
Part I - Introduction

HUD Section 223(f) PILOT Appraisal Report
Pinewood Apartments
90 Units, 11.497 Acres of Land
288 Bailey Street
Athens, Georgia 30605

Prepared As of

November 14, 2014

Prepared for

Adam Roberts
FHA Deputy Chief Underwriter
Oak Grove Capital
6209 Riverside Drive, Suite 150
Dublin, Ohio 43017

Prepared by

Southeastern Consulting Group
Real Estate Appraisers and Market Analysts
William F. Cantrell, MAI, CCIM
C. Creed Crutchfield, Associate Analyst

Southeastern Consulting Group

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November 25, 2014

Adam Roberts
FHA Deputy Chief Underwriter
Oak Grove Capital
6209 Riverside Drive, Suite 150
Dublin, Ohio 43017

Re: HUD Section 223(f) PILOT Appraisal Report
Pinewood Apartments
90 Units, 11.497 Acres of Land
288 Bailey Street
Athens, Clarke County, Georgia 30605

Dear Mr. Roberts:

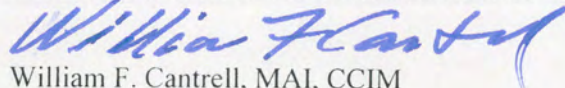
As requested, SCG has inspected the site and improvements in order to appraise the above captioned property. The purpose of the appraisal has been to estimate the HUD Section 223(f) PILOT restricted market value of the fee simple interest in the property as of November 14, 2014. In addition the MAP appraiser has followed the existing requirements as stated in Chapter 9 of the Renewal Guide to determine rents for the use in the borrower's Chapter 9 Section 8 Rent Increase. These rent conclusions are found in Addenda A of the appraisal. Submitted herewith is the self contained narrative appraisal report which contains the pertinent data, analyses, and opinions upon which the final value estimate is predicated. Certifications and Qualifications of the Appraiser are also contained therein. Specific reference is made to the Assumptions and Limiting Conditions, and the Purpose and Date of Appraisal sections of the report, as these report sections set forth presumptions that may limit or qualify the expressed value estimate. The report has been prepared under **Jurisdictional Exception**. In accordance with the reporting requirements of the Appraisal Institute, all comparable sales data has been converted to cash equivalent terms and conditions. Additionally, the value estimate reported for the subject is a cash equivalent current value as of the date of the appraisal. It is SCG's opinion, based upon prevailing market conditions, that the HUD Section 223(f) PILOT restricted market value of the fee simple interest in Pinewood Apartments, assuming any deferred maintenance will be cured and any repairs completed, on a cash equivalent basis and based on market conditions and HUD Section 223(f) PILOT loan as of November 14, 2014, was:

**FIVE MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND
(\$5,875,000.00) U.S. DOLLARS**

If additional information is required, please advise.

Respectfully submitted,

SOUTHEASTERN CONSULTING GROUP



William F. Cantrell, MAI, CCIM
President

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Executive Summary of Findings

Pinewood Apartments Section 223(f) PILOT

Location 288 Bailey Street
Athens, Clarke County, Georgia 30605

Site Data

Size / L. To B. Ratio 11.497 Acres / 6.62 to 1.00 (NRA)
Zoning RM-1 (Residential Mixed Density Multi-Family)
Zoning Status Legal, Non-Conforming Use
Development Density 7.82 du / acre
Parking / Ratio 167 Surface Spaces / 1.86 Per Unit

Building Data

Size / Stories / Construction 90 Units / One & Two Stories / Siding with Brick Veneer with Pitched Roofs
Net Rentable Area 75,604 Square Feet
Average Unit Size 840 Square Feet
Occupancy Status 91.1% Occupancy (8 vacants)
Amenities Laundry, Community & Business Center, Rental Office
Condition / Year Built Average Condition / ca. 1979 / 35 years old will be in good condition post-renovations

Ad Valorem Tax Data

Tax Value (Post Repairs) \$4,050,000 (\$45,000 per unit)
Taxes \$55,161.00 (\$612.90 per unit)

Market Level Taxes

Appraisal and Inspection Date November 14, 2014

Current Land Value \$550,000 (\$6,111 per unit)

Market Income and Expense Data

	Total Forecast	Per Unit	\$ / SF	% G.P.I.
Gross Potential Income	\$800,100.00	\$8,890.00	\$10.58	100.00%
Vacancy and Expenses	\$455,450.92	\$5,060.57	\$6.02	56.92%
Net Operating Income	\$344,649.08	\$3,829.43	\$4.56	43.08%

Executive Summary of Findings Pinewood Apartments (Page 2)

Restricted Income and Expense Data	Total Forecast	Per Unit	\$ / SF	% G.P.I.
Gross Potential Income	\$800,100.00	\$8,890.00	\$10.58	100.00%
Vacancy and Expenses	\$423,511.58	\$4,705.68	\$5.16	52.93%
Net Operating Income	\$376,588.42	\$4,184.32	\$5.60	47.07%

Restricted PILOT Value Indications

Cost Approach	Not Applicable
Income Capitalization Approach	\$5,875,000 (\$65,278 per unit, \$77.71 per SF)
Sales Comparison Approach	Not Applicable
Reconciled Market Value	\$5,875,000 (\$65,278 per unit, \$77.71 per SF)

Appraiser / Analysts

William F. Cantrell, MAI, CCIM
C. Creed Crutchfield

Assumptions and Limiting Conditions

The value estimate expressed herein is predicated upon certain general and specific conditions and assumptions, which may or may not have any effect upon the value of the appraised property. These are included below and on the following pages. Acceptance of, and / or use of, this appraisal report constitutes acceptance of the following conditions.

1. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable. Normal mortgage loan encumbrances and utility easements are considered to exist. The legal description included in this report (Page One) is assumed to be correct.
2. The appraisers assume no liability for structural features not visible on ordinary careful inspection, nor is any responsibility assumed for sub-surface or foundation conditions. Information regarding the location or existence of public utilities has been obtained through a verbal inquiry to the appropriate utility, or has been ascertained from visual evidence. No warranty has been made regarding the exact location or capabilities of public utility systems.
3. Certain information used in this appraisal has been furnished by others. The sources and the information are considered to be reliable, but cannot be guaranteed. The appraisers are not obligated to give testimony of any kind nor appear in any court as a result of having completed this appraisal, unless arrangements to that effect were made prior to the initiation of the appraisal assignment.
4. The value estimate expressed herein assumes competent and aggressive management and / or marketing of the subject property. The contents of the appraisal are for limited private use only. If this report becomes the property of any party other than the addressee or the person who has paid the fee connected herewith, permission must be obtained from the original addressee for reproduction or additional copies, and additional fees will be charged for any further consultation, reappraisal, or review of the property. Southeastern Consulting Group has no responsibility to any party other than the addressee. It has been assumed that the client or representative thereof, if soliciting funds for this project, has furnished to the user of this report complete plans, specifications, survey, and photographs of the land and improvements.

Assumptions and Limiting Conditions (continued)

5. This appraisal was obtained from Southeastern Consulting Group or related companies and/or its individuals and consists of “trade secrets and commercial or financial information” which is privileged and confidential. Notify the Appraiser(s) signing the report or an officer of Southeastern Consulting Group of any request to reproduce this appraisal in whole or part. It is strongly recommended that the reader rely upon authorized copies only of this report. Authorized copies are printed on white paper, with the letter of transmittal printed on gray stationery bearing the “Classic Crest” watermark, a navy and maroon letterhead, and original signatures in blue ink. Any copy that does not have the above features is unauthorized and could have been altered. Any reader who is uncertain of the authenticity of this report should contact Southeastern Consulting Group.

6. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of the appraisal and / or the report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute, Southeastern Consulting Group, or to the MAI, SRA or CCIM designations) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.

7. Opinions of value contained herein are estimates, and there are no guarantees, either written or implied, that the property would sell for the expressed estimate of value. The property history has been provided by conversations with various individuals involved with the chain of title, and if available, various documents such as contracts, deeds, leases, and closing statements. Southeastern Consulting Group has not performed a title search, nor does Southeastern Consulting Group warrant that the history, as presented herein, is completely accurate since Southeastern Consulting Group has relied upon the information of others. Any person or entity contemplating an interest in the subject property should rely solely upon a title search and opinion prepared by a qualified attorney-at-law.

Assumptions and Limiting Conditions (continued)

8. This appraisal and value estimate in no way implies a warranty of the structural integrity of the improvements (or street improvements) which are the subject of the appraisal. The improvements are concluded to be of suitable construction. Unless otherwise noted herein, working order of the mechanical equipment is assumed; however, the appraisers in no way warrant the adequacy, design, and sufficiency of mechanical features. The appraisers presume that the improvements, either existing or to be built, meet the fire safety requirements of all applicable state and local building codes. It is assumed that a certificate of occupancy and acceptance has been issued by the State Fire Marshal and the local supervisory building inspector.
9. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the subject improvements, such as the presence of urea formaldehyde foam insulation and / or existence of toxic waste, which may or may not be present on the property, has not been considered. The appraisers are not qualified to detect such substances and recommend that the client retain an expert in this field. No termite inspection has been made, nor is a termite report available to the appraisers. It is assumed that there is no termite infestation and that a termite bond supplementing annual inspections is in effect.
10. The appraisal is predicated upon the assumption that all deferred maintenance was identified in the engineering report and will be cured. Further, the appraisal assumes that the engineering report will also establish a reserve for replacement fund to assure the ongoing maintenance at the property. Refer to Exhibit C in the addenda.
11. Liability of the firm and employees is limited to the fee collected for preparation of the appraisal. There is no accountability or liability to any third party. The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report. Acceptance of, and / or use of, this appraisal report constitutes acceptance of the above conditions. The **Jurisdictional Exception Rule** has been applied in this analysis based upon instructions from the client & HUD Guidelines for Section 223(f) PILOT loans. Jurisdictional Exception is defined by the Appraisal Institute's Fourth Edition Dictionary as "an assignment condition that voids the force of a part or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment." The report has been prepared under Jurisdictional Exception with LIHTC contract rents not utilized in the analysis instead of current market rents which are lower than the contract rents utilized. The analysis also utilizes a lower than market overall cap rate based upon financing and HUD guidelines.

Assumptions and Limiting Conditions (continued)

12. No detailed inspection of each unit interior has been made, only a small sampling. Based on discussions with management, SCG assumes the units will be in above average condition after repairs as described and Southeastern Consulting Group reserves the right to alter the value estimate if evidence of materially different conditions are present. Deductions have not been included for any potential deferred maintenance. It is assumed that any potential deferred maintenance, as identified in the engineering report, will be cured as a loan requirement. The engineering report will also establish a reserve for replacement account which will assure that the property will be properly maintained. Unit and building dimensions and other measurements and construction data were taken from information provided to the appraisers by management and appropriate construction plans and surveys.
13. The estimated value is subject to change with market changes over time; value is highly related to interest rates, exposure, time, promotional effort, supply and demand, terms for sale, motivations and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace. The estimate of value in this report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised. In the event this appraisal includes the capitalization of income, the estimate of value is a reflection of benefits and our interpretation of income and yields and other factors which were derived from general and specific market information. Estimates are as of the date of the estimate of value and as a result, they are subject to change as the market is dynamic and may change over time.
14. The Americans with Disabilities Act (“ADA”) became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since there was no direct evidence relating to this issue, the appraiser did not consider possible non-compliance with the requirements of the ADA in estimating the value of the property.



2177 Youngman Avenue, Suite 100, St. Paul, MN 55116
P 763-656-4500 F 763-656-4440
oakgrovecap.com

October 31, 2014

(Via E-mail)

Appraisal Contract

William F. Cantrell
Southeastern Consulting Group
Real Estate Appraisers & Market Analysts
~~6030 Bethelview Road
Cumming Ga 30040~~

WFC
4920 Atlanta Highway, PBB #441
Alpharetta, Georgia 30004

RE: Appraisal Contract for:
HUD FHA 223(f) Pilot Program
Pinewood Apartments
Athens, GA

Dear William,

Oak Grove Commercial Mortgage, LLC ("Oak Grove") is an approved Lender by the U.S. Department of Housing and Urban Development ("HUD"), and is preparing the underwriting package for the above referenced property. HUD requires a self-contained appraisal to be completed by an approved appraiser. The appraisal report must be prepared in conformance with the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP), as well as meet all HUD Multifamily Accelerated Program (MAP) guidelines. Please refer to MAP Guide 7.6F for a 221 (d)(4), MAP Guide 7.6G for a 223 (f) and Mortgage Letter 2012-1 for appraisal requirements.

The purpose of this assignment is to estimate the market value(s) for the subject property and to assist the Client in making a lending decision. The following is a summary of the project and the appraisal requirements for a Self-Contained Appraisal Report (as defined by USPAP Standards Rule 2).

Contacts:

MAP Underwriter
Name: Adam Roberts
Phone No.: 614-522-6834
E-mail: aroberts@oakgrovecap.com

Associate Underwriter
Name: Eric Colmark
Phone No.: 763-656-4450
E-mail: ecolmark@oakgrovecap.com

FHA Loan Analyst:
Name: Ann Anderson
Phone No.: 763-656-4552
E-mail: aanderson@oakgrovecap.com

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Subject Property:

Property Name: Pinewood Apartments
Property Address: 288 Bailey Street, Athens GA 30605
No. of Units: 90 Units
Unit Breakdown: 14 1b/1ba – 40 2b/1ba – 30 3b/1.5ba – 6 4b/1.5ba
Number of Buildings: 21 two and three story garden and townhome
Buildings
Year Built: 1979

Rent Restrictions:

Low Income Housing Tax Credits

___ LIHTC units with rent and income restrictions (set at ___% of adjusted AMI and income restrictions set at ___% of AMI)

Tax Increment Financing

___ TIF units with rent and income restrictions set at ___% of adjusted AMI

Section 8 HAP Contract

90 Section 8 Units with rent & income restrictions set at ___% of adjusted AMI

Other (list out all sources of funds)

___ (TBD) units with rent & income restrictions set at ___% of adjusted AMI

See Unit Break down for overlapping rent restrictions

- Fee Simple Market Rate
 - Warranted price of the land (intended use)
 - As-Is value of property (substantial rehab)
 - Value fully improved of the project site (intended use)
 - As-Is *
 - As-Repaired *
 - As-Stabilized *
 - Hypothetical as-Stabilized *

- Income & Expense Analysis Based on Affordability Restrictions *
 - Warranted price of the land (intended use)
 - As-Is value of property (substantial rehab)
 - Value fully improved of the project site (intended use)
 - As-Is *
 - As-Repaired *
 - As-Stabilized *
 - Hypothetical as-Stabilized *
 - Analysis of Tax Increment Financing or Tax Abatement

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- Analysis of IRP (Interest Reduction Payments)
- Based on Notice H 2013-17 Requirements (Section 202), if applicable.

Please refer to the Notice H 2013-17 as well as the following summary of special appraisal instructions:

- Rents used for the project-based Section 8 assisted units will be the current or to-be adjusted Section 8 contract rents for the project even if the contract rent is in excess of the market rent.
- Unassisted units within the project shall be processed at market rents.
- In the absence of 202 sales to draw a comparison, capitalization rates may be derived using a band of investment. Favorable financing specific to the application may be factored into the rate analysis.
- The maximum loan to value is 90%.
- The maximum return on investment is 6%.

Notes:

All "as repaired", "as stabilized" and "hypothetical as stabilized" values shall include an operating deficit calculation per MAP guidelines. If a two-phased appraisal report is required under MAP processing, this calculation will only be required at the time of firm application.

Property Inspection:

Please refer to MAP Guide Section 7.6N for inspection requirements. **The property inspection and all requests for property information will be facilitated through Oak Grove.**

Required Forms:

- HUD Form 92273 Estimate of Market Rent by Comparison;
- HUD Form 92274 * Operating Expense Analysis Worksheet (Market & Rent Restricted is required on all Rent Restricted properties);
- HUD Form 92264 * or 92264HCF - Rental Housing Project Income Analysis and Appraisal (updated report only) (Market & Rent Restricted is required on all Rent Restricted properties);
- HUD Form 92264-A *Supplement to Project Analysis – Criteria 5 only (updated report only) for Rent Restricted properties – Criteria 3 should include market rents / expenses while Criteria 5 should include restricted rents / expenses.
- HUD Form 92264-T – (for LIHTC or Rent Restricted properties);
- MAP Appraisal Certification

* Include additional required information located in MAP Guide Section 7.17 if any box in the Rent Restrictions section is checked.

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The information contained in the self-contained appraisal report must be supportive and consistent with the information contained in the forms. All required forms and data will be provided upon acceptance of your bid.

In addition to the minimum HUD MAP report requirements, the following items must be included within the report:

- Photographs and map of comps used in HUD Form 92273;
- Narrative discussion of rental adjustments;
- Narrative discussion of site, building, neighborhood and market;
- The information contained in the self-contained appraisal report must be supportive and consistent with the information contained in the forms.
- Full legal description of the property being appraised. If not included within the report, an explanation must be provided.
- Copies of certified rent roll and historical operating information.
- Subject and comparable photographs.
- Subject and comparable maps.
- Detailed rental analysis. Including a narrative explanation of adjustments on the 92273.
- Detailed expense analysis. Including a narrative explanation of adjustments on the 92274.
- Band of investment analysis, if applicable.
- Calculation of Operating Deficit, as defined in MAP Guide, if applicable.
- Subject commercial space. If applicable, must adhere to notice 11-23.
- The appraiser holding the appropriate state license and certification must inspect the subject property and provide a copy of current resume and license. The state license/certification number must be included at all signature locations.
- Full insurable value (HUD 92329)

Note: If the Scope of Work, as defined by the Client, is not sufficient to allow the appraiser to develop credible assignment results, the appraiser must discuss changes to the Scope of Work with the Client.

For all appraisals, the appraiser must determine the market rate rents for each unit type and then compare those rents to the required restricted rents on Form 92264T. If a limited appraisal is required, no valuation analysis is required except for the land value and the HUD cost/summation approach to value as outlined in Chapter 7 of the MAP guide which can be found at HUD MAP Guide Note: The HUD cost/summation approach for limited appraisals is only required for the firm application appraisal report.

The Leased fee value of the property is to reflect leases currently in place. If appraiser determines that a difference between the Leased Fee value and Fee Simple Value exists, this difference must be stated in the report. If a significant difference exists, the Fee Simple value must also be included in the appraiser's analysis and report.

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Applicable Requirements:

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP)
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute
- HUD Guidelines.

Note: Should a disparity exist between these two standards, the more restrictive guidelines shall prevail.

Due Date:

All requested copies of the appraisal are to be delivered no later than the delivery date noted in the section below. If completion of this assignment is delayed for any reason or if you encounter unusual problems, immediate notification to Oak Grove is required.

Fee:

The fee for this assignment shall not exceed the amount listed below, with the fee paid upon acceptance of the final report. No adjustment to the fee shall be made without prior consent of Oak Grove Commercial Mortgage, LLC. Unless Oak Grove Commercial Mortgage, LLC grants an extension, the fee shall be reduced by \$100.00 per day for each working day the draft report remains undelivered after the due date listed below. Furthermore, Oak Grove Commercial Mortgage, LLC reserves the right to reduce fees for reports deemed unsatisfactory.

Copies:

A draft electronic copy will be required for the initial review. Upon Oak Grove's review, comment and approval of the draft report, Oak Grove will request two (2) original unbound hard copy reports with an electronic copy (CD/disk/e-mail) including color photos and exhibits.

Confidentiality:

Do not provide the loan applicant, property owner, or borrower with a draft copy, completed report or information about the analysis or concluded appraised value(s) of the property unless instructed by Oak Grove. Furthermore, it is understood that any private, confidential or proprietary information provided or created for this assignment will be kept strictly confidential. This includes, but is not limited to, memoranda, reports and technical, business and financial information from whatever source.

In addition to the above the following must be included for a new construction or sub-rehabilitation project:

Southeastern Consulting Group

Cost for completion of limited or complete appraisal: \$7,500.00 w 50% Retainer
Proposed timeframe for completion of appraisal: 30 day draft delivery _____ WFC

Cost for completion of **updated** appraisal: \$5,000.00 w 50% Retainer
Proposed timeframe for completion of **updated** appraisal: 30 days _____ WFC

ACCEPTED AND AGREED TO THIS
31 DAY OF October, 2014.

OAK GROVE COMMERCIAL MORTGAGE, LLC
By: [Signature]
Its: SVP

By signing this engagement letter you certify that you meet the requirements as set forth in MAP Guide Section 7.3.

Southeastern Consulting Group
By: William F. Cantrell
Its: Company President
Dated: 11-1-14

Additional Contact: _____

PINEWOOD APARTMENTS
ATHENS, GA - SCG # 14170

**Multifamily Summary
Appraisal Report**

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval NO. 2502-0029
(exp. 09/30/2016)

This form is in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice for written reports, except where the Jurisdictional Exception is invoked to allow for minor deviations as noted throughout. Additional technical direction is contained in the HUD Handbooks referenced in the lower right corner.

Application Processing Stage: SAMA Feasibility (Rehab) Firm
 Property Rights Appraised: Fee Simple Leasehold

Project Name **Pinewood AS Restricted PILOT** **Project Number** To Be Determined

Purpose. This appraisal evaluates the subject property as security for a long-term insured mortgage. Included in the appraisal (consultation for Section 221) are the analyses of market need, location, earning capacity, expenses, and warranted cost of the property.

Scope. The appraiser has developed, and hereunder reports, conclusions with respect to: feasibility; suitability of improvements; extent, quality, and duration of earning capacity; the value of real estate proposed or existing as security for a long-term mortgage; and several other factors which have a bearing on the economic soundness of the subject property.

A. LOCATION AND DESCRIPTION OF PROPERTY:

1. Street Nos. 288		2. Street Bailey Street		3. Municipality Athens	
4a. Census Tract No. 1505.00		4b. Placement Code		4c. Legal Description (optional) see survey	
5. County Clarke		6. State and Zip Georgia 30605			
7. Type of Building: <input type="checkbox"/> Elevator(s) <input type="checkbox"/> Detached <input checked="" type="checkbox"/> Highrise <input type="checkbox"/> Row Houses <input checked="" type="checkbox"/> Walkup <input type="checkbox"/> Semi-Detached		8. No. Stories 1 & 2		9a. Foundation: <input checked="" type="checkbox"/> Slab on Grade <input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement <input type="checkbox"/> Crawl Space	
9b. Basement Floor <input type="checkbox"/> Structural <input type="checkbox"/> at Grade		10. Type of Project <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing		11. Number of Units Revenue 90 Non-Rev	
12. No. of Bldgs. 22		13a. List Accessory Bldgs. and Area Leasing Office, Maintenance Building 1,203 SQ FT			
13b. List Recreation Facilities and Area		sf		sf	
Laundry, Community & Business Center and Leasing Office		sf		Total sf	

13c. Neighborhood Description

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Present Land Use 60 % 1 Family <input type="checkbox"/> 2 to 4 family 25 % Multifamily <input type="checkbox"/> Condo/Coop 11 % Commer. <input type="checkbox"/> Industrial 4 % Vacant Change in Use <input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely <input type="checkbox"/> Taking Place From _____ to _____ Predominant Occupancy <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant
Built Up	<input type="checkbox"/> Fully	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75% <input type="checkbox"/> Under 25%	
Growth Rate	Developed	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady <input type="checkbox"/> Slow	
Property Values		<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	
Demand/Supply		<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Oversupply	
Rent Controls		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No <input type="checkbox"/> Likely	

Description of Neighborhood: (Note: Race and racial composition of the neighborhood are not appraisal factors.) (Describe the boundaries of the neighborhood and those factors, favorable or unfavorable, that affect marketability, including neighborhood stability, appeal, property conditions vacancies, rent control, etc.)

See Appraisal Narrative

Site Information

14. Dimensions 500,809 sq. ft. or 11.4970 acres		15a. Zoning (If recently changed, submit evidence) RM-1 Multifamily
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15b. Zoning Compliance
 Legal Illegal Legal nonconforming (Grandfathered use) No zoning

15c. Highest and Best Use as Improved **15d**
 Present use Proposed use Other use (explain)

Building Information

16a. Yr. Built 1979	16b. <input type="checkbox"/> Manufactured Housing Modules <input checked="" type="checkbox"/> Conventionally Built Components	17a. Structural System Wood Frame	17b. Floor System Wood Joist	17c. Exterior Finish Vinyl w/ Brick Vanner	18. Heating-A/C System Central HVAC
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B. Additional Information Concerning Land or Property

19. Date Acquired 08/2014	20. Purchase Price \$3,300,000	21. Additional Costs Paid or Accrued N / A	22. If Leasehold, Ann. Ground Rent	23a. Total Cost N / A	23b. Outstanding Balance N / A
24a. Relationship (Business, Personal, or Other) arm's length			24b. Has the Subject Property been sold in the past 3 years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," explain:		
25. Utilities		26. Unusual Site Features			
Public	Comm.	Distance from Site	<input type="checkbox"/> Cuts	<input type="checkbox"/> Fills	<input type="checkbox"/> Rock Formations
Water <input checked="" type="checkbox"/>	<input type="checkbox"/>	at site	<input type="checkbox"/> High Water Table	<input checked="" type="checkbox"/> Retaining Walls	<input type="checkbox"/> Off Site Improvements
Sewers <input checked="" type="checkbox"/>	<input type="checkbox"/>	at site	<input type="checkbox"/> Other (Specify)	<input checked="" type="checkbox"/> Erosion	<input checked="" type="checkbox"/> Poor Drainage
				<input type="checkbox"/> None	

C. Estimate of Income (Attached forms HUD-92273, 9224-%, as applicable)

27. No. of Each		Rental Living Area		Unit Rent	Total Monthly Rent
Family Type	Unit	(Sq. Ft.)	Composition of Units	Per Mo. (\$)	For Unit Type (\$)
(a)	14	561	1 BR, 1.0 BA (garden)	\$625	\$ 8,750
(b)	40	799	2 BR, 1.0 BA (TH)	\$700	\$ 28,000
(c)	30	970	3 BR, 1.5 BA (TH)	\$775	\$ 23,250
(d)	6	1,115	4 BR, 1.5 BA (TH)	\$925	\$ 5,550
(e)					
(f)					
(g)					
(h)					
(i)					
(j)					
28 Total Estimated Rentals for All Family Units					\$ 65,550

29. Number of Parking Spaces	Offstreet Parking and Other Non-Commercial Ancillary Income (Not included in Unit Rent)		
<input type="checkbox"/> Attended	Open Spaces _____ @ \$ _____	per month = \$ _____	
<input checked="" type="checkbox"/> Self Park 167	Utility Reimb _____ @ \$ _____	per month = \$ _____	
Total Spaces 167	Covered Spaces _____ @ \$ _____	per month = \$ _____	
	Sq. Ft. or Living Units @ _____	per month = \$ _____	
	Other income @\$12.50 per unit+B8	per month = \$ 1,125	
	Total Monthly Ancillary Income		\$ 1,125

30 Commercial Income (Attach Documentation)

Area-Ground Level _____ sq. ft. @ \$ _____ per sq. ft./month = \$ _____ Total Monthly _____

Other Levels _____ sq. ft. @ \$ _____ per sq. ft./month = \$ _____ Commercial Income \$ _____

31 Total Estimated Monthly Gross Income at 100 Percent Occupancy **\$ 66,675**

32 Total Annual Rent (Item 31 x 12 months) **\$ 800,100**

33. Gross Floor Area 88,626 Sq.Ft.	34. Net Rentable Residential Area 75,604 Sq. Ft.	35. Net Rentable Commercial Area Sq. Ft.
--	--	---

36. Non-Revenue Producing Space			
Type of Employee	No. Rms.	Composition of Unit	Location of Unit in Project

36a. Personal Benefit Expense (PBE) (May produce additional revenue and expenses to be considered above and below.)

Rental Employee-Paid Utilities Types (s) _____ Monthly Cost \$ _____

Landlord Employer-Paid Utilities Types (s) _____ Monthly Cost \$ _____

D. Amenities and Services Included in Rent (Check and circle appropriate items; fill-in where indicates)

37a. Unit Amenities

Ranges (Gas or Elec.) Disposal Compactor
 Refrig. (Gas or Elec.) Air Conditioning (central)
 Microwave Dishwasher
 Carpet Window treatment (blinds, drapes, shades)
 Balcony/Patio Fireplace(s) Sor
 Laundry hookups (in units) Upper level vaulted ceiling/Skylight(s)
 Washer/Dryer (in units) Security System(s) (Describe)
 Other (Specify)

37. Project Amenities

Guest room(s) No. Community room(s) No. ___
 Sauna/Steam room(s) No. Swimming Pool(s) No. ___
 Exercise room(s) No. ___ Racquetball court(s) No. ___
 Tennis Court(s) No. ___ Picnic/Play area(s) No. 1
 Laundry Facilities (coin) Project Security System(s) (Describe)
 Jacuzzies/Community Whirlpool(s) No. ___
 Other (specify)
 Rental Office & Playground

37c. Unit Rating

	Good	Average	Fair	Poor
Condition of Improvement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Room Sizes and Layout	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Closets and Storage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen Equip., Cabinets, Workspace	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plumbing-Adequacy and Condition	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electrical-Adequacy and Cond.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing-Adequacy and Cond.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Insulation-Adequacy and Condition	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Livability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal and Marketability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

37d. Project Rating

	Good	Average	Fair	Poor
Locating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General Appearance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amenities & Rec. Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Density (units per acre)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unit Mix	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of Const. (matl. & finish)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Exterior	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Condition of Interior	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing-Vertical	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soundproofing-Horizontal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

38. Services Provided by Complex

Gas: Heat Hot Water Cooking Air Conditioning
 Elec.: Heat Hot Water Cooking Air Conditioning Lights/etc.
 Other: Heat Hot Water Water Other (specify)
 Sewer, Trash and pest control

39. Special Assessments

a. Prepayable Non-Prepayable
 b. Principal Balance \$ _____
 c. Annual Payment \$ _____
 d. Remaining Term N/A Years

E. Estimate of Annual Expense

	Number of Units	96	TOTAL PUPA	\$	4,078.20
Administrative			PUPA		
1. Advertising	\$ 4,500	\$ 46.88			
2. Management	\$ 38,405	\$ 400.05			
3. Other	\$ 22,500	\$ 234.38			
4. Total Administrative		\$ 65,405			
Operating			Maintenance		
5. Elevator Main. Exp.	\$	\$ -	14. Decorating	\$ 18,000	\$ 187.50
6. Fuel (Heating & Dom. Hot Water)	\$	\$ -	15. Repairs	\$ 22,500	\$ 234.38
7. Lighting & Misc. Power	\$ 5,400	\$ 56.25	16. Exterminating	\$ 2,700	\$ 28.13
8. Water	\$ 37,800	\$ 393.75	17. Insurance	\$ 24,750	\$ 257.81
9. Gas / Cable	\$ 2,250	\$ 23.44	18. Grounds Expense	\$ 13,500	\$ 140.63
10. Garbage & Trash Removal	\$ 4,950	\$ 51.56	19. Other / Trend	\$ 2,250	\$ 23.44
11. Payroll	\$ 80,000	\$ 833.33		4931	
12. Supplies	\$ 2,250	\$ 23.44	20. Total Maintenance including trend		\$ 88,631
13. Total Operating		\$ 132,650	21. Replacement reserve Physical Needs Assessment		\$ 31,500
				\$ 350	
			22. Total Operating Expense		\$ 318,186
			Taxes		
			23. Real Estate: Est. Assessed Valu \$		
			at 34.05 per \$1000	\$ 3,720,800	\$ 55,161
			24. Personal Prop. Est. Assessed V \$		
			at per \$1000	\$ -	
			25. Empl. Payroll Tax	\$ 177.78	16,000
			26. Other Misc Taxes	\$ 9.38	900
			27. Other / Trend		\$ 1,261
			28. Total Taxes		\$ 73,322.07
			29. Total Expense (Attach form HUD-92274)		\$ 391,507.58

F. Income Computations

30a. Estimated Project Gross Income (Line C28 x 12)	786,600	c. Effective Gross Commercial Income (Line 32a x Line 32b)	-
b. Estimated Ancillary Project Income (Line C29 x 12)	13,500	d. Total Commercial Project Expenses (From Attached Analysis)	-
c. Residential and Ancillary Occupancy Percentage*	96%	33. Net Commercial Income to Project	-
d. Effective Gross Residential and Ancillary Income (Line 30c x (Line 30z plus Line 30b))	768,096.00	34. Total project Net Income (Line 31 plus Line 33)	\$376,588.42
e. Total Residential and Ancillary Project Expenses (Line E29)	391,507.58	35a. Residential and Ancillary Project Expense Ratio (Line E29 divided by Line 30d.)	50.97%
31. Net Residential and Ancillary Income to Project (Line 30d minus Line 30e)	376,588.42	35i. Commercial Expense Ratio (Line 32d divided by 32c)	-
32a. Estimated Commercial Income (Line C30 x 12)	-	* Vacancy and collection loss rates and corresponding residential and commercial occupancy percentages are analyzed through market data, but subject by Jurisdictional Exception to overall HUD underwriting mandates.	
b. Commercial Occupancy* (80% Maximum) (See instructions)	-		

G. Estimated Replacement Cost

36a. Unusual Land Improvements	-
b. Other Land Improvements	-
c. Total Land Improvements	-
Structures	
37. Main Buildings	-
38. Accessory Buildings	-
39. Garages	-
40. All Other Buildings	-
41. Total Structures	-
42. General Requirements	-
Fees	
43. Builder's General O.H. at	-
44. Builder's Profit at	-
45. Architect's Fee-Design at	-
46. Architect's Fee-Supervise at	-
47. Bond Premium	-
48. Other Fees	-
49. Total Fees	-
50. TOTAL For all Improvements (Lines 36c, 41, 42, &49)	-
51. Cost per Gross S.F.	-
52. Estimated Construction Time	months

Carrying Charges & Financing

53. Int. _____ Months @ _____ on _____	-
54. Taxes	-
55. Insurance	-
56. HUD/FHA Mtg. Ins. Pre.	-
57. HUD/FHA Examination Fee	-
58. HUD/FHA Inspection Fee	-
59. Financing Fee	-
60. FNMA/GNMA Placement F.	-
60b AMPO	-
61. Discount & Replacement Fee	-
62. Title & Recording	-
63. Total Carrying Charges & Financing	-
Legal, Organization & Audit Fees	
64. Legal	-
65. Organization	-
66. Cost Certification Audit Fee	-
67. TOTAL LEGAL, ORGANIZ., & AUDIT FEE	-
68. Builder's & Sponsor's Profit & Risk	-
69. Other	0
70. Supplemental Management Fund	-
71. Contingency Reserve	-
72. TOTAL ESTIMATED DEVELOPMENT COST Less Depreciation \$	-
73. Warranted Price of Land 90 units \$ 6,111 per unit (rounded)	550,000
74. TOTAL ESTIMATED REPLACEMENT COST OF PROJECT (Line 72 + Line 73)	550,000

* NOTE: Jurisdictional Exception: In HUD programs, land, and/or existing improvements are not valued for their "highest and best use," but instead, for their intended multifamily use (See Section J analysis below.) Exception: Title II or VI Preservation). Offsite improvements are assumed completed in new construction land valuations (See Line M17 for estimated cost). Unusual costs of site preparations are deducted from the "Value of the Site Fully Improved" to determined "Warranted Price of Land Fully Improved."

H. Remarks

(Note: For Rehab only. Estimated Value of land without Improvements \$ _____ Estimated Value of Land and Improvements "As Is" by Residual Method, i.e., After Rehabilitation Correlated Value minus line G72 Cost of Rehabilitation Improvements equals \$ _____ ; line G 73b is the lesser of this residual amount, and the amount estimated by Supplemental form HUD-92264 "As-Is".

I. Estimate of Operating Deficit

Periods	Gross Income	Occup. %	Effec. Gross	Expenses	Net Income	Debt Svc. Req.	Deficit
1. 1st () mos							
2. 2nd () mos							
3. Total Operating Deficit							

J. Project Site Analysis and Appraisal (See Chapter 2, Handbook 4465.1)

1. Is Location and Neighborhood acceptable?
2. Is Site adequate in Size for proposed Project?
3. Is Site Zoning permissible for intended use?
4. Are Utilities available now to serve the Site?
5. Is there a Market at this location for the Facility at the proposed Rents?

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No

6. Site acceptable for type of Project proposed under Section 223(f). (If checked, acceptable subject to qualifications listed at bottom of page 6)

7. Site not acceptable (see reasons listed at bottom of page 6)

Date of Inspection 11/14/2014 Note: The effective Date of all land valuations is the date of inspection.

8. Value Fully Improved	Location of Project 288 Bailey Street					Size of Subject Site
	Comparables Sales Address No. 1 1326 Myrtle Street, Gainesville	Comparables Sales Address No. 2 190 Roberts Trail, Kennesaw	Comparables Sales Address No. 3 NWQ Riverside & Bass, Macon	Comparables Sales Address No. 4 East 10th Street, West Point	Comparables Sales Address No. 5 NS Snapfinger Woods Drive, Lithonia	500,809
Date of Sale	6/13/2014	8/1/2012	5/1/2012	3/1/2014	Feb-13	
Sales Price	\$ 850,000	\$ 900,000	\$ 1,527,000	\$ 540,000	\$ 420,000	
Size per Acres	7.170	3.47	24.57	9.000	4.19	
Price per Acre	\$ 118,550	\$ 259,365.99	\$ 62,148.96	\$ 60,000.00	\$ 100,238.66	
Units Permissible	84	100	238	82	85	
Price Per Unit	\$ 10,119	\$ 9,000	\$ 6,416	\$ 6,585	\$ 4,941	
Adjustments						
Time						
Location	-25%	-50%	-10%			
Size						
Zoning						
Density						
Functional Utility						
Total Adjustment Factor	-25%	-50%	-10%	0.00	0.00%	
Adjusted Unit Price	\$ 7,589.29	\$ 4,500.00	\$ 5,774	\$ 6,585	\$ 4,941	
Indicated Value by Comparison	\$ 683,036	\$ 810,000	\$ 519,660	\$ 592,683	\$ 444,690	
11.Value of Site "as thought Vacant" by Comparison				/Sq Ft Rounded	\$	550,000
					Say	\$ 550,000

12. Acquisition Cost (Last Arm Length Transaction)

Buyer S P Athens LLC	Address
Seller Pinewood General Partnership	Address
Date August 2014	Price \$ 3,300,000.00
Source Buyer	

13. Other Costs

(1) Legal Fees and Zoning Costs	
(2) Recordings and Title Fees	
(3) Interest on Investment	
(4) Other	
(5) Acquisitions Cost (From 12 above)	
(6) Total Cost to Sponsor	

14. Value of Land and Cost Certification

(1) Fair Market Value of land fully improved (from 9 above)	
(2) Deduct unusual items from Section G, item 36a	
(3) Warranted price of land fully improved (Replacement Cost items excluded) (enter G-73)	\$ -
For Cost Certification Purposes	
(3a) Deduct cost of demarcation and required off-sites to be paid by Mtgor. Or by special assessments	
## (4) Estimate of "As Is" by subtraction from improved value	
(5) Estimate of "As Is" by direct comparison with similar unimproved sites (from 11 above)	
(6) "As Is" based on acquisition cost to sponsor (from 13 above)	
(7) Commissioner's estimated value of land "As Is" (lesser of [4] or [5] above*)	

K. Income Approach to Value

See Narrative Report beginning page

(1) Estimated Remaining Economic Life	50 years
(2) Capitalization Rate Determined By (See Chapter 7, Handbook 4465.1)	
<input checked="" type="checkbox"/> Overall Rate From Comparable Projects	
<input checked="" type="checkbox"/> Rate From Band of Investments	
<input type="checkbox"/> Cash Flow to Equity	
(3) Rate Selected	6.40%
(4) Net Income for (Line F34) Used Appraiser NOI for Value Purposes	\$ 376,588.42
(5) Capitalized Value (Line 4 divided by Line 3) As if Market Rounded	\$ 5,875,000
(6) Value of Leased Fee (See Chapter 3, Handbook 4465.1) Ground Rent divided by Cap Rate 6.40% equals Value of Leased Fee	

Remarks: (See item 6 and 7 on page 5)

L. Comparison Approach to Value

7. The undersigned has recited three sales of properties most similar and proximate to the subject and has described and analyzed these in this analysis. If there is a significant variation between the subject and comparable properties, the analysis includes a dollar adjustment reflecting the market reaction to those items or an explanation supported by the market data. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject property. If a significant item in the comparable property is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject property. *[(1) equals the Sale Price divided by Gross Annual Rent]

Item	Subject Property	Comparable Sale No 1			Comparable Sale No 2			Comparable Sale No. 3		
Address										
Proximity to subject										
Sale Price Adj		Unf	Furn		Unf	Furn		Unf	Furn	
Sales price GBA										
Gross annual rent										
Gross annual multiplier (1)*										
Sales price per unit										
Sales price per room										
Adjustments	Description	Description	+(-)\$ Adjust		Description	+(-)\$ Adjust		Description	+(-)\$ Adjust	
Sales or financing concessions										
Date of sale/time										
Location										
Site/view/density										
Design and Appeal										
Quality of construction										
Year Built										
Condition										
Gross Bldg Area		Sq Ft			Sq Ft			Sq Ft		
		of Unit	Room Count	No vac	of Unit	Room Count	No vac	of Unit	Room Count	No vac
		Tot	Br	Ba	Tot	Br	Ba	Tot	Br	Ba
Basement description										
Functional utility										
Heating/cooling										
Parking on/off site										
Project amenities and fee										
Other NOI per Unit										
Net Adjustment (Total)/Unit										
Adjusted sales price of comparables/Unit										
8. Indicated Value by Sales Comparison Approach										
Reconciliation										

Capitalization \$ 5,875,000 Summation **See conclusion of Sales Comparison**

9. The market value (or replacement cost) of the property, as of effective date of the appraisal, is \$ 5,875,000 ** see note below

Note: For Section 221 mortgage insurance application processing, acceptable risk analysis produces a supportable replacement cost estimate, reflected here is the replacement cost new/summation approach result. In effect such "appraisals" are in fact USPAP "consultations" concerning economically supportable cost limits. For Section 207 and 223 processing, all three approaches to value are included in the appraisal, but subject property is appraised for its intended multifamily use, not necessarily its "highest and best use" The definition provided in USPAP for "market value" is generally observed, but see Handbook 4465.1 paragraph 8-4 for qualifications

Effective Dates: For new construction or substantial rehabilitations proposals, the effective date of the improvements component cost estimation is the Line G53 month estimate added to the report and certification date below. The land component is valued as of the inspection date below. For Section 223, the effective date of the appraisal is the same as the reporting date, but assumes (hypothetically) the completion of all required repairs/work write-up items.

Comments on: (continue on a separate page if necessary)

1. Sale comparison (including reconciliation of all indicator of value as to consistency and relative strength and evaluation of the typical investors/purchasers' motivation in that market
2. Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within three years of the date of appraisal

M. To Be Completed by Construction Cost Analyst

Cost Not Attributable to Dwelling Use		Total Est. Cost of Off-Site Requirements	
10. Parking	_____	16 Off-Site	_____
11. Garage	_____	-----	_____
12. Commercial	_____	-----	_____
13. Special Ext. Land Improvements	_____	-----	_____
14. Common Area	_____	-----	_____
15. Total	\$ -	-----	_____
		17. Total Off-Site Costs	_____


N. Signatures and Appraiser Certification

Architectural Processor	Date	Architectural Reviewer	Date
Cost Processor	Date	Cost Reviewer	Date
Cost Processor			

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

- o the statements of fact contained in this report are true and correct.
- o the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- o 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.
- o my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- o my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice; HUD Handbook 4465.1, *The Valuation Analysis Handbook of Project Mortgage Insurance*; HUD Handbook 4480.1 *Multifamily Underwriting Forms Catalog*; and other applicable HUD handbooks and Notices.
- o I have made a personal inspection of the property that is the subject of this report.
- o no one provided significant professional assistance to the appraisers signing this report, except for the Architectural and Engineering, and Cost Estimation professionals signing above. These professionals' estimations of the subject property's dimensions and "hard" replacement costs have been relied upon by the Appraiser and Review Appraiser.

Warning: HUD will prosecute false claims and statements. Convictions may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; U.S.C. 3729, 3802)

Lender's Underwriter	Date	Lender's Associate Underwriter	Date
			Date
Appraiser 	Date 11/14/2014	Review Appraiser	Date
Georgia 000095	State GA	State Certification Number	State
The Review Appraiser certifies that he/she	<input type="checkbox"/>	Did not inspect the subject property	
Chief Housing Programs Branch	Date	Director of Housing Development	Date
Field Office Manger/Deputy		Date	

Remarks and Conclusions (continue on separate page if necessary. Appraisal reports must be kept for a minimum of five years)

Actual occupancy according to current rent roll The initial deposit to Replacement Reserve

Critical Repairs

Legal

Title & Recording

Non Critical Repair

See Attached Summary

Appraisal	
As Built Survey	
Architectural Inspection	
Phase 1	
Total Organizational Cost	\$ -

Public Reporting Burden for this collection of information is estimated to average 114 hours per responses, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless that collection displays a valid OMB control number.

This information is being collected under Public Law 101-625 which requires the Department of Housing to implement a system for mortgage insurance for mortgages insured under Sections 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.

**Rent Estimates for
Low/Moderate Income Units**
Non-Section 8 Projects
Involving Tax-Exempt Financing
or Low Income Housing Tax Credits

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 10/31/2012)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is being collected under Public Law 101-625, which requires the Department of Housing and Urban Development to implement a system for mortgage insurance for mortgages insured under Sections 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accordance with the Freedom of Information Act (FOIA) provisions, or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.

	0 Bedrooms	1 Bedrooms	2 Bedrooms	3 Bedrooms	4 Bedrooms
1. Rent by Market Comparison		625.00	700.00	775.00	925.00
2. Personal Benefit Expense (if any)					
3. The Percentage of Median Income (adjusted for family size) used for income limits 40%, 50%, 60% (circle only one; then enter the applicable dollar income limit for each unit.)		60%	60%	60%	60%
4. Estimated Maximum Affordable Monthly Rent for Restricted Units * [(0.30 x line 3) /12] - line 2		538.00	647.00	741.00	819.00
5. Estimated Obtainable Monthly Rent for Restricted Units **		625.00	700.00	775.00	925.00
6. Monthly Rent Estimate for Restricted Units (least of lines 1, 4, or 5) ***		625.00	700.00	775.00	925.00
7. Number of each unit type with income limits shown on line 3		14	40	30	6
8. Number of each unit type shown on another form HUD-92264-T with other income limits		0	0	0	0
9. Number of each unit type with no income limits using unsubsidized market rents from line 1		0	0	0	0

* Where State or local laws, ordinances or regulations limit rent to an amount lower than this formula estimate, or the sponsor's proposed rent is less than this formula estimate, enter the lower amount and explain below.

** Where the Valuation staff has evidence that the project's tax credit assisted units would not be marketable to income eligible households at the lesser of the maximum affordable monthly rents (line 4) or the rent by market comparison (line 1), based on the market analysis review by the EMAS, enter the recommended estimated monthly rent obtainable for the restricted units, as approved by the Director, Housing Development Division. For Section 223(f) cases involving projects with existing Section 8 HAP contracts, use this line to enter the processing rents calculated in accordance with the outstanding instructions involving the refinancing or purchase of Section 8 projects with outstanding project based contracts.

*** Enter in Section C of form HUD-92264.

Replaces form HUD-92264-TE (12/84) which is obsolete.

form HUD-92264-T (04/2003)
ref. Handbook 4480.1

Southeastern Consulting Group

Identification of the Property

The property which has been appraised and reported herein is the Pinewood Section 8 Apartment Complex located at 288 Bailey Street, Athens, Clarke County, Georgia 30605. The complex includes 90 residential apartment units situated on a 11.497-acre site according to the legal description below. The units will also be subject to Low Income Housing Tax Credit (LIHTC) Guidelines. The subject survey and site plan are identified in the Architectural Data section of this report, with reduced copies of the boundary survey and survey in the Site Data section. Pinewood's legal description is outlined as follows:

Legal Description

All that certain parcel or tract of land situate, lying and being in the City of Athens, Clarke County, Georgia, and being more particularly described as follows:

Beginning at an iron pin on the Westerly right-of-way line (30 foot right-of-way line) of Bailey Street, said iron pin being located South 7 degrees 53 minutes West, 333.1 feet from a nail set at the centerline intersection of Bailey Street with centerline of Grove Street and running from said beginning iron pin South 2 degrees 56 minutes West, 375.1 feet along the Westerly right-of-way line of Bailey Street to a point, thence North 87 degrees 05 minutes West, 200.0 feet along property of Athens Housing Development Corporation to a point, thence South 2 degrees 56 minutes West, 200.0 feet along property of Athens Housing Development Corporation to a point, thence North 87 degrees 05 minutes West along property formerly owned by Willie Seagraves 745.8 feet to a 1 inch iron pipe, continuing thence North 87 degrees 05 minutes West along property formerly owned by Willie Seagraves 10.0 feet to an iron pin, then North 1 degree 22 minutes East along property line of Nat Hardin 410.2 feet to an iron pin set on the Southerly right-of-way line of the Athens South By-Pass, Project F-055-1 (8), thence North 40 degrees 25 minutes East, 55.7 feet along Southerly right-of-way line of said By-Pass to and iron pin, thence North 48 degrees 46 minutes East, 160.1 feet along the Southerly right-of-way line of said By-Pass to an iron pin set at the point of curvature, thence along and around the curved right-of-way line of said By-Pass, a chord measurement of North 52 degrees, 42 minutes East, 143.3 feet to an iron pin (radius of curvature of said curved line equals 1045.859 feet), thence South 2 degrees 24 minutes West, 97.5 feet along property of J.B. Tanner to an iron pin, thence South 88 degrees 14 minutes East, 708.1 feet along property of J.B. Tanner and John Wade Estate to an iron pin at the point of beginning.

Also includes a perpetual sanitary sewer line easement located in the City of Athens, Clarke County, Georgia and being more particularly described as follows:

Commencing at a one inch iron pin marking the Southwest corner of the above described property thence running North 1 degree 22 minutes East along the property line of Nat Harding 266.4 feet to a point, the point of beginning; thence North 1 degree 22 minutes East along the property line of Nat Harding 21.2 feet to a point which marks the Northern boundary of the easement; thence South 71 degrees 22 minutes West, 150.1 feet to a point on the Southeasterly right-of-way line of said Athens South By-Pass; thence South 40 degrees 25 minutes West, 23.6 feet to a concrete monument; thence South 55 degrees 57 minutes West, 143.8 feet to a point on the existing sanitary sewer line; thence South 9 degrees 29 minutes East, 10.3 feet to a point; thence South 15 degrees 19 minutes West, 16.4 feet to a point; thence North 55 degrees 57 minutes East, 203.4 feet to a point; thence North 71 degrees 22 minutes East, 116.4 feet to a point on the property line of Nat Hardin, said point marking the point of beginning.

Intended Use and User

This appraisal is intended to be used by Oak Grove Capital and the Department of Housing and Urban Development (HUD / FHA) for loan underwriting purposes of Pinewood’s proposed Section 223(f) PILOT financing.

Property History

Pinewood was purchased from Pinewood General Partnership by SP Athens, LLC in August 2014 for \$3,300,000. Pinewood Apartments were constructed in 1979 on the site and contain 90 units, all of which will be subject to both Section 8 and LIHTC guidelines. To the best of Southeastern Consulting Group’s knowledge, no transfers within the reporting time requirements have occurred. With regard to the history of the property, the reader’s attention is specifically directed to the Limiting Conditions and Assumptions which are included in the forward section of this report.

Personal Property

The value indications include certain items such as appliances, including refrigerators, range / oven units, and dishwashers which are considered personal property. As is common practice in this market area, these items are considered a part of the real property. The value of these items cannot be separated and would not under normal circumstances be sold separately. The final value estimate reported in the appraisal includes the value of the personal property.

Architectural Data

The “As-Built” survey and boundary survey were produced by unidentified parties. Building plans were not available. D3G completed the physical needs analysis in November 2014. A copy of the survey is included in the Site Data section of this report. Reductions of the floor plans are included in the Description of the Improvements section. It is assumed that the physical needs or engineer’s report will establish a reserve for replacement fund.

Property Right Appraised

The property right appraised is the fee simple ownership, subject to typical mortgage loan encumbrances, utility easements, and rights of tenants, if any. Fee simple is an absolute fee, which is an inheritable estate and a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power and taxation.

EXHIBIT A

**IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS**

Section 8 Contract Number: GA060005005
FHA Project Number (if applicable): 061-35212
Effective Date of the Rent Increase (if applicable): March 1, 2014

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
14	1BR	\$526	\$98	\$624
40	2BR	\$579	\$116	\$695
30	3BR	\$709	\$163	\$872
6	4BR	\$810	\$140	\$950

Comments:

Basic Renewal Contract
One-Year Term
REV-11-05-2007

**Note the 3 Br and 4 Br utility allowances are transposed.

Purpose, Function and Date of Appraisal

The purpose and function of this appraisal is to estimate the HUD Section 223(f) PILOT value of Pinewood Apartments, as of November 14, 2014. The value estimate assumes that all repairs and moderate rehab as allowed under the FHA Section 223(f) PILOT Program have been completed in a timely and workmanlike manner and that the property will be operating at stabilized levels. The appraisal also assumes that Pinewood Apartments will be in good overall condition. **“Value” (refer to Note 1 below) as used in this report is defined as follows:**

The definition of “value” is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;*
- (2) both parties are well informed or well advised, and each acting in what he considers his own best interest;*
- (3) a reasonable time is allowed for exposure in the open market;*
- (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

(Note 1) - The **Jurisdictional Exception Rule** has been applied in this analysis based upon instructions from the client & HUD Guidelines for Section 223(f) PILOT loans. Jurisdictional Exception is defined by the Appraisal Institute’s Fourth Edition Dictionary as “an assignment condition that voids the force of a part or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment.” In the case of Pinewood, the analysis reflects a HUD value based upon Section 223(f) PILOT underwriting guidelines with values based upon market rents and not actual or contract rents. The resultant HUD investment value indication is **not** a market derived value.

