

Market Feasibility Analysis

Woodland Terrace Apartments
622 Woodland Terrace Drive
Waynesboro, Burke County, Georgia 30830

Prepared For

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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the existing Woodland Terrace Apartments rental community to be renovated utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Waynesboro, 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:

The Woodland Terrace Apartments property was originally built in 1991 and has operated under Tax Credit and Rural Development 515 (RD 515) program guidelines since that time. The project contains 30 one-, two- and three-bedroom units targeting a general-occupancy (family) population. Of the 30 units, 15 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). The remaining 15 units at the subject project are eligible to accept Section 8 Housing Choice Vouchers, but do not receive a direct or guaranteed subsidy. According to management, there are currently two Housing Choice Voucher holders present at the property. Management reports the project is currently 100.0% occupied and maintains a three-household waiting 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, all housing units will continue to target households earning up to 60% of Area Median Household Income and new Tax Credit rents will be adopted. However, the 15 units of RA will continue to be available allowing households within these units to continue paying up to 30% of their adjusted income towards gross rent. Further, a private Rental Assistance (PRA) subsidy, which will be financed by the developer, will be available to all existing unassisted residents and will prevent a rent increase on current residents (PRA subsidy not to extend beyond existing residents). The renovations of the subject project are expected to begin in 2013, but will be completed in 2014.

2. Site Description/Evaluation:

The subject project is currently 100% occupied, which is evidence that the site location has had a positive impact on its marketability. Surrounding land uses are generally consistent with residential housing and no known nuisances were observed within proximity of the site. Visibility and access are considered good. Basic community services are available within 3.0 miles of the site, including but not limited to grocery stores, banks, convenience stores, discount retailers, gas

stations, an acute-care health center, all K-12 schools and most major employers within Burke County. It is our opinion that following the subject project's renovations, the surrounding land uses and proximity to community services will continue to have a positive impact on the marketability of the site.

3. Market Area Definition:

The Waynesboro Site PMA includes the cities of Waynesboro and Sardis, as well as portions of unincorporated Burke County. The boundaries of the Site PMA include the Burke County boundary to the north, east and west; and Rosier Road, Byne-Sunshine Road and the Burke County boundary to the south. All of the aforementioned boundaries are within 30.0 miles of the site, while the most populated areas are within 17.0 miles of the site. A justification of these boundaries and a detailed map are included in Section D of this report.

4. Community Demographic Data:

The population base and the number of households within the Waynesboro Site PMA increased by 6.0% and 8.8%, respectively, between 2000 and 2010. This is representative of low, but stable growth. By 2015, the population and households within the Site PMA are projected to increase by 2.2% and 2.3%, over 2010 levels. Specifically, the number of renter households is expected to increase from 2,515 to 2,647 between 2010 and 2015, or 5.2%. The subject development will target households generally earning \$40,000 and less. In 2015, it is projected that nearly 75% of all renter households within the Site PMA will be income-qualified to reside at the subject development. Based on these trends, we expect potential support for the subject units, and all rental housing, will remain stable. Detailed demographic information is included in Section E of this report.

5. Economic Data:

The Burke County employment base declined by over 840 workers, or 9.0%, between 2005 and 2010. Notably, the most significant impact originated during the national recession, as many local manufacturers were forced to consolidate, relocate or close permanently. According to local economic representatives, Burke County has stabilized since 2010 and has shown signs of limited growth during the previous three years. Construction of new nuclear reactors at the existing Vogtle nuclear power plant (major local employer) has buoyed the local economy with construction jobs and a stable tax base. Although no other major employment announcements have been made during the last year, the employment base has added 247 jobs since 2010, which is a 2.9% increase. Unfortunately, the monthly unemployment rate within the county has stagnated between 10.3% and 13.2% during the previous 18-month period, which indicates it has stabilized at a relatively high rate compared to historic averages within the county and current statewide levels. As no other significant employment

announcements have been made in the previous year, it is anticipated that the construction of the Vogtle plant will continue serve as a stabilizing force within the economy. However, unemployment rates are expected to remain relatively high.

The persistent levels of unemployment within the county will likely increase the demand for affordable rental housing, as many households are likely surviving on reduced incomes relative to pre-recession levels.

6. Project-Specific Affordability and Demand Analysis:

The Woodland Terrace Apartments property has project-based Rental Assistance (RA) available to 15 of its 30 units. As such, tenants with little to no income are eligible to reside at this project. Following LIHTC renovations, all 15 units of RA are expected to remain in-place. Based on our demand estimates detailed in Section G of this report, there will be 880 income-qualified renter households to support the 30 renovated units. As such, the capture rate would be 3.4% (30 / 880 = 3.4%) if all units were vacated. However, Georgia DCA guidelines dictate that all units receiving a direct or guaranteed subsidy are assumed to be leasable and should not be considered in the capture rate estimates. As such, the 15 non-RA units at the subject development would require a 1.7% capture rate following renovations if all units were vacated. 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, two of the Tax Credit properties identified and surveyed within the Site PMA have been utilized for comparison purposes. Additionally, we identified and surveyed a third LIHTC property 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	Woodland Terrace Apartments	1991 / 2014	30	100.0%	-	3 H.H.	Families; 60% AMHI & RD 515
15	Pecan Chase Apts.	1997	35	100.0%	2.5 Miles	6 H.H.	Families; 30% & 50% AMHI
16	Pecan Grove I & II	2006	83*	83.1%	1.8 Miles	None	Families; 30%, 50%, & 60% AMHI
910	Madison Meadows Apts.	2002	96*	94.8%	41.2 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy

Map ID 910 is located outside of Site PMA

*Tax Credit units only



The three LIHTC projects have a combined occupancy rate of 91.1%. However, the 83.1% occupancy rate among Tax Credit units at Pecan Grove I & II is due to a recent eviction sweep. Notably, management at Pecan Grove has been interviewed five times by staff at Bowen National Research during the previous four years and has reported an average occupancy rate of 98.8%. Therefore, we consider the vacancies temporary and believe that the project still represents an accurate baseline for comparison with the subject development.

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.	Four-Br.	
Site	Woodland Terrace Apartments	\$604/60% (8)	\$749/60% (16)	\$810/60% (6)	-	-
15	Pecan Chase Apts.	\$344/30% (3/0)	\$407/30% (3/0) \$576/50% (5/0)	\$639/50% (24/0)	-	None
16	Pecan Grove I & II	-	-	\$392/30% (6/1) \$682/50% (45/7) \$826/60% (16/3)	\$752/50% (12/2) \$901/60% (4/1)	None
910	Madison Meadows Apts.	-	\$698/50% (27/0) \$826/60% (22/4)	\$803/50% (23/0) \$951/60% (24/1)	-	\$99 Move-In

Map ID 910 is located outside of Site PMA

As proposed, the subject development will maintain Rental Assistance on 15 of its 30 units, which will limit these tenants gross rent to 30% of their adjusted household income. Considering the value that this subsidy represents, the 15 RA units will likely remain a substantial value to all current and future tenants.

The 15 non-RA units will eventually charge the proposed Tax Credit gross rents illustrated in the preceding table, which range from \$604 to \$810. However, the 15 current tenants residing within these units will be offered a Private Rental Assistance (PRA) subsidy. This PRA will limit any rent increases for the current tenants following LIHTC renovations. Considering the scope of the proposed renovations and the fact that none of the current tenants will experience an immediate rent increase, the project will naturally remain a substantial value. However, normal tenant turnover will occur and the non-RA units will eventually charge the proposed Tax Credit rents illustrated in the preceding table. Considering the proposed rents are within the range of the gross rents currently being charged at Tax Credit properties in the region, they will likely be appropriate for the subject project. Further, it should be noted that the subject project will be the only family Tax Credit development within the Site PMA to offer one- and two-bedroom units at 60% of AMHI. As such, it will likely target an underserved segment of the population.

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 comparable to those in the region, but are at a slight disadvantage due to the smaller floor plans and the lack of an additional bathroom in the two- and three-bedroom units. Similarly, the proposed amenities package is considered appropriate, but the lack of central community space and a computer lab will also create a slight marketing disadvantage. Collectively, all of these minor disadvantages would typically limit the achievable Tax Credit rents at the subject development for those units operating without Rental Assistance (RA). However, the proposed gross rents are positioned within the range of the comparable properties, and the historically high occupancy rates of affordable housing in the market illustrate pent-up demand for high-quality rental housing. Therefore, the proposed rents are considered achievable at the renovated project, but market downturns caused by new economic fluctuations or the construction of new rental housing may limit the achievable rents at the subject project.

8. Absorption/Stabilization Estimates

According to management, the subject project is currently 100.0% occupied and maintains a three-household wait list 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. **Based on these factors, there will be no absorption period for the subject units as all 30 are already effectively leased.** However, for the purposes of this analysis, we assume that all 30 subject units will be vacated and that all units will have to be re-rented (assuming RA is preserved on 15 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 30 units at the subject site will reach a stabilized occupancy of 93.0% within approximately six to seven months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately four to 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 for 15 of the 30 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 30 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:	Woodland Terrace Apartments	Total # Units:	30
Location:	622 Woodland Terrace Drive, Waynesboro, Georgia 30830	# LIHTC Units:	30
PMA Boundary:	Generally includes most of Burke County. Detailed boundaries included in Section D.		
	Farthest Boundary Distance to Subject:	30.0 miles	

RENTAL HOUSING STOCK (found on page H-2 & Addendum A)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	19	885	22	97.5%
Market-Rate Housing	5	67*	7	89.6%
Assisted/Subsidized Housing not to include LIHTC	12	661**	0	100.0%
LIHTC	3	157***	15	90.4%
Stabilized Comps (in PMA only)	2	118***	14	88.1%
Properties in Construction & Lease Up	-	-	-	-

*Excludes non-market units at mixed-income developments

**Excludes non-subsidized units at mixed-income developments

***Excludes market-rate and subsidized units at mixed-income developments

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
8	One	1.0	650	\$495	\$495	\$0.76	0.0%	\$599	\$0.89
16	Two	1.5	925	\$600	\$600	\$0.65	0.0%	\$650	\$0.59
6	Three	1.5	925	\$640	\$640	\$0.69	0.0%	\$600	\$0.59

DEMOGRAPHIC DATA (found in Sections E & G)

	2010		2013		2015	
Renter Households	2,515	30.6%	2,644	31.9%	2,648	31.5%
Income-Qualified Renter HHs (LIHTC)*	N/A	N/A	1,916	23.1%	1,904	22.7%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

*As proposed with the retention of RA

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	-12	-4	-12	-	-	-4
Existing Households (Overburd + Substand)	931	160	931	-	-	160
Homeowner conversion (Seniors)	-	-	-	-	-	-
Total Primary Market Demand	919	156	919	-	-	156
Less Comparable/Competitive Supply	39	15	39	-	-	15
Net Income-Qualified Renter HHs	880	141	880	-	-	141

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%*	10.6%	1.7%*	-	-	21.3%

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

SECTION B - PROJECT DESCRIPTION

The Woodland Terrace Apartments property was originally built in 1991 and has operated under Tax Credit and Rural Development 515 (RD 515) program guidelines since that time. The project contains 30 general-occupancy (family) units. Of the 30 units, 15 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). The remaining 15 units at the subject project are eligible to accept Section 8 Housing Choice Vouchers, but do not receive a direct or guaranteed subsidy. According to management, there are currently two Housing Choice Voucher holders present at the property. Management reports the project is currently 100.0% occupied and maintains a three-household waiting list.

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- 1. PROJECT NAME:** Woodland Terrace Apartments
- 2. PROPERTY LOCATION:** 622 Woodland Terrace Drive
Waynesboro, Georgia 30830
(Burke County)
- 3. PROJECT TYPE:** Tax Credit Bond rehab of an existing RD
Section 515 & Tax Credit apartment project

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		
8	One	1.0	Garden	650	\$380	60%	\$604	\$109	\$495	\$639	\$619	\$495	\$495
16	Two	1.5	TH	925	\$410	60%	\$749	\$149	\$600	\$768	\$738	\$600	\$600
6	Three	1.5	Garden	925	\$435	60%	\$810	\$170	\$640	\$886	\$1,004	\$640	\$640
30	Total												

Source: Boyd Management

AMHI – Area Median Household Income (Augusta-Richmond County, GA-SC MSA; 2013)

*Denotes current basic rents under the RD 515 program

U.A. – Utility Allowance

Max. Allow. – Maximum Allowable

CRCU – Conventional Rents for Comparable Units

TH – Townhouse

5. TARGET MARKET:

General-Occupancy (Family)

6. PROJECT DESIGN:

Six (6) one- and two-story residential buildings

7. ORIGINAL YEAR BUILT:

1991

8. ANTICIPATED RENOVATION COMPLETION DATE:

2013-2014

9. UNIT AMENITIES:

- | | |
|----------------------------|----------------------------|
| • Refrigerator | • Range |
| • Central Air Conditioning | • Carpeting |
| • Washer/Dryer Hookups | • Window Blinds |
| • Dishwasher | • Patio |
| • Ceiling Fan | • Exterior Storage Closets |

10. COMMUNITY AMENITIES:

- | | |
|-----------------------------|----------------------------|
| • On-Site Management Office | • Playground |
| • CCTV Security Cameras | • Central Laundry Facility |

11. RESIDENT SERVICES:

None

12. UTILITY RESPONSIBILITY:

The landlord is responsible for cold water, sewer trash removal. Tenants are responsible for all other utilities, including but not limited to the following:

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

13. RENTAL ASSISTANCE:

The subject property operates under the Tax Credit and RD 515 program guidelines with Rental Assistance on 15 of the 30 total units. The Rental Assistance allows tenants to pay up to 30% of their gross adjusted income towards housing costs. Rental Assistance on the 15 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 30-unit project is currently 100.0% occupied and maintains a three-household wait list for the next available unit. 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 its 15 units and the Private Rental Assistance (PRA) subsidy will be provided by the developer.

16. PLANNED RENOVATIONS:

Currently, the subject project is considered to be of relatively good overall quality, but shows signs of 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:

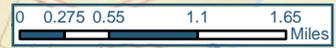
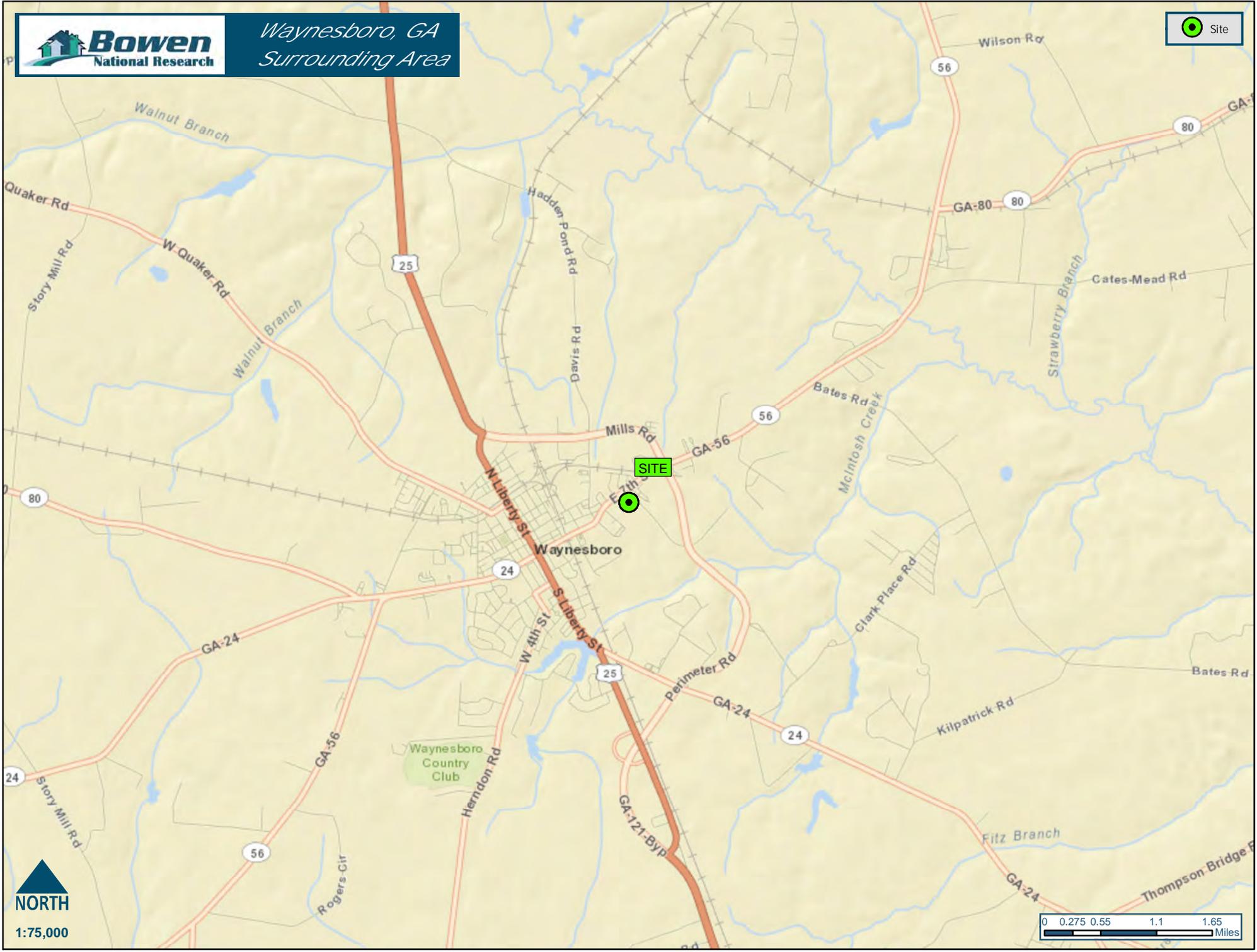
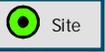
- Replacement of existing flooring
- Replacement of kitchen cabinets and countertops
- Replacement of existing kitchen appliances
- Replacement of plumbing fixtures
- Replacement of lighting fixtures
- Replacement of bathroom cabinets and countertop
- Painting of unit interiors
- Installation of new 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: Augusta-Richmond County, GA-SC MSA (2013)

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



Waynesboro, GA
Surrounding Area





SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is Woodland Terrace Apartments, a 30-unit general occupancy apartment complex located at 622 Woodland Terrace Drive in the northeastern portion of Waynesboro, Burke County, Georgia. Waynesboro is approximately 30.0 miles south of Augusta, Georgia and approximately 107.0 miles northwest of Savannah, Georgia. Lisa Wood, 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 an established area of Waynesboro, Georgia. Surrounding land uses include single-family and modular homes, multifamily apartment complexes, forested land, a church and small businesses. Adjacent land uses are detailed as follows:

North -	Woodlands Road, a two-lane moderately traveled roadway, borders the subject site to the northeast. Modular homes considered to be in fair condition are located opposite the site across Woodlands Road. A residential neighborhood comprised of single-family homes in fair condition is located beyond.
East -	Modular homes and wooded land are generally located east of the site. While the Forest Ridge Apartments community is located directly to the southeast. Forest Ridge Apartments is a 24-unit senior-restricted apartment complex considered to be in average condition. Wooded and agricultural lands and the Georgia Power Company offices are located farther east and U.S. Highway 25, a four-lane heavily traveled arterial thoroughfare is located beyond.
South -	Briarwood Apartments, a 64-unit government-subsidized rental community is located directly south of the site and is considered to be in average condition. Continuing south is heavily wooded land.
West -	Wooded land borders the site to the west and northwest. A self-service car wash and a former coin-laundry business are located farther east along East 7 th Street, which is an arterial roadway throughout the City of Waynesboro. The McKinney's Do It Best Home Center and a residential neighborhood comprised of single-family homes is located beyond.

The subject site is situated in an established area of Waynesboro, Georgia. Surrounding land uses are consistent with those observed throughout the market area and are considered consistent with the residential use of the subject site. No nuisances were observed within proximity of the site. Overall, the subject property fits well with the surrounding land uses and they should contribute to the marketability of the site.

A map illustrating the location of Low-Income Housing Tax Credit and other affordable housing projects is located later in this section.

3. VISIBILITY AND ACCESS

The subject property derives access from Woodlands Road. Vehicular and pedestrian traffic are considered light. Ingress and egress to and from the site is convenient for both northbound and southbound traffic on Woodlands Road. The site is within 0.5 miles of U.S. Highway 25 and State Route 80. Although there is no regularly scheduled public transportation available within the market area, Burke County Transit does offer an on-call, door-to-door transportation service for a fee and at least a 24-hour notice. Overall, access is considered good.

The subject buildings and site signage are clearly visible from Woodlands Road. The light traffic limits the exposure of the property to drive-by traffic, but the subject property has been able to consistently maintain a 100.0% occupancy rate and waiting list. Therefore, overall visibility of the project is considered good. Further, the subject site is located nearby East 7th Street, which is an arterial roadway throughout the city of Waynesboro. In the unlikely event that the subject project is completely vacated and had to lease all 30 units at once, it is recommended that promotional signage be placed along this arterial roadway to increase the visibility of the project.

