



REAL PROPERTY **RESEARCH** GROUP

WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

Hardin Terrace Apartments

Jefferson, Jackson County, Georgia

Prepared for:

Zimmerman Properties

Project # - 2015-4465

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EXECUTIVE SUMMARY

Zimmerman Properties has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis of Hardin Terrace, a proposed general occupancy rental community in Jefferson, Jackson County, Georgia. As proposed, Hardin Terrace will be financed in part with nine percent Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA) and will contain 80 LIHTC units.

1. Project Description

- Hardin Terrace will be located on the east side of Storey Lane (346 Storey Lane), northwest of downtown Jefferson. Hardin Terrace will include 80 LIHTC general occupancy rental units.
- Hardin Terrace will offer 12 one-bedroom units with 900 square feet, 44 two-bedroom units with 1,000 square feet, and 24 three-bedroom units with 1,200 square feet.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below.

Hardin Terrace 346 Storey Lane Jefferson, Jackson County, Georgia							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
1	1	50%	900	8	\$570	\$190	\$380
1	1	60%	900	4	\$574	\$190	\$384
2	2	50%	1,000	6	\$691	\$231	\$460
2	2	60%	1,000	38	\$776	\$231	\$545
3	2	50%	1,200	4	\$796	\$261	\$535
3	2	60%	1,200	20	\$886	\$261	\$625
Total				80			

Rents include trash removal.

- In-unit features offered at the subject property will include a range, a refrigerator, a dishwasher, a garbage disposal, a microwave, ceiling fans, washers and dryers in each unit, and a patio/balcony. These unit features are superior to existing communities in the market area including LIHTC communities.
- Hardin Terrace's community amenity package will include a clubhouse with leasing center, community room, fitness center, swimming pool, playground, computer center/library, covered pavilion and BBQ area, and walking trails with bench seating. This amenity package will be competitive with surveyed LIHTC communities in the Hardin Terrace Market Area.

2. Site Description / Evaluation



The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, and transportation arteries.

- The site for Hardin Terrace is located in a rural residential neighborhood northwest of downtown Jefferson. Single-family detached homes are common within one-half mile of the site.
- The site is located within one to three miles of many community amenities and services in Jefferson. In addition, the site is located within close proximity to Interstate 85, a major regional thoroughfare, allowing easy access to employment concentrations along the Interstate 85 corridor.
- The subject site is suitable for the proposed development. No negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace.

3. Market Area Definition

- The Hardin Terrace Market Area is comprised the 11 census tracts in Jackson County including the cities of Jefferson, Commerce, Braselton, and Pendergrass. As the county's residential and commercial make-up is relatively homogenous, we used the entire county as the primary market area. All areas of the market area are easily accessible via Interstate 85 or the numerous State and U.S. Highways in the county.

Census tracts in the counties surrounding Jackson County were not included in the Hardin Terrace Market Area due to distance or difference in neighborhood make-up. The surrounding counties to the south and north include the cities of Athens and Gainesville, respectively. These larger cities are not comparable to the more rural Jackson County.

- The boundaries of the Hardin Terrace Market Area and their approximate distance from the subject site are Banks County/Hall County to the north (10.0 miles), Madison County to the east (13.7 miles), Barrow County/Clarke County to the south (7.3 miles), and Hall County/Barrow County to the west (11.8 miles).

4. Community Demographic Data

The Hardin Terrace Market Area has experienced steady population and household growth since 2000, a trend projected to continue over the next couple of years.

- The Hardin Terrace Market Area added 1,890 people (3.8 percent) and 629 households (3.6 percent) per year between the 2000 and 2010 Census Counts. This trend continued, albeit at a slower pace from 2010 to 2015, as the county's population and household base grew at annual rates of 1.0 percent and 0.9 percent, respectively.
- From 2015 to 2017, Esri projects the Hardin Terrace Market Area's population will increase by 675 people (1.1 percent) and 212 households (0.9 percent) per year.
- Adults age 35-61 comprise the largest percentage of the population in in the market area at 36.6 percent compared to 36.1 percent in the Bi-County Market Area. Forty-six percent of the market area's population is under the age of 35 including 27.6 percent under the age of 20. Approximately 17 percent of the population in 62 and older compared to 15.6 percent in the Bi-County Market Area.



- Roughly 41 percent of all households in the Hardin Terrace Market Area contain at least two people but no children and 40.2 percent have children. Single persons account for 18.7 percent of all market area households.
- The Hardin Terrace Market Area's renter percentage was 23.0 percent in 2010 which increased to 25.0 percent in 2015. The market area's renter percentage is expected to increase to 25.6 percent in 2017.
- Working age households form the core of the market area's renters, as roughly 61 percent of all renter householders are ages 25-54. Within this age segment, renters age 25 to 34 account for the single largest percentage of renter householders in the Hardin Terrace Market Area at 21.7 percent. Approximately 31 percent of renter households are age 55 or older.
- As of 2010, 51.4 percent of all renter households in the Hardin Terrace Market Area contained one or two persons including 26.6 percent with one person. Households with three or four persons accounted for 33.1 percent of renter households and large households (5+ persons) accounted for 15.5 percent of renter households.
- The 2015 median income of households in the Hardin Terrace Market Area is \$57,217, 1.0 percent higher than the Bi-County Market Area median household income of \$56,659. RPRG estimates that the median income of renter households in the Hardin Terrace Market Area is \$28,105. Approximately 47 percent of renters earn less than \$25,000 including 25 percent earning less than \$15,000. Roughly 21 percent earn between \$25,000 and \$49,999.

5. Economic Data

Jackson County's economy is growing with At-Place-Employment at an all-time high and an unemployment rate below state and national levels.

- Following a recession high of 11.1 percent in 2009, Jackson County's unemployment rate has decreased in each of the past five years reaching a seven year low of 6.0 percent in 2014. The unemployment rate has continued to drop to 5.3 percent in the first quarter of 2015, compared to 6.3 percent in Georgia and 5.8 percent in the nation.
- Jackson County's At-Place Employment grew by 28.5 percent from 2000 to 2013, adding a net total of 4,318 jobs. After losing 2,829 jobs from 2007 to 2009, the county recouped all losses by adding 3,367 net jobs from 2010 to 2014 (Q3). The At-Place-Employment total in the third quarter of 2014 of 20,106 jobs eclipses the pre-recession peak in 2006.
- Trade-Transportation-Utilities and Manufacturing are the largest employment sectors in Jackson County accounting for a total of 53.8 percent of all jobs in the county compared to 27.9 percent nationally. Manufacturing has the largest disparity (26.3 percent versus 8.9 percent) between county and national employment shares.
- The subject site is located in close proximity to Interstate 85 making the major private employers located along the Interstate 85 corridor convenient.
- Since the beginning of 2013, Ollie's Bargain Outlet, Toyota, and Shiloh Industries have announced large job expansions. The three companies have added or plan to add a total of 355 jobs.



6. Project Specific Affordability and Demand Analysis:

- Hardin Terrace will contain 80 general occupancy rental units including 12 one-bedroom units, 44 two-bedroom units, and 24 three-bedroom units. The proposed units will target households earning up to 50 percent and 60 percent of the AMI.
- The 50 percent units will target renter householders earning between \$19,543 and \$33,650. The 18 proposed units at 50 percent AMI would need to capture 1.6 percent of the 1,149 income qualified renter households in order to lease-up.
- The 60 percent units will target renter householders earning between \$19,680 and \$40,380. The 62 proposed units at 60 percent AMI would need to capture 4.3 percent of the 1,435 income qualified renter households in order to lease-up.
- The overall affordability capture rate for the project is 5.5 percent.
- Based on DCA methodology, total net demand for all 80 proposed units in the Hardin Terrace Market Area is 674 households, resulting in a capture rate of 11.9 percent. Capture rates by income level are 3.4 percent for 50 percent units and 9.3 percent for 60 percent AMI units. Hardin Terrace's capture rates by floor plan range from 1.2 percent to 20.7 percent.
- All of the capture rates for Hardin Terrace are within DCA's range of acceptability. The overall capture rates indicate sufficient demand to support the proposed development.

7. Competitive Rental Analysis

RPRG surveyed six multi-family rental communities (three located in the Hardin Terrace Market Area and three located outside of the market area in Winder) including two LIHTC communities in the market area. At the time of our survey, the overall rental market in the market area was stable.

- Among the surveyed communities in the market area, 14 of 301 units were reported vacant for a vacancy rate of 4.7 percent. The three market rate communities located outside of the market area had an aggregate vacancy rate of 2.6 percent.
- Among the LIHTC communities in the market area, 14 of 198 units were reported vacant for a rate of 7.1 percent. Heritage Hills, a LIHTC community, had 10 of the 14 vacancies reported which could indicate that rents are too high at this community or that there is an issue with management. The other LIHTC community in the market area, Heritage Crossing, was performing well with a vacancy rate of 3.4 percent.
- Among the six rental communities surveyed, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 945 square feet, resulting in a net rent per square foot of \$0.55. Among surveyed communities outside of the market area, Hillcrest's two bedroom rent was \$558 with a unit size of 915 square feet.
 - **Two-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 1,150 square feet, resulting in a net rent per square foot of \$0.53. Among surveyed communities outside of the market area, the average effective two bedroom rent was \$638 with an average unit size of 1,125 square feet.
 - **Three-bedroom** effective rents in the market area averaged \$663 per month with an average unit size of 1,318 square feet, resulting in a net rent per square foot of \$0.50. Among surveyed communities outside of the market area, the average effective three bedroom rent was \$733 with an average unit size of 1,161 square feet.



- The “average market rent” among comparable communities in the market area is \$568 for one bedroom units, \$649 for two bedroom units, and \$710 for three bedroom units. The subject property’s proposed rents are all below these average market rents with rent advantages ranging from 12.0 percent to 33.1 percent.
- No directly comparable new rental communities were identified as planned or under construction in the market area.

8. Absorption/Stabilization Estimate

- Based on the product to be constructed and the factors discussed above, we expect Hardin Terrace to lease-up at a rate of 12 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within six to seven months.
- Given the stable rental market in the Hardin Terrace Market Area and projected household growth over the next couple of years, we do not expect Hardin Terrace to have negative impact on existing rental communities in the Hardin Terrace Market Area including those with tax credits.

9. Overall Conclusion / Recommendation

Based on household growth, acceptable affordability and demand capture rates, and stable rental market conditions, sufficient demand exists to support the proposed units at Hardin Terrace. As such, RPRG believes that the proposed Hardin Terrace will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing LIHTC communities in the Hardin Terrace Market Area and the units will be well received by the target market. We recommend proceeding with the project as planned.

We do not believe that the proposed development of Hardin Terrace will have a negative impact on the existing LIHTC communities in the market area.

10. DCA Summary Table:

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$19,543 - \$33,650										
One Bedroom Units	\$19,543 - \$24,000	8	9.2%	244	0	244	3.3%	2 months	\$568	\$494-\$655	\$380
Two Bedroom Units	\$24,001 - \$28,000	6	5.2%	136	0	136	4.4%	2 months	\$649	\$565-\$760	\$460
Three Bedroom Units	\$28,001 - \$33,650	4	5.8%	153	0	153	2.6%	1-2 months	\$710	\$640-\$825	\$535
60% Units	\$19,680 - \$40,380										
One Bedroom Units	\$19,680 - \$26,750	4	12.8%	338	0	338	1.2%	2 months	\$568	\$494-\$655	\$384
Two Bedroom Units	\$26,751 - \$33,500	38	6.9%	183	0	183	20.7%	6-7 months	\$649	\$565-\$760	\$545
Three Bedroom Units	\$33,501 - \$40,380	20	5.5%	145	0	145	13.8%	4-5 months	\$710	\$640-\$825	\$625
Project Total	\$19,543 - \$40,380										
50% Units	\$19,543 - \$33,650	18	20.2%	533	0	533	3.4%	2 months			
60% Units	\$19,680 - \$40,380	62	25.3%	666	0	666	9.3%	6-7 months			
Total Units	\$19,543 - \$40,380	80	25.5%	674	0	674	11.9%	6-7 months			



SUMMARY TABLE:		
Development Name:	Hardin Terrace	Total # Units: 80
Location:	346 Storey Lane, Jefferson, Jackson County, GA	# LIHTC Units: 80
PMA Boundary:	North: Banks County/Hall County, East: Madison County, South: Barrow County/Clarke County, West: Hall County/Barrow County	
	Farthest Boundary Distance to Subject:	13.7 miles

RENTAL HOUSING STOCK – (found on pages 5, 35, 39)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	3	301	14	95.3%
Market-Rate Housing	1	103	0	100.0%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC	2	198	14	92.9%
Stabilized Comps	3	301	14	95.3%
Properties in construction & lease up				

Only surveyed communities inside the market area are included

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
8	1	1	900	\$380	\$568	\$0.63	33.1%	\$670	\$0.69
4	1	1	900	\$384	\$568	\$0.63	32.4%	\$670	\$0.69
6	2	2	1,000	\$460	\$649	\$0.65	29.1%	\$780	\$0.66
38	2	2	1,000	\$545	\$649	\$0.65	16.0%	\$780	\$0.66
4	3	2	1,200	\$535	\$710	\$0.59	24.6%	\$850	\$0.63
20	3	2	1,200	\$625	\$710	\$0.59	12.0%	\$850	\$0.63

DEMOGRAPHIC DATA (found on pages 28, 48)						
	2012		2015		2017	
Renter Households	5,209	24.1%	5,562	25.0%	5,804	25.6%
Income-Qualified Renter HHs (LIHTC)	1,418	27.2%	1,462	26.3%	1,439	24.8%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 50)						
Type of Demand	50%	60%				Overall
Renter Household Growth	32	40				41
Existing Households (Overburd + Substand)	501	626				634
Homeowner Conversion (Seniors)						
Secondary Market Demand (10%)						
Total Primary Market Demand	533	666				674
Less Comparable/Competitive Supply	0	0				0
Adjusted Income-qualified Renter HHs	533	666				674

Demand estimates calculated without PBRA on any units

CAPTURE RATES (found on page 50)						
Targeted Population	50%	60%				Overall
Capture Rate	3.4%	9.3%				11.9%



1. INTRODUCTION

A. Overview of Subject

The subject of this report is Hardin Terrace, a proposed multi-family rental community in Jefferson, Jackson County, Georgia. Hardin Terrace will be newly constructed and financed in part by Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). Upon completion, Hardin Terrace will contain 80 LIHTC rental units reserved for households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis.

C. Format of Report

The report format is comprehensive and conforms to DCA's 2015 Market Study Manual. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Zimmerman Properties. Along with the Client, the Intended Users are DCA, potential lenders, and investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2015 Market Study Manual.
- The National Council of Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Index.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 5 and 6 for a detailed list of DCA and NCHMA requirements as well as the corresponding pages of requirements within the report.
- Brett Welborn (Analyst) conducted a site visit on May 20, 2015.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Betty Jackson with the Jefferson Planning and Development department, David Zellner with the Commerce Planning and Development department, Peggy Morgan with the Jackson County Planning and Zoning department, and staff with the Commerce Housing Authority.



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.



2. PROJECT DESCRIPTION

A. Project Overview

Hardin Terrace will be located at 346 Storey Lane in Jefferson, 2.3 miles northwest of downtown Jefferson. The subject property will comprise 80 general occupancy rental units including 18 units targeting householders earning up to 50 percent of the Area Median Income (AMI) and 62 units targeting householders earning up to 60 percent AMI.

B. Project Type and Target Market

Hardin Terrace will target low to moderate income renter households. Given the proposed unit mix of one, two, and three bedroom floor plans, potential renter household types include singles, roommates, couples, and families.

C. Building Types and Placement

Hardin Terrace will comprise five newly constructed residential buildings, all of which will be two-story and garden-style with brick and HardiPlank siding exteriors. The residential buildings will be located on a single site with parking located along the community's access road, leading to Storey Lane. The subject property will be accessible via an entrance on Storey Lane and the community building and community amenities will be located near the entrance (Figure 1).

D. Detailed Project Description

1. Project Description

- Hardin Terrace will offer 12 one-bedroom units, 44 two-bedroom units, and 24 three-bedroom units.
- Proposed unit sizes are 900 square feet for one-bedroom units, 1,000 square feet for two-bedroom units, and 1,200 square feet for three-bedroom units (Table 1).
- One bedroom units will have one bathroom; two and three bedroom units will have two bathrooms.
- Proposed rents will include the cost of trash removal. Tenants will bear the cost of all other utilities. All appliances and the heating/cooling for each unit will be electric.

The following **unit features** are planned:

- Kitchens with a refrigerator, oven/range, garbage disposal, dishwasher, and microwave
- Central heating and air-conditioning
- Patio or balcony
- Ceiling fans
- Window blinds
- Washer and dryer in unit

The following **community amenities** are planned:

- Clubhouse with leasing office
- Community room
- Fitness center
- Swimming pool



- Playground
- Computer center / library
- Covered pavilion and barbeque area
- Walking trails with bench seating

2. Other Proposed Uses

None.

3. Proposed Timing of Development

Hardin Terrace is expected to begin construction in May 2016 and will be completed in April 2017. For the purposes of this report, the subject property’s anticipated placed-in-service year is 2017.

Figure 1 Hardin Terrace Site Plan



Source: Zimmerman Properties



Table 1 Hardin Terrace Detailed Project Summary

Hardin Terrace 346 Storey Lane Jefferson, Jackson County, Georgia							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
1	1	50%	900	8	\$570	\$190	\$380
1	1	60%	900	4	\$574	\$190	\$384
2	2	50%	1,000	6	\$691	\$231	\$460
2	2	60%	1,000	38	\$776	\$231	\$545
3	2	50%	1,200	4	\$796	\$261	\$535
3	2	60%	1,200	20	\$886	\$261	\$625
Total				80			

Rents include trash removal.

Project Information		Additional Information	
Number of Residential Buildings	Five	Construction Start Date	5/1/2016
Building Type	Garden	Date of First Move-In	5/1/2017
Number of Stories	Two	Construction Finish Date	4/1/2017
Construction Type	New Const.	Parking Type	Surface
Design Characteristics (exterior)	Brick and HardiPlank	Parking Cost	None
Community Amenities	Clubhouse with leasing office, community room, fitness center, playground, swimming pool, computer center/library, covered pavilion and BBQ area, and walking trails with bench seating	Kitchen Amenities	
		Dishwasher	Yes
		Disposal	Yes
		Microwave	Yes
		Range	Yes
Unit Features	Refrigerator, stove, dishwasher, disposal, microwave, ceiling fans, either patio or balcony, washer and dryer in unit, central heating and cooling, window blinds	Utilities Included	
		Water/Sewer	Tenant
		Trash	Owner
		Heat	Tenant
		Heat Source	Elec
		Hot/Water	Tenant
		Electricity	Tenant
Other:			

Source: Zimmerman Properties



3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located on the east side of Storey Lane (346 Storey Lane), just north of its terminus at U.S. Highway 129 in northwest Jefferson, Jackson County, Georgia (Map 1, Figure 2).

2. Existing Uses

The subject site is a grassy pasture with trees sparsely scattered throughout; the site includes no existing structures (Figure 3).

3. Size, Shape, and Topography

The subject site is roughly rectangular, is comprised of approximately 18 acres, is slightly hilly, and slopes gradually to the east.

4. General Description of Land Uses Surrounding the Subject Site

The site for Hardin Terrace is in a rural residential neighborhood northwest of downtown Jefferson. Land uses in close proximity to the subject site include single-family detached homes, undeveloped land, a church, a Jefferson City Schools administrative building, a self-storage facility, and an animal hospital. Several additional small businesses are located along U.S. Highway 129 to the south and west. The modest single-family detached homes located adjacent to the site on Storey Lane are well maintained.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses bordering the subject site are as follows (Figure 4):

- **North:** Undeveloped land and a single-family detached home with a pond.
- **East:** Undeveloped land.
- **South:** Undeveloped land.
- **West:** Single-family detached homes, a self-storage facility, an animal hospital, and a Jefferson City Schools administrative building.



