



A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF

**PROPOSED DEVELOPMENT
127 Kings Bay Road
Kingsland, Camden County, Georgia 31548**

**Effective Date: June 7, 2016
Report Date: June 8, 2016**

Prepared For

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Assignment Code

MDC600V-013

Prepared By

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June 8, 2016

Mr. Jorge Aquirre
The Michaels Development Company
3355 Lenox Road NE, Suite 750
Atlanta, GA 30326

Re: Market Study for a proposed development, located in Kingsland, Camden County, Georgia 31548.

Dear Mr. Aquirre:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Kingsland, Camden County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the feasibility of the construction of a proposed LIHTC and market rate multifamily development consisting of 80 one, two, and three-bedroom units. The proposed LIHTC units will be restricted to households earning 50 and 60 percent of the AMI, or less. 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 2016 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, 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 2016 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

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

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

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A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

The Subject is a proposed LIHTC and market rate development targeting families located in Kingsland, Camden County, Georgia 31548. The Subject will consist of four three-story garden-style residential buildings and one one-story clubhouse. The design will feature wood frame construction with brick façade and cement siding. The following table illustrates the proposed unit mix including bedrooms, income targeting, rents, and utility allowance. As illustrated, the proposed LIHTC rents are set below the 2015 maximum allowable levels for all income-restricted units and set asides. Per the Georgia DCA guidelines, the market study analyst must use the maximum rent and income limits and utility allowances effective as of January 1, 2016. Therefore, we have utilized the 2015 rent and income limits for all LIHTC rents.

PROPOSED RENTS

Unit Type	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2015 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>						
1BR	1	\$476	\$108	\$584	\$613	\$608
2BR	5	\$561	\$139	\$700	\$736	\$814
3BR	6	\$639	\$170	\$809	\$850	\$1,130
<i>60% AMI</i>						
1BR	6	\$534	\$108	\$642	\$736	\$608
2BR	25	\$631	\$139	\$770	\$883	\$814
3BR	25	\$720	\$170	\$890	\$1,020	\$1,130
<i>Market Rate</i>						
1BR	1	\$639	N/A	N/A	N/A	\$608
2BR	5	\$751	N/A	N/A	N/A	\$814
3BR	5	\$855	N/A	N/A	N/A	\$1,130
<i>Manager's Unit</i>						
2BR	1	N/A	N/A	N/A	N/A	\$814
Total	80					

Notes (1) Source of Utility Allowance provided by the Georgia Department of Community Affairs Utility Allowances, effective July 2015

The Subject will offer the following amenities: blinds, vinyl flooring throughout, central air conditioning, coat closet, ceiling fan, microwave, oven, and refrigerator. Property amenities will include: clubhouse/meeting room/community room, library, exercise facility, on-site laundry facility, off-street parking, on-site management, picnic area, and playground. Overall, the Subject's amenities will be similar to inferior to those at the comparable properties.

2. Site Description/Evaluation:

The Subject site is located in Kingsland and is proximate to many area amenities that are desirable for affordable multifamily developments. The Subject site is located in a mixed-use neighborhood with retail uses nearby. The residential uses to the south and east primarily consist of single-family homes typically in average to good condition. Retail and commercial uses along East King Avenue include convenience/grocery stores, restaurants, gas stations, pharmacies, and retail stores. It should be noted that there are two LIHTC and three market rate developments located within 1.8 miles of the Subject that were utilized as comparables. There is significant retail and commercial development south and west of the Subject site, concentrated along East King Avenue which appeared to be around 95 percent occupied at the time of inspection and in good to condition. Overall, both the Subject site and the land uses in the Subject's neighborhood are considered compatible for multifamily use.

3. Market Area Definition:

The PMA is defined as the portion of Camden County south of the Satilla River. The PMA is bounded to the north by the Satilla River; to the east by the Atlantic Ocean; to the south by the Georgia-Florida state border; and to the west by the Camden-Charlton County border. While we do believe the Subject will experience leakage from outside the PMA boundaries, 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 is approximately 19.2 miles.

4. Community Demographic Data:

The Subject is located in Kingsland in Camden County, Georgia. Overall demographics are strong for the Subject's family units as the PMA has been an area of growth. Population in 2015 in the PMA was 48,933 and is projected to increase to 50,064 by 2020. There were 17,593 households in 2015, which is expected to increase to 18,132 by 2020. In 2015, approximately 39.2 percent of people in the PMA resided in renter-occupied housing units. Renter-occupied housing units are expected to increase by 156 housing units by the market entry date, and another 119 housing units by 2020. Approximately 55.4 percent of renter households in the PMA earn between \$0 and \$49,999. Households in these income cohorts are expected to create demand for the Subject. The Subject's

LIHTC units will target family households earning between \$20,023 and \$42,420.

According to RealtyTrac, one in every 637 housing units in Kingsland had received foreclosure filings in April 2016. This compares to one in every 928 housing units in Camden County, one in every 1,394 housing units in the state of Georgia, and one in every 1,308 housing units in the nation at the same time. It appears that Kingsland has been significantly affected by the recent mortgage and foreclosure crisis and the local area is underperforming the county, state, and nation.

5. Economic Data:

The MSA has a stable economy with increasing total employment for six of the last 10 years. Decreases in employment occurred from 2008 through 2010 and again in 2013. Furthermore, from 2012 through February 2016, the unemployment rate in the MSA has been consistently below the national average. It appears that the local economy has recovered and is expanding, as total employment numbers are above the pre-recessionary levels in 2015. The local economy appears to be diverse and consist of jobs offered in the accommodation/food services, education, healthcare/social assistance, and retail trade sectors, which are expected to generate demand for affordable housing in the PMA.

6. Project-Specific Affordability And Demand Analysis:

Our demand analysis indicates that there are approximately 637 income qualified renter households in the PMA. The following table illustrates capture rates for the Subject’s units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Market Rents	Proposed Rents
1BR @ 50%	51	0	51	15.8%	6 months	\$628	\$419-\$933	\$476
2BR @ 50%	98	0	98	1.0%	6 months	\$716	\$498-\$1,102	\$561
3BR @ 50%	87	0	87	6.9%	6 months	\$832	\$474-\$1,260	\$639
1BR @ 60%	65	0	65	9.2%	6 months	\$678	\$510-\$933	\$534
2BR @ 60%	126	0	126	19.8%	6 months	\$792	\$600-\$1,102	\$631
3BR @ 60%	113	0	113	22.2%	6 months	\$888	\$698-\$1,260	\$720
1BR Market	130	0	130	0.8%	6 months	\$678	\$510-\$933	\$639
2BR Market	251	0	251	2.0%	6 months	\$817	\$600-\$1,102	\$751
3BR Market	224	0	224	2.2%	6 months	\$1,000	\$710-\$1,260	\$855
Overall 50% AMI	236	0	236	6.4%	6 months	-	-	-
Overall 60% AMI	304	0	304	18.4%	6 months	-	-	-
Overall LIHTC	336	0	336	20.2%	6 months	-	-	-
Overall Market	606	0	606	1.8%	6 months	-	-	-
Total Overall	637	0	637	12.4%	6 months	\$729	-	-

The capture rate for the LIHTC units is 20.2 percent, and the overall capture rate is 12.4 percent. We believe that the capture rates are reasonable for the Subject based on its target population, and there is adequate demand based on our conclusions.

7. Competitive Rental Analysis:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. To evaluate the competitive position of the Subject, 1,143 units in 11 rental properties were surveyed in depth. The data in the PMA is considered adequate on which to base our conclusions. The comparable properties in our survey include a range of units targeting several different AMI levels and unrestricted units. The Subject will offer 50 and 60 percent AMI units and market rate units. The Subject's proposed rents are well below the average rents at the comparable properties, and offer an eight to 23 percent rent advantage compared to the market overall.

Vacancy rates in the market range from zero to 6.7 percent, averaging 3.3 percent. The weighted average vacancy rate among the LIHTC comparables is 4.3 percent, while the weighted average vacancy rate among the market rate comparables is 2.7 percent. Further, two of the LIHTC comparables maintain waiting lists for at least some of their affordable units. The Subject will be new construction and will be superior to the majority of the comparables in terms of construction. The Subject's proposed rents are below the maximum allowable levels and are within the range of the LIHTC comparables and appear to be achievable.

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.

**Subject Comparison To Market Rents
@50%**

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
	Proposed Rents				
1 BR	\$476	\$419	\$933	\$628	24%
2 BR	\$561	\$498	\$1,102	\$716	22%
3 BR	\$639	\$474	\$1,260	\$832	23%

@60%

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
	Proposed Rents				
1 BR	\$534	\$510	\$933	\$678	21%
2 BR	\$631	\$600	\$1,102	\$792	20%
3 BR	\$720	\$698	\$1,260	\$888	19%

As illustrated, the Subject’s proposed 50 and 60 percent rents are similar to below the surveyed average when compared to the comparables for both LIHTC and market rate, which appears reasonable based on the Subject’s superior condition. The average market rate vacancy is very low, and the Subject’s proposed LIHTC rents are within or below the range of the rents reported at the comparable properties.

Park Place is the most similar market rate property in terms of unit sizes, location, and property amenities. When complete, the Subject will offer a superior age and condition compared to Park Place. The remaining market rate comparables exhibit will exhibit similar to inferior condition and property amenities to the Subject. Overall, Park Place appears to be the most similar market rate comparables.

8. Absorption/Stabilization Estimate:

We were able to obtain absorption information from one comparable property in the following table. Note that we have included two additional properties that were excluded from our competitive analysis but were leased more recently than the remainder of the comparable properties.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Caney Heights	LIHTC	Family	2012	28	5.5
Kings Grant Apartments*	LIHTC	Family	2009	60	12
The Village At Winding Road	LIHTC	Senior	2013	50	13

*Indicates property utilized as a comparable

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as we were unable to contact property management. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable family properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in the area, we anticipate that the Subject will absorb 13 units per month, for an absorption period of six months.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. To evaluate the competitive position of the Subject, 1,143 units in 11 rental properties were surveyed in depth. The data in the PMA is considered adequate on which to base our conclusions. The comparable properties in our survey include a range of units targeting several different AMI levels and unrestricted units. The Subject will offer 50 and 60 percent AMI units, and market rate units. The Subject's proposed rents are below the average rents at the comparable properties.

Vacancy rates in the market range from zero to 6.7 percent, averaging 3.3 percent. The weighted average vacancy rate among the LIHTC comparables is 4.3 percent, while the weighted average vacancy rate among the market rate comparables is 2.7 percent. Further, two of the LIHTC comparables maintain waiting lists for at least some of their affordable units. The Subject will be new construction and be superior to the majority of the comparables in terms of construction. The Subject's proposed rents below the maximum allowable levels are within the range of the LIHTC comparables and appear to be achievable.

Summary Table:

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

Development Name:	Proposed Development	Total # Units: 80
Location:	127 Kings Bay Road	# LIHTC Units: 68
	Kingsland, Camden County, Georgia 31548	
PMA Boundary:	North: Satilla River; South: Georgia-Florida state line; East: Atlantic Ocean; West: Camden-Charlton County line	
	Farthest Boundary Distance to Subject:	<u>19 miles</u>

Rental Housing Stock (found on pages 20)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	24	6,891	138	98.0%
Market-Rate Housing	10	6,403	90	98.6%
Assisted/Subsidized Housing not to include LIHTC	6	N/Ap	N/Ap	N/Ap
LIHTC	8	488	12	97.5%
Stabilized Comps	11	1,143	31	97.7%
Properties in Construction & Lease Up	0	0	0	N/Ap

*Only includes properties in PMA

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
1	1BR at 50% AMI	1	700	\$476	\$678	\$0.65	30%	\$933	\$1.33
5	2BR at 50% AMI	1	900	\$561	\$817	\$0.54	31%	\$1,102	\$1.16
6	3BR at 50% AMI	2	1,200	\$639	\$1,000	\$0.52	36%	\$1,260	\$1.15
6	1BR at 60% AMI	1	700	\$534	\$678	\$0.73	21%	\$933	\$1.33
25	2BR at 60% AMI	1	900	\$631	\$817	\$0.62	23%	\$1,102	\$1.16
25	3BR at 60% AMI	2	1,200	\$720	\$1,000	\$0.59	28%	\$1,260	\$1.15
1	1BR at MR	1	700	\$639	\$678	\$0.91	6%	\$933	\$1.33
5	2BR at MR	1	900	\$751	\$817	\$0.77	8%	\$1,102	\$1.16
5	3BR at MR	2	1,200	\$855	\$1,000	\$0.74	15%	\$1,260	\$1.15

Demographic Data (found on page 29)

	2010		2015		2018	
Renter Households	6,061	34.60%	6,891	37.60%	7,047	39.4%
Income-Qualified Renter HHs (LIHTC)	1,588	26.20%	1,841	26.20%	1,935	27.5%
Income-Qualified Renter HHs (MR)	3,095	51.1%	3,458	51.1%	3,485	49.5%

Targeted Income-Qualified Renter Household Demand (found on pages 46-64)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	30	39	77	N/Ap	81
Existing Households (Overburdened + Substandard)	N/Ap	206	265	529	N/Ap	556
Homeowner conversion (Seniors)	N/Ap	0	0	N/Ap	N/Ap	0
Total Primary Market Demand	N/Ap	236	304	606	N/Ap	637
Less Comparable/Competitive Supply	N/Ap	0	0	0	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	236	304	606	N/Ap	637

Capture Rates (found on page 61)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	6.4%	18.4%	1.8%	N/Ap	12.40%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at 127 Kings Bay Road in Kingsland, Camden County, Georgia 31548.
Construction Type:	The Subject will consist of four three-story garden-style residential buildings and one one-story clubhouse. The design will feature wood frame construction with brick façade and cement siding.
Occupancy Type:	The Subject will target families.
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 upon completion.
Proposed Development Amenities:	See following property profile.
Scope of Renovations:	The Subject will be new construction.
Current Rents:	The Subject will be new construction.
Current Occupancy:	The Subject will be new construction.
Current Tenant Income:	The Subject will be new construction.
Placed in Service Date:	The Subject’s approximate market entry date is May 2018.
Conclusion:	The Subject will consist of four three-story garden-style residential buildings and one one-story clubhouse. As new construction, the Subject will not suffer from deferred maintenance or functional obsolescence.

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate													
Subject	Proposed Development 127 Kings Bay Road Kingsland, GA 31548 Camden County	n/a	Garden (3 stories) 2018	LIHTC	1BR / 1BA	2	2.50%	@50%	\$476	700	no		N/A	N/A													
					1BR / 1BA	5	6.20%	@60%	\$534	700	no	N/A	N/A														
					1BR / 1BA	1	1.30%	Market	\$639	700	n/a	N/A	N/A														
					2BR / 1BA	6	7.50%	@50%	\$561	900	no	N/A	N/A														
					2BR / 1BA	24	30.00%	@60%	\$631	900	no	N/A	N/A														
					2BR / 1BA	5	6.20%	Market	\$751	900	n/a	N/A	N/A														
					2BR / 1BA	1	1.30%	Non-Rental	N/A	900	n/a	N/A	N/A														
					3BR / 2BA	6	7.50%	@50%	\$639	1,200	no	N/A	N/A														
					3BR / 2BA	25	31.20%	@60%	\$720	1,200	no	N/A	N/A														
					3BR / 2BA	5	6.20%	Market	\$855	1,200	n/a	N/A	N/A														
					80	100%						N/A	N/A														
1	Ashton Cove Apartments 230 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	Garden 1999	LIHTC	1BR / 1BA	15	20.80%	@45% (Senior)	\$419	764	yes	Yes	0	0.00%													
					1BR / 1BA	3	4.20%	@50%	\$441	764	yes	Yes	1	33.30%													
					2BR / 1BA	15	20.80%	@45% (Senior)	\$498	984	yes	Yes	0	0.00%													
					2BR / 1BA	3	4.20%	@50% (Senior)	\$526	984	yes	Yes	0	0.00%													
					2BR / 2BA	17	23.60%	@45%	\$498	984	yes	Yes	0	0.00%													
					2BR / 2BA	3	4.20%	@50%	\$526	984	yes	Yes	0	0.00%													
					3BR / 2BA	13	18.10%	@45%	\$567	1,184	yes	Yes	0	0.00%													
					3BR / 2BA	3	4.20%	@50%	\$647	1,184	yes	Yes	1	33.30%													
										72	100%						2	2.80%									
2	Kings Grant Apartments 500 N. Grove Boulevard Kingsland, GA 31548 Camden County	3.7 miles	Garden (2 stories) 2009	LIHTC	2BR / 2BA	7	11.70%	@50%	\$545	900	no	No	0	0.00%													
					2BR / 2BA	20	33.30%	@60%	\$659	900	no	No	0	0.00%													
					3BR / 2BA	14	23.30%	@50%	\$615	1,100	no	No	0	0.00%													
					3BR / 2BA	19	31.70%	@60%	\$698	1,100	no	No	4	21.10%													
										60	100%					4	6.70%										
					3	Royal Point Apartments 301 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	Garden (3 stories) 2000	LIHTC	2BR / 2BA	29	20.10%	@50%	\$646	990	no	Yes	0	0.00%								
										2BR / 2BA	43	29.90%	@60%	\$700	990	no	Yes	2	4.70%								
										3BR / 2BA	29	20.10%	@50%	\$744	1,189	no	Yes	0	0.00%								
										3BR / 2BA	43	29.90%	@60%	\$800	1,189	no	Yes	2	4.70%								
															144	100%					4	2.80%					
4	The Reserve At Sugar Mill 11115 Colerain Rd St Marys, GA 31558 Camden County	3.9 miles	Garden (2 stories) 1997 / 2013	LIHTC						2BR / 2BA	3	4.30%	@50%	\$597	939	no	No	0	0.00%								
										2BR / 2BA	3	4.30%	@50%	\$597	952	no	No	0	0.00%								
										2BR / 2BA	13	18.60%	@60%	\$744	939	no	No	2	15.40%								
										2BR / 2BA	15	21.40%	@60%	\$744	952	no	No	2	13.30%								
										3BR / 2BA	3	4.30%	@50%	\$680	1,161	no	No	0	0.00%								
					3BR / 2BA	3	4.30%	@50%	\$680	1,174	no	No	0	0.00%													
					3BR / 2BA	17	24.30%	@60%	\$850	1,161	no	No	1	5.90%													
					3BR / 2BA	13	18.60%	@60%	\$850	1,174	no	No	0	0.00%													
										70	100%					5	7.10%										
5	Brant Creek Apartments 4450 Highway 40 East St Marys, GA 31558 Camden County	2.2 miles	Garden (3 stories) 2010	Market	1BR / 1BA	N/A	N/A	Market	\$776	757	n/a	No	N/A	N/A													
					2BR / 2BA	N/A	N/A	Market	\$948	1,029	n/a	No	N/A	N/A													
					3BR / 2BA	N/A	N/A	Market	\$1,159	1,186	n/a	No	N/A	N/A													
										196	100%					N/A	N/A										
					6	Camden Way Apartments 145 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	One-story 1986	Market	Studio / 1BA	16	13.20%	Market	\$470	300	n/a	No	1	6.20%								
										1BR / 1BA	78	64.50%	Market	\$545	600	n/a	No	1	1.30%								
										2BR / 1BA	15	12.40%	Market	\$600	865	n/a	Yes	0	0.00%								
										2BR / 2BA	6	5.00%	Market	\$614	865	n/a	Yes	0	0.00%								
										3BR / 2BA	6	5.00%	Market	\$710	1,152	n/a	Yes	0	0.00%								
															121	100%					2	1.70%					
7	Greenbriar Townhomes 244 S. Orange Edwards Blvd Kingsland, GA 31548 Camden County	4.4 miles	Townhouse (2 stories) 1993 / 2009	Market						2BR / 2BA	6	8.30%	Market	\$748	1,200	n/a	No	0	0.00%								
										3BR / 2BA	66	91.70%	Market	\$729	1,200	n/a	Yes	0	0.00%								
															72	100%					0	0.00%					
										8	Kings Landing Apartments 250 N Gross Rd Kingsland, GA 31548 Camden County	1.5 miles	Garden 1989	Market	1BR / 1BA	8	16.70%	Market	\$530	732	n/a	No	0	0.00%			
					2BR / 2BA	40	83.30%	Market	\$635						964	n/a	Yes	0	0.00%								
															48	100%					0	0.00%					
					9	Mission Forest Apartments 999 Mission Trace Dr St Marys, GA 31558 Camden County	1.8 miles	Garden (2 stories) 1986	Market						1BR / 1BA	16	15.40%	Market	\$578	750	n/a	Yes	0	0.00%			
															2BR / 2BA	88	84.60%	Market	\$710	950	n/a	Yes	3	3.40%			
																				104	100%					3	2.90%
															10	Park Place 11919 Colerain Rd St Marys, GA 31558 Camden County	2.7 miles	Garden (2 stories) 1988	Market	1BR / 1BA	32	16.00%	Market	\$824	700	n/a	No
1BR / 1BA	0	0.00%	Market	\$933																700	n/a	No	N/A	N/A			
1BR / 1BA	0	0.00%	Market	\$724																700	n/a	No	N/A	N/A			
2BR / 1BA	68	34.00%	Market	\$954																950	n/a	No	N/A	N/A			
2BR / 1BA	0	0.00%	Market	\$1,055						950	n/a	No	N/A	N/A													
2BR / 1BA	0	0.00%	Market	\$852						950	n/a	No	N/A	N/A													
2BR / 2BA	68	34.00%	Market	\$965						950	n/a	No	N/A	N/A													
2BR / 2BA	0	0.00%	Market	\$1,102	950	n/a	No	N/A	N/A																		
2BR / 2BA	0	0.00%	Market	\$827	950	n/a	No	N/A	N/A																		
3BR / 2BA	32	16.00%	Market	\$1,133	1,100	n/a	No	N/A	N/A																		
3BR / 2BA	0	0.00%	Market	\$1,260	1,100	n/a	No	N/A	N/A																		
3BR / 2BA	0	0.00%	Market	\$1,006	1,100	n/a	No	N/A	N/A																		
					200	100%					10	5.00%															
11	Pelican Point Apartments 1 Pelican Point St Mary's, GA 31558 Camden County	3.6 miles	Garden (2 stories) 1987	Market	1BR / 1BA	24	42.90%	Market	\$510	560	n/a	No	1	4.20%													
					2BR / 2BA	32	57.10%	Market	\$610	1,000	n/a	No	0	0.00%													
										56	100%					1	1.80%										

C. SITE EVALUATION

1. Date of Site Visit and

Name of Site Inspector:

Talia Gbolahan, an employee of Novogradac & Company LLP, visited the site on June 6, 2016.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

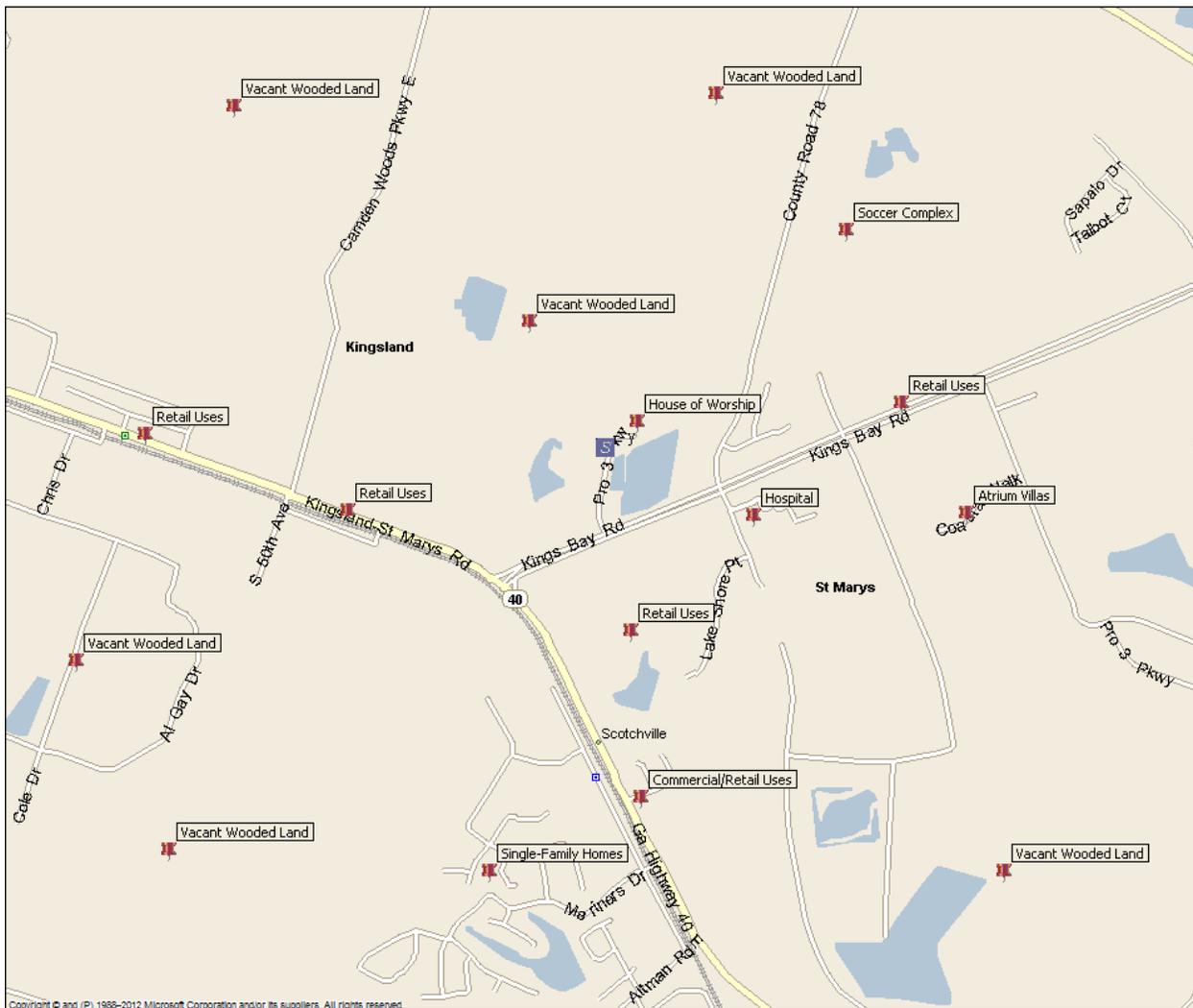
According to site plans from the developer, the Subject will have frontage on Kings Bay Road and Pro 3.

Visibility/Views:

The Subject site will have good visibility from Kings Bay Road and Pro 3. Views include vacant wooded land to the north and west, a house of worship and pond to the east, and vacant land and retail uses to the south. Overall, views are considered average.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject site is located in a mixed-use neighborhood with retail uses nearby. The residential uses to the south and east primarily consist of single-family homes typically in average to good condition. Additionally, there is a hospital located to the southeast of the Subject site. Retail and commercial uses along East King Avenue include convenience/grocery stores, restaurants, gas stations, pharmacies, and retail stores. It should be noted that there are two LIHTC and three market rate developments located within 1.8 miles of the Subject that were utilized as comparables. There is significant retail and commercial development south and west of the Subject site, concentrated along East King Avenue which appeared to be around 95 percent occupied at the time of inspection and in good to condition. Overall, both the Subject site and the land uses in the Subject's neighborhood are considered compatible for multifamily use.

