



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

**THE RESIDENCES AT ZEBULON
6601 Zebulon Road
Macon, Bibb County, Georgia 31220**

**Effective Date: May 26, 2016
Report Date: June 2, 2016**

Prepared For

**Mr. Thompson Gooding
Oracle Consulting Services
1221 S. 4th Street
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Prepared By

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June 2, 2016

Mr. Thompson Gooding
Oracle Consulting Services
1221 S. 4th Street
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Re: Market Study for The Residences at Zebulon in Macon, Georgia

Dear Mr. Gooding:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the Macon, Bibb County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of The Residences at Zebulon, a proposed Housing for Older Persons (HFOP) development that will consist of 90 units. The units will be restricted to senior households age 55 and older earning 50 and 60 percent of the AMI, or less. The Subject will also offer unrestricted market rate units.

The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia DCA, including the following:

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

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

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

Respectfully submitted,



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

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

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSIONS

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

The Residences at Zebulon (the Subject) will be located at 6601 Zebulon Road in Macon, Bibb County, Georgia 31220. The Subject site is located less than 0.8 miles west of the intersection of Zebulon Road and Interstate 475. The Subject will target seniors age 55 and older (HFOP) and will consist of 10, one-story residential buildings and one, one-story community building. The buildings will consist of brick and cement fiber board siding exteriors. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2015 LIHTC	2015 HUD
						Maximum Allowable Gross Rent	Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	750	8	\$397	\$89	\$486	\$494	\$586
2BR/1BA	850	10	\$475	\$110	\$585	\$593	\$695
<i>60% AMI</i>							
1BR/1BA	750	10	\$496	\$89	\$585	\$593	\$586
2BR/1BA	850	44	\$594	\$110	\$704	\$712	\$695
<i>Unrestricted</i>							
2BR/1BA	850	12	\$614	N/Ap	N/Ap	N/Ap	N/Ap
3BR/2BA	1,115	6	\$704	N/Ap	N/Ap	N/Ap	N/Ap
Total		90					

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

Of the Subject’s 90 units, 84 will be one and two-bedroom units. The Subject will also offer six, three-bedroom units. To determine the level of demand for three-bedroom senior units in the local market, we spoke with local rental properties restricted to seniors. We supplemented this information with state-wide data of senior properties offering three-bedroom units. This analysis is detailed in the supply section of this report.

The Subject will offer the following amenities: patio, blinds, carpeting, central heating and air conditioning, dishwasher, exterior storage, ceiling fan, hand rails, pull cords, oven, refrigerator, walk-in closet, and washer/dryer connections. With regards to community amenities, the Subject will offer a clubhouse/community room, exercise

facility, business center/computer lab, on-site management, off-street parking, and picnic area. The Subject will be competitive with the comparable properties in terms of amenities.

2. Site Description/Evaluation:

The Subject site is currently wooded land. The Subject site is located in an area consisting of wooded land, single-family homes, and retail uses. The single-family homes in the Subject's neighborhood are in good to excellent condition. Overall, the commercial uses in the Subject's neighborhood appeared to be 95 percent occupied. The Subject will be located within 5.5 miles of most locational amenities. Positive attributes of the Subject site include its excellent access to retail and commercial uses along Zebulon Road, the quality of the surrounding improvements, and convenient access to Interstate 475. There are no negative attributes of the Subject site. The Subject will be a compatible use within the immediate neighborhood.

3. Market Area Definition:

The boundaries of the PMA are as follows:

North – Highway 41 and Shi Road

South – Interstate 75

East – Interstate 75

West – Bibb County/Crawford County line and Maynard's Mill Road

The PMA encompasses the western and northern parts of Bibb County and the southern part of Monroe County. It also includes a portion of the city of Macon. This area was defined based on interviews with a member of the planning board, the local housing authority, the Macon-Bibb County Planning and Zoning Commission, and the Bureau of Inspections and Fees. Furthermore, the determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates primarily from the city limits. Per GA DCA's 2016 market study guidelines, GA DCA does not take into account leakage from outside of the PMA. While we do believe the Subject will experience leakage from outside the PMA boundaries; however, per the 2016 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary is 13.1 miles from the Subject site.

4. Community Demographic Data:

The PMA is expected to experience moderate senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 1.1 percent from 2015 through 2020, which is lower than the growth rates of the MSA and nation as a whole, but positive nonetheless. In 2015, approximately 28 percent of the PMA's population was 55 years old or older. The population 55 and older is expected to account for nearly 30 percent of the total population by 2020. Owner-occupied housing units dominate the housing market in the PMA. However, senior renter-occupied units accounted for 30.6 percent of the total housing stock in the PMA in 2015. This rate is significantly higher than the national average of 13.0 percent for senior households. The Subject will target senior households earning \$14,580 to \$25,320 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 36.1 percent of senior households in the PMA earned incomes between \$10,000 and \$29,999 in 2015. For the projected market entry date of October 2018, this percentage is projected to remain the same. As the senior population and number of households increase, there is expected to be a greater number of lower-income senior renters seeking affordable housing.

According to www.RealtyTrac.com, one in every 765 homes in Macon, GA was in foreclosure, as of March 2016. Nationally, one in every 1,212 homes was in foreclosure and one in every 1,109 homes in Georgia was in foreclosure. As indicated, Macon has a higher foreclosure rate than Georgia and the nation as a whole. Overall, it appears that the local market is faring worse than the state and nation as a whole in terms of foreclosure rates. There appeared to be a few vacant/abandoned homes in the Subject's immediate neighborhood. In fact, the homes in the Subject's immediate neighborhood are in good to excellent condition.

5. Economic Data:

Health care/social assistance, retail trade, and educational services are the largest industries within the PMA. These industries account for approximately 39 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiencing strong growth over the past decade. In general, the area is not overly reliant on a single industry.

The local area was affected by a declining manufacturing presence as manufacturing declined 3.0 percent annually from 2000 to 2015. During the national recession, the local economy experienced a larger decrease in total employment than the nation as a whole. With the exception of 2013, total employment has increased every year since 2011. The unemployment rate in the MSA peaked in 2010 at 11.3 percent and has since declined to 6.0 percent as of February 2016. Overall, the local economy is underperforming the nation as a whole. As the recent data suggests, the MSA is still recovering from the most recent national recession, as total employment has not surpassed pre-recessionary levels but appears to be expanding. However, we do not expect the slightly underperforming local economy to affect the performance of the Subject. Further, there is strong demand for affordable senior housing in the PMA based on the demand analysis as well as the current performance of senior comparable properties.

6. Project-Specific Affordability And Demand Analysis:

The following table illustrates the Subject’s capture rates.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1 BR @ 50% AMI	8	79	0	79	10.1%	7 months	\$659	\$424-\$915	\$397
2 BR @ 50% AMI	10	235	0	235	4.3%	7 months	\$672	\$502-\$938	\$475
50% AMI Overall	18	314	0	314	5.7%	7 months	\$659-\$672	\$424-\$938	\$397-\$475
1 BR @ 60% AMI	10	27	0	27	36.4%	7 months	\$701	\$480-\$915	\$496
2 BR @ 60% AMI	44	81	0	81	54.1%	7 months	\$741	\$553-\$938	\$594
60% AMI Overall	54	109	0	109	49.6%	7 months	\$701-\$741	\$480-\$938	\$496-\$594
2 BR @ Market	12	704	0	704	1.7%	7 months	\$813	\$728-\$938	\$614
3 BR @ Market	6	139	0	139	4.3%	7 months	\$1,020	\$811-\$1,194	\$704
Market Overall	18	843	0	843	2.1%	7 months	\$813-\$1,020	\$728-\$1,194	\$614-\$704
1 BR Overall (LIHTC only)	18	107	0	107	16.8%	7 months	\$659	\$424-\$915	\$397-\$614
2 BR Overall (LIHTC only)	54	318	0	318	17.0%	7 months	\$672	\$502-\$938	\$475-\$704
Overall (LIHTC only)	72	425	0	425	16.9%	7 months	\$659-\$672	\$424-\$938	\$397-\$704

As the previous table demonstrates, the Subject’s capture rates are within GA DCA’s capture rate threshold.

7. Competitive Rental Analysis:

The availability of LIHTC data is considered average. We used five LIHTC properties located between 5.7 and 10.4 miles from the Subject site. Two of the five LIHTC comparables are restricted to seniors, similar to the proposed Subject. With the exception of Baltic Park Apartments, a senior LIHTC comparable, the LIHTC comparables are located in the PMA. Baltic Park Apartments is located approximately 0.3 miles outside of

the PMA. The surveyed LIHTC properties were built between 1998 and 2012.

The availability of market rate data is considered good. The Subject is located in Macon and there are several market rate properties in the area. We have included five conventional properties in our analysis of the competitive market. Additionally, one of the LIHTC properties is mixed-income and offers unrestricted market rate units. None of the surveyed market rate comparables are restricted to seniors. The market rate properties are located between 0.4 and 4.3 miles from the Subject site and were built between 1996 and 2009.

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$397	\$424	\$915	\$659	40%
2 BR @ 50%	\$475	\$502	\$938	\$672	29%
1 BR @ 60%	\$496	\$480	\$915	\$701	29%
2 BR @ 60%	\$594	\$553	\$938	\$741	20%
2 BR @ Market	\$614	\$728	\$938	\$813	25%
3 BR @ Market	\$704	\$811	\$1,194	\$1,020	31%

The Subject’s proposed 50 and 60 percent AMI rents and market rate rents will have a significant rent advantage over the surveyed average rents in the market. The Subject will be in excellent condition and will offer a competitive in-unit amenity package and location. Most of the Subject’s proposed rents are below the bottom of the range of comparables and appear to be feasible in the market given

the low to moderate vacancy rates at the comparable properties.

8. Absorption/Stabilization

Estimate:

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. We were able to obtain absorption information from three comparable properties, illustrated following.

ABSORPTION

Comparable Property	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Bartlett Crossing	LIHTC/PBRA	Family	2012	75	8
Pinewood Park	LIHTC/Market	Family	2006	148	23
Baltic Park Apartments	LIHTC/PBRA	Senior	2003	82	27

Bartlett Crossing was the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of eight units per month, slower than the LIHTC properties constructed in 2003 and 2006. According to Bartlett Crossing’s developer, eight units were delivered per month as the buildings received their certificates of occupancy. Therefore, the absorption pace was limited by completion of the project and is not a reflection of the overall demand in the local market. Based on the absorption paces reported by the comparable LIHTC properties, the waiting lists at most of the LIHTC properties, and the strong demand for affordable senior housing in Macon, we anticipate that the Subject will absorb 12 units per month, for an absorption period of seven months to reach 93 percent occupancy.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.7 percent. Additionally, both senior LIHTC comparables are fully occupied with waiting lists. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject will offer some of the smallest one, two, and three-bedroom unit sizes in the market. Ashton Hill, a senior LIHTC property, offers similar one and two-bedroom unit sizes when compared to the Subject. This property is fully occupied with a waiting list. Therefore, we do not believe that the Subject’s small unit sizes will negatively impact its performance. Of the Subject’s 90 units, 84 will target one

and two-person households. The Subject will also offer six, three-bedroom units. Although three-bedroom units are not common among senior properties in the local market, three-bedroom senior units have been well-received at other senior properties state-wide. Therefore, we expect that the Subject's three-bedroom units will also be well-received. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior housing in the Subject's market area, we believe that the Subject is feasible as proposed.

Summary Table:

Development Name:	The Residences at Zebulon	Total # Units:	90
Location:	6601 Zebulon Road	# LIHTC Units:	72
	Macon, Bibb County, GA 31220		
PMA Boundary:	North: Highway 41 and Shi Road, South: Interstate 75, East: Interstate 75, West: Bibb County/Crawford County line and Maynard's Mill Road		
	Farthest Boundary Distance to Subject:		13.1 miles

Rental Housing Stock (found on page 65-122)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	10	1,653	56	96.6%
Market-Rate Housing	6	1,144	43	96.2%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	5	509	13	97.4%
Stabilized Comps	10	1,653	56	96.6%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1BR at 50% AMI	1	750	\$397	\$659	\$0.88	40%	\$865	\$0.92
10	2BR at 50% AMI	1	850	\$475	\$672	\$0.79	29%	\$898	\$0.77
10	1BR @ 60% AMI	1	750	\$496	\$701	\$0.93	29%	\$865	\$0.92
44	2BR @ 60% AMI	1	850	\$594	\$741	\$0.87	20%	\$898	\$0.77
12	2BR at Market	1	850	\$614	\$813	\$0.96	25%	\$898	\$0.77
6	3BR at Market	2	1,115	\$704	\$1,020	\$0.92	31%	\$1,118	\$0.89

Demographic Data (found on page 34)

	2010		2015		2018	
Renter Households	4,613	28.80%	5,143	30.60%	5,327	30.60%
Income-Qualified Renter HHs (LIHTC)	898	19.47%	1,001	19.47%	1,037	19.47%

Targeted Income-Qualified Renter Household Demand (found on pages 46-64)

Type of Demand	30%	50%	60%	Market-rate	Other:___	Overall*
Renter Household Growth	N/Ap	27	9	79	N/Ap	36
Existing Households (Overburdened + Substandard)	N/Ap	354	122	1,057	N/Ap	476
Homeowner conversion (Seniors)	N/Ap	7	3	22	N/Ap	10
Total Primary Market Demand						
Less Comparable/Competitive Supply	N/Ap	0	0	0	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	387	134	1,159	N/Ap	523

Capture Rates (found on page 63-64)

Targeted Population	30%	50%	60%	Market-rate	Other:___	Overall
Capture Rate:	N/Ap	5.7%	49.6%	2.1%	N/Ap	16.9%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:

The Subject site is located at 6601 Zebulon Road in Macon, Bibb County, Georgia 31220. The Subject site is located less than 0.8 miles west of the intersection of Zebulon Road and Interstate 475. The Subject site has frontage on Zebulon Road.

Construction Type:

The Subject will consist of 10, one-story residential buildings and one, one-story community building. The buildings will consist of brick and cement fiber board siding exteriors.

Occupancy Type:

HFOP – 55+.

Special Population Target:

None.

Number of Units by Bedroom Type and AMI Level:

See following property profile.

Unit Size:

See following property profile.

Structure Type:

See following property profile.

Rents and Utility Allowances:

See following property profile.

Existing or Proposed Project Based Rental Assistance:

None of the units will operate with Project-Based Rental Assistance.

Proposed Development Amenities:

See following property profile.

The Residences At Zebulon

Location 6601 Zebulon Road
 Macon, GA 31220
 Bibb County
 (verified)
Units 90
Type One-story (age-restricted)
Year Built / Renovated Proposed
Tenant Characteristics HFOP - 55+



Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	One-story	8	750	\$397	\$0	@50%	N/A	N/A	N/A	no
1	1	One-story	10	750	\$496	\$0	@60%	N/A	N/A	N/A	no
2	1	One-story	10	850	\$475	\$0	@50%	N/A	N/A	N/A	no
2	1	One-story	44	850	\$594	\$0	@60%	N/A	N/A	N/A	no
2	1	One-story	12	850	\$614	\$0	Market	N/A	N/A	N/A	N/A
3	2	One-story	6	1,115	\$704	\$0	Market	N/A	N/A	N/A	N/A

Amenities

In-Unit	Balcony/Patio Blinds Carpeting Central A/C Dishwasher Exterior Storage Ceiling Fan Hand Rails Oven Pull Cords Refrigerator Walk-In Closet Washer/Dryer hookup	Security	Video Surveillance
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area	Premium	none
Services	none	Other	none

Comments

The property will offer 136 surface parking spaces. Exterior storage is free to the tenants.

Scope of Renovations:	The Subject will be new construction.
Current Rents:	Not applicable.
Current Occupancy:	Not applicable.
Current Tenant Income:	Not applicable.
Placed in Service Date:	According to the sponsor, the Subject will enter the market in October 2018.
Conclusion:	The Subject will be an excellent-quality brick and cement fiber board siding one-story senior housing development. As new construction, the Subject will be in excellent condition. We assume that the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

SITE EVALUATION

1. Date of Site Visit and Name of Site Inspector:

Brian Neukam visited the site on May 26, 2016.



2. Physical Features of the Site: The following illustrates the physical features of the site.

Frontage:

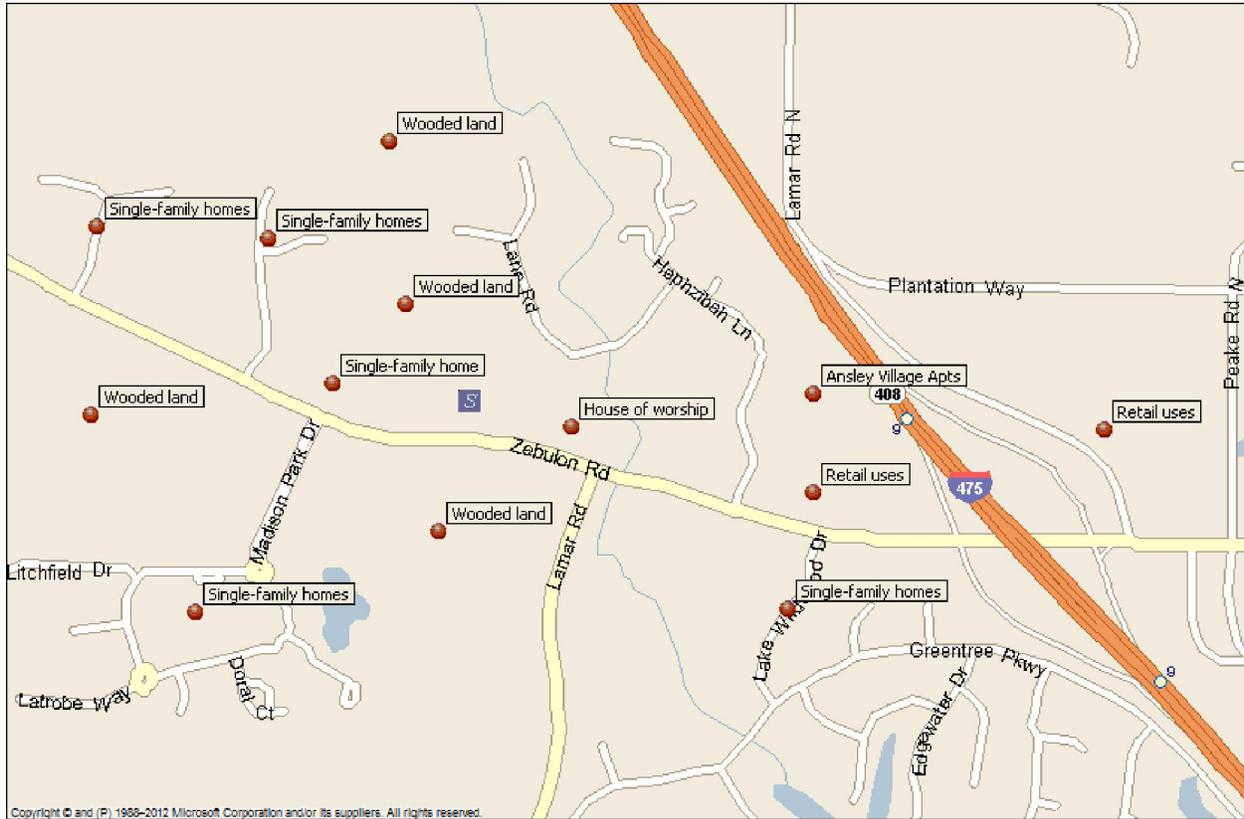
The Subject site has frontage along the north side of Zebulon Road.

Visibility/Views:

The Subject site has excellent access and visibility from Zebulon Road. Zebulon Road is a moderately-trafficked two-lane road that provides access to Interstate 475, approximately 0.8 miles east of the Subject site. Views from the Subject site include wooded land and a house of worship. Overall, views are considered good.

Surrounding Uses:

The following map illustrates the surrounding land uses.



Uses east of the Subject site include a house of worship, wooded land, Ansley Village Apartments, and retail uses. Ansley Village Apartments is a market rate property constructed in 2008 and used as a comparable in this report. Approximately 1.2 miles east of the Subject site is a retail development consisting of Kohl's, Goodwill, Amstar Cinemas, Kroger, Walmart Supercenter, Lowe's Home Improvement, several fast food restaurants, and smaller retailers. Most of the area north of the Subject site is wooded land. Uses south and west of the Subject site include wooded land and single-family homes in good to excellent condition. Overall, the commercial uses in the Subject's neighborhood appeared to be 95 percent occupied. The surrounding uses are in good to excellent condition.

Positive/Negative Attributes of Site: Positive attributes of the Subject site include its excellent access to retail and commercial uses along Zebulon Road, the quality of the surrounding improvements, and convenient access to Interstate 475. There are no negative attributes of the Subject site.