Map 1 Site Location

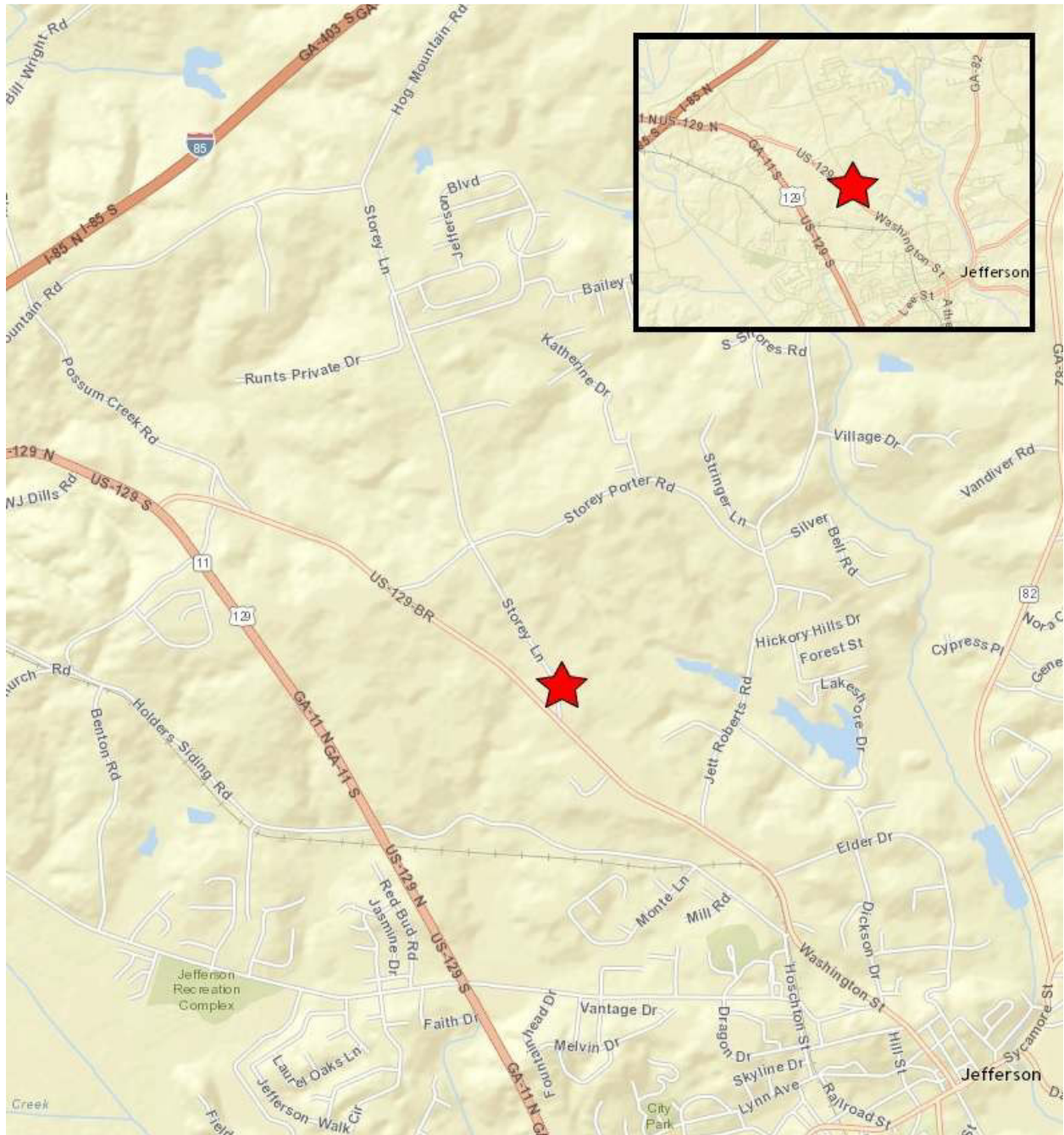


Figure 2 Satellite Image of Subject Site

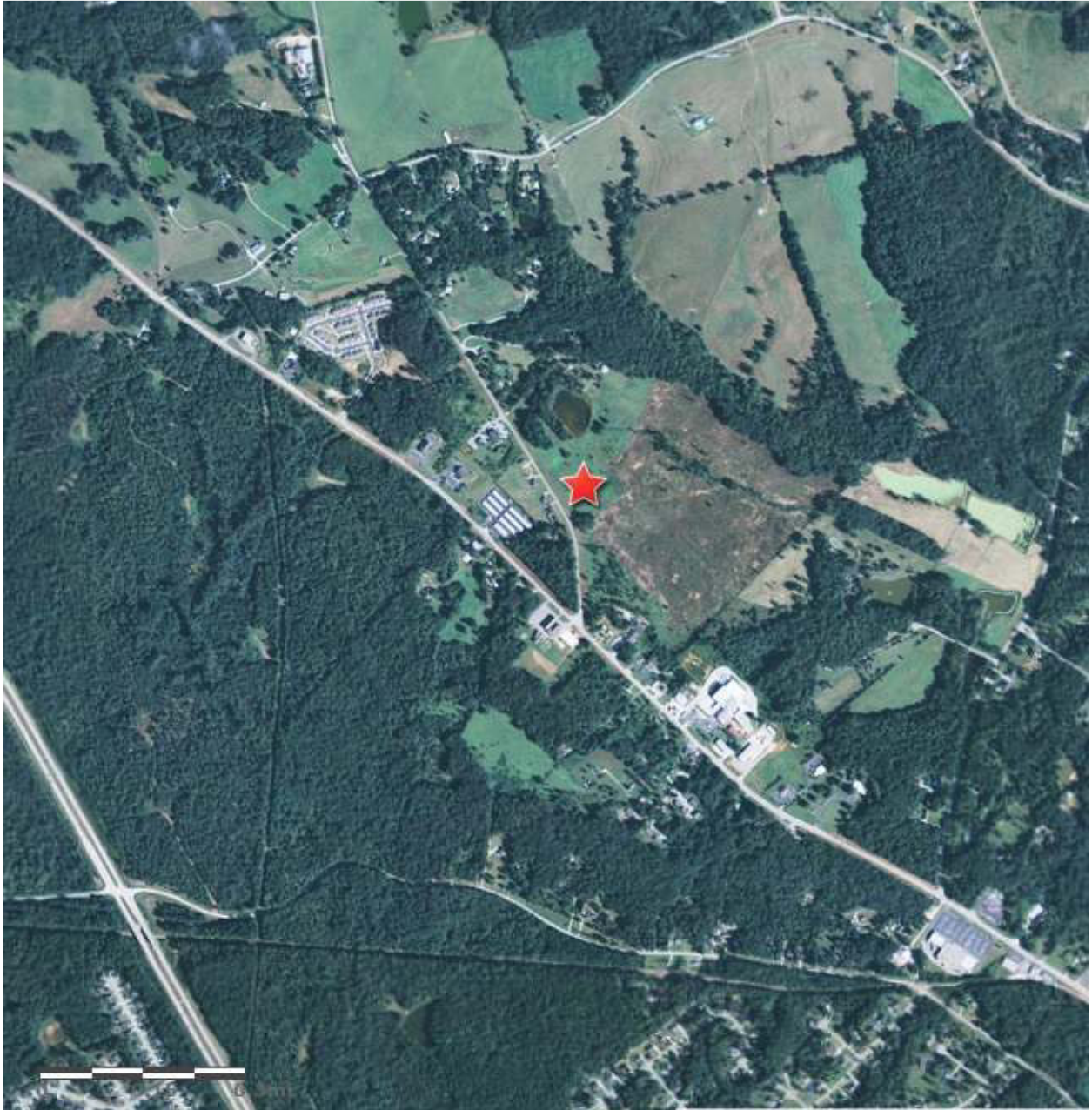


Figure 3 Views of Subject Site



Site facing northeast from the southwestern corner of the site



Storey Lane facing northwest (site on the right)



Site facing east from Storey Lane



Site facing east from Storey Lane



Site facing southeast from the northwestern corner of the site



Storey Lane facing southeast (site on the left)

Figure 4 Views of Surrounding Land Uses



Single-family detached home to the west



Single-family detached home to the west



Single-family detached homes to the northwest



Undeveloped land to the north



Jefferson City Schools administrative office to the northwest



Sunshine Self Storage to the west



B. Neighborhood Analysis

1. General Description of Neighborhood

Hardin Terrace will be located in a rural residential neighborhood with a mixture of surrounding land uses in northwest Jefferson, Jackson County. Jefferson is a small residential community with a limited central business district. Downtown Jefferson is located just over two miles southeast of the site featuring small retailers, community services, and restaurants. Outside of downtown, the general make-up of the town is rural with numerous residential uses and limited commercial development. Single-family detached homes are the predominant land use in Jefferson; only one general occupancy rental community (Heritage Heights) is located in the city. A senior LIHTC community (Maple Square) is located less than one mile northwest of the site.

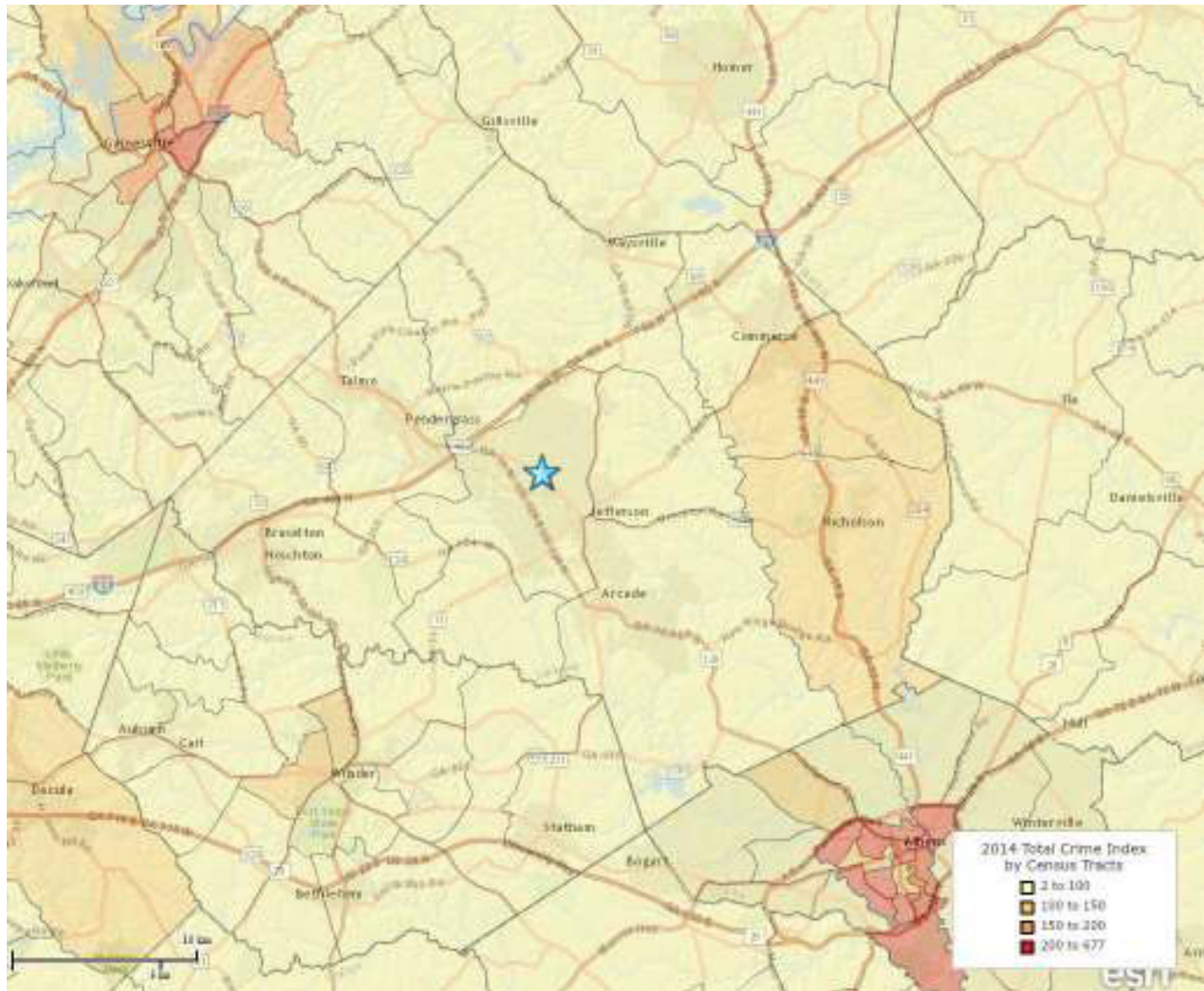
2. Neighborhood Planning Activities

Plans have been approved and funds have been allocated for a second phase of Maple Square, a senior LIHTC community located less than one mile northwest of the site on Washington Street. In addition, a new for-sale single-family detached home neighborhood (Mallard's Landing) is being developed on Old Swimming Pool Road in western Jefferson; prices range from \$190,000 to \$300,000.

3. Public Safety

CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

Map 2 displays the 2014 CrimeRisk Index for the census tracts in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The subject site's census tract and the majority of those in the surrounding areas are yellow, indicating they have a below average crime risk (under 100) compared to the nation (100). Based on this data and our field work and analysis, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Map 2 2014 CrimeRisk, Subject Site and Surrounding Areas


C. Site Visibility and Accessibility

1. Visibility

Hardin Terrace will be visible from Storey Lane, a lightly traveled residential road.

2. Vehicular Access

Hardin Terrace's entrance will be on Storey Lane which has light traffic in front of the site. Problems with ingress or egress are not anticipated.

3. Availability of Public Transit and Inter-Regional Transit

The subject site is served by Jackson County Transit, which offers demand response transportation. Fixed route service is not available in Jefferson.

Jefferson is located on the south side of Interstate 85, which provides access to Atlanta to the southwest and Greenville to the northeast. Easy access to Atlanta makes travel throughout the



southeast United States convenient. Jefferson is also served by U.S. Highway 129, which connects it to Gainesville to the northwest and Athens to the southeast.

Hartsfield-Jackson International Airport, the closest passenger airport in the region, is just over a one hour drive southwest of the subject site via Interstate 85.

4. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Through this research, no major roadway improvements were identified that would have a direct impact on this market.

Transit and Other Improvements under Construction and/or Planned

None identified.

5. Environmental Concerns

No visible environmental or other site concerns were identified.

D. Residential Support Network

6. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part on its proximity to those facilities and services required on a daily basis. Key facilities and services and their distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 3.

7. Essential Services

Health Care

Northridge Medical Center is the closest hospital in the region, located in Commerce. This 90-bed medical center offers a wide range of services including emergency medicine and general medical care. Northridge Medical Center is located on Medical Center Drive, 12.7 miles northeast of the site.

Outside of this major healthcare provider, several smaller medical facilities are located in closer proximity to Hardin Terrace. The closest of these are Jefferson Family Medicine and Northeast Georgia Physicians Group located 2.6 miles and 3.0 miles from the site, respectively.

Education

The subject property will be served by the Jackson County Schools District, which includes 12 schools and has an approximate enrollment of 7,300 students. School age children residing at the subject property would attend North Jackson Elementary School (6.8 miles), West Jackson Middle School (9.8 miles), and Jackson County High School (4.0 miles).

The University of Georgia, the state's largest university, is located approximately 30 minutes southeast of the site including an approximate enrollment of 35,000 students.

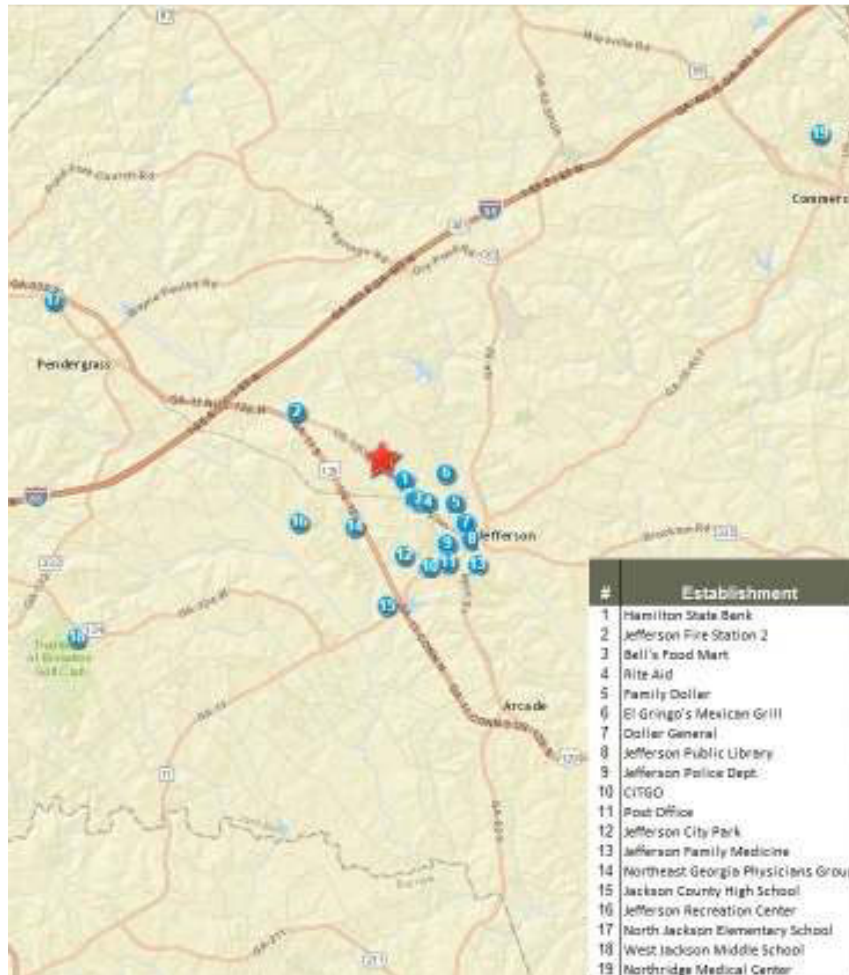


Table 2 Key Facilities and Services

Establishment	Type	Address	City	Driving Distance
Hamilton State Bank	Bank	1596 Washington St.	Jefferson	0.7 mile
Jefferson Fire Station 2	Fire	2758 US-129 BUS	Jefferson	0.9 mile
Bell's Food Mart	Grocery	1325 Washington St.	Jefferson	0.9 mile
Rite Aid	Pharmacy	1305 Washington St.	Jefferson	1 mile
Family Dollar	General Retail	1251 Washington St.	Jefferson	1 mile
El Gringo's Mexican Grill	Restaurant	1248 Washington St.	Jefferson	1 mile
Dollar General	General Retail	1042 Washington St.	Jefferson	1.2 miles
Jefferson Public Library	Library	1000 Washington St.	Jefferson	1.2 miles
Jefferson Police Department	Police	140 Mahaffey St.	Jefferson	2.2 miles
Citgo	Convenience Store	418 Lee St.	Jefferson	2.3 miles
Post Office	Post Office	216 Lee St.	Jefferson	2.4 miles
Jefferson City Park	Public Park	Lynn Ave	Jefferson	2.6 miles
Jefferson Family Medicine	Doctor/Medical	270 Athens St.	Jefferson	2.6 miles
Northeast Georgia Physicians Group	Doctor/Medical	1689 Old Pendergrass Rd.	Jefferson	3 miles
Jackson County High School	Public School	1668 Winder Hwy.	Jefferson	4 miles
Jefferson Recreation Center	Community Center	Plantation Dr	Jefferson	4.1 miles
North Jackson Elementary School	Public School	1880 N Old Gainesville Hwy.	Talmo	6.8 miles
West Jackson Middle School	Public School	400 Gum Springs Rd.	Jefferson	9.8 miles
Northridge Medical Center	Hospital	70 Medical Center Dr.	Commerce	12.7 miles

Source: Field and Internet Survey, RPRG, Inc.

Map 3 Location of Key Facilities and Services





8. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

Hardin Terrace is located within one mile of a grocery store (Bell’s Food Mart), a pharmacy (Rite Aid), a bank (Hamilton State Bank), and several restaurants, all located along Washington Street to the south. The closest convenience store (Citgo) is located 2.3 miles south of the site near downtown Jefferson.

Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers’ goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

The closest general shopping opportunities are Family Dollar and Dollar General located 1.0 mile and 1.2 miles from the site, respectively. A Walmart is located in Commerce, 13.9 miles northeast of the site. The closest mall is Tanger Outlets, located 14.1 miles northeast of the site in Commerce. The Tanger Outlets feature more than 80 retail outlet stores including H&M, Nike, Polo Ralph Lauren, Banana Republic, Timberland, Nautica, Aeropastale, Gap, Hollister, Coach, LOFT, American Eagle, Abercrombie & Fitch, and Ann Taylor.

9. Recreational Amenities

The closest recreational park to Hardin Terrace is Jefferson City Park which includes a pond, greenspace, multiple sports fields, a playground, and a gathering area with bathrooms. Jefferson City Park is located 2.6 miles south of the site on Lynn Ave. The Jefferson Recreation Center is located 4.1 miles southwest of the site on Plantation Drive. The recreation center includes a community building and numerous sports fields with numerous planned activities. In addition, the Jefferson public library is located 1.2 miles from the site on Washington Street.

10. Location of Low Income Housing

A list and map of existing low-income housing in the Hardin Terrace Market Area are provided in the Existing Low Income Rental Housing Section of this report, starting on page 39.

E. Site Conclusion

The subject site is located in a rural residential neighborhood northwest of downtown Jefferson and is convenient to community services, employment centers, and traffic arteries. The site is considered comparable to existing rental communities in the market area and is appropriate for the proposed development of Hardin Terrace.



4. MARKET AREA DEFINITION

A. Introduction

The primary market area for the proposed Hardin Terrace is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Hardin Terrace Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Hardin Terrace Market Area is comprised the 11 census tracts in Jackson County including the cities of Jefferson, Commerce, Braselton, and Pendergrass. As the county’s residential and commercial make-up is relatively homogenous, we used the entire county as the primary market area. All areas of the market area are easily accessible via Interstate 85 or the numerous State and U.S. Highways in the county.

Census tracts in the counties surrounding Jackson County were not included in the Hardin Terrace Market Area due to distance or difference in neighborhood make-up. The surrounding counties to the south and north include the cities of Athens and Gainesville, respectively. These larger cities are not comparable to the more rural Jackson County.