Exposure Time

Exposure time is the estimated length of time the subject property would have to be offered prior to a hypothetical sale at the appraisal amount under the hypothetical assumptions and limiting conditions set forth in the appraisal as of the date of the appraisal. Exposure time is a retrospective estimate based upon analysis of historic facts and events predicated upon an open and competitive market. Exposure time is also predicated upon adequate, sufficient, reasonable and professional marketing effort. It is not intended to be a prediction of a date of sale and is a function of price, time and use. Exposure time is different for various types of real estate and under various market conditions. Refer to the National Chart on the next page. The table below summarizes the information collected and studied by SCG.

Exposure Time - Apartments Properties		
Data Source	Exposure Time (Months)	
	Range	Average
KORPACZ Fourth Quarter 2014 - National	1.00 - 9.00	4.1
KORPACZ Fourth Quarter 2014 - Regional	1.00 - 6.00	3.0

Based upon the foregoing analysis, SCG has adopted an exposure time of six to twelve months is reasonable assuming Pinewood Apartments would be competitively priced, professionally marketed and aggressively promoted on a regional basis.

Marketing Time

Marketing time as used in this appraisal report is defined by the Dictionary of Real Estate Appraisal as: “An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period of immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time.)” Referencing the above, the value is premised upon a six to twelve month marketing time after the effective date of the appraisal.

National Apartment Market

Amid rising prices in an aggressive investment arena, the current pace of total sales in the national apartment market is ahead of last year. Through the third quarter of 2014, total apartment sales reached \$73.1 billion, compared to \$71.1 billion in the prior year, as per Real Capital Analytics. At the same time, the average price per unit increased 21.5%.

Despite the characterization by certain investors of a “too pricey” and “crowded” apartment market, this asset class placed second again this year for overall investment prospects in *Emerging Trends in Real Estate*[®] 2015, published by PwC and ULI. In

fact, it scored a 3.48 on a scale of 1 (abysmal) to 5 (excellent), compared to a score of 3.61 for the industrial/distribution market.

Along with vigorous sales activity, this market’s average overall cap rate decreases to its lowest point in the Survey since its debut in mid-1990. As shown in Table 29, the average overall cap rate drops 15 basis points this quarter to 5.36%. “Cap rates have compressed for value-added and core deals,” remarks a participant. In the next six months, surveyed investors foresee overall cap rates holding steady in this market as the supply and demand dynamics shift due to increases in new development. ◆

KEY 4Q14 SURVEY STATS*

Total Vacancy Assumption:		
Average	6.0%	=
Range	2.0% to 15.0%	
Months of Free Rent⁽¹⁾:		
Average	0.7	▼
Range	0 to 2	
% of participants using	83.0%	=
Market Conditions Favor:		
Buyers	0.0%	=
Sellers	70.0%	▼
Neither	30.0%	▲
* ▼, ▲, = change from prior quarter (1) on a one-year lease		

Table 29
NATIONAL APARTMENT MARKET
 Fourth Quarter 2014

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	5.50% – 10.00%	6.00% – 12.00%	6.00% – 14.00%	4.75% – 14.00%	6.50% – 14.00%
Average	7.34%	7.92%	8.17%	8.27%	10.17%
Change (Basis Points)		- 58	- 83	- 93	- 283
OVERALL CAP RATE (OAR)^a					
Range	3.50% – 8.00%	3.50% – 9.00%	3.50% – 10.00%	3.75% – 10.00%	5.75% – 11.00%
Average	5.36%	5.51%	5.80%	5.80%	8.03%
Change (Basis Points)		- 15	- 44	- 44	- 267
RESIDUAL CAP RATE					
Range	4.25% – 9.00%	4.25% – 9.00%	4.25% – 9.75%	4.50% – 9.75%	5.75% – 10.75%
Average	6.03%	5.97%	6.29%	6.24%	8.19%
Change (Basis Points)		+ 6	- 26	- 21	- 216
MARKET RENT CHANGE^b					
Range	0.00% – 8.00%	0.00% – 8.00%	(2.00%) – 8.00%	(2.00%) – 8.00%	(10.00%) – 3.00%
Average	2.83%	2.75%	2.52%	2.43%	(0.90%)
Change (Basis Points)		+ 8	+ 31	+ 40	+ 373
EXPENSE CHANGE^b					
Range	1.00% – 4.00%	1.00% – 4.00%	1.00% – 3.50%	1.00% – 4.00%	0.00% – 3.00%
Average	2.74%	2.76%	2.70%	2.63%	2.55%
Change (Basis Points)		- 2	+ 4	+ 11	+ 19
MARKETING TIME^c					
Range	1 – 9	0 – 9	0 – 18	0 – 18	1 – 18
Average	4.1	3.8	5.7	5.2	8.9
Change (▼, ▲, =)		▲	▼	▼	▼
a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months					

Regional Apartment Markets

While investors concur that the investment trends in the Mid-Atlantic, Pacific, and Southeast region apartment markets mirror those in the national apartment market, there are also specific concerns found within each region. “In the Mid-Atlantic region the availability of properties is constrained, and many buyers are concerned about federal government cutbacks,” comments a participant. Another investor explains, “There is growing interest in the Southeast region as investors broaden geographical footprints to acquire assets and achieve yields.” Finally, an investor active in the Pacific region remarks, “There will continue to be bias for the

West Coast given homeownership affordability constraints.”

Overall, investors in these three regions believe current market conditions favor sellers. In fact, the competition for deals is not only based on pricing but also on timing. “Sometimes, the group that can close the fastest gets preference before price so the time to complete due diligence continues to shorten,” states a participant. From a pricing standpoint in these three regions, prices range from 70.0% to 135.0% of replacement cost. The average price for the Pacific region is the highest at 104.2% of replacement cost, followed by 103.8% for the Southeast region and 101.3% for the

Mid-Atlantic region. By comparison, the average price for the national apartment market is 99.3% of replacement cost.

Surveyed investors foresee apartment asset values rising in each of the three regions over the next 12 months. In the Mid-Atlantic and Southeast regions, investors expect value increases of up to 5.0% and an average expected value increase of 2.4%. The Pacific region is expected to see values rise as much as 20.0% with an average increase of 4.5% in the next year. The expected value increases in all three regions exceed the aggregate average value increase of 2.1% forecasted for the Survey’s 34 markets. ♦

Table 30
SOUTHEAST REGION APARTMENT MARKET
 Fourth Quarter 2014

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO
DISCOUNT RATE (IRR)^a				
Range	6.00% – 10.00%	6.00% – 10.00%	6.50% – 10.00%	6.50% – 11.00%
Average	7.60%	7.70%	7.95%	8.40%
Change (Basis Points)		-10	-35	-80
OVERALL CAP RATE (OAR)^a				
Range	3.75% – 7.25%	4.00% – 7.25%	4.50% – 7.25%	5.00% – 7.00%
Average	5.50%	5.55%	5.73%	5.83%
Change (Basis Points)		-5	-23	-33
RESIDUAL CAP RATE				
Range	5.00% – 7.00%	5.00% – 7.00%	5.25% – 7.50%	5.50% – 9.75%
Average	6.10%	6.13%	6.35%	6.71%
Change (Basis Points)		-3	-25	-61
MARKET RENT CHANGE^b				
Range	2.00% – 4.00%	2.00% – 4.00%	2.00% – 4.00%	(10.00%) – 10.00%
Average	3.15%	3.15%	3.05%	2.00%
Change (Basis Points)		0	+10	+115
EXPENSE CHANGE^b				
Range	2.00% – 3.00%	2.00% – 4.00%	2.00% – 4.00%	1.00% – 3.00%
Average	2.80%	3.00%	3.00%	2.33%
Change (Basis Points)		-20	-20	+47
MARKETING TIME^c				
Range	1 – 6	1 – 6	1 – 12	1 – 18
Average	3.0	3.0	4.4	6.7
Change (▼, ▲, =)		=	▼	▼
a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months				

Scope of the Appraisal

An appraisal is generally defined as an estimate or estimates of market value or values based upon the parameters of the assignment as of a specified date or dates. The valuation of real estate is based upon a process of data collection, analysis and conclusions from a disinterested third party standpoint. The purpose and dates of the appraisal, along with the property rights appraised, have been previously defined. The following outlines the Scope of the Appraisal based upon these definitions. Improved income producing property is best valued through the application of the three traditional approaches to value, i.e., the Cost Approach, the Income Capitalization Approach, and the Sales Comparison Approach. The initial step in the appraisal process is the market research phase, whereby basic data is collected and refined from all available sources. Sources of basic data include local municipal governments, public records, chambers of commerce, private real estate professionals, owners of / investors in comparable properties, on-site management and leasing agents at comparable properties, the actual subject property history and real estate publications. This information is verified and checked for accuracy and applicability.

Information about Pinewood Apartments is also collected to include ad valorem tax data, zoning information, utility availability and other factors which could have an impact on the property. The Pinewood site is inspected to ascertain the physical features of the property, including topography, cover, frontage, access and existing improvements. The building plans are reviewed, existing improvements inspected, and the “As-Built” survey studied as to the relationship of the site and the improvements. No building plans were available. Other properties in the neighborhood are reviewed to develop an overall opinion of the character, composition, life stage, and future trends and prospects for the submarket. The consideration of all these factors, acting in concert, leads to a conclusion of the highest and best use for the subject property, which is the basis of the valuation methodology.

The Cost Approach is normally developed first and is based upon the principle of substitution in that a prudent investor would pay no more for a property than the cost to acquire an equally desirable site and construct improvements of equal desirability and utility without undue delay in time. The first step in the Cost Approach is the valuation of the Pinewood Apartments’ site as though vacant. Land sales are reviewed to ascertain a current value for the subject site as vacant. The second phase of the Cost Approach is the development of the probable replacement cost of the subject improvements. Replacement cost new considers typical direct construction costs, plus normal indirect costs and entrepreneurial profit. The replacement costs are based on actual construction costs of other properties and checked via a national cost manual.

Scope of the Appraisal (continued)

Estimated depreciation, which may include physical deterioration, functional inutility, and economic influences, if appropriate, is deducted from replacement cost new to derive an indication of depreciated replacement cost new. The last step in the Cost Approach is the summation of the land value and the depreciated replacement cost, thereby providing an indication of total property value.

The Income Capitalization Approach is the second valuation method developed and analyzes Pinewood as an investment recognizing the present value of the future cash flows. Theoretically, the value estimate derived from direct capitalization reflects an amount an investor should be justified in paying to receive annual incomes over the remaining holding period of the property, plus the reversionary value at the end of the property's ownership period.

Within the Income Capitalization Approach, the current market rents for Pinewood's units are initially estimated based on an analysis of rental rates at competitive properties in the subject's submarket and a review of the subject rents actually received. In the case of Section 223(f) PILOT HUD properties, the market rents are used in the analysis. **The Jurisdictional Exception Rule applies to adopting the market rents instead of the actual LIHTC / Section 8 rents which may be lower.**

The market rental income forecast (HUD Forms 92273) assumes that any required repairs have been completed and any deferred maintenance cured. A representative of each competitive property is interviewed, data is collected about the property, models are inspected and brochures collected, where available, to determine Pinewood's market position in comparison to the competition. Rental concessions or incentives, if prevalent, are reviewed and premiums for factors such as fireplaces and vaulted ceilings studied. The local supply and demand factors are quantified and compared to the overall occupancy survey from the comparables to derive an overall occupancy factor appropriate for the subject. The effective market rent is estimated based upon an analysis of these factors, with the forecast vacancy factor removed, leaving effective gross income.

The second phase of the Income Capitalization Approach is the projection of stabilized operating expenses and reserves determined by consideration of typical operating expenses and reserves at comparable properties. The actual operating history of Pinewood is also reviewed. The operating expenses of the comparable properties are delineated on a line item basis and trended to the current date based on past operating histories. Pinewood's expense forecast assumes any needed repairs are complete and any potential deferred maintenance is cured. The expense forecasts are checked against actual operating histories of other properties as reported in the most recent Institute of Real Estate Management (IREM) operating expense publication. The forecast expenses are removed from the effective gross income, leaving net operating income.

Scope of the Appraisal (continued)

The approaches provide separate market derived indications of value for Pinewood Apartments which are reconciled to a final value estimate according to their relative reliability considering the inherent strengths and weaknesses of each approach. All approaches to value assume that any potential deferred maintenance, as identified in the engineering report, will be completed or cured and a reserve for replacement fund will be established to assure the ongoing maintenance at the property as a prerequisite to obtaining the proposed loan. The appraisal also assumes that Pinewood Apartments **will be in** good condition and operating at stabilized levels of occupancy and expenses.

The **Jurisdictional Exception Rule** has been applied in this analysis based upon instructions from the client & HUD Guidelines for Section 223(f) PILOT loans. Jurisdictional Exception is defined by the Appraisal Institute’s Fourth Edition Dictionary as “an assignment condition that voids the force of a part or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment.” In the case of Pinewood Apartments the analysis is an investment or HUD value based upon Section 223(f) PILOT underwriting guidelines. **The resultant HUD value indication is not a market derived value.**

Athens / Clarke County Market Overview

Introduction

This section contains a description of the Athens area as a real estate environment, including such support services as the economy, geographic location, schools, shopping, medical services, transportation and recreation, among others. These support services define demand factors which dimension the scale and character of growth in the market area.

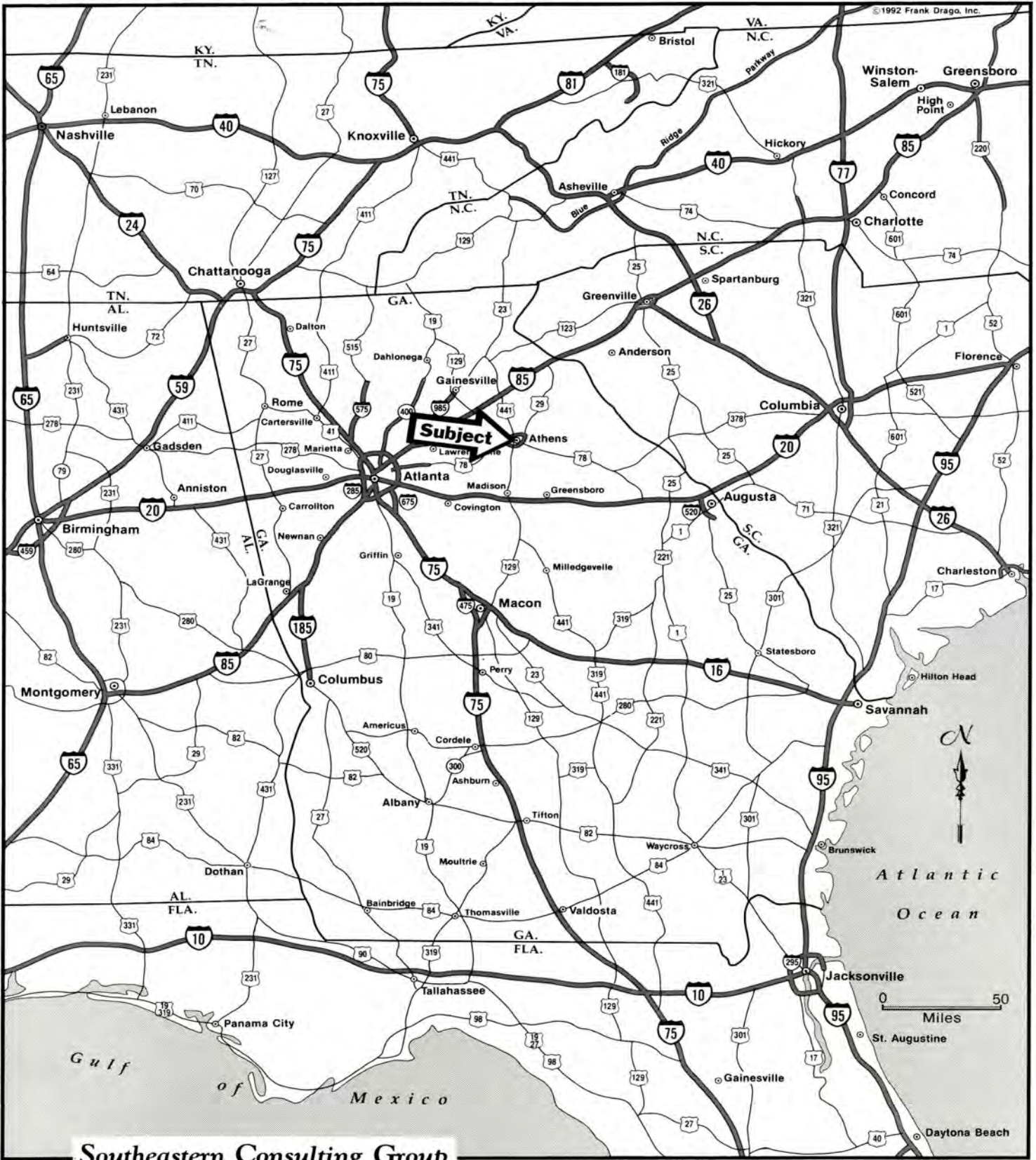
Background Sources
ESRI Business Analyst
Georgia Department of Labor
Research Department at Southeastern Consulting Group

Location

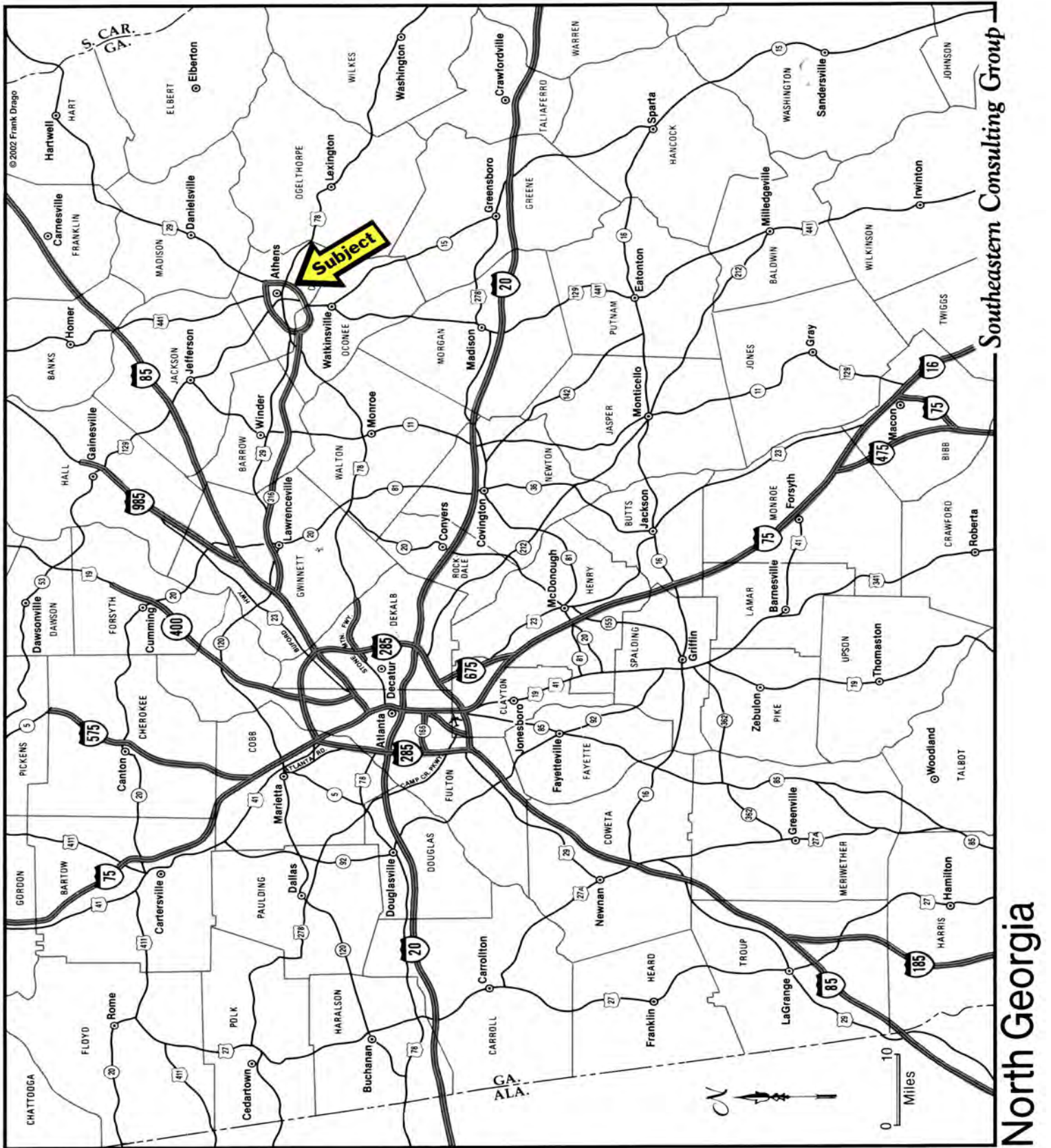
Pinewood Apartments are located in the central portion of Clarke County. Athens is the county seat of Clarke County and represents a consolidated city and county government, or unified city-county in Georgia. A consolidated city-county basically means that the city and county have merged into one jurisdiction, a municipal corporation (city) and an administration division of the state (county). Athens-Clarke County is located in the northeastern portion of Georgia. Athens Clarke County is also in reasonable driving distance to several major cities. The following table illustrates the distance, direction, and time from Athens to the selected destinations. A regional location and a metropolitan area map which illustrates the location in regard to other areas of the southeastern United States is introduced on the following pages.

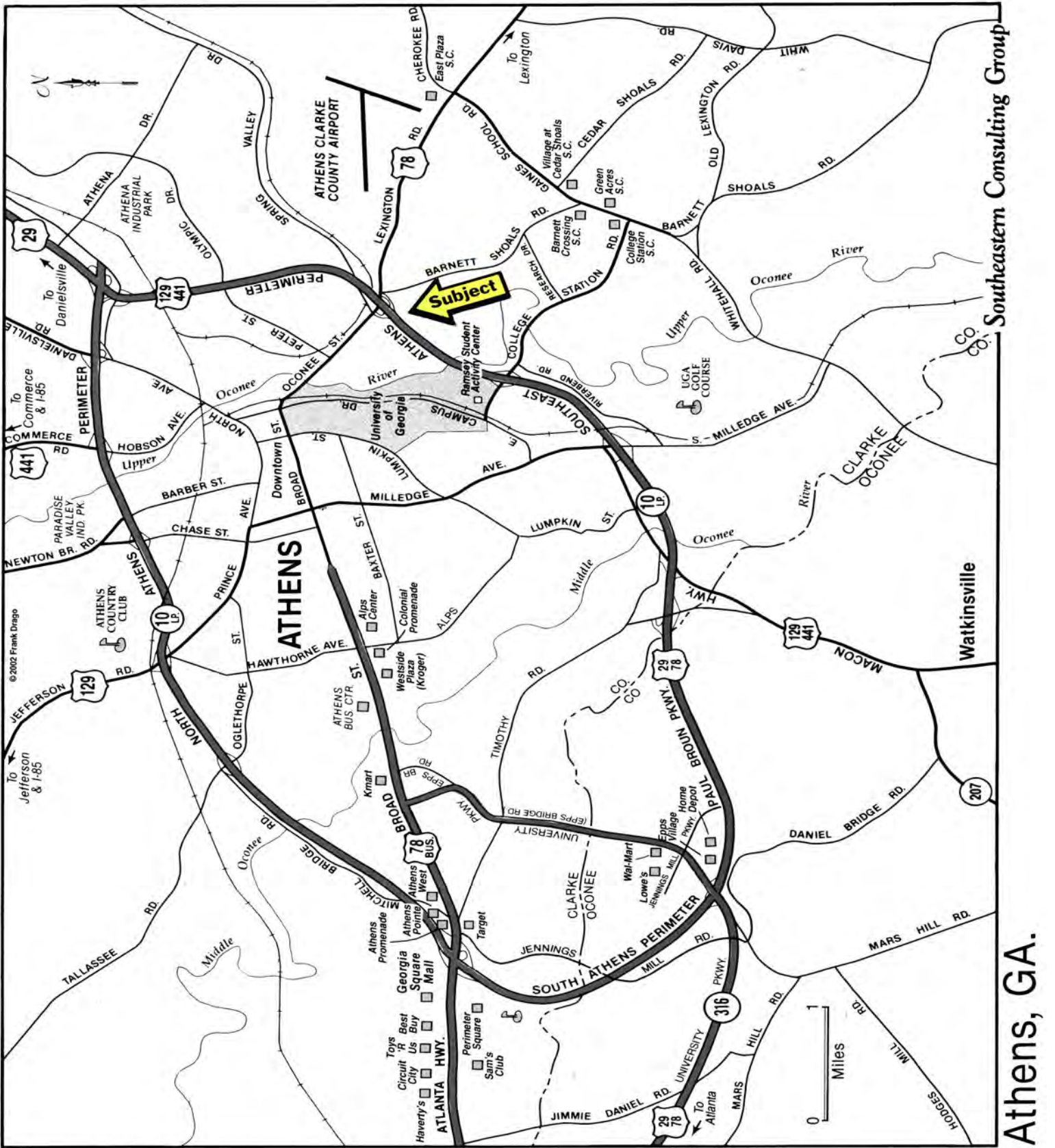
Table 1 - Distance and Direction from Athens	
City	Distance / Direction
Atlanta, Georgia	70 miles (southwest)
Charleston, South Carolina	270 miles (southeast)
Nashville, Tennessee	305 miles (northwest)
Greenville, South Carolina	100 miles (Northeast)
East Coast	245 miles (east)
Gulf of Mexico	433 miles (southwest)

Southeast United States



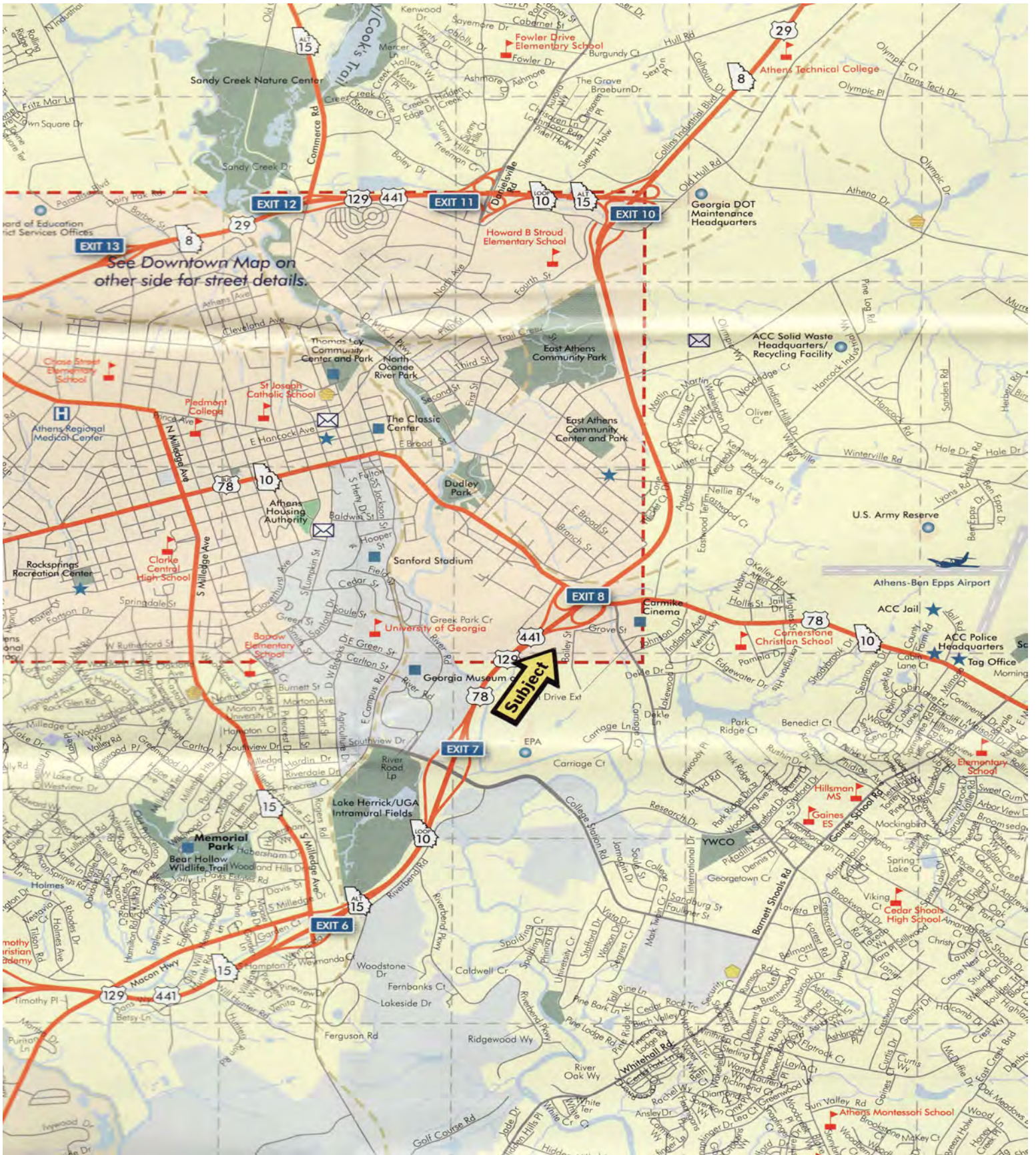
Southeastern Consulting Group





Southeastern Consulting Group

Athens, GA.



Utilities

The electricity demands of the Athens area are supplied by Georgia Power Company, an investor-owned, tax-paying utility that serves 2.25 million customers in all but four of Georgia's 159 counties and the largest of four electric utilities that make up the Southern Company. Sanitary sewer treatment is provided by local municipalities.

Transportation

Athens has adequate transportation linkages, it sits at the intersection of US Highways 29, 78, 129, and 441. US Highways 29, 78, and Georgia Highway 316 connect Athens with Atlanta metro area, approximately 70 miles west. Refer to the Athens area maps on the previous pages. US Highway 441 connects Athens to Interstate 85, 25 miles away to the north and US Highway 129 connects Athens to Interstate 20, 30 miles south. Public transportation is available via the Athens Transit Bus System, it operates as a department of the Athens-Clarke County Unified Government who contracts with McDonald Transit Associates, Inc. Seventeen buses are operated to provide service for seventeen routes covering the 44 square mile county. Service to the University of Georgia students and faculty is shared with a 32 bus fleet operated by the University of Georgia. These two systems boast daily passenger boarding second only to MARTA in metro Atlanta. Commercial air service is available at Atlanta Hartsfield-Jackson International Airport and is located approximately 65 miles from Athens. Atlanta Hartsfield-Jackson Airport is known for being the world's busiest airport by passenger traffic as well as landings and takeoffs. Delta Airlines (the world's largest airline), AirTran Airways, Delta Connection, and Atlantic Southeast Airlines use the airport as their primary hub with the airport's 180 gates. The Atlanta airport has more nonstop flights and destinations than any airline hub in the world. It serves 243 nonstop destinations, including 72 international destinations in 45 countries. The local airport, Athens-Ben Epps Airport (named after the founder), is a public airport located three miles east of the central business district of Athens. The airport cover 425 acres of land and has two runways. Athens-Ben Epps Airport is mostly used by private planes and US Air Commuter Service. Services include air freight, agricultural operations (aerial spraying), charter flights, flight instruction, aircraft rental, and aircraft sales.

Medical

There are two hospitals serving Athens-Clarke County, Athens Regional Medical Center (ARMC) and St. Mary's Hospital. ARMC is a not-for-profit hospital offering in-patient and out-patient care, patient / family support services, community outreach programs, and imaging services (diagnostic and therapeutic).

Medical (continued)

Athens Regional Medical Center also employees over 2,700 people. St. Mary’s Hospital, named 2006’s Large Hospital of the Year award, with 150 beds or more, and employing more than 1,400 people with a medical staff of 370 physicians. St. Mary’s is a faith-based healthcare system, which provides personalized care inspired by the Missionary Sisters of the sacred heart of Jesus and now sponsored by the Sisters of Mercy of the Americas.

Education

Athens-Clarke County School District is one of the largest employers of Athens, serving approximately 11,000 students with thirteen elementary schools, four middle schools, and four high schools. Their mission is “to prepare our students to be productive members of society by providing a challenging and meaningful education.” In recent years, Athens-Clarke County School District has been recognized on the national and state level for excellence in early childhood education, advances in classroom technology, and services for students with special needs. There is also a special tax for education, voted for by the community, which allows Athens-Clarke County School District to provide a laptop computer to each teacher, to enhance classroom technology, and to significantly renovate schools. Athens-Clarke County High Schools have two traditional schools offering college preparatory and technical / career preparatory courses, a third high school designed for students who have dropped out that offers a fresh start, and a non-traditional “Performance Learning Center” for students who have trouble adjusting to a traditional school setting.

There are also seven private schools including four religious based schools (Athens Christian School, Donovan Catholic High School, Prince Avenue Christian School, Saint Joseph Catholic School), two schools which offer a Montessori education (Waseca Learning Environment, Athens Montessori School), and a traditional high school focused on diversity and challenging environment through a liberal arts curriculum and innovative approaches to teaching and learning (Athens Academy). Athens-Clarke County also offers additional organizations / programs designed for children and students with learning disabilities, dropout prevention, and assistance with studies.

For continuing education Athens-Clarke County is well known for the University of Georgia (UGA) located in historic Athens and central business district. UGA has been ranked at number seven as one of the top public universities in the United States, it is the largest institution of higher learning in Georgia with the largest land grant, and has an enrollment of over 33,000 students. UGA is also the largest employer of Athens-Clarke County with a staff of almost 10,000 faculty.

Education (continued)

There are several campus locations in Georgia but the main campus is in Athens-Clarke County. To further more education opportunities, University of Georgia is constantly expanding their campus with recently adding the Paul D. Coverdell Center for Biomedical and Health Sciences, which will allow graduate students to further research in biomedical and health studies. Other colleges in the area include Athens Technical College with an enrollment 3,700 students, and Gainesville State College (satellite campus), which is located in Oconee County but the main campus is in Gainesville approximately 39 miles from Athens with an enrollment of over 7,000 students all together.

Population

The Athens MSA, as of 2010, had a population of 196,366. Between 2000 and 2010, the county population grew 1.62% per year. Over the next five years, from 2013 to 2018, Clark County is expected to increase in population 0.50% per year, as compared to 0.94% per year for the State of Georgia and 0.57% for the Athens MSA. The populations of Clarke County, the Athens MSA and the State of Georgia as of 2013 were estimated at 118,945, 196,837 and 9,918,426, respectively.

Table 2 - Population Trends			
Year	Athens MSA	Clarke County	Georgia
2000	166,079	101,489	8,186,453
2010	196,366	117,938	10,014,045
2013	196,837	118,945	9,918,426
2018	202,472	121,970	10,394,476
% Annual Growth (2000 - 2010)	1.82%	1.62%	2.23%
% Annual Growth (2013 - 2018)	0.57%	0.50%	0.94%
Source: ESRI BIS Online and STDB Online			

Clarke County had a 2013 median age of 26.3 years, which was younger than the Athens MSA and the Georgia average. This is likely due to the presence of the University of Georgia. Over the next five years, the county will continue to have the youngest population at 27.2 compared to 31.5 for the MSA and 36.4 for the state. Refer to Table 3, on the next page, for the median ages of the residents of the county, the MSA and the state. Table 3, also illustrates the age distribution of residents in those areas.

Table 3 - Age and Education Trends

Category	Athens MSA	Clarke County	Georgia
Median Age - 2010	29.9	26.1	35.3
Median Age - 2013	30.4	26.3	35.8
Median Age - 2018	31.5	27.2	36.4
2013 Age Distribution			
0 - 4	5.8%	5.7%	6.9%
5 - 9	5.6%	4.9%	6.9%
10 - 14	5.6%	4.3%	7.0%
15 - 24	24.7%	32.55	14.3%
25 - 34	14.4%	16.7%	13.9%
35 - 44	11.4%	10.2%	13.7%
45 - 54	11.3%	8.5%	14.0%
55 - 64	10.4%	8.1%	11.7%
65 - 74	6.5%	5.1%	7.0%
75 - 84	3.1%	2.7%	3.3%
85+	1.3%	1.3%	1.2%

Source: STDB Online

Household Growth

Table 4, on the next page, illustrates housing related statistics in the Athens MSA, Clarke County and the State of Georgia. The basic measurements of effective housing demand is area population growth and new household formations. Population and household formations are positive and continue to increase in the area. The number of households in the Athens MSA rose from 73,191 households in 2010 to 74,722 in 2013 and is expected to increase to 76,883 in the next five years. The number of households in Clarke County rose from 45,414 households in 2010 to 46,254 households in 2013 and is expected to increase over the next five years to 47,472. Over the same time period, the number of households in the State of Georgia rose from 3,585,584 households in 2010 to 3,671,407 households in 2013 with a forecast to grow to 3,857,284 households by 2018. Given the household growth estimates for the next five years, the Athens MSA will be expected to increase about 0.58%, while Clarke County’s annual growth rate will be around 0.53%, and the state’s will be around 1.01%. As shown in Table 4, on next page, a majority (55.3%) of the housing units in the State of Georgia are owner-occupied. In comparison, the percentage of owner-occupied housing units is lower for the MSA at 48.6% and the county at 35.3%. The average home value for the county is \$149,260 slightly lower than the MSA at \$153,241 but slightly higher than the state at \$144,636.

Table 4 - Household Inventory Characteristics

Category	Athens MSA	Clarke County	Georgia
Number of Households			
2010	73,191	45,414	3,585,584
2013	74,722	46,254	3,671,407
2018	76,883	47,472	3,857,284
Total Housing Units - 2013	82,450	51,104	4,714,675
Owner-Occupied	48.6%	35.3%	55.3%
Renter-Occupied	42.1%	55.2%	32.7%
% Vacant	9.4%	9.5%	12.1%
Value of Specified Owner Occupied Units			
% Less than \$50,000	5.3%	3.4%	7.6%
% \$50,000 to \$99,999	17.9%	16.7%	21.0%
% \$100,000 to \$149,999	25.6%	30.3%	23.9%
% \$150,000 to \$199,999	19.1%	22.6%	16.7%
% \$200,000 to \$299,999	17.6%	16.7%	16.2%
% \$300,000 to \$499,999	10.5%	7.9%	10.0%
% \$500,000 to \$999,999	3.3%	1.9%	3.7%
% \$1,000,000 or More	0.6%	0.6%	0.8%
2013 Median Home Value	\$153,241	\$149,260	\$144,636
2018 Median Home Value	\$194,972	\$182,753	\$177,769
Source: STDB Online			

Economic Factors

The Clarke County area, with a mix of trade and transportation, tourism, education, insurance, financial services, health care, retail trade, manufacturing and technology, has experienced good economic advancement in recent years. **The unemployment rate for the Athens MSA was 5.7%, lower than the State of Georgia at 7.9%. The national unemployment rate for the same time period was 5.9%.** The local area tends to have an unemployment rate consistent with the national average.

The August 2014 Georgia State Forecast reports 62,100 new jobs in 2013. The first quarter of 2014 reports 7,000 new jobs with 15,300 in the second quarter. The 2014 total forecast is 52,900 new jobs, with 55,600 new jobs in 2015 and 59,400 new jobs in 2016. The 2014 unemployment rate of 6.9% will continue to fall to 6.3% in 2015 and 5.7% in 2016.

Economic Factors (continued)

As shown in Table 5, below, the largest employer in the Athens-Clarke County area is University of Georgia (UGA) with 9,400 employees. The Athens Regional Medical Center is the second largest with 2,720 employees and the public school system is the third largest with 2,100 employees. Education, medical and local government entities (including the public school system) account for the majority of large employers in the area. Manufacturing, particularly prepared food products, are a major cornerstone of Athens’ economy.

Table 5 - Major Area Employers	
Employer	Employees
University of Georgia (UGA)	9,400
Athens Regional Medical Center	2,720
Clarke County School District	2,100
ConAgra	1,590
Athens-Clarke County Unified Government	1,500
St. Mary’s Hospital	1,150
Gold Kist, Inc.	1,110
Oconee County Schools	770
Reliance Electric Company	600
ABB Power T&D Company	600
Source: onlineathens.com	

The August 2014 Georgia State Forecast of The Nation projects US job growth at around 200,000 new jobs per month however the country has added more than 222,000 workers per month and the unemployment rate is now down to 5.8% which is the lowest since 2008. The GNP is also growing faster than expected. The next quarterly report will report more robust growth for the country.

The Georgia State forecast expects a gain of 74,100 jobs (including 15,300 premium jobs) in 2014. Growth is expected to improve to 83,600 new jobs in 2015 and 86,600 new jobs in 2016. The Georgia unemployment rate will average 7.2% in 2014 then continue to fall to 6.5% in 2015 and 5.9% in 2016. The state unemployment will still be one of the highest of any state.

Economic Factors (continued)

The Wall Street Journal is reporting that the US Payrolls grew by 214,000 employees in October 2014. Since the start of 2014 the country has added more than 220,000 workers on average per month, which was the pace from nearly a decade ago. The unemployment rate also fell to 5.8% last month which is the lowest level since 2008. The Gross Domestic Product (GDP) advanced at seasonally adjusted annual rate of 3.5% in the third quarter which out paced projections. The national economy appears to continue to slowly recover from the great recession.

Table 6 - Labor Force and Unemployment Rate			
Athens MSA			
Year	Labor Force	Unemployed	Unemployment Rate
2000	89,410	2,844	3.2%
2001	90,398	3,239	3.6%
2002	92,794	3,487	3.8%
2003	95,152	3,440	3.6%
2004	96,335	3,733	3.9%
2005	99,816	4,193	4.2%
2006	103,328	4,054	3.9%
2007	105,592	3,926	3.7%
2008	109,233	5,327	4.9%
2009	105,982	7,705	7.3%
2010	105,789	8,074	7.6%
Clarke County			
Year	Labor Force	Unemployed	Unemployment Rate
2000	54479	1,839	3.4%
2001	54879	2,038	3.7%
2002	55881	2,154	3.9%
2003	56,991	2,108	3.7%
2004	57,970	2,340	4.0%
2005	59,431	2,599	4.4%
2006	62,813	2,661	4.2%
2007	64,153	2,498	3.9%
2008	66,345	3,331	5.0%
2009	64,000	4,642	7.3%
2010	63,929	4,910	7.7%
Source: Georgia Department of Labor			

Economic Factors (continued)

The area economy is driven by The University of Georgia with the medical center and school second and third. The three total 14,536, (Table 5, on page 18), which is almost one fourth of the Clarke County labor force. These employers are not experiencing the same negative effects of the overall county wide recession. The local unemployment rate is up but not near the state and national levels. The local area should weather the storm better and bounce back faster.

The household distribution and income levels, as reported by *STDB*, for the Athens MSA, Clarke County and State of Georgia are illustrated in Table 7, below. The Athens MSA and Clarke County median household income growth rates over the next five-year period (2013 to 2018) is projected to be 3.48% and 2.56%, which is slower growth than anticipated for the State of Georgia at 3.55%. **The median household income for the MSA is expected to rise from \$38,224 in 2013 to \$44,880 by 2018.** The county's per capita income was \$21,027 in 2013, which is lower than the MSA's per capita income at \$22,067 and the state's per capita income at \$24,319.

Table 7 - Household Economic Profile Characteristics			
Category	Athens MSA	Clarke County	State of Georgia
% Distribution of 2013 Households by Income			
Less than \$15,000	21.9%	25.8%	15.2%
\$15,000 to \$24,999	14.0%	14.6%	11.7%
\$25,000 to \$34,999	10.7%	10.9%	11.0%
\$35,000 to \$49,999	12.4%	12.8%	13.9%
\$50,000 to \$74,999	17.4%	16.2%	18.9%
\$75,000 to \$99,999	8.9%	7.0%	10.8%
\$100,000 to \$149,999	8.8%	7.5%	11.0%
\$150,000 to \$199,999	3.0%	2.3%	4.1%
\$200,000 or More	2.9%	2.8%	3.4%
Average Household Size 2013	2.50	2.37	2.63
Median Household Income 2013	\$38,224	\$33,512	\$47,456
Median Household Income 2018	\$44,880	\$37,801	\$55,887
% Annual Increase in Income 2013 - 2018	3.48%	2.56%	3.55%
Per Capita Income 2013	\$22,067	\$21,027	\$24,319
Per Capita Income 2018	\$26,142	\$24,823	\$28,271
Source: STDB Online			

Summary

The Clarke County area, with a mix of trade and transportation, tourism, education, insurance, financial services, health care, retail trade, manufacturing and technology, has experienced economic advancement in recent years. This economic diversity and the University of Georgia has bolstered and broadened the area's economic base. **The September 2014 unemployment rate represents a decrease to 5.7% for the MSA. Unemployment in the area remains at a lower level than the State of Georgia's, which is at 7.9%, and consistent with the nation's, at 5.7%, for this same time period.** The August 2014 Georgia State Forecast reports 62,100 new jobs in 2013. The first quarter of 2014 reports 7,000 new jobs with 15,300 in the second quarter. The 2014 total forecast is 52,900 new jobs, with 55,600 new jobs in 2015 and 59,400 new jobs in 2016. The 2014 unemployment rate of 6.9% will continue to fall to 6.3% in 2015 and 5.7% in 2016. The local area tends to have a lower unemployment rate than the national average. The state, county, and the MSA are following national trends and improving as the economy continues to slowly increase. The local area should not be as negatively effected by the current recession that this country has been experiencing over the past couple of years. The area will also bounce back faster because of the strong positive influence of the University of Georgia on the area economy.

Athens-Clarke County continues to experience good population growth. The economic base continues to diversify. Transportation to the area is rated great, with communications, education and recreation offering something for almost everyone in the area. Clarke County has an abundance of medical service care for a county of its size. Population trends in the county are positive, with positive growth estimated for household formations over the near term.

Income levels in the area are good, with buying income expanding over the past few years. New and expanding businesses and industries should continue to be attracted to the area. The historical growth patterns of the past few years are expected to continue in all areas affecting the economic base. Growth in the area will continue to out pace the state overall.

It is Southeastern Consulting Group's conclusion that the Athens-Clark County area provides a viable location for most types of well conceived real estate development. This conclusion is based primarily upon its transportation facilities, the availability of correlative goods and services, and a continuing diversification of the economy that should enhance the long-range economic outlook for the area. Growth in the area should be positive.

Neighborhood / Submarket Delineation

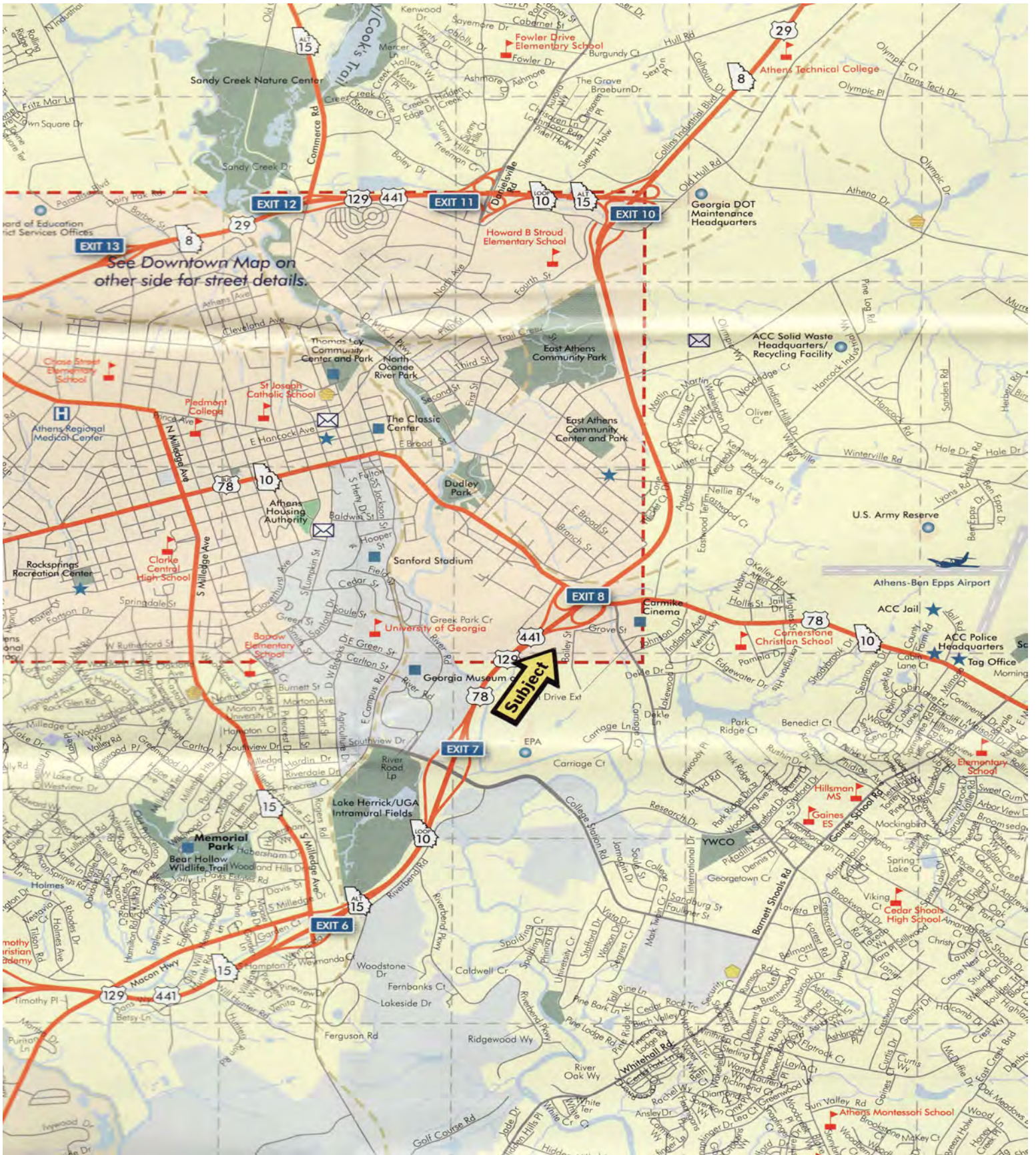
Real estate is an immobile asset greatly impacted by its surrounding environment, especially neighborhood. Within a community, there is a marked tendency toward the grouping of land uses. These areas devoted to these various uses are termed physical neighborhoods. Any property is an integral part of the neighborhood, with its value greatly affected by shifts or changes creating the environment. Neighborhood and submarket are used interchangeably in this report. Neighborhood used in this context is further defined as follows:

A portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest and a similarity of economic level or cultural background. Neighborhood boundaries may consist of well defined natural or man-made barriers or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants.

Pinewood's Primary Market Area (PMA) is identified as the southeastern portion of Athens. Pinewood is about a mile southeast of downtown Athens. The site is about 0.25 miles east of Route 129 and 0.30 miles south of US 78. The Athens Airport and US 78 form the north boundary, with the southeast Athens Perimeter Highway on the west. Gaines School Road is along the south connecting to College Station Road.

The area is primarily residential with a high concentration of student properties such as the Ikon at Athens. Gas stations, branch banks, fast food restaurants are located along Barnett Shoals Road and College Station Roads. The Publix on Barnett Shoals Road is the closest to Pinewood. City and campus bus service is along Barnett Shoals Road. Direct access to the bypass is via exits 7 and 8. Refer to the map on the next page.

School children at Pinewood attend Gaines Elementary, Hillsman Middle School and Cedar Shoals High School. Public school buses pick up at the property. The UGA bus picks up along Barnett Shoals Road.



Neighborhood Photographs



Neighborhood Residential and Neighborhood Shopping

Existing Inventory and Supply

The U.S. Census Bureau reported that single-family construction authorized by building permits for Clarke County has been steady over the past few years. Single-family construction has ranged from 1,146 to 42 units permitted per year with an average of 455 units permitted annually from 2000 to 2013. Table 8, below, illustrates the total number of building permits issued for Clarke County combined. Single-family housing construction is largely responsible for the growth in the housing inventory, although multi-family housing has had a significant impact recently as well.

Table 8 - Building Permits for Clarke County					
Year	Single Family	2 Units	3-4 Units	5+ Units	Total
2000	536	122	4	301	963
2001	545	58	0	369	972
2002	754	50	0	851	1,655
2003	825	0	0	523	1,348
2004	1,146	0	23	118	1,287
2005	779	32	39	164	1,014
2006	469	0	0	472	941
2007	472	4	22	495	993
2008	204	4	8	49	265
2009	90	12	6	0	108
2010	42	0	0	0	42
2011	84	2	0	85	171
2012	185	30	0	138	353
2013	153	20	0	331	494
2014*	90	0	0	266	356
Source: U.S. Census Bureau Online (*As of September)					

In the past couple of years multi-family permitting has dropped off since 2000, 2002 was the highest year over the past thirteen years with no units reported in 2009 and 2010 and 85 reported for 2011. In 2012, multi-family permits were reported at 138 and significantly increased to 331 in 2013. As of September 2014 (latest data available) 266 multi-family permits have been issued. Despite this drop in supply, demand was met by new and existing communities resulting in high occupancy levels.

