3	0	95
\$10,000 to \$19,999	31	10	0	2	0	44
\$20,000 to \$29,999	11	0	0	0	0	11
\$30,000 to \$39,999	3	0	0	0	0	3
\$40,000 to \$49,999	3	12	0	0	0	15
\$50,000 to \$59,999	2	0	0	0	0	2
\$60,000 to \$74,999	2	1	0	0	0	3
\$75,000 to \$99,999	2	1	0	0	0	3
\$100,000 to \$124,999	3	1	0	0	0	3
\$125,000 to \$149,999	0	0	0	0	0	0
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	4	0	0	0	5
Total	148	29	0	6	0	183

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Age 62+ Households	2015 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	98	0	0	3	0	101
\$10,000 to \$19,999	33	12	0	2	0	46
\$20,000 to \$29,999	11	0	0	0	0	11
\$30,000 to \$39,999	3	0	0	0	0	4
\$40,000 to \$49,999	3	14	0	0	0	17
\$50,000 to \$59,999	2	0	0	0	0	2
\$60,000 to \$74,999	2	1	0	0	0	4
\$75,000 to \$99,999	2	1	0	0	0	3
\$100,000 to \$124,999	3	1	0	0	0	4
\$125,000 to \$149,999	0	0	0	0	0	0
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	4	0	0	1	5
Total	156	32	0	6	1	195

Source: Ribbon Demographics; ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2013 and 2015 for the Vienna Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	132	23	0	0	0	156
\$10,000 to \$19,999	88	87	3	0	0	179
\$20,000 to \$29,999	28	80	6	7	0	120
\$30,000 to \$39,999	59	23	2	1	1	86
\$40,000 to \$49,999	7	78	10	0	0	94
\$50,000 to \$59,999	8	22	6	9	15	60
\$60,000 to \$74,999	18	22	7	0	0	47
\$75,000 to \$99,999	13	63	2	1	0	79
\$100,000 to \$124,999	6	21	12	0	3	41
\$125,000 to \$149,999	2	9	0	0	0	11
\$150,000 to \$199,999	3	19	2	0	0	23
\$200,000 & Over	11	23	0	0	0	34
Total	374	470	49	18	19	929

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Age 62+ Households	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	148	27	0	0	0	174
\$10,000 to \$19,999	87	80	3	0	0	170
\$20,000 to \$29,999	27	86	8	8	0	129
\$30,000 to \$39,999	68	32	4	2	0	106
\$40,000 to \$49,999	5	65	12	0	0	83
\$50,000 to \$59,999	8	19	5	6	16	55
\$60,000 to \$74,999	20	22	8	0	0	50
\$75,000 to \$99,999	12	66	3	1	0	81
\$100,000 to \$124,999	6	26	11	0	3	46
\$125,000 to \$149,999	1	5	0	0	0	6
\$150,000 to \$199,999	2	21	1	0	0	25
\$200,000 & Over	7	19	0	0	0	27
Total	391	469	56	17	20	954

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Age 62+ Households	2015 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	153	27	0	0	0	179
\$10,000 to \$19,999	90	83	3	0	0	176
\$20,000 to \$29,999	29	93	9	9	0	141
\$30,000 to \$39,999	73	33	3	2	0	111
\$40,000 to \$49,999	5	71	14	0	0	91
\$50,000 to \$59,999	9	19	6	7	18	57
\$60,000 to \$74,999	22	22	9	0	0	53
\$75,000 to \$99,999	13	69	3	1	0	86
\$100,000 to \$124,999	7	29	12	1	3	52
\$125,000 to \$149,999	1	7	1	0	0	9
\$150,000 to \$199,999	2	21	1	0	0	25
\$200,000 & Over	8	21	0	0	0	29
Total	412	495	61	19	21	1,008

Source: Ribbon Demographics; ESRI; Urban Decision Group

Overall, population and households have experienced positive growth since 2000. These trends are projected to remain positive through 2015, increasing by 134 (1.5%) and 77 (2.3%), respectively, from 2013. Further, renter households ages 62 and older are projected to increase by 12 (6.6%) during the same time period. In addition, the subject project will continue to target one- to two-person households which comprise nearly all of the senior renter households within the Site PMA. As such, the project will continue to accommodate the majority of the Site PMA's senior renter households based on size. The preceding factors will have a positive impact on the continued marketability of the subject site.

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

SECTION F - ECONOMIC TRENDS

1. LABOR FORCE PROFILE

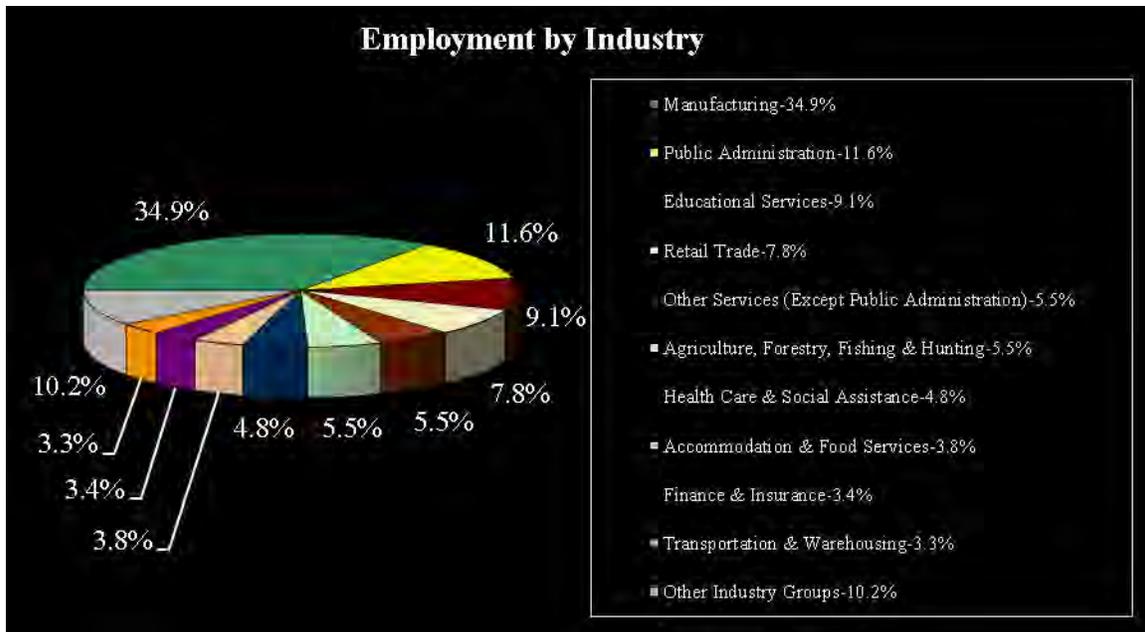
The labor force within the Vienna Site PMA is based primarily in two sectors. Manufacturing (which comprises 34.9%) and Public Administration comprise nearly 47% of the Site PMA labor force. Employment in the Vienna Site PMA, as of 2013, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	20	6.2%	172	5.5%	8.6
Mining	1	0.3%	32	1.0%	32.0
Utilities	2	0.6%	45	1.4%	22.5
Construction	8	2.5%	22	0.7%	2.8
Manufacturing	7	2.2%	1,090	34.9%	155.7
Wholesale Trade	8	2.5%	41	1.3%	5.1
Retail Trade	46	14.2%	243	7.8%	5.3
Transportation & Warehousing	25	7.7%	102	3.3%	4.1
Information	5	1.5%	35	1.1%	7.0
Finance & Insurance	17	5.2%	107	3.4%	6.3
Real Estate & Rental & Leasing	9	2.8%	23	0.7%	2.6
Professional, Scientific & Technical Services	12	3.7%	35	1.1%	2.9
Management of Companies & Enterprises	1	0.3%	15	0.5%	15.0
Administrative, Support, Waste Management & Remediation Services	6	1.8%	14	0.4%	2.3
Educational Services	11	3.4%	285	9.1%	25.9
Health Care & Social Assistance	18	5.5%	149	4.8%	8.3
Arts, Entertainment & Recreation	4	1.2%	19	0.6%	4.8
Accommodation & Food Services	16	4.9%	119	3.8%	7.4
Other Services (Except Public Administration)	57	17.5%	173	5.5%	3.0
Public Administration	39	12.0%	362	11.6%	9.3
Nonclassifiable	13	4.0%	38	1.2%	2.9
Total	325	100.0%	3,121	100.0%	9.6

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Middle Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Middle Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$84,590	\$106,520
Business and Financial Occupations	\$59,640	\$69,720
Computer and Mathematical Occupations	\$60,480	\$76,060
Architecture and Engineering Occupations	\$65,880	\$73,630
Community and Social Service Occupations	\$35,620	\$41,880
Art, Design, Entertainment and Sports Medicine Occupations	\$35,780	\$48,400
Healthcare Practitioners and Technical Occupations	\$60,510	\$69,400
Healthcare Support Occupations	\$21,420	\$26,160
Protective Service Occupations	\$30,190	\$33,690
Food Preparation and Serving Related Occupations	\$18,480	\$19,810
Building and Grounds Cleaning and Maintenance Occupations	\$20,890	\$23,550
Personal Care and Service Occupations	\$19,400	\$22,160
Sales and Related Occupations	\$26,820	\$35,520
Office and Administrative Support Occupations	\$28,510	\$33,110
Construction and Extraction Occupations	\$34,260	\$38,120
Installation, Maintenance and Repair Occupations	\$38,390	\$41,750
Production Occupations	\$30,760	\$31,340
Transportation and Moving Occupations	\$26,740	\$34,260

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

Most annual blue-collar salaries range from \$18,480 to \$38,390 within the nonmetropolitan area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$66,220. While the subject project targets senior households, many of which will likely be retired, there appears to be a sufficient base of wage-appropriate occupations in the market from which individuals seeking employment could choose.

2. MAJOR EMPLOYERS

The ten largest employers within Dooly County are summarized in the following table. Note that information on the total number of employees was not available at the time this report was issued.

Employer Name	Business Type
Brannen Motor Co.	Auto Dealership
Flex-Tec, Inc.	Custom Wire Harness
Flint River Service, Inc.	Sod
Fullington Academy	Education
Georgia Dept. of Corrections	Prison
McDonald's	Food Service
Middle Georgia Electric Membership	Electric Co-Op
Pinehill Nursing Center	Nursing Home
Tyson Farms	Poultry Processing
United Parcel Service (UPS)	Delivery Service

Source: Georgia Department of Labor, Area Profile (Dooly County 2012)

According to an economic development representative with the City of Vienna, the local economy has been experiencing a slow recovery since the nationwide recession.

The local schools and government entities have been operating with restricted budgets, but have been able to avoid layoffs. City representatives stated that the downtown area of Vienna has seen some new development. In addition, a Dollar General Market (August 2012), Family Dollar Store (September 2013), and other small retailers and restaurants have added approximately 100 new jobs to the Vienna area.

In February 2012, Georgia Pacific announced plans to close their chemical plant in Vienna, affecting 24 employees. According to the Georgia Department of Labor website, there have been no additional WARN Notices of large scale layoffs and closures for Dooly County since January 2012.

