

Market Analysis
for
The Vinings at Oxford
Tax Credit (Sec. 42) Apartments
For Family Households
in
Cedartown, Georgia
Polk County

Prepared For:

The Vinings at Oxford, LP

This report uses DCA's methodology.
DCA requires the items to be presented in the order given.
This report contains all required DCA content, plus additional content as
necessary for a reasonable analysis.

By:

JOHN WALL and ASSOCIATES

Post Office Box 1169

Anderson, South Carolina 29622

jwa_ofc@bellsouth.net

864-261-3147

June 2015 (Revised June 8, 2015)

PCN: 14-090



FOREWORD

QUALIFICATIONS STATEMENT

John Wall and Associates has done over 2,500 market analyses, the majority of these being for apartment projects (conventional and government). However, the firm has done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators, and lending institutions.

Prior to founding John Wall and Associates, Mr. Wall was the Planning Director for a city of 30,000 where he supervised the work of the Planning Department, including coordinating the activities of and making presentations to both the Planning and Zoning Commission and the Zoning Board of Adjustment and Appeals. His duties included site plan approval, subdivision review, annexation, downtown revitalization, land use mapping program, and negotiation of realistic, workable solutions with various groups.

While in the public and private sectors, Mr. Wall served on the Appalachian Regional Council of Governments Planning and Economic Development Committee for more than seven years.

Mr. Wall has also taught site analysis and site planning part-time at the graduate level for several semesters as a visiting professor at Clemson University College of Architecture, Planning Department.

Mr. Wall holds a Master's degree in City and Regional Planning and a BS degree in Pre-Architecture. In addition, he has studied at the Clemson College of Architecture Center for Building Research and Urban Studies at Genoa, Italy, and at Harvard University in the Management of Planning and Design Firms, Real Estate Finance, and Real Estate Development.

RELEASE OF INFORMATION

This report shall not be released by John Wall and Associates to persons other than the client and his/her designates for a period of at least sixty (60) days. Other arrangements can be made upon the client's request.

TRUTH AND ACCURACY

It is hereby attested to that the information contained in this report is true and accurate. The report can be relied upon as a true assessment of the low income housing rental market. However, no assumption of liability is being made or implied.

IDENTITY OF INTEREST

The market analyst will receive no fees contingent upon approval of the project by any agency or lending institution, before or after the fact, and the market analyst will have no interest in the housing project.

CERTIFICATIONS

CERTIFICATION OF PHYSICAL INSPECTION

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full assessment of the need and demand for new rental units.

REQUIRED 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 of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

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

DCA may rely on the representation made in the market study provided, and the document is assignable to other lenders that are parties to the DCA loan transaction.

NCHMA MEMBER CERTIFICATION


This market study has been prepared by John Wall and Associates, 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 Affordable Housing Projects*, and *Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and 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.

John Wall and Associates is duly qualified and experienced in providing market analysis for

Affordable 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. John Wall and Associates is an independent market analyst. No principal or employee of John Wall and Associates has any financial interest whatsoever in the development for which this analysis has been undertaken.

(Note: Information on the National Council of Housing Market Analysts including *Standard Definitions of Key Terms and Model Content Standards* may be obtained by visiting <http://www.housingonline.com/mac/machome.htm>)

Submitted and attested to by:

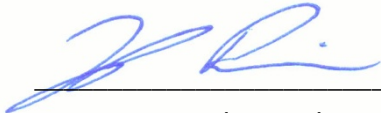


John Wall, President

JOHN WALL and ASSOCIATES

6-5-15

Date

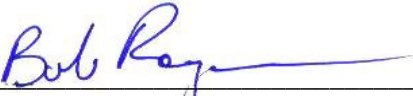


Joe Burriss, Market Analyst

JOHN WALL and ASSOCIATES

6-5-15

Date



Bob Rogers, Market Analyst

JOHN WALL and ASSOCIATES

6-5-15

Date

TABLE OF CONTENTS

FOREWORD	2	G.3	DEMAND	50
QUALIFICATIONS STATEMENT	2	G.4	DEMAND FOR NEW UNITS	53
RELEASE OF INFORMATION	2	G.5	CAPTURE RATE ANALYSIS CHART	53
TRUTH AND ACCURACY	2	H.	COMPETITIVE ANALYSIS (EXISTING	
IDENTITY OF INTEREST	2		COMPETITIVE RENTAL ENVIRONMENT)	54
CERTIFICATIONS	2	H.1	SURVEY OF APARTMENTS	54
TABLE OF CONTENTS	4	H.2	ADDITIONAL INFORMATION ON COMPETITIVE	
TABLE OF TABLES	5		ENVIRONMENT	55
TABLE OF MAPS	5	H.3	APARTMENT LOCATIONS MAP	56
INTRODUCTION	6	H.4	AMENITY ANALYSIS	57
PURPOSE	6	H.5	SELECTION OF COMPS	57
SCOPE	6	H.6	LONG TERM IMPACT OF THE SUBJECT ON EXISTING	
METHODOLOGY	6		TAX CREDIT UNITS	57
LIMITATIONS	6	H.7	NEW "SUPPLY"	57
A. EXECUTIVE SUMMARY	8	H.8	AVERAGE MARKET RENT AND RENT DIFFERENTIAL	57
A.1 PROJECT DESCRIPTION	8	H.9	INFORMATION ON OTHER DCA PROPERTIES	58
A.2 SITE DESCRIPTION/EVALUATION	9	H.10	RENTAL TRENDS IN THE MARKET AREA	59
A.3 MARKET AREA DEFINITION	10	H.11	IMPACT OF FORECLOSED, ABANDONED, ETC.	
A.4 COMMUNITY DEMOGRAPHIC DATA	10		PROPERITES	61
A.5 ECONOMIC DATA	11	H.12	PRIMARY HOUSING VOIDS	61
A.6 PROJECT SPECIFIC AFFORDABILITY AND DEMAND		H.13	ADVERSE IMPACTS ON OCCUPANCY	61
ANALYSIS	12	H.14	BUILDING PERMITS ISSUED	61
A.7 COMPETITIVE RENTAL ANALYSIS	12	I.	ABSORPTION & STABILIZATION RATES	63
A.8 ABSORPTION/STABILIZATION ESTIMATE	13	J.	INTERVIEWS	64
A.9 OVERALL CONCLUSION	13	J.1	APARTMENT MANAGERS	64
NARRATIVE DETAILING KEY CONCLUSIONS OF THE REPORT:	13	J.2	ECONOMIC DEVELOPMENT	64
A.10 DCA SUMMARY TABLE	15	K.	CONCLUSIONS AND RECOMMENDATIONS	65
A.11 DEMAND	16	L.	SIGNED STATEMENT REQUIREMENTS	66
A.12 NCHMA CAPTURE RATE	17	M.	MARKET STUDY REPRESENTATION	67
B. PROJECT DESCRIPTION	18	N.	NCHMA MARKET STUDY INDEX/CHECKLIST	68
B.1 DEVELOPMENT LOCATION	18	O.	BUSINESS REFERENCES	69
B.2 CONSTRUCTION TYPE	18	P.	RÉSUMÉS	70
B.3 OCCUPANCY	18			
B.4 TARGET INCOME GROUP	18			
B.5 SPECIAL POPULATION	18			
B.6 STRUCTURE TYPE	18			
B.7 UNIT SIZES, RENTS AND TARGETING	18			
B.8 DEVELOPMENT AMENITIES	18			
B.9 UNIT AMENITIES	18			
B.10 UTILITIES INCLUDED	19			
B.11 PROJECTED CERTIFICATE OF OCCUPANCY DATE	19			
C. SITE EVALUATION	20			
C.1 DATE OF SITE VISIT	20			
C.2 PHYSICAL FEATURES OF SITE AND ADJACENT				
PARCELS	20			
C.3 SURROUNDING ROADS, TRANSPORTATION,				
AMENITIES, EMPLOYMENT, COMMUNITY SERVICES	20			
C.4 SITE AND NEIGHBORHOOD PHOTOS	22			
C.5 SITE LOCATION MAP	24			
C.6 LAND USES OF THE IMMEDIATE AREA	26			
C.7 MULTIFAMILY RESIDENTIAL DEVELOPMENTS	27			
C.8 ROAD AND INFRASTRUCTURE IMPROVEMENTS	28			
C.9 ACCESS, INGRESS, VISIBILITY	28			
C.10 OBSERVED VISIBLE ENVIRONMENTAL OR OTHER				
CONCERNS	28			
C.11 CONCLUSION	28			
D. MARKET AREA	29			
D.1 MARKET AREA DETERMINATION	30			
D.2 DRIVING TIMES AND PLACE OF WORK	30			
D.3 MARKET AREA DEFINITION	30			
E. DEMOGRAPHIC ANALYSIS	31			
E.1 POPULATION	31			
E.2 HOUSEHOLDS	32			
F. EMPLOYMENT TREND	37			
F.1 TOTAL JOBS	37			
F.2 JOBS BY INDUSTRY AND OCCUPATION	38			
F.3 MAJOR EMPLOYERS	39			
F.4 EMPLOYMENT (CIVILIAN LABOR FORCE)	40			
F.5 EMPLOYMENT CONCENTRATIONS MAP	41			
F.6 ECONOMIC SUMMARY	42			
G. PROJECT-SPECIFIC AFFORDABILITY & DEMAND				
ANALYSIS	44			
G.1 INCOME RESTRICTIONS	44			
G.2 AFFORDABILITY	46			

TABLE OF TABLES

Crimes Reported to Police 10

Percent of Renter Households in Appropriate Income Ranges for the Market Area 11

Number of Renter Households in Appropriate Income Ranges for the Market Area 12

NCHMA Capture Rate..... 17

Community Amenities..... 25

Workers’ Travel Time to Work for the Market Area (Time in Minutes)..... 30

Population Trends and Projections 31

Persons by Age 31

Race and Hispanic Origin 32

Renter Households by Age of Householder..... 32

Household Trends and Projections 33

Occupied Housing Units by Tenure 33

Housing Units by Persons in Unit..... 35

Renter Persons Per Unit For The Market Area 35

Number of Households in Various Income Ranges..... 36

Covered Employment..... 37

Occupation of Employed Persons Age 16 Years And Over 38

Occupation for the State and Market Area 38

Industry of Employed Persons Age 16 Years And Over..... 39

Industry for the State and Market Area..... 39

Employment Trends 40

County Employment Trends 40

Median Wages by Industry 42

Wages by Industry for the County 43

Percent of Workers by Occupation for the Market Area 43

Maximum Income Limit (HUD FY 2015)..... 44

Minimum Incomes Required and Gross Rents 45

Qualifying Income Ranges by Bedrooms and Persons Per Household..... 46

Qualifying and Proposed and Programmatic Rent Summary 46

Targeted Income Ranges 47

Number of Specified Households in Various Income Ranges by Tenure..... 47

Percent of Renter Households in Appropriate Income Ranges for the Market Area 48

Change in Renter Household Income 48

New Renter Households in Each Income Range for the Market Area 50

Percentage of Income Paid For Gross Rent (Renter Households in Specified Housing Units) 51

Rent Overburdened Households in Each Income Range for the Market Area..... 51

Substandard Occupied Units..... 52

Substandard Conditions in Each Income Range for the Market Area 52

Capture Rate by Unit Size (Bedrooms) and Targeting 53

List of Apartments Surveyed 54

Comparison of Comparables to Subject..... 54

Schedule of Rents, Number of Units, and Vacancies for Unassisted Apartment Units 55

Apartment Units Built or Proposed Since the Base Year..... 57

Tenure by Bedrooms..... 59

Tenure by Bedrooms for the State and Market Area 59

Building Permits Issued 61

TABLE OF MAPS

REGIONAL LOCATOR MAP 6

AREA LOCATOR MAP 7

SITE AND NEIGHBORHOOD PHOTOS AND ADJACENT LAND USES MAP 21

SITE LOCATION MAP 24

NEIGHBORHOOD MAP 26

APARTMENT LOCATIONS MAP 27

MARKET AREA MAP 29

TENURE MAP 34

EMPLOYMENT CONCENTRATIONS MAP 41

MEDIAN HOUSEHOLD INCOME MAP 49

APARTMENT LOCATIONS MAP 56

MEDIAN HOME VALUE MAP 60

MEDIAN GROSS RENT MAP 62

INTRODUCTION

PURPOSE

The purpose of this report is to analyze the apartment market for a specific site in Cedartown, Georgia.

SCOPE

Considered in this report are market depth, bedroom mix, rental rates, unit size, and amenities. These items are investigated principally through a field survey conducted by John Wall and Associates. Unless otherwise noted, all charts and statistics are the result of this survey.

In general, only complexes of 30 units or more built since 1980 are considered in the field survey. Older or smaller projects are sometimes surveyed when it helps the analysis. Projects with rent subsidized units are included, if relevant, and noted.

METHODOLOGY

Three separate approaches to the analysis are used in this report; each is a check on the other. By using three generally accepted approaches, reasonable conclusions can be drawn. The three approaches used are:

- (1) Statistical
- (2) Like-Kind Comparison
- (3) Interviews

The Statistical approach uses Census data and local statistics; 2010 is used as a base year. The population that would qualify for the proposed units is obtained from these figures.

The Like-Kind Comparison approach collects data on projects similar in nature to that which is being proposed and analyzes how they are doing. This approach assesses their strong points, as well as weak points, and compares them with the subject.

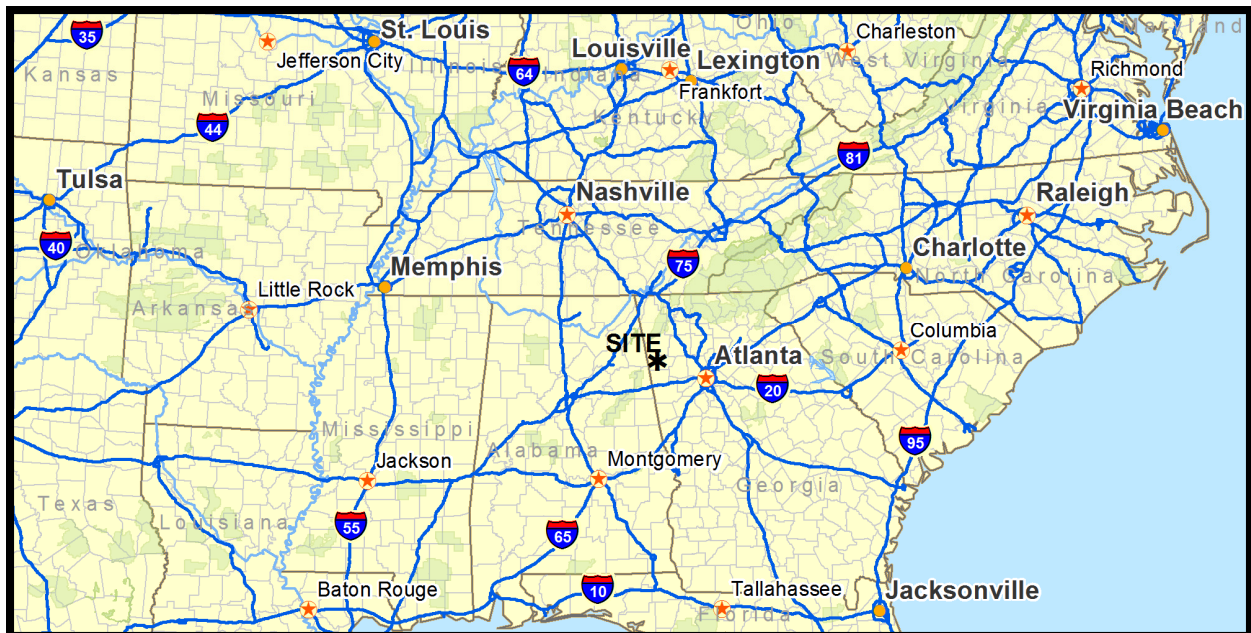
The last section, Interviews, assesses key individuals' special knowledge about the market area. While certainly subjective and limited in perspective, their collective knowledge, gathered and assessed, can offer valuable information.

Taken individually, these three approaches give a somewhat restricted view of the market. However, by examining them together, knowledge sufficient to draw reasonable conclusions can be achieved.

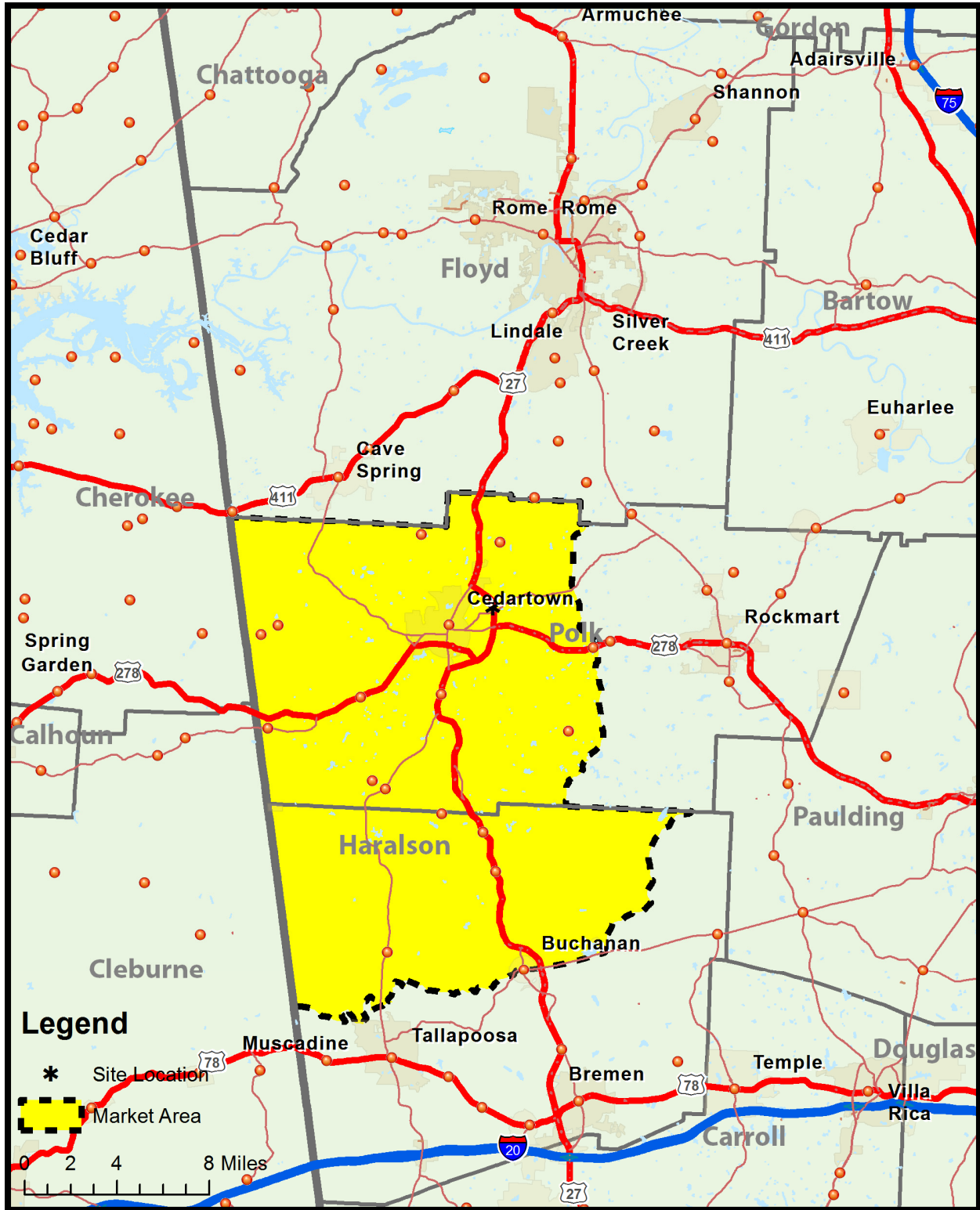
LIMITATIONS

This market study was written according to the Client's *Market Study Guide*. To the extent this guide differs from the NCHMA *Standard Definitions of Key Terms or Model Content Standards*, the client's guide has prevailed.

REGIONAL LOCATOR MAP



AREA LOCATOR MAP



A. EXECUTIVE SUMMARY

The projected completion date of the proposed project is on or before 12/31/2017.

The market area (conservative) consists of Census tracts 101 (64%) and 102 (48%) in Haralson County, as well as 102, 103, 104, and 105 in Polk County.

