



## **A Market Feasibility Study Of**

### **Keystone Apartments**

*Located at*

**145 S. McDonough Street  
Jonesboro, Clayton County, Georgia 30236**

**Effective Date: May 20, 2016**

**Report Date: August 12, 2016**

*Prepared For*

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August 12, 2016

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**Re: Market Study for Keystone Apartments in Jonesboro, Georgia**

Dear Mr. Kucich:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Jonesboro, Clayton County, Georgia area relative to the above-referenced proposed acquisition/rehabilitation Low Income Housing Tax Credit (LIHTC)/Section 8 project. The purpose of this market study is to assess the viability of the rehabilitation of Keystone Apartments (Subject), an existing 184-unit Section 8 community (Section 8 Contract No. GA06-E000-002). The Subject offers one, two, and three-bedroom units. Following renovation, the property will be restricted to households earning 60 percent of the Area Median Income (AMI). The Subject's 184 units will continue to benefit from a HAP contract post-renovation, which expires on September 30, 2031. It is assumed the developer will continue to renew the HAP contract for the foreseeable future. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

Respectfully submitted,  
Novogradac & Company LLP



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## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
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author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

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

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

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## **A. EXECUTIVE SUMMARY AND CONCLUSIONS**

## EXECUTIVE SUMMARY AND CONCLUSIONS

### 1. Project Description:

Keystone Apartments (Subject) is an existing Section 8 property (Section 8 Contract No. GA06-E000-002) in Jonesboro, Clayton County, Georgia that is proposed for renovation with Low Income Housing Tax Credit (LIHTC) equity. The Subject was originally constructed in 1971. The Subject currently consists of 184 one, two, and three-bedroom units contained in 38 two-story garden-style residential buildings, in addition to one single-story auxiliary building that serves as a leasing office and maintenance building, and one trailer that is used by the service coordinator. According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. The unit mix currently includes 24 one-bedroom units, 88 two-bedroom units, and 72 three-bedroom units.

The Subject will continue to benefit from the HAP contract on all 184 units post-renovation. The Section 8 contract expires September 30, 2031, and it is assumed the developer will continue to renew the contract for the foreseeable future. Tenants will continue to pay 30 percent of their incomes toward rent, not to exceed the LIHTC rents.

The Subject is a proposed renovation of an existing Section 8 development utilizing LIHTC equity. The Subject was originally constructed in 1972, and currently exhibits fair condition. Total construction hard cost including builder profit, overhead, and contingency is estimated to be \$6,991,301, or \$37,996 per unit.

Renovations will include substantial site, interior, and exterior renovations. Site renovations planned include, but are not limited to, removing and repairing deteriorated sidewalks and general concrete repair, replacing handrails, installing security fencing, landscaping, and replacing signage.

Planned exterior renovations include but are not limited to cleaning masonry, repairing and replacing paint, soffits, trim, and siding, adding building entrance stoop cover,

replacing entrance doors, replacing water heater closet doors, and replacing light fixtures.

Planned interior renovations include but are not limited to adding insulation in attic, replacing light fixtures, flooring, paint, railing, windows, window coverings, HVAC, electrical switches, receptacles, cover plates, kitchen cabinets, countertops, and kitchen fixtures, relocating washer/dryer connections, installing kitchen exhaust fan, installing new stove, refrigerator, dishwasher, and microwaves, replacing bathroom accessories and mirror, replacing bathroom lavatory with new vanity, replacing tub faucet, replace bathroom exhaust fan, replacing tub and surround, replace AC condensing unit, and replacing water heaters.

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

<b>PROPOSED RENTS</b>							
<b>Unit Type</b>	<b>Number of Units</b>	<b>Unit Size (SF)</b>	<b>Asking Rent</b>	<b>Utility Allowance *</b>	<b>Gross Rent</b>	<b>2016 LIHTC Maximum Allowable Gross Rent</b>	<b>Current Net Contract Rents*</b>
<i>60% AMI/Section 8</i>							
1BR/1BA	24	612	\$712	\$47	\$759	\$759	\$775
2BR/1BA	88	830	\$841	\$71	\$912	\$912	\$848
3BR/2BA	71	945	\$968	\$85	\$1,053	\$1,053	\$966
<i>Employee Unit</i>							
3BR/2BA	1	945	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>184</b>						

\*Based on current Rent Schedule, effective October 1, 2015.

The Subject currently offers blinds, carpet and tile flooring, central heating and air conditioning, coat closets, ovens, refrigerators, washer/dryer connections, and walk-in closets in the three-bedroom units only; following renovations, the Subject will also offer microwaves and dishwashers.

The Subject’s project amenities include off-street parking, on-site management, a picnic area, and a playground. The Subject also offers courtesy patrol as a security feature and service coordination provided by Nothing But the Truth, a faith-based social services organization that provides various services such as tutoring, after school programs, and adult education. Perimeter fencing will be added to the property post-renovation. Overall, the Subject’s amenities

will generally be slightly inferior to the comparable properties.

## **2. Site Description/Evaluation:**

The Subject site is bounded by Key Street to the south and is also located at the eastern terminus of Keystone Street. Surrounding uses predominantly consist of duplex-style Public Housing developments, Jonesboro Middle School, undeveloped vacant land, and Clayton County offices. Land use to the north consists of a duplex-style Public Housing multifamily development in average condition. This development was not used as a comparable in this report as all tenants contribute 30 percent of their income towards rent. Land use further north consists of single-family homes that were built in the 1960's and exhibit average condition, which are adjacent to a power sub-station. To the immediate east is Jonesboro Middle School and a sports stadium in good condition. To the immediate south and southeast is undeveloped vacant land followed by Suder Elementary School to the southeast. To the west is another duplex-style Public Housing multifamily development, followed by CITGO gas station. Also to the west are parking lots. To the northwest are office buildings in good condition occupied by various government agencies including the Clayton County Tax Assessor, Clayton County Probate Court, and Clayton County Motor Vehicle Division, among others. The Subject is located in the central portion of Jonesboro. There are a number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as South McDonough Street and Main Street, both located 0.1 miles west of the Subject. The Subject is considered "car dependent" by Walkscore.com with a rating of 42. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered a desirable location for family rental housing. The uses surrounding the Subject are in average to good condition and the site has reasonable proximity to locational amenities.

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

The Primary Market Area (PMA) is defined as the central portion of Clayton County, and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager, as well as based on our knowledge of the area. We have estimated that approximately 15 percent of the Subject's tenants originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA boundaries, per

the 2016 market study guidelines, we have not accounted for leakage in our *Demand Analysis* found later in this report. The furthest PMA boundary from the Subject is 5.5 miles.

#### **4. Community Demographic**

##### **Data:**

Total population in the PMA and MSA are projected to increase at a 0.4 and 1.2 percent annual rate respectively from 2015 to 2020. The MSA is expected to outpace the national population growth during the same time period while the PMA growth is expected to grow at a slower pace than the nation. The share of renter-occupied units in the MSA is lower than in the PMA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase by 1.3 percent through 2020.

Households earning under \$40,000 in the PMA comprise 62.7 percent of all income cohorts. The Subject will target households earning up to \$43,740 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

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

Total employment in the MSA increased from 2003 to 2007; however, decreased from 2008 to 2010 as a result of the national economic recession. Total employment in the MSA exceeded pre-recessionary levels in 2014 and has continued to increase through 2016 year-to-date. From February 2015 to February 2016, total employment in the MSA increased 2.2 percent compared to an increase of 2.0 percent nationally. The unemployment rate in the MSA peaked at 10.3 percent in 2010, and has been declining each subsequent year. From February 2015 to February 2016, the unemployment rate in the MSA decreased by 70 basis points to 5.3 percent, while the national unemployment rate decreased by 60 basis points to 5.2 percent. Overall, it appears that the MSA was impacted by the recent national recession; however, has fully recovered and is currently in a state of growth.

The PMA's leading industries include transportation/warehousing, health care/social assistance, and retail trade. Together, these three industries make up

35.4 percent of total employment in the PMA. Compared to the nation, the PMA is overly represented in sectors such as transportation/warehousing and public administration, and underrepresented in the manufacturing, professional/scientific/tech services, and health care/social assistance sectors. Overall, the mix of industries in the local economy indicates a relatively diversified work force.

According to Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings, the PMA experienced no layoffs in 2014, 2015, or year-to-date 2016, and there was only one round of layoffs in 2013. AirTran Airways, Inc., a commercial aircraft company which has since been integrated with Southwest Airlines, laid off 316 employees at its Atlanta branch in May 2013.

According to Courtney Pogue, Director of the Clayton County Office of Economic Development, a number of companies have opened in Clayton County in the last year. Additionally, several companies were expanding internally, and no major closings or layoffs had occurred in the past year. Mr. Pogue was unable to provide specific details about expansions and contractions in the county. According to our internet research, Castellini Group of Companies, a distribution company, is planning to create 300 new jobs over the next several years in Clayton County. The public transit service MARTA expanded its bus service in Clayton County by adding four bus routes in August 2015. A \$12.5 million expansion by FMH Conveyors in 2016 will create 110 new jobs in Jonesboro. Additionally, two businesses closed recently: Dean's Barbeque and Laurus Technical Institute.

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

According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject is an existing Section 8 development and we have provided one capture rate assuming no subsidy in place and one capture rate with the subsidy in place. The Subject currently has ten vacant units as of the date of the relocation spreadsheet,

which is August 8, 2016 and all existing tenants would continue to income qualify to reside at the Subject post-renovation with subsidy in place. As such, our capture rate assuming the subsidy in place only accounts for the ten vacant units.

Without subsidy in place, two of the existing tenants (one two-bedroom and one three-bedroom) will continue to be income-qualified for their specific unit type without the Section 8 subsidy. As such, we have reduced the unit count in the non-subsidized scenario by one unit for the two and three-bedroom units. We have determined the Subject's capture rates based on 184 total units less the income-qualified tenants in each scenario and the non-revenue generating employee unit.

CAPTURE RATE ANALYSIS CHART - WITHOUT SUBSIDY										
Bedrooms/AMI Level	Income Limits	Units Proposed*	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 60% AMI	\$24,411-\$32,400	24	399	13	386	6.2%	Nine months	\$825	\$825	\$712
2BR at 60% AMI	\$28,834-\$36,480	87	632	27	605	14.4%	Nine months	\$925	\$925	\$841
3BR at 60% AMI	\$33,189-\$43,740	70	520	0	520	13.5%	Nine months	\$1,025	\$1,025	\$968
<b>Overall - 60% AMI</b>	<b>\$24,411-\$43,740</b>	<b>181</b>	<b>1,551</b>	<b>40</b>	<b>1,511</b>	<b>12.0%</b>	<b>Nine months</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Excludes existing tenants who are income-qualified and employee unit

CAPTURE RATE ANALYSIS CHART - WITH SUBSIDY										
Bedrooms/AMI Level	Income Limits	Units Proposed*	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 60% AMI	\$0-\$32,400	2	1,106	13	1,093	0.2%	Nine months	\$825	\$825	\$712
2BR at 60% AMI	\$0-\$36,480	5	1,751	27	1,724	0.3%	Nine months	\$925	\$925	\$841
3BR at 60% AMI	\$0-\$43,740	3	1,441	0	1,441	0.2%	Nine months	\$1,025	\$1,025	\$968
<b>Overall - 60% AMI</b>	<b>\$0-\$43,740</b>	<b>10</b>	<b>4,297</b>	<b>40</b>	<b>4,257</b>	<b>0.2%</b>	<b>Nine months</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Excludes existing tenants who are income-qualified and employee unit

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

**7. Competitive Rental Analysis:**

The availability of LIHTC data is considered somewhat limited as there are four LIHTC properties in the PMA, three of which we selected as “true” comparables. We have also supplemented this data with two LIHTC comparables located just outside of the PMA. The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included five market rate properties in the rental analysis, and all are located in the PMA, within three miles of the Subject. These comparable market rate properties were built between 1971 and 1990.

Vacancy rates in the market range from zero to 8.9 percent, averaging 4.2 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 8.9 percent, with an average vacancy rate of 2.2 percent. The market rate comparables are experiencing vacancy rates ranging from 2.5 percent to 6.9 percent with an average vacancy rate of 5.8 percent. One LIHTC comparable located outside of the PMA (Regal Park) reported a vacancy rate greater than seven percent. The property manager at Regal Park reported that some of the vacant units are pre-leased and the average vacancy rate at the property is between 93 and 95 percent.

According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. According to the Subject’s historical financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.8 to 5.5 percent over the past three years with an average total vacancy rate of 4.8 percent. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table on the following page in comparison with proposed LIHTC/Section 8 rents for the Subject, which will be subsidized, allowing tenants to pay just 30 percent of their income toward rent.

<b>SUBJECT COMPARISON TO MARKET RENTS</b>					
<b>Unit Type</b>	<b>Subject's Proposed LIHTC Rents</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Subject Rent Advantage</b>
1 BR	\$712	\$621	\$843	\$791	-10%
2 BR	\$841	\$688	\$986	\$836	1%
3 BR	\$968	\$903	\$1,073	\$998	-3%

All of the Subject’s proposed LIHTC rents are within the range of comparable market rents, while the Subject’s proposed one and three-bedroom LIHTC rents are below the surveyed average, and the proposed two-bedroom rent are just above the surveyed average market rents.

Flint River Crossing and Tara Bridge are the most similar market rate comparables and these properties reported occupancy rates of 97.5 and 93.2 percent, respectively. The Subject will offer a slightly inferior to inferior in-unit and property amenities relative to both of these comparables but offers a similar location, similar to slightly superior condition and larger unit sizes. The Subject’s proposed LIHTC rents within or below the range of rents at these comparables.

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

**8. Absorption/Stabilization Estimate:**

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2006, though we are aware of one that is currently proposed to be completed in January 2017. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates six LIHTC properties that were built since 2010 and were able to provide absorption information.

ABSORPTION						
Property Name	City	Type	Tenancy	Year Built	# Of Units	Units Absorbed/Month
Retreat at Edgewood	Atlanta	LIHTC	Family	2011	100	20
Parkside at Mechanicsville	Atlanta	LIHTC	Family	2012	196	60
Retreat at Edgewood Phase II	Atlanta	LIHTC	Family	2012	40	12
Baptist Gardens	Atlanta	LIHTC	Senior	2013	100	15
Betmar Village Apartments	Atlanta	LIHTC	Senior	2014	47	47
Columbia Mill	Atlanta	LIHTC	Family	2014	100	20
Steelworks	Atlanta	Market	Family	2014	317	21
Square on Fifth	Atlanta	Market	Family	2015	270	45
University House	Atlanta	Market	Family	2015	268	30
The Haynes House	Atlanta	Market	Family	2015	186	12
<b>Average</b>					<b>162</b>	<b>28</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 28 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations

with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. It should be noted that the Subject is currently 95.7 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

## **9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed following renovations. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.2 percent. Additionally, three comparable LIHTC properties maintain waiting lists.

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

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



## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

<b>Project Address and Development Location:</b>	The Subject is located at 145 S. McDonough Street in Jonesboro, Clayton County, Georgia 30236.
<b>Construction Type:</b>	The Subject consists of 38 two-story garden-style buildings, one single-story auxiliary building that serves as a leasing office and maintenance building, and one trailer that is used by the service coordinator. The buildings are wood frame with brick and vinyl siding exteriors and pitched roofs. The Subject was originally constructed in 1971.
<b>Occupancy Type:</b>	Family
<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>	Currently, the Subject operates as a Section 8 development. Following renovations, all of the units will continue to benefit from the HAP contract (Section 8 Contract No. GA06-E000-002), which expires September 30, 2031.
<b>Proposed Development Amenities:</b>	See following property profile.

**Property Profile Report**

**Keystone Apartments - As Renovated**

**Comp#** Subject  
**Effective Rent Date** 5/20/2016

**Location** 145 S. McDonough Street  
 Jonesboro, GA 30236  
 Clayton County

**Units** 184  
**Vacant Units** 8  
**Vacancy Rate** 4.3%  
**Type** Garden  
 (2 stories)

**Year Built / Renovated** 1971 / 2018  
**Major Competitors** None identified  
**Tenant Characteristics** Mixed tenancy from Clayton  
**Contact Name** Laurie  
**Phone** 770-471-0891



**Market**

<b>Program</b>	LIHTC/Section 8	<b>Leasing Pace</b>	Pre-leased
<b>Annual Turnover Rate</b>	20%	<b>Change in Rent (Past Year)</b>	N/A
<b>Units/Month Absorbed</b>	n/a	<b>Concession</b>	None
<b>Section 8 Tenants</b>	N/A		

**Utilities**

<b>A/C</b>	not included -- central	<b>Other Electric</b>	not included
<b>Cooking</b>	included -- gas	<b>Water</b>	included
<b>Water Heat</b>	included -- gas	<b>Sewer</b>	included
<b>Heat</b>	included -- gas	<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	Garden (2 stories)	24	612	\$712	\$0	@60% (Section 8)	Yes	0	0.0%	yes
2	1	Garden (2 stories)	88	830	\$841	\$0	@60% (Section 8)	Yes	6	6.8%	yes
3	2	Garden (2 stories)	71	945	\$968	\$0	@60% (Section 8)	Yes	2	2.8%	yes
3	2	Garden (2 stories)	1	945	N/A	\$0	Non-Revenue	N/A	0	2.8%	n/a

**Amenities**

<b>In-Unit</b>	Blinds Carpeting Central A/C Coat Closet Dishwasher Microwave Oven Refrigerator Walk-In Closet Washer/dryer Connections	<b>Security</b>	Patrol
<b>Property</b>	Off-Street Parking On-Site Management Picnic Area Playground Service Coordination	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	none

**Comments**

This is a Section 8 property proposed for LIHTC renovation. The current net contract rents effective October 1, 2015 are \$775, \$848, and \$966, for one, two, and three-bedroom units, respectively. The property manager reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. The property offers service coordination provided by Nothing But the Truth, a faith-based social services organization that provides various services such as tutoring, after school programs, and adult education.

**Scope of Renovations:**

The Subject is a proposed renovation of an existing Section 8 development utilizing LIHTC equity. The Subject was originally constructed in 1972, and currently exhibits fair condition. Total construction hard cost including builder profit, overhead, and contingency is estimated to be \$6,991,301, or \$37,996 per unit.

Renovations will include substantial site, interior, and exterior renovations. Site renovations planned include, but are not limited to, removing and repairing deteriorated sidewalks and general concrete repair, replacing handrails, installing security fencing, landscaping, and replacing signage.

Planned exterior renovations include but are not limited to cleaning masonry, repairing and replacing paint, soffits, trim, and siding, adding building entrance stoop cover, replacing entrance doors, replacing water heater closet doors, and replacing light fixtures.

Planned interior renovations include but are not limited to adding insulation in attic, replacing light fixtures, flooring, paint, railing, windows, window coverings, HVAC, electrical switches, receptacles, cover plates, kitchen cabinets, countertops, and kitchen fixtures, relocating washer/dryer connections, installing kitchen exhaust fan, installing new stove, refrigerator, dishwasher, and microwaves, replacing bathroom accessories and mirror, replacing bathroom lavatory with new vanity, replacing tub faucet, replace bathroom exhaust fan, replacing tub and surround, replace AC condensing unit, and replacing water heaters.

**Current Rents:**

Based on a rent roll dated April 7, 2016, the current rents at the Subject are based on 30 percent of resident incomes, as the Subject operates as a Section 8 development. The following table details the current tenant paid rents according to the rent roll.

<b>RENT ROLL ANALYSIS*</b>						
<b>Unit Type</b>	<b>Number of Units</b>	<b>Occupied Units</b>	<b>Occupancy Rate</b>	<b>Min Tenant-Paid Rent</b>	<b>Max Tenant-Paid Rent</b>	<b>Average Tenant-Paid Rent</b>
<i>Section 8</i>						
1BR/1BA	24	24	100.0%	\$0	\$606	\$175
2BR/1BA	88	82	93.2%	\$0	\$812	\$135
3BR/2BA	71	69	97.2%	\$0	\$966	\$161
<i>Employee Unit</i>						
3BR/2BA	1	1	100.0%	N/A	N/A	N/A
<b>Total</b>	<b>184</b>	<b>176</b>	<b>95.7%</b>			

\*Effective 4/4/2016

**Current Occupancy:**

According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. According to the Subject’s historical financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.8 to 5.5 percent over the past three years with an average total vacancy rate of 4.8 percent.

**Current Tenant Income:**

Most of the current tenants at the Subject have incomes that would be too low to income-qualify for the Subject without its current Section 8 contract. A tenant income audit was not available as of the date of this report; however, given that tenants contribute 30 percent of their income towards rent, we were able to calculate the annual incomes of the Subject’s current tenants. The annual incomes of the current tenants range from \$0 to \$34,776 with an average of \$5,427. Assuming no subsidy in place, the Subject’s income limits will range from \$24,411 to \$43,740 annually and as such, only three of the Subject’s existing tenants would be eligible to reside at the Subject post-renovation, assuming no subsidies in place. However, only two of these tenants would qualify to reside at the unit in which they currently reside (one existing tenant in a three-bedroom unit would only qualify to reside in a one or two-bedroom unit). However, as the Subject will continue to

benefit from the HAP contract, all tenants will continue to income qualify post-renovation.

**Placed in Service Date:**

The renovation of the Subject is expected to be completed by April 2018.

**Conclusion:**

Following renovations, the Subject will continue to offer 184 garden-style units in 38 residential buildings. The Subject will be of good quality following renovations and will be comparable to most of the inventory in the Jonesboro area. The renovations will be substantial and are expected to total approximately \$37,996 per unit. Based on our inspection of the Subject ground and units, the Subject does not suffer from significant deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

## SITE EVALUATION

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

Ed Mitchell last visited the site on May 20, 2016.

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

The following illustrates the physical features of the site.

*Frontage:*

The Subject site has frontage along the north side of Key Street.

*Visibility/Views:*

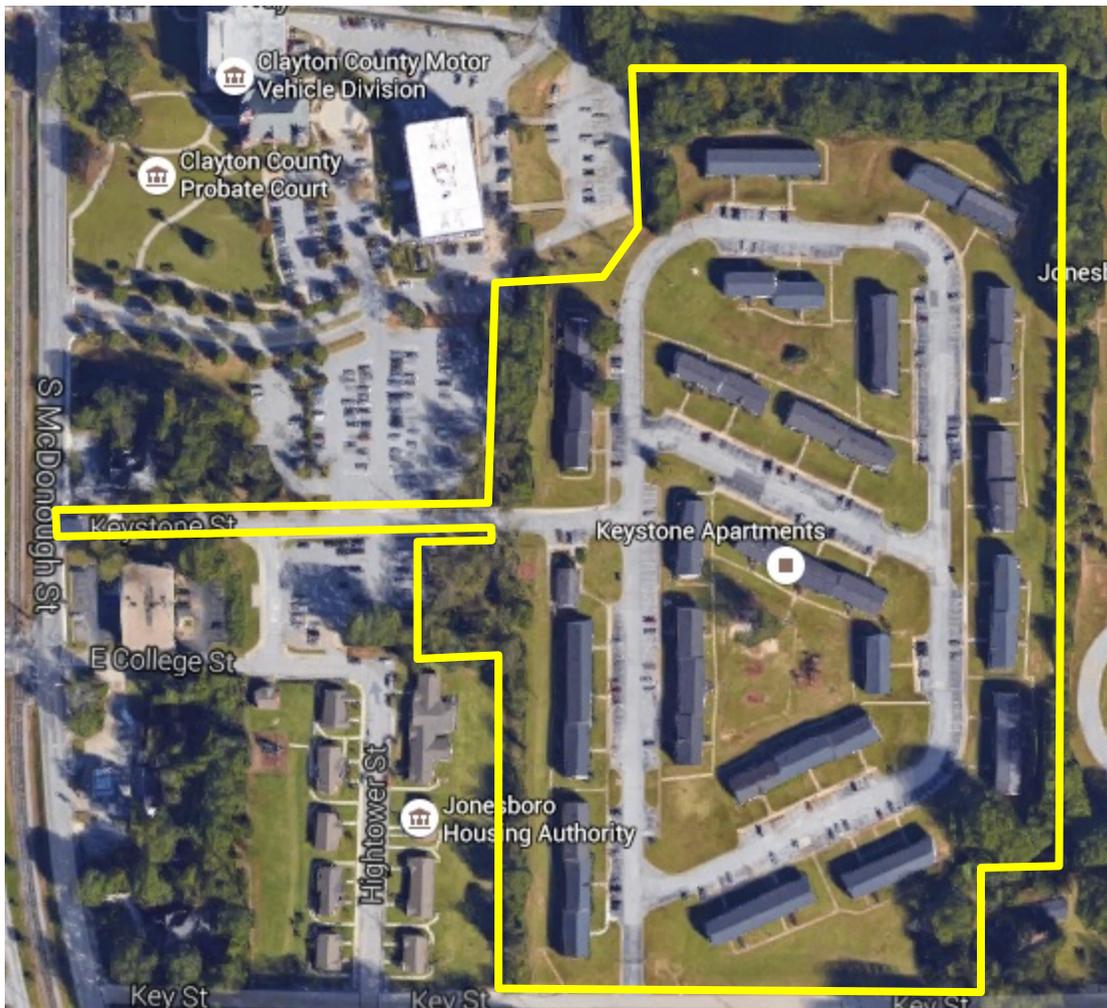
The Subject has good visibility from the north side of Key Street and the eastern terminus of Keystone Street. Views east of the subject consist of Jonesboro Middle School in good condition. Views to the south are of undeveloped wooded land. Views to the west are of a duplex-style multifamily Public Housing multifamily development in average condition, which is owned and operated by the Jonesboro Housing Authority. Views to the northwest are of office buildings in good condition occupied by various government agencies including the Clayton County Tax Assessor, Clayton County Probate Court, and Clayton County Motor Vehicle Division, among others. Views to the north consist of another Public Housing duplex-style multifamily development in average condition owned and operated by the Jonesboro Housing Authority.