3. EMPLOYMENT TRENDS

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

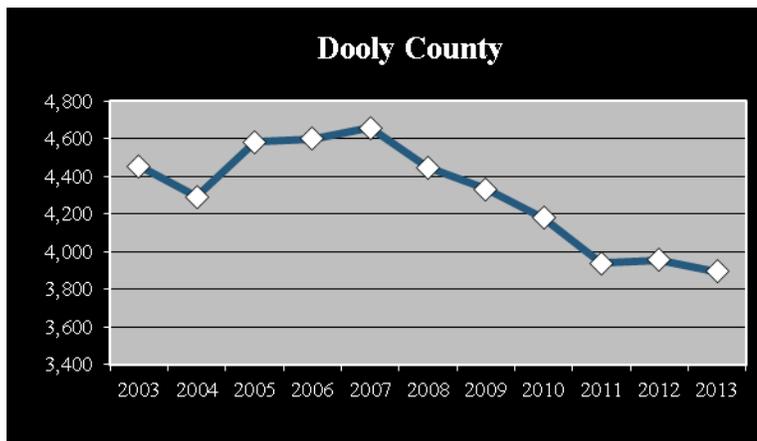
Excluding 2013, the employment base has declined by 11.1% over the past five years in Dooly County, more than the Georgia state decline of 3.7%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Dooly County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2003	4,454	-	4,173,787	-	137,936,674	-
2004	4,292	-3.6%	4,249,007	1.8%	138,386,944	0.3%
2005	4,584	6.8%	4,375,178	3.0%	139,988,842	1.2%
2006	4,602	0.4%	4,500,150	2.9%	142,328,023	1.7%
2007	4,658	1.2%	4,587,739	1.9%	144,990,053	1.9%
2008	4,449	-4.5%	4,540,706	-1.0%	146,397,529	1.0%
2009	4,334	-2.6%	4,289,819	-5.5%	146,068,824	-0.2%
2010	4,180	-3.6%	4,241,718	-1.1%	140,721,369	-3.7%
2011	3,939	-5.8%	4,295,113	1.3%	140,483,185	-0.2%
2012	3,955	0.4%	4,371,608	1.8%	141,748,955	0.9%
2013*	3,894	-1.6%	4,403,198	0.7%	141,772,241	0.0%

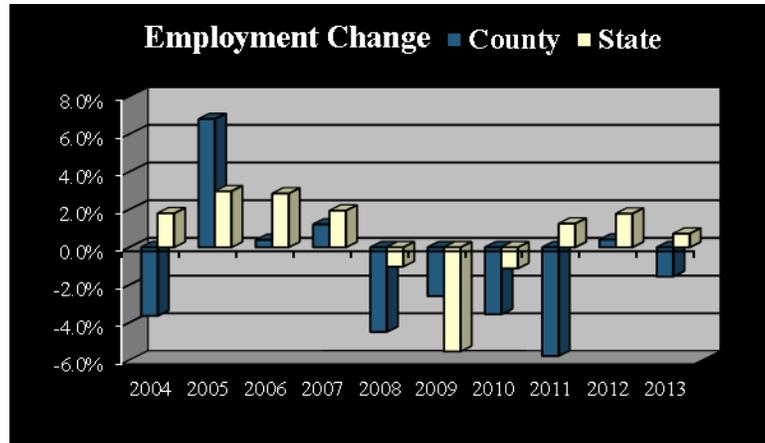
Source: Department of Labor; Bureau of Labor Statistics

*Through July



As the preceding illustrates, the Dooly County employment base experienced positive growth between 2004 and 2007, then experienced a significant decline between 2007 and 2011, mirroring national trends during the recession that impacted much of the country. Since 2011, the employment base has generally been stable.

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

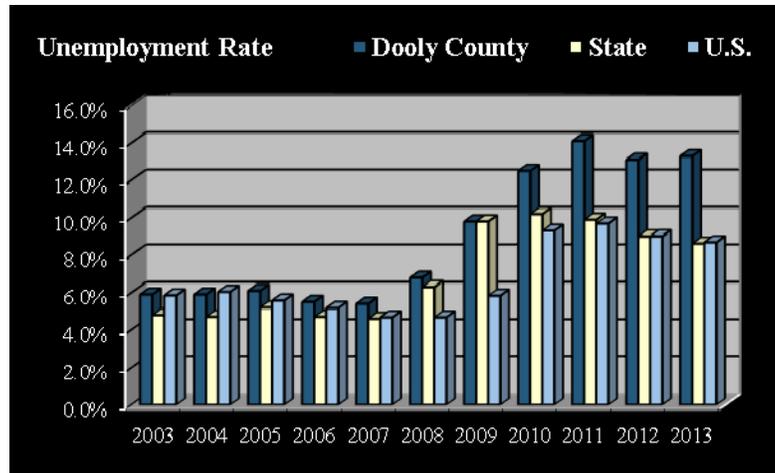


Unemployment rates for Dooly County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Dooly County	Georgia	United States
2003	5.9%	4.8%	5.8%
2004	5.9%	4.7%	6.0%
2005	6.1%	5.2%	5.6%
2006	5.5%	4.7%	5.2%
2007	5.4%	4.6%	4.7%
2008	6.8%	6.3%	4.7%
2009	9.8%	9.8%	5.8%
2010	12.5%	10.2%	9.3%
2011	14.1%	9.9%	9.7%
2012	13.1%	9.0%	9.0%
2013*	13.3%	8.6%	8.7%

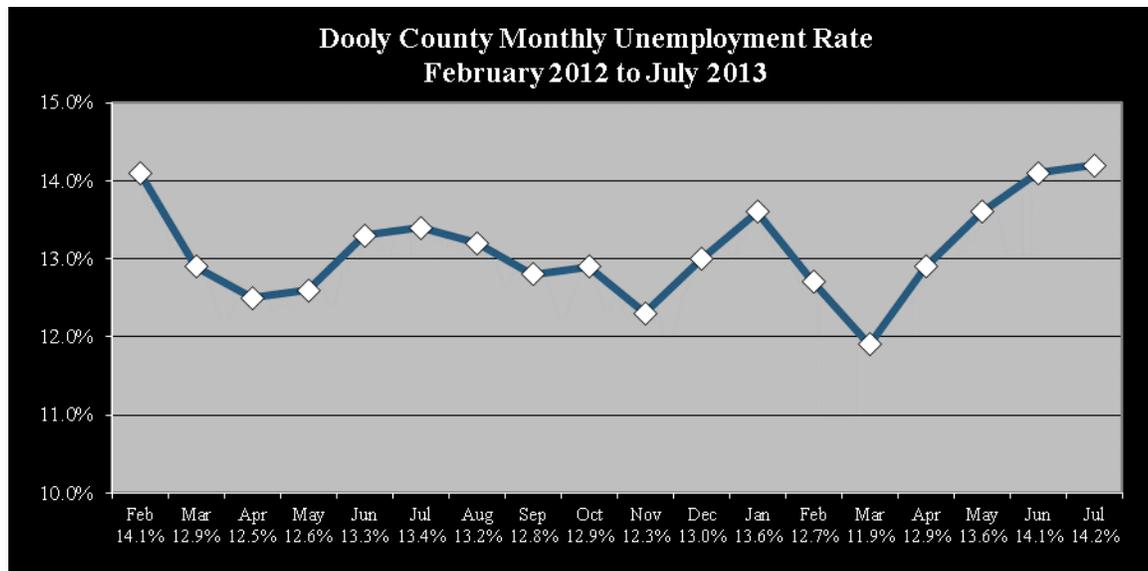
Source: Department of Labor, Bureau of Labor Statistics

*Through July



The unemployment rate in Dooly County has ranged between 5.4% and 14.1%, generally above both the state and national averages since 2003. The unemployment rate in Dooly County increased by nearly nine percentage points between 2007 and 2011, indicating that the county's economy faced challenges similar to those by much of the nation during this time period. A positive indicator is that the unemployment rate has generally decreased over the preceding three-year period, indicating economic recovery in the region is underway. However, it should be noted that the unemployment rate is averaging 13.3% through July 2013, which is still considered very high.

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



During the previous 18-month period, the monthly unemployment rate has generally increased, from 14.1% reported in February 2012 to 14.2% reported in July 2013. Note that the monthly unemployment rate is at its highest since February 2012. This indicates the demand for affordable housing is likely high within the county.

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

In-Place Employment Dooly County			
Year	Employment	Change	Percent Change
2002	3,569	-	-
2003	3,474	-95	-2.7%
2004	3,293	-181	-5.2%
2005	3,567	274	8.3%
2006	3,426	-141	-4.0%
2007	3,489	63	1.8%
2008	3,313	-176	-5.0%
2009	3,255	-58	-1.8%
2010	3,105	-150	-4.6%
2011	2,801	-304	-9.8%
2012*	2,960	159	5.7%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2012, the most recent year that year-end figures are available, indicates in-place employment in Dooly County to be 70.8% of the total Dooly County employment. This means that Dooly County has more employed persons staying within the county for daytime employment than those who work outside of the county. As such, this should continue to contribute to the marketability of the subject development.

4. **ECONOMIC FORECAST**

According to a representative with the City of Vienna's Economic Development Department, the local economy has been experiencing a slow recovery since the nationwide recession. In fact, both the employment base and unemployment rate within the county did not begin to stabilize until 2011, where most of the country began to experience economic improvements starting in 2010. On a positive note, there have been various small retailers and restaurants developed within the downtown area of Vienna since 2012, adding approximately 100 jobs. Although Georgia Pacific announced plans to close their chemical plant in Vienna on February 2012, there have been no additional WARN Notices of large scale layoffs and closures for the county since January 2012.

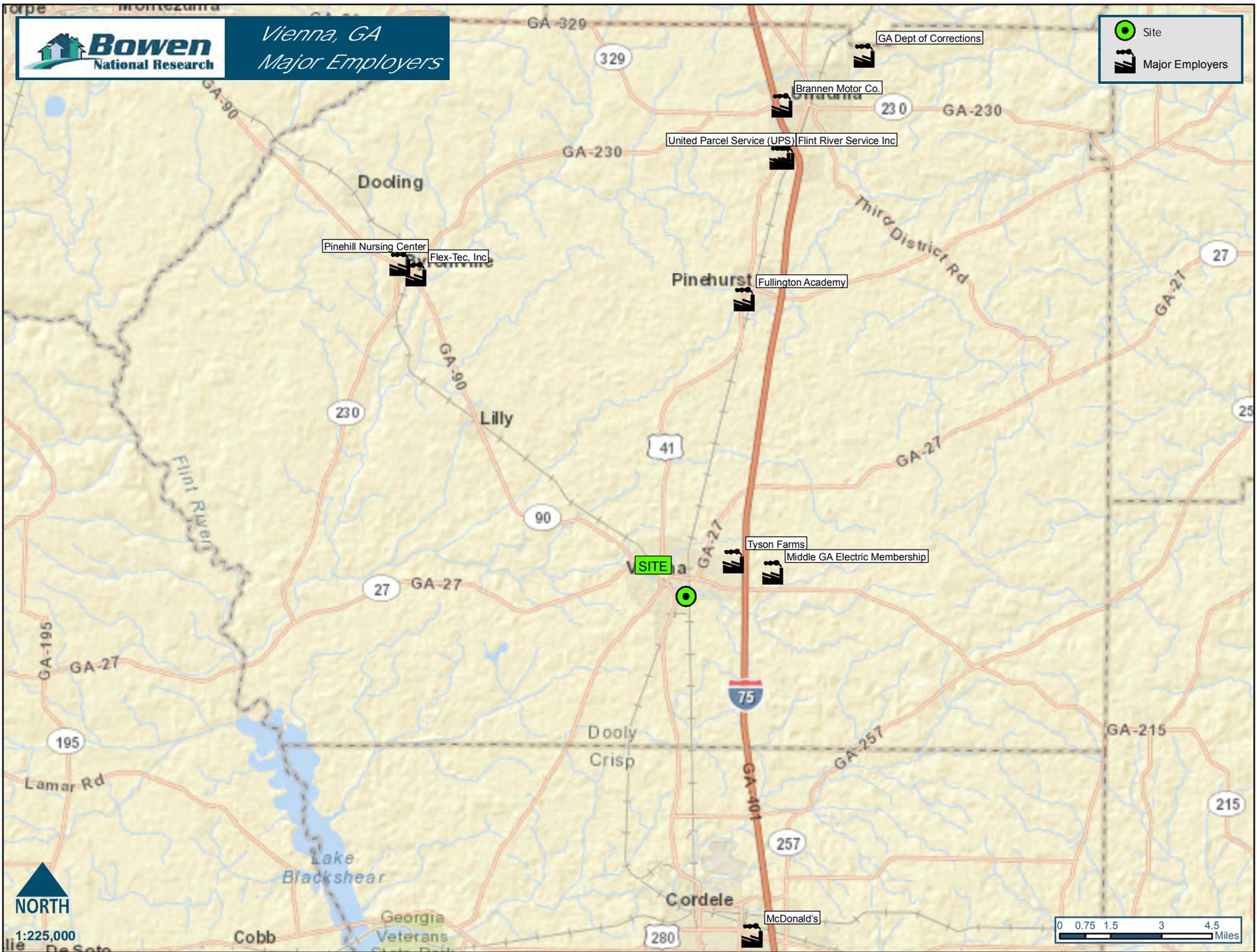
Considering that the unemployment rate is high at 13.3% through July 2013, the need for affordable housing is anticipated to remain strong. A high rate of unemployment contributes to the demand for affordable housing, as households with lower incomes due to unemployment or underemployment may not be able to afford their current housing costs. The subject site will provide a good quality housing option in an economy where lower-wage employees are most vulnerable.

