



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

**The Village at Winding Road II  
300 Winding Road  
St. Marys, Camden County, Georgia**

**Effective Date: April 21, 2016  
Report Date: May 31, 2016**

*Prepared For*

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May 31, 2016

Mr. Bill Gross  
WH Gross Construction Company  
P.O. Box 365  
Kingsland, GA 31548

**Re: Market Study for The Village at Winding Road II located in St. Marys, Georgia**

Dear Mr. Gross:

At your request, Novogradac & Company LLP performed a market study of the rental market in the St. Marys, 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 proposed family development, The Village at Winding Road II, consisting of 70 revenue generating 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 Department of Community Affairs (DCA), including the following:

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

Mr. Gross  
WH Gross Construction Company  
May 31, 2016

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

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

Respectfully submitted,



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## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

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

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

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Addendum

## **A. EXECUTIVE SUMMARY AND CONCLUSIONS**

**EXECUTIVE SUMMARY AND CONCLUSIONS**

**1. Project Description:**

The Village at Winding Road II will be a newly constructed family property located in St. Marys, Georgia, which will consist of 18 one-story, residential buildings in addition to one community building.

The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowances.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance *	Gross Rent	2015 LIHTC Maximum Allowable Gross Rent*	2015 HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	820	11	\$425	\$149	\$574	\$613	\$575
2BR/2BA	1,010	8	\$500	\$192	\$692	\$736	\$778
3BR/2BA	1,145	2	\$535	\$234	\$769	\$850	\$1,081
<i>60% AMI</i>							
1BR/1BA	820	19	\$440	\$149	\$589	\$736	\$575
2BR/2BA	1010	25	\$515	\$192	\$707	\$883	\$778
3BR/2BA	1,145	4	\$595	\$234	\$829	\$1,020	\$1,081
<i>Unrestricted</i>							
3BR/2BA	1,145	<u>1</u>	\$660	N/A	N/A	N/A	\$1,081
<b>Total</b>		<b>70</b>					

\*Per the Georgia DCA 2016 guidelines, the market study analyst must use the maximum rent and income limits and utility allowances effective as of January 1, 2016. The GA DCA utility allowance is effective as of 7/1/2015 and the 2016 rent and income limits as of 3/28/2016; therefore, we have utilized the 2015 utility allowances and maximum rent and income limits.

The Subject will offer the following amenities: patios, blinds, carpeting, central air conditioning, coat closets, dishwashers, ceiling fans, garbage disposals, hand rails, microwaves, ovens, refrigerators, in-unit washers and dryers, walk-in closets, a business center/computer lab, a clubhouse/community room, an exercise facility, off-street parking and on-site management. Overall, the Subject’s amenities will be competitive with those offered at the comparable properties.

**2. Site Description/Evaluation:**

The Subject site is located on the east side of Winding Road. The Subject site is currently wooded land. Adjacent north of the Subject site is wooded land. Directly east of the Subject site is the Camden County PSA Soccer Complex, which exhibits average condition. Phase I of The Village at Winding Road is located immediately south of the Subject site. Phase I was built in 2013 and is currently in excellent condition. This 50-unit LIHTC property offers one and

two-bedroom units restricted to seniors age 55 and older, and currently exhibits zero percent vacancy. Adjacent west of the Subject site is vacant land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 27 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a residential neighborhood. The uses surrounding the Subject are in average to excellent condition. The Subject site is located within 6.3 miles of locational amenities.

### **3. Market Area Definition:**

The PMA is defined as the portion of Camden County south of the Satilla River. The PMA is bounded to the north by the Satilla River; to the east by the Atlantic Ocean; to the south by the Georgia-Florida state border; and to the west by the Camden-Charlton County border. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2016 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is approximately 18.5 miles.

### **4. Community Demographic Data:**

The population in the PMA and the SMA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2016. The rate of population and household growth is projected to continue slowing through 2020. Renter households are concentrated in the lowest income cohorts, with 43.5 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$19,680 and \$42,420 for its LIHTC units and up to \$70,700 for its market rate unit; therefore, the Subject should be well-positioned to service this market. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### **5. Economic Data:**

Employment in the PMA is concentrated in five industries which represent approximately 60 percent of total local employment. However, three of those industries, public administration, educational services, and health care/social assistance, are resilient during periods of economic downturn. Furthermore, Naval Submarine Base Kings Bay

is the area’s largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures.

Overall, the SMA has experienced moderate to strong total employment growth from 2011 through February 2016. As of February 2016, total employment in the SMA was 3.9 percent greater than its pre-recession peak, while national employment was 2.7 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2016 was 5.3 percent, 10 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 9.9 percent. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

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

Our demand analysis indicates that there are 3,712 income qualified renter households in the PMA. The following table indicates the capture rates for the Subject’s units.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR @ 50%	\$19,680-\$26,200	11	160	0	160	6.9%
2BR @ 50%	\$23,725-\$29,450	8	224	0	224	3.6%
3BR @ 50%	\$26,366-\$35,350	2	120	0	120	1.7%
50% Overall	\$19,680-\$35,350	21	505	0	505	4.2%
1BR @ 60%	\$20,194-\$31,440	19	220	0	220	8.6%
2BR @ 60%	\$24,240-\$35,340	25	307	0	307	8.1%
3BR @ 60%	\$26,366-\$42,420	4	165	0	165	2.4%
60% Overall	\$20,194-\$42,420	48	692	0	692	6.9%
3BR Unrestricted	\$22,629-\$70,700	1	294	0	294	0.3%
1BR Overall	\$19,680-\$31,440	30	425	0	425	7.1%
2BR Overall	\$23,725-\$35,340	33	594	0	594	5.6%
3BR Overall	\$22,629-\$70,700	1	319	0	319	0.3%
Total Overall	\$19,680-\$35,340	69	1,338	0	1338	5.2%

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

**7. Competitive Rental Analysis:**

The availability of LIHTC data is considered good; there are nine LIHTC properties in the PMA. However, the first

phase of the Subject has been excluded due to its senior tenancy although we have included data regarding this property's performance throughout this report. We have included one mixed-tenancy comparable property. The other three LIHTC properties target the general population and offer similar unit types in comparison to the proposed Subject. However, none of the family LIHTC comparables in the PMA offer one-bedroom units. The comparable LIHTC properties are all located in the PMA, between 2.2 and 6.3 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in St. Marys and there are several market-rate properties in the area. We have included four conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 1.9 and 5.5 miles from the Subject site. These comparables were built or renovated between 1986 and 2009. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types. Harbor Pines Apartments, a market-rate property in the PMA, was excluded as we were unable to contact a management representative willing to provide information for our survey.

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%	\$425	\$400	\$892	\$584	27%
2 BR @ 50%	\$500	\$473	\$1,049	\$747	33%
3 BR @ 50%	\$535	\$551	\$1,196	\$769	30%
1 BR @ 60%	\$440	\$469	\$892	\$637	31%
2 BR @ 60%	\$515	\$557	\$1,049	\$799	36%
3 BR @ 60%	\$595	\$634	\$1,196	\$861	31%
3BR Unrestricted	\$660	\$665	\$1,196	\$968	32%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed rents are within the surveyed range of LIHTC and market rents, with the exception of one-bedroom units restricted to 60 percent of the AMI and the Subject’s unrestricted three-bedroom unit. Park Place is achieving the highest one, two and three-bedroom unrestricted rents in the market.

The Subject will be superior to Park Place as a market-rate property. Park Place was built in 1988 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s garden-style design is also considered inferior to the Subject’s one-story design. Park Place is located 2.9 miles from the Subject site and offers a similar location. Park Place offers inferior in-unit amenities compared to the Subject’s proposed floor plans for lacking a microwave and in-unit washers and dryers. However, Park Place’s community amenities are considered superior to the Subject, as it offers a swimming pool, tennis court and basketball court. The one, two and three-bedroom rents at Park Place are approximately 50 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Additionally, the three-bedroom rents at Park Place are approximately 40 percent higher than the Subject’s proposed unrestricted unit. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

Two comparable properties, Ashton Cove Apartments and The Reserve at Sugar Mill, reported achieving rents at the 2015 maximum allowable rent level. However, the rents at Ashton Cove Apartments appear to be below the maximum

allowable levels. This is most likely due to differences in this property's utility structure and allowance from the Subject's proposed utility structure. Royal Point Apartments appears to be achieving rents significantly higher than the 2015 maximum allowable net rents. This is also most likely due to differences in this property's utility structure and allowance. Royal Point Apartments is maintaining a moderate vacancy rate and a waiting list of 12 households, indicating that its rents are sustainable in the market. The first phase of the Subject is achieving rents near the maximum allowable levels for its units restricted to 50 percent of the AMI, but well below the maximum allowable rents at the 60 percent of AMI level.

The Reserve at Sugar Mill and Royal Point Apartments are considered the most comparable LIHTC properties to the Subject. The Reserve at Sugar Mill, which is located 2.2 miles from the Subject, is considered slightly inferior to the proposed Subject. The unit sizes at The Reserve at Sugar Mill are inferior to the proposed unit sizes at the Subject, which demonstrates the competitiveness of the Subject's proposed unit sizes. The Subject will offer slightly superior property amenities since The Reserve at Sugar Mill lacks a business center, which will be offered at the Subject. The Subject will offer similar in-unit amenities to this property as it offers exterior storage, which the Subject will lack, but does not offer microwaves, which the Subject is proposed to offer. The Reserve at Sugar Mill was built in 1997 but was extensively renovated in 2013 and exhibits excellent condition. The Subject will be completed in 2017 and will exhibit excellent condition, similar to this property. The Subject will offer a one-story design, which is generally considered superior to the garden-style design that The Reserve at Sugar Mill offers. This comparable property exhibits elevated vacancy at 7.1 percent, and does not maintain a waiting list. All of the vacant units are restricted to 60 percent of the AMI. The contact at this property mentioned that most prospective tenants are over-income qualified, but based on the reported low vacancy rates among other LIHTC comparable properties and the historic performance of this property, we believe that the current elevated vacancy rate may be due to property-specific issues. The Reserve at Sugar Mill's performance indicates that the maximum allowable LIHTC rents at 50 percent of the AMI are achievable in the market. Based on the Subject's anticipated superiority to The Reserve at Sugar Mill, it should be able to achieve similar to higher rents.

Royal Point Apartments is located 2.7 miles from the Subject site in Kingsland and is considered slightly inferior to the proposed Subject. This property offers slightly inferior unit sizes compared to the proposed Subject, further supporting the competitiveness of the Subject's unit sizes. This property offers slightly superior property amenities compared to the proposed Subject, as it offers a basketball court, a playground, a sport court, and a swimming pool, all of which the proposed Subject will lack. However, Royal Point Apartments does not offer balconies or patios or in-unit washers and dryers, and therefore offers inferior in-unit amenities compared to the proposed Subject. This comparable property was built in 2000 and exhibits average condition, which will be considered inferior to the proposed Subject. This property exhibits 2.8 percent vacancy and maintains a waiting list of 12 households while achieving the maximum allowable LIHTC rents. As the Subject will be newly constructed and offer a competitive amenity package, we believe that the Subject should be able to achieve similar or higher LIHTC rents than Royal Point Apartments.

The two most similar comparable properties to the Subject are achieving the 2015 maximum allowable LIHTC net rents for their two and three-bedroom units restricted to 50 percent of the AMI. While The Reserve at Sugar Mill exhibits elevated vacancy, all of its units restricted to households earning 50 percent of the AMI or less are occupied. Royal Point Apartments exhibits low vacancy and maintains a waiting list. Furthermore, the first phase of the Subject exhibits zero percent vacancy and maintains a substantial waiting list. While the LIHTC comparable properties currently exhibit a moderate average weighted vacancy rate, we believe that the presence of waiting lists and rent growth at several comparable properties are indicative of demand for affordable housing in the marketplace. As such, we believe the Subject is feasible as proposed.

## **8. Absorption/Stabilization**

### **Estimate:**

We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included the first phase of the Subject as well as one additional property that was excluded from our competitive analysis, but was leased more recently than the remainder of the comparable properties.

**ABSORPTION**

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Village at Winding Road	LIHTC	Senior	2013	50	13
Caney Heights	LIHTC	Family	2012	28	6
Kings Grant Apartments	LIHTC	Family	2009	60	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, the first phase of the Subject’s development, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as it only offers three and four-bedroom units. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in St. Marys, we anticipate that the Subject will absorb 13 units per month, for an absorption period of five months.

**9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 4.3 percent, which is considered moderate. However, three of the four vacant units at Kings Grant Apartments and the two vacant units at Ashton Cove Apartments have been pre-leased. Furthermore, Ashton Cove and Royal Point both maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer microwaves, in-unit washers and dryers, walk-in closets, a business center, community room and exercise facility which several of the comparable properties lack. Overall, we believe that the

proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. Additionally, the Subject will offer one-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted, one-bedroom units. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

**Summary Table:**

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

Development Name:	<b>The Village at Winding Road II</b>	Total # Units:	<b>70</b>
Location:	300 Winding Road	# LIHTC Units:	<b>70</b>
	St. Marys, GA		
PMA Boundary:	North: Satilla River; South: Florida-Georgia State Line; East: Atlantic Ocean; West: Camden-Charlton County border		
	Farthest Boundary Distance to Subject:		18.5 miles

**Rental Housing Stock (found on page 61)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	25	2,052	28	97.9%
Market-Rate Housing	10	1,089	14	97.6%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	7	475	4	98.0%
<b>LIHTC</b>	8	488	10	98.0%
Stabilized Comps	25	2,052	28	97.9%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

\*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
11	1BR at 50% AMI	1	820	\$425	\$584	\$0.71	27%	\$892	\$1.27
8	2BR at 50% AMI	2	1,010	\$500	\$745	\$0.74	33%	\$1,049	\$1.10
2	3BR at 50% AMI	2	1,145	\$535	\$769	\$0.67	30%	\$1,196	\$1.09
19	1BR at 60% AMI	1	820	\$440	\$637	\$0.78	31%	\$892	\$1.27
25	2BR at 60% AMI	2	1,010	\$515	\$797	\$0.79	35%	\$1,049	\$1.10
4	3BR at 60% AMI	2	1,145	\$595	\$861	\$0.75	31%	\$1,196	\$1.09
1	3BR Unrestricted	2	1,145	\$660	\$968	\$0.85	32%	\$1,196	\$1.09

**Demographic Data (found on page 28)**

	2010		2016		Dec-18	
Renter Households	6,061	36.10%	6,891	39.20%	7,079	39.40%
Income-Qualified Renter HHs (LIHTC)	3,178	52.44%	3,614	52.44%	3,712	52.44%

**Targeted Income-Qualified Renter Household Demand (found on pages 41 to 59)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	37	51	91	N/Ap	99
Existing Households (Overburdened + Substandard)	N/Ap	503	689	1230	N/Ap	1,332
Homeowner conversion (Seniors)	N/Ap	0	0	0	N/Ap	0
<b>Total Primary Market Demand</b>	<b>N/Ap</b>	<b>540</b>	<b>740</b>	<b>1321</b>	<b>N/Ap</b>	<b>1431</b>
Less Comparable/Competitive Supply	N/Ap	0	0	0	N/Ap	0
<b>Adjusted Income-qualified Renter HHs**</b>	<b>N/Ap</b>	<b>540</b>	<b>740</b>	<b>1321</b>	<b>N/Ap</b>	<b>1,431</b>

**Capture Rates (found on page 59)**

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	4.20%	6.90%	0.30%	N/Ap	5.20%

\*Includes LIHTC and unrestricted (when applicable)

\*\*Not adjusted for demand by bedroom-type.

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

**Project Address and Development Location:**

The Subject site is located 300 Winding Road in St. Marys, Camden County, Georgia 31558. The site is currently vacant.

**Construction Type:**

The Subject will consist of 18 one-story, residential buildings in addition to one community building.

**Occupancy Type:**

Families.

**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:**

According to the developer, none of the units will operate with an additional Project-Based Rental Assistance subsidy.

**Proposed Development Amenities: See following property profile.**

The Village At Winding Road II

**Location** 300 Winding Road  
St. Mary's, GA 31558  
Camden County

**Units** 70

**Type** One-story

**Year Built / Renovated** 2018 / n/a



**Market**

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

**Annual Turnover Rate** N/A

**Units/Month Absorbed** n/a

**Section 8 Tenants** N/A

**Leasing Pace** n/a

**Change in Rent (Past Year)** n/a

**Concession**

**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?
1	1	One-story	11	820	\$425	\$0	@50%	n/a	N/A	N/A	no
1	1	One-story	19	820	\$440	\$0	@60%	n/a	N/A	N/A	no
2	2	One-story	8	1,010	\$500	\$0	@50%	n/a	N/A	N/A	no
2	2	One-story	25	1,010	\$515	\$0	@60%	n/a	N/A	N/A	no
3	2	One-story	2	1,145	\$535	\$0	@50%	n/a	N/A	N/A	no
3	2	One-story	4	1,145	\$595	\$0	@60%	n/a	N/A	N/A	no
3	2	One-story	1	1,145	\$660	\$0	Market	n/a	N/A	N/A	n/a

**Amenities**

**In-Unit** Balcony/Patio  
Blinds  
Central A/C  
Coat Closet  
Dishwasher  
Ceiling Fan  
Garbage Disposal  
Oven  
Refrigerator  
Walk-In Closet  
Washer/Dryer

**Property** Washer/Dryer hookup  
Business Center/Computer Lab  
Clubhouse/Meeting Room/Community Room  
Courtyard  
Exercise Facility  
Off-Street Parking  
On-Site Management  
Picnic Area

**Services** none

**Security** none

**Premium** none

**Other** none

<b>Scope of Renovations:</b>	<b>The Subject will be new construction.</b>
<b>Current Rents:</b>	<b>The Subject will be new construction.</b>
<b>Current Occupancy:</b>	<b>The Subject will be new construction.</b>
<b>Current Tenant Income:</b>	<b>The Subject will be new construction.</b>
<b>Placed in Service Date:</b>	The Subject is expected to be completed by December 2018.
<b>Conclusion:</b>	The Subject will be an excellent-quality, one-story apartment complex, comparable or superior to all of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

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

James Mitman visited the site on April 21, 2016.

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

The following illustrates the physical features of the site.

*Frontage:*

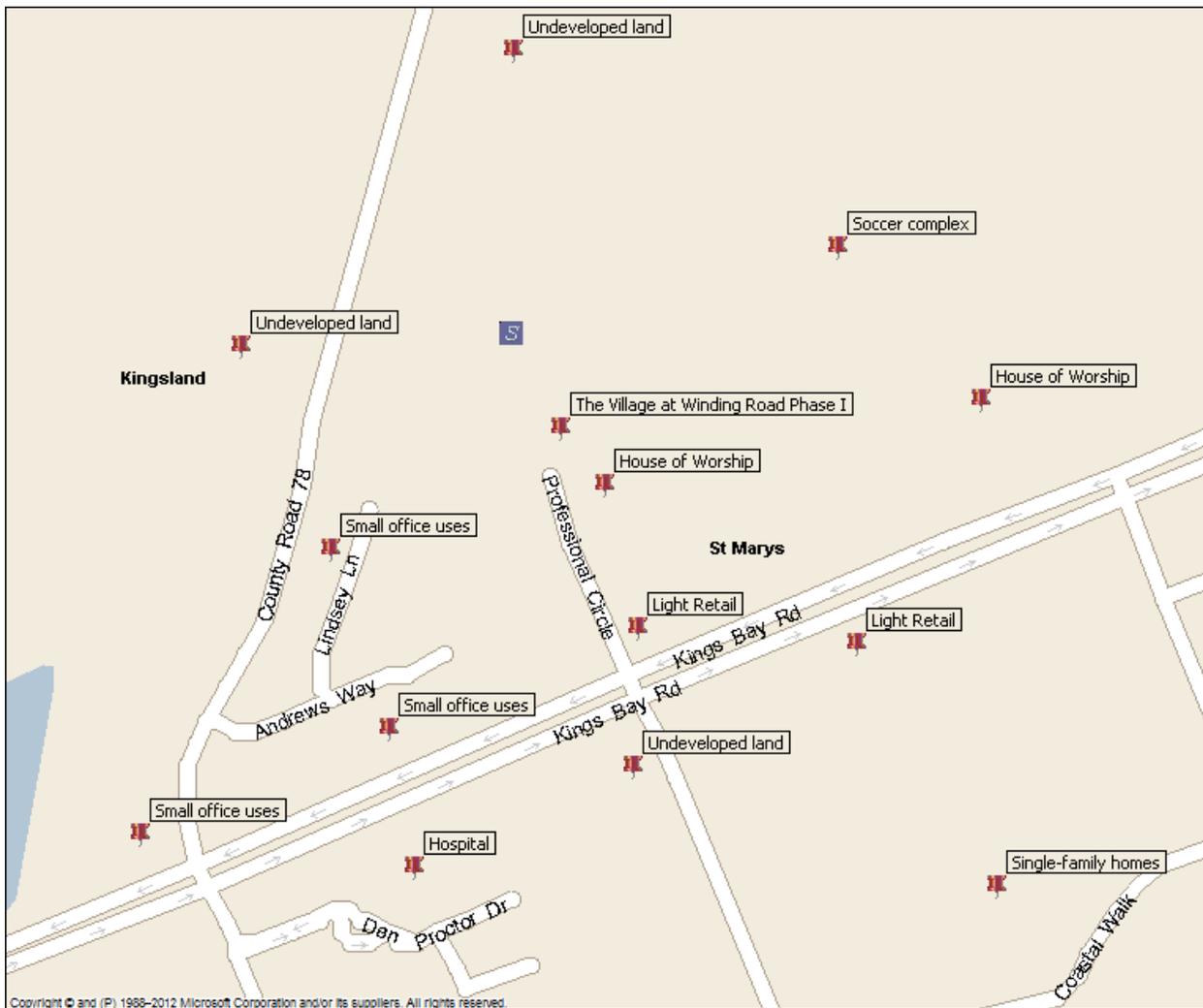
The Subject site has frontage along the east side of Winding Road.

*Visibility/Views:*

The Subject will be located on Krayons Court, on the eastern side of Winding Road. Visibility and views from the site will be good and initially will include vacant land, the first phase of The Village at Winding Road, and soccer fields.

*Surrounding Uses:*

The following map illustrates the surrounding land uses.



