



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

**Paradise East Apartments  
1480-1504 Bouldercrest Drive Southeast  
Atlanta, DeKalb County, Georgia**

**Effective Date: August 16, 2016  
Report Date: October 12, 2016**

*Prepared For*

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*Prepared By*

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October 12, 2016

Mr. Al Schroeder  
Vitus  
1700 Seventh Avenue  
Suite 2000  
Seattle, WA 98101

**Re: Market Study for Paradise East Apartments in Atlanta, Georgia**

Dear Mr. Schroeder:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Atlanta, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. The purpose of this market study is to assess the viability of the proposed rehabilitation of Paradise East Apartments (Subject). The Subject is an existing 176-unit Section 8 development, with 160 units currently receiving project-based subsidy, while the remaining 16 units are unrestricted market rate. Post-renovation, all of the Subject's units will be restricted to households earning at or below 60 percent AMI, with 160 units continuing to benefit from project-based subsidy. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

Respectfully submitted,  
Novogradac & Company LLP



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## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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:

The Subject consists of 176 one and two-bedroom units. Of the 176 units, 160 of the Subject's units will be restricted to households earning at or below 60 percent of the AMI with subsidies and 16 units will be restricted to seniors earning at or below 60 percent of the AMI without subsidies.

As of July 2016, the Subject is fully occupied with a waiting list of approximately 300 households. The Subject was originally constructed in 1974 and will be renovated with LIHTCs in 2018. The Subject consists of two and three-story, walk-up, garden-style buildings. The Subject also offers a community building, which houses the leasing office and community room.

The following tables summarize the Subject's proposed unit mix and unit sizes.

PROPOSED RENTS									
Unit Type	Unit Size	Number of Units	LIHTC Asking Rents	Utility Allowance (1)	Gross Asking Rents	2016 LIHTC Maximum Allowable Rent	Current Net Section 8 Contract Rents*	Proposed Net Section 8 Contract Rents	HUD Fair Market Rents
<i>Section 8/60% AMI*</i>									
1BR/1BA	725	16	\$659	\$100	\$759	\$759	\$574	\$850	\$820
2BR/1BA	853	144	\$790	\$122	\$912	\$912	\$649	\$1,000	\$949
<i>60% AMI**</i>									
1BR/1BA	725	14	\$659	\$100	\$759	\$759	N/Av	N/Av	\$820
2BR/1BA**	853	2	\$790	\$122	\$912	\$912	N/Av	N/Av	\$949
<b>Total</b>		<b>176</b>							

(1) Source of Utility Allowance was provided by HUD Section 8 Rent Schedule effective 1/1/2016

\*Tenants will pay 30 percent of income to rent, not to exceed LIHTC rent levels

\*\*Revenue generating managers units

### 2. Site Description/Evaluation:

The Subject is located in the northeastern quadrant of the Gresham Park neighborhood. Surrounding uses consist of vacant wooded land, a recreational park, houses of worship, multifamily and single-family homes. To the immediate north is Ashford East Village (a market rate comparable) and a religious center. To the immediate east of the Subject is vacant wooded land and single-family homes in generally average condition. To the immediate south are

single-family homes in average condition. To the immediate west is vacant land and Glen Emerald Park. Further west is a residential neighborhood consisting of single-family homes in average condition. Overall, the Subject has a desirable location for multifamily housing.

The Subject has frontage along the east side of Bouldercrest Road. The Subject is accessed via Bouldercrest Road, a two-lane arterial road. Bouldercrest Road connects to Interstate 20 approximately 2.5 miles northwest the Subject. Interstate 20 is a major east-west highway that runs for approximately 1,535 miles from Kent, Texas to Florence, South Carolina. Interstate 20 provides the Subject with direct access to downtown Atlanta. Overall, access to the Subject is considered good.

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

The PMA consists of the southeastern portion of Atlanta, Georgia 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 tenants at the Subject site originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 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 6.5 miles.

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

Overall population growth in the PMA was lower than the MSA and the nation from 2000 to 2010. In fact, population within the PMA actually declined during this time frame. However, total population in the PMA is projected to increase at a 0.8 percent annual rate from 2015 to 2020, a growth rate similar to that of the nation but below the MSA as a whole during the same time period. The largest age cohort in the PMA is between the ages of 30 and 34, at 9.4 percent of the population, the largest age cohort through 2020 is expected to be the 25-29 cohort with 9.1 percent of the population.

The percentage of renter-occupied households in the PMA is slightly below the percentage of owner-occupied households as of 2015. However, by 2020, the percentage share of renters will surpass the owner-occupied percentage.

The three lowest income cohorts have the highest number of households within the PMA. As of 2015, approximately 45.1 percent of households in the PMA earn less than \$29,999. This percentage is expected to increase through market entry and 2020. Incomes at the Subject will range from \$0 to \$36,840 (as proposed with subsidy), and \$26,023 to \$36,840 (for the LIHTC only units). It should be noted that the area four-person median income (AMI) in DeKalb County declined from \$69,300 in 2012 to \$64,400 in 2014, but it rebounded in 2015 to \$68,300. Additionally, the 2016 AMI declined to \$67,500 from \$68,300.

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

Total employment in the MSA has increased every year from 2005 through 2016 year-to-date, with the exception of 2008, 2009, and 2010. Through year-to-date 2016, the 1.9 percent increase in total employment in the MSA is 100 basis points lower than total employment growth on a national level, as the nation has experienced a 2.9 percent increase year-to-date. It is important to note that current employment exceeds pre-recession levels and have since 2014. In addition, the May 2016 local employment level has increased 2.7 percent from the same period in 2015.

Total unemployment figures show that the MSA's year-to-date unemployment rate is similar to the national unemployment rate. The unemployment rate as of May 2016 decreased 1.2 percentage points from May 2015. Overall, the economic outlook for the MSA is positive with total employment above pre-recessionary levels and unemployment rates decreasing consistently since 2011.

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

The following table illustrates the Subject’s capture rates. Per Georgia DCA capture rate requirements, we have not included the Subject’s project-based Section 8 subsidized units in the capture rate analysis.

CAPTURE RATE ANALYSIS CHART*										
Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR @ 60%	\$26,023-\$36,480	14	982	1	981	1.4%	1 month	\$816	\$600-\$1,125	\$659
2BR @ 60%	\$26,023-\$36,480	2	584	7	577	0.3%	0.5 month	\$960	\$700-\$1,392	\$790
Overall- 60% AMI	\$26,023-\$36,480	16	1,566	8	1,558	1.0%	-	-	-	-

\*Excludes units with project-based subsidy per GA DCA methodology

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

**7. Competitive Rental Analysis:**

The availability of LIHTC data is considered good; there are several LIHTC properties in the PMA that were selected as “true” comparables. The selected LIHTC properties are located within 3.6 miles of the Subject. The availability of market rate data is considered good as there are numerous market rate properties that are located within the PMA. We have included six market rate properties in the rental analysis within 4.7 miles of the Subject, five of which are located within the PMA. These comparable market rate properties were built between 1964 and 2004, and the oldest properties were renovated between 1996 and 2013. These projects offer a mix of one, two, and three-bedroom units. As illustrated, vacancy rates in the market range from zero to 3.8 percent, with an overall average of 1.6 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 1.7 percent, with a low average vacancy rate of just 0.5 percent. The market rate comparables have vacancy rates ranging from zero to 3.8 percent. The average market rate vacancy rate is 2.5 percent, indicating a stable market for market rate units. According to the Subject’s historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.1 to 2.6 percent over the past two years. As such, we believe the Subject will continue to operate with a physical vacancy rate inclusive of collection loss of 4.0 percent or less, which is in line with the historical data and comparable properties. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as the Subject is an existing affordable property. Additionally, the LIHTC comparables surveyed reported significant demand for

affordable housing in the local market and the proposed renovations at the Subject will improve existing low-income housing stock.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers only 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the 60 percent AMI and lower AMI levels, we have not included the lower AMI level 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 below in comparison with proposed LIHTC and Section 8 rents for the Subject.

<b>SUBJECT COMPARISON TO MARKET RENTS</b>						
<b>Unit Type</b>	<b>Subject's Proposed Rents</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Achievable Market Rents</b>	<b>Subject Rent Advantage</b>
1BR/1BA- Section 8	\$850	\$600	\$1,125	\$816	\$850	0%
2BR/1BA - Section 8	\$1,000	\$700	\$1,392	\$960	\$1,000	0%
1BR/1BA - LIHTC	\$659	\$600	\$1,125	\$816	\$850	22%
2BR/1BA - LIHTC	\$790	\$700	\$1,392	\$960	\$1,000	21%

The Subject’s proposed LIHTC one and two-bedroom rents are below the surveyed average market rents, but within the range of the comparables. The Subject’s proposed Section 8 one and two-bedroom rents are slightly above the surveyed average, but within the range of the comparables.

Broadway at East Atlanta is the most similar market rate property and it is 97.5 percent occupied. The Subject will offer slightly inferior in-unit and similar property amenities to Broadway at East Atlanta. The Subject will be in similar condition upon completion of renovations, as Broadway at East Atlanta was built in 1976 and was renovated in 2015 and is in good condition. Broadway at East Atlanta offers similar to slightly superior unit sizes. The Subject’s proposed Section 8 rents are similar to the rents being achieved at Broadway at East Atlanta.

The Subject is most similar to The Square at Peoplestown and Vineyards of Flat Shoals Apartments in terms of design, unit types offered, square footages for one and two-bedroom units, and location. The Square at Peoplestown was built in 1999; as such, it will exhibit slightly inferior condition to the renovated Subject. The Square at Peoplestown is located approximately 3.6 miles northwest of the Subject, and is in an inferior location. The Square at Peoplestown offers slightly superior in-unit amenities, similar common area amenities, and inferior security features relative to those proposed at the Subject. This comparable also has similar to slightly inferior unit sizes relative to the Subject. Taking into account the differences and similarities between this property and the Subject, we believe the renovated Subject would be able to achieve similar to slightly superior rents than The Square at Peoplestown.

Vineyards of Flat Shoals Apartments was built in 1966 and renovated in 2007 and will be in slightly inferior condition to the renovated Subject. Vineyards of Flat Shoals Apartments is located approximately one mile northeast of the Subject, in a similar location. Vineyards of Flat Shoals Apartments offers slightly superior in-unit amenities and common area amenities relative to those proposed at the Subject. This comparable has similar unit sizes relative to the Subject. Taking into account the differences and similarities between this property and the Subject, we believe the renovated Subject would be able to achieve higher rents than Vineyards of Flat Shoals Apartments.

The comparable LIHTC properties are considered generally similar to slightly inferior to the Subject. As such, 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.

Overall, we believe that rents slightly above the Subject's proposed rents are achievable and that the Subject will offer a significant value in the market. This is further illustrated by the rental advantages of 21 to 22 percent that the Subject's LIHTC rents will have over the average market rents. We believe that the Subject will be able to maintain a vacancy rate of four percent or less post-renovation. We believe the Subject will be supportable

following renovation and will not adversely impact other low-income housing options in the PMA.

**8. Absorption/Stabilization**

**Estimate:**

We were able to obtain absorption information from three of the comparable properties, illustrated in the table.

ABSORPTION					
Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Columbia Mill	LIHTC	Family	2014	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Retreat At Edgewood	LIHTC	Family	2011	100	20

As per DCA guidelines, we have calculated the absorption at comparables as the time necessary to achieve 93 percent occupancy. Columbia Mill, the most recently constructed LIHTC comparable, opened in 2014 and stabilized within five months, equating to an absorption rate of 20 units per month, similar to the absorption period/rate experienced at Retreat at Edgewood. Retreat at Edgewood Phase II, a LIHTC/market rate comparable constructed in 2012, experienced an absorption rate of 12 units per month, equating to an absorption period of approximately three and a half months. According to the developer, renovations will occur with tenants in-place. As such, this situation is purely hypothetical, considering all of tenants will remain at the Subject during the course of the renovations. However, if the Subject were to require re-tenanting all the units, we estimate that the Subject would be able to achieve stabilized occupancy of 93 percent within eight to nine months, or an average monthly absorption pace of 20 units.

According to the developer, renovations will occur with tenants in-place with the exception of ADA tenants, who will be relocated to a nearby hotel until work is completed on those units. As such, this situation is purely hypothetical, considering the majority of tenants will remain at the Subject during the course of the renovations.

**9. Overall Conclusion:**

Based upon our market research of comparables, our inspection of each Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject as proposed following renovations. The Subject will have 176 total units, all of which will be restricted to households earning

60 percent of AMI or less. Furthermore, 160 of these units will continue to benefit from project-based Section 8 subsidy, making the Subject one of the most affordable options for low-income families in the area. The LIHTC comparables are performing well, with a weighted vacancy rate of 0.5 percent. The proposed affordable rents are below almost all of the rents at the LIHTC and market rate comparables. This suggests that even if rents at the Subject were not subsidized, the proposed rents would be achievable in the open market. Nonetheless, with the proposed rental assistance, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The capture rates for the Subject are all considered achievable and are within the capture rate thresholds for GA DCA LIHTC application projects. We believe that the Subjects will maintain a vacancy rate of five percent or less following stabilization. We have no recommended changes to the project concept at this time.

**Paradise East Apartments, Atlanta, GA; Market Study**

**Summary Table:**

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

Development Name:	<b>Paradise East Apartments</b>	Total # Units:	<b>176</b>
Location:	1480-1504 Bouldercrest Road Atlanta, DeKalb County, GA 30316	# LIHTC Units:	<b>176</b>
PMA Boundary:	North: Ponce De Leon Avenue NE/Route 278; East: The Perimeter/Route 285; South: Route 285; and West: Jonesboro Road SE, Route 75 Farthest Boundary Distance to Subject: <b>6.5 miles</b>		

**Rental Housing Stock (found on pages 1, 4 and 52)**

Type	# Properties	Total Units*	Vacant Units*	Average Occupancy
All Rental Housing	63	9,840	152	96.9%
Market-Rate Housing	13	2,418	147	93.9%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	16	2,380	41	98.3%
<b>LIHTC</b>	26	4,043	60	98.5%
Stabilized Comps	12	1,542	36	97.7%
Properties in Construction & Lease Up	1	176	57	67.6%

\*Only includes properties reporting data

Subject Development					Average Market Rent			Highest Unadjusted Market Rate Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
160	1BR	1	725	\$659	\$816	\$1.13	19%	\$1,125	\$1.38
16	2BR	1	853	\$790	\$960	\$1.13	18%	\$1,392	\$1.18

**Demographic Data (found on pages 35, 55, and 116)**

	2010		2015		Market Entry 2018	
Renter Households	34,527	49.5%	39,469	52.4%	40,665	47.7%
Income-Qualified Renter HHs (LIHTC)	4,737	13.72%	5,415	13.72%	5,579	13.72%

**Targeted Income-Qualified Renter Household Demand (found on page 56)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall Tax Credit
Renter Household Growth	N/Ap	N/Ap	164	N/Ap	N/Ap	164
Existing Households (Overburdened + Substandard)	N/Ap	N/Ap	1,839	N/Ap	N/Ap	1,839
Homeowner conversion (Seniors)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
<b>Total Primary Market Demand</b>	N/Ap	N/Ap	2,003	N/Ap	N/Ap	7,732
Less Comparable/Competitive Supply	N/Ap	N/Ap	8	N/Ap	N/Ap	69
<b>Adjusted Income-qualified Renter HHs**</b>	N/Ap	N/Ap	1,995	N/Ap	N/Ap	<b>1,995</b>

**Capture Rates (found on page 57-58)**

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall Tax Credit
Capture Rate:	N/Ap	N/Ap	1.00%	N/Ap	N/Ap	1.00%

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

**Project Address and Development Location:**

The Subject is located at 1480-1504 Bouldercrest Road Southeast in Atlanta, Dekalb County, Georgia 30316.

**Unit Mix:**

The Subject consists of 176 one and two-bedroom units. Of the 176 units, 160 of the Subject’s units will be restricted to households earning at or below 60 percent of the AMI with subsidies and 16 units will be restricted to seniors earning at or below 60 percent of the AMI without subsidies. The Subject’s proposed unit mix is detailed in the following table.

PROPOSED RENTS									
Unit Type	Unit Size	Number of Units	LIHTC Asking Rents	Utility Allowance (1)	Gross Asking Rents	2016 LIHTC Maximum Allowable Rent	Current Net Section 8 Contract Rents*	Proposed Net Section 8 Contract Rents	HUD Fair Market Rents
<i>Section 8/60% AMI*</i>									
1BR/1BA	725	16	\$659	\$100	\$759	\$759	\$574	\$850	\$820
2BR/1BA	853	144	\$790	\$122	\$912	\$912	\$649	\$1,000	\$949
<i>60% AMI**</i>									
1BR/1BA	725	14	\$659	\$100	\$759	\$759	N/Av	N/Av	\$820
2BR/1BA**	853	2	\$790	\$122	\$912	\$912	N/Av	N/Av	\$949
<b>Total</b>		<b>176</b>							

(1) Source of Utility Allowance was provided by HUD Section 8 Rent Schedule effective 1/1/2016

\*Tenants will pay 30 percent of income to rent, not to exceed LIHTC rent levels

\*\*Revenue generating managers units

**Construction Type:**

The Subject was originally constructed in 1974 and is proposed to be renovated with LIHTC funding. The Subject consists of two and three-story garden-style walk-up buildings. The Subject also offers a community building, which houses the leasing office and community room. All buildings have brick and vinyl exteriors and pitched roofs.

**Target Population and Occupancy Type:**

The Subject will target households ranging in size from one to three persons. Based on the proposed unit mix and rent levels, incomes at the Subject will range from \$0 to \$36,840 (as proposed with subsidy), and \$26,023 to \$36,840 (for the LIHTC-only units).

**Special Population Target:** None

**Existing or Proposed**

**Project Based Rental Assistance:** The Subject currently operates with project-based Section 8 subsidy that covers 160 of its 176 total units. Post-renovation, these 160 units will continue to benefit from project-based Section 8 subsidy.

**Proposed Unit Amenities:** The Subject offers blinds, carpeting, central A/C, ceiling fans, walk-in closets, ovens, and refrigerators in the units. Post-renovation, in-unit amenities will remain the same.

**Proposed Development Amenities:** The Subject offers a community room, central laundry, off-street parking, on-site management, and a playground. Post-renovation, common area amenities will remain the same.

Property Profile Report												
Paradise East Apartments												
<b>Location</b>	1480-1504 Bouldercrest Drive SE Atlanta, GA 30316 DeKalb County County											
<b>Units</b>	176											
<b>Vacant Units</b>	0											
<b>Vacancy Rate</b>	0.0%											
<b>Type</b>	Garden (2 & 3 stories)											
<b>Year Built / Renovated</b>	1974 / Proposed											
Market												
<b>Program</b>	LIHTC, Section 8				<b>Leasing Pace</b>		Within one week					
<b>Annual Turnover Rate</b>	13%				<b>Change in Rent (Past Year)</b>		Increased					
<b>Units/Month Absorbed</b>	n/a				<b>Concession</b>		None					
<b>Section 8 Tenants</b>	0%											
Utilities												
<b>A/C</b>	not included -- central				<b>Other Electric</b>		not included					
<b>Cooking</b>	not included -- gas				<b>Water</b>		included					
<b>Water Heat</b>	not included -- gas				<b>Sewer</b>		included					
<b>Heat</b>	not 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?	Range
1	1	Garden (3 stories)	14	725	\$659	\$0	@60%	Yes	0	0.00%	yes	
1	1	Garden (3 stories)	16	725	\$850	\$0	@60% (Section 8)	Yes	0	0.00%	no	
2	1	Garden (3 stories)	2	853	\$790	\$0	@60%	Yes	0	0.00%	yes	
2	1	Garden (3 stories)	144	853	\$1,000	\$0	@60% (Section 8)	Yes	0	0.00%	no	
Amenities												
<b>In-Unit</b>	Blinds Carpet/Hardwood Central A/C Coat Closet Ceiling Fan Oven Refrigerator Walk-In Closet				<b>Security</b>		Patrol Perimeter Fencing					
<b>Property</b>	Clubhouse/Meeting Room/Community Room Central Laundry Off-Street Parking On-Site Management Playground				<b>Premium</b>		none					
<b>Services</b>	none				<b>Other</b>		none					
Comments												
<p>The property consists of eight two and three-story garden-style buildings. The property currently consists of 176 units, 160 of which receive project-based Section 8 subsidy while the remaining units are currently market rate. The property maintains a waiting list consisting of over 300 households. The development is proposed for renovation with LIHTCs. Post-renovation all units will be restricted at 60 percent of the AMI and 160 units will continue to receive Section 8 subsidies. The rents reflected in the profile are the proposed rents.</p>												

**Scope of Renovations:**

The total rehabilitation hard costs are expected to be \$7,195,003 or approximately \$40,881 per unit. The proposed cost includes the substantial rehabilitation of the 176 existing units. The scope of the renovations will include, but are not limited to, the following unit upgrades:

- New roofs
- New windows
- New siding
- Site improvements (landscaping, benches, playground equipment, signage, bike racks, asphalt repair, lighting, sidewalks, and power wash buildings)
- New hot water heaters
- New cabinets and countertops
- New appliances (refrigerator and oven)
- New vinyl flooring and tile
- Paint and fixtures throughout
- Bathroom fixtures (tub enclosures, sinks, soap dish, medicine cabinet, etc.)
- ADA improvements
- Electrical upgrades

**Current Rents:**

The following table analyzes the Subject’s June 29, 2016 rent roll.

RENT ROLL ANALYSIS						
Unit Type	Number of Units	Occupied Units	Occupancy Rate	Highest Tenant Paid Rent	Lowest Tenant Paid Rent	Average Paid Rent
1BR/1BA Market	14	14	100.0%	\$432	\$372	\$401
1BR/1BA Section 8	30	30	100.0%	\$400	\$0	\$203
2BR/1BA Market	2	2	100.0%	\$500	\$500	\$500
2BR/1BA Section 8	146	146	100.0%	\$639	\$0	\$89

Based on the June 29, 2016 rent roll, the average Section 8 tenant is paying approximately 11 to 31 percent of the proposed LIHTC rents, while the average paid rent in the unrestricted units are 61 to 63 percent. None of the unrestricted units are occupied by voucher tenants.

**Current Occupancy:**

Management reported occupancy is typically 100 percent for the property. As of July 2016, the property is currently fully occupied, according to the property manager. The Subject currently operates with a waiting list for all of their

units of approximately 300 households according to management.

**Current Tenant Income:** An income audit was not available at the time of this report.

**Placed in Service Date:** January 2018.

**Conclusion:** The Subject will be newly renovated and in good condition. Based on our review of the site and building plans, 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:**

Brian Neukam inspected the Subject on August 16, 2016.

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

*Frontage:*

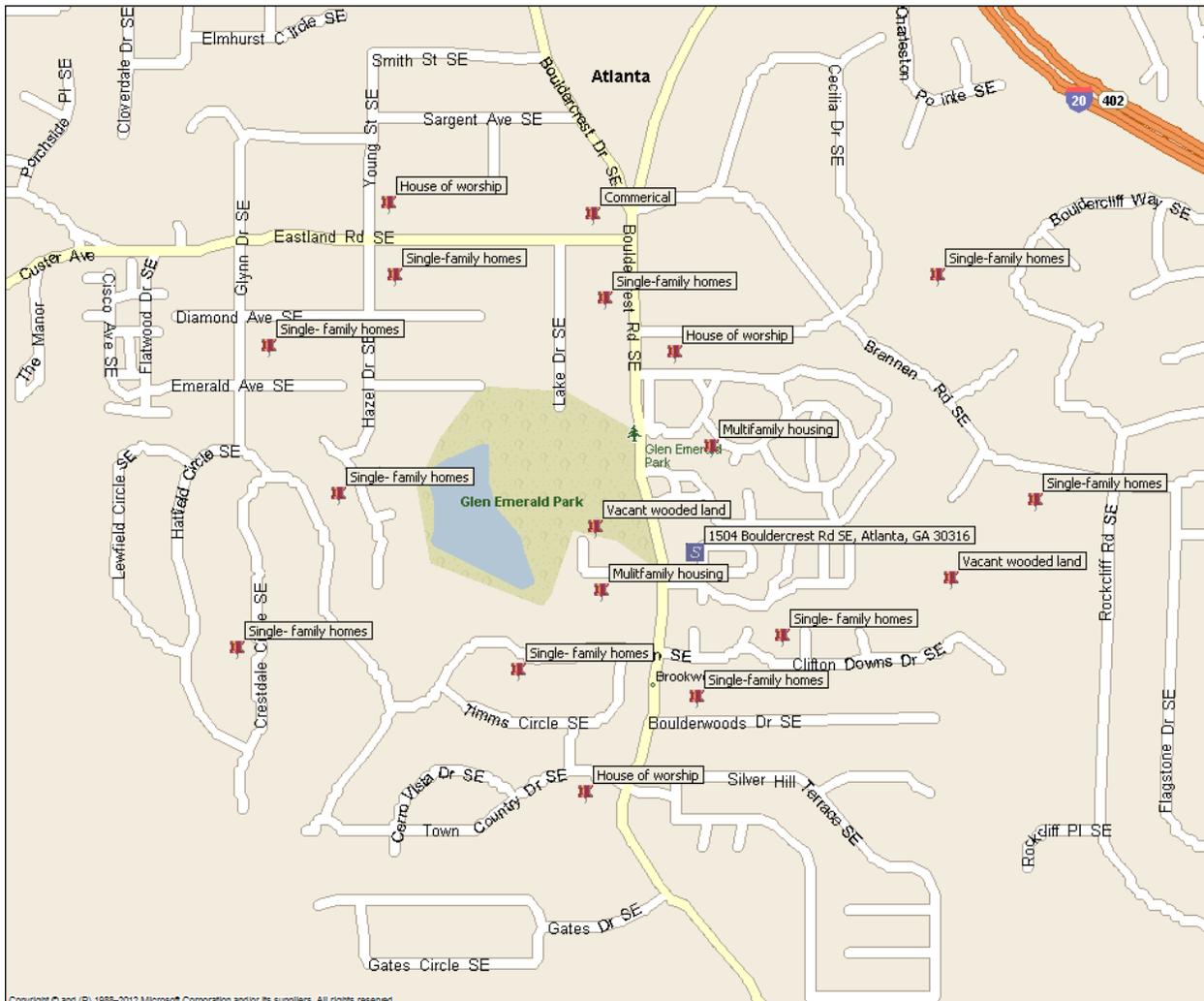
The Subject site has frontage along the east side of Bouldercrest Road SE.