Existing Inventory and Supply (continued)

To further estimate market occupancy levels, a market survey was completed in November 2014. Approximately 1,596 units were included in SCG’s market survey totaling eight projects. The stabilized occupancy rates range from 92% to 98% with an average of 95.18%. Most of the neighborhood properties exhibit good overall maintenance and condition. Many of the local complexes are of similar vintage and target a homogeneous tenant profile. Pinewood is 100% subsidized and has 8 vacants or 91.1% occupancy. The results of the SCG survey are illustrated in Table 9, below. The market appears to be at a stabilized level of around 95%.

Table 9 - Competing Rental Properties					
No.	Complex	Total Units	Year Built	Vacants	Occupancy
1	Arbor Ridge	160	1962	13	92.00%
2	High Ridge	160	1987	11	93.00%
3	Legacy Mill	349	1999-2000	14	96.00%
4	Westpark Club at Jennings Mill	136	1996	5	96.00%
5	Fairways at Jennings Mill	304	2003	12	96.00%
6	Cambridge	180	1975	13	93.00%
7	Spring Lake	220	1996	7	97.00%
8	Red Oak Village	87	2003	2	98.00%
Totals / Averages		1,596	---	77	95.18%
Source: Southeastern Consulting Group Survey - November 2014					

UGA Enrollment

Over the past 10 years (2000-2010), according to UGA Factbook 2010, there has been a decline in the population of incoming freshman, or first-year students by 1,165 students which could be attributable to higher educational standards for incoming students and matriculation from a broader aspect of two-year institutions which are part of the University System steady, if not slightly increasing over the past 10 years. There has been a small growth in the Graduate level programs and incoming students over the past 10 years, suggesting that overall housing demand might be higher for off-campus residences. The Fall 2013 enrollment was 34,536 with 5,892 freshman. The overall enrollment at UGA has stabilized at around 26,300 undergraduates and 34,500 total university enrollment. The state has flattened enrollment by increasing admissions standards, raising costs and making it harder to get the traditional lottery money scholarships.

UGA Enrollment (continued)

The largest driver in the local market is the University of Georgia.

Table 10 - Enrollment By Class @ UGA									
Class	2005	2006	2007	2008	2009	2010	2011	2012	2013
Freshman	5,329	5,658	5,292	5,155	4,974	4,889	5,672	5,168	5,239
Sophomore	5,534	5,356	5,601	5,594	5,912	5,565	5,546	6,099	5,892
Junior	6,453	6,427	6,388	6,659	6,746	6,860	6,613	6,477	6,971
Senior	7,498	7,633	7,714	7,755	8,258	8,409	8,371	8,344	8,050
Unclassified	390	363	340	304	252	224	171	171	126
Total	25,335	25,437	25,335	25,467	26,142	25,947	26,373	26,259	26,278
Professional	1,549	1,604	1,549	1,553	1,607	1,653	1,677	1,654	1,627
Graduate	6,947	6,918	6,947	7,160	7,136	7,077	6,766	6,606	6,631
Total	33,405	33,831	33,959	33,831	34,885	34,667	34,816	34,519	34,536

Student Housing

According to a spokesperson for the Housing Department at the University of Georgia, students are housed in campus residential buildings that add up to 7,500 total beds of residential space. Of those total beds, 4,500 are dedicated to freshmen, first year students and the remaining are available for matriculating students from other colleges as well as those needing housing. These students are not allowed to live off-campus unless they have parents or guardians living within the six county area surrounding the University of Georgia campus, or if they are taking care of indigent family members or otherwise show a reasonable hardship to be approved by the campus administration. 555 new beds were added to the system in 2010. The Naval Academy, which shares buildings with the University of Georgia, is being permitted to utilize some of the additional 550 beds, as much as 400, in order to house their current academically achieving scholars that may be visiting the campus for academically related purposes. Overall, the population of students in the housing system remains stable, regardless of cuts to the existing HOPE scholarship program, as a result of Georgia's Governor Nathan Deal implementing cost cutting measures to the overall state budget.

Many of UGA's incoming students matriculate from other colleges and universities after their second year, according to the Factbook, and of those students, most seek their own housing outside the university's system. The predominate majority of incoming students currently reside in Georgia and are Georgia residents. No new beds are planned.

Student Housing (continued)

In the fall of 2010, the University of Georgia opened a new residence hall available to all non-first year students. The new residence, Building 1516 at East Campus Village, provides traditional double and single style rooms with private baths available to each unit. Building 1516 provides bedding to 555 students and is currently the only one planned for student housing by the University of Georgia. Due to The University of Georgia cut backs, additional campus housing is not anticipated. According to the Athens-Clarke County Planning Department, there are no proposed apartment complexes to be built in the immediate future. The new residence halls have directly impacted the demand for student living.

Absorption

In 1996, when West Park Club with 136 units and Paces at Wood Lake with 126 units opened, absorption was **13.3** and **16.8** units per month at each respective complex. When Spring Lake opened offering 220 units in 1997, **23.2** units were absorbed per month. Legacy Mill, with 352 units opened in February 2000 with **24.9** units absorbed monthly. The Fairways at Jennings Mill opened in 2003 with 304 units and absorbed **25.3** units per month over a twelve month period. Beechwood Pines opened in 2004 with 184 units and absorbed **14.5** units per month over a twelve month period and The Exchange opened in 2008 with 340 units and an absorption rate of **42.5** units per month over an eight month period.

Summary

Over the past three years multifamily construction has rebounded substantially. The University of Georgia delivered one new dorm with 555 beds. This had a negative effect on the student housing market occupancy rate. The strictly student complexes are consistently out performing the market. The vacancy rate is again trending down. Enrollment is expected to stay the same at slightly less than 35,000 students. The changes in the HOPE Scholarship Program should not have a major negative impact on enrollment. The state government cutbacks tend to support the large capital expenditures for major projects (such as more dorms) will be curtailed. Absorption rates have remained strong and the highest monthly absorption rates are the most recent. Overall the area is expected to remain a good area for investment in student and non student housing.

Site Data

The Pinewood site consists of 11.497 acres. Road frontage consists of 375.1 feet along the westside of Bailey Street. Refer to the survey on the next page.

Site Characteristics	
Property Address and Telephone Numbers	288 Bailey Street, Athens Georgia 30605
Land Area - Acres (Square Feet)	11.497 Acres or 500,809 Feet
Frontage	375.1 feet along Bailey Street
Topography	Level to Rolling
Land-to-building Ratio	6.62 Ft. of Land to 1.00 Sq. Ft. NRA of Building
Access to Property	One double drive from Bailey Street
Paved Surface Parking (Ratio)	167 Spaces (1.86 / Spaces per Unit)
Flood Map Reference and Date	13059C0026D, Dated April 2, 2007
Census Tract Reference	1505.00

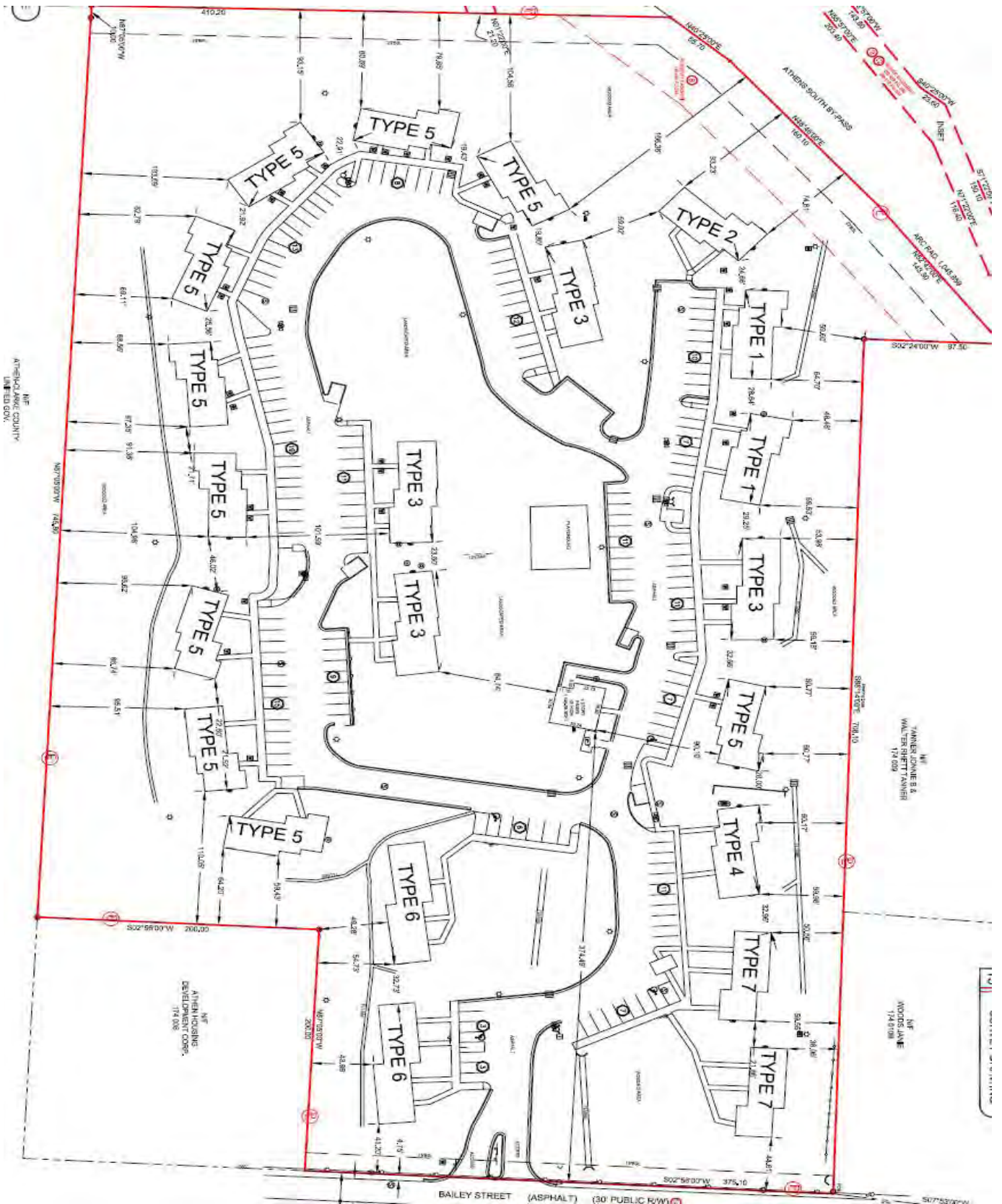
The site improvements include paved parking and driveways and all utilities are available and connected to the site. The Pinewood site is considered to have good physical utility for residential development. According to FIRM Map Panel No. 13059C0026D, Dated April 2, 2007, Pinewood is located within Flood Zone X. Zone X is an area outside the 1-percent annual chance floodplain. This opinion is based upon its usable shape and topography, accessibility, exposure and location.

Public Utilities			
Utility	Vendor	Paid By	Phone No.
Cold Water	Athens-Clarke County	Complex	(706) 613-3470
Sewer	Athens-Clarke County	Complex	(706) 613-3470
Natural Gas	Multiple Vendors	Tenant	Multiple Vendors
Cable Television	Dish Network	Tenant	(888) 825-2557
Electricity	Georgia Power Company	Tenant	(888) 660-5890

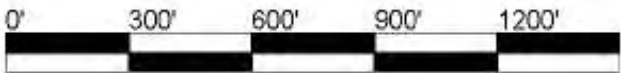
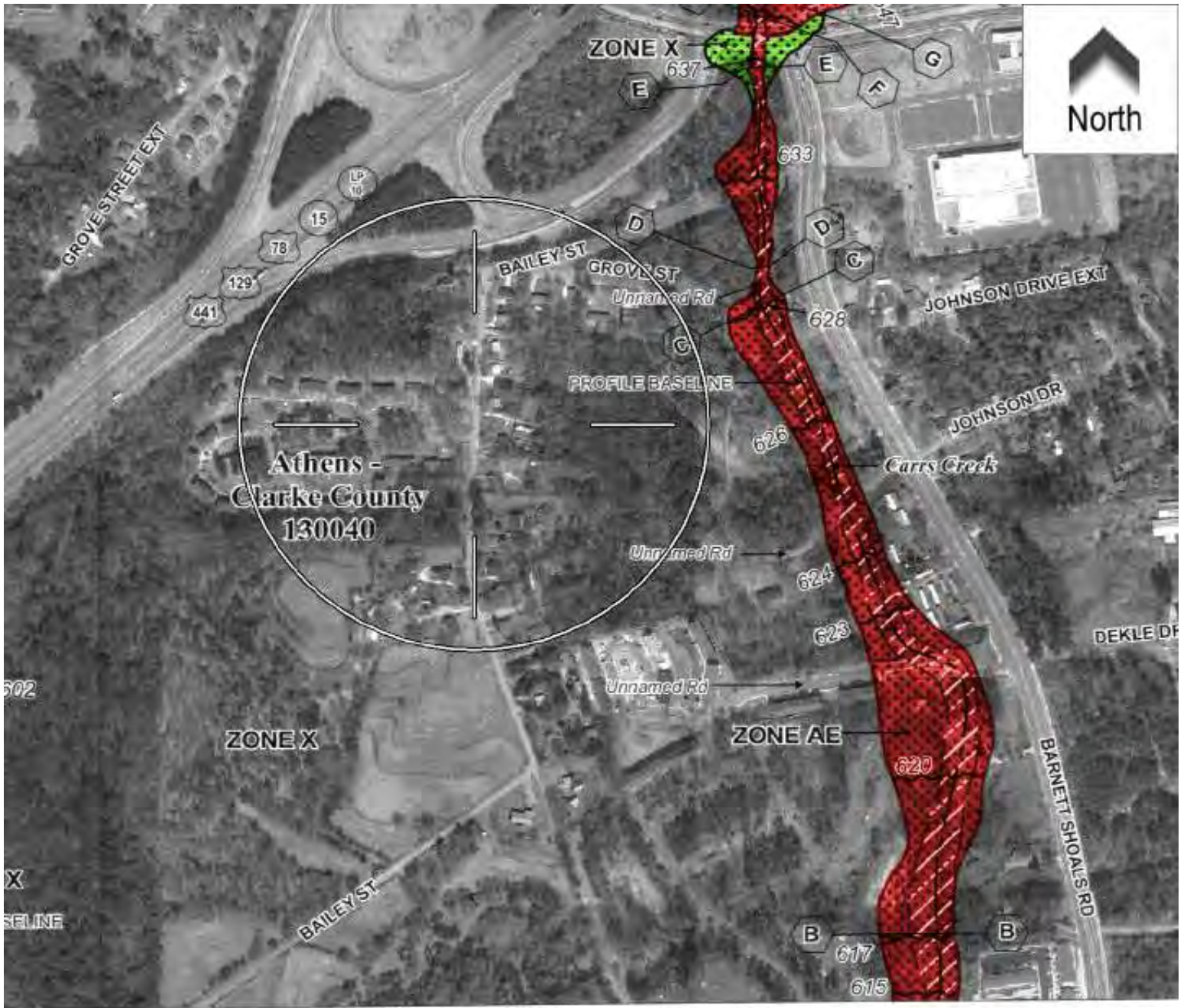
Boundary Survey



Survey



Flood Map



Zoning

Currently the site has a zoning of RM-1, Residential Mixed Density Multi-Family. This zoning allows for multi-family dwellings. From a review of the zoning restrictions, the subject would appear to conform to maximum building height, front, side and rear setback requirements and land use density under the RM-1 zoning. Pinewood does not meet the parking requirement. The subject is therefore, considered to be a **legal, non-conforming use**.

Zoning Requirements - RM-1, Residential Mixed Density		
Item	Requirements	Conforms
Minimum Lot Area per Dwelling unit	5,000 square feet	Yes
Minimum Front Yard Setback	15 feet	Yes
Minimum Side Yard Setback	6 feet	Yes
Minimum Rear Yard Setback	10 feet	Yes
Maximum Building Height	30 feet	Yes
Parking (167 Provided, from: Survey Report)	Less than 500 sf unit one space per unit; Over 500 sf 1.50 space per unit; two or more bedrooms 2.0 spaces per unit	No
Source: Athens-Clarke County Planning and Development - (706) 613-3515		

Description of Improvements

Pinewood is improved with 90 LIHTC rental residential apartment units. Related site improvements include asphalt paving, concrete walkways, landscaping and exterior lighting. Pinewood has one building for the maintenance and the leasing / management office. Amenities also include a playground, laundry and office. Refer to the surveys on page 30 and 31. Improvements are of good quality construction and finish, with functional utility considered good. Refer to the Architectural Data on page two for complete architectural reference. Pinewood was constructed in 1979, with a total economic life projected at approximately 65 years and a remaining economic life of 50 years after renovations. Refer to the Age Life Analysis on the following page. The proposed renovations will lower the effective age to 15 years.

Improvement Summary	
Number of Apartment Units	90 Individual LIHTC Dwelling Units
Property Classification / Type	Class “C” / Family Complex
Total Apartment Area (NRA)	75,604 Total Sq. Ft. NRA
Average Unit Size	840 Sq. Ft. NRA
Number of Stories / Exterior / Roof	One & Two-Story Rental Buildings / Vinyl Siding / Asphalt Shingle Roof
Development Density	7.82 Dwelling Units / Acre
Parking Spaces / Ratio	167 Surface Spaces / 1.86 Spaces per Dwelling Unit
Fire Protection / Life Safety	All units have smoke detectors
Year Built	1979
Actual Age / Effective Age	35 Years actual / 15 years effective (After Renovations)
Total Economic Life	65 Years (Refer to the Age Life Analysis on the following page)
Remaining Economic Life	50 Years (After Renovations)
Property Condition	Below Average / Will be good after renovations
Laundry Facility	One
Amenities	Playground, Rental Office

Economic Life Calculations for Comparable Sales (2012 to 2013)

Complex Name	City, State	Sale Date	Sale Price	Land	Improvements	Cost New	Depreciation	% Dep.	Age	% / YR	Econ Life
37 - Barrington on Green	Birmingham, AL	March 2012	\$28,850,000	\$4,275,000	\$24,575,000	\$31,398,300	\$6,823,300	21.73%	16	1.36%	73.63
38 - Inverness	Birmingham, AL	April 2012	\$13,100,000	\$1,560,000	\$11,540,000	\$14,589,795	\$3,049,795	20.90%	15	1.39%	71.76
39 - Forest Ridge	Birmingham, AL	10 / 2012	\$11,100,000	\$1,876,000	\$9,224,000	\$15,784,440	\$6,560,440	41.56%	29	1.43%	69.77
40 - Highland Ridge	Birmingham, AL	01 / 2012	\$2,075,000	\$627,000	\$1,448,000	\$3,432,160	\$1,984,160	57.81%	43	1.34%	74.38
41 - Pepper Tree	Montgomery, AL	May 2012	\$16,250,000	\$1,976,000	\$14,274,000	\$17,856,000	\$3,582,000	20.06%	15	1.34%	74.77
42 - Halcyon Park	Montgomery, AL	May 2012	\$7,100,000	\$1,064,000	\$6,036,000	\$9,248,000	\$3,212,000	34.73%	22	1.58%	63.34
43 - Waterford Landing	Hoover, AL	June 2012	\$14,700,000	\$2,200,000	\$12,500,000	\$18,676,540	\$6,176,540	33.07%	22	1.50%	66.52
44 - Brighton Farms	Newnan, GA	01 / 2013	\$6,600,000	\$737,000	\$5,863,000	\$7,725,850	\$1,862,850	24.11%	15	1.61%	62.21
45 - Walden Run	McDonough, GA	11 / 2012	\$13,850,000	\$1,200,000	\$12,650,000	\$16,999,320	\$4,349,320	25.59%	16	1.60%	62.54
46 - Forest Pointe	Macon, GA	12 / 2012	\$10,400,000	\$1,000,000	\$9,400,000	\$15,915,150	\$6,515,150	40.94%	28	1.46%	68.40
47 - Walden Landing	Hampton, GA	02 / 2012	\$13,250,000	\$1,200,000	\$12,050,000	\$14,860,780	\$2,810,780	18.91%	12	1.58%	63.44
48 - Plantation	Gulfport, MS	10 / 2012	\$13,000,000	\$1,200,000	\$11,800,000	\$16,698,240	\$4,898,240	29.33%	18	1.63%	61.36
49 - Turtle Creek	Ashville, NC	09 / 2012	\$24,557,000	\$3,840,000	\$20,717,000	\$33,339,000	\$12,622,000	37.86%	28	1.35%	73.96
50 - Hawthorne at the Park	Greenville, SC	05 / 2012	\$16,500,000	\$1,755,000	\$14,745,000	\$21,207,420	\$6,462,420	30.47%	22	1.39%	72.20
51 - Autumnwood	Memphis, TN	01 / 2013	\$14,000,000	\$2,106,000	\$11,894,000	\$20,557,800	\$8,663,800	42.14%	28	1.51%	66.44
52 - Country Squire	Memphis, TN	03 / 2013	\$50,200,000	\$6,804,000	\$43,396,000	\$69,282,450	\$25,886,450	37.36%	26	1.44%	69.59
53 - Country Oaks	Memphis, TN	06 / 2012	\$6,941,750	\$1,000,000	\$5,941,750	\$9,862,560	\$3,920,810	39.75%	27	1.47%	67.92
54 - Rivergate Meadows	Goodlettsville, TN	Sept 2012	\$8,625,000	\$1,500,000	\$7,125,000	\$11,808,960	\$4,683,960	39.66%	26	1.53%	65.55
							2012 to 2013	Average	22.67	Average	68.21

Description of Improvements (continued)

Unit Mix, Breakdown and Area Calculation						
ID	Unit Type	# Units	Size (SF)	Current HAP Rent	Renovated Rents	Market Rents Renovated
A	1 BR, 1.0 BA, GDN (60%)	14	561	\$526	\$625	\$625
B	2 BR, 1.0 BA, TH (60%)	40	799	\$579	\$700	\$700
C	3 BR, 1.5 BA, TH (60%)	30	970	\$709	\$775	\$775
D	4 BR, 1.5 BA, TH (60%)	6	1,115	\$810	\$925	\$925
Totals / Averages		90	840	\$629.49	\$728.33	\$728.33

General construction features are summarized as follows:

Foundation Reinforced continuous concrete footings. Buildings on reinforced continuous monolithic concrete slabs on grade.

Structural Wood 2” x 4” wall framing studs. Roofs are wood truss framing covered with composition shingles.

Exteriors Exteriors are vinyl siding and brick veneer.

Fenestration Windows are steel, single-hung, single pane with half screens. Entry doors are solid core, insulated metal with deadbolts and peep holes.

Interior Finish Sheetrock walls, textured ceilings, and carpet flooring in living areas. Bathrooms have three-piece tub / shower fiberglass enclosure and vinyl flooring. Kitchens and utility areas have vinyl floorings. Interior doors are hollow core wood.

Kitchens Wood cabinetry with Formica counters with backsplashes, double stainless steel sink and garbage disposal. Major appliances include gas range with 30 inch lighted, non-vented hood and frost-free refrigerator and dishwasher.

Baths Full baths include water closets, three-piece tub / shower fiberglass enclosure, lavatories, Formica counters and backsplashes, wood cabinets and wall-mounted mirrors.

Description of Improvements (continued)

HVAC	All units have gas heat and electric air conditioning.
Plumbing	Copper supply lines, PVC plastic waste lines. Gas 40-gallon water heaters.
Electrical	Adequate electrical service and typical complement of electrical outlets and switches in all units. Units contain a single breaker box.
Paving / Walks	Concrete walkways, asphalt drives and parking areas, concrete curbs, 167 marked surface parking spaces or 1.86 spaces / unit.
Laundry Facility	One / units do not have washer / dryer connections.
Life / Safety	All units have smoke detectors.

Photographs of Pinewood



(1) Road Frontage, Pinewood on Left

Photographs of Pinewood



(2) Entrance Signage & (3) Building Elevation

Photographs of Pinewood



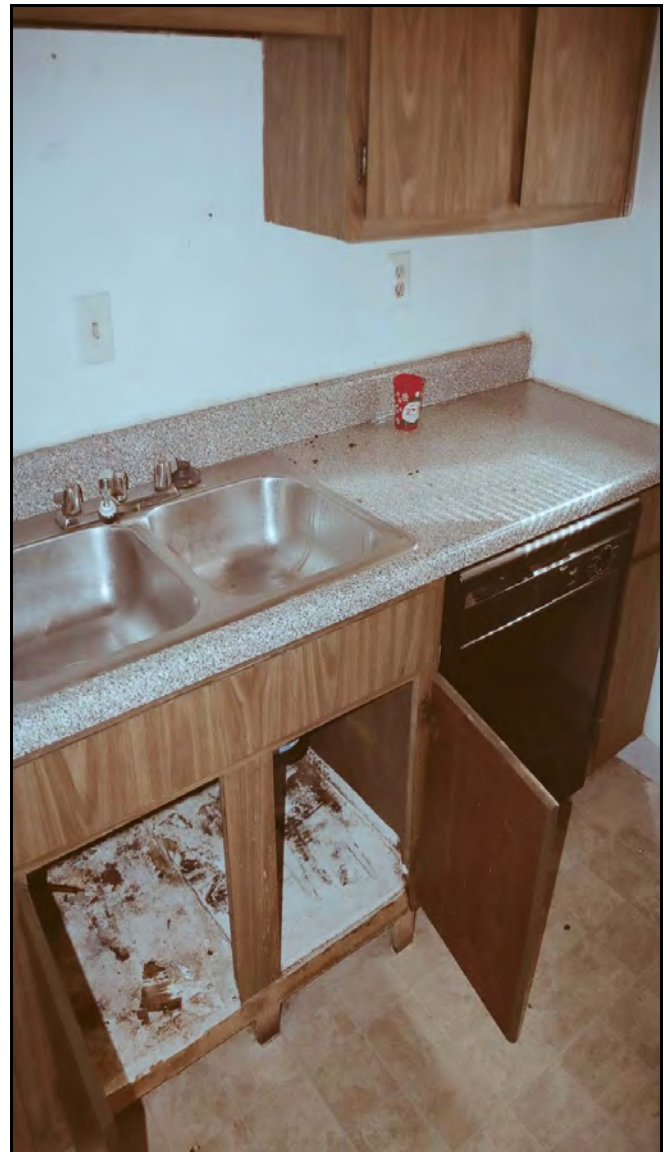
(4) Office / Laundry & (5) Townhouse Elevation

Photographs of Pinewood



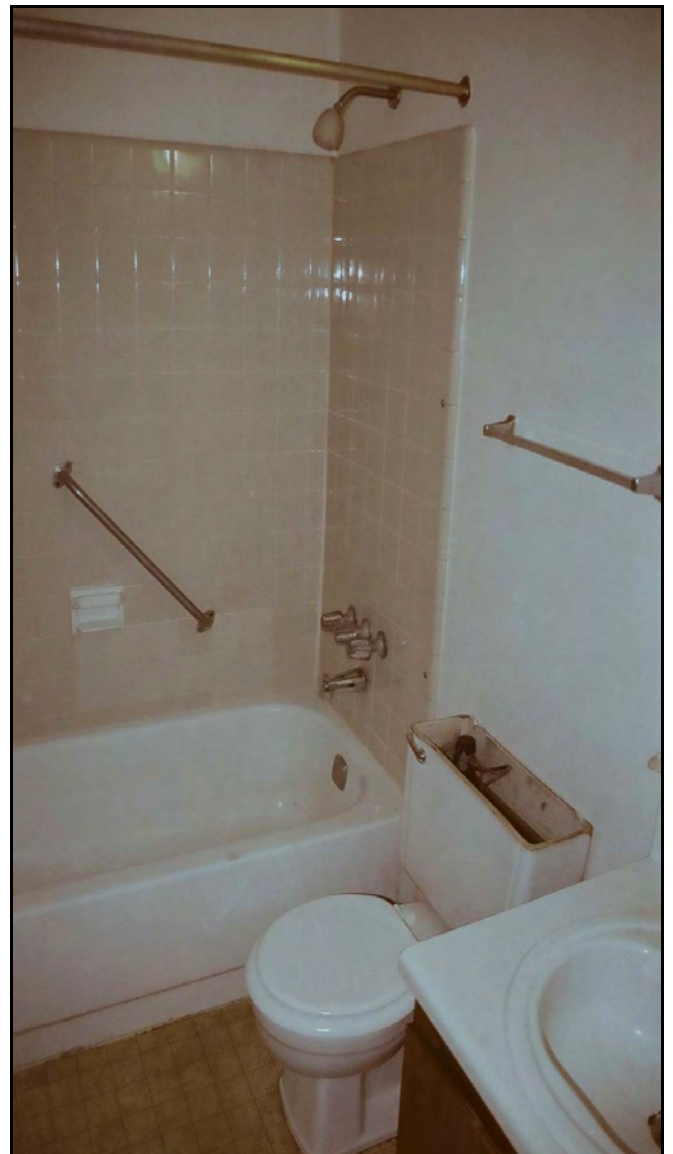
(6) & (7) Garden Elevations

Photographs of Pinewood



(8) and (9) Typical Kitchen Finishes

Photographs of Pinewood



(10) and (11) Typical Bathroom Finishes

Photographs of Pinewood



(12) & (13) Water Heater / Furnace & HVAC Units

Photographs of Pinewood



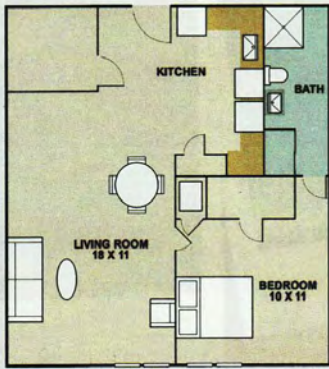
(14) AC Condensers Units & (15) Townhouse Stairway

SCOPE OF WORK - PINEWOOD APARTMENTS

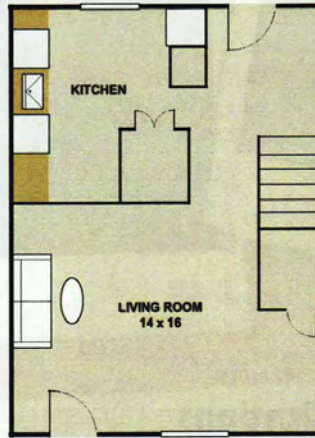
Item	Comments
Grading	Allowance for Grading Associated with sidewalk repair/install, retaining wall repair install, and lowering grade at select building foundations
Retaining Wall	Replace existing cross-tie wall between buildings D & E
Retaining Wall	Add modular-block retaining wall across drive from buildings L&K - current area of erosion
Storm Drainage	Allowance to clean, inspect, and repair existing drainage system
Sanitary Sewer	Allowance for camera inspection and cleaning
Domestic Water	Allowance for replacing unit cut-off valves
Asphalt Repair	As needed
Handicap Parking	Install 6 ADA-compliant handicap parking spaces
Asphalt Seal and Stripe	Seal and stripe asphalt after repair
Curb Ramps	Install 6 ADA-compliant curb ramps at HC parking
Curb Repair	Remove and replace damaged curb sections
Sidewalk Repair	Remove and replace damaged/deteriorated walks and replace accessible walks
Sidewalk Addition	sidewalk additions to site amenities and areas where step stones have been installed
Site Rail	Code-compliant handrails required at site steps to building S
Site Lighting	Replace/Upgrade Existing site lighting
Dumpster Enclosures	Install Dumpster Screens
Landscaping/erosion	Allowance for addressing erosion and landscaping
Tree Pruning	Allowance for pruning of trees around buildings and removal of trees impacting sidewalks.
Entry Sign	Allowance for replacing entry sign
Mail Center	Allowance for new mailboxes and installation at a H/C-accessible location
Playground	Allowance for equipment replacement, fence, and installation of an accessible route
Exterior	
Roofing	Replace roofing with 30-year Architect shingles. Does not include 5 recently replaced roofs
Fascia/Soffit	Replace existing soffits and fascia with similar materials
Siding	Replace existing Siding
Gutters	Replace all gutters and downspouts
Windows	Replace existing windows, including leasing office

Exterior Entry/Patio Doors	Install new Exterior doors and hardware
Exterior Paint	Paint exterior doors and trim
Brick Pointing	Brick pointing/repair
Meter Base	Replace existing meter base
Interior	
Demolition	Interior demolition and disposal
Framing Repair	Allowance for Misc. framing repairs and modifications
Attic Draft Stop	Installation of draft stopping at party walls
Drywall	Repair as needed
Interior Trim/Doors	Wholesale replacement
Stairs & Rails	Replace all stairs rails and repairs stairs as needed
Interior Paint	Wholesale replacement
Flooring	Wholesale replacement
Ceramic Tile	Tub Surrounds
Cabinetry	Wholesale replacement, includes vanities
Appliances	Wholesale replacement
Bath Hardware/Mirrors	Wholesale replacement
Blinds/Shelving	Wholesale replacement
Plumbing	Replace existing stops and fixtures including tubs and water heaters
HVAC	Clean Ducts, replacement of ventilation components and diffusers/registers
Electrical	Includes addition of lighting fixtures in bedrooms and living rooms. Replace all existing fixtures and devices, distribution panels. Add Smoke/carbon detectors and GFCI in Kitchen
UFAS	UFAS upgrades including framing modification to 5 units.
Sight and Hearing	Equipment installation at two units
Leasing Office	Allowance for ADA upgrades and renovations.

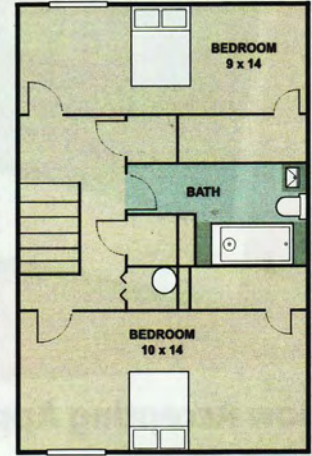
Pinewood Floor Plans



1 Bedroom : 561 sq ft

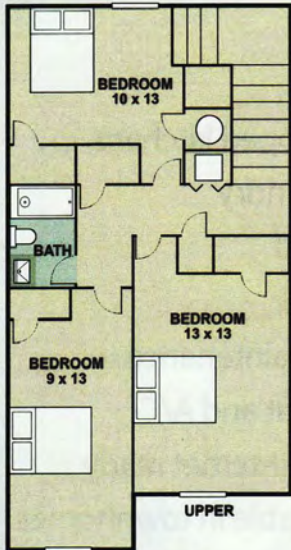


LOWER LEVEL

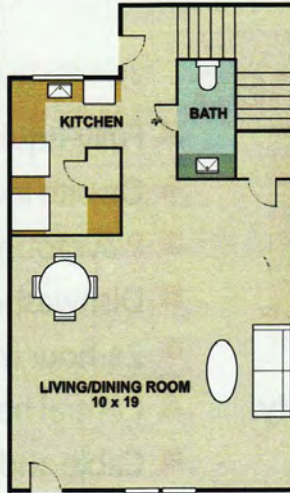


UPPER LEVEL

2 Bedroom : 799 sq ft

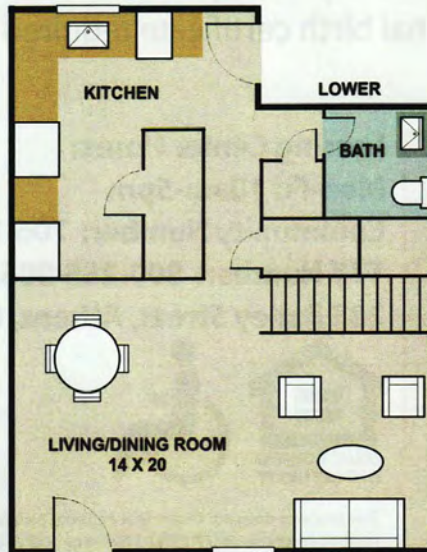


UPPER

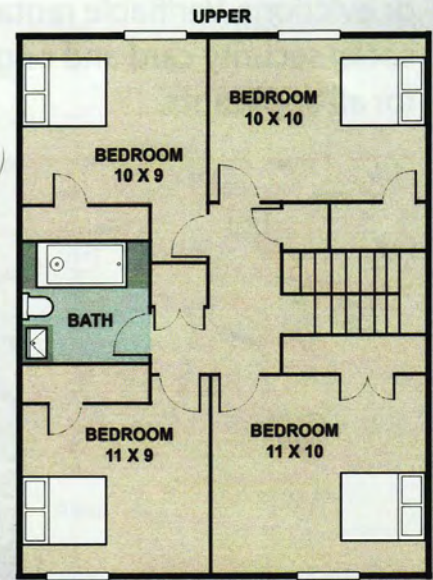


LOWER

3 Bedroom : 970 sq ft



LOWER



UPPER

4 Bedroom : 1115 sq ft

Ad Valorem Taxes

Pinewood, with an ad valorem tax identification number of 174 008B is subject to taxation by the Athens-Clarke County consolidated government, which has a 2014 tax rate of \$34.05 per \$100 of assessment and a 2014 appraised value was \$2,969,543. **The tax value is relatively consistent with the recent price of \$3,300,000.** The 2014 taxes are illustrated as follows:

2014 Ad Valorem Taxes - Parcel #174 008B	
100% Tax Office Appraised Value (\$32,995 / Unit)	\$2,969,543
Times Georgia Assessment Ratio	40%
Assessed Value @ 40% of Tax Value	\$1,187,817
Times 2014 Millage Rate per \$100 of Value	x \$34.05
Equals Ad Valorem Taxes (\$449.33 / Unit)	\$40,445.10
Source: Athens-Clarke County Tax Collector - (706) 613-3120	

The past three-year tax history for Pinewood is summarized in the following chart.

Three-Year Ad Valorem Tax History				
Year	Tax Value	Tax Rate	Taxes Billed	Taxes / Unit
2014	\$2,969,543	\$34.050	\$40,445.10	\$449.39
2013	\$2,969,543	\$34.100	\$40,504.49	\$450.05
2012	\$2,969,543	\$33.900	\$40,266.96	\$447.41
Source: Athens-Clarke County Tax Collector - (706) 613-3120				

Ad valorem taxes on other newer vintage apartment complexes in the subject's neighborhood were analyzed and compared to Pinewood, as shown in the chart below.

Real Estate Tax Comparables - Newer Vintage				
Property Name / Parcel Number	Year Built	Tax Value	# of Units	Value Per Unit
High Ridge / 072 004B	1987	\$10,464,983	160	\$65,406
Legacy Mill / 073 001	1999-2000	\$21,806,778	349	\$62,484
Westpark Club at Jennings Mill / 073 002	1996	\$8,584,706	136	\$63,123
Fairways at Jennings Mill / 073 009L	2003	\$20,366,839	304	\$66,996
Spring Lake / 241 094	1996	\$14,167,153	220	\$64,396
Source: Athens / Clarke County Tax Assessor - (706) 613-3140				

Ad Valorem Taxes (continued)

The most recent purchase of the subject was for \$3,300,000 with extensive repairs planned. The anticipated tax value should be higher than most of the older properties but lower than the newer properties with an anticipated post repairs tax value of \$45,000 per unit.

Real Estate Tax Comparables - Older Vintage				
Property Name	Year Built	Tax Value	# of Units	Value Per Unit
Park on West Broad	1967	\$9,788,987	500	\$19,998
Timber Chase / Riverfront	1968	\$2,677,190	111	\$24,118
Riverwood	1972	\$2,433,380	87	\$27,970
University Apartments	1989	\$11,211,186	194	\$57,789
Pinewood	1979	\$2,969,543	90	\$32,995
Source: Athens / Clarke County Tax Assessor - (706) 613-3140				

Based upon this analysis, SCG has adopted post renovation tax value of \$4,050,000 or \$45,000. The post renovation taxes are calculated as follows:

Post Repairs Ad Valorem Taxes	
Post Repairs Tax Value (\$45,000 per unit)	\$4,050,000
Times Georgia Assessment Ratio	40%
Times 2014 Tax Rate	x \$34.05
Post Repairs Taxes (\$612.19 per unit)	\$55,161

Highest and Best Use Analysis

Highest and best use may be defined as the most probable, possible and permissive use for which a property may be used and is capable of being used. The Appraisal Institute's Fourth Edition Dictionary defines highest and best use as follows:

- (1) That reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value.*
- (2) The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum productivity.*

Highest and best use is referred to as the most probable likely use of the Pinewood site or that use which yields the greatest net return to the property. There are five key tests in the highest and best use analysis of a property: (1) physically possible; (2) legally permissible; (3) reasonably probable; (4) timely in occurrence; and (5) highest present value. In order for any use to be considered, it must be physically possible to develop that use on the site. The principal question is whether or not the physical characteristics of the site would support a particular land use. The site, consisting of 11.497 acres, is adequate in size to permit various uses, including commercial, light industrial, residential or office purposes. Further, the residential character of the neighborhood would also not be desirable for most industrial or commercial development. Higher density residential use appears the most likely.

The second factor in determining the highest and best use of the Pinewood Apartments site is the legal permissibility of a site confined by the zoning regulations. The existing zoning is designated as RM-1, Residential which allows numerous uses, including multi-family residential development. **Pinewood Apartments is a legal, non-conforming use due to minor parking deficiency.** The central question in any highest and best use analysis involves the particular type of use which could be physically developed on the site. This analysis carries with it a number of significant connotations regarding the balance of uses on the site and the appropriateness of those uses within the context of the neighborhood and the market area trends. An infeasible use, which no reasonable developer would consider for the property, would not warrant detailed evaluation as a possible alternative. In the case of Pinewood Apartments, most commercial uses would not be reasonable or feasible for the subject site as a result of the residential character of the neighborhood. Land uses in the immediate area of Pinewood Apartments are dominated by single-family uses along secondary streets, with commercial uses (such as Publix) located south of the property along Barnett Shoals Road.

Highest and Best Use Analysis (continued)

Based on this, it is SCG's opinion that the most reasonably probable use of the subject property is for some type of transitional residential development between single family residential and the bypass. In order for uses to be seriously considered, the potential use of the property must be likely to occur within the near future. In essence, the trends must be obvious and indicate immediate potential for the use. These uses should not be speculative or conjectural, but readily apparent within the marketplace. A review of the predominant land uses in the neighborhood support a steady and continued demand for residential uses which should continue into the near future. Pinewood's immediate area is predominantly single-family on secondary streets, with commercial, office, and retail uses located on major roadways such as along Barnett Shoals Road. Pinewood Apartments appears to be a transitional use between the single-family residential and the bypass.

The next test of highest and best use of a property is an overall analysis of a number of potential uses which might satisfy all the criteria noted above, and the selection of only one which would yield the highest net present value for the property. This selected alternative is considered the highest and best use of the land. The five key elements in the analysis of highest and best use clearly define the issues involved. The highest present value of the land, as if vacant and available for development, is the first step in the highest and best use analysis, and is also the premise under which the land value analysis is conducted. The property zoning allows for multi-family residential development and is located in a neighborhood characterized as an established residential area to the south and to the east and north. There appears to be demand for multi-family development based on the occupancy levels experienced by the surrounding apartment properties, which is in conformity with the zoning. Pinewood is also subject to a long term agreement to continue operating under the Section 8 and LIHTC guidelines. The decision now relates to which use would actually generate the highest value to the subject property. The site is located in a stable area and has good accessibility, which appears to be the major criteria for multi-family development of the market area. These factors assist in marketing the property for rental purposes. Therefore, based upon these analytical criteria, the highest and best use of the site, as if vacant, is reflected as a multi-family residential development.

A property providing the maximum net return on and of the improvements on the land would be considered typically the highest and best use of the land. The subject site is improved with a multi-family residential structure reflecting average quality construction features and functional utility. Therefore, there is no obvious alternative use of the existing improvements that would provide a greater monetary return to the property and, as currently improved, the property value exceeds the value of the underlying land, as if unimproved and available for any reasonable alternative use.

Highest and Best Use Analysis (continued)

It is Southeastern Consulting Group's opinion that the highest and best use of the property, **as improved**, is the utilization of the property as existing, in that it represents the maximum possible utilization of the site, considering zoning, market forces, and use restrictions, while retaining the necessary features to make the project marketable. Therefore, the entire property, considered both as vacant and as improved, has a highest and best use as a residential / multi-family development, in conformity with the existing use.

Appraisal Procedure and Methodology

In estimating the value of improved real estate, three approaches to value are normally developed. These approaches consider factors relative to replacement cost of a property, including both land and improvements, the income producing potential of a property, and an analysis of the probable market response to investment characteristics by comparison of sale transactions involving similar investment properties. All approaches to value assume any required repairs and deferred maintenance will be identified in the Newbanks Engineering Report and will be cured. Further, the appraisal assumes professional and aggressive on-site management. The appraisal also assumes the establishment of a reserve for replacement account, as established by the engineer's report, which will assure the ongoing maintenance of the property. The engineer's report was prepared by an outside third party (Newbanks - Atlanta). Refer to the Architectural Data on Page two.

Cost Approach

Estimated value is derived from the Cost Approach through the consideration of probable replacement cost of Pinewood' improvements, estimated depreciation ascribable to the improvements, and estimated value of the underlying land, as if unimproved. Replacement cost new considers typical direct construction costs required to replace the subject improvements, plus normal indirect costs. Depreciation, which may include physical deterioration, functional inutility, and economic influences, is deducted from replacement cost new to derive an indication of depreciated replacement cost. Lastly, estimated value of the underlying land, which is derived from an analysis of sales involving comparable land parcels, is added to the depreciated replacement cost, thereby providing an indication of total property value. The Cost Approach is not considered a reliable indicator of value due to the subjectivity in the cost and depreciation estimates and has not been developed.

Appraisal Procedure and Methodology (continued)

Income Capitalization Approach

*Within the Income Capitalization Approach, market rents for Pinewood units are estimated based on an analysis of rental rates at competitive properties and the maximum LIHTC rental levels actually allowed at the subject property. **The market rent is used in the valuation analysis in accordance with HUD Guidelines for Section 223(f) PILOT loans.** In deriving an estimate of net annual income, deductions from gross potential annual income are included for a reasonable vacancy and collection loss allowance and projected expenses. Projected expenses are based upon consideration of typical operating standards and the recent operating history of similar and comparable properties. The actual operating history of Pinewood is reviewed and compared to the expense comparables to arrive at an expense forecast. The expense forecast is removed from the effective gross income to derive the estimate of net operating income (NOI). The value indication from the Income Capitalization Approach is derived by capitalization of net annual income utilizing an overall capitalization rate. The overall capitalization rate, which reflects the relationship between net annual income and price or value, has been derived from a “band of investment” analysis. The value estimate derived from direct capitalization reflects the amount an investor should be justified in paying to receive annual incomes over the remaining holding period of the property, plus the reversionary value at the end of the property’s ownership period.*

Sales Comparison Approach

An indication of value from the Sales Comparison or Market Data Approach is derived by direct comparison of Pinewood Apartments with conventional and tax credit properties that have recently sold in the competitive North Georgia and Athens market areas. The units of comparison are the sale price per unit, per square foot and the gross income multiple, which reflects the relationship between price and gross annual income. The analyses of the sales data include adjustments to the units of comparison, based upon various dissimilar investment characteristics.

The **Jurisdictional Exception Rule** has been applied in this analysis based upon instructions from the client & HUD Guidelines for Section 223(f) PILOT loans. Jurisdictional Exception is defined by the Appraisal Institute’s Fourth Edition Dictionary as “an assignment condition that voids the force of a part or parts of USPAP, when compliance with part or parts of USPAP is contrary to law or public policy applicable to the assignment.” In the case of Pinewood Apartments, the analysis is an investment or HUD value based upon Section 223(f) PILOT underwriting guidelines. The resultant HUD Section 223(f) PILOT investment value indication is **not** a market derived value.

Land Valuation / Allocation

SCG's allocation of land value initially considers the value contribution / allocation of the subject's 11.497-acre site. In order to estimate the market value of the subject underlying land, SCG has given consideration to market data relative to recent sales / listings of similar land parcels located in the general subject area (and within comparable market areas). All data utilized has been converted to a cash equivalent price in accordance with Appraisal Institute reporting requirements. The SCG analysis of the market data has used the sale price per acre and per dwelling unit (where available) as the most appropriate units of comparison, with adjustments included for various dissimilar features that influence value. These factors include size, location, physical utility, use potential, zoning, date of sale, and terms of sale.

Land Sale No. 1 is located at 1326 Myrtle Street in Gainesville. The 7.17 acre site sold in June 2013 for 84 senior tax credit units. The site was wooded and rolling and has been improved with Myrtle Terraces. The site is very close to the medical center and is a superior location for a senior project. Overall, the sale merited downward adjustments for location to the sale price of **\$10,119 per unit**.

Land Sale No. 2 is located at 190 Roberts Trail in Kennesaw, Cobb County. The smaller 3.47 acre site sold August 8, 2012 for \$9,000 per unit based upon the 100 unit tax credit property built on the site. The Kennesaw area is considered superior to the Athens area with a negative overall adjustment to the sale price of **\$9,000 per unit**.

Land Sale No. 3 Wembly at Overlook in Macon is also considered a slightly superior area reflected by a small negative adjustment. The sale closed in May 2012 for **\$6,416 per unit**. Slight downward adjustment was applied for location.

Land Sale No. 4 is located on the northwest side of Interstate 85 in West Point (LaGrange) Georgia. The 9.00 acre site sold in March 2014 for **\$6,585 per unit**. The LaGrange Housing Authority is planning 82 tax credit units. The sale is relatively smaller than the subject and density. The site has superior visibility, but the positive visibility is offset by the greater distance from Atlanta.

Land Sale No. 5 is located on the northside of Snapfinger Woods Drive at Stonekey Place in Lithonia. The smaller 4.19 acre site sold in February 2013 for development of the 85 unit Panola Gardens Senior LIHTC apartments for **\$4,941 per unit**. The market area around the sale is perceived to be soft and inferior to Pinewood reflected by a positive adjustment.

Land Sale No. 6 is located on the westside of Calumet Parkway north of Millar Farmer Industrial Boulevard in Newnan. The 9.64 acre site was purchased in September 2012 for the Forest at York LIHTC apartments. The price of \$561,600 for 72 units equates to **\$7,800 per unit**. The Newnan area around land sale 6 is perceived to be a superior location to Pinewood reflected by a negative adjustment.

J. Project Site Analysis and Appraisal (See Chapter 2, Handbook 4465.1)

- | | | |
|---|---|-----------------------------|
| 1. Is Location and Neighborhood acceptable? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Is Site adequate in Size for proposed Project? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Is Site Zoning permissive for intended use? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Are Utilities available now to serve the Site? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Is there a Market at this location for the Facility at the proposed Rents? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

6. Site acceptable for type of Project proposed under Section 223(f) . (If checked, acceptable subject to qualifications listed at bottom of page 6)

7. Site not acceptable (see reasons listed at bottom of page 6)

Date of Inspection 11/14/2014 Note: The effective Date of all land valuations is the date of inspection.

8. Value Fully Improved	Location of Project 288 Bailey Street					Size of Subject Site
	Comparables Sales Address No. 1	Comparables Sales Address No. 2	Comparables Sales Address No. 3	Comparables Sales Address No. 4	Comparables Sales Address No. 5	
	1326 Myrtle Street, Gainesville	190 Roberts Trail, Kennesaw	NWQ Riverside & Bass, Macon	East 10th Street, West Point	NS Snapfinger Woods Drive, Lithonia	500,809
Date of Sale	6/13/2014	8/1/2012	5/1/2012	3/1/2014	Feb-13	
Sales Price	\$ 850,000	\$ 900,000	\$ 1,527,000	\$ 540,000	\$ 420,000	
Size per Acres	7.170	3.47	24.57	9.000	4.19	
Price per Acre	\$ 118,550	\$ 259,365.99	\$ 62,148.96	\$ 60,000.00	\$ 100,238.66	
Units Permissable	84	100	238	82	85	
Price Per Unit	\$ 10,119	\$ 9,000	\$ 6,416	\$ 6,585	\$ 4,941	
Adjustments						
Time						
Location	-25%	-50%	-10%			
Size	**					
Zoning						
Density						
Functional Utility						
Total Adjustment Factor	-25%	-50%	-10%	0.00	0.00%	
Adjusted Unit Price	\$ 7,589.29	\$ 4,500.00	\$ 5,774	\$ 6,585	\$ 4,941	
Indicated Value by Comparison	\$ 683,036	\$ 810,000	\$ 519,660	\$ 592,683	\$ 444,690	
11. Value of Site "as thought Vacant" by Comparison					/Sq Ft Rounded	\$ 550,000
					Say	\$ 550,000

Land Summary / Allocation (continued)

These were the only multi-family land sales located in the area because of market conditions. The market has been down for several years and has just recently stabilized and reached an equilibrium position. There are no recent sales because of market conditions which have only recently improved. Based on market data and SCG's analysis thereof, it is SCG's opinion that the market value of the underlying 11.497 acres of land, as if unimproved, is best reflected by a per unit value of \$6,000. The estimate of total value is derived as shown on the chart below.

Land Value Summary / Allocation		
90 Units @ \$6,000 / Unit	(R)	\$550,000

Replacement Cost New and Depreciation

The Cost Approach is not applicable to older properties, such as Pinewood, and has been omitted.