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

The Subject site is located approximately 0.8 miles west of the intersection of Zebulon Road and Interstate 475. Zebulon Road is the primary commercial corridor in the Subject's neighborhood and Interstate 475 provides access to areas throughout Bibb and Monroe Counties. The Subject will be located within 5.5 miles of most locational amenities except a senior center and police department. The Macon Senior Citizens Center and Macon Police Department are located 9.3 and 9.9 miles from the Subject site. We do not believe the Subject's distance from these uses will negatively impact its performance. The closest bus stop is located 1.3 miles east of the Subject site. The developer is in the process of requesting approval for a bus stop at the Subject site. The Subject is projected to have a positive impact on the local neighborhood.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View of Subject site from adjacent site to the east



Subject site



View northwest along Zebulon Road



View southeast along Zebulon Road



House of worship east of Subject site



Wooded land south of Subject site



Wooded land west of Subject site



Commercial uses along Zebulon Road



Commercial uses along Zebulon Road



Commercial uses along Zebulon Road



Service station and convenience store on Zebulon Road



CVS Pharmacy on Zebulon Road



Typical single-family home in Subject's neighborhood



Typical single-family home in Subject's neighborhood



Typical single-family home in Subject's neighborhood



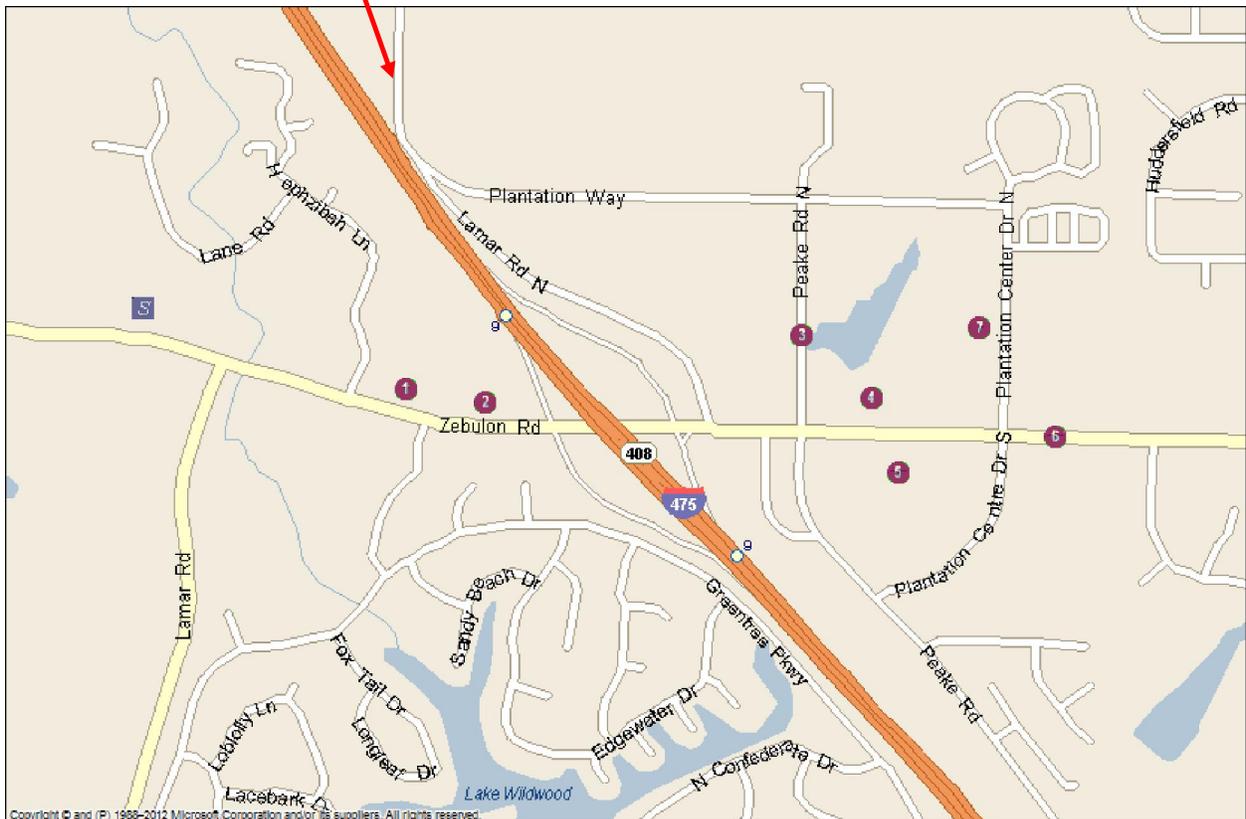
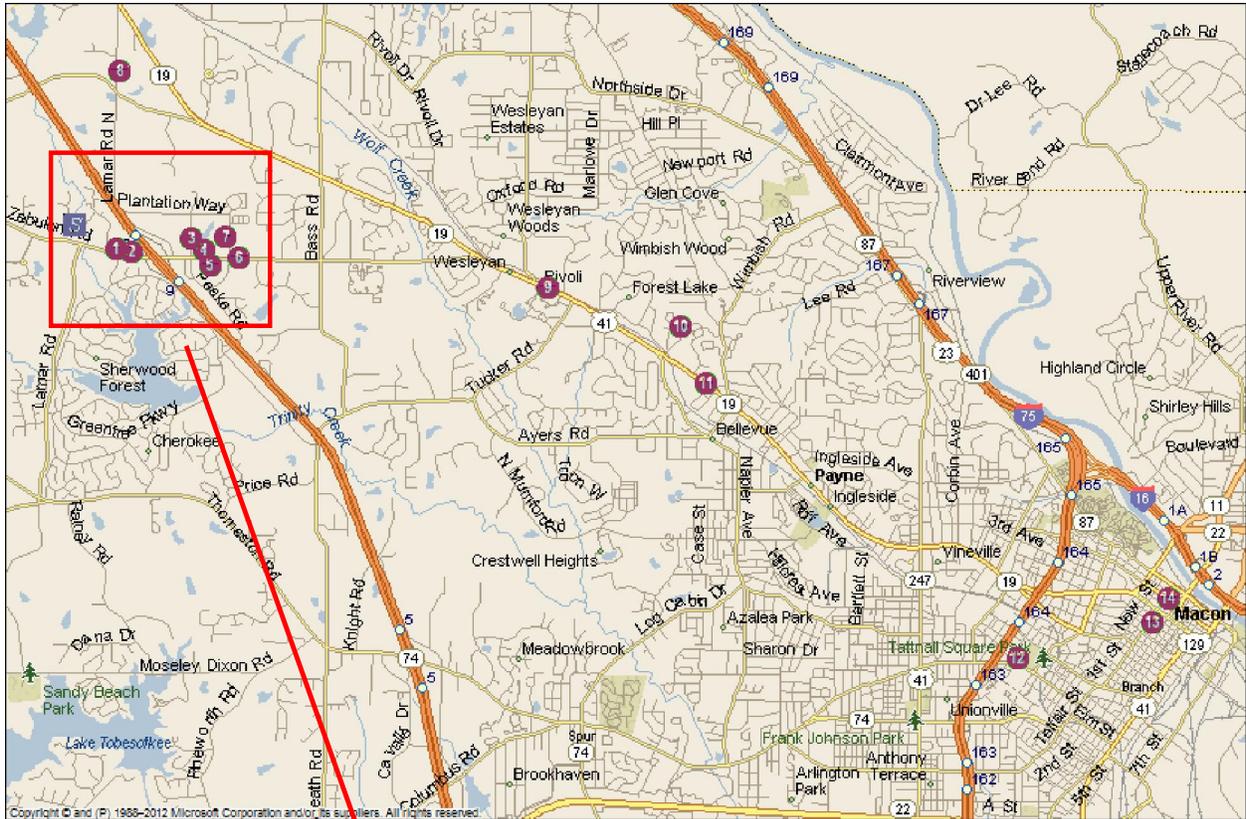
Typical single-family home in Subject's neighborhood

5. Proximity to Locational Amenities:

The following table details the Subject’s distance from key locational amenities.

LOCATIONAL AMENITIES

#	Service or Amenity	Miles From Subject
1	Sunoco (gas station)	0.5 miles
2	CVS Pharmacy	0.6 miles
3	US Post Office	1.2 miles
4	Wells Fargo Bank	1.2 miles
5	Kroger/Bus Stop	1.3 miles
6	Sonny Carter Elementary School	1.5 miles
7	Walmart Supercenter	1.6 miles
8	Howard Middle/High Schools	2.7 miles
9	Lucy Lester Willet Memorial Library	4.0 miles
10	Coliseum Northside Hospital	5.4 miles
11	Macon Fire Station 3	5.5 miles
12	Macon Senior Citizens Center	9.3 miles
13	Macon Police Department	9.9 miles
14	Macon CBD (employment center)	10.1 miles



6. Description of Land Uses:

Uses east of the Subject site include a house of worship, wooded land, Ansley Village Apartments, and retail uses. Ansley Village Apartments is a market rate property constructed in 2008 and used as a comparable in this report. Approximately 1.2 miles east of the Subject site is a retail development consisting of Kohl’s, Goodwill, Amstar Cinemas, Kroger, Walmart Supercenter, Lowe’s Home Improvement, several fast food restaurants, and smaller retailers. Most of the area north of the Subject site is wooded land. Uses south and west of the Subject site include wooded land and single-family homes in good to excellent condition. Overall, the commercial uses in the Subject’s neighborhood appeared to be 95 percent occupied. The surrounding uses are in good to excellent condition. Overall, the Subject will be a conforming use in the neighborhood and the site appears appropriate for senior rental housing.

7. Public Safety Issues:

The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

2015 CRIME RISK INDICES

	PMA	Macon, GA MSA
Total Crime*	164	142
Personal Crime*	124	107
Murder	221	194
Rape	98	80
Robbery	155	132
Assault	109	97
Property Crime*	169	147
Burglary	199	172
Larceny	161	139
Motor Vehicle Theft	154	138

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

*Unweighted aggregations

The crime risk indices shown above are based on the national average, which would be indicated as the number 100 in the table above. Any numbers shown deviating from the number 100 would thus be considered to be either above or below the national average. That is, an index of 125 would be 25 percent higher than the national average and an index of 75 would be 25 percent lower than the national average.

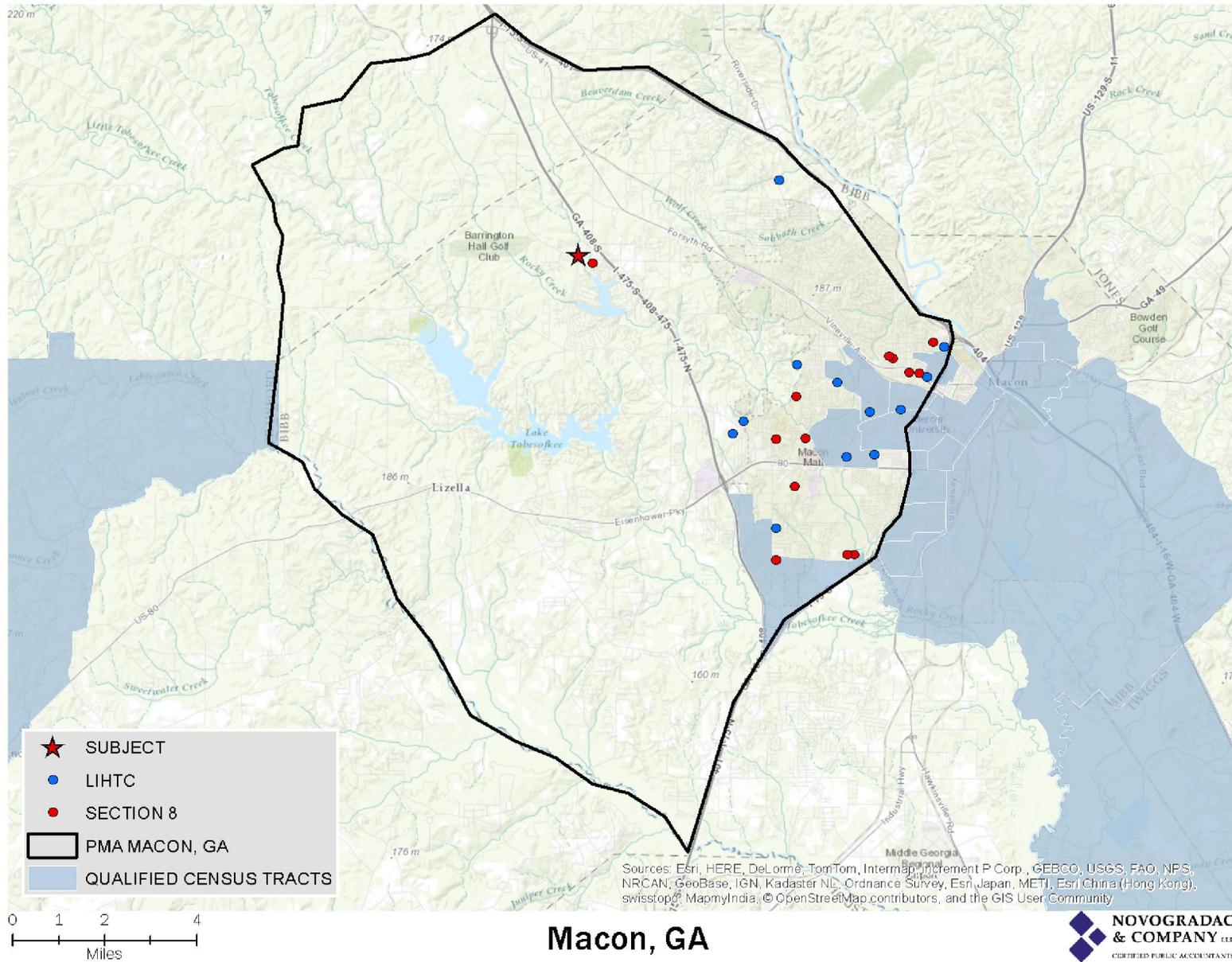
The total crime risk index in the PMA is higher than the MSA, and both the PMA and MSA have higher total crime risk indices than the nation as a whole. The Subject will

offer gated perimeter fencing and video surveillance, similar to superior to the comparables.

**8. Existing Assisted Rental
Housing Property Map:**

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

Name	Address	City	State	Zip Code	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject	
A.L. Miller Village	2411 Montpelier Avenue	Macon	GA	31204	LIHTC	Family	Blue	Excluded	Under construction	8.8 miles	
West Club Apartments	159 Steven Drive	Macon	GA	31210	LIHTC	Family		Included	N/Ap	5.7 miles	
Ashton Hill Apartments	925 Tolliver Place	Macon	GA	31204	LIHTC	Senior		Included	N/Ap	6.7 miles	
Pinewood Park	4755 Mercer University Drive	Macon	GA	31210	LIHTC/Market	Family		Included	N/Ap	5.7 miles	
Pearl Stephens Village	3321 Napier Avenue	Macon	GA	31204	LIHTC/Market/Section 8	Senior		Excluded	Subsidized	7.4 miles	
Anthony Arms	1692 Anthony Road	Macon	GA	31204	LIHTC/Section 8	Family		Excluded	Mostly subsidized	8.7 miles	
Colony West Apartments	5284 Bloomfield Road	Macon	GA	31206	LIHTC/Section 8	Family		Excluded	Subsidized	8.4 miles	
Kingston Gardens	4416 Mumford Road	Macon	GA	31204	LIHTC/Section 8	Family		Excluded	Subsidized	6.8 miles	
Ashton Riverside	575 Baxter Avenue	Macon	GA	31201	LIHTC/Section 8	Family		Excluded	Subsidized	9.0 miles	
Bartlett Crossing	2901 Churchill Street	Macon	GA	31204	LIHTC/Public Housing	Family		Included	N/Ap	8.5 miles	
2009 Vineville	2009 Vineville Avenue	Macon	GA	31204	LIHTC/PH/Market	Senior		Excluded	Subsidized	8.6 miles	
Anthony Homes	1793 Wren Avenue	Macon	GA	31204	Section 8/Public Housing	Family		Red	Excluded	Subsidized	8.5 miles
Autumn Trace Apartments	1745 Rocky Creek Road	Macon	GA	31206	Section 8	Family			Excluded	Subsidized	10.3 miles
Chambers Apartments	4150 Lions Place	Macon	GA	31206	Section 8	Senior			Excluded	Subsidized	10.2 miles
Clisby Towers	2087 Vineville Avenue	Macon	GA	31204	Section 8	Senior			Excluded	Subsidized	8.4 miles
Green Meadows Townhouses	3867 Log Cabin Drive	Macon	GA	31204	Section 8	Family	Excluded		Subsidized	7.3 miles	
Ingleside Manor	470 Monroe Hill Lane	Macon	GA	31204	Section 8	Senior	Excluded		Subsidized	8.5 miles	
Macon Gardens Apartments	3601 Mercer University Drive	Macon	GA	31204	Section 8	Family	Excluded		Subsidized	7.1 miles	
Magnolia Manor of Macon	200 Pierce Avenue	Macon	GA	31204	Section 8	Senior	Excluded		Subsidized	7.9 miles	
Magnolia Manor of Macon SH	194 Pierce Avenue	Macon	GA	31204	Section 8	Senior	Excluded		Subsidized	7.9 miles	
Marc Resources V	145 Lake Wildwood Drive	Macon	GA	31220	Section 8	Disabled	Excluded		Subsidized	0.6 miles	
Sandy Springs Apartments	3044 Bloomfield Drive	Macon	GA	31206	Section 8	Family	Excluded		Subsidized	7.7 miles	
Villa West Apartments	4006 Mercer University Drive	Macon	GA	31204	Section 8	Family	Excluded		Subsidized	6.5 miles	
Vineville Christian Towers	2394 Vineville Avenue	Macon	GA	31204	Section 8	Senior	Excluded		Subsidized	8.1 miles	
Wilshire Woods Apartments	2560 Rocky Creek Road	Macon	GA	31206	Section 8	Family	Excluded		Subsidized	9.1 miles	
The Residences at Zebulon	6601 Zebulon Road	Macon	GA	31220	LIHTC/Market	Senior	Red Star		Subject	-	-



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

We witnessed no road/infrastructure improvements during our site inspection.

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

The Subject will be accessed via Zebulon Road, a moderately-trafficked two-lane road that provides access to Interstate 475, approximately 0.8 miles east of the Subject site. Overall, the Subject site has excellent access and visibility from Zebulon Road.

11. Environmental Concerns:

None visible upon site inspection.

12. Conclusion:

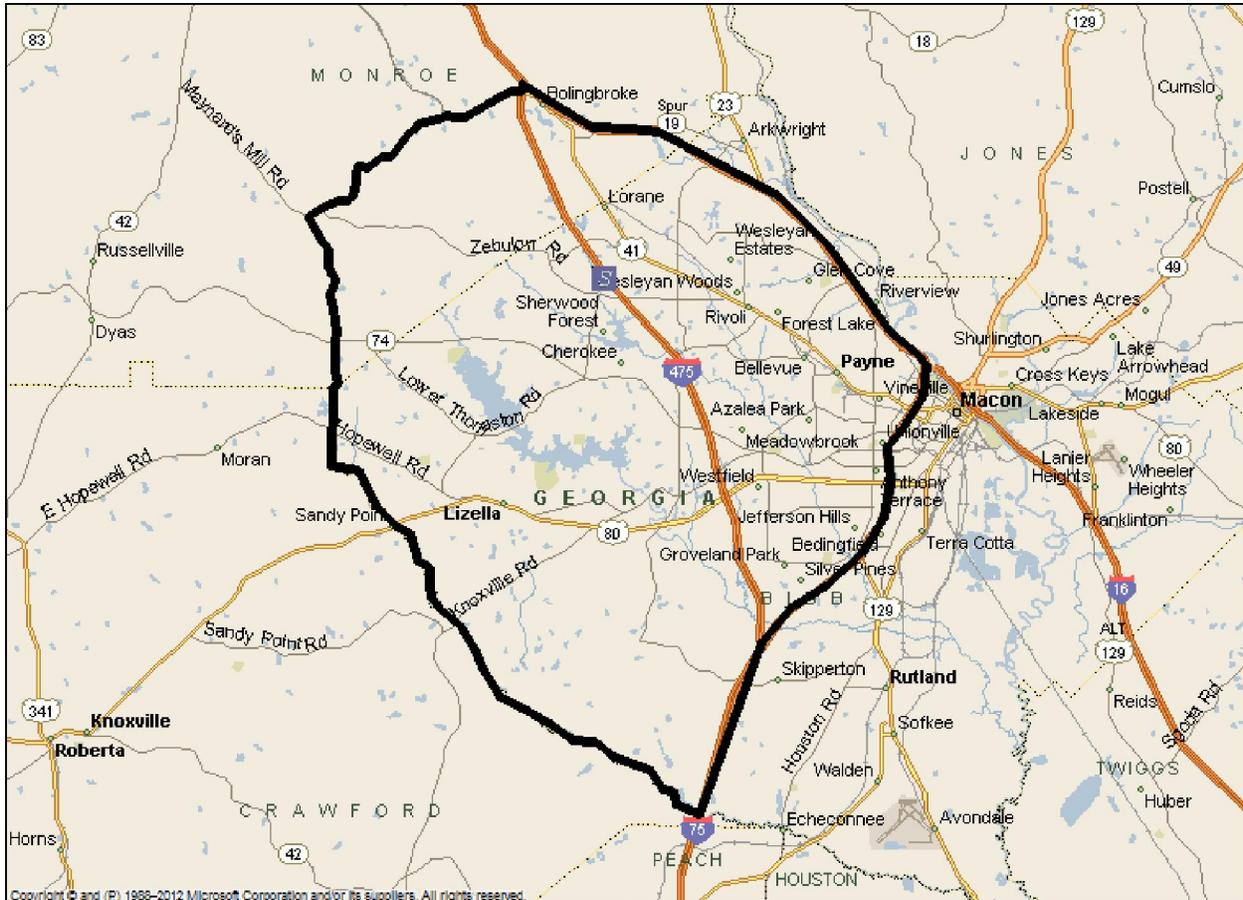
The Subject site is currently wooded land. The Subject site is located in an area consisting of wooded land, single-family homes, and retail uses. The single-family homes in the Subject's neighborhood are in good to excellent condition. Overall, the commercial uses in the Subject's neighborhood appeared to be 95 percent occupied. The Subject will be located within 5.5 miles of most locational amenities. Positive attributes of the Subject site include its excellent access to retail and commercial uses along Zebulon Road, the quality of the surrounding improvements, and convenient access to Interstate 475. There are no negative attributes of the Subject site. The Subject will be a compatible use within the immediate neighborhood.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Macon, GA MSA are areas of growth or contraction. The Macon, GA MSA consists of Bibb, Jones, Monroe, Crawford, and Twiggs Counties in the central portion of the state of Georgia.

The boundaries of the PMA are as follows:

- North – Highway 41 and Shi Road
- South – Interstate 75
- East – Interstate 75
- West – Bibb County/Crawford County line and Maynard’s Mill Road

The PMA encompasses the western and northern parts of Bibb County and the southern part of Monroe County. It also includes a portion of the city of Macon. This area was defined based on interviews with a member of the planning board, the local housing authority, the Macon-Bibb County Planning and Zoning Commission, and the Bureau of Inspections and Fees. Furthermore, the determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates primarily from the city limits. Per GA DCA's 2016 market study guidelines, GA DCA does not take into account leakage from outside of the PMA. While we do believe the Subject will experience leakage from outside the PMA boundaries; however, per the 2016 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary is 13.1 miles from the Subject site.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in the MSA, the PMA and nationally from 2000 through 2020.

TOTAL POPULATION

Year	PMA		Macon, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	98,358	-	222,367	-	281,421,906	-
2010	100,987	0.3%	232,293	0.4%	308,745,538	1.0%
2015	100,203	-0.1%	230,734	-0.1%	318,536,439	0.6%
Projected Mkt Entry October 2018	99,706	-0.2%	230,071	-0.1%	326,392,427	0.8%
2020	99,439	-0.2%	229,714	-0.1%	330,622,575	0.8%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

TOTAL SENIOR POPULATION (55+)

Year	PMA		Macon, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	20,491	-	46,228	-	59,266,437	-
2010	25,578	2.5%	59,115	2.8%	76,750,713	3.0%
2015	28,162	1.9%	65,609	2.1%	87,809,032	2.7%
Projected Mkt Entry October 2018	29,196	1.1%	68,834	1.5%	94,480,737	2.3%
2020	29,753	1.1%	70,571	1.5%	98,073,194	2.3%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry October 2018	2020
0-4	7,159	7,298	6,803	6,706	6,653
5-9	7,471	7,129	7,020	6,722	6,561
10-14	7,503	7,239	6,941	6,936	6,933
15-19	6,709	7,329	6,827	6,670	6,586
20-24	5,994	6,614	6,520	6,194	6,018
25-29	6,983	6,579	6,402	6,231	6,139
30-34	6,835	6,188	6,547	6,425	6,360
35-39	7,688	6,396	6,032	6,386	6,577
40-44	7,855	6,200	6,244	6,083	5,997
45-49	7,253	7,066	5,959	6,052	6,102
50-54	6,417	7,371	6,745	6,105	5,760
55-59	4,678	6,775	6,960	6,539	6,312
60-64	3,642	5,651	6,254	6,340	6,386
65-69	3,269	3,919	5,126	5,429	5,592
70-74	3,193	2,937	3,435	4,107	4,469
75-79	2,620	2,439	2,435	2,747	2,915
80-84	1,745	1,993	1,894	1,928	1,946
85+	1,344	1,864	2,058	2,107	2,133
Total	98,358	100,987	100,202	99,706	99,439

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Macon, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	98,358	77,867	20,491	222,368	176,140	46,228
2010	100,987	75,409	25,578	232,293	173,178	59,115
2015	100,202	72,040	28,162	230,734	165,125	65,609
Projected Mkt Entry October 2018	99,706	70,510	29,196	230,071	161,237	68,834
2020	99,439	69,686	29,753	229,714	159,143	70,571

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

The population in the PMA decreased from 2000 to 2015 and is projected to continue to decline through 2020. The population in the MSA is also expected to decrease from 2015 through 2020. Conversely, the population for the nation as a whole increased from 2000 through 2015. This trend is expected to continue through 2020. However, senior population growth in the PMA is expected to increase at an annual rate of 1.1 percent from 2015 through 2020, which is lower than the growth rates of the MSA and nation as a whole, but positive nonetheless. In 2015, approximately 28 percent of the PMA’s population was 55 years old or older. The population 55 and older is expected to account for nearly 30 percent of the total population by 2020. The growth in senior population is a positive indicator for future demand of affordable senior housing.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Macon, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	38,258	-	84,338	-	105,480,101	-
2010	39,312	0.3%	88,999	0.6%	116,716,292	1.1%
2015	39,029	-0.1%	88,844	0.0%	120,746,349	0.7%
Projected Mkt Entry October 2018	38,823	-0.2%	88,645	-0.1%	123,821,637	0.8%
2020	38,712	-0.2%	88,538	-0.1%	125,477,562	0.8%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

TOTAL NUMBER OF HOUSEHOLDS 55+

Year	PMA		Macon, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,004	-	29,342	-	36,459,725	-
2010	15,991	2.3%	36,243	2.4%	45,892,687	2.6%
2015	16,821	1.0%	38,827	1.4%	50,825,452	2.0%
Projected Mkt Entry October 2018	17,429	1.1%	40,612	1.4%	54,882,179	2.5%
2020	17,757	1.1%	41,573	1.4%	57,066,571	2.5%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

AVERAGE HOUSEHOLD SIZE

Year	PMA		Macon, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.51	-	2.56	-	2.59	-
2010	2.51	0.0%	2.52	-0.1%	2.58	-0.1%
2015	2.50	0.0%	2.51	-0.1%	2.57	0.0%
Projected Mkt Entry October 2018	2.50	0.0%	2.51	0.0%	2.57	0.0%
2020	2.50	0.0%	2.51	0.0%	2.57	0.0%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

Similar to population trends, the total number of households in the PMA is projected to decrease through 2020. Conversely, the number of senior households in the PMA is expected to grow 1.1 percent annually between 2015 and 2020 in the PMA, which is slightly slower than senior household growth in the MSA. Senior household growth in the PMA and MSA will increase at a rate greater than households of all ages over the next several years. The average household sizes in the PMA and MSA are projected to remain stable through 2020, similar to the nation.