*Visibility/Views:*

The Subject has good visibility from Bouldercrest Road Southeast. Views from the Subject site are of multifamily developments, vacant land, religious centers, and Glen Emerald Park. Overall, views are considered good.

*Surrounding Uses:*

The following map and pictures illustrate the surrounding land uses.



Surrounding uses consist of wooded land, a recreational park, houses of worship, multifamily and single-family homes. To the immediate north is Ashford East Village (a market rate comparable) and a religious center. To the immediate east of the Subject is vacant wooded land and single-family homes. To the immediate south are single-family homes. To the immediate west is vacant land and Glen Emerald Park. Further west is a residential neighborhood consisting of small lot single-family homes. Overall, the Subject's immediate neighborhood is mixed in nature. The Subject site is located in the northeastern quadrant of the Gresham Park neighborhood. Overall, the Subject has a desirable location for multifamily housing.

*Positive/Negative Attributes of Site:* We did not witness any negative attributes during our field work.

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

The Subject is located within two miles or less of the vast majority of locational amenities. Below is an aerial photograph of the Subject site.



4. Pictures of Site and Adjacent Uses



*Subject's exterior*



*Subject's exterior*



*Subject's exterior*



*Subject's exterior*



*Subject's exterior*



*Subject's exterior*



*Typical kitchen*



*Typical living room*



*Typical bedroom*



*Typical bathroom*



*Typical kitchen*



*Typical living room*



*Typical bathroom*



*Typical bedroom closet*



*Subject's mailboxes*



*Typical laundry space*



*Subject's playground*



*Subject's leasing office*



*Multifamily comparable (market rate) to the north*



*Multifamily (market rate) to the west*



*Park to the north*



*Gas station to the north*



*Single-family to the south*



*Single-family in Subject's neighborhood*



*Single-family in Subject's neighborhood*



*Single-family in Subject's neighborhood*



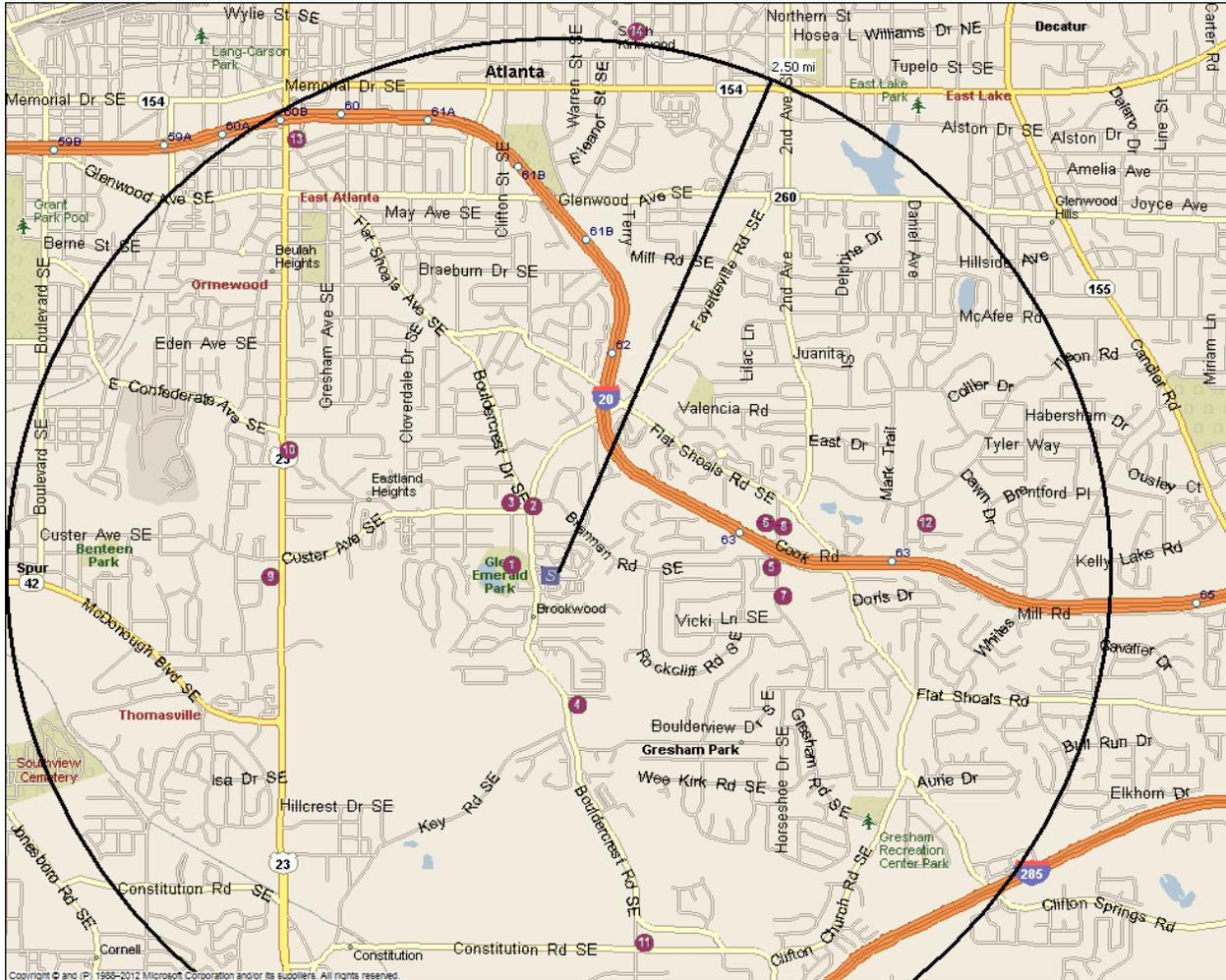
*Retail center to the east*



*McNair High School to the south*

**5. Proximity to Locational Amenities:**

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



LOCALATIONAL AMENITIES			
Map #	Service or Amenity	Name	Distance from Subject
1	Park	Glen Emerald Park	0.2 miles
2	Elementary School	Burgess Elementary School	0.2 miles
3	Gas Station	Texco Atlanta	0.2 miles
4	High School	McNair High School	0.6 miles
5	Pharmacy	Buy- Rite Pharmacy	1.0 mile
6	Major Retail	Walmart	1.0 mile
7	Hospital	Southside Medical Center	1.1 miles
8	Library	Gresham Library	1.1 miles
9	Bank	Wells Fargo Bank	1.3 miles
10	Grocery	Kroger	1.3 miles
11	Fire	Dekalb County Fire Station 10	1.7 miles
12	Middle School	McNair Middle School	1.8 miles
13	Post Office	US Post Office	2.4 miles
14	Police	Atlanta Police Department Zone 6	2.6 miles

**6. Description of Land Uses:**

The Subject is located in the northeastern quadrant of the Gresham Park neighborhood. Surrounding uses consist of vacant wooded land, a recreational park, houses of worship, multifamily and single-family homes. To the immediate north is Ashford East Village (a market rate comparable) and a religious center. To the immediate east of the Subject is vacant wooded land and single-family homes in generally average condition. To the immediate south are single-family homes in average condition. To the immediate west is vacant land and Glen Emerald Park. Further west is a residential neighborhood consisting of single-family homes in average condition. Overall, the Subject has a desirable location for multifamily housing.

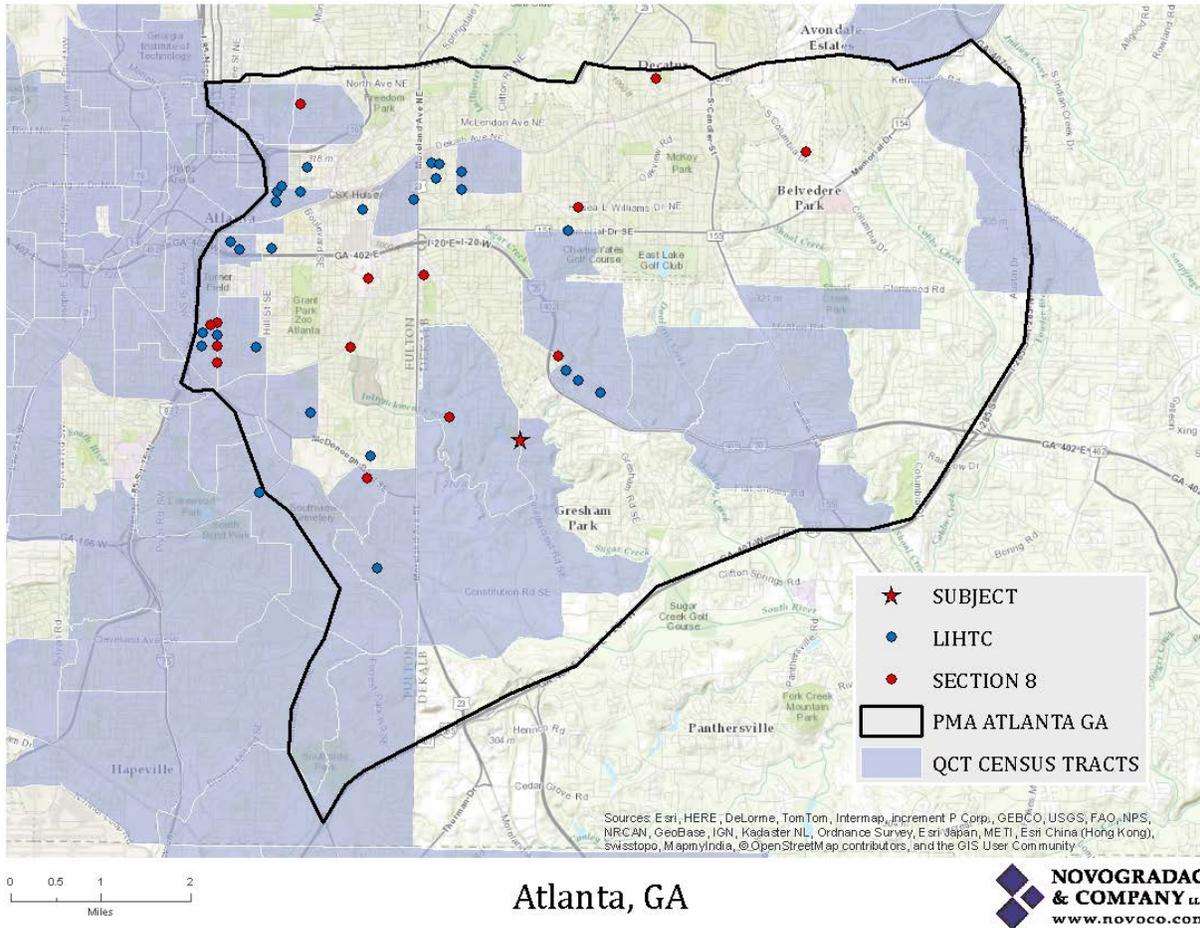
**7. Existing Assisted Rental Housing**

**Property Map:**

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

ASSISTED RENTAL HOUSING PROPERTIES

Property Name	Address	Type	Tenancy	Map Color	Included/Excluded	Reason for Exclusion
Paradise East Apartments	1480 -1504 Bouldercrest Drive SE		Family	Red Star		
Columbia Mill	2239 Flat Shoals Road SE	LIHTC	Family	Blue	Included	Not Applicable
Vineyards at Flatshoals Apartments	2125 Flat Shoals Road SE	LIHTC/Market	Family		Included	Not Applicable
Retreat at Edgewood	150 Hutchinson Street NE	LIHTC	Family		Included	Not Applicable
The Station at Richmond Hill	1770 Richman Circle SE	LIHTC/Market	Family		Included	Not Applicable
Retreat at Edgewood Phase II	37 Hutchinson Street NE	LIHTC/Market	Family		Included	Not Applicable
The Square At Peoplestown	875 Hank Aaron Drive	LIHTC	Family		Included	Not Applicable
Auburn Glenn Apts	49 Boulevard SE	LIHTC	Family		Excluded	Subsidized
Capitol Gateway, Phase II	43 Woodward Avenue SE	LIHTC	Family		Excluded	Dissimilar units
Columbia at Peoplestown	222 Tuskegee Street SE	LIHTC	Family		Excluded	Could not contact
Columbia Senior Residence At MLK	125 Logan Street SE	LIHTC	Senior		Excluded	Dissimilar tenancy
Columbia Senior Residences at Edgewood	1281 Caroline Street NE	LIHTC	Senior		Excluded	Dissimilar tenancy
Columbia Tower at MLK Village	380 Martin Street SE	LIHTC	Family		Excluded	Dissimilar units
Constitution Avenue	960 Constitution Road SE	LIHTC	Family		Excluded	Could not contact
Courtyards at Glenview	2035 Memorial Drive SE	LIHTC	Family		Excluded	Could not contact
Reynoldstown Commons	1124 Wylie Street	LIHTC	Family		Excluded	Could not contact
Grant Park Apts	548 Burroughs Street SE	LIHTC	Family		Excluded	Could not contact
Grant Park Commons	1940 Fisher Road SE	LIHTC	Family		Excluded	Could not contact
Highlands at East Atlanta	2051 Flat Shoals Road SE	LIHTC	Family		Excluded	Could not contact
Henderson Place Apartments	514 Irwin ST NE	LIHTC	Family		Excluded	Dissimilar units
Oakland Court Apts	97 Sanderson Street NE	LIHTC	Family		Excluded	Could not contact
Columbia Park Citi	166 Marion Plane NE	LIHTC	Family		Excluded	Dissimilar units
Patterson Heights	876 Washington Street SW	LIHTC	Family		Excluded	Dissimilar number of units
Veranda at Auburn Point	115 Hillard Street SE	LIHTC	Senior		Excluded	Dissimilar tenancy
Veranda at Auburn Point, Phase II	115 Hillard Street SE	LIHTC	Senior		Excluded	Dissimilar tenancy
Veranda at Auburn Point, Phase III	315 Tanner Street SE	LIHTC	Senior		Excluded	Dissimilar tenancy
Washington Heights	954 Washington Street SW	LIHTC	Family		Excluded	Dissimilar number of units
Mountain Park	1381 Custer Avenue	Market/Section 8	Family		Excluded	Subsidized
Marcus Street Residences	810 Marcus Street SE	LIHTC/Section 8	Family		Excluded	Subsidized
O'hem House - Project Peoples PLACE	16 WM Holmes Borders Drive NE	LIHTC/Section 8	Family		Excluded	Subsidized
Reynoldstown Senior Apartments	810 Marcus Street	LIHTC/HUD 202	Senior		Excluded	Subsidized
Branan Towers	1200 Glennwood Avenue SE	Section 8	Senior		Excluded	Subsidized
Presley Woods	265 Kirkwood Raod NE	PSH/Section 8	Family		Excluded	Subsidized
The Safety Net	2045 Graham Circle	PBRA	Family	Excluded	Subsidized	
Trestletree Village Apts	970 Conferate Avenue SE	Section 8	Family	Excluded	Subsidized	
Oakwood Glen	Glennwood Ave SE & Chester Avenue SE	PBRA	Family	Excluded	Subsidized	
Bedford Pine Apartments I - V	496 Boulevard, NE	Section 8	Family	Excluded	Subsidized	
Boyton Village Apartments	1044 Capitol Avenue SE	Section 8	Senior	Excluded	Subsidized	
Capitol Avenue School	811 Hank Aaron Drive, SW	Section 8	Senior	Excluded	Subsidized	
Capitol Towers	830 Crew Street SW	Section 8	Senior	Excluded	Subsidized	
Capitol Vanira Apartments	942 Capitol Avenue	Section 8	Family	Excluded	Subsidized	
Forest Cove Apartments	900 New Town Circle	Section 8	Family	Excluded	Subsidized	
Community Housing Inc.	1179 Russell Drive	Section 8	Senior	Excluded	Subsidized	
Park Trace Apartments	700 Atlanta Avenue	Section 8	Senior	Excluded	Subsidized	
Presley Woods Apartments	265 Kirkwood Raod NE	Section 8	Family	Excluded	Subsidized	
Wheat Street Towers	375 Auburn Avenue	Section 8	Senior	Excluded	Subsidized	



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

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

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

The Subject is accessed via Bouldercrest Road, a two-lane arterial road. Bouldercrest Road connects to Interstate 20 approximately 2.5 miles northwest the Subject. Interstate 20 is a major east-west highway that runs for approximately 1,535 miles from Kent, Texas to Florence, South Carolina. Interstate 20 provides the Subject with direct access to downtown Atlanta. Overall, access to the Subject is considered good.

**10. Environmental Concerns:**

None visible upon site inspection of the Subject site.

**11. Conclusion:**

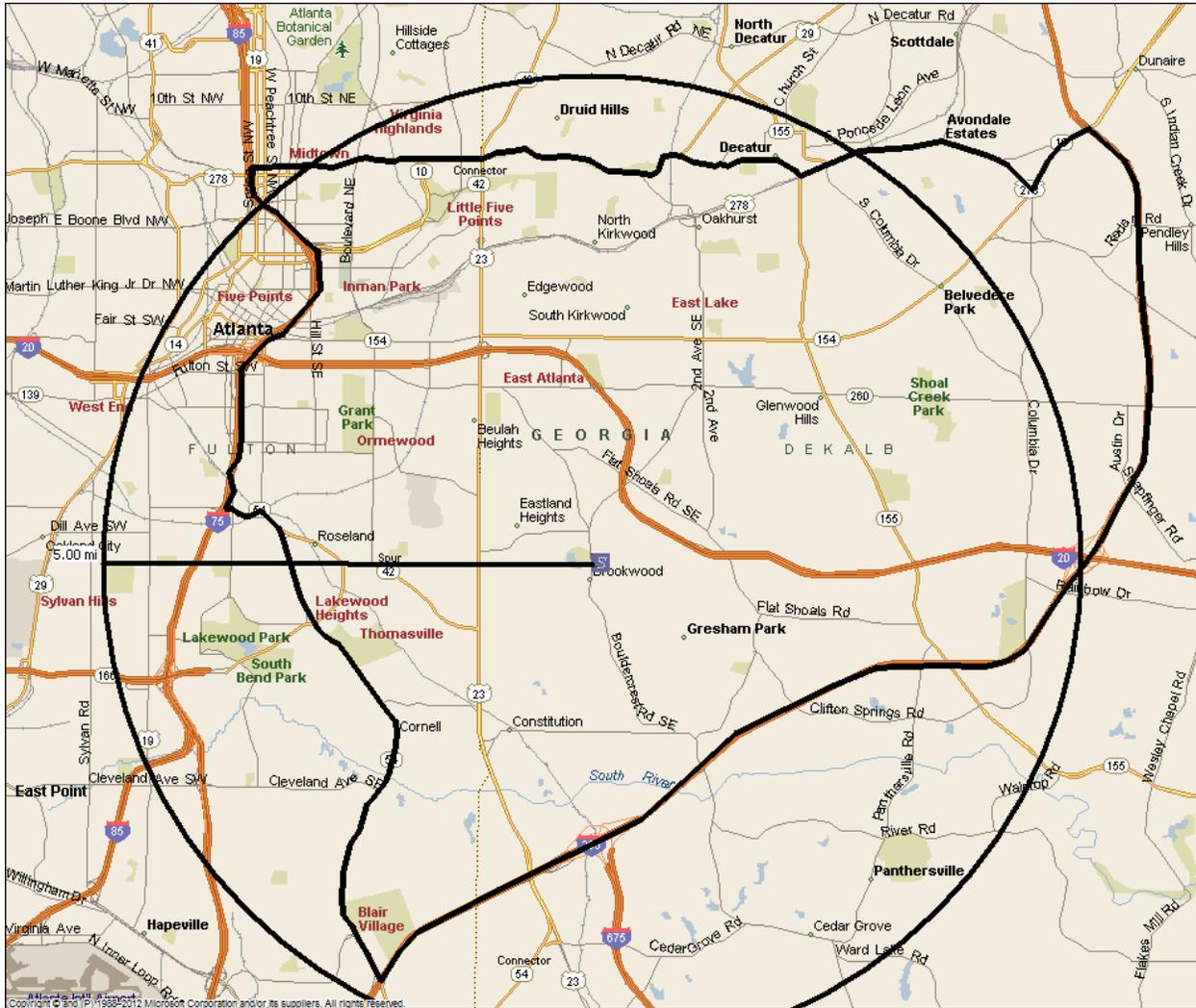
The Subject will be compatible with the existing surroundings. No detrimental influences were identified in the immediate neighborhood. The Subject is physically capable of supporting a variety of legally permissible uses, and is considered an adequate building site.

## **D. MARKET AREA**

**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 Subject sites 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**



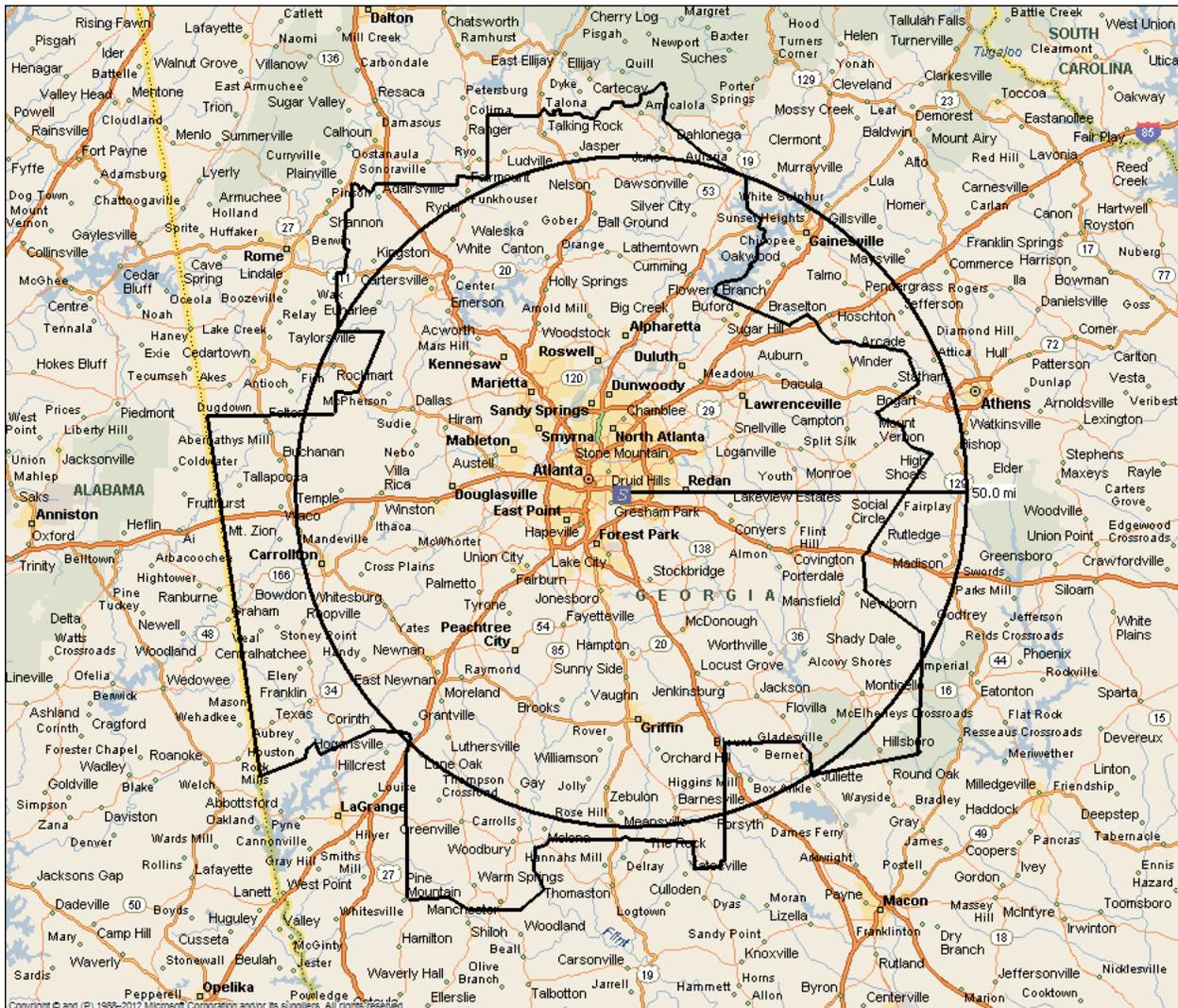
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Sandy Springs-Roswell, Georgia MSA are areas of growth or contraction.

The boundaries of the PMA are as follows and includes the neighborhoods of Gresham Park, East Atlanta, and Belvedere Park and includes a portion of DeKalb and Fulton Counties:

North – Ponce De Leon Ave, Route 278, West Trinity Place, Memorial Drive  
 East – Interstate 285  
 South – Interstate 285  
 West- Jonesboro Road Southeast, McDonough Boulevard, University Avenue, Interstate 75/85

The PMA consists of the southeastern portion of Atlanta, Georgia 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 tenants at the Subject site originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 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 6.5 miles.

For comparison purposes, the secondary market area (SMA) for the Subject is considered to be the Atlanta-Sandy Springs-Roswell, Georgia MSA. Following is a map of the SMA.



