

Market Feasibility Analysis

**Peaks of Oakwood
Atlanta Highway/State Route 13
Oakwood, Hall County, Georgia 30542**

Prepared For

**Ms. D'Anne Hilsmier
Landbridge Development, LLC
Peaks of Oakwood Development, LP (Developer)
7000 Peachtree Dunwoody Road, Suite 4-100
Atlanta, Georgia 30328**

Effective Date

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Job Reference Number

17-197 JW



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the Peaks of Oakwood to be constructed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Oakwood, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is constructed and operated as proposed in this report.

1. Project Description:

The proposed project involves the new construction of the 84-unit Peaks of Oakwood rental community on a 9.25-acre site on the south side of Atlanta Highway/State Route 13, approximately 0.2 miles west of Winder Highway/State Route 53, in Oakwood. The project will offer 12 one-, 48 two- and 24 three-bedroom garden-style units in four (4) three-story, walk-up residential buildings together with a free-standing, 1,200 square-foot community building. Peaks of Oakwood will be developed utilizing funding from the LIHTC program and target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Note that 13 of the 84 total units will operate with no rent- or income-restrictions (market-rate). Monthly collected Tax Credit rents will range from \$415 to \$705, depending on unit size and targeted income level. Monthly collected rents for the market-rate units range from \$595 to \$775, depending on bedroom type. Up to 10% of the property may provide integrated housing opportunities to persons with disabilities through the use of Section 811 project-based rental assistance or other DCA offered rental assistance. It is of note, however, that his potential subsidy has yet to be secured at the time of this report. The proposed project is expected to be complete by April of 2019. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The proposed subject site is located within a partially developed area of Oakwood, predominantly comprised of commercial and residential structures in good condition. These surrounding land uses are conducive to multifamily rental housing. Access to the site is considered good, as it is within 0.5 miles of State Routes 13, 53 and 332 and Interstate 985. In addition, public transportation services provided by Hall Area Transit are within 0.4 miles. Visibility of the site will be obstructed by the surrounding land uses and permanent signage is recommended along Atlanta Highway/State Route 13. Additionally, promotional signage is recommended along State Route 53 to increase the subject project's awareness during the initial lease up process. The site is close to shopping, employment, recreation, entertainment and education opportunities, and social services and public safety services are all within 5.3 miles. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

3. Market Area Definition:

The Oakwood Site PMA includes Oakwood, portions of Gainesville, Flowery Branch and Braselton, as well as the surrounding unincorporated areas of Hall and Gwinnett counties. The boundaries of the Site PMA include State Route 53, Jesse Jewell Parkway, and Athens Highway to the north; Interstate 985 and State Route 60 to the east; State Route 211, Winder Highway, Friendship Road, and Spout Springs Road to the south; and Interstate 985, Wade Orr Road, Gaines Ferry Road, and McEver Road to the west. The farthest boundary from the site is 9.2 miles. A map illustrating these boundaries is included on page D-2 of this report.

4. Community Demographic Data:

Overall, population and households within the Oakwood Site PMA have been experiencing positive growth since 2000. These trends are projected to remain positive through 2019, increasing by 1,955 (3.0%) and 626 (3.1%), respectively, from 2017. Renter households are projected to increase by 223 (2.7%) during the same time period. The projected 8,406 renter households in 2019 within the market represent a deep base of potential support for the subject project. In addition, the subject project will be able to accommodate nearly all of the Site PMA's renter households, based on household size. Overall, the demographic trends contained within this report demonstrate an increasing base of potential support for the proposed subject development. Additional demographic data is included in Section E of this report.

5. Economic Data:

According to a representative with the Greater Hall Chamber of Commerce and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Hall County economy continues to experience growth. Notably, over 950 jobs have or will be added within the county by 2018. Additionally, aside from a downturn between 2007 and 2010, the employment base within the county has consistently increased over the preceding six-year period. In fact, the employment base has increased by 13,223 employees, or 16.9%, since 2010 and is currently above pre-recession levels. Further, the unemployment rate has decreased each of the past six years and is at its lowest level (4.4%) since 2007 (3.6%). Overall, these positive economic trends indicate that the Hall County economy is strong and improving. Based on these recent trends, it is anticipated that Hall County will continue to experience positive economic trends for the foreseeable future, which will continue to create a stable environment for housing. Additional economic data is included in Section F of this report.

6. Project-Specific Affordability and Demand Analysis:

Per GDCA guidelines, capture rates below 30% for projects in urban markets such as the Oakwood Site PMA are considered acceptable. As such, the project’s overall LIHTC-only capture rate of 3.4% is considered low and easily achievable within the Oakwood Site PMA and demonstrates that a deep base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true, given the high occupancy rates and wait lists maintained among the existing LIHTC properties surveyed in the Site PMA. Also note that the 13 market-rate units proposed at the subject site have a capture rate of just 3.2%, demonstrating that significant demographic support also exists for the proposed unrestricted market-rate units.

7. Competitive Rental Analysis

Tax Credit

We identified and surveyed four existing family (general-occupancy) non-subsidized rental communities that offer LIHTC units in the Site PMA. These four projects target households with incomes of up to 30%, 50% and/or 60% of AMHI and are considered competitive properties. These four competitive LIHTC projects and the subject development are summarized in the following table. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum A, Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Oakwood	2019	71*	-	-	-	Families; 50% & 60% AMHI
9	Oconee Springs	1998	88	100.0%	5.6 Miles	50-60 H.H.	Families; 30%, 50%, & 60% AMHI
10	Paces Landing	2002	107*	100.0%	5.8 Miles	42 H.H.	Families; 50% & 60% AMHI
11	Retreat at McEver	2002	224	100.0%	7.0 Miles	1 Month	Families; 60% AMHI
13	McEver Vineyards	2004	220	100.0%	6.2 Miles	3 H.H.	Families; 60% AMHI

OCC. – Occupancy
H.H. - Households
*Tax Credit units only

The four competitive LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This indicates that pent-up demand exists for additional affordable rental housing within the market. Given the lack of available LIHTC units within the market, the subject project will provide an affordable rental housing alternative to low-income households which are currently underserved.

The gross rents for the competing LIHTC projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Peaks of Oakwood	\$509/50% (3) \$609/60% (7)	\$613/50% (10) \$738/60% (30)	\$714/50% (5) \$854/60% (16)	-	-
9	Oconee Springs	-	\$325/30% (4/0) \$605/50% (3/0) \$635/60% (9/0)	\$366/30% (13/0) \$706/50% (16/0) \$726/60% (35/0)	\$400/30% (2/0) \$760/50% (2/0) \$825/60% (4/0)	None
10	Paces Landing	\$687/60% (12/0)	\$681/50% (11/0) \$825/60% (40/0)	\$778/50% (40/0)	\$857/50% (4/0)	None
11	Retreat at McEver	\$685/60% (80/0)	\$804/60% (120/0)	\$927/60% (24/0)	-	None
13	McEver Vineyards	\$742/60% (72/0)	\$895/60% (96/0)	\$1,048/60% (52/0)	-	None

The proposed subject gross LIHTC rents, ranging from \$509 to \$854, will be some of the lowest LIHTC rents relative to the rents offered at the comparable affordable developments targeting similar income levels within the market. Combined with the fact that the subject project will be at least 15 years newer than these LIHTC projects will provide it with a significant competitive advantage.