2b. Households by Tenure

The following table illustrates senior household growth by tenure from 2000 through 2020.

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	10,022	77.1%	2,982	22.9%
2010	11,378	71.2%	4,613	28.8%
2015	11,678	69.4%	5,143	30.6%
Projected Mkt Entry				
October 2018	12,103	69.4%	5,327	30.6%
2020	12,331	69.4%	5,426	30.6%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

Owner-occupied housing units dominate the housing market in the PMA. However, senior renter-occupied units accounted for 30.6 percent of the total housing stock in the PMA in 2015. This rate is significantly higher than the national average of 13.0 percent for senior households.

2c. Households by Income

The following table depicts senior household income distribution in 2010, 2015, market entry, and 2020 for the PMA.

RENTER HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA

Income Cohort	2010		2015		Projected Mkt Entry October 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,017	22.1%	1,204	23.4%	1,233	23.1%	1,248	23.0%
\$10,000-19,999	1,021	22.1%	1,255	24.4%	1,292	24.3%	1,312	24.2%
\$20,000-29,999	559	12.1%	602	11.7%	633	11.9%	650	12.0%
\$30,000-39,999	393	8.5%	435	8.5%	444	8.3%	449	8.3%
\$40,000-49,999	313	6.8%	293	5.7%	307	5.8%	315	5.8%
\$50,000-59,999	358	7.8%	360	7.0%	386	7.2%	400	7.4%
\$60,000-74,999	293	6.4%	320	6.2%	325	6.1%	328	6.0%
\$75,000-99,999	227	4.9%	222	4.3%	237	4.4%	245	4.5%
\$100,000-124,999	153	3.3%	169	3.3%	177	3.3%	181	3.3%
\$125,000-149,999	101	2.2%	97	1.9%	95	1.8%	94	1.7%
\$150,000-199,999	85	1.9%	106	2.1%	111	2.1%	114	2.1%
\$200,000+	93	2.0%	80	1.5%	87	1.6%	91	1.7%
Total	4,613	100.0%	5,143	100.0%	5,327	100.0%	5,426	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, April 2016

The Subject will target senior households earning \$14,580 to \$25,320 for its LIHTC units. The market rate units will not have a maximum income restriction. As the previous table illustrates, approximately 36.1 percent of households in the PMA earned incomes between \$10,000 and \$29,999 in 2015. For the projected market entry date of October 2018, this percentage is projected to remain the same.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS 55+ - PMA

	2010		2015		Projected Mkt Entry October 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,473	53.6%	2,815	54.7%	2,952	55.4%	3,026	55.8%
With 2 Persons	1,201	26.0%	1,351	26.3%	1,375	25.8%	1,388	25.6%
With 3 Persons	288	6.2%	307	6.0%	304	5.7%	302	5.6%
With 4 Persons	311	6.7%	319	6.2%	321	6.0%	322	5.9%
With 5+ Persons	341	7.4%	352	6.8%	375	7.0%	388	7.1%
Total Renter	4,613	100.0%	5,143	100.0%	5,327	100.0%	5,426	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, April 2016

The largest senior renter household cohort has remained a one-person household since 2010, followed by two and five plus-person households. It should be noted that the three, four, and five plus-person household cohorts are generally similar in terms of size and account for less than 10 percent each. In 2015, the one and two-person households accounted for approximately 81 percent of renter households in the PMA. The strong presence of one to two-person renter households in the PMA bodes well for the Subject’s units.

2e and f. Elderly and HFOP

Per DCA’s guidelines, elderly household populations will be based on households who are 62 years and older and HFOP populations will be based on households who are 55 years or older according to the census.

Conclusion

The PMA is expected to experience moderate senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 1.1 percent from 2015 through 2020, which is lower than the growth rates of the MSA and nation as a whole, but positive nonetheless. In 2015, approximately 28 percent of the PMA’s population was 55 years old or older. The population 55 and older is expected to account for nearly 30 percent of the total population by 2020. Owner-occupied housing units dominate the housing market in the PMA. However, senior renter-occupied units accounted for 30.6 percent of the total housing stock in the PMA in 2015. This rate is significantly higher than the national average of 13.0 percent for senior households. The Subject will target senior households earning \$14,580 to \$25,320 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 36.1 percent of senior households in the PMA earned incomes between \$10,000 and \$29,999 in 2015. For the projected market entry date of October 2018, this percentage is projected to remain the same. As the senior population and number of households increase, there is expected to be a greater number of lower-income senior renters seeking affordable housing.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

The Subject will be located in Macon, Bibb County, Georgia. Macon is located approximately 85 miles southeast of Atlanta. The largest employer in Macon is GEICO, employing approximately 5,700 workers. Most of the remaining major employers in the county are concentrated in the healthcare, educational services, government, manufacturing, and retail trade sectors. Macon is centrally located, which makes the area attractive for manufacturers and distributors. However, the area is not reliant on manufacturing as it is underrepresented in the PMA relative to the nation. Overall, the local area is diversified in terms of employment.

1. Total Jobs

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

Total Jobs in Bibb County, Georgia		
Year	Total Employment	% Change
2005	68,652	-
2006	69,204	0.80%
2007	69,952	1.07%
2008	70,795	1.19%
2009	67,382	-5.07%
2010	62,053	-8.59%
2011	63,022	1.54%
2012	64,125	1.72%
2013	63,881	-0.38%
2014	63,403	-0.75%
2015 YTD Average	63,290	-0.18%
Dec-14	64,520	-
Dec-15	63,581	-1.48%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

As illustrated in the table above, Bibb County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2009. Covered employment increased in 2011 and 2012 but decreased in 2013, 2014, and 2015. The local total employment remains below the pre-recession peak total employment.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Bibb County, as of the Second Quarter 2015.

**Second Quarter 2015 Covered Employment
Bibb County, Georgia**

	Number	Percent
Total, all industries	73,353	-
Goods-producing	7,509	-
Natural resources and mining	103	0.14%
Construction	1,926	2.63%
Manufacturing	5,480	7.47%
Service-providing	65,844	-
Trade, transportation, and utilities	17,204	23.45%
Information	1,323	1.80%
Financial activities	8,917	12.16%
Professional and business services	9,974	13.60%
Education and health services	17,703	24.13%
Leisure and hospitality	8,700	11.86%
Other services	1,825	2.49%
Unclassified	198	0.27%

Source: Bureau of Labor Statistics, 2015

Employment by industry in Bibb County is heavily concentrated in education and health services and trade, transportation, and utilities. The trade, transportation and utilities industry is vulnerable to economic downturns and is a historically volatile sector. However, education and health services are typically considered stable employment sectors. Professional and business services, financial activities, and leisure and hospitality also account for a considerable amount of total covered employment in Bibb County.

2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	7,380	16.5%	20,205,674	13.7%
Retail Trade	5,199	11.6%	17,089,319	11.6%
Educational Services	5,037	11.2%	13,529,510	9.2%
Accommodation/Food Services	3,510	7.8%	10,915,815	7.4%
Finance/Insurance	3,174	7.1%	7,026,905	4.8%
Public Administration	3,153	7.0%	7,099,307	4.8%
Manufacturing	2,877	6.4%	15,651,841	10.6%
Other Services (excl Publ Adm)	2,569	5.7%	7,548,482	5.1%
Prof/Scientific/Tech Services	2,340	5.2%	9,981,082	6.8%
Construction	2,073	4.6%	9,392,204	6.4%
Transportation/Warehousing	1,665	3.7%	6,200,837	4.2%
Admin/Support/Waste Mgmt Srvc	1,370	3.1%	6,242,568	4.2%
Wholesale Trade	1,331	3.0%	3,742,526	2.5%
Real Estate/Rental/Leasing	1,190	2.7%	2,759,067	1.9%
Information	801	1.8%	2,965,498	2.0%
Arts/Entertainment/Recreation	501	1.1%	3,193,724	2.2%
Utilities	286	0.6%	1,190,608	0.8%
Mining	183	0.4%	997,794	0.7%
Agric/Forestry/Fishing/Hunting	171	0.4%	1,941,156	1.3%
Mgmt of Companies/Enterprises	28	0.1%	115,436	0.1%
Total Employment	44,838	100.0%	147,789,353	100.0%

Source: Esri Demographics 2010, Novogradac & Company LLP, April 2016

Health care/social assistance, retail trade, and educational services are the largest industries within the PMA. These industries account for approximately 39 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiencing strong growth over the past decade. In general, the area is not overly reliant on a single industry. The PMA is overrepresented in the health care/social assistance, educational services, public administration, and finance/insurance industries, relative to the nation. Comparatively, the manufacturing, professional/scientific/tech services, and construction sectors are underrepresented in the PMA.

3. Major Employers

The following table details the top employers in Bibb County, GA.

2016 MAJOR EMPLOYERS - BIBB COUNTY, GA

#	Company	Product	Employees
1	GEICO	Insurance	5,690
2	Naviecent Health Medical Center	Healthcare	4,600
3	Macon-Bibb County Board of Education	Educational Services	3,700
4	Macon-Bibb County	Government	2,103
5	Coliseum Health Systems	Healthcare	1,400
6	Mercer University	Educational Services	937
7	YKK (USA) Incorporated	Manufacturing	750
8	Wal-Mart Super Stores	Retail Trade	740
9	Central Georgia Technical College	Educational Services	634
10	United States Postal Service	Government	600
11	Ricoh USA	Retail Distribution	575
12	Georgia Farm Bureau Federation	Insurance	525
13	Middle Georgia State University	Educational Services	437
14	Haeco	Manufacturing	410
15	Bass Pro Shops	Retail Trade	400

Source: Macon Economic Development Commission, May 2016

As indicated in the previous table, most of the major employers in Bibb County are in the insurance, healthcare, educational services, government services, manufacturing, and retail trade sectors. GEICO is the largest employer in the county. Two of the top five employers are in the healthcare sector, which is a stable industry and the largest employment sector in the PMA. The top 15 employers represent 24.4 percent of the total employment in the PMA, which is considered significant. GEICO represents 5.9 percent of the total employment in the PMA. Overall, the major employers are considered diverse, similar to the overall economy, which is a positive aspect of the local economy.

Business Expansion/Contraction

We attempted to contact the Macon Economic Development Commission. However, our calls were not returned.

The following table illustrates Labor Worker Adjustment and Retraining Notification (WARN) notices between 2014 and YTD 2016.

WARN NOTICES - BIBB COUNTY, GA

Effective Date	Company Name	Industry	# of Jobs
1/9/2016	Ryder Integrated Logistics	Logistics Management	124
6/30/2015	Macon-Bibb County EOC	Education	150
4/3/2015	Fresenius Medical Care	Healthcare	32
8/30/2014	Boeing	Manufacturing	464
TOTAL			770

Source: Georgia Department of Economic Development, Novogradac & Company LLP, May 2016

There were four major layoffs in Bibb County between 2014 and YTD 2016. The largest layoff occurred in 2014 when Boeing announced a layoff of 464 workers. Boeing's workforce locally

is approximately 120 workers. According to a September 17, 2015 article in The Telegraph, Boeing is expected to invest \$81.7 million to convert its existing military airplane manufacturing facility in Macon to a commercial airplane manufacturing plant. Approximately 200 new jobs will be created when the plant opens in 2018. Overall, Boeing will have a net loss in total jobs.

The Macon-Bibb County Economic Opportunity Council lost its contract to administer the local Head Start program due to several areas of deficiency and non-compliance. Overall, there have been 770 major layoffs in Bibb County since 2014.

On January 19, 2016, Yulista Aviation opened its new hangar in Macon, Georgia. In addition to the US Air Force, the new hangar supports other Department of Defense services and US Government agencies. Yulista supports a broad range of rotary-wing and fixed-wing aircraft. It is unclear how many jobs this recent economic partnership has brought to the Macon area.

According to a May 2, 2016 article in The Telegraph, Kumho Tire recently opened its \$450 million manufacturing plant in Macon. Approximately 400 new jobs were created with the opening of the facility.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2002 to February 2016.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Macon, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	99,807	-	4.9%	-	136,933,000	-	4.7%	-
2003	102,919	3.1%	4.7%	-0.3%	136,485,000	-0.3%	5.8%	1.1%
2004	103,873	0.9%	4.9%	0.2%	137,736,000	0.9%	6.0%	0.2%
2005	103,926	0.1%	5.6%	0.7%	139,252,000	1.1%	5.5%	-0.5%
2006	105,097	1.1%	5.5%	-0.2%	141,730,000	1.8%	5.1%	-0.4%
2007	106,650	1.5%	4.9%	-0.5%	144,427,000	1.9%	4.6%	-0.5%
2008	108,027	1.3%	6.3%	1.4%	146,047,000	1.1%	4.6%	0.0%
2009	102,627	-5.0%	9.6%	3.3%	145,362,000	-0.5%	5.8%	1.2%
2010	93,561	-8.8%	11.3%	1.8%	139,877,000	-3.8%	9.3%	3.5%
2011	95,013	1.6%	11.1%	-0.2%	139,064,000	-0.6%	9.6%	0.3%
2012	96,586	1.7%	10.1%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2013	95,711	-0.9%	9.0%	-1.2%	142,469,000	1.9%	8.1%	-0.8%
2014	96,073	0.4%	7.7%	-1.3%	143,929,000	1.0%	7.4%	-0.7%
2015	96,697	0.6%	6.3%	-1.3%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	97,778	1.1%	5.9%	-0.4%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	96,431	-	6.7%	-	147,118,000	-	5.8%	-
Feb-2016	97,732	1.3%	6.0%	-0.7%	150,060,000	2.0%	5.2%	-0.6%

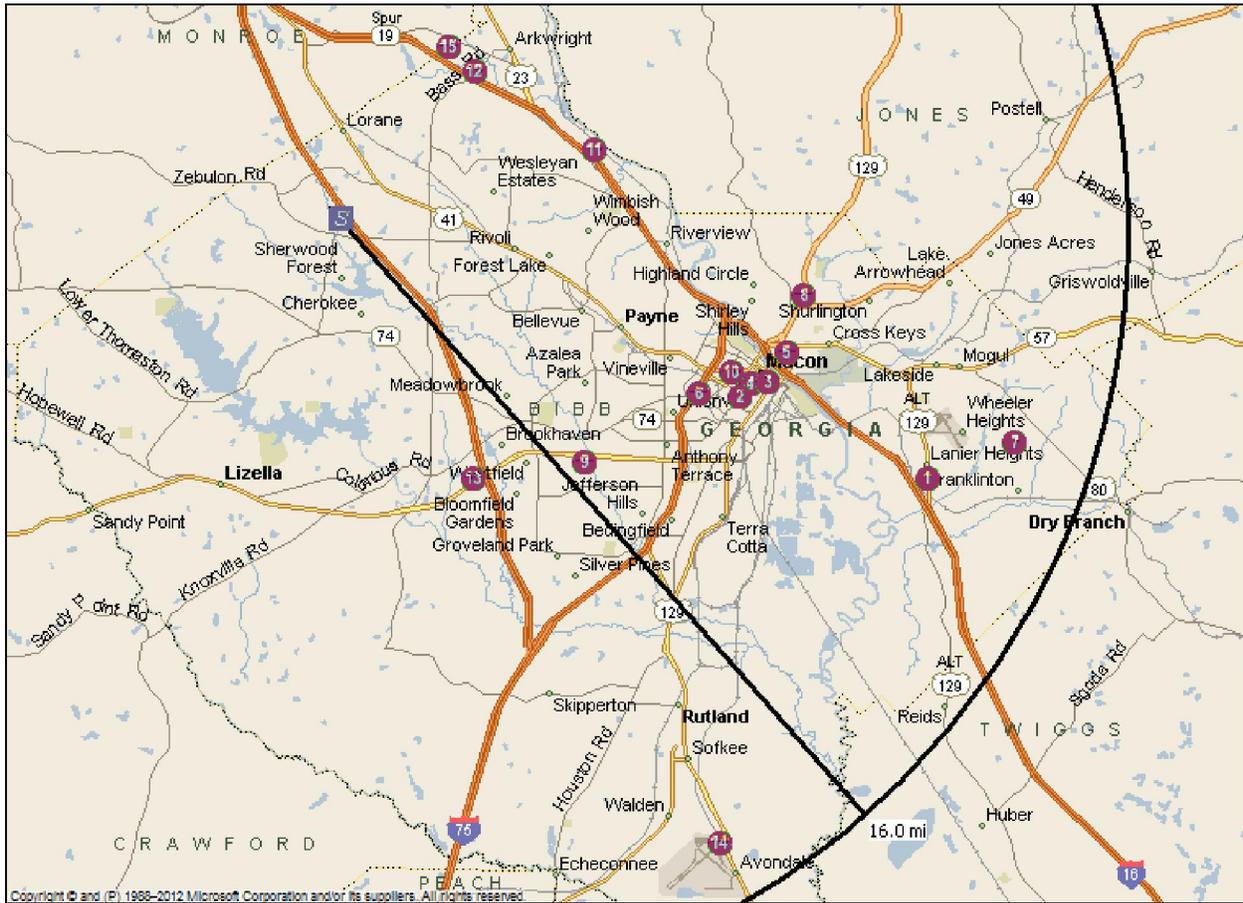
Source: U.S. Bureau of Labor Statistics May 2016
 *2016 data is through Dec

Prior to the national recession, total employment in the MSA increased at a slower rate than total employment in the nation. The local area was affected by a declining manufacturing presence as manufacturing declined 3.0 percent annually from 2000 to 2015. During the national recession, the local economy experienced a larger decrease in total employment than the nation as a whole. With the exception of 2013, total employment has increased every year since 2011. From February 2015 to February 2016, total employment in the MSA increased 1.3 percent. In comparison, the nation experienced a 2.0 percent increase over this same time period.

The unemployment rate in the MSA peaked in 2010 at 11.3 percent and has since declined to 6.0 percent as of February 2016. The unemployment rate in the nation peaked in 2011 at 9.6 percent and has since declined to 5.2 percent. Overall, the local economy is underperforming the nation as a whole. As of February 2016, the MSA's unemployment rate is 0.8 percentage point above that of the nation. As the recent data suggests, the MSA is still recovering from the most recent national recession, as total employment has not surpassed pre-recessionary levels but appears to be expanding.

5. Map of Site and Major Employment Concentrations

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



2016 MAJOR EMPLOYERS - BIBB COUNTY, GA

#	Company	Product	Employees
1	GEICO	Insurance	5,690
2	Navicent Health Medical Center	Healthcare	4,600
3	Macon-Bibb County Board of Education	Educational Services	3,700
4	Macon-Bibb County	Government	2,103
5	Coliseum Health Systems	Healthcare	1,400
6	Mercer University	Educational Services	937
7	YKK (USA) Incorporated	Manufacturing	750
8	Wal-Mart Super Stores	Retail Trade	740
9	Central Georgia Technical College	Educational Services	634
10	United States Postal Service	Government	600
11	Ricoh USA	Retail Distribution	575
12	Georgia Farm Bureau Federation	Insurance	525
13	Middle Georgia State University	Educational Services	437
14	Haeco	Manufacturing	410
15	Bass Pro Shops	Retail Trade	400

Source: Macon Economic Development Commission, May 2016

Conclusion

Health care/social assistance, retail trade, and educational services are the largest industries within the PMA. These industries account for approximately 39 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiencing strong growth over the past decade. In general, the area is not overly reliant on a single industry.

The local area was affected by a declining manufacturing presence as manufacturing declined 3.0 percent annually from 2000 to 2015. During the national recession, the local economy experienced a larger decrease in total employment than the nation as a whole. With the exception of 2013, total employment has increased every year since 2011. The unemployment rate in the MSA peaked in 2010 at 11.3 percent and has since declined to 6.0 percent as of February 2016. Overall, the local economy is underperforming the nation as a whole. As the recent data suggests, the MSA is still recovering from the most recent national recession, as total employment has not surpassed pre-recessionary levels but appears to be expanding. However, we do not expect the slightly underperforming local economy to affect the performance of the Subject. Further, there is strong demand for affordable senior housing in the PMA based on the demand analysis as well as the current performance of senior comparable properties.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

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

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom).

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

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

2. Affordability

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

3. Demand

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

3A. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized October 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to October 2018 by interpolation of the difference between 2015 estimates and 2020 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in October 2018. This number takes the overall growth from 2015 to October 2018 and applies it to its respective income cohorts by percentage. This number does not reflect

lower income households losing population, as this may be a result of simple dollar value inflation.

3B. Demand from Existing Households

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

The second source **(2b.)** is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

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

3C. Elderly Homeowners Likely to Convert to Rentership

The third source is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

3D. Other

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2014 to the present.

ADDITIONS TO SUPPLY

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2014 and 2015.
- Vacancies in projects placed in service prior to 2014 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2014 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

According to the Georgia DCA, there was one property awarded LIHTC in the PMA in 2014 and 2015.

A.L. Miller Village was allocated tax credits in 2014 and will target families/general households.

1. A.L. Miller Village will be located 8.8 miles southeast of the proposed Subject.
2. Peachtree Housing is the sponsor for A.L. Miller Village.
3. The property will offer 71 units.
4. The property will consist of one, two, and three-bedroom units.
5. The property will offer units restricted at 50 and 60 percent AMI.
6. Construction is expected to be completed in January 2017.
7. The project will consist of the rehabilitation of a historic school and the construction of nine single-family homes.

A.L. Miller Village will not directly compete with the Subject given its family tenancy. Therefore, we have not removed these units from the demand analysis.

There are two proposed senior LIHTC developments located in the city of Macon but outside of the PMA.

- Hunt School Village was allocated LIHTC in 2014 and will target elderly households age 62 and older. The property will offer 60 units restricted at 60 percent AMI. All 60 units will operate with project-based rental assistance. Therefore, this property will not directly compete with the proposed Subject.
- Tindall Seniors Towers was allocated tax credits in 2015 and will target elderly households age 62 and older. The property will offer 76 units restricted at 60 percent AMI. All 76 units will operate with project-based rental assistance. Therefore, this property will not directly compete with the proposed Subject.