*Positive/Negative Attributes of Site:* The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. We are not aware of any negative attributes of the Subject site.

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

The Subject is located within 1.7 miles of most locational amenities, with the exception of a post office and a hospital, both of which are located within 4.6 miles of the Subject. An aerial photograph of the Subject is below.



4. Pictures of Site and Adjacent Uses:



View of the Subject signage



View of the Subject



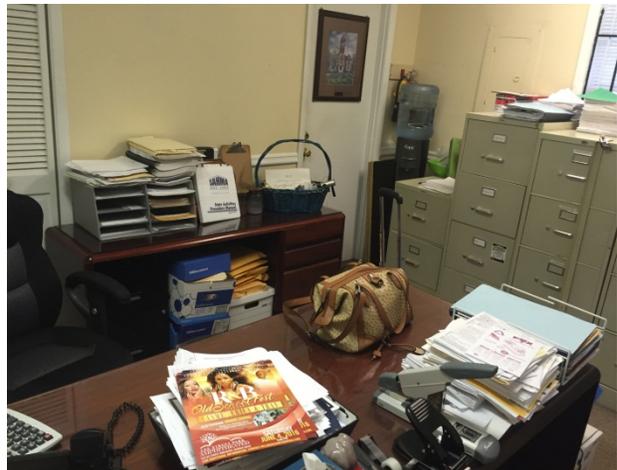
View of the Subject



View of the Subject



Community building



Manager's office



Exterior stairway



Typical bedroom



Typical bathroom



Washer/dryer connections



Typical bedroom



Typical kitchen



Typical living room



Typical kitchen



Typical bathroom



Typical bedroom



Office building in Subject's neighborhood



Commercial uses in Subject's neighborhood



Railroad tracks west of Subject



Gas station west of Subject



Additional commercial uses in Subject's neighborhood

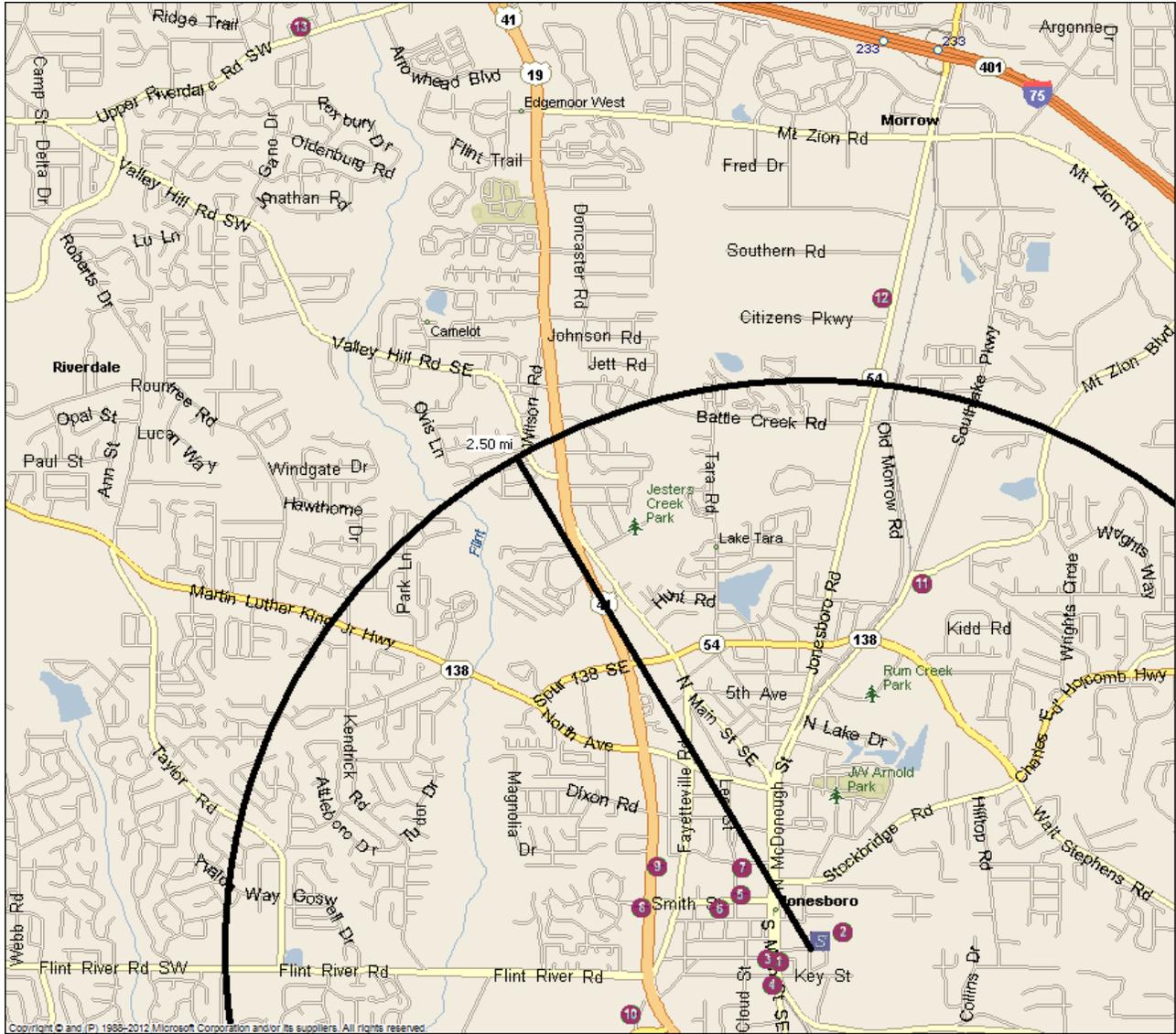


Family Dollar in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

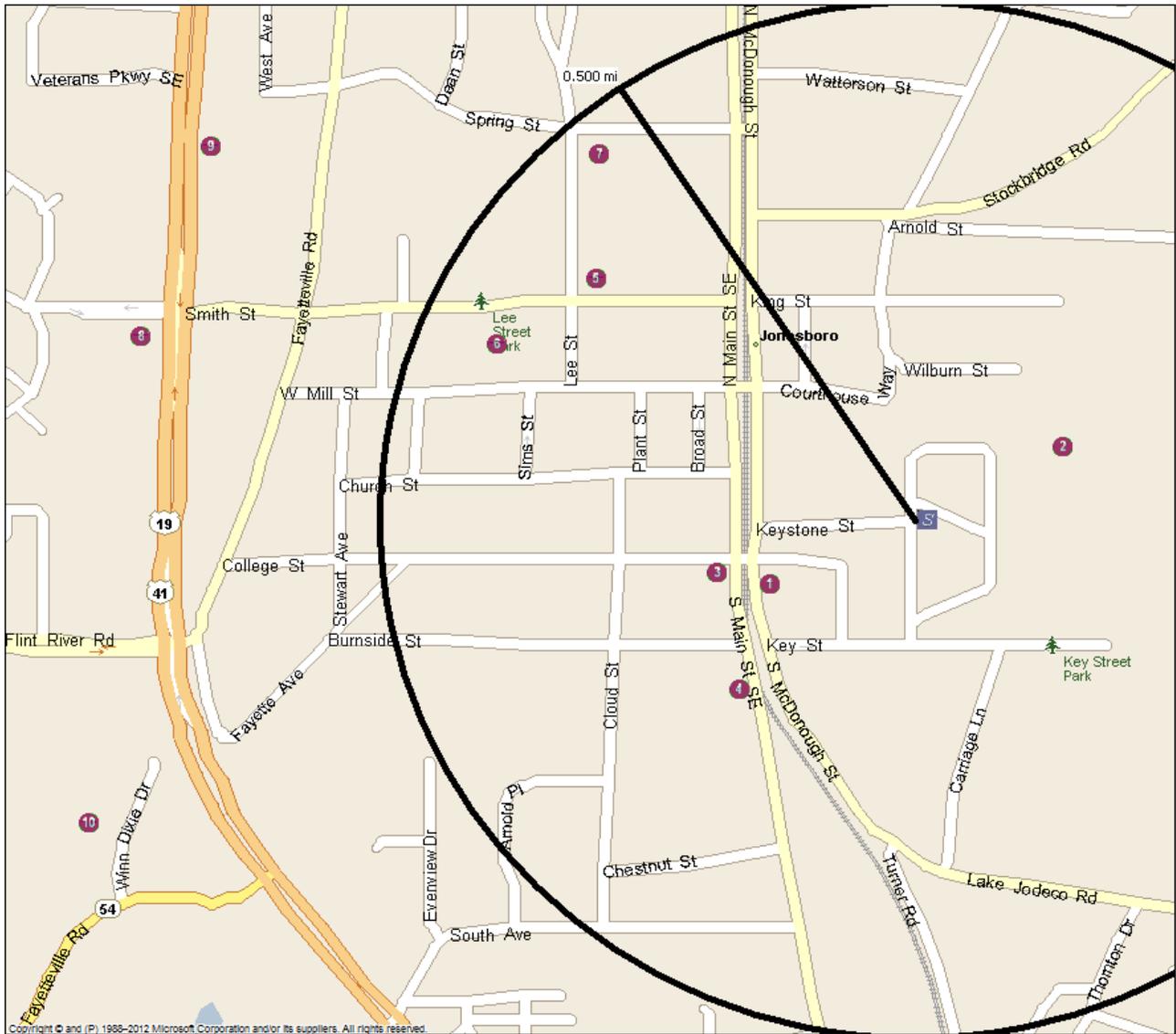
The following maps and tables detail the Subject’s distance from key locational amenities.

**Locational Amenities Map I**



LOCAL AMENITIES					
Map #	Amenity or Service	Distance	Map #	Amenity or Service	Distance
1	CITGO Gasoline	0.2 miles	8	CVS Pharmacy	0.8 miles
2	Jonesboro Middle School	0.2 miles	9	Jonesboro Commuter Park & Ride	0.8 miles
3	Wells Fargo	0.2 miles	10	Wayfield Foods Inc.	0.8 miles
4	Jonesboro Police Department	0.2 miles	11	Jonesboro High School	1.7 miles
5	Clayton County Library - Jonesboro Branch	0.4 miles	12	Post Office - Park Place	2.9 miles
6	Lee Park	0.4 miles	13	Southern Regional Medical Center	4.6 miles
7	Lee Street Elementary School	0.5 miles	-	-	-

Locational Amenities Map II



LOCAL AMENITIES					
Map #	Amenity or Service	Distance	Map #	Amenity or Service	Distance
1	CITGO Gasoline	0.2 miles	8	CVS Pharmacy	0.8 miles
2	Jonesboro Middle School	0.2 miles	9	Jonesboro Commuter Park & Ride	0.8 miles
3	Wells Fargo	0.2 miles	10	Wayfield Foods Inc.	0.8 miles
4	Jonesboro Police Department	0.2 miles	11	Jonesboro High School	1.7 miles
5	Clayton County Library - Jonesboro Branch	0.4 miles	12	Post Office - Park Place	2.9 miles
6	Lee Park	0.4 miles	13	Southern Regional Medical Center	4.6 miles
7	Lee Street Elementary School	0.5 miles	-	-	-

**6. Description of Land Uses:**

The Subject is accessed by Keystone Street from the west and Key Street from the south. Surrounding uses predominantly consist of duplex-style Public Housing developments, Jonesboro Middle School, undeveloped vacant land, and Clayton County offices. Land use to the north consist of a duplex-style Public Housing multifamily development in average condition. This development was not used as a comparable in this report as all tenants contribute 30 percent of their income towards rent. Land use further north consists of single-family homes that were built in the 1960's and exhibit average condition, which are adjacent to a power sub-station. To the immediate east is Jonesboro Middle School and a sports stadium in good condition. To the immediate south and southeast is undeveloped vacant land followed by Suder Elementary School to the southeast. To the west is another duplex-style Public Housing multifamily development, followed by CITGO gas station. Also to the west are parking lots. To the northwest are office buildings in good condition occupied by various government agencies including the Clayton County Tax Assessor, Clayton County Probate Court, and Clayton County Motor Vehicle Division, among others.

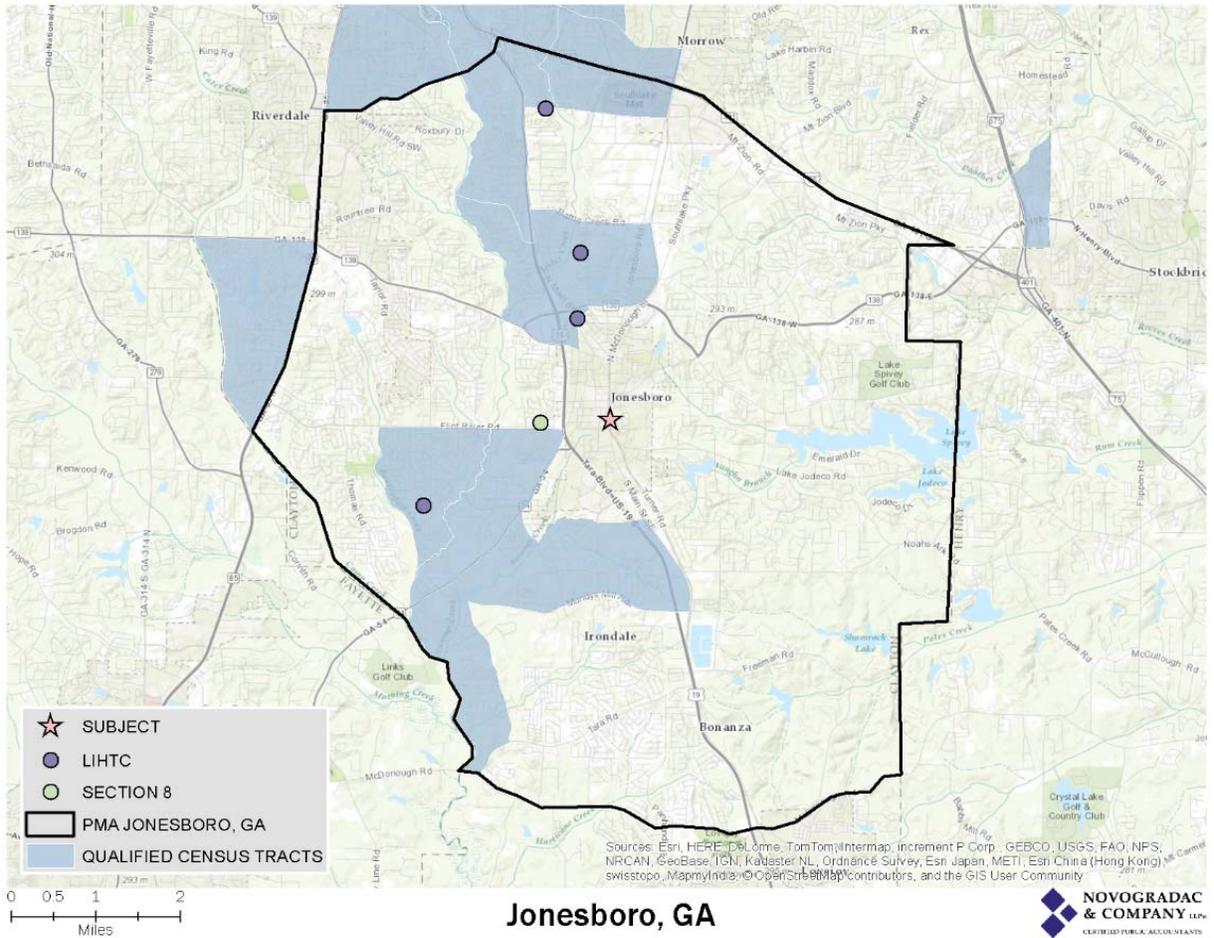
The Subject is located in the central portion of Jonesboro. There are a number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as South McDonough Street and Main Street, both located 0.1 miles west of the Subject. The Subject is considered "car dependent" by Walkscore.com with a rating of 42.

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

7. Existing Assisted Rental Housing

Property Map:

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



RENT ASSISTED PROPERTIES IN PMA									
Property Name	Address	City	State	Zip Code	Rent Structure	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion
Riverwood Townhouses	681 Flint River Rd.	Jonesboro	AL	30238	Section 8	Family	Green	Excluded	Subsidized
Valley Hill Senior Apartments	430 Valley Hill Road	Riverdale	AL	30274	LIHTC	Senior	Blue	Excluded	Senior
Townview Manor	8099 North Main Street	Jonesboro	AL	30236	LIHTC	Senior	Blue	Excluded	Proposed
Pinebrooke Apartments	9170 Dorsey Road	Riverdale	AL	30274	LIHTC	Family	Blue	Included	N/A
Pointe Clear Apartments	7545 Tara Road	Jonesboro	AL	30236	LIHTC	Family	Blue	Included	N/A
The Park at Mount Zion	701 Morrow Industrial Blvd.	Jonesboro	AL	30236	LIHTC	Family	Blue	Included	N/A

**8. Road/Infrastructure  
Proposed Improvements:**

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

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

The Subject is accessible from the eastern terminus of Keystone Street and from the north side of Key Street, both of which are east/west neighborhood streets that connect to South McDonough Street/Main Street approximately 0.1 miles west of the Subject. South McDonough Street is a north/south arterial that separates from Main Street at Key Street to become Lake Jodeco Road. Main Street is a north/south arterial that connects to U.S. Route 41 2.7 miles south of the Subject. U.S. Route 41 is a north/south highway that runs through Jonesboro and provides access to Interstate 75 to the north approximately 4.8 miles northwest of the Subject. Overall access is considered good and traffic flow is considered moderate. The Subject has good visibility from the north side of Key Street and the eastern terminus of Keystone Street.

**10. Environmental Concerns:**

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

**11. Conclusion:**

The Subject site is bounded by Key Street to the south and is also located at the eastern terminus of Keystone Street. Surrounding uses predominantly consist of duplex-style Public Housing developments, Jonesboro Middle School, undeveloped vacant land, and Clayton County offices. Land use to the north consists of a duplex-style Public Housing multifamily development in average condition. This development was not used as a comparable in this report as all tenants contribute 30 percent of their income towards rent. Land use further north consists of single-family homes that were built in the 1960's and exhibit average condition, which are adjacent to a power sub-station. To the immediate east is Jonesboro Middle School and a sports stadium in good condition. To the immediate south and southeast is undeveloped vacant land followed by Suder Elementary School to the southeast. To the west is another duplex-style Public Housing multifamily development, followed by CITGO gas station. Also to the west are parking lots. To the northwest are office buildings in good condition occupied by various government agencies including the Clayton County Tax Assessor,

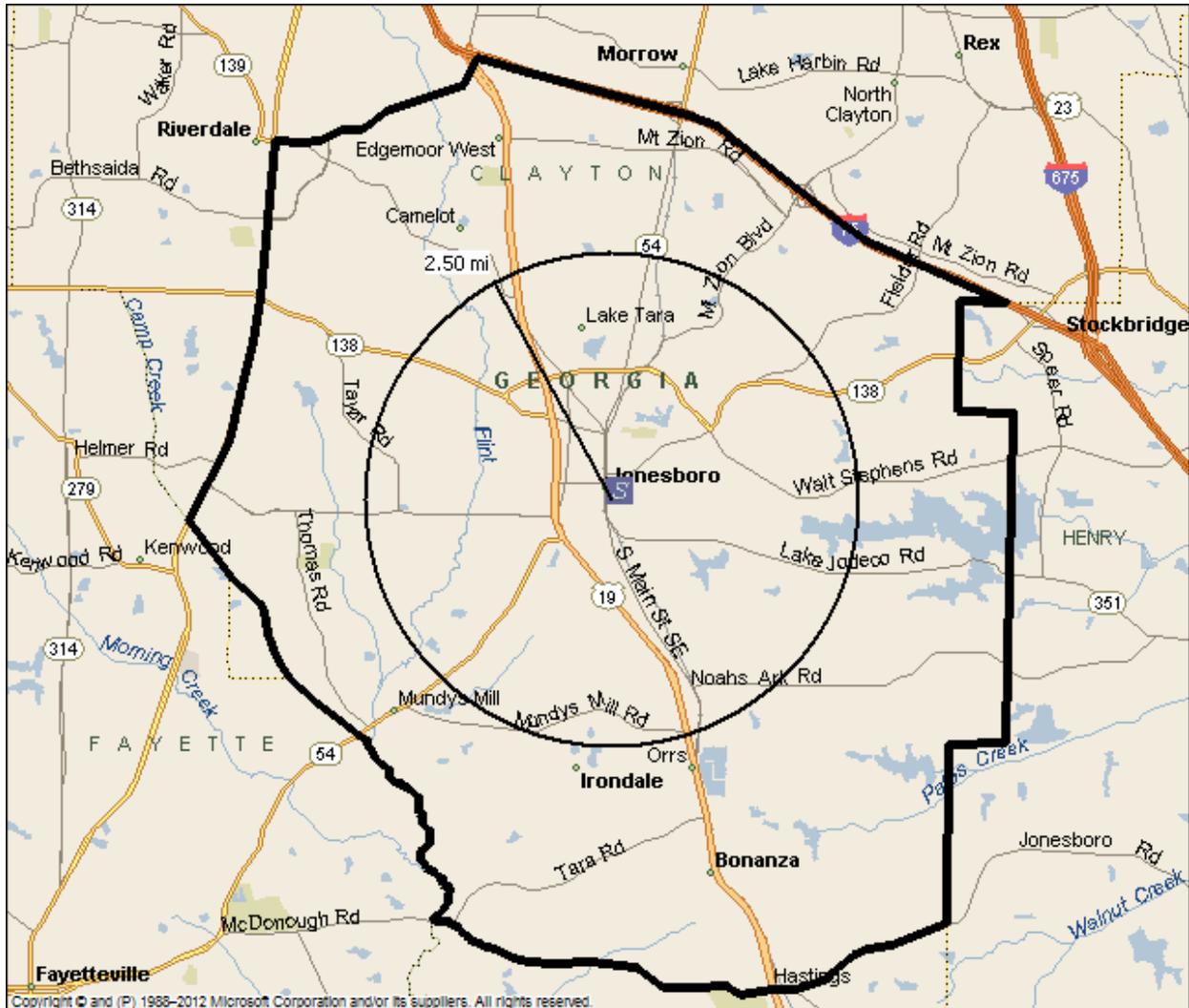
Clayton County Probate Court, and Clayton County Motor Vehicle Division, among others. The Subject is located in the central portion of Jonesboro. There are a number of commercial/retail uses in the Subject's neighborhood with the majority located along major arterials such as South McDonough Street and Main Street, both located 0.1 miles west of the Subject. The Subject is considered "car dependent" by Walkscore.com with a rating of 42. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered a desirable location for family rental housing. The uses surrounding the Subject are in average to good condition and the site has reasonable proximity to locational amenities.

## **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 Atlanta-Sandy Springs-Roswell, Georgia MSA are areas of growth or contraction.