Positive/Negative Attributes of Site: There does not appear to be any negative attributes of the site. Positive attributes include close proximity to retail and commercial uses and a hospital.

3. Physical Proximity to Locational Amenities:

The Subject site is located in Kingsland, Camden County, Georgia. There are restaurants, convenience/grocery stores, and other retail located within close proximity of the Subject site. Other amenities such as a pharmacy, schools, a post office, banks, and a park are within five miles of the Subject. The proximity of these amenities is considered to be a desirable attribute for family households.

4. Pictures of Site and Adjacent Uses:

Proposed Development – Kingsland, Georgia

Source: Talia Gbolahan, Junior Analyst

Date: 6/7/2016



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



SUBJECT SITE



VIEW SOUTH ON PRO 3 PARKWAY FROM SUBJECT SITE

Proposed Development – Kingsland, Georgia

Source: Talia Gbolahan, Junior Analyst

Date: 6/7/2016



VIEW NORTH ON PRO 3 PARKWAY FROM SUBJECT SITE



VIEW EAST FROM SUBJECT SITE AT LAKE



VIEW FROM PRO 3 PARKWAY OF ADJACENT PROPERTY NORTHEAST



VIEW SOUTHWEST AT THE SUBJECT SITE FROM ADJACENT PROPERTY



ADJACENT VACANT LAND AND RETAIL USES TO THE SOUTHWEST



VIEW WEST ON KINGS BAY ROAD

Proposed Development – Kingsland, Georgia

Source: Talia Gbolahan, Junior Analyst

Date: 6/7/2016



VIEW EAST ON KINGS BAY ROAD



AREA HOSPITAL



AREA BANKING



AREA COMMERCIAL USES



AREA PHARMACY



AREA RETAIL

Proposed Development – Kingsland, Georgia

Source: Talia Gbolahan, Junior Analyst

Date: 6/7/2016



AREA RETAIL



AREA RETAIL



AREA RETAIL



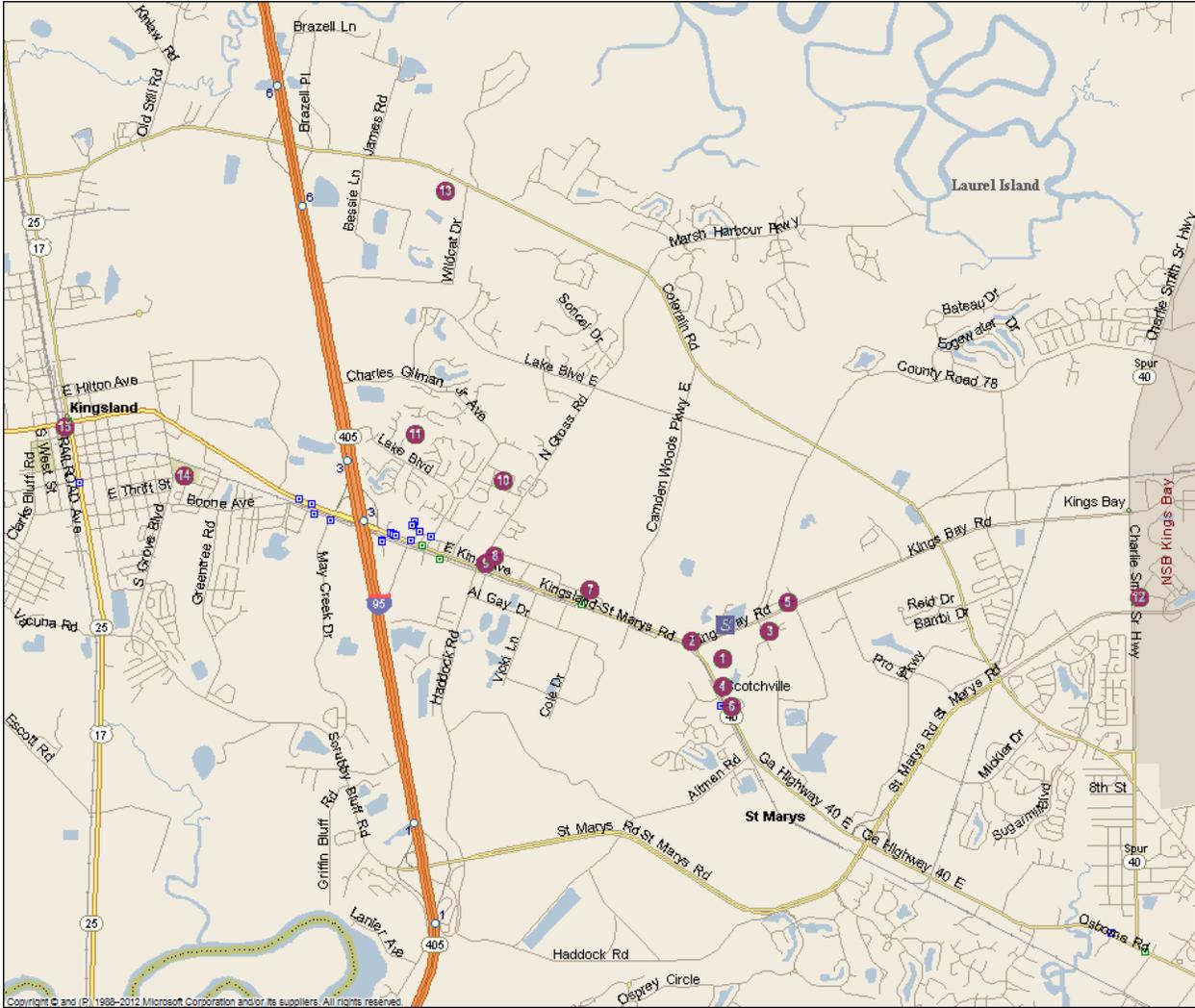
AREA RETAIL

5. Proximity to Locational Amenities:

The following table details the Subject’s distance from key locational amenities, as well as the area’s largest employer which is the Kings Bay Naval Base. It should be noted that that there is no public transportation available in Kingsland, which is common in rural markets. However, a shuttle service administered by the Coastal Regional Commission of Georgia will provide service to the Subject. Fares are \$3.00 for a one-way trip within the county, and reservation must be made in advance.

LOCATIONAL AMENITIES

Map Number	Service or Amenity	Distance from Subject (Miles)
1	Walmart Supercenter	<0.1 Mile
2	Walgreens Pharmacy	<0.1 Mile
3	Camden Medical Center	0.3 Mile
4	Murphy Gas USA	0.4 Mile
5	Dollar General	0.5 Mile
6	Ameribank	0.5 Mile
7	The UPS Store	0.9 Mile
8	Camden County Fire Station 10	1.5 Miles
9	Camden County Public Library	1.5 Miles
10	Camden Middle School	1.7 Miles
11	Matilda Harris Elementary School	2.3 Miles
12	Naval Base Kings Bay (Largest Employer)	2.7 Miles
13	Camden County High School	3.3 Miles
14	Kingsland Lion Park	3.5 Miles
15	Kingsland Police Department	4.4 Miles



6. Description of Land Uses:

The Subject site is located in a mixed-use neighborhood with retail uses nearby. The residential uses to the south and east primarily consist of single-family homes typically in average to good condition. Additionally, there is a hospital located to the southeast of the Subject site. Retail and commercial uses along East King Avenue include convenience/grocery stores, restaurants, gas stations, pharmacies, and retail stores. It should be noted that there are two LIHTC and three market rate developments located within 1.8 miles of the Subject that were utilized as comparables. There is significant retail and commercial development south and west of the Subject site, concentrated along East King Avenue which appeared to be around 95 percent occupied at the time of inspection and in good to condition. Overall, both the Subject site and the land uses in the Subject’s neighborhood are considered compatible for multifamily use.

7. Multifamily Residential within Two Miles:

The following table illustrates comparable multifamily properties located within two miles of the Subject site.

COMPARABLE HOUSING WITHIN TWO MILES

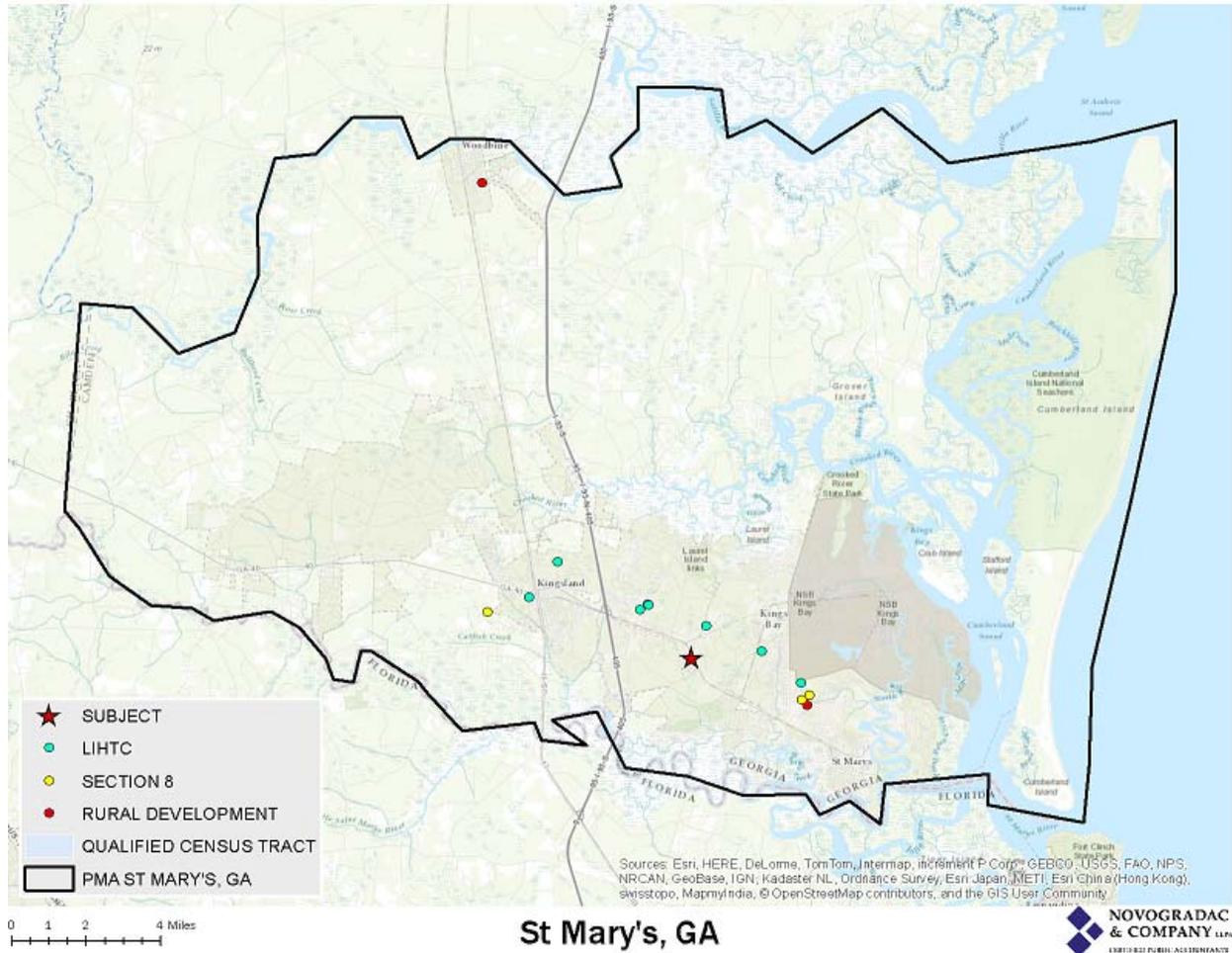
Property Name	Program	Tenancy	Distance
Willow Way Apartments	Market	Family	1.7 Miles
Kings Landing Apartments*	Market	Family	1.8 Miles
Ashton Cove Apartments*	LIHTC	Family	1.7 Miles
Royal Point Apartments*	LIHTC	Family	1.8 Miles
Camden Way*	Market	Family	1.7 Miles
Mission Forest Apartments*	Market	Family	1.7 Miles

*Utilized as a comparable

8. Existing Assisted Rental Housing Property Map:

The following map and list identifies all affordable rental housing properties in the PMA. Properties in bold have been utilized as comparables in our analysis.

Name	Occupancy Rate	Address	City	State	Zip Code	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject	
Village at Winding Road	100%	1 Krayons Court	St. Mary's	GA	31558	LIHTC	Senior	[Cyan]	Excluded	Incomparable Tenancy	4.0 Miles	
The Reserve at Sugar Mill	97%	11115 Colerain Rd.	St. Mary's	GA	31558	LIHTC	Family		Included	N/Ap	3.9 Miles	
Clarks Bluff Road	N/Av	102 Clarks Bluff Road	Kingsland	GA	31548	LIHTC	Family		Excluded	More similar comparables utilized	3.5 Miles	
Ashton Cove Apartments	97%	230 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family		Included	N/Ap	1.5 Miles	
Caney Heights	100%	201 Caney Heights Court	Kingsland	GA	31548	LIHTC	Family		Excluded	Unable to Contact	4.0 Miles	
Kings Grant Apartments	97%	500 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family		Included	N/Ap	3.7 Miles	
Royal Point Apartments	97%	301 N. Gross Rd.	Kingsland	GA	31558	LIHTC	Family		Included	N/Ap	1.5 Miles	
Old Jefferson Estates	95%	42 Pinehurst Dr.	St. Mary's	GA	31558	LIHTC	Family		Excluded	Closer comparables utilized	3.3 Miles	
Hilltop Terrace I-II	100%	4059 Martin Luther King Jr. Blvd.	Kingsland	GA	31548	USDA	Senior		[Red]	Excluded	Subsidized Rents	5.0 Miles
Satilla Terrace	96%	1100 McDonald Road	Woodbine	GA	31569	USDA	Family			Excluded	Subsidized Rents	13.5 Miles
Cumberland Village	98%	116 Martha Dr.	St. Mary's	GA	31558	USDA	Family	[Yellow]	Excluded	Subsidized Rents	3.6 Miles	
Cottages at Camden	N/Av	1050 N. Gross Rd.	Kingsland	GA	31548	Section 8	Senior		Excluded	Subsidized Rents	1.8 Miles	
Cumberland Oaks Apartments	N/Av	100 Mary Powell Dr.	St. Mary's	GA	31558	Section 8	Family		Excluded	Subsidized Rents	3.4 Miles	
The Pines Apartments	N/Av	208 Old Jeffers on Rd	St. Mary's	GA	31558	Section 8	Family	Excluded	Subsidized Rents	3.0 Miles		



9. Road/Infrastructure Proposed Improvements:

According to site plans from the developer, the proposed development will not require construction of additional infrastructure.

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

The Subject site will have access from Kings Bay Road and Pro 3. Kings Bay Road traverses east to west and provides access to the Naval Submarine Base to the east and GA-40 to the west. Further, the Subject site is located approximately 2.4 miles east of I-95. The Subject site will have good visibility from Kings Bay Road and Pro 3. Overall visibility and access are considered average.

11. Environmental Concerns:

We requested but were not provided with a Phase I environmental report for the Subject. During our inspection, we walked the Subject and did not observe any obvious indicators of environmental contamination or adverse property condition issues. Novogradac &

Company LLP does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions. Further analysis is beyond the scope of this report.

12. Detrimental Influences:

There does not appear to be any negative attributes of the site. Furthermore, no significant detrimental off-site influences were observed during the site inspection.

13. Conclusion:

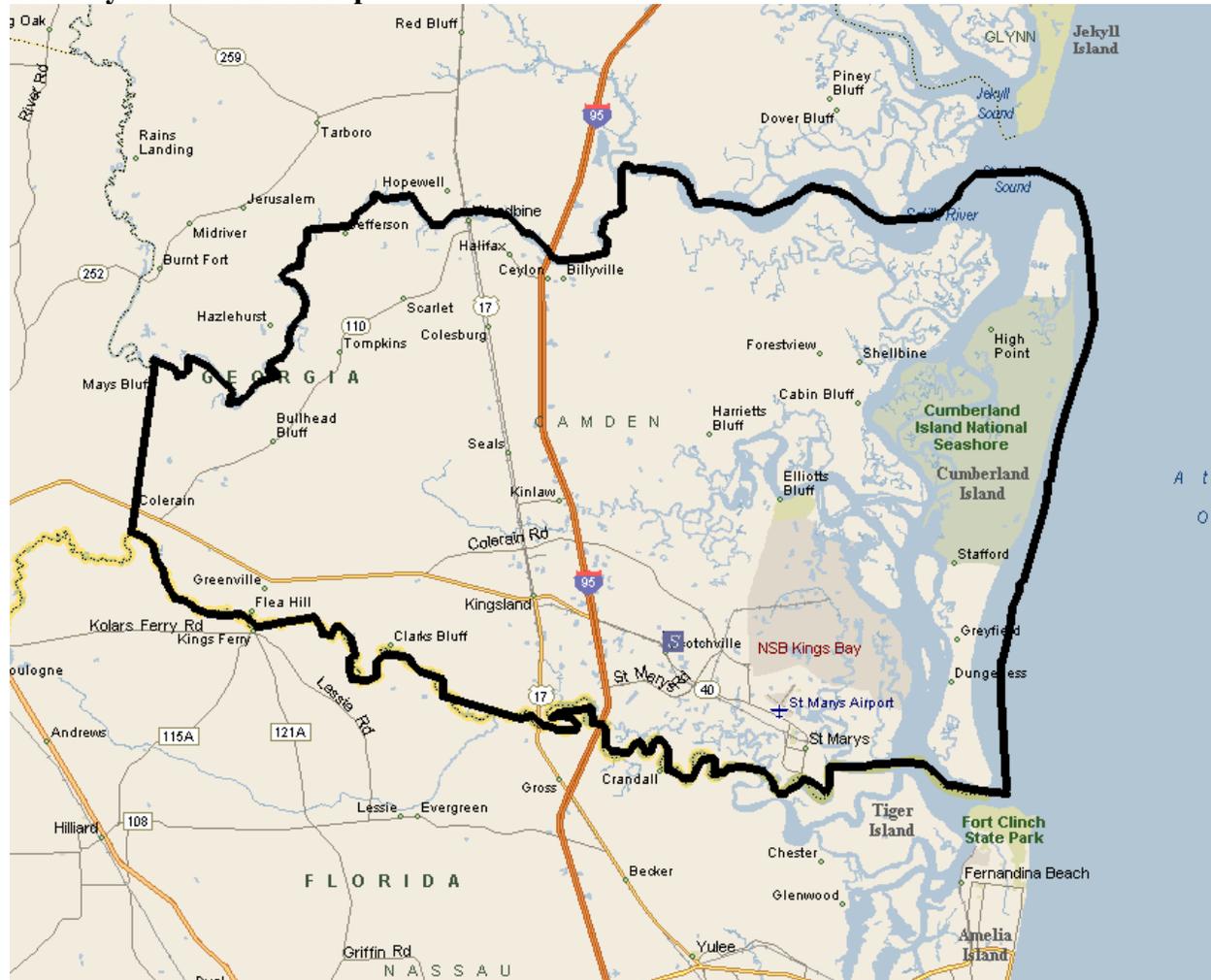
The Subject is located less than 0.3 mile from GA-40, along which the majority of retail and commercial uses are concentrated. Retail in the area is in good condition and occupancy appears to be approximately 95 percent. Single family homes in the immediate area appear to be in average to good condition. The Subject site is in close proximity to retail and commercial uses. Overall, the community presents a desirable location for an affordable, multifamily development and we believe that the Subject will have a positive impact on the local neighborhood.

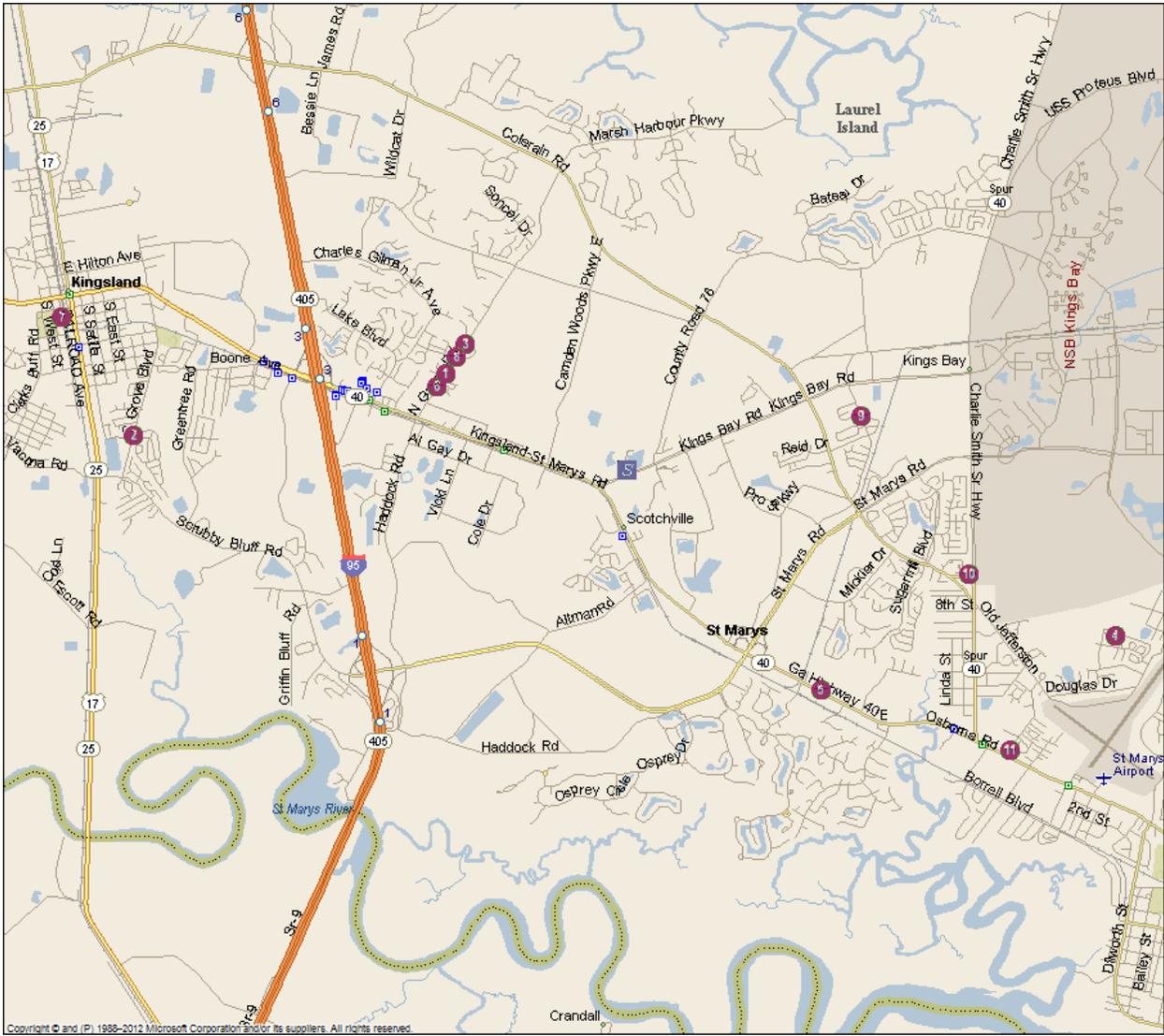
D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map

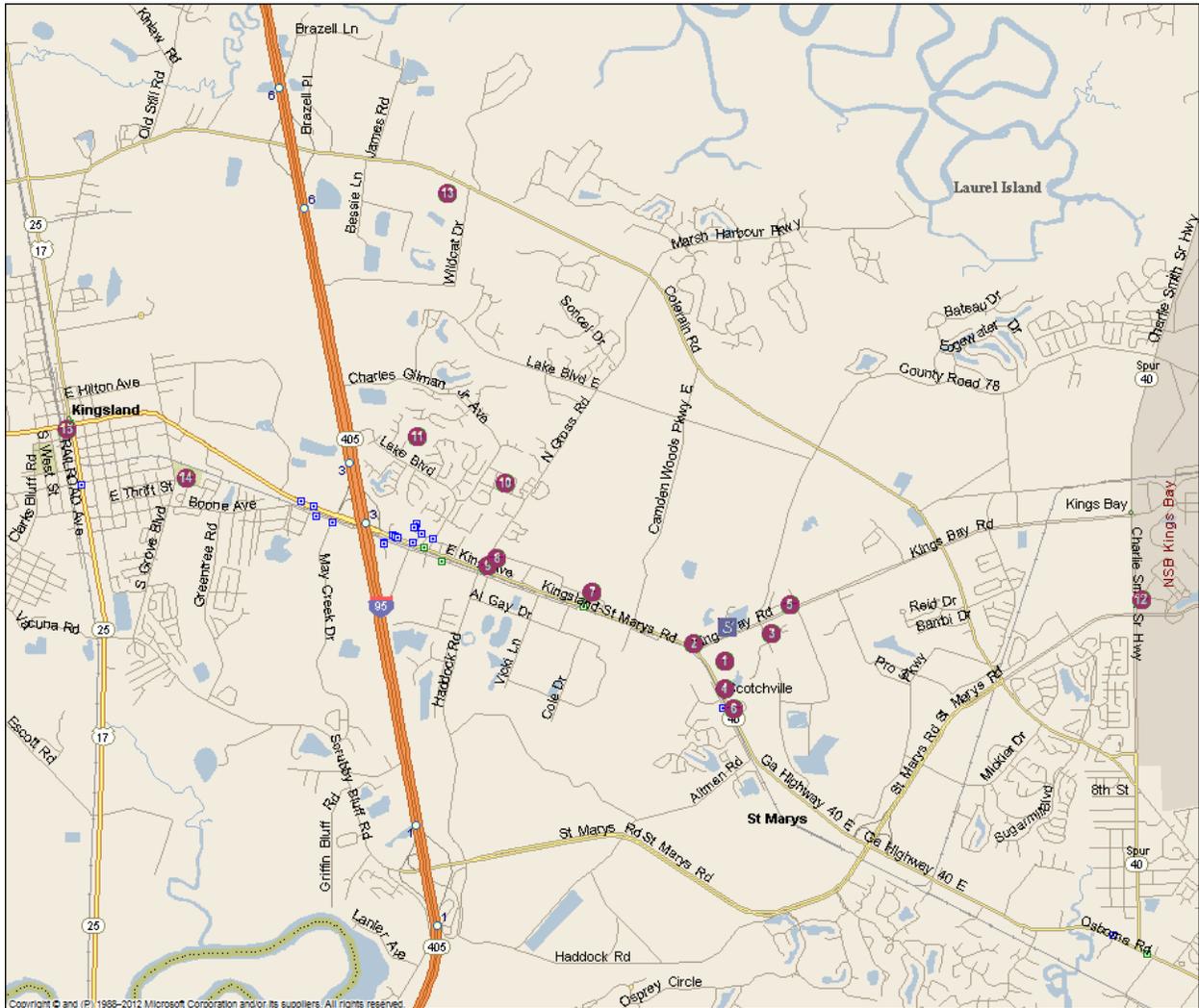




COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashton Cove Apartments	Kingsland	LIHTC	1.5 miles
2	Kings Grant Apartments	Kingsland	LIHTC	3.7 miles
3	Royal Point Apartments	Kingsland	LIHTC	1.5 miles
4	The Reserve At Sugar Mill	St Marys	LIHTC	3.9 miles
5	Brant Creek Apartments	St Marys	Market	2.2 miles
6	Camden Way Apartments	Kingsland	Market	1.5 miles
7	Greenbriar Townhomes	Kingsland	Market	4.4 miles
8	Kings Landing Apartments	Kingsland	Market	1.5 miles
9	Mission Forest Apartments	St Marys	Market	1.8 miles
10	Park Place	St Marys	Market	2.7 miles
11	Pelican Point Apartments	St Mary's	Market	3.6 miles

LOCATIONAL AMENITY MAP



LOCATIONAL AMENITIES

Map Number	Service or Amenity	Distance from Subject (Miles)
1	Walmart Supercenter	<0.1 Mile
2	Walgreens Pharmacy	<0.1 Mile
3	Camden Medical Center	0.3 Mile
4	Murphy Gas USA	0.4 Mile
5	Dollar General	0.5 Mile
6	Ameribank	0.5 Mile
7	The UPS Store	0.9 Mile
8	Camden County Fire Station 10	1.5 Miles
9	Camden County Public Library	1.5 Miles
10	Camden Middle School	1.7 Miles
11	Matilda Harris Elementary School	2.3 Miles
12	Naval Base Kings Bay (Largest Employer)	2.7 Miles
13	Camden County High School	3.3 Miles
14	Kingsland Lion Park	3.5 Miles
15	Kingsland Police Department	4.4 Miles

It should be noted that that there is no public transportation available in Kingsland, which is common in rural markets. However, a shuttle service administered by the Coastal Regional Commission of Georgia will provide service to the Subject. Fares are \$3.00 for a one-way trip within the county, and reservation must be made in advance.

E. 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 Secondary Market Area (St. Marys, MSA) are areas of growth or contraction.

The PMA is defined as the portion of Camden County south of the Satilla River. The PMA is bounded to the north by the Satilla River; to the east by the Atlantic Ocean; to the south by the Georgia-Florida state border; and to the west by the Camden-Charlton County border. While we do believe the Subject will experience leakage from outside the PMA boundaries, 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 is approximately 19.2 miles.

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

1. Population Trends

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

TOTAL POPULATION

Year	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	40,819	-	43,662	-	281,421,906	-
2010	47,399	1.6%	50,513	1.6%	308,745,538	1.0%
2015	48,933	0.6%	52,096	0.6%	318,536,439	0.6%
Projected Mkt Entry May 2018	49,574	0.5%	53,181	0.7%	325,385,249	0.8%
2020	50,064	0.5%	54,010	0.7%	330,622,575	0.8%

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry May 2018	2020
0-4	3,639	3,823	3,805	3,834	3,857
5-9	3,748	3,495	3,610	3,647	3,675
10-14	3,742	3,490	3,286	3,456	3,586
15-19	3,228	3,727	3,253	3,221	3,196
20-24	4,162	4,796	4,521	4,156	3,876
25-29	3,601	3,950	4,515	4,244	4,037
30-34	3,572	3,024	3,858	4,288	4,616
35-39	3,706	3,026	2,886	3,453	3,886
40-44	3,078	3,112	2,834	2,767	2,715
45-49	2,308	3,256	2,920	2,726	2,577
50-54	1,867	3,092	3,132	2,875	2,678
55-59	1,301	2,388	2,941	2,879	2,832
60-64	924	2,131	2,282	2,503	2,672
65-69	681	1,677	1,970	1,990	2,006
70-74	532	1,040	1,473	1,584	1,669
75-79	352	666	830	1,031	1,184
80-84	213	407	473	544	599
85+	167	299	344	377	403
Total	40,821	47,399	48,933	49,574	50,064

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

The general population in the PMA and MSA increased from 2000 to 2010, with population growth slowing from 2010 to 2015. The population in both the PMA and MSA is projected to continue growing through 2020, though the growth rate in the PMA is projected to decrease slightly. Comparatively, the population growth rates of the MSA and nation are projected to increase slightly. Additionally, the population trends in the PMA are considered strong, given the rural nature of the area. Overall, we believe that population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

2. Household Trends

2a. Total Number of Households, Average Household Size

Year	TOTAL NUMBER OF HOUSEHOLDS					
	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	13,620	-	14,705	-	105,480,101	-
2010	16,811	2.3%	18,047	2.3%	116,716,292	1.1%
2015	17,593	0.9%	18,866	0.9%	120,746,349	0.7%
Projected Mkt Entry May 2018	17,898	0.6%	19,355	0.9%	123,427,370	0.8%
2020	18,132	0.6%	19,729	0.9%	125,477,562	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		St. Marys, GA Micropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.86	-	2.84	-	2.59	-
2010	2.71	-0.5%	2.69	-0.5%	2.58	-0.1%
2015	2.67	-0.2%	2.66	-0.2%	2.57	0.0%
Projected Mkt Entry May 2018	2.66	-0.1%	2.65	-0.1%	2.57	0.0%
2020	2.66	-0.1%	2.64	-0.1%	2.57	0.0%

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

The PMA and MSA experienced greater household growth than the nation from 2000 to 2010. However, both the PMA and MSA experienced slower household growth from 2010 to 2015, although it was still above the national average. While household growth in the PMA is projected to continue slowing through 2020, household growth in the MSA will remain constant. The PMA has historically had a larger average household size than the MSA and the nation. The PMA and MSA experienced similar decreases to the average household size from 2000 to 2015, and are projected to continue experiencing similar decreases through 2020.

2b. Households by Tenure

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

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,361	61.4%	5,259	38.6%
2010	10,750	63.9%	6,061	36.1%
2015	10,702	60.8%	6,891	39.2%
Projected Mkt Entry May 2018	10,852	60.6%	7,047	39.4%
2020	10,966	60.5%	7,166	39.5%

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

TENURE PATTERNS SMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	9,305	63.3%	5,400	36.7%
2010	11,810	65.4%	6,237	34.6%
2015	11,765	62.4%	7,101	37.6%
Projected Mkt Entry May 2018	12,064	62.3%	7,291	37.7%
2020	12,292	62.3%	7,437	37.7%

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

According to the US Census Bureau, the national homeownership rate was 63.5 percent as of the first quarter of 2016. The table above illustrates that while owner-occupied units represent a majority of the market in both the PMA and MSA, both geographies are characterized by lower than average homeownership rates. Furthermore, the proportion of renter occupied units in both the PMA and MSA increased from 2010 to 2015, and is projected to continue increasing through 2020. This is a positive indicator of demand for rental housing in the Subject's market.

2c. Households by Income

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

Income Cohort	2010		2015		Projected Mkt Entry May 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	678	11.2%	876	12.7%	872	12.4%	869	12.1%
\$10,000-19,999	988	16.3%	1,205	17.5%	1,186	16.8%	1,171	16.3%
\$20,000-29,999	790	13.0%	920	13.3%	933	13.2%	943	13.2%
\$30,000-39,999	747	12.3%	815	11.8%	800	11.3%	788	11.0%
\$40,000-49,999	789	13.0%	811	11.8%	843	12.0%	869	12.1%
\$50,000-59,999	384	6.3%	446	6.5%	454	6.4%	460	6.4%
\$60,000-74,999	770	12.7%	866	12.6%	888	12.6%	904	12.6%
\$75,000-99,999	393	6.5%	428	6.2%	469	6.7%	500	7.0%
\$100,000-124,999	310	5.1%	367	5.3%	404	5.7%	432	6.0%
\$125,000-149,999	88	1.4%	66	1.0%	82	1.2%	94	1.3%
\$150,000-199,999	86	1.4%	66	1.0%	76	1.1%	84	1.2%
\$200,000+	38	0.6%	26	0.4%	41	0.6%	52	0.7%
Total	6,061	100.0%	6,891	100.0%	7,047	100.0%	7,166	100.0%

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

Approximately 55.4 percent of renter households in the PMA earn less than \$40,000 annually. The Subject's LIHTC units will target households earning between \$20,003 and \$42,420, therefore, the Subject should be well-positioned to service this market.

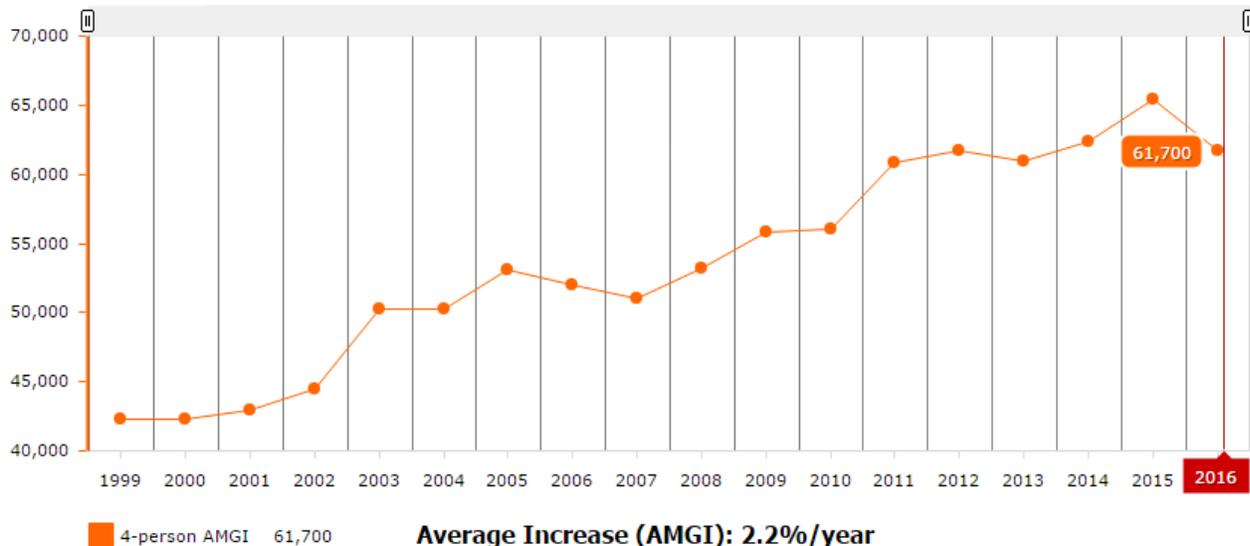
2d. Renter Households by Number of Persons in the Household

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

	2000		2010		2015		Projected Mkt Entry May 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,102	21.0%	1,571	25.9%	1,854	26.9%	1,919	27.2%	1,969	27.5%
With 2 Persons	1,572	29.9%	1,570	25.9%	1,781	25.8%	1,816	25.8%	1,843	25.7%
With 3 Persons	1,081	20.6%	1,229	20.3%	1,390	20.2%	1,421	20.2%	1,444	20.2%
With 4 Persons	857	16.3%	950	15.7%	1,055	15.3%	1,069	15.2%	1,079	15.1%
With 5+ Persons	646	12.3%	739	12.2%	811	11.8%	822	11.7%	831	11.6%
Total Renter	5,259	100.0%	6,061	100.0%	6,891	100.0%	7,047	100.0%	7,166	100.0%

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

One-person households make up the largest household size cohort in the PMA, followed by two-person households. Three-person households make up another one-fifth of the renter population in the PMA. In general, households with one to five people are expected to remain stable. As the Subject will be an affordable development with one, two, and three-bedroom units, nearly all households will be accommodated by the Subject's unit mix, which bodes well for the Subject. For Section 42 LIHTC rent determination purposes, the AMI is used. The following chart illustrates the AMI level for a four-person household in Camden County.



Novogradac & Company LLP, 6/2016

Overall, the AMI has increased by an average 2.2 percent annually between 1999 and 2016. It should be noted that the AMI in Camden County decreased significantly in 2016. Therefore, developments allocated on or before 2015 will be held harmless at the 2015 maximum allowable levels, while developments placed in service in after 2015, such as the Subject, will be restricted to the lower 2016 maximum allowable rent and income levels. However, per Georgia DCA guidelines, we have utilized the 2015 AMI data to evaluate the Subject. The Subject’s proposed rents for its units at 50 and 60 percent of AMI are set below the 2015 maximum allowable levels, and future rental increases will be limited by market conditions as well as increases in AMI.

CONCLUSION

The Subject is located in Kingsland, Camden County, GA. The population in the PMA is anticipated to increase at a slower rate than the MSA and the nation through market entry and 2020; however, given the rural nature of the PMA, the projected growth in the PMA is considered positive. Approximately 55.4 percent of households in the PMA have annual earnings below \$40,000. The Subject’s LIHTC units will target households earning between \$20,023 and \$42,420. Persons within these income cohorts are expected to create demand for the Subject.

F. EMPLOYMENT TRENDS

Employment Trends

The MSA has a stable economy with increasing total employment for six of the last 10 years. The only decreases in employment occurred from 2008 through 2010 and again in 2013. Furthermore, from 2012 through February 2016, the unemployment rate in the MSA has been consistently below the national average. It appears that the local economy has recovered and is expanding, as total employment numbers are slightly above pre-recessionary levels in 2015. The local economy appears to be diverse and consist of jobs offered in the accommodation/food services, education, healthcare/social assistance, and retail trade sectors, which are expected to generate demand for affordable housing in the PMA. It should be noted that the area's largest employer is the Kings Bay Naval Base, which is a significant driver of the local economy.

1. Total Jobs

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

Total Jobs in Camden County, Georgia		
Year	Total Employment	% Change
2005	15,065	
2006	15,196	0.9%
2007	15,643	2.9%
2008	15,038	-3.9%
2009	14,127	-6.1%
2010	13,362	-5.4%
2011	13,828	3.5%
2012	14,331	3.6%
2013	14,439	0.8%
2014	15,328	6.2%
2015 YTD Average	16,139	5.3%
Sep-14	15,574	
Sep-15	15,955	2.4%

Source: US Bureau of Labor Statistics

YTD as of September 2015

Total employment decreased in Camden County from 2008 through 2010, which can be attributed to the recent national recession. However, total employment in Camden County has increased substantially from 2011 through September of 2015. The total employment, as of September 2015, is above to the pre-recession levels and is expanding.

2. Total Jobs by Industry

The following table illustrates the annual total jobs by employment sectors within the PMA, MSA, and USA as of 2015.

2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	70	0.4%	1,941,156	1.3%
Mining	10	0.1%	997,794	0.7%
Construction	1,166	6.7%	9,392,204	6.4%
Manufacturing	1,336	7.6%	15,651,841	10.6%
Wholesale Trade	196	1.1%	3,742,526	2.5%
Retail Trade	1,805	10.3%	17,089,319	11.6%
Transportation/Warehousing	504	2.9%	6,200,837	4.2%
Utilities	145	0.8%	1,190,608	0.8%
Information	232	1.3%	2,965,498	2.0%
Finance/Insurance	559	3.2%	7,026,905	4.8%
Real Estate/Rental/Leasing	422	2.4%	2,759,067	1.9%
Prof/Scientific/Tech Services	852	4.9%	9,981,082	6.8%
Mgmt of Companies/Enterprises	0	0.0%	115,436	0.1%
Admin/Support/Waste Mgmt Svcs	439	2.5%	6,242,568	4.2%
Educational Services	2,150	12.3%	13,529,510	9.2%
Health Care/Social Assistance	2,053	11.7%	20,205,674	13.7%
Arts/Entertainment/Recreation	330	1.9%	3,193,724	2.2%
Accommodation/Food Services	2,362	13.5%	10,915,815	7.4%
Other Services (excl Publ Adm)	659	3.8%	7,548,482	5.1%
Public Administration	2,196	12.6%	7,099,307	4.8%
Total Employment	17,486	100.0%	147,789,353	100.0%

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

Employment in the PMA is concentrated in the accommodation/food services, educational services, public administration, health care/social assistance, and retail trade sectors. Employment in the accommodation/food services, educational services, and public sectors is overrepresented when compared to the nation. Although the largest sector in the PMA, accommodation/food services, is a historically volatile industry, the educational services, public administration, and health care/social assistance sectors are generally stable during economic downturns. Overall, the PMA's employment base seems to be fairly diversified.

3. Major Employers

The following table details the major employers within Camden County.

MAJOR EMPLOYERS			
#	Employer	Sector	Employees
1	Naval Submarine Base Kings Bay	Military	8,979
2	Camden County School System	Education	1,200
3	Express Scripts	Healthcare	650
4	Lockheed Martin	Engineering	479
5	Camden County Government	Public Administration	404
6	Walmart Supercenter	Retail	366
7	Southeast Georgia Health Systems Camden Campus	Healthcare	330
8	Kings Bay Support Service	Security	290
9	Winn Dixie	Retail	107
10	Publix	Retail	105

Source: Camden County Chamber of Commerce, April 2016

The previous table illustrates the top 10 employers in Camden County, Georgia. A variety of major employers are represented on the list. However, Kings Bay Submarine Base is the largest employer in the county, with a significantly higher number of employees than the remaining top employers. Additionally, Lockheed Martin and Kings Bay Support Service are both military contractors, contributing to the employment activity at the naval base. The top 10 employers represent 27 percent of the total employment in the PMA, which is considered significant. Kings Bay Submarine Base represents 18.8 percent of the total employment in the PMA. Overall, the employment is concentrated around the military base, which is a historically stable sector and a positive aspect of the local economy.

Expansions/Contractions

We contacted the director of the Kingsland Planning and Zoning Department, Ken Kessler, and Mr. Kessler provided us with the following business expansion information.

- An 80-unit assisted living facility and a dialysis clinic are anticipated to open before the end of 2016. The number of jobs this will create for the city of Kingsland is not known. It should be noted that this assisted living facility will not directly compete with the Subject due to its rent structure and tenancy.
- A tractor supply store is currently under construction as part of a four-unit development site. According to Mr. Kessler, the remaining units are not committed to any commercial or retail use at this time, but this is due to the fact that a railroad crossing is currently under construction on the road that provides access to the development site. Mr. Kessler anticipates this new development site will be a prime location for business once the railroad crossing is complete.
- In January 2016, a Captain D's opened in Kingsland. It is unknown how many jobs this new development created.
- Mr. Kessler reported that there is a large-scale, \$300 million theme park being constructed in Kingsland. The theme park, called EPIC Adventures Resort at Kingsland, will provide a water park, amusement park, convention center, a number of hotels and sport fields to the area. Construction began in January of 2015 and is expected to be complete by May of 2017. The development will create 1,300 direct jobs in the area once complete. The economy in Camden County already attracts a substantial amount of tourists and this attraction would greatly increase this industry for years to come.
- Mr. Kessler anticipates the construction of a vocational technical college in the coming years in Kingsland. According to Mr. Kessler, the project will likely receive funding next year.
- In 2015, an environmental study commenced at an undisclosed location 10 miles outside of Kingsland. The purpose of this 18-month study is to determine the viability of a spaceport. Mr. Kessler noted that there will be no additional information available for this proposed development until the study is complete. It is unclear how this development would affect the economic conditions of Kingsland.

Although the number of jobs that have been or will be created by the aforementioned business expansions was not available, Mr. Kessler reported that a total of 381 jobs were created in Camden County as a whole from September 2014 to September 2015.

According to the Georgia Department of Labor Worker Adjustment and Retraining Notification (WARN) list, no WARN notices have been issued for Camden County since 2011. The region has seen minimal closures and is closely tied to Kings Bay Naval Submarine Base, which is a stable military installment. The most recent Base Alignment and Closure Report indicated Kings Bay Naval Base would gain over 3,300 military and civilian personnel through recommended realignments. In addition to the existing naval workforce, the base maintains a four-year satellite college, the College of Coastal Georgia, and two satellite university campuses. These colleges not only produce skilled workers required for the continued operation of the base, they are also open to the public.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the St. Marys, GA Micropolitan Statistical Area (MSA) from 2002 through May 2018.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

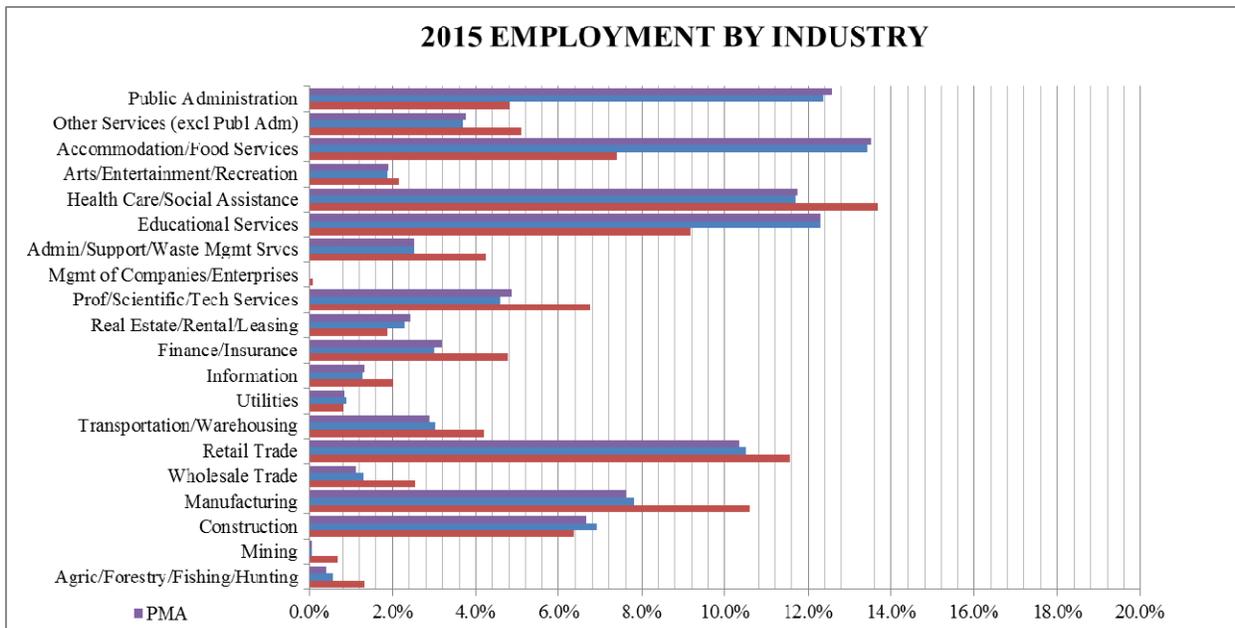
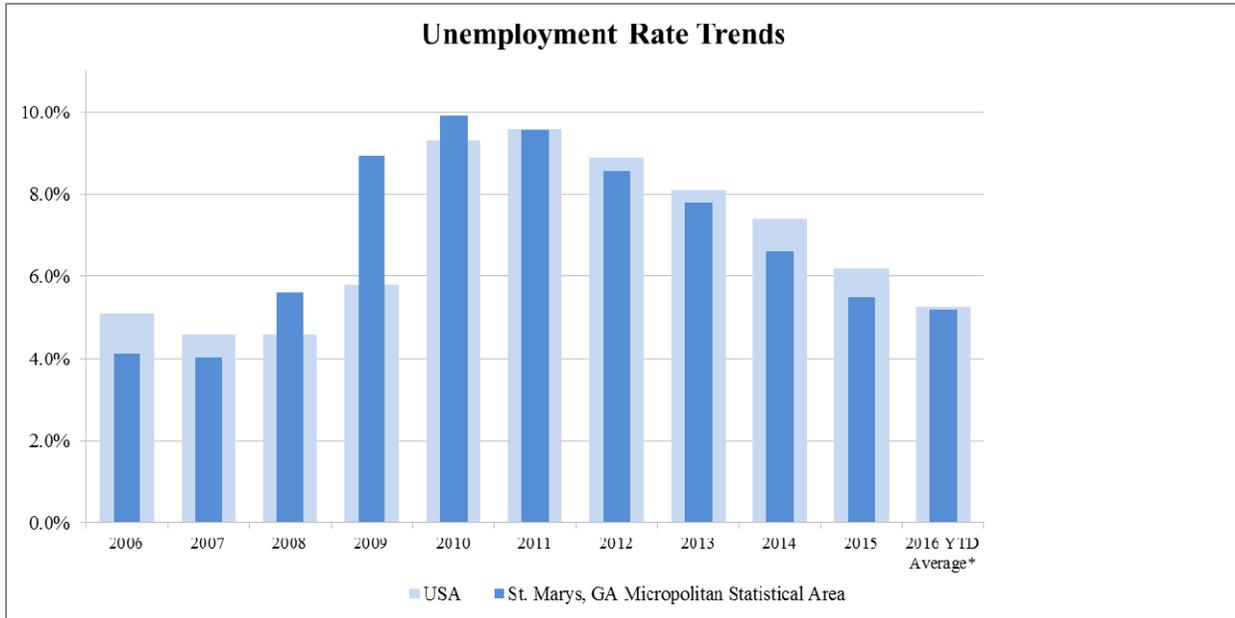
Year	St. Marys, GA Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	% Change	Total Employment	% Change	Unemployment Rate	% Change
2002	17,546	-	4.5%	-	136,933,000	-	4.7%	-
2003	17,745	1.1%	5.4%	0.9%	136,485,000	-0.3%	5.8%	1.1%
2004	18,213	2.6%	4.5%	-0.9%	137,736,000	0.9%	6.0%	0.2%
2005	19,466	6.9%	4.7%	0.2%	139,252,000	1.1%	5.5%	-0.5%
2006	20,024	2.9%	4.1%	-0.6%	141,730,000	1.8%	5.1%	-0.4%
2007	20,742	3.6%	4.0%	-0.1%	144,427,000	1.9%	4.6%	-0.5%
2008	20,178	-2.7%	5.6%	1.6%	146,047,000	1.1%	4.6%	0.0%
2009	18,902	-6.3%	8.9%	3.3%	145,362,000	-0.5%	5.8%	1.2%
2010	18,643	-1.4%	9.9%	1.0%	139,877,000	-3.8%	9.3%	3.5%
2011	19,133	2.6%	9.6%	-0.3%	139,064,000	-0.6%	9.6%	0.3%
2012	20,011	4.6%	8.6%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2013	19,918	-0.5%	7.8%	-0.8%	142,469,000	1.9%	8.1%	-0.8%
2014	20,517	3.0%	6.6%	-1.2%	143,929,000	1.0%	7.4%	-0.7%
2015	21,189	3.3%	5.5%	-1.1%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	21,352	0.8%	5.2%	-0.3%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	21,145	-	5.8%	-	147,118,000	-	5.8%	-
Feb-2016	21,242	0.5%	5.3%	-0.5%	150,060,000	2.0%	5.2%	-0.6%

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

*2016 data is through Dec

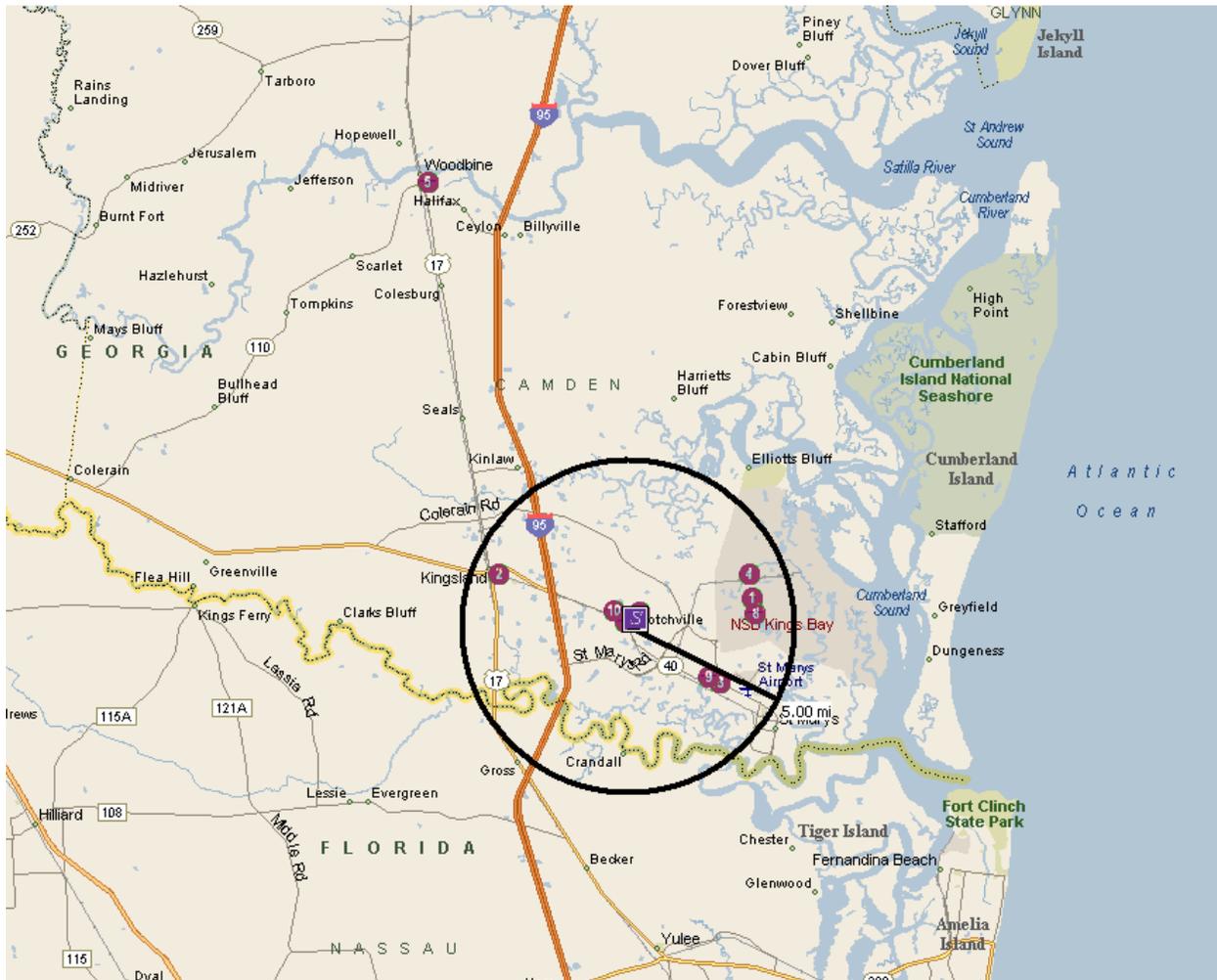
Historically, total employment levels within the MSA have performed well relative to the nation, except the area was more significantly affected by the national recession. Prior to the latest recession, the MSA experienced significant total employment growth from 2002 to 2007, at an annual rate of 1.1 percent or greater. Similar to other areas throughout the country, the recession of 2007 to 2009 severely impacted total employment levels in the MSA. In 2009, total employment within the MSA decreased 6.3 percent, which exceeded the nation's decline of only 0.5 percentage points. The MSA's unemployment rate increased 3.3 percentage points to 8.9 percent over the same period of time. Its unemployment rate peaked in 2010 at 9.9 percent.

Since the recent recession, the MSA’s economic recovery has generally outperformed the nation. In 2015, total employment in the MSA increased was 3.3 percent. Over the same time period, the nation’s total employment level increased 1.7 percent. As of February 2016, the unemployment rate in the MSA has decreased 4.4 percentage points from its peak in 2010. As of February 2016, the MSA’s unemployment rate stands at 5.3 percent, 0.1 percentage point above that of the nation. Although there was a slight decrease in employment in 2013, total employment has been increasing ever since. As the recent data suggests, the MSA is has recovered from the most recent national recession, as total employment has surpassed pre-recessionary levels and is expanding.



5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Camden County, GA.



MAJOR EMPLOYERS

#	Employer	Sector	Employees
1	Naval Submarine Base Kings Bay	Military	8,979
2	Camden County School System	Education	1,200
3	Express Scripts	Healthcare	650
4	Lockheed Martin	Engineering	479
5	Camden County Government	Public Administration	404
6	Walmart Supercenter	Retail	366
7	Southeast Georgia Health Systems Camden Campus	Healthcare	330
8	Kings Bay Support Service	Security	290
9	Winn Dixie	Retail	107
10	Publix	Retail	105

Source: Camden County Chamber of Commerce, April 2016

Conclusion

The MSA has a strong economy with increasing total employment for six of the last 10 years. The only decreases in employment occurred from 2008 through 2010 and again in 2013. Furthermore, from 2012 through February 2016, the unemployment rate in the MSA has been consistently below the national average. It appears that the local economy has recovered and is expanding, as total employment numbers are generally similar to pre-recessionary levels in 2015. The local economy appears to be fairly concentrated around supporting the region's predominant employer, which is the Kings Bay Naval Base. Excluding military, the employment consists primarily of jobs offered in the accommodation/food services, education, public administration, healthcare/social assistance, and retail trade sectors, which are expected to generate demand for affordable housing in the PMA.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

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

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

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

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

For the market rate units, we have calculated the minimum allowable income at 35 percent of the proposed rent and maximum allowable income at 100 percent of AMI.

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized May 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to 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 2018. This number takes the overall growth from 2015 to 2018 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

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

The second source (**2b.**) is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source (**2c.**) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA.

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

3C. SECONDARY MARKET AREA

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

3D. OTHER

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2013 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 to 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 in 2014 to 2015. 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.

Based on DCA’s allocation lists, no properties have been allocated tax credits in the PMA since 2013. Additionally, we contacted the Kingsland Planning Department regarding any under construction or proposed developments, of which there are none at this time. However, according to Mr. Kessler, there are several projects that are currently in the preliminary stages of acquiring LIHTC funding. However, none of these projects have been approved.

PMA OCCUPANCY

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

GENERAL MARKET OVERVIEW

Name	Occupancy Rate	Address	City	State	Zip Code	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
Village at Winding Road	100%	1 Krayons Court	St. Mary's	GA	31558	LIHTC	Senior	Excluded	Incomparable Tenancy	4.4 Miles
The Reserve at Sugar Mill	97%	11115 Colerain Rd.	St. Mary's	GA	31558	LIHTC	Family	Included	N/Ap	6.2 Miles
Clarks Bluff Road	N/Av	102 Clarks Bluff Road	Kingsland	GA	31548	LIHTC	Family	Excluded	More similar/closer comparable utilized	0.3 Mile
Ashton Cove Apartments	97%	230 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family	Included	N/Ap	3.0 Miles
Caney Heights	100%	201 Caney Heights Court	Kingsland	GA	31548	LIHTC	Family	Excluded	Unable to Contact	1.0 Mile
Kings Grant Apartments	97%	500 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family	Included	N/Ap	3.0 Miles
Royal Point Apartments	97%	301 N. Gross Rd.	Kingsland	GA	31558	LIHTC	Family	Included	N/Ap	3.1 Miles
Old Jefferson Estates	95%	42 Pinehurst Dr.	St. Mary's	GA	31558	LIHTC	Family	Excluded	More similar/closer comparable utilized	7.8 Miles
Hilltop Terrace I-II	100%	4059 Martin Luther King Jr. Blvd.	Kingsland	GA	31548	USDA	Senior	Excluded	Subsidized Rents	1.3 Miles
Satilla Terrace	96%	1100 McDonald Road	Woodbine	GA	31569	USDA	Family	Excluded	Subsidized Rents	11.1 Miles
Cumberland Village	98%	116 Martha Dr.	St. Mary's	GA	31558	USDA	Family	Excluded	Subsidized Rents	7.9 Miles
Cottages at Camden	N/Av	1050 N. Gross Rd.	Kingsland	GA	31548	Section 8	Senior	Excluded	Subsidized Rents	3.4 Miles
Cumberland Oaks Apartments	N/Av	100 Mary Powell Dr.	St. Mary's	GA	31558	Section 8	Family	Excluded	Subsidized Rents	7.7 Miles
The Pines Apartments	N/Av	208 Old Jefferson Rd	St. Mary's	GA	31558	Section 8	Family	Excluded	Subsidized Rents	7.4 Miles
Greenbriar Townhomes	100%	244 S Orange Edwards Blvd	Kingsland	GA	31548	Market	Family	Included	N/Ap	4.4 Miles
Harbor Pines Apartments	96%	2000 Harbor Pine Drive	St. Mary's	GA	31558	Market	Mixed - Military/Senior	Excluded	Incomparable Tenancy	4.0 Miles
Mission Forest Apartments	97%	999 Mission Trace	St. Mary's	GA	31558	Market	Family	Included	N/Ap	2.0 Miles
Park Place	95%	11919 Colerain Road	St. Mary's	GA	31558	Market	Family	Included	N/Ap	2.6 Miles
Pelican Point Apartments	98%	1 Pelican Point	St. Mary's	GA	31558	Market	Family	Included	N/Ap	3.4 Miles
Brant Creek	N/Av	4450 Highway 40 E	St. Mary's	GA	31558	Market	Family	Included	N/Ap	2.0 Miles
Camden Way Apartments	98%	145 N Gross Road	Kingsland	GA	31548	Market	Family	Included	N/Ap	1.8 Miles
Kings Landing Apartments	100%	250 N Gross Rd	Kingsland	GA	31548	Market	Family	Included	N/Ap	1.7 Miles
Summer Bend Apartments	N/Av	935 S Grove Blvd	Kingsland	GA	31548	Market	Family	Excluded	Unable to Contact	3.7 Miles
Willow Way Apartments	N/Av	149 N Gross Road	Kingsland	GA	31548	Market	Family	Excluded	Unable to contact	1.7 Miles

As the previous table demonstrates, the overall occupancy rate in the PMA is high at approximately 98 percent. As previously noted, The Reserve at Sugar Mill was placed in service in 2014, and, per DCA guidelines, we deducted its units from our analysis. None of the comparables reported an occupancy rate of less than 90 percent. Thus, no units have been deducted from our net demand calculations as all comparable properties are stabilized.

Rehab Developments and PBRA

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

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

As new construction, this methodology does not apply to the Subject.

Capture Rates

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

Renter Household Income Distribution 2015 to Projected Market Entry May 2018
Proposed Development
PMA

	2015		Projected Mkt Entry May 2018	
	#	%	#	%
\$0-9,999	876	12.7%	872	12.4%
\$10,000-19,999	1,205	17.5%	1,186	16.8%
\$20,000-29,999	920	13.3%	933	13.2%
\$30,000-39,999	815	11.8%	800	11.3%
\$40,000-49,999	811	11.8%	843	12.0%
\$50,000-59,999	446	6.5%	454	6.4%
\$60,000-74,999	866	12.6%	888	12.6%
\$75,000-99,999	428	6.2%	469	6.7%
\$100,000-124,999	367	5.3%	404	5.7%
\$125,000-149,999	66	1.0%	82	1.2%
\$150,000-199,999	66	1.0%	76	1.1%
\$200,000+	26	0.4%	41	0.6%
Total	6,891	100.0%	7,047	100.0%

Renter Household Income Distribution Projected Market Entry May 2018
 Proposed Development
 PMA

	Projected Mkt Entry May 2018		Change 2015 to Prj Mrkt Entry May 2018
	#	%	#
\$0-9,999	872	12.4%	19
\$10,000-19,999	1,186	16.8%	26
\$20,000-29,999	933	13.2%	21
\$30,000-39,999	800	11.3%	18
\$40,000-49,999	843	12.0%	19
\$50,000-59,999	454	6.4%	10
\$60,000-74,999	888	12.6%	20
\$75,000-99,999	469	6.7%	10
\$100,000-124,999	404	5.7%	9
\$125,000-149,999	82	1.2%	2
\$150,000-199,999	76	1.1%	2
\$200,000+	41	0.6%	1
Total	7,047	100.0%	156

Tenure Prj Mrkt Entry May 2018	
Renter	39.4%
Owner	60.6%
Total	100.0%

Renter Household Size for Prj Mrkt Entry May 2018		
Size	Number	Percentage
1 Person	1,919	27.2%
2 Person	1,816	25.8%
3 Person	1,421	20.2%
4 Person	1,069	15.2%
5+ Person	822	11.7%
Total	7,047	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,102	21.0%
2 Person	1,572	29.9%
3 Person	1,081	20.6%
4 Person	857	16.3%
5+ Person	646	12.3%
Total	5,259	100.0%

50% AMI

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

Percent of AMI Level			50%		
Minimum Income Limit			\$20,023		
Maximum Income Limit			\$35,350 5 Persons		
New Renter Households - Total					
Change in Households PMA 2015 to Prj Mkt Entry May 2018					
Income Category	Entry May 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	19.28	12.4%		0.0%	0
\$10,000-19,999	26.22	16.8%		0.0%	0
\$20,000-29,999	20.64	13.2%	\$9,976	99.8%	21
\$30,000-39,999	17.68	11.3%	\$5,350	53.5%	9
\$40,000-49,999	18.65	12.0%		0.0%	0
\$50,000-59,999	10.03	6.4%		0.0%	0
\$60,000-74,999	19.63	12.6%		0.0%	0
\$75,000-99,999	10.36	6.7%		0.0%	0
\$100,000-124,999	8.93	5.7%		0.0%	0
\$125,000-149,999	1.82	1.2%		0.0%	0
\$150,000-199,999	1.69	1.1%		0.0%	0
\$200,000+	0.90	0.6%		0.0%	0
	156	100.0%			30
Percent of renter households within limits versus total number of renter households					19.28%

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

Percent of AMI Level			50%		
Minimum Income Limit			\$20,023		
Maximum Income Limit			\$35,350 5 Persons		
Total Renter Households PMA Prj Mkt Entry May 2018					
Income Category	Prj Mkt Entry May 2018		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	872	12.4%		0.0%	0
\$10,000-19,999	1,186	16.8%		0.0%	0
\$20,000-29,999	933	13.2%	\$9,976	99.8%	931
\$30,000-39,999	800	11.3%	\$5,350	53.5%	428
\$40,000-49,999	843	12.0%		0.0%	0
\$50,000-59,999	454	6.4%		0.0%	0
\$60,000-74,999	888	12.6%		0.0%	0
\$75,000-99,999	469	6.7%		0.0%	0
\$100,000-124,999	404	5.7%		0.0%	0
\$125,000-149,999	82	1.2%		0.0%	0
\$150,000-199,999	76	1.1%		0.0%	0
\$200,000+	41	0.6%		0.0%	0
	7,047	100.0%			1,359
Percent of renter households within limits versus total number of renter households					19.28%

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 Mkt Entry May 2018
 Total Percent Change
 Average Annual Change
 Inflation Rate
 Maximum Allowable Income
 Maximum Allowable Income Inflation Adjusted
 Maximum Number of Occupants
 Rent Income Categories
 Initial Gross Rent for Smallest Unit
 Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$41,387		
\$55,591		
\$14,204		
25.6%		
0.3%		
0.3%	Two year adjustment	1.0000
\$35,350		
\$35,350		
5 Persons		
50%		
\$584		
\$584.00		

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

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		50%
New Renter Households PMA		156
Percent Income Qualified		19.3%
New Renter Income Qualified Households		30

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		7,047
Income Qualified		19.3%
Income Qualified Renter Households		1,359
Percent Rent Overburdened Prj Mrkt Entry May 2018		14.6%
Rent Overburdened Households		198

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,359
Percent Living in Substandard Housing		0.6%
Households Living in Substandard Housing		8

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		206
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		206
Total New Demand		30
Total Demand (New Plus Existing Households)		236

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

By Bedroom Demand

One Person	27.2%	64
Two Persons	25.8%	61
Three Persons	20.2%	48
Four Persons	15.2%	36
Five Persons	11.7%	28
Total	100.0%	236

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	39
Of two-person households in 1BR units	20%	12
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	26
Of two-person households in 2BR units	60%	36
Of three-person households in 2BR units	60%	29
Of four-person households in 2BR units	20%	7
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	20%	12
Of three-person households in 3BR units	40%	19
Of four-person households in 3BR units	80%	29
Of five-person households in 3BR units	100%	28
Total Demand		236
Check		OK

Total Demand by Bedroom	50%
1 BR	51
2 BR	98
3 BR	87
Total Demand	236

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

Net Demand	50%
1 BR	51
2 BR	98
3 BR	87
Total	236

Net Demand	50%
1 BR	51
2 BR	98
3 BR	87
Total	236

Developer's Unit Mix	50%
1 BR	8
2 BR	1
3 BR	6
Total	15

Capture Rate Analysis	50%
1 BR	15.8%
2 BR	1.0%
3 BR	6.9%
Total	6.4%

60% AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$22,011		
Maximum Income Limit			\$42,420 5 Persons		
New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry May 2018					
Income Category	2015	Prj Mrkt Entry May 2018	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	19.28	12.4%		0.0%	0
\$10,000-19,999	26.22	16.8%		0.0%	0
\$20,000-29,999	20.64	13.2%	\$7,988	79.9%	16
\$30,000-39,999	17.68	11.3%	\$9,999	100.0%	18
\$40,000-49,999	18.65	12.0%	\$2,420	24.2%	5
\$50,000-59,999	10.03	6.4%		0.0%	0
\$60,000-74,999	19.63	12.6%		0.0%	0
\$75,000-99,999	10.36	6.7%		0.0%	0
\$100,000-124,999	8.93	5.7%		0.0%	0
\$125,000-149,999	1.82	1.2%		0.0%	0
\$150,000-199,999	1.69	1.1%		0.0%	0
\$200,000+	0.90	0.6%		0.0%	0
		156	100.0%	39	
Percent of renter households within limits versus total number of renter households				24.82%	

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

Percent of AMI Level			60%		
Minimum Income Limit			\$22,011		
Maximum Income Limit			\$42,420 5 Persons		
Total Renter Households PMA Prj Mrkt Entry May 2018					
Income Category	2015	Prj Mrkt Entry May 2018	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	872	12.4%		0.0%	0
\$10,000-19,999	1,186	16.8%		0.0%	0
\$20,000-29,999	933	13.2%	\$7,988	79.9%	745
\$30,000-39,999	800	11.3%	\$9,999	100.0%	800
\$40,000-49,999	843	12.0%	\$2,420	24.2%	204
\$50,000-59,999	454	6.4%		0.0%	0
\$60,000-74,999	888	12.6%		0.0%	0
\$75,000-99,999	469	6.7%		0.0%	0
\$100,000-124,999	404	5.7%		0.0%	0
\$125,000-149,999	82	1.2%		0.0%	0
\$150,000-199,999	76	1.1%		0.0%	0
\$200,000+	41	0.6%		0.0%	0
		7,047	100.0%	1,749	
Percent of renter households within limits versus total number of renter households				24.82%	

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 May 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$41,387		
\$55,591		
\$14,204		
25.6%		
0.3%		
0.3%	Two year adjustment	1.0000
\$42,420		
\$42,420		
5 Persons		
60%		
\$642		
\$642.00		

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

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		60%
New Renter Households PMA		156
Percent Income Qualified		24.8%
New Renter Income Qualified Households		39

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		7,047
Income Qualified		24.8%
Income Qualified Renter Households		1,749
Percent Rent Overburdened Prj Mrkt Entry May 2018		14.6%
Rent Overburdened Households		255

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,749
Percent Living in Substandard Housing		0.6%
Households Living in Substandard Housing		11

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		265
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		265
Total New Demand		39
Total Demand (New Plus Existing Households)		304

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

By Bedroom Demand

One Person	27.2%	83
Two Persons	25.8%	78
Three Persons	20.2%	61
Four Persons	15.2%	46
Five Persons	11.7%	35
Total	100.0%	304

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	50
Of two-person households in 1BR units	20%	16
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	33
Of two-person households in 2BR units	60%	47
Of three-person households in 2BR units	60%	37
Of four-person households in 2BR units	20%	9
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	20%	16
Of three-person households in 3BR units	40%	25
Of four-person households in 3BR units	80%	37
Of five-person households in 3BR units	100%	35
Total Demand		304
Check		OK

Total Demand by Bedroom	60%
1 BR	65
2 BR	126
3 BR	113
Total Demand	304

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

Net Demand	60%
1 BR	65
2 BR	126
3 BR	113
Total	304

Net Demand	60%
1 BR	65
2 BR	126
3 BR	113
Total	304

Developer's Unit Mix	60%
1 BR	6
2 BR	25
3 BR	25
Total	56

Capture Rate Analysis	60%
1 BR	9.2%
2 BR	19.8%
3 BR	22.2%
Total	18.4%

Market Rate

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

Percent of AMI Level			Market Rate		
Minimum Income Limit			\$21,909		
Maximum Income Limit			\$70,700 5 Persons		
New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry May 2018					
Income Category	Households	%	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	19.28	12.4%		0.0%	0
\$10,000-19,999	26.22	16.8%		0.0%	0
\$20,000-29,999	20.64	13.2%	\$8,090	80.9%	17
\$30,000-39,999	17.68	11.3%	\$9,999	100.0%	18
\$40,000-49,999	18.65	12.0%	\$9,999	100.0%	19
\$50,000-59,999	10.03	6.4%	\$9,999	100.0%	10
\$60,000-74,999	19.63	12.6%	\$10,700	71.3%	14
\$75,000-99,999	10.36	6.7%		0.0%	0
\$100,000-124,999	8.93	5.7%		0.0%	0
\$125,000-149,999	1.82	1.2%		0.0%	0
\$150,000-199,999	1.69	1.1%		0.0%	0
\$200,000+	0.90	0.6%		0.0%	0
156		100.0%			77
Percent of renter households within limits versus total number of renter households					49.45%

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

Percent of AMI Level			Market Rate		
Minimum Income Limit			\$21,909		
Maximum Income Limit			\$70,700 5 Persons		
Total Renter Households PMA Prj Mrkt Entry May 2018					
Income Category	Households	%	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	872	12.4%		0.0%	0
\$10,000-19,999	1,186	16.8%		0.0%	0
\$20,000-29,999	933	13.2%	\$8,090	80.9%	755
\$30,000-39,999	800	11.3%	\$9,999	100.0%	800
\$40,000-49,999	843	12.0%	\$9,999	100.0%	843
\$50,000-59,999	454	6.4%	\$9,999	100.0%	454
\$60,000-74,999	888	12.6%	\$10,700	71.3%	633
\$75,000-99,999	469	6.7%		0.0%	0
\$100,000-124,999	404	5.7%		0.0%	0
\$125,000-149,999	82	1.2%		0.0%	0
\$150,000-199,999	76	1.1%		0.0%	0
\$200,000+	41	0.6%		0.0%	0
7,047		100.0%			3,485
Percent of renter households within limits versus total number of renter households					49.45%

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 35%
 2000 Median Income \$41,387
 2015 Median Income \$55,591
 Change from 2015 to Prj Mrkt Entry May 2018 \$14,204
 Total Percent Change 25.6%
 Average Annual Change 0.3%
 Inflation Rate 0.3%
 Maximum Allowable Income \$70,700
 Maximum Allowable Income Inflation Adjusted \$70,700
 Maximum Number of Occupants 5 Persons
 Rent Income Categories Market Rate
 Initial Gross Rent for Smallest Unit \$639
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$639

No		
Family		
Urban		
35%		
\$41,387		
\$55,591		
\$14,204		
25.6%		
0.3%		
0.3%	Two year adjustment	1.0000
\$70,700		
\$70,700		
5 Persons		
Market Rate		
\$639		
\$639		

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

STEP 1 Please refer to text for complete explanation.

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

	Market Rate
Income Target Population	
New Renter Households PMA	156
Percent Income Qualified	49.5%
New Renter Income Qualified Households	77

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	7,047
Income Qualified	49.5%
Income Qualified Renter Households	3,485
Percent Rent Overburdened Prj Mrkt Entry May 2018	14.6%
Rent Overburdened Households	507

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,485
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	22

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		529
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		529
Total New Demand		77
Total Demand (New Plus Existing Households)		606

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

By Bedroom Demand

One Person	27.2%	165
Two Persons	25.8%	156
Three Persons	20.2%	122
Four Persons	15.2%	92
Five Persons	11.7%	71
Total	100.0%	606

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	99
Of two-person households in 1BR units	20%	31
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	66
Of two-person households in 2BR units	60%	94
Of three-person households in 2BR units	60%	73
Of four-person households in 2BR units	20%	18
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	20%	31
Of three-person households in 3BR units	40%	49
Of four-person households in 3BR units	80%	74
Of five-person households in 3BR units	100%	71
Total Demand		606
Check		OK

Total Demand by Bedroom	Market Rate
1 BR	130
2 BR	251
3 BR	224
Total Demand	606

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

Net Demand	Market Rate
1 BR	130
2 BR	251
3 BR	224
Total	606

Net Demand	Market Rate
1 BR	130
2 BR	251
3 BR	224
Total	606

Developer's Unit Mix	Market Rate
1 BR	1
2 BR	5
3 BR	5
Total	11

Capture Rate Analysis	Market Rate
1 BR	0.8%
2 BR	2.0%
3 BR	2.2%
Total	1.8%

Overall LIHTC Demand

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

Percent of AMI Level			Overall			
Minimum Income Limit			\$20,023			
Maximum Income Limit			\$42,420 5 Persons			
New Renter						
Households - Total						
Change in						
Households PMA						
2015 to Prj Mrkt						
Entry May 2018						
Income Category			Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	19.28	12.4%		0.0%	0	
\$10,000-19,999	26.22	16.8%		0.0%	0	
\$20,000-29,999	20.64	13.2%	\$9,976	99.8%	21	
\$30,000-39,999	17.68	11.3%	\$9,999	100.0%	18	
\$40,000-49,999	18.65	12.0%	\$2,420	24.2%	5	
\$50,000-59,999	10.03	6.4%		0.0%	0	
\$60,000-74,999	19.63	12.6%		0.0%	0	
\$75,000-99,999	10.36	6.7%		0.0%	0	
\$100,000-124,999	8.93	5.7%		0.0%	0	
\$125,000-149,999	1.82	1.2%		0.0%	0	
\$150,000-199,999	1.69	1.1%		0.0%	0	
\$200,000+	0.90	0.6%		0.0%	0	
	156	100.0%				43
Percent of renter households within limits versus total number of renter households					27.46%	

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

Percent of AMI Level			Overall			
Minimum Income Limit			\$20,023			
Maximum Income Limit			\$42,420 5 Persons			
Total Renter						
Households PMA Prj						
Mrkt Entry May 2018						
Income Category			Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	872	12.4%		0.0%	0	
\$10,000-19,999	1,186	16.8%		0.0%	0	
\$20,000-29,999	933	13.2%	\$9,976	99.8%	931	
\$30,000-39,999	800	11.3%	\$9,999	100.0%	800	
\$40,000-49,999	843	12.0%	\$2,420	24.2%	204	
\$50,000-59,999	454	6.4%		0.0%	0	
\$60,000-74,999	888	12.6%		0.0%	0	
\$75,000-99,999	469	6.7%		0.0%	0	
\$100,000-124,999	404	5.7%		0.0%	0	
\$125,000-149,999	82	1.2%		0.0%	0	
\$150,000-199,999	76	1.1%		0.0%	0	
\$200,000+	41	0.6%		0.0%	0	
	7,047	100.0%				1,935
Percent of renter households within limits versus total number of renter households					27.46%	

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 May 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$41,387		
\$55,591		
\$14,204		
25.6%		
0.3%		
0.3%	Two year adjustment	1.0000
\$42,420		
\$42,420		
5 Persons		
Overall		
\$584		
\$584		

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

STEP 1 Please refer to text for complete explanation.

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

	Overall
Income Target Population	
New Renter Households PMA	156
Percent Income Qualified	27.5%
New Renter Income Qualified Households	43

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	7,047
Income Qualified	27.5%
Income Qualified Renter Households	1,935
Percent Rent Overburdened Prj Mrkt Entry May 2018	14.6%
Rent Overburdened Households	282

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,935
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	12

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		294
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		294
Total New Demand		43
Total Demand (New Plus Existing Households)		336

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

By Bedroom Demand

One Person	27.2%	92
Two Persons	25.8%	87
Three Persons	20.2%	68
Four Persons	15.2%	51
Five Persons	11.7%	39
Total	100.0%	336

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	55
Of two-person households in 1BR units	20%	17
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	37
Of two-person households in 2BR units	60%	52
Of three-person households in 2BR units	60%	41
Of four-person households in 2BR units	20%	10
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	20%	17
Of three-person households in 3BR units	40%	27
Of four-person households in 3BR units	80%	41
Of five-person households in 3BR units	100%	39
Total Demand		336
Check		OK

Total Demand by Bedroom	Overall
1 BR	72
2 BR	139
3 BR	124
Total Demand	336

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

Net Demand	Overall
1 BR	72
2 BR	139
3 BR	124
Total	336

Net Demand	Overall
1 BR	72
2 BR	139
3 BR	124
Total	336

Developer's Unit Mix	Overall
1 BR	7
2 BR	30
3 BR	31
Total	68

Capture Rate Analysis	Overall
1 BR	9.7%
2 BR	21.5%
3 BR	24.9%
Total	20.2%

Overall Demand

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

Percent of AMI Level			Overall			
Minimum Income Limit			\$20,023			
Maximum Income Limit			\$70,700 5 Persons			
New Renter						
Households - Total						
Change in						
Households PMA						
2015 to Prj Mrkt						
Entry May 2018						
Income Category			Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	19.28	12.4%		0.0%	0	
\$10,000-19,999	26.22	16.8%		0.0%	0	
\$20,000-29,999	20.64	13.2%	\$9,976	99.8%	21	
\$30,000-39,999	17.68	11.3%	\$9,999	100.0%	18	
\$40,000-49,999	18.65	12.0%	\$9,999	100.0%	19	
\$50,000-59,999	10.03	6.4%	\$9,999	100.0%	10	
\$60,000-74,999	19.63	12.6%	\$10,700	71.3%	14	
\$75,000-99,999	10.36	6.7%		0.0%	0	
\$100,000-124,999	8.93	5.7%		0.0%	0	
\$125,000-149,999	1.82	1.2%		0.0%	0	
\$150,000-199,999	1.69	1.1%		0.0%	0	
\$200,000+	0.90	0.6%		0.0%	0	
	156	100.0%			81	
Percent of renter households within limits versus total number of renter households					51.95%	

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

Percent of AMI Level			Overall			
Minimum Income Limit			\$20,023			
Maximum Income Limit			\$70,700 5 Persons			
Total Renter						
Households PMA Prj						
Mrkt Entry May 2018						
Income Category			Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	872	12.4%		0.0%	0	
\$10,000-19,999	1,186	16.8%		0.0%	0	
\$20,000-29,999	933	13.2%	\$9,976	99.8%	931	
\$30,000-39,999	800	11.3%	\$9,999	100.0%	800	
\$40,000-49,999	843	12.0%	\$9,999	100.0%	843	
\$50,000-59,999	454	6.4%	\$9,999	100.0%	454	
\$60,000-74,999	888	12.6%	\$10,700	71.3%	633	
\$75,000-99,999	469	6.7%		0.0%	0	
\$100,000-124,999	404	5.7%		0.0%	0	
\$125,000-149,999	82	1.2%		0.0%	0	
\$150,000-199,999	76	1.1%		0.0%	0	
\$200,000+	41	0.6%		0.0%	0	
	7,047	100.0%			3,661	
Percent of renter households within limits versus total number of renter households					51.95%	

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 May 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$41,387		
\$55,591		
\$14,204		
25.6%		
0.3%		
0.3%	Two year adjustment	1.0000
\$42,420		
\$42,420		
5 Persons		
Overall		
\$584		
\$584.00		

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

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		Overall
New Renter Households PMA		156
Percent Income Qualified		52.0%
New Renter Income Qualified Households		81

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		7,047
Income Qualified		52.0%
Income Qualified Renter Households		3,661
Percent Rent Overburdened Prj Mrkt Entry May 2018		14.6%
Rent Overburdened Households		533

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,661
Percent Living in Substandard Housing		0.6%
Households Living in Substandard Housing		23

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		556
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		556
Total New Demand		81
Total Demand (New Plus Existing Households)		637

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

By Bedroom Demand

One Person	27.2%	173
Two Persons	25.8%	164
Three Persons	20.2%	128
Four Persons	15.2%	97
Five Persons	11.7%	74
Total	100.0%	637

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	60%	104
Of two-person households in 1BR units	20%	33
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	40%	69
Of two-person households in 2BR units	60%	99
Of three-person households in 2BR units	60%	77
Of four-person households in 2BR units	20%	19
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	20%	33
Of three-person households in 3BR units	40%	51
Of four-person households in 3BR units	80%	77
Of five-person households in 3BR units	100%	74
Total Demand		637
Check		OK

Total Demand by Bedroom	Overall
1 BR	137
2 BR	264
3 BR	236
Total Demand	637

Additions To Supply 2015 to Proj Mrkt Entry May 2018	Overall
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	Overall
1 BR	137
2 BR	264
3 BR	236
Total	637

Net Demand	Overall
1 BR	137
2 BR	264
3 BR	236
Total	637

Developer's Unit Mix	Overall
1 BR	8
2 BR	35
3 BR	36
Total	79

Capture Rate Analysis	Overall
1 BR	5.8%
2 BR	13.2%
3 BR	15.3%
Total	12.4%

Conclusions

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

- The percentage of renter households in the PMA is expected to increase 0.1 percentage points between 2015 and the market entry date, from 39.2 percent to 39.4 percent. Further, 156 renter households will be added to the PMA during this time period for a total of 7,047 renter households.
- 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	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market	Market Rents	Proposed Rents
1BR @ 50%	\$21,017-\$26,200	1	51	0	51	15.8%	6 months	\$628	\$419-\$933	\$476
2BR @ 50%	\$25,234-\$29,450	5	98	0	98	1.0%	6 months	\$716	\$498-\$1,102	\$561
3BR @ 50%	\$29,142-\$35,350	6	87	0	87	6.9%	6 months	\$832	\$474-\$1,260	\$639
1BR @ 60%	\$25,234-\$31,440	6	65	0	65	9.2%	6 months	\$678	\$510-\$933	\$534
2BR @ 60%	\$30,274-\$35,340	25	126	0	126	19.8%	6 months	\$792	\$600-\$1,102	\$631
3BR @ 60%	\$34,971-\$42,420	25	113	0	113	22.2%	6 months	\$888	\$698-\$1,260	\$720
1BR Market	\$20,742-\$52,400	1	130	0	130	0.8%	6 months	\$678	\$510-\$933	\$639
2BR Market	\$24,480-\$58,900	5	251	0	251	2.0%	6 months	\$817	\$600-\$1,102	\$751
3BR Market	\$27,908-\$70,700	5	224	0	224	2.2%	6 months	\$1,000	\$710-\$1,260	\$855
Overall 50% AMI	\$21,017-\$35,350	12	236	0	236	6.4%	6 months	-	-	-
Overall 60% AMI	\$25,234-\$42,420	56	304	0	304	18.4%	6 months	-	-	-
Overall LIHTC	\$21,017-\$42,420	68	336	0	336	20.2%	6 months	-	-	-
Overall Market	\$20,742-\$70,700	11	606	0	606	1.8%	6 months	-	-	-
Total Overall	\$21,017-\$70,700	79	637	0	637	12.4%	6 months	\$729	-	-

Demand and Net Demand

	HH at 50% AMI (\$20,023 to \$35,350)	HH at 60% AMI (\$22,001 to \$42,420)	HH > 60% AMI (\$21,909 to \$70,700)	All Tax Credit Households
Demand from New Households (age and income appropriate)	30	39	77	43
PLUS	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	8	11	22	12
PLUS	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	198	255	507	282
PLUS	+	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0	0
Sub Total	236	304	606	336
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0	0
Equals Total Demand	236	304	606	336
Less	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0	0
Equals Net Demand	236	304	606	336

As the analysis illustrates, the Subject's capture rate for its 50 percent AMI units is 6.4 percent, while the 60 percent AMI units are 18.4 percent. Additionally, the Subject's capture rate for its market rate units is 1.8 percent. The Subject has an overall capture rate of 12.4 percent. This is also supported by the low vacancy rates at the stabilized LIHTC comparables and the rapid absorption reported by the recently constructed LIHTC properties in the area. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Project

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,143 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in this section. A map illustrating the location of the Subject in relation to comparable properties is also provided in this section. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC is considered average. We have included four LIHTC properties, all of which are located in the PMA. We have included seven market rate properties, all of which are located in the PMA. Overall, we consider the availability of market data to be average. However, it should be noted that we have excluded Caney Heights as a comparable as we were unable to contact property management via phone or in-person during our site inspection.

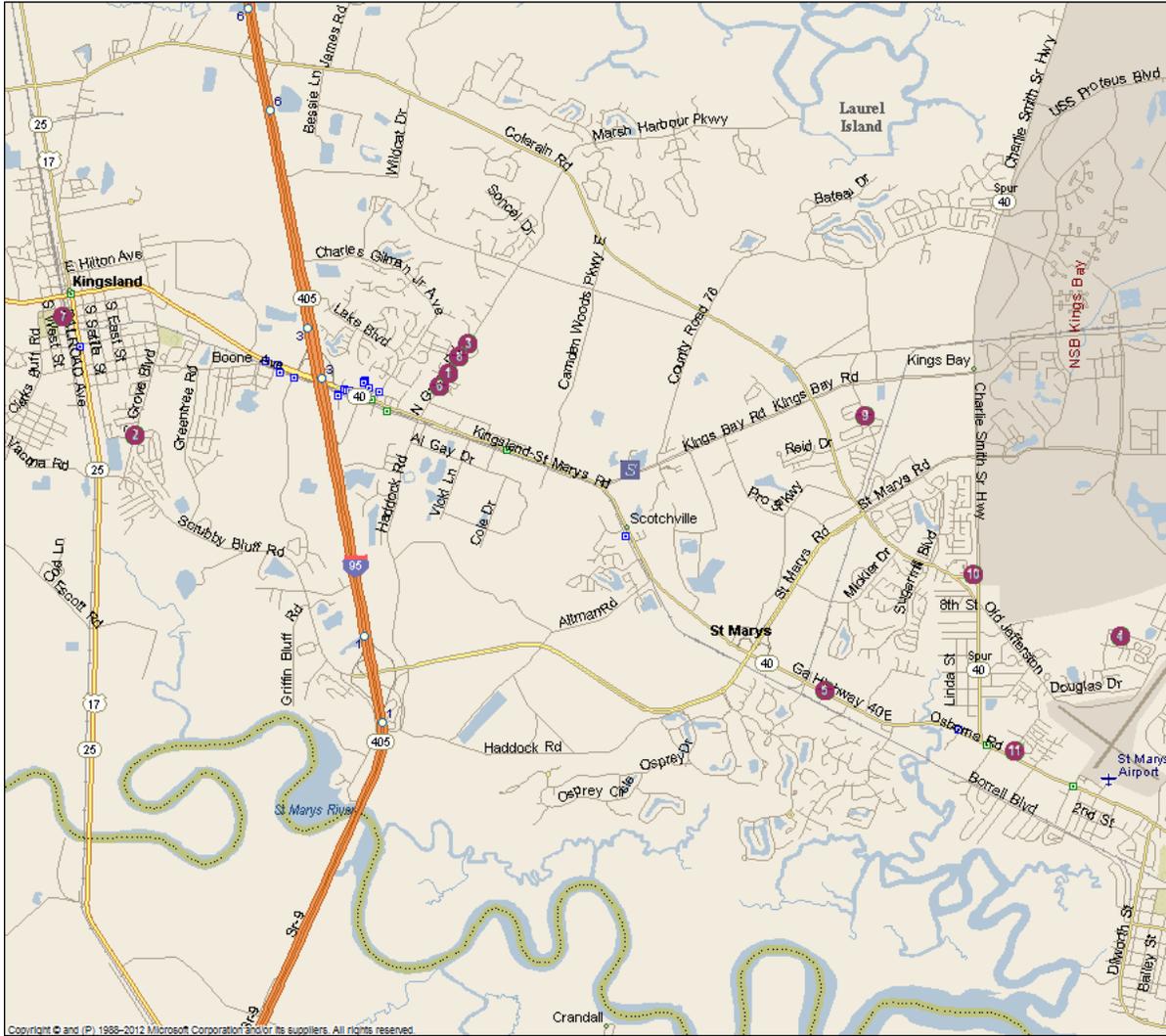
It should be noted that the selected mix of comparables may change slightly in a future complete market study based on the availability of data and any new comparables entering the market.

General Market Overview/Included/Excluded Properties

The following table illustrates properties that are within the PMA or a similar market area. The table highlights occupancy. Some of these properties have been included as “true comparables.” It should be noted that we were unable to obtain additional information online from any of the excluded properties.

Name	Occupancy Rate	Address	City	State	Zip Code	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
Village at Winding Road	100%	1 Krayons Court	St. Mary's	GA	31558	LIHTC	Senior	Excluded	Incomparable Tenancy	4.0 Miles
The Reserve at Sugar Mill	97%	11115 Colerain Rd.	St. Mary's	GA	31558	LIHTC	Family	Included	N/Ap	3.9 Miles
Clarks Bluff Road	N/Av	102 Clarks Bluff Road	Kingsland	GA	31548	LIHTC	Family	Excluded	More similar comparables utilized	3.5 Miles
Ashton Cove Apartments	97%	230 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family	Included	N/Ap	1.5 Miles
Caney Heights	100%	201 Caney Heights Court	Kingsland	GA	31548	LIHTC	Family	Excluded	Unable to Contact	4.0 Miles
Kings Grant Apartments	97%	500 N. Gross Rd.	Kingsland	GA	31548	LIHTC	Family	Included	N/Ap	3.7 Miles
Royal Point Apartments	97%	301 N. Gross Rd.	Kingsland	GA	31558	LIHTC	Family	Included	N/Ap	1.5 Miles
Old Jefferson Estates	95%	42 Pinehurst Dr.	St. Mary's	GA	31558	LIHTC	Family	Excluded	Closer comparables utilized	3.3 Miles
Hilltop Terrace I-II	100%	4059 Martin Luther King Jr. Blvd.	Kingsland	GA	31548	USDA	Senior	Excluded	Subsidized Rents	5.0 Miles
Satilla Terrace	96%	1100 McDonald Road	Woodbine	GA	31569	USDA	Family	Excluded	Subsidized Rents	13.5 Miles
Cumberland Village	98%	116 Martha Dr.	St. Mary's	GA	31558	USDA	Family	Excluded	Subsidized Rents	3.6 Miles
Cottages at Camden	N/Av	1050 N. Gross Rd.	Kingsland	GA	31548	Section 8	Senior	Excluded	Subsidized Rents	1.8 Miles
Cumberland Oaks Apartments	N/Av	100 Mary Powell Dr.	St. Mary's	GA	31558	Section 8	Family	Excluded	Subsidized Rents	3.4 Miles
The Pines Apartments	N/Av	208 Old Jefferson Rd	St. Mary's	GA	31558	Section 8	Family	Excluded	Subsidized Rents	3.0 Miles
Greenbriar Townhomes	100%	244 S Orange Edwards Blvd	Kingsland	GA	31548	Market	Family	Included	N/Ap	4.4 Miles
Harbor Pines Apartments	96%	2000 Harbor Pine Drive	St. Mary's	GA	31558	Market	Mixed - Military/Senior	Excluded	Incomparable Tenancy	4.1 Miles
Mission Forest Apartments	97%	999 Mission Trace	St. Mary's	GA	31558	Market	Family	Included	N/Ap	1.8 Miles
Park Place	95%	11919 Colerain Road	St. Mary's	GA	31558	Market	Family	Included	N/Ap	2.7 Miles
Pelican Point Apartments	98%	1 Pelican Point	St. Mary's	GA	31558	Market	Family	Included	N/Ap	3.6 Miles
Brant Creek Apartments	N/Av	4450 Highway 40 E	St. Mary's	GA	31558	Market	Family	Included	N/Ap	2.2 Miles
Camden Way Apartments	98%	145 N Gross Road	Kingsland	GA	31548	Market	Family	Included	N/Ap	1.5 Miles
Kings Landing Apartments	100%	250 N Gross Rd	Kingsland	GA	31548	Market	Family	Included	N/Ap	1.5 Miles
Summer Bend Apartments	N/Av	935 S Grove Blvd	Kingsland	GA	31548	Market	Family	Excluded	Unable to Contact	3.7 Miles
Willow Way Apartments	N/Av	149 N Gross Road	Kingsland	GA	31548	Market	Family	Excluded	Unable to contact	1.5 Miles

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashton Cove Apartments	Kingsland	LIHTC	1.5 miles
2	Kings Grant Apartments	Kingsland	LIHTC	3.7 miles
3	Royal Point Apartments	Kingsland	LIHTC	1.5 miles
4	The Reserve At Sugar Mill	St Marys	LIHTC	3.9 miles
5	Brant Creek Apartments	St Marys	Market	2.2 miles
6	Camden Way Apartments	Kingsland	Market	1.5 miles
7	Greenbriar Townhomes	Kingsland	Market	4.4 miles
8	Kings Landing Apartments	Kingsland	Market	1.5 miles
9	Mission Forest Apartments	St Marys	Market	1.8 miles
10	Park Place	St Marys	Market	2.7 miles
11	Pelican Point Apartments	St Mary's	Market	3.6 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate															
Subject	Proposed Development 127 Kings Bay Road Kingsland, GA 31548 Camden County	n/a	Garden (3 stories) 2018	LIHTC	1BR / 1BA	2	2.50%	@50%	\$476	700	no		N/A	N/A															
					1BR / 1BA	5	6.20%	@60%	\$534	700	no		N/A	N/A															
					1BR / 1BA	1	1.30%	Market	\$639	700	n/a		N/A	N/A															
					2BR / 1BA	6	7.50%	@50%	\$561	900	no		N/A	N/A															
					2BR / 1BA	24	30.00%	@60%	\$631	900	no		N/A	N/A															
					2BR / 1BA	5	6.20%	Market	\$751	900	n/a		N/A	N/A															
					2BR / 1BA	1	1.30%	Non-Rental	N/A	900	n/a		N/A	N/A															
					3BR / 2BA	6	7.50%	@50%	\$639	1,200	no		N/A	N/A															
					3BR / 2BA	25	31.20%	@60%	\$720	1,200	no		N/A	N/A															
					3BR / 2BA	5	6.20%	Market	\$855	1,200	n/a		N/A	N/A															
					80	100%							N/A	N/A															
1	Ashton Cove Apartments 230 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	Garden 1999	LIHTC	1BR / 1BA	15	20.80%	@45% (Senior)	\$419	764	yes	Yes	0	0.00%															
					1BR / 1BA	3	4.20%	@50%	\$441	764	yes	Yes	1	33.30%															
					2BR / 1BA	15	20.80%	@45% (Senior)	\$498	984	yes	Yes	0	0.00%															
					2BR / 1BA	3	4.20%	@50% (Senior)	\$526	984	yes	Yes	0	0.00%															
					2BR / 2BA	17	23.60%	@45%	\$498	984	yes	Yes	0	0.00%															
					2BR / 2BA	3	4.20%	@50%	\$526	984	yes	Yes	0	0.00%															
					3BR / 2BA	13	18.10%	@45%	\$567	1,184	yes	Yes	0	0.00%															
					3BR / 2BA	3	4.20%	@50%	\$647	1,184	yes	Yes	1	33.30%															
										72	100%							2	2.80%										
2	Kings Grant Apartments 500 N. Grove Boulevard Kingsland, GA 31548 Camden County	3.7 miles	Garden (2 stories) 2009	LIHTC	2BR / 2BA	7	11.70%	@50%	\$545	900	no	No	0	0.00%															
					2BR / 2BA	20	33.30%	@60%	\$659	900	no	No	0	0.00%															
					3BR / 2BA	14	23.30%	@50%	\$615	1,100	no	No	0	0.00%															
					3BR / 2BA	19	31.70%	@60%	\$698	1,100	no	No	4	21.10%															
										60	100%							4	6.70%										
					3	Royal Point Apartments 301 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	Garden (3 stories) 2000	LIHTC	2BR / 2BA	29	20.10%	@50%	\$646	990	no	Yes	0	0.00%										
										2BR / 2BA	43	29.90%	@60%	\$700	990	no	Yes	2	4.70%										
										3BR / 2BA	29	20.10%	@50%	\$744	1,189	no	Yes	0	0.00%										
										3BR / 2BA	43	29.90%	@60%	\$800	1,189	no	Yes	2	4.70%										
															144	100%							4	2.80%					
4	The Reserve At Sugar Mill 11115 Colerain Rd St Marys, GA 31558 Camden County	3.9 miles	Garden (2 stories) 1997 / 2013	LIHTC						2BR / 2BA	3	4.30%	@50%	\$597	939	no	No	0	0.00%										
										2BR / 2BA	3	4.30%	@50%	\$597	952	no	No	0	0.00%										
										2BR / 2BA	13	18.60%	@60%	\$744	939	no	No	2	15.40%										
										2BR / 2BA	15	21.40%	@60%	\$744	952	no	No	2	13.30%										
										3BR / 2BA	3	4.30%	@50%	\$680	1,161	no	No	0	0.00%										
					3BR / 2BA	3	4.30%	@50%	\$680	1,174	no	No	0	0.00%															
					3BR / 2BA	17	24.30%	@60%	\$850	1,161	no	No	1	5.90%															
					3BR / 2BA	13	18.60%	@60%	\$850	1,174	no	No	0	0.00%															
										70	100%							5	7.10%										
5	Brant Creek Apartments 4450 Highway 40 East St Marys, GA 31558 Camden County	2.2 miles	Garden (3 stories) 2010	Market	1BR / 1BA	N/A	N/A	Market	\$776	757	n/a	No	N/A	N/A															
					2BR / 2BA	N/A	N/A	Market	\$948	1,029	n/a	No	N/A	N/A															
					3BR / 2BA	N/A	N/A	Market	\$1,159	1,186	n/a	No	N/A	N/A															
										196	100%							N/A	N/A										
					6	Camden Way Apartments 145 N Gross Road Kingsland, GA 31548 Camden County	1.5 miles	One-story 1986	Market	Studio / 1BA	16	13.20%	Market	\$470	300	n/a	No	1	6.20%										
										1BR / 1BA	78	64.50%	Market	\$545	600	n/a	No	1	1.30%										
										2BR / 1BA	15	12.40%	Market	\$600	865	n/a	Yes	0	0.00%										
										2BR / 2BA	6	5.00%	Market	\$614	865	n/a	Yes	0	0.00%										
										3BR / 2BA	6	5.00%	Market	\$710	1,152	n/a	Yes	0	0.00%										
															121	100%							2	1.70%					
7	Greenbriar Townhomes 244 S. Orange Edwards Blvd Kingsland, GA 31548 Camden County	4.4 miles	Townhouse (2 stories) 1993 / 2009	Market						2BR / 2BA	6	8.30%	Market	\$748	1,200	n/a	No	0	0.00%										
										3BR / 2BA	66	91.70%	Market	\$729	1,200	n/a	Yes	0	0.00%										
															72	100%							0	0.00%					
										8	Kings Landing Apartments 250 N Gross Rd Kingsland, GA 31548 Camden County	1.5 miles	Garden 1989	Market	1BR / 1BA	8	16.70%	Market	\$530	732	n/a	No	0	0.00%					
					2BR / 2BA	40	83.30%	Market	\$635						964	n/a	Yes	0	0.00%										
															48	100%							0	0.00%					
					9	Mission Forest Apartments 999 Mission Trace Dr St Marys, GA 31558 Camden County	1.8 miles	Garden (2 stories) 1986	Market						1BR / 1BA	16	15.40%	Market	\$578	750	n/a	Yes	0	0.00%					
															2BR / 2BA	88	84.60%	Market	\$710	950	n/a	Yes	3	3.40%					
																				104	100%							3	2.90%
															10	Park Place 11919 Colerain Rd St Marys, GA 31558 Camden County	2.7 miles	Garden (2 stories) 1988	Market	1BR / 1BA	32	16.00%	Market	\$824	700	n/a	No	N/A	N/A
1BR / 1BA	0	0.00%	Market	\$933																700	n/a	No	N/A	N/A					
1BR / 1BA	0	0.00%	Market	\$724																700	n/a	No	N/A	N/A					
2BR / 1BA	68	34.00%	Market	\$954																950	n/a	No	N/A	N/A					
2BR / 1BA	0	0.00%	Market	\$1,055						950	n/a	No	N/A	N/A															
2BR / 1BA	0	0.00%	Market	\$852						950	n/a	No	N/A	N/A															
2BR / 2BA	68	34.00%	Market	\$965						950	n/a	No	N/A	N/A															
2BR / 2BA	0	0.00%	Market	\$1,102	950	n/a	No	N/A	N/A																				
2BR / 2BA	0	0.00%	Market	\$827	950	n/a	No	N/A	N/A																				
3BR / 2BA	32	16.00%	Market	\$1,133	1,100	n/a	No	N/A	N/A																				
3BR / 2BA	0	0.00%	Market	\$1,260	1,100	n/a	No	N/A	N/A																				
3BR / 2BA	0	0.00%	Market	\$1,006	1,100	n/a	No	N/A	N/A																				
					200	100%							10	5.00%															
11	Pelican Point Apartments 1 Pelican Point St Mary's, GA 31558 Camden County	3.6 miles	Garden (2 stories) 1987	Market	1BR / 1BA	24	42.90%	Market	\$510	560	n/a	No	1	4.20%															
					2BR / 2BA	32	57.10%	Market	\$610	1,000	n/a	No	0	0.00%															
										56	100%						1	1.80%											

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

Effective Rent Date:	Jun-16	Units Surveyed:	1143	Weighted Occupancy:	N/A
		Market Rate	797	Market Rate	N/A
		Tax Credit	346	Tax Credit	95.70%

One Bedroom One Bath Two Bedrooms One Bath Three Bedrooms Two Bath

RENT	Property	Average	Property	Average	Property	Average
	Park Place	\$933	Park Place	\$1,055	Park Place	\$1,260
	Park Place	\$824	Park Place	\$954	Brant Creek Apartments	\$1,159
	Brant Creek Apartments	\$776	Brant Creek Apartments (2BA)	\$948	Park Place	\$1,133
	Park Place	\$724	Park Place	\$852	Park Place	\$1,006
	Proposed Development * (M)	\$639	Proposed Development * (M)	\$751	Proposed Development * (M)	\$855
	Mission Forest Apartments	\$578	Greenbriar Townhomes (2BA)	\$748	The Reserve At Sugar Mill * (60%)	\$850
	Camden Way Apartments	\$545	The Reserve At Sugar Mill * (2BA 60%)	\$744	The Reserve At Sugar Mill * (60%)	\$850
	Proposed Development * (60%)	\$534	The Reserve At Sugar Mill * (2BA 60%)	\$744	Royal Point Apartments * (60%)	\$800
	Kings Landing Apartments	\$530	Mission Forest Apartments (2BA)	\$710	Royal Point Apartments * (50%)	\$744
	Pelican Point Apartments	\$510	Royal Point Apartments * (2BA 60%)	\$700	Greenbriar Townhomes	\$729
	Proposed Development * (50%)	\$476	Kings Grant Apartments * (2BA 60%)	\$659	Proposed Development * (60%)	\$720
	Ashton Cove Apartments * (50%)	\$441	Royal Point Apartments * (2BA 50%)	\$646	Camden Way Apartments	\$710
	Ashton Cove Apartments * (45%)	\$419	Kings Landing Apartments (2BA)	\$635	Kings Grant Apartments * (60%)	\$698
			Proposed Development * (60%)	\$631	The Reserve At Sugar Mill * (50%)	\$680
			Pelican Point Apartments (2BA)	\$610	The Reserve At Sugar Mill * (50%)	\$680
			Camden Way Apartments	\$600	Ashton Cove Apartments * (50%)	\$647
			The Reserve At Sugar Mill * (2BA 50%)	\$597	Proposed Development * (50%)	\$639
			The Reserve At Sugar Mill * (2BA 50%)	\$597	Kings Grant Apartments * (50%)	\$615
			Proposed Development * (50%)	\$561	Ashton Cove Apartments * (45%)	\$567
			Kings Grant Apartments * (2BA 50%)	\$545		
			Ashton Cove Apartments * (50%)	\$526		
			Ashton Cove Apartments * (45%)	\$498		
SQUARE FOOTAGE	Ashton Cove Apartments * (45%)	764	Greenbriar Townhomes (2BA)	1,200	Proposed Development * (50%)	1,200
	Ashton Cove Apartments * (50%)	764	Brant Creek Apartments (2BA)	1,029	Proposed Development * (60%)	1,200
	Brant Creek Apartments	757	Pelican Point Apartments (2BA)	1,000	Proposed Development * (M)	1,200
	Mission Forest Apartments	750	Royal Point Apartments * (2BA 50%)	990	Greenbriar Townhomes	1,200
	Kings Landing Apartments	732	Royal Point Apartments * (2BA 60%)	990	Royal Point Apartments * (50%)	1,189
	Proposed Development * (50%)	700	Ashton Cove Apartments * (45%)	984	Royal Point Apartments * (60%)	1,189
	Proposed Development * (60%)	700	Ashton Cove Apartments * (50%)	984	Brant Creek Apartments	1,186
	Proposed Development * (M)	700	Kings Landing Apartments (2BA)	964	Ashton Cove Apartments * (45%)	1,184
	Park Place	700	The Reserve At Sugar Mill * (2BA 50%)	952	Ashton Cove Apartments * (50%)	1,184
	Park Place	700	The Reserve At Sugar Mill * (2BA 60%)	952	The Reserve At Sugar Mill * (50%)	1,174
	Park Place	700	Mission Forest Apartments (2BA)	950	The Reserve At Sugar Mill * (60%)	1,174
	Camden Way Apartments	600	Park Place	950	The Reserve At Sugar Mill * (50%)	1,161
	Pelican Point Apartments	560	Park Place	950	The Reserve At Sugar Mill * (60%)	1,161
			Park Place	950	Camden Way Apartments	1,152
			The Reserve At Sugar Mill * (2BA 50%)	939	Kings Grant Apartments * (50%)	1,100
			The Reserve At Sugar Mill * (2BA 60%)	939	Kings Grant Apartments * (60%)	1,100
			Kings Grant Apartments * (2BA 50%)	900	Park Place	1,100
			Kings Grant Apartments * (2BA 60%)	900	Park Place	1,100
			Proposed Development * (50%)	900	Park Place	1,100
			Proposed Development * (60%)	900		
			Proposed Development * (M)	900		
			Camden Way Apartments	865		
RENT PER SQUARE FOOT	Park Place	\$1.33	Park Place	\$1.11	Park Place	\$1.15
	Park Place	\$1.18	Park Place	\$1.00	Park Place	\$1.03
	Park Place	\$1.03	Brant Creek Apartments (2BA)	\$0.92	Brant Creek Apartments	\$0.98
	Brant Creek Apartments	\$1.03	Park Place	\$0.90	Park Place	\$0.91
	Proposed Development * (M)	\$0.91	Proposed Development * (M)	\$0.83	The Reserve At Sugar Mill * (60%)	\$0.73
	Pelican Point Apartments	\$0.91	The Reserve At Sugar Mill * (2BA 60%)	\$0.79	The Reserve At Sugar Mill * (60%)	\$0.72
	Camden Way Apartments	\$0.91	The Reserve At Sugar Mill * (2BA 60%)	\$0.78	Proposed Development * (M)	\$0.71
	Mission Forest Apartments	\$0.77	Mission Forest Apartments (2BA)	\$0.75	Royal Point Apartments * (60%)	\$0.67
	Proposed Development * (60%)	\$0.76	Kings Grant Apartments * (2BA 60%)	\$0.73	Kings Grant Apartments * (60%)	\$0.63
	Kings Landing Apartments	\$0.72	Royal Point Apartments * (2BA 60%)	\$0.71	Royal Point Apartments * (50%)	\$0.63
	Proposed Development * (50%)	\$0.68	Proposed Development * (60%)	\$0.70	Camden Way Apartments	\$0.62
	Ashton Cove Apartments * (50%)	\$0.58	Camden Way Apartments	\$0.69	Greenbriar Townhomes	\$0.61
	Ashton Cove Apartments * (45%)	\$0.55	Kings Landing Apartments (2BA)	\$0.66	Proposed Development * (60%)	\$0.60
			Royal Point Apartments * (2BA 50%)	\$0.65	The Reserve At Sugar Mill * (50%)	\$0.59
			The Reserve At Sugar Mill * (2BA 50%)	\$0.64	The Reserve At Sugar Mill * (50%)	\$0.58
			The Reserve At Sugar Mill * (2BA 50%)	\$0.63	Kings Grant Apartments * (50%)	\$0.56
			Proposed Development * (50%)	\$0.62	Ashton Cove Apartments * (50%)	\$0.55
			Greenbriar Townhomes (2BA)	\$0.62	Proposed Development * (50%)	\$0.53
			Pelican Point Apartments (2BA)	\$0.61	Ashton Cove Apartments * (45%)	\$0.48
			Kings Grant Apartments * (2BA 50%)	\$0.61		
			Ashton Cove Apartments * (50%)	\$0.53		
			Ashton Cove Apartments * (45%)	\$0.51		

PROPERTY PROFILE REPORT

Ashton Cove Apartments

Effective Rent Date	4/06/2016
Location	230 N Gross Road Kingsland, GA 31548 Camden County
Distance	1.5 miles
Units	72
Vacant Units	2
Vacancy Rate	2.8%
Type	Garden
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Royal Point, The Reserve at Sugar Mill
Tenant Characteristics	Mix of families and 32 senior units
Contact Name	Sherita
Phone	(912) 510-7007



Market Information

Program	@45%, @45% (Senior), @50%, @50%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	17%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	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	15	764	\$378	\$0	@45% (Senior)	Yes	0	0.0%	yes	None
1	1	Garden	3	764	\$400	\$0	@50%	Yes	1	33.3%	yes	None
2	1	Garden	15	984	\$445	\$0	@45% (Senior)	Yes	0	0.0%	yes	None
2	1	Garden	3	984	\$473	\$0	@50% (Senior)	Yes	0	0.0%	yes	None
2	2	Garden	17	984	\$445	\$0	@45%	Yes	0	0.0%	yes	None
2	2	Garden	3	984	\$473	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden	13	1,184	\$503	\$0	@45%	Yes	0	0.0%	yes	None
3	2	Garden	3	1,184	\$583	\$0	@50%	Yes	1	33.3%	yes	None

Unit Mix

@45%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$378	\$0	\$378	\$41	\$419	1BR / 1BA	\$400	\$0	\$400	\$41	\$441
2BR / 1BA	\$445	\$0	\$445	\$53	\$498	2BR / 1BA	\$473	\$0	\$473	\$53	\$526
2BR / 2BA	\$445	\$0	\$445	\$53	\$498	2BR / 2BA	\$473	\$0	\$473	\$53	\$526
3BR / 2BA	\$503	\$0	\$503	\$64	\$567	3BR / 2BA	\$583	\$0	\$583	\$64	\$647

Ashton Cove Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Security

Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area
Swimming Pool

Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The contact stated that both of the vacant units are pre-leased, and that there are several hundred households on the waiting list. They said that workers at the nearby military base will inquire about units, but are generally over the income limit. The contact estimated that there are approximately two parking spaces per unit.

Ashton Cove Apartments, continued

Trend Report

Vacancy Rates

1Q15	2Q15	3Q15	2Q16
0.0%	0.0%	0.0%	2.8%

Trend: @45%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$378	\$0	\$378	\$419
2015	2	0.0%	\$378	\$0	\$378	\$419
2015	3	0.0%	\$378	\$0	\$378	\$419
2016	2	0.0%	\$378	\$0	\$378	\$419

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$445	\$0	\$445	\$498

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$445	\$0	\$445	\$498
2015	2	0.0%	\$445	\$0	\$445	\$498
2015	3	0.0%	\$445	\$0	\$445	\$498
2016	2	0.0%	\$445	\$0	\$445	\$498

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$503	\$0	\$503	\$567
2015	2	0.0%	\$503	\$0	\$503	\$567
2015	3	0.0%	\$503	\$0	\$503	\$567
2016	2	0.0%	\$503	\$0	\$503	\$567

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$400	\$0	\$400	\$441
2015	2	0.0%	\$400	\$0	\$400	\$441
2015	3	0.0%	\$400	\$0	\$400	\$441
2016	2	33.3%	\$400	\$0	\$400	\$441

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$473	\$0	\$473	\$526

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$473	\$0	\$473	\$526
2015	2	0.0%	\$473	\$0	\$473	\$526
2015	3	0.0%	\$473	\$0	\$473	\$526
2016	2	0.0%	\$473	\$0	\$473	\$526

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$583	\$0	\$583	\$647
2015	2	0.0%	\$583	\$0	\$583	\$647
2015	3	0.0%	\$583	\$0	\$583	\$647
2016	2	33.3%	\$583	\$0	\$583	\$647

Trend: Comments

- 1Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 250 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts.
- 2Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 250 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts. 32 units at this property are set aside for senior tenants.
- 3Q15** The property manager is the same as The Reserve at Sugar Mill. The waiting list has approximately 200 households on it. Most workers in St. Mary's work at the military base and are overqualified for affordable housing. Most tenants either work at Walmart or Express Scripts. 32 units at this property are set aside for senior tenants.
- 2Q16** The contact stated that both of the vacant units are pre-leased, and that there are several hundred households on the waiting list. They said that workers at the nearby military base will inquire about units, but are generally over the income limit. The contact estimated that there are approximately two parking spaces per unit.

PROPERTY PROFILE REPORT

Kings Grant Apartments

Effective Rent Date	4/27/2016
Location	500 N. Grove Boulevard Kingsland, GA 31548 Camden County
Distance	3.7 miles
Units	60
Vacant Units	4
Vacancy Rate	6.7%
Type	Garden (2 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	3/28/2009
Last Unit Leased	8/31/2009
Major Competitors	Caney Place, Ashton Cove, Old Jefferson, Ashton Pines
Tenant Characteristics	Mostly local families, 10 percent seniors
Contact Name	Jocelyne
Phone	912-882-7220



Market Information

Program	@50%, @60%
Annual Turnover Rate	30%
Units/Month Absorbed	12
HCV Tenants	25%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased two to three percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	7	900	\$545	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	20	900	\$659	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (2 stories)	14	1,100	\$615	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	19	1,100	\$698	\$0	@60%	No	4	21.1%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$545	\$0	\$545	\$0	\$545	2BR / 2BA	\$659	\$0	\$659	\$0	\$659
3BR / 2BA	\$615	\$0	\$615	\$0	\$615	3BR / 2BA	\$698	\$0	\$698	\$0	\$698

Kings Grant Apartments, continued

Amenities

In-Unit

Carpeting
Coat Closet
Ceiling Fan
Hand Rails
Oven
Refrigerator

Central A/C
Dishwasher
Garbage Disposal
Microwave
Pull Cords
Washer/Dryer hookup

Security

Video Surveillance

Services

None

Property

Basketball Court
Clubhouse/Meeting
Off-Street Parking
Picnic Area
Sport Court

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

Premium

None

Other

None

Comments

Three of the four vacant units have been pre-leased. The contact said that St. Marys is seen as a more affluent and desirable community to rent in. They also said that it is challenging to find income-qualified area residents due to the large proportion of military personnel, who are generally over the income limit.

Kings Grant Apartments, continued

Trend Report

Vacancy Rates

1Q15	2Q15	3Q15	2Q16
5.0%	3.3%	3.3%	6.7%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$520	\$0	\$520	\$520
2015	2	14.3%	\$530	\$0	\$530	\$530
2015	3	0.0%	\$530	\$0	\$530	\$530
2016	2	0.0%	\$545	\$0	\$545	\$545

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	10.0%	\$634	\$0	\$634	\$634
2015	2	5.0%	\$644	\$0	\$644	\$644
2015	3	5.0%	\$644	\$0	\$644	\$644
2016	2	0.0%	\$659	\$0	\$659	\$659

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$590	\$0	\$590	\$590
2015	2	0.0%	\$600	\$0	\$600	\$600
2015	3	0.0%	\$600	\$0	\$600	\$600
2016	2	0.0%	\$615	\$0	\$615	\$615

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	5.3%	\$673	\$0	\$673	\$673
2015	2	0.0%	\$683	\$0	\$683	\$683
2015	3	5.3%	\$683	\$0	\$683	\$683
2016	2	21.1%	\$698	\$0	\$698	\$698

Trend: Comments

- 1Q15** The contact reported a waiting list was recently purged. Two of the units have applications pending approval.
- 2Q15** The contact indicated that the property has historically had elevated vacancy rates as previous management kept poor records and experienced high turnover. Since the contact became the manager for this property and its sister property, Caney Heights, occupancy has substantially improved. The waiting list was recently purged.
- 3Q15** The contact reported the property has been operating on a first come, first served basis.
- 2Q16** Three of the four vacant units have been pre-leased. The contact said that St. Marys is seen as a more affluent and desirable community to rent in. They also said that it is challenging to find income-qualified area residents due to the large proportion of military personnel, who are generally over the income limit.

PROPERTY PROFILE REPORT

Royal Point Apartments

Effective Rent Date	4/06/2016
Location	301 N Gross Road Kingsland, GA 31548 Camden County
Distance	1.5 miles
Units	144
Vacant Units	4
Vacancy Rate	2.8%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Reserve at Sugar Mill
Tenant Characteristics	Majority from Camden Cty including St Marys; Avg HH size is 3 persons, five percent senior
Contact Name	Patty
Phone	(912) 729-7135



Market Information

Program	@50%, @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	13%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased two to 20 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	29	990	\$646	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	43	990	\$700	\$0	@60%	Yes	2	4.7%	no	None
3	2	Garden (3 stories)	29	1,189	\$744	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	43	1,189	\$800	\$0	@60%	Yes	2	4.7%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$646	\$0	\$646	\$0	\$646	2BR / 2BA	\$700	\$0	\$700	\$0	\$700
3BR / 2BA	\$744	\$0	\$744	\$0	\$744	3BR / 2BA	\$800	\$0	\$800	\$0	\$800

Royal Point 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

None

Services

None

Property

Basketball Court
Exercise Facility
Off-Street Parking
Playground
Swimming Pool

Clubhouse/Meeting
Central Laundry
On-Site Management
Sport Court

Premium

None

Other

None

Comments

The contact stated that there are 12 households on the waiting list. The property has an indoor racquetball court.

Royal Point Apartments, continued

Trend Report

Vacancy Rates

3Q14	1Q15	2Q15	2Q16
4.9%	4.2%	1.4%	2.8%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	2.8%	\$537	\$0	\$537	\$537
2015	1	0.0%	\$545	\$0	\$545	\$545
2015	2	0.0%	\$545	\$0	\$545	\$545
2016	2	0.0%	\$646	\$0	\$646	\$646

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$611	\$0	\$611	\$611
2015	1	0.0%	\$621	\$0	\$621	\$621
2015	2	0.0%	\$621	\$0	\$621	\$621
2016	2	0.0%	\$744	\$0	\$744	\$744

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$611	\$0	\$611	\$611
2015	1	N/A	\$686	\$0	\$686	\$686
2015	2	N/A	\$686	\$0	\$686	\$686
2016	2	4.7%	\$700	\$0	\$700	\$700

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	N/A	\$699	\$0	\$699	\$699
2015	1	N/A	\$783	\$0	\$783	\$783
2015	2	N/A	\$783	\$0	\$783	\$783
2016	2	4.7%	\$800	\$0	\$800	\$800

Trend: Comments

- 3Q14** The contact indicated higher demand for 50 percent units in the area and while there is no waiting list for these units currently, the contact indicated that there often is one maintained.
- 1Q15** The contact reported a waiting list with five to seven households for the two bedroom units at this time. She noted a modest 1.5 percent rent increase for units at 50 percent of AMI and a sharp increase of 12 percent for the units at 60 percent of AMI. Recent price increases have brought the rents up to the maximum allowable.
- 2Q15** The contact indicated the property typically maintains a waiting list but no one is waiting at this time. She indicated that all of the vacancies are pre-leased. The contact noted a modest 1.5 percent rent increase for units at 50 percent of AMI and a significant increase of 12 percent for the units at 60 percent of AMI.
- 2Q16** The contact stated that there are 12 households on the waiting list. The property has an indoor racquetball court.

PROPERTY PROFILE REPORT

The Reserve At Sugar Mill

Effective Rent Date	4/07/2016
Location	11115 Colerain Rd St Marys, GA 31558 Camden County
Distance	3.9 miles
Units	70
Vacant Units	5
Vacancy Rate	7.1%
Type	Garden (2 stories)
Year Built/Renovated	1997 / 2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Kings Grant, Ashton Cove, Royal Point
Tenant Characteristics	Mix of local and out of state, many military, 15 percent senior
Contact Name	Cheramy
Phone	912-673-6588



Market Information

Program	@50%, @60%
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased six to 15 percent
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	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)	3	939	\$544	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	3	952	\$544	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	13	939	\$691	\$0	@60%	No	2	15.4%	no	None
2	2	Garden (2 stories)	15	952	\$691	\$0	@60%	No	2	13.3%	no	None
3	2	Garden (2 stories)	3	1,161	\$616	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,174	\$616	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (2 stories)	17	1,161	\$786	\$0	@60%	No	1	5.9%	no	None
3	2	Garden (2 stories)	13	1,174	\$786	\$0	@60%	No	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	\$544	\$0	\$544	\$53	\$597	2BR / 2BA	\$691	\$0	\$691	\$53	\$744
3BR / 2BA	\$616	\$0	\$616	\$64	\$680	3BR / 2BA	\$786	\$0	\$786	\$64	\$850

The Reserve At Sugar Mill, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Video Surveillance

Services

None

Property

Clubhouse/Meeting
On-Site Management
Recreation Areas

Off-Street Parking
Playground

Premium

None

Other

Splash pad

Comments

The contact did not know why the property is not achieving the maximum allowable rents. The contact was unable to report why vacancy is elevated. They did state that even though there is significant demand, it can be challenging to find income-qualified renters.

The Reserve At Sugar Mill, continued

Trend Report

Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	0.0%	5.7%	7.1%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$495	\$0	\$495	\$548
2015	1	0.0%	\$515	\$0	\$515	\$568
2015	2	0.0%	\$515	\$0	\$515	\$568
2016	2	0.0%	\$544	\$0	\$544	\$597

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$565	\$0	\$565	\$629
2015	1	0.0%	\$585	\$0	\$585	\$649
2015	2	0.0%	\$585	\$0	\$585	\$649
2016	2	0.0%	\$616	\$0	\$616	\$680

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$595	\$0	\$595	\$648
2015	1	0.0%	\$620	\$0	\$620	\$673
2015	2	7.1%	\$620	\$0	\$620	\$673
2016	2	14.3%	\$691	\$0	\$691	\$744

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$660	\$0	\$660	\$724
2015	1	0.0%	\$685	\$0	\$685	\$749
2015	2	6.7%	\$685	\$0	\$685	\$749
2016	2	3.3%	\$786	\$0	\$786	\$850

Trend: Comments

- 3Q14** Management is the same as Ashton Cove Apartments. The property underwent an 4.3 million dollar renovation, which equates to \$61,500 per unit in hard costs. The increase in rent was \$5 for two-bedrooms, \$15 for three-bedrooms at 50 percent AMI, and an \$8 decrease for three-bedrooms at 60 percent AMI. Management stated that a portion of the tenants stayed at the property. Construction began in July 2012 and was completed by January 31st, 2014. During that time all of the available units were leased. Management stated that there are few jobs in the area outside of the military base. She stated that workers at the base are overqualified for affordable housing. The tenants typically work at Walmart or Express Scripts. Traffic for the property has been slow lately.
- 1Q15** The contact reported strong occupancy during the past 12 months and there are 25 households on the waiting list at this time.
- 2Q15** The contact reported strong occupancy during the past 12 months and there are 45 households on the waiting list at this time. Both vacancies are pre-leased.
- 2Q16** The contact did not know why the property is not achieving the maximum allowable rents. The contact was unable to report why vacancy is elevated. They did state that even though there is significant demand, it can be challenging to find income-qualified renters.

PROPERTY PROFILE REPORT

Brant Creek Apartments

Effective Rent Date 5/09/2016
Location 4450 Highway 40 East
 St Marys, GA 31558
 Camden County
Distance 2.2 miles
Units 196
Vacant Units N/A
Vacancy Rate N/A
Type Garden (3 stories)
Year Built/Renovated 2010 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None Identified
Tenant Characteristics Would not disclose
Contact Name Christy
Phone (912) 729-3101



Market Information

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

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	757	\$735	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,029	\$895	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,186	\$1,095	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$735	\$0	\$735	\$41	\$776
2BR / 2BA	\$895	\$0	\$895	\$53	\$948
3BR / 2BA	\$1,095	\$0	\$1,095	\$64	\$1,159

Brant Creek Apartments, continued

Amenities

In-Unit

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

Blinds
Carpeting
Dishwasher
Oven
Walk-In Closet

Security

None

Services

None

Property

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground

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

Premium

None

Other

None

Comments

The contact reported current pricing but would not provide current occupancy or any turnover information.

Brant Creek Apartments, continued

Trend Report

Vacancy Rates

1Q11	2Q12	2Q16
8.2%	8.2%	N/A

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$695 - \$735	\$0	\$695 - \$735	\$736 - \$776
2012	2	N/A	\$720	\$0	\$720	\$761
2016	2	N/A	\$735	\$0	\$735	\$776

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$865 - \$920	\$0	\$865 - \$920	\$918 - \$973
2012	2	N/A	\$855 - \$900	\$0	\$855 - \$900	\$908 - \$953
2016	2	N/A	\$895	\$0	\$895	\$948

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$1,045	\$0	\$1,045	\$1,109
2012	2	N/A	\$995 - \$1,045	\$0	\$995 - \$1,045	\$1,059 - \$1,109
2016	2	N/A	\$1,095	\$0	\$1,095	\$1,159

Trend: Comments

1Q11	The property initially offered a one month free concession to expedite lease-up. The property manager could not comment on how many seniors there were at the property, but indicated that there were a few. Rents range based on floor and availability.
2Q12	The property does not accept housing choice vouchers. Property manager would not comment on competitors, tenant mix or turnover. Property manager reported that vacancy was eight percent but did not know the breakdown by unit type.
2Q16	The contact reported current pricing but would not provide current occupancy or any turnover information.

PROPERTY PROFILE REPORT

Camden Way Apartments

Effective Rent Date	5/10/2016
Location	145 N Gross Road Kingsland, GA 31548 Camden County
Distance	1.5 miles
Units	121
Vacant Units	2
Vacancy Rate	1.7%
Type	One-story
Year Built/Renovated	1986 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Colerain Oaks, Mission Forest, Harbor Pines, Kings
Tenant Characteristics	Would not disclose
Contact Name	Jennifer
Phone	(912) 729-4116



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Preleased to one week
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	One-story	16	300	\$470	\$0	Market	No	1	6.2%	N/A	None
1	1	One-story	78	600	\$545	\$0	Market	No	1	1.3%	N/A	None
2	1	One-story	15	865	\$600	\$0	Market	Yes	0	0.0%	N/A	None
2	2	One-story	6	865	\$640	\$26	Market	Yes	0	0.0%	N/A	None
3	2	One-story	6	1,152	\$710	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$470	\$0	\$470	\$0	\$470
1BR / 1BA	\$545	\$0	\$545	\$0	\$545
2BR / 1BA	\$600	\$0	\$600	\$0	\$600
2BR / 2BA	\$640	\$26	\$614	\$0	\$614
3BR / 2BA	\$710	\$0	\$710	\$0	\$710

Camden Way Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Garbage Disposal
Refrigerator

Blinds
Central A/C
Exterior Storage
Furnishing
Oven
Washer/Dryer hookup

Security

None

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking

Premium

None

Other

None

Comments

The contact reported a three household waiting list which typically requires a deposit to hold the application and there place in the waiting list. The one-bedroom vacancy is preleased while the studio unit has an application pending at this time.

Camden Way Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q10	1Q11	2Q16
0.8%	1.7%	3.3%	1.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$525	\$0	\$525	\$525
2010	1	2.6%	\$515	\$35	\$480	\$480
2011	1	N/A	\$515	\$18	\$497	\$497
2016	2	1.3%	\$545	\$0	\$545	\$545

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$595	\$0	\$595	\$595
2010	1	0.0%	\$585	\$0	\$585	\$585
2011	1	N/A	\$585	\$24	\$561	\$561
2016	2	0.0%	\$600	\$0	\$600	\$600

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$620	\$0	\$620	\$620
2010	1	0.0%	\$615	\$0	\$615	\$615
2011	1	N/A	\$615	\$26	\$589	\$589
2016	2	0.0%	\$640	\$26	\$614	\$614

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	16.7%	\$695	\$0	\$695	\$695
2010	1	0.0%	\$695	\$0	\$695	\$695
2011	1	N/A	\$695	\$33	\$662	\$662
2016	2	0.0%	\$710	\$0	\$710	\$710

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$455	\$0	\$455	\$455
2010	1	0.0%	\$445	\$0	\$445	\$445
2011	1	N/A	\$445	\$12	\$433	\$433
2016	2	6.2%	\$470	\$0	\$470	\$470

Trend: Comments

- 2Q08** The contact reported that demand for housing in the area is high and attributed growth to tenants moving from Florida. The property typically maintains a 98 percent occupancy rate. The contact reported that management typically increases rents every quarter and that the two-bedroom units have a waiting list of undetermined length. The units do not offer dishwashers but the studios are furnished.
- 1Q10** The contact reported that the property typically maintains a 97 percent occupancy rate. There was a two percent decrease in rent in the studio, one bedroom, and two bedroom one bath and one percent decreased in the two bedroom one bath in 2009 due to slow economy and to stay competitive.
- 1Q11** Management could not estimate the number of senior tenants.
- 2Q16** The contact reported a three household waiting list which typically requires a deposit to hold the application and there place in the waiting list. The one-bedroom vacancy is preleased while the studio unit has an application pending at this time.

Greenbriar Townhomes, continued

Comments

The property's turnover is primarily based on military transfers which occur in April and November. The contact said that there are two households on the waiting list. Management offers a military discount of \$60 per month. The property does not accept Housing Choice Vouchers.

Greenbriar Townhomes, continued

Trend Report

Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	0.0%	0.0%	0.0%

Trend: Market

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$665	\$20	\$645	\$698
2015	1	0.0%	\$645	\$0	\$645	\$698
2015	2	0.0%	\$665	\$55	\$610	\$663
2016	2	0.0%	\$695	\$0	\$695	\$748

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$665	\$55	\$610	\$674
2015	1	0.0%	\$665	\$55	\$610	\$674
2015	2	0.0%	\$665	\$55	\$610	\$674
2016	2	0.0%	\$665	\$0	\$665	\$729

Trend: Comments

- 3Q14** There is a rent special at the property currently. Rents for the two and three-bedroom units are typically the same, since they have the same square footage. Rents for military families are typically \$645 as opposed to the \$665 for civilians. However, all rents are at the discounted rate currently. There is a waiting list of five households. Turnover is limited to base transfers mainly. The property does not accept Housing Choice Vouchers.
- 1Q15** The contact reported occupancy rates have been stable during the past 12 months. There is currently a rent special on the three-bedroom units, two of which will become vacant at the end of the month.
- 2Q15** The property's turnover is primarily based on military transfers which occur in April and November. There is a concession at the property currently to facilitate rapid leasing as new military families just transferred to the area. Four households are on the waiting list currently.
- 2Q16** The property's turnover is primarily based on military transfers which occur in April and November. The contact said that there are two households on the waiting list. Management offers a military discount of \$60 per month. The property does not accept Housing Choice Vouchers.

PROPERTY PROFILE REPORT

Kings Landing Apartments

Effective Rent Date	5/09/2016
Location	250 N Gross Rd Kingsland, GA 31548 Camden County
Distance	1.5 miles
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden
Year Built/Renovated	1989 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	Mixed tenancy including families, seniors, and 25% military,
Contact Name	Debbie
Phone	(912) 729-8110



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	1 week
Annual Chg. in Rent	Increased 1.6%-2.0%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	8	732	\$530	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden	40	964	\$635	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$530	\$0	\$530	\$0	\$530
2BR / 2BA	\$635	\$0	\$635	\$0	\$635

Amenities

In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Coat Closet	Dishwasher
Garbage Disposal	Oven
Refrigerator	Washer/Dryer hookup

Security

None

Services

None

Property

Car Wash	Off-Street Parking
On-Site Management	Swimming Pool

Premium

None

Other

None

Kings Landing Apartments, continued

Comments

The contact reported a waiting list for the two-bedroom units with three households. Current occupancy was reported to be typical so far in 2016.

Kings Landing Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q10	2Q16
2.1%	8.3%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$505	\$0	\$505	\$505
2010	1	0.0%	\$505	\$0	\$505	\$505
2016	2	0.0%	\$530	\$0	\$530	\$530

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	2.5%	\$590	\$0	\$590	\$590
2010	1	10.0%	\$590	\$0	\$590	\$590
2016	2	0.0%	\$635	\$0	\$635	\$635

Trend: Comments

- 2Q08** The contact reported that demand has remained stable over the past year and that there will likely be another rent increase in December 2008. The contact also manages Summer Bend Apartments.
- 1Q10** The contact reported that the occupancy has been low since 2009 due to the slow economy. They have not increased their rent since 2009.
- 2Q16** The contact reported a waiting list for the two-bedroom units with three households. Current occupancy was reported to be typical so far in 2016.

PROPERTY PROFILE REPORT

Mission Forest Apartments

Effective Rent Date	4/15/2016
Location	999 Mission Trace Dr St Marys, GA 31558 Camden County
Distance	1.8 miles
Units	104
Vacant Units	3
Vacancy Rate	2.9%
Type	Garden (2 stories)
Year Built/Renovated	1986 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Park Place, Harbor Pines, Camden Way
Tenant Characteristics	65-70% military; Majority singles or families, 5% seniors
Contact Name	Brenda
Phone	(912) 882-4444



Market Information

Program	Market
Annual Turnover Rate	52%
Units/Month Absorbed	N/A
HCV Tenants	2%
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	\$100 off first month's rent

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	750	\$545	\$8	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	88	950	\$665	\$8	Market	Yes	3	3.4%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$545	\$8	\$537	\$41	\$578
2BR / 2BA	\$665	\$8	\$657	\$53	\$710

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Dishwasher		
Garbage Disposal		
Refrigerator		
Washer/Dryer hookup		
Carpeting		
Coat Closet		
Ceiling Fan		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting	None	None
Off-Street Parking		
Picnic Area		
Sauna		
Central Laundry		
On-Site Management		
Playground		
Swimming Pool		

Mission Forest Apartments, continued

Comments

The property has a flat fee for water. It is \$30 for the one-bedroom units and \$50 for the two-bedroom units. High turnover is due to a majority of tenants in the military.

Mission Forest Apartments, continued

Trend Report

Vacancy Rates

3Q14	1Q15	2Q15	2Q16
1.0%	1.9%	1.0%	2.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$515	\$43	\$472	\$513
2015	1	0.0%	\$515	\$17	\$498	\$539
2015	2	0.0%	\$515	\$8	\$507	\$548
2016	2	0.0%	\$545	\$8	\$537	\$578

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	1.1%	\$575	\$48	\$527	\$580
2015	1	2.3%	\$575	\$17	\$558	\$611
2015	2	1.1%	\$575	\$8	\$567	\$620
2016	2	3.4%	\$665	\$8	\$657	\$710

Trend: Comments

3Q14	The property has a flat fee for water. It is \$30 on the one-bedroom units and \$50 on the two-bedroom units. High turnover is due to a majority of tenants working at the military base.
1Q15	The property has a flat fee for water. It is \$30 on the one-bedroom units and \$50 on the two-bedroom units. High turnover is due to a majority of tenants in the military.
2Q15	N/A
2Q16	The property has a flat fee for water. It is \$30 for the one-bedroom units and \$50 for the two-bedroom units. High turnover is due to a majority of tenants in the military.

PROPERTY PROFILE REPORT

Park Place

Effective Rent Date	4/25/2016
Location	11919 Colerain Rd St Marys, GA 31558 Camden County
Distance	2.7 miles
Units	200
Vacant Units	10
Vacancy Rate	5.0%
Type	Garden (2 stories)
Year Built/Renovated	1988 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brant Creek, Harbor Cove, Hickory Plantation
Tenant Characteristics	Majority military, medical workers, school employees, and police; five percent senior
Contact Name	Tara
Phone	(912) 673-6001



Market Information

Program	Market
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Decreased 17 percent to increased 27
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	32	700	\$783	\$0	Market	No	N/A	N/A	N/A	AVG
1	1	Garden (2 stories)	0	700	\$892	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (2 stories)	0	700	\$683	\$0	Market	No	N/A	N/A	N/A	LOW
2	1	Garden (2 stories)	68	950	\$901	\$0	Market	No	N/A	N/A	N/A	AVG
2	1	Garden (2 stories)	0	950	\$1,002	\$0	Market	No	N/A	N/A	N/A	HIGH
2	1	Garden (2 stories)	0	950	\$799	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (2 stories)	68	950	\$912	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	0	950	\$1,049	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (2 stories)	0	950	\$774	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (2 stories)	32	1,100	\$1,069	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (2 stories)	0	1,100	\$1,196	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (2 stories)	0	1,100	\$942	\$0	Market	No	N/A	N/A	N/A	LOW

Park Place, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$683 - \$892	\$0	\$683 - \$892	\$41	\$724 - \$933
2BR / 1BA	\$799 - \$1,002	\$0	\$799 - \$1,002	\$53	\$852 - \$1,055
2BR / 2BA	\$774 - \$1,049	\$0	\$774 - \$1,049	\$53	\$827 - \$1,102
3BR / 2BA	\$942 - \$1,196	\$0	\$942 - \$1,196	\$64	\$1,006 - \$1,260

Amenities

In-Unit

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator
Walk-In Closet

Carpeting
Dishwasher
Ceiling Fan
Oven
Vaulted Ceilings
Washer/Dryer hookup

Security

Patrol

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Exercise Facility
Off-Street Parking
Playground
Volleyball Court

Premium

None

Other

Fishing pond, walking path

Comments

The property does not accept Housing Choice Vouchers. The contact stated that vacancy is occasionally elevated due to large proportion of military tenants, who may be transferred on short notice.

Park Place, continued

Trend Report

Vacancy Rates

1Q15	2Q15	3Q15	2Q16
4.5%	1.0%	1.0%	5.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$686 - \$868	\$0	\$686 - \$868	\$727 - \$909
2015	2	0.0%	\$740 - \$833	\$0	\$740 - \$833	\$781 - \$874
2015	3	0.0%	\$775 - \$868	\$0	\$775 - \$868	\$816 - \$909
2016	2	N/A	\$683 - \$892	\$0	\$683 - \$892	\$724 - \$933

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.4%	\$760 - \$809	\$0	\$760 - \$809	\$813 - \$862
2015	2	2.9%	\$900 - \$1,017	\$0	\$900 - \$1,017	\$953 - \$1,070
2015	3	2.9%	\$865 - \$892	\$0	\$865 - \$892	\$918 - \$945
2016	2	N/A	\$799 - \$1,002	\$0	\$799 - \$1,002	\$852 - \$1,055

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	5.9%	\$809 - \$858	\$0	\$809 - \$858	\$862 - \$911
2015	2	0.0%	\$936 - \$1,047	\$0	\$936 - \$1,047	\$989 - \$1,100
2015	3	0.0%	\$930 - \$960	\$0	\$930 - \$960	\$983 - \$1,013
2016	2	N/A	\$774 - \$1,049	\$0	\$774 - \$1,049	\$827 - \$1,102

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	6.2%	\$860 - \$1,013	\$0	\$860 - \$1,013	\$924 - \$1,077
2015	2	0.0%	\$895 - \$976	\$0	\$895 - \$976	\$959 - \$1,040
2015	3	0.0%	\$895 - \$941	\$0	\$895 - \$941	\$959 - \$1,005
2016	2	N/A	\$942 - \$1,196	\$0	\$942 - \$1,196	\$1,006 - \$1,260

Trend: Comments

1Q15	The contact reported current occupancy has been typical for most of the past year. She could not estimate turnover rate but stated it was not as high as it has been in previous years due to the high military tenancy.
2Q15	She could not estimate turnover rate but stated it was not as high as it has been in previous years due to the high military tenancy. There is a short waiting list for three-bedroom units.
3Q15	N/A
2Q16	The property does not accept Housing Choice Vouchers. The contact stated that vacancy is occasionally elevated due to large proportion of military tenants, who may be transferred on short notice.

PROPERTY PROFILE REPORT

Pelican Point Apartments

Effective Rent Date	4/06/2016
Location	1 Pelican Point St Mary's, GA 31558 Camden County
Distance	3.6 miles
Units	56
Vacant Units	1
Vacancy Rate	1.8%
Type	Garden (2 stories)
Year Built/Renovated	1987 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Cumberland Village, Mission Forest, Camden Way
Tenant Characteristics	None identified
Contact Name	Lisa
Phone	(912) 673-6301



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Increased three to four percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	24	560	\$510	\$0	Market	No	1	4.2%	N/A	None
2	2	Garden (2 stories)	32	1,000	\$610	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$510	\$0	\$510	\$0	\$510
2BR / 2BA	\$610	\$0	\$610	\$0	\$610

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Dishwasher		
Refrigerator		
Washer/Dryer hookup		
Blinds		
Central A/C		
Oven		
Walk-In Closet		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		
Playground		

Pelican Point Apartments, continued

Comments

The contact indicated that many people are looking for affordable housing in the area. The contact could not provide an estimate of voucher usage.

Pelican Point Apartments, continued

Trend Report

Vacancy Rates

3Q14	1Q15	2Q15	2Q16
0.0%	3.6%	1.8%	1.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$480	\$0	\$480	\$480
2015	1	0.0%	\$490	\$0	\$490	\$490
2015	2	4.2%	\$490	\$0	\$490	\$490
2016	2	4.2%	\$510	\$0	\$510	\$510

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	3	0.0%	\$580	\$0	\$580	\$580
2015	1	6.2%	\$590	\$0	\$590	\$590
2015	2	0.0%	\$590	\$0	\$590	\$590
2016	2	0.0%	\$610	\$0	\$610	\$610

Trend: Comments

3Q14	Management is the same as Old Jefferson. Management stated that one tenant who has been at the property for several years uses a housing choice voucher. There are no other tenants using vouchers because rents are too high. Management also stated that Pelican Point is typically 100 percent occupied.
1Q15	N/A
2Q15	The contact indicated that recent turnover was due to evictions. The contact indicated that many people are looking for affordable housing in the area.
2Q16	The contact indicated that many people are looking for affordable housing in the area. The contact could not provide an estimate of voucher usage.

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	HCV Tenants
Ashton Cove Apartments	LIHTC	17%
Kings Grant Apartments	LIHTC	25%
Royal Point Apartments	LIHTC	13%
The Reserve At Sugar Mill	LIHTC	10%
Brant Creek Apartments	Market	0%
Camden Way Apartments	Market	0%
Greenbriar Townhomes	Market	0%
Kings Landing Apartments	Market	0%
Mission Forest Apartments	Market	2%
Park Place	Market	0%

As illustrated in the table, all of the LIHTC comparables reported having voucher tenants. The average number of voucher tenants at the LIHTC properties is 16 percent. Only one of the market rate properties reported having tenants utilizing housing choice vouchers. Overall, the local market does not appear to be dependent on voucher tenants, and we anticipate the Subject would maintain an approximate voucher tenancy of 15 percent or less.

Lease Up History

We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included two additional properties that were excluded from our competitive analysis but were leased more recently than the remainder of the comparable properties.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Caney Heights	LIHTC	Family	2012	28	5.5
Kings Grant Apartments*	LIHTC	Family	2009	60	12
The Village At Winding Road	LIHTC	Senior	2013	50	13

*Indicates property utilized as a comparable

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, an age-restricted property, was the most recent LIHTC property completed in the PMA. Despite senior tenancy, this property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as we were unable to contact property management. This property experienced an absorption period of five months indicating an absorption rate of approximately six units per month. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar

absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable family properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in the area, we anticipate that the Subject will absorb 13 units per month, for an absorption period of approximately six months.

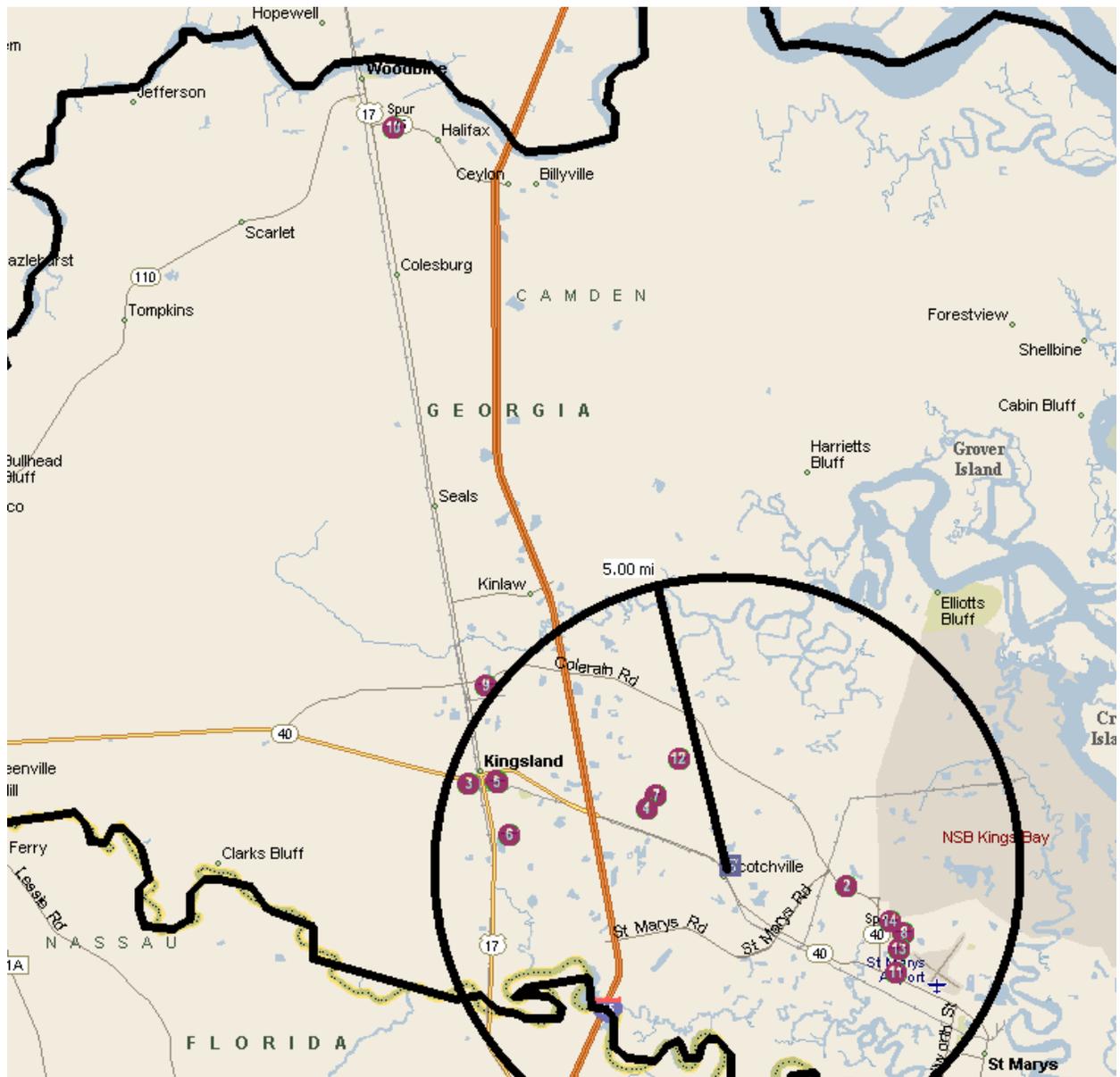
Phased Developments

The Subject is not part of a phased development.

Rural Areas

The Subject is located in a rural area.

3. COMPETITIVE PROJECT MAP



COMPETITIVE PROPERTIES IN THE PMA

Map Number	Name	Address	City	Type	Tenancy	Distance from Subject
1	Village at Winding Road	1 Krayons Court	St. Mary's	LIHTC	Senior	4.0 Miles
2	The Reserve at Sugar Mill	11115 Colerain Rd.	St. Mary's	LIHTC	Family	2.1 Miles
3	Clarks Bluff Road	102 Clarks Bluff Road	Kingsland	LIHTC	Family	3.5 Miles
4	Ashton Cove Apartments	230 N. Gross Rd.	Kingsland	LIHTC	Intergenerational	1.5 Miles
5	Caney Heights	201 Caney Heights Court	Kingsland	LIHTC	Family	4.0 Miles
6	Kings Grant Apartments	500 N. Gross Rd.	Kingsland	LIHTC	Family	3.7 Miles
7	Royal Point Apartments	301 N. Gross Rd.	Kingsland	LIHTC	Family	1.5 Miles
8	Old Jefferson Estates	42 Pinehurst Dr.	St. Mary's	LIHTC	Family	3.3 Miles
9	Hilltop Terrace I/II	3059 Martin Luther King Jr. Blvd.	Kingsland	USDA	Senior	5.0 Miles
10	Satilla Terrace	1100 McDonald Road	Woodbine	USDA	Family	13.5 Miles
11	Cumberland Village	116 Martha Dr.	St. Mary's	USDA	Family	3.6 Miles
12	Cottages at Camden	1050 N. Gross Rd.	Kingland	Section 8	Senior	1.8 Miles
13	Cumberland Oaks Apartments	100 Mary Powell Dr.	St. Mary's	Section 8	Family	3.4 Miles
14	The Pines Apartments	208 Old Jefferson Rd	St. Mary's	Section 8	Family	3.0 Miles

It should be noted that several LIHTC properties were excluded for a variety of reasons. Village at Winding Road targets seniors and was excluded as a comparable due to incomparable tenancy; Clarks Bluff Road offers only two units and therefore more properties with more similar units were utilized; Caney Heights was excluded as we were unable to contact property management for an interview; and Old Jefferson Estates was excluded because closer comparables with more similar design and unit mix were available.

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 pink, 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

	Proposed Development	Ashton Cove Apartments	Kings Grant Apartments	Royal Point Apartments	The Reserve At Sugar Mill	Brant Creek Apartments	Camden Way Apartments	Greenbriar Townhomes	Kings Landing Apartments	Mission Forest Apartments	Park Place	Pelican Point Apartments
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11
Property Information												
Property Type		Garden	Garden	Garden	Garden	Garden	One-story	Townhouse	Garden	Garden	Garden	Garden
Year Built / Renovated	2018	1999	2009	2000	1997 / 2013	2010	1986	1993 / 2009	1989	1986	1988	1987
Market (Conv./)Subsidy Type	LIHTC/Market	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market	Market
Utility Adjustments												
Cooking	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
Heat	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
Water	yes	no	yes	yes	no	no	yes	no	yes	no	no	yes
Sewer	yes	no	yes	yes	no	no	yes	no	yes	no	no	yes
Trash Collection	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
In-Unit Amenities												
Balcony/Patio	no	yes	no	no	yes	yes	yes	yes	yes	no	no	yes
Blinds	yes	yes	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	yes	no	no	no	no	no	no
Carpeting	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	no	no
Dishwasher	no	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	no	yes	no	yes	yes	no	no	yes	no
Ceiling Fan	yes	yes	yes	yes	yes	no	yes	no	no	yes	yes	no
Furnishing	no	no	no	no	no	no	yes	no	no	no	no	no
Garbage Disposal	no	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	no
Hand Rails	no	no	yes	no	no	no	no	no	no	no	no	no
Microwave	yes	no	yes	no	no	no	no	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	yes	no	no	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	no	no	yes	yes
Walk-In Closet	no	no	no	yes	yes	yes	no	yes	no	yes	yes	yes
Washer/Dryer	no	no	no	no	yes	no	no	no	no	no	no	no
Washer/Dryer hookup	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities												
Basketball Court	no	no	yes	yes	no	no	no	no	no	no	no	no
Business Center/Computer Lab	no	no	yes	no	no	no	no	no	no	no	no	no
Car Wash	no	no	no	no	no	yes	no	no	yes	no	no	no
Clubhouse/Meeting Room	yes	yes	yes	yes	yes	yes	no	no	no	yes	yes	no
Exercise Facility	yes	no	no	yes	no	yes	no	no	no	no	yes	no
Garage	no	no	no	no	no	yes	no	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	no	yes	yes	yes	no	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Picnic Area	yes	yes	yes	no	no	yes	no	no	no	yes	no	no
Playground	yes	yes	yes	yes	yes	yes	no	no	no	yes	yes	yes
Recreation Areas	no	no	no	no	yes	no	no	no	no	no	no	no
Sauna	no	no	no	no	no	no	no	no	no	yes	no	no
Sport Court	no	no	yes	yes	no	no	no	no	no	no	no	no
Swimming Pool	no	yes	yes	yes	no	yes	no	yes	yes	yes	yes	no
Volleyball Court	no	no	no	no	no	no	no	no	no	no	yes	no
Services												
Security												
Patrol	no	no	no	no	no	no	no	no	no	no	yes	no
Perimeter Fencing	no	yes	no	no	no	no	no	no	no	no	no	no
Video Surveillance	no	no	yes	no	yes	no	no	no	no	no	no	no
Premium Amenities												
Other Amenities												
Other	Library	n/a	n/a	n/a	Splash pad	n/a	n/a	n/a	n/a	n/a	Fishing pond, walking path	n/a

The Subject will offer similar to inferior amenities compared to the majority of the comparables.

5. The Subject will target family households. Therefore, per DCA's guidelines, only family units were included in our analysis. However, it should be noted that one of the comparables, Ashton Cove, offers intergenerational tenancy and reserves less than fifty percent of its units for seniors.

6. Vacancy

The following table illustrates the vacancy rates in the market. It should be noted that management at Brant Creek Apartments refused to report vacancy information and has been excluded from the analysis below.

OVERALL VACANCY

Property name	Rent	Total Units	Vacant Units	Vacancy Rate
Ashton Cove Apartments	LIHTC	72	2	2.8%
Kings Grant Apartments	LIHTC	60	4	6.7%
Royal Point Apartments	LIHTC	144	4	2.8%
The Reserve At Sugar Mill	LIHTC	70	5	7.1%
Camden Way Apartments	Market	121	2	1.7%
Greenbriar Townhomes	Market	72	0	0.0%
Kings Landing Apartments	Market	48	0	0.0%
Mission Forest Apartments	Market	104	3	2.9%
Park Place	Market	200	10	5.0%
Pelican Point Apartments	Market	<u>56</u>	<u>1</u>	<u>1.8%</u>
Total		947	31	3.3%

As illustrated, vacancy rates in the market range from zero to 6.7 percent, averaging 3.3 percent. The weighted average vacancy rate among the LIHTC comparables is 4.3 percent, while the weighted average vacancy rate among the market rate comparables is 2.7 percent. It should be noted that The Reserve at Sugar Mill and Kings Grant Apartments reported the highest vacancy rates amongst the comparables. Property management at The Reserve at Sugar Mill was unable to comment on the relatively high vacancy rate of the property. It should be noted that most of the vacancy was reported in the two-bedroom units at 60 percent AMI. Moreover, this property has the highest asking LIHTC rents. Management at Kings Grant Apartments noted that all of its vacancies were reported in the property's three-bedroom unit type, and according to property management, three of the four vacant units were pre-leased at the time of our interview. Though none of the LIHTC comparables reported zero vacancies, two reported currently maintaining a waiting list. Additionally, two of the market rate comparables reported zero vacancies and three reported maintaining waiting lists. Thus, we believe that the Subject will have a stabilized vacancy rate at five percent or less as a restricted property over a typical investment period, similar to the majority comparables.

7. Properties Under Construction and Proposed

Based on DCA's allocation lists, no properties have been allocated tax credits in the PMA since 2013. Additionally, we contacted the Kingsland Planning Department regarding any under

construction or proposed developments, of which there are none at this time. However, according to Mr. Kessler, there are several projects that are currently in the preliminary stages of acquiring LIHTC funding. However, none of these projects have been approved.

8. Rental Advantage

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

Similarity Matrix								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashton Cove Apartments	LIHTC	Similar	Superior	Similar	Slightly Inferior	Slightly Superior	10
2	Kings Grant Apartments	LIHTC	Slightly Superior	Superior	Slightly Inferior	Slightly Inferior	Similar	5
3	Royal Point Apartments	LIHTC	Slightly Superior	Superior	Similar	Slightly Inferior	Similar	10
4	The Reserve At Sugar Mill	LIHTC	Inferior	Superior	Similar	Slightly Inferior	Similar	-5
5	Brant Creek Apartments	Market	Slightly Superior	Superior	Similar	Slightly Inferior	Slightly Superior	15
6	Camden Way Apartments	Market	Inferior	Superior	Similar	Inferior	Slightly Inferior	-15
7	Greenbriar Townhomes	Market	Inferior	Superior	Slightly Inferior	Inferior	Slightly Superior	-10
8	Kings Landing Apartments	Market	Inferior	Superior	Similar	Inferior	Slightly Superior	-5
9	Mission Forest Apartments	Market	Slightly Superior	Superior	Similar	Inferior	Slightly Superior	10
10	Park Place	Market	Slightly Superior	Superior	Similar	Inferior	Similar	5
11	Pelican Point Apartments	Market	Inferior	Superior	Similar	Inferior	Inferior	-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.

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR	3BR
Proposed Development (Subject)	\$476	\$561	\$639
2015 LIHTC Maximum (Net)	\$505	\$597	\$680
Ashton Cove Apartments	\$419-\$441	\$489-\$526	\$567-\$647
Kings Grant Apartments	-	\$545	\$615
Royal Point Apartments	-	\$646	\$744
The Reserve At Sugar Mill	-	\$597	\$680
Average (excluding Subject)	\$430	\$554	\$656

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR	3BR
Proposed Development (Subject)	\$534	\$631	\$720
2015 LIHTC Maximum (Net)	\$628	\$744	\$850
Kings Grant Apartments	-	\$659	\$698
Royal Point Apartments	-	\$700	\$800
The Reserve At Sugar Mill	-	\$744	\$850
Average (excluding Subject)	-	\$712	\$800

The Subject’s proposed LIHTC rents are below the 2015 LIHTC maximum allowable levels. All of the comparables are held harmless at the 2015 maximum allowable levels.

All of the Subject’s rents are set below the 2015 maximum allowable levels. Additionally, the Subject’s three-bedroom units at 50 percent of AMI and the two and three-bedroom units at 60 percent of AMI are below the range of rents reported at the comparable properties. The Subject’s two-bedrooms at 50 percent of AMI are within the surveyed range. Further, only one comparable

offers a one-bedroom unit at 50 percent of AMI, and none of the comparables have one-bedroom units at 60 percent of AMI. Only Ashton Cove Apartments reported achieving maximum allowable rents; however, this property's highest set aside is 50 percent of AMI. Though none of the comparable properties reported achieving rents at the maximum allowable levels it appears that both Royal Point Apartments and The Reserve at Sugar Mill are both achieving near or slightly above the maximum allowable levels. This is likely attributed to differences in utility allowances. The Subject will offer a slightly superior condition relative to all of the LIHTC comparables, and a similar to slightly superior location. The overall vacancy rate in the market for the LIHTC comparables is reasonably low. The Subject will be most similar to Kings Grant Apartments, the most recently constructed LIHTC property. However, this property offers slightly inferior age and condition, a location with inferior access to local amenities and the area's largest employers. Thus, we believe the Subject can achieve rents above those of Kings Grant Apartments. We believe the proposed rents are low and the Subject could achieve the maximum allowable level are achievable for the two and three-bedroom units. It should be noted that none of the comparables offer one-bedroom units restricted to households earning 60 percent AMI or less. However, given that the comparables are achieving near the maximum allowable levels in the larger unit types, and the very low capture rate provided earlier in this report, we believe rents the maximum allowable level for the one-bedroom units at 50 and 60 percent of AMI appear achievable based on limited competition.

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

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

Subject Comparison To Market Rents

@50%

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$476	\$419	\$933	\$628	24%
2 BR	\$561	\$498	\$1,102	\$716	22%
3 BR	\$639	\$474	\$1,260	\$832	23%

@60%

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$534	\$510	\$933	\$678	21%
2 BR	\$631	\$600	\$1,102	\$792	20%
3 BR	\$720	\$698	\$1,260	\$888	19%

As illustrated, the Subject’s proposed 50 and 60 percent rents are within the surveyed average when compared to the comparables for both LIHTC and market rate, which appears reasonable based on the Subject’s superior condition. The average market rate vacancy is very low, and the Subject’s proposed LIHTC rents are within or below the range of the rents reported at the comparable properties.

Park Place is the most similar market rate property in terms of unit sizes, location, and property amenities. When complete, the Subject will offer a superior age and condition compared to Park Place. The remaining market rate comparables exhibit will exhibit similar to inferior condition and property amenities to the Subject. Overall, Park Place appears to be the most similar market rate comparables. A comparison to Park Place is detailed in the table below.

Subject Comparison with Park Place

@50%

Unit Type	Subject Rent	Square Feet	Park Place Rents	Square Feet	Subject Rent Advantage
1 BR	\$476	720	\$724	700	34%
2 BR	\$561	850	\$852	950	34%
3 BR	\$639	1,150	\$1,006	1,100	36%

@60%

Unit Type	Subject Rent	Square Feet	Park Place Rents	Square Feet	Subject Rent Advantage
1 BR	\$534	720	\$724	700	26%
2 BR	\$631	850	\$852	950	26%
3 BR	\$720	1,150	\$1,006	1,100	12%

Market

Unit Type	Subject Rent	Square Feet	Park Place Rents	Square Feet	Subject Rent Advantage
1 BR	\$639	720	\$724	700	12%
2 BR	\$751	850	\$852	950	12%
3 BR	\$855	1,150	\$1,006	1,100	15%

We believe the Subject can achieve market rents similar to above those at Park Place based on the Subject's superior condition and similar location and unit sizes.

We have relied on our "true comparables" and comparison with Park Place to determine the Subject's achievable market rents, and believe the Subject's market rents are achievable as proposed.

Overall, we believe that the Subject's proposed rents are low in the market and will offer a market rent advantage.

9. LIHTC Competition – Recent Allocations within Two Miles

Based on DCA's allocation lists, there are currently no LIHTC multifamily properties proposed for the Subject's PMA. Additionally, there are no market rate properties proposed, under construction, or that have entered the market in 2014 to 2015. Thus, no units have been deducted from our demand analysis.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,361	61.4%	5,259	38.6%
2010	10,750	63.9%	6,061	36.1%
2015	10,702	60.8%	6,891	39.2%
Projected Mkt Entry				
May 2018	10,852	60.6%	7,047	39.4%
2020	10,966	60.5%	7,166	39.5%

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

In 2015, approximately 39.2 percent of households in the PMA were renter-occupied. The percentage of renter-occupied households in the PMA is expected to increase marginally through both the market entry date and through 2020. Further, the number of renter-occupied households will increase by 119 households from 2015 to May 2018, which supports demand for new rental housing.

Historical Vacancy

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

CHANGE IN VACANCY RATES

Comparable Property	Type	Total Units	2QTR 2014	3QTR 2014	1QTR 2015	2QTR 2015	3QTR 2015	2QTR 2016
Ashton Cove Apartments	LIHTC	72	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%
Kings Grant Apartments	LIHTC	60	11.7%	13.3%	5.0%	3.3%	3.3%	6.7%
Royal Point Apartments	LIHTC	144	4.2%	4.9%	4.2%	1.4%	N/A	2.8%
The Reserve At Sugar Mill	LIHTC	70	0.0%	0.0%	0.0%	5.7%	N/A	7.1%
Brant Creek Apartments	Market	196	N/A	N/A	N/A	N/A	N/A	N/A
Camden Way Apartments	Market	121	N/A	N/A	N/A	N/A	N/A	1.7%
Greenbriar Townhomes	Market	72	0.0%	0.0%	0.0%	0.0%	N/A	0.0%
Kings Landing Apartments	Market	48	N/A	N/A	N/A	N/A	N/A	0.0%
Mission Forest Apartments	Market	104	3.8%	1.0%	1.9%	1.0%	N/A	2.9%
Park Place	Market	200	10.5%	4.0%	4.5%	1.0%	1.0%	5.0%
Pelican Point Apartments	Market	56	7.1%	0.0%	3.6%	1.8%	N/A	1.8%
		1,145	4.7%	2.9%	2.4%	1.8%	1.4%	3.1%

As illustrated in the table, we have limited historical occupancy information for the comparables properties. However, it appears that the majority of the comparables have demonstrated stable or improved performance, suggesting the local market is stable.

Change in Rental Rates

The following table illustrates changes in rent at the comparable properties over the past year.

RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Ashton Cove Apartments	LIHTC	None
Kings Grant Apartments	LIHTC	Increased 2.0% -3.0%
Royal Point Apartments	LIHTC	Increased 2.0% -20.0%
The Reserve At Sugar Mill	LIHTC	Increased 6.0% -15.0%
Camden Way Apartments	Market	None
Greenbriar Townhomes	Market	Increased 5.0%
Kings Landing Apartments	Market	Increased 1.6% -2.0%
Mission Forest Apartments	Market	None
Park Place	Market	Decreased 17.0% to increased 27.0%
Pelican Point Apartments	Market	Increased 3.0% to 4.0%

Three of the four LIHTC and four market rate comparables reported rent increases in at least one unit type over the past year. Only three of the comparables did not report any rent increases. The Subject's LIHTC rents are set at the 2015 maximum allowable levels. Therefore, we anticipate that the Subject will experience rent growth in the future that is in line with the market and AMGI growth.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to RealtyTrac, one in every 637 housing units in Kingsland had received foreclosure filings in April 2016. This compares to one in every 928 housing units in Camden County, one in every 1,394 housing units in the state of Georgia, and one in every 1,308 housing units in the nation at the same time. It appears that Kingsland has been significantly affected by the recent mortgage and foreclosure crisis and the local area is underperforming the county, state, and nation.

12. Primary Housing Void

Although the majority of the comparables reported relatively low vacancy rates, it should be noted that the majority of the housing stock in the immediate area is older construction. There is limited new construction housing in the market, and the Subject will help fill this void. Additionally, there are limited one-bedroom affordable units marketed to families in the Subject's area. The Subject will be superior to the majority of the comparables in the area and thus, provide good quality affordable housing and improve the mix of housing stock.

13. Affect of Subject on Other Affordable Units in Market

The Subject will be superior to the majority of the LIHTC comparables. The stabilized LIHTC comparables maintain relatively low vacancy levels, indicating demand for good quality affordable units. Additionally, two LIHTC properties reported to currently maintain waiting list for at least some of their affordable units. Additionally, the average LIHTC vacancy rate is 4.4 percent indicating a healthy market. Based on the low capture rates, which indicates strong demand for affordable housing, it is anticipated that the Subject will not have a negative long-term impact on affordable units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. The Subject will be superior in terms of condition to the majority of the comparables. The Subject's proposed rents are similar to below the average rents reported by the LIHTC comparables. Additionally, two of the LIHTC comparables maintain a waiting list for at least some of their affordable units, indicating demand for good quality units. Overall, we believe there is demand for the Subject given its excellent condition, low capture rates, competitive amenities and unit sizes.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information from one comparable property which is illustrated in the table below. Note that we have included two additional properties that were excluded from our competitive analysis but were leased more recently than the remainder of the comparable properties.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Caney Heights	LIHTC	Family	2012	28	5.5
Kings Grant Apartments*	LIHTC	Family	2009	60	12
The Village At Winding Road	LIHTC	Senior	2013	50	13

*Indicates property utilized as a comparable

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as we were unable to contact property management. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable family properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in the area, we anticipate that the Subject will absorb 13 units per month, for an absorption period of approximately six months.

J. INTERVIEWS

Camden County Housing Authority

We attempted to contact a representative of the Section 8 division of the Georgia Department of Community Affairs (DCA) Athens Section 8 Department, to gather information pertaining to the use of Housing Choice Vouchers. However, as of the date of this report, our calls have not been returned. According to the Georgia DCA website, the waiting list for applications is currently closed. Additionally, the payment standards for the one-, two-, and three-bedroom units are \$608, \$814, and \$1,130 respectively. The payment standards for two- and three-bedroom units are above the Subject's proposed LIHTC rents; however, the payment standard for one-bedroom units is slightly below the Subject's proposed LIHTC rent.

Planning

We interviewed Ken Kessler with the City of Kingsland Planning and Zoning to determine if any other multifamily apartments were in the planning or construction phases in the city. According to Mr. Kessler, there are five low-income tax credit housing developments in the preliminary stages of acquiring LIHTC funding in Kingsland. However, according to Mr. Kessler, there are several projects that are currently in the preliminary stages of acquiring LIHTC funding. However, none of these projects have been approved.

Expansions/Contractions

We contacted the director of the Kingsland Planning and Zoning Department, Ken Kessler, and Mr. Kessler provided us with the following business expansion information.

- An 80-unit assisted living facility and a dialysis clinic are anticipated to open before the end of 2016. The number of jobs this will create for the city of Kingsland is not known. It should be noted that this assisted living facility will not directly compete with the Subject due to its rent structure and tenancy.
- A tractor supply store is currently under construction as part of a four-unit development site. According to Mr. Kessler, the remaining units are not committed to any commercial or retail use at this time, but this is due to the fact that a railroad crossing is currently under construction on the road that provides access to the development site. Mr. Kessler anticipates this new development site will be a prime location for business once the railroad crossing is complete.
- In January 2016, a Captain D's opened in Kingsland. It is unknown how many jobs this new development created.
- Mr. Kessler reported that there is a large-scale, \$300 million theme park being constructed in Kingsland. The theme park, called EPIC Adventures Resort at Kingsland, will provide a water park, amusement park, convention center, a number of hotels and sport fields to the area. Construction began in January of 2015 and is expected to be complete by May of 2017. The development will create 1,300 direct jobs in the area once complete. The economy in Camden County already attracts a substantial amount of tourists and this attraction would greatly increase this industry for years to come.
- Mr. Kessler anticipates the construction of a vocational technical college in the coming years in Kingsland. According to Mr. Kessler, the project will likely receive funding next year.

- In 2015, an environmental study commenced at an undisclosed location 10 miles outside of Kingsland. The purpose of this 18-month study is to determine the viability of a spaceport. Mr. Kessler noted that there will be no additional information available for this proposed development until the study is complete. It is unclear how this development would affect the economic conditions of Kingsland.

Although the number of jobs that have been or will be created by the aforementioned business expansions was not available, Mr. Kessler reported that a total of 381 jobs were created in Camden County as a whole from September 2014 to September 2015.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- The Subject is located in Kingsland in Camden County, Georgia. Overall demographics are strong for the Subject's family units as the PMA has been an area of growth. Population in 2015 in the PMA was 48,933 and is projected to increase to 50,064 by 2020. There were 17,593 households in 2015, which is expected to increase to 18,132 by 2020. In 2015, approximately 39.2 percent of people in the PMA resided in renter-occupied housing units. Renter-occupied housing units are expected to increase by 156 housing units by the market entry date, and another 119 housing units by 2020. Approximately 55.4 percent of renter households in the PMA earn between \$0 and \$49,999. Households in these income cohorts are expected to create demand for the Subject. The Subject's LIHTC units will target family households earning between \$20,023 and \$42,420.
- The MSA has a stable economy with increasing total employment for six of the last 10 years. Decreases in employment occurred from 2008 through 2010 and again in 2013. Furthermore, from 2012 through February 2016, the unemployment rate in the MSA has been consistently below the national average. It appears that the local economy has recovered and is expanding, as total employment numbers are above the pre-recessionary levels in 2015. The local economy appears to be diverse and consist of jobs offered in the accommodation/food services, education, healthcare/social assistance, and retail trade sectors, which are expected to generate demand for affordable housing in the PMA.
- As the analysis illustrates, the Subject's capture rate for its 50 percent AMI units is 6.4 percent, while the 60 percent AMI units are 18.4 percent. Additionally, the Subject's capture rate for its market rate units is 1.8 percent. The Subject has an overall capture rate of 12.4 percent. This is also supported by the low vacancy rates at the stabilized LIHTC comparables and the rapid absorption reported by the recently constructed LIHTC properties in the area. Therefore, we believe there is adequate demand for the Subject.
- We were able to obtain absorption information from one comparable property, illustrated following. Note that we have included two additional properties that were excluded from our competitive analysis but were leased more recently than the remainder of the comparable properties.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Caney Heights	LIHTC	Family	2012	28	5.5
Kings Grant Apartments*	LIHTC	Family	2009	60	12
The Village At Winding Road	LIHTC	Senior	2013	50	13

*Indicates property utilized as a comparable

- Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Village at Winding Road, was the most recent LIHTC property completed in the PMA. This property experienced an absorption period of four months, indicating an absorption rate of 13 units per month. Caney Heights is a family property that opened in 2012. This development was excluded from our analysis as we were unable to contact property

management. This property experienced an absorption period of five months indicating an absorption rate of six units per month. We believe the Subject will experience a more rapid absorption pace than this comparable as larger unit types are usually slower to lease. Kings Grant Apartments, a family development, opened in 2009 and experienced an absorption period of five months, indicating an absorption rate of 12 units per month. We believe the Subject will experience a similar absorption rate to The Village at Winding Road and Kings Grant Apartments. Based on the absorption pace reported by the comparable family properties, the waiting lists at the LIHTC comparables, and the strong demand for affordable housing in the area, we anticipate that the Subject will absorb 13 units per month, for an absorption period of six months.

- Vacancy rates in the market range from zero to 6.7 percent, averaging 3.3 percent. The weighted average vacancy rate among the LIHTC comparables is 4.3 percent, while the weighted average vacancy rate among the market rate comparables is 2.7 percent. It should be noted that The Reserve at Sugar Mill and Kings Grant Apartments reported the highest vacancy rates amongst the comparables. Property management at The Reserve at Sugar Mill was unable to comment on the relatively high vacancy rate of the property. It should be noted that most of the vacancy was reported in the two-bedroom units at 60 percent AMI. Moreover, this property has the highest asking LIHTC rents. Management at Kings Grant Apartments noted that all of its vacancies were reported in the property's three-bedroom unit type, and according to property management, three of the four vacant units were pre-leased at the time of our interview. Though none of the LIHTC comparables reported zero vacancies, two reported currently maintaining a waiting list. Additionally, two of the market rate comparables reported zero vacancies and three reported maintaining waiting lists. Thus, we believe that the Subject will have a stabilized vacancy rate at five percent or less as a restricted property over a typical investment period, similar to the majority comparables.
- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. The Subject will be superior in terms of condition to the majority of the comparables. The Subject's proposed rents are similar to below the average rents reported by the LIHTC comparables. Additionally, two of the LIHTC comparables maintain a waiting list for at least some of their affordable units, indicating demand for good quality units. Overall, we believe there is demand for the Subject given its excellent condition, low capture rates, competitive amenities and unit sizes.

Recommendations

We recommend the Subject's proposed rents to be raised to the 2015 maximum allowable level.

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.

Respectfully submitted,



John Cole, MAI
Partner



DeAnna Unger
Real Estate Analyst
DeAnna.Unger@novoco.com



Talia Gbolahan
Junior Analyst

M. MARKET STUDY REPRESENTATION

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



John Cole, MAI
Partner



DeAnna Unger
Real Estate Analyst
DeAnna.Unger@novoco.com



Talia Gbolahan
Junior Analyst

N. QUALIFICATIONS

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
JOHN D. COLE**

I. EDUCATION

University of Texas – Austin, Texas (1999)
Master of Business Administration – Finance Concentration, Real Estate Specialization

California Polytechnic State University – San Luis Obispo, California (1992)
Bachelor of Science in Civil/Environmental Engineering

II. LICENSING AND PROFESSIONAL AFFILIATION

Designated Member of the Appraisal Institute (MAI)
Member of National Council of Housing Market Analysts (NCHMA)

Certified General Real Estate Appraiser – State of Texas (1335358-G)
Certified General Real Estate Appraiser – State of Arizona (31931)
Certified General Real Estate Appraiser – State of Louisiana (G2092)
Certified General Real Estate Appraiser – State of Mississippi (GA-857)
Certified General Real Estate Appraiser – State of Florida (RZ3595)
Certified General Real Estate Appraiser – State of California (3002119)
Certified General Real Estate Appraiser – State of Illinois (553.002415)

III. PROFESSIONAL TRAINING

MAI Comprehensive Four Part Exam
Demonstration Appraisal Report - Capstone
National USPAP and USPAP Updates
Advanced Concepts and Case Studies
Advanced Market Analysis and Highest & Best Use
Advanced Sales Comparison and Cost Approaches
Advanced Income Capitalization
General Appraiser Report Writing and Case Studies
Residential & Commercial Valuation of Solar

IV. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Partner (2002 to Present)
NAI/Commercial Industrial Properties Company, Director of Operations (1999 to 2001)
Asset Recovery Fund, Financial Analyst Internship (1998 to 1999)
Stratus Properties, Market Research Analyst Internship (1997 to 1998)
Dames & Moore (URS Corporation), Project Manager and Engineer (1992 to 1997)

V. REAL ESTATE ASSIGNMENTS

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

- Managed and conducted more than 400 market and feasibility studies for multifamily and student housing on a national basis. Special concentration in Section 42 Low Income Housing Tax Credit (LIHTC) Properties. Local housing authorities, developers, syndicators and lenders have utilized these studies to assist in the financial underwriting and design of these properties. Expertise in evaluating unit mix, estimating demand, analyzing rental rates, selecting competitive properties and assessing overall market feasibility.
- Managed and conducted appraisals of multifamily housing developments (primarily LIHTC properties). Appraisal assignments have typically involved determining the as is, as if complete, and as if complete and stabilized values. Additionally, encumbered and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Managed and conducted appraisals on existing and proposed U.S. Department of Agriculture (USDA) Rural Development properties. These assignments were performed in compliance with USDA underwriting guidelines, in accordance with USDA Handbook 3560, Chapter 7 and attachments.
- Completed and managed numerous 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 were typically undergoing recertification under HUD's Mark to Market Program.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)4 and 223(f) programs, as well as the LIHTC Pilot Program.
- Performed valuations of General and/or Limited Partnership Interests in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Assisted in the preparation of the Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, the reports can be used in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and in the ITC funding process.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

DEANNA L. UNGER

Education

Saint Edward's University

- Bachelor of Business in Finance

Experience

Real Estate Analyst, Novogradac & Company, LLP (December 2015 – Present)

Junior Analyst, Novogradac & Company, LLP (June 2014 December 2015)

- Performs market studies for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This includes property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expenses comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conducts physical inspections of subject properties and comparable properties to determine condition and evaluate independent physical condition assessments.
- Assists on appraisals using the cost approach, income capitalization, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development and Section 8 properties. Additional assignments also include commercial land valuations.
- Prepare HUD Market-to Market rent comparability studies for Section 8 multifamily developments.

Real Estate Assignments: The researcher has conducted research and completed assignments in the following states and U.S. Territories:

Alabama	Kansas	Ohio
Arkansas	Louisiana	Oklahoma
California	Massachusetts	Pennsylvania
Delaware	Michigan	South Carolina
District of Columbia	Minnesota	Tennessee
Florida	Mississippi	Texas
Georgia	Nebraska	Virginia
Hawaii	Nevada	Washington
Illinois	New Jersey	Wisconsin
Indiana	New York	
Iowa	North Carolina	

STATEMENT OF PROFESSIONAL QUALIFICATIONS TALIA GBOLAHAN

I. Education

University of South Alabama, Mobile, AL
Bachelor of Arts in Political Science

II. Professional Experience

Junior Analyst, *Novogradac & Company LLP*, August 2015 – Present

Fraud Analyst II, *Bank of America*, October 2014- August 2015

Research Assistant, *University of South Alabama*, January 2014 – May 2014

III. Real Estate 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
- Conduct preliminary property screenings, market analysis, comparable rent surveys, and demand analysis of competitive LIHTC properties and market rate properties operating in the target market area
- Analyze and research economic trends such as unemployment, average wages, median income levels, and demand for low income housing in the target market area.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information