



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

**LAKEVIEW GARDENS APARTMENTS  
Casamonica Drive  
Lake Park, Lowndes County, Georgia 31636**

**Effective Date: May 12, 2015  
Report Date: May 22, 2015**

*Prepared For*

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*Prepared By*

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May 22, 2015

Mr. Brandon Dampier  
TISHCO Companies  
2409 Bemiss Road  
Valdosta, GA 31602

**Re: Market Study for Lakeview Gardens Apartments in Lake Park, Georgia**

Dear Mr. Dampier:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Lake Park, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, (Subject). The purpose of this market study is to assess the viability of the construction of Lakeview Gardens Apartments, a proposed family development, consisting of 79 revenue generating units and one manager's unit. Units will be restricted to households earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

Respectfully submitted,



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## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the

author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

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

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Addendum

## **A. EXECUTIVE SUMMARY AND CONCLUSION**



**EXECUTIVE SUMMARY AND CONCLUSIONS**

**1. Project Description:**

Lakeview Gardens Apartments will be a newly constructed family property located in Lake Park, Georgia, which will consist of six two-story garden-style buildings. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowances.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2014 LIHTC	HUD Fair
						Maximum Allowable Gross Rent	Market Rents
<i>50% AMI</i>							
1BR/1BA	857	12	\$258	\$163	\$421	\$431	\$579
2BR/2BA	965	2	\$308	\$204	\$512	\$517	\$719
3BR/2BA	1,125	2	\$343	\$250	\$593	\$598	\$921
<i>60% AMI</i>							
1BR/1BA	857	4	\$349	\$163	\$512	\$517	\$579
2BR/2BA	965	29	\$407	\$204	\$611	\$621	\$719
3BR/2BA	1,125	30	\$457	\$250	\$707	\$717	\$921
<i>Manager's Unit</i>							
2BR/2BA	965	1	N/A	N/A	N/A	N/A	N/A
<b>Total</b>		<b>80</b>					

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

\*Per the Georgia DCA 2015 guidelines, the market study analyst must use the maximum rent and income limits from the same year as the utility allowance. The local utility allowance is 7/1/2014; therefore, we have utilized the 2014 maximum income and rent limits.

The Subject will offer the following amenities: balcony/patios, blinds, carpeting, central air conditioning, dishwashers, exterior storage, ceiling fans, ovens, refrigerators, walk-in closets, washer dryer hook-ups, a business center/computer lab, a clubhouse/community room, arts and crafts room, central laundry, off-street parking, on-site management, picnic areas, exercise facility, swimming pool, and playground. Overall, the Subject's amenities will be competitive with those offered at the comparable properties.

**2. Site Description/Evaluation:**

The Subject site is located north of Lakes Boulevard on the west side of Casamonica Drive. Immediate uses surrounding the site consist of vacant land, commercial uses, and Horselot Lake. South of the Subject site, along Lakes Boulevard, are a number of locational amenities including a grocery store, pharmacy, bank, library, and US Post Office. Further south of the Subject are single-family

homes in good condition and a golf course. Directly east of the Subject is vacant land and railroad tracks. Further west are commercial retail uses and single-family homes surrounding Long Pond Lake. Directly west of the Subject is Horselot Lake. Several units will have views of the lake upon completion. Further west of the Subject is a house of worship and single-family homes. There is also a commercial shopping center west along Lakes Boulevard. North of the Subject site is vacant land, and State Highway 41. North of State Highway 41 is a dental office and single family-homes in good condition. Overall, retail uses appeared to be 90 percent occupied. The Subject site is considered “somewhat walkable” by Walkscore with a rating of 18. The Subject site is considered a desirable building site for family rental housing. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities.

Visibility and views from the site will be good and include a view of Horselot Lake west of the Subject site. Signage for the Subject will be placed along Lakes Boulevard, giving it good visibility. Overall, access and visibility are considered good.

**3. Market Area Definition:**

The PMA is defined by State Route 221 and State Route 84 to the north, the Georgia / Florida State Line to the south, State Route 129 to east, and the Lowndes / Brooks County Line to the west. This area includes the majority of Lowndes County and a portion of Echols County and Lanier County to the east. The area was defined based on interviews with the local housing authority as well as local property managers at comparable properties. Management at the local rural development properties and Mar Mel Go Apartments, a market rate property utilized as a comparable, indicated that they draw tenants from an area within 20 miles and as far north as Valdosta. The northern PMA boundary bisects Valdosta since the northern portion of Valdosta includes Valdosta State University campus and the northern portion of the county is home to Moody Air Force Base. These two populations are generally not eligible to reside at the proposed Subject. Additionally, the PMA boundary is Route 221 and Highway 84, which creates a man-made boundary in the city Valdosta and residents of southern Valdosta are more likely to relocate south to the proposed Subject. The Subject site is located within a 15 minute drive time of downtown Valdosta. According to US Census, approximately 55 percent of the

households within the PMA commute between 10 and 24 minutes. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2014 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is 19.5 miles.

**4. Community Demographic Data:**

Overall population growth in the PMA between 2010 and 2015 was similar to the MSA and significantly higher than the nation. However, the rate of population growth is expected to increase over the next five years in the PMA. Through the projected market entry and 2019, the population in the PMA is expected to increase at a consistent rate similar to the MSA and the nation. The strong population growth within the PMA bodes well for the Subject's units. Annual household growth in the PMA and the MSA outpaced the nation from 2010 to 2015. However, the PMA is projected to experience household growth at a consistent rate through 2019 at a rate similar to the MSA and the nation. Average household size is projected to remain stagnant through 2019 in all areas of analysis. The average household size in the PMA is slightly larger than the MSA and nation, which indicates a greater number of family households, supporting demand for the Subject's proposed units.

Households earning less than \$30,000 in the PMA comprise 60.8 percent of all income cohorts. The Subject will target households earning between \$14,434 and \$29,820, therefore, the Subject should be well-positioned to service this market. The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one to three people are expected to remain stable. The Subject will contain one, two, and three-bedroom floor plans, so this large percentage bodes well for the proposed Subject. Overall, the demographic data points to a growing population with household incomes in line with the Subject's target.

**5. Economic Data:**

Retail trade, health care/social assistance, and education services are the largest industries within the PMA. Combined they represent approximately 37 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiences strong growth

over the past decade. In general, the area is not overly reliant on a single industry. The lack of dependence on manufacturing is a positive aspect of the local economy. The PMA is overrepresented in the retail trade, educational services, accommodation/food services, construction, public administration, transportation / warehousing, and agric/forestry/fishing/hunting industries. Comparatively, the health care/social assistance, manufacturing, and other services are underrepresented in the PMA.

Total employment in the MSA increased through 2008. During the most recent national recession, employment in the MSA declined from 2009 to 2010, and significantly more than the nation. Following the recession, there were increases in total employment for two years, but total employment declined slightly in 2013 and has declined significantly in 2015 year-to-date. However, this is a small sample size, which can be misleading. Currently, the total employment in the MSA remains 10.4 percent below the 2008 peak employment level. In comparison, the nation is 0.7 percent above peak total employment. Since the recession, the unemployment rate in the MSA has remained above the nation. The 2014 YTD average unemployment rate is significantly higher than the national unemployment rate. Overall, the MSA was affected by the national recession, and is still in the process of recovering.

**6. Project-Specific Affordability And Demand Analysis:**

Our demand analysis indicates that there are 376 income qualified renter households in the PMA. The following table indicates the capture rates for the Subject’s units.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
One-bedroom @50%	\$14,434 - \$18,400	12	67	0	67	17.8%
Two-bedroom @50%	\$17,554 - \$20,700	2	103	0	103	2.0%
Three-bedroom @50%	\$20,331 - \$24,850	2	83	0	83	2.4%
50% Overall	\$14,434 - \$24,820	16	253	0	253	6.3%
One-bedroom @60%	\$17,554 - \$22,080	4	81	0	81	5.0%
Two-bedroom @60%	\$20,949 - \$24,840	29	123	0	123	23.6%
Three-bedroom @60%	\$24,240 - \$29,820	30	99	0	99	30.3%
60% Overall	\$17,554 - \$29,820	63	303	0	303	20.8%
One-bedroom Overall	\$14,434 - \$22,080	16	100	0	100	15.9%
Two-bedroom Overall	\$17,554 - \$24,840	31	153	0	153	20.3%
Three-bedroom Overall	\$20,331 - \$29,820	32	123	0	123	25.9%
Overall Demand	\$14,434 - \$29,820	79	376	0	376	21.0%

All capture rates are within DCA threshold requirements and indicate demand for the Subject. Overall, we recommend the Subject as proposed.

#### **7. Competitive Rental Analysis:**

The availability of LIHTC data is considered poor; there are two LIHTC properties in the PMA. Brittany Woods was built in 1970 and renovated in 2001. It is located 11.5 miles north of the Subject in Valdosta. This property targets the general population and will directly compete with the Subject. Therefore, we have used it as a comparable in our analysis. Brookhaven II is located 3.4 miles west of the Subject in Lake Park. We made multiple attempts to contact the property manager, regional manager, and ownership of the property. Brookhaven I is a subsidized property that is not directly competitive with the Subject. We also visited the property during our site inspection, but were unable to obtain information about Brookhaven II. Upon inspection, the property exhibited good condition and appeared to be well occupied. Therefore, we have excluded it from our rental analysis. Brookhaven I is a subsidized property that is not directly competitive with the Subject. We have utilized two additional LIHTC properties, which are located in Valdosta, but outside of the PMA. They are located 14.4 to 17.1 miles north of the Subject.

The availability of market rate data is considered poor as only one market rate property is located within the PMA. We have included four additional market rate properties and one mixed-income property in the rental analysis. Mar Mel Go Apartments is the only comparable property located in Lake Park, 2.3 miles west of the Subject site. The other comparable market rate properties are located 14.1 to 18.4 miles north of the Subject. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). These comparables were built or renovated between 1996 and 2014. While the majority of the comparable properties are located in Valdosta, we believe they operate within the same general market as the Subject and represent the most comparable properties in the local market.

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher

income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

Subject Comparison to Market Rents

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
<b>@50%</b>					
1 BR	\$258	\$284	\$685	\$524	103%
2 BR	\$308	\$295	\$800	\$615	100%
3 BR	\$343	\$315	\$890	\$710	107%
<b>@60%</b>					
1 BR	\$349	\$284	\$685	\$524	50%
2 BR	\$407	\$295	\$800	\$615	51%
3 BR	\$457	\$315	\$890	\$710	55%

As illustrated the Subject’s proposed rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. The Subject’s proposed LIHTC rents are within the surveyed range, except for one-bedroom 50 percent units, which are lower than the surveyed minimum. This is considered reasonable given that there are very few newly constructed market rate properties and the Subject will be similar to slightly inferior to the market rate inventory. However, several of the properties reported slightly elevated vacancy rates. Spanish Mission Apartments reported a vacancy rate of 6.7 percent. Despite this minor elevation in vacancy, the market vacancy is still considered low and the Subject rent advantage is still significant.

The Subject will be most similar to Spring Chase Apartments as a market rate property, which is located in Valdosta 14.1 miles north of the Subject site. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). Spring Chase Apartments is 1.0 percent vacant and maintains an extensive waiting list for one-bedroom units. Spring Chase Apartments was built in 1996 and is in average condition. The Subject will exhibit excellent condition upon

completion, which will be superior to Spring Chase Apartments. The Subject will offer similar in-unit amenities, slightly inferior property amenities, and slightly inferior unit sizes compared to Spring Chase Apartments. However, the Subject will offer a slightly superior location and superior condition upon completion. Overall, the Subject is considered similar to Spring Chase Apartments. Spring Chase Apartments is achieving market rents 58 to 154 percent higher than the proposed rents at the Subject.

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

The Subject's proposed rents are below all of the rents at the comparables, with the exception of Brittany Woods two and three-bedroom 60 percent AMI units. Additionally, all of the comparable properties are achieving rents above the 2014 maximum allowable LIHTC rent, with the exception of Brittany Woods. Brittany Woods was built in 1970 and renovated in 2001. The property exhibits the most inferior condition in the market, which has affected the performance of the property. The Subject will also offer superior amenities in comparison to Brittany Woods. We believe the Subject will be superior to Brittany Woods and will be able to achieve rents higher than Brittany Woods.

The comparable LIHTC properties are considered slightly inferior to inferior to the proposed Subject. Ashton Park is the most similar LIHTC property and is 100 percent occupied with a waiting list of approximately four months. Ashton Park was built in 1999 and is in average condition. The Subject will be in excellent condition upon completion and will be considered superior in terms of condition. Additionally, Ashton Park offers inferior amenities and similar unit sizes, and a slightly inferior location. Ashton Park is achieving rent significantly above the 2014 maximum allowable rents because of the significant decline in AMI in 2013 and 2014. Ashton Park has been held harmless to subsequent rent decreases. The Subject's proposed rents are below all of the comparable LIHTC properties, with the exception of Brittany Woods two and three-bedroom 60 percent AMI units. Overall, the Subject's rents appear reasonable when compared to the rents at the comparables and particularly when taking into account the strong demand for affordable units in the PMA. This strong

demand is illustrated by the 3.2 percent weighted average LIHTC vacancy, and significant waiting lists at the comparable LIHTC properties.

**8. Absorption/Stabilization**

**Estimate:**

We were able to obtain absorption information from three comparable properties, illustrated following.

**ABSORPTION**

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Heron Lake	LIHTC, Market	Family	2003	152	38
Northwind Apartment Homes	Market	Family	2004	228	20
Mar Mel Go Apartments	Market	Family	2009	70	9

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. Mar Mel Go Apartments represents the most recent construction. Mar Mel Go Apartments is located in Lake Park and offers a similar location to the Subject. Management reported that the property was fully leased within seven months of opening, and experienced an absorption rate of approximately nine units per month. The property is currently 100 percent occupied. Northwind Apartment Homes was leased within 12 months and Heron Lake was leased within four months. Heron Lake is the only comparable LIHTC property that was able to report its absorption pace and it indicates a faster leasing period for the Subject. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in Lake Park, we anticipate that the Subject will experience an absorption rate of 13 units per month, for an absorption period of six months.



**9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 3.1 percent. Additionally, the comparable LIHTC properties maintain significant waiting lists. Ashton Park is the most similar LIHTC property and is 100 percent occupied with a waiting list of approximately four months. Ashton Park was built in 1999 and is in average condition. The Subject will be in excellent condition upon completion and will be considered superior in terms of condition. Additionally, Ashton Park offers inferior amenities and similar unit sizes, and a slightly inferior location. Ashton Park is achieving rent significantly above the 2014 maximum allowable rents because of the significant decline in AMI in 2013 and 2014. Ashton Park has been held harmless to subsequent rent decreases. The Subject's proposed 50 and 60 percent AMI rents are below the rents at all of the comparables and the Subject is considered superior to all of the comparable LIHTC properties. Overall, we believe that the Subject's rents are achievable and that the Subject will offer value in the market. This is further illustrated by the significant rental advantage of 50 to 107 percent that the Subject's units will have over the average market rents. The majority of the comparable properties are located in Valdosta. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). Based on our site inspection and median household income, Lake Park offers a slightly superior location relative to Valdosta. We believe that the Subject will maintain a vacancy rate of five percent or less following stabilization, which is consistent with the LIHTC average and we recommend the Subject as proposed.

## Lakeview Gardens Apartments, Lake Park, GA; Market Study

### Summary Table:

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

Development Name:	<b>Lakeview Gardens Apartments</b>	Total # Units: <b>80</b>
Location:	Casamonica Drive	# LIHTC Units: <b>79</b>
	Lake Park, GA	
PMA Boundary:	North: State Route 221 and State Route 84; South: The Georgia/Florida state line; East: State Route 129; West: The Lowndes/Brooks County line	
	Farthest Boundary Distance to Subject:	<b>19.8 miles</b>

#### Rental Housing Stock (found on page 62)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	2	174	8	95.4%
Market-Rate Housing	1	70	0	100.0%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
<b>LIHTC</b>	1	104	8	92.3%
Stabilized Comps	9	1,340	41	96.9%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

\*Only includes properties in PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
12	1BR at 50% AMI	1	857	\$258	\$524	\$0.61	103%	\$726	\$0.89
2	2BR at 50% AMI	2	965	\$308	\$615	\$0.64	100%	\$851	\$0.75
2	3BR at 50% AMI	2	1,125	\$343	\$710	\$0.63	107%	\$952	\$0.84
4	1BR at 60% AMI	1	857	\$349	\$524	\$0.61	50%	\$726	\$0.89
29	2BR at 60% AMI	2	965	\$407	\$615	\$0.64	51%	\$851	\$0.75
30	3BR at 60% AMI	2	1,125	\$457	\$710	\$0.63	55%	\$952	\$0.84

#### Demographic Data (found on page 32)

	2010		2015		November 2017	
Renter Households	3,585	32.65%	4,098	35.58%	4,198	35.59%
Income-Qualified Renter HHs (LIHTC)	1,114	31.08%	1,274	31.08%	1,305	31.08%

#### Targeted Income-Qualified Renter Household Demand (found on page 57)

Type of Demand	30%	50%	60%	Market-rate	Other:___	Overall*
Renter Household Growth	N/Ap	21	25	N/Ap	N/Ap	31
Existing Households (Overburdened + Substandard)	N/Ap	253	302	N/Ap	N/Ap	377
Homeowner conversion (Seniors)	N/Ap	0	0	N/Ap	N/Ap	0
<b>Total Primary Market Demand</b>	<b>N/Ap</b>	<b>274</b>	<b>327</b>	<b>N/Ap</b>	<b>N/Ap</b>	<b>408</b>
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
<b>Adjusted Income-qualified Renter HHs**</b>	<b>N/Ap</b>	<b>274</b>	<b>327</b>	<b>N/Ap</b>	<b>N/Ap</b>	<b>408</b>

#### Capture Rates (found on page 57)

Targeted Population	30%	50%	60%	Market-rate	Other:___	Overall
Capture Rate:	N/Ap	6.30%	20.80%	N/Ap	N/Ap	21.00%

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

<b>Project Address and Development Location:</b>	The Subject site is located on Casamonica Drive in Lake Park, Lowndes County, Georgia 31636.
<b>Construction Type:</b>	The Subject will consist of six two-story garden-style buildings.
<b>Occupancy Type:</b>	The Subject will target the general population.
<b>Special Population Target:</b>	None.
<b>Number of Units by Bedroom Type and AMI Level:</b>	<b>See following property profile.</b>
<b>Unit Size:</b>	<b>See following property profile.</b>
<b>Structure Type:</b>	<b>See following property profile.</b>
<b>Rents and Utility Allowances:</b>	<b>See following property profile.</b>
<b>Existing or Proposed Project Based Rental Assistance:</b>	None of the units will operate with Project-Based Rental Assistance.
<b>Proposed Development Amenities:</b>	<b>See following property profile.</b>

Lakeview Gardens Apartments

**Location** Casamonica Drive  
Lake Park, GA 31636  
Lowndes County

**Units** 80

**Type** Garden  
(2 stories)

**Year Built / Renovated** 2017



Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (2 stories)	12	857	\$258	\$0	@50%	n/a	N/A	N/A	no
1	1	Garden (2 stories)	4	857	\$349	\$0	@60%	n/a	N/A	N/A	no
2	2	Garden (2 stories)	2	965	\$308	\$0	@50%	n/a	N/A	N/A	no
2	2	Garden (2 stories)	29	965	\$407	\$0	@60%	n/a	N/A	N/A	no
2	2	Garden (2 stories)	1	965	N/A	\$0	Non-Rental	n/a	N/A	N/A	N/A
3	2	Garden (2 stories)	2	1,125	\$343	\$0	@50%	n/a	N/A	N/A	no
3	2	Garden (2 stories)	30	1,125	\$457	\$0	@60%	n/a	N/A	N/A	no

Amenities

<b>In-Unit</b>	Balcony/Patio Blinds Carpeting Central A/C Dishwasher Exterior Storage Ceiling Fan Oven Refrigerator Walk-In Closet Washer/Dryer hookup	<b>Security</b>	Perimeter Fencing Video Surveillance
<b>Property</b>	Parking spaces: 120 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground Swimming Pool	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	Arts and Crafts Room

<b>Scope of Renovations:</b>	<b>The Subject will be new construction</b>
<b>Current Rents:</b>	<b>The Subject will be new construction</b>
<b>Current Occupancy:</b>	<b>The Subject will be new construction</b>
<b>Current Tenant Income:</b>	<b>The Subject will be new construction</b>
<b>Placed in Service Date:</b>	The Subject is expected to be completed by November 2017.
<b>Conclusion:</b>	The Subject will be an excellent-quality six building, two-story garden-style apartment complex, comparable to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

**1. Date of Site Visit and**

**Name of Site Inspector:**

Sterling Battle visited the site on May 12, 2015.

**2. Physical Features of the Site:**

The following illustrates the physical features of the site.

*Frontage:*

The Subject site has frontage along the west side of Casamonica Drive.

*Visibility/Views:*

The Subject will be located along the western side of Casamonica Drive. Visibility and views from the site will be good and include a view of Horselot Lake west of the Subject site.

*Surrounding Uses:*

The following map and pictures illustrate the surrounding land uses.



The Subject site is located north of Lakes Boulevard on the west side of Casamonica Drive. Immediate uses surrounding the site consist of vacant land, commercial uses, and Horselot Lake. South of the Subject site, along Lakes Boulevard, are a number of locational amenities



including a grocery store, pharmacy, bank, library and US Post Office. Further south of the Subject are single-family homes in good condition and a golf course. Directly east of the Subject is vacant land and railroad tracks. Further west are commercial retail uses and single-family homes surrounding Long Pond Lake. Directly west of the Subject is Horselot Lake. Several units will have views of the lake upon completion. Further west of the Subject is a house of worship and single-family homes. There is also a commercial shopping center west along Lakes Boulevard. North of the Subject site is vacant land, and State Highway 41. North of State Highway 41 is a dental office and single family-homes in good condition. Overall, retail uses appeared to be 90 percent occupied. The Subject site is considered “car-dependent” by Walkscore with a rating of 18. The Subject site is considered a desirable building site for family rental housing. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities.

*Positive/Negative Attributes of Site:* The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes. A railroad runs east of the Subject site, in close proximity; however, the railroad is not used frequently and in our opinion will not affect the marketability of the proposed Subject.

### **3. Physical Proximity to Locational Amenities:**

The Subject is located within 15.2 miles of all locational amenities. Additionally, it is within 12 miles of Valdosta, which offers several major employers.