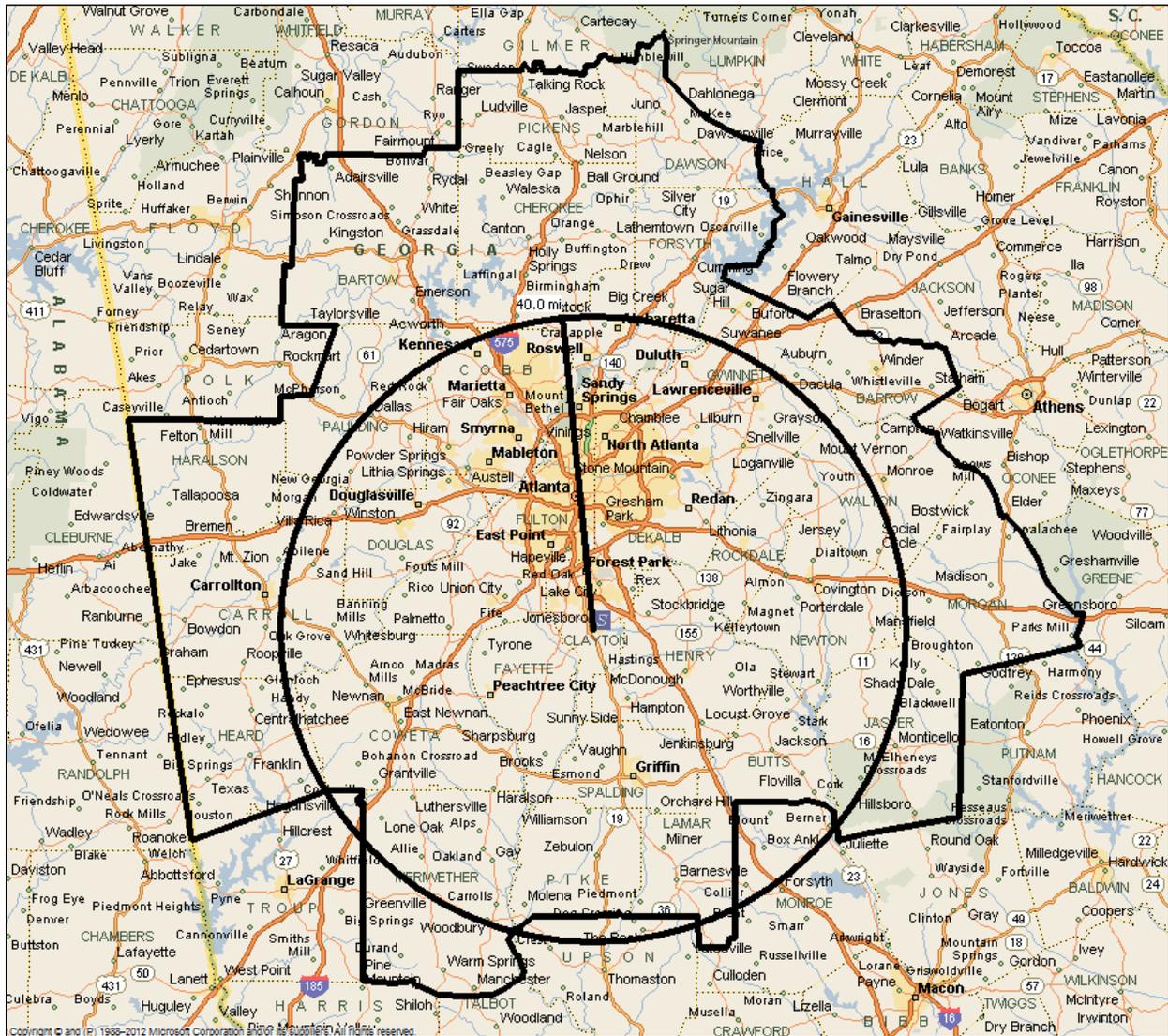
The boundaries of the PMA are as follows:

North – Upper Riverdale Road and Interstate 75  
East – Clayton County Border  
South – McDonough Road  
West- State Highway 86, Clayton County Border, and Camp Creek

As the county seat of a semi-rural area, it is reasonable to assume that Jonesboro will attract tenants from beyond its city limits, which was confirmed by the Subject's property manager. Correspondingly, the primary market area generally consists of the central portion of Clayton County, and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager, as well as based on our knowledge of the area. We have estimated that approximately 15 percent of the Subject's tenants originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2016 market study guidelines, we have not accounted for leakage in our *Demand Analysis* found later in this report. The furthest PMA boundary from the Subject is 5.5 miles.

For comparison purposes, the secondary market area (SMA) for the Subject is considered to be the Atlanta-Sandy Springs-Roswell, Georgia Metropolitan Statistical Area (MSA), which consists of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding and Walton Counties. Following is a map of the SMA.

SMA Map



## **E. COMMUNITY DEMOGRAPHIC DATA**

**COMMUNITY DEMOGRAPHIC DATA**

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

**1. Population Trends**

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

<b>TOTAL POPULATION</b>						
<b>Year</b>	<b>PMA</b>		<b>Atlanta-Sandy Springs-Roswell, GA MSA</b>		<b>USA</b>	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	99,352	-	4,263,438	-	281,421,906	-
2010	109,585	1.0%	5,286,728	2.4%	308,745,538	1.0%
2015	112,245	0.5%	5,527,230	0.9%	318,536,439	0.6%
Market Entry	113,507	0.4%	5,706,248	1.2%	325,183,814	0.8%
2020	114,539	0.4%	5,852,718	1.2%	330,622,575	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

<b>NUMBER OF ELDERLY AND NON-ELDERLY</b>						
<b>Year</b>	<b>PMA</b>			<b>MSA</b>		
	<i>Total Population</i>	<i>Non-Elderly</i>	<i>Elderly (65+)</i>	<i>Total Population</i>	<i>Non-Elderly</i>	<i>Elderly (65+)</i>
2000	99,352	93,784	5,568	4,263,438	3,934,848	328,590
2010	109,585	102,137	7,448	5,286,728	4,812,201	474,527
2015	112,246	102,463	9,783	5,527,230	4,928,400	598,830
Mkt Entry	113,507	102,520	10,987	5,706,248	5,030,944	675,304
2020	114,538	102,566	11,972	5,852,718	5,114,844	737,874

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

POPULATION BY AGE GROUP					
PMA					
Age Cohort	2000	2010	2015	Projected Mkt Entry	2020
0-4	8,281	8,785	8,495	8,504	8,511
5-9	8,924	8,875	8,246	8,214	8,187
10-14	8,798	8,801	8,504	8,426	8,362
15-19	7,476	8,860	8,274	8,248	8,226
20-24	6,759	8,007	9,249	8,799	8,430
25-29	8,344	8,109	8,956	9,581	10,093
30-34	8,969	7,953	7,861	8,403	8,847
35-39	9,207	8,413	7,441	7,570	7,676
40-44	8,007	8,276	7,864	7,455	7,120
45-49	6,700	8,066	7,694	7,473	7,292
50-54	5,800	7,373	7,571	7,308	7,093
55-59	3,863	5,966	6,854	6,783	6,724
60-64	2,656	4,653	5,454	5,757	6,005
65-69	2,083	2,893	4,201	4,480	4,709
70-74	1,438	1,886	2,495	3,033	3,473
75-79	1,052	1,338	1,539	1,797	2,008
80-84	553	749	897	975	1,039
85+	442	582	651	702	743
<b>Total</b>	<b>99,352</b>	<b>109,585</b>	<b>112,246</b>	<b>113,507</b>	<b>114,538</b>

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

Total population in the PMA is projected to increase at a 0.4 percent annual rate from 2015 to 2020 while the MSA is projected to increase at a 1.2 percent annual rate. The MSA is expected to outpace the national population growth during the same time period. In 2015, the largest age cohort in the PMA was between the ages of 20 and 24, at 8.2 percent of the population, though by 2020 the largest will be those aged 25 to 29 at 9.0 percent. In 2015, 50.5 percent of the PMA's population is between the ages of 20 and 54, which is the main age range of most tenants at the Subject currently.

## 2. Household Trends

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

TOTAL NUMBER OF HOUSEHOLDS						
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	34,281	-	1,559,712	-	105,480,101	-
2010	38,147	1.1%	1,943,885	2.5%	116,716,292	1.1%
2015	39,141	0.5%	2,033,479	0.9%	120,746,349	0.7%
Market Entry	39,638	0.5%	2,100,883	1.2%	123,348,516	0.8%
2020	40,045	0.5%	2,156,032	1.2%	125,477,562	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

AVERAGE HOUSEHOLD SIZE						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.88	-	2.68	-	2.59	-
2010	2.82	-0.2%	2.68	0.0%	2.58	-0.1%
2015	2.82	0.0%	2.68	0.0%	2.57	0.0%
Market Entry	2.81	0.0%	2.68	0.0%	2.57	0.0%
2020	2.81	0.0%	2.67	0.0%	2.57	0.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

As the previous table illustrates, the PMA was an area with an increasing number of households from 2000 through 2015, a trend that is expected to continue through 2020. The number of households in the MSA is expected to increase at a faster rate compared with the PMA or nation. The increasing number of households in the PMA bodes well for the Subject.

The average household size in the PMA, at 2.82 persons, is slightly larger than the average household sizes in the MSA and nation. The Subject offers one, two, and three-bedroom units targeted to singles, couples, and families. The average household size in the PMA is appropriate for the Subject's unit mix.

**2b. Households by Tenure**

The following tables depict household growth by tenure from 2000 through 2020.

<b>TENURE PATTERNS PMA – NON ELDERLY POPULATION</b>				
<b>Year</b>	<b>Owner-Occupied Units</b>	<b>Percentage Owner-Occupied</b>	<b>Renter-Occupied Units</b>	<b>Percentage Renter-Occupied</b>
2010	19,836	58.3%	14,173	41.7%
2015	17,770	52.6%	16,012	47.4%
Projected Market Entry	17,391	51.9%	16,124	48.1%
2020	17,080	51.3%	16,216	48.7%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

<b>TENURE PATTERNS MSA – NON ELDERLY POPULATION</b>				
<b>Year</b>	<b>Owner-Occupied Units</b>	<b>Percentage Owner-Occupied</b>	<b>Renter-Occupied Units</b>	<b>Percentage Renter-Occupied</b>
2010	1,078,040	64.3%	597,820	35.7%
2015	1,014,930	59.9%	679,830	40.1%
Projected Market Entry	1,019,091	59.4%	696,074	40.6%
2020	1,022,496	59.0%	709,364	41.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

The share of renter households is below the share of owner households in both the PMA and MSA. The number and percentage of renter-occupied units in the PMA and MSA are expected to increase through 2020.

**2c. Households by Income**

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

HOUSEHOLD INCOME DISTRIBUTION - PMA								
Income Cohort	2010		2015		Projected Mkt Entry		2019	
	#	%	#	%	#	%	#	%
\$0-9,999	2,476	6.5%	4,535	11.6%	5,347	13.5%	6,012	15.0%
\$10,000-19,999	4,023	10.5%	6,967	17.8%	8,028	20.3%	8,897	22.2%
\$20,000-29,999	4,948	13.0%	7,323	18.7%	7,806	19.7%	8,202	20.5%
\$30,000-39,999	5,059	13.3%	5,713	14.6%	5,793	14.6%	5,859	14.6%
\$40,000-49,999	5,150	13.5%	4,455	11.4%	4,260	10.7%	4,101	10.2%
\$50,000-59,999	3,732	9.8%	3,254	8.3%	2,662	6.7%	2,178	5.4%
\$60,000-74,999	4,284	11.2%	2,599	6.6%	2,320	5.9%	2,092	5.2%
\$75,000-99,999	4,299	11.3%	2,586	6.6%	2,175	5.5%	1,839	4.6%
\$100,000-124,999	2,347	6.2%	1,036	2.6%	732	1.8%	483	1.2%
\$125,000-149,999	853	2.2%	246	0.6%	201	0.5%	164	0.4%
\$150,000-199,999	625	1.6%	345	0.9%	244	0.6%	161	0.4%
\$200,000+	352	0.9%	83	0.2%	70	0.2%	59	0.1%
<b>Total</b>	<b>38,147</b>	<b>100.0%</b>	<b>39,141</b>	<b>100.0%</b>	<b>39,638</b>	<b>100.0%</b>	<b>40,045</b>	<b>100.0%</b>

Source: Ribbon Demographics 2014, Novogradac & Company LLP, 5/2016

In 2015, households earning under \$40,000 in the PMA comprise 62.7 percent of all income cohorts. The Subject will target households earning up to \$43,740 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. It should be noted that the area four-person median income (AMI) in Clayton County, GA has declined from \$69,300 in 2012 to \$67,500 in 2015. The total decline of approximately 2.6 percent is due to the AMI being based on five years' worth of historical ACS survey data, which currently includes the final year of the recent national recession.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA										
	2000		2010		2015		Mkt Entry		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,526	22.1%	3,992	26.4%	4,600	26.6%	4,694	26.7%	4,772	26.8%
With 2 Persons	3,044	26.6%	3,527	23.4%	4,025	23.3%	4,083	23.2%	4,130	23.2%
With 3 Persons	2,264	19.8%	2,842	18.8%	3,244	18.8%	3,301	18.8%	3,348	18.8%
With 4 Persons	1,912	16.7%	2,148	14.2%	2,458	14.2%	2,497	14.2%	2,529	14.2%
With 5+ Persons	1,688	14.8%	2,593	17.2%	2,956	17.1%	3,012	17.1%	3,058	17.1%
Total Renter	11,434	100.0%	15,101	100.0%	17,283	100.0%	17,588	100.0%	17,837	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, 5/2016

As of 2015, the household size with the largest percentage of households is one person households, followed by two person households. The Subject will continue to offer one, two, and three-bedroom units post-renovation, so this large percentage bodes well for the proposed Subject.

## **Conclusion**

Total population in the PMA and MSA are projected to increase at a 0.4 and 1.2 percent annual rate respectively from 2015 to 2020. The MSA is expected to outpace the national population growth during the same time period while the PMA growth is expected to grow at a slower pace than the nation. The share of renter-occupied units in the MSA is lower than in the PMA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase by 1.3 percent through 2020.

Households earning under \$40,000 in the PMA comprise 62.7 percent of all income cohorts. The Subject will target households earning up to \$43,740 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

## **F. EMPLOYMENT TRENDS**

## EMPLOYMENT TRENDS

The Atlanta-Sandy Springs-Roswell, Georgia MSA is comprised of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding and Walton Counties. Jonesboro is the county seat of Clayton County and is located approximately 16 miles south of Atlanta in central Georgia. Jonesboro has good access to major interstates, including U.S. Route 41, which connects to Interstate 75 approximately 4.8 miles northwest of Jonesboro. Interstate 75 provides access to Atlanta to the north and Tampa to the south.

### 1. Total Jobs

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

Total Jobs in Clayton County, Georgia		
Year	Total Employment	% Change
2006	127,426	-
2007	128,444	-1.7%
2008	126,243	-7.5%
2009	117,459	-8.5%
2010	108,243	1.6%
2011	109,948	2.1%
2012	112,343	-0.6%
2013	111,623	2.4%
2014	114,341	1.2%
2015	115,708	0.0%
2016 YTD Average	115,708	-0.8%
Feb-15	114,824	-
Feb-16	117,411	2.2%

Source: U.S. Bureau of Labor Statistics

YTD as of February 2016

As illustrated in the table above, Clayton County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2007 with minor employment loss occurring. This job loss was more significant in 2008 and 2009. Total jobs increased in 2010 and 2011, decreased slightly in 2012, increased from 2013 to 2015, and have decreased through 2016 year-to-date. However, from February 2015 to February 2016, total covered employment increased 2.2 percent in Clayton County

## 2. Total Jobs by Industry

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

<b>Covered Employment Clayton County, Georgia</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total, all industries</b>	<b>102,043</b>	-
<b>Goods-producing</b>	<b>7,245</b>	-
Natural resources and mining	<b>237</b>	0.2%
Construction	<b>2,854</b>	2.8%
Manufacturing	<b>4,154</b>	4.1%
<b>Service-providing</b>	<b>94,798</b>	-
Trade, transportation, and utilities	<b>57,851</b>	56.7%
Information	<b>452</b>	0.4%
Financial activities	<b>2,945</b>	2.9%
Professional and business services	<b>12,076</b>	11.8%
Education and health services	<b>8,428</b>	8.3%
Leisure and hospitality	<b>11,035</b>	10.8%
Other services	<b>1,775</b>	1.7%
Unclassified	<b>236</b>	0.2%

Source: Bureau of Labor Statistics, 2015

Trade, transportation, and utilities, professional and business services, and leisure and hospitality represent the largest percentages of total employment in Clayton County. The leisure and hospitality industry is somewhat vulnerable in economic downturns and is a historically volatile industry, while professional and business services and trade, transportation, and utilities are typically more stable industries. Other significant employment sectors include education and health services, as well as manufacturing.

2015 EMPLOYMENT BY INDUSTRY				
Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Transportation/Warehousing	6,477	13.3%	6,200,837	4.2%
Health Care/Social Assistance	5,697	11.7%	20,205,674	13.7%
Retail Trade	5,059	10.4%	17,089,319	11.6%
Educational Services	4,359	9.0%	13,529,510	9.2%
Accommodation/Food Services	3,864	8.0%	10,915,815	7.4%
Public Administration	3,142	6.5%	7,099,307	4.8%
Construction	3,044	6.3%	9,392,204	6.4%
Other Services (excl Publ Adm)	2,591	5.3%	7,548,482	5.1%
Manufacturing	2,562	5.3%	15,651,841	10.6%
Finance/Insurance	2,269	4.7%	7,026,905	4.8%
Prof/Scientific/Tech Services	2,132	4.4%	9,981,082	6.8%
Admin/Support/Waste Mgmt Svcs	2,081	4.3%	6,242,568	4.2%
Wholesale Trade	1,560	3.2%	3,742,526	2.5%
Real Estate/Rental/Leasing	1,377	2.8%	2,759,067	1.9%
Information	1,096	2.3%	2,965,498	2.0%
Arts/Entertainment/Recreation	621	1.3%	3,193,724	2.2%
Utilities	380	0.8%	1,190,608	0.8%
Mgmt of Companies/Enterprises	151	0.3%	115,436	0.1%
Agric/Forestry/Fishing/Hunting	51	0.1%	1,941,156	1.3%
Mining	14	0.0%	997,794	0.7%
<b>Total Employment</b>	<b>48,527</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

Source: ESRI Demographics 2015, Novogradac & Company LLP, 5/2016

The PMA's leading industries include transportation/warehousing, health care/social assistance, and retail trade. Together, these three industries make up 35.4 percent of total employment in the PMA. Compared to the nation, the PMA is overly represented in sectors such as transportation/warehousing and public administration, and underrepresented in the manufacturing, professional/scientific/tech services, and health care/social assistance sectors. Overall, the mix of industries in the local economy indicates a relatively diversified work force.

### 3. Major Employers

The following table is a list of the top employers in Clayton County, Georgia.

<b>MAJOR EMPLOYERS - CLAYTON COUNTY, GEORGIA</b>	
<b>Employer</b>	<b># of Employees</b>
Clayton County Public Schools	7,100
Delta Tech Ops	6,000
Southern Regional Medical Center	2,100
Fresh Express Inc.	1,100
Southern Company	766
Clayton State University	750
FedEx Ground	750
Saia Motor Freight Line	500
R+L Carriers	430
TOTO USA	425
Avis Rent a Car	400

Source: Clayton County Georgia Economic Development, 5/2016

As indicated in the table above, the major employers in Clayton County are varied and represent a wide range of industries. The largest private sector employer in Clayton County is Clayton County Public Schools, which has 7,100 employees.

#### **Employment Expansion/Contractions**

According to Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings, the PMA experienced no layoffs in 2014, 2015, or year-to-date 2016, and there was only one round of layoffs in 2013. AirTran Airways, Inc., a commercial aircraft company which has since been integrated with Southwest Airlines, laid off 316 employees at its Atlanta branch in May 2013.

#### **Clayton County Economic Development**

We spoke with Courtney Pogue, Director of the Clayton County Office of Economic Development, and he reported that a number of companies had opened in Clayton County in the last year. Additionally, several companies were expanding internally, and no major closings or layoffs had occurred in the past year. Mr. Pogue was unable to provide specific details about expansions and contractions in the county. According to our internet research, Castellini Group of Companies, a distribution company, is planning to create 300 new jobs over the next several years in Clayton County. The public transit service MARTA expanded its bus service in Clayton County by adding four bus routes in August 2015. A \$12.5 million expansion by FMH Conveyors in 2016 will create 110 new jobs in Jonesboro. Additionally, two businesses closed recently: Dean's Barbeque and Laurus Technical Institute.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2002 to February 2016.

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

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

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

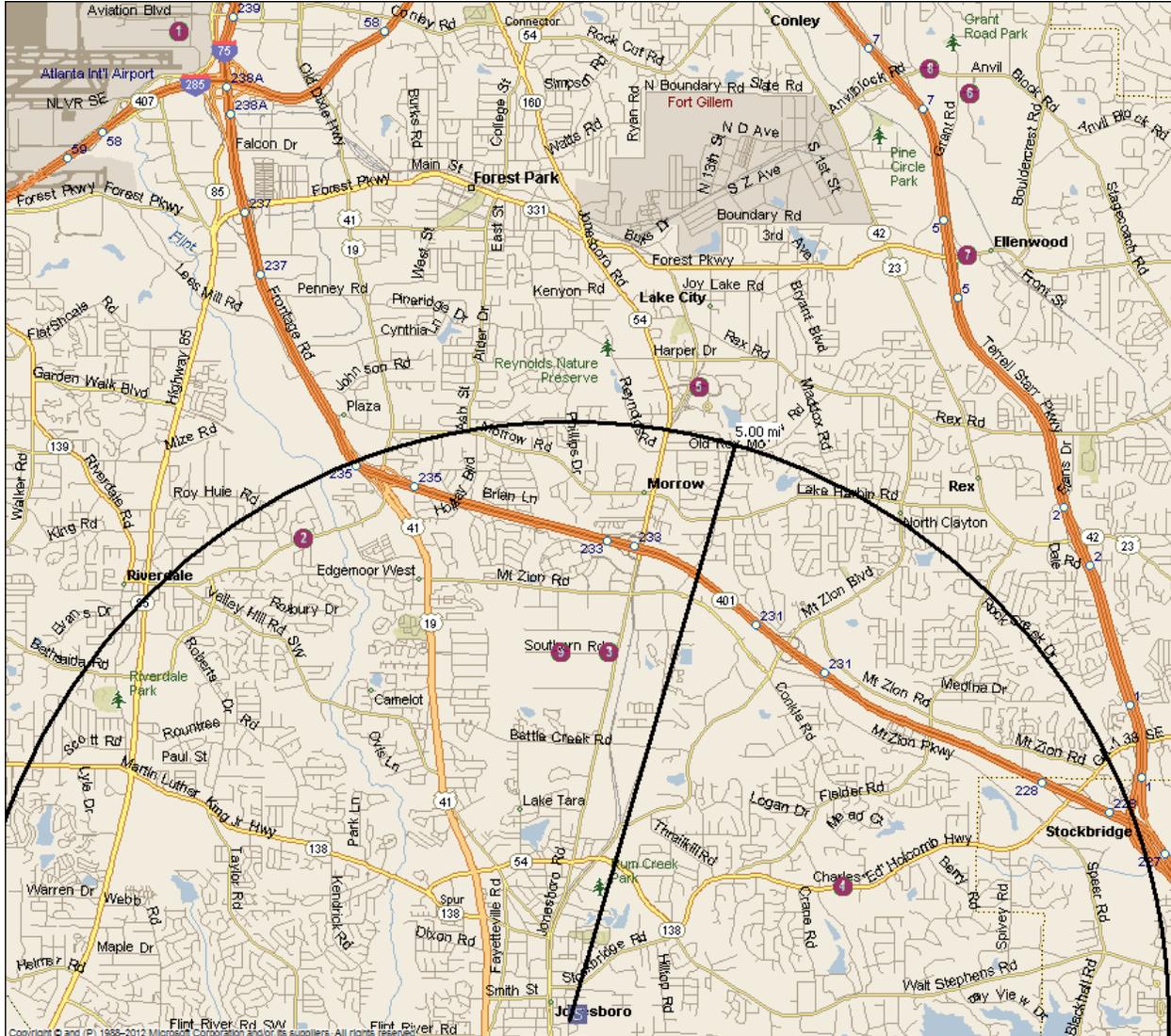
\*2016 data is through Dec

Total employment in the MSA increased from 2003 to 2007; however, decreased from 2008 to 2010 as a result of the national economic recession. Total employment in the MSA exceeded pre-recessionary levels in 2014 and has continued to increase through 2016 year-to-date. From February 2015 to February 2016, total employment in the MSA increased 2.2 percent compared to an increase of 2.0 percent nationally.

The unemployment rate in the MSA peaked at 10.3 percent in 2010, and has been declining each subsequent year. From February 2015 to February 2016, the unemployment rate in the MSA decreased by 70 basis points to 5.3 percent, while the national unemployment rate decreased by 60 basis points to 5.2 percent. Overall, it appears that the MSA was impacted by the recent national recession; however, has fully recovered and is currently in a state of growth.

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

The following map and table details the largest employers in Clayton County, Georgia. It should be noted that Clayton County Public Schools and Avis Rent a Car, two of the area's top employers, have not been included as they offer various locations across Clayton County.



