



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

**GROVE SENIOR VILLAGE  
Indian Creek Road and Apache Avenue  
Locust Grove, Henry County, Georgia 30248**

**Effective Date: May 9, 2016**

**Report Date: June 3, 2016**

*Prepared For*

**Mr. Max Elbe  
Principal  
Peachtree Housing Communities  
80 West Wieuca Road NE  
Suite 204  
Atlanta, GA 30342**

*Prepared By*

**Novogradac & Company LLP  
2325 Lakeview Parkway  
Suite 450  
Alpharetta, Georgia 30009  
678.867.2333**

June 3, 2016

Mr. Max Elbe  
Principal  
Peachtree Housing Communities  
80 West Wieuca Road NE  
Atlanta, GA 30342

**Re: Market Study for Grove Senior Village in Locust Grove, Georgia**

Dear Mr. Elbe:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the Locust Grove, Henry County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Grove Senior Village, a proposed Housing for Older Persons (HFOP) development consisting of 64 units. The Subject will offer units at 50 and 60 percent of the AMI as well as unrestricted market rate units and will target tenants ages 55 and older. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

Respectfully submitted,



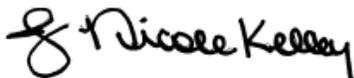
---

Brad Weinberg, MAI, CVA, CCIM  
Partner  
Certified General Appraiser  
Novogradac & Company LLP



---

Edward R. Mitchell  
Manager  
Novogradac & Company LLP



---

J. Nicole Kelley  
Real Estate Analyst  
Novogradac & Company LLP

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

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

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

TABLE OF CONTENTS

A. EXECUTIVE SUMMARY AND CONCLUSION ..... 1  
B. PROJECT DESCRIPTION ..... 9  
C. SITE EVALUATION ..... 13  
D. MARKET AREA ..... 24  
    Primary Market Area ..... 25  
E. COMMUNITY DEMOGRAPHIC DATA..... 27  
F. EMPLOYMENT TRENDS ..... 33  
G. PROJECT-SPECIFIC DEMAND ANALYSIS ..... 39  
H. COMPETITIVE RENTAL ANALYSIS ..... 62  
I. ABSORPTION AND STABILIZATION RATES.....85  
J. INTERVIEWS.....86  
K. CONCLUSIONS AND RECOMMENDATIONS ..... 102  
L. SIGNED STATEMENT REQUIREMENTS..... 107

Addendum

## **A. EXECUTIVE SUMMARY AND CONCLUSION**

**EXECUTIVE SUMMARY AND CONCLUSIONS**

**1. Project Description:**

Grove Senior Village is a proposed LIHTC development that will be located at the intersection of Indian Creek Road and Apache Avenue in Locust Grove, Henry County, Georgia. The proposed development will be age restricted to senior households 55 and older and will consist of one, elevator serviced, three-story lowrise building. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

**PROPOSED RENTS**

Unit Type	Number of Units	Square Footage	Asking Rent	Utility Allowance (1)	Gross Rent	2015 LIHTC	
						Maximum Allowable Gross Rent*	HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	6	750	\$440	\$171	\$611	\$640	\$773
2BR/21BA	8	950	\$525	\$217	\$742	\$767	\$916
<i>60% AMI</i>							
1BR/1BA	12	750	\$495	\$171	\$666	\$768	\$773
2BR/1BA	19	950	\$535	\$217	\$752	\$921	\$916
<i>Market Rate</i>							
1BR/1BA	8	750	\$645	\$171	\$816	-	\$773
2BR/1BA	11	950	\$685	\$217	\$902	-	\$916
<b>Total</b>	<b>64</b>						

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

\*Per GA DCA 2016 guidelines, the market analyst must use the maximum rents and income limits from the same year as the utility allowance. The GA DCA utility allowance is effective as of 7/2015. Therefore, we have used the 2015 maximum rents and income limits in our analysis.

The Subject will offer the following amenities: blinds, carpeting, central air conditioning, dishwashers, garbage disposals, oven/range, microwaves, refrigerators, handrails, pull cords, washer/dryer connections, a business center/computer lab, a clubhouse/community room, elevators, a central laundry facility, off-street parking, on-site management, a covered picnic area, community gardens, limited access entry, and an exercise facility. The Subject’s community amenities will be competitive with the existing properties in the market.

**2. Site Description/Evaluation:**

The Subject’s immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the

area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This property is in excellent condition and is currently 100 percent occupied and has a waiting list of six months to one year. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42, approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

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

The Subject site is located in Locust Grove, Henry County, Georgia. The PMA boundaries are defined as the Henry/Dekalb County line to the north, Georgia 155, Keys Ferry Road and Georgia 36 East to the east, Highway 16 West to the south, and Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west. The furthest PMA boundary from the Subject site is approximately 21 miles.

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

Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2020, and will do so at a pace generally similar to the MSA but well above the nation. Senior household growth in the PMA is projected at 4.1 percent through 2020, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the

PMA bode well for the Subject. Approximately 22 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2020. The Subject's units will target tenants within this age demographic. Our analysis also indicates that approximately 32 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is slightly above the national average and the number of senior renters will increase slightly from 2015 to 2020. Overall, the demographic trends are a positive indicator for the Subject's units.

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

The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past four years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is a not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 5.2 percent, which is consistent with the national average. The steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.8 percentage points from February 2015 to February 2016, and total jobs numbers within Henry County are positive and have passed their pre-recession peak. Overall, the local economy appears to be healthy and has fully recovered from the most recent national recession.

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

Our demand analysis indicates that there are 613 income qualified senior renter households in the PMA for the Subject’s LIHTC units and 1,501 income qualified senior households for the Subject’s LIHTC and market rate units. The following table indicates the capture rates for the Subject’s units.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR at 50% AMI	\$18,330-\$27,300	6	86	4	82	7.3%
2BR at 50% AMI	\$22,260-\$27,300	8	89	9	80	10.1%
1BR 60% AMI	\$19,980-\$32,760	12	110	16	94	12.7%
2BR 60% AMI	\$22,560-\$32,760	19	113	31	82	23.0%
1BR Market	\$24,480-\$54,600	8	259	0	259	3.1%
2BR Market	\$27,060-\$54,600	11	266	0	266	4.1%
<b>Overall 50% AMI</b>	-	<b>14</b>	<b>175</b>	<b>13</b>	<b>162</b>	<b>8.7%</b>
<b>Overall 60% AMI</b>	-	<b>31</b>	<b>224</b>	<b>47</b>	<b>177</b>	<b>17.5%</b>
<b>Overall LIHTC</b>	-	<b>45</b>	<b>265</b>	<b>60</b>	<b>205</b>	<b>22.0%</b>
<b>Overall Market</b>	-	<b>19</b>	<b>524</b>	<b>0</b>	<b>524</b>	<b>3.6%</b>
<b>Total Overall</b>	-	<b>64</b>	<b>647</b>	<b>60</b>	<b>587</b>	<b>10.9%</b>

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

**7. Competitive Rental Analysis:**

To evaluate the competitive position of the proposed Subject, 1,147 units in seven rental properties were surveyed in depth. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities; tenant profiles; and market trends in general. The availability of senior LIHTC data in the PMA is considered good. There are three LIHTC properties targeting seniors in the PMA and one senior LIHTC property (Hampton Court) which is located just west of the PMA in Hampton. The newest senior property in the PMA, Shoal Creek Manor, is located 0.9 miles from the Subject site in Locust Grove and entered the market in 2011. We have also included three market rate comparables in our analysis. One of these comparables is located in Locust Grove while the other two properties are located in McDonough. All three properties are within the PMA boundaries. Additionally, the senior LIHTC property Grier Senior Manor, which is located in McDonough, offers market rate units. Overall, we believe the

comparable data is sufficient upon which to base our conclusions.

Although there are two family LIHTC properties located within the PMA, we have not included these properties as comparables. Property managers at Ashley Woods and Sable Chase I and II indicated that these properties do not have a significant senior tenancy and would not directly compete with a LIHTC property targeting seniors 55 and older. Additionally, there is sufficient senior data within the PMA and these properties represent direct competition for the proposed Subject. Ashley Woods has a current occupancy of 95.3 percent while Sable Chase I and II has an occupancy of 96.5. Neither property is currently maintaining a waiting list.

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

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

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

**Subject Comparison To "Market Rents"**

<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR 50% AMI	\$440	\$479	\$851	\$667	52%
2 BR 50% AMI	\$525	\$480	\$968	\$698	33%
1 BR 60% AMI	\$495	\$609	\$851	\$750	51%
2 BR 60% AMI	\$535	\$480	\$968	\$790	48%
1 BR Market	\$645	\$660	\$851	\$785	22%
2 BR Market	\$685	\$719	\$968	\$862	26%

As illustrated, with the exception of the two-bedroom 50 and 60 percent AMI rents, all of the Subject's proposed rents are below the minimum observed rents while the two-bedroom LIHTC rents are well within the observed range, and well below the average rents. The Subject's proposed rents have significant rent advantages of 22 to 52 percent and will offer value in the market. Overall, the Subject's proposed rents are considered reasonable when compared to the comparables and we believe that the Subject will be successful as proposed.

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

Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and is currently proposed. This property will be located in the Subject's PMA in Stockbridge, approximately 16.6 miles north of the Subject. While this property will directly compete with the Subject, we believe there is adequate demand for both properties given the extremely low vacancy rates in the market and the lengthy waiting lists reported at the senior LIHTC comparables.

As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

## **9. Overall Conclusion:**

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC properties located in the Subject's PMA, and all three are fully occupied and have lengthy waiting lists. There is also one senior LIHTC property located just west of the PMA in

Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is currently 100 percent occupied with a waiting list of several hundred households. The lack of vacant senior units in the market and the lengthy waiting lists reported at the comparables indicates a supply constrained market. There is one senior LIHTC property planned in the PMA. The senior property Red Oak Village was allocated in 2015 and will be located 16.6 miles north of the Subject in Stockbridge. The property will offer 60 one and two-bedroom units at 50 and 60 percent AMI. Property managers at the senior LIHTC comparables reported a significant need for additional LIHTC housing targeting the senior age demographic and the property managers at Grier Senior Manor and Hampton Court estimated that the market can support an additional 150 to 200 units. Combined, Red Oak Village and the Subject will add 109 LIHTC units to the market. Given the lack of senior vacancies, the reported need for additional units, and the capture rates in the demand analysis, we believe there is sufficient demand to support both the Subject and Red Oak Village, particularly given that Red Oak Village will be located in the northern portion of the PMA and the Subject will be located in the southern portion of the PMA, approximately 16.6 miles apart. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 22 to 52 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

### Summary Table:

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

Development Name:	<b>Grove Senior Village</b>	Total # Units: <b>64</b>
Location:	Indian Creek Road and Apache Avenue	# LIHTC Units: <b>45</b>
	Locust Grove, Henry County, Georgia	
PMA Boundary:	Henry/Dekalb County line to the north, Highway 16 West to the south, GA 155, Keys Ferry Rd, and GA 136 East to the east, Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west	
	Farthest Boundary Distance to Subject:	21.0 miles

#### Rental Housing Stock (found on page 90, 93)

Type*	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	1,147	27	97.6%
Market-Rate Housing	4	868	27	96.9%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	0	0	0	N/Ap
<b>LIHTC</b>	4	292	0	100.0%
Stabilized Comps	7	1,147	27	97.6%
Properties in Construction & Lease Up**	1	60	60	0.0%

\*Some properties offer both LIHTC and market rate units

\*\*Property allocated in 2015 and has not started leasing

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
6	1BR at 50% AMI	1	750	\$440	\$667	\$0.89	52%	\$843	\$0.88
8	2BR at 50% AMI	1	950	\$525	\$698	\$0.55	33%	\$980	\$0.80
12	1BR at 60% AMI	1	750	\$495	\$750	\$1.00	52%	\$843	\$0.88
19	2BR at 60% AMI	1	950	\$535	\$790	\$0.83	48%	\$980	\$0.80
8	1BR at Market Rate	1	750	\$645	\$785	\$1.05	22%	\$843	\$0.88
11	2BR at Market Rate	1	950	\$685	\$862	\$0.91	26%	\$980	\$0.80

#### Demographic Data (found on pages 28 & 54)

	2010		2015		2018	
Renter Households	2,610	13.70%	2,895	13.70%	3,314	14.00%
Income-Qualified Renter HHs (LIHTC)	483	18.50%	536	18.50%	613	18.50%

#### Targeted Income-Qualified Renter Household Demand (found on pages 45, 48, 51, 54 57)

Type of Demand	30%	50%	60%	Market-rate	LIHTC Only	Overall*
Renter Household Growth	N/Ap	51	66	154	78	190
Existing Households (Overburdened + Substandard)	N/Ap	171	220	515	260	634
Homeowner conversion (Seniors)	N/Ap	4	6	14	7	16
<b>Total Primary Market Demand</b>	<b>N/Ap</b>	<b>226</b>	<b>292</b>	<b>683</b>	<b>345</b>	<b>840</b>
Less Comparable/Competitive Supply	N/Ap	13	47	0	60	60
<b>Adjusted Income-qualified Renter HHs**</b>	<b>N/Ap</b>	<b>213</b>	<b>245</b>	<b>683</b>	<b>285</b>	<b>780</b>

Targeted Population	30%	50%	60%	Market-rate	LIHTC Only	Overall
Capture Rate:	N/Ap	8.70%	17.50%	3.60%	22.00%	10.90%

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

<b>Project Address and Development Location:</b>	The Subject site is located at the intersection of Indian Creek Road and Apache Avenue in Locust Grove, Henry County, Georgia.
<b>Construction Type:</b>	The Subject will be a newly constructed development consisting of one, lowrise, elevator serviced building.
<b>Occupancy Type:</b>	The Subject will target households 55 and older.
<b>Special Population Target:</b>	None.
<b>Number of Units by Bedroom Type and AMI Level:</b>	See following property profile.
<b>Unit Size:</b>	See following property profile.
<b>Structure Type:</b>	See following property profile.
<b>Rents and Utility Allowances:</b>	See following property profile.
<b>Existing or Proposed Project Based Rental Assistance:</b>	None of the Subject's units will operate with an additional subsidy.
<b>Proposed Development Amenities:</b>	See following property profile.

# Grove Senior Village, Locust Grove, GA; Market Study

Grove Senior Village												
<b>Comp#</b>	Subject											
<b>Effective Rent Date</b>	5/13/2016											
<b>Location</b>	Indian Creek Rd & Apache Ave Locust Grove, GA 30248 Henry County County (verified)											
<b>Units Type</b>	64 Lowrise (age-restricted) (3 stories)											
<b>Year Built / Renovated</b>	2018											
Market												
<b>Program</b>	50%, 60%, Market				<b>Leasing Pace</b>				n/a			
<b>Annual Turnover Rate</b>	N/A				<b>Change in Rent (Past Year)</b>				n/a			
<b>Units/Month Absorbed</b>	n/a				<b>Concession</b>							
<b>Section 8 Tenants</b>	N/A											
Utilities												
<b>A/C</b>	not included -- central				<b>Other Electric</b>				not included			
<b>Cooking</b>	not included -- electric				<b>Water</b>				not included			
<b>Water Heat</b>	not included -- electric				<b>Sewer</b>				not included			
<b>Heat</b>	not included -- electric				<b>Trash Collection</b>				included			
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Lowrise (3 stories)	8	750	\$645	\$0	Market	n/a	N/A	N/A	N/A	
1	1	Lowrise (3 stories)	6	750	\$440	\$0	@50%	n/a	N/A	N/A	no	
1	1	Lowrise (3 stories)	12	750	\$495	\$0	@60%	n/a	N/A	N/A	no	
2	1	Lowrise (3 stories)	11	950	\$685	\$0	Market	n/a	N/A	N/A	N/A	
2	1	Lowrise (3 stories)	8	950	\$525	\$0	@50%	n/a	N/A	N/A	no	
2	1	Lowrise (3 stories)	19	950	\$535	\$0	@60%	n/a	N/A	N/A	no	
Amenities												
<b>In-Unit</b>	Blinds Carpeting Central A/C Dishwasher Garbage Disposal Hand Rails Microwave Oven Pull Cords Refrigerator Washer/Dryer hookup				<b>Security</b>				Limited Access			
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area				<b>Premium</b>				none			
<b>Services</b>	none				<b>Other</b>				Community garden			
Comments												
The proposed development will target seniors 55 and older. Utility allowances for the property are \$171 and \$217 for a one- and two-bedroom unit, respectively.												

<b>Scope of Renovations:</b>	The Subject will be new construction.
<b>Current Rents:</b>	N/Ap.
<b>Current Occupancy:</b>	N/Ap.
<b>Current Tenant Income:</b>	N/Ap.
<b>Placed in Service Date:</b>	The Subject will be placed in service in June 2018.
<b>Conclusion:</b>	Upon completion, the Subject will be an excellent quality brick and vinyl siding, lowrise, elevator serviced building and will be comparable to the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

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

Nicole Kelley visited the site on May 9, 2016.

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

The following illustrates the physical features of the site.