4. SITE PHOTOGRAPHS

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

SITE PHOTOGRAPHS



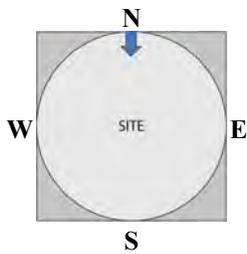
Site Entryway



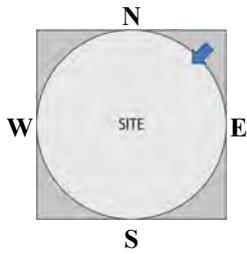
Entryway Signage



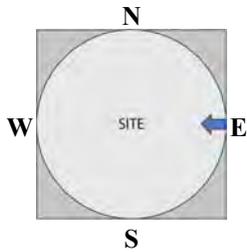
Typical Building Exterior



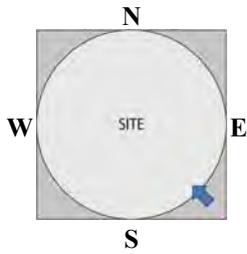
View of site from the north



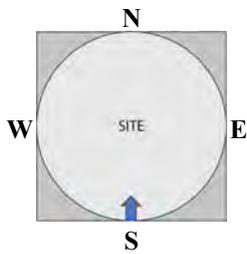
View of site from the northeast



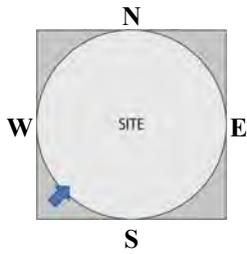
View of site from the east



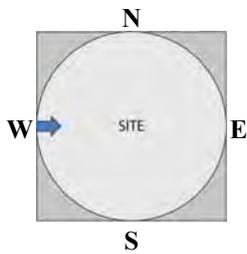
View of site from the southeast



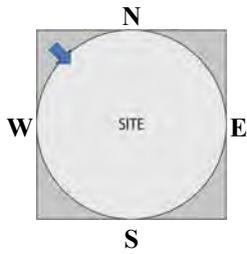
View of site from the south



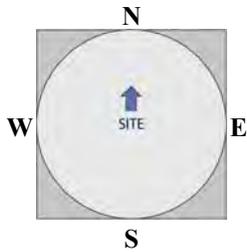
View of site from the southwest



View of site from the west



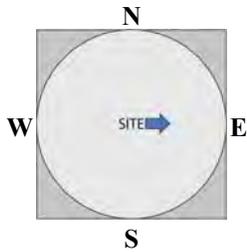
View of site from the northwest



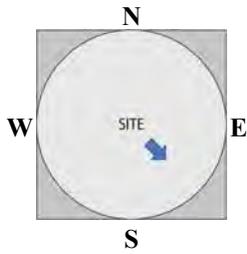
North view from site



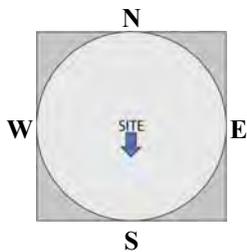
Northeast view from site



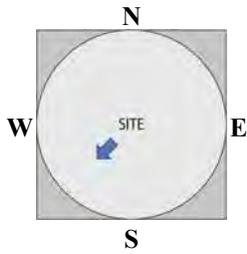
East view from site



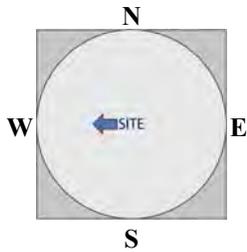
Southeast view from site



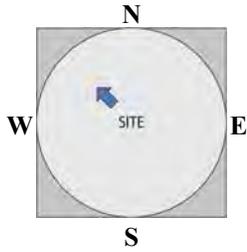
South view from site



Southwest view from site



West view from site



Northwest view from site



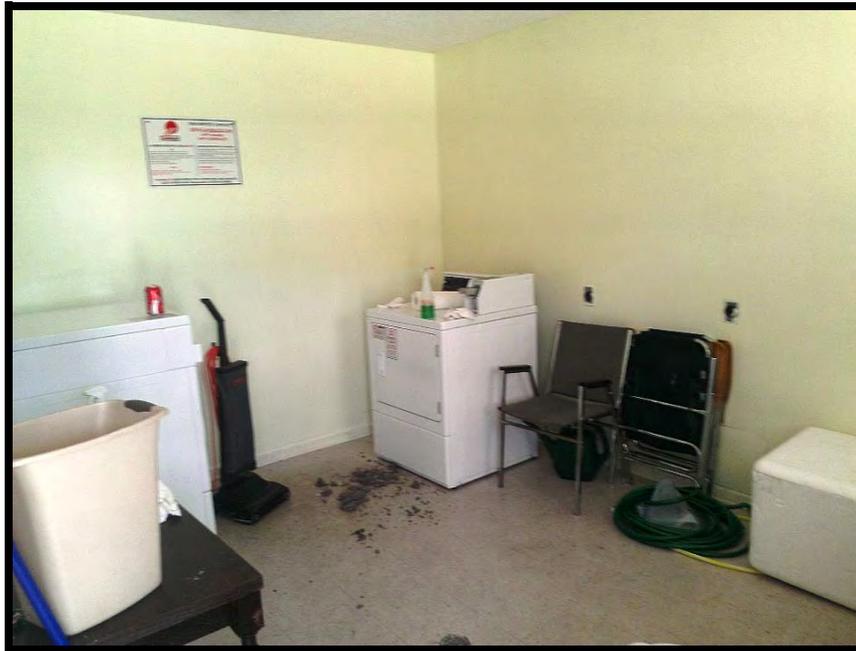
Streetscape south view of Woodlands Road



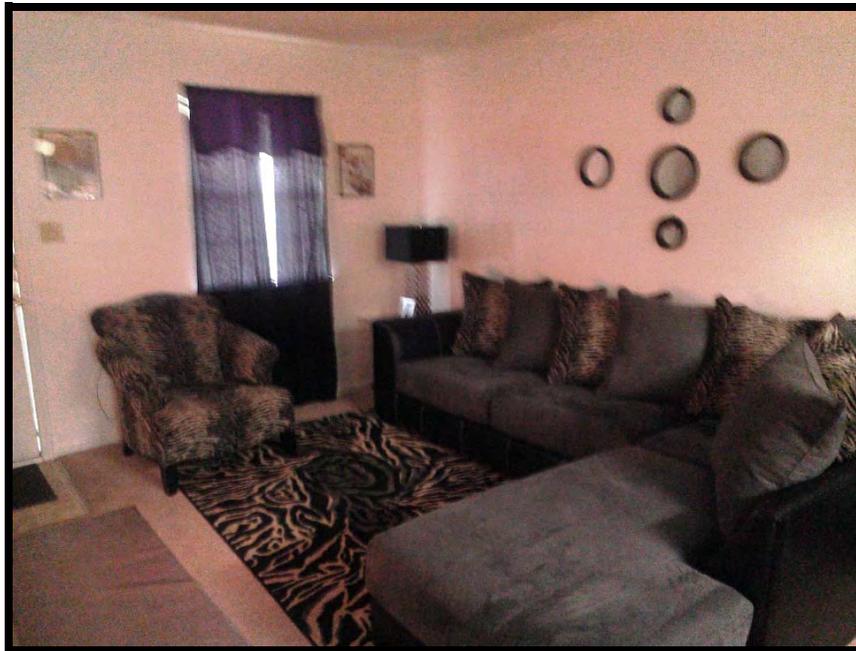
Streetscape north view of Woodlands Road



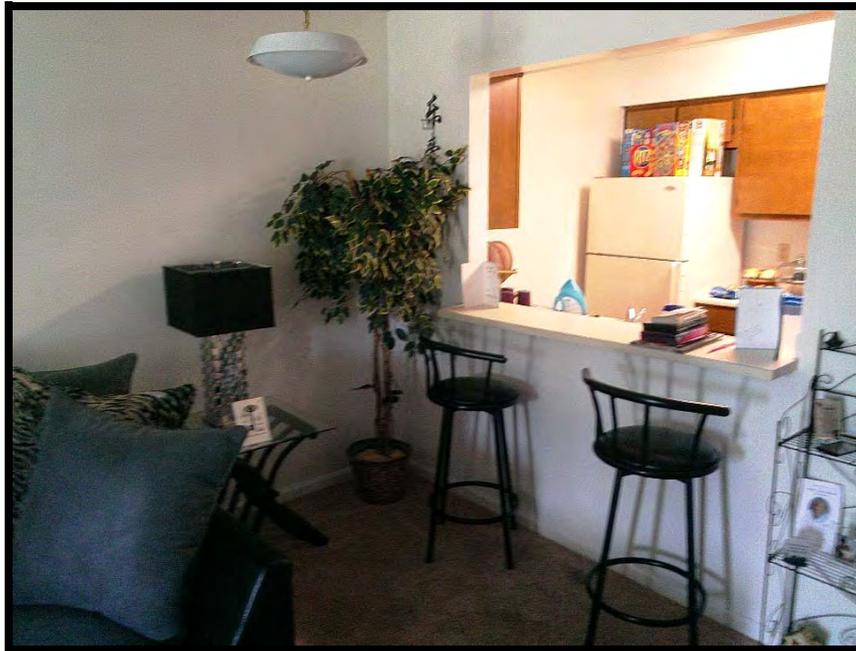
Recreation Area



Laundry Facility



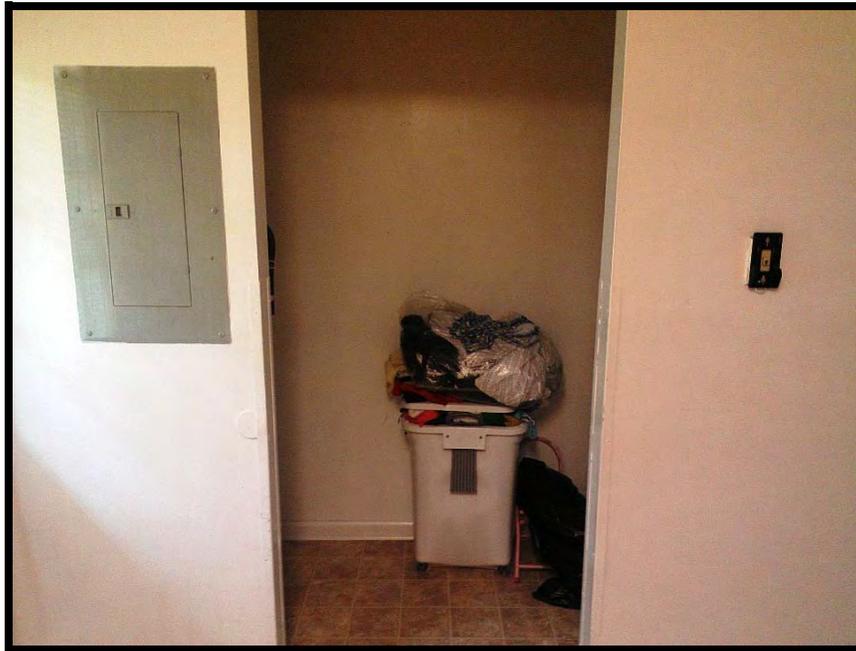
Typical Living Room



Typical Dining Area



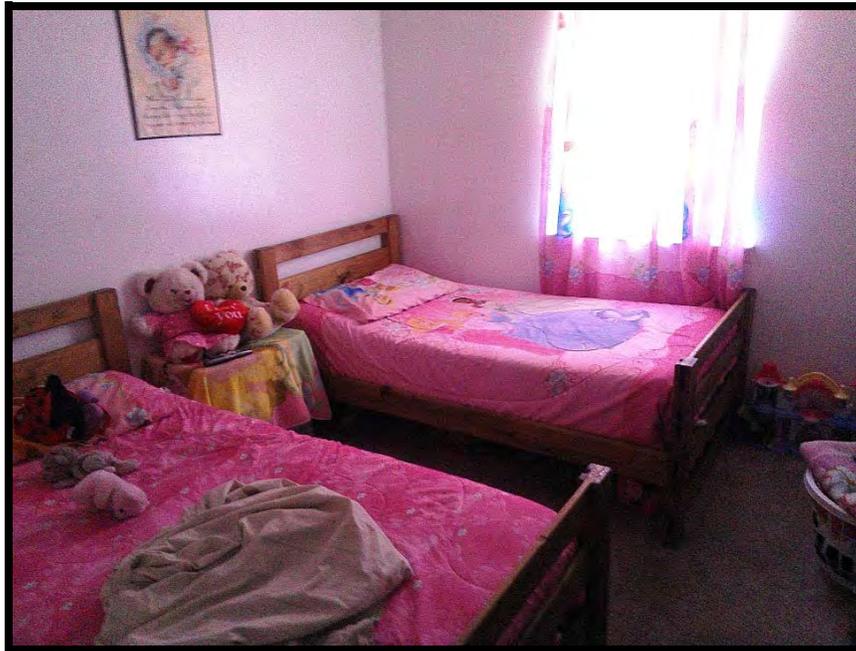
Typical Kitchen



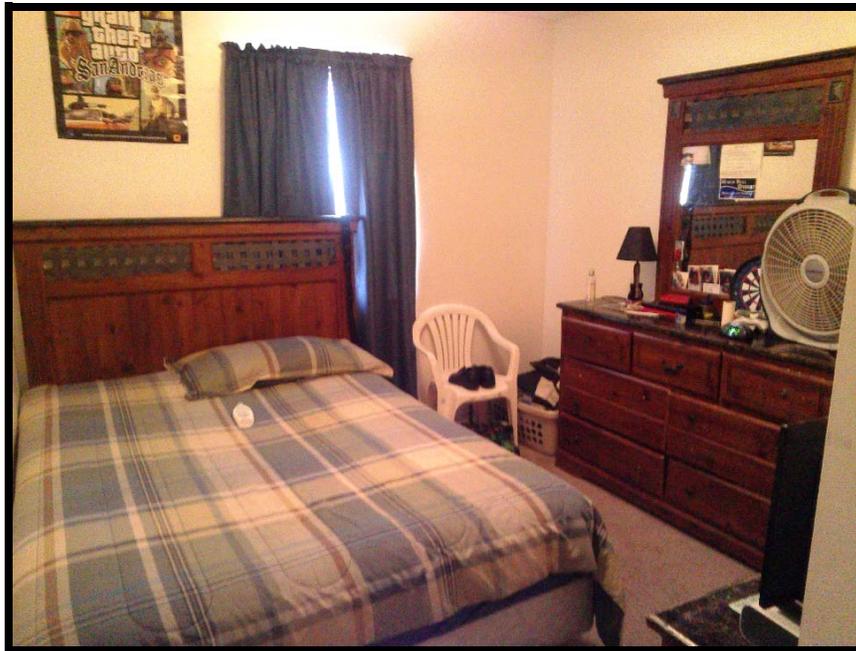
Typical Washer/Dryer Hookup Area



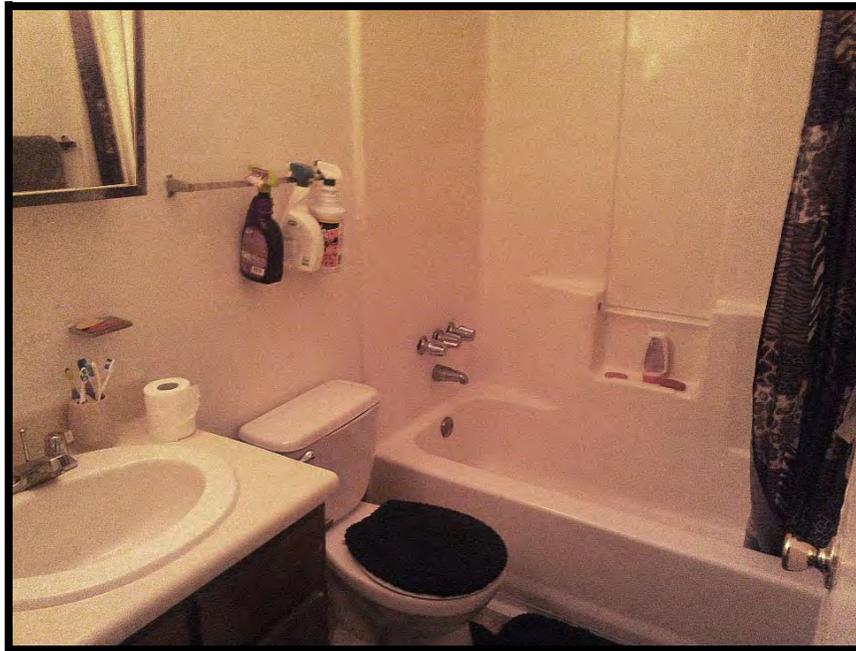
Typical Master Bedroom



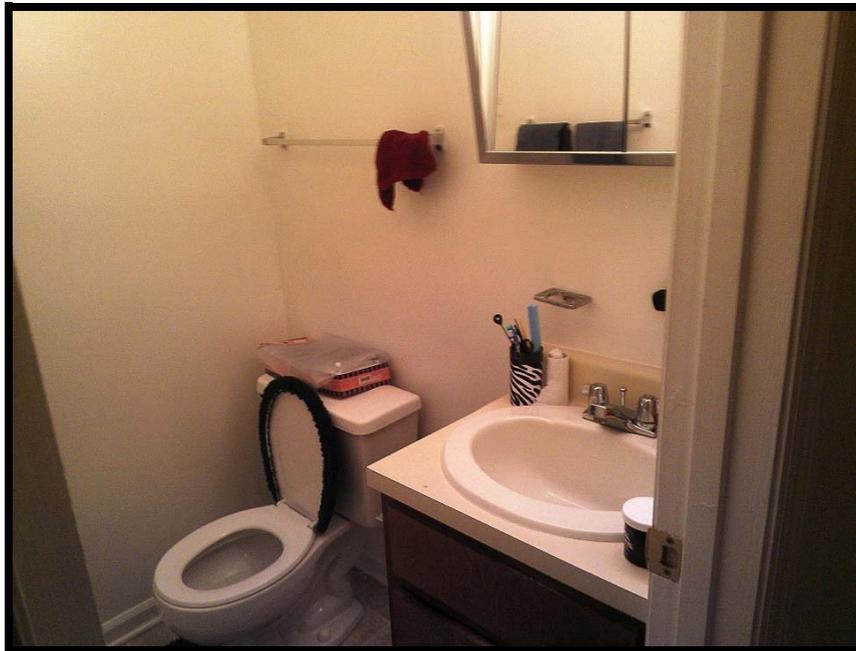
Typical Second Bedroom



Typical Third Bedroom



Typical Full Bathroom



Typical Half Bathroom



Typical Patio Storage

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

While the site is served by a variety of community services, we have identified the closest and most relevant of these and detailed them in the following table:

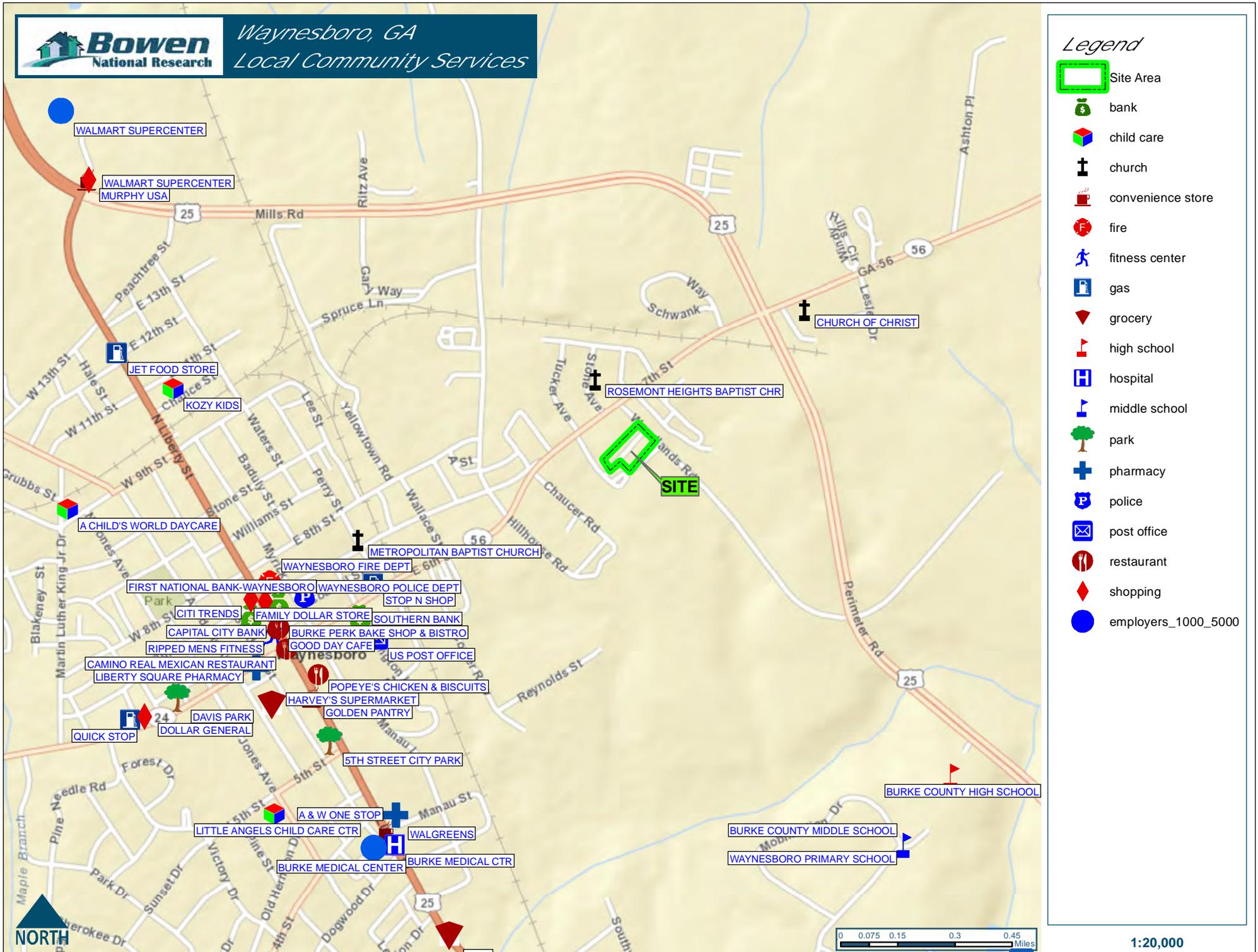
Community Services	Name	Driving Distance From Site (Miles)
Major Highway(s)	State Route 56/80	0.1 North
	U.S. Highway 25	0.5 Northeast
Public Bus Stop	Burke County Transit	On-site/On-call
Major Employers/Employment Centers	Burke County Public Schools	1.5 Southeast
	Walmart Supercenter	2.4 Northwest
	Burke Medical Center	1.4 Southwest
Convenience Store	Golden Pantry	1.1 Southwest
	A & W One Stop	1.4 Southwest
	Murphy USA	1.9 West
Grocery	Harvey's Supermarket	1.2 Southwest
	Bi-Lo	1.7 Southwest
Discount Department Store	McKinney's Do It Best Home Center	0.3 West
	Family Dollar Store	1.0 West
	Citi Trends	1.0 West
	Walmart Supercenter	2.4 West
Schools:		
Elementary	Waynesboro Primary School (Grades K-2)	2.9 Southeast
	Blakeney Elementary School (Grades 3-5)	2.3 Southeast
Middle/Junior High	Burke County Middle School (Grades 6-8)	2.4 Southeast
Senior High	Burke County High School (Grades 9-12)	1.1 Southeast
Hospital	Burke Medical Center	1.5 Southwest
Police	Waynesboro Police Department	0.9 West
Fire	Waynesboro Fire Department	1.0 West
Post Office	U.S. Post Office	0.9 Southwest
Bank	Southern Bank	0.9 Southwest
	First National Bank-Waynesboro	1.0 West
	Capital City Bank	1.0 Southwest
Senior Center	Burke County Senior Center	1.8 Southwest
Recreational Facilities	Burke County Recreation Center	2.5 South
Gas Station	Stop-N-Shop	0.8 Southwest
	Quick Stop	1.4 Southwest
	Jet Food Store	1.6 West
Pharmacy	Liberty Square Pharmacy	1.1 Southwest
	Walgreens	1.5 Southwest
Restaurant	Camino Real Mexican Restaurant	1.0 Southwest
	Burke Perk Bake Shop & Bistro	1.0 Southwest
	Good Day Cafe	1.0 Southwest
	Popeye's Chicken & Biscuits	1.1 Southwest
Day Care	Kozy Kids	1.4 West
	Little Angels Child Care Center	1.4 Southwest
	A Child's World Daycare	1.7 West
Library	Burke County Public Library	2.0 South
Fitness Center	Ripped Fitness	1.0 Southwest

(continued)

Community Services	Name	Driving Distance From Site (Miles)
Park	5th Street City Park	1.2 Southwest
	Davis Park	1.4 Southwest
Church	Rosemont Heights Baptist Church	0.3 Northwest
	Church Of Christ	0.6 Northeast
	Metropolitan Baptist Church	0.7 West

The site is located approximately 1.0 mile east of downtown Waynesboro, which includes community and safety services, such as the Waynesboro Police and Fire departments. Various restaurants, specialty shopping, a post office, a library, banks and grocery stores are all within 2.0 miles. Additionally, there is a Walmart Supercenter located 2.4 miles northwest of the subject site. The city does maintain two city parks within 1.4 miles of the subject site. Each has playground equipment, while one has tennis courts and the other has basketball courts. Burke County Public Schools service the subject site and all schools are within 2.9 miles; however, school bus transportation is provided. The city does not offer any form of regularly scheduled public transportation, nor is it on any public transportation routes; however, Burke County Transit offers an on-call, on-site service for a fee. The Burke Medical Center, a full service hospital, is located approximately 1.5 miles southeast of the site. Overall, the site's proximity to community and safety services has had a positive impact on the marketability of the site and this is expected to continue.

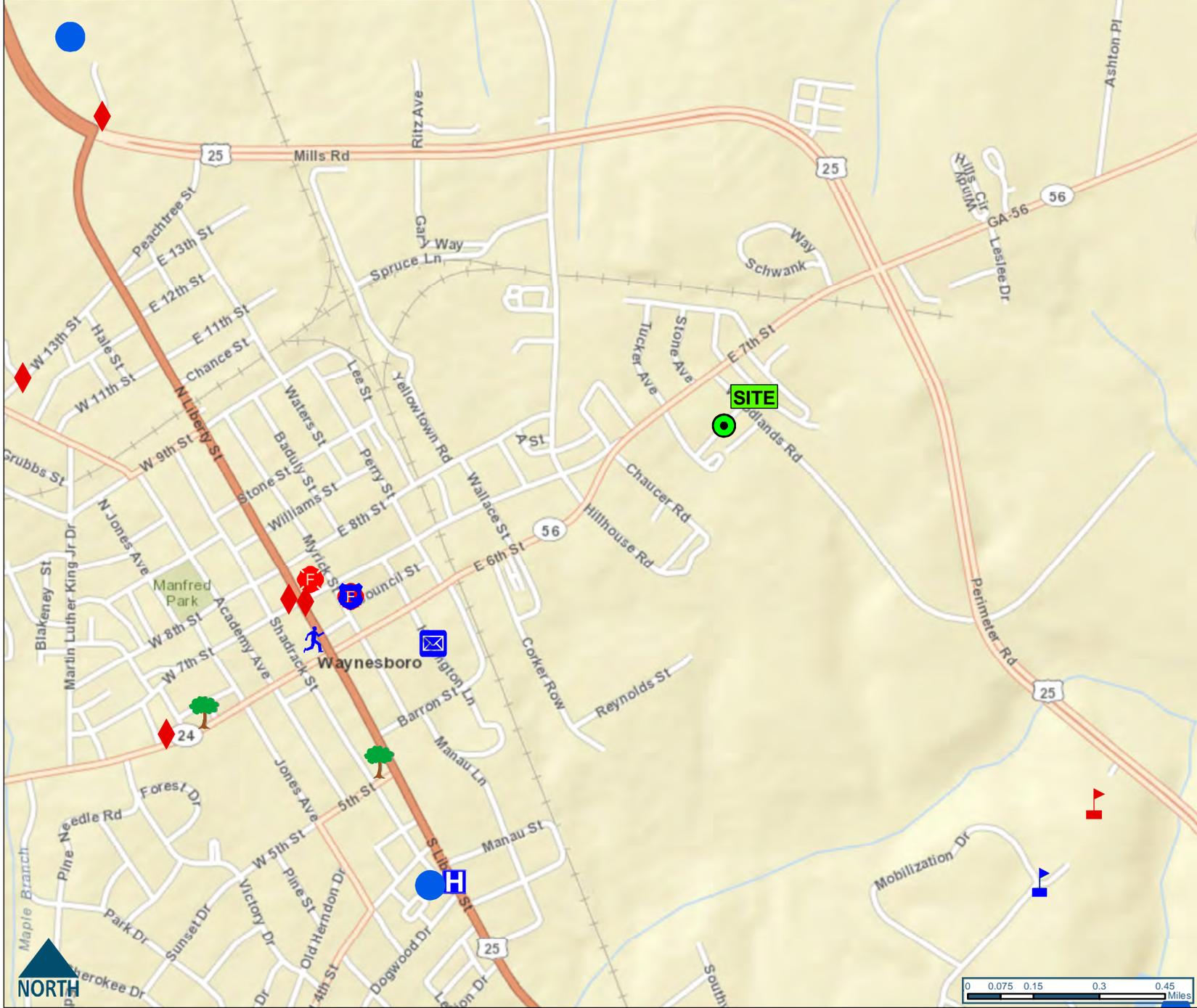
Maps illustrating the location of community services are on the following pages.



- Legend*
- Site Area
 - bank
 - child care
 - church
 - convenience store
 - fire
 - fitness center
 - gas
 - grocery
 - high school
 - hospital
 - middle school
 - park
 - pharmacy
 - police
 - post office
 - restaurant
 - shopping
 - employers_1000_5000



1:20,000



Legend

-  Site
-  fire
-  fitness center
-  high school
-  hospital
-  middle school
-  park
-  police
-  post office
-  shopping
-  employers_1000_5000



1:20,000

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 (93) for the Site PMA is below the national average with an overall personal crime index of 105 and a property crime index of 73. Total crime risk (91) for Burke County is below the national average with indexes for personal and property crime of 101 and 72, respectively.

	Crime Risk Index	
	Site PMA	Burke County
Total Crime	93	91
Personal Crime	105	101
Murder	97	97
Rape	66	60
Robbery	46	46
Assault	209	202
Property Crime	73	72
Burglary	123	119
Larceny	58	59
Motor Vehicle Theft	41	41

Source: Applied Geographic Solutions

The crime risk index within the Site PMA is 93, which is similar to that of Burke County as a whole and the national average (100). As such, it is unlikely that there is a high perception of crime within the Site PMA. In fact, the relatively low perception of crime is likely a marketable factor for residents choosing a housing option within Burke County compared to other areas within the region that may have a higher crime risk index.

A map illustrating crime risk is on the following page.

7. OVERALL SITE EVALUATION

The subject project is currently 100% occupied, which is evidence that the site location has had a positive impact on its marketability. Surrounding land uses are generally consistent with residential housing and no known nuisances were observed within proximity of the site. Visibility and access are considered good. Basic community services are available within 3.0 miles of the site, including but not limited to grocery stores, banks, convenience stores, discount retailers, gas stations, an acute-care health center, all K-12 schools and most major employers within Burke County. It is our opinion that following the subject project's renovations, the surrounding land uses and proximity to community services will continue to have a positive impact on the marketability of the site.

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.

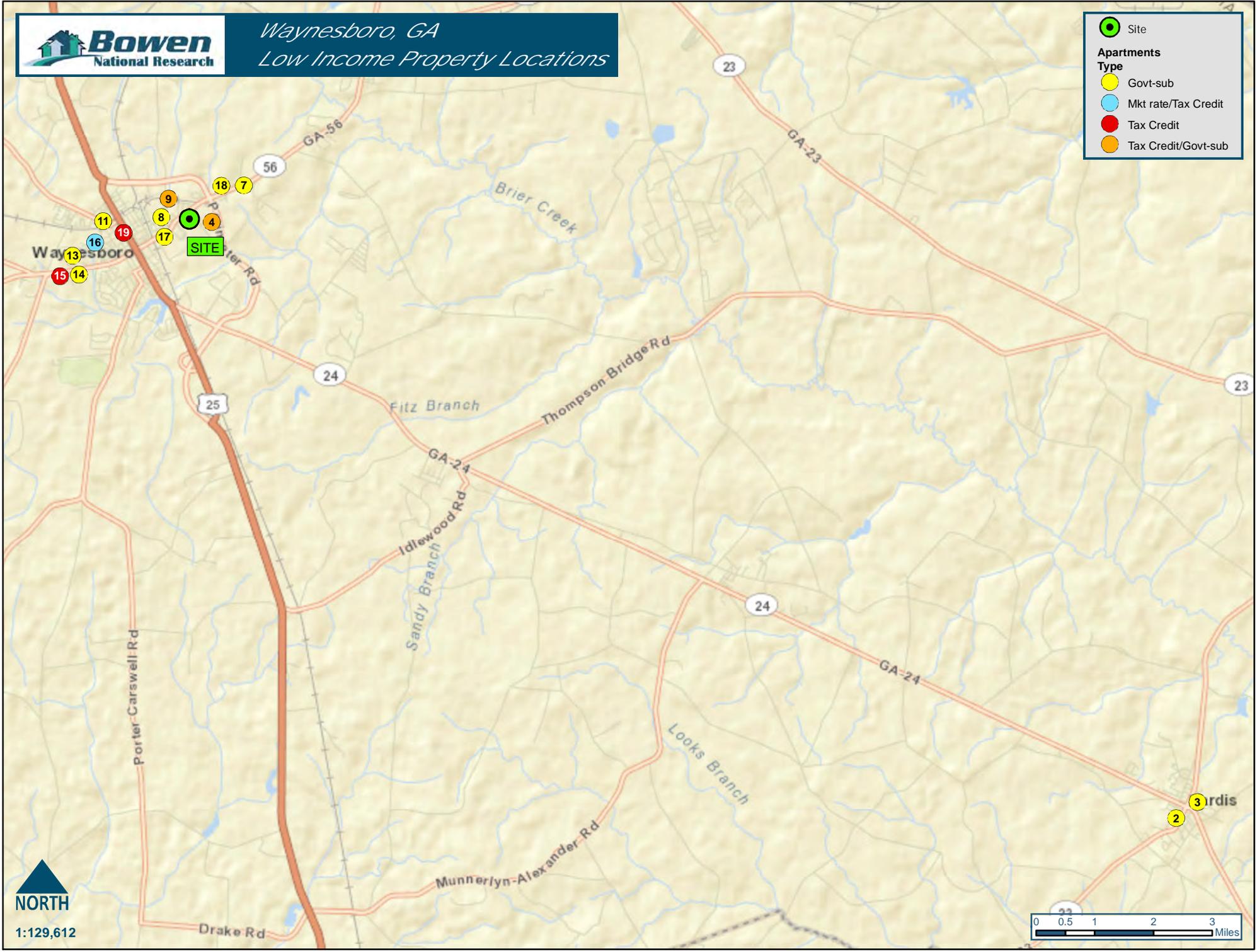


Waynesboro, GA
Low Income Property Locations

● Site

Apartments Type

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




NORTH
1:129,612

0 0.5 1 2 3 Miles

SECTION D – PRIMARY MARKET AREA DELINEATION

The Site Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Woodland Terrace Apartments Site PMA was determined through interviews with management at the subject site, other area leasing agents, government officials, economic development representatives 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 city of Waynesboro is the most populated area in Burke County and offers a large concentration of shopping, dining, employment and recreational opportunities, relative to other areas in the county. As such, renters within nearby cities and unincorporated areas of the county naturally gravitate towards Waynesboro in search of rental housing. Further, our survey of apartments within the area illustrated an apparent shortage of low-income rental housing options available, which creates an unbalanced housing supply.

We identified and surveyed 12 government-subsidized housing projects within the cities of Waynesboro and Sardis (located approximately 17.0 miles southeast of Waynesboro). These 12 properties reported a 100.0% occupancy rate and waiting lists up to 50 households in length. This apparent lack of government-subsidized housing within this region of Burke County indicates low-income households would likely be willing to relocate for available housing.

Glenda Pennington is the Site Manager of the three apartment communities located within Waynesboro, including the subject project (Woodland Terrace). According to Ms. Pennington, the majority of her current residents originated from within the city of Waynesboro and nearby areas of Burke County. She went on to say that most residents of the Waynesboro area are local and have lived in the region their entire life. Notable, all three of her properties are consistently 100% occupied and have wait lists.

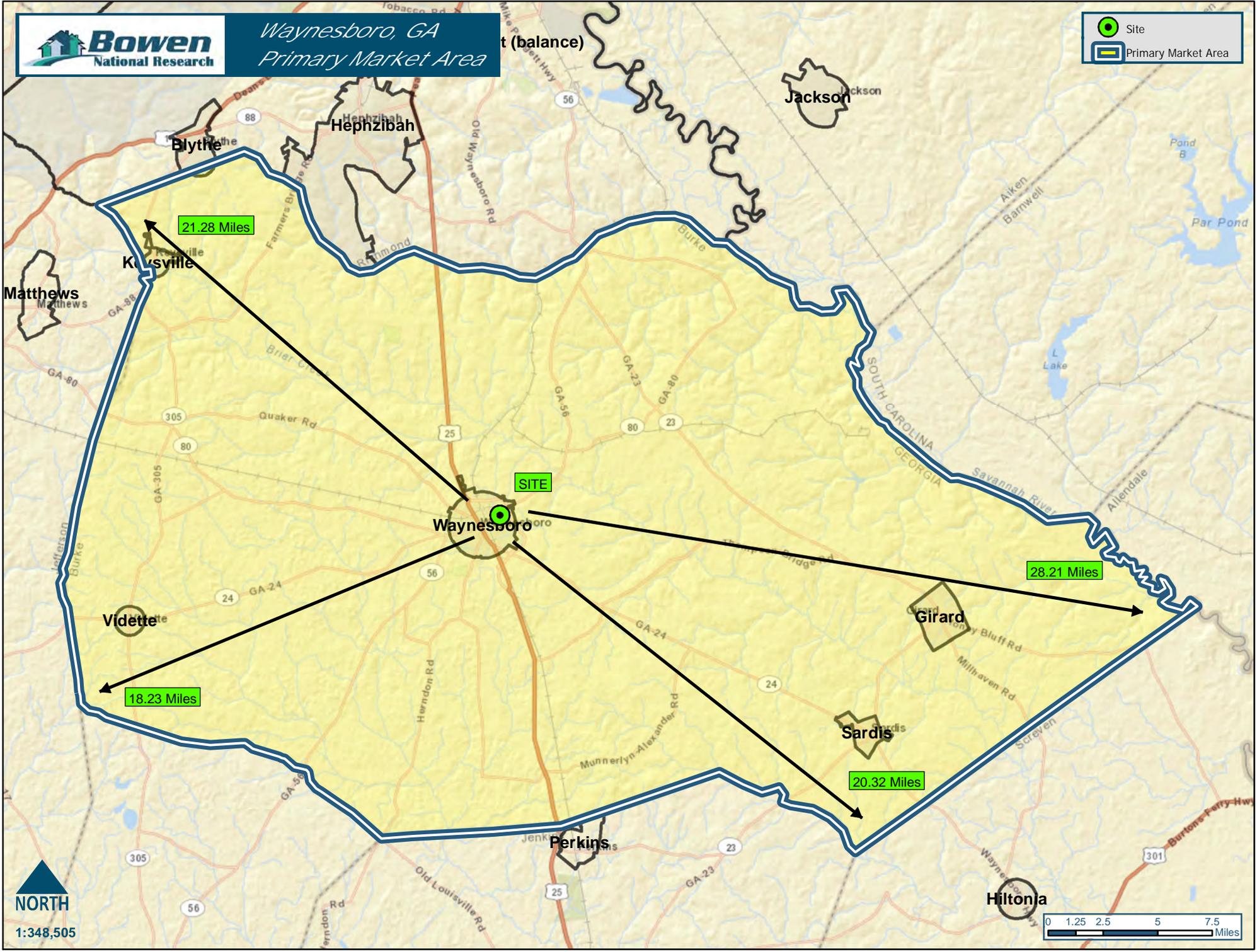
Based on the preceding information, the Waynesboro Site PMA includes the cities of Waynesboro and Sardis, as well as portions of unincorporated Burke County. The boundaries of the Site PMA include the Burke County boundary to the north, east and west; and Rosier Road, Byne-Sunshine Road and the Burke County boundary to the south. All of the aforementioned boundaries are within 30.0 miles of the site, while the most populated areas are within 17.0 miles of the site.

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



Waynesboro, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:348,505



SECTION E - COMMUNITY DEMOGRAPHIC DATA

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	21,189	22,457	22,747	22,944
Population Change	-	1,268	290	197
Percent Change	-	6.0%	1.3%	0.9%

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

The Waynesboro Site PMA population base increased by 1,268 between 2000 and 2010. This represents a 6.0% increase from the 2000 population, or an annual rate of 0.6%. Between 2010 and 2013, the population increased by 290, or 1.3%. It is projected that the population will increase by 197, or 0.9%, 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	6,993	31.1%	6,933	30.5%	6,958	30.3%	25	0.4%
20 to 24	1,444	6.4%	1,465	6.4%	1,430	6.2%	-35	-2.4%
25 to 34	2,593	11.5%	2,669	11.7%	2,697	11.8%	28	1.0%
35 to 44	2,703	12.0%	2,648	11.6%	2,645	11.5%	-3	-0.1%
45 to 54	3,297	14.7%	3,188	14.0%	3,113	13.6%	-75	-2.4%
55 to 64	2,783	12.4%	2,971	13.1%	3,048	13.3%	78	2.6%
65 to 74	1,594	7.1%	1,793	7.9%	1,946	8.5%	152	8.5%
75 & Over	1,050	4.7%	1,079	4.7%	1,106	4.8%	28	2.6%
Total	22,457	100.0%	22,747	100.0%	22,944	100.0%	197	0.9%

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

Population Type	Year		
	2010 (Census)	2013 (Estimated)	2015 (Projected)
Elderly (Age 62+)	3,419	3,711	3,919
Non-Elderly	19,038	19,036	19,026
Total	22,457	22,747	22,944

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

As the preceding tables illustrate, population growth is projected to be concentrated among seniors ages 62 and older. However, nearly 83% of the population will be under the age of 62 in 2015.