We have not removed the proposed units at Hunt School Village or Tindall Seniors Towers from the demand analysis given that they are located outside of the PMA and will be subsidized.

PMA Occupancy

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

PMA OCCUPANCY

Property Name	Type	Tenancy	Total Units	Occupied Units	Occupancy Rate
Ashton Hill Apartments	LIHTC	Senior	80	80	100.0%

There is one unsubsidized senior LIHTC property in the PMA, Ashton Hill Apartments. This property is fully occupied with a waiting of 40 households. Baltic Park Apartments, a senior LIHTC property located approximately 0.3 miles outside of the PMA, is also fully occupied with a waiting list. This property was not included in the previous table because it is located outside of the PMA. However, it speaks to overall demand for affordable senior housing in the county. It was used as a comparable in this report. Overall, occupancy is high at the surveyed property. Therefore, we believe a PMA occupancy rate of 95 percent or higher is reasonable.

Rehab Developments and PBRA

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

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

None of the Subject's units will operate with PBRA and the Subject is proposed; therefore, there are no existing tenants. We have conducted the Demand Analysis based upon the 90 revenue-generating units proposed at the Subject.

Capture Rates

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

Renter Household Income Distribution 2015 to Projected Market Entry October 2018					
The Residences at Zebulon					
PMA					
	2015		Projected Mkt Entry October 2018		Percent Growth
	#	%	#	%	
\$0-9,999	1,204	23.4%	1,233	23.1%	2.3%
\$10,000-19,999	1,255	24.4%	1,292	24.3%	2.8%
\$20,000-29,999	602	11.7%	633	11.9%	4.9%
\$30,000-39,999	435	8.5%	444	8.3%	2.0%
\$40,000-49,999	293	5.7%	307	5.8%	4.5%
\$50,000-59,999	360	7.0%	386	7.2%	6.7%
\$60,000-74,999	320	6.2%	325	6.1%	1.7%
\$75,000-99,999	222	4.3%	237	4.4%	6.2%
\$100,000-124,999	169	3.3%	177	3.3%	4.4%
\$125,000-149,999	97	1.9%	95	1.8%	-2.1%
\$150,000-199,999	106	2.1%	111	2.1%	4.6%
\$200,000+	80	1.5%	87	1.6%	8.8%
Total	5,143	100.0%	5,327	100.0%	3.5%

Renter Household Income Distribution Projected Market Entry October 2018			
The Residences at Zebulon			
	PMA		
	Projected Mkt Entry October 2018		Change 2015 to Prj Mrkt Entry October 2018
	#	%	#
\$0-9,999	1,233	23.1%	43
\$10,000-19,999	1,292	24.3%	45
\$20,000-29,999	633	11.9%	22
\$30,000-39,999	444	8.3%	15
\$40,000-49,999	307	5.8%	11
\$50,000-59,999	386	7.2%	13
\$60,000-74,999	325	6.1%	11
\$75,000-99,999	237	4.4%	8
\$100,000-124,999	177	3.3%	6
\$125,000-149,999	95	1.8%	3
\$150,000-199,999	111	2.1%	4
\$200,000+	87	1.6%	3
Total	5,327	100.0%	184

Tenure Prj Mrkt Entry October 2018	
Renter	30.6%
Owner	69.4%
Total	100.0%

Renter Household Size for Prj Mrkt Entry October 2018		
Size	Number	Percentage
1 Person	2,952	55.4%
2 Person	1,375	25.8%
3 Person	304	5.7%
4 Person	321	6.0%
5+ Person	375	7.0%
Total	5,327	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	5,065	36.4%
2 Person	3,654	26.3%
3 Person	2,318	16.7%
4 Person	1,625	11.7%
5+ Person	1,237	8.9%
Total	13,900	100.0%

50% AMI

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

Percent of AMI Level				50%	
Minimum Income Limit				\$14,580	
Maximum Income Limit				\$21,100	2
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	42.53	23.1%		0.0%	0
\$10,000-19,999	44.58	24.3%	\$5,419	54.2%	24
\$20,000-29,999	21.84	11.9%	\$1,100	11.0%	2
\$30,000-39,999	15.33	8.3%		0.0%	0
\$40,000-49,999	10.59	5.8%		0.0%	0
\$50,000-59,999	13.32	7.2%		0.0%	0
\$60,000-74,999	11.22	6.1%		0.0%	0
\$75,000-99,999	8.17	4.4%		0.0%	0
\$100,000-124,999	6.10	3.3%		0.0%	0
\$125,000-149,999	3.27	1.8%		0.0%	0
\$150,000-199,999	3.84	2.1%		0.0%	0
\$200,000+	3.01	1.6%		0.0%	0
	184	100.0%			27
Percent of renter households within limits versus total number of renter households					14.45%

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

Percent of AMI Level				50%	
Minimum Income Limit				\$14,580	
Maximum Income Limit				\$21,100	2
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	1,233	23.1%		0.0%	0
\$10,000-19,999	1,292	24.3%	\$5,419	54.2%	700
\$20,000-29,999	633	11.9%	\$1,100	11.0%	70
\$30,000-39,999	444	8.3%		0.0%	0
\$40,000-49,999	307	5.8%		0.0%	0
\$50,000-59,999	386	7.2%		0.0%	0
\$60,000-74,999	325	6.1%		0.0%	0
\$75,000-99,999	237	4.4%		0.0%	0
\$100,000-124,999	177	3.3%		0.0%	0
\$125,000-149,999	95	1.8%		0.0%	0
\$150,000-199,999	111	2.1%		0.0%	0
\$200,000+	87	1.6%		0.0%	0
	5,327	100.0%			770
Percent of renter households within limits versus total number of renter households					14.45%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry October 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$39,529		
\$45,999		
\$6,470		
16.4%		
2.7%		
2.7%	Two year adjustment	1.0000
\$21,100		
\$21,100		
2		
50%		
\$486		
\$486.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	15%	85%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry October 2018

Income Target Population		50%
New Renter Households PMA		184
Percent Income Qualified		14.5%
New Renter Income Qualified Households		27

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		5,327
Income Qualified		14.5%
Income Qualified Renter Households		770
Percent Rent Overburdened Prj Mrkt Entry October 2018		45.5%
Rent Overburdened Households		350

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		770
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		4

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		12103
Rural Versus Urban	0.055%	
Senior Demand Converting from Homeownership		7

Total Demand

Total Demand from Existing Households		361
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		361
Total New Demand		27
Total Demand (New Plus Existing Households)		387

Demand from Seniors Who Convert from Homeownership		7
Percent of Total Demand From Homeownership Conversion		1.7%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	55.4%	215
Two Persons	25.8%	100
Three Persons	5.7%	22
Four Persons	6.0%	23
Five Persons	7.0%	27
Total	100.0%	387

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	64
Of two-person households in 1BR units	15%	15
Of one-person households in 2BR units	70%	150
Of two-person households in 2BR units	85%	85
Of three-person households in 2BR units	60%	13
Of three-person households in 3BR units	40%	9
Of four-person households in 3BR units	80%	19
Of five-person households in 3BR units	70%	19
Of four-person households in 4BR units	20%	5
Of five-person households in 4BR units	30%	8
Total Demand		387
Check		OK

Total Demand by Bedroom	50%
1 BR	79
2 BR	235
Total Demand	314

Additions To Supply 2015 to Prj Mrkt Entry October 2018	50%
1 BR	0
2 BR	0
Total	0

Net Demand	50%
1 BR	79
2 BR	235
Total	314

Developer's Unit Mix	50%
1 BR	8
2 BR	10
Total	18

Capture Rate Analysis	50%
1 BR	10.1%
2 BR	4.3%
Total	5.7%

60%AMI

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

Percent of AMI Level		60%			
Minimum Income Limit		\$21,120			
Maximum Income Limit		\$25,320		2	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	42.53			
\$10,000-19,999	44.58	24.3%		0.0%	0
\$20,000-29,999	21.84	11.9%	\$4,200	42.0%	9
\$30,000-39,999	15.33	8.3%		0.0%	0
\$40,000-49,999	10.59	5.8%		0.0%	0
\$50,000-59,999	13.32	7.2%		0.0%	0
\$60,000-74,999	11.22	6.1%		0.0%	0
\$75,000-99,999	8.17	4.4%		0.0%	0
\$100,000-124,999	6.10	3.3%		0.0%	0
\$125,000-149,999	3.27	1.8%		0.0%	0
\$150,000-199,999	3.84	2.1%		0.0%	0
\$200,000+	3.01	1.6%		0.0%	0
	184	100.0%			9
Percent of renter households within limits versus total number of renter households					4.99%

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

Percent of AMI Level		60%			
Minimum Income Limit		\$21,120			
Maximum Income Limit		\$25,320		2	
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,233			
\$10,000-19,999	1,292	24.3%		0.0%	0
\$20,000-29,999	633	11.9%	\$4,200	42.0%	266
\$30,000-39,999	444	8.3%		0.0%	0
\$40,000-49,999	307	5.8%		0.0%	0
\$50,000-59,999	386	7.2%		0.0%	0
\$60,000-74,999	325	6.1%		0.0%	0
\$75,000-99,999	237	4.4%		0.0%	0
\$100,000-124,999	177	3.3%		0.0%	0
\$125,000-149,999	95	1.8%		0.0%	0
\$150,000-199,999	111	2.1%		0.0%	0
\$200,000+	87	1.6%		0.0%	0
	5,327	100.0%			266
Percent of renter households within limits versus total number of renter households					4.99%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry October 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
	40%	
	\$39,529	
	\$45,999	
	\$6,470	
	16.4%	
	2.7%	
	2.7%	Two year adjustment 1.0000
	\$25,320	
	\$25,320	
	2	
	60%	
	\$704	
	\$704.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	15%	85%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry October 2018

Income Target Population		60%
New Renter Households PMA		184
Percent Income Qualified		5.0%
New Renter Income Qualified Households		9

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		5,327
Income Qualified		5.0%
Income Qualified Renter Households		266
Percent Rent Overburdened Prj Mrkt Entry October 2018		45.5%
Rent Overburdened Households		121

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		266
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		12103
Rural Versus Urban	0.022%	
Senior Demand Converting from Homeownership		3

Total Demand

Total Demand from Existing Households		125
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		125
Total New Demand		9
Total Demand (New Plus Existing Households)		134

Demand from Seniors Who Convert from Homeownership		3
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	55.4%	74
Two Persons	25.8%	35
Three Persons	5.7%	8
Four Persons	6.0%	8
Five Persons	7.0%	9
Total	100.0%	134

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	22
Of two-person households in 1BR units	15%	5
Of one-person households in 2BR units	70%	52
Of two-person households in 2BR units	85%	29
Of three-person households in 2BR units	60%	5
Of three-person households in 3BR units	40%	3
Of four-person households in 3BR units	80%	6
Of five-person households in 3BR units	70%	7
Of four-person households in 4BR units	20%	2
Of five-person households in 4BR units	30%	3
Total Demand		134
Check		OK

Total Demand by Bedroom		60%
1 BR		27
2 BR		81
Total Demand		109

Additions To Supply 2015 to Prj Mrkt Entry October 2018		60%
1 BR		0
2 BR		0
Total		0

Net Demand		60%
1 BR		27
2 BR		81
Total		109

Developer's Unit Mix		60%
1 BR		10
2 BR		44
Total		54

Capture Rate Analysis		60%
1 BR		36.4%
2 BR		54.1%
Total		49.6%

Market Rate

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

Percent of AMI Level		Market Rate			
Minimum Income Limit		\$18,420			
Maximum Income Limit		\$75,000		5	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	42.53			
\$10,000-19,999	44.58	24.3%	\$1,579	15.8%	7
\$20,000-29,999	21.84	11.9%	\$9,999	100.0%	22
\$30,000-39,999	15.33	8.3%	\$9,999	100.0%	15
\$40,000-49,999	10.59	5.8%	\$9,999	100.0%	11
\$50,000-59,999	13.32	7.2%	\$9,999	100.0%	13
\$60,000-74,999	11.22	6.1%	\$14,999	100.0%	11
\$75,000-99,999	8.17	4.4%		0.0%	0
\$100,000-124,999	6.10	3.3%		0.0%	0
\$125,000-149,999	3.27	1.8%		0.0%	0
\$150,000-199,999	3.84	2.1%		0.0%	0
\$200,000+	3.01	1.6%		0.0%	0
	184	100.0%			79
Percent of renter households within limits versus total number of renter households					43.17%

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

Percent of AMI Level		Market Rate			
Minimum Income Limit		\$18,420			
Maximum Income Limit		\$75,000		5	
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,233			
\$10,000-19,999	1,292	24.3%	\$1,579	15.8%	204
\$20,000-29,999	633	11.9%	\$9,999	100.0%	633
\$30,000-39,999	444	8.3%	\$9,999	100.0%	444
\$40,000-49,999	307	5.8%	\$9,999	100.0%	307
\$50,000-59,999	386	7.2%	\$9,999	100.0%	386
\$60,000-74,999	325	6.1%	\$14,999	100.0%	325
\$75,000-99,999	237	4.4%		0.0%	0
\$100,000-124,999	177	3.3%		0.0%	0
\$125,000-149,999	95	1.8%		0.0%	0
\$150,000-199,999	111	2.1%		0.0%	0
\$200,000+	87	1.6%		0.0%	0
	5,327	100.0%			2,299
Percent of renter households within limits versus total number of renter households					43.17%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry October 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Urban
40%
\$39,529
\$45,999
\$6,470
16.4%
2.7%
2.7%
Two year adjustment
1.0000
\$75,000
\$75,000
\$5
Market Rate
\$614
\$614.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	15%	85%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry October 2018

	Market Rate
Income Target Population	
New Renter Households PMA	184
Percent Income Qualified	43.2%
New Renter Income Qualified Households	79

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	5,327
Income Qualified	43.2%
Income Qualified Renter Households	2,299
Percent Rent Overburdened Prj Mrkt Entry October 2018	45.5%
Rent Overburdened Households	1045

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,299
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	12

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

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	12103
Rural Versus Urban	0.185%
Senior Demand Converting from Homeownership	22

Total Demand

Total Demand from Existing Households		1,080
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1080
Total New Demand		79
Total Demand (New Plus Existing Households)		1,159

Demand from Seniors Who Convert from Homeownership	22
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	55.4%	642
Two Persons	25.8%	299
Three Persons	5.7%	66
Four Persons	6.0%	70
Five Persons	7.0%	82
Total	100.0%	1,159

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	193
Of two-person households in 1BR units	15%	45
Of one-person households in 2BR units	70%	450
Of two-person households in 2BR units	85%	254
Of three-person households in 2BR units	60%	40
Of three-person households in 3BR units	40%	26
Of four-person households in 3BR units	80%	56
Of five-person households in 3BR units	70%	57
Of four-person households in 4BR units	20%	14
Of five-person households in 4BR units	30%	24
Total Demand		1,159
Check		OK

Total Demand by Bedroom	Market Rate
2 BR	704
3 BR	139
Total Demand	843

Additions To Supply 2015 to Prj Mrkt Entry October 2018	Market Rate
2 BR	0
3 BR	0
Total	0

Net Demand	Market Rate
2 BR	704
3 BR	139
Total	843

Developer's Unit Mix	Market Rate
2 BR	12
3 BR	6
Total	18

Capture Rate Analysis	Market Rate
2 BR	1.7%
3 BR	4.3%
Total	2.1%

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,580		
Maximum Income Limit			\$25,320		
New Renter Households - Total			2		
Change in Households PMA 2015 to Prj Mrkt Entry October 2018			Renter Households within Bracket		
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	42.53	23.1%		0.0%	0
\$10,000-19,999	44.58	24.3%	\$5,419	54.2%	24
\$20,000-29,999	21.84	11.9%	\$5,320	53.2%	12
\$30,000-39,999	15.33	8.3%		0.0%	0
\$40,000-49,999	10.59	5.8%		0.0%	0
\$50,000-59,999	13.32	7.2%		0.0%	0
\$60,000-74,999	11.22	6.1%		0.0%	0
\$75,000-99,999	8.17	4.4%		0.0%	0
\$100,000-124,999	6.10	3.3%		0.0%	0
\$125,000-149,999	3.27	1.8%		0.0%	0
\$150,000-199,999	3.84	2.1%		0.0%	0
\$200,000+	3.01	1.6%		0.0%	0
	184	100.0%			36
Percent of renter households within limits versus total number of renter households					19.47%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,580		
Maximum Income Limit			\$25,320		
Total Renter Households PMA Prj Mrkt Entry October 2018			2		
Households within Bracket			Households within Bracket		
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	1,233	23.1%		0.0%	0
\$10,000-19,999	1,292	24.3%	\$5,419	54.2%	700
\$20,000-29,999	633	11.9%	\$5,320	53.2%	337
\$30,000-39,999	444	8.3%		0.0%	0
\$40,000-49,999	307	5.8%		0.0%	0
\$50,000-59,999	386	7.2%		0.0%	0
\$60,000-74,999	325	6.1%		0.0%	0
\$75,000-99,999	237	4.4%		0.0%	0
\$100,000-124,999	177	3.3%		0.0%	0
\$125,000-149,999	95	1.8%		0.0%	0
\$150,000-199,999	111	2.1%		0.0%	0
\$200,000+	87	1.6%		0.0%	0
	5,327	100.0%			1,037
Percent of renter households within limits versus total number of renter households					19.47%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry October 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$39,520		
\$45,999		
\$6,470		
16.4%		
2.7%		
2.7%	Two year adjustment	1.0000
\$25,320		
\$25,320		
2		
Overall		
\$486		
\$486.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	15%	85%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry October 2018

	Overall
Income Target Population	
New Renter Households PMA	184
Percent Income Qualified	19.5%
New Renter Income Qualified Households	36

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	5,327
Income Qualified	19.5%
Income Qualified Renter Households	1,037
Percent Rent Overburdened Prj Mrkt Entry October 2018	45.5%
Rent Overburdened Households	471

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,037
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	5

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

Senior Households Converting from Homeownership

	Overall
Income Target Population	
Total Senior Homeowners	12103
Rural Versus Urban	0.085%
Senior Demand Converting from Homeownership	10

Total Demand

Total Demand from Existing Households		487
Adjustment Factor - Leakage from SMA (use 115% for DCA)	100%	0
Adjusted Demand from Existing Households		487
Total New Demand		36
Total Demand (New Plus Existing Households)		523

Demand from Seniors Who Convert from Homeownership	10
Percent of Total Demand From Homeownership Conversion	2.0%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	55.4%	290
Two Persons	25.8%	135
Three Persons	5.7%	30
Four Persons	6.0%	31
Five Persons	7.0%	37
Total	100.0%	523

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	87
Of two-person households in 1BR units	15%	20
Of one-person households in 2BR units	70%	203
Of two-person households in 2BR units	85%	115
Of three-person households in 2BR units	60%	18
Of three-person households in 3BR units	40%	12
Of four-person households in 3BR units	80%	25
Of five-person households in 3BR units	70%	26
Of four-person households in 4BR units	20%	6
Of five-person households in 4BR units	30%	11
Total Demand		523
Check		OK

Total Demand by Bedroom	Overall
1 BR	107
2 BR	318
Total Demand	425

Additions To Supply 2015 to Prj Mrkt Entry October 2018	Overall
1 BR	0
2 BR	0
Total	0

Net Demand	Overall
1 BR	107
2 BR	318
Total	425

Developer's Unit Mix	Overall
1 BR	18
2 BR	54
Total	72

Capture Rate Analysis	Overall
1 BR	16.8%
2 BR	17.0%
Total	16.9%

Conclusions

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

- The number of households in the PMA is expected to increase 3.6 percent between 2015 and October 2018. This rate of growth is considered moderate.
- The senior LIHTC comparables are fully occupied with waiting lists indicating a strong local senior affordable housing market.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from outside of the PMA by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1 BR @ 50% AMI	8	79	0	79	10.1%	7 months	\$659	\$424-\$915	\$397
2 BR @ 50% AMI	10	235	0	235	4.3%	7 months	\$672	\$502-\$938	\$475
50% AMI Overall	18	314	0	314	5.7%	7 months	\$659-\$672	\$424-\$938	\$397-\$475
1 BR @ 60% AMI	10	27	0	27	36.4%	7 months	\$701	\$480-\$915	\$496
2 BR @ 60% AMI	44	81	0	81	54.1%	7 months	\$741	\$553-\$938	\$594
60% AMI Overall	54	109	0	109	49.6%	7 months	\$701-\$741	\$480-\$938	\$496-\$594
2 BR @ Market	12	704	0	704	1.7%	7 months	\$813	\$728-\$938	\$614
3 BR @ Market	6	139	0	139	4.3%	7 months	\$1,020	\$811-\$1,194	\$704
Market Overall	18	843	0	843	2.1%	7 months	\$813-\$1,020	\$728-\$1,194	\$614-\$704
1 BR Overall (LIHTC only)	18	107	0	107	16.8%	7 months	\$659	\$424-\$915	\$397-\$614
2 BR Overall (LIHTC only)	54	318	0	318	17.0%	7 months	\$672	\$502-\$938	\$475-\$704
Overall (LIHTC only)	72	425	0	425	16.9%	7 months	\$659-\$672	\$424-\$938	\$397-\$704

Demand and Net Demand

	HH at 50% AMI	HH at 60% AMI	HH at Market Rate	All Tax Credit Households
Demand from New Households (age and income appropriate)	27	9	79	36
PLUS	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	4	1	12	5
PLUS	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	350	121	1045	471
PLUS	+	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0	0
Sub Total	381	131	1137	513
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	7	3	22	10
Equals Total Demand	387	134	1159	523
Less	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0	0
Equals Net Demand	387	134	1159	523

As the analysis illustrates, the Subject's 50 percent capture rates range from 4.3 to 10.1 percent, with an overall capture rate of 5.7 percent. The Subject's 60 percent AMI capture rates range from 36.4 to 54.1 percent, with an overall capture rate of 49.6 percent. The Subject's market rate capture rates range from 1.7 to 4.3 percent, with an overall capture rate of 2.1 percent. The overall capture rate for the Subject's 50 and 60 percent units is 16.9 percent. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 comparable properties containing 1,653 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average. We used five LIHTC properties located between 5.7 and 10.4 miles from the Subject site. Two of the five LIHTC comparables are restricted to seniors, similar to the proposed Subject. With the exception of Baltic Park Apartments, a senior LIHTC comparable, the LIHTC comparables are located in the PMA. Baltic Park Apartments is located approximately 0.3 miles outside of the PMA. The surveyed LIHTC properties were built between 1998 and 2012.

The availability of market rate data is considered good. The Subject is located in Macon and there are several market rate properties in the area. We have included five conventional properties in our analysis of the competitive market. Additionally, one of the LIHTC properties is mixed-income and offers unrestricted market rate units. None of the surveyed market rate comparables are restricted to seniors. The market rate properties are located between 0.4 and 4.3 miles from the Subject site and were built between 1996 and 2009.