MAJOR EMPLOYERS - CLAYTON COUNTY, GEORGIA			
Map #	Employer	Industry	Location
1	Delta Tech Ops	Technology	Atlanta
2	Southern Regional Medical Center	Healthcare	Riverdale
3	Fresh Express Inc.	Manufacturing	Morrow
4	Southern Company	Utilities	Jonesboro
5	Clayton State University	Education	Morrow
6	FedEx Ground	Transportation	Ellenwood
7	Saia Motor Freight Line	Transportation	Ellenwood
8	R+L Carriers	Transportation	Ellenwood
9	TOTO USA	Manufacturing	Morrow

Source: Clayton County Georgia Economic Development, 5/2016

## Conclusion

Total employment in the MSA increased from 2003 to 2007; however, decreased from 2008 to 2010 as a result of the national economic recession. Total employment in the MSA exceeded pre-recessionary levels in 2014 and has continued to increase through 2016 year-to-date. From February 2015 to February 2016, total employment in the MSA increased 2.2 percent compared to an increase of 2.0 percent nationally. The unemployment rate in the MSA peaked at 10.3 percent in 2010, and has been declining each subsequent year. From February 2015 to February 2016, the unemployment rate in the MSA decreased by 70 basis points to 5.3 percent, while the national unemployment rate decreased by 60 basis points to 5.2 percent. Overall, it appears that the MSA was impacted by the recent national recession; however, has fully recovered and is currently in a state of growth.

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According to Courtney Pogue, Director of the Clayton County Office of Economic Development, a number of companies have opened in Clayton County in the last year. Additionally, several companies were expanding internally, and no major closings or layoffs had occurred in the past year. Mr. Pogue was unable to provide specific details about expansions and contractions in the county. According to our internet research, Castellini Group of Companies, a distribution company, is planning to create 300 new jobs over the next several years in Clayton County. The public transit service MARTA expanded its bus service in Clayton County by adding four bus routes in August 2015. A \$12.5 million expansion by FMH Conveyors in 2016 will create 110 new jobs in Jonesboro. Additionally, two businesses closed recently: Dean's Barbeque and Laurus Technical Institute.

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

## PROJECT SPECIFIC DEMAND ANALYSIS

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

### 1. Income Restrictions

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

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

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

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

### 2. Affordability

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

### 3. Demand

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

#### 3A. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized April 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are trended to April 2018 by interpolation of the difference between 2015 estimates and 2020 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in April 2018. This number takes the overall growth from 2015 to April 2018

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

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

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

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

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

### **3C. Secondary Market Area**

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

### **3D. Other**

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

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

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

### **ADDITIONS TO SUPPLY**

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2014, 2015, or 2016.
- Vacancies in projects placed in service prior to 2014 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).

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

According to the Georgia Department of Community Affairs, Townview Manor, a three-story, 60-unit property was recently allocated LIHTC's in 2015 with an estimated completion date of January 2017. It will be located at 8099 North Main Street. The property will target seniors and will offer one and two-bedroom units at 50 and 60 percent of AMI. This property will not directly compete with the Subject because of it targeting senior tenancy. However, given DCA's definition of competitive projects, we have deducted the proposed units at this development from our demand calculations.

**PMA Occupancy**

Per DCA's guidelines, we have determined the average occupancy rate based on all available competitive conventional and affordable properties in the PMA. We have provided a combined average occupancy level for the PMA based on the average occupancy rates reported.

OVERALL OCCUPANCY - PMA				
Property Name	Type	Tenancy	Units	Occupancy
Garden at Lake Spivey	Market	Family	200	100.0%
Fieldstone Glen	Market	Family	216	96.0%
Carrington Park	Market	Family	330	96.0%
The Marquis at Mount Zion	Market	Family	260	92.0%
Southlake Cove	Market	Family	346	92.8%
Battle Creek Village	Market	Family	250	96.0%
Marquis Grand Apartments	Market	Family	328	N/Av
Pinewood Manor	Market	Family	460	100.0%
Highland Vista	Market	Family	416	93.0%
Pointe South Apartments	Market	Family	160	93.0%
Riverwood Townhouses	Section 8	Family	292	96.0%
Valley Hill Senior Apartments	LIHTC/Market	Family	72	100.0%
Pinebrooke Apartments*	LIHTC	Family	130	100.0%
Pointe Clear Apartments*	LIHTC	Family	230	100.0%
The Park at Mount Zion*	LIHTC	Family	193	97.4%
Brooks Crossing*	Market	Family	224	93.8%
Century Lake*	Market	Family	362	93.1%
Flint River Crossing*	Market	Family	200	97.5%
Harmony Crossroads*	Market	Family	134	94.8%
Tara Bridge*	Market	Family	200	93.2%
<b>Average</b>			<b>250</b>	<b>96.0%</b>

\*Utilized as a comparable

## Rehab Developments and Section 8

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

Units that are subsidized with Section 8 or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

*According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject is an existing Section 8 development and we have provided one capture rate assuming no subsidy in place and one capture rate with the subsidy in place. The Subject currently has ten vacant units as of the date of the relocation spreadsheet, which is August 8, 2016 and all existing tenants would continue to income qualify to reside at the Subject post-renovation with subsidy in place. As such, our capture rate assuming the subsidy in place only accounts for the ten vacant units.*

*As previously discussed, without subsidy in place, two of the existing tenants (one two-bedroom and one three-bedroom) will continue to be income-qualified for their specific unit type without the Section 8 subsidy. As such, we have reduced the unit count in the non-subsidized scenario by one unit for the two and three-bedroom units. We have determined the Subject's capture rates based on 184 total units less the income-qualified tenants in each scenario and the non-revenue generating employee unit.*

*The Subject will offer one, two, and three-bedroom units restricted at 60 percent of AMI. It should be noted that DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. Rent increases will be made gradually, maintaining rents that are affordable to the existing tenant base. We do not expect that the Subject will need to re-lease 184 units following renovation. Therefore, our demand analysis is considered conservative.*

**Capture Rates**

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

<b>Renter Household Income Distribution 2015 to Projected Market Entry April 2018</b>					
<b>Keystone Apartments</b>					
<b>PMA</b>					
	<b>2015</b>		<b>Projected Mkt Entry April 2018</b>		
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>% Growth</b>
\$0-9,999	2,996	17.3%	3,398	19.3%	11.8%
\$10,000-19,999	3,789	21.9%	4,236	24.1%	10.5%
\$20,000-29,999	3,570	20.7%	3,678	20.9%	3.0%
\$30,000-39,999	2,677	15.5%	2,587	14.7%	-3.5%
\$40,000-49,999	1,699	9.8%	1,575	9.0%	-7.8%
\$50,000-59,999	966	5.6%	765	4.4%	-26.2%
\$60,000-74,999	868	5.0%	772	4.4%	-12.4%
\$75,000-99,999	422	2.4%	347	2.0%	-21.7%
\$100,000-124,999	167	1.0%	129	0.7%	-29.1%
\$125,000-149,999	65	0.4%	51	0.3%	-26.2%
\$150,000-199,999	44	0.3%	32	0.2%	-37.3%
\$200,000+	20	0.1%	16	0.1%	-28.0%
<b>Total</b>	<b>17,283</b>	<b>100.0%</b>	<b>17,588</b>	<b>100.0%</b>	<b>1.7%</b>

<b>Renter Household Income Distribution Projected Market Entry April 2018</b>			
<b>Keystone Apartments</b>			
<b>PMA</b>			
	<b>Projected Mkt Entry April 2018</b>		<b>Change 2015 to Prj Mrkt Entry April 2018</b>
	<b>#</b>	<b>%</b>	<b>#</b>
\$0-9,999	3,398	19.3%	59
\$10,000-19,999	4,236	24.1%	73
\$20,000-29,999	3,678	20.9%	64
\$30,000-39,999	2,587	14.7%	45
\$40,000-49,999	1,575	9.0%	27
\$50,000-59,999	765	4.4%	13
\$60,000-74,999	772	4.4%	13
\$75,000-99,999	347	2.0%	6
\$100,000-124,999	129	0.7%	2
\$125,000-149,999	51	0.3%	1
\$150,000-199,999	32	0.2%	1
\$200,000+	16	0.1%	0
<b>Total</b>	<b>17,588</b>	<b>100.0%</b>	<b>305</b>

60 Percent AMI Demand without Section 8 Subsidies

Percent of AMI Level			60%		
Minimum Income Limit			\$24,411		
Maximum Income Limit			\$43,740 5		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry April 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	59			
\$10,000-19,999	73	24.1%		0.0%	0
\$20,000-29,999	64	20.9%	\$5,588	55.9%	36
\$30,000-39,999	45	14.7%	\$9,999	100.0%	45
\$40,000-49,999	27	9.0%	\$3,740	37.4%	10
\$50,000-59,999	13	4.4%		0.0%	0
\$60,000-74,999	13	4.4%		0.0%	0
\$75,000-99,999	6	2.0%		0.0%	0
\$100,000-124,999	2	0.7%		0.0%	0
\$125,000-149,999	1	0.3%		0.0%	0
\$150,000-199,999	1	0.2%		0.0%	0
\$200,000+	0	0.1%		0.0%	0
	<b>305</b>	<b>100.0%</b>			<b>91</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>29.7%</b>

Percent of AMI Level			60%		
Minimum Income Limit			\$24,411		
Maximum Income Limit			\$43,740 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry April 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	3,398			
\$10,000-19,999	4,236	24.1%		0.0%	0
\$20,000-29,999	3,678	20.9%	\$5,588	55.9%	2,055
\$30,000-39,999	2,587	14.7%	\$9,999	100.0%	2,587
\$40,000-49,999	1,575	9.0%	\$3,740	37.4%	589
\$50,000-59,999	765	4.4%		0.0%	0
\$60,000-74,999	772	4.4%		0.0%	0
\$75,000-99,999	347	2.0%		0.0%	0
\$100,000-124,999	129	0.7%		0.0%	0
\$125,000-149,999	51	0.3%		0.0%	0
\$150,000-199,999	32	0.2%		0.0%	0
\$200,000+	16	0.1%		0.0%	0
	<b>17,588</b>	<b>100.0%</b>			<b>5,232</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>29.7%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	Yes		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$45,411		
2015 Median Income	\$42,367		
Change from 2015 to Prj Mrkt Entry April 2018	(\$3,044)		
Total Percent Change	-7.2%		
Average Annual Change	-0.1%		
Inflation Rate	-0.1%	Two year adjustment	1.0000
Maximum Allowable Income	\$43,740		
Maximum Allowable Income Inflation Adjusted	\$43,740		
Maximum Number of Occupants	5		
Rent Income Categories	60%		
Initial Gross Rent for Smallest Unit	\$712		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$712		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	80%	20%	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 April 2018

Income Target Population		60%
New Renter Households PMA		305
Percent Income Qualified		29.7%
New Renter Income Qualified Households		91

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		17,588
Income Qualified		29.7%
Income Qualified Renter Households		5,232
Percent Rent Overburdened Prj Mrkt Entry April 2018		30.2%
Rent Overburdened Households		1,582

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		5,232
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		14

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

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households		1,596
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1,596
Total New Demand		91
Total Demand (New Plus Existing Households)		1,686

Demand from Seniors Who Convert from Homeownership

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

By Bedroom Demand

One Person	26.7%	450
Two Persons	23.2%	391
Three Persons	18.8%	316
Four Persons	14.2%	239
Five Persons	17.1%	289
Total	100.0%	1,686

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	360
Of two-person households in 1BR units	10%	39
Of one-person households in 2BR units	20%	90
Of two-person households in 2BR units	90%	352
Of three-person households in 2BR units	60%	190
Of three-person households in 3BR units	40%	127
Of four-person households in 3BR units	80%	192
Of five-person households in 3BR units	70%	202
Of four-person households in 4BR units	20%	48
Of five-person households in 4BR units	30%	87
Total Demand		1,686

Total Demand by Bedroom	60%
1 BR	399
2 BR	632
3 BR	520
4 BR	135
Total Demand	1,551

Additions To Supply 2015 to Prj Mrkt Entry April 2018	60%
1 BR	13
2 BR	27
3 BR	0
4 BR	0
Total	40

Net Demand	60%
1 BR	386
2 BR	605
3 BR	520
4 BR	135
Total	1,511

Developer's Unit Mix	60%
1 BR	24
2 BR	87
3 BR	70
4 BR	0
Total	181

Capture Rate Analysis	60%
1 BR	6.2%
2 BR	14.4%
3 BR	13.5%
4 BR	N/A
Total	12.0%

**60 Percent AMI Demand with Section 8 Subsidies**

Percent of AMI Level			60% /Section 8		
Minimum Income Limit			\$0		
Maximum Income Limit			\$43,740 5		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry April 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	59			
\$10,000-19,999	73	24.1%	9,999	100.0%	73
\$20,000-29,999	64	20.9%	\$9,999	100.0%	64
\$30,000-39,999	45	14.7%	\$9,999	100.0%	45
\$40,000-49,999	27	9.0%	\$3,740	37.4%	10
\$50,000-59,999	13	4.4%		0.0%	0
\$60,000-74,999	13	4.4%		0.0%	0
\$75,000-99,999	6	2.0%		0.0%	0
\$100,000-124,999	2	0.7%		0.0%	0
\$125,000-149,999	1	0.3%		0.0%	0
\$150,000-199,999	1	0.2%		0.0%	0
\$200,000+	0	0.1%		0.0%	0
	<b>305</b>	<b>100.0%</b>			<b>251</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>82.4%</b>

Percent of AMI Level			60% /Section 8		
Minimum Income Limit			\$0		
Maximum Income Limit			\$43,740 5		
Income Category	Total Renter Households PMA Prj Mrkt Entry April 2018		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	3,398			
\$10,000-19,999	4,236	24.1%	\$9,999	100.0%	4,236
\$20,000-29,999	3,678	20.9%	\$9,999	100.0%	3,678
\$30,000-39,999	2,587	14.7%	\$9,999	100.0%	2,587
\$40,000-49,999	1,575	9.0%	\$3,740	37.4%	589
\$50,000-59,999	765	4.4%		0.0%	0
\$60,000-74,999	772	4.4%		0.0%	0
\$75,000-99,999	347	2.0%		0.0%	0
\$100,000-124,999	129	0.7%		0.0%	0
\$125,000-149,999	51	0.3%		0.0%	0
\$150,000-199,999	32	0.2%		0.0%	0
\$200,000+	16	0.1%		0.0%	0
	<b>17,588</b>	<b>100.0%</b>			<b>14,489</b>
<b>Percent of renter households within limits versus total number of renter households</b>					<b>82.4%</b>

Does the Project Benefit from Rent Subsidy? (Y/N)	Yes		
Type of Housing (Family vs Senior)	Family		
Location of Subject (Rural versus Urban)	Urban		
Percent of Income for Housing	35%		
2000 Median Income	\$45,411		
2015 Median Income	\$42,367		
Change from 2015 to Prj Mrkt Entry April 2018	(\$3,044)		
Total Percent Change	-7.2%		
Average Annual Change	-0.1%		
Inflation Rate	-0.1%	Two year adjustment	1.0000
Maximum Allowable Income	\$43,740		
Maximum Allowable Income Inflation Adjusted	\$43,740		
Maximum Number of Occupants	5		
Rent Income Categories	60%/Section 8		
Initial Gross Rent for Smallest Unit	\$712		
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$712		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	80%	20%	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 April 2018

Income Target Population		60%/Section 8
New Renter Households PMA		305
Percent Income Qualified		82.4%
New Renter Income Qualified Households		251

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

Demand from Existing Households 2015

Demand form Rent Overburdened Households

Income Target Population		60%/Section 8
Total Existing Demand		17,588
Income Qualified		82.4%
Income Qualified Renter Households		14,489
Percent Rent Overburdened Prj Mrkt Entry April 2018		30.2%
Rent Overburdened Households		4,381

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		14,489
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		38

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

Senior Households Converting from Homeownership

Income Target Population		60%/Section 8
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		4,419
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		4,419
Total New Demand		251
Total Demand (New Plus Existing Households)		4,670

Demand from Seniors Who Convert from Homeownership

Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	26.7%	1,246
Two Persons	23.2%	1,084
Three Persons	18.8%	877
Four Persons	14.2%	663
Five Persons	17.1%	800
Total	100.0%	4,670

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	997
Of two-person households in 1BR units	10%	108
Of one-person households in 2BR units	20%	249
Of two-person households in 2BR units	90%	976
Of three-person households in 2BR units	60%	526
Of three-person households in 3BR units	40%	351
Of four-person households in 3BR units	80%	530
Of five-person households in 3BR units	70%	560
Of four-person households in 4BR units	20%	133
Of five-person households in 4BR units	30%	240
<b>Total Demand</b>		<b>4,670</b>

Total Demand by Bedroom 60%/Section 8

1 BR	1,106
2 BR	1,751
3 BR	1,441
4 BR	373
<b>Total Demand</b>	<b>4,297</b>

Additions To Supply 2015 to Prj Mrkt Entry April 2018 60%/Section 8

1 BR	13
2 BR	27
3 BR	0
4 BR	0
<b>Total</b>	<b>40</b>

Net Demand 60%/Section 8

1 BR	1,093
2 BR	1,724
3 BR	1,441
4 BR	373
<b>Total</b>	<b>4,257</b>

Developer's Unit Mix 60%/Section 8

1 BR	2
2 BR	5
3 BR	3
4 BR	0
<b>Total</b>	<b>10</b>

Capture Rate Analysis 60%/Section 8

1 BR	0.2%
2 BR	0.3%
3 BR	0.2%
4 BR	N/A
<b>Total</b>	<b>0.2%</b>

**Conclusions**

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

- The number of renter households in the PMA is expected to increase by 305 households between 2015 and the date of market entry.
- The Subject will continue to attract a wide range of household sizes in offering one through three-bedroom units.
- Per 2016 DCA guidelines, our demand analysis does not account for leakage outside the PMA. In actuality, we expect that the Subject will experience a moderate leakage rate of 15 percent. As such, the demand analysis is conservative as this leakage factor is not included.

CAPTURE RATE ANALYSIS CHART - WITHOUT SUBSIDY										
Bedrooms/AMI Level	Income Limits	Units Proposed*	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 60% AMI	\$24,411-\$32,400	24	399	13	386	6.2%	Nine months	\$825	\$825	\$712
2BR at 60% AMI	\$28,834-\$36,480	87	632	27	605	14.4%	Nine months	\$925	\$925	\$841
3BR at 60% AMI	\$33,189-\$43,740	70	520	0	520	13.5%	Nine months	\$1,025	\$1,025	\$968
<b>Overall - 60% AMI</b>	<b>\$24,411-\$43,740</b>	<b>181</b>	<b>1,551</b>	<b>40</b>	<b>1,511</b>	<b>12.0%</b>	<b>Nine months</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Excludes existing tenants who are income-qualified and employee unit

CAPTURE RATE ANALYSIS CHART - WITH SUBSIDY										
Bedrooms/AMI Level	Income Limits	Units Proposed*	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 60% AMI	\$0-\$32,400	2	1,106	13	1,093	0.2%	Nine months	\$825	\$825	\$712
2BR at 60% AMI	\$0-\$36,480	5	1,751	27	1,724	0.3%	Nine months	\$925	\$925	\$841
3BR at 60% AMI	\$0-\$43,740	3	1,441	0	1,441	0.2%	Nine months	\$1,025	\$1,025	\$968
<b>Overall - 60% AMI</b>	<b>\$0-\$43,740</b>	<b>10</b>	<b>4,297</b>	<b>40</b>	<b>4,257</b>	<b>0.2%</b>	<b>Nine months</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Excludes existing tenants who are income-qualified and employee unit

<b>DEMAND AND NET DEMAND</b>		
	<b>HH at 60% AMI (min to max income)</b>	<b>HH at 60% AMI w/ Section 8 (min to max income)</b>
Demand from New Households (age and income appropriate)	91	251
<b>PLUS</b>	+	+
Demand from Existing Renter Households - Substandard Housing	14	38
<b>PLUS</b>	+	+
Demand from Existing Renter Households - Rent Overburdened Households	1,407	3,968
<b>PLUS</b>	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0
=		
<b>Sub Total</b>	<b>1,511</b>	<b>4,257</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0
<b>Equals Total Demand</b>	<b>1,511</b>	<b>4,257</b>
<b>Less</b>	-	-
New Supply	40	40
<b>Equals Net Demand</b>	<b>1,471</b>	<b>4,217</b>

As the analysis illustrates, the Subject's capture rates at the 60 percent AMI level without Section 8 subsidies will range from 6.2 to 14.4 percent, with an overall capture rate of 12.0 percent. The Subject's capture rates at the 60 percent AMI level with Section 8 subsidies will range from 0.2 to 0.3 percent, with an overall capture rate of 0.2 percent. Therefore, we believe there is more than adequate demand for the Subject.

## **H. COMPETITIVE RENTAL ANALYSIS**

## COMPETITIVE RENTAL ANALYSIS

### Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 2,069 units that are 95.8 percent occupied. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided later in this section. A map illustrating the location of the Subject in relation to comparable properties is also provided in this section. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered somewhat limited as there are four LIHTC properties in the PMA, three of which we selected as “true” comparables. We have also supplemented this data with two LIHTC comparables located just outside of the PMA. The selected LIHTC properties are included in the following list of properties.

SURVEYED LIHTC COMPARABLES				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Breckenridge Apartments*	LIHTC	208	0	0.0%
Pinebrooke Apartments	LIHTC	130	0	0.0%
Pointe Clear Apartments	LIHTC	230	0	0.0%
Regal Park*	LIHTC	168	15	8.9%
The Park At Mount Zion	LIHTC	193	5	2.6%
<b>Total in PMA</b>		<b>553</b>	<b>5</b>	<b>0.9%</b>
<b>Total</b>		<b>929</b>	<b>20</b>	<b>2.2%</b>

\*Located outside PMA

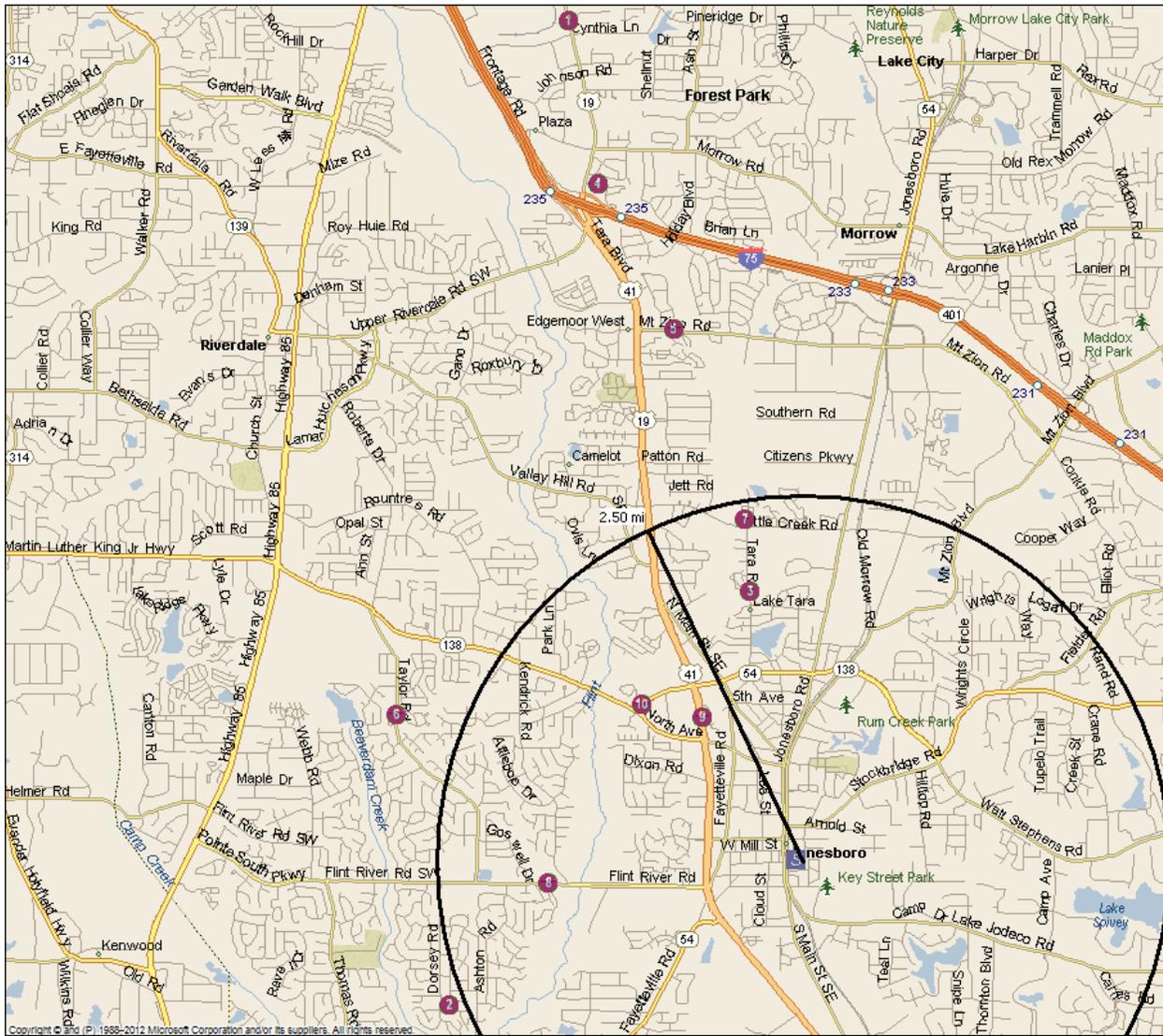
The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included five market rate properties in the rental analysis, and all are located in the PMA, within three miles of the Subject. These comparable market rate properties were built between 1971 and 1990.