The proposed project consists of 62 units of new construction.

The proposed project is for family households with incomes at 50% and 60% of AMI. Rents range from \$380 to \$515.

A.1 PROJECT DESCRIPTION

- **Address:**
Located off of Blance Road (Parcel No. 030A007) in Cedartown, Polk County, Georgia
- **Construction and occupancy types:**
New construction
Townhouse and garden
Family
- **Unit mix including bedrooms, bathrooms, square footage, income targeting, rents, and utility allowance:**

<u>AMI</u>	<u>Bedrooms</u>	<u>Baths</u>	<u>Number of Units</u>	<u>Square Feet</u>	<u>Net Rent</u>	<u>Utility Allow.</u>	<u>Gross Rent</u>	<u>Target Population</u>
50%	1	1	2	769	380	80	460	Tax Credit
50%	2	2	2	976	440	99	539	Tax Credit
50%	2	2.5	5	1,075	440	99	539	Tax Credit
50%	3	2	1	1,229	495	131	626	Tax Credit
50%	3	2.5	3	1,422	495	131	626	Tax Credit
60%	1	1	7	769	380	80	460	Tax Credit
60%	2	2.5	25	1,075	475	99	574	Tax Credit
60%	3	2.5	17	1,422	515	131	646	Tax Credit

Total Units	62
Tax Credit Units	62
PBRA Units	0
Mkt. Rate Units	0

- **Any additional subsidies available including project based rental assistance:**
There are HOME funds.
- **Brief description of proposed amenities and how they compare to existing properties:**
 - **DEVELOPMENT AMENITIES:**
Laundry room, clubhouse, playground, and pavilion w/BBQ grills
 - **UNIT AMENITIES:**
Refrigerator, stove, dishwasher, washer/dryer connections, HVAC, blinds, and pre-wired telephone/cable
 - **UTILITIES INCLUDED:**
Trash

The subject's amenities, on average, are pretty comparable or superior to those of other properties in the market area.

A.2 SITE DESCRIPTION/EVALUATION

- **A brief description of physical features of the site and adjacent parcels:**

The site extends along Blance Road and the Cedartown Bypass. Along Blance Road the site rises a little, more so toward the bypass. The site rises considerably along the bypass. The site is covered with trees. There is a cut out of the site for a residential lot and home. Please see site photos. Woods surround the site. Beyond those are some single family homes.
- **A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural):**

The neighborhood land is mostly woods with a few homes.
- **A discussion of site access and visibility:**

Site access should be no problem if it is along Blance Road. Access along the bypass could be an issue because of the slope. Visibility from the bypass, a well-traveled four lane divided highway, is excellent. The site rises from the bypass so as to be very visible. Please see the aerial photo.
- **Any significant positive or negative aspects of the subject site:**

There is excellent visibility from the well-traveled bypass. The site is a short distance between the elementary school and the high school along the bypass.
- **A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.**

The site is 1.7 miles from Wal-Mart Supercenter and another shopping center. They are an easy drive along the four-lane divided bypass. Please see the site location map with goods and services. There are two more grocery stores and drug stores about 2.2 miles away. The hospital is 2.5 miles away.

An important feature is the site is just over 0.5 miles from both the elementary school and high school.

There are jobs available to the north and in town. Both are about 1-2 miles away.

There is a van on demand available. Cedartown Transit (CT) provides public transportation to residents and visitors in the Cedartown area in the form of a demand-response transportation system. Riders must call to schedule their ride 24 hours in advance. Hours of operation are Monday through Friday 8:00 a.m. to 4:00 p.m. Fares are \$2.00 for a one way passenger trip.
- **An overall conclusion of the site's appropriateness for the proposed development:**

The site is very appropriate for the proposed development.

A.2.1 CRIME

According to the FBI, in 2013 the following crimes were reported to police:

Crimes Reported to Police

	<u>City</u>	<u>County</u>
Population:	9,779	—
Violent Crime	53	38
Murder	0	0
Rape	2	2
Robbery	21	7
Assault	30	29
Property Crime	920	672
Burglary	211	225
Larceny	689	383
Motor Vehicle Theft	20	64
Arson	0	4

Source: 2013 Table 8 and Table 10, *Crime in the United States 2013*

http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2013/crime-in-the-u.s.-2013/tables/table-8/table_8_offenses_known_to_law_enforcement_by_state_by_city_2013.xls/view

http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2013/crime-in-the-u.s.-2013/tables/table-10/table_10_offenses_known_to_law_enforcement_by_state_by_metropolitan_and_nonmetropolitan_counties_2013.xls/view

Detailed crime statistics for the neighborhood are not available. The site does not appear to be in a problematic area.

A.3 MARKET AREA DEFINITION

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

The market area (conservative) consists of Census tracts 101 (64%) and 102 (48%) in Haralson County, as well as 102, 103, 104, and 105 in Polk County with distances from the site ranging between four and 19 miles.

A.4 COMMUNITY DEMOGRAPHIC DATA

- **Current and projected household and population counts for the primary market area:**
2010 population = 29,690; 2015 population = 30,712; 2017 population = 31,121
2010 households = 10,759; 2015 households = 11,063; 2017 households = 11,185
- **Household tenure:**
34.1% of the households in the market area rent.

- **Household income:**

Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		15,770		15,770		15,770	
Upper Limit		26,325		31,590		31,590	
	Mkt. Area						
	Households	%	#	%	#	%	#
Renter occupied:							
Less than \$5,000	240	—	0	—	0	—	0
\$5,000 to \$9,999	375	—	0	—	0	—	0
\$10,000 to \$14,999	643	—	0	—	0	—	0
\$15,000 to \$19,999	470	0.85	398	0.85	398	0.85	398
\$20,000 to \$24,999	250	1.00	250	1.00	250	1.00	250
\$25,000 to \$34,999	418	0.13	55	0.66	275	0.66	275
\$35,000 to \$49,999	382	—	0	—	0	—	0
\$50,000 to \$74,999	339	—	0	—	0	—	0
\$75,000 to \$99,999	96	—	0	—	0	—	0
\$100,000 to \$149,999	36	—	0	—	0	—	0
\$150,000 or more	0	—	0	—	0	—	0
Total	3,251		703		923		923
Percent in Range			21.6%		28.4%		28.4%

- **Impact of foreclosed, abandoned and vacant, single and multifamily homes, and commercial properties in the PMA on the proposed development:**

There are no signs of any abandonment or foreclosure that would impact the subject.

A.5 ECONOMIC DATA

- **Trends in employment for the county and/or region:**

Employment has been increasing slightly over the past few years.

- **Employment by sector:**

The largest sector of employment is:
Manufacturing — 20.2%

- **Unemployment trends:**

Over the last 12 months, the unemployment rate has been between 6.8% and 9.1%. For 2014, the average rate was 7.8% while for 2013 the average rate was 8.8%.

- **Recent or planned major employment contractions or expansions:**

No new jobs have been announced since January 2014, but Meggitt, Inc. has announced a closure of 51 jobs.

- **Overall conclusion regarding the stability of the county's overall economic environment:**

The local economy has been expanding slightly and will probably continue to do so.

A.6 PROJECT SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

- **Number renter households income qualified for the proposed development:**

Number of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		15,770		15,770		15,770	
Upper Limit		26,325		31,590		31,590	
	Mkt. Area						
Renter occupied:	Households	%	#	%	#	%	#
Less than \$5,000	240	—	0	—	0	—	0
\$5,000 to \$9,999	375	—	0	—	0	—	0
\$10,000 to \$14,999	643	—	0	—	0	—	0
\$15,000 to \$19,999	470	0.85	398	0.85	398	0.85	398
\$20,000 to \$24,999	250	1.00	250	1.00	250	1.00	250
\$25,000 to \$34,999	418	0.13	55	0.66	275	0.66	275
\$35,000 to \$49,999	382	—	0	—	0	—	0
\$50,000 to \$74,999	339	—	0	—	0	—	0
\$75,000 to \$99,999	96	—	0	—	0	—	0
\$100,000 to \$149,999	36	—	0	—	0	—	0
\$150,000 or more	0	—	0	—	0	—	0
Total	3,251		703		923		923
Percent in Range			21.6%		28.4%		28.4%

- **Overall estimate of demand:**

Overall demand is 544.

- **Capture rates**

- *Overall:*
11.4%
- *LIHTC units:*
11.4%
- *By AMI targeting:*

	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
50% AMI	13	447	0	447	2.9%
60% AMI	49	544	0	544	9.0%
All TC	62	544	0	544	11.4%

- *Conclusion regarding the achievability of these capture rates:*
The capture rates are achievable.

A.7 COMPETITIVE RENTAL ANALYSIS

- **Analysis of the competitive properties in the PMA**

- *Number of properties:*
6 properties were surveyed.
- *Rent bands for each bedroom type proposed:*
1BR = \$350 to \$421
2BR = \$441 to \$560
3BR = \$497 to \$517

- *Average market rents:*
 - 1BR = \$392
 - 2BR = \$493
 - 3BR = n/a

A.8 ABSORPTION/STABILIZATION ESTIMATE

- **Number of units expected to be leased per month:**

The subject should be able to lease between 5 and 6 units per month.
- **Number of units to be leased by AMI targeting:**
 - 50% AMI = 13
 - 60% AMI = 49
- **Number of months required for the project to reach 93% occupancy:**

The subject should be able to lease up in 12 to 14 months.

A.9 OVERALL CONCLUSION

NARRATIVE DETAILING KEY CONCLUSIONS OF THE REPORT:

- The **site** appears suitable for the project. It is currently wooded and surrounded by woods.
- The **neighborhood** is compatible with the project. The immediate neighborhood is mostly woods with a few single family homes.
- The **location** is well suited to the project.
- The **population and household growth** in the market area is modest. There will be 122 additional households in the market area by 2017.
- The **economy** seems to be expanding slowly.
- The **demand** for the project is good (544 units overall).
- The **capture rates** for the project are good. The overall Tax Credit capture rate is 11.4%.
- The **most comparable** apartments are Cedar Chase, Evergreen Lane, and Evergreen Village.
- Total **vacancy rates** of the most comparable projects are 7.1% (Cedar Chase), 0.0% (Evergreen Lane), and 0.0% (Evergreen Village).
- The **average vacancy** rate reported at **comparable projects** is 1.5%.
- The **average LIHTC vacancy rate** is 0.0%.
- The overall **vacancy rate** among apartments surveyed is 1.7%.
- **Concessions** in the comparables are non-existent.
- The net **rents**, given prevailing rents, vacancy rates, and concessions in the market area, are reasonable.
- The proposed **bedroom mix** is reasonable for the market.
- The **unit sizes** are reasonable for the proposal.

- The subject's **amenities** are good and comparable to similarly priced apartments.
- The subject's **value** should be perceived as good.
- The subject's **affordability** is reasonable from a programmatic gross rent standpoint.
- Both of those **interviewed** felt the project should be successful.
- The proposal would have no long term **impact** on existing LIHTC projects.

A.9.1 RECOMMENDATIONS

None

A.9.2 NOTES

None

A.9.2.1 STRENGTHS

Exceptional visibility
Located close to schools
Good calculated demand
Reasonable net rents
Reasonable gross rents
Good unit sizes

A.9.2.2 WEAKNESSES

None

A.9.3 CONCLUSION

The project, as proposed, should be successful.

A.10 DCA SUMMARY TABLE

Summary Table:	
(must be completed by the analyst and included in the executive summary)	
Development Name:	The Vinings at Oxford Total # Units: 62
Location:	Cedartown # LIHTC Units: 62
PMA Boundary:	See map on page 29
Farthest Boundary Distance to Subject: 19 miles	

RENTAL HOUSING STOCK (found in Apartment Inventory)									
Type	# Properties	Total Units	Vacant Units	Average Occupancy					
All Rental Housing	5	175	3	98.3%					
Market-Rate Housing	4	119	3	97.5%					
Assisted/Subsidized Housing (not LIHTC)									
LIHTC	1	56	0	100%					
Stabilized Comps	3	132	2	98.5%					
Properties in Construction & Lease Up									
Subject Development					Average Market Rent			Highest Comp Rent	
# Units	# BR's	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Advtg.	Per Unit	Per SF
2	1	1	769	\$380	\$830	\$1.08	118.4%	\$421	\$0.56
2	2	2	976	\$440	\$837	\$0.86	90.2%	\$560	n/a
5	2	2.5	1075	\$440	\$837	\$0.78	90.2%	\$560	n/a
1	3	2	1229	\$495	\$1,038	\$0.84	109.7%	\$517	\$0.46
3	3	2.5	1422	\$495	\$1,038	\$0.73	109.7%	\$517	\$0.46
7	1	1	769	\$380	\$830	\$1.08	118.4%	\$421	\$0.56
25	2	2.5	1075	\$475	\$837	\$0.78	76.2%	\$560	n/a
17	3	2.5	1422	\$515	\$1,038	\$0.73	101.6%	\$517	\$0.46

DEMOGRAPHIC DATA (found on page 33)						
	2010		2015		2017	
Renter Households	3,666	34.0%	3,790	34.0%	3,811	34.0%
Income-Qualified Renter HHs (LIHTC)	1,041	28.4%	1,076	28.4%	1,082	28.4%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 16)						
Type of Demand	30%	50%	60%	mkt-rate	Other: __	Overall
Renter Household Growth		9	12			15
Existing HH (Overburden)		389	468			468
Existing HH (Substandard)		49	64			64
Less Comparable/Competitive Supply		0	0			0
Net Income-qualified Renter HHs		447	544			544

CAPTURE RATES (found on page 12)						
Targeted Population	30%	50%	60%	mkt-rate	Other: __	Overall
Capture Rate		2.9%	9.0%			11.4%

A.11 DEMAND

	50% AMI: \$15,770 to \$26,325	60% AMI: \$15,770 to \$31,590	Overall Tax Credit: \$15,770 to \$31,590
New Housing Units Required	9	12	12
Rent Overburden Households	389	468	468
Substandard Units	49	64	64
Demand	447	544	544
Less New Supply	0	0	0
NET DEMAND	447	544	544

A.11.1 OPTIMAL BEDROOM MIX

The following bedroom mix will keep the market in balance over the long term. Individual projects can vary from it.

Bedrooms	Optimal Mix
1	25%
2	50%
3	25%
4	0%
Total	100%

A.11.2 ABSORPTION

Given reasonable marketing and management, the project should be able to rent up to 93% occupancy within 12 to 14 months — a few months longer if the project is completed in November, December, or January. The absorption rate determination considers such factors as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy. With advance marketing and preleasing, the absorption period could be less.

A.12 NCHMA CAPTURE RATE

NCHMA defines capture rate as:

The percentage of age, size, and income qualified renter households in the primary market area that the property must capture to achieve the stabilized level of occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the primary market area. See penetration rate for rate for entire market area.

This definition varies from the capture rate used above.

NCHMA Capture Rate

	Income Qualified Renter Households	Proposal	Capture Rate
50% AMI: \$15,770 to \$26,325	703	13	1.8%
60% AMI: \$15,770 to \$31,590	923	49	5.3%
Overall Tax Credit: \$15,770 to \$31,590	923	62	6.7%

B. PROJECT DESCRIPTION

The project description is provided by the developer.

B.1 DEVELOPMENT LOCATION

The site is on the northeast side of Cedartown, Georgia. It is located off of Blance Road (Parcel No. 030A007) along the Cedartown Bypass.

B.2 CONSTRUCTION TYPE

New construction

B.3 OCCUPANCY

The proposal is for occupancy by family households.

B.4 TARGET INCOME GROUP

Low income

B.5 SPECIAL POPULATION

5% of units designed for mobility impaired and 2% of units designed for sensory impaired

B.6 STRUCTURE TYPE

Townhouse and garden

B.7 UNIT SIZES, RENTS AND TARGETING

AMI	Bedrooms	Baths	Number of Units	Square Feet	Net Rent	Utility Allow.	Gross Rent	Target Population
50%	1	1	2	769	380	80	460	Tax Credit
50%	2	2	2	976	440	99	539	Tax Credit
50%	2	2.5	5	1,075	440	99	539	Tax Credit
50%	3	2	1	1,229	495	131	626	Tax Credit
50%	3	2.5	3	1,422	495	131	626	Tax Credit
60%	1	1	7	769	380	80	460	Tax Credit
60%	2	2.5	25	1,075	475	99	574	Tax Credit
60%	3	2.5	17	1,422	515	131	646	Tax Credit
Total Units			62					
Tax Credit Units			62					
PBRA Units			0					
Mkt. Rate Units			0					

These *pro forma* rents will be evaluated in terms of the market in the Supply section of the study.

B.8 DEVELOPMENT AMENITIES

Laundry room, clubhouse, playground, and pavilion w/BBQ grills

B.9 UNIT AMENITIES

Refrigerator, stove, dishwasher, washer/dryer connections, HVAC, blinds, and pre-wired telephone/cable

B.10 UTILITIES INCLUDED

Trash

B.11 PROJECTED CERTIFICATE OF OCCUPANCY DATE

It is anticipated that the subject will have its final certificates of occupancy on or before 12/31/2017.

C. SITE EVALUATION

C.1 DATE OF SITE VISIT

John Wall visited the site on May 20, 2015.

C.2 PHYSICAL FEATURES OF SITE AND ADJACENT PARCELS

- **Physical features:**

The site is completely wooded and slopes up toward the bypass. A lot with a home has been carved out of the site.

- **Adjacent parcels:**

N: Road then woods and a home

E: Four lane divided bypass then a few homes

S: Woods

W: Woods

- **Condition of surrounding land uses:**

The surrounding land uses are woods. The few homes in the area are in very good condition.

C.3 SURROUNDING ROADS, TRANSPORTATION, AMENITIES, EMPLOYMENT, COMMUNITY SERVICES

The site abuts US Highway 27 (Cedartown Bypass), a four-lane divided highway. It is also a short distance to US Highway 278. The area has a van on demand service. The site is close to goods, services, employment, and schools. Please see section A.2.

Cedartown Transit (CT) provides public transportation to residents and visitors in the Cedartown area in the form of a demand-response transportation system. Riders must call to schedule their ride 24 hours in advance. Hours of operation are Monday through Friday 8:00 a.m. to 4:00 p.m. Fares are \$2.00 for a one way passenger trip.