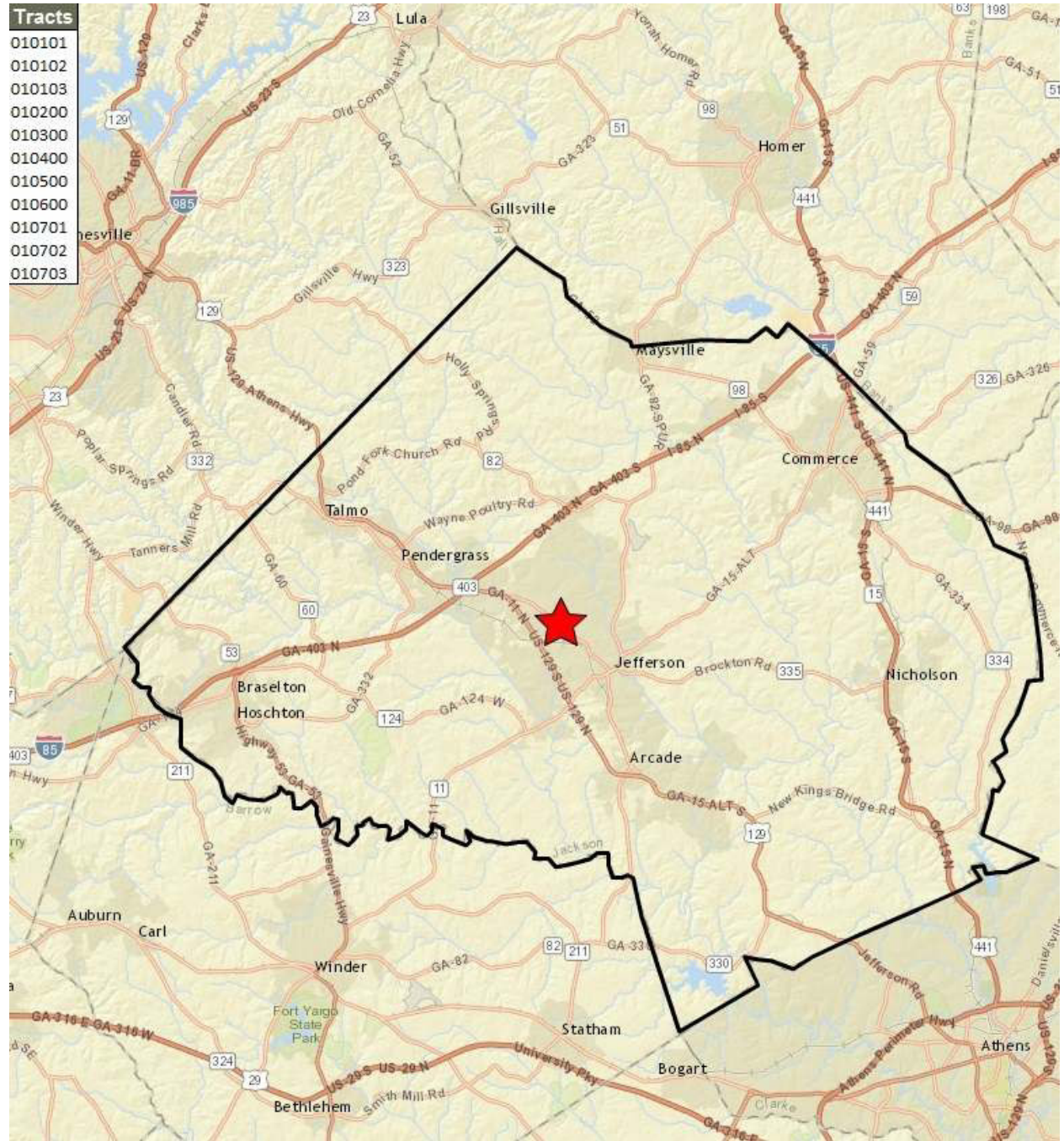
The boundaries of the Hardin Terrace Market Area and their approximate distance from the subject site are:

- North:** Banks County / Hall County (10.0 miles)
- East:** Madison County (13.7 miles)
- South:** Barrow County / Clarke County (7.3 miles)
- West:** Hall County / Barrow County (11.8 miles)

This market area is depicted in Map 4 and the census tracts that comprise the market area are listed on the edge of the map. As appropriate for this analysis, the Hardin Terrace Market Area is compared to a Bi-County Market Area of Jackson County and Barrow County, which is considered as the secondary market area, although demand will be computed based only on the Hardin Terrace Market Area.



Map 4 Hardin Terrace Market Area





5. ECONOMIC CONTENT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Jackson County, the jurisdiction in which Hardin Terrace will be located. For purposes of comparison, economic trends in Georgia and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Jackson County's labor force added workers every year between 2000 and 2008 increasing from 21,347 to 27,695 workers, a net gain of 29.7 percent. The labor force decreased slightly to 27,055 workers in 2009 during the national economic downturn before increasing in each of the next five years to 29,658 workers in 2014 (Table 3). The labor force added 323 workers in the first quarter of 2015 reaching 29,981 workers, an all-time high. Since 2009, the labor force has grown by 2,926 workers while the employed portion of the labor force has grown by over 4,300 workers; this indicates a large number of the unemployed workforce is leaving the labor force.

2. Trends in County Unemployment Rate

The unemployment rate in Jackson County ranged from 3.2 percent to 6.2 percent between 2000 and 2008 before increasing significantly to 11.1 percent in 2009 during the national recession and prolonged economic downturn. The county's unemployment rate decreased each year since 2009 while the unemployment rates in the state and nation have decreased in each of the past four years. The unemployment rate in Jackson County has decreased significantly to 5.3 percent in the first quarter of 2015 which is lower than both state (6.3 percent) and national (5.8 percent) unemployment rates.

C. Commutation Patterns

According to 2009-2013 American Community Survey (ACS) data, roughly half (48.5 percent) of workers residing in the Hardin Terrace Market Area spent less than 30 minutes commuting to work (Table 4). Approximately 45 percent of workers residing in the market area spent 30 minutes or more commuting to work.

Roughly 41 percent of all workers residing in the Hardin Terrace Market Area worked in Jackson County and 57.6 percent worked in another Georgia county. Less than two percent of market area workers worked in another state.



Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 Q1
Labor Force	21,347	21,375	21,999	22,844	23,900	25,395	26,711	26,964	27,695	27,055	28,656	28,911	29,401	29,646	29,658	29,981
Employment	20,662	20,460	20,857	21,805	22,864	24,196	25,615	25,849	25,975	24,053	25,660	26,130	26,974	27,567	27,875	28,406
Unemployment	685	915	1,142	1,039	1,036	1,199	1,096	1,115	1,720	3,002	2,996	2,781	2,427	2,079	1,783	1,576
Unemployment Rate																
Jackson County	3.2%	4.3%	5.2%	4.5%	4.3%	4.7%	4.1%	4.1%	6.2%	11.1%	10.5%	9.6%	8.3%	7.0%	6.0%	5.3%
Georgia	3.6%	4.0%	5.0%	4.8%	4.8%	5.3%	4.7%	4.5%	6.2%	9.9%	10.5%	10.2%	9.2%	8.2%	7.2%	6.3%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.8%

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

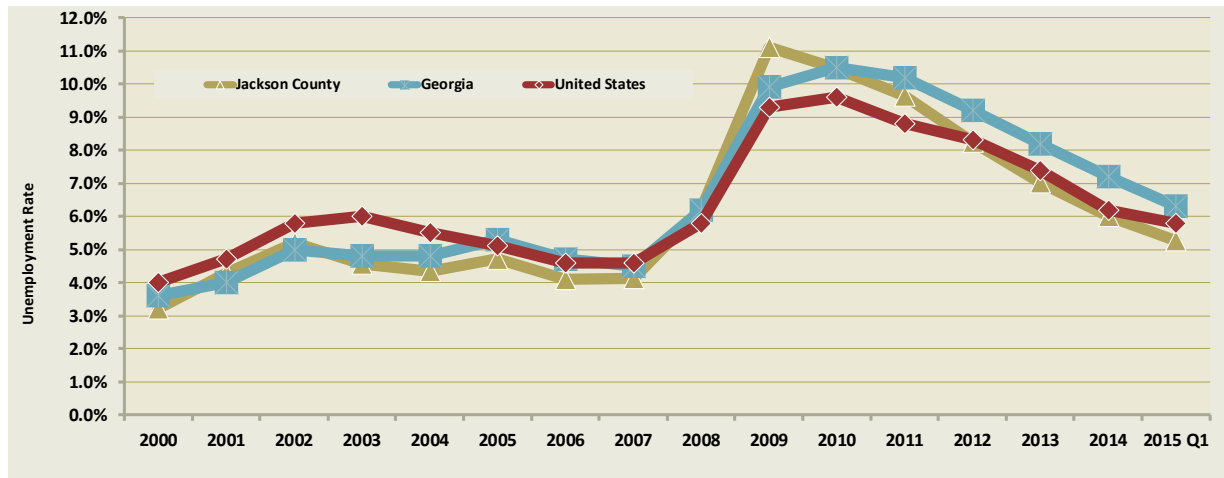
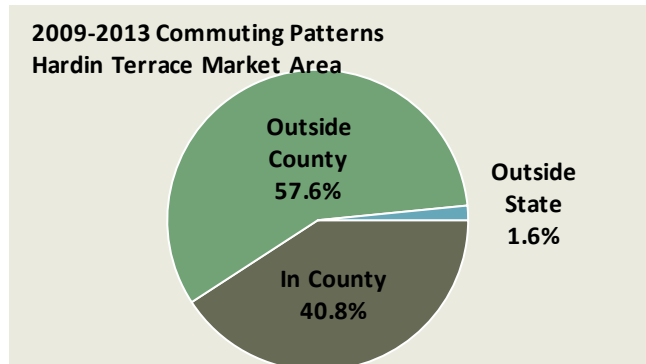


Table 4 2009-2013 Commuting Patterns, Hardin Terrace Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	24,198	93.3%	Worked in state of residence:	25,530	98.4%
Less than 5 minutes	381	1.5%	Worked in county of residence	10,587	40.8%
5 to 9 minutes	1,858	7.2%	Worked outside county of residence	14,943	57.6%
10 to 14 minutes	2,809	10.8%	Worked outside state of residence	404	1.6%
15 to 19 minutes	2,783	10.7%	Total	25,934	100%
20 to 24 minutes	2,891	11.1%			
25 to 29 minutes	1,855	7.2%			
30 to 34 minutes	4,113	15.9%			
35 to 39 minutes	1,446	5.6%			
40 to 44 minutes	1,289	5.0%			
45 to 59 minutes	2,461	9.5%			
60 to 89 minutes	1,455	5.6%			
90 or more minutes	857	3.3%			
Worked at home	1,736	6.7%			
Total	25,934				

Source: American Community Survey 2009-2013



Source: American Community Survey 2009-2013

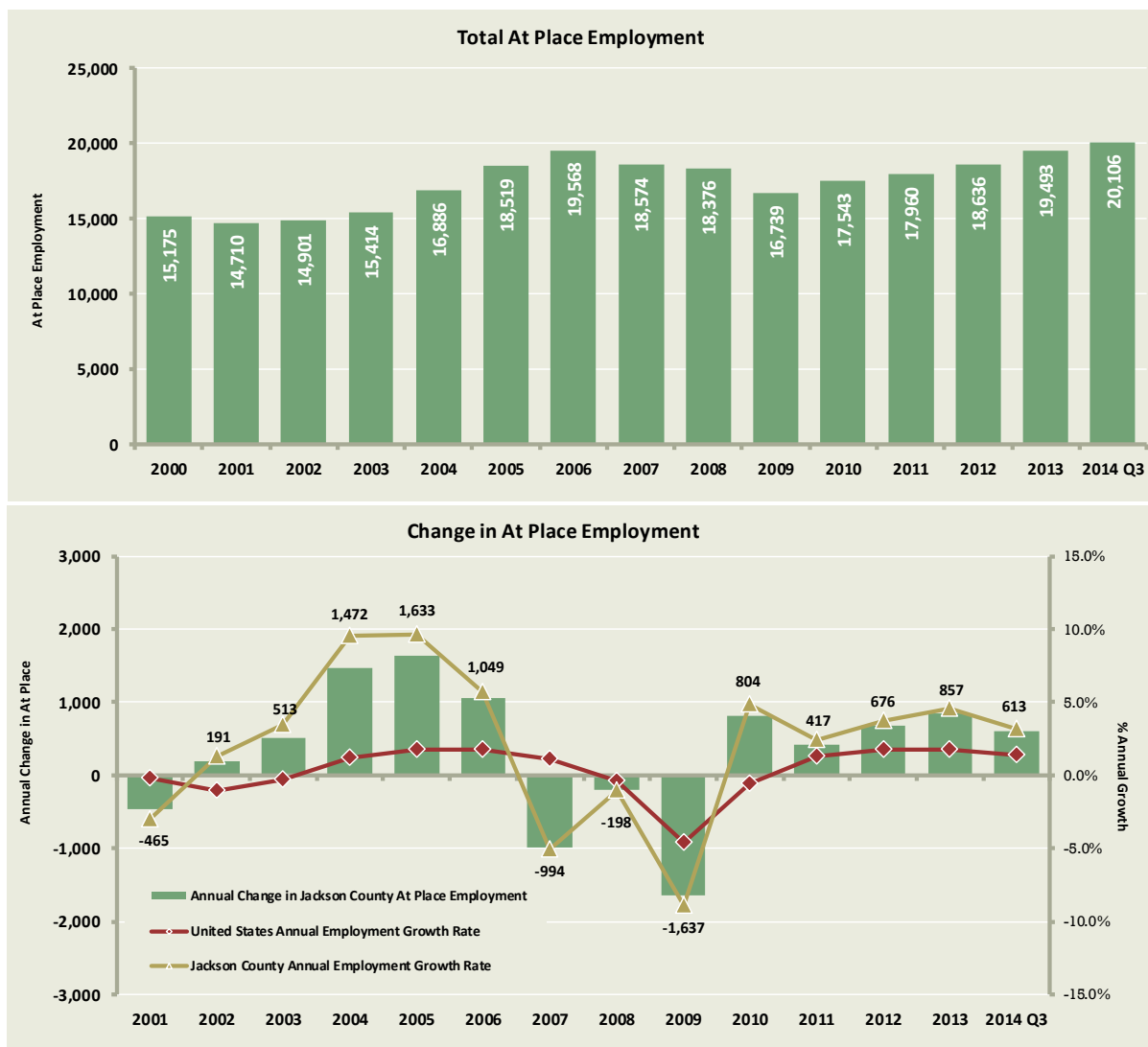


D. At-Place Employment

1. Trends in Total At-Place Employment

Jackson County added jobs in five of six years between 2000 and 2006, adding 4,393 jobs for a net increase of 28.9 percent during this time period (Figure 5). The county lost 2,829 net jobs or 14.5 percent of its 2006 employment base between 2007 and 2009. Following a low of 16,543 jobs in 2009, the county has recouped all jobs lost from 2007 to 2009 by adding 3,367 total jobs over the past five years to reach a new peak of 20,106 jobs in 2014 Q3. The county experienced an earlier and larger dip in jobs on a percentage basis from 2007 to 2009 when compared to the nation; however, the county has rebounded faster with five years of growth in jobs exceeding the nation's on a percentage basis.

Figure 5 At-Place Employment



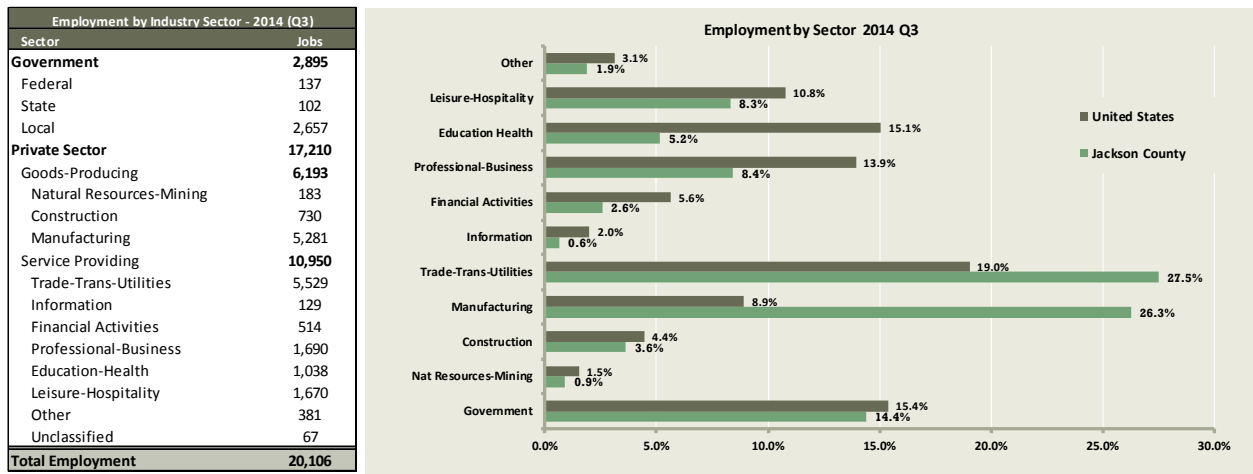
Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



2. At-Place Employment by Industry Sector

Trade-Transportation-Utilities and Manufacturing are the largest employment sectors in Jackson County accounting for a total of 53.8 percent of all jobs in the county compared to 27.9 percent nationally (Figure 6). The Manufacturing sector contains the largest difference in percentage of jobs as this sector accounts for 26.3 percent of all jobs in the county compared to just 8.9 percent of jobs nationally. Relative to national figures, Jackson County has a lower percentage of jobs in all remaining sectors with the largest percentage differences in the Education-Health, Professional-Business, Leisure-Hospitality, and Financial Activities sectors.

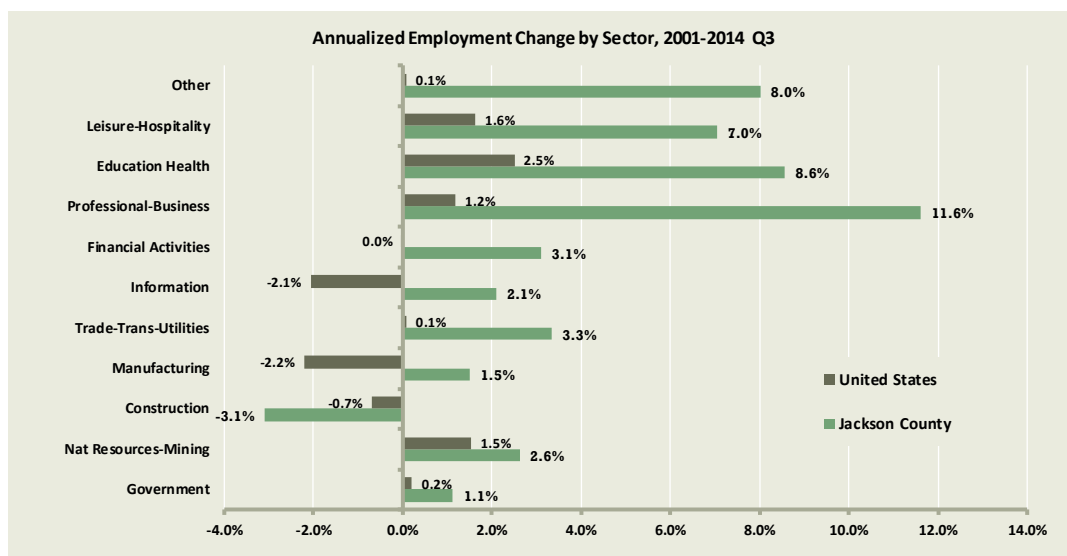
Figure 6 Total Employment by Sector, 2014(Q3)



Source: U.S. Department of Labor

Between 2001 and 2014 (Q3), all but one sector added jobs in Jackson County (Figure 7). The two largest sectors in the county added jobs at annual rates of 3.3 percent (Trade-Transportation-Utilities) and 1.5 percent (Manufacturing). The fastest growing sectors were Professional-Business (11.6 percent), Education-Health (8.6 percent), Other (8.0 percent), and Leisure-Hospital (7.0 percent). The only sector to lose jobs was Construction; however, this sector accounts for only 3.6 percent of the county’s total jobs.

Figure 7 Change in Employment by Sector 2001-2014(Q3)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

3. Major Employers

Fourteen of the top 20 major private employers in Jackson County are manufacturers or distribution centers; however, the largest employer, Wayne Farms LLC, is a food processing company (considered manufacturing) employing 1,100 people (Table 5). In addition, three other food processors, Northridge Medical Center, and Kroger are major employers in Jackson County. The large number of distributors and manufacturers in the county reflect the close proximity to Interstate 85, a major regional transportation artery for the southeast United States. Other major employers not included in Table 5 likely include local government and school districts.

All but one major private employer is located along the I-85 corridor making the commute from the subject site convenient due to its close proximity to I-85 (Map 5).

