

Market Feasibility Analysis

Freedom Heights
4301 Bemiss Road
Valdosta, Lowndes County, Georgia 31605

Prepared For

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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the Freedom Heights rental community to be constructed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Valdosta, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is constructed and operated as proposed in this report.

1. Project Description:

Freedom Heights involves the new construction of 88 apartments in four (4) three-story, walk-up residential buildings on an approximate 7.0-acre site at 4301 Bemiss Road in Valdosta. The project will be developed utilizing funding from the LIHTC program and target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Note that 31 of the 88 units will operate with no rent or income restrictions (market-rate). Additional details of the subject project are as follows:

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
6	One-Br.	1.0	Garden	767	50%	\$300	\$149	\$449	\$456
3	One-Br.	1.0	Garden	767	60%	\$390	\$149	\$539	\$548
3	One-Br.	1.0	Garden	767	-	\$575	\$149	\$724	-
7	Two-Br.	2.0	Garden	1,075	50%	\$350	\$192	\$542	\$548
24	Two-Br.	2.0	Garden	1,075	60%	\$460	\$192	\$652	\$658
21	Two-Br.	2.0	Garden	1,075	-	\$725	\$192	\$917	-
5	Three-Br.	2.0	Garden	1,175	50%	\$395	\$234	\$629	\$633
12	Three-Br.	2.0	Garden	1,175	60%	\$520	\$234	\$754	\$759
7	Three-Br.	2.0	Garden	1,175	-	\$825	\$234	\$1,059	-
88	Total								

Source: IDP Housing, LP
AMHI – Area Median Household Income (Valdosta, GA MSA; 2016)

Unit amenities to be offered at the subject project will include an electric range, refrigerator, dishwasher, microwave oven, in-unit washer/dryer appliances, central air conditioning, carpet, window blinds, patio/balcony and ceiling fan. Project amenities will include on-site management, club house/community room, fitness center, playground and community garden. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The proposed site is situated along Bemiss Road/State Route 125 in a primarily residential neighborhood comprised of single-family homes and duplexes considered to be in good to excellent condition. In addition to residential dwellings, the undeveloped land to the west provides a natural buffer to the surrounding land uses. The proposed site is clearly visible and easily accessible from Bemiss Road/State Route 125 and this aforementioned roadway provides ample passerby traffic to the proposed site. Proximity to Bemiss Road/State Route 125 is important, as this arterial roadway acts as a commercial corridor south of the proposed site, providing direct access to these area's community services. Many area services are located within 2.0 miles including, but not limited to grocery stores, shopping opportunities, pharmacies and dining establishments. It is important to note that a Walmart is planned to be developed within walking distance (0.1 mile) of the site. Social and public safety services are all within 5.0 miles. Overall, the proposed site is expected to be consistent with the residential nature of the immediate site neighborhood, while also benefiting from its clear visibility, convenient accessibility and proximity to most community services.

3. Market Area Definition:

The Valdosta Site PMA includes Valdosta and outlying unincorporated areas. The boundaries of the Site PMA include Cherry Creek, Cherry Lake, Cherry Creek Road, Orr Road, Skipper Bridge Road, Old Pines Road and Norfolk Southern railroad tracks to the north; Stallings Road, East Park Avenue and Norfolk Southern railroad tracks to the east; Hill Avenue/U.S. Highway 221 to the south; and Interstate 75 and the Withlacoochee River to the west. The farthest boundary from the site is 7.8 miles. A map illustrating these boundaries is included on page D-2 of this report.

4. Community Demographic Data:

Demographic trends within the Valdosta Site PMA are projected to be positive between 2016 and 2018, as the total population will increase by 685 (1.2%) and the total number of households will increase by 301 (1.4%) during this time period. These trends demonstrate an expanding overall demographic base within the Site PMA. Additionally, it is projected that there will be 13,369 renter households in the market in 2018, an increase of 213 households, or 1.6%, from 2016. Notably, low-income renter households (earning below \$35,000) are projected to comprise more than 66.0% of all renter households in the market in 2018. Based on the preceding analysis and additional demographic data contained within this report, there appears to be a deep base of income-appropriate renter support for affordable rental housing in the market, such as that proposed at the subject site. Additional demographic data is included in Section E of this report.

Note that based on the 2010 Census, 21.9% of the vacant units within the market are classified as "Other Vacant", which encompasses foreclosed, dilapidated and abandoned housing. Based on the overall performance of the Valdosta rental housing market, as illustrated by the 97.0% occupancy of all projects surveyed, it can be concluded that abandoned and foreclosed properties will not have any tangible impact on the subject's marketability.

5. Economic Data:

The labor force within the Valdosta Site PMA is based primarily in four sectors. Utilities (which comprises 18.8%), Retail Trade, Health Care & Social Assistance and Accommodation & Food Services comprise nearly 60% of the Site PMA labor force. Additionally, based on information via our online research and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Lowndes County economy continues to slowly improve since the end of the national recession. Since 2011, the employment base within the county has generally experienced growth; however, it still remains well below prerecession levels. Conversely, the unemployment rate within the county has consistently decreased within the preceding five-year period and is currently at its lowest level (5.3%) since 2007 (3.9%). Considering the recent business expansion announcements within Lowndes County, it is anticipated that the local economy will continue to steadily improve within the foreseeable future, which will continue to create a stable environment for housing. Additional economic data is included in Section F of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income			
	50% AMHI (\$15,394-\$27,200)	60% AMHI (\$18,480-\$32,640)	Tax Credit Overall (\$15,394-\$32,640)	Market Rate (\$32,641+)
Net Demand	1,823	1,769	2,409	576
Proposed Units	18	39	57	31
Capture Rate	1.0%	2.2%	2.4%	5.4%

Per GDCA guidelines, capture rates below 30% for projects in urban markets such as the Valdosta Site PMA are considered acceptable. As such, the project’s overall LIHTC-only capture rate of 2.4% is considered low and easily achievable within the Valdosta Site PMA and demonstrates that a deep base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true given the high occupancy rates and wait lists maintained among the existing LIHTC properties surveyed in the Site PMA. Also note that the 31 market-rate units proposed at the subject site have a capture rate of just 5.4%, demonstrating that significant demographic support also exists for the proposed unrestricted market-rate units. Capture rates by bedroom type are also low, ranging from 0.6% to 7.4%.

7. Competitive Rental Analysis

Tax Credit

We identified and surveyed two existing family (general-occupancy) non-subsidized rental communities that offer LIHTC units in the Site PMA. These two projects target households with incomes of up to 30%, 50% and 60% of AMHI and are considered competitive properties. These two competitive LIHTC projects and the subject development are summarized in the following table. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum A, Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Freedom Heights	2018	57*	-	-	-	Families; 50% & 60% AMHI
9	Heron Lake I	2005	70*	100.0%	3.5 Miles	75 H.H.	Families; 30%, 50%, & 60% AMHI
10	Heron Lake II	2008	54*	100.0%	3.5 Miles	75 H.H.	Families; 30%, 50%, & 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

The two competitive LIHTC projects have a combined occupancy rate of 100.0%, both of which maintain extensive wait lists. This indicates that significant pent-up demand exists for additional affordable rental housing within the market. Given the lack of available LIHTC units within the market, the subject project will provide an affordable rental housing alternative to low-income households which are currently underserved.

The gross rents for the competing LIHTC projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Freedom Heights	\$449/50% (6) \$539/60% (3)	\$542/50% (7) \$652/60% (24)	\$629/50% (5) \$754/60% (12)	-
9	Heron Lake I	\$376/30% (2/0) \$545/50% (10/0) \$616/60% (1/0)	\$460/30% (5/0) \$668/50% (29/0) \$751/60% (4/0)	\$541/30% (2/0) \$786/50% (15/0) \$919/60% (2/0)	None
10	Heron Lake II	\$376/30% (1/0) \$545/50% (2/0) \$616/60% (4/0)	\$460/30% (4/0) \$668/50% (10/0) \$751/60% (13/0)	\$541/30% (2/0) \$786/50% (7/0) \$919/60% (11/0)	None

The proposed subject gross LIHTC rents, ranging from \$449 to \$754, will be the lowest LIHTC rents relative to the rents offered at the competitive affordable developments targeting similar income levels within the market. Combined with the fact that the subject project will be at least ten years newer than these LIHTC projects will provide it with a significant competitive advantage.

Market Rate

We identified and surveyed five market-rate projects in the Site PMA that we consider the most comparable to the subject project. This selection was based on, but not limited to newness, unit type, design, size and amenities. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Freedom Heights	2018	31*	-	-	-
6	Tremont Village Condominiums I & II	2000	173	94.8%	4.2 Miles	None
15	Staten Crossing	1998	198	97.0%	3.2 Miles	None
19	Residences at Five Points	2010	264	92.8%	4.5 Miles	None
21	Northwind Apts. & Condos	2004	276	99.3%	2.7 Miles	None
22	Links Apts.	1999	256	100.0%	5.4 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 1,167 units with an overall occupancy rate of 96.9%, a strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development.

The gross rents for the comparable market-rate projects and the proposed market-rate rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	\$724 (3)	\$917 (21)	\$1,059 (7)
6	Tremont Village Condominiums I & II	\$872-\$907 (60/3)	\$957-\$1,007 (84/4)	\$1,020 (29/2)
15	Staten Crossing	\$797-\$822 (48/0)	\$945-\$985 (118/4)	\$1,082-\$1,122 (32/2)
19	Residences at Five Points	\$971 (48/0)	\$1,113-\$1,127 (132/8)	\$1,345-\$1,466 (84/11)
21	Northwind Apts. & Condos	\$876 (90/0)	\$1,024 (130/2)	\$1,256-\$1,366 (56/0)
22	Links Apts.	\$922-\$952 (96/0)	\$1,132-\$1,172 (104/0)	\$1,255-\$1,295 (56/0)



The proposed subject gross market-rate rents, ranging between \$575 and \$825, will be some of the lowest rents relative to those offered at the comparable market-rate developments within the market. Combined with the fact that the subject project will be at least eight years newer than these market-rate projects will provide it with a significant competitive advantage.

Competitive Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing competitive properties within the Site PMA, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly smaller unit sizes and inferior amenities package, it will be at least eight years newer than the comparable properties in the market, offering some of the lowest rents targeting similar income levels. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

An in-depth analysis of the Valdosta rental housing market is included in Section H of this report.

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2018 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2018.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC and market-rate projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Valdosta Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 88 proposed LIHTC and market-rate units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months. This absorption period is based on an average monthly absorption rate of approximately 10 units per month.

These absorption projections assume a 2018 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 88 LIHTC and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Valdosta rental housing market is performing very well, as evidenced by the overall rental market occupancy rate of 97.0%. In fact, no vacancies exist within the surveyed affordable units within the Site PMA, all of which maintain wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Also note that the market-rate rental housing segment is performing very well with a combined occupancy of 96.6%. Aside from the subject's slightly inferior amenities package, it will be at least eight years newer than the competitive product within the market, offering some of the lowest rents. The aforementioned characteristics will provide the subject with a significant competitive advantage.

The overall required capture rates of 2.4% and 5.4% for the subject's LIHTC and market-rate units, respectively, are considered very low and further demonstrate that a significant base of potential income-appropriate renter support exists for the subject project within the Valdosta Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Valdosta Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

SUMMARY TABLE

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

Development Name:	Freedom Heights	Total # Units: 88
Location:	4301 Bemiss Road, Valdosta, GA 31605	# LIHTC Units: 57
PMA Boundary:	Cherry Creek, Cherry Lake, Cherry Creek Road, Orr Road, Skipper Bridge Road, Old Pines Road and Norfolk Southern railroad tracks to the north; Stallings Road, East Park Avenue and Norfolk Southern railroad tracks to the east; Hill Avenue/U.S. Highway 221 to the south; and Interstate 75 and the Withlacoochee River to the west.	
	Farthest Boundary Distance to Subject: 7.8 miles	

RENTAL HOUSING STOCK (found on page H-1, 2, 5, 6 & 12)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	23	3,315	101	97.0%
Market-Rate Housing	20	2,991	101	96.6%
Assisted/Subsidized Housing not to include LIHTC	0	-	-	-
LIHTC	5	324	0	100.0%
Stabilized Comps	7	1,306	26	98.0%
Properties in Construction & Lease Up	1	57*	-	-

*Units under construction

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	One	1.0	767	\$300	\$748	\$0.98	149.3%	\$840	\$1.33
3	One	1.0	767	\$390	\$748	\$0.98	91.8%	\$840	\$1.33
3	One	1.0	767	\$575	\$748	\$0.98	30.1%	\$840	\$1.33
7	Two	2.0	1,075	\$350	\$860	\$0.80	145.7%	\$958	\$1.03
24	Two	2.0	1,075	\$460	\$860	\$0.80	87.0%	\$958	\$1.03
21	Two	2.0	1,075	\$725	\$860	\$0.80	18.6%	\$958	\$1.03
5	Three	2.0	1,175	\$395	\$1,045	\$0.89	164.6%	\$1,139	\$1.04
12	Three	2.0	1,175	\$520	\$1,045	\$0.89	101.0%	\$1,139	\$1.04
7	Three	2.0	1,175	\$825	\$1,045	\$0.89	26.7%	\$1,139	\$1.04

DEMOGRAPHIC DATA (found on page E-2 & G-5)

	2010		2016		2018	
Renter Households	11,714	57.0%	13,156	60.8%	13,369	60.9%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	3,539	16.4%	3,515	16.1%
Income-Qualified Renter HHs (MR) (if applicable)	N/A	N/A	4,990	23.1%	4,919	22.4%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall (LIHTC)
Renter Household Growth		17	-33	-71		-24
Existing Households (Overburd + Substand)		1,806	1,802	704		2,433
Homeowner conversion (Seniors)		0	0	0		0
Total Primary Market Demand		1,823	1,769	633		2,409
Less Comparable/Competitive Supply		0	0	57		0
Adjusted Income-Qualified Renter HHs		1,823	1,769	576		2,409

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate		1.0%	2.2%	5.4%		2.4%

SECTION B - PROJECT DESCRIPTION

The subject project involves the new construction of the 88-unit Freedom Heights rental community on an approximate 7.0-acre site at 4301 Bemiss Road in Valdosta, Georgia. The project will offer 12 one-bedroom, 52 two-bedroom and 24 three-bedroom garden-style units in four (4) three-story, walk-up residential buildings together with a free-standing, 3,000 square-foot community building. Freedom Heights will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). Note that 31 of the 88 units will operate with no rent or income restrictions (market-rate). Monthly collected Tax Credit rents will range from \$300 to \$520, depending on bedroom type and targeted income level. Monthly collected rents for the market-rate units will range from \$575 to \$825, depending on bedroom type. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by June 2018. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Freedom Heights
2. **Property Location:** 4301 Bemiss Road
Valdosta, Georgia 31605
(Lowndes County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
6	One-Br.	1.0	Garden	767	50%	\$300	\$149	\$449	\$456
3	One-Br.	1.0	Garden	767	60%	\$390	\$149	\$539	\$548
3	One-Br.	1.0	Garden	767	-	\$575	\$149	\$724	-
7	Two-Br.	2.0	Garden	1,075	50%	\$350	\$192	\$542	\$548
24	Two-Br.	2.0	Garden	1,075	60%	\$460	\$192	\$652	\$658
21	Two-Br.	2.0	Garden	1,075	-	\$725	\$192	\$917	-
5	Three-Br.	2.0	Garden	1,175	50%	\$395	\$234	\$629	\$633
12	Three-Br.	2.0	Garden	1,175	60%	\$520	\$234	\$754	\$759
7	Three-Br.	2.0	Garden	1,175	-	\$825	\$234	\$1,059	-
88	Total								

Source: IDP Housing, LP

AMHI – Area Median Household Income (Valdosta, GA MSA; 2015)

- 5. Target Market:** Families (general-occupancy)
- 6. Project Design:** Four (4) three-story, walk-up residential buildings together with a free-standing, 3,000 square-foot community building
- 7. Original Year Built:** Not Applicable; New Construction
- 8. Projected Opening Date:** June 2018

9. Unit Amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Microwave
- In-Unit Washer/Dryer Appliances
- Central Air Conditioning
- Carpet
- Window Blinds
- Patio/Balcony
- Ceiling Fan

10. Community Amenities:

- On-Site Management
- Club House/Community Room
- Community Garden
- Fitness Center
- Playground
- Gazebo

11. Resident Services:

The proposed site will not offer any resident services.

12. Utility Responsibility:

The cost of trash collection will be included in the monthly rent. Tenants will be responsible for all other utility charges, including the cost of:

- Electric Heat
- Electric Water Heat
- Electric Cooking
- General Electricity
- Cold Water
- Sewer

13. Rental Assistance:

None of the units at the proposed site will operate with rental assistance.

14. Parking:

The subject site will offer 176 open lot parking spaces at no additional charge. This equates to 2.0 spaces per unit, which is considered appropriate for multifamily rental product such as that proposed at the site.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

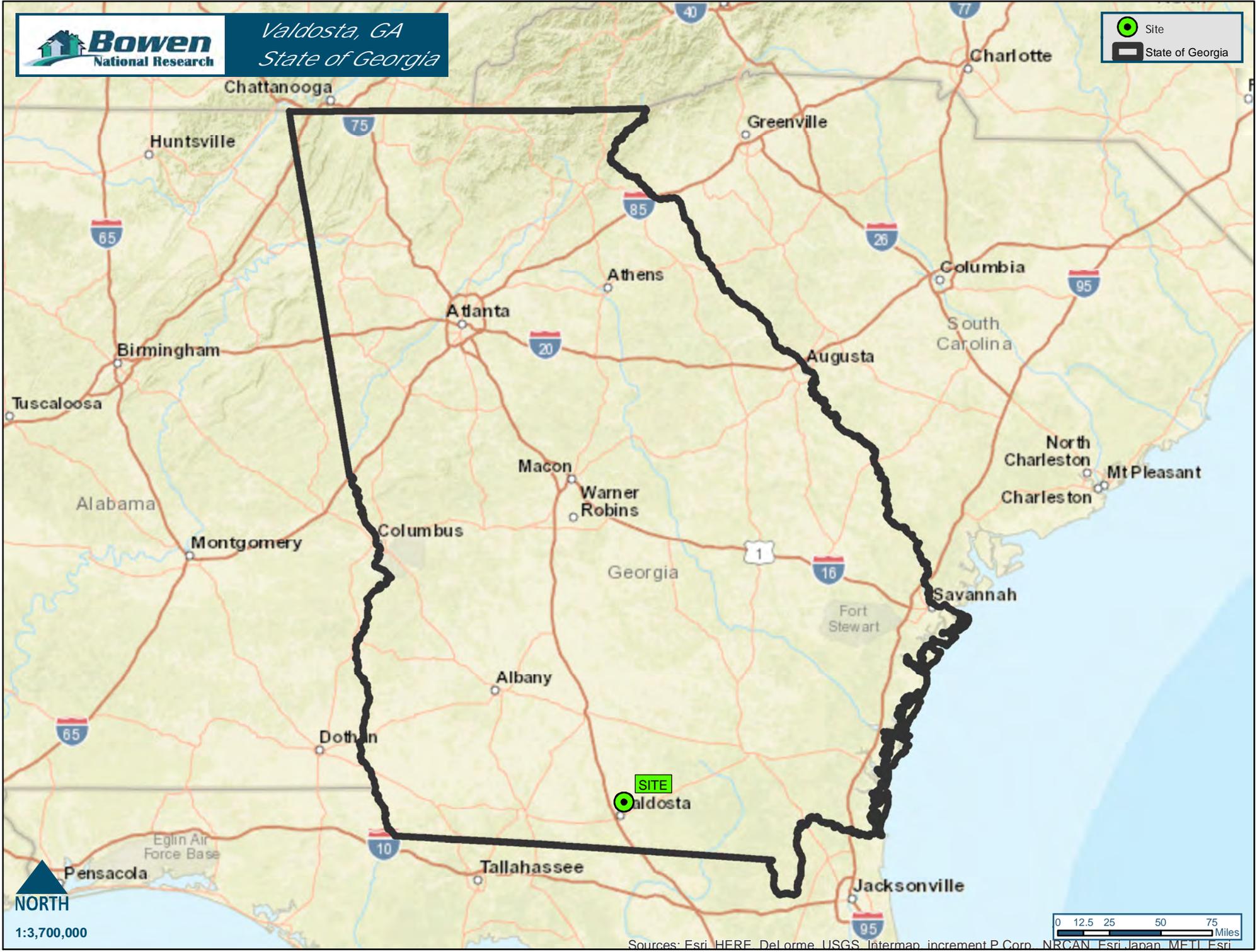
Valdosta, Georgia MSA (2015)

A state map, area map and map illustrating the site neighborhood are on the following pages.