SITE AND NEIGHBORHOOD PHOTOS AND ADJACENT LAND USES MAP



C.4 SITE AND NEIGHBORHOOD PHOTOS



Photo 1



Photo 2



Photo 3



Photo 4

C.5 SITE LOCATION MAP

SITE LOCATION MAP



- **Listing of closest shopping areas, schools, employment centers, medical facilities and other important amenities with distance to site:**

Community Amenities

<u>Amenity</u>	<u>Distance</u>
Walmart Supercenter	1.7 miles
Shopping centers	1.7 miles
Grocery stores	2.2 miles
Drug store	2.2 miles
Hospital	2.5 miles
High school	0.5 miles
Elementary school	0.5 miles

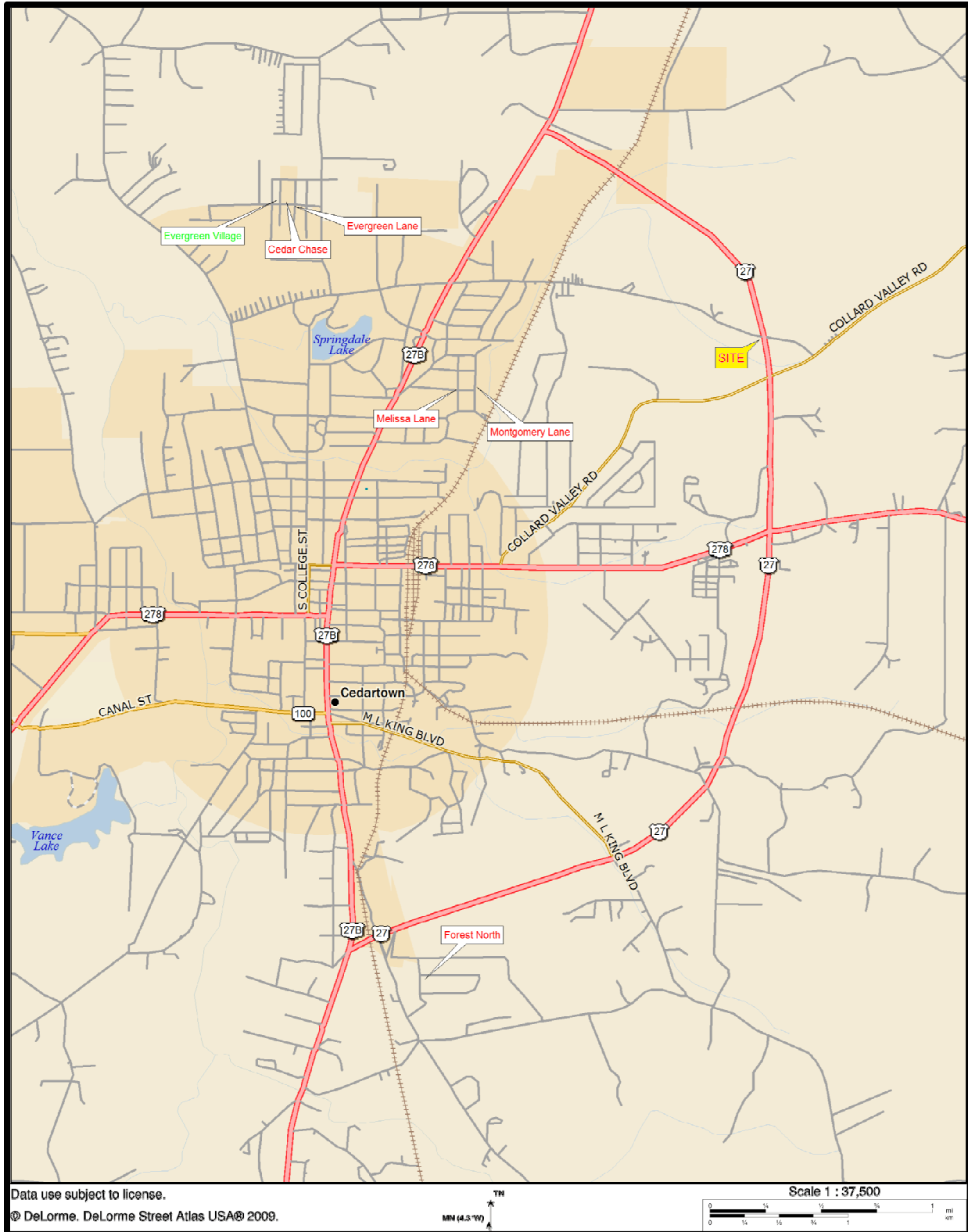
C.6 LAND USES OF THE IMMEDIATE AREA

NEIGHBORHOOD MAP



C.7 MULTIFAMILY RESIDENTIAL DEVELOPMENTS

APARTMENT LOCATIONS MAP



C.8 ROAD AND INFRASTRUCTURE IMPROVEMENTS

No major road or infrastructure projects were noted in the immediate area that would have direct impact on the subject.

C.9 ACCESS, INGRESS, VISIBILITY

There would be no problem with access or ingress as long as the entrance is along Blance Road. Visibility is very good.

C.10 OBSERVED VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

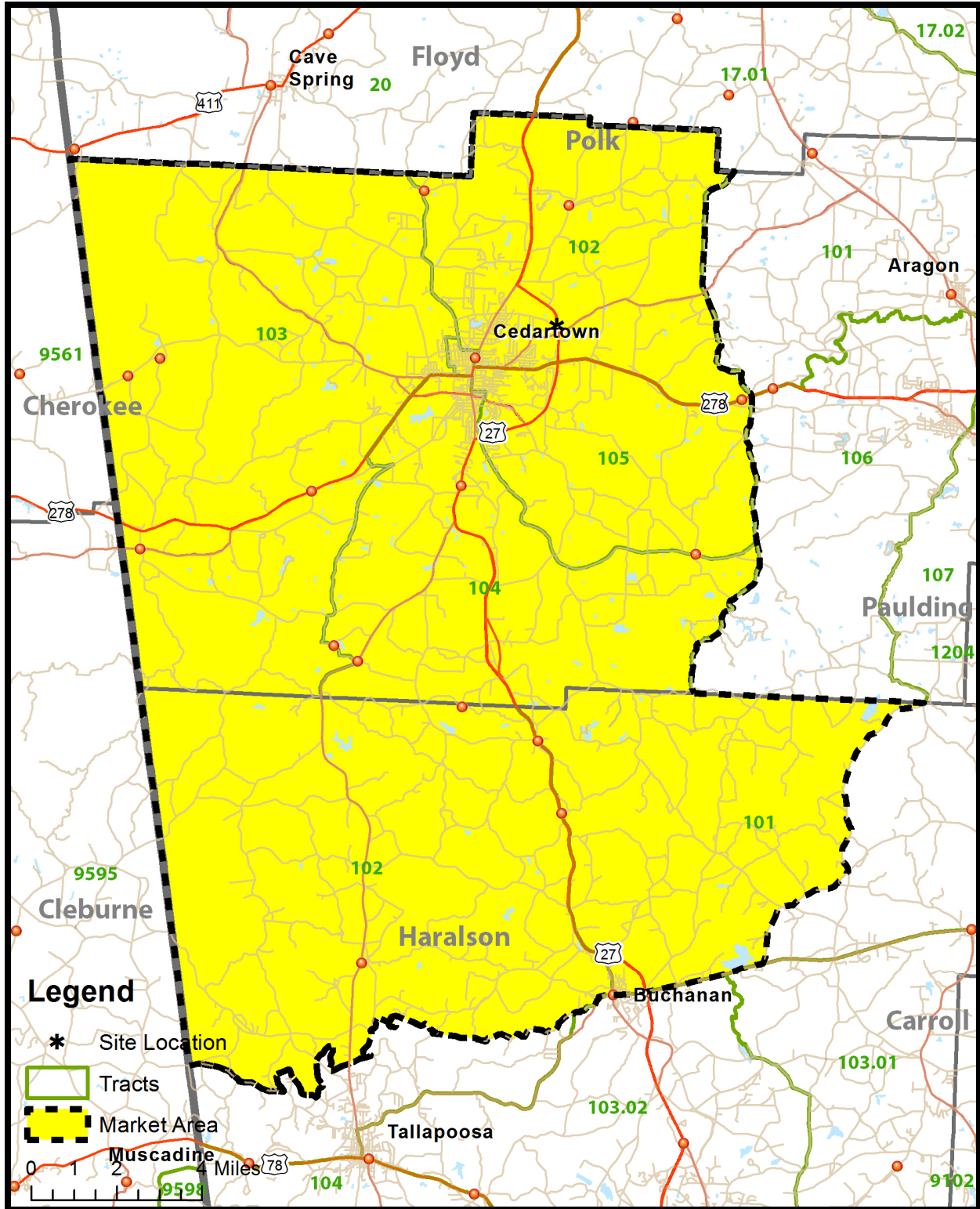
There were no other visible environmental or other concerns.

C.11 CONCLUSION

The site is well-suited for the proposed development.

D. MARKET AREA

MARKET AREA MAP



D.1 MARKET AREA DETERMINATION

The market area is the community where the project will be located and only those outlying rural areas that will be significantly impacted by the project, generally excluding other significant established communities. The market area is considered to be the area from which most of the prospective tenants will be drawn. Some people will move into the market area from nearby towns, while others will move away. These households are accounted for in the "Household Trends" section. The border of the market area is based on travel time, commuting patterns, the gravity model, physical boundaries, and the distribution of renters in the area. The analyst visits the area before the market area definition is finalized.

Housing alternatives and local perspective will be presented in the Development Comparisons section of this report.

D.2 DRIVING TIMES AND PLACE OF WORK

Commuter time to work is shown below:

Workers' Travel Time to Work for the Market Area (Time in Minutes)

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	4,045,105		15,763		10,694		3,047	
Less than 5 minutes	106,831	2.6%	657	4.2%	424	4.0%	170	5.6%
5 to 9 minutes	346,798	8.6%	2,138	13.6%	1,206	11.3%	525	17.2%
10 to 14 minutes	542,240	13.4%	2,527	16.0%	1,991	18.6%	486	16.0%
15 to 19 minutes	630,182	15.6%	1,886	12.0%	1,376	12.9%	158	5.2%
20 to 24 minutes	585,153	14.5%	1,573	10.0%	1,011	9.5%	325	10.7%
25 to 29 minutes	241,842	6.0%	873	5.5%	569	5.3%	124	4.1%
30 to 34 minutes	572,487	14.2%	2,155	13.7%	1,548	14.5%	577	18.9%
35 to 39 minutes	122,570	3.0%	360	2.3%	219	2.0%	20	0.7%
40 to 44 minutes	151,966	3.8%	604	3.8%	263	2.5%	101	3.3%
45 to 59 minutes	367,879	9.1%	1,277	8.1%	814	7.6%	227	7.4%
60 to 89 minutes	269,296	6.7%	1,281	8.1%	1,007	9.4%	316	10.4%
90 or more minutes	107,861	2.7%	432	2.7%	266	2.5%	18	0.6%

Source: 2011-5yr ACS (Census)

D.3 MARKET AREA DEFINITION

The market area for this report has been defined as Census tracts 101 (64%) and 102 (48%) in Haralson County, as well as 102, 103, 104, and 105 in Polk County (2010 Census). The market area is defined in terms of standard US Census geography so it will be possible to obtain accurate, verifiable information about it. The Market Area Map highlights this area.

D.3.1 SECONDARY MARKET AREA

The secondary market area for this report has been defined as Polk County. Demand will neither be calculated for, nor derived from, the secondary market area.

E. DEMOGRAPHIC ANALYSIS

E.1 POPULATION

E.1.1 POPULATION TRENDS

Housing demand is most closely associated with population trends. While no population projection presently exists for the market area, one is calculated from existing figures and shown below.

Population Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	8,186,453	38,127	27,646	9,470
2008	9,468,815	41,095	29,528	9,792
2010	9,687,653	41,475	29,690	9,750
2015	10,438,253	43,149	30,712	9,890
2017	10,738,493	43,819	31,121	9,946

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

As seen in the table above, the population in the market area was 30,712 in 2015 and is projected to increase by 409 persons from 2015 to 2017.

E.1.2 AGE

Population is shown below for several age categories. The percent figures are presented in such a way as to easily compare the market area to the state, which is a "norm." This will point out any peculiarities in the market area.

Persons by Age

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	9,687,653		41,475		29,690		9,750	
Under 20	2,781,629	29.0%	12,123	29.4%	8,690	29.5%	3,133	32.2%
20 to 34	2,015,640	21.0%	7,972	19.3%	5,706	19.4%	2,273	23.4%
35 to 54	2,788,792	29.0%	11,091	26.9%	7,680	26.1%	2,067	21.3%
55 to 61	783,421	8.2%	3,382	8.2%	2,398	8.1%	589	6.1%
62 to 64	286,136	3.0%	1,372	3.3%	1,022	3.5%	254	2.6%
65 plus	1,032,035	10.7%	5,535	13.4%	4,196	14.2%	1,434	14.8%
55 plus	2,101,592	21.9%	10,289	25.0%	7,616	25.9%	2,277	23.4%
62 plus	1,318,171	13.7%	6,907	16.8%	5,218	17.7%	1,688	17.4%

Source: 2010 Census

E.1.3 RACE AND HISPANIC ORIGIN

The racial composition of the market area does not factor into the demand for units; the information below is provided for reference.

Note that "Hispanic" is not a racial category. "White," "Black," and "Other" represent 100% of the population. Some people in each of those categories also consider themselves "Hispanic." The percent figures allow for a comparison between the state ("norm") and the market area.

Race and Hispanic Origin

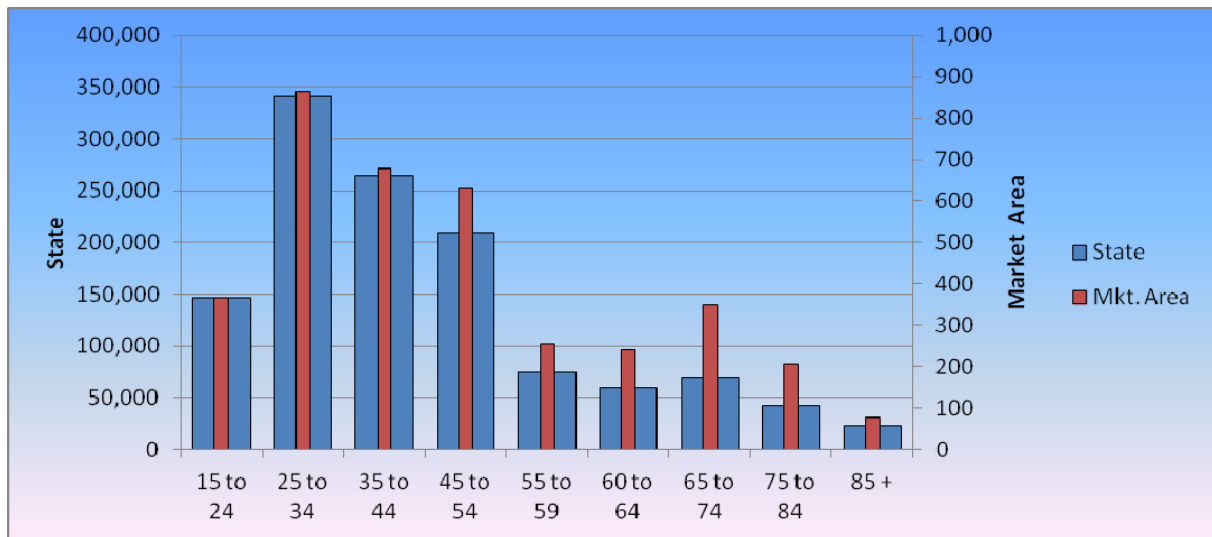
	State	%	County	%	Market Area	%	City	%
Total	9,687,653		41,475		29,690		9,750	
Not Hispanic or Latino	8,833,964	91.2%	36,590	88.2%	25,232	85.0%	6,724	69.0%
White	5,413,920	55.9%	30,492	73.5%	21,692	73.1%	4,629	47.5%
Black or African American	2,910,800	30.0%	5,150	12.4%	2,874	9.7%	1,817	18.6%
American Indian	21,279	0.2%	73	0.2%	59	0.2%	25	0.3%
Asian	311,692	3.2%	270	0.7%	182	0.6%	98	1.0%
Native Hawaiian	5,152	0.1%	16	0.0%	17	0.1%	10	0.1%
Some Other Race	19,141	0.2%	53	0.1%	36	0.1%	15	0.2%
Two or More Races	151,980	1.6%	536	1.3%	372	1.3%	130	1.3%
Hispanic or Latino	853,689	8.8%	4,885	11.8%	4,458	15.0%	3,026	31.0%
White	373,520	3.9%	1,482	3.6%	1,326	4.5%	883	9.1%
Black or African American	39,635	0.4%	40	0.1%	30	0.1%	12	0.1%
American Indian	10,872	0.1%	42	0.1%	36	0.1%	19	0.2%
Asian	2,775	0.0%	11	0.0%	6	0.0%	0	0.0%
Native Hawaiian	1,647	0.0%	20	0.0%	19	0.1%	13	0.1%
Some Other Race	369,731	3.8%	3,067	7.4%	2,862	9.6%	2,009	20.6%
Two or More Races	55,509	0.6%	223	0.5%	179	0.6%	90	0.9%

Source: 2010 Census

Note that the "Native Hawaiian" category above also includes "Other Pacific Islander" and the "American Indian" category also includes "Alaska Native."

E.2 HOUSEHOLDS

Renter Households by Age of Householder



Source: 2010 Census

The graph above shows the relative distribution of households by age in the market area as compared to the state.

E.2.1 HOUSEHOLD TRENDS

The following table shows the change in the number of households between the base year and the projected year of completion.

Household Trends and Projections

	<u>State</u>	<u>County</u>	<u>Market Area</u>	<u>City</u>
2000	3,006,369	14,012	10,151	3,370
2008	3,468,704	14,623	10,325	3,080
2010	3,585,584	15,092	10,759	3,389
2015	3,875,192	15,632	11,063	3,399
2017	3,991,035	15,848	11,185	3,402
Growth 2015 to 2017	115,843	216	122	4

Sources: 2000 Census; 2010 5yr ACS (Census); 2010 Census; others by John Wall and Associates from figures shown

In 2010, the market area had 10,759 households and thus a demand for the same number of housing units (because each household lives in its own housing unit). Similarly, there were 11,063 households in 2015, and there will be 11,185 in 2017. These figures indicate that the market area needs to provide 122 housing units from 2015 to 2017.

E.2.2 HOUSEHOLD TENURE

The tables below show how many units are occupied by owners and by renters. The percent of the households in the market area that are occupied by renters will be used later in determining the demand for new rental housing.

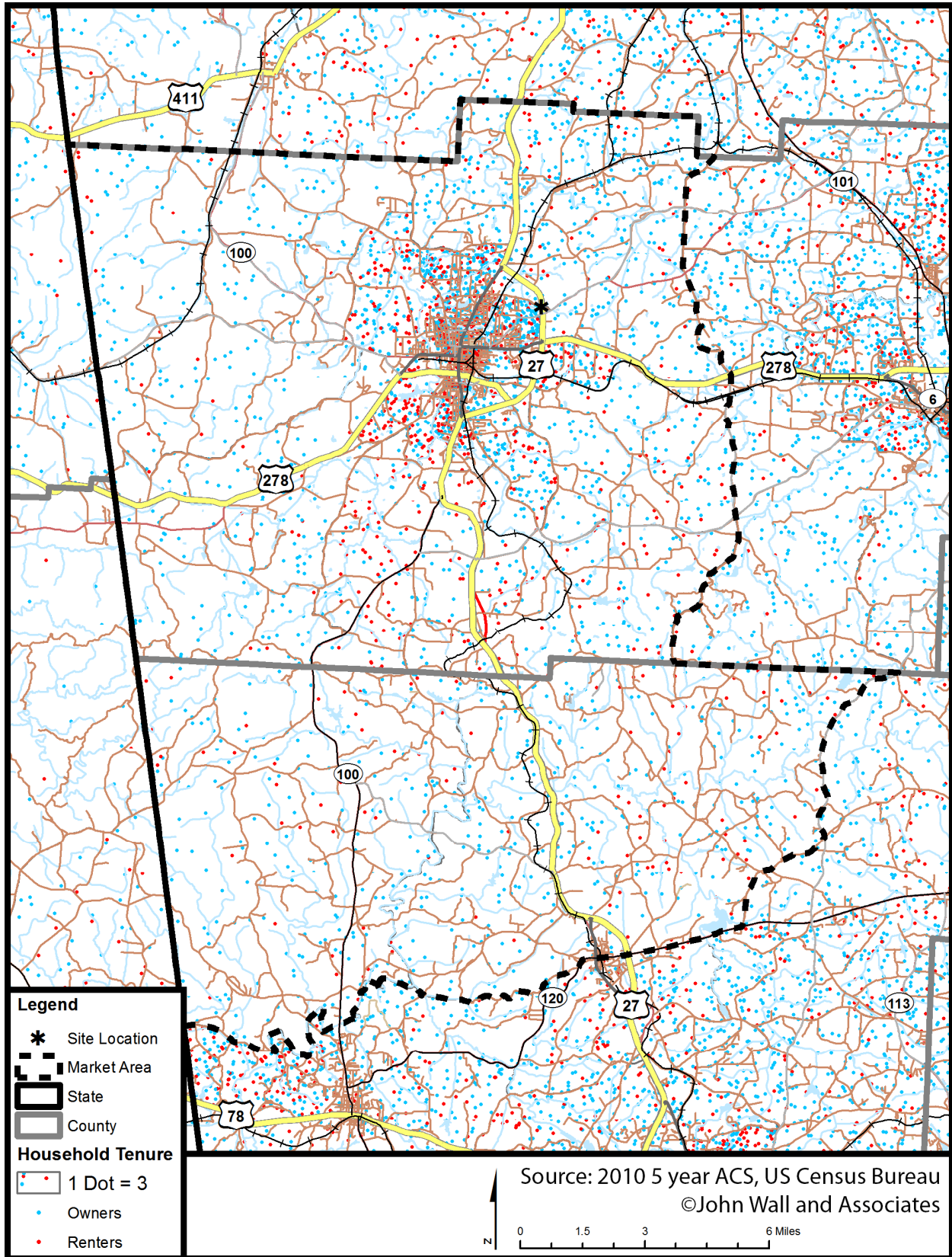
Occupied Housing Units by Tenure

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Households	3,585,584	—	15,092	—	10,759	—	3,389	—
Owner	2,354,402	65.7%	10,028	66.4%	7,093	65.9%	1,532	45.2%
Renter	1,231,182	34.3%	5,064	33.6%	3,666	34.1%	1,857	54.8%

Source: 2010 Census

From the table above, it can be seen that 34.1% of the households in the market area rent. This percentage will be used later in the report to calculate the number of general occupancy units necessary to accommodate household growth.