Table 5 Major Private Employers, Jackson County

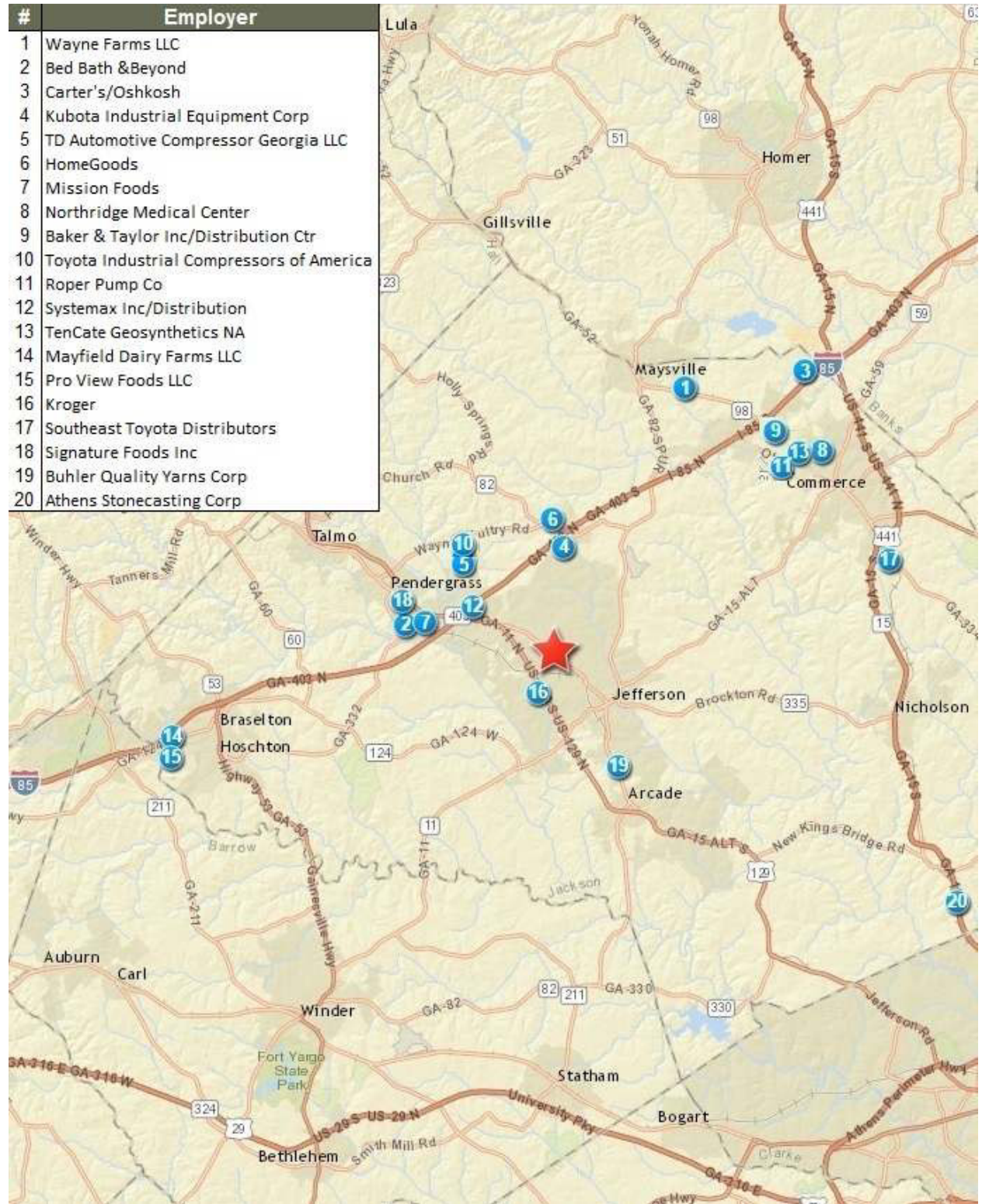
Rank	Name	Industry	Employment
1	Wayne Farms LLC	Food Processing	1,100
2	Bed Bath & Beyond	Distribution	1,055
3	Carter's/Oshkosh	Distribution	1,000
4	Kubota Industrial Equipment Corp	Manufacturing	700
5	TD Automotive Compressor Georgia LLC	Manufacturing	650
6	HomeGoods	Distribution	500
7	Mission Foods	Food Processing	490
8	Northridge Medical Center	Healthcare	422
9	Baker & Taylor Inc	Distribution	400
10	Toyota Industrial Compressors of America	Manufacturing	350
11	Roper Pump Co	Manufacturing	325
12	Systemax Inc	Distribution	300
13	TenCate Geosynthetics NA	Manufacturing	300
14	Mayfield Dairy Farms LLC	Food Processing	235
15	Pro View Foods LLC	Food Processing	183
16	Kroger	Retail	180
17	Southeast Toyota Distributors	Distribution	180
18	Signature Foods Inc	Distribution	155
19	Buhler Quality Yarns Corp	Manufacturing	150
20	Athens Stonecasting Corp	Manufacturing	130

Sources: The Alliance for Economic Development Jackson County



Map 5 Major Employers

#	Employer
1	Wayne Farms LLC
2	Bed Bath & Beyond
3	Carter's/Oshkosh
4	Kubota Industrial Equipment Corp
5	TD Automotive Compressor Georgia LLC
6	HomeGoods
7	Mission Foods
8	Northridge Medical Center
9	Baker & Taylor Inc/Distribution Ctr
10	Toyota Industrial Compressors of America
11	Roper Pump Co
12	Systemax Inc/Distribution
13	TenCate Geosynthetics NA
14	Mayfield Dairy Farms LLC
15	Pro View Foods LLC
16	Kroger
17	Southeast Toyota Distributors
18	Signature Foods Inc
19	Buhler Quality Yarns Corp
20	Athens Stonecasting Corp





4. Recent Economic Expansions and Contractions

The most significant economic expansion announcements identified in Jackson County since the beginning of 2013 are Ollie's Bargain Outlet, Toyota, and Shiloh Industries. Ollie's announced plans in January 2014 to create 175 jobs and invest \$14.6 million in a new distribution center in Commerce over the next five years. Toyota announced plans in September 2013 to add 120 jobs and invest \$190 million in an expansion of its facility in Pendergrass and Shiloh Industries announced in March 2013 intentions to add 60 jobs in an expansion of an existing facility.

No major layoff announcements were identified in Jackson County. One plant closure at UTI in Braselton resulted in nine jobs lost.

5. Conclusions on Local Economics

Jackson County experienced steady job growth throughout most of the past fourteen years and was able to recover faster from job losses suffered during the recent national recession than both Georgia and the nation. Over the past five years, the county has sustained post-recession job growth eclipsing the pre-recession high and has seen a reduction of the unemployment rate to pre-recession levels. As such, we do not expect local economics to inhibit the subject property's ability to lease-up or maintain a stabilized occupancy.



6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Hardin Terrace Market Area and the Bi-County Market Area using U.S. Census data and data from Esri, a national data vendor that prepares small area estimates and projections of population and households.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Hardin Terrace Market Area grew by 45.4 percent, rising from 41,589 to 60,485 people (Table 6). Annual growth during this decade was 1,890 people or 3.8 percent. During the same time period, the number of households in the Hardin Terrace Market Area increased by 41.7 percent from 15,057 to 21,343 households with annual growth of 629 households or 3.6 percent.

During the same decade, the Bi-County Market Area had total growth of 42,119 people (48.0 percent) and 13,903 households (44.3 percent). Annual growth was 4,212 people (4.0 percent) and 1,390 households (3.7 percent).

2. Projected Trends

Based on Esri growth rate projections, the Hardin Terrace Market Area added 3,038 people and 926 households between 2010 and 2015. RPRG further projects that the market area will add 1,351 people between 2015 and 2017, bringing the total population to 64,874 people in 2017; the annual growth will be 1.1 percent or 675 people. The number of households will increase to 22,692 with annual growth of 212 households or 0.9 percent from 2015 to 2017.

The Bi-County Market Area's population is projected to grow by 2.1 percent and households are projected to grow by 1.9 percent between 2015 and 2017. Annual growth in the county is projected at 1,424 people (1.0 percent) and 444 households (0.9 percent).

3. Building Permit Trends

RPRG examines building permit trends to help determine if the housing supply is meeting demand, as measured by new households. From 2000 to 2003, housing permits remained relatively steady at 772 to 912 permits before increasing in 2004 to 1,523 issued permits. Permits remained elevated for the next two years at 1,457 in 2005 and 1,388 in 2006. Beginning in 2007, permits in Jackson County (Hardin Terrace Market Area) decreased significantly in four consecutive years to 82 units permitted in 2010. Building permits remained below 120 in each of the next two years, including a low of 70 in 2012, before increasing in each of the past two years to 455 units permitted in 2014. New housing units permitted between 2000 and 2009 averaged 907 compared to an annual increase of 629 households between the 2000 and 2010 census counts (Table 7). This disparity in household growth relative to units permitted does not take the replacement of existing housing units into account.

By structure type, 98 percent of all residential permits issued in Jackson County (Hardin Terrace Market Area) were for single-family detached homes. Multi-family structures (5+ units) accounted for one percent of units permitted while buildings with 2-4 units contain less than one percent of permitted units.



Table 6 Population and Household Projections

		Bi-County Market Area				Hardin Terrace Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	87,733					41,589				
2010	129,852	42,119	48.0%	4,212	4.0%	60,485	18,896	45.4%	1,890	3.8%
2015	136,582	6,730	5.2%	1,346	1.0%	63,523	3,038	5.0%	608	1.0%
2017	139,430	2,847	2.1%	1,424	1.0%	64,874	1,351	2.1%	675	1.1%

		Bi-County Market Area				Hardin Terrace Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	31,411					15,057				
2010	45,314	13,903	44.3%	1,390	3.7%	21,343	6,286	41.7%	629	3.6%
2015	47,385	2,071	4.6%	414	0.9%	22,269	926	4.3%	185	0.9%
2017	48,274	889	1.9%	444	0.9%	22,692	423	1.9%	212	0.9%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

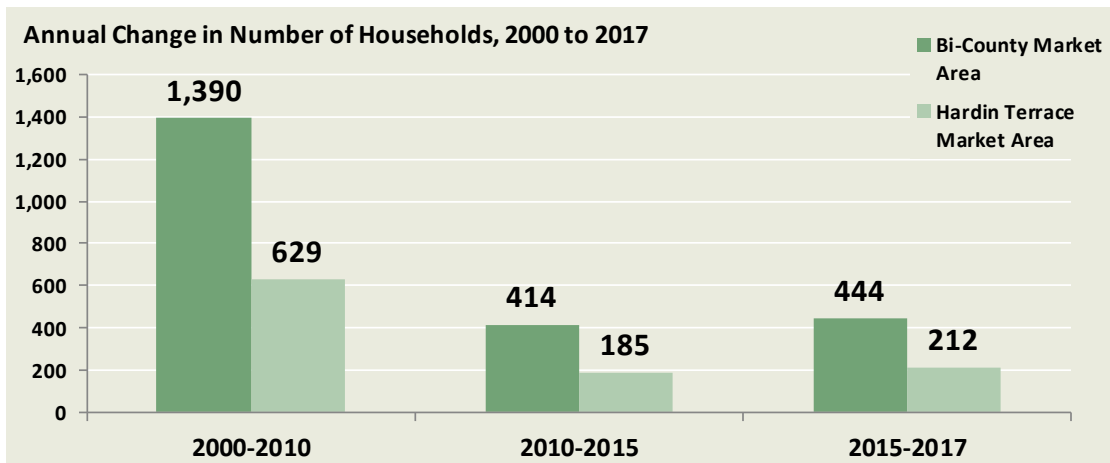
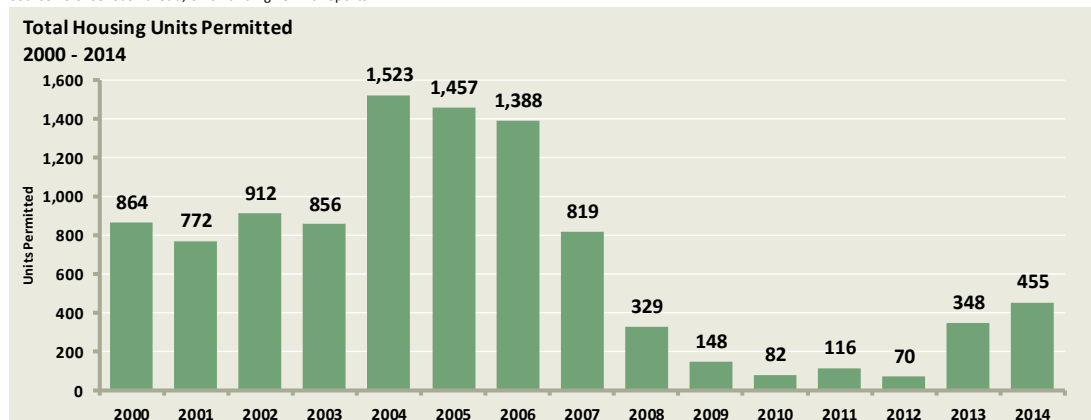


Table 7 Building Permits by Structure Type, Bi-County Market Area

Jackson County (Hardin Terrace Market Area)															2000-2014	Annual Average	
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014			
Single Family	766	762	908	850	1,515	1,445	1,378	819	329	148	82	116	70	292	455	9,935	662
Two Family	48	10	4	6	8	12	10	0	0	0	0	0	0	0	0	98	7
3 - 4 Family	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18	1
5+ Family	32	0	0	0	0	0	0	0	0	0	0	0	56	0	88	6	
Total	864	772	912	856	1,523	1,457	1,388	819	329	148	82	116	70	348	455	10,139	676

Source: U.S. Census Bureau, C-40 Building Permit Reports.





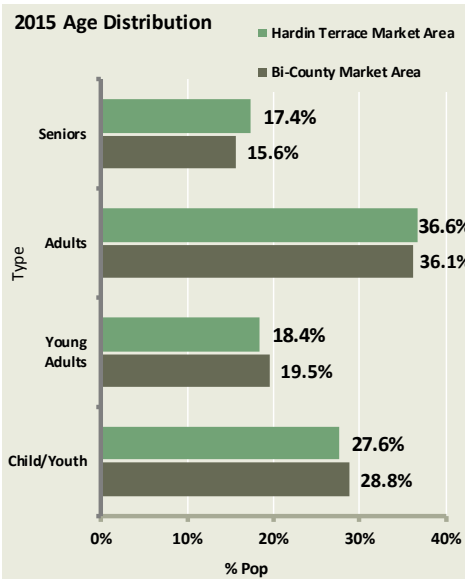
C. Demographic Characteristics

1. Age Distribution and Household Type

The Hardin Terrace Market Area’s population is older than the Bi-County Market Area’s with median ages of 37 and 35, respectively (Table 8). Adults age 35-61 comprise the largest percentage of the population in both areas at 36.6 percent in the market area and 36.1 percent in the county. Children/Youth under the age of 20 account for 27.6 percent of people in the market area and 28.8 percent of the county’s population. In addition, the market area has a smaller percentage of Young Adults (20-34 years). Seniors age 62 or older account for 17.4 percent of people in the market area and 15.6 percent of the Bi-County Market Area’s population.

Table 8 2015 Age Distribution

	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
Children/Youth	39,274	28.8%	17,518	27.6%
Under 5 years	10,163	7.4%	4,322	6.8%
5-9 years	10,355	7.6%	4,505	7.1%
10-14 years	10,222	7.5%	4,700	7.4%
15-19 years	8,534	6.2%	3,991	6.3%
Young Adults	26,655	19.5%	11,698	18.4%
20-24 years	8,113	5.9%	3,698	5.8%
25-34 years	18,542	13.6%	7,999	12.6%
Adults	49,343	36.1%	23,275	36.6%
35-44 years	19,726	14.4%	8,839	13.9%
45-54 years	18,910	13.8%	9,180	14.5%
55-61 years	10,706	7.8%	5,256	8.3%
Seniors	21,310	15.6%	11,032	17.4%
62-64 years	4,588	3.4%	2,253	3.5%
65-74 years	10,719	7.8%	5,606	8.8%
75-84 years	4,491	3.3%	2,409	3.8%
85 and older	1,512	1.1%	765	1.2%
TOTAL	136,582	100%	63,523	100%
Median Age	35		37	

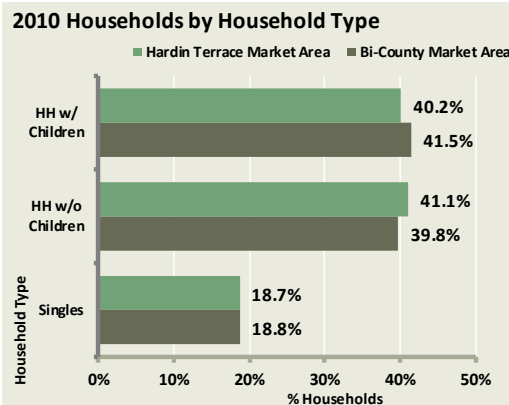


Source: Esri; RPRG, Inc.

Households with at least two persons but no children are the most common in the market area at 41.1 percent of households compared to 39.8 percent in the Bi-County Market Area (Table 9). Roughly 40 percent of households in the market area have children present compared to 41.5 percent in the Bi-County Market Area. Singles account for 18.7 percent of households in the Hardin Terrace Market Area compared to 18.8 percent in the Bi-County Market Area.

Table 9 2010 Households by Household Type

Households by Household Type	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
Married w/Children	13,454	29.7%	6,305	29.5%
Other w/ Children	5,336	11.8%	2,271	10.6%
Households w/ Children	18,790	41.5%	8,576	40.2%
Married w/o Children	13,192	29.1%	6,683	31.3%
Other Family w/o Children	2,879	6.4%	1,306	6.1%
Non-Family w/o Children	1,954	4.3%	784	3.7%
Households w/o Children	18,025	39.8%	8,773	41.1%
Singles Living Alone	8,499	18.8%	3,994	18.7%
Singles	8,499	18.8%	3,994	18.7%
Total	45,314	100%	21,343	100%



Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

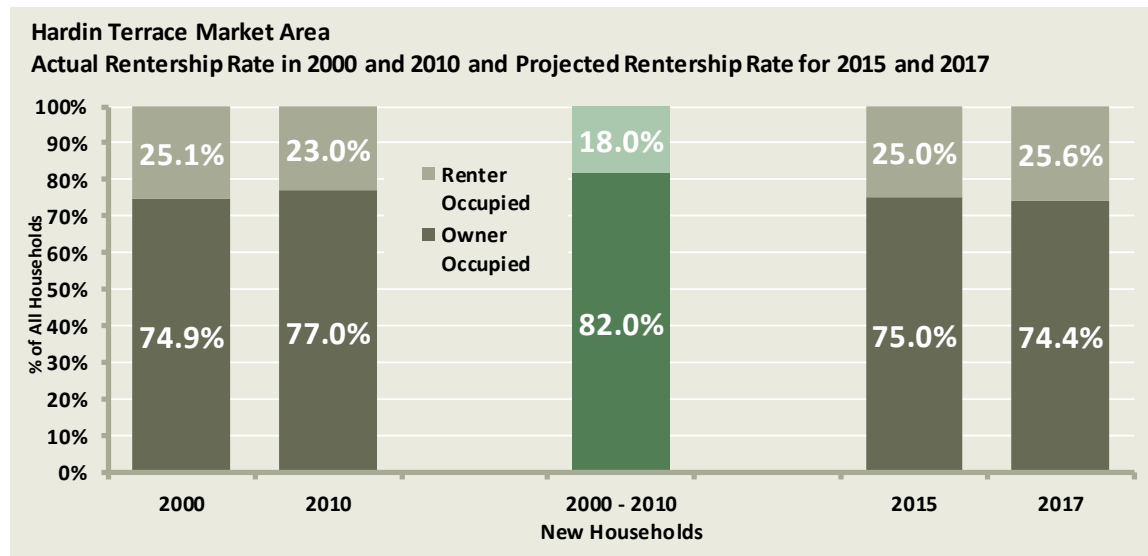
As of the 2010 Census, 23.0 percent of all households in the Hardin Terrace Market Area were renters, compared to 22.9 percent in the Bi-County Market Area. Based on 2000 and 2010 census data, Hardin Terrace Market Area renter households accounted for only 18.0 percent of the net household change for the decade (Table 10); however, renter households accounted for 70 percent of the net household change from 2010 to 2015 resulting in an increasing renter percentage to 25.0 percent in 2015. This trend is projected to continue through 2017, as the Hardin Terrace Market Area’s renter percentage is expected to increase to 25.6 percent.

Table 10 Households by Tenure

Bi-County Market Area	2000		2010		Change 2000-2010		2015		2017	
	#	%	#	%	#	%	#	%	#	%
Housing Units										
Owner Occupied	23,625	75.2%	34,924	77.1%	11,299	81.3%	35,476	74.9%	35,815	74.2%
Renter Occupied	7,786	24.8%	10,390	22.9%	2,604	18.7%	11,909	25.1%	12,459	25.8%
Total Occupied	31,411	100%	45,314	100%	13,903	100%	47,385	100%	48,274	100%
Total Vacant	2,119		4,838				5,059		5,154	
TOTAL UNITS	33,530		50,152				52,444		53,428	

Hardin Terrace Market Area	2000		2010		Change 2000-2010		2015		2017	
	#	%	#	%	#	%	#	%	#	%
Housing Units										
Owner Occupied	11,276	74.9%	16,429	77.0%	5,153	82.0%	16,706	75.0%	16,888	74.4%
Renter Occupied	3,781	25.1%	4,914	23.0%	1,133	18.0%	5,562	25.0%	5,804	25.6%
Total Occupied	15,057	100%	21,343	100%	6,286	100%	22,269	100%	22,692	100%
Total Vacant	1,169		2,409				2,513		2,561	
TOTAL UNITS	16,226		23,752				24,782		25,253	

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.



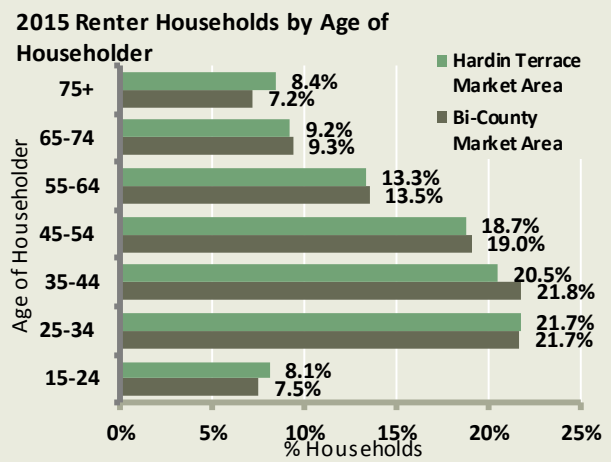


Young working age renter householders aged 25 to 44 years account for 42.2 percent of renters in the Hardin Terrace Market Area compared to 43.4 percent in the Bi-County Market Area. Renter householders age 45-54 account for 18.7 percent of market area renters and approximately 31 percent are age 55 or older. Roughly eight percent of renter householders are age 15 to 24 compared to 7.5 percent of Bi-County Market Area renters.

Table 11 Renter Households by Age of Householder

Renter Households	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	895	7.5%	450	8.1%
25-34 years	2,579	21.7%	1,209	21.7%
35-44 years	2,592	21.8%	1,140	20.5%
45-54 years	2,267	19.0%	1,042	18.7%
55-64 years	1,609	13.5%	741	13.3%
65-74 years	1,113	9.3%	512	9.2%
75+ years	854	7.2%	469	8.4%
Total	11,909	100%	5,562	100%

Source: Esri, Real Property Research Group, Inc.

