

PROFESSIONAL MARKET STUDY
FOR THE PINE TRAILS APARTMENTS
A PROPOSED LIHTC FAMILY DEVELOPMENT

LOCATED IN:
WAYNESBORO, BURKE COUNTY, GA

PREPARED FOR:
PINE TRAILS, L.P.

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SECTION A
EXECUTIVE SUMMARY

1. Project Description:

. Brief description of project location including address and/or position relative to the closest cross-street.

. The proposed LIHTC/Market Rate multi-family development will target the general population in Waynesboro and Burke County, Georgia. The subject property is located off E 6th Street, approximately .5 miles east of Downtown Waynesboro.

. Construction and occupancy types.

. The proposed new construction development project design comprises seven two-story, 8-plex residential buildings. The development design provides for 112-parking spaces. The development will include a separate building to be used as a clubhouse / community room, central laundry, and manager's office.

The proposed *Occupancy Type* is **General Population**.

. Unit mix including bedrooms, bathrooms, square footage, income targeting rents, utility allowance.

Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	8	817-857	920-960
2BR/2b	36*	1,046	1,179
3BR/2b	16	1,209	1,358
Total	60		

*One 2BR unit is set aside for mgmt as non revenue

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), 65% of the units at 60% AMI, and 15% at Market. Rent excludes water and sewer, and includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	2	\$375	\$171	\$546
2BR/2b	6	\$435	\$217	\$652
3BR/2b	4	\$495	\$269	\$764

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	6	\$425	\$171	\$596
2BR/2b	21	\$465	\$217	\$682
3BR/2b	12	\$525	\$269	\$794

PROPOSED PROJECT RENTS @ Market				
Bedroom Mix	# of Units	Net Rent	Utility Estimate*	Gross Rent
2BR/2b	9**	\$515	\$217	\$732

*Based upon 2015 GA-DCA Middle Region Utility Allowances.

**One 2BR unit is set aside for mgmt as non revenue

. Any additional subsidies available including project based rental assistance (PBRA).

- . The proposed LIHTC/Market Rate development will not include any additional deep subsidy rental assistance, including PBRA. The development will accept deep subsidy Section 8 vouchers.

. Brief description of proposed amenities and how they compare to existing properties.

- . Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the unit and the development amenity package.

2. Site Description/Evaluation:

. A brief description of physical features of the site and adjacent parcels. In addition, a brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).

- . The approximately 18.34-acre, polygon shaped tract is wooded and is slightly undulating. At present, no physical structures are located on the tract. The site is not located within a 100-year flood plain.

- . The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: multi-family residential use, with nearby highway business and commercial use.
- . Directly north of the site, along East 6th Street is vacant land followed by single-family homes. Directly northeast of the site is a convenience store. Directly south of the site is vacant land. Directly east of the site is vacant land and a segment of the Waynesboro Housing Authority, followed by a Home Supply store. Directly west of the site is a segment of the Waynesboro Housing Authority and a agri-business processing facility.
- . ***A discussion of site access and visibility.***
- . Access to the site is available off E 6th Street. E 6th Street is a primary connector in the city, which links the site to the downtown area of Waynesboro to the west and the US Highway 25/52 Bypass to the east. It is a low to medium density road, with a speed limit of 35 miles per hour in the immediate vicinity of the site. Also, the location of the site off E 6th Street does not present problems of egress and ingress to the site.
- The site offers very good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities, including: noxious odors, very close proximity to cemeteries, high tension power lines, rail lines and junk yards.
- . ***Any significant positive or negative aspects of the subject site.***
- . Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, employment nodes, as well as nearby health care and educational facilities	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

- . ***A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.***

- . Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities within in Waynesboro can be accessed within a 5-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site.
- . ***An overall conclusion of the site's appropriateness for the proposed development.***
- . The site location is considered to be marketable. In the opinion of the analyst, the proposed site location offers attributes that will enhance the rent-up process of the proposed LIHTC/Market Rate development.

3. Market Area Definition:

. ***A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property.***

- . The Primary Market Area (PMA) for the proposed LIHTC multi-family development consists of Burke County. The 2010 census tracts for Burke County are: 9501, 9502, 9504, 9505, 9507 and 9509.
- . The PMA is located in the north-central portion of Georgia. Waynesboro is approximately 25 miles south of Augusta. Waynesboro, the county seat, is centrally located within Burke County. Waynesboro is the regional trade area for the county regarding: employment opportunities, finance, retail and wholesale trade, entertainment and health care services.
- . Waynesboro is the largest populated place in the PMA, representing approximately 25% of the total population. In addition to Waynesboro, there are four other, much smaller incorporated places located within the PMA. In 2010: Girard had a population of 156; Midville had a population of 269; Sardis had a population of 999; and Vidette had a population of 112. For the most part, excluding Waynesboro and Sardis, the PMA is very rural with much of the land use in agriculture or open space.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject Site
North	Richmond County & Savannah River	10 miles
East	Screven County & Savannah River	24 miles
South	Emanuel & Jenkins Counties	12 - 24 miles
West	Jefferson County	16 miles

4. Community Demographic Data:

- . **Current and projected household and population counts for the primary market area. For senior reports, data should be presented for both overall and senior households and populations/households.**
- . Total population and household losses over the next several years, (2016-2018) are forecasted for the PMA, represented by a rate of change approximating -0.28% per year. In the PMA, in 2010, the total population count was 23,316 versus 22,264 projected for 2018.
- . In the PMA, in 2016, the total household count was 8,277 versus 8,245 projected by 2018. This represents a decrease of -0.19% per year.
- . **Households by tenure including any trends in rental rates.**
- . The 2010 to 2018 tenure forecast trend exhibited an decrease in both owner-occupied and renter-occupied households within the PMA.
- . **Households by income level.**
- . It is projected that in 2018, approximately **19.5%** of the renter-occupied households in the PMA will be in the subject's 50% AMI LIHTC target income group of \$18,720 to \$31,950.
- . It is projected that in 2018, approximately **21%** of the renter-occupied households in the PMA will be in the subject's 60% AMI LIHTC target income group of \$20,434 to \$38,340.
- . In order to adjust for income overlap between the targeted income segments, the following adjustments were made: (1) the 50% AMI estimate was reduced to **7%**, and (2) the 60% AMI estimate was held constant at **17%**.
- . It is projected that in 2018, **8.5%** of the renter-occupied households in the PMA will be in the Market Rate target income group of \$30,000 to \$50,000.
- . **Impact of foreclosed, abandoned and vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development should be discussed.**
- . The foreclosure problem is still very much evident Nationwide, Statewide, as well as in Waynesboro and Burke County. ForeclosureListings.com is a nationwide data base with approximately 987,505 listings (84% foreclosures, 4% short sales, 12% auctions, and 1% brokers listings). As of 4/28/16, there were 23 foreclosure and foreclosure auction listings within Waynesboro, of which 6 of the 23 foreclosure listings had a listed value of greater than \$100,000.

- . In the Waynesboro PMA, the relationship between the local area foreclosure market and existing or new LIHTC supply is not crystal clear. However, at the time of the survey, the newest LIHTC property located in Waynesboro and Burke County was 100% occupied, and maintained a waiting list with 20 applicants.

- . Note: Recent anecdotal news information points to the fact that in Georgia the majority of the foreclosure problem is concentrated in the Atlanta Metro Region more so than in rural markets within the State. Still, there are other metro housing markets in the State, as well as some rural housing markets that are severely impacted by a significant amount of foreclosures. Based on available data at the time of the survey, Burke County does not appear to be one of the semi-urban housing markets that have been placed in jeopardy due to the recent foreclosure phenomenon.

5. Economic Data:

- . ***Trends in employment for the county and/or region. Employment should be based on the number of jobs in the county (i.e., covered employment).***

- . Between 2005 and 2007, the average decrease in employment in Burke County was approximately -53 workers or approximately -0.57% per year. The rate of employment loss between 2008 and 2010, was very significant at almost -6%, representing a net loss of -532 workers. The rate of employment loss between 2011 and 2013, was also significant in comparison at approximately -1.93% per year. The 2014 to 2015, rate of increase was significant at +1.72%.

- . Covered (at place) employment in Burke County increased each year between 2009 and the 3rd Quarter in 2015. Recently much of the covered employment growth is attributed to the on-going development activity at the Vogtle nuclear power plant.

- . ***Employment by sector for the county and/or region.***

- . The top four employment sectors are: manufacturing, trade, government and service. The 2016 forecast is for the manufacturing sector to stabilize and the healthcare sector to increase.

- . ***Unemployment trends for the county and/or region for the past 5 years.***

- . Monthly unemployment rates in 2015 were improved when compared to the 2009 to 2014 period. Unemployment rates in 2015, were for the most part improving on a month to month basis, ranging between 7.3% and 9.3%. The annual unemployment rate in 2016 in Burke County is forecasted to continue to decline, to the vicinity of 6.5% to 7.5% and improving slightly, on a relative year to year basis.

- . ***A brief discussion of any recent or planned major employment contractions or expansions.***
- . The Development Authority of Burke County is the lead economic development entity for Burke County and Waynesboro. The role of the Development Authority of Burke County is to promote, develop, and advance economic growth in Burke County. The Authority works closely with the local industry, community leaders, and state economic developers to achieve this goal of economic growth within the county.
- . The Burke County Chamber of Commerce is also actively involved in economic development efforts and assists smaller to mid-size businesses in their location and growth needs. The Chamber has a wide array of resources readily available and great relationships with partner agencies which can provide assistance to small businesses.
- . Burke County remains one of Georgia's most important farming counties, with nearly half of its acreage in farmland and timber production and harvesting more than 60,000 acres of crops each year.
- . Expansion of the Plant Vogtle nuclear power station is underway, with completion expected in the next 3 years. On April 15, 2016, Southern Nuclear stated that some 5,500 construction workers are currently employed on site, and additional construction jobs are being added. Permanent job creation includes some 800 technician positions. These technicians will have an intensive training period, and will run the plant once construction is complete.
- . ***An overall conclusion regarding the stability of the county's overall economic environment. This conclusion should include an opinion if the current economic environment will negatively impact the demand for additional or renovated rental housing.***
- . The Waynesboro / Burke County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the acceptable site location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.
- . In the opinion of the market analyst, a new LIHTC family development located within the PMA should fare very well. The opportunities for LIHTC households to buy a home are and will become ever more challenging, in the current underwriting and mortgage due diligence environment.

- . The proposed subject property net rents at 50% and 60% AMI are marketable, and competitive with the area competitive environment. Wages increased in most of the major employment sectors in Burke County between 2014 and 2015. However the overall average increase was only a little above the rate of inflation. Occurrences such as this, make new, professionally managed apartment properties, that are affordable and well amenitized, attractive to the low to moderate income households in need of housing or alternative housing choices.
- . In summary, recent economic indicators are more supportive of a continuing stable local economy in Waynesboro and Burke County over the next year. Recent monthly unemployment rates have been declining to the 6.5% to 7.5% level over the last year and are forecasted to continue to decline into all of 2016.
- . In addition, the on-going construction at Plant Vogtle has helped to stabilize the local economy. The additional permanent employment at the plan in three years very likely lead to an increase in low to moderate wage service and trade sector employment in Burke County.

6. Project-Specific Affordability and Demand Analysis:

- . **Number of renter households income qualified for the proposed development given the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households.**
- . The forecasted number of income qualified renter households for the LIHTC segment of the proposed development is 383. The forecasted number households for the Market Rate segment of the proposed development is 29.
- . **Overall estimate of demand based on DCA's demand methodology.**
- . The overall forecasted number of income qualified renter households for the proposed LIHTC/Market Rate family development taking into consideration like-kind competitive supply introduced into the market since 2014 is 383 and 29, respectively.

Capture Rates including: LIHTC & Market Rate

Proposed Project Capture Rate All Units	14.3%
Proposed Project Capture Rate LIHTC Units	13.3%
Proposed Project Capture Rate LIHTC Units @ 50% AMI	9.7%
Proposed Project Capture Rate LIHTC Units @ 60% AMI	15.1%
Proposed Project Capture Rate Market Rate Units	27.6%

- **A conclusion regarding the achievability of the above Capture Rates.**
- The above capture rates are well below the GA-DCA thresholds. They are considered to be a reliable quantitative indicator of market support for the proposed subject development.

7. Competitive Rental Analysis:

- **An analysis of the competitive properties in the PMA.**
- At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted family apartment properties was less than 1%, at 0.6%.
- At the time of the survey, the overall vacancy rate of the three LIHTC properties was 0%. All three properties maintain a waiting list, ranging in size between 5 to 20 applicants.
- At the time of the survey, the overall vacancy rate of the five USDA-RD properties was 2.2%. All five properties maintain a waiting list, ranging in size between 1 and 6 applicants.
- At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties targeting the general population was less than 2%, at 1.2%.
- **Number of properties.**
- Nine program assisted family properties, as well as the Waynesboro Housing Authority representing 763 units were surveyed in the subject's competitive environment.
- Six market rate properties, representing 628 units were surveyed. Owing to the fact that Waynesboro lacks a sizable number of non subsidized / market rate properties the sample set included market rate properties located approximately 20 to 25+ miles from Waynesboro in Augusta, Hephzibah, Statesboro and Swainsboro.
- **Rent bands for each bedroom type proposed.**

Bedroom type	Rent Band (Subject)	Rent Band (Market Rate)
1BR/1b	\$375-\$425	\$560 - \$827
2BR/1b	Na	Na
2BR/2b	\$435-\$500	\$650 - \$965
3BR/2b	\$495-\$525	\$610 - \$953

. Average Market rents.

Bedroom type	Average Market Rent
1BR/1b	\$655 (adjusted = \$535)
2BR/1b	Na
2BR/2b	\$797 (adjusted = \$625)
3BR/2b	\$794 (adjusted = \$640)

8. Absorption/Stabilization Estimate:

. An estimate of the number of units to be leased at the subject property, on average.

. The forecasted rent-up scenario suggests an average of 10-units being leased per month.

. Number of units expected to be leased by AMI Targeting.

AMI Target Group	Number of units Expected to be Leased*
50% AMI	12
60% AMI	39
Market	8

* at the end of the 1 to 6-month absorption period

. Number of months required for the project to reach stabilization of 93% occupancy.

. A 93% occupancy rate is forecasted to occur within 6-months of the placed in service date. Stabilized occupancy is expected to be 93%+ up to but no later than a 3 month period beyond the absorption period.

. The absorption rate should coincide with other key conclusions. For example, insufficient demand or unachievable rents should be reflected in the absorption rate.

. A reconciliation of the proposed LIHTC net rents by bedroom type with current average market rate net rents by bedroom type are supportive of the forecasted absorption and stabilization periods.

9. Overall Conclusion:

- . ***A narrative detailing the key conclusions of the report including the analyst's opinion regarding the potential for success of the proposed development.***
- . Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application **proceed forward based on market findings, as presently configured.**
- . At the time of the survey, the overall vacancy rate of the three LIHTC properties located within Waynesboro was 0%. All three properties maintain a waiting list, ranging in size between 5 to 20 applicants.
- . In the area of unit size, by bedroom type, the subject will offer very competitive unit sizes, by floor plan, in comparison with the existing market rate properties.
- . The 1BR net rent advantage at 50% AMI is approximately 30%. At 60% AMI the 1BR net rent advantage is approximately 21%.
- . The 2BR net rent advantage at 50% AMI is approximately 30%. At 60% AMI the 2BR net rent advantage is approximately 26%.
- . The 3BR net rent advantage at 50% AMI is approximately 23%. At 60% AMI the 2BR net rent advantage is approximately 19%.
- . The overall project rent advantage for the LIHTC segment is estimated at approximately 24%.
- . The subject will offer 1BR, 2BR and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from single person households to large family households.
- . The proposed LIHTC/Market Rate family development **will not negatively impact** the existing supply of program assisted LIHTC family properties located within the Waynesboro PMA in the short or long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 100% occupied, and all three properties maintained a waiting list ranging in size between 5 and 20 applications. The five existing USDA-RD Section 515 family properties, were on average 97.8% occupied, and all five properties maintain a small waiting list ranging in size between 1 and 6 applications.

Summary Table				
Development Name: Pine Trails Apartments			Total Number of Units: 60 (1 - MR unit set aside as non revenue)	
Location: Waynesboro, GA (Burke Co)			# LIHTC Units: 51	
PMA Boundary: North 10 miles; East 24 miles South 12-24 miles; West 16 miles			Farthest Boundary Distance to Subject: 24 miles	
Rental Housing Stock (found on pages 72 - 98)				
Type	# Properties	Total Units	Vacant Units	Avg Occupancy
All Rental Housing	16	1,391	13	99.1%
Market Rate Housing	6	628	8	98.7%
Assisted/Subsidized Housing Ex LIHTC	7	635	5	99.2%
LIHTC	3	128	0	100%
Stabilized Comps	7	772	8	98.9%
Properties in Lease Up	Na	Na	Na	Na

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
Number Units	Number Bedrooms	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Adv (%)	Per Unit	Per SF
6	1	1	817	\$375-\$425	\$535	\$.76	21-30%	\$795	\$1.15
2	1	1	857	\$375-\$425	\$535	\$.76	21-30%	\$795	\$1.15
27	2	2	1046	\$435-\$465	\$625	\$.60	26-30%	\$855	\$0.82
16	3	2	1209	\$495-\$525	\$645	\$.56	19-23%	\$915	\$0.81
9*	2	2	1046	\$515	\$625	\$.60	18%	\$855	\$0.82

LIHTC Segment Market Rate Segment *1 set aside as non revenue for manager

Demographic Data (found on pages 39 & 66)						
	2010		2016		2018	
Renter Households	2,593	30.39%	2,508	30.37%	2,500	30.32%
Income-Qualified Renter HHs (LIHTC)	382	14.75%	380	15.15%	383	15.32%
Income-Qualified Renter HHs (MR)	26	1.00%	29	1.15%	29	1.16%

Targeted Income Qualified Renter Household Demand (found on pages 56 - 66)						
Type of Demand	30%	50%	60%	MR	Other	Overall
Renter Household Growth		0	0	0	0	0
Existing Households (Overburdened + Substandard)		124	259	29		412
Homeowner Conversion (Seniors)		Na	Na	Na		Na
Total Primary Market Demand		124	259	29		412
Less Comparable Supply		0	0	0		0
Adjusted Income-Qualified Renter HHs		124	259	29*		412
Capture Rates (found on page 66 - 67)						
Targeted Population	30%	50%	60%	MR	Other	Overall
Capture Rate		9.7%	15.1%	27.6%		14.3%

*Adjusted for proposed BR mix at Market.

MARKET STUDY FOLLOWS

SECTION B
PROPOSED PROJECT
DESCRIPTION

The proposed LIHTC/Market Rate multi-family development will target the general population in Waynesboro and Burke County, Georgia. The subject property is located off E 6th Street, approximately .5 miles east of Downtown Waynesboro. The market study assignment was to ascertain market demand for a

proposed new construction multi-family LIHTC development to be known as the **Pine Trails Apartments**, for Pine Trails, L.P., under the following scenario:

Project Description:

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	8	817-857	920-960
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Total	60		

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The proposed new construction development project design comprises seven two-story residential buildings. The development design provides for 120-parking spaces. The development will include a separate building to be used as a clubhouse / community room, central laundry, and manager's office.

The proposed *Occupancy Type* is for the **General Population**.

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), 65% of the units at 60% AMI, and 15% at Market. Rent excludes water and sewer, and includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
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*Based upon 2015 GA-DCA Middle Region Utility Allowances .

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
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PROPOSED PROJECT RENTS @ Market				
Bedroom Mix	# of Units	Net Rent	Utility Estimate*	Gross Rent
2BR/2b	9**	\$515	\$217	\$732

*Based upon 2015 GA-DCA Middle Region Utility Allowances.

**One 2BR unit is set aside for mgmt as non revenue

The proposed LIHTC/Market Rate new construction family development will not have any project based rental assistant, nor private rental assistance.

Project Amenity Package

The proposed development will include the following amenity package:

Unit Amenities

- range
- microwave
- central air
- garbage disposal
- carpet
- ceiling fans
- energy star refrigerator
- energy star dish washer
- cable ready
- washer/dryer hook-ups
- window coverings
- patio/balcony w/storage closet

Development Amenities

- manager's office
- laundry facility
- equipped playground
- community building
- covered pavilion w/picnic & bbq facilities

The projected first full year that the **Pine Trails Apartments** will be placed in service as a new construction property, is mid to late 2018. The first full year of occupancy is forecasted to be in 2018. Note: The 2016 GA QAP states that "owners of projects receiving credits in the 2016 round must place all buildings in the project in service by December 31, 2018".

The architectural firm for the proposed development is McKean & Associates Architects, LLC. At the time of the market study, the floor plans and elevations had not been completed. However, the conceptual site plan submitted to the market analyst was reviewed.

Utility estimates are Georgia DCA utility allowances for the Middle Region. Effective date: July 1, 2015.

SECTION C
SITE & NEIGHBORHOOD

The site of the proposed LIHTC new construction apartment development is located off E 6th Street, within the city limits, approximately .5 miles east of Downtown Waynesboro. Specifically, the site is located within Census Tract 9505, and Zip Code 30830.

Note: The site is located within a Qualified Census Tract (QCT).

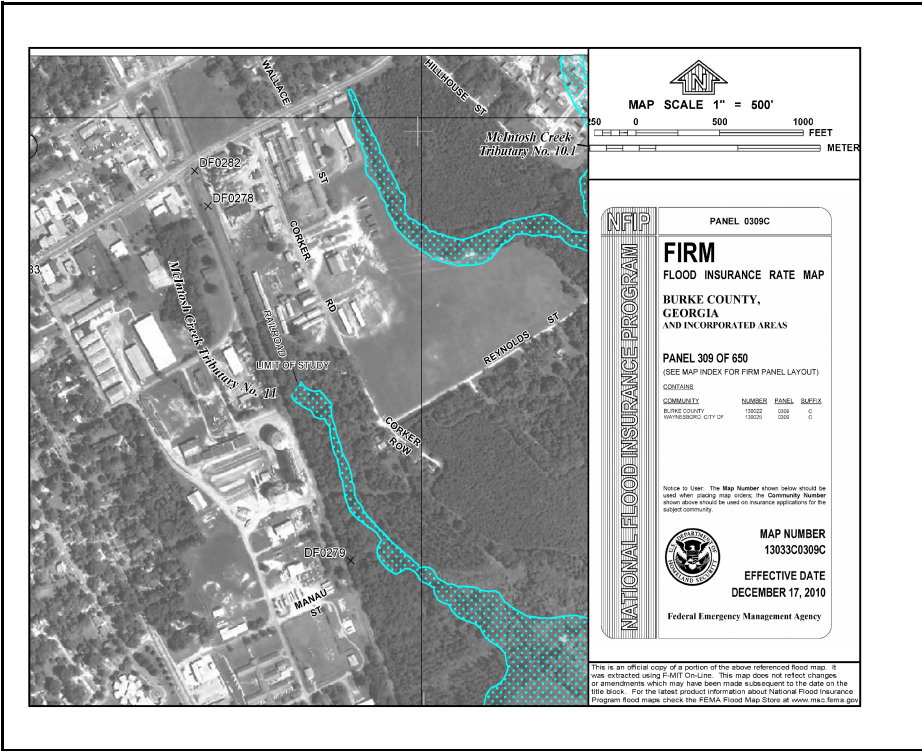
Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities within in Waynesboro can be accessed within a 5-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site. Source: Ms. Trinetta Skinner, Community Development Director, City of Waynesboro, (706) 554-4168.