Income Capitalization Approach

Rent Potential Analysis

In deriving a value estimate for the subject property from the Income Capitalization Approach, Southeastern Consulting Group has initially estimated current market rental rates for the various type units which are located within the property. Consideration has been given to rental data relative to competitive properties in the area considered to offer the best indication of economic rent levels for the subject apartment units. The rent comparables on the following pages are all conventional. Southeastern Consulting Group has reviewed the current maximum LIHTC rent (on the next few pages) at Pinewood Apartments, which, are summarized as follows:

Unit Mix, Breakdown and Area Calculation						
ID	Unit Type	# Units	Size (SF)	Current HAP Rent	Renovated Rents	Market Rents Renovated
A	1 BR, 1.0 BA, GDN (60%)	14	561	\$526	\$625	\$625
B	2 BR, 1.0 BA, TH (60%)	40	799	\$579	\$700	\$700
C	3 BR, 1.5 BA, TH (60%)	30	970	\$709	\$775	\$775
D	4 BR, 1.5 BA, TH (60%)	6	1,115	\$810	\$925	\$925
Totals / Averages		90	840	\$629.49	\$728.33	\$728.33

Pinewood’s rent structure provides for (A) sanitary sewer; (B) potable cold water; (C) trash removal and (D) exterminating. In estimating current economic rental levels for Pinewood’ apartment units, Southeastern Consulting Group prepared an analysis of rental structures within comparable apartment communities located in the subject’s market area. In analyzing the rental data, SCG considered various dissimilar features that influence rental rates. These factors include location, overall quality and condition, quality of interior finish and level of appliances furnished, unit sizes, utilities included in rent structures, property amenities and overall market appeal. The current HAP Contract (page 63) has the three and four bedroom utility allowance reversed.

LIHTC Restricted Rent Calculation

The rental data considered to provide the best indications of current market rental levels for the subject apartment units are summarized on subsequent pages of this report. The rental adjustment HUD Form 92273 are on the following pages. In addition, Southeastern Consulting Group has reviewed the subject’s actual current rent roll, which is included as Exhibit A in the Addenda of this report. All of the rent comparables are conventional apartments.

LIHTC Restricted Rent Calculation (continued)

Pinewood has restricted rental rates due to the tax credits, with the market level rent comparables included to establish the range of market level rents in the subject market area. The subject rents are at the lower end the range and are reflective of similar vintage properties that have limited amenity packages with the rents towards the lower end of the range. The subject development will be of similar construction to most of the other complexes in the area and has good overall market appeal after rehab. The rental rates at tax credit properties are established by statute and are based on family income. The maximum incomes and rents for each county in the state are based on the 2014 median family income for that county. The 2014 median income for the Athens, Georgia area is \$55,500. Refer to Novogradac calculations on pages and 63 and 64. The maximum number of people for a bedroom is 1.5 persons. These totals are then phased into a formula which derives the maximum rent to be charged for a particular unit type. A utility allowance is then subtracted to arrive at the maximum allowable rent. The utility adjustments are \$98 for one-bedrooms, \$116 for the two-bedroom units and \$140 for the three-bedroom units and \$163 for the four-bedroom units. The utility allowance on Exhibit A on the next page is reversed. The calculations for Pinewood are shown on the chart below and on the next page.

Maximum Allowable Restricted Rents		
One-Bedroom Units (60% Income)		
\$25,440 x 30% Divided by 12 Months	=	\$636
Utility Allowance	-	\$98
Max Allowable LIHTC One-Bedroom Rent (60%)	=	\$538 (R)
Two-Bedroom Units (60% Income)		
\$30,000 x 30% Divided by 12 Months	=	\$763
Less Utility Allowance	-	\$116
Max Allowable LIHTC Two-Bedroom Rent (60%)	=	\$647 (R)
Three-Bedroom Units (60% Income)		
\$35,240 x 30% Divided by 12 Months	=	\$881
Less Utility Allowance	-	\$140
Max Allowable LIHTC Three-Bedroom Rent (60%)	=	\$741 (R)
Four-Bedroom Units (60% Income)		
\$39,280 x 30% Divided by 12 Months	=	\$1,153
Less Utility Allowance	-	\$163
Max Allowable LIHTC Four-Bedroom Rent (60%)	=	\$819 (R)

EXHIBIT A

**IDENTIFICATION OF UNITS ("CONTRACT UNITS")
BY SIZE AND APPLICABLE CONTRACT RENTS**

Section 8 Contract Number: GA060005005
FHA Project Number (if applicable): 061-35212
Effective Date of the Rent Increase (if applicable): March 1, 2014

Number of Contract Units	Number of Bedrooms	Contract Rent	Utility Allowance	Gross Rent
14	1BR	\$526	\$98	\$624
40	2BR	\$579	\$116	\$695
30	3BR	\$709	\$163	\$872
6	4BR	\$810	\$140	\$950

Comments:

Basic Renewal Contract
One-Year Term
REV-11-05-2007

**Note the 3 Br and 4 Br utility allowances are transposed.



Rent & Income Limit Calculator ©

If you would like to engage Novogradac & Company LLP to calculate the rent & income limits for your property, please contact Thomas Stagg at thomas.stagg@novoco.com.

You can view demographic information and a detailed list of affordable housing properties in [compsMART+](#).

Click on the icons below to view historical charts.

Project: Pinewood, Athens

Program and Location Information

Affordable Housing Program	IRS Section 42 Low-Income Housing Tax Credit (LIHTC)
Year (1)	2014 (effective as of 12/18/2013)
State	GA
County	Clarke County ^{**}
MSA	Athens-Clarke County, GA MSA
Persons / Bedroom	1.5 Person / Bedroom
4-person AMI 	\$55,500
National Non-Metropolitan Median Income (2)	\$52,500
HERA Special (3)	Not eligible
Hold Harmless (4)	You have indicated that your project was placed in service on or after 12/18/2013 and is therefore eligible to have its income and rent limit held harmless beginning with the 2014 limits.
Placed in Service Date (5)	On or after 12/18/2013.
Rent Floor Election (6)	Effective on or after 03/19/2009 before 05/14/2010.













HUD Published Income Limits for 2014 (with no adjustments)

Display Income Limits





Hide Income Limits

		Section 8				
		HERA Special 50%	MTSP 50%	Extremely Low	Very Low	Low
		Charts				
1 Person 		\$20,900	\$19,450	\$11,700	\$19,450	\$31,100
2 Person 		\$23,850	\$22,200	\$15,730	\$22,200	\$35,550
3 Person 		\$26,850	\$25,000	\$19,790	\$25,000	\$40,000
4 Person 		\$29,800	\$27,750	\$23,850	\$27,750	\$44,400
5 Person 		\$32,200	\$30,000	\$27,910	\$30,000	\$48,000
6 Person 		\$34,600	\$32,200	\$31,970	\$32,200	\$51,550
7 Person 		\$37,000	\$34,450	\$34,450	\$34,450	\$55,100
8 Person 		\$39,350	\$36,650	\$36,650	\$36,650	\$58,650
9 Person 		\$41,700	\$38,850	N/A ⁽⁷⁾	\$38,850	\$62,150
10 Person 		\$44,100	\$41,050	N/A ⁽⁷⁾	\$41,050	\$65,700
11 Person 		\$46,500	\$43,300	N/A ⁽⁷⁾	\$43,300	\$69,250
12 Person 		\$48,850	\$45,500	N/A ⁽⁷⁾	\$45,500	\$72,800

LIHTC Income Limits for 2014
 (Based on 2014 MTSP Income Limits)

	Charts	60.00%	140.00%
1 Person		23,340	32,676
2 Person		26,640	37,296
3 Person		30,000	42,000
4 Person		33,300	46,620
5 Person		36,000	50,400
6 Person		38,640	54,096
7 Person		41,340	57,876
8 Person		43,980	61,572
9 Person		46,620	65,268
10 Person		49,260	68,964
11 Person		51,960	72,744
12 Person		54,600	76,440

LIHTC Rent Limits for 2014
 (Based on 2009 MTSP/VLI Income Limits Due to Rent Floor Election)

Bedrooms (People)	Charts	60.00%	FMR	HOME Low Rent	HOME High Rent
1 Bedroom (1.5)		636	590	557	590
2 Bedrooms (3.0)		763	721	668	721
3 Bedrooms (4.5)		881	978	772	970
4 Bedrooms (6.0)		982	1,101	862	1,063

LIHTC Rent Limits With Utility Allowance Reduction for 2014
 (Based on 2009 MTSP/VLI Income Limits Due to Rent Floor Election)

Bedrooms (People)	60.00%	U/A Entered by User
1 Bedroom (1.5)	538	98
2 Bedrooms (3.0)	647	116
3 Bedrooms (4.5)	741	140
4 Bedrooms (6.0)	819	163

Rent Comparable Number 1



Arbor Ridge Apartments wka Chateau Club
 150 Chateau Terrace
 Athens, Clarke County, Georgia 30601

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
50 - 1 BR, 1.0 BA, GDN	740	\$540	\$0.73
80 - 2 BR, 1.5 BA, GDN	960	\$585 - \$565**	\$0.61
30 - 3 BR, 2.0 BA, GDN	1,200	\$695	\$0.58

** Current two-bedroom special \$565

Year Built	1962	Occupancy Rate	92.00% (13 Vacant Units)
Units	160	Management	First Choice
Source	Paula	Phone Number	706-546-0610

Rent Comparable Number 1 (continued)

Type of Utilities Total electric.

Utilities Furnished Trash and pest

Amenities Swimming pool, laundry facility and sports courts.

Kitchen Equipment Refrigerator, stove, dishwasher and hook-ups.

Premiums / Charges None.

Concessions Special on 2-bedrooms - \$565 per month.

Remarks Has been partially renovated. Quality and condition are average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	N
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	N	Fitness Equipment	N	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	N	Garages	N	Social Activities	N
Cable (Ten. Paid)	N	Housekeeping	N	Special Services	N
Car Wash Facility	N	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	N	Laundry Facilities	Y	Storage	N
Clubhouse / Community	N	Meals	N	Swimming Pool	Y
Controlled Access	N	Microwave	N	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	N
Covered Parking	N	Picnic / Grilling Area	N	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 2



High Ridge Apartments
 (also refer to Sale 5)
 700 Mitchell Bridge Road
 Athens, Clarke County, Georgia 30606

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
32 - 1 BR, 1.0 BA, GDN	925	\$780 - \$891	\$0.84 - \$ 0.96
80 - 2 BR, 2.0 BA, GDN	1,164	\$909	\$0.78
16 - 2 BR, 2.0 BA, GDN	1,317	\$835 - \$973	\$0.63 - \$0.74
32 - 3 BR, 2.0 BA, GDN	1,338	\$934 - \$1,067	\$0.70 - \$0.80

Year Built	1987	Occupancy Rate	93.00% (11 Vacant Units)
Units	160	Management	Mid-America
Source	Sheila	Phone Number	706-549-2303

Rent Comparable Number 2 (continued)

Type of Utilities Total electric.

Utilities Furnished All utilities are additional charges per month, see remarks.

Amenities Swimming pool, tennis and basketball court, picnic area, playground, business center and car care facility. Refer to detailed breakdown below.

Kitchen Equipment Refrigerator, dishwasher, garbage disposal, stove and w/d connections in all units.

Premiums / Charges None.

Concessions 24hr “look time” - lease in 24-hrs of viewing and receive \$150 admin fee waived.

Remarks Utilities are charged per month as follows: water / \$24 per month base (\$10 more per additional person), cable / \$37.50 per month, trash / \$8 per month and pest control/ \$4.99 per month. Some interiors are newly renovated with new flooring, upgraded lighting, new color schemes, custom cabinetry and counter tops. These select homes rent for more per month. Overall quality and appearance are average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	Y
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	N	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	Y	Garages	N	Social Activities	N
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	Y	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	Y	Laundry Facilities	N	Storage	N
Clubhouse / Community	N	Meals	N	Swimming Pool	Y
Controlled Access	N	Microwave	N	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	Y	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 3



Legacy Mill Apartments
 125 Jennings Mill Parkway
 Athens, Clarke County, Georgia 30605

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
1 BR, 1.0 BA, GDN	675	\$716 - \$791	\$1.06 - \$1.17
1 BR, 1.0 BA, GDN	906	\$760 - \$780	\$0.84 - \$0.86
2 BR, 1.0 BA, GDN	1,117	\$809	\$0.72
2 BR, 2.0 BA, GDN	1,186	\$770 - \$810	\$0.65 - \$0.68
3 BR, 2.0 BA, GDN	1,350	\$889 - \$902	\$0.66 - \$0.67

Year Built	1999-2000	Occupancy Rate	96.00% (14 Vacant Units)
Units	349	Management	Bell Partners
Source	Kelly	Phone Number	706-227-9500

Rent Comparable Number 3 (continued)

Type of Utilities Total electric.

Utilities Furnished Trash removal is billed at \$10 per month and pest control is billed at \$4 per month.

Amenities Swimming pool, tennis court, fitness center, gated, car care facility and business center. Refer to detailed breakdown below.

Kitchen Equipment Frost-free refrigerator, dishwasher, garbage disposal and stove. Washer / dryer connections in all units.

Premiums / Charges Garages are available for an additional \$70 per month.

Concessions No move-in specials currently.

Remarks Two story vinyl siding apartment buildings. Overall quality and appearance is above average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	N
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	Y	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	Y	Garages	Y	Social Activities	Y
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	Y	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	Y	Laundry Facilities	Y	Storage	Y
Clubhouse / Community	N	Meals	N	Swimming Pool	Y
Controlled Access	Y	Microwave	N	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	N	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 4



Westpark Club at Jennings Mill
 150 Westpark Drive
 Athens, Clarke County, Georgia 30605

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
24 - 1 BR, 1.0 BA, GDN	834	\$749	\$0.90
24 - 1 BR, 1.0 BA, GDN	895	\$789	\$0.88
42 - 2 BR, 2.0 BA, GDN	1,232	\$829	\$0.67
46 - 2 BR, 2.0 BA, GDN	1,257	\$869	\$0.69

Year Built	1996	Occupancy Rate	96.00% (5 Vacant Units)
Units	136	Management	Hawthorne Residential
Source	Megan	Phone Number	706-549-8888

Rent Comparable Number 4 (continued)

Type of Utilities Total electric.

Utilities Furnished Cold water and sewer are a flat rate of \$35 for one bedroom, \$40 for two bedrooms. Trash removal is a flat rate of \$7.

Amenities Swimming pool, tennis court, fitness facility, laundry facility, clubhouse and business center. Refer to detailed breakdown below.

Kitchen Equipment Frost-free refrigerator, dishwasher, microwave, garbage disposal and stove. Washer / dryer connections in all units.

Premiums / Charges None.

Concessions None.

Remarks Overall quality and appearance are above average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	N
After School Program	N	Fireplaces	Y	Recycling Center	N
Alarms	Y	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	Y	Garages	N	Social Activities	Y
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	N	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	Y	Laundry Facilities	Y	Storage	N
Clubhouse / Community	Y	Meals	N	Swimming Pool	Y
Controlled Access	N	Microwave	Y	Transportation	N
Corporate Suites	Y	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	Y	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 5



The Fairways at Jennings Mill
 355 Jennings Mill Parkway
 Athens, Clarke County, Georgia 30606

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
74 - 1 BR, 1.0 BA, GDN	728	\$830	\$1.14
50 - 2 BR, 1.0 BA, GDN	925	\$910	\$0.98
128 - 2 BR, 2.0 BA, GDN	1,113	\$885	\$0.80
52 - 3 BR, 2.0 BA, GDN	1,303	\$915	\$0.70

Year Built	2003	Occupancy Rate	96.00% (12 Vacant Units)
Units	304	Management	ECI
Source	Brittney	Phone Number	706-552-1244

Rent Comparable Number 5 (continued)

Type of Utilities Total electric.

Utilities Furnished Trash removal.

Amenities Swimming pool, picnic area, fitness facility, playground, laundry facility, clubhouse, gated and business center. Refer to detailed breakdown below.

Kitchen Equipment Frost-free refrigerator, dishwasher, garbage disposal and stove. Washer / dryer connections in all units.

Premiums / Charges Garages are available for an additional \$85 per month and storage is available for an additional \$25 per month.

Concessions None.

Remarks Overall quality and appearance are good.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	Y
After School Program	N	Fireplaces	Y	Recycling Center	N
Alarms	Y	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	Y	Garages	Y	Social Activities	Y
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	N	Jacuzzi / Spa	N	Sports Courts	N
Ceiling Fans	Y	Laundry Facilities	Y	Storage	Y
Clubhouse / Community	Y	Meals	N	Swimming Pool	Y
Controlled Access	Y	Microwave	N	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	N	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 6



Cambridge
 360 Piccadilly Square
 Athens, Clarke County, Georgia 30605

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
40 - 1 BR, 1.0 BA, GDN	670	\$585	\$0.87
60 - 1 BR, 1.0 BA, GDN	750	\$599	\$0.80
64 - 2 BR, 2.0 BA, GDN	1,025	\$685 - \$699	\$0.67 - \$0.68
16 - 3 BR, 2.0 BA, GDN	1,150	\$775 - \$825	\$0.67 - \$0.72

Year Built	1975	Occupancy Rate	93.00% (13 Vacant Units)
Units	180	Management	Pegasus
Source	Brittney	Phone Number	706-548-1199

Rent Comparable Number 6 (continued)

Type of Utilities Total electric.

Utilities Furnished Trash removal and pest control.

Amenities Swimming pool, clubhouse, laundry facility, fitness center, basketball and volleyball.

Kitchen Equipment Refrigerator, dishwasher, stove and washer / dryer connections in all units.

Premiums / Charges None.

Concessions \$200 off 1st month's rent on two bedroom units.

Remarks Quality and condition are average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	N
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	N	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	N	Garages	N	Social Activities	N
Cable (Ten. Paid)	N	Housekeeping	N	Special Services	N
Car Wash Facility	N	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	N	Laundry Facilities	Y	Storage	N
Clubhouse / Community	Y	Meals	N	Swimming Pool	Y
Controlled Access	N	Microwave	N	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	N
Covered Parking	N	Picnic / Grilling Area	N	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 7



Spring Lake Apartments
 1287 Cedar Shoals Drive
 Athens, Clarke County, Georgia 30605

UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
56 - 1 BR, 1.0 BA, GDN	815	*\$667 / \$815	\$0.82 / \$0.98
8 - 1 BR, 2.0 BA, Loft	1,091	*\$795 / \$895	\$0.73 / \$0.82
50 - 2 BR, 2.0 BA, GDN	1,128	*\$737 / \$909	\$0.65 / \$0.81
70 - 2 BR, 2.0 BA, GDN	1,150	*\$757 / \$975	\$0.66 / \$0.85
56 - 3 BR, 2.0 BA, GDN	1,362	*\$850 / \$1,066	\$0.65 / \$0.78

* Special rates or concession rent.

Year Built	1996	Occupancy Rate	97.00% (7 Vacant Units)
Units	220	Management	Laramar
Source	Tonya	Phone Number	(706) 247-8581 No answer on call back (12/14)
Type of Utilities	Total electric.		

Rent Comparable Number 7 (continued)

- Utilities Furnished** Pest control. Trash is billed at \$15 per month.
- Amenities** Swimming pool, tennis court, gated, fitness facility, playground, car care center and laundry facility. Refer to detailed breakdown below.
- Kitchen Equipment** Frost-free refrigerator, dishwasher, microwaves, garbage disposal and stove. Washer / dryer connections in all units.
- Premiums / Charges** None reported by on-site management.
- Concessions** Special rates (concession rents) are reflected in the chart on the previous page. The onsite leasing agent was questioned as to why they were the only ones running specials and she said that they were 97% occupied and the goal is to reach 100% occupied.
- Remarks** Overall quality and appearance are slightly above average.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	Y
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	N	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	N
Business Center	N	Garages	N	Social Activities	N
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	Y	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	Y	Laundry Facilities	Y	Storage	N
Clubhouse / Community	N	Meals	N	Swimming Pool	Y
Controlled Access	N	Microwave	Y	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	Y	W / D Connections	Y

Date of Survey: November 2014

Rent Comparable Number 8



Red Oak Village
 232 Epps Bridge Road
 Athens, Clarke County, Georgia 30606

EXISTING UNIT MIX AND RENTAL STRUCTURE			
Unit Type	Unit Size (SF)	Base Rent/Month	Base Rent/SF
43 - 2 BR, 2.0 BA, GDN	1,028	\$799	\$0.78
44 - 2 BR, 2.5 BA, TH	1,178	\$799	\$0.68

Year Built	2003	Occupancy Rate	98.00% (2 Vacant Units)
Units	87	Management	Crown Point Properties
Source	Deanna	Phone Number	(706) 621-9017
Type of Utilities	Total electric.		
Utilities Furnished	Trash removal and pest control.		

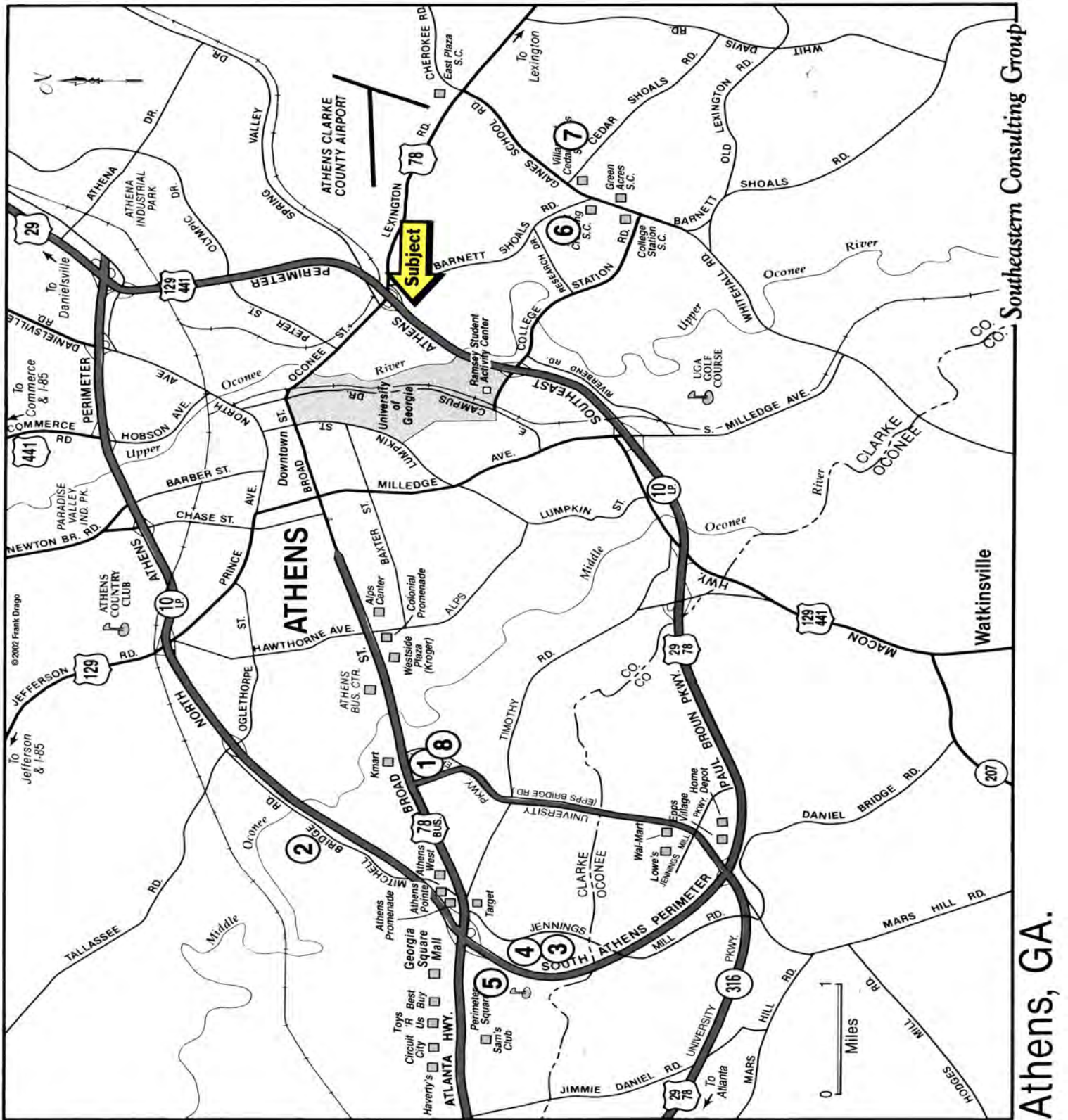
Rent Comparable Number 8 (continued)

- Amenities** Swimming pool, clubhouse, tennis court, playground, community center and fitness facility. Refer to detailed breakdown below.
- Kitchen Equipment** Frost-free refrigerator with icemaker, microwaves, dishwasher, garbage disposal and stove. Washer / dryer connections in all units.
- Premiums / Charges** None reported by on-site management.
- Concessions** None reported by on-site management.
- Remarks** Three story hardi-plank siding with stone accent apartments. Overall quality and appearance is good.

Amenities and Features					
Activity Director	N	Dry Cleaners	N	Playground	Y
After School Program	N	Fireplaces	N	Recycling Center	N
Alarms	Y	Fitness Equipment	Y	Saunas	N
Balconies	Y	Furnished (Optional)	N	Security System	Y
Business Center	N	Garages	N	Social Activities	N
Cable (Ten. Paid)	Y	Housekeeping	N	Special Services	N
Car Wash Facility	Y	Jacuzzi / Spa	N	Sports Courts	Y
Ceiling Fans	Y	Laundry Facilities	Y	Storage	Y
Clubhouse / Community	Y	Meals	N	Swimming Pool	Y
Controlled Access	Y	Microwave	Y	Transportation	N
Corporate Suites	N	Monitored	N	Window Treatments	Y
Covered Parking	N	Picnic / Grilling Area	N	W / D Connections	Y

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Rent Comparable Location Map



Competitive One-Bedroom Rental Analysis

Pinewood has the current max LIHTC rents of \$538 (60%) for the 561 SF one-bedroom unit at Pinewood. The units are currently leased at \$526. The market rate comparables reflect an effective rental range of \$540 to \$895 per month. SCG concluded that the market rate rent for the one-bedroom units at Pinewood would be \$625 per month after renovations. The comparable properties are summarized in the chart below and compared directly to Pinewood.

One-Bedroom Rentals					
Index #	Property	Sq. Ft.	Baths	Rent	Per SF
1.	Arbor Ridge	740	1.0	\$540	\$0.73
2.	High Ridge	925	1.0	\$780-\$891	\$0.84-\$0.96
3.	Legacy Mill	675	1.0	\$716-\$791	\$1.06-\$1.17
		906	1.0	\$760-\$780	\$0.84-\$0.86
4.	Westpark Club at Jennings Mill	834	1.0	\$749	\$0.90
		895	1.0	\$789	\$0.88
5.	Fairways at Jennings Mill	728	1.0	\$830	\$1.14
6.	Cambridge	670	1.0	\$585	\$0.87
		750	1.0	\$599	\$0.80
7.	Spring Lake	815	1.0	\$667 / \$800	\$0.82 / \$0.98
		1,091	1.0	\$795 / \$895	\$0.73 / \$0.82
8.	Red Oak Village	Not Available at Complex			
S.	Pinewood Max 60%	561	1.0	\$538	\$0.96
S.	Pinewood Market Rent	561	1.0	\$625	\$1.11
S.	Current Rents HAP	561	1.0	\$526	\$0.94
Source: Southeastern Consulting Group Field Survey (November 2014)					

All of the comparables are conventional. Arbor Ridge (#1) and Spring Lake (#7) were not included in the analysis due to unexplained concessions. Red Oak Village (#8) was not directly analyzed because the complex only has very large one-bedroom units. The one-bedroom rental comparables are analyzed on the following pages.

Adjustments to One-Bedroom Units

Line 3 - Effective Date - is November 14, 2014 with all rent comparable data reported as of that date.

Line 4 - Type of Project - No adjustment necessary.

Line 5 - Floor of Unit in Building - No adjustment necessary.

Line 6 - Project Occupancy - No adjustment necessary.

Line 7 - Concessions - Pinewood is not running concessions with adjustment applied to comparables with concessions not factored into rents.

Line 8 - Year Built / Year Renovated - Pinewood was built in 1979 and will be in good condition for a property in this area after renovations. The complexes that were also in good condition (like Pinewood will be) did not merit adjustment. Complexes that were in average condition were adjusted \$50. The complexes that were in above average condition were only adjusted \$25 per month.

Line 9 - Square Footage - Apartment markets typically adjust rental rates in relation to unit sizes. SCG has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. Rental rate patterns consistently show that there is some minimum base line rent that is attributable simply to being in possession of a dwelling unit and that as unit rent size increases, the rent per square foot decreases. Some portion of the rent is attributable to land and other amenities, which is a constant factor that underlies the minimum base line rent. The appraiser has observed that depending on the unit type, the incremental square footage is valued by tenants at the rate of approximately 45% to 55% of the raw dollar rent per square foot. Rent Comp #4 has one-bedroom units at 834 sf and 895 sf or a difference of 61 sf. The rental rates are \$749 and \$789 with the \$40 per month equating to \$0.66 per square foot. Rent Comp #5 has one-bedroom units at 675 sf and 750 sf or a difference of 75 sf. The rent difference is \$10 per month or \$0.13 per square foot. The two-bedroom units are 1,025 sf and 1,150 sf or 125 sf difference with a \$90 per month difference in rent or \$0.72 per square foot. To compensate for the superior square footage of the subject comparables, the appraiser used a factor of \$0.50 to calculate the appropriate adjustment of the superior square footage of the comparables over the subject property's unit types. The subject's one bedroom units have 561 square feet where the comparables have various square footages which results in adjustments in the table on the next page.

Adjustments to One-Bedroom Units (continued)

One-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	561	---	---	---
Fairways @ Jennings	728	167	\$0.50	\$83.50
High Ridge	925	364	\$0.50	\$182.00
Legacy Mill	815	254	\$0.50	\$127.00
Westpark Club	834	273	\$0.50	\$136.50
Cambridge	640	109	\$0.50	\$54.50

Line 10 - Number of Bedrooms - all units are the same number of bedrooms as Pinewood and no adjustment was necessary.

Line 11 - Number of Baths - The one-bedroom comps has the same number of bathrooms as Pinewood and no adjustment was necessary.

Line 12 - Number of Rooms - All of comps are same as the subject and no adjustment made.

Line 13 - Balcony Terrace Patio - Most rent comps are same as Pinewood and no adjustment necessary.

Line 14 - Garage or Carport - Same as subject with no adjustment necessary.

Line 15 - Equipment - Pinewood and most of the comparables have similar equipment.

Line 15 - H - Pool / Recreation Area - The comparable contained a pool and recreation area reflected by a \$10 per month adjustment.

Line 15 - I-Clubhouse / Computer Center - The comparable contained a clubhouse / computer center reflected by a \$10 per month adjustment.

Line 16 - Services - Pinewood provides cold water and sewer which is superior to the comps reflected by a \$35 per month adjustment. All other services provided are the same and no additional adjustment is merited.

Line 17 - Storage - No differences perceived for the small area and no adjustment merited.

Line 18 - Project Location - Pinewood's location was considered similar and no adjustment necessary.


Adjustments to One-Bedroom Units (continued)

Line 19 - Other - Microwave / Washer/ Dryer Connections - Washer / dryer connections are \$10.

Line 23 - Correlated Subject Rent - The adjusted range was from **\$570 to \$752** for one-bedroom units. All of the comparables are given the same weight. Very limited adjustments were necessary. The market rate unit at Pinewood is currently leased at \$526 per month. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of **\$625** per month for the one-bedroom unit.

Estimates of Market Rent By Comparison		U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner												A		
Public reporting burden for this collection of information is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required for the Housing Appropriation Act of 1974. This information is needed to analyze the reasonableness of the Annual Adjustment Factor Formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction project, exceed the existing HMR level. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.		5. Fairways @ Jennings Mill			2. High Ridge			3. Legacy Mill			4. Westpark Club			6. Cambridge		
Unit Type - One Bedroom As Renovated	Pinewood	355 Jennings Mill Pky	700 Mitchell Bridge Road	125 Jennings Mill Parkway	150 Westpark Drive	360 Piccadilly Square	Adjustment	Data	Adjustment	Data	Adjustment	Data	Adjustment	Data	Adjustment	Data
File Name: 14170		11/14/2014	11/14/2014	11/14/2014	11/14/2014	11/14/2014										
Characteristics	Subject	Garden	Garden	Garden	Garden	Garden										
3. Effective Date of Rental	11/14/2014	Three & Four	One & Two	Two & Three	One & Two	One & Two										
4. Type of Project / Stories	Garden	96.00%	93.00%	96.00%	96.00%	96.00%										
5. Floor of Unit in Building	One	None	Adm Fee Waive	None	None	None										
6. Project Occupancy	91.11%	2003 / Good	1987 / Average	1999-2000 Adv	1996 / Abv Avg	1973 / Average										
7. Concessions	No	\$84	\$182	\$50	\$25	\$55										
8. Year Built / Condition	1979 / Good	728	925	815	834	670										
9. Sq.Ft. Area - NRA	561	1	1	1	1	1										
10. Number of Bedrooms	1	1.0	1.0	1.0	1.0	1.0										
11. Number of Baths	1	3	3	3	3	3										
12. Number of Rooms	3	Small	Small	Small	Small	Small										
13. Balcony / Terrace / Patio	No	No	No	No	No	No										
14. Garage or Carport	Yes	Yes	Yes	Yes	Yes	Yes										
15. EQUIPMENT: a. Air Conditioning	Yes / Central	Yes	Yes	Yes	Yes	Yes										
b. Range / Oven	Yes	Yes	Yes	Yes	Yes	Yes										
c. Refrigerator	Yes	Yes	Yes	Yes	Yes	Yes										
d. Disposal	Yes	Yes	Yes	Yes	Yes	Yes										
e. Vent Fan	Yes	Yes	Yes	Yes	Yes	Yes										
f. Dishwasher	Yes	Yes	Yes	Yes	Yes	Yes										
g. Carpet / Blinds	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
h. Pool / Recreational Area	No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
i. Clubhouse / Computer Ctr	No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
j. Security / CAS	No	No	No	No	No	No										
16. SERVICES: a. Heat / Type	No / Gas	No / Gas	No / Gas	No / Gas	No / Gas	No / Gas										
b. Cook / Type	No / Gas	No / Gas	No / Gas	No / Gas	No / Gas	No / Gas										
c. Electricity	No	No	No	No	No	No										
d. Water Cold / Hot	Yes / No	No / No	Extra Charge	Extra Charge	Extra Charge	Extra Charge										
17. STORAGE	None	Sm Area	Sm Area	Sm Area	Sm Area	Sm Area										
18. Project Location	Average	Average	Average	Average	Average	Average										
19. Other / Community Services	None	No	No	No	No	No										
Micro / W-D Conn	No / No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
20. Unit Rent / Month	\$526	\$830	\$780	\$780	\$780	\$780										
21. Total Adjustments (- / +)		\$114	\$35	\$212	\$85	\$157										
22. Indicated Rent		\$752	\$653	\$570	\$643	\$586										
23. Correlated Subject Rent	\$825															

Note: In the adjustment column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "plus" amount and if subject is inferior to the comparable, enter a "minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature & Date

 11/14/2014

Reviewer's Signature & Date

Competitive Two-Bedroom Rental Analysis

Pinewood has the current max LIHTC rent of \$647 (60%) for the 799 SF two-bedroom unit at Pinewood. The unit is currently leased at \$579. The market rate comparables reflect an effective rental range of \$585 to \$975 per month. SCG concluded that the renovated two-bedroom market rents would be \$700 per month. The comparable properties are summarized in the chart below and compared directly to Pinewood.

Two-Bedroom Rentals					
Index #	Property	Sq. Ft.	Baths	Rent	Per SF
1.	Arbor Ridge	960	1.5	\$585	\$0.61
2.	High Ridge	1,164 1,317	2.0 2.0	\$909 \$835-\$973	\$0.78 \$0.63-\$0.74
3.	Legacy Mill	1,117 1,186	1.0 2.0	\$809 \$770-\$810	\$0.72 \$0.65-\$0.68
4.	Westpark Club at Jennings Mill	1,232 1,257	2.0 2.0	\$829 \$869	\$0.67 \$0.69
5.	Fairways at Jennings Mill	925 1,113	1.0 2.0	\$910 \$885	\$0.98 \$0.80
6.	Cambridge	1,025	2.0	\$685-\$699	\$0.67-\$0.68
7.	Spring Lake	1,128 1,150	2.0 2.0	\$737 / \$909 \$757 / \$975	\$0.65 / \$0.81 \$0.66 / \$0.85
8.	Red Oak Village	1,028 1,178	2.0 2.5	\$799 \$799	\$0.78 \$0.68
S.	Pinewood Max 60%	799	1.0	\$647	\$0.81
S.	Pinewood Market Rent	799	1.0	\$700	\$0.88
S.	Current Rents 60%	799	1.0	\$579	\$0.72
Source: Southeastern Consulting Group Field Survey (November 2014)					

All of the comparables are conventional. The two-bedroom rental comparables are analyzed on the following pages.

Adjustments to Two-Bedroom Units

Line 3 - Effective Date - is November 14, 2014 with all rent comparable data reported as of that date.

Line 4 - Type of Project - No adjustment necessary.

Line 5 - Floor of Unit in Building - No adjustment necessary.

Line 6 - Project Occupancy - No adjustment necessary. Occupancy factored into effective rents.

Line 7 - Concessions - Pinewood is not running concessions with adjustment applied to comparables with concessions not factored into rents.

Line 8 - Year Built / Year Renovated - Pinewood was built in 1979 and will be in good condition for a property in this area after renovations. The complexes that were also in good condition (like Pinewood will be) did not merit adjustment. Complexes that were in average condition were adjusted \$50. The complexes that were in above average condition were only adjusted \$25 per month.

Line 9 - Square Footage - Apartment markets typically adjust rental rates in relation to unit sizes. SCG has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. Rental rate patterns consistently show that there is some minimum base line rent that is attributable simply to being in possession of a dwelling unit and that as unit rent size increases, the rent per square foot decreases. Some portion of the rent is attributable to land and other amenities, which is a constant factor that underlies the minimum base line rent. The appraiser has observed that depending on the unit type, the incremental square footage is valued by tenants at the rate of approximately 45% to 55% of the raw dollar rent per square foot. Rent Comp #4 has one-bedroom units at 834 sf and 895 sf or a difference of 61 sf. The rental rates are \$749 and \$789 with the \$40 per month equating to \$0.66 per square foot. Rent Comp #5 has one-bedroom units at 675 sf and 750 sf or a difference of 75 sf. The rent difference is \$10 per month or \$0.13 per square foot. The two-bedroom units are 1,025 sf and 1,150 sf or 125 sf difference with a \$90 per month difference in rent or \$0.72 per square foot. To compensate for the superior square footage of the subject comparables, the appraiser used a factor of \$0.50 to calculate the appropriate adjustment of the superior square footage of the comparables over the subject property's unit types. The subject's two bedroom units have 799 square feet where the comparables have various square footages which results in adjustments in the table on the next page.

Adjustments to Two-Bedroom Units (continued)

Two-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	799	---	---	---
Fairways @ Jennings	925	126	\$0.50	\$63.00
High Ridge	1,164	365	\$0.50	\$182.50
Legacy Mill	1,117	318	\$0.50	\$159.00
Westpark Club	1,232	433	\$0.50	\$216.50
Cambridge	1,025	226	\$0.50	\$113.00

Line 10 - Number of Bedrooms - all units are the same number of bedrooms as Pinewood and no adjustment was necessary.

Line 11 - Number of Baths - Several comps has the same number (one) of bathrooms as Pinewood and no adjustment was necessary. Adjustments made for extra bath difference.

Line 12 - Number of Rooms - All of comps are same as the subject and no adjustment made.

Line 13 - Balcony Terrace Patio - Most rent comps are same as Pinewood and no adjustment necessary.

Line 14 - Garage or Carport - Same as subject with no adjustment necessary.

Line 15 - Equipment - Pinewood and most of the comparables have similar equipment.

Line 15 - H - Pool / Recreation Area - The comparable contained a pool and recreation area reflected by a \$10 per month adjustment.

Line 15 - I-Clubhouse / Computer Center - The comparable contained a clubhouse / computer center reflected by a \$10 per month adjustment.

Line 16 - Services - Pinewood provides cold water and sewer which is superior to the comps reflected by a \$45 per month adjustment. All other services provided are the same and no additional adjustment is merited.

Line 17 - Storage - No differences perceived for the small area and no adjustment merited.

Line 18 - Project Location - Pinewood's location was considered similar and no adjustment necessary.

Adjustments to Two-Bedroom Units (continued)

Line 19 - Other - Microwave / Washer/ Dryer Connections - \$10 adjustments merited.

Line 23 - Correlated Subject Rent - The adjusted range was from **\$612 to \$862** for two-bedroom units. All of the comparables are given the same weight. Very limited adjustments were necessary. The two-bedroom unit at Pinewood is currently leased at \$579 per month. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of **\$700** per month for the two-bedroom unit.

Estimates of Market Rent By Comparison		U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner												B		
SUBJECT PROPERTY Pinewood		5. Fairways @ Jennings Mill			2. High Ridge			3. Legacy Mill			4. Westpark Club			6. Cambridge		
Unit Type - Two Bedroom Renovated	Pinewood	355 Jennings Mill Pky	700 Mitchell Bridge Road	125 Jennings Mill Parkway	150 Westpark Drive	360 Piccadilly Square	Data	Adjustment	Data	Adjustment	Data	Adjustment	Data	Adjustment	Data	Adjustment
File Name: 14153																
Characteristics	Subject	11/14/2014	11/14/2014	11/14/2014	11/14/2014	11/14/2014										
3. Effective Date of Rental	Townhouse	Garden	Garden	Garden	Garden	Garden										
4. Type of Project / Stories	Two	Three & Four	One & Two	Two & Three	One & Two	One & Two										
5. Floor of Unit in Building	91.11%	96.00%	93.00%	96.00%	93.00%	96.00%										
6. Project Occupancy	No	None	Adm Fee Waive	None	None	None										
7. Concessions	1979 / Good	2003 / Good	1987 / Average	1995-2000 Abv	1996 / Abv Avg	1973 / Average										
8. Year Built / Condition	799	925	1164	1117	1232	1025										
9. Sq. Ft. Area - NRA	2	2	2	2	2	2										
10. Number of Bedrooms	1.0	1.0	2.0	1.0	2.0	2.0										
11. Number of Baths	4	4	4	4	4	4										
12. Number of Rooms	Small	Small	Small	Small	Small	Small										
13. Balcony / Terrace / Patio	No	No	No	No	No	No										
14. Garage or Carport	Yes / Central	Yes	Yes	Yes	Yes	Yes										
15. EQUIPMENT: a. Air Cond	Yes	Yes	Yes	Yes	Yes	Yes										
b. Range / Oven	Yes	Yes	Yes	Yes	Yes	Yes										
c. Refrigerator	Yes	Yes	Yes	Yes	Yes	Yes										
d. Disposal	Yes	Yes	Yes	Yes	Yes	Yes										
e. Vent Fan	Yes	Yes	Yes	Yes	Yes	Yes										
f. Dishwasher	Yes	Yes	Yes	Yes	Yes	Yes										
g. Carpet / Blinds	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
h. Pool / Recreational Area	No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
i. Clubhouse / Computer Center	No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
j. Security / CAS	No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
16. SERVICES: a. Heat / Type	No / Gas	No	No	No	No	No										
b. Cook / Type	No / Gas	No	No	No	No	No										
c. Electricity	No	No	No	No	No	No										
d. Water Cold / Hot	Yes / No	No / No	Extra Charge	Extra Charge	Extra Charge	Extra Charge										
17. STORAGE	None	Sm Area	Sm Area	Sm Area	Sm Area	Sm Area										
18. Project Location	Average	Average	Average	Average	Average	Average										
19. Other / Community Services	None	No	No	No	No	No										
Micro / W-D Conn	No / No	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes										
20. Unit Rent / Month	\$579	\$910	\$909	\$809	\$829	\$685										
21. Total Adjustments (-/+)		\$93	\$45	\$238	\$95	\$168										
22. Indicated Rent		\$862	\$767	\$690	\$628	\$612										
23. Correlated Subject Rent	\$700															

Note: In the adjustment column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "plus" amount and if subject is inferior to the comparable, enter a "minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature & Date

 11/14/2014

Reviewer's Signature & Date

Competitive Three-Bedroom Rental Analysis

Pinewood has LIHTC rents of \$741 (60%) three-bedroom unit and \$819 (60%) for the 1,115 SF four-bedroom unit at Pinewood. The market rate comparables reflect an effective rental range of \$695 to \$1,067 per month. SCG concluded that the renovated three-bedroom market rent at Pinewood would be \$775 per month. SCG also concluded that the renovated four-bedroom market rent at Pinewood would be \$925 per month. The comparable properties are summarized on the chart below and compared directly to Pinewood.

Three and Four-Bedroom Rentals					
Index #	Property	Sq. Ft.	Baths	Rent	Per SF
1.	Arbor Ridge	1,200	2.0	\$695	\$0.58
2.	High Ridge	1,338	2.0	\$934-\$1,067	\$0.70-\$0.80
3.	Legacy Mill	1,350	2.0	\$889-\$902	\$0.66-\$0.67
4.	Westpark Club at Jennings Mill	Not Available at Complex			
5.	Fairways at Jennings Mill	1,303	2.0	\$915	\$0.70
6.	Cambridge	1,150	2.0	\$775-\$825	\$0.67-\$0.72
7.	Spring Lake	1,362	2.0	\$890 / \$1,066	\$0.65 / \$0.78
8.	Red Oak Village	Not Available at Complex			
S.	Pinewood Max 60% 3 BR	970	1.5	\$741	\$0.76
S.	Pinewood Market Rents 3 BR	970	1.5	\$775	\$0.80
S.	Current Rents HAP 3 BR	970	1.5	\$709	\$0.73
S.	Pinewood Max 60% 4 BR	1,115	1.5	\$819	\$0.73
S.	Pinewood Market Rents 4 BR	1,115	1.5	\$925	\$0.83
S.	Current Rents HAP 4 BR	1,115	1.5	\$810	\$0.73
Source: Southeastern Consulting Group Field Survey (November 2014)					

All of the comparables are conventional. The three-bedroom rental comparables are analyzed on the following pages first.

Adjustments to Three-Bedroom Units

Line 3 - Effective Date - is November 14, 2014 with all rent comparable data reported as of that date.

Line 4 - Type of Project - No adjustment necessary.

Line 5 - Floor of Unit in Building - No adjustment necessary.

Line 6 - Project Occupancy - No adjustment necessary. Occupancy factored into effective rents.

Line 7 - Concessions - Pinewood is not running concessions with adjustment applied to comparables with concessions not factored into rents.

Line 8 - Year Built / Year Renovated - Pinewood was built in 1979 and will be in good condition for a property in this area after renovations. The complexes that were also in good condition (like Pinewood will be) did not merit adjustment. Complexes that were in average condition were adjusted \$50. The complexes that were in above average condition were only adjusted \$25 per month.

Line 9 - Square Footage / Size - Apartment markets typically adjust rental rates in relation to unit sizes. SCG has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. Rental rate patterns consistently show that there is some minimum base line rent that is attributable simply to being in possession of a dwelling unit and that as unit rent size increases, the rent per square foot decreases. Some portion of the rent is attributable to land and other amenities, which is a constant factor that underlies the minimum base line rent. The appraiser has observed that depending on the unit type, the incremental square footage is valued by tenants at the rate of approximately 45% to 55% of the raw dollar rent per square foot. Refer to page 88 for explanation. To compensate for the superior square footage of the subject comparables, the appraiser used a factor of \$0.50 to calculate the appropriate adjustment of the superior square footage of the comparables over the subject property's unit types. The subject's three-bedroom units have 970 sf and are adjusted by the chart on the next page.

Line 10 - Number of Bedrooms - Rent Comp #2 has two and three bedroom units that are almost the same size at 1,317 sf and 1,338 sf with the difference in rent of \$97.50 after a minor size adjustment attributable to the extra bedroom. Rent Comp #3 has a two-bedroom at 1,186 sf at \$770 per month and a three-bedroom at 1,350 sf at \$889. The \$119 per month difference is reduced by \$82 (\$0.50 / sf) for the size leaving \$37 for the extra bedroom. The extra bedroom adjustment is \$50 per bedroom per month.

Adjustments to Three-Bedroom Units (continued)

Three-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	970	---	---	---
Fairways @ Jennings	1,303	333	\$0.50	\$166.50
High Ridge	1,338	368	\$0.50	\$184.00
Legacy Mill	1,350	380	\$0.50	\$190.00
Westpark Club	1,257	287	\$0.50	\$143.50
Cmabridge	1,150	180	\$0.50	\$90.00

Line 11 - Number of Baths - Bathroom adjustments are \$15 for half bath and \$25 for full bath difference.

Line 14 - Garage or Carport - Same as subject with no adjustment necessary.

Line 15 - Equipment - Pinewood and most of the comparables have similar equipment.

Line 15 - H - Pool / Recreation Area - The comparable contained a pool and recreation area reflected by a \$10 per month adjustment.

Line 15 - I-Clubhouse / Computer Center - The comparable contained a clubhouse / computer center reflected by a \$10 per month adjustment.

Line 16 - Services - Pinewood provides cold water and sewer which is superior to most of the comps reflected by a \$55 per month adjustment.

Line 17 - Storage - No differences perceived for the small area and no adjustment merited.

Line 18 - Project Location - Pinewood's location was considered average which was similar.

Line 19 - Other - Microwave / Washer/ Dryer Connections - \$10 adjustments merited.

Line 23 - Correlated Subject Rent - The adjusted range was from **\$710 to \$811** for three-bedroom units. The market rate units at Pinewood are currently leased at \$709 per month. All of the comparables are given the same weight. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of **\$775** per month for three-bedroom unit.

Estimates of Market Rent By Comparison		U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner		OMB Approval No. 2504-0023 (Exp. 10/31/2012)		C			
SUBJECT PROPERTY Pinewood		5. Fairways @ Jennings Mill		3. Legacy Mill		4. Westpark Club		6. Cambridge	
File Name: 14170	Unit Type - Three Bedroom Renovated	355 Jennings Mill Pkwy	700 Mitchell Bridge Road	125 Jennings Mill Parkway	150 Westpark Drive	360 Piccadilly Square			
Characteristics	Subject	Data	Data	Data	Data	Data	Adjustment	Adjustment	Adjustment
3. Effective Date of Rental	11/14/2014	11/14/2014	11/14/2014	11/14/2014	11/14/2014	11/14/2014	+	+	+
4. Type of Project / Stories	Townhouse	Garden	Garden	Garden	Garden	Garden			
5. Floor of Unit in Building	One	Three & Four	One & Two	Two & Three	One & Two	One & Two			
6. Project Occupancy	91.11%	96.00%	93.00%	96.00%	96.00%	96.00%			
7. Concessions	No	None	Adm Fee Waive	None	None	None			
8. Year Built / Condition	1979 / Good	2003 / Good	1987 / Average	1999-2000 Adv	1996 / Abv Avg	1973 / Average	\$50	\$25	\$50
9. Sq.Ft. Area - NRA	970	1303	\$167	1338	\$184	1350	\$190	\$144	\$90
10. Number of Bedrooms	3	3	3	3	3	3		\$25	3
11. Number of Baths	1.5	2.0	\$15	2.0	\$15	2.0	\$15	\$15	2.0
12. Number of Rooms	5	5	5	5	5	5			5
13. Balcony / Terrace / Patio	Small	Small	Small	Small	Small	Small			Small
14. Garage or Carport	No	No	No	No	No	No			No
15. EQUIPMENT: a. Air Conditioning	Yes / Central	Yes	Yes	Yes	Yes	Yes			Yes
b. Range / Oven	Yes	Yes	Yes	Yes	Yes	Yes			Yes
c. Refrigerator	Yes	Yes	Yes	Yes	Yes	Yes			Yes
d. Disposal	Yes	Yes	Yes	Yes	Yes	Yes			Yes
e. Vent Fan	Yes	Yes	Yes	Yes	Yes	Yes			Yes
f. Dishwasher	Yes	Yes	Yes	Yes	Yes	Yes			Yes
g. Carpet / Blinds	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes			Yes / Yes
h. Pool / Recreational Area	No	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	\$10	Yes / Yes
i. Clubhouse / Computer Center	No	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	\$10	Yes / Yes
j. Security / CAS	No	No	No	No	No	No			No
16. SERVICES: a. Heat / Type	No / Gas	No	No	No	No	No			No / Elec
b. Cook / Type	No / Gas	No	No	No	No	No			No / Elec
c. Electricity	No	No	No	No	No	No			No
d. Water Cold / Hot	Yes / No	No / No	\$55	Extra Charge	\$55	Extra Charge	\$55	\$55	No
17. STORAGE	None	Sm Area	Sm Area	Sm Area	Sm Area	Sm Area			Sm Area
18. Project Location	Average	Average	\$100	Average	Average	Average			Average
19. Other / Community Services	None	No	No	No	No	No			No
Microwave / Washer-Dryer Connection	No / No	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	\$10	Yes / Yes
20. Unit Rent / Month	\$709	\$915	\$212	\$889	\$889	\$869	\$189	\$105	\$775
21. Total Adjustments (- / +)		\$212	\$55	\$329	\$105	\$80	\$235	\$80	\$135
22. Indicated Rent		\$759	\$710	\$734	\$734	\$786	\$189	\$105	\$135
23. Correlated Subject Rent	\$775								\$745

Note: In the adjustment column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "plus" amount and if subject is inferior to the comparable, enter a "minus" amount. Use base of page to explain adjustments as needed.