TENURE MAP



E.2.3 HOUSEHOLD SIZE

Household size is another characteristic that needs to be examined. The household size of those presently renting can be used as a strong indicator of the bedroom mix required. Renters and owners have been shown separately in the tables below because the make-up of owner-occupied units is significantly different from that of renters. A comparison of the percent figures for the market area and the state (“norm”) is often of interest.

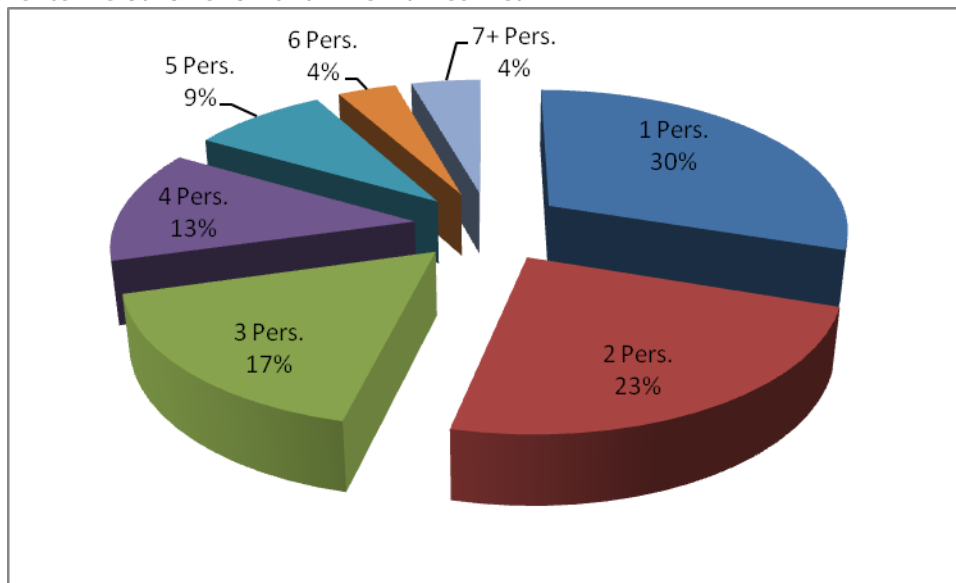
Housing Units by Persons in Unit

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Owner occupied:	2,354,402	—	10,028	—	7,092	—	1,532	—
1-person	498,417	21.2%	2,121	21.2%	1,480	20.9%	402	26.2%
2-person	821,066	34.9%	3,571	35.6%	2,604	36.7%	503	32.8%
3-person	417,477	17.7%	1,783	17.8%	1,202	16.9%	233	15.2%
4-person	360,504	15.3%	1,399	14.0%	956	13.5%	173	11.3%
5-person	159,076	6.8%	650	6.5%	461	6.5%	101	6.6%
6-person	60,144	2.6%	303	3.0%	230	3.2%	66	4.3%
7-or-more	37,718	1.6%	201	2.0%	159	2.2%	54	3.5%
Renter occupied:	1,231,182	—	5,064	—	3,666	—	1,857	—
1-person	411,057	33.4%	1,437	28.4%	1,105	30.1%	643	34.6%
2-person	309,072	25.1%	1,181	23.3%	863	23.5%	385	20.7%
3-person	203,417	16.5%	925	18.3%	620	16.9%	271	14.6%
4-person	155,014	12.6%	702	13.9%	468	12.8%	209	11.3%
5-person	84,999	6.9%	424	8.4%	313	8.5%	156	8.4%
6-person	37,976	3.1%	193	3.8%	137	3.7%	81	4.4%
7-or-more	29,647	2.4%	202	4.0%	161	4.4%	112	6.0%

Source: 2010 Census

The percent and number of large (5 or more persons) households in the market is an important fact to consider in projects with a significant number of 3 or 4 bedroom units. In such cases, this fact has been taken into account and is used to refine the analysis. It also helps to determine the upper income limit for the purpose of calculating demand. In the market area, 16.7% of the renter households are large, compared to 12.4% in the state.

Renter Persons Per Unit For The Market Area



E.2.4 HOUSEHOLD INCOMES

The table below shows the number of households (both renter and owner) that fall within various income ranges for the market area.

Number of Households in Various Income Ranges

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total:	3,490,754		14,675		10,291		3,043	
Less than \$10,000	291,920	8.4%	1,441	9.8%	1,114	10.8%	335	11.0%
\$10,000 to \$14,999	199,317	5.7%	1,435	9.8%	1,107	10.8%	555	18.2%
\$15,000 to \$19,999	193,170	5.5%	1,234	8.4%	969	9.4%	374	12.3%
\$20,000 to \$24,999	192,281	5.5%	788	5.4%	622	6.0%	125	4.1%
\$25,000 to \$29,999	186,824	5.4%	747	5.1%	601	5.8%	166	5.5%
\$30,000 to \$34,999	193,158	5.5%	977	6.7%	583	5.7%	202	6.6%
\$35,000 to \$39,999	172,930	5.0%	920	6.3%	718	7.0%	239	7.9%
\$40,000 to \$44,999	174,284	5.0%	889	6.1%	460	4.5%	204	6.7%
\$45,000 to \$49,999	148,836	4.3%	668	4.6%	352	3.4%	122	4.0%
\$50,000 to \$59,999	287,623	8.2%	1,221	8.3%	893	8.7%	264	8.7%
\$60,000 to \$74,999	358,774	10.3%	1,774	12.1%	1,057	10.3%	185	6.1%
\$75,000 to \$99,999	410,336	11.8%	1,133	7.7%	760	7.4%	101	3.3%
\$100,000 to \$124,999	257,874	7.4%	775	5.3%	592	5.8%	64	2.1%
\$125,000 to \$149,999	146,883	4.2%	304	2.1%	213	2.1%	53	1.7%
\$150,000 to \$199,999	143,147	4.1%	253	1.7%	158	1.5%	13	0.4%
\$200,000 or more	133,397	3.8%	116	0.8%	90	0.9%	41	1.3%

Source: 2011-5yr ACS (Census)

F. EMPLOYMENT TREND

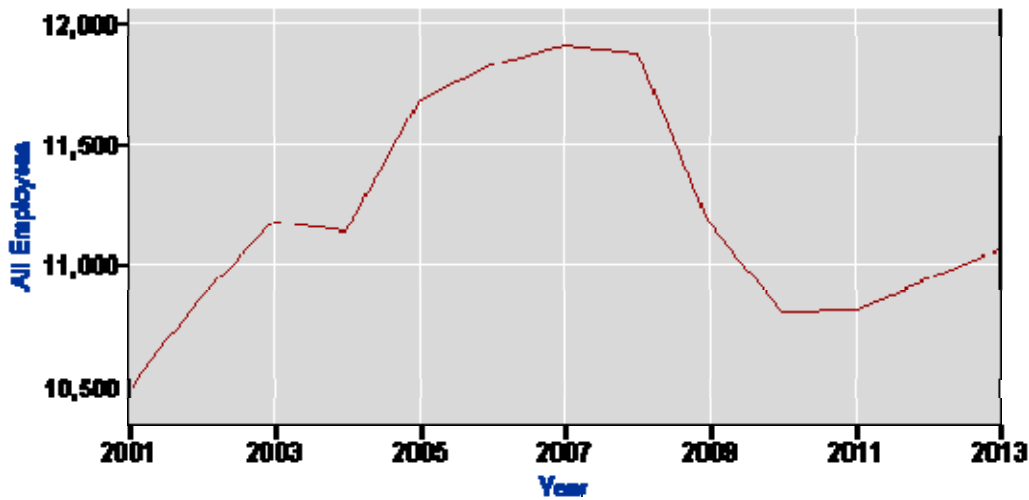
The economy of the market area will have an impact on the need for apartment units.

F.1 TOTAL JOBS

The following table shows how many people were employed in the county. These employed persons do not necessarily live in the county, so the trends are useful to determining the economic health of the area.

Covered Employment

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2001	10,314	10,488	10,483	10,661	10,630	10,587	10,475	10,631	10,568	10,330	10,397	10,344	10,492
2002	10,492	10,583	10,738	10,784	10,968	10,898	10,749	10,925	11,159	10,965	11,042	11,025	10,861
2003	11,182	11,305	11,388	11,294	11,275	11,242	10,826	10,921	11,072	11,194	11,173	11,209	11,173
2004	11,093	11,039	11,067	10,874	10,752	11,004	10,987	11,157	11,220	11,388	11,525	11,537	11,137
2005	11,387	11,364	11,368	11,852	11,961	11,895	11,423	11,807	11,938	11,867	11,860	11,596	11,693
2006	11,669	11,711	11,808	11,912	11,932	11,987	11,775	11,841	11,987	11,813	11,807	11,804	11,837
2007	11,677	11,504	11,616	11,567	11,807	12,075	11,904	12,075	12,225	12,195	12,219	12,174	11,920
2008	11,854	11,910	11,924	11,926	12,062	12,101	11,937	12,006	11,921	11,816	11,667	11,434	11,880
2009	11,530	11,448	11,459	11,171	11,267	11,276	11,106	11,034	11,049	10,885	10,976	10,788	11,166
2010	10,741	10,683	10,740	10,767	10,913	10,844	10,778	10,860	10,755	10,806	10,959	10,882	10,811
2011	10,579	10,721	10,810	10,754	10,781	10,830	10,760	10,895	10,887	10,889	10,964	10,935	10,817
2012	10,914	10,794	10,939	11,043	11,061	11,026	10,755	10,784	10,858	11,001	11,063	11,001	10,937
2013	11,058	11,047	11,075	11,036	11,062	11,003	10,912	10,977	11,042	11,138	11,204	11,158	11,059
2014	11,265	10,976	11,164	11,170	11,095	11,116	11,061	11,213	11,286				



Source: <http://data.bls.gov/pdq/querytool.jsp?survey=en>

F.2 JOBS BY INDUSTRY AND OCCUPATION

Occupation of Employed Persons Age 16 Years And Over

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Total	4,288,924		16,640		11,235		3,187	
Management, business, science, and arts occupations:	1,503,863	35%	3,684	22%	2,611	23%	831	26%
Management, business, and financial occupations:	639,928	15%	1,312	8%	915	8%	205	6%
Management occupations	431,733	10%	931	6%	657	6%	96	3%
Business and financial operations occupations	208,195	5%	381	2%	258	2%	109	3%
Computer, engineering, and science occupations:	205,648	5%	224	1%	164	1%	37	1%
Computer and mathematical occupations	109,280	3%	74	0%	95	1%	22	1%
Architecture and engineering occupations	67,189	2%	132	1%	54	0%	15	0%
Life, physical, and social science occupations	29,179	1%	18	0%	15	0%	0	0%
Education, legal, community service, arts, and media occupations:	452,182	11%	1,482	9%	1,047	9%	339	11%
Community and social service occupations	63,956	1%	114	1%	122	1%	59	2%
Legal occupations	43,217	1%	64	0%	72	1%	14	0%
Education, training, and library occupations	275,377	6%	1,135	7%	714	6%	166	5%
Arts, design, entertainment, sports, and media occupations	69,632	2%	169	1%	139	1%	100	3%
Healthcare practitioners and technical occupations:	206,105	5%	666	4%	485	4%	250	8%
Health diagnosing and treating practitioners and other technical occupations	134,416	3%	287	2%	178	2%	72	2%
Health technologists and technicians	71,689	2%	379	2%	307	3%	178	6%
Service occupations:	693,740	16%	2,822	17%	1,771	16%	490	15%
Healthcare support occupations	77,057	2%	452	3%	265	2%	127	4%
Protective service occupations:	95,433	2%	416	3%	291	3%	111	3%
Fire fighting and prevention, and other protective service workers including supervisors	48,018	1%	173	1%	156	1%	104	3%
Law enforcement workers including supervisors	47,415	1%	243	1%	135	1%	7	0%
Food preparation and serving related occupations	230,056	5%	731	4%	508	5%	71	2%
Building and grounds cleaning and maintenance occupations	164,820	4%	705	4%	399	4%	102	3%
Personal care and service occupations	126,374	3%	518	3%	307	3%	79	2%
Sales and office occupations:	1,099,346	26%	3,678	22%	2,456	22%	436	14%
Sales and related occupations	514,219	12%	1,548	9%	1,021	9%	223	7%
Office and administrative support occupations	585,127	14%	2,130	13%	1,434	13%	213	7%
Natural resources, construction, and maintenance occupations:	430,635	10%	2,732	16%	2,005	18%	666	21%
Farming, fishing, and forestry occupations	26,147	1%	107	1%	90	1%	59	2%
Construction and extraction occupations	245,903	6%	1,794	11%	1,395	12%	494	16%
Installation, maintenance, and repair occupations	158,585	4%	831	5%	520	5%	113	4%
Production, transportation, and material moving occupations:	561,340	13%	3,724	22%	2,392	21%	764	24%
Production occupations	265,856	6%	2,422	15%	1,481	13%	528	17%
Transportation occupations	171,649	4%	517	3%	403	4%	68	2%
Material moving occupations	123,835	3%	785	5%	507	5%	168	5%

Source: 2011-5yr ACS (Census)

Occupation for the State and Market Area



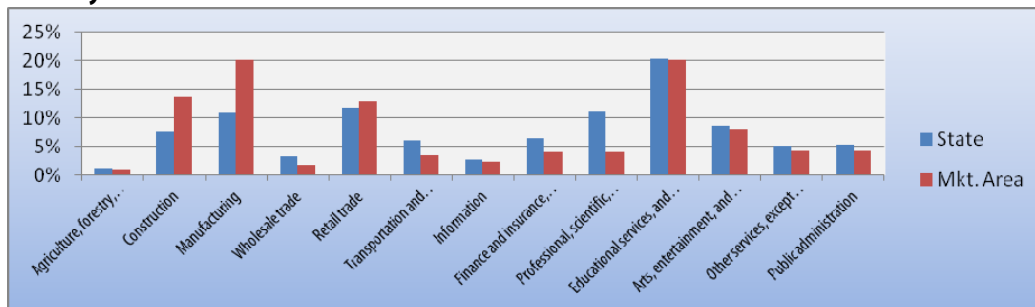
Industry of Employed Persons Age 16 Years And Over

	State	%	County	%	Market Area	%	City	%
Total:	4,288,924		16,640		11,235		3,187	
Agriculture, forestry, fishing and hunting, and mining:	49,487	1%	157	1%	122	1%	73	2%
Agriculture, forestry, fishing and hunting	44,572	1%	157	1%	122	1%	73	2%
Mining, quarrying, and oil and gas extraction	4,915	0%	0	0%	0	0%	0	0%
Construction	318,753	7%	1,852	11%	1,538	14%	505	16%
Manufacturing	466,714	11%	3,595	22%	2,267	20%	687	22%
Wholesale trade	140,068	3%	460	3%	205	2%	91	3%
Retail trade	507,318	12%	1,982	12%	1,451	13%	338	11%
Transportation and warehousing, and utilities:	257,832	6%	896	5%	387	3%	66	2%
Transportation and warehousing	217,447	5%	442	3%	208	2%	38	1%
Utilities	40,385	1%	454	3%	179	2%	28	1%
Information	113,553	3%	392	2%	260	2%	30	1%
Finance and insurance, and real estate and rental and leasing:	276,239	6%	662	4%	452	4%	75	2%
Finance and insurance	186,606	4%	428	3%	317	3%	44	1%
Real estate and rental and leasing	89,633	2%	234	1%	135	1%	31	1%
Professional, scientific, and management, and administrative and waste management services:	470,531	11%	847	5%	445	4%	213	7%
Professional, scientific, and technical services	272,826	6%	309	2%	208	2%	118	4%
Management of companies and enterprises	4,939	0%	0	0%	0	0%	0	0%
Administrative and support and waste management services	192,766	4%	538	3%	236	2%	95	3%
Educational services, and health care and social assistance:	873,918	20%	3,207	19%	2,259	20%	744	23%
Educational services	406,986	9%	1,452	9%	885	8%	184	6%
Health care and social assistance	466,932	11%	1,755	11%	1,374	12%	560	18%
Arts, entertainment, and recreation, and accommodation and food services:	369,726	9%	1,116	7%	897	8%	122	4%
Arts, entertainment, and recreation	62,655	1%	158	1%	140	1%	13	0%
Accommodation and food services	307,071	7%	958	6%	757	7%	109	3%
Other services, except public administration	215,345	5%	852	5%	496	4%	170	5%
Public administration	229,440	5%	622	4%	458	4%	73	2%

Source: 2011-5yr ACS (Census)

Note: Bold numbers represent category totals and add to 100%

Industry for the State and Market Area



Source: 2011-5yr ACS (Census)

F.3 MAJOR EMPLOYERS

The following is a list of major employers in the county:

Company

- Meggitt Polymers & Composites
- Polk County School District
- HON Company
- Tip Top Poultry
- AT&T Communications
- Polk County Government
- Angelica Textile Services
- Jefferson Southern Corporation
- Wal-Mart
- EBY-Brown
- Nordic Logistics & Warehousing
- Advance Storage Products
- Axiom Nutraceuticals (fka Metaugus, Inc.)
- Polk County Public Services
- City of Cedartown

Source: Chamber of Commerce

F.4 EMPLOYMENT (CIVILIAN LABOR FORCE)

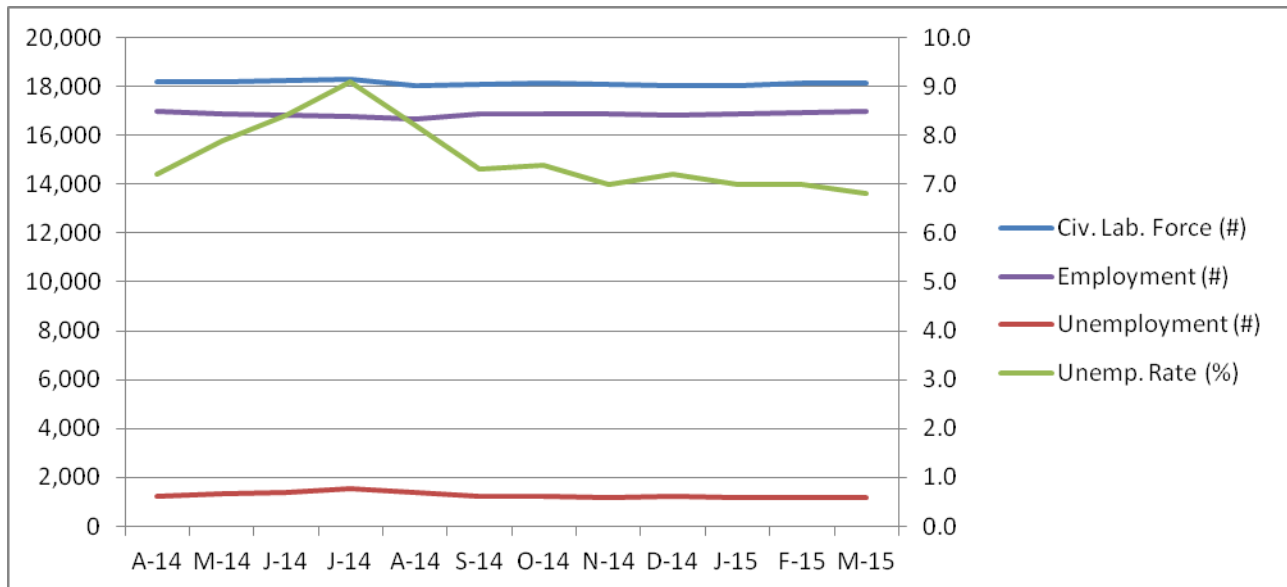
In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county level. This table also shows the change in the size of the labor force, an indicator of change in housing requirements for the county.