### Excluded Properties

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

EXCLUDED PROPERTIES IN PMA							
Name	Address	City	Rent Structure	Reason For Exclusion	# of Units	Occupancy	Waiting List
Garden at Lake Spivey	8080 Summit Business Pwky	Jonesboro	Market	erior condition/Ser	200	100.0%	Yes
Fieldstone Glen	2615 Mount Zion Pwky	Jonesboro	Market	Superior condition	216	96.0%	No
Carington Park	2650 Mount Zion Pkwy	Jonesboro	Market	er comparables avai	330	96.0%	No
The Marquis at Mount Zion	7290 Southlake Pkwy	Jonesboro	Market	Superior condition	260	92.0%	No
Southlake Cove	7509 Jonesboro Road	Jonesboro	Market	Inferior condition	346	92.8%	No
Battle Creek Village	1174 Battle Creek Road	Jonesboro	Market	Superior design	250	96.0%	N/Av
Marquis Grand Apartments	6726 Tara Blvd.	Jonesboro	Market	condition/Unable to	328	N/Av	No
Pinewood Manor	6903 Tara Blvd.	Jonesboro	Market	Inferior condition	460	100.0%	No
Highland Vista	330 Arrowhead Blvd.	Jonesboro	Market	Inferior condition	416	93.0%	No
Pointe South Apartments	772 Pointe South Pkwy	Jonesboro	Market	Inferior condition	160	93.0%	No
Riverwood Townhouses	681 Flint River Rd.	Jonesboro	Section 8	Subsidized	292	96%	Yes (6-12 HH)
Valley Hill Senior Apartments	430 Valley Hill Road	Riverdale	LIHTC/Market	Senior	72	100.0%	No

Comparable Rental Property Maps



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Breckenridge Apartments*	Forest Park	LIHTC	6.0 miles
2	Pinebrooke Apartments	Riverdale	LIHTC	2.6 miles
3	Pointe Clear Apartments	Jonesboro	LIHTC	1.9 miles
4	Regal Park*	Forest Park	LIHTC	4.9 miles
5	The Park At Mount Zion	Jonesboro	LIHTC	3.8 miles
6	Brooks Crossing	Riverdale	Market	3.0 miles
7	Century Lake	Jonesboro	Market	2.4 miles
8	Flint River Crossing	Jonesboro	Market	1.8 miles
9	Harmony Crossroads	Jonesboro	Market	1.2 miles
10	Tara Bridge	Jonesboro	Market	1.5 miles

\*Located outside PMA

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

SUMMARY MATRIX														
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
1	Breckenridge Apartments 5530 Old Dixie Highway Forest Park, GA 30297 Clayton County	6 miles	Garden (2 stories) 1971 / 2005	LIHTC	2BR / 1BA	N/A	N/A	@60%	\$812	1,040	no	Yes	0	N/A
					2BR / 2BA	N/A	N/A	@60%	\$837	1,040	no	Yes	0	N/A
					3BR / 1.5BA	N/A	N/A	@60%	\$946	1,240	no	Yes	0	N/A
					3BR / 2BA	N/A	N/A	@60%	\$971	1,240	no	Yes	0	N/A
						208	100.0%							
2	Pinebrooke Apartments 9170 Dorsey Road Riverdale, GA 30274 Clayton County	2.6 miles	Various 1995 / 2014	LIHTC	2BR / 2BA (One-story)	26	20.0%	@50%	\$713	858	no	No	0	0.0%
					2BR / 2BA (Townhouse)	N/A	N/A	@50%	\$713	1,093	no	No	0	N/A
					3BR / 2BA (One-story)	80	61.5%	@50%	\$828	1,048	no	No	0	0.0%
					3BR / 2BA (Townhouse)	N/A	N/A	@50%	\$828	1,309	no	No	0	N/A
					4BR / 2BA (Townhouse)	24	18.5%	@50%	\$919	1,358	no	No	0	0.0%
	130	100.0%								0	0.0%			
3	Pointe Clear Apartments 7545 Tara Road Jonesboro, GA 30236 Clayton County	1.9 miles	Garden (3 stories) 1998 / n/a	LIHTC	1BR / 1BA	50	21.7%	@60%	\$666	804	no	Yes	0	0.0%
					2BR / 2BA	100	43.5%	@60%	\$778	1,044	no	Yes	0	0.0%
					3BR / 2BA	80	34.8%	@60%	\$893	1,244	no	Yes	0	0.0%
						230	100.0%							0
4	Regal Park 461 Old Dixie Way Forest Park, GA 30297 Clayton County	4.9 miles	Garden 2005 / n/a	LIHTC	1BR / 1BA	28	16.7%	@60%	\$792	874	yes	Yes	3	10.7%
					2BR / 2BA	84	50.0%	@60%	\$871	1,114	yes	Yes	5	6.0%
					3BR / 2BA	56	33.3%	@60%	\$1,015	1,388	yes	No	7	12.5%
						168	100.0%							15
5	The Park At Mount Zion 701 Morrow Industrial Blvd. Jonesboro, GA 30236 Clayton County	3.8 miles	Various (2 stories) 1971 / 2005	LIHTC	2BR / 1.5BA (Townhouse)	N/A	N/A	@60%	\$888	1,240	yes	No	1	N/A
					2BR / 2BA (Garden)	N/A	N/A	@60%	\$888	1,360	yes	No	2	N/A
					3BR / 2BA (Garden)	N/A	N/A	@60%	\$968	1,460	yes	No	2	N/A
					3BR / 2.5BA (Townhouse)	N/A	N/A	@60%	\$968	1,500	yes	No	0	N/A
	193	100.0%								5	2.6%			
6	Brooks Crossing 8050 Taylor Road Riverdale, GA 30274 Clayton County	3 miles	Garden 1989 / n/a	Market	1BR / 1BA	24	10.7%	Market	\$841	725	n/a	No	2	8.3%
					2BR / 1BA	32	14.3%	Market	\$828	938	n/a	No	6	18.8%
					2BR / 2BA	64	28.6%	Market	\$828	1,043	n/a	No	6	9.4%
					3BR / 2BA	104	46.4%	Market	\$903	1,163	n/a	No	0	0.0%
	224	100.0%								14	6.2%			
7	Century Lake 100 Chase Lake Drive Jonesboro, GA 30236 Clayton County	2.4 miles	Garden (2 stories) 1990 / n/a	Market	1BR / 1BA	76	21.0%	Market	\$827	950	n/a	Yes	16	21.1%
					2BR / 2BA	286	79.0%	Market	\$986	1,200	n/a	Yes	17	5.9%
						362	100.0%							33
8	Flint River Crossing 240 Flint River Road Jonesboro, GA 30238 Clayton County	1.8 miles	Various (2 stories) 1971 / 1995/2016	Market	2BR / 1BA (Garden)	20	10.0%	Market	\$878	880	n/a	No	2	10.0%
					2BR / 1BA (Garden)	108	54.0%	Market	\$829	757	n/a	No	2	1.9%
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$896	960	n/a	No	0	N/A
					2BR / 1.5BA (Townhouse)	32	16.0%	Market	\$886	960	n/a	No	1	3.1%
					3BR / 2BA (Garden)	0	0.0%	Market	\$1,073	1,080	n/a	No	0	N/A
					3BR / 2BA (Garden)	40	20.0%	Market	\$1,001	1,080	n/a	No	0	0.0%
	200	100.0%								5	2.5%			
9	Harmony Crossroads 8050 Tara Boulevard Jonesboro, GA 30236 Clayton County	1.2 miles	Garden (2 stories) 1975 / n/a	Market	1BR / 1BA	38	28.4%	Market	\$621	800	n/a	Yes	1	2.6%
					2BR / 1BA	66	49.3%	Market	\$688	900	n/a	No	3	4.5%
					2BR / 1BA	30	22.4%	Market	\$716	925	n/a	No	3	10.0%
						134	100.0%							7
10	Tara Bridge 1 Magnolia Circle Jonesboro, GA 30236 Clayton County	1.5 miles	Garden 1988 / n/a	Market	1BR / 1BA	44	20.0%	Market	\$823	650	n/a	No	5	11.4%
					1BR / 1BA	44	20.0%	Market	\$843	700	n/a	No	5	11.4%
					2BR / 1BA	44	20.0%	Market	\$927	850	n/a	No	2	4.5%
					2BR / 2BA	37	16.8%	Market	\$972	950	n/a	No	0	0.0%
					2BR / 2BA	37	16.8%	Market	\$977	1,000	n/a	No	3	8.1%
					3BR / 2BA	14	6.4%	Market	\$1,016	1,200	n/a	No	0	0.0%
						220	100.0%							

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.						
Effective Rent Date:		May-16	Units Surveyed:	2,069	Weighted Occupancy:	95.5%
			Market Rate:	1,140	Market Rate:	93.5%
			Tax Credit:	929	Tax Credit:	97.8%
One Bedroom One Bath		Two Bedrooms One Bath		Three Bedrooms Two Bath		
RENT	Property	Average	Property	Average	Property	Average
	Tara Bridge	\$843	Century Lake (2BA)	\$986	Flint River Crossing	\$1,073
	Brooks Crossing	\$841	Tara Bridge	\$927	Tara Bridge	\$1,016
	Century Lake	\$827	The Park At Mount Zion * (1.5BA 60%)	\$888	Regal Park * (60%)	\$1,015
	Tara Bridge	\$823	Flint River Crossing	\$878	Flint River Crossing	\$1,001
	Regal Park * (60%)	\$792	Regal Park * (2BA 60%)	\$871	Breckenridge Apartments * (60%)	\$971
	<b>Keystone Apartments* (60%)</b>	<b>\$712</b>	<b>Keystone Apartments* (60%)</b>	<b>\$841</b>	<b>Keystone Apartments* (60%)</b>	<b>\$968</b>
	Pointe Clear Apartments * (60%)	\$666	Flint River Crossing	\$829	The Park At Mount Zion * (60%)	\$968
	Harmony Crossroads	\$621	Brooks Crossing	\$828	Brooks Crossing	\$903
			Breckenridge Apartments * (60%)	\$812	Pointe Clear Apartments * (60%)	\$893
			Pointe Clear Apartments * (2BA 60%)	\$778	Pinebrooke Apartments * (50%)	\$828
			Harmony Crossroads	\$716	Pinebrooke Apartments * (50%)	\$828
			Pinebrooke Apartments * (2BA 50%)	\$713		
			Pinebrooke Apartments * (2BA 50%)	\$713		
			Harmony Crossroads	\$688		
SQUARE FOOTAGE						
	Century Lake	950	The Park At Mount Zion * (1.5BA 60%)	1,240	The Park At Mount Zion * (60%)	1,460
	Regal Park * (60%)	874	Century Lake (2BA)	1,200	Regal Park * (60%)	1,388
	Pointe Clear Apartments * (60%)	804	Regal Park * (2BA 60%)	1,114	Pinebrooke Apartments * (50%)	1,309
	Harmony Crossroads	800	Pinebrooke Apartments * (2BA 50%)	1,093	Pointe Clear Apartments * (60%)	1,244
	Brooks Crossing	725	Pointe Clear Apartments * (2BA 60%)	1,044	Breckenridge Apartments * (60%)	1,240
	Tara Bridge	700	Breckenridge Apartments * (60%)	1,040	Tara Bridge	1,200
	Tara Bridge	650	Brooks Crossing	938	Brooks Crossing	1,163
	<b>Keystone Apartments* (60%)</b>	<b>612</b>	Harmony Crossroads	925	Flint River Crossing	1,080
			Harmony Crossroads	900	Flint River Crossing	1,080
			Flint River Crossing	880	Pinebrooke Apartments * (50%)	1,048
			Pinebrooke Apartments * (2BA 50%)	858	<b>Keystone Apartments* (60%)</b>	<b>945</b>
			Tara Bridge	850		
			<b>Keystone Apartments* (60%)</b>	<b>830</b>		
			Flint River Crossing	757		
RENT PER SQUARE FOOT						
	Tara Bridge	\$1.27	Flint River Crossing	\$1.10	<b>Keystone Apartments* (60%)</b>	<b>\$1.02</b>
	Tara Bridge	\$1.20	Tara Bridge	\$1.09	Flint River Crossing	\$0.99
	Brooks Crossing	\$1.16	<b>Keystone Apartments* (60%)</b>	<b>\$1.01</b>	Flint River Crossing	\$0.93
	<b>Keystone Apartments* (60%)</b>	<b>\$1.16</b>	Flint River Crossing	\$1.00	Tara Bridge	\$0.85
	Regal Park * (60%)	\$0.91	Brooks Crossing	\$0.88	Pinebrooke Apartments * (50%)	\$0.79
	Century Lake	\$0.87	Pinebrooke Apartments * (2BA 50%)	\$0.83	Breckenridge Apartments * (60%)	\$0.78
	Pointe Clear Apartments * (60%)	\$0.83	Century Lake (2BA)	\$0.82	Brooks Crossing	\$0.78
	Harmony Crossroads	\$0.78	Regal Park * (2BA 60%)	\$0.78	Regal Park * (60%)	\$0.73
			Breckenridge Apartments * (60%)	\$0.78	Pointe Clear Apartments * (60%)	\$0.72
			Harmony Crossroads	\$0.77	The Park At Mount Zion * (60%)	\$0.66
			Harmony Crossroads	\$0.76	Pinebrooke Apartments * (50%)	\$0.63
			Pointe Clear Apartments * (2BA 60%)	\$0.75		
			The Park At Mount Zion * (1.5BA 60%)	\$0.72		
			Pinebrooke Apartments * (2BA 50%)	\$0.65		

# PROPERTY PROFILE REPORT

## Breckenridge Apartments

<b>Effective Rent Date</b>	5/09/2016
<b>Location</b>	5530 Old Dixie Highway Forest Park, GA 30297 Clayton County
<b>Distance</b>	6 miles
<b>Units</b>	208
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1971 / 2005
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Hunters Bay, Bradford Ridge
<b>Tenant Characteristics</b>	Tenants are mostly families, have an avg. household size of four persons, an avg. age of 30, and an avg. income of \$40k. Most work in Forest Park.
<b>Contact Name</b>	Devin
<b>Phone</b>	404-361-8448



### Market Information

<b>Program</b>	@60%
<b>Annual Turnover Rate</b>	17%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	80%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Decreased 8-10% since 2Q 2014
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- gas
<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	1	Garden (2 stories)	N/A	1,040	\$645	\$0	@60%	Yes	0	N/A	no	None
2	2	Garden (2 stories)	N/A	1,040	\$670	\$0	@60%	Yes	0	N/A	no	None
3	1.5	Garden (2 stories)	N/A	1,240	\$745	\$0	@60%	Yes	0	N/A	no	None
3	2	Garden (2 stories)	N/A	1,240	\$770	\$0	@60%	Yes	0	N/A	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$645	\$0	\$645	\$167	\$812
2BR / 2BA	\$670	\$0	\$670	\$167	\$837
3BR / 1.5BA	\$745	\$0	\$745	\$201	\$946
3BR / 2BA	\$770	\$0	\$770	\$201	\$971

## Breckenridge Apartments, continued

### Amenities

#### In-Unit

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

Blinds  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

#### Security

None

#### Services

Afterschool Program

#### Property

Basketball Court  
Exercise Facility  
On-Site Management  
Swimming Pool

Clubhouse/Meeting  
Off-Street Parking  
Playground

#### Premium

None

#### Other

None

### Comments

The contact stated that there was a wait list; however, he was unable to provide the number of households on the waiting list.

# Breckenridge Apartments, continued

## Trend Report

### Vacancy Rates

1Q10	4Q10	2Q14	2Q16
11.1%	11.1%	4.3%	0.0%

### Trend: @60%

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$700	\$116	\$584	\$751
2010	4	N/A	\$700	\$116	\$584	\$751
2014	2	N/A	\$700	\$11	\$689	\$856
2016	2	N/A	\$645	\$0	\$645	\$812

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$725	\$121	\$604	\$771
2010	4	N/A	\$725	\$121	\$604	\$771
2014	2	N/A	\$725	\$11	\$714	\$881
2016	2	N/A	\$670	\$0	\$670	\$837

#### 3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$830	\$105	\$725	\$926
2010	4	N/A	\$830	\$105	\$725	\$926
2014	2	N/A	\$830	\$17	\$813	\$1,014
2016	2	N/A	\$745	\$0	\$745	\$946

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$845	\$95	\$750	\$951
2010	4	N/A	\$845	\$95	\$750	\$951
2014	2	N/A	\$845	\$18	\$827	\$1,028
2016	2	N/A	\$770	\$0	\$770	\$971

## Trend: Comments

- 1Q10** The property is 89 percent occupied and 97 percent leased. Management could not provide vacancy by unit type but indicated that all vacancies are leased except for two three-bedroom, 1.5 bath units and four three-bedroom, two-bath units. Only the two-bedroom, two-bath units experienced a decrease in "market" rents. Management indicated that the market overall is soft.
- 4Q10** N/A
- 2Q14** The contact could not give the number of vacant units broken down by bedroom type but did state the occupancy rate of 96 percent.
- 2Q16** The contact stated that there was a wait list; however, he was unable to provide the number of households on the waiting list.

# PROPERTY PROFILE REPORT

## Pinebrooke Apartments

<b>Effective Rent Date</b>	5/16/2016
<b>Location</b>	9170 Dorsey Road Riverdale, GA 30274 Clayton County
<b>Distance</b>	2.6 miles
<b>Units</b>	130
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	1995 / 2014
<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>	Families and some from out of state
<b>Contact Name</b>	Sonya
<b>Phone</b>	770-210-0800



### Market Information

<b>Program</b>	@50%
<b>Annual Turnover Rate</b>	15%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	14%
<b>Leasing Pace</b>	Within one day
<b>Annual Chg. in Rent</b>	Decreased 1-2% since 1Q 2015
<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
2	2	One-story	26	858	\$650	\$0	@50%	No	0	0.0%	no	None
2	2	Townhouse	N/A	1,093	\$650	\$0	@50%	No	0	N/A	no	None
3	2	One-story	80	1,048	\$750	\$0	@50%	No	0	0.0%	no	None
3	2	Townhouse	N/A	1,309	\$750	\$0	@50%	No	0	N/A	no	None
4	2	Townhouse	24	1,358	\$820	\$0	@50%	No	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$650	\$0	\$650	\$63	\$713
3BR / 2BA	\$750	\$0	\$750	\$78	\$828
4BR / 2BA	\$820	\$0	\$820	\$99	\$919

## Pinebrooke Apartments, continued

### Amenities

**In-Unit**

Balcony/Patio  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator

Blinds  
Coat Closet  
Exterior Storage  
Oven  
Washer/Dryer hookup

**Security**

None

**Services**

Afterschool Program

**Property**

Basketball Court  
Off-Street Parking  
Playground

Central Laundry  
On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

This property was formerly known as Fairway Pointe Apartments. The renovations in 2014 were relatively minor.

## Pinebrooke Apartments, continued

### Trend Report

#### Vacancy Rates

2Q06	1Q15	2Q16
4.6%	3.8%	0.0%

#### Trend: @50%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$655 - \$665	\$0	\$655 - \$665	\$718 - \$728
2016	2	N/A	\$650	\$0	\$650	\$713

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$750 - \$760	\$0	\$750 - \$760	\$828 - \$838
2016	2	N/A	\$750	\$0	\$750	\$828

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$820	\$0	\$820	\$919
2016	2	0.0%	\$820	\$0	\$820	\$919

### Trend: Comments

- 2Q06** Fairway Pointe Apartments is a mix of ranch style apartments and 2-4 bdrm townhomes. They are a 100% tax credit property. Residents are responsible for all utilities except water, sewer & trash. Teh afterschool program is free to residents between the ages of 5-12 years old. They currently have some 2 and 3bdrms available but expect to have 2-3 4bdrms available by the end of summer.
- 1Q15** Pinebrooke Apartments, formerly known as Fairway Pointe Apartments, is a mix of ranch style apartments and two to four-bedroom townhomes. Management reported that the property no has income restrictions on the property. The property currently has 17 vacant units, all of which are under renovations. All but five of these vacancies have been pre-leased. Management reported that the property's waiting list is approximately one year in length.
- 2Q16** This property was formerly known as Fairway Pointe Apartments. The renovations in 2014 were relatively minor.

# Pinebrooke Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## Pointe Clear Apartments

**Effective Rent Date** 5/03/2016

**Location** 7545 Tara Road  
Jonesboro, GA 30236  
Clayton County  
Intersection: Tara Road and O'Hara Drive

**Distance** 1.9 miles

**Units** 230

**Vacant Units** 0

**Vacancy Rate** 0.0%

**Type** Garden (3 stories)

**Year Built/Renovated** 1998 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Chase Village and Highland Grand

**Tenant Characteristics** Five percent seniors

**Contact Name** Natalie

**Phone** 770-472-5228



### Market Information

**Program** @60%

**Annual Turnover Rate** 21%

**Units/Month Absorbed** N/A

**HCV Tenants** 6%

**Leasing Pace** Within one week

**Annual Chg. in Rent** Incr. 7-13% since 2Q14

**Concession** None

### Utilities

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

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** included

**Sewer** included

**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	50	804	\$615	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	100	1,044	\$715	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	80	1,244	\$815	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$615	\$0	\$615	\$51	\$666
2BR / 2BA	\$715	\$0	\$715	\$63	\$778
3BR / 2BA	\$815	\$0	\$815	\$78	\$893

## Pointe Clear Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Fireplace  
Microwave  
Refrigerator  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Garbage Disposal  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

Limited Access  
Patrol  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Playground

#### Premium

None

#### Other

Evening sweep of property

### Comments

The property maintains a wait list that is one to two months in length. The contact reported that tenants come from the Clayton County area, as well as Fairburn, Peachtree, and Stone Mountain.

## Pointe Clear Apartments, continued

### Trend Report

#### Vacancy Rates

3Q12	2Q14	1Q15	2Q16
23.9%	66.1%	22.6%	0.0%

#### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$550	\$13	\$537	\$588
2014	2	N/A	\$550	\$0	\$550	\$601
2015	1	N/A	\$623	\$0	\$623	\$674
2016	2	0.0%	\$615	\$0	\$615	\$666

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$585 - \$600	\$16 - \$17	\$569 - \$583	\$632 - \$646
2014	2	N/A	\$630 - \$650	\$0	\$630 - \$650	\$693 - \$713
2015	1	N/A	\$693	\$0	\$693	\$756
2016	2	0.0%	\$715	\$0	\$715	\$778

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	N/A	\$680	\$0	\$680	\$758
2014	2	N/A	\$750	\$0	\$750	\$828
2015	1	N/A	\$818	\$0	\$818	\$896
2016	2	0.0%	\$815	\$0	\$815	\$893

### Trend: Comments

3Q12	The contact attributes low occupancy to slow economic conditions for many of the lower income families in the area. Many are still struggling to find work or are making less money in new jobs.
2Q14	As of March 31, 2014 the property switched management to Broad Management Group. There are a total of 152 vacancies due to evictions and move outs. There is a \$299 move-in fee on approved credit. Contact did not know annual turnover.
1Q15	The contact indicated that high vacancy was due to renovations and many units being offline currently. There are a total of 46 units offline as a result of the renovations. The adjusted vacancy rate is 3.3 percent. The contact reported that tenants come from the Clayton County area, as well as Fairburn, Peachtree, and Stone Mountain.
2Q16	The property maintains a wait list that is one to two months in length. The contact reported that tenants come from the Clayton County area, as well as Fairburn, Peachtree, and Stone Mountain.