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



*Vienna, GA
Major Employers*

● Site
■ Major Employers



SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

The subject project currently operates under the income and rent requirements of the RD Section 515 and LIHTC programs. While the project will be renovated with a Tax-Exempt Bond financing, it is expected to follow the same household eligibility requirements that are currently in effect. Regardless, we have provided various demand scenarios that evaluate the depth of continued support for the project under the RD program and in the event the project had to operate exclusively under the LIHTC program.

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within Dooly County, which has a four-person median household income of \$42,100 for 2013. The subject property will be restricted to senior households with incomes of up to 60% of AMHI. The following table summarizes the maximum allowable income by household size:

Household Size	Maximum Allowable Income
	60%
One-Person	\$19,200
Two-Person	\$21,900

a. Maximum Income Limits

The subject site's one-bedroom units are expected to continue house up to two-person senior households. As such, the maximum allowable income at the subject site is **\$21,900**.

b. Minimum Income Requirements

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

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$513. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,156.

Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$15,390.

The subject project is anticipated to retain RA on all 18 units post LIHTC renovations. Therefore, tenants will only be required to pay up to 30% of their adjusted gross income towards housing costs. As such, the subject project will effectively target households with as little as no income.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for residency at the subject project are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
RD 515 (Limited To 60% Of AMHI) with RA	\$0	\$21,900
Tax Credit (Limited To 60% Of AMHI)	\$15,390	\$21,900

RA – Rental Assistance

2. METHODOLOGY

Demand

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

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



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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2006-2010 5-year estimates, approximately 60.3% to 62.8% (depending upon the targeted income level) of senior households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2006-2010 5-year estimates, 2.2% of all senior households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure above 2% must be based on actual market conditions, as documented in the study.*

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

Net Demand

The overall demand components illustrated above are added together and the competitive supply of developments awarded and/or constructed from 2011 to the present is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2011 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

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

Within the Site PMA, there were no LIHTC properties that were funded and/or built during the projection period (2011 to current). Although Woodward Apartments (Map I.D. 6) is currently 47.2% occupied, as noted in Section H, this LIHTC property was above a 90.0% occupancy in January 2013. Therefore, it had previously reached a stabilized occupancy, and recent vacancies are attributed to the current lack of management at this project. As such, we have not considered these existing LIHTC units in our demand analysis.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income	
	RD 515 60% AMHI with RA as Proposed (\$0 - \$21,900)	Tax Credit Only (\$15,390 - \$21,900)
Demand From New Households (Age- And Income-Appropriate)	149 - 140 = 9	23 - 22 = 1
+		
Demand From Existing Households (Rent Overburdened)	140 X 62.8% = 88	22 X 60.3% = 13
+		
Demand From Existing Households (Renters In Substandard Housing)	140 X 2.2% = 3	22 X 2.2% = 0
=		
Demand Subtotal	100	14
+		
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	2	0
=		
Total Demand	102	14
-		
Supply (Current vacant units, under construction and/or newly constructed in the past two years)	0	0
=		
Net Demand	102	14
Subject Units	18	18
Capture Rate	= 17.6% (0.0%*)	= 128.6%

*Under this scenario, all units will continue to be occupied, resulting in an effective capture rate of 0.0%.

If all units were vacated, with the preservation of RA, the subject project's required capture rate would be 17.6% ($18 / 102 = 17.6\%$). This indicates that there will be a sufficient base of senior households to draw support from if all current residents were displaced. However, as we anticipate all senior households to income-qualify following LIHTC renovations and none are expected to be displaced, the effective capture rate will be 0.0%.

In the unlikely event that the subject project was to lose RA and all units had to operate exclusively under the Tax Credit program, it is conservatively estimated that none of the current senior residents would qualify to reside at the subject project. In this scenario, the 18 units would have a required capture rate of 128.6%. This capture rate is considered high and illustrates that there will be a limited number of households to draw support from if RA were not retained. In such a case, the subject project would have to be successful in attracting Voucher holders in order to reach a stabilized occupancy.

Based on our survey of conventional apartments within the Vienna Site PMA, as well as the distribution of bedroom types in most rural markets, the estimated share of demand by bedroom type for apartments is distributed as follows:

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	60%
Two-Bedroom	40%
Total	100.0%

Applying these shares to the income-qualified senior households yields demand and capture rates of the subject units by bedroom type as illustrated in the following table:

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent***	Subject Rents
RD 515 One-Bedroom (60%)	60%	0*	61	0	61	0.0%*	N/A	\$280	\$425
Tax Credit Only One-Bedroom (60%)	60%	18	8	0	8	225.0%	18 Months	\$280	\$425

*Under this scenario all units will continue to be occupied, resulting in an effective capture rate of 0.0%.

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

***Average of non-subsidized collected rents identified within the market.

The effective capture rates by bedroom type with the preservation of Rental Assistance is 0.0%, given that all units are currently occupied and all tenants are anticipated to income-qualify post renovations.

In the unlikely event the subject project had to operate exclusively under the LIHTC program and all residents were displaced, the capture rate for the subject's one-bedroom units is 225.0%. This capture rate is considered high and illustrates that there will be a limited number of households to draw support from if RA were not retained.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Vienna Site PMA in 2010 and 2013 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2013 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	3,303	84.3%	3,386	84.4%
Owner-Occupied	2,294	69.4%	2,332	68.9%
Renter-Occupied	1,009	30.6%	1,055	31.1%
Vacant	614	15.7%	627	15.6%
Total	3,917	100.0%	4,013	100.0%

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

Based on a 2013 update of the 2010 Census, of the 4,013 total housing units in the market, 15.6% were vacant. This vacancy rate is considered high and could indicate a softening housing market. However, the vacancy status of the 627 units is estimated in the following table and illustrates that most vacant units are not long-term rentals:

Vacancy Status	Percent of Vacant Units
For Rent	27.4%
For Sale Only	8.5%
Rented/Sold, Not Occupied	2.9%
For Seasonal, recreational, or occasional use	17.7%
Other Vacant	43.5%

Source: U.S. Census Bureau, 2006-2010 American Community Survey (ACS)

As reported in the 2006-2010 ACS, 27.4% of the vacant housing units are long-term rentals. As the previous table indicates, the largest share of vacant units is classified as “Other Vacant,” which encompasses foreclosed, dilapidated and abandoned housing. Regardless, in order to determine if the overall vacancy rate is the reflection of a decline in long-term rental housing, we conducted a field survey of area apartments.

In addition, while we acknowledge that there are 1,055 renter-occupied units in the market, we believe that most of these rentals are located in non-conventional rental housing units including single-family/mobile home rentals, duplex, etc.

The estimated distribution of occupied housing by units in a structure and tenure is detailed in the following table:

Units in Structure	Owner		Renter	
	Number	Percent	Number	Percent
1, Detached	1,478	63.4%	456	43.2%
1, Attached	63	2.7%	15	1.5%
2 to 4	0	0.0%	170	16.1%
5 to 9	12	0.5%	66	6.3%
10 or more	0	0.0%	49	4.6%
Mobile Homes	779	33.4%	299	28.3%
Total	2,332	100.0%	1,055	100.0%

Source: U.S. Census Bureau, 2006-2010 American Community Survey (ACS)

As the preceding table illustrates, over 89% of renter-occupied housing consists of single-family/mobile home and two to four-unit rentals, whereas only 4.6% consist of structures with 10 or more units. As such, this demonstrates that there is a lack of conventional rental housing units in the market. Therefore, the subject project will continue to provide a rental housing alternative that is currently lacking in the market.

We identified and personally surveyed seven conventional housing projects containing a total of 266 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 92.9%, a stable and good rate for rental housing. Among these projects, three are non-subsidized (market-rate and Tax Credit) projects containing 106 units. These non-subsidized units are 82.1% occupied. The remaining four projects contain 160 government-subsidized units, which are 100.0% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	1	40	0	100.0%
Tax Credit	2	66	19	71.2%
Tax Credit/Government-Subsidized	1	18	0	100.0%
Government-Subsidized	3	142	0	100.0%
Total	7	266	19	92.9%

As the preceding table illustrates all projects surveyed broken out by program type, with the exception of the Tax Credit rental housing segment, are performing at 100.0% occupancy rates. This demonstrates that pent-up demand exists for market-rate and subsidized housing in the market. As noted in the table above, the Tax Credit rental housing segment is performing at a combined occupancy of 71.2%, a low rate for rental housing. However, all of the 19 vacancies in the market are located at Woodward Apartments (Map I.D. 6). According to management at this property, vacancies are due to the lack of on-site management. Considering that all other properties identified and surveyed in the market are 100.0% occupied, demonstrate that vacancies at Woodward

Apartments are due to management deficiencies. It should also be noted that based on historical data obtained by Bowen National Research, this project was above 94% occupied in January 2013, further illustrating that vacancies at this project are due to management related issues.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	5	12.5%	0	0.0%	\$470
Two-Bedroom	1.0	20	50.0%	0	0.0%	\$581
Three-Bedroom	1.0	10	25.0%	0	0.0%	\$656
Four-Bedroom	1.0	5	12.5%	0	0.0%	\$798
Total Market-rate		40	100.0%	0	0.0%	-

Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Two-Bedroom	1.0	12	18.2%	0	0.0%	\$461
Two-Bedroom	1.5	32	48.5%	12	37.5%	\$469
Three-Bedroom	1.5	4	6.1%	7	175.0%	\$584
Three-Bedroom	2.0	16	24.2%	0	0.0%	\$583
Four-Bedroom	2.0	2	3.0%	0	0.0%	\$637
Total Tax Credit		66	100.0%	19	28.8%	-

As the preceding tables demonstrate, the median gross LIHTC rents are significantly lower than the corresponding median gross market-rate rents. Therefore, Tax Credit properties likely represent a value to residents within the market. Although one of the Tax Credit properties in the market, Woodward Apartments (Map I.D. 6), is operating at a 47.2% occupancy, as noted on the previous page, vacancies are attributed to the lack of on-site management. The remaining one Tax Credit property, St. Charles Place (Map I.D. 4), is 100.0% occupied. As such, it can be concluded that the vacancy issues at Woodward Apartments is in fact due to management deficiencies and pent-up demand likely exists for affordable housing in the market.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
C-	1	40	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B	1	30	0.0%
B-	1	36	52.8%