Appraiser's Signature & Date

 11/14/2014

Reviewer's Signature & Date

Adjustments to Four-Bedroom Units

Line 3 - Effective Date - is November 14, 2014 with all rent comparable data reported as of that date.

Line 4 - Type of Project - No adjustment necessary.

Line 5 - Floor of Unit in Building - No adjustment necessary.

Line 6 - Project Occupancy - No adjustment necessary. Occupancy factored into effective rents.

Line 7 - Concessions - Pinewood is not running concessions with adjustment applied to comparables with concessions not factored into rents.

Line 8 - Year Built / Year Renovated - Pinewood was built in 1979 and will be in good condition for a property in this area after renovations. The complexes that were also in good condition (like Pinewood will be) did not merit adjustment. Complexes that were in average condition were adjusted \$50. The complexes that were in above average condition were only adjusted \$25 per month.

Line 9 - Square Footage / Size - Apartment markets typically adjust rental rates in relation to unit sizes. SCG has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. Rental rate patterns consistently show that there is some minimum base line rent that is attributable simply to being in possession of a dwelling unit and that as unit rent size increases, the rent per square foot decreases. Some portion of the rent is attributable to land and other amenities, which is a constant factor that underlies the minimum base line rent. The appraiser has observed that depending on the unit type, the incremental square footage is valued by tenants at the rate of approximately 45% to 55% of the raw dollar rent per square foot. Refer to page 88 for explanation. To compensate for the superior square footage of the subject comparables, the appraiser used a factor of \$0.50 to calculate the appropriate adjustment of the superior square footage of the comparables over the subject property's unit types. The subject's four bedroom units have 1,115 square feet.

Line 10 - Number of Bedrooms - Rent Comp #2 has two and three bedroom units that are almost the same size at 1,317 sf and 1,338 sf with the difference in rent of \$97.50 after a minor size adjustment attributable to the extra bedroom. Rent Comp #3 has a two-bedroom at 1,186 sf at \$770 per month and a three-bedroom at 1,350 sf at \$889. The \$119 per month difference is reduced by \$82 (\$0.50 / sf) for the size leaving \$37 for the extra bedroom. The extra bedroom adjustment is \$50 per bedroom per month.

Adjustments to Four-Bedroom Units (continued)

Four-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	1,115	---	---	---
Fairways @ Jennings	1,303	188	\$0.40	\$75.20
High Ridge	1,338	223	\$0.40	\$89.20
Legacy Mill	1,350	235	\$0.40	\$94.00
Westpark Club	1,257	142	\$0.40	\$56.80
Cambridge	1,150	35	\$0.40	\$14.00

Line 11 - Number of Baths - Bathroom adjustments are \$15 for half baths and \$25 for full baths.

Line 14 - Garage or Carport - Same as subject with no adjustment necessary.

Line 15 - Equipment - Pinewood and most of the comparables have similar equipment.

Line 15 - H - Pool / Recreation Area - The comparable contained a pool and recreation area reflected by a \$10 per month adjustment.

Line 15 - I-Clubhouse / Computer Center - The comparable contained a clubhouse / computer center reflected by a \$10 per month adjustment.

Line 16 - Services - Pinewood provides cold water and sewer which is superior to most of the comps reflected by a \$65 per month adjustment.

Line 17 - Storage - No differences perceived for the small area and no adjustment merited.

Line 18 - Project Location - Pinewood's location was considered average similar to the comparables.

Line 19 - Other - Microwave / Washer/ Dryer Connections - \$10 adjustment merited.

Line 23 - Correlated Subject Rent - The adjusted range was from **\$881 to \$965** for four-bedroom units. The HAP units at Pinewood are currently leased at \$810 per month. All of the comparables are given the same weight. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of **\$925** per month for four-bedroom unit.

U.S. Department of Housing and Urban Development
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Estimates of Market Rent
 By Comparison


D

OMB Approval No. 2542-0047

SUBJECT PROPERTY Pinewood
 Unit Type - Four Bedroom Renovated

File Name: 14170	Data	Subject	5. Fairways @ Jennings Mill		2. High Ridge		3. Legacy Mill		4. Westpark Club		6. Cambridge	
			355 Jennings Mill Pky	700 Mitchell Bridge Road	125 Jennings Mill Parkway	150 Westpark Drive	360 Piccadilly Square					
Characteristics	Data	Subject	Date	Adjustment	Date	Adjustment	Date	Adjustment	Date	Adjustment	Date	Adjustment
3. Effective Date of Rental	11/14/2014	Townhouse	11/14/2014		11/14/2014		11/14/2014		11/14/2014		11/14/2014	
4. Type of Project / Stories	One	91.11%	Three & Four	93.00%	One & Two	96.00%	Two & Three	96.00%	One & Two	96.00%	One & Two	93.00%
5. Floor of Unit in Building	No	1979 / Good	2003 / Good	1987 / Average	Adm Fee Waive	None	None	None	None	None	None	None
6. Project Occupancy	1115	1303	1338	\$89	1350	\$94	1257	\$57	1150	\$14	1973 / Average	\$50
8. Year Built / Condition	4	3	3	\$25	3	\$25	3	\$25	2	\$15	2	\$15
9. Sq.Ft. Area - NRA	1.5	2.0	2.0	\$15	2.0	\$15	2.0	\$15	2.0	\$15	2.0	\$15
10. Number of Bedrooms	6	6	6		6		6		6		6	
11. Number of Baths	Small	No	Small	No	No	Small	No	Small	No	Small	No	Small
12. Balcony / Terrace / Patio	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
14. Garage or Carport	Yes / Central	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15. EQUIPMENT: a. Air Conditioning	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Range / Oven	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Refrigerator	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
d. Disposal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
e. Vent Fan	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
f. Dishwasher	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
g. Carpet / Blinds	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes
h. Pool / Recreational Area	No	Yes / Yes	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10
i. Clubhouse / Computer Center	No	Yes / Yes	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10
j. Security / CAS	No	No	No		No		No		No		No	
16. SERVICES: a. Heat / Type	No / Gas	No	No		No		No		No		No	
b. Cook / Type	No / Gas	No	No		No		No		No		No	
c. Electricity	No	No	No		No		No		No		No	
d. Water Cold / Hot	Yes / No	No / No	Extra Charge	\$65	Extra Charge	\$65	Extra Charge	\$65	Extra Charge	\$65	Extra Charge	\$65
17. STORAGE	None	Sm Area	Average		Sm Area	Average	Sm Area	Average	Sm Area	Average	Sm Area	Average
18. Project Location	Average	Average	Average		Average		Average		Average		Average	
19. Other	None	No	No		No		No		No		No	
Microwave / Washer-Dryer Connector	No / No	Yes / Yes	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10	Yes / Yes	\$10
20. Unit Rent / Month	\$810	\$915	\$934	\$120	\$90	\$134	\$140	\$139	\$115	\$102	\$140	\$59
21. Total Adjustments (- / +)		\$885	\$940		\$855		\$865		\$907		\$856	
22. Indicated Rent		\$825			\$925		\$925		\$925		\$925	
23. Correlated Subject Rent												

Notes: In the adjustment column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "plus" amount and if subject is inferior to the comparable, enter a "minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature & Date:  11/14/2014

Reviewer's Signature & Date: _____

Rental Concessions

Three of the eight comparable properties surveyed by SCG were offering monthly specials. The specials range from reduced rates, to \$200 off the first month's rent on two-bedroom units and the other is waiving administrative fees. No additional information was provided for why the concessions are still in effect. SCG re-verified the rental concession with the on-site management indicating the reason for the concession is to raise occupancy to 100%. None of the rent comps used in the rental analysis were offering concessions. Based on SCG's survey results, overall occupancy in the subject's neighborhood averaged 95.18%. Market rents were estimated based on rental comparables with no additional adjustment for concessions made to the previously estimated market rents. Based on SCG's analysis of the foregoing data and the base market rents, SCG has determined that Pinewood Apartments will not provide rent concessions.

Summary Market Rents

The estimate of market rents assumes that any deferred maintenance has been cured and any needed repairs and the proposed renovations made. Based on the SCG analysis of the foregoing data, Southeastern Consulting Group has determined that, based on the estimated market rents, the subject will not have to provide any future rent concessions. **The actual post renovations market rental rates for the subject unit types have been adopted.** The subject's forecasted market rental levels appear to be reasonable and future concessions are not deemed necessary or included in the estimated market rents.

Credit, Collection, and Vacancy Loss

The Clarke County area, with a mix of trade and transportation, tourism, education, insurance, financial services, health care, retail trade, manufacturing and technology, has experienced good economic advancement in recent years. This diversity has bolstered and broadened the area's economic base. **The September 2014 unemployment rate represents a decrease to 5.7% for the MSA. Unemployment in the area remains at a lower level than the State of Georgia's, which is at 7.9%, and equal to the nation's, at 5.7%, for this same time period.** The August 2014 Georgia State Forecast reports 62,100 new jobs in 2014 for Georgia. The Georgia 2014 unemployment rate of 6.9% will continue to fall to 6.3% in 2015 and 5.7% in 2016. The local area tends to have a lower unemployment rate than the national average. The state, county, and the MSA are following national trends and decreasing as the economy continues to slowly increase. The local area should not be as negatively effected by the current recession that this country has been experiencing over the past couple of years. The area will also bounce back faster.

Credit, Collection, and Vacancy Loss (continued)

To further estimate market occupancy levels, a market survey was completed in November 2014. Approximately 1,596 units were included in SCG’s market survey totaling eight projects. The stabilized occupancy rates range from 92% to 98% with an average of 95.18%. Most of the neighborhood properties exhibit good overall maintenance and condition. Many of the local complexes are of similar vintage and target a homogeneous tenant profile. Pinewood is 100% subsidized and has 8 vacants or 91.1% occupancy. The results of the SCG survey are illustrated in the table below. The market appears to be at a stabilized level of around 95%.

Competing Rental Properties					
No.	Complex	Total Units	Year Built	Vacants	Occupancy
1	Arbor Ridge	160	1962	13	92.00%
2	High Ridge	160	1987	11	93.00%
3	Legacy Mill	349	1999-2000	14	96.00%
4	Westpark Club at Jennings Mill	136	1996	5	96.00%
5	Fairways at Jennings Mill	304	2003	12	96.00%
6	Cambridge	180	1975	13	93.00%
7	Spring Lake	220	1996	7	97.00%
8	Red Oak Village	87	2003	2	98.00%
Totals / Averages		1,596	---	77	95.18%
Source: Southeastern Consulting Group Survey - November 2014					

Based upon the historical vacancy and occupancy levels, the overall market should be stabilized at about 95% at market and 97% as restricted.

Properties in the area also experience credit and collection losses which vary from 1% to 3% with 2% forecast. **Collection loss at an additional 2% at market and 1% as restricted.**

The **7.0% overall or total vacancy, credit and collection loss** factor includes vacancy loss and credit and collection loss or a **93.0%** overall occupancy rate at market.

The **4.0%** overall or total vacancy, credit and collection loss factor is as subsidized as a Section 8 Property.

Other Income

Additionally, apartment communities derive miscellaneous revenue from such sources as laundry income, deposit forfeitures, application fees, furniture rentals and late fees. Other income for Pinewood Apartments and the comparables are illustrated in the chart below. Laundry income has been added at \$2.50 per unit per month with \$2.50 included for forfeitures & damages, \$2.00 for application fees and \$2.50 NSF and late fees. Forfeitures are supported by the following expense comparables and the 2013 subject history. Miscellaneous other income is included at \$2.50 per unit per month. Total other income is included at \$12.50 per unit per month.

Other Income / Unit / Month							
ID	Laundry	Sec. Forf. & Damages	App. Fee	NSF and Late Fee	Pet Fee	Misc. Other Income	Total
Comparable #1	\$0.11	\$5.18	\$1.41	\$10.26	\$1.88	\$3.82	\$22.65
Comparable #2	\$1.25	\$0.74	\$1.20	\$7.91	\$0.14	\$1.98	\$13.23
Comparable #3	\$0.93	\$15.42	\$4.46	\$9.17	\$0.97	\$56.68	\$87.62
Comparable #4	\$0.38	\$6.06	\$2.65	\$8.42	\$0.00	\$0.00	\$17.51
Subject 2011	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6.07	\$6.07
Subject 2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.90	\$4.90
Subject 2013	\$0.72	\$2.54	\$0.00	\$2.49	\$0.00	\$11.35	\$17.10
Forecast	\$2.50	\$2.50	\$2.00	\$2.50	\$0.50	\$2.50	\$12.50

Gross Potential Income

Based upon these forecasts the market level and As-Restricted Income Projections are as follows and are the same:

Market Income Projections						
Unit Type	No. of Units	Unit Sq. Ft	Current HAP Rents	Adj Factor	Renovate d Market Rent	Market Monthly Rent
A - 1 BR, 1.0 BA, GDN, MKT	14	561	\$526.00	1.188	\$625.00	\$ 8,750.00
B - 2 BR, 1.5 BA, TH, MKT	40	799	\$579.00	1.209	\$700.00	\$ 28,000.00
C - 3 BR, 1.5 BA, TH, MKT	30	970	\$709.00	1.093	\$775.00	\$ 23,250.00
D - 4 BR, 1.5 BA, TH, MKT	6	1,115	\$810.00	1.099	\$925.00	\$ 5,550.00
Totals/Averages	90	840	\$629.49	1.153	\$728.33	\$ 65,550.00
Miscellaneous Income	\$10.00 Per Unit Per Month x 90 Units					\$ 900.00
Laundry Income	\$2.50 Per Unit Per Month x 90 Units					\$ 225.00
Total Monthly Income	\$740.83 Per Unit					\$ 66,675.00
Total Annual Income	\$8,890.00 Per Unit					\$ 800,100.00

Restricted Income Projections						
Unit Type	No. of Units	Unit Sq. Ft	Current HAP Rents	Adj Factor	Market HAP Rents	Market Monthly Rent
A - 1 BR, 1.0 BA, GDN, 60%	14	561	\$526.00	1.188	\$625.00	\$ 8,750.00
B - 2 BR, 1.5 BA, TH, 60%	40	799	\$579.00	1.209	\$700.00	\$ 28,000.00
C - 3 BR, 1.5 BA, TH, 60%	30	970	\$709.00	1.093	\$775.00	\$ 23,250.00
D - 4 BR, 1.5 BA, TH, 60%	6	1,115	\$810.00	1.099	\$925.00	\$ 5,550.00
Totals/Averages	90	840	\$629.49	1.153	\$728.33	\$ 65,550.00
Miscellaneous Income	\$10.00 Per Unit Per Month x 90 Units					\$ 900.00
Laundry Income	\$2.50 Per Unit Per Month x 90 Units					\$ 225.00
Total Monthly Income	\$740.83 Per Unit					\$ 66,675.00
Total Annual Income	\$8,890.00 Per Unit					\$ 800,100.00

It is noted that the restricted and unrestricted rents after renovations are the same.

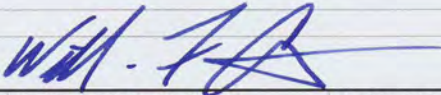
Expense Analysis

In deriving an estimate of net income, it is necessary to consider various expenses and allowances ascribable to the operation of a property of this type. In estimating these expenses and allowances, Southeastern Consulting Group has given consideration to operating costs typically experienced by similar apartment properties. Expense data published by the Institute of Real Estate Management (IREM) in the **Income / Expense Analysis: Conventional Apartments** has also been reviewed. The 2013 IREM Survey for Atlanta reflected data for 2011 to 2013 and is reflected in the chart below.

Conventional Apartments by Metro - ATLANTA, GA - GARDEN BUILDINGS						
Line Item	2013		2012		2011	
	Median \$ / Unit	Median % of GPI	Median \$ / Unit	Median % of GPI	Median \$ / Unit	Median % of GPI
RENTS-APARTMENTS	10,367	90.8	9,231	92.1	9,352	92.4
RENTS-GARAGE/PARKING	52	0.5	58	0.5	68	0.6
RENTS-STORES/OFFICES	None	None	None	None	None	None
GROSS POSSIBLE RENTS	10,426	90.9	9,231	92.1	9,401	92.4
CONCESSIONS	48	0.4	140	1.5	229	2.3
VACANCIES/RENT LOSS	868	7.9	815	8.6	1,239	11.7
TOTAL RENTS COLLECTED	8,912	81.0	8,027	79.8	7,808	77.2
OTHER INCOME	1,023	9.1	909	8.0	779	7.6
GROSS POSSIBLE INCOME	11,252	100.0	10,319	100.0	10,344	100.0
TOTAL COLLECTIONS	9,976	89.7	8,913	87.6	8,676	85.2
MANAGEMENT FEE	332	2.8	343	3.3	281	2.6
OTHER ADMINISTRATIVE.**	387	3.1	460	4.0	554	4.8
SUBTOTAL ADMINIST.	811	6.3	792	6.8	769	6.5
SUPPLIES	14	0.2	58	0.4	31	0.2
HEATING FUEL-CA ONLY*	45	0.4	65	0.7	48	0.5
CA & APTS.*	None	None	None	None	None	None
ELECTRICITY-CA ONLY* **	178	1.5	179	1.7	188	1.8
CA & APTS.*	None	None	962	8.5	307	3.4
WATER/SEWER-CA ONLY*	381	3.0	542	5.2	451	4.3
CA & APTS.*	587	5.2	600	5.5	535	5.4
GAS-----CA ONLY*	13	0.1	25	0.2	30	0.3
CA & APTS.*	38	0.4	54	0.6	44	0.4
BUILDING SERVICES	65	0.5	66	0.8	65	0.7
OTHER OPERATING	75	0.6	64	0.8	96	1.3
SUBTOTAL OPERATING	850	7.4	1,059	9.8	973	8.9
SECURITY**	7	0.1	43	0.6	18	0.2
GROUNDS MAINTENANCE**	143	1.4	162	1.7	170	1.5
MAINTENANCE-REPAIRS	367	3.7	356	3.7	310	3.1
PAINTING/DECORATING**	200	1.8	174	1.5	175	1.7
SUBTOTAL MAINTENANCE	803	6.9	764	7.2	658	6.3
REAL ESTATE TAXES	812	7.2	733	7.6	718	7.2
OTHER TAX/FEE/PERMIT	7	0.1	12	0.1	15	0.2
INSURANCE	230	1.9	186	2.2	171	1.8
SUBTOTAL TAX-INSURANCE	1,068	9.8	931	10.1	936	9.5
RECREATNL/AMENITIES**	20	0.2	17	0.2	20	0.2
OTHER PAYROLL	580	4.8	639	5.6	588	5.5
TOTAL ALL EXPENSES	4,099	34.0	4,374	38.9	4,168	37.8
NET OPERATING INCOME	6,125	53.1	5,318	49.8	4,908	46.0
PAYROLL RECAP**	1,266	10.8	1,252	10.9	1,232	10.9

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HUD 92274 - Restricted

Operating Expense Analysis Worksheet As Restricted				U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND URBAN DEVELOPMENT Office of Housing Federal Housing Commissioner				OMB Approval No 2502-0029 (exp. 09/30/2016)					
See Instructions on back and Refer to Handbook 4480.1 for details on completing this form.													
4480.1 for details on completing this form.													
Public reporting burden for this collection of information is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Section 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.													
Project Name: Pinewood						Project Number:							
CITY: Athens, Georgia						Date of Appraisal (mm/dd/yy) November 14, 2014							
Signature of Processor: 						Signature of Reviewer:						Date (mm/dd/yy)	
PROJECT NAME:		Confidential #1 Merchants Court			Confidential # 2 Valley Ridge			Confidential # 3 Hickory Flats			4. SUBJECT		
PROJECT NUMBER:		N/A			N/A			N/A			N/A		
LOCATION:		Dallas, Georgia			LaGrange, Georgia			Carrollton, Georgia					
Type Project/Stories		LHTC / 3st.			LHTC / 3st.			LHTC / 3st.			LHTC / 1st. & 2st.		
Type of Construction		Frame			Frame			Frame			Vinyl & Frame		
No. of Living Units		192 Units			80 Units			220 Units			90 Units		
Age of Project		YR Built 2000 13 years			YR Built 2005 8 years			YR Built 2003 6.5 years			YR Built 1979 35		
Project Unit Composition													
# of Each Unit Type													
Sq.Ft. of Each Unit													
Average Unit Area		1121 SQ. FT.			1023 SQ. FT.			1191 SQ. FT.			840 sq.ft.		
Same Tax Rate-Sub.		No			No			No					
Same Utility Rate-Sub.		No			No			No					
Effective Date Oper.		12 31 2013			12 31 2013			12 31 2013			11 14 2014		
Updating % / months		2.00% 10.5			2.00% 10.5			2.00% 10.5					
Equip. & Services		1 2 3 4 5 6 7			1 2 3 4 5 6 7			1 2 3 4 5 6 7			1 2 3 4 5 6 7		
Included in Rent		9 10 11 16 17			9 10 11 16 17			9 10 11 16 17			9 10 11 16 17		
EQUIPMENT INCLUDED IN RENT:						SERVICES INCLUDED IN RENT:							
1.range & refrigerator						GAS: 9.heat 10.cooking 11.ht water							
2.carpet & drapes 3.disposal 4.dishwasher 5.laundry fac.						Elec.: 13.heat 14.cook 15.ht water 16.a/c 17.lights							
6.air conditioning 7.kit exhaust fan 8.other						Oth Fuel: 18.heat 19.ht wt 20.water							
Item of Expense by	exp	Up-	adj	ind	exp	Up-	adj	ind	exp	Up-	adj	ind	Correlated
Unit of Comparison		dated	+ -	exp		dated	+ -	exp		dated	+ -	exp	Expense
1. Advertising	\$23.98	\$24.40	\$0.00	\$24.40	\$32.25	\$32.82	\$0.00	\$32.82	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00
2. Management	\$437.68	\$445.34	\$0.00	\$445.34	\$349.14	\$355.25	\$0.00	\$355.25	\$393.02	\$399.90	\$0.00	\$399.90	\$426.72
3. Other Adm.	\$409.68	\$416.85	\$0.00	\$416.85	\$180.27	\$183.43	\$0.00	\$183.43	\$519.87	\$528.97	\$0.00	\$528.97	\$250.00
4. Total Admin.	\$871.34	\$886.59	\$0.00	\$886.59	\$561.66	\$571.49	\$0.00	\$571.49	\$912.90	\$928.87	\$0.00	\$928.87	\$726.72
5. Elevator	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6. Fuel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7. Lighting & Misc. Power	\$1,054.43	\$1,072.88	\$0.00	\$1,072.88	\$170.76	\$173.75	\$0.00	\$173.75	\$209.55	\$213.22	\$0.00	\$213.22	\$60.00
8. Water / Sewer	\$0.00	\$0.00	\$0.00	\$0.00	\$647.78	\$659.11	\$0.00	\$659.11	\$350.09	\$356.22	\$0.00	\$356.22	\$420.00
9. Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00
10. Garbage / Trash Removal	\$107.70	\$109.58	\$0.00	\$109.58	\$46.09	\$46.89	\$0.00	\$46.89	\$43.42	\$44.18	\$0.00	\$44.18	\$55.00
11. Payroll	\$793.90	\$807.79	\$0.00	\$807.79	\$754.92	\$768.13	\$0.00	\$768.13	\$980.55	\$997.71	\$0.00	\$997.71	\$888.89
12. Other Operating	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00
13. Total Operating	\$1,956.03	\$1,990.26	\$0.00	\$1,990.26	\$1,619.55	\$1,647.89	\$0.00	\$1,647.89	\$1,583.62	\$1,611.33	\$0.00	\$1,611.33	\$1,473.89

Previous editions are obsolete

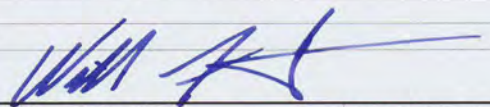
form HUD-92274 (05/2003)

HUD 92274 - Restricted (Page Two)

Item of Expense by Unit of Comparison	exp	Up- dated	adj + -	ind exp	exp	Up- dated	adj + -	ind exp	exp	Up- dated	adj + -	ind exp	Correlated Expense
14. Decorating	\$194.32	\$197.72	\$0.00	\$197.72	\$443.79	\$451.55	\$0.00	\$451.55	\$228.09	\$232.08	\$0.00	\$232.08	\$200.00
15. Repairs	\$176.47	\$179.56	\$0.00	\$179.56	\$415.35	\$422.62	\$0.00	\$422.62	\$400.27	\$407.28	\$0.00	\$407.28	\$250.00
16. Exterminating	\$23.92	\$24.34	\$0.00	\$24.34	\$20.80	\$21.16	\$0.00	\$21.16	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00
17. Insurance	\$274.88	\$279.69	\$0.00	\$279.69	\$286.64	\$291.65	\$0.00	\$291.65	\$237.01	\$241.16	\$0.00	\$241.16	\$275.00
18. Ground Expense	\$151.44	\$154.09	\$0.00	\$154.09	\$130.05	\$132.33	\$0.00	\$132.33	\$0.00	\$0.00	\$0.00	\$0.00	\$150.00
19. Other Maint.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00
20. Total Maintenance	\$821.02	\$835.39	\$0.00	\$835.39	\$1,296.63	\$1,319.32	\$0.00	\$1,319.32	\$865.37	\$880.52	\$0.00	\$880.52	\$930.00
20a. Total Operating Expense Exclusive of Reserve Time and Trend													\$3,130.61
20b. Trend Adjustment (1.75% X 20a) 2% per Year													\$54.79
21. Replacement Reserve (Per Applicable Formula from HUD 92264, HUD 92264B)													\$350.00
22. Total Operating Expense Including Reserve Time and Trend													\$3,535.39
23. Taxes / Real Estate	\$678.68	\$690.55	\$0.00	\$690.55	\$502.56	\$511.36	\$0.00	\$511.36	\$597.84	\$608.30	\$0.00	\$608.30	\$612.90
24. Personal Prop. Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$1.38	\$1.40	\$0.00	\$1.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
25. Empl. Payroll Tax	\$200.34	\$203.84	\$0.00	\$203.84	\$156.71	\$159.45	\$0.00	\$159.45	\$277.70	\$282.56	\$0.00	\$282.56	\$177.78
26. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.00
27. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
27a. Total Taxes	\$879.02	\$894.40	\$0.00	\$894.40	\$660.65	\$672.21	\$0.00	\$672.21	\$875.54	\$890.86	\$0.00	\$890.86	\$800.68
27b. Trend Adjustment (1.75% X 20a) 2% per Year													\$14.01
28. Total Taxes (Including Time and Trend) (Sum of Lines 27a and 27b)													\$814.69
29. Total Expenses (sum of lines 22 and 28)													\$4,350.08

* If "No," reflect in adjustments
 ** Enter appropriate numbers for table for subject and comparables and reflect in adjustments.
 *** Enter expense items in suitable unit of comparison.
 (Attached additional pages to Explain Adjustments as Needed)

HUD 92274 - At Market

Operating Expense Analysis Worksheet UnRestricted / Market				U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND URBAN DEVELOPMENT Office of Housing Federal Housing Commissioner				OMB Approval No 2502-0029 (exp. 09/30/2016)							
See Instructions on back and Refer to Handbook 4480.1 for details on completing this form.															
4480.1 for details on completing this form.															
Public reporting burden for this collection of information is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. This information is being collected under Public Law 101-625 which requires the Department of to implement a system for mortgage insurance for mortgages insured under Section 207, 221, 223, 232, or 241 of the National Housing Act. The information will be used by HUD to approve rents, property appraisals, and mortgage amounts, and to execute a firm commitment. Confidentiality to respondents is ensured if it would result in competitive harm in accord with the Freedom of Information Act (FOIA) provisions or if it could impact on the ability of the Department's mission to provide housing units under the various Sections of the Housing legislation.															
Project Name: Pinewood						Project Number:									
CITY: Athens, Georgia						Date of Appraisal (mm/dd/yy) November 14, 2014									
Signature of Processor: 						Signature of Reviewer:						Date (mm/dd/yy)			
PROJECT NAME:		Comp #4 Three Oaks				Comp # 5 Ashley Village				Comp # 6 Amber Place				4. SUBJECT	
PROJECT NUMBER:		N/A				N/A				N/A				N/A	
LOCATION:		Valdista, GA				Macon, GA				Warner Robins, GA					
Type Project/Stories		Conventional / 2st.				Conventional / 2st.				Conventional / 2st.				LIHTC / 1st. & 2st.	
Type of Construction		Frame				Frame				Frame				Vinyl & Frame	
No. of Living Units		240 Units				294 Units				392 Units				90 Units	
Age of Project		YR Built 1983 30 years				YR Built 1983 30 years				YR Built 2007 6 years				YR Built 1979 35	
		BRM BRM BRM BRM				BRM BRM BRM BRM				BRM BRM BRM BRM				BRM BRM BRM	
Project Unit Composition															
# of Each Unit Type															
Sq.Ft. of Each Unit															
Average Unit Area		1055 SQ. FT.				1103 SQ. FT.				0 SQ. FT.				840 sq.ft.	
Same Tax Rate-Sub.		No				No				No					
Same Utility Rate-Sub.		No				No				No					
Effective Date Oper.		12 31 2013				12 31 2013				12 31 2013				11 14 2014	
Updating % / months		2.00% 10.5				2.00% 10.5				2.00% 10.5					
Equip. & Services		1 2 3 4 5 6 7				1 2 3 4 5 6 7				1 2 3 4 5 6 7				1 2 3 4 5 6 7	
Included in Rent		9 10 11 16 17				9 10 11 16 17				9 10 11 16 17				9 10 11 16 17	
EQUIPMENT INCLUDED IN RENT: 1.range & refrigerator						SERVICES INCLUDED IN RENT:									
2.carpet & drapes 3.disposal 4.dishwasher 5.laundry fac.						GAS: 9.heat 10.cooking 11.ht water									
6.air conditioning 7.kit exhaust fan 8.other						Elec.: 13.heat 14.cook 15.ht water 16.a/c 17.lights									
						Oth Fuel: 18.heat 19.ht wt 20.water									
Item of Expense by Unit of Comparison		exp	Up-dated	adj + -	ind exp	exp	Up-dated	adj + -	ind exp	exp	Up-dated	adj + -	ind exp	Correlated Expense	
1. Advertising		\$0.00	\$0.00	\$0.00	\$0.00	\$194.42	\$197.82	\$0.00	\$197.82	\$164.71	\$167.60	\$0.00	\$167.60	\$200.00	
2. Management		\$338.89	\$344.82	\$0.00	\$344.82	\$345.96	\$352.02	\$0.00	\$352.02	\$297.79	\$303.00	\$0.00	\$303.00	\$413.39	
3. Other Adm.		\$268.49	\$273.19	\$0.00	\$273.19	\$642.97	\$654.22	\$0.00	\$654.22	\$86.29	\$87.80	\$0.00	\$87.80	\$200.00	
4. Total Admin.		\$607.38	\$618.01	\$0.00	\$618.01	\$1,183.35	\$1,204.06	\$0.00	\$1,204.06	\$548.80	\$558.40	\$0.00	\$558.40	\$813.39	
5. Elevator		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
6. Fuel		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
7. Lighting & Misc. Power		\$168.62	\$171.57	\$0.00	\$171.57	\$220.20	\$224.05	\$0.00	\$224.05	\$180.85	\$184.02	\$0.00	\$184.02	\$60.00	
8. Water / Sewer		\$342.95	\$348.96	\$0.00	\$348.96	\$209.94	\$213.62	\$0.00	\$213.62	\$248.86	\$253.21	\$0.00	\$253.21	\$420.00	
9. Gas		\$31.44	\$31.99	\$0.00	\$31.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	
10. Garbage / Trash Removal		\$82.76	\$84.21	\$0.00	\$84.21	\$0.00	\$0.00	\$0.00	\$0.00	\$50.90	\$51.79	\$0.00	\$51.79	\$55.00	
11. Payroll		\$1,028.60	\$1,046.60	\$0.00	\$1,046.60	\$815.95	\$830.22	\$0.00	\$830.22	\$865.47	\$880.62	\$0.00	\$880.62	\$888.89	
12. Other Operating		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.02	\$2.06	\$0.00	\$2.06	\$25.00	
13. Total Operating		\$1,654.38	\$1,683.33	\$0.00	\$1,683.33	\$1,246.09	\$1,267.89	\$0.00	\$1,267.89	\$1,348.10	\$1,371.69	\$0.00	\$1,371.69	\$1,473.89	

Previous editions are obsolete

form HUD-92274 (05/2003)

HUD 92274 - At Market (Page Two)

Item of Expense by Unit of Comparison	exp	Up- dated	adj + -	ind exp	exp	Up- dated	adj + -	ind exp	exp	Up- dated	adj + -	ind exp	Correlated Expense
14. Decorating	\$0.58	\$0.59	\$0.00	\$0.59	\$259.94	\$264.49	\$0.00	\$264.49	\$216.43	\$220.22	\$0.00	\$220.22	\$200.00
15. Repairs	\$303.92	\$309.24	\$0.00	\$309.24	\$157.64	\$160.40	\$0.00	\$160.40	\$182.20	\$185.39	\$0.00	\$185.39	\$250.00
16. Exterminating	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18.46	\$18.78	\$0.00	\$18.78	\$30.00
17. Insurance	\$93.40	\$95.03	\$0.00	\$95.03	\$136.51	\$138.90	\$0.00	\$138.90	\$284.61	\$289.59	\$0.00	\$289.59	\$275.00
18. Ground Expense	\$272.74	\$277.51	\$0.00	\$277.51	\$206.63	\$210.25	\$0.00	\$210.25	\$126.00	\$128.21	\$0.00	\$128.21	\$150.00
19. Other Maint.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00
20. Total Maintance	\$670.63	\$682.37	\$0.00	\$682.37	\$760.72	\$774.03	\$0.00	\$774.03	\$827.70	\$842.19	\$0.00	\$842.19	\$930.00
20a. Total Operating Expense Exclusive of Reserve Time and Trend													\$3,217.27
20b. Trend Adjustment (1.75% X 20a) 2% per Year													\$56.30
21. Replacement Reserve (Per Applicable Formula from HUD 92264, HUD 92264B)													\$350.00
22. Total Operating Expense Including Reserve Time and Trend													\$3,623.58
23. Taxes / Real Estate	\$412.25	\$419.46	\$0.00	\$419.46	\$753.52	\$766.70	\$0.00	\$766.70	\$576.64	\$586.73	\$0.00	\$586.73	\$612.90
24. Personal Prop. Tax	\$73.27	\$74.55	\$0.00	\$74.55	\$0.00	\$0.00	\$0.00	\$0.00	\$2.62	\$2.67	\$0.00	\$2.67	\$0.00
25. Empl. Payroll Tax	\$551.05	\$560.69	\$0.00	\$560.69	\$134.02	\$136.36	\$0.00	\$136.36	\$208.53	\$212.17	\$0.00	\$212.17	\$177.78
26. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.00
27. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
27a. Total Taxes	\$1,036.57	\$1,054.71	\$0.00	\$1,054.71	\$887.53	\$903.07	\$0.00	\$903.07	\$787.79	\$801.57	\$0.00	\$801.57	\$800.68
27b. Trend Adjustment (1.75% X 20a) 2% per Year													\$14.01
28. Total Taxes (Including Time and Trend) (Sum of Lines 27a and 27b)													\$814.69
29. Total Expenses (sum of lines 22 and 28)													\$4,438.27

* If "No," reflect in adjustments

** Enter appropriate numbers for table for subject and comparables and reflect in adjustments.

*** Enter expense items in suitable unit of comparison.

(Attached additional pages to Explain Adjustments as Needed)

Administrative Expenses

1. **Advertising** - The comparables indicated a range of \$0.00 to \$47.50 per unit for other LIHTC properties. The subject reported a range of \$7.74 to \$22.07 for this expense from 2011 to 2013. An amount of \$200.00 per unit has been forecast for this item as market and \$50 per unit restricted.

Item 1 - Advertising			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$23.98	\$0.02	0.29%
2013 - LIHTC Comparable #2 - Valley Ridge	\$32.25	\$0.03	0.50%
2013 - LIHTC Comparable #3 - Hickory Flats	\$0.00	\$0.00	0.00%
2013 - Comparable #4 - Three Oaks	\$0.00	\$0.00	0.00%
2013 - Comparable #5	\$194.42	\$0.18	1.80%
2013 - Comparable #6	\$164.71	\$0.14	1.39%
2011 - Pinewood	\$22.07	\$0.03	0.30%
2012 - Pinewood	\$14.48	\$0.02	0.20%
2013 - Pinewood	\$7.74	\$0.01	0.10%
2014 - Pinewood At Market	\$200.00	\$0.24	2.25%
2014 - Pinewood Restricted	\$50.00	\$0.06	0.56%

2. **Management Fee** - The comparables indicated a range of \$297.79 to \$437.68 per unit for this expense. The subject reported a range of \$539.11 to \$568.90 for this expense from 2011 to 2013. SCG estimated this expense to be 5.00% of the effective gross income for both at market and restricted.

Item 2 - Management			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$437.68	\$0.39	5.34%
2013 - LIHTC Comparable #2 - Valley Ridge	\$349.14	\$0.34	5.44%
2013 - LIHTC Comparable #3 - Hickory Flats	\$393.02	\$0.33	4.13%
2013 - Comparable #4 - Three Oaks	\$338.89	\$0.32	3.72%
2013 - Comparable #5	\$345.96	\$0.31	3.21%
2013 - Comparable #6	\$297.79	\$0.25	2.52%
2011 - Pinewood	\$568.90	\$0.68	7.76%
2012 - Pinewood	\$538.40	\$0.64	7.38%
2013 - Pinewood	\$539.11	\$0.64	7.07%
2014 - Pinewood At Restricted	\$426.72	\$0.49	4.65%
2014 - Pinewood Market	\$413.39	\$0.51	4.80%

Administrative Expenses (continued)

3. **Other Administrative** - The general administrative expenses for the comparables ranged from \$86.29 to \$519.87. The subject reported a range of \$401.78 to \$502.23 for this expense from 2011 to 2013. Based on the comparables, general administrative expenses are estimated at \$200.00 per unit for at market and \$250.00 per unit for restricted values.

Item 3 - Other Administrative			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$409.68	\$0.37	5.00%
2013 - LIHTC Comparable #2 - Valley Ridge	\$180.27	\$0.18	2.81%
2013 - LIHTC Comparable #3 - Hickory Flats	\$519.87	\$0.44	5.46%
2013 - Comparable #4 - Three Oaks	\$268.49	\$0.25	2.95%
2013 - Comparable #5	\$642.97	\$0.58	5.97%
2013 - Comparable #6	\$86.29	\$0.07	0.73%
2011 - Pinewood	\$502.23	\$0.60	6.85%
2012 - Pinewood	\$420.73	\$0.50	5.76%
2013 - Pinewood	\$401.78	\$0.48	5.27%
2014 - Pinewood At Market	\$200.00	\$0.24	2.25%
2014 - Pinewood Restricted	\$250.00	\$0.30	2.81%

4. **Administrative Subtotal** - This expense ranged from \$548.58 to \$1,183.35 for the expense comparables. The subject reported a range of \$948.63 to \$1,093.20 for this expense from 2011 to 2013. An amount of \$726.72 per unit per year has been forecast for this expense as restricted and \$813.39 per unit per year at market.

Item 4 - Administrative Subtotal			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$871.34	\$0.78	10.64%
2013 - LIHTC Comparable #2 - Valley Ridge	\$561.66	\$0.55	8.74%
2013 - LIHTC Comparable #3 - Hickory Flats	\$912.90	\$0.77	9.59%
2013 - Comparable #4 - Three Oaks	\$607.38	\$0.58	6.67%
2013 - Comparable #5	\$1,183.35	\$1.07	10.98%
2013 - Comparable #6	\$548.58	\$0.45	4.64%
2011 - Pinewood	\$1,093.20	\$1.30	14.92%
2012 - Pinewood	\$973.61	\$1.16	13.34%
2013 - Pinewood	\$948.63	\$1.13	12.45%
2014 - Pinewood Restricted	\$726.72	\$0.85	8.17%
2014 - Pinewood At Market	\$813.39	\$0.97	9.15%

Operational Expenses

Utility expenses at Pinewood Apartments include all cold water and sewer, for all rental units and common areas. Pinewood Apartments’ history as well as the six expense comparables from other areas of Georgia have been reviewed, with each expense itemized in the following analysis.

7. **Electricity** - The annual electricity expense of the comparables ranged from \$0.00 to \$1,054.43 per unit. The subject reported this expense at \$89.32 in 2011, \$77.38 in 2012, and \$71.31 for 2013. Pinewood will have lower expenses due to energy savings devices with a 20% savings. The savings estimate is from the engineer. Based on the subject’s history, an amount of \$75.00 per unit times 80% equals \$60.00 has been forecast at market and as restricted.

Item 7 - Electricity			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$1,054.43	\$0.94	12.87%
2013 - LIHTC Comparable #2 - Valley Ridge	\$170.76	\$0.17	2.66%
2013 - LIHTC Comparable #3 - Hickory Flats	\$209.55	\$0.18	2.20%
2013 - Comparable #4 - Three Oaks	\$82.76	\$0.08	0.91%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$50.90	\$0.04	0.43%
2011 - Pinewood	\$89.32	\$0.11	1.22%
2012 - Pinewood	\$77.38	\$0.09	1.06%
2013 - Pinewood	\$71.31	\$0.08	0.94%
2014 - Pinewood At Restricted	\$60.00	\$0.07	0.67%
2014 - Pinewood Market	\$60.00	\$0.07	0.67%

8. **Water and Sewer** - The expense comparables range from \$0.00 to \$647.78 per unit. Pinewood pays all water and sewer expenses including tenant usage. The subject reported this expense at \$527.96 in 2011, \$507.90 in 2012 and \$516.35 for. Pinewood will have a 20% savings due to energy saving devices. The savings estimate is from the engineer. Based on the subject’s historical expenses and the comparables, the water and sewer expense has been forecast at \$525.00 per unit times 80% equals \$420 per unit for both at market and as restricted.

Operational Expenses (continued)

Item 8 - Water & Sewer			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$0.00	\$0.00	0.00%
2013 - LIHTC Comparable #2 - Valley Ridge	\$647.78	\$0.63	10.09%
2013 - LIHTC Comparable #3 - Hickory Flats	\$350.09	\$0.29	3.68%
2013 - Comparable #4 - Three Oaks	\$342.95	\$0.33	3.77%
2013 - Comparable #5	\$209.94	\$0.19	1.95%
2013 - Comparable #6	\$248.86	\$0.21	2.10%
2011 - Pinewood	\$527.96	\$0.63	7.20%
2012 - Pinewood	\$507.90	\$0.60	6.96%
2013 - Pinewood	\$516.35	\$0.61	6.78%
2014 - Pinewood Restricted	\$420.00	\$0.50	4.72%
2014 - Pinewood At Market	\$420.00	\$0.50	4.72%

9. **Natural Gas** - \$25 per unit based upon historic levels at Pinewood from \$31.69 (2011), \$29.14 (2012) and \$23.15 (2013).
10. **Trash Removal** - The comparables' trash removal expenses ranged from \$0.00 to \$107.70 per unit. The subject reported \$50.63 to \$103.82 for this expense from 2011 to 2013. Based on the subject's historical amounts, trash removal is forecast at \$55.00 per unit for both at market and as restricted.

Item 10 - Trash Removal			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$107.70	\$0.10	1.32%
2013 - LIHTC Comparable #2 - Valley Ridge	\$46.09	\$0.05	0.72%
2013 - LIHTC Comparable #3 - Hickory Flats	\$43.42	\$0.04	0.46%
2013 - Comparable #4 - Three Oaks	\$82.76	\$0.08	0.91%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$50.90	\$0.04	0.43%
2011 - Pinewood	\$91.42	\$0.11	1.25%
2012 - Pinewood	\$103.82	\$0.12	1.42%
2013 - Pinewood	\$50.63	\$0.06	0.66%
2014 - Pinewood Restricted	\$55.00	\$0.07	0.62%
2014 - Pinewood At Market	\$55.00	\$0.07	0.62%

Operational Expenses (continued)

11. **Payroll** - The expense comparables reported payroll expenses ranging from \$754.92 to \$1,028.60 per unit. The subject reported a range of \$1,271.70 to \$1,412.53 for this expense from 2011 to 2013. SCG has forecast an amount of \$888.89 per unit for both at market and as restricted based upon the current \$80,000 per year levels.

Item 11 - Payroll			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$793.90	\$0.71	9.69%
2013 - LIHTC Comparable #2 - Valley Ridge	\$754.92	\$0.74	11.75%
2013 - LIHTC Comparable #3 - Hickory Flats	\$980.55	\$0.82	10.30%
2013 - Comparable #4 - Three Oaks	\$1,028.60	\$0.98	11.29%
2013 - Comparable #5	\$815.95	\$0.74	7.57%
2013 - Comparable #6	\$865.47	\$0.71	7.31%
2011 - Pinewood	\$1,271.70	\$1.51	17.35%
2012 - Pinewood	\$1,412.53	\$1.68	19.35%
2013 - Pinewood	\$1,300.08	\$1.55	17.06%
2014 - Pinewood Restricted	\$888.89	\$1.06	10.00%
2014 - Pinewood At Market	\$888.89	\$1.06	10.00%

Maintenance Expenses

12. **Other / Supplies** - The expense comparables reported other / supplies at \$0.00 per unit. The subject reported \$0.00 to \$54.94 for this expense from 2011 to 2013. An amount of \$25.00 has been forecast for both at market and as restricted.

Item 12 - Other / Supplies			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$0.00	\$0.00	0.00%
2013 - LIHTC Comparable #2 - Valley Ridge	\$0.00	\$0.00	0.00%
2013 - LIHTC Comparable #3 - Hickory Flats	\$0.00	\$0.00	0.00%
2013 - Comparable #4 - Three Oaks	\$0.00	\$0.00	0.00%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$2.02	\$0.00	0.02%
2011 - Pinewood	\$54.94	\$0.07	0.75%
2012 - Pinewood	\$42.57	\$0.05	0.58%
2013 - Pinewood	\$0.00	\$0.00	0.00%
2014 - Pinewood Restricted	\$25.00	\$0.03	0.28%
2014 - Pinewood At Market	\$25.00	\$0.03	0.28%

Maintenance Expenses (continued)

13. **Total Operating** - The expense comparables reported total operating expenses ranging from \$1,246.09 to \$1,956.03 per unit. The subject reported a range of \$1,961.52 to \$2,173.34 for this expense from 2011 to 2013. An amount of \$1,479.89 has been forecast for both at market and restricted.

Item 13 - Total Operating			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$1,956.03	\$1.74	23.88%
2013 - LIHTC Comparable #2 - Valley Ridge	\$1,619.55	\$1.58	25.22%
2013 - LIHTC Comparable #3 - Hickory Flats	\$1,583.62	\$1.33	16.63%
2013 - Comparable #4 - Three Oaks	\$1,654.38	\$1.57	18.16%
2013 - Comparable #5	\$1,246.09	\$1.13	11.57%
2013 - Comparable #6	\$1,348.10	\$1.11	11.39%
2011 - Pinewood	\$2,070.27	\$2.46	28.25%
2012 - Pinewood	\$2,173.34	\$2.59	29.77%
2013 - Pinewood	\$1,961.52	\$2.34	25.74%
2014 - Pinewood Restricted	\$1,473.89	\$1.75	16.58%
2014 - Pinewood At Market	\$1,473.89	\$1.75	16.58%

14. **Decorating** - The expense comparables reported decorating expenses ranging from \$0.58 to \$443.79 per unit. The subject has reported this expense as from \$0.00 to \$507.34 from 2011 to 2013. SCG has forecast annual decorating expenses to be \$200.00 per unit for both at market and restricted.

Item 14 - Decorating			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$194.32	\$0.17	2.37%
2013 - LIHTC Comparable #2 - Valley Ridge	\$443.79	\$0.43	6.91%
2013 - LIHTC Comparable #3 - Hickory Flats	\$228.09	\$0.19	2.39%
2013 - Comparable #4 - Three Oaks	\$0.58	\$0.00	0.01%
2013 - Comparable #5	\$259.94	\$0.24	2.41%
2013 - Comparable #6	\$216.43	\$0.18	1.83%
2011 - Pinewood	\$507.34	\$0.60	6.92%
2012 - Pinewood	\$0.00	\$0.00	0.00%
2013 - Pinewood	\$29.93	\$0.04	0.39%
2014 - Pinewood Restricted	\$200.00	\$0.24	2.25%
2014 - Pinewood At Market	\$200.00	\$0.24	2.25%

Maintenance Expenses (continued)

15. **Repairs and Building Maintenance** - This expense for the comparables ranged from \$176.47 to \$415.35. The subject reported a range of \$0.00 to \$111.93 for this expense from 2011 to 2013. A stabilized repair and maintenance expense estimate of \$250.00 per unit has been forecast for both at market and restricted.

Item 15 - Repairs / Maintenance			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$176.47	\$0.16	2.15%
2013 - LIHTC Comparable #2 - Valley Ridge	\$415.35	\$0.41	6.47%
2013 - LIHTC Comparable #3 - Hickory Flats	\$400.27	\$0.34	4.20%
2013 - Comparable #4 - Three Oaks	\$303.92	\$0.29	3.34%
2013 - Comparable #5	\$259.94	\$0.24	2.41%
2013 - Comparable #6	\$216.43	\$0.18	1.83%
2011 - Pinewood	\$0.00	\$0.00	0.00%
2012 - Pinewood	\$0.00	\$0.00	0.00%
2013 - Pinewood	\$111.93	\$0.13	1.47%
2014 - Pinewood Restricted	\$250.00	\$0.30	2.81%
2014 - Pinewood At Market	\$250.00	\$0.30	2.81%

Note: The building maintenance forecast assumes deferred maintenance will be cured and all needed repairs / renovations completed.

16. **Exterminating** - The expense comparables reported this expense at \$0.00 to \$23.92 per unit. The subject reported this expense at \$0.00 to \$21.63 for 2011 to 2013. An amount of \$30.00 per unit is forecasted for both at market and restricted.

Item 16 - Exterminating			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$23.92	\$0.02	0.29%
2013 - LIHTC Comparable #2 - Valley Ridge	\$20.80	\$0.02	0.32%
2013 - LIHTC Comparable #3 - Hickory Flats	\$0.00	\$0.00	0.00%
2013 - Comparable #4 - Three Oaks	\$0.00	\$0.00	0.00%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$18.46	\$0.02	0.16%
2011 - Pinewood	\$0.00	\$0.00	0.00%
2012 - Pinewood	\$0.00	\$0.00	0.00%
2013 - Pinewood	\$21.63	\$0.03	0.28%
2014 - Pinewood Restricted	\$30.00	\$0.04	0.34%
2014 - Pinewood At Market	\$30.00	\$0.04	0.34%

Maintenance Expenses (continued)

17. **Insurance** - The expense comparables reported this expense at amounts ranging from \$93.40 to \$286.64. The subject reported a range of \$175.19 to \$272.48 for this expense from 2011 to 2013. An amount of \$275.00 has been forecast for both at market and restricted for this item based on the recent insurance quote.

Item 17 - Insurance			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$274.88	\$0.25	3.36%
2013 - LIHTC Comparable #2 - Valley Ridge	\$286.64	\$0.28	4.46%
2013 - LIHTC Comparable #3 - Hickory Flats	\$237.01	\$0.20	2.49%
2013 - Comparable #4 - Three Oaks	\$93.40	\$0.09	1.03%
2013 - Comparable #5	\$136.51	\$0.12	1.27%
2013 - Comparable #6	\$284.61	\$0.23	2.40%
2011 - Pinewood	\$213.14	\$0.25	2.91%
2012 - Pinewood	\$175.19	\$0.21	2.40%
2013 - Pinewood	\$272.48	\$0.32	3.58%
2014 - Pinewood Restricted	\$275.00	\$0.33	3.09%
2014 - Pinewood At Market	\$275.00	\$0.33	3.09%

18. **Grounds** - The comparables expenses ranged from \$0.00 to \$272.74 per unit. The subject reported this expense from \$0.00 to \$161.06 from 2011 to 2013. Based on the size of the property, an amount of \$150.00 per unit per year, for both at market and restricted, has been estimated for landscaping, flowers and pine straw.

Item 18 - Grounds			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$151.44	\$0.14	1.85%
2013 - LIHTC Comparable #2 - Valley Ridge	\$130.05	\$0.13	2.02%
2013 - LIHTC Comparable #3 - Hickory Flats	\$0.00	\$0.00	0.00%
2013 - Comparable #4 - Three Oaks	\$272.74	\$0.26	2.99%
2013 - Comparable #5	\$206.63	\$0.19	1.92%
2013 - Comparable #6	\$126.00	\$0.10	1.06%
2011 - Pinewood	\$0.00	\$0.00	0.00%
2012 - Pinewood	\$0.00	\$0.00	0.00%
2013 - Pinewood	\$161.06	\$0.19	2.11%
2014 - Pinewood Restricted	\$150.00	\$0.18	1.69%
2014 - Pinewood At Market	\$150.00	\$0.18	1.69%

Maintenance Expenses (continued)

19. **Other Supplies Maintenance** - The comparables expenses were \$0.00 per unit. The subject reported \$0.00 to \$13.63 per unit for this expense from 2011 to 2013. Assuming all minor deferred maintenance is cured a lower amount of \$25.00 is forecast for both at market and as restricted.