*Frontage:*

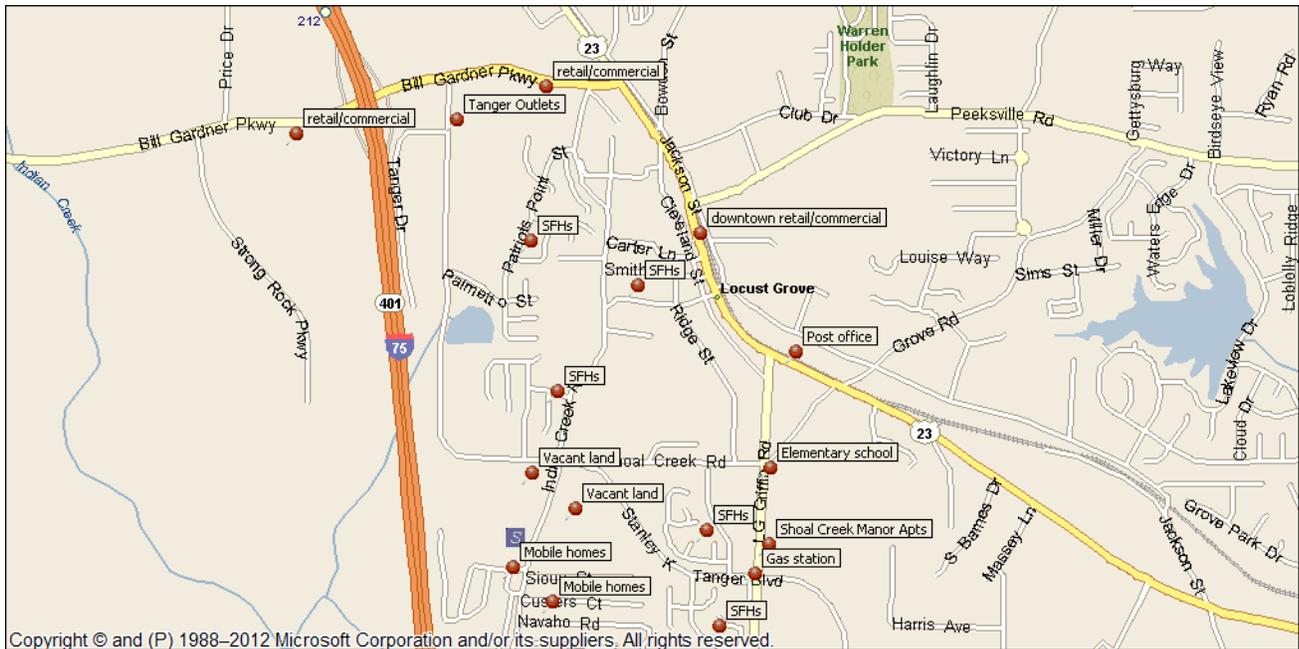
The Subject site has frontage along Indian Creek Road and Apache Avenue.

*Visibility/Views:*

The Subject site is located on the western side of Indian Creek Road, just north of its intersection with Apache Avenue. Views from the Subject site are mostly of vacant, undeveloped land and single family homes and mobile homes in average to good condition. Overall, visibility and views from the site are considered good.

*Surrounding Uses:*

The following map and pictures illustrate the surrounding land uses.



The Subject’s immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This property is in excellent condition and is currently 100 percent occupied and has a waiting list of six months to one

year. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42, approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. The Tanger Outlets, a national retail outlet chain, is also located approximately 1.5 miles north of the Subject site. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

*Positive/Negative Attributes of Site:* The Subject has good access to area retail and commercial development, which is located within 1.5 miles of the site. The Subject also has excellent access to Interstate 75, which traverses north and south and provides access to Atlanta to the north and Macon to the south. Interstate 75 is accessed via Bill Gardner Parkway, approximately 1.5 miles north of the Subject site.

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

The Subject site is located approximately 1.5 miles from Interstate 75. Interstate 75 traverses north and south and provides access to Atlanta to the north and Macon to the south. The Subject site is also located within five miles of the majority of locational amenities. There is no fixed route transit system in Henry County.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View north on Indian Creek Road



View south on Indian Creek Road



Mobile home south



Single family home north



Vacant land north



Single family home east



Gas station/convenience store east



Retail northeast on Highway 42



Retail along Bill Gardner Parkway



Retail along Bill Gardner Parkway



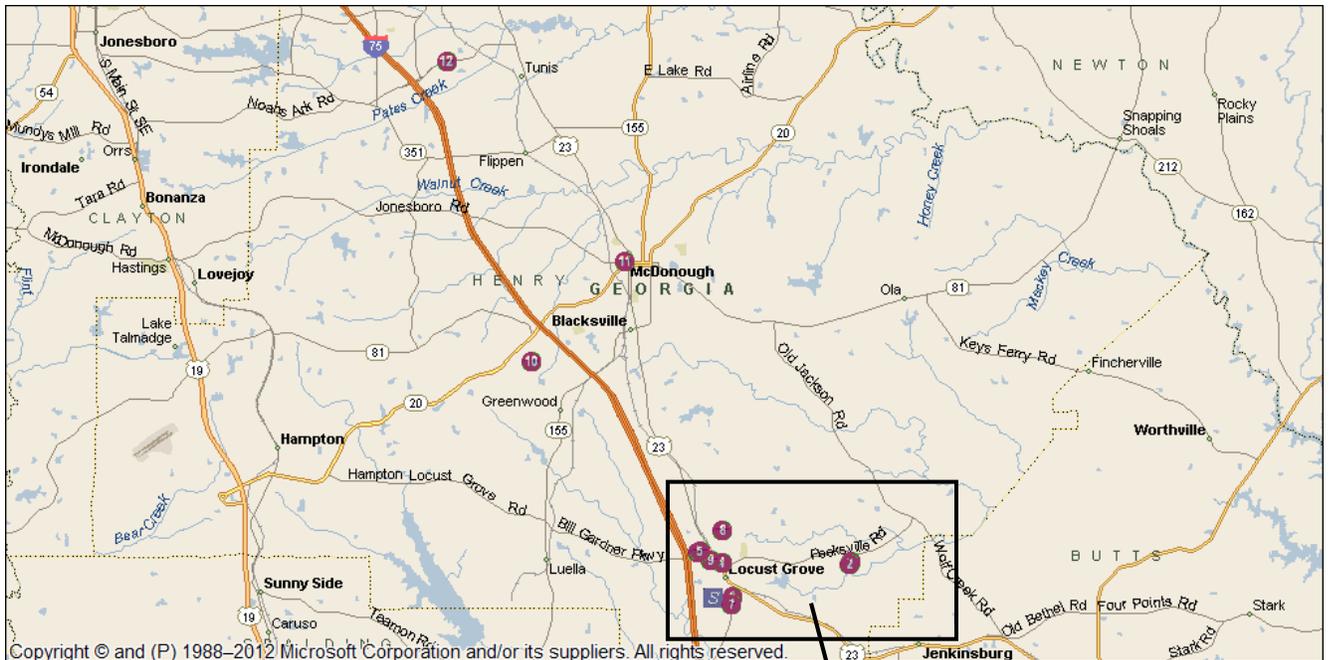
Tanger Outlet Retail

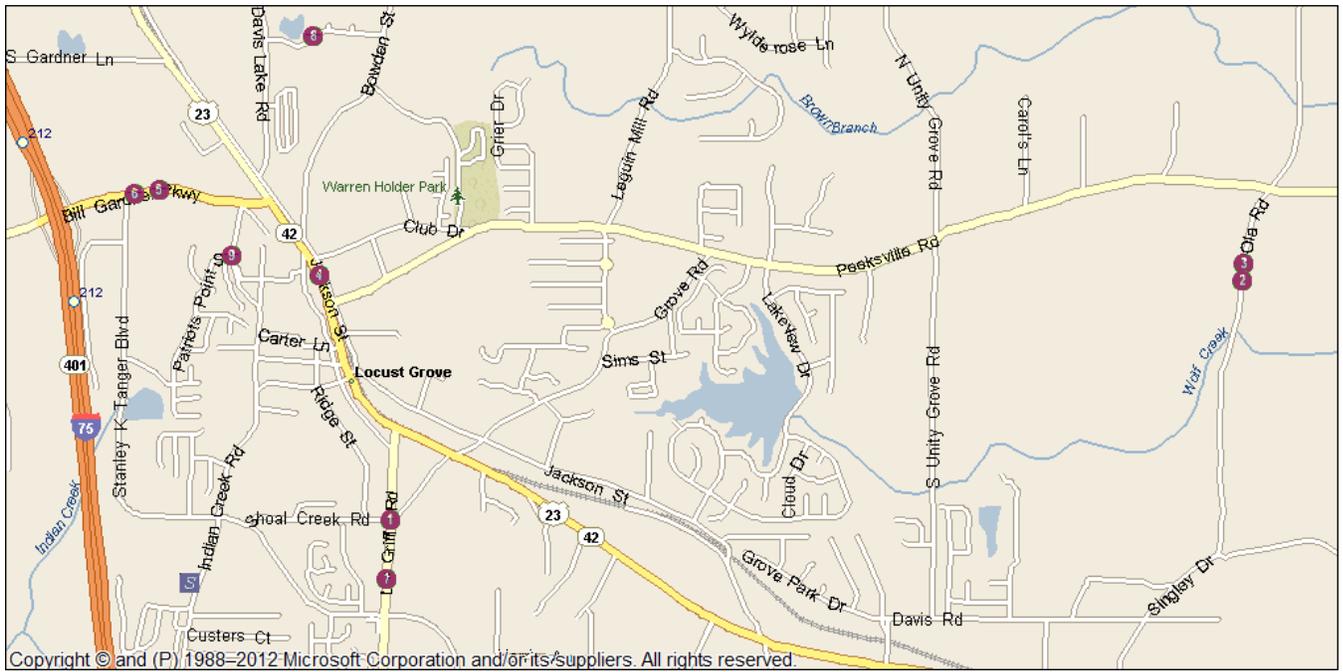


Tanger Outlet Retail

**5. Proximity to Locational Amenities:**

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





Map #	Service/Amenity	Distance from Subject
1	Locust Grove Elementary School	0.8 miles
2	Locust Grove Middle School	4.6 miles
3	Locust Grove High School	4.5 miles
4	Eagles Landing Pharmacy	1.3 miles
5	Ingles Supermarket	2.0 miles
6	Correct Medical-Urgent Care	2.0 miles
7	Locust Grove Public Library	1.0 miles
8	Locust Grove Senior Center	2.4 miles
9	Locust Grove Police Department	1.1 miles
10	McDonough Fire Department	9.6 miles
11	Employment Center-McDonough	8.7 miles
12	Employment Center-Stockbridge	15.5 miles

**6. Description of Land Uses:**

The Subject’s immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This property is in excellent condition and is currently 100 percent occupied and has a waiting list of six months to one year. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42,

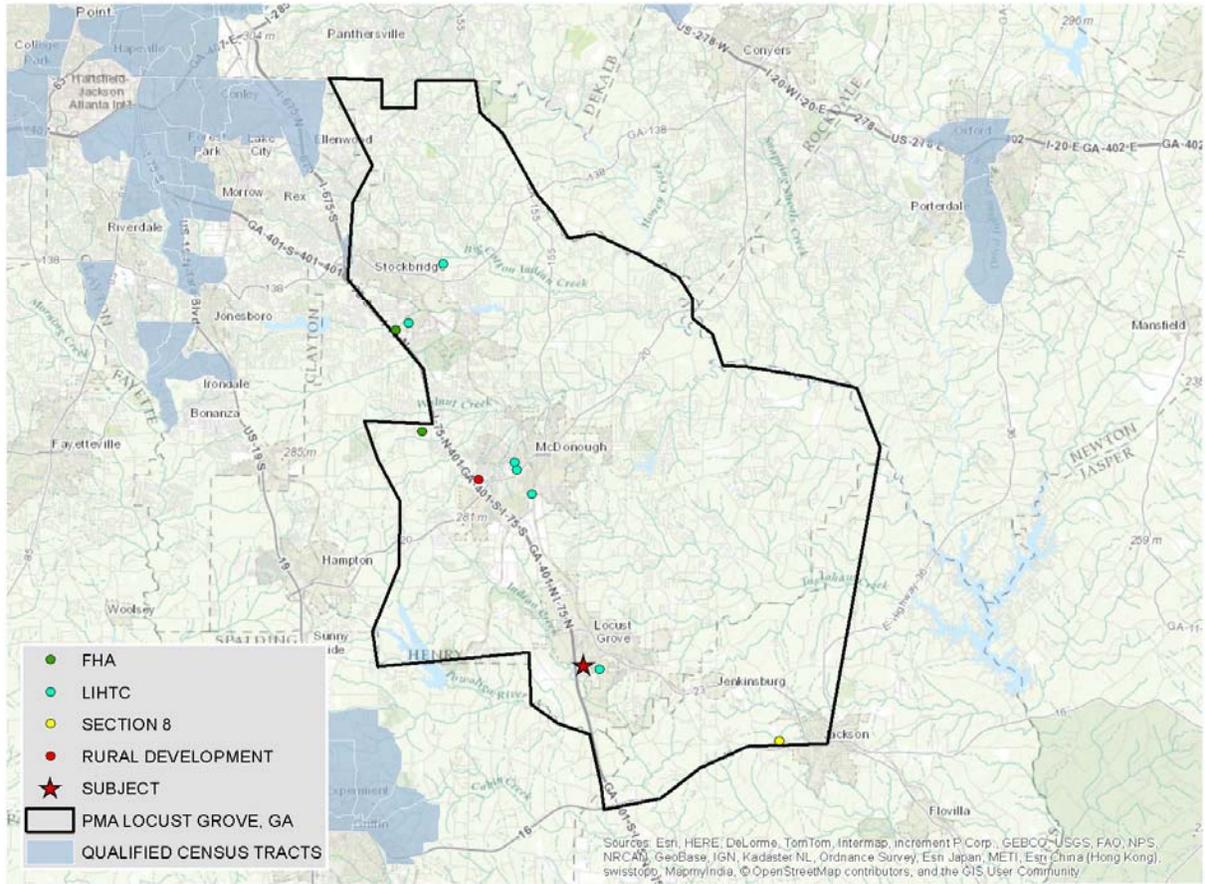
approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

## **7. Existing Assisted Rental Housing**

### **Property Map:**

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

Name	Type	Tenancy	Map Color	Mileage	Included/Excluded	Reason for Exclusion
Grier Senior Manor	LIHTC	Senior	Cyan	7.7 miles	Included	-
Heritage at McDonough	LIHTC	Senior		10.0 miles	Included	-
Shoal Creek Manor	LIHTC	Senior		0.9 miles	Included	
Ashley Woods	LIHTC	Family		15.7 miles	Excluded	Does not have a significant senior tenancy; more comparable properties
Sable Chase I and II	LIHTC	Family		10.2 miles	Excluded	Does not have a significant senior tenancy; more comparable properties
Red Oak Village	LIHTC	Senior	16.6 miles	Excluded	Proposed	
Brookshire Apartments	Rural Development	Family	Red	9.2 miles	Excluded	Rent subsidized
Magnolia Grove	Section 8	Senior	Yellow	11.4 miles	Excluded	Rent subsidized
North Park Apartments	FHA	Family	Green	15.7 miles	Excluded	Inferior; could not reach management
Mandalay Villas	FHA	Family		12.5 miles	Excluded	Closer, more comparable propertie available
<b>Grove Senior Village</b>	<b>LIHTC</b>	<b>Senior</b>		<b>Red Star</b>	-	-



Locust Grove, GA



**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 site is located at the intersection of Indian Creek Road and Apache Avenue. Both roadways are lightly trafficked and contain residential development as well as vacant, undeveloped land. Overall, the Subject site will have good visibility from both roadways.

**10. Environmental Concerns:**

None visible upon site inspection.

**11. Conclusion:**

The Subject site is located at the intersection of Indian Creek Road and Apache Avenue. Both roadways contain residential development as well as vacant, undeveloped land. Residential uses consist mainly of single family homes and mobile homes ranging from average to good condition. The senior LIHTC property Shoal Creek Manor is located approximately 0.9 miles from the Subject site. This property entered the market in 2011 and is 100 percent occupied and has an approximate waiting list of six months to one year. The strong performance of this property suggests that the neighborhood is well suited for multifamily housing.

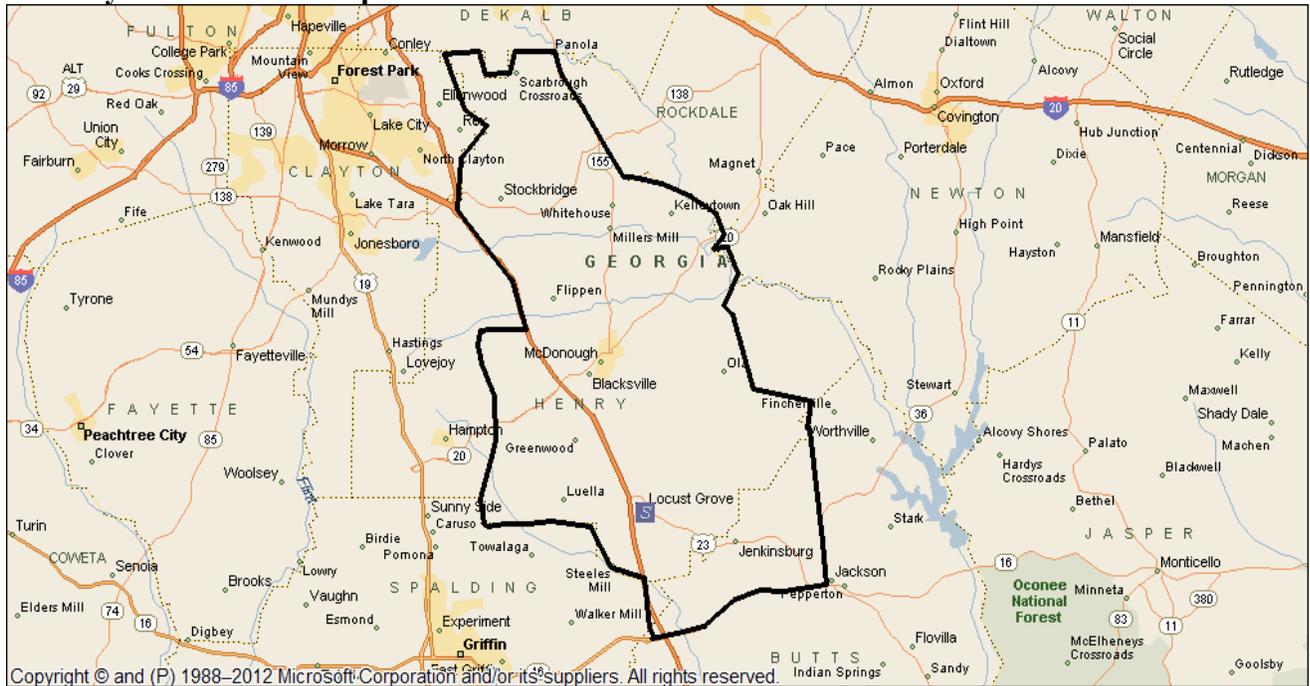
The Subject site has good access to retail/commercial development, which is located along Highway 42 and Bill Gardner Parkway, approximately 1.0 to 1.5 miles from the site. Retail in the area is in generally good condition and is approximately 90 to 95 percent occupied. Overall, the community presents a good location for an affordable, multifamily development and the Subject will have a positive impact on the local neighborhood.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

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

### Primary Market Area Map



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 Marietta MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – Henry/Dekalb County line

South- Highway 16 West

East-GA 155, Keys Ferry Road, and GA 36 East

West-Interstate 75, Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton line

The Subject site is located in Locust Grove, Henry County, Georgia. The PMA boundaries are defined as the Henry/Dekalb County line to the north, Georgia 155, Keys Ferry Road and Georgia 36 East to the east, Highway 16 West to the south, and Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west. This area includes a majority of Henry County as well as the northern portion of Butts County, including the town of Jenkinsburg. The area was defined based on interviews with the local housing authority, property managers at comparable

properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from out of state. Of those residents coming from within Georgia most are coming from the Stockbridge/McDonough areas with some traveling from south Atlanta. Per Georgia DCA guidelines, we have not accounted for leakage from outside the PMA boundaries.