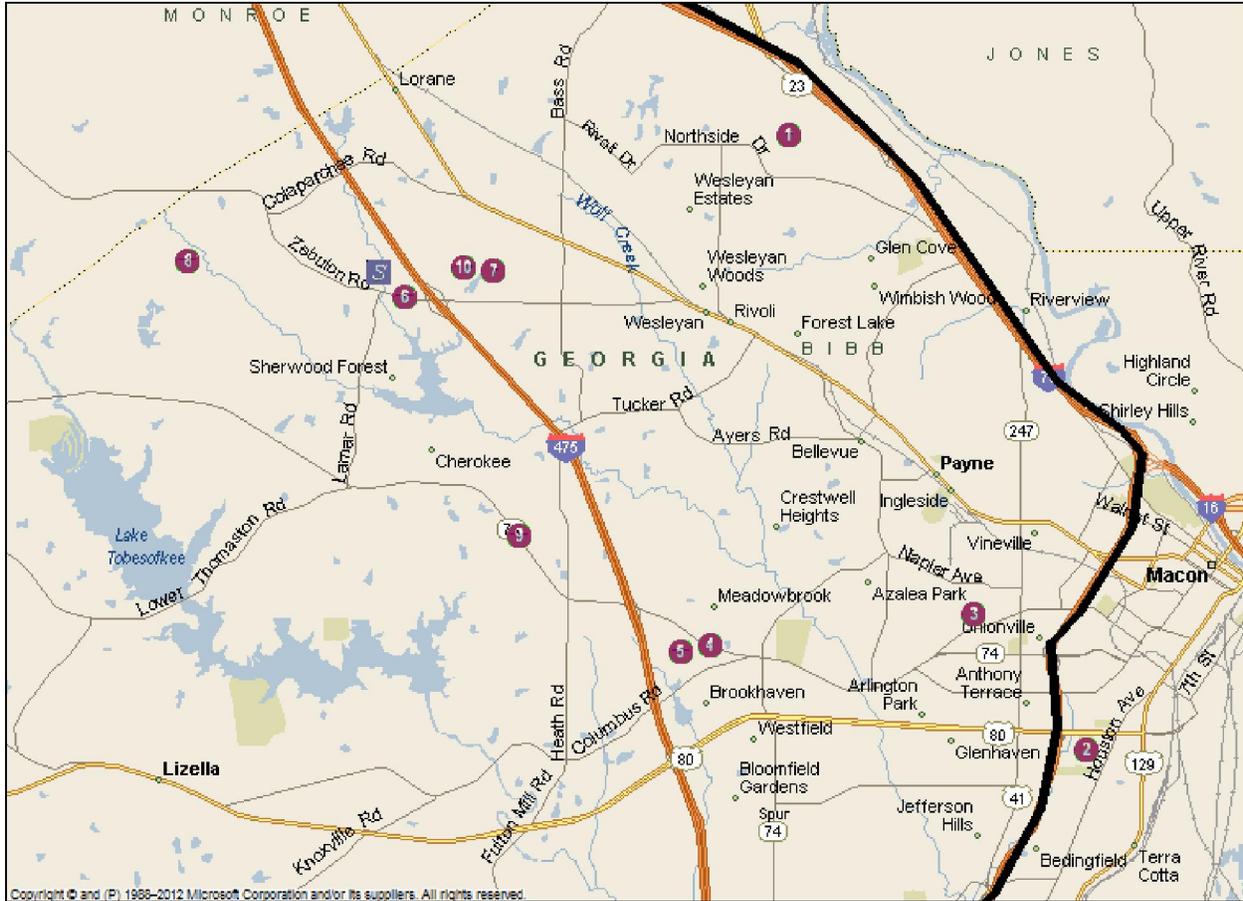
Excluded Properties

The following table illustrates properties within the PMA that have been excluded from our analysis.

EXCLUDED PROPERTIES

Property Name	Type	Tenancy	Reason for Exclusion
A.L. Miller Village	LIHTC	Family	Under construction
Pearl Stephens Village	LIHTC/Market/Section 8	Senior	Subsidized
Anthony Arms	LIHTC/Section 8	Family	Mostly subsidized
Colony West Apartments	LIHTC/Section 8	Family	Subsidized
Kingston Gardens	LIHTC/Section 8	Family	Subsidized
Ashton Riverside	LIHTC/Section 8	Family	Subsidized
2009 Vineville	LIHTC/PH/Market	Senior	Subsidized
Anthony Homes	Section 8/Public Housing	Family	Subsidized
Autumn Trace Apartments	Section 8	Family	Subsidized
Chambers Apartments	Section 8	Senior	Subsidized
Clisby Towers	Section 8	Senior	Subsidized
Green Meadows Townhouses	Section 8	Family	Subsidized
Ingleside Manor	Section 8	Senior	Subsidized
Macon Gardens Apartments	Section 8	Family	Subsidized
Magnolia Manor of Macon	Section 8	Senior	Subsidized
Magnolia Manor of Macon SH	Section 8	Senior	Subsidized
Marc Resources V	Section 8	Disabled	Subsidized
Sandy Springs Apartments	Section 8	Family	Subsidized
Villa West Apartments	Section 8	Family	Subsidized
Vineville Christian Towers	Section 8	Senior	Subsidized
Wilshire Woods Apartments	Section 8	Family	Subsidized

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Tenancy	Type	Distance
1	Ashton Hill Apartments	Macon	Senior	LIHTC	6.7 miles
2	Baltic Park Apartments	Macon	Senior	LIHTC/PBRA	10.4 miles
3	Bartlett Crossing	Macon	Family	LIHTC/PBRA	8.5 miles
4	Pinewood Park	Macon	Family	LIHTC/Market	5.7 miles
5	West Club Apartments	Macon	Family	LIHTC	5.7 miles
6	Ansley Village Apartments	Macon	Family	Market	0.4 miles
7	Austin Chase Apartments	Macon	Family	Market	1.7 miles
8	Estates At Barrington	Macon	Family	Market	2.2 miles
9	Hunter's Run Apartments	Macon	Family	Market	4.3 miles
10	Pavilion At Plantation Way	Macon	Family	Market	1.4 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	The Residences At Zebulon 6601 Zebulon Road Macon, GA 31220 Bibb County	n/a	One-story (age-restricted) Proposed	LIHTC/Market	1BR / 1BA	8	8.90%	@50%	\$397	750	no		N/A	N/A				
					1BR / 1BA	10	11.10%	@60%	\$496	750	no		N/A	N/A				
					2BR / 1BA	10	11.10%	@50%	\$475	850	no		N/A	N/A				
					2BR / 1BA	44	48.90%	@60%	\$594	850	no		N/A	N/A				
					2BR / 1BA	12	13.30%	Market	\$614	850	n/a		N/A	N/A				
					3BR / 2BA	6	6.70%	Market	\$704	1,115	n/a		N/A	N/A				
						90	100%								N/A	N/A		
1	Ashton Hill Apartments 925 Tolliver Place Macon, GA 31204 Bibb County	6.7 miles	Garden (age-restricted) (3 stories) 2001	LIHTC	1BR / 1BA	46	57.50%	@50%	\$452	697	yes	Yes	0	0.00%				
					1BR / 1BA	10	12.50%	@60%	\$524	697	yes	Yes	0	0.00%				
					2BR / 2BA	20	25.00%	@50%	\$540	951	yes	Yes	0	0.00%				
					2BR / 2BA	4	5.00%	@60%	\$613	951	no	Yes	0	0.00%				
						80	100%								0	0.00%		
2	Baltic Park Apartments 822 Hightower Road Macon, GA 31206 Bibb County	10.4 miles	Garden (age-restricted) (2 stories) 2003	LIHTC/PBRA	1BR / 1BA	4	4.90%	@50%	\$480	891	yes	Yes	0	0.00%				
					1BR / 1BA	41	50.00%	@60%	\$480	891	no	Yes	0	0.00%				
					1BR / 1BA	13	15.90%	@60% (PBRA)	N/A	891	n/a	Yes	0	0.00%				
					2BR / 1BA	2	2.40%	@50%	\$553	1,139	yes	Yes	0	0.00%				
					2BR / 1BA	11	13.40%	@60%	\$553	1,139	no	Yes	0	0.00%				
					2BR / 1BA	11	13.40%	@60% (PBRA)	N/A	1,139	n/a	Yes	0	0.00%				
						82	100%								0	0.00%		
3	Bartlett Crossing 2901 Churchill Street Macon, GA 31204 Bibb County	8.5 miles	Single Family 2012	LIHTC/PBRA	2BR / 2BA	7	9.30%	@50%	\$502	1,004	no	Yes	0	0.00%				
					2BR / 2BA	1	1.30%	@50% (PBRA)	N/A	1,004	n/a	Yes	0	0.00%				
					2BR / 2BA	8	10.70%	@60%	\$553	1,004	no	Yes	0	0.00%				
					3BR / 2BA	12	16.00%	@50%	\$584	1,281	no	Yes	0	0.00%				
					3BR / 2BA	5	6.70%	@50% (PBRA)	N/A	1,281	n/a	Yes	0	0.00%				
					3BR / 2BA	31	41.30%	@60%	\$646	1,281	yes	Yes	0	0.00%				
					4BR / 2BA	3	4.00%	@50%	\$627	1,548	no	Yes	0	0.00%				
					4BR / 2BA	2	2.70%	@50% (PBRA)	N/A	1,548	n/a	Yes	0	0.00%				
					4BR / 2BA	6	8.00%	@60%	\$703	1,548	no	Yes	0	0.00%				
						75	100%								0	0.00%		
					4	Pinewood Park 4755 Mercer University Drive Macon, GA 31210 Bibb County	5.7 miles	Garden (3 stories) 2006	LIHTC/Market	1BR / 1BA	6	4.10%	@30%	\$220	846	yes	Yes	0
1BR / 1BA	36	24.30%	@50%	\$424						846	yes	Yes	0	0.00%				
1BR / 1BA	4	2.70%	@60%	\$497						846	yes	Yes	0	0.00%				
1BR / 1BA	2	1.40%	Market	\$585						846	n/a	Yes	0	0.00%				
2BR / 2BA	6	4.10%	@30%	\$261						1,186	yes	Yes	0	0.00%				
2BR / 2BA	36	24.30%	@50%	\$506						1,186	yes	Yes	0	0.00%				
2BR / 2BA	6	4.10%	@60%	\$585						1,186	yes	Yes	1	16.70%				
2BR / 2BA	10	6.80%	Market	\$728						1,186	n/a	Yes	1	10.00%				
3BR / 2BA	6	4.10%	@30%	\$290						1,373	yes	Yes	0	0.00%				
3BR / 2BA	28	18.90%	@50%	\$577						1,373	yes	Yes	2	7.10%				
3BR / 2BA	4	2.70%	@60%	\$752						1,373	yes	Yes	0	0.00%				
3BR / 2BA	4	2.70%	Market	\$811						1,373	n/a	Yes	0	0.00%				
	148	100%													4	2.70%		
5	West Club Apartments 159 Steven Drive Macon, GA 31210 Bibb County	5.7 miles	Garden (2 stories) 1998	LIHTC	1BR / 1BA	6	4.30%	@30%	\$231	780	yes	No	0	0.00%				
					1BR / 1BA	2	1.40%	@60%	\$558	780	no	No	0	0.00%				
					2BR / 2BA	36	25.70%	@50%	\$544	1,078	no	No	0	0.00%				
					2BR / 2BA	40	28.60%	@60%	\$635	1,078	no	No	10	25.00%				
					3BR / 2BA	48	34.30%	@60%	\$777	1,212	no	No	0	0.00%				
					4BR / 2BA	8	5.70%	@60%	\$865	1,348	no	No	0	0.00%				
						140	100%								10	7.10%		
6	Ansley Village Apartments 6435 Zebulon Road Macon, GA 31220 Bibb County	0.4 miles	Garden (4 stories) 2008	Market	1BR / 1BA	N/A	N/A	Market	\$795	727	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$775	871	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$915	943	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$938	1,127	n/a	No	N/A	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,081	1,360	n/a	No	N/A	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,126	1,460	n/a	No	N/A	N/A				
						294	100%								13	4.40%		
7	Austin Chase Apartments 291 Plantation Centre Drive Macon, GA 31210 Bibb County	1.7 miles	Garden (2 stories) 1996 / 2015	Market	1BR / 1BA	N/A	N/A	Market	\$810	800	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$830	900	n/a	No	N/A	N/A				
					2BR / 1BA	N/A	N/A	Market	\$857	1,117	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$886	1,157	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$918	1,223	n/a	No	N/A	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,036	1,332	n/a	No	0	N/A				
						242	100%								10	4.10%		
8	Estates At Barrington 301 Barrington Hall Drive Macon, GA 31220 Bibb County	2.2 miles	Garden (3 stories) 1996	Market	1BR / 1BA	N/A	N/A	Market	\$720	815	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$812	1,091	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$833	1,051	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$882	1,128	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,054	1,362	n/a	No	0	N/A				
						176	100%								0	0.00%		
9	Hunter's Run Apartments 6001 Thomaston Road Macon, GA 31220 Bibb County	4.3 miles	Garden (2 stories) 2001	Market	1BR / 1BA	16	9.10%	Market	\$715	881	n/a	No	0	0.00%				
					1BR / 1BA	16	9.10%	Market	\$730	954	n/a	No	1	6.20%				
					2BR / 2BA	40	22.70%	Market	\$765	1,146	n/a	No	1	2.50%				
					2BR / 2BA	40	22.70%	Market	\$775	1,206	n/a	No	0	0.00%				
					2BR / 2BA	48	27.30%	Market	\$785	1,230	n/a	No	0	0.00%				
					3BR / 2BA	8	4.50%	Market	\$920	1,366	n/a	No	0	0.00%				
					3BR / 2BA	8	4.50%	Market	\$940	1,400	n/a	No	0	0.00%				
						176	100%								2	1.10%		
10	Pavilion At Plantation Way 399 Plantation Way Macon, GA 31210 Bibb County	1.4 miles	Garden (4 stories) 2009	Market	1BR / 1BA	100	41.70%	Market	\$763	807	n/a	No	N/A	N/A				
					2BR / 1BA	32	13.30%	Market	\$825	1,023	n/a	No	N/A	N/A				
					2BR / 2BA	20	8.30%	Market	\$863	1,087	n/a	No	N/A	N/A				
					2BR / 2BA	72	30.00%	Market	\$901	1,101	n/a	No	N/A	N/A				
					2BR / 2BA	8	3.30%	Market	\$956	1,159	n/a	No	N/A	N/A				
					3BR / 2BA	8	3.30%	Market	\$1,194	1,256	n/a	No	0	0.00%				
						240	100%								17	7.10%		

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

Effective Rent Date:	May-16	Units Surveyed:	1653	Weighted Occupancy:	96.60%
		Market Rate	1128	Market Rate	96.30%
		Tax Credit	525	Tax Credit	97.30%

One Bedroom One Bath

Two Bedrooms One Bath

Three Bedrooms Two Bath

	Property	Average	Property	Average	Property	Average
RENT	Ansley Village Apartments	\$915	Ansley Village Apartments (2BA)	\$938	Pavilion At Plantation Way	\$1,194
	Austin Chase Apartments	\$830	Austin Chase Apartments	\$857	Ansley Village Apartments	\$1,126
	Estates At Barrington	\$812	Estates At Barrington	\$833	Ansley Village Apartments	\$1,081
	Austin Chase Apartments	\$810	Pavilion At Plantation Way	\$825	Estates At Barrington	\$1,054
	Ansley Village Apartments	\$795	Hunter's Run Apartments (2BA)	\$785	Austin Chase Apartments	\$1,036
	Ansley Village Apartments	\$775	Hunter's Run Apartments (2BA)	\$775	Hunter's Run Apartments	\$940
	Pavilion At Plantation Way	\$763	Hunter's Run Apartments (2BA)	\$765	Hunter's Run Apartments	\$920
	Hunter's Run Apartments	\$730	Pinewood Park * (2BA M)	\$728	Pinewood Park * (M)	\$811
	Estates At Barrington	\$720	West Club Apartments * (2BA 60%)	\$635	West Club Apartments * (60%)	\$777
	Hunter's Run Apartments	\$715	The Residences At Zebulon * (M)	\$614	Pinewood Park * (60%)	\$752
	Pinewood Park * (M)	\$585	Ashton Hill Apartments * (2BA 60%)	\$613	The Residences At Zebulon * (M)	\$704
	West Club Apartments * (60%)	\$558	The Residences At Zebulon * (60%)	\$594	Bartlett Crossing * (60%)	\$646
	Ashton Hill Apartments * (60%)	\$524	Pinewood Park * (2BA 60%)	\$585	Bartlett Crossing * (50%)	\$584
	Pinewood Park * (60%)	\$497	Baltic Park Apartments * (50%)	\$553	Pinewood Park * (50%)	\$577
	The Residences At Zebulon * (60%)	\$496	Baltic Park Apartments * (60%)	\$553	Pinewood Park * (30%)	\$290
	Baltic Park Apartments * (50%)	\$480	Bartlett Crossing * (2BA 60%)	\$553		
	Baltic Park Apartments * (60%)	\$480	West Club Apartments * (2BA 50%)	\$544		
	Ashton Hill Apartments * (50%)	\$452	Ashton Hill Apartments * (2BA 50%)	\$540		
	Pinewood Park * (50%)	\$424	Pinewood Park * (2BA 50%)	\$506		
	The Residences At Zebulon * (50%)	\$397	Bartlett Crossing * (2BA 50%)	\$502		
West Club Apartments * (30%)	\$231	The Residences At Zebulon * (50%)	\$475			
Pinewood Park * (30%)	\$220	Pinewood Park * (2BA 30%)	\$261			
SQUARE FOOTAGE	Estates At Barrington	1,091	Hunter's Run Apartments (2BA)	1,230	Ansley Village Apartments	1,460
	Hunter's Run Apartments	954	Hunter's Run Apartments (2BA)	1,206	Hunter's Run Apartments	1,400
	Ansley Village Apartments	943	Pinewood Park * (2BA 30%)	1,186	Pinewood Park * (30%)	1,373
	Austin Chase Apartments	900	Pinewood Park * (2BA 50%)	1,186	Pinewood Park * (50%)	1,373
	Baltic Park Apartments * (50%)	891	Pinewood Park * (2BA 60%)	1,186	Pinewood Park * (60%)	1,373
	Baltic Park Apartments * (60%)	891	Pinewood Park * (2BA M)	1,186	Pinewood Park * (M)	1,373
	Hunter's Run Apartments	881	Hunter's Run Apartments (2BA)	1,146	Hunter's Run Apartments	1,366
	Ansley Village Apartments	871	Baltic Park Apartments * (50%)	1,139	Estates At Barrington	1,362
	Pinewood Park * (30%)	846	Baltic Park Apartments * (60%)	1,139	Ansley Village Apartments	1,360
	Pinewood Park * (50%)	846	Ansley Village Apartments (2BA)	1,127	Austin Chase Apartments	1,332
	Pinewood Park * (60%)	846	Austin Chase Apartments	1,117	Bartlett Crossing * (50%)	1,281
	Pinewood Park * (M)	846	West Club Apartments * (2BA 50%)	1,078	Bartlett Crossing * (60%)	1,281
	Estates At Barrington	815	West Club Apartments * (2BA 60%)	1,078	Pavilion At Plantation Way	1,256
	Pavilion At Plantation Way	807	Estates At Barrington	1,051	West Club Apartments * (60%)	1,212
	Austin Chase Apartments	800	Pavilion At Plantation Way	1,023	The Residences At Zebulon * (M)	1,115
	West Club Apartments * (30%)	780	Bartlett Crossing * (2BA 50%)	1,004		
	West Club Apartments * (60%)	780	Bartlett Crossing * (2BA 60%)	1,004		
	The Residences At Zebulon * (50%)	750	Ashton Hill Apartments * (2BA 50%)	951		
	The Residences At Zebulon * (60%)	750	Ashton Hill Apartments * (2BA 60%)	951		
	Ansley Village Apartments	727	The Residences At Zebulon * (50%)	850		
Ashton Hill Apartments * (50%)	697	The Residences At Zebulon * (60%)	850			
Ashton Hill Apartments * (60%)	697	The Residences At Zebulon * (M)	850			
RENT PER SQUARE FOOT	Ansley Village Apartments	\$1.09	Ansley Village Apartments (2BA)	\$0.83	Pavilion At Plantation Way	\$0.95
	Austin Chase Apartments	\$1.01	Pavilion At Plantation Way	\$0.81	Ansley Village Apartments	\$0.79
	Ansley Village Apartments	\$0.97	Estates At Barrington	\$0.79	Austin Chase Apartments	\$0.78
	Pavilion At Plantation Way	\$0.95	Austin Chase Apartments	\$0.77	Estates At Barrington	\$0.77
	Austin Chase Apartments	\$0.92	The Residences At Zebulon * (M)	\$0.72	Ansley Village Apartments	\$0.77
	Ansley Village Apartments	\$0.89	The Residences At Zebulon * (60%)	\$0.70	Hunter's Run Apartments	\$0.67
	Estates At Barrington	\$0.88	Hunter's Run Apartments (2BA)	\$0.67	Hunter's Run Apartments	\$0.67
	Hunter's Run Apartments	\$0.81	Ashton Hill Apartments * (2BA 60%)	\$0.64	West Club Apartments * (60%)	\$0.64
	Hunter's Run Apartments	\$0.77	Hunter's Run Apartments (2BA)	\$0.64	The Residences At Zebulon * (M)	\$0.63
	Ashton Hill Apartments * (60%)	\$0.75	Hunter's Run Apartments (2BA)	\$0.64	Pinewood Park * (M)	\$0.59
	Estates At Barrington	\$0.74	Pinewood Park * (2BA M)	\$0.61	Pinewood Park * (60%)	\$0.55
	West Club Apartments * (60%)	\$0.72	West Club Apartments * (2BA 60%)	\$0.59	Bartlett Crossing * (60%)	\$0.50
	Pinewood Park * (M)	\$0.69	Ashton Hill Apartments * (2BA 50%)	\$0.57	Bartlett Crossing * (50%)	\$0.46
	The Residences At Zebulon * (60%)	\$0.66	The Residences At Zebulon * (50%)	\$0.56	Pinewood Park * (50%)	\$0.42
	Ashton Hill Apartments * (50%)	\$0.65	Bartlett Crossing * (2BA 60%)	\$0.55	Pinewood Park * (30%)	\$0.21
	Pinewood Park * (60%)	\$0.59	West Club Apartments * (2BA 50%)	\$0.50		
	Baltic Park Apartments * (50%)	\$0.54	Bartlett Crossing * (2BA 50%)	\$0.50		
	Baltic Park Apartments * (60%)	\$0.54	Pinewood Park * (2BA 60%)	\$0.49		
	The Residences At Zebulon * (50%)	\$0.53	Baltic Park Apartments * (50%)	\$0.49		
	Pinewood Park * (50%)	\$0.50	Baltic Park Apartments * (60%)	\$0.49		
West Club Apartments * (30%)	\$0.30	Pinewood Park * (2BA 50%)	\$0.43			
Pinewood Park * (30%)	\$0.26	Pinewood Park * (2BA 30%)	\$0.22			

PROPERTY PROFILE REPORT

Ashton Hill Apartments

Effective Rent Date	5/05/2016
Location	925 Tolliver Place Macon, GA 31204 Bibb County
Distance	6.7 miles
Units	80
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted) (3 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Windsor Court, Heathrow Senior Village
Tenant Characteristics	Seniors age 55 and older, average age is 75, most tenants are from Macon
Contact Name	Natasha
Phone	478.474.8890



Market Information

Program	@50%, @60%
Annual Turnover Rate	3%
Units/Month Absorbed	N/A
HCV Tenants	38%
Leasing Pace	Pre-leased
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	46	697	\$417	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	10	697	\$489	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	20	951	\$497	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	4	951	\$570	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$417	\$0	\$417	\$35	\$452	1BR / 1BA	\$489	\$0	\$489	\$35	\$524
2BR / 2BA	\$497	\$0	\$497	\$43	\$540	2BR / 2BA	\$570	\$0	\$570	\$43	\$613

Ashton Hill Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Washer/Dryer hookup

Blinds
Central A/C
Ceiling Fan
Hand Rails
Refrigerator

Security

None

Services

None

Property

Clubhouse/Meeting
Elevators
Central Laundry
On-Site Management

Courtyard
Exercise Facility
Off-Street Parking
Picnic Area

Premium

None

Other

None

Comments

The waiting list consists of 40 households. The 50 percent rents decreased slightly due to an increase in the utility allowance. The one-bedroom rents did not change. The two-bedroom rents increased one percent.