The Subject site is located on the east side of Winding Road. The Subject site is currently wooded land. Adjacent

north of the Subject site is wooded land. Directly east of the Subject site is the Camden County PSA Soccer Complex, which exhibits average condition. Phase I of The Village at Winding Road is located immediately south of the Subject site. Phase I was built in 2013 and is currently in excellent condition. This 50-unit LIHTC property offers one and two-bedroom units restricted to seniors age 55 and older, and currently exhibits zero percent vacancy. Adjacent west of the Subject site is vacant land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 27 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a residential neighborhood. The uses surrounding the Subject are in average to excellent condition. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities, which are within 6.3 miles of the Subject site.

*Positive/Negative Attributes of Site:* The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes. The Subject site is located 7.4 miles from Historic St. Marys. Additionally, the Subject site is within close proximity to Interstate 95, which provides convenient access to other employment centers.

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

The Subject is located within 6.3 miles of all locational amenities. Additionally, it is within four miles of the naval base, which is the area's largest employer.

4. Pictures of Site and Adjacent Uses:



*Subject site*



*Subject site*



*Subject site*



*Subject site*



*Subject site*



*Subject site*



*View north on Winding Road*



*View south on Winding Road*



*View south on Professional Circle from Subject site*



*The Village at Winding Road – First phase of Subject development*



*The Village at Winding Road – First phase of Subject development*



*School south of the Subject site*



*House of worship north of Subject site*



*Memorial space north of Subject site*



*Single-family home in Subject's neighborhood*



*Medical office south of Subject site*



*Commercial uses south of Subject site*



*Commercial uses south of Subject site*



*Single-family home east of Subject site*



*Single-family homes east of Subject site*



*Commercial uses south of Subject site*



*Hospital southwest of Subject site*



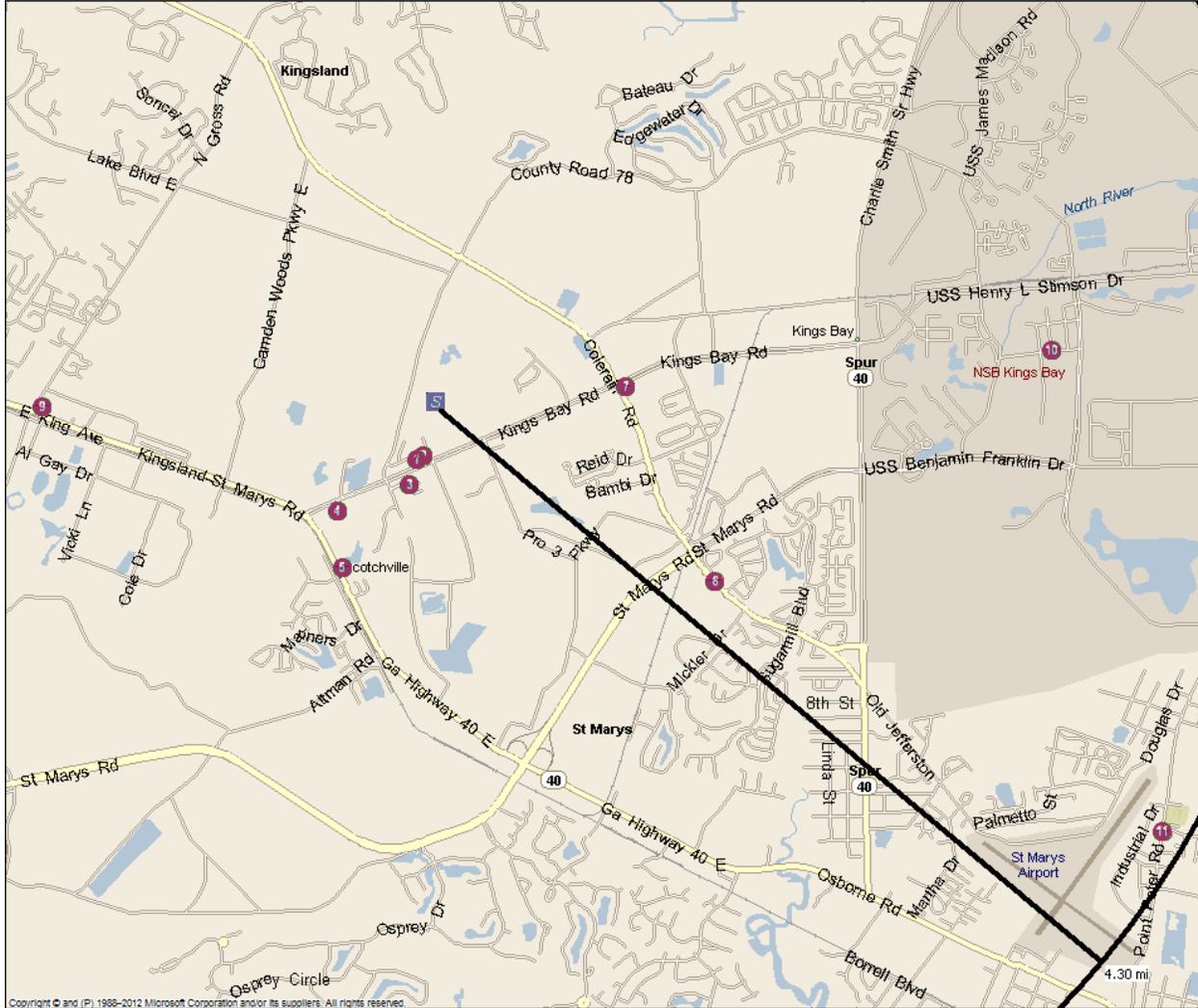
*Commercial uses south of Subject site*



*Commercial uses south of Subject site*

**5. Proximity to Locational Amenities:**

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



**LOCATIONAL AMENITIES**

#	Service or Amenity	Distance from Subject
1	Camden Pharmacy	0.2 miles
2	Dollar General	0.2 miles
3	Southeast Georgia Health System- Camden Campus	0.5 miles
4	Walmart Supercenter	0.8 miles
5	Gas Station	1.4 miles
6	Publix Supermarket	1.5 miles
7	Citizens State Bank	1.7 miles
8	St. Marys Fire Station	2.1 miles
9	Camden Public Library	2.2 miles
10	US Post Office	2.7 miles
11	St. Marys Police Department	6.3 miles

**6. Description of Land Uses:**

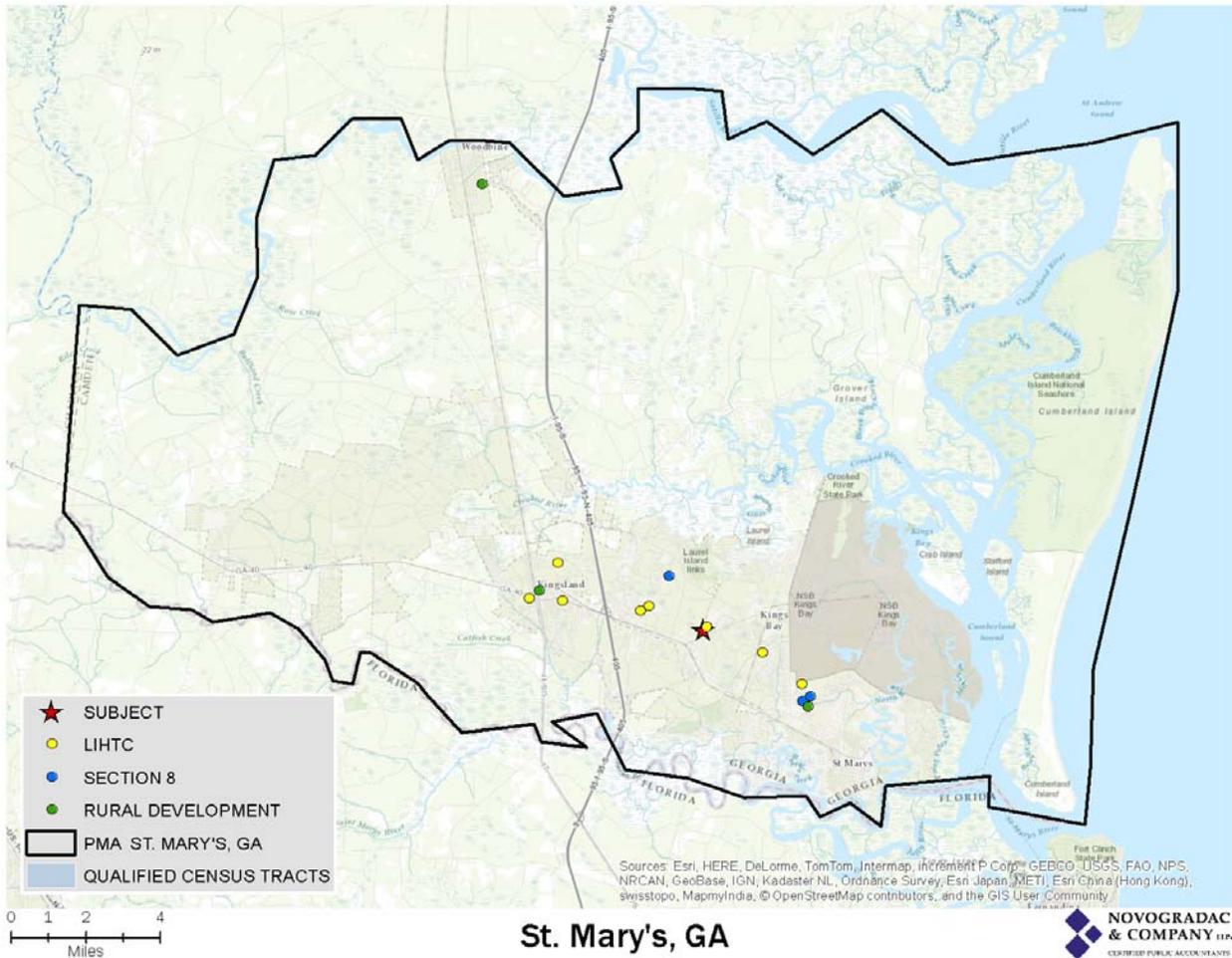
The Subject site is located on the east side of Winding Road. The Subject site is currently wooded land. It is adjacent to phase I of The Village at Winding Road, which is located immediately south of the Subject. Phase I was built in 2013 and is currently in excellent condition. This 50-unit LIHTC property offers one and two-bedroom units restricted to seniors age 55 and older. Farther south, there are retail and office uses in average to good condition. Undeveloped land is located north and west of the Subject site. Directly east of the Subject site is the Camden County PSA Soccer Complex, which exhibits average condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 27 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 6.3 miles of the Subject site.

**7. Existing Assisted Rental Housing**

**Property Map:**

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

Property Name	Program	City	Color	Tenancy	Units	Occupancy	Reason for Exclusion
<b>The Village at Winding Road II</b>	LIHTC	St. Marys		Family	70	N/A	<b>Subject</b>
The Village at Winding Road	LIHTC	St. Marys		Senior	50	100.0%	Dissimilar tenancy
Royal Point Apartments	LIHTC	St. Marys		Family	144	97.2%	Included
The Reserve at Sugar Mill	LIHTC	Kingsland		Family	70	97.1%	Included
Ashton Cove Apartments	LIHTC	Kingsland		Mixed	72	97.2%	Included
Old Jefferson Estates	LIHTC	St. Marys		Family	62	95.0%	Dissimilar unit types
Caney Heights	LIHTC	Kingsland		Family	28	100.0%	Dissimilar unit types
Clarks Bluff Road	LIHTC	Kingsland		Family	2	N/A	Too few units
Kings Grant Apartments	LIHTC	Kingsland		Family	60	96.7%	Included
Cumberland Oaks Apartments	Section 8	St. Marys		Family	154	N/A	Subsidized
The Pines Apartments	Section 8	St. Marys		Family	70	N/A	Subsidized
The Cottages at Camden	Section 8	Kingsland		Senior	17	N/A	Subsidized
Cumberland Village	RD	St. Marys		Family	65	N/A	Subsidized
Hilltop Terrace	RD	Kingsland		Mixed	110	100.0%	Subsidized
Satilla Villas	RD	Woodbine		Family	59	N/A	Subsidized



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

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

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

The Subject site can be accessed from Kravons Court and Professional Circle, which are both two-lane, neighborhood streets. Kings Bay Road is a four-lane road that can be accessed via Professional Circle. Kings Bay Road provides access to the naval base to the east and Interstate 95 to the west. Overall, access and visibility are considered good.

**10. Environmental Concerns:**

None visible upon site inspection.

**11. Conclusion:**

The Subject site is located on the east side of Winding Road. The Subject site is currently wooded land. Surrounding uses consist of multifamily, commercial, and single-family uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of

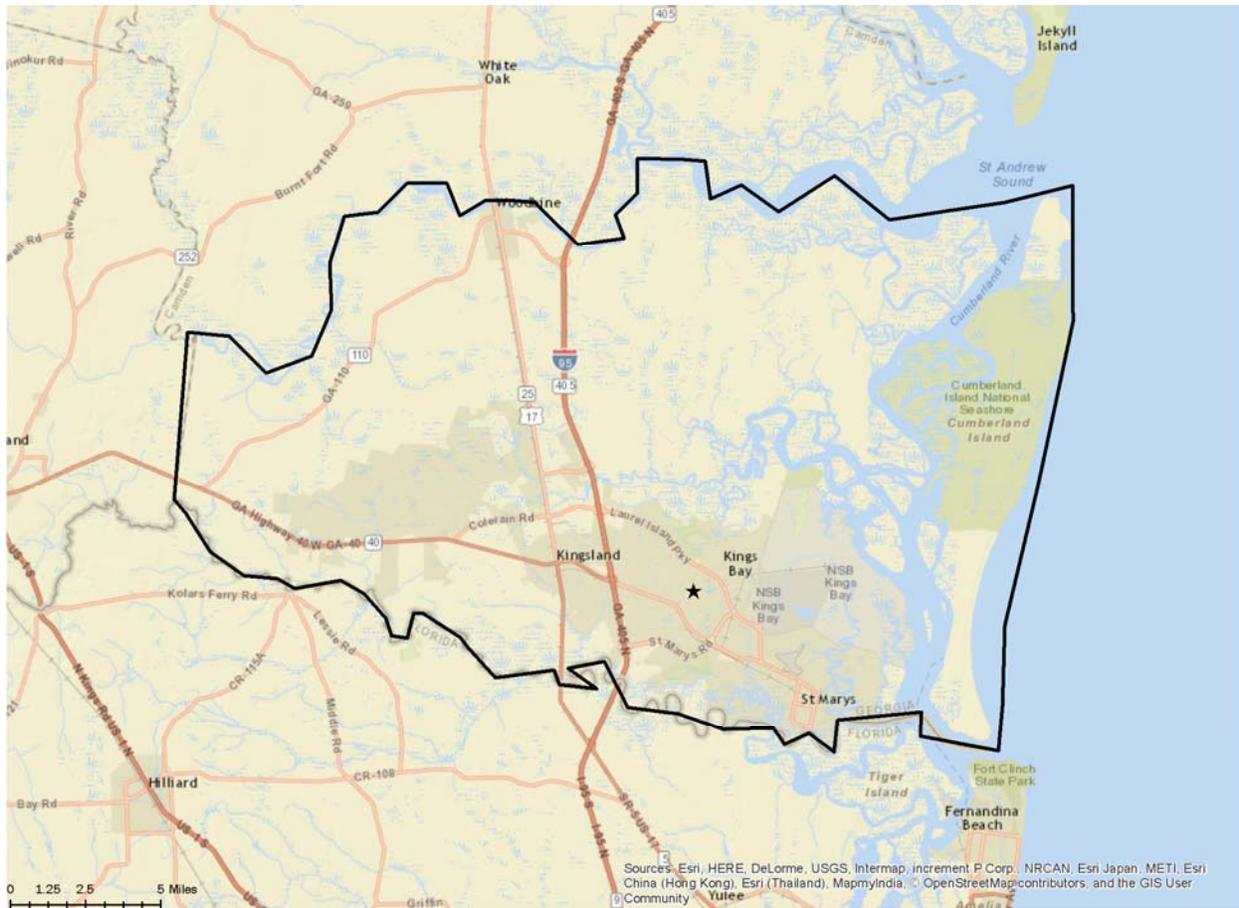
retail uses in the Subject's immediate neighborhood. The Subject site is considered "Car-Dependent" by *Walkscore* with a rating of 27 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 6.3 miles of the Subject site.

## **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**



**St. Marys, GA**

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 Secondary Market Area (SMA) are areas of growth or contraction.

The PMA is defined as the portion of Camden County south of the Satilla River. The PMA is bounded to the north by the Satilla River; to the east by the Atlantic Ocean; to the south by the Georgia-Florida state border; and to the west by the Camden-Charlton County border. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2016 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is approximately 18.5 miles.

## **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Secondary Market Area (SMA) 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 SMA.

### 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 SMA, the PMA and nationally from 2000 through 2020.

#### TOTAL POPULATION

Year	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	40,819	-	43,662	-	281,421,906	-
2010	47,399	1.6%	50,513	1.6%	308,745,538	1.0%
2016	48,933	0.5%	52,096	0.5%	318,536,439	0.5%
Projected Mkt Entry December 2018	49,706	0.5%	53,404	0.7%	326,795,299	0.8%
2021	50,064	0.5%	54,010	0.7%	330,622,575	0.8%

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

#### POPULATION BY AGE GROUP

Age Cohort	St. Marys, GA Micropolitan Statistical Area				
	2000	2010	2016	Projected Mkt Entry December 2018	2021
0-4	3,804	3,983	3,953	4,006	4,031
5-9	3,948	3,680	3,778	3,844	3,874
10-14	3,989	3,675	3,471	3,707	3,816
15-19	3,450	3,930	3,413	3,418	3,421
20-24	4,292	4,943	4,693	4,249	4,043
25-29	3,771	4,104	4,685	4,384	4,244
30-34	3,732	3,173	4,031	4,574	4,826
35-39	3,952	3,232	3,045	3,773	4,110
40-44	3,332	3,331	3,051	2,967	2,928
45-49	2,504	3,544	3,141	2,942	2,850
50-54	2,076	3,377	3,422	3,106	2,959
55-59	1,468	2,646	3,231	3,202	3,188
60-64	1,069	2,339	2,541	2,869	3,021
65-69	789	1,852	2,174	2,269	2,313
70-74	623	1,181	1,626	1,808	1,893
75-79	424	750	939	1,214	1,341
80-84	252	442	528	642	695
85+	189	331	374	431	457
<b>Total</b>	<b>43,664</b>	<b>50,513</b>	<b>52,096</b>	<b>53,404</b>	<b>54,010</b>

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

The general population in the PMA and SMA increased significantly from 2000 to 2010, with population growth slowing from 2010 to 2016. The population in both the PMA and SMA is projected to continue growing through 2020, though the growth rate in the PMA is projected to

decrease. Comparatively, the population growth rates of the SMA and nation are projected to increase. Overall, we believe that population growth in the PMA and SMA is a positive indication of demand for the Subject’s proposed units.

## 2. Household Trends

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

#### TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	13,620	-	14,705	-	105,480,101	-
2010	16,811	2.3%	18,047	2.3%	116,716,292	1.1%
2016	17,593	0.7%	18,866	0.7%	120,746,349	0.6%
Projected Mkt Entry December 2018	17,961	0.6%	19,456	0.9%	123,979,345	0.8%
2021	18,132	0.6%	19,729	0.9%	125,477,562	0.8%

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

#### AVERAGE HOUSEHOLD SIZE

Year	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	2.86	-	2.84	-	2.59	-
2010	2.71	-0.5%	2.69	-0.5%	2.58	-0.1%
2016	2.67	-0.2%	2.66	-0.2%	2.57	0.0%
Projected Mkt Entry December 2018	2.66	-0.1%	2.65	-0.1%	2.57	0.0%
2021	2.66	-0.1%	2.64	-0.1%	2.57	0.0%

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

The PMA and MSA experienced greater household growth than the nation from 2000 to 2010. However, both the PMA and SMA experienced slower household growth from 2010 to 2016. While household growth in the PMA is projected to continue slowing through 2020, household growth in the SMA will remain constant. The PMA has historically had a larger average household size than the SMA and the nation. The PMA and SMA experienced similar decreases to the average household size from 2000 to 2016, and are projected to continue experiencing similar decreases through 2020.

### 2b. Households by Tenure

The table below depicts household growth by tenure from 2010 through 2020.

#### TENURE PATTERNS - NON-ELDERLY POPULATION

Year	PMA				St. Marys, GA Micropolitan Statistical Area			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	-	-	-	-	-	-	-	-
2010	8,860	62.0%	5,433	38.0%	9,680	63.4%	5,590	36.6%
2016	8,448	57.6%	6,228	42.4%	9,182	58.9%	6,405	41.1%
Projected Mkt Entry December 2018	8,360	57.0%	6,296	43.0%	9,193	58.6%	6,506	41.4%
2021	8,318	56.8%	6,327	43.2%	9,198	58.4%	6,553	41.6%

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

According to the US Census Bureau, the national homeownership rate was 63.4 percent as of the fourth quarter of 2015. The table above illustrates that while owner-occupied units represent a majority of the market in both the PMA and SMA, both geographies are characterized by lower than average homeownership rates. Furthermore, the proportion of renter occupied units in both

the PMA and MSA increased from 2010 to 2016, and is projected to continue increasing through 2020. This is a positive indicator of demand for rental housing in the Subject’s market.

## 2c. Households by Income

The following table depicts household income in 2016, the projected market entry December 2018, and 2020 for the PMA.

Income Cohort	2010		2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	678	11.2%	876	12.7%	871	12.3%	869	12.1%
\$10,000-19,999	988	16.3%	1,205	17.5%	1,182	16.7%	1,171	16.3%
\$20,000-29,999	790	13.0%	920	13.3%	936	13.2%	943	13.2%
\$30,000-39,999	747	12.3%	815	11.8%	797	11.3%	788	11.0%
\$40,000-49,999	789	13.0%	811	11.8%	850	12.0%	869	12.1%
\$50,000-59,999	384	6.3%	446	6.5%	455	6.4%	460	6.4%
\$60,000-74,999	770	12.7%	866	12.6%	892	12.6%	904	12.6%
\$75,000-99,999	393	6.5%	428	6.2%	477	6.7%	500	7.0%
\$100,000-124,999	310	5.1%	367	5.3%	411	5.8%	432	6.0%
\$125,000-149,999	88	1.4%	66	1.0%	86	1.2%	94	1.3%
\$150,000-199,999	86	1.4%	66	1.0%	78	1.1%	84	1.2%
\$200,000+	38	0.6%	26	0.4%	44	0.6%	52	0.7%
<b>Total</b>	<b>6,061</b>	<b>100.0%</b>	<b>6,891</b>	<b>100.0%</b>	<b>7,079</b>	<b>100.0%</b>	<b>7,166</b>	<b>100.0%</b>

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

Approximately 43.5 percent of renter households in the PMA earn less than \$30,000 annually. The Subject will target households earning between \$19,680 and \$42,420 for its LIHTC units and up to \$70,700 for its market rate unit, therefore, the Subject should be well-positioned to service this market.