## **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 Atlanta-Sandy Springs-Roswell, GA MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2010 through 2020.

#### TOTAL POPULATION

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	104,730	-	4,263,438	-	281,421,906	-
2010	174,816	6.7%	5,286,728	2.4%	308,745,538	1.0%
2015	181,931	0.8%	5,527,230	0.9%	318,536,439	0.6%
Projected Mkt Entry June 2018	186,411	0.8%	5,717,098	1.2%	325,586,685	0.8%
2020	189,611	0.8%	5,852,718	1.2%	330,622,575	0.8%

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

#### TOTAL SENIOR POPULATION (55+)

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	15,913	-	646,403	-	59,266,437	-
2010	32,429	10.4%	1,028,311	5.9%	76,750,713	3.0%
2015	39,467	4.1%	1,235,028	3.8%	87,809,032	2.7%
Projected Mkt Entry June 2018	43,472	3.5%	1,356,341	3.4%	93,796,460	2.3%
2020	46,332	3.5%	1,442,993	3.4%	98,073,194	2.3%

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

**POPULATION BY AGE GROUP**

Age Cohort	PMA			Projected Mkt	2020
	2000	2010	2015	Entry June 2018	
0-4	8,519	11,777	11,766	11,955	12,090
5-9	8,893	14,057	12,115	12,219	12,294
10-14	8,567	15,524	14,144	13,625	13,255
15-19	7,038	14,471	13,729	13,465	13,276
20-24	5,581	9,489	13,268	12,376	11,739
25-29	7,675	9,633	11,853	13,764	15,129
30-34	9,478	11,549	10,791	12,622	13,929
35-39	10,393	14,298	11,871	12,033	12,149
40-44	9,010	14,978	14,262	13,094	12,260
45-49	7,393	14,694	14,407	13,951	13,626
50-54	6,271	11,917	14,258	13,835	13,533
55-59	4,732	9,543	11,524	12,312	12,874
60-64	3,352	7,834	9,088	9,973	10,605
65-69	2,704	5,580	7,332	7,845	8,212
70-74	2,020	3,757	4,946	5,808	6,423
75-79	1,537	2,648	3,061	3,660	4,088
80-84	866	1,725	1,941	2,138	2,278
85+	702	1,342	1,575	1,737	1,852
<b>Total</b>	<b>104,731</b>	<b>174,816</b>	<b>181,931</b>	<b>186,412</b>	<b>189,612</b>

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

**NUMBER OF ELDERLY AND NON-ELDERLY**

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	104,731	88,818	15,913	4,263,438	3,617,035	646,403
2010	174,816	142,387	32,429	5,286,728	4,258,417	1,028,311
2015	181,931	142,464	39,467	5,527,230	4,292,202	1,235,028
Projected Mkt Entry June 2018	186,412	142,940	43,472	5,717,098	4,360,757	1,356,341
2020	189,612	143,280	46,332	5,852,718	4,409,725	1,442,993

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

Total population in the PMA increased significantly through 2010 and has continued to increase through 2015, albeit at a slower pace. The population is expected to grow at a rate of 0.8 percent through 2020, a pace below the MSA but similar to the national average. Senior population growth in the PMA was strong through 2010 at 10.4 percent. Growth in the PMA significantly outpaced growth in the MSA and the nation over this time period. Although senior population growth has slowed, it is still slightly above senior growth in the MSA and well above the national average. This strong population growth in the senior age cohorts bodes well for the Subject’s units.

The largest age cohort in the PMA is the 45 to 49 age group, followed by the 40 to 44 and 50 to 54 age groups. These age groups represent 24 percent of the population in the PMA. Approximately 22 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2020. The Subject’s units will target tenants within this age demographic. Overall, these demographic trends are positive indicators for the Subject, which will provide low income housing to elderly households.

## 2. Household Trends

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

#### TOTAL NUMBER OF HOUSEHOLDS 55+

Year	PMA		Atlanta-Sandy Springs- Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	9,149	-	389,452	-	36,459,725	-
2010	19,096	10.9%	612,737	5.7%	45,892,687	2.6%
2015	21,086	2.0%	689,646	2.4%	50,825,452	2.0%
Projected Mkt Entry June 2018	23,599	4.1%	771,555	4.1%	54,466,104	2.5%
2020	25,395	4.1%	830,062	4.1%	57,066,571	2.5%

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

#### AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs- Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.87	-	2.68	-	2.59	-
2010	2.88	0.0%	2.68	0.0%	2.58	-0.1%
2015	2.88	0.0%	2.68	0.0%	2.57	0.0%
Projected Mkt Entry June 2018	2.89	0.0%	2.68	0.0%	2.57	0.0%
2020	2.89	0.0%	2.67	0.0%	2.57	0.0%

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

Total number of senior households in the PMA increased significantly through 2010 and has continued to increase through 2015, but at a slower pace. The total number of senior households in the PMA is expected to grow at a rate of 4.1 percent through 2020, a pace similar to the MSA and well above the national average. The significant senior household growth projected for the PMA and MSA are a positive indicator for demand for the Subject's units.

The average household size in the PMA is 2.88 persons, slightly larger than the average household size in both the MSA and the nation. This average household size is expected to remain relatively stable through 2020. As a senior development, the Subject will target households of one to two persons.

**2b. Households by Tenure**

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied		Renter-Occupied	
	Units	Percentage Owner-Occupied	Units	Percentage Renter-Occupied
2000	8,228	89.9%	922	10.1%
2010	16,486	86.3%	2,610	13.7%
2015	18,192	86.3%	2,895	13.7%
Projected Mkt Entry				
June 2018	20,285	86.0%	3,314	14.0%
2020	21,781	85.8%	3,614	14.2%

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

As illustrated, the majority of senior households in the PMA are renter households. However, the percentage of senior renter households in the PMA is expected to increase slightly from 2015 to market entry and is expected to continue increasing through 2020. Nationally, approximately 13 percent of senior households are renters. The percentage of senior renters in the PMA is slightly above the national average.

**2c. Households by Income**

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

**HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA**

Income Cohort	2010		2015		Projected Mkt Entry June 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,109	5.8%	1,797	8.5%	2,119	9.0%	2,349	9.3%
\$10,000-19,999	2,115	11.1%	2,739	13.0%	3,140	13.3%	3,426	13.5%
\$20,000-29,999	1,832	9.6%	2,294	10.9%	2,689	11.4%	2,971	11.7%
\$30,000-39,999	1,735	9.1%	2,321	11.0%	2,675	11.3%	2,928	11.5%
\$40,000-49,999	1,859	9.7%	2,259	10.7%	2,651	11.2%	2,931	11.5%
\$50,000-59,999	1,704	8.9%	2,011	9.5%	2,195	9.3%	2,326	9.2%
\$60,000-74,999	2,468	12.9%	2,258	10.7%	2,478	10.5%	2,635	10.4%
\$75,000-99,999	2,529	13.2%	2,533	12.0%	2,749	11.6%	2,903	11.4%
\$100,000-124,999	1,716	9.0%	1,433	6.8%	1,450	6.1%	1,462	5.8%
\$125,000-149,999	864	4.5%	594	2.8%	598	2.5%	601	2.4%
\$150,000-199,999	734	3.8%	578	2.7%	577	2.4%	577	2.3%
\$200,000+	432	2.3%	270	1.3%	279	1.2%	286	1.1%
<b>Total</b>	<b>19,096</b>	<b>100.0%</b>	<b>21,086</b>	<b>100.0%</b>	<b>23,599</b>	<b>100.0%</b>	<b>25,395</b>	<b>100.0%</b>

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

As indicated, approximately 32 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of senior renters in the lowest income cohorts indicates a strong need for additional low income senior rental units.

**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 June 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,589	27.5%	3,683	25.9%	4,417	26.6%	4,578	26.8%	4,693	27.0%
With 2 Persons	1,515	26.2%	3,356	23.6%	3,906	23.5%	4,005	23.5%	4,076	23.4%
With 3 Persons	1,139	19.7%	2,774	19.5%	3,246	19.5%	3,336	19.5%	3,400	19.5%
With 4 Persons	824	14.3%	2,221	15.6%	2,530	15.2%	2,569	15.0%	2,597	14.9%
With 5+ Persons	714	12.4%	2,167	15.3%	2,519	15.2%	2,588	15.2%	2,638	15.2%
Total Renter Households	5,782	100.0%	14,202	100.0%	16,619	100.0%	17,076	100.0%	17,403	100.0%

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

The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one and two people are expected to remain stable. The Subject will be an age-restricted development with one and two-bedroom floor plans, so this large percentage of one and two person senior households bodes well for the proposed Subject.

**CONCLUSION**

Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2020, and will do so at a pace generally similar to the MSA but well above the nation. Senior household growth in the PMA is projected at 4.1 percent through 2020, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the PMA bode well for the Subject. Approximately 22 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2020. The Subject’s units will target tenants within this age demographic. Our analysis also indicates that approximately 32 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is slightly above the national average and the number of senior renters will increase slightly from 2015 to 2020. Overall, the demographic trends are a positive indicator for the Subject’s units.

## **F. EMPLOYMENT TRENDS**

## Employment Trends

Henry County is located approximately 20 miles from downtown Atlanta, which is easily accessed via Interstate 75. The four key industries in Henry County are manufacturing, healthcare, logistics, and professional services. Within the manufacturing industry, Henry County has experienced niche specific employment growth in medical manufacturing and plastics and rubber manufacturing. Over the past decade, more than 300 jobs have been added to Henry County in these two manufacturing sectors. However, it should be noted that while manufacturing plays an important role in Henry County, the PMA is not heavily dependent on this industry, which could explain why the PMA's economy has fared better than the county's economy as a whole. Large corporations such as The Home Depot, John Deere, Whirlpool, and Toys R Us have identified Henry County as a prime location for their distribution and warehousing operations, further adding to the importance of the logistics industry within the county. While the MSA has still not fully recovered from the national recession, increasing total employment trends and decreasing unemployment rates are a positive sign for the local economy. Additionally, our analysis indicates that total jobs in the county are currently above their pre-recession peak.

### 1. Total Jobs

The following table illustrates the total jobs (also known as "covered employment") in Henry County.

Year	Total Employment	% Change
2006	88,332	-
2007	92,705	0.62%
2008	93,281	-6.14%
2009	87,884	3.09%
2010	90,686	1.52%
2011	92,085	1.57%
2012	93,550	1.28%
2013	94,761	2.37%
2014	97,064	1.21%
2015	98,250	0.00%
2016 YTD Average	98,250	-0.74%
Feb-15	97,524	-
Feb-16	99,733	2.21%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

Total employment has increased in Henry County every year except for 2008 and 2015. Furthermore, total employment in Henry County surpassed pre-recessionary levels in 2012. The total employment, as of February 2016, is above the pre-recession levels and is expanding.

## 2. Total Jobs by Industry

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

### 2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	213	0.3%	1,941,156	1.3%
Mining	160	0.2%	997,794	0.7%
Construction	5,554	7.9%	9,392,204	6.4%
Manufacturing	4,531	6.4%	15,651,841	10.6%
Wholesale Trade	2,768	3.9%	3,742,526	2.5%
Retail Trade	8,474	12.0%	17,089,319	11.6%
Transportation/Warehousing	9,931	14.1%	6,200,837	4.2%
Utilities	910	1.3%	1,190,608	0.8%
Information	1,370	1.9%	2,965,498	2.0%
Finance/Insurance	2,896	4.1%	7,026,905	4.8%
Real Estate/Rental/Leasing	1,619	2.3%	2,759,067	1.9%
Prof/Scientific/Tech Services	3,688	5.2%	9,981,082	6.8%
Mgmt of Companies/Enterprises	187	0.3%	115,436	0.1%
Admin/Support/Waste Mgmt Svcs	2,571	3.6%	6,242,568	4.2%
Educational Services	6,390	9.1%	13,529,510	9.2%
Health Care/Social Assistance	6,693	9.5%	20,205,674	13.7%
Arts/Entertainment/Recreation	809	1.1%	3,193,724	2.2%
Accommodation/Food Services	3,455	4.9%	10,915,815	7.4%
Other Services (excl Publ Adm)	3,527	5.0%	7,548,482	5.1%
Public Administration	4,718	6.7%	7,099,307	4.8%
<b>Total Employment</b>	<b>70,464</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

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

As indicated, the largest industries in the PMA are transportation/warehousing and retail trade. Combined, these two industries account for 26 percent of employment within the PMA. Although the Henry County Economic Development Department identifies manufacturing as one of the largest industries in Henry County, there are significantly fewer individuals employed in this industry within the PMA boundaries when compared to the national average. Other industries underrepresented in the PMA when compared to the nation include healthcare/social assistance and accommodation/food services. Conversely, industries overrepresented include transportation/warehousing and public administration.

## 3. Major Employers

The following table illustrates the major employers within Henry County.

**Major Employers-Henry County**

#	Employer	Sector	Employees
1	Henry County Schools	Education	6,000
2	Henry County Government	Public Administration	1,566
3	Piedmont Henry Hospital	Healthcare	1,281
4	Federal Aviation Administration	Transportation	800
5	PHV Corp	Retail	660
6	Georgia Power Customer Care Center	Utilities	625
7	Southern States, LLC	Manufacturing	458
8	Carter's Inc.	Retail	357
9	Home Depot Direct Fulfillment Center	Transportation/Logistics	350
10	Ken's Foods	Manufacturing	323

Source: Henry County Economic Development, May 2016.

Eight different industries are represented among the top 10 employers in Henry County, indicating a diverse economy. The three largest employers in the county are in the education, public administration, and healthcare industries, all three of which are considered relatively stable in times of economic downturn. Overall, the local economy appears to be diverse and is not overly dependent on any one industry. The broad employment base in Henry County is likely contributing to the steady total employment gains and unemployment rate decreases in the MSA.

*Expansions/Contractions*

The following table lists business closures and layoffs within Henry County for the past three years, according to Georgia Department of Labor’s Worker Adjustment and Retraining Notification (WARN) filings.

<b>Layoffs - Henry County</b>			
<b>Employer</b>	<b>City</b>	<b>Jobs Affected</b>	<b>Effective Date</b>
Smead Manufacturing Company	Locust Grove	150	4/21/2015
Briggs and Stratton Co.	McDonough	400	3/1/2015
Ryder	McDonough	106	10/7/2013

As illustrated in the previous table, there was a total of 656 jobs affected by WARN filings in the past three years in the Henry County. The largest layoff occurred at Briggs and Stratton Co., totaling 400 jobs at its McDonough, GA factory in 2014. The layoff was a result of market conditions at the time, and the company’s inability to run the plant at full capacity.

**4. Employment and Unemployment Trends**

The following table details employment and unemployment trends for the Atlanta-Sandy Springs-Roswell, GA MSA from 2002 to 2016 (through February).