Ashton Hill Apartments, continued

Trend Report

Vacancy Rates

1Q14	2Q14	1Q15	2Q16
0.0%	0.0%	7.5%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$423	\$0	\$423	\$458
2014	2	0.0%	\$424	\$0	\$424	\$459
2015	1	13.0%	\$424	\$0	\$424	\$459
2016	2	0.0%	\$417	\$0	\$417	\$452

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$488	\$0	\$488	\$523
2014	2	0.0%	\$489	\$0	\$489	\$524
2015	1	0.0%	\$489	\$0	\$489	\$524
2016	2	0.0%	\$489	\$0	\$489	\$524

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$501	\$0	\$501	\$544
2014	2	0.0%	\$508	\$0	\$508	\$551
2015	1	0.0%	\$508	\$0	\$508	\$551
2016	2	0.0%	\$497	\$0	\$497	\$540

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$539	\$0	\$539	\$582
2014	2	0.0%	\$565	\$0	\$565	\$608
2015	1	0.0%	\$565	\$0	\$565	\$608
2016	2	0.0%	\$570	\$0	\$570	\$613

Trend: Comments

- 1Q14** The contact stated that the above average turnover rate can be attributed to death and tenants moving to assisted living facilities. The contact believes there is demand for additional tax credit properties in the area. The contact added that she believes if there were additional tax-credit properties in east Macon, there would be significant demand for that property.
- 2Q14** The contact noted that turnover is typically due to death or tenants moving to assisted living facilities.
- 1Q15** The contact noted that turnover is typically due to death or tenants moving to assisted living facilities. The property recently switched to a new management company, which contributed to the abnormally high vacancy rate in one-bedroom units. The property is typically 100 percent occupied and maintains a waiting list that is several months long. The property manager indicated that there is strong demand for affordable senior housing in the area.
- 2Q16** The waiting list consists of 40 households. The 50 percent rents decreased slightly due to an increase in the utility allowance. The one-bedroom rents did not change. The two-bedroom rents increased one percent.

Ashton Hill Apartments, continued

Photos



PROPERTY PROFILE REPORT

Baltic Park Apartments

Effective Rent Date	5/05/2016
Location	822 Hightower Road Macon, GA 31206 Bibb County
Distance	10.4 miles
Units	82
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	9/30/2003
Leasing Began	9/30/2003
Last Unit Leased	12/31/2003
Major Competitors	N/A
Tenant Characteristics	Seniors 55+, average age is 71; Majority from the Macon area
Contact Name	Zenobia
Phone	478-788-3514



Market Information

Program	@50%, @60%, @60% (Project Based)
Annual Turnover Rate	5%
Units/Month Absorbed	27
HCV Tenants	32%
Leasing Pace	Within two weeks
Annual Chg. in Rent	2BR increased 1%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	891	\$445	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	41	891	\$445	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	13	891	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	2	1,139	\$510	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Garden (2 stories)	11	1,139	\$510	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	11	1,139	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / IBA	\$445	\$0	\$445	\$35	\$480	1BR / IBA	\$445	\$0	\$445	\$35	\$480
2BR / IBA	\$510	\$0	\$510	\$43	\$553	2BR / IBA	\$510	\$0	\$510	\$43	\$553

Baltic Park Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Ceiling Fan
Hand Rails
Pull Cords
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Off-Street Parking
Picnic Area

Clubhouse/Meeting
Central Laundry
On-Site Management
Sport Court

Premium

None

Other

Gazebo, Community Garden,

Comments

The property maintains a waiting list of 35 households. Management indicated that some tenants are downsizing from single-family homes. Most demand is for two-bedroom units.

Baltic Park Apartments, continued

Trend Report

Vacancy Rates

2Q12	1Q14	1Q15	2Q16
0.0%	0.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$445	\$0	\$445	\$480
2015	1	0.0%	\$445	\$0	\$445	\$480
2016	2	0.0%	\$445	\$0	\$445	\$480

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	0.0%	\$505	\$0	\$505	\$548
2015	1	0.0%	\$505	\$0	\$505	\$548
2016	2	0.0%	\$510	\$0	\$510	\$553

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$440	\$0	\$440	\$475
2014	1	0.0%	\$445	\$0	\$445	\$480
2015	1	0.0%	\$445	\$0	\$445	\$480
2016	2	0.0%	\$445	\$0	\$445	\$480

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$505	\$0	\$505	\$548
2014	1	0.0%	\$505	\$0	\$505	\$548
2015	1	0.0%	\$505	\$0	\$505	\$548
2016	2	0.0%	\$510	\$0	\$510	\$553

Trend: Comments

- 2Q12** Contact reported demand to be very strong for low-income senior housing in the area.
- 1Q14** The contact noted that the two-bedroom unit is the most demanded unit type at the property. The property currently has two pre-leased vacancies. The contact added that there is a significant need for additional affordable senior housing in the area, and believes that the additional housing would need to operate with additional subsidies in order to remain at full occupancy. The contact was not familiar with the east Macon area, therefore she could not provide insight into the demand for affordable housing there.
- 1Q15** The property maintains a waiting list of 31 households. The contact indicated that there is a mix of people coming from single-family homes and rental units.
- 2Q16** The property maintains a waiting list of 35 households. Management indicated that some tenants are downsizing from single-family homes. Most demand is for two-bedroom units.

Baltic Park Apartments, continued

Photos



PROPERTY PROFILE REPORT

Bartlett Crossing

Effective Rent Date	5/11/2016
Location	2901 Churchill Street Macon, GA 31204 Bibb County
Distance	8.5 miles
Units	75
Vacant Units	0
Vacancy Rate	0.0%
Type	Single Family
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	3/20/2011
Last Unit Leased	12/01/2011
Major Competitors	Tattnall Place
Tenant Characteristics	Majority families, most from the Macon area
Contact Name	Beth
Phone	478-742-2855



Market Information

Program	@50%, @50% (Project Based Rental)
Annual Turnover Rate	7%
Units/Month Absorbed	8
HCV Tenants	11%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	Some small fluctuations
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Single Family	7	1,004	\$459	\$0	@50%	Yes	0	0.0%	no	None
2	2	Single Family	1	1,004	N/A	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Single Family	8	1,004	\$510	\$0	@60%	Yes	0	0.0%	no	None
3	2	Single Family	12	1,281	\$523	\$0	@50%	Yes	0	0.0%	no	None
3	2	Single Family	5	1,281	N/A	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
3	2	Single Family	31	1,281	\$585	\$0	@60%	Yes	0	0.0%	yes	None
4	2	Single Family	3	1,548	\$549	\$0	@50%	Yes	0	0.0%	no	None
4	2	Single Family	2	1,548	N/A	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
4	2	Single Family	6	1,548	\$625	\$0	@60%	Yes	0	0.0%	no	None

Bartlett Crossing, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$459	\$0	\$459	\$43	\$502	2BR / 2BA	\$510	\$0	\$510	\$43	\$553
3BR / 2BA	\$523	\$0	\$523	\$61	\$584	3BR / 2BA	\$585	\$0	\$585	\$61	\$646
4BR / 2BA	\$549	\$0	\$549	\$78	\$627	4BR / 2BA	\$625	\$0	\$625	\$78	\$703

Amenities

In-Unit

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

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

Security

In-Unit Alarm

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Exercise Facility
On-Site Management
Playground

Premium

None

Other

Library, putting green

Comments

The property currently maintains a waiting list of 200 households.

Bartlett Crossing, continued

Trend Report

Vacancy Rates

1Q15	2Q15	1Q16	2Q16
1.3%	1.3%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$445	\$0	\$445	\$488
2015	2	0.0%	\$445	\$0	\$445	\$488
2016	1	0.0%	\$459	\$0	\$459	\$502
2016	2	0.0%	\$459	\$0	\$459	\$502

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	5.9%	\$523	\$0	\$523	\$584
2015	2	5.9%	\$523	\$0	\$523	\$584
2016	1	0.0%	\$523	\$0	\$523	\$584
2016	2	0.0%	\$523	\$0	\$523	\$584

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$564	\$0	\$564	\$642
2015	2	0.0%	\$564	\$0	\$564	\$642
2016	1	0.0%	\$549	\$0	\$549	\$627
2016	2	0.0%	\$549	\$0	\$549	\$627

4BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$605	\$0	\$605	\$683
2015	2	0.0%	\$605	\$0	\$605	\$683
2016	1	0.0%	\$625	\$0	\$625	\$703
2016	2	0.0%	\$625	\$0	\$625	\$703

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$490	\$0	\$490	\$533
2015	2	0.0%	\$490	\$0	\$490	\$533
2016	1	0.0%	\$510	\$0	\$510	\$553
2016	2	0.0%	\$510	\$0	\$510	\$553

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$565	\$0	\$565	\$626
2015	2	0.0%	\$565	\$0	\$565	\$626
2016	1	0.0%	\$585	\$0	\$585	\$646
2016	2	0.0%	\$585	\$0	\$585	\$646

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$605	\$0	\$605	\$683
2015	2	0.0%	\$605	\$0	\$605	\$683
2016	1	0.0%	\$625	\$0	\$625	\$703
2016	2	0.0%	\$625	\$0	\$625	\$703

4BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$605	\$0	\$605	\$683
2015	2	0.0%	\$605	\$0	\$605	\$683
2016	1	0.0%	\$625	\$0	\$625	\$703
2016	2	0.0%	\$625	\$0	\$625	\$703

Trend: Comments

- 1Q15** The property consists of 75 single-family homes. The property currently maintains a waiting list of 400 households. Management has closed the property's waiting list due to the volume of applications. When the waiting list reopens in June, she expects it to be four to five years in length. The contact stated that since the property has opened, rents have not changed. The contact noted that she believes there is a significant need for additional affordable housing in the area. The contact added that, in her opinion, new affordable housing in the east Macon area would be very attractive and can be successful without additional subsidies.
- 2Q15** N/A
- 1Q16** The property currently maintains a waiting list of 200 households. The contact noted that she believes there is a significant need for additional affordable housing in the area. Management indicated that new affordable housing in the east Macon area would be very attractive and can be successful without additional subsidies. She also believes that maximum rents are achievable.
- 2Q16** The property currently maintains a waiting list of 200 households.

Bartlett Crossing, continued

Photos



PROPERTY PROFILE REPORT

Pinewood Park

Effective Rent Date	5/11/2016
Location	4755 Mercer University Drive Macon, GA 31210 Bibb County
Distance	5.7 miles
Units	148
Vacant Units	4
Vacancy Rate	2.7%
Type	Garden (3 stories)
Year Built/Renovated	2006 / N/A
Marketing Began	12/20/2005
Leasing Began	4/12/2006
Last Unit Leased	10/31/2006
Major Competitors	Summer Park, West Club, Tatnall Place
Tenant Characteristics	Predominantly local families, 2% senior
Contact Name	Shannon
Phone	478-314-1900



Market Information

Program	@30%, @50%, @60%, Market
Annual Turnover Rate	17%
Units/Month Absorbed	23
HCV Tenants	34%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	6	846	\$185	\$0	@30%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	36	846	\$389	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	4	846	\$462	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	2	846	\$550	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	6	1,186	\$218	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	36	1,186	\$463	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	6	1,186	\$542	\$0	@60%	Yes	1	16.7%	yes	None
2	2	Garden (3 stories)	10	1,186	\$685	\$0	Market	Yes	1	10.0%	N/A	None
3	2	Garden (3 stories)	6	1,373	\$229	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	28	1,373	\$516	\$0	@50%	Yes	2	7.1%	yes	None
3	2	Garden (3 stories)	4	1,373	\$691	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	4	1,373	\$750	\$0	Market	Yes	0	0.0%	N/A	None

Pinewood Park, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$185	\$0	\$185	\$35	\$220	1BR / 1BA	\$389	\$0	\$389	\$35	\$424
2BR / 2BA	\$218	\$0	\$218	\$43	\$261	2BR / 2BA	\$463	\$0	\$463	\$43	\$506
3BR / 2BA	\$229	\$0	\$229	\$61	\$290	3BR / 2BA	\$516	\$0	\$516	\$61	\$577
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$462	\$0	\$462	\$35	\$497	1BR / 1BA	\$550	\$0	\$550	\$35	\$585
2BR / 2BA	\$542	\$0	\$542	\$43	\$585	2BR / 2BA	\$685	\$0	\$685	\$43	\$728
3BR / 2BA	\$691	\$0	\$691	\$61	\$752	3BR / 2BA	\$750	\$0	\$750	\$61	\$811

Amenities

In-Unit

Balcony/Patio
 Carpeting
 Coat Closet
 Garbage Disposal
 Refrigerator
 Washer/Dryer hookup

Blinds
 Central A/C
 Dishwasher
 Oven
 Walk-In Closet

Security

Limited Access
 Perimeter Fencing

Services

None

Property

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

Clubhouse/Meeting
 Central Laundry
 On-Site Management
 Playground

Premium

None

Other

None

Comments

The property maintains a waiting list of 694 households.

Pinewood Park, continued

Trend Report

Vacancy Rates

2Q15	3Q15	1Q16	2Q16
2.7%	2.0%	1.4%	2.7%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$207	\$0	\$207	\$242
2015	3	0.0%	\$207	\$0	\$207	\$242
2016	1	0.0%	\$185	\$0	\$185	\$220
2016	2	0.0%	\$185	\$0	\$185	\$220

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$246	\$0	\$246	\$289
2015	3	0.0%	\$246	\$0	\$246	\$289
2016	1	0.0%	\$218	\$0	\$218	\$261
2016	2	0.0%	\$218	\$0	\$218	\$261

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$260	\$0	\$260	\$321
2015	3	0.0%	\$260	\$0	\$260	\$321
2016	1	0.0%	\$260	\$0	\$260	\$321
2016	2	0.0%	\$229	\$0	\$229	\$290

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$465	\$0	\$465	\$500
2015	3	0.0%	\$465	\$0	\$465	\$500
2016	1	0.0%	\$462	\$0	\$462	\$497
2016	2	0.0%	\$462	\$0	\$462	\$497

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	16.7%	\$515	\$0	\$515	\$558
2015	3	0.0%	\$515	\$0	\$515	\$558
2016	1	0.0%	\$542	\$0	\$542	\$585
2016	2	16.7%	\$542	\$0	\$542	\$585

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$625	\$0	\$625	\$686
2015	3	0.0%	\$625	\$0	\$625	\$686
2016	1	0.0%	\$691	\$0	\$691	\$752
2016	2	0.0%	\$691	\$0	\$691	\$752

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$393	\$0	\$393	\$428
2015	3	0.0%	\$393	\$0	\$393	\$428
2016	1	0.0%	\$389	\$0	\$389	\$424
2016	2	0.0%	\$389	\$0	\$389	\$424

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	2.8%	\$470	\$0	\$470	\$513
2015	3	0.0%	\$470	\$0	\$470	\$513
2016	1	0.0%	\$463	\$0	\$463	\$506
2016	2	0.0%	\$463	\$0	\$463	\$506

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	3.6%	\$518	\$0	\$518	\$579
2015	3	7.1%	\$518	\$0	\$518	\$579
2016	1	7.1%	\$516	\$0	\$516	\$577
2016	2	7.1%	\$516	\$0	\$516	\$577

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$550	\$0	\$550	\$585
2015	3	0.0%	\$550	\$0	\$550	\$585
2016	1	0.0%	\$550	\$0	\$550	\$585
2016	2	0.0%	\$550	\$0	\$550	\$585

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	10.0%	\$685	\$0	\$685	\$728
2015	3	10.0%	\$685	\$0	\$685	\$728
2016	1	0.0%	\$685	\$0	\$685	\$728
2016	2	10.0%	\$685	\$0	\$685	\$728

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$750	\$0	\$750	\$811
2015	3	0.0%	\$750	\$0	\$750	\$811
2016	1	0.0%	\$750	\$0	\$750	\$811
2016	2	0.0%	\$750	\$0	\$750	\$811

Pinewood Park, continued

Trend: Comments

2Q15	N/A
3Q15	N/A
1Q16	The slight rent decrease was a result of an increase in the property's utility allowance. The rents have remained stable in the past year. The waiting list consists of 694 households. Management indicated that the households on the waiting list have not been income qualified.
2Q16	The property maintains a waiting list of 694 households.

Pinewood Park, continued

Photos



PROPERTY PROFILE REPORT

West Club Apartments

Effective Rent Date 5/10/2016
Location 159 Steven Drive
 Macon, GA 31210
 Bibb County
Distance 5.7 miles
Units 140
Vacant Units 10
Vacancy Rate 7.1%
Type Garden (2 stories)
Year Built/Renovated 1998 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Shadowood West, Hidden Lakes
Tenant Characteristics Predominantly families from Macon
Contact Name Cassandra
Phone 478.476.3500



Market Information

Program @30%, @50%, @60%
Annual Turnover Rate 21%
Units/Month Absorbed N/A
HCV Tenants 75%
Leasing Pace Within one week up to one month
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	6	780	\$231	\$0	@30%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	2	780	\$558	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (2 stories)	36	1,078	\$544	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	40	1,078	\$675	\$40	@60%	No	10	25.0%	no	None
3	2	Garden (2 stories)	48	1,212	\$777	\$0	@60%	No	0	0.0%	no	None
4	2	Garden (2 stories)	8	1,348	\$865	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$231	\$0	\$231	\$0	\$231	2BR / 2BA	\$544	\$0	\$544	\$0	\$544
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$558	\$0	\$558	\$0	\$558						
2BR / 2BA	\$675	\$40	\$635	\$0	\$635						
3BR / 2BA	\$777	\$0	\$777	\$0	\$777						
4BR / 2BA	\$865	\$0	\$865	\$0	\$865						

West Club Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Ceiling Fan
Oven
Walk-In Closet

Carpeting
Dishwasher
Garbage Disposal
Refrigerator

Security

Limited Access
Perimeter Fencing

Services

None

Property

Basketball Court
Exercise Facility
Off-Street Parking
Playground
Volleyball Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact noted that out of the 10 vacancies, two are preleased and three have applications pending at this time. She reported occupancy rates have ranged between 90 and 94 percent so far in 2016. The contact added that many applicants are over the income limits and do not qualify.

West Club Apartments, continued

Trend Report

Vacancy Rates

2Q15	3Q15	1Q16	2Q16
4.3%	6.4%	9.3%	7.1%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$234	\$0	\$234	\$234
2015	3	0.0%	\$234	\$0	\$234	\$234
2016	1	N/A	\$231	\$0	\$231	\$231
2016	2	0.0%	\$231	\$0	\$231	\$231

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	5.6%	\$546	\$0	\$546	\$546
2015	3	5.6%	\$546	\$0	\$546	\$546
2016	1	N/A	\$544	\$0	\$544	\$544
2016	2	0.0%	\$544	\$0	\$544	\$544

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$561	\$0	\$561	\$561
2015	3	0.0%	\$563	\$0	\$563	\$563
2016	1	N/A	\$558	\$0	\$558	\$558
2016	2	0.0%	\$558	\$0	\$558	\$558

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	5.0%	\$677	\$0	\$677	\$677
2015	3	7.5%	\$675	\$28	\$647	\$647
2016	1	N/A	\$635	\$0	\$635	\$635
2016	2	25.0%	\$675	\$40	\$635	\$635

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	4.2%	\$781	\$0	\$781	\$781
2015	3	8.3%	\$777	\$32	\$745	\$745
2016	1	N/A	\$777	\$0	\$777	\$777
2016	2	0.0%	\$777	\$0	\$777	\$777

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$868	\$0	\$868	\$868
2015	3	0.0%	\$868	\$0	\$868	\$868
2016	1	N/A	\$865	\$0	\$865	\$865
2016	2	0.0%	\$865	\$0	\$865	\$865

Trend: Comments

2Q15 N/A

3Q15 N/A

1Q16 Of the 13 vacant units, eight have pending applications.

2Q16 The contact noted that out of the 10 vacancies, two are preleased and three have applications pending at this time. She reported occupancy rates have ranged between 90 and 94 percent so far in 2016. The contact added that many applicants are over the income limits and do not qualify.

West Club Apartments, continued

Photos



PROPERTY PROFILE REPORT

Ansley Village Apartments

Effective Rent Date	5/10/2016
Location	6435 Zebulon Road Macon, GA 31220 Bibb County
Distance	0.4 miles
Units	294
Vacant Units	13
Vacancy Rate	4.4%
Type	Garden (4 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	2/01/2008
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mix of local area singles, couples, families, and some students
Contact Name	Erika
Phone	(478) 405-2286



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	Change daily, upward trending
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	N/A	727	\$745	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	871	\$725	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	943	\$865	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,127	\$880	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,360	\$1,005	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,460	\$1,050	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$725 - \$865	\$0	\$725 - \$865	\$50	\$775 - \$915
2BR / 2BA	\$880	\$0	\$880	\$58	\$938
3BR / 2BA	\$1,005 - \$1,050	\$0	\$1,005 - \$1,050	\$76	\$1,081 - \$1,126

Ansley Village Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

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

Security

Limited Access

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

Media room

Comments

The contact reported that the summer months tend to have lower occupancy. There is a limited student tenancy attending local area colleges which helps increase occupancy rates during the fall.

Ansley Village Apartments, continued

Trend Report

Vacancy Rates

2Q09	3Q15	2Q16
31.0%	5.8%	4.4%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$735 - \$950	\$0 - \$132	\$613 - \$950	\$663 - \$1,000
2015	3	N/A	\$735 - \$805	\$0	\$735 - \$805	\$785 - \$855
2016	2	N/A	\$725 - \$865	\$0	\$725 - \$865	\$775 - \$915

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$940 - \$980	\$157 - \$163	\$783 - \$817	\$841 - \$875
2015	3	N/A	\$820 - \$845	\$0	\$820 - \$845	\$878 - \$903
2016	2	N/A	\$880	\$0	\$880	\$938

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$1,050 - \$1,090	\$175 - \$182	\$875 - \$908	\$951 - \$984
2015	3	N/A	\$875 - \$1,040	\$0	\$875 - \$1,040	\$951 - \$1,116
2016	2	N/A	\$1,005 - \$1,050	\$0	\$1,005 - \$1,050	\$1,081 - \$1,126

Trend: Comments

- 2Q09** The contact reported that leasing began in February 2008 and as of May 2009, the property is 69 percent occupied, which yields a stabilization rate of 13 units per month over the course of 15.5 months. The property's website is www.ansleyvillage.com.
- 3Q15** The contact reported summer months tend to have lower occupancy. There is a limited student tenancy attending local area colleges which helps increase occupancy rates during the fall.
- 2Q16** The contact reported that the summer months tend to have lower occupancy. There is a limited student tenancy attending local area colleges which helps increase occupancy rates during the fall.