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

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

	2000		2010		2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,102	21.0%	1,571	25.9%	1,854	26.9%	1,932	27.3%	1,969	27.5%
With 2 Persons	1,572	29.9%	1,570	25.9%	1,781	25.8%	1,823	25.8%	1,843	25.7%
With 3 Persons	1,081	20.6%	1,229	20.3%	1,390	20.2%	1,427	20.2%	1,444	20.2%
With 4 Persons	857	16.3%	950	15.7%	1,055	15.3%	1,072	15.1%	1,079	15.1%
With 5+ Persons	646	12.3%	739	12.2%	811	11.8%	824	11.6%	831	11.6%
Total Renter Households	5,259	100.0%	6,061	100.0%	6,891	100.0%	7,079	100.0%	7,166	100.0%

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

One-person households make up the largest household size cohort in the PMA, followed by two-person households. Three-person households make up another one-fifth of the renter population in the PMA. In general, households with one, two, or three people are expected to remain stable. The Subject will be an affordable development with one and two-bedroom floor plans, so this large percentage of one, two, and three-person households bodes well for the proposed Subject.

## Conclusion

The population in the PMA and the SMA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2016. The rate of population and household growth is projected to continue slowing through 2020. Renter households are concentrated in the lowest income cohorts, with 43.5 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$19,680 and \$42,420 for its LIHTC units and up to \$70,700 for its market rate unit; therefore, the Subject should be well-positioned to service this market. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **F. EMPLOYMENT TRENDS**

**EMPLOYMENT TRENDS**

The PMA and Camden County are economically reliant on tourism and Kings Bay Naval Submarine Base, the largest and most stable of three submarine bases on the east coast. Employment is concentrated in industries relating to or supporting the base, which is the largest employer in the region. Industries related to tourism also represent major employment sectors in the PMA. Employment levels decreased during the national recession but have surpassed pre-recession highs and is not in an expansionary phase.

**1. Total Jobs**

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

**Total Jobs in Camden County, Georgia**

<b>Year</b>	<b>Total Employment</b>	<b>% Change</b>
2006	41,716	-
2007	43,991	0.32%
2008	44,131	-6.77%
2009	41,333	1.35%
2010	41,899	1.24%
2011	42,424	1.36%
2012	43,010	0.97%
2013	43,432	2.47%
2014	44,532	1.14%
2015	45,045	0.00%
2016 YTD Average*	45,045	-0.81%
Feb-15	44,684	-
Feb-16	45,658	2.13%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Camden County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth quickly rebounded and Camden County exhibited employment growth from 2009 through 2014. While employment growth has been stagnant through 2015 and the first two months of 2016, total employment in Camden County increased 2.1 percent from February 2015 to February 2016.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Camden County as of February 2016.

### February 2016 Covered Employment Camden County, Georgia

	Number	Percent
<b>Total, all industries</b>	<b>11,479</b>	-
<b>Goods-producing</b>	<b>1,194</b>	-
Natural resources and mining	-	-
Construction	-	-
Manufacturing	<b>723</b>	6.30%
<b>Service-providing</b>	<b>10,285</b>	-
Trade, transportation, and utilities	<b>2,682</b>	23.36%
Information	<b>131</b>	1.14%
Financial activities	<b>658</b>	5.73%
Professional and business services	<b>3,535</b>	30.80%
Education and health services	<b>1,050</b>	9.15%
Leisure and hospitality	<b>1,904</b>	16.59%
Other services	<b>287</b>	2.50%
Unclassified	<b>38</b>	0.33%

Source: Bureau of Labor Statistics, 2016

Professional and business services is the largest industry in Camden County, followed by trade, transportation, and utilities and leisure and hospitality. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities.

**2015 EMPLOYMENT BY INDUSTRY**

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Accommodation/Food Services	2,362	13.5%	10,915,815	7.4%
Public Administration	2,196	12.6%	7,099,307	4.8%
Educational Services	2,150	12.3%	13,529,510	9.2%
Health Care/Social Assistance	2,053	11.7%	20,205,674	13.7%
Retail Trade	1,805	10.3%	17,089,319	11.6%
Manufacturing	1,336	7.6%	15,651,841	10.6%
Construction	1,166	6.7%	9,392,204	6.4%
Prof/Scientific/Tech Services	852	4.9%	9,981,082	6.8%
Other Services (excl Publ Adm)	659	3.8%	7,548,482	5.1%
Finance/Insurance	559	3.2%	7,026,905	4.8%
Transportation/Warehousing	504	2.9%	6,200,837	4.2%
Admin/Support/Waste Mgmt Svcs	439	2.5%	6,242,568	4.2%
Real Estate/Rental/Leasing	422	2.4%	2,759,067	1.9%
Arts/Entertainment/Recreation	330	1.9%	3,193,724	2.2%
Information	232	1.3%	2,965,498	2.0%
Wholesale Trade	196	1.1%	3,742,526	2.5%
Utilities	145	0.8%	1,190,608	0.8%
Agric/Forestry/Fishing/Hunting	70	0.4%	1,941,156	1.3%
Mining	10	0.1%	997,794	0.7%
Mgmt of Companies/Enterprises	0	0.0%	115,436	0.1%
<b>Total Employment</b>	<b>17,486</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

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

Employment in the PMA is concentrated in the accommodation/food services, public administration, educational services, health care/social assistance, and retail trade sectors, which together account for 60 percent of total employment. The PMA is characterized by moderate employment concentration. However, while the accommodation/food services and retail trade sectors are susceptible to layoffs and closures during periods of economic downturn, the public administration, educational services, and health care/social assistance sectors tend to be more resilient during such periods. Relative to the nation, the accommodation/food services, public administration, and educational services sectors are overrepresented. Conversely, the health care/social assistance, retail trade, manufacturing, and professional/scientific/technology services sectors are underrepresented. Overall, while employment in the PMA is concentrated in a handful of industries, the majority of those industries tend to be stable during periods of economic downturn. We consider this a positive factor for the local economy.

### 3. Major Employers

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

MAJOR EMPLOYERS			
#	Employer	Sector	Employees
1	Naval Submarine Base Kings Bay	Military	8,979
2	Camden County School System	Education	1,200
3	Express Scripts	Healthcare	650
4	Lockheed Martin	Engineering	479
5	Camden County Government	Public Administration	404
6	Walmart Supercenter	Retail	366
7	Southeast Georgia Health Systems Camden Campus	Healthcare	330
8	Kings Bay Support Service	Security	290
9	Winn Dixie	Retail	107
10	Publix	Retail	105

Source: Camden County Chamber of Commerce, April 2016

The previous table illustrates the top 10 employers in Camden County, Georgia. A variety of major employers are represented on the list. Kings Bay Submarine Base is the largest employer in the county, with a significantly higher number of employees than the remaining large employers. Additionally, Lockheed Martin and Kings Bay Support Service are both military contractors, contributing to the employment activity at the naval base. The top 10 employers represent 27 percent of the total employment in the PMA, which is considered significant. Kings Bay Submarine Base represents 18.8 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.

#### *Expansions/Contractions*

A large scale, \$300 million theme park is being constructed in incorporated Kingsland, approximately 6.9 miles from the Subject. The theme park, called EPIC Adventures Resort at Kingsland, will provide a water park, amusement park, convention center, a number of hotels and sport fields to the area. Construction began in January of 2015 and is expected to be complete by May of 2017. The development will create 1,300 direct jobs in the area. The economy in Camden County already attracts a substantial amount of tourists and this attraction would greatly increase this industry for years to come.

According to the Georgia Department of Labor Worker Adjustment and Retraining Notification (WARN) list, no WARN notices have been issued for Camden County since 2011. The region has seen minimal closures and is closely tied to Kings Bay Naval Submarine Base, which is a stable military installment.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2004 to December 2014.

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

Year	St. Marys, GA Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	17,546	-	4.5%	-	136,933,000	-	4.7%	-
2003	17,745	1.1%	5.4%	0.9%	136,485,000	-0.3%	5.8%	1.1%
2004	18,213	2.6%	4.5%	-0.9%	137,736,000	0.9%	6.0%	0.2%
2005	19,466	6.9%	4.7%	0.2%	139,252,000	1.1%	5.5%	-0.5%
2006	20,024	2.9%	4.1%	-0.6%	141,730,000	1.8%	5.1%	-0.4%
2007	20,742	3.6%	4.0%	-0.1%	144,427,000	1.9%	4.6%	-0.5%
2008	20,178	-2.7%	5.6%	1.6%	146,047,000	1.1%	4.6%	0.0%
2009	18,902	-6.3%	8.9%	3.3%	145,362,000	-0.5%	5.8%	1.2%
2010	18,643	-1.4%	9.9%	1.0%	139,877,000	-3.8%	9.3%	3.5%
2011	19,128	2.6%	9.6%	-0.3%	139,064,000	-0.6%	9.6%	0.3%
2012	19,987	4.5%	8.6%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2013	19,911	-0.4%	7.8%	-0.8%	142,469,000	1.9%	8.1%	-0.8%
2014	20,255	1.7%	6.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2015	21,041	3.9%	5.6%	-1.2%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	21,507	2.2%	5.2%	-0.4%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	20,783	-	6.0%	-	147,118,000	-	5.8%	-
Feb-2016	21,552	3.7%	5.3%	-0.7%	150,060,000	2.0%	5.2%	-0.6%

Source: U.S. Bureau of Labor Statistics April 2016

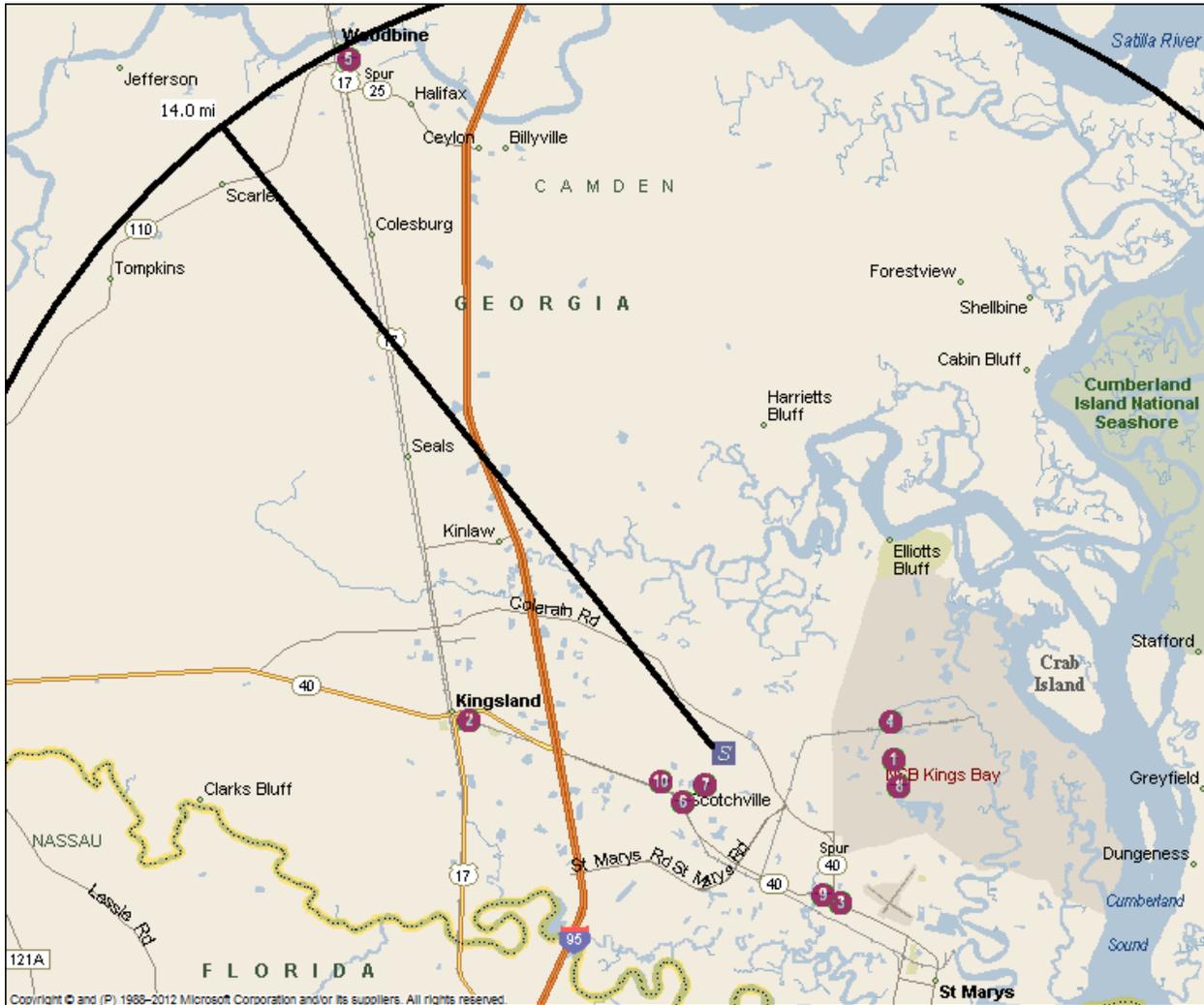
\*2016 data is through February

Prior to the national recession, total employment in the SMA increased at a slower rate than total employment in the nation. During the national recession, the local economy experienced a higher percentage decline in total employment than the nation. However, the SMA has experienced moderate to strong employment growth since 2011, exceeding national employment every year with the exception of a slight decline in 2013. From February 2015 to February 2016, total employment in the MSA increased 3.7 percent, a growth rate that was 170 basis point higher than the national employment growth rate for the same period. As of February 2016, total employment in the SMA is 3.9 percent greater than its pre-recession peak, where national total employment is 2.7 percent above its pre-recession peak.

Prior to the most recent national recession, the SMA was characterized by a lower unemployment rate than the nation as a whole. While the unemployment rate in the MSA exceeded the national unemployment rate during the recession from 2008 to 2010, it has steadily declined from 2011 to February 2016 and has been lower than the national unemployment rate during the same period. While some of the declining unemployment rate in the SMA may be attributed to workers leaving the workforce, such as in 2013 when an employment decrease coincided with a decrease in the unemployment rate, employment and unemployment data indicate that the SMA has made a strong recovery from the most recent national recession. Growing total employment is a positive indicator of demand for rental housing and, therefore, the Subject's proposed units.

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

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



#### MAJOR EMPLOYERS

#	Employer	Sector	Employees
1	Naval Submarine Base Kings Bay	Military	8,979
2	Camden County School System	Education	1,200
3	Express Scripts	Healthcare	650
4	Lockheed Martin	Engineering	479
5	Camden County Government	Public Administration	404
6	Walmart Supercenter	Retail	366
7	Southeast Georgia Health Systems Camden Campus	Healthcare	330
8	Kings Bay Support Service	Security	290
9	Winn Dixie	Retail	107
10	Publix	Retail	105

Source: Camden County Chamber of Commerce, April 2016

## **Conclusion**

Employment in the PMA is concentrated in five industries which represent approximately 60 percent of total local employment. However, three of those industries, public administration, educational services, and health care/social assistance, are resilient during periods of economic downturn. Furthermore, Naval Submarine Base Kings Bay is the area's largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures.

Overall, the SMA has experienced moderate to strong total employment growth from 2011 through February 2016. As of February 2016, total employment in the SMA was 3.9 percent greater than its pre-recession peak, while national employment was 2.7 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2016 was 5.3 percent, 10 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 9.9 percent. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

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

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

### **1. Income Restrictions**

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

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

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

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

### **2. Affordability**

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

### **3. Demand**

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

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

The number of new households entering the market is the first level of demand calculated. We have utilized December 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2016 household population estimates are inflated to December 2018 by interpolation of the difference between 2016 estimates and 2021 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 December 2018. This number takes the overall growth from 2016 to December 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 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 is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

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

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

Per the 2016 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

### **3D. Other**

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

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

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

No properties have been allocated tax credits in the PMA since 2011. However, in 2011, two properties were allocated tax credits. The first phase of the Subject, The Village at Winding Road opened in early 2013 and stabilized after a period of four months. The 50 units at this property have not been deducted from our demand analysis as they target senior households. The other property allocated tax credits in 2011 is The Reserve at Sugar Mill, which has been included as a comparable property. This property was originally constructed as Ashton Pines at Sugar Mill in 1997. However, this property was renovated with tax credits in 2013 and renamed. These units have not been deducted from our demand analysis as the property additionally remained mostly occupied during renovations and reached a stabilized occupancy rate in 2013.

### **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	Program	Location	Tenancy	Units	Occupancy	Included/ Excluded
The Village at Winding Road	LIHTC	St. Marys	Senior	50	100.0%	Excluded
Kings Grant Apartments	LIHTC	Kingsland	Family	60	93.4%	Included
Royal Point Apartments	LIHTC	St. Marys	Family	144	97.2%	Included
The Reserve at Sugar Mill	LIHTC	St. Marys	Family	70	92.9%	Included
Ashton Cove Apartments	LIHTC	Kingsland	Senior/Family	72	97.2%	Included
Old Jefferson Estates	LIHTC	St. Marys	Family	62	95.0%	Excluded
Caney Heights	LIHTC	Kingsland	Family	28	100.0%	Excluded
Clarks Bluff Road	LIHTC	Kingsland	Family	2	N/A	Excluded
Cumberland Oaks Apartments	Section 8	St. Marys	Family	154	90.0%	Excluded
The Pines Apartments	Section 8	St. Marys	Family	70	N/A	Excluded
The Cottages at Camden	Section 8	Kingsland	Senior	17	N/A	Excluded
Cumberland Village	Rural Development	St. Marys	Family	65	99.0%	Excluded
Hilltop Terrace	Rural Development	Kingsland	Senior/Family	110	N/A	Excluded
Satilla Villas	Rural Development	Woodbine	Family	59	99.0%	Excluded
Greenbriar Townhomes	Market	Kingsland	Family	72	100.0%	Included
Harbor Pines Apartments	Market	Kingsland	Family	200	96.0%	Included
Mission Forest Apartments	Market	St. Marys	Family	104	97.1%	Included
Park Place	Market	St. Marys	Family	200	95.0%	Included
Pelican Point Apartments	Market	St. Marys	Family	56	98.2%	Included
Brant Creek	Market	St. Marys	Family	196	N/A	Excluded
Camden Way Apartments	Market	Kingsland	Family	121	98.0%	Excluded
Kings Landing Apartments	Market	St. Marys	Family	48	98.0%	Excluded
Summer Bend Apartments	Market	Kingsland	Family	32	97.0%	Excluded
Willow Way Apartments	Market	Kingsland	Family	60	95.0%	Excluded
<b>Average</b>					<b>96.7%</b>	

**Rehab Developments and PBRA**

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

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

**Capture Rates**

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

<b>Renter Household Income Distribution 2016-2021</b>							
<b>The Village at Winding Road II</b>							
<b>PMA</b>							
	<b>2016</b>		<b>Projected Mkt Entry December 2018</b>		<b>2021</b>		<b>Percent Growth</b>
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	
\$0-9,999	876	12.7%	871	12.3%	869	12.1%	-0.8%
\$10,000-19,999	1,205	17.5%	1,182	16.7%	1,171	16.3%	-2.8%
\$20,000-29,999	920	13.3%	936	13.2%	943	13.2%	2.5%
\$30,000-39,999	815	11.8%	797	11.3%	788	11.0%	-3.4%
\$40,000-49,999	811	11.8%	850	12.0%	869	12.1%	6.7%
\$50,000-59,999	446	6.5%	455	6.4%	460	6.4%	3.0%
\$60,000-74,999	866	12.6%	892	12.6%	904	12.6%	4.3%
\$75,000-99,999	428	6.2%	477	6.7%	500	7.0%	14.4%
\$100,000-124,999	367	5.3%	411	5.8%	432	6.0%	15.0%
\$125,000-149,999	66	1.0%	86	1.2%	94	1.3%	29.7%
\$150,000-199,999	66	1.0%	78	1.1%	84	1.2%	21.0%
\$200,000+	26	0.4%	44	0.6%	52	0.7%	50.0%
<b>Total</b>	<b>6,891</b>	<b>100.0%</b>	<b>7,079</b>	<b>100.0%</b>	<b>7,166</b>	<b>100.0%</b>	<b>3.8%</b>

<b>Renter Household Income Distribution 2016 to Projected Market Entry December 2018</b>					
<b>The Village at Winding Road II</b>					
<b>PMA</b>					
	<b>2016</b>		<b>Projected Mkt Entry December 2018</b>		<b>Percent Growth</b>
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	
\$0-9,999	876	12.7%	871	12.3%	-0.6%
\$10,000-19,999	1,205	17.5%	1,182	16.7%	-1.9%
\$20,000-29,999	920	13.3%	936	13.2%	1.7%
\$30,000-39,999	815	11.8%	797	11.3%	-2.3%
\$40,000-49,999	811	11.8%	850	12.0%	4.7%
\$50,000-59,999	446	6.5%	455	6.4%	2.1%
\$60,000-74,999	866	12.6%	892	12.6%	2.9%
\$75,000-99,999	428	6.2%	477	6.7%	10.3%
\$100,000-124,999	367	5.3%	411	5.8%	10.8%
\$125,000-149,999	66	1.0%	86	1.2%	22.4%
\$150,000-199,999	66	1.0%	78	1.1%	15.4%
\$200,000+	26	0.4%	44	0.6%	40.6%
<b>Total</b>	<b>6,891</b>	<b>100.0%</b>	<b>7,079</b>	<b>100.0%</b>	<b>2.7%</b>

<b>Renter Household Size for 2000</b>		
<b>Size</b>	<b>Number</b>	<b>Percentage</b>
1 Person	1,102	21.0%
2 Person	1,572	29.9%
3 Person	1,081	20.6%
4 Person	857	16.3%
5+ Person	646	12.3%
<b>Total</b>	<b>5,259</b>	<b>100.0%</b>

<b>Renter Household Size for Prj Mrkt Entry Dec 2018</b>		
<b>Size</b>	<b>Number</b>	<b>Percentage</b>
1 Person	1,932	27.3%
2 Person	1,823	25.8%
3 Person	1,427	20.2%
4 Person	1,072	15.1%
5+ Person	824	11.6%
<b>Total</b>	<b>7,079</b>	<b>100.0%</b>