Further, the population base below the age of 62 has remained relatively stable since 2010. These trends demonstrate a stable population base that is gradually aging in place.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2015 (Projected)
Households	7,545	8,213	8,297	8,402
Household Change	-	668	84	104
Percent Change	-	8.8%	1.0%	1.3%
Household Size	2.81	2.73	2.71	2.70

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

Within the Waynesboro Site PMA, households increased by 668 (8.8%) between 2000 and 2010. Between 2010 and 2013, households increased by 84 or 1.0%. By 2015, there will be 8,402 households, an increase of 104 households, or 1.3% from 2013 levels. This is an increase of approximately 52 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	383	4.7%	361	4.3%	351	4.2%	-9	-2.6%
25 to 34	1,144	13.9%	1,161	14.0%	1,170	13.9%	10	0.8%
35 to 44	1,435	17.5%	1,384	16.7%	1,380	16.4%	-4	-0.3%
45 to 54	1,843	22.4%	1,756	21.2%	1,711	20.4%	-45	-2.6%
55 to 64	1,702	20.7%	1,799	21.7%	1,840	21.9%	42	2.3%
65 to 74	1,054	12.8%	1,173	14.1%	1,269	15.1%	96	8.2%
75 to 84	522	6.4%	557	6.7%	546	6.5%	-10	-1.9%
85 & Over	136	1.7%	107	1.3%	134	1.6%	26	24.7%
Total	8,219	100.0%	8,297	100.0%	8,402	100.0%	104	1.3%

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 between the ages of 65 and 74. Although households ages 45 to 54 are projected to decline by 2.6%, it is likely these households are merely aging into the age 55 to 64 age cohort. Overall, the household base is considered stable.

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)	3,917	47.7%	3,739	45.1%	3,736	44.5%
Owner-Occupied (Age 62+)	1,781	21.7%	1,915	23.1%	2,018	24.0%
Renter-Occupied (<Age 62)	2,104	25.6%	2,224	26.8%	2,211	26.3%
Renter-Occupied (Age 62+)	411	5.0%	420	5.1%	437	5.2%
Total	8,213	100.0%	8,297	100.0%	8,402	100.0%

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

As detailed by the preceding table, older households ages 62+ will generally increase in number between 2013 and 2015, while households under the age of 62 are expected to remain relatively stable.

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

Household Income	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	946	11.5%	1,022	12.3%	1,017	12.1%
\$10,000 to \$19,999	1,553	18.9%	1,826	22.0%	1,826	21.7%
\$20,000 to \$29,999	1,062	12.9%	1,046	12.6%	1,048	12.5%
\$30,000 to \$39,999	1,009	12.3%	949	11.4%	968	11.5%
\$40,000 to \$49,999	747	9.1%	711	8.6%	715	8.5%
\$50,000 to \$59,999	667	8.1%	656	7.9%	659	7.8%
\$60,000 to \$74,999	759	9.2%	872	10.5%	879	10.5%
\$75,000 to \$99,999	773	9.4%	665	8.0%	697	8.3%
\$100,000 to \$124,999	354	4.3%	298	3.6%	318	3.8%
\$125,000 to \$149,999	144	1.8%	135	1.6%	146	1.7%
\$150,000 to \$199,999	140	1.7%	76	0.9%	83	1.0%
\$200,000 & Over	58	0.7%	42	0.5%	47	0.6%
Total	8,213	100.0%	8,297	100.0%	8,402	100.0%
Median Income	\$35,404		\$32,680		\$33,202	

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

In 2010, the median household income was \$35,404. This declined by 7.7% to \$32,680 in 2013. By 2015, it is projected that the median household income will be \$33,202, an increase of 1.6% from 2013.

The following tables illustrate renter household income by household size for 2010, 2013 and 2015 for the Waynesboro Site PMA.

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	232	157	39	82	44	554
\$10,000 to \$19,999	186	96	170	154	78	683
\$20,000 to \$29,999	113	65	45	5	89	318
\$30,000 to \$39,999	43	98	24	32	54	251
\$40,000 to \$49,999	22	33	15	8	54	133
\$50,000 to \$59,999	14	80	2	19	5	119
\$60,000 to \$74,999	63	23	146	2	0	234
\$75,000 to \$99,999	51	5	6	40	48	150
\$100,000 to \$124,999	8	1	6	1	1	17
\$125,000 to \$149,999	7	5	4	5	4	26
\$150,000 to \$199,999	9	1	3	1	0	14
\$200,000 & Over	1	3	5	3	3	15
Total	748	569	466	352	381	2,515

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	266	188	52	86	53	644
\$10,000 to \$19,999	220	93	204	179	88	784
\$20,000 to \$29,999	93	73	48	5	109	329
\$30,000 to \$39,999	48	95	20	24	47	233
\$40,000 to \$49,999	22	33	14	7	51	127
\$50,000 to \$59,999	10	76	4	15	7	111
\$60,000 to \$74,999	83	29	124	5	0	241
\$75,000 to \$99,999	43	5	7	32	35	122
\$100,000 to \$124,999	4	2	5	2	3	16
\$125,000 to \$149,999	7	3	3	3	2	18
\$150,000 to \$199,999	2	2	2	3	0	10
\$200,000 & Over	2	0	2	2	2	8
Total	799	598	486	364	396	2,643

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2015 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	263	186	51	85	51	636
\$10,000 to \$19,999	225	92	202	176	90	785
\$20,000 to \$29,999	92	71	48	4	108	323
\$30,000 to \$39,999	48	96	21	24	46	235
\$40,000 to \$49,999	22	34	12	8	52	127
\$50,000 to \$59,999	12	77	5	15	7	116
\$60,000 to \$74,999	82	29	126	3	0	240
\$75,000 to \$99,999	43	6	7	35	36	128
\$100,000 to \$124,999	4	2	5	4	3	17
\$125,000 to \$149,999	6	3	4	3	3	19
\$150,000 to \$199,999	3	3	3	4	0	13
\$200,000 & Over	3	1	3	2	1	10
Total	804	598	486	363	397	2,647

Source: Ribbon Demographics; ESRI; Urban Decision Group

Between 2013 and 2015, the number of all renter households is projected to increase by 4, or 0.2%. The subject project will target households generally earning less than \$40,000, which are projected to decline by 11 or -0.6% during the same time period. Regardless, the base of continued demographic support for the subject development is considered large, as renter households earning less than \$40,000 will still represent nearly 75% of all renter households within the Site PMA in 2015. Detailed demand estimates are included in Section G of this report.

SECTION F - ECONOMIC TRENDS

1. LABOR FORCE PROFILE

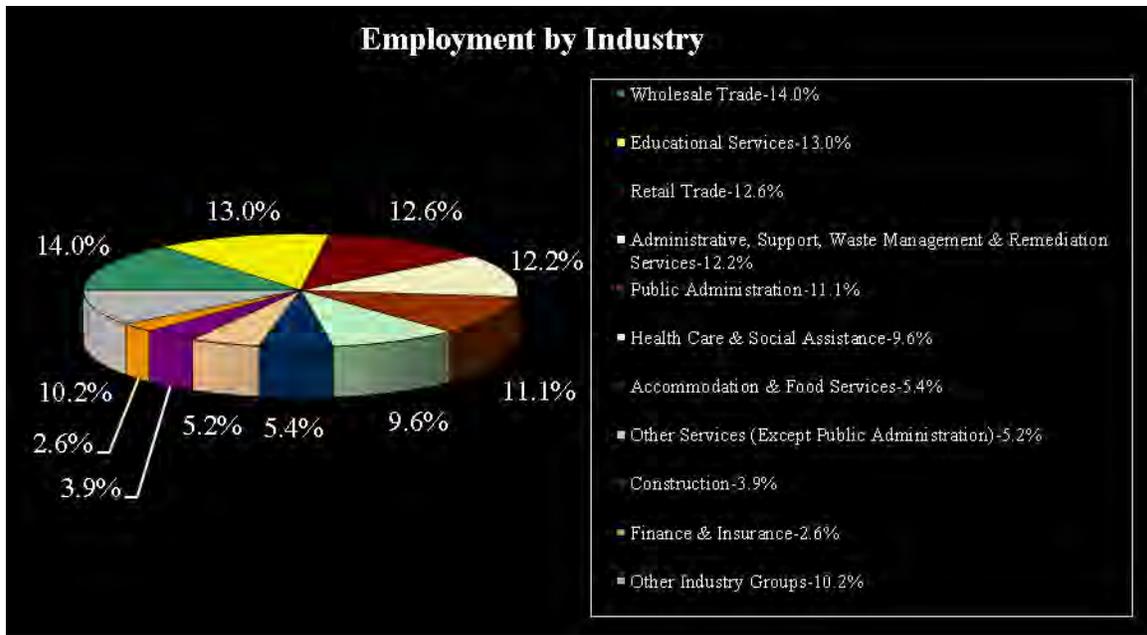
The labor force within the Waynesboro Site PMA is based primarily in five sectors. Wholesale Trade (which comprises 14.0%), Educational Services, Retail Trade, Administrative, Support, Waste Management & Remediation Services and Public Administration comprise approximately 63% of the Site PMA labor force. Employment in the Waynesboro Site PMA, as of 2013, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	19	2.7%	75	1.0%	3.9
Mining	0	0.0%	0	0.0%	0.0
Utilities	5	0.7%	21	0.3%	4.2
Construction	37	5.3%	290	3.9%	7.8
Manufacturing	12	1.7%	113	1.5%	9.4
Wholesale Trade	29	4.2%	1,040	14.0%	35.9
Retail Trade	90	13.0%	931	12.6%	10.3
Transportation & Warehousing	26	3.7%	166	2.2%	6.4
Information	9	1.3%	66	0.9%	7.3
Finance & Insurance	47	6.8%	195	2.6%	4.1
Real Estate & Rental & Leasing	32	4.6%	83	1.1%	2.6
Professional, Scientific & Technical Services	29	4.2%	82	1.1%	2.8
Management of Companies & Enterprises	2	0.3%	46	0.6%	23.0
Administrative, Support, Waste Management & Remediation Services	19	2.7%	905	12.2%	47.6
Educational Services	16	2.3%	967	13.0%	60.4
Health Care & Social Assistance	45	6.5%	714	9.6%	15.9
Arts, Entertainment & Recreation	8	1.2%	61	0.8%	7.6
Accommodation & Food Services	39	5.6%	403	5.4%	10.3
Other Services (Except Public Administration)	147	21.2%	388	5.2%	2.6
Public Administration	70	10.1%	824	11.1%	11.8
Nonclassifiable	13	1.9%	40	0.5%	3.1
Total	694	100.0%	7,410	100.0%	10.7

*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 Augusta-Richmond County Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Augusta-Richmond County MSA	Georgia
Management Occupations	\$96,560	\$106,520
Business and Financial Occupations	\$61,420	\$69,720
Computer and Mathematical Occupations	\$69,050	\$76,060
Architecture and Engineering Occupations	\$83,430	\$73,630
Community and Social Service Occupations	\$39,420	\$41,880
Art, Design, Entertainment and Sports Medicine Occupations	\$45,010	\$48,400
Healthcare Practitioners and Technical Occupations	\$65,720	\$69,400
Healthcare Support Occupations	\$25,390	\$26,160
Protective Service Occupations	\$31,460	\$33,690
Food Preparation and Serving Related Occupations	\$19,320	\$19,810
Building and Grounds Cleaning and Maintenance Occupations	\$21,370	\$23,550
Personal Care and Service Occupations	\$21,570	\$22,160
Sales and Related Occupations	\$28,660	\$35,520
Office and Administrative Support Occupations	\$30,630	\$33,110
Construction and Extraction Occupations	\$39,330	\$38,120
Installation, Maintenance and Repair Occupations	\$41,150	\$41,750
Production Occupations	\$36,060	\$31,340
Transportation and Moving Occupations	\$28,220	\$34,260

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

Most annual blue-collar salaries range from \$19,320 to \$45,010 within the Augusta-Richmond County MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$75,236. It is important to note that most occupational types within the Augusta-Richmond County MSA have slightly lower typical wages than the State of Georgia's typical wages. The proposed project will target households with incomes generally up to \$40,000. The area employment base has a significant number of income-appropriate occupations from which the subject project will continue to be able to draw renter support.

2. MAJOR EMPLOYERS

Burke County, Georgia is home to six cities, including Girard, Keysville, Midville, Sardis, Vidette, and Waynesboro (the county seat), and is part of the larger, seven-county Augusta-Richmond County Metropolitan Statistical Area. The county's ten largest employers, which are summarized in the table below, have a combined workforce of 3,887. Note that some counts include temporary, part-time, and/or seasonal workers. Also note that while not on the list, Galaxy Distribution (1201 Gary Way in Waynesboro) provides distribution services for Samson's Manufacturing Corp. (231 East 13th Street in Waynesboro), which produces curtains and draperies. The former employs 70, while the latter has a headcount of 48. Though not major employers on their own, together, they are responsible for 118 local jobs.

Employer Name	Business Type	Total Employed
Southern Nuclear/Plant Vogtle	Nuclear Power Plant	1,454
Burke County Board of Education	Education	993
Burke County Bd of Commissioners	Government	431
Alstom Grid	Copper Wiring	263
Wal-Mart	Retail	192
Burke Medical Center	Healthcare	158
Brentwood Health & Rehab	Nursing Home	125
Fiamm Energy	Industrial Batteries	121
Mr. Golf Carts	Golf Carts	78
Sam Dong	Magnet Wire	72
Total		3,887

Source: Development Authority of Burke County (2013)

According to representatives with the Development Authority of Burke County and Georgia Power Community & Economic Development, the counties economy has traditionally been anchored in manufacturing and the Plant Vogtle nuclear power plant. Overall economic conditions are stable, as there has been limited manufacturing growth.

However, new development associated with the third and fourth reactors of the nuclear power plant have served as a counter weight to the manufacturing decline.

The Plant Vogtle facility, which is located on the Savannah River, is currently building two new reactors with an estimated cost exceeding \$14 billion. Significantly, they will be the first nuclear units built in the United States within the last three decades. Scheduled for completion in 2017 and 2018, they require a fluctuating construction workforce of 2,500 to 5,000 during the building phase. Once operating, 800 to 1,000 permanent jobs will be created, with an additional 600 to 900 workers needed on a cyclical basis for maintenance. Despite the job creation, however, most Burke County residents lack the necessary skills. As such, many skilled craftsmen have been drawn from other counties and states to fill the positions. That said, while the opportunity has not been a direct job creator for the local workforce, it has pumped much needed dollars into the economy. For instance, there has been some activity among commercial, retail, and residential builders.

According to a representative with Georgia Power Community & Economic Development, new activity in Waynesboro includes a Hampton Inn, a tractor supply store, a fast food restaurant, and a Verizon store. In fact, most commercial and retail development is concentrated in Waynesboro, particularly along the Bypass and near the industrial park. As for residential, some new development is emerging in north Burke County, near the Richmond County line. Elsewhere in Sardis and Girard, activity is related to construction at Plant Vogtle. This includes temporary housing, RV parks, convenience stores, etc.

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.

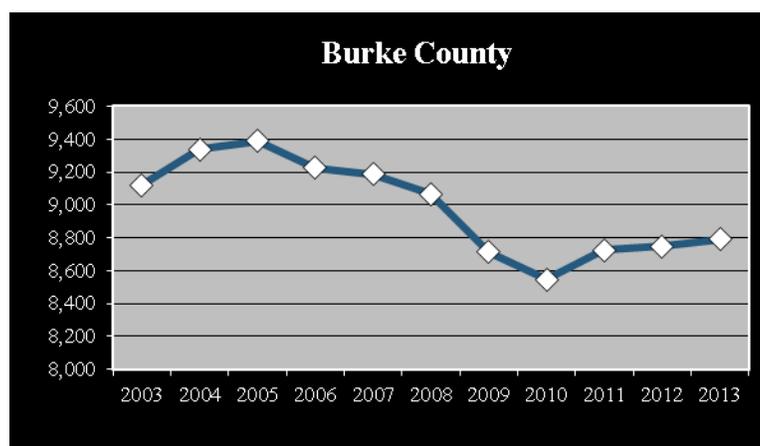
Excluding 2013, the employment base has declined by 3.5% over the past five years in Burke County, less than the Georgia state decline of 3.7%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Burke County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2003	9,119	-	4,173,787	-	137,936,674	-
2004	9,336	2.4%	4,249,007	1.8%	138,386,944	0.3%
2005	9,387	0.5%	4,375,178	3.0%	139,988,842	1.2%
2006	9,224	-1.7%	4,500,150	2.9%	142,328,023	1.7%
2007	9,188	-0.4%	4,587,739	1.9%	144,990,053	1.9%
2008	9,065	-1.3%	4,540,706	-1.0%	146,397,529	1.0%
2009	8,714	-3.9%	4,289,819	-5.5%	146,068,824	-0.2%
2010	8,545	-1.9%	4,241,718	-1.1%	140,721,369	-3.7%
2011	8,726	2.1%	4,295,113	1.3%	140,483,185	-0.2%
2012	8,747	0.2%	4,371,608	1.8%	141,748,955	0.9%
2013*	8,792	0.5%	4,403,198	0.7%	141,772,241	0.0%

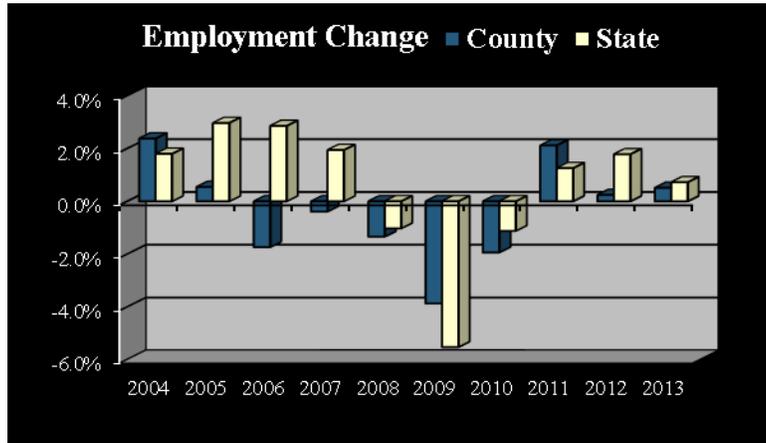
Source: Department of Labor; Bureau of Labor Statistics

*Through July



As illustrated in the preceding table, the Burke County employment base declined by 842 workers (9.0%) between 2005 and 2010. Although employment levels began to recover in 2011, the employment base is still 6.3% lower than 2005 employment.

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

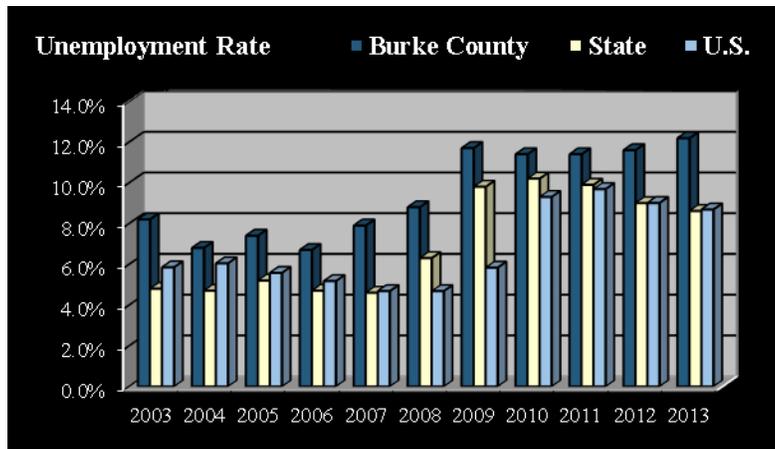


Unemployment rates for Burke County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Burke County	Georgia	United States
2003	8.2%	4.8%	5.8%
2004	6.8%	4.7%	6.0%
2005	7.4%	5.2%	5.6%
2006	6.7%	4.7%	5.2%
2007	7.9%	4.6%	4.7%
2008	8.8%	6.3%	4.7%
2009	11.7%	9.8%	5.8%
2010	11.4%	10.2%	9.3%
2011	11.4%	9.9%	9.7%
2012	11.6%	9.0%	9.0%
2013*	12.2%	8.6%	8.7%

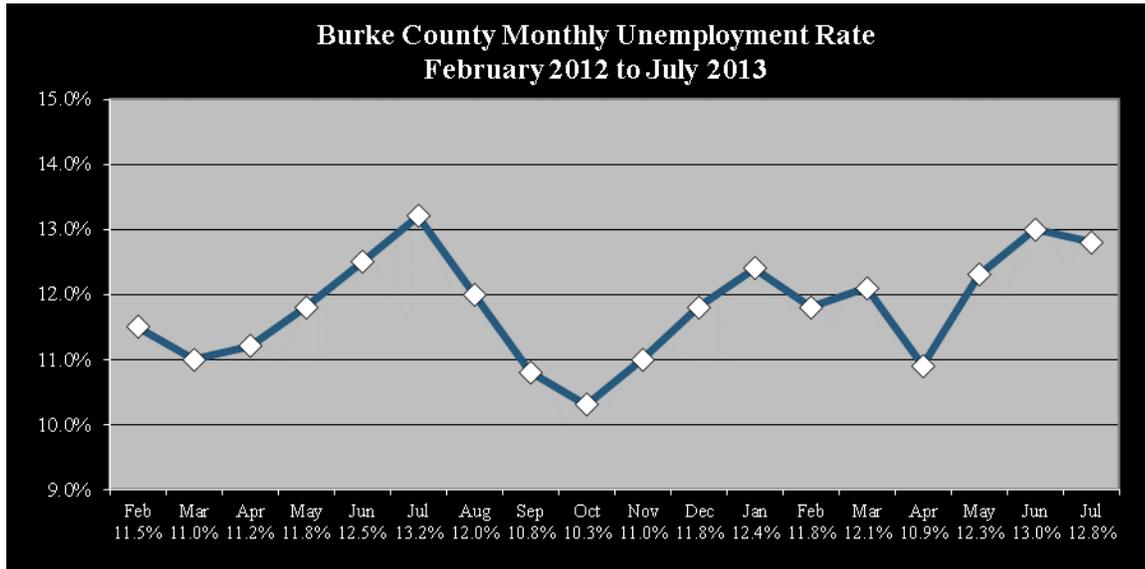
Source: Department of Labor, Bureau of Labor Statistics

*Through July



The unemployment rate in Burke County has ranged between 6.7% and 12.2%, well above the state average since 2003.