# PROPERTY PROFILE REPORT

## Regal Park

<b>Effective Rent Date</b>	5/03/2016
<b>Location</b>	461 Old Dixie Way Forest Park, GA 30297 Clayton County
<b>Distance</b>	4.9 miles
<b>Units</b>	168
<b>Vacant Units</b>	15
<b>Vacancy Rate</b>	8.9%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2005 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Breckenridge
<b>Tenant Characteristics</b>	Tenants come from all over Atlanta metro area
<b>Contact Name</b>	Joy
<b>Phone</b>	404-362-5224



### Market Information

<b>Program</b>	@60%
<b>Annual Turnover Rate</b>	36%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 10-18% since 2Q2014
<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)	28	874	\$675	\$0	@60%	Yes	3	10.7%	no	None
2	2	Garden (3 stories)	84	1,114	\$725	\$0	@60%	Yes	5	6.0%	no	None
3	2	Garden (3 stories)	56	1,388	\$835	\$0	@60%	No	7	12.5%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$675	\$0	\$675	\$117	\$792
2BR / 2BA	\$725	\$0	\$725	\$146	\$871
3BR / 2BA	\$835	\$0	\$835	\$180	\$1,015

## Regal Park, continued

### Amenities

**In-Unit**

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

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

**Security**

Limited Access

**Services**

None

**Property**

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

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

**Premium**

None

**Other**

Nature trail

### Comments

The property is currently offering reduced rates, which are the rents listed in this profile. The non-concessed asking rents are reportedly at the maximum allowable levels. The contact reported an average vacancy rate between 93 and 95 percent at the property and several of the vacant units are pre-leased. The property maintains a wait list for one and two-bedroom units; however, the contact was unable to state the length of the wait list.

## Regal Park, continued

### Trend Report

#### Vacancy Rates

1Q10	2Q14	2Q16
10.1%	1.2%	8.9%

#### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	3.6%	\$630	\$0	\$630	\$747
2014	2	0.0%	\$610	\$0	\$610	\$727
2016	2	10.7%	\$675	\$0	\$675	\$792

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	7.1%	\$760	\$30	\$730	\$876
2014	2	1.2%	\$659	\$0	\$659	\$805
2016	2	6.0%	\$725	\$0	\$725	\$871

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	17.9%	\$860	\$30	\$830	\$1,010
2014	2	1.8%	\$705	\$0	\$705	\$885
2016	2	12.5%	\$835	\$0	\$835	\$1,015

### Trend: Comments

- 1Q10** The leasing agent could not comment on absorption but indicated that the property maintains an occupancy rate between 90 to 98 percent. Management could not comment on the value of an afterschool program as the property does not offer one but indicated that community amenities (business center, exercise facility, pool, nature trail etc) are utilized equally.
- 2Q14** Contact could not provide annual turnover.
- 2Q16** The property is currently offering reduced rates, which are the rents listed in this profile. The non-concessed asking rents are reportedly at the maximum allowable levels. The contact reported an average vacancy rate between 93 and 95 percent at the property and several of the vacant units are pre-leased. The property maintains a wait list for one and two-bedroom units; however, the contact was unable to state the length of the wait list.

# PROPERTY PROFILE REPORT

## The Park At Mount Zion

<b>Effective Rent Date</b>	5/24/2016
<b>Location</b>	701 Morrow Industrial Blvd. Jonesboro, GA 30236 Clayton County
<b>Distance</b>	3.8 miles
<b>Units</b>	193
<b>Vacant Units</b>	5
<b>Vacancy Rate</b>	2.6%
<b>Type</b>	Various (2 stories)
<b>Year Built/Renovated</b>	1971 / 2005
<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>	Tenants are mostly families, have an average household size of three to four perso, an average age of 30+, and an average income between \$28k and \$33k
<b>Contact Name</b>	Erin
<b>Phone</b>	770.968.0311



### Market Information

<b>Program</b>	LIHTC
<b>Annual Turnover Rate</b>	18%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	17%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	None reported
<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
2	1.5	Townhouse (2 stories)	N/A	1,240	\$825	\$0	@60%	No	1	N/A	no	None
2	2	Garden	N/A	1,360	\$825	\$0	@60%	No	2	N/A	no	None
3	2	Garden	N/A	1,460	\$890	\$0	@60%	No	2	N/A	no	None
3	2.5	Townhouse	N/A	1,500	\$890	\$0	@60%	No	0	N/A	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1.5BA	\$825	\$0	\$825	\$63	\$888
2BR / 2BA	\$825	\$0	\$825	\$63	\$888
3BR / 2BA	\$890	\$0	\$890	\$78	\$968
3BR / 2.5BA	\$890	\$0	\$890	\$78	\$968

## The Park At Mount Zion, continued

### Amenities

**In-Unit**

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

Blinds  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

**Security**

Limited Access  
Patrol  
Perimeter Fencing

**Services**

None

**Property**

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool

Exercise Facility  
Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

The property was formerly known as Provence Place. The contact was only able to provide rents for vacant units. Washer/Dryers are included in all units.

# The Park At Mount Zion, continued

## Trend Report

### Vacancy Rates

4Q04	2Q05	2Q06	2Q16
55.1%	85.0%	100.0%	2.6%

**Trend: @60%**

### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$720	\$8	\$712	\$775
2005	2	N/A	\$720	\$0	\$720	\$783
2006	2	N/A	\$720	\$0	\$720	\$783
2016	2	N/A	\$825	\$0	\$825	\$888

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$710	\$8	\$702	\$765
2005	2	N/A	\$710	\$0	\$710	\$773
2006	2	N/A	\$710	\$0	\$710	\$773
2016	2	N/A	\$825	\$0	\$825	\$888

### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$800	\$8	\$792	\$870
2005	2	N/A	\$850	\$0	\$850	\$928
2006	2	N/A	\$850	\$0	\$850	\$928
2016	2	N/A	\$890	\$0	\$890	\$968

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$850	\$8	\$842	\$920
2005	2	N/A	\$800	\$0	\$800	\$878
2006	2	N/A	\$800	\$0	\$800	\$878
2016	2	N/A	\$890	\$0	\$890	\$968

## The Park At Mount Zion, continued

### Trend: Comments

- 4Q04** Of the 198 units, 96 of them are 2 bedroom units and 102 are 3 bedroom units. Concessions include \$100 off of the first month's rent. The current management company recently took over, so there is little market information available. The management has been doing more evictions than rentals, partly because they are currently undergoing a significant reconstruction phase (which is responsible for the high vacancy rate). This reconstruction includes the construction of a clubhouse, gate at the front of the community, perimeter fencing, exercise facility, and playground (listed under amenities above).
- This property is in the Clayton portion of the Atlanta MSA.
- 2Q05** (5/12/05) Provence Place is a garden style community with 193 units. All units are under renovation except 48, and all of these 48 units are occupied. There are currently no concessions being offered. The management has been doing more evictions than rentals, partly because they are currently undergoing a significant reconstruction phase (which is responsible for the high vacancy rate). This reconstruction includes the construction of a clubhouse, gate at the front of the community, perimeter fencing, exercise facility, and playground (listed under amenities above). Rents on the 2-bedroom/1.5-bath are a range from \$720-765, 2-bedroom/2-bath units range from \$710-735, 3-bedroom/2-bath units range from \$800-825, and 3-bedroom/2.5-baths range from \$850-875.
- This property is in the Clayton portion of the Atlanta MSA.
- (10/6/05) The property is still undergoing renovations. Only 29 units are occupied and the tenants in those are receiving between \$100 and \$300 dollars off their rent each month (concession unique to each tenant). No three-bedroom townhouse units are currently occupied. There are no Section 8 tenants in the complex right now. The complex has 19 market rate units, but the property manager would not provide a breakout of them by unit type. The 29 units that are occupied do not have garages and the current property manager is not sure if the other units have them, although the property brochure says there are on-site garages. She has never seen any garages, but cannot enter the area where construction is going on, so has not been able to see what that part of the property is like.
- 2Q06** Current Interview (05/08/2006): Provence Place is a LIHTC/market rate property offering one, two, and three-bedroom garden and townhouse units. The property was allocated in 2003 and remains under renovation. Currently the property is 100 percent vacant. Management reported that none of the units have been pre-leased. Leasing will begin in the next several months.
- 2Q16** The property was formerly known as Provence Place. The contact was only able to provide rents for vacant units. Washer/Dryers are included in all units.

# PROPERTY PROFILE REPORT

## Brooks Crossing

<b>Effective Rent Date</b>	5/04/2016
<b>Location</b>	8050 Taylor Road Riverdale, GA 30274 Clayton County
<b>Distance</b>	3 miles
<b>Units</b>	224
<b>Vacant Units</b>	14
<b>Vacancy Rate</b>	6.2%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1989 / 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>	Williamsburg South
<b>Tenant Characteristics</b>	Tenants are mostly families; major employers are Southern Regional Hospital, Coca Cola, Fort McPherson and Fort Gillem, and Fayette Medical Center.
<b>Contact Name</b>	Chayanne
<b>Phone</b>	770-473-7323



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	35%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased 2-7%
<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	Garden (2 stories)	24	725	\$790	\$0	Market	No	2	8.3%	N/A	None
2	1	Garden (2 stories)	32	938	\$765	\$0	Market	No	6	18.8%	N/A	None
2	2	Garden (2 stories)	64	1,043	\$765	\$0	Market	No	6	9.4%	N/A	None
3	2	Garden (2 stories)	104	1,163	\$825	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$790	\$0	\$790	\$51	\$841
2BR / 1BA	\$765	\$0	\$765	\$63	\$828
2BR / 2BA	\$765	\$0	\$765	\$63	\$828
3BR / 2BA	\$825	\$0	\$825	\$78	\$903

## Brooks Crossing, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Fireplace  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Garbage Disposal  
Refrigerator  
Walk-In Closet

**Security**

Patrol

**Services**

None

**Property**

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

Exercise Facility  
Off-Street Parking  
Picnic Area  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property does not accept Housing Choice Vouchers.

## Brooks Crossing, continued

### Trend Report

#### Vacancy Rates

4Q05	2Q06	1Q10	2Q16
10.3%	10.7%	8.5%	6.2%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	16.7%	\$549	\$0	\$549	\$600
2010	1	20.8%	\$549	\$100	\$449	\$500
2016	2	8.3%	\$790	\$0	\$790	\$841

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	15.6%	\$599	\$0	\$599	\$662
2010	1	9.4%	\$614	\$85	\$529	\$592
2016	2	18.8%	\$765	\$0	\$765	\$828

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	12.5%	\$619	\$0	\$619	\$682
2010	1	3.1%	\$669	\$100	\$569	\$632
2016	2	9.4%	\$765	\$0	\$765	\$828

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	6.7%	\$709	\$0	\$709	\$787
2010	1	N/A	\$734 - \$749	\$100 - \$105	\$629 - \$649	\$707 - \$727
2016	2	0.0%	\$825	\$0	\$825	\$903

### Trend: Comments

- 4Q05** (5/18/05) Brooks Crossing Apartments is a garden-style tax credit property with 224 units. Of the 224 units, 160 are tax credit. By December 2005 no units at Brooks Crossing will be Tax Credit. Their current occupancy rate is 93%. Concessions include reduced rents on all units and an additional \$200 off the first month's rent on 2-bedroom/1-bath apartments. A vacant unit can be leased out within 3-4 weeks. The tenants are mostly single mothers with kids. The average household size is 4, the average age is 25-45, and average income is \$18k - \$49k. Approximately 70% of tenants are from Clayton County, 10% are from out of state, and 20% are from other parts of Georgia.  
(10/7/05) Current concessions are between \$55 and \$85 dollars, or eight to 14 percent off every month on a 12-month lease. The property has two monitors who patrol the property regularly. All but two of the vacant units are leased out, awaiting move-ins. The property currently has eight Hurricane Katrina victims.
- 2Q06** Current Interview (05/08/2006): Brooks Crossing is a market rate property offering one, two, and three-bedroom units. The property converted from an LIHTC property is January 2006. Rents have since decreased by 5.2 percent for the one-bedroom units, 12.5 percent for the smaller two-bedroom units, 6.8 percent for the larger two-bedroom units, and 0.7 percent for the three-bedroom units. The property's LIHTC term was up in January 2006 and therefore the property has undergone a transformation therein decreasing the rents. Management reported that many of the residents who were in the LIHTC units remained at the property after the conversion and are currently paying the lower market rate rents. There is a significant amount of new residential development in the area, primarily single family home subdivisions. There are no new multifamily developments.
- 1Q10** The contact reported that there is a \$15 premium for three bedrooms located upstairs.
- 2Q16** The property does not accept Housing Choice Vouchers.



## Century Lake, continued

### Comments

The property is currently 98% pre-leased.

## Century Lake, continued

### Trend Report

#### Vacancy Rates

2Q05	1Q15	2Q16
3.9%	0.0%	6.9%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	2.6%	\$670	\$100	\$570	\$687
2015	1	0.0%	\$565	\$0	\$565	\$682
2016	2	13.2%	\$710	\$0	\$710	\$827

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	4.2%	\$770	\$121	\$649	\$795
2015	1	0.0%	\$665	\$0	\$665	\$811
2016	2	5.2%	\$840	\$0	\$840	\$986

### Trend: Comments

**2Q05** Century Lake is a garden style apartment community with 362 units and an occupancy rate of 97% base on vacancy by unit breakdown. The property manager claimed an occupancy rate of 92%. Approximately 30% of tenants are from Clayton County, 10% are from out of state, and 60% are from other parts of Georgia.

**1Q15** The contact was only able to provide rent, vacancy and waiting list information. The property maintains a waiting list approximately one month long.

**2Q16** The property is currently 98% pre-leased.

# PROPERTY PROFILE REPORT

## Flint River Crossing

**Effective Rent Date** 5/09/2016

**Location** 240 Flint River Road  
Jonesboro, GA 30238  
Clayton County  
Intersection: Flint River Road and Rivergate Drive

**Distance** 1.8 miles

**Units** 200

**Vacant Units** 5

**Vacancy Rate** 2.5%

**Type** Various (2 stories)

**Year Built/Renovated** 1971 / 1995/2016

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Riverwood Apartments

**Tenant Characteristics** Mixed tenancy from Jonesboro and the surrounding area

**Contact Name** Aisha

**Phone** 770-471-6395



### Market Information

**Program** Market

**Annual Turnover Rate** 42%

**Units/Month Absorbed** N/A

**HCV Tenants** 0%

**Leasing Pace** Within one week

**Annual Chg. in Rent** Increased 29-64% since 1Q 2015

**Concession** None

### Utilities

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

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** included

**Sewer** not included

**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	20	880	\$762	\$0	Market	No	2	10.0%	N/A	HIGH
2	1	Garden (2 stories)	108	757	\$713	\$0	Market	No	2	1.9%	N/A	LOW
2	1.5	Townhouse (2 stories)	N/A	960	\$780	\$0	Market	No	0	N/A	N/A	HIGH
2	1.5	Townhouse (2 stories)	32	960	\$770	\$0	Market	No	1	3.1%	N/A	LOW
3	2	Garden (2 stories)	0	1,080	\$930	\$0	Market	No	0	N/A	N/A	HIGH
3	2	Garden (2 stories)	40	1,080	\$858	\$0	Market	No	0	0.0%	N/A	LOW

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$713 - \$762	\$0	\$713 - \$762	\$116	\$829 - \$878
2BR / 1.5BA	\$770 - \$780	\$0	\$770 - \$780	\$116	\$886 - \$896
3BR / 2BA	\$858 - \$930	\$0	\$858 - \$930	\$143	\$1,001 - \$1,073

## Flint River Crossing, continued

### Amenities

**In-Unit**

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

Blinds  
Carpet/Hardwood  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

**Security**

Patrol  
Perimeter Fencing

**Services**

None

**Property**

Central Laundry  
On-Site Management  
Playground

Off-Street Parking  
Picnic Area  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

Flint River Crossing was formerly known as Williamsburg South. The higher rents in the profile are for renovated units. The renovated units had been gutted and completely refurbished with new appliances, fixtures, floors, etc. Management indicated that they do not intend to renovate all units. The property does not accept Housing Choice Vouchers. The property was recently sold in December 2015, and the new owners increased rents significantly after the sale.

## Flint River Crossing, continued

### Trend Report

#### Vacancy Rates

4Q07	2Q11	1Q15	2Q16
10.0%	9.0%	15.0%	2.5%

### Trend: Market

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$605	\$22	\$583	\$699
2016	2	N/A	\$770 - \$780	\$0	\$770 - \$780	\$886 - \$896

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$534 - \$560	\$13 - \$16	\$521 - \$544	\$637 - \$660
2016	2	3.1%	\$713 - \$762	\$0	\$713 - \$762	\$829 - \$878

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$660	\$25	\$635	\$778
2016	2	0.0%	\$858 - \$930	\$0	\$858 - \$930	\$1,001 - \$1,073

### Trend: Comments

- 4Q07** Concessions for the property are reduced rents of \$200 off one months rent for the entire first year. Contact stated there are seven pre-leased applications for the vacancies. The total percentages for change of rents range from 2% to 3% depending on the unit type.
- 2Q11** N/A
- 1Q15** Flint River Crossing, formerly known as Williamsburg South, currently has 20 units under going renovations. Management reported that there are no longer income restrictions at the property. The property is currently 75 percent occupied and 90 percent leased. Additionally, the property no longer includes water or sewer in the rent, which may have caused the decrease in rents.
- 2Q16** Flint River Crossing was formerly known as Williamsburg South. The higher rents in the profile are for renovated units. The renovated units had been gutted and completely refurbished with new appliances, fixtures, floors, etc. Management indicated that they do not intend to renovate all units. The property does not accept Housing Choice Vouchers. The property was recently sold in December 2015, and the new owners increased rents significantly after the sale.

Photos



# PROPERTY PROFILE REPORT

## Harmony Crossroads

<b>Effective Rent Date</b>	5/11/2016
<b>Location</b>	8050 Tara Boulevard Jonesboro, GA 30236 Clayton County
<b>Distance</b>	1.2 miles
<b>Units</b>	134
<b>Vacant Units</b>	7
<b>Vacancy Rate</b>	5.2%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1975 / 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>	Oak Run
<b>Tenant Characteristics</b>	Families from Clayton County
<b>Contact Name</b>	Denise
<b>Phone</b>	770-471-4003



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	54%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	Reduced 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>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	38	800	\$595	\$25	Market	Yes	1	2.6%	N/A	None
2	1	Garden (2 stories)	66	900	\$655	\$30	Market	No	3	4.5%	N/A	None
2	1	Garden (2 stories)	30	925	\$685	\$32	Market	No	3	10.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$595	\$25	\$570	\$51	\$621
2BR / 1BA	\$655 - \$685	\$30 - \$32	\$625 - \$653	\$63	\$688 - \$716

## Harmony Crossroads, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

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

**Security**

Patrol

**Services**

None

**Property**

Central Laundry  
On-Site Management  
Swimming Pool

Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

The property was formerly known as the Crossroads Apartments. The property maintains a waiting list for one-bedroom units that consists of approximately four to five households. The property does not accept Housing Choice Vouchers. The 925-square foot two-bedroom units have washer/dryer connections. The unit breakdown of the two-bedrooms was estimated.

## Harmony Crossroads, continued

### Trend Report

#### Vacancy Rates

2Q05	1Q15	2Q16
7.5%	0.0%	5.2%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	7.9%	\$519	\$35	\$484	\$535
2015	1	0.0%	\$544	\$20	\$524	\$575
2016	2	2.6%	\$595	\$25	\$570	\$621

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	7.3%	\$539	\$37	\$502	\$565
2015	1	0.0%	\$584	\$24	\$560	\$623
2016	2	6.2%	\$655 - \$685	\$30 - \$32	\$625 - \$653	\$688 - \$716

### Trend: Comments

- 2Q05** Harmony Crossroads is a garden style apartment community with 134 units and an occupancy rate of 93%. Units with washer and dryer connections rent for \$559. Concessions include a \$300 deposit and \$99 for the first month's rent. Section 8 vouchers are accepted. Approximately 70% of tenants are from Clayton County and the remaining 30% are from out of state. Rents on one bedroom apartments have increased by \$10 recently. Walk-in closets are only available on 1 bedroom apartments.
- 1Q15** The property maintains a waiting list of approximately two months. The property does not accept Housing Choice Vouchers. The contact did not know the percentage of seniors at the property, but indicated that the majority of the tenants come from Clayton County.
- 2Q16** The property was formerly known as the Crossroads Apartments. The property maintains a waiting list for one-bedroom units that consists of approximately four to five households. The property does not accept Housing Choice Vouchers. The 925-square foot two-bedroom units have washer/dryer connections. The unit breakdown of the two-bedrooms was estimated.

Photos



# PROPERTY PROFILE REPORT

## Tara Bridge

<b>Effective Rent Date</b>	5/04/2016
<b>Location</b>	1 Magnolia Circle Jonesboro, GA 30236 Clayton County
<b>Distance</b>	1.5 miles
<b>Units</b>	220
<b>Vacant Units</b>	15
<b>Vacancy Rate</b>	6.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	1988 / 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>	Aslan on the River
<b>Tenant Characteristics</b>	Mostly families from Clayton County
<b>Contact Name</b>	Paulette
<b>Phone</b>	770-478-3288



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	22%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	5%
<b>Leasing Pace</b>	Within one day
<b>Annual Chg. in Rent</b>	Increased less than 1% to 25%
<b>Concession</b>	See comments

### 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)	44	650	\$685	\$0	Market	No	5	11.4%	N/A	None
1	1	Garden (3 stories)	44	700	\$705	\$0	Market	No	5	11.4%	N/A	None
2	1	Garden (3 stories)	44	850	\$760	\$0	Market	No	2	4.5%	N/A	None
2	2	Garden (3 stories)	37	950	\$805	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	37	1,000	\$810	\$0	Market	No	3	8.1%	N/A	None
3	2	Garden (3 stories)	14	1,200	\$815	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$685 - \$705	\$0	\$685 - \$705	\$138	\$823 - \$843
2BR / 1BA	\$760	\$0	\$760	\$167	\$927
2BR / 2BA	\$805 - \$810	\$0	\$805 - \$810	\$167	\$972 - \$977
3BR / 2BA	\$815	\$0	\$815	\$201	\$1,016

## Tara Bridge, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Fireplace  
Microwave  
Refrigerator  
Washer/Dryer

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

**Security**

In-Unit Alarm  
Limited Access  
Patrol  
Perimeter Fencing

**Services**

None

**Property**

Car Wash  
Exercise Facility  
Off-Street Parking  
Playground  
Tennis Court

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The rents provided in the profile include an undetermined concession amount. The actual asking rents were not available.

## Tara Bridge, continued

### Trend Report

#### Vacancy Rates

4Q04	2Q05	1Q15	2Q16
8.2%	10.0%	2.3%	6.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$599 - \$650	\$0	\$599 - \$650	\$737 - \$788
2005	2	N/A	\$546 - \$564	\$0	\$546 - \$564	\$684 - \$702
2015	1	N/A	\$546 - \$564	\$0	\$546 - \$564	\$684 - \$702
2016	2	11.4%	\$685 - \$705	\$0	\$685 - \$705	\$823 - \$843

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$654	\$0	\$654	\$821
2016	2	4.5%	\$760	\$0	\$760	\$927

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$669 - \$689	\$0	\$669 - \$689	\$836 - \$856
2005	2	N/A	\$599 - \$694	\$0	\$599 - \$694	\$766 - \$861
2015	1	N/A	\$740 - \$775	\$0 - \$32	\$726 - \$775	\$893 - \$942
2016	2	4.1%	\$805 - \$810	\$0	\$805 - \$810	\$972 - \$977

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	4	N/A	\$799	\$0	\$799	\$1,000
2005	2	N/A	\$812	\$0	\$812	\$1,013
2015	1	N/A	\$812	\$0	\$812	\$1,013
2016	2	0.0%	\$815	\$0	\$815	\$1,016

### Trend: Comments

- 4Q04** This is a market rate property located in the Clayton County submarket. The property is currently 92 percent leased and is not offering concessions. Utilities are all electric and paid for the resident excluding water/sewer and trash removal.
- 2Q05** Tara Bridge is a garden style community with 220 units and an occupancy rate of 90%. Concessions include a \$99 move-in fee (normal fee is \$350). No Section 8 vouchers are accepted. Approximately 75% of tenants are from Clayton County, 20% are from out of state, and 5% are from other parts of Georgia.
- 1Q15** Tara Bridge is a garden style community with 220 units and an occupancy rate of about 97%. Management stated that she was only able to quote accurate pricing for units that are currently available due to the fact that they implement LRO pricing system. However, the contact was able to provide an estimate of what rents would be for one and three-bedrooms if they were available today. Contact stated that the concession was also only quoted for available two-bedroom units, and that there may be a different concession offered for one and three bedrooms if they were available.
- 2Q16** The rents provided in the profile include an undetermined concession amount. The actual asking rents were not available.

Photos



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

**Housing Choice Vouchers**

<b>TENANTS WITH VOUCHERS</b>		
<b>Property Name</b>	<b>Rent Structure</b>	<b>Turnover</b>
Breckenridge Apartments*	LIHTC	80%
Pinebrooke Apartments	LIHTC	14%
Pointe Clear Apartments	LIHTC	6%
Regal Park*	LIHTC	10%
The Park At Mount Zion	LIHTC	17%
Brooks Crossing	Market	0%
Century Lake	Market	0%
Flint River Crossing	Market	0%
Harmony Crossroads	Market	0%
Tara Bridge	Market	5%
<b>Average</b>		<b>13%</b>

\*Located outside PMA

As illustrated in the table, all of the LIHTC properties reported having a portion of Housing Choice Voucher tenants, while only one of the market rate properties reported Housing Choice Voucher usage. The average portion of voucher tenants at the LIHTC properties is 25 percent and the overall average is just 13 percent. The voucher usage in the local market appears to be significant. Since the Subject will operate under a HAP contract for all the units, the availability and acceptance of Housing Choice Vouchers will not be a concern for the Subject. The current Payment Standards for one, two, and three-bedroom units are illustrated in the following table.