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

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	2,324,880	-	5.0%	-	136,933,000	-	4.7%	-
2003	2,347,173	1.0%	4.9%	-0.2%	136,485,000	-0.3%	5.8%	1.1%
2004	2,382,163	1.5%	4.8%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2005	2,445,674	2.7%	5.4%	0.6%	139,252,000	1.1%	5.5%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	141,730,000	1.8%	5.1%	-0.4%
2007	2,618,825	3.2%	4.4%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2008	2,606,822	-0.5%	6.2%	1.7%	146,047,000	1.1%	4.6%	0.0%
2009	2,452,057	-5.9%	9.9%	3.8%	145,362,000	-0.5%	5.8%	1.2%
2010	2,440,037	-0.5%	10.3%	0.4%	139,877,000	-3.8%	9.3%	3.5%
2011	2,486,369	1.9%	9.9%	-0.3%	139,064,000	-0.6%	9.6%	0.3%
2012	2,543,486	2.3%	8.8%	-1.1%	139,869,000	0.6%	8.9%	-0.7%
2013	2,573,517	1.2%	7.8%	-1.0%	142,469,000	1.9%	8.1%	-0.8%
2014	2,615,644	1.6%	6.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2015	2,658,286	1.6%	5.7%	-1.2%	146,305,000	1.7%	6.2%	-1.2%
2016 YTD Average*	2,708,072	1.9%	5.2%	-0.5%	149,548,500	2.2%	5.3%	-1.0%
Feb-2015	2,639,201	-	6.1%	-	147,118,000	-	5.8%	-
Feb-2016	2,715,259	2.9%	5.3%	-0.8%	150,060,000	2.0%	5.2%	-0.6%

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

\*2016 Data is through February

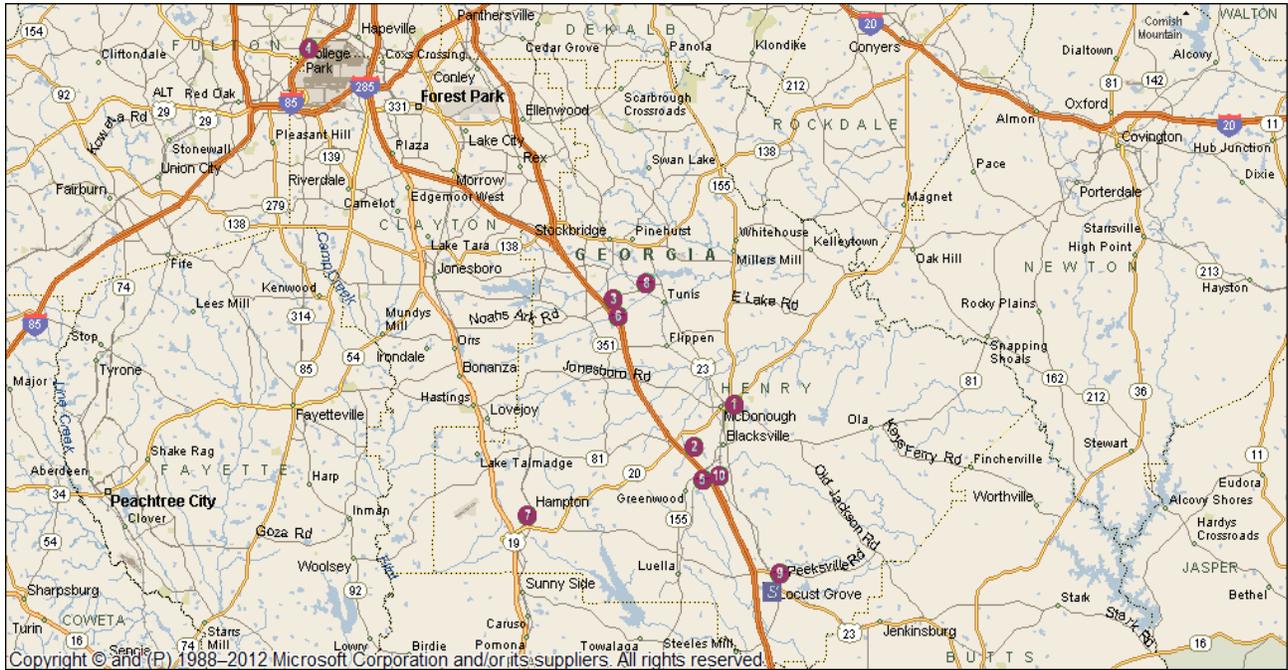
Total employment in the MSA experienced decreases from 2008 to 2010, a direct result of the national recession. However, total employment has increased each year since 2011, and current total employment numbers are slightly above their pre-recession peak, indicating that the economy has fully recovered from the most recent national recession. The MSA also experienced significant increases in the unemployment rate in 2008 and 2009 and a slight increase in 2010. Again, these increases are a direct result of the national recession. Since 2010, the unemployment rate has decreased from a high of 10.1 percent to its current level of 5.2 percent, which is consistent with the national average. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.8 percentage points from February 2015 to February 2016. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy, which has fully recovered from the most recent national recession.

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

The following map and table details the largest employers in Henry County.

Major Employers-Henry County			
#	Employer	Sector	Employees
1	Henry County Schools	Education	6,000
2	Henry County Government	Public Administration	1,566
3	Piedmont Henry Hospital	Healthcare	1,281
4	Federal Aviation Administration	Transportation	800
5	PHV Corp	Retail	660
6	Georgia Power Customer Care Center	Utilities	625
7	Southern States, LLC	Manufacturing	458
8	Carter's Inc.	Retail	357
9	Home Depot Direct Fulfillment Center	Transportation/Logistics	350
10	Ken's Foods	Manufacturing	323

Source: Henry County Economic Development, May 2016.



## Conclusion

The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past four years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 5.2 percent, which is consistent with the national average. The steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.8 percentage points from February 2015 to February 2016, and total jobs numbers within Henry County are positive and have passed their pre-recession peak. Overall, the local economy appears to be healthy and has fully recovered from the most recent national recession.

# **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 senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). However, very few senior households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

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

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

### **2. AFFORDABILITY**

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

### **3. DEMAND**

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

#### **3A. DEMAND FROM NEW HOUSEHOLDS**

The number of new households entering the market is the first level of demand calculated. We have utilized 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to 2018 by interpolation of the difference between 2015 estimates and 2018 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2018. This number takes the overall growth from 2015 to 2018 and applies it

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

### **3B. DEMAND FROM EXISTING HOUSEHOLDS**

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

The second source **(2b.)** is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source **(2c.)** is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that we have lowered the demand from seniors who convert to homeownership to be at or below 2.0 percent.

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 2014 to the present.

### **ADDITIONS TO SUPPLY**

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

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

discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

The senior LIHTC property Hampton Court was allocated tax credits in 2014, but is located outside of the Subject’s PMA. Therefore, we have not deducted the units at this property from our demand analysis. The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and will be located inside the Subject’s PMA in Stockbridge. Per Georgia DCA guidelines, we have deducted all 60 proposed units at this property from our demand analysis, as it will target seniors and will directly compete with the Subject’s units.

**PMA OCCUPANCY**

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

**PMA Occupancy**

Property Name	Rent Structure	Tenancy	Total Units	Occupied Units	Occupancy Rate
Grier Senior Manor	LIHTC/Market	Senior	64	64	100.00%
Heritage at McDonough	LIHTC	Senior	105	105	100.00%
Shoal Creek Manor	LIHTC	Senior	66	66	100.00%
Amber Chase Apartments	Market	Family	352	343	97.40%
Eagle's Brooke	Market	Family	248	232	93.60%
The Crossing at McDonough	Market	Family	252	250	99.20%
<b>Total Senior Occupancy</b>			<b>235</b>	<b>235</b>	<b>100.00%</b>
<b>Overall Total</b>			<b>1,087</b>	<b>1,060</b>	<b>97.50%</b>

**Rehab Developments and PBRA**

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

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

**Capture Rates**

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

Renter Household Income Distribution 2015 to Projected Market Entry June 2018						
Locust Grove Senior						
PMA						
	2015		Projected Mkt Entry June 2018		Percent Growth	
	#	%	#	%		
\$0-9,999	473	16.4%	555	16.8%	14.8%	
\$10,000-19,999	494	17.1%	568	17.1%	13.1%	
\$20,000-29,999	363	12.5%	425	12.8%	14.6%	
\$30,000-39,999	293	10.1%	339	10.2%	13.4%	
\$40,000-49,999	451	15.6%	520	15.7%	13.3%	
\$50,000-59,999	250	8.6%	266	8.0%	5.9%	
\$60,000-74,999	204	7.0%	231	7.0%	11.8%	
\$75,000-99,999	171	5.9%	193	5.8%	11.0%	
\$100,000-124,999	62	2.1%	73	2.2%	14.9%	
\$125,000-149,999	51	1.8%	57	1.7%	11.3%	
\$150,000-199,999	57	2.0%	61	1.9%	6.3%	
\$200,000+	25	0.9%	26	0.8%	3.9%	
<b>Total</b>	<b>2,895</b>	<b>100.0%</b>	<b>3,314</b>	<b>100.0%</b>	<b>12.7%</b>	

Renter Household Income Distribution Projected Market Entry June 2018				
Locust Grove Senior				
	PMA			Change 2015 to Prj Mrkt Entry June 2018
	Projected Mkt Entry June 2018		#	
	#	%		
\$0-9,999	555	16.8%	70	
\$10,000-19,999	568	17.1%	72	
\$20,000-29,999	425	12.8%	54	
\$30,000-39,999	339	10.2%	43	
\$40,000-49,999	520	15.7%	66	
\$50,000-59,999	266	8.0%	34	
\$60,000-74,999	231	7.0%	29	
\$75,000-99,999	193	5.8%	24	
\$100,000-124,999	73	2.2%	9	
\$125,000-149,999	57	1.7%	7	
\$150,000-199,999	61	1.9%	8	
\$200,000+	26	0.8%	3	
<b>Total</b>	<b>3,314</b>	<b>100.0%</b>	<b>420</b>	

Tenure Prj Mrkt Entry June 2018	
Renter	14.0%
Owner	86.0%
<b>Total</b>	<b>100.0%</b>

Renter Household Size for Prj Mrkt Entry June 2018		
Size	Number	Percentage
1 Person	1,669	50.4%
2 Person	879	26.5%
3 Person	379	11.4%
4 Person	106	3.2%
5+ Person	281	8.5%
<b>Total</b>	<b>3,314</b>	<b>100.0%</b>

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,589	27.5%
2 Person	1,515	26.2%
3 Person	1,139	19.7%
4 Person	824	14.3%
5+ Person	714	12.4%
<b>Total</b>	<b>5,782</b>	<b>100.0%</b>

50% AMI

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

Percent of AMI Level		50%				
Minimum Income Limit		\$18,330				
Maximum Income Limit		\$27,300 2 persons				
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Renter Households			
	Households	%	Income Brackets	Percent within Cohort	within Bracket	
\$0-9,999	70.34	16.8%		0.0%	0	
\$10,000-19,999	71.90	17.1%	1,669	16.7%	12	
\$20,000-29,999	53.83	12.8%	7,300	73.0%	39	
\$30,000-39,999	42.88	10.2%		0.0%	0	
\$40,000-49,999	65.89	15.7%		0.0%	0	
\$50,000-59,999	33.68	8.0%		0.0%	0	
\$60,000-74,999	29.29	7.0%		0.0%	0	
\$75,000-99,999	24.38	5.8%		0.0%	0	
\$100,000-124,999	9.23	2.2%		0.0%	0	
\$125,000-149,999	7.25	1.7%		0.0%	0	
\$150,000-199,999	7.77	1.9%		0.0%	0	
\$200,000+	3.27	0.8%		0.0%	0	
	420	100.0%			51	
Percent of renter households within limits versus total number of renter households					12.22%	

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

Percent of AMI Level		50%				
Minimum Income Limit		\$18,330				
Maximum Income Limit		\$27,300 2 persons				
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Households within			
	Households	%	Income Brackets	Percent within Cohort	Bracket	
\$0-9,999	555	16.8%		0.0%	0	
\$10,000-19,999	568	17.1%	\$1,669	16.7%	95	
\$20,000-29,999	425	12.8%	\$7,300	73.0%	310	
\$30,000-39,999	339	10.2%		0.0%	0	
\$40,000-49,999	520	15.7%		0.0%	0	
\$50,000-59,999	266	8.0%		0.0%	0	
\$60,000-74,999	231	7.0%		0.0%	0	
\$75,000-99,999	193	5.8%		0.0%	0	
\$100,000-124,999	73	2.2%		0.0%	0	
\$125,000-149,999	57	1.7%		0.0%	0	
\$150,000-199,999	61	1.9%		0.0%	0	
\$200,000+	26	0.8%		0.0%	0	
	3,314	100.0%			405	
Percent of renter households within limits versus total number of renter households					12.22%	

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$55,803		
\$68,665		
\$12,862		
23.0%		
3.8%		
3.8%	Two year adjustment	1.0000
\$27,300		
\$27,300		
2 persons		
50%		
\$611		
\$611.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		50%
New Renter Households PMA		420
Percent Income Qualified		12.2%
New Renter Income Qualified Households		51

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		3,314
Income Qualified		12.2%
Income Qualified Renter Households		405
Percent Rent Overburdened Prj Mrkt Entry June 2018		42.0%
Rent Overburdened Households		170

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		405
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		20285
Rural Versus Urban	0.0%	
Senior Demand Converting from Homeownership		4

Total Demand

Total Demand from Existing Households		176
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		176
Total New Demand		51
Total Demand (New Plus Existing Households)		227

Demand from Seniors Who Convert from Homeownership		4
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	50.4%	114
Two Persons	26.5%	60
Three Persons	11.4%	26
Four Persons	3.2%	7
Five Persons	8.5%	19
Total	100.0%	227

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	80
Of two-person households in 1BR units	10%	6
Of one-person households in 2BR units	30%	34
Of two-person households in 2BR units	90%	54
Of three-person households in 2BR units	60%	16
Of three-person households in 3BR units	40%	10
Of four-person households in 3BR units	80%	6
Of five-person households in 3BR units	70%	13
Of four-person households in 4BR units	20%	1
Of five-person households in 4BR units	30%	6

Total Demand 227  
 Check OK

Total Demand by Bedroom 50%

1 BR	86
2 BR	89
Total Demand	175

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

1 BR	4
2 BR	9
Total	13

Net Demand 50%

1 BR	82
2 BR	80
Total	162

Developer's Unit Mix 50%

1 BR	6
2 BR	8
Total	14

Capture Rate Analysis 50%

1 BR	7.3%
2 BR	10.1%
Total	8.7%

60%AMI

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

Percent of AMI Level		60%			
Minimum Income Limit		\$19,980			
Maximum Income Limit		\$32,760 2 persons			
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	70.34			
\$10,000-19,999	71.90	17.1%	19	0.2%	0
\$20,000-29,999	53.83	12.8%	9,999	100.0%	54
\$30,000-39,999	42.88	10.2%	2,760	27.6%	12
\$40,000-49,999	65.89	15.7%		0.0%	0
\$50,000-59,999	33.68	8.0%		0.0%	0
\$60,000-74,999	29.29	7.0%		0.0%	0
\$75,000-99,999	24.38	5.8%		0.0%	0
\$100,000-124,999	9.23	2.2%		0.0%	0
\$125,000-149,999	7.25	1.7%		0.0%	0
\$150,000-199,999	7.77	1.9%		0.0%	0
\$200,000+	3.27	0.8%		0.0%	0
	420	100.0%			66
Percent of renter households within limits versus total number of renter households					15.68%

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

Percent of AMI Level		60%			
Minimum Income Limit		\$19,980			
Maximum Income Limit		\$32,760 2 persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	555			
\$10,000-19,999	568	17.1%	\$19	0.2%	1
\$20,000-29,999	425	12.8%	\$9,999	100.0%	425
\$30,000-39,999	339	10.2%	\$2,760	27.6%	93
\$40,000-49,999	520	15.7%		0.0%	0
\$50,000-59,999	266	8.0%		0.0%	0
\$60,000-74,999	231	7.0%		0.0%	0
\$75,000-99,999	193	5.8%		0.0%	0
\$100,000-124,999	73	2.2%		0.0%	0
\$125,000-149,999	57	1.7%		0.0%	0
\$150,000-199,999	61	1.9%		0.0%	0
\$200,000+	26	0.8%		0.0%	0
	3,314	100.0%			520
Percent of renter households within limits versus total number of renter households					15.68%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Senior
Location of Subject (Rural versus Urban)	Urban
Percent of Income for Housing	40%
2000 Median Income	\$55,803
2015 Median Income	\$68,665
Change from 2015 to Prj Mrkt Entry June 2018	\$12,862
Total Percent Change	23.0%
Average Annual Change	3.8%
Inflation Rate	3.8%
Maximum Allowable Income	\$32,760
Maximum Allowable Income Inflation Adjusted	\$32,760
Maximum Number of Occupants	2 persons
Rent Income Categories	60%
Initial Gross Rent for Smallest Unit	\$666
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$666.00
	Two year adjustment 1.0000

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		60%
New Renter Households PMA		420
Percent Income Qualified		15.7%
New Renter Income Qualified Households		66

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		3,314
Income Qualified		15.7%
Income Qualified Renter Households		520
Percent Rent Overburdened Prj Mrkt Entry June 2018		42.0%
Rent Overburdened Households		218

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		520
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		2

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		20285
Rural Versus Urban	0.0%	
Senior Demand Converting from Homeownership		6

Total Demand

Total Demand from Existing Households		225
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		225
Total New Demand		66
Total Demand (New Plus Existing Households)		291

Demand from Seniors Who Convert from Homeownership		6
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	50.4%	147
Two Persons	26.5%	77
Three Persons	11.4%	33
Four Persons	3.2%	9
Five Persons	8.5%	25
Total	100.0%	291

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	103
Of two-person households in 1BR units	10%	8
Of one-person households in 2BR units	30%	44
Of two-person households in 2BR units	90%	69
Of three-person households in 2BR units	60%	20
Of three-person households in 3BR units	40%	13
Of four-person households in 3BR units	80%	7
Of five-person households in 3BR units	70%	17
Of four-person households in 4BR units	20%	2
Of five-person households in 4BR units	30%	7
Total Demand		291
Check		OK

Total Demand by Bedroom	60%
1 BR	110
2 BR	113
Total Demand	224

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

Net Demand	60%
1 BR	94
2 BR	82
Total	177

Net Demand	60%
1 BR	94
2 BR	82
Total	177

Developer's Unit Mix	60%
1 BR	12
2 BR	19
Total	31

Capture Rate Analysis	60%
1 BR	12.7%
2 BR	23.0%
Total	17.5%

Market Rate

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

Percent of AMI Level			Market Rate			
Minimum Income Limit			\$24,480			
Maximum Income Limit			\$54,600 2 persons			
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	Households	%				
\$0-9,999	70.34	16.8%		0.0%	0	
\$10,000-19,999	71.90	17.1%		0.0%	0	
\$20,000-29,999	53.83	12.8%	5,519	55.2%	30	
\$30,000-39,999	42.88	10.2%	9,999	100.0%	43	
\$40,000-49,999	65.89	15.7%	9,999	100.0%	66	
\$50,000-59,999	33.68	8.0%	\$4,600	46.0%	15	
\$60,000-74,999	29.29	7.0%		0.0%	0	
\$75,000-99,999	24.38	5.8%		0.0%	0	
\$100,000-124,999	9.23	2.2%		0.0%	0	
\$125,000-149,999	7.25	1.7%		0.0%	0	
\$150,000-199,999	7.77	1.9%		0.0%	0	
\$200,000+	3.27	0.8%		0.0%	0	
	420	100.0%				154
Percent of renter households within limits versus total number of renter households						36.69%

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

Percent of AMI Level			Market Rate			
Minimum Income Limit			\$24,480			
Maximum Income Limit			\$54,600 2 persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket	
	Households	%				
\$0-9,999	555	16.8%		0.0%	0	
\$10,000-19,999	568	17.1%		0.0%	0	
\$20,000-29,999	425	12.8%	\$5,519	55.2%	235	
\$30,000-39,999	339	10.2%	\$9,999	100.0%	339	
\$40,000-49,999	520	15.7%	\$9,999	100.0%	520	
\$50,000-59,999	266	8.0%	\$4,600	46.0%	122	
\$60,000-74,999	231	7.0%		0.0%	0	
\$75,000-99,999	193	5.8%		0.0%	0	
\$100,000-124,999	73	2.2%		0.0%	0	
\$125,000-149,999	57	1.7%		0.0%	0	
\$150,000-199,999	61	1.9%		0.0%	0	
\$200,000+	26	0.8%		0.0%	0	
	3,314	100.0%				1,216
Percent of renter households within limits versus total number of renter households						36.69%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Senior
Location of Subject (Rural versus Urban)	Urban
Percent of Income for Housing	40%
2000 Median Income	\$55,803
2015 Median Income	\$68,665
Change from 2015 to Prj Mrkt Entry June 2018	\$12,862
Total Percent Change	23.0%
Average Annual Change	3.8%
Inflation Rate	3.8%
Maximum Allowable Income	\$54,600
Maximum Allowable Income Inflation Adjusted	\$54,600
Maximum Number of Occupants	2 persons
Rent Income Categories	Market Rate
Initial Gross Rent for Smallest Unit	\$816
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$816.00

Persons in Household	OBR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

	Market Rate
Income Target Population	
New Renter Households PMA	420
Percent Income Qualified	36.7%
New Renter Income Qualified Households	154

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	3,314
Income Qualified	36.7%
Income Qualified Renter Households	1,216
Percent Rent Overburdened Prj Mrkt Entry June 2018	42.0%
Rent Overburdened Households	511

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,216
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	4

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

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	20285
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	14

Total Demand

Total Demand from Existing Households		528
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		528
Total New Demand		154
Total Demand (New Plus Existing Households)		682

Demand from Seniors Who Convert from Homeownership	14
Percent of Total Demand From Homeownership Conversion	2.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	50.4%	344
Two Persons	26.5%	181
Three Persons	11.4%	78
Four Persons	3.2%	22
Five Persons	8.5%	58
Total	100.0%	682

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	240
Of two-person households in 1BR units	10%	18
Of one-person households in 2BR units	30%	103
Of two-person households in 2BR units	90%	163
Of three-person households in 2BR units	60%	47
Of three-person households in 3BR units	40%	31
Of four-person households in 3BR units	80%	17
Of five-person households in 3BR units	70%	41
Of four-person households in 4BR units	20%	4
Of five-person households in 4BR units	30%	17
Total Demand		682
Check		OK

Total Demand by Bedroom	Market Rate
1 BR	259
2 BR	266
Total Demand	524

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

Net Demand	Market Rate
1 BR	259
2 BR	266
Total	524

Developer's Unit Mix	Market Rate
1 BR	8
2 BR	11
Total	19

Capture Rate Analysis	Market Rate
1 BR	3.1%
2 BR	4.1%
Total	3.6%

Overall LIHTC

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$18,330		
Maximum Income Limit			\$32,760 2 persons		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	70.34			
\$10,000-19,999	71.90	17.1%	1,669	16.7%	12
\$20,000-29,999	53.83	12.8%	9,999	100.0%	54
\$30,000-39,999	42.88	10.2%	2,760	27.6%	12
\$40,000-49,999	65.89	15.7%		0.0%	0
\$50,000-59,999	33.68	8.0%		0.0%	0
\$60,000-74,999	29.29	7.0%		0.0%	0
\$75,000-99,999	24.38	5.8%		0.0%	0
\$100,000-124,999	9.23	2.2%		0.0%	0
\$125,000-149,999	7.25	1.7%		0.0%	0
\$150,000-199,999	7.77	1.9%		0.0%	0
\$200,000+	3.27	0.8%		0.0%	0
	420	100.0%			78
Percent of renter households within limits versus total number of renter households			18.50%		

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$18,330		
Maximum Income Limit			\$32,760 2 persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	555			
\$10,000-19,999	568	17.1%	\$1,669	16.7%	95
\$20,000-29,999	425	12.8%	\$9,999	100.0%	425
\$30,000-39,999	339	10.2%	\$2,760	27.6%	93
\$40,000-49,999	520	15.7%		0.0%	0
\$50,000-59,999	266	8.0%		0.0%	0
\$60,000-74,999	231	7.0%		0.0%	0
\$75,000-99,999	193	5.8%		0.0%	0
\$100,000-124,999	73	2.2%		0.0%	0
\$125,000-149,999	57	1.7%		0.0%	0
\$150,000-199,999	61	1.9%		0.0%	0
\$200,000+	26	0.8%		0.0%	0
	3,314	100.0%			613
Percent of renter households within limits versus total number of renter households			18.50%		

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$55,803		
\$68,665		
\$12,862		
23.0%		
3.8%		
3.8%	Two year adjustment	1.0000
\$32,760		
\$32,760		
2 persons		
Overall		
\$611		
\$611.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	0%	70%	30%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		Overall
New Renter Households PMA		420
Percent Income Qualified		18.5%
New Renter Income Qualified Households		78

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		3,314
Income Qualified		18.5%
Income Qualified Renter Households		613
Percent Rent Overburdened Prj Mrkt Entry June 2018		42.0%
Rent Overburdened Households		258

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		613
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		2

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		20285
Rural Versus Urban	0.0%	
Senior Demand Converting from Homeownership		7

Total Demand

Total Demand from Existing Households		266
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		266
Total New Demand		78
Total Demand (New Plus Existing Households)		344

Demand from Seniors Who Convert from Homeownership		7
Percent of Total Demand From Homeownership Conversion		1.9%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	50.4%	173
Two Persons	26.5%	91
Three Persons	11.4%	39
Four Persons	3.2%	11
Five Persons	8.5%	29
Total	100.0%	344

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	121
Of two-person households in 1BR units	10%	9
Of one-person households in 2BR units	30%	52
Of two-person households in 2BR units	90%	82
Of three-person households in 2BR units	60%	24
Of three-person households in 3BR units	40%	16
Of four-person households in 3BR units	80%	9
Of five-person households in 3BR units	70%	20
Of four-person households in 4BR units	20%	2
Of five-person households in 4BR units	30%	9
Total Demand		344
Check		OK

Total Demand by Bedroom	Overall
1 BR	130
2 BR	134
Total Demand	265

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

Net Demand	Overall
1 BR	110
2 BR	94
Total	205

Developer's Unit Mix	Overall
1 BR	18
2 BR	27
Total	45

Capture Rate Analysis	Overall
1 BR	16.3%
2 BR	28.7%
Total	22.0%

Overall Project

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$18,330		
Maximum Income Limit			\$54,600 2 persons		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	70.34			
\$10,000-19,999	71.90	17.1%	1,669	16.7%	12
\$20,000-29,999	53.83	12.8%	9,999	100.0%	54
\$30,000-39,999	42.88	10.2%	9,999	100.0%	43
\$40,000-49,999	65.89	15.7%	9,999	100.0%	66
\$50,000-59,999	33.68	8.0%	\$4,600	46.0%	15
\$60,000-74,999	29.29	7.0%		0.0%	0
\$75,000-99,999	24.38	5.8%		0.0%	0
\$100,000-124,999	9.23	2.2%		0.0%	0
\$125,000-149,999	7.25	1.7%		0.0%	0
\$150,000-199,999	7.77	1.9%		0.0%	0
\$200,000+	3.27	0.8%		0.0%	0
	420	100.0%			190
Percent of renter households within limits versus total number of renter households					45.29%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$18,330		
Maximum Income Limit			\$54,600 2 persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	555			
\$10,000-19,999	568	17.1%	\$1,669	16.7%	95
\$20,000-29,999	425	12.8%	\$9,999	100.0%	425
\$30,000-39,999	339	10.2%	\$9,999	100.0%	339
\$40,000-49,999	520	15.7%	\$9,999	100.0%	520
\$50,000-59,999	266	8.0%	\$4,600	46.0%	122
\$60,000-74,999	231	7.0%		0.0%	0
\$75,000-99,999	193	5.8%		0.0%	0
\$100,000-124,999	73	2.2%		0.0%	0
\$125,000-149,999	57	1.7%		0.0%	0
\$150,000-199,999	61	1.9%		0.0%	0
\$200,000+	26	0.8%		0.0%	0
	3,314	100.0%			1,501
Percent of renter households within limits versus total number of renter households					45.29%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry June 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$55,803		
\$68,665		
\$12,862		
23.0%		
3.8%		
3.8%	Two year adjustment	1.0000
\$54,600		
\$54,600		
2 persons		
Overall		
\$611		
\$611.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

	Overall
Income Target Population	
New Renter Households PMA	420
Percent Income Qualified	45.3%
New Renter Income Qualified Households	190

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	3,314
Income Qualified	45.3%
Income Qualified Renter Households	1,501
Percent Rent Overburdened Prj Mrkt Entry June 2018	42.0%
Rent Overburdened Households	630

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,501
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	4

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

Senior Households Converting from Homeownership

	Overall
Income Target Population	
Total Senior Homeowners	20285
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	16

Total Demand

Total Demand from Existing Households		651
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		651
Total New Demand		190
Total Demand (New Plus Existing Households)		841

Demand from Seniors Who Convert from Homeownership	16
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	50.4%	424
Two Persons	26.5%	223
Three Persons	11.4%	96
Four Persons	3.2%	27
Five Persons	8.5%	71
Total	100.0%	841

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	297
Of two-person households in 1BR units	10%	22
Of one-person households in 2BR units	30%	127
Of two-person households in 2BR units	90%	201
Of three-person households in 2BR units	60%	58
Of three-person households in 3BR units	40%	38
Of four-person households in 3BR units	80%	21
Of five-person households in 3BR units	70%	50
Of four-person households in 4BR units	20%	5
Of five-person households in 4BR units	30%	21
Total Demand		841
Check		OK

Total Demand by Bedroom	Overall
1 BR	319
2 BR	328
Total Demand	647

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

Net Demand	Overall
1 BR	299
2 BR	288
Total	587

Developer's Unit Mix	Overall
1 BR	26
2 BR	38
Total	64

Capture Rate Analysis	Overall
1 BR	8.7%
2 BR	13.2%
Total	10.9%

## Conclusions

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

- The number of senior households in the PMA is expected to increase 4.1 percent between 2015 and 2018.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

**CAPTURE RATE ANALYSIS CHART**

Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50% AMI	\$18,330-\$27,300	6	86	4	82	7.3%	3 months	\$674	\$508-\$851	\$440
2BR at 50% AMI	\$22,260-\$27,300	8	89	9	80	10.1%	3 months	\$719	\$480-\$968	\$525
1BR 60% AMI	\$19,980-\$32,760	12	110	16	94	12.7%	3 months	\$755	\$638-\$851	\$495
2BR 60% AMI	\$22,560-\$32,760	19	113	31	82	23.0%	3 months	\$795	\$480-\$968	\$535
1BR Market	\$24,480-\$54,600	8	259	0	259	3.1%	3 months	\$785	\$660-\$851	\$645
2BR Market	\$27,060-\$54,600	11	266	0	266	4.1%	3 months	\$869	\$745-\$968	\$685
<b>Overall 50% AMI</b>	-	<b>14</b>	<b>175</b>	<b>13</b>	<b>162</b>	<b>8.7%</b>	-	-	-	-
<b>Overall 60% AMI</b>	-	<b>31</b>	<b>224</b>	<b>47</b>	<b>177</b>	<b>17.5%</b>	-	-	-	-
<b>Overall LIHTC</b>	-	<b>45</b>	<b>265</b>	<b>60</b>	<b>205</b>	<b>22.0%</b>	-	-	-	-
<b>Overall Market</b>	-	<b>19</b>	<b>524</b>	<b>0</b>	<b>524</b>	<b>3.6%</b>	-	-	-	-
<b>Total Overall</b>	-	<b>64</b>	<b>647</b>	<b>60</b>	<b>587</b>	<b>10.9%</b>	-	-	-	-

**Demand and Net Demand**

	HH at 50% AMI (\$18,330-\$27,300)	HH at 60% AMI (\$19,980-\$32,760)	HH > 60% AMI (\$24,480-\$54,600)	All Tax Credit Households
Demand from New Households (age and income appropriate)	51	66	154	78
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	1	2	4	2
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	170	218	511	258
<b>PLUS</b>	+	+	+	+
<b>Sub Total</b>	<b>223</b>	<b>286</b>	<b>668</b>	<b>337</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	4	6	14	7
<b>Equals Total Demand</b>	<b>227</b>	<b>291</b>	<b>682</b>	<b>344</b>
<b>Less</b>	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	13	47	0	60
<b>Equals Net Demand</b>	<b>214</b>	<b>244</b>	<b>682</b>	<b>284</b>

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 7.3 to 10.1 percent, with an overall capture rate of 8.7 percent. The Subject's 60 percent AMI capture rates range from 12.7 to 23.0 percent, with an overall capture rate of 17.5 percent. The overall capture rate for the project's LIHTC units is 22.0 percent. All capture rates are below Georgia DCA threshold requirements for rural areas and we believe there is adequate demand for the Subject's units.

## **H. COMPETITIVE RENTAL ANALYSIS**

**Survey of Comparable Projects**

To evaluate the competitive position of the proposed Subject, 1,147 units in seven rental properties were surveyed in depth. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities; tenant profiles; and market trends in general. The availability of senior LIHTC data in the PMA is considered good. There are three LIHTC properties targeting seniors in the PMA and one senior LIHTC property (Hampton Court) which is located just west of the PMA in Hampton. The newest senior property in the PMA, Shoal Creek Manor, is located 0.9 miles from the Subject site in Locust Grove and entered the market in 2011. We have also included three market rate comparables in our analysis. One of these comparables is located in Locust Grove while the other two properties are located in McDonough. All three properties are within the PMA boundaries. Additionally, the senior LIHTC property Grier Manor, which is located in McDonough, offers market rate units. Overall, we believe the comparable data is sufficient upon which to base our conclusions.

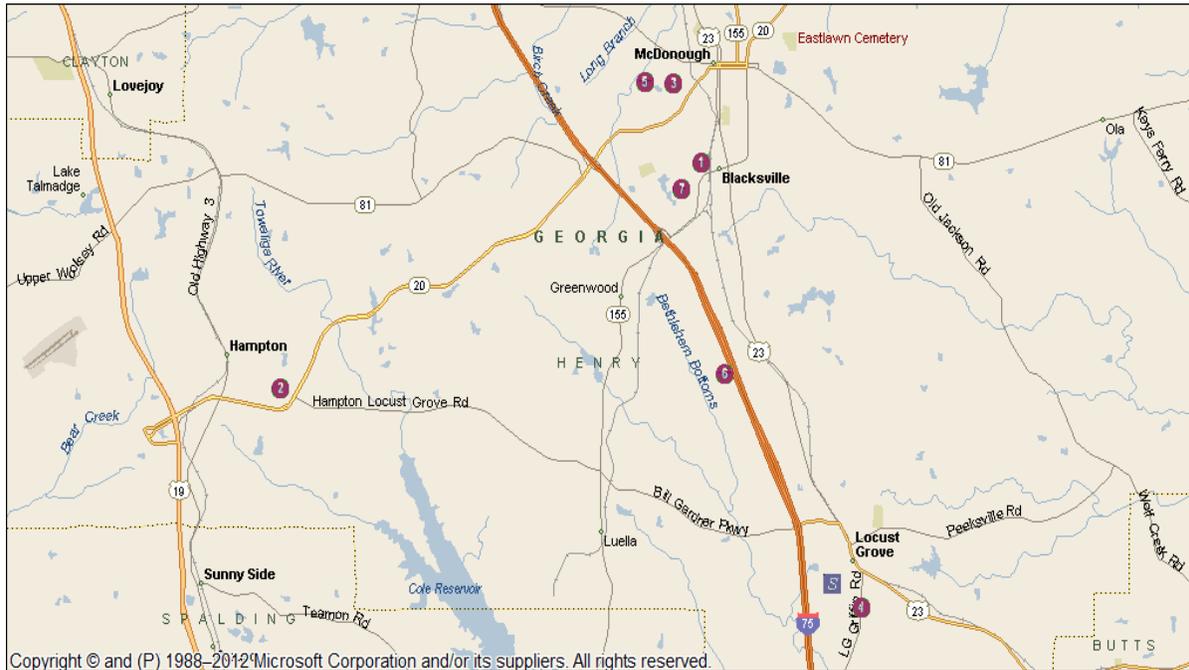
Although there are two family LIHTC properties located within the PMA, we have not included these properties as comparables. Property managers at Ashley Woods and Sable Chase I and II indicated that these properties do not have a significant senior tenancy and would not directly compete with a LIHTC property targeting seniors 55 and older. Additionally, there is sufficient senior data within the PMA and these properties represent direct competition for the proposed Subject. Ashley Woods has a current occupancy of 95.3 percent while Sable Chase I and II has an occupancy of 96.5. Neither property is currently maintaining a waiting list.

**Excluded Properties**

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

Property	Location	Type	Tenancy	Reason for Exclusion
Red Oak Village	Stockbridge	LIHTC	Senior	Proposed
Landmark Apartments	Locust Grove	Market	Family	Unable to contact management
Ashley Woods	Stockbridge	LIHTC	Family	Does not have a significant senior tenancy; more comparable properties
Sable Chase I and II	Stockbridge	LIHTC	Family	Does not have a significant senior tenancy; more comparable properties
Brookshire Apartments	McDonough	Rural Development	Family	Rent subsidized
North Park Apartments	Stockbridge	FHA	Family	Inferior; could not reach management
Mandalay Villas	McDonough	FHA	Family	Closer, more comparable propertie available
Magnolia Grove	Jackson	Section 8	Senior	Rent subsidized

### Comparable Rental Property Map



#### COMPARABLE PROPERTIES

#	Property Name	City	Type	Tenancy	Distance
1	Grier Senior Manor	McDonough	LIHTC/Market	Senior	7.7 miles
2	Hampton Court	Hampton	LIHTC	Senior	10.3 miles
3	Heritage At McDonough	McDonough	LIHTC	Senior	10.0 miles
4	Shoal Creek Manor	Locust Grove	LIHTC	Senior	0.9 miles
5	Amber Chase Apartments	McDonough	Market	Family	9.4 miles
6	Eagle's Brooke	Locust Grove	Market	Family	5.4 miles
7	The Crossing At McDonough	McDonough	Market	Family	7.9 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?		
Subject	Grove Senior Village Indian Creek Rd & Apache Ave Locust Grove, GA 30248 Henry County County	n/a	Lowrise (age-restricted) (3 stories) 2018	@50%, @60%, Market	1BR / 1BA	8	12.50%	Market	\$645	750	n/a		N/A	N/A
					1BR / 1BA	6	9.40%	@50%	\$440	750	no	N/A	N/A	
					1BR / 1BA	12	18.75%	@60%	\$495	750	no	N/A	N/A	
					2BR / 1BA	11	17.19%	Market	\$685	950	n/a	N/A	N/A	
					2BR / 1BA	8	12.50%	@50%	\$525	950	no	N/A	N/A	
					2BR / 1BA	19	29.69%	@60%	\$535	950	no	N/A	N/A	
					64	100%								N/A
1	Grier Senior Manor 391 Old Griffin Rd McDonough, GA 30253 Henry County	7.7 miles	Lowrise (age-restricted) (2 stories) 2005	@30%, @50%, @54%, Market	1BR / 1BA	3	4.70%	@30%	\$284	657	no	Yes	N/A	N/A
					1BR / 1BA	16	25.00%	@50%	\$529	657	no	Yes	N/A	N/A
					1BR / 1BA	5	7.80%	@54%	\$581	657	no	Yes	N/A	N/A
					1BR / 1BA	8	12.50%	Market	\$660	657	n/a	No	N/A	N/A
					2BR / 2BA	3	4.70%	@30%	\$322	900	no	Yes	N/A	N/A
					2BR / 2BA	16	25.00%	@50%	\$622	900	no	Yes	N/A	N/A
					2BR / 2BA	5	7.80%	@54%	\$684	900	no	Yes	N/A	N/A
2BR / 2BA	8	12.50%	Market	\$745	900	n/a	No	N/A	N/A					
64	100%								0	0.00%				
2	Hampton Court 100 South Hampton Rd Hampton, GA 30228 Henry County	10.3 miles	Garden (age-restricted) (2 stories) 2014	@50%, @60%	2BR / 2BA	9	15.00%	@50%	\$480	1,200	no	Yes	0	0.00%
					2BR / 2BA	51	85.00%	@60%	\$480	1,200	no	Yes	0	0.00%
					60	100%							0	0.00%
3	Heritage At McDonough 180 Bridges Rd McDonough, GA 30253 Henry County County	10 miles	Lowrise (age-restricted) 2011	@50%, @60%	1BR / 1BA	N/A	N/A	@50%	\$479	722	yes	Yes	0	N/A
					1BR / 1BA	N/A	N/A	@60%	\$609	722	yes	Yes	0	N/A
					2BR / 2BA	N/A	N/A	@50%	\$563	1,103	yes	Yes	0	N/A
					2BR / 2BA	N/A	N/A	@60%	\$719	1,103	yes	Yes	0	N/A
					105	100%							0	0.00%
4	Shoal Creek Manor 120 LG Griffin Road Locust Grove, GA 30248 Henry County	0.9 miles	Midrise (age-restricted) (4 stories) 2011	@50%, @60%	2BR / 2BA	14	21.20%	@50%	\$668	1,008	yes	Yes	0	0.00%
					2BR / 2BA	52	78.80%	@60%	\$854	1,008	yes	Yes	0	0.00%
					66	100%							0	0.00%
5	Amber Chase Apartments 570 McDonough Parkway McDonough, GA 30253 Henry County	9.4 miles	Garden (2 stories) 1999	Market	1BR / 1BA	N/A	N/A	Market	\$818	800	n/a	No	N/A	N/A
					2BR / 1BA	N/A	N/A	Market	\$866	1,117	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$941	1,157	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$956	1,190	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,001	1,223	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,121	1,332	n/a	No	N/A	N/A
					352	100%							9	2.60%
6	Eagle's Brooke 100 Malaga Way Locust Grove, GA 30248 Henry County	5.4 miles	Garden (3 stories) 2009	Market	1BR / 1BA	120	48.40%	Market	\$851	955	n/a	No	10	8.30%
					2BR / 2BA	104	41.90%	Market	\$968	1,265	n/a	No	4	3.80%
					3BR / 2BA	24	9.70%	Market	\$1,258	1,519	n/a	No	2	8.30%
					248	100%							16	6.50%
7	The Crossing At McDonough 100 Crossing Boulevard McDonough, GA 30253 Henry County	7.9 miles	Garden (3 stories) 2004	Market	1BR / 1BA	N/A	N/A	Market	\$810	908	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$895	1,152	n/a	No	2	N/A
					3BR / 2BA	35	13.90%	Market	\$1,060	1,390	n/a	No	0	0.00%
					252	100%							2	0.80%

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

Effective Rent Date:	May-16	Units Surveyed:	1147	Weighted Occupancy:	97.60%
		Market Rate	852	Market Rate	96.80%
		Tax Credit	295	Tax Credit	100.00%

**One Bedroom One Bath**

**Two Bedrooms One Bath**

	Property	Average	Property	Average	Property	Average
<b>RENT</b>	Eagle's Brooke	\$851	Eagle's Brooke (2BA)	\$968		
	Amber Chase Apartments	\$818	The Crossing At Mcdonough (2BA)	\$895		
	The Crossing At Mcdonough	\$810	Amber Chase Apartments	\$866		
	Grier Senior Manor * (M)	\$660	Shoal Creek Manor * (2BA 60%)	\$854		
	<b>Grove Senior Village * (M)</b>	<b>\$645</b>	Grier Senior Manor * (2BA M)	\$745		
	Heritage At Mcdonough * (60%)	\$609	Heritage At Mcdonough * (2BA 60%)	\$719		
	Grier Senior Manor * (54%)	\$581	<b>Grove Senior Village * (M)</b>	<b>\$685</b>		
	Grier Senior Manor * (50%)	\$529	Grier Senior Manor * (2BA 54%)	\$684		
	<b>Grove Senior Village * (60%)</b>	<b>\$495</b>	Shoal Creek Manor * (2BA 50%)	\$668		
	Heritage At Mcdonough * (50%)	\$479	Grier Senior Manor * (2BA 50%)	\$622		
	<b>Grove Senior Village * (50%)</b>	<b>\$440</b>	Heritage At Mcdonough * (2BA 50%)	\$563		
	Grier Senior Manor * (30%)	\$284	<b>Grove Senior Village * (60%)</b>	<b>\$535</b>		
			<b>Grove Senior Village * (50%)</b>	<b>\$525</b>		
			Hampton Court * (2BA 50%)	\$480		
			Hampton Court * (2BA 60%)	\$480		
		Grier Senior Manor * (2BA 30%)	\$322			
<b>SQUARE FOOTAGE</b>	Eagle's Brooke	955	Eagle's Brooke (2BA)	1,265		
	The Crossing At Mcdonough	908	Hampton Court * (2BA 50%)	1,200		
	Amber Chase Apartments	800	Hampton Court * (2BA 60%)	1,200		
	<b>Grove Senior Village * (M)</b>	<b>750</b>	The Crossing At Mcdonough (2BA)	1,152		
	<b>Grove Senior Village * (50%)</b>	<b>750</b>	Amber Chase Apartments	1,117		
	<b>Grove Senior Village * (60%)</b>	<b>750</b>	Heritage At Mcdonough * (2BA 50%)	1,103		
	Heritage At Mcdonough * (50%)	722	Heritage At Mcdonough * (2BA 60%)	1,103		
	Heritage At Mcdonough * (60%)	722	Shoal Creek Manor * (2BA 50%)	1,008		
	Grier Senior Manor * (30%)	657	Shoal Creek Manor * (2BA 60%)	1,008		
	Grier Senior Manor * (50%)	657	<b>Grove Senior Village * (M)</b>	<b>950</b>		
	Grier Senior Manor * (54%)	657	<b>Grove Senior Village * (50%)</b>	<b>950</b>		
	Grier Senior Manor * (M)	657	<b>Grove Senior Village * (60%)</b>	<b>950</b>		
			Grier Senior Manor * (2BA 30%)	900		
			Grier Senior Manor * (2BA 50%)	900		
			Grier Senior Manor * (2BA 54%)	900		
		Grier Senior Manor * (2BA M)	900			
<b>RENT PER SQUARE FOOT</b>	Amber Chase Apartments	\$1.02	Shoal Creek Manor * (2BA 60%)	\$0.85		
	Grier Senior Manor * (M)	\$1.00	Grier Senior Manor * (2BA M)	\$0.83		
	The Crossing At Mcdonough	\$0.89	The Crossing At Mcdonough (2BA)	\$0.78		
	Eagle's Brooke	\$0.89	Amber Chase Apartments	\$0.78		
	Grier Senior Manor * (54%)	\$0.88	Eagle's Brooke (2BA)	\$0.77		
	<b>Grove Senior Village * (M)</b>	<b>\$0.86</b>	Grier Senior Manor * (2BA 54%)	\$0.76		
	Heritage At Mcdonough * (60%)	\$0.84	<b>Grove Senior Village * (M)</b>	<b>\$0.72</b>		
	Grier Senior Manor * (50%)	\$0.81	Grier Senior Manor * (2BA 50%)	\$0.69		
	Heritage At Mcdonough * (50%)	\$0.66	Shoal Creek Manor * (2BA 50%)	\$0.66		
	<b>Grove Senior Village * (60%)</b>	<b>\$0.66</b>	Heritage At Mcdonough * (2BA 60%)	\$0.65		
	<b>Grove Senior Village * (50%)</b>	<b>\$0.59</b>	<b>Grove Senior Village * (60%)</b>	<b>\$0.56</b>		
	Grier Senior Manor * (30%)	\$0.43	<b>Grove Senior Village * (50%)</b>	<b>\$0.55</b>		
			Heritage At Mcdonough * (2BA 50%)	\$0.51		
			Hampton Court * (2BA 50%)	\$0.40		
			Hampton Court * (2BA 60%)	\$0.40		
		Grier Senior Manor * (2BA 30%)	\$0.36			

# PROPERTY PROFILE REPORT

## Grier Senior Manor

**Effective Rent Date** 4/25/2016

**Location** 391 Old Griffin Rd  
McDonough, GA 30253  
Henry County

**Distance** 7.7 miles

**Units** 64

**Vacant Units** 0

**Vacancy Rate** 0.0%

**Type** Lowrise (age-restricted) (2 stories)

**Year Built/Renovated** 2005 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** None

**Tenant Characteristics** Seniors 55+; 20 percent previous homeowners; average age is 68; almost all are retired

**Contact Name** Dianne

**Phone** 770.288.2311



### Market Information

**Program** @30%, @50%, @54%, Market

**Annual Turnover Rate** 5%

**Units/Month Absorbed** N/A

**HCV Tenants** 2%

**Leasing Pace** Pre-leased

**Annual Chg. in Rent** N/A

**Concession** None

### Utilities

**A/C** not included -- central

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** not included

**Sewer** not included

**Trash Collection** included

### Unit Mix (face rent)

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

## Grier Senior Manor, continued

### Unit Mix

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

### Amenities

#### In-Unit

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

Blinds  
Central A/C  
Oven  
Refrigerator

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Elevators  
Central Laundry  
On-Site Management

#### Premium

None

#### Other

None

### Comments

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

# Grier Senior Manor, continued

## Trend Report

### Vacancy Rates

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

### Trend: @30%

#### 1BR / 1BA

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

#### 2BR / 2BA

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

### Trend: @54%

#### 1BR / 1BA

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

#### 2BR / 2BA

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

### Trend: @50%

#### 1BR / 1BA

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

#### 2BR / 2BA

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

### Trend: Market

#### 1BR / 1BA

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

#### 2BR / 2BA

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

## Trend: Comments

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

**Photos**



# PROPERTY PROFILE REPORT

## Hampton Court

<b>Effective Rent Date</b>	4/25/2016
<b>Location</b>	100 South Hampton Rd Hampton, GA 30228 Henry County
<b>Distance</b>	10.3 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (age-restricted) (2 stories)
<b>Year Built/Renovated</b>	2014 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Average age of 73; most are retired
<b>Contact Name</b>	Kim
<b>Phone</b>	770-707-0720



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

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

### Unit Mix

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

### Amenities

#### In-Unit

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

#### Security

Perimeter Fencing

#### Services

None

#### Property

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

#### Premium

None

#### Other

Community gardens

### Comments

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

## Hampton Court, continued

### Trend Report

#### Vacancy Rates

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

**Trend: @50%**

#### 2BR / 2BA

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

**Trend: @60%**

#### 2BR / 2BA

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

### Trend: Comments

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

Photos



# PROPERTY PROFILE REPORT

## Heritage At McDonough

<b>Effective Rent Date</b>	4/28/2016
<b>Location</b>	180 Bridges Rd McDonough, GA 30253 Henry County County
<b>Distance</b>	10 miles
<b>Units</b>	105
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Lowrise (age-restricted)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None Identified
<b>Tenant Characteristics</b>	Average age of 72; 90% are retired; coming from Metro Atlanta as well as out of state
<b>Contact Name</b>	Vicki
<b>Phone</b>	678-604-8322



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

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

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$545	\$0	\$545	-\$66	\$479	1BR / 1BA	\$675	\$0	\$675	-\$66	\$609
2BR / 2BA	\$646	\$0	\$646	-\$83	\$563	2BR / 2BA	\$802	\$0	\$802	-\$83	\$719

## Heritage At McDonough, continued

### Amenities

#### In-Unit

Balcony/Patio  
Exterior Storage  
Oven  
Walk-In Closet

Blinds  
Ceiling Fan  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access

#### Services

None

#### Property

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

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

#### Premium

Hairdresser / Barber

#### Other

ballroom, gardens

### Comments

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

# Heritage At McDonough, continued

## Trend Report

### Vacancy Rates

1Q15                      2Q16  
0.0%                      0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$545	\$0	\$545	\$479
2016	2	N/A	\$545	\$0	\$545	\$479

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$646	\$0	\$646	\$563
2016	2	N/A	\$646	\$0	\$646	\$563

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$675	\$0	\$675	\$609
2016	2	N/A	\$675	\$0	\$675	\$609

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$802	\$0	\$802	\$719
2016	2	N/A	\$802	\$0	\$802	\$719

## Trend: Comments

- 1Q15** Management was not certain of how many of each unit type existed or how many tenants currently use Housing Choice Vouchers, but stated that the total number of units were: 51 one-bedroom units in total, and 54 two-bedroom units in total. The waiting list consists of about five people for one-bedroom units, and five people for two bedroom units.
- 2Q16** Management reported that the local LIHTC housing market is strong and that there is a need for additional units targeting seniors within Henry County. Management reported that tenants are coming from within the Metro Atlanta areas as well as out of state. Those moving from out of state are typically moving to the area in order to be closer to family.

**Photos**



# PROPERTY PROFILE REPORT

## Shoal Creek Manor

<b>Effective Rent Date</b>	5/27/2016
<b>Location</b>	120 LG Griffin Road Locust Grove, GA 30248 Henry County
<b>Distance</b>	0.9 miles
<b>Units</b>	66
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Midrise (age-restricted) (4 stories)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	60% previous homeowners; majority are retired; many have moved from out of state to be closer to family
<b>Contact Name</b>	Shanelle
<b>Phone</b>	678-759-1313



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Midrise (4 stories)	14	1,008	\$647	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	52	1,008	\$833	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$647	\$0	\$647	\$21	\$668	2BR / 2BA	\$833	\$0	\$833	\$21	\$854

### Amenities

#### In-Unit

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

Blinds  
Central A/C  
Ceiling Fan  
Microwave  
Refrigerator

#### Security

Limited Access

#### Services

None

#### Property

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

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking

#### Premium

None

#### Other

Library, garden

## Shoal Creek Manor, continued

### Comments

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

## Shoal Creek Manor, continued

### Trend Report

#### Vacancy Rates

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

**Trend: @50%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$538	\$0	\$538	\$559
2015	2	N/A	\$538	\$0	\$538	\$559
2016	2	0.0%	\$647	\$0	\$647	\$668

**Trend: @60%**

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$634	\$0	\$634	\$655
2015	2	N/A	\$634	\$0	\$634	\$655
2016	2	0.0%	\$833	\$0	\$833	\$854

### Trend: Comments

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

## Shoal Creek Manor, continued

### Photos



# PROPERTY PROFILE REPORT

## Amber Chase Apartments

<b>Effective Rent Date</b>	4/22/2016
<b>Location</b>	570 McDonough Parkway McDonough, GA 30253 Henry County
<b>Distance</b>	9.4 miles
<b>Units</b>	352
<b>Vacant Units</b>	9
<b>Vacancy Rate</b>	2.6%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Crossing at McDonough
<b>Tenant Characteristics</b>	Mostly families from the local area
<b>Contact Name</b>	Stephanie
<b>Phone</b>	678.432.0087



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

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

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$797	\$0	\$797	\$21	\$818
2BR / 1BA	\$845	\$0	\$845	\$21	\$866
2BR / 2BA	\$920 - \$980	\$0	\$920 - \$980	\$21	\$941 - \$1,001
3BR / 2BA	\$1,100	\$0	\$1,100	\$21	\$1,121

## Amber Chase Apartments, continued

### Amenities

#### In-Unit

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

Blinds  
Carpeting  
Coat Closet  
Exterior Storage  
Oven  
Walk-In Closet

#### Security

In-Unit Alarm  
Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

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

#### Premium

View

#### Other

None

### Comments

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

# Amber Chase Apartments, continued

## Trend Report

### Vacancy Rates

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

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$615	\$0	\$615	\$636
2012	4	N/A	\$615	\$0	\$615	\$636
2015	1	N/A	\$725 - \$750	\$0	\$725 - \$750	\$746 - \$771
2016	2	N/A	\$797	\$0	\$797	\$818

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$694	\$0	\$694	\$715
2012	4	N/A	\$694	\$0	\$694	\$715
2015	1	N/A	\$780	\$0	\$780	\$801
2016	2	N/A	\$845	\$0	\$845	\$866

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$760	\$0	\$760	\$781
2012	4	N/A	\$760	\$0	\$760	\$781
2015	1	N/A	\$825 - \$865	\$0	\$825 - \$865	\$846 - \$886
2016	2	N/A	\$920 - \$980	\$0	\$920 - \$980	\$941 - \$1,001

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$899	\$0	\$899	\$920
2012	4	N/A	\$899	\$0	\$899	\$920
2015	1	N/A	\$905 - \$979	\$0	\$905 - \$979	\$926 - \$1,000
2016	2	N/A	\$1,100	\$0	\$1,100	\$1,121

## Trend: Comments

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

**4Q12** N/A

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

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

**Photos**



# PROPERTY PROFILE REPORT

## Eagle's Brooke

<b>Effective Rent Date</b>	4/21/2016
<b>Location</b>	100 Malaga Way Locust Grove, GA 30248 Henry County
<b>Distance</b>	5.4 miles
<b>Units</b>	248
<b>Vacant Units</b>	16
<b>Vacancy Rate</b>	6.5%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy, less than 20% seniors, from the area
<b>Contact Name</b>	Rebecca
<b>Phone</b>	770-648-2385



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	120	955	\$843	\$13	Market	No	10	8.3%	N/A	None
2	2	Garden (3 stories)	104	1,265	\$960	\$13	Market	No	4	3.8%	N/A	None
3	2	Garden (3 stories)	24	1,519	\$1,250	\$13	Market	No	2	8.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$843	\$13	\$830	\$21	\$851
2BR / 2BA	\$960	\$13	\$947	\$21	\$968
3BR / 2BA	\$1,250	\$13	\$1,237	\$21	\$1,258

## Eagle's Brooke, continued

### Amenities

**In-Unit**

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

Blinds  
Dishwasher  
Fireplace  
Oven  
Vaulted Ceilings  
Washer/Dryer

**Security**

In-Unit Alarm  
Perimeter Fencing

**Services**

None

**Property**

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

Clubhouse/Meeting  
Exercise Facility  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

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

**Trend Report**

## Vacancy Rates

1Q15	2Q16
2.4%	6.5%

**Trend: Market**

## 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$751 - \$970	\$0	\$751 - \$970	\$772 - \$991
2016	2	8.3%	\$843	\$13	\$830	\$851

## 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.8%	\$880 - \$1,125	\$8	\$872 - \$1,117	\$893 - \$1,138
2016	2	3.8%	\$960	\$13	\$947	\$968

## 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	4.2%	\$1,160 - \$1,305	\$8	\$1,152 - \$1,297	\$1,173 - \$1,318
2016	2	8.3%	\$1,250	\$13	\$1,237	\$1,258

**Trend: Comments**

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

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

Photos



# PROPERTY PROFILE REPORT

## The Crossing At Mcdonough

<b>Effective Rent Date</b>	4/19/2016
<b>Location</b>	100 Crossing Boulevard Mcdonough, GA 30253 Henry County
<b>Distance</b>	7.9 miles
<b>Units</b>	252
<b>Vacant Units</b>	2
<b>Vacancy Rate</b>	0.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2004 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Carrington Green, Crescent Creek, Oxford Creek
<b>Tenant Characteristics</b>	Mixed tenancy from the area
<b>Contact Name</b>	Jamie
<b>Phone</b>	770.692.1630



### Market Information

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

### Utilities

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

### Unit Mix (face rent)

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

### Unit Mix

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

## The Crossing At Mcdonough, continued

### Amenities

#### In-Unit

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

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

#### Security

In-Unit Alarm  
Perimeter Fencing  
Video Surveillance

#### Services

None

#### Property

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

Car Wash  
Garage  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

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

# The Crossing At McDonough, continued

## Trend Report

### Vacancy Rates

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

## Trend: Market

### 1BR / 1BA

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

### 2BR / 2BA

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

### 3BR / 2BA

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

## Trend: Comments

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

Photos



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

### Housing Choice Vouchers

#### TENANTS WITH VOUCHERS

Comparable Property	Type	Tenancy	Housing Choice Voucher Tenants
Grier Senior Manor	LIHTC/Market	Senior	20%
Hampton Court	LIHTC	Senior	5%
Heritage At McDonough	LIHTC	Senior	10%
Shoal Creek Manor	LIHTC	Senior	8%
Amber Chase Apartments	Market	Family	0%
Eagle's Brooke	Market	Family	0%
The Crossing At McDonough	Market	Family	0%
<b>Average</b>			<b>6%</b>

As illustrated, average voucher usage in the market is low at six percent, and the local market does not appear to be dependent on vouchers.

### Lease Up History

Three of the comparables were able to report absorption. Details are provided in the following table.

#### ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18
The Crossing At McDonough	Market	Family	2004	252	22

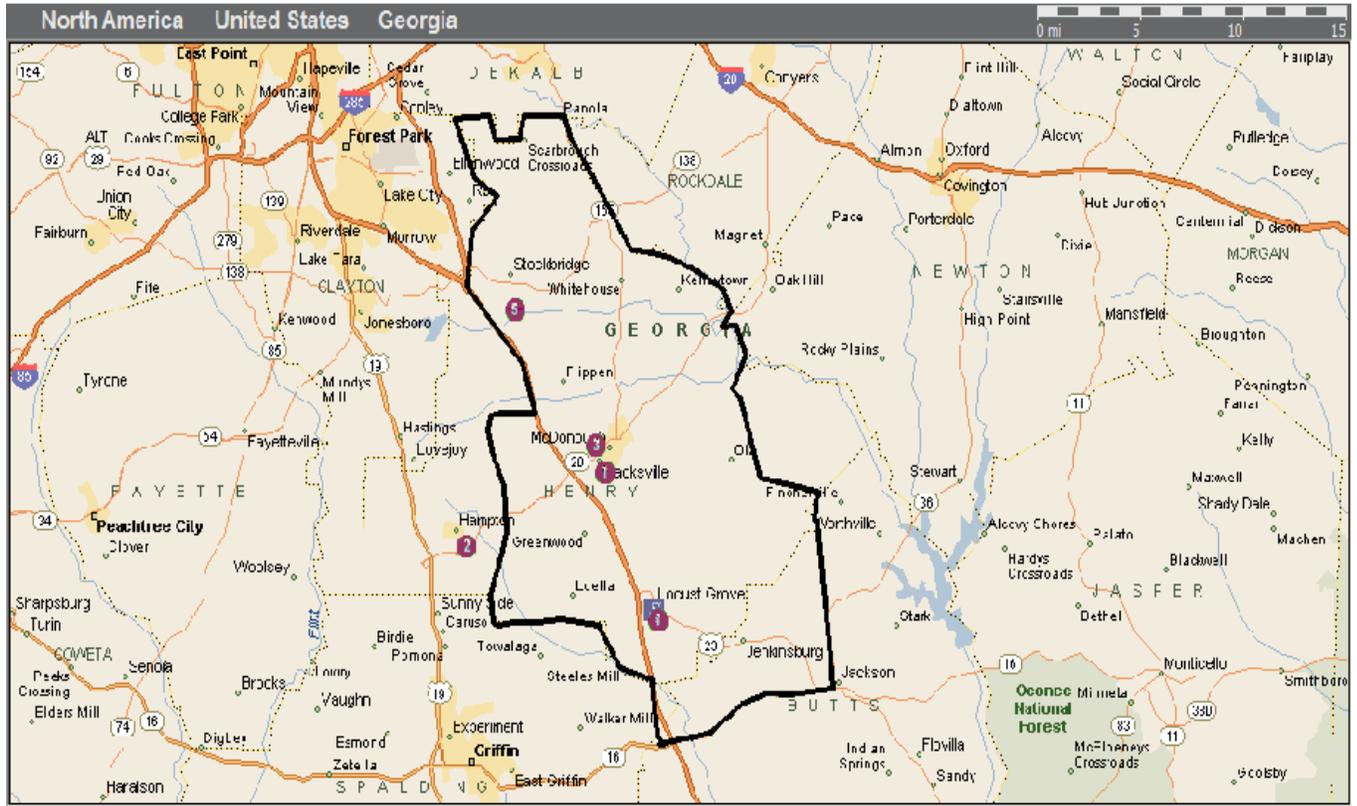
Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and is currently proposed. This property will be located in the Subject's PMA in Stockbridge, approximately 16.6 miles north of the Subject. While this property will directly compete with the Subject, we believe there is adequate demand for both properties given the extremely low vacancy rates in the market and the lengthy waiting lists reported at the senior LIHTC comparables.

As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

**Phased Developments**

The Subject will not be part of a phased development.

**3. COMPETITIVE PROJECT MAP**



**Competitive Properties**

Map #	Property Name	City	Type	Tenancy	Distance
1	Grier Senior Manor	McDonough	LIHTC/Market	Senior	7.7 miles
2	Hampton Court	Hampton	LIHTC	Senior	10.3 miles
3	Heritage at McDonough	McDonough	LIHTC	Senior	10.0 miles
4	Shoal Creek Manor	Locust Grove	LIHTC	Senior	0.9 miles
5	Red Oak Village*	Stockbridge	LIHTC	Senior	16.6 miles

\*Proposed

### 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 grey, 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 grey.

UNIT MATRIX REPORT

	Grove Senior Village	Grier Senior Manor	Hampton Court	Heritage At Mcdonough	Shoal Creek Manor	Amber Chase Apartments	Eagle's Brooke	The Crossing At Mcdonough
Comp #	Subject	1	2	3	4	5	6	7
<b>Property Information</b>								
Property Type	Lowrise (age-restricted) (3 stories)	Lowrise (age-restricted) (2 stories)	Garden (age-restricted) (2 stories)	Lowrise (age-restricted)	Midrise (age-restricted) (4 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)
Year Built / Renovated	2018	2005	2014	2011	2011	1999	2009	2004
Market (Conv./)Subsidy Type	50%, 60%, Market	30%, 50%, 60%, Market	50%, 60%	50%, 60%	50%, 60%	Market	Market	Market
<b>Utility Adjustments</b>								
Cooking	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	no	no	no
Sewer	no	no	no	yes	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	no	no	yes
<b>In-Unit Amenities</b>								
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	yes	no	yes
Carpeting	yes	yes	yes	no	yes	yes	no	yes
Central A/C	yes	yes	yes	no	yes	yes	yes	yes
Coat Closet	no	no	no	no	no	yes	no	yes
Dishwasher	yes	no	yes	no	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	yes	no	yes
Ceiling Fan	no	no	no	yes	yes	no	yes	yes
Fireplace	no	no	no	no	no	no	yes	yes
Garbage Disposal	yes	no	yes	no	yes	yes	no	yes
Hand Rails	yes	yes	yes	no	no	no	no	no
Microwave	yes	no	yes	no	yes	no	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	yes	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	yes	yes
Walk-In Closet	no	no	no	yes	no	yes	yes	no
Washer/Dryer	no	no	no	no	no	no	yes	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>								
Basketball Court	no	no	no	yes	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	no	yes	yes
Car Wash	no	no	no	no	no	yes	no	yes
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	no
Courtyard	no	no	no	no	no	no	no	no
Elevators	yes	yes	yes	yes	yes	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	yes	no	yes
Jacuzzi	no	no	no	no	no	yes	no	no
Central Laundry	yes	yes	yes	no	yes	yes	no	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	no	yes
Picnic Area	yes	no	no	no	no	yes	no	yes
Playground	no	no	no	no	no	yes	no	yes
Recreation Areas	no	yes	yes	yes	no	no	no	no
Swimming Pool	no	no	no	yes	no	yes	yes	yes
Tennis Court	no	no	no	no	no	yes	no	yes
Volleyball Court	no	no	no	no	no	yes	no	no
Wi-Fi	no	no	no	yes	no	no	yes	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$85.00	N/A	\$85.00
<b>Services</b>								
<b>Security</b>								
In-Unit Alarm	no	no	no	no	no	yes	yes	yes
Limited Access	yes	yes	no	yes	yes	yes	no	no
Perimeter Fencing	no	yes	yes	no	no	yes	yes	yes
Video Surveillance	no	no	no	no	no	no	no	yes
<b>Premium Amenities</b>								
Hairdresser / Barber	no	no	no	yes	no	no	no	no
View	no	no	no	no	no	yes	no	no
<b>Other Amenities</b>								
Other	Community garden	n/a	Community gardens	ballroom, gardens	Library, garden	n/a	n/a	n/a

The Subject will offer an extensive amenities package that will be generally similar to the amenities offered at the comparable properties. Overall, we believe that the Subject’s proposed amenities will allow it to be competitive in the local market.

5. The Subject will target seniors 55 and older. We have included four senior LIHTC properties as comparables in our analysis. Of these properties, three are located within the Subject’s PMA boundaries. Overall, the availability of senior data in the local market is considered good; therefore, we have not included any family LIHTC properties in our analysis as these properties reported having few senior tenants and will not directly compete with the proposed Subject.

**6. Vacancy**

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>					
<b>Property Name</b>	<b>Rent Structure</b>	<b>Tenancy</b>	<b>Total Units</b>	<b>Vacant Units</b>	<b>Vacancy Rate</b>
Grier Senior Manor	LIHTC/Market	Senior	64	0	0.00%
Hampton Court	LIHTC	Senior	60	0	0.00%
Heritage At McDonough	LIHTC	Senior	105	0	0.00%
Shoal Creek Manor	LIHTC	Senior	66	0	0.00%
Amber Chase Apartments	Market	Family	352	9	2.60%
Eagle's Brooke	Market	Family	248	16	6.50%
The Crossing At McDonough	Market	Family	252	2	0.80%
<b>Total Senior Vacancy</b>			<b>295</b>	<b>0</b>	<b>0.00%</b>
<b>Total</b>			<b>1,147</b>	<b>27</b>	<b>2.40%</b>

As illustrated, overall vacancy in the market is low at 2.4 percent. Further, none of the senior comparables reported having any vacant units and all have lengthy waiting lists. The family market rate property, Eagles Brooke, reported the highest vacancy rate at 6.5 percent. Management reported that the current vacancy rate is slightly higher than average, as the property typically maintains a vacancy rate of three to five percent. While management was unable to indicate a reason for the slightly higher vacancy rate, management reported that they have recently lowered rents in order to fill the vacant units. Overall, the strong performance of the senior LIHTC properties and general lack of vacancies indicates a need for additional LIHTC housing targeting this age demographic.

While the senior LIHTC property Red Oak Village was allocated in 2015 and will be located in the Subject’s PMA, we believe there is adequate demand to support this property as well as the Subject. Red Oak Village will offer 60 units at the 50 and 60 percent AMI levels. The property manager at Hampton Court, the newest senior property in the market, reported a waiting list of several hundred households. Additionally, the property managers at Heritage at McDonough and Shoal Creek Manor reported waiting lists of approximately six months to one year. Both the property managers at Grier Senior Manor and Hampton Court indicated that they believed the market could support an additional 150 to 200 senior LIHTC units. Combined, Red Oak Village and the Subject would add 108 LIHTC units to the market. If allocated, we believe that the Subject will maintain a stabilized occupancy rate of five percent or less and would not have a negative long term impact on the existing and proposed senior LIHTC comparables.

**7. Properties Under Construction and Proposed**

The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and is currently proposed. This property will be located within the Subject’s PMA, approximately 16.6 miles from the Subject, in Stockbridge. The following table illustrates the proposed rent and unit mix at this property.

**PROPOSED RENTS**

Unit Type	Number of Units	Sqft	Asking Rent	Utility Allowance (1)	Gross Rent
<i>50% AMI</i>					
1BR	4	750	\$475	\$128	\$603
2BR	9	950	\$565	\$170	\$735
<i>60% AMI</i>					
1BR	16	750	\$565	\$128	\$693
2BR	31	950	\$690	\$170	\$860
<b>Total</b>	<b>60</b>				

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

As proposed, Red Oak Village will offer 60 one and two-bedroom units at the 50 and 60 percent AMI levels. All units will be restricted to senior tenants 62 and older. As such, these units are expected to directly compete with the Subject, and we have therefore removed the units at this property from our demand analysis. Given the extremely low vacancy rates and lengthy waiting lists at the senior LIHTC comparables, we believe there is adequate demand in the market for both Red Oak Village and the units proposed at the Subject.

**8. Rental Advantage**

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Grier Senior Manor	LIHTC/Market	Similar	Similar	Superior	Inferior	Slightly Inferior	-5
2	Hampton Court	LIHTC	Similar	Slightly Superior	Similar	Similar	Superior	15
3	Heritage At McDonough	LIHTC	Superior	Similar	Superior	Similar	Slightly Superior	25
4	Shoal Creek Manor	LIHTC	Similar	Similar	Similar	Similar	Slightly Superior	5
5	Amber Chase Apartments	Market	Superior	Slightly Superior	Superior	Inferior	Superior	25
6	Eagle's Brooke	Market	Superior	Superior	Superior	Similar	Superior	40
7	The Crossing At McDonough	Market	Superior	Superior	Superior	Inferior	Superior	30

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

The rental rates at the LIHTC properties are compared to the Subject’s proposed 50 and 60 percent AMI rents in the following table.

**LIHTC Rent Comparison - @50%**

Property Name	Tenancy	1BR	2BR
Grove Senior Village (Subject)	Senior	\$440	\$525
<b>LIHTC Maximum (Net)</b>	-	\$469	\$550
Grier Senior Manor	Senior	\$529	\$622
Hampton Court	Senior	-	\$480
Heritage At McDonough	Senior	\$479	\$563
Shoal Creek Manor	Senior	-	\$668
<b>Average (excluding Subject)</b>	-	\$504	\$583

**LIHTC Rent Comparison - @60%**

Property Name	Tenancy	1BR	2BR
Grove Senior Village (Subject)	Senior	\$495	\$535
<b>LIHTC Maximum (Net)</b>	-	\$597	\$704
Hampton Court	Senior	-	\$480
Heritage At McDonough	Senior	\$609	\$719
Shoal Creek Manor	Senior	-	\$854
<b>Average (excluding Subject)</b>	-	\$609	\$684

As illustrated, all of the Subject’s proposed rents are below the maximum allowable levels. The Subject’s proposed 50 percent AMI rents are below the current rents at all of the comparables, with the exception of Hampton Court. While the Subject’s proposed rents are above the rents at Hampton Court, this property is 100 percent occupied and management reported a lengthy waiting list of several hundred households. Therefore, this property is not testing maximum achievable LIHTC rents in the market. Shoal Creek Manor was built in 2011 and is the only senior LIHTC property in Locust Grove. The Subject will be generally similar to this property and should be able to achieve rents similar to above Shoal Creek Manor. Therefore, the Subject’s 50 percent AMI rents appear reasonable and will offer value in the market.