As illustrated in the preceding table, all vacancies exist at the one Tax Credit project with a quality rating of a “B-“. Considering that the one market-rate property with a quality rating of a “C-“ is 100.0% occupied, demonstrates that quality has not had an impact on vacancies and vacancies at the one Tax Credit property are due to management deficiencies as noted previously in this section.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of six federally subsidized and/or Tax Credit apartment developments in the Vienna Site PMA. These projects were surveyed in September 2013. They are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One- Br.	Two- Br.	Three- Br.	Four- Br.
1	Fairfield Apts. I (Site)	RD 515	1986	30	100.0%	\$536 - \$690 (26)	\$592 - \$755 (4)	-	-
2	Fairfield Apts. II	TAX & RD 515	1986 / 1999	18	100.0%	\$576 - \$688 (18)	-	-	-
3	Vienna Public Housing (Family & Senior)	P.H.	1968 / 2004	80	100.0%	SUB (25)	SUB (18)	SUB (34)	SUB (3)
4	St. Charles Place	TAX	1998	30	100.0%	-	\$461 (12)	\$583 (16)	\$637 (2)
5	Timber Ridge Apts.	RD 515	1993	32	100.0%	\$546 - \$646 (16)	\$642 - \$742 (16)	-	-
6	Woodward Apts.	TAX	1994	36	47.2%	-	\$469 - \$472 (32)	\$584 (4)	-
Total				226	91.6%				

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

OCCUP. - Occupancy

TAX - Tax Credit

SUB – Government

P.H. - Public Housing

RD - Rural Development

The overall occupancy is 91.6% for these affordable projects, a stable and good rate for affordable housing. However, when factoring out Woodward Apartments (Map I.D. 6), all affordable projects are 100.0% occupied with wait lists. This demonstrates that pent-up demand exists for affordable housing within the market.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that there were no multifamily projects planned for the area.

Building Permit Data

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

Housing Unit Building Permits for Dooly County:										
Permits	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Multifamily Permits	0	0	0	0	0	0	0	0	0	0
Single-Family Permits	0	13	19	18	16	13	12	0	0	0
Total Units	0	13	19	18	16	13	12	0	0	0

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

Housing Unit Building Permits for Vienna, GA:										
Permits	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Multifamily Permits	0	0	0	0	0	0	0	0	0	0
Single-Family Permits	0	0	0	0	0	0	12	0	0	0
Total Units	0	0	0	0	0	0	12	0	0	0

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

As the preceding tables illustrate, there have been no multifamily building permits issued in both Vienna and Dooly County since 2003, which is not unusual within rural markets. Given that all but one rental projects identified in the market are 100.0% occupied and based on the lack of multifamily building permits issued, it is likely that there is greater demand for additional rental housing within the Site PMA.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

We identified two non-subsidized Low-Income Housing Tax Credit (LIHTC) properties within the Vienna site PMA. However, considering that these two projects target family (general-occupancy) households and do not offer one-bedroom units similar to the subject project, these two LIHTC projects are not considered comparable. As such, we identified and surveyed three non-subsidized LIHTC projects located outside of the market that offer similar bedroom types as the subject project, but within the region, in nearby Cordele and Americus. These projects target households with incomes up to 30%, 50% and/or 60% of AMHI and are considered comparable. It should be noted that these projects are not considered competitive, as they derive demographic support from a different geographical area. As such, these projects have been included for comparison purposes only.

These three LIHTC projects and the subject development are summarized as follows:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Fairfield Apartments II	1988 / 2014	18	100.0%	-	8 H.H.	Seniors 62+; 60% AMHI & RD 515
910	Overlook Pointe	2006	56	100.0%	8.8 Miles	8 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
911	Suwanee House	1996	40	97.5%	8.8 Miles	None	Families; 50% & 60% AMHI
912	Americus Garden Apts.	1998	44	100.0%	29.0 Miles	30-40 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

900 series Map I.D.s are located outside of the Site PMA

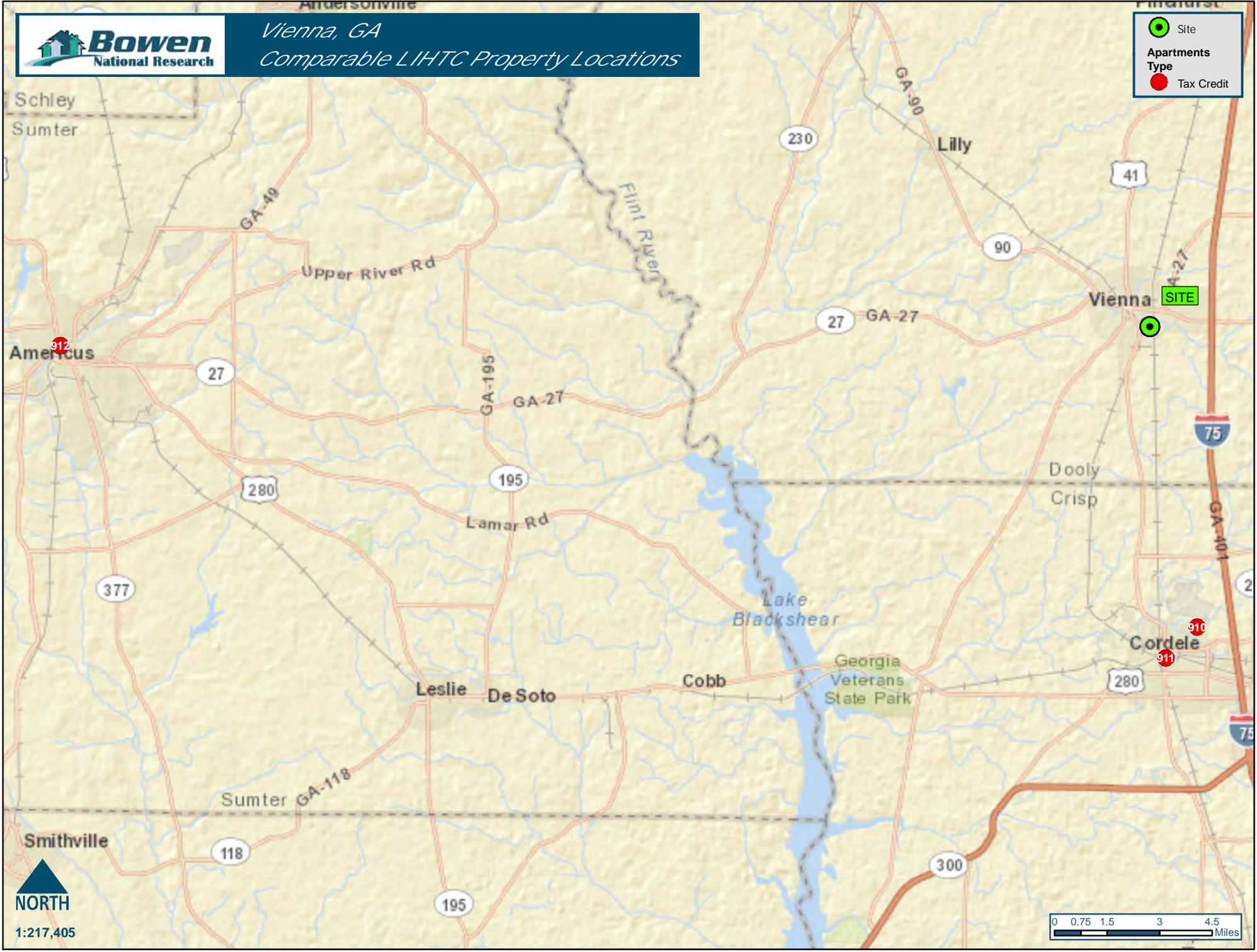
The three LIHTC projects have a combined occupancy rate of 99.3%, indicating strong demand for affordable housing in the region. It should be noted that there are no age-restricted non-subsidized LIHTC projects within the market and, as such, the subject project will continue to provide a rental housing alternative to low-income seniors which is currently underserved in the market.

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



Vienna, GA
Comparable LIHTC Property Locations

● Site
● Apartments Type
● Tax Credit



NORTH
1:217,405

0 0.75 1.5 3 4.5 Miles

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Fairfield Apartments II	\$513*/60% (18)	-	-	-
910	Overlook Pointe	\$257/30% (3/0) \$437/50% (14/0) \$462/60% (11/0)	\$304/30% (3/0) \$504/50% (14/0) \$529/60% (11/0)	-	None
911	Suwanee House	\$454/50% (8/1) \$458/60% (6/0)	\$545/50% (12/0) \$556/60% (14/0)	-	None
912	Americus Garden Apts.	\$418/50% (9/0) \$528/60% (3/0)	\$600/50% (12/0) \$639/60% (12/0)	\$690/50% (4/0) \$738/60% (4/0)	None

*2013 maximum allowable LIHTC gross rents at 60% of AMHI
900 series Map IDs are located outside of the Site PMA

The proposed subject gross rent of \$513 (maximum allowable LIHTC one-bedroom rent for the subject county) will be within the range of one-bedroom LIHTC units targeting similar income levels within the region. Considering that the combined occupancy of the comparable LIHTC projects is 99.3%, demonstrate that the proposed gross one-bedroom rent is appropriately positioned within the region. Regardless, the subject project is anticipated to retain Rental Assistance on all 18 units, requiring residents to pay up to 30% of their gross adjusted incomes towards housing costs. As such, the subject project will continue to remain a substantial value within the region. It should also be noted that the subject project will be the only age-restricted LIHTC project in the market. As such, this will provide the subject project with a marketing advantage, as it will continue to offer an affordable housing alternative for senior households that is not readily available in the market.

It is important to point out that Americus Garden Apartments (Map I.D. 912) offers rents that are slightly above the current maximum allowable LIHTC limit for the county. However, considering that this project was built in 1998, it is likely eligible to operate under the Hold Harmless rule, which does not require this property to operate under current maximum allowable LIHTC limits when the area experiences an income reduction.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs' Rental Assistance Division-Middle-Eastman Office, there are approximately 20 Housing Choice Voucher holders within the housing authority's jurisdiction in Dooly County, and no persons currently on the waiting list for additional Vouchers. The waiting list is closed indefinitely. Annual turnover of households in the Voucher program is estimated at four households per year. This reflects the continuing need for Housing Choice Voucher assistance.

The three comparable non-subsidized LIHTC projects within the region accept Housing Choice Vouchers. The following table summarizes the properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Occupancy Rate	Number of Vouchers
910	Overlook Pointe	56	100.0%	5
911	Suwanee House	40	97.5%	4
912	Americus Garden Apts.	44	100.0%	33
Total		140	99.3%	42

900 series Map I.D.s are located outside of the Site PMA

As the preceding table illustrates, out of the total of 139 occupied LIHTC units, approximately 42 are occupied by Voucher holders, comprising 30.2% of the total comparable occupied LIHTC units in the region. This indicates that nearly 70.0% of the comparable LIHTC projects in the region are occupied by tenants which are not currently receiving rental assistance. Given that the combined occupancy of the comparable LIHTC projects is 99.3%, illustrates that the gross rents charged at this project are achievable.

