



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

**Lovejoy Place  
Located on the southwest corner of Talmadge Road  
And Tara Boulevard  
Lovejoy, Clayton County, Georgia 30228**

**Effective Date: May 23, 2016  
Report Date: June 8, 2016**

*Prepared For*

**Mr. Richard D. Searles  
Executive Director  
Beverly J. Searles Foundation  
3555 Sweetwater Road  
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*Prepared By*

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June 8, 2016

Mr. Richard D. Searles  
Executive Director  
Beverly J. Searles Foundation  
3555 Sweetwater Road  
Duluth, Georgia 30096

**Re: Market Study for proposed Lovejoy Place located in Lovejoy, Georgia**

Dear Mr. Searles:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Lovejoy, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC)/market rate project (the Subject). The purpose of this market study is to assess the viability of the construction of Lovejoy Place, a proposed Housing for Older Persons (HFOP) development that will consist of 72 units. The units will be restricted to senior households age 55 and older earning 50 and 60 percent of the AMI, or less, in addition to offering 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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## **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 market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst 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 market study.
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 market study, 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 Subject property. The market analyst 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:**

Lovejoy Place will be a newly constructed Housing for Older Persons (HFOP) development located in Lovejoy, Georgia that will target seniors age 55 and older. It will consist of one, three-story elevator-serviced lowrise building containing 60 units and two, single-story villa/rowhouse buildings containing six units each.

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	2015 LIHTC Maximum Allowable Gross	HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA (lowrise)	11	750	\$465	\$148	\$613	\$640	\$773
2BR/2BA (lowrise)	2	950	\$545	\$182	\$727	\$767	\$916
2BR/2BA (villa/rowhouse)	2	1,050	\$545	\$182	\$727	\$767	\$916
<i>60% AMI</i>							
1BR/1BA (lowrise)	33	750	\$562	\$148	\$710	\$768	\$773
2BR/2BA (lowrise)	3	950	\$669	\$182	\$851	\$921	\$916
2BR/2BA (villa/rowhouse)	6	1,050	\$669	\$182	\$851	\$921	\$916
<i>Market Rate</i>							
1BR/1BA (lowrise)	10	750	\$647	N/A	\$647	N/A	N/A
2BR/2BA (lowrise)	1	950	\$770	N/A	\$770	N/A	N/A
2BR/2BA (villa/rowhouse)	4	1,050	\$770	N/A	\$770	N/A	N/A
<b>Total</b>	<b>72</b>						

Notes (1) Utility Allowance provided by the Developer.

\*Per GA DCA 2016 guidelines, the market analyst must use the maximum rents and income limits from the same year as the utility allowance.

The Jonesboro Housing Authority utility allowance is effective as of 4/2015. Therefore, we have used the 2015 maximum rents and income limits in our analysis.

The Subject will offer the following unit amenities: blinds, carpeting, central air conditioning, ceiling fans, a dishwasher, a garbage disposal, hand rails, a microwave, an oven, a refrigerator, a coat closet, walk-in closets, and a washer and dryer.

The Subject will offer the following property amenities: a business center/computer lab, courtyard, elevators (lowrise building), an exercise facility, off-street parking, on-site management, a picnic area, and limited access entry (lowrise building). Overall, the Subject’s amenities will be competitive with those offered at the comparable properties.

**2. Site Description/Evaluation:** The Subject site is located on the southwest corner of Talmadge Road at Tara Boulevard (a/k/a Highway 41/19) in Lovejoy, Georgia 30228. It is located immediately east of the Villas at Hampton Apartments – a market rate multifamily development consisting of 224 units. It is also located just north of the Clayton-Henry county line. The Subject site is identified by the Clayton County Tax Assessor’s office as Tax ID Parcel #06164C A001. The Subject site is located in a mixed-use neighborhood that consists of multifamily and single-family homes, undeveloped land, and commercial uses in average to excellent condition. Residential uses in the immediate neighborhood appeared to be in good condition and well-occupied. Commercial uses in the neighborhood appeared to be approximately 95 percent occupied at the time of inspection. Overall, the Subject site is considered a desirable building site for senior rental housing.

**3. Market Area Definition:** The PMA includes the cities of Lovejoy, Hampton, and a portion of Jonesboro in Clayton County, as well as portions of Stockbridge, McDonough, and Locust Grove in Henry County and portions of Griffin in Spalding County. This area is bound by Highway 138 to the north; Highway 23/42 to the east; Locust Grove Road, N. McDonough Road, and Highway 16 to the south; and Vaughn Road, GA-92, and Highway 85 to the west. The determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates from throughout Clayton County, Henry County, and northern Spalding County. The drivetime zone is approximately 20 minutes from the Subject site, which we believe is reasonable given the suburban nature of part of the PMA. Furthermore, managers at all of the senior LIHTC comparables reported that many tenants are relocating from out of state to be near family.

The Secondary Market Area (SMA) is determined to be the Atlanta-Sandy Springs-Roswell, Georgia Metropolitan Statistical Area (MSA), which consists of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton Counties.

We 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 15.1 miles.

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

The PMA is expected to experience strong senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 2.9 percent from 2015 through 2020, which is considered a positive indication when compared to the nation's projected growth of 2.3 percent. Senior population growth in the MSA will outpace that of the PMA and nation as a whole through 2020. Owner-occupied housing units dominate the PMA and MSA. The percentage of senior renter-occupied housing units in the PMA is higher than the national average of approximately 13 percent. The percentage of renter-occupied units in the PMA is expected to slightly increase through 2020, which is a positive indication of future demand for affordable senior housing. Approximately 53 percent of senior renter households in the PMA earn less than \$30,000. The income limits for the LIHTC units will range from \$18,390 to \$32,760. The minimum income limit for the market rate units will be \$19,410 and there will not be a maximum income limit for these units. As such, a significant portion of renter households are likely to income qualify to reside at one of the Subject's unit types, and the Subject should be well-positioned to service this market.

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

The largest industries in the PMA are transportation/warehousing, retail trade, health care/social assistance, and educational services. Together, these four industries comprise approximately 45.1 percent of total employment in the PMA. The largest private employers in Clayton County are in the education, transportation/warehousing, health care, utilities, manufacturing, and automobile sectors. Additionally, the Georgia Department of Labor reported that Healthcare Staffing, Inc., JB Hunt Transport, Inc., Southwest Airlines Company, Staffing Solutions Southeast, Inc., and Walmart are also major employers in the county, although the Georgia Department of Labor was unable to provide their number of employees. The MSA appears relatively healthy as total employment increased each year from 2011 through February 2016. As of 2015,

total employment in the MSA exceeded pre-recessionary levels. Total employment in the nation exceeded pre-recessionary levels in 2014. From February 2015 to February 2016, total employment has increased by 2.2 percent in the MSA compared to an increase of 2.0 percent nationally. From February 2015 to February 2016, the unemployment rate in the MSA decreased 0.7 percentage points, compared to a decrease of 0.6 percentage points nationally. The unemployment rate in the MSA as of February 2016 was 5.3 percent, which was 0.1 percentage points above the national rate of 5.2 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy. The local economy appears to be healthy and has fully recovered from the most recent national recession.

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

The following table illustrates the Subject's capture rates.

CAPTURE RATE ANALYSIS CHART

Unit Type	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR @ 50% AMI	11	212	4	208	5.3%	3 months	\$700	\$488-\$858	\$465
2BR @ 50% AMI	4	137	9	128	3.1%	3 months	\$812	\$480-\$1,029	\$545
<b>50% AMI Overall</b>	<b>15</b>	<b>349</b>	<b>13</b>	<b>336</b>	<b>4.5%</b>	<b>3 months</b>	<b>\$700-\$812</b>	<b>\$488-\$1,029</b>	<b>\$465-\$545</b>
1BR @ 60% AMI	33	235	16	219	15.1%	3 months	\$709	\$506-\$858	\$562
2BR @ 60% AMI	9	151	31	120	7.5%	3 months	\$830	\$480-\$1,029	\$669
<b>60% AMI Overall</b>	<b>42</b>	<b>386</b>	<b>47</b>	<b>339</b>	<b>12.4%</b>	<b>3 months</b>	<b>\$709-\$830</b>	<b>\$506-\$1,029</b>	<b>\$562-\$669</b>
1BR @ Market	10	709	0	709	1.4%	3 months	\$739	\$548-\$858	\$647
2BR @ Market	5	457	0	457	1.1%	3 months	\$880	\$639-\$1,029	\$770
<b>Market Overall</b>	<b>15</b>	<b>1,166</b>	<b>0</b>	<b>1,166</b>	<b>1.3%</b>	<b>3 months</b>	<b>\$739-\$880</b>	<b>\$548-\$1,029</b>	<b>\$647-\$770</b>
<b>Affordable Overall</b>	<b>57</b>	<b>525</b>	<b>60</b>	<b>465</b>	<b>12.3%</b>	<b>3 months</b>	<b>\$700-\$830</b>	<b>\$488-\$1,029</b>	<b>\$465-\$669</b>

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

## 7. Competitive Rental Analysis:

The availability of senior LIHTC data is considered good. We have included four senior LIHTC properties, all of which are located in the PMA. One of the four senior LIHTC comparables also offers unrestricted market rate units. Additionally, we have included one family LIHTC/market rate comparable located 12.3 miles from the Subject site and within the PMA. St. Phillip Villas offers one and two-bedroom 50 percent, 60 percent, and market rate units, similar to the proposed Subject. Therefore, it has been included as a comparable. Due to the availability of senior LIHTC data, we have excluded most of the family LIHTC properties in the PMA. Senior market rate data was

very limited; therefore, we have included seven conventional family properties located in the PMA. The market rate comparables were constructed between 1986 and 2009. Overall, the availability of LIHTC and market rate data is considered adequate to support our conclusions.

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

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

**SUBJECT COMPARISON TO MARKET RENTS**

<b>@50% AMI</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$465	\$488	\$858	\$700	51%
2 BR	\$545	\$480	\$1,029	\$812	49%
<b>@60% AMI</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$562	\$506	\$858	\$709	26%
2 BR	\$669	\$480	\$1,029	\$830	24%
<b>Market Rate</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$647	\$548	\$858	\$739	14%
2 BR	\$770	\$639	\$1,029	\$880	14%

The Subject’s proposed one and two-bedroom LIHTC rents will offer a 24 to 51 percent advantage over the average market rents. The Subject’s proposed one and two-bedroom market rate rents will offer a 14 percent advantage over the average market rents.

**8. Absorption/Stabilization****Estimate:**

We were able to obtain absorption information from two comparable properties, both of which are restricted to seniors. Both properties are located within the PMA and have been used as comparables in our report.

**ABSORPTION**

Property name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18

As illustrated in the previous table, the comparable properties reported absorption rates of 18 to 20 units per month, with an average of 19 units per month. Hampton Court is the newest senior LIHTC property in the market. It is located 4.6 miles southeast of the Subject within the PMA. This property experienced an absorption rate of 20 units per month. Heritage at McDonough was built in 2011 and experienced an absorption rate of 18 units per month. Hampton Court and Heritage at McDonough are both 100 percent occupied with waiting lists. Based on the surveyed properties, we expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately three months for the Subject to reach the Georgia DCA-defined 93 percent occupancy.

**9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The surveyed comparables are performing well, with a weighted vacancy rate of 2.2 percent. The comparable senior properties reported vacancy rates of zero percent. These rates indicate strong demand for affordable senior housing. Additionally, all of the senior and family affordable properties maintain waiting lists and all of the senior affordable comparables' property managers indicated strong demand for affordable senior housing in the market. The Subject will offer a generally similar to slightly superior product when compared to the surveyed senior properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior 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:	<b>Lovejoy Place</b>	Total # Units: <b>72</b>
Location:	Southwest corner of Talmadge Road and Tara Boulevard (a/k/a Highway 41/19) Lovejoy, GA 30228	# LIHTC Units: <b>57</b>
PMA Boundary:	North: Highway 138, East: Highway 23/41, South: Locust Grove Road, N. McDonough Road, and Highway 16, West: Vaughn Road, GA-92, and Highway 85	
	Farthest Boundary Distance to Subject:	<b>15.1 miles</b>

#### Rental Housing Stock (found on pages 63, 65, 66, and 67)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	12	2,196	48	97.8%
Market-Rate Housing	7	1,841	47	97.4%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
<b>LIHTC</b>	5	355	1	99.0%
Stabilized Comps	12	2,196	48	97.8%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

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
11 (lowrise)	1BR at 50% AMI	1	750	\$465	\$700	\$0.93	34%	\$885	\$1.18
2 (lowrise)	2BR at 50% AMI	2	950	\$545	\$812	\$0.85	33%	\$1,065	\$1.12
2 (villa)	2BR at 50% AMI	2	1,050	\$545	\$812	\$0.77	33%	\$1,065	\$1.01
33 (lowrise)	1BR at 60% AMI	1	750	\$562	\$709	\$0.95	21%	\$885	\$1.18
3 (lowrise)	2BR at 60% AMI	2	950	\$669	\$830	\$0.87	19%	\$1,065	\$1.12
6 (villa)	2BR at 60% AMI	2	1,050	\$669	\$830	\$0.79	19%	\$1,065	\$1.01
10 (lowrise)	1BR at Mkt	1	750	\$647	\$739	\$0.99	12%	\$885	\$1.18
1 (lowrise)	2BR at Mkt	2	950	\$770	\$880	\$0.93	13%	\$1,065	\$1.12
4 (villa)	2BR at Mkt	2	1,050	\$770	\$880	\$0.84	13%	\$1,065	\$1.01

#### Demographic Data (found on page 29-33)

	2010		2015		2018	
Renter Households	5,441	20.95%	6,306	21.86%	7,215	22.12%
Income-Qualified Renter HHs (LIHTC)	821	15.09%	952	15.09%	1,089	15.09%

#### Targeted Income-Qualified Renter Household Demand (found on page 43-61)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	137	152	462	N/Ap	207
Existing Households (Overburdened + Substandard)	N/Ap	325	359	1,095	N/Ap	490
Homeowner conversion (Seniors)	N/Ap	5	5	5	N/Ap	5
<b>Total Primary Market Demand</b>	N/Ap	467	516	1,562	N/Ap	702
Less Comparable/Competitive Supply	N/Ap	13	47	0	N/Ap	60
<b>Adjusted Income-qualified Renter HHs</b>	N/Ap	454	469	1,562	N/Ap	<b>642</b>

#### Capture Rates (found on page 61)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	4.50%	12.40%	1.30%	N/Ap	12.30%

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION****Project Address and  
Development Location:**

The Subject site is located on the southwest corner of Talmadge Road at Tara Boulevard (a/k/a Highway 41/19) in Lovejoy, Georgia 30228. It is located immediately east of the Villas at Hampton Apartments – a market rate multifamily development consisting of 224 units. It is also located just north of the Clayton-Henry county line. The Subject site is identified by the Clayton County Tax Assessor’s office as Tax ID Parcel #06164C A001.

**Construction Type:**

The Subject will consist of one, three-story elevator-serviced lowrise building containing 60 units and two, single-story villa/rowhouse buildings containing six units each.

**Occupancy Type:**

Housing for Older Persons (HFOP) – Age 55 and older.

**Special Population Target:**

None.

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

See following property profile.

**Unit Size:**

See following property profile.

**Structure Type:**

See following property profile.

**Rents and Utility Allowances:**

See following property profile.

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

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

**Proposed Development  
Amenities:**

See following property profile.

Property Profile Report

Lovejoy Place

**Comp #** Subject  
**Effective Rent Date** 5/11/2016  
**Location** S/w Corner Talmadge Rd At Tara Blvd  
 Lovejoy, GA 30228  
 Clayton County  
 (verified)  
  
**Units** 72  
**Type** Various (age-restricted)  
**Year Built / Renovated** Proposed / n/a  
**Tenant Characteristics** Seniors 55+



Market

<b>Program</b>	LIHTC/Market	<b>Leasing Pace</b>	N/A
<b>Annual Turnover Rate</b>	N/A	<b>Change in Rent (Past Concession)</b>	N/A
<b>Units/Month Absorbed</b>	N/A		
<b>Section 8 Tenants</b>	N/A		

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise (3 stories)	11	750	\$465	\$0	@50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	33	750	\$562	\$0	@60%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	10	750	\$647	\$0	Market	n/a	N/A	N/A	N/A
2	2	Lowrise (3 stories)	2	950	\$545	\$0	@50%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	3	950	\$669	\$0	@60%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	1	950	\$770	\$0	Market	n/a	N/A	N/A	N/A
2	2	One-story	2	1,050	\$545	\$0	@50%	n/a	N/A	N/A	no
2	2	One-story	6	1,050	\$669	\$0	@60%	n/a	N/A	N/A	no
2	2	One-story	4	1,050	\$770	\$0	Market	n/a	N/A	N/A	N/A

Amenities			
<b>In-Unit</b>	Blinds Carpeting Central A/C Coat Closet Dishwasher Garbage Disposal Hand Rails Microwave Oven Refrigerator Washer/Dryer Washer/Dryer hookup	<b>Security</b>	Limited Access
<b>Property</b>	Business Center/Computer Lab Courtyard Elevators Exercise Facility Off-Street Parking On-Site Management Picnic Area	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	none

**Comments**

The Subject property will consist of one, three-story elevator-serviced building containing 60 units and two, six-unit villa/rowhouse buildings. The proposed utility allowance is \$148 and \$182 for the one and two-bedroom units, respectively.

- Scope of Renovations:** The Subject will be new construction.
- Current Rents:** Not applicable.
- Current Occupancy:** Not applicable.
- Current Tenant Income:** Not applicable.
- Placed in Service Date:** The Subject is expected to be completed by December 2018.
- Conclusion:** The Subject will be an excellent-quality apartment complex for seniors age 55 and older. As new construction, the Subject will 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:**

Rana Barnes visited the site on May 23, 2016.

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

The following illustrates the physical features of the site.

*Frontage:*

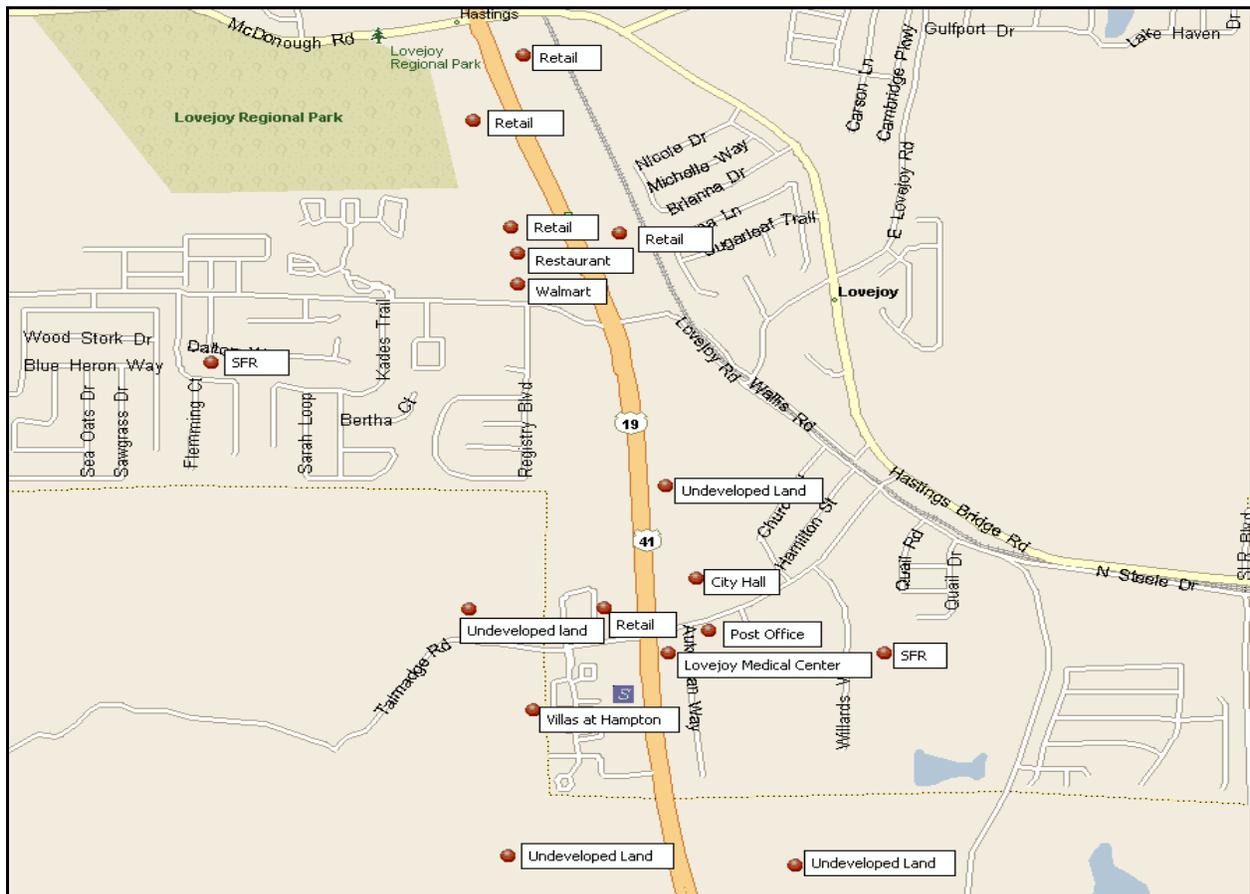
The Subject site has frontage on Tara Boulevard (a/k/a Highway 41/19) and Talmadge Road.

*Visibility/Views:*

The Subject site has good visibility from Tara Boulevard (a/k/a Highway 41/19) and Talmadge Road. Surrounding the periphery of the Subject site are Villas at Hampton - a market rate multifamily development consisting of 224 units - to the west and south, retail building to the north, undeveloped land to the northeast and northwest, Lovejoy Medical Center to the east, and undeveloped land to the southeast. The Subject site offers average views.

*Surrounding Uses:*

The following map and pictures illustrate the surrounding land uses.



*Positive/Negative Attributes of Site:* The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes. The Subject is also located 11.5 miles from Interstate 75, which provides convenient access to employment centers. Most locational amenities are located within three miles of the Subject. We did not observe any detrimental influences in the immediate neighborhood that would negatively impact marketability of the proposed Subject.

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

The Subject site is located within 3.4 miles of the majority of locational amenities. A senior services center and a primary hospital (Southern Regional Medical Center) are the only locational amenities located further than 3.5 miles from the Subject site. However, there is a Southside Medical Center-affiliated facility (Lovejoy Medical Center) located immediately east of the Subject site.

4. Pictures of Site and Adjacent Uses:



*Subject site*



*Subject site*



*Subject site*



*Subject site*



*View west along Talmadge Road*



*View east along Talmadge Road*



*View north along Tara Boulevard (a/k/a Highway 41/19)*



*View south along Tara Boulevard (a/k/a Highway 41/19)*



*Lovejoy Medical Center adjacent to the east of Subject site across Tara Boulevard*



*Package store adjacent to the north of Subject site across Talmadge Road*



*Post office located to the east of Subject site*



*Lovejoy City Hall, Police Department, and Municipal Court located to the northeast of Subject site*



*Walmart located to the north of Subject site*



*Gas station to the north of Subject site*



*Ruby Tuesday to the north of Subject site*



*O'Reilly Auto Parts store to the north of Subject site*



*CVS Pharmacy located to the north of Subject site*



*McDonald's to the north of Subject site*



*Wells Fargo Bank to the north of Subject site*



*Food Depot to the north of Subject site*



*Home Depot located to the north of Subject site*



*Dollar General store to the north of Subject site*



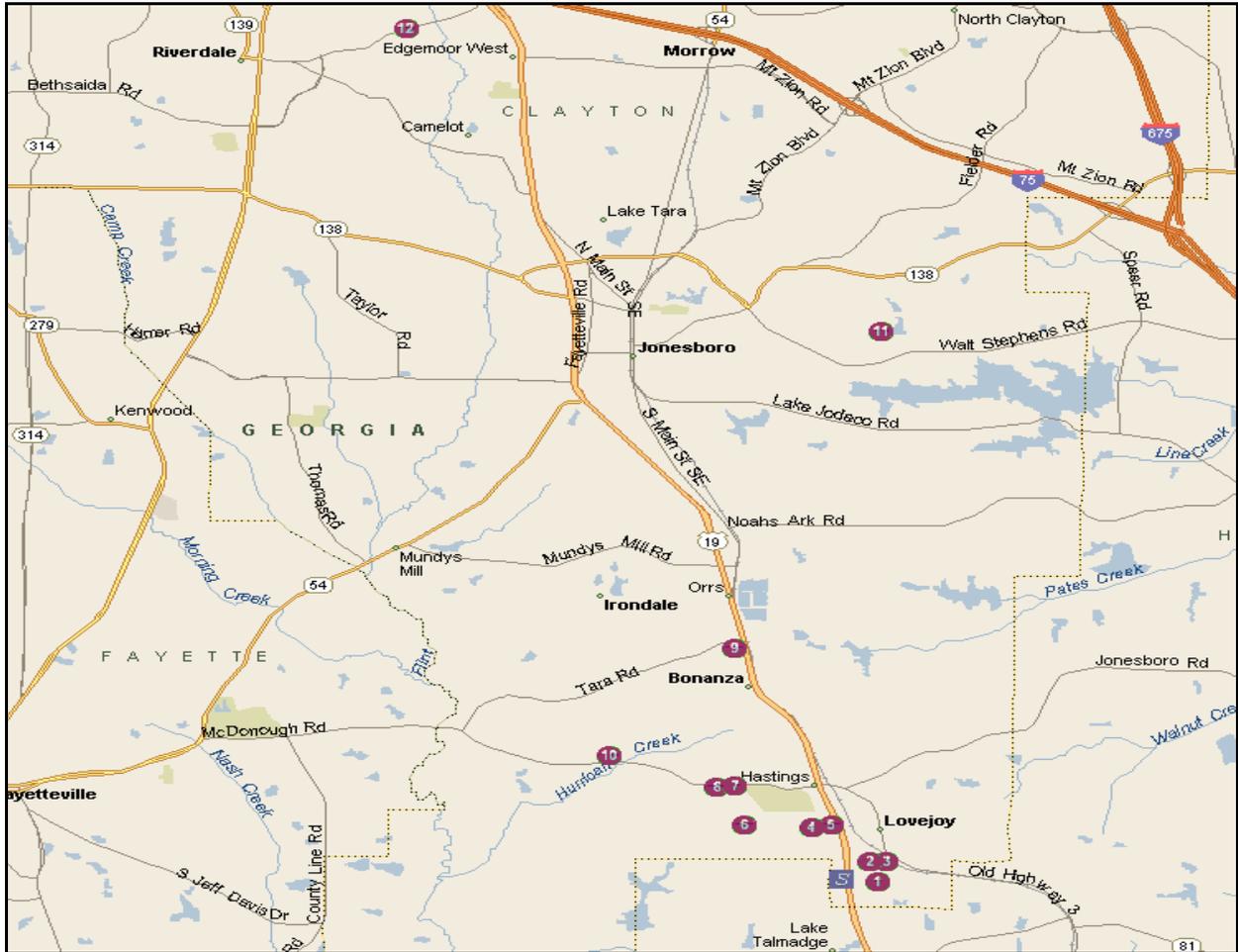
*Typical single-family residential in Subject's immediate neighborhood*



*Typical single-family residential in Subject's immediate neighborhood*

**5. Proximity to Locational Amenities:**

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



**LOCALATIONAL AMENITIES**

Map #	Service/Amenity	Distance from Subject
1	Lovejoy Medical Center	0.1 miles
2	Police Department	0.2 miles
3	Employment Center (Lovejoy)	0.2 miles
4	Walmart	0.7 miles
5	Walmart Pharmacy	0.7 miles
6	Lovejoy Middle School	1.7 miles
7	Clayton County Public Library	2.0 miles
8	Lovejoy High School	2.1 miles
9	Kroger (grocery store)	3.0 miles
10	Kemp Elementary School	3.4 miles
11	Clayton County Senior Services	9.6 miles
12	Southern Regional Medical Center	12.2 miles

**6. Description of Land Uses:**

The Subject site is located in a mixed-use neighborhood that consists of retail/commercial uses, single-family homes, multifamily developments, and undeveloped land. Retail/commercial uses along Tara Boulevard (a/k/a Highway 41/19) appeared to be 95 percent occupied and are in generally good condition. Single-family homes are also in good condition. Two market rate multifamily developments are also located in the immediate area. Villas at Hampton is located adjacent to the Subject and Walden Landing is located north of the Subject. We have used both properties as comparables in our analysis and they will be discussed in further detail in the supply section of our report. Overall, the uses immediately surrounding the Subject site are in good condition and the site is located within 3.4 miles of the majority of the locational amenities.

**7. Public Safety Issues:**

The following table illustrates crime risk indices in the Subject's PMA MSA.

**2015 CRIME RISK INDICES**

	<b>PMA</b>	<b>Atlanta-Sandy Springs-Roswell, GA MSA</b>
<b>Total Crime*</b>	140	139
<b>Personal Crime*</b>	96	130
Murder	127	155
Rape	88	88
Robbery	92	163
Assault	99	118
<b>Property Crime*</b>	146	140
Burglary	152	147
Larceny	146	134
Motor Vehicle Theft	133	178

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

\*Unweighted aggregations

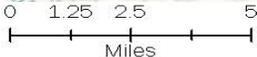
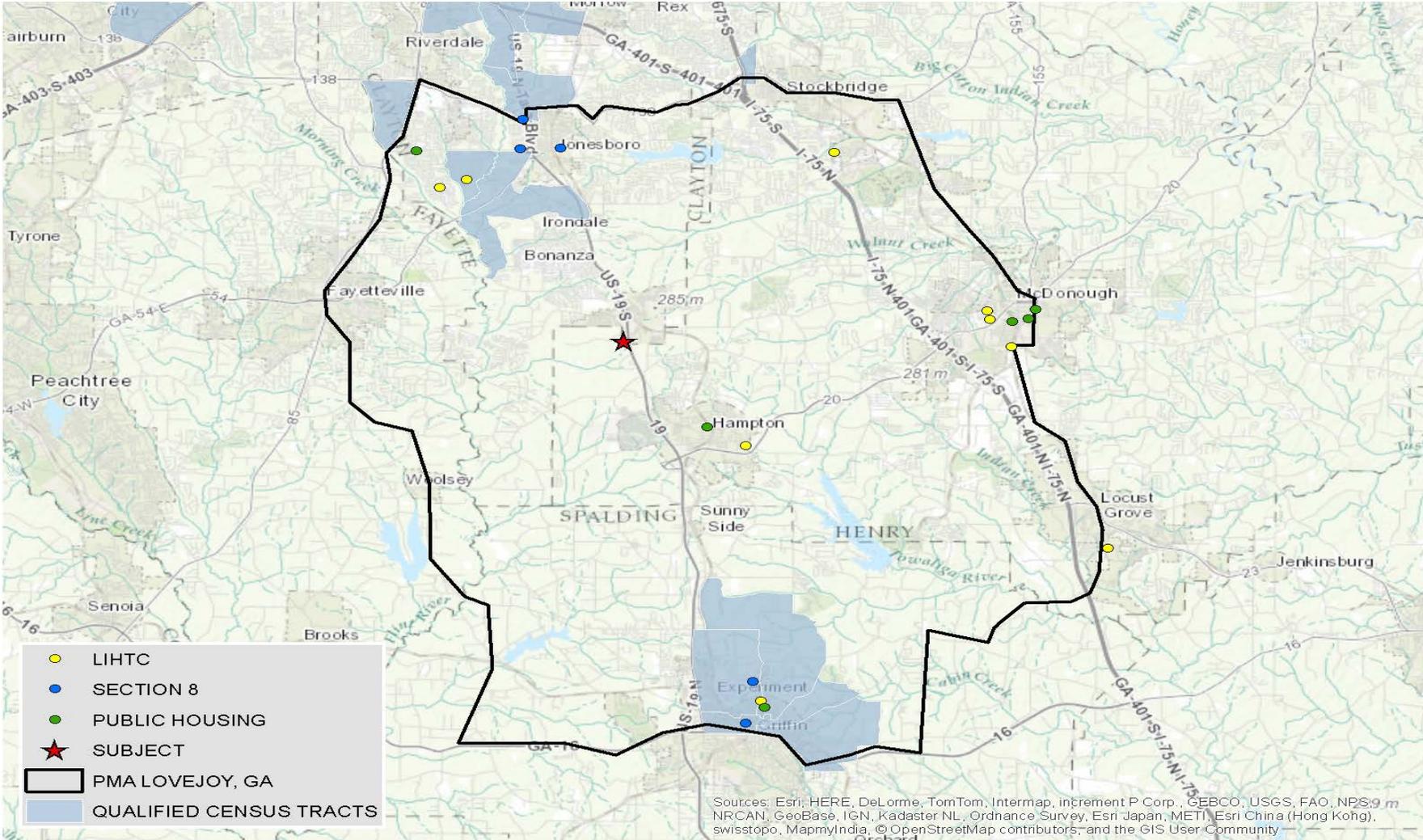
The crime risk indices shown above are based on the national average, which would be indicated as the number 100 in the table above. Any numbers shown deviating from the number 100 would thus be considered to be either above or below the national average. That is, an index of 125 would be 25 percent higher than the national average and an index of 75 would be 25 percent lower than the national average. As illustrated in the previous table, the most recent data indicates total crime within the PMA is similar to that of the MSA and above the national average. However, the PMA has generally lower personal crime indices than the MSA but generally slightly higher property crime indices than the MSA. None of these crime indices are considered cause for alarm. The Subject will offer

limited access. Most of the comparables also offer security features. Overall, the Subject's security features will be market oriented.

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

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

Property	Address	City	State	Zip Code	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject
Pinebrooke Apartments	9170 Dorsey Road	Riverdale	GA	30274	LIHTC	Family		Excluded	Tenancy, dissimilar design, unit mix, several closer properties	6.7 miles
Ashley Woods Apartments	1050 Rock Quarry Road	Stockbridge	GA	30281	LIHTC	Family		Excluded	Tenancy, several closer properties	7.9 miles
Sable Chase Apartments	102 Sable Chase Boulevard	McDonough	GA	30253	LIHTC	Family		Excluded	Tenancy, inferior age/condition	9.0 miles
Grier Senior Manor	391 Old Griffin Road	McDonough	GA	30253	LIHTC/Mkt	Senior		Included	-	9.8 miles
Hampton Court	100 South Hampton Road	Hampton	GA	30228	LIHTC	Senior		Included	-	4.6 miles
Heritage At McDonough	180 Bridges Road	McDonough	GA	30253	LIHTC	Senior		Included	-	9.3 miles
Shoal Creek Manor	120 LG Griffin Road	Locust Grove	GA	30248	LIHTC	Senior		Included	-	13.5 miles
St. Phillip Villas	829 N. Hill Street	Griffin	GA	30223	LIHTC/Mkt	Family		Included	-	12.3 miles
Greens of Pebble Creek/Fairway Pointe	9350 Thomas Road	Jonesboro	GA	30238	LIHTC	Family		Excluded	Tenancy, unit mix	7.1 miles
Keystone Apartments	145 S. McDonough Street	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	6.1 miles
Riverwood Phase I	681 Flint River Road	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	6.3 miles
Riverwood Townhouses 2	681 Flint River Road	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	6.3 miles
Riverwood Townhouses 3	681 Flint River Road	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	6.3 miles
Rexmill Square 1	636 North Avenue	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	7.5 miles
Rexmill Square 2	636 North Avenue	Jonesboro	GA	30236	Section 8	Family		Excluded	Subsidized	7.5 miles
Northside Hills Apartments	615 Northside Drive	Griffin	GA	30223	Section 8	Family		Excluded	Subsidized	12.0 miles
St. George's Court	110 N. 10th Street	Griffin	GA	30223	Section 202	Senior		Excluded	Subsidized	12.8 miles
Hampton City Housing Authority	20 College Street	Hampton	GA	30228	Public Housing	Family		Excluded	Subsidized	3.7 miles
Pointe South Apartments	772 Pointe South Parkway	Jonesboro	GA	30238	Public Housing	Family		Excluded	Subsidized	8.1 miles
Lamar Pointe	345 Simpson Street	McDonough	GA	30253	Public Housing	Family		Excluded	Subsidized	9.8 miles
Weaver Thurman Crossing	8 Church Circle	McDonough	GA	30253	Public Housing	Family		Excluded	Subsidized	10.0 miles
Hooten Street Apartments	1-28 Hooten Street	McDonough	GA	30253	Public Housing	Family		Excluded	Subsidized	10.3 miles
Fairmont Homes	201 Quincy Avenue	Griffin	GA	30223	Public Housing	Family		Excluded	Subsidized	12.3 miles
<b>Lovejoy Place</b>	<b>SW corner Talmadge Road at Tara Boulevard</b>	<b>Lovejoy</b>	<b>GA</b>	<b>30228</b>	<b>LIHTC/Mkt</b>	<b>Senior</b>	<b>Red Star</b>	<b>SUBJECT</b>	<b>-</b>	<b>-</b>



Lovejoy, GA

Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



Note: Some of these properties appear to be located outside of the PMA; however, they are located along the PMA boundaries.

**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 is accessible from Tara Boulevard (a/k/a Highway 41/19), a four-to-six lane road. Tara Boulevard (a/k/a Highway 41/19) is a heavily-traveled primary commercial/retail corridor that traverses the neighborhood in a north-south direction. It ends at Interstate 75 approximately 11.5 miles north of the Subject site. The Subject site has good visibility from Tara Boulevard. Overall, access and visibility are considered good.

**11. Environmental Concerns:**

None visible upon site inspection.

**12. Conclusion:**

The Subject site is located on the southwest corner of Talmadge Road at Tara Boulevard (a/k/a Highway 41/19) in Lovejoy, Georgia 30228. It is located immediately east of the Villas at Hampton Apartments – a market rate multifamily development consisting of 224 units. It is also located just north of the Clayton-Henry county line. The Subject site is identified by the Clayton County Tax Assessor's office as Tax ID Parcel #06164C A001. The Subject site is located in a mixed-use neighborhood that consists of multifamily and single-family homes, undeveloped land, and commercial uses in average to excellent condition. Residential uses in the immediate neighborhood appeared to be in good condition and well-occupied. Commercial uses in the neighborhood appeared to be approximately 95 percent occupied at the time of inspection. Overall, the Subject site is considered a desirable building site for senior rental housing.

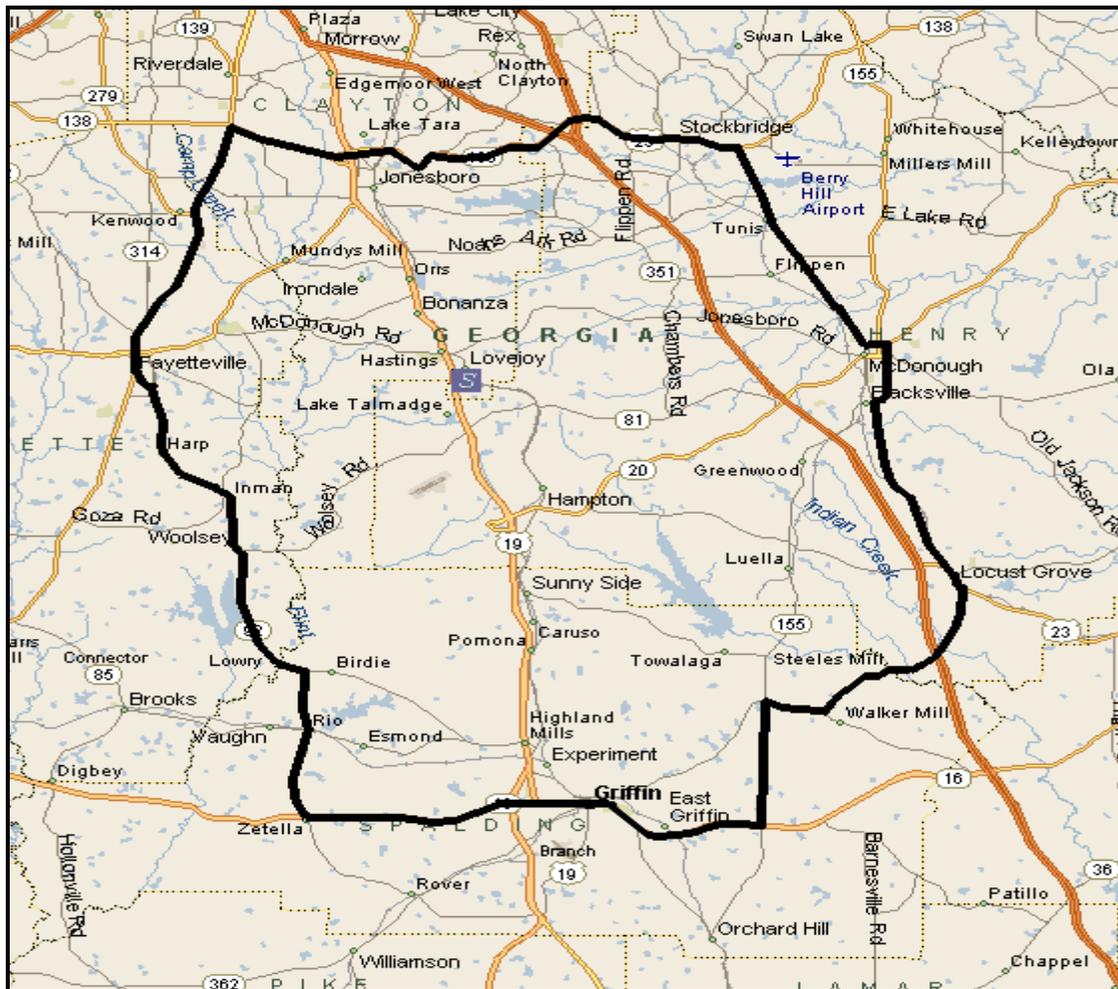
## **D. MARKET AREA**

## 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 PMA includes the cities of Lovejoy, Hampton, and a portion of Jonesboro in Clayton County, as well as portions of Stockbridge, McDonough, and Locust Grove in Henry County and portions of Griffin in Spalding County. This area is bound by Highway 138 to the north; Highway 23/42 to the east; Locust Grove Road, N. McDonough Road, and Highway 16 to the south; and Vaughn Road, GA-92, and Highway 85 to the west. The determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates from throughout Clayton County, Henry County, and northern Spalding County. The drivetime zone is approximately 20 minutes from the Subject site, which we believe is reasonable given the suburban nature of part of the PMA. Furthermore, managers at all of the senior LIHTC comparables reported that many tenants are relocating from out of state to be near family.

The Secondary Market Area (SMA) is determined to be the Atlanta-Sandy Springs-Roswell, Georgia Metropolitan Statistical Area (MSA), which consists of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton Counties.

We 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 15.1 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 Metropolitan Statistical Area (MSA) are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly population within the PMA, MSA, and nationally from 2000 through 2019.

#### TOTAL POPULATION

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	168,525	-	4,263,438	-	281,421,906	-
2010	231,821	3.8%	5,286,728	2.4%	308,745,538	1.0%
2015	240,173	0.7%	5,527,230	0.9%	318,536,439	0.6%
Projected Mkt Entry December 2018	247,360	0.9%	5,749,647	1.2%	326,795,299	0.8%
2020	250,691	0.9%	5,852,718	1.2%	330,622,575	0.8%

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

#### TOTAL SENIOR POPULATION (55+)

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	25,470	-	646,403	-	59,266,437	-
2010	43,917	7.2%	1,028,311	5.9%	76,750,713	3.0%
2015	53,053	4.0%	1,235,028	3.8%	87,809,032	2.7%
Projected Mkt Entry December 2018	58,304	2.9%	1,377,137	3.4%	94,822,876	2.3%
2020	60,737	2.9%	1,442,993	3.4%	98,073,194	2.3%

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

## POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry December 2018	2020
0-4	13,532	16,709	16,503	16,765	16,886
5-9	14,294	18,147	16,794	17,017	17,120
10-14	14,287	19,188	18,081	18,023	17,996
15-19	12,204	18,815	17,534	17,537	17,538
20-24	9,951	14,241	17,664	16,394	15,805
25-29	12,447	14,370	16,773	19,001	20,034
30-34	14,220	15,774	15,169	17,464	18,527
35-39	15,406	18,245	15,850	16,314	16,529
40-44	14,116	18,217	17,886	16,603	16,009
45-49	11,925	18,115	17,505	17,235	17,110
50-54	10,672	16,083	17,362	16,705	16,401
55-59	7,571	13,126	15,324	15,636	15,780
60-64	5,284	11,026	12,415	13,515	14,025
65-69	4,210	7,400	10,229	10,894	11,202
70-74	3,171	4,953	6,574	8,220	8,983
75-79	2,468	3,436	3,995	4,928	5,360
80-84	1,482	2,192	2,461	2,805	2,965
85+	1,284	1,784	2,055	2,306	2,422
<b>Total</b>	<b>168,524</b>	<b>231,821</b>	<b>240,174</b>	<b>247,361</b>	<b>250,692</b>

Source: Esri Demographics 2015, Novogradac &amp; Company LLP, May 2016

## NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	168,524	143,054	25,470	4,263,438	3,617,035	646,403
2010	231,821	187,904	43,917	5,286,728	4,258,417	1,028,311
2015	240,174	187,121	53,053	5,527,230	4,292,202	1,235,028
Projected Mkt Entry December 2018	247,361	189,058	58,304	5,749,647	4,372,509	1,377,137
2020	250,692	189,955	60,737	5,852,718	4,409,725	1,442,993

Source: Esri Demographics 2015, Novogradac &amp; Company LLP, May 2016

Total population in the PMA is projected to increase at a 0.9 percent annual rate from 2015 to 2020, a growth rate slightly below that of the MSA and similar to the nation as a whole during the same time period. However, senior population growth in the PMA is expected to increase at an annual rate of 2.9 percent from 2015 through 2020, which is considered a positive indication when compared to the nation's projected growth of 2.3 percent. Senior population growth in the MSA will outpace that of the PMA and nation as a whole through 2020. The strong growth in senior population in the PMA and MSA is a positive indication of future demand for senior housing.

## 2. Household Trends

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

#### TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	58,542	-	1,559,712	-	105,480,101	-
2010	80,583	3.8%	1,943,885	2.5%	116,716,292	1.1%
2015	83,483	0.7%	2,033,479	0.9%	120,746,349	0.7%
Projected Mkt Entry December 2018	86,087	0.9%	2,117,224	1.2%	123,979,345	0.8%
2020	87,294	0.9%	2,156,032	1.2%	125,477,562	0.8%

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

#### TOTAL NUMBER OF HOUSEHOLDS 55+

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual
2000	15,151	-	389,452	-	36,459,725	-
2010	25,971	7.1%	612,737	5.7%	45,892,687	2.6%
2015	28,848	2.1%	689,646	2.4%	50,825,452	2.0%
Projected Mkt Entry December 2018	32,617	3.8%	785,597	4.1%	55,090,216	2.5%
2020	34,364	3.8%	830,062	4.1%	57,066,571	2.5%

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

#### AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual
2000	2.84	-	2.68	-	2.59	-
2010	2.83	0.0%	2.68	0.0%	2.58	-0.1%
2015	2.83	0.0%	2.68	0.0%	2.57	0.0%
Projected Mkt Entry December 2018	2.83	0.0%	2.68	0.0%	2.57	0.0%
2020	2.82	0.0%	2.67	0.0%	2.57	0.0%

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

Similar to population trends, total household growth in the PMA is projected to increase at a rate slightly below that of the MSA and similar to the nation as a whole through 2020. However, projected senior household growth of 3.8 percent annually between 2015 and 2020 in the PMA is significantly higher than the projected general household growth during the same time period. Senior household growth in the PMA and MSA will increase at a rate greater than households of all ages over the next several years. The average household size in the PMA is projected to remain stable in the PMA. The average household sizes in the MSA and nation are also projected to remain stable through 2020.

## 2b. Households by Tenure

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

TENURE PATTERNS - ELDERLY POPULATION (AGE 55+)								
Year	PMA				Atlanta-Sandy Springs-Roswell, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	-	-	-	-	-	-	-	-
2010	20,530	79.0%	5,441	21.0%	479,032	78.2%	133,705	21.8%
2015	22,541	78.1%	6,306	21.9%	532,303	77.2%	157,343	22.8%
Projected Mkt Entry December 2018	25,402	77.9%	7,215	22.1%	605,309	77.1%	180,289	22.9%
2020	26,727	77.8%	7,637	22.2%	639,140	77.0%	190,922	23.0%

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

Owner-occupied housing units dominate the PMA and MSA. The percentage of senior renter-occupied housing units in the PMA is higher than the national average of approximately 13 percent. The percentage of renter-occupied units in the PMA is expected to slightly increase through 2020, which is a positive indication of future demand for affordable senior housing.

## 2c. Households by Income

The following table depicts senior renter household income in 2010, 2015, December 2018, and 2020 for the PMA.

RENTER HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA								
Income Cohort	2010		2015		Projected Mkt Entry December 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	550	10.1%	862	13.7%	1,045	14.5%	1,130	14.8%
\$10,000-19,999	1,091	20.0%	1,573	24.9%	1,859	25.8%	1,991	26.1%
\$20,000-29,999	700	12.9%	891	14.1%	1,081	15.0%	1,169	15.3%
\$30,000-39,999	705	13.0%	881	14.0%	962	13.3%	1,000	13.1%
\$40,000-49,999	547	10.1%	580	9.2%	652	9.0%	685	9.0%
\$50,000-59,999	465	8.5%	479	7.6%	490	6.8%	496	6.5%
\$60,000-74,999	446	8.2%	351	5.6%	376	5.2%	388	5.1%
\$75,000-99,999	360	6.6%	275	4.4%	309	4.3%	325	4.3%
\$100,000-124,999	260	4.8%	203	3.2%	205	2.8%	206	2.7%
\$125,000-149,999	123	2.3%	69	1.1%	87	1.2%	95	1.2%
\$150,000-199,999	123	2.3%	108	1.7%	104	1.4%	102	1.3%
\$200,000+	71	1.3%	35	0.6%	44	0.6%	48	0.6%
<b>Total</b>	<b>5,441</b>	<b>100.0%</b>	<b>6,306</b>	<b>100.0%</b>	<b>7,215</b>	<b>100.0%</b>	<b>7,637</b>	<b>100.0%</b>

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

Approximately 53 percent of senior renter households in the PMA earn less than \$30,000. The income limits for the LIHTC units will range from \$18,390 to \$32,760. The minimum income limit for the market rate units will be \$19,410 and there will not be a maximum income limit for these units. As such, a significant portion of renter households are likely to income qualify to reside at one of the Subject's unit types, 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 senior renter households.

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS 55+ - PMA**

	2010		2015		Projected Mkt Entry December 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,436	44.8%	2,793	44.3%	3,140	43.5%	3,301	43.2%
With 2 Persons	1,655	30.4%	1,989	31.5%	2,245	31.1%	2,364	30.9%
With 3 Persons	478	8.8%	593	9.4%	673	9.3%	710	9.3%
With 4 Persons	299	5.5%	319	5.1%	406	5.6%	446	5.8%
With 5+ Persons	572	10.5%	612	9.7%	752	10.4%	816	10.7%
Total Renter Households	5,441	100.0%	6,306	100.0%	7,215	100.0%	7,637	100.0%

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

The largest senior renter household cohort has remained a one-person household since 2010, followed by two and five+-person households. These three cohorts are projected to remain the largest through 2020. In 2015, the one and two-person households accounted for approximately 76 percent of renter households in the PMA. The Subject will target one and two-person households. Therefore, the strong presence of one to two-person renter households in the PMA bodes well for the Subject's units.

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

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

**Conclusion**

The PMA is expected to experience strong senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 2.9 percent from 2015 through 2020, which is considered a positive indication when compared to the nation's projected growth of 2.3 percent. Senior population growth in the MSA will outpace that of the PMA and nation as a whole through 2020. Owner-occupied housing units dominate the PMA and MSA. The percentage of senior renter-occupied housing units in the PMA is higher than the national average of approximately 13 percent. The percentage of renter-occupied units in the PMA is expected to slightly increase through 2020, which is a positive indication of future demand for affordable senior housing. Approximately 53 percent of senior renter households in the PMA earn less than \$30,000. The income limits for the LIHTC units will range from \$18,390 to \$32,760. The minimum income limit for the market rate units will be \$19,410 and there will not be a maximum income limit for these units. As such, a significant portion of renter households are likely to income qualify to reside at one of the Subject's unit types, and the Subject should be well-positioned to service this market.

## **F. EMPLOYMENT TRENDS**

## EMPLOYMENT TRENDS

The Subject is located in Lovejoy, Clayton County, Georgia. The Subject, as proposed, will be a senior property with income limits in addition to offering some market rate units. Therefore, we expect the majority of the tenants at the Subject will be retired or work part-time jobs. The following illustrates recent job growth and employment trends in the region.

### 1. Total Jobs

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

Total Jobs in Clayton County, Georgia		
Year	Total Employment	% Change
2006	127,426	-
2007	128,444	-1.74%
2008	126,243	-7.48%
2009	117,459	-8.51%
2010	108,243	1.55%
2011	109,948	2.13%
2012	112,343	-0.65%
2013	111,623	2.38%
2014	114,341	1.18%
2015	115,708	0.00%
2016 YTD Average	115,708	-0.77%
Feb-15	114,824	-
Feb-16	117,411	2.20%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

As illustrated in the table above, Clayton County experienced a weakened economy as a result of the most recent national recession. The county experienced the effects of the downturn in 2009 with an 8.51 percent decrease in total jobs over that year. However, covered employment has increased each year from 2010 to February 2016, with the exception of 2012. From February 2015 to February 2016, covered employment increased by 2.20 percent. The local economy appears to have recovered from the most recent economic recession.

## 2. Total Jobs by Industry

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

### February 2016 Covered Employment Clayton County, Georgia

	Number	Percent
<b>Total, all industries</b>	<b>102,043</b>	-
<b>Goods-producing</b>	<b>7,245</b>	-
Natural resources and mining	237	0.23%
Construction	2,854	2.80%
Manufacturing	4,154	4.07%
<b>Service-providing</b>	<b>94,798</b>	-
Trade, transportation, and utilities	57,851	56.69%
Information	452	0.44%
Financial activities	2,945	2.89%
Professional and business services	12,076	11.83%
Education and health services	8,428	8.26%
Leisure and hospitality	11,035	10.81%
Other services	1,775	1.74%
Unclassified	236	0.23%

Source: Bureau of Labor Statistics, 2015

The largest employment sector in Clayton County, according to the Bureau of Labor Statistics, is the trade/transportation/utilities industry, followed by the professional and business services, leisure and hospitality, and education and health services industries, respectively. The education and health services industries historically are considered to be stable employers and could provide some additional stability to the local economy during a recession. The trade/transportation/utilities and leisure and hospitality industries are historically unstable sectors. However, due to the close proximity to Atlanta, a major tourism and business city in Georgia, these industries (specifically trade and transportation) continue to prosper. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

## 2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	254	0.3%	1,941,156	1.3%
Mining	94	0.1%	997,794	0.7%
Construction	6,929	7.1%	9,392,204	6.4%
Manufacturing	6,264	6.5%	15,651,841	10.6%
Wholesale Trade	3,342	3.4%	3,742,526	2.5%
Retail Trade	10,857	11.2%	17,089,319	11.6%
Transportation/Warehousing	13,050	13.4%	6,200,837	4.2%
Utilities	1,053	1.1%	1,190,608	0.8%
Information	1,973	2.0%	2,965,498	2.0%
Finance/Insurance	4,087	4.2%	7,026,905	4.8%
Real Estate/Rental/Leasing	2,440	2.5%	2,759,067	1.9%
Prof/Scientific/Tech Services	4,602	4.7%	9,981,082	6.8%
Mgmt of Companies/Enterprises	298	0.3%	115,436	0.1%
Admin/Support/Waste Mgmt Svcs	3,552	3.7%	6,242,568	4.2%
Educational Services	9,719	10.0%	13,529,510	9.2%
Health Care/Social Assistance	10,152	10.5%	20,205,674	13.7%
Arts/Entertainment/Recreation	1,217	1.3%	3,193,724	2.2%
Accommodation/Food Services	6,114	6.3%	10,915,815	7.4%
Other Services (excl Publ Adm)	5,129	5.3%	7,548,482	5.1%
Public Administration	5,928	6.1%	7,099,307	4.8%
<b>Total Employment</b>	<b>97,054</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

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

As depicted in the previous table, employment in the PMA is dominated by the transportation/warehousing sector, which accounts for 13.4 percent of total employment, followed by retail trade, health care/social assistance, and educational services. Combined, the four largest sectors account for approximately 45.1 percent of total employment within the PMA. Compared to the nation as a whole, the Subject's PMA exhibits a higher percentage of employment within sectors such as transportation/warehousing, construction, wholesale trade, and public administration. Conversely, the PMA has a lower percentage of employment within the prof/scientific/tech services, health care/social assistance, and manufacturing sectors when compared to the nation.

### 3. Major Employers

The following table details the top employers in Clayton County.

<b>MAJOR EMPLOYERS</b>			
<b>Clayton County, GA</b>			
<b>#</b>	<b>Employer</b>	<b>Industry</b>	<b>Number Employed</b>
1	Clayton County Public Schools	Education	7,100
2	Delta Tech Ops	Transportation/warehousing	6,000
3	Southern Regional Medical Center	Health care	2,100
4	Fresh Express Inc.	Transportation/warehousing	1,100
5	Southern Company	Utilities	766
6	Clayton State University	Education	750
7	FedEx Ground	Transportation/warehousing	750
8	Saia Motor Freight Line	Transportation/warehousing	500
9	R+L Carriers	Transportation/warehousing	430
10	TOTO USA	Manufacturing	425
11	Avis Rent a Car	Automobile	400
<b>Total</b>			<b>20,321</b>

Source: Clayton County Office of Economic Development, Novogradac & Company LLP, 5/2016

As illustrated in the previous table, the largest private employers in Clayton County are in the education, transportation/warehousing, health care, utilities, manufacturing, and automobile sectors. Additionally, the Georgia Department of Labor reported that Healthcare Staffing, Inc., JB Hunt Transport, Inc., Southwest Airlines Company, Staffing Solutions Southeast, Inc., and Walmart are also major employers in the county, although the Georgia Department of Labor was unable to provide their number of employees. According to the Clayton County Office of Economic Development, the Clayton County Public School System is the largest employer in Clayton County, employing approximately 7,100 workers, which represents approximately 35 percent of employment among the largest employers in the county. It should be noted that Clayton County is part of the Atlanta MSA and many area residents commute to others areas of the MSA for employment.

#### Expansions/Contractions

According to the Georgia Department of Economic Development, there have been three Worker Adjustment and Retraining Notification (WARN) notices issued in the PMA from January 2015 through March 2016.

#### WARN NOTICES - PMA

<b>Effective Date</b>	<b>Company Name</b>	<b>City</b>	<b>County</b>	<b>Type</b>	<b># of Jobs</b>
4/21/2015	Smead Manufacturing Company	Locust Grove	Henry	Layoff	150
2/14/2016	Genco	McDonough	Henry	Layoff	88
4/15/2016	Americold Logistics, LLC.	McDonough	Henry	Closure	43
<b>TOTAL</b>					<b>281</b>

Source: Georgia Department of Economic Development, Novogradac & Company LLP, 5/2016

As illustrated above, none of the WARN notices issued in the PMA were in Lovejoy or Clayton County. Further, the number of jobs losses is minimal when compared to the year-over-year growth in employment in the MSA.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2001 to February 2015.

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

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	2,324,880	-	5.0%	-	136,933,000	-	4.7%	-
2003	2,347,173	1.0%	4.9%	-0.2%	136,485,000	-0.3%	5.8%	1.1%
2004	2,382,163	1.5%	4.8%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2005	2,445,674	2.7%	5.4%	0.6%	139,252,000	1.1%	5.5%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	141,730,000	1.8%	5.1%	-0.4%
2007	2,618,825	3.2%	4.4%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2008	2,606,822	-0.5%	6.2%	1.7%	146,047,000	1.1%	4.6%	0.0%
2009	2,452,057	-5.9%	9.9%	3.8%	145,362,000	-0.5%	5.8%	1.2%
2010	2,440,037	-0.5%	10.3%	0.4%	139,877,000	-3.8%	9.3%	3.5%
2011	2,486,895	1.9%	9.9%	-0.4%	139,064,000	-0.6%	9.6%	0.3%
2012	2,546,478	2.4%	8.8%	-1.1%	139,869,000	0.6%	8.9%	-0.7%
2013	2,574,339	1.1%	7.8%	-1.0%	142,469,000	1.9%	8.1%	-0.8%
2014	2,619,867	1.8%	6.7%	-1.1%	143,929,000	1.0%	7.4%	-0.7%
2015	2,677,863	2.2%	5.6%	-1.2%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	2,708,819	1.2%	5.2%	-0.4%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	2,657,156	-	6.0%	-	147,118,000	-	5.8%	-
Feb-2016	2,716,753	2.2%	5.3%	-0.7%	150,060,000	2.0%	5.2%	-0.6%

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

\*2016 data is through Dec

Total employment increased each year from 2003 to 2007. These increases were significant but were followed by employment decreases from 2008 to 2010 as a result of the most recent economic recession. The MSA appears relatively healthy as total employment increased each year from 2011 through February 2016. As of 2015, total employment in the MSA exceeded pre-recessionary levels. Total employment in the nation exceeded pre-recessionary levels in 2014. From February 2015 to February 2016, total employment has increased by 2.2 percent in the MSA compared to an increase of 2.0 percent nationally.

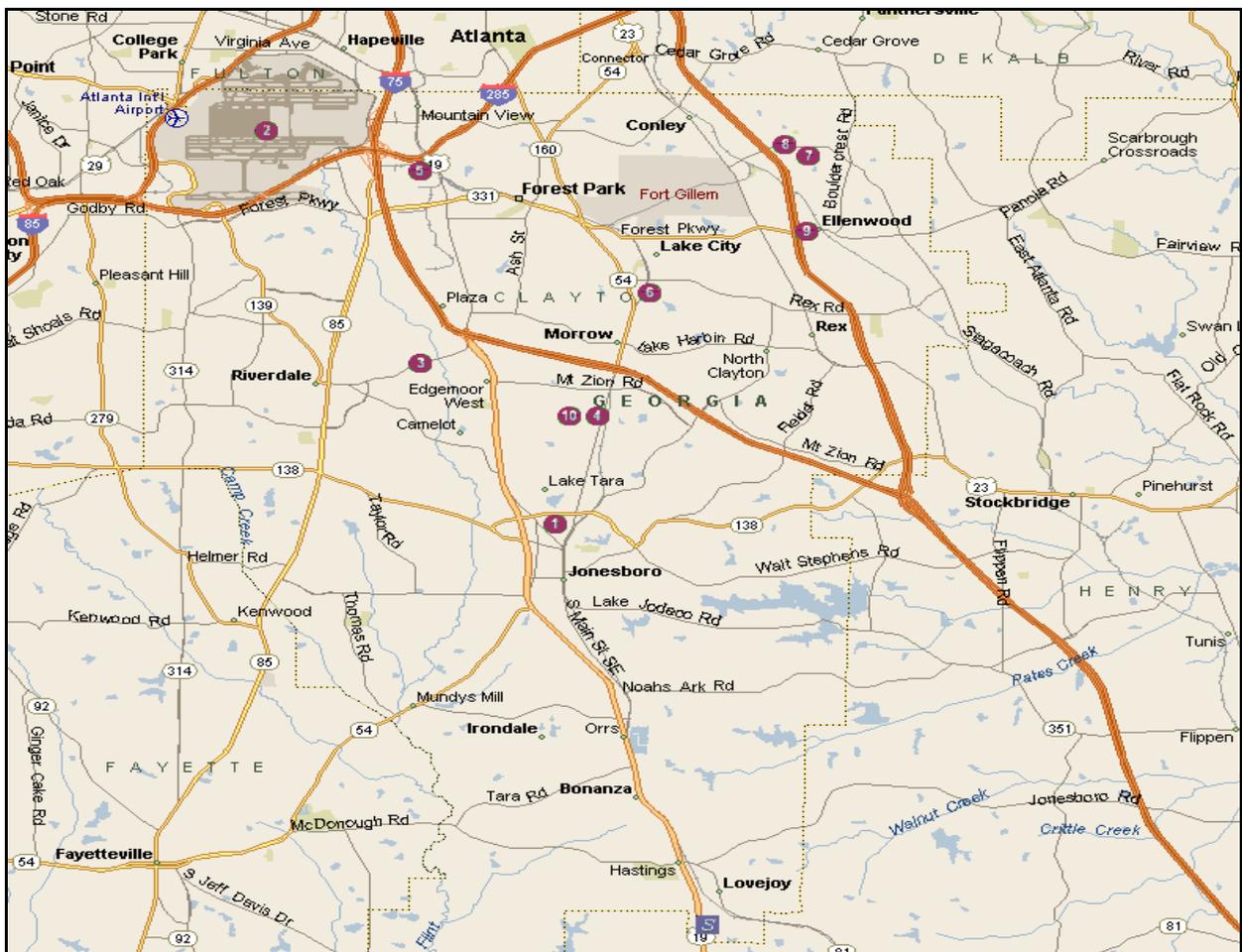
Prior to the most recent economic recession, the unemployment rate in the MSA was generally in line with or below that of the nation. However, the unemployment rate in the MSA experienced a slightly more significant increase during the most recent national recession and has been generally above the nation since 2008. From February 2015 to February 2016, the unemployment rate in the MSA decreased 0.7 percentage points, compared to a decrease of 0.6 percentage points nationally. The unemployment rate in the MSA as of February 2016 was 5.3 percent, which was 0.1 percentage points above the national rate of 5.2 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy, which has full 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 the Atlanta Metropolitan Area.

MAJOR EMPLOYERS				
Clayton County, GA				
#	Employer	Industry	Number Employed	Distance from Subject
1	Clayton County Public Schools	Education	7,100	7.3 miles
2	Delta Tech Ops	Transportation/warehousing	6,000	15.5 miles
3	Southern Regional Medical Center	Health care	2,100	10.5 miles
4	Fresh Express Inc.	Transportation/warehousing	1,100	9.2 miles
5	Southern Company	Utilities	766	14.0 miles
6	Clayton State University	Education	750	11.3 miles
7	FedEx Ground	Transportation/warehousing	750	13.8 miles
8	Saia Motor Freight Line	Transportation/warehousing	500	14.0 miles
9	R+L Carriers	Transportation/warehousing	430	12.3 miles
10	TOTO USA	Manufacturing	425	9.3 miles

Source: Clayton County Office of Economic Development, Novogradac & Company LLP, 5/2016



**Conclusion**

The largest industries in the PMA are transportation/warehousing, retail trade, health care/social assistance, and educational services. Together, these four industries comprise approximately 45.1 percent of total employment in the PMA. The largest private employers in Clayton County are in the education, transportation/warehousing, health care, utilities, manufacturing, and automobile sectors. Additionally, the Georgia Department of Labor reported that Healthcare Staffing, Inc., JB Hunt Transport, Inc., Southwest Airlines Company, Staffing Solutions Southeast, Inc., and Walmart are also major employers in the county, although the Georgia Department of Labor was unable to provide their number of employees. The MSA appears relatively healthy as total employment increased each year from 2011 through February 2016. As of 2015, total employment in the MSA exceeded pre-recessionary levels. Total employment in the nation exceeded pre-recessionary levels in 2014. From February 2015 to February 2016, total employment has increased by 2.2 percent in the MSA compared to an increase of 2.0 percent nationally. From February 2015 to February 2016, the unemployment rate in the MSA decreased 0.7 percentage points, compared to a decrease of 0.6 percentage points nationally. The unemployment rate in the MSA as of February 2016 was 5.3 percent, which was 0.1 percentage points above the national rate of 5.2 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy. The local economy appears to be healthy and has fully recovered from the most recent national recession.

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

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

### **1. Income Restrictions**

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

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). 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 December 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to December 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 December 2018. This number takes the overall growth from 2015 to December 2018 and applies it to its respective income cohorts by

percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **3B. Demand from Existing Households**

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

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

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

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

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

### **3D. Other**

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

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

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

### **ADDITIONS TO SUPPLY**

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

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

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

There has been one senior LIHTC property funded, placed in service, or under construction within the PMA since 2014. Red Oak Village was allocated in 2015. Red Oak Village will be located on Rock Quarry Road in Stockbridge, approximately 8.4 miles northeast of the Subject and within the PMA. This senior development will consist of 60 one and two-bedroom units. The units will serve moderate-income families earning 50 and 60 percent or less of the area median income. Thirteen units will be restricted to seniors at 50 percent of the AMI and 47 units will be restricted to seniors at 60 percent of the AMI. This property will directly compete with the proposed Subject. We have removed all of the units at this property from the demand analysis.

**COMPETITIVE SUPPLY 2014 - PRESENT**

Property Name	Type	Year Built/Proposed	Competitive Units	Comments
Red Oak Village	Senior LIHTC	Proposed 2017	60	13 @50%, 47 @60%

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated, placed in service, or stabilizing between 2014 and present. We are not aware of any new senior market rate properties under construction, planned, or recently completed in the PMA.

Additions To Supply					
(Cumulative)/Existing Units	50%	60%	Market Rate	Overall	
One Bedroom	4	16	0	20	
Two Bedroom	9	31	0	40	
Total	13	47	0	60	

**PMA Occupancy**

Per DCA’s guidelines, we have determined the average occupancy rate based on all available competitive conventional, LIHTC, and subsidized 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 seniors within the PMA have been considered.

**PMA OCCUPANCY**

#	Property Name	Occupancy Rate	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
1	Grier Senior Manor	100.0%	LIHTC/Mkt	Senior	Included	-	9.8 miles
2	Hampton Court	100.0%	LIHTC	Senior	Included	-	4.6 miles
3	Heritage at McDonough	100.0%	LIHTC	Senior	Included	-	9.3 miles
4	Shoal Creek Manor	100.0%	LIHTC	Senior	Included	-	13.5 miles
	<b>Average</b>	<b>100.0%</b>					

The previous table illustrates senior occupancy in the PMA. Occupancy is considered high. Therefore, we believe a PMA occupancy rate of 95 percent or higher is reasonable.

### **Rehab Developments and PBRA**

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

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

**Capture Rates**

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

Renter Household Income Distribution 2015 to Projected Market Entry December 2018						
Lovejoy Place						
PMA						
	2015		Projected Mkt Entry December 2018		Percent Growth	
	#	%	#	%		
\$0-9,999	862	13.7%	1,045	14.5%	17.5%	
\$10,000-19,999	1,573	24.9%	1,859	25.8%	15.4%	
\$20,000-29,999	891	14.1%	1,081	15.0%	17.6%	
\$30,000-39,999	881	14.0%	962	13.3%	8.5%	
\$40,000-49,999	580	9.2%	652	9.0%	11.0%	
\$50,000-59,999	479	7.6%	490	6.8%	2.4%	
\$60,000-74,999	351	5.6%	376	5.2%	6.8%	
\$75,000-99,999	275	4.4%	309	4.3%	11.0%	
\$100,000-124,999	203	3.2%	205	2.8%	1.0%	
\$125,000-149,999	69	1.1%	87	1.2%	21.1%	
\$150,000-199,999	108	1.7%	104	1.4%	-3.8%	
\$200,000+	35	0.6%	44	0.6%	20.8%	
Total	6,306	100.0%	7,215	100.0%	12.6%	

Renter Household Income Distribution Projected Market Entry December 2018			
Lovejoy Place			
	PMA		Change 2015 to Prj Mrkt Entry December 2018
	Projected Mkt Entry December 2018		
	#	%	#
\$0-9,999	1,045	14.5%	132
\$10,000-19,999	1,859	25.8%	234
\$20,000-29,999	1,081	15.0%	136
\$30,000-39,999	962	13.3%	121
\$40,000-49,999	652	9.0%	82
\$50,000-59,999	490	6.8%	62
\$60,000-74,999	376	5.2%	47
\$75,000-99,999	309	4.3%	39
\$100,000-124,999	205	2.8%	26
\$125,000-149,999	87	1.2%	11
\$150,000-199,999	104	1.4%	13
\$200,000+	44	0.6%	6
Total	7,215	100.0%	909

Tenure Prj Mrkt Entry December 2018	
Renter	22.1%
Owner	77.9%
Total	100.0%

Renter Household Size for Prj Mrkt Entry December 2018		
Size	Number	Percentage
1 Person	3,140	43.5%
2 Person	2,245	31.1%
3 Person	673	9.3%
4 Person	406	5.6%
5+ Person	752	10.4%
Total	7,215	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	3,622	25.8%
2 Person	3,493	24.8%
3 Person	2,848	20.2%
4 Person	2,293	16.3%
5+ Person	1,808	12.9%
Total	14,064	100.0%

50% AMI

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

Percent of AMI Level		50%				
Minimum Income Limit		\$18,390				
Maximum Income Limit		\$27,300		2		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry December 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	\$0-9,999	131.67				14.5%
\$10,000-19,999	234.16	25.8%	1,609	16.1%	38	
\$20,000-29,999	136.21	15.0%	7,300	73.0%	99	
\$30,000-39,999	121.23	13.3%		0.0%	0	
\$40,000-49,999	82.10	9.0%		0.0%	0	
\$50,000-59,999	61.75	6.8%		0.0%	0	
\$60,000-74,999	47.38	5.2%		0.0%	0	
\$75,000-99,999	38.97	4.3%		0.0%	0	
\$100,000-124,999	25.87	2.8%		0.0%	0	
\$125,000-149,999	10.94	1.2%		0.0%	0	
\$150,000-199,999	13.09	1.4%		0.0%	0	
\$200,000+	5.54	0.6%		0.0%	0	
	909	100.0%			137	
Percent of renter households within limits versus total number of renter households					15.09%	

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

Percent of AMI Level		50%				
Minimum Income Limit		\$18,390				
Maximum Income Limit		\$27,300		2		
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018		Income Brackets	Percent within Cohort	Households within Bracket	
	\$0-9,999	1,045				14.5%
\$10,000-19,999	1,859	25.8%	\$1,609	16.1%	299	
\$20,000-29,999	1,081	15.0%	\$7,300	73.0%	789	
\$30,000-39,999	962	13.3%		0.0%	0	
\$40,000-49,999	652	9.0%		0.0%	0	
\$50,000-59,999	490	6.8%		0.0%	0	
\$60,000-74,999	376	5.2%		0.0%	0	
\$75,000-99,999	309	4.3%		0.0%	0	
\$100,000-124,999	205	2.8%		0.0%	0	
\$125,000-149,999	87	1.2%		0.0%	0	
\$150,000-199,999	104	1.4%		0.0%	0	
\$200,000+	44	0.6%		0.0%	0	
	7,215	100.0%			1,089	
Percent of renter households within limits versus total number of renter households					15.09%	

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 December 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
Senior
Urban
40%
\$48,861
\$52,571
\$3,710
7.6%
1.3%
1.3%
Two year adjustment
1.0000
\$27,300
\$27,300
2
50%
\$613
\$613.00

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 December 2018

Income Target Population		50%
New Renter Households PMA		909
Percent Income Qualified		15.1%
New Renter Income Qualified Households		137

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		7,215
Income Qualified		15.1%
Income Qualified Renter Households		1,089
Percent Rent Overburdened Prj Mrkt Entry December 2018		29.3%
Rent Overburdened Households		319

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,089
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		6

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		25402
Rural Versus Urban	0.02%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		329
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		329
Total New Demand		137
Total Demand (New Plus Existing Households)		467

Demand from Seniors Who Convert from Homeownership		5
Percent of Total Demand From Homeownership Conversion		1.1%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	43.5%	203
Two Persons	31.1%	145
Three Persons	9.3%	44
Four Persons	5.6%	26
Five Persons	10.4%	49
Total	100.0%	467

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	183
Of two-person households in 1BR units	20%	29
Of one-person households in 2BR units	10%	20
Of two-person households in 2BR units	80%	116
Of three-person households in 2BR units	60%	26
Of three-person households in 3BR units	40%	17
Of four-person households in 3BR units	80%	21
Of five-person households in 3BR units	70%	34
Of four-person households in 4BR units	20%	5
Of five-person households in 4BR units	30%	15
Total Demand		467
Check		OK

Total Demand by Bedroom		50%
1 BR		212
2 BR		137
Total Demand		349

Additions To Supply 2015 to Prj Mrkt Entry December 2018		50%
1 BR		4
2 BR		9
Total		13

Net Demand		50%
1 BR		208
2 BR		128
Total		336

Net Demand		50%
1 BR		208
2 BR		128
Total		336

Developer's Unit Mix		50%
1 BR		11
2 BR		4
Total		15

Capture Rate Analysis		50%
1 BR		5.3%
2 BR		3.1%
Total		4.5%

60% AMI

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

Percent of AMI Level		60%	
Minimum Income Limit		\$21,300	
Maximum Income Limit		\$32,760	
		2	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry December 2018	Income Brackets	Renter Households within Bracket
\$0-9,999	131.67	14.5%	0
\$10,000-19,999	234.16	25.8%	0
\$20,000-29,999	136.21	15.0%	119
\$30,000-39,999	121.23	13.3%	33
\$40,000-49,999	82.10	9.0%	0
\$50,000-59,999	61.75	6.8%	0
\$60,000-74,999	47.38	5.2%	0
\$75,000-99,999	38.97	4.3%	0
\$100,000-124,999	25.87	2.8%	0
\$125,000-149,999	10.94	1.2%	0
\$150,000-199,999	13.09	1.4%	0
\$200,000+	5.54	0.6%	0
	909	100.0%	152
Percent of renter households within limits versus total number of renter households			16.72%

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

Percent of AMI Level		60%	
Minimum Income Limit		\$21,300	
Maximum Income Limit		\$32,760	
		2	
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018	Income Brackets	Households within Bracket
\$0-9,999	1,045	14.5%	0
\$10,000-19,999	1,859	25.8%	0
\$20,000-29,999	1,081	15.0%	941
\$30,000-39,999	962	13.3%	266
\$40,000-49,999	652	9.0%	0
\$50,000-59,999	490	6.8%	0
\$60,000-74,999	376	5.2%	0
\$75,000-99,999	309	4.3%	0
\$100,000-124,999	205	2.8%	0
\$125,000-149,999	87	1.2%	0
\$150,000-199,999	104	1.4%	0
\$200,000+	44	0.6%	0
	7,215	100.0%	1,206
Percent of renter households within limits versus total number of renter households			16.72%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Senior
Location of Subject (Rural versus Urban)	Urban
Percent of Income for Housing	40%
2000 Median Income	\$48,861
2015 Median Income	\$52,571
Change from 2015 to Prj Mrkt Entry December 2018	\$3,710
Total Percent Change	7.6%
Average Annual Change	1.3%
Inflation Rate	1.3%
Maximum Allowable Income	\$32,760
Maximum Allowable Income Inflation Adjusted	\$32,760
Maximum Number of Occupants	2
Rent Income Categories	60%
Initial Gross Rent for Smallest Unit	\$710
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$710.00
	Two year adjustment
	1.0000

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 December 2018

Income Target Population		60%
New Renter Households PMA		909
Percent Income Qualified		16.7%
New Renter Income Qualified Households		152

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		7,215
Income Qualified		16.7%
Income Qualified Renter Households		1,206
Percent Rent Overburdened Prj Mrkt Entry December 2018		29.3%
Rent Overburdened Households		353

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,206
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		6

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		25402
Rural Versus Urban	0.02%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		365
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		365
Total New Demand		152
Total Demand (New Plus Existing Households)		517

Demand from Seniors Who Convert from Homeownership		5
Percent of Total Demand From Homeownership Conversion		1.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	43.5%	225
Two Persons	31.1%	161
Three Persons	9.3%	48
Four Persons	5.6%	29
Five Persons	10.4%	54
Total	100.0%	517

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	202
Of two-person households in 1BR units	20%	32
Of one-person households in 2BR units	10%	22
Of two-person households in 2BR units	80%	129
Of three-person households in 2BR units	60%	29
Of three-person households in 3BR units	40%	19
Of four-person households in 3BR units	80%	23
Of five-person households in 3BR units	70%	38
Of four-person households in 4BR units	20%	6
Of five-person households in 4BR units	30%	16
Total Demand		517
Check		OK

Total Demand by Bedroom		60%
1 BR		235
2 BR		151
Total Demand		386

Additions To Supply 2015 to Prj Mrkt Entry December 2018		60%
1 BR		16
2 BR		31
Total		47

Net Demand		60%
1 BR		219
2 BR		120
Total		339

Net Demand		60%
1 BR		219
2 BR		120
Total		339

Developer's Unit Mix		60%
1 BR		33
2 BR		9
Total		42

Capture Rate Analysis		60%
1 BR		15.1%
2 BR		7.5%
Total		12.4%

## Market Rate

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

Percent of AMI Level			Market Rate		
Minimum Income Limit			\$19,410		
Maximum Income Limit			\$75,000 2		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry December 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	131.67	14.5%		0.0%	0
\$10,000-19,999	234.16	25.8%	\$89	5.9%	14
\$20,000-29,999	136.21	15.0%	\$9,999	100.0%	136
\$30,000-39,999	121.23	13.3%	\$9,999	100.0%	121
\$40,000-49,999	82.10	9.0%	\$9,999	100.0%	82
\$50,000-59,999	61.75	6.8%	\$9,999	100.0%	62
\$60,000-74,999	47.38	5.2%	\$14,999	100.0%	47
\$75,000-99,999	38.97	4.3%		0.0%	0
\$100,000-124,999	25.87	2.8%		0.0%	0
\$125,000-149,999	10.94	1.2%		0.0%	0
\$150,000-199,999	13.09	1.4%		0.0%	0
\$200,000+	5.54	0.6%		0.0%	0
	909	100.0%			462
Percent of renter households within limits versus total number of renter households					50.88%

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

Percent of AMI Level			Market Rate		
Minimum Income Limit			\$19,410		
Maximum Income Limit			\$75,000 2		
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	1,045	14.5%		0.0%	0
\$10,000-19,999	1,859	25.8%	\$589	5.9%	109
\$20,000-29,999	1,081	15.0%	\$9,999	100.0%	1,081
\$30,000-39,999	962	13.3%	\$9,999	100.0%	962
\$40,000-49,999	652	9.0%	\$9,999	100.0%	652
\$50,000-59,999	490	6.8%	\$9,999	100.0%	490
\$60,000-74,999	376	5.2%	\$14,999	100.0%	376
\$75,000-99,999	309	4.3%		0.0%	0
\$100,000-124,999	205	2.8%		0.0%	0
\$125,000-149,999	87	1.2%		0.0%	0
\$150,000-199,999	104	1.4%		0.0%	0
\$200,000+	44	0.6%		0.0%	0
	7,215	100.0%			3,671
Percent of renter households within limits versus total number of renter households					50.88%

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 July 2015

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
Senior
Urban
40%
\$48,861
\$52,571
\$3,710
7.6%
1.3%
1.3%
\$75,000
\$75,000
\$2
Market Rate
\$647
\$647.00

Two year adjustment 1.0000

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 December 2018

	Market Rate
Income Target Population	
New Renter Households PMA	909
Percent Income Qualified	50.9%
New Renter Income Qualified Households	462

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	7,215
Income Qualified	50.9%
Income Qualified Renter Households	3,671
Percent Rent Overburdened Prj Mrkt Entry December 2018	29.3%
Rent Overburdened Households	1076

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,671
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	19

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

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	25402
Rural Versus Urban	0.02%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households		1,099
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1099
Total New Demand		462
Total Demand (New Plus Existing Households)		1,562

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.3%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	43.5%	680
Two Persons	31.1%	486
Three Persons	9.3%	146
Four Persons	5.6%	88
Five Persons	10.4%	163
Total	100.0%	1,562

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	612
Of two-person households in 1BR units	20%	97
Of one-person households in 2BR units	10%	68
Of two-person households in 2BR units	80%	389
Of three-person households in 2BR units	60%	87
Of three-person households in 3BR units	40%	58
Of four-person households in 3BR units	80%	70
Of five-person households in 3BR units	70%	114
Of four-person households in 4BR units	20%	18
Of five-person households in 4BR units	30%	49
Total Demand		1,562
Check		OK

Total Demand by Bedroom	Market Rate
1 BR	709
2 BR	457
Total Demand	1,166

Additions To Supply 2015 to Prj Mrkt Entry December 2018	Market Rate
1 BR	0
2 BR	0
Total	0

Net Demand	Market Rate
1 BR	709
2 BR	457
Total	1,166

Net Demand	Market Rate
1 BR	709
2 BR	457
Total	1,166

Developer's Unit Mix	Market Rate
1 BR	10
2 BR	5
Total	15

Capture Rate Analysis	Market Rate
1 BR	1.4%
2 BR	1.1%
Total	1.3%

All Affordable

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

Percent of AMI Level			Overall - Affordable		
Minimum Income Limit			\$18,390		
Maximum Income Limit			\$32,760		
New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry December 2018			Renter Households within Bracket		
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	131.67	14.5%		0.0%	0
\$10,000-19,999	234.16	25.8%	1,609	16.1%	38
\$20,000-29,999	136.21	15.0%	9,999	100.0%	136
\$30,000-39,999	121.23	13.3%	2,760	27.6%	33
\$40,000-49,999	82.10	9.0%		0.0%	0
\$50,000-59,999	61.75	6.8%		0.0%	0
\$60,000-74,999	47.38	5.2%		0.0%	0
\$75,000-99,999	38.97	4.3%		0.0%	0
\$100,000-124,999	25.87	2.8%		0.0%	0
\$125,000-149,999	10.94	1.2%		0.0%	0
\$150,000-199,999	13.09	1.4%		0.0%	0
\$200,000+	5.54	0.6%		0.0%	0
	909	100.0%			207
Percent of renter households within limits versus total number of renter households					22.81%

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

Percent of AMI Level			Overall - Affordable		
Minimum Income Limit			\$18,390		
Maximum Income Limit			\$32,760		
Total Renter Households PMA Prj Mrkt Entry December 2018			Households within Bracket		
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	1,045	14.5%		0.0%	0
\$10,000-19,999	1,859	25.8%	\$1,609	16.1%	299
\$20,000-29,999	1,081	15.0%	\$9,999	100.0%	1,081
\$30,000-39,999	962	13.3%	\$2,760	27.6%	266
\$40,000-49,999	652	9.0%		0.0%	0
\$50,000-59,999	490	6.8%		0.0%	0
\$60,000-74,999	376	5.2%		0.0%	0
\$75,000-99,999	309	4.3%		0.0%	0
\$100,000-124,999	205	2.8%		0.0%	0
\$125,000-149,999	87	1.2%		0.0%	0
\$150,000-199,999	104	1.4%		0.0%	0
\$200,000+	44	0.6%		0.0%	0
	7,215	100.0%			1,646
Percent of renter households within limits versus total number of renter households					22.81%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Senior
Location of Subject (Rural versus Urban)	Urban
Percent of Income for Housing	40%
2000 Median Income	\$48,861
2015 Median Income	\$52,571
Change from 2015 to Prj Mrkt Entry December 2018	\$3,710
Total Percent Change	7.6%
Average Annual Change	1.3%
Inflation Rate	1.3%
Maximum Allowable Income	\$32,760
Maximum Allowable Income Inflation Adjusted	\$32,760
Maximum Number of Occupants	2
Rent Income Categories	Overall - Affordable
Initial Gross Rent for Smallest Unit	\$613
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$613.00
	Two year adjustment 1.0000

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 December 2018

Income Target Population	Overall - Affordable
New Renter Households PMA	909
Percent Income Qualified	22.8%
New Renter Income Qualified Households	207

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population	Overall - Affordable
Total Existing Demand	7,215
Income Qualified	22.8%
Income Qualified Renter Households	1,646
Percent Rent Overburdened Prj Mrkt Entry December 2018	29.3%
Rent Overburdened Households	482

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,646
Percent Living in Substandard Housing	0.5%
Households Living in Substandard Housing	8

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

Senior Households Converting from Homeownership

Income Target Population	Overall - Affordable
Total Senior Homeowners	25402
Rural Versus Urban	0.02%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households		496
Adjustment Factor - Leakage from SMA (use 115% for DCA)	100%	0
Adjusted Demand from Existing Households		496
Total New Demand		207
Total Demand (New Plus Existing Households)		703

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	0.7%
Is this Demand Over 2.0 percent of Total Demand?	No

By Bedroom Demand

One Person	43.5%	306
Two Persons	31.1%	219
Three Persons	9.3%	66
Four Persons	5.6%	40
Five Persons	10.4%	73
Total	100.0%	703

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	275
Of two-person households in 1BR units	20%	44
Of one-person households in 2BR units	10%	31
Of two-person households in 2BR units	80%	175
Of three-person households in 2BR units	60%	39
Of three-person households in 3BR units	40%	26
Of four-person households in 3BR units	80%	32
Of five-person households in 3BR units	70%	51
Of four-person households in 4BR units	20%	8
Of five-person households in 4BR units	30%	22
Total Demand		703
Check		OK

Total Demand by Bedroom	Overall - Affordable
1 BR	319
2 BR	206
Total Demand	525

Additions To Supply 2015 to Prj Mrkt Entry December 2018	Overall - Affordable
1 BR	20
2 BR	40
Total	60

Net Demand	Overall - Affordable
1 BR	299
2 BR	166
Total	465

Net Demand	Overall - Affordable
1 BR	299
2 BR	166
Total	465

Developer's Unit Mix	Overall - Affordable
1 BR	44
2 BR	13
Total	57

Capture Rate Analysis	Overall - Affordable
1 BR	14.7%
2 BR	7.9%
Total	12.3%

## Conclusions

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

- The number of senior households in the PMA is expected to increase 19.1 percent 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 Type	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR @ 50% AMI	11	212	4	208	5.3%	3 months	\$700	\$488-\$858	\$465
2BR @ 50% AMI	4	137	9	128	3.1%	3 months	\$812	\$480-\$1,029	\$545
<b>50% AMI Overall</b>	<b>15</b>	<b>349</b>	<b>13</b>	<b>336</b>	<b>4.5%</b>	<b>3 months</b>	<b>\$700-\$812</b>	<b>\$488-\$1,029</b>	<b>\$465-\$545</b>
1BR @ 60% AMI	33	235	16	219	15.1%	3 months	\$709	\$506-\$858	\$562
2BR @ 60% AMI	9	151	31	120	7.5%	3 months	\$830	\$480-\$1,029	\$669
<b>60% AMI Overall</b>	<b>42</b>	<b>386</b>	<b>47</b>	<b>339</b>	<b>12.4%</b>	<b>3 months</b>	<b>\$709-\$830</b>	<b>\$506-\$1,029</b>	<b>\$562-\$669</b>
1BR @ Market	10	709	0	709	1.4%	3 months	\$739	\$548-\$858	\$647
2BR @ Market	5	457	0	457	1.1%	3 months	\$880	\$639-\$1,029	\$770
<b>Market Overall</b>	<b>15</b>	<b>1,166</b>	<b>0</b>	<b>1,166</b>	<b>1.3%</b>	<b>3 months</b>	<b>\$739-\$880</b>	<b>\$548-\$1,029</b>	<b>\$647-\$770</b>
<b>Affordable Overall</b>	<b>57</b>	<b>525</b>	<b>60</b>	<b>465</b>	<b>12.3%</b>	<b>3 months</b>	<b>\$700-\$830</b>	<b>\$488-\$1,029</b>	<b>\$465-\$669</b>

## Demand and Net Demand

	HH at 50% AMI (\$18,390 to \$27,300)	HH at 60% AMI (\$21,300 to \$32,760)	HH at Market Rate (\$19,410 to \$75,000)	All Tax Credit Households (\$18,390 to \$32,760)
Demand from New Households (age and income appropriate)	137	152	462	207
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	6	6	19	8
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	319	353	1,076	482
<b>PLUS</b>	+	+	+	+
<b>Secondary Market Demand adjustment IF ANY Subject to 15% Limitation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub Total</b>	<b>462</b>	<b>511</b>	<b>1,557</b>	<b>698</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	5	5	5	5
<b>Equals Total Demand</b>	<b>467</b>	<b>517</b>	<b>1,562</b>	<b>703</b>
<b>Less</b>	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	13	47	0	60
<b>Equals Net Demand</b>	<b>454</b>	<b>470</b>	<b>1,562</b>	<b>643</b>

As the analysis illustrates, the Subject's capture rates range from 1.1 to 15.1 percent, with an overall capture rate of 12.3 percent for the affordable units. 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 12 “true” comparable properties containing 2,196 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.

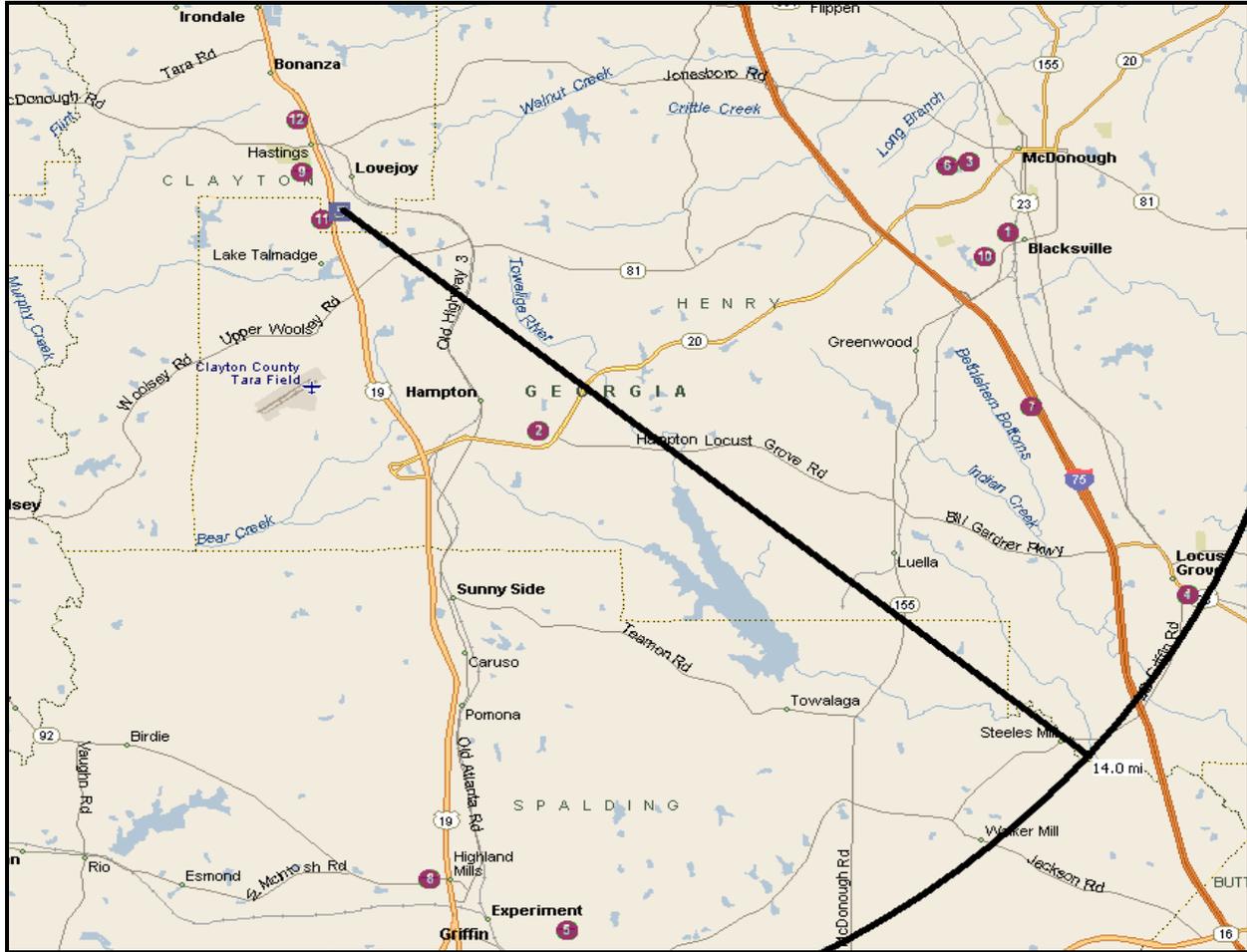
The availability of senior LIHTC data is considered good. We have included four senior LIHTC properties, all of which are located in the PMA. One of the four senior LIHTC comparables also offers unrestricted market rate units. Additionally, we have included one family LIHTC/market rate comparable located 12.3 miles from the Subject site and within the PMA. St. Phillip Villas offers one and two-bedroom 50 percent, 60 percent, and market rate units, similar to the proposed Subject. Therefore, it has been included as a comparable. Due to the availability of senior LIHTC data, we have excluded most of the family LIHTC properties in the PMA. Senior market rate data was very limited; therefore, we have included seven conventional family properties located in the PMA. The market rate comparables were constructed between 1986 and 2009. Overall, the availability of LIHTC and market rate data is considered adequate to support our conclusions.

## Excluded Properties

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

EXCLUDED PROPERTIES IN PMA				
Name	City	Type	Tenancy	Reason for Exclusion
Pointe South Apartments	Jonesboro	Market	Family	Tenancy, dissimilar design
Brooks Crossing	Riverdale	Market	Family	Tenancy, several closer properties
Flint River Crossing	Jonesboro	Market	Family	Tenancy, unit mix, several closer properties
Pinebrooke Apartments	Riverdale	LIHTC	Family	Tenancy, dissimilar design, unit mix, several closer properties
Harmony Crossroads	Jonesboro	Market	Family	Tenancy, several closer properties
Colonial Village at Stockbridge	Stockbridge	Market	Family	Tenancy, inferior age/condition
Audubon Hills	Stockbridge	Market	Family	Tenancy, inferior age/condition
Stonegate at Eagle's Landing	Stockbridge	Market	Family	Tenancy, several closer comparables
Carrington Ridge	Stockbridge	Market	Family	Tenancy, several closer comparables
Bristol Green at Eagle's Landing	Stockbridge	Market	Family	Tenancy, several closer properties
Ashley Woods Apartments	Stockbridge	LIHTC	Family	Tenancy, several closer properties
The Abbey at Eagle's Landing	Stockbridge	Market	Family	Tenancy, several closer properties
North Park at Eagle's Landing	Stockbridge	Market	Family	Tenancy, several closer properties
Echelon Park Apartments	McDonough	Market	Family	Tenancy, several closer properties
Sundance Creek	McDonough	Market	Family	Tenancy, dissimilar design
Meadowlark Apartments	McDonough	Market	Family	Tenancy, inferior age/condition
Sable Chase Apartments	McDonough	LIHTC	Family	Tenancy, inferior age/condition
Bridge Mill	McDonough	Market	Family	Tenancy, inferior age/condition
Carrington Green	McDonough	Market	Family	Tenancy, several closer properties

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Tenancy	Type	Distance
1	Grier Senior Manor	McDonough	Senior	LIHTC/Market	9.8 miles
2	Hampton Court	Hampton	Senior	LIHTC	4.6 miles
3	Heritage At McDonough	McDonough	Senior	LIHTC	9.3 miles
4	Shoal Creek Manor	Locust Grove	Senior	LIHTC	13.5 miles
5	St. Phillip Villas	Griffin	Family	LIHTC/Market	12.3 miles
6	Amber Chase Apartments	McDonough	Family	Market	8.4 miles
7	Eagle's Brooke	Locust Grove	Family	Market	10.5 miles
8	Griffin Crossing Apartments	Griffin	Family	Market	10.8 miles
9	Lakeside Villas	Hampton	Family	Market	0.8 miles
10	The Crossing At McDonough	McDonough	Family	Market	9.3 miles
11	Villas At Hampton	Hampton	Family	Market	0.1 miles
12	Walden Landing	Hampton	Family	Market	1.65 miles

1. The tables on the following pages 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	Max	Wait	Units Vacant	Vacancy Rate
										(SF)	Rent?	List?		
Subject	Lovejoy Place S/w Corner Talmadge Rd At Tara Blvd Lovejoy, GA 30228 Clayton County	n/a	Various (age-restricted) Proposed / n/a	@50%, @60%, Market	1BR / 1BA (Lowrise)	11	15.30%	@50%	\$465	750	no		N/A	N/A
					1BR / 1BA (Lowrise)	33	45.80%	@60%	\$562	750	no		N/A	N/A
					1BR / 1BA (Lowrise)	10	13.90%	Market	\$647	750	n/a		N/A	N/A
					2BR / 2BA (Lowrise)	2	2.80%	@50%	\$545	950	no		N/A	N/A
					2BR / 2BA (Lowrise)	3	4.20%	@60%	\$669	950	no		N/A	N/A
					2BR / 2BA (Lowrise)	1	1.40%	Market	\$770	950	n/a		N/A	N/A
					2BR / 2BA (One-story)	2	2.80%	@50%	\$545	1,050	no		N/A	N/A
					2BR / 2BA (One-story)	6	8.30%	@60%	\$669	1,050	no		N/A	N/A
					2BR / 2BA (One-story)	4	5.60%	Market	\$770	1,050	n/a		N/A	N/A
										72	100%			
1	Grier Senior Manor 391 Old Griffin Rd Mcdonough, GA 30253 Henry County	9.8 miles	Lowrise (age-restricted) (2 stories) 2005 / n/a	@30%, @50%, @60%, Market	1BR / 1BA	3	4.70%	@30%	\$284	657	no	Yes	N/A	N/A
					1BR / 1BA	16	25.00%	@50%	\$488	657	no	Yes	N/A	N/A
					1BR / 1BA	5	7.80%	@60%	\$506	657	no	Yes	N/A	N/A
					1BR / 1BA	8	12.50%	Market	\$675	657	n/a	No	N/A	N/A
					2BR / 2BA	3	4.70%	@30%	\$333	900	no	Yes	N/A	N/A
					2BR / 2BA	16	25.00%	@50%	\$633	900	no	Yes	N/A	N/A
					2BR / 2BA	5	7.80%	@60%	\$695	900	no	Yes	N/A	N/A
					2BR / 2BA	8	12.50%	Market	\$745	900	n/a	No	N/A	N/A
					64	100%						0	0.00%	
2	Hampton Court 100 South Hampton Rd Hampton, GA 30228 Henry County	4.6 miles	Garden (age-restricted) (2 stories) 2014 / n/a	@50%, @60%	2BR / 2BA	9	15.00%	@50%	\$480	1,200	no	Yes	0	0.00%
					2BR / 2BA	51	85.00%	@60%	\$480	1,200	no	Yes	0	0.00%
						60	100%						0	0.00%
3	Heritage At Mcdonough 180 Bridges Rd Mcdonough, GA 30253 Henry County County	9.3 miles	Lowrise (age-restricted) 2011 / n/a	@50%, @60%	1BR / 1BA	N/A	N/A	@50%	\$518	722	yes	Yes	0	N/A
					1BR / 1BA	N/A	N/A	@60%	\$648	722	yes	Yes	0	N/A
					2BR / 2BA	N/A	N/A	@50%	\$610	1,103	yes	Yes	0	N/A
					2BR / 2BA	N/A	N/A	@60%	\$766	1,103	yes	Yes	0	N/A
						105	100%						0	0.00%
4	Shoal Creek Manor 120 LG Griffin Road Locust Grove, GA 30248 Henry County	13.5 miles	Midrise (age-restricted) (4 stories) 2011 / n/a	@50%, @60%	2BR / 2BA	14	21.20%	@50%	\$576	1,008	yes	Yes	0	0.00%
					2BR / 2BA	52	78.80%	@60%	\$732	1,008	yes	Yes	0	0.00%
						66	100%						0	0.00%
5	St. Phillip Villas 829 N Hill Street Griffin, GA 30223 Spalding County	12.3 miles	Garden (2 stories) 2002 / n/a	@50%, @60%, Market	1BR / 1BA	4	6.70%	@50%	\$513	975	no	Yes	0	0.00%
					1BR / 1BA	4	6.70%	@60%	\$518	975	no	Yes	0	0.00%
					1BR / 1BA	4	6.70%	Market	\$548	975	n/a	Yes	0	0.00%
					2BR / 2BA	12	20.00%	@50%	\$594	1,175	no	Yes	1	8.30%
					2BR / 2BA	20	33.30%	@60%	\$634	1,175	no	Yes	0	0.00%
					2BR / 2BA	4	6.70%	Market	\$639	1,175	n/a	Yes	0	0.00%
					3BR / 2BA	4	6.70%	@50%	\$685	1,350	no	Yes	0	0.00%
					3BR / 2BA	4	6.70%	@60%	\$705	1,350	no	Yes	0	0.00%
					3BR / 2BA	4	6.70%	Market	\$715	1,350	n/a	Yes	0	0.00%
						60	100%						1	1.70%
6	Amber Chase Apartments 570 Mcdonough Parkway Mcdonough, GA 30253 Henry County	8.4 miles	Garden (2 stories) 1999 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$814	800	n/a	No	N/A	N/A
					2BR / 1BA	N/A	N/A	Market	\$862	1,117	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$937	1,157	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$952	1,190	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$997	1,223	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,117	1,332	n/a	No	N/A	N/A
						352	100%						9	2.60%
7	Eagle's Brooke 100 Malaga Way Locust Grove, GA 30248 Henry County	10.5 miles	Garden (3 stories) 2009 / n/a	Market	1BR / 1BA	120	48.40%	Market	\$847	955	n/a	No	10	8.30%
					2BR / 2BA	104	41.90%	Market	\$964	1,265	n/a	No	4	3.80%
					3BR / 2BA	24	9.70%	Market	\$1,254	1,519	n/a	No	2	8.30%
						248	100%						16	6.50%
8	Griffin Crossing Apartments 1597 West McIntosh Road Griffin, GA 30223 Spalding County	10.8 miles	Garden (2 stories) 1986 / 2006	Market	1BR / 1BA	80	29.40%	Market	\$644	824	n/a	No	0	0.00%
					2BR / 2BA	168	61.80%	Market	\$812	944	n/a	No	2	1.20%
					3BR / 2BA	24	8.80%	Market	\$817	1,090	n/a	No	0	0.00%
	272	100%						2	0.70%					
9	Lakeside Villas 1992 Lovejoy Rd Hampton, GA 30228 Henry County	0.8 miles	Garden (3 stories) 2002 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$617	691	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$702	880	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$782	880	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$793	1,177	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$843	1,309	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$966	1,309	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$929	1,479	n/a	Yes	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,029	1,479	n/a	Yes	N/A	N/A
	250	100%						10	4.00%					
10	The Crossing At Mcdonough 100 Crossing Boulevard Mcdonough, GA 30253 Henry County	9.3 miles	Garden (3 stories) 2004 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$810	908	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$895	1,152	n/a	No	2	N/A
					3BR / 2BA	35	13.90%	Market	\$1,060	1,390	n/a	No	0	0.00%
	252	100%						2	0.80%					
11	Villas At Hampton 12227 Tara Blvd. Hampton, GA 30228 Henry County	0.1 miles	Garden (3 stories) 2000 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$713	691	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$793	880	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$858	880	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$864	1,177	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$929	1,309	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,029	1,309	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$975	1,460	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,050	1,460	n/a	No	0	N/A
	224	100%						4	1.80%					
12	Walden Landing 110115 Tara Blvd Hampton, GA 30228 Bibb County	1.65 miles	Midrise (4 stories) 2000 / n/a	Market	1BR / 1BA	92	37.90%	Market	\$732	824	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$752	909	n/a	No	N/A	N/A
					1.5BR / 1BA	N/A	N/A	Market	\$797	1,094	n/a	No	N/A	N/A
					2BR / 2BA	108	44.40%	Market	\$852	1,166	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$882	1,261	n/a	No	N/A	N/A
					3BR / 2BA	43	17.70%	Market	\$942	1,403	n/a	Yes-5 HH	N/A	N/A
	243	100%						4	1.60%					



# PROPERTY PROFILE REPORT

## Grier Senior Manor

<b>Effective Rent Date</b>	4/25/2016
<b>Location</b>	391 Old Griffin Rd Mcdonough, GA 30253 Henry County
<b>Distance</b>	9.8 miles
<b>Units</b>	64
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Lowrise (age-restricted) (2 stories)
<b>Year Built/Renovated</b>	2005 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None
<b>Tenant Characteristics</b>	Seniors 55+; 20 percent previous homeowners; average age is 68; almost all are retired
<b>Contact Name</b>	Dianne
<b>Phone</b>	770.288.2311



### Market Information

<b>Program</b>	@30%, @50%, @54%, Market
<b>Annual Turnover Rate</b>	5%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	2%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	N/A
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	3	657	\$284	\$0	@30%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	16	657	\$529	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	5	657	\$581	\$0	@54%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	8	657	\$660	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (2 stories)	3	900	\$322	\$0	@30%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	16	900	\$622	\$0	@50%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	5	900	\$684	\$0	@54%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	8	900	\$745	\$0	Market	No	N/A	N/A	N/A	None

## Grier Senior Manor, continued

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$284	\$0	\$284	\$0	\$284	1BR / 1BA	\$529	\$0	\$529	\$0	\$529
2BR / 2BA	\$322	\$0	\$322	\$0	\$322	2BR / 2BA	\$622	\$0	\$622	\$0	\$622
@54%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$581	\$0	\$581	\$0	\$581	1BR / 1BA	\$660	\$0	\$660	\$0	\$660
2BR / 2BA	\$684	\$0	\$684	\$0	\$684	2BR / 2BA	\$745	\$0	\$745	\$0	\$745

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Hand Rails  
 Pull Cords  
 Washer/Dryer hookup

Blinds  
 Central A/C  
 Oven  
 Refrigerator

#### Security

Limited Access  
 Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
 Elevators  
 Central Laundry  
 On-Site Management

#### Premium

None

#### Other

None

### Comments

Management reported that there is a significant need for additional senior LIHTC units in the local market and estimated that the market can support approximately 150 to 200 additional senior LIHTC units. Turnover at the property is low and management reported that vacancies are pre-leased from the waiting list as soon as notice is given by a tenant. The 50 percent AMI LIHTC rents increased 8 to 15 percent while all two-bedroom LIHTC units decreased by \$11 (two to three percent) due to a change in the utility allowance. Management noted that the property does not have 60 percent AMI units, as previously reported. The property's LIHTC units are set at the 30, 50, and 54 percent AMI levels.

# Grier Senior Manor, continued

## Trend Report

### Vacancy Rates

2Q11	2Q12	1Q15	2Q16
4.7%	4.7%	4.7%	0.0%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$280	\$0	\$280	\$280
2012	2	0.0%	\$299	\$0	\$299	\$299
2015	1	N/A	\$284	\$0	\$284	\$284
2016	2	N/A	\$284	\$0	\$284	\$284

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$324	\$0	\$324	\$324
2012	2	0.0%	\$345	\$0	\$345	\$345
2015	1	N/A	\$333	\$0	\$333	\$333
2016	2	N/A	\$322	\$0	\$322	\$322

### Trend: @54%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$581	\$0	\$581	\$581

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$684	\$0	\$684	\$684

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$552	\$0	\$552	\$552
2012	2	6.2%	\$540	\$0	\$540	\$540
2015	1	N/A	\$488	\$0	\$488	\$488
2016	2	N/A	\$529	\$0	\$529	\$529

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	6.2%	\$652	\$0	\$652	\$652
2012	2	0.0%	\$633	\$0	\$633	\$633
2015	1	N/A	\$633	\$0	\$633	\$633
2016	2	N/A	\$622	\$0	\$622	\$622

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$650	\$0	\$650	\$650
2012	2	0.0%	\$625	\$0	\$625	\$625
2015	1	N/A	\$675	\$0	\$675	\$675
2016	2	N/A	\$660	\$0	\$660	\$660

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	0.0%	\$754	\$0	\$754	\$754
2012	2	0.0%	\$725	\$0	\$725	\$725
2015	1	N/A	\$745	\$0	\$745	\$745
2016	2	N/A	\$745	\$0	\$745	\$745

## Trend: Comments

- 2Q11** Management indicated that the property is 97 percent leased. The property is usually 98 to 100 occupied, but recently had seniors go into nursing homes. Management believes there is sufficient demand in the McDonough areas to support a senior community and felt there was as much need for one and two bedroom units. Most tenants are from eastern Henry County such as Stockbridge and McDonough.
- 2Q12** Management indicated that the property is 100 percent leased. Management believes there is sufficient demand in the McDonough areas to support a senior community and felt there was as much need for one and two bedroom units. Most tenants are from eastern Henry County such as Stockbridge and McDonough. The waiting list currently has an estimated wait time of six months.
- 1Q15** Over the past year, rents for the affordable units decreased one to five percent while rents for market rate units increased one to three percent. Management would not comment on the decrease in rents for the affordable units. All three vacant units at the property are in the process of being filled from the waiting list.
- 2Q16** Management reported that there is a significant need for additional senior LIHTC units in the local market and estimated that the market can support approximately 150 to 200 additional senior LIHTC units. Turnover at the property is low and management reported that vacancies are pre-leased from the waiting list as soon as notice is given by a tenant. The 50 percent AMI LIHTC rents increased 8 to 15 percent while all two-bedroom LIHTC units decreased by \$11 (two to three percent) due to a change in the utility allowance. Management noted that the property does not have 60 percent AMI units, as previously reported. The property's LIHTC units are set at the 30, 50, and 54 percent AMI levels.

# PROPERTY PROFILE REPORT

## Hampton Court

<b>Effective Rent Date</b>	4/25/2016
<b>Location</b>	100 South Hampton Rd Hampton, GA 30228 Henry County
<b>Distance</b>	4.6 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (age-restricted) (2 stories)
<b>Year Built/Renovated</b>	2014 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Average age of 73; most are retired
<b>Contact Name</b>	Kim
<b>Phone</b>	770-707-0720



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	20
<b>HCV Tenants</b>	5%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increase of 3%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	9	1,200	\$480	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	51	1,200	\$480	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$480	\$0	\$480	\$0	\$480	2BR / 2BA	\$480	\$0	\$480	\$0	\$480

### Amenities

#### In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Dishwasher	Garbage Disposal
Hand Rails	Microwave
Oven	Pull Cords
Refrigerator	Washer/Dryer hookup

#### Security

Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab	Clubhouse/Meeting
Elevators	Exercise Facility
Central Laundry	Off-Street Parking
On-Site Management	Recreation Areas

#### Premium

None

#### Other

Community gardens

**Comments**

Management indicated that there is a significant need for additional senior LIHTC units in the local market and estimated that the market could likely support an additional 200 units. According to management, the property's waiting list contains several hundred households.

## Hampton Court, continued

### Trend Report

#### Vacancy Rates

2Q11	1Q15	2Q16
N/A	0.0%	0.0%

**Trend: @50%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$465	\$0	\$465	\$465
2015	1	0.0%	\$465	\$0	\$465	\$465
2016	2	0.0%	\$480	\$0	\$480	\$480

**Trend: @60%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$465	\$0	\$465	\$465
2015	1	0.0%	\$465	\$0	\$465	\$465
2016	2	0.0%	\$480	\$0	\$480	\$480

### Trend: Comments

- 2Q11** The Subject's proposed 50 and 60 percent AMI net rents are \$465 and the Subject's utility allowance will be \$192. Therefore, the Subject's gross rents will be \$657 per unit.
- 1Q15** The contact works in the front office and was unable to report the number of tenants using Housing Choice Vouchers. The waiting list for the property contains several hundred households.
- 2Q16** Management indicated that there is a significant need for additional senior LIHTC units in the local market and estimated that the market could likely support an additional 200 units. According to management, the property's waiting list contains several hundred households.

Photos



# PROPERTY PROFILE REPORT

## Heritage At McDonough

<b>Effective Rent Date</b>	4/28/2016
<b>Location</b>	180 Bridges Rd McDonough, GA 30253 Henry County County
<b>Distance</b>	9.3 miles
<b>Units</b>	105
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Lowrise (age-restricted)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None Identified
<b>Tenant Characteristics</b>	Average age of 72; 90% are retired; coming from Metro Atlanta as well as out of state
<b>Contact Name</b>	Vicki
<b>Phone</b>	678-604-8322



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	18
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	Immediately
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise	N/A	722	\$545	\$0	@50%	Yes	0	N/A	yes	None
1	1	Lowrise	N/A	722	\$675	\$0	@60%	Yes	0	N/A	yes	None
2	2	Lowrise	N/A	1,103	\$646	\$0	@50%	Yes	0	N/A	yes	None
2	2	Lowrise	N/A	1,103	\$802	\$0	@60%	Yes	0	N/A	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$545	\$0	\$545	-\$27	\$518	1BR / 1BA	\$675	\$0	\$675	-\$27	\$648
2BR / 2BA	\$646	\$0	\$646	-\$36	\$610	2BR / 2BA	\$802	\$0	\$802	-\$36	\$766

## Heritage At McDonough, continued

### Amenities

#### In-Unit

Balcony/Patio  
Exterior Storage  
Oven  
Walk-In Closet

Blinds  
Ceiling Fan  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access

#### Services

None

#### Property

Basketball Court  
Clubhouse/Meeting  
Exercise Facility  
On-Site Management  
Swimming Pool

Business Center/Computer Lab  
Elevators  
Off-Street Parking  
Recreation Areas  
Wi-Fi

#### Premium

Hairdresser / Barber

#### Other

ballroom, gardens

### Comments

Management reported that the local LIHTC housing market is strong and that there is a need for additional units targeting seniors within Henry County. Management reported that tenants are coming from within the Metro Atlanta areas as well as out of state. Those moving from out of state are typically moving to the area in order to be closer to family.

# Heritage At McDonough, continued

## Trend Report

### Vacancy Rates

1Q15                      2Q16  
0.0%                      0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$545	\$0	\$545	\$518
2016	2	N/A	\$545	\$0	\$545	\$518

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$646	\$0	\$646	\$610
2016	2	N/A	\$646	\$0	\$646	\$610

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$675	\$0	\$675	\$648
2016	2	N/A	\$675	\$0	\$675	\$648

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$802	\$0	\$802	\$766
2016	2	N/A	\$802	\$0	\$802	\$766

## Trend: Comments

**1Q15** Management was not certain of how many of each unit type existed or how many tenants currently use Housing Choice Vouchers, but stated that the total number of units were: 51 one-bedroom units in total, and 54 two-bedroom units in total. The waiting list consists of about five people for one-bedroom units, and five people for two bedroom units.

**2Q16** Management reported that the local LIHTC housing market is strong and that there is a need for additional units targeting seniors within Henry County. Management reported that tenants are coming from within the Metro Atlanta areas as well as out of state. Those moving from out of state are typically moving to the area in order to be closer to family.

Photos



# PROPERTY PROFILE REPORT

## Shoal Creek Manor

<b>Effective Rent Date</b>	4/25/2016
<b>Location</b>	120 LG Griffin Road Locust Grove, GA 30248 Henry County
<b>Distance</b>	13.5 miles
<b>Units</b>	66
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Midrise (age-restricted) (4 stories)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	60% previous homeowners; majority are retired; many have moved from out of state to be closer to family
<b>Contact Name</b>	Shanelle
<b>Phone</b>	678-759-1313



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	5%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	8%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increase of 3%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Midrise (4 stories)	14	1,008	\$576	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	52	1,008	\$732	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$576	\$0	\$576	\$0	\$576	2BR / 2BA	\$732	\$0	\$732	\$0	\$732

### Amenities

#### In-Unit

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

Blinds  
Central A/C  
Ceiling Fan  
Microwave  
Refrigerator

#### Security

Limited Access

#### Services

None

#### Property

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

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking

#### Premium

None

#### Other

Library, garden

## Shoal Creek Manor, continued

### Comments

The contact reported that the property typically remains fully occupied with a waiting list of approximately 6 months to one year. The contact reported a significant need for additional senior LIHTC units within Henry County.

## Shoal Creek Manor, continued

### Trend Report

#### Vacancy Rates

1Q15	2Q15	2Q16
1.5%	0.0%	0.0%

**Trend: @50%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$538	\$0	\$538	\$538
2015	2	N/A	\$538	\$0	\$538	\$538
2016	2	0.0%	\$576	\$0	\$576	\$576

**Trend: @60%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$634	\$0	\$634	\$634
2015	2	N/A	\$634	\$0	\$634	\$634
2016	2	0.0%	\$732	\$0	\$732	\$732

### Trend: Comments

- 1Q15** The property's waiting list is six months to a year in length. Management reported that the property does accept Housing Choice Vouchers but was unable to estimate the number of tenants using them.
- 2Q15** The property's waiting list is approximately two years.
- 2Q16** The contact reported that the property typically remains fully occupied with a waiting list of approximately 6 months to one year. The contact reported a significant need for additional senior LIHTC units within Henry County.

## Shoal Creek Manor, continued

### Photos



# PROPERTY PROFILE REPORT

## St. Phillip Villas

<b>Effective Rent Date</b>	4/22/2016
<b>Location</b>	829 N Hill Street Griffin, GA 30223 Spalding County
<b>Distance</b>	12.3 miles
<b>Units</b>	60
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.7%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2002 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Griffin Crossing, Pine Hill Apts, and Marian Point
<b>Tenant Characteristics</b>	Mixed local tenancy; a majority are older, approximately 25 percent over age 60.
<b>Contact Name</b>	Melinda
<b>Phone</b>	770.229.4008



### Market Information

<b>Program</b>	@50%, @60%, Market
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	18%
<b>Leasing Pace</b>	Within two weeks to two months
<b>Annual Chg. in Rent</b>	Two-bedrooms: Increased 1.5%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	975	\$540	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	975	\$545	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	975	\$575	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	12	1,175	\$630	\$0	@50%	Yes	1	8.3%	no	None
2	2	Garden (2 stories)	20	1,175	\$670	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	4	1,175	\$675	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	4	1,350	\$735	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,350	\$755	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,350	\$765	\$0	Market	Yes	0	0.0%	N/A	None

## St. Phillip Villas, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$540	\$0	\$540	-\$27	\$513	1BR / 1BA	\$545	\$0	\$545	-\$27	\$518
2BR / 2BA	\$630	\$0	\$630	-\$36	\$594	2BR / 2BA	\$670	\$0	\$670	-\$36	\$634
3BR / 2BA	\$735	\$0	\$735	-\$50	\$685	3BR / 2BA	\$755	\$0	\$755	-\$50	\$705

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$575	\$0	\$575	-\$27	\$548
2BR / 2BA	\$675	\$0	\$675	-\$36	\$639
3BR / 2BA	\$765	\$0	\$765	-\$50	\$715

### 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

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

#### Premium

None

#### Other

None

### Comments

The property manager reported that the property usually remains fully occupied. The one property vacancy is preleased. The property does maintain a waiting list, however, the contact didn't know how many households were on the list.

# St. Phillip Villas, continued

## Trend Report

### Vacancy Rates

2Q14	1Q15	2Q15	2Q16
5.0%	1.7%	0.0%	1.7%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$525	\$0	\$525	\$498
2015	1	0.0%	\$535	\$0	\$535	\$508
2015	2	0.0%	\$535	\$0	\$535	\$508
2016	2	0.0%	\$540	\$0	\$540	\$513

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	16.7%	\$625	\$0	\$625	\$589
2015	1	0.0%	\$625	\$0	\$625	\$589
2015	2	0.0%	\$625	\$0	\$625	\$589
2016	2	8.3%	\$630	\$0	\$630	\$594

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	25.0%	\$710	\$0	\$710	\$660
2015	1	25.0%	\$730	\$0	\$730	\$680
2015	2	0.0%	\$730	\$0	\$730	\$680
2016	2	0.0%	\$735	\$0	\$735	\$685

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$525	\$0	\$525	\$498
2015	1	0.0%	\$535	\$0	\$535	\$508
2015	2	0.0%	\$535	\$0	\$535	\$508
2016	2	0.0%	\$545	\$0	\$545	\$518

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$650	\$0	\$650	\$614
2015	1	0.0%	\$650	\$0	\$650	\$614
2015	2	0.0%	\$660	\$0	\$660	\$624
2016	2	0.0%	\$670	\$0	\$670	\$634

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$745	\$0	\$745	\$695
2015	1	0.0%	\$745	\$0	\$745	\$695
2015	2	0.0%	\$745	\$0	\$745	\$695
2016	2	0.0%	\$755	\$0	\$755	\$705

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$525	\$0	\$525	\$498
2015	1	0.0%	\$560	\$0	\$560	\$533
2015	2	0.0%	\$560	\$0	\$560	\$533
2016	2	0.0%	\$575	\$0	\$575	\$548

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$650	\$0	\$650	\$614
2015	1	0.0%	\$650	\$0	\$650	\$614
2015	2	0.0%	\$660	\$0	\$660	\$624
2016	2	0.0%	\$675	\$0	\$675	\$639

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$745	\$0	\$745	\$695
2015	1	0.0%	\$745	\$0	\$745	\$695
2015	2	0.0%	\$745	\$0	\$745	\$695
2016	2	0.0%	\$765	\$0	\$765	\$715

## St. Phillip Villas, continued

### Trend: Comments

2Q14	The vacant three-bedroom unit is preleased.
1Q15	N/A
2Q15	The property manager indicated that there is a significant share of seniors (more than 25 percent) residing at this property, despite its lack of an elevator to access upper floor units. The manager does not maintain a waiting list due to high renter traffic.
2Q16	The property manager reported that the property usually remains fully occupied. The one property vacancy is preleased. The property does maintain a waiting list, however, the contact didn't know how many households were on the list.

Photos



# PROPERTY PROFILE REPORT

## Amber Chase Apartments

<b>Effective Rent Date</b>	4/22/2016
<b>Location</b>	570 McDonough Parkway McDonough, GA 30253 Henry County
<b>Distance</b>	8.4 miles
<b>Units</b>	352
<b>Vacant Units</b>	9
<b>Vacancy Rate</b>	2.6%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Crossing at McDonough
<b>Tenant Characteristics</b>	Mostly families from the local area
<b>Contact Name</b>	Stephanie
<b>Phone</b>	678.432.0087



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	57%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	Increased 1.6 to 6.6%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	800	\$797	\$0	Market	No	N/A	N/A	N/A	AVG
2	1	Garden (2 stories)	N/A	1,117	\$845	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	N/A	1,157	\$920	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	N/A	1,190	\$935	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	N/A	1,223	\$980	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (2 stories)	N/A	1,332	\$1,100	\$0	Market	No	N/A	N/A	N/A	AVG

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$797	\$0	\$797	\$17	\$814
2BR / 1BA	\$845	\$0	\$845	\$17	\$862
2BR / 2BA	\$920 - \$980	\$0	\$920 - \$980	\$17	\$937 - \$997
3BR / 2BA	\$1,100	\$0	\$1,100	\$17	\$1,117

## Amber Chase Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Blinds  
Carpeting  
Coat Closet  
Exterior Storage  
Oven  
Walk-In Closet

#### Security

In-Unit Alarm  
Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Car Wash  
Exercise Facility  
Jacuzzi  
Off-Street Parking  
Picnic Area  
Swimming Pool  
Volleyball Court

Clubhouse/Meeting  
Garage  
Central Laundry  
On-Site Management  
Playground  
Tennis Court

#### Premium

View

#### Other

None

### Comments

The property contact reported that the property is at typical occupancy level. Typical occupancy remains between 93 and 95 percent.

# Amber Chase Apartments, continued

## Trend Report

### Vacancy Rates

3Q12	4Q12	1Q15	2Q16
8.0%	8.0%	9.1%	2.6%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$615	\$0	\$615	\$632
2012	4	N/A	\$615	\$0	\$615	\$632
2015	1	N/A	\$725 - \$750	\$0	\$725 - \$750	\$742 - \$767
2016	2	N/A	\$797	\$0	\$797	\$814

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$694	\$0	\$694	\$711
2012	4	N/A	\$694	\$0	\$694	\$711
2015	1	N/A	\$780	\$0	\$780	\$797
2016	2	N/A	\$845	\$0	\$845	\$862

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$760	\$0	\$760	\$777
2012	4	N/A	\$760	\$0	\$760	\$777
2015	1	N/A	\$825 - \$865	\$0	\$825 - \$865	\$842 - \$882
2016	2	N/A	\$920 - \$980	\$0	\$920 - \$980	\$937 - \$997

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$899	\$0	\$899	\$916
2012	4	N/A	\$899	\$0	\$899	\$916
2015	1	N/A	\$905 - \$979	\$0	\$905 - \$979	\$922 - \$996
2016	2	N/A	\$1,100	\$0	\$1,100	\$1,117

## Trend: Comments

**3Q12** The contact was unable to provide historical data as the property is under new management.

**4Q12** N/A

**1Q15** Management reported that the property is currently 91 percent occupied. She could not report why the property's occupancy rate is low but stated that the property has received heavy traffic over the past few months and many of the vacancies have been leased. Management also stated that some of the units have been upgraded. She could not report how many units have been renovated, when the renovations occurred, or what the renovations entailed. However, she did report that the renovated units are in the higher price range, while the units that have not undergone renovations are in the lower price range.

**2Q16** The property contact reported that the property is at typical occupancy level. Typical occupancy remains between 93 and 95 percent.

# PROPERTY PROFILE REPORT

## Eagle's Brooke

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	100 Malaga Way Locust Grove, GA 30248 Henry County
<b>Distance</b>	10.5 miles
<b>Units</b>	248
<b>Vacant Units</b>	16
<b>Vacancy Rate</b>	6.5%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy, less than 20% seniors, from the area
<b>Contact Name</b>	Rebecca
<b>Phone</b>	770-648-2385



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	40%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Two to three weeks
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	\$150 off the first month's rent

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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 (3 stories)	120	955	\$843	\$13	Market	No	10	8.3%	N/A	None
2	2	Garden (3 stories)	104	1,265	\$960	\$13	Market	No	4	3.8%	N/A	None
3	2	Garden (3 stories)	24	1,519	\$1,250	\$13	Market	No	2	8.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$843	\$13	\$830	\$17	\$847
2BR / 2BA	\$960	\$13	\$947	\$17	\$964
3BR / 2BA	\$1,250	\$13	\$1,237	\$17	\$1,254

## Eagle's Brooke, continued

### Amenities

**In-Unit**

Balcony/Patio  
Central A/C  
Ceiling Fan  
Microwave  
Refrigerator  
Walk-In Closet  
Washer/Dryer hookup

Blinds  
Dishwasher  
Fireplace  
Oven  
Vaulted Ceilings  
Washer/Dryer

**Security**

In-Unit Alarm  
Perimeter Fencing

**Services**

None

**Property**

Business Center/Computer Lab  
Courtyard  
Off-Street Parking  
Wi-Fi

Clubhouse/Meeting  
Exercise Facility  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The contacted reported that occupancy is a little lower than usual and management has recently lowered rent rates.

## Eagle's Brooke, continued

### Trend Report

#### Vacancy Rates

1Q15	2Q16
2.4%	6.5%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$751 - \$970	\$0	\$751 - \$970	\$768 - \$987
2016	2	8.3%	\$843	\$13	\$830	\$847

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.8%	\$880 - \$1,125	\$8	\$872 - \$1,117	\$889 - \$1,134
2016	2	3.8%	\$960	\$13	\$947	\$964

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.2%	\$1,160 - \$1,305	\$8	\$1,152 - \$1,297	\$1,169 - \$1,314
2016	2	8.3%	\$1,250	\$13	\$1,237	\$1,254

### Trend: Comments

1Q15 Management reported that turnover is due to tenants buying homes.

2Q16 The contacted reported that occupancy is a little lower than usual and management has recently lowered rent rates.

# PROPERTY PROFILE REPORT

## Griffin Crossing Apartments

**Effective Rent Date** 4/22/2016  
**Location** 1597 West McIntosh Road  
 Griffin, GA 30223  
 Spalding County  
**Distance** 10.8 miles  
**Units** 272  
**Vacant Units** 2  
**Vacancy Rate** 0.7%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 1986 / 2006  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Walden Point and Ashford Place  
**Tenant Characteristics** Mixed local tenancy.  
**Contact Name** Irene  
**Phone** 770.228.6994



### Market Information

**Program** Market  
**Annual Turnover Rate** 36%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within one month  
**Annual Chg. in Rent** No change  
**Concession** None

### Utilities

**A/C** not included -- central  
**Cooking** not included -- gas  
**Water Heat** not included -- gas  
**Heat** not included -- gas  
**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)	80	824	\$627	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	168	944	\$795	\$0	Market	No	2	1.2%	N/A	None
3	2	Garden (2 stories)	24	1,090	\$800	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$627	\$0	\$627	\$17	\$644
2BR / 2BA	\$795	\$0	\$795	\$17	\$812
3BR / 2BA	\$800	\$0	\$800	\$17	\$817

## Griffin Crossing Apartments, continued

### Amenities

#### In-Unit

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

Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

#### Security

In-Unit Alarm  
Intercom (Phone)  
Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
Exercise Facility  
On-Site Management  
Playground

Clubhouse/Meeting  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

The property does not accept Housing Choice Vouchers. The contact reported that the property typically remains between 99 and 100 percent occupancy.

# Griffin Crossing Apartments, continued

## Trend Report

### Vacancy Rates

1Q14	2Q14	2Q15	2Q16
16.5%	4.0%	0.7%	0.7%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	\$540 - \$899	\$0	\$540 - \$899	\$557 - \$916
2014	2	N/A	\$547 - \$657	\$0	\$547 - \$657	\$564 - \$674
2015	2	0.0%	\$602 - \$645	\$0	\$602 - \$645	\$619 - \$662
2016	2	0.0%	\$627	\$0	\$627	\$644

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	\$407 - \$488	\$0	\$407 - \$488	\$424 - \$505
2014	2	N/A	\$629 - \$810	\$0	\$629 - \$810	\$646 - \$827
2015	2	1.2%	\$684 - \$785	\$0	\$684 - \$785	\$701 - \$802
2016	2	1.2%	\$795	\$0	\$795	\$812

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	1	N/A	\$574 - \$1,012	\$0	\$574 - \$1,012	\$591 - \$1,029
2014	2	N/A	\$743 - \$880	\$0	\$743 - \$880	\$760 - \$897
2015	2	0.0%	\$685 - \$777	\$0	\$685 - \$777	\$702 - \$794
2016	2	0.0%	\$800	\$0	\$800	\$817

## Trend: Comments

- 1Q14** The property does not accept Housing Choice Vouchers. The contact stated that the high vacancy rate at the property is atypical, and attributed it to winter being a slow time of year. The contact noted that turnover at the property is generally due to tenants purchasing homes. When asked about the reason for the two-bedroom rental price being below the one-bedroom rental price, the contact replied that the property has a higher amount of two-bedroom units available. The contact said that the one-bedroom unit is the most popular unit type at the property.
- 2Q14** The property does not accept Housing Choice Vouchers. The contact could not provide the property's annual turnover rate.
- 2Q15** The property does not accept Housing Choice Vouchers. Contact claimed that the rent for two and three bedrooms is similar because historically there has been far less demand for three-bedroom units.
- 2Q16** The property does not accept Housing Choice Vouchers. The contact reported that the property typically remains between 99 and 100 percent occupancy.

# PROPERTY PROFILE REPORT

## Lakeside Villas

<b>Effective Rent Date</b>	5/18/2016
<b>Location</b>	1992 Lovejoy Rd Hampton, GA 30228 Henry County
<b>Distance</b>	0.8 miles
<b>Units</b>	250
<b>Vacant Units</b>	10
<b>Vacancy Rate</b>	4.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2002 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None listed
<b>Tenant Characteristics</b>	mostly families, a few silgles and seniors
<b>Contact Name</b>	Denise
<b>Phone</b>	770-744-0831



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	50%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	Same
<b>Concession</b>	Reduced Rents

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	691	\$644	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	880	\$729	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	880	\$809	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,177	\$829	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,309	\$879	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,309	\$1,002	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,479	\$979	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,479	\$1,079	\$0	Market	Yes	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$644 - \$809	\$0	\$644 - \$809	-\$27	\$617 - \$782
2BR / 2BA	\$829 - \$1,002	\$0	\$829 - \$1,002	-\$36	\$793 - \$966
3BR / 2BA	\$979 - \$1,079	\$0	\$979 - \$1,079	-\$50	\$929 - \$1,029

## Lakeside Villas, continued

### Amenities

**In-Unit**

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

Blinds  
Carpeting  
Coat Closet  
Ceiling Fan  
Refrigerator

**Security**

None

**Services**

None

**Property**

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

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking  
Picnic Area  
Recreation Areas

**Premium**

None

**Other**

car care/detailing center

### Comments

The contact reported that the property does have a waiting list, but only for three bedroom units. She was unable to report the number of people on the waiting list. Additionally, the property is currently slightly below typical occupancy.

## Lakeside Villas, continued

### Trend Report

#### Vacancy Rates

2Q11	2Q16
6.8%	4.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$644 - \$809	\$54 - \$100	\$590 - \$709	\$563 - \$682
2016	2	N/A	\$644 - \$809	\$0	\$644 - \$809	\$617 - \$782

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$829 - \$975	\$87 - \$106	\$742 - \$869	\$706 - \$833
2016	2	N/A	\$829 - \$1,002	\$0	\$829 - \$1,002	\$793 - \$966

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$979 - \$1,079	\$110 - \$954	\$125 - \$869	\$75 - \$819
2016	2	N/A	\$979 - \$1,079	\$0	\$979 - \$1,079	\$929 - \$1,029

### Trend: Comments

- 2Q11** The contact was unable to provide the exact vacancy rate per unit type, but noted the property was 93 percent occupied. Management would not comment on senior ratios. The most expensive one, two, and three-bedroom units have attached garages.
- 2Q16** The contact reported that the property does have a waiting list, but only for three bedroom units. She was unable to report the number of people on the waiting list. Additionally, the property is currently slightly below typical occupancy.

# PROPERTY PROFILE REPORT

## The Crossing At Mcdonough

<b>Effective Rent Date</b>	4/19/2016
<b>Location</b>	100 Crossing Boulevard Mcdonough, GA 30253 Henry County
<b>Distance</b>	9.3 miles
<b>Units</b>	252
<b>Vacant Units</b>	2
<b>Vacancy Rate</b>	0.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2004 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Carrington Green, Crescent Creek, Oxford Creek
<b>Tenant Characteristics</b>	Mixed tenancy from the area
<b>Contact Name</b>	Jamie
<b>Phone</b>	770.692.1630



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	36%
<b>Units/Month Absorbed</b>	22
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	One to three weeks
<b>Annual Chg. in Rent</b>	Increased 2.7 to 3.6%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	908	\$810	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,152	\$895	\$0	Market	No	2	N/A	N/A	None
3	2	Garden (3 stories)	35	1,390	\$1,060	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$810	\$0	\$810	\$0	\$810
2BR / 2BA	\$895	\$0	\$895	\$0	\$895
3BR / 2BA	\$1,060	\$0	\$1,060	\$0	\$1,060

## The Crossing At Mcdonough, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Ceiling Fan  
Garbage Disposal  
Oven  
Vaulted Ceilings

Blinds  
Carpeting  
Coat Closet  
Exterior Storage  
Fireplace  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

In-Unit Alarm  
Perimeter Fencing  
Video Surveillance

#### Services

None

#### Property

Business Center/Computer Lab  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground  
Tennis Court

Car Wash  
Garage  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

The contact reported that the property is at the typical occupancy level with one of the vacancies preleased. The contact reported that they are offering no concessions and do not have a waiting list.

# The Crossing At McDonough, continued

## Trend Report

### Vacancy Rates

3Q12	4Q12	1Q15	2Q16
10.7%	10.7%	6.0%	0.8%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$775	\$70	\$705	\$705
2012	4	N/A	\$775	\$70	\$705	\$705
2015	1	N/A	\$793 - \$891	\$0	\$793 - \$891	\$793 - \$891
2016	2	N/A	\$810	\$0	\$810	\$810

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$805	\$20	\$785	\$785
2012	4	N/A	\$805	\$20	\$785	\$785
2015	1	N/A	\$811 - \$929	\$0	\$811 - \$929	\$811 - \$929
2016	2	N/A	\$895	\$0	\$895	\$895

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$980	\$20	\$960	\$960
2012	4	N/A	\$980	\$20	\$960	\$960
2015	1	N/A	\$1,014 - \$1,156	\$0	\$1,014 - \$1,156	\$1,014 - \$1,156
2016	2	0.0%	\$1,060	\$0	\$1,060	\$1,060

## Trend: Comments

3Q12	The contact reported typical occupancy during the past year in the low 90 percent range but there was a large number of move outs during August causing the occupancy rate to decrease sharply.
4Q12	N/A
1Q15	The contact reported typical occupancy during 2012 was in the low 90 percent range. The property utilizes yieldstar, which causes the differences in rent.
2Q16	The contact reported that the property is at the typical occupancy level with one of the vacancies preleased. The contact reported that they are offering no concessions and do not have a waiting list.

# PROPERTY PROFILE REPORT

## Villas At Hampton

<b>Effective Rent Date</b>	5/18/2016
<b>Location</b>	12227 Tara Blvd. Hampton, GA 30228 Henry County
<b>Distance</b>	0.1 miles
<b>Units</b>	224
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	1.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2000 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Lakeside Villas, Walden Run
<b>Tenant Characteristics</b>	mostly families from Henry County or transfers for employment
<b>Contact Name</b>	Leanne
<b>Phone</b>	678-479-6585



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	57%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	1 week to 1 month
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	Rent specials for vacant units

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	691	\$740	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	880	\$820	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	880	\$885	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,177	\$900	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,309	\$965	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,309	\$1,065	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,460	\$1,025	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,460	\$1,100	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$740 - \$885	\$0	\$740 - \$885	-\$27	\$713 - \$858
2BR / 2BA	\$900 - \$1,065	\$0	\$900 - \$1,065	-\$36	\$864 - \$1,029
3BR / 2BA	\$1,025 - \$1,100	\$0	\$1,025 - \$1,100	-\$50	\$975 - \$1,050

## Villas At Hampton, continued

### Amenities

**In-Unit**

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

Blinds  
Carpeting  
Coat Closet  
Ceiling Fan  
Refrigerator  
Washer/Dryer hookup

**Security**

Limited Access

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
Neighborhood Network  
On-Site Management  
Swimming Pool

Clubhouse/Meeting  
Garage  
Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

Management stated that current occupancy is typical.

## Villas At Hampton, continued

### Trend Report

#### Vacancy Rates

2Q11	2Q16
7.1%	1.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$669 - \$839	\$44 - \$74	\$625 - \$765	\$598 - \$738
2016	2	N/A	\$740 - \$885	\$0	\$740 - \$885	\$713 - \$858

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$849 - \$929	\$0 - \$14	\$835 - \$929	\$799 - \$893
2016	2	N/A	\$900 - \$1,065	\$0	\$900 - \$1,065	\$864 - \$1,029

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$1,019 - \$1,099	\$0 - \$59	\$960 - \$1,099	\$910 - \$1,049
2016	2	N/A	\$1,025 - \$1,100	\$0	\$1,025 - \$1,100	\$975 - \$1,050

### Trend: Comments

2Q11 Management stated that 93 percent occupancy is typical. Most tenants come from within Henry County or are job transfers.

2Q16 Management stated that current occupancy is typical.

Photos



# PROPERTY PROFILE REPORT

## Walden Landing

<b>Effective Rent Date</b>	5/18/2016
<b>Location</b>	110115 Tara Blvd Hampton, GA 30228 Bibb County
<b>Distance</b>	1.65 miles
<b>Units</b>	243
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	1.6%
<b>Type</b>	Midrise (4 stories)
<b>Year Built/Renovated</b>	2000 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None listed
<b>Tenant Characteristics</b>	mostly families and maybe 5-10 percent seniors
<b>Contact Name</b>	Antonio
<b>Phone</b>	770-471-4411



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	50%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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	Midrise (4 stories)	92	824	\$715	\$0	Market	No	N/A	N/A	N/A	None
1	1	Midrise (4 stories)	N/A	909	\$735	\$0	Market	No	N/A	N/A	N/A	None
1.5	1	Midrise (4 stories)	N/A	1,094	\$780	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (4 stories)	108	1,166	\$835	\$0	Market	No	N/A	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,261	\$865	\$0	Market	No	N/A	N/A	N/A	None
3	2	Midrise (4 stories)	43	1,403	\$925	\$0	Market	Yes-5 HH	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$715 - \$735	\$0	\$715 - \$735	\$17	\$732 - \$752
<b>1.5BR / 1BA</b>	\$780	\$0	\$780	\$17	\$797
<b>2BR / 2BA</b>	\$835 - \$865	\$0	\$835 - \$865	\$17	\$852 - \$882
<b>3BR / 2BA</b>	\$925	\$0	\$925	\$17	\$942

## Walden Landing, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Walk-In Closet

Blinds  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

In-Unit Alarm  
Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground  
Tennis Court

Clubhouse/Meeting  
Garage  
Off-Street Parking  
Picnic Area  
Swimming Pool  
Wi-Fi

#### Premium

None

#### Other

None

### Comments

The contact reported that the property is currently at its typical occupancy level. The property does not accept housing choice vouchers and they are currently not offering concessions.

## Walden Landing, continued

### Trend Report

#### Vacancy Rates

2Q11	2Q16
9.9%	1.6%

### Trend: Market

#### 1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$745	\$0	\$745	\$762
2016	2	N/A	\$780	\$0	\$780	\$797

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$640 - \$675	\$61 - \$100	\$575 - \$579	\$592 - \$596
2016	2	N/A	\$715 - \$735	\$0	\$715 - \$735	\$732 - \$752

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$825	\$126	\$699	\$716
2016	2	N/A	\$835 - \$865	\$0	\$835 - \$865	\$852 - \$882

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$925	\$126	\$799	\$816
2016	2	N/A	\$925	\$0	\$925	\$942

### Trend: Comments

- 2Q11** Management does not accept housing choice vouchers. The contact was unable provide vacancy by unit type but did note that there are availablites in all bedroom types. There are 92 one-bedroom units in total. Occupancy is currently at 90 percent, but the contact noted the property usually maintains a 95 percent occupancy in the fall/winter seasons. Tenants are form Clayton and Henry County.
- 2Q16** The contact reported that the property is currently at its typical occupancy level. The property does not accept housing choice vouchers and they are currently not offering concessions.

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

### Housing Choice Vouchers

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

TENANTS WITH VOUCHERS			
Comparable Property	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Grier Senior Manor	LIHTC/Market	Senior	2%
Hampton Court	LIHTC	Senior	5%
Heritage At McDonough	LIHTC	Senior	10%
Shoal Creek Manor	LIHTC	Senior	8%
St. Phillip Villas	LIHTC/Market	Family	18%
Amber Chase Apartments	Market	Family	0%
Eagle's Brooke	Market	Family	0%
Griffin Crossing Apartments	Market	Family	0%
Lakeside Villas	Market	Family	0%
The Crossing At McDonough	Market	Family	0%
Villas At Hampton	Market	Family	0%
Walden Landing	Market	Family	0%

Voucher usage at the comparable properties ranges from zero to 18 percent. All of the market rate comparables reported no voucher usage. The senior LIHTC properties reported voucher usage ranging from two to 10 percent. We believe the Subject will have a relatively low voucher usage of five to 10 percent following stabilization and will not require the use of vouchers to achieve stabilization.

### Waiting Lists

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

WAITING LISTS			
Comparable Property	Rent Structure	Tenancy	Waiting List
Grier Senior Manor	LIHTC/Market	Senior	Yes.
Hampton Court	LIHTC	Senior	Yes. Several hundred households.
Heritage At McDonough	LIHTC	Senior	Yes.
Shoal Creek Manor	LIHTC	Senior	Yes. 6 months to one year.
St. Phillip Villas	LIHTC/Market	Family	Yes. Length unknown.
Amber Chase Apartments	Market	Family	None.
Eagle's Brooke	Market	Family	None.
Griffin Crossing Apartments	Market	Family	None.
Lakeside Villas	Market	Family	Yes. Three-bedroom units only.
The Crossing At McDonough	Market	Family	None.
Villas At Hampton	Market	Family	None.
Walden Landing	Market	Family	Yes. 3 Bedroom units - 5 households.

Seven of the 12 comparables currently maintain waiting lists, which includes all of the LIHTC properties and two market rate properties. Hampton Court, located 4.6 miles from the proposed Subject, and Shoal Creek Manor, located 13.5 miles from the proposed Subject, maintain the highest waiting lists. Management at Hampton Court reported several hundred households on their waiting list and management at Shoal Creek Manor reported a six month to one year waiting list. Most of the remaining comparable properties maintain short to moderate waiting lists. The presence of waiting lists at the LIHTC comparables, especially all of the senior LIHTC comparable properties, is a positive indication of a strong rental market. Based on the performance of the comparable properties, we expect the Subject to maintain a short waiting list, at a minimum, following stabilization.

**Lease Up History**

We were able to obtain absorption information from two comparable properties, both of which are restricted to seniors. Both properties are located within the PMA and have been used as comparables in our report.

**ABSORPTION**

Property name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18

As illustrated in the previous table, the comparable properties reported absorption rates of 18 to 20 units per month, with an average of 19 units per month. Hampton Court is the newest senior LIHTC property in the market. It is located 4.6 miles southeast of the Subject within the PMA. This property experienced an absorption rate of 20 units per month. Heritage at McDonough was built in 2011 and experienced an absorption rate of 18 units per month. Hampton Court and Heritage at McDonough are both 100 percent occupied with waiting lists. Based on the surveyed properties, we expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately three months for the Subject to reach the Georgia DCA-defined 93 percent occupancy.

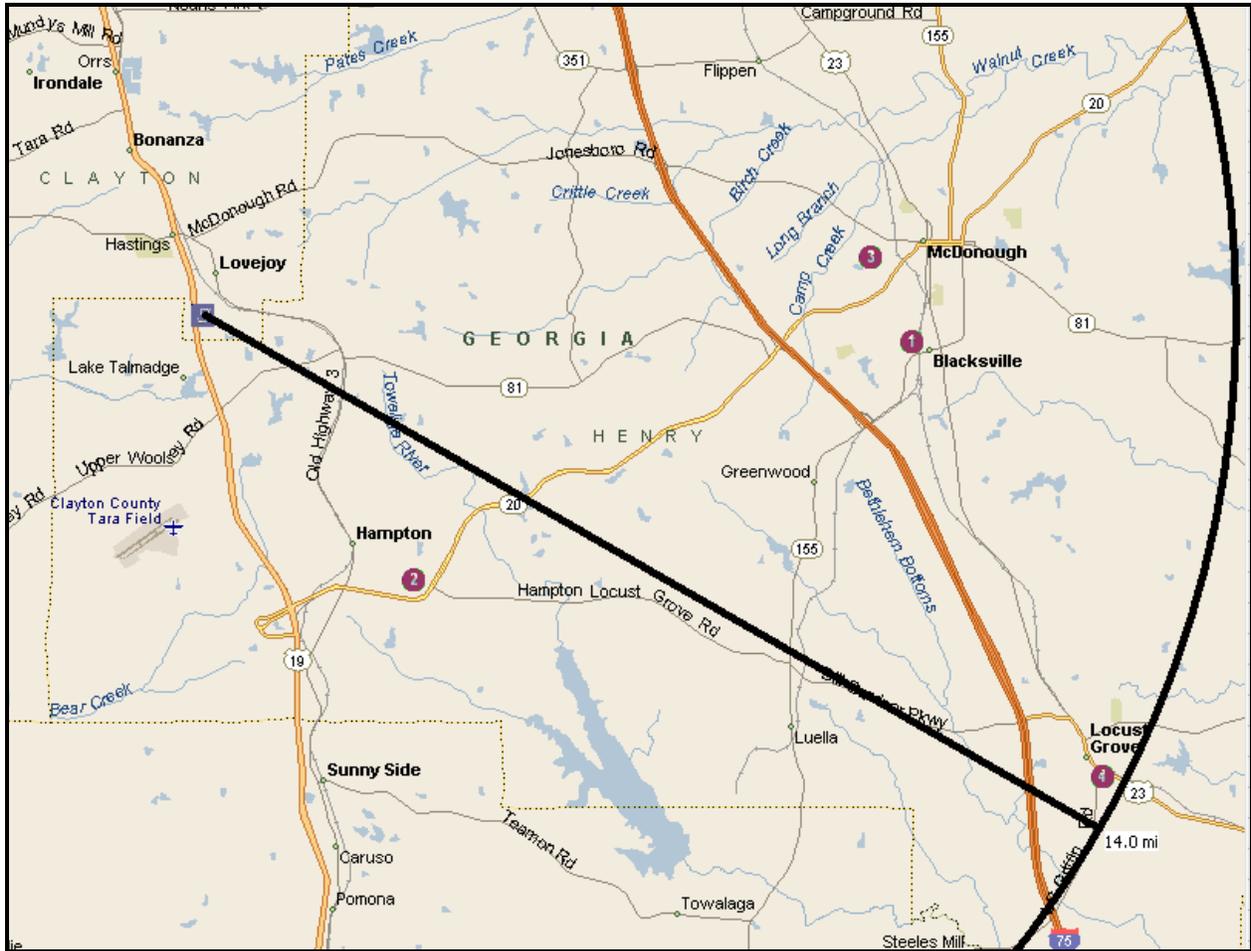
**Phased Developments**

The Subject is not part of a phased development.

**Rural Areas**

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

### 3. Competitive Project Map



PMA OCCUPANCY

#	Property Name	Occupancy Rate	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
1	Grier Senior Manor	100.0%	LIHTC/Mkt	Senior	Included	-	9.8 miles
2	Hampton Court	100.0%	LIHTC	Senior	Included	-	4.6 miles
3	Heritage at McDonough	100.0%	LIHTC	Senior	Included	-	9.3 miles
4	Shoal Creek Manor	100.0%	LIHTC	Senior	Included	-	13.5 miles
	<b>Average</b>	<b>100.0%</b>					

### 4. Amenities

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

**UNIT MATRIX REPORT**

	Lovejoy Place	Grier Senior Manor	Hampton Court	Heritage At McDonough	Shoal Creek Manor	St. Phillip Villas	Amber Chase Apartments	Eagle's Brooke	Griffin Crossing Apartments	Lakeside Villas	The Crossing At McDonough	Villas At Hampton	Walden Landing
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11	12
<b>Property Information</b>													
Property Type	Various (age-restricted)	Lowrise (age-restricted) (2 stories)	Garden (age-restricted) (2 stories)	Lowrise (age-restricted)	Midrise (age-restricted) (4 stories)	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden (3 stories)	Midrise (4 stories)
Year Built / Renovated	Proposed / n/a	2005 / n/a	2014 / n/a	2011 / n/a	2011 / n/a	2002 / n/a	1999 / n/a	2009 / n/a	1986 / 2006	2002 / n/a	2004 / n/a	2000 / n/a	2000 / n/a
Market (Conv.)/Subsidy Type		@30%, @50%, @60%, Market	@60%, Market	@50%, @60%	@50%, @60%	@50%, @60%	@60%, Market	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>													
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	yes	no	no	no	yes	no	yes	no
Sewer	no	no	no	yes	no	yes	no	no	no	yes	no	yes	no
Trash Collection	yes	yes	yes	yes	yes	yes	no	no	no	yes	yes	yes	no
<b>In-Unit Amenities</b>													
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	no	yes	no	no	yes	yes	yes	yes
Carpeting	yes	yes	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	no	no	no	no	yes	yes	no	yes	yes	yes	yes	yes
Dishwasher	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	yes	yes	no	no	no	yes	no	no
Ceiling Fan	no	no	no	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Fireplace	no	no	no	no	no	no	no	yes	no	no	yes	no	no
Garbage Disposal	yes	no	yes	no	yes	yes	yes	no	yes	no	yes	no	yes
Hand Rails	yes	yes	yes	no	no	no	no	no	no	no	no	no	no
Microwave	yes	no	yes	no	yes	no	no	yes	no	no	yes	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	yes	yes	no	no	no	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	yes	no	no	yes	no	yes
Walk-In Closet	no	no	no	yes	no	yes	yes	yes	yes	yes	no	yes	yes
Washer/Dryer	yes	no	no	no	no	no	no	yes	no	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
<b>Property Amenities</b>													
Basketball Court	no	no	no	yes	no	yes	no	no	no	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Car Wash	no	no	no	no	no	no	yes	no	no	no	yes	no	no
Clubhouse/Meeting Room/Community Room	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Courtyard	yes	yes	no	no	no	no	no	yes	no	yes	no	no	no
Elevators	yes	yes	yes	yes	yes	no	no	no	no	no	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	no	yes	no	no	no	yes	yes	yes
Jacuzzi	no	no	no	no	no	no	yes	no	no	no	no	no	no
Central Laundry	no	yes	yes	no	yes	yes	yes	no	no	yes	yes	no	yes
Neighborhood Network	no	no	no	no	no	no	no	no	no	no	no	yes	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	no	no	yes	yes	no	yes	yes	yes	no	yes
Playground	no	no	no	no	no	yes	yes	no	yes	yes	yes	yes	yes
Recreation Areas	no	yes	yes	yes	no	no	no	no	no	yes	no	no	no
Swimming Pool	no	no	no	yes	no	no	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	yes	no	no	no	yes	no	yes
Volleyball Court	no	no	no	no	no	no	yes	no	no	no	no	no	no
Wi-Fi	no	no	no	yes	no	no	no	yes	no	no	no	no	yes
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	\$85.00	N/A	N/A	N/A	\$85.00	N/A	N/A
<b>Services</b>													
<b>Security</b>													
In-Unit Alarm	no	no	no	no	no	no	yes	yes	yes	no	yes	no	yes
Intercom (Phone)	no	no	no	no	no	no	no	no	yes	no	no	no	no
Limited Access	yes	yes	no	yes	yes	no	yes	no	no	no	no	yes	yes
Perimeter Fencing	no	yes	yes	no	no	yes	yes	yes	yes	no	yes	no	yes
Video Surveillance	no	no	no	no	no	no	no	no	no	no	yes	no	no
<b>Premium Amenities</b>													
Hairdresser / Barber	no	no	no	yes	no	no	no	no	no	no	no	no	no
View	no	no	no	no	no	no	yes	no	no	no	no	no	no
<b>Other Amenities</b>													
Other	n/a	n/a	Community gardens	ballroom, gardens	Library, garden	n/a	n/a	n/a	n/a	car care/detailing center	n/a	n/a	n/a

Grier Senior Manor and Hampton Court offer a balcony/patio and pull cords, neither of which will be offered by the Subject. Most of the comparables offer a balcony/patio, ceiling fans, and a walk-in closet, none of which will be offered by the Subject. However, in-unit amenities to be offered by the Subject that are not offered by the comparables are a washer/dryer, hand rails, and a microwave. The Subject will offer generally similar to slightly superior in-unit amenities in comparison to the senior comparables. The Subject’s in-unit amenities package will be generally similar to slightly inferior to most of the market rate comparables.

The Subject will offer generally similar to slightly inferior common area amenities in comparison to the senior comparables. Most of the family market rate properties offer playgrounds, swimming pools, and recreation areas, amenities not offered by the proposed Subject. These amenities are not typical for senior LIHTC properties in the market. The Subject’s common area amenities package will be slightly inferior to inferior to most of the market rate comparables.

5. The Subject will target senior households age 55 and older. We have included all senior unsubsidized properties in the PMA. In order to supplement the LIHTC and market rate data, we have also included one LIHTC family property and seven unrestricted family properties.

**6. Vacancy**

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Comparable Property	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Grier Senior Manor	LIHTC/Market	Senior	64	0	0.0%
Hampton Court	LIHTC	Senior	60	0	0.0%
Heritage At McDonough	LIHTC	Senior	105	0	0.0%
Shoal Creek Manor	LIHTC	Senior	66	0	0.0%
St. Phillip Villas	LIHTC/Market	Family	60	1	1.7%
Amber Chase Apartments	Market	Family	352	9	2.6%
Eagle's Brooke	Market	Family	248	16	6.5%
Griffin Crossing Apartments	Market	Family	272	2	0.7%
Lakeside Villas	Market	Family	250	10	4.0%
The Crossing At McDonough	Market	Family	252	2	0.8%
Villas At Hampton	Market	Family	224	4	1.8%
Walden Landing	Market	Family	243	4	1.6%
<b>Total</b>			<b>2,196</b>	<b>48</b>	<b>2.2%</b>

The comparable properties reported vacancy rates of zero to 6.5 percent, with an average of 2.2 percent. The comparable senior properties all reported vacancy rates of zero percent. The market rate comparables reported vacancy rates of 0.8 to 6.5 percent, with a weighted average of 2.6 percent. Overall, the market is performing well. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.

If allocated, we do not believe that the Subject will impact the performance of the existing senior LIHTC properties, as they reported significant demand for affordable senior housing in the local market.

**7. Properties Under Construction and Proposed**

There has been one senior LIHTC property funded, placed in service, or under construction within the PMA since 2014. Red Oak Village was allocated in 2015. Red Oak Village will be located on Rock Quarry Road in Stockbridge, approximately 8.4 miles northeast of the Subject and within the PMA. This senior development will consist of 60 one and two-bedroom units. The units will serve moderate-income families earning 50 and 60 percent or less of the area median income. Thirteen units will be restricted to seniors at 50 percent of the AMI and 47 units will be restricted to seniors at 60 percent of the AMI. This property will directly compete with the proposed Subject.

**8. Rental Advantage**

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

Similarity Matrix

#	Property Name	Tenancy	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Grier Senior Manor	Senior	LIHTC/Market	Similar	Similar	Similar	Inferior	Similar	10
2	Hampton Court	Senior	LIHTC	Similar	Similar	Similar	Slightly Inferior	Slightly Superior	20
3	Heritage At McDonough	Senior	LIHTC	Superior	Slightly Inferior	Similar	Slightly Inferior	Similar	15
4	Shoal Creek Manor	Senior	LIHTC	Similar	Similar	Similar	Slightly Inferior	Similar	15
5	St. Phillip Villas	Family	LIHTC/Market	Slightly Superior	Similar	Similar	Inferior	Superior	25
6	Amber Chase Apartments	Family	Market	Superior	Similar	Similar	Inferior	Slightly Superior	25
7	Eagle's Brooke	Family	Market	Slightly Superior	Slightly Superior	Similar	Slightly Inferior	Superior	35
8	Griffin Crossing Apartments	Family	Market	Slightly Superior	Inferior	Similar	Inferior	Similar	0
9	Lakeside Villas	Family	Market	Superior	Slightly Inferior	Similar	Inferior	Similar	10
10	The Crossing At McDonough	Family	Market	Superior	Slightly Superior	Similar	Inferior	Slightly Superior	30
11	Villas At Hampton	Family	Market	Slightly Superior	Similar	Similar	Inferior	Similar	15
12	Walden Landing	Family	Market	Superior	Similar	Similar	Inferior	Similar	20

\*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. The Subject is located in Clayton County. Grier Senior Manor, Hampton Court, Heritage at McDonough, and Shoal Creek Manor are located in Henry County. St. Phillip Villas is located in Spalding County. Clayton County, Henry County, and Spalding County had the same 2015 50 and 60 percent AMI income and rent restrictions.

**LIHTC Rent Comparison - @50%**

Property Name	1BR	2BR
Lovejoy Place (Subject)	\$465	\$545
<b>2015 LIHTC Maximum (Net)</b>	<b>\$492</b>	<b>\$585</b>
<b>2010 Hold Harmless LIHTC Maximum (Net)</b>	<b>\$525</b>	<b>\$626</b>
Grier Senior Manor	\$488	\$633
Hampton Court	-	\$480
Heritage At McDonough	\$518	\$610
Shoal Creek Manor	-	\$576
St. Phillip Villas	\$513	\$594
<b>Average (excluding Subject)</b>	<b>\$506</b>	<b>\$579</b>

**LIHTC Rent Comparison - @60%**

Property Name	1BR	2BR
Lovejoy Place (Subject)	\$562	\$669
<b>2015 LIHTC Maximum (Net)</b>	<b>\$620</b>	<b>\$739</b>
<b>2010 Hold Harmless LIHTC Maximum (Net)</b>	<b>\$660</b>	<b>\$788</b>
Grier Senior Manor	\$506	\$695
Hampton Court	-	\$480
Heritage At McDonough	\$648	\$766
Shoal Creek Manor	-	\$732
St. Phillip Villas	\$518	\$634
<b>Average (excluding Subject)</b>	<b>\$557</b>	<b>\$661</b>

The Subject’s proposed 50 and 60 percent AMI rents are set below the 2015 maximum allowable levels. Two of the comparable properties have been “held harmless” to the recent decrease in AMI and have a higher maximum allowable gross rent level than the Subject, which will be completed in 2018. When rents are “held harmless” a property owner is not required to decrease rents in light of a decrease in the AMI. Instead, the property may continue operating with rent restrictions based upon the higher AMI level prior to the decrease. Per the Georgia DCA 2016 guidelines, the market study analyst must use the maximum rent and income limits from the same year as the utility allowance. The Georgia DCA utility allowance is effective as of 2015; therefore, we have utilized the 2015 maximum income and rent limits.

Only two of the five LIHTC comparables reported achieving maximum allowable 50 and 60 percent AMI rents. Grier Senior Manor in McDonough, Hampton Court in Hampton, and St. Phillip Villas in Griffin reported both 50 and 60 percent rents below the maximum allowable levels. All of the senior LIHTC comparables reported a vacancy rate of zero percent and all the LIHTC comparables reported maintaining waiting lists. As a newly constructed LIHTC property, the Subject will be slightly superior to superior to the existing properties in terms of age/condition and will offer a competitive amenities package. Therefore, we believe that the Subject’s proposed rents are feasible and that the Subject will be successful if allocated.

The comparable affordable senior properties are exhibiting a vacancy rate of zero percent, which is considered excellent. Further, all of the affordable senior comparables maintain waiting lists. We believe the low vacancy rate and existence of waiting lists at the comparable properties demonstrates demand for affordable senior 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**

<b>@50% AMI</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$465	\$488	\$858	\$700	51%
2 BR	\$545	\$480	\$1,029	\$812	49%
<b>@60% AMI</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$562	\$506	\$858	\$709	26%
2 BR	\$669	\$480	\$1,029	\$830	24%
<b>Market Rate</b>					
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$647	\$548	\$858	\$739	14%
2 BR	\$770	\$639	\$1,029	\$880	14%

The Subject’s proposed one and two-bedroom LIHTC rents will offer a 24 to 51 percent advantage over the average market rents. The Subject’s proposed one and two-bedroom market rate rents will offer a 14 percent advantage over the average market rents.

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

There has been one senior LIHTC property funded, placed in service, or under construction within the PMA since 2014. Red Oak Village was allocated in 2015. Red Oak Village will be located on Rock Quarry Road in Stockbridge, approximately 8.4 miles northeast of the Subject and within the PMA. This senior development will consist of 60 one and two-bedroom units. The units will serve moderate-income families earning 50 and 60 percent or less of the area median income. Thirteen units will be restricted to seniors at 50 percent of the AMI and 47 units will be restricted to seniors at 60 percent of the AMI. This property will directly compete with the proposed Subject.

If allocated, we do not believe that the Subject will impact the performance of the existing senior LIHTC properties, as they reported low vacancy rates. In addition, management at Grier Senior Manor reported that there is a significant need for additional senior LIHTC units in the local market and estimated that the market can support approximately 150 to 200 additional senior LIHTC units. Based upon the strong performance of the senior LIHTC comparables in the PMA, we believe there is adequate demand for the proposed Subject.

**10. Rental Trends in the PMA**

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	12,811	84.6%	2,340	15.4%
2010	20,530	79.0%	5,441	21.0%
2015	22,541	78.1%	6,306	21.9%
Projected Mkt Entry				
December 2018	25,402	77.89%	7,215	22.11%
2020	26,727	77.8%	7,637	22.2%

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

Owner-occupied housing units dominate the PMA and MSA. The percentage of senior renter-occupied housing units in the PMA is higher than the national average of approximately 13 percent. The percentage of renter-occupied units in the PMA is expected to slightly increase through 2020, which is a positive indication of future demand for affordable senior housing.

## Historical Vacancy

The following table illustrates the historical vacancy rates at the comparable properties.

### CHANGE IN VACANCY RATES

Comparable Property	Rent Structure	Tenancy	Total Units	2QTR 2012	2QTR 2013	2QTR 2014	1QTR 2015	2QTR 2016
Grier Senior Manor	LIHTC/Market	Senior	64	4.7%	N/A	N/A	4.7%	0.0%
Hampton Court	LIHTC	Senior	60	N/A	N/A	N/A	0.0%	0.0%
Heritage At McDonough	LIHTC	Senior	105	N/A	N/A	N/A	0.0%	0.0%
Shoal Creek Manor	LIHTC	Senior	66	N/A	N/A	N/A	1.5%	0.0%
St. Phillip Villas	LIHTC/Market	Family	60	0.0%	5.0%	5.0%	1.7%	1.7%
Amber Chase Apartments	Market	Family	352	N/A	N/A	N/A	9.1%	2.6%
Eagle's Brooke	Market	Family	248	N/A	N/A	N/A	2.4%	6.5%
Griffin Crossing Apartments	Market	Family	272	8.8%	16.2%	4.0%	N/A	0.7%
Lakeside Villas	Market	Family	250	N/A	N/A	N/A	N/A	4.0%
The Crossing At McDonough	Market	Family	252	N/A	N/A	N/A	6.0%	0.8%
Villas At Hampton	Market	Family	224	N/A	N/A	N/A	N/A	1.8%
Walden Landing	Market	Family	243	N/A	N/A	N/A	N/A	1.6%

As illustrated in the table, we were able to obtain the historical vacancy rates at several of the comparable properties over the last four years. However, we were not able to obtain all the historical vacancy rates for each individual year. In general, it appears that vacancy rates have trended downward over the past several years.

## Change in Rental Rates

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

### RENT GROWTH

Comparable Property	Rent Structure	Tenancy	Rent Growth
Grier Senior Manor	LIHTC/Market	Senior	N/A
Hampton Court	LIHTC	Senior	Increase of 3%
Heritage At McDonough	LIHTC	Senior	None
Shoal Creek Manor	LIHTC	Senior	Increase of 3%
St. Phillip Villas	LIHTC/Market	Family	Two-bedrooms: Increased 1.5%
Amber Chase Apartments	Market	Family	Increased 1.6 to 6.6%
Eagle's Brooke	Market	Family	None
Griffin Crossing Apartments	Market	Family	No change
Lakeside Villas	Market	Family	Same
The Crossing At McDonough	Market	Family	Increased 2.7 to 3.6%
Villas At Hampton	Market	Family	None
Walden Landing	Market	Family	None

Five of the comparables reported rent growth over the past year, while six of the comparables reported flat rent growth. Rent growth ranged from 1.5 to 6.6 percent at the comparables. We anticipate that the Subject will be able to achieve moderate rent growth in the short term.

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

According to www.RealtyTrac.com, one in every 408 homes in the Subject's zip code (30228) was in foreclosure, as of April 2016. Nationally, one in every 1,308 homes was in foreclosure and one in every 1,394 homes in Georgia was in foreclosure. As indicated, the Subject's local

market has a higher foreclosure rate than Georgia and the nation as a whole. The median list price for a home in the Subject's market was \$150,000 compared to \$190,000 in Georgia and \$225,000 in the nation. Despite the high foreclosure rate in the Subject's neighborhood, we did not witness any foreclosed, abandoned, or vacant housing units in the Subject's immediate neighborhood.

### **12. Primary Housing Void**

The comparable senior properties are all zero percent vacant and all maintain waiting lists. Based on the demand analysis, performance of the comparable properties, and conversations with local property managers, we believe there is demand for additional senior housing in the local market.

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

The comparable senior properties are all zero percent vacant and all maintain waiting lists. We do not believe that the Subject will negatively impact the performance of the comparable senior properties.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The surveyed comparables are performing well, with a weighted vacancy rate of 2.2 percent. The comparable senior properties reported vacancy rates of zero percent. These rates indicate strong demand for affordable senior housing. Additionally, all of the senior and family affordable properties maintain waiting lists and all of the senior affordable comparables' property managers indicated strong demand for affordable senior housing in the market. The Subject will offer a generally similar to slightly superior product when compared to the surveyed senior properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior 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, both of which are restricted to seniors. Both properties are located within the PMA and have been used as comparables in our report.

#### ABSORPTION

Property name	Rent Structure	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18

As illustrated in the previous table, the comparable properties reported absorption rates of 18 to 20 units per month, with an average of 19 units per month. Hampton Court is the newest senior LIHTC property in the market. It is located 4.6 miles southeast of the Subject within the PMA. This property experienced an absorption rate of 20 units per month. Heritage at McDonough was built in 2011 and experienced an absorption rate of 18 units per month. Hampton Court and Heritage at McDonough are both 100 percent occupied with waiting lists. Based on the surveyed properties, we expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately three months for the Subject to reach the Georgia DCA-defined 93 percent occupancy.

## **J. INTERVIEWS**

### **Jonesboro Housing Authority**

We were unable to contact the Jonesboro Housing Authority. According to the Jonesboro Housing Authority website, the Housing Choice Voucher Pre-Application Waiting List closed on October 9, 2015. We were unable to find any information online about the current payment standards.

### **Planning**

We spoke with Maurice Ungaro with the Clayton County Planning and Zoning Division. According to Mr. Ungaro, there are no multifamily projects proposed within the PMA. Based on our online research, there are no new market rate multifamily projects under construction within the PMA.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## Conclusions

- The PMA is expected to experience strong senior population and household growth from 2015 through 2020. Senior population growth in the PMA is expected to increase at an annual rate of 2.9 percent from 2015 through 2020, which is considered a positive indication when compared to the nation's projected growth of 2.3 percent. Senior population growth in the MSA will outpace that of the PMA and nation as a whole through 2020. Owner-occupied housing units dominate the PMA and MSA. The percentage of senior renter-occupied housing units in the PMA is higher than the national average of approximately 13 percent. The percentage of renter-occupied units in the PMA is expected to slightly increase through 2020, which is a positive indication of future demand for affordable senior housing. Approximately 53 percent of senior renter households in the PMA earn less than \$30,000. The income limits for the LIHTC units will range from \$18,390 to \$32,760. The minimum income limit for the market rate units will be \$19,410 and there will not be a maximum income limit for these units. As such, a significant portion of renter households are likely to income qualify to reside at one of the Subject's unit types, and the Subject should be well-positioned to service this market.
- The largest industries in the PMA are transportation/warehousing, retail trade, health care/social assistance, and educational services. Together, these four industries comprise approximately 45.1 percent of total employment in the PMA. The largest private employers in Clayton County are in the education, transportation/warehousing, health care, utilities, manufacturing, and automobile sectors. Additionally, the Georgia Department of Labor reported that Healthcare Staffing, Inc., JB Hunt Transport, Inc., Southwest Airlines Company, Staffing Solutions Southeast, Inc., and Walmart are also major employers in the county, although the Georgia Department of Labor was unable to provide their number of employees. The MSA appears relatively healthy as total employment increased each year from 2011 through February 2016. As of 2015, total employment in the MSA exceeded pre-recessionary levels. Total employment in the nation exceeded pre-recessionary levels in 2014. From February 2015 to February 2016, total employment has increased by 2.2 percent in the MSA compared to an increase of 2.0 percent nationally. From February 2015 to February 2016, the unemployment rate in the MSA decreased 0.7 percentage points, compared to a decrease of 0.6 percentage points nationally. The unemployment rate in the MSA as of February 2016 was 5.3 percent, which was 0.1 percentage points above the national rate of 5.2 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy. The local economy appears to be healthy and has fully recovered from the most recent national recession.
- The Subject's capture rates range from 1.1 to 15.1 percent, with an overall capture rate of 12.3 percent for the affordable units. Therefore, we believe there is adequate demand for the Subject.

- We were able to obtain absorption information from two comparable properties, both of which are restricted to seniors. Both properties are located within the PMA and have been used as comparables in our report.

**ABSORPTION**

<b>Property name</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Year Built</b>	<b>Number of Units</b>	<b>Units Absorbed / Month</b>
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18

As illustrated in the previous table, the comparable properties reported absorption rates of 18 to 20 units per month, with an average of 19 units per month. Hampton Court is the newest senior LIHTC property in the market. It is located 4.6 miles southeast of the Subject within the PMA. This property experienced an absorption rate of 20 units per month. Heritage at McDonough was built in 2011 and experienced an absorption rate of 18 units per month. Hampton Court and Heritage at McDonough are both 100 percent occupied with waiting lists. Based on the surveyed properties, we expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately three months for the Subject to reach the Georgia DCA-defined 93 percent occupancy.

- The comparable properties reported vacancy rates of zero to 6.5 percent, with an average of 2.2 percent. The comparable senior properties all reported vacancy rates of zero percent. The market rate comparables reported vacancy rates of 0.8 to 6.5 percent, with a weighted average of 2.6 percent. Overall, the market is performing well. Based on the strong performance of the comparables, we expect the Subject to maintain a vacancy rate of five percent or less following stabilization.

If allocated, we do not believe that the Subject will impact the performance of the existing senior LIHTC properties, as they reported significant demand for affordable senior 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 surveyed comparables are performing well, with a weighted vacancy rate of 2.2 percent. The comparable senior properties reported vacancy rates of zero percent. These rates indicate strong demand for affordable senior housing. Additionally, all of the senior and family affordable properties maintain waiting lists and all of the senior affordable comparables’ property managers indicated strong demand for affordable senior housing in the market. The Subject will offer a generally similar to slightly superior product when compared to the surveyed senior properties. Due to the low vacancy rates at the comparables, the waiting lists present in the market, and the reported demand for additional affordable senior 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.



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

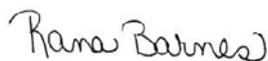
June 8, 2016  
Date



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Edward R. Mitchell, MAI  
Manager

June 8, 2016  
Date



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Rana Barnes  
Analyst

June 8, 2016  
Date



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Talia Gbolahan  
Junior Analyst

June 8, 2016  
Date

## **M. MARKET STUDY REPRESENTATION**

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



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

June 8, 2016

Date



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Edward R. Mitchell, MAI  
Manager

June 8, 2016

Date



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Rana Barnes  
Analyst

June 8, 2016

Date



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Talia Gbolahan  
Junior Analyst

June 8, 2016

Date

## **N. QUALIFICATIONS**

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

**I. Education**

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

**II. Licensing and Professional Affiliations**

MAI Member, Appraisal Institute, No. 10790  
Certified 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  
RANA BARNES**

**I. Education**

Western Kentucky University, Bachelor of Arts in Print Journalism  
Western Kentucky University, Associate of Arts in Paralegal Studies

**State of Georgia Certified General Real Property Appraiser No. 325547**

**II. 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

**III. Experience**

Novogradac & Company LLP, Senior Real Estate Analyst, July 2015 - Present  
Quentin Ball Appraisal Co., LLC, Senior Appraiser, October 2007 - July 2015

**IV. 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.
- Complete Section 8 rent comparability studies (RCS) in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. These properties are typically undergoing recertification under HUD's Mark to Market Program.
- 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.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **Talia Gbolahan**

### **I. Education**

University of South Alabama- Mobile, AL  
Bachelors of Arts, Political Science

### **II. Professional Experience**

Junior Analyst, Novogradac & Company LLP, August 2015 – Present  
Fraud Analyst, Bank of America, October 2014-August 2015

### **III. Research Assignments**

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.