Item 19 - Other Supplies Maintenance			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$0.00	\$0.00	0.00%
2013 - LIHTC Comparable #2 - Valley Ridge	\$0.00	\$0.00	0.00%
2013 - LIHTC Comparable #3 - Hickory Flats	\$0.00	\$0.00	0.00%
2013 - Comparable #4 - Three Oaks	\$0.00	\$0.00	0.00%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$0.00	\$0.00	0.00%
2011 - Pinewood	\$13.63	\$0.02	0.19%
2012 - Pinewood	\$0.00	\$0.00	0.00%
2013 - Pinewood	\$0.00	\$0.00	0.00%
2014 - Pinewood Restricted	\$25.00	\$0.03	0.28%
2014 - Pinewood At Market	\$25.00	\$0.03	0.28%

20. **Maintenance Subtotal** - The comparables expenses ranged from \$0.00 to \$1,296.63 per unit. The subject reported a range of \$175.19 to \$734.12 for this expense from 2011 to 2013. An amount of \$930.00 is forecast for both at market and as restricted.

Item 20 - Maintenance Subtotal			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$821.02	\$0.73	10.02%
2013 - LIHTC Comparable #2 - Valley Ridge	\$1,296.63	\$1.27	20.19%
2013 - LIHTC Comparable #3 - Hickory Flats	\$865.37	\$0.50	9.09%
2013 - Comparable #4 - Three Oaks	\$0.00	\$0.00	0.00%
2013 - Comparable #5	\$0.00	\$0.00	0.00%
2013 - Comparable #6	\$0.00	\$0.00	0.00%
2011 - Pinewood	\$734.12	\$0.87	10.02%
2012 - Pinewood	\$175.19	\$0.21	2.40%
2013 - Pinewood	\$597.02	\$0.71	7.83%
2014 - Pinewood Restricted	\$930.00	\$1.11	10.46%
2014 - Pinewood At Market	\$930.00	\$1.11	10.46%

Trend Adjustment

The expense comparables are based on year end 2013 so the trend adjustment is for 10.5 months in 2014. The 2% per year equates to 1.75% for 10.5 months.

Reserves for Replacement

21. **Reserves for Replacement** - Southeastern Consulting Group has estimated this expense at \$350 per unit.

22. **Total Operating** - The comparables expenses ranged from \$820.63 to \$3,952.52 per unit. The subject reported a range of \$175.19 to \$597.02 for this expense from 2011 to 2013. An amount of \$3,170.50 has been forecast for restricted and an amount of \$3,285.78 has been forecast for at market.

Item 22 - Total Operating			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$3,908.34	\$3.49	47.72%
2013 - LIHTC Comparable #2 - Valley Ridge	\$3,716.44	\$3.63	57.86%
2013 - LIHTC Comparable #3 - Hickory Flats	\$3,952.52	\$3.32	41.50%
2013 - Comparable #4 - Three Oaks	\$820.63	\$0.78	9.01%
2013 - Comparable #5	\$910.72	\$0.83	8.45%
2013 - Comparable #6	\$977.70	\$0.81	8.26%
2011 - Pinewood	\$734.12	\$0.87	10.02%
2012 - Pinewood	\$175.19	\$0.21	2.40%
2013 - Pinewood	\$597.02	\$0.71	7.83%
2014 - Pinewood Restricted	\$3,185.39	\$3.79	35.83%
2014 - Pinewood At Market	\$3,273.58	\$3.90	36.00%

Taxes

23. **Real Estate Taxes** - SCG has forecast taxes at market level. The market level taxes have been previously calculated on page 51 at \$55,161 which has been adopted.

25. **Payroll Taxes / Expenses** - The comparables reported this item ranging from \$134.02 to \$551.05. The subject reported a range of \$381.17 to \$483.19 for this expense from 2011 to 2013. Approximately 20% of salaries (\$177.78) has been forecast for this expense for both at market and restricted.

Taxes (continued)

Item 25 - Payroll Taxes / Expenses			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$200.34	\$0.18	2.45%
2013 - LIHTC Comparable #2 - Valley Ridge	\$156.71	\$0.15	2.44%
2013 - LIHTC Comparable #3 - Hickory Flats	\$277.70	\$0.23	2.92%
2013 - Comparable #4 - Three Oaks	\$551.05	\$0.52	6.05%
2013 - Comparable #5	\$134.02	\$0.12	1.24%
2013 - Comparable #6	\$208.53	\$0.17	1.76%
2011 - Pinewood	\$381.17	\$0.45	5.20%
2012 - Pinewood	\$452.26	\$0.54	6.19%
2013 - Pinewood	\$483.19	\$0.58	6.34%
2014 - Pinewood Restricted	\$177.78	\$0.21	2.00%
2014 - Pinewood At Market	\$177.78	\$0.21	2.00%

Trend Adjustment

- 27 b. The expense comparables are based upon year end 2013 so the trend adjustment is for 10.5 months in 2014. The 2% per year equates to 1.75% for 10.5 months.
29. **Total Expenses** - The comparables reported this item ranging from \$3,662.39 to \$4,828.05. The subject reported a range of \$4,206.42 to \$4,542.76 for this expense from 2011 to 2013. This item is forecast at \$4,335.19 per unit for as restricted and \$4,450.47 for at market.

Item 29 - Total Expenses			
Year - Complex	Per Unit	Per Sq. Ft.	% of GPI
2013 - LIHTC Comparable #1 - Merchants	\$4,787.36	\$4.27	58.45%
2013 - LIHTC Comparable #2 - Valley Ridge	\$4,377.09	\$4.28	68.15%
2013 - LIHTC Comparable #3 - Hickory Flats	\$4,828.05	\$4.05	50.69%
2013 - Comparable #4 - Three Oaks	\$4,118.96	\$3.91	45.22%
2013 - Comparable #5	\$4,227.70	\$3.83	39.24%
2013 - Comparable #6	\$3,662.39	\$3.02	30.94%
2011 - Pinewood	\$4,542.76	\$5.41	61.99%
2012 - Pinewood	\$4,295.74	\$5.11	58.84%
2013 - Pinewood	\$4,206.42	\$5.01	55.20%
2014 - Pinewood Restricted	\$4,350.08	\$5.18	48.93%
2014 - Pinewood At Market	\$4,438.27	\$5.28	49.92%

Income Forecast "Market"

C. Estimate of Income (Pinewood as - Unrestricted)				scg Job 14153		
No. Units	Unit Size Sq. Ft.	Unit Type	Current HAP Rent	Adjustment Factor	Market HAP Rents	HAP Mth Income
14	561	A - 1 Bedroom, 1.0 Bath, Garden (60%)	\$526.00	1.188	\$625.00	\$8,750.00
40	799	B - 2 Bedroom, 1.5 Bath, TH (60%)	\$579.00	1.209	\$700.00	\$28,000.00
30	970	C - 3 Bedroom, 1.5 Bath, TH (60%)	\$709.00	1.093	\$775.00	\$23,250.00
6	1,115	D - 4 Bedroom, 1.5 Bath, TH (60%)	\$810.00	1.142	\$925.00	\$5,550.00
90		Average Unit Sq. Ft. 840	\$629.49	1.157	\$728.33	
28) Total Estimated Rentals for All Family Units						\$65,550.00
29) Other / Parking						
Miscellaneous / Other Income		\$10.00	P.U.P.M. x	90	units	\$900.00
30) Laundry		\$2.50	P.U.P.M. x	90	units	\$225.00
30) Utility Reimbursements		\$0.00	P.U.P.M. x	90	units	\$0.00
31) Total Estimated Gross Project Income at 100% Occupancy				\$740.83	per unit	\$66,675.00
Times 12 Months to Annualize						x 12
32) Total Annual Rent / Income				\$8,890.00	per unit	\$800,100.00
33) Net Rentable Area			75,604	NRA Sq.Ft.		
34) Gross Floor Area			76,804	GBA Sq.Ft.		
35) Net Common Area			1,200	Square Feet, Common Areas		
36) Non-Revenue Producing Space / Management Units						
D. Equipment and Services Included in Rent						
37) Equipment		38) Services		39) Special Assess.		
<input checked="" type="checkbox"/> Range		Gas: <input type="checkbox"/> Heat				
<input checked="" type="checkbox"/> Refrig (elec)		<input type="checkbox"/> Hot Water		<input type="checkbox"/> Prepayable		
<input checked="" type="checkbox"/> A/C (Equip)		<input type="checkbox"/> Cooking		<input type="checkbox"/> Non-Prepay		
<input checked="" type="checkbox"/> Kitchen Exhaust		<input type="checkbox"/> A/C				
<input checked="" type="checkbox"/> Laundry Facility						
<input type="checkbox"/> Hook-Up/Cmn						
<input type="checkbox"/> Individual Units		Elec: <input type="checkbox"/> Heat				
<input type="checkbox"/> Disposal		<input type="checkbox"/> Hot Water				
<input type="checkbox"/> Dishwasher		<input type="checkbox"/> Cooking				
<input type="checkbox"/> Carpet		<input type="checkbox"/> A/C				
<input checked="" type="checkbox"/> Drapes / Blinds		<input type="checkbox"/> Lights, Etc.				
<input type="checkbox"/> Swimming Pool						
<input type="checkbox"/> Tennis Court		Other: <input type="checkbox"/> Heat <input type="checkbox"/> Hot Water				
<input checked="" type="checkbox"/> Playground		<input checked="" type="checkbox"/> Trash Removal and Exterm				
Refer to Income Capitalization Approach						
Form 92273 - Estimates of Market Rent by Comparison						
Form 92274 - Operating Expense Analysis Worksheet						

Note: The income projection on this page is based on the "current market rents" for each unit type. The net operating income derived from this analysis is used to estimate the value from capitalization. Which is based on the "economic rents."

Expense Forecast “Market”

E. ESTIMATE OF ANNUAL EXPENSES (Pinewood As Un Restricted)					
ADMINISTRATIVE		\$ Per Unit	\$ / Sq.Ft.	% of GPI	Ann. Amount
1. Advertising		\$200.00	\$0.24	2.25%	\$18,000.00
2. Management	5.00%	\$413.39	\$0.49	4.65%	\$37,204.65
3. Other Administrative Expenses		\$200.00	\$0.24	2.25%	\$18,000.00
4. Total Administrative Expenses		\$813.39	\$0.97	9.15%	\$73,204.65
OPERATING					
5. Elevator Maintenance		\$0.00	\$0.00	0.00%	\$0.00
6. Fuel Oil		\$0.00	\$0.00	0.00%	\$0.00
7. Electricity		\$60.00	\$0.07	0.67%	\$5,400.00
8. Cold Potable Water & Sewage Disposal		\$420.00	\$0.50	4.72%	\$37,800.00
9. Natural Gas		\$25.00	\$0.03	0.28%	\$2,250.00
10. Garbage & Trash Removal		\$55.00	\$0.07	0.62%	\$4,950.00
11. Payroll		\$888.89	\$1.06	10.00%	\$80,000.00
12. Other Operating Expenses / Supplies		\$25.00	\$0.03	0.28%	\$2,250.00
13. Total Operating		\$1,473.89	\$1.75	16.58%	\$132,650.00
MAINTENANCE					
14. Decorating		\$200.00	\$0.24	2.25%	\$18,000.00
15. Repairs / Maintenance		\$250.00	\$0.30	2.81%	\$22,500.00
16. Exterminating		\$30.00	\$0.04	0.34%	\$2,700.00
17. Insurance		\$275.00	\$0.33	3.09%	\$24,750.00
18. Grounds Expense		\$150.00	\$0.18	1.69%	\$13,500.00
19. Other Maintenance Expenses / Supplies		\$25.00	\$0.03	0.28%	\$2,250.00
20. Total Maintenance		\$930.00	\$1.11	10.46%	\$83,700.00
20a. Total Operating Expense		\$3,217.27	\$3.83	36.19%	\$289,554.65
20b. Trend Adjustment (1.75% X 21a) 2% per Y		\$56.30	\$0.07	0.63%	\$5,067.21
20c. Total Operating Expense with Trend		\$3,273.58	\$3.90	36.82%	\$294,621.86
REPLACEMENT RESERVES					
21. 0.4% x Loan Amount or Fixed Amount or \$350 per unit		\$350.00	\$0.42	3.94%	\$31,500.00
22. Total Operating Expenses Including Reserve Time and Trend		\$3,623.58	\$4.31	40.76%	\$326,121.86
TAXES					
23. Real Estate Taxes	\$34.05 \$4,050,000	\$612.90	\$0.73	6.89%	\$55,161.00
24. Other Property Taxes		\$0.00	\$0.00	0.00%	\$0.00
25. Employee Payroll Taxes & Benefits	20.00%	\$177.78	\$0.21	2.00%	\$16,000.00
26. Other Taxes		\$10.00	\$0.01	0.11%	\$900.00
27. Special Assessments		\$0.00	\$0.00	0.00%	\$0.00
27a. Total Taxes w/o Trend		\$800.68	\$0.95	9.01%	\$72,061.00
27b. Trend Adjustment (1.75% X 21a) 2% per Y		\$14.01	\$0.02	0.16%	\$1,261.07
28. Total Taxes Including Trend		\$814.69	\$0.97	9.16%	\$73,322.07
29. TOTAL EXPENSES		\$4,438.27	\$5.28	49.92%	\$399,443.92

Note: The income projection on this page is based on the “current market rents” for each unit type. The net operating income derived from this analysis is used to estimate the value from capitalization. Which is based on the “economic rents.”

Income Forecast "Restricted"

C. Estimate of Income (Pinewood Restricted)				scg Job 14170		
No. Units	Unit Size Sq. Ft.	Unit Type	Current HAP Rents	Adjustment Factor	Renovated MKT Rents	Renovated Mth Income
14	561	A - 1 Bedroom, 1.0 Bath, Garden (60%)	\$526.00	1.188	\$625.00	\$8,750.00
40	799	B - 2 Bedroom, 1.5 Bath, TH (60%)	\$579.00	1.209	\$700.00	\$28,000.00
30	970	C - 3 Bedroom, 1.5 Bath, TH (60%)	\$709.00	1.093	\$775.00	\$23,250.00
6	1,115	D - 4 Bedroom, 1.5 Bath, TH (60%)	\$810.00	1.142	\$925.00	\$5,550.00
90		Average Unit Sq. Ft. 840	\$629.49	1.157	\$728.33	
28) Total Estimated Rentals for All Family Units						\$65,550.00
29) Other / Parking						
Miscellaneous / Other Income		\$10.00	P.U.P.M. x	90	units	\$900.00
30) Laundry		\$2.50	P.U.P.M. x	90	units	\$225.00
30) Utility Reimbursements		\$0.00	P.U.P.M. x	90	units	\$0.00
31) Total Estimated Gross Project Income at 100% Occupancy				\$740.83	per unit	\$66,675.00
Times 12 Months to Annualize						x 12
32) Total Annual Rent / Income				\$8,890.00	per unit	\$800,100.00
33) Net Rentable Area			75,604	NRA Sq.Ft.		
34) Gross Floor Area			76,804	GBA Sq.Ft.		
35) Net Common Area			1,200	Square Feet, Common Areas		
36) Non-Revenue Producing Space / Management Units						
D. Equipment and Services Included in Rent						
37) Equipment						
[X] Range		38) Services			39) Special Assess.	
[X] Refrig (elec)		Gas: [] Heat				
[X] A/C (Equip)		[] Hot Water			[] Prepayable	
[X] Kitchen Exhaust		[] Cooking			[] Non-Prepay	
[X] Laundry Facility		[] A/C				
[] Hook-Up/Cmn						
[] Individual Units		Elec: [] Heat				
[] Disposal		[] Hot Water				
[] Dishwasher		[] Cooking				
[] Carpet		[] A/C				
[X] Drapes / Blinds		[] Lights, Etc.				
[] Swimming Pool		[X] Cold Water & Sewer				
[] Tennis Court		Other: [] Heat [] Hot Water				
[X] Playground		[X] Trash Removal and Exterm				
Refer to Income Capitalization Approach						
Form 92273 - Estimates of Market Rent by Comparison						
Form 92274 - Operating Expense Analysis Worksheet						

Note: The income projection on this page is based on the "restricted rents" for each unit type. The net operating income derived from this analysis is used to estimate the value from capitalization. Which is based on the "economic rents."

Expense Forecast “Restricted”

E. ESTIMATE OF ANNUAL EXPENSES (Pinewood As Restricted)					
ADMINISTRATIVE		\$ Per Unit	\$ / Sq.Ft.	% of GPI	Ann. Amount
1. Advertising		\$50.00	\$0.06	0.56%	\$4,500.00
2. Management	5.00%	\$426.72	\$0.51	4.80%	\$38,404.80
3. Other Administrative Expenses		\$250.00	\$0.30	2.81%	\$22,500.00
4. Total Administrative Expenses		\$726.72	\$0.87	8.17%	\$65,404.80
OPERATING					
5. Elevator Maintenance		\$0.00	\$0.00	0.00%	\$0.00
6. Fuel Oil		\$0.00	\$0.00	0.00%	\$0.00
7. Electricity		\$60.00	\$0.07	0.67%	\$5,400.00
8. Cold Potable Water & Sewage Disposal		\$420.00	\$0.50	4.72%	\$37,800.00
9. Natural Gas		\$25.00	\$0.03	0.28%	\$2,250.00
10. Garbage & Trash Removal		\$55.00	\$0.07	0.62%	\$4,950.00
11. Payroll		\$888.89	\$1.06	10.00%	\$80,000.00
12. Other Operating Expenses / Supplies		\$25.00	\$0.03	0.28%	\$2,250.00
13. Total Operating		\$1,473.89	\$1.75	16.58%	\$132,650.00
MAINTENANCE					
14. Decorating		\$200.00	\$0.24	2.25%	\$18,000.00
15. Repairs / Maintenance		\$250.00	\$0.30	2.81%	\$22,500.00
16. Exterminating		\$30.00	\$0.04	0.34%	\$2,700.00
17. Insurance		\$275.00	\$0.33	3.09%	\$24,750.00
18. Grounds Expense		\$150.00	\$0.18	1.69%	\$13,500.00
19. Other Maintenance Expenses / Supplies		\$25.00	\$0.03	0.28%	\$2,250.00
20. Total Maintenance		\$930.00	\$1.11	10.46%	\$83,700.00
20a. Total Operating Expense		\$3,130.61	\$3.73	35.21%	\$281,754.80
20b. Trend Adjustment (1.75% X 21a) 2% per Y	\$54.79	\$0.07	0.62%	\$4,930.71
20c. Total Operating Expense with Trend		\$3,185.39	\$3.79	35.83%	\$286,685.51
REPLACEMENT RESERVES					
21. 0.4% x Loan Amount or Fixed Amount or \$350 per unit		\$350.00	\$0.42	3.94%	\$31,500.00
22. Total Operating Expenses Including Reserve Time and Trend		\$3,535.39	\$4.21	39.77%	\$318,185.51
TAXES					
23. Real Estate Taxes	\$34.05 \$4,050,000	\$612.90	\$0.73	6.89%	\$55,161.00
24. Other Property Taxes		\$0.00	\$0.00	0.00%	\$0.00
25. Employee Payroll Taxes & Benefits	20.00%	\$177.78	\$0.21	2.00%	\$16,000.00
26. Other Taxes		\$10.00	\$0.01	0.11%	\$900.00
27. Special Assessments		\$0.00	\$0.00	0.00%	\$0.00
27a. Total Taxes w/o Trend		\$800.68	\$0.95	9.01%	\$72,061.00
27b. Trend Adjustment (1.75% X 21a) 2% per Y	\$14.01	\$0.02	0.16%	\$1,261.07
28. Total Taxes Including Trend		\$814.69	\$0.97	9.16%	\$73,322.07
29. TOTAL EXPENSES		\$4,350.08	\$5.18	48.93%	\$391,507.58

Note: The income projection on this page is based on the “restricted rents” for each unit type. The net operating income derived from this analysis is used to estimate the value from capitalization. Which is based on the “economic rents.”

Section F - Income Computations - Market		
30. Estimated Total Gross Income	\$8,890.00 / Unit, \$10.58 / SF	\$800,100
31. Occupancy % (Rental / Other Income)		X 93.00%
32. Effective Gross Income	\$8,267.70 / Unit, \$9.84 / SF	\$744,093.00
33. Total Project Expenses (w / Reserves)	\$4,438.27 / Unit, \$5.28 / SF	\$399,443.92
34. Net Income to Project	\$3,829.43 / Unit, \$4.56 / SF 43.08% of GPI	\$344,649.08
35. Expense Ratio (Expenses / GPI)		49.92%
35. Expenses Per Unit		\$4,438.27
35. Expenses Per Square Foot		\$5.28

Section F - Income Computations - Restricted		
30. Estimated Total Gross Income	\$8,890.00 / Unit, \$10.58 / SF	\$800,100
31. Occupancy % (Rental / Other Income)		X 96.00%
32. Effective Gross Income	\$8,534.40 / Unit, \$10.16 / SF	\$768,096.00
33. Total Project Expenses (w / Reserves)	\$4,350.08 / Unit, \$5.18 / SF	\$391,507.58
34. Net Income to Project	\$4,184.32 / Unit, \$4.98 / SF 47.07% of GPI	\$376,588.42
35. Expense Ratio (Expenses / GPI)		48.93%
35. Expenses Per Unit		\$4,350.08
35. Expenses Per Square Foot		\$5.18

Direct Capitalization of Net Income

Capitalization is the process by which net operating income of investment property is converted to a value indication. Capitalization rates reflect the relationship between net annual operating income and the value of receiving that current and probable future income stream during a certain projection period or remaining economic life, with the overall rate derived from sales of similar apartment properties by dividing the stabilized net operating income by the comparable sale price. In selecting an appropriate capitalization rate for Pinewood, consideration has been given to overall rates reflected by sales of properties which are similar to the subject with regard to risk and duration of income, quality and condition of improvements, and remaining economic life. Primary factors that influence overall rates include potential for income increases over both the near and long terms, as well as appreciation potential. Additionally, overall rates encompass the requirements for debt service and return on equity. Therefore, the extent and terms of debt financing have an impact upon the indicated overall capitalization rates.

Direct Capitalization of Net Income (continued)

Adjustments for dissimilar factors that influence the utility and / or marketability of a property, such as specific location within a market area, land / building ratio, the functional efficiency, quality, and condition of improvements; and specific features of the building and land improvements, are inherently reflected by the market in the form of varying market rent levels. As rent levels form the basis for net income levels, the market has, in effect, already made the primary adjustments required for those factors, and any significant adjustments to overall rates based upon these dissimilarities would merely distort the market data. With regard to time of sale, investors' required rates of return generally increase or decrease as prevailing market interest rates rise and fall, and debt service requirements fluctuate. Therefore, due to significant variances in prevailing market level interest rates over the past few years, potential adjustments for time of sale are considered appropriate.

In accordance with Appraisal Institute, HUD, USPAP and FIRREA guidelines, the overall capitalization rates utilized in the SCG valuation analysis have been adjusted to reflect rates based upon a cash equivalent sale price at the time of the transfer, with no further adjustments within SCG's analyses required for financing. The sale properties included in the SCG analysis generally possess overall investment characteristics similar to Pinewood, with the indicated overall rates considered to reflect the typical range of investor attitudes relative to investment attributes of properties such as the subject on a cash equivalent basis. Based upon the sale summaries and analyses, which are presented in detail in the Sales Comparison Approach, the overall rates have been derived as summarized on the following page. With regard to time of sale and evident variances in prevailing market interest rates over time, all of the sales occurred over the last eighteen months and are considered current.

Overall Capitalization Rate Comparables			
Sale No.	Complex Name	Sale Date	Sale OAR
1	Ivywood Park LIHTC	01/13	8.10%
2	Brookside Park LIHTC	07/14	7.36%
3	Tanglewood LIHTC	12/13	8.29%
4	Hickory Falls LIHTC	05/14	7.44%
5	High Ridge	06/13	7.76%
6	Willows of Cumming LIHTC	06/14	6.87%
7	Foxworth Forest LIHTC	08/13	8.12%
8	Knollwood Park LIHTC	02/14	6.96%
9	Wingate Falls LIHTC	04/14	7.29%
10	Riverview Park LIHTC	08/13	7.20%
11	Laurel Oaks	12/13	7.98%
12	Laurel Ridge	04/14	6.75%
	Totals / Averages	---	7.51%

Direct Capitalization of Net Income (continued)

The cash equivalent overall rates for comparable sale properties range from 6.75% to 8.29% with an average of 7.51% rounded to 7.50% at market. Several of the comparables are similar vintage properties in comparison to Pinewood. Southeastern Consulting Group has also developed a Band of Investment Analysis based on the proposed favorable market mortgage rate and term. The favorable rate and term is 3.75% based on 35-year amortization and debt coverage ratios which will result in a loan at around a 87.0% ratio. The 0.45 is added to the mortgage constant with equity dividend rates in the range of, say, 8% to 14%, with 12% more in line with market conditions for similar vintage properties. The typical holding period of seven to ten years is assumed with no real value change expected.

Band of Investment Summary					
Mortgage Portion, Loan	87.0%	X	5.5849	=	4.859
Equity Portion, Cash	13.0%	X	12.0000	=	1.560
Indicated Overall Capitalization Rate (OAR)				(R)	6.40%

Income Capitalization Approach Summary

Capitalization rates tend to drop with mortgage rates but this trend was offset by the collapse of the banking industry. The band of investment indicated 6.40% (PILOT), with the cash equivalent at market average of 7.50% from the comparables. SCG has also considered the recent market changes in the development of the overall capitalization rate. As previously stated, capitalization rates tended to rise and are perceived to be higher now than 12 months ago. Based upon the foregoing analysis of market data reflected by sales of the comparable properties, the Band of Investment and Pinewood' overall condition, Southeastern Consulting Group has concluded that capitalization rate at the middle of the range at 6.40% most accurately reflects the PILOT position of the subject's net income level as-renovated and 7.50% reflects the at market cap rate. The estimate of current value from the Income Capitalization Approach is derived as follows:

Market Value - UnRestricted / Market	
\$344,649.08 (Net Income) divided by 7.50% (OAR)	\$4,595,321
Market Income Capitalization Approach Value (Rounded)	\$4,600,000
Market Value - Restricted - PILOT	
\$391,588.14 (Net Income) divided by 6.40% (OAR)	\$5,884,195
Market Income Capitalization Approach Value (Rounded)	\$5,875,000

Sales Comparison Approach

The value estimate derived from the Sales Comparison or Market Data Approach has been based upon an analysis of sales involving apartment communities that possess investment characteristics similar to those of Pinewood. The basis of comparison utilized in the SCG analysis are the sale price per apartment unit, sale price per square foot and the gross income multiple, or the relationship between sale price and gross potential rental income. As sales of the subject type income producing properties typically occur on a regional basis and an investigation of the local neighborhood did not uncover a sufficient number of transactions for purposes of SCG's analysis, Southeastern Consulting Group has included sales of similar apartment properties situated in other comparable market areas. Varying market rent levels generally reflect the appropriate adjustments required for variances in such factors as location, quality, development density, condition of improvements and specific property features, such as unit sizes and available amenities.

Given that observation, plus recognition that the gross income multiple is based upon actual / estimated market rate income, and sales data typically reflects a direct relationship between sale prices and net incomes per unit, it is SCG's opinion that reflected gross income multiples and prices per apartment unit include market adjustments for a predominance of truly significant variances. Therefore, any significant adjustments to gross income multiples and prices per unit for those factors are considered to be inappropriate and would generally duplicate adjustments already made by the market. Those factors that most significantly influence gross income multiples and sale prices per unit are the income / expense ratio and the net annual income per unit, respectively, as most investment decisions are predicated, in part, upon probable net income levels, rather than gross income. Other factors that affect the basis of comparison, including financing and potential for future income increases and value appreciation, have been discussed in the Income Capitalization Approach section of this report.

The value estimate expressed herein is predicated upon a cash value with cash equivalent value indicators utilized in SCG's valuation analyses, which conforms with the Appraisal Institute, HUD, FIRREA and USPAP reporting requirements. Further adjustments for the terms of financing included in the sale transactions are not required in this valuation analysis. The appraisal assumes an engineering report will establish a reserve for replacement account which will assure the continued ongoing maintenance at the property. The appraisal assumes that the property is currently in average condition. Consistent with the reasoning applied to the overall rate analysis, the Sales Comparison Approach analyses have been based in part upon Pinewood's estimated stabilized operating level. The sales of similar PILOT properties were not found and **the Sales Comparison Approach will not be developed for the restricted or PILOT valuation.**

Sales Comparison Approach (continued)

Pertinent data relative to value indicators reflected by the comparable sale data, which are summarized on the following pages, as well as comparative income / expense data relative to both the subject and the sale properties, are illustrated by the following chart.

Improved Comparable Sale Summary						
Sale No.	G.I.M	N.O.I. % of GPI	Sale Price / Unit	N.O.I. / Unit	Price / Sq. Ft.	N.O.I. / Sq. Ft.
1	4.83	39.14%	\$45,142	\$3,656	\$40.66	\$3.29
2	6.15	45.29%	\$58,750	\$4,324	\$54.23	\$3.99
3	3.54	29.34%	\$31,923	\$2,646	\$30.07	\$2.49
4	7.32	54.48%	\$74,091	\$5,514	\$62.19	\$4.63
5	6.22	48.26%	\$67,500	\$5,240	\$57.88	\$4.49
6	6.87	47.20%	\$66,827	\$4,593	\$70.85	\$4.87
7	4.10	33.30%	\$30,405	\$2,468	\$30.58	\$2.48
8	5.70	39.66%	\$47,887	\$3,333	\$40.51	\$2.82
9	5.95	43.38%	\$56,380	\$4,108	\$55.49	\$4.04
10	5.87	42.28%	\$50,219	\$3,615	\$47.14	\$3.39
11	3.92	31.27%	\$28,571	\$2,280	\$26.13	\$2.09
12	4.58	30.87%	\$29,592	\$1,996	\$31.41	\$2.12
Avg.	5.42	40.37%	\$48,941	\$3,648	\$45.60	\$3.39

As previously mentioned, the most important influence upon variances in gross income multiples is the varying income / expense ratios. Therefore, gross income multiples of the sale properties have been adjusted by direct comparison to those net income ratios reflected by the sales, and the ratio estimated for the subject in the Income Capitalization Approach. This adjustment is made for each of the sales, utilizing the sale's indicated gross income multiple and net income percentage and the estimated net income percentage for the subject, within the following equation which reflects the adjusted gross rent multiples of the sale properties.

Gross Income Multiplier Analysis
Formula $(A / B) = (C / D)$; wherein:
A = Adjusted Gross Income Multiple of Sale Property
B = Unadjusted Gross Income Multiple of Sale Property
C = Net Income Percentage of Subject Property
D = Net Income Percentage of Sale Property

Gross Income Multiplier Analysis At Market					
Sale No. 1:	(A / 4.83)	=	(43.08% / 39.14%)	A =	5.32
Sale No. 2:	(A / 6.15)	=	(43.08% / 45.29%)	A =	5.85
Sale No. 3:	(A / 3.54)	=	(43.08% / 29.34%)	A =	5.20
Sale No. 4:	(A / 7.32)	=	(43.08% / 54.48%)	A =	5.79
Sale No. 5:	(A / 7.22)	=	(43.08% / 47.05%)	A =	5.55
Sale No. 6:	(A / 5.33)	=	(43.08% / 44.56%)	A =	6.27
Sale No. 7:	(A / 4.48)	=	(43.08% / 39.81%)	A =	5.30
Sale No. 8:	(A / 5.41)	=	(43.08% / 44.22%)	A =	6.19
Sale No. 9:	(A / 6.08)	=	(43.08% / 50.59%)	A =	5.91
Sale No. 10:	(A / 5.87)	=	(43.08% / 42.28%)	A =	5.98
Sale No. 11:	(A / 3.92)	=	(43.08% / 31.27%)	A =	5.40
Sale No. 12:	(A / 4.58)	=	(43.08% / 30.87%)	A =	6.39

Relative to value per apartment unit, the primary influence upon reflected unit prices is the net income of a property on a per unit basis, with market data strongly supporting that concept. Therefore, the primary adjustment to sale prices per unit reflected by market data requires comparison of the sales' net incomes per unit to the net income per unit projected for the subject. The method for adjustment is similar to that for adjusting gross income multiples, with the equation utilized for that adjustment shown on the following chart.

Sale Price Per Unit Adjustment	
Formula $(A / B) = (C / D)$; wherein:	
A = Adjusted Sale Price Per Unit of Sale Property	
B = Unadjusted Sale Price Per Unit of Sale Property	
C = Net Income Per Unit of Subject Property	
D = Net Income Per Unit of Sale Property	

Sale Price Per Unit Analysis At Market					
Sale No. 1:	(A / \$45,142)	=	(\$3,829 / \$3,656)	A =	\$47,283
Sale No. 2:	(A / \$58,750)	=	(\$3,829 / \$4,324)	A =	\$52,030
Sale No. 3:	(A / \$31,923)	=	(\$3,829 / \$2,646)	A =	\$46,201
Sale No. 4:	(A / \$74,091)	=	(\$3,829 / \$5,514)	A =	\$51,456
Sale No. 5:	(A / \$63,816)	=	(\$3,829 / \$4,159)	A =	\$49,330
Sale No. 6:	(A / \$49,306)	=	(\$3,829 / \$4,119)	A =	\$55,717
Sale No. 7:	(A / \$37,895)	=	(\$3,829 / \$3,371)	A =	\$47,177
Sale No. 8:	(A / \$43,250)	=	(\$3,829 / \$3,535)	A =	\$55,020
Sale No. 9:	(A / \$56,667)	=	(\$3,829 / \$4,712)	A =	\$52,557
Sale No. 10:	(A / \$50,219)	=	(\$3,829 / \$3,615)	A =	\$53,198
Sale No. 11:	(A / \$28,571)	=	(\$3,829 / \$2,280)	A =	\$47,987
Sale No. 12:	(A / \$29,592)	=	(\$3,829 / \$1,996)	A =	\$56,774

The primary influence on per square foot prices is the net income of a property on a per square foot basis, with market data strongly supporting that concept. The primary adjustment to sale prices per square foot reflected by market data requires comparison of the sales’ net incomes per square foot to the net income per square foot projected for the subject. The method for adjustment is similar to that for adjusting gross income multiples, with the equation utilized for that adjustment is as follows:

Sale Price Per Square Foot Analysis	
Formula $(A / B) = (C / D)$; wherein:	
A = Adjusted Sale Price Per Square Foot of Sale Property	
B = Unadjusted Sale Price Per Square Foot of Sale Property	
C = Net Income Per Square Foot of Subject Property	
D = Net Income Per Square Foot of Sale Property	

Sale Price Per Square Foot Analysis At Market					
Sale No. 1:	(A / \$40.66)	=	(\$4.56 / \$3.29);	A =	\$56.34
Sale No. 2:	(A / \$54.23)	=	(\$4.56 / \$3.99);	A =	\$61.96
Sale No. 3:	(A / \$30.07)	=	(\$4.56 / \$2.49);	A =	\$55.05
Sale No. 4:	(A / \$62.19)	=	(\$4.56 / \$4.63);	A =	\$61.23
Sale No. 5:	(A / \$64.32)	=	(\$4.56 / \$4.19);	A =	\$58.76
Sale No. 6:	(A / \$47.88)	=	(\$4.56 / \$4.00);	A =	\$66.32
Sale No. 7:	(A / \$43.78)	=	(\$4.56 / \$3.89);	A =	\$56.21
Sale No. 8:	(A / \$37.54)	=	(\$4.56 / \$3.07);	A =	\$65.49
Sale No. 9:	(A / \$56.08)	=	(\$4.56 / \$4.66);	A =	\$62.61
Sale No. 10:	(A / \$47.14)	=	(\$4.56 / \$3.39);	A =	\$63.39
Sale No. 11:	(A / \$26.13)	=	(\$4.56 / \$2.09);	A =	\$56.99
Sale No. 12:	(A / \$31.41)	=	(\$4.56 / \$2.12);	A =	\$67.57

Sales Comparison Approach Summary

Adjustments to the sales’ gross income multiples and the sale prices per unit and per square foot have narrowed the ranges of the value indicators and provided a much clearer perspective of the probable appropriate value indicators for the subject. Further synthesis of the value indicator ranges is provided by consideration of such factors as varying investor rates of return requirements over time, potential for future income increases, risks associated with income levels, and appreciation potential, which were previously discussed in the Income Capitalization Approach section of this report. The appraisal assumes the property will be in good condition.

Sales Comparison Approach Summary (continued)

The **Gross Income Multipliers** range from 3.54 to 7.32 with the highest multipliers from the comparables with higher net income or lower expense ratios. The higher expense ratios (such as the subject's) are reflected by the lower ratios in the 5.75 range. The adjustments on the top of page 128 refine and quantify the Income Multipliers to reflect consistent operating ratios. After adjustment for the operating expense ratio variances the range is from 5.20 to 6.39, with an average of 5.68. Pinewood will be in good condition. As such SCG adopted a GIM of 6.00.

The **sale prices per unit** ranged from \$28,571 to \$74,091 which is a very wide range. SCG refined the process with an adjustment factor based upon the subject net income per unit (\$3,829) divided by the comparability net income per unit to arrive at a factor which then applied to the comparable's sale price per unit to arrive at the adjusted prices per unit from \$46,201 to \$56,774 with most from \$47,000 to \$55,000 with SCG adopting \$51,250.

The **sale price per square foot** analysis on the previous page reflects a wide range in prices from \$26.13 to \$62.19. The subject's \$4.56 per square foot NOI would indicate a per square foot value toward the middle of the range. After refinement for the differences in NOI per square foot the range is refined from \$26.13 to \$67.54 with most between \$60.00 and \$64.00 per square foot. SCG adopted \$61.00 per square foot.

Renovated Value - Unrestricted

Based upon those conclusions, it is SCG's opinion that the value of Pinewood is best represented by a gross income multiple at or near 5.75 with the indicated value per unit of \$51,250 and value per square foot of \$61.00. Therefore, an indication of value from the Sales Comparison Approach is derived in the following chart:

Renovated and Un-Restricted Sales Comparison Approach		
\$800,100 (GPI) x 5.75 Multiplier	=	\$4,600,575
90 Units at \$51,250 / Unit	=	\$4,612,500
75,604 Square Feet at \$61.00 / SF	=	\$4,611,844
Rounded and Reconciled to (\$51,111 per unit)	R	\$4,600,000

Apartment Community Sale No. 1

Name and Location Ivywood Park (LIHTC), 4475 Beechwood Trail, Smyrna (Metro Atlanta), Cobb County, Georgia 30080 (80 miles northeast of subject)

Description 106 unit apartment complex built in 1992 on 11.22 acres (9.45 units / acre). Total apartment area is 117,680 square feet (1,110 square feet per unit). Basic construction is two story vinyl frame with pitched roof. Amenities include fitness center, laundry facility and playground.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
34 - 2 BR, 2.0 BA, GDN	974	\$735	\$0.75
30 - 3 BR, 2.0 BA, GDN	1,143	\$765	\$0.67
42 - 3 BR, 2.0 BA, GDN	1,197	\$775	\$0.65

Grantor Ivywood Park / Sugarwood Park LP

Grantee Prestwick Development Company

Date of Sale January 29, 2013

Sale Price \$4,785,000

Terms Cash sale and new rehab HUD 221(d)(4) loan. Property operated under the LIHTC program.

Gross Potential Annual Income \$990,027 (\$9,340 per / Unit)

Net Annual Income Before Debt Service \$387,524 (\$3,656 per / Unit)
 (\$3.29 / SF or 39.14% of GPI)

Overall Capitalization Rate 8.10%

Gross Income Multiple 4.83

Apartment Community Sale No. 2

Name and Location Brookside Park (LIHTC), 565 St. Johns Avenue, SW, Atlanta, Fulton County, Georgia 30315

Description 200-unit apartment complex built in 2005. Total apartment area is 216,688 square feet (1,083 square feet / unit). Three and four story brick and frame with pitched roofs. Amenities include picnic area, swimming pool, fitness center, laundry, gated and playground.

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
42 - 1 BR, 1.0 BA, GDN, TC	830	\$675	\$0.81
14 - 1 BR, 1.0 BA, GDN, Mkt	830	\$780	\$0.94
76 - 2 BR, 2.0 BA, GDN, TC	1,119	\$770	\$0.69
26 - 2 BR, 2.0 BA, GDN, Mkt	1,119	\$800	\$0.71
32 - 3 BR, 2.0 BA, GDN, TC	1,335	\$850	\$0.64
10 - 3 BR, 2.0 BA, GDN, Mkt	1,335	\$945	\$0.71

Grantor / Seller MuniMae Brookside, LLC

Grantee / Buyer Brookside Park Atlanta Apartments

Date of Sale July 10, 2014

Sale Price \$11,750,000

Terms \$11,550,000 plus \$250k in repairs

Gross Potential Annual Income \$1,909,452 (\$9,547 per unit)

Net Annual Income Before Debt Service \$864,885 (\$4,324 per unit)
 (\$3.99 per SF or 45.29% of GPI)

Overall Capitalization 7.36%

Apartment Community Sale No. 2 (continued)

Gross Income Multiple 6.15

Sale Price / Unit \$58,750

Sale Price / SF \$54.23

Remarks

Annual operating expenses were estimated at \$4,650 per unit, including reserves. Expenses equate to \$4.29 per square foot and 48.71% of GPI. Utilities furnished in rents include trash removal and pest control. Water and sewer individually metered. NOI based upon stabilized occupancy of 94.0%.



Sale No. 2 - Brookside Park, Atlanta, Georgia

Apartment Community Sale No. 3

Name and Location Tanglewood Park (LIHTC), 5355 Sugarloaf Parkway, Lawrenceville, Gwinnett County, Georgia 30043

Description 130 unit apartment complex built in 1994 on 12.69 acres (10.24 units / acre). Total apartment area is 137,998 square feet (1,062 square feet per unit). Basic construction is two story brick and frame with pitched roof. The property previously operated under the LIHTC Program and will be renovated and put back under LIHTC Guidelines.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
52 - 1 BR, 1.0 BA, GDN	958	\$675	\$0.70
30 - 2 BR, 2.0 BA, GDN	1,101	\$750	\$0.68
48 - 3 BR, 2.0 BA, GDN	1,149	\$825	\$0.72

Grantor Willowood Park LP

Grantee Prestwick Land Holdings

Date of Sale December 2013

Sale Price \$4,150,000

Terms \$3,900,000 with \$250,000 in repairs (substantially higher renovations planned by purchaser)

Gross Potential Annual Income \$1,172,232 (\$9,017 per / Unit)

Net Annual Income Before Debt Service \$343,953 (\$2,646 per / Unit)
(\$2.49 / SF or 29.34% of GPI)

Overall Capitalization Rate 8.29%

Apartment Community Sale No. 3 (continued)

Gross Income Multiple	3.54
Sale Price / Unit	\$31,923
Sale Price / SF	\$30.07

Remarks Annual operating expenses were estimated at \$5,650 per unit, including reserves. Expenses equate to \$5.32 per square foot and 62.66% of gross potential income. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 92.0%.



Sale No. 3 - Tanglewood Park, Lawrenceville, Georgia

Apartment Community Sale No. 4

Name and Location Hickory Falls (LIHTC), 801 Hickory Level Road, Villa Rica, Carroll County, Georgia 30180

Description 220-unit apartment complex built in 2003. Total apartment area is 262,100 square feet (1,191 square feet / unit). Three story brick and frame with pitched roofs. Amenities include basketball court, car care center, clubhouse / leasing center, gated, detached garages (23) fitness center, grilling / picnic area, laundry facility, pet park, playground, sports court, swimming pool and two tennis courts.

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
24 - 1 BR, 1.0 BA, GDN	976	\$700	\$0.72
148 - 2 BR, 2.0 BA, GDN	1,175	\$800	\$0.68
48 - 3 BR, 2.0 BA, GDN	1,350	\$865	\$0.64

Grantor / Seller Carter-Haston Holdings

Grantee / Buyer Wilkerson Real Estate Advisory

Date of Sale May 15, 2014

Sale Price \$16,300,000

Terms \$16,050,000 plus estimated \$250k in repairs. Assumption of low balance HUD loan.

Gross Potential Annual Income \$2,226,672 (\$10,121 per unit)

Net Annual Income Before Debt Service \$1,213,072 (\$5,514 per unit)
(\$4.63 per SF or 54.48% of GPI)

Overall Capitalization 7.44%

Equity Dividend Rate 8.24%

Apartment Community Sale No. 4 (continued)

Gross Income Multiple 7.32

Sale Price / Unit \$74,091

Sale Price / SF \$62.19

Remarks Annual operating expenses were estimated at \$4,000 per unit, including reserves. Expenses equate to \$3.36 per square foot and 39.52% of GPI. Utilities furnished in rents include trash removal and pest control. NOI based upon stabilized occupancy of 94.0%.



Sale No. 4 - Hickory Falls, Villa Rica, Georgia

Apartment Community Sale No. 5

Name and Location High Ridge, 700 Mitchell Bridge Road, Athens, Clarke County, Georgia 30606

Description 160-unit apartment complex built in 1987 on 17.792 acres (8.99 units/acre). Total apartment area is 186,608 square feet (1,166 square feet/unit). Two story frame with pitched roofs. Amenities include tennis court, fitness center, playground, basketball court, business center, and laundry facility.

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
32 - 1 BR, 1.0 BA, GDN	925	\$765	\$0.83
80 - 2 BR, 1.0 BA, GDN	1,164	\$879	\$0.76
16 - 2 BR, 2.0 BA, GDN	1,317	\$945	\$0.72
32 - 3 BR, 2.0 BA, GDN	1,338	\$979	\$0.73

Grantor / Seller MidAmerica Capital Partners / Memphis

Grantee / Buyer Athens Multi-Family Partners

Date of Sale June 13, 2013

Sale Price \$10,800,000

Terms \$10,600,000 with \$200,000 in minor repairs

Gross Potential Annual Income \$1,737,350 (\$10,858 per unit)

Net Annual Income Before Debt Service \$838,362 (\$5,240 per unit)
 (\$4.49 per SF or 48.26% of GPI)

Overall Capitalization 7.76%

Gross Income Multiple 6.22

Sale Price / Unit \$67,500

Apartment Community Sale No. 5 (continued)

Sale Price / SF \$57.88

Remarks Annual operating expenses were estimated at \$4,750 per unit, including reserves. Expenses equate to \$4.07 per square foot and 43.74% of GPI. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 92.0%.



Sale No. 5 - High Ridge, Athens, Georgia

Apartment Community Sale No. 6

Name and Location Willows of Cumming LIHTC, 225 Nancy Lane, Cumming, Forsyth County, Georgia 30040

Description 156-unit apartment complex built in 1996 on 12.800 acres (12.19 units / acre). Total apartment area is 147,148 square feet (943 square feet / unit). Two story frame with pitched roofs. Amenities include clubhouse, fitness center, playground, swimming pool and laundry facility.

UNIT MIX AND MARKET RENTAL STRUCTURE			
Unit Quantity and Type	Unit Size (SF)	Base Rent / Month	Base Rent / SF
16 - 1 BR, 1.0 BA, GDN	708	\$660	\$0.93
116 - 2 BR, 2.0 BA, GDN	929	\$790	\$0.85
24 - 3 BR, 2.0 BA, GDN	1,169	\$885	\$0.76

Grantor / Seller Willows of Cumming / Signature Management (Chuck Smith)

Grantee / Buyer PC Willows / Peak Capital Partners

Date of Sale June 13, 2014

Sale Price \$10,425,000

Terms \$10,415,000 with \$10,000 in minor repairs

Gross Potential Annual Income \$1,518,312 (\$9,733 per unit)

Net Annual Income Before Debt Service \$716,580 (\$4,593 per unit)
(\$4.87 per SF or 47.20% of GPI)

Overall Capitalization Rate 6.87%

Equity Dividend Rate 9.98%

Apartment Community Sale No. 6 (continued)

Gross Income Multiple 6.87

Sale Price / Unit \$66,827

Sale Price / SF \$70.85

Remarks Annual operating expenses were estimated at \$4,750 per unit, including reserves. Expenses equate to \$5.04 per square foot and 48.80% of GPI. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 96.0%.



Sale No. 6 - Willows of Cumming, Cumming, Georgia

Apartment Community Sale No. 7

Name and Location Foxworth Forest LIHTC Apartments, 17 Forest Circle, Newnan, Coweta County, Georgia 30265

Description 74 unit apartment complex built in 1993 on 6.900 (10.72 units / acre). Total apartment area is 73,576 square feet (994 square feet / unit). Amenities include swimming pool, playground/picnic area, and on-site laundry facility.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
16 - 1 BR, 1.0 BA, GDN**	745	\$500	\$0.67
40 - 2 BR, 2.0 BA, GDN**	1,005	\$600	\$0.60
18 - 3 BR, 2.0 BA, GDN**	1,192	\$700	\$0.59

** All units are 60% AMI

Grantor Coweta Woodlands / Signature Management (Chuck Smith)

Grantee CC Foxworth, LLC

Date of Sale / Legal August 5, 2013 / Deed Book 4001 / Page 12

Sale Price \$2,250,000

Terms \$2,200,000 with \$50,000 in minor repairs
 About 85% financing

Gross Potential Annual Income \$548,580 (\$7,413 per unit)

Net Annual Income Before Debt Service \$182,665 (\$2,468 per unit)
 (\$2.48 per SF or 33.30% of GPI)

Overall Capitalization Rate 8.12%

Gross Income Multiple 4.10

Apartment Community Sale No. 7 (continued)

Sale Price / Unit \$30,405

Sale Price / SF \$30.58

Remarks Annual operating expenses were estimated at \$4,500 per unit, including reserves. Expenses equate to \$4.53 per square foot and 60.70% of gross potential income. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 94.0%.



Sale No. 7 - Foxworth Forest LIHTC, Newnan, Georgia

Apartment Community Sale No. 8

Name and Location Knollwood Park LIHTC Apartments, 255 Honeysuckle Circle, Lawrenceville, Gwinnett County, Georgia 30046

Description 142 unit apartment complex built in 1998 on 11.170 (12.71 units / acre). Total apartment area is 167,852 square feet (1,182 square feet / unit). Two story frame with pitched roofs. Amenities include a laundry facility.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
78 - 2 BR, 2.0 BA, GDN	1,082	\$655	\$0.61
65 - 3 BR, 2.0 BA, GDN	1,304	\$740	\$0.57

Grantor Knollwood Park LP / Norsouth Savannah

Grantee TS / Conwood / Cofinance

Date of Sale February 28, 2014

Sale Price \$6,800,000

Terms \$6,650,000 with \$150,000 in repairs

Gross Potential Annual Income \$1,193,214 (\$8,403 per unit)

Net Annual Income Before Debt Service \$473,253 (\$3,333 per unit)
 (\$2.82 per SF or 39.66% of GPI)

Overall Capitalization Rate 6.96%

Gross Income Multiple 5.70

Sale Price / Unit \$47,887

Apartment Community Sale No. 8 (continued)

Sale Price / SF \$40.51

Remarks Annual operating expenses were estimated at \$4,650 per unit, including reserves. Expenses equate to \$3.93 per square foot and 55.34% of GPI. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 95.0%.



Sale No. 8 - Knollwood Park, Lawrenceville, Georgia

Apartment Community Sale No. 9

Name and Location Wingate Falls nka Legacy at Ackworth LIHTC Apartments, 4801 Baker Grove Road, Ackworth, Cobb County, Georgia 30101

Description 192 unit apartment complex built in 1997 on 16.040 (11.97 units / acre). Total apartment area is 195,072 square feet (1,016 square feet / unit). One and two story frame with pitched roofs. Although the initial Tax Credit Compliance Period (TCCP) expired on December 31st 2012, there are extended use restrictions in place until December 31st, 2027. Amenities include a laundry facility, swimming pool, fitness center, playground, and clubhouse. About 53% (102 units) are market rate with balance (90 units / 47%) LIHTC

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
16 - 1 BR, 1.0 BA, GDN, MKT	756	\$655	\$0.87
16 - 1 BR, 1.0 BA, GDN, 60 %	756	\$625	\$0.83
40 - 2 BR, 2.0 BA, GDN, MKT	972	\$775	\$0.80
40 - 2 BR, 2.0 BA, GDN, 60 %	972	\$755	\$0.78
40 - 3 BR, 2.0 BA, GDN, MKT	1,164	\$855	\$0.73
24 - 3 BR, 2.0 BA, GDN, 60 %	1,164	\$835	\$0.72
6 - 3 BR, 2.0 BA, VILLA, MKT	1,164	\$895	\$0.77
10 - 3 BR, 2.0 BA, VILLA, 60 %	1,164	\$875	\$0.75

Grantor Wingate Falls / Signature Management (Chuck & Michael Smith)

Grantee Wingate Falls Partners / Legacy Financial Partners

Date of Sale March 18, 2014

Sale Price \$10,825,000

Terms \$10, 625,000 with \$200,000 in minor repairs

Gross Potential Annual Income \$1,818,485 (\$9,471 per unit)

Apartment Community Sale No. 9 (continued)

Net Annual Income \$788,791 (\$4,108 per unit)
Before Debt Service (\$4.04 per SF or 43.38% of GPI)

Overall Capitalization Rate 7.29%

Gross Income Multiple 5.95

Sale Price / Unit \$56,380

Sale Price / SF \$55.49

Remarks Annual operating expenses were estimated at \$4,700 per unit, including reserves. Expenses equate to \$4.63 per square foot and 49.62% of GPI. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 93.0%.