Ansley Village Apartments, continued

Photos



PROPERTY PROFILE REPORT

Austin Chase Apartments

Effective Rent Date	5/11/2016
Location	291 Plantation Centre Drive Macon, GA 31210 Bibb County
Distance	1.7 miles
Units	242
Vacant Units	10
Vacancy Rate	4.1%
Type	Garden (2 stories)
Year Built/Renovated	1996 / Ongoing since 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Bristol Park
Tenant Characteristics	Wide variety
Contact Name	Georgia
Phone	478-471-9120



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	Change daily, upward trending
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	800	\$760	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	900	\$780	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (2 stories)	N/A	1,117	\$799	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,157	\$828	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,223	\$860	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,332	\$960	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$760 - \$780	\$0	\$760 - \$780	\$50	\$810 - \$830
2BR / 1BA	\$799	\$0	\$799	\$58	\$857
2BR / 2BA	\$828 - \$860	\$0	\$828 - \$860	\$58	\$886 - \$918
3BR / 2BA	\$960	\$0	\$960	\$76	\$1,036

Austin Chase Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer hookup

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

Security

Limited Access
Perimeter Fencing
Video Surveillance

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Recreation Areas
Swimming Pool
Volleyball Court

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground
Sauna
Tennis Court

Premium

None

Other

None

Comments

The contact reported approximately 20 units have been renovated and rent for premiums of \$50 to \$100 over unrenovated units. The unit renovations began in 2015 and are being completed upon turnover. The renovations include new hardwood flooring, appliances, crown molding, counters, fixtures, and bathrooms. The contact estimated a cost of about \$3,000 per unit.

Austin Chase Apartments, continued

Trend Report

Vacancy Rates

2Q09	1Q12	2Q16
0.0%	12.4%	4.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$515 - \$640	\$0	\$515 - \$640	\$565 - \$690
2012	1	N/A	\$645 - \$680	\$21	\$624 - \$659	\$674 - \$709
2016	2	N/A	\$760 - \$780	\$0	\$760 - \$780	\$810 - \$830

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$645	\$0	\$645	\$703
2012	1	N/A	\$707	\$21	\$686	\$744
2016	2	N/A	\$799	\$0	\$799	\$857

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$775	\$0	\$775	\$833
2012	1	N/A	\$775 - \$790	\$21	\$754 - \$769	\$812 - \$827
2016	2	N/A	\$828 - \$860	\$0	\$828 - \$860	\$886 - \$918

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$845	\$0	\$845	\$921
2012	1	N/A	\$930	\$21	\$909	\$985
2016	2	N/A	\$960	\$0	\$960	\$1,036

Trend: Comments

- 2Q09** The property manager stated that they are 100 percent pre-leased, which is typical. She stated that she believes that the two new properties nearby, Ansley Village and Pavillion at Plantation, are not doing well because of their small units and high rents. She did state that if a new property were to come online, it would have to offer large units and competitive pricing.
- 1Q12** The property manager believes that the recent decline in occupancy is related to the job market. He also stated that the two new properties nearby, Ansley Village and Pavillion at Plantation, are not doing well because of their small units and high rents. He did state that if a new property were to come online, it would have to offer large units and competitive pricing.
- 2Q16** The contact reported approximately 20 units have been renovated and rent for premiums of \$50 to \$100 over unrenovated units. The unit renovations began in 2015 and are being completed upon turnover. The renovations include new hardwood flooring, appliances, crown molding, counters, fixtures, and bathrooms. The contact estimated a cost of about \$3,000 per unit.

Photos



PROPERTY PROFILE REPORT

Estates At Barrington

Effective Rent Date	5/12/2016
Location	301 Barrington Hall Drive Macon, GA 31220 Bibb County
Distance	2.2 miles
Units	176
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1996 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ansley Village, Austin Chase
Tenant Characteristics	Most from Macon, 35% seniors
Contact Name	Sandy
Phone	478-477-0055



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	Change daily, upward trending
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	815	\$685	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (3 stories)	N/A	1,091	\$777	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (3 stories)	N/A	1,051	\$790	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,128	\$839	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,362	\$993	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$685 - \$777	\$0	\$685 - \$777	\$35	\$720 - \$812
2BR / 1BA	\$790	\$0	\$790	\$43	\$833
2BR / 2BA	\$839	\$0	\$839	\$43	\$882
3BR / 2BA	\$993	\$0	\$993	\$61	\$1,054

Estates At Barrington, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Fireplace
Microwave
Refrigerator

Blinds
Central A/C
Ceiling Fan
Garbage Disposal
Oven
Washer/Dryer hookup

Security

Limited Access
Perimeter Fencing

Services

None

Property

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

Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool
Volleyball Court

Premium

None

Other

None

Comments

Management uses YieldStar and rents change on a daily basis.

Photos



PROPERTY PROFILE REPORT

Hunter's Run Apartments

Effective Rent Date	5/10/2016
Location	6001 Thomaston Road Macon, GA 31220 Bibb County County
Distance	4.3 miles
Units	176
Vacant Units	2
Vacancy Rate	1.1%
Type	Garden (2 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Northwood Apartments
Tenant Characteristics	Mix of local area professionals and young families from the area
Contact Name	Sherry
Phone	478-475-5595



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Preleased to one week
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	881	\$715	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	16	954	\$730	\$0	Market	No	1	6.2%	N/A	None
2	2	Garden (2 stories)	40	1,146	\$765	\$0	Market	No	1	2.5%	N/A	None
2	2	Garden (2 stories)	40	1,206	\$775	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	48	1,230	\$785	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	8	1,366	\$920	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	8	1,400	\$940	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$715 - \$730	\$0	\$715 - \$730	\$0	\$715 - \$730
2BR / 2BA	\$765 - \$785	\$0	\$765 - \$785	\$0	\$765 - \$785
3BR / 2BA	\$920 - \$940	\$0	\$920 - \$940	\$0	\$920 - \$940

Hunter's Run Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Clubhouse/Meeting
Garage
Off-Street Parking
Playground
Tennis Court

Exercise Facility
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

According to management, the occupancy rate has fluctuated over the past year but has generally remained above 95 percent.

Hunter's Run Apartments, continued

Photos



PROPERTY PROFILE REPORT

Pavilion At Plantation Way

Effective Rent Date	5/11/2016
Location	399 Plantation Way Macon, GA 31210 Bibb County
Distance	1.4 miles
Units	240
Vacant Units	17
Vacancy Rate	7.1%
Type	Garden (4 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mix of local area singles, couples, and younger families. 20% students at area colleges
Contact Name	Casey
Phone	478-201-9799



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Varies
Annual Chg. in Rent	None
Concession	Reduced rents on select units

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	100	807	\$725	\$12	Market	No	N/A	N/A	N/A	None
2	1	Garden (4 stories)	32	1,023	\$795	\$28	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	20	1,087	\$835	\$30	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	72	1,101	\$860	\$17	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	8	1,159	\$925	\$27	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	8	1,256	\$1,118	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$725	\$12	\$713	\$50	\$763
2BR / 1BA	\$795	\$28	\$767	\$58	\$825
2BR / 2BA	\$835 - \$925	\$17 - \$30	\$805 - \$898	\$58	\$863 - \$956
3BR / 2BA	\$1,118	\$0	\$1,118	\$76	\$1,194

Pavilion At Plantation Way, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Oven
Walk-In Closet
Washer/Dryer hookup

Blinds
Central A/C
Garbage Disposal
Refrigerator
Washer/Dryer

Security

Limited Access

Services

None

Property

Clubhouse/Meeting
Exercise Facility
Off-Street Parking
Swimming Pool
Wi-Fi

Elevators
Garage
On-Site Management
Theatre

Premium

None

Other

Billiards room, media room

Comments

The contact reported occupancy rates are typically lower during the summer. She noted the property is 93 percent occupied and occupancy rates tend to decrease in late May and early July and then increase in August as students attending area colleges return to town.

Pavilion At Plantation Way, continued

Trend Report

Vacancy Rates

2Q09	3Q15	2Q16
100.0%	15.0%	7.1%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$810	\$0	\$810	\$860

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$715	\$0	\$715	\$765
2015	3	N/A	\$725	\$45	\$680	\$730
2016	2	N/A	\$725	\$12	\$713	\$763

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	3	N/A	\$795	\$95	\$700	\$758
2016	2	N/A	\$795	\$28	\$767	\$825

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$915 - \$955	\$0	\$915 - \$955	\$973 - \$1,013
2015	3	N/A	\$835 - \$905	\$0 - \$55	\$805 - \$860	\$863 - \$918
2016	2	N/A	\$835 - \$925	\$17 - \$30	\$805 - \$898	\$863 - \$956

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$1,020	\$0	\$1,020	\$1,096
2015	3	N/A	\$1,075	\$0	\$1,075	\$1,151
2016	2	0.0%	\$1,118	\$0	\$1,118	\$1,194

Trend: Comments

- 2Q09** The leasing agent reported that leasing began in May 2009 and the property is projected to open on July 1, 2009. Currently, there are eight leases. The property's website is www.pavilionplantationway.com.
- 3Q15** The contact reported occupancy rates are typically lower during the summer. She noted the property is 92 percent preleased and occupancy rates tend to increase in August as students attending area colleges return to town.
- 2Q16** The contact reported occupancy rates are typically lower during the summer. She noted the property is 93 percent occupied and occupancy rates tend to decrease in late May and early July and then increase in August as students attending area colleges return to town.

Photos



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

Housing Choice Vouchers

The following table illustrates the percentage of Housing Choice Voucher tenants at the comparable properties.

TENANTS WITH VOUCHERS			
Comparable Property	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Ashton Hill Apartments	LIHTC	Senior	38%
Baltic Park Apartments	LIHTC/PBRA	Senior	32%
Bartlett Crossing	LIHTC/PBRA	Family	11%
Pinewood Park	LIHTC/Market	Family	34%
West Club Apartments	LIHTC	Family	75%
Ansley Village Apartments	Market	Family	0%
Austin Chase Apartments	Market	Family	0%
Estates At Barrington	Market	Family	0%
Hunter's Run Apartments	Market	Family	0%
Pavilion At Plantation Way	Market	Family	0%

The voucher usage at the comparable LIHTC properties ranges from 11 to 75 percent, with an average of 38 percent. The senior LIHTC comparables reported voucher usage of 32 and 38 percent. With the exception of West Club Apartments, the LIHTC comparables reported voucher tenancy of 38 percent or less. Management at West Club Apartments could not provide an explanation for the high percentage of voucher tenants. However, the property manager indicated that she believes the asking rents are achievable without additional subsidy. Overall, voucher usage is considered moderate at the LIHTC comparables. None of the surveyed market rate comparables accept vouchers. Overall, we do not anticipate that the Subject will need to rely on HCV tenants to maintain a stabilized occupancy rate.

Waiting Lists

The following table illustrates the presence of waiting lists at the comparable properties, where applicable.

WAITING LISTS			
Comparable Property	Rent Structure	Tenancy	Length of Waiting List
Ashton Hill Apartments	LIHTC	Senior	40 households
Baltic Park Apartments	LIHTC/PBRA	Senior	35 households
Bartlett Crossing	LIHTC/PBRA	Family	200 households
Pinewood Park	LIHTC/Market	Family	694 households
West Club Apartments	LIHTC	Family	None
Ansley Village Apartments	Market	Family	None
Austin Chase Apartments	Market	Family	None
Estates At Barrington	Market	Family	None
Hunter's Run Apartments	Market	Family	None
Pavilion At Plantation Way	Market	Family	None

As the previous table illustrates, four of the 10 comparables maintain waiting lists. The presence of waiting lists at the senior LIHTC comparables is a positive indication of a strong senior rental market. Based on the performance of the comparable properties, we expect the Subject to maintain a short waiting list, at a minimum, following stabilization.

Lease Up History

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. We were able to obtain absorption information from three comparable properties, illustrated following.

ABSORPTION

Comparable Property	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Bartlett Crossing	LIHTC/PBRA	Family	2012	75	8
Pinewood Park	LIHTC/Market	Family	2006	148	23
Baltic Park Apartments	LIHTC/PBRA	Senior	2003	82	27

Bartlett Crossing was the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of eight units per month, slower than the LIHTC properties constructed in 2003 and 2006. According to Bartlett Crossing’s developer, eight units were delivered per month as the buildings received their certificates of occupancy. Therefore, the absorption pace was limited by completion of the project and is not a reflection of the overall demand in the local market. Based on the absorption paces reported by the comparable LIHTC properties, the waiting lists at most of the LIHTC properties, and the strong demand for affordable senior housing in Macon, we anticipate that the Subject will absorb 12 units per month, for an absorption period of seven months to reach 93 percent occupancy.

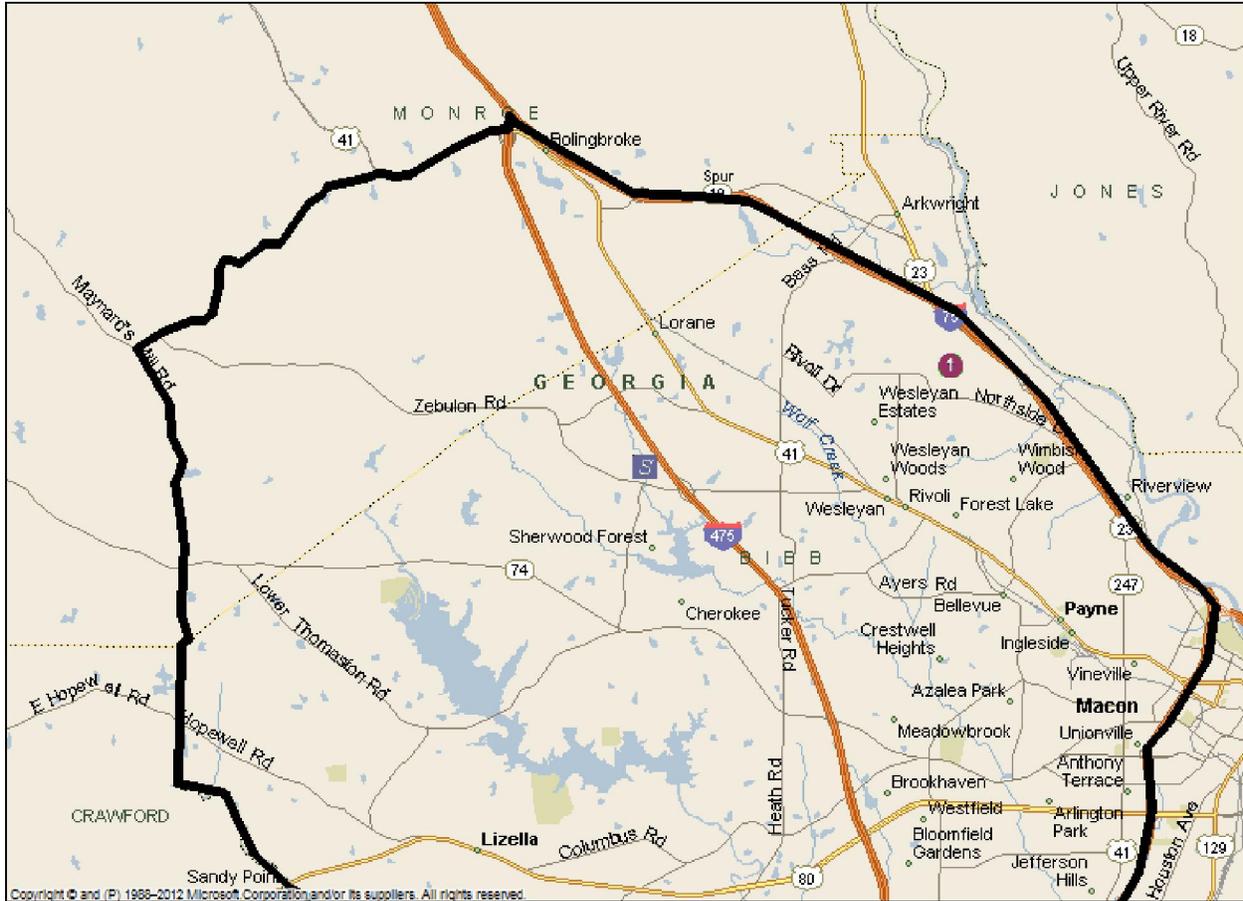
Phased Developments

The Subject is not part of a phased development.

Rural Areas

The Subject is not located in a rural area. There is adequate LIHTC and market rate multifamily data.

3. Competitive Project Map



COMPETITIVE PROJECTS IN PMA

#	Property Name	Type	Location	Tenancy	Distance
1	Ashton Hill Apartments	LIHTC	Macon	Senior	6.7 miles

4. Amenities

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

UNIT MATRIX REPORT

	The Residences At Zehnon Subject	Ashton Hill Apartments 1	Baltic Park Apartments 2	Bartlett Crossing 3	Pinewood Park 4	West Club Apartments 5	Ansley Village Apartments 6	Austin Chase Apartments 7	Estates At Barrington 8	Hunter's Run Apartments 9	Pavilion At Plantation Way 10
Property Information											
Property Type	One-story (age-restricted)	Garden (age-restricted) (3 stories)	Garden (age-restricted) (2 stories)	Single Family	Garden (3 stories)	Garden (2 stories)	Garden (4 stories)	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (4 stories)
Year Built / Renovated Market (Conv.)/Subsidy Type	Proposed LIHTC/Mkt	2001 LIHTC	2003 LIHTC/PBRA	2012 LIHTC/PBRA	2006 LIHTC/Mkt	1998 LIHTC	2008 Market	1996 / 2015 Market	1996 Market	2001 Market	2009 Market
Utility Adjustments											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	no	no	yes	no	no	no	yes	no
Sewer	yes	no	no	no	no	yes	no	no	no	yes	no
Trash Collection	yes	yes	yes	yes	yes	yes	no	no	yes	yes	no
In-Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	no	no	no	yes	no	no	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	no	no	yes	yes	no	no	yes	no	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	yes	no	no	no	no	no	yes	yes	no	yes	no
Ceiling Fan	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	no
Fireplace	no	no	no	no	no	no	no	no	yes	no	no
Garbage Disposal	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	yes	yes	no	no	no	no	no	no	no	no
Microwave	no	no	no	yes	no	no	no	no	yes	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	no	yes	no	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	yes	no	yes	yes	yes	yes	yes	yes	no	no	yes
Washer/Dryer	no	no	no	yes	no	no	no	no	no	no	yes
Washer/Drvr hookup	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Property Amenities											
Basketball Court	no	no	no	no	no	yes	no	no	no	no	no
Business Center/Computer Lab	yes	no	yes	no	yes	no	yes	yes	no	no	no
Car Wash	no	no	no	no	no	no	yes	yes	no	no	no
Clubhouse/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Courtyard	no	yes	no	no	no	no	no	no	no	no	no
Elevators	no	yes	no	no	no	no	no	no	no	no	yes
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	no	yes	yes	no	yes	yes
Central Laundry	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	yes	yes	yes	yes	no	yes	yes	yes	no	no
Playground	no	no	no	yes	yes	yes	no	yes	yes	yes	no
Recreation Areas	no	no	no	no	no	no	no	yes	no	no	no
Sauna	no	no	no	no	no	no	no	yes	no	no	no
Sport Court	no	no	yes	no	no	no	no	no	no	no	no
Swimming Pool	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	yes	yes	yes	no
Theatre	no	no	no	no	no	no	no	no	no	no	yes
Volleyball Court	no	no	no	no	no	yes	no	yes	yes	no	no
Wi-Fi	no	no	no	no	no	no	no	no	no	no	yes
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$55.00	\$60.00
Security											
In-Unit Alarm	no	no	no	yes	no	no	no	no	no	no	no
Limited Access	no	no	yes	no	yes	yes	yes	yes	yes	no	yes
Perimeter Fencing	no	no	yes	no	yes	yes	no	yes	yes	no	no
Video Surveillance	yes	no	no	no	no	no	no	yes	no	no	no
Other Amenities											
Other	n/a	n/a	Gazebo, Garden, Walking Trail	Library, putting green	n/a	n/a	Media room	n/a	n/a	n/a	Billiards room, media room

The Subject will offer exterior storage, an amenity offered by three of the 10 comparables. All of the comparables offer a garbage disposal, an amenity that will not be offered by the Subject. The Subject will offer a washer and dryer connection, an amenity offered by all but one of the comparables. Two of the 10 comparables offer an in-unit washer and dryer, an amenity that will not be offered by the Subject. The Subject will be similar to slightly superior to the surveyed senior properties in terms of in-unit amenities. Overall, the Subject will be similar to superior to the majority of comparables in terms of in-unit amenities.

The Subject will offer a business center, an amenity offered by four of the 10 comparables. The Subject will be similar to slightly superior to the senior comparables in terms of property amenities. Seven of the 10 comparables offer a swimming pool, an amenity that will not be offered by the Subject. It should be noted that the senior LIHTC comparables do not offer swimming pools and are fully occupied with waiting lists. Therefore, the lack of swimming pool is not expected to negatively impact the performance of the Subject. The market rate comparables are slightly superior to superior to the proposed Subject in terms of property amenities. Most of these properties offer swimming pools, volleyball courts, tennis courts, and garage parking. Overall, we believe the Subject’s amenities will be competitive in the local market.

5. The Subject will target senior households age 55 and older. We have included all senior unsubsidized properties in the PMA. In order to supplement the market rate data, we have also included unrestricted family properties.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Comparable Property	Re nt Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashton Hill Apartments	LIHTC	Senior	80	0	0.0%
Baltic Park Apartments	LIHTC/PBRA	Senior	82	0	0.0%
Bartlett Crossing	LIHTC/PBRA	Family	75	0	0.0%
Pinewood Park	LIHTC/Market	Family	148	4	2.7%
West Club Apartments	LIHTC	Family	140	10	7.1%
Ansley Village Apartments	Market	Family	294	13	4.4%
Austin Chase Apartments	Market	Family	242	10	4.1%
Estates At Barrington	Market	Family	176	0	0.0%
Hunter's Run Apartments	Market	Family	176	2	1.1%
Pavilion At Plantation Way	Market	Family	240	17	7.1%
Total			1,653	56	3.4%

As illustrated, vacancy rates in the market range from zero to 7.1 percent, with a weighted average of 3.4 percent. West Club Apartments and Pavilion at Plantation Way have slightly elevated vacancy rates. West Club Apartments has historically experienced above average vacancy. According to management, five of the 10 vacant units are pre-leased or have pending applications. West Club Apartments is the oldest surveyed LIHTC property and is slightly inferior to inferior to the remaining LIHTC comparables in terms of age and condition. We believe the property’s overall condition has contributed to its elevated vacancy rate. According to management at Pavilion at Plantation Way, vacancy typically increases from May through July

while a significant number of units are being turned over. Overall, we do not believe the elevated vacancy rates at these properties are cause for concern. The comparable senior properties reported zero vacancies. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.

7. Properties Under Construction and Proposed

According to the Georgia Department of Community Affairs, there was one property awarded LIHTC in the PMA in 2014 and 2015.

A.L. Miller Village was allocated tax credits in 2014 and will target families/general households.

1. A.L. Miller Village will be located 8.8 miles southeast of the proposed Subject.
2. Peachtree Housing is the sponsor for A.L. Miller Village.
3. The property will offer 71 units.
4. The property will consist of one, two, and three-bedroom units.
5. The property will offer units restricted at 50 and 60 percent AMI.
6. Construction is expected to be completed in January 2017.
7. The project will consist of the rehabilitation of a historic school and the construction of nine single-family homes.

A.L. Miller Village will not directly compete with the Subject given its family tenancy. Therefore, we have not removed these units from the demand analysis.

There are two proposed senior LIHTC developments located in the city of Macon, but outside of the PMA.

- Hunt School Village was allocated LIHTC in 2014 and will target elderly households age 62 and older. The property will offer 60 units restricted at 60 percent AMI. All 60 units will operate with project-based rental assistance. Therefore, this property will not directly compete with the proposed Subject.
- Tindall Seniors Towers was allocated tax credits in 2015 and will target elderly households age 62 and older. The property will offer 76 units restricted at 60 percent AMI. All 76 units will operate with project-based rental assistance. Therefore, this property will not directly compete with the proposed Subject.

We have not removed the proposed units at Hunt School Village or Tindall Seniors Towers from the demand analysis given that they are located outside of the PMA and will be subsidized.