<b>Tenure Prj Mrkt Entry December 2018</b>	
Renter	39.4%
Owner	60.6%
<b>Total</b>	<b>100.0%</b>

50%AMI

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

<b>Percent of AMI Level</b>			<b>50%</b>		
<b>Minimum Income Limit</b>			\$19,680		
<b>Maximum Income Limit</b>			\$35,350      5		
<b>Income Category</b>	<b>Total Renter Households PMA Prj Mrkt Entry December 2018</b>		<b>Income Brackets</b>	<b>Percent within Cohort</b>	<b>Households within Bracket</b>
\$0-9,999	871	12.3%		0.0%	0
\$10,000-19,999	1,182	16.7%	\$319	3.2%	38
\$20,000-29,999	936	13.2%	\$9,999	100.0%	936
\$30,000-39,999	797	11.3%	\$5,350	53.5%	426
\$40,000-49,999	850	12.0%		0.0%	0
\$50,000-59,999	455	6.4%		0.0%	0
\$60,000-74,999	892	12.6%		0.0%	0
\$75,000-99,999	477	6.7%		0.0%	0
\$100,000-124,999	411	5.8%		0.0%	0
\$125,000-149,999	86	1.2%		0.0%	0
\$150,000-199,999	78	1.1%		0.0%	0
\$200,000+	44	0.6%		0.0%	0
	<b>7,079</b>	<b>100.0%</b>			<b>1,400</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>19.77%</b>

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

<b>Percent of AMI Level</b>			<b>50%</b>		
<b>Minimum Income Limit</b>			\$19,680		
<b>Maximum Income Limit</b>			\$35,350      5		
<b>Income Category</b>	<b>New Renter Households - Total Change in Households PMA 2016 to Prj Mrkt Entry December 2018</b>		<b>Income Brackets</b>	<b>Percent within Cohort</b>	<b>Renter Households within Bracket</b>
\$0-9,999	23	12.3%		0.0%	0
\$10,000-19,999	31	16.7%	\$319	3.2%	1
\$20,000-29,999	25	13.2%	\$9,999	100.0%	25
\$30,000-39,999	21	11.3%	\$5,350	53.5%	11
\$40,000-49,999	23	12.0%		0.0%	0
\$50,000-59,999	12	6.4%		0.0%	0
\$60,000-74,999	24	12.6%		0.0%	0
\$75,000-99,999	13	6.7%		0.0%	0
\$100,000-124,999	11	5.8%		0.0%	0
\$125,000-149,999	2	1.2%		0.0%	0
\$150,000-199,999	2	1.1%		0.0%	0
\$200,000+	1	0.6%		0.0%	0
	<b>188</b>	<b>100.0%</b>			<b>37</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>19.77%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	No		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$41,387		
2016 Median Income	\$56,036		
Change from 2016 to Prj Mrkt Entry December 2018	\$14,649		
Total Percent Change	26.1%		
Average Annual Change	0.3%		
Inflation Rate	0.3%	Two year adjustment	1.0000
Maximum Allowable Income	\$35,350		
Maximum Allowable Income Inflation Adjusted	\$35,350		
Maximum Number of Occupants	5		
Rent Income Categories	50%		
Initial Gross Rent for Smallest Unit	\$574		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$574.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	90%	10%	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 2016 to Prj Mrkt Entry December 2018

Income Target Population		50%
New Renter Households PMA		188
Percent Income Qualified		19.8%
<b>New Renter Income Qualified Households</b>		<b>37</b>

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

Demand from Existing Households 2016

Demand form Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		7,079
Income Qualified		19.8%
Income Qualified Renter Households		1,400
Percent Rent Overburdened Prj Mrkt Entry December 2018		35.3%
<b>Rent Overburdened Households</b>		<b>494</b>

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,400
Percent Living in Substandard Housing		0.6%
<b>Households Living in Substandard Housing</b>		<b>9</b>

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	0.0%	
<b>Senior Demand Converting from Homeownership</b>		<b>0</b>

**Total Demand**

Total Demand from Existing Households		502
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		502
Total New Demand		37
Total Demand (New Plus Existing Households)		540

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

**By Bedroom Demand**

One Person	27.3%	147
Two Persons	25.8%	139
Three Persons	20.2%	109
Four Persons	15.1%	82
Five Persons	11.6%	63
<b>Total</b>	<b>100.0%</b>	<b>540</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	90%	133
Of two-person households in 1BR units	20%	28
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	15
Of two-person households in 2BR units	80%	111
Of three-person households in 2BR units	90%	98
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	10%	11
Of four-person households in 3BR units	80%	65
Of five-person households in 3BR units	70%	44
<b>Total Demand</b>		<b>505</b>

**Total Demand by Bedroom**

	<b>50%</b>
1 BR	160
2 BR	224
3BR	120
<b>Total Demand</b>	<b>505</b>

**Additions To Supply 2016 to Prj Mrkt Entry December 2018**

	<b>50%</b>
1 BR	0
2 BR	0
3BR	0
<b>Total</b>	<b>0</b>

**Net Demand**

	<b>50%</b>
1 BR	160
2 BR	224
3BR	120
<b>Total</b>	<b>505</b>

**Developer's Unit Mix**

	<b>50%</b>
1 BR	11
2 BR	8
3BR	2
<b>Total</b>	<b>21</b>

**Capture Rate Analysis**

	<b>50%</b>
1 BR	6.9%
2 BR	3.6%
3BR	1.7%
<b>Total</b>	<b>4.2%</b>

60%AMI

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

<b>Percent of AMI Level</b>			<b>60%</b>		
<b>Minimum Income Limit</b>			\$20,194		
<b>Maximum Income Limit</b>			\$42,420      5		
<b>Total Renter Households PMA</b>			<b>Percent within</b>		<b>Households within</b>
<b>Income Category</b>	<b>Prj Mrkt Entry</b>	<b>December 2018</b>	<b>Income Brackets</b>	<b>Cohort</b>	<b>Bracket</b>
\$0-9,999	871	12.3%		0.0%	0
\$10,000-19,999	1,182	16.7%		0.0%	0
\$20,000-29,999	936	13.2%	\$9,805	98.1%	918
\$30,000-39,999	797	11.3%	\$9,999	100.0%	797
\$40,000-49,999	850	12.0%	\$2,420	24.2%	206
\$50,000-59,999	455	6.4%		0.0%	0
\$60,000-74,999	892	12.6%		0.0%	0
\$75,000-99,999	477	6.7%		0.0%	0
\$100,000-124,999	411	5.8%		0.0%	0
\$125,000-149,999	86	1.2%		0.0%	0
\$150,000-199,999	78	1.1%		0.0%	0
\$200,000+	44	0.6%		0.0%	0
		<b>7,079</b>			<b>1,920</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>27.12%</b>

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

<b>Percent of AMI Level</b>			<b>60%</b>		
<b>Minimum Income Limit</b>			\$20,194		
<b>Maximum Income Limit</b>			\$42,420      5		
<b>New Renter Households - Total</b>			<b>Percent within</b>		<b>Renter Households</b>
<b>Income Category</b>	<b>Change in Households PMA</b>	<b>December 2018</b>	<b>Income Brackets</b>	<b>Cohort</b>	<b>within Bracket</b>
\$0-9,999	23	12.3%		0.0%	0
\$10,000-19,999	31	16.7%		0.0%	0
\$20,000-29,999	25	13.2%	\$9,805	98.1%	24
\$30,000-39,999	21	11.3%	\$9,999	100.0%	21
\$40,000-49,999	23	12.0%	\$2,420	24.2%	5
\$50,000-59,999	12	6.4%		0.0%	0
\$60,000-74,999	24	12.6%		0.0%	0
\$75,000-99,999	13	6.7%		0.0%	0
\$100,000-124,999	11	5.8%		0.0%	0
\$125,000-149,999	2	1.2%		0.0%	0
\$150,000-199,999	2	1.1%		0.0%	0
\$200,000+	1	0.6%		0.0%	0
		<b>188</b>			<b>51</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>27.12%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	No		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$41,387		
2016 Median Income	\$56,036		
Change from 2016 to Prj Mrkt Entry December 2018	\$14,649		
Total Percent Change	26.1%		
Average Annual Change	0.3%		
Inflation Rate	0.3%	Two year adjustment	1.0000
Maximum Allowable Income	\$42,420		
Maximum Allowable Income Inflation Adjusted	\$42,420		
Maximum Number of Occupants	5		
Rent Income Categories	60%		
Initial Gross Rent for Smallest Unit	\$589		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$589.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	90%	10%	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 2016 to Prj Mrkt Entry December 2018

Income Target Population	60%
New Renter Households PMA	188
Percent Income Qualified	27.1%
<b>New Renter Income Qualified Households</b>	<b>51</b>

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

Demand from Existing Households 2016

Demand form Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	7,079
Income Qualified	27.1%
Income Qualified Renter Households	1,920
Percent Rent Overburdened Prj Mrkt Entry December 2018	35.3%
<b>Rent Overburdened Households</b>	<b>677</b>

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,920
Percent Living in Substandard Housing	0.6%
<b>Households Living in Substandard Housing</b>	<b>12</b>

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

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	0
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households		689
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		689
Total New Demand		51
<b>Total Demand (New Plus Existing Households)</b>		<b>740</b>

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

**By Bedroom Demand**

One Person	27.3%	202
Two Persons	25.8%	191
Three Persons	20.2%	149
Four Persons	15.1%	112
Five Persons	11.6%	86
<b>Total</b>	<b>100.0%</b>	<b>740</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	90%	182
Of two-person households in 1BR units	20%	38
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	20
Of two-person households in 2BR units	80%	152
Of three-person households in 2BR units	90%	134
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	10%	15
Of four-person households in 3BR units	80%	90
Of five-person households in 3BR units	70%	60
<b>Total Demand</b>		<b>692</b>

**Total Demand by Bedroom**

		<b>60%</b>
1 BR		220
2 BR		307
3 BR		165
<b>Total Demand</b>		<b>692</b>

**Additions To Supply 2016 to Prj Mrkt Entry December 2018**

		<b>60%</b>
1 BR		0
2 BR		0
3 BR		0
<b>Total</b>		<b>0</b>

**Net Demand**

		<b>60%</b>
1 BR		220
2 BR		307
3 BR		165
<b>Total</b>		<b>692</b>

**Developer's Unit Mix**

		<b>60%</b>
1 BR		19
2 BR		25
3 BR		4
<b>Total</b>		<b>48</b>

**Capture Rate Analysis**

		<b>60%</b>
1 BR		8.6%
2 BR		8.1%
3 BR		2.4%
<b>Total</b>		<b>6.9%</b>

Market Rate

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

Percent of AMI Level		Market Rate		
Minimum Income Limit		\$22,629		
Maximum Income Limit		\$70,700 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	871	12.3%	0.0%	0
\$10,000-19,999	1182	16.7%	0.0%	0
\$20,000-29,999	936	13.2%	\$7,370 73.7%	690
\$30,000-39,999	797	11.3%	\$9,999 100.0%	797
\$40,000-49,999	850	12.0%	\$9,999 100.0%	850
\$50,000-59,999	455	6.4%	\$9,999 100.0%	455
\$60,000-74,999	892	12.6%	\$10,700 71.3%	636
\$75,000-99,999	477	6.7%	0.0%	0
\$100,000-124,999	411	5.8%	0.0%	0
\$125,000-149,999	86	1.2%	0.0%	0
\$150,000-199,999	78	1.1%	0.0%	0
\$200,000+	44	0.6%	0.0%	0
<b>7,079</b>		<b>100.0%</b>		<b>3,428</b>
Percent of renter households within limits versus total number of renter households				<b>48.43%</b>

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

Percent of AMI Level		Market Rate		
Minimum Income Limit		\$22,629		
Maximum Income Limit		\$70,700 5		
Income Category	New Renter Households - Total Change in Households PMA 2016	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	23	12.3%	0.0%	0
\$10,000-19,999	31	16.7%	0.0%	0
\$20,000-29,999	25	13.2%	\$7,370 73.7%	18
\$30,000-39,999	21	11.3%	\$9,999 100.0%	21
\$40,000-49,999	23	12.0%	\$9,999 100.0%	23
\$50,000-59,999	12	6.4%	\$9,999 100.0%	12
\$60,000-74,999	24	12.6%	\$10,700 71.3%	17
\$75,000-99,999	13	6.7%	0.0%	0
\$100,000-124,999	11	5.8%	0.0%	0
\$125,000-149,999	2	1.2%	0.0%	0
\$150,000-199,999	2	1.1%	0.0%	0
\$200,000+	1	0.6%	0.0%	0
<b>188</b>		<b>100.0%</b>		<b>91</b>
Percent of renter households within limits versus total number of renter households				<b>48.43%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	No		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$41,387		
2016 Median Income	\$56,036		
Change from 2016 to Prj Mrkt Entry December 2018	\$14,649		
Total Percent Change	26.1%		
Average Annual Change	0.3%		
Inflation Rate	0.3%	Two year adjustment	1.0000
Maximum Allowable Income	\$70,700		
Maximum Allowable Income Inflation Adjusted	\$70,700		
Maximum Number of Occupants	5		
Rent Income Categories	Market Rate		
Initial Gross Rent for Smallest Unit	\$660		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$660.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	90%	10%	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 2016 to Prj Mrkt Entry December 2018

	Market Rate
Income Target Population	
New Renter Households PMA	188
Percent Income Qualified	48.4%
<b>New Renter Income Qualified Households</b>	<b>91</b>

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

Demand from Existing Households 2016

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	7,079
Income Qualified	48.4%
Income Qualified Renter Households	3,428
Percent Rent Overburdened Prj Mrkt Entry December 2018	35.3%
<b>Rent Overburdened Households</b>	<b>1209</b>

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,428
Percent Living in Substandard Housing	0.6%
<b>Households Living in Substandard Housing</b>	<b>21</b>

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

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	0
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households		1,231
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		1231
Total New Demand		91
Total Demand (New Plus Existing Households)		1,322

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

**By Bedroom Demand**

One Person	27.3%	361
Two Persons	25.8%	341
Three Persons	20.2%	267
Four Persons	15.1%	200
Five Persons	11.6%	154
<b>Total</b>	<b>100.0%</b>	<b>1,322</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	10%	27
Of four-person households in 3BR units	80%	160
Of five-person households in 3BR units	70%	108
<b>Total Demand</b>		<b>294</b>

<b>Total Demand by Bedroom</b>	<b>Market Rate</b>
3 BR	294
<b>Total Demand</b>	<b>294</b>

<b>Additions To Supply 2016 to Prj Mrkt Entry December 2018</b>	<b>Market Rate</b>
3 BR	0
<b>Total</b>	<b>0</b>

<b>Net Demand</b>	<b>Market Rate</b>
3 BR	294
<b>Total</b>	<b>294</b>

<b>Developer's Unit Mix</b>	<b>Market Rate</b>
3 BR	1
<b>Total</b>	<b>1</b>

<b>Capture Rate Analysis</b>	<b>Market Rate</b>
3 BR	0.3%
<b>Total</b>	<b>0.3%</b>

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$19,680		
Maximum Income Limit			\$70,700 5		
Income Category	New Renter Households - Total Change in Households PMA 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	23.12	12.3%		0.0%	0
\$10,000-19,999	31.38	16.7%	\$319	3.2%	1
\$20,000-29,999	24.85	13.2%	\$9,999	100.0%	25
\$30,000-39,999	21.14	11.3%	\$9,999	100.0%	21
\$40,000-49,999	22.57	12.0%	\$9,999	100.0%	23
\$50,000-59,999	12.08	6.4%	\$9,999	100.0%	12
\$60,000-74,999	23.68	12.6%	\$10,700	71.3%	17
\$75,000-99,999	12.66	6.7%		0.0%	0
\$100,000-124,999	10.92	5.8%		0.0%	0
\$125,000-149,999	2.27	1.2%		0.0%	0
\$150,000-199,999	2.08	1.1%		0.0%	0
\$200,000+	1.16	0.6%		0.0%	0
	<b>188</b>	<b>100.0%</b>			<b>99</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>52.44%</b>

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$19,680		
Maximum Income Limit			\$70,700 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	871	12.3%		0.0%	0
\$10,000-19,999	1,182	16.7%	\$319	3.2%	38
\$20,000-29,999	936	13.2%	\$9,999	100.0%	936
\$30,000-39,999	797	11.3%	\$9,999	100.0%	797
\$40,000-49,999	850	12.0%	\$9,999	100.0%	850
\$50,000-59,999	455	6.4%	\$9,999	100.0%	455
\$60,000-74,999	892	12.6%	\$10,700	71.3%	636
\$75,000-99,999	477	6.7%		0.0%	0
\$100,000-124,999	411	5.8%		0.0%	0
\$125,000-149,999	86	1.2%		0.0%	0
\$150,000-199,999	78	1.1%		0.0%	0
\$200,000+	44	0.6%		0.0%	0
	<b>7,079</b>	<b>100.0%</b>			<b>3,712</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>52.44%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	No		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$41,387		
2016 Median Income	\$56,036		
Change from 2016 to Prj Mrkt Entry December 2018	\$14,649		
Total Percent Change	26.1%		
Average Annual Change	0.3%		
Inflation Rate	0.3%	Two year adjustment	1.0000
Maximum Allowable Income	\$70,700		
Maximum Allowable Income Inflation Adjusted	\$70,700		
Maximum Number of Occupants	\$5		
Rent Income Categories	Overall		
Initial Gross Rent for Smallest Unit	\$574		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$574.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	90%	10%	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 2016 to Prj Mrkt Entry December 2018

Income Target Population		Overall
New Renter Households PMA		188
Percent Income Qualified		52.4%
<b>New Renter Income Qualified Households</b>		<b>99</b>

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

Demand from Existing Households 2016

Demand form Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		7,079
Income Qualified		52.4%
Income Qualified Renter Households		3,712
Percent Rent Overburdened Prj Mrkt Entry December 2018		35.3%
<b>Rent Overburdened Households</b>		<b>1309</b>

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,712
Percent Living in Substandard Housing		0.6%
<b>Households Living in Substandard Housing</b>		<b>23</b>

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	0.0%	
<b>Senior Demand Converting from Homeownership</b>		<b>0</b>

**Total Demand**

Total Demand from Existing Households		1,332
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1332
Total New Demand		99
<b>Total Demand (New Plus Existing Households)</b>		<b>1,431</b>

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

**By Bedroom Demand**

One Person	27.3%	391
Two Persons	25.8%	369
Three Persons	20.2%	289
Four Persons	15.1%	217
Five Persons	11.6%	167
<b>Total</b>	<b>100.0%</b>	<b>1,431</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	90%	352
Of two-person households in 1BR units	20%	74
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	39
Of two-person households in 2BR units	80%	295
Of three-person households in 2BR units	90%	260
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of five-person households in 3BR units	0%	0
Of five-person households in 3BR units	0%	0
Of five-person households in 3BR units	10%	29
Of five-person households in 3BR units	80%	173
Of five-person households in 3BR units	70%	117
<b>Total Demand</b>		<b>1,338</b>

**Total Demand by Bedroom**

	<b>Overall</b>
1 BR	425
2 BR	594
3 BR	319
<b>Total Demand</b>	<b>1,338</b>

**Additions To Supply 2016 to Prj Mrkt Entry December 2018**

	<b>Overall</b>
1 BR	0
2 BR	0
3 BR	0
<b>Total</b>	<b>0</b>

**Net Demand**

	<b>Overall</b>
1 BR	425
2 BR	594
3 BR	319
<b>Total</b>	<b>1,338</b>

**Developer's Unit Mix**

	<b>Overall</b>
1 BR	30
2 BR	33
3 BR	7
<b>Total</b>	<b>70</b>

**Capture Rate Analysis**

	<b>Overall</b>
1 BR	7.1%
2 BR	5.6%
3 BR	0.5%
<b>Total</b>	<b>5.2%</b>

## Conclusions

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

- The number of households in the PMA is expected to increase 3.1 percent between 2016 and 2020.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR @ 50%	\$19,680-\$26,200	11	160	0	160	6.9%	Five months	\$584	\$400 - \$892	\$425
2BR @ 50%	\$23,725-\$29,450	8	224	0	224	3.6%	Five months	\$747	\$473 - \$1,049	\$500
3BR @ 50%	\$26,366-\$35,350	2	120	0	120	1.7%	Five months	\$769	\$551 - \$1,196	\$535
50% Overall	\$19,680-\$35,350	21	505	0	505	4.2%	Five months	-	-	-
1BR @ 60%	\$20,194-\$31,440	19	220	0	220	8.6%	Five months	\$637	\$469 - \$892	\$440
2BR @ 60%	\$24,240-\$35,340	25	307	0	307	8.1%	Five months	\$799	\$557 - \$1,049	\$515
3BR @ 60%	\$26,366-\$42,420	4	165	0	165	2.4%	Five months	\$861	\$634 - \$1,169	\$595
60% Overall	\$20,194-\$42,420	48	692	0	692	6.9%	Five months	-	-	-
3BR Unrestricted	\$22,629-\$70,700	1	294	0	294	0.3%	Five months	\$968	\$665 - \$1,169	\$660
1BR Overall	\$19,680-\$31,440	30	425	0	425	7.1%	Five months	-	-	-
2BR Overall	\$23,725-\$35,340	33	594	0	594	5.6%	Five months	-	-	-
3BR Overall	\$22,629-\$70,700	1	319	0	319	0.3%	Five months	-	-	-
Total Overall	\$19,680-\$35,340	69	1,338	0	1338	5.2%	Five months	-	-	-

**Demand and Net Demand**

	<b>HH at 50% AMI (\$19,680 to \$35,350 income)</b>	<b>HH at 60% AMI (\$20,194 to \$42,420 income)</b>	<b>HH at Market Rate (\$22,629 to \$70,700 income)</b>	<b>All Tax Credit Households</b>
Demand from New Households (age and income appropriate)	37	51	91	99
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	9	12	21	23
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	494	677	1,209	1,309
=				
<b>Sub Total</b>	<b>540</b>	<b>740</b>	<b>1,322</b>	<b>1,431</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0	0
<b>Equals Total Demand</b>	<b>540</b>	<b>740</b>	<b>1,322</b>	<b>1,431</b>
<b>Less</b>	-	-	-	-
New Supply	0	0	0	0
<b>Equals Net Demand*</b>	<b>540</b>	<b>740</b>	<b>1,322</b>	<b>1,431</b>

\*Not adjusted for bedroom specific demand

The Subject's capture rates at the 50 and 60 percent AMI level as well as market rate will range from 0.3 to 8.6 percent, with an overall capture rate of 5.2 percent. Therefore, we believe there is adequate demand for the Subject.