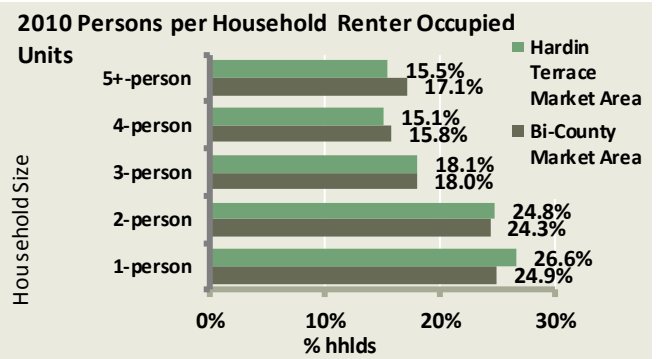


As of 2010, roughly half (51.4 percent) of all renter households in the Hardin Terrace Market Area contained one or two persons compared to 49.2 percent in the Bi-County Market Area. Renter households with three people accounted for 18.1 percent of the households in the market area and large households (4+ persons) accounted for 30.6 percent of renter households including 15.5 percent with 5+ people (Table 12).

Table 12 2010 Renter Households by Household Size

Renter Occupied	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
1-person hhld	2,586	24.9%	1,308	26.6%
2-person hhld	2,524	24.3%	1,217	24.8%
3-person hhld	1,866	18.0%	887	18.1%
4-person hhld	1,637	15.8%	741	15.1%
5+-person hhld	1,777	17.1%	761	15.5%
TOTAL	10,390	100%	4,914	100%

Source: 2010 Census



3. Income Characteristics

Based on Esri estimates, the Hardin Terrace Market Area’s 2015 median income of \$57,217 is \$558 or 1.0 percent higher than the \$56,659 median in the Bi-County Market Area (Table 13). Roughly one-quarter (24.5 percent) of market area households earn less than \$25,000 including 13.1 percent earning less than \$15,000. Approximately 19 percent of households in the Hardin Terrace Market Area earn \$25,000 to \$49,999 and 35.9 percent earn between \$50,000 and \$99,999.

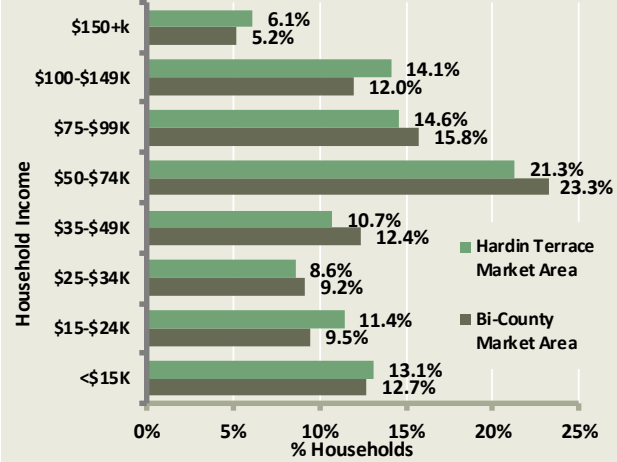


Table 13 2015 Household Income

Estimated 2015 Household Income	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
less than \$15,000	6,038	12.7%	2,923	13.1%
\$15,000 \$24,999	4,500	9.5%	2,539	11.4%
\$25,000 \$34,999	4,354	9.2%	1,910	8.6%
\$35,000 \$49,999	5,865	12.4%	2,393	10.7%
\$50,000 \$74,999	11,018	23.3%	4,742	21.3%
\$75,000 \$99,999	7,466	15.8%	3,249	14.6%
\$100,000 \$149,999	5,673	12.0%	3,145	14.1%
\$150,000 Over	2,471	5.2%	1,367	6.1%
Total	47,385	100%	22,269	100%
Median Income	\$56,659		\$57,217	

Source: Esri; Real Property Research Group, Inc.

2015 Household Income



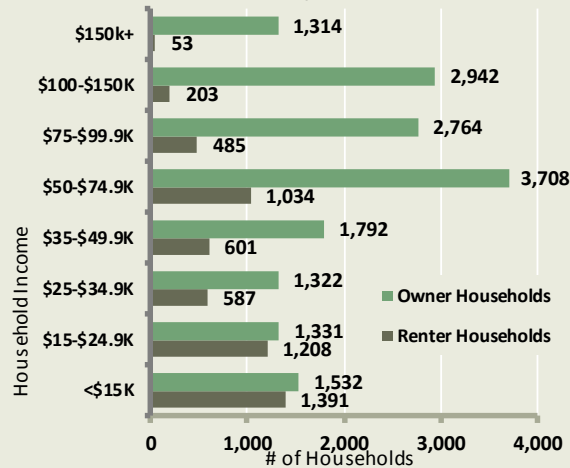
Based on the ACS data income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the Hardin Terrace Market Area as of 2015 is \$28,105 (Table 14). This renter median income is 42.6 percent of the median among owner households of \$66,012. Among renter households, 46.7 percent earn less than \$25,000 including 25.0 percent earning less than \$15,000. Approximately 21 percent of renters earn between \$25,000 and \$49,999 and 27.3 percent earn between \$50,000 and \$99,999.

Table 14 2015 Household Income by Tenure

Hardin Terrace Market Area	Renter Households		Owner Households	
	#	%	#	%
less than \$15,000	1,391	25.0%	1,532	9.2%
\$15,000 \$24,999	1,208	21.7%	1,331	8.0%
\$25,000 \$34,999	587	10.6%	1,322	7.9%
\$35,000 \$49,999	601	10.8%	1,792	10.7%
\$50,000 \$74,999	1,034	18.6%	3,708	22.2%
\$75,000 \$99,999	485	8.7%	2,764	16.5%
\$100,000 \$149,999	203	3.7%	2,942	17.6%
\$150,000 over	53	1.0%	1,314	7.9%
Total	5,562	100%	16,706	100%
Median Income	\$28,105		\$66,012	

Source: American Community Survey 2009-2013 Estimates, RPRG, Inc.

2015 Household Income by Tenure





7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the Hardin Terrace Market Area. We pursued several avenues of research in an attempt to identify multifamily rental projects that are in the planning stages or under construction in the Hardin Terrace Market Area. We contacted planners with the cities of Jefferson and Commerce. In addition, we contacted planners with the Jackson County Planning and Zoning department and reviewed the list of recent LIHTC awards from DCA. The rental survey was conducted in May 2015.

B. Overview of Market Area Housing Stock

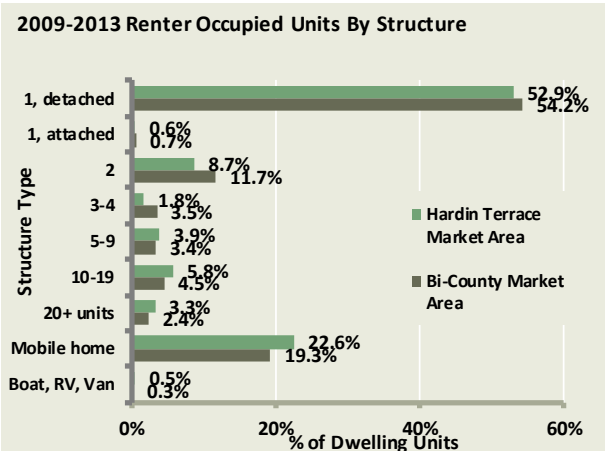
The renter occupied stock in both areas includes a range of housing types with single-family detached homes and mobile homes the most common. Single-family detached homes accounted for 52.9 percent of rentals in the Hardin Terrace Market Area and mobile homes accounted for 22.6 percent of rentals. In comparison, single-family detached homes accounted for 54.2 percent of Bi-County Market Area rentals and mobile homes accounted for 19.3 percent of rentals (Table 15). Multi-family structures with five or more units contain just 13.0 percent of rental units in the market area and 10.3 percent in the county.

The renter-occupied housing stock in the Hardin Terrace Market Area is slightly older when compared to the Bi-County Market Area with median years built of 1983 and 1985, respectively. The median year built of the owner-occupied units was 1998 in both areas (Table 16). Roughly 41 percent of the renter occupied units in the Hardin Terrace Market Area were constructed in the 1980's or 1990's and 18 percent have been constructed since 2000.

According to ACS data, the median value among owner-occupied housing units in the Hardin Terrace Market Area from 2009 to 2013 was \$164,844, which is \$24,355 or 17.3 percent higher than the Bi-County Market Area median of \$140,489 (Table 17). ACS estimates home values based upon values from homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

Table 15 Renter Occupied Unit by Structure Type

Renter Occupied	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
1, detached	5,409	54.2%	2,576	52.9%
1, attached	66	0.7%	27	0.6%
2	1,169	11.7%	424	8.7%
3-4	352	3.5%	86	1.8%
5-9	339	3.4%	190	3.9%
10-19	451	4.5%	282	5.8%
20+ units	236	2.4%	159	3.3%
Mobile home	1,924	19.3%	1,098	22.6%
Boat, RV, Van	26	0.3%	26	0.5%
TOTAL	9,972	100%	4,868	100%



Source: American Community Survey 2009-2013



Table 16 Dwelling Units by Year Built and Tenure

Owner Occupied	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
2010 or later	116	0.3%	59	0.4%
2000 to 2009	15,896	45.8%	7,729	47.1%
1990 to 1999	8,191	23.6%	3,730	22.7%
1980 to 1989	3,931	11.3%	1,493	9.1%
1970 to 1979	2,220	6.4%	985	6.0%
1960 to 1969	1,648	4.7%	915	5.6%
1950 to 1959	1,156	3.3%	538	3.3%
1940 to 1949	502	1.4%	297	1.8%
1939 or earlier	1,074	3.1%	679	4.1%
TOTAL	34,734	100%	16,425	100%
MEDIAN YEAR BUILT	1998		1998	

Source: American Community Survey 2009-2013

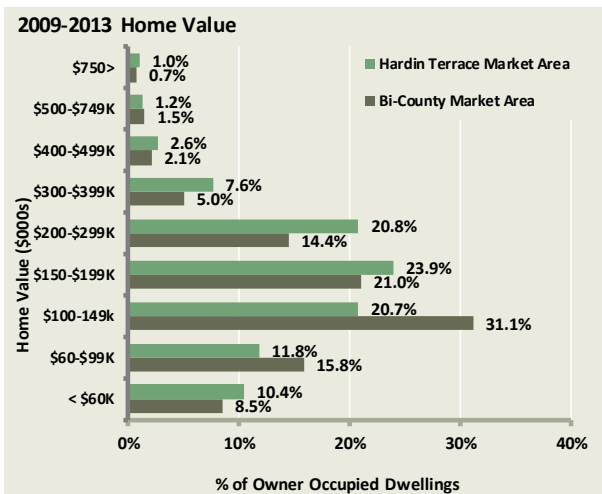
Renter Occupied	Bi-County Market Area		Hardin Terrace Market Area	
	#	%	#	%
2010 or later	19	0.2%	11	0.2%
2000 to 2009	2,030	20.4%	867	17.8%
1990 to 1999	1,774	17.8%	839	17.2%
1980 to 1989	2,471	24.8%	1,143	23.5%
1970 to 1979	1,305	13.1%	631	13.0%
1960 to 1969	870	8.7%	514	10.6%
1950 to 1959	527	5.3%	300	6.2%
1940 to 1949	435	4.4%	192	3.9%
1939 or earlier	541	5.4%	371	7.6%
TOTAL	9,972	100%	4,868	100%
MEDIAN YEAR BUILT	1985		1983	

Source: American Community Survey 2009-2013

Table 17 Value of Owner Occupied Housing Stock

2009-2013 Home Value		Bi-County Market Area		Hardin Terrace Market Area	
		#	%	#	%
less than \$60,000		2,919	8.5%	1,699	10.4%
\$60,000 - \$99,999		5,450	15.8%	1,924	11.8%
\$100,000 - \$149,999		10,731	31.1%	3,384	20.7%
\$150,000 - \$199,999		7,247	21.0%	3,902	23.9%
\$200,000 - \$299,999		4,986	14.4%	3,390	20.8%
\$300,000 - \$399,999		1,726	5.0%	1,240	7.6%
\$400,000 - \$499,999		711	2.1%	428	2.6%
\$500,000 - \$749,999		504	1.5%	201	1.2%
\$750,000 over		246	0.7%	163	1.0%
Total		34,520	100%	16,331	100%
Median Value		\$140,489		\$164,844	

Source: American Community Survey 2009-2013



C. Survey of General Occupancy Rental Communities

1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed a total of six multi-family rental communities including two LIHTC communities (Table 18). Three of these communities, including the two LIHTC communities, are located in the market area and three are located out of the market area but are included for additional context. We repeatedly attempted to survey one LIHTC community with PBRA (Country Place) in the Hardin Terrace Market Area; however, attempts were unsuccessful. As units with deep rental subsidies do not necessarily represent market conditions and no proposed units at Hardin Terrace will include PBRA, the survey of this community was not necessary for this analysis. Profile sheets with



detailed information on each surveyed community, including photographs, are attached as Appendix 7.

2. Location

The three surveyed communities in the market area are located in Commerce, approximately 12 miles northeast of the site (Map 6). The three communities located outside the market area are located in Winder, roughly 16 miles to the southwest. Commerce and Winder are considered comparable locations to Jefferson as all three are rural with similar residential and commercial make-ups. The subject site's location is comparable to existing rental communities in the market area and will be acceptable for affordable rental units.

3. Size of Communities

The three surveyed communities in the market area range from 80 to 118 units and average 100 units. LIHTC communities in the market area average 99 units. The three communities outside of the market area average 50 units.

4. Age of Communities

The average year built of all surveyed communities in the market area is 2001; the two LIHTC communities had an average year built of 2001. The three market rate communities outside of the market area had an average year built of 1994.

5. Structure Type

Among the three communities in the market area, the two LIHTC communities offer garden style units and Mt. Olive offers townhouse style units. The three communities outside of the market area offer a variety of unit types including duplex, garden, and townhouse style units.

6. Vacancy Rates

Among the surveyed communities in the market area, 14 of 301 units were reported vacant for a vacancy rate of 4.7 percent. Among the LIHTC communities, 14 of 198 units were reported vacant for a rate of 7.1 percent. Heritage Hills, a LIHTC community, had 10 of the 14 vacancies reported which could indicate that rents are too high or that there is an issue with management; rents at the subject property will be well below those charged at Heritage Hills. The other LIHTC community in the market area, Heritage Crossing, was performing well with a vacancy rate of 3.4 percent. The three market rate communities located outside of the market area had an aggregate vacancy rate of 2.6 percent (Table 18).

7. Rent Concessions

No surveyed communities are currently offering rental incentives.

8. Absorption History

The newest newly constructed community in the market area was built in 2002. As such, recent absorption history is non-existent.



Map 6 Surveyed Rental Communities

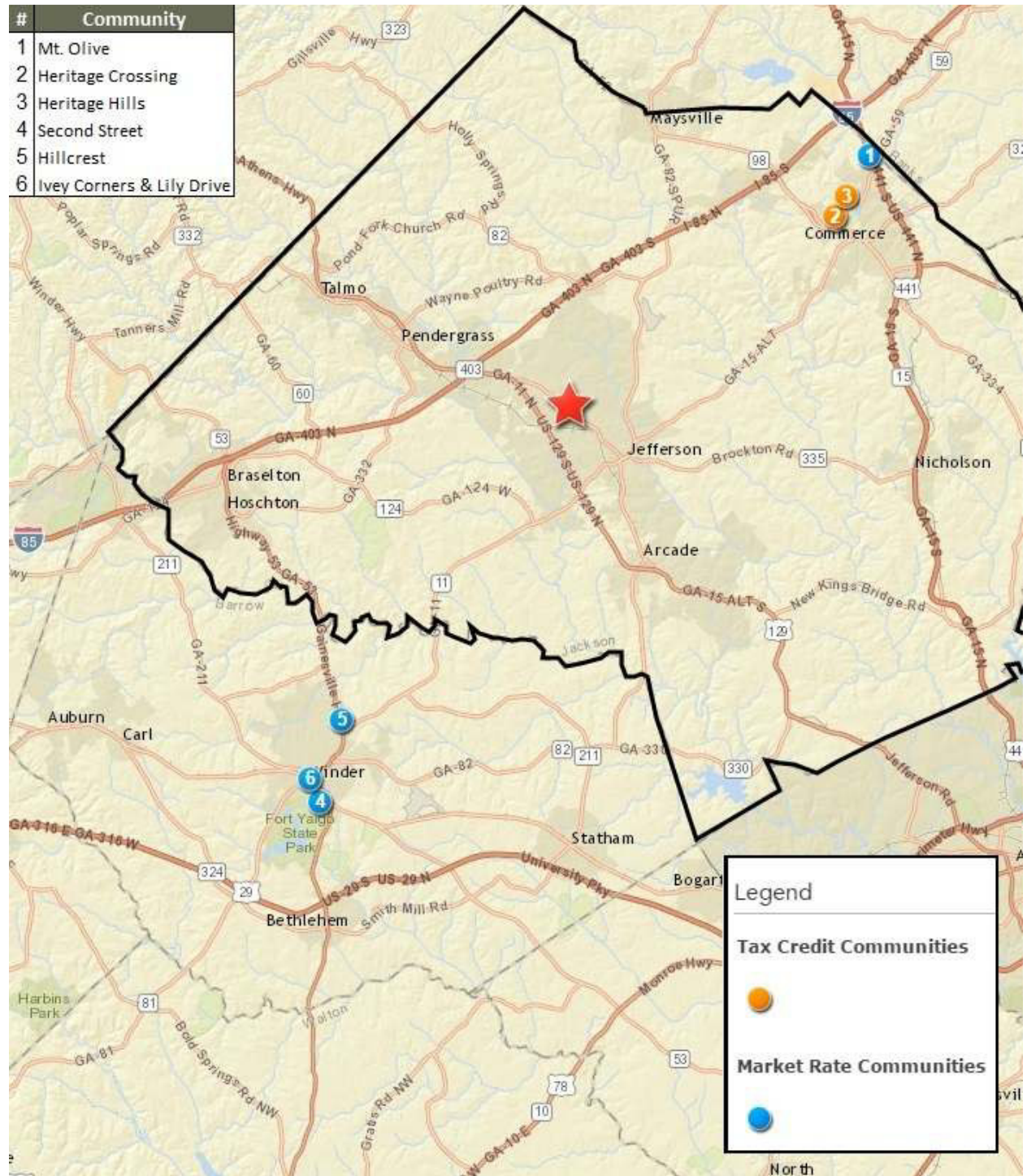


Table 18 Rental Summary, Surveyed Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI		Gar	18			\$380	\$460	
	Subject 60% AMI		Gar	62			\$384	\$545	
Communities Inside The Market Area									
1	Mt Olive	2001	TH	103	0	0.0%		\$660	None
2	Heritage Crossing*	2002	Gar	118	4	3.4%	\$560	\$621	None
3	Heritage Hills*	2000	Gar	80	10	12.5%	\$484	\$560	None
Market Area Total				301	14	4.7%			
Market Area Average		2001		100			\$522	\$614	
LIHTC Total				198	14	7.1%			
LIHTC Average		2001		99			\$522	\$591	
Communities Outside The Market Area									
4	Second Street	1997	Duplex	10	1	10.0%		\$700	None
5	Hillcrest	1989	Gar/TH	102	1	1.0%	\$573	\$668	None
6	Ivey Corners & Lily Drive	1997	TH	39	2	5.1%		\$575	None
Outside the Market Area Total				151	4	2.6%			
Outside the Market Area Average		1994		50			\$573	\$648	

Tax Credit Communities***(1) Rent is contract rent, and not adjusted for utilities or incentives**

Source: Field Survey, Real Property Research Group, Inc. May 2015.

D. Analysis of Product Offerings

1. Payment of Utility Costs

Four of the surveyed communities include the cost of water/sewer and trash removal in the price of rent (Table 19). One community (Mt Olive) in the market area includes only trash removal and one community (Second Street) outside of the market area includes no utilities. The subject property will include trash removal only.

2. Unit Features

All surveyed communities include a dishwasher and washer and dryer connections in each unit. No communities include microwaves. Hardin Terrace will be superior to all surveyed rental communities as features will include a dishwasher, a garbage disposal, a microwave, ceiling fans, washers and dryers in each unit, and a patio/balcony.

3. Parking

All communities include free surface parking as a standard feature.

4. Community Amenities

The most common amenities at the three surveyed communities in the market area are a playground (all properties), a swimming pool (two properties), and a clubhouse/community room (two properties). A fitness center is offered at one property and a tennis court is offered at another (Table 20). Hardin Terrace will include a clubhouse with leasing center, a community room, a computer



room/library, a fitness center, a swimming pool, a playground, a covered pavilion with a BBQ area, and walking trails with bench seating. Amenities offered at the subject property are comparable to existing LIHTC communities in the market area.

Table 19 Utility Arrangement and Unit Features

Community	Heat Type	Utilities Included in Rent					Dish-washer	Micro-wave	Parking	In-Unit Laundry	
		Heat	Hot Water	Cooking	Electric	Water					Trash
Subject	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	STD-Full
Communities Inside The Market Area											
Mt Olive	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Heritage Crossing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Heritage Hills	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Communities Outside The Market Area											
Second Street	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		Surface	Hook Ups
Hillcrest	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Ivey Corners & Lily Drive	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. May 2015.

Table 20 Community Amenities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Computer Center
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Communities Inside The Market Area						
Mt Olive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heritage Crossing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heritage Hills	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Communities Outside The Market Area						
Second Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hillcrest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ivey Corners & Lily Drive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. May 2015.

5. Unit Distribution

Among the surveyed communities in the market area, two bedroom units are the most common at 74.1 percent of surveyed units. Three bedroom units comprise 18.6 percent of surveyed units and one bedroom units comprise just 7.3 percent of surveyed units (Table 21).



6. Effective Rents

Unit rents presented in Table 21 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply adjustments to street rents in order to control for current rental incentives and to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where trash removal utility costs are included in monthly rents at all communities, with tenants responsible for other utility costs.

