



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

**TOWNE PARK COMMONS  
Towne Park West Drive  
Rincon, Effingham County, Georgia 31326**

**Effective Date: May 4, 2016  
Report Date: May 25, 2016**

*Prepared For*

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*Prepared By*

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May 25, 2016

Mr. Jeff Rice  
Rincon Developer, LLC  
2600 E. South Boulevard  
Suite 225  
Montgomery, AL 36116

**Re: Market Study for Towne Park Commons in Rincon, Georgia**

Dear Mr. Rice:

At your request, Novogradac & Company LLP performed a market study of the family rental market in the Rincon, Effingham County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Towne Park Commons, a proposed multifamily development that will consist of 76 units restricted to households earning 50 and 60 percent of the AMI, or less. The Subject will also offer unrestricted market rate units.

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

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

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

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

Respectfully submitted,



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Brad Weinberg, MAI, CVA,  
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Partner  
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Edward R. Mitchell, MAI  
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## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

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

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Addendum

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

**EXECUTIVE SUMMARY AND CONCLUSIONS**

**1. Project Description:**

Towne Park Commons (the Subject) will be located on Towne Park West Drive in Rincon, Effingham County, Georgia 31326. The Subject site is located less than 0.25 miles west of the intersection of Towne Park West Drive and South Columbia Avenue. The Subject will target family households and will consist of four, two and three-story walk-up garden-style buildings and one, one-story community building. The buildings will consist of brick and cement fiber board siding exteriors. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2015 LIHTC Maximum Allowable Gross Rent	2015 HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	770	8	\$415	\$105	\$520	\$575	\$778
2BR/2BA	1,100	12	\$490	\$140	\$630	\$690	\$922
3BR/2BA	1,200	7	\$556	\$173	\$729	\$797	\$1,230
<i>60% AMI</i>							
1BR/1BA	770	10	\$460	\$105	\$565	\$690	\$778
2BR/2BA	1,100	24	\$525	\$140	\$665	\$828	\$922
3BR/2BA	1,200	11	\$610	\$173	\$783	\$957	\$1,230
<i>Market Rate</i>							
1BR/1BA	770	2	\$511	N/Ap	N/Ap	N/Ap	N/Ap
2BR/2BA	1,100	2	\$583	N/Ap	N/Ap	N/Ap	N/Ap
<b>Total</b>		<b>76</b>					

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

The Subject will offer the following amenities: balcony/patio, blinds, carpeting, central air conditioning, coat closet, dishwasher, ceiling fan, garbage disposal, microwave, oven, refrigerator, walk-in closet, and washer/dryer. With regards to community amenities, the Subject will offer a clubhouse/community room, exercise facility, business center/computer lab, courtyard, on-site management, off-street parking, picnic area, and playground. The Subject will be competitive with the comparable properties in terms of amenities.

**2. Site Description/Evaluation:**

The Subject site is currently wooded land. The Subject site is located in a mixed-use neighborhood consisting of

undeveloped land, multifamily residential uses, commercial uses, and retail uses. Overall, the commercial buildings in the Subject's neighborhood appeared to be 95 percent occupied. All locational amenities are located within 10.6 miles of the Subject site. Positive attributes of the Subject site include its excellent access to retail and commercial uses along South Columbia Avenue. Additionally, the uses in the Subject's immediate neighborhood are in good to excellent condition. Potentially negative attributes of the Subject site include its close proximity to an active rail line and its somewhat limited visibility. The adjacent market rate multifamily rental property has not been negatively impacted by noise from passing trains or its limited visibility. The Subject will be a compatible use within the immediate neighborhood.

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

The boundaries of the PMA are as follows:

North – Effingham County/Screven County line

South – Interstates 16 and 95

East – Georgia/South Carolina border

West – Effingham County/Bulloch County line.

The PMA encompasses Effingham County and the city of Pooler, northwest of Interstate 95 and north of Interstate 16. Rincon is a growing area as residents from the Savannah area move outward towards the suburbs that offer more room for growth including the cities of Pooler, Garden City, and Rincon. The area was defined based on interviews with local market participants as well as property managers at comparable properties. According to management at Veranda Village, Goshen Crossing I, and Goshen Crossing II, most tenants are from Rincon, Savannah, or other cities in Effingham County. Per GA DCA's 2016 market study guidelines, GA DCA does not take into account leakage from outside of the PMA. The farthest PMA boundary is approximately 24.2 miles from the Subject site.

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

The PMA is expected to experience strong population and household growth from 2015 through 2020. The population in the PMA is expected to increase at an annual rate of 2.0 percent from 2015 through 2020, which is faster than rates of the MSA and nation as a whole. The average household size in the PMA was 2.69 persons in 2015 and is expected to slightly decrease through 2020. The Subject

will target one to five-person households. The average household size in the PMA bodes well for the Subject's unit mix of one, two, and three-bedroom units. The Subject will target households earning \$17,829 to \$39,780 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 18.4 percent of households in the PMA earned incomes between \$20,000 and \$39,999 in 2015. For the projected market entry date of June 2018, this percentage is projected to decrease to 18.1 percent. As the population and number of households increase, there is expected to be a greater number of low-income renters seeking affordable housing.

According to [www.RealtyTrac.com](http://www.RealtyTrac.com), one in every 815 homes in Rincon, GA was in foreclosure, as of March 2016. Nationally, one in every 1,212 homes was in foreclosure and one in every 1,109 homes in Georgia was in foreclosure. As indicated, Rincon has a higher foreclosure rate than Georgia and the nation as a whole. Overall, it appears that the local market is faring worse than the state and nation as a whole in terms of foreclosure rates. During our site inspection, we did not witness any abandoned homes in the Subject's immediate neighborhood.

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

Rincon and Effingham County is part of the Savannah, GA MSA. Rincon has excellent access to major interstates, including Interstate 95, which runs south to Miami, Florida and north to the Maine-Canada border. The Subject will be located within close proximity to employers in both Effingham and Chatham Counties. Retail trade, manufacturing, health care/social assistance, and educational services are the largest industries within the PMA. These industries account for approximately 47.1 percent of total employment within the PMA. The MSA experienced a 5.4 percent decrease in total employment in 2009 and a 6.5 percent decrease in 2010, while the nation experienced a decrease of 3.8 and 0.6 percent in 2009 and 2010, respectively. From February 2015 to February 2016, total employment increased 3.4 percent in the MSA, but has yet to reach pre-recessionary total employment levels which peaked in 2007. Between 2008 and 2011, the unemployment rate within the MSA increased from 3.8 percent to 9.9 percent. Since 2012, the unemployment rate in the MSA has steadily declined. Between February 2015 and February 2016, the unemployment rate in the MSA decreased from 6.0 percent to 5.3 percent, while the

national unemployment rate decreased from 5.8 percent to 5.2 percent during the same period.

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

The following table illustrates the Subject’s capture rates.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1 BR @ 50% AMI	8	234	0	234	3.4%	3 months	\$605	\$425-\$859	\$415
2 BR @ 50% AMI	12	319	0	319	3.8%	3 months	\$692	\$457-\$1,065	\$490
3 BR @ 50% AMI	7	224	0	224	3.1%	3 months	\$784	\$516-\$1,337	\$556
<b>50% AMI Overall</b>	<b>27</b>	<b>776</b>	<b>0</b>	<b>776</b>	<b>3.5%</b>	<b>3 months</b>	<b>\$605-\$784</b>	<b>\$425-\$1,337</b>	<b>\$415-\$556</b>
1 BR @ 60% AMI	10	302	0	302	3.3%	3 months	\$659	\$485-\$859	\$460
2 BR @ 60% AMI	24	411	0	411	5.8%	3 months	\$768	\$545-\$1,065	\$525
3 BR @ 60% AMI	11	289	0	289	3.8%	3 months	\$886	\$635-\$1,337	\$610
<b>60% AMI Overall</b>	<b>45</b>	<b>1,003</b>	<b>0</b>	<b>1,003</b>	<b>4.5%</b>	<b>3 months</b>	<b>\$659-\$886</b>	<b>\$485-\$1,337</b>	<b>\$460-\$610</b>
1 BR @ Market	2	712	8	704	0.3%	3 months	\$744	\$510-\$859	\$511
2 BR @ Market	2	969	48	921	0.2%	3 months	\$875	\$620-\$1,065	\$583
<b>Market Overall</b>	<b>4</b>	<b>1,682</b>	<b>56</b>	<b>1,626</b>	<b>0.2%</b>	<b>3 months</b>	<b>\$744-\$875</b>	<b>\$510-\$1,065</b>	<b>\$511-\$583</b>
1 BR Overall (LIHTC only)	18	321	0	321	5.6%	3 months	\$605	\$425-\$859	\$415-\$511
2 BR Overall (LIHTC only)	36	438	0	438	8.2%	3 months	\$692	\$457-\$1,065	\$490-\$583
3 BR Overall (LIHTC only)	18	307	0	307	5.9%	3 months	\$784	\$516-\$1,337	\$556-\$610
<b>Overall (LIHTC only)</b>	<b>72</b>	<b>1,066</b>	<b>0</b>	<b>1,066</b>	<b>6.8%</b>	<b>3 months</b>	<b>\$605-\$784</b>	<b>\$425-\$1,337</b>	<b>\$415-\$610</b>

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

**7. Competitive Rental Analysis:**

The availability of LIHTC data is considered good. We used four LIHTC properties located between 0.8 and 16.7 miles from the Subject. All of the comparable LIHTC properties are located in the PMA and were built between 2005 and 2014.

The availability of market rate data is considered good. The Subject is located in Rincon and there are several market rate properties in the area. We have included four conventional properties in our analysis of the competitive market. Additionally, one of the LIHTC properties is mixed-income and offers unrestricted market rate units. The market rate properties are located between 0.1 and 5.0 miles from the Subject site. These comparables were built between 1988 and 2009. Three of the four market rate comparables were built in 2008 or 2009. Other market rate properties were excluded based on proximity, unit types, and age/condition.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher

income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

**SUBJECT COMPARISON TO MARKET RENTS**

<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR @ 50%	\$415	\$425	\$859	\$605	31%
2 BR @ 50%	\$490	\$457	\$1,065	\$692	29%
3 BR @ 50%	\$556	\$516	\$1,337	\$784	29%
1 BR @ 60%	\$460	\$485	\$859	\$659	30%
2 BR @ 60%	\$525	\$545	\$1,065	\$768	32%
3 BR @ 60%	\$610	\$635	\$1,337	\$886	31%
1 BR @ Market	\$511	\$510	\$859	\$744	31%
2 BR @ Market	\$583	\$620	\$1,065	\$875	33%

The Subject’s proposed 50 and 60 percent AMI rents and market rate rents will have a significant rent advantage over the surveyed average rents in the market. The Subject will be in excellent condition and will offer a competitive common area amenity package, unit sizes, and location.

**8. Absorption/Stabilization Estimate:**

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

**ABSORPTION**

<b>Comparable Property</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Year Built</b>	<b>Number of Units</b>	<b>Units Absorbed / Month</b>
Goshen Crossing II	LIHTC	Family	2014	60	60
Rice Creek Apartments	Market	Family	2009	240	16
The Village At Rice Hope	Market	Family	2008	200	27

Goshen Crossing II is the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of 60 units per month, significantly faster than the market rate properties constructed in 2008 and 2009. Goshen Crossing II is the second phase of the Goshen Crossing development. Some of this property’s

units were filled from the waiting list at Goshen Crossing I. Based on the absorption paces reported by the comparable properties and the full occupancy and waiting lists reported at the LIHTC comparables, we anticipate that the Subject will absorb 30 units per month, for an absorption period of three months to reach 93 percent occupancy.

**9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The comparable LIHTC properties in the PMA are fully occupied with waiting lists. The presence of waiting lists is an indication of a strong rental market. There are no proposed family LIHTC properties in the PMA. The Subject will offer new construction in a desirable location near a significant number of commercial and retail uses that are in good to excellent condition. The Subject's strengths include its location, age/condition, and in-unit amenities. The Subject does not have any major weaknesses. Further, the Subject's proposed rents will offer value in the market as they are below the average surveyed rents in the market.

**Summary Table:**

Development Name:	<b>Towne Park Commons</b>	Total # Units:	<b>76</b>
Location:	Towne Park West Drive	# LIHTC Units:	<b>72</b>
	Rincon, GA 31326		
PMA Boundary:	North: Effingham County/Screven County line, South: Interstates 16 and 95, East: Georgia/South Carolina border,		
West: Effingham County/Bulloch County line	Farthest Boundary Distance to Subject:		<b>24.2</b>

**Rental Housing Stock (found on pages 63-107)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	8	1,242	33	97.3%
Market-Rate Housing	5	986	33	96.7%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
<b>LIHTC</b>	4	256	0	100.0%
Stabilized Comps	8	1,242	33	97.3%
Properties in Construction & Lease Up	1	252	57	77.4%

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1BR at 50% AMI	1	770	\$415	\$605	\$0.79	31%	\$900	\$1.12
12	2BR at 50% AMI	2	1,100	\$490	\$692	\$0.63	29%	\$1,050	\$1.17
7	3BR at 50% AMI	2	1,200	\$556	\$784	\$0.65	29%	\$1,322	\$1.02
10	1BR at 60% AMI	1	770	\$460	\$659	\$0.86	30%	\$900	\$1.12
24	2BR at 60% AMI	2	1,100	\$525	\$768	\$0.70	32%	\$1,050	\$1.17
11	3BR at 60% AMI	2	1,200	\$610	\$886	\$0.74	31%	\$1,322	\$1.02
2	1BR at Mkt	1	770	\$511	\$744	\$0.97	31%	\$900	\$1.12
2	2BR at Mkt	2	1,100	\$583	\$875	\$0.80	33%	\$1,050	\$1.17

**Demographic Data (found on page 31)**

	2010		2015		2018	
Renter Households	9,671	30.80%	10,389	31.00%	10,902	31.20%
Income-Qualified Renter HHs (LIHTC)	2,631	27.20%	2,826	27.20%	2,965	27.20%

**Targeted Income-Qualified Renter Household Demand (found on pages 44-62)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	142	184	433	N/Ap	195
Existing Households (Overburdened + Substandard)	N/Ap	688	889	2,093	N/Ap	945
Homeowner conversion (Seniors)	N/Ap	0	0	0	N/Ap	0
<b>Total Primary Market Demand</b>						
Less Comparable/Competitive Supply	N/Ap	0	0	56	N/Ap	0
<b>Adjusted Income-qualified Renter HHs**</b>	N/Ap	830	1,072	2,470	N/Ap	<b>1,140</b>

**Capture Rates (found on pages 61-62)**

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	3.5%	4.5%	0.2%	N/Ap	6.8%

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

**Project Address and Development Location:**

The Subject site is located on Towne Park West Drive in Rincon, Effingham County, Georgia 31326. The Subject site is located less than 0.25 miles west of the intersection of Towne Park West Drive and South Columbia Avenue. The Subject site has frontage on Towne Park West Drive.

**Construction Type:**

The Subject will consist of four, two and three-story walk-up garden-style buildings and one, one-story community building. The buildings will consist of brick and cement fiber board siding exteriors.

**Occupancy Type:**

Family.

**Special Population Target:**

None.

**Number of Units by Bedroom Type and AMI Level:**

See following property profile.

**Unit Size:**

See following property profile.

**Structure Type:**

See following property profile.

**Rents and Utility Allowances:**

See following property profile.

**Existing or Proposed Project Based Rental Assistance:**

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

**Proposed Development Amenities:**

See following property profile.

Towne Park Commons											
<b>Location</b>	Towne Park West Drive Rincon, GA 31326 Effingham County										
<b>Units</b>	76										
<b>Type</b>	Garden (2 & 3 stories)										
<b>Year Built / Renovated</b>	Proposed										
<b>Tenant Characteristics</b>	Family										
Utilities											
<b>A/C</b>	not included – central			<b>Other Electric</b>				not included			
<b>Cooking</b>	not included – electric			<b>Water</b>				not included			
<b>Water Heat</b>	not included – electric			<b>Sewer</b>				not included			
<b>Heat</b>	not included – electric			<b>Trash Collection</b>				included			
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (2 & 3 stories)	8	770	\$415	\$0	@50%	N/A	N/A	N/A	no
1	1	Garden (2 & 3 stories)	10	770	\$460	\$0	@60%	N/A	N/A	N/A	no
1	1	Garden (2 & 3 stories)	2	770	\$511	\$0	Market	N/A	N/A	N/A	N/A
2	2	Garden (2 & 3 stories)	12	1,100	\$490	\$0	@50%	N/A	N/A	N/A	no
2	2	Garden (2 & 3 stories)	24	1,100	\$525	\$0	@60%	N/A	N/A	N/A	no
2	2	Garden (2 & 3 stories)	2	1,100	\$583	\$0	Market	N/A	N/A	N/A	N/A
3	2	Garden (2 & 3 stories)	7	1,200	\$556	\$0	@50%	N/A	N/A	N/A	no
3	2	Garden (2 & 3 stories)	11	1,200	\$610	\$0	@60%	N/A	N/A	N/A	no
Amenities											
<b>In-Unit</b>	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer Washer/Dryer hookup			<b>Security</b>				none			
<b>Property</b>	Parking spaces: 152 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Exercise Facility Off-Street Parking On-Site Management Picnic Area Playground			<b>Premium</b>				none			
<b>Services</b>	none			<b>Other</b>				none			

<b>Scope of Renovations:</b>	The Subject will be new construction.
<b>Current Rents:</b>	<b>Not applicable.</b>
<b>Current Occupancy:</b>	<b>Not applicable.</b>
<b>Current Tenant Income:</b>	<b>Not applicable.</b>
<b>Placed in Service Date:</b>	According to the sponsor, the Subject will enter the market in June 2018.
<b>Conclusion:</b>	The Subject will be an excellent-quality brick and cement fiber board siding two and three-story, walk-up garden-style multifamily rental development. As new construction, the Subject will be in excellent condition.

## **C. SITE EVALUATION**

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

Brendan Kelly visited the site on May 4, 2016.

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

The following illustrates the physical features of the site.

*Frontage:*

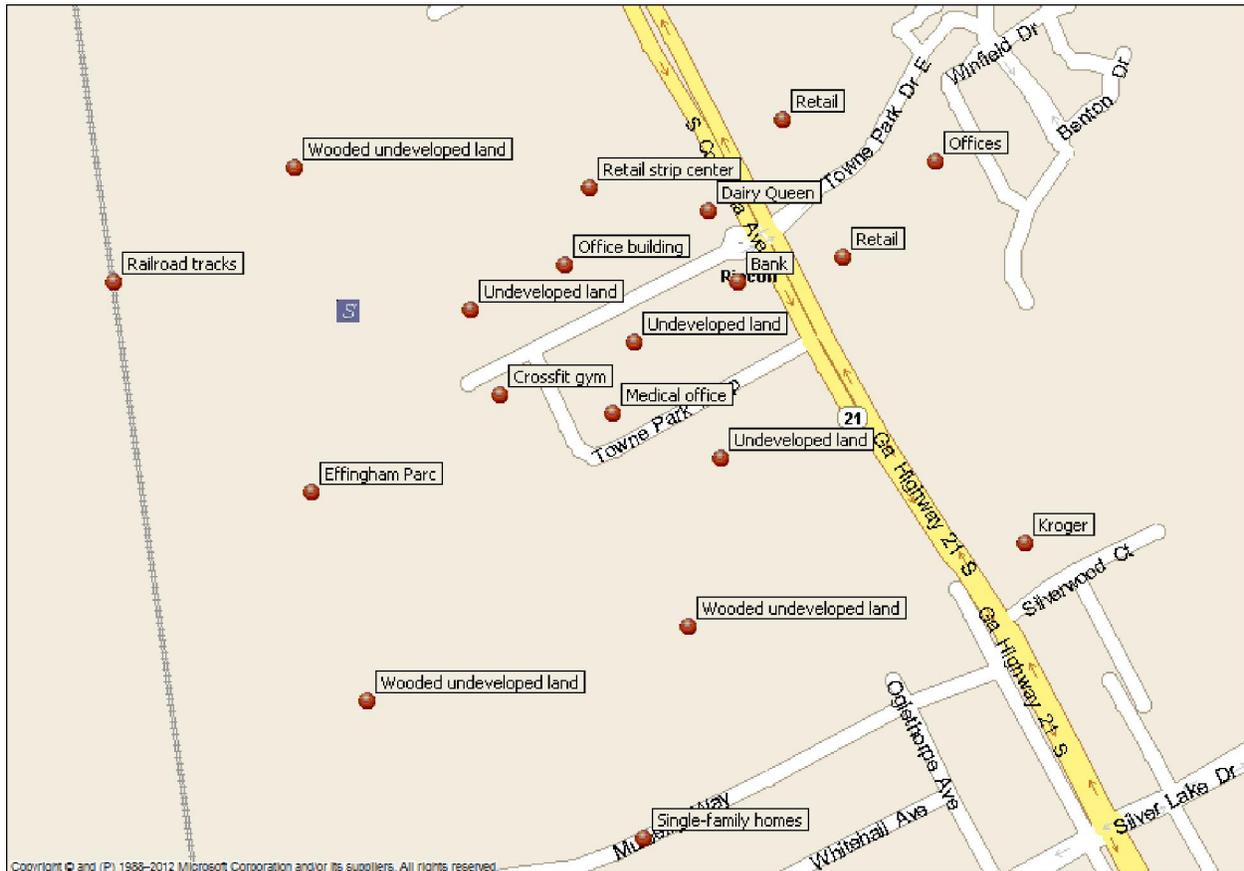
The Subject site has frontage along the north side of Towne Park West Drive.