The following table outlines the HUD 2013 Fair Market Rent for a one-bedroom unit for Dooly County, Georgia:

Bedroom Type	Fair Market Rents	Proposed Tax Credit Gross Rents*
One-Bedroom	\$505	\$513

*2013 maximum allowable LIHTC gross rents at 60% of AMHI

As the preceding table illustrates, the proposed gross one-bedroom rent is slightly above the current Fair Market Rent for a one-bedroom unit. Therefore, the subject's one-bedroom units will be able to accommodate Voucher holders if tenants were willing to pay the difference between the current Fair Market Rent and the proposed gross rent in the unlikely event the subject project had to operate exclusively under LIHTC guidelines. Nonetheless, the subject project is expected to retain RA on all 18 units and will continue to represent a substantial value within the market. This has been considered in our absorption estimates.

The following table illustrates the weighted average collected rents of the three comparable LIHTC projects by bedroom type:

Weighted Average Collected Rent Of Comparable LIHTC Units
One-Br. (AMHI)
\$358 (60%)

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

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (% AMHI)*	Difference	Proposed Rent (AMHI)*	Rent Advantage
One-Br.	\$358 (60%)	- \$425 (60%)	-\$67	/ \$425 (60%)	-15.8%

*2013 maximum allowable LIHTC gross rent less the value of tenant-paid utilities

It should be noted that it is not necessary for a Tax Credit project to represent an advantage over the existing Tax Credit supply, but this exercise does illustrate that the maximum allowable Tax Credit rents will be positioned 15.8% above the average Tax Credit one bedroom rent in the region. Regardless, as noted throughout this report, the subject project is anticipated to retain RA on all 18 units, requiring tenants to pay up to 30% of their gross adjusted incomes towards housing costs. As such, the subject units will continue to represent a substantial value within the market.

Please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in Addendum E of this report.

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

		Square Footage		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	Fairfield Apartments II	800	-	-
910	Overlook Pointe	760	1,000	-
911	Suwanee House	850	900	-
912	Americus Garden Apts.	798	900	1,107

		Number of Baths		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	Fairfield Apartments II	1.0	-	-
910	Overlook Pointe	1.0	1.0	-
911	Suwanee House	1.0	1.0	-
912	Americus Garden Apts.	1.0	1.0	2.0

900 series Map IDs are located outside of the Site PMA

The subject development will continue to offer one-bedroom unit sizes that are considered appropriate for the targeted senior population, based on square footage and the number of bathrooms offered, in the market, as they are within the range of unit sizes offered at the comparable LIHTC projects in the region. This is further evidenced by the subject's 100.0% occupancy and wait list. It should be further noted that the subject project will be the only age-restricted LIHTC project in the market. This will provide the subject project with a marketing advantage as it provides an affordable rental housing alternative to seniors that is not readily available in the Vienna Site PMA.

The following table compares the amenities of the subject development with the other LIHTC projects in the market.

COMPARABLE PROPERTIES AMENITIES - VIENNA, GEORGIA

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

MAP ID	PROJECT AMENITIES																		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER	OTHER
◆ SITE		X	X		X											X			
◆ 910		X		X		X				P				X					Gazebo
911		X	X																
912		X	X		L			X								X			

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

X - All Units
S - Some Units
O - Optional

Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

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

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

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

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

Once renovations are complete and additions are made, the subject's amenity package will be generally similar to the comparable LIHTC projects within the region. The subject project offers amenities that are designed for the senior population and will not lack any amenities that will have an adverse impact on its continued marketability. This is further evidenced by the subject's 100.0% occupancy and wait list. It should be noted that the subject project will be the only age-restricted LIHTC project in the market. As such, the subject project will continue to provide a rental housing alternative to low-income seniors which is currently underserved in the market. This will provide the subject with a market advantage.

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the region, it is our opinion that the subject development will be competitive. Further, all 18 units are anticipated to retain Rental Assistance, requiring residents to pay up to 30% of their gross adjusted incomes towards housing costs. As such, the subject units will remain a substantial value within the market. This has been considered in our absorption projections.

Considering that the three comparable LIHTC projects are located outside of the market, the subject project will not have an impact on the comparable LIHTC project's occupancy.

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

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$89,302. At an estimated interest rate of 4.7% and a 30-year term (and 95% LTV), the monthly mortgage for an \$89,302 home is \$547, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$89,302
Mortgaged Value = 95% of Median Home Price	\$84,837
Interest Rate - Bankrate.com	4.7%
Term	30
Monthly Principal & Interest	\$438
Estimated Taxes and Insurance*	\$109
Estimated Monthly Mortgage Payment	\$547

*Estimated at 25% of principal and interest

In comparison, the proposed collected Tax Credit one-bedroom rent is \$425. Therefore, the cost of a monthly mortgage for a typical home in the area is \$122 greater than the cost of renting at the subject site. Therefore, it is not likely that current and potential renters in the area would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. In fact, as the subject project targets seniors, we expect some support from elderly homeowners downsizing from their homes and seeking a maintenance free housing alternative. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

SECTION I – ABSORPTION & STABILIZATION RATES

According to management, the subject project is currently 100.0% occupied and maintains a collective wait list of up to eight households for the next available unit. Current residents will be relocated temporarily; however, they will not be permanently displaced. Therefore, few if any, of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 18 subject units will be vacated and that all units will have to be re-rented (assuming RA is preserved on all units). We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy.

It is our opinion that the 18 units at the subject site will reach a stabilized occupancy of 93.0% within approximately three months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately five units per month. Our absorption projections assume that no other projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that RA on all 18 units will be maintained.

Should Rental Assistance not be secured and the project had to operate exclusively under the LIHTC program, the 18 units at the subject site would likely have an extended absorption period of approximately 18 months if all units were vacated simultaneously and had to be re-rented. This absorption projection is based on the fact that there is limited demographic support for the subject project to operate exclusively under the LIHTC program, as the capture rate would be 128.6% in this scenario. However, while it is possible the subject project may experience an extended absorption period if RA was lost and all units had to operate exclusively under the LIHTC program and all units were vacated simultaneously, it is unlikely that this scenario would occur. Therefore, in reality the subject project will only have to fill units as they become vacant through typical monthly turnover (one to two units per month in most rural markets). Under this more likely scenario, the market should be able to adequately absorb any vacancies that materialize at the subject project.

In reality, the absorption period for this project will be less than two months as most tenants are expected to remain at the project and continue to pay up to 30% of their adjusted gross income towards housing costs.

SECTION J – INTERVIEWS

The following are summaries of interviews conducted with various local sources knowledgeable of the local housing market:

Connie Rafer, Office Manager of the Vienna Housing Authority, stated that there is a great need for rental housing of all bedroom sizes. The local economy and lack of high-wage jobs makes it difficult for low-income individuals to afford conventional rental rates. The waiting lists at other projects and at the Housing Authority are extensive for existing rental properties, further providing evidence of the demand for affordable housing within Vienna.

Gayle McClure, Property Manager of St. Charles Place (Map I.D. 4), a general-occupancy Tax Credit community in Vienna, believes that demand does not exist for additional affordable housing within the area. Ms. McClure's property has historically struggled to maintain an occupancy above 90%. It should be noted that since Ms. McClure started marketing her community in Cordele (approximately 9.0 miles south of Vienna), she recently became 100.0% occupied and now maintains a wait list.

Brenda Curry, Office Director with the Georgia Department of Community Affairs-Rental Assistance Division-Middle-Eastman Office-Dooley County, stated that there is a definite need for affordable housing in the Middle Georgia Region. Due to recent budget cuts, they have closed all waiting lists in the counties that the Eastman Office serves, and are not maintaining waiting lists until they receive more funding. Ms. Curry stated that they are not sure they will have the funding to pay for the vouchers that are already in use. The Department of Justice was awarded a settlement from HUD to distribute Housing Choice Vouchers (HCV) to the many individuals that are due to be released from state mental hospitals because of their decrease in funding. Any future available funding allotted to the Georgia Department of Community Affairs for the HCV Program will go towards assistance for this population. The government is also cutting more of the Eastman Offices administration funding and they might have to use some of the remaining administration funding to pay for the current HCV that they have issued.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 18-unit Fairfield Apartments II, assuming it is renovated as detailed in this report. Changes in the project's scope of renovations or renovation completion date may alter these findings.

The subject project is currently 100.0% occupied with a collective wait list of up to eight households. As all 18 units are anticipated to retain Rental Assistance, we expect all tenants to remain at the subject project following Tax Credit renovations. As such, the "effective" capture rate for the subject development is 0.0%. With the preservation of Rental Assistance, the project will remain a substantial value within the market.

Given that nearly all rental communities identified and surveyed within the market (including the subject site) are 100.0% occupied, illustrates that the subject project will continue to offer an affordable housing alternative to low-income households that is in high demand within the Vienna Site PMA. Further, the subject project will be the only LIHTC project to offer modernized, affordable age-restricted units in the market. This will provide the subject with a marketing advantage, as it will continue to provide an affordable housing alternative to low-income seniors that is currently lacking in the market.

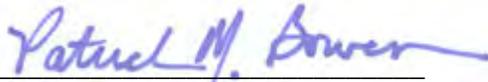
In the unlikely event Rental Assistance is lost and the subject project had to operate exclusively under the LIHTC program, it would likely experience an extended absorption period of 18 months. This is based on the fact that there is a limited base of demographic support for the subject site, as the capture rate is 128.6% in this unlikely scenario. In this unlikely scenario, the proposed rents would likely have to be lowered in order to capture a larger share of the senior population.

Regardless, the subject project is anticipated to retain RA on all units which will continue to require tenants to pay up to 30% of their adjusted gross income towards housing costs. Based on the preceding analysis and information provided throughout this report, we have no recommendations or suggested modifications for the subject project at this time.

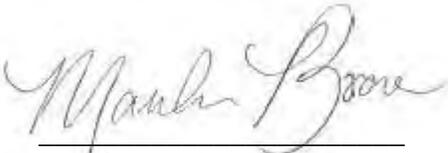
SECTION L - SIGNED STATEMENT

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

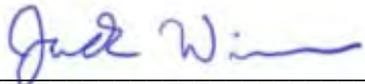
Certified:



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Date: September 20, 2013



Marlon Boone
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Date: September 20, 2013



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Date: September 20, 2013

SECTION M – MARKET STUDY REPRESENTATION

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

SECTION N - QUALIFICATIONS

The Company

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

The Staff

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, for 15 years. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

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

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

Craig Rupert, Market Analyst with Bowen National Research, has conducted market research in both urban and rural markets throughout the United States. He provides thorough evaluation of site attributes, area competitors, market trends and economic characteristics. Specifically, he has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, Indian housing, senior rental housing facilities and student housing facilities. Mr. Rupert has a Bachelor of Science degree in Hospitality Management from Youngstown State University.

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

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

Christine Atkins, Market Analyst, has more than three years of experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis, she has the ability to analyze market and economic trends and conditions. Ms. Atkins holds a Bachelor of Arts in Communication from the University of Cincinnati.

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

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

Marlon Boone, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Boone graduated from The Ohio State University with a Bachelor of Science in City and Regional Planning, with a concentration in Housing, Development and Real Estate.

Amy Tyrrell is a Project Director for Bowen National Research and is based out of Washington, DC. She has 16 years experience in the real estate and construction industries, with 11 years specializing in the research field. She has researched, analyzed, and prepared reports on a variety of trends, industries, and property types, including industrial, office, medical office, multifamily apartments and condominiums, and senior housing. Prior to her focus on research, Ms. Tyrrell performed financial analysis for retail developments throughout the United States. She holds a Masters in Business Administration with concentrations in real estate and marketing from the University of Cincinnati and a Bachelor of Arts in economics with a minor in mathematics from Smith College.