The Subject’s proposed 60 percent AMI rents are well below the current rents at Shoal Creek Manor, the only senior LIHTC property in Locust Grove. As previously stated, this property is 100 percent occupied and has a waiting list. Therefore, its rents are achievable in the local market. The Subject’s proposed 60 percent AMI rents are significantly below the current rents at Heritage at McDonough. This property was built in 2011 and will be generally similar to the Subject. This property is 100 percent occupied with a waiting list. Although the Subject’s proposed 60 percent AMI rents are above the current rents at Hampton Court, this property is 100 percent occupied and has a waiting list of several hundred households. Therefore, this property is not testing maximum achievable rents. Overall, we believe that the Subject’s proposed 60 percent AMI rents are achievable and that they will offer significant value when compared to the existing senior LIHTC comparables.

**Analysis of “Market Rents”**

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not “Achievable unrestricted market rent.” In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market

rate comps. In a small rural market there may be neither tax credit comps nor market rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

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

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

Subject Comparison To "Market Rents"

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR 50% AMI	\$440	\$479	\$851	\$667	52%
2 BR 50% AMI	\$525	\$480	\$968	\$698	33%
1 BR 60% AMI	\$495	\$609	\$851	\$750	51%
2 BR 60% AMI	\$535	\$480	\$968	\$790	48%
1 BR Market	\$645	\$660	\$851	\$785	22%
2 BR Market	\$685	\$719	\$968	\$862	26%

As illustrated, with the exception of the two-bedroom 50 and 60 percent AMI rents, all of the Subject’s proposed rents are below the minimum observed rents while the two-bedroom LIHTC rents are well within the observed range, and well below the average rents. The Subject’s proposed rents have significant rent advantages of 22 to 52 percent and will offer value in the market. Overall, the Subject’s proposed rents are considered reasonable when compared to the comparables and we believe that the Subject will be successful as proposed.

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

None of the senior LIHTC comparables reported having any vacant units and all have lengthy waiting lists. The strong performances of the existing senior LIHTC properties indicates a supply constrained market. The senior LIHTC property Red Oak Village was allocated in 2015 and is located within the Subject’s PMA, approximately 16.6 miles from the Subject site, in McDonough. This property will offer 60 one and two-bedroom LIHTC units at 50 and 60 percent AMI. The property manager at Hampton Court, the newest senior LIHTC comparable, reported a waiting list of several hundred households. Additionally, the property managers at Shoal Creek Manor and Heritage at McDonough indicated waiting lists of six months to one year. The property managers at Grier Senior Manor and Hampton Court reported that the market can support and additional 150 to 200 units. Combined, Red Oak Village and the Subject would add 108 senior LIHTC units to the market. Given the lack of vacant units, lengthy waiting lists, and reported demand for additional units, we believe that there is adequate demand for both Red Oak Village and the Subject, as there is a significant housing void in the market. The addition of the Subject to the local market will not negatively impact the existing LIHTC comparables.

**10. Rental Trends in the PMA**

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,228	89.9%	922	10.1%
2010	16,486	86.3%	2,610	13.7%
2015	18,192	86.3%	2,895	13.7%
Projected Mkt Entry				
June 2018	20,285	86.0%	3,314	14.0%
2020	21,781	85.8%	3,614	14.2%

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

As illustrated, the majority of senior households in the PMA are renter households. However, the percentage of senior renter households in the PMA is expected to increase slightly from 2015 to market entry and is expected to continue increasing through 2020. Nationally, approximately 13 percent of senior households are renters. The percentage of senior renters in the PMA is slightly above the national average.

*Historical Vacancy*

Management at the comparable properties indicated that the market is strong and that vacancy is typically five percent or less. Management at the senior LIHTC properties reported that their vacancies are filled from waiting lists and that there is a strong need for additional rental housing targeting low income seniors within the local market. Based on the performance of the comparable properties, we have estimated a stabilized vacancy rate of five percent or less for the Subject.

*Change in Rental Rates*

The following table indicates rent growth at the comparable properties over the past year.

**RENT GROWTH**

Comparable Property	Rent Structure	Rent Growth
Grier Senior Manor	LIHTC/Market	1BR: increased 8%; 2BR: decreased 2%
Hampton Court	LIHTC	Increase of 3%
Heritage At McDonough	LIHTC	None
Shoal Creek Manor	LIHTC	Increase of 3%
Amber Chase Apartments	Market	Increased 2 to 7%
Eagle's Brooke	Market	None
The Crossing At McDonough	Market	Increased 3 to 4%

As illustrated, five of the seven comparables reported rental rate increases, while two reported no change in rents. The slight two percent decrease in the two-bedroom units at Grier Senior Manor is due to a utility allowance adjustment. The rent growth reported at the majority of the comparable properties indicates a healthy market. All of the Subject’s proposed LIHTC rents are set below the maximum allowable levels and are below the current rents at most of the comparable properties. It is likely that the Subject will experience regular rental increases upon stabilization.

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

According to RealtyTrac.com statistics, one in every 1,109 housing units in the state of Georgia is in some stage of foreclosure as of March 2016. This is above the national rate of one in every 1,212 housing units. Henry County is experiencing a foreclosure rate of one in every 518 housing units, the third highest in the state. Despite the high foreclosure rate in Henry County, we did not witness any foreclosed, abandoned, or vacant housing units in the Subject's immediate neighborhood.

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

Overall vacancy in the market is low at 2.4 percent and none of the senior LIHTC properties reported having any vacant units. Further, all four senior LIHTC properties reported having significant waiting lists. The strong performance of the senior comparables and the lack of vacancies among these properties indicate that there is a housing void in the market. We believe that the addition of the Subject to the market will help to fill this void. While the senior LIHTC property Red Oak Village was allocated in 2015, we believe that the need for senior LIHTC housing in the local market is great and that both projects can be supported. Combined, the Subject and Red Oak Village will add 108 senior LIHTC units to the local market. The property managers at Hampton Court and Grier Senior Manor both reported a need for an additional 150 to 200 units in the market, which is supported by the significant waiting lists at all four senior LIHTC properties. Overall, we believe that there is sufficient demand to support the Subject, even when taking into account the 60 proposed units at Red Oak Village, and we believe that the Subject will help to fill a housing void in the market.

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

As previously noted, overall vacancy among the comparables is low at 2.4 percent and none of the four senior LIHTC properties reported having any vacancies. Additionally, given the lengthy waiting lists and reported demand for additional senior units in the market, we believe there is sufficient demand to support the Subject's proposed units in addition to the 60 proposed units at Red Oak Village, which was allocated in 2015. Overall, we do not believe that the addition of the Subject to the market will have a negative impact on the existing or proposed affordable properties in the market.

### **Conclusions**

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC properties located in the Subject's PMA, and all three are fully occupied and have lengthy waiting lists. There is also one senior LIHTC property located just west of the PMA in Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is currently 100 percent occupied with a waiting list of several hundred households. The lack of vacant senior units in the market and the lengthy waiting lists reported at the comparables indicates a supply constrained market. There is one senior LIHTC property planned in the PMA. The senior property Red Oak Village was allocated in 2015 and will be located 16.6 miles north of the Subject in Stockbridge. The property will offer 60 one and two-bedroom units at 50 and 60 percent AMI. Property managers at the senior LIHTC comparables reported a significant need for additional LIHTC housing targeting the senior age demographic and the property managers at Grier Senior Manor and Hampton Court estimated that the market can support an additional 150 to 200 units. Combined, Red Oak Village and the Subject will add 109 LIHTC units to the

market. Given the lack of senior vacancies, the reported need for additional units, and the capture rates in the demand analysis, we believe there is sufficient demand to support both the Subject and Red Oak Village, particularly given that Red Oak Village will be located in the northern portion of the PMA and the Subject will be located in the southern portion of the PMA, approximately 16.6 miles apart. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 22 to 52 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

## **I. ABSORPTION & STABILIZATION RATES**

**Stabilization/Absorption Rate**

Three of the comparables were able to report absorption. Details are provided in the following table.

**ABSORPTION**

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18
The Crossing At McDonough	Market	Family	2004	252	22

Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and is currently proposed. This property will be located in the Subject's PMA in Stockbridge, approximately 16.6 miles north of the Subject. While this property will directly compete with the Subject, we believe there is adequate demand for both properties given the extremely low vacancy rates in the market and the lengthy waiting lists reported at the senior LIHTC comparables.

As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

## **J. INTERVIEWS**

### Georgia Department of Community Affairs, Eastman Office

We spoke with a representative from the Georgia Department of Community Affairs regarding the Section 8 program in Henry County and in the State of Georgia. The representative informed us that the Georgia Department of Community Affairs has jurisdiction over 149 of Georgia's 159 Counties including Henry County and that there is currently a waiting list for Section 8 applicants in all regions and that the waiting list is currently closed. The payment standards for one and two-bedroom units are \$810 and \$916, respectively. These are above the Subject's proposed LIHTC and market-rate rents.

### Planning

We interviewed Stacey Jordan with the Henry County Planning and Zoning Department to determine if any other multifamily apartments were in the planning or construction phases in the area. According to Mr. Jordan, there is only one project in the works which recently received special zoning allowances, Red Oak Village Apartments. Mr. Jordan stated that the apartments have not been submitted for planning review as of May 2016. As previously discussed, Red Oak Village was allocated tax credits in 2015 and will target senior tenants. The development will be located 16.6 miles north of the Subject in Stockbridge and will offer 60 one and two-bedroom units at 60 percent AMI. The proposed rents for the development are detailed in the following table.

<b>Unit Type</b>	<b># of Units</b>	<b>Proposed Rents</b>
1BR 50% AMI	4	\$475
2BR 50% AMI	9	\$565
1BR 60% AMI	16	\$565
2BR 60% AMI	31	\$690

The Subject's proposed rents are below the proposed rents at Red Oak Village.

### Henry County Development Authority

We contacted a representative from the Henry County Development Authority, and he provided us with the following business expansion information.

- In April 2016 Cabela's announced plans to expand in McDonough opening a store in the upcoming Jodeco Atlanta South Retail Development Center. Cabela's retail store will occupy a 70,000 square foot space at the retail center and is anticipated to add 130 new full time jobs. The opening is expected in late 2017.
- A number of food retailers have recently opened in McDonough or have announced plans to open locations in McDonough. Specifically Panera Bread, Chipotle Mexican Grill, Five Guys Burgers and Fries, Pie Five Pizza Co., Menchies Frozen Yogurt, and Wild Wing Café have all begun construction or recently completed construction in the area with the majority located in the South Point Multi-phase retail development in McDonough, roughly 3.5 miles south of the Subject.

- The hotels Home2Suites, Hilton Extended Stay, and La Quinta Inns and Suites opened new locations in McDonough in 2015.

As illustrated, the planned development within Henry County is mostly located north of Locust Grove in the McDonough and Stockbridge areas.

### **Senior Center**

The Locust Grove Senior Center is located approximately 2.4 miles from the Subject site. All seniors 55 and older who live in Henry County are eligible to join without a membership fee. The center is open Monday through Friday from 8:00 am to 5:00 pm and offers varying activities. A hot cafeteria style breakfast and lunch is provided each day for a fee of \$2.50 and \$3.50, respectively. Transportation to and from the center is provided by Henry County Transit for a fee of \$2.00 per day. Currently, the center has approximately 150 members with an average age of 70.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

- Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2020, and will do so at a pace generally similar to the MSA but well above the nation. Senior household growth in the PMA is projected at 4.1 percent through 2020, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the PMA bode well for the Subject. Approximately 22 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2020. The Subject's units will target tenants within this age demographic. Our analysis also indicates that approximately 32 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is slightly above the national average and the number of senior renters will increase slightly from 2015 to 2020. Overall, the demographic trends are a positive indicator for the Subject's units.
- The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past four years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is a not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 5.2 percent, which is consistent with the national average. The steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.8 percentage points from February 2015 to February 2016, and total jobs numbers within Henry County are positive and have passed their pre-recession peak. Overall, the local economy appears to be healthy and has fully recovered from the most recent national recession.
- The Subject's capture rates at the 50 percent AMI level will range from 7.3 to 10.1 percent, with an overall capture rate of 8.7 percent. The Subject's 60 percent AMI capture rates range from 12.7 to 23.0 percent, with an overall capture rate of 17.5 percent. The overall capture rate for the project's LIHTC units is 22.0 percent. All capture rates are below Georgia DCA threshold requirements for rural areas and we believe there is adequate demand for the Subject's units.

- Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. The senior LIHTC property Red Oak Village was allocated tax credits in 2015 and is currently proposed. This property will be located in the Subject's PMA in Stockbridge, approximately 16.6 miles north of the Subject. While this property will directly compete with the Subject, we believe there is adequate demand for both properties given the extremely low vacancy rates in the market and the lengthy waiting lists reported at the senior LIHTC comparables.

As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

- Overall vacancy in the market is low at 2.4 percent. Further, none of the senior comparables reported having any vacant units and all have lengthy waiting lists. The family market rate property, Eagles Brooke, reported the highest vacancy rate at 6.5 percent. Management reported that the current vacancy rate is slightly higher than average, as the property typically maintains a vacancy rate of three to five percent. While management was unable to indicate a reason for the slightly higher vacancy rate, management reported that they have recently lowered rents in order to fill the vacant units. Overall, the strong performance of the senior LIHTC properties and general lack of vacancies indicates a need for additional LIHTC housing targeting this age demographic.

While the senior LIHTC property Red Oak Village was allocated in 2015 and will be located in the Subject's PMA, we believe there is adequate demand to support this property as well as the Subject. Red Oak Village will offer 60 units at the 50 and 60 percent AMI levels. The property manager at Hampton Court, the newest senior property in the market, reported a waiting list of several hundred households. Additionally, the property managers at Heritage at McDonough and Shoal Creek Manor reported waiting lists of approximately six months to one year. Both the property managers at Grier Senior Manor and Hampton Court indicated that they believed the market could support an additional 150 to 200 senior LIHTC units. Combined, Red Oak Village and the Subject would add 108 LIHTC units to the market. If allocated, we believe that the Subject will maintain a stabilized occupancy rate of five percent or less and would not have a negative long term impact on the existing and proposed senior LIHTC comparables.

- upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC

properties located in the Subject's PMA, and all three are fully occupied and have lengthy waiting lists. There is also one senior LIHTC property located just west of the PMA in Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is currently 100 percent occupied with a waiting list of several hundred households. The lack of vacant senior units in the market and the lengthy waiting lists reported at the comparables indicates a supply constrained market. There is one senior LIHTC property planned in the PMA. The senior property Red Oak Village was allocated in 2015 and will be located 16.6 miles north of the Subject in Stockbridge. The property will offer 60 one and two-bedroom units at 50 and 60 percent AMI. Property managers at the senior LIHTC comparables reported a significant need for additional LIHTC housing targeting the senior age demographic and the property managers at Grier Senior Manor and Hampton Court estimated that the market can support an additional 150 to 200 units. Combined, Red Oak Village and the Subject will add 109 LIHTC units to the market. Given the lack of senior vacancies, the reported need for additional units, and the capture rates in the demand analysis, we believe there is sufficient demand to support both the Subject and Red Oak Village, particularly given that Red Oak Village will be located in the northern portion of the PMA and the Subject will be located in the southern portion of the PMA, approximately 16.6 miles apart. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 22 to 52 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

## Recommendations

- We believe that the Subject will be successful in the local market and we recommend the Subject as proposed.

## **L. SIGNED STATEMENT REQUIREMENTS**

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



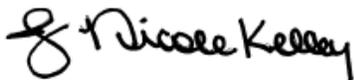
---

Brad Weinberg, MAI, CVA, CCIM  
Partner  
Certified General Appraiser  
6-3-2016  
Date



---

Edward R. Mitchell  
Manager  
Novogradac & Company LLP  
6-3-2016  
Date



---

J. Nicole Kelley  
Real Estate Analyst  
6-3-2016  
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.



---

Brad Weinberg, MAI, CVA, CCIM  
Partner  
Certified General Appraiser

6-3-2016

---

Date



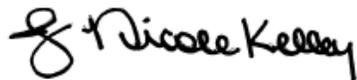
---

Edward R. Mitchell  
Manager  
Novogradac & Company LLP

6-3-2016

---

Date



---

J. Nicole Kelley  
Real Estate Analyst

6-3-2016

---

Date

## **N. QUALIFICATIONS**

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

**I. Education**

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

**II. Licensing and Professional Affiliations**

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

Member, The Counselors of Real Estate (CRE)

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

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**III. Professional Experience**

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

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

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

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

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

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

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

Numerous speaking engagements at Affordable Housing Conferences throughout the Country  
Participated in several industry forums regarding the Military Housing Privatization Initiative

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

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

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

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

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

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

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

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

### **I. Education**

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

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

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

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

### **II. Work History**

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

### **III. Relevant Experience**

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

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

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## J. Nicole Kelley

### I. Education

Auburn University, Auburn, Alabama  
Bachelor of Science in Business Administration: International Business  
Auburn University, Auburn, Alabama  
Master of Business Administration (MBA)

### II. Professional Experience

Independent Real Estate Consultant  
Manager, Novogradac & Company LLP  
Real Estate Analyst, Novogradac & Company LLP  
Real Estate Researcher, Novogradac & Company LLP

### III. Professional Training and Continuing Education

Member, National Council of Housing Market Analysts (NCHMA)  
Member, Women in Affordable Housing Network (WAHN)  
Successfully completed "Introduction to Commercial Real Estate Analysis" and  
"Financial Analysis for Commercial Real Estate Investment"

### IV. Real Estate Assignments

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

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Conducted market studies for senior and family projects in Alabama, Arizona, California, Florida, Georgia, Guam, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Washington, Wisconsin, and Wyoming.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit and Special Needs properties in various states.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.