Among the six rental communities surveyed, net rents, unit sizes, and rents per square foot were as follows:

- **One-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 945 square feet, resulting in a net rent per square foot of \$0.55. Among surveyed communities outside of the market area, Hillcrest's two bedroom rent was \$558 with a unit size of 915 square feet.
- **Two-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 1,150 square feet, resulting in a net rent per square foot of \$0.53. Among surveyed communities outside of the market area, the average effective two bedroom rent was \$638 with an average unit size of 1,125 square feet.
- **Three-bedroom** effective rents in the market area averaged \$663 per month with an average unit size of 1,318 square feet, resulting in a net rent per square foot of \$0.50. Among surveyed communities outside of the market area, the average effective three bedroom rent was \$733 with an average unit size of 1,161 square feet.

The average rents in the market area include market rents and LIHTC units at 50 and 60 percent AMI.

Table 21 Unit Distribution, Size and Pricing

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	Gar	18	8	\$380	900	\$0.42	6	\$460	1,000	\$0.46	4	\$535	1,200	\$0.45
Subject 60% AMI	Gar	62	4	\$384	900	\$0.43	38	\$545	1,000	\$0.55	20	\$625	1,200	\$0.52
Communities Inside The Market Area														
Heritage Crossing	Gar	22	3	\$655	975	\$0.67	12	\$760	1,175	\$0.65	7	\$825	1,350	\$0.61
Mt Olive	TH	103					103	\$660	1,075	\$0.61				
Heritage Crossing* 60% AMI	Gar	46	4	\$555	975	\$0.57	28	\$610	1,175	\$0.52	14	\$665	1,350	\$0.49
Heritage Hills* 60% AMI	Gar	40	5	\$494	900	\$0.55	25	\$565	1,150	\$0.49	10	\$640	1,270	\$0.50
Heritage Crossing* 50% AMI	Gar	50	5	\$471	975	\$0.48	30	\$530	1,175	\$0.45	15	\$600	1,350	\$0.44
Heritage Hills* 50% AMI	Gar	40	5	\$444	900	\$0.49	25	\$515	1,150	\$0.45	10	\$585	1,270	\$0.46
Market Area Total/Average		301		\$524	945	\$0.55		\$607	1,150	\$0.53		\$663	1,318	\$0.50
Market Area Unit Distribution		301	22				223				56			
% of Total		100.0%	7.3%				74.1%				18.6%			
Communities Outside The Market Area														
Second Street	Duplex	10					2	\$710	1,134	\$0.63	8	\$785	1,134	\$0.69
Hillcrest	Gar/TH	102		\$558	915	\$0.61		\$648	1,065	\$0.61		\$738	1,100	\$0.67
Ivey Corners & Lily Drive	TH	39					9	\$555	1,175	\$0.47	30	\$675	1,250	\$0.54
Outside Market Area Total/Average		151		\$558	915	\$0.61		\$638	1,125	\$0.57		\$733	1,161	\$0.63
Outside Market Area Unit Distribution		49					11				38			
% of Total		32.5%	0.0%				22.4%				77.6%			
Total/Average		452		\$530	940	\$0.56		\$617	1,142	\$0.54		\$689	1,259	\$0.55
Unit Distribution		350	22				234				94			
% of Total		77.4%	6.3%				66.9%				26.9%			

Tax Credit Communities*

(1) Rent is adjusted to include only Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2015.

7. Scattered Site Rentals

Given the relatively limited multi-family rental communities in the market area, we also researched scattered site rentals in the market area. Based on online listings, a small number of three- bedroom rentals were available. The rents for these scattered site rentals averaged \$1,142.

Table 22 Scattered Site Rentals, Hardin Terrace Market Area

Bed	Bath	Sq. Ft.	Rent	Address	City	Type
3	3	1,708	\$1,000	1187 Highway 124	Hoschton	SFD
3	2	1,555	\$1,100	398 Washington St.	Jefferson	SFD
3	2	3,090	\$1,150	505 Walnut Woods Dr.	Braselton	SFD
3	2	1,823	\$1,150	415 Jimmy Reynolds Dr.	Jefferson	SFD
3	2	1,417	\$1,200	137 Summerbrook Rd.	Braselton	SFD
3	2	1,673	\$1,250	95 Bailey Dr.	Jefferson	SFD
Three Bedroom Average			\$1,142			

Source: HomeFinder.com, Realtor.com, Homes.com, FMLS

8. DCA Average Market Rent

To determine average “market rents” as outlined in DCA’s 2015 Market Study Manual, market rate rents at the only two communities in the market area offering market rate units were used. To add depth, the 60 percent units at the two LIHTC communities in the market area were used. It is important to note, “average market rents” are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property and per DCA, only communities located inside the market area were used.

The “average market rent” among comparable communities is \$568 for one bedroom units, \$649 for two bedroom units, and \$710 for three bedroom units (Table 23). The subject property’s proposed rents are well below these average market rents with rent advantages ranging from 12.0 percent to 33.1 percent. The overall market advantage is 18.9 percent (Table 24).

Table 23 Average Market Rent, Most Comparable Communities

Community	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
Heritage Crossing	\$655	975	\$0.67	\$760	1,175	\$0.65	\$825	1,350	\$0.61
Mt Olive				\$660	1,075	\$0.61			
Heritage Crossing* 60% AMI	\$555	975	\$0.57	\$610	1,175	\$0.52	\$665	1,350	\$0.49
Heritage Hills* 60% AMI	\$494	900	\$0.55	\$565	1,150	\$0.49	\$640	1,270	\$0.50
Total/Average	\$568	950	\$0.60	\$649	1,144	\$0.57	\$710	1,323	\$0.54

Tax Credit Communities*

(1) Rent is adjusted to include only Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2015.

**Table 24 Average Market Rent and Rent Advantage Summary**

	1 BR	2 BR	3 BR
Average Market Rent	\$568	\$649	\$710
Proposed 50% AMI Rent	\$380	\$460	\$535
Advantage (\$)	\$188	\$189	\$175
Advantage (%)	33.1%	29.1%	24.6%
Total Units	8	6	4
Proposed 60% AMI Rent	\$384	\$545	\$625
Advantage (\$)	\$184	\$104	\$85
Advantage (%)	32.4%	16.0%	12.0%
Total Units	4	38	20
Overall Rent Advantage			18.9%

E. Interviews

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Betty Jackson with the Jefferson Planning and Development department, David Zellner with the Commerce Planning and Development department, Peggy Morgan with the Jackson County Planning and Zoning department, and staff with the Commerce Housing Authority.

F. Multi-Family Pipeline

Based on information provided by planning officials and DCA's list of LIHTC allocations, two senior LIHTC communities have been allocated and approved for construction in the Hardin Terrace Market Area. Maple Square phase II will have 52 units targeting seniors age 55+; it will be located on Washington Street approximately one mile northwest of the site. Mason Manor will be a 48 unit rental community targeting seniors age 55 and older located in Commerce, approximately 13 miles northeast of the site.

Given the difference in the targeted population (general occupancy versus senior), these communities will not directly compete with the proposed Hardin Terrace.

G. Housing Authority Data

Per Ed Watson at the Commerce Housing Authority, the housing authority operates 50 public housing units with a waiting list of one to three years. The Commerce Housing Authority does not manage Section 8 Housing Choice Vouchers. Repeated attempts to contact representatives with the Jefferson Housing Authority were unsuccessful.

H. Existing Low Income Rental Housing

The table and map on the following pages show the location of the subject site in relation to existing low-income rental housing properties, including those with tax credits.

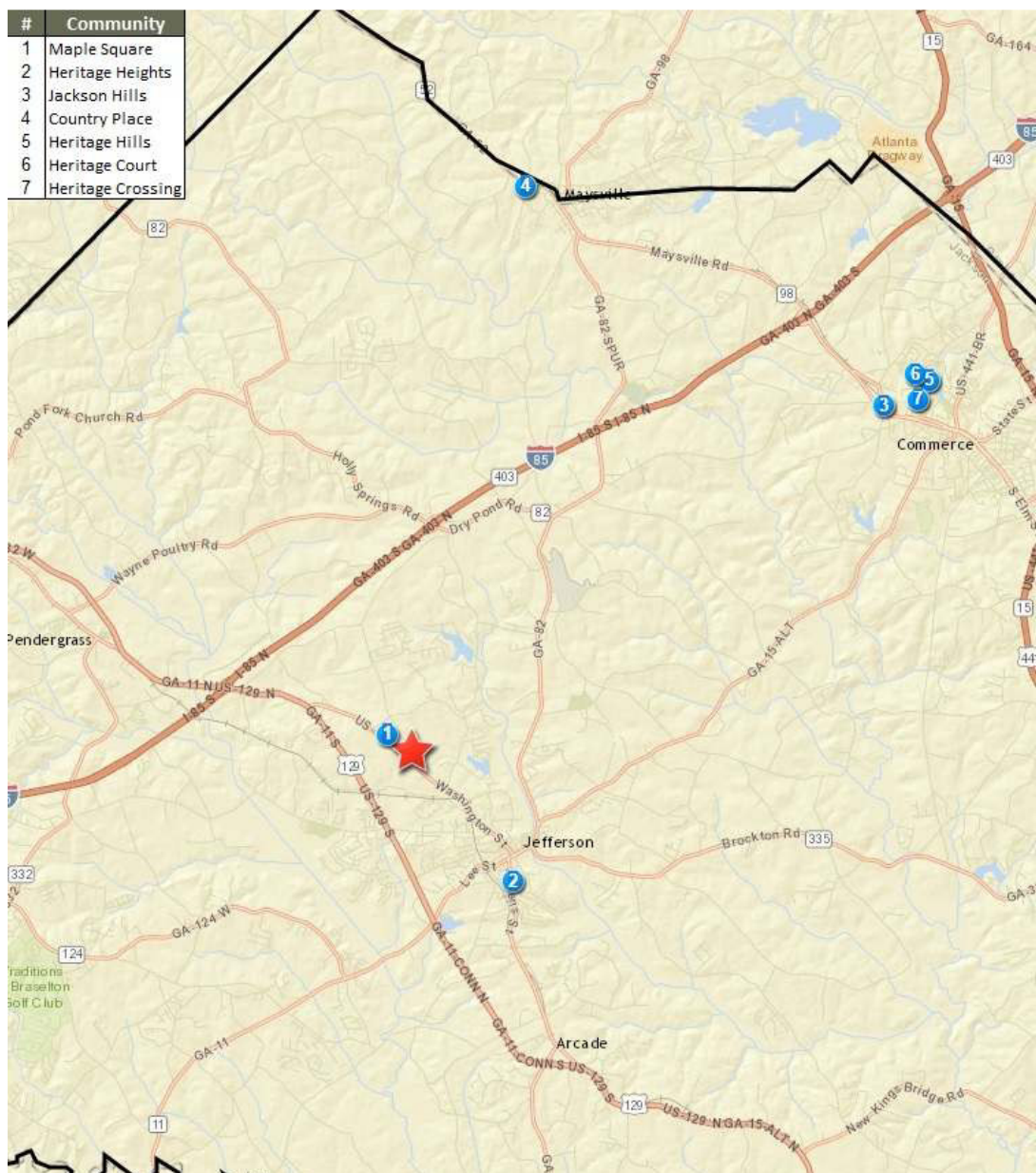


Table 25 Subsidized Communities, Hardin Terrace Market Area

Community	Subsidy	Type	Address	City	Distance
Heritage Crossing	LIHTC	General	1000 Crossing Place	Commerce	13.1 miles
Heritage Hills	LIHTC	General	100 Heritage Hills Dr.	Commerce	12.1 miles
Maple Square	LIHTC	Senior	50 Nelson Dr.	Jefferson	0.9 mile
Country Place	LIHTC / USDA	General	151 W Freeman St.	Maysville	11.4 miles
Jackson Hills	Section 8	General	110 B Wilson Rd.	Commerce	11.1 miles
Heritage Court	USDA	General	112 Heritage Ct.	Commerce	12.1 miles
Heritage Heights	USDA	General	101 Heritage Ave.	Jefferson	2.9 miles

Source: GA DCA, HUD, USDA

Map 7 Subsidized Rental Communities





I. Impact of Abandoned, Vacant, or Foreclosed Homes

Based on field observations, limited abandoned / vacant single and multi-family homes exist in the Hardin Terrace Market Area. In addition, to understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner’s grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30549 in which the subject property will be located and the broader areas of Jefferson, Jackson County, Georgia, and the United States for comparison purposes.

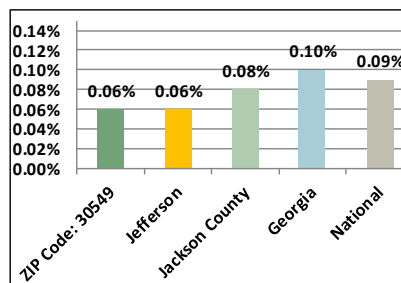
Our RealtyTrac search revealed April 2015 foreclosure rates of 0.06 percent in the subject property’s ZIP Code (30549) and Jefferson. The foreclosure rate was .08 percent in Jackson County, .10 percent in Georgia, and .09 percent in the nation (Table 26). An uncharacteristic 83 foreclosures were issued in August 2014 in the subject site’s zip code; besides this month, the monthly foreclosures ranged from two to 16 over the past year.

While the conversion of foreclosure properties can affect the demand for new multi-family rental housing in some markets, the impact on affordable housing and mixed-income rental communities is typically limited due to their tenant rent and income restrictions on most units. Furthermore, current foreclosure activity in the subject site’s ZIP Code was minimal over the past year. As such, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units.

Table 26 Foreclosure Rate and Recent Foreclosure Activity, ZIP Code 30549

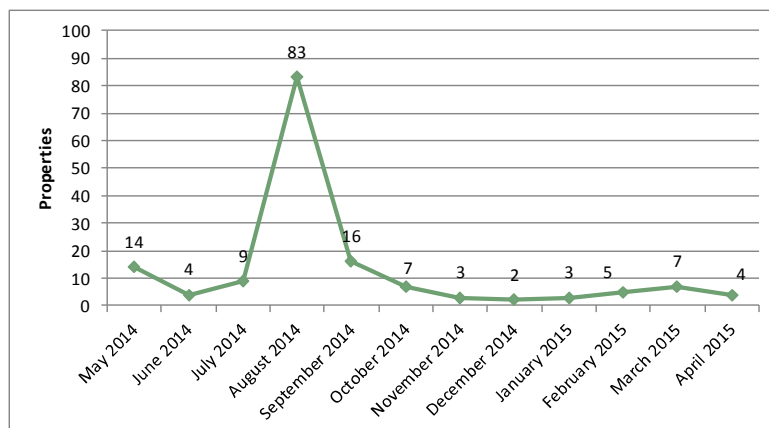
Geography	April 2015 Foreclosure Rate
ZIP Code: 30549	0.06%
Jefferson	0.06%
Jackson County	0.08%
Georgia	0.10%
National	0.09%

Source: Realtytrac.com



ZIP Code: 30549	
Month	# of Foreclosures
May 2014	14
June 2014	4
July 2014	9
August 2014	83
September 2014	16
October 2014	7
November 2014	3
December 2014	2
January 2015	3
February 2015	5
March 2015	7
April 2015	4

Source: Realtytrac.com



8. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Hardin Terrace Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, and transportation arteries.

- The site for Hardin Terrace is located in a rural residential neighborhood northwest of downtown Jefferson. Single-family detached homes are common within one-half mile of the site.
- The site is located within one to three miles of many community amenities and services in Jefferson. In addition, the site is located within close proximity to Interstate 85, a major regional thoroughfare, allowing easy access to employment concentrations along the Interstate 85 corridor.
- The subject site is suitable for the proposed development. No negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace.

2. Economic Context

Jackson County's economy is growing with At-Place-Employment at an all-time high and an unemployment rate below state and national levels.

- Following a recession high of 11.1 percent in 2009, Jackson County's unemployment rate has decreased in each of the past five years reaching a seven year low of 6.0 percent in 2014. The unemployment rate has continued to drop to 5.3 percent in the first quarter of 2015, compared to 6.3 percent in Georgia and 5.8 percent in the nation.
- Jackson County's At-Place Employment grew by 28.5 percent from 2000 to 2013, adding a net total of 4,318 jobs. After losing 2,829 jobs from 2007 to 2009, the county recouped all losses by adding 3,367 net jobs from 2010 to 2014 (Q3). The At-Place-Employment total in the third quarter of 2014 of 20,106 jobs eclipses the pre-recession peak in 2006.
- Trade-Transportation-Utilities and Manufacturing are the largest employment sectors in Jackson County accounting for a total of 53.8 percent of all jobs in the county compared to 27.9 percent nationally. Manufacturing has the largest disparity (26.3 percent versus 8.9 percent) between county and national employment shares.
- The subject site is located in close proximity to Interstate 85 making the major private employers located along the Interstate 85 corridor convenient.
- Since the beginning of 2013, Ollie's Bargain Outlet, Toyota, and Shiloh Industries have announced large job expansions. The three companies have added or plan to add a total of 355 jobs.

3. Population and Household Trends

The Hardin Terrace Market Area has experienced steady population and household growth since 2000, a trend projected to continue over the next couple of years.



- The Hardin Terrace Market Area added 1,890 people (3.8 percent) and 629 households (3.6 percent) per year between the 2000 and 2010 Census Counts. This trend continued, albeit at a slower pace from 2010 to 2015, as the county's population and household base grew at annual rates of 1.0 percent and 0.9 percent, respectively.
- From 2015 to 2017, Esri projects the Hardin Terrace Market Area's population will increase by 675 people (1.1 percent) and 212 households (0.9 percent) per year.

4. Demographic Trends

The population and household base of the Hardin Terrace Market Area is relatively old with a high proportion of families with and without children. Over the past decade, the market area added over 1,100 renter households; Esri projects the market area will continue to add renter households over the next two years. Renter household incomes in the market area are modest with a high proportion of low to moderate income households.

- Adults age 35-61 comprise the largest percentage of the population in in the market area at 36.6 percent compared to 36.1 percent in the Bi-County Market Area. Forty-six percent of the market area's population is under the age of 35 including 27.6 percent under the age of 20. Approximately 17 percent of the population in 62 and older compared to 15.6 percent in the Bi-County Market Area.
- Roughly 41 percent of all households in the Hardin Terrace Market Area contain at least two people but no children and 40.2 percent have children. Single persons account for 18.7 percent of all market area households.
- The Hardin Terrace Market Area's renter percentage was 23.0 percent in 2010 which increased to 25.0 percent in 2015. The market area's renter percentage is expected to increase to 25.6 percent in 2017.
- Working age households form the core of the market area's renters, as roughly 61 percent of all renter householders are ages 25-54. Within this age segment, renters age 25 to 34 account for the single largest percentage of renter householders in the Hardin Terrace Market Area at 21.7 percent. Approximately 31 percent of renter households are age 55 or older.
- As of 2010, 51.4 percent of all renter households in the Hardin Terrace Market Area contained one or two persons including 26.6 percent with one person. Households with three or four persons accounted for 33.1 percent of renter households and large households (5+ persons) accounted for 15.5 percent of renter households.
- The 2015 median income of households in the Hardin Terrace Market Area is \$57,217, 1.0 percent higher than the Bi-County Market Area median household income of \$56,659. RPRG estimates that the median income of renter households in the Hardin Terrace Market Area is \$28,105. Approximately 47 percent of renters earn less than \$25,000 including 25 percent earning less than \$15,000. Roughly 21 percent earn between \$25,000 and \$49,999.

5. Competitive Housing Analysis

RPRG surveyed six multi-family rental communities (three located in the Hardin Terrace Market Area and three located outside of the market area in Winder) including two LIHTC communities in the market area. At the time of our survey, the overall rental market in the market area was stable.

- Among the surveyed communities in the market area, 14 of 301 units were reported vacant for a vacancy rate of 4.7 percent. The three market rate communities located outside of the market area had an aggregate vacancy rate of 2.6 percent.



- Among the LIHTC communities in the market area, 14 of 198 units were reported vacant for a rate of 7.1 percent. Heritage Hills, a LIHTC community, had 10 of the 14 vacancies reported which could indicate that rents are too high at this community or that there is an issue with management. The other LIHTC community in the market area, Heritage Crossing, was performing well with a vacancy rate of 3.4 percent.
- Among the six rental communities surveyed, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 945 square feet, resulting in a net rent per square foot of \$0.55. Among surveyed communities outside of the market area, Hillcrest's two bedroom rent was \$558 with a unit size of 915 square feet.
 - **Two-bedroom** effective rents in the market area averaged \$607 per month with an average unit size of 1,150 square feet, resulting in a net rent per square foot of \$0.53. Among surveyed communities outside of the market area, the average effective two bedroom rent was \$638 with an average unit size of 1,125 square feet.
 - **Three-bedroom** effective rents in the market area averaged \$663 per month with an average unit size of 1,318 square feet, resulting in a net rent per square foot of \$0.50. Among surveyed communities outside of the market area, the average effective three bedroom rent was \$733 with an average unit size of 1,161 square feet.
- The "average market rent" among comparable communities in the market area is \$568 for one bedroom units, \$649 for two bedroom units, and \$710 for three bedroom units. The subject property's proposed rents are all below these average market rents with rent advantages ranging from 12.0 percent to 33.1 percent.
- No directly comparable new rental communities were identified as planned or under construction in the market area.

B. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of income-qualified households in the market area that the subject community must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among Hardin Terrace Market Area households for the target year of 2016. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2009-2013 American Community Survey along with estimates and projected income growth by Esri (Table 27).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability Analysis, RPRG employs a 35 percent gross rent burden.

The proposed LIHTC units at Hardin Terrace will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2015 HUD income limits for Jackson County, GA and are based on an average of 1.5 persons per bedroom rounded up to the nearest whole number per DCA requirements. Rent and income limits are detailed in Table 28 on the following page.