Market Rate

We identified and surveyed five market-rate projects in the Site PMA that we consider the most comparable to the subject project. This selection was based on, but not limited to newness, unit type, design, size and amenities. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Oakwood	2019	13*	-	-	-
1	Tree Park Apt. Homes	2006	456	98.5%	4.1 Miles	None
2	Park Creek Apts.	1998	184 + 16**	94.6%	7.0 Miles	None
5	Legacy at Audubon Crest	1998	126	100.0%	1.3 Miles	None
16	Villas at Lanier	2004	150	98.0%	3.9 Miles	None
17	Walden at Oakwood	2009	300	98.7%	0.9 Miles	None

*Market-rate units only

**Units under construction

The five selected market-rate projects have a combined total of 1,216 units with an overall occupancy rate of 98.0%, a strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development.

The gross rents for the competing market-rate projects and the proposed market-rate rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Oakwood	\$689 (2)	\$813 (8)	\$924 (3)
1	Tree Park Apt. Homes	\$999-\$1,116 (136/3)	\$1,108-\$1,208 (214/0)	\$1,427-\$1,702 (106/4)
2	Park Creek Apts.	\$1,106-\$1,211 (74/4)	\$1,332-\$1,382 (78/4)	\$1,541 (32/2)
5	Legacy at Audubon Crest	\$1,001 (20/0)	\$1,047-\$1,157 (74/0)	\$1,131 (32/0)
16	Villas at Lanier	\$962-\$1,392 (40/2)	\$1,027-\$1,466 (86/1)	\$1,210-\$1,591 (24/0)
17	Walden at Oakwood	\$1,051-\$1,361 (125/2)	\$1,327-\$1,502 (171/2)	\$1,526 (4/0)

The proposed subject gross market-rate rents, ranging between \$689 and \$924, will be significantly lower than the rents offered at the comparable market-rate developments within the Site PMA. Combined with the fact that the subject project will be at least ten years newer than these market-rate projects will provide it with a significant competitive advantage.

Competitive Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing competitive properties within the Site PMA, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly smaller unit sizes and inferior amenities package, it will be at least ten years newer than the comparable properties in the market, offering some of the lowest rents targeting similar income levels. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

An in-depth analysis of the Oakwood rental housing market is included in Section H of this report.

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2019 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2019.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC and market-rate projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Oakwood Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 84 proposed LIHTC and market-rate units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately six to seven months. This absorption period is based on an average monthly absorption rate of approximately 12 units per month.

These absorption projections assume a 2019 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 84 LIHTC and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Oakwood rental housing market is performing very well, as evidenced by the overall rental market occupancy rate of 98.7%. In fact, no vacancies exist among the LIHTC units within the Site PMA, all of which maintain wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Also note that the market-rate rental housing segment is performing very well with a combined occupancy of 98.2%. Aside from the subject's slightly smaller unit sizes and inferior amenities package, it will be at least ten years newer than the competitive product within the market, offering some of the lowest rents. The aforementioned characteristics will provide the subject with a significant competitive advantage.

The overall required capture rates of 3.4% and 3.2% for the subject's LIHTC and market-rate units, respectively, are considered very low and further demonstrate that a significant base of potential income-appropriate renter support exists for the subject project within the Oakwood Site PMA.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Oakwood Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

SUMMARY TABLE

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

Development Name:	Peaks of Oakwood	Total # Units:	84
Location:	Atlanta Highway/State Route 13	# LIHTC Units:	71
PMA Boundary:	State Route 53, Jesse Jewell Parkway, and Athens Highway to the north; Interstate 985 and State Route 60 to the east; State Route 211, Winder Highway, Friendship Road, and Spout Springs Road to the south; and Interstate 985, Wade Orr Road, Gaines Ferry Road, and McEver Road to the west.		
	Farthest Boundary Distance to Subject:		9.2 miles

RENTAL HOUSING STOCK (found on page H-1 & 2)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	2,295	30	98.7%
Market-Rate Housing	13	1,644	29	98.2%
Assisted/Subsidized Housing not to include LIHTC	1	12	1	91.7%
LIHTC	4	639	0	100.0%
Stabilized Comps	4	639	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
3	One	1.0	705	\$415	\$979	\$1.39	57.6%	\$985	\$1.55
7	One	1.0	705	\$515	\$979	\$1.39	47.4%	\$985	\$1.55
2	One	1.0	705	\$595	\$979	\$1.39	39.2%	\$985	\$1.55
10	Two	2.0	1,000	\$495	\$1,109	\$1.11	55.4%	\$1,213	\$1.05
30	Two	2.0	1,000	\$620	\$1,109	\$1.11	44.1%	\$1,213	\$1.05
8	Two	2.0	1,000	\$695	\$1,109	\$1.11	37.3%	\$1,213	\$1.05
5	Three	2.0	1,105	\$565	\$1,303	\$1.18	56.6%	\$1,360	\$1.04
16	Three	2.0	1,105	\$705	\$1,303	\$1.18	45.9%	\$1,360	\$1.04
3	Three	2.0	1,105	\$775	\$1,303	\$1.18	40.5%	\$1,360	\$1.04

DEMOGRAPHIC DATA (found on page E-2 & G-5)

	2012		2017		2019	
Renter Households	7,234	38.1%	8,183	40.0%	8,406	39.9%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	2,844	34.8%	3,051	36.3%
Income-Qualified Renter HHs (MR)	N/A	N/A	3,432	41.9%	3,304	39.3%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall (LIHTC)
Renter Household Growth		158	172	-128		207
Existing Households (Overburd + Substand)		1,454	1,489	557		1,953
Homeowner conversion (Seniors)		0	0	0		0
Total Primary Market Demand		1,612	1,661	429		2,160
Less Comparable/Competitive Supply		0	52	19		52
Adjusted Income-Qualified Renter HHs		1,612	1,609	410		2,108

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall (LIHTC)
Capture Rate		1.1%	3.3%	3.2%		3.4%

Section B - Project Description

The proposed project involves the new construction of the 84-unit Peaks of Oakwood rental community on a 9.25-acre site on the south side of Atlanta Highway/State Route 13, approximately 0.2 miles west of Winder Highway/State Route 53, in Oakwood, Georgia. The project will offer 12 one-, 48 two- and 24 three-bedroom garden-style units in four (4) three-story, walk-up residential buildings together with a free-standing, 1,200 square-foot community building. Peaks of Oakwood will be developed utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program and target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Note that 13 of the 84 total units will operate with no rent- or income-restrictions (market-rate). Monthly collected Tax Credit rents will range from \$415 to \$705, depending on unit size and targeted income level. Monthly collected rents for the market-rate units range from \$595 to \$775, depending on bedroom type. Up to 10% of the property may provide integrated housing opportunities to persons with disabilities through the use of Section 811 project-based rental assistance or other DCA offered rental assistance. It is of note, however, that this potential subsidy has yet to be secured at the time of this report. The proposed project is expected to be complete by April of 2019. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Peaks of Oakwood
2. **Property Location:** Atlanta Highway/State Route 13
Oakwood, Georgia 30542
(Hall County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	One-Br.	1.0	Garden	705	50%	\$415	\$94	\$509	\$530
7	One-Br.	1.0	Garden	705	60%	\$515	\$94	\$609	\$636
2	One-Br.	1.0	Garden	705	-	\$595	\$94	\$689	-
10	Two-Br.	2.0	Garden	1,000	50%	\$495	\$118	\$613	\$636
30	Two-Br.	2.0	Garden	1,000	60%	\$620	\$118	\$738	\$763
8	Two-Br.	2.0	Garden	1,000	-	\$695	\$118	\$813	-
5	Three-Br.	2.0	Garden	1,105	50%	\$565	\$149	\$714	\$735
16	Three-Br.	2.0	Garden	1,105	60%	\$705	\$149	\$854	\$882
3	Three-Br.	2.0	Garden	1,105	-	\$775	\$149	\$924	-
84	Total								