Site Characteristics

The approximately 18.34-acre, polygon shaped tract is wooded and is slightly undulating. At present, no physical structures are located on the tract. The site is not located within a 100-year flood plain.

Source: FEMA (www:msc.fema.gov), Map Number 13033C0309C, Panel 309 of 650, Effective Date: December 17, 2010.

All public utility services are available to the tract and excess capacity exists. However, these assessments are subject to both environmental and engineering studies.



The site is zoned R-3 Residential, which allows multi-family development. The surrounding land uses and zoning designations around the site are detailed on the next page.

Direction	Existing Land Use	Zoning
North	Vacant & Commercial	C2 & C1
East	Residential & Commercial	R3
South	Vacant	R3 & D
West	Residential & Highway Business	R3

R3 - Residential
 C1 & C2 - Commercial
 D - Development

Source: Burke County Parcel Maps

Neighborhood Description / Characteristics

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: multi-family residential use, with nearby highway business and commercial use.

Directly north of the site, along East 6th Street is vacant land followed by single-family homes. Directly northeast of the site is a convenience store. Directly south of the site is vacant land.

Directly east of the site is vacant land and a segment of the Waynesboro Housing Authority, followed by a Home Supply store. Directly west of the site is a segment of the Waynesboro Housing Authority and a agri-business processing facility.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.

Crime & Perceptions of Crime

The overall setting of the site is considered to be one that is very acceptable for residential development and commercial development within the present neighborhood setting. The site and the immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. The most recent crime rate data for Burke County reported by the Georgia Bureau of Investigations - Uniform Crime Report revealed that violent crime and property crime rate for Burke County was extremely low, particularly for violent crime (homicide, rape, robbery and assault).

Overall, between 2013 and 2014 violent crime in Burke County decreased by -11.6%. The actual number of such crimes in 2014 was extremely low at only 155 overall (mostly assault). Property crimes increased by 22.8% in Burke County between 2013 and 2014, but the total number remained very low (798). While the percentage increase in property crimes appears high, it must be noted that in low crime areas, a small numerical increase results in a seemingly large percentage increase.

Burke County			
Type of Offence	2013	2014	Change
Homicide	2	3	1
Rape	3	4	1
Robbery	8	22	14
Assault	142	108	-34
Burglary	194	198	4
Larceny	412	553	141
Motor Vehicle Theft	44	47	3
Burke County Total	805	935	130

Source: Georgia Bureau of Investigation, Uniform Crime Report



(1) Site off E 6th Street, north to south.



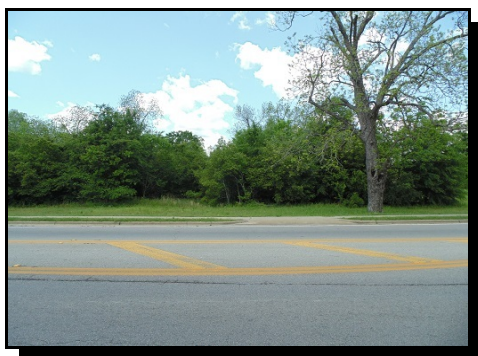
(2) Site to right, off E 6th St west to east.



(3) Site to left, off E 6th St, west to east.



(4) Diagonal view of site, northeast to southwest.



(5) View directly north of site, off E 6th Street.



(6) Convenience store off E 6th St, diagonally across from site.



(7) McKinney Home Center,
.1 mile east of site.



(8) Waynesboro PHA east of
site.



(9) Waynesboro PHA west of
site.



(10) Waynesboro Post Office, .3
miles west of site.

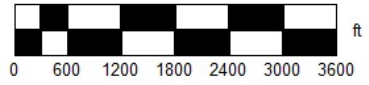
Pine Trails Site Location



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Data Zoom 13-1

Access to Services

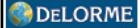
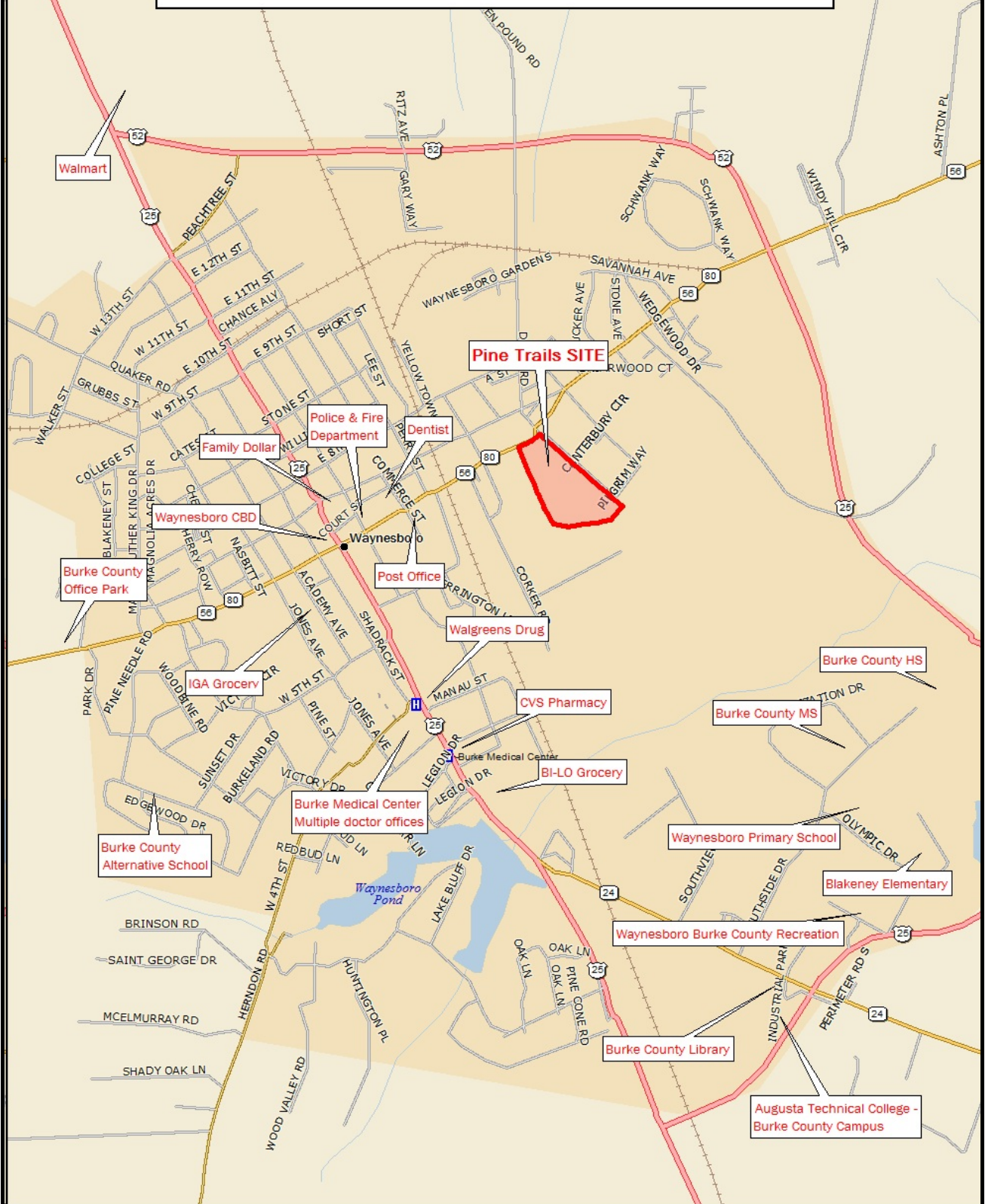
The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

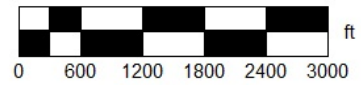
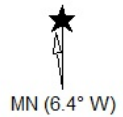
Points of Interest	Distance from Subject
Post Office	.3
Dentist	.4
Downtown Waynesboro	.5
Police & Fire Department	.6
Family Dollar	.7
IGA Grocery	.8
US 25/52 Bypass	.8
Walgreen Drugs	1.0
Burke Medical Center	1.0
CVS Pharmacy	1.1
BI-LO Grocery	1.2
Burke County Office Park	1.2
Burke County Alternative School	1.7
Walmart Supercenter	1.8
Burke County Library	2.1
Augusta Technical College	2.3
Waynesboro-Burke County Recreation	2.4
Waynesboro Primary School	2.5
Burke County Middle School	2.7
Blakeney Elementary School	2.7
Burke County High School	2.8

Note: Distance from subject is in tenths of miles and are approximated.

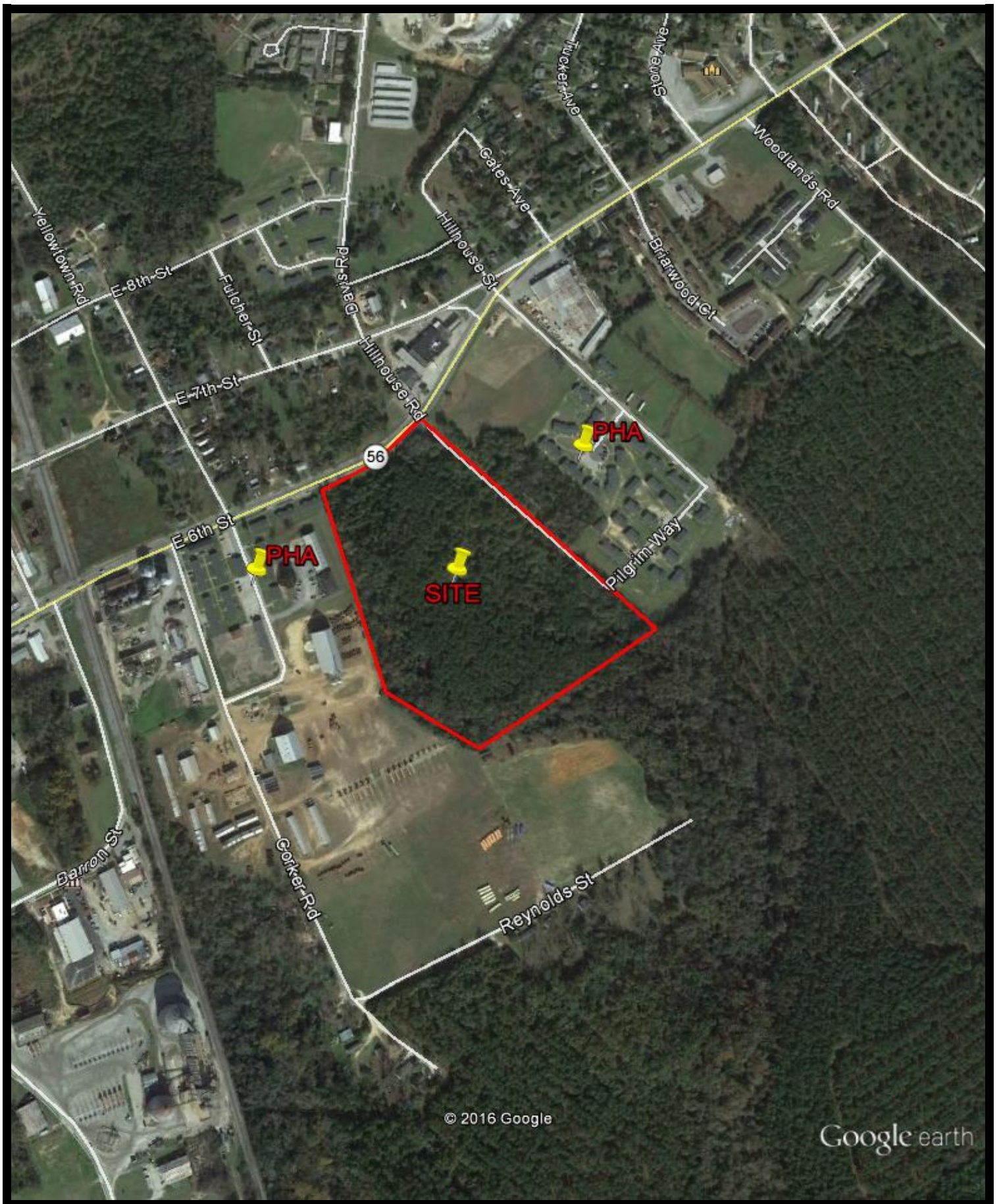
Waynesboro Site & Community Facilities



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Data Zoom 13-3



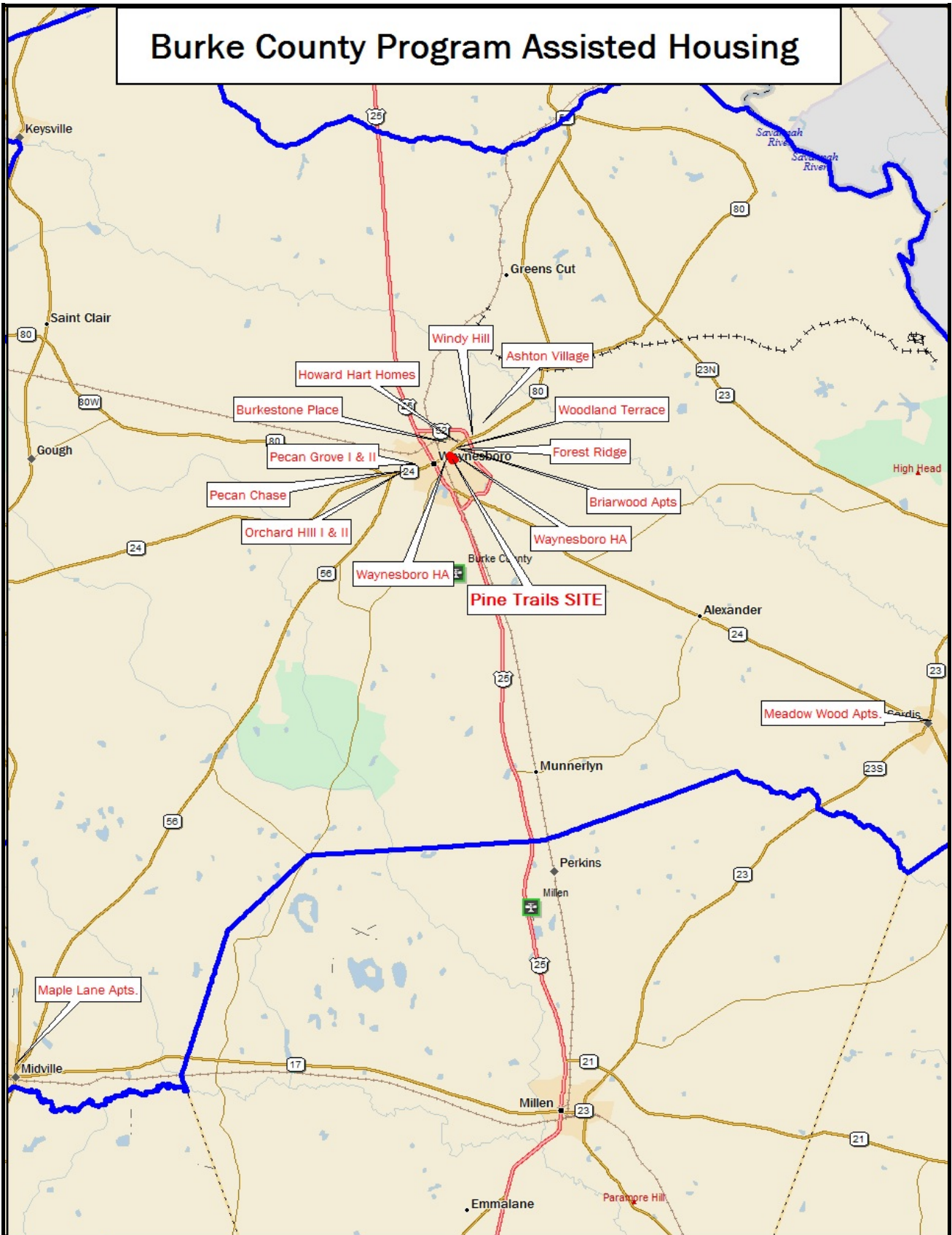
Program Assisted Apartments in Waynesboro PMA

At present there are 12 existing program assisted apartment complexes in Waynesboro, along with the Waynesboro Housing Authority. A map (on the next page) exhibits the program assisted properties within Waynesboro in relation to the site.

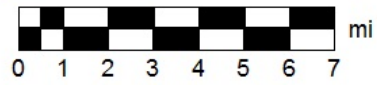
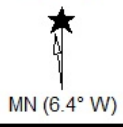
Project Name	Program Type	Number of Units	Distance from Site
Briarwood Apartments	HUD 8 FM	64	.3 miles
Woodland Terrace	USDA-RD FM	30	.5 miles
Forest Ridge	USDA-RD EL	24	.5 miles
Howard Hart Homes	HUD 202 EL	10	.5 miles
Burkestone Place	LIHTC/HUD 8 AR FM	70	.5 miles
Windy Hill	USDA-RD FM	48	1.0 mile
Pecan Grove I & II	LIHTC FM	104	1.3 miles
Ashton Village	USDA-RD EL	36	1.6 miles
Orchard Hill I & II	USDA-RD FM	55	1.6 miles
Pecan Chase	LIHTC FM	34	1.7 miles
Meadow Wood	USDA-RD FM	24	17.7 miles
Maple Lane	USDA-RD Fm	10	23.9 miles
Waynesboro Public Housing Authority	PHA	387	.1 and over

Distance in tenths of miles

Burke County Program Assisted Housing



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Data Zoom 9-6

SUMMARY

The field visit for the site and surrounding market area was conducted on April 24, 2016. The site inspector was Mr. Jerry M. Koontz (of the firm Koontz & Salinger).

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: multi-family residential use, with nearby highway business and commercial use.

Access to the site is available off E 6th Street. E 6th Street is a primary connector in the city, which links the site to the downtown area of Waynesboro to the west and the US Highway 25/52 Bypass to the east. It is a low to medium density road, with a speed limit of 35 miles per hour in the immediate vicinity of the site. Also, the location of the site off E 6th Street does not present problems of egress and ingress to the site.

The site offers very good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities including: noxious odors, very proximity to cemeteries, high tension power lines, rail lines and junk yards.

The site in relation to the subject and the surrounding roads is very agreeable to signage, and offers excellent visibility via nearby traffic along the surrounding neighborhood streets, in particular E 6th Street.

Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability. In the opinion of the analyst, the site of the subject is considered appropriate as a LIHTC multi-family development.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, employment nodes, as well as nearby health care and educational facilities	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

SECTION D

MARKET AREA DESCRIPTION

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the **location** and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography as well as local interviews with key respondents regarding market specific input relating to market area delineation.

Primary Market Area

Based upon field research in Waynesboro and a 10 to 15 mile area, along with an assessment: of the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers, the Primary Market Area (PMA) for the proposed LIHTC multi-family development consists of Burke County. The 2010 census tracts for Burke County are:

9501, 9502, 9504, 9505, 9507 and 9509.

Interviews with the managers and/or management companies of existing program assisted properties which were surveyed) confirmed that significant market support for the proposed development would include the City of Waynesboro and extend out from Waynesboro to include the county as a whole.

The PMA is located in the eastern portion of Georgia. Waynesboro is approximately 25 miles south of Augusta. Waynesboro, the county seat, is centrally located within Burke County.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject Site
North	Richmond County & Savannah River	10 miles
East	Screven County & Savannah River	24 miles
South	Emanuel & Jenkins Counties	12 - 24 miles
West	Jefferson County	16 miles

Waynesboro is the largest populated place in the PMA, representing approximately 25% of the total population. In addition to Waynesboro, there are four other, much smaller incorporated places located within the PMA. In 2010, the Town of Girard had a population of 156. In 2010, the Town of Midville had a population of 269. In 2010, the Town of Sardis had a population of 999. In 2010, the Town of Vidette had a population of 112. For the most part, excluding Waynesboro and Sardis, the PMA is very rural with much of the land use in agriculture or open space.

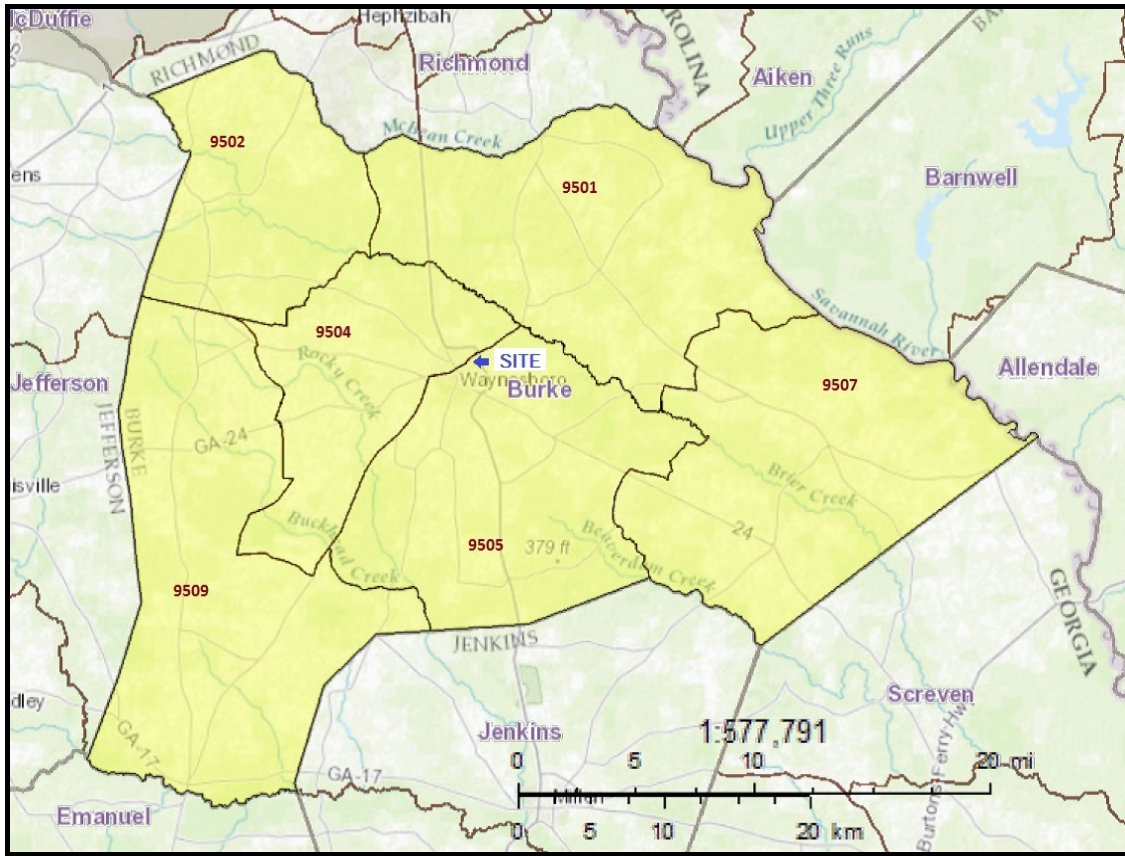
Waynesboro is the regional trade area for the county regarding: employment opportunities, finance, retail and wholesale trade, entertainment and health care services.