The following table illustrates the monthly unemployment rate in Burke 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 fluctuated between 10.3% and 13.2%. However, monthly unemployment rates do not appear to be trending in any particular direction, which suggests the unemployment rate has stabilized at a high level.

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 Burke County.

In-Place Employment Burke County			
Year	Employment	Change	Percent Change
2002	6,689	-	-
2003	6,263	-426	-6.4%
2004	5,992	-271	-4.3%
2005	5,940	-52	-0.9%
2006	5,976	36	0.6%
2007	5,937	-39	-0.7%
2008	5,700	-237	-4.0%
2009	5,866	166	2.9%
2010	5,935	69	1.2%
2011	6,182	247	4.2%
2012*	6,450	268	4.3%

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 Burke County to be 70.7% of the total Burke County employment. This means that many residents both live and work within Burke County. This moderate share of in-place employment within Burke County will likely contribute to the continued marketability of the subject project, as it is likely that many residents of the subject project will not have significant commute times to their place of employment.

4. ECONOMIC FORECAST

The Burke County employment base declined by over 840 workers, or 9.0%, between 2005 and 2010. Notably, the most significant impact originated during the national recession, as many local manufacturers were forced to consolidate, relocate or close permanently. According to local economic representatives, Burke County has stabilized since 2010 and has shown signs of limited growth during the previous three years. Continued construction of the new nuclear reactors at the Vogtle Plant has buoyed the local economy with construction jobs and a stable tax base. Although no other major employment announcements have been made during the last year, the employment base has added 247 jobs since 2010, which is a 2.9% increase. Unfortunately, the monthly unemployment rate within the county has stagnated between 10.3% and 13.2% during the previous 18-month period, which indicates it has stabilized at a relatively high rate compared to historic averages within the county and current statewide levels. As no other significant employment announcements have been made in the previous year, it is anticipated that the construction of the Vogtle plant will continue serve as a stabilizing force within the economy. However, unemployment rates are expected to remain relatively high.

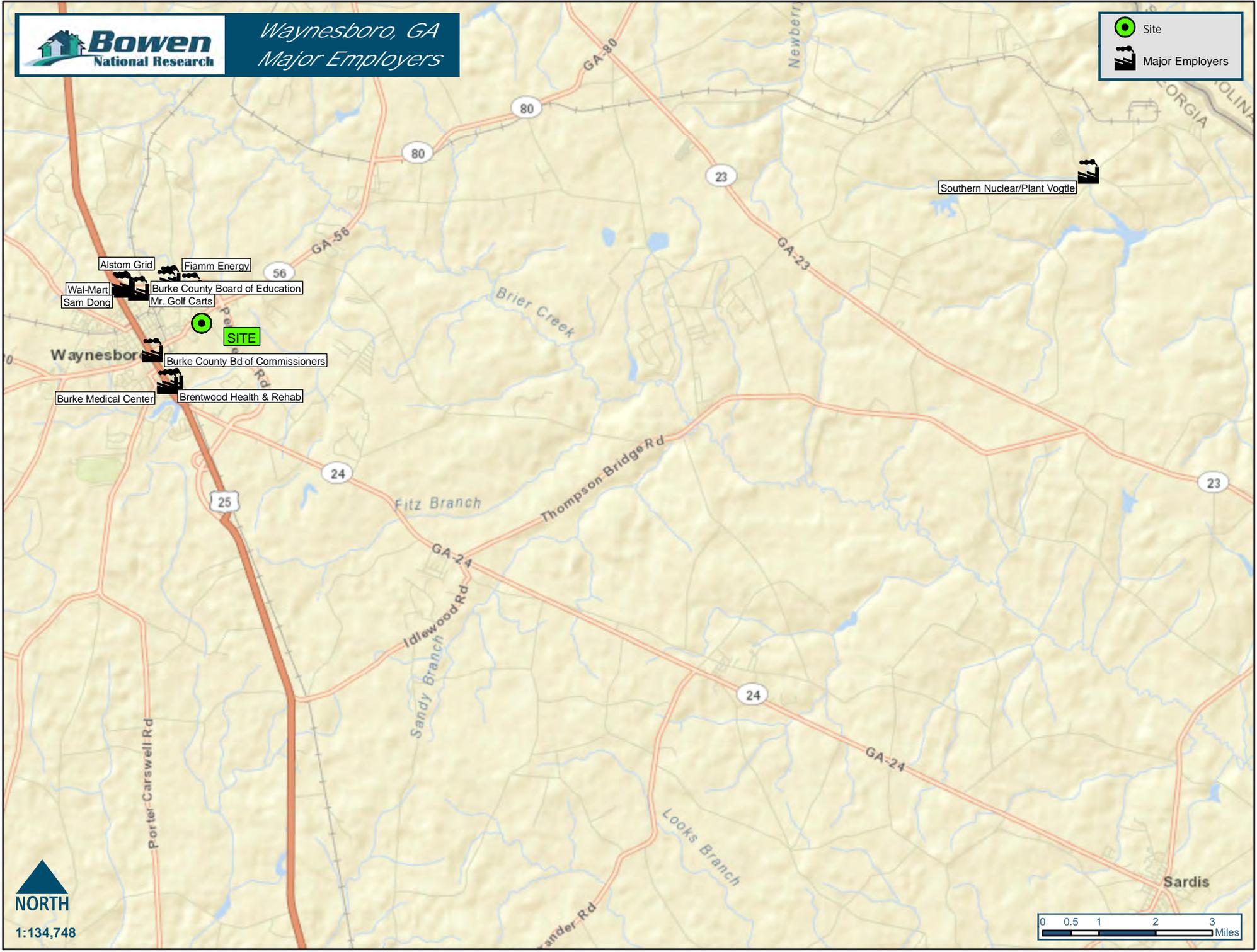
The persistent levels of unemployment within the county will likely increase the demand for affordable rental housing, as many households are likely surviving on reduced incomes relative to pre-recession levels.

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



Waynesboro, GA
Major Employers

Site
Major Employers



NORTH
1:134,748

0 0.5 1 2 3 Miles

SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

The subject project currently operates under the income and rent requirements of the RD Section 515 program. 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 proposed project's potential.

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

The subject site is within Augusta-Richmond County, GA-SC MSA, which has a median four-person household income of \$56,800 for 2013. The subject property will be restricted to households with incomes of up to 60% of AMHI for Burke County. The following table summarizes the maximum allowable income by household size for Burke County at 60% of AMHI.

Household Size	Maximum Allowable Income 60% AMHI
One-Person	\$23,880
Two-Person	\$27,300
Three-Person	\$30,720
Four-Person	\$34,080
Five-Person	\$36,840

a. Maximum Income Limits

The largest units (three-bedroom) at the subject site are expected to continue to house up to five-person households. As such, the maximum allowable income at the subject site is **\$36,840**.

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.

As 15 of the 30 units at the subject project operate with Rental Assistance, these tenants only pay up to 30% of their adjusted gross income towards housing costs. Therefore, some households could have little to no income and still qualify to reside at the subject project.

The 15 units at the subject project that are not operating with Rental Assistance will charge tenants the proposed Tax Credit rents. The lowest of these Tax Credit gross rents is \$604. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,248. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the non-RA Tax Credit units of \$20,708.

c. Income-Appropriate Range

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

Unit Type	Income Range	
	Minimum	Maximum
RD 515 with RA (Limited To 60% of AMHI)	\$0	\$36,840
Tax Credit ONLY (Limited To 60% of AMHI)	\$20,708	\$36,840

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 29.6% to 43.8% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2006-2010 5-year estimates, 4.8% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure.*

Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure above 5% 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, we identified one LIHTC property that was funded and/or built during the projection period (2010 to current). Waynesboro Academy Senior was built in 2011 and is currently 97.4%.

Although this development will exclusively target senior households and has reached a stabilized occupancy rate, we have conservatively included it as part of our analysis. The following table provides a breakdown of this LIHTC project.

Map I.D.	Project Name	Year Built	Number Of Bedrooms	Units At Targeted AMHI				Market Rate
				30% AMHI	40% AMHI	50% AMHI	60% AMHI	
19	Waynesboro Academy Senior Apts.	2011	One	-	-	12	7	-
			Two	-	-	12	8	-
			Three	-	-	-	-	-
			Four	-	-	-	-	-

These Tax Credit units are included in our demand analysis.

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income			
	RD 515 60% AMHI w/ RA (\$0 - \$36,840)	RD 515 60% AMHI w/ out RA (\$20,708 - \$36,840)	RD 515 60% AMHI Overall (\$0 - \$36,840)	Tax Credit Only Overall (\$20,708 - \$36,840)
Demand From New Households (Age- And Income-Appropriate)	1,904 - 1,916 = -12	461 - 465 = -4	1,904 - 1,916 = -12	461 - 465 = -4
+				
Demand From Existing Households (Rent Overburdened)	1,916 X 43.8% = 839	465 X 29.6% = 138	1,916 X 43.8% = 839	465 X 29.6% = 138
+				
Demand From Existing Households (Renters In Substandard Housing)	1,916 X 4.8% = 92	465 X 4.8% = 22	1,916 X 4.8% = 92	465 X 4.8% = 22
=				
Demand Subtotal	919	156	919	156
+				
Demand From Existing Homeowners (Elderly Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	919	156	919	156
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2011)	39	15	39	15
=				
Net Demand	880	141	880	141
Proposed Units/ Net Demand	0* / 880	15 / 141	15* / 880	30 / 141
Capture Rate	= 0.0%*	= 10.6%	= 1.7%*	= 21.3%

*Under this scenario, all units with Rental Assistance are assumed to be leasable. As such, all RA units have been excluded from this analysis.

If all units were vacated, with the preservation of RA, the subject project's required capture rate would be 3.4% (30 / 880 = 3.4%).

This indicates that there will be a good base of households to draw support from if all current residents were displaced. Further, Georgia DCA guidelines dictate that all units receiving a direct or guaranteed subsidy are assumed to be leasable and should not be considered in the capture rate estimates. As such, the 15 non-RA units at the subject development would require a 1.7% capture rate following renovations if all units were vacated.

In the unlikely event that the subject project was to lose Rental Assistance and all 30 units had to operate exclusively under the Tax Credit program, it is conservatively estimated that none of the current renters would qualify to reside at the subject project. In this scenario, the 30 units would have a required capture rate of 21.3%. This capture rate is considered moderate, but indicates that there will be a good base of households to draw support from if the Rental Assistance was ever lost. However, it will be necessary for the proposed project to represent a value in order to achieve a 21.3% capture rate.

Based on our survey of conventional apartments within the Waynesboro 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	35%
Two-Bedroom	50%
Three-Bedroom	15%
Total	100.0%

Applying these shares to the income-qualified households yields demand and capture rates 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 (35%)	60%	4*	308	19	289	1.4%*	6-7 Months	\$375	\$495
RD 515 Two-Bedroom (50%)	60%	8*	440	20	420	1.9%*	6-7 Months	\$533	\$600
RD 515 Three-Bedroom (15%)	60%	3*	132	0	132	2.3%*	6-7 Months	\$503	\$640
Tax Credit Only One-Bedroom (35%)	60%	8	55	7	48	16.7%	10-14 Months	\$375	\$495
Tax Credit Only Two-Bedroom (50%)	60%	16	78	8	70	22.9%	10-14 Months	\$533	\$600
Tax Credit Only Three-Bedroom (15%)	60%	6	23	0	23	26.1%	10-14 Months	\$503	\$640

*Under this scenario all Rental Assistance units will continue to be occupied, resulting in effective capture rates between 1.4% and 2.3%.

**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.

With the preservation of Rental Assistance, the effective capture rates by bedroom type range between 1.4% and 2.3%. This assumes that non-RA units will be vacated and re-rented under Tax Credit guidelines.

In the unlikely event the subject project had to operate exclusively under the LIHTC program and all residents were displaced, the capture rates by bedroom type will range from 16.7% to 26.1%. These capture rates illustrate that there will be a good base of households to draw support from if the Rental Assistance was ever lost. As previously noted, however, it will be necessary for the project to be marketable and considered a value for these capture rates to be achievable.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Waynesboro 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	8,213	86.8%	8,297	86.4%
Owner-Occupied	5,698	69.4%	5,654	68.1%
Renter-Occupied	2,515	30.6%	2,643	31.9%
Vacant	1,249	13.2%	1,308	13.6%
Total	9,462	100.0%	9,606	100.0%

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

Based on a 2013 update of the 2010 Census, of the 9,606 total housing units in the market, 13.6% were vacant. This represents a slight increase in vacant housing units since 2010; however, it is important to consider that the number and share of occupied rental housing units increased during the same time period. Therefore, the rental housing market is likely operating at vacancy rates below the 13.6% reported for the market as a whole. In order to assess the strength of the long-term rental housing market, we conducted a survey of area rental properties.

We identified and personally surveyed 19 conventional housing projects containing a total of 885 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.5%, a good rate for rental housing. Among these projects, seven are non-subsidized (market-rate and Tax Credit) projects containing 224 units. These non-subsidized units are 90.2% occupied. The remaining 12 projects (including the subject development) contain 661 government-subsidized units, which are 100.0% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	4	46	3	93.5%
Market-rate/Tax Credit	1	104	18	82.7%
Tax Credit	2	74	1	98.6%
Tax Credit/Government-Subsidized	3	124	0	100.0%
Government-Subsidized	9	537	0	100.0%
Total	19	885	22	97.5%

Generally, each housing segment is performing at a stable to high occupancy rate, which indicates strong support for rental housing within the market area.

Although the lone market-rate/Tax Credit project is reporting an 82.7% occupancy rate, management at this property (Pecan Grove I & II) has attributed the vacancies to a recent eviction sweep. It is worth noting that Bowen National Research has surveyed Pecan Grove I & II five times since the fall of 2009 and management has reported an average occupancy rate of 98.8% during the time span. Based on these historical occupancy rates, the current occupancy rate at Pecan Grove is considered to be temporary and solely the result of the eviction sweep reported by management. Note when the Pecan Grove property is omitted from the survey results, the occupancy rate of the remaining properties increases to 99.5%.

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	6	9.0%	0	0.0%	\$471
Two-Bedroom	1.0	20	29.9%	1	5.0%	\$508
Two-Bedroom	2.0	18	26.9%	1	5.6%	\$824
Three-Bedroom	1.0	2	3.0%	1	50.0%	\$660
Three-Bedroom	2.0	17	25.4%	3	17.6%	\$861
Four-Bedroom	2.0	4	6.0%	1	25.0%	\$985
Total Market-rate		67	100.0%	7	10.4%	-

Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	22	14.0%	1	4.5%	\$507
Two-Bedroom	2.0	28	17.8%	0	0.0%	\$617
Three-Bedroom	2.0	91	58.0%	11	12.1%	\$682
Four-Bedroom	2.0	16	10.2%	3	18.8%	\$752
Total Tax Credit		157	100.0%	15	9.6%	-

Aside from the one-bedroom units, the median gross rents for the Tax Credit properties are positioned well below the median gross rents for the market-rate properties. Typically, in relatively rural areas, this lower rent translates into perceived value within the market based on the average quality of Tax Credit housing compared to market-rate alternatives. However, the recent eviction sweep at Pecan Grove I & II has temporarily skewed the vacancy data recorded within the local market. The following is a distribution of surveyed properties by quality rating, units and vacancies.

The distribution of non-subsidized rental properties in the PMA is illustrated in the following table.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	10	0.0%
B	1	8	12.5%
B-	1	21	19.0%
D	2	28	7.1%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	39	2.6%
B-	1	83	16.9%
C	1	35	0.0%

We rated each property surveyed on a scale of “A” through “F”. All market-rate and Tax Credit properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). The preceding tables demonstrate properties with a higher quality rating tend to have lower vacancy rates.

The subject project is anticipated to have an improved quality rating following Tax Credit renovations. This higher quality rating should enhance the subject project's marketability.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of 15 federally subsidized and/or Tax Credit apartment developments in the Waynesboro Site PMA. These projects were surveyed in September 2013 and 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	Woodland Terrace Apts. (Site)	TAX & RD 515	1991	30	100.0%	\$540 - \$670 (8)	\$616 - \$785 (16)	\$684 - \$851 (6)	-
2	Public Housing	P.H.	1971	14	100.0%	-	SUB (7)	SUB (7)	-
3	Meadow Wood Apts.	RD 515	1982	24	100.0%	\$586 - \$680 (8)	\$657 - \$793 (12)	\$760 - \$858 (4)	-
4	Forest Ridge Apts.	TAX & RD 515	1993	24	100.0%	\$527 - \$595 (22)	\$583 - \$728 (2)	-	-
7	Ashton Village Apts.	RD 515	1989	36	100.0%	\$632 - \$701 (32)	\$726 - \$806 (4)	-	-
8	Briarwood Apts.	SEC 8 & SEC 236	1972	64	100.0%	\$548 - \$643 (8)	\$621 - \$736 (24)	\$692 - \$829 (24)	\$771 - \$966 (8)
9	Burkestone Place	TAX & SEC 8	1970 / 2007	70	100.0%	\$661 (30)	\$811 (24)	\$973 (12)	\$1095 (4)
11	Howard Hart Holmes	SEC 8 & SEC 202	1980	10	100.0%	\$756 (9)	\$756 (1)	-	-
13	Orchard Hill I	RD 515	1982	32	100.0%	\$537 - \$722 (12)	\$593 - \$846 (20)	-	-
14	Orchard Hill II	RD 515	1985	34	100.0%	-	\$598 - \$799 (34)	-	-
15	Pecan Chase Apts.	TAX	1997	35	100.0%	\$344 (3)	\$407 - \$576 (8)	\$639 (24)	-
16	Pecan Grove I & II	TAX	2006	83*	83.1%	-	-	\$392 - \$826 (67)	\$752 - \$901 (16)
17	Waynesboro Public Housing	P.H.	1963	275	100.0%	SUB (51)	SUB (100)	SUB (70)	SUB (54)
18	Windy Hill Apts.	RD 515	1987	48	100.0%	\$502 - \$605 (16)	\$563 - \$705 (32)	-	-
19	Waynesboro Academy Senior Apts.	TAX	2011	39	97.4%	\$507 - \$577 (19)	\$617 - \$727 (20)	-	-
Total				818	98.2%				

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

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

SUB - Government-Subsidized

P.H. - Public Housing

RD - Rural Development

*Market-rate units not included

The overall occupancy is 98.2% for these projects, indicating strong market demand for affordable housing. Further, the 98.2% occupancy rate includes the vacant units at Pecan Grove I & II which have resulted from the recent eviction sweep. Assuming Pecan Grove reaches historic occupancy levels reported during the previous four years, we expect the overall occupancy rate at all affordable housing within the Site PMA to increase even further.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia DCA Rental Assistance Division-South Waycross Office, there are approximately 58 Housing Choice Voucher holders within the housing authority's jurisdiction and three (3) people currently on the waiting list for additional Vouchers. The waiting list is closed and when it will open again is undetermined.

The following table summarizes the properties surveyed within the PMA that accept Housing Choice Vouchers and currently have Voucher holders residing at their property. Additionally, we have included the approximate number of units occupied by residents utilizing Housing Choice Vouchers.

Map I.D.	Project Name	Total Units	Occupancy Rate	Number of Vouchers
1	Woodland Terrace (Site)	15*	100.0%	2
13	Orchard Hill I	19*	100.0%	3
14	Orchard Hill II	10*	100.0%	2
15	Pecan Chase	35	100.0%	1
16	Pecan Grove I & II	104	82.7%	12
18	Windy Hills Apts.	26*	100.0%	2

*Units with no direct or guaranteed subsidy

As the preceding table illustrates, only up to 20% of the non-subsidized units at each development are occupied by Housing Choice Voucher holders. The ability of these properties to successfully attract a large share of income-qualified households without the benefit of a subsidy indicates a good amount of support is present within the market for non-subsidized affordable housing. Notably, there are even more properties within the market area that are eligible to accept Housing Choice Vouchers holders, but only the six properties included in the preceding table are currently reporting Voucher holders present.