Valdosta, GA
State of Georgia

Site
State of Georgia



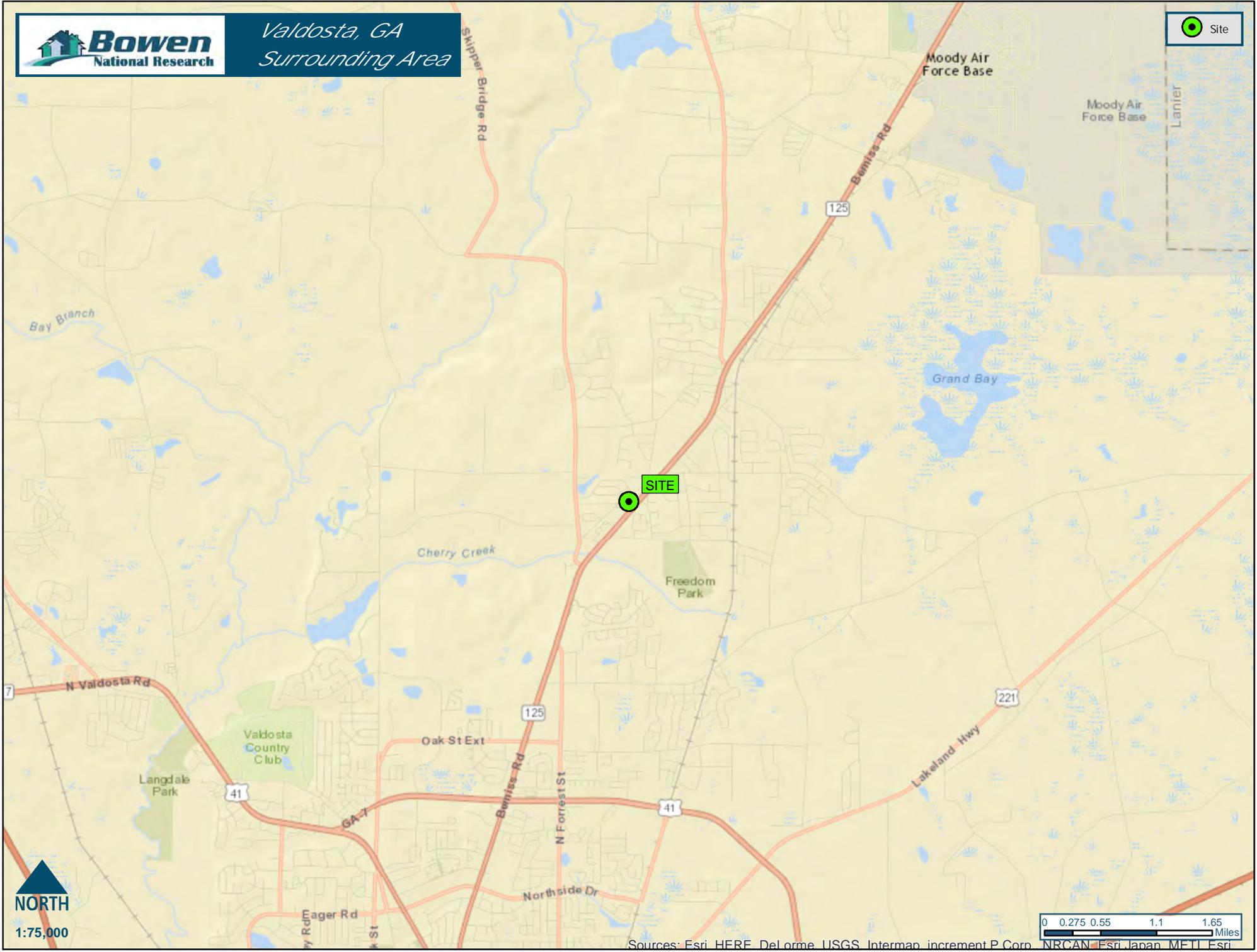
NORTH
1:3,700,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



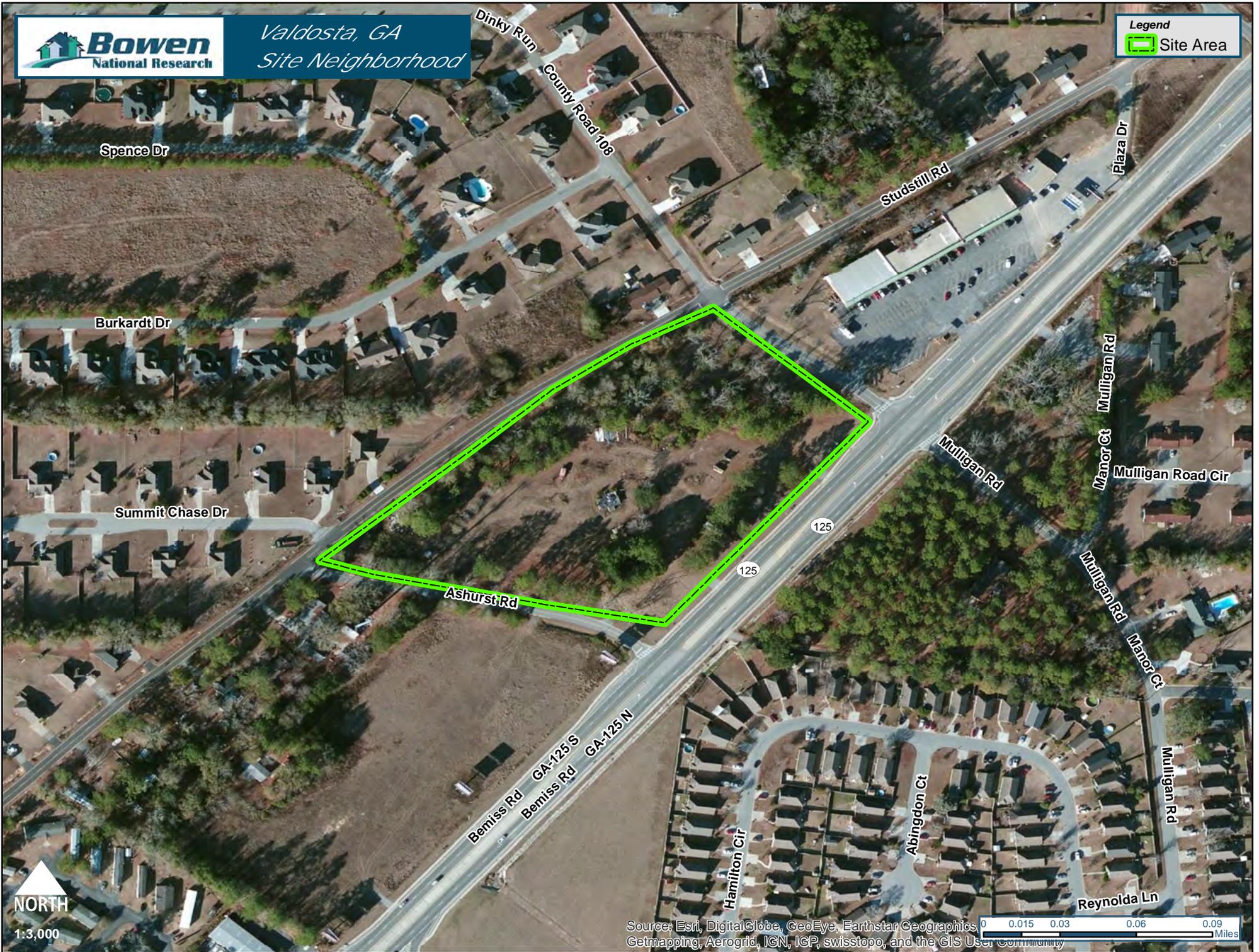
Valdosta, GA
Surrounding Area





Valdosta, GA
Site Neighborhood

Legend
Site Area



1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The proposed site is a parcel of land currently consisting of vegetated land and a single-family structure that will be razed during the construction process at 4301 Bemiss Road in the northern portion of Valdosta, Lowndes County, Georgia. Valdosta is approximately 15.0 miles north of the Georgia/Florida State Line and approximately 62.0 miles southwest of Waycross, Georgia. Jeff Peters, an employee of Bowen National Research, inspected the site and area apartments during the week of May 2, 2016.

2. SURROUNDING LAND USES

The proposed site is within a developing area of Valdosta. Surrounding land uses include single-family homes, duplexes, vacant land and a retail center consisting of a gas station and restaurants. Adjacent land uses are detailed as follows:

North -	Studstill Road, a lightly traveled two-lane roadway borders the site to the north. Three duplexes are situated along Studstill Road and continuing north is a neighborhood of single-family homes in good condition. Extending north are heavily wooded land and additional residential dwellings.
East -	The eastern boundary is defined by the intersection of Dinky Run, a lightly traveled two-lane roadway, and Bemiss Road/State Route 125, a moderately traveled four-lane divided arterial roadway. Continuing east are undeveloped land and residential dwellings. Northeast of the site is a retail center with a gas station, restaurants and convenience stores.
South -	The southern boundary is defined by the intersection of Ashurst Road, a lightly traveled two-lane roadway, and Bemiss Road/State Route 125. Continuing south is a neighborhood of single-family homes in good condition with additional residential dwellings more recently constructed. Extending south are wooded land, Cherry Creek and Freedom Park.
West -	The western boundary is defined by the intersection of Ashurst Road and Studstill Road. Continuing west are single-family homes, which extend to Skipper Bridge Road. Farther west is heavily wooded land. Southwest of the proposed site is a parcel of undeveloped land.

The subject development is located in a primarily residential area and is within proximity to various businesses which will contribute to its marketability. Overall, the proposed site fits well with the surrounding land uses.

3. VISIBILITY AND ACCESS

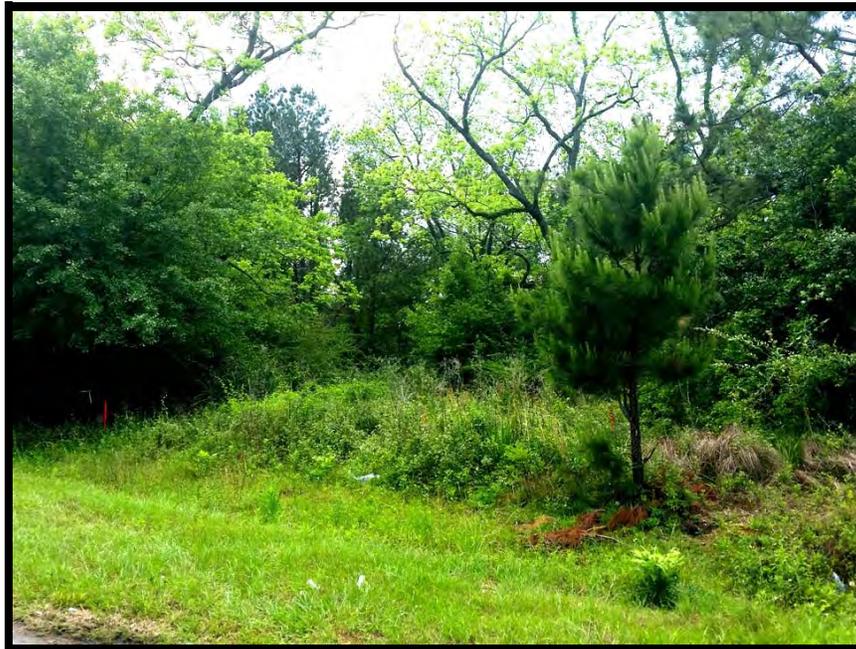
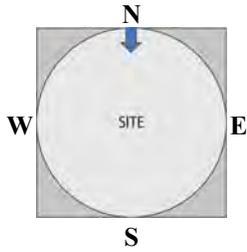
The proposed site is located on the west side of Bemiss Road/State Route 125, a four-lane divided north/south arterial roadway. Vehicular traffic along this roadway is moderate, with high traffic patterns observed during peak commuting hours. Due to the subject's location along State Route 125 and the fact that the subject buildings will be the tallest structures within the immediate area, visibility is considered excellent. Access to the site is considered good, as ingress and egress are both convenient for southbound traffic. Northbound traffic must cross southbound traffic to access the proposed site, however, turn lanes are located at Ashurst Road and Dinky Run, which should minimize traffic delays upon ingress and egress. Additionally, Bemiss Road/State Route 125 has direct access to U.S. Highway 41 and convenient access to Interstate 75.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

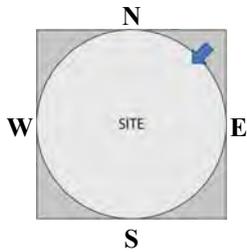
4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

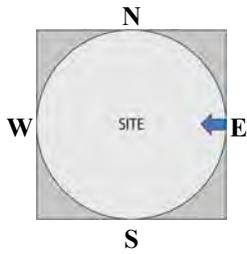
SITE PHOTOGRAPHS



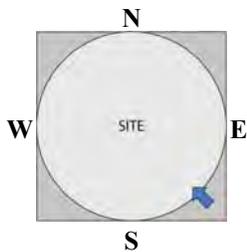
View of site from the north



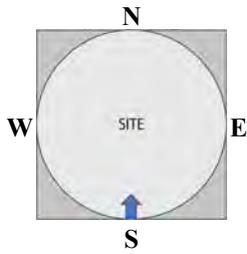
View of site from the northeast



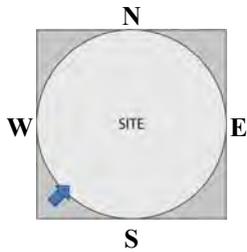
View of site from the east



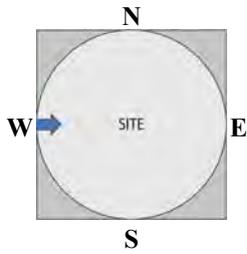
View of site from the southeast



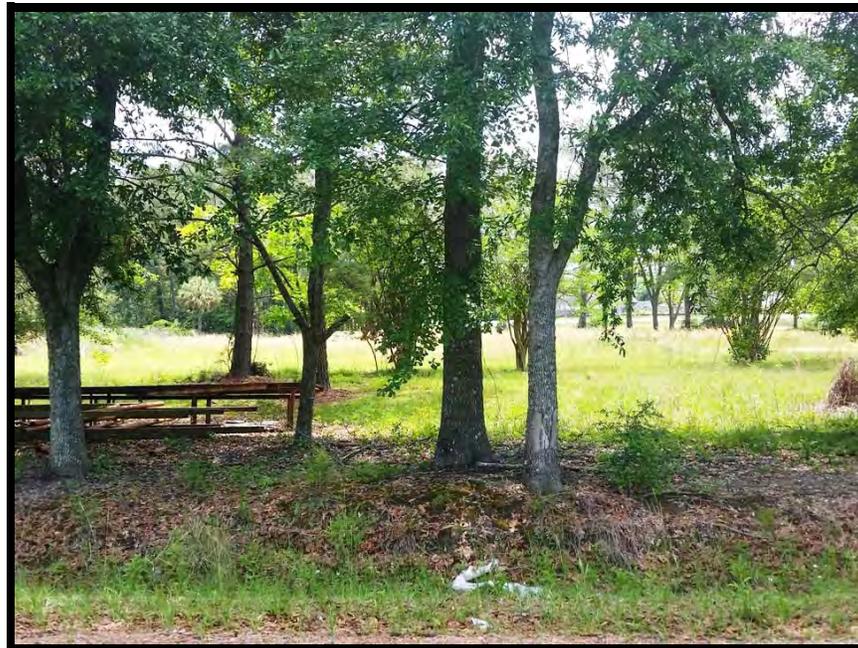
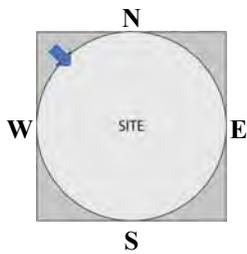
View of site from the south



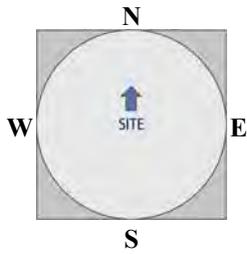
View of site from the southwest



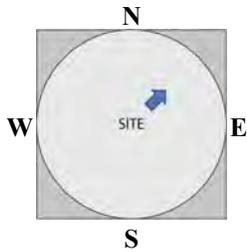
View of site from the west



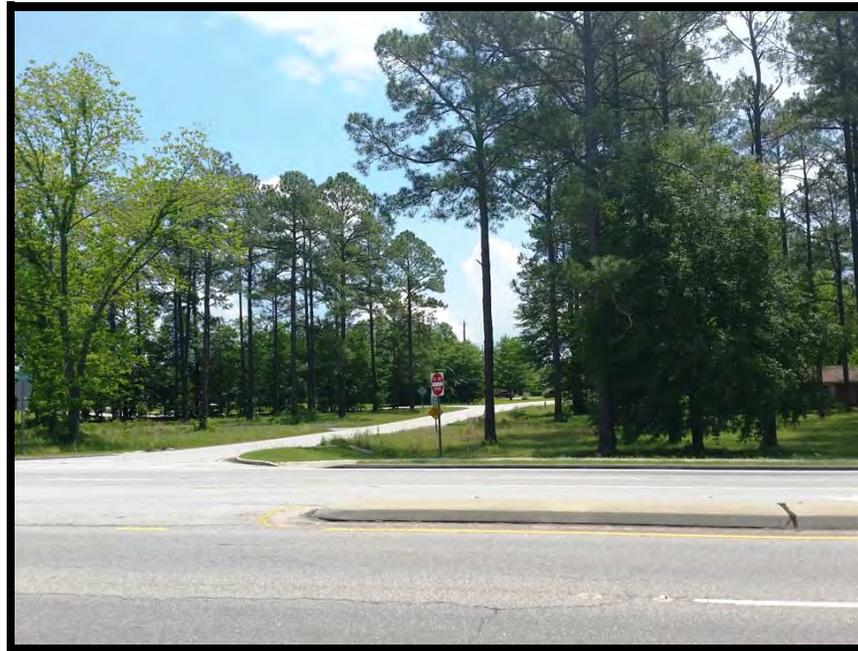
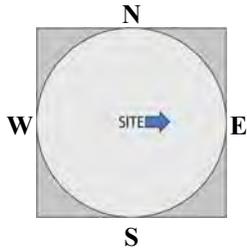
View of site from the northwest



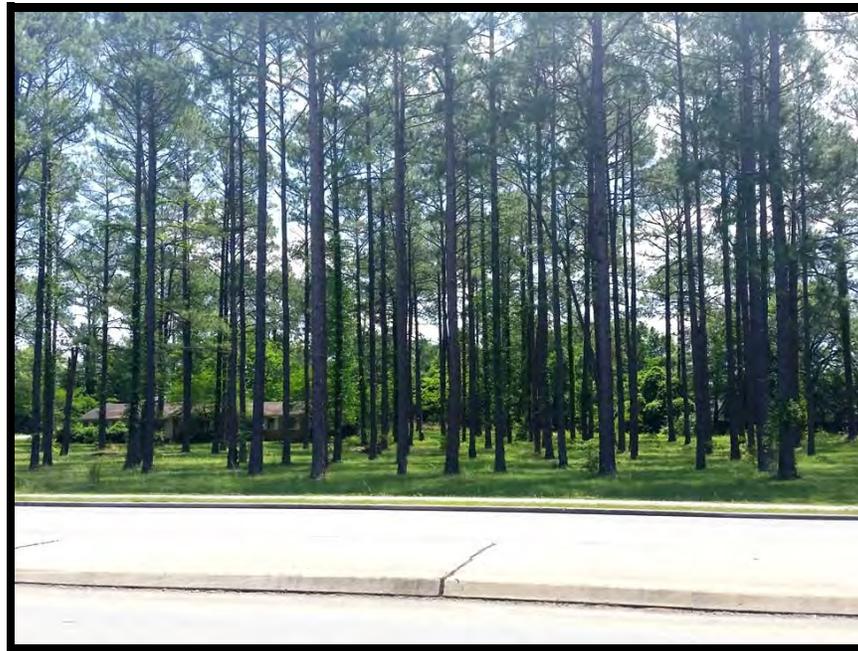
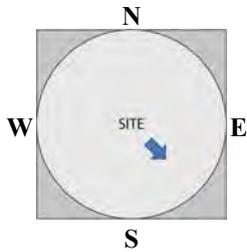
North view from site



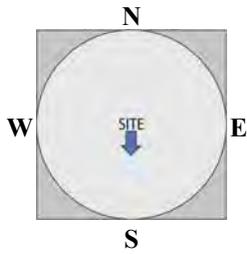
Northeast view from site



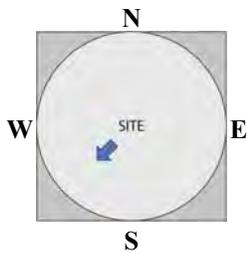
East view from site



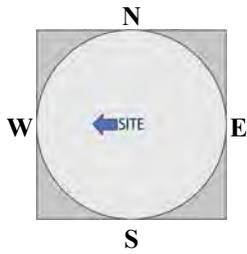
Southeast view from site



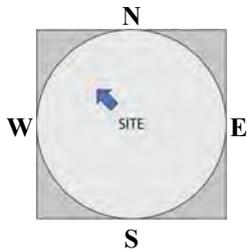
South view from site



Southwest view from site



West view from site



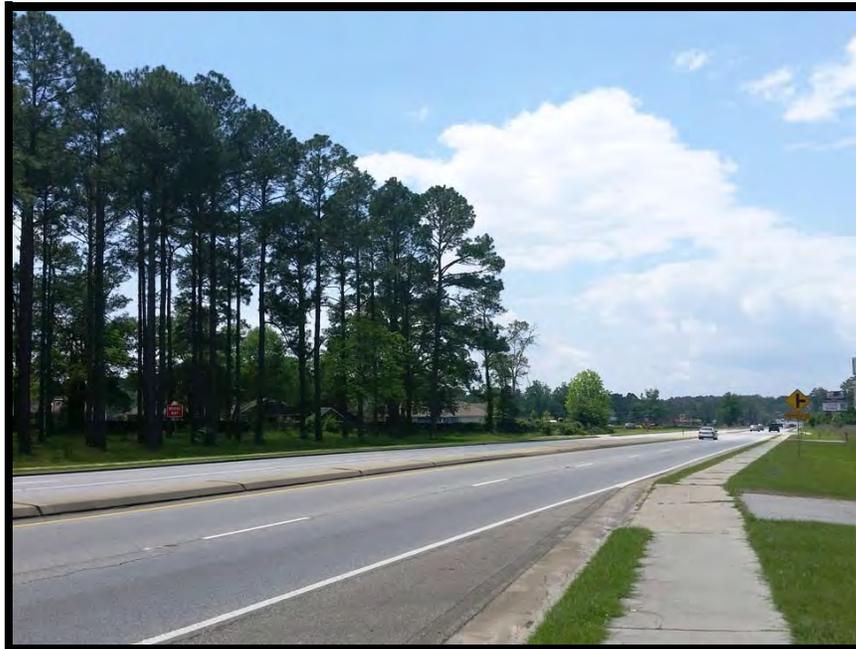
Northwest view from site



Streetscape - Southeast view of Dinky Run



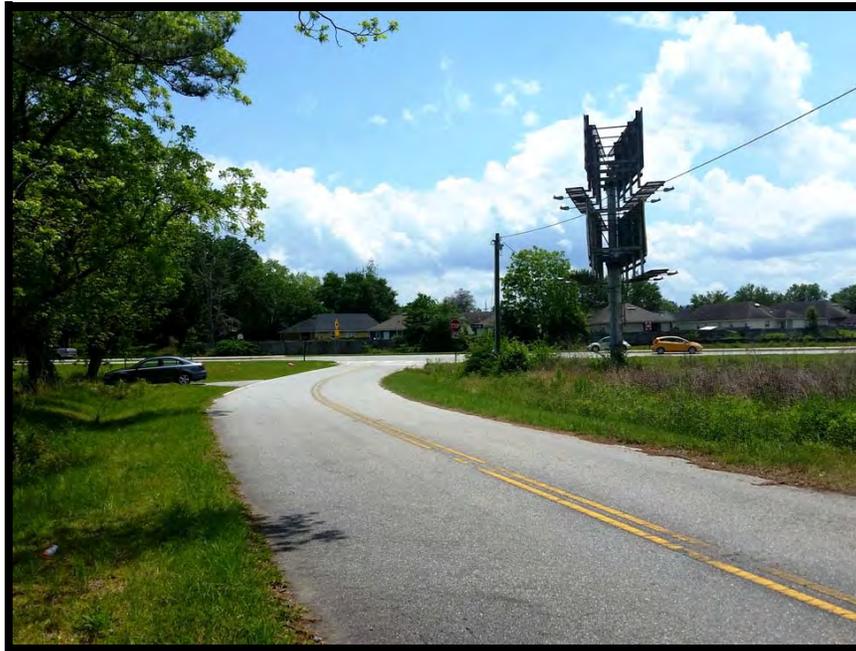
Streetscape - Northwest view of Dinky Run