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

Desireé Johnson is the Field Support Coordinator at Bowen National Research. Ms. Johnson is involved in the day-to-day management of the field support department, as well as preparing jobs for field and phone analysis. She has been involved in extensive market research in a variety of project types for more than five years. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

June Davis, Office Manager of Bowen National Research, has 24 years experience in market feasibility research. Ms. Davis has overseen production on over 15,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

VIENNA, GEORGIA

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

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

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

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

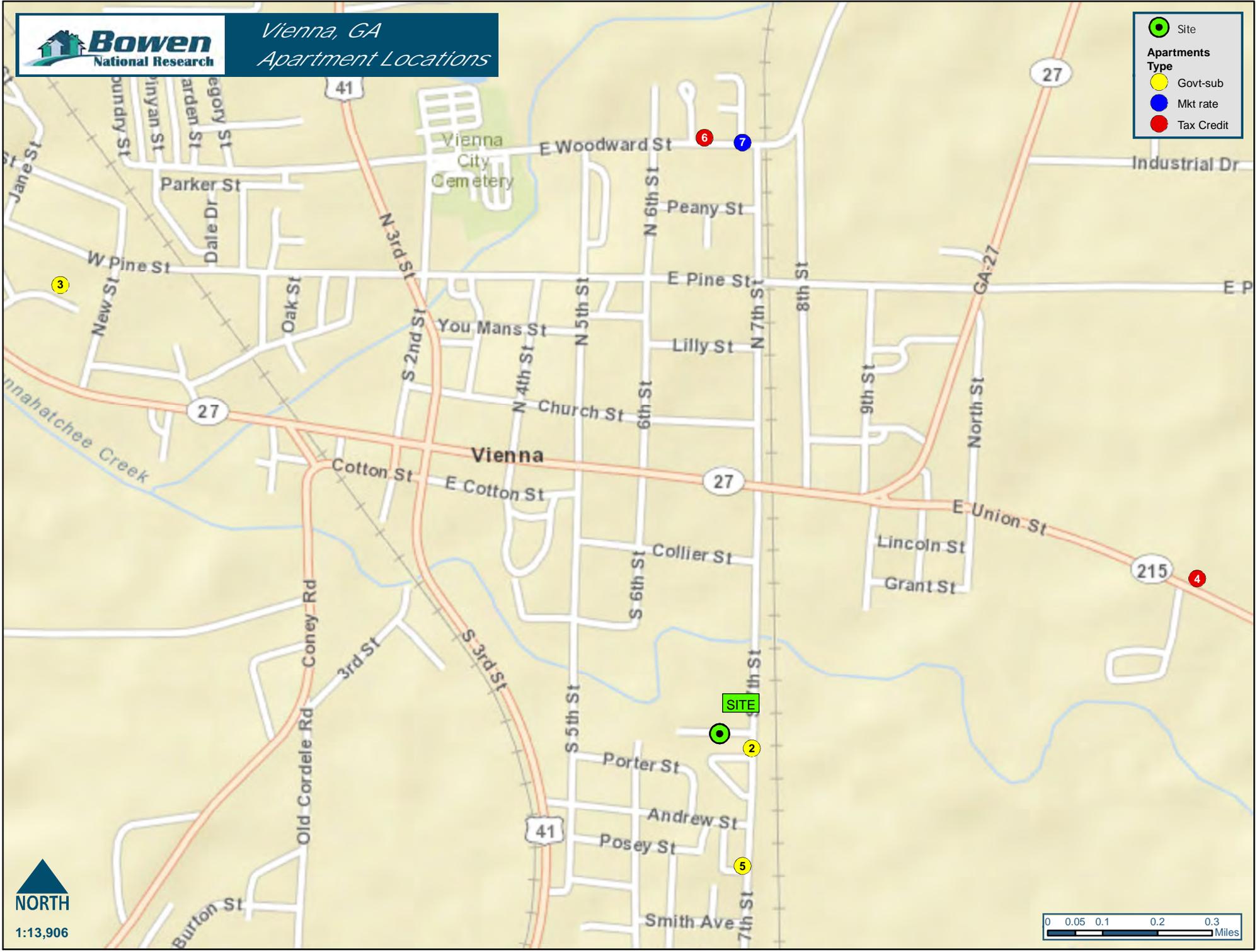
Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties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



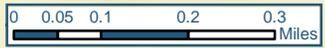
Vienna, GA
Apartment Locations

Legend:

- Site (Green circle)
- Govt-sub (Yellow circle)
- Mkt rate (Blue circle)
- Tax Credit (Red circle)



NORTH
1:13,906



MAP IDENTIFICATION LIST - VIENNA, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
◆ 1	Fairfield Apts. II (Site)	TGS	B	1986	18	0	100.0%	-
◆ 2	Fairfield Apts. I	GSS	B-	1986	30	0	100.0%	Adjacent
◆ 3	Vienna Public Housing (Family & Senior)	GSS	C	1968	80	0	100.0%	1.7
4	St. Charles Place	TAX	B	1998	30	0	100.0%	1.1
5	Timber Ridge Apts.	GSS	B-	1993	32	0	100.0%	0.2
6	Woodward Apts.	TAX	B-	1994	36	19	47.2%	1.0
7	Lakeshore Crossing	MRR	C-	1971	40	0	100.0%	0.9

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	1	40	0	100.0%	0
TAX	2	66	19	71.2%	0
TGS	1	18	0	100.0%	0
GSS	3	142	0	100.0%	0

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

Survey Date:

* - Drive Distance (Miles)

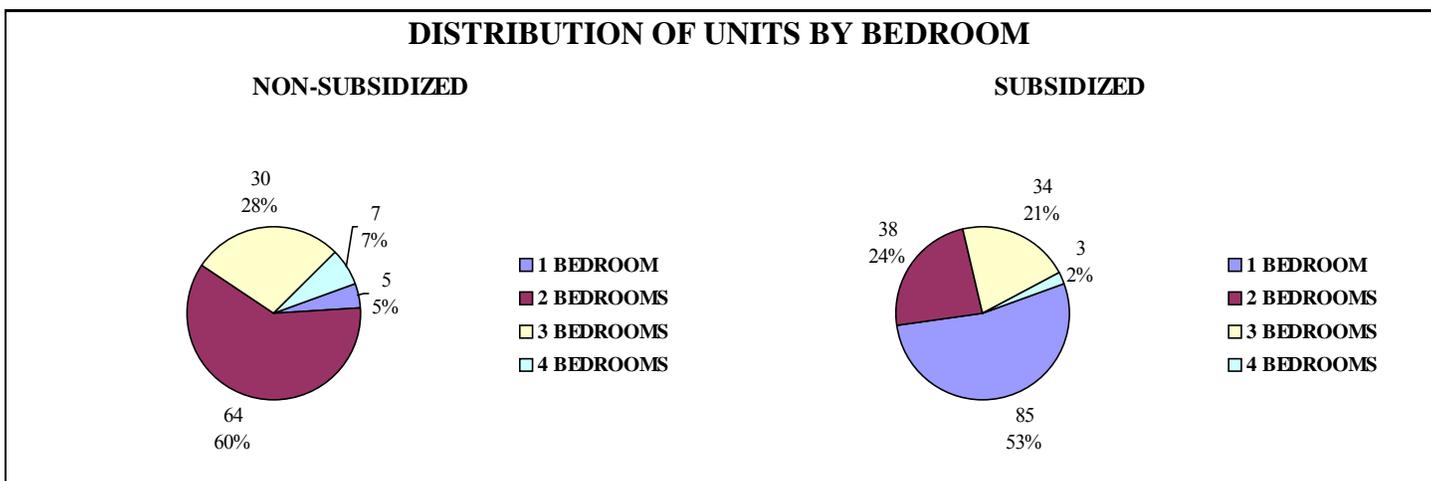
DISTRIBUTION OF UNITS - VIENNA, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	5	12.5%	0	0.0%	\$470
2	1	20	50.0%	0	0.0%	\$581
3	1	10	25.0%	0	0.0%	\$656
4	1	5	12.5%	0	0.0%	\$798
TOTAL		40	100.0%	0	0.0%	

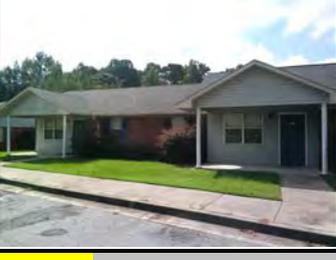
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
2	1	12	18.2%	0	0.0%	\$461
2	1.5	32	48.5%	12	37.5%	\$469
3	1.5	4	6.1%	7	175.0%	\$584
3	2	16	24.2%	0	0.0%	\$583
4	2	2	3.0%	0	0.0%	\$637
TOTAL		66	100.0%	19	28.8%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	18	100.0%	0	0.0%	N.A.
TOTAL		18	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	67	47.2%	0	0.0%	N.A.
2	1	38	26.8%	0	0.0%	N.A.
3	2	34	23.9%	0	0.0%	N.A.
4	2	3	2.1%	0	0.0%	N.A.
TOTAL		142	100.0%	0	0.0%	
GRAND TOTAL		266	-	19	7.1%	



SURVEY OF PROPERTIES - VIENNA, GEORGIA

1 Fairfield Apts. II (Site)			
	Address 424 S. Seventh St. Vienna, GA 31092	Phone (229) 268-7181 (Contact in person)	Total Units 18
	Year Built 1986 Renovated 1999 Comments RD 515, has RA (18 units)	Contact Betty	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Senior Restricted (62+) Waiting List 8 households
2 Fairfield Apts. I			
	Address 424 S. Seventh St. Vienna, GA 31092	Phone (229) 268-7181 (Contact in person)	Total Units 30
	Year Built 1986 Comments RD 515, has RA (30 units)	Contact Betty	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Senior Restricted (62+) Waiting List 7 households
3 Vienna Public Housing (Family & Senior)			
	Address 700 Fitzpatrick Vienna, GA 31092	Phone (229) 268-4458 (Contact in person)	Total Units 80
	Year Built 1968 Renovated 2004 Comments Public Housing; 13 1-br units designated senior	Contact Diane	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C Senior Restricted (55+) Waiting List 1-2 years
4 St. Charles Place			
	Address 202 St. Charles Pl. Vienna, GA 31092	Phone (229) 268-8592 (Contact in person)	Total Units 30
	Year Built 1998 Comments 50% & 60% AMHI; HCV (1 unit); Four handicap units are all electric	Contact Gayle	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Waiting List 2 households
5 Timber Ridge Apts.			
	Address 548 S. Seventh St. Vienna, GA 31092	Phone (229) 268-8885 (Contact in person)	Total Units 32
	Year Built 1993 Comments RD 515, has RA (32 units)	Contact Misty	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List 14 households

Project Type

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

Survey Date: September 2013

SURVEY OF PROPERTIES - VIENNA, GEORGIA

6 Woodward Apts.			
	<p>Address 409 E. Woodward St. Vienna, GA 31092</p> <p>Year Built 1994</p> <p>Comments 50% & 60% AMHI; HCV (2 units); Vacancies due to previous management; Vacancies due to lack of on-site management currently; Unit mix estimated</p>	<p>Phone (229) 268-1772 (Contact in person)</p> <p>Contact Kim</p>	<p>Total Units 36</p> <p>Vacancies 19</p> <p>Occupied 47.2%</p> <p>Floors 1,2</p> <p>Quality Rating B-</p> <p>Waiting List None</p>
	7 Lakeshore Crossing		
	<p>Address 503 Holiday St. Vienna, GA 31092</p> <p>Year Built 1971</p> <p>Comments HCV (10 units); 2, 3 & 4-br units have washer/dryer hookups</p>	<p>Phone (229) 268-9538 (Contact in person)</p> <p>Contact Mr. Snipe</p>	<p>Total Units 40</p> <p>Vacancies 0</p> <p>Occupied 100.0%</p> <p>Floors 1</p> <p>Quality Rating C-</p> <p>Waiting List None</p>