## **H. COMPETITIVE RENTAL ANALYSIS**

### Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes eight “true” comparable properties containing 778 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 good; there are nine LIHTC properties in the PMA. However, the first phase of the Subject has been excluded due to its senior tenancy although we have included data regarding this property’s performance throughout this report. We have included one mixed-tenancy comparable property. The other three LIHTC properties target the general population and offer similar unit types in comparison to the proposed Subject. However, none of the family LIHTC comparables in the PMA offer one-bedroom units. Therefore, we have included data from the first phase of the Subject’s development in our achievable LIHTC rent discussion regarding one-bedroom units. The comparable LIHTC properties are all located in the PMA, between 2.2 and 6.3 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in St. Marys and there are several market-rate properties in the area. We have included four conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 1.9 and 5.5 miles from the Subject site. These comparables were built or renovated between 1986 and 2009. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types. Harbor Pines Apartments, a market-rate property in the PMA, was excluded as we were unable to contact a management representative willing to provide information for our survey.

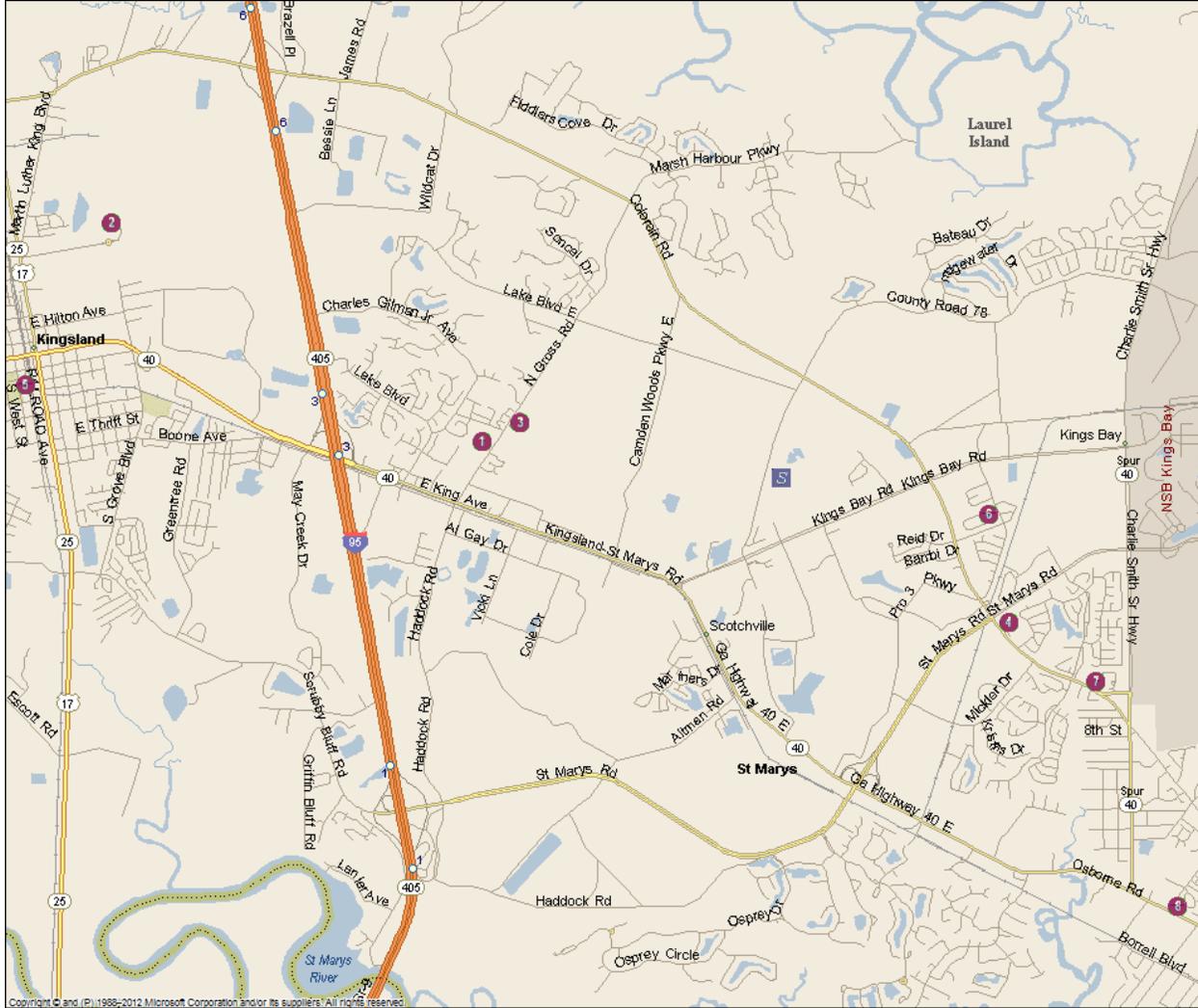
**Excluded Properties**

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

**EXCLUDED PROPERTIES**

<b>Property Name</b>	<b>Program</b>	<b>Location</b>	<b>Tenancy</b>	<b>Occupancy</b>	<b>Reason for Exclusion</b>
Old Jefferson Estates	LIHTC	St. Marys	Family	N/A	Dissimilar bedroom types
Caney Heights	LIHTC	Kingsland	Family	100.0%	Dissimilar bedroom types
Clarks Bluff Road	LIHTC	Kingsland	Family	N/A	Too few units
The Village at Winding Road	LIHTC	St. Marys	Senior	100.0%	Dissimilar tenancy
Cumberland Oaks Apartments	Section 8	St. Marys	Family	N/A	Subsidized
The Pines Apartments	Section 8	St. Marys	Family	94.0%	Subsidized
The Cottages at Camden	Section 8	Kingsland	Senior	N/A	Subsidized
Cumberland Village	RD	St. Marys	Family	N/A	Subsidized
Hilltop Terrace	RD	Kingsland	Mixed	100.0%	Subsidized
Satilla Villas	RD	Woodbine	Family	N/A	Subsidized
Brant Creek	Market	St. Marys	Family	N/A	More comparable properties available
Camden Way Apartments	Market	Kingsland	Family	N/A	More comparable properties available
Kings Landing Apartments	Market	St. Marys	Family	N/A	More comparable properties available
Harbor Pines Apartments	Market	St. Marys	Family	N/A	Could not contact
Summer Bend Apartments	Market	Kingsland	Family	N/A	More comparable properties available
Willow Way Apartments	Market	Kingsland	Family	N/A	More comparable properties available

Comparable Rental Property Map



**COMPARABLE PROPERTIES**

#	Property Name	City	Type	Tenancy	Distance
1	Ashton Cove Apartments	Kingsland	@45%, @50%	Senior/Family	2.7 miles
2	Kings Grant Apartments	Kingsland	@50%, @60%	Family	6.3 miles
3	Royal Point Apartments	Kingsland	@50%, @60%	Family	2.7 miles
4	The Reserve At Sugar Mill	St. Marys	@50%, @60%	Family	2.2 miles
5	Greenbriar Townhomes	Kingsland	Market	Family	5.5 miles
6	Mission Forest Apartments	St. Marys	Market	Family	1.9 miles
7	Park Place	St. Marys	Market	Family	2.9 miles
8	Pelican Point Apartments	St. Marys	Market	Family	4.8 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 Village At Winding Road II 300 Winding Road St. Mary's, GA 31558 Camden County	n/a	One-story 2017 / n/a	@50%, @60%	1BR / 1BA	11	15.71%	@50%	\$425	820	no		N/A	N/A
					1BR / 1BA	19	27.14%	@60%	\$440	820	no	N/A	N/A	
					2BR / 2BA	8	11.43%	@50%	\$500	1,010	no	N/A	N/A	
					2BR / 2BA	25	35.71%	@60%	\$515	1,010	no	N/A	N/A	
					3BR / 2BA	2	2.86%	@50%	\$535	1,145	no	N/A	N/A	
					3BR / 2BA	4	5.71%	@60%	\$595	1,145	no	N/A	N/A	
					3BR / 2BA	1	1.43%	Market	660	1145	n/a	N/A	N/A	
						70	100%					N/A	N/A	
1	Ashton Cove Apartments 230 N Gross Road Kingsland, GA 31548 Camden County	2.7 miles	Garden 1999 / n/a	@45%, @45% (Senior), @50%, @50% (Senior)	1BR / 1BA	15	20.80%	@45% (Senior)	\$378	764	yes	Yes	0	0.00%
					1BR / 1BA	3	4.20%	@50%	\$400	764	yes	Yes	1	33.30%
					2BR / 1BA	15	20.80%	@45% (Senior)	\$445	984	yes	Yes	0	0.00%
					2BR / 1BA	3	4.20%	@50% (Senior)	\$473	984	yes	Yes	0	0.00%
					2BR / 2BA	17	23.60%	@45%	\$445	984	yes	Yes	0	0.00%
					2BR / 2BA	3	4.20%	@50%	\$473	984	yes	Yes	0	0.00%
					3BR / 2BA	13	18.10%	@45%	\$503	1,184	yes	Yes	0	0.00%
					3BR / 2BA	3	4.20%	@50%	\$583	1,184	yes	Yes	1	33.30%
	72	100%						2	2.80%					
2	Kings Grant Apartments 500 N. Grove Boulevard Kingsland, GA 31548 Camden County	6.3 miles	Garden (2 stories) 2009 / n/a	@50%, @60%	2BR / 2BA	7	11.70%	@50%	\$492	900	no	No	0	0.00%
					2BR / 2BA	20	33.30%	@60%	\$606	900	no	No	1	5.00%
					3BR / 2BA	14	23.30%	@50%	\$551	1,100	no	No	0	0.00%
					3BR / 2BA	19	31.70%	@60%	\$634	1,100	no	No	5	26.30%
						60	100%						6	10.00%
3	Royal Point Apartments 301 N Gross Road Kingsland, GA 31548 Camden County	2.7 miles	Garden (3 stories) 2000 / n/a	@50%, @60%	2BR / 2BA	29	20.10%	@50%	\$593	990	no	Yes	0	0.00%
					2BR / 2BA	43	29.90%	@60%	\$647	990	no	Yes	2	4.70%
					3BR / 2BA	29	20.10%	@50%	\$680	1,189	no	Yes	0	0.00%
					3BR / 2BA	43	29.90%	@60%	\$736	1,189	no	Yes	2	4.70%
						144	100%						4	2.80%
4	The Reserve At Sugar Mill 11115 Colerain Rd St Marys, GA 31558 Camden County	2.2 miles	Garden (2 stories) 1997 / 2013	@50%, @60%	2BR / 2BA	3	4.30%	@50%	\$544	939	no	No	0	0.00%
					2BR / 2BA	3	4.30%	@50%	\$544	952	no	No	0	0.00%
					2BR / 2BA	13	18.60%	@60%	\$691	939	no	No	2	15.40%
					2BR / 2BA	15	21.40%	@60%	\$691	952	no	No	2	13.30%
					3BR / 2BA	3	4.30%	@50%	\$616	1,161	no	No	0	0.00%
					3BR / 2BA	3	4.30%	@50%	\$616	1,174	no	No	0	0.00%
					3BR / 2BA	17	24.30%	@60%	\$786	1,161	no	No	1	5.90%
					3BR / 2BA	13	18.60%	@60%	\$786	1,174	no	No	0	0.00%
	70	100%						5	7.10%					
5	Greenbriar Townhomes 244 S. Orange Edwards Blvd Kingsland, GA 31548 Camden County	5.5 miles	Townhouse (2 stories) 1993 / 2009	Market	2BR / 2BA	6	8.30%	Market	\$695	1,200	n/a	No	0	0.00%
					3BR / 2BA	66	91.70%	Market	\$665	1,200	n/a	Yes	0	0.00%
						72	100%						0	0.00%
6	Mission Forest Apartments 999 Mission Trace Dr St Marys, GA 31558 Camden County	1.9 miles	Garden (2 stories) 1986 / n/a	Market	1BR / 1BA	16	15.40%	Market	\$537	750	n/a	Yes	0	0.00%
					2BR / 2BA	88	84.60%	Market	\$657	950	n/a	Yes	3	3.40%
						104	100%						3	2.90%
7	Park Place 11919 Colerain Rd St Marys, GA 31558 Camden County	2.9 miles	Garden (2 stories) 1988 / n/a	Market	1BR / 1BA	32	16.00%	Market	\$783	700	n/a	No	5	15.60%
					1BR / 1BA	0	0.00%	Market	\$892	700	n/a	No	0	N/A
					1BR / 1BA	0	0.00%	Market	\$683	700	n/a	No	0	N/A
					2BR / 1BA	68	34.00%	Market	\$901	950	n/a	No	7	10.30%
					2BR / 1BA	0	0.00%	Market	\$1,002	950	n/a	No	0	N/A
					2BR / 1BA	0	0.00%	Market	\$799	950	n/a	No	0	N/A
					2BR / 2BA	68	34.00%	Market	\$912	950	n/a	No	13	19.10%
					2BR / 2BA	0	0.00%	Market	\$1,049	950	n/a	No	0	N/A
					2BR / 2BA	0	0.00%	Market	\$774	950	n/a	No	0	N/A
					3BR / 2BA	32	16.00%	Market	\$1,069	1,100	n/a	No	3	9.40%
					3BR / 2BA	0	0.00%	Market	\$1,196	1,100	n/a	No	0	N/A
3BR / 2BA	0	0.00%	Market	\$942	1,100	n/a	No	0	N/A					
	200	100%						28	14.00%					
8	Pelican Point Apartments 1 Pelican Point St Mary's, GA 31558 Camden County	4.8 miles	Garden (2 stories) 1987 / n/a	Market	1BR / 1BA	24	42.90%	Market	\$469	560	n/a	No	1	4.20%
					2BR / 2BA	32	57.10%	Market	\$557	1,000	n/a	No	0	0.00%
						56	100%						1	1.80%

## The Village at Winding Road II, St. Marys, GA; Market Study

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

Effective Rent Date:		Apr-15	Units Surveyed:	978	Weighted Occupancy:	96.00%
			Market Rate	632	Market Rate	96.20%
			Tax Credit	346	Tax Credit	95.70%
One Bedroom One Bath			Two Bedrooms Two Bath		Three Bedrooms Two Bath	
	Property	Average	Property	Average	Property	Average
RENT	Park Place	\$892	Park Place	\$1,049	Park Place	\$1,196
	Park Place	\$783	Park Place	\$912	Park Place	\$1,069
	Park Place	\$683	Park Place	\$774	Park Place	\$942
	Harbor Pines Apartments	\$575	Greenbriar Townhomes	\$695	The Reserve At Sugar Mill * (60%)	\$786
	Mission Forest Apartments	\$537	The Reserve At Sugar Mill * (60%)	\$691	The Reserve At Sugar Mill * (60%)	\$786
	Pelican Point Apartments	\$469	The Reserve At Sugar Mill * (60%)	\$691	Royal Point Apartments * (60%)	\$736
	<b>The Village At Winding Road II * (60%)</b>	<b>\$440</b>	Mission Forest Apartments	\$657	Harbor Pines Apartments	\$700
	<b>The Village At Winding Road II * (50%)</b>	<b>\$425</b>	Royal Point Apartments * (60%)	\$647	Royal Point Apartments * (50%)	\$680
	Ashton Cove Apartments * (50%)	\$400	Kings Grant Apartments * (60%)	\$606	Greenbriar Townhomes	\$665
	Ashton Cove Apartments * (45%)	\$378	Harbor Pines Apartments	\$600	<b>The Village At Winding Road II * (M)</b>	<b>\$660</b>
			Royal Point Apartments * (50%)	\$593	Kings Grant Apartments * (60%)	\$634
			Pelican Point Apartments	\$557	The Reserve At Sugar Mill * (50%)	\$616
			The Reserve At Sugar Mill * (50%)	\$544	The Reserve At Sugar Mill * (50%)	\$616
			The Reserve At Sugar Mill * (50%)	\$544	<b>The Village At Winding Road II * (60%)</b>	<b>\$595</b>
			<b>The Village At Winding Road II * (60%)</b>	<b>\$515</b>	Ashton Cove Apartments * (50%)	\$583
			<b>The Village At Winding Road II * (50%)</b>	<b>\$500</b>	Kings Grant Apartments * (50%)	\$551
			Kings Grant Apartments * (50%)	\$492	<b>The Village At Winding Road II * (50%)</b>	<b>\$535</b>
			Ashton Cove Apartments * (50%)	\$473	Ashton Cove Apartments * (45%)	\$503
			Ashton Cove Apartments * (45%)	\$445		
	SQUARE FOOTAGE	<b>The Village At Winding Road II * (50%)</b>	<b>820</b>	Greenbriar Townhomes	1,200	Greenbriar Townhomes
<b>The Village At Winding Road II * (60%)</b>		<b>820</b>	<b>The Village At Winding Road II * (50%)</b>	<b>1,010</b>	Royal Point Apartments * (50%)	1,189
Ashton Cove Apartments * (45%)		764	<b>The Village At Winding Road II * (60%)</b>	<b>1,010</b>	Royal Point Apartments * (60%)	1,189
Ashton Cove Apartments * (50%)		764	Pelican Point Apartments	1,000	Ashton Cove Apartments * (45%)	1,184
Harbor Pines Apartments		750	Royal Point Apartments * (50%)	990	Ashton Cove Apartments * (50%)	1,184
Mission Forest Apartments		750	Royal Point Apartments * (60%)	990	The Reserve At Sugar Mill * (50%)	1,174
Park Place		700	Ashton Cove Apartments * (45%)	984	The Reserve At Sugar Mill * (60%)	1,174
Park Place		700	Ashton Cove Apartments * (50%)	984	The Reserve At Sugar Mill * (50%)	1,161
Park Place		700	The Reserve At Sugar Mill * (50%)	952	The Reserve At Sugar Mill * (60%)	1,161
Pelican Point Apartments		560	The Reserve At Sugar Mill * (60%)	952	<b>The Village At Winding Road II * (50%)</b>	<b>1,145</b>
			Harbor Pines Apartments	950	<b>The Village At Winding Road II * (60%)</b>	<b>1,145</b>
			Mission Forest Apartments	950	<b>The Village At Winding Road II * (M)</b>	<b>1,145</b>
			Park Place	950	Kings Grant Apartments * (50%)	1,100
			Park Place	950	Kings Grant Apartments * (60%)	1,100
			Park Place	950	Harbor Pines Apartments	1,100
			The Reserve At Sugar Mill * (50%)	939	Park Place	1,100
			The Reserve At Sugar Mill * (60%)	939	Park Place	1,100
			Kings Grant Apartments * (50%)	900	Park Place	1,100
			Kings Grant Apartments * (60%)	900		
RENT PER SQUARE FOOT		Park Place	\$1.27	Park Place	\$1.10	Park Place
	Park Place	\$1.12	Park Place	\$0.96	Park Place	\$0.97
	Park Place	\$0.98	Park Place	\$0.81	Park Place	\$0.86
	Pelican Point Apartments	\$0.84	The Reserve At Sugar Mill * (60%)	\$0.74	The Reserve At Sugar Mill * (60%)	\$0.68
	Harbor Pines Apartments	\$0.77	The Reserve At Sugar Mill * (60%)	\$0.73	The Reserve At Sugar Mill * (60%)	\$0.67
	Mission Forest Apartments	\$0.72	Mission Forest Apartments	\$0.69	Harbor Pines Apartments	\$0.64
	<b>The Village At Winding Road II * (60%)</b>	<b>\$0.54</b>	Kings Grant Apartments * (60%)	\$0.67	Royal Point Apartments * (60%)	\$0.62
	Ashton Cove Apartments * (50%)	\$0.52	Royal Point Apartments * (60%)	\$0.65	<b>The Village At Winding Road II * (M)</b>	<b>\$0.58</b>
	<b>The Village At Winding Road II * (50%)</b>	<b>\$0.52</b>	Harbor Pines Apartments	\$0.63	Kings Grant Apartments * (60%)	\$0.58
	Ashton Cove Apartments * (45%)	\$0.49	Royal Point Apartments * (50%)	\$0.60	Royal Point Apartments * (50%)	\$0.57
			The Reserve At Sugar Mill * (50%)	\$0.58	Greenbriar Townhomes	\$0.55
			Greenbriar Townhomes	\$0.58	The Reserve At Sugar Mill * (50%)	\$0.53
			The Reserve At Sugar Mill * (50%)	\$0.57	The Reserve At Sugar Mill * (50%)	\$0.52
			Pelican Point Apartments	\$0.56	<b>The Village At Winding Road II * (60%)</b>	<b>\$0.52</b>
			Kings Grant Apartments * (50%)	\$0.55	Kings Grant Apartments * (50%)	\$0.50
			<b>The Village At Winding Road II * (60%)</b>	<b>\$0.51</b>	Ashton Cove Apartments * (50%)	\$0.49
			<b>The Village At Winding Road II * (50%)</b>	<b>\$0.50</b>	<b>The Village At Winding Road II * (50%)</b>	<b>\$0.47</b>
			Ashton Cove Apartments * (50%)	\$0.48	Ashton Cove Apartments * (45%)	\$0.42
			Ashton Cove Apartments * (45%)	\$0.45		

# PROPERTY PROFILE REPORT

## Ashton Cove Apartments

<b>Effective Rent Date</b>	4/06/2016
<b>Location</b>	230 N Gross Road Kingsland, GA 31548 Camden County
<b>Distance</b>	2.7 miles
<b>Units</b>	72
<b>Vacant Units</b>	2
<b>Vacancy Rate</b>	2.8%
<b>Type</b>	Garden
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Royal Point, The Reserve at Sugar Mill
<b>Tenant Characteristics</b>	Mix of families and 32 senior units
<b>Contact Name</b>	Sherita
<b>Phone</b>	(912) 510-7007



### Market Information

<b>Program</b>	@45%, @45% (Senior), @50%, @50%
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	17%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	15	764	\$378	\$0	@45% (Senior)	Yes	0	0.0%	yes	None
1	1	Garden	3	764	\$400	\$0	@50%	Yes	1	33.3%	yes	None
2	1	Garden	15	984	\$445	\$0	@45% (Senior)	Yes	0	0.0%	yes	None
2	1	Garden	3	984	\$473	\$0	@50% (Senior)	Yes	0	0.0%	yes	None
2	2	Garden	17	984	\$445	\$0	@45%	Yes	0	0.0%	yes	None
2	2	Garden	3	984	\$473	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden	13	1,184	\$503	\$0	@45%	Yes	0	0.0%	yes	None
3	2	Garden	3	1,184	\$583	\$0	@50%	Yes	1	33.3%	yes	None

### Unit Mix

@45%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$378	\$0	\$378	\$0	\$378	1BR / 1BA	\$400	\$0	\$400	\$0	\$400
2BR / 1BA	\$445	\$0	\$445	\$0	\$445	2BR / 1BA	\$473	\$0	\$473	\$0	\$473
2BR / 2BA	\$445	\$0	\$445	\$0	\$445	2BR / 2BA	\$473	\$0	\$473	\$0	\$473
3BR / 2BA	\$503	\$0	\$503	\$0	\$503	3BR / 2BA	\$583	\$0	\$583	\$0	\$583

## Ashton Cove Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Washer/Dryer hookup

#### Security

Perimeter Fencing

#### Services

None

#### Property

Clubhouse/Meeting  
Off-Street Parking  
Picnic Area  
Swimming Pool

Central Laundry  
On-Site Management  
Playground

#### Premium

None

#### Other

None

### Comments

The contact stated that both of the vacant units are pre-leased, and that there are several hundred households on the waiting list. They said that workers at the nearby military base will inquire about units, but are generally over the income limit. The contact estimated that there are approximately two parking spaces per unit.