Streetscape - Southwest view of Bemiss Road



Streetscape - Northeast view of Bemiss Road



Streetscape - East view of Ashurst Road



Streetscape - West view of Ashurst Road



Streetscape - Northeast view of Studstill Road



Streetscape - Southwest view of Studstill Road

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

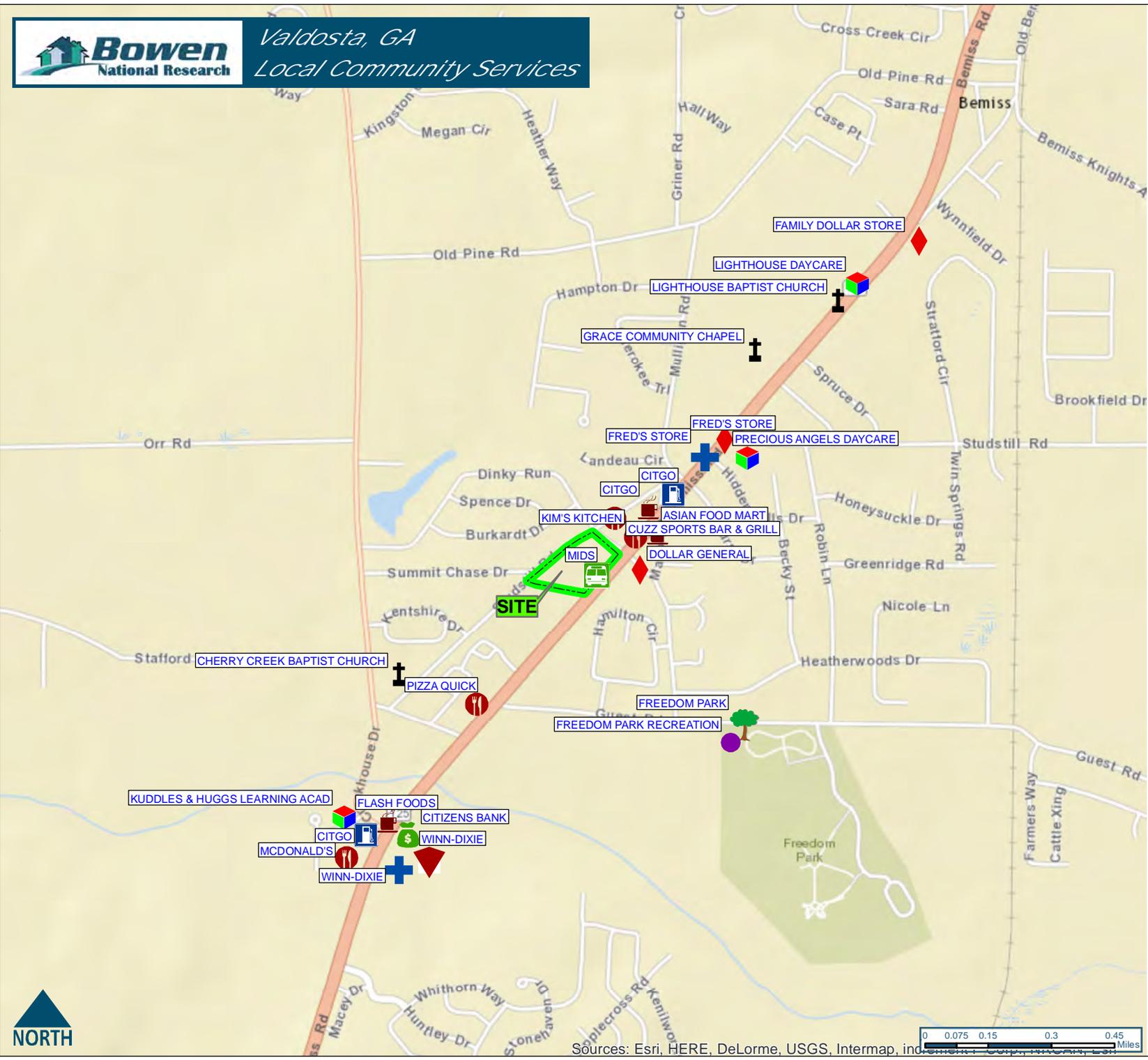
The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highway(s)	State Route 125 U.S. Highway 41	Adjacent East 2.7 South
Public Bus Stop	MIDS	On-Site/On-Call
Major Employers/ Employment Centers	Walmart Supercenter South Georgia Medical Center (SGMC)	3.6 Southwest 4.6 Southwest
Convenience Store	Citgo Flash Foods	0.4 Northeast 0.7 Southwest
Grocery	Winn-Dixie Walmart Supercenter Winn-Dixie	0.9 Southwest 3.6 Southwest 4.6 Southwest
Discount Department Store	Walmart (Planned) Dollar General Fred's Store Family Dollar Store Walmart Supercenter	0.1 South 0.5 East 0.7 Northeast 1.1 Northeast 3.6 Southwest
Shopping Center/Mall	Perimeter Park Valdosta Mall	3.6 Southwest 7.5 Southwest
Schools: Elementary Middle/Junior High High	Dewar Elementary School Pine Grove Middle School Lowndes High School	2.3 Southwest 3.9 North 8.3 West
Hospital	South Georgia Medical Center (SGMC)	4.6 Southwest
Police	Valdosta Police Department	6.5 South
Fire	Lowndes County Fire Station	1.9 Northeast
Post Office	U.S. Post Office	3 South
Bank	Citizens Bank First State Bank & Trust	0.7 Southwest 2.9 Southwest
Recreational Facilities	Freedom Park Recreation Southside Recreation Center	0.8 Southeast 7.2 South
Gas Station	Citgo Flash Foods	0.4 Northeast 0.7 Southwest
Pharmacy	Fred's Store Winn-Dixie Walmart Pharmacy Rite Aid	0.7 Northeast 0.9 Southwest 3.6 Southwest 3.8 Southwest
Restaurant	Pizza Quick Cuzz's Sports Bar & Grill McDonald's	0.4 Southwest 0.5 East 0.7 Southwest
Day Care	Precious Angels Daycare Kuddles & Huggs Learning Academy	0.6 Northeast 0.7 Southwest
Community Center	Freedom Park Recreation	0.8 Southeast
Library	South Georgia Regional Library	4.6 Southwest
Park	Freedom Park McKey Park Vallotton Park	0.7 Southeast 4.6 Southwest 5.2 South
Church	Cherry Creek Baptist Church Lighthouse Baptist Church	0.3 Southwest 1.9 Northeast

As detailed in the preceding table, many area services are located within 2.0 miles of the proposed site, including but not limited to grocery stores, multiple discount shopping opportunities, pharmacies and dining establishments. Additionally, restaurants, a gas station and convenience stores are located northeast of the proposed site within walking distance. Notably many of the area's services are conveniently accessible from the proposed site as most are situated along Bemiss Road/State Route 125. Although fixed-route public transportation is not provided within the Valdosta area, most area residents are likely accustomed to not having this service readily available. As such, the lack of fixed-route public transportation is not expected to have any adverse impact on the marketability of the proposed site, especially when considering the site's proximity to Bemiss Road/State Route 125. Additionally, MIDS operates a dial-a-ride transportation service throughout Valdosta and surrounding communities.

Lowndes County Schools serve the proposed site and all applicable schools of attendance are located within 8.3 miles. The proposed site is provided public safety services through the Valdosta Police Department located 6.4 miles from the site and the Lowndes County Fire Department located 1.9 miles from the site. The nearest full-service hospital is the South Georgia Medical Center located 4.6 miles from the site.

Maps illustrating the location of community services are on the following pages.



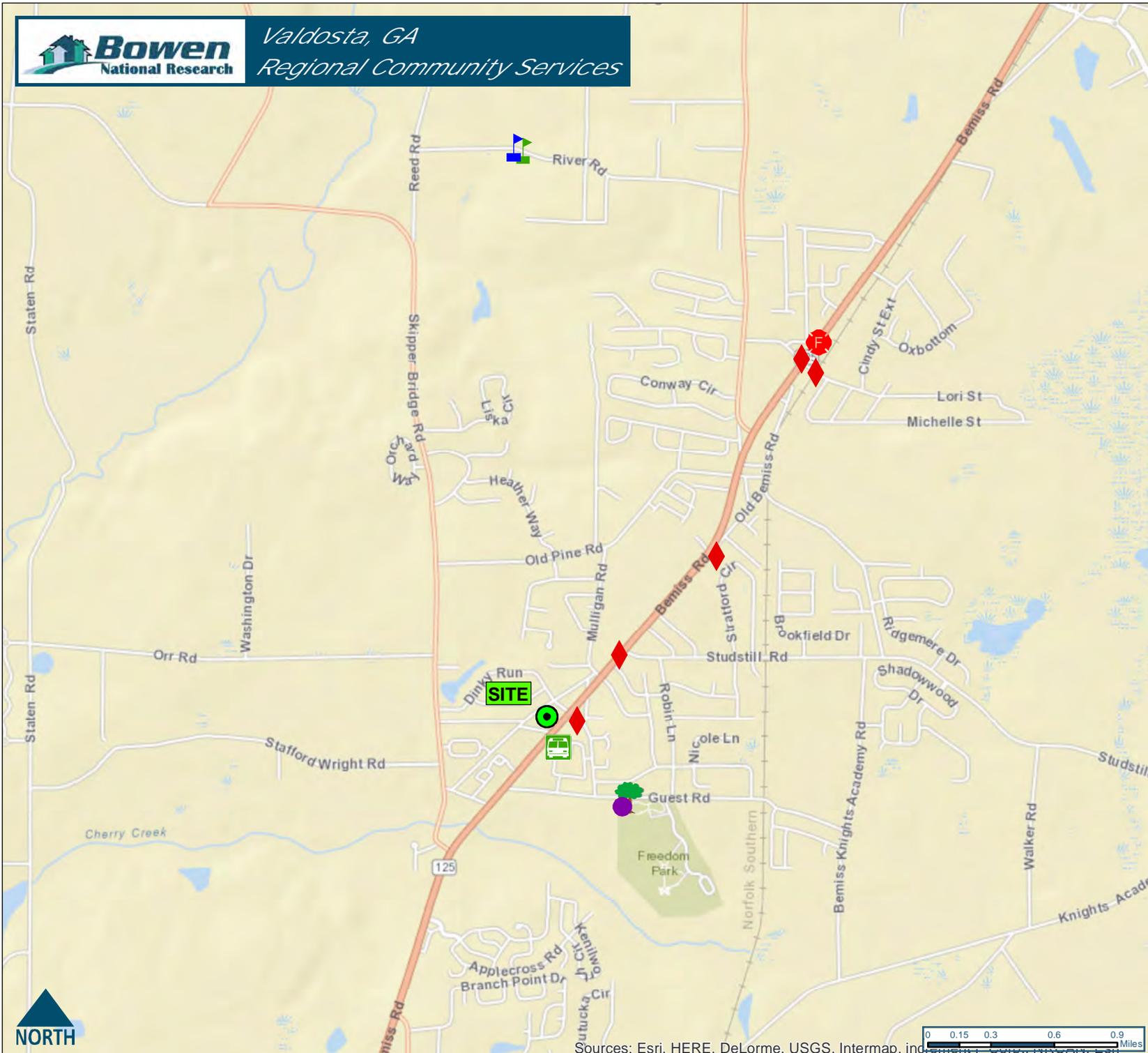
Legend

-  Site Area
-  bank
-  child care
-  church
-  convenience store
-  gas
-  grocery
-  park
-  pharmacy
-  recreation center
-  restaurant
-  shopping
-  transit



Legend

-  Site
-  elementary school
-  fire
-  middle school
-  park
-  recreation center
-  shopping
-  transit



6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (115) for the Site PMA is generally similar with the national average with an overall personal crime index of 113 and a property crime index of 102. Total crime risk (99) for Lowndes County is also similar to the national average with indexes for personal and property crime of 90 and 95, respectively.

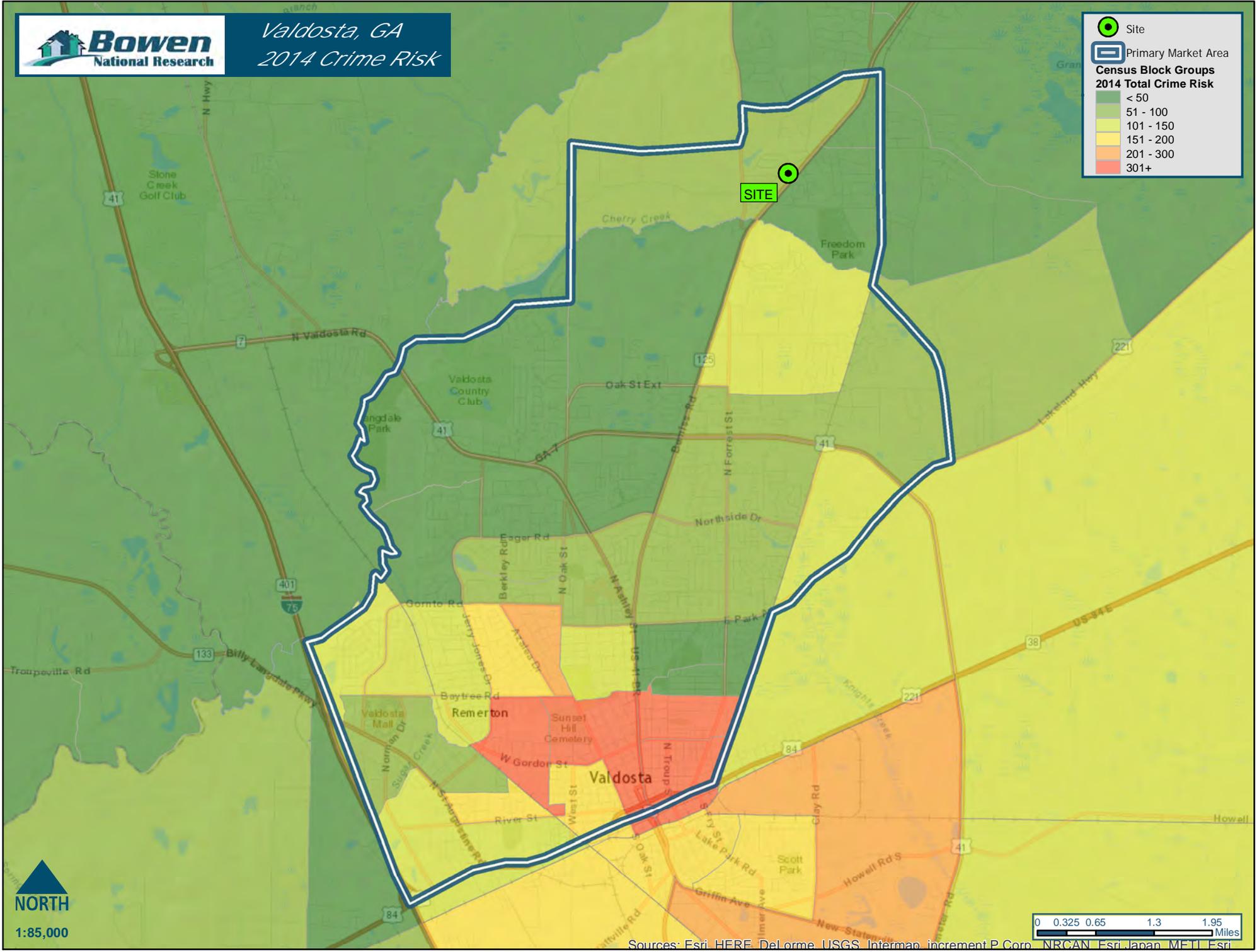
	Crime Risk Index	
	Site PMA	Lowndes County
Total Crime	115	99
Personal Crime	113	90
Murder	149	111
Rape	134	100
Robbery	104	75
Assault	83	83
Property Crime	102	95
Burglary	110	116
Larceny	138	117
Motor Vehicle Theft	60	56

Source: Applied Geographic Solutions

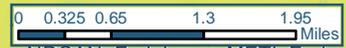
As the preceding table illustrates, the crime risk indices for both the Site PMA and Lowndes County are generally similar with the national average. As such, crime is not likely factor in the overall marketability of the Valdosta rental housing market. This is further evidenced by the high occupancy rates maintained at the majority of the surveyed rental housing communities within the Site PMA, as illustrated in Addendum A - *Field Survey of Conventional Rentals*. As such, it is anticipated that the perception of crime in the area will have no tangible impact on the subject's marketability.

A map illustrating crime risk is on the following page.

 Site
 Primary Market Area
Census Block Groups
2014 Total Crime Risk
 < 50
 51 - 100
 101 - 150
 151 - 200
 201 - 300
 301+



NORTH
1:85,000



7. OVERALL SITE EVALUATION

The proposed site is situated along Bemiss Road/State Route 125 in a primarily residential neighborhood comprised of single-family homes and duplexes considered to be in good to excellent condition. In addition to residential dwellings, the undeveloped land to the west provides a natural buffer to the surrounding land uses. The proposed site is clearly visible and easily accessible from Bemiss Road/State Route 125 and this aforementioned roadway provides ample passerby traffic to the proposed site. Proximity to Bemiss Road/State Route 125 is important, as this arterial roadway acts as a commercial corridor south of the proposed site, providing direct access to these area's community services. Overall, the proposed site is expected to be consistent with the residential nature of the immediate site neighborhood, while also benefiting from its clear visibility, convenient accessibility and proximity to most basic community services.

8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

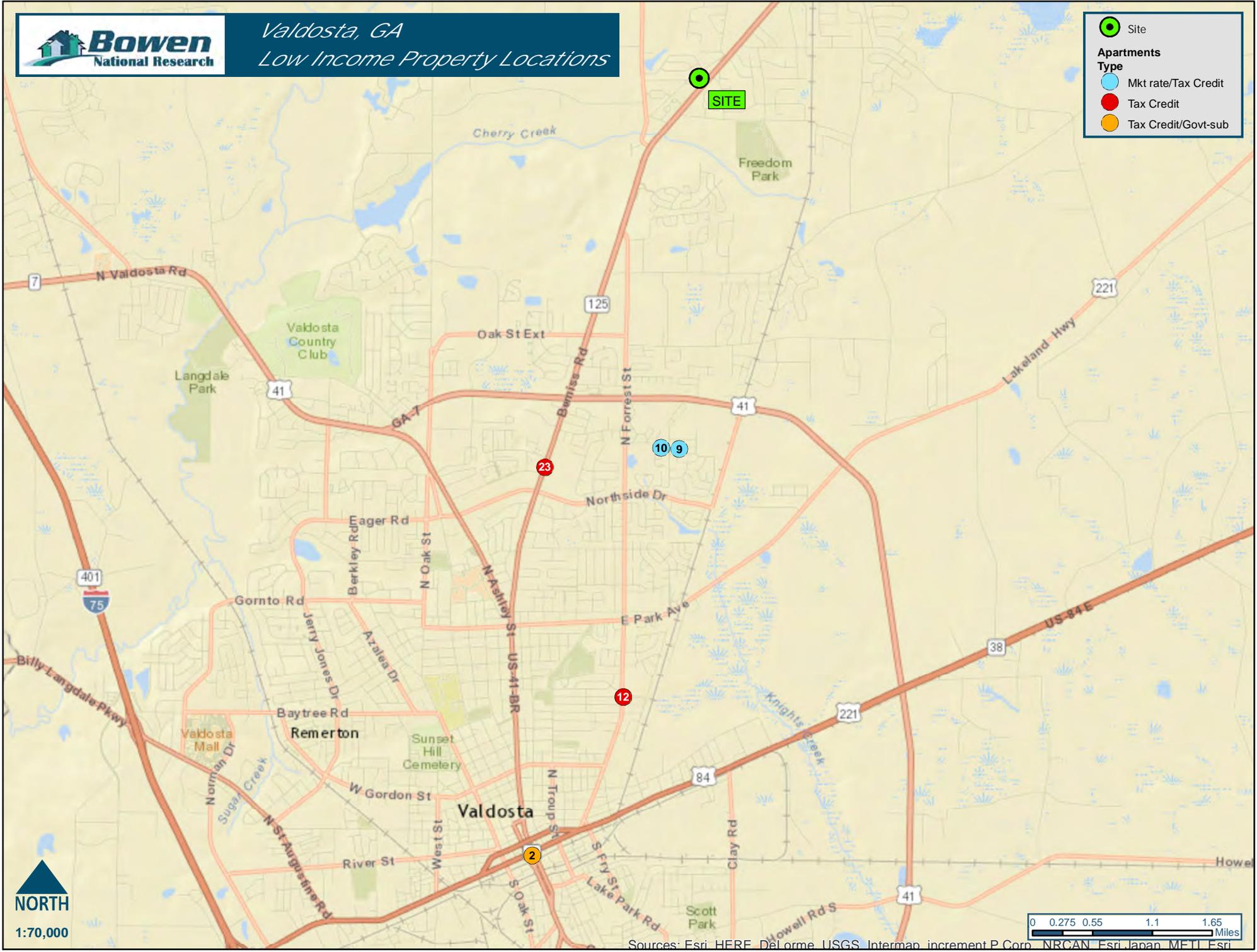


Valdosta, GA
Low Income Property Locations

● Site

Apartments Type

- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:70,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri

SECTION D – PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Valdosta Site PMA was determined through interviews with area leasing and real estate agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

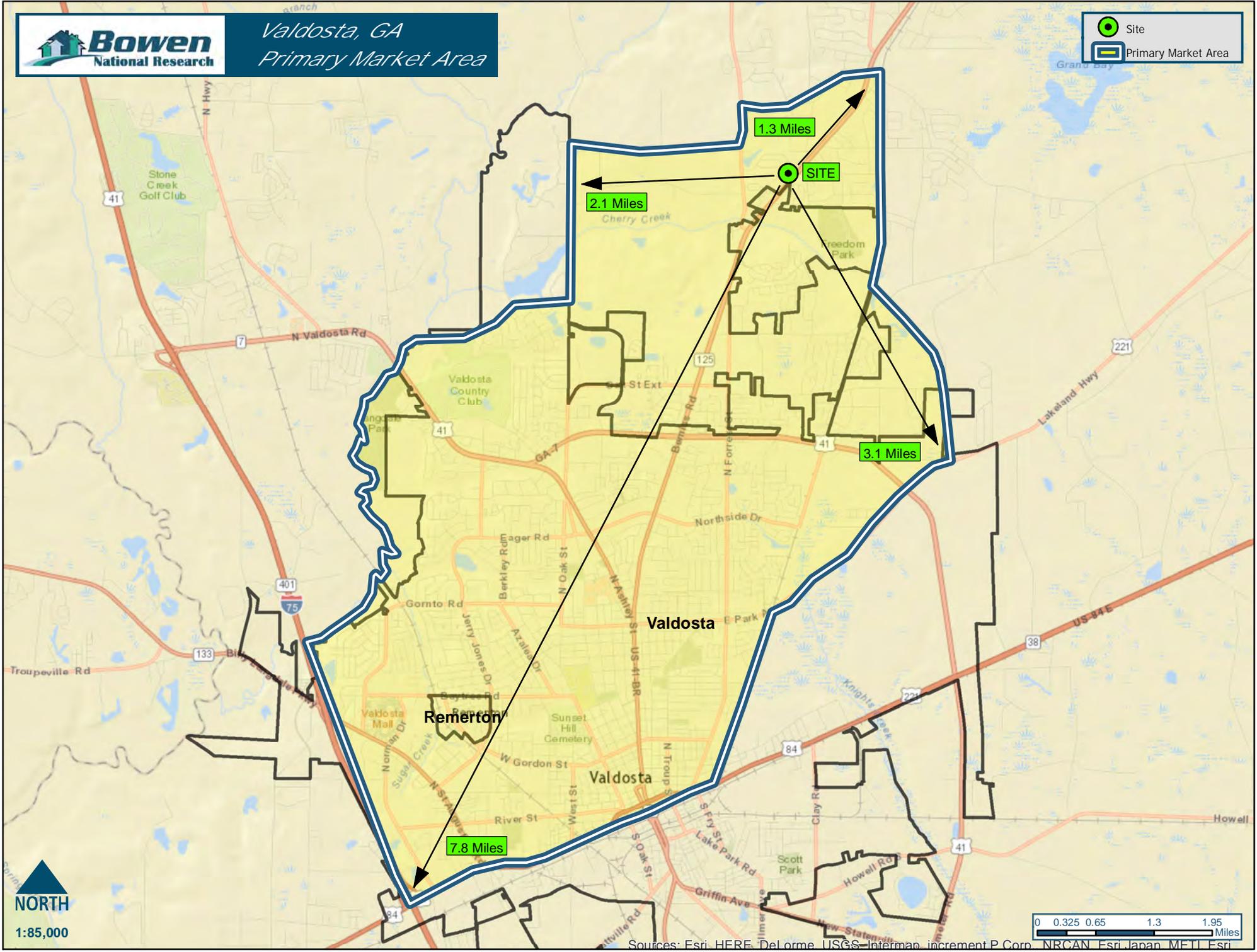
The Valdosta Site PMA includes Valdosta and outlying unincorporated areas. The boundaries of the Site PMA include Cherry Creek, Cherry Lake, Cherry Creek Road, Orr Road, Skipper Bridge Road, Old Pines Road and Norfolk Southern railroad tracks to the north; Stallings Road, East Park Avenue and Norfolk Southern railroad tracks to the east; Hill Avenue/U.S. Highway 221 to the south; and Interstate 75 and the Withlacoochee River to the west.