Project Type

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

Survey Date: September 2013

COLLECTED RENTS - VIENNA, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
4			\$312	\$399	\$405				
6			\$320 to \$323	\$400			\$320 to \$323		
7		\$280	\$340	\$360	\$425				

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

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PRICE PER SQUARE FOOT - VIENNA, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Lakeshore Crossing	1	500	\$470	\$0.94
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Lakeshore Crossing	1	750	\$581	\$0.77
4	St. Charles Place	1	827	\$461	\$0.56
6	Woodward Apts.	1.5	862 to 949	\$469 to \$472	\$0.50 to \$0.54
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Lakeshore Crossing	1	1000	\$656	\$0.66
4	St. Charles Place	2	953 to 1028	\$583	\$0.57 to \$0.61
6	Woodward Apts.	1.5	949	\$584	\$0.62
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Lakeshore Crossing	1	1050	\$798	\$0.76
4	St. Charles Place	2	1213	\$637	\$0.53

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

Survey Date: September 2013

AVERAGE GROSS RENT PER SQUARE FOOT - VIENNA, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.94	\$0.77	\$0.66
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.00	\$0.52	\$0.59
TOWNHOUSE	\$0.00	\$0.55	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.94	\$0.63	\$0.62
TOWNHOUSE	\$0.00	\$0.55	\$0.00

TAX CREDIT UNITS - VIENNA, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 1	Fairfield Apts. II (Site)	18	800	1	60%	\$445 - \$557
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
4	St. Charles Place	5	827	1	60%	\$312
4	St. Charles Place	7	827	1	50%	\$312
6	Woodward Apts.	8	949	1.5	50%	\$320
6	Woodward Apts.	8	862	1.5	50%	\$320
6	Woodward Apts.	8	949	1.5	60%	\$323
6	Woodward Apts.	8	862	1.5	60%	\$323
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
4	St. Charles Place	9	953 - 1028	2	60%	\$399
4	St. Charles Place	7	953 - 1028	2	50%	\$399
6	Woodward Apts.	2	949	1.5	60%	\$400
6	Woodward Apts.	2	949	1.5	50%	\$400
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
4	St. Charles Place	1	1213	2	60%	\$405
4	St. Charles Place	1	1213	2	50%	\$405

◆ - Senior Restricted

QUALITY RATING - VIENNA, GEORGIA

MARKET-RATE PROJECTS AND UNITS

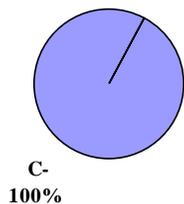
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
C-	1	40	0.0%		\$470	\$581	\$656	\$798

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

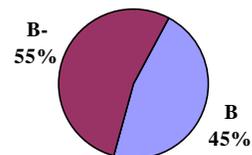
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	1	30	0.0%			\$461	\$583	\$637
B-	1	36	52.8%			\$469	\$584	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - VIENNA, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	1	40	0	0.0%	40	37.7%
1980 to 1989	0	0	0	0.0%	40	0.0%
1990 to 1999	2	66	19	28.8%	106	62.3%
2000 to 2005	0	0	0	0.0%	106	0.0%
2006	0	0	0	0.0%	106	0.0%
2007	0	0	0	0.0%	106	0.0%
2008	0	0	0	0.0%	106	0.0%
2009	0	0	0	0.0%	106	0.0%
2010	0	0	0	0.0%	106	0.0%
2011	0	0	0	0.0%	106	0.0%
2012	0	0	0	0.0%	106	0.0%
2013**	0	0	0	0.0%	106	0.0%
TOTAL	3	106	19	17.9%	106	100.0 %

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

** As of September 2013

Survey Date: September 2013

APPLIANCES AND UNIT AMENITIES - VIENNA, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	2	66.7%	66
REFRIGERATOR	2	66.7%	66
ICEMAKER	0	0.0%	
DISHWASHER	0	0.0%	
DISPOSAL	0	0.0%	
MICROWAVE	0	0.0%	
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	3	100.0%	106
AC - WINDOW	0	0.0%	
FLOOR COVERING	3	100.0%	106
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	3	100.0%	106
PATIO/DECK/BALCONY	2	66.7%	66
CEILING FAN	1	33.3%	36
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	2	66.7%	66
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

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

PROJECT AMENITIES - VIENNA, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	1	33.3%	30
LAUNDRY	1	33.3%	36
CLUB HOUSE	0	0.0%	
MEETING ROOM	0	0.0%	
FITNESS CENTER	0	0.0%	
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	66.7%	66
COMPUTER LAB	0	0.0%	
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	0	0.0%	
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - VIENNA, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	5	200	75.2%
GAS	2	66	24.8%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	5	200	75.2%
GAS	2	66	24.8%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	4	120	45.1%
GAS	3	146	54.9%
			100.0%
ELECTRIC			
TENANT	7	266	100.0%
			100.0%
WATER			
LANDLORD	5	146	54.9%
TENANT	2	120	45.1%
			100.0%
SEWER			
LANDLORD	5	146	54.9%
TENANT	2	120	45.1%
TRASH PICK-UP			
LANDLORD	6	186	69.9%
TENANT	1	80	30.1%
			100.0%

UTILITY ALLOWANCE - VIENNA, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$20	\$23		\$7	\$16	\$21	\$6	\$7	\$42	\$17	\$28	\$20	\$20
1	GARDEN	\$28	\$33		\$7	\$22	\$29	\$9	\$9	\$60	\$22	\$37	\$20	\$20
1	TOWNHOUSE	\$28	\$33		\$7	\$22	\$29	\$9	\$9	\$60	\$22	\$37	\$20	\$20
2	GARDEN	\$35	\$42		\$9	\$28	\$37	\$10	\$12	\$76	\$28	\$46	\$20	\$20
2	TOWNHOUSE	\$35	\$42		\$9	\$28	\$37	\$10	\$12	\$76	\$28	\$46	\$20	\$20
3	GARDEN	\$44	\$51		\$14	\$34	\$45	\$13	\$15	\$93	\$35	\$57	\$20	\$20
3	TOWNHOUSE	\$44	\$51		\$14	\$34	\$45	\$13	\$15	\$93	\$35	\$57	\$20	\$20
4	GARDEN	\$56	\$65		\$17	\$42	\$57	\$16	\$19	\$118	\$43	\$71	\$20	\$20
4	TOWNHOUSE	\$56	\$65		\$17	\$42	\$57	\$16	\$19	\$118	\$43	\$71	\$20	\$20

ADDENDUM B

COMPARABLE PROPERTY PROFILES

903 Madison Place

9.6 miles to site



Address	1501 13th Ave. E Cordele, GA 31015		
Phone	(229) 273-9430	Contact	Sherrie
Total Units	39	Vacancies	3
		Percent Occupied	92.3%
Project Type	Market-Rate		
Year Open	1984	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B	Neighborhood B	Access/Visibility C-/
Remarks	Does not accept HCV		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	21	3	850	\$0.63	\$539
2	2	G	10	0	1140	\$0.56	\$639
3	3	T	4	0	1400	\$0.53	\$739
3	3	G	4	0	1400	\$0.53	\$739

904 Whisperwood Apts.

10.3 miles to site



Address 1506 E. 16th Ave.
Cordele, GA 31015

Phone (229) 513-4012 **Contact** Tometrice

Total Units 50 **Vacancies** 1 **Percent Occupied** 98.0%

Project Type Market-Rate

Year Open 1985 **Floors** 1

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B- **Neighborhood** B **Access/Visibility** A/B

Remarks Does not accept HCV; 1 & 2-br units have washer/dryer hookups & patio; 2-br units have dishwasher

FEATURES AND UTILITIES

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities On-site Management, Laundry Facility
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	11	1	356	\$1.11	\$395
1	1	G	33	0	576	\$0.86	\$495
2	1 to 2	G	6	0	864	\$0.67 - \$0.69	\$575 to \$595

905 Hillside Manor

27.7 miles to site



Address 120 Lonnie Lane Rd.
Americus, GA 31709

Phone (229) 924-9859 **Contact** Wendy

Total Units 60 **Vacancies** 6 **Percent Occupied** 90.0%

Project Type Market-Rate

Year Open 1985 **Floors** 1

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B- **Neighborhood** B **Access/Visibility**

Remarks Does not accept HCV; 1 & 2-br have washer/dryer hookups;
Rent range based on unit location & amenities

FEATURES AND UTILITIES

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Range, Disposal, Window AC, Carpet, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities On-site Management, Laundry Facility
Parking Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	6	3	288	\$1.22	\$350
1	1	G	42	2	576	\$0.75 - \$0.80	\$430 to \$460
2	1 to 2	G	12	1	864	\$0.64 - \$0.69	\$550 to \$600

907 Lexington Place

28.2 miles to site



Address 1130 Felder St.
Americus, GA 31709

Phone (229) 928-8413 **Contact** Mary

Total Units 97 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1990 **Floors** 1,2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B **Neighborhood** B **Access/Visibility** A/A

Remarks Does not accept HCV; Higher rents on units with laminate wood floors; Replacing all units will have laminate wood flooring

FEATURES AND UTILITIES

- Utilities** No landlord paid utilities
- Unit Amenities** Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
- Project Amenities** Swimming Pool, On-site Management, Lake
- Parking** Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	14	0	850	\$0.66	\$559
2	2	G	22	0	1140	\$0.58 - \$0.60	\$659 to \$685
2	2.5	T	50	0	1140	\$0.58 - \$0.60	\$659 to \$685
3	3	T	11	0	1400	\$0.54 - \$0.56	\$759 to \$785

914 Georgetown

28.8 miles to site



Address 300 E. Glessner St.
Americus, GA 31709

Phone (229) 928-8413 **Contact** Mary

Total Units 32 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1989 **Floors** 1

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 6 months

Ratings: **Quality** B **Neighborhood** B **Access/Visibility** A-/

Remarks Does not accept HCV; Year built & square footage estimated

FEATURES AND UTILITIES

- Utilities** No landlord paid utilities
- Unit Amenities** Refrigerator, Range, Dishwasher, Window AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
- Project Amenities** Swimming Pool, On-site Management
- Parking** Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	21	0	460	\$1.00	\$459
1	1	G	11	0	780	\$0.72	\$559

910 **Overlook Pointe**

8.8 miles to site



Address	1114 Blackshear Rd. Cordele, GA 31015		
Phone	(229) 271-9416	Contact	Tiffany
Total Units	56	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2006	Floors	2
Concessions	No Rent Specials		
Age Restrictions	Senior (55+)		
Waiting List	8 households		
Ratings:	Quality B+	Neighborhood B	Access/Visibility B/B
Remarks	30%, 50% & 60% AMHI; HCV (5 units); Unit mix by AMHI estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Electric Heat, Electric HotWater, for Cooking Heat, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	On-site Management, Club House, Fitness Center, Sports Court, Computer Lab, Gazebo
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	11	0	760	\$0.50	\$380	60%
1	1	G	14	0	760	\$0.47	\$355	50%
1	1	G	3	0	760	\$0.23	\$175	30%
2	1	G	11	0	1000	\$0.43	\$425	60%
2	1	G	14	0	1000	\$0.40	\$400	50%
2	1	G	3	0	1000	\$0.20	\$200	30%

911 Suwanee House

8.8 miles to site



Address	101 S. 7th St. Cordele, GA 31015		
Phone	(229) 273-5550	Contact	Amy
Total Units	40	Vacancies	1
		Percent Occupied	97.5%
Project Type	Tax Credit		
Year Open	1996	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality C+	Neighborhood B	Access/Visibility A/A
Remarks	50% & 60% AMHI; HCV (4 units); HOME Funds (40 units)		