# Ashton Cove Apartments, continued

## Trend Report

### Vacancy Rates

1Q15	2Q15	3Q15	2Q16
0.0%	0.0%	0.0%	2.8%

### Trend: @45%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$378	\$0	\$378	\$378
2015	2	0.0%	\$378	\$0	\$378	\$378
2015	3	0.0%	\$378	\$0	\$378	\$378
2016	2	0.0%	\$378	\$0	\$378	\$378

#### 2BR / 1BA

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

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$445	\$0	\$445	\$445
2015	2	0.0%	\$445	\$0	\$445	\$445
2015	3	0.0%	\$445	\$0	\$445	\$445
2016	2	0.0%	\$445	\$0	\$445	\$445

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$503	\$0	\$503	\$503
2015	2	0.0%	\$503	\$0	\$503	\$503
2015	3	0.0%	\$503	\$0	\$503	\$503
2016	2	0.0%	\$503	\$0	\$503	\$503

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$400	\$0	\$400	\$400
2015	2	0.0%	\$400	\$0	\$400	\$400
2015	3	0.0%	\$400	\$0	\$400	\$400
2016	2	33.3%	\$400	\$0	\$400	\$400

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$473	\$0	\$473	\$473

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$473	\$0	\$473	\$473
2015	2	0.0%	\$473	\$0	\$473	\$473
2015	3	0.0%	\$473	\$0	\$473	\$473
2016	2	0.0%	\$473	\$0	\$473	\$473

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$583	\$0	\$583	\$583
2015	2	0.0%	\$583	\$0	\$583	\$583
2015	3	0.0%	\$583	\$0	\$583	\$583
2016	2	33.3%	\$583	\$0	\$583	\$583

## Trend: Comments

- 1Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 250 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts.
- 2Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 250 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts. 32 units at this property are set aside for senior tenants.
- 3Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 200 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts. 32 units at this property are set aside for senior tenants.
- 2Q16** The contact stated that both of the vacant units are pre-leased, and that there are several hundred households on the waiting list. They said that workers at the nearby military base will inquire about units, but are generally over the income limit. The contact estimated that there are approximately two parking spaces per unit.

Photos



# PROPERTY PROFILE REPORT

## Kings Grant Apartments

<b>Effective Rent Date</b>	4/27/2016
<b>Location</b>	500 N. Grove Boulevard Kingsland, GA 31548 Camden County
<b>Distance</b>	6.3 miles
<b>Units</b>	60
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	6.7%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	3/28/2009
<b>Last Unit Leased</b>	8/31/2009
<b>Major Competitors</b>	Caney Place, Ashton Cove, Old Jefferson, Ashton Pines
<b>Tenant Characteristics</b>	Mostly local families, 10 percent seniors
<b>Contact Name</b>	Jocelyne
<b>Phone</b>	912-882-7220



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	30%
<b>Units/Month Absorbed</b>	12
<b>HCV Tenants</b>	25%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased two to three percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	7	900	\$545	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	20	900	\$659	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (2 stories)	14	1,100	\$615	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	19	1,100	\$698	\$0	@60%	No	4	21.1%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$545	\$0	\$545	-\$53	\$492	2BR / 2BA	\$659	\$0	\$659	-\$53	\$606
3BR / 2BA	\$615	\$0	\$615	-\$64	\$551	3BR / 2BA	\$698	\$0	\$698	-\$64	\$634

## Kings Grant Apartments, continued

### Amenities

#### In-Unit

Carpeting  
Coat Closet  
Ceiling Fan  
Hand Rails  
Oven  
Refrigerator

Central A/C  
Dishwasher  
Garbage Disposal  
Microwave  
Pull Cords  
Washer/Dryer hookup

#### Security

Video Surveillance

#### Services

None

#### Property

Basketball Court  
Clubhouse/Meeting  
Off-Street Parking  
Picnic Area  
Sport Court

Business Center/Computer Lab  
Central Laundry  
On-Site Management  
Playground  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

Three of the four vacant units have been pre-leased. The contact said that St. Marys is seen as a more affluent and desirable community to rent in. They also said that it is challenging to find income-qualified area residents due to the large proportion of military personnel, who are generally over the income limit.

# Kings Grant Apartments, continued

## Trend Report

### Vacancy Rates

1Q15	2Q15	3Q15	2Q16
5.0%	3.3%	3.3%	6.7%

**Trend: @50%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$520	\$0	\$520	\$467
2015	2	14.3%	\$530	\$0	\$530	\$477
2015	3	0.0%	\$530	\$0	\$530	\$477
2016	2	0.0%	\$545	\$0	\$545	\$492

**Trend: @60%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	10.0%	\$634	\$0	\$634	\$581
2015	2	5.0%	\$644	\$0	\$644	\$591
2015	3	5.0%	\$644	\$0	\$644	\$591
2016	2	0.0%	\$659	\$0	\$659	\$606

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$590	\$0	\$590	\$526
2015	2	0.0%	\$600	\$0	\$600	\$536
2015	3	0.0%	\$600	\$0	\$600	\$536
2016	2	0.0%	\$615	\$0	\$615	\$551

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	5.3%	\$673	\$0	\$673	\$609
2015	2	0.0%	\$683	\$0	\$683	\$619
2015	3	5.3%	\$683	\$0	\$683	\$619
2016	2	21.1%	\$698	\$0	\$698	\$634

## Trend: Comments

- 1Q15** The contact reported a waiting list was recently purged. Two of the units have applications pending approval.
- 2Q15** The contact indicated that the property has historically had elevated vacancy rates as previous management kept poor records and experienced high turnover. Since the contact became the manager for this property and its sister property, Caney Heights, occupancy has substantially improved. The waiting list was recently purged.
- 3Q15** The contact reported the property has been operating on a first come, first served basis.
- 2Q16** Three of the four vacant units have been pre-leased. The contact said that St. Marys is seen as a more affluent and desirable community to rent in. They also said that it is challenging to find income-qualified area residents due to the large proportion of military personnel, who are generally over the income limit.

# Kings Grant Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## Royal Point Apartments

<b>Effective Rent Date</b>	4/06/2016
<b>Location</b>	301 N Gross Road Kingsland, GA 31548 Camden County
<b>Distance</b>	2.7 miles
<b>Units</b>	144
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	2.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2000 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	The Reserve at Sugar Mill
<b>Tenant Characteristics</b>	Majority from Camden Cty including St Marys; Avg HH size is 3 persons, five percent senior
<b>Contact Name</b>	Patty
<b>Phone</b>	(912) 729-7135



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	13%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased two to 20 percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	29	990	\$646	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	43	990	\$700	\$0	@60%	Yes	2	4.7%	no	None
3	2	Garden (3 stories)	29	1,189	\$744	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	43	1,189	\$800	\$0	@60%	Yes	2	4.7%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$646	\$0	\$646	-\$53	\$593	2BR / 2BA	\$700	\$0	\$700	-\$53	\$647
3BR / 2BA	\$744	\$0	\$744	-\$64	\$680	3BR / 2BA	\$800	\$0	\$800	-\$64	\$736

## Royal Point Apartments, continued

### Amenities

**In-Unit**

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

**Security**

None

**Services**

None

**Property**

Basketball Court  
Exercise Facility  
Off-Street Parking  
Playground  
Swimming Pool

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Sport Court

**Premium**

None

**Other**

None

### Comments

The contact stated that there are 12 households on the waiting list. The property has an indoor racquetball court.

# Royal Point Apartments, continued

## Trend Report

### Vacancy Rates

3Q14	1Q15	2Q15	2Q16
4.9%	4.2%	1.4%	2.8%

### Trend: @50%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	2.8%	\$537	\$0	\$537	\$484
2015	1	0.0%	\$545	\$0	\$545	\$492
2015	2	0.0%	\$545	\$0	\$545	\$492
2016	2	0.0%	\$646	\$0	\$646	\$593

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$611	\$0	\$611	\$547
2015	1	0.0%	\$621	\$0	\$621	\$557
2015	2	0.0%	\$621	\$0	\$621	\$557
2016	2	0.0%	\$744	\$0	\$744	\$680

### Trend: @60%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$611	\$0	\$611	\$558
2015	1	N/A	\$686	\$0	\$686	\$633
2015	2	N/A	\$686	\$0	\$686	\$633
2016	2	4.7%	\$700	\$0	\$700	\$647

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$699	\$0	\$699	\$635
2015	1	N/A	\$783	\$0	\$783	\$719
2015	2	N/A	\$783	\$0	\$783	\$719
2016	2	4.7%	\$800	\$0	\$800	\$736

## Trend: Comments

- 3Q14** The contact indicated higher demand for 50 percent units in the area and while there is no waiting list for these units currently, the contact indicated that there often is one maintained.
- 1Q15** The contact reported a waiting list with five to seven households for the two bedroom units at this time. She noted a modest 1.5 percent rent increase for units at 50 percent of AMI and a sharp increase of 12 percent for the units at 60 percent of AMI. Recent price increases have brought the rents up to the maximum allowable.
- 2Q15** The contact indicated the property typically maintains a waiting list but no one is waiting at this time. She indicated that all of the vacancies are pre-leased. The contact noted a modest 1.5 percent rent increase for units at 50 percent of AMI and a significant increase of 12 percent for the units at 60 percent of AMI.
- 2Q16** The contact stated that there are 12 households on the waiting list. The property has an indoor racquetball court.

## Royal Point Apartments, continued

### Photos



# PROPERTY PROFILE REPORT

## The Reserve At Sugar Mill

<b>Effective Rent Date</b>	4/07/2016
<b>Location</b>	11115 Colerain Rd St Marys, GA 31558 Camden County
<b>Distance</b>	2.2 miles
<b>Units</b>	70
<b>Vacant Units</b>	5
<b>Vacancy Rate</b>	7.1%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1997 / 2013
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Kings Grant, Ashton Cove, Royal Point
<b>Tenant Characteristics</b>	Mix of local and out of state, many military, 15 percent senior
<b>Contact Name</b>	Cheramy
<b>Phone</b>	912-673-6588



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	15%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased six to 15 percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	3	939	\$544	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	3	952	\$544	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	13	939	\$691	\$0	@60%	No	2	15.4%	no	None
2	2	Garden (2 stories)	15	952	\$691	\$0	@60%	No	2	13.3%	no	None
3	2	Garden (2 stories)	3	1,161	\$616	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,174	\$616	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	17	1,161	\$786	\$0	@60%	No	1	5.9%	no	None
3	2	Garden (2 stories)	13	1,174	\$786	\$0	@60%	No	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
2BR / 2BA	\$544	\$0	\$544	\$0	\$544	2BR / 2BA	\$691	\$0	\$691	\$0	\$691
3BR / 2BA	\$616	\$0	\$616	\$0	\$616	3BR / 2BA	\$786	\$0	\$786	\$0	\$786

## The Reserve At Sugar Mill, continued

### Amenities

**In-Unit**

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

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

**Security**

Video Surveillance

**Services**

None

**Property**

Clubhouse/Meeting  
On-Site Management  
Recreation Areas

Off-Street Parking  
Playground

**Premium**

None

**Other**

Splash pad

### Comments

The contact did not know why the property is not achieving the maximum allowable rents. The contact was unable to report why vacancy is elevated. They did state that even though there is significant demand, it can be challenging to find income-qualified renters.

# The Reserve At Sugar Mill, continued

## Trend Report

### Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	0.0%	5.7%	7.1%

**Trend: @50%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$495	\$0	\$495	\$495
2015	1	0.0%	\$515	\$0	\$515	\$515
2015	2	0.0%	\$515	\$0	\$515	\$515
2016	2	0.0%	\$544	\$0	\$544	\$544

**Trend: @60%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$595	\$0	\$595	\$595
2015	1	0.0%	\$620	\$0	\$620	\$620
2015	2	7.1%	\$620	\$0	\$620	\$620
2016	2	14.3%	\$691	\$0	\$691	\$691

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$565	\$0	\$565	\$565
2015	1	0.0%	\$585	\$0	\$585	\$585
2015	2	0.0%	\$585	\$0	\$585	\$585
2016	2	0.0%	\$616	\$0	\$616	\$616

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$660	\$0	\$660	\$660
2015	1	0.0%	\$685	\$0	\$685	\$685
2015	2	6.7%	\$685	\$0	\$685	\$685
2016	2	3.3%	\$786	\$0	\$786	\$786

## Trend: Comments

- 3Q14** Management is the same as Ashton Cove Apartments. The property underwent an 4.3 million dollar renovation, which equates to \$61,500 per unit in hard costs. The increase in rent was \$5 for two-bedrooms, \$15 for three-bedrooms at 50 percent AMI, and an \$8 decrease for three-bedrooms at 60 percent AMI. Management stated that a portion of the tenants stayed at the property. Construction began in July 2012 and was completed by January 31st, 2014. During that time all of the available units were leased. Management stated that there are few jobs in the area outside of the military base. She stated that workers at the base are overqualified for affordable housing. The tenants typically work at Walmart or Express Scripts. Traffic for the property has been slow lately.
- 1Q15** The contact reported strong occupancy during the past 12 months and there are 25 households on the waiting list at this time.
- 2Q15** The contact reported strong occupancy during the past 12 months and there are 45 households on the waiting list at this time. Both vacancies are pre-leased.
- 2Q16** The contact did not know why the property is not achieving the maximum allowable rents. The contact was unable to report why vacancy is elevated. They did state that even though there is significant demand, it can be challenging to find income-qualified renters.

# The Reserve At Sugar Mill, continued

## Photos





## **Greenbriar Townhomes, continued**

### **Comments**

The property's turnover is primarily based on military transfers which occur in April and November. The contact said that there are two households on the waiting list. Management offers a military discount of \$60 per month. The property does not accept Housing Choice Vouchers.

## Greenbriar Townhomes, continued

### Trend Report

#### Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	0.0%	0.0%	0.0%

### Trend: Market

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$665	\$20	\$645	\$645
2015	1	0.0%	\$645	\$0	\$645	\$645
2015	2	0.0%	\$665	\$55	\$610	\$610
2016	2	0.0%	\$695	\$0	\$695	\$695

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$665	\$55	\$610	\$610
2015	1	0.0%	\$665	\$55	\$610	\$610
2015	2	0.0%	\$665	\$55	\$610	\$610
2016	2	0.0%	\$665	\$0	\$665	\$665

### Trend: Comments

- 3Q14** There is a rent special at the property currently. Rents for the two and three-bedroom units are typically the same, since they have the same square footage. Rents for military families are typically \$645 as opposed to the \$665 for civilians. However, all rents are at the discounted rate currently. There is a waiting list of five households. Turnover is limited to base transfers mainly. The property does not accept Housing Choice Vouchers.
- 1Q15** The contact reported occupancy rates have been stable during the past 12 months. There is currently a rent special on the three-bedroom units, two of which will become vacant at the end of the month.
- 2Q15** The property's turnover is primarily based on military transfers which occur in April and November. There is a concession at the property currently to facilitate rapid leasing as new military families just transferred to the area. Four households are on the waiting list currently.
- 2Q16** The property's turnover is primarily based on military transfers which occur in April and November. The contact said that there are two households on the waiting list. Management offers a military discount of \$60 per month. The property does not accept Housing Choice Vouchers.

# Greenbriar Townhomes, continued

## Photos



# PROPERTY PROFILE REPORT

## Mission Forest Apartments

<b>Effective Rent Date</b>	4/15/2016
<b>Location</b>	999 Mission Trace Dr St Marys, GA 31558 Camden County
<b>Distance</b>	1.9 miles
<b>Units</b>	104
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	2.9%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1986 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Park Place, Harbor Pines, Camden Way
<b>Tenant Characteristics</b>	65-70% military; Majority singles or families, 5% seniors
<b>Contact Name</b>	Brenda
<b>Phone</b>	(912) 882-4444



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	52%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	2%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	\$100 off first month's rent

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	750	\$545	\$8	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	88	950	\$665	\$8	Market	Yes	3	3.4%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$545	\$8	\$537	\$0	\$537
2BR / 2BA	\$665	\$8	\$657	\$0	\$657

### Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Dishwasher		
Garbage Disposal		
Refrigerator		
Washer/Dryer hookup		
Carpeting		
Coat Closet		
Ceiling Fan		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting	None	None
Off-Street Parking		
Picnic Area		
Sauna		
Central Laundry		
On-Site Management		
Playground		
Swimming Pool		

## **Mission Forest Apartments, continued**

### **Comments**

The property has a flat fee for water. It is \$30 on the one-bedroom units and \$50 on the two-bedroom units. High turnover is due to a majority of tenants in the military.

## Mission Forest Apartments, continued

### Trend Report

#### Vacancy Rates

3Q14	1Q15	2Q15	2Q16
1.0%	1.9%	1.0%	2.9%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$515	\$43	\$472	\$472
2015	1	0.0%	\$515	\$17	\$498	\$498
2015	2	0.0%	\$515	\$8	\$507	\$507
2016	2	0.0%	\$545	\$8	\$537	\$537

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	1.1%	\$575	\$48	\$527	\$527
2015	1	2.3%	\$575	\$17	\$558	\$558
2015	2	1.1%	\$575	\$8	\$567	\$567
2016	2	3.4%	\$665	\$8	\$657	\$657

### Trend: Comments

3Q14	The property has a flat fee for water. It is \$30 on the one-bedroom units and \$50 on the two-bedroom units. High turnover is due to a majority of tenants working at the military base.
1Q15	The property has a flat fee for water. It is \$30 on the one-bedroom units and \$50 on the two-bedroom units. High turnover is due to a majority of tenants in the military.
2Q15	N/A
2Q16	N/A

## Mission Forest Apartments, continued

### Photos



# PROPERTY PROFILE REPORT

## Park Place

<b>Effective Rent Date</b>	4/25/2016
<b>Location</b>	11919 Colerain Rd St Marys, GA 31558 Camden County
<b>Distance</b>	2.9 miles
<b>Units</b>	200
<b>Vacant Units</b>	10
<b>Vacancy Rate</b>	5.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1988 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Brant Creek, Harbor Cove, Hickory Plantation
<b>Tenant Characteristics</b>	Majority military, medical workers, school employees, and police; five percent senior
<b>Contact Name</b>	Tara
<b>Phone</b>	(912) 673-6001



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	15%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Decreased 17 percent to increased 27
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	32	700	\$783	\$0	Market	No	N/A	N/A	N/A	AVG
1	1	Garden (2 stories)	0	700	\$892	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (2 stories)	0	700	\$683	\$0	Market	No	N/A	N/A	N/A	LOW
2	1	Garden (2 stories)	68	950	\$901	\$0	Market	No	N/A	N/A	N/A	AVG
2	1	Garden (2 stories)	0	950	\$1,002	\$0	Market	No	N/A	N/A	N/A	HIGH
2	1	Garden (2 stories)	0	950	\$799	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (2 stories)	68	950	\$912	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	0	950	\$1,049	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (2 stories)	0	950	\$774	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (2 stories)	32	1,100	\$1,069	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (2 stories)	0	1,100	\$1,196	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (2 stories)	0	1,100	\$942	\$0	Market	No	N/A	N/A	N/A	LOW

## Park Place, continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$683 - \$892	\$0	\$683 - \$892	\$0	\$683 - \$892
2BR / 1BA	\$799 - \$1,002	\$0	\$799 - \$1,002	\$0	\$799 - \$1,002
2BR / 2BA	\$774 - \$1,049	\$0	\$774 - \$1,049	\$0	\$774 - \$1,049
3BR / 2BA	\$942 - \$1,196	\$0	\$942 - \$1,196	\$0	\$942 - \$1,196

### Amenities

#### In-Unit

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

Carpeting  
Dishwasher  
Ceiling Fan  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

Patrol

#### Services

None

#### Property

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool

Exercise Facility  
Off-Street Parking  
Playground  
Volleyball Court

#### Premium

None

#### Other

Fishing pond, walking path

### Comments

The property does not accept Housing Choice Vouchers. The contact stated that vacancy is occasionally elevated due to large proportion of military tenants, who may be transferred on short notice.