*Visibility/Views:*

The site has average access and visibility from Towne Park West Drive. Towne Park West Drive is a lightly-trafficked two-lane road that provides access to South Columbia Avenue, approximately 0.25 miles east of the Subject site. South Columbia Avenue (GA Highway 21) is the primary commercial corridor in Rincon. Views from the Subject site include wooded land, Effingham Parc (market rate apartment complex used as a comparable in this report), retail and office uses, and vacant undeveloped land. The residential and commercial buildings in the Subject’s neighborhood are in good to excellent condition. Overall, views are considered good.

*Surrounding Uses:*

The following map illustrates the surrounding land uses.



Uses east of the Subject site include undeveloped land, office uses, and retail uses. The Subject site is bordered by wooded land to the north. Further north of the Subject site are retail uses including Lowe's Home Improvement, Walgreens, several fast food restaurants, and other smaller retailers. Uses south of the Subject site include Effingham Parc, followed by wooded land and a neighborhood consisting of single-family homes. The single-family homes appeared to be in fair to good condition. Immediately west of the Subject site is wooded land and a set of railroad tracks. According to Effingham Parc's management, the rail line is active and noise from passing trains can be heard on the west side of the property. Despite the nearby rail line, management indicated that the noise has not negatively impacted the performance of the property. Currently, Effingham Parc is 94 percent occupied. Overall, the commercial buildings in the Subject's neighborhood appeared to be 95 percent occupied. There are few residential uses in the Subject's immediate neighborhood. The surrounding uses are in good to excellent condition.

*Positive/Negative Attributes of Site:* Positive attributes of the Subject site include its excellent access to retail and commercial uses along South Columbia Avenue. Additionally, the uses in the Subject's immediate neighborhood are in good to excellent condition. Potentially negative attributes of the Subject site include its close proximity to an active rail line and its somewhat limited visibility. As mentioned previously, the rail line is active and noise from passing trains can be heard from the Subject site. However, Effingham Parc has not been negatively impacted by its location adjacent to the railroad tracks. Therefore, we do not believe that the Subject will be negatively impacted by its proximity to the railroad tracks.

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

The Subject site is located less than 0.25 miles west of the intersection of Towne Park West Drive and South Columbia Avenue. South Columbia Avenue is the primary commercial corridor in Rincon. The Subject will be located within 1.5 miles of most locational amenities except public schools and a hospital. The schools and hospital are located between 2.4 and 10.6 miles from the Subject site. We do not believe the Subject's distance from public schools and a hospital will negatively impact its performance. Four of the five rent comparables are located

similar distances from schools and a hospital as the proposed Subject and are currently fully occupied. Effingham County does not offer fixed-route bus service. The Subject is projected to have a positive impact on the local neighborhood.

**4. Pictures of Site and Adjacent Uses:**



*Subject site*



*Subject site*



*Subject site*



*Vacant site immediately east of Subject site*



*View east on Towne Park West Drive*



*View west on Towne Park West Drive*



*Effingham Parc south of Subject site*



*Crossfit gym south of Subject site*



*Medical office east of Subject site*



*Undeveloped land east of Subject site*



*Offices on Towne Park West Drive*



*Retail strip center east of Subject site*



*Bank east of Subject site*



*Fast food restaurant in Subject's neighborhood*



*Walmart Supercenter*



*Typical home in Subject's neighborhood*



*Typical home in Subject's neighborhood*



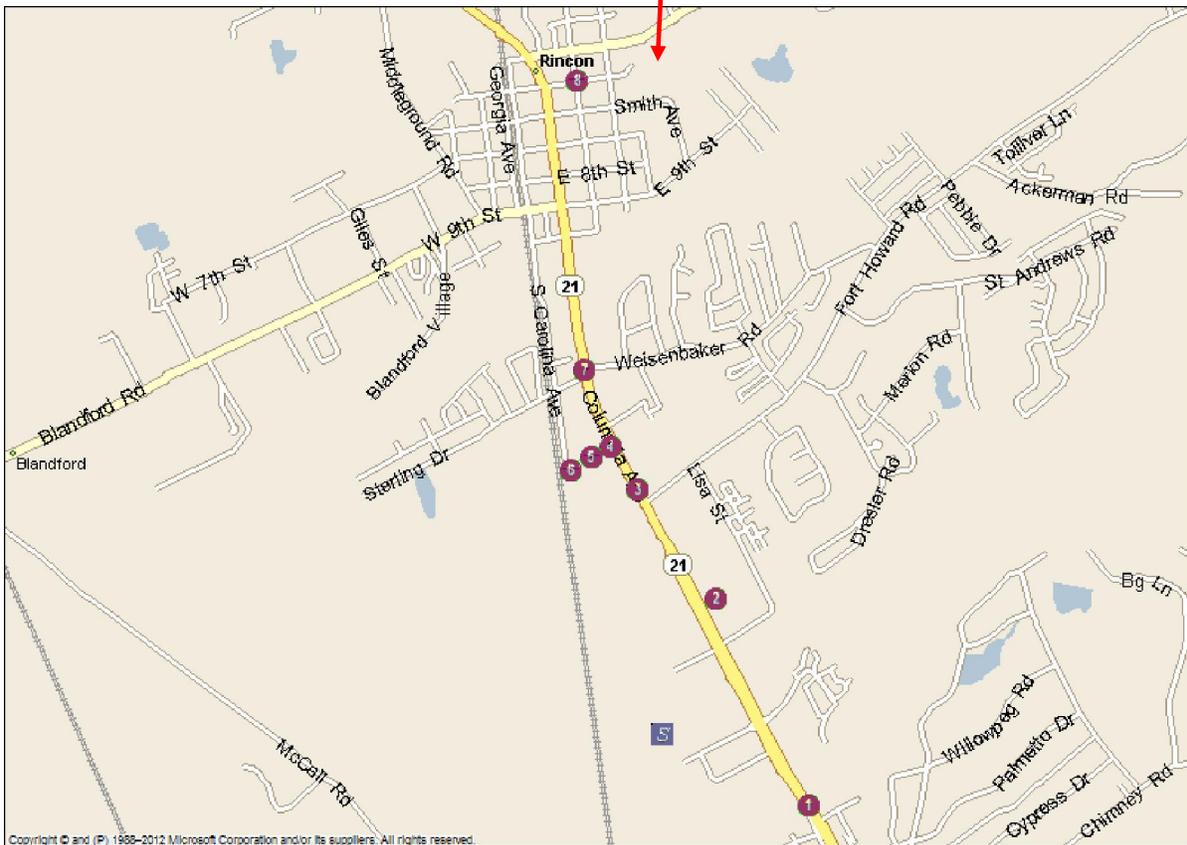
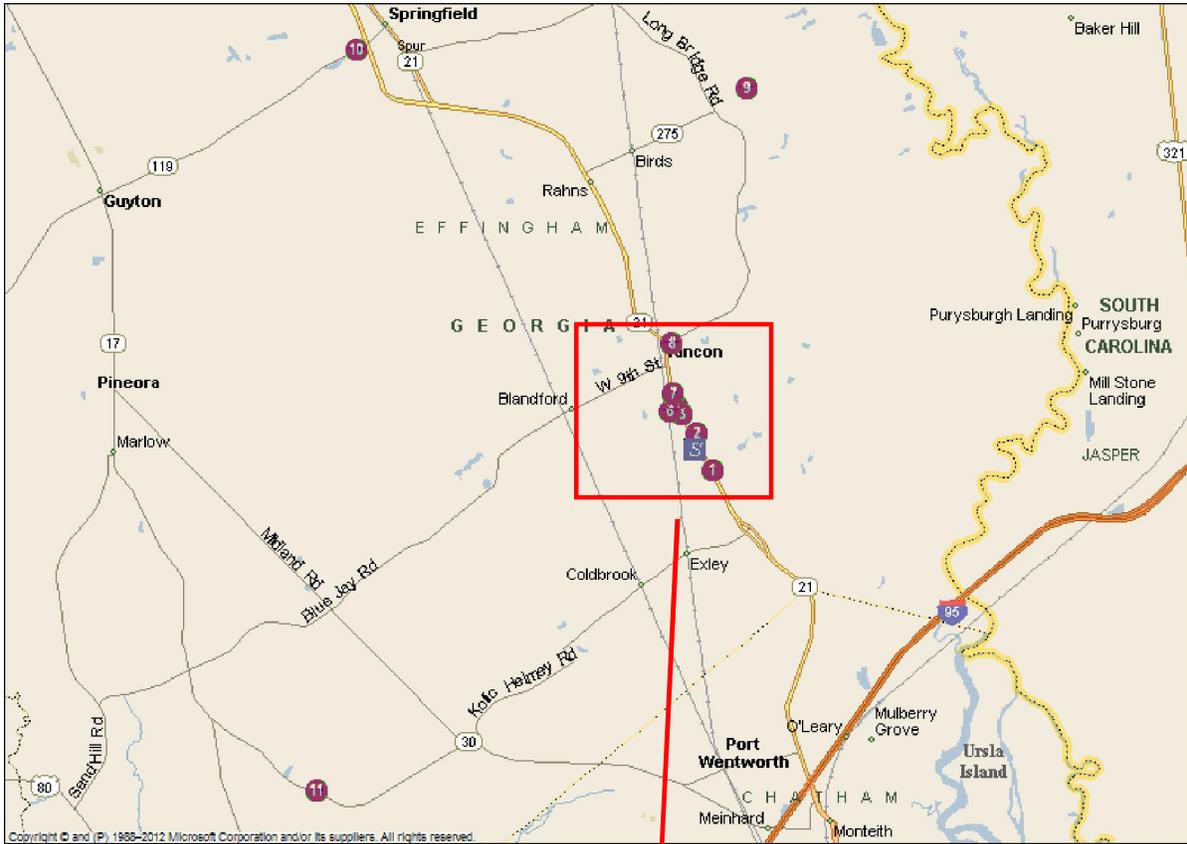
*Typical home in Subject's neighborhood*

**5. Proximity to Locational Amenities:**

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

**LOCATIONAL AMENITIES**

Map #	Service/Amenity	Distance from Subject
1	Kroger	0.7 miles
2	Walmart Supercenter	0.8 miles
3	Walgreens	1.1 miles
4	Rincon Library	1.3 miles
5	Rincon City Police Department	1.4 miles
6	Rincon Fire Department	1.5 miles
7	Employment Center	1.5 miles
8	Rincon Elementary School	2.4 miles
9	Ebenezer Middle School	7.9 miles
10	Effingham Hospital	10.3 miles
11	South Effingham High School	10.6 miles



**6. Description of Land Uses:**

Uses east of the Subject site include undeveloped land, office uses, and retail uses. The Subject site is bordered by wooded land to the north. Further north of the Subject site are retail uses including Lowe’s Home Improvement, Walgreens, several fast food restaurants, and other smaller retailers. Uses south of the Subject site include Effingham Parc, followed by wooded land and a neighborhood consisting of single-family homes. The single-family homes appeared to be in fair to good condition. Immediately west of the Subject site is wooded land and a set of railroad tracks. According to Effingham Parc’s management, the rail line is active and noise from passing trains can be heard on the west side of the property. Despite the nearby rail line, management indicated that the noise has not negatively impacted the performance of the property. Currently, Effingham Parc is 94 percent occupied. Overall, the commercial buildings in the Subject’s neighborhood appeared to be 95 percent occupied. There are few residential uses in the Subject’s immediate neighborhood. The surrounding uses are in good to excellent condition. Overall, the Subject will be a conforming use in the neighborhood and the site appears appropriate for multifamily rental housing.

**7. Public Safety Issues:**

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

**2015 CRIME RISK INDICES**

	<b>PMA</b>	<b>Savannah, GA MSA</b>
<b>Total Crime*</b>	54	152
<b>Personal Crime*</b>	32	121
Murder	47	218
Rape	42	82
Robbery	32	201
Assault	31	85
<b>Property Crime*</b>	57	156
Burglary	58	162
Larceny	58	155
Motor Vehicle Theft	48	144

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

\*Unweighted aggregations

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

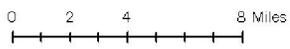
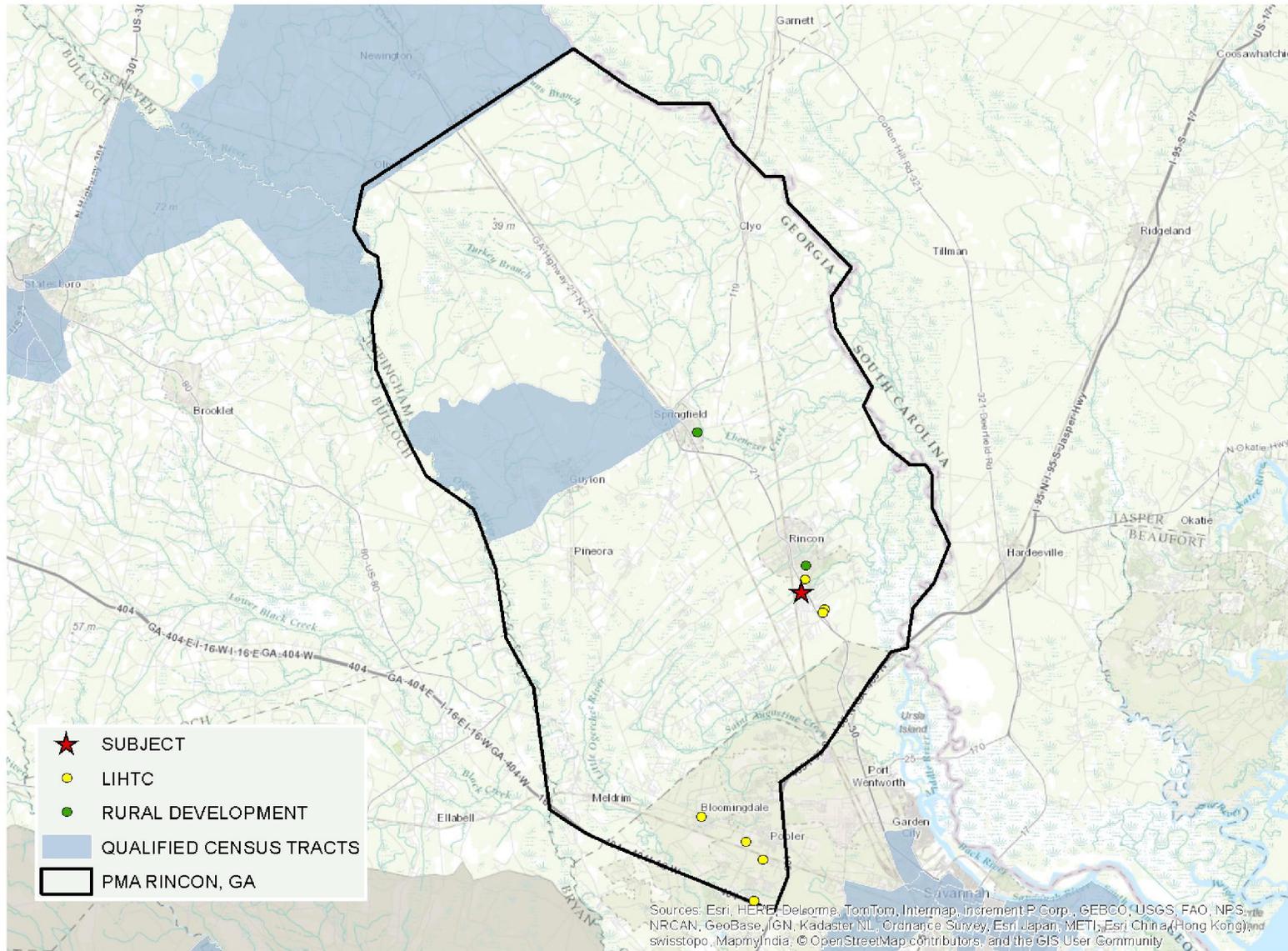
125 would be 25 percent higher than the national average and an index of 75 would be 25 percent lower than the national average.

As illustrated in the previous table, the most recent data indicates that total crime, personal crime, and property crime indices in the PMA are significantly below the MSA and national averages. Observations of the PMA as well as the Subject's immediate neighborhood, and interviews with market participants do not reflect local crime perceptions or problems. The Subject will not offer any security features, similar to several of the comparables.

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

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

Property	Address	City	State	Zip Code	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject
Goshen Crossing I	121 Goshen Commercial Park Dr	Rincon	GA	31326	LIHTC	Family		Included	-	2.0 miles
Goshen Crossing II	120 Goshen Commercial Park Dr	Rincon	GA	31326	LIHTC	Family		Included	-	2.2 miles
Harmony Greene	201 Harmony Blvd	Pooler	GA	31322	LIHTC	Family		Included	-	16.7 miles
Pinewood Village	755 S Rogers St	Pooler	GA	31322	LIHTC	Senior		Excluded	Tenancy	13.9 miles
Veranda Village	501 Lisa St	Rincon	GA	31326	LIHTC/Market	Family		Included	-	0.8 miles
Sheppard Station	215 Brighton Woods Dr	Pooler	GA	31322	LIHTC/Market	Senior		Excluded	Tenancy	13.7 miles
Fair Oaks Lane Apts	401 Lisa St	Rincon	GA	31326	LIHTC/RD	Family		Excluded	Subsidized	1.1 miles
Magnolia Lane	108 E US Highway 80	Bloomingtondale	GA	31302	LIHTC/RD	Family		Excluded	Subsidized	15.3 miles
Spring Hollow Apts	800 Ash St Ext	Springfield	GA	31329	Rural Development	Family		Excluded	Subsidized	8.7 miles
Willowpeg Lane Apts	115 Willowpeg Way	Rincon	GA	31326	Rural Development	Family		Excluded	Subsidized	2.3 miles
Willowpeg Village Apts	111 Willowpeg Way	Rincon	GA	31326	Rural Development	Family		Excluded	Subsidized	2.2 miles
<b>Towne Park Commons</b>	<b>Towne Park West Dr</b>	<b>Rincon</b>	<b>GA</b>	<b>31326</b>	<b>LIHTC/Mkt</b>	<b>Family</b>	<b>Red Star</b>	<b>SUBJECT</b>	<b>-</b>	<b>-</b>



## Rincon, GA



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

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

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

The Subject site is accessed via Towne Park West Drive, a lightly-trafficked two-lane road that provides access to South Columbia Avenue. South Columbia Avenue is located approximately 0.25 miles east of the Subject site and is the primary commercial corridor in Rincon. Overall, the site has average access and visibility from Towne Park West Drive.

**11. Environmental Concerns:**

None visible upon site inspection.