FEATURES AND UTILITIES

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

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	850	\$0.38	\$327	60%
1	1	G	8	1	850	\$0.38	\$323	50%
2	1	G	14	0	900	\$0.43	\$389	60%
2	1	G	12	0	900	\$0.42	\$378	50%

912 Americus Garden Apts.

29.0 miles to site



Address	730 S. MLK Blvd. Americus, GA 31719		
Phone	(229) 924-7475	Contact	Ann
Total Units	44	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1998	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	30-40 households		
Ratings:	Quality B	Neighborhood B	Access/Visibility A/A
Remarks	50% & 60% AMHI; HCV (33 units)		

FEATURES AND UTILITIES

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

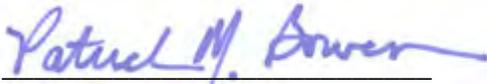
UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	3	0	798	\$0.42	\$338	60%
1	1	G	9	0	798	\$0.29	\$228	50%
2	1	G	12	0	900	\$0.44	\$398	60%
2	1	G	12	0	900	\$0.40	\$359	50%
3	2	G	4	0	1107	\$0.40	\$442	60%
3	2	G	4	0	1107	\$0.36	\$394	50%

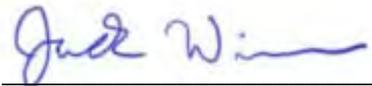
ADDENDUM C – Member Certification & Checklist

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

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



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ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

Other Requirements		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	Addendum A
56.	Certifications	J
57.	Statement of qualifications	K
58.	Sources of data not otherwise identified	Addendum D
59.	Utility allowance schedule	Addendum A

ADDENDUM D - Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of an existing apartment project in Georgia following renovations under the Low-Income Housing Tax Credit (LIHTC) program. Currently, the project is a Rural Development Section 515 (RD Section 515) project. When applicable, we have incorporated the market study requirements as outlined in exhibits 4-10 and 4-11 of the Rural Development Handbook.

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

- A detailed demographic and socioeconomic evaluation.
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns.
- A drive-time analysis to the site.
- Personal observations by the field analyst.

- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.
- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to the subject development. An in-depth evaluation of those two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the subject project renovations are complete and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- We conduct an analysis of the subject project's required capture of the number of income-appropriate households within the PMA based on GDCA's demand estimate guidelines. This capture rate analysis considers all income-qualified renter households. For senior projects, the market analyst is permitted to use conversion of homeowners to renters as an additional support component. Demand is conducted by bedroom type and targeted AMHI for the subject project. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.

- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period.

Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

Any reproduction or duplication of this report without the express approval of Bowen National Research is strictly prohibited.

4. SOURCES

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

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

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

Due to the lack of comparable market-rate rental housing within the Vienna Site PMA, we identified and surveyed five market-rate properties located outside of the Site PMA in the towns of Cordele and Americus that we consider comparable to the subject development based on design and unit types offered. Note, adjustments for the differences between the Cordele and Americus markets and the Vienna market have been made. These selected properties are used to derive market rent for a project with characteristics similar to the subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents, or *Conventional Rents for Comparable Units*, that can be achieved in the open market for the subject units without maximum income and rent restrictions.

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

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

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

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

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Fairfield Apartments II	1988 / 2014	18	100.0%	-	18 (100.0%)	-	-
903	Madison Place	1984	39	92.3%	-	21 (85.7%)	10 (100.0%)	8 (100.0%)
904	Whisperwood Apts.	1985	50	98.0%	11 (90.9%)	33 (100.0%)	6 (100.0%)	-
905	Hillside Manor	1985	60	90.0%	6 (50.0%)	42 (95.2%)	12 (91.7%)	-
907	Lexington Place	1990	97	100.0%	-	14 (100.0%)	72 (100.0%)	11 (100.0%)
914	Georgetown	1989	32	100.0%	21 (100.0%)	11 (100.0%)	-	-

900 Map IDs are located outside of the Site PMA

The five selected market-rate projects have a combined total of 278 units with an overall occupancy rate of 96.4%. None of the comparable properties has an occupancy rate below 90.0%.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Fairfield Apartments II		Madison Place		Whisperwood Apts.		Hillside Manor		Georgetown		Lexington Place	
424 S. Seventh St.		1501 13th Ave. E		1506 E. 16th Ave.		120 Lonnie Lane Rd.		300 E. Glessner St.		1130 Felder St.	
Vienna, GA		Cordele, GA		Cordele, GA		Americus, GA		Americus, GA		Americus, GA	
Data on		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$539		\$495		\$460		\$559		\$559	
2	Date Surveyed	Aug-13		Aug-13		Aug-13		Aug-13		Aug-13	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	86%		100%		95%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$539	0.63	\$495	0.86	\$460	0.80	\$559	0.72	\$559	0.66
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		R/1		R/1		R/1		WU/1,2	
7	Yr. Built/Yr. Renovated	1988/2014		1984	\$17	1985	\$16	1987	\$14	1989	\$12
8	Condition /Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		E	(\$10)
10	Same Market?	No	(\$81)	No	(\$74)	No	(\$69)	No	(\$84)	No	(\$84)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	800	(\$9)	850	\$40	576	\$40	576	\$40	780	\$4
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		W	\$5	W	\$5
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y		N/Y		N/N	\$10	N/N	\$10	N/Y	
18	Washer/Dryer	HU/L	\$5	HU/L		HU/L		HU/L	\$5	HU	\$5
19	Floor Coverings	C		W		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	N		Y	(\$5)
23	Ceiling Fans	Y		Y		Y		Y		Y	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	N/N	\$5	N/N	\$5	N/N	\$5
28	Pool/ Recreation Areas	N		N		N		N		P	(\$10)
29	Computer Center	N		N		N		N		N	
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Library	N		N		N		N		N	
32	Emergency Call System	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	\$38	N/N	\$38	N/N	\$38	N/N	\$38	N/N	\$38
39	Trash /Recycling	Y/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	7	3	7	2	8	2	8	2	5	5
41	Sum Adjustments B to D	\$45	(\$95)	\$84	(\$79)	\$87	(\$74)	\$44	(\$94)	\$29	(\$121)
42	Sum Utility Adjustments	\$54		\$54		\$54		\$54		\$54	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$4	\$194	\$59	\$217	\$67	\$215	\$4	\$192	(\$38)	\$204
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$543		\$554		\$527		\$563		\$521	
45	Adj Rent/Last rent		101%		112%		115%		101%		93%
46	Estimated Market Rent	\$540		\$0.68		← Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grid, it was determined that the present-day achievable market rent (aka *Conventional Rents for Comparable Units-CRCU*) for a one-bedroom unit similar to the subject development is \$540, which is illustrated as follows:

Bedroom Type	Proposed Collected Rent*	Achievable Market Rent (CRCU)	Market Rent Advantage
One-Bedroom	\$425	\$540	21.3%

*2013 maximum allowable LIHTC gross rent less the value of tenant-paid utilities
 CRCU - Conventional Rents for Comparable Units

The proposed collected one-bedroom rent for the subject development represents a market rent advantage of 21.3%. Typically, Tax Credit rents should represent market rent advantages of at least 10.0% in order to be considered a value in most markets and enable a steady flow of eligible renters. As such, the subject project's proposed collected Tax Credit rent represents a good value within the market. Regardless, the subject project is anticipated to retain RA on all 18 units post renovations and will continue to viewed as a substantial value within the market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

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

7. Upon completion of renovations, the subject project will have an effective age of a project built in 2001. The selected properties were built between 1984 and 1990. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

9. One of the selected properties, Lexington Place (Comp #5), is located in a more desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among this selected project and the subject project.
10. As previously stated, all five of the selected properties are located outside of the Vienna Site PMA in Cordele and Americus. The Cordele and Americus markets are significantly larger than Vienna in terms of population, community services and apartment selections. Given the differences in markets, the rents that are achievable in Cordele and Americus will not directly translate to the Vienna market. Therefore, we have adjusted each collected rent at these five comparable projects by approximately 15.0% to account for these market differences.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package generally superior to the selected properties. We have made adjustments for features lacking at the selected properties and, in some cases, made adjustments for features the subject property does not offer.
- 24.-32. The project offers a project amenities package that is generally superior to the selected market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

Addendum F:
RENT ROLL

Affordable Rent Roll

Property: Fairfield II Apts (217) Sort by: Unit

As of 8/1/2013

Unit	Unit Type	Sqft	Bed Rms	Tenant	Program	Contract No.	Tran Type	Effective Date	Market Rent	Gross Rent	Contract Rent	RD Basic Rent	Subsidy	Tenant Rent	Utility Allowance	TTP	Utility Reimb.
301	217S1	525	1	Hutchenson, Marilyn	Rental		GR	01/01/13	557	533	445	445	327	118	88	206	0
302	217S1	525	1	Mathis, Viola	Assistance(RA) Rental		AR	08/01/13	557	533	445	445	278	167	88	255	0
303	217S1	525	1	Peacock, Charlie	Assistance(RA) Rental		AR	02/01/13	557	533	445	445	248	197	88	285	0
304	217S1	525	1	Dobbins, Hilary	Assistance(RA) Rental		AR	07/01/13	557	533	445	445	342	103	88	191	0
305	217S1	525	1	Mathis, Deborah	Assistance(RA) Rental		GR	01/01/13	557	533	445	445	323	122	88	210	0
306	217S1	525	1	Dixon, Mary	Assistance(RA) Rental		MI	07/29/13	557	533	445	445	204	241	88	329	0
307	217S1	525	1	Collier, Lashanda	Assistance(RA) Rental		AR	05/01/13	557	533	445	445	342	103	88	191	0
308	217S1	525	1	Chaney, Demarcus	Assistance(RA) Rental		GR	01/01/13	557	533	445	445	333	112	88	200	0
310	217S1	525	1	Bembry, Freddie	Assistance(RA) Rental		GR	01/01/13	557	533	445	445	361	84	88	172	0
311	217S1	525	1	Clayton Jr., Eddie	Assistance(RA) Rental		AR	08/01/13	557	533	445	445	324	121	88	209	0
312	217S1	525	1	Holmes, John	Assistance(RA) Rental		AR-1	04/01/13	557	533	445	445	382	63	88	151	0
313	217S1	525	1	Woodson, Shirley	Assistance(RA) Rental		AR	06/01/13	557	533	445	445	330	115	88	203	0
314	217S1	525	1	Green, Rosie	Assistance(RA) Rental		AR	07/01/13	557	533	445	445	330	115	88	203	0
315	217S1	525	1	Fudge, Annie	Assistance(RA) Rental		GR	01/01/13	557	533	445	445	327	118	88	206	0
316	217S1	525	1	Coleman, Sarah	Assistance(RA) Rental		AR	04/01/13	557	533	445	445	318	127	88	215	0
317	217S1	525	1	Rice, Jennifer	Assistance(RA) Rental		AR	08/01/13	557	533	445	445	465	0	88	68	20
318	217S1	525	1	Roundtree, Pearline	Assistance(RA) Rental		AR	06/01/13	557	533	445	445	324	121	88	209	0
319	217S1	525	1	Watkins, Janice	Assistance(RA) Rental		MI	03/18/13	557	533	445	445	267	178	88	266	0
Total :		9,450	18	Number of Units:	18				10,026	9,594	8,010	8010	5,825	2,205	1,584	3,769	20
Grand Total :		9,450	18	Total Units:	18				10,026	9,594	8,010		5,825	2,205	1,584	3,769	20