## Park Place, continued

### Trend Report

#### Vacancy Rates

1Q15	2Q15	3Q15	2Q16
4.5%	1.0%	1.0%	5.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$686 - \$868	\$0	\$686 - \$868	\$686 - \$868
2015	2	0.0%	\$740 - \$833	\$0	\$740 - \$833	\$740 - \$833
2015	3	0.0%	\$775 - \$868	\$0	\$775 - \$868	\$775 - \$868
2016	2	N/A	\$683 - \$892	\$0	\$683 - \$892	\$683 - \$892

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.4%	\$760 - \$809	\$0	\$760 - \$809	\$760 - \$809
2015	2	2.9%	\$900 - \$1,017	\$0	\$900 - \$1,017	\$900 - \$1,017
2015	3	2.9%	\$865 - \$892	\$0	\$865 - \$892	\$865 - \$892
2016	2	N/A	\$799 - \$1,002	\$0	\$799 - \$1,002	\$799 - \$1,002

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	5.9%	\$809 - \$858	\$0	\$809 - \$858	\$809 - \$858
2015	2	0.0%	\$936 - \$1,047	\$0	\$936 - \$1,047	\$936 - \$1,047
2015	3	0.0%	\$930 - \$960	\$0	\$930 - \$960	\$930 - \$960
2016	2	N/A	\$774 - \$1,049	\$0	\$774 - \$1,049	\$774 - \$1,049

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	6.2%	\$860 - \$1,013	\$0	\$860 - \$1,013	\$860 - \$1,013
2015	2	0.0%	\$895 - \$976	\$0	\$895 - \$976	\$895 - \$976
2015	3	0.0%	\$895 - \$941	\$0	\$895 - \$941	\$895 - \$941
2016	2	N/A	\$942 - \$1,196	\$0	\$942 - \$1,196	\$942 - \$1,196

### Trend: Comments

1Q15	The contact reported current occupancy has been typical for most of the past year. She could not estimate turnover rate but stated it was not as high as it has been in previous years due to the high military tenancy.
2Q15	She could not estimate turnover rate but stated it was not as high as it has been in previous years due to the high military tenancy. There is a short waiting list for three-bedroom units.
3Q15	N/A
2Q16	The property does not accept Housing Choice Vouchers. The contact stated that vacancy is occasionally elevated due to large proportion of military tenants, who may be transferred on short notice.

**Photos**



# PROPERTY PROFILE REPORT

## Pelican Point Apartments

<b>Effective Rent Date</b>	4/06/2016
<b>Location</b>	1 Pelican Point St Mary's, GA 31558 Camden County
<b>Distance</b>	4.8 miles
<b>Units</b>	56
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.8%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1987 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Cumberland Village, Mission Forest, Camden Way
<b>Tenant Characteristics</b>	None identified
<b>Contact Name</b>	Lisa
<b>Phone</b>	(912) 673-6301



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	N/A
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased three to four percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	24	560	\$510	\$0	Market	No	1	4.2%	N/A	None
2	2	Garden (2 stories)	32	1,000	\$610	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$510	\$0	\$510	-\$41	\$469
2BR / 2BA	\$610	\$0	\$610	-\$53	\$557

### Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Dishwasher		
Refrigerator		
Washer/Dryer hookup		
Blinds		
Central A/C		
Oven		
Walk-In Closet		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		
Playground		

## **Pelican Point Apartments, continued**

### **Comments**

The contact indicated that many people are looking for affordable housing in the area. The contact could not provide an estimate of voucher usage.

## Pelican Point Apartments, continued

### Trend Report

#### Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	3.6%	1.8%	1.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$480	\$0	\$480	\$439
2015	1	0.0%	\$490	\$0	\$490	\$449
2015	2	4.2%	\$490	\$0	\$490	\$449
2016	2	4.2%	\$510	\$0	\$510	\$469

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$580	\$0	\$580	\$527
2015	1	6.2%	\$590	\$0	\$590	\$537
2015	2	0.0%	\$590	\$0	\$590	\$537
2016	2	0.0%	\$610	\$0	\$610	\$557

### Trend: Comments

3Q14	Management is the same as Old Jefferson. Management stated that one tenant who has been at the property for several years uses a housing choice voucher. There are no other tenants using vouchers because rents are too high. Management also stated that Pelican Point is typically 100 percent occupied.
1Q15	N/A
2Q15	The contact indicated that recent turnover was due to evictions. The contact indicated that many people are looking for affordable housing in the area.
2Q16	The contact indicated that many people are looking for affordable housing in the area. The contact could not provide an estimate of voucher usage.

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.

<b>TENANTS WITH VOUCHERS</b>			
<b>Comparable Property</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Housing Choice Voucher Tenants</b>
Ashton Cove Apartments	LIHTC	Family/Senior	17%
Kings Grant Apartments	LIHTC	Family	25%
Royal Point Apartments	LIHTC	Family	13%
The Reserve At Sugar Mill	LIHTC	Family	10%
Greenbriar Townhomes	Market	Family	0%
Mission Forest Apartments	Market	Family	2%
Park Place	Market	Family	0%
Pelican Point Apartments	Market	Family	N/A
<b>Average</b>			<b>10%</b>

The voucher usage at the comparable properties ranges from zero to 25 percent. Voucher usage among the LIHTC properties ranges from 10 to 25 percent. None of the comparable LIHTC properties reported an elevated percentage of Housing Choice Voucher tenants. Greenbriar Townhomes and Park Place do not accept Housing Choice Vouchers. The voucher usage in the local market appears to be low. As a LIHTC property, we anticipate the Subject will operate with a voucher usage of less than 20 percent.

**Lease Up History**

We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included two additional properties that were excluded from our competitive analysis but were leased more recently than the remainder of the comparable properties.

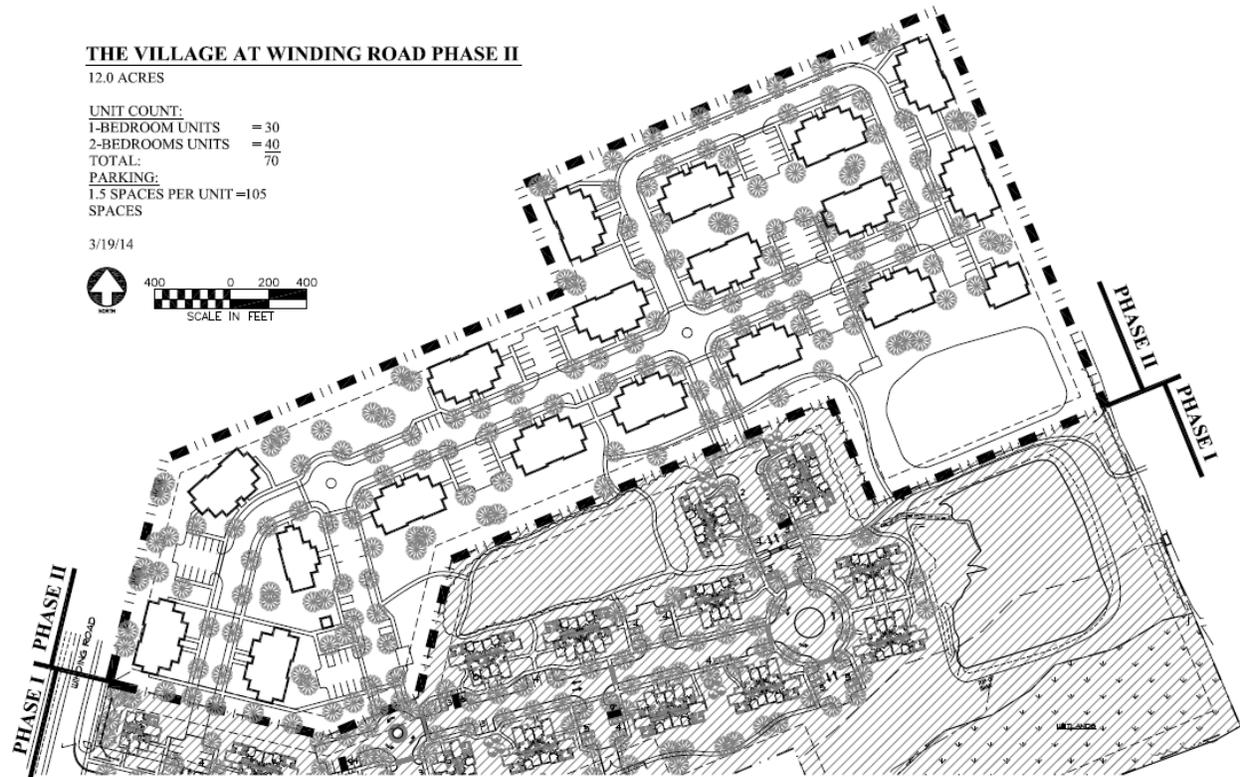
<b>ABSORPTION</b>					
<b>Property Name</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Year Built</b>	<b>Number of Units</b>	<b>Units Absorbed/ Month</b>
The Village at Winding Road	LIHTC	Senior	2013	50	13
Caney Heights	LIHTC	Family	2012	28	6
Kings Grant Apartments	LIHTC	Family	2009	60	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, the first phase of the Subject’s development, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as it only offers three and four-bedroom units. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable properties, the waiting

lists at the LIHTC comparables, and the strong demand for affordable housing in St. Marys, we anticipate that the Subject will absorb 13 units per month, for an absorption period of five months.

### Phased Developments

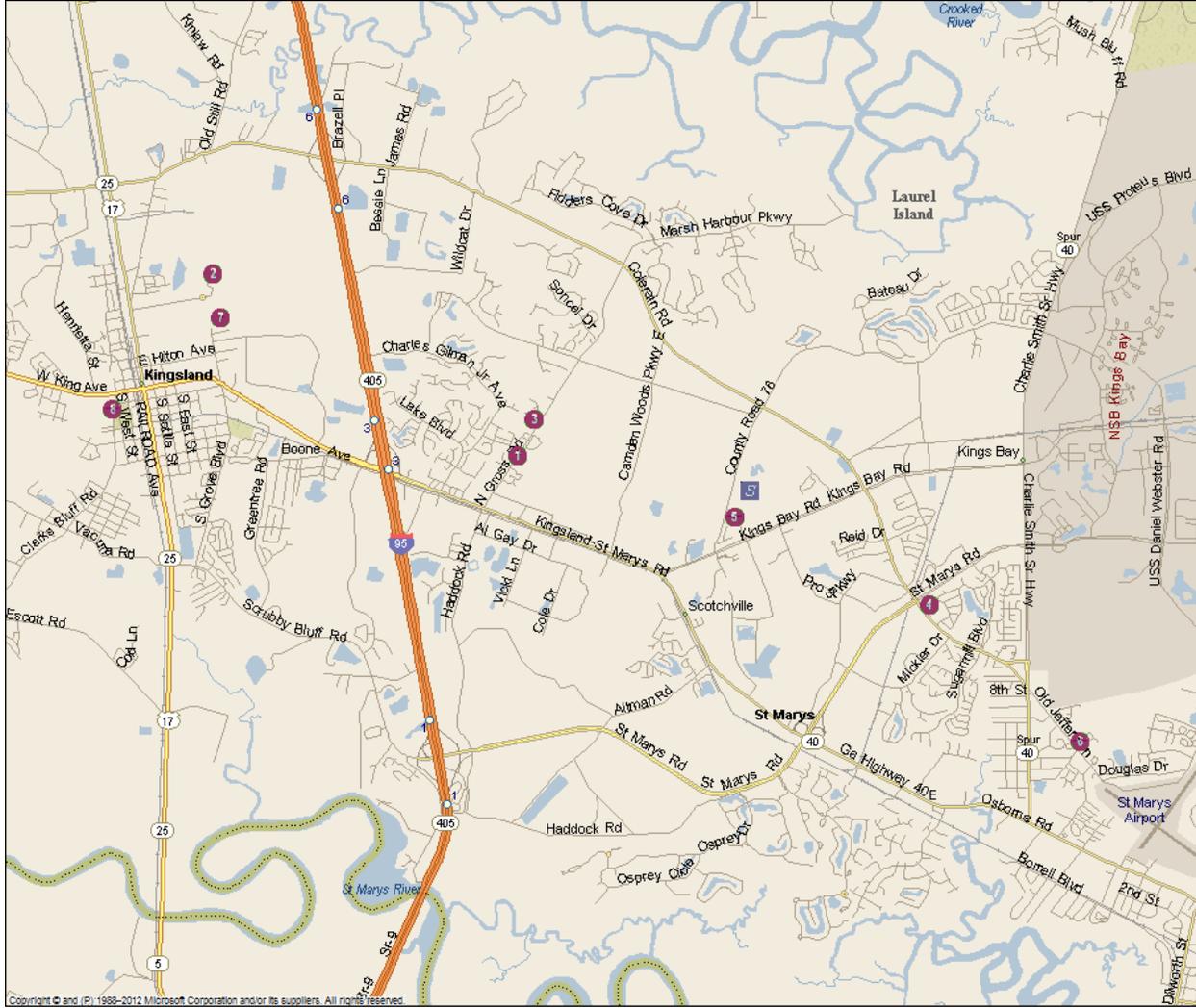
The Subject will be the second phase of the multi-phase development of The Village at Winding Road. The first phase of this development contains 50 senior units and has been excluded as comparable property due to its senior tenancy. The following map illustrates the existing and planned phases of the Subject.



### Rural Areas

The Subject is located in a rural area; however, existing competitive rental supply is sufficient from which to draw conclusions.

### 3. Competitive Project Map



#### COMPETITIVE PROPERTIES

#	Property Name	Type	Tenancy	Reason for Exclusion	Distance
1	Ashton Cove Apartments	@45%, @50%	Senior/Family	Included	2.7 miles
2	Kings Grant Apartments	@50%, @60%	Family	Included	6.3 miles
3	Royal Point Apartments	@50%, @60%	Family	Included	2.7 miles
4	The Reserve At Sugar Mill	@50%, @60%	Family	Included	2.2 miles
5	The Village at Winding Road	@50%, @60%	Senior/Family	Dissimilar tenancy	0.1 miles
6	Old Jefferson Estates	@50%, @60%	Family	Dissimilar bedroom types	4.7 miles
7	Caney Heights	@50%, @60%	Family	Dissimilar bedroom types	6.3 miles
8	Clarks Bluff Road	LIHTC	Family	Too few units	5.5 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.

#### UNIT MATRIX REPORT

	The Village At Winding Road II	Ashton Cove Apartments	Kings Grant Apartments	Royal Point Apartments	The Reserve At Sugar Mill	Greenbriar Townhomes	Mission Forest Apartments	Park Place	Pelican Point Apartments
Comp #	Subject	1	2	3	4	5	6	7	8
<b>Property Information</b>									
Property Type	One-story	Garden	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Townhouse (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated	2017 / n/a	1999 / n/a	2009 / n/a	2000 / n/a	1997 / 2013	1993 / 2009	1986 / n/a	1988 / n/a	1987 / n/a
Market (Conv.)/Subsidy Type	@50%, @60%	@45%, @50%	@50%, @60%	@50%, @60%	@50%, @60%	Market	Market	Market	Market
<b>Utility Adjustments</b>									
Cooking	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no
Water	no	no	yes	yes	no	no	no	no	yes
Sewer	no	no	yes	yes	no	no	no	no	yes
Trash Collection	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>In-Unit Amenities</b>									
Balcony/Patio	yes	yes	no	no	yes	yes	no	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	no	yes	yes	no	yes	no
Ceiling Fan	yes	yes	yes	yes	yes	no	yes	yes	no
Garbage Disposal	yes	yes	yes	yes	yes	no	yes	yes	no
Hand Rails	no	no	yes	no	no	no	no	no	no
Microwave	no	no	yes	no	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	yes	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	yes	no
Walk-In Closet	yes	no	no	yes	yes	yes	yes	yes	yes
Washer/Dryer	yes	no	no	no	yes	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>									
Basketball Court	no	no	yes	yes	no	no	no	no	no
Computer Lab	yes	no	yes	no	no	no	no	no	no
Clubhouse	yes	yes	yes	yes	yes	no	yes	yes	no
Exercise Facility	yes	no	no	yes	no	no	no	yes	no
Central Laundry	no	yes	yes	yes	no	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	no	yes	yes	yes
Sauna	no	no	no	no	no	no	yes	no	no
Sport Court	no	no	yes	yes	no	no	no	no	no
Swimming Pool	no	yes	yes	yes	no	yes	yes	yes	no
Volleyball Court	no	no	no	no	no	no	no	yes	no
<b>Security</b>									
Patrol	no	no	no	no	no	no	no	yes	no
Perimeter Fencing	no	yes	no	no	no	no	no	no	no
Video Surveillance	no	no	yes	no	yes	no	no	no	no

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer a business center, community room and exercise facility, which many of the comparables will lack. However, the Subject will lack a swimming pool which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

**5. Comparable Tenancy**

The Subject will target families. All of the comparable properties also target families. However, given the limited supply of one-bedroom units in the market, we have included the first phase of the Subject’s development, The Village at Winding Road, in our LIHTC rent discussion. This property targets seniors but we believe the similar unit types will provide additional support for our rent conclusions.

**6. Vacancy**

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>				
<b>Property Name</b>	<b>Rent</b>	<b>Total Units</b>	<b>Vacant Units</b>	<b>Vacancy</b>
Ashton Cove Apartments	LIHTC	72	2	2.8%
Kings Grant Apartments	LIHTC	60	4	6.7%
Royal Point Apartments	LIHTC	144	4	2.8%
The Reserve At Sugar Mill	LIHTC	70	5	7.1%
Greenbriar Townhomes	Market	72	0	0.0%
Mission Forest Apartments	Market	104	3	2.9%
Park Place	Market	200	10	5.0%
Pelican Point Apartments	Market	<u>56</u>	<u>1</u>	<u>1.8%</u>
<b>Total LIHTC</b>		<b>346</b>	<b>15</b>	<b>4.3%</b>
<b>Total Market</b>		<b>432</b>	<b>14</b>	<b>3.2%</b>
<b>Total</b>		<b>778</b>	<b>29</b>	<b>3.7%</b>

Overall vacancy in the market is moderate at 3.7 percent. Total LIHTC vacancy is higher, at 4.3 percent. Kings Grant Apartments and The Reserve at Sugar Mill reported elevated vacancy rates. However, three of the four vacant units at Kings Grant Apartments have been pre-leased. The contact at The Reserve at Sugar Mill mentioned that it can be challenging to find income-qualified tenants, based on that property’s historic performance and the reported low vacancy rates among the other LIHTC comparable properties, we believe that the elevated vacancy there is due to property-specific issues and not indicative of the Subject’s potential performance. While it has been excluded as a comparable property due to its senior tenancy, the first phase of the Subject reported zero percent vacancy. The remaining two LIHTC properties reported low vacancy rates and maintain waiting lists. The contact at Ashton Cove said that the two vacancies at that property have been pre-leased.

The vacancy rates among the market-rate comparable properties range from zero to five percent, averaging 3.2 percent, which is considered moderate. The contact at Park Place stated that due to the high proportion of military tenants who may move out on short notice for transfers, the property occasionally experiences elevated vacancy rates. However, the property has historically operated with a low vacancy rate. The contact at Mission Forest Apartments stated that the three vacant units at that property have been pre-leased. The low to moderate vacancy rates among the other market-rate comparable properties indicates that there is demand for rental housing in the Subject’s PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. While the Reserve at Sugar Mill is currently experiencing elevated vacancy, three of the four vacancies at

Kings Grant Apartments have been pre-leased, and the remaining two LIHTC comparable properties exhibit low vacancy rates and maintain waiting lists. Based on these factors, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

**7. Properties Under Construction and Proposed**

No properties have been allocated tax credits in the PMA since 2011. However, in 2011, two properties were allocated tax credits. The first phase of the Subject, The Village at Winding Road opened in early 2013 and stabilized after a period of four months. The 50 senior units at this development have not been deducted from our demand analysis, as they will not be directly competitive with the Subject. The other property allocated tax credits in 2011 is The Reserve at Sugar Mill, which has been included as a comparable property. This property was originally constructed as Ashton Pines at Sugar Mill in 1997. However, this property was renovated with tax credits in 2013 and renamed. These units have been deducted from our demand analysis. The property additionally remained mostly occupied during renovations.

We additionally contacted the St. Marys Planning Department regarding any under construction or proposed developments, of which there are none at this time.

**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 Cove Apartments	@45%, @45% (Senior), @50%, @50% (Senior)	Slightly Inferior	Inferior	Similar	Slightly Inferior	Inferior	-30
2	Kings Grant Apartments	@50%, @60%	Similar	Inferior	Similar	Similar	Inferior	-20
3	Royal Point Apartments	@50%, @60%	Similar	Inferior	Similar	Slightly Inferior	Slightly Inferior	-20
4	The Reserve At Sugar Mill	@50%, @60%	Slightly Inferior	Similar	Similar	Similar	Inferior	-15
5	Greenbriar Townhomes	Market	Inferior	Inferior	Similar	Slightly Inferior	Superior	-15
6	Mission Forest Apartments	Market	Slightly inferior	Inferior	Similar	Inferior	Inferior	-35
7	Park Place	Market	Slightly Superior	Inferior	Similar	Inferior	Inferior	-25
8	Pelican Point Apartments	Market	Inferior	Inferior	Similar	Inferior	Inferior	-40

\*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 table.

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR	3BR
The Village At Winding Road II (Subject)	\$425	\$500	\$535
<b>2015 LIHTC Maximum (Net)</b>	<b>\$464</b>	<b>\$544</b>	<b>\$616</b>
The Village at Winding Road I	\$445	\$520	-
Ashton Cove Apartments	\$400	\$473	\$583
Kings Grant Apartments	-	\$492	\$551
Royal Point Apartments	-	\$593	\$680
The Reserve At Sugar Mill	-	\$544	\$616
<b>Average (excluding Subject)</b>	<b>\$423</b>	<b>\$524</b>	<b>\$608</b>

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR	3BR
The Village At Winding Road II (Subject)	\$440	\$515	\$595
<b>LIHTC Maximum (Net)</b>	<b>\$587</b>	<b>\$691</b>	<b>\$786</b>
The Village at Winding Road I	\$460	\$535	-
Kings Grant Apartments	-	\$606	\$634
Royal Point Apartments	-	\$647	\$736
The Reserve At Sugar Mill	-	\$691	\$786
<b>Average (excluding Subject)</b>	<b>\$460</b>	<b>\$620</b>	<b>\$719</b>

All of the comparable properties were built in 2013 or earlier. The AMI in Camden County for 2015 is the highest level the county has ever experienced. Therefore, none of the comparable properties have been “held harmless.” All of the comparables will operate with the same maximum allowable income and rent limits as the Subject’s proposed income and rent limits. Per the Georgia DCA 2016 guidelines, the market study analyst must use the maximum rent and income limits effective as of January 1, 2016. Therefore, we have utilized the 2015 maximum income and rent limits.

Two comparable properties, Ashton Cove Apartments and The Reserve at Sugar Mill, reported achieving rents at the 2015 maximum allowable rent level. However, the rents at Ashton Cove Apartments appear to be below the maximum allowable levels. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. Royal Point Apartments appears to be achieving rents significantly higher than the 2015 maximum allowable net rents. This is also most likely due to differences in this property’s utility structure and allowance. Royal Point Apartments is maintaining a moderate vacancy rate and a waiting list of 12 households, indicating that its rents are sustainable in the market. The first phase of the Subject is achieving rents near the maximum allowable levels for its units restricted to 50 percent of the AMI, but well below the maximum allowable rents at the 60 percent of AMI level.