**12. Conclusion:**

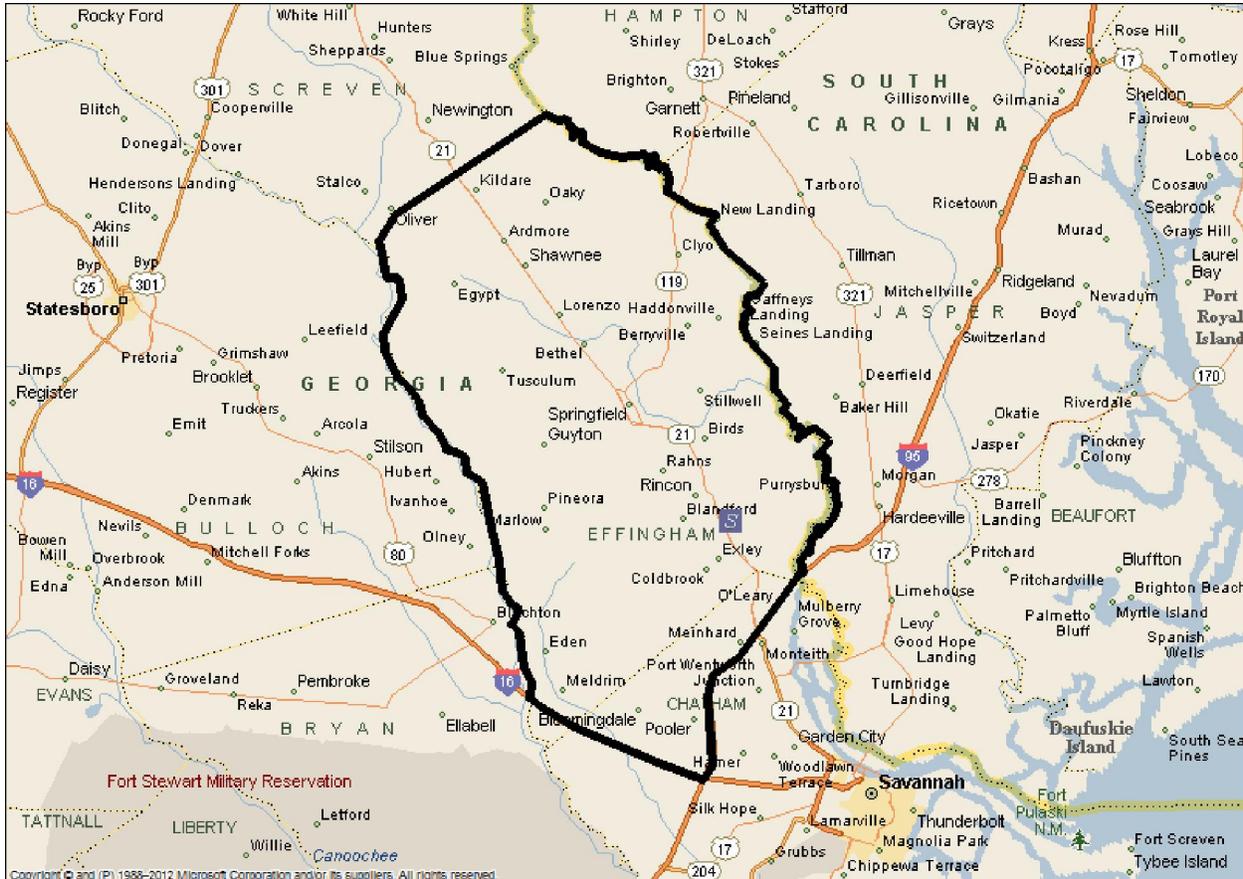
The Subject site is currently wooded land. The Subject site is located in a mixed-use neighborhood consisting of undeveloped land, multifamily residential uses, commercial uses, and retail uses. Overall, the commercial buildings in the Subject's neighborhood appeared to be 95 percent occupied. All locational amenities are located within 10.6 miles of the Subject site. Positive attributes of the Subject site include its excellent access to retail and commercial uses along South Columbia Avenue. Additionally, the uses in the Subject's immediate neighborhood are in good to excellent condition. Potentially negative attributes of the Subject site include its close proximity to an active rail line and its somewhat limited visibility. The adjacent market rate multifamily rental property has not been negatively impacted by noise from passing trains or its limited visibility. The Subject will be a compatible use within the immediate neighborhood.

## **D. MARKET AREA**

**PRIMARY MARKET AREA**

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

**Primary Market Area Map**



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Savannah, GA MSA are areas of growth or contraction. The Savannah, GA MSA is comprised of Bryan, Chatham, and Effingham Counties.

The boundaries of the PMA are as follows:

- North – Effingham County/Screven County line
- South – Interstates 16 and 95
- East – Georgia/South Carolina border
- West – Effingham County/Bulloch County line

The PMA encompasses Effingham County and the city of Pooler, northwest of Interstate 95 and north of Interstate 16. Rincon is a growing area as residents from the Savannah area move outward towards the suburbs that offer more room for growth including the cities of Pooler, Garden City, and Rincon. The area was defined based on interviews with local market participants as well as property managers at comparable properties. According to management at Veranda Village, Goshen Crossing I, and Goshen Crossing II, most tenants are from Rincon, Savannah, or other cities in Effingham County. Per GA DCA's 2016 market study guidelines, GA DCA does not take into account leakage from outside of the PMA. The farthest PMA boundary is approximately 24.2 miles from the Subject site.

## **E. COMMUNITY DEMOGRAPHIC DATA**

**COMMUNITY DEMOGRAPHIC DATA**

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

**1. Population Trends**

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

**TOTAL POPULATION**

Year	PMA		Savannah, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	46,090	-	292,995	-	281,421,906	-
2010	77,215	6.8%	347,611	1.9%	308,745,538	1.0%
2015	86,577	2.3%	370,063	1.2%	318,536,439	0.6%
Projected Mkt Entry June 2018	91,738	2.0%	385,020	1.4%	325,586,685	0.8%
2020	95,424	2.0%	395,704	1.4%	330,622,575	0.8%

**POPULATION BY AGE GROUP**

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry June 2018	2020
0-4	3,457	5,671	6,152	6,506	6,758
5-9	3,788	5,880	6,242	6,630	6,907
10-14	3,905	5,948	6,230	6,705	7,044
15-19	3,495	5,578	5,570	5,912	6,156
20-24	2,657	4,828	5,593	5,340	5,159
25-29	3,088	6,045	6,432	6,673	6,845
30-34	3,477	5,966	7,205	7,766	8,166
35-39	4,258	6,001	6,455	7,499	8,244
40-44	4,049	5,732	6,371	6,582	6,733
45-49	3,386	6,022	5,826	6,009	6,139
50-54	2,830	5,303	6,164	5,837	5,603
55-59	2,181	4,244	5,436	5,675	5,845
60-64	1,663	3,502	4,299	4,777	5,119
65-69	1,244	2,517	3,479	3,772	3,982
70-74	1,003	1,634	2,311	2,715	3,003
75-79	746	1,087	1,369	1,692	1,923
80-84	495	722	805	944	1,044
85+	368	535	642	708	755
<b>Total</b>	<b>46,090</b>	<b>77,215</b>	<b>86,581</b>	<b>91,740</b>	<b>95,425</b>

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

## NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Savannah, GA MSA		
	Total Population	Non-Elderly	Elderly (65+)	Total Population	Non-Elderly	Elderly (65+)
2000	46,090	42,234	3,856	293,000	258,511	34,489
2010	77,215	70,720	6,495	347,611	307,269	40,342
2015	86,581	77,975	8,606	370,063	320,833	49,230
Projected Mkt Entry June 2018	91,740	81,908	9,832	385,020	330,122	54,898
2020	95,425	84,718	10,707	395,704	336,757	58,947

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

Total population in the PMA is projected to increase at a 2.0 percent annual rate from 2015 to 2020, a growth rate above that of the MSA and nation as a whole during the same time period. In 2015, approximately 57 percent of the PMA's population was 20 to 59 years old. The PMA's population appears to be evenly distributed among the various age cohorts. The Subject will target all age groups. The strong population growth in the PMA is a positive indication for new affordable housing such as the Subject.

## 2. Household Trends

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

## TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Savannah, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	16,271	-	111,104	-	105,480,101	-
2010	27,813	7.1%	131,868	1.9%	116,716,292	1.1%
2015	31,438	2.5%	141,103	1.3%	120,746,349	0.7%
Projected Mkt Entry June 2018	33,451	2.2%	147,082	1.5%	123,506,223	0.8%
2020	34,889	2.2%	151,353	1.5%	125,477,562	0.8%

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

## AVERAGE HOUSEHOLD SIZE

Year	PMA		Savannah, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.79	-	2.56	-	2.59	-
2010	2.70	-0.3%	2.53	-0.1%	2.58	-0.1%
2015	2.69	-0.1%	2.52	-0.1%	2.57	0.0%
Projected Mkt Entry June 2018	2.68	-0.1%	2.52	0.0%	2.57	0.0%
2020	2.67	-0.1%	2.52	0.0%	2.57	0.0%

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

Similar to population trends, total household growth in the PMA is projected to increase at a faster rate than household growth in both the MSA and nation through 2020. Between 2010 and 2015, the number of households in the PMA increased 2.5 percent annually. The number of households in the PMA is expected to increase at a slightly slower rate of 2.2 percent through 2020. The average household size in the PMA was 2.69 persons in 2015 and is expected to slightly decrease through 2020. The Subject will target one to five-person households. The average household size in the PMA bodes well for the Subject's unit mix of one, two, and three-bedroom units.

## 2b. Households by Tenure

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

### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner- Occupied	Renter-Occupied Units	Percentage Renter- Occupied
2000	13,390	82.3%	2,881	17.7%
2010	20,348	73.2%	7,465	26.8%
2015	21,767	69.2%	9,671	30.8%
Projected Mkt Entry				
June 2018	23,062	69.0%	10,389	31.0%
2020	23,987	68.8%	10,902	31.2%

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

As the table above indicates, the majority of households in the Subject's PMA are owner-occupied. However, the percentage of renter-occupied units is expected to increase through 2020. As of 2015, the percentage of renter-occupied households in the PMA was slightly less than that of the nation, with approximately 31.7 percent of the nation residing in renter-occupied units. The growth in renter-occupied households is a positive indication for the proposed Subject.

## 2c. Households by Income

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

### HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2010		2015		Projected Mkt Entry June 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,660	6.0%	1,770	5.6%	1,828	5.5%	1,870	5.4%
\$10,000-19,999	1,994	7.2%	2,369	7.5%	2,457	7.3%	2,520	7.2%
\$20,000-29,999	2,487	8.9%	2,934	9.3%	3,039	9.1%	3,113	8.9%
\$30,000-39,999	2,364	8.5%	2,839	9.0%	3,006	9.0%	3,126	9.0%
\$40,000-49,999	2,814	10.1%	3,034	9.7%	3,116	9.3%	3,174	9.1%
\$50,000-59,999	2,841	10.2%	3,086	9.8%	3,227	9.6%	3,327	9.5%
\$60,000-74,999	3,601	12.9%	4,051	12.9%	4,253	12.7%	4,397	12.6%
\$75,000-99,999	4,401	15.8%	5,097	16.2%	5,402	16.1%	5,620	16.1%
\$100,000-124,999	2,808	10.1%	3,199	10.2%	3,542	10.6%	3,787	10.9%
\$125,000-149,999	1,230	4.4%	1,459	4.6%	1,657	5.0%	1,798	5.2%
\$150,000-199,999	1,128	4.1%	1,100	3.5%	1,302	3.9%	1,446	4.1%
\$200,000+	487	1.7%	500	1.6%	623	1.9%	711	2.0%
<b>Total</b>	<b>27,813</b>	<b>100.0%</b>	<b>31,438</b>	<b>100.0%</b>	<b>33,451</b>	<b>100.0%</b>	<b>34,889</b>	<b>100.0%</b>

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

The Subject will target households earning \$17,829 to \$39,780 for its LIHTC units. The market rate units will not have a maximum income restriction. As the previous table illustrates, approximately 18.4 percent of households in the PMA earned incomes between \$20,000 and \$39,999 in 2015. For the projected market entry date of June 2018, this percentage is projected to decrease to 18.1 percent.

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

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

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA**

	2010		2015		Projected Mkt Entry June 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,988	26.6%	2,716	28.1%	2,962	28.5%	3,138	28.8%
With 2 Persons	1,970	26.4%	2,604	26.9%	2,798	26.9%	2,937	26.9%
With 3 Persons	1,414	18.9%	1,797	18.6%	1,927	18.5%	2,019	18.5%
With 4 Persons	1,093	14.6%	1,330	13.7%	1,398	13.5%	1,447	13.3%
With 5+ Persons	1,000	13.4%	1,224	12.7%	1,304	12.5%	1,361	12.5%
Total Renter	7,465	100.0%	9,671	100.0%	10,389	100.0%	10,902	100.0%

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

The largest renter household cohort has remained a one-person household since 2010, followed by two and three-person households. These three cohorts are projected to remain the largest through 2020. The Subject will offer one, two, and three-bedroom units targeting one to five-person households. Approximately 76 percent of the Subject's units will offer one or two bedrooms. The strong presence of one to three-person renter households in the PMA bodes well for the Subject's units.

**2e and f. Elderly and HFOP**

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

**Conclusion**

The PMA is expected to experience strong population and household growth from 2015 through 2020. The population in the PMA is expected to increase at an annual rate of 2.0 percent from 2015 through 2020, which is faster than rates of the MSA and nation as a whole. The average household size in the PMA was 2.69 persons in 2015 and is expected to slightly decrease through 2020. The Subject will target one to five-person households. The average household size in the PMA bodes well for the Subject's unit mix of one, two, and three-bedroom units. The Subject will target households earning \$17,829 to \$39,780 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 18.4 percent of households in the PMA earned incomes between \$20,000 and \$39,999 in 2015. For the projected market entry date of June 2018, this percentage is projected to decrease to 18.1 percent. As the population and number of households increase, there is expected to be a greater number of low-income renters seeking affordable housing.

## **F. EMPLOYMENT TRENDS**

**EMPLOYMENT TRENDS**

The Subject site is located in Rincon, Effingham County, Georgia. Effingham County is part of the Savannah, GA MSA. The Savannah, GA MSA is comprised of Bryan, Chatham, and Effingham Counties, and is the third largest metropolitan area in the state of Georgia. The Subject will be located approximately 17 miles north of downtown Savannah. Gulfstream Aerospace Corporation, a manufacturer of business aircraft and the largest employer in the MSA, is located approximately 11 miles south of the Subject site. The Savannah MSA is home to the Georgia Ports Authority. According to the Savannah Area Chamber of Commerce, the Port of Savannah is the fastest growing port in the United States. The Savannah Harbor Expansion Project will further expand the port enabling it to accommodate larger shipping vessels. Rincon has excellent access to major interstates, including Interstate 95, which runs south to Miami, Florida and north to the Maine-Canada border. The primary employment sectors in the PMA are retail trade, manufacturing, healthcare, and educational services. Overall, the local economy appears to be well diversified.

**1. Total Jobs**

The following table illustrates the total jobs (also known as “covered employment”) in Effingham County.

**Total Jobs in Effingham County, Georgia**

Year	Total Employment	% Change
2006	26,165	-
2007	27,560	5.06%
2008	27,683	0.44%
2009	26,247	-5.47%
2010	23,310	-12.60%
2011	23,251	-0.25%
2012	23,796	2.29%
2013	23,928	0.55%
2014	24,641	2.89%
2015	25,368	2.87%
2016 YTD Average	25,761	1.52%
Feb-15	24,850	-
Feb-16	25,775	3.59%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

The U.S. Bureau of Labor Statistics found errors in their historical data and adjusted total employment figures, beginning in 2010. Although it is likely that total employment in Effingham County decreased in 2010 as a result of the most recent recession, the magnitude of the decrease in the previous table may be somewhat overstated. The county has experienced employment growth every year since 2012. Between February 2015 and February 2016, total covered employment increased 3.59 percent, indicating a moderately growing economy.

## 2. Total Jobs by Industry

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

### Second Quarter Covered Employment Effingham County, Georgia

	Number	Percent
<b>Total, all industries</b>	<b>6,493</b>	-
<b>Goods-producing</b>	<b>1,910</b>	-
Natural resources and mining	95	1.46%
Construction	416	6.41%
Manufacturing	1,399	21.55%
<b>Service-providing</b>	<b>4,583</b>	-
Trade, transportation, and utilities	1,937	29.83%
Information	20	0.31%
Financial activities	277	4.27%
Professional and business services	822	12.66%
Education and health services	415	6.39%
Leisure and hospitality	659	10.15%
Other services	386	5.94%
Unclassified	67	1.03%

Source: Bureau of Labor Statistics, 2015

Employment by industry in Effingham County is heavily concentrated in the trade, transportation and utilities sectors and the manufacturing sector. These industries are somewhat vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. Professional and business services and leisure and hospitality are the third and fourth largest employment sectors in the county.

## 2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	4,247	12.8%	17,089,319	11.6%
Manufacturing	4,063	12.3%	15,651,841	10.6%
Health Care/Social Assistance	3,681	11.1%	20,205,674	13.7%
Educational Services	3,593	10.9%	13,529,510	9.2%
Construction	3,538	10.7%	9,392,204	6.4%
Transportation/Warehousing	2,345	7.1%	6,200,837	4.2%
Other Services (excl Publ Adm)	2,108	6.4%	7,548,482	5.1%
Accommodation/Food Services	2,010	6.1%	10,915,815	7.4%
Public Administration	1,928	5.8%	7,099,307	4.8%
Prof/Scientific/Tech Services	1,064	3.2%	9,981,082	6.8%
Finance/Insurance	990	3.0%	7,026,905	4.8%
Admin/Support/Waste Mgmt Svcs	929	2.8%	6,242,568	4.2%
Wholesale Trade	812	2.5%	3,742,526	2.5%
Real Estate/Rental/Leasing	420	1.3%	2,759,067	1.9%
Information	327	1.0%	2,965,498	2.0%
Agric/Forestry/Fishing/Hunting	323	1.0%	1,941,156	1.3%
Utilities	323	1.0%	1,190,608	0.8%
Arts/Entertainment/Recreation	321	1.0%	3,193,724	2.2%
Mining	40	0.1%	997,794	0.7%
Mgmt of Companies/Enterprises	3	0.0%	115,436	0.1%
<b>Total Employment</b>	<b>33,065</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

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

Retail trade, manufacturing, health care/social assistance, and educational services are the largest industries within the PMA. These industries account for approximately 47.1 percent of total employment within the PMA. The PMA is overrepresented in the manufacturing, educational services, construction, and transportation/warehousing industries relative to the nation. Comparatively, the health care/social assistance, professional/scientific/tech services, and finance/insurance sectors are underrepresented in the PMA.

### 3. Major Employers

We were unable to obtain a comprehensive list of major employers for Effingham County. Mr. John Henry, CEO of the Effingham County Industrial Development Authority (ECIDA), was able to provide a list of the largest industrial employers in the county.

#### MAJOR INDUSTRIAL EMPLOYERS

##### Effingham County, GA

#	Company	Industry	Number of Employees
1	Georgia Pacific Savannah River Mill	Manufacturing	1,100
2	Edwards Interiors Aerospace	Manufacturing	199
3	Georgia Transformer Corp.	Manufacturing	193
4	Interfor	Manufacturing	113
5	Georgia Power	Utilities	100
6	Lineage Logistics	Logistics	95
7	CST Covers	Manufacturing	56
8	Omega Steel	Manufacturing	36
9	Premier Concrete, LLC	Construction	25
10	Effingham Power	Utilities	21

Source: Effingham County Industrial Development Authority, May 2016

The following table identifies the major employers in Chatham County.

#### MAJOR EMPLOYERS

##### Chatham County, GA

#	Company	Industry	Number of Employees
1	Gulfstream Aerospace Corporation	Manufacturing	10,126
2	Memorial University Medical Center	Healthcare	5,000
3	Savannah-Chatham County Board of Education	Education	4,808
4	Ft. Stewart/Hunter Army Airfield	Civilian personnel	4,637
5	St. Joseph's/Candler Health System	Hospital	3,304
6	City of Savannah	Government	2,795
7	Chatham County	Government	1,600
8	Savannah College of Art & Design	Education	1,590
9	Georgia Ports Authority	Ship terminal operation	988
10	International Paper	Paper Manufacturing	661

Source: Savannah Economic Development Authority, April 2016

Gulfstream Aerospace Corporation is the largest employer in the area with more than 10,000 employees. The majority of employment opportunities in Chatham County are in the manufacturing, healthcare, education and government sectors. Many of the area's major employers employ workers across a range of wage and income levels.

**Expansions/Contractions**

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

**SAVANNAH, GA MSA LAYOFFS/CLOSURES 2014 - YTD 2016**

<b>Effective</b>	<b>Company</b>	<b>City</b>	<b>County</b>	<b>Layoff/ Closure</b>	<b>Number of Employees</b>
12/15/2015	Gulfstream	Savannah	Chatham	Closure	349
6/30/2015	First Student	Savannah	Chatham	Closure	564
3/20/2015	L-3 Army Sustainment Division	Savannah	Chatham	Layoff	82
9/1/2014	United Arab Shipping Company	Savannah	Chatham	Layoff	82
8/11/2014	EveryWare Global, Inc.	Black Creek	Bryan	Closure	62
8/1/2014	Hobart/ITW Food Equipment	Richmond Hill	Bryan	Closure	42
4/5/2014	Veolia Transportation	Savannah	Chatham	Closure	205
1/4/2014	Roalink Workforce Solutions	Savannah	Chatham	Layoff	<u>42</u>
<b>Total</b>					<b>1,428</b>

Source: Georgia Department of Economic Development, 5/2016

There were eight major layoffs in the MSA between 2014 and YTD 2016. None of these occurred in Rincon or Effingham County. The largest layoff occurred in 2015 when First Student announced a closure and subsequent layoff of 564 workers.

According to John Henry of the ECIDA, there have been no major layoffs in Effingham County over the past year. The Effingham County IDA announced several new projects in 2015 representing \$82 million in direct capital investment and approximately 71 new jobs. The following business expansions are currently occurring in Effingham County:

- ECIDA has announced a development agreement with OmniTRAX, Inc. to develop a 2,600-acre industrial property near Rincon. The site is located approximately 12 miles north of the Port of Savannah and will have direct access to both Norfolk Southern and CSX main rail lines. According to Chap Bennett, Chairman of ECIDA, the development has the potential to create thousands of new jobs in the Rincon area. Transportation infrastructure, such as a public east/west corridor tying Georgia Highway 21 to the projected Effingham Parkway is being planned to accommodate traffic generated by the new development.
- DRT Fragrances and Resins, a French fragrances and aromatics company, is constructing a \$43 million manufacturing facility in Effingham County. Approximately 35 new jobs will be created once operational. The plant is expected to open in the first half of 2017.
- PortFresh Logistics is planning to construct a \$14 million, 100,000-square foot cold storage and packing facility that will cater to food producers shipping in and out of the Port of Savannah. The project is expected to create 40 new jobs upon opening in September 2016.