Source: Landbridge Development, LLC

AMHI - Area Median Household Income (Gainesville, GA MSA; 2016)

- 5. Target Market:** Families (general-occupancy)
- 6. Project Design:** Four (4) three-story, walk-up residential buildings with 84 garden-style units and one stand-alone, 1,200 square-foot community building.
- 7. Original Year Built:** Not Applicable; New Construction
- 8. Projected Opening Date:** April 2019
- 9. Unit Amenities:**
- Electric Range
 - Refrigerator
 - Dishwasher
 - Garbage Disposal
 - Central Air Conditioning
 - Vinyl Plank Flooring
 - Window Blinds
 - Ceiling Fans
 - Washer/Dryer Hookups
 - Microwave

10. Community Amenities:

The subject property will include the following community features:

- On-Site Management
- Club House/Community Room
- Laundry Facility
- Wellness Center
- Playground
- Picnic Area

11. Resident Services:

The subject site will include a wellness center, which will provide services such as health screening and education classes offered by an outside service provider.

12. Utility Responsibility:

The cost of trash collection will be included in the monthly rent. Tenants will be responsible for all other utilities, which include the following:

- Electric Heat
- Electric Water Heat
- Electric Cooking
- General Unit Electricity
- Cold Water
- Sewer

13. Rental Assistance:

According to the developer, up to 10% of the property may potentially operate with a Section 811 subsidy available to persons with disabilities. This subsidy, however, has yet to be secured at the time of this report. As such, we have evaluated the subject project assuming the property operates exclusively under the LIHTC program throughout this report.

14. Parking:

The subject site will offer 168 open lot parking spaces at no additional charge.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

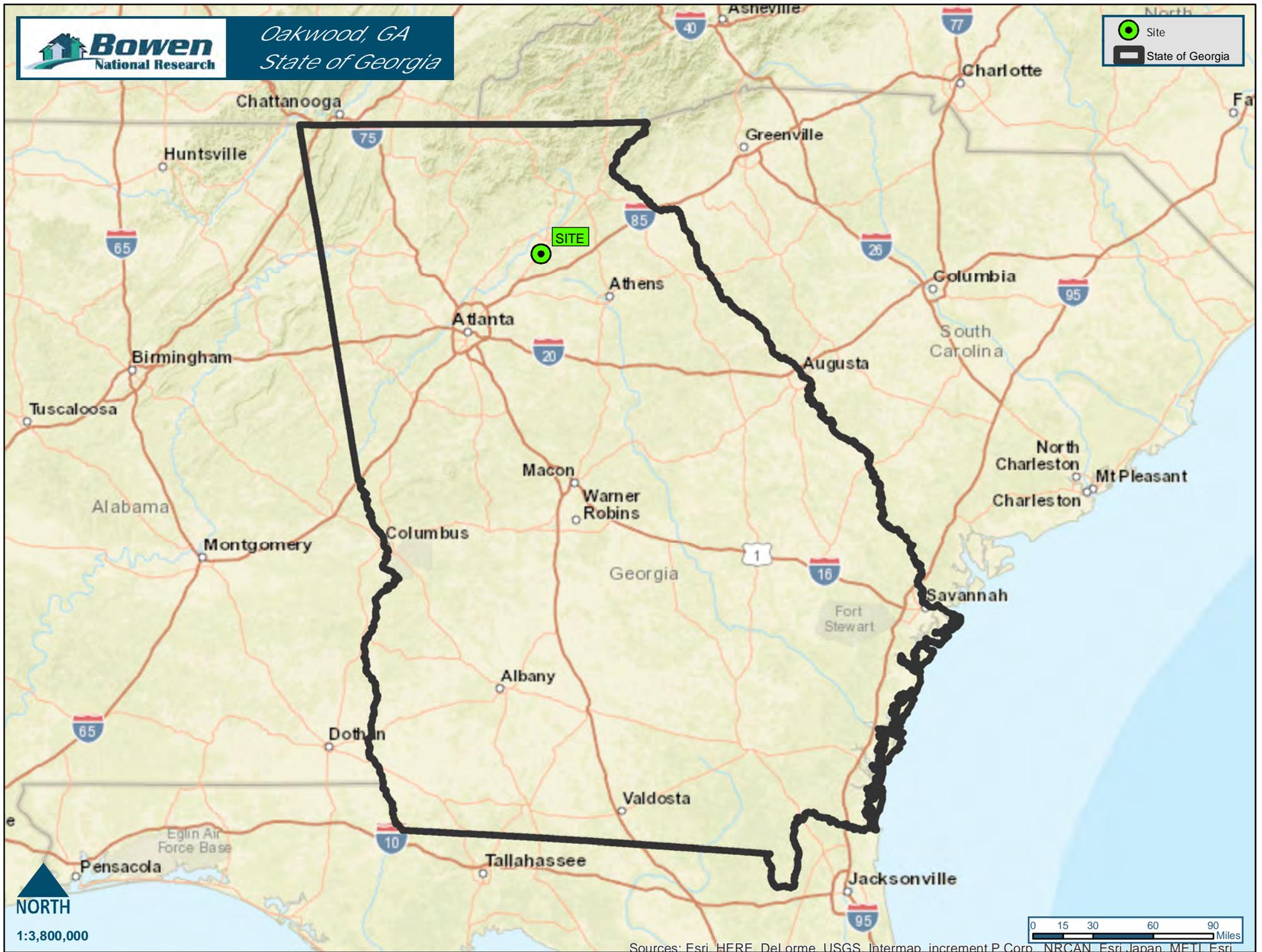
Gainesville, Georgia MSA (2016)

A state map, area map and map illustrating the site neighborhood are on the following pages.