Jacqueline Wright, Property Manager of Heron Lake I and II (Map IDs 9 and 10, respectively), both general-occupancy Tax Credit and market-rate properties in Valdosta, confirmed the boundaries of the Site PMA and stated that the largest amount of support for an affordable housing project at the site's location would originate from within the immediate Valdosta area. Additionally, Ms. Wright stated that because the proposed site is located in the northernmost portion of Valdosta, it is likely that more people from northern areas of Valdosta would consider this property. Further, Ms. Wright stated that there are various shopping and dining opportunities recently constructed in this area along Bemiss Road and potential residents would want to remain in the area near the proposed site.

Judi Ross, Property Manager of Woodlawn Terrace (Map ID 12), a senior-restricted (ages 55 and older) Tax Credit property in Valdosta, confirmed the boundaries of the Site PMA and stated that most support for the proposed site would originate from within the immediate site area, specifically northern Valdosta. Additionally, Ms. Ross stated that the proposed site would attract minimal support from rural areas outside Valdosta, but would certainly not attract households from Stockton or Lakeland. These areas are farther away and offer a different type of living environment compared to the affordable housing market within Valdosta, which is an area that is capable of sustaining its own affordable housing market.

Though some support for the proposed project will undoubtedly originate from areas outside the Site PMA, the majority of support is expected to derive from within the boundaries of the Site PMA. Based on the preceding analysis, we have not considered a secondary market area in this report.

A map delineating the boundaries of the Site PMA is included on the following page.



SECTION E – COMMUNITY DEMOGRAPHIC DATA

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2016 (estimated) and 2018 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2018 (Projected)
Population	44,557	53,558	55,975	56,660
Population Change	-	9,001	2,417	685
Percent Change	-	20.2%	4.5%	1.2%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Valdosta Site PMA population base increased by 9,001 between 2000 and 2010. This represents a 20.2% increase over the 2000 population, or an annual rate of 2.0%. Between 2010 and 2016, the population increased by 2,417, or 4.5%. It is projected that the population will increase by 685, or 1.2%, between 2016 and 2018.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2016 (Estimated)		2018 (Projected)		Change 2016-2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	15,732	29.4%	15,916	28.4%	16,145	28.5%	229	1.4%
20 to 24	9,194	17.2%	8,064	14.4%	7,837	13.8%	-227	-2.8%
25 to 34	8,224	15.4%	10,237	18.3%	10,250	18.1%	13	0.1%
35 to 44	5,310	9.9%	5,754	10.3%	6,166	10.9%	412	7.2%
45 to 54	5,398	10.1%	4,963	8.9%	4,892	8.6%	-71	-1.4%
55 to 64	4,548	8.5%	4,886	8.7%	4,882	8.6%	-4	-0.1%
65 to 74	2,715	5.1%	3,477	6.2%	3,683	6.5%	206	5.9%
75 & Over	2,437	4.6%	2,678	4.8%	2,805	5.0%	127	4.7%
Total	53,558	100.0%	55,975	100.0%	56,660	100.0%	685	1.2%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, over 46% of the population is expected to be between 25 and 64 years old in 2016. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Valdosta Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2018 (Projected)
Households	17,185	20,542	21,637	21,938
Household Change	-	3,357	1,095	301
Percent Change	-	19.5%	5.3%	1.4%
Household Size	2.59	2.61	2.43	2.42

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Valdosta Site PMA, households increased by 3,357 (19.5%) between 2000 and 2010. Between 2010 and 2016, households increased by 1,095 or 5.3%. By 2018, there will be 21,938 households, an increase of 301 households, or 1.4% from 2016. This is an increase of approximately 150 households annually over the next two years and indicates that there will likely be an increasing need for additional housing within the market.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2016 (Estimated)		2018 (Projected)		Change 2016-2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	3,787	18.4%	3,332	15.4%	3,267	14.9%	-65	-2.0%
25 to 34	4,349	21.2%	5,381	24.9%	5,384	24.5%	3	0.1%
35 to 44	3,101	15.1%	3,259	15.1%	3,484	15.9%	226	6.9%
45 to 54	3,133	15.3%	2,801	12.9%	2,746	12.5%	-54	-1.9%
55 to 64	2,757	13.4%	2,911	13.5%	2,900	13.2%	-10	-0.4%
65 to 74	1,763	8.6%	2,198	10.2%	2,321	10.6%	124	5.6%
75 to 84	1,176	5.7%	1,205	5.6%	1,263	5.8%	57	4.8%
85 & Over	476	2.3%	551	2.5%	571	2.6%	21	3.8%
Total	20,542	100.0%	21,637	100.0%	21,938	100.0%	300	1.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2016 and 2018, the greatest growth among household age groups is projected to be among the households between the ages of 35 and 44. Household growth is also occurring at a fairly rapid rate among households ages 65 and older. These trends indicate that there will be an increasing need for both family (general-occupancy) and senior-specific housing in the market.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2016 (Estimated)		2018 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	8,828	43.0%	8,481	39.2%	8,569	39.1%
Renter-Occupied	11,714	57.0%	13,156	60.8%	13,369	60.9%
Total	20,542	100.0%	21,637	100.0%	21,938	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2016, homeowners occupied 39.2% of all occupied housing units, while the remaining 60.8% were occupied by renters. This is considered a high share of renters and the 13,156 renter households in 2016 represents a deep base of support in the market for the subject development.

The household sizes by tenure within the Site PMA, based on the 2016 estimates and 2018 projections, were distributed as follows:

Persons Per Renter Household	2016 (Estimated)		2018 (Projected)		Change 2016-2018	
	Households	Percent	Households	Percent	Households	Percent
1 Person	4,570	34.7%	4,645	34.7%	74	1.6%
2 Persons	3,971	30.2%	4,036	30.2%	65	1.6%
3 Persons	2,300	17.5%	2,337	17.5%	37	1.6%
4 Persons	1,429	10.9%	1,452	10.9%	22	1.6%
5 Persons+	888	6.7%	901	6.7%	13	1.5%
Total	13,158	100.0%	13,370	100.0%	212	1.6%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2016 (Estimated)		2018 (Projected)		Change 2016-2018	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,152	25.4%	2,172	25.3%	20	0.9%
2 Persons	3,217	37.9%	3,250	37.9%	34	1.0%
3 Persons	1,408	16.6%	1,422	16.6%	14	1.0%
4 Persons	1,105	13.0%	1,118	13.0%	13	1.2%
5 Persons+	599	7.1%	606	7.1%	8	1.3%
Total	8,480	100.0%	8,569	100.0%	88	1.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The subject's one-, two- and three-bedroom units will target up to five-person households, which comprise the majority of renter households within the Valdosta Site PMA. As such, the subject property will be able to accommodate nearly all renter households in the market, based on household size.

The distribution of households by income within the Valdosta Site PMA is summarized as follows:

Household Income	2010 (Census)		2016 (Estimated)		2018 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	3,932	19.1%	4,961	22.9%	5,328	24.3%
\$15,000 to \$24,999	2,975	14.5%	3,082	14.2%	3,141	14.3%
\$25,000 to \$34,999	2,742	13.3%	3,166	14.6%	3,157	14.4%
\$35,000 to \$49,999	3,489	17.0%	3,603	16.7%	3,505	16.0%
\$50,000 to \$74,999	3,489	17.0%	2,882	13.3%	2,811	12.8%
\$75,000 to \$99,999	1,536	7.5%	1,662	7.7%	1,677	7.6%
\$100,000 to \$149,999	1,622	7.9%	1,478	6.8%	1,517	6.9%
\$150,000 to \$199,999	456	2.2%	447	2.1%	447	2.0%
\$200,000 & Over	301	1.5%	358	1.7%	357	1.6%
Total	20,542	100.0%	21,638	100.0%	21,939	100.0%
Median Income	\$37,674		\$33,770		\$32,921	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$37,674. This declined by 10.4% to \$33,770 in 2016. By 2018, it is projected that the median household income will be \$32,921, a decline of 2.5% from 2016.

The following tables illustrate renter household income by household size for 2010, 2016 and 2018 for the Valdosta Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,221	982	569	353	220	3,345
\$15,000 to \$24,999	726	641	370	229	143	2,109
\$25,000 to \$34,999	575	572	331	206	126	1,810
\$35,000 to \$49,999	610	628	363	225	137	1,963
\$50,000 to \$74,999	459	473	275	171	107	1,485
\$75,000 to \$99,999	174	171	99	61	36	541
\$100,000 to \$149,999	112	111	64	41	24	352
\$150,000 to \$199,999	22	22	12	8	3	67
\$200,000 & Over	13	14	8	5	1	41
Total	3,912	3,614	2,091	1,299	797	11,713

Source: ESRI; Urban Decision Group

Renter Households	2016 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,595	1,260	729	453	284	4,321
\$15,000 to \$24,999	849	679	393	244	152	2,317
\$25,000 to \$34,999	665	619	358	223	137	2,002
\$35,000 to \$49,999	725	692	400	249	156	2,222
\$50,000 to \$74,999	389	385	224	140	86	1,224
\$75,000 to \$99,999	181	179	103	64	39	565
\$100,000 to \$149,999	129	121	71	45	27	392
\$150,000 to \$199,999	21	21	12	8	3	65
\$200,000 & Over	17	16	9	5	3	50
Total	4,570	3,971	2,300	1,429	888	13,158

Source: ESRI; Urban Decision Group

Renter Households	2018 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,690	1,361	788	490	306	4,636
\$15,000 to \$24,999	850	692	400	249	155	2,346
\$25,000 to \$34,999	636	596	345	214	132	1,923
\$35,000 to \$49,999	721	673	389	242	151	2,175
\$50,000 to \$74,999	368	357	208	129	81	1,143
\$75,000 to \$99,999	182	176	101	63	38	561
\$100,000 to \$149,999	156	140	82	52	32	463
\$150,000 to \$199,999	22	23	13	8	4	70
\$200,000 & Over	19	17	10	6	3	54
Total	4,645	4,036	2,337	1,452	901	13,370

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

Demographic Summary

Demographic trends within the Valdosta Site PMA are projected to be positive between 2016 and 2018, as the total population will increase by 685 (1.2%) and the total number of households will increase by 301 (1.4%) during this time period. These trends demonstrate an expanding overall demographic base within the Site PMA. Additionally, it is projected that there will be 13,369 renter households in the market in 2018, an increase of 213 households, or 1.6%, from 2016. Notably, low-income renter households (earning below \$35,000) are projected to comprise more than 66.0% of all renter households in the market in 2018. Based on the preceding analysis and additional demographic data contained within this report, there appears to be a deep base of income-appropriate renter support for affordable rental housing in the market, such as that proposed at the subject site.

SECTION F – ECONOMIC TRENDS

1. LABOR FORCE PROFILE

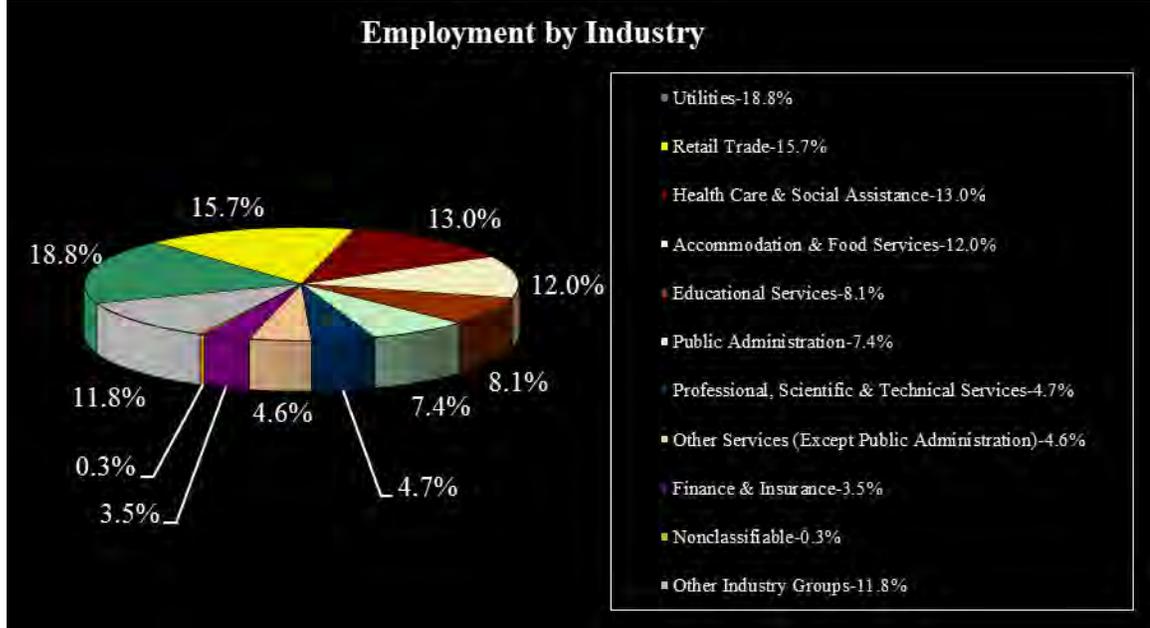
The labor force within the Valdosta Site PMA is based primarily in four sectors. Utilities (which comprises 18.8%), Retail Trade, Health Care & Social Assistance and Accommodation & Food Services comprise nearly 60% of the Site PMA labor force. Employment in the Valdosta Site PMA, as of 2016, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	7	0.2%	17	0.0%	2.4
Mining	2	0.1%	7	0.0%	3.5
Utilities	3	0.1%	7,250	18.8%	2416.7
Construction	151	5.1%	926	2.4%	6.1
Manufacturing	53	1.8%	595	1.5%	11.2
Wholesale Trade	57	1.9%	423	1.1%	7.4
Retail Trade	550	18.5%	6,068	15.7%	11.0
Transportation & Warehousing	28	0.9%	259	0.7%	9.3
Information	58	1.9%	540	1.4%	9.3
Finance & Insurance	302	10.1%	1,343	3.5%	4.4
Real Estate & Rental & Leasing	181	6.1%	802	2.1%	4.4
Professional, Scientific & Technical Services	232	7.8%	1,816	4.7%	7.8
Management of Companies & Enterprises	4	0.1%	11	0.0%	2.8
Administrative, Support, Waste Management & Remediation Services	95	3.2%	646	1.7%	6.8
Educational Services	51	1.7%	3,146	8.1%	61.7
Health Care & Social Assistance	310	10.4%	5,036	13.0%	16.2
Arts, Entertainment & Recreation	31	1.0%	313	0.8%	10.1
Accommodation & Food Services	255	8.6%	4,628	12.0%	18.1
Other Services (Except Public Administration)	390	13.1%	1,780	4.6%	4.6
Public Administration	161	5.4%	2,873	7.4%	17.8
Nonclassifiable	57	1.9%	134	0.3%	2.4
Total	2,978	100.0%	38,613	100.0%	13.0

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Valdosta Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Valdosta MSA	Georgia
Management Occupations	\$84,720	\$111,250
Business and Financial Occupations	\$55,960	\$70,750
Computer and Mathematical Occupations	\$60,090	\$81,100
Architecture and Engineering Occupations	\$69,550	\$76,920
Community and Social Service Occupations	\$37,970	\$44,150
Art, Design, Entertainment and Sports Medicine Occupations	\$34,810	\$51,440
Healthcare Practitioners and Technical Occupations	\$67,200	\$74,690
Healthcare Support Occupations	\$28,060	\$27,640
Protective Service Occupations	\$32,590	\$34,870
Food Preparation and Serving Related Occupations	\$18,710	\$20,150
Building and Grounds Cleaning and Maintenance Occupations	\$20,660	\$24,510
Personal Care and Service Occupations	\$21,480	\$24,220
Sales and Related Occupations	\$29,730	\$37,170
Office and Administrative Support Occupations	\$28,120	\$34,610
Construction and Extraction Occupations	\$36,180	\$38,540
Installation, Maintenance and Repair Occupations	\$35,900	\$43,540
Production Occupations	\$32,230	\$32,590
Transportation and Moving Occupations	\$29,360	\$33,620

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

Most annual blue-collar salaries range from \$18,710 to \$37,970 within the Valdosta MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$67,504. It is important to note that most occupational types within the Valdosta MSA have lower typical wages than the State of Georgia's typical wages. Regardless, the area employment base has a significant number of income-appropriate occupations from which the subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest private employers within the Valdosta area are summarized in the following table. Note that total employment data was unavailable at the time this report was issued. Also, while not listed in the following table, the Moody Air Force Base is one of the area's top employers and is approximately 4.0 miles northeast of the site.

Employer Name	Business Type
Steeda Autosports	Auto Parts Manufacturer
Convergys	Customer Service
South Georgia Pecan Company	Shelling Plant
Langdale Industries	Forestry and Forestry products
Home Depot Rapid Deployment Center	Distribution
Lowe's Regional Distribution Center	Distribution
SAFT America, Inc	Battery Manufacturer
Archer Daniels Midland Company (ADM)	Soybean and Cottonseed crushing facility
Fresh Beginnings, Inc	Baked Goods and Confectioner
Packaging Corporation of America	Linerboard Mill

Source: Valdosta-Lowndes Development Authority (2016)

Despite numerous attempts to contact local representatives regarding the economic health of the area, a response was not received at the time this report was issued. The following was obtained via our online research:

- In 2016, Walmart filed building permits for a location of a new store, fuel station and park near the intersection of Bemiss Road and Guest Road. The location of the new store will be within walking distance of the site.
- It was announced in December 2015, Nature Nate's, a honey processor, will be expanding to a 30,000 square-foot facility in Valdosta, a \$1.75 million investment that will create up to 25 jobs within the next 36 months.
- Also announced in December 2015, Robin Hood Timber and Landscaping Products Inc., an agribusiness company, will be expanding its manufacturing operations to Lowndes County and will create 50 jobs over the next few years.

- In October 2015, Valdosta Regional Airport began phase one to expand the airport apron, which will triple the size of the apron, allowing the airport to accommodate two regional jets and a Boeing 737 all at the same time. Phase I completed in December 2015 and Phase II will be complete mid-2016.
- In July 2015, South Georgia Pecan Company, processor of shelled pecans, expanded its plant by constructing a 74,000 square-foot addition and added 20 jobs. Construction completed in August 2015, a \$5.6 million investment.
- In July 2015, Rivulis Irrigation added a new production line and invested \$800,000, creating 60 jobs.
- In July 2015, Letica Corporation, one of America's largest packaging manufacturers, installed a new 1000-pound press for manufacturing operations, creating more than 25 new jobs.

WARN (layoff notices):

According to Georgia Department of Economic Development, there have been two WARN notices (large-scale layoffs/closures) reported for Valdosta since January 2015. Below is a table summarizing these notices.

Company	Location	Jobs	Notice Date
Chubby's Chicken Fingers & More	Valdosta	33	10/25/2015
Chartwells	Valdosta	N/A	4/29/2016

N/A - Not Available

3. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

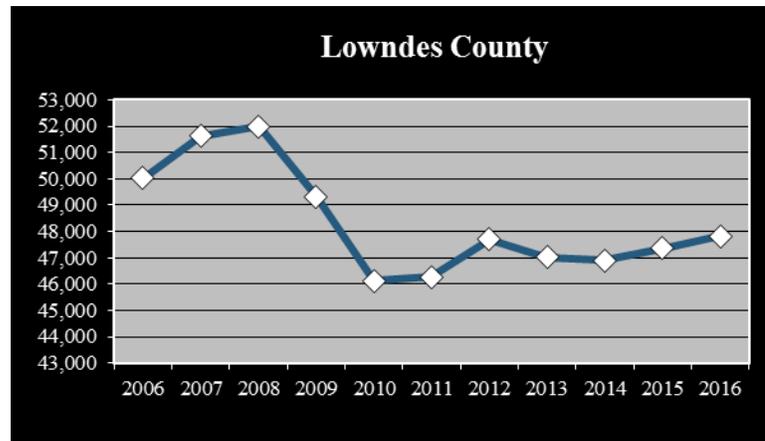
Excluding 2016, the employment base has increased by 2.3% over the past five years in Lowndes County, less than the Georgia state increase of 5.3%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Lowndes County, Georgia and the United States.

Year	Total Employment					
	Lowndes County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	50,030	-	4,489,128	-	145,000,042	-
2007	51,634	3.2%	4,597,640	2.4%	146,388,400	1.0%
2008	51,985	0.7%	4,575,010	-0.5%	146,047,748	-0.2%
2009	49,335	-5.1%	4,311,854	-5.8%	140,696,560	-3.7%
2010	46,120	-6.5%	4,202,052	-2.5%	140,469,139	-0.2%
2011	46,277	0.3%	4,263,305	1.5%	141,791,255	0.9%
2012	47,694	3.1%	4,349,796	2.0%	143,688,931	1.3%
2013	47,030	-1.4%	4,369,349	0.4%	145,126,067	1.0%
2014	46,888	-0.3%	4,416,715	1.1%	147,604,328	1.7%
2015	47,359	1.0%	4,490,931	1.7%	149,950,804	1.6%
2016*	47,833	1.0%	4,553,540	1.4%	150,558,884	0.4%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

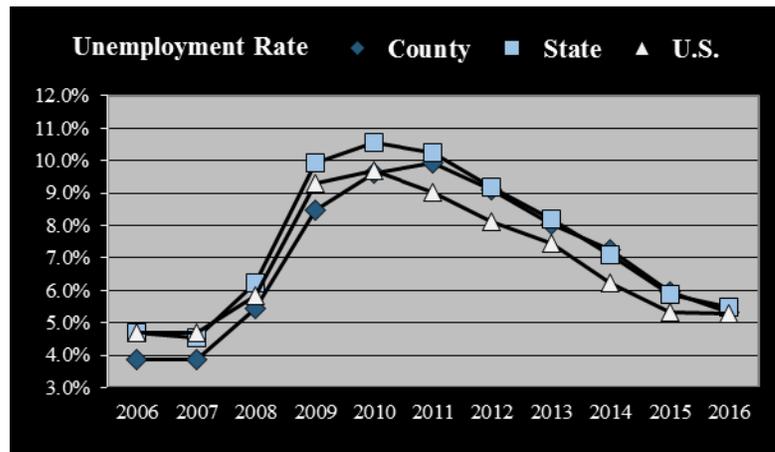


As the preceding illustrates, the Lowndes County employment base has declined by 2,672 employees since 2006. After a steep decline between 2008 and 2010, similar to trends experienced by much of the country during the national recession, the employment base has generally increased. However, it still remains well below prerecession levels.