According to Molly Olson, a Business Development Coordinator at the Savannah Economic Development Authority, 2014 and 2015 were positive years in terms of job growth and expansions in the Savannah area. In 2014 and 2015, there were 15 new projects that created approximately 668 jobs and have brought over \$305 million in investment to the Savannah area. Following are some job expansions that have been announced since January 2016.

- OA Logistics, a distribution company based in Pooler, GA announced in February that it would be expanding its east coast operations by constructing a new \$1.1 million distribution center in Savannah. The expansion is projected to bring 200 to 300 jobs over the next 16 to 18 months.
- PolyCase Ammunition, an ammunition manufacturer announced it would be expanding its current operation by \$10 million, creating 100 to 200 new jobs in the Savannah area. No further details were available.
- BRAM Industries, an Israeli-based plastics manufacturing company, recently announced its plans to invest \$3 million in its first U.S. manufacturing plant at the Commerce Center in Savannah. Approximately 60 new jobs are expected to be created following construction of the new facility.
- Safavieh, a furniture and designer rug manufacturer, is opening a second warehouse. Approximately 100 new jobs are expected to be created.

#### 4. Employment and Unemployment Trends

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

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Year	Savannah, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	142,209	-	4.2%	-	136,933,000	-	4.7%	-
2003	145,054	2.0%	4.2%	0.0%	136,485,000	-0.3%	5.8%	1.1%
2004	152,921	5.4%	4.1%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2005	158,112	3.4%	4.4%	0.3%	139,252,000	1.1%	5.5%	-0.5%
2006	164,431	4.0%	3.9%	-0.5%	141,730,000	1.8%	5.1%	-0.4%
2007	172,008	4.6%	3.8%	-0.1%	144,427,000	1.9%	4.6%	-0.5%
2008	170,941	-0.6%	5.5%	1.7%	146,047,000	1.1%	4.6%	0.0%
2009	161,731	-5.4%	8.5%	3.0%	145,362,000	-0.5%	5.8%	1.2%
2010	151,157	-6.5%	9.8%	1.3%	139,877,000	-3.8%	9.3%	3.5%
2011	153,244	1.4%	9.9%	0.1%	139,064,000	-0.6%	9.6%	0.3%
2012	157,542	2.8%	9.0%	-0.9%	139,869,000	0.6%	8.9%	-0.7%
2013	159,180	1.0%	8.0%	-1.0%	142,469,000	1.9%	8.1%	-0.8%
2014	161,326	1.3%	7.0%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2015	165,960	2.9%	5.6%	-1.5%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	168,491	1.5%	5.3%	-0.3%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	164,091	-	6.0%	-	147,118,000	-	5.8%	-
Feb-2016	169,631	3.4%	5.3%	-0.7%	150,060,000	2.0%	5.2%	-0.6%

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

\*2016 data is through Dec

Total employment in the MSA has fluctuated over the last 10 years, with increases from 2005 through 2007 and 2011 through 2015. The MSA experienced a 5.4 percent decrease in total employment in 2009 and a 6.5 percent decrease in 2010, while the nation experienced a decrease

of 3.8 and 0.6 percent in 2009 and 2010, respectively. From February 2015 to February 2016, total employment increased 3.4 percent in the MSA, but has yet to reach pre-recessionary total employment levels which peaked in 2007.

The unemployment rate in the MSA has also fluctuated over the past 10 years. Between 2008 and 2011, the unemployment rate within the MSA increased from 3.8 percent to 9.9 percent. Since 2012, the unemployment rate in the MSA has steadily declined. Between February 2015 and February 2016, the unemployment rate in the MSA decreased from 6.0 percent to 5.3 percent, while the national unemployment rate decreased from 5.8 percent to 5.2 percent during the same period.

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

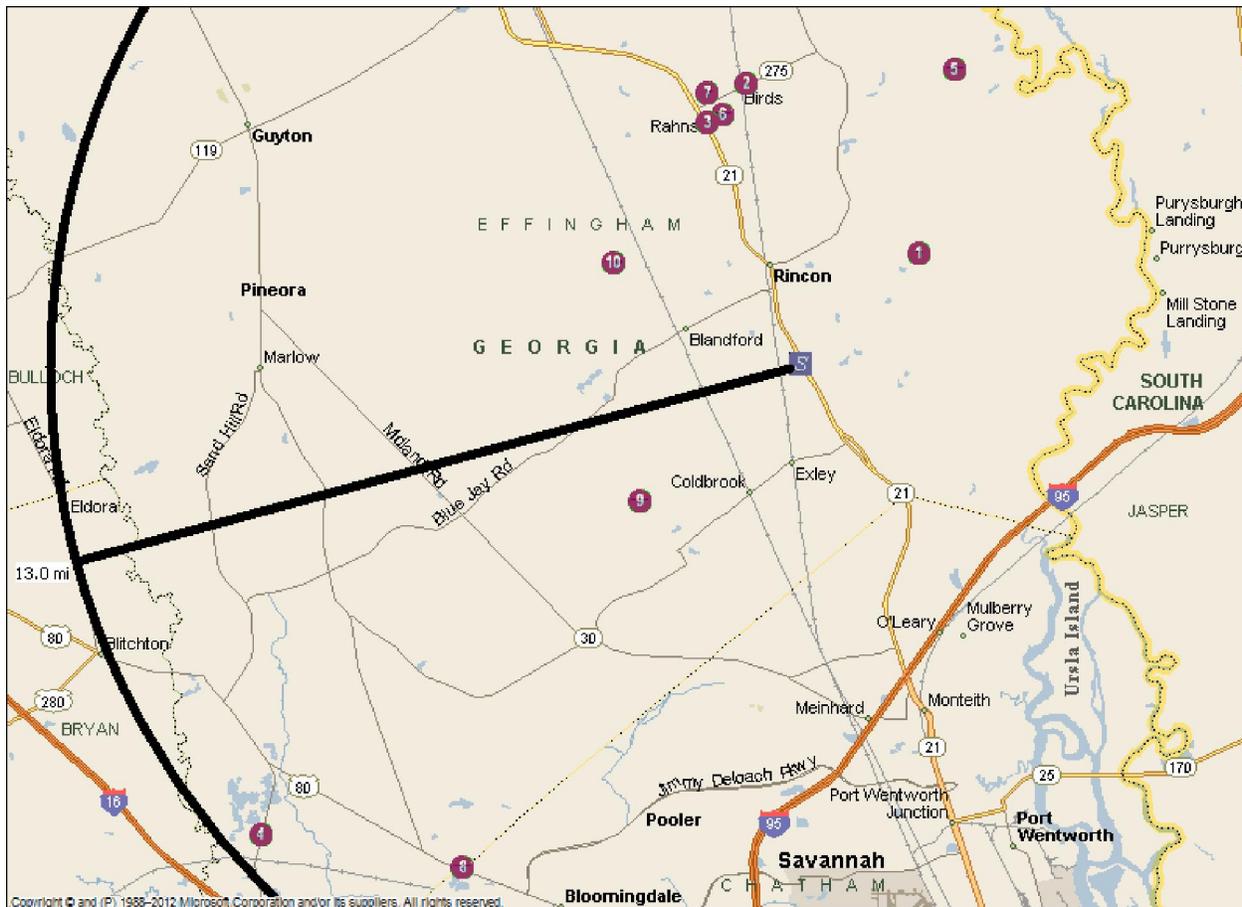
The following map and table details the largest industrial employers in Effingham County, GA. It should also be noted that the major employers in Chatham County are mostly located within a 15 to 30 minute drive of the Subject.

#### MAJOR INDUSTRIAL EMPLOYERS

Effingham County, GA

#	Company	Industry	Number of Employees
1	Georgia Pacific Savannah River Mill	Manufacturing	1,100
2	Edwards Interiors Aerospace	Manufacturing	199
3	Georgia Transformer Corp.	Manufacturing	193
4	Interfor	Manufacturing	113
5	Georgia Power	Utilities	100
6	Lineage Logistics	Logistics	95
7	CST Covers	Manufacturing	56
8	Omega Steel	Manufacturing	36
9	Premier Concrete, LLC	Construction	25
10	Effingham Power	Utilities	21

Source: Effingham County Industrial Development Authority, May 2016



**Conclusion**

Rincon and Effingham County is part of the Savannah, GA MSA. Rincon has excellent access to major interstates, including Interstate 95, which runs south to Miami, Florida and north to the Maine-Canada border. The Subject will be located within close proximity to employers in both Effingham and Chatham Counties. Retail trade, manufacturing, health care/social assistance, and educational services are the largest industries within the PMA. These industries account for approximately 47.1 percent of total employment within the PMA. The MSA experienced a 5.4 percent decrease in total employment in 2009 and a 6.5 percent decrease in 2010, while the nation experienced a decrease of 3.8 and 0.6 percent in 2009 and 2010, respectively. From February 2015 to February 2016, total employment increased 3.4 percent in the MSA, but has yet to reach pre-recessionary total employment levels which peaked in 2007. Between 2008 and 2011, the unemployment rate within the MSA increased from 3.8 percent to 9.9 percent. Since 2012, the unemployment rate in the MSA has steadily declined. Between February 2015 and February 2016, the unemployment rate in the MSA decreased from 6.0 percent to 5.3 percent, while the national unemployment rate decreased from 5.8 percent to 5.2 percent during the same period.

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

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

### **1. Income Restrictions**

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

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

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

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

### **2. Affordability**

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

### **3. Demand**

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

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

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

**3B. Demand from Existing Households**

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

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

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

**3C. Elderly Homeowners Likely to Convert to Rentership**

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

**3D. Other**

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

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

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

**ADDITIONS TO SUPPLY**

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

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

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

According to the Georgia Department of Community Affairs, there were no properties awarded LIHTC in the PMA in 2014 or 2015. Therefore, no LIHTC units were removed from the following demand analysis.

The Columns at Coldbrook Station is a new market rate property located 6.2 miles south of the Subject site. It was built in 2015 and is currently in absorption. The property offers one, two, and three-bedroom units at market rents that are significantly higher than the proposed rents at the Subject. The property is currently 77 percent occupied. We have conservatively removed the 56 vacant one and two-bedroom units at this property from the demand analysis. The Subject will not offer any three-bedroom market rate units; therefore, these units have not been removed from the demand analysis.

**PMA Occupancy**

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

**PMA OCCUPANCY**

Property Name	Type	Tenancy	Total Units	Occupied Units	Occupancy Rate
Goshen Crossing I	LIHTC	Family	60	60	100.0%
Goshen Crossing II	LIHTC	Family	60	60	100.0%
Harmony Greene	LIHTC	Family	50	50	100.0%
Veranda Village	LIHTC/Market	Family	96	96	100.0%
Effingham Parc	Market	Family	352	331	94.0%
Rice Creek Apartments	Market	Family	240	240	100.0%
The Georgian	Market	Family	184	184	100.0%
The Village at Rice Hope	Market	Family	200	188	94.0%
The Columns at Coldbrook Station	Market	Family	252	195	77.4%
The Carlyle at Godley Station	Market	Family	N/Av	N/Av	N/Av
Two Addison Place	Market	Family	325	N/Av	N/Av
Blandford Village	Market	Family	14	N/Av	N/Av
Barn at Goshen	Market	Family	20	N/Av	N/Av
Weisenbaker Place	Market	Family	40	N/Av	N/Av
<b>Average</b>					<b>96.2%</b>

The previous table illustrates family occupancy in the PMA, not including subsidized properties. Overall, occupancy is high at most of the surveyed properties. Therefore, we believe a PMA occupancy rate of 95 percent or higher is reasonable. It should be noted that The Columns at Coldbrook Station is in absorption and has not yet stabilized.

### **Rehab Developments and PBRA**

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

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

None of the Subject's units will operate with PBRA and the Subject is proposed; therefore, there are no existing tenants. We have conducted the Demand Analysis based upon the 76 revenue-generating units proposed at the Subject.

**Capture Rates**

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

Renter Household Income Distribution 2015 to Projected Market Entry June 2018					
Towne Park Commons					
PMA					
	2015		Projected Mkt Entry June 2018		Percent Growth
	#	%	#	%	
\$0-9,999	934	9.7%	958	9.2%	2.4%
\$10,000-19,999	1,053	10.9%	1,096	10.5%	3.9%
\$20,000-29,999	1,394	14.4%	1,454	14.0%	4.1%
\$30,000-39,999	1,085	11.2%	1,160	11.2%	6.4%
\$40,000-49,999	1,045	10.8%	1,088	10.5%	4.0%
\$50,000-59,999	1,060	11.0%	1,166	11.2%	9.1%
\$60,000-74,999	1,014	10.5%	1,121	10.8%	9.6%
\$75,000-99,999	1,123	11.6%	1,250	12.0%	10.1%
\$100,000-124,999	572	5.9%	656	6.3%	12.7%
\$125,000-149,999	183	1.9%	204	2.0%	10.5%
\$150,000-199,999	121	1.3%	138	1.3%	12.2%
\$200,000+	87	0.9%	99	1.0%	12.6%
<b>Total</b>	<b>9,671</b>	<b>100.0%</b>	<b>10,389</b>	<b>100.0%</b>	<b>6.9%</b>

Renter Household Income Distribution Projected Market Entry June 2018			
Towne Park Commons			
	PMA		
	Projected Mkt Entry June 2018		Change 2015 to Prj Mrkt Entry June 2018
	#	%	#
\$0-9,999	958	9.2%	66
\$10,000-19,999	1,096	10.5%	76
\$20,000-29,999	1,454	14.0%	100
\$30,000-39,999	1,160	11.2%	80
\$40,000-49,999	1,088	10.5%	75
\$50,000-59,999	1,166	11.2%	81
\$60,000-74,999	1,121	10.8%	77
\$75,000-99,999	1,250	12.0%	86
\$100,000-124,999	656	6.3%	45
\$125,000-149,999	204	2.0%	14
\$150,000-199,999	138	1.3%	10
\$200,000+	99	1.0%	7
<b>Total</b>	<b>10,389</b>	<b>100.0%</b>	<b>718</b>

Tenure Prj Mrkt Entry June 2018	
Renter	31.1%
Owner	68.9%
<b>Total</b>	<b>100.0%</b>

Renter Household Size for Prj Mrkt Entry June 2018		
Size	Number	Percentage
1 Person	2,962	28.5%
2 Person	2,798	26.9%
3 Person	1,927	18.5%
4 Person	1,398	13.5%
5+ Person	1,304	12.5%
<b>Total</b>	<b>10,389</b>	<b>100.0%</b>

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	710	24.6%
2 Person	770	26.7%
3 Person	544	18.9%
4 Person	532	18.5%
5+ Person	326	11.3%
<b>Total</b>	<b>2,881</b>	<b>100.0%</b>

50% AMI

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

Percent of AMI Level				50%	
Minimum Income Limit				\$17,829	
Maximum Income Limit				\$33,150	5
Income Category	New Renter Households - Total Change in Households PMA 2015 to Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	66.19	9.2%		0.0%	0
\$10,000-19,999	75.75	10.5%	\$2,170	21.7%	16
\$20,000-29,999	100.47	14.0%	\$9,999	100.0%	100
\$30,000-39,999	80.16	11.2%	\$3,150	31.5%	25
\$40,000-49,999	75.22	10.5%		0.0%	0
\$50,000-59,999	80.60	11.2%		0.0%	0
\$60,000-74,999	77.48	10.8%		0.0%	0
\$75,000-99,999	86.38	12.0%		0.0%	0
\$100,000-124,999	45.31	6.3%		0.0%	0
\$125,000-149,999	14.12	2.0%		0.0%	0
\$150,000-199,999	9.53	1.3%		0.0%	0
\$200,000+	6.85	1.0%		0.0%	0
	718	100.0%			142
Percent of renter households within limits versus total number of renter households					19.80%

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

Percent of AMI Level				50%	
Minimum Income Limit				\$17,829	
Maximum Income Limit				\$33,150	5
Income Category	Total Renter Households PMA Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	958	9.2%		0.0%	0
\$10,000-19,999	1,096	10.5%	\$2,170	21.7%	238
\$20,000-29,999	1,454	14.0%	\$9,999	100.0%	1,454
\$30,000-39,999	1,160	11.2%	\$3,150	31.5%	365
\$40,000-49,999	1,088	10.5%		0.0%	0
\$50,000-59,999	1,166	11.2%		0.0%	0
\$60,000-74,999	1,121	10.8%		0.0%	0
\$75,000-99,999	1,250	12.0%		0.0%	0
\$100,000-124,999	656	6.3%		0.0%	0
\$125,000-149,999	204	2.0%		0.0%	0
\$150,000-199,999	138	1.3%		0.0%	0
\$200,000+	99	1.0%		0.0%	0
	10,389	100.0%			2,057
Percent of renter households within limits versus total number of renter households					19.80%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Proj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No	
Family	
Urban	
35%	
\$46,334	
\$68,658	
\$22,324	
32.5%	
0.4%	
0.4%	Two year adjustment
\$33,150	1.0000
\$33,150	
5	
50%	
\$520	
\$520.00	

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

STEP 1 Please refer to text for complete explanation.

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

Income Target Population	50%
New Renter Households PMA	718
Percent Income Qualified	19.8%
New Renter Income Qualified Households	142

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	10,389
Income Qualified	19.8%
Income Qualified Renter Households	2,057
Percent Rent Overburdened Prj Mrkt Entry June 2018	32.7%
Rent Overburdened Households	672

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,057
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	16

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

Senior Households Converting from Homeownership

Income Target Population	50%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		688
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		688
Total New Demand		142
Total Demand (New Plus Existing Households)		830

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

By Bedroom Demand

One Person	28.5%	237
Two Persons	26.9%	224
Three Persons	18.5%	154
Four Persons	13.5%	112
Five Persons	12.5%	104
Total	100.0%	830

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	189
Of two-person households in 1BR units	20%	45
Of one-person households in 2BR units	20%	47
Of two-person households in 2BR units	80%	179
Of three-person households in 2BR units	60%	92
Of three-person households in 3BR units	40%	62
Of four-person households in 3BR units	80%	89
Of five-person households in 3BR units	70%	73
Of four-person households in 4BR units	20%	22
Of five-person households in 4BR units	30%	31
Total Demand		830
Check		OK

Total Demand by Bedroom	50%
1 BR	234
2 BR	319
3 BR	224
Total Demand	776

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

Net Demand	50%
1 BR	234
2 BR	319
3 BR	224
Total	776

Developer's Unit Mix	50%
1 BR	8
2 BR	12
3 BR	7
Total	27

Capture Rate Analysis	50%
1 BR	3.4%
2 BR	3.8%
3 BR	3.1%
Total	3.5%

60%AMI

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

Percent of AMI Level				60%	
Minimum Income Limit				\$19,371	
Maximum Income Limit				\$39,780	5
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	66.19	9.2%		0.0%	0
\$10,000-19,999	75.75	10.5%	\$628	6.3%	5
\$20,000-29,999	100.47	14.0%	\$9,999	100.0%	100
\$30,000-39,999	80.16	11.2%	\$9,780	97.8%	78
\$40,000-49,999	75.22	10.5%		0.0%	0
\$50,000-59,999	80.60	11.2%		0.0%	0
\$60,000-74,999	77.48	10.8%		0.0%	0
\$75,000-99,999	86.38	12.0%		0.0%	0
\$100,000-124,999	45.31	6.3%		0.0%	0
\$125,000-149,999	14.12	2.0%		0.0%	0
\$150,000-199,999	9.53	1.3%		0.0%	0
\$200,000+	6.85	1.0%		0.0%	0
	718	100.0%			184
Percent of renter households within limits versus total number of renter households					25.57%

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

Percent of AMI Level				60%	
Minimum Income Limit				\$19,371	
Maximum Income Limit				\$39,780	5
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	958	9.2%		0.0%	0
\$10,000-19,999	1,096	10.5%	\$628	6.3%	69
\$20,000-29,999	1,454	14.0%	\$9,999	100.0%	1,454
\$30,000-39,999	1,160	11.2%	\$9,780	97.8%	1,134
\$40,000-49,999	1,088	10.5%		0.0%	0
\$50,000-59,999	1,166	11.2%		0.0%	0
\$60,000-74,999	1,121	10.8%		0.0%	0
\$75,000-99,999	1,250	12.0%		0.0%	0
\$100,000-124,999	656	6.3%		0.0%	0
\$125,000-149,999	204	2.0%		0.0%	0
\$150,000-199,999	138	1.3%		0.0%	0
\$200,000+	99	1.0%		0.0%	0
	10,389	100.0%			2,657
Percent of renter households within limits versus total number of renter households					25.57%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$46,334		
\$68,658		
\$22,324		
32.5%		
0.4%		
0.4%	Two year adjustment	1.0000
\$39,780		
\$39,780		
5		
60%		
\$56.5		
\$565.00		

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

STEP 1 Please refer to text for complete explanation.