Oakwood, GA
State of Georgia

Legend:
● Site
▭ State of Georgia



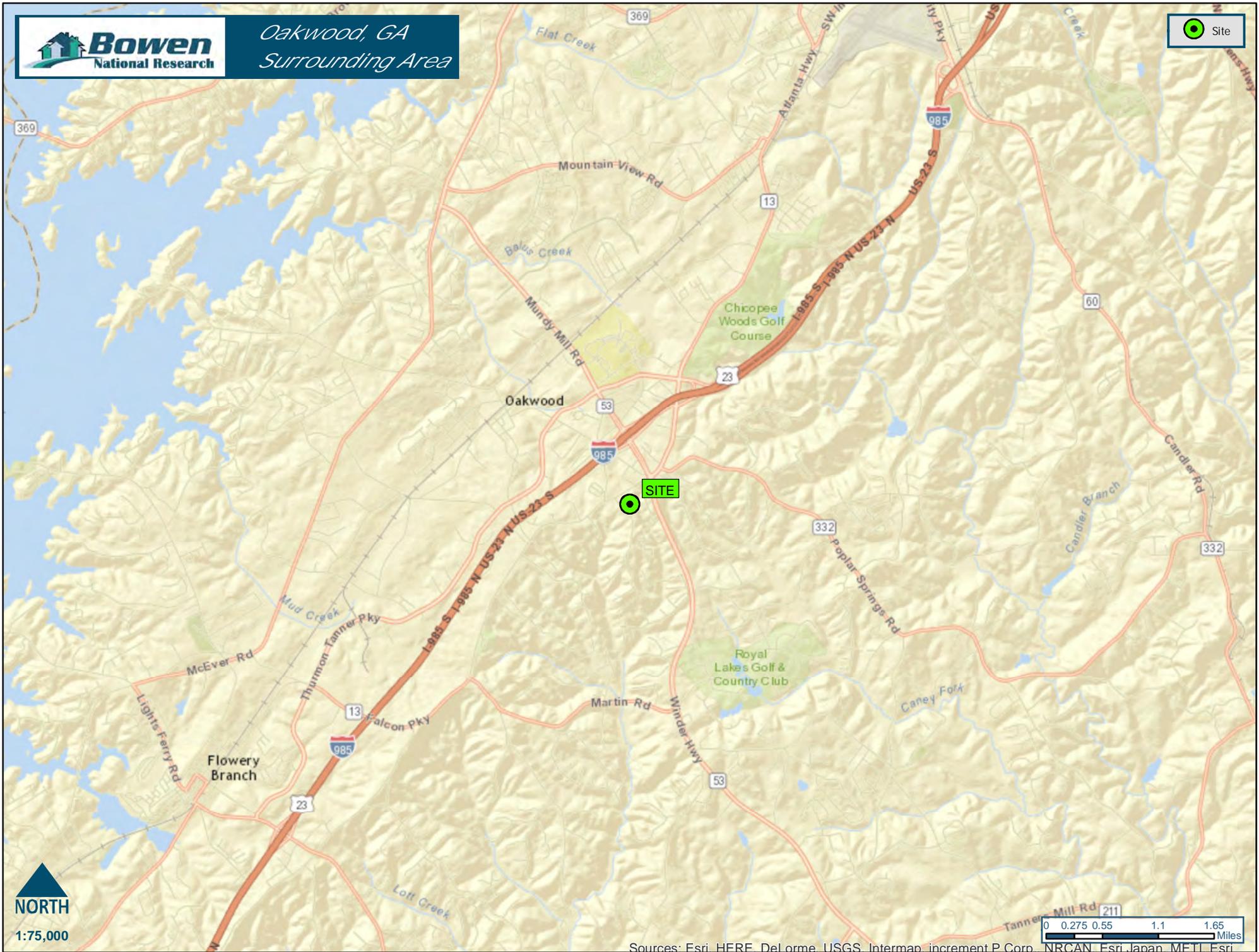
NORTH
1:3,800,000

0 15 30 60 90 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri



Oakwood, GA
Surrounding Area



NORTH
1:75,000

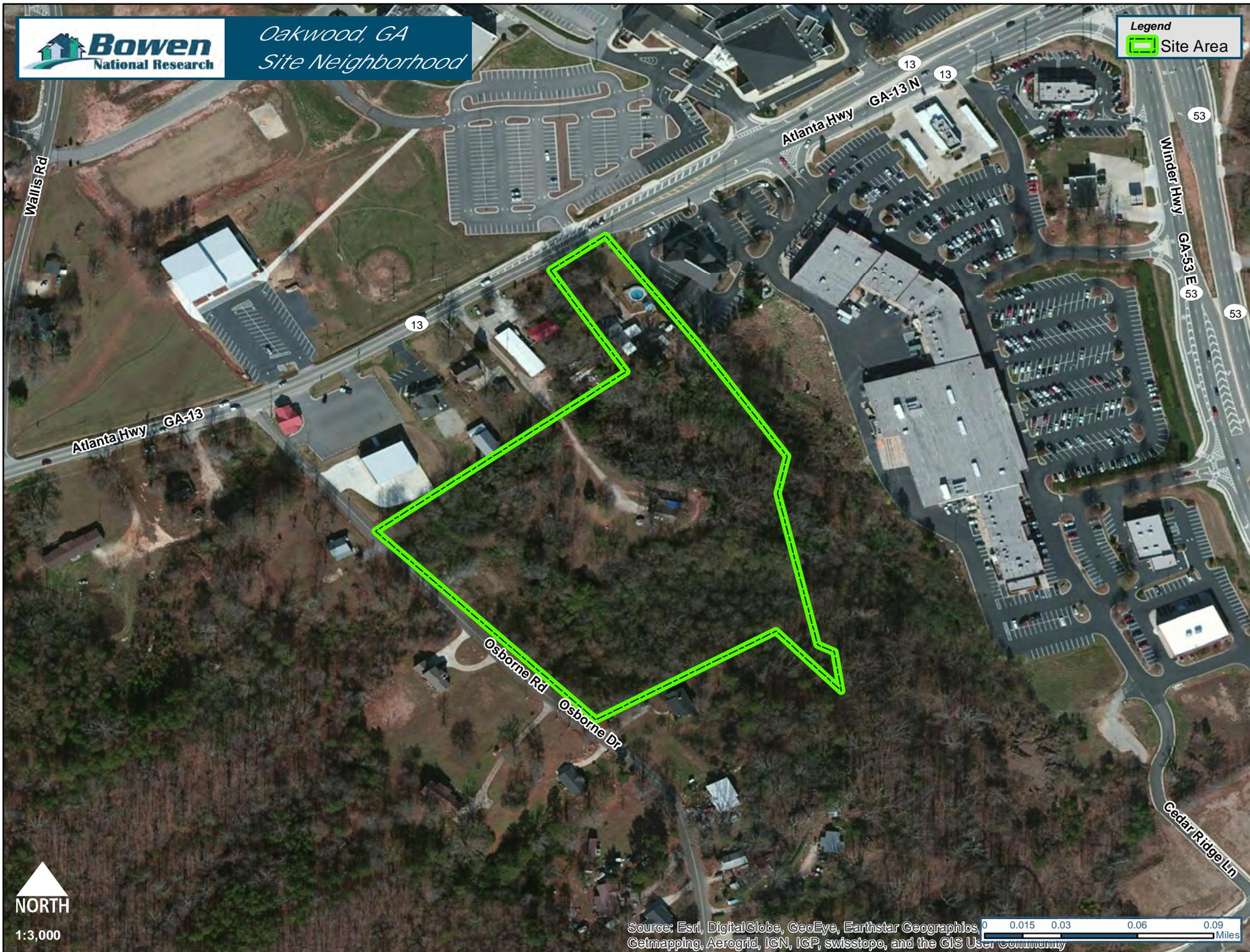
0 0.275 0.55 1.1 1.65
Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Oakwood, GA
Site Neighborhood

Legend
Site Area



1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



Section C – Site Description And Evaluation

1. LOCATION

The subject site currently consists of wooded land and a vacant home which will be razed during the development process located along Atlanta Highway/State Route 13, 0.2 miles west of Winder Highway/State Route 53 in the southeastern portion of Oakwood, Georgia. Located within Hall County, Oakwood is approximately 44.0 miles northwest of Athens, Georgia and approximately 49.0 miles northeast of Atlanta, Georgia. Garth Semple, an employee of Bowen National Research, inspected the site and area apartments during the week of March 27, 2016.