Although the preceding analysis illustrates that a project within the Waynesboro market does not have to rely on Voucher support to maintain a stabilized occupancy rate, its ability to attract some support from Housing Choice Voucher holders effectively increases the amount of potential support available to it within the market. If the gross rents at a project are positioned near or below the Fair Market Rents, it may be able to accommodate Voucher holders. The following table outlines the HUD 2013 Fair Market Rents for Burke County, Georgia and the proposed gross rents at the subject property:

Bedroom Type	Fair Market Rents	Proposed Tax Credit Gross Rents (AMHI)
One-Br.	\$619	\$604
Two-Br.	\$738	\$749
Three-Br.	\$1,004	\$810

As proposed, 15 of the 30 subject units will not maintain Rental Assistance. As the proposed gross rents are all positioned near or below the corresponding Fair Market Rents, it is likely that these units will be able to accommodate Housing Choice Voucher holders. This will likely increase the base of potential support for the subject development and has been considered in our absorption estimates.

3. PLANNED MULTIFAMILY DEVELOPMENT

According to planning and building representatives, there are currently no multifamily rental housing projects planned or under construction within the Site PMA.

Building Permit Data

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

Housing Unit Building Permits for Burke County:										
Permits	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Multifamily Permits	2	0	0	0	0	12	0	0	0	0
Single-Family Permits	56	96	68	67	133	50	40	41	23	29
Total Units	58	96	68	67	133	62	40	41	23	29

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

As detailed, few building permits for multifamily structures have been issued within the county relative to single-family permits. Further, it is notable that all building permit activity declined substantially after 2008 and has yet to reach levels reported previously before that time. This data combined with our interviews indicates that there is little new housing currently within the development pipeline.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

Upon completion of renovations, the subject project will offer one-, two- and three-bedroom units to family households (general-occupancy) earning up to 60% of Area Median Household Income (AMHI). Within the Site PMA, we identified six Low-Income Housing Tax Credit (LIHTC) projects. However, two of these LIHTC developments also operate with a project-based subsidy and another non-subsidized LIHTC project is age-restricted. As such, only two of the Tax Credit properties identified within the Site PMA have been utilized for comparison purposes. Due to the limited amount of comparable LIHTC product within the Site PMA, we identified and surveyed an additional LIHTC property located outside of the Site PMA, but within the nearby region.

Note that the comparable property located outside of the Site PMA will derive demographic support from a different geographic area compared to the subject project. As such, these properties will not compete directly with the subject project and have been considered for comparison purposes only.

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	Woodland Terrace Apartments	1991 / 2014	30	100.0%	-	3 H.H.	Families; 60% AMHI & RD 515
15	Pecan Chase Apts.	1997	35	100.0%	2.5 Miles	6 H.H.	Families; 30% & 50% AMHI
16	Pecan Grove I & II	2006	83*	83.1%	1.8 Miles	None	Families; 30%, 50%, & 60% AMHI
910	Madison Meadows Apts.	2002	96*	94.8%	41.2 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy

Map ID 910 is located outside of Site PMA

*Tax Credit units only

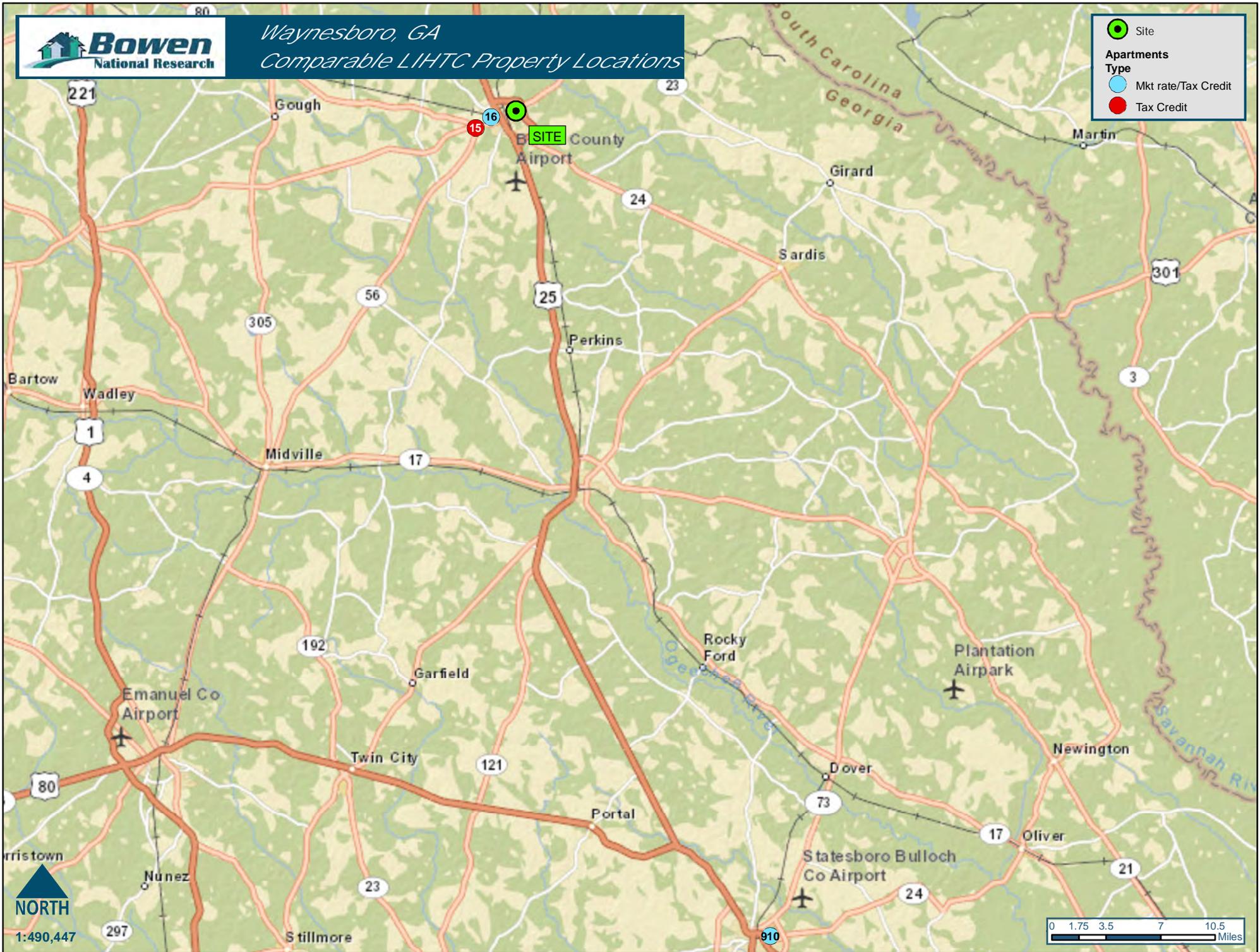
The three LIHTC projects have a combined occupancy rate of 91.1%. However, the 83.1% occupancy rate among Tax Credit units at Pecan Grove I & II is due to the result of an eviction sweep. As noted previously, management at Pecan Grove has been interviewed five times during the previous four years and has reported an average occupancy rate of 98.8%. Therefore, we consider the vacancies temporary and believe that the project still represents an accurate baseline for comparison with the subject development.

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



Waynesboro, GA
Comparable LIHTC Property Locations

● Site
● Apartments Type
● Mkt rate/Tax Credit
● Tax Credit



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.	Four-Br.	
Site	Woodland Terrace Apartments	\$604/60% (8)	\$749/60% (16)	\$810/60% (6)	-	-
15	Pecan Chase Apts.	\$344/30% (3/0)	\$407/30% (3/0) \$576/50% (5/0)	\$639/50% (24/0)	-	None
16	Pecan Grove I & II	-	-	\$392/30% (6/1) \$682/50% (45/7) \$826/60% (16/3)	\$752/50% (12/2) \$901/60% (4/1)	None
910	Madison Meadows Apts.	-	\$698/50% (27/0) \$826/60% (22/4)	\$803/50% (23/0) \$951/60% (24/1)	-	\$99 Move-In

Map ID 910 is located outside of Site PMA

As proposed, the subject development will maintain Rental Assistance on 15 of its 30 units, which will limit these tenants gross rent to 30% of their adjusted household income. Considering the value that this subsidy represents, the 15 RA units will likely remain a substantial value to all current and future tenants.

The 15 non-RA units will eventually charge the proposed Tax Credit gross rents illustrated in the preceding table, which range from \$604 to \$810. However, the 15 current tenants residing within these units will be offered a Private Rental Assistance (PRA) subsidy. This PRA will limit any rent increases for the current tenants following LIHTC renovations. Considering the scope of the proposed renovations and the fact that none of the current tenants will experience an immediate rent increase, the project will naturally remain a substantial value. However, normal tenant turnover will occur and the non-RA units will eventually charge the proposed Tax Credit rents illustrated in the preceding table. Considering the proposed rents are within the range of the gross rents currently being charged at Tax Credit properties in the region, they will likely be appropriate for the subject project. Further, it should be noted that the subject project will be the only family Tax Credit development within the Site PMA to offer one- and two-bedroom units at 60% of AMHI. As such, it will likely target an underserved segment of the population.

The following tables compare the subject rents with those reported at the selected properties:

Weighted Average Collected Rent of Comparable LIHTC Units		
One-Br.	Two-Br.	Three-Br.
N/A (60%)	\$620 (60%)	\$651 (60%)

N/A- Not Applicable

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.

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

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	N/A (60%)	-\$495 (60%)	N/A	/ \$495 (60%)	N/A
Two-Br.	\$620 (60%)	- \$600 (60%)	\$20	/ \$600 (60%)	3.3%
Three-Br.	\$651 (60%)	- \$640 (60%)	\$11	/ \$640 (60%)	1.7%

N/A- Not Applicable

As noted, the retention of Rental Assistance (RA) on 15 of the 30 units will allow these tenants at the subject project to continue to pay up to 30% of their adjusted gross incomes towards housing costs. The 15 remaining Tax Credit units will operate without project-based RA and will represent rent advantages between 1.7% and 3.3%, based on Georgia DCA methodology. This indicates the subject rents will be positioned below those being charged at comparable Tax Credit projects within the region.

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

Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Woodland Terrace Apartments	650	925	925	-
15	Pecan Chase Apts.	756	915	1,136	-
16	Pecan Grove I & II	-	-	1,280	1,600
910	Madison Meadows Apts.	-	999 - 1,081	1,148 -1,229	-

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Woodland Terrace Apartments	1.0	1.5	1.5	-
15	Pecan Chase Apts.	1.0	2.0	2.0	-
16	Pecan Grove I & II	-	-	2.0	2.0
910	Madison Meadows Apts.	-	2.0	2.0	-

900 Series Map IDs are located outside the Site PMA

Based on the preceding table, all of the subject units will be slightly smaller than the comparable properties in the region in terms of square footage. Further, the two- and three-bedroom units will lack a second full bathroom when compared to the selected properties. Although the subject units are currently 100.0% occupied, this comparison illustrates the project is at a slight marketing disadvantage based on unit designs.

The following table compares the amenities of the subject development with the selected LIHTC projects in the region.

COMPARABLE PROPERTIES AMENITIES - WAYNESBORO, 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		S	Storage
16	X	X		X	X	X	X		C	S	X	X	X				B		S	
910	X	X		X	X		X		C	O	X		X				B		S	
15	X	X		X	X		X		C		X	X					B		S	Storage

MAP ID	PROJECT AMENITIES																	OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES		BUSINESS CENTER	
SITE		X	X				X													CCTV Security Cameras
16		X	X		A	X	X							X		X				
910	X	X	X	X		X	X							X		X				Courtesy Officer
15		X	X		A		X							X		X				

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

X - All Units	
S - Some Units	
O - Optional	
Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

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

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

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

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



The amenity packages included at the subject development will be competitive with the existing low-income projects in the region. However, the renovated development will be positioned at a slight disadvantage based on the lack of community space and computer lab. Regardless, we do not believe the subject development lacks any amenities that hinder its ability to operate as a Low-Income Housing Tax Credit project.

Comparable Tax Credit Summary

The proposed project is older than the selected properties, but substantial renovations will effectively update its aesthetic appeal. The unit designs (square footage and bathrooms) of the subject units are comparable to those in the region, but are at a slight disadvantage due to the smaller floor plans and the lack of an additional bathroom in the two- and three-bedroom units. Similarly, the proposed amenities package is considered appropriate, but the lack of central community space and a computer lab will also create a slight marketing disadvantage. Collectively, all of these minor disadvantages would typically limit the achievable Tax Credit rents at the subject development for those units operating without Rental Assistance (RA). However, the proposed gross rents are positioned within the range of the comparable properties, and the historically high occupancy rates of affordable housing in the market illustrate pent-up demand for high-quality rental housing. Therefore, the proposed rents are considered achievable at the renovated project, but market downturns caused by new economic fluctuations or the construction of new rental housing may limit the achievable rents at the subject project.

Anticipated Impact on Existing and Proposed Tax Credit Properties

The Tax Credit renovations of Woodland Terrace Apartments will not introduce new units into the market. Assuming Rental Assistance is retained and the PRA subsidy is available to current tenants, all 30 of the subject residents will likely remain at the property following renovations. Further, our capture rate estimates in Section G illustrate a large base of potential support for the subject units will be available. **Based on these factors, the renovation of the subject units will have no impact on the comparable developments.**

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

SECTION I – ABSORPTION & STABILIZATION RATES

According to management, the subject project is currently 100.0% occupied and maintains a three-household wait list 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. **Based on these factors, there will be no absorption period for the subject units as all 30 are already effectively leased.** However, for the purposes of this analysis, we assume that all 30 subject units will be vacated and that all units will have to be re-rented (assuming RA is preserved on 15 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 30 units at the subject site will reach a stabilized occupancy of 93.0% within approximately six to seven months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately four to 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 for 15 of the 30 units will be maintained.

Should Rental Assistance not be secured and the project had to operate exclusively under the LIHTC program, the 30 units at the subject site would likely experience a slower absorption rate of two to three units per month. As this rate, the project would likely reach a stabilized occupancy rate of 93.0% in 10 to 14 months. Further, market conditions would have to be actively monitored in order to assess the marketability of the proposed Tax Credit rents.

SECTION J – INTERVIEWS

Mr. Pat McNally, a representative with the Georgia Department of Community Affairs' Rental Assistance Division, stated that there is a huge need for affordable housing in the South Georgia Region. Due to recent budget cuts they have closed all waiting lists in the all counties that the Waycross Office serves, and are not maintaining waiting lists until they receive more funding. Mr. McNally stated that they are not sure that 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 the mental institutions lack of funding. Any future available funding allotted to the Georgia Department of Community Affairs for the HCV Program will go towards assistance for this population.

We identified and surveyed 19 affordable housing projects within the Site PMA containing a total of 818 units. Based on our interviews with property managers, these projects are 98.2% occupied, which is considered a high rate for rental housing. These findings indicate substantial demand for affordable housing is present within the market area.

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 30 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.

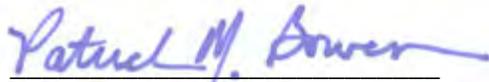
Given the 98.2% occupancy rate of affordable developments within the Site PMA, the subject project will continue to offer a housing alternative to low-income households that is in high demand within the area. As shown in the Project Specific Demand Analysis section of this report, there is sufficient support for the subject development. Given that the project will not introduce new units to the market, it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

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:



Patrick Bowen
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Date: September 20, 2013



Lisa Wood
Market Analyst
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Date: September 20, 2013



Ben Braley
Market Analyst
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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

WAYNESBORO, 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.

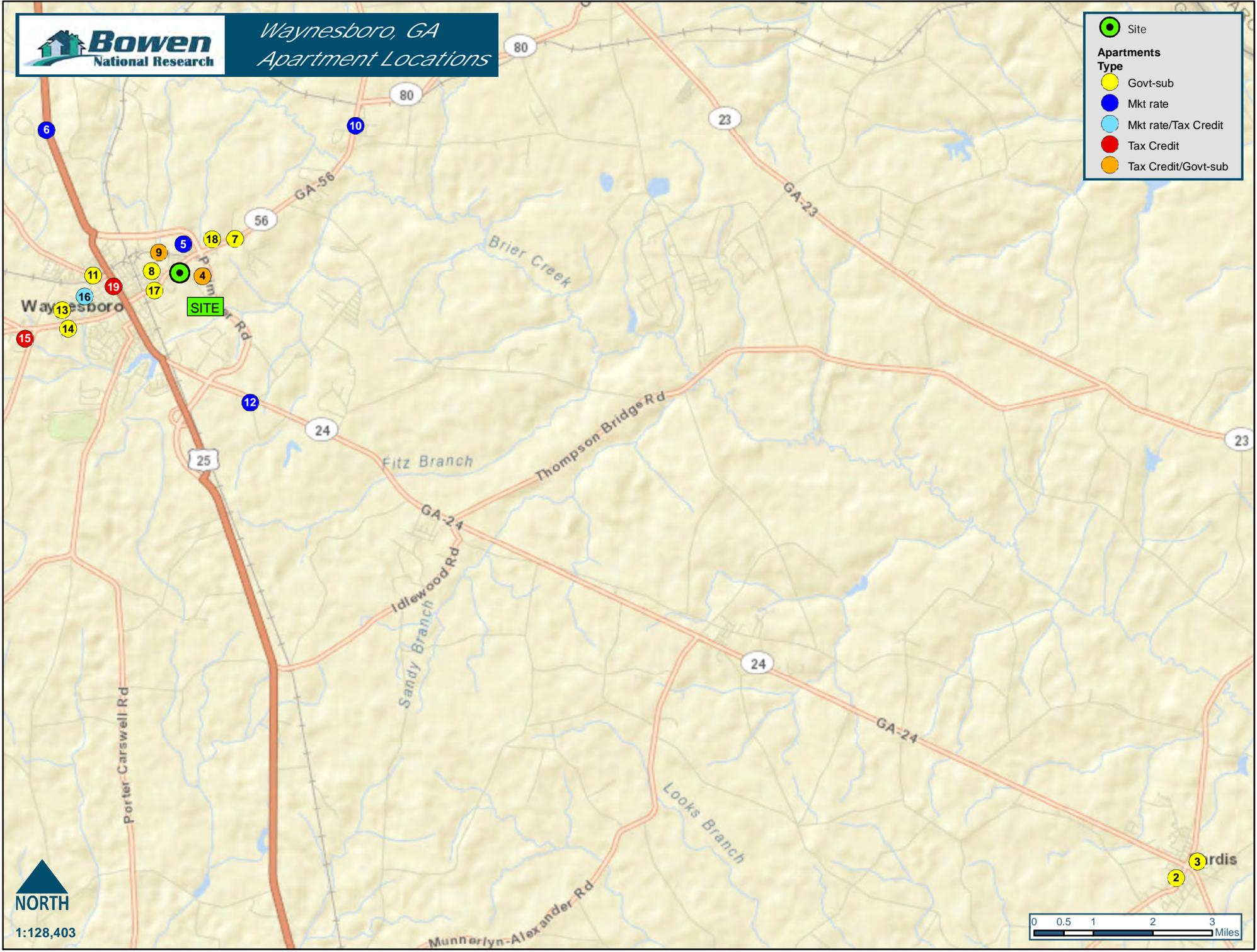


Waynesboro, GA Apartment Locations

● Site

Apartments Type

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



NORTH
1:128,403



MAP IDENTIFICATION LIST - WAYNESBORO, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Woodland Terrace Apts. (Site)	TGS	C	1991	30	0	100.0%	-
2	Public Housing	GSS	C	1971	14	0	100.0%	18.0
3	Meadow Wood Apts.	GSS	C	1982	24	0	100.0%	18.1
4	Forest Ridge Apts.	TGS	C	1993	24	0	100.0%	0.5
5	718 Savannah Ave.	MRR	D	1940	16	2	87.5%	0.6
6	945 U.S. Hwy. 25	MRR	A-	1992	10	0	100.0%	3.5
7	Ashton Village Apts.	GSS	C+	1989	36	0	100.0%	1.0
8	Briarwood Apts.	GSS	C+	1972	64	0	100.0%	0.6
9	Burkestone Place	TGS	B	1970	70	0	100.0%	0.8
10	Highway 56 North Mobile Home Park	MRR	D	1970	12	0	100.0%	3.5
11	Howard Hart Holmes	GSS	C	1980	10	0	100.0%	1.6
12	Neely Place	MRR	B	2002	8	1	87.5%	3.0
13	Orchard Hill I	GSS	C	1982	32	0	100.0%	2.1
14	Orchard Hill II	GSS	C-	1985	34	0	100.0%	2.0
15	Pecan Chase Apts.	TAX	C	1997	35	0	100.0%	2.5
16	Pecan Grove I & II	MRT	B-	2006	104	18	82.7%	1.8
17	Waynesboro Public Housing	GSS	C-	1963	275	0	100.0%	0.6
18	Windy Hill Apts.	GSS	C	1987	48	0	100.0%	0.8
19	Waynesboro Academy Senior Apts.	TAX	B+	2011	39	1	97.4%	1.2

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	4	46	3	93.5%	0
MRT	1	104	18	82.7%	0
TAX	2	74	1	98.6%	0
TGS	3	124	0	100.0%	0
GSS	9	537	0	100.0%	0

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

* - Drive Distance (Miles)