## **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

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

### 1. Population Trends

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

TOTAL POPULATION						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	191,068	-	4,263,438	-	281,421,906	-
2010	173,942	-0.9%	5,286,728	2.4%	308,745,538	1.0%
2015	178,382	0.5%	5,527,230	0.9%	318,536,439	0.6%
Projected Mkt Entry January 2018	182,148	0.8%	5,689,974	1.2%	324,579,507	0.8%
2020	185,914	0.8%	5,852,718	1.2%	330,622,575	0.8%

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

POPULATION BY AGE GROUP					
Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry January 2018	2020
0-4	13,741	12,159	11,502	11,608	11,713
5-9	14,535	9,581	10,852	10,694	10,536
10-14	13,440	8,449	9,143	9,736	10,329
15-19	13,264	9,759	9,265	9,509	9,753
20-24	15,456	13,441	12,863	12,690	12,516
25-29	18,459	17,518	15,854	16,399	16,943
30-34	17,856	17,169	16,705	16,419	16,132
35-39	16,516	15,625	15,530	15,564	15,598
40-44	14,882	13,216	13,823	13,893	13,962
45-49	13,247	12,116	12,388	12,783	13,178
50-54	11,514	10,931	11,304	11,401	11,498
55-59	7,791	9,919	10,364	10,539	10,713
60-64	6,021	8,660	9,157	9,451	9,744
65-69	4,605	5,704	7,831	8,033	8,234
70-74	3,678	3,848	5,004	5,836	6,667
75-79	2,681	2,562	3,176	3,641	4,105
80-84	1,857	1,757	1,920	2,138	2,356
85+	1,524	1,528	1,702	1,819	1,935
<b>Total</b>	<b>191,067</b>	<b>173,942</b>	<b>178,383</b>	<b>182,148</b>	<b>185,912</b>

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

Overall population growth in the PMA was lower than the MSA and the nation from 2000 to 2010. In fact, population within the PMA actually declined during this time frame. However, total population in the PMA is projected to increase at a 0.8 percent annual rate from 2015 to 2020, a growth rate similar to that of the nation but below the MSA as a whole during the same time period. The largest age cohort in the PMA is between the ages of 30 and 34, at 9.4 percent of the population, the largest age cohort through 2020 is expected to be the 25-29 cohort with 9.1 percent of the population.

## 2. Household Trends

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

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

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	70,316	-	1,559,712	-	105,480,101	-
2010	72,547	0.3%	1,943,885	2.5%	116,716,292	1.1%
2015	75,428	0.8%	2,033,479	0.9%	120,746,349	0.7%
Projected Mkt Entry January 2018	77,473	1.1%	2,094,756	1.2%	123,111,956	0.8%
2020	79,517	1.1%	2,156,032	1.2%	125,477,562	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, July 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	2.59	-	2.68	-	2.59	-
2010	2.26	-1.3%	2.68	0.0%	2.58	-0.1%
2015	2.23	-0.3%	2.68	0.0%	2.57	0.0%
Projected Mkt Entry January 2018	2.22	-0.2%	2.68	0.0%	2.57	0.0%
2020	2.21	-0.2%	2.67	0.0%	2.57	0.0%

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

The average household size in the PMA, at 2.23, is slightly smaller than the average household sizes in the MSA and nation. The Subject will offer one and two-bedroom units targeted to singles, couples, and small families. The average household size in the PMA bodes well for the Subject's unit mix.

## 2b. Households by Tenure

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

TENURE PATTERNS PMA – TOTAL POPULATION				
Year	Owner-Occupied Units	Percentage		Percentage Renter-Occupied
		Owner-Occupied	Renter-Occupied Units	
2010	34,821	49.5%	35,495	50.5%
2015	38,020	52.4%	34,527	47.6%
Projected Mkt Entry January 2018	35,959	47.7%	39,469	52.3%
2020	36,808	47.5%	40,665	52.5%

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

TENURE PATTERNS MSA – TOTAL POPULATION				
Year	Owner-Occupied Units	Percentage		Percentage Renter-Occupied
		Owner-Occupied	Renter-Occupied Units	
2010	1,041,714	66.8%	517,998	33.2%
2015	1,285,066	66.1%	658,819	33.9%
Projected Mkt Entry January 2018	1,273,734	62.6%	759,745	37.4%
2020	1,310,837	62.6%	783,919	37.4%

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

The percentage of renter-occupied households in the PMA is slightly below the percentage of owner-occupied households as of 2015. However, by 2020, the percentage share of renters will surpass the owner occupied percentage.

## 2c. Households by Income

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

HOUSEHOLD INCOME DISTRIBUTION - PMA								
Income Cohort	2010		2015		Projected Mkt Entry January 2018		2020	
	#	%	#	%	#	%	#	%
\$0-9,999	8,652	11.9%	12,155	16.1%	13,116	16.9%	14,078	17.7%
\$10,000-19,999	9,044	12.5%	11,513	15.3%	12,285	15.9%	13,057	16.4%
\$20,000-29,999	8,559	11.8%	10,363	13.7%	10,983	14.2%	11,603	14.6%
\$30,000-39,999	6,752	9.3%	7,394	9.8%	7,643	9.9%	7,892	9.9%
\$40,000-49,999	6,837	9.4%	6,345	8.4%	6,535	8.4%	6,724	8.5%
\$50,000-59,999	5,556	7.7%	5,326	7.1%	5,271	6.8%	5,216	6.6%
\$60,000-74,999	6,934	9.6%	6,194	8.2%	6,095	7.9%	5,997	7.5%
\$75,000-99,999	7,007	9.7%	6,273	8.3%	6,176	8.0%	6,079	7.6%
\$100,000-124,999	4,773	6.6%	3,784	5.0%	3,590	4.6%	3,396	4.3%
\$125,000-149,999	2,677	3.7%	1,887	2.5%	1,835	2.4%	1,784	2.2%
\$150,000-199,999	2,985	4.1%	2,598	3.4%	2,405	3.1%	2,211	2.8%
\$200,000+	2,771	3.8%	1,596	2.1%	1,538	2.0%	1,480	1.9%
<b>Total</b>	<b>72,547</b>	<b>100.0%</b>	<b>75,428</b>	<b>100.0%</b>	<b>77,473</b>	<b>100.0%</b>	<b>79,517</b>	<b>100.0%</b>

Source: Ribbon Demographics 2015, Novogradac & Company LLP, July 2016

The three lowest income cohorts have the highest number of households within the PMA. As of 2015, approximately 45.1 percent of households in the PMA earn less than \$29,999. This percentage is expected to increase through market entry and 2020. Incomes at the Subject will range from \$0 to \$36,840 (as proposed with subsidy), and \$26,023 to \$36,840 (for the LIHTC only units). The large percentage of households in this income cohort (\$29,999 or less) is a positive indication of demand for the Subject's units.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA										
	2000		2010		2015		Projected Mkt Entry January 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	12,339	34.8%	14,412	41.7%	17,302	43.8%	18,089	44.5%	18,876	45.1%
With 2 Persons	8,973	25.3%	8,930	25.9%	10,148	25.7%	10,433	25.7%	10,718	25.6%
With 3 Persons	5,537	15.6%	4,858	14.1%	5,354	13.6%	5,446	13.4%	5,539	13.2%
With 4 Persons	3,870	10.9%	3,068	8.9%	3,271	8.3%	3,297	8.1%	3,324	7.9%
With 5+ Persons	4,776	13.5%	3,258	9.4%	3,394	8.6%	3,399	8.4%	3,404	8.1%
<b>Total Renter</b>	<b>35,495</b>	<b>100.0%</b>	<b>34,527</b>	<b>100.0%</b>	<b>39,469</b>	<b>100.0%</b>	<b>40,665</b>	<b>100.0%</b>	<b>41,860</b>	<b>100.0%</b>

Source: Ribbon Demographics 2015, Novogradac & Company LLP, July 2016

The household size with the largest percentage of households is one person households, followed by two person households. The number of households with one to three people is expected to increase through market entry and 2020. The Subject has one and two-bedroom floor plans, so this large percentage bodes well for the Subject's units.

## Conclusion

The PMA has experienced increasing population and household growth since 2010. The population and number of households in the PMA are projected to increase through the projected market entry date and through 2020. The expected increase in population and number of households bodes well for the Subject. Based on the low vacancy rates experienced by many of the rental properties in the market, and the *Demand Analysis* illustrated later in this report, there appears to be adequate demand for the Subject's affordable units.

## **F. EMPLOYMENT TRENDS**

## EMPLOYMENT TRENDS

The largest employers in the Atlanta metropolitan area are based in the transportation/warehousing, retail trade, educational services, and public administration sectors. The area's strong employment concentration in historically stable industries (public administration and educational services) has helped Atlanta stabilize shortly after the most recent economic recession. The largest employer in Atlanta, Delta Air Lines, maintains its world headquarters in the city, in addition to operating its largest hub airport at Hartsfield-Jackson Atlanta International Airport. Delta's operating revenue totaled \$37.8 billion in 2014, and it is the 81<sup>st</sup> largest Fortune 500 Company in the country.

### 1. Total Jobs

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

TOTAL JOBS IN DEKALB COUNTY, GA		
Year	Total Employment	% Change
2006	366,471	-
2007	374,934	-1.9%
2008	367,914	-7.2%
2009	343,126	-6.0%
2010	323,687	1.3%
2011	327,936	2.2%
2012	335,451	0.7%
2013	337,823	2.2%
2014	345,409	1.2%
2015	349,619	2.4%
2016 YTD Average	358,177	-2.2%
Jul-15	350,438	-
Jul-16	365,462	4.1%

Source: U.S. Bureau of Labor Statistics

\*2015 data only available through December

As illustrated in the table above, DeKalb County experienced a cyclical economy in the years prior to the most recent national recession. The county began feeling the effects of the downturn in 2007, with employment continuing to decline in 2008 and 2009. DeKalb County employment has increased each year since 2009, with the exception of year-to-date 2016. Total employment has continued to increase steadily through 2015, indicating a growing economy.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within DeKalb County as of 2015.

<b>DeKalb County, Georgia</b>		
	<b>Number</b>	<b>Percent</b>
<b>Total, all industries</b>	<b>248,995</b>	-
<b>Goods-producing</b>	-	-
Natural resources and mining	<b>91</b>	0.0%
Construction	<b>9,968</b>	4.0%
Manufacturing	<b>13,265</b>	5.3%
<b>Service-providing</b>	-	-
Trade, transportation, and utilities	<b>59,791</b>	24.0%
Information	<b>9,289</b>	3.7%
Financial activities	<b>16,825</b>	6.8%
Professional and business services	<b>44,454</b>	17.9%
Education and health services	<b>59,726</b>	24.0%
Leisure and hospitality	<b>25,904</b>	10.4%
Other services	<b>8,252</b>	3.3%
Unclassified	<b>1,430</b>	0.6%

Source: Bureau of Labor Statistics, 2015

Trade, transportation, and utilities along with education and health services represent the top two percentages of total employment in DeKalb County. The trade and transportation industries are somewhat vulnerable in economic downturns and are historically volatile industries, while the utilities, educational and health services are typically considered stable industries.

2015 EMPLOYMENT BY INDUSTRY				
Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	10,231	12.8%	20,205,674	13.7%
Educational Services	8,842	11.1%	13,529,510	9.2%
Accommodation/Food Services	7,420	9.3%	10,915,815	7.4%
Retail Trade	7,292	9.1%	17,089,319	11.6%
Prof/Scientific/Tech Services	7,162	9.0%	9,981,082	6.8%
Transportation/Warehousing	4,900	6.1%	6,200,837	4.2%
Public Administration	4,854	6.1%	7,099,307	4.8%
Other Services (excl Publ Adm)	4,706	5.9%	7,548,482	5.1%
Admin/Support/Waste Mgmt Srvcs	4,430	5.5%	6,242,568	4.2%
Construction	3,882	4.9%	9,392,204	6.4%
Manufacturing	3,781	4.7%	15,651,841	10.6%
Information	3,043	3.8%	2,965,498	2.0%
Finance/Insurance	2,991	3.7%	7,026,905	4.8%
Real Estate/Rental/Leasing	2,186	2.7%	2,759,067	1.9%
Arts/Entertainment/Recreation	1,810	2.3%	3,193,724	2.2%
Wholesale Trade	1,666	2.1%	3,742,526	2.5%
Utilities	401	0.5%	1,190,608	0.8%
Mgmt of Companies/Enterprises	166	0.2%	115,436	0.1%
Agric/Forestry/Fishing/Hunting	156	0.2%	1,941,156	1.3%
Mining	13	0.0%	997,794	0.7%
<b>Total Employment</b>	<b>79,932</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

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

The PMA's leading industries include healthcare/social assistance, educational services, and accommodation/food services. Together, these three industries make up 33.1 percent of total employment in the PMA. The PMA is overly represented in sectors such as accommodation/food services, educational services and professional/scientific/technology services compared to the nation as a whole. Comparatively, the healthcare/social assistance, retail trade, and manufacturing services employ a smaller proportion in the PMA than the nation. Healthcare/social assistance and educational services in the PMA are traditionally more stable employment sectors whereas accommodation/food services and retail trade are more volatile. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

### 3. Major Employers

The following table on the next page is a list of the largest employers in Atlanta, Georgia.

<b>MAJOR EMPLOYERS - ATLANTA-SANDY SPRINGS-ROSWELL, GA MSA</b>			
<b>#</b>	<b>Employer</b>	<b>Industry</b>	<b>Number Employed</b>
1	Delta Airlines	Transportation	31,237
2	Emory University/ Emory Healthcare	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Retail Trade	20,532
4	The Home Depot, Inc.	Retail Trade	20,000
5	AT&T Inc.	Communications	17,882
6	The Kroger Co.	Retail Trade	14,753
7	WellStar Health System	Healthcare	13,500
8	Publix Super Markets, Inc.	Retail Trade	9,494
9	United States Postal Service	Government	9,385
10	Northside Hospital	Healthcare	9,016
11	The Coca-Cola Company	Retail Trade	8,761
12	United Parcel Service, Inc	Postal Service	8,727
13	Piedmont Healthcare	Healthcare	8,707
14	Centers for Disease Control and Prevention	Healthcare	8,539
15	Children's Healthcare of Atlanta, Inc	Healthcare	7,452

Source: The Metro Atlanta Chamber of Commerce, Novogradac & Company LLP, July 2016

As indicated in the table above, the major employers in the MSA are varied and represent a wide range of industries. The three largest employers are in the transportation, education/healthcare, and retail trade industries.

We spoke to Randi Mason, Manager with the Invest Atlanta Development Authority, on business expansions and openings in the Atlanta Metro area. Ms. Mason provided us with a list of more than 100 business expansions and openings for 2015. The following table on the next page illustrates openings and expansions of more than 100 employees.

2015 BUSINESS EXPANSIONS & OPENINGS - ATLANTA, GA METRO AREA				
Company	Business Type	Opening/Expansion	Location	Number of Jobs Created
Mercedes-Benz USA	Automotive	Opening	Fulton County	950
Kaiser Permanente	Healthcare	Expansion	Atlanta	900
Lincoln Financial Group	Financial Services	Expansion	Fulton County	600
VXI	Business Process Outsourcing	Opening	Clayton County	570
The Home Depot, Inc.	Retailer	Expansion	Cobb County	525
Suniva Inc.	Manufacturing	Expansion	Gwinnett County	500
Sage	Business Management Software	Expansion	Atlanta	400
Stefanini	IT Consulting	Expansion	Atlanta	400
Infosys	Technology	Expansion	Cobb County	330
Synovus Financial Corp.	Financial Services	Opening	Cobb County	300
Hexaware	IT and Business Process	Opening	Fulton County	300
Acuity Brands	Lighting Products	Expansion	Rockdale County	300
Inalfa Roof Systems, Inc.	Automotive	Expansion	Cherokee County	300
Wencor Group LLC	Manufacturer - Aerospace Components	Opening	Fayette County	295
InComm	Prepaid Payment Solutions	Expansion	Fulton County	275
FOX TV - Sleepy Hollow	Entertainment	Opening	Rockdale County	250
N3	Marketing Automation Software	Expansion	Fulton County	200
Amtrak	Transportation	Opening	Fulton County	200
NIIT Technologies	IT Services and Business Process	Expansion	Fulton County	200
Backbase	Banking Software	Opening	Atlanta	150
Constellium	Manufacturing - Aluminum Products	Opening	Bartow County	150
Wipro	IT Consulting and Outsourcing	Opening	DeKalb County	150
Comcast	Telecommunications	Expansion	Gwinnett County	150
Comcast	Telecommunications	Expansion	Fulton County	150
Elite Foam	Manufacturer - Flexible Polyurethane Foam	Expansion	Coweta County	150
Sugar Foods	Food Processing	Expansion	Carroll County	150
Primetals Technologies	Intergrated Electrics	Opening	Fulton County	140
Tech-Long USA	Packaging Technology	Expansion	Gwinnett County	130
CSM Bakery Solutions	Food Processing	Opening	Fulton County	120
BetterCloud	IT and Business Process	Expansion	Atlanta	120
Serta Simmons Bedding, Inc.	Manufacturing - Bedding	Opening	Atlanta	110
Aptos	Retail Technology	Opening	Atlanta	108
Courion	Information Security Solutions	Opening	Fulton County	100
Level 3 Communications, LLC	Telecommunications	Opening	Gwinnett County	100
Osmore Utilities Services, Inc.	Maintenance Services Provider	Opening	Fayette County	100
Varian Medical Systems, Inc.	Medical Software Provider	Opening	Atlanta	100
AKESOgen	Genomics Contract Research	Expansion	Gwinnett County	100
ClickDimensions	Marketing Automation Software	Expansion	DeKalb County	100
Digital Intelligence Systems	IT Staffing and Services	Expansion	Fulton County	100
Fokker Aerostructures	Manufacturering - Aerospace Parts	Expansion	Clayton County	100
Hi-Rez Studios	Online Video Gaming	Expansion	Fulton County	100
Intelligrated	Manufacturer - Automation Solutions	Expansion	Fulton County	100
Ionic Security	Data Security Software	Expansion	Atlanta	100
Patientco	Health Care Payments Software	Expansion	Atlanta	100
Prime Revenue, Inc.	Supply Chain Capital Funding	Expansion	Atlanta	100

Source: Invest Atlanta Development Authority, 7/2016

### Employment Expansions/Contractions

We have reviewed publications by the Georgia Department of Economic Development listing WARN (Worker Adjustment and Retraining Notification Act) notices from 2013 to 2016 YTD. In the last 12 months, there have been 17 WARN notices affecting almost 2,258 employees in Atlanta. Since 2013 5,662 employees have been affected. It should be noted, we have only included incidences of more than 50 employees in the following table.

<b>2013 - 2016 YTD WARN NOTICES - ATLANTA, GA</b>			
<b>Company</b>	<b>City</b>	<b>Date</b>	<b>Employees Affected</b>
EchoStar Technologies LLC.	Atlanta	10/1/2016	137
Georgia Department of Agriculture	Atlanta	5/1/2016	52
Metropolitan Atlanta Rapid Transit Authority	Atlanta	3/25/2016	371
Delta Global Services, LLC.	Atlanta	3/15/2016	275
Masterack, Division of Leggett & Platt	Atlanta	2/29/2016	121
Aramark	Atlanta	11/15/2015	1,078
Generation Mortgage Company	Atlanta	7/31/2015	76
The Intown Academy	Atlanta	5/29/2015	60
New Breed Leasing of New Jersey, Inc.	Atlanta	5/26/2015	89
United Airlines	Atlanta	5/17/2015	87
Affinity Specialty Apparel, Inc.	Atlanta	4/15/2015	60
Infosys McCamish Systems, LLC.	Atlanta	3/6/2015	61
Sony	Atlanta	2/27/2015	100
Quad Graphics	Atlanta	2/1/2015	110
Generation Mortgage Company	Atlanta	1/15/2015	64
Bank of America	Atlanta	11/18/2014	51
Bags Inc.	Atlanta	8/24/2014	145
RCO Legal, P.S.	Atlanta	7/14/2014	133
RCO Legal, P.S.	Atlanta	7/14/2014	133
New Continent Ventures	Atlanta	7/11/2014	167
Sodexo	Atlanta	7/8/2014	86
WIPRO	Atlanta	6/4/2014	93
Macy's	Atlanta	2/1/2014	600
STS	Atlanta	1/1/2014	328
Allied Systems Holdings	Atlanta	12/15/2013	90
Department of Physical Health	Atlanta	12/12/2013	75
State Road and Tollway Authority	Atlanta	11/30/2013	50
Emory Healthcare	Atlanta	11/15/2013	101
Bank of America	Atlanta	10/31/2013	80
Wipro	Atlanta	9/30/2013	163
Fulton County Government	Atlanta	7/31/2013	60
Pinnacle Airlines, Inc.	Atlanta	3/6/2013	391
Unilever	Atlanta	3/6/2013	125
Department of Physical Health	Atlanta	2/25/2013	50
<b>Total</b>			<b>5,662</b>

Source: Georgia Department of Economic Development, 7/2016

## Atlanta Department of Planning and Community Development

We attempted to contact Lanii Thomas, Senior Public Relations Manager for the City of Atlanta Department of Planning and Community Development, in regards to expansions planned in the Atlanta area. However, as of the date of the report, our phone calls have yet to be returned. The Atlanta BeltLine Project is a City of Atlanta development that will include green space, trails, transit, and new housing along 22-mile historic rail lines that loop around the urban core. The BeltLine development is projected to cost approximately \$2.8 billion and take approximately 25 years to complete. There will also be a 33-mile network of multi-use trails and the BeltLine will increase Atlanta's green space by nearly 40 percent as the project will add 1,300 acres of new parks and green space. The Atlanta BeltLine is projected to generate more than \$20 billion of new economic development throughout 25 years of the Tax Allocation District and approximately 30,000 new jobs. The Subject is located just outside of the Atlanta BeltLine Project.

### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA and nation from 2005 to May 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
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*	2,729,795	1.9%	5.0%	-0.6%	150,500,800	2.9%	5.0%	-1.2%
May-2015	2,685,195	-	5.8%	-	149,349,000	-	5.3%	-
May-2016	2,758,192	2.7%	4.6%	-1.2%	151,594,000	1.5%	4.5%	-0.8%

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

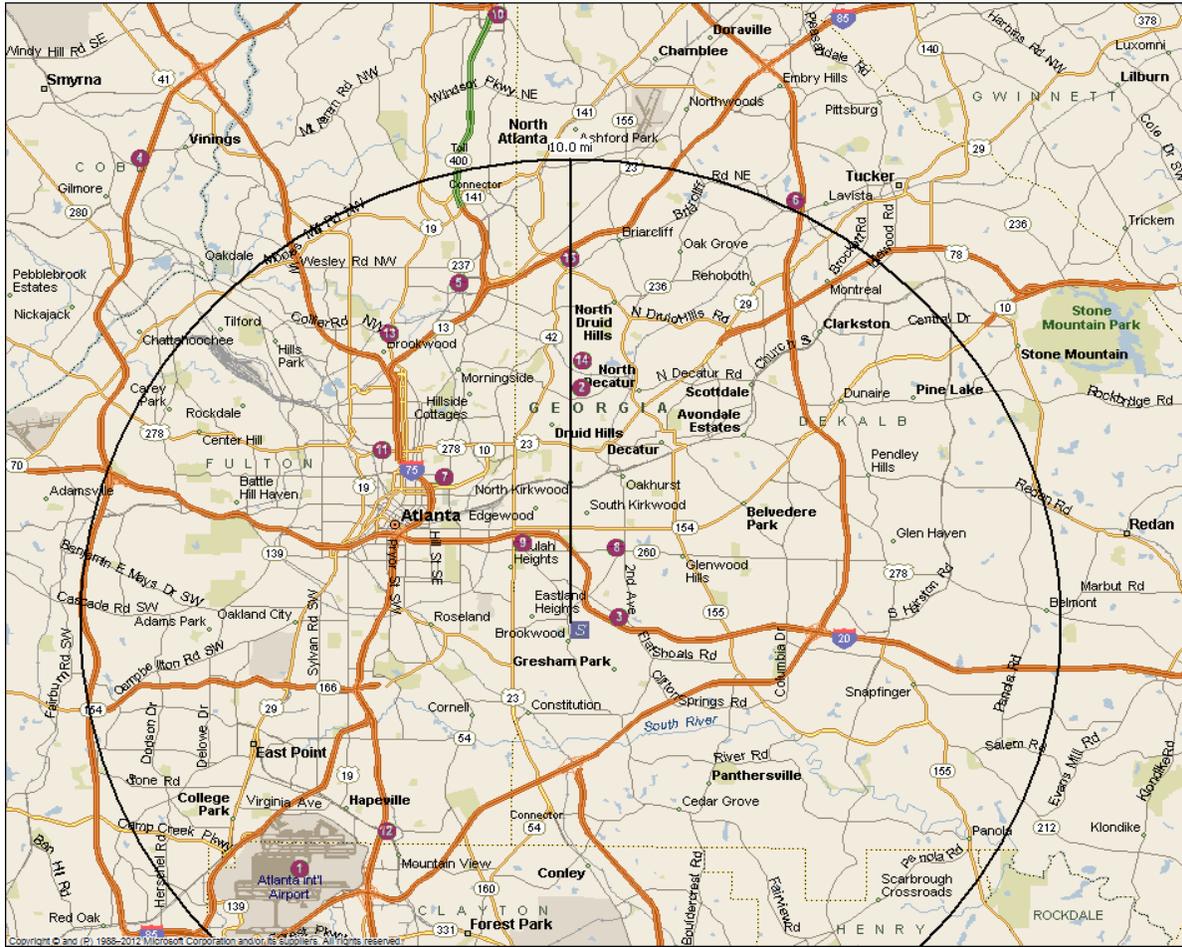
\*2016 data is through Mar

Total employment in the MSA has increased every year from 2005 through 2016 year-to-date, with the exception of 2008, 2009, and 2010. Through year-to-date 2016, the 1.9 percent increase in total employment in the MSA is 100 basis points lower than total employment growth on a national level, as the nation has experienced a 2.9 percent increase year-to-date. It is important to note that current employment exceeds pre-recession levels and have since 2014. In addition, the May 2016 local employment level has increased 2.7 percent from the same period in 2015.

Total unemployment figures show that the MSA's year-to-date unemployment rate is similar to the national unemployment rate. The unemployment rate as of May 2016 decreased 1.2 percentage points from May 2015. Overall, the economic outlook for the MSA is positive with total employment above pre-recessionary levels and unemployment rates decreasing consistently since 2011.

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

The following map and table details the largest employers in the Atlanta, Georgia area.



<b>MAJOR EMPLOYERS - ATLANTA-SANDY SPRINGS-ROSWELL, GA MSA</b>			
<b>#</b>	<b>Employer</b>	<b>Industry</b>	<b>Number Employed</b>
1	Delta Airlines	Transportation	31,237
2	Emory University/ Emory Healthcare	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Retail Trade	20,532
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5	AT&T Inc.	Communications	17,882
6	The Kroger Co.	Retail Trade	14,753
7	WellStar Health System	Healthcare	13,500
8	Publix Super Markets, Inc.	Retail Trade	9,494
9	United States Postal Service	Government	9,385
10	Northside Hospital	Healthcare	9,016
11	The Coca-Cola Company	Retail Trade	8,761
12	United Parcel Service, Inc	Postal Service	8,727
13	Piedmont Healthcare	Healthcare	8,707
14	Centers for Disease Control and Prevention	Healthcare	8,539
15	Children's Healthcare of Atlanta, Inc	Healthcare	7,452

**Conclusion**

Total employment in the MSA decreased from 2008 to 2010, similar to the national employment trend, and as of May 2015 employment in the MSA was higher than pre-recession levels. In general, employment has been increasing steadily since 2010. As a result of the national recession, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate in 2010. The unemployment rate in the MSA and nation has been decreasing since 2010, and as of May 2016, the unemployment rate was just 10 basis points above the national rate. Overall, the economic outlook for the MSA is positive with total employment above pre-recessionary levels and unemployment rates decreasing since 2010. The PMA's leading industries include healthcare/social assistance, educational services, and accommodation/food services. Healthcare/social assistance and educational services in the PMA are traditionally more stable employment sectors whereas accommodation/food services and retail trade are more volatile. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

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

## PROJECT SPECIFIC DEMAND ANALYSIS

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

### 1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 30 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 for the LIHTC restricted units are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. For the unrestricted market rate units, the maximum income is based on 140 percent AMI.

### 2. Affordability

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

### 3. Demand

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

#### 3A. Demand from New Households

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

new households in 2018. This number takes the overall growth from 2015 to 2020 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. Elderly Homeowners Likely to Convert to Rentership**

The third source is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. This demand source is not evaluated for the proposed Subject family site.

### **3D. Other**

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

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

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2011 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 2013 through year-to-date 2016.
- Vacancies in projects placed in service prior to 2013 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).

- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market in 2013 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

According to the Georgia Department of Community Affairs, three properties have been awarded tax credits since 2013 in the Subject's Primary Market Area.

- Trinity Walk I was allocated tax credits in 2014 and will target both general occupancy and senior households. Trinity Walk I is a new construction development that will be located at 421 West Trinity Place in Decatur approximately 4.3 miles north of the Subject. Trinity Walk I will offer a total of 69 LIHTC units restricted at 60 percent AMI, all of which will benefit from project-based Section 8 subsidy. The development will offer one, two, and three-bedroom units contained in three-story garden-style buildings. Of the 69 total units, 20 will be restricted to senior households aged 55 and older, while the remaining 49 units will target general occupancy households. The Decatur Housing Authority is the development sponsor for Trinity Walk I. As all of the development's units will benefit from project-based Section 8 subsidy, the property will not be competitive with the Subject.
- Columbia Avondale was allocated tax credits in 2015 and will target senior households. Columbia Avondale is a new construction development and will be located 5.1 miles northeast of the Subject. The property will offer a total of 92 LIHTC units restricted to senior, thus will not compete directly with the Subject.
- Trinity Walk II was allocated tax credits in 2015 and will target both general occupancy and senior households. Trinity Walk II is a new construction development that will be located at 421 West Trinity Place in Decatur approximately 4.3 miles north of the Subject. Trinity Walk II will offer a total of 52 LIHTC units restricted at 60 percent AMI, 42 of which will benefit from project-based Section 8 subsidy. The development will offer one, two, and three-bedroom units contained in three-story garden-style and townhouse-style buildings. Of the 52 total units, 12 will be restricted to senior households aged 55 and older, while the remaining 40 units will target general occupancy households. The Decatur Housing Authority is the development sponsor for Trinity Walk II. As 42 of the development's units will benefit from project-based Section 8 subsidy, only ten units will be competitive with the Subject.

As such, we have deducted the competitive one and two-bedroom non subsidized LIHTC units at Trinity Walk II from our demand analysis.

Additions To Supply (Recently Allocated or Unstabilized Units)	60%
One Bedroom	1
Two Bedroom	7
<b>Total</b>	<b>8</b>

### PMA Occupancy

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

OVERALL PMA OCCUPANCY

Property Name	Type	Tenancy	Units	Wait List	Occupancy
Columbia Mill	LIHTC	Family	100	Yes	100.0%
Reynoldstown Commons	LIHTC	Family	32	N/Ap	96.9%
The Square At Peoplestown	LIHTC	Family	94	N/Ap	96.8%
Vineyards At Flat Shoals Apartments	Market/LIHTC	Family	228	Yes, varies by unit	100.0%
Amberwood Village	Market	Family	30	Yes, varies by unit	100.0%
Ashford East Village	Market	Family	371	N/Ap	94.9%
Broadway At East Atlanta	Market	Family	176	N/Ap	95.5%
Eagles Run Apartments	Market	Family	282	N/Ap	62.8%
Manor V Apartments	Market	Family	144	N/Ap	97.9%
Mountain Park	Market (Section 8)	Family	212	N/Ap	90.6%
Villas At Grant Park (fka Villa Court)	Market	Family	112	Yes, varies by unit	100.0%
Woods At Glenrose	Market	Family	142	N/Ap	97.9%
Reynoldstown Senior Apartments	LITHC/HUD 202	Senior	70	N/Ap	N/Av
Branan Towers	Section 8	Senior	176	Yes, six months	100%
Park at Bouldercrest	Market	Family	438	N/Ap	N/Av
Enso Apartments	Market	Family	325	No	89.2%
Glenwood East	Market	Family	236	No	95.0%
Amberwood Village	Market	Family	30	No	100.0%
Highlands at East Atlanta	LIHTC	Family	250	N/Ap	0.0%
Fulton Cottom Mill Lofts	LIHTC	Family	207	No	99.5%
Columbia City Homes (FKA Oakhill)	Market	Family	132	N/Ap	N/Av
Columbia Park Citi	Market/PHA/LIHTC	Family	154	es, over 500 household	98.7%
Columbia Senior Residence At MLK	LIHTC/PBRA	Senior	122	Yes, two years	100.0%
Marcus Street Residences	LIHTC	Family	78	N/Ap	N/Av
Trestletree Village Apts	Section 8	/Family/Di	188	N/Ap	N/Av
Patterson Heights	LIHTC	Family	10	N/Ap	N/Av
Washington Heights	LIHTC	Family	10	N/Ap	N/Av
People's Place	LIHTC	Family	76	N/Ap	100.0%
Oakland Court Apts	LIHTC	Family	100	N/Ap	100.0%
Oakland Court Apts Phase II	LIHTC	Family	132	N/Ap	N/Av
Courtyards at Glenview	LIHTC	Family	172	N/Ap	100.0%
Grant Park Apts	LIHTC	Family	291	N/Ap	N/Av
Grant Park Commons	LIHTC	Family	338	N/Ap	N/Av
Presley Woods	LIHTC	Family	40	N/Ap	94.0%
Villages of East Lake I & II	Market	Family	542	Yes, Five years	100.0%
Irwin Street Apts/Henerson Place/PRI	LIHTC	Family	58	N/Ap	N/Av
Auburn Glenn Apts	Market/LIHTC/PBRA	Family	271	Yes, varies by unit	94.1%
Square at Peopletown	LIHTC	Family	94	No	96.8%
Station at Richmond Hill (FKA Richmond Oaks)	Market/LIHTC	Family	181	N/Ap	N/Av
Columbia at Peoplestown	Market/LIHTC	Family	92	N/Ap	N/Av
Columbia Senior Residences at Edgewood	LIHTC	Senior	135	Yes, two years	100.0%
Constitution Avenue	LIHTC	Family	166	N/Ap	N/Av
Capitol Gateway, Phase I & II	Market/PBRA/PHALIHTC	Family	421	N/Ap	N/Av
Columbia Tower at MLK Village	Section 8/LIHTC	Senior	96	Yes, two years	100.0%
Veranda at Auburn Point	PBRA/Section 8/PHA	Senior	124	Yes, varies by unit	100.0%
Columbia Townhomes at Edgewood	Section 8	Family	100	Yes, varies by unit	100.0%
Columbia Townhomes at Edgewood, Phase II	LIHTC	Family	132	Yes, varies by unit	99.4%
Veranda at Auburn Pointe, Phase II	LIHTC	Senior	98	N/Ap	N/Av
Veranda at Auburn Pointe, Phase III	LIHTC	Senior	102	N/Ap	N/Av
Ashley Auburn Pointe, Phase I	Market/PBRA/PHA	Family	154	Yes, varies by unit	99.4%
Ashley Auburn Pointe, Phase II	Market/ACC/LIHTC	Family	150	N/Ap	N/Av
Bedford Pine Apartments IV	Section 8	Family	157		N/Av
Bedford Pine Apartments I	Section 8	Family	134		N/Av
Bedford Pine Apartments V	Section 8	Family	146		N/Av
Boynton Village Apartments	Section 8	Eldery	43		100%
Capitol Avenue School	Section 8	Eldery	48		100%
Capitol Towers	Section 8	Eldery	39		N/Av
Capitol Vanira Apartments	Section 8	Family	60		100%
Forest Cove Apartments	Section 8	Family	396		N/Av
Community Housing Inc.	Section 8	Elderly	4		N/Av
Park Trace Apartments	Section 8	Elderly	169		94%
Presley Woods Apartments	Section 8	Family	20		100%
Wheat Street Towers	Section 8	Elderly	210		N/Av
<b>Total Reporting Occupancy</b>			<b>4,829</b>		<b>96.9%</b>
<b>Total</b>			<b>9,840</b>		

### Rehabilitation Developments and PBRA

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 PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates. **As such, we have not included the Subject's 160 proposed Section 8 subsidized units in the capture rate analysis.**

### Capture Rates

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

Renter Household Income Distribution 2015 to Projected Market Entry January 2018					
Paradise East Apartments					
PMA					
	2015		Projected Mkt Entry January 2018		Percent Growth
	#	%	#	%	
\$0-9,999	8,940	22.7%	9,530	23.4%	6.2%
\$10,000-19,999	7,459	18.9%	7,829	19.3%	4.7%
\$20,000-29,999	6,325	16.0%	6,639	16.3%	4.7%
\$30,000-39,999	4,474	11.3%	4,533	11.1%	1.3%
\$40,000-49,999	3,258	8.3%	3,316	8.2%	1.7%
\$50,000-59,999	2,260	5.7%	2,226	5.5%	-1.5%
\$60,000-74,999	2,606	6.6%	2,563	6.3%	-1.7%
\$75,000-99,999	2,009	5.1%	1,968	4.8%	-2.1%
\$100,000-124,999	985	2.5%	928	2.3%	-6.1%
\$125,000-149,999	383	1.0%	381	0.9%	-0.7%
\$150,000-199,999	548	1.4%	525	1.3%	-4.4%
\$200,000+	221	0.6%	226	0.6%	2.4%
Total	39,469	100.0%	40,665	100.0%	2.9%

Renter Household Income Distribution Projected Market Entry January 2018			
Paradise East Apartments			
	PMA		Change 2015 to Prj Mrkt Entry January 2018
	Projected Mkt Entry January 2018		
	#	%	#
\$0-9,999	9,530	23.4%	280
\$10,000-19,999	7,829	19.3%	230
\$20,000-29,999	6,639	16.3%	195
\$30,000-39,999	4,533	11.1%	133
\$40,000-49,999	3,316	8.2%	97
\$50,000-59,999	2,226	5.5%	65
\$60,000-74,999	2,563	6.3%	75
\$75,000-99,999	1,968	4.8%	58
\$100,000-124,999	928	2.3%	27
\$125,000-149,999	381	0.9%	11
\$150,000-199,999	525	1.3%	15
\$200,000+	226	0.6%	7
Total	40,665	100.0%	1,195

Tenure Prj Mrkt Entry January 2018	
Renter	52.5%
Owner	47.5%
Total	100.0%

Renter Household Size for Prj Mrkt Entry January 2018		
Size	Number	Percentage
1 Person	18,089	44.5%
2 Person	10,433	25.7%
3 Person	5,446	13.4%
4 Person	3,297	8.1%
5+ Person	3,399	8.4%
Total	40,665	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	12,339	34.8%
2 Person	8,973	25.3%
3 Person	5,537	15.6%
4 Person	3,870	10.9%
5+ Person	4,776	13.5%
Total	35,495	100.0%

60%AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$26,023		
Maximum Income Limit			\$36,480		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Pj Mrkt Entry January 2018		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Households	Percent			
\$0-9,999	280.18	23.4%		0.0%	0
\$10,000-19,999	230.16	19.3%		0.0%	0
\$20,000-29,999	195.19	16.3%	3,976	39.8%	78
\$30,000-39,999	133.27	11.1%	6,480	64.8%	86
\$40,000-49,999	97.47	8.2%		0.0%	0
\$50,000-59,999	65.45	5.5%		0.0%	0
\$60,000-74,999	75.34	6.3%		0.0%	0
\$75,000-99,999	57.85	4.8%		0.0%	0
\$100,000-124,999	27.30	2.3%		0.0%	0
\$125,000-149,999	11.20	0.9%		0.0%	0
\$150,000-199,999	15.44	1.3%		0.0%	0
\$200,000+	6.65	0.6%		0.0%	0
	1,195	100.0%			164
Percent of renter households within limits versus total number of renter households					13.72%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$26,023		
Maximum Income Limit			\$36,480		
Income Category	Total Renter Households PMA Pj Mrkt Entry January 2018		Income Brackets	Percent within Cohort	Households within Bracket
	Households	Percent			
\$0-9,999	9,530	23.4%		0.0%	0
\$10,000-19,999	7,829	19.3%		0.0%	0
\$20,000-29,999	6,639	16.3%	\$3,976	39.8%	2,640
\$30,000-39,999	4,533	11.1%	\$6,480	64.8%	2,938
\$40,000-49,999	3,316	8.2%		0.0%	0
\$50,000-59,999	2,226	5.5%		0.0%	0
\$60,000-74,999	2,563	6.3%		0.0%	0
\$75,000-99,999	1,968	4.8%		0.0%	0
\$100,000-124,999	928	2.3%		0.0%	0
\$125,000-149,999	381	0.9%		0.0%	0
\$150,000-199,999	525	1.3%		0.0%	0
\$200,000+	226	0.6%		0.0%	0
	40,665	100.0%			5,578
Percent of renter households within limits versus total number of renter households					13.72%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Pj Mrkt Entry January 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

Yes		
Family		
Urban		
35%		
\$34,196		
\$43,970		
\$9,774		
22.2%		
0.2%		
0.2%	Two year adjustment	1.0000
\$36,480		
\$36,480		
3		
60%		
\$759		
\$759		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	35%	65%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

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

Income Target Population		60%
New Renter Households PMA		1,195
Percent Income Qualified		13.7%
New Renter Income Qualified Households		164

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		40,665
Income Qualified		13.7%
Income Qualified Renter Households		5,578
Percent Rent Overburdened Prj Mrkt Entry January 2018		32.2%
Rent Overburdened Households		1,797

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		5,578
Percent Living in Substandard Housing		0.8%
Households Living in Substandard Housing		42

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		1,839
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		1839
Total New Demand		164
Total Demand (New Plus Existing Households)		2,003

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	44.5%	891
Two Persons	25.7%	514
Three Persons	13.4%	268
Four Persons	8.1%	162
Five Persons	8.4%	167
Total	100.0%	2,003

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	90%	802
Of two-person households in 1BR units	35%	180
Of one-person households in 2BR units	10%	89
Of two-person households in 2BR units	65%	334
Of three-person households in 2BR units	60%	161
Of three-person households in 3BR units	40%	107
Of four-person households in 3BR units	80%	130
Of five-person households in 3BR units	70%	117
Of four-person households in 4BR units	20%	32
Of five-person households in 4BR units	30%	50
Total Demand		2,003
Check		OK
Total Demand by Bedroom		60%
1 BR		982
2 BR		584
Total Demand		1,566
Additions To Supply 2015 to Prj Mrkt Entry January 2018		60%
1 BR		1
2 BR		7
Total		8
Net Demand		60%
1 BR		981
2 BR		577
Total		1,558
Net Demand		60%
1 BR		981
2 BR		577
Total		1,558
Developer's Unit Mix		60%
1 BR		14
2 BR		2
Total		16
Capture Rate Analysis		60%
1 BR		1.4%
2 BR		0.3%
Total		1.0%

## Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART*										
Unit Size	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR @ 60%	\$26,023-\$36,480	14	982	1	981	1.4%	1 month	\$816	\$600-\$1,125	\$659
2BR @ 60%	\$26,023-\$36,480	2	584	7	577	0.3%	0.5 month	\$960	\$700-\$1,392	\$790
Overall- 60% AMI	\$26,023-\$36,480	16	1,566	8	1,558	1.0%	-	-	-	-

\*Excludes units with project-based subsidy per GA DCA methodology

Demand and Net Demand	
	HH at 60% AMI (min to max income)
Demand from New Households (age and income appropriate)	164
<b>PLUS</b>	+
Demand from Existing Renter Households - Substandard Housing	42
<b>PLUS</b>	+
Demand from Existing Renter Households - Rent Overburdened Households	1,797
=	
<b>Sub Total</b>	<b>2,003</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0
<b>Equals Total Demand</b>	2,003
<b>Less</b>	-
Supply of new competitive LIHTC units	8
<b>Equals Net Demand</b>	1,995

As the analysis illustrates, the Subject’s capture rates at the 60 percent AMI level will range from 0.3 to 1.4 percent, with an overall capture rate of one percent. Therefore, we believe there is more than adequate demand for the Subject based on Georgia DCA demand thresholds.

## **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 12 comparable properties containing 1,661 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good; there are several LIHTC properties in the PMA that were selected as “true” comparables. The selected LIHTC properties are located within 3.6 miles of the Subject.

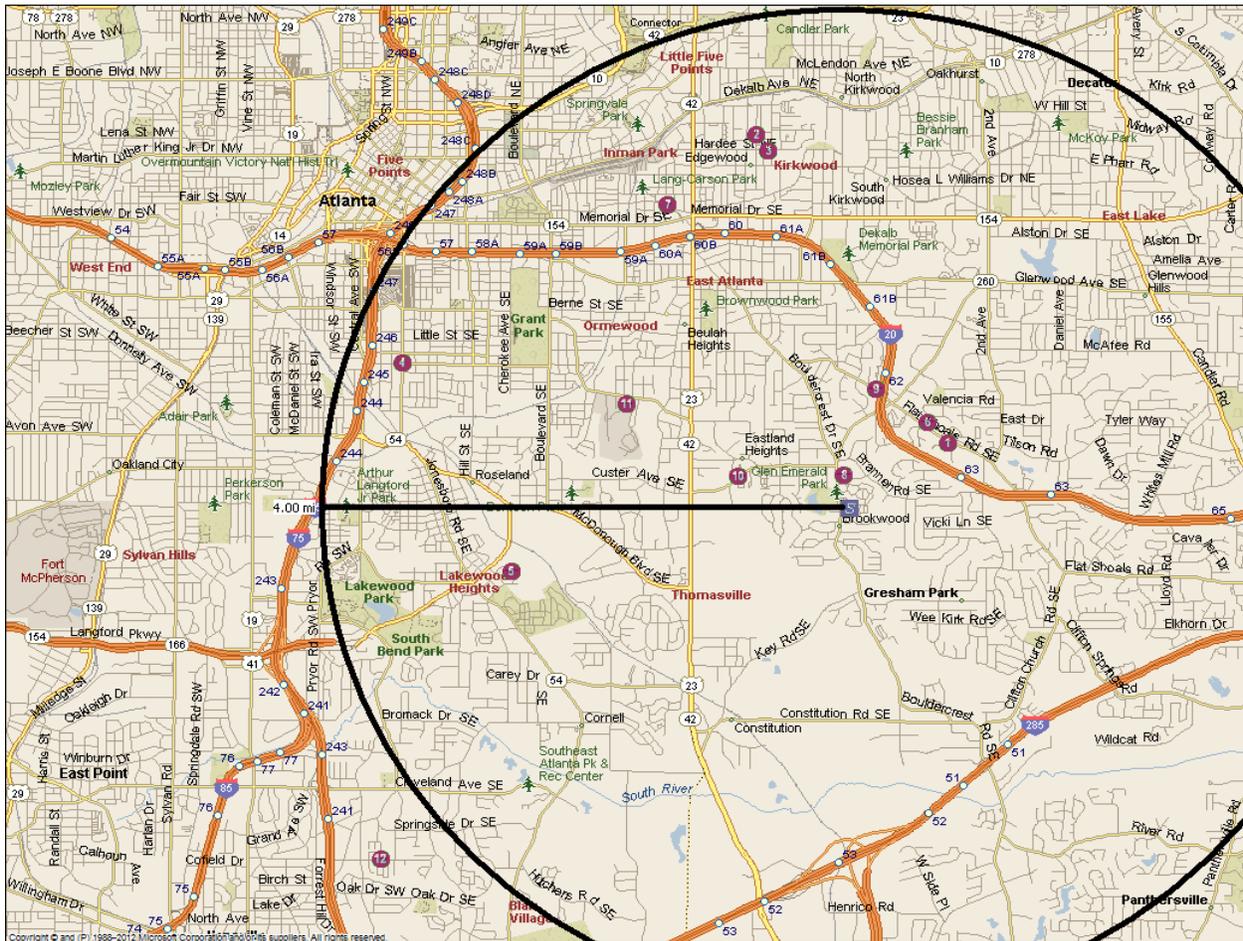
The availability of market rate data is considered good as there are numerous market rate properties that are located within the PMA. We have included six market rate properties in the rental analysis within 4.7 miles of the Subject, five of which are located within the PMA. These comparable market rate properties were built between 1964 and 2004, and the oldest properties were renovated between 1996 and 2013. These projects offer a mix of one, two, and three-bedroom units.

**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						
Property Name	Type	Tenancy	Units	Occupancy	Waiting List	Reason for Exclusion
Ashley Auburn Pointe, Phase II	ACC/Market	Family	N/Av	N/Av	N/Av	Could not contact
Columbia at Peoplestown	LIHTC	Family	99	N/Av	N/Av	Could not contact
Columbia Senior Residence At MLK	LIHTC	Senior	122	100.0%	N/Av	Dissimilar tenancy
Constitution Avenue	LIHTC	Family	166	N/Av	N/Av	Could not contact
Courtyards at Glenview	LIHTC	Family	172	100.0%	Yes	Could not contact
Grant Park Apartments	LIHTC	Family	302	N/Av	N/Av	Could not contact
Henderson Place Apartments	LIHTC	Family	58	N/Av	No	Could not contact
Marcus Street Residences	LIHTC	Senior	78	N/Av	N/Av	Dissimilar tenancy
Oakland Court Apts	LIHTC/Section 8	Family	100	100.0%	Yes	Subsidized
Ohem House - Project Peoples Place	LIHTC/Section 8	Family	76	100.0%	Yes	Subsidized
Columbia Park Citi	LIHTC	Family	154	98.7%	Yes	Dissimilar units
Presley Woods	LIHTC/Section 8	Family	40	94.0%	Yes	Subsidized
Trestletree Village Apts	LIHTC/Section 8	Family	188	N/Av	N/Av	Subsidized
Veranda at Auburn Point	Section 8/PBRA/LIHTC	Senior	124	100.0%	Yes	Dissimilar tenancy
Veranda at Auburn Pointe, Phase II	PBRA/Section 8/LIHTC	Senior	98	100.0%	Yes	Subsidized
Veranda at Auburn Pointe, Phase III	PBRA/Section 8/LIHTC	Family	102	100.0%	Yes	Subsidized
Washington Heights	LIHTC/Section 8	Family	10	N/Av	N/Av	Subsidized
Amberwood Village	Market	Family	30	N/Av	N/Av	Could not contact
Enso Apartments	Market	Family	325	89.2%	No	Inferior Condition
Glenwood East	Market	Family	236	95.0%	No	Superior Condition
Park at Bouldercrest	Market	Senior	438	N/Av	N/Av	Dissimilar tenancy
Grant Park Commons	Market/LIHTC	Family	338	N/Av	N/Av	Could not contact
Patterson Heights	Market/LIHTC	Family	10	N/Av	N/Av	Could not contact
Auburn Glenn Apts	Market/PBRA/LIHTC	Family	271	N/Av	N	Could not contact
Villages of East Lake	Market	Family	116	100.0%	No	Could not contact
Capitol Gateway, Phase II	Market/PHA/LIHTC	Family	152	N/Av	N/Av	Could not contact
Ashley Auburn Pointe, Phase I	Market/PHA/PBRA/LIHTC	Family	150	N/Av	N/Av	Could not contact
Oakwood Glen	PBRA	Family	96	N/Av	N/Av	Under construction
The Safety Net	PBRA	Family	40	N/Av	N/Av	Superior Consdition
Columbia Senior Residences at Edgewood	PBRA/LIHTC	Senior	135	100.0%	Yes	Dissimilar tenancy
Columbia Townhomes at Edgewood	PBRA/Section 8/LIHTC	Senior	100	100.0%	Yes	Dissimilar tenancy
Branan Towers	Section 8	Senior	176	100.0%	Yes	Dissimilar tenancy
Columbia Tower at MLK Village	Section 8/LIHTC	Family	96	100.0%	Yes	Subsidized

### Comparable Rental Property Map



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Columbia Mill	Atlanta	LIHTC	1.0 mile
2	Retreat At Edgewood	Atlanta	LIHTC	3.1 miles
3	Retreat At Edgewood Phase II	Atlanta	LIHTC, Market	3.0 miles
4	The Square At Peoplestown	Atlanta	LIHTC	3.6 miles
5	The Station At Richmond Hill	Atlanta	LIHT, Market	2.6 miles
6	Vineyards Of Flat Shoals	Atlanta	LIHTC/Market	1.0 mile
7	Amberwood Village	Atlanta	Market	2.8 miles
8	Ashford East Village	Atlanta	Market	0.3 miles
9	Broadway At East Atlanta	Atlanta	Market	1.0 mile
10	Manor V Apartments	Atlanta	Market	0.9 miles
11	Villas At Grant Park	Atlanta	Market	2.0 miles
12	Woods At Glenrose*	Atlanta	Market	4.6 miles

\*Located outside of PMA

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

## Paradise East Apartments, Atlanta, GA; Market Study

SUMMARY MATRIX																			
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate					
Subject	Paradise East Apartments 1480-1504 Bouldercrest Drive SE Atlanta, GA 30316 DeKalb County	n/a	Garden (3 stories) 1974 / 2018	LIHTC, Section 8	1BR / 1BA	14	8.0%	@60%	\$659	725	yes	Yes	0	0.0%					
					1BR / 1BA	16	9.1%	@60% (Section 8)	\$850	725	no	Yes	0	0.0%					
					2BR / 1BA	2	1.1%	@60%	\$790	853	yes	Yes	0	0.0%					
					2BR / 1BA	144	81.8%	@60% (Section 8)	\$1,000	853	no	Yes	0	0.0%					
						176	100.0%								0	0.0%			
1	Columbia Mill 2239 Flat Shoals Rd SE Atlanta, GA 30316 DeKalb County	1 mile	Various (2 stories) 2014 / n/a	LIHTC	1BR / 1BA (Garden)	10	10.0%	@50%	\$583	670	yes	Yes	0	0.0%					
					1BR / 1BA (Garden)	10	10.0%	@60%	\$713	766	yes	Yes	0	0.0%					
					1BR / 1BA (Garden)	5	5.0%	Market	\$860	766	n/a	Yes	0	0.0%					
					2BR / 2BA (Garden)	17	17.0%	@50%	\$714	1031	yes	Yes	0	0.0%					
					2BR / 2BA (Garden)	17	17.0%	@60%	\$870	1031	yes	Yes	0	0.0%					
					2BR / 2BA (Garden)	5	5.0%	Market	\$962	1031	n/a	Yes	0	0.0%					
					2BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$870	1,182	yes	Yes	0	0.0%					
					2BR / 2.5BA (Townhouse)	6	6.0%	Market	\$1,032	1,182	n/a	Yes	0	0.0%					
					3BR / 2BA (Garden)	10	10.0%	@50%	\$810	1,235	yes	Yes	0	0.0%					
					3BR / 2BA (Garden)	10	10.0%	@60%	\$990	1,235	yes	Yes	0	0.0%					
					3BR / 2BA (Garden)	4	4.0%	Market	\$1,249	1,235	n/a	Yes	0	0.0%					
						100	100.0%								0	0.0%			
					2	Retreat At Edgewood 150 Hutchinson Street, NE Atlanta, GA 30307 DeKalb County	3.1 miles	Various 2011 / n/a	LIHTC	1BR / 1BA (Garden)	10	10.0%	@60%	\$690	732	no	No	1	10.0%
1BR / 1BA (Garden)	10	10.0%	@60%	\$690						789	no	No	0	0.0%					
2BR / 1.5BA (Townhouse)	12	12.0%	@60%	\$811						1,174	no	No	0	0.0%					
2BR / 2BA (Townhouse)	12	12.0%	@60%	\$811						1,253	no	No	0	0.0%					
2BR / 2BA (Townhouse)	12	12.0%	@60%	\$811						1,538	no	No	0	0.0%					
2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$811						1,229	no	No	0	0.0%					
2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$811						1,333	no	No	0	0.0%					
3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$924						1,362	no	No	0	0.0%					
3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$924						1,568	no	No	0	0.0%					
3BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$924						1,697	no	No	0	0.0%					
	100	100.0%													1	1.0%			
3	Retreat At Edgewood Phase II 37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	3 miles	Various 2012 / n/a	LIHTC, Market						1BR / 1BA (Garden)	2	5.0%	@50%	\$595	873	no	No	0	0.0%
										1BR / 1BA (Garden)	27	67.5%	@60%	\$723	873	no	No	0	0.0%
					1BR / 1BA (Garden)	1	2.5%	Market	\$905	809	n/a	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	2	5.0%	@50%	\$797	1,595	no	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	17.5%	@60%	\$970	1,595	no	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	1	2.5%	Market	\$1,295	1,469	n/a	No	0	0.0%					
						40	100.0%								0	0.0%			
4	The Square At Peopletown 875 Hank Aaron Drive Atlanta, GA 30315 Fulton County	3.6 miles	Garden (3 stories) 1999 / n/a	LIHTC	1BR / 1BA	12	12.8%	@50%	\$543	664	no	No	0	0.0%					
					1BR / 1BA	11	11.7%	@60%	\$666	664	no	No	0	0.0%					
					2BR / 1BA	12	12.8%	@50%	\$648	869	no	No	0	0.0%					
					2BR / 1BA	12	12.8%	@60%	\$701	869	no	No	0	0.0%					
					2BR / 2BA	12	12.8%	@50%	\$716	1,169	no	No	0	0.0%					
					2BR / 2BA	12	12.8%	@60%	\$784	1,169	no	No	0	0.0%					
					3BR / 2BA	11	11.7%	@50%	\$787	1,169	no	No	0	0.0%					
					3BR / 2BA	12	12.8%	@60%	\$984	1,169	no	No	0	0.0%					
						94	100.0%								0	0.0%			
					5	The Station At Richmond Hill 1770 Richmond Circle SE Atlanta, GA 30315 Fulton County	2.6 miles	Garden (2 stories) 1960/2004	LIHTC, Market	1BR / 1BA	N/A	N/A	@60%	\$675	900	no	Yes	0	N/A
2BR / 1BA	N/A	N/A	@60%	\$767						1,200	n/a	Yes	0	N/A					
2BR / 1BA	N/A	N/A	Market	\$818						1,200	n/a	No	1	N/A					
2BR / 2BA	N/A	N/A	@60%	\$807						1,200	no	Yes	0	N/A					
2BR / 2BA	N/A	N/A	Market	\$832						1,200	n/a	No	2	N/A					
	181	100.0%													3	1.7%			
6	Vineyards Of Flat Shoals 2125 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	1 miles	Garden (2 stories) 1966 / 2005	LIHTC/Market	1BR / 1BA	31	13.6%	@60%	\$555	630	no	Yes	0	0.0%					
					1BR / 1BA	N/A	N/A	@60%	\$600	736	no	Yes	0	N/A					
					1BR / 1BA	3	1.3%	Market	\$610	736	n/a	Yes	0	0.0%					
					2BR / 1BA	N/A	N/A	@60%	\$695	884	no	Yes	0	N/A					
					2BR / 1BA	174	76.3%	@60%	\$655	829	no	Yes	0	0.0%					
					2BR / 1BA	20	8.8%	Market	\$710	884	n/a	Yes	0	0.0%					
	228	100.0%								0	0.0%								
7	Amberwood Village 180 Flat Shoals Avenue Atlanta, GA 30316 Fulton County	2.8 miles	Garden (2 stories) 1964 / 2013	Market	1BR / 1BA	1	3.3%	Market	\$775	500	n/a	Yes	0	0.0%					
					2BR / 1BA	29	96.7%	Market	\$917	615	n/a	Yes	0	0.0%					
						30	100.0%								0	0.0%			
8	Ashford East Village 1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County	0.3 miles	Various (2 stories) 1979 / Ongoing	Market	1BR / 1BA (Garden)	60	16.2%	Market	\$1,125	815	n/a	No	0	0.0%					
					1BR / 1BA (Garden)	35	9.4%	Market	\$1,075	650	n/a	No	0	0.0%					
					2BR / 1BA (Garden)	30	8.1%	Market	\$1,159	780	n/a	No	7	23.3%					
					2BR / 1BA (Garden)	62	16.7%	Market	\$1,183	945	n/a	No	7	11.3%					
					2BR / 1.5BA (Townhouse)	92	24.8%	Market	\$1,392	1,155	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	62	16.7%	Market	\$1,464	1,095	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	30	8.1%	Market	\$1,414	980	n/a	No	0	0.0%					
						371	100.0%								14	3.8%			
9	Broadway At East Atlanta 1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	1 miles	Various (2 stories) 1976 / 2015	Market	1BR / 1BA (Lowrise)	N/A	N/A	Market	\$835	725	n/a	No	0	N/A					
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$977	670	n/a	No	0	N/A					
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$987	990	n/a	No	2	N/A					
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,097	1,008	n/a	No	1	N/A					
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,116	1,046	n/a	No	0	N/A					
	119	100.0%								3	2.5%								
10	Manor V Apartments 1403 Custer Avenue Atlanta, GA 30316 DeKalb County	0.9 miles	Garden (2 stories) 1970s / n/a	Market	1BR / 1BA	25	17.4%	Market	\$675	767	n/a	No	0	0.0%					
					2BR / 1BA	116	80.6%	Market	\$777	891	n/a	No	2	1.7%					
					3BR / 1BA	3	2.1%	Market	\$964	1,025	n/a	No	0	0.0%					
						144	100.0%								2	1.4%			
11	Villas At Grant Park 1050 Villa Court SE Atlanta, GA 30316 Fulton County	2 miles	Garden (2 stories) 1968 / 2004	Market	1BR / 1BA	44	39.3%	Market	\$695	720	n/a	No	0	0.0%					
					2BR / 1BA	68	60.7%	Market	\$795	780	n/a	No	0	0.0%					
						112	100.0%								0	0.0%			
12	Woods At Glenrose 50 Mount Zion Road SW Atlanta, GA 30354 Fulton County	4.6 miles	Lowrise (2 stories) 1966 / 2013	Market	1BR / 1BA	30	21.1%	Market	\$600	900	no	No	0	0.0%					
					2BR / 1BA	52	36.6%	Market	\$700	1,036	no	No	2	3.8%					
					2BR / 1.5BA	60	42.3%	Market	\$725	1,136	no	No	2	3.3%					
	142	100.0%								4	2.8%								

**Paradise East Apartments, Atlanta, GA; Market Study**

<b>RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.</b>								
Effective Rent Date:		Jul-16	Units Surveyed:		1,661	Weighted Occupancy:	98.4%	
			Market Rate		918	Market Rate		97.5%
			Tax Credit		743	Tax Credit		99.5%
<b>One Bedroom One Bath</b>			<b>Two Bedrooms One Bath</b>					
	Property	Average	Property	Average	Property	Average		
<b>RENT</b>	Ashford East Village	\$1,125	Ashford East Village	\$1,183				
	Ashford East Village	\$1,075	Ashford East Village	\$1,159				
	Retreat At Edgewood Phase II * (M)	\$905	<b>Paradise East Apartments * (60%)</b>	<b>\$1,000</b>				
	Columbia Mill * (M)	\$860	Broadway At East Atlanta	\$987				
	<b>Paradise East Apartments * (60%)</b>	<b>\$850</b>	Broadway At East Atlanta	\$977				
	Broadway At East Atlanta	\$835	Columbia Mill * (2BA M)	\$962				
	Amberwood Village	\$775	Amberwood Village	\$917				
	Retreat At Edgewood Phase II * (60%)	\$723	Columbia Mill * (2BA 60%)	\$870				
	Columbia Mill * (60%)	\$713	Retreat At Edgewood * (1.5BA 60%)	\$811				
	Villas At Grant Park	\$695	Villas At Grant Park	\$795				
	Retreat At Edgewood * (60%)	\$690	<b>Paradise East Apartments * (60%)</b>	<b>\$790</b>				
	Retreat At Edgewood * (60%)	\$690	Manor V Apartments	\$777				
	The Station At Richmond Hill (fka Richmond Oaks) * (60%)	\$675	The Station At Richmond Hill (fka Richmond Oaks) * (60%)	\$767				
	Manor V Apartments	\$675	Columbia Mill * (2BA 50%)	\$714				
	The Square At Peoplestown * (60%)	\$666	Vineyards Of Flat Shoals * (M)	\$710				
	<b>Paradise East Apartments * (60%)</b>	<b>\$659</b>	The Square At Peoplestown * (60%)	\$701				
	Vineyards Of Flat Shoals * (M)	\$610	Woods At Glenrose	\$700				
	Vineyards Of Flat Shoals * (60%)	\$600	Vineyards Of Flat Shoals * (60%)	\$695				
	Woods At Glenrose	\$600	Vineyards Of Flat Shoals * (60%)	\$655				
	Retreat At Edgewood Phase II * (50%)	\$595	The Square At Peoplestown * (50%)	\$648				
	Columbia Mill * (50%)	\$583	The Station At Richmond Hill * (M)	N/A				
	Vineyards Of Flat Shoals * (60%)	\$555						
	The Square At Peoplestown * (50%)	\$543						
	<b>SQUARE FOOTAGE</b>	The Station At Richmond Hill (fka Richmond Oaks) * (60%)	900	The Station At Richmond Hill (fka Richmond Oaks) * (60%)	1,200			
		Woods At Glenrose	900	The Station At Richmond Hill* (M)	1,200			
		Retreat At Edgewood Phase II * (50%)	873	Retreat At Edgewood * (1.5BA 60%)	1,174			
		Retreat At Edgewood Phase II * (60%)	873	Woods At Glenrose	1,036			
		Ashford East Village	815	Columbia Mill * (2BA 50%)	1,031			
		Retreat At Edgewood Phase II * (M)	809	Columbia Mill * (2BA 60%)	1,031			
		Retreat At Edgewood * (60%)	789	Columbia Mill * (2BA M)	1,031			
Manor V Apartments		767	Broadway At East Atlanta	990				
Columbia Mill * (60%)		766	Ashford East Village	945				
Columbia Mill * (M)		766	Manor V Apartments	891				
Vineyards Of Flat Shoals * (60%)		736	Vineyards Of Flat Shoals * (60%)	884				
Vineyards Of Flat Shoals * (M)		736	Vineyards Of Flat Shoals * (M)	884				
Retreat At Edgewood * (60%)		732	The Square At Peoplestown * (50%)	869				
<b>Paradise East Apartments * (60%)</b>		<b>725</b>	The Square At Peoplestown * (60%)	869				
<b>Paradise East Apartments * (60%)</b>		<b>725</b>	<b>Paradise East Apartments * (60%)</b>	<b>853</b>				
Broadway At East Atlanta		725	<b>Paradise East Apartments * (60%)</b>	<b>853</b>				
Villas At Grant Park		720	Vineyards Of Flat Shoals * (60%)	829				
Columbia Mill * (50%)		670	Ashford East Village	780				
The Square At Peoplestown * (50%)		664	Villas At Grant Park	780				
The Square At Peoplestown * (60%)		664	Broadway At East Atlanta	670				
Ashford East Village		650	Amberwood Village	615				
Vineyards Of Flat Shoals * (60%)		630						
Amberwood Village		500						
<b>RENT PER SQUARE FOOT</b>		Ashford East Village	\$1.65	Amberwood Village	\$1.49			
		Amberwood Village	\$1.55	Ashford East Village	\$1.49			
		Ashford East Village	\$1.38	Broadway At East Atlanta	\$1.46			
		<b>Paradise East Apartments * (60%)</b>	<b>\$1.17</b>	Ashford East Village	\$1.25			
		Broadway At East Atlanta	\$1.15	<b>Paradise East Apartments * (60%)</b>	<b>\$1.17</b>			
		Columbia Mill * (M)	\$1.12	Villas At Grant Park	\$1.02			
		Retreat At Edgewood Phase II * (M)	\$1.12	Broadway At East Atlanta	\$1.00			
	The Square At Peoplestown * (60%)	\$1.00	Columbia Mill * (2BA M)	\$0.93				
	Villas At Grant Park	\$0.97	<b>Paradise East Apartments * (60%)</b>	<b>\$0.93</b>				
	Retreat At Edgewood * (60%)	\$0.94	Manor V Apartments	\$0.87				
	Columbia Mill * (60%)	\$0.93	Columbia Mill * (2BA 60%)	\$0.84				
	<b>Paradise East Apartments * (60%)</b>	<b>\$0.91</b>	The Square At Peoplestown * (60%)	\$0.81				
	Vineyards Of Flat Shoals * (60%)	\$0.88	Vineyards Of Flat Shoals * (M)	\$0.80				
	Manor V Apartments	\$0.88	Vineyards Of Flat Shoals * (60%)	\$0.79				
	Retreat At Edgewood * (60%)	\$0.87	Vineyards Of Flat Shoals * (60%)	\$0.79				
	Columbia Mill * (50%)	\$0.87	The Square At Peoplestown * (50%)	\$0.75				
	Vineyards Of Flat Shoals * (M)	\$0.83	Columbia Mill * (2BA 50%)	\$0.69				
	Retreat At Edgewood Phase II * (60%)	\$0.83	Retreat At Edgewood * (1.5BA 60%)	\$0.69				
	The Square At Peoplestown * (50%)	\$0.82	Woods At Glenrose	\$0.68				
	Vineyards Of Flat Shoals * (60%)	\$0.82	The Station At Richmond Hill * (60%)	\$0.64				
	The Station At Richmond Hill (fka Richmond Oaks) * (60%)	\$0.75	The Station At Richmond Hill (fka Richmond Oaks) * (M)	\$0.00				
	Retreat At Edgewood Phase II * (50%)	\$0.68						
	Woods At Glenrose	\$0.67						

# PROPERTY PROFILE REPORT

## Columbia Mill

**Effective Rent Date** 9/08/2016  
**Location** 2239 Flat Shoals Rd SE  
 Atlanta, GA 30316  
 DeKalb County  
**Distance** 1 mile  
**Units** 100  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Various (2 stories)  
**Year Built/Renovated** 2014 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** 5/09/2014  
**Major Competitors** Vineyards at Flat Shoals  
**Tenant Characteristics** Mixed tenancy  
**Contact Name** Jeri  
**Phone** 404-241-7441



### Market Information

**Program** LIHTC  
**Annual Turnover Rate** 5%  
**Units/Month Absorbed** 20  
**HCV Tenants** 15%  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** See comments  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	10	670	\$508	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden	10	766	\$638	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden	5	766	\$785	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden	17	1,031	\$597	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden	17	1,031	\$753	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden	5	1,031	\$845	\$0	Market	Yes	0	0.0%	N/A	None
2	2.5	Townhouse (2 stories)	6	1,182	\$753	\$0	@60%	Yes	0	0.0%	yes	None
2	2.5	Townhouse (2 stories)	6	1,182	\$915	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden	10	1,235	\$646	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden	10	1,235	\$826	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden	4	1,235	\$1,085	\$0	Market	Yes	0	0.0%	N/A	None

## Columbia Mill, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$508	\$0	\$508	\$75	\$583	1BR / 1BA	\$638	\$0	\$638	\$75	\$713
2BR / 2BA	\$597	\$0	\$597	\$117	\$714	2BR / 2BA	\$753	\$0	\$753	\$117	\$870
3BR / 2BA	\$646	\$0	\$646	\$0	\$646	2BR / 2.5BA	\$753	\$0	\$753	\$117	\$870
						3BR / 2BA	\$826	\$0	\$826	\$0	\$826

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$785	\$0	\$785	\$75	\$860
2BR / 2BA	\$845	\$0	\$845	\$117	\$962
2BR / 2.5BA	\$915	\$0	\$915	\$117	\$1,032
3BR / 2BA	\$1,085	\$0	\$1,085	\$0	\$1,085

### Amenities

#### In-Unit

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

Blinds  
 Central A/C  
 Dishwasher  
 Oven  
 Walk-In Closet

#### Security

In-Unit Alarm  
 Intercom (Video)  
 Limited Access  
 Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
 Central Laundry  
 On-Site Management  
 Playground

#### Premium

None

#### Other

None

### Comments

The contact was unable to provide the length of the waiting list. The two-bedroom garden-style market rate units have decreased \$114 and the two-bedroom townhouse units have decreased \$135 since the fourth quarter of 2015. The contact did not know the reason for the decrease.

# Columbia Mill, continued

## Trend Report

### Vacancy Rates

2Q06	1Q07	4Q15	3Q16
10.0%	3.3%	1.0%	0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$455	\$0	\$455	\$530
2007	1	N/A	\$499	\$0	\$499	\$574
2015	4	0.0%	\$508	\$0	\$508	\$583
2016	3	0.0%	\$508	\$0	\$508	\$583

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$555	\$0	\$555	\$672
2007	1	N/A	\$599	\$0	\$599	\$716

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$597	\$0	\$597	\$714
2016	3	0.0%	\$597	\$0	\$597	\$714

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$655	\$0	\$655	\$655
2007	1	N/A	\$699	\$0	\$699	\$699
2015	4	0.0%	\$646	\$0	\$646	\$646
2016	3	0.0%	\$646	\$0	\$646	\$646

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$638	\$0	\$638	\$713
2016	3	0.0%	\$638	\$0	\$638	\$713

#### 2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$753	\$0	\$753	\$870
2016	3	0.0%	\$753	\$0	\$753	\$870

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	5.9%	\$753	\$0	\$753	\$870
2016	3	0.0%	\$753	\$0	\$753	\$870

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$826	\$0	\$826	\$826
2016	3	0.0%	\$826	\$0	\$826	\$826

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$785	\$0	\$785	\$860
2016	3	0.0%	\$785	\$0	\$785	\$860

#### 2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$1,050	\$0	\$1,050	\$1,167
2016	3	0.0%	\$915	\$0	\$915	\$1,032

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$959	\$0	\$959	\$1,076
2016	3	0.0%	\$845	\$0	\$845	\$962

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$1,085	\$0	\$1,085	\$1,085
2016	3	0.0%	\$1,085	\$0	\$1,085	\$1,085

## Columbia Mill, continued

### Trend: Comments

- 2Q06** Columbia Mill has not had any changes in the rents since we last surveyed them. Leasing staff was unsure of their annual turnover rate but stated that when units become available they rent very quickly.
- 1Q07** Contact had no comments about the property.
- 4Q15** The length of the waiting list was not available.
- 3Q16** The contact was unable to provide the length of the waiting list. The two-bedroom garden-style market rate units have decreased \$114 and the two-bedroom townhouse units have decreased \$135 since the fourth quarter of 2015. The contact did not know the reason for the decrease.

Photos



# PROPERTY PROFILE REPORT

## Retreat At Edgewood

<b>Effective Rent Date</b>	8/02/2016
<b>Location</b>	150 Hutchinson Street, NE Atlanta, GA 30307 DeKalb County
<b>Distance</b>	3.1 miles
<b>Units</b>	100
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.0%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	11/22/2011
<b>Last Unit Leased</b>	4/30/2012
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy
<b>Contact Name</b>	Terri
<b>Phone</b>	404-577-9001



### Market Information

<b>Program</b>	@60%
<b>Annual Turnover Rate</b>	23%
<b>Units/Month Absorbed</b>	20
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	3 to 4% since 4Q15
<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 (2 stories)	10	732	\$615	\$0	@60%	No	1	10.0%	no	None
1	1	Garden (2 stories)	10	789	\$615	\$0	@60%	No	0	0.0%	no	None
2	1.5	Townhouse (2 stories)	12	1,174	\$694	\$0	@60%	No	0	0.0%	no	None
2	2	Townhouse (2 stories)	12	1,253	\$694	\$0	@60%	No	0	0.0%	no	None
2	2	Townhouse (2 stories)	12	1,538	\$694	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (2 stories)	12	1,229	\$694	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (2 stories)	12	1,333	\$694	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,362	\$760	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,568	\$760	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	6	1,697	\$760	\$0	@60%	No	0	0.0%	no	None

## Retreat At Edgewood, continued

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$615	\$0	\$615	\$75	\$690
2BR / 1.5BA	\$694	\$0	\$694	\$117	\$811
2BR / 2BA	\$694	\$0	\$694	\$117	\$811
2BR / 2.5BA	\$694	\$0	\$694	\$117	\$811
3BR / 2.5BA	\$760	\$0	\$760	\$0	\$760

### Amenities

#### In-Unit

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

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

#### Security

In-Unit Alarm

#### Services

None

#### Property

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

Clubhouse/Meeting  
Garage  
On-Site Management  
Playground

#### Premium

None

#### Other

None

### Comments

Management reported strong demand for affordable housing in the local area. The property currently has one vacant one-bedroom unit, which has a pending application. The rents at the property have increased three to four percent since the fourth quarter of 2015. Although the property has a high occupancy rate it does not maintain a waiting list. They operate on a first come first serve basis.

# Retreat At Edgewood, continued

## Trend Report

### Vacancy Rates

3Q13	4Q15	2Q16	3Q16
0.0%	0.0%	0.0%	1.0%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$590	\$0	\$590	\$665
2015	4	0.0%	\$590	\$0	\$590	\$665
2016	2	0.0%	\$590	\$0	\$590	\$665
2016	3	5.0%	\$615	\$0	\$615	\$690

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$669	\$0	\$669	\$786
2015	4	0.0%	\$669	\$0	\$669	\$786
2016	2	0.0%	\$669	\$0	\$669	\$786
2016	3	0.0%	\$694	\$0	\$694	\$811

#### 2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$669	\$0	\$669	\$786
2015	4	0.0%	\$669	\$0	\$669	\$786
2016	2	0.0%	\$669	\$0	\$669	\$786
2016	3	0.0%	\$694	\$0	\$694	\$811

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$669	\$0	\$669	\$786
2015	4	0.0%	\$669	\$0	\$669	\$786
2016	2	0.0%	\$669	\$0	\$669	\$786
2016	3	0.0%	\$694	\$0	\$694	\$811

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$735	\$0	\$735	\$735
2015	4	0.0%	\$735	\$0	\$735	\$735
2016	2	0.0%	\$735	\$0	\$735	\$735
2016	3	0.0%	\$760	\$0	\$760	\$760

## Trend: Comments

3Q13	The contact reported that demand for apartments at the Retreat at Edgewood has been strong, the wait list has been approximately six months or less.
4Q15	Management reported strong demand for affordable housing in the local area.
2Q16	N/A
3Q16	Management reported strong demand for affordable housing in the local area. The property currently has one vacant one-bedroom unit, which has a pending application. The rents at the property have increased three to four percent since the fourth quarter of 2015. Although the property has a high occupancy rate it does not maintain a waiting list. They operate on a first come first serve basis.