Sale No. 9 - Wingate Falls nka Legacy at Ackworth LIHTC, Georgia

Apartment Community Sale No. 10

Name and Location Riverview Park (LIHTC), 7350 Campbellton Road, Atlanta, Fulton County, Georgia 30331

Description 228 unit apartment complex built in 2001 on 24.15 acres (9.44 units / acre). Total apartment area is 242,868 square feet (1,065 square feet per unit). Basic construction is three story brick and frame with pitched roof. The property previously operated under the LIHTC Program but had been withdrawn and was going to move to market.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
60 - 1 BR, 1.0 BA, GDN	794	\$600	\$0.76
132 - 2 BR, 2.0 BA, GDN	1,119	\$700	\$0.63
36 - 3 BR, 2.0 BA, GDN	1,320	\$835	\$0.63

Grantor MuniMae Riverview, LLC

Grantee Riverview Park, LLC

Date of Sale August 14, 2013

Sale Price \$11,450,000

Terms \$11,200,000 with \$250,000 in repairs

Gross Potential Annual Income \$1,949,058 (\$8,549 per / Unit)

Net Annual Income Before Debt Service \$824,133 (\$3,615 per / Unit)
 (\$3.39 / SF or 42.28% of GPI)

Overall Capitalization Rate 7.20%

Apartment Community Sale No. 10 (continued)

Gross Income Multiple	5.87
Sale Price / Unit	\$50,219
Sale Price / SF	\$47.14

Remarks

Annual operating expenses were estimated at \$4,250 per unit, including reserves. Expenses equate to \$3.99 per square foot and 46.72% of gross potential income. Utilities furnished in rents include cold water, sewer, trash removal and pest control. NOI based upon stabilized occupancy of 92.0%.



Sale No. 10 - Riverview Park, Atlanta, Georgia

Apartment Community Sale No. 11

Name and Location Laurel Oaks, 4160 Lexington Road, Athens, Clarke County, Georgia 30605

Description 238 unit apartment complex built in 1970-1972 on 30.930 (7.69 units / acre). Total apartment area is 260,250 square feet (1,093 square feet per unit). Two story frame and brick with pitched roofs. Amenities include swimming pool, fitness center, tennis court, dog park and laundry facility.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
67 - 1 BR, 1.0 BA, GDN	950	\$515	\$0.54
17 - 1 BR, 1.0 BA, GDN WD	950	\$540	\$0.57
51 - 2 BR, 2.0 BA, GDN	1,125	\$600	\$0.53
2 - 2 BR, 2.5 BA, GDN Patio	1,125	\$610	\$0.54
67 - 2 BR, 2.0 BA, GDN WD	1,125	\$625	\$0.56
7 - 2 BR, 1.5 BA, TH	1,175	\$625	\$0.53
7 - 2 BR, 1.5 BA, TH WD	1,175	\$650	\$0.55
14 - 3 BR, 2.0 BA, GDN	1,450	\$735	\$0.51
6 - 3 BR, 2.0 BA, GDN	1,450	\$745	\$0.51

Grantor 4160 Lexington Road

Grantee New Athens Associates

Date of Sale December 2013

Sale Price \$6,800,000

Terms \$6,550,000 with \$250,000 in minor repairs

Gross Potential Annual Income \$1,735,100 (\$7,290 per / Unit)

Net Annual Income Before Debt Service \$542,643 (\$2,280 per / Unit)
 (\$2.09 / SF or 31.27% of GPI)

Apartment Community Sale No. 11 (continued)

Overall Capitalization Rate 7.98%

Gross Income Multiple 3.92

Sale Price / Unit \$28,571

Sale Price / SF \$26.13

Remarks Annual operating expenses were estimated at \$4,500 per unit, including reserves. Expenses equate to \$4.12 per square foot and 61.73% of gross potential income. Utilities furnished in rents include trash removal and pest control. NOI based upon stabilized occupancy of 93.0%.



Sale No. 11 - Laurel Oaks, Athens, Georgia

Apartment Community Sale No. 12

Name and Location Laurel Ridge, 195 Epps Bridge Road, Athens, Clarke County, Georgia 30606

Description 294 unit apartment complex built in 1968 on 18.010 (16.32 units / acre). Total apartment area is 276,960 square feet (942 square feet / unit). Two and three story frame with pitched roofs. Amenities include a swimming pool, fitness center, tennis courts, laundry facility and clubhouse.

UNIT MIX AND RENTAL STRUCTURE			
Unit Quantity and Type	Size (SF)	Base Rent / Month	Base Rent / SF
16 - 1 BR, 1.0 BA, GDN	550	\$450	\$0.82
40 - 1 BR, 1.0 BA, GDN	692	\$505	\$0.73
174 - 2 BR, 2.0 BA, GDN	960	\$515	\$0.54
32 - 2 BR, 2.5 BA, TH	1,148	\$585	\$0.51
32 - 3 BR, 2.0 BA, GDN	1,147	\$660	\$0.58

Grantor Juniper Epps Bridge

Grantee Benchmark Bluffs

Date of Sale May 2014

Sale Price \$8,700,000

Terms \$8,400,000 with \$300,000 in minor repairs

Gross Potential Annual Income \$1,901,022 (\$6,466 per unit)

Net Annual Income Before Debt Service \$586,869 (\$1,996 per unit)
 (\$2.12 per SF or 30.87% of GPI)

Overall Capitalization Rate 6.75%

Apartment Community Sale No. 12 (continued)

Gross Income Multiple	4.58
Sale Price / Unit	\$29,592
Sale Price / SF	\$31.41

Remarks

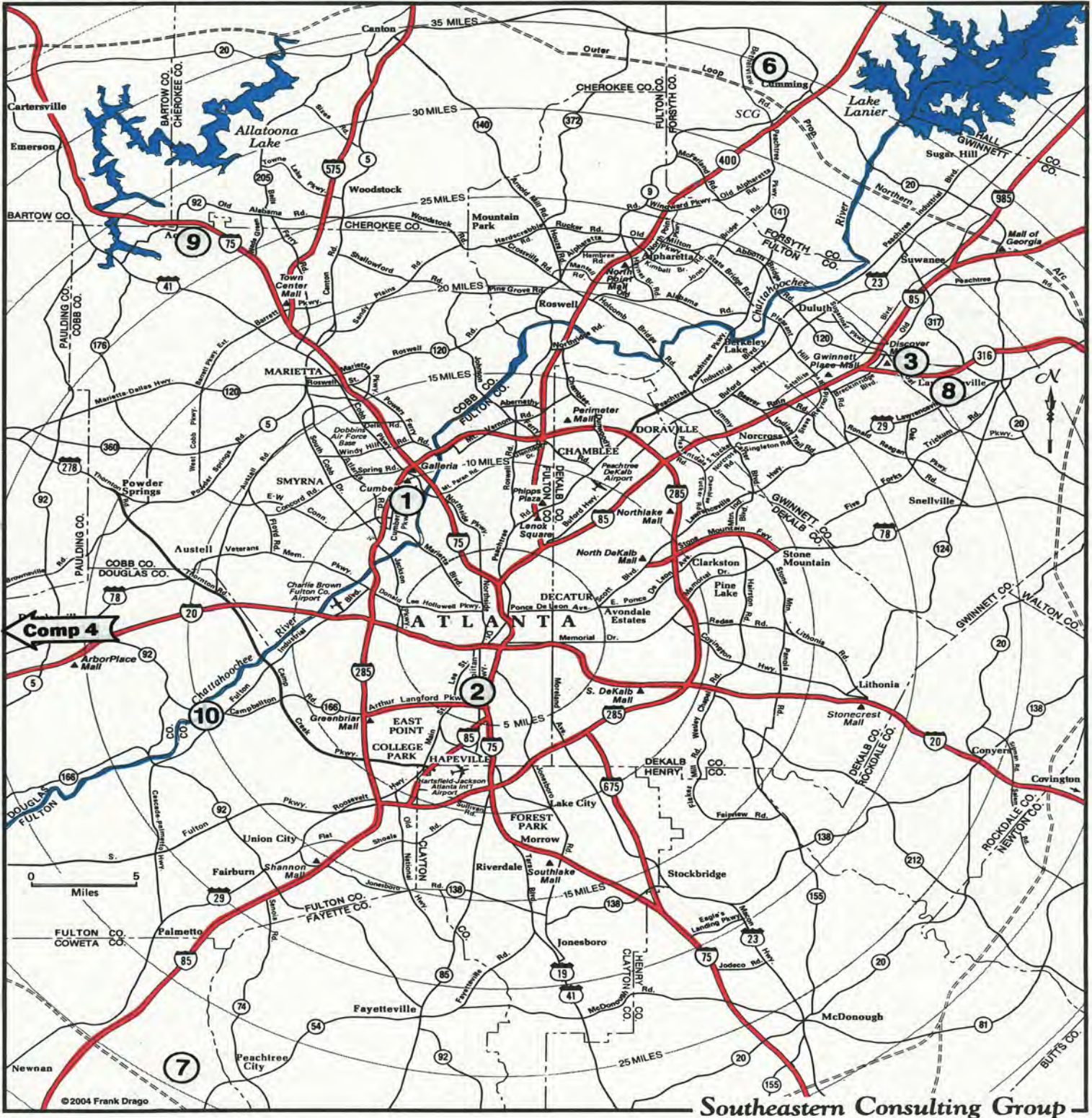
Annual operating expenses were estimated at \$3,500 per unit, including reserves. Expenses equate to \$3.72 per square foot and 54.13% of GPI. Utilities furnished in rents include trash removal and pest control. NOI based upon stabilized occupancy of 85.0%.



Sale No. 12 - Laurel Ridge, Athens, Georgia

Sales Location Map

Metropolitan Atlanta



Reconciliation and Final HUD Value Estimate

The most appropriate approaches to the unrestricted and renovated market value have provided indications for Pinewood Apartments as follows:

Un-Restricted Market Value (11/14/14)	
Cost Approach	Not Applicable
Income Capitalization Approach	\$4,600,000
Sales Comparison Approach	\$4,600,000

Limited consideration was given to the development of the Cost Approach. This analysis method tends to be unreliable for properties of this type, as properties such as Pinewood Apartments tend to derive value on the basis of their investment attributes rather than replacement costs. Further, total depreciation ascribable to physical, functional, and economic factors, which is most accurately reflected by interactions within the market, is inherently measured in the Income Capitalization and Sale Comparison Approach analyses.

The Sales Comparison Approach is a quasi market indication based upon conventional and tax credit sales from the market place. The Income Capitalization Approach is structured based upon market level rents and market level financing.

The value indications for Pinewood Apartments were both \$4,600,000 which was adopted. The \$4,600,000 estimate of unrestricted value is a stabilized estimate assuming any deferred maintenance has been completed and all. Therefore, it is SCG's opinion that the market value of the fee simple interest in Pinewood Apartments, based upon these parameters and the assumptions and limiting conditions, further assuming that any minor deferred maintenance will be identified in the engineers report and will be cured or completed as a condition of obtaining the proposed loan, and based on market conditions as of November 14, 2014, was:

Un-Restricted Market Value - 11/14/14
FOUR MILLION SIX HUNDRED THOUSAND (\$4,600,000.00) U.S. DOLLARS

Reconciliation and Final HUD Value Estimate (continued)

The most appropriate approaches to the “as-restricted” PILOT value have provided indications for Pinewood Apartments as follows:

As-Restricted Value (11/14/14)	
Cost Approach	Not Applicable
Income Capitalization Approach	\$5,875,000
Sales Comparison Approach	Not Applicable

No consideration was given to the development of the Cost Approach. This analysis method tends to be unreliable for properties of this type, as properties such as Pinewood Apartments tend to derive value on the basis of their investment attributes rather than replacement costs. Further, total depreciation ascribable to physical, functional, and economic factors, which is most accurately reflected by interactions within the market, is inherently measured in the Income Capitalization and Sale Comparison Approach analyses.

The Sales Comparison Approach is a quasi market indication based upon both tax credit and conventional sales from the market place. Since sales of PILOT apartments were not located this Sales Comparison Approach was not developed. The Income Capitalization Approach is structured based upon the proposed market rents based upon the LIHTC Guidelines.

The Income Capitalization Value indication for Pinewood Apartments was \$5,875,000 which was adopted. The \$5,875,000 estimate of restricted value is a stabilized estimate assuming any deferred maintenance has been completed. Therefore, it is SCG’s opinion that the market value of the fee simple interest in Pinewood Apartments, based upon these parameters and the assumptions and limiting conditions, further assuming that any minor deferred maintenance will be identified in the engineers report and will be cured or completed as a condition and the guidelines for 223(f) PILOT loans of obtaining the proposed loan, and based on market conditions as of November 14, 2014, was:

As-Restricted Value - 11/14/14
FIVE MILLION EIGHT HUNDRED SEVENTY FIVE THOUSAND (\$5,875,000.00) U.S. DOLLARS

Certification of Appraiser / Analysts

The appraiser hereby certifies that:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions. SCG has no undisclosed interest in the property, the subject of the report, either past, present, or contemplated. SCG has no present or prospective interest or bias with respect to the subject matter of this appraisal report or the parties involved. SCG's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
2. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. As of the date of this report, William F. Cantrell has completed the requirements of the continuing education program of the Appraisal Institute. William F. Cantrell is currently certified through December 31, 2018. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The employment and compensation of the appraisers for rendering the opinions expressed herein are not contingent upon the values expressed, nor upon any other factor, other than the preparation and delivery of this report for the predetermined fee. This report has been made in conformity with and is subject to the requirements of the Code of Ethics and Standards of Professional Conduct of the Appraisal Institute. SCG's reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), HUD and FIRREA Guidelines. William F. Cantrell has not previously appraised this property.
3. Neither the appraisal assignment nor the appraisal was rendered on the basis of a requested minimum valuation, a specific valuation, or approval of a loan. The appraiser has previously appraised similar properties to comply with the competency provisions. A personal inspection of the property which is the subject of this report was made by William F. Cantrell on November 14, 2014.
4. No one provided significant professional assistance to the persons signing this report. All significant contributions to the opinions and conclusions expressed in the appraisal report were made by the undersigned. To the best of SCG's knowledge and belief, the statements of fact contained within this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct; also, this report sets forth all limiting conditions and assumptions affecting the analyses, opinions, and conclusions contained within this report.
5. The principal appraiser, William F. Cantrell holds appropriate State of Georgia certifications allowing the performance of real estate appraisals in connection with federally related transactions. William F. Cantrell is currently a Georgia Real Estate Appraiser Board Certified Appraiser #C000095. This license was issued April 24, 1991, and will renew on August 31, 2015.



William F. Cantrell, MAI, CCIM
President
GA Certification C000095
November 14, 2014

MAP Third Party Appraiser Certification

Pinewood Apartments

Athens, Georgia

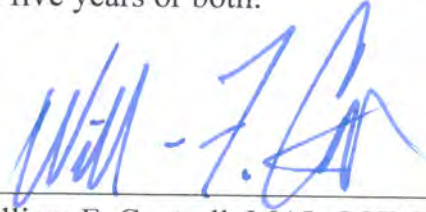
I, William F. Cantrell, understand that my appraisal report on Pinewood Apartments will be used by Oak Grove to document to the U.S. Department of Housing and Urban Development that Oak Grove's application for FHA mortgage insurance was prepared and reviewed in accordance with HUD requirements. I certify that my appraisal was in accordance with the HUD requirements of the MAP Guide dated November 2011, as amended and posted MAP Frequently Asked Questions. I further certify that my appraisal was in accordance with the HUD MAP requirements applicable on the date of my appraisal and that I have no financial interest, family relationship with the officers, directors, stockholders, or partners of the Borrower, the general contractor, any subcontractors, the buyer or seller of the property or engage in any business that might present a conflict of interest.

I am employed under a contract with Oak Grove for this specific assignment and I have no other side deals, agreements, or financial considerations with First Housing or others in connection with this transaction. In addition, I have attended at least one Third Party Training Session as required.

The racial / ethnic composition of the neighborhood surrounding the property in no way affected the appraisal determination.

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 or 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.

Signed by:
Company / Title:
Date:
Project Name:
Project Location:



William F. Cantrell, MAI, CCIM
Southeastern Consulting Group / President
November 14, 2014
Pinewood Apartments
Athens, Georgia

Exhibit A- Subject Rent Roll

SSI410
 GAPIW
 Select: 11/04/14
 90 Units

Rent Roll Report
SP Athens LLC
PINEWOOD APARTMENTS
November 04, 2014

Page: 1
 11/2014
 11/14/14
 10:49

Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/I Date	Lease Expires Term	Ending Balance Deposit
A - A1	1BD HUD	VA N	Vacancy Loss			526.00			526.00				
A - A2	1BD HUD	OC N	Johnnie E Winfrey, jr.	C	561	526.00	RENT	105.00	526.00	526.00	01/08/88	12/31/88	0.00
							HUD	421.00				12	62.00
							Total:	526.00					
A - A3	1BD HUD	OC N	Brenda J Lewis	C	561	526.00	RENT	599.00	526.00	526.00	12/01/03	02/27/15	0.00
							UR	(73.00)				12	25.00
							Total:	526.00					
A - A4	1BD HUD	OC N	Olivia P Collins	C	561	526.00	RENT	122.00	526.00	526.00	12/01/04	11/30/05	0.00
							HUD	404.00				12	159.00
							Total:	526.00					
B - B1	1BDHUD	OC N	Predita L Freeman	C	561	526.00	RENT	114.00	526.00	526.00	06/12/02	06/11/03	114.00
							HUD	412.00				12	160.00
							Total:	526.00					
B - B2	1BDHUD	OC N	Jameco L. Ellis	C	561	526.00	RENT	105.00	526.00	526.00	11/22/13	11/21/14	0.00
							HUD	421.00				12	203.00
							Total:	526.00					
B - B3	1BDHUD	OC N	Perry Q Colquitt	C	561	526.00	RENT	118.00	526.00	526.00	06/02/14	06/01/15	2.00
							HUD	408.00				12	216.00
							Total:	526.00					
C - C1	1BDHUD	OC N	Brenda L Howard	C	561	526.00	RENT	120.00	526.00	526.00	08/20/10	08/19/11	120.00
							HUD	406.00				12	45.00
							Total:	526.00					
C - C2	1BDHUD	OC N	Christine Hunt	C	561	526.00	RENT	204.00	526.00	526.00	06/10/13	06/09/14	0.00
							HUD	322.00				12	297.00
							Total:	526.00					
C - C3	1BDHUD	OC N	Cathy F Patmon	C	561	526.00	RENT	599.00	526.00	526.00	02/14/14	02/13/15	0.00
							UR	(73.00)				12	145.00
							Total:	526.00					
D - D1	4BD HUD	OC N	Ruby Sims Destinee Boyce Rayquan Davis	C	1,115	810.00	RENT	356.00	810.00	810.00	05/31/12	05/30/13	367.00
							HUD	454.00				12	617.87
							Total:	810.00					
D - D2	4BD HUD	OC N	Temika Dammond Quantavius L. Smith Ceasar A Dammond Olivia McWhirter	C	1,115	810.00	RENT	816.00	810.00	810.00	05/14/14	04/30/15	0.00
							UR	(6.00)				12	341.00
							Total:	810.00					
D - D3	2BD HUD	OC N	Anita L Barnett Damarre'a K Lowe	C	799	579.00	RENT	670.00	579.00	579.00	10/07/98	10/06/99	0.00
							UR	(91.00)				12	248.00
							Total:	579.00					
D - D4	2BD HUD	OC N	Shalona V Davis Demere J Hughes	C	799	579.00	RENT	252.00	579.00	579.00	03/13/07	03/12/08	252.00
							HUD	327.00				12	342.00
							Total:	579.00					
E - E1	2BD HUD	OC N	Quashawndra Carter Keasia J Carter	C	799	579.00	RENT	600.00	579.00	579.00	07/11/14	07/10/15	0.00
							UR	(21.00)				12	447.00
							Total:	579.00					
E - E2	2BD HUD	OC N	Kim Randolph Javon A Walker	C	799	579.00	RENT	405.00	579.00	579.00	06/10/06	06/09/07	412.00
							HUD	174.00				12	298.00
							Total:	579.00					
E - E3	3BD HUD	OC N	Nefatiti S Porter Nikeira T Harper Kennan N Harper Kenzivian N Harper	C	970	709.00	RENT	847.00	709.00	709.00	02/13/01	02/12/02	0.00
							UR	(138.00)				12	50.00
							Total:	709.00					
E - E4	3BD HUD	OC N	Destini Phelps Jaylen L Phelps Aileah N Jackson	C	970	709.00	RENT	830.00	709.00	709.00	07/05/11	07/04/12	0.00
							UR	(121.00)				12	19.00
							Total:	709.00					
F - F1	2BD HUD	VA N	Vacancy Loss			579.00			579.00				
F - F2	2BD HUD	OC N	Eurecka Wymbs Amier Wymbs Jaliyah Wymbs	C	799	579.00	RENT	28.00	579.00	579.00	04/12/13	04/11/14	74.00
							HUD	551.00				12	343.00
							Total:	579.00					
F - F3	2BD HUD	OC N	Letia A Tillman Deangelo T Brown	C	799	579.00	RENT	670.00	579.00	579.00	11/01/99	10/31/00	0.00
							UR	(91.00)				12	223.00
							Total:	579.00					
F - F4	3BD HUD	OC N	Alicia M Rawles Tony K Foster Khadasia R Williams	C	970	709.00	RENT	724.00	709.00	709.00	03/09/12	03/08/13	(10.00)
							UR	(15.00)				12	25.00
							Total:	709.00					

Exhibit A- Subject Rent Roll (Page 2)

SS1410
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 Select: 11/04/14
 90 Units

Rent Roll Report
SP Athens LLC
PINEWOOD APARTMENTS
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Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/O Date	Lease Expires Term	Ending Balance Deposit	
F - F5	3BD HUD	OC N	Kimberly Burgess	C	970	709.00	RENT	201.00	709.00	709.00	09/10/10	09/09/11	37.00	
			Jariah Craig				HUD	508.00					12	356.00
			Kaleb Craig				Total:	709.00						
G - G1	4BD HUD	OC N	Diamond Harris	C	1,115	810.00	RENT	428.00	810.00	810.00	02/24/12	02/23/13	1,332.00	
			Jalen Gary				HUD	382.00					12	495.00
			Jade Harris				Total:	810.00						
G - G2	4BD HUD	OC N	Luwanda Burgess	C	1,115	810.00	RENT	37.00	810.00	810.00	05/18/09	05/17/10	0.00	
			Aireyonna C Burgess				HUD	773.00					12	166.00
			Najararian T Wise				Total:	810.00						
G - G3	2BD HUD	OC N	Jah'Viante' D Wise	C	799	579.00	HUD	670.00	579.00	579.00	08/09/96	08/08/97	0.00	
			Ethel D Pope				UR	(91.00)					12	250.00
							Total:	579.00						
G - G4	2BD HUD	OC N	Barbara A Haynes	C	799	579.00	RENT	579.00	579.00	579.00	05/15/08	05/14/09	579.00	
			Jeremy B Scott				Total:	579.00					12	248.00
H - H1	4BD HUD	OC N	Janie Gaines	C	1,115	810.00	RENT	59.00	810.00	810.00	12/29/10	12/28/11	57.00	
			Erica Gaines				HUD	751.00					12	262.00
			Allison Gaines				Total:	810.00						
H - H2	4BD HUD	VA N	Vacancy Loss	C	799	579.00	HUD	670.00	579.00	579.00	11/08/13	11/07/14	0.00	
							UR	(91.00)					12	261.00
							Total:	579.00						
H - H3	2BD HUD	OC N	Donna Bolton	C	799	579.00	RENT	50.00	579.00	579.00	06/17/13	06/16/14	50.00	
			Aiden Bolton				HUD	529.00					12	195.00
			Londyn J Miller				Total:	579.00						
H - H4	2BD HUD	OC N	Vahada Fortson	C	799	579.00	RENT	461.00	579.00	579.00	01/06/14	01/05/15	461.00	
			Zion Kennedy				HUD	118.00					12	394.00
							Total:	579.00						
J - J1	2BD HUD	OC N	Courtney D Starks	C	799	579.00	RENT	106.00	579.00	579.00	09/30/11	09/29/12	106.00	
			Kay'Lee A Wright				HUD	473.00					12	196.00
							Total:	579.00						
J - J2	2BD HUD	OC N	Angela D Patman	C	799	579.00	RENT	41.00	709.00	709.00	08/23/13	08/22/14	48.00	
							HUD	668.00					12	227.00
							Total:	709.00						
J - J3	3BD HUD	OC N	Tanganika J Billups	C	970	709.00	RENT	68.00	709.00	709.00	08/10/79	08/09/80	68.00	
			Mi'Quan T Pittard				HUD	641.00					12	59.00
			Danario Hollis				Total:	709.00						
J - J4	3BD HUD	OC N	Connie L Curry	C	970	709.00	RENT	475.00	709.00	709.00	07/22/94	07/21/95	500.00	
			Mario Curry				HUD	234.00					12	171.00
			Jamal Curry				Total:	709.00						
K - K1	2BD HUD	VA N	Vacancy Loss	C	799	579.00	RENT	186.00	579.00	579.00	10/25/13	10/24/14	164.00	
							HUD	393.00					12	302.00
							Total:	579.00						
K - K2	2BD HUD	OC N	Sakica Jones	C	799	579.00	RENT	144.00	579.00	579.00	05/07/12	05/06/13	289.00	
			Jamari J Jones				HUD	435.00					12	290.00
							Total:	579.00						
K - K3	2BD HUD	OC N	Ashley Carter	C	799	579.00	RENT	159.00	579.00	579.00	02/14/13	02/13/14	159.00	
			Kharii Atkins				HUD	420.00					12	351.00
							Total:	579.00						
K - K4	3BD HUD	VA N	Vacancy Loss	C	970	709.00	RENT	847.00	709.00	709.00	03/29/14	03/28/15	0.00	
							HUD	847.00					12	25.00
							Total:	709.00						
K - K5	3BD HUD	OC N	Asia S Smith	C	970	709.00	RENT	144.00	579.00	579.00	05/07/12	05/06/13	289.00	
			Lametrese Sims Jr.				HUD	435.00					12	290.00
			India L Jones				Total:	579.00						
L - L1	2BD HUD	OC N	Antavia G Roach	C	799	579.00	RENT	159.00	579.00	579.00	02/14/13	02/13/14	159.00	
			Laceddrick A Roach				HUD	420.00					12	351.00
			A'Santi Daniel				Total:	579.00						
L - L2	2BD HUD	OC N	Nahiya R Daniel	C	799	579.00	RENT	159.00	579.00	579.00	02/14/13	02/13/14	159.00	
			Andrea Johnson				HUD	420.00					12	351.00
			Jamir Ellis				Total:	579.00						
L - L3	3BD HUD	OC N	Allie Shumake	C	970	709.00	RENT	847.00	709.00	709.00	03/29/14	03/28/15	0.00	
			Ava Shumake				UR	(138.00)					12	25.00
			Evana Shumake				Total:	709.00						
L - L3	3BD HUD	OC N	Shanna Wymbs	C	970	709.00	RENT	847.00	709.00	709.00	03/29/14	03/28/15	0.00	
							UR	(138.00)					12	25.00
							Total:	709.00						

Exhibit A- Subject Rent Roll (Page 3)

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Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/O Date	Lease Expires Term	Ending Balance Deposit
L - L4	3BD HUD	VA N	Vacancy Loss			709.00			709.00				
M - M1	2BD HUD	OC N	Christy Jackson Lennix M Wooden	C	799	579.00	RENT HUD	117.00 462.00	579.00	579.00	02/28/14	02/27/15 12	0.00 233.00
							Total:	579.00					
M - M2	2BD HUD	OC N	China Francis Miracle J Brown	C	799	579.00	HUD UR	670.00 (91.00)	579.00	579.00	08/28/13	07/31/15 12	0.00 176.00
							Total:	579.00					
M - M3	3BD HUD	VA N	Vacancy Loss			709.00			709.00				
M - M4	3BD HUD	OC N	Tawanna L McIntosh Tyteunna A Hall Tyguarious J Brice Tydarius McIntosh Shamyia D Whitehead	C	970	709.00	HUD UR	847.00 (138.00)	709.00	709.00	10/31/07	10/30/08 12	0.42 41.00
							Total:	709.00					
N - N1	2BD HUD	OC N	Tequila D Howard Tariah T Howard	C	799	579.00	HUD UR	632.00 (53.00)	579.00	579.00	01/11/07	01/10/08 12	0.00 180.00
							Total:	579.00					
N - N2	2BD HUD	OC N	Veronica Davis Kemorra Davis Kamarrion N Davis	C	799	579.00	RENT HUD	193.00 386.00	579.00	579.00	08/20/10	08/19/11 12	191.00 251.00
							Total:	579.00					
N - N3	3BD HUD	OC N	Lovey N Davis Latasha Q Davis Quinterrica D Davis Zy'Daisha Y Desavieu Usirahtun Y Desavieu Cione'-Amunet F Desavieu	C	970	709.00	HUD UR	847.00 (138.00)	709.00	709.00	12/21/01	12/20/02 12	0.00 41.00
							Total:	709.00					
N - N4	3BD HUD	VA N	Vacancy Loss			709.00			709.00				
O - O1	2BD HUD	OC N	Sarah A Morris	C	799	579.00	HUD UR	670.00 (91.00)	579.00	579.00	11/29/04	11/28/05 12	0.00 385.00
							Total:	579.00					
O - O2	2BD HUD	OC N	L'Saria A Fleming Ali B Fleming	C	799	579.00	RENT HUD	173.00 406.00	579.00	579.00	10/06/10	10/05/11 12	628.00 387.00
							Total:	579.00					
O - O3	3BD HUD	OC N	Monique L. Smith Donique J Smith Derrick J Hill Brynarius K Smith	C	970	709.00	RENT HUD	256.00 453.00	709.00	709.00	06/07/12	06/06/13 12	816.00 62.00
							Total:	709.00					
O - O4	3BD HUD	OC N	Tawanna Huff Gershavia D Sims Germaine A Sims	C	970	709.00	HUD UR	847.00 (138.00)	709.00	709.00	10/04/13	10/03/14 12	(620.00) 333.00
							Total:	709.00					
P - P1	2BD HUD	OC N	Taylor B Thomas Rylee E Thomas	C	799	579.00	RENT HUD	80.00 499.00	579.00	579.00	07/30/12	07/29/13 12	78.00 301.84
							Total:	579.00					
P - P2	2BD HUD	OC N	Breana Callaway Mason Callaway	C	799	579.00	HUD RENT	487.00 92.00	579.00	579.00	09/05/14	08/31/15 12	80.00 208.00
							Total:	579.00					
P - P3	3BD HUD	OC N	Laterrica N Campbell O'Terrion O Campbell Ty'Metrica N Rucker Azaria T Rucker Zaden L. Lattimore	C	970	709.00	HUD UR	711.00 (2.00)	709.00	709.00	03/12/08	02/28/15 6	420.00 214.00
							Total:	709.00					
P - P4	3BD HUD	OC N	Ursula M Johnson Brandon T Allen Briana M Lee	C	970	709.00	RENT HUD	26.00 683.00	709.00	709.00	09/15/06	09/14/07 12	26.00 77.00
							Total:	709.00					
Q - Q1	2BD HUD	OC N	Treemoneesha L Harvey Demariae L Williams	C	799	579.00	RENT HUD	211.00 368.00	579.00	579.00	02/12/10	02/11/11 12	0.00 484.00
							Total:	579.00					
Q - Q2	2BD HUD	OC N	Adrina B Smith Jaylan R Smith Jamonte D Smith	C	799	579.00	HUD UR	661.00 (82.00)	579.00	579.00	05/16/06	05/15/07 12	0.00 174.00
							Total:	579.00					
Q - Q3	3BD HUD	OC N	Ketwana Cox Damien Bell Khi'Yan M Bell	C	970	709.00	RENT HUD	437.00 272.00	709.00	709.00	07/18/14	07/17/15 12	437.00 350.00
							Total:	709.00					

Exhibit A- Subject Rent Roll (Page 4)

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Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/I Date	Lease Expires Term	Ending Balance Deposit
Q - Q4	3BD HUD	OC N	Damarien L Bell	C	970	709.00	RENT	255.00	709.00	709.00	01/24/14	01/23/15	19.00
			Kelandria V Lee				HUD	454.00					524.00
			Macai E Agbaka- lee				Total:	709.00					
R - R1	2BD HUD	OC N	Amber Brown	C	799	579.00	HUD	670.00	579.00	579.00	06/30/12	06/29/13	0.00
			Ambriyah N Thornton				UR	(91.00)					187.00
			Total:				579.00						
R - R2	2BD HUD	OC N	Briteney T Martin	C	799	579.00	RENT	51.00	579.00	579.00	01/31/08	01/30/09	55.00
			Azzari M Brown				HUD	528.00					170.00
			Total:				579.00						
R - R3	2BD HUD	OC N	Tynesia Goodrum	C	799	579.00	HUD	670.00	579.00	579.00	06/07/12	06/06/13	0.00
			Collin Goodrum				UR	(91.00)					404.00
			Total:				579.00						
R - R4	3BD HUD	OC N	Melinda Bolton	C	970	709.00	RENT	260.00	709.00	709.00	01/28/11	01/27/12	36.00
			Mortavius Crew				HUD	449.00					309.00
			Total:				709.00						
R - R5	3BD HUD	OC N	Ronata M Boswell	C	970	709.00	RENT	243.00	709.00	709.00	08/15/11	08/14/12	257.00
			Shelisha L Boswell				HUD	466.00					214.00
			Total:				709.00						
S - S1	2BD HUD	OC N	Chiquita S Howard	C	799	579.00	RENT	138.00	579.00	579.00	06/08/06	06/07/07	140.00
			Jamiyra U Howard				HUD	441.00					354.00
			Total:				579.00						
S - S2	2BD HUD	OC N	Choyci Moss	C	799	579.00	HUD	670.00	579.00	579.00	06/03/13	06/02/14	0.00
			Maci Moss				UR	(91.00)					188.00
			Total:				579.00						
S - S3	2BD HUD	OC N	Rose M Hasendove	C	799	579.00	RENT	191.00	579.00	579.00	04/29/09	04/28/10	(18.00)
			Terrance R Barnes				HUD	388.00					430.00
			Total:				579.00						
S - S4	3BD HUD	OC N	Melissa L Carey	C	970	709.00	HUD	847.00	709.00	709.00	01/03/11	01/02/12	0.00
			Xavier L Stokes				UR	(138.00)					128.00
			Total:				709.00						
S - S5	3BD HUD	OC N	Cordero B Armstead	C	970	709.00	HUD	352.00	709.00	709.00	09/12/13	08/31/15	486.00
			Lakeir Leverett				RENT	357.00					466.00
			Total:				709.00						
T - T1	2BD HUD	OC N	Dorothy Stewart	C	799	579.00	HUD	670.00	579.00	579.00	09/13/13	09/12/14	(102.00)
			Deana Oglesby				UR	(91.00)					462.00
			Total:				579.00						
T - T2	2BD HUD	OC N	Ajla Kostic	C	799	579.00	HUD	670.00	579.00	579.00	04/30/14	04/29/15	0.00
			Zayden Henderson				UR	(91.00)					242.00
			Total:				579.00						
T - T3	3BD HUD	OC N	Tiffany N Pass	C	970	709.00	RENT	110.00	709.00	709.00	05/16/14	05/15/15	110.00
			M Kenzye J Terrell				HUD	599.00					250.00
			Total:				709.00						
T - T4	3BD HUD	OC N	Cassandra J Jones	C	970	709.00	RENT	216.00	709.00	709.00	10/21/02	10/20/03	(328.00)
			Raekwon D Smith				HUD	493.00					79.00
			Total:				709.00						
U - U1	2BD HUD	OC N	Krystal Patterson	C	799	579.00	RENT	340.00	579.00	579.00	06/13/14	06/12/15	354.00
			Jayla Smith				HUD	239.00					550.00
			Total:				579.00						
U - U2	2BD HUD	OC N	Judy Howard	C	799	579.00	RENT	579.00	579.00	579.00	03/29/85	03/28/86	0.00
							Total:	579.00					198.00
U - U3	3BD HUD	OC N	Jessica Burley	C	970	709.00	HUD	795.00	709.00	709.00	08/01/14	07/31/15	0.00
			Termaine J Johnson				UR	(86.00)					77.00
			Total:				709.00						
U - U4	3BD HUD	OC N	Kim L Norman	C	970	709.00	RENT	138.00	709.00	709.00	08/22/06	08/21/07	0.00
			Keyanna B Norman				HUD	571.00					35.00
			Total:				709.00						
V - V1	2BD HUD	OC N	Krishonda Lee	C	799	579.00	HUD	670.00	579.00	579.00	08/27/12	08/26/13	0.00
			Aubree Howard				UR	(91.00)					318.00
			Total:				579.00						

Exhibit A- Subject Rent Roll (Page 5)

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Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/O Date	Lease Expires Term	Ending Balance Deposit
V - V2	2BD	OC	Heidi Sherrer	C	799	579.00	HUD	638.00	579.00	579.00	02/01/11	01/31/12	0.00
	HUD	N	Chase Sherrer				UR	(59.00)				12	352.00
							Total:	579.00					
V - V3	3BD	OC	Nicole D Elder	C	970	709.00	RENT	107.00	709.00	709.00	03/14/07	03/13/08	0.00
	HUD	N	Iceilene S Green				HUD	602.00				12	96.00
			Crystal Y Green				Total:	709.00					
V - V4	3BD	OC	Halley Smith	C	970	709.00	HUD	847.00	709.00	709.00	05/07/14	05/06/15	0.00
	HUD	N	Kamiya A Smith				UR	(138.00)				12	104.00
			Elijah A Ellison				Total:	709.00					
W - W1	1BDHOC	OC	Latisha L Steward	C	561	526.00	HUD	599.00	526.00	526.00	02/07/08	02/06/09	0.00
	HUD	N					UR	(73.00)				12	234.00
							Total:	526.00					
W - W2	1BDHOC	OC	Mary J Calloway	C	561	526.00	RENT	350.00	526.00	526.00	08/01/00	07/31/01	0.00
	HUD	N					HUD	176.00				12	95.00
							Total:	526.00					
W - W3	1BDHOC	OC	Brenda Y Neal	C	561	526.00	RENT	195.00	526.00	526.00	07/25/14	07/24/15	2.00
	HUD	N					HUD	331.00				12	475.00
							Total:	526.00					
W - W4	1BD	OC	Lorraine Dillard	C	561	526.00	RENT	469.00	526.00	526.00	06/03/92	06/02/93	468.00
	HUD	N					HUD	57.00				12	58.00
							Total:	526.00					

Total:	Market Rent	Lease Rent	Gross Possible	Actual Potential Charges	Security Deposits	Other Deposits	Total Deposits	Ending Balance
	56,654.00	51,324.00	56,654.00	51,324.00	19,779.71	0.00	19,779.71	8,969.42

<u>Income Code:</u>		<u>Resident Stat.</u>		<u>Unit Stat.</u>		<u>Unit Analysis</u>		
HUD	HUD Assistance	C	** Current	OC	Occupied	Description	Units	Percent
RENT	Rent	P	Previous	VA	Vacant Available	Occupied	82	91.11
UR	UR-Util Allow Reimb					Vacant	8	8.89
						Down	0	0.00
						Total Units	90	100.00
						Construction	0	
						Waiting Lists	0	
						Employee	0	
						Model	0	
						Other Use	0	
						Total Special U:	0	0.00

Summary of Actual Charges by Income Code (Current, On-Notice, Transfer Out residents only)

HUD	HUD Assistance	43,286.00
RENT	Rent	10,760.00
UR	UR-Util Allow Reimb	-2,722.00

This Rent Roll includes Current Resident, Applicants. ** Indicates amounts not included in summary of lease charges

Exhibit A- Subject Rent Roll (Page 6)

SSI410
 GAPIW
 Select: 11/04/14
 90 Units

Rent Roll Report
SP Athens LLC
PINEWOOD APARTMENTS
November 04, 2014

Page: 6
 11/2014
 11/14/14
 10:49

Unit	Type	Unit Status	Names	R S	Sq.Ft.	Market Rent	Code	Lease Charges	Gross Possible	Actual Potential Charges	M/I Date M/O Date	Lease Expires Term	Ending Balance Deposit		
Grand Total :															
					Market Rent			Lease Rent	Gross Possible	Actual Potential Charges		Security Deposits	Other Deposits	Total Deposits	Ending Balance
					56,654.00			51,324.00	56,654.00	51,324.00		19,779.71	0.00	19,779.71	8,969.42

Grand Summary of Actual Charges by Income Code (Current, On-Notice, Transfer Out residents only)

HUD	HUD Assistance	43,286.00
RENT	Rent	10,760.00
UR	UR-Util Allow Reimb	-2,722.00

Exhibit B - Vacant Land Sales - No. 1



Name & Address	Myrtle Terraces, 1326 Myrtle Street, Gainesville, Georgia
Grantor / Seller	Pacolet Millken Enterprises
Grantee / Buyer	Myrtle Terraces, LP
Sale Date	June 2013
Sale Price	\$850,000
No. of Units	84 LIHTC Units
Price per Unit	\$10,119 per unit
Land Area / Density	7.17 Acres / 11.72 units per acre
Price / Acre	\$118,550 per acre

Exhibit B - Vacant Land Sales - No. 2

Name & Address	Town Center Heights, 190 Roberts Trail, Kennesaw, Cobb County, Georgia 30144
Grantor / Seller	Branch Banking & Trust
Grantee / Buyer	Walton Heights Land
Sale Date	August 8, 2012
Sale Price	\$900,000
No. of Units	100 LIHTC Units
Price per Unit	\$9,000 per unit
Land Area / Density	3.47 Acres / 28.8 units per acre
Price / Acre	\$259,366 per acre

Exhibit B - Vacant Land Sales - No. 3



Name & Address	Wembly at Overlook, NWQ of Riverside Drive and Bass Road, Macon, Bibb County, Georgia
Grantor / Seller	State Bank & Trust
Grantee / Buyer	Wembly at Overlook
Sale Date	May 2012
Sale Price	\$1,527,000
No. of Units	238 Units
Price per Unit	\$6,416 per unit
Land Area / Density	24.57 Acres / 9.69 units per acre
Price / Acre	\$62,149 per acre

Exhibit B - Vacant Land Sales - No. 4



Name & Address	Southside of East 10 th Street and NWS of I-85, West Point, Georgia
Grantor / Seller	West Point Village
Grantee / Buyer	LaGrange Housing Authority
Sale Date	March 2014
Sale Price	\$540,000
No. of Units	82 LIHTC Units
Price per Unit	\$6,585 per unit
Land Area / Density	9.00 Acres / 9.11 units per acre
Price / Acre	\$60,000 per acre

Exhibit B - Vacant Land Sales - No. 5

Name & Address	Panola Gardens Senior LIHTC, NS Snapfinger Woods Drive at Stonekey Place, Lithonia, DeKalb County, Georgia
Grantor / Seller	Keystone Gates VDL, Georgia
Grantee / Buyer	Panola DeKalb Senior Housing
Sale Date	February 2013
Sale Price	\$420,000
No. of Units	85 LIHTC Units
Price per Unit	\$4,941 per unit
Land Area / Density	4.19 Acres / 20.29 units per acre
Price / Acre	\$100,239 per acre

Exhibit B - Vacant Land Sales - No. 6



Name & Address	Forest at York LIHTC, WS of Calumet Parkway North of Millard Farmer Industrial Boulevard, Newnan, Coweta County, Georgia 30263
Grantor / Seller	Parkway Ventures
Grantee / Buyer	The Forest at York
Sale Date	September 2012
Sale Price	\$561,600
No. of Units	72 LIHTC Units
Price per Unit	\$7,800 per unit
Land Area / Density	9.64 Acres / 7.47 units per acre
Price / Acre	\$58,258 per acre

Exhibit C - Subject 2011 Operating Summary

Items	2011 Year End	Totals / Year	Per Unit	Per SF	% of GPI
Income					
A.	Potential Rental Income	\$653,004.00	\$7,255.60	\$8.64	99.01%
B.	Other Income - Forfeitures	\$0.00	\$0.00	\$0.00	0.00%
C.	Other Income - Pet Fees	\$0.00	\$0.00	\$0.00	0.00%
D.	Other Income - Application Fees	\$0.00	\$0.00	\$0.00	0.00%
E.	Other Income - Late Fees	\$0.00	\$0.00	\$0.00	0.00%
F.	Other Income - N.S.F. Fees	\$0.00	\$0.00	\$0.00	0.00%
G.	Other Income - Storage Fees	\$0.00	\$0.00	\$0.00	0.00%
H.	Other Income - Laundry & Vending	\$0.00	\$0.00	\$0.00	0.00%
I.	Other Income - Damages & Cleaning Fees	\$0.00	\$0.00	\$0.00	0.00%
J.	Other Income - Misc.	\$6,559.00	\$72.88	\$0.09	0.99%
Gross Potential Income - G.P.I.		\$659,563.00	\$7,328.48	\$8.72	100.00%
K.	Less Vacancy	\$19,412.00	\$215.69	\$0.26	2.94%
L.	Less Concessions	\$0.00	\$0.00	\$0.00	0.00%
M.	Less Credit Loss	\$6,853.00	\$76.14	\$0.09	1.04%
N.	Less Other Employee Units	\$6,704.00	\$74.49	\$0.09	1.02%
Effective Gross Income - E.G.I.		\$626,594.00	\$6,962.16	\$8.29	95.00%
ADMINISTRATIVE EXPENSES					
1.	Advertising	\$1,986.00	\$22.07	\$0.03	0.30%
2.	Management	\$51,201.00	\$568.90	\$0.68	7.76%
3.	Other/Admin.	\$45,201.00	\$502.23	\$0.60	6.85%
	Subtotal	\$98,388.00	\$1,093.20	\$1.30	14.92%
OPERATING EXPENSES					
5.	Elevator Maint.	\$0.00	\$0.00	\$0.00	0.00%
6.	Fuel Oil	\$291.00	\$3.23	\$0.00	0.04%
7.	Electricity	\$8,039.00	\$89.32	\$0.11	1.22%
8.	Water & Sewer	\$47,516.00	\$527.96	\$0.63	7.20%
9.	Natural Gas	\$2,852.00	\$31.69	\$0.04	0.43%
10.	Trash Removal	\$8,228.00	\$91.42	\$0.11	1.25%
11.	Payroll	\$114,453.00	\$1,271.70	\$1.51	17.35%
12.	Other / Supplies	\$4,945.00	\$54.94	\$0.07	0.75%
	Subtotal	\$0.00	\$2,070.27	\$2.46	28.25%
MAINTENANCE EXPENSES					
14.	Decorating	\$45,661.00	\$507.34	\$0.60	6.92%
15.	Repairs	\$0.00	\$0.00	\$0.00	0.00%
16.	Exterminating	\$0.00	\$0.00	\$0.00	0.00%
17.	Insurance	\$19,183.00	\$213.14	\$0.25	2.91%
18.	Grounds	\$0.00	\$0.00	\$0.00	0.00%
19.	Supplies / Other	\$1,227.00	\$13.63	\$0.02	0.19%
21.	Reserves	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$66,071.00	\$734.12	\$0.87	10.02%
TAXES					
25.	Payroll	\$23,030.00	\$255.89	\$0.30	3.49%
23.	Real Estate	\$34,305.00	\$381.17	\$0.45	5.20%
26.	Other	\$730.00	\$8.11	\$0.01	0.11%
	Subtotal	\$58,065.00	\$645.17	\$0.77	8.80%
TOTALS		\$222,524.00	\$4,542.76	\$5.41	61.99%

Exhibit C - Subject 2012 Operating Summary

Items	2012 Year End	Totals / Year	Per Unit	Per SF	% of GPI
Income					
A.	Potential Rental Income	\$651,736.00	\$7,241.51	\$8.62	99.19%
B.	Other Income - Forfeitures	\$0.00	\$0.00	\$0.00	0.00%
C.	Other Income - Pet Fees	\$0.00	\$0.00	\$0.00	0.00%
D.	Other Income - Application Fees	\$0.00	\$0.00	\$0.00	0.00%
E.	Other Income - Late Fees	\$0.00	\$0.00	\$0.00	0.00%
F.	Other Income - N.S.F. Fees	\$0.00	\$0.00	\$0.00	0.00%
G.	Other Income - Storage Fees	\$0.00	\$0.00	\$0.00	0.00%
H.	Other Income - Laundry & Vending	\$0.00	\$0.00	\$0.00	0.00%
I.	Other Income - Damages & Cleaning Fees	\$0.00	\$0.00	\$0.00	0.00%
J.	Other Income - Misc.	\$5,294.00	\$58.82	\$0.07	0.81%
Gross Potential Income - G.P.I.		\$657,030.00	\$7,300.33	\$8.69	100.00%
K.	Less Vacancy	\$10,170.00	\$113.00	\$0.13	1.55%
L.	Less Concessions	\$0.00	\$0.00	\$0.00	0.00%
M.	Less Credit Loss	\$2,947.00	\$32.74	\$0.04	0.45%
N.	Less Other Employee Units	\$0.00	\$0.00	\$0.00	0.00%
Effective Gross Income - E.G.I.		\$643,913.00	\$7,154.59	\$8.52	98.00%
ADMINISTRATIVE EXPENSES					
1.	Advertising	\$1,303.00	\$14.48	\$0.02	0.20%
2.	Management	\$48,456.00	\$538.40	\$0.64	7.38%
3.	Other/Admin.	\$37,866.00	\$420.73	\$0.50	5.76%
	Subtotal	\$87,625.00	\$973.61	\$1.16	13.34%
OPERATING EXPENSES					
5.	Elevator Maint.	\$0.00	\$0.00	\$0.00	0.00%
6.	Fuel Oil	\$0.00	\$0.00	\$0.00	0.00%
7.	Electricity	\$6,964.00	\$77.38	\$0.09	1.06%
8.	Water & Sewer	\$45,711.00	\$507.90	\$0.60	6.96%
9.	Natural Gas	\$2,623.00	\$29.14	\$0.03	0.40%
10.	Trash Removal	\$9,344.00	\$103.82	\$0.12	1.42%
11.	Payroll	\$127,128.00	\$1,412.53	\$1.68	19.35%
12.	Other / Supplies	\$3,831.00	\$42.57	\$0.05	0.58%
	Subtotal	\$195,601.00	\$2,173.34	\$2.59	29.77%
MAINTENANCE EXPENSES					
14.	Decorating / Turnover	\$0.00	\$0.00	\$0.00	0.00%
15.	Repairs	\$0.00	\$0.00	\$0.00	0.00%
16.	Exterminating	\$0.00	\$0.00	\$0.00	0.00%
17.	Insurance	\$15,767.00	\$175.19	\$0.21	2.40%
18.	Grounds	\$0.00	\$0.00	\$0.00	0.00%
19.	Supplies / Other	\$0.00	\$0.00	\$0.00	0.00%
21.	Reserves	\$0.00	\$0.00	\$0.00	0.00%
	Subtotal	\$15,767.00	\$175.19	\$0.21	2.40%
TAXES					
25.	Payroll	\$25,798.00	\$286.64	\$0.34	3.93%
23.	Real Estate	\$40,703.00	\$452.26	\$0.54	6.19%
26.	Other	\$21,123.00	\$234.70	\$0.28	3.21%
	Subtotal	\$87,624.00	\$973.60	\$1.16	13.34%
TOTALS		\$386,617.00	\$4,295.74	\$5.11	58.84%

Exhibit C - Subject 2013 Operating Summary

Items	2013 Year End	Totals / Year	Per Unit	Per SF	% of GPI
Income					
A.	Potential Rental Income	\$667,348.00	\$7,414.98	\$8.83	97.31%
B.	Other Income - Forfeitures	\$912.00	\$10.13	\$0.01	0.13%
C.	Other Income - Pet Fees	\$0.00	\$0.00	\$0.00	0.00%
D.	Other Income - Application Fees	\$0.00	\$0.00	\$0.00	0.00%
E.	Other Income - Late Fees	\$2,670.80	\$29.68	\$0.04	0.39%
F.	Other Income - N.S.F. Fees	\$18.00	\$0.20	\$0.00	0.00%
G.	Other Income - Storage Fees	\$0.00	\$0.00	\$0.00	0.00%
H.	Other Income - Laundry & Vending Utility Re	\$779.75	\$8.66	\$0.01	0.11%
I.	Other Income - Damages & Cleaning Fees	\$1,825.96	\$20.29	\$0.02	0.27%
J.	Other Income - Misc.	\$12,257.61	\$136.20	\$0.16	1.79%
Gross Potential Income - G.P.I.		\$685,812.12	\$7,620.13	\$9.07	100.00%
K.	Less Vacancy	\$20,319.73	\$225.77	\$0.27	2.96%
L.	Less Concessions	\$0.00	\$0.00	\$0.00	0.00%
M.	Less Credit Loss	\$0.00	\$0.00	\$0.00	0.00%
N.	Less Other Employee Units	\$0.00	\$0.00	\$0.00	0.00%
Effective Gross Income - E.G.I.		\$665,492.39	\$7,394.36	\$8.80	97.04%
ADMINISTRATIVE EXPENSES					
1.	Advertising	\$697.00	\$7.74	\$0.01	0.10%
2.	Management	\$48,520.00	\$539.11	\$0.64	7.07%
3.	Other / Administrative	\$36,159.87	\$401.78	\$0.48	5.27%
Subtotal		\$85,376.87	\$948.63	\$1.13	12.45%
OPERATING EXPENSES					
5.	Elevator Maint.	\$0.00	\$0.00	\$0.00	0.00%
6.	Fuel Oil	\$0.00	\$0.00	\$0.00	0.00%
7.	Electricity	\$6,417.88	\$71.31	\$0.08	0.94%
8.	Water & Sewer	\$46,471.55	\$516.35	\$0.61	6.78%
9.	Natural Gas	\$2,083.69	\$23.15	\$0.03	0.30%
10.	Trash Removal	\$4,556.90	\$50.63	\$0.06	0.66%
11.	Payroll	\$117,007.00	\$1,300.08	\$1.55	17.06%
12.	Other / Supplies	\$0.00	\$0.00	\$0.00	0.00%
Subtotal		\$176,537.02	\$1,961.52	\$2.34	25.74%
MAINTENANCE EXPENSES					
14.	Decorating	\$2,693.63	\$29.93	\$0.04	0.39%
15.	Repairs	\$10,073.29	\$111.93	\$0.13	1.47%
16.	Exterminating	\$1,947.00	\$21.63	\$0.03	0.28%
17.	Insurance	\$24,523.00	\$272.48	\$0.32	3.58%
18.	Grounds	\$14,495.00	\$161.06	\$0.19	2.11%
19.	Supplies / Other	\$0.00	\$0.00	\$0.00	0.00%
21.	Reserves	\$0.00	\$0.00	\$0.00	0.00%
Subtotal		\$53,731.92	\$597.02	\$0.71	7.83%
TAXES					
25.	Payroll	\$18,853.19	\$209.48	\$0.25	2.75%
23.	Real Estate	\$43,487.44	\$483.19	\$0.58	6.34%
26.	Other	\$591.59	\$6.57	\$0.01	0.09%
Subtotal		\$62,932.22	\$699.25	\$0.83	9.18%
TOTALS		\$378,578.03	\$4,206.42	\$5.01	55.20%

Exhibit C - One-Bedroom Adjustments to the Form 92273-S8

The following narrative summarizes the adjustment, which are used in the analysis and included on HUD Form 92273-S8 on the following pages.