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

Income Target Population	60%
New Renter Households PMA	718
Percent Income Qualified	25.6%
New Renter Income Qualified Households	184

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	10,389
Income Qualified	25.6%
Income Qualified Renter Households	2,657
Percent Rent Overburdened Prj Mrkt Entry June 2018	32.7%
Rent Overburdened Households	868

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,657
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	21

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

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		888
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		888
Total New Demand		184
Total Demand (New Plus Existing Households)		1,072

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

By Bedroom Demand

One Person	28.5%	306
Two Persons	26.9%	289
Three Persons	18.5%	199
Four Persons	13.5%	144
Five Persons	12.5%	135
Total	100.0%	1,072

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	245
Of two-person households in 1BR units	20%	58
Of one-person households in 2BR units	20%	61
Of two-person households in 2BR units	80%	231
Of three-person households in 2BR units	60%	119
Of three-person households in 3BR units	40%	80
Of four-person households in 3BR units	80%	115
Of five-person households in 3BR units	70%	94
Of four-person households in 4BR units	20%	29
Of five-person households in 4BR units	30%	40
Total Demand		1,072
Check		OK

Total Demand by Bedroom	60%
1 BR	302
2 BR	411
3 BR	289
Total Demand	1,003

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

Net Demand	60%
1 BR	302
2 BR	411
3 BR	289
Total	1,003

Developer's Unit Mix	60%
1 BR	10
2 BR	24
3 BR	11
5 BR	0
Total	45

Capture Rate Analysis	60%
1 BR	3.3%
2 BR	5.8%
3 BR	3.8%
Total	4.5%

Market Rate

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

Percent of AMI Level		Market Rate			
Minimum Income Limit		\$17,520			
Maximum Income Limit		\$75,000		3	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	66.19	9.2%		0.0%	0
\$10,000-19,999	75.75	10.5%	\$2,479	24.8%	19
\$20,000-29,999	100.47	14.0%	\$9,999	100.0%	100
\$30,000-39,999	80.16	11.2%	\$9,999	100.0%	80
\$40,000-49,999	75.22	10.5%	\$9,999	100.0%	75
\$50,000-59,999	80.60	11.2%	\$9,999	100.0%	81
\$60,000-74,999	77.48	10.8%	\$14,999	100.0%	77
\$75,000-99,999	86.38	12.0%		0.0%	0
\$100,000-124,999	45.31	6.3%		0.0%	0
\$125,000-149,999	14.12	2.0%		0.0%	0
\$150,000-199,999	9.53	1.3%		0.0%	0
\$200,000+	6.85	1.0%		0.0%	0
	718	100.0%			433
Percent of renter households within limits versus total number of renter households					60.26%

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

Percent of AMI Level		Market Rate			
Minimum Income Limit		\$17,520			
Maximum Income Limit		\$75,000		3	
Income Category	Total Renter Households PMA Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	958	9.2%		0.0%	0
\$10,000-19,999	1,096	10.5%	\$2,479	24.8%	272
\$20,000-29,999	1,454	14.0%	\$9,999	100.0%	1,454
\$30,000-39,999	1,160	11.2%	\$9,999	100.0%	1,160
\$40,000-49,999	1,088	10.5%	\$9,999	100.0%	1,088
\$50,000-59,999	1,166	11.2%	\$9,999	100.0%	1,166
\$60,000-74,999	1,121	10.8%	\$14,999	100.0%	1,121
\$75,000-99,999	1,250	12.0%		0.0%	0
\$100,000-124,999	656	6.3%		0.0%	0
\$125,000-149,999	204	2.0%		0.0%	0
\$150,000-199,999	138	1.3%		0.0%	0
\$200,000+	99	1.0%		0.0%	0
	10,389	100.0%			6,260
Percent of renter households within limits versus total number of renter households					60.26%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Proj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$46,334		
\$68,658		
\$22,324		
32.5%		
0.4%		
0.4%	Two year adjustment	1.0000
\$75,000		
\$75,000		
3		
Market Rate		
\$511		
\$511.00		

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

STEP 1 Please refer to text for complete explanation.

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

	Market Rate
Income Target Population	
New Renter Households PMA	718
Percent Income Qualified	60.3%
New Renter Income Qualified Households	433

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	10,389
Income Qualified	60.3%
Income Qualified Renter Households	6,260
Percent Rent Overburdened Prj Mrkt Entry June 2018	32.7%
Rent Overburdened Households	2045

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	6,260
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	48

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

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		2,093
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		2093
Total New Demand		433
Total Demand (New Plus Existing Households)		2,526

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

By Bedroom Demand

One Person	28.5%	720
Two Persons	26.9%	680
Three Persons	18.5%	469
Four Persons	13.5%	340
Five Persons	12.5%	317
Total	100.0%	2,526

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	576
Of two-person households in 1BR units	20%	136
Of one-person households in 2BR units	20%	144
Of two-person households in 2BR units	80%	544
Of three-person households in 2BR units	60%	281
Of three-person households in 3BR units	40%	187
Of four-person households in 3BR units	80%	272
Of five-person households in 3BR units	70%	222
Of four-person households in 4BR units	20%	68
Of five-person households in 4BR units	30%	95
Total Demand		2,526
Check		OK

Total Demand by Bedroom	Market Rate
1 BR	712
2 BR	969
Total Demand	1,682

Additions To Supply 2015 to Prj Mrkt Entry June 2018	Market Rate
1 BR	8
2 BR	48
Total	56

Net Demand	Market Rate
1 BR	704
2 BR	921
Total	1,626

Developer's Unit Mix	Market Rate
1 BR	2
2 BR	2
Total	4

Capture Rate Analysis	Market Rate
1 BR	0.3%
2 BR	0.2%
Total	0.2%

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$17,829		
Maximum Income Limit			\$39,780 5		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	66.19			
\$10,000-19,999	75.75	10.5%	\$9,999	21.7%	16
\$20,000-29,999	100.47	14.0%	\$9,780	100.0%	100
\$30,000-39,999	80.16	11.2%		97.8%	78
\$40,000-49,999	75.22	10.5%		0.0%	0
\$50,000-59,999	80.60	11.2%		0.0%	0
\$60,000-74,999	77.48	10.8%		0.0%	0
\$75,000-99,999	86.38	12.0%		0.0%	0
\$100,000-124,999	45.31	6.3%		0.0%	0
\$125,000-149,999	14.12	2.0%		0.0%	0
\$150,000-199,999	9.53	1.3%		0.0%	0
\$200,000+	6.85	1.0%		0.0%	0
	718	100.0%			195
Percent of renter households within limits versus total number of renter households					27.20%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$17,829		
Maximum Income Limit			\$39,780 5		
Income Category	Total Renter Households PMA Proj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	958			
\$10,000-19,999	1,096	10.5%	\$9,999	21.7%	238
\$20,000-29,999	1,454	14.0%	\$9,780	100.0%	1,454
\$30,000-39,999	1,160	11.2%		97.8%	1,134
\$40,000-49,999	1,088	10.5%		0.0%	0
\$50,000-59,999	1,166	11.2%		0.0%	0
\$60,000-74,999	1,121	10.8%		0.0%	0
\$75,000-99,999	1,250	12.0%		0.0%	0
\$100,000-124,999	656	6.3%		0.0%	0
\$125,000-149,999	204	2.0%		0.0%	0
\$150,000-199,999	138	1.3%		0.0%	0
\$200,000+	99	1.0%		0.0%	0
	10,389	100.0%			2,826
Percent of renter households within limits versus total number of renter households					27.20%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Proj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No	
Family	
Urban	
35%	
\$46,334	
\$68,658	
\$22,324	
32.5%	
0.4%	
0.4%	Two year adjustment 1.0000
\$39,780	
\$39,780	
\$5	
Overall	
\$520	
\$520.00	

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

STEP 1 Please refer to text for complete explanation.

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

	Overall
Income Target Population	
New Renter Households PMA	718
Percent Income Qualified	27.2%
New Renter Income Qualified Households	195

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	10,389
Income Qualified	27.2%
Income Qualified Renter Households	2,826
Percent Rent Overburdened Prj Mrkt Entry June 2018	32.7%
Rent Overburdened Households	923

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,826
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	22

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

Senior Households Converting from Homeownership

	Overall
Income Target Population	
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		945
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		945
Total New Demand		195
Total Demand (New Plus Existing Households)		1,140

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

By Bedroom Demand

One Person	28.5%	325
Two Persons	26.9%	307
Three Persons	18.5%	211
Four Persons	13.5%	153
Five Persons	12.5%	143
Total	100.0%	1,140

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	260
Of two-person households in 1BR units	20%	61
Of one-person households in 2BR units	20%	65
Of two-person households in 2BR units	80%	246
Of three-person households in 2BR units	60%	127
Of three-person households in 3BR units	40%	85
Of four-person households in 3BR units	80%	123
Of five-person households in 3BR units	70%	100
Of four-person households in 4BR units	20%	31
Of five-person households in 4BR units	30%	43
Total Demand		1,140
Check		OK

Total Demand by Bedroom	Overall
1 BR	321
2 BR	438
3 BR	307
Total Demand	1,066

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

Net Demand	Overall
1 BR	321
2 BR	438
3 BR	307
Total	1,066

Developer's Unit Mix	Overall
1 BR	18
2 BR	36
3 BR	18
Total	72

Capture Rate Analysis	Overall
1 BR	5.6%
2 BR	8.2%
3 BR	5.9%
Total	6.8%

**Conclusions**

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

- The number of households in the PMA is expected to increase 6.4 percent between 2015 and June 2018. This rate of growth is considered strong.
- The LIHTC comparables are fully occupied with waiting lists indicating a strong local affordable housing market.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from outside of the PMA by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1 BR @ 50% AMI	8	234	0	234	3.4%	3 months	\$605	\$425-\$859	\$415
2 BR @ 50% AMI	12	319	0	319	3.8%	3 months	\$692	\$457-\$1,065	\$490
3 BR @ 50% AMI	7	224	0	224	3.1%	3 months	\$784	\$516-\$1,337	\$556
<b>50% AMI Overall</b>	<b>27</b>	<b>776</b>	<b>0</b>	<b>776</b>	<b>3.5%</b>	<b>3 months</b>	<b>\$605-\$784</b>	<b>\$425-\$1,337</b>	<b>\$415-\$556</b>
1 BR @ 60% AMI	10	302	0	302	3.3%	3 months	\$659	\$485-\$859	\$460
2 BR @ 60% AMI	24	411	0	411	5.8%	3 months	\$768	\$545-\$1,065	\$525
3 BR @ 60% AMI	11	289	0	289	3.8%	3 months	\$886	\$635-\$1,337	\$610
<b>60% AMI Overall</b>	<b>45</b>	<b>1,003</b>	<b>0</b>	<b>1,003</b>	<b>4.5%</b>	<b>3 months</b>	<b>\$659-\$886</b>	<b>\$485-\$1,337</b>	<b>\$460-\$610</b>
1 BR @ Market	2	712	8	704	0.3%	3 months	\$744	\$510-\$859	\$511
2 BR @ Market	2	969	48	921	0.2%	3 months	\$875	\$620-\$1,065	\$583
<b>Market Overall</b>	<b>4</b>	<b>1,682</b>	<b>56</b>	<b>1,626</b>	<b>0.2%</b>	<b>3 months</b>	<b>\$744-\$875</b>	<b>\$510-\$1,065</b>	<b>\$511-\$583</b>
1 BR Overall (LIHTC only)	18	321	0	321	5.6%	3 months	\$605	\$425-\$859	\$415-\$511
2 BR Overall (LIHTC only)	36	438	0	438	8.2%	3 months	\$692	\$457-\$1,065	\$490-\$583
3 BR Overall (LIHTC only)	18	307	0	307	5.9%	3 months	\$784	\$516-\$1,337	\$556-\$610
<b>Overall (LIHTC only)</b>	<b>72</b>	<b>1,066</b>	<b>0</b>	<b>1,066</b>	<b>6.8%</b>	<b>3 months</b>	<b>\$605-\$784</b>	<b>\$425-\$1,337</b>	<b>\$415-\$610</b>

**Demand and Net Demand**

	HH at 50% AMI	HH at 60% AMI	HH at Market Rate	All Tax Credit Households
Demand from New Households (age and income appropriate)	142	184	433	195
<b>PLUS</b>				
Demand from Existing Renter Households - Substandard Housing	16	21	48	22
<b>PLUS</b>				
Demand from Existing Renter Households - Rent Overburdened Households	672	868	2045	923
<b>PLUS</b>				
<b>Secondary Market Demand adjustment IF ANY Subject to 15% Limitation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub Total</b>	<b>830</b>	<b>1072</b>	<b>2526</b>	<b>1140</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0	0
<b>Equals Total Demand</b>	<b>830</b>	<b>1072</b>	<b>2526</b>	<b>1140</b>
<b>Less</b>				
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	56	0
<b>Equals Net Demand</b>	<b>830</b>	<b>1072</b>	<b>2470</b>	<b>1140</b>

As the analysis illustrates, the Subject’s 50 percent capture rates range from 3.1 to 3.8 percent, with an overall capture rate of 3.5 percent. The Subject’s 60 percent AMI capture rates range

from 3.3 to 5.8 percent, with an overall capture rate of 4.5 percent. The Subject's market rate capture rates range from 0.2 to 0.3 percent, with an overall capture rate of 0.2 percent. The overall capture rate for the Subject's 50 and 60 percent units is 6.8 percent. Therefore, we believe there is adequate demand for the Subject.

## **H. COMPETITIVE RENTAL ANALYSIS**

**Survey of Comparable Projects**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes eight comparable properties containing 1,242 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good. We used four LIHTC properties located between 0.8 and 16.7 miles from the Subject. All of the comparable LIHTC properties are located in the PMA and were built between 2005 and 2014.

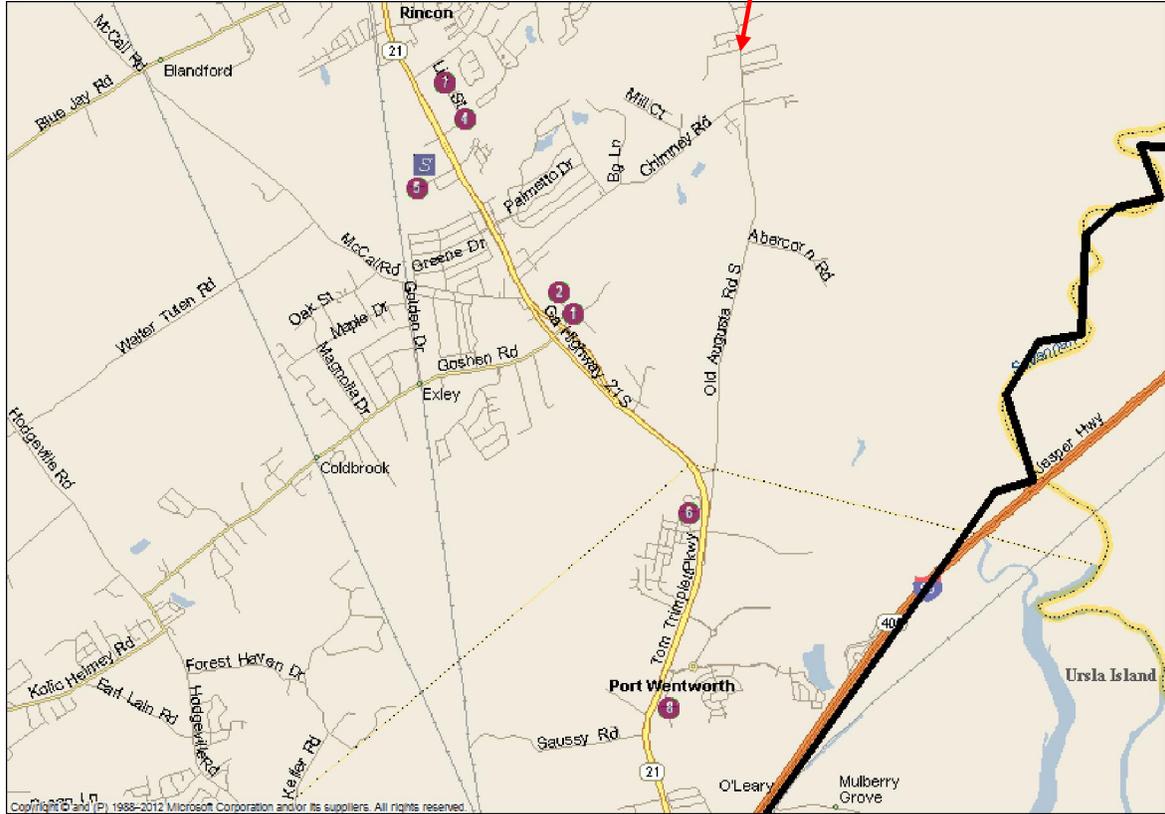
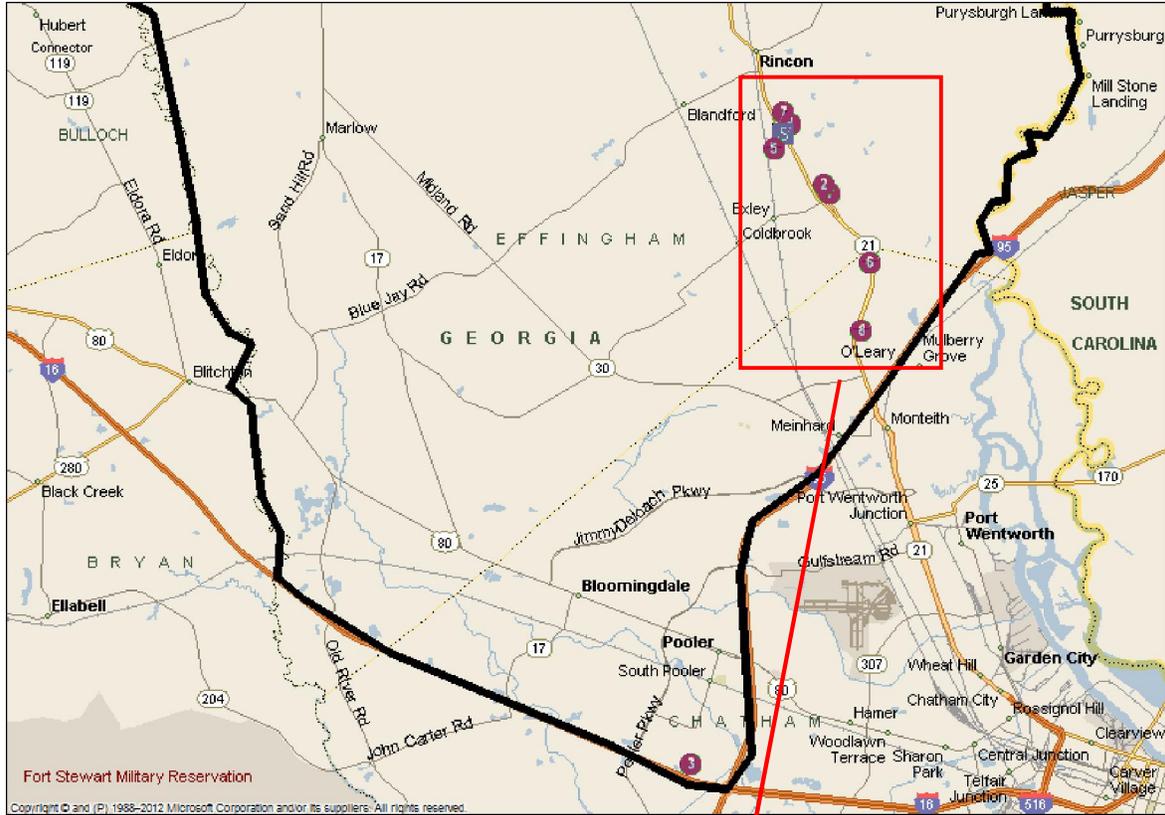
The availability of market rate data is considered good. The Subject is located in Rincon and there are several market rate properties in the area. We have included four conventional properties in our analysis of the competitive market. Additionally, one of the LIHTC properties is mixed-income and offers unrestricted market rate units. The market rate properties are located between 0.1 and 5.0 miles from the Subject site. These comparables were built between 1988 and 2009. Three of the four market rate comparables were built in 2008 or 2009. Other market rate properties were excluded based on proximity, unit types, and age/condition.

**Excluded Properties**

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

EXCLUDED PROPERTIES IN PMA				
Name	City	Type	Tenancy	Reason for Exclusion
Pinewood Village	Pooler	LIHTC	Senior	Tenancy
Sheppard Station	Pooler	LIHTC/Market	Senior	Tenancy
Fair Oaks Lane Apartments	Rincon	LIHTC/RD	Family	Subsidized
Magnolia Lane	Bloomingtondale	LIHTC/RD	Family	Subsidized
Weisenbaker Place	Rincon	Market	Family	Dissimilar design, inferior age/condition
Barn at Goshen	Rincon	Market	Family	Dissimilar design, inferior age/condition
Blanford Village	Rincon	Market	Family	Inferior age/condition
The Columns at Coldbrook Station	Port Wentworth	Market	Family	In absorption
Spring Hollow Apartments	Springfield	RD	Family	Subsidized
Willowpeg Lane Apts	Rincon	RD	Family	Subsidized
Willowpeg Village Apts	Rincon	RD	Family	Subsidized

### Comparable Rental Property Map



**COMPARABLE PROPERTIES**

<b>#</b>	<b>Property Name</b>	<b>City</b>	<b>Type</b>	<b>Distance</b>
1	Goshen Crossing I	Rincon	LIHTC	2.0 miles
2	Goshen Crossing II	Rincon	LIHTC	2.2 miles
3	Harmony Greene	Pooler	LIHTC	16.7 miles
4	Veranda Village	Rincon	LIHTC/Market	0.8 miles
5	Effingham Parc	Rincon	Market	0.1 miles
6	Rice Creek Apartments	Port Wentworth	Market	3.8 miles
7	The Georgian	Rincon	Market	1.1 miles
8	The Village At Rice Hope	Port Wentworth	Market	5.0 miles

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

**SUMMARY MATRIX**

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Towne Park Commons Towne Park West Drive Rincon, GA 31326 Effingham County	n/a	Garden (2 & 3 stories) Proposed	LIHTC/Mkt	1BR / 1BA	8	10.50%	@50%	\$415	770	no		N/A	N/A
					1BR / 1BA	10	13.20%	@60%	\$460	770	no	N/A	N/A	
					1BR / 1BA	2	2.60%	Market	\$511	770	n/a	N/A	N/A	
					2BR / 2BA	12	15.80%	@50%	\$490	1,100	no	N/A	N/A	
					2BR / 2BA	24	31.60%	@60%	\$525	1,100	no	N/A	N/A	
					2BR / 2BA	2	2.60%	Market	\$583	1,100	n/a	N/A	N/A	
					3BR / 2BA	7	9.20%	@50%	\$556	1,200	no	N/A	N/A	
					3BR / 2BA	11	14.50%	@60%	\$610	1,200	no	N/A	N/A	
					76	100%							N/A	N/A
1	Goshen Crossing I 121 Goshen Commercial Park Drive Rincon, GA 31326 Effingham County	2 miles	Garden (3 stories) 2012	LIHTC	1BR / 1BA	2	3.30%	@50%	\$455	770	yes	Yes	0	0.00%
					1BR / 1BA	10	16.70%	@60%	\$490	770	no	Yes	0	0.00%
					2BR / 2BA	6	10.00%	@50%	\$540	1,150	yes	Yes	0	0.00%
					2BR / 2BA	30	50.00%	@60%	\$560	1,150	no	Yes	0	0.00%
					3BR / 2BA	2	3.30%	@50%	\$605	1,250	yes	Yes	0	0.00%
					3BR / 2BA	10	16.70%	@60%	\$635	1,250	no	Yes	0	0.00%
					60	100%							0	0.00%
2	Goshen Crossing II 120 Goshen Commercial Park Drive Rincon, GA 31326 Effingham County	2.2 miles	Garden (3 stories) 2014	LIHTC	1BR / 1BA	2	3.30%	@50%	\$425	770	yes	Yes	0	0.00%
					1BR / 1BA	10	16.70%	@60%	\$485	770	no	Yes	0	0.00%
					2BR / 2BA	6	10.00%	@50%	\$495	1,150	yes	Yes	0	0.00%
					2BR / 2BA	30	50.00%	@60%	\$550	1,150	no	Yes	0	0.00%
					3BR / 2BA	2	3.30%	@50%	\$561	1,250	yes	Yes	0	0.00%
					3BR / 2BA	10	16.70%	@60%	\$635	1,250	no	Yes	0	0.00%
					60	100%							0	0.00%
3	Harmony Greene 201 Harmony Boulevard Pooler, GA 31322 Chatham County	16.7 miles	Townhouse (2 stories) 2012	LIHTC	2BR / 2BA	10	20.00%	@50%	\$457	1,130	no	Yes	0	0.00%
					2BR / 2BA	N/A	N/A	@60%	\$562	1,130	no	Yes	0	N/A
					3BR / 2BA	30	60.00%	@50%	\$516	1,405	no	Yes	0	0.00%
					3BR / 2BA	N/A	N/A	@60%	\$636	1,405	no	Yes	0	N/A
					4BR / 2BA	10	20.00%	@50%	\$552	1,575	no	Yes	0	0.00%
					4BR / 2BA	N/A	N/A	@60%	\$692	1,575	no	Yes	0	N/A
					50	100%							0	0.00%
4	Veranda Village 501 Lisa Street Rincon, GA 31326 Effingham County	0.8 miles	Garden (2 stories) 2005	LIHTC/Mkt	1BR / 1BA	4	4.20%	@30%	\$233	783	yes	Yes	0	0.00%
					1BR / 1BA	22	22.90%	@50%	\$453	783	yes	Yes	0	0.00%
					1BR / 1BA	2	2.10%	@60%	\$490	783	no	Yes	0	0.00%
					1BR / 1BA	4	4.20%	Market	\$510	783	n/a	Yes	0	0.00%
					2BR / 2BA	5	5.20%	@30%	\$285	1,025	yes	Yes	0	0.00%
					2BR / 2BA	36	37.50%	@50%	\$533	1,025	yes	Yes	0	0.00%
					2BR / 2BA	2	2.10%	@60%	\$545	1,025	no	Yes	0	0.00%
					2BR / 2BA	5	5.20%	Market	\$620	1,025	n/a	Yes	0	0.00%
					3BR / 2BA	1	1.00%	@30%	\$302	1,180	yes	Yes	0	0.00%
					3BR / 2BA	12	12.50%	@50%	\$600	1,180	yes	Yes	0	0.00%
					3BR / 2BA	2	2.10%	@60%	\$635	1,180	no	Yes	0	0.00%
					3BR / 2BA	1	1.00%	Market	\$695	1,180	n/a	Yes	0	0.00%
										96	100%			
5	Effingham Parc 617 Towne Park West Drive Rincon, GA 31326 Effingham County	0.1 miles	Garden (2 stories) 2008	Market	Studio / 1BA	N/A	N/A	Market	\$722	575	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$852	697	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,065	899	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,337	1,291	n/a	No	N/A	N/A
										352	100%			
6	Rice Creek Apartments 9001 Highway 21 Port Wentworth, GA 31407 Chatham County	3.8 miles	Garden (3 stories) 2009	Market	1BR / 1BA	N/A	N/A	Market	\$779	857	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$814	921	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$865	1,131	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$885	1,155	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$909	1,161	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$949	1,186	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,115	1,344	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,165	1,362	n/a	No	0	N/A
					240	100%							0	0.00%
7	The Georgian 105 Lisa St Rincon, GA 31326 Effingham County	1.1 miles	Garden (2 stories) 1988	Market	Studio / 1BA	4	2.20%	Market	\$595	650	n/a	No	0	0.00%
					1BR / 1BA	76	41.30%	Market	\$650	750	n/a	No	0	0.00%
					1.5BR / 1BA	12	6.50%	Market	\$720	900	n/a	No	0	0.00%
					2BR / 1BA	80	43.50%	Market	\$765	950	n/a	No	0	0.00%
					3BR / 2BA	12	6.50%	Market	\$855	1,250	n/a	No	0	0.00%
					184	100%							0	0.00%
8	The Village At Rice Hope 203 Magnolia Boulevard Port Wentworth, GA 31407 Chatham County	5 miles	Midrise (4 stories) 2008	Market	1BR / 1BA	N/A	N/A	Market	\$859	801	n/a	No	N/A	N/A
					2BR / 1BA	N/A	N/A	Market	\$897	933	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$942	1,065	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,154	1,245	n/a	No	N/A	N/A
					200	100%							12	6.00%

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

Effective Rent Date:		May-16	Units Surveyed:	1242	Weighted Occupancy:	97.30%	
			Market Rate	976	Market Rate	96.60%	
			Tax Credit	266	Tax Credit	100.00%	
One Bedroom One Bath			Two Bedrooms Two Bath		Three Bedrooms Two Bath		
	Property	Average	Property	Average	Property	Average	
RENT	The Village At Rice Hope	\$859	Effingham Parc	\$1,065	Effingham Parc	\$1,337	
	Effingham Parc	\$852	Rice Creek Apartments	\$949	Rice Creek Apartments	\$1,165	
	Rice Creek Apartments	\$814	The Village At Rice Hope	\$942	The Village At Rice Hope	\$1,154	
	Rice Creek Apartments	\$779	Rice Creek Apartments	\$909	Rice Creek Apartments	\$1,115	
	The Georgian	\$650	Rice Creek Apartments	\$885	The Georgian	\$855	
	<b>Towne Park Commons * (M)</b>	<b>\$511</b>	Rice Creek Apartments	\$865	Veranda Village * (M)	\$695	
	Veranda Village * (M)	\$510	The Georgian (1BA)	\$765	Harmony Greene * (60%)	\$636	
	Goshen Crossing I * (60%)	\$490	Veranda Village * (M)	\$620	Goshen Crossing I * (60%)	\$635	
	Veranda Village * (60%)	\$490	<b>Towne Park Commons * (M)</b>	<b>\$583</b>	Goshen Crossing II * (60%)	\$635	
	Goshen Crossing II * (60%)	\$485	Harmony Greene * (60%)	\$562	Veranda Village * (60%)	\$635	
	<b>Towne Park Commons * (60%)</b>	<b>\$460</b>	Goshen Crossing I * (60%)	\$560	<b>Towne Park Commons * (60%)</b>	<b>\$610</b>	
	Goshen Crossing I * (50%)	\$455	Goshen Crossing II * (60%)	\$550	Goshen Crossing I * (50%)	\$605	
	Veranda Village * (50%)	\$453	Veranda Village * (60%)	\$545	Veranda Village * (50%)	\$600	
	Goshen Crossing II * (50%)	\$425	Goshen Crossing I * (50%)	\$540	Goshen Crossing II * (50%)	\$561	
	<b>Towne Park Commons * (50%)</b>	<b>\$415</b>	Veranda Village * (50%)	\$533	<b>Towne Park Commons * (50%)</b>	<b>\$556</b>	
	Veranda Village * (30%)	\$233	<b>Towne Park Commons * (60%)</b>	<b>\$525</b>	Harmony Greene * (50%)	\$516	
			Goshen Crossing II * (50%)	\$495	Veranda Village * (30%)	\$302	
			<b>Towne Park Commons * (50%)</b>	<b>\$490</b>			
			Harmony Greene * (50%)	\$457			
			Veranda Village * (30%)	\$285			
	SQUARE FOOTAGE	Rice Creek Apartments	921	Rice Creek Apartments	1,186	Harmony Greene * (50%)	1,405
		Rice Creek Apartments	857	Rice Creek Apartments	1,161	Harmony Greene * (60%)	1,405
		The Village At Rice Hope	801	Rice Creek Apartments	1,155	Rice Creek Apartments	1,362
		Veranda Village * (30%)	783	Goshen Crossing I * (50%)	1,150	Rice Creek Apartments	1,344
		Veranda Village * (50%)	783	Goshen Crossing I * (60%)	1,150	Effingham Parc	1,291
		Veranda Village * (60%)	783	Goshen Crossing II * (50%)	1,150	Goshen Crossing I * (50%)	1,250
		Veranda Village * (M)	783	Goshen Crossing II * (60%)	1,150	Goshen Crossing I * (60%)	1,250
		Goshen Crossing I * (50%)	770	Rice Creek Apartments	1,131	Goshen Crossing II * (50%)	1,250
		Goshen Crossing I * (60%)	770	Harmony Greene * (50%)	1,130	Goshen Crossing II * (60%)	1,250
		Goshen Crossing II * (50%)	770	Harmony Greene * (60%)	1,130	The Georgian	1,250
		Goshen Crossing II * (60%)	770	<b>Towne Park Commons * (50%)</b>	<b>1,100</b>	The Village At Rice Hope	1,245
		<b>Towne Park Commons * (50%)</b>	<b>770</b>	<b>Towne Park Commons * (60%)</b>	<b>1,100</b>	<b>Towne Park Commons * (50%)</b>	<b>1,200</b>
		<b>Towne Park Commons * (60%)</b>	<b>770</b>	<b>Towne Park Commons * (M)</b>	<b>1,100</b>	<b>Towne Park Commons * (60%)</b>	<b>1,200</b>
		<b>Towne Park Commons * (M)</b>	<b>770</b>	The Village At Rice Hope	1,065	Veranda Village * (30%)	1,180
		The Georgian	750	Veranda Village * (30%)	1,025	Veranda Village * (50%)	1,180
Effingham Parc		697	Veranda Village * (50%)	1,025	Veranda Village * (60%)	1,180	
			Veranda Village * (60%)	1,025	Veranda Village * (M)	1,180	
			Veranda Village * (M)	1,025			
			The Georgian (1BA)	950			
			Effingham Parc	899			
RENT PER SQUARE FOOT		Effingham Parc	\$1.22	Effingham Parc	\$1.18	Effingham Parc	\$1.04
		The Village At Rice Hope	\$1.07	The Village At Rice Hope	\$0.88	The Village At Rice Hope	\$0.93
	Rice Creek Apartments	\$0.91	The Georgian (1BA)	\$0.81	Rice Creek Apartments	\$0.86	
	Rice Creek Apartments	\$0.88	Rice Creek Apartments	\$0.80	Rice Creek Apartments	\$0.83	
	The Georgian	\$0.87	Rice Creek Apartments	\$0.78	The Georgian	\$0.68	
	<b>Towne Park Commons * (M)</b>	<b>\$0.66</b>	Rice Creek Apartments	\$0.77	Veranda Village * (M)	\$0.59	
	Veranda Village * (M)	\$0.65	Rice Creek Apartments	\$0.76	<b>Towne Park Commons * (60%)</b>	<b>\$0.55</b>	
	Goshen Crossing I * (60%)	\$0.64	Veranda Village * (M)	\$0.60	Veranda Village * (60%)	\$0.54	
	Goshen Crossing II * (60%)	\$0.63	<b>Towne Park Commons * (M)</b>	<b>\$0.53</b>	Veranda Village * (50%)	\$0.51	
	Veranda Village * (60%)	\$0.63	Veranda Village * (60%)	\$0.53	Goshen Crossing I * (60%)	\$0.51	
	<b>Towne Park Commons * (60%)</b>	<b>\$0.60</b>	Veranda Village * (50%)	\$0.52	Goshen Crossing II * (60%)	\$0.51	
	Goshen Crossing I * (50%)	\$0.59	Harmony Greene * (60%)	\$0.50	Goshen Crossing I * (50%)	\$0.48	
	Veranda Village * (50%)	\$0.58	Goshen Crossing I * (60%)	\$0.49	Harmony Greene * (60%)	\$0.45	
	Goshen Crossing II * (50%)	\$0.55	Goshen Crossing II * (60%)	\$0.48	<b>Towne Park Commons * (50%)</b>	<b>\$0.45</b>	
	<b>Towne Park Commons * (50%)</b>	<b>\$0.54</b>	<b>Towne Park Commons * (60%)</b>	<b>\$0.48</b>	Goshen Crossing II * (50%)	\$0.45	
	Veranda Village * (30%)	\$0.30	Goshen Crossing I * (50%)	\$0.47	Harmony Greene * (50%)	\$0.37	
			<b>Towne Park Commons * (50%)</b>	<b>\$0.45</b>	Veranda Village * (30%)	\$0.26	
			Goshen Crossing II * (50%)	\$0.43			
			Harmony Greene * (50%)	\$0.40			
			Veranda Village * (30%)	\$0.28			

# PROPERTY PROFILE REPORT

## Goshen Crossing I

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	121 Goshen Commercial Park Drive Rincon, GA 31326 Effingham County
<b>Distance</b>	2 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2012 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Goshen Crossing II, Veranda Village
<b>Tenant Characteristics</b>	Mostly from Rincon and Springfield, a few from Savannah
<b>Contact Name</b>	Jessica
<b>Phone</b>	912-826-0180



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	3%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 2 to 4%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	2	770	\$455	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	10	770	\$490	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	6	1,150	\$540	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	30	1,150	\$560	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	2	1,250	\$605	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	10	1,250	\$635	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$455	\$0	\$455	\$0	\$455	1BR / 1BA	\$490	\$0	\$490	\$0	\$490
2BR / 2BA	\$540	\$0	\$540	\$0	\$540	2BR / 2BA	\$560	\$0	\$560	\$0	\$560
3BR / 2BA	\$605	\$0	\$605	\$0	\$605	3BR / 2BA	\$635	\$0	\$635	\$0	\$635

## Goshen Crossing I, continued

### Amenities

**In-Unit**

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

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

**Security**

Patrol

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Playground

Clubhouse/Meeting  
Central Laundry  
On-Site Management

**Premium**

None

**Other**

Walking trail

### Comments

The waiting list consists of eight households. Management could not provide the absorption rate.

Goshen Crossing I, continued

Photos



# PROPERTY PROFILE REPORT

## Goshen Crossing II

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	120 Goshen Commercial Park Drive Rincon, GA 31326 Effingham County
<b>Distance</b>	2.2 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2014 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Goshen Crossing, Veranda Village
<b>Tenant Characteristics</b>	Mostly from Rincon and Springfield, a few from Savannah
<b>Contact Name</b>	Stacy
<b>Phone</b>	912-826-7125



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	27%
<b>Units/Month Absorbed</b>	60
<b>HCV Tenants</b>	5%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 2 to 5%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	2	770	\$425	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	10	770	\$485	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	6	1,150	\$495	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	30	1,150	\$550	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	2	1,250	\$561	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	10	1,250	\$635	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$425	\$0	\$425	\$0	\$425	1BR / 1BA	\$485	\$0	\$485	\$0	\$485
2BR / 2BA	\$495	\$0	\$495	\$0	\$495	2BR / 2BA	\$550	\$0	\$550	\$0	\$550
3BR / 2BA	\$561	\$0	\$561	\$0	\$561	3BR / 2BA	\$635	\$0	\$635	\$0	\$635

## Goshen Crossing II, continued

### Amenities

**In-Unit**

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

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

**Security**

Patrol

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Playground

Clubhouse/Meeting  
Central Laundry  
On-Site Management

**Premium**

None

**Other**

None

### Comments

The waiting list consists of 10 households. Management indicated that the 60 percent rents are set below the maximum allowable levels and are artificially low. The property experienced an absorption pace of 60 units per month, or one month. Some of the units were filled from the waiting list at Goshen Crossing, the property's sister property.

# Goshen Crossing II, continued

## Photos



# PROPERTY PROFILE REPORT

## Harmony Greene

<b>Effective Rent Date</b>	4/29/2016
<b>Location</b>	201 Harmony Boulevard Pooler, GA 31322 Chatham County
<b>Distance</b>	16.7 miles
<b>Units</b>	50
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Townhouse (2 stories)
<b>Year Built/Renovated</b>	2012 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	N/A
<b>Tenant Characteristics</b>	Mostly families from Pooler and Chatham County
<b>Contact Name</b>	Jessica
<b>Phone</b>	912-450-9400



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	6%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	14%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increased 2 to 3%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Townhouse (2 stories)	10	1,130	\$510	\$0	@50%	Yes	0	0.0%	no	None
2	2	Townhouse (2 stories)	N/A	1,130	\$615	\$0	@60%	Yes	0	N/A	no	None
3	2	Townhouse (2 stories)	30	1,405	\$580	\$0	@50%	Yes	0	0.0%	no	None
3	2	Townhouse (2 stories)	N/A	1,405	\$700	\$0	@60%	Yes	0	N/A	no	None
4	2	Townhouse (2 stories)	10	1,575	\$630	\$0	@50%	Yes	0	0.0%	no	None
4	2	Townhouse (2 stories)	N/A	1,575	\$770	\$0	@60%	Yes	0	N/A	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$510	\$0	\$510	-\$53	\$457	2BR / 2BA	\$615	\$0	\$615	-\$53	\$562
3BR / 2BA	\$580	\$0	\$580	-\$64	\$516	3BR / 2BA	\$700	\$0	\$700	-\$64	\$636
4BR / 2BA	\$630	\$0	\$630	-\$78	\$552	4BR / 2BA	\$770	\$0	\$770	-\$78	\$692

## Harmony Greene, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator

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

**Security**

None

**Services**

None

**Property**

Business Center/Computer Lab  
Courtyard  
Off-Street Parking  
Picnic Area

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

Library

### Comments

The waiting list consists of 500+ households. Absorption data was not available.

# Harmony Greene, continued

## Trend Report

### Vacancy Rates

1Q15                      2Q16  
0.0%                      0.0%

**Trend: @50%**

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$495	\$0	\$495	\$442

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$510	\$0	\$510	\$457

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$565	\$0	\$565	\$501
2016	2	0.0%	\$580	\$0	\$580	\$516

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$615	\$0	\$615	\$537
2016	2	0.0%	\$630	\$0	\$630	\$552

**Trend: @60%**

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$600	\$0	\$600	\$547

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$615	\$0	\$615	\$562

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$685	\$0	\$685	\$621
2016	2	N/A	\$700	\$0	\$700	\$636

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$755	\$0	\$755	\$677
2016	2	N/A	\$770	\$0	\$770	\$692

## Trend: Comments

**1Q15**                      The profile reflects the average size of each unit type. The waiting list is six months to a year in length. Management was unable to report absorption but stated that the property leased its units quickly. Management also stated that there is high demand for affordable housing in the area because Pooler is a growing city located right outside of Savannah and close to the interstate.

**2Q16**                      The waiting list consists of 500+ households. Absorption data was not available.

# Harmony Greene, continued

## Photos



# PROPERTY PROFILE REPORT

## Veranda Village

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	501 Lisa Street Rincon, GA 31326 Effingham County
<b>Distance</b>	0.8 miles
<b>Units</b>	96
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2005 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Rice Creek, The Georgian, The Springs
<b>Tenant Characteristics</b>	Tenants from Effingham, Savannah area, Statesboro
<b>Contact Name</b>	Mary
<b>Phone</b>	912-826-6476



### Market Information

<b>Program</b>	@30%, @50%, @60%, Market
<b>Annual Turnover Rate</b>	30%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	5%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 2 to 3%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	783	\$233	\$0	@30%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	22	783	\$453	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	2	783	\$490	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	783	\$510	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	5	1,025	\$285	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	36	1,025	\$533	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	2	1,025	\$545	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	5	1,025	\$620	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	1	1,180	\$302	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	12	1,180	\$600	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	2	1,180	\$635	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	1	1,180	\$695	\$0	Market	Yes	0	0.0%	N/A	None

## Veranda Village, continued

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$233	\$0	\$233	\$0	\$233	1BR / 1BA	\$453	\$0	\$453	\$0	\$453
2BR / 2BA	\$285	\$0	\$285	\$0	\$285	2BR / 2BA	\$533	\$0	\$533	\$0	\$533
3BR / 2BA	\$302	\$0	\$302	\$0	\$302	3BR / 2BA	\$600	\$0	\$600	\$0	\$600
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$490	\$0	\$490	\$0	\$490	1BR / 1BA	\$510	\$0	\$510	\$0	\$510
2BR / 2BA	\$545	\$0	\$545	\$0	\$545	2BR / 2BA	\$620	\$0	\$620	\$0	\$620
3BR / 2BA	\$635	\$0	\$635	\$0	\$635	3BR / 2BA	\$695	\$0	\$695	\$0	\$695

### Amenities

#### In-Unit

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

Blinds  
 Central A/C  
 Exterior Storage  
 Oven  
 Walk-In Closet

#### Security

None

#### Services

None

#### Property

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

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

#### Premium

None

#### Other

Walking trail, gazebo,

### Comments

The waiting list for the LIHTC units is 50 households. There is a short waiting list for the market rate units.

# Veranda Village, continued

## Trend Report

### Vacancy Rates

2Q10	3Q14	2Q16
2.1%	0.0%	0.0%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$223	\$0	\$223	\$223
2014	3	0.0%	\$213	\$0	\$213	\$213
2016	2	0.0%	\$233	\$0	\$233	\$233

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$263	\$0	\$263	\$263
2014	3	0.0%	\$255	\$0	\$255	\$255
2016	2	0.0%	\$285	\$0	\$285	\$285

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$295	\$0	\$295	\$295
2014	3	0.0%	\$285	\$0	\$285	\$285
2016	2	0.0%	\$302	\$0	\$302	\$302

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$455	\$0	\$455	\$455
2014	3	0.0%	\$465	\$0	\$465	\$465
2016	2	0.0%	\$490	\$0	\$490	\$490

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$515	\$0	\$515	\$515
2014	3	0.0%	\$520	\$0	\$520	\$520
2016	2	0.0%	\$545	\$0	\$545	\$545

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$595	\$0	\$595	\$595
2014	3	0.0%	\$610	\$0	\$610	\$610
2016	2	0.0%	\$635	\$0	\$635	\$635

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	4.5%	\$435	\$0	\$435	\$435
2014	3	0.0%	\$438	\$0	\$438	\$438
2016	2	0.0%	\$453	\$0	\$453	\$453

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	2.8%	\$515	\$0	\$515	\$515
2014	3	0.0%	\$513	\$0	\$513	\$513
2016	2	0.0%	\$533	\$0	\$533	\$533

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$575	\$0	\$575	\$575
2014	3	0.0%	\$580	\$0	\$580	\$580
2016	2	0.0%	\$600	\$0	\$600	\$600

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$480	\$0	\$480	\$480
2014	3	0.0%	\$490	\$0	\$490	\$490
2016	2	0.0%	\$510	\$0	\$510	\$510

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$595	\$0	\$595	\$595
2014	3	0.0%	\$605	\$0	\$605	\$605
2016	2	0.0%	\$620	\$0	\$620	\$620

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$670	\$0	\$670	\$670
2014	3	0.0%	\$680	\$0	\$680	\$680
2016	2	0.0%	\$695	\$0	\$695	\$695

## Trend: Comments

- 2Q10** The property manager reported that the property typically remains 100 percent occupied with a waiting list and that units at 30 and 60 percent AMI are in the highest demand. The contact reported that there would be demand for 100 senior units in the area and that occupancy Veranda Village will not likely be negatively impacted.
- 3Q14** The property manager reported that the property typically remains 100 percent occupied with a waiting list between six months for the units at 60 percent AMI up to three years for the units restricted at 30 percent AMI.
- 2Q16** The waiting list for the LIHTC units is 50 households. There is a short waiting list for the market rate units.

# Veranda Village, continued

## Photos



# PROPERTY PROFILE REPORT

## Effingham Parc

<b>Effective Rent Date</b>	5/04/2016
<b>Location</b>	617 Towne Park West Drive Rincon, GA 31326 Effingham County
<b>Distance</b>	0.1 miles
<b>Units</b>	352
<b>Vacant Units</b>	21
<b>Vacancy Rate</b>	6.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2008 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Rice Creek and Rice Hope
<b>Tenant Characteristics</b>	Employees of Gulfstream, many from Rincon or moved to the area for jobs
<b>Contact Name</b>	Christine
<b>Phone</b>	912-826-1999



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	14%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Change daily, upward trending
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	N/A	575	\$707	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	N/A	697	\$837	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	899	\$1,050	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,291	\$1,322	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$707	\$0	\$707	\$15	\$722
1BR / 1BA	\$837	\$0	\$837	\$15	\$852
2BR / 2BA	\$1,050	\$0	\$1,050	\$15	\$1,065
3BR / 2BA	\$1,322	\$0	\$1,322	\$15	\$1,337

## Effingham Parc, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

Perimeter Fencing

#### Services

None

#### Property

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

Car Wash  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground

#### Premium

None

#### Other

Media room, jogging trail,

### Comments

The property offers both attached and detached garages. Rents range based on whether the unit includes garage parking. We illustrated the rents for units without garages in the rent grid. Detached garages rent for \$100 per space per month.

# Effingham Parc, continued

## Trend Report

### Vacancy Rates

3Q10	2Q14	2Q16
30.1%	2.6%	6.0%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$660 - \$711	\$55 - \$59	\$605 - \$652	\$620 - \$667
2014	2	N/A	\$749 - \$968	\$0	\$749 - \$968	\$764 - \$983
2016	2	N/A	\$837	\$0	\$837	\$852

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$670 - \$787	\$56 - \$66	\$614 - \$721	\$629 - \$736
2014	2	N/A	\$892 - \$1,154	\$0	\$892 - \$1,154	\$907 - \$1,169
2016	2	N/A	\$1,050	\$0	\$1,050	\$1,065

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,090 - \$1,366	\$91 - \$114	\$999 - \$1,252	\$1,014 - \$1,267
2014	2	N/A	\$1,168 - \$1,349	\$0	\$1,168 - \$1,349	\$1,183 - \$1,364
2016	2	N/A	\$1,322	\$0	\$1,322	\$1,337

### Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$591	\$49	\$542	\$557
2014	2	N/A	\$694 - \$800	\$0	\$694 - \$800	\$709 - \$815
2016	2	N/A	\$707	\$0	\$707	\$722

## Trend: Comments

- 3Q10** Management reported that the property opened in April 2008 and is continuing to stabilize. The stabilization process has been prolonged due to turnover and the large number of units at the property. Select units come with garages. Select units have the option for a garage to be included. The rents listed are those for units without garages when there is an option. In addition to the comparables listed, the property also competes with Colonial Village at Godley Lake and Courtney Station.
- 2Q14** The manager reported that there is strong demand for three-bedroom units in the market. The majority of residents are from Rincon and few residents originate from Bryan County. The property offers both attached and detached garages. Rents range based on whether the unit includes garage parking. Amenities include an outdoor cooking area. In addition to the comparables listed, the property also competes with Colonial Village at Godley Lake and Courtney Station.
- 2Q16** The property offers both attached and detached garages. Rents range based on whether the unit includes garage parking. We illustrated the rents for units without garages in the rent grid. Detached garages rent for \$100 per space per month.

# Effingham Parc, continued

## Photos



# PROPERTY PROFILE REPORT

## Rice Creek Apartments

<b>Effective Rent Date</b>	4/28/2016
<b>Location</b>	9001 Highway 21 Port Wentworth, GA 31407 Chatham County
<b>Distance</b>	3.8 miles
<b>Units</b>	240
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Springs at Effingham, Village at Rice Hope
<b>Tenant Characteristics</b>	Mostly from Port Wentworth, Rincon, and Savannah
<b>Contact Name</b>	Jaycee
<b>Phone</b>	912-963-0900



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	30%
<b>Units/Month Absorbed</b>	16
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within three weeks
<b>Annual Chg. in Rent</b>	Increased 1 to 2%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	857	\$779	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (3 stories)	N/A	921	\$814	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,131	\$865	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,155	\$885	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,161	\$909	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,186	\$949	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,344	\$1,115	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,362	\$1,165	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$779 - \$814	\$0	\$779 - \$814	\$0	\$779 - \$814
<b>2BR / 2BA</b>	\$865 - \$949	\$0	\$865 - \$949	\$0	\$865 - \$949
<b>3BR / 2BA</b>	\$1,115 - \$1,165	\$0	\$1,115 - \$1,165	\$0	\$1,115 - \$1,165

## Rice Creek Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

Intercom (Buzzer)  
Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Car Wash  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground

#### Premium

None

#### Other

Dog park

### Comments

Storage units and garages rent for \$25 and \$100, respectively. Management reported that turnover was below 30 percent but could not provide the exact rate.

## Rice Creek Apartments, continued

### Trend Report

#### Vacancy Rates

3Q10	2Q16
16.7%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$785 - \$810	\$0	\$785 - \$810	\$785 - \$810
2016	2	N/A	\$779 - \$814	\$0	\$779 - \$814	\$779 - \$814

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$804 - \$1,025	\$0	\$804 - \$1,025	\$804 - \$1,025
2016	2	N/A	\$865 - \$949	\$0	\$865 - \$949	\$865 - \$949

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,002 - \$1,039	\$0	\$1,002 - \$1,039	\$1,002 - \$1,039
2016	2	N/A	\$1,115 - \$1,165	\$0	\$1,115 - \$1,165	\$1,115 - \$1,165

### Trend: Comments

3Q10	Management reported that the property opened in March 2009 and reached a 93 percent lease rate in May 2010. However, due to turnover, the property is still at 84 percent occupancy. The property is currently 95 percent leased. Select units offer porches, which garners a \$15 premium. Storage units and garages rent for \$35 and \$100, respectively. Select units offer sunrooms. Rents change based upon availability; therefore, management does not offer concessions and larger units may rent for less than smaller units.
2Q16	Storage units and garages rent for \$25 and \$100, respectively. Management reported that turnover was below 30 percent but could not provide the exact rate.

# Rice Creek Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## The Georgian

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	105 Lisa St Rincon, GA 31326 Effingham County
<b>Distance</b>	1.1 miles
<b>Units</b>	184
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1988 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	The Springs at Effingham, Rice Creek, Rice Hope
<b>Tenant Characteristics</b>	Majority from Rincon; some from out of state moving for employment
<b>Contact Name</b>	Glenda
<b>Phone</b>	912-826-2963



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 3 to 4%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	4	650	\$595	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	76	750	\$650	\$0	Market	No	0	0.0%	N/A	None
1.5	1	Garden (2 stories)	12	900	\$720	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	80	950	\$765	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	12	1,250	\$855	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$595	\$0	\$595	\$0	\$595
1BR / 1BA	\$650	\$0	\$650	\$0	\$650
1.5BR / 1BA	\$720	\$0	\$720	\$0	\$720
2BR / 1BA	\$765	\$0	\$765	\$0	\$765
3BR / 2BA	\$855	\$0	\$855	\$0	\$855

## The Georgian, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven

#### Security

None

#### Services

None

#### Property

Exercise Facility  
Central Laundry  
On-Site Management  
Swimming Pool

Garage  
Off-Street Parking  
Playground  
Tennis Court

#### Premium

None

#### Other

None

### Comments

The base rents (second floor) are illustrated in the rent grid. First floor units rent for a \$25 premium over second floor units. Garage parking is \$70 per month. Storage lockers are \$70 per month.

## Trend Report

### Vacancy Rates

<b>3Q10</b>	<b>2Q16</b>
20.1%	0.0%

## Trend: Market

### 1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$720	\$0	\$720	\$720

### 1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$575	\$44	\$531	\$531

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$520	\$40	\$480	\$480
2016	2	0.0%	\$650	\$0	\$650	\$650

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$625	\$48	\$577	\$577
2016	2	0.0%	\$765	\$0	\$765	\$765

### 3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$715	\$55	\$660	\$660

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$855	\$0	\$855	\$855

### Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	N/A	\$0	N/A	N/A
2016	2	0.0%	\$595	\$0	\$595	\$595

## Trend: Comments

**3Q10** The property manager could not report information on the efficiencies as they never come available. A new management company, Easlan Management, took over the property effective June 1, 2010. The property manager reported that two factors have negatively impacted occupancy at the property: the economy and the property's lack of washer/dryer connections. The contact indicated that layoffs at Gulfstream, JCB North America, and Dane has resulted in moveouts and nonpayments at the property. The property manager has had three evictions due to nonpayment of rent in recent months. Prior to the recession and the ongoing economic downturn, the property reportedly maintained an occupancy rate ranging from 88 to 90 percent, which indicates that the property has historically performed poorly. To increase occupancy, management has been offering the concession since January 2010. Management has not accepted Housing Choice Vouchers since the current owner took over the property in 1997, at which time the roofs and balconies/patios were renovated. Management named The Springs at Effingham, Rice Creek, and Village at Rice Hope as competitors even though The Georgian is significantly inferior in age/condition to these properties. However, they are located in close proximity to The Georgian. The property does have a locational advantage as it is located behind the Wal-Mart Superstore. The property does not offer a clubhouse/community room.

**2Q16** The base rents (second floor) are illustrated in the rent grid. First floor units rent for a \$25 premium over second floor units. Garage parking is \$70 per month. Storage lockers are \$70 per month.

# The Georgian, continued

## Photos



# PROPERTY PROFILE REPORT

## The Village At Rice Hope

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	203 Magnolia Boulevard Port Wentworth, GA 31407 Chatham County
<b>Distance</b>	5 miles
<b>Units</b>	200
<b>Vacant Units</b>	12
<b>Vacancy Rate</b>	6.0%
<b>Type</b>	Midrise (4 stories)
<b>Year Built/Renovated</b>	2008 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Rice Creek, The Georgian
<b>Tenant Characteristics</b>	Mostly from Port Wentworth, Rincon, and Savannah
<b>Contact Name</b>	Amanda
<b>Phone</b>	912-715-7657



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	27
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within three weeks
<b>Annual Chg. in Rent</b>	Change daily, upward trending
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	N/A	801	\$900	\$0	Market	No	N/A	N/A	N/A	None
2	1	Midrise (4 stories)	N/A	933	\$950	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,065	\$995	\$0	Market	No	N/A	N/A	N/A	None
3	2	Midrise (4 stories)	N/A	1,245	\$1,218	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$900	\$0	\$900	-\$41	\$859
2BR / 1BA	\$950	\$0	\$950	-\$53	\$897
2BR / 2BA	\$995	\$0	\$995	-\$53	\$942
3BR / 2BA	\$1,218	\$0	\$1,218	-\$64	\$1,154

## The Village At Rice Hope, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Oven  
Walk-In Closet  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer

#### Security

Patrol

#### Services

None

#### Property

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

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

Billiards, dog park

### Comments

According to management, rents change daily. Rents have been trending upward over the past year. Exterior storage is \$40 per month.

# The Village At Rice Hope, continued

## Photos



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

### Housing Choice Vouchers

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

TENANTS WITH VOUCHERS		
Comparable Property	Rent Structure	Housing Choice Voucher Tenants
Goshen Crossing I	LIHTC	3%
Goshen Crossing II	LIHTC	5%
Harmony Greene	LIHTC	14%
Veranda Village	LIHTC/Market	5%
Effingham Parc	Market	0%
Rice Creek Apartments	Market	0%
The Georgian	Market	0%
The Village At Rice Hope	Market	0%

As illustrated in the previous table, Housing Choice Voucher (HCV) reliance is low at the comparable properties. All of the comparables reported voucher usage of 14 percent or less. Therefore, we do not anticipate that the Subject will need to rely on HCV tenants to maintain a stabilized occupancy rate.

### Waiting Lists

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

WAITING LISTS		
Comparable Property	Rent Structure	Length of Waiting List
Goshen Crossing I	LIHTC	8 households
Goshen Crossing II	LIHTC	10 households
Harmony Greene	LIHTC	500+ households
Veranda Village	LIHTC/Market	50 households for LIHTC; short WL for market rate
Effingham Parc	Market	None
Rice Creek Apartments	Market	None
The Georgian	Market	None
The Village At Rice Hope	Market	None

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

**Lease Up History**

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

**ABSORPTION**

Comparable Property	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Goshen Crossing II	LIHTC	Family	2014	60	60
Rice Creek Apartments	Market	Family	2009	240	16
The Village At Rice Hope	Market	Family	2008	200	27

Goshen Crossing II is the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of 60 units per month, significantly faster than the market rate properties constructed in 2008 and 2009. Goshen Crossing II is the second phase of the Goshen Crossing development. Some of this property’s units were filled from the waiting list at Goshen Crossing I. Based on the absorption paces reported by the comparable properties and the full occupancy and waiting lists reported at the LIHTC comparables, we anticipate that the Subject will absorb 30 units per month, for an absorption period of three months to reach 93 percent occupancy.

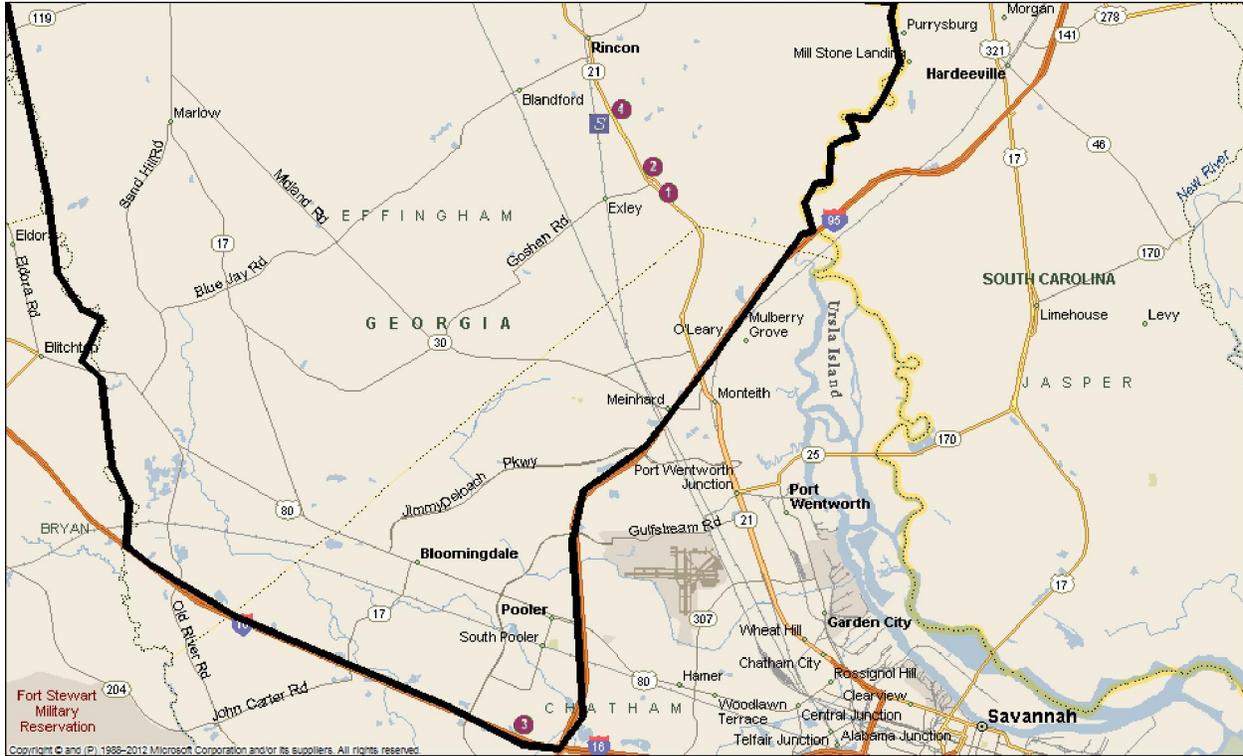
**Phased Developments**

The Subject is not part of a phased development.