24. Pictures of Site and Adjacent Uses:



*Subject site*



*Subject site*



*Subject site*



*Subject site*



*View southeast along Casamonica Drive*



*View northwest along Casamonica Drive*



*View west along Lakes Boulevard*



*View east along Lakes Boulevard*



*Commercial uses directly east of Subject site*



*Lake west of Subject site*



*Commercial uses directly south of Subject site*



*Commercial uses directly south of Subject site*



*Single-family home in Subject's neighborhood*



*Single-family home in Subject's neighborhood*



*Single-family home in Subject's neighborhood*



*Single-family home in Subject's neighborhood*



*Commercial use in Subject's neighborhood*



*Commercial use in Subject's neighborhood*



*Commercial uses in Subject's neighborhood*



*Hotel in Subject's neighborhood*



*Gas Station in Subject's neighborhood*



*Gas Station in Subject's neighborhood*



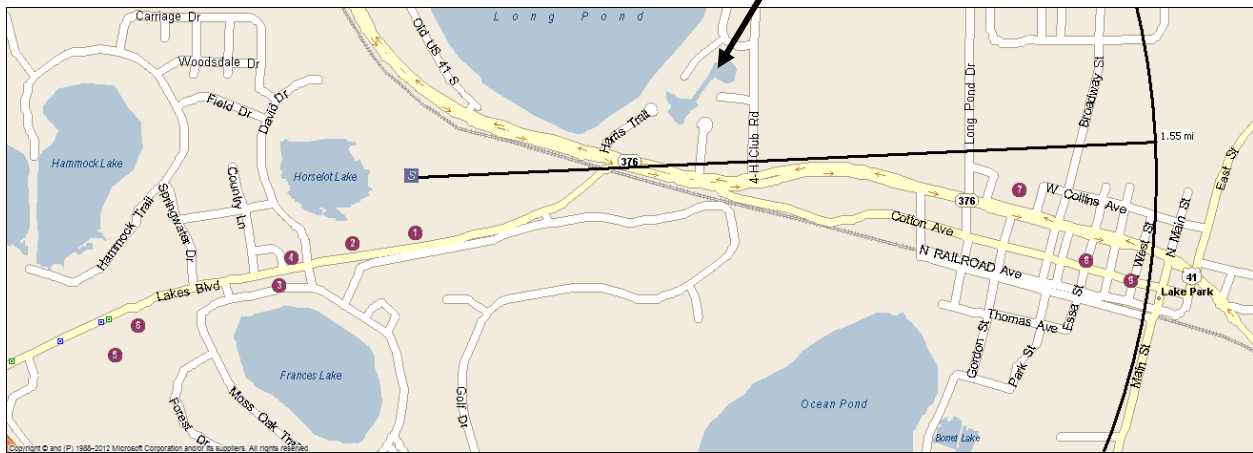
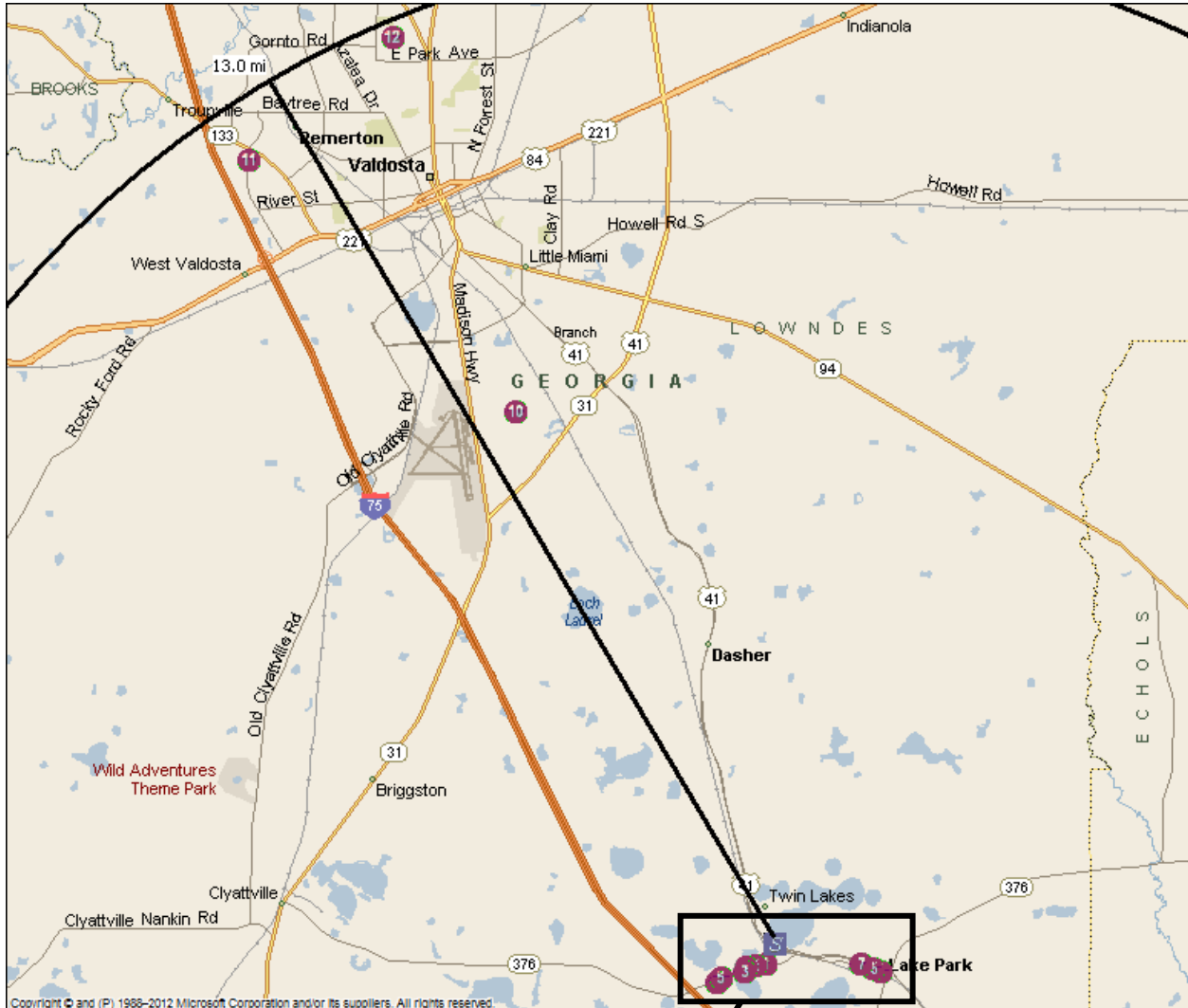
*Library in Subject's neighborhood*



*Commercial use in Subject's neighborhood*

**5. Proximity to Locational Amenities:**

The following map and table detail the Subject's distance from key locational amenities.



**LOCATIONAL AMENITIES**

#	Service or Amenity	Miles From Subject
1	Chancey Drugs	0.4 miles
2	First State Bank	0.5 miles
3	Johnson Lakes Library	0.7 miles
4	Lake Park Post Office	0.7 miles
5	Winn-Dixie	1.1 miles
6	Gas Station	1.2 miles
7	Lake Park Elementary School	1.3 miles
8	Lake Park Police	1.6 miles
9	Lark Park Fire Department	1.6 miles
10	Lowndes Middle School	10.5 miles
11	Lowndes High School	14.0 miles
12	South Georgia Medical Center	15.2 miles

**6. Description of Land Uses:**

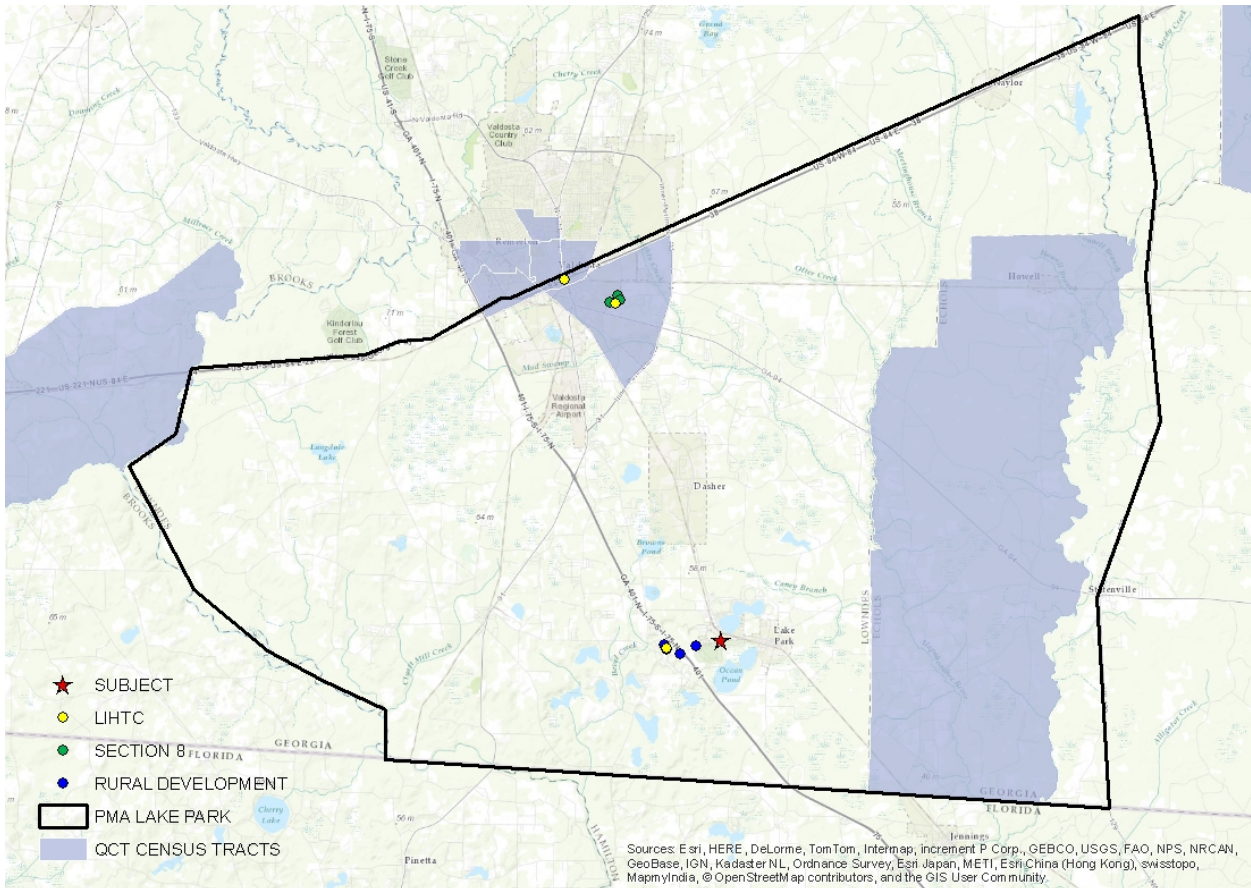
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7. Existing Assisted Rental Housing

Property Map:

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

Name	Address	City	State	Type	Map Color	Included/Excluded	Reason for Exclusion
Lakeview Gardens Apartments	Casamonica Drive	Lake Park	GA	LIHTC	Red Star	N/Ap	N/Ap
Arbor Trace Apartments I	4700 Rolling Pine Dr	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Arbor Trace Apartments II	4700 Rolling Pine Dr	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Brookhaven Apartments	470 Brookhaven Ct	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Francis Lake Apartments I	939 Lakes Blvd	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Francis Lake Apartments II	939 Lakes Blvd	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Hilmont Apartments	7969 Lakes Blvd	Lake Park	GA	Rural Development	Blue	Excluded	Subsidized
Forrest Manor Apartments	1100 Old Statenville Road	Valdosta	GA	Section 8	Green	Excluded	Subsidized
Sands Horizon I	1195 Old Statenville Road	Valdosta	GA	Section 8	Green	Excluded	Subsidized
Sands Horizon II	1196 Old Statenville Road	Valdosta	GA	Section 8	Green	Excluded	Subsidized
Ashley House Apartments	109 E Hill Avenue	Valdosta	GA	LIHTC/Section 8	Yellow	Excluded	Subsidized
Brittany Woods	1150 Old Statenville Road	Valdosta	GA	LIHTC	Yellow	Included	N/Ap
Brookhaven Apartments I	4740 Brookhaven Court	Lake Park	GA	LIHTC/Rural Development	Yellow	Excluded	Subsidized
Brookhaven Apartments II	4740 Brookhaven Court	Lake Park	GA	LIHTC	Yellow	Excluded	Unable to obtain rental information



Lake Park, GA





**8. Road/Infrastructure  
Proposed Improvements:**

We did not witness any road/infrastructure improvements during our field work.

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

The Subject site can be accessed from Casamonica Drive, a dead end road, which is located off of Lakes Boulevard. Lakes Boulevard is a heavily trafficked road, with numerous commercial retail uses in good condition. Signage for the Subject will be placed along Lakes Boulevard, giving it good visibility. Overall, access and visibility are considered good.

**10. Environmental Concerns:**

None visible upon site inspection.

**11. Conclusion:**

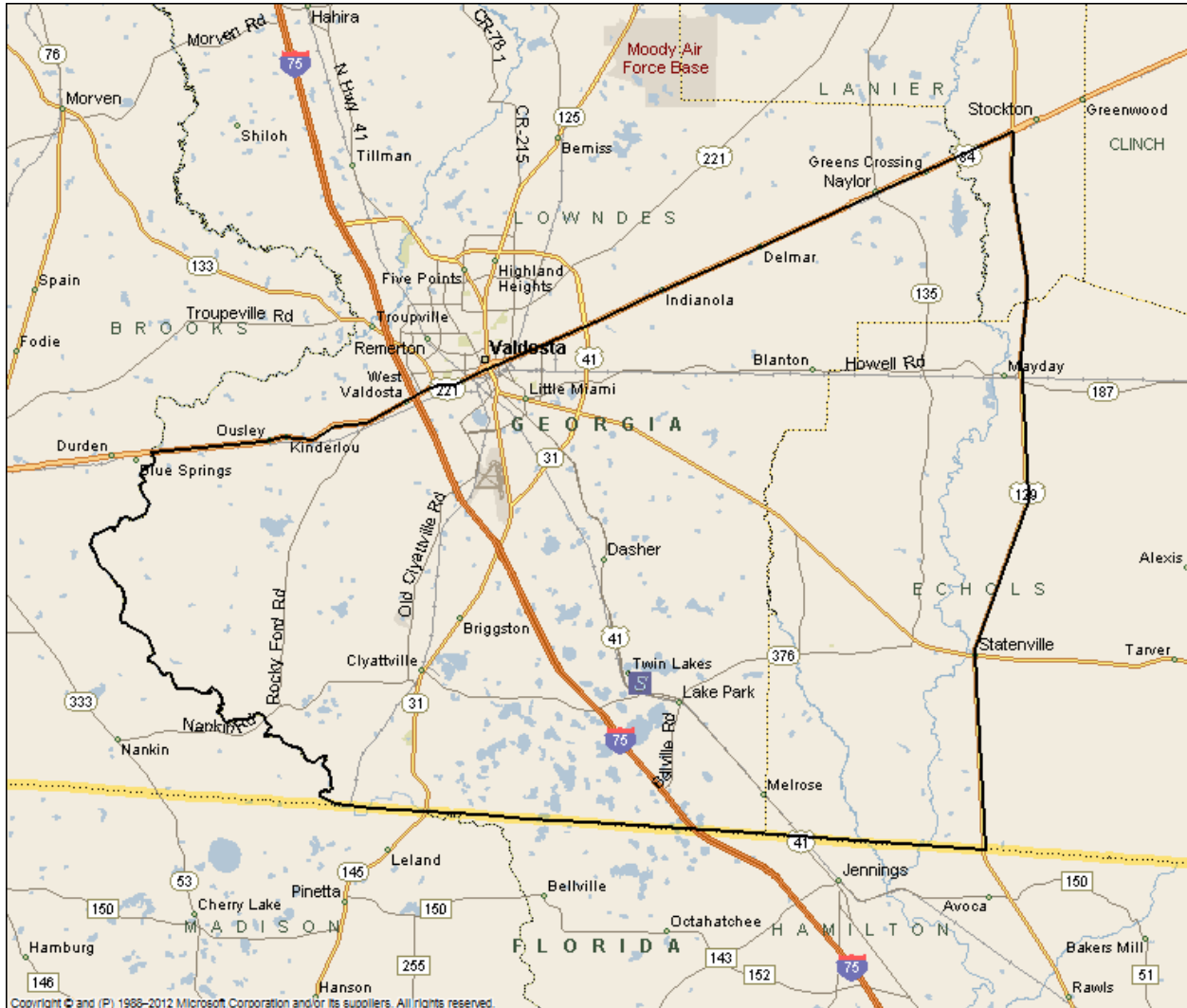
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## **D. MARKET AREA**

**PRIMARY MARKET AREA**

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

**Primary Market Area Map**



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Valdosta, GA MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – State Route 221 and State Route 84

South- The Georgia / Florida State Line

East- State Route 129

West- The Lowndes / Brooks County Line

This area includes the majority of Lowndes County and a portion of Echols County and Lanier County to the east. The area was defined based on interviews with the local housing authority as well as local property managers at comparable properties. Management at the local rural development properties and Mar Mel Go Apartments, a market rate property utilized as a comparable, indicated that they draw tenants from an area within 20 miles and as far north as Valdosta. The northern PMA boundary bisects Valdosta since the northern portion of Valdosta includes Valdosta State University campus and the northern portion of the county is home to Moody Air Force Base. These two populations are generally not eligible to reside at the proposed Subject. Additionally, the PMA boundary is Route 221 and Highway 84, which creates a man-made boundary in the city Valdosta and residents of southern Valdosta are more likely to relocate south to the proposed Subject. The Subject site is located within a 15 minute drive time of downtown Valdosta. According to US Census, approximately 55 percent of the households within the PMA commute between 10 and 24 minutes. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2014 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is 19.5 miles.

## **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

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

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2000 through 2019.

TOTAL POPULATION						
Year	PMA		Valdosta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	27,124	-	119,562	-	281,421,906	-
2010	30,522	1.3%	139,588	1.7%	308,745,538	1.0%
2015	31,913	0.9%	146,010	0.9%	314,467,933	0.4%
Projected Mkt Entry November 2017	32,651	1.0%	149,194	0.9%	321,103,840	0.9%
2019	33,178	0.8%	151,468	0.7%	325,843,774	0.7%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

### POPULATION BY AGE GROUP

Age Cohort	Valdosta, GA MSA				
	2000	2010	2015	Projected Mkt Entry November 2017	2019
0-4	8,492	10,613	10,680	10,921	11,093
5-9	8,908	9,431	10,218	10,334	10,416
10-14	9,017	9,109	9,257	9,734	10,074
15-19	9,678	12,081	11,389	11,474	11,534
20-24	12,172	15,321	15,054	14,206	13,600
25-29	9,520	10,931	12,410	12,074	11,834
30-34	8,844	8,789	10,278	11,097	11,682
35-39	9,461	8,629	8,418	9,420	10,136
40-44	8,776	8,371	8,703	8,458	8,283
45-49	7,430	9,040	8,377	8,418	8,447
50-54	6,398	8,626	8,899	8,449	8,128
55-59	4,935	7,392	8,321	8,445	8,534
60-64	4,082	6,500	7,093	7,582	7,932
65-69	3,546	4,833	5,978	6,398	6,698
70-74	2,949	3,725	4,194	4,880	5,370
75-79	2,383	2,775	2,966	3,281	3,506
80-84	1,578	1,908	2,057	2,170	2,250
85+	1,391	1,514	1,718	1,854	1,951
<b>Total</b>	<b>119,560</b>	<b>139,588</b>	<b>146,010</b>	<b>149,194</b>	<b>151,468</b>

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	PMA			Valdosta, GA MSA		
	Total Population	Non-Elderly	Elderly (65+)	Total Population	Non-Elderly	Elderly (65+)
2000	27,122	24,322	2,800	119,560	107,713	11,847
2010	30,522	26,960	3,562	139,588	124,833	14,755
2015	31,914	27,769	4,145	146,010	129,097	16,913
Projected Mkt Entry November 2017	32,651	28,007	4,644	149,194	130,611	18,583
2019	33,178	28,177	5,001	151,468	131,693	19,775

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

Overall population growth in the PMA between 2010 and 2015 was similar to the MSA and significantly higher than the nation. However, the rate of population growth is expected to increase over the next five years in the PMA. Through the projected market entry and 2019, the population in the PMA is expected to increase at a consistent rate similar to the MSA and the nation. The strong population growth within the PMA bodes well for the Subject’s units.

## 2. Household Trends

### 2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS						
Year	PMA		Valdosta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	9,893	-	43,080	-	105,991,193	-
2010	10,981	1.1%	51,141	1.9%	116,716,292	1.0%
2015	11,518	0.9%	53,739	1.0%	118,979,182	0.4%
Projected Mkt Entry November 2017	11,795	1.0%	55,004	1.0%	121,595,848	0.9%
2019	11,993	0.8%	55,907	0.8%	123,464,895	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

AVERAGE HOUSEHOLD SIZE						
Year	PMA		Valdosta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.69	-	2.60	-	2.58	-
2010	2.70	0.1%	2.60	0.0%	2.58	0.0%
2015	2.69	-0.1%	2.59	-0.1%	2.58	0.0%
Projected Mkt Entry November 2017	2.69	0.0%	2.59	0.0%	2.57	0.0%
2019	2.69	0.0%	2.59	0.0%	2.57	0.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

Annual household growth in the PMA and the MSA outpaced the nation from 2010 to 2015. However, the PMA is projected to experience household growth at a consistent rate through 2019 at a rate similar to the MSA and the nation. Average household size is projected to remain stagnant through 2019 in all areas of analysis. The average household size in the PMA is slightly larger than the MSA and nation, which indicates a greater number of family households, supporting demand for the Subject’s proposed units.

## 2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2019.

TENURE PATTERNS - TOTAL POPULATION								
Year	PMA				Valdosta, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	7,102	71.8%	2,791	28.2%	27,532	63.9%	15,548	36.1%
2010	7,396	67.4%	3,585	32.6%	30,419	59.5%	20,722	40.5%
2015	7,420	64.4%	4,098	35.6%	30,455	56.7%	23,284	43.3%
Projected Mkt Entry November 2017	7,597	64.4%	4,198	35.6%	31,087	56.5%	23,917	43.5%
2019	7,723	64.4%	4,270	35.6%	31,538	56.4%	24,369	43.6%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

Owner-occupied housing units dominate the PMA and are slightly less dominant in the MSA. However, the percent of renter-occupied housing in the PMA is slightly higher than the national average of approximately 33 percent. The percentage of renter-occupied units is expected to remain constant through 2019.