Transportation access to Waynesboro is good. US Highway 25 and SR 305 and 23/80 are the major north/south connectors and SR 24 is the major east/west connector.

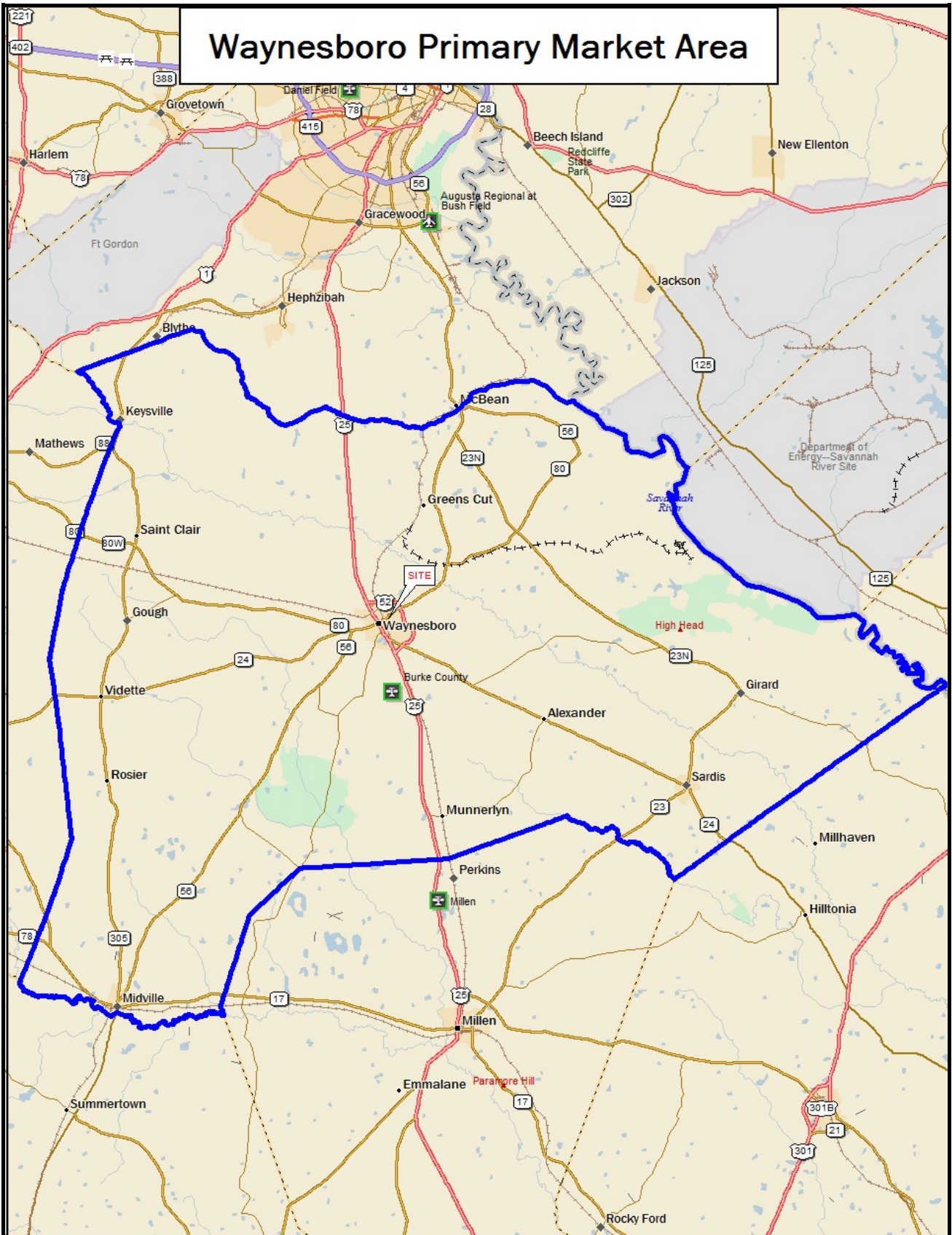
Secondary Market Area

The Secondary Market Area (SMA) consists of that area beyond the PMA, principally from out of county, as well as from out of state. Note: The demand methodology **excluded** any potential demand from a SMA.

2010 Census Tracts



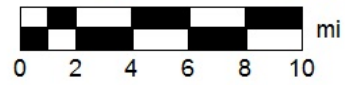
Waynesboro Primary Market Area



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SECTION E

COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 6 exhibit indicators of trends in total population and household growth, for Waynesboro and the Waynesboro PMA (Burke County).

Population Trends

Table 1, exhibits the change in **total** population in Waynesboro and the Waynesboro PMA (i.e., Burke County) between 2000 and 2021.

The year 2018 is estimated to be the first year of availability for occupancy of the subject property. The year 2016 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure.

The Town of Waynesboro and the Waynesboro PMA exhibited moderate population losses between 2010 and 2016. The rate of loss within the PMA between 2010 and 2016, approximated -0.67% per year versus -0.74% for the Town of Waynesboro. More modest losses in population are forecasted within the PMA between 2016 and 2018 at a rate of round -0.28% per year. The forecast for the 2018 to 2021 period is for population change within the PMA to be comparable to the preceding period at around -0.28% per year.

The majority of the rate of change within the PMA is subject to: (1) in and out-migration of population, and (2) a reduction in the local area labor force participation rate, owing to: (a) the cyclical economic environment within the county during much of the last decade, and (b) an increase in the number of baby boomers entering retirement. (Very recent indicators suggest an improving local economy in Burke County, which in turn could increase the rate of population gain in the county in 2016 and 2018 at a rate more favorable than the current forecasts. This hypotheses still requires more data.)

The projected change in population for Waynesboro is subject to local annexation policy and in-migration of rural county and surrounding county residents into Waynesboro. Recent indicators, including the 2014 and 2015 US Census estimates (at the place level) suggest that the population trend of the mid to late 2000's in Waynesboro has continued at a similar rate of change.

Population Projection Methodology

The forecast for total population is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas population projections.

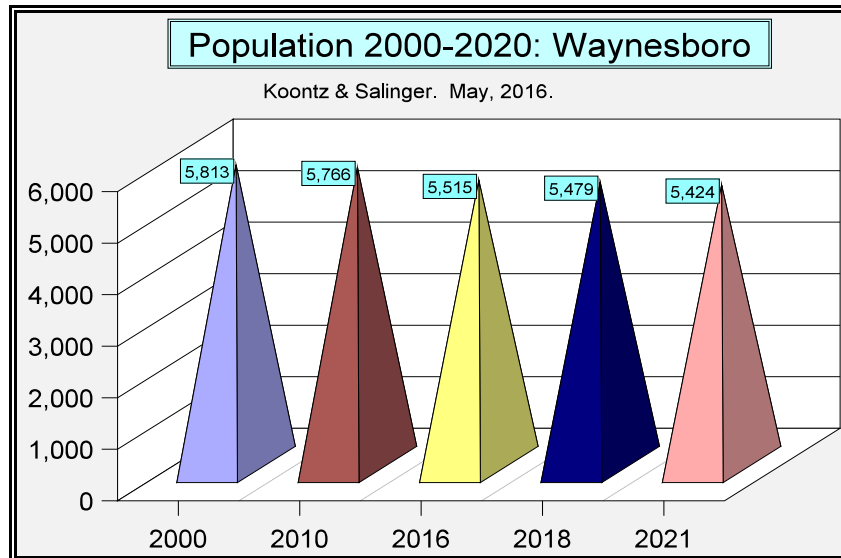
Sources: (1) 2000 and 2010 US Census.
(2) Nielsen Claritas 2014 and 2019 Projections.
(3) 2014 and 2015 US Census population estimates.
(4) Georgia Residential Population Projections by Age & County, 2010-2020, GA Governor's Office of Planning & Budget.

Table 1					
Total Population Trends and Projections: Waynesboro and Waynesboro PMA (Burke County)					
Year	Population	Total Change	Percent	Annual Change	Percent
Waynesboro					
2000	5,813	-----	-----	-----	-----
2010	5,766	- 47	- 0.80	- 5	- 0.08
2016	5,515	- 251	- 4.35	- 42	- 0.74
2018	5,479	- 36	- 0.65	- 18	- 0.33
2021	5,424	- 55	- 1.00	- 18	- 0.33
Waynesboro PMA					
2000	22,243	-----	-----	-----	-----
2010	23,316	+ 1,073	+ 4.82	+ 107	+ 0.47
2016	22,390	- 926	- 3.97	- 154	- 0.67
2018*	22,264	- 126	- 0.56	- 63	- 0.28
2021	22,075	- 189	- 0.85	- 63	- 0.28

* 2018 - Estimated year that project will be placed in service.

Calculations - Koontz and Salinger. May, 2016.

Between 2000 and 2010, population decreased at a annual rate of -0.08% within Waynesboro. Between 2016 and 2018, population within Waynesboro is forecasted to decrease at a modest annual rate of -0.33%. The figure below presents a graphic display of the numeric change in population in Waynesboro between 2000 and 2021.



Between 2000 and 2010, PMA population increased at a annual rate of +0.47%. The majority of the increase is occurring in the central portion of the PMA in the vicinity of Waynesboro and that area between Waynesboro and Augusta, along the US 25 corridor. Between 2016 and 2018 the PMA population is forecasted to decrease at a modest annual rate of approximately -0.28%. The figure below presents a graphic display of the numeric change in population in the PMA between 2000 and 2021.

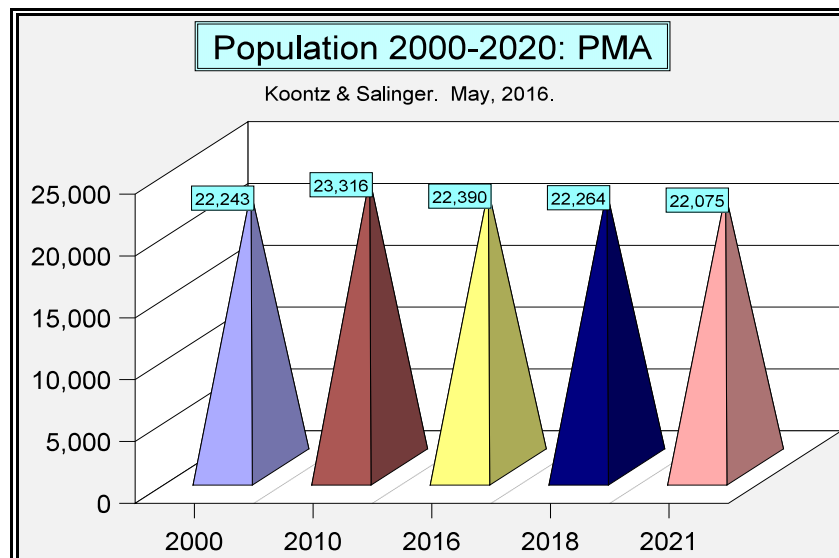


Table 2A exhibits the change in population by age group in Waynesboro between 2010 and 2018. The most significant increase exhibited between 2016 and 2018 within Waynesboro was in the 65-74 age group representing an increase of over 5% over the two year period.

Table 2A						
Population by Age Groups: Waynesboro, 2010 - 2018						
	2010 Number	2010 Percent	2016 Number	2016 Percent	2018 Number	2018 Percent
Age Group						
0 - 24	2,439	42.30	2,259	40.96	2,245	40.97
25 - 44	1,338	23.20	1,316	23.86	1,308	23.87
45 - 54	726	12.59	568	10.30	546	9.97
55 - 64	609	10.56	624	11.31	602	10.97
65 - 74	347	6.02	438	7.94	461	8.41
75 +	307	5.32	310	5.62	317	5.79

Table 2B exhibits the change in population by age group in the Waynesboro PMA between 2010 and 2018. The most significant increase exhibited between 2016 and 2018 within the Waynesboro PMA was in the 65-74 age group representing an increase of around 6% over the two year period. The 75+ age group is forecasted to increase by over 75 persons, or by approximately +6%.

Table 2B						
Population by Age Groups: Waynesboro PMA, 2010 - 2018						
	2010 Number	2010 Percent	2016 Number	2016 Percent	2018 Number	2018 Percent
Age Group						
0 - 24	8,739	37.48	7,967	35.58	7,871	35.35
25 - 44	5,488	23.54	5,191	23.18	5,182	23.27
45 - 54	3,419	14.66	2,857	12.76	2,695	12.10
55 - 64	2,903	12.45	3,032	13.54	2,964	13.31
65 - 74	1,663	7.13	2,086	9.31	2,216	9.95
75 +	1,104	4.73	1,257	5.61	1,336	6.00

Sources: 2010 Census of Population, Georgia
Nielsen Claritas Projections
Koontz and Salinger. May, 2016

HOUSEHOLD TRENDS & CHARACTERISTICS

Table 3 exhibits the change in total households in the Waynesboro PMA between 2000 and 2021. The modest to moderate decline in household formations in the Waynesboro PMA has continued since the 2010 census and reflects the recent population trends and near term forecasts.

The ratio of persons per household is projected to stabilize at around 2.66 between 2016 and 2021 within the Waynesboro PMA. The reduction in the rate of decline is based upon: (1) the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and the dynamics of roommate scenarios.

The forecast for group quarters is based on trends in the last two censuses. In addition, it includes information collected from local sources as to conditions and changes in group quarters supply since the 2010 census was taken.

The projection of household formations in the PMA between 2016 and 2018 is for a modest decrease of -32 households per year or approximately -0.19% per year.

Table 3					
Household Formations: 2000 to 2021					
Waynesboro PMA					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household	Total Households
PMA					
2000	22,243	280	21,963	2.7682	7,934
2010	23,316	283	23,033	2.6993	8,533
2016	22,390	285	22,105	2.6707	8,277
2018	22,264	285	21,979	2.6657	8,245
2021	22,075	285	21,790	2.6599	8,192

Sources: Nielsen Claritas Projections.
2000 and 2010 Census of Population, Georgia.

Calculations: Koontz & Salinger. May, 2016.

Table 4 exhibits households in the Waynesboro PMA by owner-occupied and renter-occupied tenure. The 2016 to 2018 tenure trend revealed a slight decrease in renter-occupied tenure, in the Waynesboro PMA on a percentage basis, exhibiting an annual decrease of approximately -0.16%.

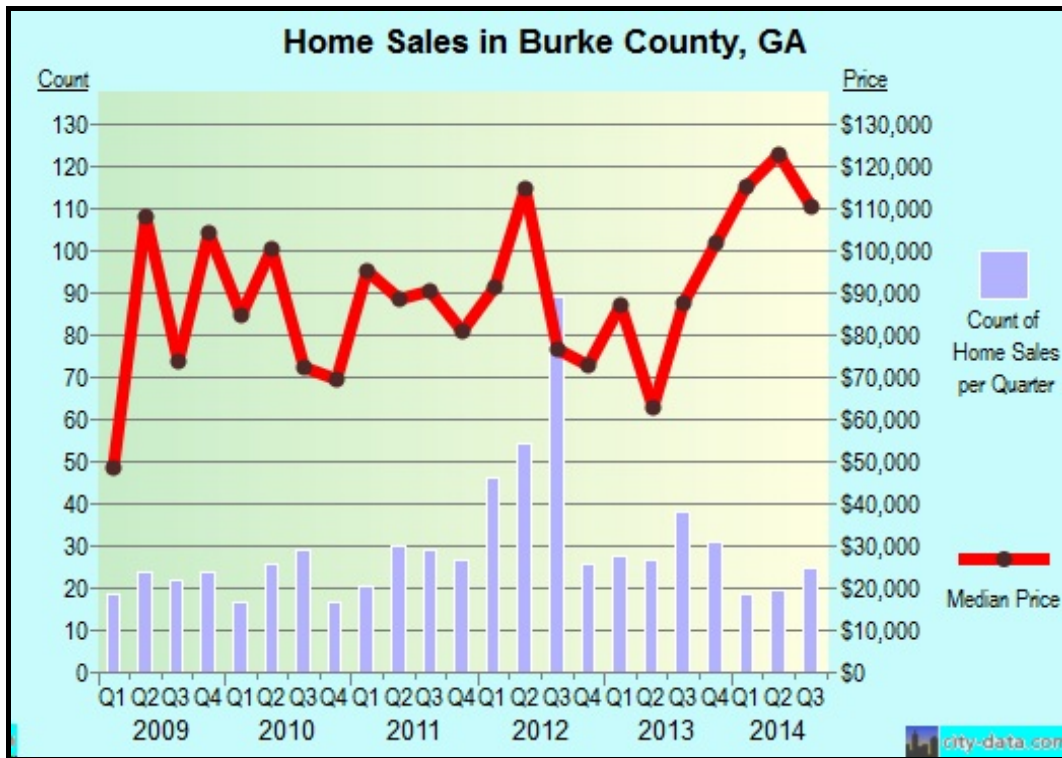
Overall, slight to modest net numerical losses are forecasted for both owner-occupied and renter-occupied households within the PMA.

<p style="text-align: center;">Table 4</p> <p style="text-align: center;">Households by Tenure: 2000-2021</p> <p style="text-align: center;">Waynesboro PMA</p>					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	7,934	6,030	76.00	1,904	24.00
2010	8,533	5,940	69.61	2,593	30.39
2016	8,277	5,763	69.63	2,508	30.37
2018	8,245	5,745	69.68	2,500	30.32
2021	8,192	5,712	69.73	2,480	30.27

Sources: 2000 & 2010 Census of Population, Georgia.
 Nielsen Claritas Projections.
 Koontz and Salinger. May, 2016.

For Sale Market

The figure below exhibits home sales in Burke County between 2009 and Q3 2014. The average sales price shows significant variation quarter-to-quarter, but the overall trend for the entire period indicates increasing prices. The number of sales showed a relatively stable trend between 2009 and 2011 followed by a “spike” during 2012. However, the number of sales remained somewhat low throughout the entire period, as would be expected in a rural county. From 2013 onwards the number of sales has been relatively stable, ranging from a high of nearly 40 sales in Q3 2013 to fewer than 20 in early 2014.



Source: www.city-data.com/county/Burke_County-GA.html

For-Sale Market (Buy Versus Rent)

The median sales price for homes in Waynesboro for the January 7 to April 6, 2016 period was \$73,000 based on 12 home sales. The median sales price has fluctuated month-to-month over the past year, but the overall trend showed a decline of -5%. The price per square foot increased by 37% during the period, at \$78/SF compared to \$57/SF one year ago. This implies that the homes sold over the past few months have been smaller in size, hence the lower median sales price. Prices for houses on the lower end of the spectrum were for small frame houses that would not be competitive or comparable to a modern apartment. At the same time, Trulia notes that rents in the Waynesboro area have remained about the same over the past year.

Current median list prices vary by location; the median list price for homes for sale in the Zip Code 30830 (which includes Waynesboro and

much of Burke County) is \$133,400. List prices are lower in the more rural parts of the County, at around \$78,500 to \$85,000. (Analyst Note: Sales/listings include foreclosures and short sales.)

The following analysis illustrates the comparative costs of home ownership of a typical single-family residence in Waynesboro and environs compared to renting a unit in the subject development. According to Trulia (www.trulia.com) the current median list price for houses in Zip Code 30830 (which includes Waynesboro and much of Burke County) is \$133,400. The median sales price for the January-April 2016 period was significantly lower at \$73,000. (Analyst Note: Sales include foreclosures and short sales.) In this case, the list price is considered a more reliable indicator of the likely cost of a home in the Waynesboro area, and is used in the following example.

Based on an average price of \$133,400, and assuming a 95% LTV ratio (5% down payment), an interest rate of 5.25% and a 30 year term, the estimated monthly mortgage payment including taxes, hazard insurance and private mortgage insurance (PMI), is shown below:

COST OF TYPICAL HOME PURCHASE

Average Home Price (Trulia)	\$133,400
Mortgaged Value = 95% of Average Home Price	\$126,730
Interest Rate	5.25%
Term (years)	30
Monthly Principal and Interest	\$700
Taxes, Hazard Insurance and PMI	\$199
Total Estimated Monthly Cost	\$899

While it is possible that some tenants in LIHTC properties could afford the monthly payments, the number who could afford the down payment and other closing costs is likely to be minimal. In the example above, the required down payment would be \$6,670. Additional closing costs could include the first years' hazard insurance premium, mortgage "points", and various bank fees. If total closing costs (including down payment) are equal to 6% of the purchase price, a prospective buyer would need \$8,004. Accordingly, home purchase is not considered to be competitive among LIHTC income qualified households.

With respect to mobile homes, the overall ratio of this housing type is quite small in the Waynesboro PMA, and the ratio of renter occupied units is even smaller. Given the insignificant number of mobile homes in this market, little to no competition is expected from this housing type.

In summary, the proposed LIHTC family new construction development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Waynesboro, GA home buying market. The majority of the tenants at the subject property will have annual incomes in the \$15,000 to \$30,000 range. Today's home buying market, both stick-built, modular, and mobile home requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents and/or the availability of deep subsidy rental assistance (RA) for USDA-RD developments.

The estimate of the upper income limit is based on the most recent set of HUD MTSP income limits for five person households (the maximum household size for a 3BR unit, for the purpose of establishing income limits) in Burke County, Georgia at 50% and 60% of the area median income (AMI).

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income.

Tables 5A and 5B exhibit renter households, by income group, in the Waynesboro PMA estimated in 2010, and forecasted to 2016 and 2018.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2016 and 2021, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey.

Tables 5A and 5B exhibit renter-occupied households, by income in the Waynesboro PMA in 2010, and projected in 2016 and 2018.

Table 5A				
Waynesboro PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2010 Number	2010 Percent	2016 Number	2016 Percent
Under \$10,000	591	22.80	743	29.62
10,000 - 20,000	675	26.04	638	25.44
20,000 - 30,000	356	13.74	374	14.91
30,000 - 40,000	261	10.07	167	6.65
40,000 - 50,000	117	4.51	103	4.11
50,000 - 60,000	118	4.56	80	3.19
60,000 +	475	18.08	403	16.08
Total	2,593	100%	2,508	100%

Table 5B				
Waynesboro PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2016 Number	2016 Percent	2018 Number	2018 Percent
Under \$10,000	743	29.62	719	28.77
10,000 - 20,000	638	25.44	631	25.22
20,000 - 30,000	374	14.91	377	15.07
30,000 - 40,000	167	6.65	173	6.90
40,000 - 50,000	103	4.11	100	3.98
50,000 - 60,000	80	3.19	82	3.29
60,000 +	403	16.08	418	16.77
Total	2,508	100%	2,500	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. May, 2016.