Employment Trends

Year	Civilian Labor Force	Unemployment	Rate (%)	Employment	Employment Change		Annual Change	
					Number	Pct.	Number	Pct.
2000	17,546	691	4.1	16,855	—	—	—	—
2012	18,576	1,673	9.9	16,903	48	0.3%	4	0.0%
2013	18,350	1,484	8.8	16,866	-37	-0.2%	-37	-0.2%
2014	18,210	1,318	7.8	16,892	26	0.2%	26	0.2%
A-14	18,210	1,223	7.2	16,987	95	0.6%		
M-14	18,194	1,332	7.9	16,862	-125	-0.7%		
J-14	18,244	1,414	8.4	16,830	-32	-0.2%		
J-14	18,310	1,527	9.1	16,783	-47	-0.3%		
A-14	18,042	1,367	8.2	16,675	-108	-0.6%		
S-14	18,089	1,231	7.3	16,858	183	1.1%		
O-14	18,115	1,248	7.4	16,867	9	0.1%		
N-14	18,062	1,182	7.0	16,880	13	0.1%		
D-14	18,025	1,211	7.2	16,814	-66	-0.4%		
J-15	18,037	1,180	7.0	16,857	43	0.3%		
F-15	18,140	1,187	7.0	16,953	96	0.6%		
M-15	18,134	1,155	6.8	16,979	26	0.2%		

Source: State Employment Security Commission

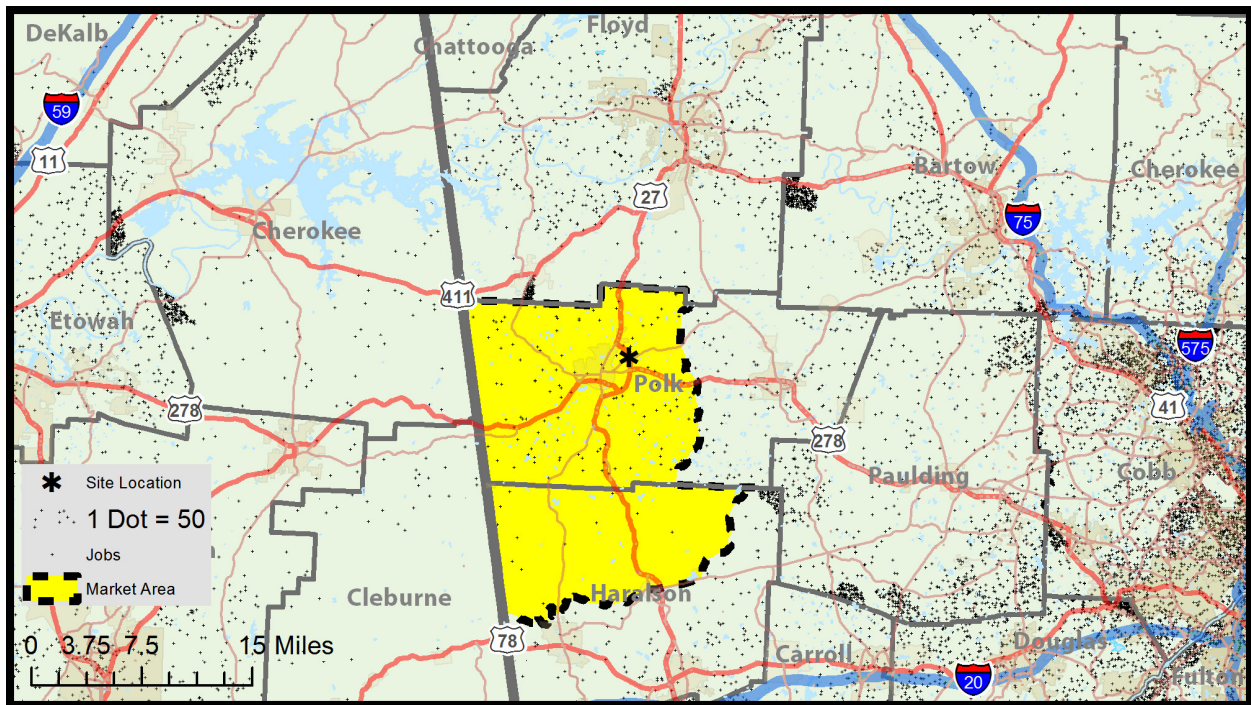
County Employment Trends



Source: State Employment Security Commission

F.5 EMPLOYMENT CONCENTRATIONS MAP

EMPLOYMENT CONCENTRATIONS MAP



F.6 ECONOMIC SUMMARY

The largest number of persons in the market area is employed in the "Management, professional, and related occupations" occupation category and in the "Manufacturing" industry category.

A change in the size of labor force frequently indicates a corresponding change in the need for housing. The size of the labor force has been decreasing over the past several years.

Employment has been fluctuating over the past several years. For the past 12 months, it has increased.

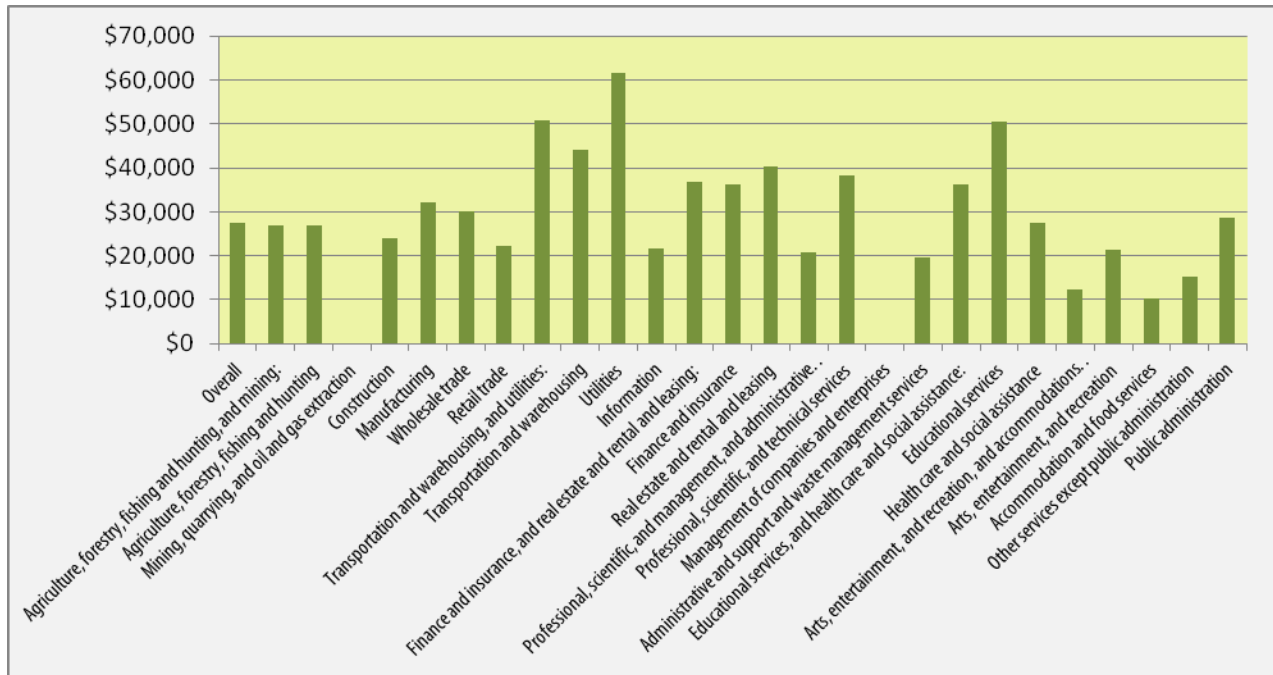
Median Wages by Industry

	<u>State</u>	<u>County</u>	<u>City</u>
Overall	\$32,040	\$27,382	\$23,767
Agriculture, forestry, fishing and hunting:	\$24,299	\$26,827	\$20,893
Agriculture, forestry, fishing and hunting	\$22,179	\$26,827	\$20,893
Mining, quarrying, and oil and gas extraction	\$42,782	—	—
Construction	\$28,274	\$24,038	\$12,008
Manufacturing	\$36,117	\$32,133	\$23,406
Wholesale trade	\$41,076	\$30,200	\$31,969
Retail trade	\$22,149	\$22,131	\$14,605
Transportation and warehousing, and utilities:	\$41,538	\$50,956	\$46,500
Transportation and warehousing	\$40,471	\$43,992	\$46,000
Utilities	\$50,922	\$61,549	\$75,441
Information	\$53,424	\$21,628	\$26,786
Finance and insurance, and real estate and rental and leasing:	\$41,475	\$36,786	\$19,879
Finance and insurance	\$45,242	\$36,366	\$45,385
Real estate and rental and leasing	\$34,581	\$40,250	—
Professional, scientific, and management, and administrative and waste management services:	\$40,875	\$20,845	\$41,125
Professional, scientific, and technical services	\$56,566	\$38,162	\$60,156
Management of companies and enterprises	\$63,862	—	—
Administrative and support and waste management services	\$24,691	\$19,611	\$26,705
Educational services, and health care and social assistance:	\$33,411	\$36,102	\$35,283
Educational services	\$36,546	\$50,650	\$41,833
Health care and social assistance	\$31,660	\$27,553	\$31,250
Arts, entertainment, and recreation, and accommodations and food services:	\$14,501	\$12,275	\$25,318
Arts, entertainment, and recreation	\$19,205	\$21,404	—
Accommodation and food services	\$14,029	\$10,281	\$25,614
Other services except public administration	\$23,097	\$15,278	\$12,424
Public administration	\$42,690	\$28,596	\$24,301

Source: 2011-5yr ACS (Census)

Note: Dashes indicate data suppressed by Census Bureau; no data is available for the market area.

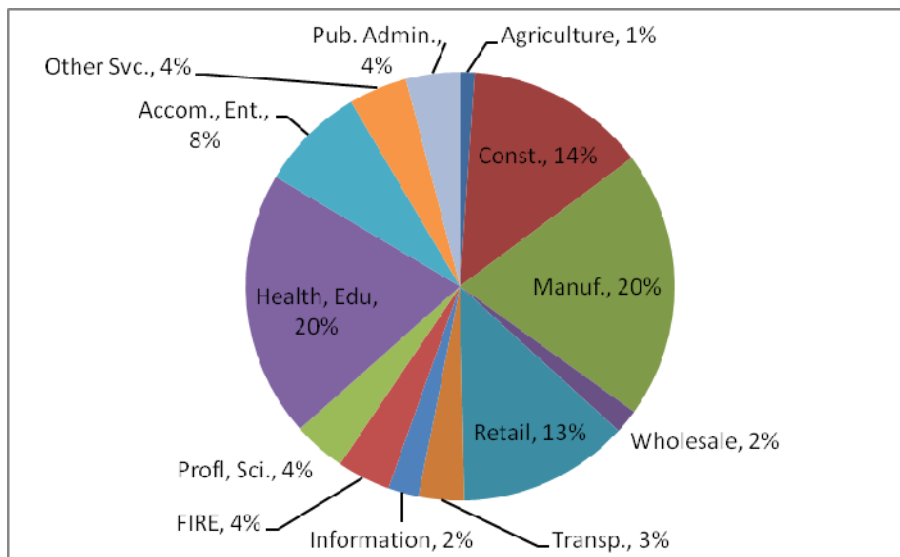
Wages by Industry for the County



2010-5yr ACS (Census)

A downturn in the economy and thus a corresponding increase in unemployment will impact LIHTC properties without rental assistance. LIHTC properties without rental assistance require tenants who either earn enough money to afford the rent or have a rent subsidy voucher. When there is an increase in unemployment, there will be households where one or more employed persons become unemployed. Some households that could afford to live in the proposed units will no longer have enough income. By the same token, there will be other households that previously had incomes that were too high to live in the proposed units that will now be income qualified.

Percent of Workers by Occupation for the Market Area



Source: 2011-5yr ACS (Census)

G. PROJECT-SPECIFIC AFFORDABILITY & DEMAND ANALYSIS

Several economic factors need to be examined in a housing market study. Most important is the number of households that would qualify for apartments on the basis of their incomes. A variety of circumstances regarding restrictions and affordability are outlined below.

These minimum and maximum incomes are used to establish the income *range* for households entering the project. Only households whose incomes fall within the range are considered as a source of demand.

Income data have been shown separately for owner and renter households. Only the renter household income data are used for determining demand for rental units.

Gross rent includes utilities, but it excludes payments of rental assistance by federal, state, and local entities. In this study, gross rent is always monthly.

G.1 INCOME RESTRICTIONS

G.1.1 ESTABLISHING TAX CREDIT QUALIFYING INCOME RANGES

It is critical to establish the number of households that qualify for apartments under the tax credit program based on their incomes. The income ranges are established in two stages. First, the maximum incomes allowable are calculated by applying the tax credit guidelines. Then, minimum incomes required are calculated. According to United States Code, either 20% of the units must be occupied by households who earn under 50% of the area median gross income (AMI), OR 40% of the units must be occupied by households who earn under 60% of the AMI. Sometimes units are restricted for even lower income households. In many cases, the developer has chosen to restrict the rents for 100% of the units to be for low income households.

Maximum Income Limit (HUD FY 2015)

<u>Pers.</u>	<u>VLIL</u>	<u>50%</u>	<u>60%</u>
1	17,750	17,750	21,300
2	20,250	20,250	24,300
3	22,800	22,800	27,360
4	25,300	25,300	30,360
5	27,350	27,350	32,820
6	29,350	29,350	35,220
7	31,400	31,400	37,680
8	33,400	33,400	40,080

Source: *Very Low Income (50%) Limit and 60% limit: HUD, Low and Very-Low Income Limits by Family Size*
Others: John Wall and Associates, derived from HUD figures

The table above shows the maximum tax credit allowable incomes for households moving into the subject based on household size and the percent of area median gross income (AMI).

After establishing the maximum income, the lower income limit will be determined. The lower limit is the income a household must have in order to be able to afford the rent and utilities. The realistic lower limit of the income range is determined by the following formula:

Gross rent ÷ 35% [or 30% or 40%, as described in the subsections above] x 12 months = annual income

This provides for up to 35% [or 30% or 40%] of adjusted annual income (AAI) to be used for rent plus utilities.

The proposed gross rents, as supplied by the client, and the minimum incomes required to maintain 35% [or 30% or 40%] or less of income spent on gross rent are:

Minimum Incomes Required and Gross Rents

	<u>Bedrooms</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Gross Rent</u>	<u>Minimum Income Required</u>	<u>Target Population</u>
50%	1	2	380	460	\$15,771	Tax Credit
50%	2	2	440	539	\$18,480	Tax Credit
50%	2	5	440	539	\$18,480	Tax Credit
50%	3	1	495	626	\$21,463	Tax Credit
50%	3	3	495	626	\$21,463	Tax Credit
60%	1	7	380	460	\$15,771	Tax Credit
60%	2	25	475	574	\$19,680	Tax Credit
60%	3	17	515	646	\$22,149	Tax Credit

Source: John Wall and Associates from data provided by client

From the tables above, the practical lower income limits for units *without* rental assistance can be established. Units *with* rental assistance will use \$0 as their lower income limit.

When the minimum incomes required are combined with the maximum tax credit limits, the income *ranges* for households entering the project can be established. Only households whose incomes fall within the ranges can be considered as a source of demand. Note that *both* the income limits *and* the amount of spread in the ranges are important.

G.1.2 HOUSEHOLDS NOT RECEIVING RENTAL ASSISTANCE

Most households do not receive rental assistance. With respect to estimating which households may consider the subject a possible housing choice, we will evaluate the gross rent as a percent of their income according to the following formula:

$$\text{gross rent} \div X\% \times 12 \text{ months} = \text{annual income}$$

X% in the formula will vary, depending on the circumstance, as outlined in the next two sections.

G.1.3 HOUSEHOLDS QUALIFYING FOR TAX CREDIT UNITS

Households who earn less than a defined percentage (usually 50% or 60%) of the county or MSA median income as adjusted by HUD (AMI) qualify for low income housing tax credit (LIHTC) units. Therefore, feasibility for projects expecting to receive tax credits will be based in part on the incomes required to support the tax credit rents.

For those tax credit units occupied by low income households, the monthly gross rent should not realistically exceed 35% of the household income.

G.2 AFFORDABILITY

The most important information from the tables above is summarized in the table below. Income requirements for any PBRA units will be calculated for the contract rent.

Qualifying Income Ranges by Bedrooms and Persons Per Household

AMI	Bedrooms	Persons	Gross Rent	Income Based Lower Limit	Spread Between Limits	Upper Limit
50%	1	1	460	15,770	1,980	17,750
50%	1	2	460	15,770	4,480	20,250
50%	2	2	539	18,480	1,770	20,250
50%	2	3	539	18,480	4,320	22,800
50%	2	4	539	18,480	6,820	25,300
50%	3	3	626	21,460	1,340	22,800
50%	3	4	626	21,460	3,840	25,300
50%	3	5	626	21,460	5,890	27,350
50%	3	6	626	21,460	7,890	29,350
60%	1	1	460	15,770	5,530	21,300
60%	1	2	460	15,770	8,530	24,300
60%	2	2	574	19,680	4,620	24,300
60%	2	3	574	19,680	7,680	27,360
60%	2	4	574	19,680	10,680	30,360
60%	3	3	646	22,150	5,210	27,360
60%	3	4	646	22,150	8,210	30,360
60%	3	5	646	22,150	10,670	32,820
60%	3	6	646	22,150	13,070	35,220

Sources: Gross rents: client; Limits: tables on prior pages; Spread: calculated from data in table

G.2.1 UPPER INCOME DETERMINATION

DCA requires using 1.5 persons per bedroom, rounded up to the nearest whole person for the upper income limit determination.

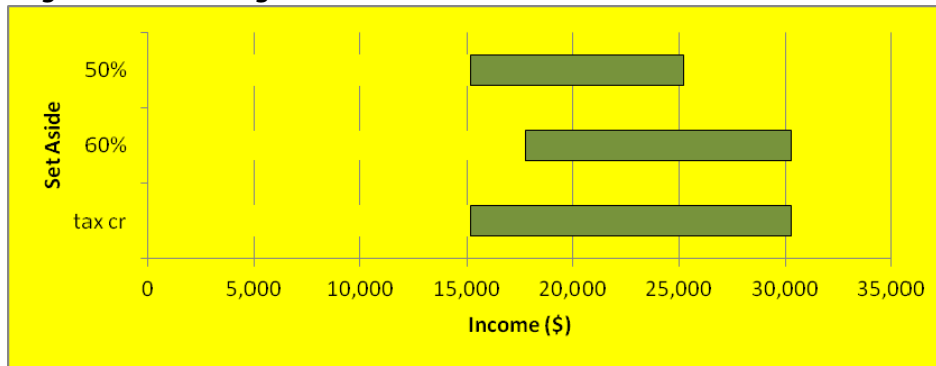
G.2.2 PROGRAMMATIC AND PRO FORMA RENT ANALYSIS

The table below shows a comparison of programmatic rent and *pro forma* rent.

Qualifying and Proposed and Programmatic Rent Summary

	1-BR	2-BR	2-BR	3-BR	3-BR
50% Units					
Number of Units	2	2	5	1	3
Max Allowable Gross Rent	\$475	\$570	\$570	\$658	\$658
Pro Forma Gross Rent	\$460	\$539	\$539	\$626	\$626
Difference (\$)	\$15	\$31	\$31	\$32	\$32
Difference (%)	3.2%	5.4%	5.4%	4.9%	4.9%
60% Units					
Number of Units	7	25	—	17	—
Max Allowable Gross Rent	\$570	\$684	\$684	\$789	\$789
Pro Forma Gross Rent	\$460	\$574	—	\$646	—
Difference (\$)	\$110	\$110	—	\$143	—
Difference (%)	19.3%	16.1%	—	18.1%	—

Targeted Income Ranges



An income range of \$15,770 to \$26,325 is reasonable for the 50% AMI units.

An income range of \$15,770 to \$31,590 is reasonable for the 60% AMI units.

An income range of \$15,770 to \$31,590 is reasonable for the tax credit units (overall).

G.2.3 HOUSEHOLDS WITH QUALIFIED INCOMES

The table below shows income levels for renters and owners separately. The number and percent of income qualified *renter* households is calculated from this table.

Number of Specified Households in Various Income Ranges by Tenure

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	2,332,685		10,320		7,040		1,402	
Less than \$5,000	45,157	1.9%	312	3.0%	224	3.2%	11	0.8%
\$5,000 to \$9,999	55,792	2.4%	353	3.4%	275	3.9%	63	4.5%
\$10,000 to \$14,999	89,928	3.9%	720	7.0%	464	6.6%	78	5.6%
\$15,000 to \$19,999	91,304	3.9%	581	5.6%	499	7.1%	165	11.8%
\$20,000 to \$24,999	96,391	4.1%	553	5.4%	372	5.3%	35	2.5%
\$25,000 to \$34,999	209,745	9.0%	1,041	10.1%	766	10.9%	169	12.1%
\$35,000 to \$49,999	311,396	13.3%	1,777	17.2%	1,148	16.3%	362	25.8%
\$50,000 to \$74,999	475,310	20.4%	2,570	24.9%	1,611	22.9%	308	22.0%
\$75,000 to \$99,999	337,914	14.5%	997	9.7%	664	9.4%	53	3.8%
\$100,000 to \$149,999	361,054	15.5%	1,047	10.1%	769	10.9%	104	7.4%
\$150,000 or more	258,694	11.1%	369	3.6%	249	3.5%	54	3.9%
Renter occupied:	1,158,069		4,355		3,251		1,641	
Less than \$5,000	89,641	7.7%	337	7.7%	240	7.4%	83	5.1%
\$5,000 to \$9,999	101,330	8.7%	439	10.1%	375	11.5%	178	10.8%
\$10,000 to \$14,999	109,389	9.4%	715	16.4%	643	19.8%	477	29.1%
\$15,000 to \$19,999	101,866	8.8%	653	15.0%	470	14.5%	209	12.7%
\$20,000 to \$24,999	95,890	8.3%	235	5.4%	250	7.7%	90	5.5%
\$25,000 to \$34,999	170,237	14.7%	683	15.7%	418	12.9%	199	12.1%
\$35,000 to \$49,999	184,654	15.9%	700	16.1%	382	11.8%	203	12.4%
\$50,000 to \$74,999	171,087	14.8%	425	9.8%	339	10.4%	141	8.6%
\$75,000 to \$99,999	72,422	6.3%	136	3.1%	96	3.0%	48	2.9%
\$100,000 to \$149,999	43,703	3.8%	32	0.7%	36	1.1%	13	0.8%
\$150,000 or more	17,850	1.5%	0	0.0%	0	0.0%	0	0.0%

Source: 2005-2009 5yr ACS (Census)

The percent of renter households in the appropriate income ranges will be applied to the renter household growth figures to determine the number of new renter households that will be income qualified to move into each of the different unit types the subject will offer.

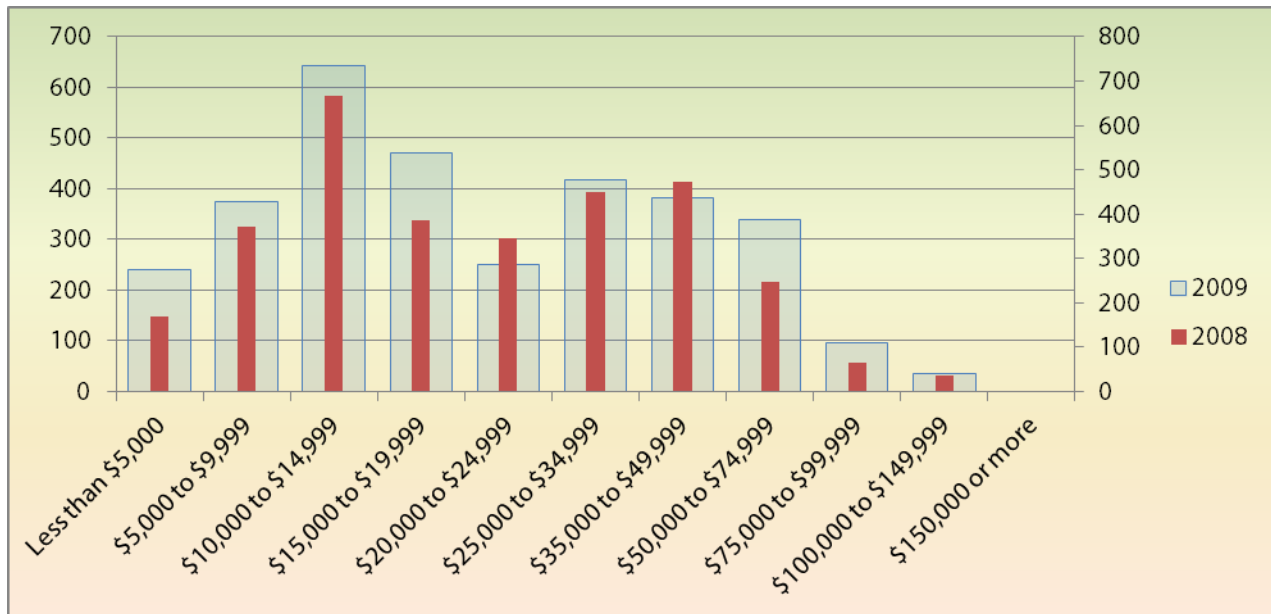
Percent of Renter Households in Appropriate Income Ranges for the Market Area

AMI		50%		60%		Tx. Cr.	
Lower Limit		15,770		15,770		15,770	
Upper Limit		26,325		31,590		31,590	
	Mkt. Area						
	Households	%	#	%	#	%	#
Renter occupied:							
Less than \$5,000	240	—	0	—	0	—	0
\$5,000 to \$9,999	375	—	0	—	0	—	0
\$10,000 to \$14,999	643	—	0	—	0	—	0
\$15,000 to \$19,999	470	0.85	398	0.85	398	0.85	398
\$20,000 to \$24,999	250	1.00	250	1.00	250	1.00	250
\$25,000 to \$34,999	418	0.13	55	0.66	275	0.66	275
\$35,000 to \$49,999	382	—	0	—	0	—	0
\$50,000 to \$74,999	339	—	0	—	0	—	0
\$75,000 to \$99,999	96	—	0	—	0	—	0
\$100,000 to \$149,999	36	—	0	—	0	—	0
\$150,000 or more	0	—	0	—	0	—	0
Total	3,251		703		923		923
Percent in Range			21.6%		28.4%		28.4%

Source: John Wall and Associates from figures above

The table above shows how many renter households are in each income range. The number and percent are given in the last two rows (e.g., 703, or 21.6% of the renter households in the market area are in the 50% range.)

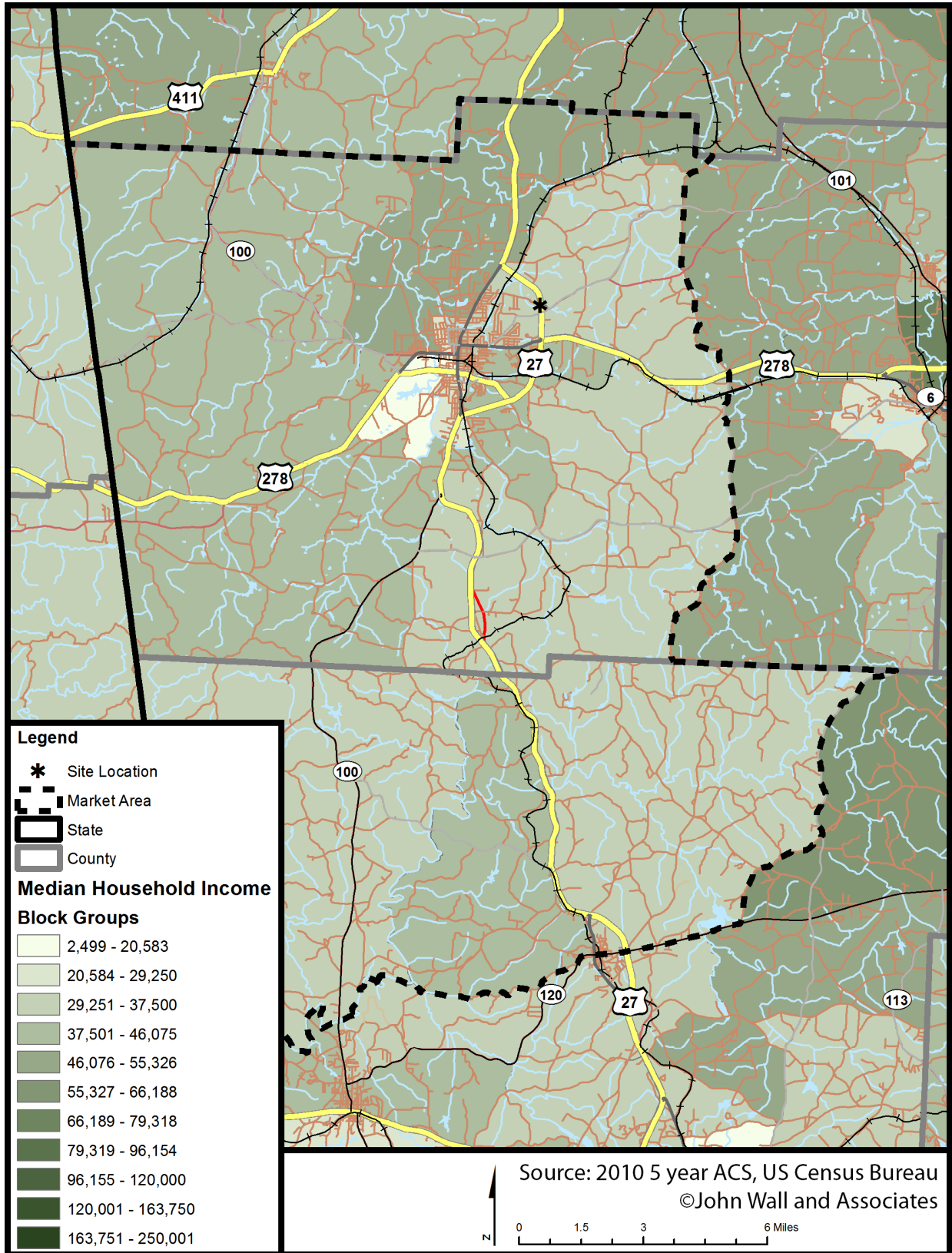
Change in Renter Household Income



Sources: 2010 and 2011-5yr ACS (Census)

The above table shows the change in renter households in various income ranges. The more current data is reflected on the left axis.

MEDIAN HOUSEHOLD INCOME MAP



G.3 DEMAND

G.3.1 DEMAND FROM NEW HOUSEHOLDS

G.3.1.1 NEW HOUSEHOLDS

It was shown in the Household Trends section of this study that 350 new housing units will be needed by the year of completion. It was shown in the Tenure section that the area ratio of rental units to total units is 34.1%. Therefore, 42 of these new units will need to be rental.

The table "Percent of Renter Households in Appropriate Income Ranges for the Market Area" shows the percentage of renter households in various income ranges. These percentages are applied to the total number of new rental units needed to arrive at the *number* of new rental units needed in the relevant income categories:

New Renter Households in Each Income Range for the Market Area

	New Renter Households	Percent Income Qualified	Demand due to new Households
50% AMI: \$15,770 to \$26,325	42	21.6%	9
60% AMI: \$15,770 to \$31,590	42	28.4%	12
Overall Tax Credit: \$15,770 to \$31,590	42	28.4%	12

Source: John Wall and Associates from figures above

G.3.2 DEMAND FROM EXISTING HOUSEHOLDS

G.3.2.1 DEMAND FROM RENT OVERBURDEN HOUSEHOLDS

A household is defined as rent overburdened when it pays 30% or more of its income on gross rent (rent plus utilities). Likewise, the household is *severely* rent overburdened if it pays 35% or more of its income on gross rent.

For tax credit units *without* rental assistance, households may pay 35% of their incomes for gross rent. Therefore, up to 35% of income for gross rent is used in establishing affordability in the "Demand from New Households" calculations. Hence, only *severely* (paying in excess of 35%) rent overburdened households are counted as a source of demand for tax credit units without rental assistance.

For units *with* rental assistance (tenants pay only 30% of their income for gross rent), any households paying more than 30% for gross rent would benefit by moving into the unit so all overburdened households in the relevant income range are counted as a source of demand.

The following table presents data on rent overburdened households in various income ranges.

Percentage of Income Paid For Gross Rent (Renter Households in Specified Housing Units)

	<u>State</u>		<u>County</u>		<u>Market Area</u>		<u>City</u>	
Less than \$10,000:	190,971		776		616		261	
30.0% to 34.9%	4,618	2.4%	26	3.4%	26	4.2%	26	10.0%
35.0% or more	125,483	65.7%	558	71.9%	379	61.5%	210	80.5%
\$10,000 to \$19,999:	211,255		1,368		1,113		686	
30.0% to 34.9%	12,078	5.7%	54	3.9%	46	4.1%	43	6.3%
35.0% or more	160,859	76.1%	870	63.6%	695	62.4%	431	62.8%
\$20,000 to \$34,999:	266,127		918		668		289	
30.0% to 34.9%	43,588	16.4%	81	8.8%	69	10.3%	59	20.4%
35.0% or more	132,225	49.7%	264	28.8%	225	33.7%	81	28.0%
\$35,000 to \$49,999:	184,654		700		382		203	
30.0% to 34.9%	28,113	15.2%	129	18.4%	75	19.6%	60	29.6%
35.0% or more	28,063	15.2%	13	1.9%	11	2.9%	11	5.4%
\$50,000 to \$74,999:	171,087		425		339		141	
30.0% to 34.9%	8,716	5.1%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	6,443	3.8%	35	8.2%	35	10.3%	35	24.8%
\$75,000 to \$99,999:	72,422		136		96		48	
30.0% to 34.9%	962	1.3%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	734	1.0%	0	0.0%	0	0.0%	0	0.0%
\$100,000 or more:	61,553		32		36		13	
30.0% to 34.9%	401	0.7%	0	0.0%	0	0.0%	0	0.0%
35.0% or more	339	0.6%	0	0.0%	0	0.0%	0	0.0%

Source: 2011-5yr ACS (Census)

From the table above, the number of rent overburdened households in each appropriate income range can be estimated in the table below.

Rent Overburdened Households in Each Income Range for the Market Area

35%+ Overburden		50%		60%		Tx. Cr.	
AMI		15,770		15,770		15,770	
Lower Limit		26,325		31,590		31,590	
Upper Limit							
	Mkt. Area	%	#	%	#	%	#
	Households						
Less than \$10,000:	379	—	0	—	0	—	0
\$10,000 to \$19,999:	695	0.42	294	0.42	294	0.42	294
\$20,000 to \$34,999:	225	0.42	95	0.77	174	0.77	174
\$35,000 to \$49,999:	11	—	0	—	0	—	0
\$50,000 to \$74,999:	35	—	0	—	0	—	0
\$75,000 to \$99,999:	0	—	0	—	0	—	0
\$100,000 or more:	0	—	0	—	0	—	0
Column Total	1,345		389		468		468

Source: John Wall and Associates from figures above

G.3.2.2 DEMAND FROM SUBSTANDARD CONDITIONS

The Bureau of the Census defines substandard conditions as 1) lacking plumbing, or 2) 1.01 or more persons per room.

Substandard Occupied Units

	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	2,332,685		10,320		7,040		1,402	
Complete plumbing:	2,323,576	100%	10,293	100%	7,013	100%	1,402	100%
1.00 or less	2,294,862	98%	10,081	98%	6,823	97%	1,348	96%
1.01 to 1.50	23,739	1%	195	2%	173	2%	37	3%
1.51 or more	4,975	0%	17	0%	17	0%	17	1%
Lacking plumbing:	9,109	0%	27	0%	27	0%	0	0%
1.00 or less	9,048	0%	27	0%	27	0%	0	0%
1.01 to 1.50	35	0%	0	0%	0	0%	0	0%
1.51 or more	26	0%	0	0%	0	0%	0	0%
Renter occupied:	1,158,069		4,355		3,251		1,641	
Complete plumbing:	1,148,344	99%	4,321	99%	3,217	99%	1,607	98%
1.00 or less	1,093,504	94%	4,100	94%	3,025	93%	1,439	88%
1.01 to 1.50	40,897	4%	155	4%	126	4%	107	7%
1.51 or more	13,943	1%	66	2%	66	2%	61	4%
Lacking plumbing:	9,725	1%	34	1%	34	1%	34	2%
1.00 or less	8,900	1%	0	0%	0	0%	0	0%
1.01 to 1.50	420	0%	0	0%	0	0%	0	0%
1.51 or more	405	0%	34	1%	34	1%	34	2%
Total Renter Substandard					226			

Source: 2011-5yr ACS (Census)

From these tables, the need from substandard rental units can be drawn. There are 226 substandard rental units in the market area.

From the figures above the number of substandard units in each appropriate income range can be estimated in the table below.

Substandard Conditions in Each Income Range for the Market Area

	<u>Total</u> <u>Substandard</u> <u>Units</u>	<u>Percent</u> <u>Income</u> <u>Qualified</u>	<u>Demand</u> <u>due to</u> <u>Substandard</u>
50% AMI: \$15,770 to \$26,325	226	21.6%	49
60% AMI: \$15,770 to \$31,590	226	28.4%	64
Overall Tax Credit: \$15,770 to \$31,590	226	28.4%	64

Source: John Wall and Associates from figures above

G.4 DEMAND FOR NEW UNITS

The demand components shown in the previous section are summarized below.

	50% AMI: \$15,770 to \$26,325	60% AMI: \$15,770 to \$31,590	Overall Tax Credit: \$15,770 to \$31,590
New Housing Units Required	9	12	12
Rent Overburden Households	389	468	468
Substandard Units	49	64	64
Demand	447	544	544
Less New Supply	0	0	0
NET DEMAND	447	544	544

* Numbers may not add due to rounding.

G.5 CAPTURE RATE ANALYSIS CHART

Capture Rate by Unit Size (Bedrooms) and Targeting

		Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Mkt. Rent	Mkt. Rent Range	Proposed	Rents
50% AMI	1 BR	2	112	0	112	1.8%	—	830	350-421	380	—
	2 BR	7	224	0	224	3.1%	—	837	441-560	440	440
	3 BR	4	112	0	112	3.6%	—	1038	497-517	495	495
	4 BR	0	0	0	0	—	—	—	—	—	—
60% AMI	1 BR	7	136	0	136	5.1%	—	830	350-421	380	—
	2 BR	25	272	0	272	9.2%	—	837	441-560	475	—
	3 BR	17	136	0	136	12.5%	—	1038	497-517	515	—
	4 BR	0	0	0	0	—	—	—	—	—	—
TOTAL for	50% AMI	13	447	0	447	2.9%	—	—	—	—	—
	60% AMI	49	544	0	544	9.0%	—	—	—	—	—
	All TC	62	544	0	544	11.4%	12-14 mos.	—	—	—	—

* Numbers may not add due to rounding.

The capture rate is not intended to be used in isolation. A low capture rate does not guarantee a successful project, nor does a high capture rate assure failure; the capture rate should be considered in the context of all the other indicators presented in the study. It is one of many factors considered in reaching a conclusion.

H. COMPETITIVE ANALYSIS (EXISTING COMPETITIVE RENTAL ENVIRONMENT)

This section contains a review of statistical data on rental property in the market area and an analysis of the data collected in the field survey of apartments in the area.

H.1 SURVEY OF APARTMENTS

John Wall and Associates conducted a survey of apartments in the area. All of the apartments of interest are surveyed. Some of them are included because they are close to the site, or because they help in understanding the context of the segment where the subject will compete. The full details of the survey are contained in the apartment photo sheets later in this report. A summary of the data focusing on rents is shown in the apartment inventory, also later in this report. A summary of vacancies sorted by rent is presented in the schedule of rents, units, and vacancies.

List of Apartments Surveyed

<u>Name</u>	<u>Units</u>	<u>Vacancy Rate</u>	<u>Type</u>	<u>Comments</u>
Cedar Chase	28	7.1%	Conventional	Comparable
Evergreen Lane	48	0.0%	Conventional	Comparable
Evergreen Village	56	0.0%	Tax Credit	Comparable
Forest North	23	4.3%	Conventional	
Melissa Lane	20	0.0%	Conventional	
Montgomery Lane	16	n/a	Conventional	Unable to obtain information

H.1.1 COMPARABLES

The apartments in the market most comparable to the subject are listed below:

Comparison of Comparables to Subject

<u>Project Name</u>	<u>Approximate Distance</u>	<u>Reason for Comparability</u>	<u>Degree of Comparability</u>
Cedar Chase	2.2 miles	Similar rents	Moderate
Evergreen Lane	2.2 miles	Similar rents	Moderate
Evergreen Village	2.2 miles	Tax Credit with similar rents	High

The subject would be the newest property in the market and would offer competitive rents, therefore, it is well-positioned with respect to the comparables. Because there are no reasonably modern (the newest for which information could be obtained was built in 1990) conventional apartments to use to calculate market rent advantage, several apartments in Rome, 19 miles away, were used. Because they are outside of the market area they will not be used for any of the other calculations, but there are photo sheets for each of them at the end of the photo sheet section.

H.1.2 APARTMENT INVENTORY

The apartment inventory follows this page. Summary information is shown for each apartment surveyed and detailed information is provided on individual property photo sheets.

H.1.3 SCHEDULE OF PRESENT RENTS, UNITS, AND VACANCIES

The present housing situation is examined in this section. The rents, number of units, and vacancies of the apartments listed in the apartment inventory (shown separately later) are summarized in the tables below. Rents, units, and vacancies are tabulated separately for the various bedroom sizes, a necessary step in making bedroom mix recommendations.

The table below shows surveyed apartment complexes *without* rent subsidy in or near the market area. The *pro forma* rents, as given by the developer, are shown in orange in the table below. These rents will be compared to the other apartments in the area, and especially the comparable apartments to determine if they are reasonable. In addition to seeing how the *pro forma* rents compare in terms of absolute rents in the following table, it will be important to consider the amenities and locations of the other apartments.

Schedule of Rents, Number of Units, and Vacancies for Unassisted Apartment Units

1-Bedroom Units			2-Bedroom Units			3-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
350	2	0	440	7	Subj 50%	495	4	Subj 50%
380	2	Subj 50%	441	17	0	497	18	0
380	7	Subj 60%	475	25	Subj 60%	555	17	Subj 60%
384	14	0	475	8	1	517	2	0
395	8	0	475	20	0			
395	23	1	478	3	0			
421	2	0	495	40	0			
			500	12	1			
			560	6	0			

Orange = Subject
Green = Tax Credit

	1-Bedroom	2-Bedrooms	3-Bedrooms	TOTAL
Vacant Units	1	2	0	3
Total Units	49	106	20	175
Vacancy Rate	2.0%	1.9%	0.0%	1.7%
Vacant Tax Credit Units	0	0	0	0
Total Tax Credit Units	16	20	20	56
Tax Credit Vacancy Rate	0.0%	0.0%	0.0%	0.0%

E=Elderly/Older Persons; b = basic rent; *italics* = average rent; UR = under rehabilitation; UC = under construction; RU= in rent up; PL = planned; N/A = information unavailable
Source: John Wall and Associates







A vacancy rate of 5.0% is considered normal. The overall vacancy rate in the market is 1.7%.
The overall tax credit vacancy rate is 0.0%.

H.2 ADDITIONAL INFORMATION ON COMPETITIVE ENVIRONMENT

- **Vouchers and certificates available in the market area:**
This is not applicable because the subject has no PBRA and does not rely on voucher support.
- **Lease up history of competitive developments:**
No information is available.
- **Tenant profiles of existing phase:**
This is not applicable.
- **Additional information for rural areas lacking sufficient comps:**
This is not applicable.

APARTMENT INVENTORY

Cedartown, Georgia PCN: 14-090

ID#	Apartment Name	Year Built vac%	Efficiency/Studio (e) One Bedroom			Two Bedroom			Three Bedroom			Four Bedroom			COMMENTS
			Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	
	14-090 Subject The Vinings at Oxford Blance Rd. Cedartown	Proposed	2 7	P P	380 380	2 5 25	P P P	440 440 475	1 3 17	P P P	495 495 515				TC (50%,60%) HOME; PBRA=0 *Pavilion area with grills
	18 Cedar Chase 76 Evergreen Ln. Cedartown Ken (owner) (2-11-15) 770-508-3236	1984-1988 7.1%	2	0	350	8 12 6	1 1 0	475 500 560							WL=0 Conventional; Sec 8=not accepted
	Evergreen Lane Evergreen Ln. Cedartown T&W Enterprise (2-12-15) 770-748-3030	1980-1990 0%	8	0	395	40	0	495							Conventional Rents are from company website
	B Evergreen Village 110 Evergreen Ln. Cedartown Laine (2-24-15) 770-749-9333	1999 0%	14 2	0 0	384 421	17 3	0 0	441 478	18 2	0 0	497 517				WL=3 TC (50%, 60%); PBRA=0; Sec 8=6
	15 Forest North Adamson Dr. & Allen Dr. Cedartown T & W Enterprises (2-12-15) 770-748-3030	1979 4.3%	23	1	395										Conventional Rent is from company website
	7 Melissa Lane 130 Melissa Ln. Cedartown (2-12-15) 770-748-6565	1969 0%				20	0	475							Conventional
	Montgomery Lane Duplexes Montgomery Ln. Cedartown (2-11-15)	2005				16	N/A	N/A							Unable to obtain further information

Map Number	Complex:	Year Built:	Amenities								Appliances						Unit Features						Two-Bedroom						
			Laundry Facility	Tennis Court	Swimming Pool	Club House	Garages	Playground	Access/Security Gate	Other	Other	Refrigerator	Range/Oven	Dishwasher	Garbage Disposal	W/D Connection	Washer, Dryer	Microwave Oven	Other	Other	Fireplace	Free Cable	Furnished	Air Conditioning	Drapes/Blinds	Cable Pre-Wired	Utilities Included	Other	Other
	14-090 Subject	Proposed	x		x	x			*	x	x	x	x									x	x	x	t			976	440
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													TC (50%,60%) HOME; PBRA=0						1075	440			
																			1075	475									
18	Cedar Chase	1984-1988								x	x	s	s									x			ws			475	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													Conventional; Sec 8=not accepted						500	560			
		0.0%	7.7%			7.1%																							
	Evergreen Lane	1980-1990								x	x	s	x									x	x		w			495	
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													Conventional										
		0.0%	0.0%			0.0%																							
B	Evergreen Village	1999								x	x	x	x	x	x							x	x		ws			915	441
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													TC (50%, 60%); PBRA=0; Sec 8=6						915	478			
		0.0%	0.0%	0.0%		0.0%																							
15	Forest North	1979								x	x		x									x	x		w				
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													Conventional										
		4.3%				4.3%																							
7	Melissa Lane	1969								x	x		x																475
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall													Conventional										
			0.0%			0.0%																							
	Montgomery Lane	2005										x										x	x					1250	N/A
	Vacancy Rates:	1 BR	2 BR	3 BR	4 BR	overall																							

	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	2	1	P	769	380
1 BR vacancy rate	7	1	P	769	380
Two-Bedroom					
2 BR vacancy rate	2	2	P	976	440
	5	2.5	P	1075	440
	25	2.5	P	1075	475
Three-Bedroom					
3 BR vacancy rate	1	2	P	1229	495
	3	2.5	P	1422	495
	17	2.5	P	1422	515
Four-Bedroom					
4 BR vacancy rate					
TOTALS	62	0			

Complex:

14-090 Subject
 The Vinings at Oxford
 Blance Rd.
 Cedartown

Map Number:

Year Built:

Proposed

Last Rent Increase

Specials

Waiting List

Subsidies

TC (50%,60%) HOME; PBRA=0

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- * Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: *Pavilion area with grills



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	2	1	0		350
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	7.7%	8	1	1	475
		12	1.5	1	500
		6	2	0	560
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	7.1%	28	2		

Complex:

Cedar Chase
 76 Evergreen Ln.
 Cedartown
 Ken (owner) (2-11-15)
 770-508-3236

Map Number: 18

Year Built:

1984-1988

Last Rent Increase

Specials

Waiting List

WL=0

Subsidies

Conventional; Sec 8=not
 accepted

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	8	1.5	0		395
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	40	1-1.5	0		495
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	48	0		

Complex:

Evergreen Lane
 Evergreen Ln.
 Cedartown
 T&W Enterprise (2-12-15)
 770-748-3030

Map Number:

Year Built:

1980-1990

Last Rent Increase

Specials

Waiting List

Subsidies

Conventional

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Rents are from company website



	No. of Units	Baths	Vacant	Size (s.f.)	Rent	
Efficiency/Studio						
One-Bedroom	14	1	0	756	384	
1 BR vacancy rate	0.0%	2	1	0	756	421
Two-Bedroom						
2 BR vacancy rate	0.0%	3	1	0	915	478
Three-Bedroom						
3 BR vacancy rate	0.0%	2	2	0	1136	517
Four-Bedroom						
4 BR vacancy rate						
TOTALS	0.0%	56	0			

Complex:

Evergreen Village
 110 Evergreen Ln.
 Cedartown
 Laine (2-24-15)
 770-749-9333

Map Number:

B

Year Built:

1999

Last Rent Increase

Specials

Waiting List

WL=3

Subsidies

TC (50%, 60%); PBRA=0; Sec 8=6

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments:



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	23	1	1		395
1 BR vacancy rate	4.3%				
Two-Bedroom					
2 BR vacancy rate					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	4.3%	23	1		

Complex:

Map Number: 15

Forest North
 Adamson Dr. & Allen Dr.
 Cedartown
 T & W Enterprises (2-12-15)
 770-748-3030

Year Built:
 1979

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Rent is from company website



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	20		0		475
0.0%					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	20	0		

Complex:
 Melissa Lane
 130 Melissa Ln.
 Cedartown
 (2-12-15)
 770-748-6565

Map Number: 7

Year Built:
 1969

Last Rent Increase

Specials

Waiting List

Subsidies
 Conventional

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments:



No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio				
One-Bedroom				
1 BR vacancy rate				
Two-Bedroom				
16	2	N/A	1250	N/A
2 BR vacancy rate				
Three-Bedroom				
3 BR vacancy rate				
Four-Bedroom				
4 BR vacancy rate				
TOTALS	16	0		

Complex: Montgomery Lane Duplexes
 Montgomery Ln.
 Cedartown
 (2-11-15)

Map Number:

Year Built:
 2005

Last Rent Increase

Specials

Waiting List

Subsidies

Amenities

- Laundry Facility
- Tennis Court
- Swimming Pool
- Club House
- Garages
- Playground
- Access/Security Gate
- Fitness Center
- Other

Appliances

- Refrigerator
- Range/Oven
- Microwave Oven
- Dishwasher
- Garbage Disposal
- W/D Connection
- Washer, Dryer
- Ceiling Fan
- Other

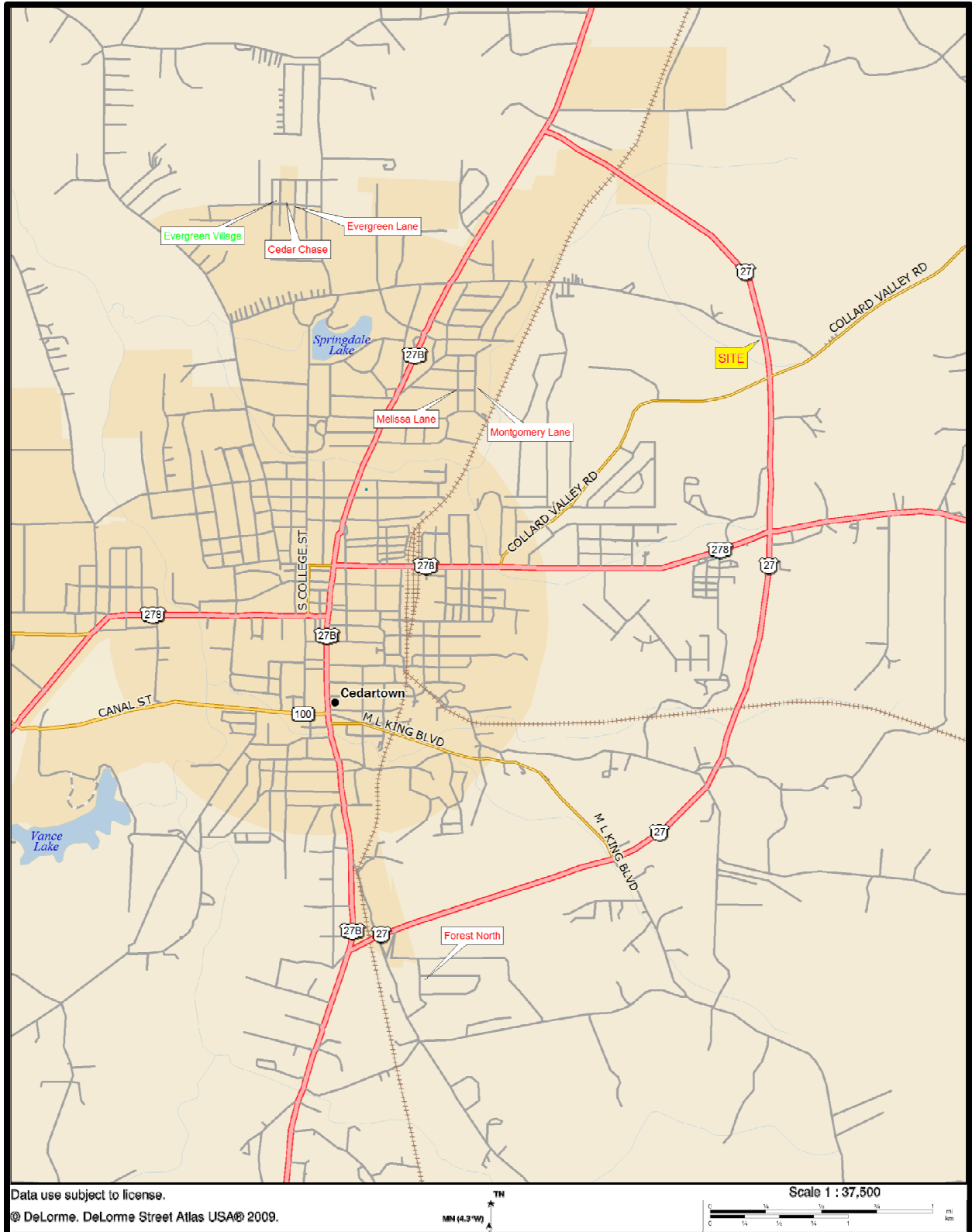
Unit Features

- Fireplace
- Utilities Included
- Furnished
- Air Conditioning
- Drapes/Blinds
- Cable Pre-Wired
- Free Cable
- Free Internet
- Other

Comments: Unable to obtain further information

H.3 APARTMENT LOCATIONS MAP

APARTMENT LOCATIONS MAP



H.4 AMENITY ANALYSIS

DEVELOPMENT AMENITIES:

Laundry room, clubhouse, playground, and pavilion w/BBQ grills

UNIT AMENITIES:

Refrigerator, stove, dishwasher, washer/dryer connections, HVAC, blinds, and pre-wired telephone/cable

UTILITIES INCLUDED:

Trash

The subject’s amenities, on average, are pretty comparable or superior to those of other properties in the market area.

H.5 SELECTION OF COMPS

See H1 and H7.

H.6 LONG TERM IMPACT OF THE SUBJECT ON EXISTING TAX CREDIT UNITS

There would not be a long term impact of the subject on existing Tax Credit units. There will probably be some short term impact as some households will choose to move to the newest property in the market.

H.7 NEW “SUPPLY”

DCA requires comparable units built since 2014 to be deducted from demand. Only comparable units within comparable complexes will be deducted from demand, as indicated by the asterisks.

Apartment Units Built or Proposed Since the Base Year

<u>Project Name</u>	<u>Year Built</u>	<u>Units With Rental Assistance</u>	<u>30% AMI, No Rental Assistance</u>	<u>50% AMI, No Rental Assistance</u>	<u>60% AMI, No Rental Assistance</u>	<u>Above Moderate Income</u>	<u>TOTAL</u>
None	--	--	--	--	--	--	--

There are no new units of supply to deduct from demand.

H.8 AVERAGE MARKET RENT AND RENT DIFFERENTIAL

See the apartment inventory, amenities chart, and community photo sheets previously for in-depth comparisons of the subject to each complex surveyed. Total units, mix, rents, occupancy and other relevant details are shown in full on the apartment inventory.

The following table gives the proposed rents in comparison to the rental range for competitive projects within the market area, and an average market rent for each of the proposed unit types. Rent advantage is calculated as follows: (average market rent – proposed rent) / proposed rent.

	<u>Bedrooms</u>	<u>Number of Units</u>	<u>Net Rent</u>	<u>Market Rent</u>	<u>Market Advantage</u>
50%	1	2	380	830	118.4%
50%	2	2	440	837	90.2%
50%	2	5	440	837	90.2%
50%	3	1	495	1038	109.7%
50%	3	3	495	1038	109.7%
60%	1	7	380	830	118.4%
60%	2	25	475	837	76.2%
60%	3	17	515	837	62.5%

The DCA Market Study Manual specifies Rent advantage is calculated as follows: (average market rent – proposed rent) / proposed rent.

Because there are no reasonably modern (the newest for which information could be obtained was built in 1990) conventional apartments to use to calculate market rent advantage, several apartments in Rome, 19 miles away, were used. Eastland Court and Summerstone apartments have rents ranging from \$700 to \$1,075. Weighted averages were calculated for each bedroom size and used in the table above.

H.9 INFORMATION ON OTHER DCA PROPERTIES

See the Schedule of Rents Units and Vacancies along with the Apartment Inventory and the Photo Sheets.

H.10 RENTAL TRENDS IN THE MARKET AREA

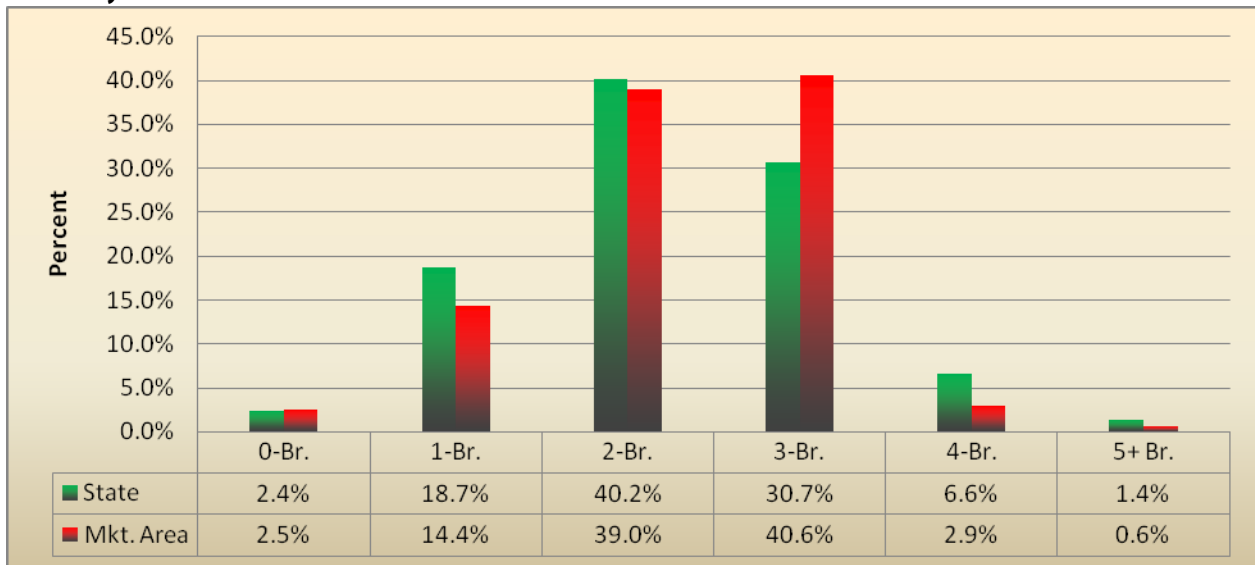
H.10.1 TENURE

Tenure by Bedrooms

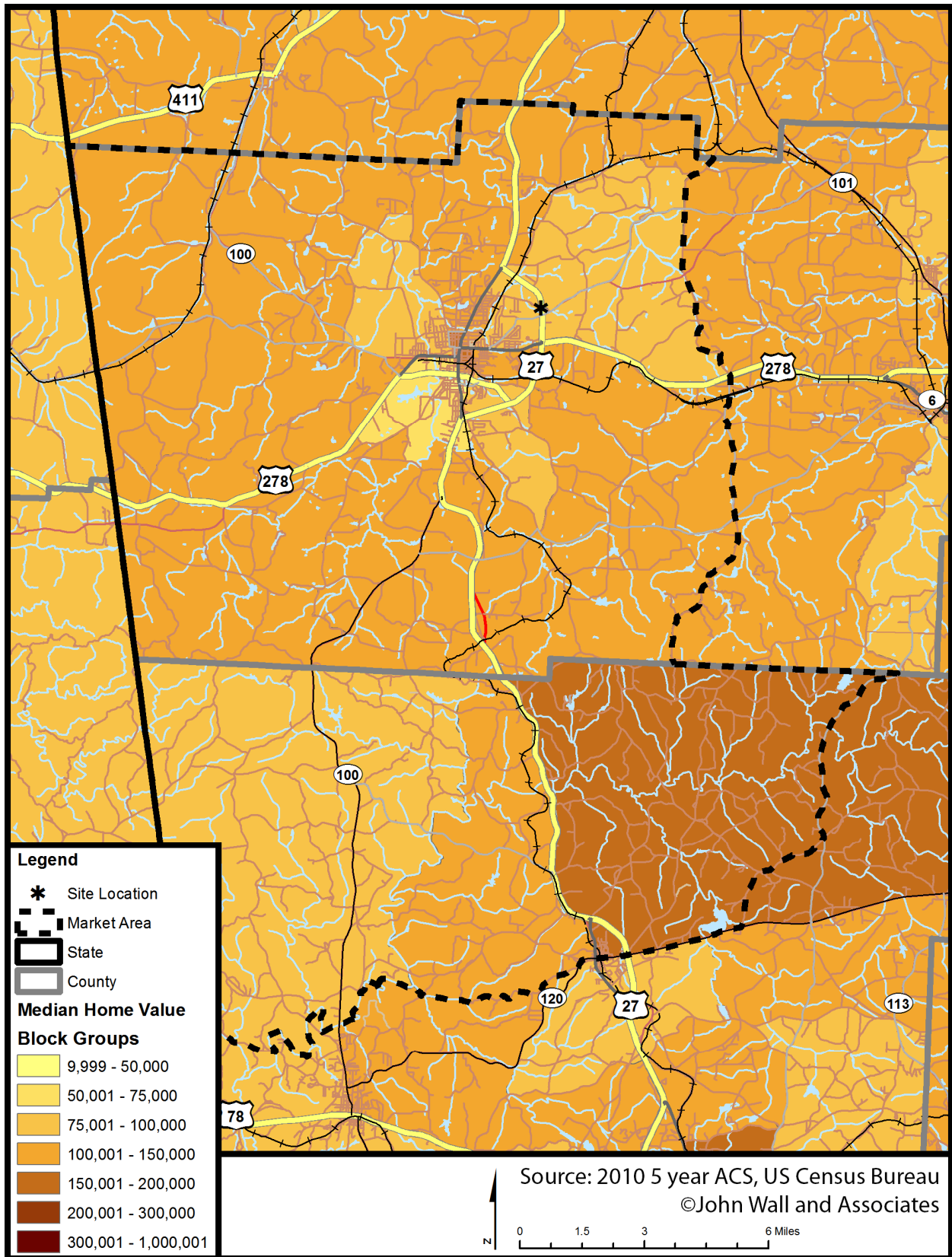
	<u>State</u>	<u>%</u>	<u>County</u>	<u>%</u>	<u>Market Area</u>	<u>%</u>	<u>City</u>	<u>%</u>
Owner occupied:	2,332,685		10,320		7,040		1,402	
No bedroom	4,417	0.2%	17	0.2%	17	0.2%	17	1.2%
1 bedroom	26,411	1.1%	100	1.0%	68	1.0%	0	0.0%
2 bedrooms	287,996	12.3%	1,936	18.8%	1,471	20.9%	305	21.8%
3 bedrooms	1,222,483	52.4%	6,459	62.6%	4,366	62.0%	874	62.3%
4 bedrooms	583,405	25.0%	1,415	13.7%	811	11.5%	126	9.0%
5 or more bedrooms	207,973	8.9%	393	3.8%	309	4.4%	80	5.7%
Renter occupied:	1,158,069		4,355		3,251		1,641	
No bedroom	27,595	2.4%	82	1.9%	82	2.5%	77	4.7%
1 bedroom	216,637	18.7%	530	12.2%	468	14.4%	341	20.8%
2 bedrooms	465,282	40.2%	1,947	44.7%	1,267	39.0%	745	45.4%
3 bedrooms	355,507	30.7%	1,649	37.9%	1,320	40.6%	442	26.9%
4 bedrooms	76,955	6.6%	123	2.8%	94	2.9%	17	1.0%
5 or more bedrooms	16,093	1.4%	24	0.6%	19	0.6%	19	1.2%

Source: 2011-5yr ACS (Census)

Tenure by Bedrooms for the State and Market Area



MEDIAN HOME VALUE MAP



H.11 IMPACT OF FORECLOSED, ABANDONED, ETC. PROPERTIES

There is no evidence of any adverse impact due to foreclosure or abandonment.

H.12 PRIMARY HOUSING VOIDS

There is still demand for quality, affordable family housing in the market.

H.13 ADVERSE IMPACTS ON OCCUPANCY

See H6.

H.14 BUILDING PERMITS ISSUED

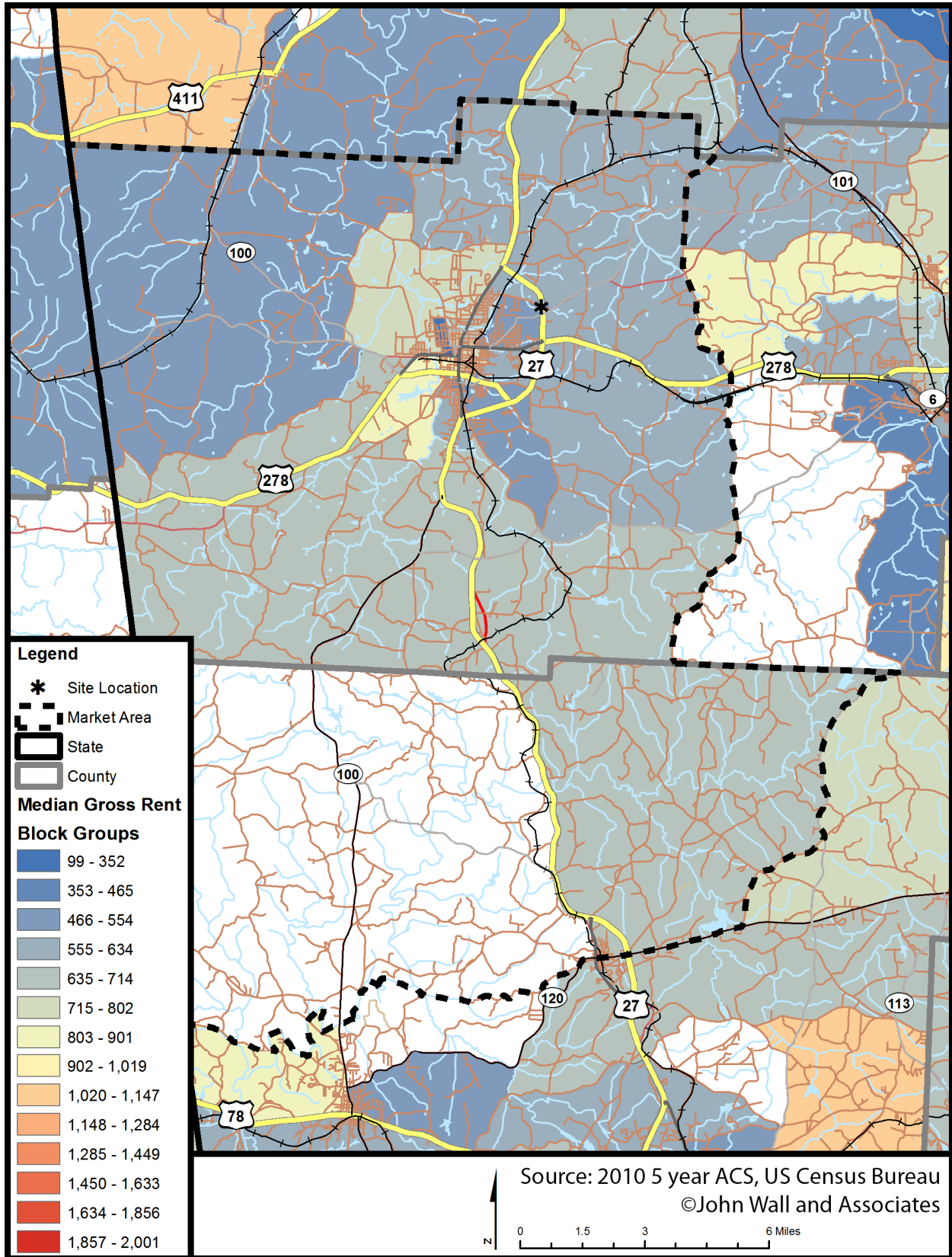
Building permits are an indicator of the economic strength and activity of a community. While permits are never issued for a market area, the multi-family permits issued for the county and town are an indicator of apartments recently added to the supply:

Building Permits Issued

Year	County			City		
	Total	Single Family	Multi- Family	Total	Single Family	Multi- Family
2000	266	256	10	26	26	0
2001	259	238	21	4	1	3
2002	355	313	42	89	77	12
2003	446	332	114	94	84	10
2004	226	202	24	5	5	0
2005	255	247	8	37	37	0
2006	211	203	8	14	14	0
2007	211	142	69	71	5	66
2008	89	89	0	9	9	0
2009	46	46	0	2	2	0
2010	94	30	64	65	1	64
2011	22	22	0	0	0	0
2012	30	20	10	0	0	0
2013	74	14	60	0	0	0

Source: C-40, U.S. Dept. of Commerce, Bureau of the Census, "Housing Units Authorized by Building Permits"

MEDIAN GROSS RENT MAP



I. ABSORPTION & STABILIZATION RATES

Given reasonable marketing and management, the project should be able to rent up to 93% occupancy within 12 to 14 months — a few months longer if the project is completed in November, December, or January. The absorption rate determination considers such factors as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy.

J. INTERVIEWS

The following interviews were conducted regarding demand for the subject.

J.1 APARTMENT MANAGERS

Laine, apartment manager of Evergreen Village (Tax Credit), said she is familiar with the location and believes it will be a good place for new family apartments. She said the bedroom mix is good and that adding new units would be beneficial to the economy. She said the rents are very comparable to the other complexes in the area. She said the amenities are good. Overall, she said the proposed subject would be a definite success.

Ken, owner of Cedar Chase (Conventional), said the location is good because there are some open areas there. He said the bedroom mix sounds okay, but thought there should be fewer three bedroom units. He added that people looking for anything larger than a two bedroom unit typically want a single family home. He said the rents sound reasonable to him. He said the amenities are very good and better than what is in the market. Overall, he said the subject would get plenty of applicants and added that there was good demand for more units.

J.2 ECONOMIC DEVELOPMENT

According to the Georgia Department of Economic Development, there have been no businesses to come on line or expand in Polk County since January 2014.

According to the Georgia Department of Labor, there has been one company to close since January 2014. Meggitt Inc. announced it would close in January 2014 with 51 jobs lost.

K. CONCLUSIONS AND RECOMMENDATIONS

The subject, as proposed, should be successful. See also Executive Summary.

L. SIGNED STATEMENT REQUIREMENTS

See signed statement in front matter.

M. MARKET STUDY REPRESENTATION

DCA may rely on the representations made in the market study to be true and accurate to the best knowledge of John Wall and Associates. DCA may assign the market study to other lenders who are parties to the DCA loan transaction.

N. NCHMA MARKET STUDY INDEX/CHECKLIST

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 and 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 page number of each component is noted below. Each component is fully discussed on that page or pages. 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 'V' (variation) with a comment explaining the conflict. (More detailed notations or explanations also acceptable)

C. Checklist:

1. Executive Summary	8	31. Existing rental housing discussion	53
2. Concise description of the site and adjacent parcels	12	32. Area building permits	61
3. Project summary	18	33. Comparable property discussion	*
4. Precise statement of key conclusions	64	34. Comparable property profiles	*
5. Recommendations and/or modification to project discussion	14	35. Area vacancy rates, including rates for Tax Credit and government-subsidized	57
6. Market strengths and weaknesses impacting project	14	36. Comparable property photos	*
7. Lease-up projection with issues impacting performance	16	37. Identification of waiting lists	*
8. Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents and utility allowances	18	38. Narrative of subject property compared to comparable properties	V
9. Utilities (and utility sources) included rent and paid by landlord or tenant?	18	39. Discussion of other affordable housing options including homeownership	NA
10. Project design description	18	40. Discussion of subject property on existing housing	62
11. Unit and project amenities; parking	18	41. Map of comparable properties	56
12. Public programs included	18	42. Description of overall rental market including share of market-rate and affordable properties	57
13. Date of construction/preliminary completion	19	43. List of existing and proposed LIHTC properties	54, V
14. Reference to review/status of project plans	NA	44. Interviews with area housing stakeholders	64
15. Target population description	18	45. Availability of Housing Choice Vouchers	64
16. Market area/secondary market area description	30	46. Income levels required to live at subject site	46
17. Description of site characteristics	20	47. Market rent and programmatic rent for subject	NA, 46
18. Site photos/maps	24	48. Capture rate for property	17
19. Map of community services	56	49. Penetration rate for area properties	53V
20. Visibility and accessibility evaluation	20	50. Absorption rate discussion	16
21. Crime information	NA	51. Discussion of future changes in housing population	31
22. Population and household counts	31	52. Discussion of risks or other mitigating circumstances impacting project projection	14
23. Households by tenure	33	53. Preparation date of report	2
24. Distribution of income	35	54. Date of field work	20
25. Employment by industry	38	55. Certification	8
26. Area major employers	42	56. Statement of qualifications	16
27. Historical unemployment rate	40	57. Sources of data	**
28. Five-year employment growth	40	58. Utility allowance schedule	18
29. Typical wages by occupation	40		
30. Discussion of commuting patterns of area workers	30		

* Information on comparable properties, including profiles, and photographs, appear on the unnumbered photosheets, following page 56.

38(V): Some textual comparison is made on page 54, while numeric comparisons are made on page 57 and on the apartment inventory.

43(V) The page referenced shows proposed and newly constructed properties. Other existing properties are identified on the unnumbered inventory.

49(V) The client market study guide defines capture rate the way NCHMA defines penetration rate.

** Data are sourced where they are used throughout the study.

O. BUSINESS REFERENCES

Ms. Laura Nicholson
SC State Housing Finance & Development Authority
Attn: Housing Development
300-C Outlet Pointe Boulevard
Columbia, South Carolina 29210
803/896-9194

Mr. Wayne Rogers, Director
Multi-Family Housing
USDA Rural Development
355 East Hancock Avenue
Athens, Georgia 30601
706/546-2164

Mr. Nathan Mize
Mize and Mize
124 Early Parkway Drive, SE
Smyrna, Georgia 30082
770/815-4779

Mr. Scott Farmer
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, North Carolina 37609
919/877-5700

Mr. Bill Rea, President
Rea Ventures Group, LLC
2964 Peachtree Road NW
Suite 640
Atlanta, Ga. 30305
404/273-1892

Ms. Laurel Hart
Georgia Department of Community Affairs
60 Executive Park South, NE
Atlanta, Georgia 30329
404/679-1590

P. RÉSUMÉS

JOHN WALL

EXPERIENCE

PRESIDENT

JWA, Inc., Anderson, South Carolina (June, 1990 to Present)

JWA, Inc. is an information services company providing demographic and other types of data, as well as geographic information system services, mapping, and research to market analysts and other clients.

PRESIDENT

John Wall & Associates, Anderson, South Carolina (December, 1982 to Present)

John Wall & Associates is a planning and analysis firm specializing in real estate market analysis and land development consultation. Initially, the firm concentrated on work in the southeastern portion of the United States. In 1990, the work was expanded to the entire United States. John Wall & Associates (Anderson, South Carolina office) has completed over 2,500 market analyses, the majority of these being for apartment projects (both government and conventional). The firm has also done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis, and GIS projects. Clients have included private developers, governments, syndicators, and lending institutions.

CHURCHILL STATESIDE GROUP INVESTMENT COMMITTEE, (March 2011 to Present)

MIDLAND MORTGAGE INVESTMENT COMMITTEE, MMI (October, 1992 to November, 2001)

MIDLAND ADVISORY SERVICES COMMITTEE, MAS (October, 1992 to November, 2001)

MIDLAND EQUITY COMMITTEE, MEC (March, 1995 to November, 2001)

VISITING PROFESSOR OF SITE PLANNING (PART-TIME)

Clemson University College of Architecture, Planning Dept., Clemson, South Carolina (1985 & 1986)

PLANNING DIRECTOR

Planning Department, City of Anderson, South Carolina (September, 1980 to December, 1982)

PLANNER

Planning Department, City of Anderson, South Carolina (December 1978 to September, 1980)

CARTOGRAPHER

Oconee County Tax Assessors' Office, Walhalla, South Carolina (October, 1976 to January, 1977)

ASSISTANT ENGINEER

American Concrete Pipe Association, Vienna, Virginia (January, 1969 to March, 1969)

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA) Member Delegate (2002-Present)

PUBLICATIONS

Conducting Market Studies in Rural Area, NCHMA Publications

EDUCATION

Continuing Education, National Council of Housing Market Analysts (2002-Present)

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

Real Estate Development, Harvard University, Cambridge, Massachusetts (July, 1989)

Fundamentals of Real Estate Finance, Harvard University, Cambridge, Massachusetts (July, 1989)

Management of Planning & Design Firms, Harvard University, Cambridge, Massachusetts (August, 1984)

Master of City & Regional Planning, Clemson University, Clemson, South Carolina (May, 1980)

BS Pre-Architecture, Clemson University, Clemson, South Carolina (May, 1978)

Graduate of Manlius Military Academy, Manlius, New York (June, 1965)

MILITARY

U.S. Navy, Interim Top Secret Clearance (April, 1969 to October, 1973; Honorable Discharge)

BOB ROGERS

EXPERIENCE

SENIOR MARKET ANALYST

John Wall and Associates, Anderson, South Carolina (1992 to Present)

Responsibilities include: development of housing demand methodology; development of computer systems and technologies; analysis of demographic trends; creation and production of analytic maps and graphics; CRA compliance; courtroom presentation graphics.

MANAGER

Institute for Electronic Data Analysis, Knoxville, Tennessee (1990 to 1992)

Responsibilities included marketing, training new employees and users of US Bureau of the Census data products, and custom research.

CONSULTANT

Sea Ray Boats, Inc., Knoxville, Tennessee (1991)

Project included using various statistical techniques to create customer profiles that the senior management team used to create a marketing strategy.

CONSULTANT

Central Transport, High Point, North Carolina (1990)

Project included research and analysis in the area of driver retention and how to improve the company's turnover ratio.

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA)

Executive Committee Member (2004-2010)

Standards Committee Co-Chair (2006-2010)

Standards Committee Vice Chair (2004-2006)

Member delegate (2002-Present)

PUBLICATIONS

Senior Housing Options, NCHMA White Paper draft

Field Work for Market Studies, NCHMA White Paper, 2011

Ten Things Developers Should Know About Market Studies, Affordable Housing Finance Magazine, 2007

Selecting Comparable Properties (best practices), NCHMA publication 2006

EDUCATION

Continuing education, National Council of Housing Market Analysts (2002 to present)

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

MBA Transportation and Logistics, The University of Tennessee, Knoxville, Tennessee (1991)

BS Business Logistics, Penn State, University Park, Pennsylvania (1989)

JOE BURRISS

EXPERIENCE

SENIOR MARKET ANALYST AND RESEARCHER

John Wall & Associates, Anderson, South Carolina (1999 to present)

Responsibilities include: Author of numerous apartment market studies; make, review and evaluate recommendations regarding student housing analysis; collect and analyze multifamily rental housing information (both field and census); conduct site and location analysis.

MARKETING DIRECTOR

John Wall & Associates, Anderson, South Carolina (2003 to present)

Responsibilities include: Design marketing plans and strategies; client development.

PROFESSIONAL ORGANIZATION

National Council of Housing Market Analysts (NCHMA)

FHA Lender and Underwriting (MAP) Committee (2012-Present)

Member Delegate (2002-Present)

EDUCATION

Continuing Education, National Council of Housing Market Analysts (2002-Present)

Multifamily Accelerated Processing (MAP) Certificate, HUD (May 2012)

BS Marketing, Clemson University, Clemson, South Carolina (2002)