<b>CLAYTON COUNTY PAYMENT STANDARDS</b>	
<b>Bedroom Type</b>	<b>Payment Standard Rent</b>
1BR	\$738
2BR	\$854
3BR	\$1,128

The Subject’s proposed gross one-bedroom LIHTC rents are above the current payment standards, while the proposed gross two and three-bedroom rents are below the payment standards. Nonetheless, the Subject’s units will continue to benefit from project-based Section 8 subsidies post-renovation. As such, tenants will pay 30 percent of income as rent, not to exceed the LIHTC rents and will not be required to utilize vouchers.

### Lease Up History

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2006, though we are aware of one that is currently proposed to be completed in January 2017. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates six LIHTC and four market rate properties that were built since 2010 and were able to provide absorption information.

#### ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	LIHTC	Family	2011	100	20
Parkside At Mechanicsville	LIHTC	Family	2012	196	60
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Baptist Gardens	LIHTC	Senior	2013	100	15
Betmar Village Apartments	LIHTC	Senior	2014	47	47
Columbia Mill	LIHTC	Family	2014	100	20
Steelworks	Market	Family	2014	317	21
Square On Fifth	Market	Family	2015	270	45
University House	Market	Family	2015	268	30
The Haynes House	Market	Family	2015	186	12
<b>Average</b>					<b>28</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 28 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. It should be noted that the Subject is currently 95.7 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

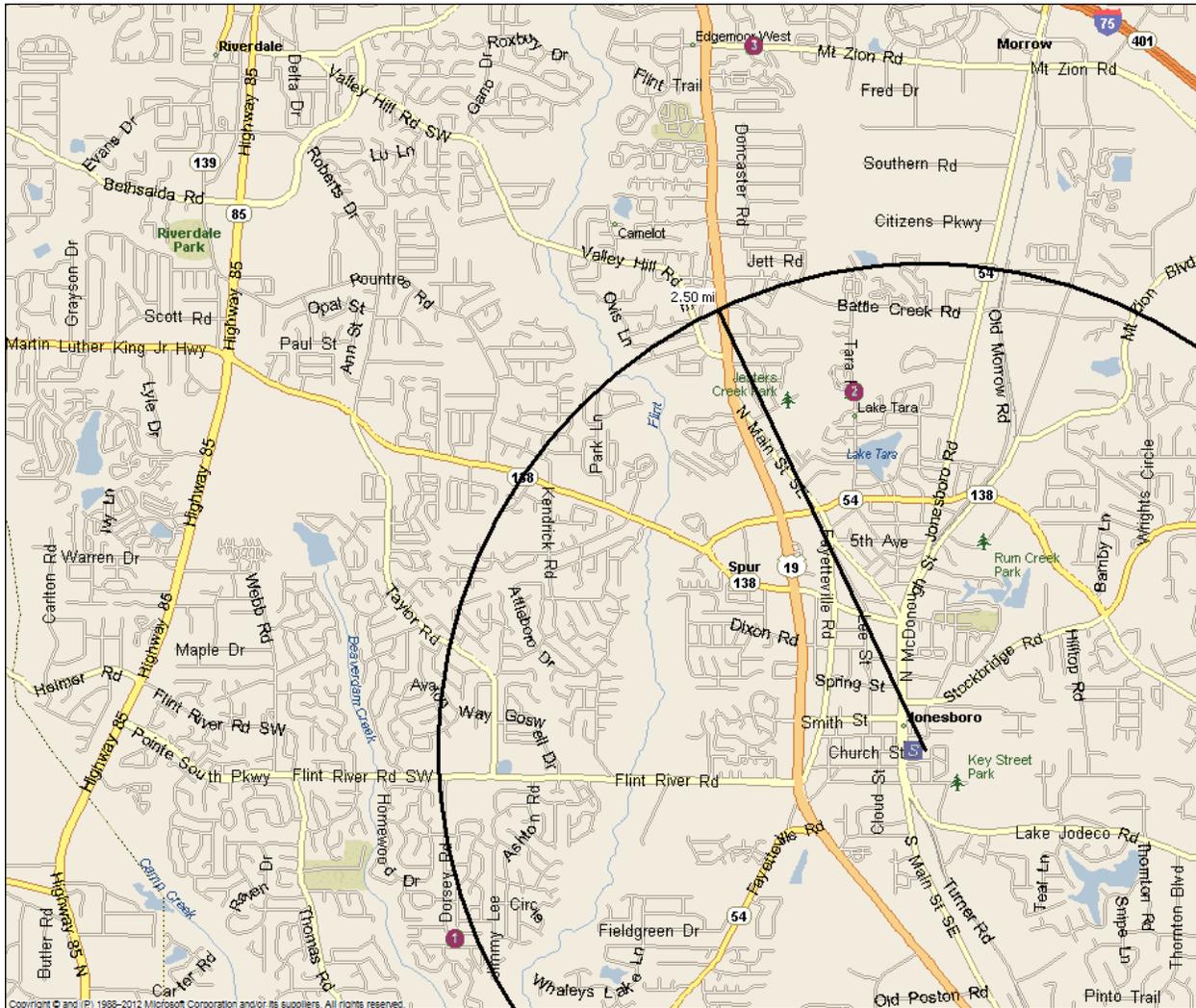
### Phased Developments

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

### Rural Areas

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

### 3. Competitive Project Map



COMPETITIVE LIHTC PROPERTIES IN PMA				
#	Property Name	City	Type	Distance
1	Pinebrooke Apartments	Riverdale	LIHTC	2.6 miles
2	Pointe Clear Apartments	Jonesboro	LIHTC	1.9 miles
3	The Park At Mount Zion	Jonesboro	LIHTC	3.8 miles

### 4. Amenities

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

**Keystone Apartments, Jonesboro, GA; Market Study**

**UNIT MATRIX REPORT**

	Keystone Apartments - As Renovated	Breckenridge Apartments	Pinebrooke Apartments	Pointe Clear Apartments	Regal Park	The Park At Mount Zion	Brooks Crossing	Century Lake	Flint River Crossing	Harmony Crossroads	Tara Bridge
Comp #	Subject	1	2	3	4	5	6	7	8	9	10
<b>Property Information</b>											
Property Type	Garden (2 stories)	Garden (2 stories)	Various	Garden (3 stories)	Garden (3 stories)	Various (2 stories)	Garden (2 stories)	Garden (2 stories)	Various (2 stories)	Garden (2 stories)	Garden (3 stories)
Year Built / Renovated	1971 / 2018	1971 / 2005	1995 / 2014	1998 / n/a	2005 / n/a	1971 / 2005	1989 / n/a	1990 / n/a	1971 / 1995/2016	1975 / n/a	1988 / n/a
Market (Conv./Subsidy Type)	LIHTC/Section 8	LIHTC	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>											
Cooking	yes	no	no	no	no	no	no	no	no	no	no
Water Heat	yes	no	no	no	no	no	no	no	no	no	no
Heat	yes	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	yes	yes	no	yes	yes	no	yes	yes	no
Sewer	yes	no	yes	yes	no	yes	yes	no	no	yes	no
Trash Collection	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	no
<b>In-Unit Amenities</b>											
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	no	no	no	yes	no	no
Carpet/Hardwood	no	no	no	no	no	no	no	no	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	yes	yes	no	no	yes	no	no	no	yes
Ceiling Fan	no	yes	no	yes	yes	no	yes	yes	yes	yes	yes
Fireplace	no	no	no	yes	no	no	yes	yes	no	no	yes
Garbage Disposal	no	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	yes	no	no	no	no	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Skylights	no	no	no	no	no	no	no	yes	no	no	no
Vaulted Ceilings	no	no	no	yes	yes	no	yes	yes	no	no	no
Walk-In Closet	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Washer/Dryer	no	no	no	no	no	yes	no	no	no	no	yes
Washer/Dryer hookup	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes
<b>Property Amenities</b>											
Basketball Court	no	yes	yes	no	no	no	no	no	no	no	no
Business Center/Computer Lab	no	no	no	no	yes	no	no	no	no	no	no
Car Wash	no	no	no	yes	no	no	no	no	no	no	yes
Clubhouse/Meeting Room/Community Room	no	yes	no	yes	yes	yes	yes	yes	no	no	yes
Exercise Facility	no	yes	no	yes	yes	yes	yes	yes	no	no	yes
Central Laundry	no	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	yes	yes	no	yes	no	yes	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Service Coordination	yes	no	no	no	no	no	no	no	no	no	no
Swimming Pool	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	yes	no	yes	yes	no	no	yes
<b>Services</b>											
Afterschool Program	yes	yes	yes	no	no	no	no	no	no	no	no
<b>Security</b>											
In-Unit Alarm	no	no	no	no	no	no	no	yes	no	no	yes
Limited Access	no	no	no	yes	yes	yes	no	yes	no	no	yes
Patrol	yes	no	no	yes	no	yes	yes	no	yes	yes	yes
Perimeter Fencing	no	no	no	yes	no	yes	no	yes	yes	no	yes

The Subject's unit amenities will generally be slightly inferior to the LIHTC and market rate comparables, the majority of which offer patio/balconies, ceiling fans, and garbage disposals, none of which will be offered at the Subject. However, the units at the Subject will include microwaves, which are not offered at the majority of the comparables. In terms of project amenities, the Subject will also generally be slightly inferior to the LIHTC and market rate comparables, as the majority offer a clubhouse/community room, exercise facility, laundry facility and swimming pool, none of which will be offered at the Subject. The Subject will continue to offer service coordination which is not offered at any of the comparables and a picnic

area, which is not offered at the majority of the comparables. Additionally, the Subject will offer similar top slightly inferior security features.

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

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

#### 6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Breckenridge Apartments*	LIHTC	208	0	0.0%
Pinebrooke Apartments	LIHTC	130	0	0.0%
Pointe Clear Apartments	LIHTC	230	0	0.0%
Regal Park*	LIHTC	168	15	8.9%
The Park At Mount Zion	LIHTC	193	5	2.6%
Brooks Crossing	Market	224	14	6.2%
Century Lake	Market	362	25	6.9%
Flint River Crossing	Market	200	5	2.5%
Harmony Crossroads	Market	134	7	5.2%
Tara Bridge	Market	220	15	6.8%
<b>Total LIHTC</b>		<b>929</b>	<b>20</b>	<b>2.2%</b>
<b>Total Market</b>		<b>1,140</b>	<b>66</b>	<b>5.8%</b>
<b>Total</b>		<b>2,069</b>	<b>86</b>	<b>4.2%</b>

\*Located outside PMA

As illustrated, vacancy rates in the market range from zero to 8.9 percent, averaging 4.2 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 8.9 percent, with an average vacancy rate of 2.2 percent. The market rate comparables are experiencing vacancy rates ranging from 2.5 percent to 6.9 percent with an average vacancy rate of 5.8 percent. One LIHTC comparable located outside of the PMA (Regal Park) reported a vacancy rate greater than seven percent. The property manager at Regal Park reported that some of the vacant units are pre-leased and the average vacancy rate at the property is between 93 and 95 percent.

According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. According to the Subject's historical financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.8 to 5.5 percent over the past three years with an average total vacancy rate of 4.8 percent. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

**7. Properties Planned, Proposed, or Under Construction**

According to the Georgia Department of Community Affairs, Townview Manor, a three-story, 60-unit property was recently allocated LIHTC’s in 2015 with an estimated completion date of January 2017. It will be located at 8099 North Main Street. The property will target seniors and will offer one and two-bedroom units at 50 and 60 percent of AMI. This property will not directly compete with the Subject because of it targeting senior tenancy. We are not aware of any other proposed, under construction, or recently completed multifamily developments in the PMA.

**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	Breckenridge Apartments	LIHTC	Slightly Superior	Similar	Slightly Inferior	Similar	Superior	10
2	Pinebrooke Apartments	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Slightly Inferior	Slightly Superior	5
3	Pointe Clear Apartments	LIHTC	Superior	Superior	Similar	Similar	Superior	30
4	Regal Park	LIHTC	Superior	Slightly Superior	Slightly Inferior	Slightly Superior	Superior	25
5	The Park At Mount Zion	LIHTC	Superior	Slightly Superior	Similar	Similar	Superior	25
6	Brooks Crossing	Market	Superior	Superior	Slightly Inferior	Slightly Inferior	Slightly Superior	15
7	Century Lake	Market	Superior	Slightly Superior	Similar	Similar	Superior	25
8	Flint River Crossing	Market	Slightly Superior	Slightly Superior	Similar	Similar	Similar	10
9	Harmony Crossroads	Market	Slightly Superior	Slightly Superior	Similar	Inferior	Superior	10
10	Tara Bridge	Market	Superior	Superior	Similar	Slightly Inferior	Slightly Superior	20

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

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

LIHTC RENT COMPARISON - @60%			
Property Name	1BR	2BR	3BR
Keystone Apartments (Subject)	\$712	\$841	\$968
<b>LIHTC Maximum (Net)</b>	<b>\$712</b>	<b>\$841</b>	<b>\$968</b>
Breckenridge Apartments	-	\$837 \$812	\$971 \$946
Pointe Clear Apartments	\$666	\$778	\$893
Regal Park	\$792	\$871	\$1,015
The Park At Mount Zion	-	\$888	\$968
<b>Average (excluding Subject)</b>	<b>\$729</b>	<b>\$837</b>	<b>\$959</b>
<b>NOVOCO's Estimated Achievable Rent</b>	<b>\$712</b>	<b>\$841</b>	<b>\$968</b>

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

The Subject’s proposed rents are set at the maximum allowable levels for all unit types. Two of the comparables, Regal Park and The Park at Mount Zion, reported 60 percent AMI rents to be at the maximum allowable levels, while the remaining comparables reported rents lightly below maximum allowable levels. The Subject’s proposed 60 percent AMI rents are within the comparable range and we believe the proposed rents absent subsidy are appropriately positioned at the maximum allowable levels. It should be noted that tenants will continue to pay just 30 percent of their income toward rents.

Based on our similarity matrix, Breckenridge Apartments and Pinebrooke Apartments will be the most similar LIHTC comparables relative to the Subject. Breckenridge Apartments was constructed in 1971, was renovated with LIHTC equity in 2005, and exhibits similar condition relative to the Subject post-renovation. This comparable offers similar unit amenities, slightly superior common area amenities, a slightly inferior location, and larger unit sizes. Pinebrooke Apartments was constructed in 1995, received minor renovations in 2014, and exhibits slightly inferior condition relative to the Subject post-renovation. This comparable offers slightly superior in-unit and common area amenities, a slightly inferior location, and slightly larger unit sizes. Overall, the Subject’s rents appear reasonable when compared to the rents at the comparables and particularly when taking into account the relatively strong demand for affordable units in the PMA. This demand is illustrated by the 97.8 percent overall occupancy being achieved at the LIHTC comparables.

**Analysis of “Market Rents”**

Per 2016 DCA market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market.” In other words, the rents the competitive properties are currently achieving. Average market rent is not “Achievable unrestricted market rent.” In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comparables, but many market rate comparables with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comparables. In a small rural market there may be neither tax credit comparables nor market rate comparables with similar positioning as the Subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

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

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table on the following page in comparison with proposed LIHTC/Section 8 rents for the Subject, which will be subsidized, allowing tenants to pay just 30 percent of their income toward rent.

SUBJECT COMPARISON TO MARKET RENTS					
Unit Type	Subject’s Proposed LIHTC Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$712	\$621	\$843	\$791	-10%
2 BR	\$841	\$688	\$986	\$836	1%
3 BR	\$968	\$903	\$1,073	\$998	-3%

All of the Subject’s proposed LIHTC rents are within the range of comparable market rents, while the Subject’s proposed one and three-bedroom LIHTC rents are below the surveyed average, and the proposed two-bedroom rent are just above the surveyed average market rents.

Flint River Crossing and Tara Bridge are the most similar market rate comparables and these properties reported occupancy rates of 97.5 and 93.2 percent, respectively. The Subject will offer a slightly inferior to inferior in-unit and property amenities relative to both of these comparables but offers a similar location, similar to slightly superior condition and similar to slightly inferior unit sizes. The Subject’s proposed LIHTC rents within or below the range of rents at these comparables.

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

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

There is one recently funded LIHTC project in the PMA.

According to the Georgia Department of Community Affairs, Townview Manor, a three-story, 60-unit property was recently allocated LIHTC’s in 2015 with an estimated completion date of January 2017. It will be located at 8099 North Main Street. The property will target seniors and will offer one and two-bedroom units at 50 and 60 percent of AMI. This property will not directly compete with the Subject because of it targeting senior tenancy.

**10. Rental Trends in the PMA**

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

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	22,847	66.6%	11,434	33.4%
2010	23,046	60.4%	15,101	39.6%
2015	21,858	55.8%	17,283	44.2%
Projected Mkt Entry	22,051	55.6%	17,588	44.4%
2020	22,208	55.5%	17,837	44.5%

Source: ESRI Demographics 2015, Novogradac & Company LLP, 6/2016

In the PMA, as of 2015, renter-occupied housing accounts for 44.2 percent of households, while approximately 55.8 percent of households in the PMA are owner-occupied. Similarly, nationally, approximately 66 percent of households are homeowners and only 34 percent of households are renters. Through 2020, the number of renter households in the PMA is projected to increase by 554 households.

*Historical Vacancy*

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

<b>HISTORICAL VACANCY</b>						
<b>Comparable Property</b>	<b>Type</b>	<b>Total Units</b>	<b>3QTR 2012</b>	<b>2QTR 2014</b>	<b>1QTR 2015</b>	<b>2QTR 2016</b>
Breckenridge Apartments	LIHTC	208	N/A	4.3%	N/A	0.0%
Pinebrooke Apartments	LIHTC	130	N/A	N/A	3.8%	0.0%
Pointe Clear Apartments	LIHTC	230	23.9%	66.1%	22.6%	0.0%
Regal Park	LIHTC	168	N/A	1.2%	N/A	8.9%
The Park At Mount Zion	LIHTC	193	N/A	N/A	N/A	2.6%
Brooks Crossing	Market	224	N/A	N/A	N/A	6.2%
Century Lake	Market	362	N/A	N/A	0.0%	6.9%
Flint River Crossing	Market	200	N/A	N/A	15.0%	2.5%
Harmony Crossroads	Market	134	N/A	N/A	0.0%	5.2%
Tara Bridge	Market	220	N/A	N/A	2.3%	6.8%
<b>Total/Average</b>		<b>2,253</b>	<b>23.9%</b>	<b>23.9%</b>	<b>7.3%</b>	<b>4.0%</b>

N/A – Not available

As illustrated in the previous table, historical vacancy data is very limited. However, we were not able to obtain all the historical vacancy rates for each individual year. As such, we have not provided average vacancy rates for each survey period. As indicated, Pointe Clear Apartments reported very high vacancy rates from 2012 to 2015, which was due to renovations and down units.

According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. According to the Subject's historical financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.8 to 5.5 percent over the past three years with an average total vacancy rate of 4.8 percent. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

*Change in Rental Rates*

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

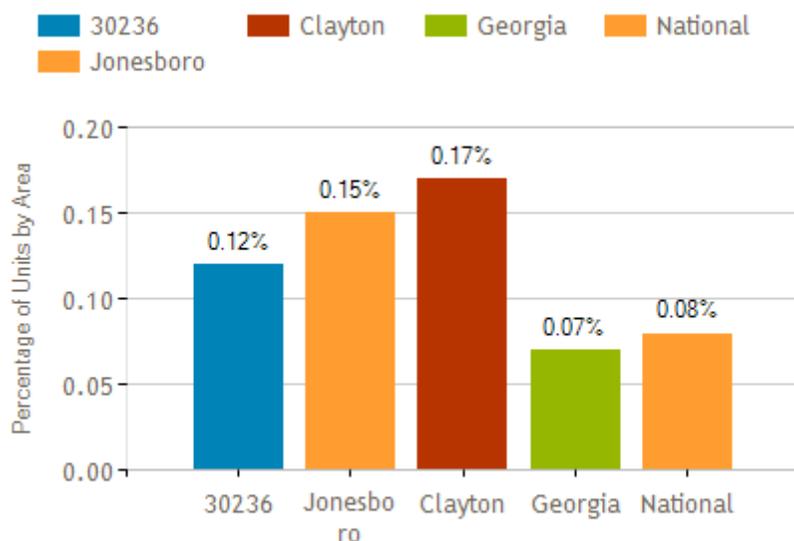
<b>RENT GROWTH</b>		
<b>Property Name</b>	<b>Rent Structure</b>	<b>Rent Growth</b>
Breckenridge Apartments*	LIHTC	Decreased 8-10% since 2Q 2014
Pinebrooke Apartments	LIHTC	Decreased 1-2% since 1Q 2015
Pointe Clear Apartments	LIHTC	Increased 7-13% since 2Q14
Regal Park*	LIHTC	Increased 10-18% since 2Q2014
The Park At Mount Zion	LIHTC	None reported
Brooks Crossing	Market	Increased 2-7%
Century Lake	Market	Increased 26% since 1Q 2015
Flint River Crossing	Market	Increased 29-64% since 1Q 2015
Harmony Crossroads	Market	None
Tara Bridge	Market	Increased less than 1% to 25%

\*Located outside PMA

Two of the LIHTC comparables reported rent decreases ranging from one to 10 percent since 2014, while two reported rent increases of seven to 13 percent, and one reported that rents have remained fairly stable over the last year. Four of the five market rate comparables reported rent increases ranging from one to 64 percent; however, it should be noted that Flint River Crossing reported large increases, which is attributed to a change in management and the rents at the time of transfer being below market as well as significant renovations. When excluding this comparable the rent increases ranged from one to 26 percent over the last year. Given that the Subject’s achievable LIHTC rents are at the maximum allowable levels, rent increase will be dependent upon future AMI growth. Further, with the Section 8 contract in place at the Subject, rent increases at the property should not directly impact residents, as they will continue to pay just 30 percent of their income toward rent.

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

According to www.RealtyTrac.com, “there are currently 134 properties in the Subject’s zip code (30236) that are in some stage of foreclosure (default, auction or bank owned) while the number of homes listed for sale on RealtyTrac is 140. In April 2016, the number of properties that received a foreclosure filing in the Subject’s zip code was 15 percent lower than the previous month and five percent higher than the same time last year. Home sales for March 2016 were up 36 percent compared with the previous month. The median sales price of a non-distressed home was \$93,000. The median sales price of a foreclosure home was \$67,000, or 28 percent lower than non-distressed home sales.” The following chart compares foreclosure rates of the Subject’s zip code, the city, the county, the state, and the nation as a whole.



Source: Realtytrac.com, 6/2016

As indicated above, the foreclosure rate in the Subject’s zip code is below that of the city and county but above that of the state and nation as a whole. We did not observe any vacancy homes or foreclosed properties in the Subject’s immediate neighborhood during our inspection.

## 12. Primary Housing Void

The comparable LIHTC properties have a combined 2.2 percent vacancy rate, and waiting lists are maintained at some properties, indicating strong support for affordable rental housing in the PMA. Based on the previous *Demand Analysis*, performance of the Subject and comparable properties, and conversations with local property managers, we believe there is ongoing demand for affordable rental housing in the local market. Post-renovation, the Subject will continue to offer 184 total units. The Subject’s renovations will not add new units, but rather improve the quality and marketability of existing low-income housing. The Subject will also continue to operate with Section 8 subsidies following renovations, making units affordable to a wide income band of renter households. As such, the Subject will continue to fill a void in the market for adequate low-income rental housing.

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

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

the renovations to the Subject will have any significant negative impact on the existing LIHTC properties.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed following renovations. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.2 percent. Additionally, three comparable LIHTC properties maintain waiting lists.

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

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

# **I. ABSORPTION & STABILIZATION RATES**

## ABSORPTION AND STABILIZATION RATES

### Stabilization/Absorption Rate

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2006, though we are aware of one that is currently proposed to be completed in January 2017. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates six LIHTC properties that were built since 2010 and were able to provide absorption information.