2. SURROUNDING LAND USES

The subject site is within a partially developed area of Oakwood. Surrounding land uses include single- and multifamily homes, undeveloped land, a shopping center and a church. Adjacent land uses are detailed as follows:

North -	The Annex at Blackshear Place Church, Georgia Mountain Graphics and Barefoot Care Specialists border the site to the north, immediately followed by Atlanta Highway/State Route 13, a moderately traveled two-lane roadway. Farther north are Blackshear Place Baptist Church and undeveloped land.
East -	The Robson Crossing shopping center borders the subject site to the east, followed by Winder Highway/State Route 53, a heavily traveled divided two-lane thoroughfare. Extending beyond are scattered single-family homes in average condition, along with wooded land.
South -	Wooded land borders the subject site to the south. Extending beyond are scattered single-family homes in average condition, along with wooded land. Continuing south is Walden at Oakwood (Map ID 17), a market-rate apartment community in excellent condition. Extending beyond, are single family homes in good to excellent condition and wooded land.
West -	Osborn Road, a lightly traveled residential roadway, and single-family homes in fair to good condition border the site to the west. Continuing west are wooded land and townhomes in good condition along Cresthill Drive. Wooded land extends beyond.

The surrounding land uses primarily include residential dwellings and a shopping center that are generally considered to be in good condition. Please note there is ongoing construction of a new church north of the site adjacent to The Annex at Blackshear Place Church. These land uses are conducive to multifamily rental housing and will have a positive impact on the subject's marketability.

3. ACCESS AND VISIBILITY

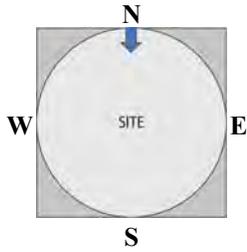
The subject property is located on the south side of Atlanta Highway/State Route 13, 0.2 miles west of Winder Highway/State Route 53. Vehicular traffic along Atlanta Highway/State Route 13 is considered moderate, particularly during peak commuting hours due to the presence of multiple community services within the immediate area. Ingress and egress are considered convenient, with clear lines of sight provided in both directions of travel. Additionally, the subject project is within 0.5 miles of State Route 332 and Interstate 985. Further, Hall Area Transit provides public transportation services throughout Oakwood, with the closest bus stop located near the intersection of Atlanta Highway/State Route 13 and Poplar Springs Road, 0.4 miles east of the site. Overall, access is considered good. Visibility of the site will be obstructed by the surrounding wooded land and shopping center and permanent signage is recommended along Atlanta Highway. In addition, promotional signage is recommended along State Route 53 to increase the subject project's awareness during the initial lease up process.

Based on information provided by area planning and zoning officials, as well as the observations of our analyst, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

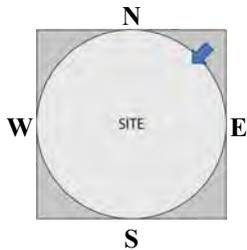
4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

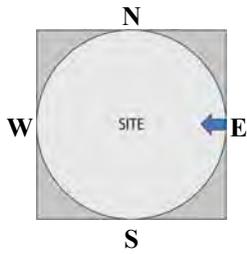
SITE PHOTOGRAPHS



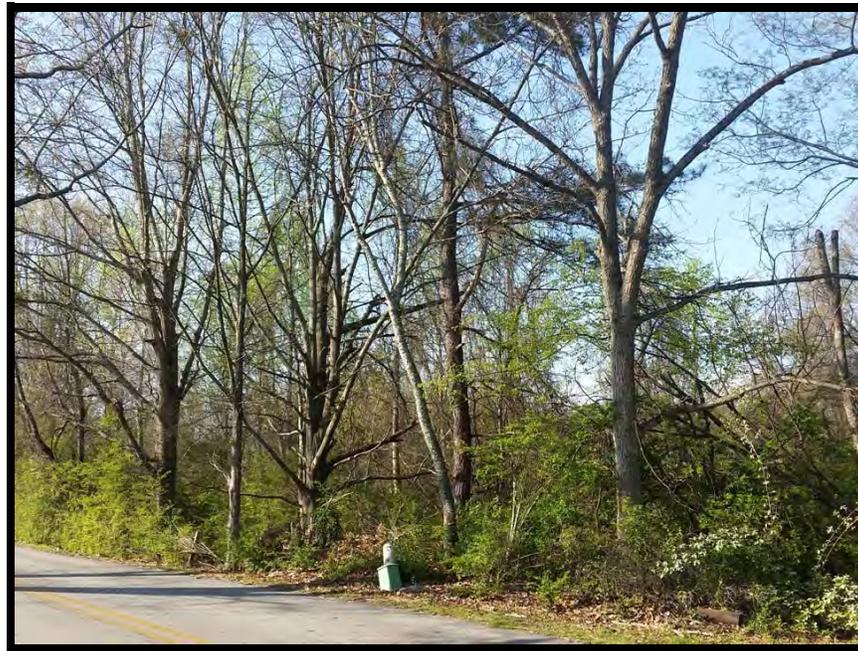
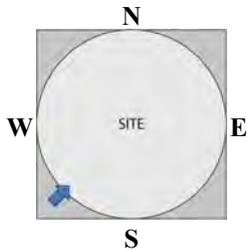
View of site from the north



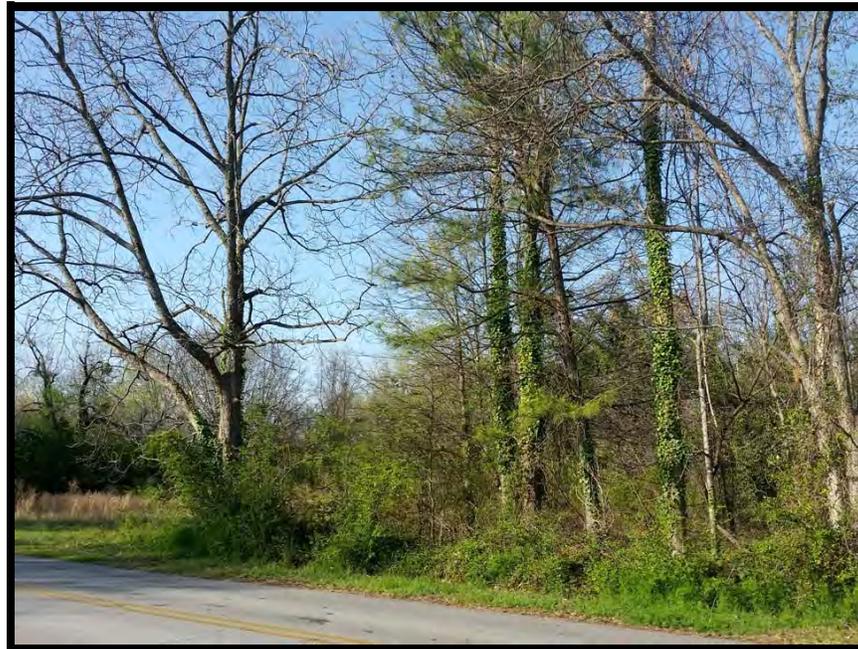
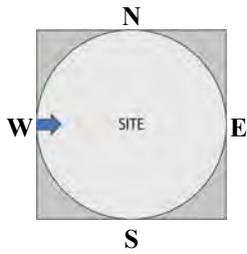
View of site from the northeast



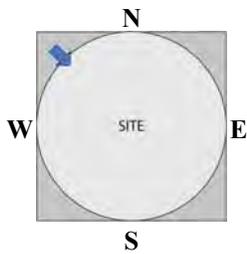
View of site from the east



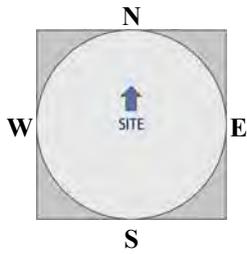
View of site from the southwest



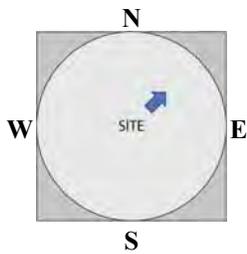
View of site from the west



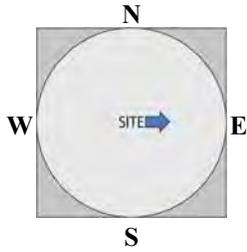
View of site from the northwest



North view from site



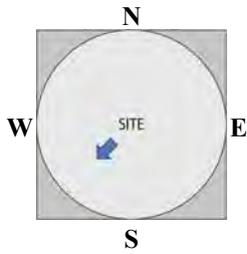
Northeast view from site



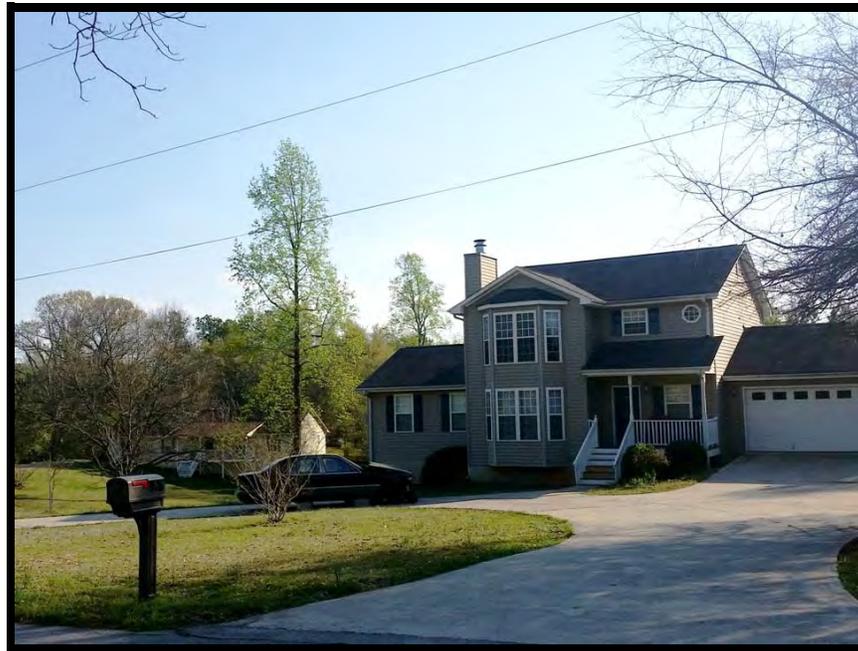
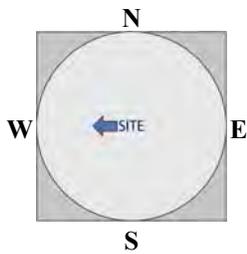
East view from site



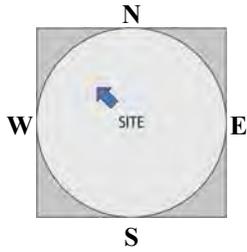
Typical single-family homes south of site