## 2c. Households by Income

The following table depicts household income in 2010, 2015, projected market entry, and 2019 for the PMA.

Income Cohort	RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA							
	2010		2015		Projected Mkt Entry November 2017		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	787	21.9%	1,063	25.9%	1,105	26.3%	1,135	26.6%
\$10,000-19,999	656	18.3%	787	19.2%	824	19.6%	850	19.9%
\$20,000-29,999	739	20.6%	854	20.8%	862	20.5%	868	20.3%
\$30,000-39,999	314	8.8%	356	8.7%	365	8.7%	372	8.7%
\$40,000-49,999	339	9.5%	380	9.3%	385	9.2%	388	9.1%
\$50,000-59,999	310	8.7%	275	6.7%	271	6.4%	268	6.3%
\$60,000-74,999	133	3.7%	110	2.7%	112	2.7%	114	2.7%
\$75,000-99,999	183	5.1%	180	4.4%	176	4.2%	173	4.0%
\$100,000-124,999	63	1.7%	60	1.5%	56	1.3%	52	1.2%
\$125,000-149,999	24	0.7%	10	0.2%	11	0.3%	12	0.3%
\$150,000-199,999	27	0.7%	20	0.5%	24	0.6%	27	0.6%
\$200,000+	11	0.3%	3	0.1%	8	0.2%	12	0.3%
<b>Total</b>	<b>3,585</b>	<b>100.0%</b>	<b>4,098</b>	<b>100.0%</b>	<b>4,198</b>	<b>100.0%</b>	<b>4,270</b>	<b>100.0%</b>

Source: Ribbon Demographics 2015, Novogradac & Company LLP, April 2015

Renter Households earning under \$30,000 in the PMA comprise 60.8 percent of all income cohorts. The Subject will target households earning between \$14,434 and \$29,820, therefore, the Subject should be well-positioned to service this market.



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

The following table illustrates the number of persons per household among renter households.

<b>RENTER HOUSEHOLDS BY NUMBER OF PERSONS - Valdosta, GA MSA</b>										
	<b>2000</b>		<b>2010</b>		<b>2015</b>		<b>Projected Mkt Entry November 2017</b>		<b>2019</b>	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	4,582	29.5%	6,137	29.6%	6,970	29.9%	7,204	30.1%	7,371	30.2%
With 2 Persons	4,567	29.4%	5,623	27.1%	6,288	27.0%	6,443	26.9%	6,554	26.9%
With 3 Persons	2,906	18.7%	3,934	19.0%	4,434	19.0%	4,567	19.1%	4,661	19.1%
With 4 Persons	1,870	12.0%	2,695	13.0%	2,987	12.8%	3,045	12.7%	3,086	12.7%
With 5+ Persons	1,623	10.4%	2,334	11.3%	2,605	11.2%	2,658	11.1%	2,696	11.1%
Total Renter	15,548	100.0%	20,722	100.0%	23,284	100.0%	23,917	100.0%	24,369	100.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one to three people are expected to remain stable. The Subject will contain one, two, and three-bedroom floor plans, so this large percentage bodes well for the proposed Subject.

**Conclusion**

Overall population growth in the PMA between 2010 and 2015 was similar to the MSA and significantly higher than the nation. However, the rate of population growth is expected to increase over the next five years in the PMA. Through the projected market entry and 2019, the population in the PMA is expected to increase at a consistent rate similar to the MSA and the nation. The strong population growth within the PMA bodes well for the Subject’s units. Annual household growth in the PMA and the MSA outpaced the nation from 2010 to 2015. However, the PMA is projected to experience household growth at a consistent rate through 2019 at a rate similar to the MSA and the nation. Average household size is projected to remain stagnant through 2019 in all areas of analysis. The average household size in the PMA is slightly larger than the MSA and nation, which indicates a greater number of family households, supporting demand for the Subject’s proposed units.

Households earning under \$30,000 in the PMA comprise 60.8 percent of all income cohorts. The Subject will target households earning between \$14,434 and \$29,820, therefore, the Subject should be well-positioned to service this market. The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one to three people are expected to remain stable. The Subject will contain one, two, and three-bedroom floor plans, so this large percentage bodes well for the proposed Subject. Overall, the demographic data points to a growing population with household incomes in line with the Subject’s target.

## **F. EMPLOYMENT TRENDS**

## EMPLOYMENT TRENDS

The Subject is located in Lake Park, Lowndes County, Georgia. The Subject, as proposed, will be a family property with strict income limits.

Lake Park and Lowndes County in general were affected by the housing market crash of 2007 and 2008. According to Zillow, home values in Lowndes County peaked in 2008 and declined for the following five years. Home values declined 24 percent and the current home value remains significantly below the 2008 peak. Total employment declined and the unemployment rate increased as a result of the national recession. However, over the past couple of years there have been signs of growth in the local economy.

According to a *Georgia Trend* article from March 2015, several companies underwent major expansions in 2014. Fussell Tire and Services invested \$2 million in expanding their Valdosta facility, which created 10 jobs. Additionally Bimbo Bakeries USA invested \$771,000 in a new facility in the area. Express Scripts also added 175 jobs in Valdosta and according to Andrea Schrujjer, Executive Director of the Valdosta-Lowndes Development Authority, South Georgia Pecan is continuing to grow. Bill Slaughter, Lowndes County Commission Chair, indicated that it is a goal of his to have Valdosta designated as an inland container port. Valdosta is considered a good candidate for this designation because of its highway proximity and its two CPG (compressed natural gas) pump stations.

According to a September 4, 2014 press release from the *Society of Chemical Manufacturers and Affiliates*, CJB Industries completed a 42,500 square foot addition to its Gil Harbin facility located in Valdosta, located approximately 11.2 miles north of the Subject site. The \$2.05 million investment added 10 full time employees. Gil Harbin Manufacturing is a chemical manufacturer that has slowly expanded its operations in Valdosta over the past several years.

**1. Total Jobs**

The following table illustrates the total jobs (also known as “covered employment”) in Lowndes County. Note that the data below was the most recent data available.

**Total Jobs in Lowndes County, Georgia**

Year	Total Employment	% Change
2005	48,390	-
2006	50,030	3.28%
2007	51,634	3.11%
2008	51,985	0.68%
2009	49,335	-5.37%
2010	46,120	-6.97%
2011	46,267	0.32%
2012	47,639	2.88%
2013	47,015	-1.33%
2014	47,142	0.27%
2015 YTD Average	47,295	0.32%
Feb-14	47,249	-
Feb-15	47,269	0.04%

Source: U.S. Bureau of Labor Statistics

YTD as of Feb 2015

As illustrated in the table above, Lowndes County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2009 with its first employment decrease of the decade. Covered employment decreased significantly in 2009 and 2010, but increased slightly through 2012. However, in 2013, covered employment declined slightly. From February 2014 to February 2015 the total jobs in Lowndes County has increased 0.04 percent. Total employment in Lowndes County is still 9.0 percent less than peak pre-recession employment.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Lowndes County as of March 2014.

### March 2014 Covered Employment Lowndes County, Georgia

	Number	Percent
<b>Total, all industries</b>	<b>35,962</b>	-
<b>Goods-producing</b>	<b>6,000</b>	-
Natural resources and mining	209	0.58%
Construction	2,073	5.76%
Manufacturing	3,718	10.34%
<b>Service-providing</b>	<b>29,962</b>	-
Trade, transportation, and utilities	10,073	28.01%
Information	1,423	3.96%
Financial activities	1,701	4.73%
Professional and business services	4,271	11.88%
Education and health services	4,668	12.98%
Leisure and hospitality	6,825	18.98%
Other services	908	2.52%
Unclassified	93	0.26%

Source: Bureau of Labor Statistics, 2015

Trade, transportation, and utilities are the largest percentage of total employment in Lowndes County. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. Leisure and hospitality are the next largest industries within the PMA, and are typically volatile industries. However, educational and health services are the third largest industry and are typically considered stable industries.

## 2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	2,009	14.7%	16,592,605	11.6%
Health Care/Social Assistance	1,616	11.8%	20,080,547	14.0%
Educational Services	1,439	10.5%	12,979,314	9.1%
Manufacturing	1,222	8.9%	15,162,651	10.6%
Accommodation/Food Services	1,197	8.8%	10,849,114	7.6%
Construction	1,111	8.1%	8,291,595	5.8%
Public Administration	830	6.1%	6,713,073	4.7%
Transportation/Warehousing	777	5.7%	5,898,791	4.1%
Agric/Forestry/Fishing/Hunting	682	5.0%	1,800,354	1.3%
Other Services (excl Publ Adm)	596	4.4%	7,850,739	5.5%
Wholesale Trade	464	3.4%	3,628,118	2.5%
Admin/Support/Waste Mgmt Srvc	456	3.3%	6,316,579	4.4%
Prof/Scientific/Tech Services	369	2.7%	9,808,289	6.8%
Information	244	1.8%	2,577,845	1.8%
Finance/Insurance	223	1.6%	6,884,133	4.8%
Real Estate/Rental/Leasing	159	1.2%	2,627,562	1.8%
Arts/Entertainment/Recreation	138	1.0%	3,151,821	2.2%
Utilities	103	0.8%	1,107,105	0.8%
Mining	40	0.3%	868,282	0.6%
Mgmt of Companies/Enterprises	0	0.0%	97,762	0.1%
<b>Total Employment</b>	<b>13,675</b>	<b>100.0%</b>	<b>143,286,279</b>	<b>100.0%</b>

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2015

Retail trade, health care/social assistance, and education services are the largest industries within the PMA. Combined they represent approximately 37 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiences strong growth over the past decade. In general, the area is not overly reliant on a single industry. The PMA is overrepresented in the retail trade, educational services, accommodation/food services, construction, public administration, transportation / warehousing, and agric/forestry/fishing/hunting industries. Comparatively, the health care/social assistance, manufacturing, and other services are underrepresented in the PMA.

### 3. Major Employers

The following table is a list of the top employers in Lowndes County, GA.

#### LOWNDES COUNTY, GA MAJOR EMPLOYERS

#	Employer	Industry	Number of Employees
1	Moody Air Force Base	Military	6,066
2	South Georgia Medical Center	Healthcare	2,800
3	Valdosta State University	Education	3,026
4	Lowndes County School System	Education	1,425
5	Valdosta City School System	Education	1,200
6	Lowe's Distribution Center	Distribution	750
7	Wild Adventures	Entertainment	726
8	Fresh Beginnings, Inc.	Bakes Goods	700
9	Wal-Mart Supercenters	Retail	680
10	City of Valdosta	Government	588
11	Lowndes County	Government	580
12	Convergys Corp.	Information Technology	572
13	Wiregrass Georgia Technical College	Education	514
14	Georgia Department of Corrections	Government	438
15	Packing Corp. of America	Manufacturing	362

Source: Lowndes County Chamber of Commerce, May 2015

The previous table illustrates the top 15 employers in Lowndes County, Georgia. Note that the total employees at Moody Air Force Base include both military and civilian personnel. A variety of major employers are represented on the list. Moody Air Force Base is the largest employer in the county, with twice as many employees as Valdosta State University, the second largest employer. Two of the top five employers are in the education sector and healthcare is represented in the top five employers, which are both stable industries. Moody Air Force Base gained 575 personnel as a result of the Base Realignment and Closures (BRAC) of 2005. However, According to a *Bloomberg* article, "Army to Cut 12 Combat Brigades by 2017 in Postwar Move," the army is expected to decrease end strength over the next five years. The Army is planning to eliminate 80,000 soldiers by 2017, a result of budget sequestration, which threatens to cut \$500 billion from the defense budget.

#### Lowndes County Chamber of Commerce

We attempted to contact the Lowndes County Chamber of Commerce, but our calls were unanswered. In a 2014 interview, we spoke with Will Brown of the Lowndes County Chamber of Commerce. The representative stated that there has been an expansion of the South Georgia Medical Center with the addition of a heart center that will contain 96 rooms with 130,000 square feet of space. The cost was estimated to be around \$70 million. Valdosta is attracting many retailers because of its location along the I-75 corridor. Retailers such as Publix and Home Depot have expanded within Lowndes County boasting \$2 billion in retail sales for 2013. Steeda, a high-tech manufacturer, notified Valdosta that it was transferring all of its engineering and manufacturing machinery, 50 tons of it valued at \$3.5 million, from a Florida location to its existing Valdosta facility.

According to the Georgia Department of Labor Worker Adjustment and Retraining Notification (WARN) list, there have been no announced layoffs within the PMA, since 2012. While the list does not represent all layoffs occurring in the region, it does illustrate the lack of announced layoffs in the past several years.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2005 to February 2015.

##### EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Valdosta, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2005	62,216	-	4.0%	0.5%	141,730,000	-	5.1%	-0.4%
2006	64,322	3.4%	3.9%	-0.1%	144,427,000	1.9%	4.6%	-0.5%
2007	65,765	2.2%	3.9%	0.0%	146,047,000	1.1%	4.6%	0.0%
2008	66,016	0.4%	5.5%	1.6%	145,362,000	-0.5%	5.8%	1.2%
2009	62,478	-5.4%	8.5%	3.0%	139,877,000	-3.8%	9.3%	3.5%
2010	59,684	-4.5%	9.4%	0.9%	139,064,000	-0.6%	9.6%	0.3%
2011	60,162	0.8%	9.6%	0.2%	139,869,000	0.6%	8.9%	-0.7%
2012	61,477	2.2%	8.7%	-0.9%	142,469,000	1.9%	8.1%	-0.8%
2013	60,929	-0.9%	7.9%	-0.8%	143,929,000	1.0%	7.4%	-0.7%
2014	61,198	0.4%	7.3%	-0.6%	146,305,000	1.7%	6.2%	-1.2%
2015 YTD Average*	59,055	-3.5%	6.6%	-0.7%	146,835,000	0.4%	6.0%	-0.3%
Feb-2014	61,081	-	7.3%	-	144,134,000	-	7.0%	-
Feb-2015	59,152	-3.2%	6.5%	-0.8%	147,118,000	2.1%	5.8%	-1.2%

Source: U.S. Bureau of Labor Statistics April 2015

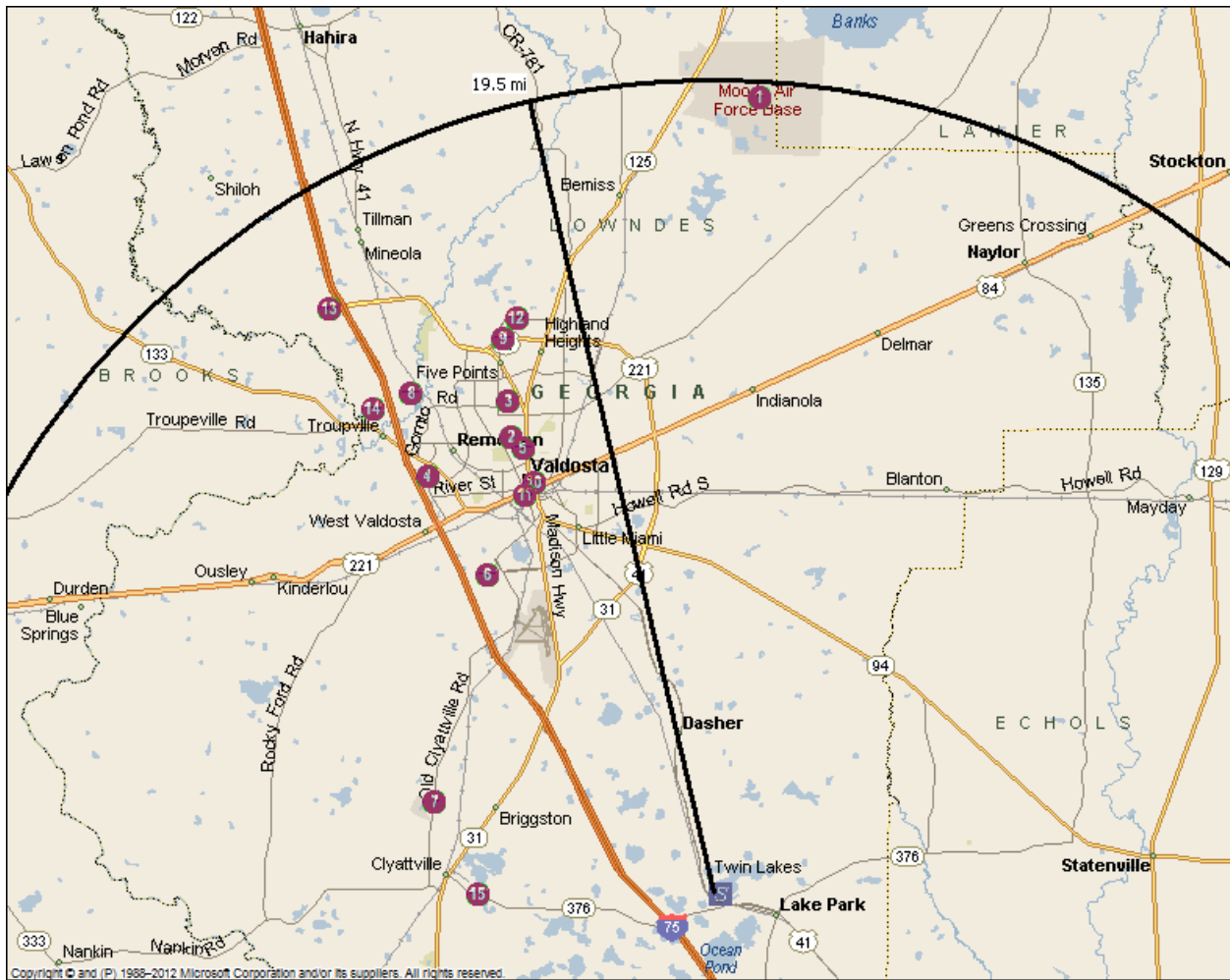
\*2015 data is through February

Total employment in the MSA increased through 2008. During the most recent national recession, employment in the MSA declined from 2009 to 2010, and significantly more than the nation. Following the recession, there were increases in total employment for two years, but total employment declined slightly in 2013 and has declined by 3.5 percent in 2015 year-to-date. However, this is a small sample size, which can be misleading. Over the same period of time, the nation's total employment growth slowed to 0.4 percent from 1.7 percent growth in 2014. Currently, the total employment in the MSA remains 10.4 percent below the 2008 peak employment level. In comparison, the nation is 0.7 percent above peak total employment. Since the recession, the unemployment rate in the MSA has remained above the nation. The 2015 YTD average unemployment rate is 6.5 percent, compared to 5.8 percent in the nation. Overall, the MSA was affected by the national recession, and is still in the process of recovering.



### 5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Lowndes County, Georgia.



**LOWNDES COUNTY, GA MAJOR EMPLOYERS**

#	Employer	Industry	Number of Employees
1	Moody Air Force Base	Military	6,066
2	South Georgia Medical Center	Healthcare	2,800
3	Voldosta State University	Education	3,026
4	Lowndes County School System	Education	1,425
5	Valdosta City School System	Education	1,200
6	Lowe's Distribution Center	Distribution	750
7	Wild Adventures	Entertainment	726
8	Fresh Beginnings, Inc.	Bakes Goods	700
9	Wal-Mart Supercenters	Retail	680
10	City of Valdosta	Government	588
11	Lowndes County	Government	580
12	Convergys Corp.	Information Technology	572
13	Wiregrass Georgia Technical College	Education	514
14	Georgia Department of Corrections	Government	438
15	Packing Corp. of America	Manufacturing	362

Source: Lowndes County Chamber of Commerce, May 2015

**Conclusion**

Retail trade, health care/social assistance, and education services are the largest industries within the PMA. Combined they represent approximately 37 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiences strong growth over the past decade. In general, the area is not overly reliant on a single industry. The lack of dependence on manufacturing is a positive aspect of the local economy. Additionally, Lowndes County has experienced significant recent expansion. According to a *Georgia Trend* article from March 2015, several companies underwent major expansions in 2014 including Fussell Tire and Services, Bimbo Bakeries USA, and Express Scripts, all of which invested in expansions and created new jobs in Valdosta.

Total employment in the MSA was significantly affected by the most recent recession. Following the recession, there were increases in total employment for two years, but total employment declined slightly in 2013 and has declined by 3.5 percent in 2015 year-to-date. However, this is a small sample size, which can be misleading. Over the same period of time, the nation's total employment growth slowed to 0.4 percent from 1.7 percent growth in 2014. Currently, the total employment in the MSA remains 10.4 percent below the 2008 peak employment level. In comparison, the nation is 0.7 percent above peak total employment. Overall, the MSA was affected by the national recession, and is still in the process of recovering.

## **G. PROJECT-SPECIFIC DEMAND ANALYSIS**

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

### **1. Income Restrictions**

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

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

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

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

### **2. Affordability**

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

### **3. Demand**

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

#### **3A. Demand from New Households**

The number of new households entering the market is the first level of demand calculated. We have utilized November 2017, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to November 2017 by interpolation of the difference between 2015 estimates and 2019 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in November 2017. This number takes the overall

growth from 2015 to November 2017 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **3B. Demand from Existing Households**

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

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

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

### **3C. Secondary Market Area**

Per the 2015 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

### **3D. Other**

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

## **4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS**

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2013 to the present.

### **ADDITIONS TO SUPPLY**

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2013 and 2014.
- Vacancies in projects placed in service prior to 2013 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).

- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2013 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

According to the Georgia Department of Community Affairs allocation lists, no properties have been awarded tax credits within the PMA since 2013. Therefore, the Subject will face limited competition during its initial lease up. We have not deducted any units from the following demand analysis.