ABSORPTION						
Property Name	City	Type	Tenancy	Year Built	# Of Units	Units Absorbed/Month
Retreat at Edgewood	Atlanta	LIHTC	Family	2011	100	20
Parkside at Mechanicsville	Atlanta	LIHTC	Family	2012	196	60
Retreat at Edgewood Phase II	Atlanta	LIHTC	Family	2012	40	12
Baptist Gardens	Atlanta	LIHTC	Senior	2013	100	15
Betmar Village Apartments	Atlanta	LIHTC	Senior	2014	47	47
Columbia Mill	Atlanta	LIHTC	Family	2014	100	20
Steelworks	Atlanta	Market	Family	2014	317	21
Square on Fifth	Atlanta	Market	Family	2015	270	45
University House	Atlanta	Market	Family	2015	268	30
The Haynes House	Atlanta	Market	Family	2015	186	12
<b>Average</b>					<b>162</b>	<b>28</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 28 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. It should be noted that the Subject is currently 95.7 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

## **J. INTERVIEWS**

## INTERVIEWS

### Jonesboro Housing Authority

According to Janet Wiggins with the Jonesboro Housing Authority, in Clayton County, 1,846 vouchers are administered by the agency, and approximately 1,700 vouchers are in use. The remaining vouchers are not in use due to lack of funding. The Housing Choice Voucher waiting list closed on October 9, 2015 and currently holds approximately 1,200 households. The following table illustrates the current gross rent payment standards.

CLAYTON COUNTY PAYMENT STANDARDS	
Bedroom Type	Payment Standard Rent
1BR	\$738
2BR	\$854
3BR	\$1,128

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

### Planning

We attempted to contact Ricky Clark, Zoning Administrator with the City of Jonesboro; however, our phone calls and emails went unreturned.

We also contacted Patrick Ejike, Director of Planning and Zoning with Clayton County, Georgia, who informed us that he was not aware of any additional proposed, under construction, or recently completed multifamily developments in Clayton County.

We also searched REIS new construction listings. According to REIS, there are no new or proposed multifamily developments in the PMA.

According to the Georgia Department of Community Affairs, Townview Manor, a three-story, 60-unit property was recently allocated LIHTC's in 2015 with an estimated completion date of January 2017. It will be located at 8099 North Main Street. The property will target seniors and will offer one and two-bedroom units at 50 and 60 percent of AMI. This property will not directly compete with the Subject because of it targeting senior tenancy.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

- Total population in the PMA and MSA are projected to increase at a 0.4 and 1.2 percent annual rate respectively from 2015 to 2020. The MSA is expected to outpace the national population growth during the same time period while the PMA growth is expected to grow at a slower pace than the nation. The share of renter-occupied units in the MSA is lower than in the PMA. It should be noted that the percentage of renter-occupied units in the PMA is expected to increase by 1.3 percent through 2020.

Households earning under \$40,000 in the PMA comprise 62.7 percent of all income cohorts. The Subject will target households earning up to \$43,740 under the LIHTC program and households with incomes as low as \$0 with Section 8 subsidies; therefore, the Subject is well positioned to continue to service this market. Overall, the demographic data points to a growing population with several households within the income band that the Subject would target under the LIHTC program, without consideration of the project-based Section 8 subsidy.

- Total employment in the MSA increased from 2003 to 2007; however, decreased from 2008 to 2010 as a result of the national economic recession. Total employment in the MSA exceeded pre-recessionary levels in 2014 and has continued to increase through 2016 year-to-date. From February 2015 to February 2016, total employment in the MSA increased 2.2 percent compared to an increase of 2.0 percent nationally. The unemployment rate in the MSA peaked at 10.3 percent in 2010, and has been declining each subsequent year. From February 2015 to February 2016, the unemployment rate in the MSA decreased by 70 basis points to 5.3 percent, while the national unemployment rate decreased by 60 basis points to 5.2 percent. Overall, it appears that the MSA was impacted by the recent national recession; however, has fully recovered and is currently in a state of growth.

The PMA's leading industries include transportation/warehousing, health care/social assistance, and retail trade. Together, these three industries make up 35.4 percent of total employment in the PMA. Compared to the nation, the PMA is overly represented in sectors such as transportation/warehousing and public administration, and underrepresented in the manufacturing, professional/scientific/tech services, and health care/social assistance sectors. Overall, the mix of industries in the local economy indicates a relatively diversified work force.

According to Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings, the PMA experienced no layoffs in 2014, 2015, or year-to-date 2016, and there was only one round of layoffs in 2013. AirTran Airways, Inc., a commercial aircraft company which has since been integrated with Southwest Airlines, laid off 316 employees at its Atlanta branch in May 2013.

According to Courtney Pogue, Director of the Clayton County Office of Economic Development, a number of companies have opened in Clayton County in the last year.

Additionally, several companies were expanding internally, and no major closings or layoffs had occurred in the past year. Mr. Pogue was unable to provide specific details about expansions and contractions in the county. According to our internet research, Castellini Group of Companies, a distribution company, is planning to create 300 new jobs over the next several years in Clayton County. The public transit service MARTA expanded its bus service in Clayton County by adding four bus routes in August 2015. A \$12.5 million expansion by FMH Conveyors in 2016 will create 110 new jobs in Jonesboro. Additionally, two businesses closed recently: Dean’s Barbeque and Laurus Technical Institute.

- The Subject’s capture rates at the 60 percent AMI level without Section 8 subsidies will range from 6.2 to 14.4 percent, with an overall capture rate of 12.0 percent. The Subject’s capture rates at the 60 percent AMI level with Section 8 subsidies will range from 0.2 to 0.3 percent, with an overall capture rate of 0.2 percent. Therefore, we believe there is more than adequate demand for the Subject.
- None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2006, though we are aware of one that is currently proposed to be completed in January 2017. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates six LIHTC properties that were built since 2010 and were able to provide absorption information.

**ABSORPTION**

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	LIHTC	Family	2011	100	20
Parkside At Mechanicsville	LIHTC	Family	2012	196	60
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Baptist Gardens	LIHTC	Senior	2013	100	15
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Columbia Mill	LIHTC	Family	2014	100	20
Steelworks	Market	Family	2014	317	21
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University House	Market	Family	2015	268	30
The Haynes House	Market	Family	2015	186	12
<b>Average</b>					<b>28</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 28 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. It should be noted that the Subject is currently 95.7 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

- Vacancy rates in the market range from zero to 8.9 percent, averaging 4.2 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 8.9 percent, with an average vacancy rate of 2.2 percent. The market rate comparables are experiencing vacancy rates ranging from 2.5 percent to 6.9 percent with an average vacancy rate of 5.8 percent. One LIHTC comparable located outside of the PMA (Regal Park) reported a vacancy rate greater than seven percent. The property manager at Regal Park reported that some of the vacant units are pre-leased and the average vacancy rate at the property is between 93 and 95 percent.

According to the rent roll dated April 7, 2016, the Subject was 95.7 percent occupied with eight vacant units, all of which are pre-leased. The property manager also reported a waiting list of 132 households for one-bedroom units, 84 households for two-bedroom units, and 15 households for three-bedroom units. According to the Subject's historical financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.8 to 5.5 percent over the past three years with an average total vacancy rate of 4.8 percent. As such, we believe the Subject will continue to operate with a physical vacancy rate of 5.0 percent or less, in line with its historical performance.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed following renovations. The LIHTC comparables are performing well, with a weighted vacancy rate of 2.2 percent. Additionally, three comparable LIHTC properties maintain waiting lists.

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

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

## Recommendations

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

## **L. SIGNED STATEMENT REQUIREMENTS**

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



Rebecca S. Arthur, MAI  
Partner  
August 12, 2016  
Date



Ed Mitchell  
Manager  
August 12, 2016  
Date



Matt Hummel  
Manager  
August 12, 2016  
Date



Lawson Short  
Senior Analyst  
August 12, 2016  
Date

## **M. MARKET STUDY REPRESENTATION**

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



Rebecca S. Arthur, MAI  
Partner  
August 12, 2016  
Date



Ed Mitchell  
Manager  
August 12, 2016  
Date



Matt Hummel  
Manager  
August 12, 2016  
Date



Lawson Short  
Senior Analyst  
August 12, 2016  
Date

## N. QUALIFICATIONS



## **Background Information**

Novogradac & Company LLP is an accounting and valuation-consulting firm that maintains its headquarters in San Francisco, California. NOVOCO has additional offices in Washington, DC; Atlanta, GA; Overland Park, KS; Austin, TX; Dover, OH; Long Beach, CA; and Boston, MA. The headquarters of the valuation and market analysis department is in Washington, DC, with additional valuation staff located in the Austin, Atlanta, Long Beach, and Kansas City offices. The firm works extensively in the affordable housing arena. NOVOCO provides a range of specialized services designed to meet the needs of government agencies, lenders, investors, asset managers, military services, advisors, and developers. These services include an array of valuation consulting services; investment analysis/due diligence support; and litigation support; consulting services include market supply and demand surveys; demographic and income profiles; alternative use and adaptive re-use scenarios, and market share and absorption studies. In addition, NOVOCO provides consulting and valuation services regarding government-owned or government-subsidized real estate, including Military Family Housing, Section 8, Public Housing, and Low-Income Housing Tax Credit (“LIHTC”) projects. At NOVOCO, we are experienced in dealing with the myriad of rules, regulations, and procedures that may impact the valuation of real estate assets affected by various government regulations and the vagaries of federal and local bureaucracies. Our national presence and our wealth of experience allow us to be familiar with a variety of senior housing markets, in many different project types. Our wealth of experience encompasses the intricacies of rural, urban, and suburban markets.

## **Qualifications**

The NOVOCO Valuation Group has provided market research and appraisals for over 200,000 housing units, preparing over 1,000 feasibility/market studies and appraisals across the United States. This ability and experience is a tremendous asset to our clients. Brad Weinberg, the Managing Partner of the Valuation Group, holds both MAI and CCIM designations. H. Blair Kincer is a member of the Appraisal Institute with the MAI designation. In addition, the partners and managers hold current appraiser licenses in over 15 states, and have prepared market studies or appraisals for developments in more than 25 states. NOVOCO has additional staff on hand to provide support and assistance, as needed.

Furthermore, NOVOCO furnishes consulting services for a diverse range of projects, including new construction, acquisition rehabilitation, adaptive re-use of commercial properties, garden-style family projects, single-family rental housing, and housing for the elderly, handicapped, and households affected by HIV. We recognize that the needs of a rental property’s specific clientele, as well as the project’s ability to meet those needs, are as vital to the success of the project as the current health of any particular rental market.

Novogradac & Co. LLP was recently designated a “Best of the Best” firm by Bowman’s Accounting Report for 2004. Bowman’s Accounting Report analyzed 327 firms, and only the top 25 achieve the “Best of the Best” status. This honor means that NOVOCO has outperformed other firms in its category, with respect to fiscal measurement and wise management. This is the second time that NOVOCO has been recognized with this designation by Bowman’s.

Partners with Novogradac & Company LLP have published numerous affordable housing industry-related articles in national newspapers, as well as in highly regarded trade journals. In addition, the Partners are the authors of the Low-Income Housing Tax Credit Handbook, the nation's leading authoritative guide to affordable housing development. The Partners also write and publish *The Low-Income Housing Tax-Exempt Bond Handbook*; *The Building Owners Income Tax Manual*; *The On-Site Tax Credit Property Management Guidebook*; *The LIHTC Monthly Report*, a monthly journal offering news, features and commentary on the Low-Income Housing Tax Credit industry; the *Housing Bond Report*, a monthly publication on the Low-Income Housing Tax-Exempt bond industry; and the *Property Compliance Report*, a monthly publication on Low-Income Housing Tax Credit compliance.

Novogradac & Company LLP sponsors affordable housing and real-estate-related workshops at locations all over the country. The conferences attract hundreds of the industry's leading experts and participants nationwide. The firm also conducts workshops and seminars throughout the year on a variety of affordable housing-related subjects. Many of the professionals at Novogradac & Company LLP were formerly associated with international accounting and appraisal firms. This association provides an excellent training and educational opportunity.

Our state-of-the-art website ([www.taxcredithousing.com](http://www.taxcredithousing.com)) is a widely used resource for the affordable housing community. In fact, several state housing agencies refer audience members to it, when these agencies conduct industry seminars. The website provides rent and income levels for every community in the United States, as well as links to State Housing Agencies. Visitors can view monthly bond factors and applicable federal rates, as well as learn about recent legislation and industry events.

Many of NOVOCO’s projects include public and private partnerships, mixed-use components, demolition and reductions in density, combinations of funding sources, (such as LIHTC with Hope VI), ownership components, new construction, and set-asides for the elderly. We believe that all forms of funding that result in innovative approaches to providing an improved quality of life are important. Additional information and/or sample reports can be provided upon request. NOVOCO’s experience includes recent projects that study populations in broad geographic areas and assess the market feasibility of properties.

### **Capacity and Turnaround Time**

Novogradac & Company offers a team of 40 consultants with the experience, capacity, and availability to provide market-consulting services at an economical price. The entire firm, including both the Accounting and the Valuation teams, boasts a staff of more than 185. Our team of analysts has experience ranging from three to twenty-five years, in both market research and appraisals on rental housing. Our firm specializes in affordable housing, and our Principals

each have an average of 15 years' worth of experience. This team is assisted by junior-level analysts and support staff, who possess significant experience and training in affordable rental-housing market study research. We have additional support staff on hand to assist in the general data collection and production of the required deliverables.

### **Additional Capabilities**

As discussed earlier, the firm provides both Accounting and Valuation Services. Not only do we have extensive experience in the affordable housing industry, but we specialize in this market niche.

Another service provided by NOVOCO, which sets us apart from our competitors, is our GIS capability. Novogradac & Company, LLP is a licensed user of the ArcView Business Analyst GIS system. The software allows us to do in-house GIS and data analysis of locations nationwide. By creating custom study areas, NOVOCO can analyze locations by state, metropolitan area, county, zip code, Census tract, and block group, as well as by a specified radius from an identified point or custom-drawn polygon.

Data included in GIS analysis encompasses Census data for 2000, as well as estimated numbers for 2004 and forecasted projections for 2009. The GIS software allows us to find pockets of demand for housing and consumer needs by mapping Census tracts or block groups with low incomes, high renter tenure, large households, or other key demand elements, such as elderly rental population. In addition to the Census data and updates, we can import data about existing housing options to the system, in order to add additional layers of information to our analysis. Moreover, our Microsoft Streets & Trips program affords us significant mapping capabilities.

Our access and experience with this data allows us to perform detailed demographic and economic analyses on any custom-specified area. This is an invaluable asset to our clients, as it helps them understand the market segments they serve.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS**  
**REBECCA S. ARTHUR, MAI**

**I. Education**

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

Appraisal Institute  
Designated Member (MAI)

**II. Licensing and Professional Affiliation**

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

State of Arizona Certified General Real Estate Appraisal No. 31992  
State of California Certified General Real Estate Appraiser No. AG041010  
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047  
State of Iowa Certified General Real Estate Appraiser No. CG03200  
State of Indiana Certified General Real Estate Appraiser No. CG41300037  
State of Kansas Certified General Real Estate Appraiser No. G-2153  
State of Michigan Certified General Real Estate Appraiser No. 1201074011  
State of Minnesota Certified General Real Estate Appraiser No. 40219655  
State of Missouri Certified General Real Estate Appraiser No. 2004035401  
State of Louisiana Certified General Real Estate Appraiser No. 4018  
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

**III. Professional Experience**

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

**IV. Professional Training**

Forecasting Revenue, June 2015  
Discounted Cash Flow Model, June 2015  
Business Practices and Ethics, April 2015  
USPAP Update, May 2014  
HUD MAP Training – June 2013  
The Appraiser as an Expert Witness: Preparation & Testimony, April 2013  
How to Analyze and Value Income Properties, May 2011

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

## **V. Real Estate Assignments**

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

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are

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

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

## **VI. Speaking Engagements**

A representative sample of industry speaking engagements follows:

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

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **EDWARD R. MITCHELL**

### **I. Education**

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

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

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

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

### **II. Professional Experience**

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

### **III. Assignments**

- Currently conducts market feasibility studies, valuation assignments, rent comparability studies (RCS) and consulting assignments for proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Performed work in Alaska, California, Florida, Georgia, Kansas, Mississippi, Texas, New York, North Carolina, and Pennsylvania.
- 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. Licensure**

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## MATTHEW A. HUMMEL

### I. EDUCATION

#### **Rockhurst University – Kansas City, Missouri**

Master of Business Administration - Concentration in Management and International, 2008

#### **University of Missouri-Columbia**

Bachelor of Business Administration - Finance and Banking, 2006

### II. LICENSING AND PROFESSIONAL AFFLIATION

State of Kansas Certified General Real Estate Appraiser No. G-2959

State of Washington Certified General Real Estate Appraiser No. 1102285

State of California Certified General Real Estate Appraiser No. 3002505

State of Missouri Certified General Real Estate Appraiser No. 2014030618

### III. PROFESSIONAL EXPERIENCE

Manager - Novogradac & Company LLP

Real Estate Analyst - Novogradac & Company LLP

Researcher - Novogradac & Company LLP

December 2010 to Present

Investor Reporting Analyst - KeyBank Real Estate Capital

Insurance Specialist - KeyBank Real Estate Capital

May 2009 to December 2010

### IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute

Basic Appraisal Principles - March 2012

Basic Appraisal Procedures - December 2012

Statistics, Modeling, and Finance - April 2013

General Appraiser Market Analysis Highest and Best Use - April 2013

National Uniform Standards of Professional Appraisal Practice - May 2013

General Appraiser Sales Comparison Approach – June 2013

General Appraiser Site Valuation and Cost Approach – July 2013

General Report Writing and Case Studies – August 2013

General Appraiser Income Approach – September 2013

Commercial Appraisal Review – September 2013

Expert Witness for Commercial Appraisers – October 2013

### V. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Prepared Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property,

interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.

- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## LAWSON SHORT

### I. EDUCATION

**St. Edward's University, Austin, Texas**

Bachelor of Arts, English Writing and Rhetoric, *2010*

### II. PROFESSIONAL EXPERIENCE

Real Estate Analyst – Novogradac & Company LLP, *March 2012 to Present*

Researcher – Novogradac & Company LLP, *March 2011 to March 2012*

### III. PROFESSIONAL TRAINING

Basic Appraisal Principles *June 2013 to January 2014*

Basic Appraisal Procedures *June 2013 to January 2014*

National USPAP Course *June 2013 to January 2014*

Texas Appraiser Trainee License *February 2014*

### IV. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included interviewing potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Assisted in various types of appraisals of proposed new construction, rehabilitation, and existing properties. Analysis includes property screenings, valuation analysis, capitalization rate analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis. Appraisals assisted on have

included Freddie Mac, Fannie Mae, HUD Multifamily Accelerated Processing (MAP), among others.

- Conducted over 75 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation projects.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects through the United States.

## M. TENANT RELOCATION SPREADSHEET

## Relocation / Displacement Project Spreadsheet

COMMUNITY: Keystone Apartments

NBR OF UNITS: 184

DATE: August 8, 2016

Line	A	B	C	D	E	F	G	H		I	J	K	L	M	N	O	P	Q	R	S	T		U	V	W		X	Y	
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr Resi-dents	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term Begin	Lease Term End	Mthly Subsidy Amt	Sub-sidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burdn Y/N	Initial Certification Date	Temporary Unit Nbr	Temporary Move-in Date	Est Cost Paid To Tenant	Permanent Unit Nbr	Permanent Move-in Date	Cost Paid To Tenant For Perm Reloc				
1	A	1	2	Occ	2	TASHAWNNA BENTON	0	12/11/15	12/31/16	848	PBRA	71	0	32,400	yes	0	\$0	no											
2	B	1	2	Occ	2	IDIVIA SIMMONS	0	5/30/14	6/30/15	848	PBRA	71	0	32,400	yes	0	\$0	no											
3	C	1	2	Occ	1	SHARISSE TEAGUE	0	2/9/01	1/31/07	848	PBRA	71	0	28,380	yes	0	\$0	no											
4	D	1	2	Vac	0										no	\$0	no												
5	A	2	2	Occ	3	KYRA HARRIS	125	8/27/12	8/26/13	723	PBRA	71	8,796	36,480	yes	125	\$220	no											
6	B	2	2	Occ	3	OTHA MATTHEWS	592	1/28/15	1/27/16	256	PBRA	71	29,034	36,480	yes	592	\$726	no											
7	C	2	2	Occ	1	NANCY WATTS	0	4/16/13	4/15/14	848	PBRA	71	0	28,380	yes	0	\$0	no											
8	D	2	2	Occ	2	CHIQUITA ANTHONY	216	12/1/08	12/1/09	632	PBRA	71	11,979	32,400	yes	216	\$299	no											
9	A	3	3	Occ	6	YVONNE CHAMPION	0	8/6/07	8/31/08	966	PBRA	85	0	46,980	yes	0	\$0	no											
10	B	3	3	Occ	4	SHERIAN OLSON	547	1/29/07	1/28/08	419	PBRA	85	26,628	40,500	yes	547	\$666	no											
11	C	3	3	Occ	3	ANNA JONES	32	10/14/14	10/13/15	934	PBRA	85	5,651	36,480	yes	32	\$141	no											
12	D	3	3	Occ	4	KATRINA WARE	0	7/31/13	7/30/14	966	PBRA	85	4,340	40,500	yes	0	\$109	no											
13	A	4	3	Occ	4	SUMMER NEVILLE	228	12/8/15	12/7/16	738	PBRA	85	13,944	40,500	yes	228	\$349	no											
14	B	4	3	Occ	3	SHAKEYIA EPPS	13	4/16/13	4/15/14	953	PBRA	85	12,736	36,480	yes	13	\$318	no											
15	C	4	3	Occ	3	LAPORSHA WILLIAMS	25	8/28/15	8/27/16	941	PBRA	85	6,574	36,480	yes	25	\$164	no											
16	D	4	3	Occ	4	CHRISTINA SMITH	33	10/12/12	10/11/13	933	PBRA	85	14,108	40,500	yes	33	\$353	no											
17	A	5	2	Occ	1	CRYSTAL CHESTNUT	145	11/13/07	11/13/08	703	PBRA	71	9,036	28,380	yes	145	\$226	no											
18	B	5	2	Occ	2	LAGRISHA GATES	0	11/1/13	10/31/14	848	PBRA	71	1,770	32,400	yes	0	\$44	no											
19	C	5	2	Occ	1	DEBRA CREECH	145	8/15/14	8/14/15	703	PBRA	71	9,036	28,380	yes	145	\$226	no											
20	D	5	2	Occ	3	MICHELE MAY	237	11/6/96	10/31/06	611	PBRA	71	12,813	36,480	yes	237	\$320	no											
21	A	6	2	Occ	2	SUSAN RIOBO	131	8/1/07	8/31/08	717	PBRA	71	17,208	32,400	yes	131	\$430	no											
22	B	6	2	Occ	2	REONNE MONTGOMERY	271	4/23/15	4/27/16	577	PBRA	71	15,808	32,400	yes	271	\$395	no											
23	C	6	2	Occ	3	SHARICE JAVIES	170	8/28/15	8/27/16	678	PBRA	71	10,577	36,480	yes	170	\$264	no											
24	D	6	2	Occ	3	LATOYTA JACKSON	31	12/17/14	12/16/15	817	PBRA	71	6,226	36,480	yes	31	\$156	no											
25	A	7	3	Occ	4	CYESHA NEELY	0	4/22/16	4/21/17	966	PBRA	85	300	40,500	yes	0	\$8	no											
26	B	7	3	Occ	4	CARMELITTA HOPPER	438	4/21/15	4/24/16	528	PBRA	85	22,362	40,500	yes	438	\$559	no											
27	C	7	3	Occ	4	TONISHA BOYD	0	4/22/16	4/21/17	966	PBRA	85	7,205	40,500	yes	0	\$180	no											
28	D	7	3	Occ	2	CASSANDA WRIGHT	334	1/6/05	12/31/06	632	PBRA	85	17,179	32,400	yes	334	\$429	no											
29	A	8	3	Occ	3	xxxResidentxxx	0	7/15/16	7/14/17	966	PBRA	85	0	36,480	yes	0	\$0	no											
30	B	8	3	Occ	2	ONESSA MILLER	0	9/18/06	9/30/07	966	PBRA	85	2,400	32,400	yes	0	\$60	no											
31	C	8	3	Occ	3	TIARA DILL	4	2/3/11	2/29/12	962	PBRA	85	4,512	36,480	yes	4	\$113	no											
32	D	8	3	Occ	2	GRACIE HARVEY	213	11/21/14	11/20/15	753	PBRA	85	12,386	32,400	yes	213	\$310	no											
33	A	9	2	Occ	3	NICOLE HARRIS	0	7/23/15	7/22/16	848	PBRA	71	0	36,480	yes	0	\$0	no											
34	B	9	2	Occ	2	ADERRICA BROWN	0	12/11/15	12/10/16	848	PBRA	71	2,269	32,400	yes	0	\$57	no											
35	C	9	2	Occ	2	DONEKUA VERNER	0	3/4/16	3/3/17	848	PBRA	71	9,803	32,400	yes	0	\$245	no											