Unemployment rates for Lowndes County, Georgia and the United States are illustrated as follows:

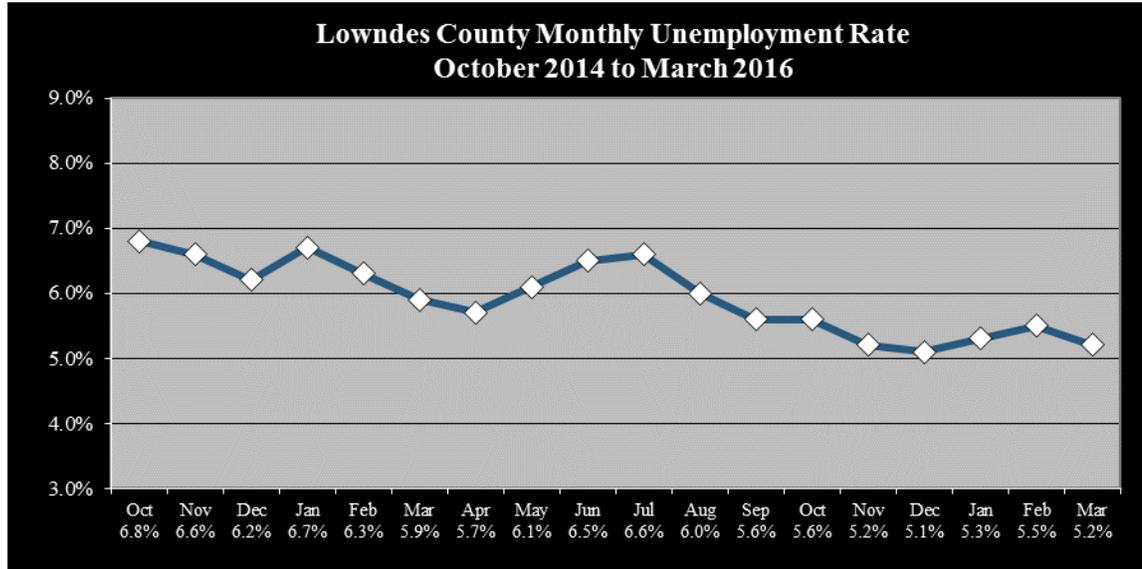
Year	Unemployment Rate		
	Lowndes County	Georgia	United States
2006	3.9%	4.7%	4.7%
2007	3.9%	4.5%	4.7%
2008	5.5%	6.2%	5.8%
2009	8.5%	9.9%	9.3%
2010	9.6%	10.6%	9.7%
2011	9.9%	10.2%	9.0%
2012	9.1%	9.2%	8.1%
2013	8.0%	8.2%	7.4%
2014	7.2%	7.1%	6.2%
2015	5.9%	5.9%	5.3%
2016*	5.3%	5.5%	5.3%

Source: Department of Labor, Bureau of Labor Statistics
 *Through March



The unemployment rate in Lowndes County has ranged between 3.9% and 9.9%, in line with the state's average since 2012. Despite increasing by six percentage points between 2007 and 2011 during the national recession, it has consistently decreased since. The current unemployment rate of 5.3% is the lowest its been since 2007 of 3.9%.

The following table illustrates the monthly unemployment rate in Lowndes County for the most recent 18-month period for which data is currently available.



The unemployment rate in Lowndes County has dropped incrementally over the past 18 months. We anticipate further stabilization and rates well below 6.0% for the near-term.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Lowndes County.

In-Place Employment Lowndes County			
Year	Employment	Change	Percent Change
2005	48,603	-	-
2006	49,404	801	1.6%
2007	50,697	1,293	2.6%
2008	50,208	-489	-1.0%
2009	47,759	-2,449	-4.9%
2010	46,212	-1,547	-3.2%
2011	45,783	-429	-0.9%
2012	46,784	1,001	2.2%
2013	46,629	-155	-0.3%
2014	47,283	654	1.4%
2015*	48,104	821	1.7%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2014, the most recent year that year-end figures are available, indicates in-place employment in Lowndes County to be 100.8% of the total Lowndes County employment. This means that Lowndes County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there. This will have a positive impact on the subject's marketability, as it is likely that the subject's residents will have minimal commute times to their place of employment.

4. ECONOMIC FORECAST

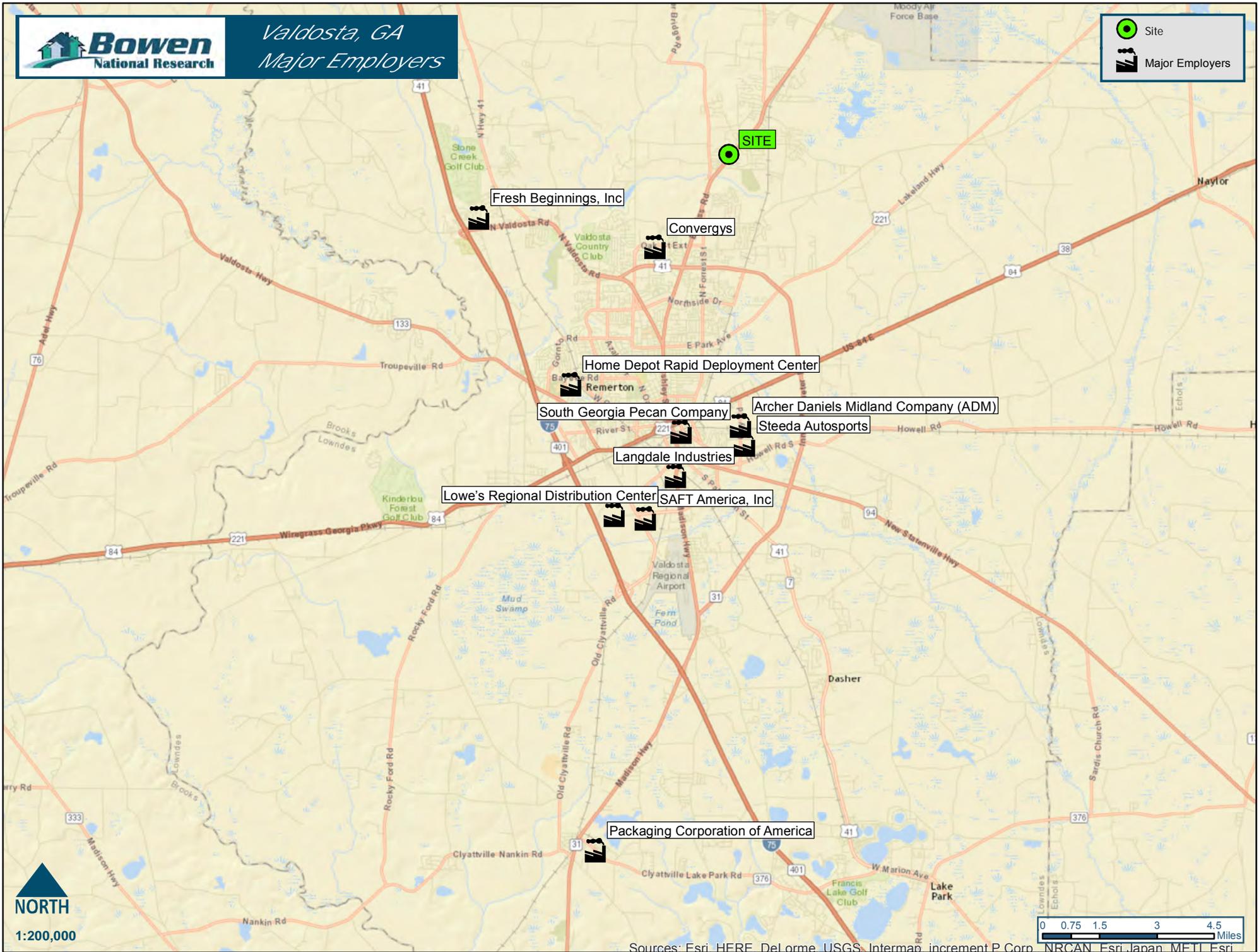
Based on information via our online research and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Lowndes County economy continues to slowly improve since the end of the national recession. Since 2011, the employment base within the county has generally experienced growth; however, it still remains well below prerecession levels. Conversely, the unemployment rate within the county has consistently decreased within the preceding five-year period and is currently at its lowest level (5.3%) since 2007 (3.9%). Considering the recent business expansion announcements within Lowndes County, it is anticipated that the local economy will continue to steadily improve within the foreseeable future, which will continue to create a stable environment for housing.

A map illustrating notable employment centers is on the following page.



Valdosta, GA
Major Employers

 Site
 Major Employers




 NORTH
 1:200,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed project's potential.

Under the Low-Income Housing Tax Credit program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Valdosta, GA MSA, which has a four-person median household income of \$50,400 for 2015. The LIHTC units offered at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$17,050	\$20,460
Two-Person	\$19,500	\$23,400
Three-Person	\$21,950	\$26,340
Four-Person	\$24,350	\$29,220
Five-Person	\$26,300	\$31,560

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$31,560**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The proposed LIHTC units will have a lowest gross rent of \$449 (one-bedroom unit at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,388. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$15,394**.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project with units built to serve households at 50% and 60% of AMHI are as follows. Also note that 31 (35.2%) of the subject units will be market-rate and operate with no income restrictions. Therefore, we have factored in all renters in the market with incomes above the maximum allowable LIHTC limit of \$31,560 when evaluating demand for the subject's market-rate units. This minimum income for the market-rate units was conservatively utilized to avoid overlap with the subject's Tax Credits units.

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$15,394	\$26,300
Tax Credit (Limited To 60% Of AMHI)	\$18,480	\$31,560
Tax Credit Overall	\$15,394	\$31,560
Market-Rate	\$31,561	-

2. **METHODOLOGY**

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*

b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2010-2014 5-year estimates, approximately 9.5% to 68.0% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2010-2014 5-year estimates, 4.6% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

- c. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2014/2015) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2014 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. 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.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

Within the Site PMA, we identified one rental property within the development pipeline in the market. This one project is summarized as follows:

- Woodlands Apartments is currently under construction located at 200 West Cranford Avenue in Valdosta. Developed by Crown Real Estate Development, this market-rate property will offer 57 one- and two-bedroom units with rents ranging from \$825 to \$1,200 and sizes ranging from 650 to 950 square feet. The project is anticipated to have its first units available in June 2016, with the rest of the project expected to be complete in August 2016.

The aforementioned rental development will likely compete with the subject's market-rate units and all 57 units under construction have been considered in the following demand analysis:

Demand Component	Percent Of Median Household Income			
	50% AMHI (\$15,394-\$26,300)	60% AMHI (\$18,480-\$31,560)	Tax Credit Overall (\$15,394-\$31,560)	Market Rate (\$32,641+)
Demand From New Households (Age- And Income-Appropriate)	2,503 - 2,486 = 17	2,791 - 2,824 = -33	3,515 - 3,539 = -24	4,919 - 4,990 = -71
+				
Demand From Existing Households (Rent Overburdened)	2,486 X 68.0% = 1,692	2,824 X 59.2% = 1,672	3,539 X 64.1% = 2,270	4,990 X 9.5% = 474
+				
Demand From Existing Households (Renters In Substandard Housing)	2,486 X 4.6% = 114	2,824 X 4.6% = 130	3,539 X 4.6% = 163	4,990 X 4.6% = 230
=				
Demand Subtotal	1,823	1,769	2,409	633
+				
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A	N/A
=				
Total Demand	1,823	1,769	2,409	633
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2014)	0	0	0	57
=				
Net Demand	1,823	1,769	2,409	576
Proposed Units / Net Demand	18 / 1,823	39 / 1,769	57 / 2,409	31 / 576
Capture Rate	= 1.0%	= 2.2%	= 2.4%	= 5.4%

N/A – Not applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets such as the Valdosta Site PMA are considered acceptable. As such, the project's overall LIHTC-only capture rate of 2.4% is considered low and easily achievable within the Valdosta Site PMA and demonstrates that a deep base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true given the high occupancy rates and wait lists maintained among the existing LIHTC properties surveyed in the Site PMA. Also note that the 31 market-rate units proposed at the subject site have a capture rate of just 5.4%, demonstrating that significant demographic support also exists for the proposed unrestricted market-rate units.

Based on the distribution of households by household size, our survey of conventional apartments and the distribution of bedroom types in balanced markets, the estimated shares of demand by bedroom type for the Site PMA are distributed as follows.

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	30%
Two-Bedroom	50%
Three-Bedroom	20%
Total	100.0%

Applying these shares to the income-qualified renter households yields demand and capture rates for the proposed units by bedroom type and targeted income level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (30%)	50%	6	547	0	547	1.1%	< 1 Month	\$748	\$300
	60%	3	531	0	531	0.6%	< 1 Month	\$748	\$390
	MR	3	189	23	166	1.8%	< 1 Month	\$748	\$575
One-Bedroom	Total	12	1,267	23	1,244	1.0%	1 to 2 Months	\$748	\$391***
Two-Bedroom (50%)	50%	7	912	0	912	0.8%	< 1 Month	\$860	\$350
	60%	24	885	0	885	2.7%	2 to 3 Months	\$860	\$460
	MR	21	317	34	283	7.4%	2 to 3 Months	\$860	\$725
Two-Bedroom	Total	52	2,114	34	2,080	2.5%	5 Months	\$860	\$552***
Three-Bedroom (20%)	50%	5	364	0	364	1.4%	< 1 Month	\$1,045	\$395
	60%	12	353	0	353	3.4%	1 to 2 Months	\$1,045	\$520
	MR	7	127	0	127	5.5%	< 1 Month	\$1,045	\$825
Three-Bedroom	Total	24	844	0	844	2.8%	2 Months	\$1,045	\$583***

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Weighted average

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in Section H.

MR - Market-rate

The capture rates by bedroom type and targeted income level range from 0.6% to 7.4%. Utilizing this methodology, these capture rates are considered easily achievable and demonstrate that a deep base of income-eligible renter household support exists in the Valdosta Site PMA for each of the unit types proposed at the subject development. This is especially true when considering the high occupancy rates maintained among most existing rental properties surveyed in the market, as evidenced by our Field Survey of Conventional Rentals (Addendum A).

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Valdosta Site PMA in 2010 and 2016 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2016 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	20,542	90.8%	21,637	89.7%
Owner-Occupied	8,828	43.0%	8,481	39.2%
Renter-Occupied	11,714	57.0%	13,156	60.8%
Vacant	2,079	9.2%	2,483	10.3%
Total	22,621	100.0%	24,121	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2016 update of the 2010 Census, of the 24,121 total housing units in the market, 10.3% were vacant. In 2016, it was estimated that homeowners occupied 39.2% of all occupied housing units, while the remaining 60.8% were occupied by renters. The share of renters is considered high and the current 13,156 renter households represent a deep base of potential support in the Site PMA for the subject development.

The following table illustrates the estimated vacancy status within the Valdosta Site PMA:

Vacancy Status	Percent of Vacant Units
For Rent	54.7%
For Sale Only	13.7%
Rented/Sold, Not Occupied	4.5%
For Seasonal, recreational, or occasional use	5.2%
Other Vacant	21.9%

Source: 2010 Census; Urban Decision Group; Bowen National Research

As reported in the 2010 Census, 21.9% of the vacant housing units in the market are classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our field survey of conventional rentals within the Valdosta Site PMA, the majority of rental properties are operating at strong occupancy levels, illustrating that foreclosed and abandoned properties have not had an adverse impact on the overall rental housing market. As such, it can be concluded that this will not have any tangible impact on the subject’s marketability.

We identified and personally surveyed 23 conventional housing projects containing a total of 3,315 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 97.0%, a strong rate for rental housing. Among these projects, 22 are non-subsidized (market-rate and Tax Credit) projects containing 3,254 units. These non-subsidized units are 96.9% occupied. The remaining project contains 61 government-subsidized units, which are 100.0% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	18	2,963	101	96.6%
Market-rate/Tax Credit	2	152	0	100.0%
Tax Credit	2	139	0	100.0%
Tax Credit/Government-Subsidized	1	61	0	100.0%
Total	23	3,315	101	97.0%

As the preceding table illustrates, all surveyed projects broken out by project type are maintaining strong occupancy levels, as none are lower than 96.6%. In fact, all affordable rental units surveyed are occupied, all of which maintain wait lists. Therefore, pent-up demand exists for additional affordable rental housing within the Valdosta Site PMA.

The following table summarizes the breakdown of market-rate and Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	14	0.5%	0	0.0%	\$569
One-Bedroom	1.0	683	22.8%	13	1.9%	\$827
Two-Bedroom	1.0	537	18.0%	20	3.7%	\$802
Two-Bedroom	1.5	16	0.5%	1	6.3%	\$804
Two-Bedroom	2.0	947	31.7%	29	3.1%	\$985
Two-Bedroom	2.5	52	1.7%	1	1.9%	\$962
Three-Bedroom	1.5	8	0.3%	1	12.5%	\$881
Three-Bedroom	2.0	533	17.8%	24	4.5%	\$1,082
Three-Bedroom	2.5	96	3.2%	2	2.1%	\$1,060
Three-Bedroom	3.0	42	1.4%	6	14.3%	\$1,466
Three-Bedroom	3.5	18	0.6%	0	0.0%	\$1,730
Four-Bedroom	2.0	45	1.5%	4	8.9%	\$1,131
Total Market-rate		2,991	100.0%	101	3.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	106	40.3%	0	0.0%	\$616
Two-Bedroom	2.0	118	44.9%	0	0.0%	\$668
Three-Bedroom	2.0	39	14.8%	0	0.0%	\$786
Total Tax Credit		263	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit rents are significantly lower than their corresponding median gross market-rate rents. As such, Tax Credit properties likely represent excellent values to low-income renters within the market. This is further evidenced by the 100.0% occupancy rate and wait lists maintained at all Tax Credit projects in the market. The subject project will be able to accommodate a portion of the unmet demand for such housing within the Valdosta Site PMA.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	3	455	6.2%
B+	5	870	2.4%
B	7	843	3.3%
B-	4	740	3.2%
C	1	83	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B	4	263	0.0%

Regardless of quality, all non-subsidized rental projects surveyed within the market are maintaining low vacancy rates, none higher than 6.2%. As such, it can be concluded that quality has not had an impact on the Valdosta rental housing market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of five federally subsidized and/or Tax Credit apartment developments in the Valdosta Site PMA. These projects were surveyed in May 2016. They are summarized as follows.

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						Studio	One-Br.	Two-Br.	Three-Br.
2	Ashley House Apts.	TAX & SEC 8	1980 / 2014	61	100.0%	\$771 (17)	\$855 (37)	\$992 (7)	-
9	Heron Lake I	TAX	2005	70*	100.0%	-	\$376 - \$616 (13)	\$460 - \$751 (38)	\$541 - \$919 (19)
10	Heron Lake II	TAX	2008	54*	100.0%	-	\$376 - \$616 (7)	\$460 - \$751 (27)	\$541 - \$919 (20)
12	Woodlawn Terrace	TAX	2011	59	100.0%	-	\$554 - \$649 (30)	\$664 - \$770 (29)	-
23	Ashton Meadows	TAX	2001	80	100.0%	-	\$537 - \$650 (56)	\$655 - \$805 (24)	-
Total				324	100.0%				

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

*Market-rate units not included

The overall occupancy rate is 100.0% for these affordable projects, all of which maintain wait lists. As such, pent-up demand exists for affordable housing within the Site PMA.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the DCA Administration of Housing Choice Vouchers Program-Waycross Regional Office, there are approximately 211 Housing Choice Voucher holders within the housing authority's jurisdiction and 100 households currently on the waiting list for additional Vouchers. The waiting list is closed and it is unknown when it will reopen. Annual turnover is estimated at 58 in the county and 40 in the region. This reflects the continuing need for Housing Choice Voucher assistance.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
9	Heron Lake I	70*	8	11.4%
10	Heron Lake II	54*	9	16.7%
Total		124	17	13.7%

*Tax Credit units only

As the preceding table illustrates, there are a total of approximately 17 units that are occupied by Voucher holders among the two competitive LIHTC projects in the market. The 17 units occupied by Voucher holders comprise only 13.7% of these comparable units. This illustrates that over 86% of the comparable Tax Credit units in the market are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned LIHTC projects are achievable.

If the rents do not exceed Fair Market Rents, some households with Housing Choice Vouchers may be eligible to reside at a LIHTC project. The following table outlines the HUD 2015 Fair Market Rents for the Valdosta, Georgia MSA and the proposed subject gross *Tax Credit* rents at the subject project:

Bedroom Type	Fair Market Rents	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$591	\$449 (50%) \$539 (60%)
Two-Bedroom	\$735	\$542 (50%) \$652 (60%)
Three-Bedroom	\$942	\$629 (50%) \$754 (60%)

As the preceding table illustrates, all of the subject's proposed gross *Tax Credit* rents are set below current Fair Market Rents. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the base of income-appropriate renter households within the Valdosta Site PMA for the subject development and has been considered in our absorption estimates in Section I of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that there is one multifamily rental community within the development pipeline in the market. This project, Woodlands Apartments, is currently under construction located at 200 West Cranford Avenue in Valdosta and will include 57 one- and two-bedroom market-rate units. Monthly collected rents will range from \$825 to \$1,200 and sizes will range from 650 to 950 square feet. The project is anticipated to have its first units available in June 2016, with the rest of the project expected to be complete in August 2016.