Southwest view from site



West view from site



Northwest view from site



Streetscape: Southwest view of Atlanta Highway



Streetscape: Northeast view of Atlanta Highway



Streetscape: Southeast view of Osbourn Road



Streetscape: Northwest view of Osbourn Road

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

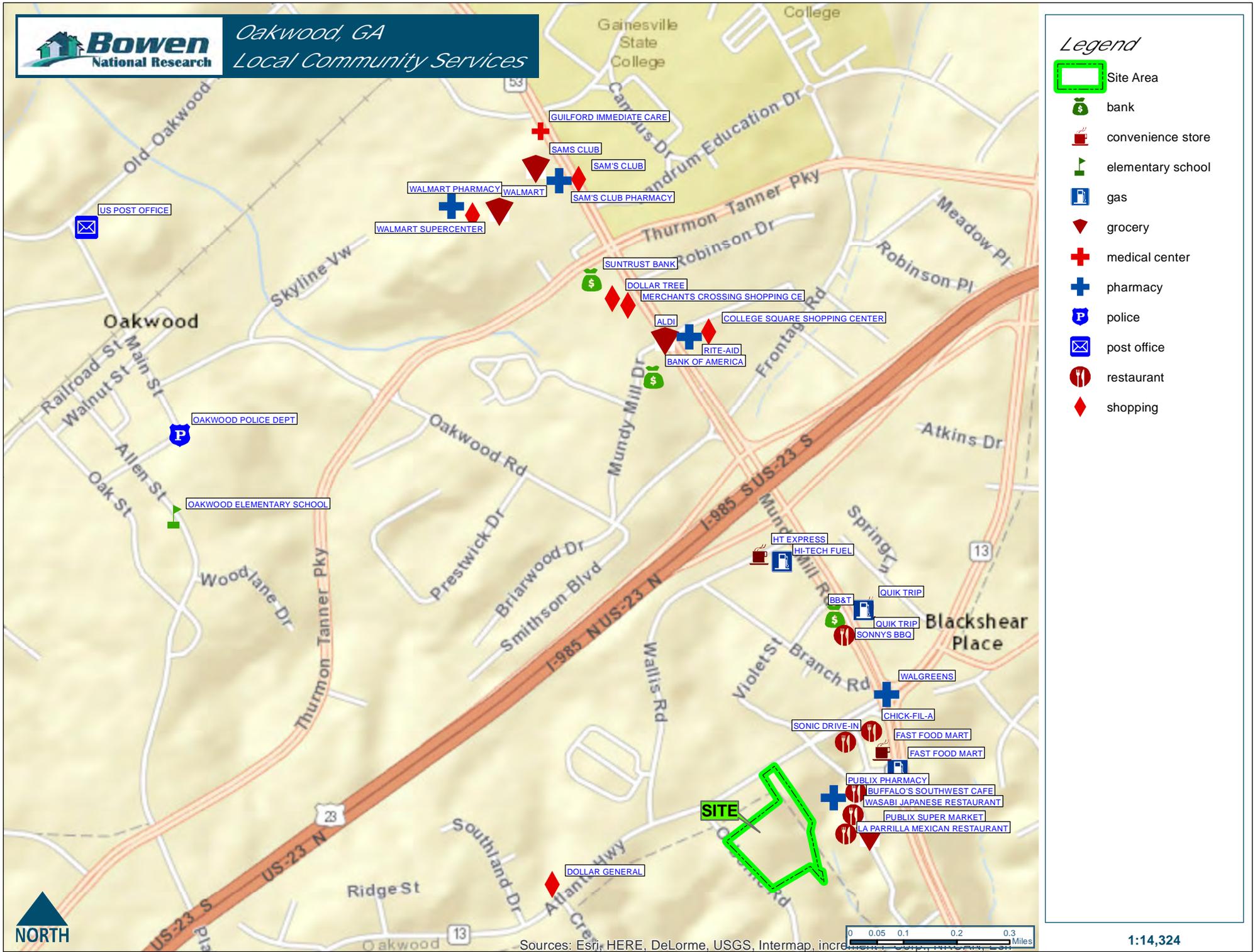
The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 13	Adjacent North
	State Route 53	0.2 East
	Interstate 985	0.5 North
Public Bus Stop	Hall Area Transit	0.4 East
Major Employers/ Employment Centers	Robson Crossing	0.2 East
	Walmart Supercenter	1.5 Northwest
	Hall County School System	1.6 North
	Fieldale Farms Corporation	4.9 Northeast
Convenience Store	Fast Food Mart	0.2 East
	Quik Trip	0.3 North
	HT Express	0.4 North
Grocery	Publix Super Market	0.2 East
	Aldi	0.9 Northwest
	Sam's Club	1.4 Northwest
	Walmart Supercenter	1.5 Northwest
Discount Department Store	Dollar General	0.8 Southwest
	Dollar Tree	0.9 Northwest
	Walmart Supercenter	1.5 Northwest
Shopping Center/Mall	Robson Crossing	0.2 East
	College Square Shopping Center	0.9 Northwest
	Merchant's Crossing Shopping Center	0.9 Northwest
Schools: Elementary Middle/Junior High High	Oakwood Elementary School	1.9 West
	West Hall Middle School	3.2 West
	West Hall High School	3.1 West
Hospital	Guilford Immediate Care	1.3 Northwest
	Northeast Georgia Health System and Medical Center	6.9 Northeast
Police	Oakwood Police Department	1.9 Northwest
Fire	Flowery Branch Fire Department	5.3 Southwest
Post Office	U.S. Post Office	2.1 Northwest
Bank	BB&T	0.3 North
	Regions Bank	0.4 North
Gas Station	Pure Gas	0.2 East
	QuikTrip	0.3 North
	Hi-Tech Fuel	0.4 North
Pharmacy	Publix Pharmacy	0.2 Southeast
	Walgreens	0.2 Northeast
	Rite Aid Pharmacy	0.9 Northwest
Restaurant	Sonic Drive-In	0.1 East
	Chick-Fil-A	0.1 East
	Wasabi Japanese Restaurant	0.2 East
	La Parrilla Mexican Restaurant	0.2 East
	Buffalo's Southwest Café	0.2 East
Day Care	Discovery Point Child Care Center	1.8 South
Community Center	Mulberry Creek Park & Community Center	3.4 Southwest

There are several community services including restaurants, pharmacies, banks, and discount department stores located less than 1.0 mile from the site. Notably, the site is bordered by the Robson Crossing shopping center to the east, which includes Publix, Ace Hardware, La Parrilla Mexican Restaurant, Buffalo's Cafe and Hallmark. Also note that there is a Walmart Supercenter located within 1.5 miles northwest of the site.

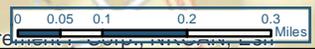
Public safety services are provided by the Oakwood Police Department and Flowery Branch Fire Department which are both located within 5.3 miles of the site. In addition, Guilford Immediate Care is located 1.3 miles from the site and is a premier urgent care facility available to Oakwood residents. The applicable elementary, middle and high schools are all within 3.2 miles from the site.

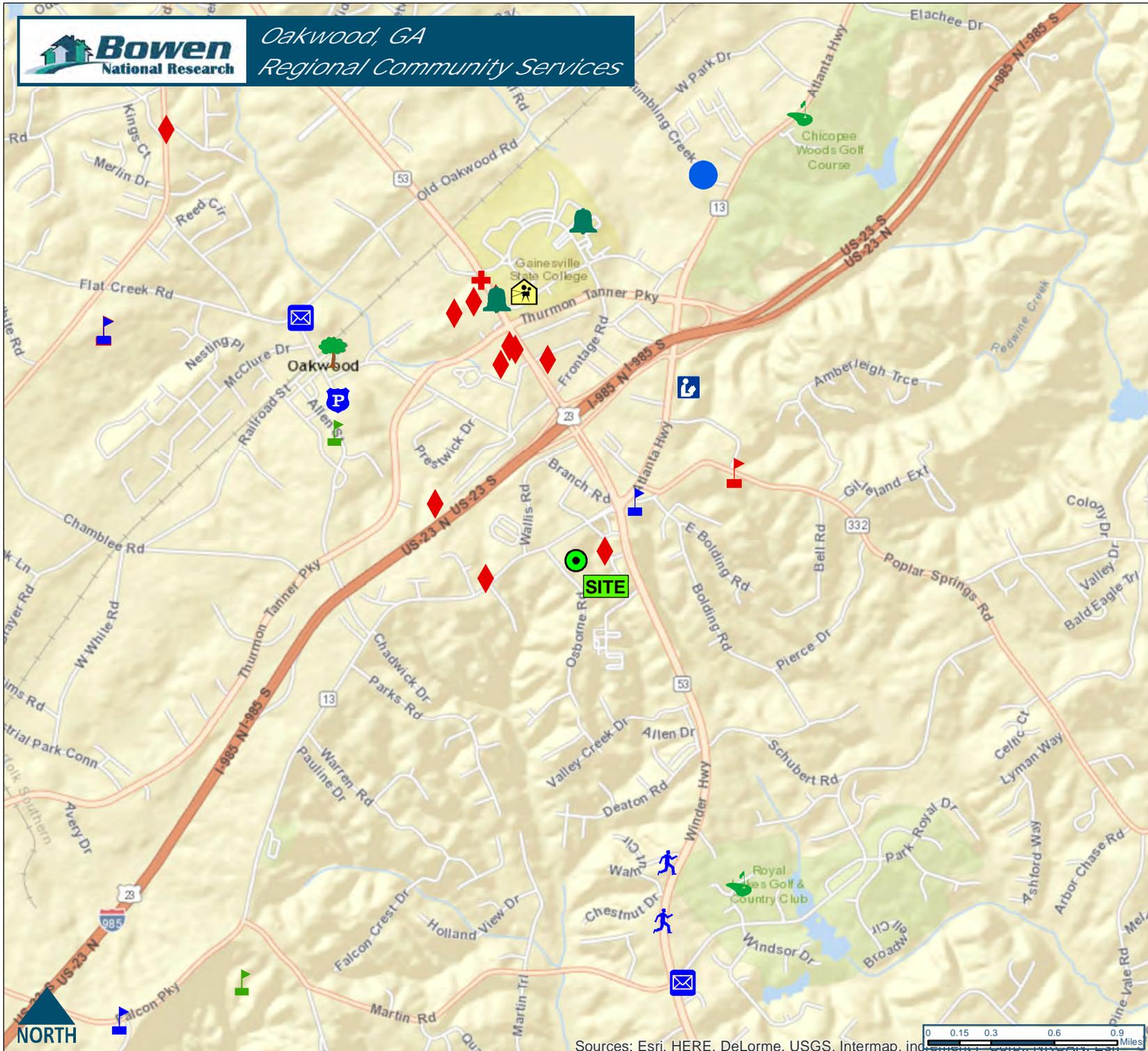
Maps illustrating the location of community services are on the following pages.