Table 27 2016 Total and Renter Income Distribution

Hardin Terrace Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	2,858	12.7%	1,401	24.7%
	\$15,000 - \$24,999	2,402	10.7%	1,178	20.7%
	\$25,000 - \$34,999	1,845	8.2%	585	10.3%
	\$35,000 - \$49,999	2,411	10.7%	624	11.0%
	\$50,000 - \$74,999	4,890	21.8%	1,099	19.3%
	\$75,000 - \$99,999	3,385	15.1%	521	9.2%
	\$100,000 - \$149,999	3,260	14.5%	217	3.8%
	\$150,000 - Over	1,429	6.4%	58	1.0%
Total		22,480	100%	5,683	100%
Median Income		\$58,816		\$29,479	

Source: American Community Survey 2009-2013 Projections, RPRG, Inc.



Table 28 LIHTC Income and Rent Limits, Jackson County, GA

HUD 2015 Median Household Income Jackson County, GA \$62,300 Very Low Income for 4 Person Household \$31,150 2015 Computed Area Median Gross Income \$62,300										
Utility Allowance: 1 Bedroom \$190 2 Bedroom \$231 3 Bedroom \$261										
LIHTC Household Income Limits by Household Size:										
	Household Size	30%	40%	50%	60%	80%	100%	150%		
	1 Person	\$13,110	\$17,480	\$21,850	\$26,220	\$34,960	\$43,700	\$65,550		
	2 Persons	\$14,970	\$19,960	\$24,950	\$29,940	\$39,920	\$49,900	\$74,850		
	3 Persons	\$16,830	\$22,440	\$28,050	\$33,660	\$44,880	\$56,100	\$84,150		
	4 Persons	\$18,690	\$24,920	\$31,150	\$37,380	\$49,840	\$62,300	\$93,450		
	5 Persons	\$20,190	\$26,920	\$33,650	\$40,380	\$53,840	\$67,300	\$100,950		
	6 Persons	\$21,690	\$28,920	\$36,150	\$43,380	\$57,840	\$72,300	\$108,450		
Imputed Income Limits by Number of Bedrooms:										
Assumes 1.5 persons per bedroom	Persons	Bedrooms	30%	40%	50%	60%	80%	100%	150%	
	1	0	\$13,110	\$17,480	\$21,850	\$26,220	\$34,960	\$43,700	\$65,550	
	2	1	\$14,970	\$19,960	\$24,950	\$29,940	\$39,920	\$49,900	\$74,850	
	3	2	\$16,830	\$22,440	\$28,050	\$33,660	\$44,880	\$56,100	\$84,150	
	5	3	\$20,190	\$26,920	\$33,650	\$40,380	\$53,840	\$67,300	\$100,950	
	6	4	\$21,690	\$28,920	\$36,150	\$43,380	\$57,840	\$72,300	\$108,450	
	LIHTC Tenant Rent Limits by Number of Bedrooms:									
<i>Assumes 1.5 Persons per bedroom</i>										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$351	\$161	\$468	\$278	\$585	\$395	\$702	\$512	\$936	\$746
2 Bedroom	\$420	\$189	\$561	\$330	\$701	\$470	\$841	\$610	\$1,122	\$891
3 Bedroom	\$486	\$225	\$648	\$387	\$810	\$549	\$972	\$711	\$1,296	\$1,035

Source: U.S. Department of Housing and Urban Development

2. Affordability Analysis

The steps in the affordability analysis (Table 29) are as follows:

- Looking at the one bedroom units at 50 percent AMI, the overall shelter cost at the proposed rent would be \$570 (\$380 net rent plus a \$190 allowance to cover all utilities except trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent one bedroom unit would be affordable to households earning at least \$19,543 per year. A projected 18,531 households in the market area will earn at least this amount in 2016.
- Based on an average household size of two persons, the maximum income limit for a one bedroom unit at 50 percent of the AMI is \$24,950. According to the interpolated income distribution for 2016, 17,232 households in the Hardin Terrace Market Area will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 17,232 households with incomes above the maximum income limit from the 18,531 households that could afford to rent this unit, RPRG computes that an estimated 1,299



households in the Hardin Terrace Market Area fall within the band of affordability for the subject's one bedroom units at 50 percent AMI. The subject property would need to capture 0.6 percent of these income-qualified households to absorb the proposed one bedroom units at 50 percent AMI.

- RPRG next tested the range of qualified households that are currently renters and determined that 3,746 renter households can afford to rent a one bedroom 50 percent unit at the subject property. Of these, 3,109 have incomes above our maximum income of \$24,950. The net result is 637 renter households within the income band. To absorb the proposed 50 percent one bedroom units, the subject property would need to capture 1.3 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered at the community. We also computed the capture rates for all units. The remaining renter capture rates by floor plan range from 0.4 percent to 9.2 percent.
- By income level, renter capture rates are 1.6 percent for 50 percent units, 4.3 percent for 60 percent units, and 5.5 percent for all units.

3. Conclusions of Affordability

All affordability capture rates are within reasonable and achievable levels for a general occupancy community.



Table 29 Hardin Terrace Affordability Analysis

50% Units	One Bedroom		Two Bedroom		Three Bedroom	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	8		6		4	
Net Rent	\$380		\$460		\$535	
Gross Rent	\$570		\$691		\$796	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$19,543	\$24,950	\$23,691	\$28,050	\$27,291	\$33,650
Total Households						
Range of Qualified Hslds	18,531	17,232	17,535	16,658	16,798	15,625
# Qualified Households	1,299		877		1,173	
Total HH Capture Rate	0.6%		0.7%		0.3%	
Renter Households						
Range of Qualified Hhlds	3,746	3,109	3,257	2,925	2,969	2,597
# Qualified Hhlds	637		332		372	
Renter HH Capture Rate	1.3%		1.8%		1.1%	

60% Units	One Bedroom		Two Bedroom		Three Bedroom	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	4		38		20	
Net Rent	\$384		\$545		\$625	
Gross Rent	\$574		\$776		\$886	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$19,680	\$29,940	\$26,606	\$33,660	\$30,377	\$40,380
Total Households						
Range of Qualified Hslds	18,498	16,309	16,924	15,623	16,228	14,511
# Qualified Households	2,189		1,301		1,717	
Unit Total HH Capture Rate	0.2%		2.9%		1.2%	
Renter Households						
Range of Qualified Hhlds	3,730	2,814	3,009	2,597	2,789	2,295
# Qualified Hhlds	915		412		494	
Renter HH Capture Rate	0.4%		9.2%		4.0%	

Income Target	Units	All Households = 22,480					Renter Households = 5,683			
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate
50% Units	18	Income	\$19,543	\$33,650	2,906	0.6%	\$19,543	\$33,650	1,149	1.6%
		Households	18,531	15,625			3,746	2,597		
60% Units	62	Income	\$19,680	\$40,380	3,987	1.6%	\$19,680	\$40,380	1,435	4.3%
		Households	18,498	14,511			3,730	2,295		
Total Units	80	Income	\$19,543	\$40,380	4,020	2.0%	\$19,543	\$40,380	1,451	5.5%
		Households	18,531	14,511			3,746	2,295		

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.

C. Demand Estimates and Capture Rates

1. Methodology

DCA’s demand methodology for general occupancy communities consists of three components:



- The first component of demand is household growth. This number is the number of age and income qualified renter households projected to move into the Hardin Terrace Market Area between the base year of 2013 and 2016.
- The next component of demand is income qualified renter households living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2010 Census data, the percentage of renter households in the primary market area that are “substandard” is 3.8 percent (Table 30). This substandard percentage is applied to current household numbers.
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 41.6 percent of the Hardin Terrace Market Area’s renter households are categorized as cost burdened (Table 30).

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 31. Income qualification percentages are derived by using the Affordability Analysis detailed in Table 29.

2. Demand Analysis

According to DCA’s demand methodology, all comparable units built or approved since the base year (2013) are to be subtracted from the demand estimates to arrive at net demand. No such units were identified in the market area.

The overall capture rate for the 80 units at Hardin Terrace is 11.9 percent (Table 31). Capture rates by income level are 3.4 percent for 50 percent units and 9.3 percent for 60 percent AMI units. Hardin Terrace’s capture rates by floor plan range from 1.2 percent to 20.7 percent (Table 32).

All capture rates are within DCA’s mandated threshold of 30 percent and indicate sufficient demand to support the proposed Hardin Terrace.

Table 30 Substandard and Cost Burdened Calculations

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	96	2.0%	Owner occupied:	
10.0 to 14.9 percent	297	6.1%	Complete plumbing facilities:	16,412
15.0 to 19.9 percent	552	11.3%	1.00 or less occupants per room	16,181
20.0 to 24.9 percent	458	9.4%	1.01 or more occupants per room	231
25.0 to 29.9 percent	623	12.8%	Lacking complete plumbing facilities:	13
30.0 to 34.9 percent	358	7.4%	Overcrowded or lacking plumbing	244
35.0 to 39.9 percent	233	4.8%	Renter occupied:	
40.0 to 49.9 percent	329	6.8%	Complete plumbing facilities:	4,853
50.0 percent or more	1,136	23.3%	1.00 or less occupants per room	4,681
Not computed	786	16.1%	1.01 or more occupants per room	172
Total	4,868	100.0%	Lacking complete plumbing facilities:	15
			Overcrowded or lacking plumbing	187
> 35% income on rent	1,698	41.6%	Substandard Housing	
				431
			% Total Stock Substandard	2.0%
			% Rental Stock Substandard	3.8%

Source: American Community Survey 2009-2013

Table 31 DCA Demand by Income Level

Income Target	50% Units	60% Units	Total Units
Minimum Income Limit	\$19,543	\$19,680	\$19,543
Maximum Income Limit	\$33,650	\$40,380	\$40,380
(A) Renter Income Qualification Percentage	20.2%	25.3%	25.5%
Demand from New Renter Households <i>Calculation (C-B) *F*A</i>	32	40	41
PLUS			
Demand from Existing Renter HHs (Substandard) <i>Calculation B*D*F*A</i>	42	53	54
PLUS			
Demand from Existing Renter HHs (Overburdened) <i>- Calculation B*E*F*A</i>	459	573	580
Total Demand	533	666	674
LESS			
Comparable Units Built or Planned Since 2013	0	0	0
Net Demand	533	666	674
Proposed Units	18	62	80
Capture Rate	3.4%	9.3%	11.9%

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2013 Households	21,845
C). 2016 Households	22,480
D). Substandard Housing (% of Rental Stock)	3.8%
E). Rent Overburdened (% of Renter Hhlds at >35%)	41.6%
F). Renter Percentage (% of all 2015 HHLds)	25.0%

Table 32 DCA Demand by Floor Plan

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate
50% Units	\$19,543 - \$33,650						
One Bedroom Units	\$19,543 - \$24,000	8	9.2%	244	0	244	3.3%
Two Bedroom Units	\$24,001 - \$28,000	6	5.2%	136	0	136	4.4%
Three Bedroom Units	\$28,001 - \$33,650	4	5.8%	153	0	153	2.6%
60% Units	\$19,680 - \$40,380						
One Bedroom Units	\$19,680 - \$26,750	4	12.8%	338	0	338	1.2%
Two Bedroom Units	\$26,751 - \$33,500	38	6.9%	183	0	183	20.7%
Three Bedroom Units	\$33,501 - \$40,380	20	5.5%	145	0	145	13.8%
Project Total	\$19,543 - \$40,380						
50% Units	\$19,543 - \$33,650	18	20.2%	533	0	533	3.4%
60% Units	\$19,680 - \$40,380	62	25.3%	666	0	666	9.3%
Total Units	\$19,543 - \$40,380	80	25.5%	674	0	674	11.9%

D. Product Evaluation

Considered in the context of the competitive environment, the relative position of Hardin Terrace is as follows:



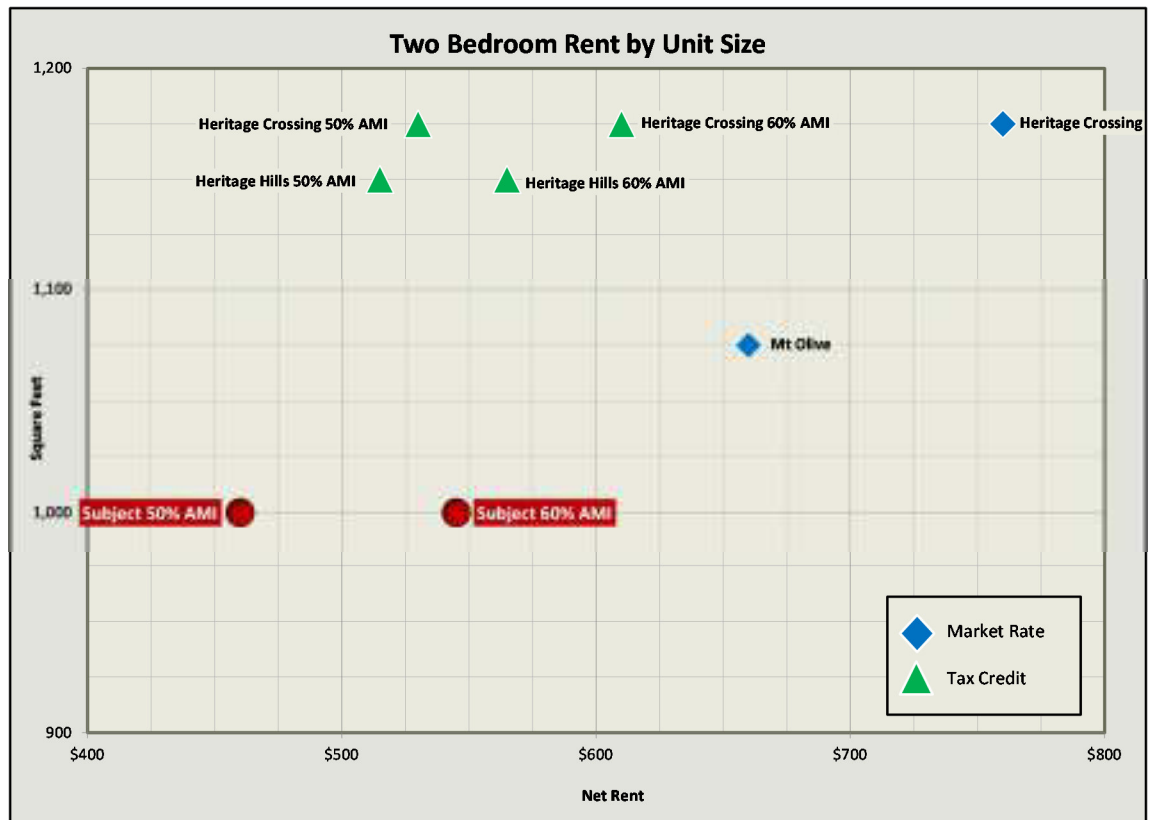
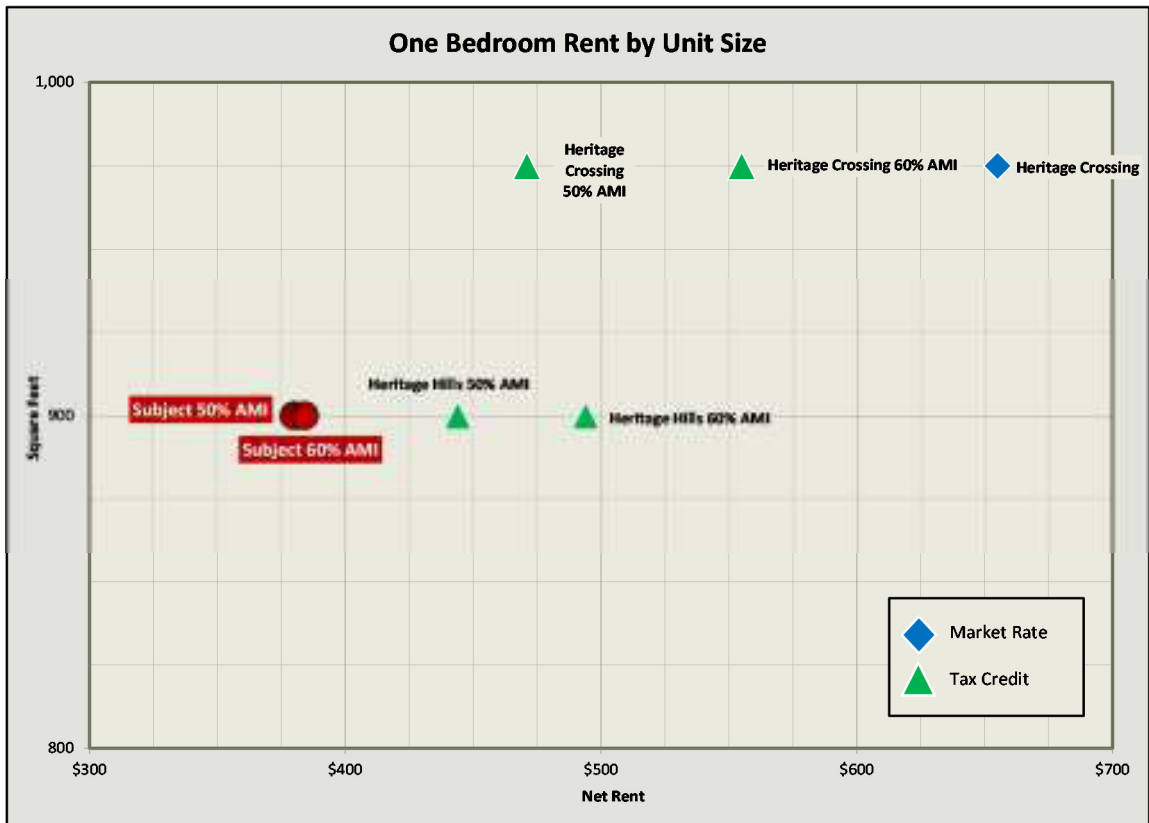
- **Site:** The subject site is acceptable for a rental housing development targeting low to moderate income renter households. Surrounding land uses are compatible with multi-family development and are appropriate for an affordable rental community. The subject site is convenient to a major thoroughfare (Interstate 85), employment concentrations (along the Interstate 85 corridor), and community amenities.
- **Unit Distribution:** The proposed unit mix for Hardin Terrace will offer one, two, and three bedroom units. One, two, and three bedroom units are common in the market area and will be well received by the target market. One bedroom units make up only 7.2 percent of units in the market area; however, they are offered at both LIHTC communities.
- **Unit Size:** The proposed unit sizes at Hardin Terrace are 900 square feet for one bedroom units, 1,000 square feet for two bedroom units, and 1,200 square feet for three bedroom units. The proposed unit sizes are the smallest among all comparable floor plans in the market area; however, all proposed rents will be the lowest in the market area among comparable AMI levels resulting in comparable rent per square foot figures. The proposed unit sizes for all floor plans will be well received by the proposed target market.
- **Unit Features:** In-unit features offered at the subject property will include a range, a refrigerator, a dishwasher, a garbage disposal, a microwave, ceiling fans, washers and dryers in each unit, and a patio/balcony. These unit features are superior to existing communities in the market area including LIHTC communities.
- **Community Amenities:** Hardin Terrace's community amenity package will include a clubhouse with leasing center, community room, fitness center, swimming pool, playground, computer center/library, covered pavilion and BBQ area, and walking trails with bench seating. This amenity package will be competitive with surveyed LIHTC communities in the Hardin Terrace Market Area.
- **Marketability:** The subject property will offer an attractive product that is suitable for the target market.

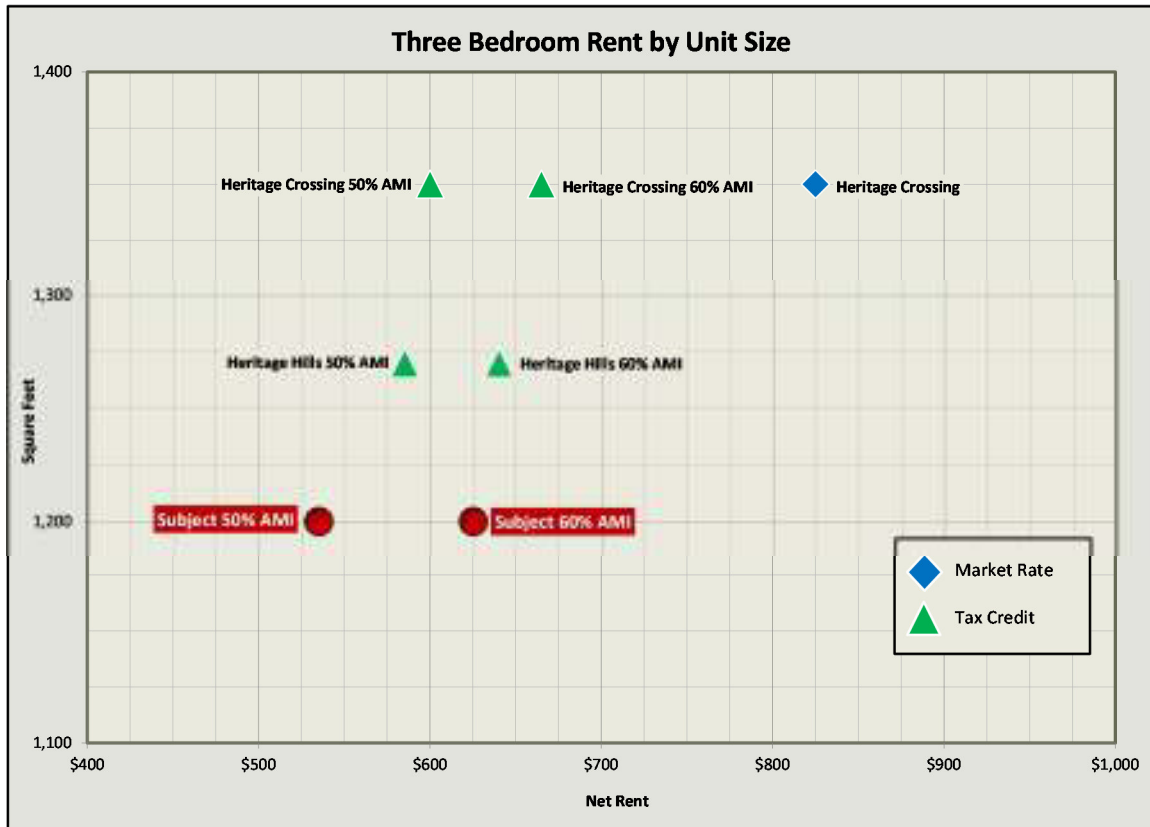
E. Price Position

As shown in Figure 8, all proposed rents will be the lowest in the market area among comparable floor plans and AMI levels. The proposed 50 percent rents will be the lowest rents in the market area. The proposed unit sizes at the subject property are the smallest in the market area among comparable floor plans; however, with the low proposed rents, the price per square foot is competitive in the market.