Note that the aforementioned project will likely compete with the subject's market-rate units and have been included in our demand analysis illustrated earlier in Section G of this report.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Valdosta and Lowndes County for the past ten years:

Housing Unit Building Permits for Valdosta, GA:

Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	191	123	74	300	305	271	0	10	14	16
Single-Family Permits	427	365	216	118	73	67	36	57	62	67
Total Units	618	488	290	418	378	338	36	67	76	83

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Lowndes County:

Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	195	173	144	312	353	279	6	32	26	22
Single-Family Permits	1,136	918	601	441	404	333	321	352	353	537
Total Units	1,331	1,091	745	753	757	612	327	384	379	559

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

As the preceding tables indicate, the number of multifamily building permits issued within both Valdosta and Lowndes County declined significantly between 2006 to 2012, likely as a result of the national recession. Since 2012, the number of multifamily building permits issued have increased, but are well below prerecession trends. Given that the combined occupancy rate of all rental projects identified and surveyed in the market is 97.0% and based on the limited number of multifamily building permits issued, it is likely that there is greater demand for additional rental housing units within the Site PMA.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

We identified and surveyed two existing family (general-occupancy) non-subsidized rental communities that offer Low-Income Housing Tax Credit (LIHTC) units in the Site PMA. These two projects target households with incomes of up to 30%, 50% and 60% of Area Median Household Income (AMHI) and are considered competitive properties. These two competitive LIHTC projects and the subject development are summarized in the following table. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum A, Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Freedom Heights	2018	57*	-	-	-	Families; 50% & 60% AMHI
9	Heron Lake I	2005	70*	100.0%	3.5 Miles	75 H.H.	Families; 30%, 50%, & 60% AMHI
10	Heron Lake II	2008	54*	100.0%	3.5 Miles	75 H.H.	Families; 30%, 50%, & 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

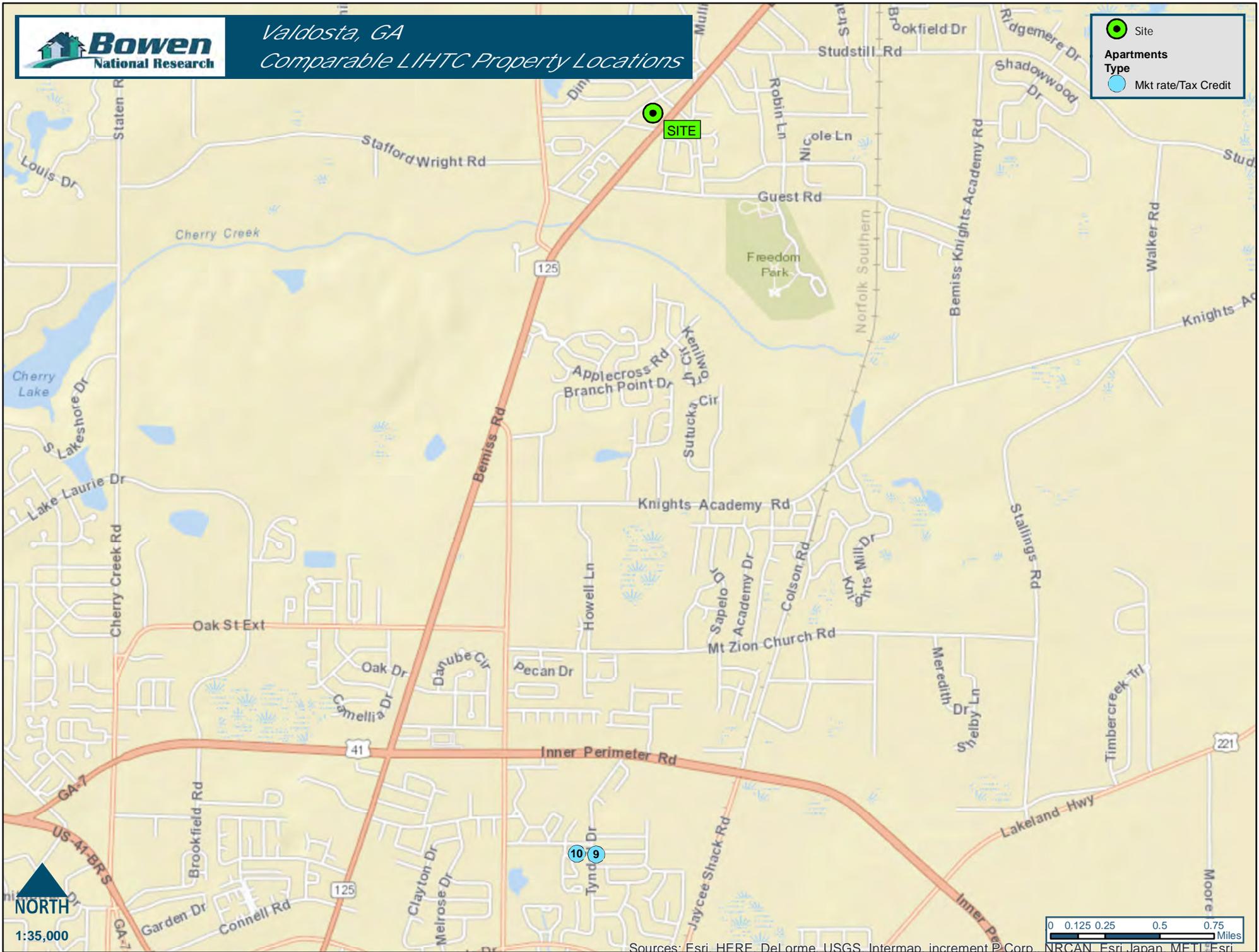
The two competitive LIHTC projects have a combined occupancy rate of 100.0%, both of which maintain extensive wait lists. This indicates that significant pent-up demand exists for additional affordable rental housing within the market. Given the lack of available LIHTC units within the market, the subject project will provide an affordable rental housing alternative to low-income households which are currently underserved.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed subject site location.

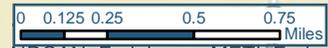


Valdosta, GA
 Comparable LIHTC Property Locations

 Site
 Apartments Type
 Mkt rate/Tax Credit



NORTH
 1:35,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

The gross rents for the competing LIHTC projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Freedom Heights	\$449/50% (6) \$539/60% (3)	\$542/50% (7) \$652/60% (24)	\$629/50% (5) \$754/60% (12)	-
9	Heron Lake I	\$376/30% (2/0) \$545/50% (10/0) \$616/60% (1/0)	\$460/30% (5/0) \$668/50% (29/0) \$751/60% (4/0)	\$541/30% (2/0) \$786/50% (15/0) \$919/60% (2/0)	None
10	Heron Lake II	\$376/30% (1/0) \$545/50% (2/0) \$616/60% (4/0)	\$460/30% (4/0) \$668/50% (10/0) \$751/60% (13/0)	\$541/30% (2/0) \$786/50% (7/0) \$919/60% (11/0)	None

The proposed subject gross LIHTC rents, ranging from \$449 to \$754, will be the lowest LIHTC rents relative to the rents offered at the competitive affordable developments targeting similar income levels within the market. Combined with the fact that the subject project will be at least ten years newer than these LIHTC projects will provide it with a significant competitive advantage.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC projects by bedroom type:

Weighted Average Collected Rent Of Comparable LIHTC Units*		
One-Br.	Two-Br.	Three-Br.
\$373 (50%)	\$446 (50%)	\$516 (50%)
\$444 (60%)	\$529 (60%)	\$649 (60%)

*Only units targeting similar AMHI levels as the subject project

The rent advantage for the proposed Tax Credit units is calculated as follows (average weighted collected LIHTC rent – weighted proposed LIHTC rent) / weighted proposed LIHTC rent:

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	\$373 (50%)	- \$300 (50%)	\$73	/ \$300 (50%)	24.3%
	\$444 (60%)	- \$390 (60%)	\$54	/ \$390 (60%)	13.8%
Two-Br.	\$446 (50%)	- \$350 (50%)	\$96	/ \$350 (50%)	27.4%
	\$529 (60%)	- \$460 (60%)	\$69	/ \$460 (60%)	15.0%
Three-Br.	\$516 (50%)	- \$395 (50%)	\$121	/ \$395 (50%)	30.6%
	\$649 (60%)	- \$520 (60%)	\$129	/ \$520 (60%)	24.8%

As the preceding table illustrates, the proposed collected LIHTC rents at the subject project represent significant rent advantages. Therefore, the proposed collected LIHTC rents at the subject project will likely represent excellent values to low-income renters within the market. However, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject project's collected rents are available in Addendum E of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	767	1,075	1,175
9	Heron Lake I	783	1,040	1,204
10	Heron Lake II	879	1,174	1,344

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	1.0	2.0	2.0
9	Heron Lake I	1.0	2.0	2.0
10	Heron Lake II	1.0	2.0	2.0

The subject development will offer generally similar unit sizes, based on square feet, relative to the unit sizes offered at the competitive LIHTC developments within the market. Considering the strong occupancy levels maintained at the competitive affordable developments and the fact that the subject's unit sizes are comparable to those offered, they are considered appropriate for the market. The inclusion of two full bathrooms in the subject's two- and three-bedroom units is considered appealing to the targeted population.

The following tables compare the amenities of the subject development with the competitive LIHTC projects in the market.

COMPARABLE PROPERTIES AMENITIES - VALDOSTA, GEORGIA

MAP ID	APPLIANCES										UNIT AMENITIES									
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X		X	X		C	X	X	X	X			B		S		
9	X	X		X	X	X	X		C	X	X	X	X			B		S	Storage	
10	X	X		X	X	X	X		C	X	X	X	X			B		S	Storage	

MAP ID	PROJECT AMENITIES																		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER	OTHER
SITE		X		X	X	X		X											Community Garden; Gazebo
9	X	X	X			X		X		V			X			X			
10	X	X	X			X		X		V			X			X			

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenity packages included at the proposed subject development will be slightly inferior when compared to those offered at the competitive LIHTC projects within the market. Although the subject project will be the only general-occupancy LIHTC project to offer a clubhouse/community room and community garden, it will be the only family LIHTC project lacking a sports court, computer center and picnic area. However, the lack of the aforementioned amenities are not anticipated to have an adverse impact on the subject's marketability.

Comparable/Competitive Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly inferior amenities package, it will be at least ten years newer than the competitive affordable product within the market, offering the lowest general-occupancy LIHTC rents targeting similar income levels. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

The anticipated occupancy rates of the existing competitive general-occupancy Tax Credit developments in the market during the first year of occupancy at the subject project are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2018
9	Heron Lake I	100.0%	95.0%+
10	Heron Lake II	100.0%	95.0%+

The subject project is not expected to have a negative impact on the two existing general-occupancy Tax Credit projects within the Site PMA, which are currently 100.0% occupied and maintain wait lists. Given the lack of availability for affordable units in the market, we expect the two Tax Credit projects to operate at or above 95.0% once the proposed subject units are built. Overall, we believe there is significant demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on the Tax Credit projects within the market if the proposed subject project is developed.

One page profiles of the Comparable/Competitive Tax Credit properties are included in Addendum B of this report.

Market-Rate Units

We identified and surveyed five market-rate projects in the Site PMA that we consider the most comparable to the subject project. This selection was based on, but not limited to newness, unit type, design, size and amenities. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Freedom Heights	2018	31*	-	-	-
6	Tremont Village Condominiums I & II	2000	173	94.8%	4.2 Miles	None
15	Staten Crossing	1998	198	97.0%	3.2 Miles	None
19	Residences at Five Points	2010	264	92.8%	4.5 Miles	None
21	Northwind Apts. & Condos	2004	276	99.3%	2.7 Miles	None
22	Links Apts.	1999	256	100.0%	5.4 Miles	None

*Market-rate units only

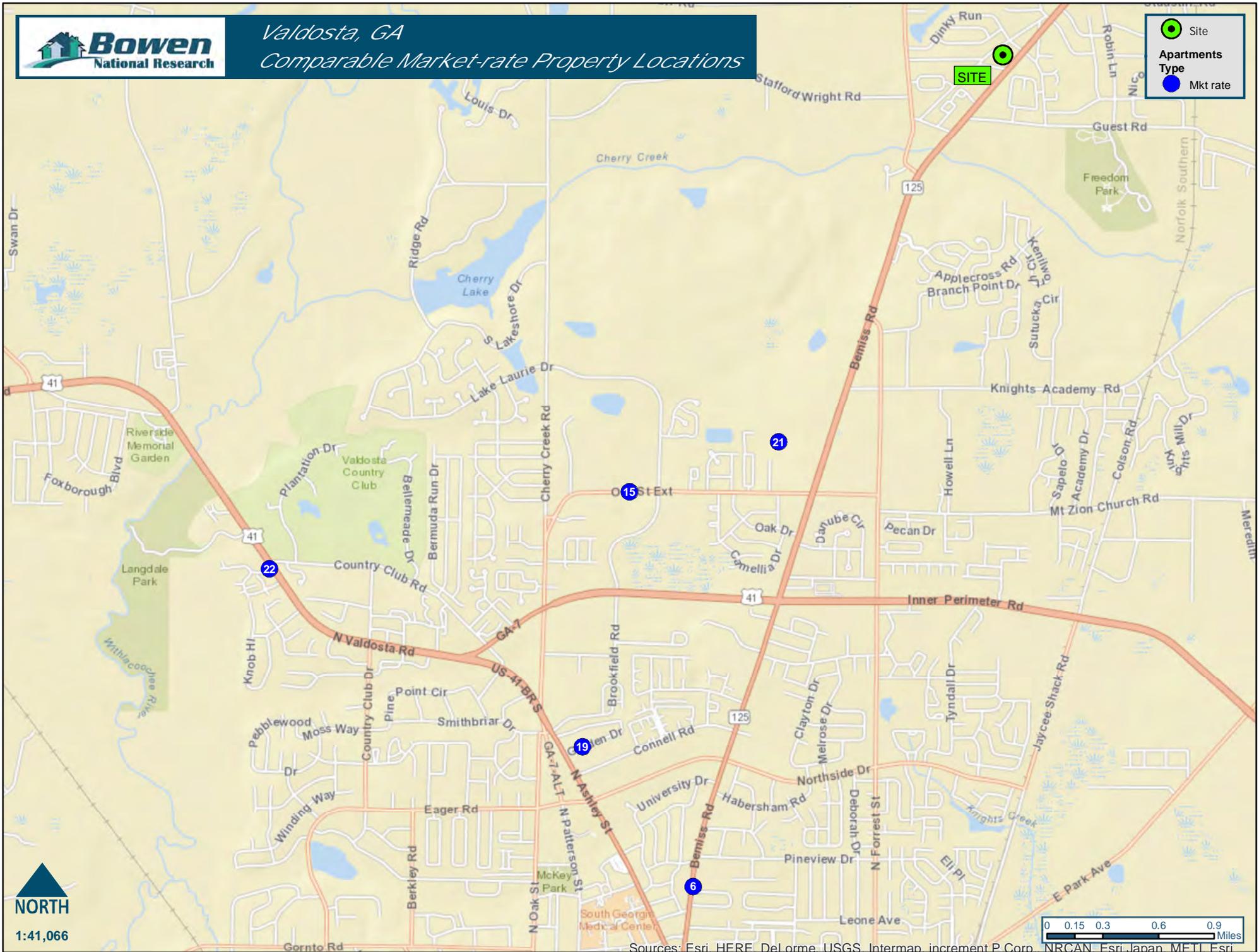
The five selected market-rate projects have a combined total of 1,167 units with an overall occupancy rate of 96.9%, a strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development.

The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location.



Valdosta, GA
Comparable Market-rate Property Locations

 Site
 Apartments Type
 Mkt rate



1:41,066



The gross rents for the comparable market-rate projects and the proposed market-rate rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	\$724 (3)	\$917 (21)	\$1,059 (7)
6	Tremont Village Condominiums I & II	\$872-\$907 (60/3)	\$957-\$1,007 (84/4)	\$1,020 (29/2)
15	Staten Crossing	\$797-\$822 (48/0)	\$945-\$985 (118/4)	\$1,082-\$1,122 (32/2)
19	Residences at Five Points	\$971 (48/0)	\$1,113-\$1,127 (132/8)	\$1,345-\$1,466 (84/11)
21	Northwind Apts. & Condos	\$876 (90/0)	\$1,024 (130/2)	\$1,256-\$1,366 (56/0)
22	Links Apts.	\$922-\$952 (96/0)	\$1,132-\$1,172 (104/0)	\$1,255-\$1,295 (56/0)

The proposed subject gross market-rate rents, ranging between \$575 and \$825, will be some of the lowest rents relative to those offered at the comparable market-rate developments within the market. Combined with the fact that the subject project will be at least eight years newer than these market-rate projects will provide it with a significant competitive advantage.

The following table illustrates the weighted average *collected* rents of the comparable market-rate projects by bedroom type:

Weighted Average Collected Rent Of Comparable Market-Rate Units		
One-Br.	Two-Br.	Three-Br.
\$748	\$860	\$1,045

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed market rent) / proposed market rent:

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$748	- \$575	\$173	/ \$575	30.1%
Two-Br.	\$860	- \$725	\$135	/ \$725	18.6%
Three-Br.	\$1,045	- \$825	\$220	/ \$825	26.7%

As the preceding table illustrates, the proposed collected market-rate rents at the subject project represent substantial rent advantages. Therefore, the proposed collected market-rate rents at the subject project will likely represent excellent values to renters within the market. However, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject project's collected rents are available in Addendum E of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different comparable market-rate unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	767	1,075	1,175
6	Tremont Village Condominiums I & II	905	1,140	1,335
15	Staten Crossing	815	1,028 - 1,058	1,362
19	Residences at Five Points	633	909 - 930	1,099 - 1,138
21	Northwind Apts. & Condos	948	1,430	1,720 - 1,758
22	Links Apts.	733 - 854	1,200 - 1,350	1,390 - 1,540

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	1.0	2.0	2.0
6	Tremont Village Condominiums I & II	1.0	2.0	2.0
15	Staten Crossing	1.0	2.0	2.0
19	Residences at Five Points	1.0	2.0	2.0 - 3.0
21	Northwind Apts. & Condos	1.0	2.0	2.0 - 2.5
22	Links Apts.	1.0	2.0	2.0

The subject development will offer some of the smallest market-rate unit sizes, based on square feet, relative to the unit sizes offered at the comparable market-rate developments within the market. This will provide the subject with a slight competitive disadvantage. The inclusion of two full bathrooms in the subject's two- and three-bedroom units is considered appealing to the targeted population.

The following tables compare the appliances and the unit and project amenities of the subject site with the comparable market-rate properties in the market.

COMPARABLE PROPERTIES AMENITIES - VALDOSTA, GEORGIA

MAP ID	APPLIANCES							UNIT AMENITIES											
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING
SITE	X	X		X		X	X	C	X	X	X	X				B		S	
6	X	X		X		S	X	C		X	X	X				B		S	
15	X	X		X	X	X	X	C		X	X	X				B		S	Exterior Storage
19	X	X	X	X	X	X	X	C	X	X	X	X				B		S	
21	X	X	X	X	X	X	X	C		X	X	X				B		S	Exterior Storage
22	X	X	X	X	X	X	X	C	O	X	X	X				B		D(o),S	Exterior Storage

MAP ID	PROJECT AMENITIES															OTHER			
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY		PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X		X	X	X		X											Community Garden; Gazebo
6	X	X				X				X		X							
15	X	X		X		X		X		X		X				X			Dog Park
19	X	X		X	X	X		X		O		X				X			Dog Park; Tanning
21	X	X	X	X		X		X		X		X				X			Dog Park
22	X	X		X		X		X				X				X			Dog Park

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenity packages included at the proposed subject development will be generally similar to those offered at the comparable market-rate projects within the market. In terms of unit amenities, the subject project will be one of two newer market-rate communities to include in-unit washer/dryer appliances. Regarding project amenities, the subject project will be the only market-rate project to not offer a swimming pool, and one of few to not offer a sports court, dog park and picnic area. However, the lack of the aforementioned amenities are not anticipated to have an adverse impact on the subject's marketability.

Comparable/Competitive Market-Rate Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing market-rate properties within the Site PMA, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly smaller unit sizes, it will be at least eight years newer than the comparable market-rate properties, offering the lowest market-rate rents. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$193,404. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$193,404 home is \$1,164, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$193,404
Mortgaged Value = 95% of Median Home Price	\$183,734
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$931
Estimated Taxes and Insurance*	\$233
Estimated Monthly Mortgage Payment	\$1,164

*Estimated at 25% of principal and interest

In comparison, the proposed collected LIHTC rents for the subject property range from \$300 to \$520 per month, depending on unit size and targeted income level. Therefore, the cost of a monthly mortgage for a typical home in the area is \$644 to \$864 more than renting at the subject site's affordable units. As such, it is unlikely that tenants that would qualify to reside at the subject project's affordable units would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

SECTION I – ABSORPTION & STABILIZATION RATES

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2018 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2018.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC and market-rate projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Valdosta Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 88 proposed LIHTC and market-rate units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months. This absorption period is based on an average monthly absorption rate of approximately 10 units per month.

These absorption projections assume a 2018 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

SECTION J – INTERVIEWS

The following are summaries of interviews conducted with various local sources regarding the need for affordable housing within the Valdosta Site PMA.

- Linda Driver, Office Manager for the GDCA Waycross Office, indicated that they currently maintain a waiting list of 100 households for additional Housing Choice Vouchers within the region. Given this significant waiting list, Ms. Driver feels that there is a need for more affordable housing in the area.
- Jacqueline Wright, Property Manager of Heron Lake I and II (Map IDs 9 and 10, respectively), general-occupancy Tax Credit and market-rate properties in the Valdosta area, stated that her property currently maintains a waiting list of approximately 75 households and has historically maintained a waiting list since it opened in 2005. Additionally, Ms. Wright stated that she receives inquiries regarding availability of affordable units daily and additional affordable properties would be beneficial for the Valdosta community.
- Judi Ross, Property Manager of Woodlawn Terrace (Map ID 12), a senior-restricted (ages 55 and older) Tax Credit property in Valdosta, stated that there is a need for additional affordable housing properties within the Valdosta area. Specifically, Ms. Ross stated that although she manages a senior property, she receives inquiries regarding general-occupancy units at least a few times a week, as there are limited affordable housing options in the immediate Valdosta area. Further, Ms. Ross stated that there are a lot of low-income households in the area and additional affordable housing properties are necessary in Valdosta, especially in northern portions as this is a rapidly developing area.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 88 LIHTC and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Valdosta rental housing market is performing very well, as evidenced by the overall rental market occupancy rate of 97.0%. In fact, no vacancies exist within the surveyed affordable units within the Site PMA, all of which maintain wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Also note that the market-rate rental housing segment is performing very well with a combined occupancy of 96.6%. Aside from the subject's slightly inferior amenities package, it will be at least eight years newer than the competitive product within the market, offering some of the lowest rents. The aforementioned characteristics will provide the subject with a significant competitive advantage.

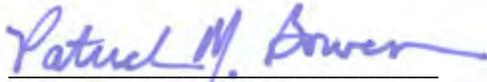
The overall required capture rates of 2.4% and 5.4% for the subject's LIHTC and market-rate units, respectively, are considered very low and further demonstrate that a significant base of potential income-appropriate renter support exists for the subject project within the Valdosta Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Valdosta Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

SECTION L - SIGNED STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GA-DCA market study manual and GA-DCA Qualified Action Plan.

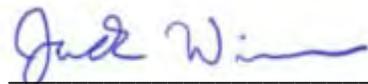
Certified:



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Date: May 19, 2016



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Market Analyst
jeffp@bowennational.com
Date: May 19, 2016



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: May 19, 2016

SECTION M – MARKET STUDY REPRESENTATION

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

SECTION N - QUALIFICATIONS

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

The Staff

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Jordana Baker, Market Analyst, is a licensed Realtor with experience in the property management and for-sale housing industries. This experience gives her the ability to analyze site-specific housing conditions and how they may impact the overall market. In addition, her property management experience gives her inside knowledge of the day-to-day operations of rental housing. Ms. Baker obtained her Bachelor of Business Administration from The Ohio State University and her Associate of Science in Real Estate from Columbus State Community College.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Lisa Wood, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Jessica Cassady, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. She is also experienced in evaluating projects in the development pipeline and economic trends. Ms. Cassady graduated from Eastern Kentucky University with a Bachelor of Arts in Public Relations.

Jordan Resnick, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Resnick holds a Bachelor of Science degree in Business Administration for The Ohio State University.

Stephanie Viren is the Field Research Director at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Christine Sweat, In-House Research Coordinator, has experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis since 2012, she has the ability to analyze market and economic trends and conditions. Ms. Sweat holds a Bachelor of Arts in Communication from the University of Cincinnati.