8. Rental Advantage

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashton Hill Apartments	LIHTC	Slightly Inferior	Slightly Inferior	Inferior	Slightly Inferior	Similar	-25
2	Baltic Park Apartments	LIHTC/PBRA	Similar	Similar	Inferior	Slightly Inferior	Superior	-5
3	Bartlett Crossing	LIHTC/PBRA	Similar	Slightly Superior	Inferior	Similar	Superior	5
4	Pinewood Park	LIHTC/Market	Slightly Superior	Slightly Inferior	Inferior	Slightly Inferior	Superior	-5
5	West Club Apartments	LIHTC	Slightly Superior	Inferior	Inferior	Inferior	Slightly Superior	-20
6	Ansley Village Apartments	Market	Slightly Superior	Similar	Similar	Similar	Superior	15
7	Austin Chase Apartments	Market	Superior	Similar	Similar	Slightly Inferior	Superior	15
8	Estates At Barrington	Market	Superior	Similar	Slightly Inferior	Inferior	Superior	5
9	Hunter's Run Apartments	Market	Superior	Similar	Slightly Inferior	Slightly Inferior	Superior	10
10	Pavilion At Plantation Way	Market	Superior	Slightly Superior	Similar	Similar	Superior	25

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

The rental rates at the LIHTC properties are compared to the Subject’s proposed 50 and 60 percent AMI rents in the following tables. It should be noted that the Subject is restricted at the 2015 LIHTC rent limits for Bibb County. The corresponding maximum allowable rent limits for each of the LIHTC comparables has been included in the following tables.

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR
The Residences At Zebulon (Subject)	\$397	\$475
2015 LIHTC Maximum (Net)	\$405	\$483
2015 HERA Special Limits (Net)	\$456	\$543
Ashton Hill Apartments	\$452	\$540
Baltic Park Apartments	\$480	\$553
Bartlett Crossing	-	\$502
Pinewood Park	\$424	\$506
West Club Apartments	-	\$544
Average (excluding Subject)	\$452	\$529

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR
The Residences At Zebulon (Subject)	\$496	\$594
LIHTC Maximum (Net)	\$504	\$602
2015 HERA Special Limits (Net)	\$565	\$674
Ashton Hill Apartments	\$524	\$613
Baltic Park Apartments	\$480	\$553
Bartlett Crossing	-	\$553
Pinewood Park	\$497	\$585
West Club Apartments	\$558	\$635
Average (excluding Subject)	\$515	\$588

Since all of the comparable properties were built in 2012 or earlier, they have been “held harmless” to the recent decrease in AMI and have a higher maximum allowable gross rent level than the Subject, which will be completed in 2018. When rents are “held harmless” a property owner is not required to decrease rents in light of a decrease in the AMI. Instead, the property may continue operating with rent restrictions based upon the higher AMI level prior to the decrease. It should be noted that the 2015 AMI in Bibb County increased but remains below the 2012 AMI level.

Ashton Hill and Baltic Park, the senior LIHTC comparables, reported maximum allowable 50 percent AMI rents. However, neither property is achieving the maximum allowable 60 percent AMI rents. Bartlett Crossing’s 50 and 60 percent AMI rents are set below the maximum allowable levels. This property was developed by a non-profit entity and its rents are kept artificially low. According to management, the maximum allowable 50 and 60 percent rents are achievable in the local market. Management at Pinewood Park reported that all rents are set at the maximum allowable levels. West Club Apartments’ manager reported that most rents are set below the maximum allowable levels. However, it appears that some of this property’s rents are set at the maximum allowable levels. Despite this fact, West Club Apartments’ rents are well above the proposed rents at the Subject. The Subject’s proposed 50 percent AMI rents are set below the range of the comparables. The Subject’s proposed 60 percent AMI rents are set within the range of the comparables.

Overall, Baltic Park is the most similar senior LIHTC property to the proposed Subject. However, this property’s 60 percent rents are set at the same rates as the 50 percent rents. This property’s 60 percent rents are artificially low. Therefore, this property is not a good indication of achievable LIHTC rents in the local market for a senior property.

Ashton Hill is the closest senior LIHTC property to the Subject. This property is fully occupied with a waiting list of 40 households. The Subject is located in an area with a median household income of approximately \$97,000, whereas Ashton Hill is located in an area with a median household income of approximately \$34,000. Further, the Subject's neighborhood has a lower crime rate than Ashton Hill's immediate neighborhood. The Subject will be superior to Ashton Hill in terms of location. The Subject will be slightly superior to Ashton Hill in terms of age/condition, in-unit amenities, and property amenities. Ashton Hill offers similar unit sizes to the proposed Subject. Overall, the Subject will offer a superior product when compared to Ashton Hill. The Subject's proposed rents are well below the rents at Ashton Hill and considered reasonable.

The comparable senior LIHTC properties are exhibiting a weighted average vacancy rate of zero percent, which is considered excellent. We believe the weighted average LIHTC vacancy rate and existence of waiting lists at the senior LIHTC properties demonstrates demand for affordable senior housing in the market. We believe the Subject's asking rents are reasonable and achievable as proposed.

Analysis of "Market Rents"

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

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$397	\$424	\$915	\$659	40%
2 BR @ 50%	\$475	\$502	\$938	\$672	29%
1 BR @ 60%	\$496	\$480	\$915	\$701	29%
2 BR @ 60%	\$594	\$553	\$938	\$741	20%
2 BR @ Market	\$614	\$728	\$938	\$813	25%
3 BR @ Market	\$704	\$811	\$1,194	\$1,020	31%

The Subject’s proposed 50 and 60 percent AMI rents and market rate rents will have a significant rent advantage over the surveyed average rents in the market. The Subject will be in excellent condition and will offer a competitive in-unit amenity package and location. Most of the Subject’s proposed rents are below the bottom of the range of comparables and appear to be feasible in the market given the low to moderate vacancy rates at the comparable properties.

Three-Bedroom Units

Of the Subject’s 90 units, 84 will be one and two-bedroom units. The Subject will also offer six, three-bedroom units. To determine the level of demand for three-bedroom senior units in the local market, we spoke with management at Ashton Hill and Baltic Park, both of which are senior properties. Ashton Hill and Baltic Park are located in Macon and were used as comparables in this report. Both of these properties are fully occupied with waiting lists. The managers at these properties were unable to speak to demand for three-bedroom senior units in the local market.

Although three-bedroom units are not common among senior properties in the local market, three-bedroom senior units have been well-received at senior properties state-wide as illustrated in the following table. We were able to interview five senior properties that offer three-bedroom units.

COMPARABLE THREE-BEDROOM SENIOR DATA

#	Property Name	City	State	Type	# of 3BR Units	Vacant	Vacancy Rate	Waiting List	Tenant Characteristics
1	Alta Ridenour	Kennesaw	GA	LIHTC/Market	8	0	0.0%	3 HHs	Couples downsizing from homes, no children
2	Cameron Court I & II	Perry	GA	LIHTC	31	0	0.0%	Yes, length N/Av	N/Av
3	Heathrow Senior Village	Byron	GA	LIHTC	4	0	0.0%	None	Singles and couples downsizing from homes
4	Lillie R. Campbell House	Atlanta	GA	LIHTC/Market	4	0	0.0%	2 HHs	Couples downsizing from homes
5	Sweetwater Terraces	Duluth	GA	LIHTC/Market	4	0	0.0%	Yes, length N/Av	Typically couples
AVERAGE					51	0	0.0%		

As illustrated in the previous table, the three-bedroom units at the surveyed properties are fully occupied. All but one of these properties maintain waiting lists for their three-bedroom units. The surveyed properties reported that the typical tenant characteristic for three-bedroom units are

singles and couples downsizing from single-family homes. Based on this data, we believe that there will be adequate demand for the Subject’s three-bedroom units.

9. LIHTC Competition – DCA Funded Properties within the PMA

According to the Georgia Department of Community Affairs, there was one property awarded LIHTC in the PMA in 2014 and 2015.

A.L. Miller Village was allocated tax credits in 2014 and will target families/general households.

1. A.L. Miller Village will be located 8.8 miles southeast of the proposed Subject.
2. Peachtree Housing is the sponsor for A.L. Miller Village.
3. The property will offer 71 units.
4. The property will consist of one, two, and three-bedroom units.
5. The property will offer units restricted at 50 and 60 percent AMI.
6. Construction is expected to be completed in January 2017.
7. The project will consist of the rehabilitation of a historic school and the construction of nine single-family homes.

A.L. Miller Village will not directly compete with the Subject given its family tenancy. Therefore, we have not removed these units from the demand analysis.

The comparable properties reported vacancy rates of zero to 7.1 percent, with an average of 3.4 percent. The comparable senior LIHTC properties are fully occupied with waiting lists. The presence of waiting lists at the senior LIHTC comparables is a positive indication of a strong local rental market. Based upon the strong performance of the LIHTC comparables in the PMA, we believe there is adequate demand for the proposed Subject.

10. Rental Trends in the PMA

The following table depicts household growth by tenure from 2000 through 2020.

PMA TENURE PATTERNS OF SENIORS 55+				
	Owner-Occupied	Percentage	Renter-Occupied	Percentage
Year	Units	Owner-Occupied	Units	Renter-Occupied
2000	10,022	77.1%	2,982	22.9%
2010	11,378	71.2%	4,613	28.8%
2015	11,678	69.4%	5,143	30.6%
Projected Mkt Entry				
October 2018	12,103	69.4%	5,327	30.6%
2020	12,331	69.4%	5,426	30.6%

Source: Esri Demographics 2015, Novogradac & Company LLP, April 2016

Owner-occupied housing units dominate the housing market in the PMA. However, senior renter-occupied units accounted for 30.6 percent of the total housing stock in the PMA in 2015. This rate is significantly higher than the national average of 13.0 percent for senior households.

Historical Vacancy

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

HISTORICAL VACANCY

Comparable Property	Rent Structure	Tenancy	Total Units	1QTR 2011	2QTR 2012	4QTR 2013	2QTR 2014	2QTR 2015	2QTR 2016
Ashton Hill Apartments	LIHTC	Senior	80	0.00%	0.00%	2.50%	0.00%	N/A	0.00%
Baltic Park Apartments	LIHTC/PBRA	Senior	82	1.20%	0.00%	N/A	N/A	N/A	0.00%
Bartlett Crossing	LIHTC/PBRA	Family	75	N/A	0.00%	N/A	1.30%	1.30%	0.00%
Pinewood Park	LIHTC/Market	Family	148	2.70%	2.90%	8.70%	0.00%	2.70%	2.70%
West Club Apartments	LIHTC	Family	140	0.00%	7.90%	4.30%	N/A	4.30%	7.10%
Ansley Village Apartments	Market	Family	294	N/A	N/A	N/A	N/A	N/A	4.40%
Austin Chase Apartments	Market	Family	242	N/A	N/A	N/A	N/A	N/A	4.10%
Estates At Barrington	Market	Family	176	N/A	N/A	N/A	N/A	N/A	0.00%
Hunter's Run Apartments	Market	Family	176	N/A	N/A	N/A	N/A	N/A	1.10%
Pavilion At Plantation Way	Market	Family	240	N/A	N/A	N/A	N/A	N/A	7.10%

We were able to obtain the historical vacancy rates for the LIHTC comparables over the last six years. However, we were not able to obtain all the historical vacancy rates for each individual year. In general, the comparable properties have maintained low vacancy rates. Overall, the local market is stable and has successfully absorbed additions to supply while maintaining low vacancy rates.

Change in Rental Rates

The following table illustrates changes in rent among the comparable properties.

RENT GROWTH

Comparable Property	Rent Structure	Tenancy	Rent Growth
Ashton Hill Apartments	LIHTC	Senior	60% increased less than 1%
Baltic Park Apartments	LIHTC/PBRA	Senior	2BR increased 1%
Bartlett Crossing	LIHTC/PBRA	Family	Limited increases and decreases
Pinewood Park	LIHTC/Market	Family	None
West Club Apartments	LIHTC	Family	None
Ansley Village Apartments	Market	Family	Change daily, upward trending
Austin Chase Apartments	Market	Family	Change daily, upward trending
Estates At Barrington	Market	Family	Change daily, upward trending
Hunter's Run Apartments	Market	Family	None
Pavilion At Plantation Way	Market	Family	None

Overall, rent growth in the local market has been limited. Three of the five LIHTC comparables reported small rent increases. Three of the five comparable market rate properties have rents that change daily. It is positive to note that these properties reported upward trending rents over the past year. The 2015 AMI remains below the 2012 AMI; therefore, LIHTC properties will continue to be held harmless. The Subject's 50 and 60 percent rents are set slightly below the maximum allowable levels. Therefore, the Subject's future rent growth will not be determined by increases in AMI.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to www.RealtyTrac.com, one in every 765 homes in Macon, GA was in foreclosure, as of March 2016. Nationally, one in every 1,212 homes was in foreclosure and one in every 1,109 homes in Georgia was in foreclosure. As indicated, Macon has a higher foreclosure rate than Georgia and the nation as a whole. Overall, it appears that the local market is faring worse than the state and nation as a whole in terms of foreclosure rates. There appeared to be a few vacant/abandoned homes in the Subject's immediate neighborhood. In fact, the homes in the Subject's immediate neighborhood are in good to excellent condition.

12. Primary Housing Void

The comparable LIHTC properties are exhibiting a weighted average vacancy rate of 2.7 percent, which is considered healthy. Based on the demand analysis, performance of the comparable properties, and conversations with local property managers, we believe there is demand for additional family affordable housing in the local market.

13. Affect of Subject on Other Affordable Units in Market

There are no proposed senior LIHTC or market rate properties proposed in the Subject's PMA. The comparable LIHTC properties are exhibiting a weighted average vacancy rate of 2.7 percent. Historically, most of the LIHTC comparables have maintained vacancy rates below five percent. Four of the five comparable LIHTC properties maintain waiting lists, including both senior LIHTC properties.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.7 percent. Additionally, both senior LIHTC comparables are fully occupied with waiting lists. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject will offer some of the smallest one, two, and three-bedroom unit sizes in the market. Ashton Hill, a senior LIHTC property, offers similar one and two-bedroom unit sizes when compared to the Subject. This property is fully occupied with a waiting list. Therefore, we do not believe that the Subject's small unit sizes will negatively impact its performance. Of the Subject's 90 units, 84 will target one and two-person households. The Subject will also offer six, three-bedroom units. Although three-bedroom units are not common among senior properties in the local market, three-bedroom senior units have been well-received at other senior properties state-wide. Therefore, we expect that the Subject's three-bedroom units will also be well-received. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior housing in the Subject's market area, we believe that the Subject is feasible as proposed.

I. ABSORPTION & STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. We were able to obtain absorption information from three comparable properties, illustrated following.

ABSORPTION

Comparable Property	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Bartlett Crossing	LIHTC/PBRA	Family	2012	75	8
Pinewood Park	LIHTC/Market	Family	2006	148	23
Baltic Park Apartments	LIHTC/PBRA	Senior	2003	82	27

Bartlett Crossing was the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of eight units per month, slower than the LIHTC properties constructed in 2003 and 2006. According to Bartlett Crossing’s developer, eight units were delivered per month as the buildings received their certificates of occupancy. Therefore, the absorption pace was limited by completion of the project and is not a reflection of the overall demand in the local market. Based on the absorption paces reported by the comparable LIHTC properties, the waiting lists at most of the LIHTC properties, and the strong demand for affordable senior housing in Macon, we anticipate that the Subject will absorb 12 units per month, for an absorption period of seven months to reach 93 percent occupancy.

J. INTERVIEWS

INTERVIEWS

Macon Housing Authority

We spoke with Laurie Chapman, Section 8 Manager with the Macon Housing Authority. According to Ms. Chapman, the Housing Authority is allocated 3,564 Housing Choice Vouchers. Currently 3,109 vouchers are in use and more than 200 voucher holders searching for housing. The housing authority currently has a waiting list of 1,625 households. The waiting list is currently closed; it was open for one week in December 2014. Ms. Chapman indicated that the waiting list will be re-opened when the current waiting list is depleted. According to Ms. Chapman, many of the existing Tindall Heights residents that are being relocated are finding it hard to locate one-bedroom units. However, most demand from the existing waiting list is for two and three-bedroom units. The current payment standards for Macon-Bibb County can be found in the following table.

Payment Standards	
1BR	\$610
2BR	\$700
3BR	\$950

Source: Macon Housing Authority, May 2016

With the exception of the Subject’s two-bedroom 60 percent rents, the Subject’s proposed gross rents are below the payment standards. The Subject’s proposed two-bedroom 60 percent AMI gross rents are \$4 above the payment standards.

Planning

We spoke with a representative of the Macon-Bibb County Planning and Zoning Commission who referred us to the list of permits issued in 2015 and 2016. According to the most recent permits, there are no proposed market rate multifamily developments in the PMA.

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

K. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- The PMA is expected to experience moderate senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 1.1 percent from 2015 through 2020, which is lower than the growth rates of the MSA and nation as a whole, but positive nonetheless. In 2015, approximately 28 percent of the PMA's population was 55 years old or older. The population 55 and older is expected to account for nearly 30 percent of the total population by 2020. Owner-occupied housing units dominate the housing market in the PMA. However, senior renter-occupied units accounted for 30.6 percent of the total housing stock in the PMA in 2015. This rate is significantly higher than the national average of 13.0 percent for senior households. The Subject will target senior households earning \$14,580 to \$25,320 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 36.1 percent of senior households in the PMA earned incomes between \$10,000 and \$29,999 in 2015. For the projected market entry date of October 2018, this percentage is projected to remain the same. As the senior population and number of households increase, there is expected to be a greater number of lower-income senior renters seeking affordable housing.
- Health care/social assistance, retail trade, and educational services are the largest industries within the PMA. These industries account for approximately 39 percent of total employment within the PMA. With the exception of retail trade, these industries have historically been stable, with health care/social assistance experiencing strong growth over the past decade. In general, the area is not overly reliant on a single industry.

The local area was affected by a declining manufacturing presence as manufacturing declined 3.0 percent annually from 2000 to 2015. During the national recession, the local economy experienced a larger decrease in total employment than the nation as a whole. With the exception of 2013, total employment has increased every year since 2011. The unemployment rate in the MSA peaked in 2010 at 11.3 percent and has since declined to 6.0 percent as of February 2016. Overall, the local economy is underperforming the nation as a whole. As the recent data suggests, the MSA is still recovering from the most recent national recession, as total employment has not surpassed pre-recessionary levels but appears to be expanding. However, we do not expect the slightly underperforming local economy to affect the performance of the Subject. Further, there is strong demand for affordable senior housing in the PMA based on the demand analysis as well as the current performance of senior comparable properties.

- The Subject's 50 percent capture rates range from 4.3 to 10.1 percent, with an overall capture rate of 5.7 percent. The Subject's 60 percent AMI capture rates range from 36.4 to 54.1 percent, with an overall capture rate of 49.6 percent. The Subject's market rate capture rates range from 1.7 to 4.3 percent, with an overall capture rate of 2.1 percent. The overall capture rate for the Subject's 50 and 60 percent units is 16.9 percent. Therefore, we believe there is adequate demand for the Subject.

- Vacancy rates in the market range from zero to 7.1 percent, with a weighted average of 3.4 percent. West Club Apartments and Pavilion at Plantation Way have slightly elevated vacancy rates. West Club Apartments has historically experienced above average vacancy. According to management, five of the 10 vacant units are pre-leased or have pending applications. West Club Apartments is the oldest surveyed LIHTC property and is slightly inferior to the remaining LIHTC comparables in terms of age and condition. We believe the property's overall condition has contributed to its elevated vacancy rate. According to management at Pavilion at Plantation Way, vacancy typically increases from May through July while a significant number of units are being turned over. Overall, we do not believe the elevated vacancy rates at these properties are cause for concern. The comparable senior properties reported zero vacancies. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.
- Four of the 10 comparables maintain waiting lists. The presence of waiting lists at the senior LIHTC comparables is a positive indication of a strong senior rental market. Based on the performance of the comparable properties, we expect the Subject to maintain a short waiting list, at a minimum, following stabilization.
- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.7 percent. Additionally, both senior LIHTC comparables are fully occupied with waiting lists. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject will offer some of the smallest one, two, and three-bedroom unit sizes in the market. Ashton Hill, a senior LIHTC property, offers similar one and two-bedroom unit sizes when compared to the Subject. This property is fully occupied with a waiting list. Therefore, we do not believe that the Subject's small unit sizes will negatively impact its performance. Of the Subject's 90 units, 84 will target one and two-person households. The Subject will also offer six, three-bedroom units. Although three-bedroom units are not common among senior properties in the local market, three-bedroom senior units have been well-received at other senior properties state-wide. Therefore, we expect that the Subject's three-bedroom units will also be well-received. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior housing in the Subject's market area, we believe that the Subject is feasible as proposed.

Recommendations

- We have no recommendations for the proposed Subject development.

L. SIGNED STATEMENT REQUIREMENTS

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



Rebecca S. Arthur, MAI
Partner
Novogradac & Company LLP

June 2, 2016
Date



Edward R. Mitchell, MAI
Manager

June 2, 2016
Date



Brendan Kelly
Senior Analyst

June 2, 2016
Date



Brian Neukam
Real Estate Analyst

June 2, 2016
Date

M. MARKET STUDY REPRESENTATION

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



Rebecca S. Arthur, MAI
Partner
Novogradac & Company LLP

June 2, 2016
Date



Edward R. Mitchell, MAI
Manager

June 2, 2016
Date



Brendan Kelly
Real Estate Analyst

June 2, 2016
Date



Brian Neukam
Real Estate Analyst

June 2, 2016
Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014
Member of Commercial Real Estate Women (CREW) Network
Member of National Council of Housing Market Analysts (NCHMA)

State of Arkansas Certified General Real Estate Appraiser No. CG2682N
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Michigan Certified General Real Estate Appraiser No. 1201074011
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New Mexico Certified General Real Estate Appraiser No. 02511-G
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
Forecasting Revenue, December 2012
USPAP Update, May 2012
How to Analyze and Value Income Properties, May 2011
Appraising Apartments – The Basics, May 2011
Business Practices and Ethics, December 2010

HUD MAP Third Party Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

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

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.

- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing Meetings

STATEMENT OF PROFESSIONAL QUALIFICATIONS

EDWARD R. MITCHELL, MAI

I. Education

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

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

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

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

II. Work History

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

III. Relevant Experience

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

IV. Certifications & Licenses

- Alabama State Certified General Real Property Appraiser #G01192
- Florida State Certified General Real Property Appraiser #RZ3784
- Georgia State Certified General Real Property Appraiser #4649
- Mississippi State Certified Real Property Appraiser #GA 1135
- North Carolina State Certified General Real Property Appraiser #A7996
- South Carolina State Certified General Property Appraiser #7354
- West Virginia State Certified Real Property Appraiser #CG 524
- Licensed Real Estate Salesperson (Georgia)

STATEMENT OF PROFESSIONAL QUALIFICATIONS BRENDAN KELLY

I. Education

Pennsylvania State University, University Park, PA
Bachelor of Science in Finance

II. Professional Experience

Independent Real Estate Analyst
Senior Real Estate Analyst, Novogradac & Company LLP
Research Assistant, Novogradac & Company LLP

III. Real Estate Assignments

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

- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies according to HUD guidelines.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Work assignments completed in various states include: Alaska, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Florida, Georgia, Hawaii, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, Texas, Utah, Washington, West Virginia, Wisconsin, Wyoming, and Virginia.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

PROFESSIONAL TRAINING

National USPAP and USPAP Updates
General Appraiser Market Analysis and Highest & Best Use
General Appraiser Sales Comparison Approach
General Appraiser Site Valuation and Cost Approach
General Appraiser Income Capitalization Approach I and II
General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Real Estate Analyst, September 2015- Present

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

REAL ESTATE ASSIGNMENTS

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.