Figure 8 Price Position – Hardin Terrace





F. Absorption Estimate

The most recently constructed general occupancy rental community in the Hardin Terrace Market Area was built in 2002 and lease-up information is neither available nor relevant. In addition to the experience of recently constructed rental communities, the projected absorption rate for the subject property is based on projected household growth, the number of income-qualified renter households projected in the market area, reasonable demand estimates, rental market conditions, and the marketability of the proposed site and product.

- The population and household base of the Hardin Terrace Market Area are projected to grow, adding 675 people (1.1 percent) and 212 households (0.9 percent) per year through 2017.
- Over 1,400 renter households will be income-qualified for the proposed units.
- All DCA demand capture rates, both overall and by floor plan, are within acceptable thresholds of 30 percent for all units proposed at Hardin Terrace.
- The rental market in the Hardin Terrace Market Area is stable with a vacancy rate of 4.7 percent.
- The proposed rents at Hardin Terrace will be the lowest in the market area among comparable floor plans and AMI levels. Proposed rents have an advantage relative to the average unadjusted market rent ranging from 12.0 percent to 33.1 percent. The overall weighted average rent advantage is 18.9 percent.
- Hardin Terrace will offer an attractive product that will be among the nicest rental communities in the Hardin Terrace Market Area. The proposed product will be well received at the proposed price points.



Based on the product to be constructed and the factors discussed above, we expect Hardin Terrace to lease-up at a rate of 12 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within six to seven months.

G. Impact on Existing Market

Given the stable rental market in the Hardin Terrace Market Area and projected household growth over the next couple of years, we do not expect Hardin Terrace to have negative impact on existing rental communities in the Hardin Terrace Market Area including those with tax credits.

H. Final Conclusions and Recommendations

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$19,543 - \$33,650										
One Bedroom Units	\$19,543 - \$24,000	8	9.2%	244	0	244	3.3%	2 months	\$568	\$494-\$655	\$380
Two Bedroom Units	\$24,001 - \$28,000	6	5.2%	136	0	136	4.4%	2 months	\$649	\$565-\$760	\$460
Three Bedroom Units	\$28,001 - \$33,650	4	5.8%	153	0	153	2.6%	1-2 months	\$710	\$640-\$825	\$535
60% Units	\$19,680 - \$40,380										
One Bedroom Units	\$19,680 - \$26,750	4	12.8%	338	0	338	1.2%	2 months	\$568	\$494-\$655	\$384
Two Bedroom Units	\$26,751 - \$33,500	38	6.9%	183	0	183	20.7%	6-7 months	\$649	\$565-\$760	\$545
Three Bedroom Units	\$33,501 - \$40,380	20	5.5%	145	0	145	13.8%	4-5 months	\$710	\$640-\$825	\$625
Project Total	\$19,543 - \$40,380										
50% Units	\$19,543 - \$33,650	18	20.2%	533	0	533	3.4%	2 months			
60% Units	\$19,680 - \$40,380	62	25.3%	666	0	666	9.3%	6-7 months			
Total Units	\$19,543 - \$40,380	80	25.5%	674	0	674	11.9%	6-7 months			

Based on household growth, acceptable affordability and demand capture rates, and stable rental market conditions, sufficient demand exists to support the proposed units at Hardin Terrace. As such, RPRG believes that the proposed Hardin Terrace will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing LIHTC communities in the Hardin Terrace Market Area and the units will be well received by the target market. We recommend proceeding with the project as planned.

We do not believe that the proposed development of Hardin Terrace will have a negative impact on the existing LIHTC communities in the market area.

Brett Welborn
Analyst

Tad Scepaniak
Principal



9. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



10. APPENDIX 2 ANALYST CERTIFICATIONS

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- To the best of my knowledge, the market can support the proposed 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.
- 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.

A handwritten signature in black ink, appearing to read 'Brett Welborn', written over a horizontal line.

Brett Welborn
Analyst

Real Property Research Group, Inc.

A handwritten signature in black ink, appearing to read 'Tad Scepaniak', written over a horizontal line.

Tad Scepaniak
Principal

Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



11. APPENDIX 3 NCHMA CERTIFICATION

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

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.



Real Property Research Group, Inc.

A handwritten signature in black ink, appearing to read 'Tad Scepaniak', is written over a horizontal line.

Tad Scepaniak

Name

Principal

Title

May 20, 2015

Date



12. APPENDIX 4 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



TAD SCEPANIAK

Tad Scepaniak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is Vice Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as the Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



BRETT WELBORN

Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett has progressed to serve as Analyst for RPRG.

Areas of Concentration:

Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.

In addition to market analysis responsibilities, Brett has also assisted in the development of research tools for the organization.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



13. APPENDIX 5 DCA CHECKLIST

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

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

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: 

Date: May 20, 2015

Brett Welborn

A. Executive Summary

1. Project Description:		
i. Brief description of the project location including address and/or position relative to the closest cross-street.....	Page(s)	v
ii. Construction and Occupancy Types	Page(s)	v
iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance	Page(s)	v
iv. Any additional subsidies available, including project based rental assistance (PBRA)	Page(s)	v
v. Brief description of proposed amenities and how they compare with existing properties	Page(s)	v
2. Site Description/Evaluation:		
i. A brief description of physical features of the site and adjacent parcels.....	Page(s)	v
ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....	Page(s)	v
iii. A discussion of site access and visibility	Page(s)	v
iv. Any significant positive or negative aspects of the subject site.....	Page(s)	v
v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc	Page(s)	v
vi. An overall conclusion of the site's appropriateness for the proposed development.....	Page(s)	v
3. Market Area Definition:		
i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site	Page(s)	vi
4. Community Demographic Data:		
i. Current and projected household and population counts for the PMA.....	Page(s)	vi
ii. Household tenure including any trends in rental rates	Page(s)	vi
iii. Household income level.....	Page(s)	vi



iv.	Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development.	Page(s)	vi
5.	Economic Data:		
i.	Trends in employment for the county and/or region.....	Page(s)	vii
ii.	Employment by sector for the primary market area.	Page(s)	vii
iii.	Unemployment trends for the county and/or region for the past five years.....	Page(s)	vii
iv.	Brief discussion of recent or planned employment contractions or expansions.....	Page(s)	vii
v.	Overall conclusion regarding the stability of the county's economic environment.	Page(s)	vii
6.	Project Specific Affordability and Demand Analysis:		
i.	Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households.....	Page(s)	viii
ii.	Overall estimate of demand based on DCA's demand methodology.....	Page(s)	viii
iii.	Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates.....	Page(s)	viii
7.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA.	Page(s)	viii
ii.	Number of properties.....	Page(s)	viii
iii.	Rent bands for each bedroom type proposed.	Page(s)	viii
iv.	Average market rents.	Page(s)	viii
8.	Absorption/Stabilization Estimate:		
i.	Expected absorption rate of the subject property (units per month).....	Page(s)	viii
ii.	Expected absorption rate by AMI targeting.	Page(s)	viii
iii.	Months required for the project to reach a stabilized occupancy of 93 percent.	Page(s)	viii
9.	Overall Conclusion:		
i.	A narrative detailing key conclusions of the report including the analyst's opinion regarding the proposed development's potential for success.....	Page(s)	viii
10.	Summary Table.....	Page(s)	ix

B. Project Description

1.	Project address and location.	Page(s)	5
2.	Construction type.	Page(s)	5
3.	Occupancy Type.	Page(s)	3, 5
4.	Special population target (if applicable).	Page(s)	5
5.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	5
6.	Unit size, number of bedrooms, and structure type.	Page(s)	3, 5
7.	Rents and Utility Allowances.	Page(s)	5
8.	Existing or proposed project based rental assistance.....	Page(s)	5
9.	Proposed development amenities.....	Page(s)	3, 5
10.	For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost.	Page(s)	N/A
11.	Projected placed-in-service date.....	Page(s)	4, 5

C. Site Evaluation

1.	Date of site / comparables visit and name of site inspector.	Page(s)	1
2.	Site description		
i.	Physical features of the site.	Page(s)	6
ii.	Positive and negative attributes of the site.....	Page(s)	6



iii. Detailed description of surrounding land uses including their condition.....	Page(s)	6
3. Description of the site’s physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	12-15
4. Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	9-10
5. Neighborhood Characteristics		
i. Map identifying the location of the project.....	Page(s)	7
ii. List of area amenities including their distance (in miles) to the subject site.....	Page(s)	14
iii. Map of the subject site in proximity to neighborhood amenities.....	Page(s)	14
6. Map identifying existing low-income housing projects located within the PMA and their distance from the subject site.....	Page(s)	40
7. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	12
8. Discussion of accessibility, ingress/egress, and visibility of the subject site.....	Page(s)	12
9. Visible environmental or miscellaneous site concerns.....	Page(s)	13
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	15

D. Market Area

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	16
2. Map Identifying subject property’s location within market area.....	Page(s)	17

E. Community Demographic Data

1. Population Trends		
i. Total Population.....	Page(s)	26
ii. Population by age group.....	Page(s)	27
iii. Number of elderly and non-elderly.....	Page(s)	27
iv. Special needs population (if applicable).....	Page(s)	26
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	26
ii. Household by tenure.....	Page(s)	28
iii. Households by income.....	Page(s)	30
iv. Renter households by number of persons in the household.....	Page(s)	29

F. Employment Trends

1. Total jobs in the county or region.....	Page(s)	20
2. Total jobs by industry – numbers and percentages.....	Page(s)	21
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	22
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.....	Page(s)	19
5. Map of the site and location of major employment concentrations.....	Page(s)	23
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	24

G. Project-specific Affordability and Demand Analysis

1. Income Restrictions / Limits.....	Page(s)	46
--------------------------------------	---------	----



2. Affordability estimates.....	Page(s)	48
3. Components of Demand		
i. Demand from new households.....	Page(s)	50
ii. Demand from existing households.....	Page(s)	50
iii. Elderly Homeowners likely to convert to rentership.....	Page(s)	50
iv. Other sources of demand (if applicable).....	Page(s)	50
4. Net Demand, Capture Rate, and Stabilization Calculations		
i. Net demand		
1. By AMI Level.....	Page(s)	50
2. By floor plan.....	Page(s)	50
ii. Capture rates		
1. By AMI level.....	Page(s)	50
2. By floor plan.....	Page(s)	50
3. Capture rate analysis chart.....	Page(s)	viii

H. Competitive Rental Analysis

1. Detailed project information for each competitive rental community surveyed		
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area.....	Page(s)	37
2. Additional rental market information		
i. An analysis of voucher and certificates available in the market area.....	Page(s)	39
ii. Lease-up history of competitive developments in the market area.....	Page(s)	33
iii. Tenant profile and waiting list of existing phase (if applicable).....	Page(s)	N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).....	Page(s)	N/A
3. Map showing competitive projects in relation to the subject property.....	Page(s)	34
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.....	Page(s)	36
5. For senior communities, an overview / evaluation of family properties in the PMA.....	Page(s)	N/A
6. Subject property's long-term impact on competitive rental communities in the PMA.....	Page(s)	53
7. Competitive units planned or under construction the market area		
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.....	Page(s)	39
8. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.....	Page(s)	50
i. Average market rent and rent advantage.....	Page(s)	38
9. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.....	Page(s)	39
10. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.....	Page(s)	
11. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	41
12. Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	N/A

I. Absorption and Stabilization Rates

1. Anticipated absorption rate of the subject property.....	Page(s)	53
2. Stabilization period.....	Page(s)	53



J. Interviews	Page(s)	39
K. Conclusions and Recommendations		
1. Conclusion as to the impact of the subject property on PMA.....	Page(s)	53
2. Recommendation as the subject property's viability in PMA.....	Page(s)	54
L. Signed Statement Requirements	Page(s)	App.



14. APPENDIX 6 NCHMA CHECKLIST

Introduction: Members of the National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

	Component (*First occurring page is noted)	*Page(s)
Executive Summary		
1.	Executive Summary	
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	3,5
3.	Utilities (and utility sources) included in rent	3, 5
4.	Project design description	3,5
5.	Unit and project amenities; parking	3,5
6.	Public programs included	3
7.	Target population description	3
8.	Date of construction/preliminary completion	4
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	3
Location and Market Area		
11.	Market area/secondary market area description	16
12.	Concise description of the site and adjacent parcels	6
13.	Description of site characteristics	6
14.	Site photos/maps	7 - 10
15.	Map of community services	14
16.	Visibility and accessibility evaluation	12
17.	Crime information	11
Employment and Economy		
18.	Employment by industry	21
19.	Historical unemployment rate	19
20.	Area major employers	22
21.	Five-year employment growth	20



22.	Typical wages by occupation	N/A
23.	Discussion of commuting patterns of area workers	18
Demographic Characteristics		
24.	Population and household estimates and projections	25
25.	Area building permits	25
26.	Distribution of income	28
27.	Households by tenure	28
Competitive Environment		
28.	Comparable property profiles	69
29.	Map of comparable properties	34
30.	Comparable property photos	69
31.	Existing rental housing evaluation	31
32.	Comparable property discussion	31
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	35
34.	Comparison of subject property to comparable properties	50
35.	Availability of Housing Choice Vouchers	39
36.	Identification of waiting lists	33
37.	Description of overall rental market including share of market-rate and affordable properties	32
38.	List of existing LIHTC properties	69
39.	Discussion of future changes in housing stock	39
40.	Discussion of availability and cost of other affordable housing options, including homeownership	31
41.	Tax credit and other planned or under construction rental communities in market area	39
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	48
43.	Calculation and analysis of Penetration Rate	31
44.	Evaluation of proposed rent levels	51
45.	Derivation of Achievable Market Rent and Market Advantage	38
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	42
48.	Market strengths and weaknesses impacting project	50
49.	Recommendation and/or modification to project description	50, if applicable
50.	Discussion of subject property's impact on existing housing	50
51.	Absorption projection with issues impacting performance	53



52.	Discussion of risks or other mitigating circumstances impacting project	42, if applicable
53.	Interviews with area housing stakeholders	39
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	1
56.	Certifications	App.
57.	Statement of qualifications	58
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A

**15. APPENDIX 7 RENTAL COMMUNITY PROFILES**

Community	Address	City	Phone Number	Date Surveyed	Contact
Heritage Crossing	1000 Crossing Place	Commerce	770-335-2394	5/26/2015	Property Manager
Heritage Hills	100 Heritage Hills Dr.	Commerce	706-335-9550	5/26/2015	Property Manager
Hillcrest	490 Gainesville Hwy.	Winder	770-867-4007	5/29/2015	Property Manager
Ivy Corners & Lily Drive	Lily Dr. & Springdale Rd.	Winder	770-480-6983	5/29/2015	Property Manager
Mt. Olive	314 Pine Cone Trail	Commerce	706-336-8084	5/26/2015	Property Manager
Second Street	160 2nd St.	Winder	770-586-5272	5/29/2015	Property Manager

Heritage Crossing

Multifamily Community Profile

1000 Crossing Place
Comemrce, GA 30529

CommunityType: LIHTC - General
Structure Type: Garden

118 Units 3.4% Vacant (4 units vacant) as of 5/26/2015

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	10.2%	\$560	975	\$0.57	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	59.3%	\$621	1,175	\$0.53	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	30.5%	\$694	1,350	\$0.51	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					<input checked="" type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

--

Floorplans (Published Rents as of 5/26/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	4	\$570	975	\$.58	LIHTC/ 60%	5/26/15	3.4%	\$560	\$621	\$694
Garden	--	1	1	3	\$670	975	\$.69	Market	5/17/12	11.0%	\$475	\$535	\$601
Garden	--	1	1	5	\$486	975	\$.50	LIHTC/ 50%	3/23/07	16.1%	\$519	\$593	\$669
Garden	--	2	2	30	\$550	1,175	\$.47	LIHTC/ 50%	5/18/05	4.2%	\$443	\$500	\$573
Garden	--	2	2	28	\$630	1,175	\$.54	LIHTC/ 60%					
Garden	--	2	2	12	\$780	1,175	\$.66	Market					
Garden	--	3	2	14	\$690	1,350	\$.51	LIHTC/ 60%					
Garden	--	3	2	7	\$850	1,350	\$.63	Market					
Garden	--	3	2	15	\$625	1,350	\$.46	LIHTC/ 50%					

Adjustments to Rent	
Incentives:	None
Utilities in Rent:	Heat Fuel: Electric
Heat:	<input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water:	<input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Heritage Hills

Multifamily Community Profile

100 Heritage Hills Drive
Commerce, GA 30529

CommunityType: LIHTC - General

Structure Type: Garden

80 Units 12.5% Vacant (10 units vacant) as of 5/26/2015

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	12.5%	\$484	900	\$0.54	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	62.5%	\$560	1,150	\$0.49	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.0%	\$638	1,270	\$0.50	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Management stated that occupancy levels are normal.

Floorplans (Published Rents as of 5/26/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	5	\$509	900	\$.57	LIHTC/ 60%	5/26/15	12.5%	\$484	\$560	\$638
Garden	--	1	1	5	\$459	900	\$.51	LIHTC/ 50%	5/17/12	13.8%	\$398	\$482	\$553
Garden	--	2	2	25	\$535	1,150	\$.47	LIHTC/ 50%	3/22/07	2.5%	\$395	\$475	\$550
Garden	--	2	2	25	\$585	1,150	\$.51	LIHTC/ 60%	5/18/05	8.8%	\$399	\$460	\$530
Garden	--	3	2	10	\$665	1,270	\$.52	LIHTC/ 60%					
Garden	--	3	2	10	\$610	1,270	\$.48	LIHTC/ 50%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Hillcrest

Multifamily Community Profile

490 Gainesville Hwy.
Winder, GA

CommunityType: Market Rate - General

Structure Type: Garden/TH

102 Units 1.0% Vacant (1 units vacant) as of 5/29/2015

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$573	915	\$0.63	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$668	1,065	\$0.63	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$763	1,100	\$0.69	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/29/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1.5	--	\$650	1,230	\$0.53	Market	5/29/15	1.0%	\$573	\$668	\$763
Garden	--	1	1	--	\$495	600	\$0.83	Market	2/5/14	2.9%	\$538	\$621	--
Townhouse	--	2	1.5	--	\$750	1,230	\$0.61	Market	5/16/13	0.0%	\$496	\$548	\$669
Garden	--	2	1	--	\$585	900	\$0.65	Market	6/5/12	6.9%	\$538	\$613	\$675
SF Detached	--	3	1	--	\$763	1,100	\$0.69	Market					

Adjustments to Rent	
Incentives: None	
Utilities in Rent: Heat Fuel: Electric	
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Hillcrest

GA013-015719

Ivey Corners & Lily Drive

Multifamily Community Profile

Lily Dr. & Springdale Rd.
Winder, GA

CommunityType: Market Rate - General

Structure Type: Townhouse

39 Units 5.1% Vacant (2 units vacant) as of 5/29/2015

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	23.1%	\$575	1,175	\$0.49	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	76.9%	\$700	1,250	\$0.56	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/29/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Lily Drive / Townhouse	--	2	2	9	\$575	1,175	\$.49	Market	5/29/15	5.1%	--	\$575	\$700
Ivey Corners / Townhous	--	3	2	30	\$700	1,250	\$.56	Market	2/6/14	25.6%	--	--	--
									6/5/12	0.0%	--	\$575	\$725
									1/5/12	17.9%	--	\$575	\$650

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Mt Olive

Multifamily Community Profile

314 Pine Cone Trail
Commerce, GA 30529

CommunityType: Market Rate - General
Structure Type: Townhouse

103 Units 0.0% Vacant (0 units vacant) as of 5/26/2015

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$680	1,075	\$0.63	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Castlegate Prop. Grp	Owner: --

Comments

Waitlist. Nothing available until July 2015.

Floorplans (Published Rents as of 5/26/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	2.5	103	\$660	1,075	\$.61	Market	5/26/15	0.0%	--	\$680	--
									3/27/07	9.7%	--	\$603	--
									5/18/05	2.9%	--	\$550	--

Adjustments to Rent	
Incentives:	None
Utilities in Rent:	Heat Fuel: Electric
Heat:	<input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water:	<input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Mt Olive

GA157-006334

Second Street

Multifamily Community Profile

160 2nd St.
Winder, GA

CommunityType: Market Rate - General

Structure Type: 2-Story Duplex

10 Units 10.0% Vacant (1 units vacant) as of 5/29/2015

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	20.0%	\$730	1,134	\$0.64	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	80.0%	\$810	1,134	\$0.71	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Apalachee Realty Inc	
Owner: --	

Comments

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Floorplans (Published Rents as of 5/29/2015) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	1.5	2	\$700	1,134	\$.62	Market	5/29/15	10.0%	--	\$730	\$810
Duplex	--	3	1.5	8	\$775	1,134	\$.68	Market	5/15/13	0.0%	--	\$705	\$785
									6/5/12	10.0%	--	\$705	\$760
									1/5/12	0.0%	--	\$730	\$785

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash: