



A Market Feasibility Study Of
LAKEVIEW APARTMENTS

Located at

**1105 Edward Street
Fort Valley, Peach County, Georgia**

Effective Date: March 9, 2016

Report Date: May 10, 2016

Prepared For

**Douglas C. Trivers, CPA
Chief Financial Officer
Housing Systems, Inc. & HSI Management, Inc.
5505 Interstate North Parkway NW
Atlanta, GA 30328**

Prepared By

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May 10, 2016

Douglas C. Trivers, CPA
Chief Financial Officer
Housing Systems, Inc. & HSI Management, Inc.
5505 Interstate North Parkway NW
Atlanta, GA 30328

Re: Market Study for Lakeview Apartments in Fort Valley, Georgia

Dear Mr. Trivers:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Fort Valley, Peach County, Georgia area relative to the above-referenced proposed acquisition/rehabilitation Low Income Housing Tax Credit (LIHTC)/Section 8 project. The purpose of this market study is to assess the viability of the rehabilitation of Lakeview Apartments (Subject), an existing 96-unit Section 8 community (Section 8 Contract No. GA06-M000-121). The Subject offers studio, one, two, three and four-bedroom units. Following renovation, the property will be restricted to households earning 50 and 60 percent of the Area Median Income (AMI). The Subject's 96 units will continue to benefit from a HAP contract post renovation, which expires on July 31, 2021. It is assumed the developer will continue to renew the HAP contract for the foreseeable future. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the 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 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,
Novogradac & Company LLP



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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 CONCLUSIONS

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Lakeview Apartments (Subject) is an existing Section 8 property (Section 8 Contract No. GA06-M000-121) in Fort Valley, Peach County, Georgia that is proposed for renovation with Low Income Housing Tax Credit (LIHTC) equity. The Subject was originally constructed in 1972. The Subject currently consists of six two-story garden-style residential buildings and one single-story auxiliary building for a total of 96 studio, one, two, three, and four-bedroom units. The Subject is currently 89.6 percent occupied. The unit mix currently includes 10 studio units, 14 one-bedroom units, 34 two-bedroom units, 26 three-bedroom units, and 12 four-bedroom units. The units currently vacant are one, two, three, and four-bedroom units. However, a waiting list of 125 households is maintained for one and two-bedroom units, which will be utilized to fill vacancies post-renovation.

The Subject will continue to benefit from the HAP contract on all 96 units post-renovation. The Section 8 contract expires July 31, 2021, and it is assumed the developer will continue to renew the contract for the foreseeable future. Tenants will continue to pay 30 percent of their incomes toward rent, not to exceed the LIHTC rents.

A new community building will be added as part of rehabilitation. Renovations are expected to be completed by January 2018. Hard costs of renovations will reportedly be \$87,820 per unit, or \$8,430,702 for the entire property. The renovations will be significant and will include the construction of a new community building with video surveillance, fitness center, computer lab, and central laundry facilities, playground, dumpster areas, mailboxes, signage, picnic area with gazebo, and perimeter fencing, asphalt and sidewalk repair, landscaping, replacement of electrical wiring, light fixtures, HVAC systems, plumbing and water heaters, kitchen and bathroom fixtures, carpeting and vinyl plank flooring, appliances (refrigerator, range, microwave, dishwasher, and garbage disposal), kitchen and bathroom cabinets, countertops, blinds, smoke detectors and fire extinguishers, windows, doors, roofing, stairways and handrails, wall and roof insulation, siding, drywall and ceilings, brick and concrete repair, and interior unit painting. Attic spaces will be added to each building, and ceiling fans will be added in each master bedroom. In

addition, five units will be converted to UFAS compliant units, and two units will be designed for audio/visually impaired tenants.

The following table illustrates the post-renovation unit mix including bedrooms/bathrooms, square footage, income targeting, proposed rents, and utility allowances.

PROPOSED RENTS						
Unit Type	Number of Units	LIHTC Asking Rents	Utility Allowance (1)	Gross Asking Rents	2016 LIHTC Maximum Allowable Rent	Current Net Section 8 Contract Rents*
<i>Section 8/50% AMI</i>						
0BR/1BA	8	\$472	\$0	\$472	\$472	\$512
1BR/1BA	11	\$506	\$0	\$506	\$506	\$562
2BR/1BA	27	\$607	\$0	\$607	\$607	\$676
3BR/2BA	20	\$701	\$0	\$701	\$701	\$803
4BR/2BA	9	\$782	\$0	\$782	\$782	\$936
<i>Section 8/60% AMI</i>						
0BR/1BA	2	\$512	\$0	\$512	\$567	\$512
1BR/1BA	3	\$562	\$0	\$562	\$607	\$562
2BR/1BA	7	\$676	\$0	\$676	\$729	\$676
3BR/2BA	6	\$803	\$0	\$803	\$841	\$803
4BR/2BA	3	\$936	\$0	\$936	\$939	\$936
Total	96					

Notes (1) All utilities will continue to be included in the rent post-renovation.

*HAP contract effective 8/1/2015; tenants pay 30 percent of income as rent

The Subject currently offers blinds, tile flooring, central heating and air conditioning, ovens, refrigerators, and coat closets in units, and following renovations will also include carpeting and wood plank flooring, dishwashers, garbage disposals, microwaves, and ceilings fans. The Subject’s project amenities include off-street parking, central laundry, and a playground.

Post-renovation, the property will include a community building with a new central laundry facility, computer lab, fitness center, and video surveillance. Perimeter fencing will be added to the property as well as a picnic area with gazebo and a new playground. Overall, the Subject’s amenities will be competitive with those offered at most of the comparable properties.

2. Site Description/Evaluation:

The Subject site is bounded by Edward Court to the north and Laura Lane to the west. Surrounding uses

predominantly consist of undeveloped land and multifamily properties. To the immediate north is undeveloped land. To the immediate east is Marvin Gardens I, a LIHTC property utilized as a comparable. To the immediate south and southeast is undeveloped land, followed by agricultural land. To the immediate west and southwest is College Square, a Section 8 multifamily property. Further southwest is a public housing development and the Fort Valley Housing Authority offices. Northwest of the Subject is a convenience store, and further west are single-family homes. Overall, the Subject's immediate neighborhood is dominated by residential uses. The Subject is located in the southern portion of Fort Valley. There are a limited number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as State University Drive, 0.3 miles west of the Subject. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered "car dependent" by www.walkscore.com with a rating of 26. The Subject site is considered a desirable location for family rental housing. The uses surrounding the Subject are in average condition and the site has reasonable proximity to locational amenities.

The Subject has good visibility from Edward Street, Edward Court, Laura Lane, and Doles Road. Views from the Subject site are of multifamily developments, vacant land, a convenience store, and single-family homes. Overall, views are considered average.

3. Market Area Definition:

The Primary Market Area (PMA) is defined as the central and southern portion of Peach County, northwestern Houston County, and northeastern Macon County and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager, as well as based on our knowledge of the area. We have estimated that approximately 15 percent of the Subject's tenants originate from outside these boundaries. 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 17 miles.

4. Community Demographic Data:

Total population in the PMA and MSA is projected to increase at a 1.0 percent annual rate from 2015 to 2020, and is expected to outpace the national population growth during the same time period. The share of renter-occupied units in the PMA is lower than in the MSA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase slightly through 2020.

Households earning under \$40,000 in the PMA comprise 37.5 percent of all income cohorts. The Subject will target households earning up to \$37,680 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

5. Economic Data:

Total employment in the MSA has increased in the MSA from 2005 to 2015 year-to-date. Though total employment rose to a peak of 82,018 jobs in 2008, the number of jobs in the MSA has generally been declining since then. From November 2014 to November 2015, unemployment in the MSA decreased by 100 basis points. Additionally, as of November 2015, the unemployment rate in the MSA was 0.8 percentage points above that of the nation. Overall, it appears that the MSA was impacted by the recent national recession, and appears to still be recovering, as evidenced by the recent decrease in employment. The recent decrease in total employment is likely attributable to the Fort Benning army base, which is just west of the MSA, recently cutting many of the specialized training programs it hosted. Most of these programs and jobs associated with them were transferred to Eglin Air Force Base, near Destin, Florida.

The PMA's leading industries include public administration, educational services, health care/social assistance, and retail trade. Together, these four industries make up 51.5 percent of total employment in the PMA. The PMA is overly represented in sectors such as public administration and educational services, and underrepresented in the retail trade, information, and construction sectors compared to the nation as a whole. The three largest employment sectors in the PMA are

traditionally more stable employment sectors. However, other significant employment sectors include accommodation/food services, retail trade, and manufacturing, which have historically proven susceptible to job losses in times of economic recession. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

6. Project-Specific Affordability And Demand Analysis:

The following table illustrates the Subject’s capture rates. According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments 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 provided by the applicant. Tenants who are income-qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. In the case of the Subject, all of the current residents would income-qualify for their units under the LIHTC program limitations. Additionally, all current tenants would income-qualify with consideration of the Section 8 subsidies that will remain in place.

CAPTURE RATE ANALYSIS CHART - WITH SUBSIDIES						
Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
0BR - 50% AMI/Section 8	\$0-\$18,900	8	123	0	123	6.5%
1BR - 50% AMI/Section 8	\$0-\$21,600	11	301	15	286	3.8%
2BR - 50% AMI/Section 8	\$0-\$24,300	27	442	5	437	6.2%
3BR - 50% AMI/Section 8	\$0-\$29,150	20	308	0	308	6.5%
4BR - 50% AMI/Section 8	\$0-\$31,300	9	70	0	70	12.8%
Overall - 50% AMI/Section 8	\$0-\$31,300	75	1,245	20	1,225	6.1%
0BR - 60% AMI/Section 8	\$0-\$22,680	2	147	0	147	1.4%
1BR - 60% AMI/Section 8	\$0-\$25,920	3	360	9	351	0.9%
2BR - 60% AMI/Section 8	\$0-\$29,160	7	528	39	489	1.4%
3BR - 60% AMI/Section 8	\$0-\$34,980	6	369	22	347	1.7%
4BR - 60% AMI/Section 8	\$0-\$37,560	3	84	0	84	3.6%
Overall - 60% AMI/Section 8	\$0-\$37,560	21	1,488	70	1,418	1.5%

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

7. Competitive Rental Analysis:

The availability of LIHTC data is considered good. There are several LIHTC properties in the PMA, six of which we selected as comparables. The availability of market rate

data is also considered good as there are many market rate properties that are located within the PMA. We have included five market rate properties in the rental analysis, and all are located within 12 miles of the Subject. The comparable market rate properties were built between the 1980s and 2006. These projects offer a mix of studio, one, two, and three-bedroom units. Four-bedroom market rate units are not available within the PMA or surrounding area. As such, we supplemented our analysis with four-bedroom single-family home rentals.

Vacancy rates in the market range from 2.6 to 10.0 percent, averaging 2.1 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 10.0 percent, with an average vacancy rate of 5.4 percent. The market rates comparable are experiencing vacancy rates ranging from zero percent to 3.3 percent. The average market rate vacancy rate is 1.2 percent. Marvin Gardens I & II reported slightly elevated vacancy rates in relation to the market. The contact stated the vacancy rate is typical for these properties, which is consistent with our surveyed historical data.

We anticipate that the Subject will perform similarly to the LIHTC comparables and will maintain a vacancy rate of five percent or less. We do not believe that the Subject will impact the performance of the existing LIHTC properties, as the renovation of the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock. The Subject is currently 89.6 percent occupied with units being held offline due to pending renovations. According to the Subject's historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 3.9 to 6.4 percent between 2012 and 2014 with an average total vacancy rate of 5.1 percent. Vacancy and collection loss was 10.0 percent in 2015 due to units being held offline for the pending renovations. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with proposed LIHTC/Section 8 rents for the Subject, which will be

subsidized, allowing tenants to pay just 30 percent of their income toward rent.

SUBJECT COMPARISON TO MARKET RENTS					
Unit Type	Subject's Proposed LIHTC/Sec. 8 Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
Studio	\$512	\$649	\$649	\$649	21%
1 BR	\$562	\$624	\$983	\$853	34%
2 BR	\$676	\$740	\$1,158	\$1,025	34%
3 BR	\$803	\$867	\$1,276	\$1,214	34%
4 BR	\$936	-	-	-	-

The comparable LIHTC properties are considered similar to inferior to the Subject, which will be a renovated LIHTC project with Section 8 subsidies for all 96 units. Based on our similarity matrix, Ashton Landing is the most similar LIHTC property and is 94.4 percent occupied. The Subject will offer similar property amenities to Ashton Landing and slightly inferior in-unit amenities, as it offers a balcony/patio and washer/dryer hookup in each unit. Ashton Landing has a similar location and similar unit sizes, but is slightly inferior in terms of age and condition, as it was constructed in 1999. The Subject's proposed LIHTC rents are below the current asking rents at Ashton Landing, but within the rental range of the other comparables. Overall, the Subject's rents appear reasonable when compared to the rents at the comparables and particularly when taking into account the relatively strong demand for affordable units in the PMA. This demand is illustrated by the 94.6 percent overall occupancy being achieved at the LIHTC comparables.

Amber Place Apartments is the most similar market rate property and is 98.0 percent occupied. The Subject will offer slightly inferior unit and property amenities to Amber Place. The Subject will be in similar condition upon completion of renovations, as Amber Place was built between 2005 and 2007 and is in good condition. Amber Place does offer superior unit sizes and a slightly superior location. The Subject's proposed rents (\$562 to \$803 for one through three-bedrooms) are well below Amber Place, which range from \$1,062 for one-bedroom units to \$1,276 for three-bedroom units. This bodes well for the marketability of the Subject and suggests that even without the Section 8 subsidies the proposed LIHTC rents are attainable.

8. Absorption/Stabilization

Estimate:

We were able to obtain absorption information from three comparable properties.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Reserve at Hampton	LIHTC	Family	2015	60	20
Asbury Parke	Market	Family	2014-2015	224	15
Magnolia Terrace Phase II	LIHTC/Market	Family	2008	36	9

As illustrated in the previous table, the properties constructed between 2008 and 2015 reported absorption rates between nine and 20 units per month, with an average of 15 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 15 units per month, which equates to an absorption period of approximately six months for the Subject to reach 93 percent occupancy, with or without subsidy.

The Subject is currently 89.6 percent occupied. The unit mix currently includes 10 studio units, 14 one-bedroom units, 34 two-bedroom units, 26 three-bedroom units, and 12 four-bedroom units. The units currently vacant are one, two, three, and four-bedroom units. However, a waiting list of 125 households is maintained for one and two-bedroom units, which will be utilized to fill vacancies post-renovation. One vacant two-bedroom unit requires significant repairs before it is habitable again. The Subject has historically operated at more than 93 percent occupancy, indicating relatively high demand for the existing low-income housing.

9. Overall Conclusion:

Based upon our market research of comparables, our inspection of the Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject property as proposed following renovations. The Subject, which currently operates as a Section 8 development with 96 units, will continue to operate with Section 8 subsidies for all the units in addition to operating under the LIHTC

program with 50 and 60 percent AMI restrictions. The LIHTC comparables are performing adequately, with a weighted vacancy rate of 5.4 percent. Additionally, all of the comparable LIHTC properties maintain waiting lists. The Subject's proposed rents are within the range of rents at the LIHTC comparables and below market rate comparables' rents. This suggests that even if rents at the Subject were not subsidized through the Section 8 program, the proposed rents would be achievable in the open market. Considering the Section 8 subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The capture rates for the Subject are all considered achievable and are below the capture rate thresholds per Georgia DCA guidelines. We believe that the Subject will maintain a physical vacancy rate of five percent or less following stabilization, which is consistent with the LIHTC average. We have no recommended changes to the project concept at this time.

**Summary Table:
Lakeview Apartments**

Development Name:	Lakeview Apartments	Total # Units: 96
Location:	1105 Edward Street	# LIHTC Units: 96
	Fort Valley, Peach County, Georgia	
PMA Boundary:	North – East Houze Road, Wesley Chapel Road	
	East – Georgia Highway 247 Spur	
	South – Golden Isles Parkway, Larry Walker Parkway, Georgia Highway 224, County Road 30	
	West- Georgia Highway 49 North, Glen John B Gordon Road, Cummings Road	
	Farthest Boundary Distance to Subject:	17.0 miles

Rental Housing Stock (found on pages 74-107)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11	1,498	32	97.9%
Market-Rate Housing	5	1,164	14	98.8%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	0	577	0	100.0%
LIHTC	6	334	18	94.6%
Stabilized Comps	11	1,498	32	97.9%
Properties in Construction & Lease Up	0	0	0	-

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	0BR at 50% AMI	1	506	\$472	\$649	\$1.28	-37.5%	\$620	\$1.23
2	0BR at 60% AMI	1	506	\$512	\$649	\$1.28	-26.8%	\$620	\$1.23
11	1BR at 50% AMI	1	660	\$506	\$853	\$1.29	-68.6%	\$785	\$1.19
3	1BR at 60% AMI	1	660	\$562	\$853	\$1.29	-51.8%	\$785	\$1.19
27	2BR at 50% AMI	1	914	\$607	\$1,025	\$1.12	-68.9%	\$915	\$1.00
7	2BR at 60% AMI	1	914	\$676	\$1,025	\$1.12	-51.6%	\$915	\$1.00
20	3BR at 50% AMI	2	1,025	\$701	\$1,214	\$1.18	-73.2%	\$1,019	\$0.99
6	3BR at 60% AMI	2	1,025	\$809	\$1,214	\$1.18	-50.1%	\$1,019	\$0.99
9	4BR at 50% AMI	2	1,095	\$782	-	-	-	-	-
3	4BR at 60% AMI	2	1,095	\$936	-	-	-	-	-

Demographic Data (found on page 37 & 58)

	2010		2015		Dec-17	
Renter Households	6,683	32.60%	7,734	36.90%	7,877	37.10%
Income-Qualified Renter HHs (LIHTC)	-	-	-	-	2,400	26.70%

Targeted Income-Qualified Renter Household Demand (found on pages 65 and 69)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	49	124	N/Ap	N/Ap	124
Existing Households (Overburdened + Substandard)	N/Ap	1820	1,365	N/Ap	N/Ap	1365
Homeowner conversion (Seniors)	N/Ap	0	0	N/Ap	N/Ap	0
Total Primary Market Demand	N/Ap	1869	1489	N/Ap	N/Ap	1489
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	1869	1,489	N/Ap	N/Ap	1,489

Capture Rates (found on pages 60, 63, 68, 69)

Targeted Population	50% w/Subsidy	50% w/out Subsidy	60% w/Subsidy	60% w/out Subsidy	Other: __	Overall
Capture Rate:	6.1%	13.3%	1.5%	3.0%	N/Ap	7.10%

*With subsidy

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- Project Address and Development Location:** The Subject is located at 1105 Edward Street in Fort Valley, Peach County, Georgia 31030.
- Construction Type:** The Subject consists of six two-story garden-style buildings and a single-story community building. The buildings are wood frame with brick and vinyl siding exteriors and flat roofs. The Subject was originally constructed in 1972.
- Occupancy Type:** Family
- Special Population Target:** None
- Number of Units by Bedroom Type and AMI Level:** See following property profile.
- Unit Size:** See following property profile.
- Structure Type:** See following property profile.
- Rents and Utility Allowances:** See following property profile.
- Existing or Proposed Project Based Rental Assistance:** Currently, the Subject operates as a Section 8 development. Following renovations, all of the units will continue to benefit from the HAP contract (Section 8 Contract No. GA06-M000-121), which expires July 31, 2021.
- Proposed Development Amenities:** See following property profile.

Property Profile Report

Lakeview Apartments

Comp # Subject
Effective Rent Date 3/9/2016
Location 1105 Edward Street
 Fort Valley, GA 31030
 Peach County
Distance 10.6 miles
Units 96
Vacant Units 10
Vacancy Rate 10.4%
Type Garden
 (2 stories)
Year Built / Renovated 1972 / Proposed 2018
Major Competitors College Square
Tenant Characteristics Mixed tenancy;
 majority families from
 Fort Valley
Contact Name Latonya
Phone 478.825.0163



Market

Program @60% (Section 8) **Leasing Pace** Within 90 days
Annual Turnover Rate 13% **Change in Rent (Past Year)** N/A
Units/Month Absorbed N/A **Concession** None
Section 8 Tenants N/A

Utilities

A/C included -- central **Other Electric** included
Cooking included -- gas **Water** included
Water Heat included -- gas **Sewer** included
Heat included -- gas **Trash Collection** included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
0	1	Garden (2 stories)	8	506	\$472	\$0	@50% (Section 8)	No	0	0.0%	yes
0	1	Garden (2 stories)	2	506	\$512	\$0	@60% (Section 8)	No	0	0.0%	no
1	1	Garden (2 stories)	11	660	\$506	\$0	@50% (Section 8)	Yes	1	9.1%	yes
1	1	Garden (2 stories)	3	660	\$562	\$0	@60% (Section 8)	Yes	0	0.0%	no
2	1	Garden (2 stories)	27	914	\$607	\$0	@50% (Section 8)	Yes	4	14.8%	yes
2	1	Garden (2 stories)	7	914	\$676	\$0	@60% (Section 8)	Yes	0	0.0%	no
3	2	Garden (2 stories)	20	1,025	\$701	\$0	@50% (Section 8)	No	4	20.0%	yes
3	2	Garden (2 stories)	6	1,025	\$803	\$0	@60% (Section 8)	No	0	0.0%	no
4	2	Garden (2 stories)	9	1,095	\$782	\$0	@50% (Section 8)	No	1	11.1%	yes
4	2	Garden (2 stories)	3	1,095	\$936	\$0	@60% (Section 8)	No	0	0.0%	no

Amenities			
In-Unit	Blinds Carpet/Hardwood Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Walk-In Closet	Security	In-Unit Alarm Limited Access Patrol Perimeter Fencing Video Surveillance
Property	Parking spaces: 130 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground	Premium	none
Services	none	Other	none
Comments			
The Subject is an existing Section 8 property, which is applying for LIHTC funding in 2016. Current contract rents effective August 1, 2015 are \$512, \$562, \$676, \$803, and \$936 for studio, one, two, three, and four-bedroom units, respectively. The contact stated that the property maintains a waiting list of 125 households for one and two-bedroom units. One of the vacant two-bedroom units is offline.			

Scope of Renovations:

Renovations are expected to be completed by January 2018. Total construction hard cost including builder profit, overhead, and contingency is estimated to be \$9,605,158, or \$100,054 per unit. The renovations will be significant and will include the construction of a new community building with video surveillance, fitness center, computer lab, and central laundry facilities, playground, dumpster areas, mailboxes, signage, picnic area with gazebo, and perimeter fencing, asphalt and sidewalk repair, landscaping, replacement of electrical wiring, light fixtures, HVAC systems, plumbing and water heaters, kitchen and bathroom fixtures, carpeting and vinyl plank flooring, appliances (refrigerator, range, microwave, dishwasher, and garbage disposal), kitchen and bathroom cabinets, countertops, blinds, smoke detectors and fire extinguishers, windows, doors, roofing, stairways and handrails, wall and roof insulation, siding, drywall and ceilings, brick and concrete repair, and interior unit painting. Attic spaces will be added to each building, and ceiling fans will be added in each master bedroom. In addition, five units will be converted to UFAS compliant units, and two units will be designed for audio/visually impaired tenants.

- Current Rents:** Based on a rent roll dated February 26, 2016, the current rents at the Subject are based on 30 percent of resident incomes, as the Subject operates as a Section 8 development. Current tenant-paid rents range from \$25 to \$435. Current contract rents are \$512, \$562, \$676, \$803, and \$936 for studio, one, two, three, and four-bedrooms, respectively.
- Current Occupancy:** The Subject is currently 89.6 percent occupied. The unit mix includes 10 studio units, 14 one-bedroom units, 34 two-bedroom units, 26 three-bedroom units, and 12 four-bedroom units. The units currently vacant are one, two, three, and four-bedroom units. However, a waiting list of 125 households is maintained for one and two-bedroom units, which will be utilized to fill vacancies post-renovation. One vacant two-bedroom unit requires significant repairs before it is habitable again. The Subject has historically operated at more than 93 percent occupancy, indicating relatively high demand for the existing low-income housing.
- Current Tenant Income:** Most of the current tenants at the Subject have household incomes that are too low to income-qualify for the Subject without Section 8 subsidies. None of the current residents have incomes higher than approximately \$19,500.
- Placed in Service Date:** The renovation of the Subject is expected to be completed by January 2018.
- Conclusion:** Following renovations, the Subject will continue to offer 96 garden-style units in six residential buildings. The Subject will be of good quality following renovations and will be comparable to most of the inventory in the Fort Valley area. The renovations will be substantial and are expected to total approximately \$100,054 per unit. Based on our inspection of the Subject ground and units, the Subject does not suffer from significant deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

SITE EVALUATION

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

Ed Mitchell last visited the site on April 15, 2015.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

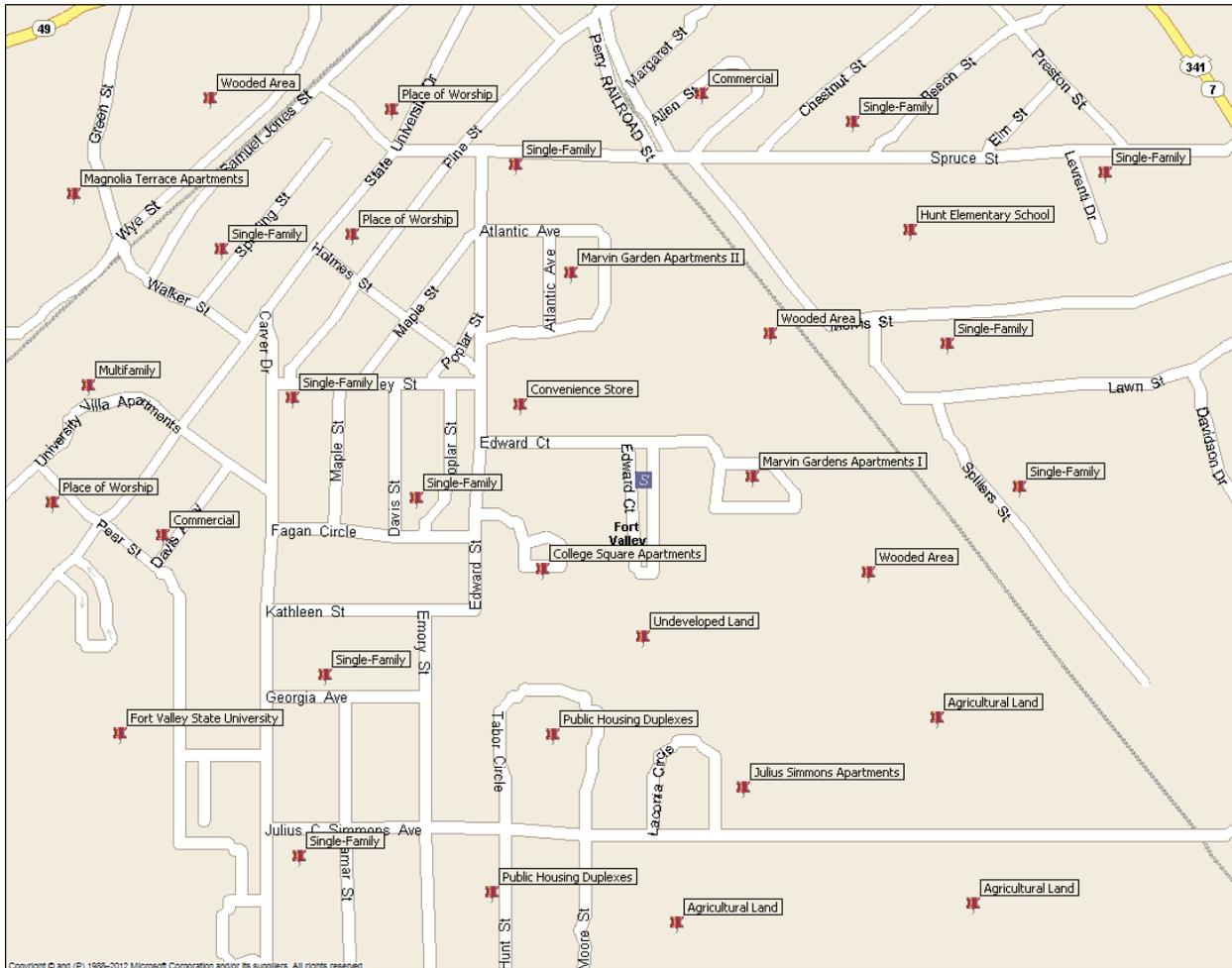
The Subject site has frontage along the south side of Edward Court and the east side of Laura Lane.

Visibility/Views:

The Subject has good visibility from Edward Street, Edward Court, Laura Lane, and Doles Road. Views from the Subject site are of multifamily developments, vacant land, a convenience store, and single-family homes. Overall, views are considered average.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.

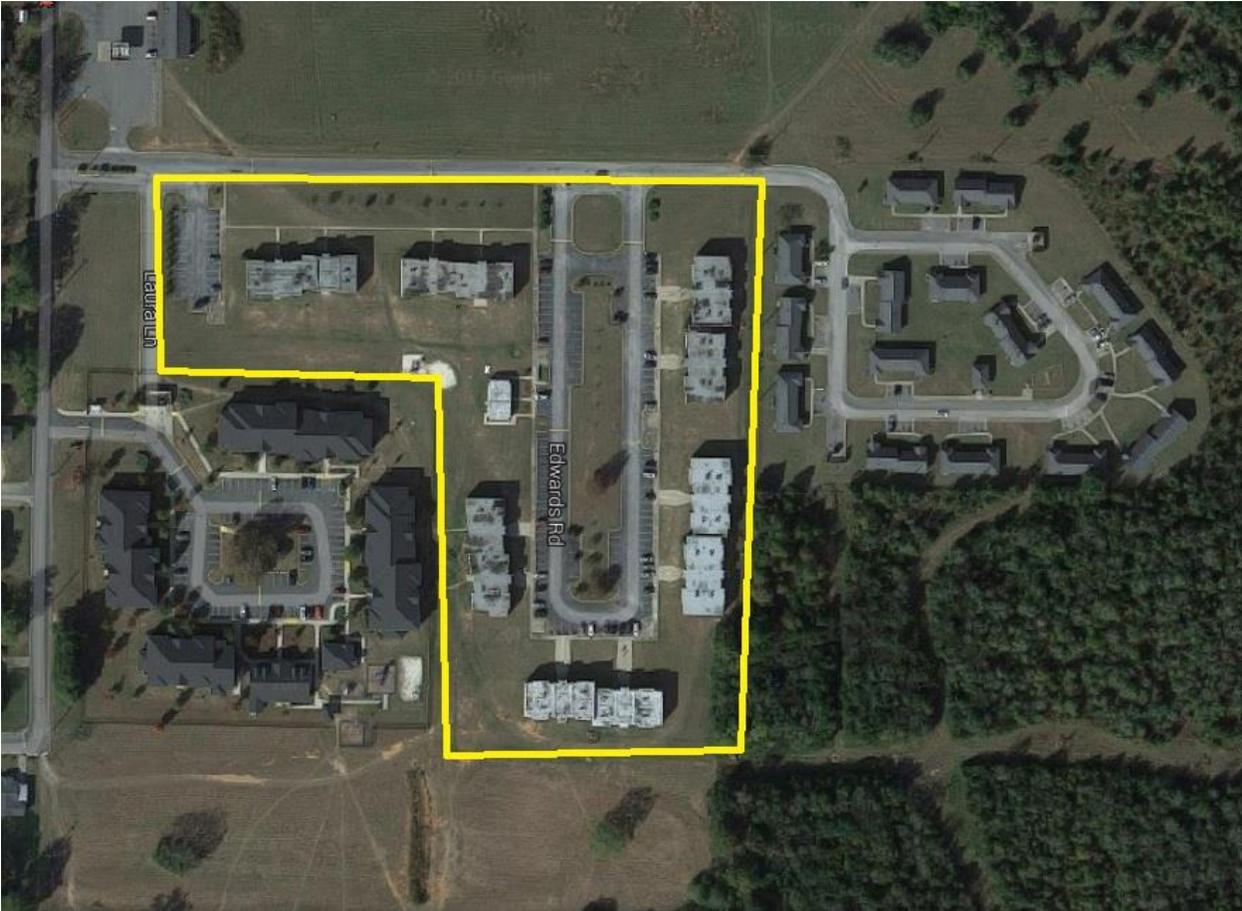


Surrounding uses consist of multifamily developments, single-family homes, agricultural and undeveloped land, places of worship, and scattered commercial/retail uses. The multifamily developments in the Subject neighborhood appear to be in average condition. The Subject site is located in southern Fort Valley. There are a limited number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as State University Drive, 0.3 miles west of the Subject. The Subject site is considered "car dependent" by Walkscore.com with a rating of 26. The Subject site is considered a desirable location for family rental housing. The site has reasonable proximity to locational amenities.

Positive/Negative Attributes of Site: The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. The Subject is located less than 300 yards west of active railroad tracks. However, despite the Subject's location relative to the tracks, we do not believe it will be a detriment to its marketability as the Subject has a historical vacancy of 3.9 to 6.4 percent between 2012 and 2014 with an average total vacancy rate of 5.1 percent. Vacancy and collection loss was 10.0 percent in 2015 due to units being held offline for the pending renovations. Management at the Subject stated that the railroad tracks are not a detriment.

3. Physical Proximity to Locational Amenities:

The Subject is located within 2.0 miles of most locational amenities, with the exception of the Fort Valley Middle School, which is within less than 3.0 miles from the Subject. An aerial photograph of the Subject is on the following page.



4. Pictures of Site and Adjacent Uses:



View of the Subject



View of the Subject



View of the Subject



View of the Subject



View south along Edward Street



View north along Edward Street



Leasing office



Manager's office



Typical parking



Playground and green space



Typical bedroom



Typical bedroom



Typical bathroom



Typical bathroom



Typical kitchen



Typical kitchen



Typical living room



Typical living room



Breezeway



Old leasing office building to be razed



Gas station in the Subject's neighborhood



Family Dollar in the Subject's neighborhood



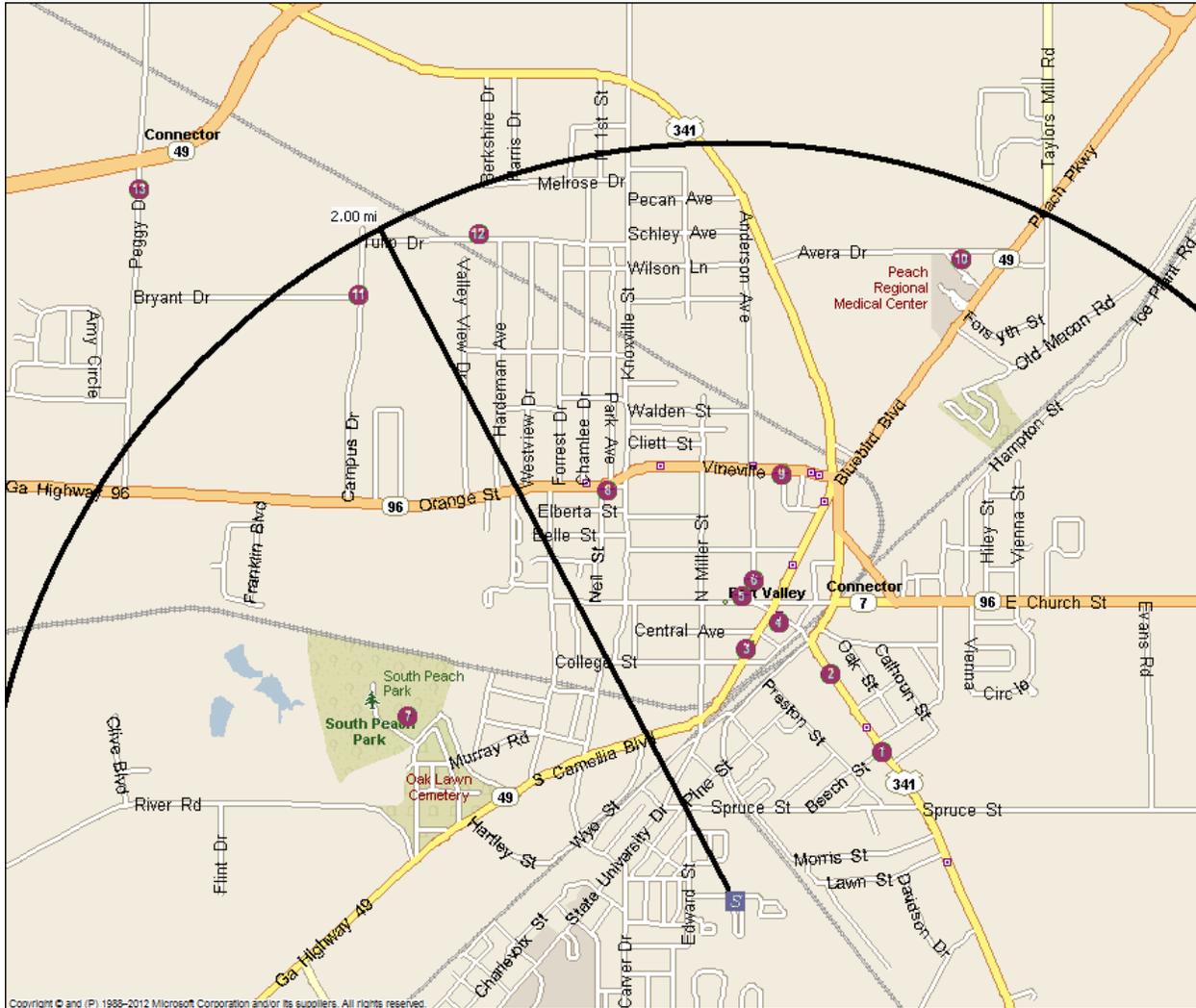
Typical retail/commercial



Typical single-family home

5. Proximity to Locational Amenities:

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



LOCALATIONAL AMENITIES		
Map #	Amenity or Service	Distance
1	R&R Quick Stop	0.6 miles
2	Thomas Public Library	0.7 miles
3	Sunmark Community Bank	0.7 miles
4	Garrett's Pharmacy	0.8 miles
5	Fort Valley Police Department	0.9 miles
6	Post Office	0.9 miles
7	South Peach Park	1.0 mile
8	Family Dollar	1.2 miles
9	Harvey's Supermarket	1.2 miles
10	Peach Regional Medical Center	1.9 miles
11	Peach County High School	1.9 miles
12	Hunt Elementary School	1.9 miles
13	Fort Valley Middle School	2.5 miles

6. Description of Land Uses:

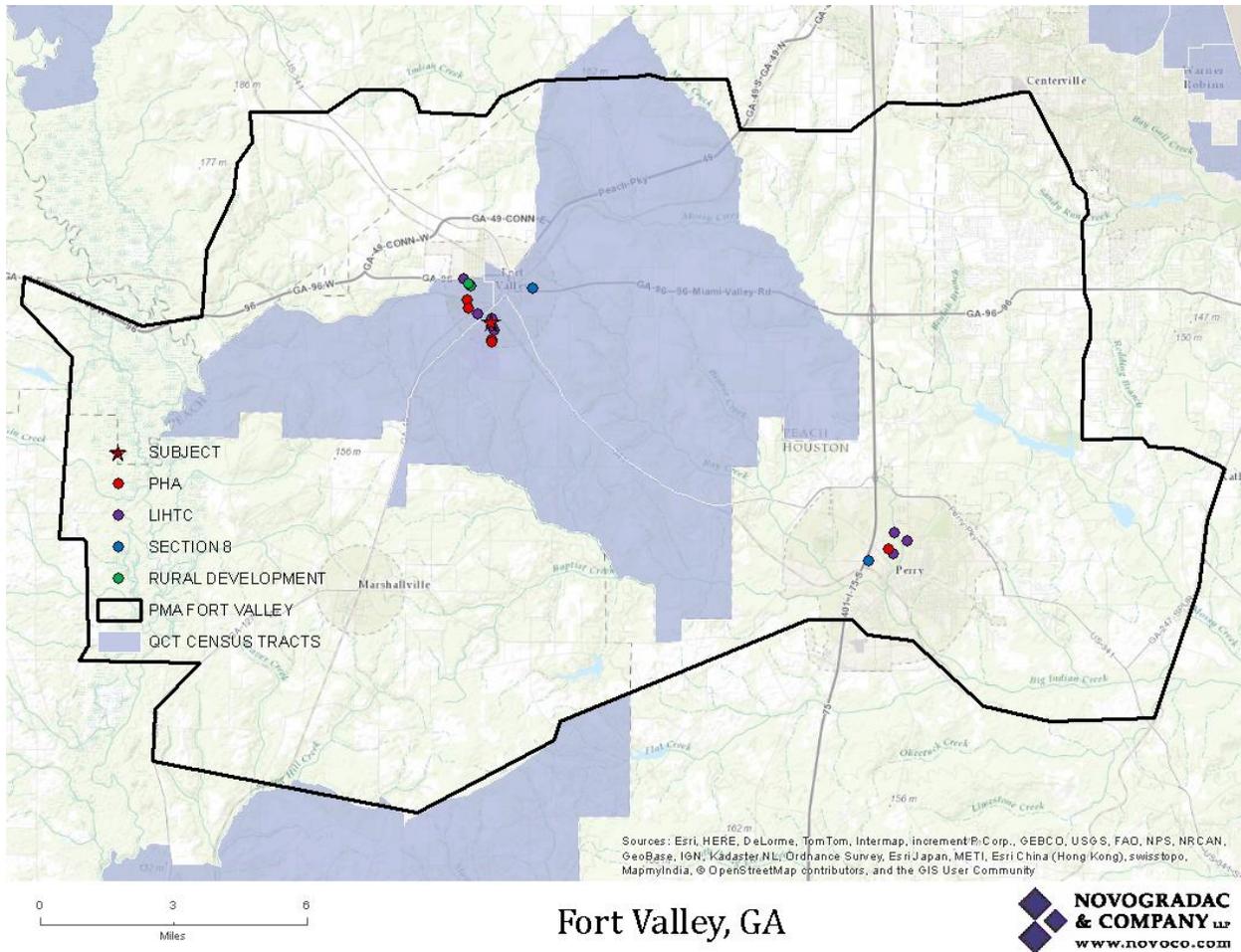
The Subject site is bounded by Edward Court to the north and Laura Lane to the west. Surrounding uses predominantly consist of undeveloped land and multifamily properties. To the immediate north is undeveloped land. To the immediate east is Marvin Gardens I, a LIHTC property utilized as a comparable. To the immediate south and southeast is undeveloped land, followed by agricultural land. To the immediate west and southwest is College Square, a Section 8 multifamily property. Further southwest is a public housing development and the Fort Valley Housing Authority offices.

Northwest of the Subject is a convenience store, and further west are single-family homes. Overall, the Subject's immediate neighborhood is dominated by residential uses. The Subject is located in the southern portion of Fort Valley. There are a limited number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as State University Drive, 0.3 miles west of the Subject. Commercial occupancy in the Subject's neighborhood appeared to be 90 percent. The Subject site is considered "car dependent" by Walkscore.com with a rating of 26.

Overall, the Subject offers a desirable location for multifamily housing. The Subject site is considered a desirable location for family rental housing. The uses surrounding the Subject are in average condition and the site has reasonable proximity to locational amenities.

7. Existing Assisted Rental Housing Property Map:

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



Fort Valley, GA



RENT ASSISTED PROPERTIES IN PMA							
Property Name	Address	Zip Code	Rent Structure	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion
College Square Apartments	1207 Edwards St	31030	LIHTC/Section 8	Family	Blue	Excluded	Subsidized
Indian Oaks Apartments	1103 E Church St	31030	Section 8	Elderly	Blue	Excluded	Subsidized/Age-Restricted
Smith Heights Apartments	615A Smith Dr	31069	Section 8	Family	Blue	Excluded	Subsidized
Valley Pines III & IV	103 Brooks Blvd	31030	USDA Rural Dev.	Family	Green	Excluded	Subsidized
Westside Villas	108 Brooks Blvd	31030	USDA Rural Dev.	Family	Green	Excluded	Subsidized
Windsor Court	1201 Orange St	31030	LIHTC	Elderly	Purple	Excluded	Age-Restricted
Gatwick Senior Village	901 Perimeter Rd	31069	LIHTC	Elderly	Purple	Excluded	Age-Restricted
Cameron Court I & II	1807 Macon Rd	31069	LIHTC	Elderly	Purple	Excluded	Age-Restricted
Ashton Landing	1701 Macon Rd	31069	LIHTC	Family	Purple	Included	N/A
Magnolia Terrace I	714 Green St	31030	LIHTC/Market	Family	Purple	Included	N/A
Magnolia Terrace II	718 Green St	31030	LIHTC/Market	Family	Purple	Included	N/A
Marvin Gardens I	301 Edward Ct	31030	LIHTC	Family	Purple	Included	N/A
Marvin Gardens II	101 Atlantic Ave	31030	LIHTC	Family	Purple	Included	N/A
Fort Valley Housing Authority	312-512 Warwick Ave	31030	PHA	Family	Red	Excluded	Subsidized
Fort Valley Housing Authority	713-802 Murray Rd	31030	PHA	Family	Red	Excluded	Subsidized
Fort Valley Housing Authority	101-153 Tabor Circle	31030	PHA	Family	Red	Excluded	Subsidized
Fort Valley Housing Authority	202-223 Hunt Street	31030	PHA	Family	Red	Excluded	Subsidized
Perry Housing Authority	822 Perimeter Rd	31069	PHA	Family	Red	Excluded	Subsidized

8. Road/Infrastructure Proposed Improvements:

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

9. Access, Ingress/Egress and Visibility of Site:

The Subject is accessible via the south side of Edward Court, an east/west neighborhood street that connects to Edward Street approximately 100 yards west of the Subject. Edward Street is a lightly trafficked north/south neighborhood road that intersects Spruce Street to the north, a main east/west neighborhood thoroughfare. Spruce Street provides access to Highway 341 approximately 0.6 miles to the northeast of the Subject. Visibility of the site is considered excellent from Edward Court.

10. Environmental Concerns:

None visible upon site inspection. However, we are not experts within this field and cannot further opine. We assume that any environmental issues will be remediated as part of the rehabilitation process.

11. Conclusion:

The Subject site is bounded by Edward Court to the north and Laura Lane to the west. Surrounding uses predominantly consist of undeveloped land and multifamily properties. To the immediate north is undeveloped land. To the immediate east is Marvin Gardens I, a LIHTC property utilized as a comparable. To the immediate south and southeast is undeveloped land, followed by agricultural land. To the immediate west and southwest is College Square, a Section 8 multifamily property. Further southwest is a public housing development and the Fort Valley Housing Authority offices. Northwest of the Subject is a convenience store, and further west are single-family homes. Overall, the Subject's immediate neighborhood is dominated by residential uses. The Subject is located in the southern portion of Fort Valley. There are a limited number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as State University Drive, 0.3 miles west of the Subject. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered "car dependent" by www.walkscore.com with a rating of 26. The Subject site is considered a desirable location for family rental housing. The uses surrounding the Subject are in average condition and the site has reasonable proximity to locational amenities.

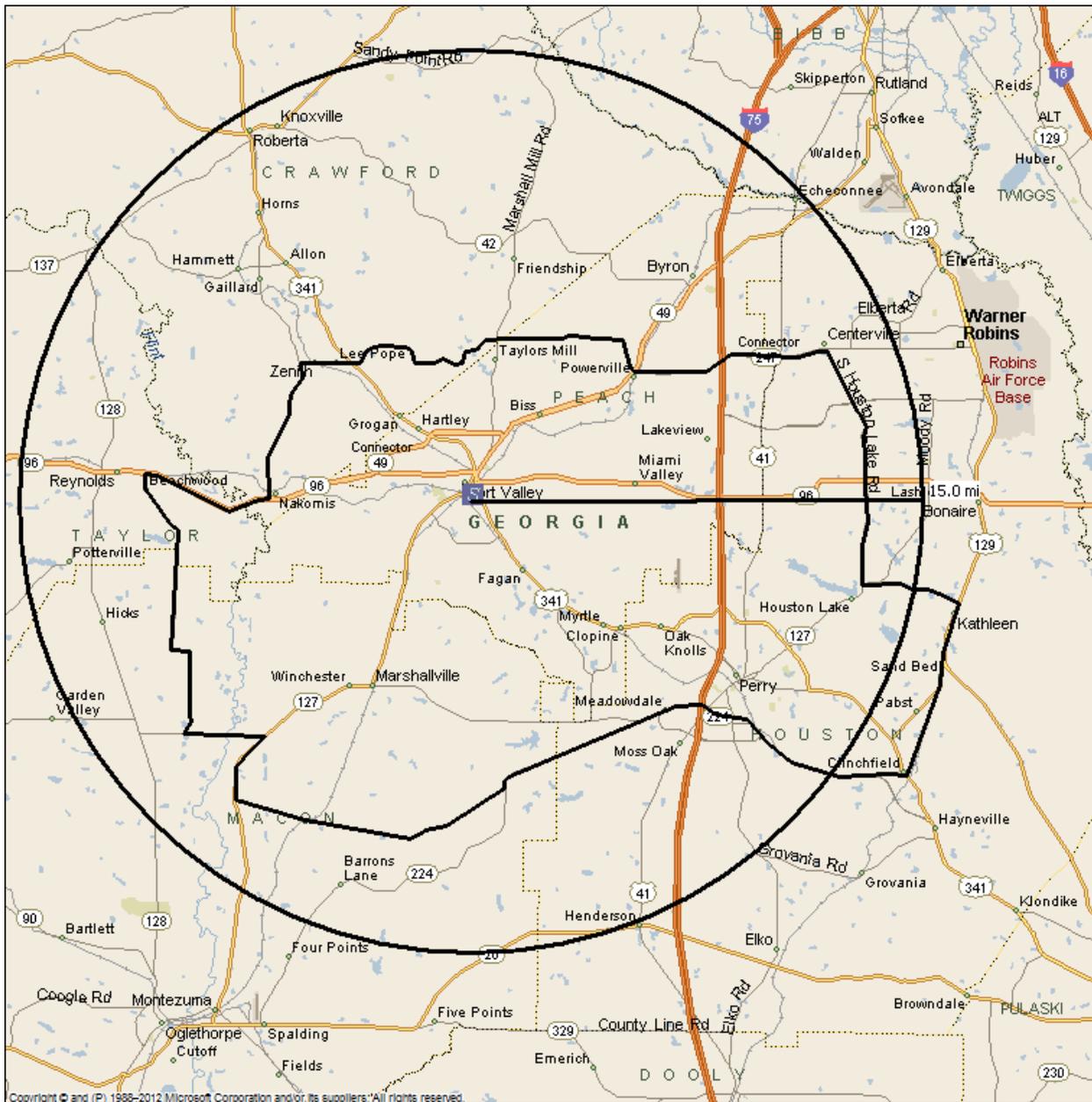
D. MARKET AREA

MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Warner Robins, Georgia Metropolitan Statistical Area are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – East Houze Road, Wesley Chapel Road

East – Georgia Highway 247 Spur

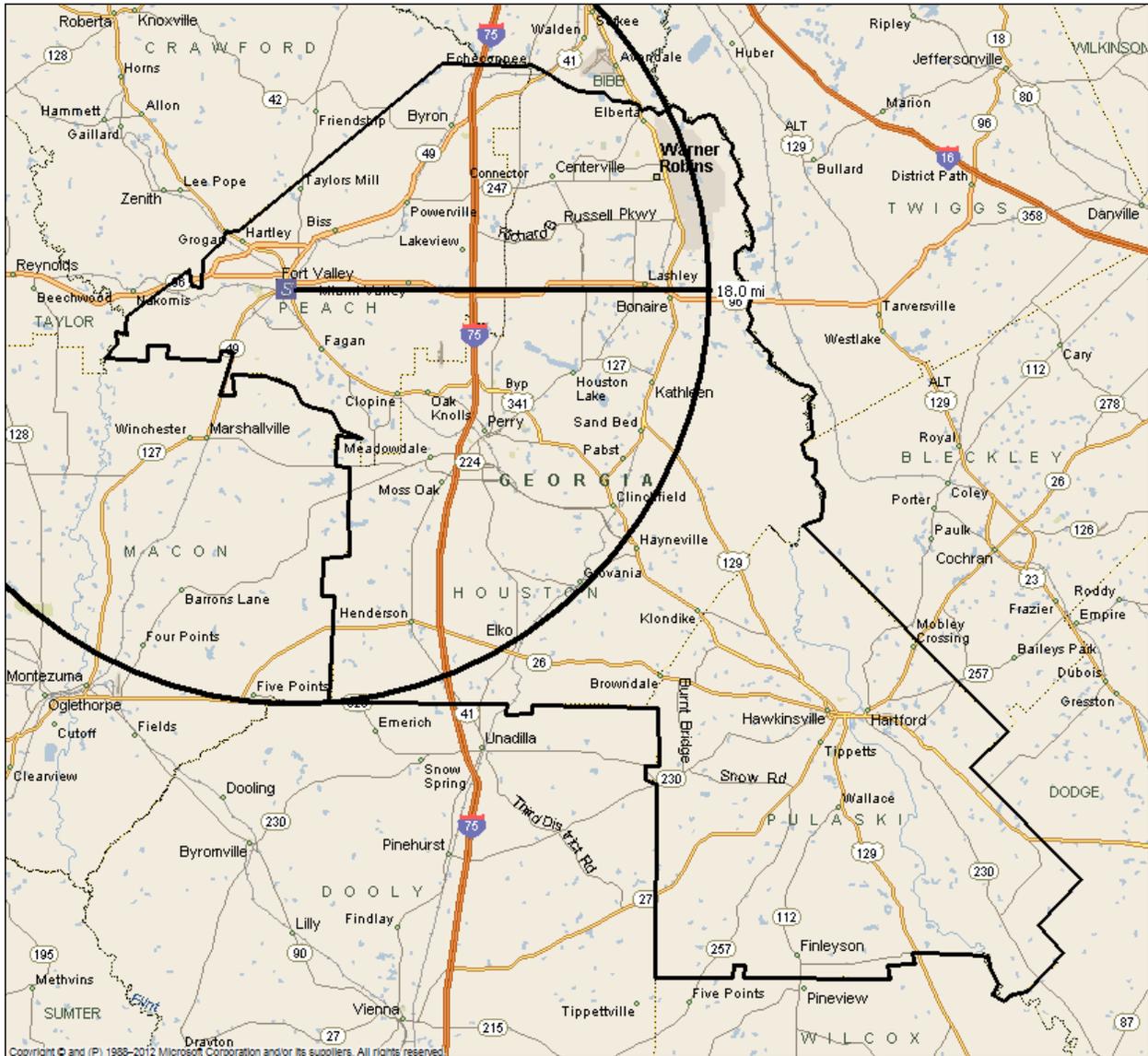
South – Golden Isles Parkway, Larry Walker Parkway, Georgia Highway 224, County Road 30

West- Georgia Highway 49 North, Glen John B Gordon Road, Cummings Road

As the county seat of a semi-rural area, it is reasonable to assume that Fort Valley will attract tenants from beyond its city limits. Correspondingly, the primary market area generally consists of the central and southern portions of Peach County, northwestern Houston County, and northeastern Macon County and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager, as well as based on our knowledge of the area. We have estimated that approximately 15 percent of the Subject's tenants originate from outside these boundaries. 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 17 miles.

For comparison purposes, the secondary market area (SMA) for the Subject is considered to be the Warner Robins, GA MSA, which includes Pulaski, Houston, and Peach Counties. Following is a map of the SMA.

SMA Map



E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

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

TOTAL POPULATION						
Year	PMA		Warner Robins, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	46,812	-	144,016	-	281,421,906	-
2010	67,443	4.4%	179,605	2.5%	308,745,538	1.0%
2015	69,759	0.7%	186,237	0.7%	318,536,439	0.6%
Market Entry	71,551	1.0%	190,819	1.0%	324,579,507	0.8%
2020	73,343	1.0%	195,401	1.0%	330,622,575	0.8%

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

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	PMA		Warner Robins, GA MSA			
	<i>Total Population</i>	<i>Non-Elderly</i>	<i>Elderly (65+)</i>	<i>Total Population</i>	<i>Non-Elderly</i>	<i>Elderly (65+)</i>
2000	46,810	42,421	4,389	144,021	130,123	13,898
2010	67,443	60,751	6,692	179,605	159,988	19,617
2015	69,759	61,640	8,119	186,237	162,928	23,309
Market Entry	71,551	62,662	8,890	190,819	165,480	25,339
2020	73,343	63,683	9,660	195,401	168,032	27,369

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

POPULATION BY AGE GROUP					
PMA					
Age Cohort	2000	2010	2015	Projected Mkt Entry	2020
0-4	3,196	4,573	4,518	4,620	4,722
5-9	3,643	4,822	4,677	4,712	4,747
10-14	3,783	4,972	4,834	4,901	4,968
15-19	4,025	6,149	5,291	5,367	5,443
20-24	3,699	5,132	5,181	4,869	4,556
25-29	2,985	4,598	5,117	5,336	5,555
30-34	3,119	4,236	5,071	5,470	5,868
35-39	4,051	4,480	4,337	4,955	5,572
40-44	3,922	4,694	4,505	4,463	4,420
45-49	3,391	5,426	4,581	4,459	4,337
50-54	2,938	4,708	5,287	4,804	4,320
55-59	2,022	3,786	4,597	4,747	4,897
60-64	1,647	3,175	3,644	3,961	4,278
65-69	1,386	2,221	3,008	3,183	3,357
70-74	1,072	1,673	1,995	2,321	2,646
75-79	867	1,238	1,383	1,530	1,677
80-84	568	839	919	990	1,061
85+	496	721	814	867	919
Total	46,810	67,443	69,759	71,551	73,343

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

POPULATION BY AGE GROUP					
MSA					
Age Cohort	2000	2010	2015	Projected Mkt Entry	2020
0-4	9,860	12,749	12,540	12,776	13,011
5-9	11,348	12,774	12,781	12,862	12,943
10-14	11,590	12,728	12,620	12,991	13,362
15-19	11,467	14,284	12,456	12,738	13,019
20-24	10,221	12,931	13,460	12,583	11,705
25-29	9,787	13,135	13,853	14,264	14,675
30-34	10,252	11,537	13,967	14,561	15,155
35-39	12,620	11,792	11,564	13,138	14,711
40-44	11,993	11,939	11,787	11,750	11,713
45-49	9,966	14,143	11,703	11,629	11,555
50-54	8,825	12,793	13,822	12,581	11,339
55-59	6,610	10,352	12,437	12,764	13,090
60-64	5,584	8,831	9,938	10,846	11,754
65-69	4,770	6,371	8,299	8,759	9,218
70-74	3,547	5,153	5,779	6,614	7,449
75-79	2,752	3,826	4,248	4,573	4,897
80-84	1,626	2,414	2,796	3,004	3,212
85+	1,203	1,853	2,187	2,390	2,593
Total	144,021	179,605	186,237	190,819	195,401

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

Overall population growth in the PMA was higher than the MSA and the nation from 2000 to 2010. Total population in the PMA and the MSA is projected to increase at a 1.0 percent annual rate from 2015 to 2020, slightly above the nation’s projected growth rate of 0.8 percent annually. In 2015, the largest age cohort in the PMA was between the ages of 15 and 19, at 7.6 percent of the population, though by 2020 the largest will be those aged 30-34 at 7.6 percent. In 2015, 48.9 percent of the PMA’s population is between the ages of 20 and 54, which is the main age range of most tenants at the Subject currently. The projected PMA population growth is expected to match the growth in the MSA, and both are expected to outpace the rate of growth of the nation.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS						
Year	PMA		Warner Robins, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	16,605	-	52,752	-	105,480,101	-
2010	24,462	4.7%	67,484	2.8%	116,716,292	1.1%
2015	25,799	1.0%	70,755	0.9%	120,746,349	0.7%
Market Entry	26,521	1.1%	72,607	1.0%	123,111,956	0.8%
2020	27,242	1.1%	74,459	1.0%	125,477,562	0.8%

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

AVERAGE HOUSEHOLD SIZE						
Year	PMA		Warner Robins, GA MSA		USA	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.73	-	2.64	-	2.59	-
2010	2.64	-0.3%	2.59	-0.2%	2.58	-0.1%
2015	2.62	-0.2%	2.57	-0.1%	2.57	0.0%
Market Entry	2.61	-0.1%	2.57	0.0%	2.57	0.0%
2020	2.61	-0.1%	2.57	0.0%	2.57	0.0%

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

As the previous table illustrates, the PMA was an area with an increasing number of households from 2000 through 2015, a trend that is expected to continue through 2020. The number of households in the PMA is expected to grow at a slightly faster pace than the MSA and the nation as a whole. The increasing number of households in the PMA bodes well for the Subject’s potential as a family project.

The average household size in the PMA, at 2.62, is slightly larger than the average household sizes in the MSA and nation. The Subject offers studio, one, two, three, and four-bedroom units targeted to singles, couples, and families. The average household size in the PMA is appropriate for the Subject’s unit mix.

2b. Households by Tenure

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

TENURE PATTERNS - TOTAL POPULATION								
PMA					Warner Robins, GA MSA			
Owner-Occupied Units			Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
<i>Year</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
2000	12,062	72.6%	4,543	27.4%	36,285	68.8%	16,467	31.2%
2010	17,019	69.6%	7,443	30.4%	45,182	67.0%	22,302	33.0%
2015	17,061	66.1%	8,738	33.9%	44,985	63.6%	25,770	36.4%
Projected Mkt Entry	17,542	66.1%	8,979	33.9%	46,111	63.5%	26,497	36.5%
2020	18,022	66.2%	9,220	33.8%	47,236	63.4%	27,223	36.6%

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

The share of renter households is below the share of owner households in both the PMA and MSA. The percentage of renter-occupied housing is above the national average of approximately 33.0 percent in both the PMA and MSA. The total number of renter-occupied units in the PMA is expected to increase slightly through 2020.

2c. Households by Income

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

HOUSEHOLD INCOME DISTRIBUTION - PMA								
Income Cohort	2010		2015		Projected Mkt Entry		2020	
	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>
\$0-9,999	1,791	7.3%	2,045	7.9%	2,025	7.6%	2,005	7.4%
\$10,000-19,999	2,371	9.7%	2,549	9.9%	2,506	9.4%	2,462	9.0%
\$20,000-29,999	2,127	8.7%	2,457	9.5%	2,427	9.2%	2,398	8.8%
\$30,000-39,999	2,500	10.2%	2,635	10.2%	2,613	9.9%	2,591	9.5%
\$40,000-49,999	1,952	8.0%	1,923	7.5%	1,988	7.5%	2,053	7.5%
\$50,000-59,999	1,893	7.7%	1,854	7.2%	1,870	7.1%	1,886	6.9%
\$60,000-74,999	2,901	11.9%	3,533	13.7%	3,406	12.8%	3,278	12.0%
\$75,000-99,999	3,828	15.6%	3,788	14.7%	3,988	15.0%	4,188	15.4%
\$100,000-124,999	2,431	9.9%	2,664	10.3%	2,911	11.0%	3,158	11.6%
\$125,000-149,999	1,039	4.2%	900	3.5%	1,119	4.2%	1,338	4.9%
\$150,000-199,999	1,090	4.5%	947	3.7%	1,026	3.9%	1,106	4.1%
\$200,000+	540	2.2%	504	2.0%	642	2.4%	779	2.9%
Total	24,462	100.0%	25,799	100.0%	26,521	100.0%	27,242	100.0%

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

In 2015, households earning under \$40,000 in the PMA comprise 37.5 percent of all income cohorts. The Subject will target households earning up to \$37,680 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. It should be noted that the area four-person median income (AMI) in Peach County, GA has declined from \$59,600 in 2012 to \$53,900 in 2016. The total decline of approximately 9.6 percent is due to the AMI being based on five years'

worth of historical ACS survey data, which currently includes the final year of the recent national recession.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA										
	2000		2010		2015		Projected Mkt Entry		2020	
	#	%	#	%	#	%	#	%	#	%
With 1 Person	1,258	27.7%	2,387	32.1%	2,860	32.7%	2,962	33.0%	3,064	33.2%
With 2 Persons	1,226	27.0%	1,956	26.3%	2,263	25.9%	2,311	25.7%	2,359	25.6%
With 3 Persons	840	18.5%	1,352	18.2%	1,584	18.1%	1,625	18.1%	1,665	18.1%
With 4 Persons	706	15.6%	995	13.4%	1,147	13.1%	1,172	13.0%	1,196	13.0%
With 5+ Persons	514	11.3%	753	10.1%	885	10.1%	910	10.1%	936	10.1%
Total Renter Households	4,543	100.0%	7,443	100.0%	8,738	100.0%	8,979	100.0%	9,220	100.0%

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

As of 2015, the household size with the largest percentage of households is one person households, followed by two person households.

Conclusion

Total population in the PMA and MSA is projected to increase at a 1.0 percent annual rate from 2015 to 2020, and is expected to outpace the national population growth during the same time period. The share of renter-occupied units in the PMA is lower than in the MSA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase slightly through 2020.

Households earning under \$40,000 in the PMA comprise 37.5 percent of all income cohorts. The Subject will target households earning up to \$37,680 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

The Warner Robins, GA MSA is comprised of Pulaski, Houston, and Peach Counties. Fort Valley is the county seat of Peach County and is located approximately 170 miles inland from the Atlantic Ocean and 95 miles south of Atlanta in central Georgia. The city is home to the headquarters of Blue Bird Corporation, a large manufacturer of school buses. Additionally, Fort Valley is Georgia’s largest peach producing area and the third largest nationally in acreage and production. According to the City of Fort Valley, there are two major peach packing companies in Fort Valley, Lane Southern Orchards and Pearson Farm. Fort Valley also has good access to major interstates, including U.S. Route 341, which connects to Interstate 75 approximately 11 miles southeast of Fort Valley in Perry, GA. Interstate 75 provides access to Atlanta to the north and Tampa, FL to the south.

1. Total Jobs

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

Total Jobs in Peach County, Georgia		
Year	Total Employment	% Change
2005	10,591	-
2006	10,842	2.3%
2007	10,909	0.6%
2008	11,313	3.6%
2009	11,063	-2.3%
2010	11,359	2.6%
2011	11,187	-1.5%
2012	11,140	-0.4%
2013	10,626	-4.8%
2014	10,543	-0.8%
2015 YTD Average	10,401	-1.4%
Dec-14	10,540	-
Dec-15	10,486	-0.5%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

As illustrated in the table above, Peach County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2009 with its first employment decrease of the decade. Total jobs increased in 2010, but has fallen every year since 2011. Between December 2014 and 2015, total covered employment decreased 0.5% in Peach County

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Peach County as of June 2015, the most recent data available.

Covered Employment Peach County, Georgia		
	Number	Percent
Total, all industries	7,469	-
Goods-producing	3,345	-
Natural resources and mining	371	4.97%
Construction	365	4.89%
Manufacturing	2,609	34.93%
Service-providing	4,124	-
Trade, transportation, and utilities	1,657	22.19%
Information	-	-
Financial activities	159	2.13%
Professional and business services	672	9.00%
Education and health services	666	8.92%
Leisure and hospitality	788	10.55%
Other services	146	1.95%
Unclassified	-	-

Source: Bureau of Labor Statistics, 2015

Manufacturing, trade, transportation, and utilities, and leisure and hospitality represent the largest percentages of total employment in Peach County. These industries are somewhat vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. Other significant employment sectors include education and health services, as well as retail trade.

2015 EMPLOYMENT BY INDUSTRY				
Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Public Administration	4,822	16.8%	7,099,307	4.8%
Educational Services	3,636	12.7%	13,529,510	9.2%
Health Care/Social Assistance	3,359	11.7%	20,205,674	13.7%
Retail Trade	2,959	10.3%	17,089,319	11.6%
Accommodation/Food Services	2,340	8.2%	10,915,815	7.4%
Manufacturing	2,229	7.8%	15,651,841	10.6%
Construction	1,667	5.8%	9,392,204	6.4%
Other Services (excl Publ Adm)	1,438	5.0%	7,548,482	5.1%
Prof/Scientific/Tech Services	1,246	4.3%	9,981,082	6.8%
Finance/Insurance	1,039	3.6%	7,026,905	4.8%
Transportation/Warehousing	889	3.1%	6,200,837	4.2%
Admin/Support/Waste Mgmt Svcs	723	2.5%	6,242,568	4.2%
Wholesale Trade	659	2.3%	3,742,526	2.5%
Real Estate/Rental/Leasing	535	1.9%	2,759,067	1.9%
Agric/Forestry/Fishing/Hunting	350	1.2%	1,941,156	1.3%
Arts/Entertainment/Recreation	328	1.1%	3,193,724	2.2%
Information	293	1.0%	2,965,498	2.0%
Utilities	136	0.5%	1,190,608	0.8%
Mining	27	0.1%	997,794	0.7%
Mgmt of Companies/Enterprises	0	0.0%	115,436	0.1%
Total Employment	28,675	100.0%	147,789,353	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, February 2016

The PMA's leading industries include public administration, educational services, health care/social assistance, and retail trade. Together, these four industries make up 51.5 percent of total employment in the PMA. The PMA is overly represented in sectors such as public administration and educational services, and underrepresented in the retail trade, information, and construction sectors compared to the nation as a whole. The three largest employment sectors in the PMA are traditionally more stable employment sectors. However, other significant employment sectors include accommodation/food services, retail trade, and manufacturing, which have historically proven susceptible to job losses in times of economic recession. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

3. Major Employers

The following table is a list of the top employers in Peach County, Georgia. Note that employment numbers were not available, and major employers have been listed alphabetically.

MAJOR EMPLOYERS - PEACH COUNTY, GA	
Employer	Industry
Advance Stores Co, Inc.	Wholesale/Retail Automotive Parts
Blue Bird Corporation	School Bus Manufacturing/Headquarters
Fort Valley State University	Higher Education
Lane Packing, LLC	Peach & Pecan Orchard/Packaging
Peach County Association for the Mentally Retarded, Inc.	Non-Profit Organization
Pyrotechnic Specialties, Inc.	Manufacturing
Spherion Staffing, LLC	Staffing/Recruiting
The Medical Center of Peach County	Healthcare
The Wire Shop, Inc.	Wire/Cable Manufacturing
U Save It Pharmacy, Inc.	Pharmacy

Source: Georgia Labor Market Explorer, Georgia Dept. of Labor, February 2016

As indicated in the table above, the major employers in Peach County are varied and represent a wide range of industries. The largest private sector employer in Peach County is Blue Bird Corporation with 1,800 employees, according to the city of Fort Valley and the Peach Regional Chamber of Commerce.

The peach industry plays a major role in the Fort Valley area. According to the City of Fort Valley website, “Fort Valley has a rich and storied history as the Peach Capitol of the World and though the Georgia peach industry is not as large as it once was, Fort Valley remains the Peach State's largest peach producing area. At one point in its history, there were as many as 50 peach packing houses in and around Fort Valley and ‘working in peaches’ was a rite of passage for young Fort Valleyans. The packing sheds provided thousands of jobs and most of the baby boomers worked in the fields and packing houses in the '60s as the city virtually hummed with activity from early morning to late at night. Today Fort Valley is home to two very sophisticated packing houses, Lane Southern Orchards and Pearson Farm, and those two facilities pack nearly as many peaches as the 50 packing houses did years ago. The Lane facility is one of the most modern and efficient packing houses in the world and has the capacity to pack and ship one million 25-pound cartons of peaches each season.” Each year, the Peach Festival draws more than 25,000 visitors to Fort Valley. In addition to peaches, Peach County ranks fifth in the nation for the production of pecans, which are also produced by the peach packing houses.

It is also important to mention that Warner Robins is home to Robins Air Force Base, located approximately 22 miles east of Fort Valley. Robins Air Force Base is one of three Air Force Air Logistics Centers and is a worldwide manager of various aircrafts, machinery, missiles, and aviation components. The base is the largest single industrial complex in Georgia covering more than 6,900 acres with more than 23,000 civilian employees. According to GeorgiaEncyclopedia.com, “Robins AFB has the largest runway in Georgia and is capable of accommodating the world's largest aircraft, including the C-5B and NASA's space shuttle piggybacked on a Boeing 747. The replacement value of the base is \$5.7 billion. In the 1990s, Robins AFB awarded between \$2 billion and \$4 billion in annual contracts; between \$200 million and \$400 million of that went to Georgia businesses. Robins' total economic impact on

middle Georgia was \$4.2 billion in 2005. All twenty-five middle Georgia counties have grown and experienced economic stability as a result of the presence of Robins Air Force Base.”

Employment Expansion/Contractions

According to Georgia Department of Labor’s Worker Adjustment and Retraining Notification (WARN) filings, the PMA experienced no layoffs in 2015 or year-to-date 2016, and there was only one round of layoffs in 2014. MetoKote Corporation, a manufacturing firm headquartered in Ohio, laid off 30 employees at its Fort Valley branch in October of 2014.

Peach County Chamber of Commerce

According to Mr. Tom Morrill with the Peach Regional Chamber of Commerce and Kathie Lambert with the Downtown Development Authority of Fort Valley, the last few years have been generally stable years in terms of job growth and expansions in the Fort Valley area. Within recent years, Fort Valley has experienced small business expansions and openings, specifically restaurants, fast food chains, and retail. Five Points Pharmacy and a new Verizon Wireless retail store opened in Fort Valley in 2015. The Peach County Workforce Development Center, a \$4.8 Million vocational school set to enroll around 500 students, completed construction in 2015. The facility is located in the South Peach Industrial Park and will offer GED programs, commercial driver’s license courses, and adult education classes.

According to Mr. Morrill, much of the economic expansion in the last year has come from the area’s local entrepreneurs. Among the businesses that have opened in the last year are three restaurants, the Heart of Georgia Thrift Shop, Reserve at the Hampton apartment complex, and Peach Place Apartments. Ms. Lambert did say the Downtown Development Authority has received some grant money to invest in downtown infrastructure, but could not yet detail any plans on how the grant money will be allocated. Both contacts confirmed no major employers have moved into the area or announced plans to in the last year.

Macon County Development Authority

We also spoke to Gerald Beckum with the Macon County Development Authority, as the PMA includes the northeast portion of Macon County. According to Mr. Beckum, Macon County is heavily reliant on small businesses and agriculture. The majority of companies employ less than 10 people, and there have been no recent major employment gains or losses.

Houston County Development Authority

We also spoke to Angie Gheesling with the Houston County Development Authority, as the PMA encompasses western Houston County including the cities of Perry and a portion of Warner Robins. According to Ms. Gheesling, within the past year, Anchor Glass has announced plans to invest \$40 million into their operations, creating 30 new jobs. Sandler Nonwovens announced it will invest \$90 million in its first American factory in Houston County, creating 140 new jobs. Perdue Farms expanded operations as it gained a major new client, creating 25 new jobs. Finally, TransArctic transitioned 15 seasonal workers into full time employees. These expansions should help the unemployment rate in the market continue to gradually decline.

4. Employment and Unemployment Trends

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

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Warner Robins, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2001	67,135	-	3.7%	-	136,933,000	-	4.7%	-
2002	68,916	2.7%	4.2%	0.4%	136,485,000	-0.3%	5.8%	1.1%
2003	71,558	3.8%	4.1%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2004	72,385	1.2%	4.4%	0.3%	139,252,000	1.1%	5.5%	-0.5%
2005	74,296	2.6%	5.1%	0.8%	141,730,000	1.8%	5.1%	-0.4%
2006	78,512	5.7%	4.5%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	81,058	3.2%	4.1%	-0.4%	146,047,000	1.1%	4.6%	0.0%
2008	82,018	1.2%	5.5%	1.4%	145,362,000	-0.5%	5.8%	1.2%
2009	80,781	-1.5%	7.7%	2.2%	139,877,000	-3.8%	9.3%	3.5%
2010	76,892	-4.8%	9.1%	1.4%	139,064,000	-0.6%	9.6%	0.3%
2011	77,740	1.1%	9.1%	0.0%	139,869,000	0.6%	8.9%	-0.7%
2012	78,286	0.7%	8.5%	-0.6%	142,469,000	1.9%	8.1%	-0.8%
2013	76,865	-1.8%	8.0%	-0.5%	143,929,000	1.0%	7.4%	-0.7%
2014	75,849	-1.3%	7.3%	-0.7%	146,305,000	1.7%	6.2%	-1.2%
2015 YTD Average*	74,351	-2.0%	6.4%	-0.9%	148,754,364	1.7%	5.3%	-0.9%
Nov-2014	75,725	-	6.6%	-	147,666,000	-	5.5%	-
Nov-2015	74,310	-1.9%	5.6%	-1.0%	149,766,000	1.4%	4.8%	-0.7%

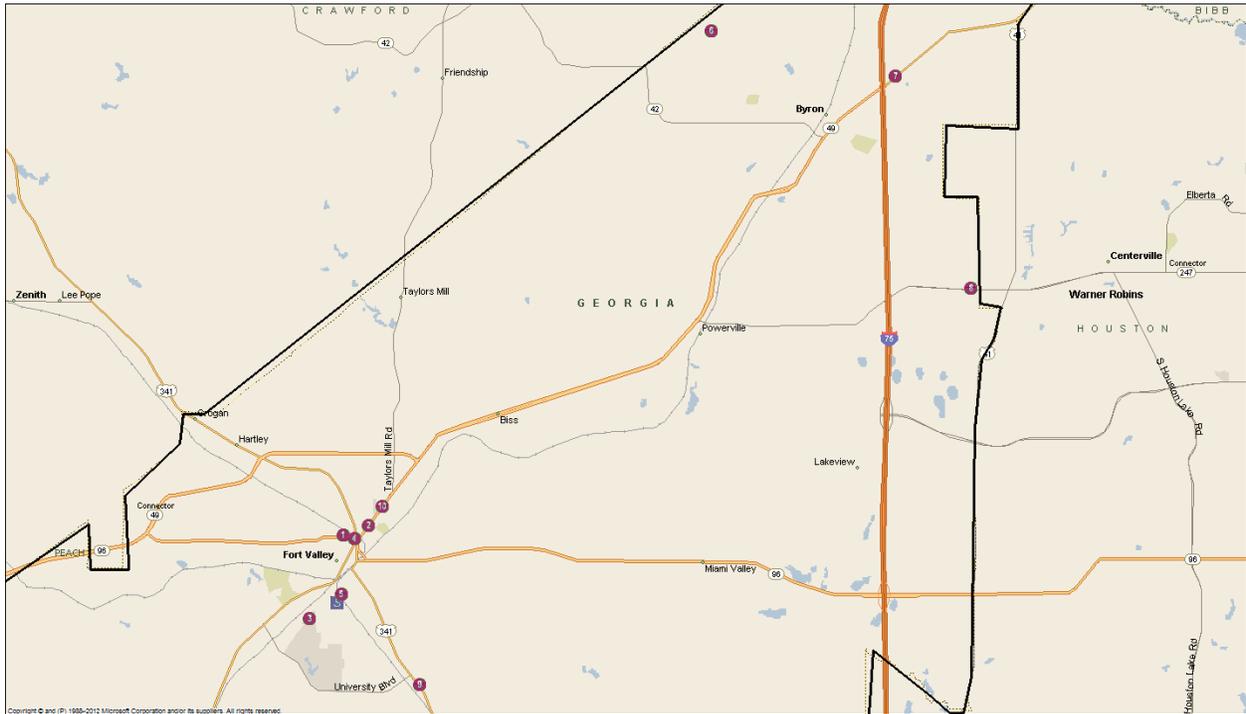
Source: U.S. Bureau of Labor Statistics February 2016

*2015 data is through Mar

Total employment levels have fluctuated over the last 15 years. Total employment peaked in the PMA in 2008 at 82,018, and has decreased in five of the next seven years, including 2009, 2010, 2013, 2014, and 2015. From 2013-2015, total employment grew nationally, while it has been falling in the PMA. From November 2014 to November 2015, total employment fell 1.9 percent in the PMA but grew in the USA at a rate of 1.4 percent. From November 2014 to November 2015, the unemployment rate in the MSA decreased by 100 basis points; as of November 2015, the unemployment rate in the MSA remained 0.8 percentage points above that of the nation. Overall, it appears that the MSA was impacted by the recent national recession, and appears to still be recovering, as evidenced by the recent decrease in employment. The recent decrease in total employment is likely attributable to the Fort Benning army base, which is just west of the MSA, recently cutting many of the specialized training programs it hosted. Most of these programs and jobs associated with them were transferred to Eglin Air Force Base, near Destin, Florida.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Peach County, Georgia.



MAJOR EMPLOYERS - PEACH COUNTY, GA			
Map #	Employer	Industry	Location
1	Advance Stores Co, Inc.	Wholesale/Retail Automotive Parts	Fort Valley
2	Blue Bird Corporation (Hdq.)	School Bus Manufacturing	Fort Valley
3	Fort Valley State University	Higher Education	Fort Valley
4	Lane Packing, LLC	Peach & Pecan Orchard/Packaging	Fort Valley
5	Peach County Assoc. for the Mentally Retarded, Inc.	Non-Profit Organization	Fort Valley
6	Sodexo USA	Food Services/Management	Fort Valley
7	Spherion Staffing, LLC	Staffing/Recruiting	Byron
8	The Medical Center of Peach County	Healthcare	Byron
9	The Wire Shop, Inc.	Wire/Cable Manufacturing	Fort Valley
10	U Save It Pharmacy, Inc.	Pharmacy	Fort Valley

Source: Peach County Chamber of Commerce, February 2016

Conclusion

Total employment in the MSA has increased in the MSA from 2005 to 2015 year-to-date. Though total employment rose to a peak of 82,018 jobs in 2008, the number of jobs in the MSA has generally been declining since then. From November 2014 to November 2015, unemployment in the MSA decreased by 100 basis points. Additionally, as of November 2015, the unemployment rate in the MSA was 0.8 percentage points above that of the nation. Overall, it appears that the MSA was impacted by the recent national recession, and appears to still be recovering, as evidenced by the recent decrease in employment. The recent decrease in total employment is likely attributable to the Fort Benning army base, which is just west of the MSA, recently cutting many of the specialized training programs it hosted. Most of these programs and jobs associated with them were transferred to Eglin Air Force Base, near Destin, Florida.

The PMA's leading industries include public administration, educational services, health care/social assistance, and retail trade. Together, these four industries make up 51.5 percent of total employment in the PMA. The PMA is overly represented in sectors such as public administration and educational services, and underrepresented in the retail trade, information, and construction sectors compared to the nation as a whole. The three largest employment sectors in the PMA are traditionally more stable employment sectors. However, other significant employment sectors include accommodation/food services, retail trade, and manufacturing, which have historically proven susceptible to job losses in times of economic recession. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

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

1. Income Restrictions

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

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

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

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

2. Affordability

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

3. Demand

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

3A. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized January 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are trended to January 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 January 2018. This number takes the overall growth from 2015 to January

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. Given that the Subject is not a senior development, this does not apply.

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 2016 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. Other

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 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 and 2015.
- Vacancies in projects placed in service prior to 2014 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).

- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2014 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

According to the Georgia Department of Community Affairs, the only properties that have been awarded tax credits since 2013 in the Subject's Primary Market Area are The Reserve at Hampton and Oliver Place.

The Reserve at Hampton is located at 3460 US-341 in Fort Valley and was allocated LIHTC funding in 2013. The development came online in July 2015. The Reserve at Hampton is currently 100 percent occupied, offers a mix of one, two, and three-bedroom garden-style units and two and three-bedroom townhouses at 50 and 60 percent AMI, and has been utilized as a comparable in this report.

Oliver Place was allocated tax credits in 2014 and will also target families/general occupancy households. Oliver Place will be located near the intersection of Houston Lake Road and Keith Drive in Perry, approximately 11.6 miles southeast of the Subject. Oliver Place will be a new construction development offering a total of 100 LIHTC and market rate units and will consist of garden-style one, two, and three-bedroom units, as well as townhouses. Unit sizes will range from 725 to 1,250 square feet with rents ranging from \$392 to \$704 per month for LIHTC units; the three-bedroom market rate units will be approximately \$764 per month. There will be 20 units restricted to 50 percent of AMI or less, 70 units restricted to 60 percent of AMI, and 10 market rate units. Construction began in 2015 and is anticipated to be completed by year-end 2016.

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. On the following page, we have provided a combined average occupancy level for the PMA based on the average occupancy rates reported.

OVERALL OCCUPANCY - PMA				
Property Name	Type	Tenancy	Units	Occupancy
College Square Apartments	LIHTC/Section 8	Family	61	100.0%
Indian Oaks Apartments	Section 8	Elderly	150	98.0%
Smith Heights Apartments	Section 8	Family	50	96.0%
Valley Pines I	Market	Family	40	N/Av
Valley Pines III & IV	USDA Rural Dev.	Family	76	N/Av
Westside Villas	USDA Rural Dev.	Family	44	100.0%
Windsor Court	LIHTC	Elderly	56	100.0%
Gatwick Senior Village	LIHTC	Elderly	60	100.0%
Cameron Court I & II	LIHTC	Elderly	112	100.0%
Ashton Landing*	LIHTC	Family	108	94.4%
Magnolia Terrace I*	LIHTC/Market	Family	50	92.0%
Magnolia Terrace II*	LIHTC/Market	Family	36	97.2%
Marvin Gardens I*	LIHTC	Family	30	90.0%
Marvin Gardens II*	LIHTC	Family	50	92.0%
Reserve at Hampton	LIHTC	Family	60	100.0%
Fort Valley Housing Authority	PHA	Family	100	100.0%
Perry Housing Authority	PHA	Family	50	98.0%
LaVista Apartments	Market	Family	N/Av	N/Av
Forrest Valley Apartments	Market	Family	8	100.0%
Kings Villas	Market	Family	90	96.7%
Commodore Manor	Market	Family	53	N/Av
Olde English Apartments	Market	Family	N/Av	N/Av
Julius Simmons Apartments	Market	Family	N/Av	N/Av
Amber Place Apartments*	Market	Family	392	97.4%
Bradford Place*	Market	Family	200	99.0%
Lenox Pointe*	Market	Family	216	99.3%
Timberwood Apartments*	Market	Family	60	96.7%
Winslow Place	Market	Family	88	98.0%
Hampton Place Apartments	Market	Family	152	99.3%
Lakeshore Pointe	Market	Family	102	85.0%
The Richmond Apartments	Market	Family	124	96.0%
Asbury Parke*	Market	Family	224	100.0%
Bedford Parke Apartments	Market	Family	232	97.4%
Heritage Apartments	Market	Family	76	N/Av
Mullins Apartments	Market	Family	57	95.0%
Pinebrook Apartments	Market	Family	52	N/Av
Average			99	97.0%

*Utilized as a comparable

Rehab Developments and Section 8

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 Section 8 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.

According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments 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 provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject has nine vacant units, no over income tenants, and no tenants who are income-qualified for their specific unit type without the Section 8 subsidy. However, given that we have presented two demand scenarios, one with and without subsidy, we have determined the Subject's capture rates based on 96 total units with no income-eligible resident households deducted.

The Subject will offer studio through four-bedroom units restricted at 50 and 60 percent of AMI. It should be noted that DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. Rent increases will be made gradually, maintaining rents that are affordable to the existing tenant base. We do not expect that the Subject will need to re-lease 96 units following renovation. Therefore, our demand analysis is considered conservative.

Per DCA, the demand analysis of properties that offer three and four-bedroom units that comprise more than 20 percent of its total units should take into account the number of large households of 5+ persons to avoid overestimating demand. The Demand Analysis illustrated in this report breaks down the income-eligible households to reside at the Subject by household size (including households of 5+ persons) and bedroom type to avoid overstating demand, per DCA guidelines.

Capture Rates

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

Renter Household Income Distribution 2015 to Projected Market Entry January 2018					
Lakeview Apartments					
PMA					
	2015		Projected Mkt Entry January 2018		-
	#	%	#	%	% Growth
\$0-9,999	1,314	15.0%	1,302	14.5%	-0.9%
\$10,000-19,999	1,215	13.9%	1,200	13.4%	-1.3%
\$20,000-29,999	1,183	13.5%	1,197	13.3%	1.2%
\$30,000-39,999	1,202	13.8%	1,203	13.4%	0.0%
\$40,000-49,999	824	9.4%	862	9.6%	4.5%
\$50,000-59,999	625	7.2%	645	7.2%	3.1%
\$60,000-74,999	974	11.1%	963	10.7%	-1.2%
\$75,000-99,999	858	9.8%	943	10.5%	9.1%
\$100,000-124,999	268	3.1%	324	3.6%	17.1%
\$125,000-149,999	73	0.8%	88	1.0%	16.9%
\$150,000-199,999	86	1.0%	100	1.1%	13.6%
\$200,000+	116	1.3%	152	1.7%	23.7%
Total	8,738	100.0%	8,979	100.0%	2.7%

Renter Household Income Distribution Projected Market Entry January 2018			
Lakeview Apartments			
PMA			
	Projected Mkt Entry January 2018		Change 2015 to Prj Mrkt Entry January 2018
	#	%	#
\$0-9,999	1,302	14.5%	35
\$10,000-19,999	1,200	13.4%	32
\$20,000-29,999	1,197	13.3%	32
\$30,000-39,999	1,203	13.4%	32
\$40,000-49,999	862	9.6%	23
\$50,000-59,999	645	7.2%	17
\$60,000-74,999	963	10.7%	26
\$75,000-99,999	943	10.5%	25
\$100,000-124,999	324	3.6%	9
\$125,000-149,999	88	1.0%	2
\$150,000-199,999	100	1.1%	3
\$200,000+	152	1.7%	4
Total	8,979	100.0%	241

50 Percent AMI Demand without Section 8 Subsidies

Calculation of New Renter Household Demand by Income Cohort by % of AMI						
Percent of AMI Level			50%			
Minimum Income Limit			\$16,183			
Maximum Income Limit			\$31,300			
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	35	14.5%		0.0%	0	
\$10,000-19,999	32	13.4%	3,816	38.2%	12	
\$20,000-29,999	32	13.3%	9,999	100.0%	32	
\$30,000-39,999	32	13.4%	1,300	13.0%	4	
\$40,000-49,999	23	9.6%		0.0%	0	
\$50,000-59,999	17	7.2%		0.0%	0	
\$60,000-74,999	26	10.7%		0.0%	0	
\$75,000-99,999	25	10.5%		0.0%	0	
\$100,000-124,999	9	3.6%		0.0%	0	
\$125,000-149,999	2	1.0%		0.0%	0	
\$150,000-199,999	3	1.1%		0.0%	0	
\$200,000+	4	1.7%		0.0%	0	
	241	100.0%			49	
Percent of renter households within limits versus total number of renter households						20.2%

Calculation of Potential Household Demand by Income Cohort by % of AMI						
Percent of AMI Level			50%			
Minimum Income Limit			\$16,183			
Maximum Income Limit			\$31,300			
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2018		Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	1,302	14.5%		0.0%	0	
\$10,000-19,999	1,200	13.4%	\$3,816	38.2%	458	
\$20,000-29,999	1,197	13.3%	\$9,999	100.0%	1,197	
\$30,000-39,999	1,203	13.4%	\$1,300	13.0%	156	
\$40,000-49,999	862	9.6%		0.0%	0	
\$50,000-59,999	645	7.2%		0.0%	0	
\$60,000-74,999	963	10.7%		0.0%	0	
\$75,000-99,999	943	10.5%		0.0%	0	
\$100,000-124,999	324	3.6%		0.0%	0	
\$125,000-149,999	88	1.0%		0.0%	0	
\$150,000-199,999	100	1.1%		0.0%	0	
\$200,000+	152	1.7%		0.0%	0	
	8,979	100.0%			1,811	
Percent of renter households within limits versus total number of renter households						20.17%

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 January 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

Yes
Family
Rural
35%
\$39,935
\$60,278
\$20,343
33.7%
0.4%
0.4%
Two year adjustment
1,000
\$31,300
\$31,300
1
50%
\$472
\$472.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	30%	50%	20%	0%	0%	0%	100%
2	0%	30%	70%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		50%
New Renter Households PMA		241
Percent Income Qualified		20.2%
New Renter Income Qualified Households		49

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households		
Income Target Population		50%
Total Existing Demand		8,979
Income Qualified		20.2%
Income Qualified Renter Households		1,811
Percent Rent Overburdened Prj Mrkt Entry January 2018		29.1%
Rent Overburdened Households		527

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		1,811
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		9

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		536
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		536
Total New Demand		49
Total Demand (New Plus Existing Households)		585

Demand from Seniors Who Convert from Homeownership

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	33.0%	193
Two Persons	25.7%	151
Three Persons	18.1%	106
Four Persons	13.0%	76
Five Persons	10.1%	59
Total	100.0%	585

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	30%	58
Of one-person households in 1BR units	50%	96
Of two-person households in 1BR units	30%	45
Of one-person households in 2BR units	20%	39
Of two-person households in 2BR units	70%	105
Of three-person households in 2BR units	60%	64
Of three-person households in 3BR units	40%	42
Of four-person households in 3BR units	80%	61
Of five-person households in 3BR units	70%	42
Of four-person households in 4BR units	20%	15
Of five-person households in 4BR units	30%	18
Total Demand		585
Total Demand by Bedroom		50%
0 BR		58
1 BR		142
2 BR		207
3 BR		145
4 BR		33
Total Demand		585
Additions To Supply 2015 to Prj Mrkt Entry January 2018		50%
0 BR		58
1 BR		127
2 BR		202
3 BR		145
4 BR		33
Total		565
Net Demand		50%
0 BR		58
1 BR		127
2 BR		202
3 BR		145
4 BR		33
Total		565
Developer's Unit Mix		50%
0 BR		8
1 BR		11
2 BR		27
3 BR		20
4 BR		9
Total		75
Capture Rate Analysis		50%
0 BR		13.8%
1 BR		8.7%
2 BR		13.3%
3 BR		13.8%
4 BR		27.2%
Total		13.3%

60 Percent AMI Demand without Section 8 Subsidies

Calculation of New Renter Household Demand by Income Cohort by % of AMI					
Percent of AMI Level			60%		
Minimum Income Limit			\$17,554		
Maximum Income Limit			\$37,560		
	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018				Renter Households within Bracket
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	34.95	14.5%		0.0%	0
\$10,000-19,999	32.21	13.4%	2,445	24.4%	8
\$20,000-29,999	32.13	13.3%	9,999	100.0%	32
\$30,000-39,999	32.28	13.4%	7,560	75.6%	24
\$40,000-49,999	23.14	9.6%		0.0%	0
\$50,000-59,999	17.32	7.2%		0.0%	0
\$60,000-74,999	25.85	10.7%		0.0%	0
\$75,000-99,999	25.32	10.5%		0.0%	0
\$100,000-124,999	8.69	3.6%		0.0%	0
\$125,000-149,999	2.36	1.0%		0.0%	0
\$150,000-199,999	2.68	1.1%		0.0%	0
\$200,000+	4.07	1.7%		0.0%	0
	241	100.0%			64
Percent of renter households within limits versus total number of renter households					26.7%

Calculation of Potential Household Demand by Income Cohort by % of AMI					
Percent of AMI Level			60%		
Minimum Income Limit			\$17,554		
Maximum Income Limit			\$37,560		
	Total Renter Households PMA Prj Mrkt Entry January 2018				Households within Bracket
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	1,302	14.5%		0.0%	0
\$10,000-19,999	1,200	13.4%	\$2,445	24.4%	293
\$20,000-29,999	1,197	13.3%	\$9,999	100.0%	1,197
\$30,000-39,999	1,203	13.4%	\$7,560	75.6%	909
\$40,000-49,999	862	9.6%		0.0%	0
\$50,000-59,999	645	7.2%		0.0%	0
\$60,000-74,999	963	10.7%		0.0%	0
\$75,000-99,999	943	10.5%		0.0%	0
\$100,000-124,999	324	3.6%		0.0%	0
\$125,000-149,999	88	1.0%		0.0%	0
\$150,000-199,999	100	1.1%		0.0%	0
\$200,000+	152	1.7%		0.0%	0
	8,979	100.0%			2,400
Percent of renter households within limits versus total number of renter households					26.7%

Does the Project Benefit from Rent Subsidy? (Y/N) Yes No
 Type of Housing (Family vs Senior) Family Senior
 Location of Subject (Rural versus Urban) Rural Urban
 Percent of Income for Housing 35%
 2000 Median Income \$39,935
 2015 Median Income \$60,278
 Change from 2015 to Prj Mrkt Entry January 2018 \$20,343
 Total Percent Change 33.7%
 Average Annual Change 0.4%
 Inflation Rate 0.4%
 Maximum Allowable Income \$37,560
 Maximum Allowable Income Inflation Adjusted \$37,560
 Maximum Number of Occupants 6
 Rent Income Categories 60%
 Initial Gross Rent for Smallest Unit \$512
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$512.00

Yes		
Family		
Rural		
35%		
\$39,935		
\$60,278		
\$20,343		
33.7%		
0.4%		
0.4%	Two year adjustment	1.0000
\$37,560		
\$37,560		
6		
60%		
\$512		
\$512.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	30%	50%	20%	0%	0%	0%	100%
2	0%	30%	70%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		60%
New Renter Households PMA		241
Percent Income Qualified		26.7%
New Renter Income Qualified Households		64

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		8,979
Income Qualified		26.7%
Income Qualified Renter Households		2,400
Percent Rent Overburdened Prj Mrkt Entry January 2018		29.1%
Rent Overburdened Households		699

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		2,400
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		12

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		711
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		711
Total New Demand		64
Total Demand (New Plus Existing Households)		775

Demand from Seniors Who Convert from Homeownership

Percent of Total Demand From Homeownership Conversion 0.0%

Is this Demand Over 2 percent of Total Demand? No

By Bedroom Demand

One Person	33.0%	256
Two Persons	25.7%	199
Three Persons	18.1%	140
Four Persons	13.0%	101
Five Persons	10.1%	79
Total	100.0%	775

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	30%	77
Of one-person households in 1BR units	50%	128
Of two-person households in 1BR units	30%	60
Of one-person households in 2BR units	20%	51
Of two-person households in 2BR units	70%	140
Of three-person households in 2BR units	60%	84
Of three-person households in 3BR units	40%	56
Of four-person households in 3BR units	80%	81
Of five-person households in 3BR units	70%	55
Of four-person households in 4BR units	20%	20
Of five-person households in 4BR units	30%	24
Total Demand		775
Total Demand by Bedroom		60%
0 BR		77
1 BR		188
2 BR		275
3 BR		192
4 BR		44
Total Demand		775
Additions To Supply 2015 to Prj Mrkt Entry January 2018		60%
0 BR		0
1 BR		9
2 BR		39
3 BR		22
4 BR		0
Total		70
Net Demand		60%
0 BR		77
1 BR		179
2 BR		236
3 BR		170
4 BR		44
Total		705
Developer's Unit Mix		60%
0 BR		2
1 BR		3
2 BR		7
3 BR		6
4 BR		3
Total		21
Capture Rate Analysis		60%
0 BR		2.6%
1 BR		1.7%
2 BR		3.0%
3 BR		3.5%
4 BR		6.9%
Total		3.0%

50 Percent AMI Demand with Section 8 Subsidies

Calculation of New Renter Household Demand by Income Cohort by % of AMI						
Percent of AMI Level			50%			
Minimum Income Limit			\$0			
Maximum Income Limit			\$31,300			
	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018				Renter Households within Bracket	
Income Category			Income Brackets	Percent within Cohort		
\$0-9,999	35	14.5%	9,999	100.0%	35	
\$10,000-19,999	32	13.4%	9,999	100.0%	32	
\$20,000-29,999	32	13.3%	9,999	100.0%	32	
\$30,000-39,999	32	13.4%	1,300	13.0%	4	
\$40,000-49,999	23	9.6%		0.0%	0	
\$50,000-59,999	17	7.2%		0.0%	0	
\$60,000-74,999	26	10.7%		0.0%	0	
\$75,000-99,999	25	10.5%		0.0%	0	
\$100,000-124,999	9	3.6%		0.0%	0	
\$125,000-149,999	2	1.0%		0.0%	0	
\$150,000-199,999	3	1.1%		0.0%	0	
\$200,000+	4	1.7%		0.0%	0	
	241	100.0%			103	
Percent of renter households within limits versus total number of renter households						42.9%

Calculation of Potential Household Demand by Income Cohort by % of AMI						
Percent of AMI Level			50%			
Minimum Income Limit			\$0			
Maximum Income Limit			\$31,300			
	Total Renter Households PMA Prj Mrkt Entry January 2018				Households within Bracket	
Income Category			Income Brackets	Percent within Cohort		
\$0-9,999	1,302	14.5%	\$9,999	100.0%	1,302	
\$10,000-19,999	1,200	13.4%	\$9,999	100.0%	1,200	
\$20,000-29,999	1,197	13.3%	\$9,999	100.0%	1,197	
\$30,000-39,999	1,203	13.4%	\$1,300	13.0%	156	
\$40,000-49,999	862	9.6%		0.0%	0	
\$50,000-59,999	645	7.2%		0.0%	0	
\$60,000-74,999	963	10.7%		0.0%	0	
\$75,000-99,999	943	10.5%		0.0%	0	
\$100,000-124,999	324	3.6%		0.0%	0	
\$125,000-149,999	88	1.0%		0.0%	0	
\$150,000-199,999	100	1.1%		0.0%	0	
\$200,000+	152	1.7%		0.0%	0	
	8,979	100.0%			3,856	
Percent of renter households within limits versus total number of renter households						42.94%

Does the Project Benefit from Rent Subsidy? (Y/N) **Yes**
 Type of Housing (Family vs Senior) **Family**
 Location of Subject (Rural versus Urban) **Rural**
 Percent of Income for Housing **35%**
 2000 Median Income **\$39,935**
 2015 Median Income **\$60,278**
 Change from 2015 to Prj Mrkt Entry January 2018 **\$20,343**
 Total Percent Change **33.7%**
 Average Annual Change **0.4%**
 Inflation Rate **0.4%**
 Maximum Allowable Income **\$31,300**
 Maximum Allowable Income Inflation Adjusted **\$31,300**
 Maximum Number of Occupants **1**
 Rent Income Categories **50%**
 Initial Gross Rent for Smallest Unit **\$472**
 Initial Gross Rent for Smallest Unit Inflation Adjusted **\$472.00**

Yes	
Family	
Rural	
35%	
\$39,935	
\$60,278	
\$20,343	
33.7%	
0.4%	
0.4%	Two year adjustment 1.0000
\$31,300	
\$31,300	
1	
50%	
\$472	
\$472.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	30%	50%	20%	0%	0%	0%	100%
2	0%	30%	70%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		50%
New Renter Households PMA		241
Percent Income Qualified		42.9%
New Renter Income Qualified Households		103

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		8,979
Income Qualified		42.9%
Income Qualified Renter Households		3,856
Percent Rent Overburdened Prj Mrkt Entry January 2018		29.1%
Rent Overburdened Households		1,123

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,856
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		19

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		1,142
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1142
Total New Demand		103
Total Demand (New Plus Existing Households)		1,245

Demand from Seniors Who Convert from Homeownership

Percent of Total Demand From Homeownership Conversion 0.0%

Is this Demand Over 2 percent of Total Demand? No

By Bedroom Demand

One Person	33.0%	411
Two Persons	25.7%	320
Three Persons	18.1%	225
Four Persons	13.0%	162
Five Persons	10.1%	126
Total	100.0%	1,245

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	30%	123
Of one-person households in 1BR units	50%	205
Of two-person households in 1BR units	30%	96
Of one-person households in 2BR units	20%	82
Of two-person households in 2BR units	70%	224
Of three-person households in 2BR units	60%	135
Of three-person households in 3BR units	40%	90
Of four-person households in 3BR units	80%	130
Of five-person households in 3BR units	70%	88
Of four-person households in 4BR units	20%	32
Of five-person households in 4BR units	30%	38
Total Demand		1,245
Total Demand by Bedroom		50%
0 BR		123
1 BR		301
2 BR		442
3 BR		308
4 BR		70
Total Demand		1,245
Additions To Supply 2015 to Prj Mrkt Entry January 2018		50%
0 BR		0
1 BR		15
2 BR		5
3 BR		0
4 BR		0
Total		20
Net Demand		50%
0 BR		123
1 BR		286
2 BR		437
3 BR		308
4 BR		70
Total		1,225
Developer's Unit Mix		50%
0 BR		8
1 BR		11
2 BR		27
3 BR		20
4 BR		9
Total		75
Capture Rate Analysis		50%
0 BR		6.5%
1 BR		3.8%
2 BR		6.2%
3 BR		6.5%
4 BR		12.8%
Total		6.1%

60 Percent AMI Demand with Section 8 Subsidies

Calculation of New Renter Household Demand by Income Cohort by % of AMI					
Percent of AMI Level			60%		
Minimum Income Limit			\$0		
Maximum Income Limit			\$37,560		
	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018				Renter Households within Bracket
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	34.95	14.5%	9,999	100.0%	35
\$10,000-19,999	32.21	13.4%	9,999	100.0%	32
\$20,000-29,999	32.13	13.3%	9,999	100.0%	32
\$30,000-39,999	32.28	13.4%	7,560	75.6%	24
\$40,000-49,999	23.14	9.6%		0.0%	0
\$50,000-59,999	17.32	7.2%		0.0%	0
\$60,000-74,999	25.85	10.7%		0.0%	0
\$75,000-99,999	25.32	10.5%		0.0%	0
\$100,000-124,999	8.69	3.6%		0.0%	0
\$125,000-149,999	2.36	1.0%		0.0%	0
\$150,000-199,999	2.68	1.1%		0.0%	0
\$200,000+	4.07	1.7%		0.0%	0
	241	100.0%			124
Percent of renter households within limits versus total number of renter households					51.3%

Calculation of Potential Household Demand by Income Cohort by % of AMI					
Percent of AMI Level			60%		
Minimum Income Limit			\$0		
Maximum Income Limit			\$37,560		
	Total Renter Households PMA Prj Mrkt Entry January 2018				Households within Bracket
Income Category			Income Brackets	Percent within Cohort	
\$0-9,999	1,302	14.5%	\$9,999	100.0%	1,302
\$10,000-19,999	1,200	13.4%	\$9,999	100.0%	1,200
\$20,000-29,999	1,197	13.3%	\$9,999	100.0%	1,197
\$30,000-39,999	1,203	13.4%	\$7,560	75.6%	909
\$40,000-49,999	862	9.6%		0.0%	0
\$50,000-59,999	645	7.2%		0.0%	0
\$60,000-74,999	963	10.7%		0.0%	0
\$75,000-99,999	943	10.5%		0.0%	0
\$100,000-124,999	324	3.6%		0.0%	0
\$125,000-149,999	88	1.0%		0.0%	0
\$150,000-199,999	100	1.1%		0.0%	0
\$200,000+	152	1.7%		0.0%	0
	8,979	100.0%			4,609
Percent of renter households within limits versus total number of renter households					51.3%

Does the Project Benefit from Rent Subsidy? (Y/N) **Yes**
 Type of Housing (Family vs Senior) **Family**
 Location of Subject (Rural versus Urban) **Rural**
 Percent of Income for Housing **35%**
 2000 Median Income **\$39,935**
 2015 Median Income **\$60,278**
 Change from 2015 to Prj Mrkt Entry January 2018 **\$20,343**
 Total Percent Change **33.7%**
 Average Annual Change **0.4%**
 Inflation Rate **0.4%** Two year adjustment **1.0000**
 Maximum Allowable Income **\$37,560**
 Maximum Allowable Income Inflation Adjusted **\$37,560**
 Maximum Number of Occupants **6**
 Rent Income Categories **60%**
 Initial Gross Rent for Smallest Unit **\$512**
 Initial Gross Rent for Smallest Unit Inflation Adjusted **\$512.00**

Yes
Family
Rural
35%
\$39,935
\$60,278
\$20,343
33.7%
0.4%
0.4%
Two year adjustment
1.0000
\$37,560
\$37,560
6
60%
\$512
\$512.00

Persons in Household	OBR	1BR	2BR	3BR	4BR	5BR	Total
1	30%	50%	20%	0%	0%	0%	100%
2	0%	30%	70%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		60%
New Renter Households PMA		241
Percent Income Qualified		51.3%
New Renter Income Qualified Households		124

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		8,979
Income Qualified		51.3%
Income Qualified Renter Households		4,609
Percent Rent Overburdened Prj Mrkt Entry January 2018		29.1%
Rent Overburdened Households		1,342

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		4,609
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		23

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		1,365
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1365
Total New Demand		124
Total Demand (New Plus Existing Households)		1,488

Demand from Seniors Who Convert from Homeownership

Percent of Total Demand From Homeownership Conversion 0.0%

Is this Demand Over 2 percent of Total Demand? No

By Bedroom Demand

One Person	33.0%	491
Two Persons	25.7%	383
Three Persons	18.1%	269
Four Persons	13.0%	194
Five Persons	10.1%	151
Total	100.0%	1,488

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	30%	147
Of one-person households in 1BR units	50%	245
Of two-person households in 1BR units	30%	115
Of one-person households in 2BR units	20%	98
Of two-person households in 2BR units	70%	268
Of three-person households in 2BR units	60%	162
Of three-person households in 3BR units	40%	108
Of four-person households in 3BR units	80%	155
Of five-person households in 3BR units	70%	106
Of four-person households in 4BR units	20%	39
Of five-person households in 4BR units	30%	45
Total Demand		1,488
Total Demand by Bedroom		60%
0 BR		147
1 BR		360
2 BR		528
3 BR		369
4 BR		84
Total Demand		1,488
Additions To Supply 2015 to Prj Mrkt Entry January 2018		60%
0 BR		0
1 BR		9
2 BR		39
3 BR		22
4 BR		0
Total		70
Net Demand		60%
0 BR		147
1 BR		351
2 BR		489
3 BR		347
4 BR		84
Total		1,418
Developer's Unit Mix		60%
0 BR		2
1 BR		3
2 BR		7
3 BR		6
4 BR		3
Total		21
Capture Rate Analysis		60%
0 BR		1.4%
1 BR		0.9%
2 BR		1.4%
3 BR		1.7%
4 BR		3.6%
Total		1.5%

Conclusions

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

- The number of renter households in the PMA is expected to increase by 241 households between 2015 and the date of market entry.
- The Subject will continue to attract a wide range of household sizes in offering studio through four-bedroom units.
- Per 2016 DCA guidelines, our demand analysis does not account for leakage outside the PMA. In actuality, we expect that the Subject will experience a moderate leakage rate of 15 percent. As such, the demand analysis is conservative as this leakage factor is not included.

CAPTURE RATE ANALYSIS CHART - WITH SUBSIDIES

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
0BR - 50% AMI/Section 8	\$0-\$18,900	8	123	0	123	6.5%	6 months	\$649	\$649-\$649	\$472
1BR - 50% AMI/Section 8	\$0-\$21,600	11	301	15	286	3.8%	6 months	\$853	\$624-\$983	\$506
2BR - 50% AMI/Section 8	\$0-\$24,300	27	442	5	437	6.2%	6 months	\$1,025	\$740-\$1,158	\$607
3BR - 50% AMI/Section 8	\$0-\$29,150	20	308	0	308	6.5%	6 months	\$1,214	\$867-\$1,276	\$701
4BR - 50% AMI/Section 8	\$0-\$31,300	9	70	0	70	12.8%	6 months	\$1,109	\$850-\$1,500	\$782
Overall - 50% AMI/Section 8	\$0-\$31,300	75	1,245	20	1,225	6.1%	-	-	-	-
0BR - 60% AMI/Section 8	\$0-\$22,680	2	147	0	147	1.4%	6 months	\$649	\$649-\$649	\$512
1BR - 60% AMI/Section 8	\$0-\$25,920	3	360	9	351	0.9%	6 months	\$853	\$624-\$983	\$562
2BR - 60% AMI/Section 8	\$0-\$29,160	7	528	39	489	1.4%	6 months	\$1,025	\$740-\$1,158	\$676
3BR - 60% AMI/Section 8	\$0-\$34,980	6	369	22	347	1.7%	6 months	\$1,214	\$867-\$1,276	\$803
4BR - 60% AMI/Section 8	\$0-\$37,560	3	84	0	84	3.6%	6 months	\$1,109	\$850-\$1,500	\$936
Overall - 60% AMI/Section 8	\$0-\$37,560	21	1,488	70	1,418	1.5%	-	-	-	-

CAPTURE RATE ANALYSIS CHART - WITHOUT SUBSIDIES

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
0BR - 50% AMI	\$16,183-\$18,900	8	58	0	58	13.8%	6 months	\$649	\$649-\$649	\$472
1BR - 50% AMI	\$17,349-\$21,600	11	142	15	127	8.7%	6 months	\$853	\$624-\$983	\$506
2BR - 50% AMI	\$20,811-\$24,300	27	207	5	202	13.3%	6 months	\$1,025	\$740-\$1,158	\$607
3BR - 50% AMI	\$24,034-\$29,150	20	145	0	145	13.8%	6 months	\$1,214	\$867-\$1,276	\$701
4BR - 50% AMI	\$26,811-\$31,300	9	33	0	33	27.2%	6 months	\$1,109	\$850-\$1,500	\$782
Overall - 50% AMI	\$16,183-\$31,300	75	585	20	565	13.3%	-	-	-	-
0BR - 60% AMI	\$17,554-\$22,680	2	77	0	77	2.6%	6 months	\$649	\$649-\$649	\$512
1BR - 60% AMI	\$19,269-\$25,920	3	188	9	179	1.7%	6 months	\$853	\$624-\$983	\$562
2BR - 60% AMI	\$23,177-\$29,160	7	275	39	236	3.0%	6 months	\$1,025	\$740-\$1,158	\$676
3BR - 60% AMI	\$27,531-\$34,980	6	192	22	170	3.5%	6 months	\$1,214	\$867-\$1,276	\$803
4BR - 60% AMI	\$32,091-\$37,560	3	44	0	44	6.9%	6 months	\$1,109	\$850-\$1,500	\$936
Overall - 60% AMI	\$17,554-\$37,560	21	775	70	705	3.0%	-	-	-	-

Demand and Net Demand				
	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	HH at 50% AMI w/Section 8 (min to max income)	HH at 60% AMI w/Section 8 (min to max income)
Demand from New Households (age and income appropriate)	49	64	103	124
PLUS	+	+	+	
Demand from Existing Renter Households - Substandard Housing	9	12	19	23
PLUS	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	527	699	1,123	1,342
PLUS	+	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0	0
Sub Total	585	775	1,245	1,488
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0	0
Equals Total Demand	585	775	1,245	1,488
Less	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	90	90	90	90
Equals Net Demand	495	685	1,155	1,398

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level with Section 8 subsidies will range from 3.8 to 12.8 percent, with an overall capture rate of 6.1 percent. The Subject’s capture rates at the 60 percent AMI level with Section 8 subsidies will range from 0.9 to 3.6 percent, with an overall capture rate of 1.5 percent. Therefore, we believe there is more than adequate demand for the Subject.

The Subject’s capture rates at the 50 percent AMI level without Section 8 subsidies range from 8.7 to 27.2 percent with an overall capture rate of 13.3 percent. The capture rates at the 60 percent AMI level without Section 8 subsidies range from 1.7 to 6.9 percent with an overall capture rate of 3.0 percent.

DCA guidelines stipulate that capture rates for efficiency, one, two, three, and four-bedroom units must be below 30, 30, 30, 40, and 50 percent, respectively. Additionally, overall capture rates for the Subject property cannot exceed 35 percent. All of the capture rates illustrated in this analysis, with and without subsidy, are below the required thresholds per DCA guidelines.

H. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,498 units that are 97.9 percent occupied. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided later 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 data is considered good. There are 10 LIHTC properties in the PMA, six of which we selected as “true” comparables. The selected LIHTC properties are included in the following list of properties.

SURVEYED LIHTC COMPARABLES IN PMA			
Property Name	Address	Total Units*	Vacancy Rate
Ashton Landing	1701 Macon Rd	108	5.6%
Magnolia Terrace I	714 Green St	50	8.0%
Magnolia Terrace II	718 Green St	36	2.8%
Marvin Gardens I	301 Edward Ct	30	10.0%
Marvin Gardens II	101 Atlantic Ave	50	8.0%
The Reserve at Hampton	3460 Highway 341	60	0.0%
Total		334	5.4%

*Includes market rate units

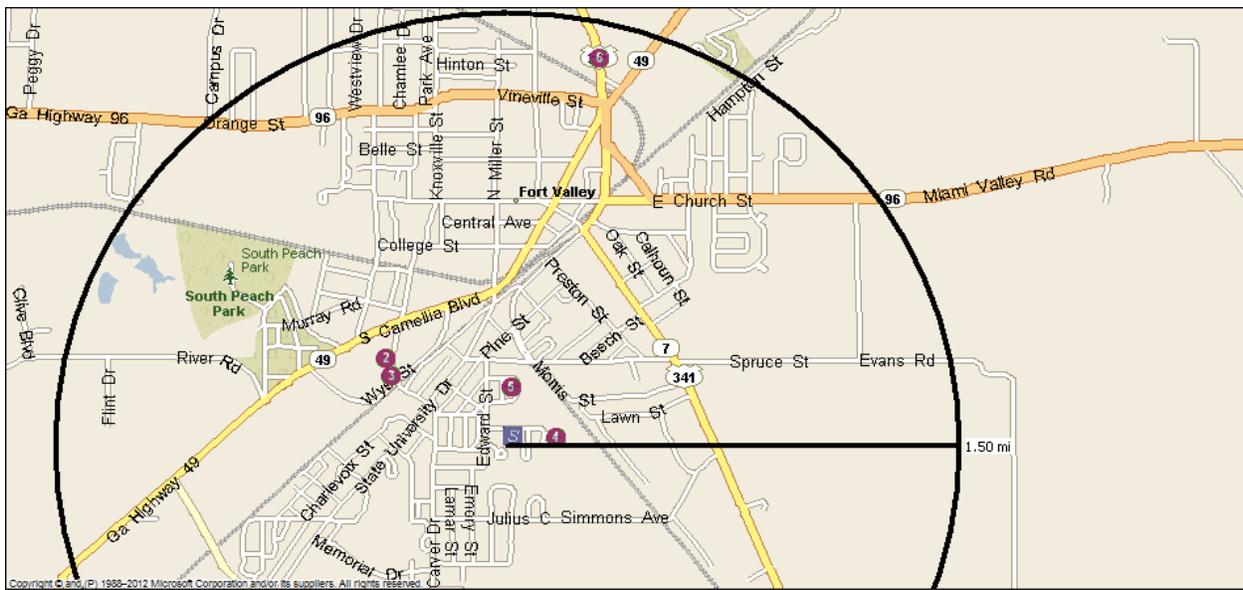
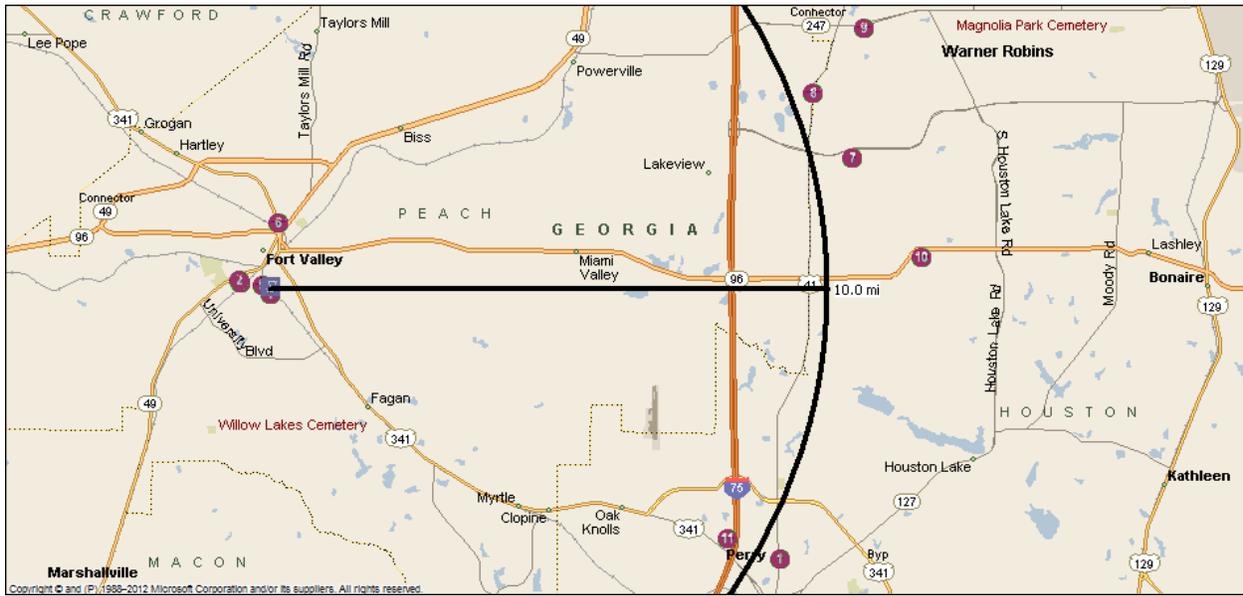
The availability of market rate data is also considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included five market rate properties in the rental analysis, and all are located in the PMA, within 12 miles of the Subject. These comparable market rate properties were built between the 1980s and 2006. These projects offer a mix of studio, one, two, and three-bedroom units. Four-bedroom market rate units are not available within the PMA or surrounding area. As such, we supplemented our analysis with four-bedroom single-family home rentals.

Excluded Properties

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

EXCLUDED PROPERTIES IN THE PMA							
Property Name	Address	City	Rent Structure	Reason for Exclusion	# of Units	Occupancy	Waiting List
College Square Apartments	1207 Edwards St	Fort Valley	LIHTC/Section 8	Subsidized	61	100.0%	Yes - 2 years
Indian Oaks Apartments	1103 E Church St	Fort Valley	Senior Section 8	Subsidized/Age-Restricted	150	94.0%	Yes - unknown length
Valley Pines I	104 Brooks Blvd	Fort Valley	Market Rate	Unstabilized	40	50.0%	None
Valley Pines III & IV	103 Brooks Blvd	Fort Valley	Rural Development	Subsidized	76	N/Av	Yes - unknown length
Westside Villas	108 Brooks Blvd	Fort Valley	Rural Development	Subsidized	44	100.0%	Yes - unknown length
Windsor Court	1201 Orange St	Fort Valley	Senior LIHTC	Age-Restricted	56	0.0%	None
Gatwick Senior Village	901 Perimeter Rd	Perry	Senior LIHTC	Age-Restricted	60	100.0%	Yes - unknown length
Cameron Court I & II	1807 Macon Rd	Perry	Senior LIHTC	Age-Restricted	112	100.0%	Yes - 16 households
Smith Heights Apartments	615A Smith Dr	Perry	Section 8	Subsidized	50	94.0%	Yes - 6-12 months
LaVista Apartments	615 Elberta St	Fort Valley	Market Rate	Could not reach	N/Av	N/Av	N/Av
Forrest Valley Apartments	400 Forest Dr	Fort Valley	Market Rate	Only 8 units	8.0%	100.0%	None
820 State University	820 State University	Fort Valley	Market Rate	Student Tenancy	36	97.2%	None
Walker Building	404 St. Luke's Ln	Fort Valley	Market Rate	Student Tenancy	10	N/Av	N/Av
Julius Simmons Apartments	701 Alabama Ave	Fort Valley	Market Rate	Could not reach	N/Av	N/Av	N/Av

Comparable Rental Property Maps



COMPARABLE PROPERTIES			
#	Property Name	Type	Distance
1	Ashton Landing	LIHTC	10.6 miles
2	Magnolia Terrace I	LIHTC/Market	0.5 miles
3	Magnolia Terrace II	LIHTC/Market	0.5 miles
4	Marvin Gardens I	LIHTC	0.1 miles
5	Marvin Gardens II	LIHTC	0.2 miles
6	The Reserve at Hampton	LIHTC	1.4 miles
7	Amber Place Apartments	Market	11.0 miles
8	Asbury Parke	Market	10.6 miles
9	Bradford Place	Market	12.0 miles
10	Lenox Pointe	Market	11.9 miles
11	Timberwood Apartments	Market	9.6 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	Max	Wait	Units Vacant	Vacancy Rate			
											(SF)	Rent?	List?				
1	Ashton Landing Apartments 1701 Macon Rd Perry, GA 31069 Houston County	10.6 miles	Garden (3 stories) 1999 / n/a	LIHTC	2BR / 2BA	3	2.8%	@ 50%	\$744	951	no	Yes	0	0.0%			
					2BR / 2BA	45	41.7%	@ 60%	\$844	951	no	Yes	0	0.0%			
					3BR / 2BA	3	2.8%	@ 50%	\$845	1,089	no	None	0	0.0%			
					3BR / 2BA	57	52.8%	@ 60%	\$960	1,089	no	None	6	10.5%			
										108	100.0%						6
2	Magnolia Terrace Phase I 714 Green St. Fort Valley, GA 31030 Peach County	0.5 miles	Duplex 2003 / n/a	LIHTC/HOME/ Market	1BR / 1BA	1	2.0%	@ 30% (HOME)	\$291	680	yes	Yes	0	0.0%			
					1BR / 1BA	1	2.0%	@ 50%	\$533	680	yes	No.	0	0.0%			
					1BR / 1BA	2	4.0%	@ 50% (HOME)	\$480	680	yes	No.	0	0.0%			
					1BR / 1BA	2	4.0%	@ 60% (HOME)	\$480	680	yes	Yes	0	0.0%			
					1BR / 1BA	2	4.0%	Market	\$624	680	n/a	No	0	0.0%			
					2BR / 2BA	1	2.0%	@ 30%	\$424	1,050	yes	No.	0	0.0%			
					2BR / 2BA	2	4.0%	@ 30% (HOME)	\$367	1,050	yes	No.	0	0.0%			
					2BR / 2BA	3	6.0%	@ 50%	\$632	1,050	yes	Yes	0	0.0%			
					2BR / 2BA	4	8.0%	@ 50% (HOME)	\$605	1,050	yes	Yes	1	25.0%			
					2BR / 2BA	12	24.0%	@ 60%	\$632	1,050	yes	No.	0	0.0%			
					2BR / 2BA	3	6.0%	@ 60% (HOME)	\$605	1,050	yes	No.	0	0.0%			
					2BR / 2BA	5	10.0%	Market	\$740	1,050	n/a	No	0	0.0%			
					3BR / 2BA	1	2.0%	@ 30% (HOME)	\$459	1,400	yes	Yes	0	0.0%			
					3BR / 2BA	7	14.0%	@ 50% (HOME)	\$762	1,400	yes	Yes	3	42.9%			
					3BR / 2BA	1	2.0%	@ 60% (HOME)	\$772	1,400	yes	Yes	0	0.0%			
3BR / 2BA	3	6.0%	Market	\$867	1,400	n/a	No	0	0.0%								
					50	100.0%						4	8.0%				
3	Magnolia Terrace Phase II 718 Green St. Fort Valley, GA 31030 Peach County	0.5 miles	Garden (2 stories) 2008 / n/a	LIHTC/Market	1BR / 1BA	2	5.6%	@ 50%	\$599	680	no	Yes	0	0.0%			
					1BR / 1BA	2	5.6%	Market	\$699	680	n/a	No	0	0.0%			
					2BR / 2BA	10	27.8%	@ 50%	\$677	1,050	no	Yes	0	0.0%			
					2BR / 2BA	3	8.3%	@ 60%	\$677	1,050	no	Yes	0	0.0%			
					2BR / 2BA	3	8.3%	Market	\$780	1,050	n/a	No	0	0.0%			
					3BR / 2BA	10	27.8%	@ 50%	\$802	1,400	no	Yes	0	0.0%			
					3BR / 2BA	3	8.3%	@ 60%	\$829	1,400	no	No	0	0.0%			
					3BR / 2BA	3	8.3%	Market	\$932	1,400	n/a	No	1	33.3%			
										36	100.0%						1
4	Marvin Gardens I 301 Edward Court Fort Valley, GA 31030 Peach County	0.1 miles	Duplex 1996 / n/a	LIHTC	2BR / 1BA	6	20.0%	@ 60%	\$593	750	no	Yes	1	16.7%			
					3BR / 1BA	22	73.3%	@ 60%	\$689	850	no	No	2	9.1%			
					4BR / 2BA	2	6.7%	@ 60%	\$844	950	no	No	0	0.0%			
										30	100.0%					3	10.0%
5	Marvin Gardens II 101 Atlantic Avenue Fort Valley, GA 31030 Peach County	0.2 miles	Duplex 1997 / n/a	LIHTC	2BR / 1BA	16	32.0%	@ 60%	\$593	750	no	Yes	2	12.5%			
					3BR / 1BA	30	60.0%	@ 60%	\$689	850	no	No	2	6.7%			
					4BR / 2BA	4	8.0%	@ 60%	\$844	950	no	No	0	0.0%			
										50	100.0%					4	8.0%
6	The Reserve At Hampton 3460 Hwy 341 Fort Valley, GA 31030 Peach County	1.4 miles	Garden (2 stories) 2015 / n/a	LIHTC	1BR / 1BA	1	1.7%	@ 50%	\$509	770	no	Yes	0	0.0%			
					1BR / 1BA	5	8.3%	@ 60%	\$569	769	no	Yes	0	0.0%			
					2BR / 2BA	3	5.0%	@ 50%	\$677	975	no	Yes	0	0.0%			
					2BR / 2.5BA	3	5.0%	@ 50%	\$677	1,075	no	Yes	0	0.0%			
					2BR / 2.5BA	28	46.7%	@ 60%	\$678	1,075	no	Yes	0	0.0%			
					3BR / 2BA	1	1.7%	@ 50%	\$777	1,229	no	Yes	0	0.0%			
					3BR / 2.5BA	1	1.7%	@ 50%	\$777	1,422	no	Yes	0	0.0%			
					3BR / 2.5BA	18	30.0%	@ 60%	\$777	1,422	no	Yes	0	0.0%			
										60	100.0%					0	0.0%
7	Amber Place Apartments 6080 Lakeview Road Warner Robins, GA 31088 Houston County	11 miles	Garden (2 stories) 2005-2007 / n/a	Market	1BR / 1BA	56	14.3%	Market	\$913	850	n/a	No	2	3.6%			
					1BR / 1BA	56	14.3%	Market	\$943	970	n/a	No	0	0.0%			
					2BR / 1BA	56	14.3%	Market	\$1,062	1,178	n/a	No	6	10.7%			
					2BR / 1BA	56	14.3%	Market	\$1,112	1,296	n/a	No	0	0.0%			
					2BR / 2BA	56	14.3%	Market	\$1,107	1,238	n/a	No	0	0.0%			
					2BR / 2BA	32	8.2%	Market	\$1,132	1,336	n/a	No	0	0.0%			
					2BR / 2BA	56	14.3%	Market	\$1,082	1,386	n/a	No	0	0.0%			
					3BR / 2BA	24	6.1%	Market	\$1,276	1,438	n/a	No	0	0.0%			
										392	100.0%					8	2.0%

Lakeview Apartments, Fort Valley, GA; Market Study

8	Asbury Parke 200 Crestview Church Rd Warner Robins, GA 31088 Houston County	10.6 miles	Garden (3 stories) 2014-2015 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$933	861	n/a	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$983	998	n/a	Yes	0	N/A
					2BR / 1BA	N/A	N/A	Market	\$1,083	1,178	n/a	Yes	0	N/A
					2BR / 1BA	N/A	N/A	Market	\$1,108	1,315	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,108	1,238	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,158	1,390	n/a	Yes	0	N/A
					224	100.0%								
9	Bradford Place 115 Tom Chapman Blvd Warner Robins, GA 31088 Houston County	12 miles	Garden (2 stories) 1998 / n/a	Market	1BR / 1BA	36	18.0%	Market	\$888	800	n/a	No	0	0.0%
					1BR / 1BA	12	6.0%	Market	\$959	900	n/a	No	0	0.0%
					2BR / 1BA	20	10.0%	Market	\$977	1,117	n/a	No	0	0.0%
					2BR / 1BA	20	10.0%	Market	\$1,018	1,212	n/a	No	0	0.0%
					2BR / 2BA	38	19.0%	Market	\$1,002	1,157	n/a	No	0	0.0%
					2BR / 2BA	38	19.0%	Market	\$1,037	1,223	n/a	No	0	0.0%
					2BR / 2BA	12	6.0%	Market	\$1,102	1,253	n/a	No	0	0.0%
					3BR / 2BA	12	6.0%	Market	\$1,194	1,332	n/a	No	1	8.3%
					3BR / 2BA	12	6.0%	Market	\$1,099	1,332	n/a	No	1	8.3%
					200	100.0%								
10	Lenox Pointe 2006 Karl Drive Warner Robins, GA 31088 Houston County	11.9 miles	Garden (3 stories) 2006 / 2012	Market	1BR / 1BA	96	33.3%	Market	\$859	853	n/a	No	0	0.0%
					2BR / 2BA	96	33.3%	Market	\$1,059	1,350	n/a	No	0	0.0%
					3BR / 2BA	96	33.3%	Market	\$1,235	1,540	n/a	No	2	2.1%
288	100.0%									2	0.7%			
11	Timberwood Apartments 710 Mason Terrace Perry, GA 31069 Houston County	9.6 miles	One-story 1980s / n/a	Market	Studio / 1BA	N/A	N/A	Market	\$649	288	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$727	576	n/a	No	1	N/A
					2BR / 1BA	N/A	N/A	Market	\$882	864	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$933	864	n/a	No	1	N/A
					60	100.0%								

Lakeview Apartments, Fort Valley, GA; Market Study

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.												
Effective Rent Date:		Feb-16		Units Surveyed:		1,498		Weighted Occupancy:		97.9%		
		Market Rate		1,164		Market Rate		98.8%				
		Tax Credit		334		Tax Credit		94.6%				
Studio One Bath			One Bedroom One Bath			Two Bedrooms One Bath			Three Bedrooms Two Bath		Four Bedrooms Two Bath	
Property		Average	Property		Average	Property		Average	Property		Average	
RENT	Timberwood Apartments	\$649	Asbury Parke	\$983	Amber Place Apartments	\$1,112	Amber Place Apartments	\$1,276	Lakeview Apartments * (60%)	\$936		
	Lakeview Apartments * (60%)	\$512	Bradford Place	\$959	Asbury Parke	\$1,108	LenoxPointe	\$1,235	Marvin Gardens I * (60%)	\$844		
	Lakeview Apartments * (50%)	\$473	Amber Place Apartments	\$943	Asbury Parke	\$1,083	Bradford Place	\$1,194	Marvin Gardens II * (60%)	\$844		
			Asbury Parke	\$933	Amber Place Apartments	\$1,062	Bradford Place	\$1,099	Lakeview Apartments * (50%)	\$785		
			Amber Place Apartments	\$913	LenoxPointe (2BA)	\$1,059	Ashton Landing Apartments * (60%)	\$960				
			Bradford Place	\$888	Bradford Place	\$1,018	Magnolia Terrace Phase II * (M)	\$932				
			LenoxPointe	\$859	Bradford Place	\$977	Magnolia Terrace Phase I * (M)	\$867				
			Timberwood Apartments	\$727	Timberwood Apartments	\$882	Ashton Landing Apartments * (50%)	\$845				
			Magnolia Terrace Phase II * (M)	\$699	Ashton Landing Apartments * (2BA 60%)	\$844	Magnolia Terrace Phase II * (60%)	\$829				
			Magnolia Terrace Phase I * (M)	\$624	Magnolia Terrace Phase II * (2BA M)	\$780	Lakeview Apartments * (60%)	\$803				
			Magnolia Terrace Phase II * (50%)	\$599	Ashton Landing Apartments * (2BA 50%)	\$744	Magnolia Terrace Phase II * (50%)	\$802				
			The Reserve At Hampton * (60%)	\$569	Magnolia Terrace Phase I * (2BA M)	\$740	The Reserve At Hampton * (50%)	\$777				
			Lakeview Apartments * (60%)	\$562	Magnolia Terrace Phase II * (2BA 50%)	\$677	Magnolia Terrace Phase I * (60%)	\$772				
			Magnolia Terrace Phase I * (50%)	\$533	Magnolia Terrace Phase II * (2BA 60%)	\$677	Magnolia Terrace Phase I * (50%)	\$762				
			The Reserve At Hampton * (50%)	\$509	The Reserve At Hampton * (2BA 50%)	\$677	Lakeview Apartments * (50%)	\$703				
			Lakeview Apartments * (50%)	\$507	Lakeview Apartments * (60%)	\$676	Marvin Gardens I * (1BA 60%)	\$689				
			Magnolia Terrace Phase I * (50%)	\$480	Magnolia Terrace Phase I * (2BA 50%)	\$632	Marvin Gardens II * (1BA 60%)	\$689				
			Magnolia Terrace Phase I * (60%)	\$480	Magnolia Terrace Phase I * (2BA 60%)	\$632	Magnolia Terrace Phase I * (30%)	\$459				
			Magnolia Terrace Phase I * (30%)	\$291	Lakeview Apartments * (50%)	\$608						
					Magnolia Terrace Phase I * (2BA 50%)	\$605						
					Magnolia Terrace Phase I * (2BA 60%)	\$605						
					Marvin Gardens I * (60%)	\$593						
					Marvin Gardens II * (60%)	\$593						
					Magnolia Terrace Phase I * (2BA 30%)	\$424						
					Magnolia Terrace Phase I * (2BA 30%)	\$367						
	SQUARE FOOTAGE	Lakeview Apartments * (50%)	506	Asbury Parke	998	LenoxPointe (2BA)	1,350	LenoxPointe	1,540	Lakeview Apartments * (50%)	1,095	
		Lakeview Apartments * (60%)	506	Amber Place Apartments	970	Asbury Parke	1,315	Amber Place Apartments	1,438	Lakeview Apartments * (60%)	1,095	
		Timberwood Apartments	288	Bradford Place	900	Amber Place Apartments	1,296	Magnolia Terrace Phase I * (30%)	1,400	Marvin Gardens I * (60%)	950	
				Asbury Parke	861	Bradford Place	1,212	Magnolia Terrace Phase I * (50%)	1,400	Marvin Gardens II * (60%)	950	
				LenoxPointe	853	Amber Place Apartments	1,178	Magnolia Terrace Phase I * (60%)	1,400			
			Amber Place Apartments	850	Asbury Parke	1,178	Magnolia Terrace Phase I * (M)	1,400				
			Bradford Place	800	Bradford Place	1,117	Magnolia Terrace Phase II * (50%)	1,400				
			The Reserve At Hampton * (50%)	770	Magnolia Terrace Phase I * (2BA 30%)	1,050	Magnolia Terrace Phase II * (60%)	1,400				
			The Reserve At Hampton * (60%)	769	Magnolia Terrace Phase I * (2BA 30%)	1,050	Magnolia Terrace Phase II * (M)	1,400				
			Magnolia Terrace Phase I * (30%)	680	Magnolia Terrace Phase I * (2BA 50%)	1,050	Bradford Place	1,332				
			Magnolia Terrace Phase I * (50%)	680	Magnolia Terrace Phase I * (2BA 50%)	1,050	Bradford Place	1,332				
			Magnolia Terrace Phase I * (50%)	680	Magnolia Terrace Phase I * (2BA 60%)	1,050	The Reserve At Hampton * (50%)	1,229				
			Magnolia Terrace Phase I * (60%)	680	Magnolia Terrace Phase I * (2BA 60%)	1,050	Ashton Landing Apartments * (50%)	1,089				
			Magnolia Terrace Phase I * (M)	680	Magnolia Terrace Phase I * (2BA M)	1,050	Ashton Landing Apartments * (60%)	1,089				
			Magnolia Terrace Phase II * (50%)	680	Magnolia Terrace Phase II * (2BA 50%)	1,050	Lakeview Apartments * (50%)	1,025				
			Magnolia Terrace Phase II * (M)	680	Magnolia Terrace Phase II * (2BA 60%)	1,050	Lakeview Apartments * (60%)	1,025				
			Lakeview Apartments * (50%)	660	Magnolia Terrace Phase II * (2BA M)	1,050	Marvin Gardens I * (1BA 60%)	850				
			Lakeview Apartments * (60%)	660	The Reserve At Hampton * (2BA 50%)	975	Marvin Gardens II * (1BA 60%)	850				
			Timberwood Apartments	576	Ashton Landing Apartments * (2BA 50%)	951						
					Ashton Landing Apartments * (2BA 60%)	951						
					Lakeview Apartments * (50%)	914						
					Lakeview Apartments * (60%)	914						
					Timberwood Apartments	864						
					Marvin Gardens I * (60%)	750						
					Marvin Gardens II * (60%)	750						
RENT PER SQUAREFOOT		Timberwood Apartments	\$2.25	Timberwood Apartments	\$1.26	Timberwood Apartments	\$1.02	Bradford Place	\$0.90	Marvin Gardens I * (60%)	\$0.89	
		Lakeview Apartments * (60%)	\$1.01	Bradford Place	\$1.11	Asbury Parke	\$0.92	Amber Place Apartments	\$0.89	Marvin Gardens II * (60%)	\$0.89	
		Lakeview Apartments * (50%)	\$0.93	Asbury Parke	\$1.08	Amber Place Apartments	\$0.90	Ashton Landing Apartments * (60%)	\$0.88	Lakeview Apartments * (60%)	\$0.85	
				Amber Place Apartments	\$1.07	Ashton Landing Apartments * (2BA 60%)	\$0.89	Bradford Place	\$0.83	Lakeview Apartments * (50%)	\$0.72	
				Bradford Place	\$1.07	Bradford Place	\$0.87	Marvin Gardens I * (1BA 60%)	\$0.81			
			Magnolia Terrace Phase II * (M)	\$1.03	Amber Place Apartments	\$0.86	Marvin Gardens II * (1BA 60%)	\$0.81				
			LenoxPointe	\$1.01	Asbury Parke	\$0.84	LenoxPointe	\$0.80				
			Asbury Parke	\$0.98	Bradford Place	\$0.84	Lakeview Apartments * (60%)	\$0.78				
			Amber Place Apartments	\$0.97	Marvin Gardens I * (60%)	\$0.79	Ashton Landing Apartments * (50%)	\$0.78				
			Magnolia Terrace Phase I * (M)	\$0.92	Marvin Gardens II * (60%)	\$0.79	Lakeview Apartments * (50%)	\$0.69				
			Magnolia Terrace Phase II * (50%)	\$0.88	LenoxPointe (2BA)	\$0.78	Magnolia Terrace Phase II * (M)	\$0.67				
			Lakeview Apartments * (60%)	\$0.85	Ashton Landing Apartments * (2BA 50%)	\$0.78	The Reserve At Hampton * (50%)	\$0.63				
			Magnolia Terrace Phase I * (50%)	\$0.78	Magnolia Terrace Phase II * (2BA M)	\$0.74	Magnolia Terrace Phase I * (M)	\$0.62				
			Lakeview Apartments * (50%)	\$0.77	Lakeview Apartments * (60%)	\$0.74	Magnolia Terrace Phase II * (60%)	\$0.59				
			The Reserve At Hampton * (60%)	\$0.74	Magnolia Terrace Phase I * (2BA M)	\$0.70	Magnolia Terrace Phase II * (50%)	\$0.57				
			Magnolia Terrace Phase I * (50%)	\$0.71	The Reserve At Hampton * (2BA 50%)	\$0.69	Magnolia Terrace Phase I * (60%)	\$0.55				
			Magnolia Terrace Phase I * (60%)	\$0.71	Lakeview Apartments * (50%)	\$0.67	Magnolia Terrace Phase I * (50%)	\$0.54				
			The Reserve At Hampton * (50%)	\$0.66	Magnolia Terrace Phase II * (2BA 50%)	\$0.64	Magnolia Terrace Phase I * (30%)	\$0.33				
			Magnolia Terrace Phase I * (30%)	\$0.43	Magnolia Terrace Phase II * (2BA 60%)	\$0.64						
					Magnolia Terrace Phase I * (2BA 50%)	\$0.60						
					Magnolia Terrace Phase I * (2BA 60%)	\$0.60						
					Magnolia Terrace Phase I * (2BA 50%)	\$0.58						
					Magnolia Terrace Phase I * (2BA 60%)	\$0.58						
					Magnolia Terrace Phase I * (2BA 30%)	\$0.40						
					Magnolia Terrace Phase I * (2BA 30%)	\$0.35						

PROPERTY PROFILE REPORT

Ashton Landing Apartments

Effective Rent Date	2/25/2016
Location	1701 Macon Rd Perry, GA 31069 Houston County
Distance	10.6 miles
Units	108
Vacant Units	6
Vacancy Rate	5.6%
Type	Garden (3 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Winslow Place, Houston Community Apartments
Tenant Characteristics	employees of Perdu Farms, Frito Lay and Walmart; most come from out of state, some from Macon and Atlanta area; 15 percent seniors
Contact Name	Rena
Phone	(478) 988-0917



Market Information

Program	@50%, @60%
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	Pre-leased 1-2 weeks
Annual Chg. in Rent	0%
Concession	\$99 off 1st mo. 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
2	2	Garden (3 stories)	3	951	\$530	\$8	@50%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	45	951	\$630	\$8	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	3	1,089	\$580	\$8	@50%	None	0	0.0%	no	None
3	2	Garden (3 stories)	57	1,089	\$695	\$8	@60%	None	6	10.5%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$530	\$8	\$522	\$222	\$744	2BR / 2BA	\$630	\$8	\$622	\$222	\$844
3BR / 2BA	\$580	\$8	\$572	\$273	\$845	3BR / 2BA	\$695	\$8	\$687	\$273	\$960

Ashton Landing Apartments, continued

Amenities

In-Unit

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

Blinds
Central A/C
Ceiling Fan
Oven
Walk-In Closet

Security

Patrol
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Playground

Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The waiting list is approximately 10 households.

Ashton Landing Apartments, continued

Trend Report

Vacancy Rates

2Q09	2Q12	2Q15	1Q16
6.5%	1.9%	11.1%	5.6%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$450	\$0	\$450	\$672
2012	2	0.0%	\$450	\$0	\$450	\$672
2015	2	0.0%	\$530	\$0	\$530	\$752
2016	1	0.0%	\$530	\$8	\$522	\$744

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$575	\$0	\$575	\$797
2012	2	0.0%	\$600	\$0	\$600	\$822
2015	2	13.3%	\$630	\$105	\$525	\$747
2016	1	0.0%	\$630	\$8	\$622	\$844

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$500	\$145	\$355	\$628
2012	2	0.0%	\$550	\$0	\$550	\$823
2015	2	0.0%	\$580	\$0	\$580	\$853
2016	1	0.0%	\$580	\$8	\$572	\$845

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$625	\$300	\$325	\$598
2012	2	3.5%	\$675	\$0	\$675	\$948
2015	2	10.5%	\$695	\$116	\$579	\$852
2016	1	10.5%	\$695	\$8	\$687	\$960

Trend: Comments

- 2Q09** There are two options for the concession. The first is a three-bedroom for the price of a two-bedroom unit and the first and second month for free. The second is a three-bedroom rent of \$480 and a two to three-month prorated rent free (versus a free first and second month). The contact reported that the property is 94 percent occupied and 100 percent pre-leased. Due to the state of the economy, tenants have opted to rent private single-family home rentals, which have increased in supply as a result of the housing slump. Occupancy at the property had dropped to as low as 79 percent in August or September 2008.
- 2Q12** Management indicated that rents are not at the maximum allowable levels but was unable to provide an explanation as to why. A waiting list is not maintained by the property but it is not because of a lack of demand, instead it is because turnover is relatively low and by the time a unit becomes vacant typically the interested households on the waiting list have found somewhere else to live.
- 2Q15** Contact stated that they are currently running a move-in special of two months free for the two and three-bedroom 60 percent units. The two-bedroom units at 50 percent AMI have seen an 18 percent increase in rents since 2Q12, whereas the two-bedroom at 60 percent and the three-bedroom at 50 percent saw a five percent increase, and the three-bedroom at 60 saw a three percent increase. The property manager indicated that typical occupancy ranges from 90 to 95 percent, and the current number of vacancies is atypically high. The contact added that there have been many move-outs in recent months, with several tenants purchasing homes.
- 1Q16** The waiting list is approximately 10 households.

PROPERTY PROFILE REPORT

Magnolia Terrace Phase I

Effective Rent Date 3/01/2016
Location 714 Green St.
 Fort Valley, GA 31030
 Peach County
Distance 0.5 miles
Units 50
Vacant Units 4
Vacancy Rate 8.0%
Type Duplex
Year Built/Renovated 2003 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Peach County residents, 30% students, 50% families, 20% seniors
Contact Name Carla
Phone (478) 825-3040



Market Information

Program @30%, @30% (HOME), @50%, @50%
Annual Turnover Rate 15%
Units/Month Absorbed N/A
HCV Tenants 8%
Leasing Pace Pre-leased to 3 weeks
Annual Chg. in Rent 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 not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Duplex	1	680	\$159	\$0	@30% (HOME)	Yes	0	0.0%	yes	None
1	1	Duplex	1	680	\$401	\$0	@50%	No.	0	0.0%	yes	None
1	1	Duplex	2	680	\$348	\$0	@50% (HOME)	No.	0	0.0%	yes	None
1	1	Duplex	2	680	\$348	\$0	@60% (HOME)	Yes	0	0.0%	yes	None
1	1	Duplex	2	680	\$492	\$0	Market	No	0	0.0%	N/A	None
2	2	Duplex	1	1,050	\$264	\$0	@30%	No.	0	0.0%	yes	None
2	2	Duplex	2	1,050	\$207	\$0	@30% (HOME)	No.	0	0.0%	yes	None
2	2	Duplex	3	1,050	\$472	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Duplex	4	1,050	\$445	\$0	@50% (HOME)	Yes	1	25.0%	yes	None
2	2	Duplex	12	1,050	\$472	\$0	@60%	No.	0	0.0%	yes	None
2	2	Duplex	3	1,050	\$445	\$0	@60% (HOME)	No.	0	0.0%	yes	None
2	2	Duplex	5	1,050	\$580	\$0	Market	No	0	0.0%	N/A	None
3	2	Duplex	1	1,400	\$267	\$0	@30% (HOME)	Yes	0	0.0%	yes	None
3	2	Duplex	7	1,400	\$570	\$0	@50% (HOME)	Yes	3	42.9%	yes	None
3	2	Duplex	1	1,400	\$580	\$0	@60% (HOME)	Yes	0	0.0%	yes	None
3	2	Duplex	3	1,400	\$675	\$0	Market	No	0	0.0%	N/A	None

Magnolia Terrace Phase I, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$159	\$0	\$159	\$132	\$291	1BR / 1BA	\$348 - \$401	\$0	\$348 - \$401	\$132	\$480 - \$533
2BR / 2BA	\$207 - \$264	\$0	\$207 - \$264	\$160	\$367 - \$424	2BR / 2BA	\$445 - \$472	\$0	\$445 - \$472	\$160	\$605 - \$632
3BR / 2BA	\$267	\$0	\$267	\$192	\$459	3BR / 2BA	\$570	\$0	\$570	\$192	\$762
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$348	\$0	\$348	\$132	\$480	1BR / 1BA	\$492	\$0	\$492	\$132	\$624
2BR / 2BA	\$445 - \$472	\$0	\$445 - \$472	\$160	\$605 - \$632	2BR / 2BA	\$580	\$0	\$580	\$160	\$740
3BR / 2BA	\$580	\$0	\$580	\$192	\$772	3BR / 2BA	\$675	\$0	\$675	\$192	\$867

Amenities

In-Unit

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

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

Security

Patrol

Services

None

Property

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

Clubhouse/Meeting
 Exercise Facility
 Off-Street Parking
 Picnic Area

Premium

None

Other

None

Comments

The contact stated the waiting list is one to two months.

Magnolia Terrace Phase I, continued

Trend Report

Vacancy Rates

2Q12	3Q13	2Q15	1Q16
10.0%	10.0%	2.0%	8.0%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$228	\$0	\$228	\$360
2013	3	0.0%	\$228	\$0	\$228	\$360
2015	2	0.0%	\$228	\$0	\$228	\$360
2016	1	0.0%	\$159	\$0	\$159	\$291

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$264	\$0	\$264	\$424
2013	3	0.0%	\$264	\$0	\$264	\$424
2015	2	0.0%	\$264	\$0	\$264	\$424
2016	1	0.0%	\$207 - \$264	\$0	\$207 - \$264	\$367 - \$424

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$293	\$0	\$293	\$485
2013	3	0.0%	\$293	\$0	\$293	\$485
2015	2	0.0%	\$293	\$0	\$293	\$485
2016	1	0.0%	\$267	\$0	\$267	\$459

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	50.0%	\$401	\$0	\$401	\$533
2013	3	100.0%	\$401	\$0	\$401	\$533
2015	2	0.0%	\$401	\$0	\$401	\$533
2016	1	0.0%	\$348	\$0	\$348	\$480

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	14.3%	\$472	\$0	\$472	\$632
2013	3	6.7%	\$472	\$0	\$472	\$632
2015	2	0.0%	\$472	\$0	\$472	\$632
2016	1	0.0%	\$445 - \$472	\$0	\$445 - \$472	\$605 - \$632

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$597	\$0	\$597	\$789
2013	3	0.0%	\$580	\$0	\$580	\$772
2015	2	0.0%	\$580	\$0	\$580	\$772
2016	1	0.0%	\$580	\$0	\$580	\$772

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	33.3%	\$401	\$0	\$401	\$533
2013	3	0.0%	\$401	\$0	\$401	\$533
2015	2	0.0%	\$401	\$0	\$401	\$533
2016	1	0.0%	\$348 - \$401	\$0	\$348 - \$401	\$480 - \$533

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	6.7%	\$472	\$0	\$472	\$632
2013	3	14.3%	\$472	\$0	\$472	\$632
2015	2	0.0%	\$472	\$0	\$472	\$632
2016	1	14.3%	\$445 - \$472	\$0	\$445 - \$472	\$605 - \$632

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	14.3%	\$580	\$0	\$580	\$772
2013	3	14.3%	\$580	\$0	\$580	\$772
2015	2	0.0%	\$580	\$0	\$580	\$772
2016	1	42.9%	\$570	\$0	\$570	\$762

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$492	\$0	\$492	\$624
2013	3	0.0%	\$492	\$0	\$492	\$624
2015	2	0.0%	\$492	\$0	\$492	\$624
2016	1	0.0%	\$492	\$0	\$492	\$624

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$567	\$0	\$567	\$727
2013	3	0.0%	\$567	\$0	\$567	\$727
2015	2	20.0%	\$580	\$0	\$580	\$740
2016	1	0.0%	\$580	\$0	\$580	\$740

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$657	\$0	\$657	\$849
2013	3	0.0%	\$657	\$0	\$657	\$849
2015	2	0.0%	\$675	\$0	\$675	\$867
2016	1	0.0%	\$675	\$0	\$675	\$867

Magnolia Terrace Phase I, continued

Trend: Comments

- 2Q12** The property is 90 percent occupied and 100 percent leased. Management indicated that a considerable portion of the tenants are students who qualify as they are work-study students. The property had crime issues due to a former tenant (break ins), which was a detrimental influence to leasing. However, this household was evicted and leasing has recovered. This property is located adjacent to Phase II, which offers newer garden-style units. However, this property has an advantage as a single-story duplex property as some tenants prefer the single-story design. Management reported that the property has maintained an occupancy rate ranging from 94 to 96 percent over the past three years. There is limited rental housing in Fort Valley that is not targeted towards students and that is not substandard. Therefore, the property faces limited competition.
- 3Q13** Management reported that approximately six households are currently waiting for market rate units only. Management stated that a considerable portion of the tenants are students who qualify for the LIHTC units as work-study students. This property is located adjacent to Magnolia Terrace Phase II, which offers newer garden-style units. However, management reported this property has an advantage as a single-story duplex development, as many tenants prefer the single-story design. Management reported that there is limited rental housing in Fort Valley that is not targeted towards students or that is not in sub-standard condition, and the property faces limited competition.
- 2Q15** Contact stated that they currently maintain a waiting list for the LIHTC units. The one-bedroom units have one household on the waiting list, the two-bedroom units have seven, and the three-bedrooms have three households. The property accepts Housing Choice Vouchers and currently has four units utilizing vouchers. The property has low turnover and is usually only experienced in the units that are occupied by students.
- 1Q16** The contact stated the waiting list is one to two months.

PROPERTY PROFILE REPORT

Magnolia Terrace Phase II

Effective Rent Date 3/01/2016
Location 718 Green St.
 Fort Valley, GA 31030
 Peach County
Distance 0.5 miles
Units 36
Vacant Units 1
Vacancy Rate 2.8%
Type Garden (2 stories)
Year Built/Renovated 2008 / N/A
Marketing Began N/A
Leasing Began 10/23/2008
Last Unit Leased 12/31/2013
Major Competitors None identified
Tenant Characteristics Mixed tenancy, 1/3 students
Contact Name Carla
Phone 478-825-3040



Market Information

Program @50%, @60%, Market
Annual Turnover Rate 15%
Units/Month Absorbed 9
HCV Tenants 8%
Leasing Pace Pre-leased to 3 weeks
Annual Chg. in Rent 2% increase.
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 not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	680	\$467	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	2	680	\$567	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	10	1,050	\$517	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	3	1,050	\$517	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	3	1,050	\$620	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	10	1,400	\$610	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,400	\$637	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,400	\$740	\$0	Market	No	1	33.3%	N/A	None

Magnolia Terrace Phase II, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$467	\$0	\$467	\$132	\$599	2BR / 2BA	\$517	\$0	\$517	\$160	\$677
2BR / 2BA	\$517	\$0	\$517	\$160	\$677	3BR / 2BA	\$637	\$0	\$637	\$192	\$829
3BR / 2BA	\$610	\$0	\$610	\$192	\$802						

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$567	\$0	\$567	\$132	\$699
2BR / 2BA	\$620	\$0	\$620	\$160	\$780
3BR / 2BA	\$740	\$0	\$740	\$192	\$932

Amenities

In-Unit

Blinds	Carpeting
Central A/C	Coat Closet
Dishwasher	Ceiling Fan
Garbage Disposal	Microwave
Oven	Refrigerator
Walk-In Closet	Washer/Dryer hookup

Security

None

Services

None

Property

Business Center/Computer Lab	Clubhouse/Meeting
Courtyard	Exercise Facility
Central Laundry	Off-Street Parking
On-Site Management	Picnic Area
Playground	

Premium

None

Other

None

Comments

Contact indicated a total of 12 households were on the waiting list.

Magnolia Terrace Phase II, continued

Trend Report

Vacancy Rates

2Q12	3Q13	2Q15	1Q16
2.8%	0.0%	2.8%	2.8%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$427	\$0	\$427	\$559
2013	3	0.0%	\$447	\$0	\$447	\$579
2015	2	0.0%	\$457	\$0	\$457	\$589
2016	1	0.0%	\$467	\$0	\$467	\$599

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	10.0%	\$477	\$0	\$477	\$637
2013	3	0.0%	\$497	\$0	\$497	\$657
2015	2	0.0%	\$507	\$0	\$507	\$667
2016	1	0.0%	\$517	\$0	\$517	\$677

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$580	\$0	\$580	\$772
2013	3	0.0%	\$600	\$0	\$600	\$792
2015	2	0.0%	\$610	\$0	\$610	\$802
2016	1	0.0%	\$610	\$0	\$610	\$802

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$477	\$0	\$477	\$637
2013	3	0.0%	\$497	\$0	\$497	\$657
2015	2	0.0%	\$507	\$0	\$507	\$667
2016	1	0.0%	\$517	\$0	\$517	\$677

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$597	\$0	\$597	\$789
2013	3	0.0%	\$617	\$0	\$617	\$809
2015	2	33.3%	\$627	\$0	\$627	\$819
2016	1	0.0%	\$637	\$0	\$637	\$829

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$527	\$0	\$527	\$659
2013	3	0.0%	\$497	\$0	\$497	\$629
2015	2	0.0%	\$557	\$0	\$557	\$689
2016	1	0.0%	\$567	\$0	\$567	\$699

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$577	\$0	\$577	\$737
2013	3	0.0%	\$597	\$0	\$597	\$757
2015	2	0.0%	\$610	\$0	\$610	\$770
2016	1	0.0%	\$620	\$0	\$620	\$780

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$677	\$0	\$677	\$869
2013	3	0.0%	\$697	\$0	\$697	\$889
2015	2	0.0%	\$720	\$0	\$720	\$912
2016	1	33.3%	\$740	\$0	\$740	\$932

Magnolia Terrace Phase II, continued

Trend: Comments

- 2Q12** Management reported strong demand for affordable units in rental market. There is currently 13 households on waiting list.
- 3Q13** Management reported strong demand for affordable units in the Fort Valley rental market. There are currently nine households on the waiting list. Management reported rents on all units increased between three and five percent in the past year, with exception to the one-bedroom market units which decreased six percent.
- 2Q15** Contact stated that they currently maintain a short waiting list for the LIHTC units. The property accepts Housing Choice Vouchers and currently has four units utilizing vouchers. All of the units have seen rent increases since 3Q13. The LIHTC units have increased two percent, the market one-bedroom has increased 12 percent, the market two-bedroom has increased two percent, and the market three-bedroom has increased three percent.
- 1Q16** Contact indicated a total of 12 households were on the waiting list.

Marvin Gardens I, continued

Comments

The contact indicated the waiting list is 6-9 months long.

Marvin Gardens I, continued

Trend Report

Vacancy Rates

2Q12	3Q13	2Q15	1Q16
5.0%	16.7%	20.0%	10.0%

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$350	\$0	\$350	\$593
2013	3	16.7%	\$350	\$0	\$350	\$593
2015	2	0.0%	\$350	\$0	\$350	\$593
2016	1	16.7%	\$350	\$0	\$350	\$593

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	7.3%	\$390	\$0	\$390	\$684
2013	3	13.6%	\$390	\$0	\$390	\$684
2015	2	9.1%	\$390	\$0	\$390	\$684
2016	1	9.1%	\$395	\$0	\$395	\$689

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	0.0%	\$480	\$0	\$480	\$844
2013	3	50.0%	\$480	\$0	\$480	\$844
2015	2	200.0%	\$480	\$0	\$480	\$844
2016	1	0.0%	\$480	\$0	\$480	\$844

Trend: Comments

2Q12	No additional comments at this time.
3Q13	No additional comments.
2Q15	Contact stated that the two-bedroom units have a short waiting list. Each unit is assigned two reserved parking spaces.
1Q16	The contact indicated the waiting list is 6-9 months long.

Marvin Gardens II, continued

Trend Report

Vacancy Rates

2Q12	3Q13	2Q15	1Q16
4.0%	12.0%	8.0%	8.0%

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$350	\$0	\$350	\$593
2013	3	12.5%	\$350	\$0	\$350	\$593
2015	2	0.0%	\$350	\$0	\$350	\$593
2016	1	12.5%	\$350	\$0	\$350	\$593

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$390	\$0	\$390	\$684
2013	3	6.7%	\$390	\$0	\$390	\$684
2015	2	6.7%	\$390	\$0	\$390	\$684
2016	1	6.7%	\$395	\$0	\$395	\$689

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$480	\$0	\$480	\$844
2013	3	50.0%	\$480	\$0	\$480	\$844
2015	2	50.0%	\$480	\$0	\$480	\$844
2016	1	0.0%	\$480	\$0	\$480	\$844

Trend: Comments

2Q12 No additional comments at this time.

3Q13 No additional comments.

2Q15 Contact stated that they have a short waiting list for the two-bedroom units. Each unit is assigned two reserved parking spaces.

1Q16 The contact indicated that the waiting list is approximately 6-9 months long.

PROPERTY PROFILE REPORT

The Reserve At Hampton

Effective Rent Date	3/09/2016
Location	3460 Hwy 341 Fort Valley, GA 31030 Peach County
Distance	1.4 miles
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	3/01/2015
Leasing Began	N/A
Last Unit Leased	7/01/2015
Major Competitors	Indian Oaks and Magnolia
Tenant Characteristics	Mixed. Contains both families and seniors.
Contact Name	Elizabeth
Phone	478-238-9490



Market Information

Program	@50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	20
HCV Tenants	13%
Leasing Pace	N/A
Annual Chg. in Rent	N/A
Concession	N/A

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	770	\$311	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	5	769	\$371	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	3	975	\$434	\$0	@50%	Yes	0	0.0%	no	None
2	2.5	Garden (2 stories)	3	1,075	\$434	\$0	@50%	Yes	0	0.0%	no	None
2	2.5	Garden (2 stories)	28	1,075	\$435	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	1	1,229	\$483	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	1	1,422	\$483	\$0	@50%	Yes	0	0.0%	no	None
3	2.5	Garden (2 stories)	18	1,422	\$483	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$311	\$0	\$311	\$198	\$509	1BR / 1BA	\$371	\$0	\$371	\$198	\$569
2BR / 2BA	\$434	\$0	\$434	\$243	\$677	2BR / 2.5BA	\$435	\$0	\$435	\$243	\$678
2BR / 2.5BA	\$434	\$0	\$434	\$243	\$677	3BR / 2.5BA	\$483	\$0	\$483	\$294	\$777
3BR / 2BA	\$483	\$0	\$483	\$294	\$777						
3BR / 2.5BA	\$483	\$0	\$483	\$294	\$777						

The Reserve At Hampton, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Pull Cords

Security

None

Services

None

Property

Courtyard
Off-Street Parking
Picnic Area

Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The property manager said the property began accepting applications in March of 2015. The first tenants moved in on the first of July, and the property was completely filled by October. The waiting list is 25-30 households long.

Photos



PROPERTY PROFILE REPORT

Amber Place Apartments

Effective Rent Date	3/07/2016
Location	6080 Lakeview Road Warner Robins, GA 31088 Houston County
Distance	11 miles
Units	392
Vacant Units	8
Vacancy Rate	2.0%
Type	Garden (2 stories)
Year Built/Renovated	2005-2007 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Lenox Pointe
Tenant Characteristics	Mixed tenancy, approx. 30% are military households, 3% senior
Contact Name	Melinda
Phone	478-953-5400



Market Information

Program	Market
Annual Turnover Rate	12%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased one to three weeks
Annual Chg. in Rent	Yieldstar
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	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	56	850	\$739	\$0	Market	No	2	3.6%	N/A	None
1	1	Garden (2 stories)	56	970	\$769	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	56	1,178	\$849	\$0	Market	No	6	10.7%	N/A	None
2	1	Garden (2 stories)	56	1,296	\$899	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	56	1,238	\$894	\$0	Market	No	0	0.0%	N/A	AVG
2	2	Garden (2 stories)	32	1,336	\$919	\$0	Market	No	0	0.0%	N/A	HIGH
2	2	Garden (2 stories)	56	1,386	\$869	\$0	Market	No	0	0.0%	N/A	LOW
3	2	Garden (2 stories)	24	1,438	\$1,019	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$739 - \$769	\$0	\$739 - \$769	\$174	\$913 - \$943
2BR / 1BA	\$849 - \$899	\$0	\$849 - \$899	\$213	\$1,062 - \$1,112
2BR / 2BA	\$869 - \$919	\$0	\$869 - \$919	\$213	\$1,082 - \$1,132
3BR / 2BA	\$1,019	\$0	\$1,019	\$257	\$1,276

Amber Place Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

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

Security

None

Services

None

Property

Clubhouse/Meeting
Garage
Central Laundry
On-Site Management
Swimming Pool

Exercise Facility
Jacuzzi
Off-Street Parking
Picnic Area
Tennis Court

Premium

None

Other

None

Comments

The property utilizes yieldstar and rents change daily.

Amber Place Apartments, continued

Trend Report

Vacancy Rates

1Q09	2Q14	2Q15	1Q16
5.9%	0.8%	2.6%	2.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	3.6%	\$650 - \$680	\$54 - \$57	\$596 - \$623	\$770 - \$797
2014	2	0.0%	\$856 - \$905	\$0	\$856 - \$905	\$1,030 - \$1,079
2015	2	0.9%	\$745 - \$768	\$0	\$745 - \$768	\$919 - \$942
2016	1	1.8%	\$739 - \$769	\$0	\$739 - \$769	\$913 - \$943

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	7.1%	\$720 - \$740	\$60 - \$62	\$660 - \$678	\$873 - \$891
2014	2	0.0%	\$854 - \$900	\$0	\$854 - \$900	\$1,067 - \$1,113
2015	2	3.6%	\$898 - \$933	\$0	\$898 - \$933	\$1,111 - \$1,146
2016	1	5.4%	\$849 - \$899	\$0	\$849 - \$899	\$1,062 - \$1,112

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	4.9%	\$760 - \$780	\$63 - \$65	\$697 - \$715	\$910 - \$928
2014	2	2.1%	\$833 - \$874	\$0	\$833 - \$874	\$1,046 - \$1,087
2015	2	2.8%	\$944 - \$999	\$0	\$944 - \$999	\$1,157 - \$1,212
2016	1	0.0%	\$869 - \$919	\$0	\$869 - \$919	\$1,082 - \$1,132

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	16.7%	\$880	\$73	\$807	\$1,064
2014	2	0.0%	\$1,163	\$0	\$1,163	\$1,420
2015	2	4.2%	\$1,095	\$0	\$1,095	\$1,352
2016	1	0.0%	\$1,019	\$0	\$1,019	\$1,276

Trend: Comments

1Q09	The leasing agent stated overall occupancy has remained above 92 percent during the past year and noted slowing economic conditions in the area have led to lower occupancy rates.
2Q14	The property utilizes yieldstar and rents change daily. The range of rents is based on yieldstar.
2Q15	The property utilizes yieldstar and rents change daily. The range of rents is based on the average from yieldstar.
1Q16	The property utilizes yieldstar and rents change daily.

Amber Place Apartments, continued

Photos



PROPERTY PROFILE REPORT

Asbury Parke

Effective Rent Date	2/25/2016
Location	200 Crestview Church Rd Warner Robins, GA 31088 Houston County
Distance	10.6 miles
Units	224
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2014-2015 / N/A
Marketing Began	N/A
Leasing Began	7/01/2014
Last Unit Leased	10/01/2015
Major Competitors	Bedford Parke (sister property)
Tenant Characteristics	Mixed tenancy; majority couples and singles from Warner Robins
Contact Name	Joyce
Phone	478.225.4892



Market Information

Program	Market
Annual Turnover Rate	2%
Units/Month Absorbed	15
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	1% increase
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	861	\$735	\$0	Market	Yes	0	N/A	N/A	None
1	1	Garden (3 stories)	N/A	998	\$785	\$0	Market	Yes	0	N/A	N/A	None
2	1	Garden (3 stories)	N/A	1,178	\$840	\$0	Market	Yes	0	N/A	N/A	None
2	1	Garden (3 stories)	N/A	1,315	\$865	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,238	\$865	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,390	\$915	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$735 - \$785	\$0	\$735 - \$785	\$198	\$933 - \$983
2BR / 1BA	\$840 - \$865	\$0	\$840 - \$865	\$243	\$1,083 - \$1,108
2BR / 2BA	\$865 - \$915	\$0	\$865 - \$915	\$243	\$1,108 - \$1,158

Asbury Parke, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

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

Security

Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
On-Site Management
Playground
Wi-Fi

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

Premium

None

Other

Dog Park

Comments

The contact stated there was a waiting list, but did not know its length.

Asbury Parke, continued

Trend Report

Vacancy Rates

2Q15	1Q16
29.9%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$725 - \$775	\$0	\$725 - \$775	\$923 - \$973
2016	1	N/A	\$735 - \$785	\$0	\$735 - \$785	\$933 - \$983

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$830 - \$855	\$0	\$830 - \$855	\$1,073 - \$1,098
2016	1	N/A	\$840 - \$865	\$0	\$840 - \$865	\$1,083 - \$1,108

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$855 - \$905	\$0	\$855 - \$905	\$1,098 - \$1,148
2016	1	N/A	\$865 - \$915	\$0	\$865 - \$915	\$1,108 - \$1,158

Trend: Comments

2Q15 According to the contact, the property's first building was opened in July 2014. The last building is expected to be completed in early May 2015. Thus far, the property has experienced an absorption rate of 15 units per month.

1Q16 The contact stated there was a waiting list, but did not know its length.

Photos



PROPERTY PROFILE REPORT

Bradford Place

Effective Rent Date	2/25/2016
Location	115 Tom Chapman Blvd Warner Robins, GA 31088 Houston County
Distance	12 miles
Units	200
Vacant Units	2
Vacancy Rate	1.0%
Type	Garden (2 stories)
Year Built/Renovated	1998 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Amber Place, Lexington Place, Bedford Park
Tenant Characteristics	Approximately 5% senior
Contact Name	Rachel
Phone	478.953.5969



Market Information

Program	Market
Annual Turnover Rate	47%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	2 weeks
Annual Chg. in Rent	Yieldstar
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	36	800	\$690	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	12	900	\$761	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	20	1,117	\$734	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	20	1,212	\$775	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	38	1,157	\$759	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	38	1,223	\$794	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	12	1,253	\$859	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	12	1,332	\$900	\$0	Market	No	1	8.3%	N/A	HIGH
3	2	Garden (2 stories)	12	1,332	\$805	\$0	Market	No	1	8.3%	N/A	LOW

Bradford Place, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$690 - \$761	\$0	\$690 - \$761	\$198	\$888 - \$959
2BR / 1BA	\$734 - \$775	\$0	\$734 - \$775	\$243	\$977 - \$1,018
2BR / 2BA	\$759 - \$859	\$0	\$759 - \$859	\$243	\$1,002 - \$1,102
3BR / 2BA	\$805 - \$900	\$0	\$805 - \$900	\$294	\$1,099 - \$1,194

Amenities

In-Unit

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

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

Security

Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Playground
Tennis Court

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Swimming Pool
Volleyball Court

Premium

None

Other

None

Comments

The property operates on a first come first serve basis. No waiting list is maintained.

Bradford Place, continued

Trend Report

Vacancy Rates

4Q07	2Q14	2Q15	1Q16
14.0%	2.5%	4.0%	1.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	4	0.0%	\$665	\$0	\$665	\$863
2014	2	0.0%	\$646	\$0	\$646	\$844
2015	2	N/A	\$761 - \$795	\$0	\$761 - \$795	\$959 - \$993
2016	1	0.0%	\$690 - \$761	\$0	\$690 - \$761	\$888 - \$959

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	4	0.0%	\$755	\$0	\$755	\$998
2014	2	0.0%	\$731	\$0	\$731	\$974
2015	2	N/A	\$734 - \$775	\$0	\$734 - \$775	\$977 - \$1,018
2016	1	0.0%	\$734 - \$775	\$0	\$734 - \$775	\$977 - \$1,018

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	4	31.2%	\$790	\$50	\$740	\$983
2014	2	4.7%	\$783	\$0	\$783	\$1,026
2015	2	N/A	\$759 - \$811	\$0	\$759 - \$811	\$1,002 - \$1,054
2016	1	0.0%	\$759 - \$859	\$0	\$759 - \$859	\$1,002 - \$1,102

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	4	22.2%	\$910	\$60	\$850	\$1,144
2014	2	5.6%	\$990	\$0	\$990	\$1,284
2015	2	N/A	\$907	\$0	\$907	\$1,201
2016	1	8.3%	\$805 - \$900	\$0	\$805 - \$900	\$1,099 - \$1,194

Trend: Comments

4Q07	YTD in 2007 there is a 67% annual turnover rate. The sales representative indicated that normally the rate is 50%. The market, according to the contact, is saturated. She feels that apartment building and home building have outpaced demand in the Warner Robins area. There is a fee of \$35-80 for rental of the garages.
2Q14	The property manager indicated that demand for rental units in the local market is strong.
2Q15	The contact stated that the property utilizes yieldstar for their rental prices. The property does not accept Housing Choice Vouchers. Garage spaces are an additional \$80 per month and extra storage is \$35 monthly.
1Q16	The property operates on a first come first serve basis. No waiting list is maintained.

Bradford Place, continued

Photos



PROPERTY PROFILE REPORT

Lenox Pointe

Effective Rent Date	2/25/2016
Location	2006 Karl Drive Warner Robbins, GA 31088 Houston County
Distance	11.9 miles
Units	288
Vacant Units	2
Vacancy Rate	0.7%
Type	Garden (3 stories)
Year Built/Renovated	2006 / 2012
Marketing Began	N/A
Leasing Began	9/15/2006
Last Unit Leased	N/A
Major Competitors	Amber Place, Asbury Park
Tenant Characteristics	Families and young singles from local area
Contact Name	Tamara
Phone	478-988-0571



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	6 units a month as of September 2010
HCV Tenants	0%
Leasing Pace	Within 30 days
Annual Chg. in Rent	1% increase
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)	96	853	\$682	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	96	1,350	\$837	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	96	1,540	\$962	\$0	Market	No	2	2.1%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$682	\$0	\$682	\$177	\$859
2BR / 2BA	\$837	\$0	\$837	\$222	\$1,059
3BR / 2BA	\$962	\$0	\$962	\$273	\$1,235

Lenox Pointe, continued

Amenities

In-Unit

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

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

Security

Limited Access
Perimeter Fencing
Video Surveillance

Services

None

Property

Basketball Court
Clubhouse/Meeting
Garage
Off-Street Parking
Recreation Areas
Wi-Fi

Car Wash
Exercise Facility
Central Laundry
Playground
Swimming Pool

Premium

None

Other

None

Comments

New basketball court. No additional comments.

Lenox Pointe, continued

Trend Report

Vacancy Rates

1Q11	2Q14	2Q15	1Q16
10.2%	10.2%	10.2%	0.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$665 - \$715	\$0	\$665 - \$715	\$842 - \$892
2014	2	N/A	\$675	\$0	\$675	\$852
2015	2	N/A	\$675	\$0	\$675	\$852
2016	1	0.0%	\$682	\$0	\$682	\$859

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$820 - \$860	\$0	\$820 - \$860	\$1,042 - \$1,082
2014	2	N/A	\$830	\$0	\$830	\$1,052
2015	2	N/A	\$830	\$0	\$830	\$1,052
2016	1	0.0%	\$837	\$0	\$837	\$1,059

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$945 - \$985	\$0	\$945 - \$985	\$1,218 - \$1,258
2014	2	N/A	\$955	\$0	\$955	\$1,228
2015	2	N/A	\$955	\$0	\$955	\$1,228
2016	1	2.1%	\$962	\$0	\$962	\$1,235

Trend: Comments

1Q11	The property does not accept Housing Choice Vouchers. Rents range in price based on the balcony or sunroom size. The manager was unable to provide vacancy by unit type.
2Q14	The property does not accept Housing Choice Vouchers. Rents range in price based on the balcony or sunroom size. The property would not disclose the overall vacancy rate.
2Q15	The property does not accept Housing Choice Vouchers. Garage parking is an additional \$100 per month, and extra storage is an additional \$65 per month. Typical occupancy ranges from 90 to 95 percent, but has been atypically high over the past year due to military deployments, job transfers, and tenants purchasing homes.
1Q16	New basketball court. No additional comments.

PROPERTY PROFILE REPORT

Timberwood Apartments

Effective Rent Date	3/09/2016
Location	710 Mason Terrace Perry, GA 31069 Houston County
Distance	9.6 miles
Units	60
Vacant Units	2
Vacancy Rate	3.3%
Type	One-story
Year Built/Renovated	1980s / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Primarily retired residents, some short term leases for Bluebird employees
Contact Name	Beverly
Phone	478-987-4150



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	Unknown
HCV Tenants	0%
Leasing Pace	2-3 weeks
Annual Chg. in Rent	\$10 inc. YOY
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	One-story	N/A	288	\$499	\$0	Market	No	0	N/A	N/A	None
1	1	One-story	N/A	576	\$529	\$0	Market	No	1	N/A	N/A	None
2	1	One-story	N/A	864	\$639	\$0	Market	No	0	N/A	N/A	None
2	2	One-story	N/A	864	\$690	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$499	\$0	\$499	\$150	\$649
1BR / 1BA	\$529	\$0	\$529	\$198	\$727
2BR / 1BA	\$639	\$0	\$639	\$243	\$882
2BR / 2BA	\$690	\$0	\$690	\$243	\$933

Timberwood Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Oven
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking

Premium

None

Other

None

Comments

Contact stated that they do not accept Housing Choice Vouchers, nor have they been renovated since being built.

Timberwood Apartments, continued

Trend Report

Vacancy Rates

3Q10	2Q12	2Q15	1Q16
5.0%	5.0%	3.3%	3.3%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$509	\$0	\$509	\$707
2012	2	N/A	\$509	\$0	\$509	\$707
2015	2	N/A	\$519	\$0	\$519	\$717
2016	1	N/A	\$529	\$0	\$529	\$727

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$599	\$0	\$599	\$842
2012	2	N/A	\$609	\$0	\$609	\$852
2015	2	N/A	\$629	\$0	\$629	\$872
2016	1	N/A	\$639	\$0	\$639	\$882

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$609	\$0	\$609	\$852
2012	2	N/A	\$639	\$0	\$639	\$882
2015	2	N/A	\$680	\$0	\$680	\$923
2016	1	N/A	\$690	\$0	\$690	\$933

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$459	\$0	\$459	\$609
2012	2	N/A	\$459	\$0	\$459	\$609
2015	2	N/A	\$489	\$0	\$489	\$639
2016	1	N/A	\$499	\$0	\$499	\$649

Trend: Comments

3Q10	Management indicated that the market had not changed since the previous interview.
2Q12	Management indicated demand for additional senior units. She stated that seniors will move from Warner Robins for quality housing. She stated that typical occupancy at this property ranges from 93-95%. There are currently waiting lists for the two-bedroom units.
2Q15	Contact stated that they do not accept Housing Choice Vouchers, nor have they been renovated since being built.
1Q16	N/A

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS		
Comparable Property	Type	Housing Choice Voucher Tenants
Ashton Landing Apartments	LIHTC	20%
Magnolia Terrace Phase I	LIHTC/Market	8%
Magnolia Terrace Phase II	LIHTC/Market	8%
Marvin Gardens I	LIHTC	10%
Marvin Gardens II	LIHTC	10%
The Reserve At Hampton	LIHTC	13%
Amber Place Apartments	Market	0%
Asbury Parke	Market	0%
Bradford Place	Market	0%
Lenox Pointe	Market	0%
Timberwood Apartments	Market	0%
Average		6%

As illustrated in the table, all of the LIHTC properties reported having a portion of Housing Choice Voucher tenants, while none of the market rate properties reported Housing Choice Voucher usage. The average number of voucher tenants at the LIHTC properties is 12 percent and the overall market average is just six percent. According to a contact with the Georgia DCA, a majority of the voucher holding tenants in Peach County reside in Fort Valley. Since the Subject will operate under a HAP contract for all the units, the availability and acceptance of Housing Choice Vouchers will not be a concern for the Subject. The current Payment Standards for studio, one, two, three, and four-bedroom units are illustrated in the following table.

PEACH COUNTY PAYMENT STANDARDS	
Bedroom Type	Payment Standard Rent
0BR	\$375
1BR	\$474
2BR	\$601
3BR	\$860
4BR	\$863

The gross rents proposed at the Subject are well above the current Housing Choice Voucher payment standards for the local area, with the exception of three-bedroom asking rents. As such, if the project were to operate without the Section 8 contract, those with vouchers would be eligible to live at the Subject and pay 30 percent of their income toward rent in the three-bedroom units only, but would be required to make up the difference. As such, we would not anticipate much voucher usage at the Subject without subsidy.

Lease Up History

We were able to obtain absorption information from three comparable properties.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Reserve at Hampton	LIHTC	Family	2015	60	20
Asbury Parke	Market	Family	2014-2015	224	15
Magnolia Terrace Phase II	LIHTC/Market	Family	2008	36	9

As illustrated in the previous table, the properties constructed between 2008 and 2015 reported absorption rates between nine and 20 units per month, with an average of 15 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 15 units per month, which equates to an absorption period of approximately six months for the Subject to reach 93 percent occupancy, with or without subsidy.

The Subject is currently 89.6 percent occupied. The unit mix currently includes 10 studio units, 14 one-bedroom units, 34 two-bedroom units, 26 three-bedroom units, and 12 four-bedroom units. The units currently vacant are one, two, three, and four-bedroom units. However, a waiting list of 125 households is maintained for one and two-bedroom units, which will be utilized to fill vacancies post-renovation. One vacant two-bedroom unit requires significant repairs before it is habitable again. The Subject has historically operated at more than 93 percent occupancy, indicating relatively high demand for the existing low-income housing.

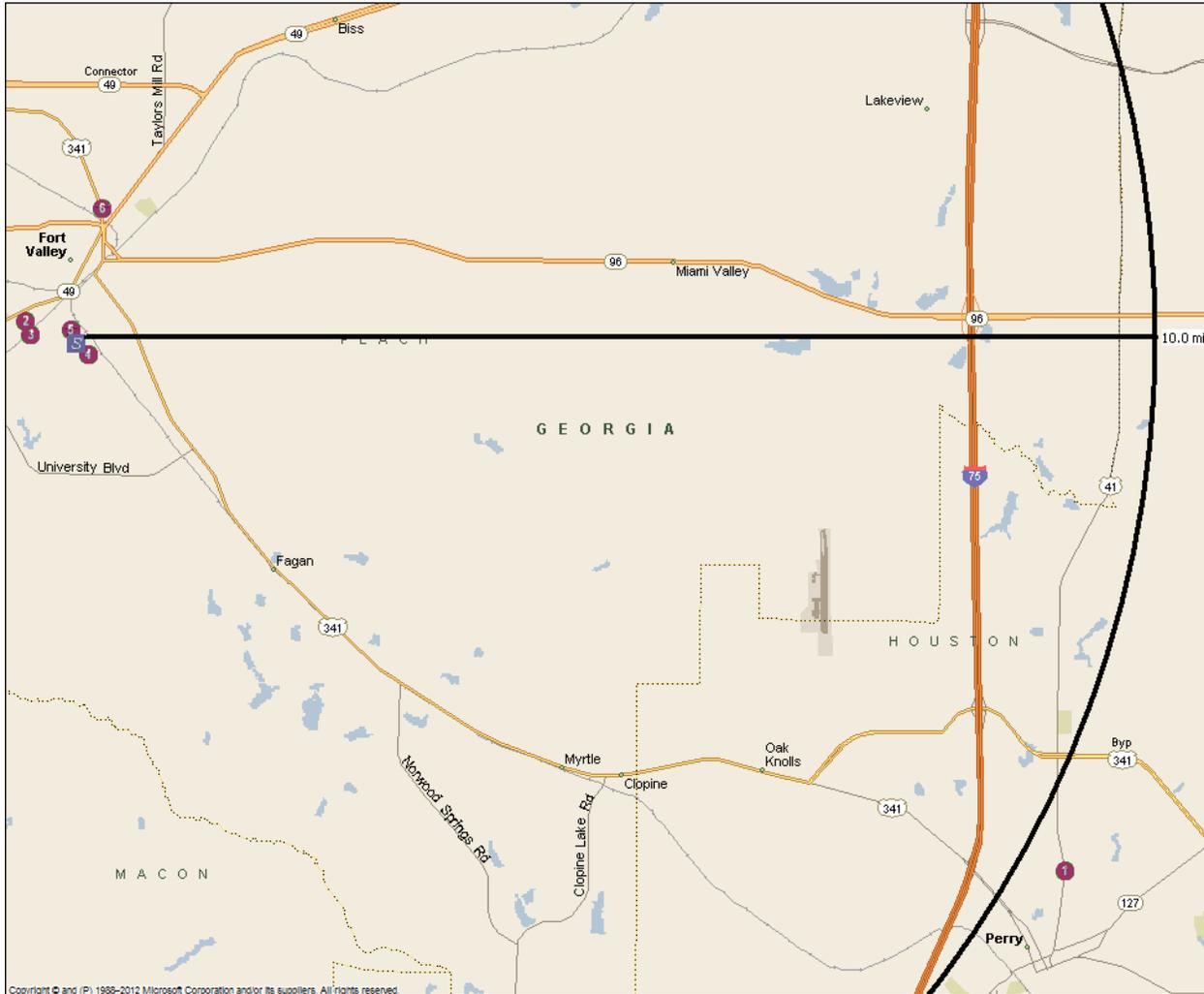
Phased Developments

The Subject is not part of a phased development. As such, this section is not applicable.

Rural Areas

The Subject is located in a residential area of the city of Fort Valley, and is not in a rural area. As such, this section is not applicable.

3. Competitive Project Map



COMPETITIVE LIHTC PROPERTIES IN THE PMA			
#	Property Name	Type	Distance
1	Ashton Landing	LIHTC	10.6 miles
2	Magnolia Terrace I	LIHTC/Market	0.5 miles
3	Magnolia Terrace II	LIHTC/Market	0.5 miles
4	Marvin Gardens I	LIHTC	0.1 miles
5	Marvin Gardens II	LIHTC	0.2 miles
6	The Reserve at Hampton	LIHTC	1.4 miles

4. Amenities

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

Lakeview Apartments, Fort Valley, GA; Market Study

UNIT MATRIX REPORT												
	Lakeview Apartments	Ashton Landing Apartments	Magnolia Terrace Phase I	Magnolia Terrace Phase II	Marvin Gardens I	Marvin Gardens II	The Reserve At Hampton	Amber Place Apartments	Asbury Parke	Bradford Place	Lenox Pointe	Timberwood Apartments
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11
Property Information												
Property Type	Garden (2 stories)	Garden (3 stories)	Duplex	Garden (2 stories)	Duplex	Duplex	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	One-story
Year Built / Renovated	1972/Proposed 2017	1999 / n/a	2003 / n/a	2008 / n/a	1996 / n/a	1997 / n/a	2015 / n/a	2005-2007	2014-2015	1998 / n/a	2006 / 2012	1980s / n/a
Market (Conv./Subsidy Type)	LIHTC/ Section 8	LIHTC	LIHTC/ Market	LIHTC/ Market	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
Utility Adjustments												
Cooking	yes	no	no	no	no	no	no	no	no	no	no	no
Water Heat	yes	no	no	no	no	no	no	no	no	no	no	no
Heat	yes	no	no	no	no	no	no	no	no	no	no	no
Other Electric	yes	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	yes	yes	no	no	no	yes	no	no	no	no
Sewer	yes	no	yes	yes	no	no	no	no	no	no	no	no
Trash Collection	yes	yes	no	no	no	no	no	no	no	no	yes	no
In-Unit Amenities												
Balcony/Patio	no	yes	yes	no	no	no	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	yes	no	no	no	no	no	yes	no	yes	no	no	no
Carpeting	no	yes	yes	yes	yes	yes	no	yes	no	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	no	yes	yes	no	no	no	no	no	yes	no	yes
Dishwasher	yes	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	yes	no	no	no	yes	no	yes	yes	yes	no
Ceiling Fan	yes	yes	no	yes	no	no	yes	yes	yes	yes	yes	yes
Garbage Disposal	yes	yes	yes	yes	no	no	yes	yes	yes	no	no	yes
Microwave	yes	no	no	yes	no	no	no	yes	yes	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	no	no	no	no	yes	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	no	no	yes	no
Walk-In Closet	yes	yes	yes	yes	no	no	yes	yes	yes	yes	yes	no
Washer/Dryer hookup	no	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
Property Amenities												
Basketball Court	no	no	no	no	no	no	no	no	no	no	yes	no
Business		no			no	no	no	no			no	no
Center/Computer Lab	yes	no	yes	yes	no	no	no	no	yes	yes	no	no
Car Wash	no	no	no	no	no	no	no	no	yes	yes	yes	no
Clubhouse/Meeting					no	no	no					no
Room/Community Room	yes	yes	yes	yes	no	no	no	yes	yes	yes	yes	no
Courtyard	no	no	yes	yes	no	no	yes	no	no	no	no	no
Exercise Facility	yes	yes	yes	yes	no	no	no	yes	yes	yes	yes	no
Garage	no	no	no	no	no	no	no	yes	yes	yes	yes	no
Jacuzzi	no	no	no	no	no	no	no	yes	no	no	no	no
Central Laundry	yes	yes	yes	yes	no	no	yes	yes	no	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Picnic Area	yes	yes	yes	yes	no	no	yes	yes	yes	no	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	no
Recreation Areas	no	no	no	no	no	no	no	no	no	no	yes	no
Swimming Pool	no	yes	no	no	no	no	no	yes	yes	yes	yes	no
Tennis Court	no	no	no	no	no	no	no	yes	no	yes	no	no
Volleyball Court	no	no	no	no	no	no	no	no	no	yes	no	no
Wi-Fi	no	no	no	no	no	no	no	no	yes	no	yes	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$85.00	\$95.00	\$75.00	\$100.00	N/A
Security												
In-Unit Alarm	yes	no	no	no	no	no	no	no	no	no	no	no
Limited Access	yes	no	no	no	no	no	no	no	yes	yes	yes	no
Patrol	yes	yes	yes	no	no	no	no	no	yes	yes	no	no
Perimeter Fencing	yes	yes	no	no	no	no	no	no	yes	yes	yes	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	yes	no
Other Amenities												
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Dog Park	n/a	n/a	n/a

The Subject's unit amenities will be slightly inferior to superior to the LIHTC and market rate comparables, which typically include a balcony or patio, exterior storage, and washer/dryer hookups. However, the units at the Subject will include wood plank flooring, which most comparables do not include, as well as a coat closet, walk-in closet, ceiling fans, garbage disposal, and microwave, which are also not offered at many of the comparables. In terms of project amenities, the Subject is similar or superior to the LIHTC comparables and is generally

inferior compared to the majority of the market rate comparable properties. However, the Subject will offer superior security features to the majority of comparables. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market.

5. The Subject will continue to target general population households.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Rent Structure*	Total Units	Vacant Units	Vacancy Rate
Ashton Landing Apartments	LIHTC	108	6	5.6%
Magnolia Terrace Phase I	LIHTC/Market	50	4	8.0%
Magnolia Terrace Phase II	LIHTC/Market	36	1	2.8%
Marvin Gardens I	LIHTC	30	3	10.0%
Marvin Gardens II	LIHTC	50	4	8.0%
The Reserve At Hampton	LIHTC	60	0	0.0%
Amber Place Apartments	Market	392	8	2.0%
Asbury Parke	Market	224	0	0.0%
Bradford Place	Market	200	2	1.0%
Lenox Pointe	Market	288	2	0.7%
Timberwood Apartments	Market	60	2	3.3%
Total LIHTC		334	18	5.4%
Total Market		1,164	14	1.2%
Total		1,498	32	2.1%

*The LIHTC and market rate units at the mixed-income comparables have been included with the appropriate project types in aggregate

As illustrated, vacancy rates in the market range from 2.6 to 10.0 percent, averaging 2.1 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 10.0 percent, with an average vacancy rate of 5.4 percent. The market rates comparable are experiencing vacancy rates ranging from zero percent to 3.3 percent. The average market rate vacancy rate is 1.2 percent. Marvin Gardens I & II reported slightly elevated vacancy rates in relation to the market. The contact stated the vacancy rate is typical for these properties, which is consistent with our surveyed historical data.

We anticipate that the Subject will perform similarly to the LIHTC comparables and will maintain a vacancy rate of five percent or less. We do not believe that the Subject will impact the performance of the existing LIHTC properties, as the renovation of the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock. The Subject is currently 89.6 percent occupied with units being held offline due to pending renovations. According to the Subject’s historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 3.9 to 6.4 percent between 2012 and 2014 with an average total vacancy rate of 5.1 percent. Vacancy and collection loss was 10.0 percent in 2015 due to units being held offline for the pending renovations. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

7. Properties Planned, Proposed, or Under Construction

There are two recently completed LIHTC projects in the PMA, which are detailed as follows:

- The Reserve at Hampton is located at 3460 US-341 in Fort Valley and was allocated LIHTC funding in 2013. The development came online in July 2015. The Reserve at Hampton is currently 100 percent occupied, offers a mix of one, two, and three-bedroom garden-style units and two and three-bedroom townhouses at 50 and 60 percent AMI, and has been utilized as a comparable in this report.
- Oliver Place was allocated tax credits in 2014 and will also target families/general occupancy households. Oliver Place will be located near the intersection of Houston Lake Road and Keith Drive in Perry, approximately 11.6 miles southeast of the Subject. Oliver Place will be a new construction development offering a total of 100 LIHTC and market rate units and will consist of garden-style one, two, and three-bedroom units, as well as townhouses. Unit sizes will range from 725 to 1,250 square feet with rents ranging from \$392 to \$704 per month for LIHTC units; the three-bedroom market rate units will be approximately \$764 per month. There will be 20 units restricted to 50 percent of AMI or less, 70 units restricted to 60 percent of AMI, and 10 market rate units. Construction began in 2015 and is anticipated to be completed by year-end 2016.

8. Rental Advantage

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

SIMILARITY MATRIX								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashton Landing Apartments	LIHTC	Similar	Slightly Superior	Similar	Slightly Inferior	Similar	0
2	Magnolia Terrace Phase I	LIHTC/Market	Similar	Slightly Superior	Similar	Slightly Inferior	Slightly Superior	5
3	Magnolia Terrace Phase II	LIHTC/Market	Similar	Slightly Superior	Similar	Similar	Slightly Superior	10
4	Marvin Gardens I	LIHTC	Inferior	Inferior	Similar	Inferior	Inferior	-40
5	Marvin Gardens II	LIHTC	Inferior	Inferior	Similar	Inferior	Inferior	-40
6	The Reserve At Hampton	LIHTC	Similar	Slightly Superior	Similar	Slightly Superior	Slightly Superior	15
7	Amber Place Apartments	Market	Slightly Superior	Slightly Superior	Slightly Superior	Similar	Superior	25
8	Asbury Parke	Market	Superior	Slightly Superior	Slightly Superior	Slightly Superior	Superior	35
9	Bradford Place	Market	Superior	Slightly Superior	Slightly Superior	Slightly Inferior	Superior	25
10	Lenox Pointe	Market	Superior	Slightly Superior	Slightly Superior	Similar	Superior	30
11	Timberwood Apartments	Market	Inferior	Slightly Superior	Similar	Inferior	Inferior	-25

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

The 50 and 60 percent AMI rents at the comparable LIHTC properties are compared to the Subject’s proposed LIHTC/Section 8 rents in the following tables.

LIHTC RENT COMPARISON - @50%					
Property Name	0BR	1BR	2BR	3BR	4BR
Lakeview Apartments (Subject)	\$472	\$506	\$607	\$701	\$782
2016 LIHTC Maximum (Net)	\$472	\$506	\$607	\$701	\$782
2012 Hold Harmless Limit (Net)	\$586	\$628	\$753	\$871	\$972
Ashton Landing Apartments	-	-	\$744	\$845	-
Magnolia Terrace Phase I	-	\$533	\$632	\$762	-
Magnolia Terrace Phase II	-	\$599	\$677	\$802	-
The Reserve At Hampton	-	\$509	\$677	\$777	-
Average (excluding Subject)	-	\$547	\$669	\$793	-
Estimated Achievable LIHTC Rent	\$472	\$506	\$607	\$701	\$782

Note: The Subject will operate with Section 8 subsidies allowing residents to pay 30 percent of their income as rent.

LIHTC RENT COMPARISON - @60%					
Property Name	0BR	1BR	2BR	3BR	4BR
Lakeview Apartments (Subject)	\$512	\$562	\$676	\$803	\$936
2016 LIHTC Maximum (Net)	\$567	\$607	\$729	\$841	\$939
2012 Hold Harmless Limit (Net)	\$703	\$753	\$904	\$1,045	\$1,167
Ashton Landing Apartments	-	-	\$844	\$960	-
Magnolia Terrace Phase I	-	\$480	\$632	\$772	-
Magnolia Terrace Phase II	-	-	\$677	\$829	-
Marvin Gardens I	-	-	\$593	\$689	\$844
Marvin Gardens II	-	-	\$593	\$689	\$844
The Reserve At Hampton	-	\$569	\$678	\$777	-
Average (excluding Subject)	-	\$525	\$670	\$786	\$844
Estimated Achievable LIHTC Rent	\$502	\$562	\$676	\$803	\$936

Note: The Subject will operate with Section 8 subsidies allowing residents to pay 30 percent of their income as rent.