**PMA Occupancy**

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

**PMA OCCUPANCY**

Property Name	Occupancy Rate	Type	Tenancy	Included/Excluded	Reason For Exclusion	Distance from Subject
Brittany Woods	92.3%	LIHTC	Family	Included	N/Ap	11.5 miles
Brookhaven II	N/A	LIHTC	Family	Excluded	Unable to contact	2.0 miles
Mar Mel Go Apartments	100.0%	Market	Family	Included	N/Ap	2.3 miles
Woodlawn Terrace	96.7%	LIHTC	Senior	Excluded	Dissimilar Tenancy	13.6 miles
<b>Average</b>	<b>96.3%</b>					

**Rehab Developments and PBRA**

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

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

**Capture Rates**

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

Renter Household Income Distribution 2015-2019							
Lakeview Gardens Apartments							
PMA							
	2015		Projected Mkt Entry November 2017		2019		Percent Growth
	#	%	#	%	#	%	
\$0-9,999	1,063	25.9%	1,105	26.3%	1,135	26.6%	6.4%
\$10,000-19,999	787	19.2%	824	19.6%	850	19.9%	7.4%
\$20,000-29,999	854	20.8%	862	20.5%	868	20.3%	1.6%
\$30,000-39,999	356	8.7%	365	8.7%	372	8.7%	4.3%
\$40,000-49,999	380	9.3%	385	9.2%	388	9.1%	2.0%
\$50,000-59,999	275	6.7%	271	6.4%	268	6.3%	-2.8%
\$60,000-74,999	110	2.7%	112	2.7%	114	2.7%	3.9%
\$75,000-99,999	180	4.4%	176	4.2%	173	4.0%	-4.1%
\$100,000-124,999	60	1.5%	56	1.3%	52	1.2%	-15.4%
\$125,000-149,999	10	0.2%	11	0.3%	12	0.3%	15.9%
\$150,000-199,999	20	0.5%	24	0.6%	27	0.6%	26.0%
\$200,000+	3	0.1%	8	0.2%	12	0.3%	72.0%
Total	4,098	100.0%	4,198	100.0%	4,270	100.0%	0

Renter Household Income Distribution 2015 to Projected Market Entry November 2017					
Lakeview Gardens Apartments					
PMA					
	2015		Projected Mkt Entry November 2017		Percent Growth
	#	%	#	%	
\$0-9,999	1,063	25.9%	1,105	26.3%	3.8%
\$10,000-19,999	787	19.2%	824	19.6%	4.4%
\$20,000-29,999	854	20.8%	862	20.5%	1.0%
\$30,000-39,999	356	8.7%	365	8.7%	2.5%
\$40,000-49,999	380	9.3%	385	9.2%	1.2%
\$50,000-59,999	275	6.7%	271	6.4%	-1.6%
\$60,000-74,999	110	2.7%	112	2.7%	2.3%
\$75,000-99,999	180	4.4%	176	4.2%	-2.3%
\$100,000-124,999	60	1.5%	56	1.3%	-8.4%
\$125,000-149,999	10	0.2%	11	0.3%	9.9%
\$150,000-199,999	20	0.5%	24	0.6%	17.0%
\$200,000+	3	0.1%	8	0.2%	60.0%
Total	4,098	100.0%	4,198	100.0%	2.4%

Tenure Prj Mrkt Entry November 2017	
Renter	35.6%
Owner	64.4%
Total	100.0%

Renter Household Size for Prj Mrkt Entry November 2017		
Size	Number	Percentage
1 Person	1,201	28.6%
2 Person	960	22.9%
3 Person	739	17.6%
4 Person	640	15.3%
5+ Person	659	15.7%
Total	4,198	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	785	28.1%
2 Person	689	24.7%
3 Person	540	19.4%
4 Person	388	13.9%
5+ Person	389	13.9%
Total	2,791	100.0%

50%AMI

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,434		
Maximum Income Limit			\$24,850		
Income Category	Total Renter Households PMA Prj		Income Brackets	Percent within Cohort	Households within Bracket
	Mrkt Entry November 2017				
\$0-9,999	1,105	26.3%			
\$10,000-19,999	824	19.6%	\$5,565	55.7%	458
\$20,000-29,999	862	20.5%	\$4,850	48.5%	418
\$30,000-39,999	365	8.7%			
\$40,000-49,999	385	9.2%			
\$50,000-59,999	271	6.4%			
\$60,000-74,999	112	2.7%			
\$75,000-99,999	176	4.2%			
\$100,000-124,999	56	1.3%			
\$125,000-149,999	11	0.3%			
\$150,000-199,999	24	0.6%			
\$200,000+	8	0.2%			
	4,198	100.0%			876
Percent of renter households within limits versus total number of renter households					20.88%

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,434		
Maximum Income Limit			\$24,850		
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Change in Households PMA 2015 to Prj Mrkt Entry November 2017				
\$0-9,999	26	26.3%			
\$10,000-19,999	20	19.6%	\$5,565	55.7%	11
\$20,000-29,999	21	20.5%	\$4,850	48.5%	10
\$30,000-39,999	9	8.7%			
\$40,000-49,999	9	9.2%			
\$50,000-59,999	6	6.4%			
\$60,000-74,999	3	2.7%			
\$75,000-99,999	4	4.2%			
\$100,000-124,999	1	1.3%			
\$125,000-149,999	0	0.3%			
\$150,000-199,999	1	0.6%			
\$200,000+	0	0.2%			
	100	100.0%			21
Percent of renter households within limits versus total number of renter households					20.88%

Does the Project Benefit from Rent Subsidy? (Y/N)  
 Type of Housing (Family vs Senior)  
 Location of Subject (Rural versus Urban)  
 Percent of Income for Housing  
 2000 Median Income  
 2015 Median Income  
 Change from 2015 to Prj Mrkt Entry November 2017  
 Total Percent Change  
 Average Annual Change  
 Inflation Rate  
 Maximum Allowable Income  
 Maximum Allowable Income Inflation Adjusted  
 Maximum Number of Occupants  
 Rent Income Categories  
 Initial Gross Rent for Smallest Unit  
 Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Family
Urban
35%
\$29,265
\$35,402
\$6,137
17.3%
0.2%
0.2%
Two year adjustment
1.0000
\$24,850
\$24,850
5
50%
\$421
\$421

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



STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry November 2017

Income Target Population	50%
New Renter Households PMA	100
Percent Income Qualified	20.9%
New Renter Income Qualified Households	21

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	4,198
Income Qualified	20.9%
Income Qualified Renter Households	876
Percent Rent Overburdened Prj Mrkt Entry November 2017	28.4%
Rent Overburdened Households	249

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	876
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	4

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

Senior Households Converting from Homeownership

Income Target Population	50%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		253
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		253
Total New Demand		21
Total Demand (New Plus Existing Households)		274

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	28.6%	78
Two Persons	22.9%	63
Three Persons	17.6%	48
Four Persons	15.3%	42
Five Persons	15.7%	43
Total	100.0%	274

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	70%	55
Of two-person households in 1BR units	20%	13
Of one-person households in 2BR units	30%	24
Of two-person households in 2BR units	80%	50
Of three-person households in 2BR units	60%	29
Of three-person households in 3BR units	40%	19
Of four-person households in 3BR units	80%	33
Of five-person households in 3BR units	70%	30
Of four-person households in 4BR units	20%	8
Of five-person households in 4BR units	30%	13
Total Demand		274
Check		OK
Total Demand by Bedroom		50%
1 BR		67
2 BR		103
3 BR		83
Total Demand		253
Additions To Supply 2015 to Pri Mrkt Entry November 2017		50%
1 BR		0
2 BR		0
3 BR		0
Total		0
Net Demand		50%
1 BR		67
2 BR		103
3 BR		83
Total		253
Developer's Unit Mix		50%
1 BR		12
2 BR		2
3 BR		2
Total		16
Capture Rate Analysis		50%
1 BR		17.8%
2 BR		2.0%
3 BR		2.4%
Total		6.3%

60%AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,554		
Maximum Income Limit			\$29,820		
Income Category	Total Renter Households PMA Prj		Income Brackets	Percent within Cohort	Households within Bracket
	Mrkt Entry	November 2017			
\$0-9,999	1,105	26.3%			
\$10,000-19,999	824	19.6%	\$2,445	24.4%	201
\$20,000-29,999	862	20.5%	\$9,820	98.2%	847
\$30,000-39,999	365	8.7%			
\$40,000-49,999	385	9.2%			
\$50,000-59,999	271	6.4%			
\$60,000-74,999	112	2.7%			
\$75,000-99,999	176	4.2%			
\$100,000-124,999	56	1.3%			
\$125,000-149,999	11	0.3%			
\$150,000-199,999	24	0.6%			
\$200,000+	8	0.2%			
	4,198	100.0%			1,048
Percent of renter households within limits versus total number of renter households					24.96%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,554		
Maximum Income Limit			\$29,820		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry November 2017		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	26.42			
\$10,000-19,999	19.68	19.6%	\$2,445	24.4%	5
\$20,000-29,999	20.60	20.5%	\$9,820	98.2%	20
\$30,000-39,999	8.73	8.7%			
\$40,000-49,999	9.20	9.2%			
\$50,000-59,999	6.47	6.4%			
\$60,000-74,999	2.68	2.7%			
\$75,000-99,999	4.20	4.2%			
\$100,000-124,999	1.33	1.3%			
\$125,000-149,999	0.26	0.3%			
\$150,000-199,999	0.57	0.6%			
\$200,000+	0.20	0.2%			
	100	100.0%			25
Percent of renter households within limits versus total number of renter households					24.96%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry November 2017

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$29,265		
\$35,402		
\$6,137		
17.3%		
0.2%		
0.2%	Two year adjustment	1.0000
\$29,820		
\$29,820		
5		
60%		
\$512		
\$512		

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

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry November 2017

Income Target Population	60%
New Renter Households PMA	100
Percent Income Qualified	25.0%
New Renter Income Qualified Households	25

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	4,198
Income Qualified	25.0%
Income Qualified Renter Households	1,048
Percent Rent Overburdened Prj Mrkt Entry November 2017	28.4%
Rent Overburdened Households	297

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,048
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	5

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

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		303
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		303
Total New Demand		25
Total Demand (New Plus Existing Households)		328

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	28.6%	94
Two Persons	22.9%	75
Three Persons	17.6%	58
Four Persons	15.3%	50
Five Persons	15.7%	51
Total	100.0%	328

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	70%	66
Of two-person households in 1BR units	20%	15
Of one-person households in 2BR units	30%	28
Of two-person households in 2BR units	80%	60
Of three-person households in 2BR units	60%	35
Of three-person households in 3BR units	40%	23
Of four-person households in 3BR units	80%	40
Of five-person households in 3BR units	70%	36
Of four-person households in 4BR units	20%	10
Of five-person households in 4BR units	30%	15
Total Demand		328
Check		OK
Total Demand by Bedroom		60%
1 BR		81
2 BR		123
3 BR		99
Total Demand		303
Additions To Supply 2015 to Pri Mrkt Entry November 2017		60%
1 BR		0
2 BR		0
3 BR		0
Total		0
Net Demand		60%
1 BR		81
2 BR		123
3 BR		99
Total		303
Developer's Unit Mix		60%
1 BR		4
2 BR		29
3 BR		30
Total		63
Capture Rate Analysis		60%
1 BR		5.0%
2 BR		23.6%
3 BR		30.3%
Total		20.8%

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,434		
Maximum Income Limit			\$29,820		
Income Category	Total Renter Households PMA Prj		Income Brackets	Percent within Cohort	Households within Bracket
	Mrkt Entry	November 2017			
\$0-9,999	1,105	26.3%			
\$10,000-19,999	824	19.6%	\$5,565	55.7%	458
\$20,000-29,999	862	20.5%	\$9,820	98.2%	847
\$30,000-39,999	365	8.7%			
\$40,000-49,999	385	9.2%			
\$50,000-59,999	271	6.4%			
\$60,000-74,999	112	2.7%			
\$75,000-99,999	176	4.2%			
\$100,000-124,999	56	1.3%			
\$125,000-149,999	11	0.3%			
\$150,000-199,999	24	0.6%			
\$200,000+	8	0.2%			
	4,198	100.0%			1,305
Percent of renter households within limits versus total number of renter households					31.08%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,434		
Maximum Income Limit			\$29,820		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry November 2017		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	26.42			
\$10,000-19,999	19.68	19.6%	\$5,565	55.7%	11
\$20,000-29,999	20.60	20.5%	\$9,820	98.2%	20
\$30,000-39,999	8.73	8.7%			
\$40,000-49,999	9.20	9.2%			
\$50,000-59,999	6.47	6.4%			
\$60,000-74,999	2.68	2.7%			
\$75,000-99,999	4.20	4.2%			
\$100,000-124,999	1.33	1.3%			
\$125,000-149,999	0.26	0.3%			
\$150,000-199,999	0.57	0.6%			
\$200,000+	0.20	0.2%			
	100	100.0%			31
Percent of renter households within limits versus total number of renter households					31.08%

Does the Project Benefit from Rent Subsidy? (Y/N) No  
 Type of Housing (Family vs Senior) Family  
 Location of Subject (Rural versus Urban) Urban  
 Percent of Income for Housing 35%  
 2000 Median Income \$29,265  
 2015 Median Income \$35,402  
 Change from 2015 to Prj Mrkt Entry November 2017 \$6,137  
 Total Percent Change 17.3%  
 Average Annual Change 0.2%  
 Inflation Rate 0.2%  
 Maximum Allowable Income \$29,820  
 Maximum Allowable Income Inflation Adjusted \$29,820  
 Maximum Number of Occupants 5  
 Rent Income Categories Overall  
 Initial Gross Rent for Smallest Unit \$421  
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$421

No		
Family		
Urban		
35%		
\$29,265		
\$35,402		
\$6,137		
17.3%		
0.2%		
0.2%	Two year adjustment	1.0000
\$29,820		
\$29,820		
5		
Overall		
\$421		
\$421		

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

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry November 2017

Income Target Population		Overall
New Renter Households PMA		100
Percent Income Qualified		31.1%
New Renter Income Qualified Households		31

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		4,198
Income Qualified		31.1%
Income Qualified Renter Households		1,305
Percent Rent Overburdened Prj Mrkt Entry November 2017		28.4%
Rent Overburdened Households		370

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,305
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		7

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		377
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		377
Total New Demand		31
Total Demand (New Plus Existing Households)		408

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	28.6%	117
Two Persons	22.9%	93
Three Persons	17.6%	72
Four Persons	15.3%	62
Five Persons	15.7%	64
Total	100.0%	408

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	82
Of two-person households in 1BR units	20%	19
Of one-person households in 2BR units	30%	35
Of two-person households in 2BR units	80%	75
Of three-person households in 2BR units	60%	43
Of three-person households in 3BR units	40%	29
Of four-person households in 3BR units	80%	50
Of five-person households in 3BR units	70%	45
Of four-person households in 4BR units	20%	12
Of five-person households in 4BR units	30%	19
Total Demand		408
Check		OK

Total Demand by Bedroom	Overall
1 BR	100
2 BR	153
3 BR	123
Total Demand	376

Additions To Supply 2015 to Pri Mrkt Entry November 2017	Overall
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	Overall
1 BR	100
2 BR	153
3 BR	123
Total	376

Developer's Unit Mix	Overall
1 BR	16
2 BR	31
3 BR	32
Total	79

Capture Rate Analysis	Overall
1 BR	15.9%
2 BR	20.3%
3 BR	25.9%
Total	21.0%



## Conclusions

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

- The number of senior households in the PMA is expected to increase 0.8 percent between 2015 and 2019.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The Subject's capture rates at the 50 percent AMI level will range from 2.0 to 17.8 percent, with an overall 50 percent capture rate of 6.3 percent. The Subject's capture rates at the 60 percent AMI level will range from 5.0 to 30.3 percent, with an overall 60 percent capture rate of 20.8 percent. The overall capture rates range from 15.9 to 25.9 percent, with an overall capture rate of 21.0 percent. Therefore, we believe there is adequate demand for the Subject. The following table illustrates the capture rate conclusions.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market	Market Rents Band Min-Max	Proposed Rents
One-bedroom @50%	\$14,434 - \$18,400	12	67	0	67	17.8%	Six months	\$524	\$284 - \$685	\$258
Two-bedroom @50%	\$17,554 - \$20,700	2	103	0	103	2.0%	Six months	\$615	\$295 - \$800	\$308
Three-bedroom @50%	\$20,331 - \$24,850	2	83	0	83	2.4%	Six months	\$710	\$315 - \$890	\$343
50% Overall	\$14,434 - \$24,820	16	253	0	253	6.3%	Six months	-	-	-
One-bedroom @60%	\$17,554 - \$22,080	4	81	0	81	5.0%	Six months	\$524	\$284 - \$685	\$349
Two-bedroom @60%	\$20,949 - \$24,840	29	123	0	123	23.6%	Six months	\$615	\$295 - \$800	\$407
Three-bedroom @60%	\$24,240 - \$29820	30	99	0	99	30.3%	Six months	\$710	\$315 - \$890	\$457
60% Overall	\$17,554 - \$29,820	63	303	0	303	20.8%	Six months	-	-	-
One-bedroom Overall	\$14,434 - \$22,080	16	100	0	100	15.9%	Six months	-	-	-
Two-bedroom Overall	\$17,554 - \$24,840	31	153	0	153	20.3%	Six months	-	-	-
Three-bedroom Overall	\$20,331 - \$29820	32	123	0	123	25.9%	Six months	-	-	-
Overall Demand	\$14,434 - \$29,820	79	376	0	376	21.0%	Six months	-	-	-

**Demand and Net Demand**

	HH at 50% AMI (\$14,434 - \$18,400)	HH at 60% AMI (\$17,554 - \$29,820)	All Tax Credit Households
Demand from New Households (age and income appropriate)	21	25	31
<b>PLUS</b>	+	+	+
Demand from Existing Renter Households - Substandard Housing	4	5	7
<b>PLUS</b>	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	249	297	370
<b>PLUS</b>	+	+	+
<b>Secondary Market Demand adjustment IF ANY Subject to 15% Limitation</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub Total</b>	<b>274</b>	<b>328</b>	<b>408</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0
<b>Equals Total Demand</b>	<b>274</b>	<b>328</b>	<b>408</b>
<b>Less</b>	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0
<b>Equals Net Demand*</b>	<b>274</b>	<b>328</b>	<b>408</b>

\*Not adjusted for bedroom specific demand

## **H. COMPETITIVE RENTAL ANALYSIS**

### Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 1,340 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered poor; there are two LIHTC properties in the PMA. Brittany Woods was built in 1970 and renovated in 2001. It is located 11.5 miles north of the Subject in Valdosta. This property targets the general population and will directly compete with the Subject. Therefore, we have used it as a comparable in our analysis. Brookhaven II is located 3.4 miles west of the Subject in Lake Park. We made multiple attempts to contact the property manager, regional manager, and ownership of the property. Brookhaven I is a subsidized property that is not directly competitive with the Subject. We also visited the property during our site inspection, but were unable to obtain information about Brookhaven II. Upon inspection, the property exhibited good condition and appeared to be well occupied. Therefore, we have excluded it from our rental analysis. Brookhaven I is a subsidized property that is not directly competitive with the Subject. We have utilized two additional LIHTC properties, which are located in Valdosta, but outside of the PMA. They are located 14.4 to 17.1 miles north of the Subject.

The availability of market rate data is considered poor as only one market rate property is located within the PMA. We have included four additional market rate properties and one mixed-income property in the rental analysis. Mar Mel Go Apartments is the only comparable property located in Lake Park, 2.3 miles west of the Subject site. The other comparable market rate properties are located 14.1 to 18.4 miles north of the Subject. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). These comparables were built or renovated between 1996 and 2014. While the majority of the comparable properties are located in Valdosta, we believe they operate within the same general market as the Subject and represent the most comparable properties in the local market.

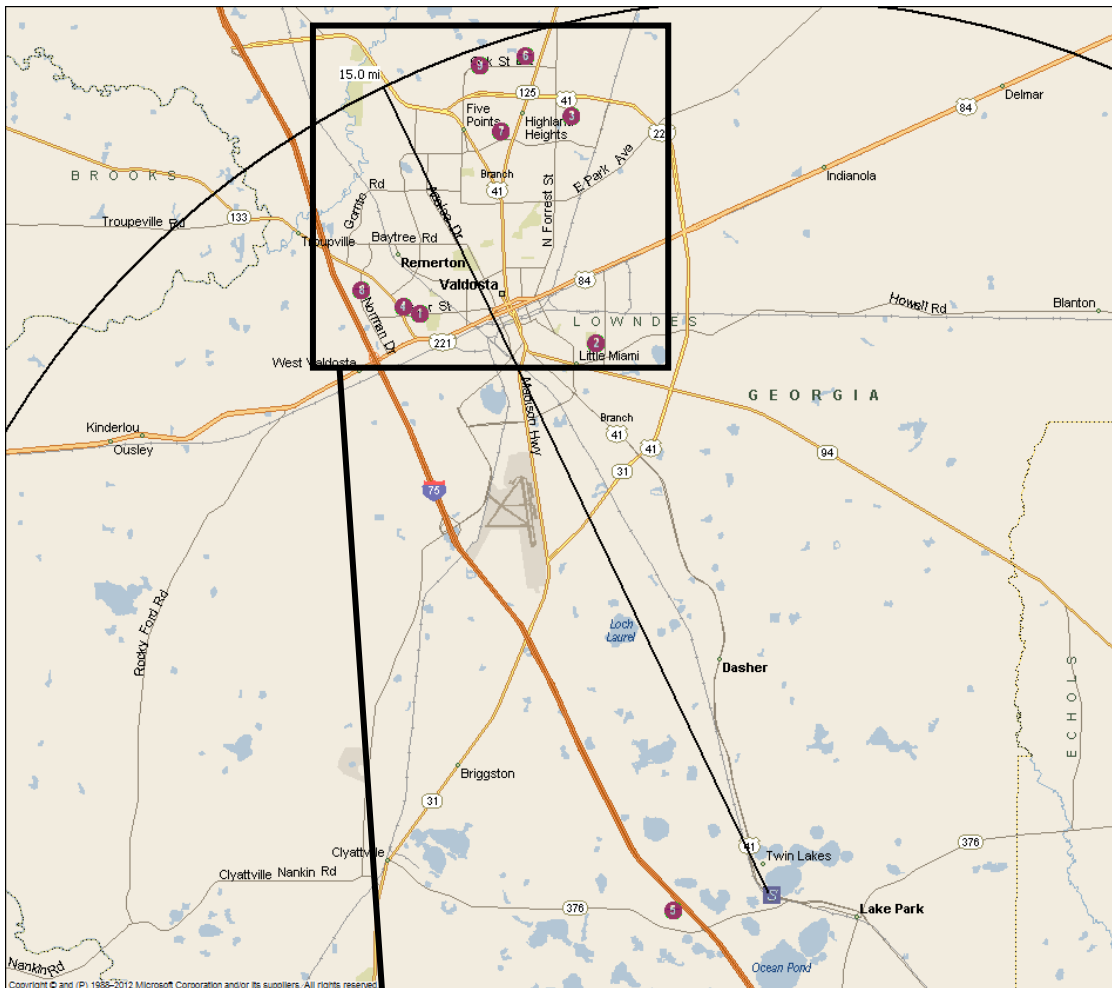
**Excluded Properties**

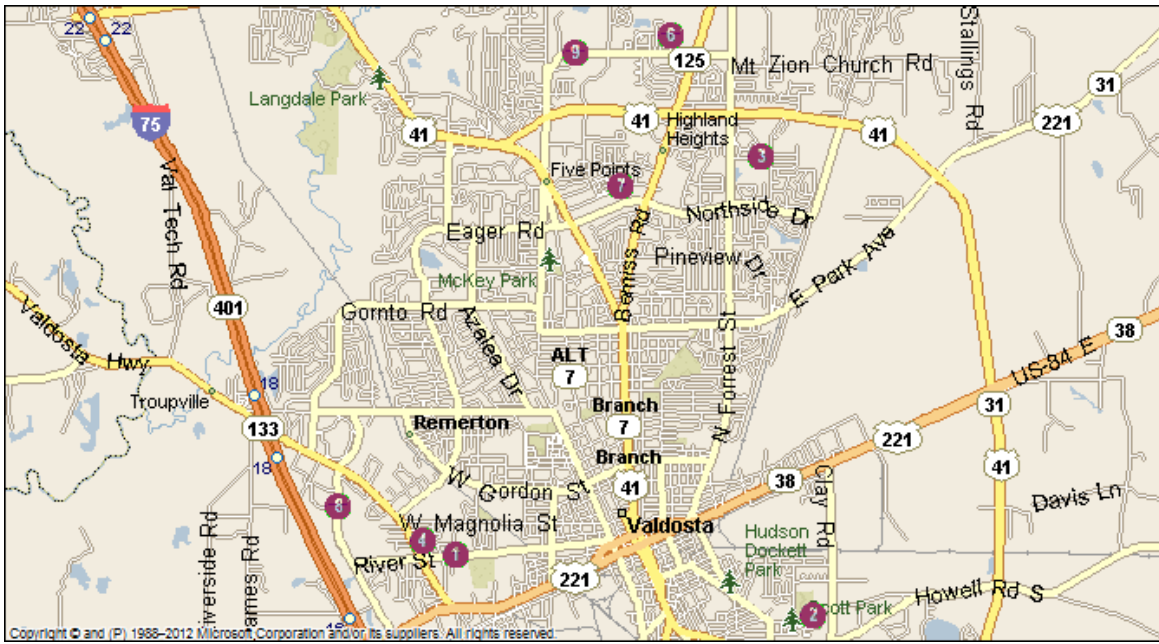
The following table illustrates properties within the PMA that have been excluded from our analysis along with their reason for exclusion.

**EXCLUDED PROPERTIES**

Name	Type	Tenancy	Reason for Exclusion	Distance from the Subject
Arbor Trace Apartments I	Rural Development	Elderly	Subsidized	2.2 miles
Arbor Trace Apartments II	Rural Development	Family	Subsidized	2.2 miles
Brookhaven Apartments I	LIHTC/Rural Development	Family	Subsidized	2.0 miles
Brookhaven Apartments II	LIHTC	Family	Unable to obtain rental information	2.0 miles
Francis Lake Apartments I	Rural Development	Family	Subsidized	1.0 miles
Francis Lake Apartments II	Rural Development	Family	Subsidized	1.0 miles
Hilmont Apartments	Rural Development	Elderly	Subsidized	1.5 miles
Lake Park Apartments	LIHTC/Rural Development	Family	Subsidized	2.2 miles
Woodlawn Terrace	LIHTC	Senior	Dissimilar Tenancy	13.6 miles

**Comparable Rental Property Map**





**COMPARABLE PROPERTIES**

#	Property Name	City	Type	Distance
1	Ashton Park	Valdosta	LIHTC	14.4 miles
2	Brittany Woods	Valdosta	LIHTC/Section 8	11.5 miles
3	Heron Lake	Valdosta	Market	17.1 miles
4	Hyde Park Estates	Valdosta	Market	14.4 miles
5	Mar Mel Go Apartments	Lake Park	Market	2.3 miles
6	Northwind Apartment Homes	Valdosta	Market	17.9 miles
7	Spanish Mission Apartments	Valdosta	Market	17.8 miles
8	Spring Chase Apartments	Valdosta	Market	14.1 miles
9	Staten Crossing	Valdosta	Market	18.4 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Lakeview Gardens Apartments Casamonica Drive Lake Park, GA 31636 Lowndes County	n/a	Garden (2 stories) 2017 / n/a	@ 50% , @ 60% , Non-Rental	1BR / 1BA	12	15.00%	@ 50%	\$258	857	no		N/A	N/A
					1BR / 1BA	4	5.00%	@ 60%	\$349	857	no	N/A	N/A	
					2BR / 2BA	2	2.50%	@ 50%	\$308	965	no	N/A	N/A	
					2BR / 2BA	29	36.30%	@ 60%	\$407	965	no	N/A	N/A	
					2BR / 2BA	1	1.30%	Non-Rental	N/A	965	n/a	N/A	N/A	
					3BR / 2BA	2	2.50%	@ 50%	\$343	1,125	no	N/A	N/A	
					3BR / 2BA	30	37.50%	@ 60%	\$457	1,125	no	N/A	N/A	
					80	100%						N/A	N/A	
1	Ashton Park 1315 River Street Valdosta, GA 31602 Lowndes County	14.4 miles	Garden (2 stories) 1999 / n/a	@ 50% , @ 60%	1BR / 1BA	7	8.00%	@ 50%	\$374	667	yes	Yes	0	0.00%
					1BR / 1BA	9	10.20%	@ 60%	\$444	667	no	Yes	0	0.00%
					2BR / 2BA	23	26.10%	@ 50%	\$443	869	yes	Yes	0	0.00%
					2BR / 2BA	33	37.50%	@ 60%	\$529	869	no	Yes	0	0.00%
					3BR / 2BA	7	8.00%	@ 50%	\$497	1,055	yes	Yes	0	0.00%
					3BR / 2BA	9	10.20%	@ 60%	\$639	1,055	no	Yes	0	0.00%
					88	100%						0	0.00%	
					2	Brittany Woods 1150 Old Statenville Road Valdosta, GA 31601 Lowndes County	11.5 miles	Garden (2 stories) 1970 / 2001	@ 60% , Section 8	1BR / 1BA	1	1.00%	@ 60%	\$284
1BR / 1BA	7	6.70%	Section 8	N/A						668	n/a	Yes	0	0.00%
2BR / 1BA	23	22.10%	@ 60%	\$295						736	no	Yes	N/A	N/A
2BR / 1BA	33	31.70%	Section 8	N/A						736	n/a	Yes	N/A	N/A
3BR / 1BA	8	7.70%	@ 60%	\$315						824	no	Yes	N/A	N/A
3BR / 1BA	32	30.80%	Section 8	N/A						824	n/a	Yes	N/A	N/A
104	100%											8	7.70%	
3	Heron Lake 1800 Eastwind Road Valdosta, GA 31602 Lowndes County	17.1 miles	Garden (2 stories) 2003 / n/a	@ 30% , @ 50% , @ 60% , Market						1BR / 1BA	N/A	N/A	@ 30%	\$186
					1BR / 1BA	N/A	N/A	@ 50%	\$371	783	no	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	@ 60%	\$424	783	no	Yes	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$555	783	n/a	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	@ 30%	\$218	1,040	no	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	@ 50%	\$433	1,040	no	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	@ 60%	\$509	1,040	no	Yes	N/A	N/A
					2BR / 1BA	N/A	N/A	Market	\$656	1,040	n/a	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	@ 30%	\$251	1,240	no	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	@ 50%	\$503	1,240	no	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	@ 60%	\$629	1,240	no	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$750	1,240	n/a	Yes	N/A	N/A
					152	100%						3	2.00%	
					4	Hyde Park Estates 1553 Weaver Drive Valdosta, GA 31601 Lowndes County	14.4 miles	Duplex 1997 / n/a	Market	3BR / 2BA	48	75.00%	Market	\$713
4BR / 2BA	16	25.00%	Market	\$768						1,284	n/a	No	0	0.00%
64	100%											2	3.10%	
5	Mar Mel Go Apartments 4650 Rolling Pine Dr Lake Park, GA 31636 Lowndes County	2.3 miles	Garden (2 stories) 2009 / n/a	Market						1BR / 1BA	N/A	N/A	Market	\$525
					2BR / 2BA	N/A	N/A	Market	\$575	N/A	n/a	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$695	N/A	n/a	Yes	0	N/A
					70	100%						0	0.00%	
6	Northwind Apartment Homes 5148 Northwind Blvd. Valdosta, GA 31605 Lowndes County	17.9 miles	Garden 2004 / n/a	Market	1BR / 1BA	48	21.10%	Market	\$677	948	n/a	Yes	0	0.00%
					2BR / 2BA	128	56.10%	Market	\$771	1,313	n/a	Yes	2	1.60%
					3BR / 2BA	52	22.80%	Market	\$837	1,506	n/a	Yes	3	5.80%
					228	100%						5	2.20%	
7	Spanish Mission Apartments 422 Connell Road Valdosta, GA 31602 Lowndes County	17.8 miles	Various (2 stories) 1973 / n/a	Market	1BR / 1BA (Garden)	10	6.70%	Market	\$588	890	n/a	No	0	0.00%
					2BR / 2BA (Garden)	20	13.30%	Market	\$681	1,213	n/a	No	0	0.00%
					2BR / 2.5BA (Townhouse)	52	34.70%	Market	\$699	1,125	n/a	No	2	3.80%
					3BR / 2.5BA (Garden)	68	45.30%	Market	\$760	1,456	n/a	No	8	11.80%
					150	100%						10	6.70%	
8	Spring Chase Apartments 1601 Norman Drive Valdosta, GA 31601 Lowndes County	14.1 miles	Garden (2 stories) 1996 / n/a	Market	1BR / 1BA	29	10.10%	Market	\$552	690	n/a	Yes	0	0.00%
					1.5BR / 1BA	8	2.80%	Market	\$705	1,126	n/a	Yes	0	0.00%
					2BR / 1BA	80	27.80%	Market	\$653	960	n/a	No	0	0.00%
					2BR / 2BA	88	30.60%	Market	\$752	1,226	n/a	No	0	0.00%
					3BR / 2BA	80	27.80%	Market	\$823	1,376	n/a	No	3	3.80%
					3BR / 2BA	3	1.00%	Market	\$870	1,400	n/a	No	0	0.00%
					288	100%						3	1.00%	
9	Staten Crossing 3925 N. Oak Street Valdosta, GA 31605 Lowndes County	18.4 miles	Garden (2 stories) 1999 / 2014	Market	1BR / 1BA	48	24.50%	Market	\$673	815	n/a	Yes	0	0.00%
					1BR / 1BA	N/A	N/A	Market	\$685	815	n/a	N/A	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$660	815	n/a	N/A	0	N/A
					2BR / 2BA	56	28.60%	Market	\$783	1,150	n/a	No	1	1.80%
					2BR / 2BA	N/A	N/A	Market	\$800	1,150	n/a	N/A	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$765	1,150	n/a	N/A	N/A	N/A
					3BR / 2BA	36	18.40%	Market	\$875	1,362	n/a	Yes	0	0.00%
					3BR / 2BA	N/A	N/A	Market	\$890	1,362	n/a	N/A	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$860	1,362	n/a	N/A	N/A	N/A
					196	100%						10	5.10%	

**Lakeview Gardens Apartments, Lake Park, GA; Market Study**

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

Effective Rent Date:		May-15	Units Surveyed:		1340	Weighted Occupancy:		96.90%
			Market Rate		996	Market Rate		97.00%
			Tax Credit		344	Tax Credit		96.80%
One Bedroom One Bath			Two Bedrooms Two Bath			Three Bedrooms Two Bath		
	Property	Average	Property	Average	Property	Average		
<b>RENT</b>	Staten Crossing	\$685	Staten Crossing	\$800	Staten Crossing	\$890		
	Northwind Apartment Homes	\$677	Staten Crossing	\$783	Staten Crossing	\$875		
	Staten Crossing	\$673	Northwind Apartment Homes	\$771	Spring Chase Apartments	\$870		
	Staten Crossing	\$660	Staten Crossing	\$765	Staten Crossing	\$860		
	Spanish Mission Apartments	\$588	Spring Chase Apartments	\$752	Northwind Apartment Homes	\$837		
	Heron Lake * (M)	\$555	Spanish Mission Apartments	\$681	Spring Chase Apartments	\$823		
	Spring Chase Apartments	\$552	Heron Lake * (1BA M)	\$656	Spanish Mission Apartments (2.5BA)	\$760		
	Mar Mel Go Apartments	\$525	Mar Mel Go Apartments	\$575	Heron Lake * (M)	\$750		
	Ashton Park * (60%)	\$444	Ashton Park * (60%)	\$529	Hyde Park Estates	\$713		
	Heron Lake * (60%)	\$424	Heron Lake * (1BA 60%)	\$509	Mar Mel Go Apartments	\$695		
	Ashton Park * (50%)	\$374	Ashton Park * (50%)	\$443	Ashton Park * (60%)	\$639		
	Heron Lake * (50%)	\$371	Heron Lake * (1BA 50%)	\$433	Heron Lake * (60%)	\$629		
	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$349</b>	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$407</b>	Heron Lake * (50%)	\$503		
	Brittany Woods * (60%)	\$284	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$308</b>	Ashton Park * (50%)	\$497		
	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$258</b>	Brittany Woods * (1BA 60%)	\$295	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$457</b>		
Heron Lake * (30%)	\$186	Heron Lake * (1BA 30%)	\$218	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$343</b>			
				Brittany Woods * (1BA 60%)	\$315			
				Heron Lake * (30%)	\$251			
<b>SQUARE FOOTAGE</b>	Northwind Apartment Homes	948	Northwind Apartment Homes	1,313	Northwind Apartment Homes	1,506		
	Spanish Mission Apartments	890	Spring Chase Apartments	1,226	Spanish Mission Apartments (2.5BA)	1,456		
	<b>Lakeview Gardens Apartments * (50%)</b>	<b>857</b>	Spanish Mission Apartments	1,213	Spring Chase Apartments	1,400		
	<b>Lakeview Gardens Apartments * (60%)</b>	<b>857</b>	Staten Crossing	1,150	Spring Chase Apartments	1,376		
	Staten Crossing	815	Staten Crossing	1,150	Staten Crossing	1,362		
	Staten Crossing	815	Staten Crossing	1,150	Staten Crossing	1,362		
	Staten Crossing	815	Heron Lake * (1BA 30%)	1,040	Staten Crossing	1,362		
	Heron Lake * (30%)	783	Heron Lake * (1BA 50%)	1,040	Heron Lake * (30%)	1,240		
	Heron Lake * (50%)	783	Heron Lake * (1BA 60%)	1,040	Heron Lake * (50%)	1,240		
	Heron Lake * (60%)	783	Heron Lake * (1BA M)	1,040	Heron Lake * (60%)	1,240		
	Heron Lake * (M)	783	<b>Lakeview Gardens Apartments * (50%)</b>	<b>965</b>	Heron Lake * (M)	1,240		
	Spring Chase Apartments	690	<b>Lakeview Gardens Apartments * (60%)</b>	<b>965</b>	<b>Lakeview Gardens Apartments * (50%)</b>	<b>1,125</b>		
	Brittany Woods * (60%)	668	Ashton Park * (50%)	869	<b>Lakeview Gardens Apartments * (60%)</b>	<b>1,125</b>		
	Ashton Park * (50%)	667	Ashton Park * (60%)	869	Hyde Park Estates	1,117		
	Ashton Park * (60%)	667	Brittany Woods * (1BA 60%)	736	Ashton Park * (50%)	1,055		
Mar Mel Go Apartments	N/A	Mar Mel Go Apartments	N/A	Ashton Park * (60%)	1,055			
				Brittany Woods * (1BA 60%)	824			
				Mar Mel Go Apartments	N/A			
<b>RENT PER SQUARE FOOT</b>	Staten Crossing	\$0.84	Staten Crossing	\$0.70	Staten Crossing	\$0.65		
	Staten Crossing	\$0.83	Staten Crossing	\$0.68	Staten Crossing	\$0.64		
	Staten Crossing	\$0.81	Staten Crossing	\$0.67	Hyde Park Estates	\$0.64		
	Spring Chase Apartments	\$0.80	Heron Lake * (1BA M)	\$0.63	Staten Crossing	\$0.63		
	Northwind Apartment Homes	\$0.71	Spring Chase Apartments	\$0.61	Spring Chase Apartments	\$0.62		
	Heron Lake * (M)	\$0.71	Ashton Park * (60%)	\$0.61	Ashton Park * (60%)	\$0.61		
	Ashton Park * (60%)	\$0.67	Northwind Apartment Homes	\$0.59	Heron Lake * (M)	\$0.60		
	Spanish Mission Apartments	\$0.66	Spanish Mission Apartments	\$0.56	Spring Chase Apartments	\$0.60		
	Ashton Park * (50%)	\$0.56	Ashton Park * (50%)	\$0.51	Northwind Apartment Homes	\$0.56		
	Heron Lake * (60%)	\$0.54	Heron Lake * (1BA 60%)	\$0.49	Spanish Mission Apartments (2.5BA)	\$0.52		
	Heron Lake * (50%)	\$0.47	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$0.42</b>	Heron Lake * (60%)	\$0.51		
	Brittany Woods * (60%)	\$0.43	Heron Lake * (1BA 50%)	\$0.42	Ashton Park * (50%)	\$0.47		
	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$0.41</b>	Brittany Woods * (1BA 60%)	\$0.40	<b>Lakeview Gardens Apartments * (60%)</b>	<b>\$0.41</b>		
	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$0.30</b>	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$0.32</b>	Heron Lake * (50%)	\$0.41		
	Heron Lake * (30%)	\$0.24	Heron Lake * (1BA 30%)	\$0.21	Brittany Woods * (1BA 60%)	\$0.38		
Mar Mel Go Apartments	N/A	Mar Mel Go Apartments	N/A	<b>Lakeview Gardens Apartments * (50%)</b>	<b>\$0.30</b>			
				Heron Lake * (30%)	\$0.20			
				Mar Mel Go Apartments	N/A			



# PROPERTY PROFILE REPORT

## Ashton Park

**Effective Rent Date** 4/30/2015

**Location** 1315 River Street  
Valdosta, GA 31602  
Lowndes County  
Intersection: Blitch Street

**Distance** 14.4 miles

**Units** 88

**Vacant Units** 0

**Vacancy Rate** 0.0%

**Type** Garden (2 stories)

**Year Built/Renovated** 1999 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Heron Lake and Ashton Meadows

**Tenant Characteristics** 75% local, 20% nearby counties, 5% out of state, average age 32

**Contact Name** Greta Glen

**Phone** 229-293-0069



### Market Information

**Program** @50%, @60%

**Annual Turnover Rate** 27%

**Units/Month Absorbed** N/A

**HCV Tenants** 34%

**Leasing Pace** Pre-leased

**Annual Chg. in Rent** Increased zero to three percent

**Concession** None

### Utilities

**A/C** not included -- central

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** not included

**Sewer** not included

**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	7	667	\$374	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	9	667	\$444	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	23	869	\$443	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	33	869	\$529	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	7	1,055	\$497	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	9	1,055	\$639	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$374	\$0	\$374	\$0	\$374	1BR / 1BA	\$444	\$0	\$444	\$0	\$444
2BR / 2BA	\$443	\$0	\$443	\$0	\$443	2BR / 2BA	\$529	\$0	\$529	\$0	\$529
3BR / 2BA	\$497	\$0	\$497	\$0	\$497	3BR / 2BA	\$639	\$0	\$639	\$0	\$639

## Ashton Park, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Dishwasher  
Ceiling Fan  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Exterior Storage  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

**Security**

None

**Services**

None

**Property**

Clubhouse/Meeting  
Off-Street Parking  
Playground

Central Laundry  
On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property maintains a waiting list of approximately four months.

# Ashton Park, continued

## Trend Report

### Vacancy Rates

3Q12	2Q13	2Q14	2Q15
2.3%	1.1%	0.0%	0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$375	\$0	\$375	\$375
2013	2	N/A	\$373	\$0	\$373	\$373
2014	2	0.0%	\$360	\$0	\$360	\$360
2015	2	0.0%	\$374	\$0	\$374	\$374

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$432	\$0	\$432	\$432
2013	2	N/A	\$432	\$0	\$432	\$432
2014	2	0.0%	\$415	\$0	\$415	\$415
2015	2	0.0%	\$443	\$0	\$443	\$443

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$499	\$0	\$499	\$499
2013	2	N/A	\$507	\$0	\$507	\$507
2014	2	0.0%	\$465	\$0	\$465	\$465
2015	2	0.0%	\$497	\$0	\$497	\$497

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$409	\$0	\$409	\$409
2013	2	N/A	\$424	\$0	\$424	\$424
2014	2	0.0%	\$444	\$0	\$444	\$444
2015	2	0.0%	\$444	\$0	\$444	\$444

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$479	\$0	\$479	\$479
2013	2	N/A	\$494	\$0	\$494	\$494
2014	2	0.0%	\$514	\$0	\$514	\$514
2015	2	0.0%	\$529	\$0	\$529	\$529

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$604	\$0	\$604	\$604
2013	2	N/A	\$619	\$0	\$619	\$619
2014	2	0.0%	\$639	\$0	\$639	\$639
2015	2	0.0%	\$639	\$0	\$639	\$639

## Trend: Comments

- 3Q12** The property is maintaining a waiting list with approximately 50 households for the two bedroom units. The rents have stayed relatively the same since our previous interview. Management did give us the rent range strictly offered to Section 8 tenants in our most recent interview. Their rent rates are \$330-378 for the one bedrooms, \$380-446 for the two bedrooms, and \$435-568 for the three bedrooms.
- 2Q13** The property manager stated that demand is consistently strong and some people have been on the waiting list for more than one year. Rents have increased slightly, but management considers the rents reasonable for the market.
- 2Q14** The waiting list ranges from 25 to 50 applicants. The rents for the 50 percent units decreased May 1st 2014.
- 2Q15** The property maintains a waiting list of approximately four months.

