



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

**Heritage Pointe
N. Wheeler Avenue and Andrew Street
Douglas, Coffee County, Georgia**

**Effective Date: May 12, 2016
Report Date: June 9, 2016**

Prepared For

**Mr. Wallace Davis
Volunteers of America Southeast
600 Azalea Road
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Prepared By

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June 9, 2016

Mr. Wallace Davis
President
Volunteers of America Southeast
600 Azalea Road
Mobile, AL 36609

Re: Market Study for Heritage Pointe in Douglas, GA

Dear Mr. Davis:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Douglas, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project (the Subject). The purpose of this market study is to assess the viability of the proposed family development in Douglas, GA, consisting of 52 revenue generating units. Units will be targeting family 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 Department of Community Affairs (DCA), including the following:

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

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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Partner



Edward R. Mitchell, MAI
Manager



Brian Neukam
Analyst

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSIONS

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Heritage Pointe will be a newly constructed affordable property located at N. Wheeler Avenue and Andrew Street in Douglas, Coffee County, Georgia. The property will consist of townhome-style buildings.

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

PROPOSED RENTS

Unit Type	Number of Units	Unit Size (SF)	Asking Rent	Utility Allowance (1)	Gross Rent	LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	2	750	\$283	\$149	\$432	\$507	\$440
2BR/2BA	6	1050	\$326	\$192	\$518	\$608	\$586
3BR/2.5BA	3	1250	\$365	\$234	\$599	\$703	\$853
<i>60% AMI</i>							
1BR/1BA	5	750	\$370	\$149	\$519	\$609	\$440
2BR/2BA	14	1050	\$430	\$192	\$622	\$730	\$586
3BR/2.5BA	14	1250	\$485	\$234	\$719	\$843	\$853
<i>Market</i>							
1BR/1BA	1	750	\$463	N/A	N/A	N/A	\$440
2BR/2BA	4	1050	\$538	N/A	N/A	N/A	\$586
3BR/2.5BA	3	1250	\$607	N/A	N/A	N/A	\$853
Total	52						

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

The Subject will offer the following amenities: patio/balcony, blinds, central heating and air conditioning, coat closets, dishwashers, garbage disposals, microwaves, ovens, refrigerators, in-unit washer/dryer, a business center/computer lab, a courtyard, an exercise facility, off-street parking, on-site management, a picnic area, and a playground. Overall, the Subject's amenities will be competitive with those offered at the comparable properties.

2. Site Description/Evaluation:

The Subject site is a 5.96 acre site located at the northeast corner of N. Wheeler Avenue and Andrew Street. The site is generally level and has frontages along the east side of N. Wheeler Avenue and the north side of Andrew Street. The Subject is located in a mixed-use neighborhood, approximately 1.5 miles northwest of Douglas's downtown area. Views to the north consist of a small trucking

company and an assortment of small warehouses, while views to the east and south include vacant and wooded land. Views west are of single-family homes in good condition. Commercial and retail uses are primarily located along West Ward Street in Douglas's downtown district, with conditions ranging from fair to good. Commercial and retail uses consist of a number of different businesses including restaurants, variety stores, banks, pharmacies, gas stations, and grocery stores in fair to good condition. The Subject's proximity to locational amenities and retail uses are considered positive attributes. The Subject's neighborhood is considered "Car-Dependent" by Walkscore.com with a rating of 31, which means that most errands require a car. Our site inspection indicated that retail space in the Subject's neighborhood is approximately 90 percent occupied.

3. Market Area Definition:

The primary market area (PMA) for the Subject development is an irregularly shaped area generally encompassing Coffee County and extending into Atkinson, Jeff Davis, and Irwin Counties. The PMA is bounded to the north by Denton-Fitzgerald Road and McRae Highway, to the west by Osierfield Road and GA Highway 90, to the south by US-82 and to the east by the Coffee County line. The Secondary Market Area (SMA) is determined to be Coffee County. This area was determined based on interviews with property managers in the area. In addition, it represents an approximate 10-minute drive time zone around the Subject.

4. Community Demographic Data:

The population in the PMA increased from 2010 to 2015, while the population in the county and nation also experienced growth over this same time period. This trend is expected to continue over the next five years and the population in the PMA is expected to increase at a similar rate compared to that of the county and a slower rate compared to the nation through 2020. We believe the growth of the population in the PMA is a positive indication of demand for the Subject's proposed units. The total number of households in the PMA increased 0.6 percent from 2010 to 2015. Over the same period of time, the total number of households in the county increased 0.5 percent. The total number of households in the PMA is expected to increase at a similar rate of 0.6 percent, while the total number of households in the county is projected to

increase at an annual rate of 0.5 percent over the next four years.

Renter households earning under \$30,000 in the PMA comprise 58.5 percent of all income cohorts. The Subject's tax credit units will target families earning between \$14,811 and \$35,040; therefore, the Subject should be well-positioned to service this market.

Overall, the demographic data points to a growing population with household incomes in line with the Subject's target. We believe the expected population and household growth in the PMA bodes well for the Subject's proposed units.

5. Economic Data:

Per the major employers list provided by the Coffee County Chamber and Economic Development Authority, the Coffee County economy is dominated by the Coffee County Board of Education, Pilgrim's, Coffee Regional Medical Center, and WalMart. These four industries employ approximately 53 percent of the top employers in Douglas. The education, distribution and manufacturing industries are also well represented in the top employers in Douglas. The local economy was clearly impacted by the recession, given the substantial decline in employment in 2009. However, total employment has increased every year following the significant decline in 2009. Based on current data, area employment has stabilized, and surpassed pre-recession employment totals in 2015. Total unemployment figures show that the county's unemployment rate is 6.2 percent as of February 2016, higher than the national unemployment rate. The unemployment rate in the county increased from 2007 through 2010, peaking at 15.8 percent in 2010. Unemployment has declined each year since the 2010 peak. Overall, Coffee County has recovered from the most recent national recession.

6. Project-Specific Affordability And Demand Analysis:

Our demand analysis indicates that there are 692 income qualified renter households in the PMA for the Subject's affordable units. The following table indicates the capture rates for the Subject's units.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR@50%AMI	2	118	0	118	1.7%
2BR@50%AMI	6	120	0	120	5.0%
3BR@50%AMI	3	103	0	103	2.9%
50%AMI Overall	11	341	0	341	3.2%
1BR@60%AMI	5	122	0	122	4.1%
2BR@60%AMI	14	124	0	124	11.3%
3BR@60%AMI	14	106	0	106	13.2%
60%AMI Overall	33	352	0	352	9.4%
1BR@Market	1	275	0	275	0.4%
2BR@Market	4	279	0	279	1.4%
3BR@Market	3	238	0	238	1.3%
Market Overall	8	792	0	792	1.0%
1BR Overall (LIHTC Only)	7	240	0	240	2.9%
2BR Overall (LIHTC Only)	20	244	0	244	8.2%
3BR Overall (LIHTC Only)	17	208	0	208	8.2%
Overall (LIHTC Only)	44	692	0	692	6.4%

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

7. Competitive Rental Analysis:

The availability of LIHTC data is considered limited; there is only one existing LIHTC property in the PMA, which is utilized as a comparable. Three additional LIHTC comparables have been selected from outside of the PMA.

The availability of market rate data is considered good. We have included four market rate developments; all of which are within the PMA. Additionally, two of the affordable properties are mixed-income and offer unrestricted market rate units. Overall, we believe the market rate properties we have used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, unit types, and tenancy.

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					
@50% AMI					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$283	\$315	\$660	\$422	-32.9%
2 BR	\$326	\$365	\$740	\$513	-36.4%
3 BR	\$365	\$405	\$645	\$503	-27.5%
@60% AMI					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$370	\$363	\$660	\$454	-18.5%
2 BR	\$430	\$390	\$740	\$530	-18.9%
3 BR	\$485	\$490	\$645	\$526	-7.7%

The Subject's proposed one, two, and three-bedroom LIHTC rents will offer a 21.0 to 50.5 percent advantage over the average market rents. Per the Georgia DCA 2015 guidelines, the market study analyst must use the maximum rent and income limits from the same year as the utility allowance. The HUD Utility Modeling provided by the client is effective June 1, 2015; therefore, we have utilized the 2015 maximum income and rent limits.

The Subject's proposed 50 percent and 60 percent AMI rents are set lower than the maximum allowable levels. Estes Park Apartments is most similar with respect to location to the Subject property as it is also located in Douglas. As depicted in the similarity matrix, Estes Park is considered similar to the Subject in terms of property amenities, unit features, and unit size and slightly inferior to the Subject property with respect to age and condition as it was constructed in 2004. Estes Park Apartments is receiving at or near maximum allowable rents at the 50 percent AMI levels and below maximum rents at the 60 percent AMI levels. The proposed Subject rents are lower than those at Estes Park Apartments. As the Subject property will be new construction, we believe the proposed rents are feasible.

The Subject will be in excellent condition and will offer a competitive common area amenity package, unit sizes, and location. Overall, the Subject's proposed rents are below the range of the comparables and appear to be feasible in

the market given the low vacancy rates and presence of waiting lists at the comparable properties.

The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

8. Absorption/Stabilization

Estimate:

We were able to obtain absorption information from two comparable properties. However, only one of the comparables below was completed prior to 2008.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ocean Breeze Park	LIHTC	Family	2010	48	48
The Groves	LIHTC	Family	2006	96	3

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The two comparables present an absorption range of three to 48 units per month. Ocean Breeze Park is the most recent affordable comparable for which absorption data is available. This comparable reported leasing all 48 units in one month. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the reported strong demand for affordable housing in Douglas, we anticipate that the Subject will absorb at 15 units per month, for an absorption period of three to four months.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates

indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

The Subject will offer similar to slightly inferior in-unit amenities in comparison to the affordable comparables and similar to slightly superior in-unit amenities compared to the market rate comparable properties. The Subject's common area amenities will be similar to slightly superior to the affordable comparables and slightly inferior to the market rate comparables. The Subject will offer patio/balconies, blinds, coat closets, central air conditioning, dishwashers, garbage disposal, microwaves, ovens, refrigerators, and washer/dryers. The Subject will offer a business center/computer lab, community room, courtyard, exercise facility, on-site parking, on-site management, picnic areas, and a playground. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the rental market.

As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the majority of the comparable properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable housing in the Subject's market area, we believe that the Subject is feasible as proposed and will fill a void in the market and will perform well.

Summary Table:

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

Development Name:	Heritage Pointe	Total # Units:	52
Location:	Northeast corner of North Wheeler Avenue and Andrew Street	# LIHTC Units:	44
	Douglas, Coffee County, GA 31533		
PMA Boundary:	North: Denton-Fitzgerald Road and McRae Highway; East: Coffee county line; South: US Highway 82; West: Osierfield Road and State Highway 90.		
	Farthest Boundary Distance to Subject:		21.2 miles

Rental Housing Stock

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	513	12	97.8%
Market-Rate Housing	6	142	5	96.4%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	4	231	3	96.3%
LIHTC	2*	132*	4	98.7%*
Stabilized Comps	13	513	12	97.8%
Properties in Construction & Lease Up	0	0	0	N/Ap

*Includes senior property Pine Meadows, which is not a selected comparable, and is 100 percent occupied.

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
2	1BR at 50% AMI	1	750	\$283	\$422	\$0.56	33%	\$660	\$0.88
6	2BR at 50% AMI	2	1,050	\$326	\$513	\$0.49	36%	\$740	\$0.70
3	3BR at 50% AMI	2.5	1,250	\$365	\$503	\$0.40	27%	\$645	\$0.52
5	1BR at 60% AMI	1	750	\$370	\$454	\$0.61	19%	\$660	\$0.88
14	2BR at 60% AMI	2	1,050	\$430	\$530	\$0.50	19%	\$740	\$0.70
14	3BR at 60% AMI	2.5	1,250	\$485	\$526	\$0.42	8%	\$645	\$0.52
1	1BR at Market	1	750	\$463	\$507	\$0.68	9%	\$660	\$0.88
4	2BR at Market	2	1,050	\$538	\$576	\$0.55	7%	\$740	\$0.70
3	3BR at Market	2.5	1,250	\$607	\$590	\$0.47	-3%	\$645	\$0.52

Demographic Data (found on pages 26-29)

	2010		2015		2018	
Renter Households	5,120	35.80%	5,839	38.30%	5,961	38.40%
Income-Qualified Renter HHs (LIHTC)	1,702	33.24%	1,926	32.99%	1,967	33.00%

Targeted Income-Qualified Renter Household Demand (found on pages 39-56)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	31	32	73	N/Ap	41
Existing Households (Overburdened + Substandard)	N/Ap	335	345	750	N/Ap	432
Homeowner conversion (Seniors)	N/Ap	0	0	0	N/Ap	0
Total Primary Market Demand	N/Ap	366	377	823	N/Ap	473
Less Comparable/Competitive Supply	N/Ap	0	0	0	N/Ap	0
Adjusted Income-qualified Renter HHs	N/Ap	366	377	823	N/Ap	473

Capture Rates (found on page 55)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	3.20%	9.40%	1.00%	N/Ap	6.40%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at the northeast corner of North Wheeler Road and Andrew Street, in Douglas, Coffee County, Georgia 31533.
Construction Type:	The Subject will consist of 8 townhome-style residential buildings and one single-story community building.
Occupancy Type:	Family tenancy.
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 Subject's units will benefit from rental assistance.
Proposed Development Amenities:	See following property profile.

Property Profile Report

Heritage Pointe

Comp # Subject
Effective Rent Date 5/18/2016
Location North Wheeler Street
 Douglas, GA 31533
 Coffee County
Distance n/a
Units 52
Vacant Units N/A
Vacancy Rate N/A
Type Townhouse
Year Built / Renovated 2018 / n/a



Market

Program @50%, @60%, Market
Annual Turnover Rate N/A
Units/Month Absorbed n/a
Section 8 Tenants N/A
Leasing Pace n/a
Change in Rent n/a
Concession

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restricti on	Waiting List	Vacant	Vacancy Rate	Max rent?	Range
1	1	Townhouse	2	750	\$283	\$0	@50%	n/a	N/A	N/A	N/A	N/A
1	1	Townhouse	5	750	\$370	\$0	@60%	n/a	N/A	N/A	N/A	N/A
1	1	Townhouse	1	750	\$463	\$0	Market	n/a	N/A	N/A	N/A	N/A
2	2	Townhouse	6	1,050	\$326	\$0	@50%	n/a	N/A	N/A	N/A	N/A
2	2	Townhouse	14	1,050	\$430	\$0	@60%	n/a	N/A	N/A	N/A	N/A
2	2	Townhouse	4	1,050	\$538	\$0	Market	n/a	N/A	N/A	N/A	N/A
3	2.5	Townhouse	3	1,250	\$365	\$0	@50%	n/a	N/A	N/A	N/A	N/A
3	2.5	Townhouse	14	1,250	\$485	\$0	@60%	n/a	N/A	N/A	N/A	N/A
3	2.5	Townhouse	3	1,250	\$607	\$0	Market	n/a	N/A	N/A	N/A	N/A

Amenities

In-Unit Balcony/Patio
 Blinds
 Central A/C
 Coat Closet
 Dishwasher
 Garbage Disposal
 Microwave
 Oven
 Refrigerator
 Washer/Dryer
Security none

Property Business Center/Computer Lab
 Clubhouse/Meeting
 Room/Community Room
 Courtyard
 Exercise Facility
 Off-Street Parking
 On-Site Management
 Picnic Area
 Playground
Premium none

Scope of Renovations:	The Subject will be new construction
Current Rents:	The Subject will be new construction
Current Occupancy:	The Subject will be new construction
Current Tenant Income:	The Subject will be new construction
Placed in Service Date:	The Subject is expected to be completed by March 2018.
Conclusion:	The Subject will be an excellent-quality townhome-style apartment complex, comparable or superior to most of the inventory in the area. As new construction, the Subject should not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

SITE EVALUATION

1. Date of Site Visit and

Name of Site Inspector:

Brian Neukam visited the site on May 12, 2016.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

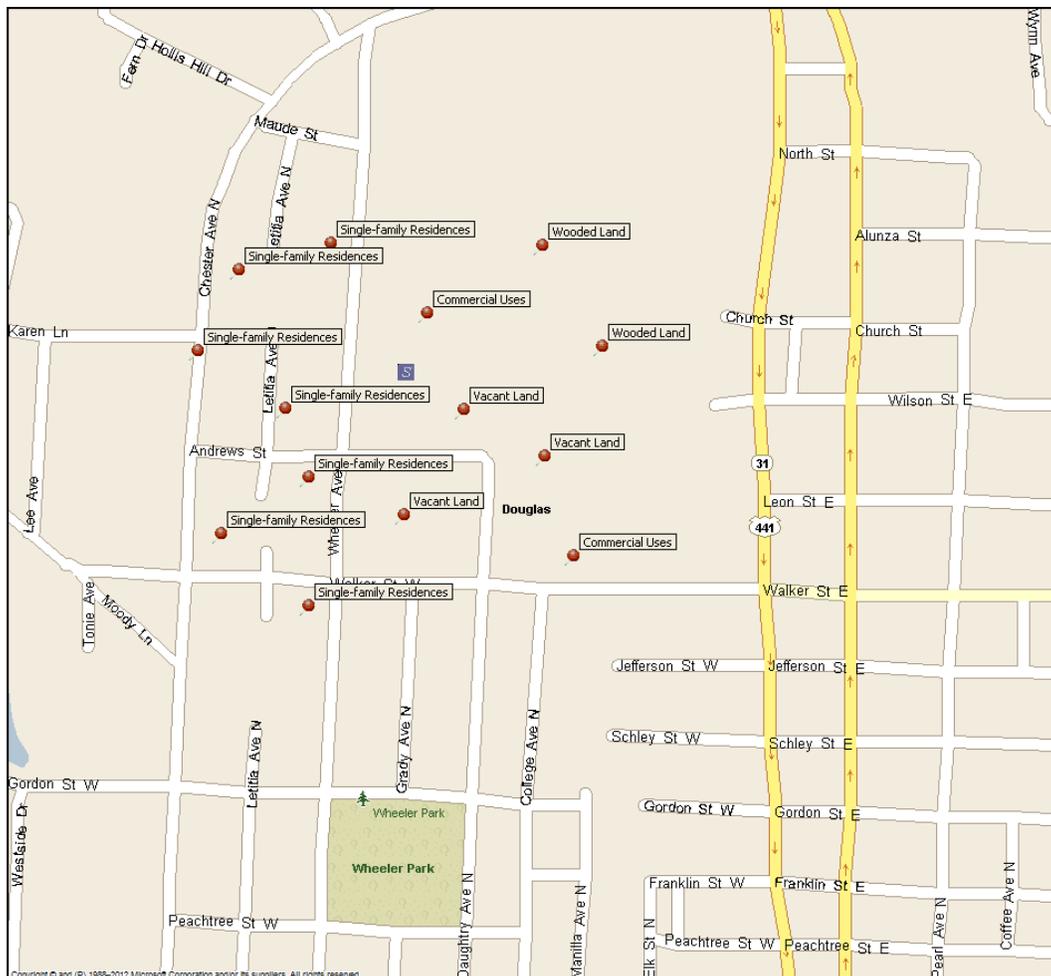
The Subject has frontage along North Wheeler Avenue and Andrews Street.

Visibility/Views:

The Subject is located in a mixed-use neighborhood, approximately 1.5 miles northwest of Douglas's downtown area. Views to the north consist of a small trucking company and an assortment of small warehouses, while views to the east and south include vacant and wooded land. Views west are of single-family homes in good condition.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject is located in a mixed-use neighborhood, approximately 1.5 miles northwest of Douglas's downtown area. Commercial and retail uses are primarily located along West Ward Street in Douglas's downtown district, with conditions ranging from fair to good. Commercial and retail uses consist of a number of different businesses including restaurants, variety stores, banks, pharmacies, gas stations, and grocery stores in fair to good condition. Our site inspection indicated that retail space in the Subject's neighborhood is approximately 90 percent occupied.

Positive/Negative Attributes of Site: The Subject's proximity locational amenities and retail uses are considered positive attributes. The Subject's neighborhood is considered "Car-Dependent" by *Walkscore.com* with a rating of 31, which means that most errands require a car.