Line 1 - Last Rented / Restricted - All of the units are currently rented at the rates shown on the grid. No units used in the analysis have any rent restrictions and are considered market rates.

Line 2 - Date Last Leased - The Grid shows the effective date of the leases most recently signed. All dates are reflective of the date of inspection and therefore reflect no adjustments.

Line 3 - Rent Concessions - Athens is a college town with discounted rents during the summer. Market conditions are strong with very limited concessions. No adjustment necessary.

Line 4 - Overall Occupancy - According to data collected, the market area has historically maintained an overall occupancy level between 90 to 100 percent. Pursuant to Notice H 00-12 attachment 2b, SCG believes the occupancy gap is due to factors other than Line 1 rent level. Additionally, SCG believes the rates quoted are reflected in the occupancy of the development, therefore no adjustment was indicated.

Line 6 - Structures / Stories - The subject consists of one and two-story units, and the comparables analyzed are similar to the subject. Therefore, no adjustment was warranted.

Line 7 - Year Built / Year Renovated - Pinewood was built by 1979.

Line 8 - Condition / Street Appeal - The subject was considered to exhibit average condition and street appeal which is consistent with most of the comparables analyzed indicating no adjustment. Pinewood is currently in average condition and will be in good condition after renovations.

Line 9 - Neighborhood - All of the analyzed comparables are within the similar neighborhoods in Murfreesboro indicating no adjustment.

Line 10 - Same Market - Miles to Subject. All analyzed comparables are considered similar areas indicating no adjustment.

Line 11 - # Bedrooms - No adjustment necessary.

One-Bedroom Adjustments To HUD Form 92273 (continued)

Line 12 - # Baths - No adjustment necessary.

Line 13 - Size - Apartment markets typically adjust rental rates in relation to unit sizes. Southeastern Consulting Group has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. The size adjustment was approximately **\$50 per 100 square feet or \$0.50 per square foot.**

One-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	561	---	---	---
Fairways at Jennings	728	167	\$0.50	(\$83.50)
High Ridge	925	364	\$0.50	(\$182.00)
Legacy Mill	815	254	\$0.50	(\$127.00)
Westpark Club	834	273	\$0.50	(\$136.50)
Cambridge	670	109	\$0.50	(\$54.50)

Line 14 - Balcony / Patio - No adjustment necessary.

Line 15 - AC: Central / Wall - The subject has central air with most of the other comparables exhibiting central air conditioning. No adjustment.

Line 16 - Range / Refrigerator - The subject and all comparables exhibited both appliances, therefore, no adjustment was indicated.

Line 17 - Microwave / Dishwasher - Only minor negative adjustments were applied to the comparables that offered dishwashers. Dishwashers were adjusted \$5.

Line 18 - Washer / Dryer - Most of comparables exhibited hook ups and laundry facilities with Pinewood only containing laundry with \$5 adjustment merited.

Line 19 - Floor Covering - The subject and all comparables exhibited carpeting and vinyl. Therefore, no adjustment was indicated.

One-Bedroom Adjustments To HUD Form 92273 (continued)

Line 20 - Window Coverings - The subject has blinds with the comparables indicating similar window treatments. Since the market does not recognize a rent differential between blinds and drapes, no adjustment was made.

Line 21 - Cable - Neither the subject or the comparables provide cable.

Line 22 - Special Features - The subject and all of the comparables did not contain any special features. Therefore, no adjustment was indicated.

Line 24 - Parking - The subject and all of the comparables are suburban complexes with ample free parking. Therefore, no adjustment was indicated.

Line 25 - Extra Storage - The subject exhibited no additional storage.

Line 26 - Security - The subject does not have security gates or other features similar to the comparables. No adjustment warranted.

Line 27 - Clubhouse / Meeting Rooms - Pinewood Apartments does not have a community room but has a computer station. The comparables that have computer room received a negative adjustment of \$10.

Line 28 - Pool - Pinewood does not have a pool the same as the comparables. Pool was adjusted \$10.

Line 29 - Business Center - The subject nor any comparables exhibited a business center. Therefore, no adjustment was indicated.

Line 30 - Service Coordination - No adjustment warranted.

Line 31 - Non Shelter Services - No adjustment warranted.

Line 33 - Heat - No adjustment warranted.

Line 34 - Cooling - No adjustment warranted.

Line 35 - Cooking - No adjustment warranted.

One-Bedroom Adjustments To HUD Form 92273 (continued)

Line 36 - Hot Water - No adjustment warranted.

Line 37 - Other Electric - Electric utilities are not provided in the rent.

Line 38 - Cold Water / Sewer - Water and sewer are provided to the subject with \$35 per month adjustment to complexes that don't provide cold water and sewer.

Line 39 - Trash / Recycling - Trash pickup and pest control is provided to the subject and all comparables, therefore, no adjustment was indicated.

Line 46 - One-Bedroom Estimated Market Rent - The As-Is adjusted range was from \$520 to \$702. All of the comparables are given the same weight. The current HAP contract Section 8 rent for the one-bedroom unit is \$526. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of \$575 per month for the one-bedroom unit at Pinewood and \$625 per month as renovated based upon the As-Renovated range of \$570 to \$752.


**Housing and Urban Development
 Office of Housing**

Subject's FHA #:

Rent Comparability Grid As - IS

One Bedroom

Subject Property		Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
Pinewood		Fairways @ Jennings		High Ridge		Legacy Mill		Westpark Club		Cambridge	
on		355 Jennings Mill		700 Mitchell Bridge Rd		125 Jennings Mill Pky		150 Westpark Drive		360 Piccadilly Square	
Athens, Georgia		Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605	
A. Rents Charged	\$526	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$830		\$780		\$667		\$749		\$585	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		93%	
5 Effective Rent & Rent/ sq. ft		\$830	1.14	\$780	0.84	\$667	0.82	\$749	0.90	\$585	0.87
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	1979	2003		1987		1999-2000		1996		1973	
8 Condition /Street Appeal	Average	Good	(\$50)	Average		Abv Average	(\$25)	Abv Average	(\$25)	Average	
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes	8 M West	Yes	8.5 M West	Yes	8 M West	Yes	8 M West	Yes	2 m SW
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	561	728	(\$84)	925	(\$182)	815	(\$127)	834	(\$137)	670	(\$55)
14 Balcony/ Patio	Small	B / P		B / P		B / P		B / P		B / P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes / Yes	(\$5)
18 Washer/Dryer Conn & Laundry	No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)
19 Floor Coverings	Cpt/Vin	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		None	
26 Security	No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	No/No	(\$10)
28 Pool/ Recreation Areas	No	Yes/ Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
33											
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elc	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No	\$35	Yes/ Yes	\$35	Yes/ Yes	\$35	Yes / Yes	\$35	No / No	\$35
39 Trash /Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D			6		5		6		6		5
41 Sum Adjustments B to D			(\$164)		(\$212)		(\$182)		(\$192)		(\$85)
42 Sum Utility Adjustments		\$35		\$35		\$35		\$35		\$35	
43		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$129)	\$199	(\$177)	\$247	(\$147)	\$217	(\$157)	\$227	(\$50)	\$120
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$702		\$603		\$520		\$593		\$536	
45 Adj Rent/Last rent			85%		77%		78%		79%		92%
46 Estimated Market Rent	\$575	\$1.02		Estimated Market Rent/ Sq. Ft							


 Appraiser's Signature

11/14/2014
 Date

Attached are explanations of:

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared:

Manually

Using HUD's Excel form

form HUD-92273-S8 (04/2002)

**Housing and Urban Development
 Office of Housing**

Subject's FHA #:

Rent Comparability Grid Renovated

One Bedroom

Subject Property	Data	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
		Fairways @ Jennings Mill 355 Jennings Mill Athens 30606		High Ridge 700 Mitchell Bridge Rd Athens 30606		Legacy Mill 125 Jennings Mill Pky Athens 30605		Westpark Club 150 Westpark Drive Athens 30605		Cambridge 360 Piccadilly Square Athens 30605	
A. Rents Charged	\$526	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$830		\$780		\$667		\$749		\$585	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		93%	
5 Effective Rent & Rent/ sq. ft		\$830	1.14	\$780	0.84	\$667	0.82	\$749	0.90	\$585	0.87
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	1979	2003		1987		1999-2000		1996		1973	
8 Condition /Street Appeal	Good	Good		Average	\$50	Abv Average	\$25	Abv Average	\$25	Average	\$50
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes	8 M West	Yes	8.5 M West	Yes	8 M West	Yes	8 M West	Yes	2 m SW
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	561	728	(\$84)	925	(\$182)	815	(\$127)	834	(\$137)	670	(\$55)
14 Balcony/ Patio	Small	B / P		B / P		B / P		B / P		B / P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes / Yes	(\$5)
18 Washer/Dryer Conn & Laundry	No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)
19 Floor Coverings	Cpt/Vin	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		None	
26 Security	No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	No/No	(\$10)
28 Pool/ Recreation Areas	No	Yes/ Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elec	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No	\$35	Yes/ Yes	\$35	Yes/ Yes	\$35	Yes / Yes	\$35	No / No	\$35
39 Trash/Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		5	1	5	1	5	1	5	1	5	1
41 Sum Adjustments B to D		(\$114)	\$50	(\$212)	\$25	(\$157)	\$25	(\$167)	\$50	(\$85)	(\$85)
42 Sum Utility Adjustments		\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$79)	\$149	(\$127)	\$297	(\$97)	\$217	(\$107)	\$227	\$1	\$170
G. Adjusted & Market Rents		Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent
44 Adjusted Rent (5+ 43)		\$752	\$653	\$570	\$643	\$586					
45 Adj Rent/Last rent			91%		84%		85%		86%		100%
46 Estimated Market Rent	\$625	\$1.11	Estimated Market Rent/ Sq. Ft								


 Appraiser's Signature

11 / 14 / 2014
 Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared:

Manually

Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Two-Bedroom Adjustments to the HUD Form 92273-S8

The following narrative summarizes the adjustments, which are used in the analysis and included on HUD Form 92273-S8 on the following pages.

Line 1 - Last Rented / Restricted - All of the units are currently rented at the rates shown on the grid. No units used in the analysis have any rent restrictions and are considered market rates.

Line 2 - Date Last Leased - The Grid shows the effective date of the leases most recently signed. All dates are reflective of the date of inspection and therefore reflect no adjustments.

Line 3 - Rent Concessions - Athens is a college town with discounted rents during the summer. Market conditions are strong with very limited concessions. No adjustment necessary.

Line 4 - Overall Occupancy - According to data collected, the market area has historically maintained an overall occupancy level between 90 to 100 percent. Pursuant to Notice H 00-12 attachment 2b, SCG believes the occupancy gap is due to factors other than Line 1 rent level. Additionally, SCG believes the rates quoted are reflected in the occupancy of the development, therefore no adjustment was indicated.

Line 6 - Structures / Stories - The subject consists of one and two-story units, and the comparables analyzed are similar to the subject. Therefore, no adjustment was warranted.

Line 7 - Year Built / Year Renovated - Pinewood was built in 1979.

Line 8 - Condition / Street Appeal - The subject was considered to exhibit average condition and street appeal which is consistent with most of the comparables analyzed indicating no adjustment. Pinewood is currently in average condition and will be in good condition after renovations.

Line 9 - Neighborhood - All of the analyzed comparables are within the similar good neighborhoods in Murfreesboro indicating no adjustment.

Line 10 - Same Market - Miles to Subject. - All analyzed comparables are considered similar areas indicating no adjustment.

Two-Bedroom Adjustments To HUD Form 92273 (continued)

Line 11 - # Bedrooms - No adjustment necessary.

Line 12 - # Baths - Extra bathroom was adjusted \$25.

Line 13 - Size - Apartment markets typically adjust rental rates in relation to unit sizes. Southeastern Consulting Group has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. The size adjustment was approximately **\$50 per 100 square feet or \$0.50 per square foot.**

Two-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	799	---	---	---
Fairways at Jennings	925	126	\$0.50	(\$63.00)
High Ridge	1,164	365	\$0.50	(\$182.50)
Legacy Mill	1,117	318	\$0.50	(\$159.00)
Westpark Club	1,232	433	\$0.50	(\$216.50)
Cambridge	1,025	226	\$0.50	(\$113.00)

Line 14 - Balcony / Patio - No adjustment necessary.

Line 15 - AC: Central / Wall - The subject has central air with most of the other comparables exhibiting central air conditioning. No adjustment.

Line 16 - Range / Refrigerator - The subject and all comparables exhibited both appliances, therefore, no adjustment was indicated.

Line 17 - Microwave / Dishwasher - Only minor negative adjustments were applied to the comparables that offered dishwashers. Dishwashers were adjusted \$5.

Line 18 - Washer / Dryer - Most of comparables exhibited hook ups and laundry facilities with Pinewood only containing laundry with a \$5 adjustment.

Line 19 - Floor Covering - The subject and all comparables exhibited carpeting and vinyl. Therefore, no adjustment was indicated.

Two-Bedroom Adjustments To HUD Form 92273 (continued)

Line 20 - Window Coverings - The subject has blinds with the comparables indicating similar window treatments. Since the market does not recognize a rent differential between blinds and drapes, no adjustment was made.

Line 21 - Cable - Neither the subject or the comparables provide cable.

Line 22 - Special Features - The subject and all of the comparables did not contain any special features. Therefore, no adjustment was indicated.

Line 24 - Parking - The subject and all of the comparables are suburban complexes with ample free parking. Therefore, no adjustment was indicated.

Line 25 - Extra Storage - The subject exhibited no additional storage.

Line 26 - Security - The subject does not have security gates or other features similar to the comparables. No adjustment warranted.

Line 27 - Clubhouse / Meeting Rooms - Pinewood Apartments does not have a community room but has a computer station. The comparables that have computer room received a negative adjustment of \$10.

Line 28 - Pool - Pinewood does not have a pool the same as the comparables. Pool was adjusted \$10.

Line 29 - Business Center - The subject nor any comparables exhibited a business center. Therefore, no adjustment was indicated.

Line 30 - Service Coordination - No adjustment warranted.

Line 31 - Non Shelter Services - No adjustment warranted.

Line 33 - Heat - No adjustment warranted.

Line 34 - Cooling - No adjustment warranted.

Line 35 - Cooking - No adjustment warranted.

Two-Bedroom Adjustments To HUD Form 92273 (continued)

Line 36 - Hot Water - No adjustment warranted.

Line 37 - Other Electric - Electric utilities are not provided in the rent.

Line 38 - Cold Water / Sewer - Water and sewer are provided to the subject with \$45 per month adjustment to complexes that don't provide cold water and sewer.

Line 39 - Trash / Recycling - Trash pickup and pest control is provided to the subject and all comparables, therefore, no adjustment was indicated.

Line 46 - Two-Bedroom Estimated Market Rent - The As-Is adjusted range was from \$578 to \$812. All of the comparables are given the same weight. The current HAP contract Section 8 rent for the two-bedroom unit is \$611. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current market rent of \$650 per month as-is for the two-bedroom unit at Pinewood and \$700 as renovated based upon the As-Renovated range of \$612 to \$862.

**Housing and Urban Development
 Office of Housing**

Attachment 9-2

OMB Approval # 2502-0507 (exp. 11/30/2014)

Rent Comparability Grid As - IS

Two Bedroom

Subject's FHA #:

	Pinewood	Data	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
			Fairways @ Jennings		High Ridge		Legacy Mill		Westpark Club		Cambridge	
			355 Jennings Mill		700 Mitchell Bridge Rd		125 Jennings Mill Pky		150 Westpark Drive		360 Piccadilly Square	
Athens, Georgia		Subject	Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605	
A. Rents Charged		\$611	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?			\$910		\$909		\$809		\$829		\$685	
2 Date Last Leased (mo/yr)			11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions			None		None		None		None		None	
4 Occupancy for Unit Type			96%		93%		96%		96%		93%	
5 Effective Rent & Rent/ sq. ft			\$910	0.98	\$909	0.78	\$809	0.72	\$829	0.67	\$685	0.67
<i>for differences the subject's market values.</i>												
B. Design, Location, Condition			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories		G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated		1979	2003		1987		1999-2000		1996		1973	
8 Condition / Street Appeal		Average	Good	(\$50)	Average		Abv Average	(\$25)	Abv Average	(\$25)	Average	
9 Neighborhood		Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj			Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms		2	2		2		2		2		2	
12 # Baths		1	1		2	(\$25)	1		2	(\$25)	2	(\$25)
13 Unit Interior Sq. Ft.		799	925	(\$63)	1164	(\$183)	1117	(\$159)	1232	(\$217)	1025	(\$113)
14 Balcony/ Patio		Small	B / P		B / P		B / P		B / P		B / P	
15 AC: Central/ Wall		Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator		R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher		No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes/Yes	(\$5)
18 Washer/Dryer Conn & Laundry		No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)
19 Floor Coverings		Carpet / Vinyl	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings		Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet		Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features		No	No		No		No		No		No	
23												
D. Site Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)		Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage		None	None		None		None		None		None	
26 Security		No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms		No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	Yes/No	(\$10)
28 Pool/ Recreation Areas		No	Yes / Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr		No	No		No		No		No		No	
30 Service Coordination		No	No		No		No		No		No	
31 Non-shelter Services		No	No		No		No		No		No	
32 Neighborhood Networks		No	No		No		No		No		No	
33												
E. Utilities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)		No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)		No / Elec	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)		No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)		No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric		No	No		No		No		No		No	
38 Cold Water/ Sewer		Yes / Yes	No / No	\$45	Yes/ Yes	\$45	Yes/ Yes	\$45	Yes / Yes	\$45	No / No	\$45
39 Trash /Recycling		Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap			Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D			6		6		6		7		6	
41 Sum Adjustments B to D				(\$143)		(\$238)		(\$214)		(\$297)		(\$168)
42 Sum Utility Adjustments			\$45		\$45		\$45		\$45		\$45	
43 <i>Net/ Gross Adjmts B to E</i>			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
			(\$98)	\$188	(\$193)	\$283	(\$169)	\$259	(\$252)	\$342	(\$123)	\$213
G. Adjusted & Market Rents			Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)			\$812		\$717		\$640		\$578		\$562	
45 Adj Rent/Last rent				89%		79%		79%		70%		82%
46 Estimated Market Rent		\$650	\$0.81	← Estimated Market Rent/ Sq. Ft								


 Appraiser's Signature 11 / 14 / 2014
 Date

Attached are explanations of:

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form Form HUD-92273-S8

**Housing and Urban Development
 Office of Housing**

Subject's FHA #:

Rent Comparability Grid Renovated

Two Bedroom

Subject Property		Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
Pinewood		Fairways @ Jennings		High Ridge		Legacy Mill		Westpark Club		Cambridge	
Athens, Georgia		355 Jennings Mill		700 Mitchell Bridge Rd		125 Jennings Mill Pky		150 Westpark Drive		360 Piccadilly Square	
Subject		Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605	
A. Rents Charged	\$611	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$910		\$909		\$809		\$829		\$685	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		93%	
5 Effective Rent & Rent/ sq. ft		\$910	0.98	\$909	0.78	\$809	0.72	\$829	0.67	\$685	0.67
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	\$1,979.0	\$2,003.0		\$1,987.0		1999-2000		\$1,996.0		1973	
8 Condition /Street Appeal	Good	Good		Average	\$50	Abv Average	\$25	Abv Average	\$25	Average	\$50
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	\$2.0	\$2.0		\$2.0		\$2.0		\$2.0		\$2.0	
12 # Baths	\$1.0	\$1.0		\$2.0	(\$25)	\$1.0		\$2.0	(\$25)	\$2.0	(\$25)
13 Unit Interior Sq. Ft.	\$799.0	\$925.0	(\$63)	\$1,164.0	(\$183)	\$1,117.0	(\$159)	\$1,232.0	(\$217)	\$1,025.0	(\$113)
14 Balcony/ Patio	Small	B /P		B /P		B /P		B / P		B / P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes/Yes	(\$5)
18 Washer/Dryer Conn & Laundry	No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)
19 Floor Coverings	Carpet / Vinyl	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		Yes	
26 Security	No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	Yes/No	(\$10)
28 Pool/ Recreation Areas	No	Yes / Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elc	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No	\$45	Yes/ Yes	\$45	Yes/ Yes	\$45	Yes / Yes	\$45	No / No	\$45
39 Trash /Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D			5	1	6	1	5	1	6	1	6
41 Sum Adjustments B to D			(\$93)	\$50	(\$238)	\$25	(\$189)	\$25	(\$272)	\$50	(\$168)
42 Sum Utility Adjustments			\$45	\$45		\$45		\$45		\$45	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 <i>Net/ Gross Adjmts B to E</i>		(\$48)	\$138	(\$143)	\$333	(\$119)	\$259	(\$202)	\$342	(\$73)	\$263
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$862		\$767		\$690		\$628		\$612	
45 Adj Rent/Last rent			95%		84%		85%		76%		89%
46 Estimated Market Rent	\$700	\$0.88		Estimated Market Rent/ Sq. Ft							

WJA
 Appraiser's Signature 11 / 14 / 2014
 Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form

Three-Bedroom Adjustments to the HUD Form 92273-S8

The following narrative summarizes the adjustments, which are used in the analysis and included on HUD Form 92273-S8 on the following pages.

Line 1 - Last Rented / Restricted - All of the units are currently rented at the rates shown on the grid. No units used in the analysis have any rent restrictions and are considered market rates.

Line 2 - Date Last Leased - The Grid shows the effective date of the leases most recently signed. All dates are reflective of the date of inspection and therefore reflect no adjustments.

Line 3 - Rent Concessions - Athens is a college town with discounted rents during the summer. Market conditions are strong with very limited concessions. No adjustment necessary.

Line 4 - Overall Occupancy - According to data collected, the market area has historically maintained an overall occupancy level between 90 to 100 percent. Pursuant to Notice H 00-12 attachment 2b, SCG believes the occupancy gap is due to factors other than Line 1 rent level. Additionally, SCG believes the rates quoted are reflected in the occupancy of the development, therefore no adjustment was indicated.

Line 6 - Structures / Stories - The subject consists of one and two-story units, and the comparables analyzed are similar to the subject. Therefore, no adjustment was warranted.

Line 7 - Year Built / Year Renovated - Pinewood was built in 1979.

Line 8 - Condition / Street Appeal - The subject was considered to currently exhibit average condition and street appeal which is consistent with most of the comparables analyzed indicating no adjustment. After repairs and upgrades Pinewood will be in good condition.

Line 9 - Neighborhood - All of the analyzed comparables are within the similar good neighborhoods in Murfreesboro indicating no adjustment.

Line 10 - Same Market - Miles to Subject. All analyzed comparables are considered similar areas indicating no adjustment.

Line 11 - # Bedrooms - Small bedroom adjustment of \$25.

Three-Bedroom Adjustments To HUD Form 92273 (continued)

Line 12 - # Baths - Extra half bath adjusted \$15.

Line 13 - Size - Apartment markets typically adjust rental rates in relation to unit sizes. Southeastern Consulting Group has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. The size adjustment was approximately **\$50 per 100 square feet or \$0.50 per square foot**.

Three-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	970	---	---	---
Fairways at Jennings	1,303	333	\$0.50	(\$166.50)
High Ridge	1,338	368	\$0.50	(\$184.00)
Legacy Mill	1,350	380	\$0.50	(\$190.00)
Westpark Club	1,257	287	\$0.50	(\$143.50)
Cambridge	1,150	180	\$0.50	(\$90.00)

Line 14 - Balcony / Patio - No adjustment necessary.

Line 15 - AC: Central / Wall - The subject has central air with most of the other comparables exhibiting central air conditioning. No adjustment.

Line 16 - Range / Refrigerator - The subject and all comparables exhibited both appliances, therefore, no adjustment was indicated.

Line 17 - Microwave / Dishwasher - Only minor negative adjustments were applied to the comparables that offered dishwashers. Dishwashers were adjusted \$5.

Line 18 - Washer / Dryer - Most of comparables exhibited hook ups and laundry facilities with Pinewood only containing laundry with a \$5 adjustment.

Line 19 - Floor Covering - The subject and all comparables exhibited carpeting and vinyl. Therefore, no adjustment was indicated.

Line 20 - Window Coverings - The subject has blinds with the comparables indicating similar window treatments. Since the market does not recognize a rent differential between blinds and drapes, no adjustment was made.

Three-Bedroom Adjustments To HUD Form 92273 (continued)

Line 21 - Cable - Neither the subject or the comparables provide cable.

Line 22 - Special Features - The subject and all of the comparables did not contain any special features. Therefore, no adjustment was indicated.

Line 24 - Parking - The subject and all of the comparables are suburban complexes with ample free parking. Therefore, no adjustment was indicated.

Line 25 - Extra Storage - The subject exhibited no additional storage.

Line 26 - Security - The subject does not have security gates or other features similar to the comparables. No adjustment warranted.

Line 27 - Clubhouse / Meeting Rooms - Pinewood Apartments does not have a community room but has a computer station. The comparables that have computer room received a negative adjustment of \$10.

Line 28 - Pool - Pinewood does not have a pool the same as the comparable. Pool was adjusted \$10.

Line 29 - Business Center - The subject nor any comparables exhibited a business center. Therefore, no adjustment was indicated.

Line 30 - Service Coordination - No adjustment warranted.

Line 31 - Non Shelter Services - No adjustment warranted.

Line 33 - Heat - No adjustment warranted.

Line 34 - Cooling - No adjustment warranted.

Line 35 - Cooking - No adjustment warranted.

Line 36 - Hot Water - No adjustment warranted.

Line 37 - Other Electric - Electric utilities are not provided in the rent.

Three-Bedroom Adjustments To HUD Form 92273 (continued)

Line 38 - Cold Water / Sewer - Water and sewer are provided to the subject with \$55 per month adjustment to complexes that don't provide cold water and sewer.

Line 39 - Trash / Recycling - Trash pickup and pest control is provided to the subject and all comparables, therefore, no adjustment was indicated.

Line 46 - Three-Bedroom Estimated Market Rent - The As-Is adjusted range was from \$684 to \$760. All of the comparables are given the same weight. The current HAP contract Section 8 rent for the three-bedroom unit is \$722. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current as-is market rent of \$725 per month for the three-bedroom unit at Pinewood and as renovated at \$775 based upon the As-Renovated range of \$734 to \$810.

**Housing and Urban Development
 Office of Housing**

Attachment 9-2

OMB Approval # 2502-0507 (exp. 11/30/2014)

Rent Comparability Grid As - IS

Three Bedroom

Subject's FHA #:

Subject	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6		
	Pinewood	Data	Fairways @ Jennings	High Ridge	Legacy Mill	Westpark Club	Cambridge				
	on		355 Jennings Mill	700 Mitchell Bridge Rd	125 Jennings Mill Pky	150 Westpark Drive	360 Piccadilly Square				
	Subject		Athens 30606	Athens 30606	Athens 30605	Athens 30605	Athens 30605				
A. Rents Charged	\$722										
1 \$ Last Rent / Restricted?			\$915	\$934	\$889	\$869	\$775				
2 Date Last Leased (mo/yr)			11 / 2014	11 / 2014	11 / 2014	11 / 2014	11 / 2014				
3 Rent Concessions			None	None	None	None	None				
4 Occupancy for Unit Type			\$1	93%	96%	96%	93%				
5 Effective Rent & Rent/ sq. ft			\$915	0.70	\$934	0.70	\$889	0.66	\$869	0.69	
			<i>for differences the subject's market values.</i>								
B. Design, Location, Condition			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6 Structure / Stories	G / 1 & 2		G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		
7 Yr. Built/Yr. Renovated	1979		2003		1987		1999-2000		1996		
8 Condition / Street Appeal	Average		Good	(\$50)	Average		Abv Average	(\$25)	Abv Average	(\$25)	
9 Neighborhood	Average		Average		Average		Average		Average		
10 Same Market? Miles to Subj			Yes		Yes		Yes		Yes		
C. Unit Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
11 # Bedrooms	3		3		3		3	\$25	3		
12 # Baths	1.5		2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)	
13 Unit Interior Sq. Ft.	970		1303	(\$167)	1338	(\$184)	1350	(\$190)	1257	(\$144)	
14 Balcony/ Patio	Small		B / P		B / P		B / P		B / P		
15 AC: Central/ Wall	Central		Central		Central		Central		Central		
16 Range/ refrigerator	R/R		R/R		R/R		R/R		R/R		
17 Microwave/ Dishwasher	No / No		No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	
18 Washer/Dryer Conn & Laundry	No / Yes		Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	
19 Floor Coverings	Carpet / Vinyl		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		
20 Window Coverings	Blinds		Blinds		Blinds		Blinds		Blinds		
21 Cable/ Satellite/Internet	Not Provided		NOT Provided		NOT Provided		NOT Provided		NOT Provided		
22 Special Features	No		No		No		No		No		
23											
D Site Equipment/ Amenities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24 Parking (\$ Fee)	Surface		Surface		Surface		Surface		Surface		
25 Extra Storage	None		None		None		None		None		
26 Security	No		None		None		None		None		
27 Clubhouse/ Meeting Rooms	No/ No		Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	
28 Pool/ Recreation Areas	No		Yes / Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)	
29 Business Ctr	No		No		No		No		No		
30 Service Coordination	No		No		No		No		No		
31 Non-shelter Services	No		No		No		No		No		
32 Neighborhood Networks	No		No		No		No		No		
E. Utilities			Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33 Heat (in rent?/ type)	No / Gas		No / Elec		No / Elec		No/Elec.		No/Elec.		
34 Cooling (in rent?/ type)	No / Elc		No / Elec.		No / Elec		No/Elec.		No/Elec.		
35 Cooking (in rent?/ type)	No / Gas		No / Elec		No / Elec		No/Elec.		No/Elec.		
36 Hot Water (in rent?/ type)	No / Gas		No / Elec		No / Elec		No/Elec.		No/Elec.		
37 Other Electric	No		No		No		No		No		
38 Cold Water/ Sewer	Yes / Yes		No / No	\$55	Yes/ Yes	\$55	Yes/ Yes	\$55	Yes / Yes	\$55	
39 Trash /Recycling	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes		
F. Adjustments Recap			Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40 # Adjustments B to D			7		6		7		1		
41 Sum Adjustments B to D			(\$262)		(\$229)		(\$260)		\$25	(\$214)	
42 Sum Utility Adjustments			\$55		\$55		\$55		\$55		
43 <i>Net/ Gross Adjmts B to E</i>			Net	Gross	Net	Gross	Net	Gross	Net	Gross	
			(\$207)	\$317	(\$174)	\$284	(\$205)	\$315	(\$134)	\$294	
G. Adjusted & Market Rents			Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		
44 Adjusted Rent (5+ 43)			\$709		\$760		\$684		\$736		
45 Adj Rent/Last rent				77%		81%		77%		85%	
46 Estimated Market Rent	\$725		\$0.75		Estimated Market Rent/ Sq. Ft						

[Signature]
 Appraiser's Signature Date 11/14/2014

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form Form HUD-92273-S8

**Housing and Urban Development
 Office of Housing**

Subject's FHA #:

Rent Comparability Grid Renovated

Three Bedroom

Subject Property	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6		
Pinewood	Fairways @ Jennings		High Ridge		Legacy Mill		Westpark Club		Cambridge		
on	355 Jennings Mill		700 Mitchell Bridge Rd		125 Jennings Mill Pky		150 Westpark Drive		360 Piccadilly Square		
Athens, Georgia	Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605		
A. Rents Charged	\$722										
1 \$ Last Rent / Restricted?		\$915		\$934		\$889		\$869		\$775	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		93%	
5 Effective Rent & Rent/ sq. ft		\$915	0.70	\$934	0.70	\$889	0.66	\$869	0.69	\$775	0.67
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition											
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	1979	2003		1987		1999-2000		1996		1973	
8 Condition /Street Appeal	Good	Good		Average	\$50	Abv Average	\$25	Abv Average	\$25	Average	\$50
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities											
11 # Bedrooms	3	3		3		3		2	\$25	2	
12 # Baths	1.5	2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)
13 Unit Interior Sq. Ft.	970	1303	(\$167)	1338	(\$184)	1350	(\$190)	1257	(\$144)	1150	(\$90)
14 Balcony/ Patio	Small	B / P		B / P		B / P		B / P		B / P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes / Yes	(\$5)
18 Washer/Dryer Conn & Laundry	No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)
19 Floor Coverings	Carpet / Vinyl	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D Site Equipment/ Amenities											
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		Yes	
26 Security	No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	Yes/No	(\$10)
28 Pool/ Recreation Areas	No	Yes / Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
E. Utilities											
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elc	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No	\$55	Yes/ Yes	\$55	Yes/ Yes	\$55	Yes / Yes	\$55	No / No	\$55
39 Trash /Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap											
40 # Adjustments B to D		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
41 Sum Adjustments B to D			6	1	6	1	6	2	6	1	6
42 Sum Utility Adjustments			(\$212)	\$50	(\$229)	\$25	(\$235)	\$50	(\$189)	\$50	(\$135)
		\$55		\$55		\$55		\$55		\$55	
43 <i>Net/ Gross Adjmts B to E</i>		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$157)	\$267	(\$124)	\$334	(\$155)	\$315	(\$84)	\$294	(\$30)	\$240
G. Adjusted & Market Rents											
44 Adjusted Rent (5+ 43)		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
		\$759		\$810		\$734		\$786		\$745	
45 Adj Rent/Last rent			83%		87%		83%		90%		96%
46 Estimated Market Rent	\$775	\$0.80									

11 / 14 / 2014
 Appraiser's Signature Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form

Four-Bedroom Adjustments to the HUD Form 92273-S8

The following narrative summarizes the adjustments, which are used in the analysis and included on HUD Form 92273-S8 on the following pages.

Line 1 - Last Rented / Restricted - All of the units are currently rented at the rates shown on the grid. No units used in the analysis have any rent restrictions and are considered market rates.

Line 2 - Date Last Leased - The Grid shows the effective date of the leases most recently signed. All dates are reflective of the date of inspection and therefore reflect no adjustments.

Line 3 - Rent Concessions - Athens is a college town with discounted rents during the summer. Market conditions are strong with very limited concessions. No adjustment necessary.

Line 4 - Overall Occupancy - According to data collected, the market area has historically maintained an overall occupancy level between 90 to 100 percent. Pursuant to Notice H 00-12 attachment 2b, SCG believes the occupancy gap is due to factors other than Line 1 rent level. Additionally, SCG believes the rates quoted are reflected in the occupancy of the development, therefore no adjustment was indicated.

Line 6 - Structures / Stories - The subject consists of one and two-story units, and the comparables analyzed are similar to the subject. Therefore, no adjustment was warranted.

Line 7 - Year Built / Year Renovated - Pinewood was built in 1979.

Line 8 - Condition / Street Appeal - The subject was considered to currently exhibit average condition and street appeal which is consistent with most of the comparables analyzed indicating no adjustment. After repairs and upgrades Pinewood will be in good condition.

Line 9 - Neighborhood - All of the analyzed comparables are within the similar good neighborhoods in Murfreesboro indicating no adjustment.

Line 10 - Same Market - Miles to Subject. All analyzed comparables are considered similar areas indicating no adjustment.

Line 11 - # Bedrooms - \$25 for one-bedroom and \$50 for two bedrooms.

Four-Bedroom Adjustments To HUD Form 92273 (continued)

Line 12 - # Baths - \$15 for extra half bath.

Line 13 - Size - Apartment markets typically adjust rental rates in relation to unit sizes. Southeastern Consulting Group has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. The size adjustment was approximately **\$50 per 100 square feet or \$0.50 per square foot.**

Line 13 - Size - Apartment markets typically adjust rental rates in relation to unit sizes. Southeastern Consulting Group has applied adjustments to each variance in unit square footage considered to be significant. These amounts vary in accordance with the actual but are generally based upon typical market demand. The size adjustment was approximately **\$50 per 100 square feet or \$0.50 per square foot.**

Four-Bedroom Size Adjustments				
Property	SF	Difference	Adjustment / SF	Total Adjustment
Subject	1,115	---	---	---
Fairways at Jennings	1,303	188	\$0.50	(\$94.00)
High Ridge	1,338	223	\$0.50	(\$11.50)
Legacy Mill	1,350	235	\$0.50	(\$117.50)
Westpark Club	1,257	142	\$0.50	(\$71.00)
Cambridge	1,150	35	\$0.50	(\$17.50)

Line 14 - Balcony / Patio - No adjustment necessary.

Line 15 - AC: Central / Wall - The subject has central air with most of the other comparables exhibiting central air conditioning. No adjustment.

Line 16 - Range / Refrigerator - The subject and all comparables exhibited both appliances, therefore, no adjustment was indicated.

Line 17 - Microwave / Dishwasher - Only minor negative adjustments were applied to the comparables that offered dishwashers. Dishwashers were adjusted \$5.

Line 18 - Washer / Dryer - Most of comparables exhibited hook ups and laundry facilities with Pinewood only containing laundry with a \$5 adjustment.

Four-Bedroom Adjustments To HUD Form 92273 (continued)

Line 19 - Floor Covering - The subject and all comparables exhibited carpeting and vinyl. Therefore, no adjustment was indicated.

Line 20 - Window Coverings - The subject has blinds with the comparables indicating similar window treatments. Since the market does not recognize a rent differential between blinds and drapes, no adjustment was made.

Line 21 - Cable - Neither the subject or the comparables provide cable.

Line 22 - Special Features - The subject and all of the comparables did not contain any special features. Therefore, no adjustment was indicated.

Line 24 - Parking - The subject and all of the comparables are suburban complexes with ample free parking. Therefore, no adjustment was indicated.

Line 25 - Extra Storage - The subject exhibited no additional storage.

Line 26 - Security - The subject does not have security gates or other features similar to the comparables. No adjustment warranted.

Line 27 - Clubhouse / Meeting Rooms - Pinewood Apartments does not have a community room but has a computer station. The comparables that have computer room received a negative adjustment of \$10.

Line 28 - Pool - Pinewood does not have a pool the same as the comparable. Pool was adjusted \$10.

Line 29 - Business Center - The subject nor any comparables exhibited a business center. Therefore, no adjustment was indicated.

Line 30 - Service Coordination - No adjustment warranted.

Line 31 - Non Shelter Services - No adjustment warranted.

Line 33 - Heat - No adjustment warranted.

Line 34 - Cooling - No adjustment warranted.

Four-Bedroom Adjustments To HUD Form 92273 (continued)

Line 35 - Cooking - No adjustment warranted.

Line 36 - Hot Water - No adjustment warranted.

Line 37 - Other Electric - Electric utilities are not provided in the rent.

Line 38 - Cold Water / Sewer - Water and sewer are provided to the subject with \$65 per month adjustment to complexes that don't provide cold water and sewer.

Line 39 - Trash / Recycling - Trash pickup and pest control is provided to the subject and all comparables, therefore, no adjustment was indicated.

Line 46 - Four-Bedroom Estimated Market Rent - The As-Is adjusted range was from \$792 to \$868. All of the comparables are given the same weight. The current HAP contract Section 8 rent for the four-bedroom unit is \$810. Based on the adjusted range of the comparables, Southeastern Consulting Group has estimated a current as-is market rent of \$875 per month for the four-bedroom unit at Pinewood and as renovated at \$925 based upon the As-Renovated range of \$842 to \$918.

**Housing and Urban Development
 Office of Housing**

Attachment 9-2

OMB Approval # 2502-0507 (exp. 11/30/2014)

Rent Comparability Grid As - IS

Four Bedroom

Subject's FHA #:

Subject	Data	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
		Fairways @ Jennings	High Ridge	Legacy Mill	Westpark Club	Cambridge					
Pinewood	on	355 Jennings Mill	700 Mitchell Bridge Rd	125 Jennings Mill Pky	150 Westpark Drive	360 Piccadilly Square					
Athens, Georgia	Subject	Athens 30606	Athens 30606	Athens 30605	Athens 30605	Athens 30605					
A. Rents Charged	\$810	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$915		\$934		\$889		\$869		\$775	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		90%	
5 Effective Rent & Rent/sq. ft		\$915	0.70	\$934	0.70	\$889	0.66	\$869	0.69	\$775	0.67
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	1979	2003		1987		1999-2000		1996		1985	
8 Condition / Street Appeal	Average	Good (\$50)		Average		Abv Average (\$25)		Abv Average (\$25)		Average	
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	4.0	3.0	\$25	3.0	\$25	3.0	\$25	2.0	\$50	3.0	\$25
12 # Baths	1.5	2.0	(\$15)	2.0	(\$15)	2.0	(\$15)	2.0	(\$15)	2.0	(\$15)
13 Unit Interior Sq. Ft.	1115	1303	(\$94)	1338	(\$112)	1350	(\$118)	1257	(\$71)	1150	(\$18)
14 Balcony/ Patio	Small	B / P		B / P		B / P		B / P		B / P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes (\$5)		No / Yes (\$5)		No/Yes (\$5)		No/Yes (\$5)		Yes/Yes (\$10)	
18 Washer/Dryer	No / Yes	Both (\$5)		Both (\$5)		Both (\$5)		Both (\$5)		Yes (\$10)	
19 Floor Coverings	Carpet / Vinyl	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		Yes	
26 Security	No	None		None		None		None		No	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes (\$10)		Clubhouse (\$10)		Yes / Yes (\$10)		Yes (\$10)		Yes/No (\$10)	
28 Pool/ Recreation Areas	No	Yes / Yes (\$10)		Yes/ Yes (\$10)		Yes / Yes (\$10)		Yes / Yes (\$10)		Yes/Yes (\$10)	
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elc	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No \$65		Yes/ Yes 65		Yes/ Yes 65		Yes / Yes 65		No / No 65	
39 Trash/ Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		1	7	1	6	1	7	1	7	1	6
41 Sum Adjustments B to D		\$25	(\$189)	\$25	(\$157)	\$25	(\$188)	\$50	(\$141)	\$25	(\$73)
42 Sum Utility Adjustments		\$65		\$65		\$65		\$65		\$65	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$99)	\$279	(\$67)	\$247	(\$98)	\$278	(\$26)	\$256	\$18	\$163
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$816		\$868		\$792		\$843		\$793	
45 Adj Rent/Last rent			89%		93%		89%		97%		102%
46 Estimated Market Rent	\$875	\$0.78		Estimated Market Rent/ Sq. Ft							

[Signature]
 Appraiser's Signature 11 / 14 / 2014
 Date

Attached are explanations of:

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

**Housing and Urban Development
 Office of Housing**

Subject's FHA #:

Rent Comparability Grid Renovated

Four Bedroom

Subject Property	Data	Comp # 5		Comp # 2		Comp # 3		Comp # 4		Comp # 6	
		Fairways @ Jennings		High Ridge		Legacy Mill		Westpark Club		Cambridge	
		355 Jennings Mill		700 Mitchell Bridge Rd		125 Jennings Mill Pky		150 Westpark Drive		360 Piccadilly Square	
Pinewood	on	Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605	
Athens, Georgia	Subject	Athens 30606		Athens 30606		Athens 30605		Athens 30605		Athens 30605	
A. Rents Charged	\$810	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$915		\$934		\$889		\$869		\$775	
2 Date Last Leased (mo/yr)		11 / 2014		11 / 2014		11 / 2014		11 / 2014		11 / 2014	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		96%		93%		96%		96%		90%	
5 Effective Rent & Rent/ sq. ft		\$915	0.70	\$934	0.70	\$889	0.66	\$869	0.69	\$775	0.67
<i>for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	G / 1 & 2	G / 3 & 4		G / 1 & 2		G / 2 & 3		G / 2		G / 2	
7 Yr. Built/Yr. Renovated	1979	2003		1987		1999-2000		1996		1973	
8 Condition /Street Appeal	Good	Good		Average	\$50	Abv Average	\$25	Abv Average	\$25	Average	\$50
9 Neighborhood	Average	Average		Average		Average		Average		Average	
10 Same Market? Miles to Subj		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	4	3	\$25	3	\$25	3	\$25	2	\$50	2	\$25
12 # Baths	1.5	2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)	2	(\$15)
13 Unit Interior Sq. Ft.	1115	1303	(\$94)	1338	(\$112)	1350	(\$118)	1257	(\$71)	1150	(\$18)
14 Balcony/ Patio	Small	B /P		B /P		B /P		B /P		B /P	
15 AC: Central/ Wall	Central	Central		Central		Central		Central		Central	
16 Range/ refrigerator	R/R	R/R		R/R		R/R		R/R		R/R	
17 Microwave/ Dishwasher	No / No	No / Yes	(\$5)	No / Yes	(\$5)	No/Yes	(\$5)	No/Yes	(\$5)	Yes/Yes	(\$10)
18 Washer/Dryer Conn & Laundry	No / Yes	Both	(\$5)	Both	(\$5)	Both	(\$5)	Both	(\$5)	Yes	(\$10)
19 Floor Coverings	Carpet / Vinyl	Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin		Cpt/Vin	
20 Window Coverings	Blinds	Blinds		Blinds		Blinds		Blinds		Blinds	
21 Cable/ Satellite/Internet	Not Provided	Not Provided		Not Provided		Not Provided		Not Provided		Not Provided	
22 Special Features	No	No		No		No		No		No	
23											
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	Surface	Surface		Surface		Surface		Surface		Surface	
25 Extra Storage	None	None		None		None		None		None	
26 Security	No	None		None		None		None		None	
27 Clubhouse/ Meeting Rooms	No/ No	Yes / Yes	(\$10)	Clubhouse	(\$10)	Yes / Yes	(\$10)	Yes	(\$10)	Yes/No	(\$10)
28 Pool/ Recreation Areas	No	Yes / Yes	(\$10)	Yes/ Yes	(\$10)	Yes / Yes	(\$10)	Yes / Yes	(\$10)	Yes/Yes	(\$10)
29 Business Ctr	No	No		No		No		No		No	
30 Service Coordination	No	No		No		No		No		No	
31 Non-shelter Services	No	No		No		No		No		No	
32 Neighborhood Networks	No	No		No		No		No		No	
33											
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
34 Cooling (in rent?/ type)	No / Elec	No / Elec.		No / Elec		No/Elec.		No/Elec.		No/Elec.	
35 Cooking (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
36 Hot Water (in rent?/ type)	No / Gas	No / Elec		No / Elec		No/Elec.		No/Elec.		No/Elec.	
37 Other Electric	No	No		No		No		No		No	
38 Cold Water/ Sewer	Yes / Yes	No / No	\$65	Yes/ Yes	\$65	Yes/ Yes	\$65	Yes / Yes	\$65	No / No	\$65
39 Trash /Recycling	Yes / No	Yes / No		Yes / No		Yes / No		Yes / No		Yes / Yes	
40											
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		1	6	2	6	2	6	2	6	2	6
41 Sum Adjustments B to D		\$25	(\$139)	\$75	(\$157)	\$50	(\$163)	\$75	(\$116)	\$75	(\$73)
42 Sum Utility Adjustments		\$65		\$65		\$65		\$65		\$65	
43 <i>Net/ Gross Adjmts B to E</i>		<i>(\$49)</i>	\$229	<i>(\$17)</i>	\$297	<i>(\$48)</i>	\$278	\$24	\$256	\$68	\$213
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$866		\$918		\$842		\$893		\$843	
45 Adj Rent/Last rent			95%		98%		95%		103%		109%
46 Estimated Market Rent	\$925	\$0.83	Estimated Market Rent/ Sq. Ft								

[Signature] 11 / 14 / 2014
 Appraiser's Signature Date

Attached are explanations of :

a. why & how each adjustment was made
 b. how market rent was derived from adjusted rents
 c. how this analysis was used for a similar unit type

Grid was prepared: Manually Using HUD's Excel form

Exhibit E - Qualifications of William F. Cantrell

President, Southeastern Consulting Group, a real estate appraisal and market analysis firm, with offices in Atlanta, Georgia. Forty one years of real estate experience in the appraisal and consultation of a variety of investment grade property types on a national basis. Typical properties include retail, residential, office, industrial, hotels / motels, special purpose properties, and preservation easements. Also participated as a general partner in real estate ventures involving commercial and multi-family residential properties in North Carolina, Georgia, and Tennessee.

Professional Affiliations

MAI, Member of the **Appraisal Institute**, MAI Certificate #6264, **SRA**, Senior Residential Appraiser / RM Certificate #1296. **Society of Real Estate Appraisers** (SRPA-Senior Real Property Appraiser), Chapter Vice President, Chapter President. **Georgia Certified General Appraiser** Number C000095. General Certified Real Estate Appraiser also in Alabama, North Carolina, Louisiana, South Carolina, Louisiana, Mississippi and Tennessee. **CCIM**, Certified Commercial Investment Member, Commercial Investment Real Estate Institute. **Institute Affiliate** member of the Atlanta Commercial Board of Realtors. **Licensed Real Estate Broker** in the States of Georgia and North Carolina. Member of the Atlanta Apartment Association, the Georgia Apartment Association and the National Apartment Association. Member of the Southeast Mortgage Advisory Council.

Educational Background

Bachelor of Science Degree (BS), Real Estate and Finance (1968-1972), **University of Tennessee**, Knoxville, Tennessee. **Graduate School**, City Planning and Real Estate (1976-1977), **University of Tennessee**, Knoxville, Tennessee.

Appraisal Institute, Course IA, Appraisal Principles (now Courses 110 and 120), Course IB, Capitalization Theory and Techniques (now Courses 310 and 510), Course II, Case Studies and Report Writing (now Courses 540 and 550), Course VI, Computer Assisted Investment Analysis (now Course E-6), Standards of Professional Practice, Course 10, Market Analysis, Course 710, Condemnation Appraising.

Institute of Real Estate Management (IREM) Course 400, Management of Investment Real Estate, and Course 101 Apartment Site Management. **Commercial Investment Real Estate Institute**, Course 101, Financial Analysis for Commercial Investment Real Estate, Course 102, Market Analysis for Commercial Investment Real Estate, Course 103, Decision Analysis for Commercial Investment Real Estate and Course 104, Financial Analysis for Commercial Investment Real Estate.

Assignments Completed in

North Carolina, Tennessee, Kentucky, South Carolina, Georgia, Florida, West Virginia, District of Columbia, Maryland, Alabama, Kansas, Missouri, California, Texas, Indiana, Connecticut, Ohio, Colorado, Oklahoma, Louisiana, Mississippi, Virginia, Arkansas and Massachusetts.

Professional Contributions

Contributing author published in (A) **The Real Estate Appraiser and Analyst** professional journal and (B) **Right of Way** magazine. Taught appraisal courses in the state community college system. Served on state, regional, and national committees of various appraisal organizations. Served as National Co-Vice Chairman Appraisal Institute Non-residential Demonstration Appraisal Report Subcommittee and Board of Examiners Appraisal Reports.

Exhibit E - Qualifications of C. Creed Crutchfield

Associate Appraiser and Real Estate Consultant with Southeastern Consulting Group, a real estate appraisal and market analysis firm, with offices in Atlanta, Georgia. Partner with SCG Real Estate, Atlanta, Georgia. Realtor with Metro Brokers Realtors, Atlanta, Georgia.

Educational Background

Bachelor of Science in Business Management (2004), University of Phoenix, Atlanta, Georgia

Appraisal Institute courses completed or challenged and passed:

Course 110 / 100GR, Basic Appraisal Principles, September 2007

Course 120 / 101GR, Basic Appraisal Procedures, October 2007

Course 15-Hour USPAP, Standards of Professional Practice, October 2007

Course 203R, Residential Report Writing & Case Studies, November 2007

Basic Income Capitalization, Part A / 1, 2009

Commercial Investment Real Estate Institute courses completed or challenged and passed:

Introduction to Commercial Properties, August 2007

CCIM Course CI 101, Financial Analysis, February 2014

Professional Affiliations

Appraisal Institute, Associate Member

Commercial Investment Real Estate Institute, CCIM Candidate

Realtor, member of the Local, State and National Boards of Realtors

Assignments Completed in

Georgia, Alabama, Arkansas, South Carolina, Mississippi, North Carolina, Tennessee, Florida and Louisiana.

Property Types Appraised

Apartment Complexes, Assisted Living Facilities, Adaptive Reuse Historical Buildings and Shopping Centers.