# PROPERTY PROFILE REPORT

## Brittany Woods

**Effective Rent Date** 4/23/2015  
**Location** 1150 Old Statenville Road  
 Valdosta, GA 31601  
 Lowndes County  
 Intersection: Continental Drive  
**Distance** 11.5 miles  
**Units** 104  
**Vacant Units** 8  
**Vacancy Rate** 7.7%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 1970 / 2001  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Park Chase (sister property)  
**Tenant Characteristics** Mostly families  
**Contact Name** Rashida  
**Phone** 229-244-1770



### Market Information

**Program** @60%, Section 8  
**Annual Turnover Rate** 46%  
**Units/Month Absorbed** N/A  
**HCV Tenants** N/A  
**Leasing Pace** Within one month  
**Annual Chg. in Rent** None  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	668	\$389	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	7	668	N/A	\$0	Section 8	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	23	736	\$425	\$0	@60%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	33	736	N/A	\$0	Section 8	Yes	N/A	N/A	N/A	None
3	1	Garden (2 stories)	8	824	\$475	\$0	@60%	Yes	N/A	N/A	no	None
3	1	Garden (2 stories)	32	824	N/A	\$0	Section 8	Yes	N/A	N/A	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$389	\$0	\$389	-\$105	\$284	1BR / 1BA	N/A	\$0	N/A	-\$105	N/A
2BR / 1BA	\$425	\$0	\$425	-\$130	\$295	2BR / 1BA	N/A	\$0	N/A	-\$130	N/A
3BR / 1BA	\$475	\$0	\$475	-\$160	\$315	3BR / 1BA	N/A	\$0	N/A	-\$160	N/A

## Brittany Woods, continued

### Amenities

**In-Unit**

Blinds  
Central A/C  
Refrigerator

Carpeting  
Oven

**Security**

None

**Services**

None

**Property**

Central Laundry  
On-Site Management

Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

The property accepts Housing Choice Vouchers, but the property manager did not know what percentage of tenants use vouchers. The property manager was unable to share the length of the waiting list. The property manager indicated that the high vacancy was not typical of the property, but was unable to explain it.

# Brittany Woods, continued

## Trend Report

### Vacancy Rates

2Q08	2Q10	2Q14	2Q15
1.0%	0.0%	0.0%	7.7%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$338	\$0	\$338	\$233
2010	2	0.0%	\$389	\$0	\$389	\$284
2014	2	0.0%	\$389	\$0	\$389	\$284
2015	2	0.0%	\$389	\$0	\$389	\$284

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$359	\$0	\$359	\$229
2010	2	0.0%	\$409	\$0	\$409	\$279
2014	2	0.0%	\$409	\$0	\$409	\$279
2015	2	N/A	\$425	\$0	\$425	\$295

#### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$409	\$0	\$409	\$249
2010	2	0.0%	\$459	\$0	\$459	\$299
2014	2	0.0%	\$459	\$0	\$459	\$299
2015	2	N/A	\$475	\$0	\$475	\$315

### Trend: Section 8

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	N/A	\$0	N/A	N/A
2010	2	0.0%	\$469	\$0	\$469	\$364
2014	2	0.0%	\$469	\$0	\$469	\$364
2015	2	0.0%	N/A	\$0	N/A	N/A

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	N/A	\$0	N/A	N/A
2010	2	0.0%	\$512	\$0	\$512	\$382
2014	2	0.0%	\$512	\$0	\$512	\$382
2015	2	N/A	N/A	\$0	N/A	N/A

#### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	N/A	\$0	N/A	N/A
2010	2	0.0%	\$567	\$0	\$567	\$407
2014	2	0.0%	\$567	\$0	\$567	\$407
2015	2	N/A	N/A	\$0	N/A	N/A

## Trend: Comments

- 2Q08** This property's Housing Choice voucher units are 100 percent occupied with long waiting lists. The 33 LIHTC units are approximately 94 percent occupied. Rents have decreased 10 percent since our last survey in June 2006.
- 2Q10** The contact indicated that management also manages Parks Chase Apartments, which is 100 percent Section 8. The contact reported there are between two and three moveouts each month; we used three per month to conservatively estimate turnover.
- 2Q14** The property maintains 2,013 applicants on the waiting list. The high number of applicants is due to the property being in a very low income area with both Section 8 and tax credit units.
- 2Q15** The property accepts Housing Choice Vouchers, but the property manager did not know what percentage of tenants use vouchers. The property manager was unable to share the length of the waiting list. The property manager indicated that the high vacancy was not typical of the property, but was unable to explain it.

# PROPERTY PROFILE REPORT

## Heron Lake

<b>Effective Rent Date</b>	5/05/2015
<b>Location</b>	1800 Eastwind Road Valdosta, GA 31602 Lowndes County
<b>Distance</b>	17.1 miles
<b>Units</b>	152
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	2.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	7/01/2011
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Families from Lowndes County; 5% military; 10% senior
<b>Contact Name</b>	Patty Pitts
<b>Phone</b>	(229) 257-0844



### Market Information

<b>Program</b>	@30%, @50%, @60%, Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	38
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	783	\$186	\$0	@30%	Yes	N/A	N/A	no	None
1	1	Garden (2 stories)	N/A	783	\$371	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Garden (2 stories)	N/A	783	\$424	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Garden (2 stories)	N/A	783	\$555	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (2 stories)	N/A	1,040	\$218	\$0	@30%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	N/A	1,040	\$433	\$0	@50%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	N/A	1,040	\$509	\$0	@60%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	N/A	1,040	\$656	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,240	\$251	\$0	@30%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	N/A	1,240	\$503	\$0	@50%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	N/A	1,240	\$629	\$0	@60%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	N/A	1,240	\$750	\$0	Market	Yes	N/A	N/A	N/A	None

## Heron Lake, continued

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$186	\$0	\$186	\$0	\$186	1BR / 1BA	\$371	\$0	\$371	\$0	\$371
2BR / 1BA	\$218	\$0	\$218	\$0	\$218	2BR / 1BA	\$433	\$0	\$433	\$0	\$433
3BR / 2BA	\$251	\$0	\$251	\$0	\$251	3BR / 2BA	\$503	\$0	\$503	\$0	\$503
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$424	\$0	\$424	\$0	\$424	1BR / 1BA	\$555	\$0	\$555	\$0	\$555
2BR / 1BA	\$509	\$0	\$509	\$0	\$509	2BR / 1BA	\$656	\$0	\$656	\$0	\$656
3BR / 2BA	\$629	\$0	\$629	\$0	\$629	3BR / 2BA	\$750	\$0	\$750	\$0	\$750

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Coat Closet  
 Ceiling Fan  
 Microwave  
 Refrigerator  
 Washer/Dryer hookup

Blinds  
 Central A/C  
 Dishwasher  
 Garbage Disposal  
 Oven  
 Walk-In Closet

#### Security

In-Unit Alarm  
 Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
 Exercise Facility  
 On-Site Management  
 Swimming Pool

Clubhouse/Meeting  
 Off-Street Parking  
 Playground

#### Premium

None

#### Other

None

### Comments

The property maintains a waiting list of four years.



# Heron Lake, continued

## Trend Report

### Vacancy Rates

3Q12	2Q13	2Q14	2Q15
2.0%	4.6%	5.3%	2.0%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$185	\$0	\$185	\$185
2013	2	N/A	\$185	\$0	\$185	\$185
2014	2	N/A	\$186	\$0	\$186	\$186
2015	2	N/A	\$186	\$0	\$186	\$186

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$213	\$0	\$213	\$213
2013	2	N/A	\$218	\$0	\$218	\$218
2014	2	N/A	\$218	\$0	\$218	\$218
2015	2	N/A	\$218	\$0	\$218	\$218

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$261	\$0	\$261	\$261
2013	2	N/A	\$291	\$0	\$291	\$291
2014	2	N/A	\$251	\$0	\$251	\$251
2015	2	N/A	\$251	\$0	\$251	\$251

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$389	\$0	\$389	\$389
2013	2	N/A	\$389	\$0	\$389	\$389
2014	2	N/A	\$425	\$0	\$425	\$425
2015	2	N/A	\$424	\$0	\$424	\$424

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$472	\$0	\$472	\$472
2013	2	N/A	\$472	\$0	\$472	\$472
2014	2	N/A	\$509	\$0	\$509	\$509
2015	2	N/A	\$509	\$0	\$509	\$509

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$614	\$0	\$614	\$614
2013	2	N/A	\$614	\$0	\$614	\$614
2014	2	N/A	\$629	\$0	\$629	\$629
2015	2	N/A	\$629	\$0	\$629	\$629

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$371	\$0	\$371	\$371
2013	2	N/A	\$371	\$0	\$371	\$371
2014	2	N/A	\$371	\$0	\$371	\$371
2015	2	N/A	\$371	\$0	\$371	\$371

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$431	\$0	\$431	\$431
2013	2	N/A	\$431	\$0	\$431	\$431
2014	2	N/A	\$433	\$0	\$433	\$433
2015	2	N/A	\$433	\$0	\$433	\$433

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$489	\$0	\$489	\$489
2013	2	N/A	\$489	\$0	\$489	\$489
2014	2	N/A	\$503	\$0	\$503	\$503
2015	2	N/A	\$503	\$0	\$503	\$503

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$525	\$0	\$525	\$525
2013	2	N/A	\$525	\$0	\$525	\$525
2014	2	N/A	\$555	\$0	\$555	\$555
2015	2	N/A	\$555	\$0	\$555	\$555

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$626	\$0	\$626	\$626
2013	2	N/A	\$625	\$0	\$625	\$625
2014	2	N/A	\$656	\$0	\$656	\$656
2015	2	N/A	\$656	\$0	\$656	\$656

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$725	\$0	\$725	\$725
2013	2	N/A	\$725	\$0	\$725	\$725
2014	2	N/A	\$750	\$0	\$750	\$750
2015	2	N/A	\$750	\$0	\$750	\$750

### Trend: Comments

- 3Q12** The property is currently maintaining a waiting list with an estimated wait time of eight months to one year for tax credit units, while the market rate units have a waiting list with an estimated wait time of approximately one to two months.
- 2Q13** The property is currently maintaining a waiting list with an estimated wait time of up to one year. Rents are more reasonable than areas to the south in Florida, so demand has remained strong. Rents have remained the same except for the three-bedroom 30 percent units, where demand for these units are the strongest.
- 2Q14** The property added a 64-unit phase II in 2008. The property maintains a waiting list of over 100 applicants because many applicants are waiting for the 30 percent units. Contact could not state the number of vacancies by bedroom type. The occupancy rate for phase I is 93 percent and the occupancy rate for phase 2 is 95 percent.
- 2Q15** The property maintains a waiting list of four years.



## Hyde Park Estates, continued

### Comments

The property recently transitioned from LIHTC to conventional market rate.

## Hyde Park Estates, continued

### Trend Report

#### Vacancy Rates

2Q10	3Q11	2Q14	2Q15
6.2%	3.1%	4.7%	3.1%

### Trend: Market

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	4.2%	\$695	\$0	\$695	\$713

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$750	\$0	\$750	\$768

### Trend: Comments

- 2Q10** The contact reported that between zero and two people move out each month; we used two per month to conservatively estimate turnover. Turnover and vacancy can be attributed to layoffs in the area, some evictions, and some other financial reasons.
- 3Q11** The property manager stated that the majority of the tenants from Valdosta are coming from the areas in the older sections of the city, close to the Subject.
- 2Q14** The property has a waiting list with sixteen applicants for 50 percent three-bedroom, 10 for 60 percent three-bedroom, eight applicants for the 50 percent four-bedroom, and five applicants for the 50 percent four-bedroom. The contact did not know the number of Section 8 tenants.
- 2Q15** The property recently transitioned from LIHTC to conventional market rate.

Photos



# PROPERTY PROFILE REPORT

## Mar Mel Go Apartments

**Effective Rent Date** 4/23/2015  
**Location** 4650 Rolling Pine Dr  
 Lake Park, GA 31636  
 Lowndes County  
**Distance** 2.3 miles  
**Units** 70  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 2009 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None identified  
**Tenant Characteristics** Mostly families  
**Contact Name** Linda  
**Phone** 229-559-7368



### Market Information

**Program** Market  
**Annual Turnover Rate** 69%  
**Units/Month Absorbed** 9  
**HCV Tenants** 1%  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** None  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	N/A	\$525	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	N/A	\$575	\$0	Market	Yes	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	N/A	\$695	\$0	Market	Yes	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$525	\$0	\$525	\$0	\$525
2BR / 2BA	\$575	\$0	\$575	\$0	\$575
3BR / 2BA	\$695	\$0	\$695	\$0	\$695

## Mar Mel Go Apartments, continued

### Amenities

**In-Unit**

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

Blinds  
Carpeting  
Coat Closet  
Exterior Storage  
Refrigerator  
Washer/Dryer hookup

**Security**

None

**Services**

None

**Property**

Off-Street Parking  
Playground

On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property currently maintains a waiting list of two households.



## Mar Mel Go Apartments, continued

### Trend Report

#### Vacancy Rates

2Q10	2Q14	2Q15
1.4%	28.6%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$595	\$0	\$595	\$595
2014	2	N/A	\$525	\$22	\$503	\$503
2015	2	N/A	\$525	\$0	\$525	\$525

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$695	\$0	\$695	\$695
2014	2	N/A	\$575	\$24	\$551	\$551
2015	2	N/A	\$575	\$0	\$575	\$575

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$775	\$0	\$775	\$775
2014	2	N/A	\$695	\$29	\$666	\$666
2015	2	N/A	\$695	\$0	\$695	\$695

### Trend: Comments

- 2Q10** The contact reported that the property does not accept housing choice vouchers.
- 2Q14** The property manager stated that the high number of vacancies is due to many subsidized income-based properties in the vicinity. Tenants cannot afford market rate rents with the lack of good employment opportunities in the area. The manager started in November in 2012 and had to evict 35 tenants due to past poor management and tenants not paying rent. There is a rent special of half off first month's rent or a \$500 Walmart gift card with approved credit. The property does not accept Section 8 tenants and did not know annual turnover.
- 2Q15** The property currently maintains a waiting list of two households.

# PROPERTY PROFILE REPORT

## Northwind Apartment Homes

<b>Effective Rent Date</b>	5/13/2015
<b>Location</b>	5148 Northwind Blvd. Valdosta, GA 31605 Lowndes County
<b>Distance</b>	17.9 miles
<b>Units</b>	228
<b>Vacant Units</b>	5
<b>Vacancy Rate</b>	2.2%
<b>Type</b>	Garden
<b>Year Built/Renovated</b>	2004 / N/A
<b>Marketing Began</b>	2/01/2004
<b>Leasing Began</b>	6/01/2004
<b>Last Unit Leased</b>	1/15/2005
<b>Major Competitors</b>	Staten Crossing
<b>Tenant Characteristics</b>	5% seniors and some military; variety of residents from Lowndes County
<b>Contact Name</b>	Megan
<b>Phone</b>	229-241-8237



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	10%
<b>Units/Month Absorbed</b>	20
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	48	948	\$725	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden	128	1,313	\$830	\$0	Market	Yes	2	1.6%	N/A	None
3	2	Garden	52	1,506	\$910	\$0	Market	Yes	3	5.8%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$725	\$0	\$725	-\$48	\$677
2BR / 2BA	\$830	\$0	\$830	-\$59	\$771
3BR / 2BA	\$910	\$0	\$910	-\$73	\$837

## Northwind Apartment Homes, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

Blinds  
Central A/C  
Exterior Storage  
Garbage Disposal  
Oven  
Walk-In Closet

#### Security

Limited Access  
Patrol

#### Services

None

#### Property

Basketball Court  
Clubhouse/Meeting  
Central Laundry  
Picnic Area  
Swimming Pool  
Volleyball Court

Car Wash  
Exercise Facility  
Off-Street Parking  
Playground  
Tennis Court

#### Premium

View

#### Other

Grill at picnic area

### Comments

Management reported that the property does not accept Housing Choice Vouchers. The property manager maintains a waiting list of unspecified length. The contact stated that the property offers approximately two parking spaces per unit.

# Northwind Apartment Homes, continued

## Trend Report

### Vacancy Rates

2Q10	3Q11	2Q14	2Q15
2.2%	1.8%	5.3%	2.2%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$700	\$0	\$700	\$652
2011	3	0.0%	\$700	\$0	\$700	\$652
2014	2	4.2%	\$725	\$0	\$725	\$677
2015	2	0.0%	\$725	\$0	\$725	\$677

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	2.3%	\$820	\$0	\$820	\$761
2011	3	1.6%	\$820	\$0	\$820	\$761
2014	2	3.1%	\$830	\$0	\$830	\$771
2015	2	1.6%	\$830	\$0	\$830	\$771

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	3.8%	\$900	\$0	\$900	\$827
2011	3	3.8%	\$900	\$0	\$900	\$827
2014	2	11.5%	\$910	\$0	\$910	\$837
2015	2	5.8%	\$910	\$0	\$910	\$837

## Trend: Comments

2Q10	Exterior storage is available for \$60 per month for a 9x9 space and \$80 per month for a 9x18 space. Pool views are an additional \$20 per month for all unit types. This property has five percent seniors that have moved primarily from homeownership.
3Q11	N/A
2Q14	The property does not accept Section 8 tenants. The high number of vacancies is due to tenants relocating and evictions.
2Q15	Management reported that the property does not accept Housing Choice Vouchers. The property manager maintains a waiting list of unspecified length. The contact stated that the property offers approximately two parking spaces per unit.

# PROPERTY PROFILE REPORT

## Spanish Mission Apartments

**Effective Rent Date** 5/13/2015  
**Location** 422 Connell Road  
 Valdosta, GA 31602  
 Lowndes County  
 Intersection: SR-7/US-41  
**Distance** 17.8 miles  
**Units** 150  
**Vacant Units** 10  
**Vacancy Rate** 6.7%  
**Type** Various (2 stories)  
**Year Built/Renovated** 1973 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Tall Tree, Woodstone, Three Oaks, Staten Crossing  
**Tenant Characteristics** Students, military personnel, families  
**Contact Name** Jessie  
**Phone** 229.242.7333



### Market Information

**Program** Market  
**Annual Turnover Rate** 60%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within one week  
**Annual Chg. in Rent** Increased two to 10 percent  
**Concession** See Comments

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	890	\$640	\$4	Market	No	0	0.0%	N/A	AVG
2	2	Garden (2 stories)	20	1,213	\$744	\$4	Market	No	0	0.0%	N/A	AVG
2	2.5	Townhouse (2 stories)	52	1,125	\$762	\$4	Market	No	2	3.8%	N/A	AVG
3	2.5	Garden (2 stories)	68	1,456	\$837	\$4	Market	No	8	11.8%	N/A	AVG

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$640	\$4	\$636	-\$48	\$588
2BR / 2BA	\$744	\$4	\$740	-\$59	\$681
2BR / 2.5BA	\$762	\$4	\$758	-\$59	\$699
3BR / 2.5BA	\$837	\$4	\$833	-\$73	\$760

## Spanish Mission Apartments, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator

**Security**

None

**Services**

None

**Property**

Basketball Court  
Exercise Facility  
Off-Street Parking  
Playground  
Tennis Court

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The concession presented in the matrix represents the property's current special of \$50 reduced first month of rent if a prospective tenant signs a new lease by May 20, 2015. Management reported that the property is 91 percent occupied and 93 percent pre-leased. The reason for the low occupancy is because the property draws in many students from local universities. Management expects occupancy to increase during the summer months. Management reported that the property offers approximately two parking spaces per unit. The contact was unable to provide the parking utilization rate at the property.

# Spanish Mission Apartments, continued

## Trend Report

### Vacancy Rates

2Q13	3Q13	2Q14	2Q15
10.0%	10.0%	9.3%	6.7%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	0.0%	\$600	\$0	\$600	\$552
2013	3	0.0%	\$600	\$0	\$600	\$552
2014	2	0.0%	\$630	\$0	\$630	\$582
2015	2	0.0%	\$640	\$4	\$636	\$588

### 2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	6.9%	\$690 - \$709	\$0	\$690 - \$709	\$631 - \$650
2013	3	6.9%	\$690 - \$709	\$0	\$690 - \$709	\$631 - \$650
2014	2	1.9%	\$724	\$0	\$724	\$665
2015	2	3.8%	\$762	\$4	\$758	\$699

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$715	\$0	\$715	\$656
2015	2	0.0%	\$744	\$4	\$740	\$681

### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	14.7%	\$775	\$0	\$775	\$702
2013	3	14.7%	\$775	\$0	\$775	\$702
2014	2	19.1%	\$813	\$83	\$730	\$657
2015	2	11.8%	\$837	\$4	\$833	\$760

## Trend: Comments

- 2Q13** The property manager reported that rents have increased. The market demand has remained stable even though the area has been more saturated with student housing.
- 3Q13** The property manager reported that rents have increased. The market demand has remained stable even though the area has been more saturated with student housing. Since there are many residents employed in the military as well, deployments can affect the property vacancy rate throughout the year.
- 2Q14** The high turnover rate is due to many students from nearby universities residing at the property and military personnel. There is a rent special for the three-bedrooms with the rents starting at \$730 instead of \$813.
- 2Q15** The concession presented in the matrix represents the property's current special of \$50 reduced first month of rent if a prospective tenant signs a new lease by May 20, 2015. Management reported that the property is 91 percent occupied and 93 percent pre-leased. The reason for the low occupancy is because the property draws in many students from local universities. Management expects occupancy to increase during the summer months. Management reported that the property offers approximately two parking spaces per unit. The contact was unable to provide the parking utilization rate at the property.

# PROPERTY PROFILE REPORT

## Spring Chase Apartments

<b>Effective Rent Date</b>	4/23/2015
<b>Location</b>	1601 Norman Drive Valdosta, GA 31601 Lowndes County
<b>Distance</b>	14.1 miles
<b>Units</b>	288
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	1.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1996 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Tall Tree, Staten Crossing, The Links
<b>Tenant Characteristics</b>	20-25% military; 30% senior; 30% student
<b>Contact Name</b>	Gloria
<b>Phone</b>	229-247-8472



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	27%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	29	690	\$600	\$0	Market	Yes	0	0.0%	N/A	None
1.5	1	Garden (2 stories)	8	1,126	\$753	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	80	960	\$712	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	88	1,226	\$811	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	80	1,376	\$896	\$0	Market	No	3	3.8%	N/A	None
3	2	Garden (2 stories)	3	1,400	\$943	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$600	\$0	\$600	-\$48	\$552
1.5BR / 1BA	\$753	\$0	\$753	-\$48	\$705
2BR / 1BA	\$712	\$0	\$712	-\$59	\$653
2BR / 2BA	\$811	\$0	\$811	-\$59	\$752
3BR / 2BA	\$896 - \$943	\$0	\$896 - \$943	-\$73	\$823 - \$870



## Spring Chase Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Garbage Disposal  
Refrigerator

Blinds  
Central A/C  
Dishwasher  
Oven  
Washer/Dryer hookup

#### Security

In-Unit Alarm  
Limited Access  
Patrol  
Perimeter Fencing  
Video Surveillance

#### Services

None

#### Property

Basketball Court  
Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Tennis Court

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

The property currently maintains an extensive waiting list for one-bedroom units. The property does not accept Housing Choice Vouchers.