Locational Amenities:

The Subject is located within 4.8 miles of all locational amenities.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



Subject site



Subject site



View North on North Wheeler Avenue



View South on North Wheeler Avenue



Single-family residence in west of Subject



Single-family residence in Subject neighborhood



Commercial in Subject Neighborhood



Commercial in Subject Neighborhood



Commercial in Subject Neighborhood

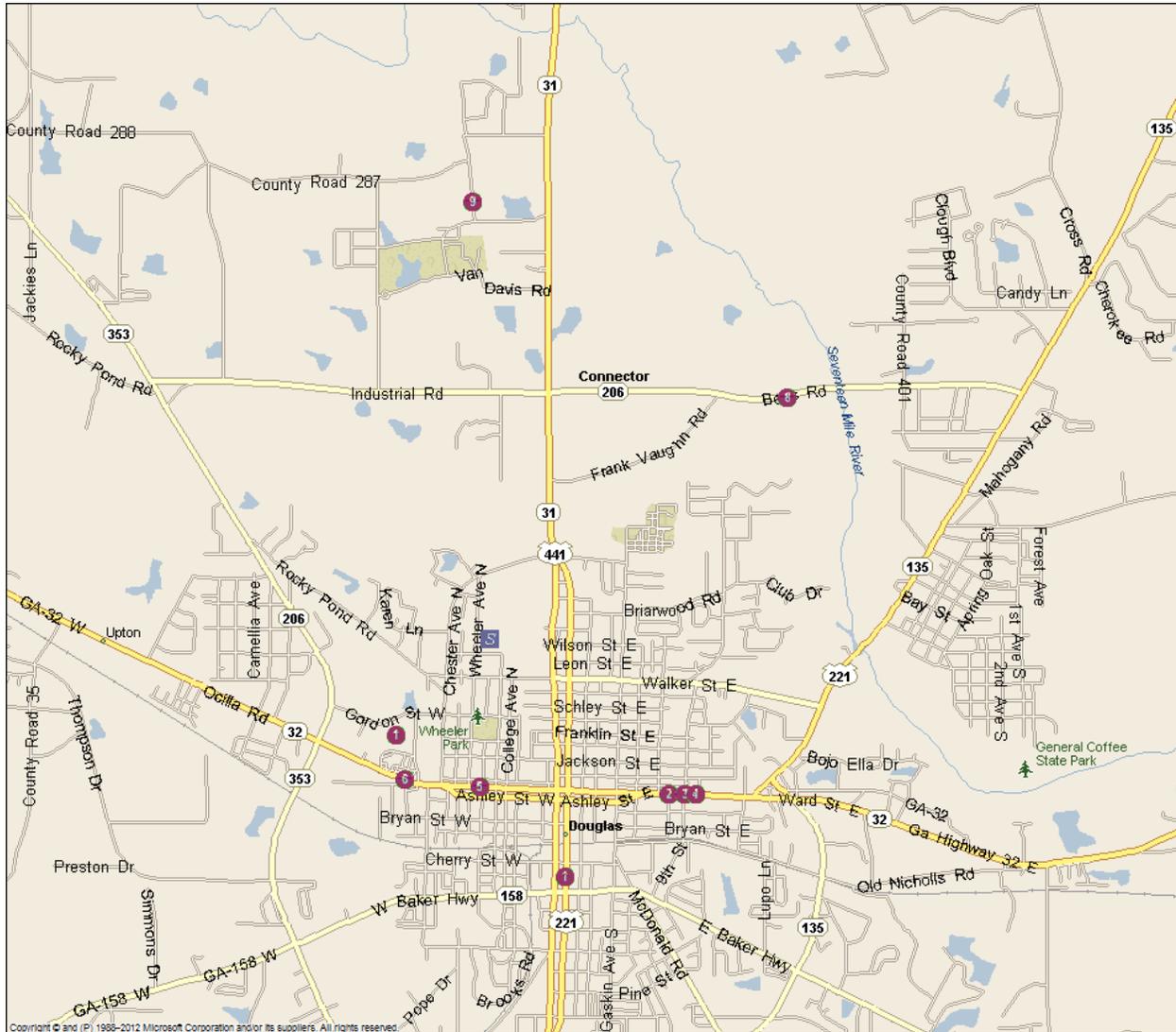


Commercial in Subject Neighborhood

5. Proximity to Locational Amenities:

Amenities:

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



LOCALATIONAL AMENITIES

Map #	Amenity or Service	Distance
1	Westside Elementary School	0.6 miles
2	Harvey's Supermarket	0.8 miles
3	CVS Pharmacy	0.8 miles
4	Gas Station	0.8 miles
5	Colony Bank	0.8 miles
6	Coffee Regional Medical Center	1.0 miles
7	US Post Office	1.8 miles
8	Coffee Middle School	3.1 miles
9	Coffee High School	4.8 miles

6. Description of Land Uses:

The Subject is located in a mixed-use neighborhood, approximately 1.5 miles northwest of the Douglas downtown area. Commercial and retail uses are primarily located along West Ward Street in the downtown district with conditions ranging from fair to good. Commercial and retail uses consist of a number of different businesses including restaurants, variety stores, banks, pharmacies, gas stations, and grocery stores in fair to good condition. Our site inspection indicated that retail space in the Subject's neighborhood is approximately 90 percent occupied.

7. Public Safety Issues:

Based upon our site inspection, there appeared to be limited crime issues in the Subject's neighborhood and property managers did not report having issues with crime. The following table illustrates crime statistics in the Subject's PMA compared to the SMA.

2015 CRIME RISK INDICES

	PMA	Coffee County, GA
Total Crime*	106	121
Personal Crime*	100	109
Murder	87	100
Rape	106	112
Robbery	58	69
Assault	120	129
Property Crime*	107	123
Burglary	109	122
Larceny	112	130
Motor Vehicle Theft	54	60

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

*Unweighted aggregations

The total crime risk in the PMA is lower than the SMA. Both the PMA and SMA have total crime risk indices similar to that of the nation as a whole. Given the Subject's location in a well-trafficked mixed-use area, we do not anticipate that crime will be a concern at the proposed Subject. Most of the comparables do not offer security features.

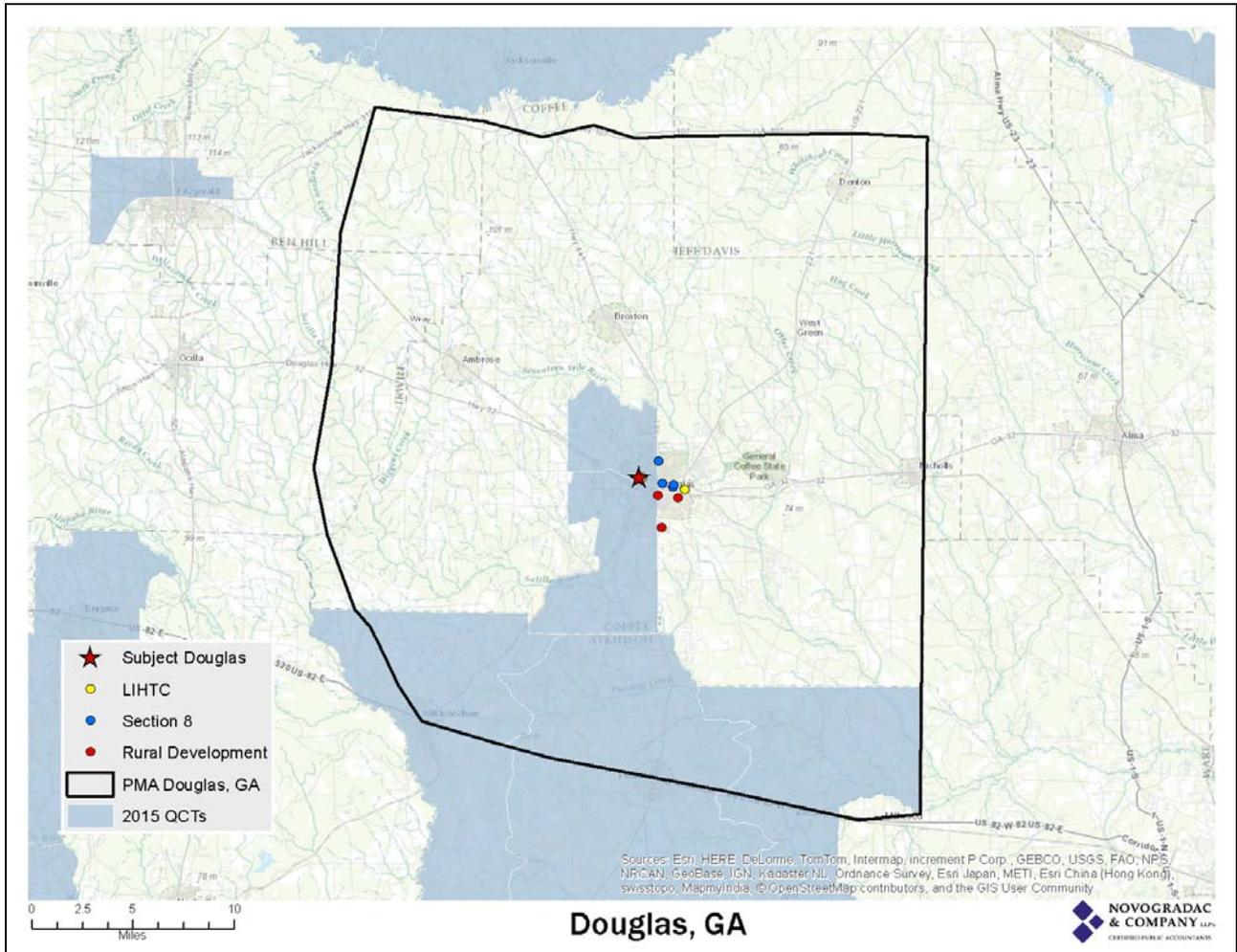
8. Existing Assisted Rental Housing

Property Map:

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

EXISTING AND PROPOSED ASSISTED RENTAL HOUSING IN PMA

Property Name	Address	City	State	Zip Code	Type	Map Color	Included/ Excluded	Reason for Exclusion
Amberwood Apartments	100 E Baker Highway	Douglas	GA	31533	Rural Development	Red	Excluded	Subsidized Rents
Hunters Run Apartments	701 Lupo Lane	Douglas	GA	31533	Rural Development	Red	Excluded	Subsidized Rents
Deerfield	114 Pinecrest Drive	Douglas	GA	31533	Rural Development	Red	Excluded	Subsidized Rents
Estes Park Apartments	122 Bowens Mill Road	Douglas	GA	31533	LIHTC	Yellow	Included	N/A
Pine Meadows Apartments	1315 Gordon Street NW	Douglas	GA	31533	LIHTC	Yellow	Excluded	Disimilar Tenancy
Aeshetic Housing II	919 E Ethel Street	Douglas	GA	31533	Section 8	Blue	Excluded	Subsidized Rents
Coffee County Resources	1019 E Ward Street	Douglas	GA	31533	Section 8	Blue	Excluded	Subsidized Rents
Georgian Woods Apartments	126 McNeal Drive	Douglas	GA	31533	Section 8	Blue	Excluded	Subsidized Rents
Trayce Manor	410 E Sellers Street	Douglas	GA	31533	Section 8	Blue	Excluded	Subsidized Rents



9. Road/Infrastructure

Proposed Improvements:

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

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

The Subject site will be accessible from North Wheeler Avenue, a lightly trafficked, two-lane, primarily residential

street. North Wheeler Avenue provides direct access to Ward Street, a major commercial corridor in downtown Douglas. Overall, access and visibility are considered good.

11. Environmental Concerns:

We were not provided with an environmental assessment report. No obvious environmental concerns were noted during the inspection. Novogradac and Company LLP are not experts in this field and cannot further opine.

12. Conclusion:

The Subject site is located at N Wheeler Avenue and Andrew Street. Surrounding uses consist of residential and commercial buildings as well as wooded land. A hospital and grocery store are also located within close proximity to the Subject site. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject's neighborhood is considered "Car-Dependent" by *Walkscore.com* with a rating of 31. The Subject site is considered a desirable building site for rental housing. The Subject is located within 4.8 miles of all locational amenities.

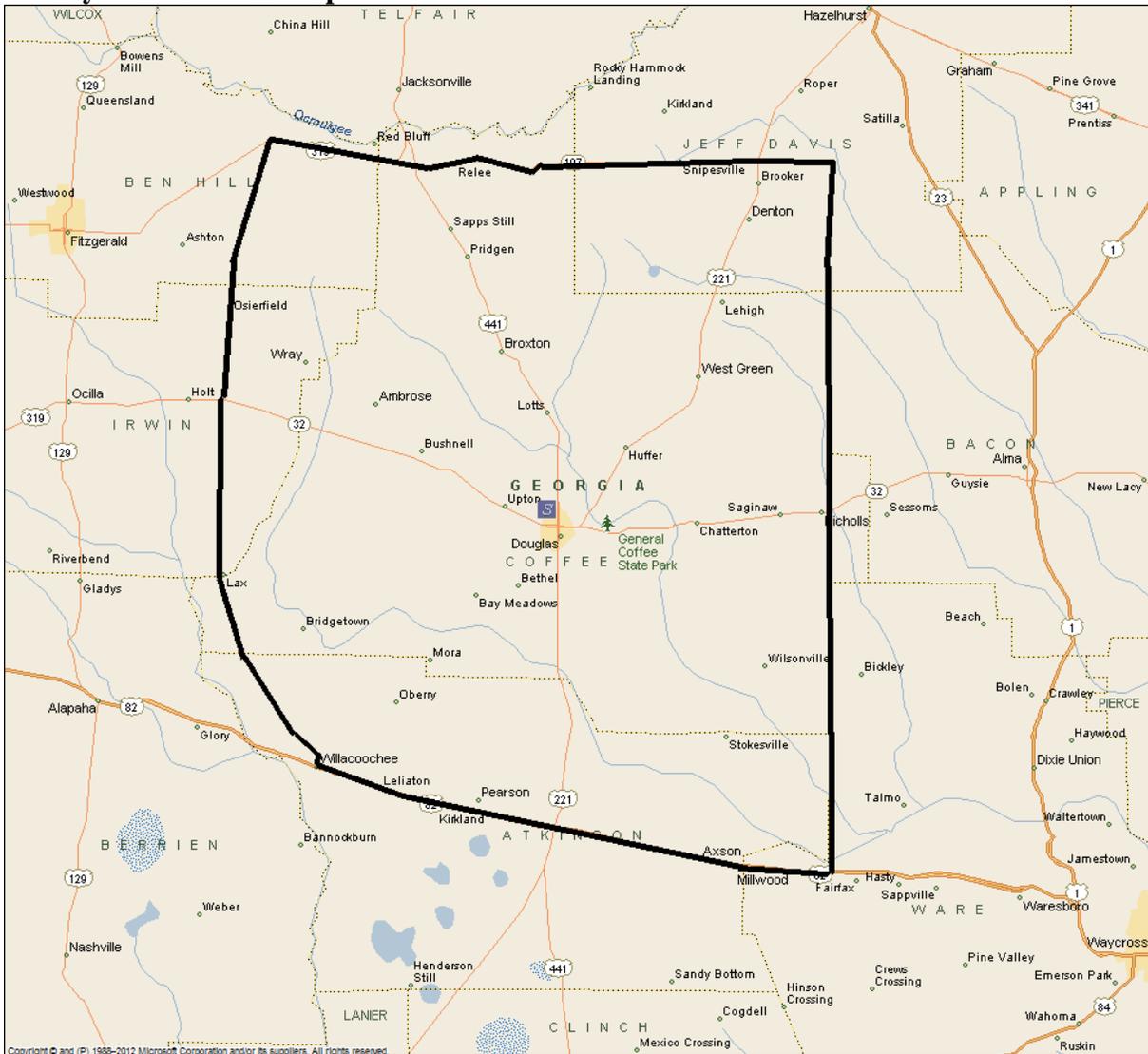
D. MARKET AREA

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

The primary market area (PMA) for the Subject development is an irregularly shaped area generally encompassing Coffee County and extending into Atkinson, Jeff Davis, and Irwin Counties. The PMA is bounded to the north by Denton-Fitzgerald Road and McRae Highway, to the west by Osierfield Road and GA Highway 90, to the south by US-82 and to the east by the Coffee County line. The Secondary Market Area (SMA) is determined to be Coffee County.

We do believe the Subject will experience leakage from outside the PMA boundaries; however, per the 2016 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject site is approximately 21.2 miles.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Coffee County 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. It should be noted that per DCA market study guidelines, source data must be Claritas, State Data Center or US Census/American Fact Finder. However, the demographic data presented in this report originates from the Census and is compiled by a third party analyst. Novogradac & Company uses data provided by the ESRI Business Analyst. Business Analyst brings in data as produced by ESRI's team of demographers. Sources include the US Census, American Community Survey, and other reputable sources. Housing characteristics are derived from several data sources, including construction data from Hanley Wood Market Intelligence, building permits from counties, the USPS, HUD, BLS, and the Census bureau. Owner and renter occupied units come from the Current Population Survey (BLS) and the Housing Vacancy Survey (Census). Data has been ground-truthed by ESRI staff and proven effective.

ESRI's products have been used by almost all US federal agencies (including HUD and USDA), top state level agencies, over 24,000 state and local governments worldwide, as well as many industry leading technology users—AT&T, Citrix, SAP, Oracle, Microsoft. ESRI produces timely updates based on new releases of data. The following demographic tables are specific to the populations of the PMA and County.

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, within population in the county, the PMA and nationally from 2000 through 2020.

TOTAL POPULATION						
Year	PMA		Coffee County, GA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	
2000	42,769	-	37,412	-	281,421,906	-
2010	48,225	1.3%	42,356	1.3%	308,745,538	1.0%
2015	50,121	0.7%	43,948	0.7%	318,536,439	0.6%
Projected Mkt Entry March 2018	50,873	0.6%	44,519	0.5%	324,982,378	0.8%
2020	51,531	0.6%	45,018	0.5%	330,622,575	0.8%

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

POPULATION BY AGE IN 2015

Age Cohort	PMA		Coffee County, GA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	3,520	7.0%	3,061	7.0%	19,799,863	6.2%
5-9	3,511	7.0%	3,042	6.9%	20,344,510	6.4%
10-14	3,322	6.6%	2,887	6.6%	20,559,391	6.5%
15-19	3,466	6.9%	3,048	6.9%	20,881,858	6.6%
20-24	3,652	7.3%	3,267	7.4%	22,924,004	7.2%
25-29	3,607	7.2%	3,244	7.4%	21,816,790	6.8%
30-34	3,386	6.8%	3,018	6.9%	21,473,655	6.7%
35-39	3,310	6.6%	2,931	6.7%	19,766,064	6.2%
40-44	3,350	6.7%	2,969	6.8%	20,273,142	6.4%
45-49	3,347	6.7%	2,923	6.7%	20,491,186	6.4%
50-54	3,354	6.7%	2,920	6.6%	22,396,944	7.0%
55-59	3,069	6.1%	2,673	6.1%	21,895,695	6.9%
60-64	2,787	5.6%	2,417	5.5%	18,945,154	5.9%
65-69	2,413	4.8%	2,075	4.7%	15,996,061	5.0%
70-74	1,684	3.4%	1,438	3.3%	11,328,997	3.6%
75-79	1,107	2.2%	947	2.2%	7,884,187	2.5%
80-84	625	1.2%	543	1.2%	5,668,292	1.8%
85+	609	1.2%	545	1.2%	6,090,646	1.9%
Total	50,119	100.0%	43,948	100.0%	318,536,439	100.0%

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

The general population in the PMA and Coffee County experienced a population increase from 2010 to 2015 and is projected to continue to increase, albeit at a slower rate, through 2020. The general population in the nation increased at a slightly slower rate than the PMA and MSA from 2010 to 2015 but is projected to continue to increase at a slightly faster rate through 2020.