Desireé Johnson is the Executive Administrative Assistant at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

In-House Researchers – Bowen National Research employs a staff of seven in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices and chambers of commerce, housing authorities and residents.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

VALDOSTA, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

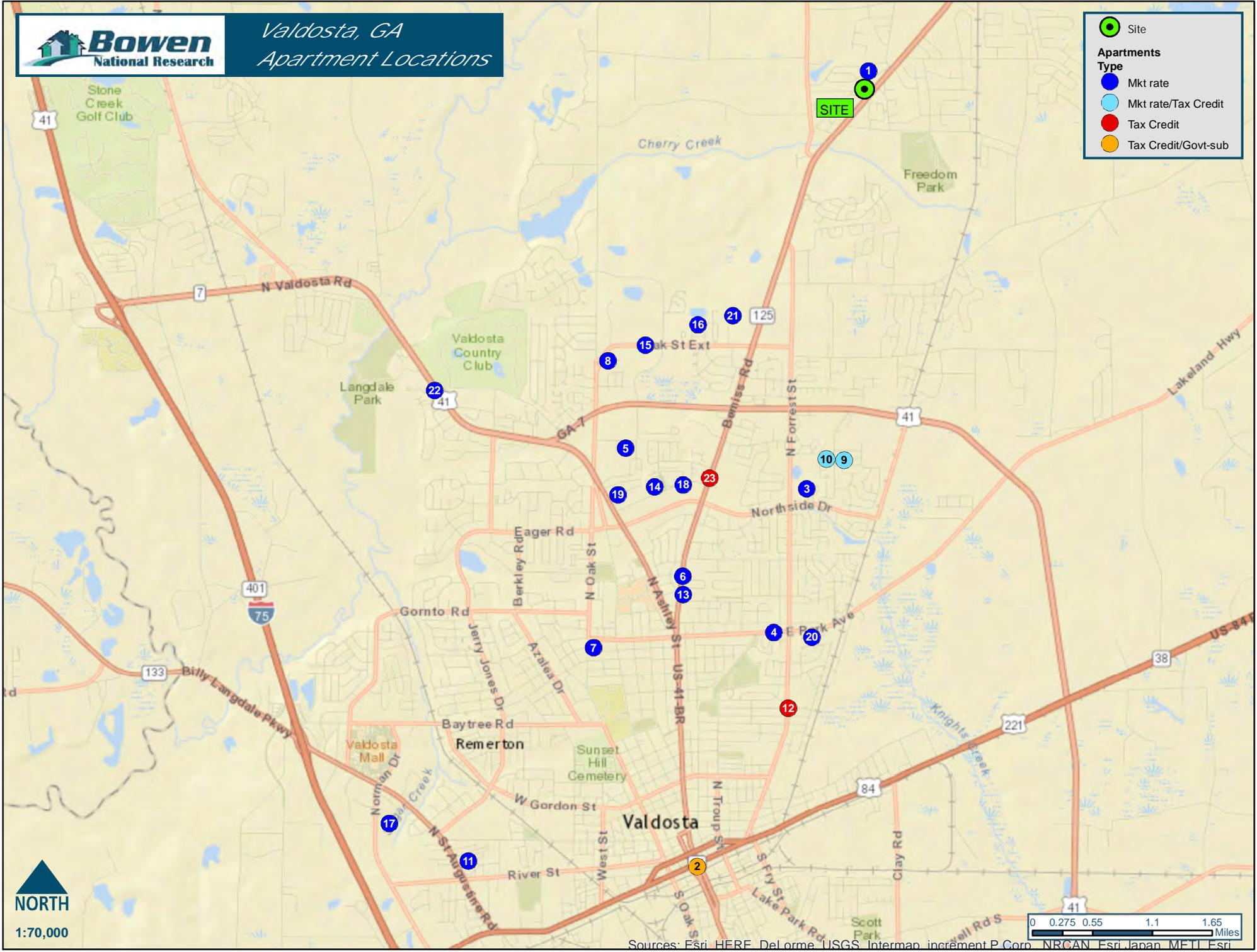


Valdosta, GA Apartment Locations

Site
 Site

Apartments Type

- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub



NORTH
 1:70,000

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

MAP IDENTIFICATION LIST - VALDOSTA, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	3491 Studstill Rd.	MRR	B+	2012	6	1	83.3%	-
2	Ashley House Apts.	TGS	B+	1980	61	0	100.0%	6.6
3	Lakeside Apts.	MRR	B-	1973	192	14	92.7%	4.0
4	Arbor Trace	MRR	B-	1978	300	3	99.0%	4.7
5	480 Murray Apts.	MRR	B	1972	55	3	94.5%	4.0
6	Tremont Village Condominiums I & II	MRR	A	2000	173	9	94.8%	4.2
7	Timbers	MRR	A	2013	18	0	100.0%	5.4
8	Three Oaks Apts.	MRR	B	1985	240	12	95.0%	3.6
9	Heron Lake I	MRT	B	2005	88	0	100.0%	3.5
10	Heron Lake II	MRT	B	2008	64	0	100.0%	3.5
11	West Towne Cottages	MRR	B+	1995	134	12	91.0%	7.9
12	Woodlawn Terrace	TAX	B	2011	59	0	100.0%	5.2
13	Amelia Apts.	MRR	B	1989	82	2	97.6%	4.3
14	Tall Tree Apts.	MRR	B-	1972	148	5	96.6%	4.0
15	Staten Crossing	MRR	B+	1998	198	6	97.0%	3.2
16	Birchwood Apts.	MRR	C	1975	83	0	100.0%	2.9
17	Spring Chase Apts.	MRR	B	1984	288	8	97.2%	8.0
18	Spanish Mission Apts.	MRR	B	1973	150	3	98.0%	3.7
19	Residences at Five Points	MRR	A	2010	264	19	92.8%	4.4
20	Park East Apts.	MRR	B-	1970	100	2	98.0%	4.8
21	Northwind Apts. & Condos	MRR	B+	2004	276	2	99.3%	2.7
22	Links Apts.	MRR	B+	1999	256	0	100.0%	5.4
23	Ashton Meadows	TAX	B	2001	80	0	100.0%	3.4

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	18	2,963	101	96.6%	76
MRT	2	152	0	100.0%	0
TAX	2	139	0	100.0%	0
TGS	1	61	0	100.0%	0

Total units does not include units under construction.

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

Survey Date: May 2016

DISTRIBUTION OF UNITS - VALDOSTA, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	14	0.5%	0	0.0%	\$569
1	1	683	22.8%	13	1.9%	\$827
2	1	537	18.0%	20	3.7%	\$802
2	1.5	16	0.5%	1	6.3%	\$804
2	2	947	31.7%	29	3.1%	\$985
2	2.5	52	1.7%	1	1.9%	\$962
3	1.5	8	0.3%	1	12.5%	\$881
3	2	533	17.8%	24	4.5%	\$1,082
3	2.5	96	3.2%	2	2.1%	\$1,060
3	3	42	1.4%	6	14.3%	\$1,466
3	3.5	18	0.6%	0	0.0%	\$1,730
4	2	45	1.5%	4	8.9%	\$1,131
TOTAL		2,991	100.0%	101	3.4%	

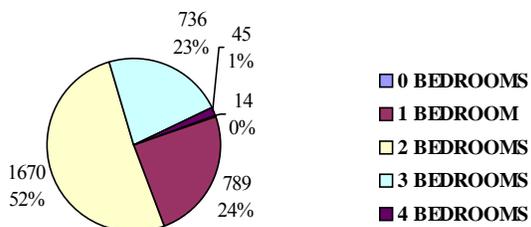
76 UNITS UNDER CONSTRUCTION

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	106	40.3%	0	0.0%	\$616
2	2	118	44.9%	0	0.0%	\$668
3	2	39	14.8%	0	0.0%	\$786
TOTAL		263	100.0%	0	0.0%	

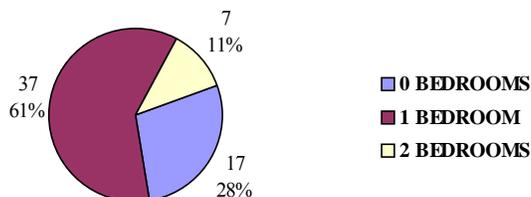
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	17	27.9%	0	0.0%	N.A.
1	1	37	60.7%	0	0.0%	N.A.
2	1	7	11.5%	0	0.0%	N.A.
TOTAL		61	100.0%	0	0.0%	
GRAND TOTAL		3,315	-	101	3.0%	

DISTRIBUTION OF UNITS BY BEDROOM

NON-SUBSIDIZED



SUBSIDIZED



SURVEY OF PROPERTIES - VALDOSTA, GEORGIA

1 3491 Studstill Rd.			
	Address 3491 Studstill Rd. Valdosta, GA 31605	Phone (229) 247-4450 (Contact in person)	Total Units 6
	Year Built 2012 Comments Does not accept HCV; Duplexes	Contact Parker	Vacancies 1 Occupied 83.3% Floors 1 Quality Rating B+
Waiting List None			
2 Ashley House Apts.			
	Address 109 E. Hill Ave. Valdosta, GA 31601	Phone (229) 247-4834 (Contact in person)	Total Units 61
	Year Built 1980 Renovated 2014 Comments 50% & 60% AMHI; HUD Section 8; Adaptive reuse of former hotel, original year built 1925	Contact Heather	Vacancies 0 Occupied 100.0% Floors 7 Quality Rating B+
Senior Restricted (55+) Waiting List 32 households			
3 Lakeside Apts.			
	Address 1718 Northside Dr. Valdosta, GA 31602	Phone (229) 244-5350 (Contact in person)	Total Units 192
	Year Built 1973 Comments HCV (8 units); Tenant pays water in select units with washer/dryer hookups; Rent range based on remodeled unit or washer/dryer hookups	Contact Karen	Vacancies 14 Occupied 92.7% Floors 2 Quality Rating B-
Waiting List None			
4 Arbor Trace			
	Address 1503 East Park Ave. Valdosta, GA 31602	Phone (229) 247-4520 (Contact in person)	Total Units 300
	Year Built 1978 Comments Does not accept HCV; Rent range based remodeled units; 2 & 3-br have washer/dryer hookups & balconies; Unit mix estimated	Contact Maria	Vacancies 3 Occupied 99.0% Floors 2 Quality Rating B-
Waiting List None			
5 480 Murray Apts.			
	Address 480 Murray Rd. Valdosta, GA 31602	Phone (229) 259-9400 (Contact in person)	Total Units 55
	Year Built 1972 Comments 76 4-br units under renovation, unknown completion date; Unit mix & 4-br square footage estimated	Contact Brittany	Vacancies 3 Occupied 94.5% Floors 2 Quality Rating B
Waiting List None			

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2016

SURVEY OF PROPERTIES - VALDOSTA, GEORGIA

6 Tremont Village Condominiums I & II			
	Address 2235 Bemiss Rd. Valdosta, GA 31602	Phone (229) 242-2003 (Contact in person)	Total Units 173
	Year Built 2000 Comments Does not accept HCV; Phase II built in 2010; 1, 2 & 3-br have microwaves; Rent range based on phase	Contact Natalie	Vacancies 9 Occupied 94.8% Floors 2 Quality Rating A
			Waiting List None
7 Timbers			
	Address 210 W. Cranford Ave. Valdosta, GA 31602	Phone (229) 630-7694 (Contact in person)	Total Units 18
	Year Built 2013 Comments	Contact Megann	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A
			Waiting List 6 households
8 Three Oaks Apts.			
	Address 3833 N. Oak St. Ext. Valdosta, GA 31605	Phone (229) 247-1175 (Contact in person)	Total Units 240
	Year Built 1985 Renovated 2008 Comments Does not accept HCV; Rents change daily; Rent range based on floor level, floor plan & unit updates; Select units have ceiling fans & icemakers	Contact Jacklyn	Vacancies 12 Occupied 95.0% Floors 2 Quality Rating B
			Waiting List None
9 Heron Lake I			
	Address 1800 Eastwind Rd. Valdosta, GA 31602	Phone (229) 257-0844 (Contact in person)	Total Units 88
	Year Built 2005 Comments Market-rate (18 units); 30%, 50% & 60% AMHI (70 units); HCV (8 units); Waitlist shared with phase II; Unit mix estimated	Contact Jaquellne	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List 75 households
10 Heron Lake II			
	Address 1800 Eastwind Rd. Valdosta, GA 31602	Phone (229) 257-0844 (Contact in person)	Total Units 64
	Year Built 2008 Comments Market-rate (10 units); 30%, 50% & 60% AMHI (54 units); HCV (9 units); Waitlist shared with phase I; Unit mix estimated	Contact Jaquellne	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List 75 households

Project Type

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Survey Date: May 2016

SURVEY OF PROPERTIES - VALDOSTA, GEORGIA

11 West Towne Cottages			
	Address 1553 Weaver St. Valdosta, GA 31601	Phone (229) 259-0578 (Contact in person)	Total Units 134
	Year Built 1995 Comments Accepts HCV; Former Tax Credit property, still in process of converting all units to MRR; Updated units have microwaves, dishwasher, icemaker & disposal (about 67 units)	Contact Chelsea	Vacancies 12 Occupied 91.0% Floors 1 Quality Rating B+ Single-Family Homes Waiting List None
12 Woodlawn Terrace			
	Address 1211 N. Forrest St. Valdosta, GA 31631	Phone (229) 245-9920 (Contact in person)	Total Units 59
	Year Built 2011 Comments 50% & 60% AMHI; HCV (9 units); One 2-br manager unit not included in total	Contact Judi	Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B Senior Restricted (55+) Waiting List 30 households
13 Amelia Apts.			
	Address 2205 Bemiss Rd. Valdosta, GA 31602	Phone (229) 244-5551 (Contact in person)	Total Units 82
	Year Built 1989 Comments Accepts HCV Rent Special 50% off 1st month's rent	Contact Joheniena	Vacancies 2 Occupied 97.6% Floors 2 Quality Rating B Waiting List None
14 Tall Tree Apts.			
	Address 420 Connell Rd. Valdosta, GA 31602	Phone (229) 244-9632 (Contact in person)	Total Units 148
	Year Built 1972 Comments Does not accept HCV; 2-br townhomes include washer/dryer	Contact Alexis	Vacancies 5 Occupied 96.6% Floors 2,3 Quality Rating B- Waiting List None
15 Staten Crossing			
	Address 3925 N. Oak St. Extension Valdosta, GA 31605	Phone (229) 247-9880 (Contact in person)	Total Units 198
	Year Built 1998 Comments Does not accept HCV	Contact Trina	Vacancies 6 Occupied 97.0% Floors 2,3 Quality Rating B+ Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: May 2016

SURVEY OF PROPERTIES - VALDOSTA, GEORGIA

16 Birchwood Apts.			
	Address 4203 Herme Place Valdosta, GA 31605	Phone (229) 247-4566 (Contact in person)	Total Units 83
	Year Built 1975 Comments Does not accept HCV	Contact Ms. Brown	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C
Waiting List None			
17 Spring Chase Apts.			
	Address 1601 Norman Dr. Valdosta, GA 31601	Phone (229) 247-8472 (Contact in person)	Total Units 288
	Year Built 1984 Comments Does not accept HCV; Built in phases between 1984-1995; 2 & 3-br have washer/dryer hookups & patio/balcony	Contact Laura	Vacancies 8 Occupied 97.2% Floors 3 Quality Rating B
Waiting List None			
18 Spanish Mission Apts.			
	Address 422 Connell Rd. Valdosta, GA 31602	Phone (229) 242-7333 (Contact in person)	Total Units 150
	Year Built 1973 Comments	Contact Haley	Vacancies 3 Occupied 98.0% Floors 2 Quality Rating B
Waiting List Garden: 5 households			
19 Residences at Five Points			
	Address 100 Garden Dr. Valdosta, GA 31602	Phone (229) 293-7317 (Contact in person)	Total Units 264
	Year Built 2010 Comments Does not accept HCV	Contact Camile	Vacancies 19 Occupied 92.8% Floors 3 Quality Rating A
Waiting List None			
20 Park East Apts.			
	Address 1635 E. Park Ave. Valdosta, GA 31602	Phone (229) 244-7156 (Contact in person)	Total Units 100
	Year Built 1970 Comments HCV (3 units); 3-br have washer/dryer hookups	Contact Aslyan	Vacancies 2 Occupied 98.0% Floors 2 Quality Rating B-
Rent Special 50% off 1st month's rent			
Waiting List None			

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: May 2016

SURVEY OF PROPERTIES - VALDOSTA, GEORGIA

21 Northwind Apts. & Condos			
	Address 5148 Northwind Blvd. Valdosta, GA 31605	Phone (229) 241-8237 (Contact in person)	Total Units 276 Vacancies 2 Occupied 99.3% Floors 2,3 Quality Rating B+
	Year Built 2004 Comments Does not accept HCV; Unit mix estimated	Contact Tommy	
22 Links Apts.			
	Address 3715 N. Valdosta Rd. Valdosta, GA 31602	Phone (229) 333-0999 (Contact in person)	Total Units 256 Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B+
	Year Built 1999 Comments Does not accept HCV; Phase II built in 2002, has gas hot water (45 units); Select 3-br have fireplace	Contact Lyndsey	
23 Ashton Meadows			
	Address 2611 Bemiss Rd. Valdosta, GA 31602	Phone (229) 242-3588 (Contact in person)	Total Units 80 Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B Senior Restricted (55+) Waiting List 1 year
	Year Built 2001 Comments 50% & 60% AMHI; Unit mix by AMHI estimated	Contact Ruth	

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: May 2016

COLLECTED RENTS - VALDOSTA, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1			\$750						
3		\$500	\$550 to \$625	\$675 to \$725					
4		\$450 to \$515	\$515 to \$600	\$675 to \$715					
5			\$630 to \$660	\$789	\$789				\$850
6		\$700 to \$735	\$735 to \$785	\$750					
7								\$1500	
8		\$640 to \$840	\$645 to \$955	\$710 to \$995					
9		\$204 to \$565	\$238 to \$665	\$271 to \$760					
10		\$204 to \$565	\$238 to \$665	\$271 to \$760					
11				\$600 to \$729	\$600 to \$779				
12		\$382 to \$477	\$442 to \$548						
13			\$565						
14	\$475	\$575 to \$593	\$664 to \$705	\$770			\$635		
15		\$650 to \$675	\$755 to \$795	\$850 to \$890					
16	\$300	\$390	\$475						
17		\$675 to \$753	\$787 to \$811	\$896 to \$943					
18		\$650	\$725				\$725	\$775	
19		\$840	\$944 to \$958	\$1139 to \$1260					
20		\$475	\$550	\$625					
21		\$745	\$855	\$1050 to \$1160					
22		\$750 to \$780	\$910 to \$950	\$985 to \$1025					
23		\$365 to \$478	\$433 to \$583						

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2016

PRICE PER SQUARE FOOT - VALDOSTA, GEORGIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
14	Tall Tree Apts.	1	457	\$569	\$1.25
16	Birchwood Apts.	1	550	\$426	\$0.77
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Lakeside Apts.	1	713	\$631	\$0.88
4	Arbor Trace	1	550	\$581 to \$646	\$1.06 to \$1.17
6	Tremont Village Condominiums I & II	1	905	\$872 to \$907	\$0.96 to \$1.00
8	Three Oaks Apts.	1	809	\$827 to \$1027	\$1.02 to \$1.27
14	Tall Tree Apts.	1	770 to 852	\$706 to \$724	\$0.85 to \$0.92
15	Staten Crossing	1	815	\$797 to \$822	\$0.98 to \$1.01
16	Birchwood Apts.	1	750 to 800	\$562	\$0.70 to \$0.75
17	Spring Chase Apts.	1	690 to 1126	\$806 to \$884	\$0.79 to \$1.17
18	Spanish Mission Apts.	1	890	\$837	\$0.94
19	Residences at Five Points	1	633	\$971	\$1.53
20	Park East Apts.	1	700	\$606	\$0.87
21	Northwind Apts. & Condos	1	948	\$876	\$0.92
22	Links Apts.	1	733 to 854	\$922 to \$952	\$1.11 to \$1.26
9	Heron Lake I	1	783	\$376 to \$737	\$0.48 to \$0.94
10	Heron Lake II	1	879	\$376 to \$737	\$0.43 to \$0.84
12	Woodlawn Terrace	1	850	\$554 to \$649	\$0.65 to \$0.76
23	Ashton Meadows	1	697	\$537 to \$650	\$0.77 to \$0.93
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	3491 Studstill Rd.	2	1007	\$987	\$0.98
3	Lakeside Apts.	1	851	\$719 to \$794	\$0.84 to \$0.93
4	Arbor Trace	1 to 2	900 to 1050	\$684 to \$769	\$0.73 to \$0.76
5	480 Murray Apts.	1 to 2	970	\$852 to \$882	\$0.88 to \$0.91
6	Tremont Village Condominiums I & II	2	1140	\$957 to \$1007	\$0.84 to \$0.88
8	Three Oaks Apts.	1 to 2	1044	\$882 to \$1192	\$0.84 to \$1.14
13	Amelia Apts.	1	900	\$802	\$0.89
14	Tall Tree Apts.	1 to 2	928 to 1072	\$833 to \$874	\$0.82 to \$0.90
		1.5	971	\$804	\$0.83
15	Staten Crossing	2	1028 to 1058	\$945 to \$985	\$0.92 to \$0.93
16	Birchwood Apts.	1	1000 to 1100	\$697	\$0.63 to \$0.70
17	Spring Chase Apts.	1	960	\$956	\$1.00

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2016

PRICE PER SQUARE FOOT - VALDOSTA, GEORGIA

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
17	Spring Chase Apts.	2	1226	\$980	\$0.80
18	Spanish Mission Apts.	2	1213	\$962	\$0.79
		2.5	1125	\$962	\$0.86
19	Residences at Five Points	2	909 to 930	\$1113 to \$1127	\$1.21 to \$1.22
20	Park East Apts.	2	1000	\$719	\$0.72
21	Northwind Apts. & Condos	2	1430	\$1024	\$0.72
22	Links Apts.	2	1200 to 1350	\$1132 to \$1172	\$0.87 to \$0.94
9	Heron Lake I	2	1040	\$460 to \$887	\$0.44 to \$0.85
10	Heron Lake II	2	1174	\$460 to \$887	\$0.39 to \$0.76
12	Woodlawn Terrace	2	965	\$664 to \$770	\$0.69 to \$0.80
23	Ashton Meadows	2	951	\$655 to \$805	\$0.69 to \$0.85
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Lakeside Apts.	1.5	1028	\$881 to \$931	\$0.86 to \$0.91
4	Arbor Trace	2	1230	\$881 to \$921	\$0.72 to \$0.75
5	480 Murray Apts.	2	1343	\$1059	\$0.79
6	Tremont Village Condominiums I & II	2	1335	\$1020	\$0.76
7	Timbers	3.5	1950 to 2000	\$1730	\$0.87 to \$0.89
8	Three Oaks Apts.	2	1235	\$995 to \$1280	\$0.81 to \$1.04
11	West Towne Cottages	2	1117	\$885 to \$1014	\$0.79 to \$0.91
14	Tall Tree Apts.	2	1333	\$976	\$0.73
15	Staten Crossing	2	1362	\$1082 to \$1122	\$0.79 to \$0.82
17	Spring Chase Apts.	2	1376 to 1400	\$1102 to \$1149	\$0.80 to \$0.82
18	Spanish Mission Apts.	2.5	1456	\$1060	\$0.73
19	Residences at Five Points	2 to 3	1099 to 1138	\$1345 to \$1466	\$1.22 to \$1.29
20	Park East Apts.	2	1240	\$831	\$0.67
21	Northwind Apts. & Condos	2 to 2.5	1720 to 1758	\$1256 to \$1366	\$0.73 to \$0.78
22	Links Apts.	2	1390 to 1540	\$1255 to \$1295	\$0.84 to \$0.90
9	Heron Lake I	2	1204	\$541 to \$1030	\$0.45 to \$0.86
10	Heron Lake II	2	1344	\$541 to \$1030	\$0.40 to \$0.77
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	480 Murray Apts.	2	1500 to 1675	\$1131 to \$1192	\$0.71 to \$0.75
11	West Towne Cottages	2	1284	\$957 to \$1136	\$0.75 to \$0.88