# Spring Chase Apartments, continued

## Trend Report

### Vacancy Rates

3Q12	2Q13	2Q14	2Q15
1.4%	1.4%	0.7%	1.0%

## Trend: Market

### 1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$738	\$0	\$738	\$690
2013	2	0.0%	\$753	\$0	\$753	\$705
2014	2	0.0%	\$753	\$0	\$753	\$705
2015	2	0.0%	\$753	\$0	\$753	\$705

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$585	\$0	\$585	\$537
2013	2	0.0%	\$585	\$0	\$585	\$537
2014	2	0.0%	\$600	\$0	\$600	\$552
2015	2	0.0%	\$600	\$0	\$600	\$552

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$697	\$0	\$697	\$638
2013	2	0.0%	\$712	\$0	\$712	\$653
2014	2	0.0%	\$712	\$0	\$712	\$653
2015	2	0.0%	\$712	\$0	\$712	\$653

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$796	\$0	\$796	\$737
2013	2	0.0%	\$811	\$0	\$811	\$752
2014	2	1.1%	\$811	\$0	\$811	\$752
2015	2	0.0%	\$811	\$0	\$811	\$752

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	4.8%	\$881 - \$928	\$37 - \$39	\$844 - \$889	\$771 - \$816
2013	2	4.8%	\$896 - \$943	\$0	\$896 - \$943	\$823 - \$870
2014	2	1.2%	\$896 - \$943	\$0	\$896 - \$943	\$823 - \$870
2015	2	3.6%	\$896 - \$943	\$0	\$896 - \$943	\$823 - \$870

## Trend: Comments

**3Q12** The property manager reported demand in the area to be strong.

**2Q13** The property manager reported that the market is softening right now due to the increasing competition from newer student housing in the area. The waiting list for one-bedroom units is very long and in high demand.

**2Q14** The property maintains a waiting list of two households for two-bedroom units and two households for three-bedroom units. The stairs at the property are currently being replaced. The property does not accept Housing Choice Vouchers.

**2Q15** The property currently maintains an extensive waiting list for one-bedroom units. The property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Staten Crossing

<b>Effective Rent Date</b>	4/23/2015
<b>Location</b>	3925 N. Oak Street Valdosta, GA 31605 Lowndes County
<b>Distance</b>	18.4 miles
<b>Units</b>	196
<b>Vacant Units</b>	10
<b>Vacancy Rate</b>	5.1%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1999 / 2014
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Northwind, Three Oaks
<b>Tenant Characteristics</b>	Seniors and Families from Lowndes County
<b>Contact Name</b>	Kristen
<b>Phone</b>	229-247-9880



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	61%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increased one to two percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	48	815	\$673	\$0	Market	Yes	0	0.0%	N/A	AVG
1	1	Garden (2 stories)	N/A	815	\$685	\$0	Market	N/A	0	N/A	N/A	HIGH
1	1	Garden (2 stories)	N/A	815	\$660	\$0	Market	N/A	0	N/A	N/A	LOW
2	2	Garden (2 stories)	56	1,150	\$783	\$0	Market	No	1	1.8%	N/A	AVG
2	2	Garden (2 stories)	N/A	1,150	\$800	\$0	Market	N/A	N/A	N/A	N/A	HIGH
2	2	Garden (2 stories)	N/A	1,150	\$765	\$0	Market	N/A	N/A	N/A	N/A	LOW
3	2	Garden (2 stories)	36	1,362	\$875	\$0	Market	Yes	0	0.0%	N/A	AVG
3	2	Garden (2 stories)	N/A	1,362	\$890	\$0	Market	N/A	N/A	N/A	N/A	HIGH
3	2	Garden (2 stories)	N/A	1,362	\$860	\$0	Market	N/A	N/A	N/A	N/A	LOW

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$660 - \$685	\$0	\$660 - \$685	\$0	\$660 - \$685
<b>2BR / 2BA</b>	\$765 - \$800	\$0	\$765 - \$800	\$0	\$765 - \$800
<b>3BR / 2BA</b>	\$860 - \$890	\$0	\$860 - \$890	\$0	\$860 - \$890

## Staten Crossing, continued

### Amenities

**In-Unit**

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

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

**Security**

In-Unit Alarm  
Limited Access  
Patrol

**Services**

None

**Property**

Car Wash  
Exercise Facility  
Off-Street Parking  
Playground  
Tennis Court

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool  
Volleyball Court

**Premium**

None

**Other**

None

### Comments

The property maintains a waiting list of two households for one-bedroom units and one households for a three-bedroom units. This property does not accept Housing Choice Vouchers.

## Staten Crossing, continued

### Trend Report

#### Vacancy Rates

3Q12	2Q13	2Q14	2Q15
3.6%	5.1%	5.1%	5.1%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$640 - \$655	\$0	\$640 - \$655	\$640 - \$655
2013	2	N/A	\$640 - \$655	\$0	\$640 - \$655	\$640 - \$655
2014	2	N/A	\$650 - \$675	\$0	\$650 - \$675	\$650 - \$675
2015	2	N/A	\$660 - \$685	\$0	\$660 - \$685	\$660 - \$685

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$750 - \$790	\$0	\$750 - \$790	\$750 - \$790
2013	2	N/A	\$750 - \$790	\$0	\$750 - \$790	\$750 - \$790
2014	2	N/A	\$755 - \$795	\$0	\$755 - \$795	\$755 - \$795
2015	2	N/A	\$765 - \$800	\$0	\$765 - \$800	\$765 - \$800

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$850 - \$880	\$0	\$850 - \$880	\$850 - \$880
2013	2	N/A	\$850 - \$880	\$0	\$850 - \$880	\$850 - \$880
2014	2	N/A	\$850 - \$880	\$0	\$850 - \$880	\$850 - \$880
2015	2	N/A	\$860 - \$890	\$0	\$860 - \$890	\$860 - \$890

### Trend: Comments

3Q12	Management could not comment on the percentage of senior and military tenants residing at the property.
2Q13	Management stated that demand is holding steady and the asking rents have not changed. There is a wait for some of the one-bedroom units.
2Q14	The property maintains a waiting list of three households for one-bedroom units, two households for two-bedroom units, and one households for a three-bedroom units. The roof of the property is currently being replaced. The property does not accept Section 8 tenants.
2Q15	The property maintains a waiting list of two households for one-bedroom units and one households for a three-bedroom units. This property does not accept Housing Choice Vouchers.

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

**Housing Choice Vouchers**

**TENANTS WITH VOUCHERS**

Comparable Property	Type	Housing Choice Voucher Tenants
Ashton Park	LIHTC	34%
Brittany Woods	LIHTC/Section 8	N/A
Heron Lake	LIHTC, Market	10%
Hyde Park Estates	Market	27%
Mar Mel Go Apartments	Market	1%
Northwind Apartment Homes	Market	0%
Spanish Mission Apartments	Market	0%
Spring Chase Apartments	Market	0%
Staten Crossing	Market	0%

It should be noted that Brittany Woods accepts Housing Choice Vouchers, but the contact did not know what percent of tenants were using vouchers at the time. All of the LIHTC properties reported having voucher tenants, while none of the market rate properties reported significant voucher usage with the exception of Hyde Park Estates, which recently transitioned from a LIHTC property to a conventional unrestricted property. The average number of voucher tenants at the LIHTC properties is 22 percent and the overall market average is nine percent. Ashton Park reported the highest voucher usage, with 34 percent of their tenants using Housing Choice Vouchers. The voucher usage in the local market appears to be moderate. We believe that the Subject will have a voucher tenancy similar to the average LIHTC voucher usage; approximately 20 percent.

**Lease Up History**

We were able to obtain absorption information from three comparable properties, illustrated following.

**ABSORPTION**

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Heron Lake	LIHTC, Market	Family	2003	152	38
Northwind Apartment Homes	Market	Family	2004	228	20
Mar Mel Go Apartments	Market	Family	2009	70	9

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. Mar Mel Go Apartments represents the most recent construction. Mar Mel Go Apartments is located in Lake Park and offers a similar location to the Subject. Management reported that the property was fully leased within seven months of opening, and experienced an absorption rate of approximately nine units per month. The property is currently 100 percent occupied. Northwind Apartment Homes was leased within 12 months and Heron Lake was leased within four months. Heron Lake is the only comparable LIHTC property that was able to report its absorption pace and it indicates a faster leasing period for the Subject. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in Lake Park, we anticipate that the Subject will experience an absorption rate of 13 units per month, for an absorption period of six months.

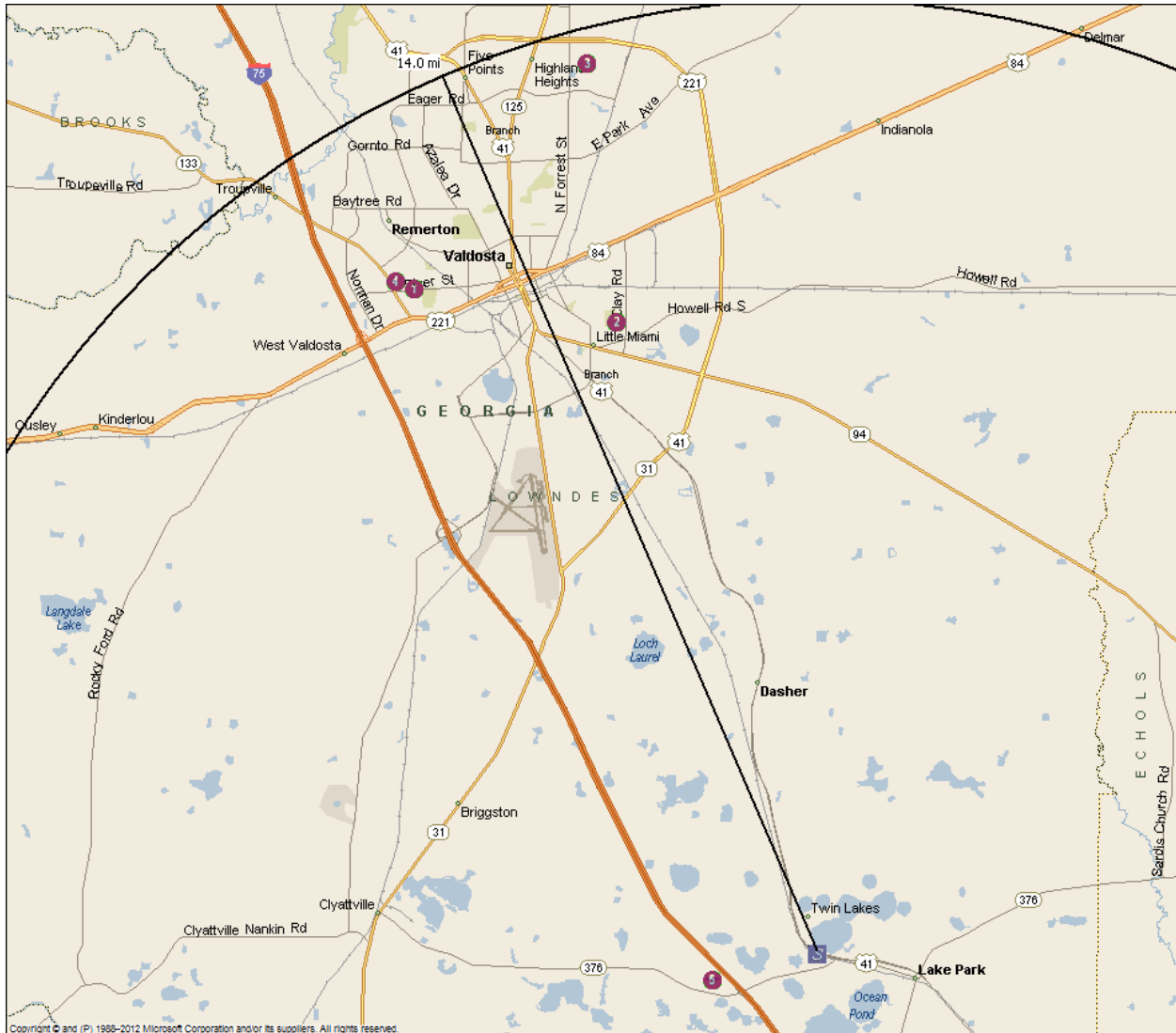
**Phased Developments**

The Subject is not part of a phased development.

**Rural Areas**

The Subject is not located in a rural area.

**3. Competitive Project Map**



**COMPETITIVE PROJECTS**

Map#	Property Name	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
S	Lakeview Gardens Apartments	LIHTC	Family	Subject	N/Ap	-
1	Ashton Park	LIHTC	Family	Included	N/Ap	14.4 miles
2	Brittany Woods	LIHTC	Family	Included	N/Ap	11.5 miles
3	Heron Lake	LIHTC	Family	Included	N/Ap	17.1 miles
4	Hyde Park Estates	LIHTC	Family	Included	N/Ap	14.4 miles
5	Brookhaven II	LIHTC	Family	Excluded	Unable to obtain rental information	2.0 miles

4. Amenities

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

UNIT MATRIX REPORT										
Comp#	Lakeview Gardens Apartments	Ashton Park	Brittany Woods	Heron Lake	Hyde Park Estates	Mar Mel Go Apartments	Northwind Apartment Homes	Spanish Mission Apartments	Spring Chase Apartments	Staten Crossing
Comp#	Subject	1	2	3	4	5	6	7	8	9
<b>Property Information</b>										
Property Type	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Duplex	Garden (2 stories)	Garden	Various (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated	2017 / n/a	1999 / n/a	1970 / 2001	2003 / n/a	1997 / n/a	2009 / n/a	2004 / n/a	1973 / n/a	1996 / n/a	1999 / 2014
Market (Conv./Subsidy Type)	LIHTC	LIHTC	LIHTC/Section	LIHTC, Market	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>										
Cooking	no	no	yes	no	no	no	no	no	no	no
Water Heat	no	no	yes	no	no	no	no	no	no	no
Heat	no	no	yes	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	no	no	no	yes	yes	yes	no
Sewer	no	no	yes	no	no	no	yes	yes	yes	no
Trash Collection	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
<b>In-Unit Amenities</b>										
Balcony/Patio	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	yes	no	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	no	no	yes	yes	yes	no	yes	yes	yes
Dishwasher	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	yes	yes	no	no	no	yes	yes	no	no	yes
Ceiling Fan	yes	yes	no	yes	yes	no	yes	yes	no	yes
Garbage Disposal	no	yes	no	yes	yes	no	yes	yes	yes	yes
Microwave	no	no	no	yes	no	no	yes	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	no	yes
Walk-In Closet	yes	yes	no	yes	yes	yes	yes	no	no	yes
Washer/Dryer hookup	yes	yes	no	yes	yes	yes	yes	no	yes	yes
<b>Property Amenities</b>										
Basketball Court	no	no	no	no	no	no	yes	yes	yes	no
Business Center/Computer Lab	yes	no	no	yes	no	no	no	no	no	no
Car Wash	no	no	no	no	no	no	yes	no	no	yes
Clubhouse/Meeting Room/Community Room	yes	yes	no	yes	yes	no	yes	yes	yes	yes
Exercise Facility	yes	no	no	yes	no	no	yes	yes	yes	yes
Central Laundry	yes	yes	yes	no	no	no	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Picnic Area	yes	no	no	no	no	no	yes	no	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Swimming Pool	yes	yes	no	yes	no	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	yes	yes	yes	yes
Volleyball Court	no	no	no	no	no	no	yes	no	no	yes
<b>Security</b>										
In-Unit Alarm	no	no	no	yes	yes	no	no	no	yes	yes
Limited Access	no	no	no	no	no	no	yes	no	yes	yes
Patrol	no	no	no	no	no	no	yes	no	yes	yes
Perimeter Fencing	yes	no	no	yes	no	no	no	no	yes	no
Video Surveillance	yes	no	no	no	no	no	no	no	yes	no

While the Subject’s amenities will be slightly inferior to the market rate comparables, it will have generally superior amenities to the LIHTC comparable properties. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market.

5. The Subject will target general population households.



## 6. Vacancy

The following table illustrates the vacancy rates in the market.

### OVERALL VACANCY

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashton Park	LIHTC	88	0	0.0%
Brittany Woods	LIHTC/Section 8	104	8	7.7%
Heron Lake	LIHTC, Market	152	3	2.0%
Hyde Park Estates	Market	64	2	3.1%
Mar Mel Go Apartments	Market	70	0	0.0%
Northwind Apartment Homes	Market	228	5	2.2%
Spanish Mission Apartments	Market	150	10	6.7%
Spring Chase Apartments	Market	288	3	1.0%
Staten Crossing	Market	196	10	5.1%
<b>LIHTC Average</b>		<b>344</b>	<b>11</b>	<b>3.2%</b>
<b>Market Rate Average</b>		<b>996</b>	<b>30</b>	<b>3.0%</b>
<b>Total</b>		<b>1,340</b>	<b>41</b>	<b>3.1%</b>

As illustrated, vacancy rates in the market range from zero to 7.7 percent, averaging 3.1 percent. The majority of the LIHTC vacancies are concentrated in Brittany Woods. The contact at Brittany Woods indicated that the high vacancy was not typical of the property, but was unable to explain it. Historically, this property has maintained zero percent vacancy. The LIHTC properties have a weighted vacancy rate of 3.2 percent, which indicates demand for affordable housing. Additionally, the LIHTC properties all maintain waiting lists.

The market rate vacancy rate ranges from zero percent to 6.7 percent, averaging 3.0 percent. Spanish Mission Apartments reported a slightly elevated vacancy rate of 6.7 percent. Management explained the elevated vacancy is due to the property attracting many local university students. Management expects occupancy to increase in the summer. We anticipate that the Subject will perform similarly to the market and will maintain a vacancy rate of five percent or less. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable housing in the local market.

## 7. Properties Under Construction and Proposed

Ashley House was allocated tax credits in 2012 and is located in Valdosta, approximately 12.1 miles north of the Subject. Ashley House is an existing 61-unit Section 8 property that was renovated with tax credits in 2014. Ashley House is restricted to senior tenants and households earning 50 and 60 percent of AMI or less. It offers studio, one, and two-bedroom units in a seven-story highrise building. The Subject will not directly compete with Ashley House because Ashley House is an age-restricted subsidized development. There are no other new LIHTC or market rate properties that have been proposed or are under construction in the PMA.

**8. Rental Advantage**

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashton Park	LIHTC	Inferior	Similar	Slightly Inferior	Inferior	Similar	-25
2	Brittany Woods	LIHTC/Section 8	Inferior	Inferior	Slightly Inferior	Inferior	Inferior	-45
3	Heron Lake	LIHTC, Market	Inferior	Similar	Slightly Inferior	Inferior	Similar	-25
4	Hyde Park Estates	Market	Inferior	Similar	Slightly Inferior	Inferior	Similar	-25
5	Mar Mel Go Apartments	Market	Inferior	Similar	Similar	Slightly Inferior	Similar	-15
6	Northwind Apartment	Market	Slightly Superior	Similar	Slightly Inferior	Slightly Inferior	Superior	5
7	Spanish Mission	Market	Slightly Superior	Similar	Slightly Inferior	Inferior	Superior	0
8	Spring Chase Apartments	Market	Slightly Superior	Similar	Slightly Inferior	Inferior	Slightly Superior	-5
9	Staten Crossing	Market	Slightly Superior	Slightly Superior	Slightly Inferior	Slightly Inferior	Superior	10

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

The Subject will offer LIHTC units income restricted to 50 and 60 percent of the AMI. The majority of the comparable properties were built prior to 2012 when the AMI in Lowndes County decreased. They have been “held harmless” to the recent decrease in AMI and have a higher maximum allowable gross rent level than the 2014 maximum allowable rent level. When rents are “held harmless” a property owner is not required to decrease rents in light of a decrease in the AMI. Instead, the property may continue operating with rent restrictions based upon the higher AMI level prior to the decrease. The following table illustrates the proposed rents at the Subject and the comparable properties net rents.

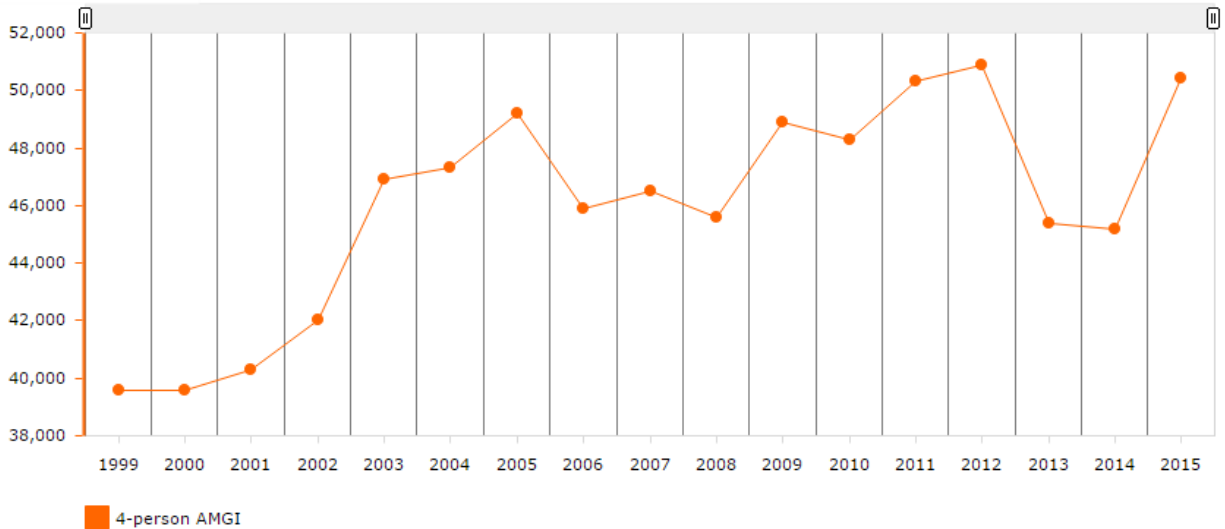
LIHTC Rent Comparison - @50%

Property Name	1BR	2BR	3BR
Lakeview Gardens Apartments (Subject)	\$258	\$308	\$343
2014 LIHTC Maximum (Net)	\$268	\$313	\$348
Hold Harmless Maximum (Net)	\$352	\$414	\$463
Ashton Park	\$374	\$443	\$497
Heron Lake	\$371	\$433	\$503
Average (excluding Subject)	\$373	\$438	\$500
Achievable LIHTC Rent	\$258	\$308	\$343

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR	3BR
Lakeview Gardens Apartments (Subject)	\$349	\$407	\$457
2014 LIHTC Maximum (Net)	\$354	\$417	\$467
Hold Harmless Maximum (Net)	\$455	\$538	\$606
Ashton Park	\$444	\$529	\$639
Brittany Woods	\$284	\$295	\$315
Heron Lake	\$424	\$509	\$629
Average (excluding Subject)	\$384	\$444	\$528
Achievable LIHTC Rent	\$349	\$407	\$457

The Subject’s proposed rents are below all of the rents at the comparables, with the exception of Brittany Woods two and three-bedroom 60 percent AMI units. Additionally, all of the comparable properties are achieving rents above the 2014 maximum allowable LIHTC rent, with the exception of Brittany Woods. Brittany Woods was built in 1970 and renovated in 2001. The property exhibits the most inferior condition in the market, which has affected the performance of the property. The Subject will also offer superior amenities in comparison to Brittany Woods. We believe the Subject will be superior to Brittany Woods and will be able to achieve rents higher than Brittany Woods. The AMI in Lowndes County declined significantly in 2013 and the comparable properties have been held harmless as a result. The following chart illustrates the area median gross income (AMGI) of a four-person household in Lowndes County between 1999 and 2015.