Survey Date: September 2013

DISTRIBUTION OF UNITS - WAYNESBORO, GEORGIA

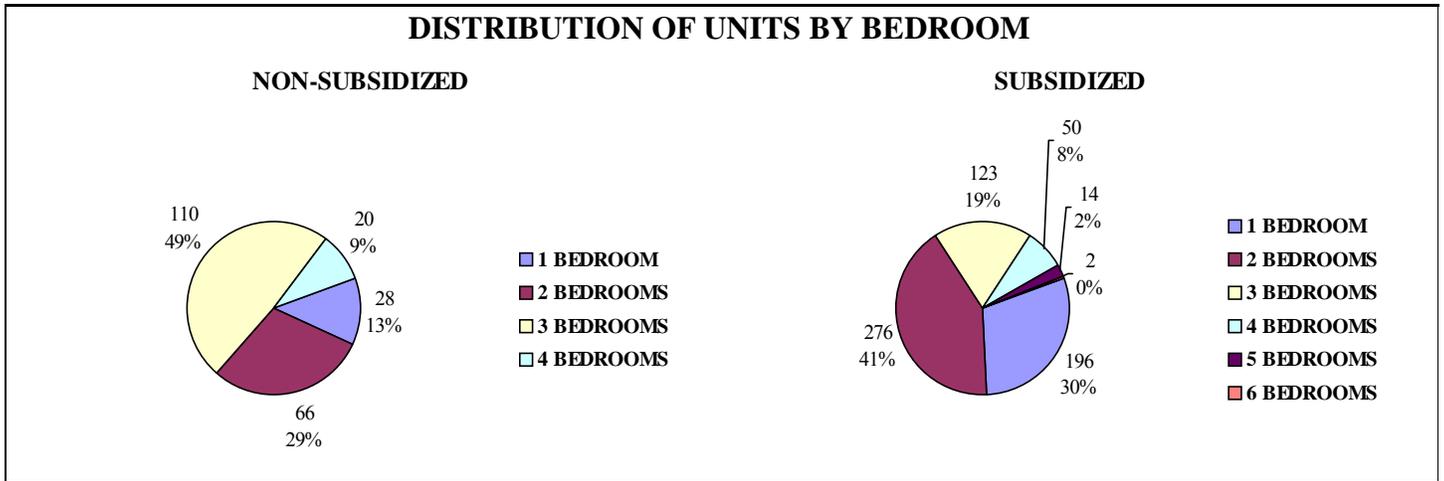
MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	6	9.0%	0	0.0%	\$471
2	1	20	29.9%	1	5.0%	\$508
2	2	18	26.9%	1	5.6%	\$824
3	1	2	3.0%	1	50.0%	\$660
3	2	17	25.4%	3	17.6%	\$861
4	2	4	6.0%	1	25.0%	\$985
TOTAL		67	100.0%	7	10.4%	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	22	14.0%	1	4.5%	\$507
2	2	28	17.8%	0	0.0%	\$617
3	2	91	58.0%	11	12.1%	\$682
4	2	16	10.2%	3	18.8%	\$752
TOTAL		157	100.0%	15	9.6%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	60	48.4%	0	0.0%	N.A.
2	1	26	21.0%	0	0.0%	N.A.
2	1.5	16	12.9%	0	0.0%	N.A.
3	1.5	6	4.8%	0	0.0%	N.A.
3	2	12	9.7%	0	0.0%	N.A.
4	2	4	3.2%	0	0.0%	N.A.
TOTAL		124	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	136	25.3%	0	0.0%	N.A.
2	1	222	41.3%	0	0.0%	N.A.
2	1.5	12	2.2%	0	0.0%	N.A.
3	1	28	5.2%	0	0.0%	N.A.
3	1.5	77	14.3%	0	0.0%	N.A.
4	1.5	8	1.5%	0	0.0%	N.A.
4	2	38	7.1%	0	0.0%	N.A.
5	2	14	2.6%	0	0.0%	N.A.
6	2	2	0.4%	0	0.0%	N.A.
TOTAL		537	100.0%	0	0.0%	
GRAND TOTAL		885	-	22	2.5%	

DISTRIBUTION OF UNITS - WAYNESBORO, GEORGIA



SURVEY OF PROPERTIES - WAYNESBORO, GEORGIA

1 Woodland Terrace Apts. (Site)			
	Address 622 Woodland Terrace Dr. Waynesboro, GA 30830	Phone (706) 554-7270 (Contact in person)	Total Units 30
	Year Built 1991 Comments 60% AMHI; RD 515, has RA (15 units); HCV (2 units)	Contact Glenda	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C
			Waiting List 3 households
2 Public Housing			
	Address Screven St. Sardis, GA 30456	Phone (706) 554-2233 (Contact in person)	Total Units 14
	Year Built 1971 Comments Public Housing; Year built estimated	Contact Patty	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C
			Waiting List 2-5 years
3 Meadow Wood Apts.			
	Address 730 Bargeron Ave. Sardis, GA 30456	Phone (478) 569-4563 (Contact in person)	Total Units 24
	Year Built 1982 Comments RD 515, has RA (24 units); Square footage estimated	Contact Clinton	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C
			Waiting List 4 households
4 Forest Ridge Apts.			
	Address 604 Forest Ridge Dr. Waynesboro, GA 30830	Phone (706) 554-7270 (Contact in person)	Total Units 24
	Year Built 1993 Comments 60% AMHI; RD 515, has RA (23 units); Accepts HCV (0 currently)	Contact Glenda	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C
			Senior Restricted (62+) Waiting List 1 household
5 718 Savannah Ave.			
	Address 718 Savannah Ave. Waynesboro, GA 30830	Phone (706) 554-9911 (Contact in person)	Total Units 16
	Year Built 1940 Renovated 2007 Comments Accepts HCV (0 currently); Square footage estimated	Contact Laverne	Vacancies 2 Occupied 87.5% Floors 1 Quality Rating D
			Waiting List None

Project Type

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

Survey Date: September 2013

SURVEY OF PROPERTIES - WAYNESBORO, GEORGIA

6 945 U.S. Hwy. 25			
	Address 945 U.S. Hwy. 25 Waynesboro, GA 30830	Phone (706) 554-5385 (Contact in person)	Total Units 10
	Year Built 1992 Comments Year built & square footage estimated	Contact Linda	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating A- Waiting List None
7 Ashton Village Apts.			
	Address 137 Ashton Pl. Waynesboro, GA 30830	Phone (706) 554-1309 (Contact in person)	Total Units 36
	Year Built 1989 Comments RD 515, has RA (36 units)	Contact Glenda	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C+ Senior Restricted (62+) Waiting List 2 households
8 Briarwood Apts.			
	Address 701 Briarwood Ct. Waynesboro, GA 30830	Phone (706) 554-4800 (Contact in person)	Total Units 64
	Year Built 1972 Comments HUD Sections 8 & HUD Section 236, no RA; HUD-insured property; Square footage estimated	Contact Valorie	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+ Waiting List 30 households
9 Burkestone Place			
	Address 803 Davis Rd. Waynesboro, GA 30830	Phone (706) 554-5379 (Contact in person)	Total Units 70
	Year Built 1970 Renovated 2007 Comments 60% AMHI; HUD Section 8; 2, 3 & 4-br units have washer/dryer hookups; Square footage estimated	Contact Valorie	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B Waiting List 50 households
10 Highway 56 North Mobile Home Park			
	Address 1520 Hwy. 56 Waynesboro, GA 30830	Phone (706) 833-5426 (Contact in person)	Total Units 12
	Year Built 1970 Comments Mobile home park	Contact Tommy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating D Waiting List 1-2 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 - WAYNESBORO, GEORGIA

11 Howard Hart Holmes			
	Address 925 MLK Dr. Waynesboro, GA 30830	Phone (706) 547-0028 (Contact in person)	Total Units 10
	Year Built 1980 Comments HUD Sections 8 & HUD Section 202; Square footage estimated	Contact Judy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C Senior Restricted (62+) Waiting List None
12 Neely Place			
	Address 127-173 Neely Cir. Waynesboro, GA 30830	Phone (706) 554-6443 (Contact in person)	Total Units 8
	Year Built 2002 Comments Does not accept HCV; Duplexes; Year built & square footage estimated	Contact Jim	Vacancies 1 Occupied 87.5% Floors 1 Quality Rating B Waiting List None
13 Orchard Hill I			
	Address 725 W. 6th St. Waynesboro, GA 30830	Phone (706) 554-5277 (Contact in person)	Total Units 32
	Year Built 1982 Comments RD 515, has RA (13 units); HCV (3 units); Square footage estimated	Contact Debbie	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C Waiting List None
14 Orchard Hill II			
	Address 725 W. 6th St. Waynesboro, GA 30830	Phone (706) 554-5277 (Contact in person)	Total Units 34
	Year Built 1985 Comments RD 515, has RA (24 units); HCV (2 units); Square footage estimated	Contact Debbie	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C- Waiting List 3-6 households
15 Pecan Chase Apts.			
	Address 201 Pecan Chase Rd. Waynesboro, GA 30830	Phone (706) 554-0770 (Contact in person)	Total Units 35
	Year Built 1997 Comments 30% & 50% AMHI; HCV (1 unit)	Contact Juliet	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C Waiting List 6 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 - WAYNESBORO, GEORGIA

16 Pecan Grove I & II			
	Address 100 Pecan Grove Dr. Waynesboro, GA 30830	Phone (706) 437-1108 (Contact in person)	Total Units 104
	Year Built 2006	Contact Nona	Vacancies 18
	Comments Market-rate (21 units); 30%, 50% & 60% AMHI (83 units); HCV (12 units); Phase II was built 2007 & has 4-br units; Handicap units include washer/dryers; Vacancies due to new management policies & eviction sweep		Occupied 82.7%
			Floors 1
			Quality Rating B-
			Single-Family Homes Waiting List
			None
17 Waynesboro Public Housing			
	Address 570 Wallace St. Waynesboro, GA 30830	Phone (706) 554-3485 (Contact in person)	Total Units 275
	Year Built 1963	Contact Patty	Vacancies 0
	Comments Public Housing; Scattered sites; Washer hookups only		Occupied 100.0%
			Floors 1
			Quality Rating C-
			Waiting List
			3-5 years
18 Windy Hill Apts.			
	Address 1205 Windy Hill Cir. Waynesboro, GA 30830	Phone (706) 554-9757 (Contact in person)	Total Units 48
	Year Built 1987	Contact Debra	Vacancies 0
	Comments RD 515, has RA (22 units); HCV (2 units); Square footage estimated		Occupied 100.0%
			Floors 1
			Quality Rating C
			Waiting List
			1-br: 4 households
19 Waynesboro Academy Senior Apts.			
	Address 201 Ward St. Waynesboro, GA 30830	Phone (706) 554-5205 (Contact in person)	Total Units 39
	Year Built 2011	Contact Ira	Vacancies 1
	Comments 50% & 60% AMHI; Accepts HCV (0 currently)		Occupied 97.4%
			Floors 1,2
			Quality Rating B+
			Senior Restricted (62+)
			Waiting List
			None

Project Type

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

Survey Date: September 2013

COLLECTED RENTS - WAYNESBORO, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
5		\$295	\$345	\$395					
6			\$650						
10			\$350						
12			\$750						
15		\$190	\$209 to \$378	\$400					
16				\$141 to \$610	\$442 to \$675				
19		\$385 to \$455	\$459 to \$569						

◆	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

PRICE PER SQUARE FOOT - WAYNESBORO, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	718 Savannah Ave.	1	600	\$471	\$0.79
15	Pecan Chase Apts.	1	756	\$344	\$0.46
◆ 19	Waynesboro Academy Senior Apts.	1	672	\$507 to \$577	\$0.75 to \$0.86
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	718 Savannah Ave.	1	770	\$567	\$0.74
6	945 U.S. Hwy. 25	2	1100	\$824	\$0.75
10	Highway 56 North Mobile Home Park	1	720	\$508	\$0.71
12	Neely Place	2	725	\$924	\$1.27
15	Pecan Chase Apts.	2	915	\$407 to \$576	\$0.44 to \$0.63
◆ 19	Waynesboro Academy Senior Apts.	2	920	\$617 to \$727	\$0.67 to \$0.79
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	718 Savannah Ave.	1	925	\$660	\$0.71
16	Pecan Grove I & II	2	1280	\$392 to \$861	\$0.31 to \$0.67
15	Pecan Chase Apts.	2	1136	\$639	\$0.56
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
16	Pecan Grove I & II	2	1600	\$752 to \$985	\$0.47 to \$0.62

◆	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 - WAYNESBORO, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.79	\$0.84	\$0.68
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.75	\$0.67	\$0.55
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.76	\$0.77	\$0.57
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT UNITS - WAYNESBORO, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
15	Pecan Chase Apts.	3	756	1	30%	\$190
1	Woodland Terrace Apts. (Site)	8	650	1	60%	\$380 - \$510
◆ 19	Waynesboro Academy Senior Apts.	12	672	1	50%	\$385
◆ 4	Forest Ridge Apts.	22	654	1	60%	\$405 - \$473
◆ 19	Waynesboro Academy Senior Apts.	7	672	1	60%	\$455
9	Burkestone Place	30	578	1	60%	\$547
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
15	Pecan Chase Apts.	3	915	2	30%	\$209
15	Pecan Chase Apts.	5	915	2	50%	\$378
1	Woodland Terrace Apts. (Site)	16	925	1.5	60%	\$410 - \$579
◆ 4	Forest Ridge Apts.	2	798	1	60%	\$425 - \$570
◆ 19	Waynesboro Academy Senior Apts.	12	920	2	50%	\$459
◆ 19	Waynesboro Academy Senior Apts.	8	920	2	60%	\$569
9	Burkestone Place	24	878 - 910	1	60%	\$666
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
16	Pecan Grove I & II	6	1280	2	30%	\$141
15	Pecan Chase Apts.	24	1136	2	50%	\$400
16	Pecan Grove I & II	45	1280	2	50%	\$431
1	Woodland Terrace Apts. (Site)	6	925	1.5	60%	\$435 - \$602
16	Pecan Grove I & II	16	1280	2	60%	\$575
9	Burkestone Place	12	1200	2	60%	\$796
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
16	Pecan Grove I & II	12	1600	2	50%	\$442
16	Pecan Grove I & II	4	1600	2	60%	\$591
9	Burkestone Place	4	1361	2	60%	\$872

◆ - Senior Restricted

QUALITY RATING - WAYNESBORO, GEORGIA

MARKET-RATE PROJECTS AND UNITS

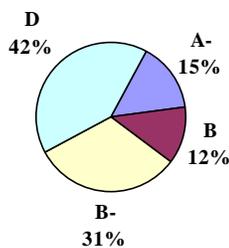
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	10	0.0%			\$824		
B	1	8	12.5%			\$924		
B-	1	21	19.0%				\$861	\$985
D	2	28	7.1%		\$471	\$508	\$660	

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

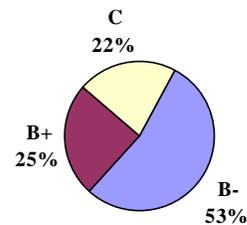
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	1	39	2.6%		\$507	\$617		
B-	1	83	16.9%				\$682	\$752
C	1	35	0.0%		\$344	\$576	\$639	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - WAYNESBORO, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	16	2	12.5%	16	7.1%
1970 to 1979	1	12	0	0.0%	28	5.4%
1980 to 1989	0	0	0	0.0%	28	0.0%
1990 to 1999	2	45	0	0.0%	73	20.1%
2000 to 2005	1	8	1	12.5%	81	3.6%
2006	1	104	18	17.3%	185	46.4%
2007	0	0	0	0.0%	185	0.0%
2008	0	0	0	0.0%	185	0.0%
2009	0	0	0	0.0%	185	0.0%
2010	0	0	0	0.0%	185	0.0%
2011	1	39	1	2.6%	224	17.4%
2012	0	0	0	0.0%	224	0.0%
2013**	0	0	0	0.0%	224	0.0%
TOTAL	7	224	22	9.8%	224	100.0 %

YEAR RENOVATED - WAYNESBORO, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	1	16	2	12.5%	16	100.0%
2008	0	0	0	0.0%	16	0.0%
2009	0	0	0	0.0%	16	0.0%
2010	0	0	0	0.0%	16	0.0%
2011	0	0	0	0.0%	16	0.0%
2012	0	0	0	0.0%	16	0.0%
2013**	0	0	0	0.0%	16	0.0%
TOTAL	1	16	2	12.5%	16	100.0 %

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

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

** As of September 2013

APPLIANCES AND UNIT AMENITIES - WAYNESBORO, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	7	100.0%	224
REFRIGERATOR	6	85.7%	208
ICEMAKER	1	14.3%	39
DISHWASHER	5	71.4%	196
DISPOSAL	3	42.9%	178
MICROWAVE	2	28.6%	143
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	6	85.7%	212
AC - WINDOW	1	14.3%	12
FLOOR COVERING	6	85.7%	224
WASHER/DRYER	1	14.3%	104
WASHER/DRYER HOOK-UP	6	85.7%	216
PATIO/DECK/BALCONY	4	57.1%	157
CEILING FAN	3	42.9%	155
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	1	14.3%	39
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	7	100.0%	224
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	14.3%	39

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

PROJECT AMENITIES - WAYNESBORO, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	3	42.9%	178
LAUNDRY	3	42.9%	178
CLUB HOUSE	0	0.0%	
MEETING ROOM	3	42.9%	178
FITNESS CENTER	2	28.6%	143
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	28.6%	139
COMPUTER LAB	3	42.9%	178
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	3	42.9%	178
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	14.3%	39

DISTRIBUTION OF UTILITIES - WAYNESBORO, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
GAS	2	24	2.7%
TENANT			
ELECTRIC	14	412	46.6%
GAS	3	449	50.7%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	10	1.1%
GAS	1	14	1.6%
TENANT			
ELECTRIC	15	687	77.6%
GAS	2	174	19.7%
			100.0%
HOT WATER			
LANDLORD			
GAS	2	24	2.7%
TENANT			
ELECTRIC	13	377	42.6%
GAS	4	484	54.7%
			100.0%
ELECTRIC			
LANDLORD	1	10	1.1%
TENANT	18	875	98.9%
			100.0%
WATER			
LANDLORD	13	401	45.3%
TENANT	6	484	54.7%
			100.0%
SEWER			
LANDLORD	13	401	45.3%
TENANT	6	484	54.7%
TRASH PICK-UP			
LANDLORD	13	448	50.6%
TENANT	6	437	49.4%
			100.0%

UTILITY ALLOWANCE - WAYNESBORO, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$15	\$17		\$2	\$16	\$20	\$6	\$7	\$45	\$12	\$18	\$16	\$20
1	GARDEN	\$21	\$23		\$2	\$22	\$28	\$9	\$9	\$62	\$15	\$23	\$16	\$20
1	TOWNHOUSE	\$21	\$23		\$2	\$22	\$28	\$9	\$9	\$62	\$15	\$23	\$16	\$20
2	GARDEN	\$27	\$30		\$2	\$28	\$36	\$10	\$12	\$80	\$19	\$29	\$16	\$20
2	TOWNHOUSE	\$27	\$30		\$2	\$28	\$36	\$10	\$12	\$80	\$19	\$29	\$16	\$20
3	GARDEN	\$33	\$36		\$3	\$34	\$44	\$13	\$14	\$97	\$24	\$34	\$16	\$20
3	TOWNHOUSE	\$33	\$36		\$3	\$34	\$44	\$13	\$14	\$97	\$24	\$34	\$16	\$20
4	GARDEN	\$40	\$46		\$3	\$43	\$57	\$16	\$18	\$124	\$30	\$41	\$16	\$20
4	TOWNHOUSE	\$40	\$46		\$3	\$43	\$57	\$16	\$18	\$124	\$30	\$41	\$16	\$20

GA-Southern Region (6/2013)

Survey Date: September 2013

ADDENDUM B

COMPARABLE PROPERTY PROFILES

6 945 U.S. Hwy. 25 3.5 miles to site



Address	945 U.S. Hwy. 25 Waynesboro, GA 30830		
Phone	(706) 554-5385	Contact	Linda
Total Units	10	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1992	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A-	Neighborhood Rating	B
Remarks	Year built & square footage estimated		



Features and Utilities

Utilities	Landlord pays Water, Sewer
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	2	G	10	0	1100	\$0.59	\$650

901 310 Elm Street Apts.