Photos



# PROPERTY PROFILE REPORT

## Retreat At Edgewood Phase II

<b>Effective Rent Date</b>	8/02/2016
<b>Location</b>	37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County
<b>Distance</b>	3 miles
<b>Units</b>	40
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	2012 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	9/04/2012
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy
<b>Contact Name</b>	Terri
<b>Phone</b>	404-577-9001



### Market Information

<b>Program</b>	@50%, @60%, Market
<b>Annual Turnover Rate</b>	27%
<b>Units/Month Absorbed</b>	12
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 3 to 5% since 4Q15
<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 (2 stories)	2	873	\$520	\$0	@50%	No	0	0.0%	no	None
1	1	Garden (2 stories)	27	873	\$648	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (2 stories)	1	809	\$830	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	2	1,595	\$633	\$0	@50%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,595	\$806	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	1	1,469	\$1,131	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$520	\$0	\$520	\$75	\$595	1BR / 1BA	\$648	\$0	\$648	\$75	\$723
3BR / 2.5BA	\$633	\$0	\$633	\$0	\$633	3BR / 2.5BA	\$806	\$0	\$806	\$0	\$806
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$830	\$0	\$830	\$75	\$905						
3BR / 2.5BA	\$1,131	\$0	\$1,131	\$0	\$1,131						

## Retreat At Edgewood Phase II, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpet/Hardwood  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Walk-In Closet  
Washer/Dryer hookup

Blinds  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator  
Washer/Dryer

#### Security

In-Unit Alarm  
Patrol  
Video Surveillance

#### Services

None

#### Property

Business Center/Computer Lab  
Garage  
Picnic Area

Clubhouse/Meeting  
Off-Street Parking  
Playground

#### Premium

None

#### Other

None

### Comments

Management reported strong demand for affordable housing in the local area. Rents at the property have increased three to five percent since the fourth quarter of 2015. Although the property is 100 percent occupied it does not maintain a waiting list. They operate on a first come first serve basis.

# Retreat At Edgewood Phase II, continued

## Trend Report

### Vacancy Rates

4Q15	1Q16	2Q16	3Q16
2.5%	2.5%	2.5%	0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$495	\$0	\$495	\$570
2016	1	0.0%	\$495	\$0	\$495	\$570
2016	2	0.0%	\$495	\$0	\$495	\$570
2016	3	0.0%	\$520	\$0	\$520	\$595

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$608	\$0	\$608	\$608
2016	1	0.0%	\$608	\$0	\$608	\$608
2016	2	0.0%	\$608	\$0	\$608	\$608
2016	3	0.0%	\$633	\$0	\$633	\$633

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$623	\$0	\$623	\$698
2016	1	0.0%	\$623	\$0	\$623	\$698
2016	2	0.0%	\$623	\$0	\$623	\$698
2016	3	0.0%	\$648	\$0	\$648	\$723

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	14.3%	\$781	\$0	\$781	\$781
2016	1	14.3%	\$781	\$0	\$781	\$781
2016	2	14.3%	\$781	\$0	\$781	\$781
2016	3	0.0%	\$806	\$0	\$806	\$806

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$809	\$0	\$809	\$884
2016	1	0.0%	\$809	\$0	\$809	\$884
2016	2	0.0%	\$809	\$0	\$809	\$884
2016	3	0.0%	\$830	\$0	\$830	\$905

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$1,081	\$0	\$1,081	\$1,081
2016	1	0.0%	\$1,081	\$0	\$1,081	\$1,081
2016	2	0.0%	\$1,081	\$0	\$1,081	\$1,081
2016	3	0.0%	\$1,131	\$0	\$1,131	\$1,131

### Trend: Comments

4Q15 Management reported strong demand for affordable housing in the local area.

1Q16 N/A

2Q16 N/A

3Q16 Management reported strong demand for affordable housing in the local area. Rents at the property have increased three to five percent since the fourth quarter of 2015. Although the property is 100 percent occupied it does not maintain a waiting list. They operate on a first come first serve basis.

# PROPERTY PROFILE REPORT

## The Square At Peopletown

<b>Effective Rent Date</b>	9/02/2016
<b>Location</b>	875 Hank Aaron Drive SW Atlanta, GA 30315 Fulton County
<b>Distance</b>	3.6 miles
<b>Units</b>	94
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Boyton Village, Capital Vanira Apartments
<b>Tenant Characteristics</b>	Mixed tenancy from the Atlanta metro area
<b>Contact Name</b>	Teneal
<b>Phone</b>	404-521-9744



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	47%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	12	664	\$543	\$0	@50%	No	0	0.0%	no	None
1	1	Garden (3 stories)	11	664	\$666	\$0	@60%	No	0	0.0%	no	None
2	1	Garden (3 stories)	12	869	\$648	\$0	@50%	No	0	0.0%	no	None
2	1	Garden (3 stories)	12	869	\$701	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	12	1,169	\$716	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (3 stories)	12	1,169	\$784	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (3 stories)	11	1,169	\$787	\$0	@50%	No	0	0.0%	no	None
3	2	Garden (3 stories)	12	1,169	\$984	\$0	@60%	No	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$543	\$0	\$543	\$0	\$543	1BR / 1BA	\$666	\$0	\$666	\$0	\$666
2BR / 1BA	\$648	\$0	\$648	\$0	\$648	2BR / 1BA	\$701	\$0	\$701	\$0	\$701
2BR / 2BA	\$716	\$0	\$716	\$0	\$716	2BR / 2BA	\$784	\$0	\$784	\$0	\$784
3BR / 2BA	\$787	\$0	\$787	\$0	\$787	3BR / 2BA	\$984	\$0	\$984	\$0	\$984

## The Square At Peoplestown, continued

### Amenities

**In-Unit**

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

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Refrigerator

**Security**

Limited Access  
Patrol  
Perimeter Fencing

**Services**

None

**Property**

Clubhouse/Meeting  
Off-Street Parking  
Playground

Central Laundry  
On-Site Management

**Premium**

None

**Other**

None

### Comments

Management does not maintain a waiting list.

# The Square At Peopletown, continued

## Trend Report

### Vacancy Rates

1Q12	1Q13	4Q15	3Q16
6.4%	4.3%	3.2%	0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$575	\$0	\$575	\$575
2013	1	0.0%	\$600	\$0	\$600	\$600
2015	4	8.3%	\$541	\$0	\$541	\$541
2016	3	0.0%	\$543	\$0	\$543	\$543

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	8.3%	\$625	\$0	\$625	\$625
2013	1	0.0%	\$686	\$0	\$686	\$686
2015	4	0.0%	\$647	\$0	\$647	\$647
2016	3	0.0%	\$648	\$0	\$648	\$648

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$650	\$0	\$650	\$650
2013	1	0.0%	\$715	\$0	\$715	\$715
2015	4	0.0%	\$715	\$0	\$715	\$715
2016	3	0.0%	\$716	\$0	\$716	\$716

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	18.2%	\$695	\$0	\$695	\$695
2013	1	0.0%	\$775	\$0	\$775	\$775
2015	4	0.0%	\$786	\$0	\$786	\$786
2016	3	0.0%	\$787	\$0	\$787	\$787

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$615	\$0	\$615	\$615
2013	1	0.0%	\$635	\$0	\$635	\$635
2015	4	9.1%	\$564	\$0	\$564	\$564
2016	3	0.0%	\$666	\$0	\$666	\$666

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	8.3%	\$686	\$0	\$686	\$686
2013	1	0.0%	\$700	\$0	\$700	\$700
2015	4	0.0%	\$700	\$0	\$700	\$700
2016	3	0.0%	\$701	\$0	\$701	\$701

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	8.3%	\$697	\$0	\$697	\$697
2013	1	8.3%	\$735	\$0	\$735	\$735
2015	4	0.0%	\$783	\$0	\$783	\$783
2016	3	0.0%	\$784	\$0	\$784	\$784

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	8.3%	\$766	\$0	\$766	\$766
2013	1	25.0%	\$800	\$0	\$800	\$800
2015	4	8.3%	\$981	\$0	\$981	\$981
2016	3	0.0%	\$984	\$0	\$984	\$984

## Trend: Comments

- 1Q12** The contact reported typical occupancy in the low to mid 90 percent range. Rents increased slightly during the past year but are still kept below the maximum in order to remain affordable for many households who are still struggling with slow economic conditions in the area.
- 1Q13** Over the past year, the 60 percent AMI rents increased between 2.0 and 5.5 percent. The rents for the units restricted at 50 percent AMI increased 4.3 to 11.5 percent.
- 4Q15** Management at the property stated the property would likely remain fully occupied with less reliance on Housing Choice Voucher usage, as there is strong demand for affordable housing in the area.
- 3Q16** Management does not maintain a waiting list.

# PROPERTY PROFILE REPORT

## The Station At Richmond Hill (fka Richmond Oaks)

<b>Effective Rent Date</b>	8/02/2016
<b>Location</b>	1770 Richmond Circle SE Atlanta, GA 30315 Fulton County
<b>Distance</b>	2.6 miles
<b>Units</b>	181
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	1.7%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1960/2004 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy
<b>Contact Name</b>	Shauna
<b>Phone</b>	404-627-6302



### Market Information

<b>Program</b>	@60%, Market
<b>Annual Turnover Rate</b>	13%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	40%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	900	\$600	\$0	@60%	Yes	0	N/A	yes	None
2	1	Garden (2 stories)	N/A	1,200	\$650	\$0	@60%	Yes	0	N/A	no	None
2	1	Garden (2 stories)	N/A	1,200	\$701	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,200	\$690	\$0	@60%	Yes	0	N/A	no	None
2	2	Garden (2 stories)	N/A	1,200	\$715	\$0	Market	No	2	N/A	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$600	\$0	\$600	\$75	\$675	2BR / 1BA	\$701	\$0	\$701	\$117	\$818
2BR / 1BA	\$650	\$0	\$650	\$117	\$767	2BR / 2BA	\$715	\$0	\$715	\$117	\$832
2BR / 2BA	\$690	\$0	\$690	\$117	\$807						

## The Station At Richmond Hill (fka Richmond Oaks), continued

### Amenities

**In-Unit**

Blinds  
Central A/C  
Garbage Disposal  
Refrigerator

Carpeting  
Dishwasher  
Oven  
Washer/Dryer hookup

**Security**

Patrol

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Playground

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property manager stated the current waiting list consists of approximately five households, all of which are waiting for tax credit units. Currently, there are three vacant market rate units at the property. Rents at the property have remained stable since the fourth quarter of 2015.

# The Station At Richmond Hill (fka Richmond Oaks), continued

## Trend Report

### Vacancy Rates

3Q08	1Q10	4Q15	3Q16
9.9%	9.9%	0.0%	1.7%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	3	100.0%	\$600	\$33	\$567	\$642
2010	1	0.0%	\$600	\$25	\$575	\$650
2015	4	N/A	\$600	\$0	\$600	\$675
2016	3	N/A	\$600	\$0	\$600	\$675

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	3	N/A	\$650	\$38	\$612	\$729
2010	1	N/A	\$650	\$29	\$621	\$738
2015	4	N/A	\$650	\$0	\$650	\$767
2016	3	N/A	\$650	\$0	\$650	\$767

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	3	N/A	\$710	\$43	\$667	\$784
2010	1	N/A	\$710	\$68	\$642	\$759
2015	4	N/A	\$690	\$68	\$622	\$739
2016	3	N/A	\$690	\$0	\$690	\$807

### Trend: Market

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	3	N/A	\$750	\$46	\$704	\$821
2010	1	N/A	\$750	\$38	\$712	\$829
2015	4	N/A	\$752	\$38	\$714	\$831
2016	3	N/A	\$701	\$0	\$701	\$818

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	3	N/A	\$800	\$50	\$750	\$867
2010	1	N/A	\$800	\$166	\$634	\$751
2015	4	N/A	\$752	\$166	\$586	\$703
2016	3	N/A	\$715	\$0	\$715	\$832

## Trend: Comments

3Q08 N/A

1Q10 The contact estimated the number of tenants with housing choice vouchers to be 40 percent.

4Q15 The property manager stated the current waiting list consists of approximately five households, all of which are waiting for tax credit units. The contact stated that maximum rents are not achievable at this time for the property, as most local residents would not be able to afford maximum rents. As such, this property has not experienced rent growth in the last five years. Additionally, management at the property stated the property would likely remain fully occupied with less reliance on Housing Choice Voucher usage, as there is strong demand for affordable housing in the area.

3Q16 The property manager stated the current waiting list consists of approximately five households, all of which are waiting for tax credit units. Currently, there are three vacant market rate units at the property. Rents at the property have remained stable since the fourth quarter of 2015.

# PROPERTY PROFILE REPORT

## Vineyards Of Flat Shoals

<b>Effective Rent Date</b>	7/29/2016
<b>Location</b>	2125 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County
<b>Distance</b>	1 mile
<b>Units</b>	228
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1966 / 2005
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Candler Crossing
<b>Tenant Characteristics</b>	Most from Atlanta and Decatur and work in retail.
<b>Contact Name</b>	Keyona
<b>Phone</b>	404-328-0820



### Market Information

<b>Program</b>	LIHTC/Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	30%
<b>Leasing Pace</b>	Two to three days
<b>Annual Chg. in Rent</b>	Market units decreased \$5 since 4Q15
<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)	31	630	\$555	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	N/A	736	\$600	\$0	@60%	Yes	0	N/A	no	None
1	1	Garden (2 stories)	3	736	\$610	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	N/A	884	\$695	\$0	@60%	Yes	0	N/A	no	None
2	1	Garden (2 stories)	174	829	\$655	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	20	884	\$710	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$555 - \$600	\$0	\$555 - \$600	\$0	\$555 - \$600	<b>1BR / 1BA</b>	\$610	\$0	\$610	\$0	\$610
<b>2BR / 1BA</b>	\$655 - \$695	\$0	\$655 - \$695	\$0	\$655 - \$695	<b>2BR / 1BA</b>	\$710	\$0	\$710	\$0	\$710

## Vineyards Of Flat Shoals, continued

### Amenities

#### In-Unit

Blinds  
Central A/C  
Ceiling Fan  
Oven  
Washer/Dryer

Carpeting  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Off-Street Parking  
Playground

#### Premium

None

#### Other

None

### Comments

The property is currently 100 percent occupied with a 12 household waiting list. The contact was unable to provide insight as to why the market rate units decreased \$5 in rent since the fourth quarter of 2015.

# Vineyards Of Flat Shoals, continued

## Trend Report

### Vacancy Rates

4Q09	2Q12	4Q15	3Q16
6.0%	6.0%	2.6%	0.0%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$500	\$0	\$500	\$500
2012	2	N/A	\$500	\$42	\$458	\$458
2015	4	N/A	\$555 - \$600	\$0	\$555 - \$600	\$555 - \$600
2016	3	N/A	\$555 - \$600	\$0	\$555 - \$600	\$555 - \$600

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$615	\$0	\$615	\$615
2012	2	N/A	\$600	\$50	\$550	\$550
2015	4	N/A	\$655 - \$695	\$0	\$655 - \$695	\$655 - \$695
2016	3	N/A	\$655 - \$695	\$0	\$655 - \$695	\$655 - \$695

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$525	\$0	\$525	\$525
2012	2	N/A	\$500	\$42	\$458	\$458
2015	4	N/A	\$615	\$0	\$615	\$615
2016	3	0.0%	\$610	\$0	\$610	\$610

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$650	\$0	\$650	\$650
2012	2	N/A	\$600 - \$675	\$50 - \$56	\$550 - \$619	\$550 - \$619
2015	4	N/A	\$715	\$0	\$715	\$715
2016	3	0.0%	\$710	\$0	\$710	\$710

## Trend: Comments

- 4Q09** Occupancy has remained stable compared to the last interview in August 2008 when occupancy was at 95 percent. Management indicated that water/sewer services are now included in the rent and that management no longer offers adult education, computer tutoring, or an afterschool program. The contact could not report the number of two-bedroom LIHTC vacancies versus market rate vacancies.
- 2Q12** N/A
- 4Q15** The six vacant units have pending applications.
- 3Q16** The property is currently 100 percent occupied with a 12 household waiting list. The contact was unable to provide insight as to why the market rate units decreased \$5 in rent since the fourth quarter of 2015.

Photos



# PROPERTY PROFILE REPORT

## Amberwood Village

**Effective Rent Date** 7/08/2016  
**Location** 180 Flat Shoals Avenue  
 Atlanta, GA 30316  
 Fulton County  
**Distance** 2.8 miles  
**Units** 30  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 1964 / 1994/2013  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None Identified  
**Tenant Characteristics** Mixed Tenancy  
**Contact Name** Laura  
**Phone** 404-525-4130



### Market Information

**Program** Market  
**Annual Turnover Rate** 25%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Pre-leased to one week  
**Annual Chg. in Rent** Increased 6-8% since 4Q 2015  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	500	\$700	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	29	615	\$800	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$700	\$0	\$700	\$75	\$775
2BR / 1BA	\$800	\$0	\$800	\$117	\$917

### Amenities

#### In-Unit

Blinds  
Central A/C  
Dishwasher  
Oven

Carpeting  
Coat Closet  
Garbage Disposal  
Refrigerator

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Central Laundry  
On-Site Management

Off-Street Parking  
Picnic Area

#### Premium

None

#### Other

None

## **Amberwood Village, continued**

### **Comments**

The property was last renovated in 2013 consisting of new flooring, appliances, cabinets and countertops, and fixtures throughout. The property was formerly a LIHTC property and currently operates as a market rate property. The property maintains a small waiting list, however the contact could not provide its length. The property does not accept Housing Choice Vouchers.

## Amberwood Village, continued

### Trend Report

#### Vacancy Rates

4Q04	2Q05	4Q15	3Q16
10.0%	6.7%	0.0%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$650	\$0	\$650	\$725
2016	3	0.0%	\$700	\$0	\$700	\$775

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$755	\$0	\$755	\$872
2016	3	0.0%	\$800	\$0	\$800	\$917

### Trend: Comments

- 4Q04** This is a LIHTC property located in the South Atlanta submarket.
- 2Q05** Rent has increased by 4% or \$15 because the company feels that the market can handle the increase. Although the company does not offer any concessions it does allow tenants an extra amount of time to pay move in costs. The AMI Level for tax credit units is at 60% but most tenants are at 50%. Amberwood Villiage welcomes Section 8 tenants but does not have any currently. Usually Section 8 tenants can get a larger unit than Amberwood Villiage units at the same price. This factor could be the reason there are no Section 8 tenants. Currently Amberwood Villiage is constructing a sister property with 32 units. This property will be ready by December 2005.
- 4Q15** Green Leaf Management purchased the property in 2013. In 2013, the property underwent renovations including new flooring, appliances, and countertops. Since the ownership change, the property is no longer a LIHTC property, and does not accept Housing Choice Vouchers. A portion of the units has gas stoves while other units have electric stoves.
- 3Q16** The property was last renovated in 2013 consisting of new flooring, appliances, cabinets and countertops, and fixtures throughout. The property was formerly a LIHTC property and currently operates as a market rate property. The property maintains a small waiting list, however the contact could not provide its length. The property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Ashford East Village

<b>Effective Rent Date</b>	7/08/2016
<b>Location</b>	1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County
<b>Distance</b>	0.3 miles
<b>Units</b>	371
<b>Vacant Units</b>	14
<b>Vacancy Rate</b>	3.8%
<b>Type</b>	Various (2 stories)
<b>Year Built/Renovated</b>	1979 / Ongoing
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	1/25/2005
<b>Major Competitors</b>	Broadway at East Atlanta
<b>Tenant Characteristics</b>	Mixed tenancy, mostly families
<b>Contact Name</b>	Tora
<b>Phone</b>	404-748-4466



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	10%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Pre-leased to 2 weeks
<b>Annual Chg. in Rent</b>	Increased
<b>Concession</b>	\$200 off first months

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	60	815	\$1,050	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	35	650	\$1,000	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	30	780	\$1,075	\$33	Market	No	7	23.3%	N/A	None
2	1	Garden (2 stories)	62	945	\$1,099	\$33	Market	No	7	11.3%	N/A	None
2	1.5	Townhouse (2 stories)	92	1,155	\$1,275	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	62	1,095	\$1,300	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	30	980	\$1,250	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$1,000 - \$1,050	\$0	\$1,000 - \$1,050	\$75	\$1,075 - \$1,125
<b>2BR / 1BA</b>	\$1,075 - \$1,099	\$33	\$1,042 - \$1,066	\$117	\$1,159 - \$1,183
<b>2BR / 1.5BA</b>	\$1,275	\$0	\$1,275	\$117	\$1,392
<b>3BR / 2BA</b>	\$1,250 - \$1,300	\$0	\$1,250 - \$1,300	\$0	\$1,250 - \$1,300

## Ashford East Village, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpet/Hardwood  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer

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

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Off-Street Parking  
Picnic Area  
Sport Court

#### Premium

None

#### Other

None

### Comments

Renovated units include new hardwood floors in living areas, new cabinets and granite countertops in kitchens and bathrooms, black appliances, paint, and fixtures throughout. The rent profile reflects renovated rents. Non-renovated units rent for a discount of \$100 per month. Each unit offers an in-unit washer/dryer. This property does not accept Housing Choice Vouchers.

## Ashford East Village, continued

### Trend Report

#### Vacancy Rates

2Q05	4Q06	4Q15	3Q16
3.7%	21.7%	5.9%	3.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$525	\$0	\$525	\$600
2006	4	20.7%	\$525	\$0	\$525	\$600
2015	4	N/A	\$800	\$0	\$800	\$875
2016	3	0.0%	\$1,000 - \$1,050	\$0	\$1,000 - \$1,050	\$1,075 - \$1,125

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$655	\$105	\$550	\$667
2006	4	22.5%	\$655	\$0	\$655	\$772
2015	4	N/A	\$925	\$0	\$925	\$1,042
2016	3	0.0%	\$1,275	\$0	\$1,275	\$1,392

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$595	\$96	\$499	\$616
2006	4	21.3%	\$595	\$0	\$595	\$712
2015	4	N/A	\$825	\$0	\$825	\$942
2016	3	15.2%	\$1,075 - \$1,099	\$33	\$1,042 - \$1,066	\$1,159 - \$1,183

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$725	\$26	\$699	\$699
2006	4	22.5%	\$725	\$0	\$725	\$725
2015	4	N/A	\$1,090	\$0	\$1,090	\$1,090
2016	3	0.0%	\$1,250 - \$1,300	\$0	\$1,250 - \$1,300	\$1,250 - \$1,300

### Trend: Comments

<b>2Q05</b>	Sun Valley Apartments currently has 12 vacant units and no waiting list. Concessions are in the form of reduced rental rates. 1 bedroom units do not offer any concessions.
<b>4Q06</b>	All rents have remained the same since the last interview. The property currently has 70 vacancies, which management estimated were evenly distributed between bedroom types. Management stated that the property changed management companies three months ago and is now managed by Evergreen Ventures. The current concession is no application fee, a \$150 security deposit, and a \$100 administration fee. Management stated that the property has had good retention since the new management took over, and management's goal is to have the property close to 100 percent occupied within one month. The property no longer accepts Section 8 vouchers. Management reported that most tenants are from the south Atlanta area.
<b>4Q15</b>	The two-bedroom rents decreased two to three percent since October 2015. The three-bedroom rents increased one percent since October 2015. Management could not provide an explanation for the rent decreases. The property offers a dog park and bocce/shuffleboard courts.
<b>3Q16</b>	Renovated units include new hardwood floors in living areas, new cabinets and granite countertops in kitchens and bathrooms, black appliances, paint, and fixtures throughout. The rent profile reflects renovated rents. Non-renovated units rent for a discount of \$100 per month. Each unit offers an in-unit washer/dryer. This property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Broadway At East Atlanta

**Effective Rent Date** 7/12/2016  
**Location** 1930 Flat Shoals Road SE  
 Atlanta, GA 30316  
 DeKalb County  
**Distance** 1 mile  
**Units** 119  
**Vacant Units** 3  
**Vacancy Rate** 2.5%  
**Type** Various (2 stories)  
**Year Built/Renovated** 1976 / 2015  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None Identified  
**Tenant Characteristics** Mixed tenancy, families  
**Contact Name** Ricky  
**Phone** 404-241-3242



### Market Information

**Program** Market  
**Annual Turnover Rate** 30%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** Remained Stable  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	N/A	725	\$760	\$0	Market	No	0	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	670	\$860	\$0	Market	No	0	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	990	\$870	\$0	Market	No	2	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,008	\$980	\$0	Market	No	1	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,046	\$999	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$760	\$0	\$760	\$75	\$835
2BR / 1BA	\$860 - \$870	\$0	\$860 - \$870	\$117	\$977 - \$987
2BR / 1.5BA	\$980 - \$999	\$0	\$980 - \$999	\$117	\$1,097 - \$1,116

## Broadway At East Atlanta, continued

### Amenities

**In-Unit**

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

Carpet/Hardwood  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

**Security**

Limited Access  
Patrol  
Perimeter Fencing

**Services**

None

**Property**

Central Laundry  
On-Site Management  
Playground

Off-Street Parking  
Picnic Area  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property was renovated in 2015 consisting of new flooring, bathrooms, kitchens, appliances, and fixtures throughout. The contact could not provide unit breakdown by bedroom type. This property does not accept Housing Choice Vouchers.

## Broadway At East Atlanta, continued

### Trend Report

#### Vacancy Rates

1Q12	2Q12	4Q15	3Q16
5.1%	35.2%	0.0%	2.5%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$499	\$0	\$499	\$574
2012	2	N/A	\$499	\$0	\$499	\$574
2015	4	N/A	\$760	\$0	\$760	\$835
2016	3	N/A	\$760	\$0	\$760	\$835

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	14.6%	\$635 - \$685	\$0	\$635 - \$685	\$752 - \$802
2012	2	0.0%	\$635 - \$685	\$0	\$635 - \$685	\$752 - \$802
2015	4	N/A	\$980 - \$999	\$0	\$980 - \$999	\$1,097 - \$1,116
2016	3	N/A	\$980 - \$999	\$0	\$980 - \$999	\$1,097 - \$1,116

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	5.0%	\$499 - \$550	\$0	\$499 - \$550	\$616 - \$667
2012	2	N/A	\$499 - \$595	\$0	\$499 - \$595	\$616 - \$712
2015	4	N/A	\$860 - \$870	\$0	\$860 - \$870	\$977 - \$987
2016	3	N/A	\$860 - \$870	\$0	\$860 - \$870	\$977 - \$987

### Trend: Comments

1Q12	No additional comments.
2Q12	Contact stated that the property went through a foreclosure about three to four months ago. They 'cleaned house' and removed all the unpaying tenants. Since then, they have been filling the units again, and last month they had 12 move-ins. Contact stated that they are currently 65 percent occupied and that all vacancies are in the garden-style units.
4Q15	The contact stated that the property went through a foreclosure in 2014. In December 2014, the property changed ownership and started major renovations. Prior to renovations, the few existing tenants were evicted. The renovations have been ongoing since December 2014, and three buildings remain empty and renovated as they await certificates of occupancy. Renovations include new flooring, bathrooms, kitchens, fixtures, and appliances. The contact stated that they are currently 85 percent leased and 68 percent occupied. Due to the evictions and renovations, management was unable to provide turnover and lease up. There is a total of 176 units at the property, with 119 units currently online (all of which are occupied). We illustrated the 119 units online in the rent grid. The property no longer accepts Housing Choice Vouchers.
3Q16	The property was renovated in 2015 consisting of new flooring, bathrooms, kitchens, appliances, and fixtures throughout. The contact could not provide unit breakdown by bedroom type. This property does not accept Housing Choice Vouchers.

**Photos**





## **Manor V Apartments, continued**

### **Comments**

The contact had no additional comments.

# Manor V Apartments, continued

## Trend Report

### Vacancy Rates

1Q12	2Q12	4Q15	3Q16
2.8%	2.8%	2.1%	1.4%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$500	\$0	\$500	\$575
2012	2	0.0%	\$500	\$0	\$500	\$575
2015	4	4.0%	\$590	\$0	\$590	\$665
2016	3	0.0%	\$600	\$0	\$600	\$675

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	3.4%	\$600	\$0	\$600	\$717
2012	2	3.4%	\$600	\$0	\$600	\$717
2015	4	1.7%	\$650	\$0	\$650	\$767
2016	3	1.7%	\$660	\$0	\$660	\$777

### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$700	\$0	\$700	\$700
2012	2	0.0%	\$700	\$0	\$700	\$700
2015	4	0.0%	\$750	\$0	\$750	\$750
2016	3	0.0%	\$800	\$0	\$800	\$800

## Trend: Comments

1Q12 No additional comments.

2Q12 Management would not comment on why the rents decreased by 18 to 23 percent since 2011. However, it should be noted that the rents that were collected in the 2011 interview were as a perspective tenant and may have been given incorrectly.

4Q15 This property does not maintain a waiting list.

3Q16 The contact had no additional comments.

# PROPERTY PROFILE REPORT

## Villas At Grant Park

**Effective Rent Date** 7/11/2016  
**Location** 1050 Villa Court SE  
 Atlanta, GA 30316  
 Fulton County  
**Distance** 2 miles  
**Units** 112  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 1968 / 2004  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Ashford East Village  
**Tenant Characteristics** Mixed tenancy  
**Contact Name** Tracy  
**Phone** 404.627.2967



### Market Information

**Program** Market  
**Annual Turnover Rate** 21%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within one week  
**Annual Chg. in Rent** Remained Stable  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	44	720	\$695	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	68	780	\$795	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$695	\$0	\$695	\$0	\$695
2BR / 1BA	\$795	\$0	\$795	\$0	\$795

### Amenities

#### In-Unit

Blinds  
Coat Closet  
Ceiling Fan  
Refrigerator

Carpeting  
Dishwasher  
Oven  
Wall A/C

#### Security

Perimeter Fencing

#### Services

None

#### Property

Central Laundry  
On-Site Management  
Recreation Areas

Off-Street Parking  
Picnic Area

#### Premium

None

#### Other

None

## Villas At Grant Park, continued

### Comments

This property does not accept Housing Choice Vouchers.

## Villas At Grant Park, continued

### Trend Report

#### Vacancy Rates

1Q12	2Q12	4Q15	3Q16
3.6%	3.6%	0.0%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$650	\$0	\$650	\$650
2012	2	0.0%	\$650	\$0	\$650	\$650
2015	4	0.0%	\$695	\$0	\$695	\$695
2016	3	0.0%	\$695	\$0	\$695	\$695

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	5.9%	\$750	\$0	\$750	\$750
2012	2	5.9%	\$750	\$0	\$750	\$750
2015	4	0.0%	\$795	\$0	\$795	\$795
2016	3	0.0%	\$795	\$0	\$795	\$795

### Trend: Comments

1Q12	N/A
2Q12	Management had no additional comments.
4Q15	The information was obtained as a renter because management would not participate in our interview. Therefore, the annual turnover rate and change in rents were not available.
3Q16	This property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Woods At Glenrose

<b>Effective Rent Date</b>	7/12/2016
<b>Location</b>	50 Mount Zion Road SW Atlanta, GA 30354 Fulton County
<b>Distance</b>	4.6 miles
<b>Units</b>	142
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	2.8%
<b>Type</b>	Lowrise (2 stories)
<b>Year Built/Renovated</b>	1966 / 1997/2013
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Lakewood Forest
<b>Tenant Characteristics</b>	Mixed tenancy, families
<b>Contact Name</b>	Hazel
<b>Phone</b>	404-361-6175



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	15%
<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>	Increased 9-12% since 4Q 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
1	1	Lowrise (2 stories)	30	900	\$600	\$0	Market	No	0	0.0%	N/A	None
2	1	Lowrise (2 stories)	52	1,036	\$700	\$0	Market	No	2	3.8%	N/A	None
2	1.5	Lowrise (2 stories)	60	1,136	\$725	\$0	Market	No	2	3.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$600	\$0	\$600	\$0	\$600
2BR / 1BA	\$700	\$0	\$700	\$0	\$700
2BR / 1.5BA	\$725	\$0	\$725	\$0	\$725

### Amenities

In-Unit	Security	Services
Blinds	Limited Access	None
Central A/C	Patrol	
Dishwasher		
Oven		
Walk-In Closet		
Carpeting		
Coat Closet		
Garbage Disposal		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		
Playground		

## **Woods At Glenrose, continued**

### **Comments**

This property was originally renovated with LIHTCs in 1997 and to a market rate property in 2013. This property does not accept Housing Choice Vouchers.

## Woods At Glenrose, continued

### Trend Report

#### Vacancy Rates

2Q12	4Q12	4Q15	3Q16
3.5%	4.2%	2.1%	2.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$550	\$0	\$550	\$550
2016	3	0.0%	\$600	\$0	\$600	\$600

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	5.0%	\$665	\$0	\$665	\$665
2016	3	3.3%	\$725	\$0	\$725	\$725

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$625	\$0	\$625	\$625
2016	3	3.8%	\$700	\$0	\$700	\$700

### Trend: Comments

- 2Q12** The contact indicated that there is a waiting list for all units. However, the contact expects to have the current vacancies filled and the waiting list cleared out by the first of next month. The contact expects the occupancy to go up by the first of next month.
- 4Q12** The contact noted that the majority of the vacant units are preleased. Also, the property has a waiting list for the two-bedroom units but the number of households was not provided. The property is currently offering new tenants a reduced deposit fee of \$200 and a waived application fee.
- 4Q15** The property converted from a LIHTC property to a market rate development in 2013.
- 3Q16** This property was originally renovated with LIHTCs in 1997 and to a market rate property in 2013. This property does not accept Housing Choice Vouchers.

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

**Housing Choice Vouchers**

<b>TENANTS WITH VOUCHERS</b>		
<b>Comparable Property</b>	<b>Type</b>	<b>Housing Choice Voucher Tenants</b>
Paradise East Apartments	LIHTC	0%
Columbia Mill	LIHTC	15%
Retreat At Edgewood	LIHTC	0%
Retreat At Edgewood Phase II	LIHTC	0%
The Square At Peoplestown	LIHTC	47%
The Station At Richmond Hill (fka Richmond Oaks)	LIHTC	40%
Vineyards Of Flat Shoals	LIHTC	30%
Amberwood Village	Market	0%
Ashford East Village	Market	0%
Broadway At East Atlanta	Market	0%
Manor V Apartments	Market	10%
Villas At Grant Park	Market	0%
Woods At Glenrose	Market	0%

As illustrated in the table, the majority of LIHTC properties reported having small to moderate shares of Housing Choice Voucher tenants, while only one of the market rate properties reported Housing Choice Voucher usage. The average number of voucher tenants at the LIHTC properties is 33 percent and the overall market average is 10 percent. Of note, The Square at Peoplestown and The Station at Richmond Hill both reported the highest voucher usage among comparable properties, at 47 and 40 percent, respectively. Management at both properties stated that they believe their respective properties would be able to maintain a high level of occupancy with less reliance on voucher utilization, as there is strong demand in the area for quality affordable housing. Additionally, there are no Housing Choice Vouchers being utilized in the Subject's unrestricted units. Since the Subject will continue to operate with project-based Section 8 subsidy for the majority of its units, the availability and acceptance of Housing Choice Vouchers will not be a significant concern for the Subject. The current Payment Standards for one and two-bedroom units are illustrated in the following table.

**ATLANTA, GA PAYMENT STANDARDS – SUBMARKET C7\***

<b>Bedroom Type</b>	<b>Payment Standard Rent</b>
1BR	\$1,650
2BR	\$2,200

The Atlanta Housing Authority manages different payment standards depending on which submarket the development is located in. Differences in payment standards are a function of differences in age, quality of the units, and quality of the neighborhood. The Subject is located in Submarket C7 in Atlanta, which is determined by the Atlanta Housing Authority, effective July 1, 2016. The gross LIHTC rents proposed at the Subject are below the current Housing Choice Voucher payment standards for the local area. As such, those with Vouchers would be eligible to live at the Subject and pay 30 percent of their income toward rent. The units with Section 8 will

not be eligible for Housing Choice Vouchers, but tenants will continue to pay 30 percent of income towards rent.

### Lease Up History

We were able to obtain absorption information from three of the comparable properties, illustrated in the following table.

ABSORPTION					
Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Columbia Mill	LIHTC	Family	2014	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Retreat At Edgewood	LIHTC	Family	2011	100	20

As per DCA guidelines, we have calculated the absorption at comparables as the time necessary to achieve 93 percent occupancy. Columbia Mill, the most recently constructed LIHTC comparable, opened in 2014 and stabilized within five months, equating to an absorption rate of 20 units per month, similar to the absorption period/rate experienced at Retreat at Edgewood. Retreat at Edgewood Phase II, a LIHTC/market rate comparable constructed in 2012, experienced an absorption rate of 12 units per month, equating to an absorption period of approximately three and a half months. According to the developer, renovations will occur with tenants in-place. As such, this situation is purely hypothetical, considering all of tenants will remain at the Subject during the course of the renovations. However, if the Subject were to require re-tenanting all the units, we estimate that the Subject would be able to achieve stabilized occupancy of 93 percent within eight to nine months, or an average monthly absorption pace of 20 units.

According to the developer, renovations will occur with tenants in-place with the exception of ADA tenants, who will be relocated to a nearby hotel until work is completed on those units. As such, this situation is purely hypothetical, considering the majority of tenants will remain at the Subject during the course of the renovations. However, if the Subject were to require re-tenanting all the units, we estimate that the Subject would be able to achieve stabilized occupancy of 93 percent within eight to nine months, or an average monthly absorption pace of 20 units.

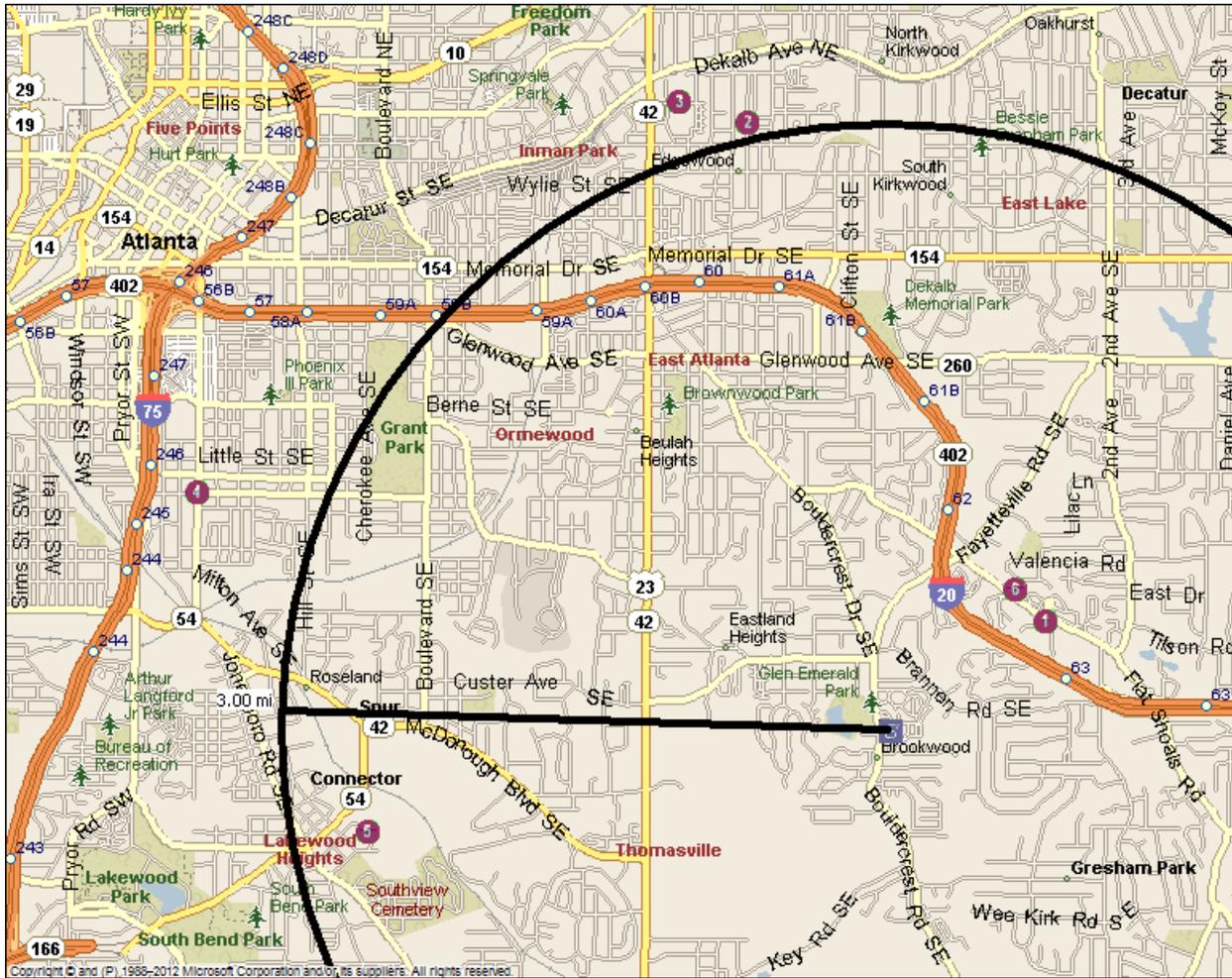
### Phased Developments

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 Atlanta; however, this area is not rural in nature. As such, this section is not applicable.

### 3. Competitive Project Map



#### COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Columbia Mill	Atlanta	LIHTC	1.0 mile
2	Retreat at Edgewood	Atlanta	LIHTC	3.1 miles
3	Retreat at Edgewood Phase II	Atlanta	LIHTC/Market	3.3 miles
4	The Square At Peoplestown	Atlanta	LIHTC	3.6 miles
5	The Station at Richmond Hill	Atlanta	LIHTC/Market	2.6 miles
6	Vineyards At Flat Shoals Apartments	Atlanta	LIHTC/Market	1.0 mile

### 4. Amenities

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

UNIT MATRIX REPORT													
	Paradise East Apartments	Columbia Mill	Retreat At Edgewood	Retreat At Edgewood Phase II	The Square At Peopletown	The Station At Richmond Hill	Vineyards Of Flat Shoals	Amberwood Village	Ashford East Village	Broadway At East Atlanta	Manor V Apartments	Villas At Grant Park	Woods At Glenrose
Comp#	Subject	1	2	3	4	5	6	7	8	9	10	11	12
<b>Property Information</b>													
Property Type	Garden (2&3 stories)	Various (2 stories)	Various	Various	Garden (3 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Various (2 stories)	Various (2 stories)	Garden (2 stories)	Garden (2 stories)	Lowrise (2 stories)
Year Built / Renovated	1974 / 2018	2014 / n/a	2011 / n/a	2012 / n/a	1999 / n/a	1960/2004	1966 / 2005	1964 / 2013	1979 / Ongoing	1976 / 2015	1970s / n/a	1968 / 2004	1966 / 2013
Market (Conv./Subsidy Type)	LHHC, Section 8	LHHC	LHHC	LHHC, Market	LHHC	LHHC, Market	LHHC/Market	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>													
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	no	yes	no	yes	no	no	no	no	yes	yes
Sewer	yes	no	no	no	yes	no	yes	no	no	no	no	yes	yes
Trash Collection	yes	yes	yes	yes	yes	yes	yes	no	no	no	no	yes	yes
<b>In-Unit Amenities</b>													
Balcony/Patio	no	yes	yes	yes	yes	no	no	no	yes	no	no	no	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	yes	no	no	yes	no	no	no	no	yes	yes	no	no	no
Carpeting	no	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Coat Closet	yes	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Dishwasher	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Exterior Storage	no	no	yes	yes	yes	no	no	no	no	no	no	no	no
Ceiling Fan	yes	no	yes	yes	yes	no	yes	no	yes	yes	no	yes	no
Garbage Disposal	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	no	yes
Microwave	no	no	no	no	no	no	no	no	yes	yes	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	yes	yes	yes	yes	no	no	no	no	yes	yes	yes	no	yes
Wall A/C	no	no	no	no	no	no	no	no	no	no	no	no	no
Washer/Dryer	no	no	yes	yes	no	no	yes	no	yes	no	no	no	no
Washer/Dryer hookup	no	yes	yes	yes	yes	yes	yes	no	no	yes	no	no	yes
<b>Property Amenities</b>													
Business Center/Computer Lab	no	yes	yes	yes	no	yes	yes	no	yes	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	no
Exercise Facility	no	yes	yes	no	no	yes	no	no	yes	no	no	no	no
Garage	no	no	yes	yes	no	no	no	no	no	no	no	no	no
Central Laundry	yes	yes	no	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	yes	yes	no	no	no	yes	yes	yes	no	yes	no
Playground	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	no	no	yes
Recreation Areas	no	no	no	no	no	no	no	no	no	no	no	yes	no
Sport Court	no	no	no	no	no	no	no	no	yes	no	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	no	yes	yes	no	no	no
<b>Services</b>													
<b>Security</b>													
In-Unit Alarm	no	yes	yes	yes	no	no	no	no	no	no	no	no	no
Intercom (Video)	no	yes	no	no	no	no	no	no	no	no	no	no	no
Limited Access	no	yes	no	no	yes	no	yes	yes	yes	yes	yes	no	yes
Patrol	yes	no	no	yes	yes	yes	no	no	no	yes	no	no	yes
Perimeter Fencing	yes	yes	no	no	yes	no	yes	yes	yes	yes	yes	yes	no
Video Surveillance	no	no	no	yes	no	no	no	no	no	no	yes	no	no

The Subject offers blinds, carpeting, central A/C, ceiling fans, walk-in closets, ovens, and refrigerators in the units. Post-renovation, in-unit amenities will remain the same. Several of the comparable properties do not offer several of these amenities. However, several of the comparables offer balcony/patio, coat closets, and washer/dryer hookups, and in-unit washers/dryers, which the Subject will not offer. Overall, the Subject will have similar to inferior in-unit amenities when compared to the comparable properties.

The Subject offers a community room, central laundry, off-street parking, on-site management, and a playground. Post-renovation, common area amenities will remain the same. Five comparables offer a business center, four offer an exercise facility, seven offer a picnic area, one offers a sports court, and four offer a swimming pool, all of which are not offered at the Subject. Overall, the Subject will be similar to slightly inferior in terms of community amenities when compared to the comparable properties.

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

### 6. Vacancy

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>				
<b>Property name</b>	<b>Rent Structure</b>	<b>Total Units</b>	<b>Vacant Units</b>	<b>Vacancy Rate</b>
Columbia Mill	LIHTC	100	0	0.0%
Retreat At Edgewood	LIHTC	100	1	1.0%
Retreat At Edgewood Phase II	LIHTC, Market	40	0	0.0%
The Square At Peoplestown	LIHTC	94	0	0.0%
The Station At Richmond Hill	LIHTC, Market	181	3	1.7%
Vineyards Of Flat Shoals	LIHTC, Market	228	0	0.0%
Amberwood Village	Market	30	0	0.0%
Ashford East Village	Market	371	14	3.8%
Broadway At East Atlanta*	Market	119	3	2.5%
Manor V Apartments	Market	144	2	1.4%
Villas At Grant Park	Market	112	0	0.0%
Woods At Glenrose**	Market	142	4	2.8%
<b>LIHTC Average (1)</b>		<b>743</b>	<b>4</b>	<b>0.5%</b>
<b>Market Rate Average</b>		<b>918</b>	<b>23</b>	<b>2.5%</b>
<b>Total</b>		<b>1,661</b>	<b>27</b>	<b>1.6%</b>

(1)Includes LIHTC and mixed income properties

\*Undergoing significant renovations. Currently 119 units are online. Once renovations are completed there will be a total of 176 units.

\*\*Located outside the PMA

As illustrated, vacancy rates in the market range from zero to 3.8 percent, with an overall average of 1.6 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 1.7 percent, with a low average vacancy rate of just 0.5 percent. The market rate comparables have vacancy rates ranging from zero to 3.8 percent. The average market rate vacancy rate is 2.5 percent, indicating a stable market for market rate units. The Subject is currently 100 percent occupied with a waiting list of approximately 300 households. According to the Subject's historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.1 to 2.6 percent over the past two years. As such, we believe the

Subject will continue to operate with a physical vacancy rate inclusive of collection loss of 4.0 percent or less, which is in line with the historical data and comparable properties.

Based on the Subject’s historical performance, we anticipate that the Subject will continue to maintain a vacancy rate of four percent or less, similar to the LIHTC comparables. If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as the Subject is an existing affordable property. Additionally, the LIHTC comparables surveyed reported significant demand for affordable housing in the local market and the proposed renovations at the Subject will improve existing low-income housing stock.

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

We attempted to contact the DeKalb County Planning and Sustainability, however at this time of the report our calls have yet to be returned. We contacted Warren Harper, Business Process Analyst with the Atlanta Department of Planning and Community Development, to identify any proposed, planned, or under construction multifamily developments in the PMA. Mr. Harper indicated that the city of Atlanta does not have a current list of developments. Additionally we utilized REIS multifamily new construction listing to identify any recently completed, under construction, planned, or proposed multifamily developments since 2014. Our findings are described in the following table.

<b>RECENTLY COMPLETED, UNDER CONSTRUCTION, PLANNED, PROPOSED MULTIFAMILY IN PMA</b>				
<b>Property Name</b>	<b>Tenancy</b>	<b>Rent Structure</b>	<b>Status</b>	<b>Number of Units</b>
131 Ponce de Leon Avenue	Family	Market Rate	Recently Completed	280
280 Elizabeth	Family	Market Rate	Recently Completed	199
755 North	Family	Market Rate	Recently Completed	227
841 Memorial	Family	Market Rate	Recently Completed	80
Alexan 1133	Family	Market Rate	Recently Completed	167
Alexan EAV	Family	Market Rate	Recently Completed	130
Alexan on Krog	Family	Market Rate	Recently Completed	220
AmlI at Ponce Park	Family	Market Rate	Recently Completed	305
Avondale Marta Station	Family	Market Rate	Planned	532
Cityview at Englewood Ph I	Family	Market Rate	Proposed	320
E. CO	Family	Market Rate	Planned	288
East College Apartments	Family	Market Rate	Proposed	175
Edgewood Marta Apartments	Family	Market Rate	Planned	224
Edgewood/Candler Park Marta Ph I	Family	Market Rate	Planned	200
Edgewood/Candler Park Marta Ph II	Family	Market Rate	Proposed	235
Four15 Stacks	Family	Market Rate	Proposed	24
Gartell Street Apartments	Family	Market Rate	Proposed	261
Glenwood Place Apartments	Family	Market Rate	Under Construction	230
King Memorial Station	Family	Market Rate	Proposed	348
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Memorial Drive Apartments	Family	Market Rate	Proposed	566
New Townhomes	Family	Market Rate	Proposed	18
North and Line	Family	Market Rate	Proposed	228
Peachtree Street Apartments	Family	Market Rate	Proposed	350
Ralph McGill Blvd Apartments	Family	Market Rate	Proposed	250
Spoke Apartments	Family	Market Rate	Planned	224
Station R. Apartments	Family	Market Rate	Under Construction	285
The Leonard	Family	Market Rate	Recently Completed	85

### 8. Rental Advantage

The following table illustrates the similarity of the Subject 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	Columbia Mill	LIHTC	Inferior	Slightly superior	Similar	Superior	Superior	10
2	Retreat At Edgewood	LIHTC	Slightly inferior	Superior	Superior	Slightly inferior	Superior	20
3	Retreat At Edgewood Phase II	LIHTC/Market	Slightly inferior	Superior	Superior	Slightly inferior	Superior	20
4	The Square At Peoplestown	LIHTC	Inferior	Slightly superior	Slightly superior	Slightly inferior	Similar	-5
5	The Station At Richmond Hill (ka Richmond Oaks)	LIHTC/Market	Inferior	Slightly inferior	Similar	Slightly inferior	Superior	-10
6	Vineyards At Flat Shoals Apartments	LIHTC/Market	Slightly inferior	Slightly superior	Similar	Slightly inferior	Similar	-5
7	Amberwood Village	Market	Inferior	Slightly inferior	Superior	Similar	Inferior	-15
8	Ashford East Village	Market	Inferior	Superior	Similar	Inferior	Slightly superior	-5
9	Broadway At East Atlanta	Market	Inferior	Superior	Similar	Inferior	Similar	-10
10	Manor V Apartments	Market	Inferior	Inferior	Similar	Inferior	Similar	-30
11	Villas At Grant Park (ka Villa Court)	Market	Inferior	Inferior	Similar	Slightly inferior	Slightly inferior	-30
12	Woods At Glenrose	Market	Inferior	Slightly superior	Slightly inferior	Slightly inferior	Superior	-5

\*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 60 percent AMI rents in the following table.

LIHTC RENT COMPARISON- @60%- POST RENOVATION		
Property Name	1BR	2BR
Paradise East Apartments (Subject)	\$659	\$790
<b>2016 LIHTC Maximum (Net)</b>	<b>\$659</b>	<b>\$790</b>
<b>2015 Hold Harmless LIHTC Maximum (Net)</b>	<b>\$668</b>	<b>\$799</b>
<b>2010 Hold Harmless LIHTC Maximum (Net)</b>	<b>\$699</b>	<b>\$832</b>
Columbia Mill	\$713	\$870
Retreat At Edgewood Phase	\$690	\$811
Retreat At Edgewood Phase II	\$723	-
		\$784
The Square At Peoplestown	\$666	\$701
		\$767
The Station At Richmond Hill	\$675	\$739
	\$600	\$695
Vineyards Of Flat Shoals	\$555	\$655
<b>Average (excluding Subject)</b>	<b>\$660</b>	<b>\$753</b>
<b>NOVOCO Achievable LIHTC Rent</b>	<b>\$659</b>	<b>\$790</b>

\*Eligible for Hold Harmless Rents

Note: the Subject will operate with Section 8 subsidies on 160 of the 176 units, allowing residents in the 160 units to pay 30 percent of their income as rent.

The AMI in DeKalb County decreased in 2016, remaining below the 2010 hold harmless maximum allowable rent level. The Square at Peoplestown, The Station at Richmond Hill, and Vineyards at Flat Shoals Apartments were placed in service in 1999, 2005, and 2007, respectively, and are thus eligible to be held to the 2010 hold harmless maximum allowable rent, while the remaining comparables are subject to 2015 maximum allowable rents. Columbia Mill, Retreat at Edgewood, and Retreat at Edgewood Phase II are achieving maximum allowable LIHTC rents one and two-bedroom units, while The Station at Richmond Hill is only achieving maximum rents for their one-bedroom units. Management at The Station at Richmond Hill further explained that higher rents on their two-bedroom units would not be achievable. It appears that Columbia Mill, Retreat at Edgewood, and Retreat at Edgewood Phase II are

achieving rents over the maximum allowable level; however, this can be attributed to a difference in utility allowance.

The Subject is most similar to The Square at Peoplestown and Vineyards of Flat Shoals Apartments in terms of design, unit types offered, square footages for one and two-bedroom units, and location. The Square at Peoplestown was built in 1999; as such, it will exhibit slightly inferior condition to the renovated Subject. The Square at Peoplestown is located approximately 3.6 miles northwest of the Subject, and is in an inferior location. The Square at Peoplestown offers slightly superior in-unit amenities, similar common area amenities, and inferior security features relative to those proposed at the Subject. This comparable also has similar to slightly inferior unit sizes relative to the Subject. Taking into account the differences and similarities between this property and the Subject, we believe the renovated Subject would be able to achieve similar to slightly superior rents than The Square at Peoplestown.

Vineyards of Flat Shoals Apartments was built in 1966 and renovated in 2007 and will be in slightly inferior condition to the renovated Subject. Vineyards of Flat Shoals Apartments is located approximately one mile northeast of the Subject, in a similar location. Vineyards of Flat Shoals Apartments offers slightly superior in-unit amenities and common area amenities relative to those proposed at the Subject. This comparable has similar unit sizes relative to the Subject. Taking into account the differences and similarities between this property and the Subject, we believe the renovated Subject would be able to achieve higher rents than Vineyards of Flat Shoals Apartments.

Given the rents and performance of the most similar LIHTC comparables, we believe maximum allowable rents are achievable for the Subject. We have concluded to achievable 60 percent AMI rents of **\$659** and **\$790** for the Subject's one and two-bedroom units, respectively.

### **Analysis of "Market Rents"**

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

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers only 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the 60 percent AMI and lower AMI levels, we have not included the lower AMI level 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 below in comparison with proposed LIHTC and Section 8 rents for the Subject.

<b>SUBJECT COMPARISON TO MARKET RENTS</b>						
<b>Unit Type</b>	<b>Subject's Proposed Rents</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Achievable Market Rents</b>	<b>Subject Rent Advantage</b>
1BR/1BA- Section 8	\$850	\$600	\$1,125	\$816	\$850	0%
2BR/1BA - Section 8	\$1,000	\$700	\$1,392	\$960	\$1,000	0%
1BR/1BA - LIHTC	\$659	\$600	\$1,125	\$816	\$850	22%
2BR/1BA - LIHTC	\$790	\$700	\$1,392	\$960	\$1,000	21%

The Subject’s proposed LIHTC one and two-bedroom rents are below the surveyed average market rents, but within the range of the comparables. The Subject’s proposed Section 8 one and two-bedroom rents are slightly above the surveyed average, but within the range of the comparables.

Broadway at East Atlanta is the most similar market rate property and it is 97.5 percent occupied. The Subject will offer slightly inferior in-unit and similar property amenities to Broadway at East Atlanta. The Subject will be in similar condition upon completion of renovations, as Broadway at East Atlanta was built in 1976 and was renovated in 2015 and is in good condition. Broadway at East Atlanta offers similar to slightly superior unit sizes. The Subject’s proposed Section 8 rents are similar to the rents being achieved at Broadway at East Atlanta.

Overall, we have estimated the Subject’s achievable post-renovation one and two-bedroom market rents to be \$850 and \$1,000, respectively and the Subject’s As Is achievable one and two-bedroom market rents to be \$700 and \$850, respectively, approximately \$150 below our estimate off post-renovation rents. We believe these rents are reasonable as they are within the range of the comparables, and consistent with the premium/discount typically realized by Section 8 properties that are renovated with tax credits. Nationwide, this premium ranges between \$35 and \$335.

The current HAP contract rents are well below the estimated achievable market rents as is. We believe that a typical owner would apply for an increase in the HAP contract rent to our estimate of achievable market rent levels. As such, we have assumed that the existing and proposed Section 8 HAP contracts rents would mark up to market.

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

From 2012 to year-to-date 2016 there are five LIHTC projects planned, recently completed, or under construction within the PMA and they are detailed as follows.

- Columbia Senior Residences at Forrest Hills, a senior LIHTC project located at 1004 Columbia Drive in Decatur, approximately 4.2 miles north of the Subject, was allocated tax credits in 2012. The development opened in November 2014 and reached full occupancy by July 2015. This property offers 80 one and two-bedroom units targeting households earning 30, 50 and 60 percent of AMI. As this property is targeted toward senior tenants, it is not considered competitive with the Subject.

- Trinity Walk I was allocated tax credits in 2014 and will target both general occupancy and senior households. Trinity Walk I is a new construction development that will be located at 421 West Trinity Place in Decatur, approximately 4.3 miles north of the Subject. Trinity Walk I will offer a total of 69 LIHTC units restricted at 60 percent AMI, all of which will benefit from project-based Section 8 subsidy. The development will offer one, two, and three-bedroom units contained in three-story garden-style buildings. Of the 69 total units, 20 will be restricted to senior households aged 55 and older, while the remaining 49 units will target general occupancy households. The Decatur Housing Authority is the development sponsor for Trinity Walk I. There will be competitive overlap with this development. However, as all of the development's units will benefit from project-based Section 8 subsidy, the property was not included as a comparable.
- Allen Wilson Phase III, allocated tax credits in 2012, is the third and last phase of the \$30 million redevelopment of the former Allen Wilson Terrace Public Housing Project, owned and operated by the Decatur Housing Authority. The development is located at 1450 Commerce Drive, approximately 4.2 miles north of the Subject and was completed in 2014. All three phases will total 191 units, of which Phase III will comprise 71 one, two, and three-bedroom units. The units will be contained in seven three-story buildings, with garden-style units on the ground floor and two-story townhouses on the upper floors. All three phases will target both seniors and general occupancy, and will continue to remain public housing operated by the Decatur Housing Authority. As such, this property was not included as a comparable.
- Columbia Avondale was allocated tax credits in 2015 and will target senior households. Columbia Avondale is a new construction development and will be located 5.1 miles northeast of the Subject. The property will offer a total of 92 LIHTC units restricted to senior, thus will not compete directly with the Subject.
- Trinity Walk II was allocated tax credits in 2015 and will target both general occupancy and senior households. Trinity Walk II is a new construction development that will be located at 421 West Trinity Place in Decatur approximately 4.3 miles north of the Subject. Trinity Walk II will offer a total of 52 LIHTC units restricted at 60 percent AMI, 42 of which will benefit from project-based Section 8 subsidy. The development will offer one, two, and three-bedroom units contained in three-story garden-style and townhouse-style buildings. Of the 52 total units, 12 will be restricted to senior households aged 55 and older, while the remaining 40 units will target general occupancy households. The Decatur Housing Authority is the development sponsor for Trinity Walk II. As 42 of the development's units will benefit from project-based Section 8 subsidy, only ten units will be competitive with the Subject.

## 10. Rental Trends in the PMA

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

<b>TENURE PATTERNS PMA – TOTAL 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	34,821	49.5%	35,495	50.5%
2015	38,020	52.4%	34,527	47.6%
Projected Mkt Entry January 2018	35,959	47.7%	39,469	52.3%
2020	36,808	47.5%	40,665	52.5%

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

The percentage of renter-occupied households in the PMA is slightly below the percentage of owner-occupied households as of 2015. However, by 2020, the percentage share of renters will surpass the owner occupied percentage.

### *Historical Vacancy*

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

<b>HISTORICAL VACANCY</b>							
<b>Comparable Property</b>	<b>Type</b>	<b>1QTR 2012</b>	<b>2QTR 2012</b>	<b>4QTR 2015</b>	<b>1QTR 2016</b>	<b>2QTR 2016</b>	<b>3QTR 2016</b>
<b>Paradise East Apartments</b>	Garden	N/Av	N/Av	0.0%	N/Av	N/Av	0.0%
<b>Columbia Mill</b>	Various	N/Av	N/Av	1.0%	N/Av	N/Av	0.0%
<b>Retreat At Edgewood</b>	Various	N/Av	0.0%	0.0%	N/Av	0.0%	1.0%
<b>Retreat At Edgewood Phase II</b>	Various	N/Av	N/Av	2.5%	2.5%	2.5%	0.0%
<b>The Square At Peoplestown</b>	Garden	6.4%	N/Av	3.2%	N/Av	N/Av	0.0%
<b>The Station At Richmond Hill</b>	Garden	N/Av	N/Av	0.0%	N/Av	N/Av	1.7%
<b>Vineyards Of Flat Shoals</b>	Garden	N/Av	6.0%	2.6%	N/Av	N/Av	0.0%
<b>Amberwood Village</b>	Garden	N/Av	N/Av	0.0%	N/Av	N/Av	0.0%
<b>Ashford East Village</b>	Various	N/Av	N/Av	5.9%	N/Av	N/Av	3.8%
<b>Broadway At East Atlanta</b>	Various	5.1%	35.2%	0.0%	N/Av	N/Av	2.5%
<b>Manor V Apartments</b>	Garden	2.8%	2.8%	2.1%	N/Av	N/Av	1.4%
<b>Villas At Grant Park</b>	Garden	3.6%	3.6%	0.0%	N/Av	N/Av	0.0%
<b>Woods At Glenrose</b>	Lowrise	N/Av	3.5%	2.1%	N/Av	N/Av	2.8%

N/Av - Not Available

As illustrated in the table, we were able to obtain the historical vacancy rate at several of the comparable properties since first quarter 2013. Overall, the comparable properties' vacancy rates are slightly lower than previous years of analysis.

### *Change in Rental Rates*

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

## RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Columbia Mill	LIHTC	Decreased 0-13% since 4Q 2015
Retreat At Edgewood	LIHTC	Increased 3 to 4% since 4Q15
Retreat At Edgewood Phase II	LIHTC/Market	Increased 3 to 5% since 4Q15
The Square At Peopletown	LIHTC	Increased \$1 to \$3 since 4Q15
The Station At Richmond Hill (fka Richmond Oaks)	LIHTC/Market	Remained Stable
Vineyards Of Flat Shoals	LIHTC/Market	Market units decreased \$5 since 4Q15
Amberwood Village	Market	Increased 6-8% since 4Q 2015
Ashford East Village	Market	Increased
Broadway At East Atlanta	Market	Remained Stable
Manor V Apartments	Market	Increased 2-7% since 4Q 2015
Villas At Grant Park	Market	Remained Stable
Woods At Glenrose*	Market	Increased 9-12% since 4Q 2015

\*Located outside of PMA

Seven of the comparable properties reported rent increases since fourth quarter 2015. Two comparables reported rent decreases. Columbia Mill reported no rent increases on the majority of the units, however two of their units decreased approximately 13 percent. The contact was unable to determine why rents have decreased. The remaining comparables surveyed reported stable rents over the past year. Given the fact that the Subject will be a newly renovated affordable property with competitive unit sizes and amenities, we anticipate that rents would likely be able to increase one to two percent on an annual basis. For the subsidized units 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](http://www.RealtyTrac.com), one in every 1,343 homes in Atlanta, GA was in foreclosure, as of July 2016. Nationally, one in every 1,532 homes was in foreclosure and one in every 1,596 homes in Georgia was in foreclosure. As indicated, Atlanta has a slightly higher foreclosure rate than Georgia and the nation, as a whole. The median list price for a home in Atlanta is \$225,000 compared to \$163,000 in Georgia and \$220,000 in the nation. Overall, it appears that the local market is faring slightly worse than the nation as a whole in terms of foreclosure and slightly better in terms of growth in home prices, but the difference is not significant or alarming. We witnessed few abandoned homes in the Subject's immediate neighborhood.

### 12. Primary Housing Void

The comparable LIHTC properties have a combined 0.5 percent vacancy rate, indicating relatively strong support for affordable rental housing in the PMA. The other excluded low-income rental housing in the PMA that we contacted also is performing well. Based on the previous demand analysis, performance of the comparable properties, and conversations with local property managers, we believe there is continuing, latent demand for affordable rental housing in the local market. The Subject will also operate with project-based Section 8 subsidy on 160 of its 176 units, making the property affordable to a wide income band of renter households. As such, the Subject will continue to help fill a void in the market for adequate low-income rental housing.

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

The LIHTC comparables in the PMA generally have low vacancy rates, with an overall vacancy rate of less than three percent. The Subject will offer newly renovated affordable units in good condition to the PMA. All of the capture rates are low and the Subject will offer project-based subsidies on a majority of the affordable units. As an existing affordable property, we do not believe that the renovation of the Subject with LIHTC funds 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 following renovations. The LIHTC comparables are generally performing well, with a weighted vacancy rate of 0.5 percent. Additionally, approximately half of the comparable properties with LIHTC units maintain waiting lists.

The Subject's proposed rents are below the majority of the rents at the LIHTC and market rate comparables and have upside potential. 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. For the project-based Section 8 subsidy that will be in place for 160 of the 176 units, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable.

The comparable LIHTC properties are considered generally similar to slightly inferior to the Subject. As such, 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.

Overall, we believe that rents slightly above the Subject's proposed rents are achievable and that the Subject will offer a significant value in the market. This is further illustrated by the rental advantages of 18 to 21 percent that the Subject's LIHTC rents will have over the average market rents. We believe that the Subject will be able to maintain a vacancy rate of five percent or less post-renovation, which is in line with the current LIHTC average. We believe the Subject will be supportable following renovation and will not adversely impact other low-income housing options in the PMA.

# **I. ABSORPTION & STABILIZATION RATES**

**ABSORPTION AND STABILIZATION RATES**

We were able to obtain absorption information from three of the comparable properties, illustrated in the following table.

<b>ABSORPTION</b>					
<b>Property name</b>	<b>Type</b>	<b>Tenancy</b>	<b>Year Built</b>	<b>Number of Units</b>	<b>Units Absorbed / Month</b>
Columbia Mill	LIHTC	Family	2014	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Retreat At Edgewood	LIHTC	Family	2011	100	20

As per DCA guidelines, we have calculated the absorption at comparables as the time necessary to achieve 93 percent occupancy. Columbia Mill, the most recently constructed LIHTC comparable, opened in 2014 and stabilized within five months, equating to an absorption rate of 20 units per month, similar to the absorption period/rate experienced at Retreat at Edgewood. Retreat at Edgewood Phase II, a LIHTC/market rate comparable constructed in 2012, experienced an absorption rate of 12 units per month, equating to an absorption period of approximately three and a half months. According to the developer, renovations will occur with tenants in-place. As such, this situation is purely hypothetical, considering all of tenants will remain at the Subject during the course of the renovations. However, if the Subject were to require re-tenanting all the units, we estimate that the Subject would be able to achieve stabilized occupancy of 93 percent within eight to nine months, or an average monthly absorption pace of 20 units.

According to the developer, renovations will occur with tenants in-place with the exception of ADA tenants, who will be relocated to a nearby hotel until work is completed on those units. As such, this situation is purely hypothetical, considering the majority of tenants will remain at the Subject during the course of the renovations.

## **J. INTERVIEWS**

## INTERVIEWS

### Atlanta Housing Authority

The Atlanta Housing Authority administers several thousand Housing Choice Vouchers to families, seniors, and persons with disabilities. The waiting list closed in January 2015. The waiting list currently has more than 10,000 households. The following table illustrates the current payment standards for Submarket C7, which is the submarket in which the Subject is located in.

#### ATLANTA, GA PAYMENT STANDARDS – SUBMARKET C7\*

Bedroom Type	Payment Standard Rent
1BR	\$1,650
2BR	\$2,200

\*Submarket which the Subject is located in

The Atlanta Housing Authority manages different payment standards depending on which submarket the development is located in. Differences in payment standards are a function of differences in age, quality of the units, and quality of the neighborhood. The Subject is located in Submarket C7 in Atlanta, which is determined by the Atlanta Housing Authority, effective July 1, 2016. The gross LIHTC rents proposed at the Subject are below the current Housing Choice Voucher payment standards for the local area. As such, those with Vouchers would be eligible to live at the Subject and pay 30 percent of their income toward rent. The units with Section 8 will not be eligible for Housing Choice Vouchers, but tenants will continue to pay 30 percent of income towards rent.

### Planning

We attempted to contact the DeKalb County Planning and Sustainability, however at this time of the report our calls have yet to be returned. We contacted Warren Harper, Business Process Analyst with the Atlanta Department of Planning and Community Development, to identify any proposed, planned, or under construction multifamily developments in the PMA. Mr. Harper indicated that the city of Atlanta does not have a current list of developments. Additionally we utilized REIS multifamily new construction listing to identify any recently completed, under construction, planned, or proposed multifamily developments since 2014. Our findings are described in the following table.

<b>RECENTLY COMPLETED, UNDER CONSTRUCTION, PLANNED, PROPOSED MULTIFAMILY IN PMA</b>				
<b>Property Name</b>	<b>Tenancy</b>	<b>Rent Structure</b>	<b>Status</b>	<b>Number of Units</b>
131 Ponce de Leon Avenue	Family	Market Rate	Recently Completed	280
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Spoke Apartments	Family	Market Rate	Planned	224
Station R. Apartments	Family	Market Rate	Under Construction	285
The Leonard	Family	Market Rate	Recently Completed	85

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 employment in the MSA has increased every year from 2005 through 2016 year-to-date, with the exception of 2008, 2009, and 2010. Through year-to-date 2016, the 1.9 percent increase in total employment in the MSA is 100 basis points lower than total employment growth on a national level, as the nation has experienced a 2.9 percent increase year-to-date. It is important to note that current employment exceeds pre-recession levels and have since 2014. In addition, the May 2016 local employment level has increased 2.7 percent from the same period in 2015. Total unemployment figures show that the MSA's year-to-date unemployment rate is similar to the national unemployment rate. The unemployment rate as of May 2016 decreased 1.2 percentage points from May 2015. Overall, the economic outlook for the MSA is positive with total employment above pre-recessionary levels and unemployment rates decreasing consistently since 2011.

The PMA's leading industries include healthcare/social assistance, educational services, and accommodation/food services. Together, these three industries make up 33.1 percent of total employment in the PMA. The PMA is overly represented in sectors such as accommodation/food services, educational services and professional/scientific/technology services compared to the nation as a whole. Comparatively, the healthcare/social assistance, retail trade, and manufacturing services employ a smaller proportion in the PMA than the nation. Healthcare/social assistance and educational services in the PMA are traditionally more stable employment sectors whereas accommodation/food services and retail trade are more volatile. Overall, the mix of industries in the local economy indicates a relatively diversified work force that is somewhat susceptible to cyclical employment shifts.

- The Subject's capture rates at the 60 percent AMI level will range from 0.3 to 1.4 percent, with an overall capture rate of one percent. Therefore, we believe there is more than adequate demand for the Subject based on Georgia DCA demand thresholds.
- We were able to obtain absorption information from four of the comparable properties, illustrated in the table.

ABSORPTION					
Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Columbia Mill	LIHTC	Family	2014	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12
Retreat At Edgewood	LIHTC	Family	2011	100	20

As per DCA guidelines, we have calculated the absorption at comparables as the time necessary to achieve 93 percent occupancy. Columbia Mill, the most recently

constructed LIHTC comparable, opened in 2014 and stabilized within five months, equating to an absorption rate of 20 units per month, similar to the absorption period/rate experienced at Retreat at Edgewood. Retreat at Edgewood Phase II, a LIHTC/market rate comparable constructed in 2012, experienced an absorption rate of 12 units per month, equating to an absorption period of approximately three and a half months. According to the developer, renovations will occur with tenants in-place. As such, this situation is purely hypothetical, considering all of tenants will remain at the Subject during the course of the renovations. However, if the Subject were to require re-tenanting all the units, we estimate that the Subject would be able to achieve stabilized occupancy of 93 percent within eight to nine months, or an average monthly absorption pace of 20 units.

- As illustrated in our competitive supply section of this report, percent. The LIHTC comparable properties have vacancy rates ranging from zero to 1.7 percent, with a low average vacancy rate of just 0.5 percent. The market rate comparables have vacancy rates ranging from zero to 3.8 percent. The average market rate vacancy rate is 2.5 percent, indicating a stable market for market rate units. The Subject is currently 100 percent occupied with a waiting list of approximately 300 households. According to the Subject's historical audited financials, the Subject has operated with a total vacancy rate (including collection loss) between 2.1 to 2.6 percent over the past two years. As such, we believe the Subject will continue to operate with a physical vacancy rate inclusive of collection loss of 4.0 percent or less, which is in line with the historical data and comparable properties.
- Based upon our market research of comparables, our inspection of each Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject as proposed following renovation. The Subject will continue to operate with project-based Section 8 subsidy for 160 of the units in addition to operating under the LIHTC program with a 60 percent of AMI restriction, while 16 units will operate with LIHTC restriction only. The LIHTC comparables are generally performing well, with a weighted vacancy rate of 0.5 percent. The Subject's proposed rents are below almost all of the rents at the LIHTC and market rate comparables.

## 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, regardless of the Section 8 program rental assistance.

## **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. The report was written according to DCA's market study requirements, the information included is accurate, and the report can be relied upon by DCA as a true assessment of the low-income rental housing market. 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  
Certified General Real Estate Appraiser



Rachel B. Denton  
Principal  
Certified General Real Estate  
Appraiser  
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913.677.4600 ext. 1512



Brian Neukam  
Certified General Real Estate Appraiser  
GA License # 4329471



Tami D. Cook  
Analyst  
Tami.Cook@novoco.com  
913.677.4600 ext. 1520

## **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  
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Certified General Real Estate Appraiser



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Tami D. Cook  
Analyst  
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913.677.4600 ext. 1520

## **N. QUALIFICATIONS**

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

**I. Education**

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

Appraisal Institute  
Designated Member (MAI)

**II. Licensing and Professional Affiliation**

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

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

**III. Professional Experience**

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

**IV. Professional Training**

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

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

## **V. Real Estate Assignments**

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

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

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

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

## **VI. Speaking Engagements**

A representative sample of industry speaking engagements follows:

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS**  
**RACHEL BARNES DENTON, MAI**

**I. EDUCATION**

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

**II. LICENSING AND PROFESSIONAL AFFILIATION**

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

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

**III. PROFESSIONAL EXPERIENCE**

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

**IV. PROFESSIONAL TRAINING**

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

Completed HUD MAP Training, Columbus, Ohio, May 2010

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

## **V. REAL ESTATE ASSIGNMENTS**

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

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

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

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

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

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

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

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

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

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

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

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

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

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

**State of Georgia Certified General Real Property Appraiser No. 329471**

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Real Estate Analyst, September 2015- Present**

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

**REAL ESTATE ASSIGNMENTS**

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

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## Tami D. Cook

### I. EDUCATION

**Avila University – Kansas City, Missouri**  
Master of Business Administration – Finance

**University of Missouri – Columbia, Missouri**  
Bachelor of Science – Finance and Real Estate

### II. LICENSING AND PROFESSIONAL AFFILIATION

State of Missouri Certified General Real Estate Appraiser Trainee No. 2015023292

### II. PROFESSIONAL EXPERIENCE

*Analyst*- Novogradac & Company LLP  
*Real Estate Researcher*- Novogradac & Company LLP  
*Appraisal Analyst*- North American Savings Bank

### III. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute  
Basic Appraisal Principles- September 2013  
Basic Appraisal Procedures- November 2013  
National Uniform Standards of Professional Appraisal Practice- December 2013  
Real Estate Finance Statistics and Valuation Modeling- February 2014  
General Appraiser Sales Comparison Approach- April 2014  
Supervisor-Trainee Course for Kansas- July 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 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.