The Reserve at Sugar Mill and Royal Point Apartments are considered the most comparable LIHTC properties to the Subject. The Reserve at Sugar Mill, which is located 2.2 miles from the Subject, is considered slightly inferior to the proposed Subject. The unit sizes at The Reserve at Sugar Mill are inferior to the proposed unit sizes at the Subject, which demonstrates the competitiveness of the Subject’s proposed unit sizes. The Subject will offer slightly superior property amenities since The Reserve at Sugar Mill lacks a business center, which will be offered at the Subject. The Subject will offer similar in-unit amenities to this property as it offers exterior storage, which the Subject will lack, but does not offer microwaves, which the Subject is

proposed to offer. The Reserve at Sugar Mill was built in 1997 but was extensively renovated in 2013 and exhibits excellent condition. The Subject will be completed in 2017 and will exhibit excellent condition, similar to this property. The Subject will offer a one-story design, which is generally considered superior to the garden-style design that The Reserve at Sugar Mill offers. This comparable property exhibits elevated vacancy at 7.1 percent, and does not maintain a waiting list. All of the vacant units are restricted to 60 percent of the AMI. The contact at this property mentioned that most prospective tenants are over-income qualified, but based on the reported low vacancy rates among other LIHTC comparable properties and the historic performance of this property, we believe that the current elevated vacancy rate may be due to property-specific issues. The Reserve at Sugar Mill's performance indicates that the maximum allowable LIHTC rents at 50 percent of the AMI are achievable in the market. Based on the Subject's anticipated superiority to The Reserve at Sugar Mill, it should be able to achieve similar to higher rents.

Royal Point Apartments is located 2.7 miles from the Subject site in Kingsland and is considered slightly inferior to the proposed Subject. This property offers slightly inferior unit sizes compared to the proposed Subject, further supporting the competitiveness of the Subject's unit sizes. This property offers slightly superior property amenities compared to the proposed Subject, as it offers a basketball court, a playground, a sport court, and a swimming pool, all of which the proposed Subject will lack. However, Royal Point Apartments does not offer balconies or patios or in-unit washers and dryers, and therefore offers inferior in-unit amenities compared to the proposed Subject. This comparable property was built in 2000 and exhibits average condition, which will be considered inferior to the proposed Subject. This property exhibits 2.8 percent vacancy and maintains a waiting list of 12 households while achieving the maximum allowable LIHTC rents. As the Subject will be newly constructed and offer a competitive amenity package, we believe that the Subject should be able to achieve similar or higher LIHTC rents than Royal Point Apartments.

The two most similar comparable properties to the Subject are achieving the 2015 maximum allowable LIHTC net rents for their two and three-bedroom units restricted to 50 percent of the AMI. While The Reserve at Sugar Mill exhibits elevated vacancy, all of its units restricted to households earning 50 percent of the AMI or less are occupied. Royal Point Apartments exhibits low vacancy and maintains a waiting list. Furthermore, the first phase of the Subject exhibits zero percent vacancy and maintains a substantial waiting list. While the LIHTC comparable properties currently exhibit a moderate average weighted vacancy rate, we believe that the presence of waiting lists and rent growth at several comparable properties are indicative of demand for affordable housing in the marketplace. As such, we believe the Subject is feasible 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%	\$425	\$400	\$892	\$584	27%
2 BR @ 50%	\$500	\$473	\$1,049	\$747	33%
3 BR @ 50%	\$535	\$551	\$1,196	\$769	30%
1 BR @ 60%	\$440	\$469	\$892	\$637	31%
2 BR @ 60%	\$515	\$557	\$1,049	\$799	36%
3 BR @ 60%	\$595	\$634	\$1,196	\$861	31%
3BR Unrestricted	\$660	\$665	\$1,196	\$968	32%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed rents are within the surveyed range of LIHTC and market rents, with the exception of one-bedroom units restricted to 60 percent of the AMI and the Subject’s unrestricted three-bedroom unit. Park Place is achieving the highest one, two and three-bedroom unrestricted rents in the market.

The Subject will be superior to Park Place as a market-rate property. Park Place was built in 1988 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s garden-style design is also considered inferior to the Subject’s one-story design. Park Place is located 2.9 miles from the Subject site and offers a similar location. Park Place offers inferior in-unit amenities compared to the Subject’s proposed floor plans for lacking a microwave and in-unit washers and dryers. However, Park Place’s community amenities are considered superior to the Subject, as it offers a swimming pool, tennis court and basketball court. The one, two and three-bedroom rents at Park Place are approximately 50 percent higher than the Subject’s proposed rents at 60 percent of the AMI. Additionally, the three-bedroom rents at Park Place are approximately 40 percent higher than the Subject’s proposed unrestricted unit. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

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

No properties have been allocated tax credits in the PMA since 2011. However, in 2011, two properties were allocated tax credits. The first phase of the Subject, The Village at Winding Road opened in early 2013 and stabilized after a period of four months. The 50 senior units at this development have been deducted from our demand analysis. The other property allocated tax credits in 2011 is The Reserve at Sugar Mill, which has been included as a comparable property. This property was originally constructed as Ashton Pines at Sugar Mill in 1997. However, this property was renovated with tax credits in 2013 and renamed. These units have been deducted from our demand analysis. The property additionally remained mostly occupied during renovations.

We additionally contacted the St. Marys Planning Department regarding any under construction or proposed developments, of which there are none at this time.

**10. Rental Trends in the PMA**

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

<b>TENURE PATTERNS PMA</b>					
<b>Year</b>	<b>Owner-Occupied</b>	<b>Percentage</b>	<b>Renter-Occupied</b>	<b>Percentage</b>	
	<b>Units</b>	<b>Owner-Occupied</b>	<b>Units</b>	<b>Renter-Occupied</b>	
2000	8,361	61.4%	5,259	38.6%	
2010	10,750	63.9%	6,061	36.1%	
2016	10,702	60.8%	6,891	39.2%	
Projected Mkt Entry December 2018	10,882	60.6%	7,079	39.4%	
2021	10,966	60.5%	7,166	39.5%	

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

Owner-occupied housing represents the majority of the housing stock in the Subject’s PMA. However, the PMA exhibits a homeownership rate that is lower than the national average. Furthermore, the homeownership rate in the PMA has declined from 2010 to 2016 and is projected to continue declining through 2021. The increasing proportion of renter-occupied housing units in the PMA is a positive indicator of demand for rental housing in the market, and bodes well for the Subject’s proposed units.

*Historical Vacancy*

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

<b>HISTORICAL VACANCY RATES</b>									
<b>Comparable Property</b>	<b>Type</b>	<b>Total Units</b>	<b>2QTR 2013</b>	<b>2QTR 2014</b>	<b>3QTR 2014</b>	<b>1QTR 2015</b>	<b>2QTR 2015</b>	<b>3QTR 2015</b>	<b>2QTR 2016</b>
Ashton Cove Apartments	LIHTC	72	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	2.80%
Kings Grant Apartments	LIHTC	60	N/A	11.70%	13.30%	5.00%	3.30%	3.30%	6.70%
Royal Point Apartments	LIHTC	144	6.20%	4.20%	4.90%	4.20%	1.40%	N/A	2.80%
The Reserve At Sugar Mill	LIHTC	70	N/A	0.00%	0.00%	0.00%	5.70%	N/A	7.10%
Greenbriar Townhomes	Market	72	N/A	0.00%	0.00%	0.00%	0.00%	N/A	0.00%
Mission Forest Apartments	Market	104	N/A	3.80%	1.00%	1.90%	1.00%	N/A	2.90%
Park Place	Market	200	N/A	10.50%	4.00%	4.50%	1.00%	1.00%	5.00%
Pelican Point Apartments	Market	56	N/A	7.10%	0.00%	3.60%	1.80%	N/A	1.80%

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties for several quarters in the past three years. In general, the comparable properties experienced decreasing vacancy from 2013 through the second quarter of 2015. However,

vacancy rates have generally increased in the past year. Vacancy rates at all of the LIHTC comparable properties increased since the last previous interview. Kings Grant Apartments experienced the greatest increase in vacancy. However, all vacancies at Ashton Cove are pre-leased, and three of the four vacant units at Kings Grant Apartments are currently pre-leased. The increase in vacancy rates above is not reflective of current operations at these two properties. Among the market-rate comparable properties, Greenbriar Townhomes and Pelican Point Apartments maintained low vacancy rates. Park Place experienced a moderate increase in vacancy. The contact at this property said that due to the large proportion of military tenants who can be transferred on short notice, the property occasionally will experience elevated vacancy. While several properties exhibit elevated vacancy rates, overall, the weighted average vacancy rate among the LIHTC comparable properties is moderate. Furthermore, the pre-leased units at two of the LIHTC properties indicates better performance than what is shown in the vacancy rates represented above. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

*Change in Rental Rates*

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

RENT GROWTH			
Comparable Property	Rent Structure	Tenancy	Rent Growth
Ashton Cove Apartments	LIHTC	Family/Senior	None
Kings Grant Apartments	LIHTC	Family	Increased two to three percent
Royal Point Apartments	LIHTC	Family	Increased two to 20 percent
The Reserve At Sugar Mill	LIHTC	Family	Increased six to 15 percent
Greenbriar Townhomes	Market	Family	Increased five percent
Mission Forest Apartments	Market	Family	None
Park Place	Market	Family	Decreased 17 percent to increased 27 percent
Pelican Point Apartments	Market	Family	Increased three to four percent

Three of the comparable LIHTC properties and three of the market-rate properties reported rent increases. The LIHTC properties reported increases ranging from two to 20 percent. The market-rate comparables reported increased of three to 27 percent. Park Place, which experienced the greatest rent increases, is also experiencing elevated vacancy. The AMI in Camden County has increased since 2013, which has allowed for many comparables to increase rents annually. The Subject’s units will all have rents set below the maximum allowable levels, indicating that rents will not be directly dependent upon increases in the AMI.

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

According to *RealtyTrac* statistics, one in every 1,212 housing units nationwide was in some stage of foreclosure as of March 2016. The town of St. Marys is experiencing a foreclosure rate of one in every 1,240 homes, while Camden County is experiencing foreclosure rate of one in every 778 homes and Georgia experienced one foreclosure in every 1,109 housing units. Overall, St. Marys is experiencing a similar foreclosure rate to the nation, and lower than Camden County as a whole, indicating a healthy housing market.

## **12. Primary Housing Void**

The Village at Winding Road, a recently constructed, age-restricted, LIHTC property in St. Marys maintains a waiting list that is estimated one year in length. Additionally, Ashton Cove Apartments, a mixed-tenancy family and senior LIHTC development maintains a waiting list that is estimated to contain several hundred households. Royal Point Apartments, a family LIHTC property, reported maintaining a waiting list of 12 households. These waiting lists indicate demand for affordable housing in the market.

There are two LIHTC comparable properties in the market offering one-bedroom units. Ashton Cove offers one-bedroom units restricted to 50 percent of the AMI. This property has two vacant units, one of which is a one-bedroom unit, but both have been pre-leased. The one-bedroom units at the first phase of The Village at Winding Road are fully occupied with a waiting list. Three of the four market-rate comparable properties offer one-bedroom units. There are no vacant one-bedroom units at Mission Forest Apartments, and there is one vacant one-bedroom unit each at Park Place Apartments and Pelican Point Apartments. The low vacancy rates among one-bedroom units in the market demonstrates that there is demand for this unit type that is being unmet in the affordable market. As such, we believe that the Subject will fill a void in the market by providing one-bedroom units restricted to households earning 50 or 60 percent of the AMI or less.

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

There are no proposed LIHTC developments in the PMA. Two of the comparable properties report extensive waiting lists. We believe there is adequate demand for the addition of the Subject within the market. The vacancy rate among the existing LIHTC comparables is moderate at 4.3 percent. However, three of the four vacant units at Kings Grant Apartments have been pre-leased. Several property managers indicated that it is challenging to find income-qualified tenants due to the large number of military personnel in the area, who are generally over-income qualified to rent at LIHTC properties. However, the current and historical vacancy rates at the majority of the LIHTC comparable properties, as well as the waiting lists at Ashton Cove and Royal Point, indicate unmet demand in the market for affordable housing. Furthermore, the Subject will offer one-bedroom units, which are not available at the majority of the LIHTC comparable properties. Therefore, a portion of the demand for the proposed Subject would not be taking demand from other affordable properties in the market. In summary, the performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, and the fact that the proposed Subject will offer a unit type that is generally not available in the market all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

## **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 experiencing a weighted average vacancy rate of 4.3 percent, which is considered moderate. However, three of the four vacant units at Kings Grant Apartments and the two vacant units at Ashton Cove Apartments have been pre-leased. Furthermore, Ashton Cove and Royal Point both maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer microwaves, in-unit washers and dryers, walk-in closets, a business center, community room and

exercise facility which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. Additionally, the Subject will offer one-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted, one-bedroom units. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

# **I. ABSORPTION & STABILIZATION RATES**

**Stabilization/Absorption Rate**

We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included the first phase of the Subject as well as one additional property that was excluded from our competitive analysis, but was leased more recently than the remainder of the comparable properties.

**ABSORPTION**

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Village at Winding Road	LIHTC	Senior	2013	50	13
Caney Heights	LIHTC	Family	2012	28	6
Kings Grant Apartments	LIHTC	Family	2009	60	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, the first phase of the Subject’s development, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as it only offers three and four-bedroom units. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in St. Marys, we anticipate that the Subject will absorb 13 units per month, for an absorption period of five months.

## **J. INTERVIEWS**

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

We were unable to reach a representative of the Georgia Department of Community Affairs, but in April 2015, we spoke with Mr. Pat McNally, Section 8 Office Manager for the Georgia Department of Community Affairs (DCA) Section 8 Department. Mr. McNally was unable to report how many Housing Choice Vouchers are in use in Camden County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. The payment standards for Camden County are listed below.

**PAYMENT STANDARDS**

Bedrooms	Payment Standard
1BR	\$575
2BR	\$778
3BR	\$1,081

Source: Georgia Department of Community Affairs, April 2016

The Subject’s proposed rents are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent.

**Planning**

We attempted to contact a representative of the St. Marys Planning Department, but as of the date of this report our calls have not been returned. Based on our online research, there are no new multifamily projects under construction within the PMA.

**Joint Development Authority of Camden County**

We spoke with Ms. Becky Meyers, Main Street Coordinator with the City of St. Marys. She told us that economic growth has been relatively stagnant in St. Marys, but that employment has remained stable due to the Naval base. She said that Camden County was growing, however, and estimated that 1,000 new jobs have been added to the county in the past year. She said that the majority of the new jobs in St. Marys are concentrated in the downtown area.

We also spoke with Mr. Darren Harper, Project Manager with the Joint Development Authority of Camden County. Mr. Harper was unable to provide an estimate of new jobs or jobs lost in Camden County in the past year due to business expansions or closures. He did tell us that there has been no major new construction, and that a number of new retail and service businesses have opened in Kingsland, as well as an assisted living facility.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## Conclusions

- The population in the PMA and the SMA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2016. The rate of population and household growth is projected to continue slowing through 2020. Renter households are concentrated in the lowest income cohorts, with 43.5 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$19,680 and \$42,420 for its LIHTC units and up to \$70,700 for its market rate unit; therefore, the Subject should be well-positioned to service this market. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.
- Employment in the PMA is concentrated in five industries which represent approximately 60 percent of total local employment. However, three of those industries, public administration, educational services, and health care/social assistance, are resilient during periods of economic downturn. Furthermore, Naval Submarine Base Kings Bay is the area's largest employer and has historically been a source of stability for the local economy, unaffected by previous rounds of Base Realignment and Closure (BRAC) Act closures.

Overall, the SMA has experienced moderate to strong total employment growth from 2011 through February 2016. As of February 2016, total employment in the SMA was 3.9 percent greater than its pre-recession peak, while national employment was 2.7 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2016 was 5.3 percent, 10 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 9.9 percent. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

- The Subject's capture rates at the 50 and 60 percent AMI level as well as market rate will range from 0.3 to 8.6 percent, with an overall capture rate of 5.2 percent. Therefore, we believe there is adequate demand for the Subject.
- We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included the first phase of the Subject as well as one additional property that was excluded from our competitive analysis, but was leased more recently than the remainder of the comparable properties.

### ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Village at Winding Road	LIHTC	Senior	2013	50	13
Caney Heights	LIHTC	Family	2012	28	6
Kings Grant Apartments	LIHTC	Family	2009	60	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, the first phase of the Subject's development, was the most recent LIHTC

property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as it only offers three and four-bedroom units. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in St. Marys, we anticipate that the Subject will absorb 13 units per month, for an absorption period of five months.

- Overall vacancy in the market is moderate at 3.7 percent. Total LIHTC vacancy is 4.3 percent, though five vacant units at two LIHTC properties have been pre-leased. As such, the vacancy rates are not reflective of actual operations. The Reserve at Sugar Mill reported elevated vacancy. The contact at this property, as well as the contact at Kings Grant Apartments, told us that it is challenging to find income-qualified residents due to the large number of military personnel in the area who are generally over-income qualified. The remaining two LIHTC properties reported low vacancy rates. While it has been excluded as a comparable property, the first phase of the Subject reported zero percent vacancy.

The market-rate vacancy rate ranges from zero to five percent, averaging 3.2 percent, which is considered moderate. The contact at Mission Forest Apartments stated that the three vacant units at that property have been pre-leased. The low to moderate vacancy among the market-rate comparable properties indicates that there is demand for rental housing in the Subject's PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties.

- 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 experiencing a weighted average vacancy rate of 4.3 percent, which is considered moderate. However, three of the four vacant units at Kings Grant Apartments and the two vacant units at Ashton Cove Apartments have been pre-leased. Furthermore, Ashton Cove and Royal Point both maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly superior property amenities. The Subject will offer microwaves, in-unit washers and dryers, walk-in closets, a business center, community room and exercise facility which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. Additionally, the Subject will offer one-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the

Subject will be filling a void in the market for income-restricted, one-bedroom units. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

### **Recommendations**

- We recommend the Subject as proposed.

## **L. SIGNED STATEMENT REQUIREMENTS**

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



Brad Weinberg, MAI, CVA, CCIM  
Partner  
Novogradac & Company LLP  
5-23-2016  
Date



Edward R. Mitchell, MAI  
Manager  
Novogradac & Company LLP  
5-23-2016  
Date



Lauren Smith  
Analyst  
Novogradac & Company LLP  
5-23-2016  
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.



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Brad Weinberg, MAI, CVA, CCIM  
Partner  
Novogradac & Company LLP  
5-23-2015  
Date



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Edward R. Mitchell, MAI  
Manager  
Novogradac & Company LLP  
5-23-2015  
Date



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Lauren Smith  
Analyst  
Novogradac & Company LLP  
5-23-2015  
Date

## **N. QUALIFICATIONS**

**CURRICULUM VITAE**  
**BRAD E. WEINBERG, MAI, CVA, CCIM**

**I. Education**

University of Maryland, Masters of Science in Accounting & Financial Management  
University of Maryland, Bachelors of Arts in Community Planning

**II. Licensing and Professional Affiliations**

MAI Member, Appraisal Institute, No. 10790  
Certified Valuation Analyst (CVA), National Association of Certified Valuers and Analysts (NACVA)

Member, The Counselors of Real Estate (CRE)

Certified Investment Member (CCIM), Commercial Investment Real Estate Institute

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

State of Alabama – Certified General Real Estate Appraiser, No. G00628

State of California – Certified General Real Estate Appraiser, No. 27638

Washington, D.C. – Certified General Real Estate Appraiser; No. GA10340

State of Florida – Certified General Real Estate Appraiser; No. RZ3249

State of Georgia – Certified General Real Property Appraiser; No. 221179

State of Maine – Certified General Real Estate Appraiser, No. CG3435

State of Maryland – Certified General Real Estate Appraiser; No. 6048

Commonwealth of Massachusetts – Certified General Real Estate Appraiser; No. 103769

State of Michigan – Certified General Real Estate Appraiser, No. 1201074327

State of Nebraska – Certified General Real Estate Appraiser, No. CG2015008R

State of New Jersey – Certified General Real Estate Appraiser; No. 42RG00224900

State of Ohio – Certified General Real Estate Appraiser; No. 2006007302

State of Pennsylvania – Certified General Real Estate Appraiser; No. GA004111

State of South Carolina – Certified General Real Estate Appraiser; No. 4566

**III. Professional Experience**

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

Vice President, The Community Partners Realty Advisory Services Group, LLC

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

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

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements

Commercial Investment Real Estate Institute (CIREI) Coursework and Seminars Completed for CCIM Designation and Continuing Education Requirements

#### **V. Speaking Engagements and Authorship**

Numerous speaking engagements at Affordable Housing Conferences throughout the Country  
Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored "New Legislation Emphasizes Importance of Market Studies in Allocation Process," *Affordable Housing Finance*, March 2001

#### **VI. Real Estate Assignments**

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

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multifamily properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 9 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a "flat" rent, or an "income-based" rent. The flat rent is based on the "market rent", defined as the rent charged for a comparable unit in the private,

unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.

- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in its privatization efforts. Participation has included developing and analyzing housing privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest and responses to housing privatization RFP, Evaluating RFP responses, and recommending the private sector entity to the Air Force whose proposal brings best value to the Air Force. Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of military housing. This is a teaming effort with Parsons Corporation. These analyses were done for the purpose of determining whether housing deficits or surpluses exist at specific installations. Assignment included local market analysis, consultation with installation housing personnel and local government agencies, rent surveys, housing data collection, and analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

# **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

## LAUREN E. SMITH

### I. Education

Trinity College, Hartford, CT  
Bachelor of Arts in American Studies and Art History, *cum laude*

### II. Professional Experience

Real Estate Analyst, *Novogradac & Company LLP*, August 2013 – Present  
Campaign Intern, *John Larson for U.S. Congress*, September 2012- November 2012  
Communications Directorate Intern, *U.S. Census Bureau*, June 2011 – August 2011

### III. Real Estate Assignments

A representative sample of work on various types of projects:

- Prepared market studies for proposed new construction and existing Low Income Housing Tax Credit, Section 8, and market rate developments for use by real estate developers, governmental entities, and financial institutions. Property types included special needs and age restricted developments. Studies included property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, and market rate multifamily developments. Analysis includes property screenings, expense comparability analysis, demographic and economic analysis.
- Performed all aspects of data collection and data mining for use in market studies, feasibility studies, and appraisals.
- Completed numerous analyses of overall reasonableness with regard to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.