Source: Novogradac & Company LLP, May 2015.

The comparable LIHTC properties are considered slightly inferior to inferior to the proposed Subject. Ashton Park is the most similar LIHTC property and is 100 percent occupied with a waiting list of approximately four months. Ashton Park was built in 1999 and is in average condition. The Subject will be in excellent condition upon completion and will be considered superior in terms of condition. Additionally, Ashton Park offers inferior amenities and similar unit sizes, and a slightly inferior location. Ashton Park is achieving rent significantly above the 2014 maximum allowable rents because of the significant decline in AMI in 2013 and 2014. Ashton Park has been held harmless to subsequent rent decreases. The Subject’s proposed rents are below all of the comparable LIHTC properties, with the exception of Brittany Woods two and three-bedroom 60 percent AMI units. Overall, the Subject’s rents appear reasonable when

compared to the rents at the comparables and particularly when taking into account the strong demand for affordable units in the PMA. This strong demand is illustrated by the 3.2 percent weighted average LIHTC vacancy, and significant waiting lists at the comparable LIHTC properties.

**Analysis of “Market Rents”**

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

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

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

**Subject Comparison to Market Rents**

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
<b>@50%</b>					
1 BR	\$258	\$284	\$685	\$524	103%
2 BR	\$308	\$295	\$800	\$615	100%
3 BR	\$343	\$315	\$890	\$710	107%
<b>@60%</b>					
1 BR	\$349	\$284	\$685	\$524	50%
2 BR	\$407	\$295	\$800	\$615	51%
3 BR	\$457	\$315	\$890	\$710	55%

As illustrated the Subject’s proposed rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. The Subject’s proposed LIHTC rents are within the surveyed range, except for one-bedroom 50 percent units, which are lower than the surveyed minimum. This is considered reasonable given that there are very few newly constructed market rate properties and the Subject will be similar to slightly inferior to the market rate inventory. However, several of the properties reported slightly elevated vacancy rates. Spanish Mission Apartments reported a vacancy rate of 6.7 percent. Despite this minor elevation in vacancy, the market vacancy is still considered low and the Subject rent advantage is still significant.

The Subject will be most similar to Spring Chase Apartments as a market rate property, which is located in Valdosta 14.1 miles north of the Subject site. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). Spring Chase Apartments is 1.0 percent vacant and maintains an extensive waiting list for one-bedroom units. Spring Chase Apartments was built in 1996 and is in average condition. The Subject will exhibit excellent condition upon completion, which will be superior to Spring Chase Apartments. The Subject will offer similar in-unit amenities, slightly inferior property amenities, and slightly inferior unit sizes compared to Spring Chase Apartments. However, the Subject will offer a slightly superior location and superior condition upon completion. Overall, the Subject is considered similar to Spring Chase Apartments. Spring Chase Apartments is achieving market rents 58 to 154 percent higher than the proposed rents at the Subject.

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

**9. LIHTC Competition – DCA Funded Properties within the PMA**

There have been no LIHTC allocations within two miles of the Subject site in the last three years. The most recent allocation in the PMA was Ashley House, which was allocated tax credits in 2012. Ashley House is an existing 61-unit Section 8 property that was renovated with tax credits in 2014. Ashley House is restricted to senior tenants and households earning 50 and 60 percent of AMI or less. It offers studio, one, and two-bedroom units in a seven-story highrise building. Due to the dissimilar tenancy, the Subject will not be directly competitive with Ashley House. We believe there is sufficient demand for the Subject and all existing properties within the PMA.

**10. Rental Trends in the PMA**

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

TENURE PATTERNS - TOTAL POPULATION								
Year	PMA				Valdosta, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	7,102	71.8%	2,791	28.2%	27,532	63.9%	15,548	36.1%
2010	7,396	67.4%	3,585	32.6%	30,419	59.5%	20,722	40.5%
2015	7,420	64.4%	4,098	35.6%	30,455	56.7%	23,284	43.3%
Projected Mkt Entry November 2017	7,597	64.4%	4,198	35.6%	31,087	56.5%	23,917	43.5%
2019	7,723	64.4%	4,270	35.6%	31,538	56.4%	24,369	43.6%

Source: ESRI Demographics 2015, Novogradac & Company LLP, April 2015

Owner-occupied housing units dominate the housing market in the PMA. Nationally, approximately 66 percent of households are homeowners and 34 percent of households are renters. The PMA has a marginally higher percentage of renter households than the nation as a whole and is considered similar to the nation in terms of tenure patterns.

*Historical Vacancy*

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

**HISTORICAL VACANCY**

Comparable Property	Type	2QTR 2010	3QTR 2011	3QTR 2012	2QTR 2013	2QTR 2014	2QTR 2015
Ashton Park	LIHTC	1.1%	4.5%	2.3%	1.1%	0.0%	0.0%
Brittany Woods	LIHTC/Section 8	0.0%	N/A	N/A	N/A	0.0%	7.7%
Heron Lake	LIHTC, Market	0.0%	0.0%	2.0%	4.6%	5.3%	2.0%
Hyde Park Estates	Market	6.2%	3.1%	N/A	N/A	4.7%	3.1%
Mar Mel Go Apartments	Market	1.4%	N/A	N/A	N/A	28.6%	0.0%
Northwind Apartment Homes	Market	2.2%	1.8%	N/A	N/A	5.3%	2.2%
Spanish Mission Apartments	Market	N/A	N/A	N/A	10.0%	9.3%	6.7%
Spring Chase Apartments	Market	N/A	0.0%	1.4%	1.4%	0.7%	1.0%
Staten Crossing	Market	0.5%	2.6%	3.6%	5.1%	5.1%	5.1%

As illustrated in the table, we were able to obtain the historical vacancy rate at several of the comparable properties over the last five years. However, we were not able to obtain all the historical vacancy rates for each individual year. The comparable properties are generally similar to previous years of analysis. Among the LIHTC comparables, Heron Lake reported a lower vacancy rate, while Brittany Woods reported a higher vacancy rate.

*Change in Rental Rates*

The following table illustrates rental rate increases as reported by the comparable properties.

**RENT GROWTH**

Comparable Property	Rent Structure	Rent Growth
Ashton Park	LIHTC	Increased zero to three percent
Brittany Woods	LIHTC/Section 8	None
Heron Lake	LIHTC, Market	None
Hyde Park Estates	Market	Increased 18 to 24 percent
Mar Mel Go Apartments	Market	None
Northwind Apartment Homes	Market	None
Spanish Mission Apartments	Market	Increased two to 10 percent
Spring Chase Apartments	Market	None
Staten Crossing	Market	Increased one to two percent

Six of the comparable properties reported rent increases. The market rate properties reported increases ranging from zero to 24 percent, while the LIHTC comparable properties reported rent increases ranging from zero to three percent. Ashton Park, the most similar LIHTC property, reported an increase three-bedroom 60 percent rent increases of three percent. Ashton Lake maintains a waiting list of approximately four months. The dramatic rent increase at Hyde Park Estates is due to the property recently transitioning from a LIHTC property to a market rate property. The overall upward trend of rents is indicative of strength in the market. We anticipate that the Subject will be able to achieve regular rent increases, within the limits of the LIHTC maximum allowable rent guidelines.

### **11. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac.com* statistics, in Lake Park one in every 818 housing units is in foreclosure as of March 2015. Valdosta, where the majority of the comparable properties are located, is experiencing one foreclosure in every 1,529 housing units. Lowndes County has a similar foreclosure rate of one in every 1,459 housing units, while Georgia experienced one in every 1,085 housing units, and the nation experienced one foreclosure in every 1,082 housing units. The foreclosure rate in Lake Park is slightly higher than the nation and significantly higher than Valdosta and Lowndes County.

### **12. Primary Housing Void**

Brittany Woods and Brookhaven II are the only family LIHTC property within the PMA. Brittany Woods is 7.7 percent vacant maintains an extensive waiting list. Historically, Brittany Woods has maintained a vacancy rate of zero percent. We were unable to obtain rental information about Brookhaven II, despite multiple attempts. The historically strong occupancy and waiting list at Brittany Woods indicates a need for additional family rental housing in the area. We believe that the Subject's units will help to fill this void.

### **13. Affect of Subject on Other Affordable Units in Market**

The family LIHTC comparables have moderate vacancy rates. Property managers indicated that there is a strong need for additional affordable units in the market. Given the strong performance and waiting lists at the LIHTC comparables, we do not believe that the addition of the Subject to the market will impact the existing LIHTC properties. Management at the LIHTC properties in Valdosta indicated that a new family LIHTC property in Lake Park would not have an effect on their property's performance. Therefore, we do not believe that the Subject will negatively impact the existing family LIHTC properties.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 3.1 percent. Additionally, the comparable LIHTC properties maintain significant waiting lists. Ashton Park is the most similar LIHTC property and is 100 percent occupied with a waiting list of approximately four months. Ashton Park was built in 1999 and is in average condition. The Subject will be in excellent condition upon completion and will be considered superior in terms of condition. Additionally, Ashton Park offers inferior amenities and similar unit sizes, and a slightly inferior location. Ashton Park is achieving rent significantly above the 2014 maximum allowable rents because of the significant decline in AMI in 2013 and 2014. Ashton Park has been held harmless to subsequent rent decreases. The Subject's proposed 50 and 60 percent AMI rents are below the rents at all of the comparables and the Subject is considered superior to all of the comparable LIHTC properties. Overall, we believe that the Subject's rents are achievable and that the Subject will offer value in the market. This is further illustrated by the significant rental advantage of 50 to 107 percent that the Subject's units will have over the average market rents. The majority of the comparable properties are located in Valdosta. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). Based on our site inspection and median household income, Lake Park offers a slightly superior location relative to Valdosta. We believe that the Subject will maintain a vacancy rate of five percent or less following stabilization, which is consistent with the LIHTC average and we recommend the Subject as proposed.

# **I. ABSORPTION & STABILIZATION RATES**



**Stabilization/Absorption Rate**

We were able to obtain absorption information from three comparable properties, illustrated following.

**ABSORPTION**

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Heron Lake	LIHTC, Market	Family	2003	152	38
Northwind Apartment Homes	Market	Family	2004	228	20
Mar Mel Go Apartments	Market	Family	2009	70	9

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. Mar Mel Go Apartments represents the most recent construction. Mar Mel Go Apartments is located in Lake Park and offers a similar location to the Subject. Management reported that the property was fully leased within seven months of opening, and experienced an absorption rate of approximately nine units per month. The property is currently 100 percent occupied. Northwind Apartment Homes was leased within 12 months and Heron Lake was leased within four months. Heron Lake is the only comparable LIHTC property that was able to report its absorption pace and it indicates a faster leasing period for the Subject. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in Lake Park, we anticipate that the Subject will experience an absorption rate of 13 units per month, for an absorption period of six months.

## **J. INTERVIEWS**

**Georgia Department of Community Affairs, Waycross Office**

We spoke with Pat McNally, Office Director for the Georgia DCA Waycross Office, which administers vouchers for Lowndes County. As of now, there are 738 vouchers under contract and 50 applicants are on the waiting list. The waiting list is currently closed and Mr. McNally did not know when it would reopen. Mr. McNally indicated that they are preparing to allocate out the 50 vouchers to households on the waiting list. Budget cuts have severely affected the ability to issue vouchers. Two and three-bedroom units are in most demand due to many families seeking vouchers.

**2015 PAYMENT STANDARDS**

Unit Type	Payment Standard
One-bedroom	\$591
Two-bedroom	\$735
Three-bedroom	\$942

Source: Georgia DCA, May 2015

Payment standards for the county are 110 percent of FMR. The Subject’s proposed gross rents are well below the payment standards. Therefore, voucher holders will not have to pay additional money out of pocket in order to reside at the Subject.

**Planning**

We interviewed Ann Pearson from the City of Lake Park Planning Department. She stated that there is no multifamily, office, industrial, or retail development in the planning or construction stages in Lake Park, GA.

**Lowndes County Chamber of Commerce**

We attempted to contact the Lowndes County Chamber of Commerce. In a 2014 interview, we spoke with Will Brown of the Lowndes County Chamber of Commerce. The representative stated that there has been an expansion of the South Georgia Medical Center with the addition of a heart center that will contain 96 rooms with 130,000 square feet of space. The cost was estimated to be around \$70 million. Valdosta is attracting many retailers because its location along the I-75 corridor. Retailers such as Publix and Home Depot have expanded within Lowndes County, which reported \$2 billion in retail sales for 2013. Steeda, a high-tech manufacturer, notified Valdosta that it was transferring all of its engineering and manufacturing machinery, 50 tons, valued at \$3.5 million, from a Florida location to its existing Valdosta facility.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## Conclusions

- Overall population growth in the PMA between 2010 and 2015 was similar to the MSA and significantly higher than the nation. However, the rate of population growth is expected to increase over the next five years in the PMA. Through the projected market entry and 2019, the population in the PMA is expected to increase at a consistent rate similar to the MSA and the nation. The strong population growth within the PMA bodes well for the Subject's units. Annual household growth in the PMA and the MSA outpaced the nation from 2010 to 2015. However, the PMA is projected to experience household growth at a consistent rate through 2019 at a rate similar to the MSA and the nation. Average household size is projected to remain stagnant through 2019 in all areas of analysis. The average household size in the PMA is slightly larger than the MSA and nation, which indicates a greater number of family households, supporting demand for the Subject's proposed units.

Owner-occupied housing units dominate the housing market in the PMA. Nationally, approximately 66 percent of households are homeowners and 34 percent of households are renters. The PMA has a marginally higher percentage of renter households than the nation as a whole and is considered similar to the nation in terms of tenure patterns.

Households earning under \$30,000 in the PMA comprise 60.8 percent of all income cohorts. The Subject will target households earning between \$14,434 and \$29,820, therefore, the Subject should be well-positioned to service this market. The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one to three people are expected to remain stable. The Subject will contain one, two, and three-bedroom floor plans, so this large percentage bodes well for the proposed Subject. Overall, the demographic data points to a growing population with household incomes in line with the Subject's target.

- Retail trade, health care/social assistance, and education services are the largest industries within the PMA. Combined they represent approximately 37 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiences strong growth over the past decade. In general, the area is not overly reliant on a single industry. The lack of dependence on manufacturing is a positive aspect of the local economy. Additionally, Lowndes County has experienced significant recent expansion. According to a *Georgia Trend* article from March 2015, several companies underwent major expansions in 2014 including Fussell Tire and Services, Bimbo Bakeries USA, and Express Scripts, all of which invested in expansions and created new jobs in Valdosta.

Total employment in the MSA was significantly affected by the most recent recession. Following the recession, there were increases in total employment for two years, but total employment declined slightly in 2013 and has declined by 3.5 percent in 2015 year-to-date. However, this is a small sample size, which can be misleading. Over the same period of time, the nation's total employment growth slowed to 0.4 percent from 1.7 percent growth in 2014. Currently, the total employment in the MSA remains 10.4 percent below the 2008 peak employment level. In comparison, the nation is 0.7 percent

above peak total employment. Overall, the MSA was affected by the national recession, and is still in the process of recovering.

- The Subject’s capture rates at the 50 percent AMI level will range from 2.0 to 17.8 percent, with an overall 50 percent capture rate of 6.3 percent. The Subject’s capture rates at the 60 percent AMI level will range from 5.0 to 30.3 percent, with an overall 60 percent capture rate of 20.8 percent. The overall capture rates range from 15.9 to 25.9 percent, with an overall capture rate of 21.0 percent. Therefore, we believe there is adequate demand for the Subject. The following table illustrates the capture rate conclusions.
- We were able to obtain absorption information from three comparable properties, illustrated following.

**ABSORPTION**

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Heron Lake	LIHTC, Market	Family	2003	152	38
Northwind Apartment Homes	Market	Family	2004	228	20
Mar Mel Go Apartments	Market	Family	2009	70	9

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. Mar Mel Go Apartments represents the most recent construction. Mar Mel Go Apartments is located in Lake Park and offers a similar location to the Subject. Management reported that the property was fully leased within seven months of opening, and experienced an absorption rate of approximately nine units per month. The property is currently 100 percent occupied. Northwind Apartment Homes was leased within 12 months and Heron Lake was leased within four months. Heron Lake is the only comparable LIHTC property that was able to report its absorption pace and it indicates a faster leasing period for the Subject. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in Lake Park, we anticipate that the Subject will experience an absorption rate of 13 units per month, for an absorption period of six months.

- Vacancy rates in the market range from zero to 7.7 percent, averaging 3.1 percent. The majority of the LIHTC vacancies are concentrated in Brittany Woods. The contact at Brittany Woods indicated that the high vacancy was not typical of the property, but was unable to explain it. Historically, this property has maintained zero percent vacancy. The LIHTC properties have a weighted vacancy rate of 3.2 percent, which indicates demand for affordable housing. Additionally, the LIHTC properties all maintain waiting lists.

The market rate vacancy rate ranged from zero percent to 6.7 percent, averaging 3.0 percent. Spanish Mission Apartments reported a slightly elevated vacancy rate of 6.7 percent. Management explained the high vacancy is because the property draws in many local university students. Management expects occupancy to increase in the summer. We anticipate that the Subject will perform similarly to the market and will maintain a vacancy rate of five percent or less. If allocated, we do not believe that the Subject will

impact the performance of the existing LIHTC properties, as they reported significant demand for affordable housing in the local market.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 3.1 percent. Additionally, the comparable LIHTC properties maintain significant waiting lists. Ashton Park is the most similar LIHTC property and is 100 percent occupied with a waiting list of approximately four months. Ashton Park was built in 1999 and is in average condition. The Subject will be in excellent condition upon completion and will be considered superior in terms of condition. Additionally, Ashton Park offers inferior amenities and similar unit sizes, and a slightly inferior location. Ashton Park is achieving rent significantly above the 2014 maximum allowable rents because of the significant decline in AMI in 2013 and 2014. Ashton Park has been held harmless to subsequent rent decreases. The Subject's proposed 50 and 60 percent AMI rents are below the rents at all of the comparables and the Subject is considered superior to all of the comparable LIHTC properties. Overall, we believe that the Subject's rents are achievable and that the Subject will offer value in the market. This is further illustrated by the significant rental advantage of 50 to 107 percent that the Subject's units will have over the average market rents. The majority of the comparable properties are located in Valdosta. According to *City-Data.com*, the median household income in Lake Park is \$44,521, which is 49 percent higher than the median household income in Valdosta (\$29,926). Based on our site inspection and median household income, Lake Park offers a slightly superior location relative to Valdosta. We believe that the Subject will maintain a vacancy rate of five percent or less following stabilization, which is consistent with the LIHTC average and we recommend the Subject as proposed.

## Recommendations

- We recommend the Subject as proposed.

## **L. SIGNED STATEMENT REQUIREMENTS**



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



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP  
5-22-2015  
Date



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Edward R. Mitchell  
Manager  
Novogradac & Company LLP  
5-22-2015  
Date



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Daniel W. Mabry  
Analyst  
Novogradac & Company LLP  
5-22-2015  
Date



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Sterling Battle  
Researcher  
Novogradac & Company LLP  
5-22-2015  
Date

## **M. MARKET STUDY REPRESENTATION**

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



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP  
5-22-2015

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Date



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Edward R. Mitchell  
Manager  
Novogradac & Company LLP  
5-22-2015

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Date



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Daniel W. Mabry  
Analyst  
Novogradac & Company LLP  
5-22-2015

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Date



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Sterling Battle  
Researcher  
Novogradac & Company LLP  
5-22-2015

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Date

## **N. QUALIFICATIONS**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

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

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

### II. Licensing and Professional Affiliation

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

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

### III. Professional Experience

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

#### **IV. Professional Training**

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

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings

#### **V. Real Estate Assignments – Examples**

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

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

## **H. Blair Kincer**

### **Qualifications**

**Page 3**

are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **EDWARD R. MITCHELL**

### **I. Education**

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

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

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

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

### **II. Work History**

Manager - Valuation; Novogradac & Company LLP; Atlanta, Georgia  
Senior Real Estate Analyst; Novogradac & Company LLP; Atlanta, Georgia  
Senior Appraiser; Valbridge Property Advisors; Atlanta, Georgia  
Managing Partner; Consolidated Equity, Inc.; Atlanta, Georgia and Jacksonville, Florida  
Senior Appraiser; Schultz, Carr, Bissette & Associates; Atlanta, Georgia  
Disposition Manager; Resolution Trust Corporation (RTC); San Antonio & Dallas, Texas

### **III. Relevant Experience**

- Managed and prepared market studies and appraisals throughout the U.S. for proposed family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties.
- Managed and prepared HUD rent comparability studies (RCS).
- Performed HUD MAP Quality Control market study and appraisal reviews.
- Over 20 years' experience in real estate appraisal, investment, development, and construction. Past appraisal assignments include all types of vacant and improved commercial property and special use properties such as rail corridors, Right-of-Way projects, and recycling plants.

### **IV. Licensure**

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



**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
DANIEL W. MABRY**

**I. Education**

Marist College – Poughkeepsie, NY  
Bachelor of Arts, Economics  
Bachelor of Science, Business Administration

**II. Professional Experience**

*Novogradac & Company LLP* – July 2013 - Present  
Real Estate Analyst

**III. Real Estate Assignments**

A representative sample of work on various types of projects:

- Prepared market studies for proposed new construction and existing Low Income Housing Tax Credit, Section 8, and market rate developments for use by real estate developers, governmental entities, and financial institutions. Property types included special needs and age restricted developments. Studies included property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, and market rate multifamily developments. Analysis includes property screenings, expense comparability analysis, demographic and economic analysis.
- Performed all aspects of data collection and data mining for use in market studies, feasibility studies, and appraisals.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **Sterling Battle**

### **I. Education**

The University of South Florida, Tampa, FL  
Bachelor of Science degree in Finance

### **II. Professional Experience**

Real Estate Researcher, Novogradac & Company LLP, September 2014 – Present  
Real Estate Research Intern, Framework Group Development LLC, September 2013- September 2014

### **III. Research Assignments**

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

- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Assisted with numerous appraisals of new construction and existing LIHTC and market-rate properties.