Table 6A								
Households by Owner-Occupied Tenure, by Person Per Household Waynesboro PMA, 2010 - 2018								
Households	Owner				Owner			
	2010	2016	Change	% 2016	2016	2018	Change	% 2018
1 Person	1,298	1,155	- 143	20.04%	1,155	1,152	- 3	20.05%
2 Person	2,036	2,025	- 11	35.14%	2,025	2,025	0	35.25%
3 Person	1,109	1,141	+ 32	19.80%	1,141	1,139	- 2	19.82%
4 Person	771	710	- 61	12.32%	710	703	- 7	12.24%
5 + Person	726	732	- 6	12.70%	732	726	- 6	12.64%
Total	5,940	5,763	- 177	100%	5,763	5,745	- 18	100%

Table 6B								
Households by Renter-Occupied Tenure, by Person Per Household Waynesboro PMA, 2010 - 2018								
Households	Renter				Renter			
	2010	2016	Change	% 2016	2016	2018	Change	% 2018
1 Person	779	918	+ 139	36.60%	918	924	+ 6	36.96%
2 Person	589	503	- 86	20.05%	503	495	- 8	19.80%
3 Person	475	393	- 82	15.67%	393	389	- 4	15.56%
4 Person	361	368	+ 7	14.67%	368	366	- 2	14.64%
5 + Person	389	326	- 63	13.00%	326	326	0	13.04%
Total	2,593	2,508	- 85	100%	2,508	2,500	- 33	100%

Sources: Nielsen Claritas Projections
Koontz and Salinger. May, 2016

Table 6B indicates that in 2018 approximately 95% of the renter-occupied households in the Primary Market Area contain 1 to 5 persons (the target group by household size).

A slight increase in renter households by size is exhibited by 1 person households between 2016 and 2018. Note: Slight losses are exhibited by 2 through 4 person per households. One person households are typically attracted to both 1 and 2 bedroom rental units and 2 and 3 person households are typically attracted to 2 bedroom units, and to a lesser degree three bedroom units. It is estimated that between 20% and 25% of the renter households in the PMA fit the bedroom profile for a 3BR unit.

SECTION F
ECONOMIC & EMPLOYMENT
TRENDS

Analysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area to create and sustain growth, and job formation is typically the primary motivation for positive net in-

migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 7 through 13 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Burke County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 7			
Civilian Labor Force and Employment Trends, Burke County: 2005, 2014 and 2015			
	2005	2014	2015
Civilian Labor Force	10,078	9,175	9,131
Employment	9,315	8,254	8,395
Unemployment	763	921	735
Rate of Unemployment	7.6%	10.0%	8.0%

Table 8				
Change in Employment, Burke County				
Years	# Total	# Annual*	% Total	% Annual*
2005 - 2007	- 107	- 53	- 1.14	- 0.57
2008 - 2010	- 532	-266	- 5.82	- 2.93
2011 - 2013	- 336	-168	- 3.86	- 1.93
2014 - 2015	+ 142	Na	+ 1.72	Na

* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2005 - 2015. Georgia Department of Labor, Workforce Information Analysis.

Koontz and Salinger. May, 2016.

Table 9 exhibits the annual change in civilian labor force employment in Burke County between 2005 and the 1st three months in 2016. Also, exhibited are unemployment rates for the County, State and Nation.

Table 9							
Change in Labor Force: 2005 - 2016							
	Burke County					GA	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2005	10,078	9,315	-----	763	7.6%	5.3%	5.1%
2006	9,863	9,201	(114)	662	6.7%	4.7%	4.6%
2007	9,979	9,208	7	771	7.7%	4.5%	4.6%
2008	10,002	9,133	(75)	869	8.7%	6.2%	5.8%
2009	9,939	8,759	(374)	1,180	11.9%	9.9%	9.3%
2010	9,791	8,601	(158)	1,190	12.2%	10.5%	9.6%
2011	9,953	8,690	89	1,263	12.7%	10.2%	8.9%
2012	9,718	8,520	(170)	1,198	12.3%	9.2%	8.1%
2013	9,495	8,354	(166)	1,141	12.0%	8.2%	7.4%
2014	9,175	8,254	(100)	921	10.0%	7.1%	6.2%
2015	9,131	8,396	142	735	8.0%	5.9%	5.3%
Month							
1/2016	9,241	8,484	-----	757	8.2%	5.4%	5.3%
2/2016	9,084	8,390	(94)	694	7.6%	5.6%	5.2%
3/2016	9,218	8,537	147	681	7.4%	5.4%	5.1%

Sources: Georgia Labor Force Estimates, 2005 - 2016.
 Georgia Department of Labor, Workforce Information Analysis.
 Koontz and Salinger. May, 2016.

Table 10 exhibits the annual change in covered employment in Burke County between 2003 and 2015. Covered employment data differs from civilian labor force data in that it is based on at-place employment within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

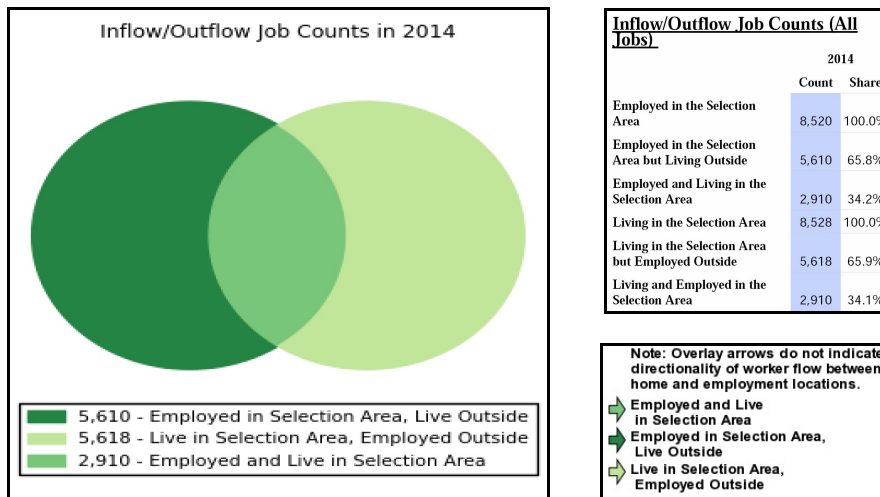
<p style="text-align: center;">Table 10</p> <p style="text-align: center;">Change in Covered Employment: 2003 - 2015</p>		
Year	Employed	Change
2003	6,264	-----
2004	5,992	(272)
2005	5,941	(51)
2006	5,977	36
2007	5,938	(39)
2008	5,700	(238)
2009	5,875	175
2010	5,935	60
2011	6,182	247
2012	6,448	226
2013	6,619	171
2014	6,713	94
2015 1 st Q	6,816	-----
2015 2 nd Q	6,914	98
2015 3 rd Q	6,943	29

Sources: Georgia Department of Labor, Workforce Information Analysis, 2003 and 2014. Koontz and Salinger. May, 2016.

Commuting

The majority of the workforce within Burke County (the PMA) has relatively short commutes to work. Data from the 2010-2014 American Community Survey indicate that some 55.9% of workers who did not work at home had commutes of less than 30 minutes, inclusive of 26.5% with commutes of less than 15 minutes; the mean commuting time for residents of the Waynesboro PMA (Burke County) is just over 20 minutes.

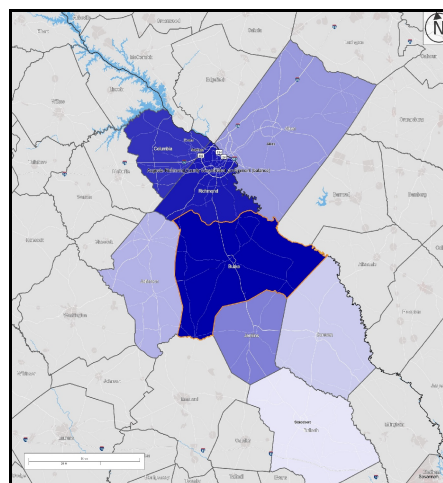
Burke County also provides jobs for workers living outside the area. Commuting data for 2014 published by the US Census Bureau indicates that the inflow of workers into Burke County is roughly equal to the outflow. Some 5,610 persons who work in Burke live outside the county while 5,618 residents of Burke commuted to jobs outside the county; some 2,910 persons live and work in Burke.



The majority of Burke County residents who worked in another Georgia County commuted to adjacent counties, including Aiken County in SC. The following map and table indicate the counties where most of Burke County residents work. The chart shows the ratio of the resident work force employed within Burke and surrounding counties.

Jobs Counts by Counties Where Workers Live - Primary Jobs

		2014	
		Count	Share
All Counties		8,300	100.0%
Burke County, GA		2,820	34.0%
Richmond County, GA		921	11.1%
Columbia County, GA		776	9.3%
Glynn County, GA		650	7.8%
Camden County, GA		478	5.8%
Jenkins County, GA		228	2.7%
Aiken County, SC		195	2.3%
Jefferson County, GA		162	2.0%
Screven County, GA		158	1.9%
Bulloch County, GA		115	1.4%
All Other Locations		1,797	21.7%

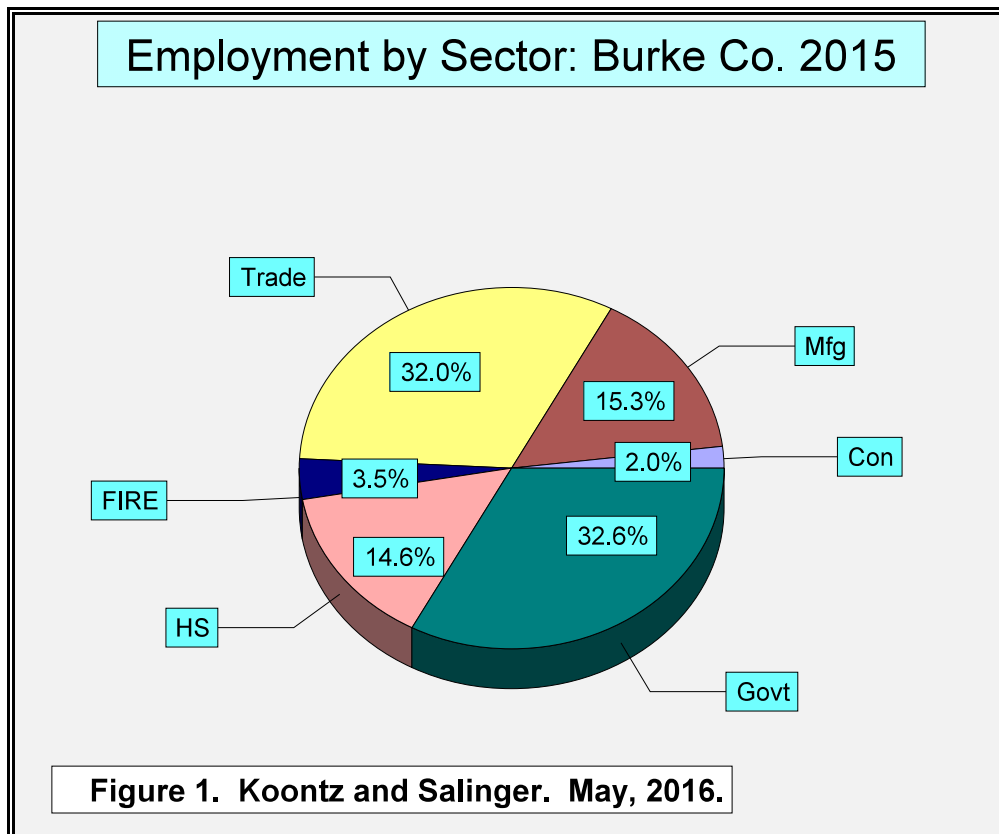


Source: 2010-2014 American Community Survey, US Census, and the Georgia Area Labor Profile for Burke County.

Table 11 Average Monthly Covered Employment by Sector, Burke County, 3 rd Quarter 2014 and 2015							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2014	6,649	90	629	1,324	154	595	1,425
2015	6,943	86	659	1,380	151	628	1,405
14-15 # Ch.	+ 294	- 4	+ 30	+ 56	- 3	+ 33	- 20
14-15 % Ch.	+ 4.4	-4.4	+4.8	+ 4.2	-1.9	+5.5	- 1.4

Note: Con - Construction; Mfg - Manufacturing; T - Retail and Wholesale Trade; FIRE - Finance, Insurance and Real Estate; HCSS - Health Care and Social Services; G - Federal, State & Local Government

Figure 1 exhibits employment by sector in Burke County in the 3rd Quarter of 2015. The top four employment sectors are: manufacturing, trade, government and service. The 2016 forecast is for the manufacturing sector to stabilize & the healthcare sector to increase.



Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, 2014 and 2015. Koontz and Salinger. May, 2016.

Table 12, exhibits average annual weekly wages in the 3rd Quarter of 2014 and 2015 in the major employment sectors in Burke County. It is estimated that the majority of workers in the service and trade sectors (excluding accommodation and food service workers) in 2016 will have average weekly wages between \$550 and \$825. Workers in the accommodation and food service sectors in 2016 will have average weekly wages in the vicinity of \$250.

Table 12				
Average 3rd Quarter Weekly Wages, 2014 and 2015				
Burke County				
Employment Sector	2014	2015	% Numerical Change	Annual Rate of Change
Total	\$ 911	\$ 941	+ 30	+ 3.3
Construction	\$ 811	\$ 773	- 38	- 4.7
Manufacturing	\$ 838	\$ 807	- 31	- 3.7
Wholesale Trade	\$1051	\$1173	+122	+11.6
Retail Trade	\$ 463	\$ 467	+ 4	+ 0.9
Transportation & Warehouse	\$ 813	\$ 861	+ 48	+ 5.9
Finance & Insurance	\$ 678	\$ 724	+ 46	+ 6.8
Real Estate Leasing	\$ 402	\$ 398	- 4	- 1.0
Health Care Services	\$ 565	\$ 559	- 6	- 1.1
Educational Services	Na	Na	Na	Na
Hospitality	\$ 253	\$ 244	- 9	- 3.6
Federal Government	\$1223	\$1242	+ 19	+ 1.6
State Government	\$ 662	\$ 654	- 8	- 1.2
Local Government	\$ 716	\$ 737	+ 21	+ 2.9

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2014 and 2015.

Koontz and Salinger. May, 2016.

Major Employers

The major employers in Waynesboro and Burke County are listed in Table 13.

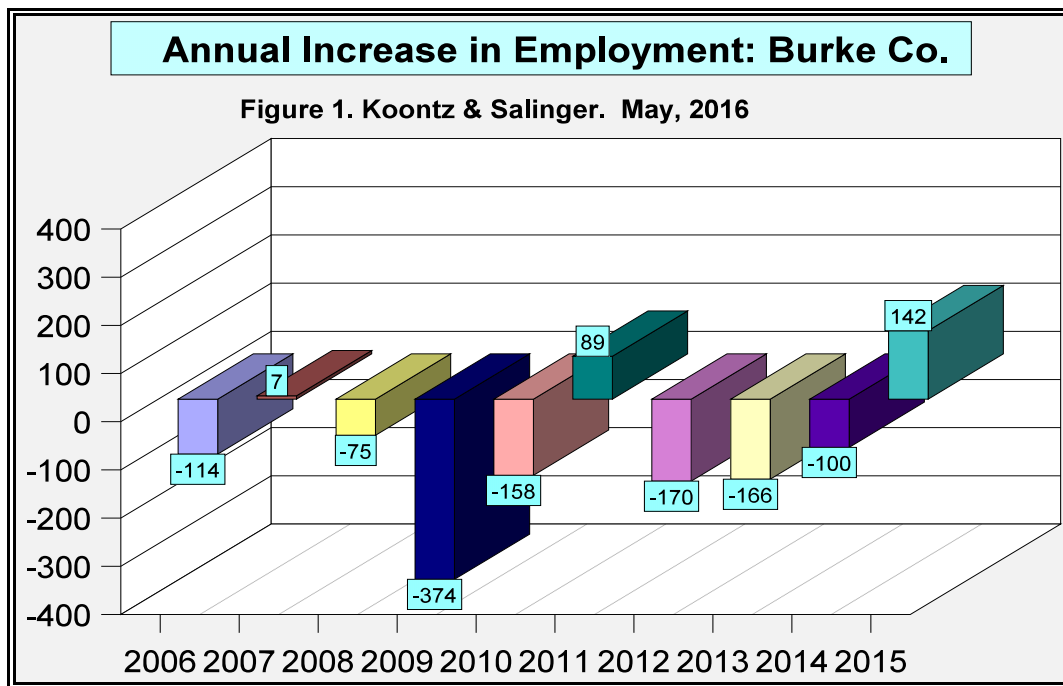
Table 13		
Major Employers		
Firm	Product/Service	Employees
Alstom Grid Inc.	Electrical Equipment	220
Fiamm Energy	Batteries	150
Legion Industries	Sanitary Ware	90
Purification Cellulations	Non Metallic Mineral Products	45
S. Lichtenberg & Co.	Curtains & Draperies	450
Sam Dong GA	Metal Coating	73
Evercare	Textile Bags	139
Southern Power	Nuclear Power Plant	Na
Burke Medical Center	Health Care	150
Brentwood Nursing Home	Health Care	Na
Keysville Nursing Home	Health Care	Na
Burke County	School System	Na
Waynesboro & Burke Co.	Local Government	Na
Walmart Supercenter	Retail Trade	Na

Sources: www.georgiafacts.org

Development Authority of Burke County

SUMMARY

The economic situation for Burke County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 7-13, Burke County experienced employment losses between 2008 and 2010. Like much of the state and nation, very significant employment losses were exhibited in 2009, followed by additional losses in 2010, 2012, 2013 and 2014. In 2015, the overall local economy improved despite a reduction in the local labor force participation rate, resulting in a reduction of the unemployment rate to below 10% in the later portion of 2015, to an annual rate of 8%.



As represented in Figure 1 (and Table 10), between 2005 and 2007, the average decrease in employment in Burke County was approximately -53 workers or approximately -0.57% per year. The rate of employment loss between 2008 and 2010, was very significant at almost -6%, representing a net loss of -532 workers. The rate of employment loss between 2011 and 2013, was also significant in comparison at approximately -1.93% per year. The 2014 to 2015, rate of increase was significant at +1.72%.

Covered (at place) employment in Burke County increased each year between 2009 and 3rd Quarter in 2015. Recently much of the covered employment growth is attributed to the on-going development activity at the Vogtle nuclear power plant.

Monthly unemployment rates in 2015 were improved when compared to the 2009 to 2014 period. Monthly unemployment rates in 2015, were for the most part improving on a month to month basis, ranging between 7.3% and 9.3%.

The National forecast for 2016 (at present) is for the unemployment rate to approximate 4.5% to 5% in the later portion of the year. Typically, during the last five years, the overall unemployment rate in Burke County has been above the state and national average unemployment rates. The annual unemployment rate in 2016 in Burke County is forecasted to continue to decline, to the vicinity of 6.5% to 7.5% and improving slightly, on a relative year to year basis.

The Development Authority of Burke County is the lead economic development entity for Burke County and Waynesboro. The role of the Development Authority of Burke County is to promote, develop, and advance economic growth in Burke County. The Authority works closely with the local industry, community leaders, and state economic developers to achieve this goal of economic growth within the county.

The Authority's main recruitment focus centers on manufacturing and distribution. By recruiting and maintaining these manufacturing and distribution companies, the Authority helps to secure investment and ensure job opportunities in Burke County. The investments by these industries also increase the local and state tax base, thereby becoming a vital part of the local economy.

Additionally, the Development Authority of Burke County works to:

- (1) Supply affordable land and industrial sites
- (2) Market Burke County
- (3) Issues industrial revenue bonds and pollution control bonds
- (4) Promote Georgia Tax Credits/Tier 1 County
- (5) Provides essential demographic data

The Burke County Chamber of Commerce is also actively involved in economic development efforts and assists smaller to mid-size businesses in their location and growth needs. The Chamber has a wide array of resources readily available and great relationships with partner agencies which can provide assistance to small businesses.

Burke County remains one of Georgia's most important farming counties, with nearly half of its acreage in farmland and timber production and harvesting more than 60,000 acres of crops each year.

Expansion of the Plant Vogtle nuclear power station is underway, with completion expected in the next 3 years. On April 15, 2016, Southern Nuclear stated that some 5,500 construction workers are currently employed on site, and additional construction jobs are being added. Permanent job creation includes some 800 technician positions. These technicians will have an intensive training period, and will run the plant once construction is complete.

Sources: <http://burkechamber.org/>
<http://www.burkecounty-ga.gov/departments/development-authority-of-burke-county>
<http://chronicle.augusta.com/news/metro/2016-04-15/>

Local Economy - Relative to Subject & Impact on Housing Demand

The Waynesboro / Burke County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the acceptable site location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.

In the opinion of the market analyst, a new LIHTC family development located within the PMA should fare very well. The opportunities for LIHTC households to buy a home are and will become ever more challenging, in the current underwriting and mortgage due diligence environment.

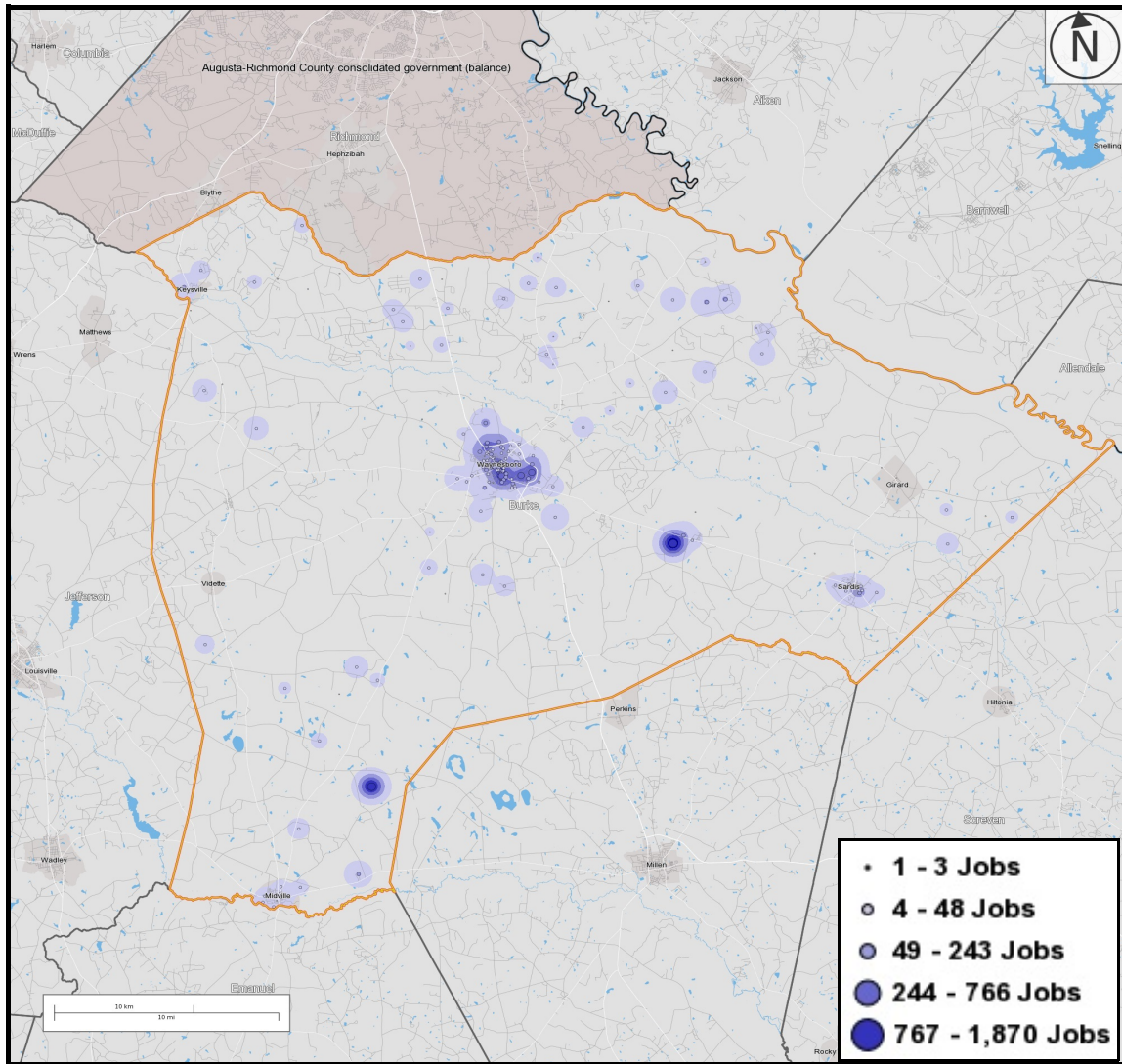
The proposed subject property net rents at 50% and 60% AMI are marketable, and competitive with the area competitive environment. Wages increased in most of the major employment sectors in Burke County between 2014 and 2015. However the overall average increase was only a little above the rate of inflation. Occurrences such as this, make new, professionally managed apartment properties, that are affordable and well amenitized, attractive to the low to moderate income households in need of housing or alternative housing choices.

In summary, recent economic indicators are more supportive of a continuing stable local economy in Waynesboro and Burke County over the next year. Recent monthly unemployment rates have been declining to the 6.5% to 7.5% level over the last year and are forecasted to continue to decline into all of 2016.

In addition, the on-going construction at Plant Vogtle has helped to stabilize the local economy. The additional permanent employment at the plan in three years very likely lead to an increase in low to moderate wage service and trade sector employment in Burke County.

The major employment nodes within Waynesboro and Burke County are exhibited on the Map on the following page.

Major Employment Nodes



SECTION G

PROJECT-SPECIFIC DEMAND ANALYSIS

This incorporates several sources of income eligible demand, including demand from new renter household growth and demand from existing renter households already in the Waynesboro market. In addition, given the amount of substandard housing that

still exists in the PMA market, the potential demand from substandard housing will be examined.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon the estimated year that the subject will be placed in service in 2018.

In this section, the effective project size is 59-units, with 1-unit set aside as a non revenue managers unit, for a total project size of 56 units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 5A and 5B from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered within the context of the current market conditions. This analysis assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like-kind competitive supply. In this case discriminated by age and income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted family apartment projects in the market area.

Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2015 HUD Income Guidelines were used.
- (5) - 15% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 60 one, two and three bedroom units. The expected occupancy of people per unit is:

1BR - 1 and 2 persons
2BR - 2, 3 and 4 persons
3BR - 3, 4, 5 and 6 persons

Analyst Note: As long as the unit in demand is income qualified there is no minimum number of people per unit.

The proposed development will target 20% of the units at 50% or below of area median income (AMI), 65% of the units at 60% AMI, and 15% at Market.

LIHTC Segment

The lower portion of the LIHTC target income ranges is set by the proposed subject 1BR, 2BR and 3BR rents at 50% and 60% AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property's intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income on rent. GA-DCA has set the estimate for non elderly applications at 35%.

The proposed 1BR net rent at 50% AMI is \$375. The estimated utility costs is \$171. The proposed 1BR gross rent at 50% AMI is \$546. Based on the proposed gross rents the lower income limits at 50% AMI was established at \$18,720.

The proposed 1BR net rent at 60% AMI is \$425. The estimated utility costs is \$171. The proposed 1BR gross rent at 60% AMI is \$596. Based on the proposed gross rent the lower income limits at 60% AMI was established at \$20,434.

The maximum income at 50% and 60% AMI for 1 to 5 person households in Burke County follows:

	<u>50%</u> <u>AMI</u>	<u>60%</u> <u>AMI</u>
1 Person -	\$20,700	\$24,840
2 Person -	\$23,650	\$28,380
3 Person -	\$26,600	\$31,920
4 Person -	\$29,550	\$35,460
5 Person -	\$31,950	\$38,340

Source: 2015 HUD MTSP income limits.

LIHTC Target Income Ranges

The overall income range for the targeting of income eligible households at 50% AMI is \$18,720 to \$31,950.

The overall income range for the targeting of income eligible households at 60% AMI is \$20,434 to \$38,340.

Market Rate Segment

In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income, with an estimated expenditure (for the Waynesboro market) of gross rent to income set at 30%.

The estimated 2BR gross rent is \$717. The 2BR lower income limit based on a rent to income ratio of 30% is established at \$29,280, adjusted to \$30,000.

Technically there is no upper income limit for conventional apartment developments. Sometimes, an arbitrary limit can be placed upon a proposed development, taking into consideration, project design, intended targeted use, site location and the proposed unit and development amenity package. After examining the overall subject development project parameters, the upper income limit will be capped at \$50,000.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI

The subject will position 12-units at 50% of AMI.

The overall **Target Income Range** for the proposed subject property targeting households at 50% AMI is \$18,720 to \$31,950.

It is projected that in 2018, approximately **19.5%** of the renter households in the PMA will be in the subject property 50% AMI LIHTC target income group.

60% AMI

The subject will position 38-units at 60% of AMI.

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$20,434 to \$38,340.

It is projected that in 2018, approximately **21%** of the renter households in the PMA will be in the subject property 60% AMI LIHTC target income group.

Adjustments

In order to adjust for income overlap between the targeted income segments, the following adjustment was made. The 50% and 60% income segment estimates were reduced in order to account for overlap with each other, but only moderately at 60%, given fact that only 12-units will target renters at 50% AMI.

Renter-Occupied

50% AMI	7.0%
60% AMI	17.0%

Market Rate

The overall **Target Income Range** for the proposed subject property targeting households at Market is \$30,000 to \$50,000.

After adjusting for income overlap at 60% AMI, it is projected that in 2018, approximately **8.5%** of the renter-occupied households in the PMA will be in the subject property Market Rate target income group of \$30,000 to \$50,000.

Effective Demand Pool

In this methodology, there are three basic sources of demand for an apartment project to acquire potential tenants:

- * net household formation (normal growth),
- * existing renters who are living in substandard housing, and
- * existing renters who choose to move to another unit, typically based on affordability (rent overburdened), project location and features.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the 2016 to 2018 forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2014 and 2015.

Growth

For the PMA, forecast housing demand through household formation totals 0 households over the 2016 to 2018 forecast period. By definition, were this to be growth it would equal demand for new housing units. This demand would further be qualified by tenure and income range to determine how many would belong to the subject target income group.

Based on 2018 income forecasts, 0 new renter households fall into the 50% AMI target income segment of the proposed subject property, 0 into the 60% AMI target income segment, and 0 at Market.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2010-2014 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2010-2014 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 216 renter-occupied households were defined as residing in substandard housing. Based upon 2010-2014 American Community Survey data, 72 renter-occupied households were defined as residing in substandard housing. The forecast in 2018 was for 50 renter occupied households residing in substandard housing in the PMA.

Based on 2018 income forecasts, 4 substandard renter households fall into the target income segment of the proposed subject property at 50% AMI, and 9 are in the 60% AMI segment. This segment of the demand methodology is considered to be not applicable at Market.

Demand from Existing Renters that are Rent Overburdened

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2010-2014 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2018 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to the recent 2010-2014 national and worldwide recession since the report of the findings in the 2008-2012 American Community Survey. The 2010-2014 ACS indicates that within Burke County over 54% of all households age 18 to 64 (owners & renters) are rent or cost overburdened and the approximately 72% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened versus 62% in the \$20,000 to \$34,999 income range, and 52%

in the \$20,000 to \$50,000 income range, of which, it is estimated that half or approximately 26% are in the target Market Rate income segment of \$30,000 to \$50,000.

It is estimated that approximately 70% of the renters with incomes in the 50% AMI target income segment are rent overburdened, and 60% of the renters with incomes in the 60% AMI target income segment are rent overburdened.

In the PMA it is estimated that 120 existing renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property, 250 are in the 60% AMI segment and 55 are in the Market Rate segment.

***Note:** HUD and the US Census define a rent over burdened household at 30% of income to rent.

Total Effective Tenant Pool

The potential demand from these sources (within the PMA) total 124 households/units for the subject apartment development at 50% AMI. The potential demand from these sources (within the PMA) total 259 households/units for the subject apartment development at 60% AMI. The potential demand from these sources (within the PMA) total 55 households/units for the subject apartment development at Market.

The total potential demand from the PMA is 383 households/units for the subject apartment development at 50% to 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

These estimates of demand will still need to be adjusted for the introduction of new like-kind LIHTC supply into the PMA that is either: (1) built in 2015, placed in service in 2015, or currently in the rent-up process, (2) under construction, and/or (3) in the pipeline for development.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct, like-kind competitive supply under construction and/or in the pipeline for development must be taken into consideration. At present, there are no LIHTC or Market Rate apartment developments under construction within the PMA, nor are there any in the permitted pipeline for development. Source: Ms. Trinetta Skinner, Community Development Director, City of Waynesboro, (706) 554-4168.

A review of the 2013 to 2015 list of awards for both LIHTC & Bond applications made by the Georgia Department of Community Affairs revealed that no awards were made for a LIHTC family development within the Waynesboro PMA.

The segmented, effective demand pool for the proposed LIHTC new construction development is summarized in Table 14.

Table 14: LIHTC Family

Quantitative Demand Estimate: Waynesboro PMA

	50%	60%
	<u>AMI</u>	<u>AMI</u>
● <u>Demand from New Growth - Renter Households</u>		
Total Projected Number of Households (2018)	2,500	2,500
Less: Current Number of Households (2016)	<u>2,508</u>	<u>2,508</u>
Change in Total Renter Households	- 8	- 8
% of Renter Households in Target Income Range	<u>7%</u>	<u>17%</u>
Total Demand from New Growth	0	0
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing(2010)	72	72
Number of Households in Substandard Housing(2018)	50	50
% of Substandard Households in Target Income Range	<u>7%</u>	<u>17%</u>
Number of Income Qualified Renter Households	4	9
● <u>Demand from Existing Renter Households</u>		
Number of Renter Households (2018)	2,500	2,500
Minus substandard housing segment	50	50
Net Number of Existing Renter Households	2,450	2,450
% of Households in Target Income Range	<u>7%</u>	<u>17%</u>
Number of Income Qualified Renter Households	172	417
Proportion Income Qualified (that are Rent Overburdened)	<u>70%</u>	<u>60%</u>
Total	120	250
● <u>Net Total Demand</u>	124	259
Minus New Supply of Competitive Units (2014-2015)	<u>- 0</u>	<u>- 0</u>
● <u>Gross Total Demand</u>	124	259

Table 14B: Market Rate

Quantitative Demand Estimate: Waynesboro PMA

● <u>Demand from New Growth - Renter Households</u>	<u>Market</u>
Total Projected Number of Households (2018)	2,500
Less: Current Number of Households (2016)	<u>2,508</u>
Change in Total Renter Households	+ 0
% of Renter Households in Target Income Range	<u>8.5%</u>
Total Demand from New Growth	0
● <u>Demand from Existing Elderly Renter Households</u>	
Number of Renter Households (2018)	2,500
% of Households in Target Income Range	<u>8.5%</u>
Number of Income Qualified Renter Households	213
Proportion Income Qualified (that are Rent Overburdened)	<u>26%</u>
Total	55
● <u>Total Demand From Renters</u>	55
● <u>Minus New Supply of Competitive Units (2014-2015)</u>	<u>- 0</u>
● <u>Gross Total Demand - Market Rate</u>	55

Table 14 - Converted w/in GA-DCA Required Table

	HH @30% AMI xx,xxx to xx,xxx	HH @50% AMI \$18,720 to \$31,950	HH@ 60% AMI \$20,434 to \$38,340	HH @ Market \$30,000 to \$50,000	All LIHTC Households
Demand from New Households (age & income appropriate)		0	0	0	0
Plus					
Demand from Existing Renter Households - Substandard Housing		4	9	0	13
Plus					
Demand from Existing Renter Households - Rent Overburdened households		120	250	55	370
Sub Total		124	259	55	383
Demand from Existing Households - Elderly Homeowner Turnover (limited to 2%)		Na	Na	Na	Na
Equals Total Demand		124	259	55	383
Less					
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the project market between 2014 and the present		0	0	0	0
Equals Net Demand		124	259	55*	383

*When adjusted for the proposed subject BR Mix at Market this estimate is reduced to 29 further into the demand and capture rate analysis.

Capture Rate Analysis

Total Number of LIHTC Households Income Qualified = 383. For the subject 51 LIHTC units, this equates to an overall non adjusted LIHTC Capture Rate of **13.3%**.

	50%	60%
● <u>Capture Rate</u> (50 unit subject, by AMI)	<u>AMI</u>	<u>AMI</u>
Number of Units in Subject Development	12	39
Number of Income Qualified Households	124	259
Required Capture Rate	9.7%	15.1%

Market Rate Segment (1 of the 9 market rate units is non revenue for mgmt)

After adjusting for new like kind supply, the total number of Market Rate Income Qualified Households = 55. For the subject 8 Market Rate units this equates to an overall Market Capture Rate of **14.6%**.

● <u>Capture Rate</u> @ Market	<u>Market</u>
Number of Units in Subject Development	8
Number of Income Qualified Households	55
Required Capture Rate	14.6%

After adjusting for the proposed subject bedroom mix at Market, the total number of Market Rate Income Qualified Households = 29. For the subject 8 Market Rate units this equates to an overall Market Capture Rate of **27.6%**.

● <u>Capture Rate</u> @ Market	<u>Market</u>
Number of Units in Subject Development	8
Number of Income Qualified Households	29
Required Capture Rate	27.6%

● Total Demand by Bedroom Mix

It is estimated that approximately 25% of the target group fits the profile for a 1BR unit, 50% for a 2BR unit, and 25% of the target group is estimated to fit a 3BR unit profile. Source: Table 6 and Survey of the Competitive Environment.

* At present, there are no LIHTC (family) like kind competitive properties nor market rate properties under construction within the PMA.

Total Demand by Bedroom Type (at 50% AMI)

1BR - 31
2BR - 62
3BR - 31
Total - 124

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	31	0	31	2	6.5%
2BR	62	0	62	6	9.7%
3BR	31	0	31	4	12.9%

Total Demand by Bedroom Type (at 60% AMI)

1BR - 65
2BR - 129
3BR - 65
Total - 259

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	65	0	65	6	9.2%
2BR	129	0	129	21	16.3%
3BR	65	0	65	12	18.5%

Total Demand by Bedroom Type (at Market)

1BR - 13
2BR - 29
3BR - 13
Total - 55

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	13	0	13	0	Na
2BR	29	0	29	8	27.6%
3BR	13	0	13	0	Na

Capture Rate Analysis

Income Targeting	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Abspt
30% AMI							
1BR							
2BR							
3BR							
4BR							
50% AMI							
1BR	\$18,720-\$23,650	2	31	0	31	6.5%	1 mo.
2BR	\$22,355-\$26,600	6	62	0	62	9.7%	1 mo.
3BR	\$26,195-\$31,950	4	31	0	31	12.9%	1 mo.
4BR							
60% AMI							
1BR	\$20,434-\$28,380	6	65	0	65	9.2%	1 mo.
2BR	\$23,385-\$31,920	21	129	0	129	16.3%	6 mos.
3BR	\$27,220-\$38,340	12	65	0	65	18.5%	5 mos.
4BR							
Market Rate							
1BR							
2BR	\$30,000-\$50,000	8	29	0	29	27.6%	3 mos.
3BR							
4BR							
Total 30%							
Total 50%	\$18,720-\$31,950	12	124	0	124	9.7%	1 mo.
Total 60%	\$20,434-\$38,340	39	259	0	259	15.1%	6 mos.
Total LIHTC	\$18,720-\$38,340	51	383	0	383	13.3%	6 mos.
Total Market	\$30,000-\$50,000	8	29	0	29	27.6%	3 mos.

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

Overall Impact to the Rental Market

In the opinion of the market analyst, the proposed LIHTC/Market Rate family development **will not negatively impact** the existing supply of program assisted LIHTC family properties located within the Waynesboro PMA in the short or long term.

At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 100% occupied, and all three properties maintained a waiting list ranging in size between 5 and 20 applications. The five existing USDA-RD Section 515 family properties, were on average 97.8% occupied, and all five properties maintain a small waiting list ranging in size between 1 and 6 applications.

Some relocation of tenants in the area program assisted family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

SECTION H

COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS

This section of the report evaluates the general rental housing market conditions in the PMA apartment market, for both LIHTC and non LIHTC program assisted family properties and market rate properties.

Part I of the survey focused upon the existing program assisted family properties within the PMA.

Part II consisted of a sample survey of conventional apartment properties in the competitive environment. The analysis includes individual summaries and pictures of properties as well as an overall summary rent reconciliation analysis.

The Waynesboro apartment market is representative of a semi-urban apartment market, greatly influenced by a much larger, surrounding rural hinterland. The Waynesboro apartment market does not have any traditional market rate properties of size. The local market does contain three LIHTC family properties, several small USDA-RD and HUD properties, and a public housing authority. Outside of Waynesboro the rental market is primarily composed of single-family homes and single-wide trailers for rent. Owing to the fact that Waynesboro lacks a sizable number of non subsidized / market rate properties the sample set included market rate properties located approximately 20 to 25 miles from Waynesboro, in Augusta, Hephzibah, Statesboro and Swainsboro.

The selection process of "comparables" focused upon including those properties within the surveyed data set offering one, two and three-bedroom units, are non subsidized, were professionally managed, and in very good to excellent condition.

Part I - Survey of the Program Assisted Family Apartment Market

Nine program assisted family properties, as well as the Waynesboro Housing Authority representing 763 units were surveyed in the subject's competitive environment, in detail. Three of the program assisted properties are LIHTC/HOME. Five properties are USDA-RD and one is HUD Section 8. Several key findings in the local program assisted apartment market include:

- * At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted family apartment properties was less than 1%, at 0.6%.
- * At the time of the survey, the overall vacancy rate of the three LIHTC properties was 0%. All three properties maintain a waiting list, ranging in size between 5 to 20 applicants.
- * The bedroom mix of the surveyed LIHTC family properties is 2% 1BR, 5% 2BR, 78% 3BR, and 15% 4BR.
- * At the time of the survey, the overall vacancy rate of the five USDA-RD properties was 2.2%. All five properties maintain a waiting list, ranging in size between 1 and 6 applicants.

* The bedroom mix of the surveyed USDA family properties is 28% 1BR, 66% 2BR, and 6% 3BR.

Part II - Sample Survey of Market Rate Apartments

Six market rate properties, representing 628 units were surveyed in detail. In addition, the market rate units within the Pecan Grove I and II LIHTC properties were taken into consideration. Owing to the fact that Waynesboro lacks a sizable number of non subsidized / market rate properties the sample set included market rate properties located approximately 20 to 25+ miles from Waynesboro in Augusta, Hephzibah, Statesboro and Swainsboro. Several key findings within the competitive apartment market environment include:

* At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties targeting the general population was less than 2%, at 1.2%.

* The typical occupancy rates reported for most of the surveyed properties ranges between the mid 90's to high 90's.

* The bedroom mix of the surveyed market rate properties was 14% 1BR, 73% 2BR, 10% 3BR, and 3% 4BR.

* A survey of the conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
1BR/1b	\$655	\$740	\$560-\$827
2BR/1b	\$650	\$650	\$650-\$650
2BR/1.5b & 2b	\$797	\$817	\$650-\$965
3BR/2b	\$794	\$750	\$610-\$953

Source: Koontz & Salinger. May, 2016

* Four of the six surveyed market rate properties includes water, sewer and trash removal within the net rent. One of the surveyed properties only includes trash removal, and no includes are included in the net rent at one property.

* Security deposits range between \$200 and \$400, or were based upon one month's rent or based upon credit.

* None of the surveyed market rate properties are presently offering rent concessions.

* One of the surveyed market rate properties was built in the 1970's, two in the 80's, one in the 90's, and two in the 2000's.

* A survey of the conventional apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Unit Size			
BR/Size	Average	Median	Range
1BR/1b	724	700	550-850
2BR/1b	950	950	950-950
2BR/1.5b & 2b	1044	1150	888-1177
3BR/2b	1150	1100	1050-1280

Source: Koontz & Salinger. May, 2016

* In the area of unit size, by bedroom type, the subject will offer very competitive unit sizes, by floor plan, in comparison with the existing market rate properties. The proposed subject 1BR heated square footage is approximately 13% greater than the 1BR market average unit size. The proposed subject 2BR/2b heated square footage is approximately 8% greater than the 2BR/2b market average unit size. The proposed subject 3BR/2b heated square footage is approximately 3% greater than the 3BR/2b market average unit size.

Section 8 Vouchers

The Section 8 voucher program for Burke County is managed by the Georgia Department of Community Affairs. At the time of the survey the Georgia DCA regional office stated that 52 vouchers were under contract within Burke County. In addition, it was reported that presently there are 100 applicants on the waiting list. Presently, the waiting list is closed, but will soon reopen. Source: Ms. Linda Driver, Office Manager, (912) 287-6573, April 18, 2016.

Most Comparable Property

* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
High Point Crossing	High Point Crossing	High Point Crossing
Oakview Place	Oakview Place	Pinnacle Place
Pinnacle Place	Pine Terrace	Pecan Grove
The Creek @ Southern	Pinnacle Place	
	The Creek @ Southern	
	Village of Mill Creek	

Source: Koontz & Salinger. May, 2016

* The most direct like-kind comparable surveyed properties to the proposed subject development in terms of age and income targeting are the existing LIHTC family properties in Waynesboro: Pecan Chase and Pecan Grove I & II.

* In terms of market rents, and subject rent advantage, the most comparable properties comprise six of the surveyed market rate properties located outside of the Waynesboro PMA. A distance value adjustment was applied within the rent reconciliation process for those properties located in Augusta and Hephzibah. A distance value adjustment was not applied within the rent reconciliation process for those properties located in Swainsboro and Statesboro as they are considered to be demographically and geographically comparable to Waynesboro.

Fair Market Rents

The 2016 Fair Market Rents for Burke County, GA are as follows:

- Efficiency = \$ 533
- 1 BR Unit = \$ 612
- 2 BR Unit = \$ 735
- 3 BR Unit = \$ 997
- 4 BR Unit = \$1269

*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.gov

Note: The proposed subject property LIHTC 1BR, 2BR and 3BR gross rents are below the maximum Fair Market Rent at both 50% and 60% AMI. Thus, the subject property LIHTC 1BR, 2BR and 3BR units at 50% and 60% AMI will be very marketable to Section 8 voucher holders in Burke County.

Housing Voids

The primary housing void within the Waynesboro PMA is the lack of traditional market rate apartment properties targeting the general population, absent of any form of income restriction.

Rent Increase/Decrease

Between 2009 and 2016 the following change in net rents was reported for the Pecan Grove LIHTC property located in Waynesboro:

LIHTC 50% 3BR rents: 10% (2% annually)

LIHTC 60% 3BR rents: 5% (1% annually)

LIHTC 60% 4BR rents: 2.5% (.5% annually)

Market Rents - No change

Table 15 exhibits building permit data between 2000 and February 2016. The permit data is for Burke County (including Waynesboro).

Between 2000 and February 2016, 901 permits were issued in Burke County, of which, 26 or approximately 3% were multi-family units.

Table 15			
New Housing Units Permitted: Burke County, 2000-2016¹			
Year	Net Total²	Single-Family Units	Multi-Family Units
2000	42	38	4
2001	50	46	4
2002	56	52	4
2003	58	56	2
2004	96	96	--
2005	68	68	--
2006	67	67	--
2007	133	133	--
2008	62	50	12
2009	40	40	--
2010	41	41	--
2011	23	23	--
2012	29	29	--
2013	43	43	--
2014	43	43	--
2015	44	44	--
2016	6	6	--
Total	901	875	26

¹Source: SOCDs Building Permits Database.

²Net total equals new SF and MF dwellings units.

Table 16, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed program assisted apartment family properties in the Waynesboro competitive environment.

Table 16											
SURVEY OF PROGRAM ASSISTED FAMILY APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR-4BR	Vac. Units	1BR Rent	2BR Rent	3&4BR Rent	SF 1BR	SF 2BR	SF 3 & 4BR
Subject	56	8	32	16	Na	\$375- \$425	\$435- \$515	\$495- \$525	817- 857	1046	1209
LIHTC											
Pecan Chase	34	3	7	24	0	\$205- \$383	\$249- \$423	\$445	756	915	1136
Pecan Grove	40	--	--	40	0	--	--	\$156- \$610	--	--	1280
Pecan Grove II	54	--	--	54	0	--	--	\$458- \$675	--	--	1280- 1600
Sub Total	128	3	7	118	0						
USDA-RD											
Maple Lane	10	6	4	--	0	\$415	\$435	--	610	764	--
Meadow Woods	24	8	12	4	0	\$480	\$575	\$605	606	730	830
Orchard Hill	66	12	54	--	2	\$415	\$453	--	703	995	--
Windy Hill	48	16	32	--	2	\$380	\$405	--	703	995	--
Woodland Terrace	30	8	16	6	0	\$430	\$480	\$520	650	925	950
Sub Total	178	50	118	10	4						
HUD 8											
Burkestone	70	30	24	16	1	BOI	BOI	BOI	578- 588	879- 910	1200- 1361
PHA	387	72	128	187	0	BOI	BOI	BOI	703	995	1272- 1422
Total*	763	155	277	331	5						

* - Excludes the subject property

Note: The basic rent was noted for the USDA-RD properties

Comparable properties highlighted in red.

Source: Koontz and Salinger. May, 2016.

Table 17 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed market rate apartment properties within the competitive environment.

Table 17											
SURVEY OF MARKET RATE COMPETITIVE SUPPLY PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR-4BR	Vac. Units	1BR Rent	2BR Rent	3&4BR Rent	SF 1BR	SF 2BR	SF 3 & 4BR
Subject	56	8	32	16	Na	\$375- \$425	\$435- \$515	\$495- \$525	817- 857	1046	1209
High Point Crossing	168	32	120	16	1	\$560	\$650	\$750	850	950	1050
Oakview Place	124	24	100	--	0	\$751- \$825	\$826- 871	--	692	889- 1042	--
Pine Terrace	24	--	24	--	1	--	\$650	--	--	1052	--
Pinnacle Place	120	16	72	32	2	\$627- \$737	\$751- \$817	\$873- \$953	740	975	1130
The Creek @ Southern	50	20	15	15	0	\$625	\$800	\$1200	550	1150	1450
Village of Mill Creek	142	--	142	--	4	--	\$740- \$965	--	--	1072- 1177	--
Total*	628	92	473	63	8						

* - Excludes the subject property

Comparable properties highlighted in red.

Source: Koontz and Salinger. May, 2016.

Table 18, exhibits the key amenities of the subject and the surveyed program assisted family apartment properties. Overall, the subject is competitive to very competitive with all of the existing program assisted apartment properties in the market regarding the unit and development amenity package.

Table 18													
SURVEY OF PROGRAM ASSISTED FAMILY APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
LIHTC													
Pecan Chase	x	x			x	x	x	x	x	x	x	x	x
Pecan Grove	x	x			x	x	x	x	x	x	x	x	x
Pecan Grove II	x	x			x	x	x	x	x	x	x	x	x
USDA-RD													
Maple Lane								x	x	x	x		
Meadow Woods	x	x			x			x	x	x	x		x
Orchard Hill	x	x			x			x	x	x	x		x
Windy Hill	x	x			x				x	x	x		x
Woodland Terrace	x	x			x			x	x	x	x		x
HUD													
Burkestone	x	x			x	x	x		x	x	x		
PHA													
Waynesboro PHA					x			x	x				

Source: Koontz and Salinger. May, 2016.

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

Table 19, exhibits the key amenities of the subject and the surveyed conventional apartment properties.

Table 19													
SURVEY OF CONVENTIONAL COMPETITIVE SUPPLY UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
High Point Crossing	x	x	x		x	x	x	x	x	x	x	x	x
Oakview Place	x	x	x		x	x	x	x	x	x	x	x	x
Pine Terrace						x	x	x	x	x	x		x
Pinnacle Place	x		x			x	x	x	x	x	x		x
The Creek @ Southern						x	x	x	x	x	x		x
Village of Mill Creek	x		x		x	x	x	x	x	x	x	x	x

Source: Koontz and Salinger. May, 2016.

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information.

A map showing the location of the program assisted properties in the Waynesboro PMA is provided on page 99. A map showing the location of the surveyed Market Rate properties located within the competitive environment is provided on page 100. A map showing the location of the surveyed Comparable properties located within the competitive environment is provided on page 101.

Survey of Program Assisted Family Properties

1. Pecan Chase Apartments, 201 Pecan Chase (706) 554-0770 or (770) 386-2921

Contact: Ms Debbie, Tower Mgmt (4/11/16) **Type:** LIHTC FM (30%, 50%, 60%)

Date Built: 1998 **Condition:** Very Good

<u>Unit Type</u>	<u>30% Number</u>	<u>50%</u>	<u>60%</u>	<u>30% Rent</u>	<u>50% Rent</u>	<u>60%</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	2	--	1	\$205	---	\$383	\$127	756	0
2BR/2b	4	2	1	\$249	\$423	\$423	\$129	915	0
3BR/2b	--	11	13	---	\$445	\$445	\$165	1136	0
Total	6	13	15						0

Typical Occupancy Rate: 99%
Security Deposit: 1 month rent
Utilities Included: trash

Waiting List: Yes (5)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Computer Lab	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: Two story

Remarks: 0 existing tenants have Section 8 vouchers; "initially there were more 30% AMI units, now they are transitioning to 50% units as tenants vacate"



2. Pecan Grove Apartments, 100 Pecan Grove Dr (706) 437-1108

Contact: Ms Jamel (4/7/16)

Type: LIHTC FM (30%, 50%, 60% & Market Rate)

Date Built: 2006

Condition: Very Good

<u>Unit Type</u>	<u>30%</u>	<u>50%</u>	<u>60%</u>	<u>MR</u>	<u>30%</u>	<u>50%</u>	<u>60%</u>	<u>MR</u>	<u>Utility Allowance</u>	<u>Size</u>	<u>Vacant</u>
	<u>Number</u>				<u>Rent</u>						
3BR/2b	6	18	8	8	\$156	\$458	\$575	\$610	\$298	1280	0
Total	6	18	8	8							0

Typical Occupancy Rate: 99%

Waiting List: Yes (20)

Security Deposit: 1 month rent

Concessions: No

Utilities Included: None

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Computer Lab	Yes	Recreation Area	Yes
Storage	No	Picnic Area	Yes

Design: Single-family home for rent

Remarks: 5 to 7 existing tenants have Section 8 vouchers; no negative impact is expected; 100% occupied within 4-months



3. Pecan Grove II Apartments, 100 Pecan Grove Dr (706) 437-1108

Contact: Ms Jamel (4/7/16)

Type: LIHTC FM (50%, 60% & Market Rate)

Date Built: 2007

Condition: Very Good

<u>Unit Type</u>	<u>50% Number</u>	<u>60% MR</u>	<u>50% Rent</u>	<u>60% MR</u>	<u>Utility Allowance</u>	<u>Size</u>	<u>Vacant</u>	
3BR/2b	27	8	\$458	\$575	\$610	\$298	1280	0
4BR/2b	12	4	\$474	\$602	\$675	\$371	1600	0
Total	39	12	13					0

Typical Occupancy Rate: 99%
Security Deposit: 1 month rent
Utilities Included: None

Waiting List: Yes (20)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Computer Lab	Yes	Recreation Area	Yes
Storage	No	Picnic Area	Yes

Design: Single-family home for rent

Remarks: 25 to 27 existing tenants have Section 8 vouchers; no negative impact is expected; 100% occupied within 5-months



4. Maple Lane Apartments, 197 GA Hwy 305, Midville (803) 788-3800

Contact: Marcia Kirkland, Boyd Mgmt (3/30/16)
Date Built: Na

Type: USDA-RD FM
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	6	\$415	\$522	610	0
2BR/1b	4	\$435	\$559	764	0
Total	10				0

Typical Occupancy Rate: 100%

Waiting List: Yes (1)

Security Deposit: \$150

Concessions: No

Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

Design: 1 story

Remarks: 10 units have RA; 1BR allowance is \$102; 2BR allowance is \$148; no negative impact is expected



5. Meadow Woods Apartments, 730 Bargeron Ave, Sardis (478) 569-4563

Contact: Marcia Kirkland, Boyd Mgmt (3/30/16) **Type:** USDA-RD FM
Date Built: 1980 **Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$480	\$509	606	0
2BR/1b	12	\$575	\$609	730	0
3BR/1.5b	4	\$605	\$640	830	0
Total	24				0

Typical Occupancy Rate: 100% **Waiting List:** Yes (5)
Security Deposit: \$150 **Concessions:** No
Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	No

Design: 1 & 2 story

Remarks: 24 units have RA; 1BR allowance is \$124; 2BR allowance is \$174; 3BR allowance is \$196; no negative impact is expected



6. Orchard Hill Apartments, 725 W 6th St

(706) 554-5277

Contact: Debra, Manager (4/6/16)

Type: USDA-RD FM

Date Built: Phase I - 1982; Phase II - 1987

Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	12	\$415	\$600	703	2
2BR/1b	54	\$435	\$688	995	0
Total	66				2

Typical Occupancy Rate: 97%

Waiting List: Yes (6)

Security Deposit: 1 month basic rent

Concessions: No

Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 1-story

Remarks: 45-units have RA; 4 existing tenants have Section 8 vouchers; no negative impact is expected



7. Windy Hill Apartments, 1205 Windy Hill Cir (706) 554-9757

Contact: Ms Debra, Manager (4/4/16)
Date Built: 1987

Type: USDA-RD fm
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	16	\$380	\$483	703	1
2BR/1b	32	\$405	\$547	995	1
Total	48				2

Typical Occupancy Rate: 96%
Security Deposit: 1 month basic rent
Utilities Included: water, sewer, trash

Waiting List: Yes (1)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	No

Design: 1-story

Remarks: 22-units have RA; 2 Section 8 vouchers; 1BR allowance is \$102; 2BR allowance is \$139; expects no long term negative impact



8. Woodland Terrace, 622 Woodland Terrace Dr (706) 554-7270

Contact: Marcia Kirkland, Boyd Mgmt (3/30/16)
Date Built: 1991

Type: USDA-RD FM
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$430	\$463	650	0
2BR/1b	16	\$480	\$518	925	0
3BR/1.5b	6	\$520	\$560	950	0
Total	30				0

Typical Occupancy Rate: 100%

Waiting List: Yes (3)

Security Deposit: \$150

Concessions: No

Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 1 & 2 story

Remarks: 15 units have RA; 1BR allowance is \$109; 2BR allowance is \$149; 3BR allowance is \$182; no negative impact is expected



9. Burkestone Place Apartments, 803 Davis Rd (706) 554-5379

Contact: Ms Walker, Manager (4/7/16)
Date Built: 1979 Rehab-2007

Type: LIHTC/HUD 8 FM
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Contract Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	30	\$550	\$ 80	578-588	1
2BR/1b	24	\$650	\$ 94	878-910	0
3BR/1.5b	12	\$800	\$127	1200	0
4BR/2b	4	\$850	\$145	1361	0
Total	70 (1 unit set aside for mgmt)				1

Typical Occupancy Rate: 98%-100% **Waiting List:** Yes (100)
Security Deposit: 1 month rent **Concessions:** No
Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 1-story

Remarks: 100% PBRA; expects no negative impact



10. Waynesboro Housing Authority, scattered sites (706) 554-2233

Contact: Ms. Brent Meeks, Dir (4/7/16)
Date Built: 1952-1980

Type: PHA
Condition: Good to Fair

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	72	BOI	703	0
2BR/1b	128	BOI	995	0
3BR/1b	147	BOI	1272	0
4BR/1.5b	40	BOI	1422	0
Total	387			0

Typical Occupancy Rate: 99%
Security Deposit: Na
Utilities Included: water, sewer, trash

Waiting List: Yes (1 year wait)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	No
Dishwasher	No	Carpeting	No
Disposal	No	Window Treatment	No
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 1 & 2-story

Remarks: 100% PBRA; some units being remodeled; minimum rent - \$50



Survey of the Competitive Environment: Market Rate

1. High Point Crossing, 524 Richmond Hill Rd, Augusta (706) 793-3697

Contact: Ms Leslie, Manager
Date Built: 1977; Rehabed 1998

Date Contacted: 4/7/2016
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	32	\$560	850	\$.66	0
2BR/1b	120	\$650	950	\$.68	1
3BR/2b	16	\$750	1050	\$.71	0
Total	168				1

Typical Occupancy Rate: 95%
Security Deposit: \$400
Utilities Included: water, sewer, trash

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	Yes	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	No
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes
Fitness Center	No	Business Center	Yes

Design: two story walk-up

Remarks: located outside the Waynesboro PMA



2. Oakview Place, 3506 Oakview Place, Hephzibah (706) 796-6059

Contact: Christy Phillips, Manager
Date Built: 1980

Date Contacted: 4/7/2016
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	24	\$751-\$825	692	\$1.09-\$1.19	0
2BR/1.5b	76	\$826-\$876	1042	\$0.79-\$0.84	0
2BR/2b	24	\$831	888	\$0.94	0
Total	124				0

Typical Occupancy Rate: 93%-96%
Security Deposit: based upon credit
Utilities Included: water, sewer, trash

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes
Picnic Area	Yes		

Design: two story walk-up & townhouse

Remarks: located outside the Waynesboro PMA; rents based on Yieldstar



3. Pine Terrace, 120 Louise St, Swainsboro (478) 494-2584

Contact: Windy Underwood

Date Contacted: 4/7/2016

Date Built: 2002

Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
2BR/2b	24	\$650	1052	\$0.62	1
Total	24				1

Typical Occupancy Rate: 95%
Security Deposit: 1 month rent
Utilities Included: trash removal

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	Yes	Picnic Area	Yes

Design: Two story walk-up

Remarks: located outside the Waynesboro PMA



4. Pinnacle Place, 500 Caldwell Dr, Hephzibah (706) 793-2435

Contact: Ms Peggy, Manager
Date Built: 1982; Rehab-2007

Date Contacted: 4/8/2016
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	16	\$627-\$737	740	\$0.85-\$1.00	0
2BR/1.5b	72	\$751-\$817	975	\$0.77-\$0.84	2
3BR/2b	32	\$873-\$953	1130	\$0.77-\$0.84	0
Total	120				2

Typical Occupancy Rate: 93%-96%
Security Deposit: based upon credit
Utilities Included: water, sewer, trash

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	No
Laundry Room	No	Pool	Yes
Tennis Court	No	Recreation Area	No
Picnic Area	No		

Design: two story walk-up

Remarks: located outside the Waynesboro PMA; rents based on Yieldstar



5. The Creek at Southern, 220 Lanier Dr, Statesboro (912) 489-4432

Contact: Ms Jessica, P & G Rentals

Date Contacted: 4/12/2016

Date Built: 1992

Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	20	\$625	550	\$1.14	0
2BR/2.5b	15	\$800	1150	\$0.70	0
4BR/2.5b	15	\$1200	1450	\$0.83	0
Total	50				0

Typical Occupancy Rate: mid 90's

Waiting List: No

Security Deposit: \$200

Concessions: No

Utilities Included: water, sewer, trash

Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	Yes	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Clubhouse	No
Fitness Ctr	No	Recreation Area	No

Design: Townhouse w/gated entry

Remarks: located outside the Waynesboro PMA; rents mostly to students; rent includes \$50 of utilities inc. elec.



6. Village of Mill Creek, 552 E Main St, Statesboro (912) 489-3044

Contact: Ms Virginia, Manager

Date Contacted: 4/7/2016

Date Built: 2008-2015

Condition: Very Good/Excellent

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
2BR/2b	142	\$740-\$965	1072-1177	\$.69-\$.82	4
Total	142				4

Typical Occupancy Rate: 96%

Waiting List: Yes ("sometimes")

Security Deposit: \$250 to 1 month rent

Concessions: No

Utilities Included: None

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	Yes	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

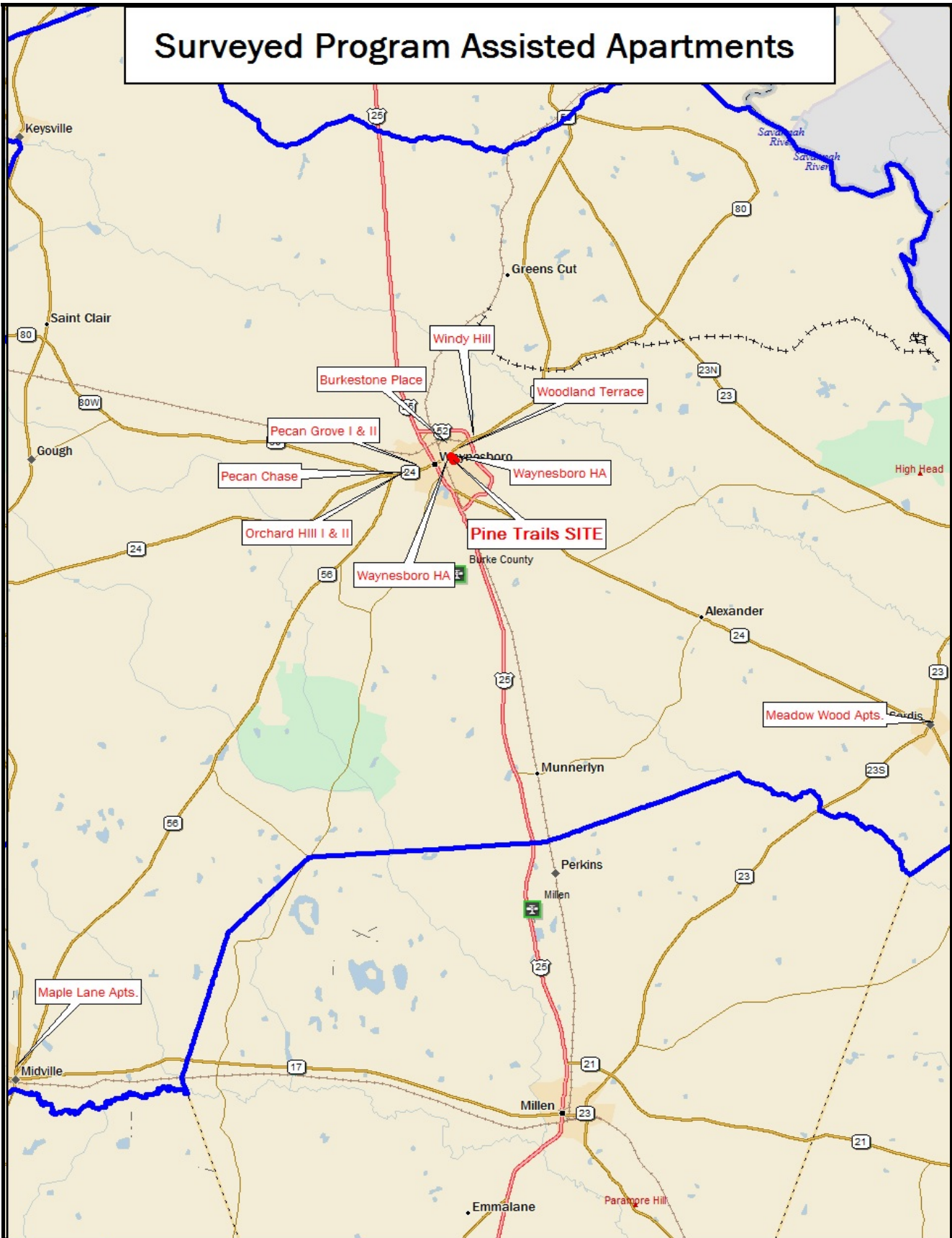
On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	No	Clubhouse	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Business Ctr	No	Picnic Area	No

Design: 2-story

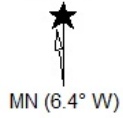
Remarks: located outside the Waynesboro PMA; 30 units built in last phase



Surveyed Program Assisted Apartments

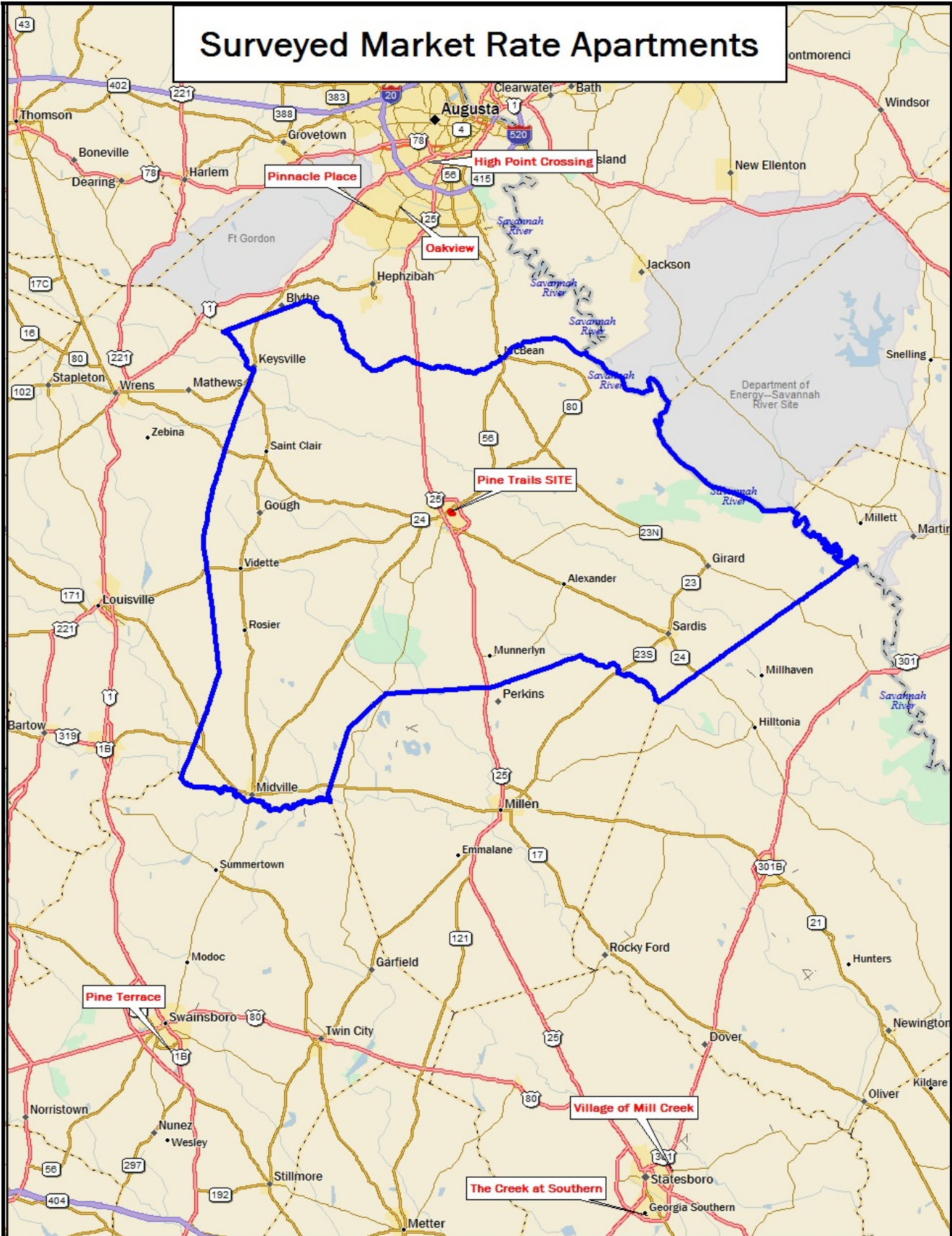


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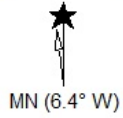


Data Zoom 9-6

Surveyed Market Rate Apartments

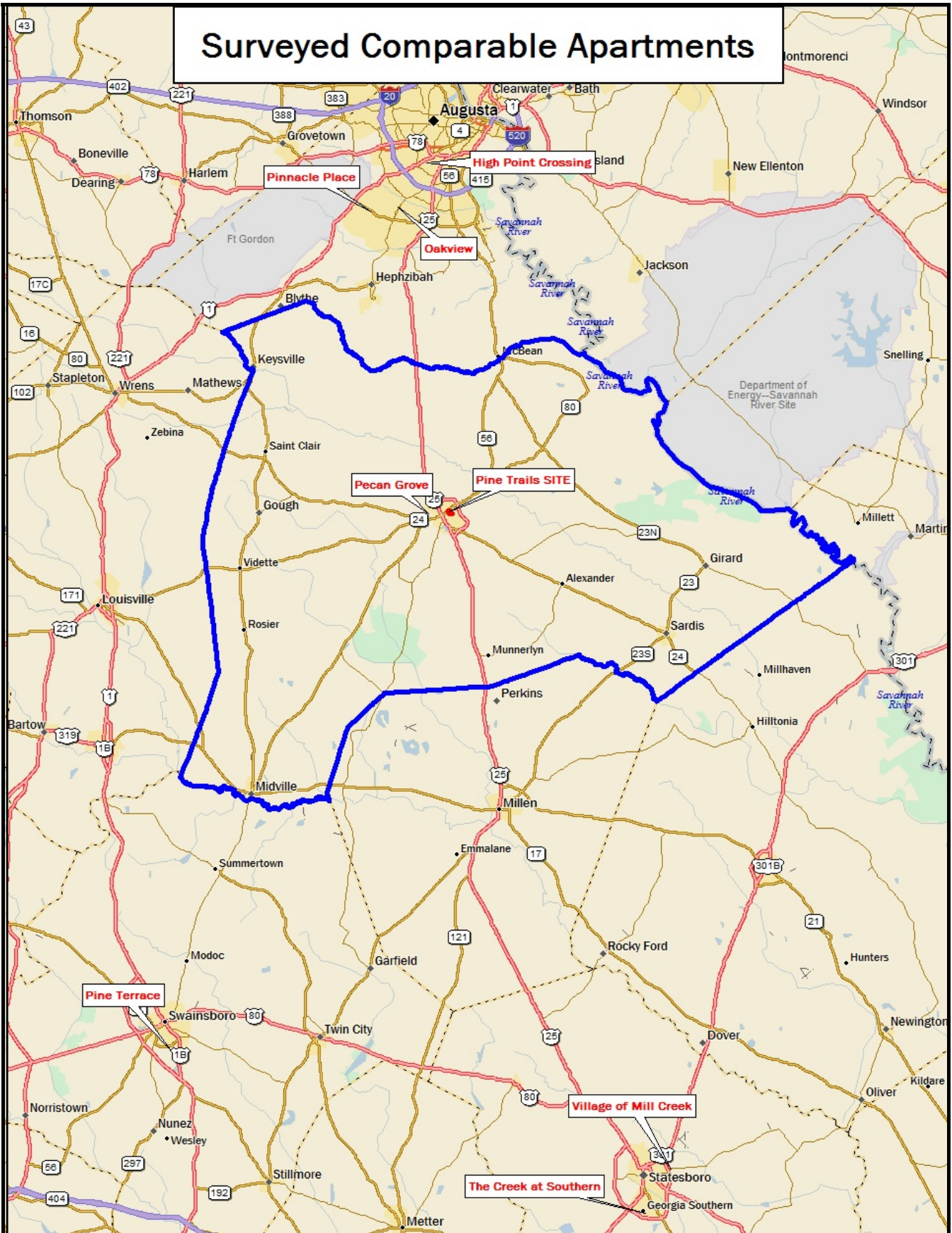


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Surveyed Comparable Apartments



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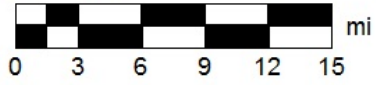
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SECTION I
ABSORPTION &
STABILIZATION RATES

Given the strength of the demand estimated in Table 14, the most likely/best case scenario for 93% to 100% rent-up is estimated to be within 6 months (at 10-units per month on average).

The rent-up period estimate is based upon the most recently built LIHTC family developments located

within Waynesboro, GA:

Pecan Grove (2006)	40-units 4-months to attain 100% occupancy
Pecan Grove II (2007)	64-units 5-months to attain 100% occupancy

Note: The absorption of the project is contingent upon an attractive product, professional management, and a strong marketing and pre-leasing program.

Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.

NCHMA Definitions

Absorption Period: The period of time necessary for a newly constructed or renovated property to achieve the Stabilized Level of occupancy. The Absorption Period begins when the first certificate of occupancy is issued and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. This assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption Rate: The average number of units rented each month during the Absorption Period.

Stabilized Level of Occupancy: The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

SECTION J
INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research process. In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site

location, project size, bedroom mix, income targeting and net rents. The following observations/comments were made:

(1) - Ms. Trinetta Skinner, Community Development Director for the City of Waynesboro, reported that no current infrastructure development was ongoing within the vicinity of the subject site, nor was any planned in the near future. In addition, he reported on the status of current and upcoming permitted apartment development within Waynesboro. Contact Number: (706) 554-4168.

(2) - Ms Nancy Dove, of the Athens GA-DCA Office made available the number of Section 8 Housing Choice Vouchers being used within Burke County. In addition, it was stated that the current waiting list for a Section 8 Housing Choice Voucher is closed, partly due to demand being significantly greater than supply, and budgetary constraints. Contact Number: (706) 369-5636.

(3) - Ms. Debbie, the manager of the Pecan Chase LIHTC Apartments was interviewed. She stated that at the time of the survey, Pecan Chase was 100% occupied and had 5 applicants on the waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Waynesboro. Contact Number: (770) 386-2921.

(4) - Ms. Jamel, the manager of the Pecan Grove I and II LIHTC Apartments was interviewed. She stated that at the time of the survey, both Pecan Grove I and II were 100% occupied and both maintain a waiting list, with a combined 20 applicants. Pecan Grove I opened in 2006 and was full within 4-months. Pecan Grove II opened in 2007 and was full within 5-months. In addition, it was stated that no negative impact is expected should the proposed development be built in Waynesboro. Contact Number: (706) 437-1108.

(5) - Ms. Walker, the manager of the Burkestone Place (LIHTC/HUD Section 8 Acquisition Rehab) Apartments was interviewed. She stated that at the time of the survey, Burkestone Place was 100% occupied and had 100 applicants on the waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Waynesboro. Contact Number: (706) 554-5379.

(6) - Ms. Debra, the manager of the Orchard Hill I & II USDA-RD Apartments was interviewed. She stated that at the time of the survey, Orchard Hill was 97% occupied and had 6 applicants on the waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Waynesboro. Contact Number: (706) 554-5277.

SECTION K

CONCLUSIONS &
RECOMMENDATION

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that the Pine Trails Apartments (a proposed LIHTC/Market Rate property) targeting the general population should proceed forward with the development process.

Detailed Support of Recommendation

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC/Market Rate family development of 60-units. The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable, and within the GA-DCA threshold limits.**

2. The current LIHTC and USDA-RD program assisted apartment market is **not** representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted apartment properties was less than 1%, at 0.6%. At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties located within the competitive environment was less than 2%, at 1.2%.

3. The proposed complex amenity package is considered to be very competitive within the PMA apartment market for affordable properties. It will be competitive with older program assisted properties and older, smaller, market rate properties in Waynesboro.

4. Bedroom Mix - The subject will offer 1BR, 2BR and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from single person households to large family households.

5. Assessment of rents - The proposed LIHTC net rents, by bedroom type, will be very competitive within the PMA apartment market at 50% and 60% AMI. Market rent advantage is greater than 20% in 5 of 6 AMI segments, and by bedroom type. The table on page 106, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties within the competitive environment.

6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 6-months.

7. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 93% or higher.

8. The site location is considered to be marketable.

9. The proposed LIHTC/Market Rate family development will not negatively impact the existing supply of program assisted properties located within the Waynesboro PMA competitive environment in the short or long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 100% occupied, and all three properties maintained a waiting list ranging in size between 5 and 20 applications. The five existing USDA-RD Section 515 family properties, were on average 97.8% occupied, and all five properties maintain a small waiting list ranging in size between 1 and 6 applications.

10. No modifications to the proposed project development parameters as currently configured are recommended.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

Market Rent Advantage

The rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50% and 60% of AMI.

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	30%	21%
2BR/2b:	30%	26%
3BR/2b:	23%	19%
Overall:	24%	

Rent Reconciliation				
50% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$375	\$435	\$495	---
Estimated Market net rents	\$535	\$625	\$645	---
Rent Advantage (\$)	+\$160	+\$190	+\$150	---
Rent Advantage (%)	30%	30%	23%	---
60% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$425	\$465	\$525	---
Estimated Market net rents	\$535	\$625	\$645	---
Rent Advantage (\$)	+\$110	+\$160	+\$120	---
Rent Advantage (%)	21%	26%	19%	---

Source: Koontz & Salinger. May, 2016

Recommendation

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that the Pine Trails Apartments (a proposed LIHTC/Market Rate new construction family development) proceed forward with the development process.

Negative Impact

The proposed LIHTC/Market Rate family development **will not negatively impact** the existing supply of program assisted properties located within the Waynesboro PMA competitive environment in the short or long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 100% occupied, and all three properties maintained a waiting list ranging in size between 5 and 20 applications. The five existing USDA-RD Section 515 family properties, were on average 97.8% occupied, and all five properties maintain a small waiting list ranging in size between 1 and 6 applications.

Some relocation of tenants in the area program assisted family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50% and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income qualified Section 8 Housing Choice Voucher holders within Waynesboro and Burke County, for the proposed subject 1BR, 2BR, and 3BR units.

It is recommended that the proposed subject LIHTC net rents at 50% and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC family development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers, when taking into consideration differences in income restrictions, unit size and amenity package.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, it is recommended that the proposed net rents remain unchanged. In addition, the subject's gross rents are already closely positioned to be under Fair Market Rents for Burke County, while at the same time operating within a competitive environment.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained, is not recommended.

Mitigating Risks

The subject development is very well positioned to be successful in the market place. It will offer a product that will be very competitive regarding: rent positioning, project design, amenity package and professional management. The major unknown mitigating risk to the development process will be the status of the local economy during 2016-2017 and beyond.

At present, economic indicators point to a stable local economy. However, the operative word in forecasting the economic outlook in Burke County, the State, the Nation, and the Globe, at present is "uncertainty". At present, the Waynesboro/Burke County local economic conditions are considered to be operating within a more positive and certain state compared to the recent past, with recent continuing signs of optimism.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

Rent Reconciliation Process

Six market rate properties in the competitive environment were used as comparables to the subject. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- an adjustment is made for 1 story single-family homes for rent versus the subject,
- no "time adjustment" was made; all of the comparable properties were surveyed in April, 2016,
- a "distance or neighborhood adjustment" was made; owing to the fact that comparisons are mostly being made between properties located outside of the subject PMA,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout,
- an adjustment was made for the age of the property; this adjustment was made on a conservative basis,
- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square

Feet Area (i.e., unit size),

- no adjustment was made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- no adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. Most of the comparable properties include cold water, sewer and trash removal within the net rent. An adjustment will be made for utilities.

ADJUSTMENT ANALYSIS

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

Adjustments:

- Concessions: None of the six comparable market rate properties offers a concession. No adjustment is made.
- Structure/Floors: A \$10 net adjustment is made for 1 story single-family homes for rent versus the subject.
- Year Built: The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property. Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.
- Square Feet (SF) Area: In order to allow for differences in amenity package, and the balcony/patio adjustment, the overall SF adjustment factor used is .05 per sf per month, for each bedroom type.
- Number of Baths: An adjustment was necessary for the bedroom bath mix, in particular for the proposed 2BR units. Typically the adjustment is \$15 for a ½ bath and \$30 for a full bath difference.

- Balcony/Terrace/Patio: The subject will offer a traditional balcony/patio, with an attached storage closet. The balcony/patio adjustment is based on an examination of the market rate comps. The balcony/patio adjustment resulted in a \$5 value for the balcony/patio.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$225; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$5.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$750; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- Pool/Recreation Area: The subject offers recreational space on the property. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$10 for a tennis court and \$25 for a pool.
- Water: The subject excludes cold water and sewer in the net rent. Most of the comparable properties include water and sewer in the net rent. The source for the utility estimates by bedroom type is based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2015). See Appendix.
- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.

- **Fitness Room:** The dollar value for an equipped fitness room is estimated to be \$2.
- **Clubhouse:** The dollar value for a clubhouse and/or community room is estimated to be \$2.
- **Location:** Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$50.
- **Condition:** Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- **Trash:** The subject includes trash in the net rent. Most of the comparable properties exclude trash in the net rent. An adjustment will be made. If required the adjustment was based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2015). See Appendix.

Adjustment Factor Key:

Distance Factor - \$50

SF - .05 per sf per month

Patio/balcony - \$5

1-story SF for Rent - \$10

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse, Microwave, Ceiling Fan - \$2 (each)

Disposal - \$5

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$20 W/D Units - \$40

Pool - \$25 Tennis Court - \$10

Playground - \$5 (Na for elderly) Walking Trail - \$2

Full bath - \$25; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;
Inferior - minus \$10

Water & Sewer - 1BR - \$67; 2BR - \$84; 3BR - \$101 (Source: GA-DCA Middle Region, 7/1/15)

Trash Removal - \$21 (Source: GA-DCA Middle Region, 7/1/15)

Age - \$.50 per year (differential) Note: If difference is less than or near to 5/10 years, a choice is provided for no valuation adjustment.*

*Could be included with the year built (age) adjustment, thus in most cases will not be double counted/adjusted.

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Pine Trails		High Point		Oakview Place		Pinnacle Place	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$560		\$795		\$690	
Utilities	t	w,s,t	(\$67)	w,s,t	(\$67)	w,s,t	(\$67)
Concessions		No		No		No	
Effective Rent		\$493		\$728		\$623	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2	
Year Built	2018	1998	\$10	1980	\$19	2007	\$6
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$50)	Distance	(\$50)	Distance	(\$50)
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	817	850	(\$2)	692	\$6	740	\$4
Balcony/Patio/Stor	Y/Y	Y/N	\$2	Y/N	\$2	Y/N	\$2
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	Y	(\$40)	N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	Y/N	(\$2)	N/N		N/N	
F. Adjustments							
Net Adjustment			-\$107		-\$48		-\$63
G. Adjusted & Achievable Rent		\$386		\$680		\$560	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Pine Trails		The Creek					
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$625					
Utilities	t	w,s,t	(\$63)				
Concessions		No					
Effective Rent		\$562					
B. Design, Location, Condition							
Structures/Stories	2	2					
Year Built	2018	1992	\$13				
Condition	Excell	V Good					
Location	Good	Distance	(\$50)				
C. Unit Amenities							
# of BR's	1	1					
# of Bathrooms	1	1					
Size/SF	817	550	\$13				
Balcony/Patio/Stor	Y/Y	N/N	\$10				
AC Type	Central	Central					
Range/Refrigerator	Y/Y	Y/Y					
Dishwasher/Disp.	Y/Y	Y/Y					
W/D Unit	N	Y	(\$40)				
W/D Hookups or CL	Y	Y					
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2				
Pool/Tennis Court	N/N	N/N					
Recreation Area	Y	N	\$2				
Computer/Fitness	N/N	N/N					
F. Adjustments							
Net Adjustment			-\$50				
G. Adjusted & Achievable Rent		\$512					
Estimated Market Rent (Avg of 4 comps, rounded)		\$534	Rounded to: \$535	see Table	% Adv		

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Pine Trails		High Point		Oakview Place		Pine Terrace	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$650		\$855		\$650	
Utilities	t	w,s,t	(\$84)	w,s,t	(\$84)	t	
Concessions		No		No		No	
Effective Rent		\$566		\$771		\$650	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2	
Year Built	2018	1998	\$10	1980	\$19	2002	\$8
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$50)	Distance	(\$50)	Distance	(\$50)
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1	\$30	2		2	
Size/SF	1046	950	\$5	1042		1052	
Balcony-Patio/Stor	Y/Y	Y/N	\$2	Y/N	\$2	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	Y	(\$40)	N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		N	\$2
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Recreation Area	Y	Y		Y		N	\$2
Computer/Fitness	N/N	Y/N	(\$2)	N/N		N/N	
F. Adjustments							
Net Adjustment			-\$70		-\$54		-\$38
G. Adjusted & Achievable Rent		\$496		\$717		\$612	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

Two Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Pine Trails		Pinnacle Place		The Creek		Village @ Mill	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$785		\$800		\$740	
Utilities	t	w,s,t	(\$84)	w,s,t	(\$84)	None	\$21
Concessions		No		No		No	
Effective Rent		\$701		\$716		\$761	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2	
Year Built	2018	2007	\$6	1992	\$13	2015	
Condition	Excell	V Good		V Good		Excell	
Location	Good	Distance	(\$50)	Distance	(\$50)	Distance	(\$50)
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1.5	\$15	2.5	(\$15)	2	
Size/SF	1046	975	\$4	1150	(\$5)	1072	(\$1)
Balcony/Patio/Stor	Y/Y	Y/N	\$2	N/N	\$10	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		Y	(\$40)	Y	(\$40)
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		N	\$2	Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	N/N		Y/N	(\$25)
Recreation Area	Y	Y		N	\$2	Y	
Computer/Fitness	N/N	N/N		N/N		N/Y	(\$2)
F. Adjustments							
Net Adjustment			-\$48		-\$83		-\$118
G. Adjusted & Achievable Rent		\$653		\$633		\$643	
Estimated Market Rent (Avg of 6 comps, rounded)		\$626	Rounded to: \$625		see Table	% Adv	

Three Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Pine Trails		High Point		Pinnacle Place		Pecan Grove	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$750		\$915		\$610	
Utilities	t	w,s,t	(\$101)	w,s,t	(\$101)	None	\$21
Concessions		No		No		No	
Effective Rent		\$649		\$814		\$631	
B. Design, Location, Condition							
Structures/Stories	2	2		2		1	(\$10)
Year Built	2018	1998	\$10	2007	\$6	2007	\$6
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$50)	Distance	(\$50)	Good	
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1209	1050	\$8	1130	\$4	1280	(\$4)
Balcony/Patio/Stor	Y/Y	Y/N	\$2	Y/N	\$2	Y/N	\$5
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	Y	(\$40)	N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	Y/N	(\$2)	N/N		Y/N	(\$2)
F. Adjustments							
Net Adjustment			-\$97		-\$63		-\$5
G. Adjusted & Achievable Rent		\$552		\$751		\$626	
Estimated Market Rent (Avg of 3 comps, rounded)		\$643	Rounded to: \$645		see Table	% Adv	

Three Bedroom Units (NA)							
Subject		Comp # 4		Comp # 5		Comp # 6	
Pine Trails							
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities							
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories							
Year Built							
Condition							
Location							
C. Unit Amenities							
# of BR's							
# of Bathrooms							
Size/SF							
Balcony-Patio/Stor							
AC Type							
Range/Refrigerator							
Dishwasher/Disp.							
W/D Unit							
W/D Hookups or CL							
D. Development Amenities							
Clubhouse/Comm Rm							
Pool/Tennis Court							
Recreation Area							
Computer/Fitness							
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)							
				Rounded to:	see Table	% Adv	

SECTION L & M
IDENTITY OF INTEREST
&
REPRESENTATION STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property area and that information has been used in the full study of need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

The report was written in accordance with my understanding of the 2016 GA-DCA Market Study Manual and 2016 GA-DCA Qualified Action Plan.

DCA may rely upon the representation made in the market study provided. In addition, the market study is assignable to other lenders that are parties to the DCA loan transaction.

CERTIFICATION

Koontz and Salinger
P.O. Box 37523
Raleigh, North Carolina 27627

Jerry M. Koontz 6-1-2016

Jerry M. Koontz
Real Estate Market Analyst
(919) 362-9085

MARKET ANALYST
QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental

agencies.

JERRY M. KOONTZ

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.
B.A. Economics 1980 Florida Atlantic Un.
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC.

1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC.

1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.

1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

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EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 32+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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Member in Good Standing: National Council of Housing Market Analysts (NCHMA)

NCHMA Market Study Index

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number.

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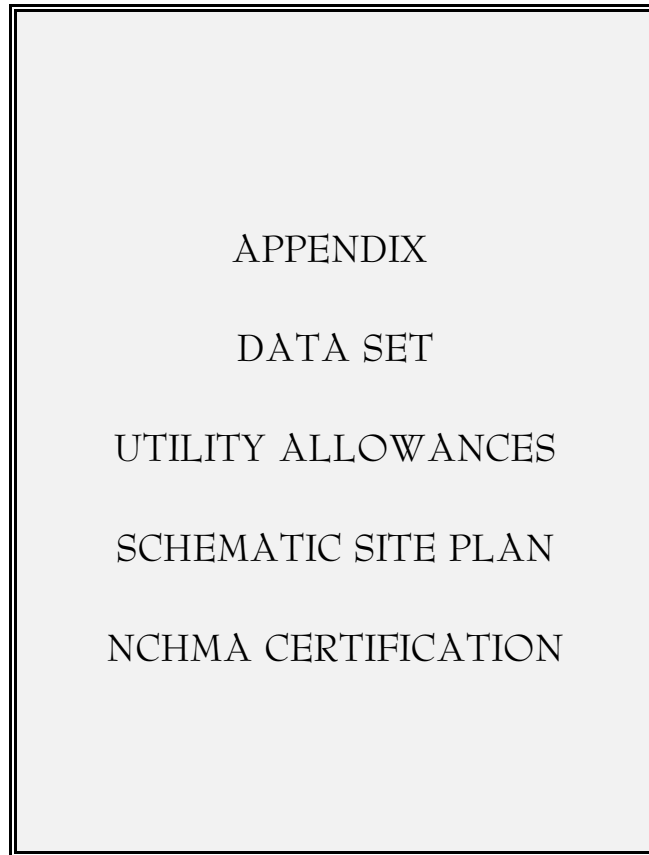
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NA

10 - Subject is not a rehab development of an existing apt complex

34-36 - Not a senior development



DATA SET



B25074

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units

2010-2014 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Burke County, Georgia	
	Estimate	Margin of Error
Total:	2,221	+/-238
Less than \$10,000:	577	+/-133
Less than 20.0 percent	9	+/-13
20.0 to 24.9 percent	18	+/-30
25.0 to 29.9 percent	25	+/-33
30.0 to 34.9 percent	14	+/-19
35.0 to 39.9 percent	21	+/-24
40.0 to 49.9 percent	37	+/-38
50.0 percent or more	260	+/-106
Not computed	193	+/-99
\$10,000 to \$19,999:	597	+/-147
Less than 20.0 percent	17	+/-21
20.0 to 24.9 percent	45	+/-43
25.0 to 29.9 percent	86	+/-62
30.0 to 34.9 percent	56	+/-42
35.0 to 39.9 percent	0	+/-24
40.0 to 49.9 percent	91	+/-70
50.0 percent or more	238	+/-104
Not computed	64	+/-58
\$20,000 to \$34,999:	541	+/-167
Less than 20.0 percent	101	+/-69
20.0 to 24.9 percent	8	+/-14
25.0 to 29.9 percent	57	+/-44
30.0 to 34.9 percent	137	+/-88
35.0 to 39.9 percent	98	+/-54
40.0 to 49.9 percent	38	+/-32
50.0 percent or more	0	+/-24
Not computed	102	+/-86
\$35,000 to \$49,999:	172	+/-93
Less than 20.0 percent	117	+/-92
20.0 to 24.9 percent	5	+/-5
25.0 to 29.9 percent	39	+/-34
30.0 to 34.9 percent	0	+/-24
35.0 to 39.9 percent	0	+/-24
40.0 to 49.9 percent	0	+/-24
50.0 percent or more	0	+/-24

	Burke County, Georgia	
	Estimate	Margin of Error
Not computed	11	+/-12
\$50,000 to \$74,999:	169	+/-72
Less than 20.0 percent	134	+/-59
20.0 to 24.9 percent	0	+/-24
25.0 to 29.9 percent	16	+/-29
30.0 to 34.9 percent	0	+/-24
35.0 to 39.9 percent	0	+/-24
40.0 to 49.9 percent	0	+/-24
50.0 percent or more	0	+/-24
Not computed	19	+/-19
\$75,000 to \$99,999:	108	+/-78
Less than 20.0 percent	87	+/-73
20.0 to 24.9 percent	0	+/-24
25.0 to 29.9 percent	0	+/-24
30.0 to 34.9 percent	0	+/-24
35.0 to 39.9 percent	0	+/-24
40.0 to 49.9 percent	0	+/-24
50.0 percent or more	0	+/-24
Not computed	21	+/-22
\$100,000 or more:	57	+/-53
Less than 20.0 percent	57	+/-53
20.0 to 24.9 percent	0	+/-24
25.0 to 29.9 percent	0	+/-24
30.0 to 34.9 percent	0	+/-24
35.0 to 39.9 percent	0	+/-24
40.0 to 49.9 percent	0	+/-24
50.0 percent or more	0	+/-24
Not computed	0	+/-24

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2010-2014 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

POPULATION DATA

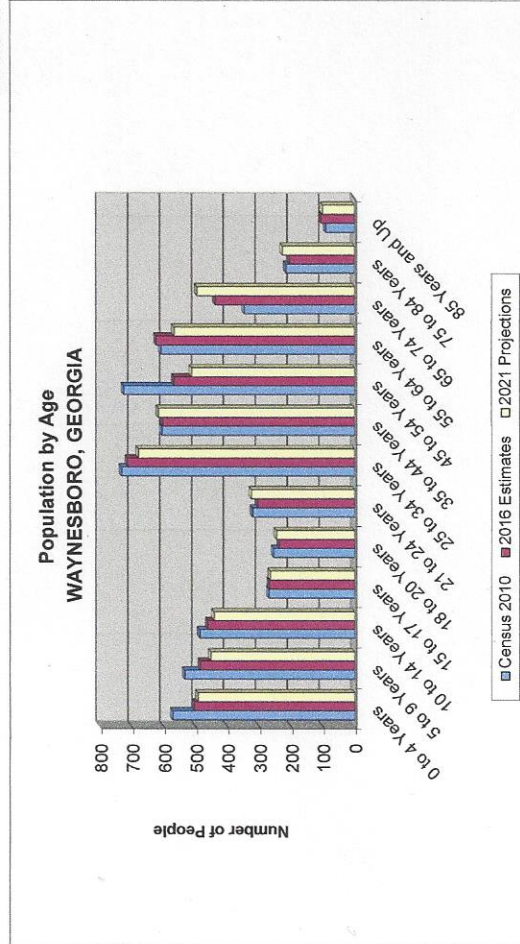
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Population by Age & Sex WAYNESBORO, GEORGIA											
Census 2010			Current Year Estimates - 2016			Five-Year Projections - 2021					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	290	282	572	0 to 4 Years	261	243	504	0 to 4 Years	254	239	493
5 to 9 Years	266	268	534	5 to 9 Years	239	246	485	5 to 9 Years	227	225	452
10 to 14 Years	233	254	487	10 to 14 Years	227	234	461	10 to 14 Years	219	223	442
15 to 17 Years	136	134	270	15 to 17 Years	127	141	268	15 to 17 Years	131	134	265
18 to 20 Years	131	124	255	18 to 20 Years	115	122	237	18 to 20 Years	124	122	246
21 to 24 Years	122	189	311	21 to 24 Years	146	158	304	21 to 24 Years	159	166	325
25 to 34 Years	307	425	732	25 to 34 Years	298	415	713	25 to 34 Years	306	373	679
35 to 44 Years	317	531	848	35 to 44 Years	268	335	603	35 to 44 Years	259	358	617
45 to 54 Years	317	409	726	45 to 54 Years	249	319	568	45 to 54 Years	225	288	513
55 to 64 Years	278	331	609	55 to 64 Years	278	346	624	55 to 64 Years	248	320	568
65 to 74 Years	141	206	347	65 to 74 Years	185	253	438	65 to 74 Years	213	283	496
75 to 84 Years	79	137	216	75 to 84 Years	74	131	205	75 to 84 Years	87	140	227
85 Years and Up	25	65	91	85 Years and Up	35	70	105	85 Years and Up	31	70	101
Total	2,600	3,166	5,766	Total	2,502	3,013	5,515	Total	2,483	2,941	5,424
62+ Years	n/a	n/a	813	62+ Years	n/a	n/a	917	62+ Years	n/a	n/a	990
Median Age:			31.1	Median Age:			32.0	Median Age:			32.2

Source: Nielsen Claritas; Ribbon Demographics

Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-880-1644



Source: Nielsen Claritas; Ribbon Demographics

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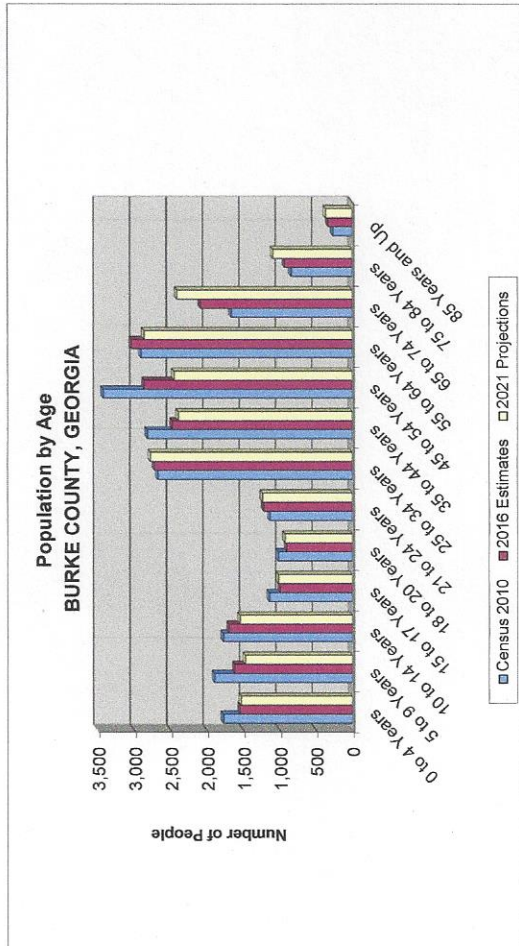
POPULATION DATA
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Population by Age & Sex BURKE COUNTY, GEORGIA											
Census 2010				Current Year Estimates - 2016				Five-Year Projections - 2021			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	932	842	1,774	0 to 4 Years	798	745	1,543	0 to 4 Years	781	749	1,530
5 to 9 Years	979	914	1,893	5 to 9 Years	838	778	1,616	5 to 9 Years	762	711	1,473
10 to 14 Years	914	860	1,774	10 to 14 Years	867	827	1,694	10 to 14 Years	802	744	1,546
15 to 17 Years	602	542	1,144	15 to 17 Years	504	489	993	15 to 17 Years	519	497	1,016
18 to 20 Years	539	479	1,018	18 to 20 Years	468	436	904	18 to 20 Years	483	443	926
21 to 24 Years	525	611	1,136	21 to 24 Years	614	603	1,217	21 to 24 Years	639	597	1,236
25 to 34 Years	1,210	1,462	2,672	25 to 34 Years	1,272	1,443	2,715	25 to 34 Years	1,355	1,420	2,775
35 to 44 Years	1,335	1,481	2,816	35 to 44 Years	1,168	1,308	2,476	35 to 44 Years	1,105	1,289	2,394
45 to 54 Years	1,384	1,835	3,419	45 to 54 Years	1,311	1,546	2,857	45 to 54 Years	1,134	1,318	2,452
55 to 64 Years	1,410	1,493	2,903	55 to 64 Years	1,440	1,592	3,032	55 to 64 Years	1,328	1,533	2,861
65 to 74 Years	749	914	1,663	65 to 74 Years	969	1,117	2,086	65 to 74 Years	1,115	1,295	2,410
75 to 84 Years	338	502	840	75 to 84 Years	368	539	907	75 to 84 Years	450	641	1,091
85 Years and Up	69	195	264	85 Years and Up	121	209	330	85 Years and Up	127	238	365
Total	11,186	12,130	23,316	Total	10,738	11,652	22,390	Total	10,600	11,475	22,075
62+ Years	n/a	3,520	n/a	62+ Years	n/a	4,174	n/a	62+ Years	n/a	n/a	4,703
Median Age:	35.9			Median Age:	37.1			Median Age:	37.2		

Source: Nielsen Claritas; Ribbon Demographics

Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-860-1644



Source: Nielsen Claritas; Ribbon Demographics

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Tel: 916-860-1644

HISTA DATA

WAYNESBORO - PMA

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Owner Households						
Under Age 55 Years						
<i>Current Year Estimates - 2016</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	68	61	13	0	6	148
\$10,000-20,000	69	160	7	18	129	383
\$20,000-30,000	53	40	103	32	28	256
\$30,000-40,000	24	55	139	79	23	320
\$40,000-50,000	27	27	75	44	57	230
\$50,000-60,000	2	51	47	79	12	191
\$60,000+	46	245	272	296	283	1,142
Total	289	639	656	548	538	2,670

Owner Households						
Aged 55-61 Years						
<i>Current Year Estimates - 2016</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	17	35	17	0	0	69
\$10,000-20,000	19	44	6	4	27	100
\$20,000-30,000	43	36	45	1	1	126
\$30,000-40,000	0	18	18	0	2	38
\$40,000-50,000	1	53	30	6	16	106
\$50,000-60,000	20	67	5	2	0	94
\$60,000+	27	181	155	14	6	383
Total	127	434	276	27	52	916

Owner Households						
Aged 62+ Years						
<i>Current Year Estimates - 2016</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	141	56	7	1	28	233
\$10,000-20,000	258	139	28	16	60	501
\$20,000-30,000	96	135	25	65	6	327
\$30,000-40,000	77	180	3	11	4	275
\$40,000-50,000	67	116	26	9	10	228
\$50,000-60,000	22	63	13	14	13	125
\$60,000+	78	263	107	19	21	488
Total	739	952	209	135	142	2,177

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Renter Households						
Under Age 55 Years						
<i>Current Year Estimates - 2016</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	88	205	83	101	42	519
\$10,000-20,000	9	43	96	143	34	325
\$20,000-30,000	71	71	44	5	113	304
\$30,000-40,000	52	12	7	29	18	118
\$40,000-50,000	1	14	5	8	18	46
\$50,000-60,000	1	37	3	3	6	50
\$60,000+	<u>86</u>	<u>10</u>	<u>77</u>	<u>48</u>	<u>58</u>	<u>279</u>
Total	308	392	315	337	289	1,641

Renter Households						
Aged 55-61 Years						
<i>Current Year Estimates - 2016</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	94	0	0	1	1	96
\$10,000-20,000	100	12	39	1	0	152
\$20,000-30,000	9	3	1	0	8	21
\$30,000-40,000	5	17	1	1	7	31
\$40,000-50,000	18	3	0	0	0	21
\$50,000-60,000	0	0	2	17	0	19
\$60,000+	<u>15</u>	<u>20</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>46</u>
Total	241	55	47	24	19	386

Renter Households						
Aged 62+ Years						
<i>Current Year Estimates - 2016</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	116	5	4	1	2	128
\$10,000-20,000	121	21	5	4	10	161
\$20,000-30,000	35	14	0	0	0	49
\$30,000-40,000	12	3	3	0	0	18
\$40,000-50,000	20	1	15	0	0	36
\$50,000-60,000	6	2	0	0	3	11
\$60,000+	<u>59</u>	<u>10</u>	<u>4</u>	<u>2</u>	<u>3</u>	<u>78</u>
Total	369	56	31	7	18	481

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Owner Households						
Under Age 55 Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	53	52	11	3	5	124
\$10,000-20,000	57	124	6	7	96	290
\$20,000-30,000	38	29	93	29	28	217
\$30,000-40,000	16	44	131	65	24	280
\$40,000-50,000	22	20	68	42	45	197
\$50,000-60,000	3	49	47	70	16	185
\$60,000+	46	237	277	295	291	1,146
Total	235	555	633	511	505	2,439

Owner Households						
Aged 55-61 Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	11	33	14	0	0	58
\$10,000-20,000	15	39	5	2	19	80
\$20,000-30,000	38	29	42	1	2	112
\$30,000-40,000	2	12	17	0	2	33
\$40,000-50,000	0	43	30	7	13	93
\$50,000-60,000	20	68	7	2	0	97
\$60,000+	26	189	164	17	5	401
Total	112	413	279	29	41	874

Owner Households						
Aged 62+ Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	145	58	4	3	32	242
\$10,000-20,000	259	146	27	12	66	510
\$20,000-30,000	104	156	25	69	8	362
\$30,000-40,000	92	194	1	12	6	305
\$40,000-50,000	71	121	29	8	8	237
\$50,000-60,000	32	80	13	18	10	153
\$60,000+	98	303	124	31	34	590
Total	801	1,058	223	153	164	2,399

HISTA DATA

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Renter Households						
Under Age 55 Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	75	185	73	92	35	460
\$10,000-20,000	11	39	87	137	37	311
\$20,000-30,000	76	70	48	4	110	308
\$30,000-40,000	56	17	7	28	22	130
\$40,000-50,000	1	10	4	7	15	37
\$50,000-60,000	1	38	3	2	9	53
\$60,000+	<u>85</u>	<u>9</u>	<u>80</u>	<u>56</u>	<u>62</u>	<u>292</u>
Total	305	368	302	326	290	1,591

Renter Households						
Aged 55-61 Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	82	0	0	0	1	83
\$10,000-20,000	86	12	35	0	0	133
\$20,000-30,000	9	2	0	0	7	18
\$30,000-40,000	5	15	1	0	7	28
\$40,000-50,000	17	1	0	1	0	19
\$50,000-60,000	0	0	1	16	0	17
\$60,000+	<u>16</u>	<u>17</u>	<u>4</u>	<u>3</u>	<u>5</u>	<u>45</u>
Total	215	47	41	20	20	343

Renter Households						
Aged 62+ Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	126	5	2	3	3	139
\$10,000-20,000	132	24	4	5	8	173
\$20,000-30,000	35	16	1	1	1	54
\$30,000-40,000	15	2	5	0	0	22
\$40,000-50,000	21	0	14	3	0	38
\$50,000-60,000	9	1	0	2	3	15
\$60,000+	<u>75</u>	<u>16</u>	<u>9</u>	<u>2</u>	<u>3</u>	<u>105</u>
Total	413	64	35	16	18	546

UTILITY ALLOWANCES

Georgia Department of Community Affairs

UTILITY ALLOWANCES

Effective 7/1/2015

Unit Type Use	Appliance Type	NORTHERN Region				MIDDLE Region				SOUTHERN Region							
		0 BR	1 BR	2 BR	3 BR	4 BR	0 BR	1 BR	2 BR	3 BR	4 BR	0 BR	1 BR	2 BR	3 BR	4 BR	
MULTI-FAMILY	Heating	Natural Gas	21	30	38	47	60	18	24	30	38	48	11	15	20	24	30
		Electric	27	38	49	60	77	23	33	42	51	65	18	25	32	39	50
	Propane	78%+ AFUE Gas	62	86	110	134	172	52	72	93	114	145	38	52	65	79	103
		Electric Heat Pump	14	18	22	30	37	11	14	18	23	28	5	7	9	11	13
	Electric Aquatherm	Electric Heat Pump	9	11	14	20	24	7	7	9	14	17	2	2	2	3	4
		Electric Aquatherm	19	27	34	42	54	16	23	29	36	46	12	17	22	27	35
	Gas Aquatherm	Gas Aquatherm	14	21	26	33	42	13	16	22	27	34	8	11	14	16	21
		Natural Gas	5	8	9	12	14	5	8	9	11	14	4	7	8	10	12
	Cooking	Electric	7	9	12	14	18	7	9	12	15	19	7	10	13	15	20
		Propane	17	21	28	34	41	17	21	28	34	41	17	21	28	34	41
	Hot Water	Natural Gas	14	20	25	30	38	14	19	24	29	37	12	16	21	25	32
		Electric	20	28	36	44	56	21	29	37	45	57	22	30	39	48	61
Propane		41	55	72	86	110	41	55	72	86	110	41	55	72	86	110	
Air Cond.	Electric	18	25	32	39	50	23	33	42	51	65	27	38	49	60	77	
	Lights/Refr.	19	26	34	41	52	19	27	34	42	53	20	28	36	44	56	
Sewer Water	Electric	18	24	28	37	45	32	42	53	65	81	20	25	32	38	45	
	Propane	10	13	16	22	28	18	24	30	37	45	12	16	21	26	33	
Trash Collection	Electric	22	22	22	22	22	21	21	21	21	21	15	15	15	15	15	
	Natural Gas	24	33	43	52	67	19	27	34	42	53	12	16	22	26	33	
SINGLE FAMILY	Heating	Electric	30	43	55	67	85	26	36	46	57	72	20	28	35	43	55
		Propane	69	96	124	151	189	59	79	103	124	158	41	59	72	89	114
	78%+ AFUE Gas	Electric Heat Pump	22	29	37	43	55	16	23	28	33	42	8	11	13	15	20
		Electric Aquatherm	20	30	33	38	51	14	22	24	28	38	4	7	7	8	11
	Gas Aquatherm	Electric Aquatherm	21	30	38	47	60	18	25	33	40	51	14	19	25	30	39
		Gas Aquatherm	17	24	30	37	47	14	19	24	29	37	9	12	15	19	23
	Cooking	Natural Gas	5	8	9	12	14	5	8	9	11	14	4	7	8	10	12
		Electric	7	10	12	14	18	7	9	12	15	19	7	10	13	15	20
	Hot Water	Propane	17	21	28	34	41	17	21	28	34	41	17	21	28	34	41
		Natural Gas	14	20	25	30	38	14	19	24	29	37	12	16	21	25	32
	Air Cond.	Electric	20	29	36	44	56	21	29	37	45	57	22	30	39	48	61
		Lights/Refr.	41	55	72	86	110	41	55	72	86	110	41	55	72	86	110
Sewer Water	Electric	20	28	35	43	55	26	36	46	57	72	30	43	55	67	85	
	Lights/Refr.	21	30	37	46	58	21	30	38	46	59	22	31	40	49	63	
Trash Collection	Water	18	24	30	36	45	31	43	54	65	81	19	26	32	37	45	
	Trash Collection	10	14	18	22	28	18	24	30	36	45	12	17	21	26	33	
		22	22	22	22	22	21	21	21	21	21	15	15	15	15	15	

SCHEMATIC SITE PLAN

NCHMA CERTIFICATION

Certificate of Membership

Koontz & Salinger
Is a Member Firm in Good Standing of

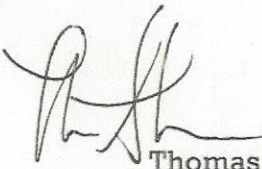


Formerly known as
National Council of Affordable
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Membership Term
7/01/2015 to 6/30/2016




Thomas Amdur
Executive Director, NH&RA