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2016

AVERAGE GROSS RENT PER SQUARE FOOT - VALDOSTA, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.05	\$0.88	\$0.88
TOWNHOUSE	\$0.00	\$0.85	\$0.76

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.79	\$0.68	\$0.63
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.01	\$0.87	\$0.86
TOWNHOUSE	\$0.00	\$0.85	\$0.76

TAX CREDIT UNITS - VALDOSTA, GEORGIA

STUDIO UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
♦ 2	Ashley House Apts.	7	410	1	60%	\$771
♦ 2	Ashley House Apts.	10	410	1	50%	\$771
ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
10	Heron Lake II	1	879	1	30%	\$204
9	Heron Lake I	2	783	1	30%	\$204
♦ 23	Ashton Meadows	28	697	1	50%	\$365
10	Heron Lake II	2	879	1	50%	\$373
9	Heron Lake I	10	783	1	50%	\$373
♦ 12	Woodlawn Terrace	5	850	1	50%	\$382
10	Heron Lake II	4	879	1	60%	\$444
9	Heron Lake I	1	783	1	60%	\$444
♦ 12	Woodlawn Terrace	25	850	1	60%	\$477
♦ 23	Ashton Meadows	28	697	1	60%	\$478
♦ 2	Ashley House Apts.	18	575	1	60%	\$855
♦ 2	Ashley House Apts.	19	575	1	50%	\$855
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
9	Heron Lake I	5	1040	2	30%	\$238
10	Heron Lake II	4	1174	2	30%	\$238
♦ 23	Ashton Meadows	12	951	2	50%	\$433
♦ 12	Woodlawn Terrace	4	965	2	50%	\$442
9	Heron Lake I	29	1040	2	50%	\$446
10	Heron Lake II	10	1174	2	50%	\$446
9	Heron Lake I	4	1040	2	60%	\$529
10	Heron Lake II	13	1174	2	60%	\$529
♦ 12	Woodlawn Terrace	25	965	2	60%	\$548
♦ 23	Ashton Meadows	12	951	2	60%	\$583
♦ 2	Ashley House Apts.	3	695	1	60%	\$992
♦ 2	Ashley House Apts.	4	695	1	50%	\$992

♦ - Senior Restricted

TAX CREDIT UNITS - VALDOSTA, GEORGIA

THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
10	Heron Lake II	2	1344	2	30%	\$271
9	Heron Lake I	2	1204	2	30%	\$271
10	Heron Lake II	7	1344	2	50%	\$516
9	Heron Lake I	15	1204	2	50%	\$516
9	Heron Lake I	2	1204	2	60%	\$649
10	Heron Lake II	11	1344	2	60%	\$649

◆ - Senior Restricted

QUALITY RATING - VALDOSTA, GEORGIA

MARKET-RATE PROJECTS AND UNITS

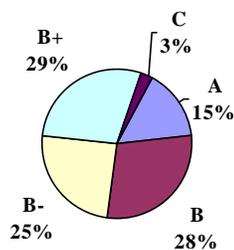
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	3	455	6.2%		\$907	\$1,113	\$1,345	
B+	5	870	2.4%		\$876	\$1,024	\$1,122	\$957
B	7	843	3.3%		\$827	\$956	\$1,102	\$1,131
B-	4	740	3.2%	\$569	\$646	\$719	\$921	
C	1	83	0.0%	\$426	\$562	\$697		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

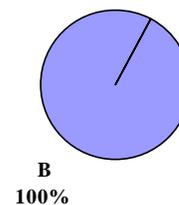
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	4	263	0.0%		\$616	\$668	\$786	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - VALDOSTA, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	7	1028	30	2.9%	1028	31.6%
1980 to 1989	3	610	22	3.6%	1638	18.7%
1990 to 1999	3	588	18	3.1%	2226	18.1%
2000 to 2005	4	617	11	1.8%	2843	19.0%
2006	0	0	0	0.0%	2843	0.0%
2007	0	0	0	0.0%	2843	0.0%
2008	1	64	0	0.0%	2907	2.0%
2009	0	0	0	0.0%	2907	0.0%
2010	1	264	19	7.2%	3171	8.1%
2011	1	59	0	0.0%	3230	1.8%
2012	1	6	1	16.7%	3236	0.2%
2013	1	18	0	0.0%	3254	0.6%
2014	0	0	0	0.0%	3254	0.0%
2015	0	0	0	0.0%	3254	0.0%
2016**	0	0	0	0.0%	3254	0.0%
TOTAL	22	3254	101	3.1%	3254	100.0 %

YEAR RENOVATED - VALDOSTA, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	0	0	0	0.0%	0	0.0%
2008	1	240	12	5.0%	240	100.0%
2009	0	0	0	0.0%	240	0.0%
2010	0	0	0	0.0%	240	0.0%
2011	0	0	0	0.0%	240	0.0%
2012	0	0	0	0.0%	240	0.0%
2013	0	0	0	0.0%	240	0.0%
2014	0	0	0	0.0%	240	0.0%
2015	0	0	0	0.0%	240	0.0%
2016**	0	0	0	0.0%	240	0.0%
TOTAL	1	240	12	5.0%	240	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of May 2016

APPLIANCES AND UNIT AMENITIES - VALDOSTA, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	22	100.0%	3,254
REFRIGERATOR	22	100.0%	3,254
ICEMAKER	10	45.5%	1,621
DISHWASHER	21	95.5%	3,171
DISPOSAL	19	86.4%	2,916
MICROWAVE	12	54.5%	1,591
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	22	100.0%	3,254
AC - WINDOW	0	0.0%	
FLOOR COVERING	21	95.5%	3,154
WASHER/DRYER	5	22.7%	460
WASHER/DRYER HOOK-UP	22	100.0%	3,254
PATIO/DECK/BALCONY	19	86.4%	2,982
CEILING FAN	19	86.4%	2,989
FIREPLACE	1	4.5%	256
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	22	100.0%	3,254
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	4.5%	59

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - VALDOSTA, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	16	72.7%	2,874
ON-SITE MANAGEMENT	19	86.4%	3,148
LAUNDRY	10	45.5%	1,776
CLUB HOUSE	10	45.5%	1,588
MEETING ROOM	3	13.6%	644
FITNESS CENTER	12	54.5%	2,225
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	11	50.0%	2,258
COMPUTER LAB	4	18.2%	511
SPORTS COURT	10	45.5%	1,923
STORAGE	2	9.1%	255
LAKE	2	9.1%	280
ELEVATOR	2	9.1%	139
SECURITY GATE	7	31.8%	1,473
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	10	45.5%	1,997
PICNIC AREA	16	72.7%	2,597
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	4.5%	148

DISTRIBUTION OF UTILITIES - VALDOSTA, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
GAS	1	61	1.8%
TENANT			
ELECTRIC	22	3,254	98.2%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	61	1.8%
TENANT			
ELECTRIC	22	3,254	98.2%
			100.0%
HOT WATER			
LANDLORD			
GAS	1	61	1.8%
TENANT			
ELECTRIC	22	3,254	98.2%
			100.0%
ELECTRIC			
LANDLORD	1	61	1.8%
TENANT	22	3,254	98.2%
			100.0%
WATER			
LANDLORD	8	1,629	49.1%
TENANT	15	1,686	50.9%
			100.0%
SEWER			
LANDLORD	9	1,827	55.1%
TENANT	14	1,488	44.9%
TRASH PICK-UP			
LANDLORD	18	2,703	81.5%
TENANT	5	612	18.5%
			100.0%

UTILITY ALLOWANCE - VALDOSTA, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$11	\$18		\$2	\$12	\$22	\$4	\$7	\$47	\$12	\$20	\$15	\$20
1	GARDEN	\$15	\$25		\$2	\$16	\$30	\$7	\$10	\$66	\$16	\$25	\$15	\$20
1	TOWNHOUSE	\$15	\$25		\$2	\$16	\$30	\$7	\$10	\$66	\$16	\$25	\$15	\$20
2	GARDEN	\$20	\$32		\$2	\$21	\$39	\$8	\$13	\$85	\$21	\$32	\$15	\$20
2	TOWNHOUSE	\$20	\$32		\$2	\$21	\$39	\$8	\$13	\$85	\$21	\$32	\$15	\$20
3	GARDEN	\$24	\$39		\$3	\$25	\$48	\$10	\$15	\$104	\$26	\$38	\$15	\$20
3	TOWNHOUSE	\$24	\$39		\$3	\$25	\$48	\$10	\$15	\$104	\$26	\$38	\$15	\$20
4	GARDEN	\$30	\$50		\$4	\$32	\$61	\$12	\$20	\$133	\$33	\$45	\$15	\$20
4	TOWNHOUSE	\$30	\$50		\$4	\$32	\$61	\$12	\$20	\$133	\$33	\$45	\$15	\$20

GA-Southern Region (7/2015)

Survey Date: May 2016

ADDENDUM B

COMPARABLE PROPERTY PROFILES

6 Tremont Village Condominiums I & II

4.2 miles to site



Address	2235 Bemiss Rd. Valdosta, GA 31602		
Phone	(229) 242-2003	Contact	Natalie
Total Units	173	Vacancies	9
		Percent Occupied	94.8%
Project Type	Market-Rate		
Year Open	2000	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B
Remarks	Does not accept HCV; Phase II built in 2010; 1, 2 & 3-br have microwaves; Rent range based on phase		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Fitness Center, Storage, Security Gate, Car Wash Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	60	3	905	\$0.77 - \$0.81	\$700 to \$735
2	2	G	84	4	1140	\$0.64 - \$0.69	\$735 to \$785
3	2	G	29	2	1335	\$0.56	\$750

15 Staten Crossing

3.2 miles to site



Address	3925 N. Oak St. Extension Valdosta, GA 31605		
Phone	(229) 247-9880	Contact	Trina
Total Units	198	Vacancies	6
		Percent Occupied	97.0%
Project Type	Market-Rate		
Year Open	1998	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV		

Features and Utilities

Utilities	Landlord pays Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Sports Court, Security Gate, Car Wash Area, Picnic Area, Dog Park

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	48	0	815	\$0.80 - \$0.83	\$650 to \$675
2	2	G	118	4	1028 to 1058	\$0.73 - \$0.75	\$755 to \$795
3	2	G	32	2	1362	\$0.62 - \$0.65	\$850 to \$890

19 Residences at Five Points

4.5 miles to site



Address	100 Garden Dr. Valdosta, GA 31602		
Phone	(229) 293-7317	Contact	Camile
Total Units	264	Vacancies	19
		Percent Occupied	92.8%
Project Type	Market-Rate		
Year Open	2010	Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B
Remarks	Does not accept HCV		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Club House, Meeting Room, Fitness Center, Playground, Sports Court, Storage, Security Gate, Car Wash Area, Picnic Area, Dog Park; Tanning

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	48	0	633	\$1.33	\$840
2	2	G	132	8	909 to 930	\$1.03 - \$1.04	\$944 to \$958
3	2 to 3	G	84	11	1099 to 1138	\$1.04 - \$1.11	\$1139 to \$1260

21 Northwind Apts. & Condos

2.7 miles to site



Address	5148 Northwind Blvd. Valdosta, GA 31605		
Phone	(229) 241-8237	Contact	Tommy
Total Units	276	Vacancies	2
		Percent Occupied	99.3%
Project Type	Market-Rate		
Year Open	2004	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Unit mix estimated		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Security Gate, Car Wash Area, Picnic Area, Dog Park

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	
1	1	G	90	0	948	\$0.79	\$745	
2	2	G	130	2	1430	\$0.60	\$855	
3	2 to 2.5	G	56	0	1720 to 1758	\$0.61 - \$0.66	\$1050 to \$1160	

22 Links Apts.

5.4 miles to site



Address	3715 N. Valdosta Rd. Valdosta, GA 31602		
Phone	(229) 333-0999	Contact	Lyndsey
Total Units	256	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1999	Floors	2,3
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Phase II built in 2002, has gas hot water (45 units); Select 3-br have fireplace		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Security Gate, Car Wash Area, Picnic Area, Dog Park

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	96	0	733 to 854	\$0.91 - \$1.02	\$750 to \$780
2	2	G	104	0	1200 to 1350	\$0.70 - \$0.76	\$910 to \$950
3	2	G	56	0	1390 to 1540	\$0.67 - \$0.71	\$985 to \$1025

9 Heron Lake I

3.5 miles to site



Address	1800 Eastwind Rd. Valdosta, GA 31602		
Phone	(229) 257-0844	Contact	Jaquellne
Total Units	88	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2005	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	75 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Market-rate (18 units); 30%, 50% & 60% AMHI (70 units); HCV (8 units); Waitlist shared with phase II; Unit mix estimated		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Lake, Computer Lab, Car Wash Area, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	783	\$0.72	\$565	
1	1	G	1	0	783	\$0.57	\$444	60%
1	1	G	10	0	783	\$0.48	\$373	50%
1	1	G	2	0	783	\$0.26	\$204	30%
2	2	G	6	0	1040	\$0.64	\$665	
2	2	G	4	0	1040	\$0.51	\$529	60%
2	2	G	29	0	1040	\$0.43	\$446	50%
2	2	G	5	0	1040	\$0.23	\$238	30%
3	2	G	15	0	1204	\$0.43	\$516	50%
3	2	G	2	0	1204	\$0.23	\$271	30%
3	2	G	6	0	1204	\$0.63	\$760	
3	2	G	2	0	1204	\$0.54	\$649	60%

10 Heron Lake II

3.5 miles to site



Address	1800 Eastwind Rd. Valdosta, GA 31602		
Phone	(229) 257-0844	Contact	Jaquellne
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2008	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	75 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Market-rate (10 units); 30%, 50% & 60% AMHI (54 units); HCV (9 units); Waitlist shared with phase I; Unit mix estimated		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Computer Lab, Car Wash Area, Picnic Area

Unit Configuration

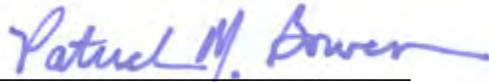
BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	879	\$0.64	\$565	
1	1	G	4	0	879	\$0.51	\$444	60%
1	1	G	2	0	879	\$0.42	\$373	50%
1	1	G	1	0	879	\$0.23	\$204	30%
2	2	G	3	0	1174	\$0.57	\$665	
2	2	G	13	0	1174	\$0.45	\$529	60%
2	2	G	10	0	1174	\$0.38	\$446	50%
2	2	G	4	0	1174	\$0.20	\$238	30%
3	2	G	5	0	1344	\$0.57	\$760	
3	2	G	11	0	1344	\$0.48	\$649	60%
3	2	G	7	0	1344	\$0.38	\$516	50%
3	2	G	2	0	1344	\$0.20	\$271	30%

ADDENDUM C – MEMBER CERTIFICATION & CHECKLIST

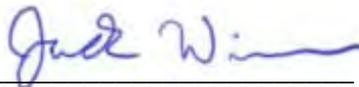
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard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

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

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Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750.

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	H
27.	Households by tenure	H
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H & Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	K
48.	Market strengths and weaknesses impacting project	K
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	H
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

		Section (s)
OTHER REQUIREMENTS		
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	Addendum B
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Valdosta, Georgia by IDP Housing, LP.

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
- A drive-time analysis for the site
- Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the continued market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

We identified five market-rate properties within the Valdosta Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Freedom Heights	2018	88	-	12 (-)	52 (-)	24 (-)
6	Tremont Village Condominiums I & II	2000	173	94.8%	60 (95.0%)	84 (95.2%)	29 (93.1%)
15	Staten Crossing	1998	198	97.0%	48 (100.0%)	118 (96.6%)	32 (93.8%)
19	Residences at Five Points	2010	264	92.8%	48 (100.0%)	132 (93.9%)	84 (86.9%)
21	Northwind Apts. & Condos	2004	276	99.3%	90 (100.0%)	130 (98.5%)	56 (100.0%)
22	Links Apts.	1999	256	100.0%	96 (100.0%)	104 (100.0%)	56 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,167 units with an overall occupancy rate of 96.9%, a strong rate for rental housing. This indicates that these projects have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the subject development.

Rent Comparability Grid

Unit Type → **ONE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Freedom Heights		Tremont Village Condominiums I & II		Staten Crossing		Residences at Five Points		Northwind Apts. & Condos		Links Apts.	
4301 Bemiss Road		2235 Bemiss Rd.		3925 N. Oak St. Extension		100 Garden Dr.		5148 Northwind Blvd.		3715 N. Valdosta Rd.	
Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$735		\$675		\$840		\$745		\$750	
2	Date Surveyed	May-16		Apr-16		Apr-16		May-16		May-16	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	95%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$735	0.81	\$675	0.83	\$840	1.33	\$745	0.79	\$750	1.02
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/2,3		WU/3		WU/2,3		WU/2,3	
7	Yr. Built/Yr. Renovated	2018		2010	\$8	1998	\$20	2010	\$8	2004	\$14
8	Condition /Street Appeal	E		E		G	\$15	E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	767	(\$32)	905	(\$32)	815	(\$11)	633	\$31	948	(\$42)
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D		HU	\$25	HU	\$25	W/D		HU/L	\$25
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N		N		Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	Y		Y		Y		Y		Y	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Clubhouse/ Meeting Rooms	Y		N	\$5	Y		Y		Y	
28	Pool/ Recreation Areas	F	(\$10)	P/F	(\$10)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)
29	Computer Center	N		N		N		N		N	
30	Picnic Area	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/Y	(\$25)	Y/Y	(\$41)	Y/Y	(\$41)
39	Trash /Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	3	3	5	2	4	3	5	4	4
41	Sum Adjustments B to D	\$41	(\$47)	\$60	(\$40)	\$39	(\$29)	\$54	(\$71)	\$67	(\$26)
42	Sum Utility Adjustments				(\$25)		(\$41)		(\$41)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$6)	\$88	(\$5)	\$125	(\$31)	\$109	(\$58)	\$166	\$41	\$93
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$729		\$670		\$809		\$687		\$791	
45	Adj Rent/Last rent		99%		99%		96%		92%		105%
46	Estimated Market Rent	\$735	\$0.96 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **TWO BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Freedom Heights		Tremont Village Condominiums I & II		Staten Crossing		Residences at Five Points		Northwind Apts. & Condos		Links Apts.	
4301 Bemiss Road		2235 Bemiss Rd.		3925 N. Oak St. Extension		100 Garden Dr.		5148 Northwind Blvd.		3715 N. Valdosta Rd.	
Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$785		\$795		\$958		\$855		\$910	
2	Date Surveyed	May-16		Apr-16		Apr-16		May-16		May-16	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	95%		97%		94%		98%		100%	
5	Effective Rent & Rent/ sq. ft	\$785	0.69	\$795	0.75	\$958	1.03	\$855	0.60	\$910	0.76
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/2,3		WU/3		WU/2,3		WU/2,3	
7	Yr. Built/Yr. Renovated	2018	\$8	1998	\$20	2010	\$8	2004	\$14	1999	\$19
8	Condition /Street Appeal	E		G	\$15	E		G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1075	(\$12)	1140	\$3	930	\$27	1430	(\$66)	1200	(\$23)
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU/L	\$25	HU	\$25
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	Y		Y		Y		Y		Y	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Clubhouse/ Meeting Rooms	Y	\$5	Y		Y		Y		Y	
28	Pool/ Recreation Areas	F	(\$10)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)	P/F/DP	(\$13)
29	Computer Center	N		N		N		N		N	
30	Picnic Area	N		Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/Y	(\$32)	Y/Y	(\$53)	Y/Y	(\$53)	N/N	
39	Trash /Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	3	4	4	2	4	3	5	3	5
41	Sum Adjustments B to D	\$41	(\$27)	\$63	(\$29)	\$35	(\$29)	\$54	(\$95)	\$59	(\$49)
42	Sum Utility Adjustments				(\$32)		(\$53)		(\$53)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$14	\$68	\$2	\$124	(\$47)	\$117	(\$94)	\$202	\$10	\$108
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$799		\$797		\$911		\$761		\$920	
45	Adj Rent/Last rent		102%		100%		95%		89%		101%
46	Estimated Market Rent	\$825	\$0.77 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Freedom Heights		Tremont Village Condominiums I & II		Staten Crossing		Residences at Five Points		Northwind Apts. & Condos		Links Apts.	
4301 Bemiss Road		2235 Bemiss Rd.		3925 N. Oak St. Extension		100 Garden Dr.		5148 Northwind Blvd.		3715 N. Valdosta Rd.	
Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA		Valdosta, GA	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged		Data		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$750		\$890		\$1,139		\$1,050		\$985	
2	Date Surveyed	May-16		Apr-16		Apr-16		May-16		May-16	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	93%		94%		87%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$750	0.56	\$890	0.65	\$1,139	1.04	\$1,050	0.61	\$985	0.71
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6	Structure / Stories	WU/3		WU/2,3		WU/3		WU/2,3		WU/2,3	
7	Yr. Built/Yr. Renovated	2018	\$18	1998	\$20	2010	\$8	2004	\$14	1999	\$19
8	Condition /Street Appeal	E		G	\$15	E		G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1175	(\$28)	1362	(\$33)	1099	\$13	1720	(\$95)	1390	(\$37)
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	W/D	\$25	HU	\$25	W/D		HU/L	\$25	HU	\$25
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N		Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans	Y		Y		Y		Y		Y	
D. Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
27	Clubhouse/ Meeting Rooms	Y	\$5	Y		Y		Y		Y	
28	Pool/ Recreation Areas	F	(\$10)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)	P/F/S/DP	(\$16)	P/F/DP	(\$13)
29	Computer Center	N		N		N		N		N	
30	Picnic Area	N		Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y	\$3	Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/Y	(\$38)	Y/Y	(\$64)	Y/Y	(\$64)	N/N	
39	Trash /Recycling	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40	# Adjustments B to D	4	3	3	5	2	4	3	5	3	5
41	Sum Adjustments B to D	\$51	(\$43)	\$60	(\$62)	\$21	(\$29)	\$54	(\$124)	\$59	(\$63)
42	Sum Utility Adjustments				(\$38)		(\$64)		(\$64)		
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$8	\$94	(\$40)	\$160	(\$72)	\$114	(\$134)	\$242	(\$4)	\$122
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$758		\$850		\$1,067		\$916		\$981	
45	Adj Rent/Last rent		101%		96%		94%		87%		100%
46	Estimated Market Rent	\$915	\$0.78	← Estimated Market Rent/ Sq. Ft							

Once all adjustments to collected rents were made, the adjusted rents for each comparable were considered to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site, and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$735 for a one-bedroom unit, \$825 for a two-bedroom unit and \$915 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$300 (50%)	\$735	59.2%
	\$390 (60%)		46.9%
	\$575 (MR)		21.8%
Two-Bedroom	\$350 (50%)	\$825	57.6%
	\$460 (60%)		44.2%
	\$725 (MR)		12.1%
Three-Bedroom	\$395 (50%)	\$915	56.8%
	\$520 (60%)		43.2%
	\$825 (MR)		9.8%

MR - Market-rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Considering that the proposed subject Tax Credit rents represent market rent advantages ranging between 43.2% and 59.2%, they will likely be viewed as substantial values within the Site PMA. The proposed market-rate rents will likely also be viewed as excellent values, as they represent market rent advantages between 9.8% and 21.8%, depending upon unit type. These factors are considered in our absorption rate estimates.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. The proposed subject project is anticipated to be completed in 2018. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have a quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality to the subject development.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenities package slightly superior than those offered at the selected properties. We have made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a relatively limited project amenities package. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.