The Subject’s proposed rents are below the maximum allowable levels for all unit types at the 60 percent AMI level, similar to the comparables at both AMI levels while the Subject’s proposed rents at the 50 percent AMI level are at the maximum allowable level. All of the comparables were placed in service before the 2012 high water mark of area median income in Peach County. As such, we have placed the maximum allowable hold harmless rents in the previous tables for illustrative purposes. None of the comparables offer studio units at the 50 or 60 percent AMI level and only two comparables offer four-bedroom units at 60 percent of the AMI. Given the rents currently being achieved at the 50 percent AMI level among the comparables, we believe the Subject’s proposed rents absent subsidy are appropriately positioned at the maximum allowable level.

The one and four-bedroom proposed 60 percent AMI rents at the Subject are above the rents being achieved at the comparables, but the two and three-bedroom proposed 60 percent AMI rents at the Subject are within the range of the the comparables. This suggests that even if rents at the Subject were not subsidized through the Section 8 program, the proposed rents would be achievable in the open market. We have concluded to achievable LIHTC rents for the Subject that are equivalent to the developer’s proposed LIHTC rents. Considering the Section 8 subsidy

that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable.

It should be noted that Marvin Gardens I & II, which are located within 0.1 miles of the Subject, exhibit the lowest asking rents among the LIHTC comparables. Marvin Gardens I & II charge the equivalent of the remaining comparables' one, two, and three-bedroom rents in their two, three, and four-bedroom units. This is largely due to a significantly inferior amenities package at both locations. Marvin Gardens I & II does not offer a dishwasher, garbage disposal, central laundry, or community room, among others, all of which are commonplace in the market. As such, management competes on rent. The Subject will have all of the aforementioned amenities post-renovation and will be able to achieve LIHTC rents in line with the remaining comparables absent subsidy.

The comparable LIHTC properties are considered similar to inferior to the Subject, which will be a renovated LIHTC project with Section 8 subsidies for all 96 units. Based on our similarity matrix, Ashton Landing is the most similar LIHTC property and is 94.4 percent occupied. The Subject will offer similar property amenities to Ashton Landing and slightly inferior in-unit amenities, as it offers a balcony/patio and washer/dryer hookup in each unit. Ashton Landing has a similar location and similar unit sizes, but is slightly inferior in terms of age and condition, as it was constructed in 1999. The Subject's proposed LIHTC rents are below the current asking rents at Ashton Landing, but within the rental range of the other comparables. Overall, the Subject's rents appear reasonable when compared to the rents at the comparables and particularly when taking into account the relatively strong demand for affordable units in the PMA. This demand is illustrated by the 94.6 percent overall occupancy being achieved at the LIHTC comparables.

Analysis of "Market Rents"

Per 2016 DCA 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 achieving. 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 comparables, but many market rate comparables with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comparables. In a small rural market there may be neither tax credit comparables nor market rate comparables 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 restricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if a Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at those two AMI levels, we do not include 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 comparable properties surveyed are illustrated in the table on the following page in comparison with

proposed LIHTC/Section 8 rents for the Subject, which will be subsidized, allowing tenants to pay just 30 percent of their income toward rent.

SUBJECT COMPARISON TO MARKET RENTS					
Unit Type	Subject's Proposed LIHTC/Sec. 8 Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
Studio	\$512	\$649	\$649	\$649	21%
1 BR	\$562	\$624	\$983	\$853	34%
2 BR	\$676	\$740	\$1,158	\$1,025	34%
3 BR	\$803	\$867	\$1,276	\$1,214	34%
4 BR	\$936	\$850	\$1,500	\$1,109	16%

The Subject's proposed studio through three-bedroom LIHTC/Section 8 rents are below the surveyed minimums. There are no four-bedroom market rate units in the area. As such, the rents reflected in the table above are of single-family rentals, which are discussed in greater detail on the following page.

Amber Place Apartments is the most similar market rate property and is 98.0 percent occupied. The Subject will offer slightly inferior unit and property amenities to Amber Place. The Subject will be in similar condition upon completion of renovations, as Amber Place was built between 2005 and 2007 and is in good condition. Amber Place does offer superior unit sizes and a slightly superior location. The Subject's proposed rents (\$562 to \$803 for one through three-bedrooms) are well below Amber Place, which range from \$1,062 for one-bedroom units to \$1,276 for three-bedroom units. This bodes well for the marketability of the Subject and suggests that even without the Section 8 subsidies the proposed LIHTC rents are attainable.

Additionally, we supplemented our analysis with four-bedroom classified listings in the Subject's area. The following table details our findings.

SINGLE-FAMILY FOUR-BEDROOM RENTALS						
Address	City	Unit Type	Square Footage	Year Built	Asking Rent	Amenities
232 Amelia Drive	Byron	4BR/3BA	2,192	2000s	\$1,300	Hardwood floors, deck, attached garage
109 Weaver Road	Warner Robins	4BR/2BA	1,539	1980s	\$850	Office/bonus room, fenced yard, screened-in porch
111 Meriwood Road	Warner Robins	4BR/2BA	1,702	1980s	\$895	Court yard, fenced back yard
205 Woodland Drive	Warner Robins	4BR/2BA	2,000	1970s	\$1,025	Pets allowed, fenced yard, backyard deck
202 Channing Trail	Warner Robins	4BR/3BA	2,962	2000s	\$1,500	Office, play room, koi pond, woodshop
105 Marvin Boulevard	Warner Robins	4BR/2BA	1,600	1980s	\$995	New carpet, vinyl, paint
311 Blake Terrace	Warner Robins	4BR/2BA	1,780	1990s	\$1,200	Attached garage, walk-in closets, hardwood flooring
Average			1,968		\$1,109	

As illustrated, the average four-bedroom rent is \$1,109. The majority of these homes are older properties that are 20 to 40 years old. The Subject's proposed four-bedroom rent of \$936 is within the range of rents of the four-bedroom single-family home classifieds, but at a discount to the surveyed average.

Overall, we believe that the Subject's proposed LIHTC rents are achievable in the market and will offer significant advantages when compared to the average rents being achieved at comparable market rate and LIHTC properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

There are two recently completed LIHTC projects in the PMA.

The Reserve at Hampton is located at 3460 US-341 in Fort Valley and was allocated LIHTC funding in 2013. The development came online in July 2015. The Reserve at Hampton is currently 100 percent occupied, offers a mix of one, two, and three-bedroom garden-style units and two and three-bedroom townhouses at 50 and 60 percent AMI, and has been utilized as a comparable in this report.

Oliver Place was allocated tax credits in 2014 and will also target families/general occupancy households. Oliver Place will be located near the intersection of Houston Lake Road and Keith Drive in Perry, approximately 11.6 miles southeast of the Subject. Oliver Place will be a new construction development offering a total of 100 LIHTC and market rate units and will consist of garden-style one, two, and three-bedroom units, as well as townhouses. Unit sizes will range from 725 to 1,250 square feet with rents ranging from \$392 to \$704 per month for LIHTC units; the three-bedroom market rate units will be approximately \$764 per month. There will be 20 units restricted to 50 percent of AMI or less, 70 units restricted to 60 percent of AMI, and 10 market rate units. Construction began in 2015 and is anticipated to be completed by year-end 2016.

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 Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	12,062	72.6%	4,543	27.4%
2010	17,019	69.6%	7,443	30.4%
2015	17,061	66.1%	8,738	33.9%
Market Entry	17,542	66.1%	8,979	33.9%
2020	18,022	66.2%	9,220	33.8%

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

In the PMA, as of 2015, renter-occupied housing accounts for 33.9 percent of households, while approximately 66.1 percent of households in the PMA are owner-occupied. Similarly, nationally, approximately 66 percent of households are homeowners and only 34 percent of households are renters. Through 2020, the number of renter households in the PMA is projected to increase by 482 households.

Historical Vacancy

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

HISTORICAL VACANCY							
Comparable Property	Type	Total Units	2QTR 2012	3QTR 2013	2QTR 2014	2QTR 2015	2QTR 2016
Ashton Landing Apartments	LIHTC	108	1.9%	N/A	N/A	11.1%	5.6%
Magnolia Terrace Phase I	LIHTC/Market	50	10.0%	10.0%	N/A	2.0%	8.0%
Magnolia Terrace Phase II	LIHTC/Market	36	2.8%	0.0%	N/A	2.8%	2.8%
Marvin Gardens I	LIHTC	30	5.0%	16.7%	N/A	20.0%	10.0%
Marvin Gardens II	LIHTC	50	4.0%	12.0%	N/A	8.0%	8.0%
The Reserve At Hampton	LIHTC	60	N/A	N/A	N/A	N/A	0.0%
Amber Place Apartments	Market	392	N/A	N/A	0.8%	2.6%	2.0%
Asbury Parke	Market	224	N/A	N/A	N/A	29.9%	0.0%
Bradford Place	Market	200	N/A	N/A	2.5%	4.0%	1.0%
Lenox Pointe	Market	216	N/A	N/A	10.2%	10.2%	0.7%
Timberwood Apartments	Market	60	5.0%	N/A	N/A	3.3%	3.3%

As illustrated in the previous table, we were able to obtain the historical vacancy rate at several of the comparable properties over the last three years. However, we were not able to obtain all the historical vacancy rates for each individual year. As such, we have not provided average vacancy rates for each survey period. The comparable properties’ vacancy rates are generally similar to previous years of analysis.

Change in Rental Rates

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Ashton Landing Apartments	LIHTC	None
Magnolia Terrace Phase I	LIHTC/Market	None
Magnolia Terrace Phase II	LIHTC/Market	2% increase since 2Q15
Marvin Gardens I	LIHTC	1.3% increase since 2Q15
Marvin Gardens II	LIHTC	1.3% increase since 2Q15
The Reserve At Hampton*	LIHTC	N/A
Amber Place Apartments	Market	Yieldstar – changes daily
Asbury Parke	Market	1% increase since 2Q15
Bradford Place	Market	Yieldstar – changes daily
Lenox Pointe	Market	1% increase since 2Q15
Timberwood Apartments	Market	\$10 inc. since 2Q15

*Not yet open for one year

The market rate properties reported increases of approximately one percent, while the LIHTC comparable properties reported rent increases ranging from zero to two percent. Two of the properties with LIHTC units did not increase rents. At Amber Place Apartments and Bradford

Place, rents change daily based on various factors, including leased-occupancy. The Reserve at Hampton Place came online in late 2015 and has yet to increase rents.

Given the fact the Subject will be a renovated LIHTC property with relatively small unit sizes and only one bathroom in larger unit types, we anticipate that rents may be able to increase slowly at the Subject, but will not be capable of achieving maximum allowable rents at the 60 percent AMI level, as none of the LIHTC projects with larger units and additional bathrooms are achieving maximum allowable rents. With the Section 8 contract in place at the Subject, rent increases at the property should not directly impact residents, as they will continue to pay just 30 percent of their income toward rent.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to www.RealtyTrac.com, one in every 1,660 homes in Peach County, GA was in foreclosure, as of January 2016. Nationally, one in every 1,387 homes was in foreclosure, and one in every 1,619 homes in Georgia was in foreclosure. As indicated, Peach County has a slightly lower foreclosure rate than Georgia and the nation as a whole. The median list price for a home in Fort Valley is \$129,000 compared to \$129,900 in Peach County, \$174,900 in Georgia, and \$204,900 in the nation. Overall, it appears that the local market is faring better than the nation as a whole in terms of foreclosures, but is experiencing slow growth in home prices. It should be noted that we witnessed few abandoned homes in the Subject's immediate neighborhood.

12. Primary Housing Void

The comparable LIHTC properties have a combined 5.4 percent vacancy rate, and waiting lists are maintained at some properties, indicating relatively strong support for affordable rental housing in the PMA. The other excluded low-income rental housing properties in the PMA that we contacted also are performing well. Based on the previous *Demand Analysis*, performance of the Subject and comparable properties, and conversations with local property managers, we believe there is ongoing demand for affordable rental housing in the local market. Post renovation, the Subject will continue to offer 96 total units. The Subject's renovations will not add new units, but rather improve the quality and marketability of existing low-income housing. The Subject will also continue to operate with Section 8 subsidies following renovations, making units affordable to a wide income band of renter households. As such, the Subject will continue to fill a void in the market for adequate low-income rental housing.

13. Affect of Subject on Other Affordable Units in Market

The LIHTC comparables in the PMA have low to moderate vacancy rates, and the overall vacancy rate for LIHTC units is less than ten percent. The Subject's renovation will not add new affordable units to the PMA, but will improve existing units. Therefore, we do not believe that the renovations to the Subject will have any significant negative impact on the existing LIHTC properties.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed following renovations. The LIHTC comparables are performing well, with a weighted vacancy rate of 5.4 percent. Additionally, all comparable properties with LIHTC units maintain waiting lists.

The Subject's proposed rents are within the range of rents at the LIHTC comparables and below market rate comparables' rents. This suggests that even if rents at the Subject were not subsidized through the Section 8 program, the proposed rents would be achievable in the open market. Considering the Section 8 subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable.

Overall, we believe that the Subject's rents are achievable and that the Subject will offer a significant value in the market. This is further illustrated by the significant rental advantage of 16 to 34 percent that the Subject's rents will have over the average market rents. We believe that the Subject will maintain a vacancy rate of five percent or less following stabilization, which is higher than the current LIHTC average. We believe the Subject will be supportable following renovations and will not adversely impact other low-income housing options in the PMA.

I. ABSORPTION & STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES**Stabilization/Absorption Rate**

We were able to obtain absorption information from three comparable properties.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Reserve at Hampton	LIHTC	Family	2015	60	20
Asbury Parke	Market	Family	2014-2015	224	15
Magnolia Terrace Phase II	LIHTC/Market	Family	2008	36	9

As illustrated in the previous table, the properties constructed between 2008 and 2015 reported absorption rates between nine and 20 units per month, with an average of 15 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 15 units per month, which equates to an absorption period of approximately six months for the Subject to reach 93 percent occupancy, with or without subsidy.

The Subject is currently 89.6 percent occupied, with 10 vacancies in the 96 existing units. The Subject will also offer 96 units following renovations. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. Rent increases will be made gradually, maintaining rents that are affordable to the existing tenants. All current residents will continue to be income-qualified for the Subject under the Section 8 HAP contract. We anticipate that with renovations occurring on a rolling basis, the Subject will likely achieve 93 percent occupancy within less than three months of completing renovations.

J. INTERVIEWS

INTERVIEWS

Fort Valley's Assisted Housing Programs Department

According to Alicia Simmons with the Georgia Department of Community Affairs Eastman Regional office, there are currently 132 vouchers in use in Peach County, most of which are in the Fort Valley area. The Housing Choice Voucher waiting list does not currently have any households on it, and new applications are not being accepted. The following table illustrates the current gross rent payment standards.

PEACH COUNTY PAYMENT STANDARDS	
Bedroom Type	Payment Standard Rent
0BR	\$375
1BR	\$474
2BR	\$601
3BR	\$860
4BR	\$863

The Subject's proposed gross LIHTC rents are above the current payment standards, with the exception of three-bedroom units. Nonetheless, the Subject's units will continue to benefit from project-based Section 8 subsidies post-renovation. As such, tenants will pay 30 percent of income as rent, not to exceed the LIHTC rents.

Planning

We spoke with Rosco Miller with the Peach County Public Works and Planning Division in regards to planned, proposed, or recently completed residential development in the Subject's neighborhood. Mr. Miller informed us of one recently completed multifamily project in Fort Valley. The Reserve at Hampton, a 61-unit LIHTC development, came online in July 2015. Mr. Miller was unaware of any other proposed or recently completed market rate multifamily or single-family developments in Fort Valley.

We also contacted the Planning Departments of Warner Robins and Perry in regards to planned, proposed, or recently completed residential development within the PMA but outside of Fort Valley. Within Warner Robins, there is only one development that has been recently constructed. Asbury Park, which has been utilized as a market rate comparable, completed its last building in May 2015. The property offers a total of 224 one and two-bedroom garden-style units.

According to Mike Beecham with the Perry Planning Department, there is one project proposed for the area. Oliver Place was allocated LIHTC funding in 2014 and broke ground in September of 2015. Oliver Place will be located near the intersection of Houston Lake Road and Keith Drive in Perry, approximately 11.6 miles southeast of the Subject. Oliver Place will be a new construction development offering a total of 100 LIHTC and market rate units and will consist of garden-style one, two, and three-bedroom units, as well as townhouses. Construction is expected to be completed by year-end 2016.

Additional interviews can be found in the comments section of the property profiles and in our Economic Analysis section of this report.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- Total population in the PMA and MSA is projected to increase at a 1.0 percent annual rate from 2015 to 2020, and is expected to outpace the national population growth during the same time period. The share of renter-occupied units in the PMA is lower than in the MSA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase slightly through 2020.

Households earning under \$40,000 in the PMA comprise 37.5 percent of all income cohorts. The Subject will target households earning up to \$37,680 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

- Total employment in the MSA has increased in the MSA from 2005 to 2015 year-to-date. Though total employment rose to a peak of 82,018 jobs in 2008, the number of jobs in the MSA has generally been declining since then. From November 2014 to November 2015, unemployment in the MSA decreased by 100 basis points. Additionally, as of November 2015, the unemployment rate in the MSA was 0.8 percentage points above that of the nation. Overall, it appears that the MSA was impacted by the recent national recession, and appears to still be recovering, as evidenced by the recent decrease in employment. The recent decrease in total employment is likely attributable to the Fort Benning army base, which is just west of the MSA, recently cutting many of the specialized training programs it hosted. Most of these programs and jobs associated with them were transferred to Eglin Air Force Base, near Destin, Florida.

The PMA's leading industries include public administration, educational services, health care/social assistance, and retail trade. Together, these four industries make up 51.5 percent of total employment in the PMA. The PMA is overly represented in sectors such as public administration and educational services, and underrepresented in the retail trade, information, and construction sectors compared to the nation as a whole. The three largest employment sectors in the PMA are traditionally more stable employment sectors. However, other significant employment sectors include accommodation/food services, retail trade, and manufacturing, which have historically proven susceptible to job losses in times of economic recession. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

- The Subject's capture rates at the 50 percent AMI level with Section 8 subsidies will range from 3.8 to 12.8 percent, with an overall capture rate of 6.1 percent. The Subject's capture rates at the 60 percent AMI level with Section 8 subsidies will range from 0.9 to 3.6 percent, with an overall capture rate of 1.5 percent. Therefore, we believe there is more than adequate demand for the Subject.

- We were able to obtain absorption information from three comparable properties.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
The Reserve at Hampton	LIHTC	Family	2015	60	20
Asbury Parke	Market	Family	2014-2015	224	15
Magnolia Terrace Phase II	LIHTC/Market	Family	2008	36	9

As illustrated in the previous table, the properties constructed between 2008 and 2015 reported absorption rates between nine and 20 units per month, with an average of 15 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 15 units per month, which equates to an absorption period of approximately six months for the Subject to reach 93 percent occupancy, with or without subsidy.

- As illustrated in our competitive supply section of this report, vacancy rates in the market range from 2.6 to 10.0 percent, averaging 2.1 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 10.0 percent, with an average vacancy rate of 5.4 percent. The market rates comparable are experiencing vacancy rates ranging from zero percent to 3.3 percent. The average market rate vacancy rate is 1.2 percent. Marvin Gardens I & II reported slightly elevated vacancy rates in relation to the market. The contact stated the vacancy rate is typical for these properties, which is consistent with our surveyed historical data.

We anticipate that the Subject will perform similarly to the LIHTC comparables and will maintain a vacancy rate of five percent or less. We do not believe that the Subject will impact the performance of the existing LIHTC properties, as the renovation of the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock. The Subject is currently 89.6 percent occupied with units being held offline due to pending renovations. According to the Subject’s historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 3.9 to 6.4 percent between 2012 and 2014 with an average total vacancy rate of 5.1 percent. Vacancy and collection loss was 10.0 percent in 2015 due to units being held offline for the pending renovations. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

- Based upon our market research of comparables, our inspection of the Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject property as proposed following renovations. The Subject, which currently operates as a Section 8 development with 96 units, will continue to operate with Section 8 subsidies for all the units in addition to operating under the LIHTC program with 50 and 60 percent

AMI restrictions. The LIHTC comparables are performing adequately, with a weighted vacancy rate of 5.4 percent. Additionally, all of the comparable LIHTC properties maintain waiting lists. The Subject's proposed rents are within the range of rents at the LIHTC comparables and below market rate comparables' rents. This suggests that even if rents at the Subject were not subsidized through the Section 8 program, the proposed rents would be achievable in the open market. Considering the Section 8 subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The capture rates for the Subject are all considered achievable and are below the capture rate thresholds per Georgia DCA guidelines. We believe that the Subject will maintain a physical vacancy rate of five percent or less following stabilization, which is consistent with the LIHTC average. We have no recommended changes to the project concept at this time.

Amber Place Apartments is the most similar market rate property and is 98.0 percent occupied. The Subject will offer slightly inferior unit and property amenities to Amber Place. The Subject will be in similar condition upon completion of renovations, as Amber Place was built between 2005 and 2007 and is in good condition. Amber Place does offer superior unit sizes and a slightly superior location. The Subject's proposed rents (\$562 to \$803 for one through three-bedrooms) are well below Amber Place, which range from \$1,062 for one-bedroom units to \$1,276 for three-bedroom units. This bodes well for the marketability of the Subject and suggests that even without the Section 8 subsidies the proposed LIHTC rents are attainable.

Recommendations

- We have no recommended changes to the Subject that would alter marketability. At the proposed rent levels, the Subject will be supportable as a LIHTC development, with or without Section 8 rental subsidies.

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.



Rebecca S. Arthur, MAI
Partner
Novogradac & Company LLP
3-15-2016
Date



Rachel B. Denton
Principal
Novogradac & Company LLP
3-15-2016
Date



Edward R. Mitchell
Manager
Novogradac & Company LLP
3-15-2016
Date



Nicholas S. Jerkovich
Senior Real Estate Analyst
Novogradac & Company LLP
3-15-2016
Date

M. MARKET STUDY REPRESENTATION

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



Rebecca S. Arthur, MAI
Partner
Novogradac & Company LLP
3-15-2016
Date



Rachel B. Denton
Principal
Novogradac & Company LLP
3-15-2016
Date



Edward R. Mitchell
Manager
Novogradac & Company LLP
3-15-2016
Date



Nicholas S. Jerkovich
Senior Real Estate Analyst
Novogradac & Company LLP
3-15-2016
Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014
Member of Commercial Real Estate Women (CREW) Network
Member of National Council of Housing Market Analysts (NCHMA)

State of Arkansas Certified General Real Estate Appraisal No. CG2682
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of Louisiana Certified General Real Estate Appraiser No. 4018
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

USPAP Update, January 2016
Forecasting Revenue, June 2015
Discounted Cash Flow Model, June 2015
Business Practices and Ethics, April 2015
HUD MAP Training – June 2013
The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
How to Analyze and Value Income Properties, May 2011

Appraising Apartments – The Basics, May 2011
HUD MAP Third Party Tune-Up Workshop, September 2010
HUD MAP Third Party Valuation Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
HUD MAP – Valuation Advance MAP Training, April 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

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

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC 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.
- 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 numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are

used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.

- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Midwest FHA Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- Nebraska's County Assessors: Annual Meeting
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing Meetings

STATEMENT OF PROFESSIONAL QUALIFICATIONS
RACHEL BARNES DENTON

I. EDUCATION

Cornell University, Ithaca, NY
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

Appraisal Institute Candidate for Designation
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network
2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter
2013 Director of Communications and Board Member for Kansas City CREW
2014 Secretary and Board Member for Kansas City CREW
2015 and 2016 Treasurer and Board Member for Kansas City CREW

State of California Certified General Real Estate Appraiser No. AG044228
State of Colorado Certified General Real Estate Appraiser No. 100031319
State of Hawaii Certified General Real Estate Appraiser No. CGA1048
State of Illinois Certified General Real Estate Appraiser No. 553.002012
State of Kansas Certified General Real Estate Appraiser No. G-2501
State of Minnesota Certified General Real Estate Appraiser No. 40420897
State of Missouri Certified General Real Estate Appraiser No. 2007035992
State of New Mexico Certified General Real Estate Appraiser No. 03424-G
State of Oklahoma Certified General Real Estate Appraiser No. 13085CGA
State of Oregon Certified General Real Estate Appraiser No. C000951
State of Texas Certified General Real Estate Appraiser No. 1380396

III. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:
Appraisal Principals, September 2004
Basic Income Capitalization, April 2005
Uniform Standards of Professional Appraisal Practice, November 2005
Advanced Income Capitalization, August 2006
General Market Analysis and Highest & Best Use, July 2008
Advanced Sales Comparison and Cost Approaches, June 2009
Advanced Applications, June 2010
General Appraiser Report Writing and Case Studies, July 2014
Standards and Ethics (USPAP and Business Practices and Ethics)
MAI Designation General Comprehensive Examination, January 2015

Completed HUD MAP Training, Columbus, Ohio, May 2010

Have presented and spoken at both national Novogradac conferences and other industry events, including the National Council of Housing Market Analysts (NCHMA) Annual Meetings and FHA Symposia, Institute for Professional and Executive Development (IPED) conferences, and state housing conferences, such as Housing Colorado.

V. REAL ESTATE ASSIGNMENTS

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

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed 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.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Conducted a Highest and Best Use Analysis for a proposed two-phase senior residential development for a local Housing Authority in the western United States. Completed an analysis of existing and proposed senior supply of all types, including both renter and owner-occupied options, and conducted various demand analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating

expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.

Performed various community-wide affordable housing market analyses and needs assessments for communities and counties throughout the Midwest and Western states. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing. Additional analyses included identification of housing gaps, potential funding sources, and determination of appropriate recommendations. These studies are typically used by local, state, and federal agencies in order to assist with housing development and potential financing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

Performed appraisals of LIHTC assets for Year 15 purposes; valuations of both the underlying real estate asset and partnership interests have been completed. These reports were utilized to assist in potential disposition options for the property, including sale of the asset, buyout of one or more partners, or potential conversion to market rate.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

EDWARD R. MITCHELL

I. Education

University of Alabama, Tuscaloosa, Alabama
Master of Science – Financial Planning (05/2014)

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

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

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

II. Professional Experience

Analyst; Novogradac & Company LLP (September 2013 – Present)
Senior Appraiser; Valbridge Property Advisors
Managing Partner; Consolidated Equity, Inc.
Appraiser; Schultz, Carr, Bissette
Disposition Manager; Resolution Trust Corporation (RTC)

III. Assignments

- Currently conducts market feasibility studies and appraisals of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Over 20 years' experience in real estate appraisal, investment, development, and construction. Past appraisal assignments include all types of vacant and improved commercial property and special use properties such as rail corridors, Right-of-Way corridors, and recycling plants.

IV. Licensure

- State Certified General Real Property Appraiser (Georgia)
- Licensed Real Estate Salesperson (Georgia)
- Appraisal Institute – Candidate for Designation

STATEMENT OF PROFESSIONAL QUALIFICATIONS

NICHOLAS S. JERKOVICH

I. EDUCATION

University of Kansas: Bachelor of Arts, Communication Studies – Lawrence, Kansas

II. LICENSING AND PROFESSIONAL AFFILIATION

State of Missouri Certified General Real Estate Appraiser Trainee No. 2015023289

III. PROFESSIONAL EXPERIENCE

Senior Real Estate Analyst – Novogradac & Company LLP

Real Estate Analyst – Novogradac & Company LLP

Research Assistant – Novogradac & Company LLP

Residential Loan Officer – North American Savings Bank

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:

Basic Appraisal Principles – March 2013

Basic Appraisal Procedures – October 2013

General Appraiser Market Analysis Highest and Best Use – April 2014

Statistics, Modeling, and Finance – May 2014

General Report Writing and Case Studies – May 2014

Supervisor-Trainee Course for Kansas – October 2014

Commercial Appraisal Review – November 2014

Expert Witness for Commercial Appraisers – November 2014

Uniform Standards of Professional Appraisal Practice – February 2015

General Appraiser Site Valuation and Cost Approach – April 2015

General Appraiser Sales Comparison Approach – April 2015

General Appraiser Income Approach Part I – April 2015

General Appraiser Income Approach Part II – June 2015

V. REAL ESTATE ASSIGNMENTS

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

Prepared market studies for proposed market rate, Low Income Housing Tax Credit, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis included property screenings, market analysis, comparable rent surveys, demand/supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, acquisition with rehabilitation, and historic conversion.

Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.

Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.

Prepared market studies and assisted in 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/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed multiple community and county-wide affordable and market rate housing market analyses/needs assessments throughout the Midwest and southwestern United States. Analyses included demographic, demand, and pricing forecasts, interviews with local stakeholders, surveys of existing affordable and market rate rental supply, and reconciliation of operations at existing supply versus projected future need for rental and owner-occupied housing.