41.7 miles to site



Address	310 Elm St. Louisville, GA 30434		
Phone	(478) 625-9318	Contact	Lisa
Total Units	8	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1992	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	5 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV		



Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	1	G	8	0	800	\$0.63	\$500

902 Cedar Ridge

40.1 miles to site



Address	517 Richmond Hill Rd. Augusta, GA 30906		
Phone	(706) 793-8415	Contact	Tiffany
Total Units	75	Vacancies	1
		Percent Occupied	98.7%
Project Type	Market-Rate		
Year Open	1986	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Select units have washer/dryer hookups & patios		

Features and Utilities

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

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	20	0	288	\$1.37	\$395
1	1	G	49	1	476	\$0.99	\$470
2	1	G	3	0	864	\$0.63	\$540
2	2	G	3	0	864	\$0.64	\$555

903 **Huntington Apts.**

45.9 miles to site



Address	2900 Perimeter Pkwy. Augusta, GA 30909		
Phone	(706) 863-4040	Contact	Kim
Total Units	236	Vacancies	8
		Percent Occupied	96.6%
Project Type	Market-Rate		
Year Open	1986	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	B
Remarks	Offers Racquetball; Does not accept HCV; Studios are loft; Rent range based on units with den; 1 & 2-br units have washer/dryer hookups; Select units have fireplace		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds, Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Jacuzzi, Sports Court, Storage, Picnic Area

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
0	1	G	36	0	550	\$1.01	\$555
1	1	G	136	6	675 to 780	\$0.83 - \$0.89	\$599 to \$649
2	1 to 2	G	64	2	850 to 1000	\$0.75 - \$0.82	\$699 to \$749

905 Pine Valley Apts.

41.8 miles to site



Address	107 Kings Mill Rd. Wrens, GA 30833		
Phone	(706) 547-2262	Contact	Jim
Total Units	51	Vacancies	2
		Percent Occupied	96.1%
Project Type	Market-Rate		
Year Open	1985	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	B
Remarks	HCV (8 units); Year built & square footage estimated		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash, Cable
Unit Amenities	Refrigerator, Range, Central AC, Tile Flooring, Patio/Deck/Balcony, Ceiling Fan
Project Amenities	On-site Management, Laundry Facility, CCTV

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	30	1	600	\$0.83	\$500
3	1	G	20	1	900	\$0.61	\$550
4	2	G	1	0	1100	\$0.55	\$600

911 Quail Ridge

48.1 miles to site



Address	1064 W. Moring St. Swainsboro, GA 30401		
Phone	(478) 237-6088	Contact	Deborah
Total Units	33	Vacancies	2
		Percent Occupied	93.9%
Project Type	Market-Rate		
Year Open	1990	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	B
Remarks	Does not accept HCV; Townhomes have gas heat/hot water, storage & patio; One maintenance unit not included in total; Year built estimated		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	12	1	800	\$0.56	\$450
2	1.5	T	16	1	910	\$0.55	\$500
3	1.5	G	5	0	1025	\$0.59	\$600

912 Starline Heights

46.0 miles to site



Address	900 Stephen Dr. Statesboro, GA 30458		
Phone	(912) 839-2432	Contact	Denise
Total Units	12	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1996	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	10 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Rent range based of occupants in unit		

Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	2	G	12	0	1035	\$0.59 - \$0.61	\$615 to \$635

16 Pecan Grove I & II

18.2 miles to site



Address	100 Pecan Grove Dr. Waynesboro, GA 30830		
Phone	(706) 437-1108	Contact	Nona
Total Units	104	Vacancies	18
		Percent Occupied	82.7%
Project Type	Market-Rate & Tax Credit		
Year Open	2006	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B-	Neighborhood Rating	C
Remarks	Market-rate (21 units); 30%, 50% & 60% AMHI (83 units); HCV (12 units); Phase II was built 2007 & has 4-br units; Handicap units include washer/dryers; Vacancies due to new management policies & eviction sweep		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
3	2	G	17	3	1280	\$0.48	\$610	
3	2	G	16	3	1280	\$0.45	\$575	60%
3	2	G	45	7	1280	\$0.34	\$431	50%
3	2	G	6	1	1280	\$0.11	\$141	30%
4	2	G	4	1	1600	\$0.42	\$675	
4	2	G	4	1	1600	\$0.37	\$591	60%
4	2	G	12	2	1600	\$0.28	\$442	50%

910 Madison Meadows Apts.

41.2 miles to site



Address	10 Packinghouse Rd. Statesboro, GA 30458		
Phone	(912) 489-1001	Contact	Patrice
Total Units	120	Vacancies	6
		Percent Occupied	95.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2002	Floors	2
Concessions	Move-in \$99		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	C+	Neighborhood Rating	B
Remarks	Market-rate (24 units); 50% & 60% AMHI (96 units); HCV (13 units)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Courtesy Officer

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	2	G	11	0	999 to 1081	\$0.59 - \$0.64	\$640	
2	2	G	22	4	999 to 1081	\$0.57 - \$0.62	\$620	60%
2	2	G	27	0	999 to 1081	\$0.46 - \$0.49	\$492	50%
3	2	G	13	1	1148 to 1229	\$0.60 - \$0.64	\$740	
3	2	G	24	1	1148 to 1229	\$0.57 - \$0.61	\$702	60%
3	2	G	23	0	1148 to 1229	\$0.45 - \$0.48	\$554	50%

15 Pecan Chase Apts.

18.5 miles to site



Address	201 Pecan Chase Rd. Waynesboro, GA 30830		
Phone	(706) 554-0770	Contact	Juliet
Total Units	35	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1997	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6 households		
Quality Rating	C	Neighborhood Rating	B
Remarks	30% & 50% AMHI; HCV (1 unit)		

Features and Utilities

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

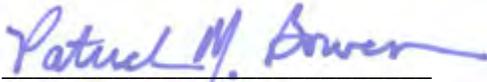
Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	3	0	756	\$0.25	\$190	30%
2	2	G	5	0	915	\$0.41	\$378	50%
2	2	G	3	0	915	\$0.23	\$209	30%
3	2	G	24	0	1136	\$0.35	\$400	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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Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

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.

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4. SOURCES

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

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

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

We identified seven market-rate properties within and near the Waynesboro Site PMA that we consider comparable in terms of unit and project amenities to the subject development. 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
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the 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 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 proposed subject development and the seven selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)				
					Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Woodland Terrace Apartments	1991 / 2014	30	100.0%	-	8 (100.0%)	16 (100.0%)	6 (100.0%)	-
6	945 U.S. Hwy. 25	1992	10	100.0%	-	-	10 (100.0%)	-	-
901	310 Elm Street Apts.	1992	8	100.0%	-	-	8 (100.0%)	-	-
902	Cedar Ridge	1986	75	98.7%	20 (100.0%)	49 (98.0%)	6 (100.0%)	-	-
903	Huntington Apts.	1986	236	96.6%	36 (100.0%)	136 (95.6%)	64 (96.9%)	-	-
905	Pine Valley Apts.	1985	51	96.1%	-	-	30 (96.7%)	20 (95.0%)	1 (100.0%)
911	Quail Ridge	1990	33	93.9%	-	-	28 (92.9%)	5 (100.0%)	-
912	Starline Heights	1996	12	100.0%	-	-	12 (100.0%)	-	-

Occ. – Occupancy

900 Map IDs are located outside the Site PMA

The seven selected market-rate projects have a combined total of 425 units with an overall occupancy rate of 96.9%. None of the comparable properties has an occupancy rate below 93.9%. These occupancy rates illustrate that the selected properties are well received within their respective market areas and will serve as accurate benchmarks with which to compare to the renovated subject units.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Woodland Terrace Apartments		310 Elm Street Apts.		Pine Valley Apts.		Cedar Ridge		Quail Ridge		Huntington	
622 Woodland Terrace Dr.		310 Elm St.		107 Kings Mill Rd.		517 Richmond Hill Rd		1064 W. Moring St.		2900 Perimeter Pkwy	
Waynesboro, GA		Louisville, GA		Wrens, GA		Augusta, GA		Swainsboro, GA		Augusta, GA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$500		\$500		\$470		\$450		\$599	
2 Date Surveyed		Sept.-13		Sept.-13		Sept.-13		Sept.-13		Sept.-13	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		97%		98%		92%		96%	
5 Effective Rent & Rent/ sq. ft	▼	\$500	0.63	\$500	0.83	\$470	0.99	\$450	0.56	\$599	0.89
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2	WU/2		WU/1,2		R/1		WU/2		WU/2,3	
7 Yr. Built/Yr. Renovated	1991/2014	1992	\$11	1985	\$18	1986	\$17	1990	\$13	1986	\$17
8 Condition /Street Appeal	G	G		G		G		G		G	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		No	(\$47)	Yes		No	(\$60)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	2	(\$50)	2	(\$50)	1		2	(\$50)	1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	650	800	(\$28)	600	\$9	476	\$33	800	(\$28)	675	(\$5)
14 Balcony/ Patio	Y	N	\$5	Y		Y		N	\$5	Y	
15 AC: Central/ Wall	C	C		C		C		C		C	
16 Range/ refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	N/Y	N/Y		N/N	\$10	N/N	\$10	N/Y		N/Y	
18 Washer/Dryer	HU/L	HU	\$5	L	\$10	L	\$10	HU	\$5	HU	\$5
19 Floor Coverings	C	C		N	\$10	C		C		C	
20 Window Coverings	B	B		N	\$5	B		B		B	
21 Storage	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
22 Garbage Disposal	N	N		N		Y	(\$5)	N		N	
23 Ceiling Fans	Y	Y		Y		N	\$5	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		LOT/\$0	
25 On-Site Management	Y	N	\$5	Y		Y		N	\$5	Y	
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Rooms	N/N	N/N		N/N		N/N		N/N		Y/N	(\$5)
28 Pool/ Recreation Areas	N	N		N		N		N		P/J/F/R	(\$21)
29 Computer Center	N	N		N		N		N		N	
30 Picnic Area	N	N		N		N		N		Y	(\$3)
31 Playground	Y	N	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32 Social Services	N	N		N		N		N		N	
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		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/ Sewer	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
39 Trash /Recycling	Y/N	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		6	2	8	1	7	2	6	2	3	5
41 Sum Adjustments B to D		\$34	(\$78)	\$70	(\$50)	\$83	(\$52)	\$36	(\$78)	\$25	(\$94)
42 Sum Utility Adjustments											
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$44)	\$112	\$20	\$120	\$31	\$135	(\$42)	\$114	(\$69)	\$119
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$456		\$520		\$501		\$408		\$530	
45 Adj Rent/Last rent			91%		104%		107%		91%		89%
46 Estimated Market Rent	\$495	\$0.76	← Estimated Market Rent/ Sq. Ft								

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Woodland Terrace Apartments		310 Elm Street Apts.		Pine Valley Apts.		945 U.S. Hwy. 25		Quail Ridge		Starline Heights	
622 Woodland Terrace Dr.		310 Elm St.		107 Kings Mill Rd.		945 U.S. Hwy. 25		1064 W. Moring St.		900 Stephen Dr.	
Waynesboro, GA		Louisville, GA		Wrens, GA		Waynesboro, GA		Swainsboro, GA		Statesboro, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$500		\$500		\$650		\$500		\$625	
2	Date Surveyed	Sept.-13		Sept.-13		Sept.-13		Sept.-13		Sept.-13	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		97%		100%		94%		100%	
5	Effective Rent & Rent/ sq. ft	\$500	0.63	\$500	0.83	\$650	0.59	\$500	0.55	\$625	0.60
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/1,2		R/1		TH/2		R/1	
7	Yr. Built/Yr. Renovated	1991/2014		1992	\$11	1985	\$18	1992	\$11	1990	\$13
8	Condition /Street Appeal	G		G		E	(\$15)	G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.5	\$15	1	\$15	2	(\$15)	1.5		2	(\$15)
13	Unit Interior Sq. Ft.	925	\$20	800	\$51	600	\$51	1100	(\$27)	910	\$2
14	Balcony/ Patio	Y	\$5	N	\$5	Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y		N/Y	\$10	N/N	\$10	N/Y		N/Y	
18	Washer/Dryer	HU/L	\$5	HU	\$5	L	\$10	HU	\$5	HU	\$5
19	Floor Coverings	C		C		N	\$10	C		C	
20	Window Coverings	B		B	\$5	N	\$5	B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	Y		N	\$5
22	Garbage Disposal	N		N		N		N		N	
23	Ceiling Fans	Y		Y		Y		N	\$5	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		N	\$5	N	\$5
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/N		N/N		N/N		N/N		N/N	
28	Pool/ Recreation Areas	N		N		N		N		N	
29	Computer Center	N		N		N		N		N	
30	Picnic Area	N		N		N		N		N	
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
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		Y/Y		Y/Y		Y/Y		Y/Y	
39	Trash /Recycling	Y/N		Y/N		N/N	\$20	Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	8		9		6	3	5		5	2
41	Sum Adjustments B to D	\$69		\$127		\$34	(\$57)	\$28		\$25	(\$32)
42	Sum Utility Adjustments					\$20					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$69	\$69	\$127	\$127	(\$3)	\$111	\$28	\$28	(\$7)	\$57
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$569		\$627		\$647		\$528		\$618	
45	Adj Rent/Last rent		114%		125%		99%		106%		99%
46	Estimated Market Rent	\$600	\$0.65	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Woodland Terrace Apartments		310 Elm Street Apts.		Pine Valley Apts.		945 U.S. Hwy. 25		Quail Ridge		Starline Heights	
622 Woodland Terrace Dr.		310 Elm St.		107 Kings Mill Rd.		945 U.S. Hwy. 25		1064 W. Moring St.		900 Stephen Dr.	
Waynesboro, GA		Louisville, GA		Wrens, GA		Waynesboro, GA		Swainsboro, GA		Statesboro, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$500		\$550		\$650		\$600		\$625	
2	Date Surveyed	Sept.-13		Sept.-13		Sept.-13		Sept.-13		Sept.-13	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		95%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$500	0.63	\$550	0.61	\$650	0.59	\$600	0.59	\$625	0.60
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/1,2		R/1		WU/2		R/1	
7	Yr. Built/Yr. Renovated	1991/2014		1985	\$18	1992	\$11	1990	\$13	1996	\$7
8	Condition /Street Appeal	G		G		E	(\$15)	G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$50	3		2	\$50	3		2	\$50
12	# Baths	1.5	\$15	1	\$15	2	(\$15)	1.5		2	(\$15)
13	Unit Interior Sq. Ft.	925	\$19	900	\$4	1100	(\$26)	1025	(\$15)	1035	(\$17)
14	Balcony/ Patio	Y	\$5	Y		Y		N	\$5	Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y		N/N	\$10	N/Y		N/Y		N/Y	
18	Washer/Dryer	HU/L	\$5	L	\$10	HU	\$5	HU	\$5	HU	\$5
19	Floor Coverings	C		N	\$10	C		C		C	
20	Window Coverings	B		N	\$5	B		B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N		N		N		N		N	
23	Ceiling Fans	Y		Y		N	\$5	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	Y		N	\$5	N	\$5	N	\$5
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/N		N/N		N/N		N/N		N/N	
28	Pool/ Recreation Areas	N		N		N		N		N	
29	Computer Center	N		N		N		N		N	
30	Picnic Area	N		N		N		N		N	
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
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		Y/Y		Y/Y		Y/Y		Y/Y	
39	Trash /Recycling	Y/N		Y/N		N/N	\$20	Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	9		9		7	3	6	1	6	2
41	Sum Adjustments B to D	\$118		\$80		\$84	(\$56)	\$36	(\$15)	\$75	(\$32)
42	Sum Utility Adjustments					\$20					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$118	\$118	\$80	\$80	\$48	\$160	\$21	\$51	\$43	\$107
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$618		\$630		\$698		\$621		\$668	
45	Adj Rent/Last rent		124%		115%		107%		103%		107%
46	Estimated Market Rent	\$640	\$0.69	← Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents (aka *Conventional Rents for Comparable Units-CRCU*) for units similar to the renovated subject development are \$495 for a one-bedroom unit, \$600 for a two-bedroom unit and \$640 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent	Achievable Market Rent (CRCU)	Market Rent Advantage
One-Bedroom	\$495	\$495	0.0%
Two-Bedroom	\$600	\$600	0.0%
Three-Bedroom	\$640	\$640	0.0%

CRCU – Conventional Rents for Comparable Units

Typically, Tax Credit rents in urban markets are set 10% or more below achievable market rents to ensure that a LIHTC project will have a sufficient flow of tenants. In more rural settings, such as the subject county, a market rent advantage near 0.0% is acceptable as Tax Credit product often represents some of the most desirable rental housing opportunities available. Therefore, the proposed Tax Credit rents are positioned appropriately. Further, 15 of the 30 units will continue to operate with Rental Assistance, which will represent an even greater value to low-income renters within the Site PMA.

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. When multiple rent levels were offered, we included an average rent.

7. Upon completion of renovations, the subject project will have an effective age of a project built in 2003. The selected properties have effective ages of properties built between 1985 and 1996. 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.

8. It is anticipated that the subject project will have an improved appearance, once renovations are complete. We have made adjustments for those properties that we consider to be of inferior or superior quality compared to the subject development.
10. Two of the projects are located within Augusta, which is significantly larger in terms of population, rental housing supply and community amenities compared to the Site PMA. Therefore, we have adjusted the rents by 10% to reflect the difference in community size. One of the comparable market-rate properties is located within the Site PMA, while the remaining properties are located in markets considered to be similar size and housing opportunities versus the Site PMA. As such, we have made no adjustments to these projects for market differences.
11. The properties selected as comparable all have two-bedroom units, but some lack one- or three-bedroom designs. As such, we have utilized the two-bedroom product type for comparability purposes and have adjusted the project by \$50 to reflect the desirability of an additional bedroom.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The subject project will offer a unit amenity package slightly superior to the selected properties. We have made adjustments for features lacking at the selected properties such as dishwashers and washer/dryer hookups.
- 24.-32. The project will offer a somewhat limited community amenities package, but one that is similar to the selected properties. Regardless, we have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

Addendum F:
RENT ROLL

Affordable Rent Roll

Property: Woodland Terrace Apts (756) 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.
Woodland Terrace Apts (756)																	
600	756s1	800	1	Bostic, Annie	Rental		AR	02/01/13	510	489	380	380	280	100	109	209	0
601	756s2	1,000	2	Conner, Retrina	Assistance(RA) Rental		AR	04/01/13	579	559	410	410	190	220	149	369	0
602	756s2	1,000	2	Savage Porter, Carmen	Assistance(RA) No Deep Tenant Subsidy		GR	01/01/13	579	559	410	410	0	410	149	559	0
603	756s2	1,000	2	VACANT					579	0	360	0	0	0	149	0	0
604	756s2	1,000	2	Hilton, Jaciueline	Rental		AR-1	08/01/13	579	559	410	410	358	52	149	201	0
605	756s1	800	1	Robinson, Ruthie	Assistance(RA) Rental		AR	09/01/12	510	489	380	380	291	89	109	198	0
606	756h3	1,200	3	Cox, Jennifer	Assistance(RA) No Deep Tenant Subsidy		AR	08/01/13	602	605	435	435	0	435	170	605	0
607	756s2	1,000	2	Kirkland, Jerrica	No Deep Tenant Subsidy		AR	06/01/13	579	559	410	410	0	451	149	600	0
608	756s2	1,000	2	VACANT					579	0	360	0	0	0	149	0	0
609	756s2	1,000	2	VACANT					579	0	360	0	0	0	149	0	0
610	756s2	1,000	2	Cordero, Anibal	Rental		RA	07/29/13	579	559	410	410	323	87	149	236	0
611	756s3	1,200	3	Abrams, Earnestine	Assistance(RA) Rental		AR	08/01/13	602	605	435	435	524	0	170	81	89
612	756s3	1,200	3	Ward, Mary	Assistance(RA) No Deep Tenant Subsidy		AR	02/01/13	602	605	435	435	0	435	170	605	0
613	756s2	1,000	2	Young, Jackie	No Deep Tenant Subsidy		AR	06/01/13	579	559	410	410	0	410	149	559	0
614	756s2	1,000	2	Lakes, Jacques	No Deep Tenant Subsidy		GR	01/01/13	579	559	410	410	0	410	149	559	0
615	756s2	1,000	2	Grubbs, Linda	Rental		RA	04/25/13	579	559	410	410	299	111	149	260	0
616	756s2	1,000	2	Lewis, Jannie	Assistance(RA) Rental		GR	01/01/13	579	559	410	410	284	126	149	275	0
617	756s3	1,200	3	Henderson, Sonia	Assistance(RA) Rental		AR	01/01/13	602	605	435	435	202	233	170	403	0
618	756s1	800	1	Clay, Lynette	Assistance(RA) No Deep Tenant Subsidy		AR	07/01/13	510	489	380	380	0	380	109	489	0
619	756s2	1,000	2	Haynes, Shirley	No Deep Tenant Subsidy		AR	07/01/13	579	559	410	410	0	410	149	559	0
620	756s2	1,000	2	Bostic, Shakita	No Deep Tenant Subsidy HUD Voucher		AR	02/01/13	579	559	410	410	0	410	149	559	0
621	756h1	800	1	Phillips, Latovia	Rental		AR	06/01/13	510	489	380	380	362	18	109	127	0
623	756h1	800	1	Godbee, Cora	Assistance(RA) Rental		AR	07/01/13	510	489	380	380	276	104	109	213	0
624	756s1	800	1	Warthen, Tyeisha	Assistance(RA) No Deep Tenant Subsidy		MI	11/07/12	510	489	380	380	0	385	109	494	0

Affordable Rent Roll

Property: Woodland Terrace Apts (756) 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.
Woodland Terrace Apts (756)																	
625	756s1	800	1	Roberts, Barbara	Rental Assistance(RA)		AR	02/01/13	510	489	380	380	73	307	109	416	0
626	756s1	800	1	Toppin, Curneisha	No Deep Tenant Subsidy		MI	06/30/13	510	489	380	380	0	380	109	489	0
627	756s3	1,200	3	Way, Lee Reatha	Rental Assistance(RA)		GR	01/01/13	602	605	435	435	240	195	170	365	0
628	756s2	1,000	2	Pierce, Michelle	Rental Assistance(RA)		AR	06/01/13	579	559	410	410	136	274	149	423	0
629	756s2	1,000	2	Willis, Marissa	Rental Assistance(RA)		AR	07/01/13	579	559	410	410	67	343	149	492	0
630	756s3	1,200	3	Wimberly, Alicia	HUD Voucher		GR	01/01/13	602	605	435	435	0	435	170	605	0
Total :		29,600	58	Number of Units:	30				16,956	14,809	12,060	10980	3,905	7,210	4,276	10,950	89
Grand Total :		29,600	58	Total Units:	30				16,956	14,809	12,060		3,905	7,210	4,276	10,950	89