Over 27 percent of the population in the PMA is under 19 years of age. This indicates the presence of families in the PMA, which bodes well from the Subject's one, two, and three-bedroom units.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Coffee County, GA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	15,272	-	13,354	-	105,480,101	-
2010	16,924	1.1%	14,817	1.1%	116,716,292	1.1%
2015	17,478	0.6%	15,243	0.5%	120,746,349	0.7%
Projected Mkt Entry March 2018	17,760	0.6%	15,461	0.5%	123,269,663	0.8%
2020	18,006	0.6%	15,651	0.5%	125,477,562	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Coffee County, GA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.71	-	2.69	-	2.59	-
2010	2.71	0.0%	2.68	0.0%	2.58	-0.1%
2015	2.70	0.0%	2.67	0.0%	2.57	0.0%
Projected Mkt Entry March 2018	2.70	0.0%	2.67	0.0%	2.57	0.0%
2020	2.70	0.0%	2.67	0.0%	2.57	0.0%

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

The number of households in the PMA increased at a rate 0.6 percent annually from 2010 to 2015. However, the number of households in the PMA and county is expected to remain stable through market entry and 2020. The number of households in the nation is expected to outpace the growth in households in the PMA and county through market entry and 2020. Average household size in the PMA is currently 2.70 persons, which is projected to remain stable through 2020. Overall, the projected increase in households is a positive indicator for the proposed Subject's units.

2b. Households by Tenure

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

TENURE PATTERNS PMA				
Year	Owner-Occupied		Renter-Occupied	
	Units	Percentage Owner-Occupied	Units	Percentage Renter-Occupied
2000	11,383	75.1%	3,772	24.9%
2010	11,682	69.5%	5,120	30.5%
2015	11,504	66.3%	5,839	33.7%
Projected Mkt Entry				
March 2018	11,658	66.17%	5,961	33.83%
2020	11,793	66.0%	6,067	34.0%

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

Owner-occupied housing units dominate the PMA; however, the percentages of renter-occupied housing in PMA are projected to increase slightly through 2020.

2c. Households by Income

The following table depicts renter household income in 2015, the projected market entry March 2018, and 2020 for the PMA.

Income Cohort	2010		2015		Projected Mkt Entry March 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,044	20.4%	1,222	20.9%	1,237	20.7%	1,249	20.6%
\$10,000-19,999	1,209	23.6%	1,321	22.6%	1,327	22.3%	1,332	21.9%
\$20,000-29,999	732	14.3%	877	15.0%	891	14.9%	903	14.9%
\$30,000-39,999	680	13.3%	725	12.4%	736	12.3%	745	12.3%
\$40,000-49,999	516	10.1%	686	11.7%	700	11.7%	712	11.7%
\$50,000-59,999	267	5.2%	320	5.5%	336	5.6%	350	5.8%
\$60,000-74,999	277	5.4%	293	5.0%	303	5.1%	312	5.1%
\$75,000-99,999	169	3.3%	159	2.7%	173	2.9%	186	3.1%
\$100,000-124,999	71	1.4%	70	1.2%	77	1.3%	82	1.4%
\$125,000-149,999	32	0.6%	23	0.4%	27	0.5%	31	0.5%
\$150,000-199,999	49	1.0%	59	1.0%	59	1.0%	58	1.0%
\$200,000+	74	1.4%	84	1.4%	96	1.6%	107	1.8%
Total	5,120	100.0%	5,839	100.0%	5,961	100.0%	6,067	100.0%

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

Renter households earning under \$30,000 in the PMA comprise 58.5 percent of all income cohorts. The Subject's income limits for its tax credit units will range from \$14,811 and \$35,040. As such, a large portion of renter households will income qualify to reside at the Subject's units, and the Subject should be well-positioned to service this market.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

	2000		2010		2015		Projected Mkt Entry March 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,131	30.0%	1,559	30.4%	1,788	30.6%	1,835	30.8%	1,875	30.9%
With 2 Persons	911	24.2%	1,199	23.4%	1,361	23.3%	1,385	23.2%	1,405	23.2%
With 3 Persons	773	20.5%	952	18.6%	1,088	18.6%	1,111	18.6%	1,131	18.6%
With 4 Persons	598	15.9%	736	14.4%	831	14.2%	843	14.1%	854	14.1%
With 5+ Persons	359	9.5%	675	13.2%	770	13.2%	787	13.2%	802	13.2%
Total Renter	3,772	100.0%	5,120	100.0%	5,839	100.0%	5,961	100.0%	6,067	100.0%

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

The majority of households in the PMA are one, two and three person households. The Subject will offer one, two, and three-bedroom units, which will permit up to five person households.

Conclusion

The population in the PMA increased from 2010 to 2015, while the population in the county and nation also experienced growth over this same time period. This trend is expected to continue over the next five years and the population in the PMA is expected to increase at a similar rate compared to that of the county and a slower rate compared to the nation through 2020. We believe the growth of the population in the PMA is a positive indication of demand for the Subject's proposed units. The total number of households in the PMA increased 0.6 percent from 2010 to 2015. Over the same period of time, the total number of households in the county increased 0.5 percent. The total number of households in the PMA is expected to increase at a similar rate of 0.6 percent, while the total number of households in the county is projected to increase at an annual rate of 0.5 percent over the next four years.

Renter households earning under \$30,000 in the PMA comprise 58.5 percent of all income cohorts. The Subject's tax credit units will target families earning between \$14,811 and \$35,040; therefore, the Subject should be well-positioned to service this market.

Overall, the demographic data points to a growing population with household incomes in line with the Subject's target. We believe the expected population and household growth in the PMA bodes well for the Subject's proposed units.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

1. Total Jobs

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

Total Jobs in Coffee County, Georgia		
Year	Total Employment	% Change
2006	15,937	-
2007	15,547	-1.30%
2008	15,348	-10.78%
2009	13,854	4.35%
2010	14,484	5.56%
2011	15,336	0.99%
2012	15,489	1.86%
2013	15,783	0.07%
2014	15,794	2.82%
2015	16,253	0.00%
2016 YTD Average	16,253	0.00%
Feb-15	15,667	-
Feb-16	16,765	7.00%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

As illustrated in the table above, Coffee County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with an over 10 percent decrease in total jobs over that year. Total employment increased each year from 2009 to 2015, and this trend has continued in 2016. February 2016 showed a seven percent increase over February 2015. Overall, the area employment has recovered, and surpassed pre-recession employment totals in 2015.

2. Total Jobs by Industry

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

**February 2016 Covered Employment
Coffee County, Georgia**

	Number	Percent
Total, all industries	13,844	-
Goods-producing	4,218	-
Natural resources and mining	370	2.67%
Construction	897	6.48%
Manufacturing	2,951	21.32%
Service-providing	9,626	-
Trade, transportation, and utilities	3,926	28.36%
Information	90	0.65%
Financial activities	389	2.81%
Professional and business services	1,686	12.18%
Education and health services	1,965	14.19%
Leisure and hospitality	1,266	9.14%
Other services	277	2.00%
Unclassified	27	0.20%

Source: Bureau of Labor Statistics, 2015

The largest sector in Coffee County, according to the Bureau of Labor Statistics, is the trade/transportation/utilities industry, followed by the manufacturing and educational and health services industries. Educational and health services are historically considered to be stable employers and could provide some additional stability to the local economy during a recession. The trade/transportation/utilities and manufacturing industries are historically unstable sectors. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

2015 EMPLOYMENT BY INDUSTRY

Industry	<u>PMA</u>		<u>USA</u>	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	1,001	6.9%	1,941,156	1.3%
Mining	18	0.1%	997,794	0.7%
Construction	904	6.2%	9,392,204	6.4%
Manufacturing	2,774	19.0%	15,651,841	10.6%
Wholesale Trade	361	2.5%	3,742,526	2.5%
Retail Trade	2,592	17.8%	17,089,319	11.6%
Transportation/Warehousing	658	4.5%	6,200,837	4.2%
Utilities	102	0.7%	1,190,608	0.8%
Information	114	0.8%	2,965,498	2.0%
Finance/Insurance	375	2.6%	7,026,905	4.8%
Real Estate/Rental/Leasing	160	1.1%	2,759,067	1.9%
Prof/Scientific/Tech Services	256	1.8%	9,981,082	6.8%
Mgmt of Companies/Enterprises	2	0.0%	115,436	0.1%
Admin/Support/Waste Mgmt Svcs	305	2.1%	6,242,568	4.2%
Educational Services	1,347	9.2%	13,529,510	9.2%
Health Care/Social Assistance	1,468	10.1%	20,205,674	13.7%
Arts/Entertainment/Recreation	53	0.4%	3,193,724	2.2%
Accommodation/Food Services	750	5.1%	10,915,815	7.4%
Other Services (excl Publ Adm)	606	4.2%	7,548,482	5.1%
Public Administration	737	5.1%	7,099,307	4.8%
Total Employment	14,583	100.0%	147,789,353	100.0%

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

As depicted above, the largest employment sector in the PMA is the manufacturing sector, which represents 19 percent of total employment. The second largest employment sector in the PMA is the retail trade sector at 17.8 percent, followed by the healthcare/social assistance sector with 10.1 percent of total employment. These three industries account for 46.9 percent of the workforce. Compared to the nation, the PMA has a significantly larger portion of its workforce employed in the manufacturing and retail trade sectors. Conversely, employment in the healthcare/social assistance sector and professional/scientific/technical services sector is significantly lower in the PMA than the nation.

3. Major Employers

The following tables detail the top employers in the City of Douglas.

MAJOR EMPLOYERS-DOUGLAS, GA

Company Name	Industry	# Employed
Coffee County Board of Education	Education	1,174
Pilgrim's	Food Processing - Poultry	925
Coffee Regional Medical Center	Health Care	774
Wal-Mart Distribution	Distribution/Retail	762
PCC Airfoils	Turbine Components	511
Coffee Correctional Facility	Correctional Facility	450
Coffee County Government	Government	275
City of Douglas	Government	225
Southwire	Insulated Wire	215
Diamond Builders	Modular/Cargo Buildings	175
Elixir Door & Metal	Manufacturing Door & Metal	174
Elixir Extrusion	Manufacturing Extrusions	157
South Georgia State College	Education	150
Coats & Clark	Manufacturing Yarn	143
Spectrum Distribution Center	Distribution/Coats	143
Sunbelt	Greenhouse	120
Premium Peanut	Food Processing Peanuts	100
Premium Waters	Food Processing - Bottled Water	98
Williams Institutional Foods	Distribution/Logistics	90
Optima Chemical	Manufacturing - Chemicals/ R&D	88
Wiregrass Georgia Technical College	Education	75

Source: Douglas Coffee County, Ga Chamber and Economic Development Authority, April 2016

Per the major employers list provided by the Coffee County Chamber and Economic Development Authority, the Coffee County economy is dominated by the Coffee County Board of Education, Pilgrim's Poultry Processing, Coffee Regional Medical Center, and WalMart. These four industries employ approximately 53 percent of the top employers in Douglas. The education, distribution and manufacturing industries are also well represented in the top employers in Douglas.

Expansions/Contractions

We spoke with Meshia Davis, Information Specialist for the Douglas-Coffee County Chamber of Commerce and Economic Development Authority, to obtain information regarding recent business development in the area. Ms. Davis reported that there is a new Fairfield Inn currently under construction in Douglas. However, no job numbers or projected dates of completion have been announced.

According to the Georgia Department of Labor, there have been no layoffs in Coffee County since 2014.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for Coffee County from 2002 through February 2016, along with national data for comparison.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Coffee County, GA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	16,125	-	5.4%	-	136,933,000	-	4.7%	-
2003	16,114	-0.1%	7.0%	1.5%	136,485,000	-0.3%	5.8%	1.1%
2004	16,253	0.9%	6.1%	-0.9%	137,736,000	0.9%	6.0%	0.2%
2005	16,333	0.5%	5.8%	-0.3%	139,252,000	1.1%	5.5%	-0.5%
2006	15,937	-2.4%	5.3%	-0.4%	141,730,000	1.8%	5.1%	-0.4%
2007	15,547	-2.4%	5.9%	0.6%	144,427,000	1.9%	4.6%	-0.5%
2008	15,348	-1.3%	8.3%	2.4%	146,047,000	1.1%	4.6%	0.0%
2009	13,854	-9.7%	15.4%	7.1%	145,362,000	-0.5%	5.8%	1.2%
2010	14,484	4.5%	15.8%	0.4%	139,877,000	-3.8%	9.3%	3.5%
2011	15,333	5.9%	12.9%	-2.9%	139,064,000	-0.6%	9.6%	0.3%
2012	15,470	0.9%	11.4%	-1.5%	139,869,000	0.6%	8.9%	-0.7%
2013	15,778	2.0%	10.0%	-1.5%	142,469,000	1.9%	8.1%	-0.8%
2014	16,018	1.5%	8.5%	-1.5%	143,929,000	1.0%	7.4%	-0.7%
2015	16,582	3.5%	6.6%	-1.9%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	16,798	1.3%	6.2%	-0.5%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	16,652	-	7.4%	-	147,118,000	-	5.8%	-
Feb-2016	16,765	0.7%	6.3%	-1.1%	150,060,000	2.0%	5.2%	-0.6%

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

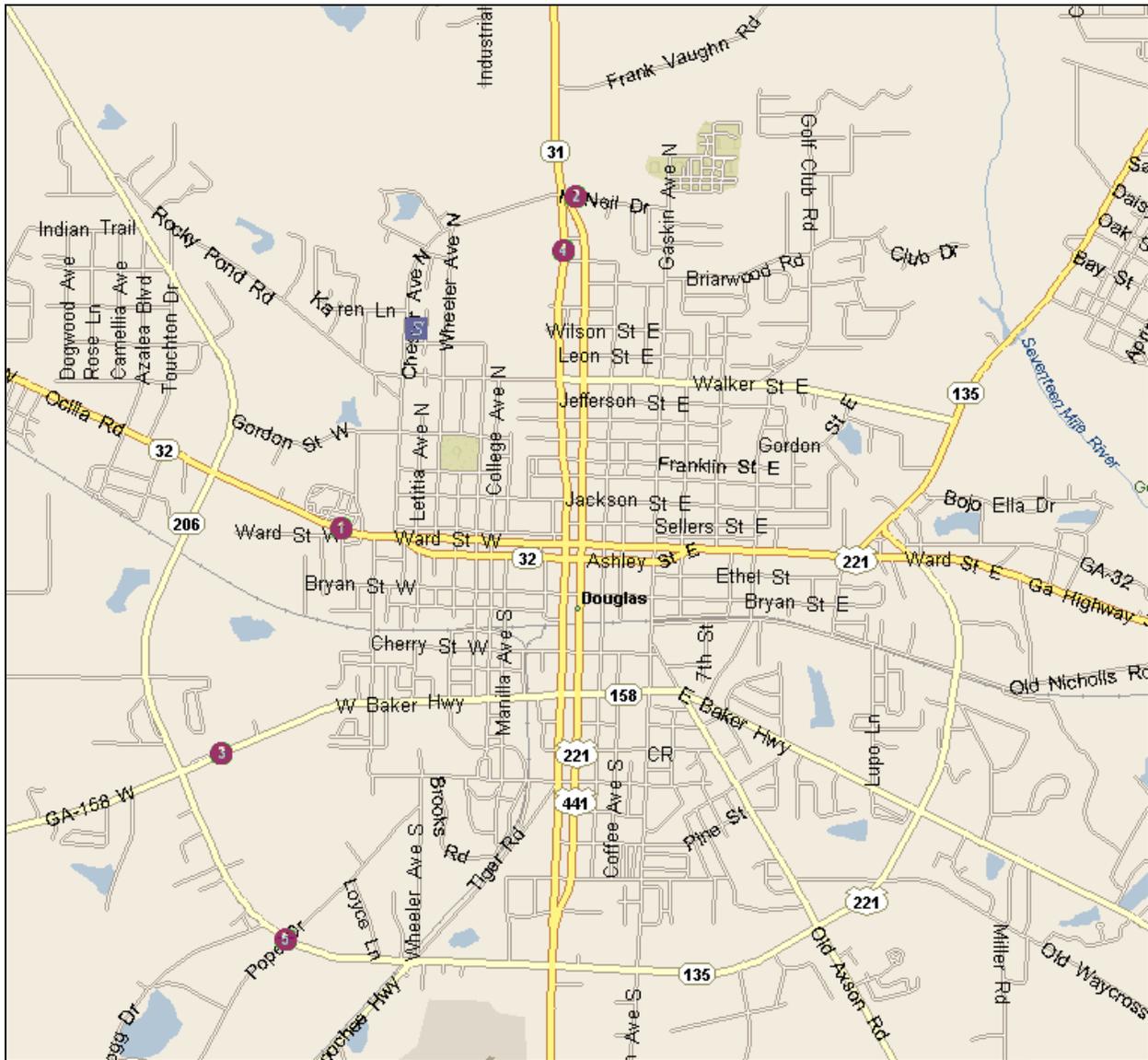
*2016 data is through Dec

The local economy was clearly impacted by the recession, given the substantial decline in employment in 2009. However, total employment has increased every year following the significant decline in 2009. Based on current data, area employment has stabilized, and surpassed pre-recession employment totals in 2015.

Total unemployment figures show that the county's unemployment rate is 6.2 percent as of February 2016, higher than the national unemployment rate. The unemployment rate in the county increased from 2007 through 2010, peaking at 15.8 percent in 2010. Unemployment has declined each year since the 2010 peak. Overall, Coffee County has recovered from the most recent national recession.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Douglas, GA



MAJOR EMPLOYERS

Map #	Employer	Industry	Number Employed	Distance
1	Coffee Regional Medical Center	Education	1,174	0.5 miles
2	Pilgrim's Pride Corporation	Food Processing - Poultry	925	1.4 miles
3	Walmart Distribution Center	Health Care	774	2.0 miles
4	Coffee County Board of Education	Distribution/Retail	762	2.5 miles
5	Precision Castparts Corporation (PCC) Airfoils, LLC	Turbine Components	511	2.6 miles

Conclusion

The PMA's three largest industries of employment are the manufacturing, retail trade, and healthcare/social assistance sectors. These three industries account for 46.9 percent of the workforce in the PMA. Overall, manufacturing employment has declined in recent years, by an average rate of 165 jobs per year between 2000 and 2015, so reliance on this industry is a potential cause for concern. However, no major closures or downsizings have been reported in recent years.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a 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). However, very few senior households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

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

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

2. Affordability

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

3. Demand

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

3A. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized March 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to March 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 March 2018. This number takes the overall growth from 2015 to March 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. The third source (**2c.**) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

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

3C. Secondary Market Area

Per the 2015 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. Other

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

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

ADDITIONS TO SUPPLY

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2013, 2014, and 2015.
- Vacancies in projects placed in service prior to 2015 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 2013 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. There have been no properties funded, placed in service, or under construction within the PMA since 2012.

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. Only projects that target families within the PMA have been considered.

PMA OCCUPANCY

Property Name	Occupancy	Type	Tenancy	Included/ Excluded	Reason For Exclusion	Distance from Subject
Estes Park Apartments	94%	LIHTC	Family	Included	N/A	2.2 miles
Crown Villas	100%	Market	Family	Included	N/A	0.6 miles
Douglas Pines	100%	Market	Family	Included	N/A	2.3 miles
Gables Apartments Homes	94%	Market	Family	Included	N/A	0.6 miles
Hill House Apartmrents	92%	Market	Family	Included	N/A	1.2 miles
East Woods Apartments	100%	Market	Family	Included	N/A	1.0 miles

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 benefit from project-based rental assistance.

Capture Rates

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

Renter Household Income Distribution 2015 to Projected Market Entry March 2018					
Proposed Douglas Development					
PMA					
	2015		Projected Mkt Entry March 2018		Percent
	#	%	#	%	Growth
\$0-9,999	1,234	21.0%	1,248	20.8%	1.2%
\$10,000-19,999	1,328	22.6%	1,334	22.2%	0.5%
\$20,000-29,999	885	15.1%	902	15.0%	1.8%
\$30,000-39,999	731	12.4%	741	12.3%	1.3%
\$40,000-49,999	691	11.8%	706	11.8%	2.1%
\$50,000-59,999	320	5.4%	336	5.6%	5.0%
\$60,000-74,999	293	5.0%	303	5.1%	3.4%
\$75,000-99,999	161	2.7%	174	2.9%	7.7%
\$100,000-124,999	71	1.2%	77	1.3%	8.0%
\$125,000-149,999	23	0.4%	27	0.5%	14.7%
\$150,000-199,999	60	1.0%	59	1.0%	-1.4%
\$200,000+	84	1.4%	96	1.6%	12.4%
Total	5,881	100.0%	6,005	100.0%	2.1%

Renter Household Income Distribution Projected Market Entry March 2018			
Proposed Douglas Development			
PMA			
	Projected Mkt Entry March 2018		Change 2015 to Prj Mrkt Entry March 2018
	#	%	#
\$0-9,999	1,248	20.8%	26
\$10,000-19,999	1,334	22.2%	27
\$20,000-29,999	902	15.0%	19
\$30,000-39,999	741	12.3%	15
\$40,000-49,999	706	11.8%	15
\$50,000-59,999	336	5.6%	7
\$60,000-74,999	303	5.1%	6
\$75,000-99,999	174	2.9%	4
\$100,000-124,999	77	1.3%	2
\$125,000-149,999	27	0.5%	1
\$150,000-199,999	59	1.0%	1
\$200,000+	96	1.6%	2
Total	6,005	100.0%	124

Tenure Prj Mrkt Entry March 2018	
Renter	33.8%
Owner	66.2%
Total	100.0%

Renter Household Size for Prj Mrkt Entry March 2018		
Size	Number	Percentage
1 Person	1,845	30.7%
2 Person	1,396	23.2%
3 Person	1,121	18.7%
4 Person	850	14.2%
5+ Person	793	13.2%
Total	6,005	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,139	30.0%
2 Person	917	24.1%
3 Person	776	20.4%
4 Person	604	15.9%
5+ Person	363	9.6%
Total	3,799	100.0%

50% AMI

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,811		
Maximum Income Limit			\$29,200 29200		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	25.72			
\$10,000-19,999	27.49	22.2%	5,188	51.9%	14
\$20,000-29,999	18.58	15.0%	9,200	92.0%	17
\$30,000-39,999	15.26	12.3%		0.0%	0
\$40,000-49,999	14.55	11.8%		0.0%	0
\$50,000-59,999	6.93	5.6%		0.0%	0
\$60,000-74,999	6.25	5.1%		0.0%	0
\$75,000-99,999	3.59	2.9%		0.0%	0
\$100,000-124,999	1.59	1.3%		0.0%	0
\$125,000-149,999	0.56	0.5%		0.0%	0
\$150,000-199,999	1.22	1.0%		0.0%	0
\$200,000+	1.98	1.6%		0.0%	0
	124	100.0%			31
Percent of renter households within limits versus total number of renter households					25.35%

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

Percent of AMI Level			50%		
Minimum Income Limit			\$14,811		
Maximum Income Limit			\$29,200 29200		
Income Category	Total Renter Households PMA Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,248			
\$10,000-19,999	1,334	22.2%	\$5,188	51.9%	692
\$20,000-29,999	902	15.0%	\$9,200	92.0%	830
\$30,000-39,999	741	12.3%		0.0%	0
\$40,000-49,999	706	11.8%		0.0%	0
\$50,000-59,999	336	5.6%		0.0%	0
\$60,000-74,999	303	5.1%		0.0%	0
\$75,000-99,999	174	2.9%		0.0%	0
\$100,000-124,999	77	1.3%		0.0%	0
\$125,000-149,999	27	0.5%		0.0%	0
\$150,000-199,999	59	1.0%		0.0%	0
\$200,000+	96	1.6%		0.0%	0
	6,005	100.0%			1,522
Percent of renter households within limits versus total number of renter households					25.35%

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 March 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		
Rural		
35%		
\$30,432		
\$35,331		
\$4,899		
13.9%		
0.1%		
0.1%	Two year adjustment	1.0000
\$35,040		
\$35,040		
5		
Overall		
\$432		
\$432.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	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 March 2018

Income Target Population	50%
New Renter Households PMA	124
Percent Income Qualified	25.3%
New Renter Income Qualified Households	31

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	6,005
Income Qualified	25.3%
Income Qualified Renter Households	1,522
Percent Rent Overburdened Prj Mrkt Entry March 2018	21.2%
Rent Overburdened Households	323

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,522
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	12

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	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	334
Adjustment Factor - Leakage from SMA	100%
Adjusted Demand from Existing Households	334
Total New Demand	31
Total Demand (New Plus Existing Households)	366

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	30.7%	112
Two Persons	23.2%	85
Three Persons	18.7%	68
Four Persons	14.2%	52
Five Persons	13.2%	48
Total	100.0%	366

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	101
Of two-person households in 1BR units	20%	17
Of one-person households in 2BR units	10%	11
Of two-person households in 2BR units	80%	68
Of three-person households in 2BR units	60%	41
Of three-person households in 3BR units	40%	27
Of four-person households in 3BR units	80%	41
Of five-person households in 3BR units	70%	34
Of four-person households in 4BR units	20%	10
Of five-person households in 4BR units	30%	14

Total Demand 366
Check OK

Total Demand by Bedroom 50%

1 BR	118
2 BR	120
3 BR	103
Total Demand	341

Additions To Supply 2015 to Prj Mrkt Entry March 2018 50%

0 BR	0
1 BR	0
2 BR	0
3 BR	0
4 BR	0
5 BR	0
Total	0

Net Demand 50%

1 BR	118
2 BR	120
3 BR	103
Total	341

Developer's Unit Mix 50%

1 BR	2
2 BR	6
3 BR	3
Total	11

Capture Rate Analysis 50%

1 BR	1.7%
2 BR	5.0%
3 BR	2.9%
Total	3.2%

60% AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,794		
Maximum Income Limit			\$35,040 5		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	25.72			
\$10,000-19,999	27.49	22.2%	2,205	22.0%	6
\$20,000-29,999	18.58	15.0%	9,999	100.0%	19
\$30,000-39,999	15.26	12.3%	5,040	50.4%	8
\$40,000-49,999	14.55	11.8%		0.0%	0
\$50,000-59,999	6.93	5.6%		0.0%	0
\$60,000-74,999	6.25	5.1%		0.0%	0
\$75,000-99,999	3.59	2.9%		0.0%	0
\$100,000-124,999	1.59	1.3%		0.0%	0
\$125,000-149,999	0.56	0.5%		0.0%	0
\$150,000-199,999	1.22	1.0%		0.0%	0
\$200,000+	1.98	1.6%		0.0%	0
	124	100.0%			32
Percent of renter households within limits versus total number of renter households					26.14%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$17,794		
Maximum Income Limit			\$35,040 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,248			
\$10,000-19,999	1,334	22.2%	\$2,205	22.0%	294
\$20,000-29,999	902	15.0%	\$9,999	100.0%	902
\$30,000-39,999	741	12.3%	\$5,040	50.4%	373
\$40,000-49,999	706	11.8%		0.0%	0
\$50,000-59,999	336	5.6%		0.0%	0
\$60,000-74,999	303	5.1%		0.0%	0
\$75,000-99,999	174	2.9%		0.0%	0
\$100,000-124,999	77	1.3%		0.0%	0
\$125,000-149,999	27	0.5%		0.0%	0
\$150,000-199,999	59	1.0%		0.0%	0
\$200,000+	96	1.6%		0.0%	0
	6,005	100.0%			1,569
Percent of renter households within limits versus total number of renter households					26.14%

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 March 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	
Rural	
35%	
\$30,432	
\$35,331	
\$4,899	
13.9%	
0.1%	
0.1%	Two year adjustment 1.0000
\$35,040	
\$35,040	
5	
60%	
\$519	
\$519.00	

Persons in Household	OBR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	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 March 2018

Income Target Population	60%
New Renter Households PMA	124
Percent Income Qualified	26.1%
New Renter Income Qualified Households	32

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	6,005
Income Qualified	26.1%
Income Qualified Renter Households	1,569
Percent Rent Overburdened Prj Mrkt Entry March 2018	21.2%
Rent Overburdened Households	333

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,569
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	12

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	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		345
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		345
Total New Demand		32
Total Demand (New Plus Existing Households)		377

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	30.7%	116
Two Persons	23.2%	88
Three Persons	18.7%	70
Four Persons	14.2%	53
Five Persons	13.2%	50
Total	100.0%	377

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	90%	104
Of two-person households in 1BR units	20%	18
Of one-person households in 2BR units	10%	12
Of two-person households in 2BR units	80%	70
Of three-person households in 2BR units	60%	42
Of three-person households in 3BR units	40%	28
Of four-person households in 3BR units	80%	43
Of five-person households in 3BR units	70%	35
Of four-person households in 4BR units	20%	11
Of five-person households in 4BR units	30%	15
Total Demand		377
Total Demand by Bedroom		60%
1 BR		122
2 BR		124
3 BR		106
Total Demand		351
Additions To Supply 2015 to Prj Mrkt Entry March 2018		60%
1 BR		0
2 BR		0
3 BR		0
Total		0
Net Demand		60%
1 BR		122
2 BR		124
3 BR		106
Total		351
Net Demand		60%
1 BR		122
2 BR		124
3 BR		106
Total		351
Developer's Unit Mix		60%
1 BR		5
2 BR		14
3 BR		14
Total		33
Capture Rate Analysis		60%
1 BR		4.1%
2 BR		11.3%
3 BR		13.2%
Total		9.4%

Market Rate

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

Percent of AMI Level			Market		
Minimum Income Limit			\$15,874		
Maximum Income Limit			\$75,000 5		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	25.72			
\$10,000-19,999	27.49	22.2%	4,125	41.3%	11
\$20,000-29,999	18.58	15.0%	9,999	100.0%	19
\$30,000-39,999	15.26	12.3%	9,999	100.0%	15
\$40,000-49,999	14.55	11.8%	9,999	100.0%	15
\$50,000-59,999	6.93	5.6%	\$9,999	100.0%	7
\$60,000-74,999	6.25	5.1%	\$14,999	100.0%	6
\$75,000-99,999	3.59	2.9%		0.0%	0
\$100,000-124,999	1.59	1.3%		0.0%	0
\$125,000-149,999	0.56	0.5%		0.0%	0
\$150,000-199,999	1.22	1.0%		0.0%	0
\$200,000+	1.98	1.6%		0.0%	0
	124	100.0%			73
Percent of renter households within limits versus total number of renter households					58.93%

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

Percent of AMI Level			Market		
Minimum Income Limit			\$15,874		
Maximum Income Limit			\$75,000 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry March 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	1,248			
\$10,000-19,999	1,334	22.2%	\$4,125	41.3%	550
\$20,000-29,999	902	15.0%	\$9,999	100.0%	902
\$30,000-39,999	741	12.3%	\$9,999	100.0%	741
\$40,000-49,999	706	11.8%	\$9,999	100.0%	706
\$50,000-59,999	336	5.6%	\$9,999	100.0%	336
\$60,000-74,999	303	5.1%	\$14,999	100.0%	303
\$75,000-99,999	174	2.9%		0.0%	0
\$100,000-124,999	77	1.3%		0.0%	0
\$125,000-149,999	27	0.5%		0.0%	0
\$150,000-199,999	59	1.0%		0.0%	0
\$200,000+	96	1.6%		0.0%	0
	6,005	100.0%			3,539
Percent of renter households within limits versus total number of renter households					58.93%

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 March 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		
Rural		
35%		
\$30,432		
\$35,331		
\$4,899		
13.9%		
0.1%		
0.1%	Two year adjustment	1.0000
\$75,000		
\$75,000		
5		
Market		
\$463		
\$463.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	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 March 2018

Income Target Population		Market
New Renter Households PMA		124
Percent Income Qualified		58.9%
New Renter Income Qualified Households		73

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Market
Total Existing Demand		6,005
Income Qualified		58.9%
Income Qualified Renter Households		3,539
Percent Rent Overburdened Prj Mrkt Entry March 2018		21.2%
Rent Overburdened Households		750

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,539
Percent Living in Substandard Housing		0.8%
Households Living in Substandard Housing		28

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

Senior Households Converting from Homeownership

Income Target Population		Market
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		777
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		777
Total New Demand		73
Total Demand (New Plus Existing Households)		850

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	30.7%	261
Two Persons	23.2%	198
Three Persons	18.7%	159
Four Persons	14.2%	120
Five Persons	13.2%	112
Total	100.0%	850

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	90%	235
Of two-person households in 1BR units	20%	40
Of one-person households in 2BR units	10%	26
Of two-person households in 2BR units	80%	158
Of three-person households in 2BR units	60%	95
Of three-person households in 3BR units	40%	63
Of four-person households in 3BR units	80%	96
Of five-person households in 3BR units	70%	79
Of four-person households in 4BR units	20%	24
Of five-person households in 4BR units	30%	34
Total Demand		850
Check		OK

Total Demand by Bedroom	Market
1 BR	275
2 BR	279
3 BR	238
Total Demand	792

Additions To Supply 2015 to Prj Mrkt Entry March 2018	Market
0 BR	0
1 BR	0
2 BR	0
3 BR	0
4 BR	0
5 BR	0
Total	0

Net Demand	Market
1 BR	275
2 BR	279
3 BR	238
Total	792

Net Demand	Market
1 BR	275
2 BR	279
3 BR	238
Total	792

Developer's Unit Mix	Market
1 BR	1
2 BR	4
3 BR	3
Total	8

Capture Rate Analysis	Market
1 BR	0.4%
2 BR	1.4%
3 BR	1.3%
Total	1.0%

All Affordable

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,811		
Maximum Income Limit			\$35,040		
	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry March 2018				5
Income Category			Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	25.72	20.8%		0.0%	0
\$10,000-19,999	27.49	22.2%	5,188	51.9%	14
\$20,000-29,999	18.58	15.0%	9,999	100.0%	19
\$30,000-39,999	15.26	12.3%	5,040	50.4%	8
\$40,000-49,999	14.55	11.8%		0.0%	0
\$50,000-59,999	6.93	5.6%		0.0%	0
\$60,000-74,999	6.25	5.1%		0.0%	0
\$75,000-99,999	3.59	2.9%		0.0%	0
\$100,000-124,999	1.59	1.3%		0.0%	0
\$125,000-149,999	0.56	0.5%		0.0%	0
\$150,000-199,999	1.22	1.0%		0.0%	0
\$200,000+	1.98	1.6%		0.0%	0
	124	100.0%			41
Percent of renter households within limits versus total number of renter households					32.77%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$14,811		
Maximum Income Limit			\$35,040		
	Total Renter Households PMA Prj Mrkt Entry March 2018				5
Income Category			Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	1,248	20.8%		0.0%	0
\$10,000-19,999	1,334	22.2%	\$5,188	51.9%	692
\$20,000-29,999	902	15.0%	\$9,999	100.0%	902
\$30,000-39,999	741	12.3%	\$5,040	50.4%	373
\$40,000-49,999	706	11.8%		0.0%	0
\$50,000-59,999	336	5.6%		0.0%	0
\$60,000-74,999	303	5.1%		0.0%	0
\$75,000-99,999	174	2.9%		0.0%	0
\$100,000-124,999	77	1.3%		0.0%	0
\$125,000-149,999	27	0.5%		0.0%	0
\$150,000-199,999	59	1.0%		0.0%	0
\$200,000+	96	1.6%		0.0%	0
	6,005	100.0%			1,967
Percent of renter households within limits versus total number of renter households					32.77%

Does the Project Benefit from Rent Subsidy? (Y/N) No
 Type of Housing (Family vs Senior) Family
 Location of Subject (Rural versus Urban) Rural
 Percent of Income for Housing 35%
 2000 Median Income \$30,432
 2015 Median Income \$35,331
 Change from 2015 to Prj Mrkt Entry March 2018 \$4,899
 Total Percent Change 13.9%
 Average Annual Change 0.1%
 Inflation Rate 0.1%
 Maximum Allowable Income \$35,040
 Maximum Allowable Income Inflation Adjusted \$35,040
 Maximum Number of Occupants 5
 Rent Income Categories Overall
 Initial Gross Rent for Smallest Unit \$432
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$432.00

Two year adjustment	1.0000
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Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	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 March 2018

Income Target Population		Overall
New Renter Households PMA		124
Percent Income Qualified		32.8%
New Renter Income Qualified Households		41

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		6,005
Income Qualified		32.8%
Income Qualified Renter Households		1,967
Percent Rent Overburdened Prj Mrkt Entry March 2018		21.2%
Rent Overburdened Households		417

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,967
Percent Living in Substandard Housing		0.8%
Households Living in Substandard Housing		15

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		432
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		432
Total New Demand		41
Total Demand (New Plus Existing Households)		473

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	30.7%	145
Two Persons	23.2%	110
Three Persons	18.7%	88
Four Persons	14.2%	67
Five Persons	13.2%	62
Total	100.0%	473

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	131
Of two-person households in 1BR units	20%	22
Of one-person households in 2BR units	10%	15
Of two-person households in 2BR units	80%	88
Of three-person households in 2BR units	60%	53
Of three-person households in 3BR units	40%	35
Of four-person households in 3BR units	80%	54
Of five-person households in 3BR units	70%	44
Of four-person households in 4BR units	20%	13
Of five-person households in 4BR units	30%	19
Total Demand		473
Check		OK

Total Demand by Bedroom	Overall
1 BR	240
2 BR	244
3 BR	208
Total Demand	693

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

Net Demand	Overall
1 BR	240
2 BR	244
3 BR	208
Total	693

Net Demand	Overall
1 BR	240
2 BR	244
3 BR	208
Total	693

Developer's Unit Mix	Overall
1 BR	7
2 BR	20
3 BR	17
Total	44

Capture Rate Analysis	Overall
1 BR	2.9%
2 BR	8.2%
3 BR	8.2%
Total	6.4%

Conclusions

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

- The number of total households in the PMA is expected to remain stable between 2015 and 2020.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market	Market Rents	Proposed Rents
1BR@50% AMI	2	118	0	118	1.7%	3 to 4 months	\$422	\$315-\$660	\$283
2BR@50% AMI	6	120	0	120	5.0%	3 to 4 months	\$513	\$365-\$740	\$326
3BR@50% AMI	3	103	0	103	2.9%	3 to 4 months	\$503	\$405-\$645	\$365
50%AMI Overall	11	341	0	341	3.2%	3 to 4 months	\$422-\$513	\$315-\$740	\$283-\$365
1BR@60% AMI	5	122	0	122	4.1%	3 to 4 months	\$454	\$363-\$660	\$370
2BR@60% AMI	14	124	0	124	11.3%	3 to 4 months	\$530	\$390-\$740	\$430
3BR@60% AMI	14	106	0	106	13.2%	3 to 4 months	\$526	\$490-\$645	\$485
60%AMI Overall	33	352	0	352	9.4%	3 to 4 months	\$454-\$530	\$363-\$740	\$370-\$485
1BR@Market	1	275	0	275	0.4%	3 to 4 months	\$507	\$410-\$660	\$463
2BR@Market	4	279	0	279	1.4%	3 to 4 months	\$576	\$390-\$740	\$538
3BR@Market	3	238	0	238	1.3%	3 to 4 months	\$590	\$535-\$645	\$607
Market Overall	8	792	0	792	1.0%	3 to 4 months	\$507-\$590	\$390-\$740	\$463-\$607
1BR Overall (LIHTC Only)	7	240	0	240	2.9%	3 to 4 months	\$438	\$315-\$660	\$283-\$370
2BR Overall (LIHTC Only)	20	244	0	244	8.2%	3 to 4 months	\$522	\$365-\$740	\$326-\$538
3BR Overall (LIHTC Only)	17	208	0	208	8.2%	3 to 4 months	\$515	\$405-\$645	\$365-\$485
Overall (LIHTC Only)	44	692	0	692	6.4%	3 to 4 months	\$438-\$522	\$315-\$740	\$283-\$485

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)	31	32	73	41
PLUS	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	12	12	28	15
PLUS	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	323	333	750	417
PLUS	+	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0	0
Sub Total	366	377	850	473
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0	0
Equals Total Demand	366	377	850	473
Less	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0	0
Equals Net Demand	366	377	850	473

As the analysis illustrates, the Subject's 50 percent capture rates range from 1.7 percent to 5.0 percent, with an overall capture rate of 3.2 percent. The Subject's 60 percent capture rates range from 4.1 percent to 13.2 percent, with an overall capture rate of 9.4 percent. The Subject's market unit capture rates range from 0.4 percent to 1.4 percent, with an overall capture rate of 1.0 percent. The Subject's overall LIHTC capture rates range from 2.9 percent to 8.2 percent, with an overall capture rate of 6.4 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 11 “true” comparable properties containing 386 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 limited; there is only one existing LIHTC property in the PMA, which is utilized as a comparable. Three additional LIHTC comparables have been selected from outside of the PMA.

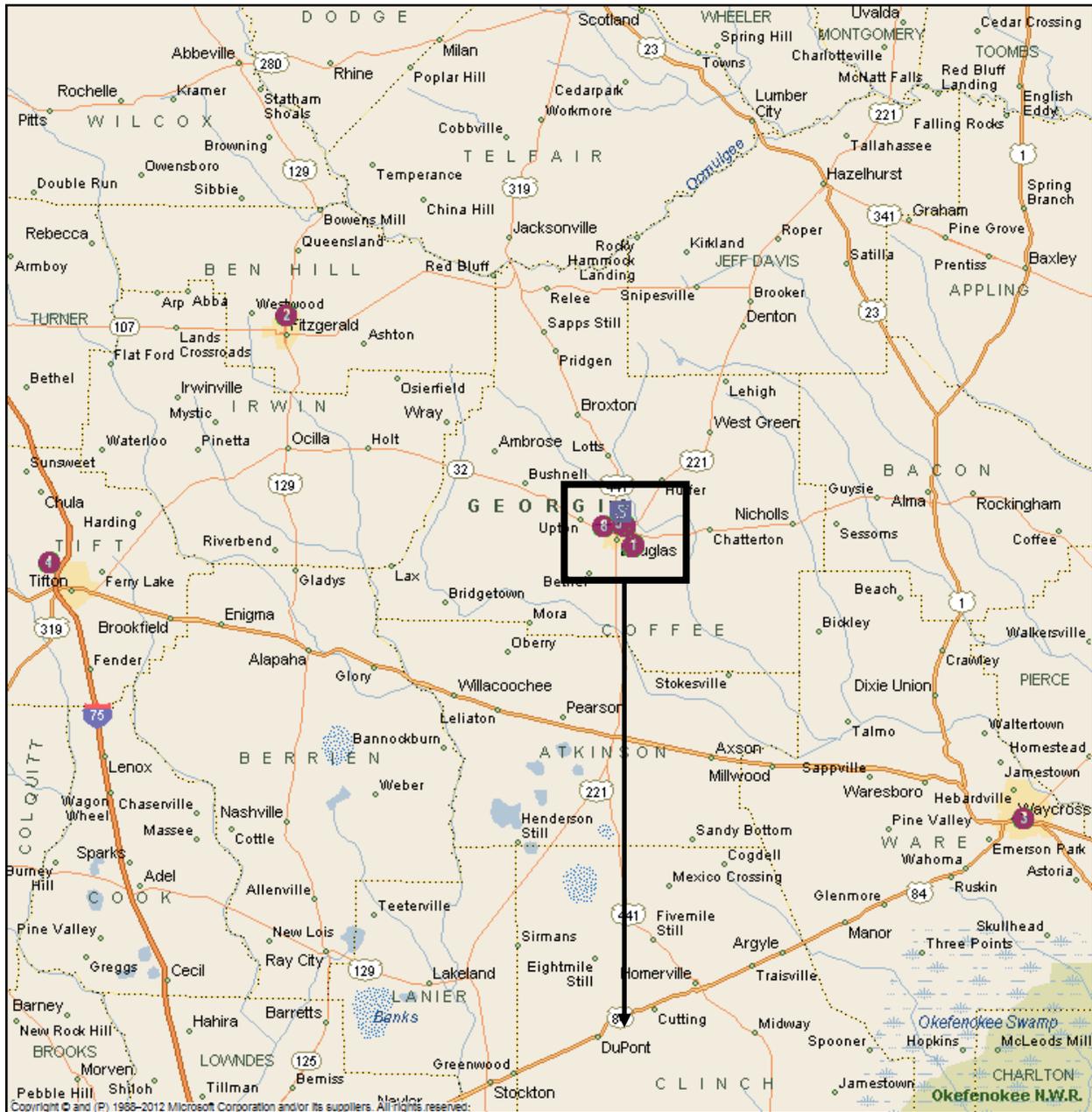
The availability of market rate data is considered good. We have included four market rate developments; all of which are within the PMA. Additionally, two of the affordable properties are mixed-income and offer unrestricted market rate units. Overall, we believe the market rate properties we have used in our analysis are the most comparable. Other market rate properties were excluded based on proximity, condition, unit types, and tenancy.

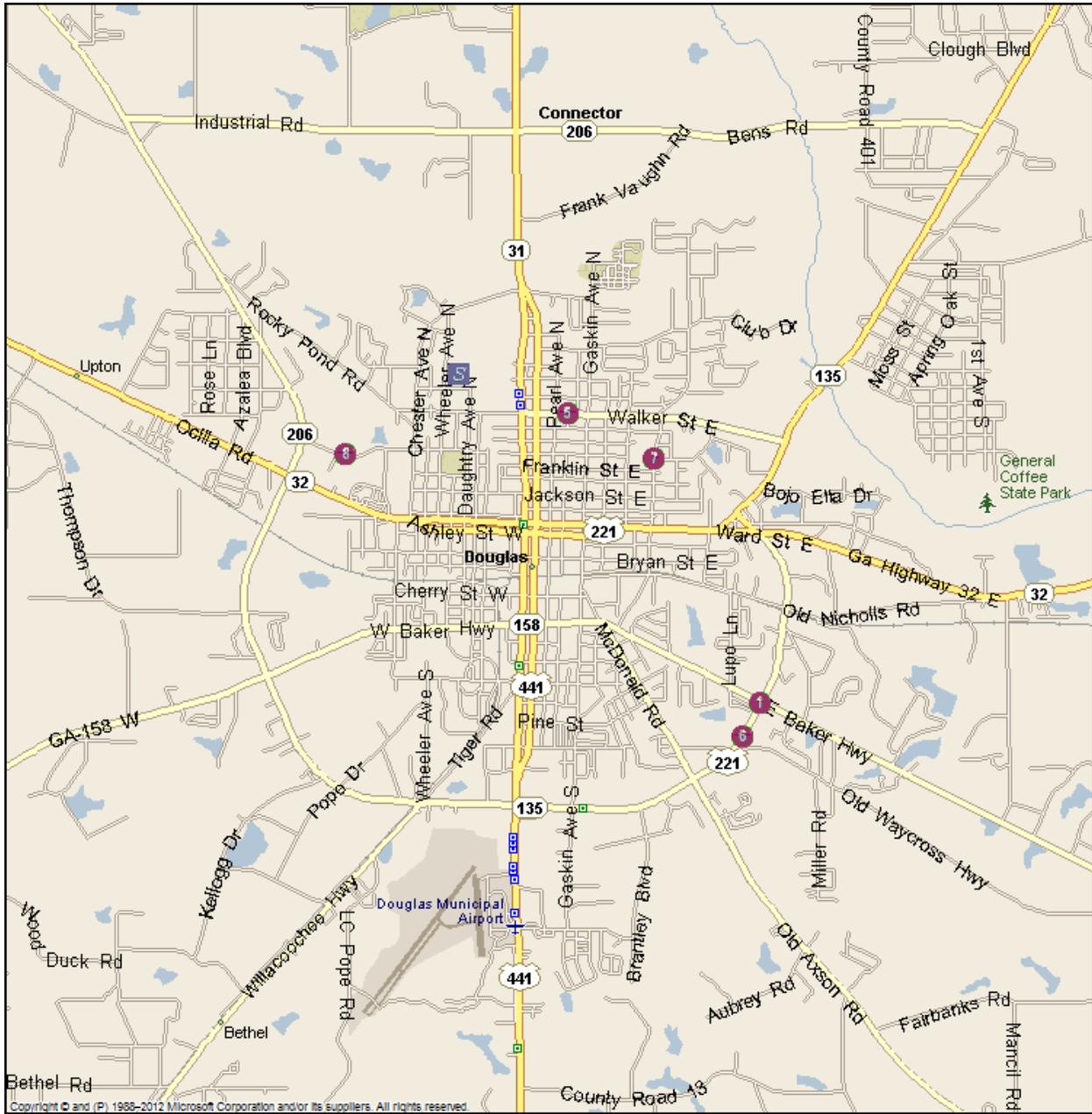
Excluded Properties

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

EXCLUDED PROPERTIES				
Name	Occupancy	Type	Tenancy	Reason for Exclusion
Pine Meadows Apartments	100%	LIHTC	Senior	Disimilar Tenancy
Hunter's Run Apartments	100%	Rural Development	Senior	Subsidized Rents/Disimilar Tenancy
Deerfield I & II	N/Av	Rural Development	Family	Subsidized Rents
Amberwood Apartments	N/Av	Rural Development	Family	Subsidized Rents
Oak Terrace Apartments	N/Av	Rural Development	Family	Subsidized Rents
Magnolia Place	87%	LIHTC	Family	Better comparables available
Tiffany Square	100%	LIHTC	Family	Better comparables available
Tifton Estates	97%	LIHTC	Family	Better comparables available
Cypress Suites	97%	Market	Family	Better comparables available
Hill House Apartments	92%	Market	Family	Better comparables available
The Oaks at Carpenter	94%	Market	Family	Better comparables available
Treetop Apartments	N/Av	Market	Family	Unable to Contact
Sunnyside Apartments	88%	Market	Family	Better comparables available
Aesthetic Housing II	N/Av	Section 8	Family	Subsidized Rents
Georgian Woods Apartments	N/Av	Section 8	Family	Subsidized Rents
Trayce Manor	N/Av	Section 8	Family	Subsidized Rents

Comparable Rental Property Map





COMPARABLE PROPERTIES				
Map #	Property Name	City	Type	Distance
1	Estes Park Apartments	Douglas	LIHTC	2.2 miles
2	Jack Allen Apartments	Fitzgerald	LIHTC, Market	27.8 miles
3	Ocean Breeze Park	Waycross	LIHTC	35.5 miles
4	The Groves	Tifton	LIHTC, Market	41.7 miles
5	Crown Villas	Douglas	Market	0.6 miles
6	Douglas Pines	Douglas	Market	2.3 miles
7	East Woods Apartments (FKA Harriet Place)	Douglas	Market	1.0 miles
8	Gables Apartment Homes	Douglas	Market	0.6 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	Heritage Pointe North Wheeler Street Douglas, GA 31533 Coffee County	n/a	Garden 2018 / n/a	@50%, @60%, Market	1BR / 1BA	2	3.80%	@50%	\$283	750	n/a		N/A	N/A				
					1BR / 1BA	5	9.60%	@60%	\$370	750	n/a	N/A	N/A					
					1BR / 1BA	1	1.90%	Market	\$463	750	n/a	N/A	N/A					
					2BR / 2BA	6	11.50%	@50%	\$326	1,050	n/a	N/A	N/A					
					2BR / 2BA	14	26.90%	@60%	\$430	1,050	n/a	N/A	N/A					
					2BR / 2BA	4	7.70%	Market	\$538	1,050	n/a	N/A	N/A					
					3BR / 2.5BA	3	5.80%	@50%	\$365	1,250	n/a	N/A	N/A					
					3BR / 2.5BA	14	26.90%	@60%	\$485	1,250	n/a	N/A	N/A					
					3BR / 2.5BA	3	5.80%	Market	\$607	1,250	n/a	N/A	N/A					
										52	100%						N/A	N/A
1	Estes Park Apartments 122 BOWENS MILL ROAD SE DOUGLAS, GA 31533 COFFEE COUNTY	2.2 miles	Garden (2 stories) 2004 / n/a	@30%, @50%, @60%	1BR / 1BA	3	4.20%	@30%	\$178	783	yes	No	1	33.30%				
					1BR / 1BA	12	16.70%	@50%	\$365	783	yes	Yes	0	0.00%				
					1BR / 1BA	5	6.90%	@60%	\$405	783	yes	No	0	0.00%				
					2BR / 2BA	2	2.80%	@30%	\$210	1,025	yes	No	0	0.00%				
					2BR / 2BA	21	29.20%	@50%	\$430	1,025	yes	No	2	9.50%				
					2BR / 2BA	13	18.10%	@60%	\$460	1,025	yes	No	1	7.70%				
					3BR / 2BA	11	15.30%	@50%	\$465	1,180	yes	Yes	0	0.00%				
					3BR / 2BA	5	6.90%	@60%	\$510	1,180	no	No	0	0.00%				
										72	100%						4	5.60%
					2	Jack Allen Apartments 160 Wilson Ave Fitzgerald, GA 31750 Ben Hill County County	27.8 miles	Garden 2003 / n/a	@30%, @50%, @60%, Market	1BR / 1BA	2	3.30%	@30%	\$155	665	yes	Yes	0
1BR / 1BA	2	3.30%	@50%	\$315						665	no	Yes	0	0.00%				
1BR / 1BA	2	3.30%	@60%	\$390						665	no	Yes	0	0.00%				
1BR / 1BA	2	3.30%	Market	\$410						665	n/a	No	0	0.00%				
2BR / 1.5BA	3	5.00%	@30%	\$173						871	yes	Yes	0	0.00%				
2BR / 1.5BA	11	18.30%	@50%	\$365						871	no	Yes	0	0.00%				
2BR / 1.5BA	10	16.70%	@60%	\$455						871	no	Yes	0	0.00%				
2BR / 1.5BA	2	3.30%	Market	\$485						871	n/a	No	0	0.00%				
3BR / 2BA	2	3.30%	@30%	\$187						1,080	yes	Yes	0	0.00%				
3BR / 2BA	12	20.00%	@50%	\$405						1,080	no	Yes	0	0.00%				
3BR / 2BA	10	16.70%	@60%	\$510	1,080	no	Yes	0	0.00%									
3BR / 2BA	2	3.30%	Market	\$535	1,080	n/a	Yes	0	0.00%									
					60	100%						0	0.00%					
3	Ocean Breeze Park Carswell Avenue Waycross, GA 31502 Ware County	35.5 miles	Single Family 2010 / n/a	@50%, @60%	2BR / 2BA	8	16.70%	@50%	\$415	1,010	no	Yes-12 HH	0	0.00%				
					2BR / 2BA	12	25.00%	@60%	\$485	1,010	no	Yes-12 HH	0	0.00%				
					3BR / 2BA	11	22.90%	@50%	\$490	1,133	no	Yes-10 HH	0	0.00%				
					3BR / 2BA	17	35.40%	@60%	\$525	1,133	no	Yes-10 HH	0	0.00%				
										48	100%					0	0.00%	
4	The Groves 2826 Rainwater Road Tifton, GA 31793 Tift County	41.7 miles	Garden (2 stories) 2006 / n/a	@30%, @50%, @60%, Market	1BR / 1BA	3	3.10%	@30%	\$167	857	yes	Yes	0	0.00%				
					1BR / 1BA	15	15.60%	@50%	\$346	857	yes	Yes	0	0.00%				
					1BR / 1BA	1	1.00%	@60%	\$363	857	no	Yes	0	0.00%				
					1BR / 1BA	5	5.20%	Market	\$495	475	n/a	Yes	0	0.00%				
					2BR / 2BA	5	5.20%	@30%	\$192	1,137	yes	Yes	0	0.00%				
					2BR / 2BA	30	31.20%	@50%	\$402	1,137	yes	Yes	0	0.00%				
					2BR / 2BA	3	3.10%	@60%	\$402	1,137	no	Yes	0	0.00%				
					2BR / 2BA	10	10.40%	Market	\$570	1,137	n/a	Yes	0	0.00%				
					3BR / 2BA	2	2.10%	@30%	\$230	1,270	yes	Yes	0	0.00%				
					3BR / 2BA	15	15.60%	@50%	\$479	1,270	yes	Yes	0	0.00%				
					3BR / 2BA	2	2.10%	@60%	\$499	1,270	no	Yes	0	0.00%				
					3BR / 2BA	5	5.20%	Market	\$645	1,270	n/a	Yes	0	0.00%				
										96	100%						0	0.00%
5	Crown Villas 319 Walker St E Douglas, GA 31533 Coffee County	0.6 miles	One-story 1999 / n/a	Market	2BR / 2BA	6	100.00%	Market	\$720	1,125	n/a	None	0	0.00%				
										6	100%					0	0.00%	
6	Douglas Pines 820 BOWENS MILL RD SE DOUGLAS, GA 31533 COFFEE COUNTY	2.3 miles	Garden (2 stories) 1987 / 2015	Market	2BR / 2BA	16	33.30%	Market	\$590	1,000	n/a	Yes	0	0.00%				
					2BR / 2BA	32	66.70%	Market	\$535	1,000	n/a	Yes	0	0.00%				
										48	100%					0	0.00%	
7	East Woods Apartments (FKA Harriet Place) 500 McDonald Avenue North Douglas, GA 31533 Coffee County	1 miles	Garden (2 stories) 1978 / n/a	Market	2BR / 1BA	24	100.00%	Market	\$390	850	n/a	Yes but 0 households currently	0	0.00%				
										24	100%					0	0.00%	
8	Gables Apartment Homes 1351 Gordon Street W Douglas, GA 31533 Coffee County	0.6 miles	Garden (2 stories) 1996 / n/a	Market	1BR / 1BA	8	25.00%	Market	\$660	925	n/a	Yes	0	0.00%				
					2BR / 2BA	24	75.00%	Market	\$740	1,128	n/a	No	2	8.30%				
										32	100%					2	6.20%	

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

Effective Rent Date:		May-16	Units Surveyed:		386	Weighted Occupancy:		98.40%
			Market Rate		110	Market Rate		98.20%
			Tax Credit		276	Tax Credit		98.60%
One Bedroom One Bath			Two Bedrooms Two Bath			Three Bedrooms Two and a half Bath		
RENT	Property	Average	Property	Average	Property	Average	Property	Average
	Gables Apartment Homes	\$660	Gables Apartment Homes	\$740	The Groves * (2BA M)	\$645		
	The Groves * (M)	\$495	Crown Villas	\$720	Heritage Pointe * (M)	\$607		
	Heritage Pointe * (M)	\$463	Douglas Pines	\$590	Jack Allen Apartments * (2BA M)	\$535		
	Jack Allen Apartments * (M)	\$410	The Groves * (M)	\$570	Ocean Breeze Park * (2BA 60%)	\$525		
	Estes Park Apartments * (60%)	\$405	Heritage Pointe * (M)	\$538	Estes Park Apartments * (2BA 60%)	\$510		
	Jack Allen Apartments * (60%)	\$390	Douglas Pines	\$535	Jack Allen Apartments * (2BA 60%)	\$510		
	Heritage Pointe * (60%)	\$370	Jack Allen Apartments * (1.5BA M)	\$485	The Groves * (2BA 60%)	\$499		
	Estes Park Apartments * (50%)	\$365	Ocean Breeze Park * (60%)	\$485	Ocean Breeze Park * (2BA 50%)	\$490		
	The Groves * (60%)	\$363	Estes Park Apartments * (60%)	\$460	Heritage Pointe * (60%)	\$485		
	The Groves * (50%)	\$346	Jack Allen Apartments * (1.5BA 60%)	\$455	The Groves * (2BA 50%)	\$479		
	Jack Allen Apartments * (50%)	\$315	Estes Park Apartments * (50%)	\$430	Estes Park Apartments * (2BA 50%)	\$465		
	Heritage Pointe * (50%)	\$283	Heritage Pointe * (60%)	\$430	Jack Allen Apartments * (2BA 50%)	\$405		
	Estes Park Apartments * (30%)	\$178	Ocean Breeze Park * (50%)	\$415	Heritage Pointe * (50%)	\$365		
	The Groves * (30%)	\$167	The Groves * (50%)	\$402	The Groves * (2BA 30%)	\$230		
	Jack Allen Apartments * (30%)	\$155	The Groves * (60%)	\$402	Jack Allen Apartments * (2BA 30%)	\$187		
			East Woods Apartments (FKA Harriet Place)	\$390				
			(1BA)					
			Jack Allen Apartments * (1.5BA 50%)	\$365				
			Heritage Pointe * (50%)	\$326				
			Estes Park Apartments * (30%)	\$210				
			The Groves * (30%)	\$192				
			Jack Allen Apartments * (1.5BA 30%)	\$173				
SQUARE FOOTAGE	Gables Apartment Homes	925	The Groves * (30%)	1,137	The Groves * (2BA 30%)	1,270		
	The Groves * (30%)	857	The Groves * (50%)	1,137	The Groves * (2BA 50%)	1,270		
	The Groves * (50%)	857	The Groves * (60%)	1,137	The Groves * (2BA 60%)	1,270		
	The Groves * (60%)	857	The Groves * (M)	1,137	The Groves * (2BA M)	1,270		
	Estes Park Apartments * (30%)	783	Gables Apartment Homes	1,128	Heritage Pointe * (50%)	1,250		
	Estes Park Apartments * (50%)	783	Crown Villas	1,125	Heritage Pointe * (60%)	1,250		
	Estes Park Apartments * (60%)	783	Heritage Pointe * (50%)	1,050	Heritage Pointe * (M)	1,250		
	Heritage Pointe * (50%)	750	Heritage Pointe * (60%)	1,050	Estes Park Apartments * (2BA 50%)	1,180		
	Heritage Pointe * (60%)	750	Heritage Pointe * (M)	1,050	Estes Park Apartments * (2BA 60%)	1,180		
	Heritage Pointe * (M)	750	Estes Park Apartments * (30%)	1,025	Ocean Breeze Park * (2BA 50%)	1,133		
	Jack Allen Apartments * (30%)	665	Estes Park Apartments * (50%)	1,025	Ocean Breeze Park * (2BA 60%)	1,133		
	Jack Allen Apartments * (50%)	665	Estes Park Apartments * (60%)	1,025	Jack Allen Apartments * (2BA 30%)	1,080		
	Jack Allen Apartments * (60%)	665	Ocean Breeze Park * (50%)	1,010	Jack Allen Apartments * (2BA 50%)	1,080		
	Jack Allen Apartments * (M)	665	Ocean Breeze Park * (60%)	1,010	Jack Allen Apartments * (2BA 60%)	1,080		
	The Groves * (M)	475	Douglas Pines	1,000	Jack Allen Apartments * (2BA M)	1,080		
			Douglas Pines	1,000				
			Jack Allen Apartments * (1.5BA 30%)	871				
			Jack Allen Apartments * (1.5BA 50%)	871				
			Jack Allen Apartments * (1.5BA 60%)	871				
			Jack Allen Apartments * (1.5BA M)	871				
			East Woods Apartments (FKA Harriet Place)	850				
			(1BA)					
RENT PER SQUARE FOOT	The Groves * (M)	\$1.04	Gables Apartment Homes	\$0.66	The Groves * (2BA M)	\$0.51		
	Gables Apartment Homes	\$0.71	Crown Villas	\$0.64	Jack Allen Apartments * (2BA M)	\$0.50		
	Heritage Pointe * (M)	\$0.62	Douglas Pines	\$0.59	Heritage Pointe * (M)	\$0.49		
	Jack Allen Apartments * (M)	\$0.62	Jack Allen Apartments * (1.5BA M)	\$0.56	Jack Allen Apartments * (2BA 60%)	\$0.47		
	Jack Allen Apartments * (60%)	\$0.59	Douglas Pines	\$0.54	Ocean Breeze Park * (2BA 60%)	\$0.46		
	Estes Park Apartments * (60%)	\$0.52	Jack Allen Apartments * (1.5BA 60%)	\$0.52	Ocean Breeze Park * (2BA 50%)	\$0.43		
	Heritage Pointe * (60%)	\$0.49	Heritage Pointe * (M)	\$0.51	Estes Park Apartments * (2BA 60%)	\$0.43		
	Jack Allen Apartments * (50%)	\$0.47	The Groves * (M)	\$0.50	Estes Park Apartments * (2BA 50%)	\$0.39		
	Estes Park Apartments * (50%)	\$0.47	Ocean Breeze Park * (60%)	\$0.48	The Groves * (2BA 60%)	\$0.39		
	The Groves * (60%)	\$0.42	East Woods Apartments (FKA Harriet Place)	\$0.46	Heritage Pointe * (60%)	\$0.39		
	The Groves * (50%)	\$0.40	(1BA)		The Groves * (2BA 50%)	\$0.38		
	Heritage Pointe * (50%)	\$0.38	Estes Park Apartments * (60%)	\$0.45	Jack Allen Apartments * (2BA 50%)	\$0.38		
	Jack Allen Apartments * (30%)	\$0.23	Estes Park Apartments * (50%)	\$0.42	Heritage Pointe * (50%)	\$0.29		
	Estes Park Apartments * (30%)	\$0.23	Jack Allen Apartments * (1.5BA 50%)	\$0.42	The Groves * (2BA 30%)	\$0.18		
	The Groves * (30%)	\$0.19	Ocean Breeze Park * (50%)	\$0.41	Jack Allen Apartments * (2BA 30%)	\$0.17		
			Heritage Pointe * (60%)	\$0.41				
			The Groves * (50%)	\$0.35				
			The Groves * (60%)	\$0.35				
			Heritage Pointe * (50%)	\$0.31				
			Estes Park Apartments * (30%)	\$0.20				
			Jack Allen Apartments * (1.5BA 30%)	\$0.20				
			The Groves * (30%)	\$0.17				

PROPERTY PROFILE REPORT

Estes Park Apartments

Effective Rent Date	2/18/2016
Location	122 Bowens Mill Road SE Douglas, GA 31533 Coffee County
Distance	2.2 miles
Units	72
Vacant Units	4
Vacancy Rate	5.6%
Type	Garden (2 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Gables, Briarwood, Douglas
Tenant Characteristics	Mixture From Douglas; 30-40% seniors
Contact Name	Donna
Phone	912.383.0908



Market Information

Program	@30%, @50%, @60%
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	13%
Leasing Pace	Within two weeks
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	3	783	\$163	\$0	@30%	No	1	33.3%	yes	None
1	1	Garden (2 stories)	12	783	\$350	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	5	783	\$390	\$0	@60%	No	0	0.0%	yes	None
2	2	Garden (2 stories)	2	1,025	\$195	\$0	@30%	No	0	0.0%	yes	None
2	2	Garden (2 stories)	21	1,025	\$415	\$0	@50%	No	2	9.5%	yes	None
2	2	Garden (2 stories)	13	1,025	\$445	\$0	@60%	No	1	7.7%	yes	None
3	2	Garden (2 stories)	11	1,180	\$450	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	5	1,180	\$495	\$0	@60%	No	0	0.0%	no	None

Estes Park Apartments, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$163	\$0	\$163	\$15	\$178	1BR / 1BA	\$350	\$0	\$350	\$15	\$365
2BR / 2BA	\$195	\$0	\$195	\$15	\$210	2BR / 2BA	\$415	\$0	\$415	\$15	\$430
						3BR / 2BA	\$450	\$0	\$450	\$15	\$465

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$390	\$0	\$390	\$15	\$405
2BR / 2BA	\$445	\$0	\$445	\$15	\$460
3BR / 2BA	\$495	\$0	\$495	\$15	\$510

Amenities

In-Unit

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

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

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

soccer field

Comments

The contact reported that tenants are generally local. Additionally the contact reported that there is adequate demand in the area to support additional affordable housing, especially age-restricted affordable housing. The contact also reported that waiting list was approximately 3 households.

Estes Park Apartments, continued

Trend Report

Vacancy Rates

3Q12	1Q13	1Q15	1Q16
2.8%	8.3%	0.0%	5.6%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$145	\$0	\$145	\$160
2013	1	N/A	\$145	\$0	\$145	\$160
2015	1	0.0%	\$157	\$0	\$157	\$172
2016	1	33.3%	\$163	\$0	\$163	\$178

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$170	\$0	\$170	\$185
2013	1	N/A	\$170	\$0	\$170	\$185
2015	1	0.0%	\$180	\$0	\$180	\$195
2016	1	0.0%	\$195	\$0	\$195	\$210

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$325	\$0	\$325	\$340
2013	1	N/A	\$325	\$0	\$325	\$340
2015	1	0.0%	\$340	\$0	\$340	\$355
2016	1	0.0%	\$350	\$0	\$350	\$365

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$385	\$0	\$385	\$400
2013	1	N/A	\$385	\$0	\$385	\$400
2015	1	0.0%	\$405	\$0	\$405	\$420
2016	1	9.5%	\$415	\$0	\$415	\$430

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$440	\$0	\$440	\$455
2013	1	N/A	\$440	\$0	\$440	\$455
2015	1	0.0%	\$440	\$0	\$440	\$455
2016	1	0.0%	\$450	\$0	\$450	\$465

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$375	\$0	\$375	\$390
2013	1	N/A	\$375	\$0	\$375	\$390
2015	1	0.0%	\$385	\$0	\$385	\$400
2016	1	0.0%	\$390	\$0	\$390	\$405

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$425	\$0	\$425	\$440
2013	1	0.0%	\$425	\$0	\$425	\$440
2015	1	0.0%	\$435	\$0	\$435	\$450
2016	1	7.7%	\$445	\$0	\$445	\$460

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$465	\$0	\$465	\$480
2013	1	N/A	\$465	\$0	\$465	\$480
2015	1	0.0%	\$480	\$0	\$480	\$495
2016	1	0.0%	\$495	\$0	\$495	\$510

Trend: Comments

- 3Q12** Management reported that there are currently two vacancies, but only because they are still turning the unit preparing it for a new resident. Management was not able to state which floor plan was being renovated. Management indicated that they work off of a wait list of which they approximately have 8-10 people currently. Due to this management states they essentially stay 100 percent leased. Management did comment that they do have a fairly high turnover despite the occupancy staying high. She did not have an exact figure for the annual turnover but estimated it to be 30 percent or above.
- The property accepts housing choice vouchers and currently has 13 people utilizing them.
- All of the rental amounts either stayed the same or increased with the exception of the 1x1 at 50 percent. They did not have anything to attribute to the 1x1 at 50 percent's decrease of \$5.00. All the other floor plans increased or went up anywhere from five to fifteen dollars. This could be attributed to a function of changes in the utility allowance from 2011 to 2012.
- 1Q13** Management indicated that there is a need for both family and senior housing in Douglas. Senior housing, according to the regional manager, is becoming more and more prevalent as the baby boomer generation gets older and management stated that they see considerable traffic from 55+ households who are looking for HFOP housing. In terms of demand by AMI level, management indicated that 50 and 60 percent AMI units are in demand in the area. They see the most need for one and two-bedroom units and would offer a mix of 48 to 56 units for family or senior LIHTC units.
- 1Q15** The contact reported that the property maintains a waiting list that is approximately six households long. The property is fully occupied, which is reported as typical for the winter season. The contact reported that the demand for their units remains strong, and that there is a strong demand for more affordable housing in the Douglas area. The contact estimated that the property offers approximately two parking spaces per unit. Since our last interview in 2013, rents have increased two to eight percent.
- 1Q16** The contact reported that tenants are generally local. Additionally the contact reported that there is adequate demand in the area to support additional affordable housing, especially age-restricted affordable housing. The contact also reported that waiting list was approximately 3 households.

PROPERTY PROFILE REPORT

Jack Allen Apartments

Effective Rent Date 3/31/2016
Location 160 Wilson Ave
 Fitzgerald, GA 31750
 Ben Hill County County
Distance 27.8 miles
Units 60
Vacant Units 0
Vacancy Rate 0.0%
Type Garden (2 stories)
Year Built/Renovated 2003 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics None identified
Contact Name Lorie
Phone 229-423-7400



Market Information

Program @30%, @50%, @60%, Market
Annual Turnover Rate 15%
Units/Month Absorbed N/A
HCV Tenants 10%
Leasing Pace One week
Annual Chg. in Rent See comments
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	665	\$155	\$0	@30%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	2	665	\$315	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	2	665	\$390	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	2	665	\$410	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	3	871	\$173	\$0	@30%	Yes	0	0.0%	yes	None
2	1.5	Garden (2 stories)	11	871	\$365	\$0	@50%	Yes	0	0.0%	no	None
2	1.5	Garden (2 stories)	10	871	\$455	\$0	@60%	Yes	0	0.0%	no	None
2	1.5	Garden (2 stories)	2	871	\$485	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	2	1,080	\$187	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	12	1,080	\$405	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	10	1,080	\$510	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	2	1,080	\$535	\$0	Market	Yes	0	0.0%	N/A	None

Jack Allen Apartments, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$155	\$0	\$155	\$0	\$155	1BR / 1BA	\$315	\$0	\$315	\$0	\$315
2BR / 1.5BA	\$173	\$0	\$173	\$0	\$173	2BR / 1.5BA	\$365	\$0	\$365	\$0	\$365
3BR / 2BA	\$187	\$0	\$187	\$0	\$187	3BR / 2BA	\$405	\$0	\$405	\$0	\$405
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$390	\$0	\$390	\$0	\$390	1BR / 1BA	\$410	\$0	\$410	\$0	\$410
2BR / 1.5BA	\$455	\$0	\$455	\$0	\$455	2BR / 1.5BA	\$485	\$0	\$485	\$0	\$485
3BR / 2BA	\$510	\$0	\$510	\$0	\$510	3BR / 2BA	\$535	\$0	\$535	\$0	\$535

Amenities

In-Unit

Balcony/Patio
 Carpeting
 Exterior Storage
 Oven
 Washer/Dryer

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

Security

None

Services

None

Property

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

Clubhouse/Meeting
 Central Laundry
 On-Site Management
 Playground

Premium

None

Other

None

Comments

The contact reported that the property maintains a waiting list, but was unable to disclose its length. The contact estimated approximately two parking spaces per unit are on the property. Rents for 50 and 60 percent LIHTC units as well as market rate have increased approximately 1.5 percent in the last year, while rents for 30 percent units decreased slightly based on maximum allowable rents.

Jack Allen Apartments, continued

Trend Report

Vacancy Rates

1Q14	1Q15	2Q15	1Q16
N/A	1.7%	0.0%	0.0%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$154	\$0	\$154	\$154
2015	2	0.0%	\$154	\$0	\$154	\$154
2016	1	0.0%	\$155	\$0	\$155	\$155

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$174	\$0	\$174	\$174
2015	2	0.0%	\$174	\$0	\$174	\$174
2016	1	0.0%	\$173	\$0	\$173	\$173

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$190	\$0	\$190	\$190
2015	2	0.0%	\$190	\$0	\$190	\$190
2016	1	0.0%	\$187	\$0	\$187	\$187

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$370	\$0	\$370	\$370
2015	2	0.0%	\$370	\$0	\$370	\$370
2016	1	0.0%	\$390	\$0	\$390	\$390

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$435	\$0	\$435	\$435
2015	2	0.0%	\$435	\$0	\$435	\$435
2016	1	0.0%	\$455	\$0	\$455	\$455

3BR / 2BA

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

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$295	\$0	\$295	\$295
2015	2	0.0%	\$295	\$0	\$295	\$295
2016	1	0.0%	\$315	\$0	\$315	\$315

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$345	\$0	\$345	\$345
2015	2	0.0%	\$345	\$0	\$345	\$345
2016	1	0.0%	\$365	\$0	\$365	\$365

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$385	\$0	\$385	\$385
2015	2	0.0%	\$385	\$0	\$385	\$385
2016	1	0.0%	\$405	\$0	\$405	\$405

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	50.0%	\$390	\$0	\$390	\$390
2015	2	0.0%	\$390	\$0	\$390	\$390
2016	1	0.0%	\$410	\$0	\$410	\$410

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$465	\$0	\$465	\$465
2015	2	0.0%	\$465	\$0	\$465	\$465
2016	1	0.0%	\$485	\$0	\$485	\$485

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$515	\$0	\$515	\$515
2015	2	0.0%	\$515	\$0	\$515	\$515
2016	1	0.0%	\$535	\$0	\$535	\$535

Trend: Comments

- 1Q14** N/A
- 1Q15** The contact reported that the property maintains a waiting list, but was unable to disclose its length. The contact reported that the property is currently for sale and undergoing changes in management. The property is currently managed by Winn Residential Property Management. The contact was unable to disclose the market information at the property. The contact was unable to disclose information on the parking utilization rate at the property. The contact estimated approximately two parking spaces per unit are on the property.
- 2Q15** The contact reported that the property maintains a waiting list, but was unable to disclose its length. The contact reported that the property is currently for sale and undergoing changes in management. The property is currently managed by Winn Residential Property Management. The contact estimated approximately two parking spaces per unit are on the property.
- 1Q16** The contact reported that the property maintains a waiting list, but was unable to disclose its length. The contact estimated approximately two parking spaces per unit are on the property. Rents for 50 and 60 percent LIHTC units as well as market rate have increased approximately 1.5 percent in the last year, while rents for 30 percent units decreased slightly based on maximum allowable rents.

Photos



PROPERTY PROFILE REPORT

Ocean Breeze Park

Effective Rent Date 5/19/2016
Location Carswell Avenue
 Waycross, GA 31502
 Ware County
Distance 35.5 miles
Units 48
Vacant Units 0
Vacancy Rate 0.0%
Type Single Family
Year Built/Renovated 2010 / N/A
Marketing Began 5/18/2010
Leasing Began 5/18/2010
Last Unit Leased 5/28/2010
Major Competitors Stated None
Tenant Characteristics Mixed tenancy
Contact Name Cindy
Phone 912-548-0791



Market Information

Program @50%, @60%
Annual Turnover Rate 23%
Units/Month Absorbed 48
HCV Tenants N/A
Leasing Pace Prelease to a few weeks
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Single Family	8	1,010	\$400	\$0	@50%	Yes-12	0	0.0%	no	None
2	2	Single Family	12	1,010	\$470	\$0	@60%	Yes-12	0	0.0%	no	None
3	2	Single Family	11	1,133	\$475	\$0	@50%	Yes-10	0	0.0%	no	None
3	2	Single Family	17	1,133	\$510	\$0	@60%	Yes-10	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$400	\$0	\$400	\$15	\$415	2BR / 2BA	\$470	\$0	\$470	\$15	\$485
3BR / 2BA	\$475	\$0	\$475	\$15	\$490	3BR / 2BA	\$510	\$0	\$510	\$15	\$525

Amenities

In-Unit

Balcony/Patio
 Carpeting
 Dishwasher
 Ceiling Fan
 Microwave
 Refrigerator
 Blinds
 Central A/C
 Exterior Storage
 Garbage Disposal
 Oven
 Washer/Dryer hookup

Security

Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
 Exercise Facility
 Central Laundry
 Picnic Area
 Clubhouse/Meeting
 Garage
 Non-shelter Services
 Playground

Premium

None

Other

Shuffleboard, library,

Ocean Breeze Park, continued

Comments

The contact reported a strong demand for affordable housing in the area. The property maintains a waiting list and is at its typical occupancy of 100 percent.

Ocean Breeze Park, continued

Trend Report

Vacancy Rates

2Q08	4Q10	1Q13	2Q16
N/A	0.0%	0.0%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$334	\$0	\$334	\$349
2010	4	0.0%	\$360	\$0	\$360	\$375
2013	1	0.0%	\$415	\$0	\$415	\$430
2016	2	0.0%	\$400	\$0	\$400	\$415

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$360	\$0	\$360	\$375
2010	4	0.0%	\$360	\$0	\$360	\$375
2013	1	0.0%	\$415	\$0	\$415	\$430
2016	2	0.0%	\$470	\$0	\$470	\$485

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$381	\$0	\$381	\$396
2010	4	0.0%	\$400	\$0	\$400	\$415
2013	1	0.0%	\$450	\$0	\$450	\$465
2016	2	0.0%	\$475	\$0	\$475	\$490

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$401	\$0	\$401	\$416
2010	4	0.0%	\$400	\$0	\$400	\$415
2013	1	0.0%	\$450	\$0	\$450	\$465
2016	2	0.0%	\$510	\$0	\$510	\$525

Trend: Comments

- 2Q08** This is a Subject property. As proposed, no utilities are included in the rent. Although the Subject is family, the DCA application reflects that there is a shuffleboard recreation area. The property will offer 72 parking spaces. The Subject will also offer referrals for persons with disabilities through SouthernCare, Inc. Funding sources include LIHTC and USDA 538. Projected place-in-service date is December 31, 2010. The three units set at 30 percent AMI are for tenants with special needs.
- 4Q10** All units were leased within ten days of opening. The property manager reported that no units were pre-leased prior to the property's opening. One tenant has been evicted since the property opened. That unit was filled immediately. The current rents are not at the maximum allowable, but management believes the maximum rents are achievable. Garages are attached to the units, and each tenant receives a garage opener.
- 1Q13** Management reported that there is demand for family units as they stated senior housing can be more difficult to rent because it limits the traffic by age. Depending on the market, management indicated that they saw the most demand for two and three-bedrooms at 50 and 60 percent AMI. Offering units at less than 50 percent AMI would not likely be financially feasible for the property.
- There are currently 50 people on the wait list.
- 2Q16** The contact reported a strong demand for affordable housing in the area. The property maintains a waiting list and is at its typical occupancy of 100 percent.

PROPERTY PROFILE REPORT

The Groves

Effective Rent Date	3/31/2016
Location	2826 Rainwater Road Tifton, GA 31793 Tift County
Distance	41.7 miles
Units	96
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2006 / N/A
Marketing Began	N/A
Leasing Began	12/19/2006
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Majority are from the Tifton area with 10% seniors.
Contact Name	Candace
Phone	229-388-1283



Market Information

Program	@30%, @50%, @60%, Market
Annual Turnover Rate	18%
Units/Month Absorbed	3
HCV Tenants	1%
Leasing Pace	One week
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	3	857	\$167	\$0	@30%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	15	857	\$346	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	1	857	\$363	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	5	475	\$495	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	5	1,137	\$192	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	30	1,137	\$402	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	3	1,137	\$402	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	10	1,137	\$570	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	2	1,270	\$230	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	15	1,270	\$479	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	2	1,270	\$499	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	5	1,270	\$645	\$0	Market	Yes	0	0.0%	N/A	None

The Groves, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$167	\$0	\$167	\$0	\$167	1BR / 1BA	\$346	\$0	\$346	\$0	\$346
2BR / 2BA	\$192	\$0	\$192	\$0	\$192	2BR / 2BA	\$402	\$0	\$402	\$0	\$402
3BR / 2BA	\$230	\$0	\$230	\$0	\$230	3BR / 2BA	\$479	\$0	\$479	\$0	\$479
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$363	\$0	\$363	\$0	\$363	1BR / 1BA	\$495	\$0	\$495	\$0	\$495
2BR / 2BA	\$402	\$0	\$402	\$0	\$402	2BR / 2BA	\$570	\$0	\$570	\$0	\$570
3BR / 2BA	\$499	\$0	\$499	\$0	\$499	3BR / 2BA	\$645	\$0	\$645	\$0	\$645

Amenities

In-Unit

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

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

Security

Perimeter Fencing

Services

None

Property

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

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

Premium

None

Other

None

Comments

The management reported that the property currently maintains a waiting list that ranges from a few weeks to a few months in length. The contact reported that the property offers approximately two parking spaces per unit. All rents have increased in the past year. Market rate rents increased \$10 each, while LIHTC units increased between \$3 and \$10.

The Groves, continued

Trend Report

Vacancy Rates

1Q15	2Q15	3Q15	1Q16
2.1%	0.0%	1.0%	0.0%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$157	\$0	\$157	\$157
2015	2	0.0%	\$157	\$0	\$157	\$157
2015	3	0.0%	\$157	\$0	\$157	\$157
2016	1	0.0%	\$167	\$0	\$167	\$167

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$182	\$0	\$182	\$182
2015	2	0.0%	\$182	\$0	\$182	\$182
2015	3	0.0%	\$182	\$0	\$182	\$182
2016	1	0.0%	\$192	\$0	\$192	\$192

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$220	\$0	\$220	\$220
2015	2	0.0%	\$220	\$0	\$220	\$220
2015	3	0.0%	\$220	\$0	\$220	\$220
2016	1	0.0%	\$230	\$0	\$230	\$230

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$380	\$0	\$380	\$380
2015	2	0.0%	\$380	\$0	\$380	\$380
2015	3	0.0%	\$380	\$0	\$380	\$380
2016	1	0.0%	\$363	\$0	\$363	\$363

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$392	\$0	\$392	\$392
2015	2	0.0%	\$392	\$0	\$392	\$392
2015	3	0.0%	\$392	\$0	\$392	\$392
2016	1	0.0%	\$402	\$0	\$402	\$402

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$489	\$0	\$489	\$489
2015	2	0.0%	\$489	\$0	\$489	\$489
2015	3	0.0%	\$489	\$0	\$489	\$489
2016	1	0.0%	\$499	\$0	\$499	\$499

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$336	\$0	\$336	\$336
2015	2	0.0%	\$336	\$0	\$336	\$336
2015	3	0.0%	\$336	\$0	\$336	\$336
2016	1	0.0%	\$346	\$0	\$346	\$346

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$392	\$0	\$392	\$392
2015	2	0.0%	\$392	\$0	\$392	\$392
2015	3	0.0%	\$392	\$0	\$392	\$392
2016	1	0.0%	\$402	\$0	\$402	\$402

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	6.7%	\$469	\$0	\$469	\$469
2015	2	0.0%	\$469	\$0	\$469	\$469
2015	3	0.0%	\$469	\$0	\$469	\$469
2016	1	0.0%	\$479	\$0	\$479	\$479

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$485	\$0	\$485	\$485
2015	2	0.0%	\$485	\$0	\$485	\$485
2015	3	0.0%	\$485	\$0	\$485	\$485
2016	1	0.0%	\$495	\$0	\$495	\$495

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$560	\$0	\$560	\$560
2015	2	0.0%	\$560	\$0	\$560	\$560
2015	3	10.0%	\$560	\$0	\$560	\$560
2016	1	0.0%	\$570	\$0	\$570	\$570

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	20.0%	\$635	\$0	\$635	\$635
2015	2	0.0%	\$635	\$0	\$635	\$635
2015	3	0.0%	\$635	\$0	\$635	\$635
2016	1	0.0%	\$645	\$0	\$645	\$645

Trend: Comments

- 1Q15** The contact reported that the property currently maintains a waiting list that is 52 households long. The contact reported that the vacancy on the LIHTC three-bedroom unit currently has an application pending on it. The contact reported that the property offers approximately two parking spaces per unit. When asked about the demand for affordable housing in the area, the contact reported that it remains strong. The contact added that the property usually maintains a lengthy waiting list. The contact reported that the property accepts Housing Choice Vouchers, none of which reside in the market rate units.
- 2Q15** The management reported that the property currently maintains a waiting list that is 50-60 households long. The contact reported that the property offers approximately two parking spaces per unit. When asked about the demand for affordable housing in the area, the management reported that it remains strong. The contact added that the property usually maintains a lengthy waiting list which often "scares potential tenants away." Demand for 50 and 60 percent LIHTC units is very high. The manager stated there is not enough housing in Tifton. The contact reported that the property accepts Housing Choice Vouchers, none of which reside in the market rate units.
- 3Q15** The management reported that the property currently maintains a waiting list that is 50-60 households long. The contact reported that the property offers approximately two parking spaces per unit.
- 1Q16** The management reported that the property currently maintains a waiting list that ranges from a few weeks to a few months in length. The contact reported that the property offers approximately two parking spaces per unit. All rents have increased in the past year. Market rate rents increased \$10 each, while LIHTC units increased between \$3 and \$10.

Photos



PROPERTY PROFILE REPORT

Crown Villas

Effective Rent Date	4/21/2016
Location	319 Walker St E Douglas, GA 31533 Coffee County
Distance	0.6 miles
Units	6
Vacant Units	0
Vacancy Rate	0.0%
Type	One-story
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sister properties: Peachtree, Hill House, Gables
Tenant Characteristics	Mixture from Douglas and Coffee County - approx 5 percent from out of state
Contact Name	Ines Winters
Phone	912.384.5555



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1-2 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not 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	One-story	6	1,125	\$705	\$0	Market	None	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$705	\$0	\$705	\$15	\$720

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Ceiling Fan		
Oven		
Walk-In Closet		
Blinds		
Central A/C		
Dishwasher		
Garbage Disposal		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Off-Street Parking	None	None

Crown Villas, continued

Comments

The contact manages four properties. Of these, Crown Villas is one of two that is 100 percent occupied. The property manager indicated that occupancy is high at Crown Villas because the property only offers six units and the small community is appealing to a majority of prospective tenants.

Crown Villas, continued

Trend Report

Vacancy Rates

1Q08	3Q09	3Q12	2Q16
16.7%	0.0%	0.0%	0.0%

Trend: Market

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	1	16.7%	\$675	\$0	\$675	\$690
2009	3	0.0%	\$675	\$0	\$675	\$690
2012	3	0.0%	\$695	\$0	\$695	\$710
2016	2	0.0%	\$705	\$0	\$705	\$720

Trend: Comments

1Q08	When asked about demand, the contact reported that overall there has been an increase in occupancy rates among the contact's four properties.
3Q09	The contact manages four properties. Of these, Crown Villas is one of two that is 100 percent occupied. The property manager indicated that occupancy is high at Crown Villas because the property only offers six units.
3Q12	The contact manages four properties. Of these, Crown Villas is one of two that is 100 percent occupied. The property manager indicated that occupancy is high at Crown Villas because the property only offers six units and the small community is appealing to a majority of prospective tenants.
2Q16	N/A

PROPERTY PROFILE REPORT

Douglas Pines

Effective Rent Date	4/08/2016
Location	820 Bowens Mill Rd SE Douglas, GA 31533 Coffee County
Distance	2.3 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1987 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	Majority from Coffee County and Douglas, few out of state
Contact Name	Terry
Phone	912-383-4949



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased five percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	16	1,000	\$575	\$0	Market	Yes	0	0.0%	N/A	HIGH
2	2	Garden (2 stories)	32	1,000	\$520	\$0	Market	Yes	0	0.0%	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$520 - \$575	\$0	\$520 - \$575	\$15	\$535 - \$590

Amenities

In-Unit

Balcony/Patio	Blinds
Carpet/Hardwood	Central A/C
Dishwasher	Exterior Storage
Ceiling Fan	Garbage Disposal
Oven	Refrigerator
Walk-In Closet	Washer/Dryer hookup

Security

None

Services

None

Property

Courtyard	Off-Street Parking
On-Site Management	Playground
Swimming Pool	

Premium

None

Other

Fishing Pond

Douglas Pines, continued

Comments

The contact reported that the property typically remains fully occupied with a waiting list. In the past year the rents have remained the same.

Douglas Pines, continued

Trend Report

Vacancy Rates

3Q09	3Q12	1Q15	2Q16
10.4%	0.0%	0.0%	0.0%

Trend: Market

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	10.4%	\$495	\$0	\$495	\$510
2012	3	0.0%	\$520 - \$545	\$0	\$520 - \$545	\$535 - \$560
2015	1	0.0%	\$520 - \$575	\$0	\$520 - \$575	\$535 - \$590
2016	2	0.0%	\$520 - \$575	\$0	\$520 - \$575	\$535 - \$590

Trend: Comments

- 3Q09** Vacancy has remained fairly stable at Douglas Pines since the last interview in February 2008 but rents have increased by four percent. Of the five vacancies, only two are available for move-in now.
- 3Q12** The property currently has no vacancies. The majority of the tenants are coming from Douglas and Coffee County. Management stated that a few people from Florida moved due to the lack of jobs and flooding.
- 1Q15** The contact reported that the property currently maintains a waiting list that is a few months in length. The contact reported that the property typically remains fully occupied. The property offers one parking space per unit. The property is undergoing renovations as the units are turned over that include upgraded appliances, hardwood flooring, and new cabinetry.
- 2Q16** The contact reported that the property typically remains fully occupied with a waiting list. In the past year the rents have remained the same.

East Woods Apartments (FKA Harriet Place), continued

Comments

The property manager indicated that the property is able to maintain a higher occupancy than other properties in the area because Harriet Place is located directly across from Eastside Elementary as well as the fact that they allow pets, which is not typical for the area.

Property Manager estimated the turnover to be around 25 percent. The majority of the tenants are coming from Coffee County, and a few from out of state.

East Woods Apartments (FKA Harriet Place), continued

Trend Report

Vacancy Rates

1Q08	3Q09	3Q12	2Q16
4.2%	0.0%	0.0%	0.0%

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	1	4.2%	\$400	\$0	\$400	\$415
2009	3	0.0%	\$400	\$0	\$400	\$415
2012	3	0.0%	\$375	\$0	\$375	\$390
2016	2	0.0%	\$375	\$0	\$375	\$390

Trend: Comments

1Q08	The contact reported that there has not been a change in rent for a year or more.
3Q09	Rents have not changed since the last interview in February 2008. The property manager indicated that the property is able to maintain a higher occupancy than other properties in the area because Harriet Place is located directly across from Eastside Elementary. The property manager indicated that the property's turnover rate has increased due to the recession but the recession has not affected the property's occupancy rate as management has been able to attract replacement tenants. Plant closings in Douglas in 2009 have directly affected at least five households since February. The property's major competitor, Treetop Apartments, is also located within walking distance to the school, which likely contributes to its high occupancy rate.
3Q12	<p>The property manager indicated that the property is able to maintain a higher occupancy than other properties in the area because Harriet Place is located directly across from Eastside Elementary as well as the fact that they allow pets, which is not typical for the area.</p> <p>Property Manager estimated the turnover to be around 25 percent. The majority of the tenants are coming from Coffee County, and a few from out of state.</p>
2Q16	N/A

PROPERTY PROFILE REPORT

Gables Apartment Homes

Effective Rent Date 4/07/2016

Location 1351 Gordon Street W
Douglas, GA 31533
Coffee County

Distance 0.6 miles

Units 32

Vacant Units 2

Vacancy Rate 6.2%

Type Garden (2 stories)

Year Built/Renovated 1996 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Same mgmt: Crown Villas, Peachtree, Hill House

Tenant Characteristics Mixture From Douglas and Coffee County; small senior presence, 5-10 percent from out of town

Contact Name Crystal

Phone 912-384-5555



Market Information

Program Market

Annual Turnover Rate 10%

Units/Month Absorbed N/A

HCV Tenants 0%

Leasing Pace Within two weeks

Annual Chg. in Rent None

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water not included

Sewer not included

Trash Collection not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	8	925	\$645	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	24	1,128	\$725	\$0	Market	No	2	8.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$645	\$0	\$645	\$15	\$660
2BR / 2BA	\$725	\$0	\$725	\$15	\$740

Amenities

In-Unit

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

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Off-Street Parking

Premium

None

Other

None

Gables Apartment Homes, continued

Comments

The contact reported that the property maintains a waiting list that is only for the one- bedroom units. The contact reported that occupancy at the property is typical for the winter months. The contact also reported that many of the tenants live there for business purposes and pay on a month-to-month basis which is a 10% upcharge.

Gables Apartment Homes, continued

Trend Report

Vacancy Rates

3Q09	3Q12	1Q15	2Q16
37.5%	15.6%	6.2%	6.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	25.0%	\$575	\$0	\$575	\$590
2012	3	N/A	\$595	\$0	\$595	\$610
2015	1	0.0%	\$595	\$0	\$595	\$610
2016	2	0.0%	\$645	\$0	\$645	\$660

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	41.7%	\$650	\$0	\$650	\$665
2012	3	N/A	\$675	\$0	\$675	\$690
2015	1	8.3%	\$675	\$0	\$675	\$690
2016	2	8.3%	\$725	\$0	\$725	\$740

Trend: Comments

- 3Q09** The property manager oversees four properties. Of these, Gables Apartment Homes has the highest vacancy rate. Gables Apartment Homes has the highest rents and the greatest number of units among these four properties. The contact attributed the high vacancy rate to plants that have shut down and employers that have downsized such as Pilgrims' Pride and Best Quality Clothes. Vacancy has gradually increased since January 2009. Management is not planning on offering a concession in order to decrease vacancy.
- 3Q12** The property manager oversees four properties in the Douglas area. Currently this property has five vacancies but the property manager stated she is confident they will be leased up shortly.
- 1Q15** The contact reported that the property maintains a waiting list that is only for the one- bedroom units. The contact reported that occupancy at the property is typical for the winter months and that the current vacancies do not have applications pending on them. The contact was unable to disclose the current length of the waiting list. The contact reported that the property offers 71 total parking spaces. The property has not experienced an increase in rent since our last interview in 2012.
- 2Q16** The contact reported that the property maintains a waiting list that is only for the one- bedroom units. The contact reported that occupancy at the property is typical for the winter months. The contact also reported that many of the tenants live there for business purposes and pay on a month-to-month basis which is a 10% upcharge.

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	Type	HCV Tenants
Estes Park Apartments	LIHTC	13%
Jack Allen Apartments	LIHTC	10%
The Groves	LIHTC	1%
Douglas Pines	Market	0%
East Woods Apartments (FKA Harriet Place)	Market	0%
Gables Apartment Homes	Market	0%

The voucher usage at the comparable properties reporting usage ranges from zero to 13 percent and three of the six comparables reported no voucher usage. Usage among the affordable properties ranges from one to 13 percent. It should be noted that several of the affordable comparables offer some subsidized units and vouchers are not necessary for these units. The voucher usage in the local market appears to be low. We believe the Subject will have a relatively low voucher usage between 10 and 15 percent.

Lease Up History

We were able to obtain absorption information from two comparable properties. However, due to development timing, the majority of this data is relatively dated as only one of the comparables below was completed prior to 2008.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ocean Breeze Park	LIHTC	Family	2010	48	48
The Groves	LIHTC	Family	2006	96	3

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The two comparables present an absorption range of three to 48 units per month. Ocean Breeze Park is the most recent affordable comparable for which absorption data is available. This comparable reported leasing all 48 units in one month. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the reported strong demand for affordable housing in Douglas, we anticipate that the Subject will absorb at 15 units per month, for an absorption period of three to four months.

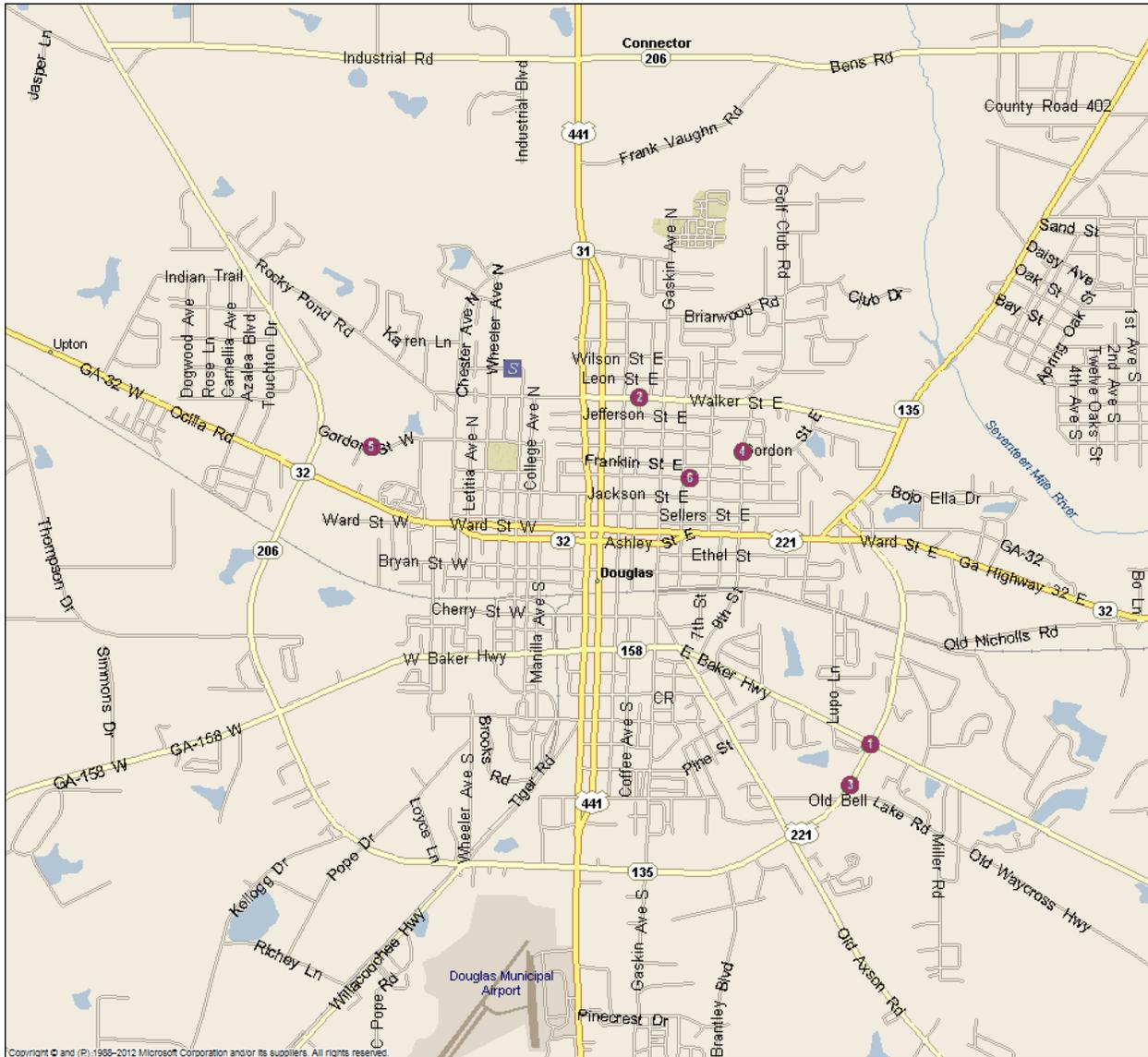
Phased Developments

No additional analysis is necessary as there will be no additional phases of the Subject.

Rural Areas

The Subject is located in a rural area.

3. Competitive Project Map



COMPETITIVE PROPERTIES IN PMA

#	Property Name	Type	Tenancy	Included/Excluded	Reason for Exclusion	Distance from Subject
1	Estes Park Apartments	LIHTC	Family	Included	N/A	2.2 miles
2	Crown Villas	Market	Family	Included	N/A	0.6 miles
3	Douglas Pines	Market	Family	Included	N/A	2.3 miles
4	East Woods Apartments	Market	Family	Included	N/A	1.0 miles
5	Gables Apartment Homes	Market	Family	Included	N/A	0.6 miles
6	Hill House Apartments	Market	Family	Excluded	Better comparables available	1.2 Miles

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below.

UNIT MATRIX REPORT									
	North Wheeler Street	Estes Park Apartments	Jack Allen Apartments	Ocean Breeze Park	The Groves	Crown Villas	Douglas Pines	East Woods Apartments (FKA Harriet Place)	Gables Apartment Homes
Comp #	Subject	1	2	3	4	5	6	7	8
Property Information									
Property Type	Garden	Garden (2 stories)	Garden (2 stories)	Single Family	Garden (2 stories)	One-story	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated Market (Conv.)/Subsidy Type	2018 / n/a LIHTC, Market	2004 / n/a LIHTC	2003 / n/a LIHTC, Market	2010 / n/a LIHTC	2006 / n/a LIHTC, Market	1999 / n/a Market	1987 / 2015 Market	1978 / n/a Market	1996 / n/a Market
In-Unit Amenities									
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	no	no	no	yes	no	no
Carpeting	no	yes	yes	yes	yes	yes	no	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	no	no	yes	yes	no	yes	no
Dishwasher	yes	yes	no	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	yes	yes	no	yes	no	yes
Ceiling Fan	no	no	yes	yes	yes	yes	yes	yes	yes
Garbage Disposal	yes	yes	no	yes	no	yes	yes	yes	yes
Microwave	yes	no	no	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	yes	no	no	yes	yes	yes	no	no
Washer/Dryer	yes	no	yes	no	yes	no	no	no	no
Washer/Dryer hookup	no	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities									
Basketball Court	no	yes	no	no	yes	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	no	no	no	no
Courtyard	yes	no	no	no	no	no	yes	no	no
Exercise Facility	yes	yes	yes	yes	yes	no	no	no	no
Garage	no	no	no	yes	no	no	no	no	no
Central Laundry	no	yes	yes	yes	yes	no	no	no	no
Non-shelter Services	no	no	no	yes	no	no	no	no	no
Off-Street Parking	yes	yes	yes	no	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	no	yes	no	yes	yes	no
Picnic Area	yes	yes	yes	yes	yes	no	no	no	no
Playground	yes	yes	yes	yes	yes	no	yes	yes	no
Recreation Areas	no	no	yes	no	no	no	no	no	no
Swimming Pool	no	no	no	no	yes	no	yes	yes	no
Services									
Security									
Perimeter Fencing	no	no	no	yes	yes	no	no	no	no

The Subject will offer similar to slightly inferior in-unit amenities in comparison to the affordable comparables and similar to slightly superior in-unit amenities compared to the market rate comparable properties. The Subject’s common area amenities will be similar to slightly superior to the affordable comparables and slightly inferior to the market rate comparables. The Subject will offer patio/balconies, blinds, coat closets, central air conditioning, dishwashers, garbage disposal, microwaves, ovens, refrigerators, and washer/dryers. The Subject will offer a business center/computer lab, community room, courtyard, exercise facility, on-site parking, on-site management, picnic areas, and a playground. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the rental market.

5. Senior Tenancy

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

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property name	Rent Structure	Total Units	Vacant Units	Vacancy
Estes Park Apartments	LIHTC	72	4	5.6%
Jack Allen Apartments	LIHTC, Market	60	0	0.0%
Ocean Breeze Park	LIHTC	48	0	0.0%
The Groves	LIHTC, Market	96	0	0.0%
Crown Villas	Market	6	0	0.0%
Douglas Pines	Market	48	0	0.0%
East Woods Apartments (FKA Harriet Place)	Market	24	0	0.0%
Gables Apartment Homes	Market	<u>32</u>	<u>2</u>	<u>6.2%</u>
Total		386	6	1.6%

As illustrated, vacancy rates in the market range from zero to 6.2 percent, averaging 1.6 percent.

The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

The market rate vacancy rate ranges from zero to 6.2 percent, averaging 1.8 percent, which is considered low. The majority of the market rate properties reported strong demand for rental housing in the market. Overall, we believe the conventional market is strong based on the low average vacancy rate.

We anticipate that the Subject will perform similarly to the stabilized affordable comparables and will maintain a vacancy rate of three percent or less. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable housing in the local market.

7. Properties Under Construction and Proposed

There have been no properties funded, placed in service, or under construction within the PMA since 2013. The most recently awarded LIHTC development in the PMA of which we are aware is Deerfield Apartments, which received an allocation in 2011.

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.

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Estes Park Apartments	LIHTC	Similar	Similar	Similar	Slightly Inferior	Similar	-5
2	Jack Allen Apartments	LIHTC, Market	Similar	Slightly Inferior	Similar	Slightly Inferior	Slightly Inferior	-15
3	Ocean Breeze Park	LIHTC	Slightly Superior	Similar	Similar	Slightly Inferior	Slightly Inferior	-5
4	The Groves	LIHTC, Market	Slightly Superior	Similar	Slightly Superior	Slightly Inferior	Slightly Superior	10
5	Crown Villas	Market	Slightly Inferior	Similar	Similar	Slightly Inferior	Slightly Superior	-5
6	Douglas Pines	Market	Slightly Inferior	Slightly Superior	Similar	Inferior	Similar	-10
7	East Woods Apartments	Market	Slightly Inferior	Similar	Similar	Inferior	Slightly Inferior	-20
8	Gables Apartment Homes	Market	Slightly Inferior	Similar	Similar	Slightly Inferior	Slightly Superior	-5

*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.

Property Name	1BR	2BR	3BR
Heritage Pointe (Subject)	\$283	\$326	\$365
LIHTC Maximum (Net)	\$358	\$416	\$469
Estes Park Apartments	\$365	\$430	\$465
Jack Allen Apartments	\$315	\$365	\$405
Ocean Breeze Park	-	\$415	\$490
The Groves	\$346	\$402	\$479
Average (excluding Subject)	\$342	\$403	\$460

Property Name	1BR	2BR	3BR
Heritage Pointe (Subject)	\$370	\$430	\$485
LIHTC Maximum (Net)	\$460	\$538	\$609
Estes Park Apartments	\$405	\$460	\$510
Jack Allen Apartments	\$390	\$455	\$510
Ocean Breeze Park	-	\$485	\$525
The Groves	\$363	\$402	\$499
Average (excluding Subject)	\$386	\$451	\$511

The Subject's proposed 50 percent and 60 percent AMI rents are set lower than the maximum allowable levels. Estes Park Apartments is most similar with respect to location to the Subject property as it is also located in Douglas. As depicted in the similarity matrix, Estes Park is considered similar to the Subject in terms of property amenities, unit features, and unit size and slightly inferior to the Subject property with respect to age and condition as it was constructed in 2004. Estes Park Apartments is receiving at or near maximum allowable rents at the 50 percent AMI levels and below maximum rents at the 60 percent AMI levels. The proposed Subject rents are lower than those at Estes Park Apartments. As the Subject property will be construction, we believe the proposed rents are feasible.

The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates

indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market. We believe the Subject is feasible as proposed.

Analysis of “Market Rents”

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

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

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

Subject Comparison to Market Rents					
@50% AMI					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$283	\$315	\$660	\$422	-32.9%
2 BR	\$326	\$365	\$740	\$513	-36.4%
3 BR	\$365	\$405	\$645	\$503	-27.5%
@60% AMI					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$370	\$363	\$660	\$454	-18.5%
2 BR	\$430	\$390	\$740	\$530	-18.9%
3 BR	\$485	\$490	\$645	\$526	-7.7%

The Subject’s proposed one, two, and three-bedroom LIHTC rents will offer a 21.0 to 50.5 percent advantage over the average market rents. The Subject will be in excellent condition and will offer a competitive common area amenity package, unit sizes, and location. Overall, the Subject’s proposed rents are below the range of the 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

There have been no properties funded, placed in service, or under construction within the PMA since 2013. The most recently awarded LIHTC development in the PMA of which we are aware is Deerfield Apartments, which received an allocation in 2011.

10. Rental Trends in the PMA

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

TENURE PATTERNS SMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	9,936	74.4%	3,418	25.6%
2010	10,195	68.8%	4,622	31.2%
2015	9,990	65.5%	5,253	34.5%
Projected Mkt Entry				
March 2018	10,112	65.41%	5,348	34.59%
2020	10,219	65.3%	5,432	34.7%

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

Owner-occupied housing units dominate the PMA with 65.5 percent of housing units being owner-occupied. However, a healthy renter population exists and both the number and percentage of renter-occupied housing units are projected to increase through the projected market entry date and through 2020.

Historical Vacancy

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

HISTORICAL VACANCY										
Comparable Property	Type	Total Units	1QTR 2013	2QTR 2013	2QTR 2014	1QTR 2015	2QTR 2015	3QTR 2015	1QTR 2016	2QTR 2016
North Wheeler Street	Garden	52	N/A							
Estes Park Apartments	Garden	72	8.30%	N/A	N/A	0.00%	N/A	N/A	5.60%	N/A
Jack Allen Apartments	Garden	60	N/A	N/A	N/A	1.70%	0.00%	N/A	0.00%	N/A
Ocean Breeze Park	Single Family	48	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	0.00%
The Groves	Garden	96	N/A	1.00%	5.20%	2.10%	0.00%	1.00%	0.00%	N/A
Crown Villas	One-story	6	N/A	0.00%						
Douglas Pines	Garden	48	N/A	N/A	N/A	0.00%	N/A	N/A	N/A	0.00%
East Woods Apartments (FKA Harriet Place)	Garden	24	N/A	0.00%						
Gables Apartment Homes	Garden	32	N/A	N/A	N/A	6.20%	N/A	N/A	N/A	6.20%
		438	4.2%	1.0%	5.2%	2.0%	0.0%	1.0%	1.9%	1.2%

As illustrated in the table, we were able to obtain the historical vacancy rates at several of the comparable properties over the last eight years. However, we were not able to obtain all the historical vacancy rates for each individual year. In general, the comparable properties have maintained low vacancy rates. The comparable properties are generally similar to previous years of analysis.

Change in Rental Rates

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

RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Estes Park Apartments	LIHTC	Increased 2%-8%
Jack Allen Apartments	LIHTC, Market	Increased 1.5%
Ocean Breeze Park	LIHTC	None
The Groves	LIHTC, Market	Increased 2%-4%
Crown Villas	Market	None
Douglas Pines	Market	Increased 5%
East Woods Apartments (FKA Harriet Place)	Market	None
Gables Apartment Homes	Market	None

Four of the comparable properties reported rent increases while four reported no change. We anticipate that the Subject will be able to achieve moderate rent growth based upon the LIHTC comparables.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to www.RealtyTrac.com, “there are currently 41 properties in the Subject’s zip code (31533) that are in some stage of foreclosure (default, auction or bank owned) while the number of homes listed for sale on RealtyTrac is 63.

In March 2016, the number of properties that received a foreclosure filing in the Subject’s zip code was 100 percent higher than the previous month.

12. Primary Housing Void

The comparable properties are all 93 percent occupied or above. Based on the demand analysis, performance of the comparable properties, and conversations with local property managers, we believe there is demand for additional affordable housing in the local market.

13. Effect of Subject on Other Affordable Units in Market

We are not aware of any proposed multifamily developments within the PMA, competitive or otherwise. Given the strong demand for affordable developments within the PMA, the low vacancy rates and waiting lists reported at the comparables, and the indications of the *Project Specified Demand Analysis*, we do not believe the construction of the Subject will hinder the other existing affordable units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

The Subject will offer similar to slightly inferior in-unit amenities in comparison to the affordable comparables and similar to slightly superior in-unit amenities compared to the market rate comparable properties. The Subject's common area amenities will be similar to slightly superior to the affordable comparables and slightly inferior to the market rate comparables. The Subject will offer patio/balconies, blinds, coat closets, central air conditioning, dishwashers, garbage disposal, microwaves, ovens, refrigerators, and washer/dryers. The Subject will offer a business center/computer lab, community room, courtyard, exercise facility, on-site parking, on-site management, picnic areas, and a playground.

Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the rental market. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the majority of the comparable properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable housing in the Subject's market area, we believe that the Subject is feasible as proposed and will fill a void in the market and will perform well.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information from two comparable properties. However, only one of the comparables below was completed prior to 2008.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ocean Breeze Park	LIHTC	Family	2010	48	48
The Groves	LIHTC	Family	2006	96	3

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The two comparables present an absorption range of three to 48 units per month. Ocean Breeze Park is the most recent affordable comparable for which absorption data is available. This comparable reported leasing all 48 units in one month. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the reported strong demand for affordable housing in Douglas, we anticipate that the Subject will absorb at 15 units per month, for an absorption period of three to four months.

J. INTERVIEWS

Housing Authority of Douglas

We spoke to Shelly, representative for the Douglas Housing Authority, to get details on the county's Housing Choice Voucher program. Shelly reported that the city housing authority does not issue Housing Choice Vouchers at this time, but they are hoping to add the program soon.

Gross Payment Standards	
1BR	\$396
2BR	\$467

Source: Douglas Housing Authority, 4/2016

The Subject's proposed rents are above the payment standards.

Planning and Economic Development

We contacted Ms. Tameka Williams; Code Enforcer with the City of Douglas, concerning any recently completed, under construction, or planned multifamily housing in the Subject's area. According to Ms. Williams, there are no planned or under construction multifamily developments in the area. Ms. Williams said that there have been discussions with a few developers; however, nothing has been proposed or approved for multifamily housing.

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

K. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- The population in the PMA increased from 2010 to 2015, while the population in the county and nation also experienced growth over this same time period. This trend is expected to continue over the next five years and the population in the PMA is expected to increase at a similar rate compared to that of the county and a slower rate compared to the nation through 2020. We believe the growth of the population in the PMA is a positive indication of demand for the Subject's proposed units. The total number of households in the PMA increased 0.6 percent from 2010 to 2015. Over the same period of time, the total number of households in the county increased 0.5 percent. The total number of households in the PMA is expected to increase at a similar rate of 0.6 percent, while the total number of households in the county is projected to increase at an annual rate of 0.5 percent over the next four years.

Renter households earning under \$30,000 in the PMA comprise 58.5 percent of all income cohorts. The Subject's tax credit units will target families earning between \$14,811 and \$35,040; therefore, the Subject should be well-positioned to service this market.

Overall, the demographic data points to a growing population with household incomes in line with the Subject's target. We believe the expected population and household growth in the PMA bodes well for the Subject's proposed units. Per the major employers list provided by the Coffee County Chamber and Economic Development Authority, the Coffee County economy is dominated by the Coffee County Board of Education, Pilgrim's, Coffee Regional Medical Center, and WalMart. These four industries employ approximately 53 percent of the top employers in Douglas. The education, distribution and manufacturing industries are also well represented in the top employers in Douglas. The local economy was clearly impacted by the recession, given the substantial decline in employment in 2009. However, total employment has increased every year following the significant decline in 2009. Based on current data, area employment has stabilized, and surpassed pre-recession employment totals in 2015. Total unemployment figures show that the county's unemployment rate is 6.2 percent as of February 2016, higher than the national unemployment rate. The unemployment rate in the county increased from 2007 through 2010, peaking at 15.8 percent in 2010. Unemployment has declined each year since the 2010 peak. Overall, Coffee County has recovered from the most recent national recession.

- The Subject's capture rates range from 2.9 to 8.2 percent, with an overall capture rate of 6.4 percent. Therefore, we believe there is adequate demand for the Subject.
- We were able to obtain absorption information from two comparable properties. However, only one of the comparables below was completed prior to 2008.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ocean Breeze Park	LIHTC	Family	2010	48	48
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Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The two comparables present an absorption range of three to 48 units per month. Ocean Breeze Park is the most recent affordable comparable for which absorption data is available. This comparable reported leasing all 48 units in one month. Based on the absorption pace reported by the comparable properties, the waiting lists at the LIHTC comparables, and the reported strong demand for affordable housing in Douglas, we anticipate that the Subject will absorb at 15 units per month, for an absorption period of three to four months.

- The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

The market rate vacancy rate ranges from zero to 6.2 percent, averaging 1.8 percent, which is considered low. The majority of the market rate properties reported strong demand for rental housing in the market. Overall, we believe the conventional market is strong based on the low average vacancy rate.

We anticipate that the Subject will perform similarly to the stabilized affordable comparables and will maintain a vacancy rate of three percent or less. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable housing in the local market.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables reported vacancy rates ranging from zero to 5.6 percent with only four vacant units among them and an overall vacancy rate of 1.4 percent. However, the four vacant units are located within Estes Park Apartments and are reportedly currently being processed for new tenants. The property also reports a very short waiting list. These rates indicate strong demand for affordable housing. Additionally, several of the affordable properties and some of the market rate properties maintain waiting lists and the property managers indicated strong demand for affordable housing in the market.

The Subject will offer similar to slightly inferior in-unit amenities in comparison to the affordable comparables and similar to slightly superior in-unit amenities compared to the market rate comparable properties. The Subject's common area amenities will be similar to slightly superior to the affordable comparables and slightly inferior to the market rate comparables. The Subject will offer patio/balconies, blinds, coat closets, central air conditioning, dishwashers, garbage disposal, microwaves, ovens, refrigerators, and washer/dryers. The Subject will offer a business center/computer lab, community room, courtyard, exercise facility, on-site parking, on-site management, picnic areas, and a

playground. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the rental market.

As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the majority of the comparable properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable housing in the Subject's market area, we believe that the Subject is feasible as proposed and will fill a void in the market and will perform well.

Recommendations

- We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

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



Brad Weinberg, MAI, CVA, CCIM
Partner



Edward R. Mitchell, MAI
Manager



Brian Neukam
Analyst

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.



Brad Weinberg, MAI, CVA, CCIM
Partner



Edward R. Mitchell, MAI
Manager



Brian Neukam
Analyst

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 Investment Member (CCIM), Commercial Investment Real Estate Institute
Certified Valuation Analyst (CVA), National Association of Certified Valuers and Analysts (NACVA)

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

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

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 (CIRES) 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
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

PROFESSIONAL TRAINING

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

EXPERIENCE

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

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

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

REAL ESTATE ASSIGNMENTS

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

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