**Rural Areas**

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

### 3. Competitive Project Map



#### COMPETITIVE PROJECTS IN PMA

#	Property Name	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance
1	Goshen Crossing I	LIHTC	Family	Included	-	2.0 miles
2	Goshen Crossing II	LIHTC	Family	Included	-	2.2 miles
3	Harmony Greene	LIHTC	Family	Included	-	16.7 miles
4	Veranda Village	LIHTC/Market	Family	Included	-	0.8 miles

### 4. Amenities

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

**UNIT MATRIX REPORT**

Comp #	Towne Park Commons Subject	Goshen Crossing I 1	Goshen Crossing II 2	Harmony Greene 3	Veranda Village 4	Effingham Parc 5	Rice Creek Apartments 6	The Georgian 7	The Village At Rice Hope 8
<b>Property Information</b>									
Property Type	Garden (2 & 3 stories)	Garden (3 stories)	Garden (3 stories)	Townhouse (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Midrise (4 stories)
Year Built / Renovated	Proposed	2012	2014	2012	2005	2008	2009	1988	2008
Market (Conv./Subsidy Type)	LIHTC/Mkt	LIHTC	LIHTC	LIHTC	LIHTC/Mkt	Market	Market	Market	Market
<b>Utility Adjustments</b>									
Cooking	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	no	no	no	yes
Sewer	no	no	no	yes	no	no	no	no	yes
Trash Collection	yes	yes	yes	yes	yes	no	yes	yes	yes
<b>In-Unit Amenities</b>									
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	no	yes	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	no	yes	yes	yes	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	yes	yes	yes	no	yes	yes	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	yes	yes	yes	no	yes	yes	yes	no	yes
Washer/Dryer	yes	no	no	no	no	no	no	no	yes
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	no	yes
<b>Property Amenities</b>									
Basketball Court	no	no	no	no	yes	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	yes	yes	no	yes
Car Wash	no	no	no	no	no	yes	yes	no	no
Clubhouse/Community Room	yes	yes	yes	yes	yes	yes	yes	no	yes
Courtyard	yes	no	no	yes	no	no	no	no	no
Elevators	no	no	no	no	no	no	no	no	yes
Exercise Facility	yes	yes	yes	no	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	yes	yes	yes	no
Central Laundry	no	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	yes	yes	yes	yes	no	yes
Playground	yes	yes	yes	yes	yes	yes	yes	yes	yes
Swimming Pool	no	no	no	no	no	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	yes	no
<b>Security</b>									
Intercom (Buzzer)	no	no	no	no	no	no	yes	no	no
Limited Access	no	no	no	no	no	no	yes	no	no
Patrol	no	yes	yes	no	no	no	no	no	yes
Perimeter Fencing	no	no	no	no	no	yes	yes	no	no
<b>Other Amenities</b>									
Other	n/a	Walking trail	n/a	Library	Walking trail	Media room, walking trail, dog park	Dog park	n/a	Billiards, dog park

The Subject will offer an in-unit washer and dryer, an amenity offered by only one of the eight comparables. Most of the comparables offer washer and dryer connections only. Five of the eight comparables offer exterior storage, an amenity that will not be offered by the Subject. Overall, the Subject will be slightly superior to superior to the majority of comparables.

The Subject will offer a business center, community room, and exercise facility, similar to most of the comparable LIHTC properties. All of the market rate comparables offer a swimming pool, an amenity that will not be offered by the Subject. Three of the four market rate comparables also offer garage parking, an amenity that will not be offered by the Subject. Overall, the Subject will be similar to the LIHTC properties in terms of common area amenities. Most of the market rate comparables are superior to the proposed Subject in terms of common area amenities.

5. The Subject will target family households. Therefore, per DCA’s guidelines, senior properties were not included.

**6. Vacancy**

The following table illustrates the vacancy rates in the market.

**OVERALL VACANCY**

Comparable Property	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Goshen Crossing I	LIHTC	60	0	0.0%
Goshen Crossing II	LIHTC	60	0	0.0%
Harmony Greene	LIHTC	50	0	0.0%
Veranda Village	LIHTC/Market	96	0	0.0%
Effingham Parc	Market	352	21	6.0%
Rice Creek Apartments	Market	240	0	0.0%
The Georgian	Market	184	0	0.0%
The Village At Rice Hope	Market	<u>200</u>	<u>12</u>	<u>6.0%</u>
<b>Total</b>		<b>1,242</b>	<b>33</b>	<b>2.7%</b>

The comparable properties reported vacancy rates of zero to 6.0 percent, with an average of 2.7 percent. The four LIHTC comparables are fully occupied. The comparable market rate properties reported vacancy rates of zero to 6.0 percent, with an average of 3.4 percent. Overall, the market is performing well. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.

**7. Properties Under Construction and Proposed**

According to the Georgia Department of Community Affairs, there were no properties awarded LIHTC in the PMA in 2014 or 2015.

The Columns at Coldbrook Station was built in 2015 and targets households of all ages.

1. The Columns at Coldbrook Station is located 6.2 miles south of the proposed Subject.
2. It is managed by ECI Management Corporation.
3. The property offers 252 units.
4. The property consists of one, two, and three-bedroom units.

5. The property offers market rate units.
6. Construction was completed in 2015.
7. The property is currently in absorption and 77 percent occupied. It’s rents range from \$855 to \$1,215. The rents at this property are significantly higher than the proposed market rents at the Subject.

We have conservatively removed the 56 vacant one and two-bedroom units at this property from the demand analysis.

**8. Rental Advantage**

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Goshen Crossing I	LIHTC	Similar	Slightly Inferior	Similar	Similar	Similar	-5
2	Goshen Crossing II	LIHTC	Similar	Slightly Inferior	Similar	Similar	Similar	-5
3	Harmony Greene	LIHTC	Similar	Slightly Inferior	Similar	Similar	Superior	5
4	Veranda Village	LIHTC/Market	Similar	Inferior	Similar	Slightly Inferior	Similar	-15
5	Effingham Parc	Market	Superior	Slightly Inferior	Similar	Similar	Slightly Inferior	0
6	Rice Creek Apartments	Market	Superior	Slightly Inferior	Similar	Similar	Superior	15
7	The Georgian	Market	Similar	Inferior	Similar	Inferior	Slightly Inferior	-25
8	The Village At Rice Hope	Market	Superior	Slightly Superior	Similar	Similar	Similar	15

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

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

All of the LIHTC comparables are located in Effingham County with the exception of Harmony Greene. Harmony Greene is located Chatham County. Chatham County has the same maximum allowable rents as Effingham County. Therefore, the maximum allowable rents for each county have not been separately illustrated in the following tables.

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR	3BR
Towne Park Commons (Subject)	\$415	\$490	\$556
<b>2015 LIHTC Maximum (Net)</b>	<b>\$470</b>	<b>\$550</b>	<b>\$624</b>
Goshen Crossing I	\$455	\$540	\$605
Goshen Crossing II	\$425	\$495	\$561
Harmony Greene	-	\$457	\$516
Veranda Village	\$453	\$533	\$600
<b>Average (excluding Subject)</b>	<b>\$444</b>	<b>\$506</b>	<b>\$571</b>

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR	3BR
Towne Park Commons (Subject)	\$460	\$525	\$610
<b>2015 LIHTC Maximum (Net)</b>	<b>\$585</b>	<b>\$688</b>	<b>\$784</b>
Goshen Crossing I	\$490	\$560	\$635
Goshen Crossing II	\$485	\$550	\$635
Harmony Greene	-	\$562	\$636
Veranda Village	\$490	\$545	\$635
<b>Average (excluding Subject)</b>	<b>\$488</b>	<b>\$554</b>	<b>\$635</b>

The Subject’s proposed LIHTC rents are set below the maximum allowable levels. With the exception of Harmony Greene, all of the LIHTC comparables are achieving maximum allowable 50 percent rents. Most of the comparables appear to have rents below the maximum levels. This is the result of differing utility allowances at the comparables. Harmony Greene was built in 2012 and is fully occupied with a waiting list of 500 households. This property is similar to the proposed Subject and most of the remaining comparables. Management reported strong demand for affordable housing but could not provide an explanation for the property’s low rents. Overall, we believe Harmony Greene’s 50 percent rents are artificially low and not indicative of achievable rents. Overall, the Subject is similar to Goshen Crossing I and II and superior to Veranda Village. These properties are fully occupied with waiting lists. We believe the Subject’s asking rents are reasonable and achievable as proposed, but the Subject could achieve maximum allowable rents for its 50 percent units.

The Subject is most similar to Goshen Crossing II. Goshen Crossing II is located 2.2 miles south of the Subject in the PMA. It was built in 2014 and is in excellent condition. It is currently fully occupied with a waiting list of 10 households. The Subject will be similar to Goshen Crossing II in terms of location, age/condition, unit sizes, and common area amenities. The Subject will be slightly superior to Goshen Crossing II in terms of unit amenities because it will offer in-unit washers and dryers. Overall, the Subject is similar to Goshen Crossing II. Therefore, we believe the Subject could achieve rents in line with this property.

**Analysis of “Market Rents”**

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not “Achievable unrestricted market rent.” In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comps. In a small rural market there may be neither tax credit

comps nor market rate comps with similar positioning as the Subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

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

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

**SUBJECT COMPARISON TO MARKET RENTS**

<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR @ 50%	\$415	\$425	\$859	\$605	31%
2 BR @ 50%	\$490	\$457	\$1,065	\$692	29%
3 BR @ 50%	\$556	\$516	\$1,337	\$784	29%
1 BR @ 60%	\$460	\$485	\$859	\$659	30%
2 BR @ 60%	\$525	\$545	\$1,065	\$768	32%
3 BR @ 60%	\$610	\$635	\$1,337	\$886	31%
1 BR @ Market	\$511	\$510	\$859	\$744	31%
2 BR @ Market	\$583	\$620	\$1,065	\$875	33%

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

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

According to the Georgia Department of Community Affairs, there were no properties awarded LIHTC in the PMA in 2014 or 2015.

The comparable properties reported vacancy rates of zero to 6.0 percent, with an average of 2.7 percent. The comparable LIHTC properties are fully occupied. The presence of waiting lists at four of the eight comparables is a positive indication of a strong local rental market. Based upon the strong performance of the LIHTC comparables in the PMA, we believe there is adequate demand for the proposed Subject.

## 10. Rental Trends in the PMA

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

### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner- Occupied	Renter-Occupied Units	Percentage Renter- Occupied
2000	13,390	82.3%	2,881	17.7%
2010	20,348	73.2%	7,465	26.8%
2015	21,767	69.2%	9,671	30.8%
Projected Mkt Entry				
June 2018	23,062	69.0%	10,389	31.0%
2020	23,987	68.8%	10,902	31.2%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2016

As the table above indicates, the majority of households in the Subject's PMA are owner-occupied. However, the percentage of renter-occupied units is expected to increase through 2020. As of 2015, the percentage of renter-occupied households in the PMA was slightly less than that of the nation, with approximately 31.7 percent of the nation residing in renter-occupied units. The growth in renter-occupied households is a positive indication for the proposed Subject.

### Historical Vacancy

Limited historical vacancy data was available from the comparable properties. Therefore, this information has not been reflected in the report.

### Change in Rental Rates

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

### RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Goshen Crossing I	LIHTC	Increased 2 to 4%
Goshen Crossing II	LIHTC	Increased 2 to 5%
Harmony Greene	LIHTC	Increased 2 to 3%
Veranda Village	LIHTC/Market	Increased 2 to 3%
Effingham Parc	Market	Change daily, upward trending
Rice Creek Apartments	Market	Increased 1 to 2%
The Georgian	Market	Increased 3 to 4%
The Village At Rice Hope	Market	Change daily, upward trending

All of the comparable properties reported rent growth over the past year. Most of the comparables reported rent growth of two to four percent. Overall, the rent growth reported by the comparable properties is positive. We anticipate that the Subject will be able to achieve moderate rent growth in the short term based upon the LIHTC comparables.

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

According to www.RealtyTrac.com, one in every 815 homes in Rincon, GA was in foreclosure, as of March 2016. Nationally, one in every 1,212 homes was in foreclosure and one in every 1,109 homes in Georgia was in foreclosure. As indicated, Rincon has a higher foreclosure rate than Georgia and the nation as a whole. Overall, it appears that the local market is faring worse than the state and nation as a whole in terms of foreclosure rates. During our site inspection, we did not witness any abandoned homes in the Subject's immediate neighborhood.

**12. Primary Housing Void**

The comparable LIHTC properties are all fully occupied with waiting lists. Based on the demand analysis, performance of the comparable properties, and conversations with local property managers, we believe there is demand for additional family affordable housing in the local market.

**13. Affect of Subject on Other Affordable Units in Market**

The four comparable family LIHTC properties located in the PMA are fully occupied with waiting lists. Therefore, we do not believe that the Subject will negatively impact the performance of the comparable family properties.

**Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The comparable LIHTC properties in the PMA are fully occupied with waiting lists. The presence of waiting lists is an indication of a strong rental market. There are no proposed family LIHTC properties in the PMA. The Subject will offer new construction in a desirable location near a significant number of commercial and retail uses that are in good to excellent condition. The Subject's strengths include its location, age/condition, and in-unit amenities. The Subject does not have any major weaknesses. Further, the Subject's proposed rents will offer value in the market as they are below the average surveyed rents in the market.

# **I. ABSORPTION & STABILIZATION RATES**

**Stabilization/Absorption Rate**

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

**ABSORPTION**

Comparable Property	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Goshen Crossing II	LIHTC	Family	2014	60	60
Rice Creek Apartments	Market	Family	2009	240	16
The Village At Rice Hope	Market	Family	2008	200	27

Goshen Crossing II is the most recently completed LIHTC property in the PMA. This property experienced an absorption pace of 60 units per month, significantly faster than the market rate properties constructed in 2008 and 2009. Goshen Crossing II is the second phase of the Goshen Crossing development. Some of this property’s units were filled from the waiting list at Goshen Crossing I. Based on the absorption paces reported by the comparable properties and the full occupancy and waiting lists reported at the LIHTC comparables, we anticipate that the Subject will absorb 30 units per month, for an absorption period of three months to reach 93 percent occupancy.

## **J. INTERVIEWS**

### **Georgia Department of Community Affairs, Choice Voucher Program, Waycross Regional Office**

We contacted the Georgia DCA Waycross Regional Office on several occasions; however, our phone calls were not returned. The 2016 DCA gross payment standards for Effingham County are illustrated in the table below.

<b>Gross Payment Standards</b>	
1BR	\$778
2BR	\$922
3BR	\$1,230

The Subject's proposed gross rents at 50 and 60 percent AMI as well as the market rents are below the payment standards.

### **Planning**

We spoke with R.C. Barenchik, Zoning Administrator for Effingham County, who reported that there is one proposed 252-unit market rate development in the county. It will be located approximately 3.1 miles south of the proposed Subject and will consist of one, two, and three-bedroom units. Mr. Barenchik indicated that will be developed by Dominion Diversified Real Estate Group. Limited information on the proposed development was available as the construction plans have not yet been submitted.

We also spoke with LaMeisha Kelly, City Planner for the City of Rincon. Ms. Kelly indicated that there are no multifamily developments under construction or planned within the city.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## Conclusions

- The PMA is expected to experience strong population and household growth from 2015 through 2020. The population in the PMA is expected to increase at an annual rate of 2.0 percent from 2015 through 2020, which is faster than rates of the MSA and nation as a whole. The average household size in the PMA was 2.69 persons in 2015 and is expected to slightly decrease through 2020. The Subject will target one to five-person households. The average household size in the PMA bodes well for the Subject's unit mix of one, two, and three-bedroom units. The Subject will target households earning \$17,829 to \$39,780 for its LIHTC units. The market rate units will not have a maximum income restriction. Approximately 18.4 percent of households in the PMA earned incomes between \$20,000 and \$39,999 in 2015. For the projected market entry date of June 2018, this percentage is projected to decrease to 18.1 percent. As the population and number of households increase, there is expected to be a greater number of low-income renters seeking affordable housing.
- Rincon and Effingham County is part of the Savannah, GA MSA. Rincon has excellent access to major interstates, including Interstate 95, which runs south to Miami, Florida and north to the Maine-Canada border. The Subject will be located within close proximity to employers in both Effingham and Chatham Counties. Retail trade, manufacturing, health care/social assistance, and educational services are the largest industries within the PMA. These industries account for approximately 47.1 percent of total employment within the PMA. The MSA experienced a 5.4 percent decrease in total employment in 2009 and a 6.5 percent decrease in 2010, while the nation experienced a decrease of 3.8 and 0.6 percent in 2009 and 2010, respectively. From February 2015 to February 2016, total employment increased 3.4 percent in the MSA, but has yet to reach pre-recessionary total employment levels which peaked in 2007. Between 2008 and 2011, the unemployment rate within the MSA increased from 3.8 percent to 9.9 percent. Since 2012, the unemployment rate in the MSA has steadily declined. Between February 2015 and February 2016, the unemployment rate in the MSA decreased from 6.0 percent to 5.3 percent, while the national unemployment rate decreased from 5.8 percent to 5.2 percent during the same period.
- The Subject's 50 percent capture rates range from 3.1 to 3.8 percent, with an overall capture rate of 3.5 percent. The Subject's 60 percent AMI capture rates range from 3.3 to 5.8 percent, with an overall capture rate of 4.5 percent. The Subject's market rate capture rates range from 0.2 to 0.3 percent, with an overall capture rate of 0.2 percent. The overall capture rate for the Subject's 50 and 60 percent units is 6.8 percent. Therefore, we believe there is adequate demand for the Subject.
- The comparable properties reported vacancy rates of zero to 6.0 percent, with an average of 2.7 percent. The four LIHTC comparables are fully occupied. The comparable market rate properties reported vacancy rates of zero to 6.0 percent, with an average of 3.4 percent. Overall, the market is performing well. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.

- Four of the eight comparables maintain waiting lists. The presence of waiting lists at the LIHTC comparables is a positive indication of a strong rental market. Based on the performance of the comparable properties, we expect the Subject to maintain a short waiting list, at a minimum, following stabilization.
- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The comparable LIHTC properties in the PMA are fully occupied with waiting lists. The presence of waiting lists is an indication of a strong rental market. There are no proposed family LIHTC properties in the PMA. The Subject will offer new construction in a desirable location near a significant number of commercial and retail uses that are in good to excellent condition. The Subject's strengths include its location, age/condition, and in-unit amenities. The Subject does not have any major weaknesses. Further, the Subject's proposed rents will offer value in the market as they are below the average surveyed rents in the market.

### **Recommendations**

- We have no recommendations for the proposed Subject development.

## **L. SIGNED STATEMENT REQUIREMENTS**

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



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Brad Weinberg, MAI, CVA,  
CCIM  
Partner  
Novogradac & Company LLP

May 25, 2016  
Date



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Edward R. Mitchell, MAI  
Manager

May 25, 2016  
Date



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Brendan Kelly  
Senior Analyst

May 25, 2016  
Date

## **M. MARKET STUDY REPRESENTATION**

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



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Brad Weinberg, MAI, CVA,  
CCIM  
Partner  
Novogradac & Company LLP

May 25, 2016  
Date



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Edward R. Mitchell, MAI  
Manager

May 25, 2016  
Date



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Brendan Kelly  
Real Estate Analyst

May 25, 2016  
Date

## **N. QUALIFICATIONS**

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

**I. Education**

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

**II. Licensing and Professional Affiliations**

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

Member, The Counselors of Real Estate (CRE)

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

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

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

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

State of Connecticut – Certified General Real Estate Appraiser, No. RCG.0001439

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

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

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

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

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

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

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

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

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

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

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

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

**III. Professional Experience**

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

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

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

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

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

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

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

Numerous speaking engagements at Affordable Housing Conferences throughout the Country

Participated in several industry forums regarding the Military Housing Privatization Initiative

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

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

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

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

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

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

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **EDWARD R. MITCHELL, MAI**

### **I. Education**

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

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

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

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

### **II. Work History**

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

### **III. Relevant Experience**

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

### **IV. Certifications & Licenses**

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

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS BRENDAN KELLY**

## **I. Education**

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

## **II. Professional Experience**

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

## **III. Real Estate Assignments**

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

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