Legend

-  Site Area
-  bank
-  convenience store
-  elementary school
-  gas
-  grocery
-  medical center
-  pharmacy
-  police
-  post office
-  restaurant
-  shopping





- Legend*
- Site
 - cinema
 - elementary school
 - fitness center
 - golf
 - high school
 - library
 - medical center
 - middle school
 - park
 - police
 - post office
 - shopping
 - university
 - employers_1000_5000

NORTH

Sources: Esri, HERE, DeLorme, USGS, Intermap, inc



1:40,000

6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (79) for the Site PMA is below the national average with an overall personal crime index of 58 and a property crime index of 89. Total crime risk (81) for Hall County is below the national average with indexes for personal and property crime of 56 and 96, respectively.

	Crime Risk Index	
	Site PMA	Hall County
Total Crime	79	81
Personal Crime	58	56
Murder	60	62
Rape	79	69
Robbery	30	31
Assault	66	66
Property Crime	89	96
Burglary	93	107
Larceny	88	97
Motor Vehicle Theft	88	85

Source: Applied Geographic Solutions

As the preceding table illustrates, the crime risk index for the Site PMA (79) is below both those of Hall County (81) and the country (100). The relatively low crime rate within the market will have a positive impact on the subject's marketability.

A map illustrating crime risk is on the following page.



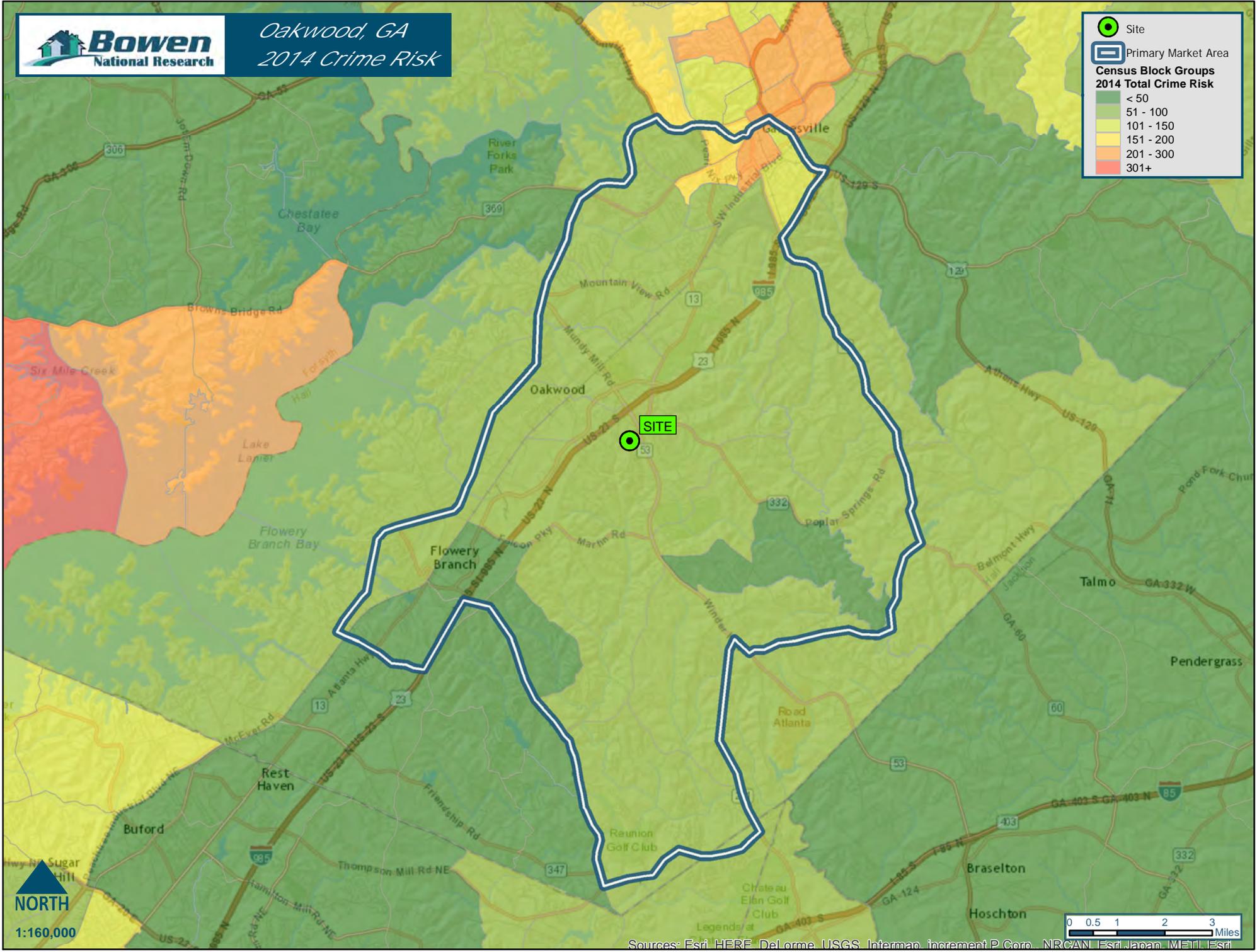
Oakwood, GA
2014 Crime Risk

● Site

▭ Primary Market Area

**Census Block Groups
2014 Total Crime Risk**

< 50
51 - 100
101 - 150
151 - 200
201 - 300
301+



NORTH
1:160,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

7. OVERALL SITE EVALUATION

The proposed subject site is located within a partially developed area of Oakwood, predominantly comprised of commercial and residential structures in good condition. These surrounding land uses are conducive to multifamily rental housing. Access to the site is considered good, as it is within 0.5 miles of State Routes 13, 53 and 332 and Interstate 985. In addition, public transportation services provided by Hall Area Transit are within 0.4 miles. Visibility of the site will be obstructed by the surrounding land uses and permanent signage is recommended along Atlanta Highway/State Route 13. Additionally, promotional signage is recommended along State Route 53 to increase the subject project's awareness during the initial lease up process. The site is close to shopping, employment, recreation, entertainment and education opportunities, and social services and public safety services are all within 5.3 miles. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

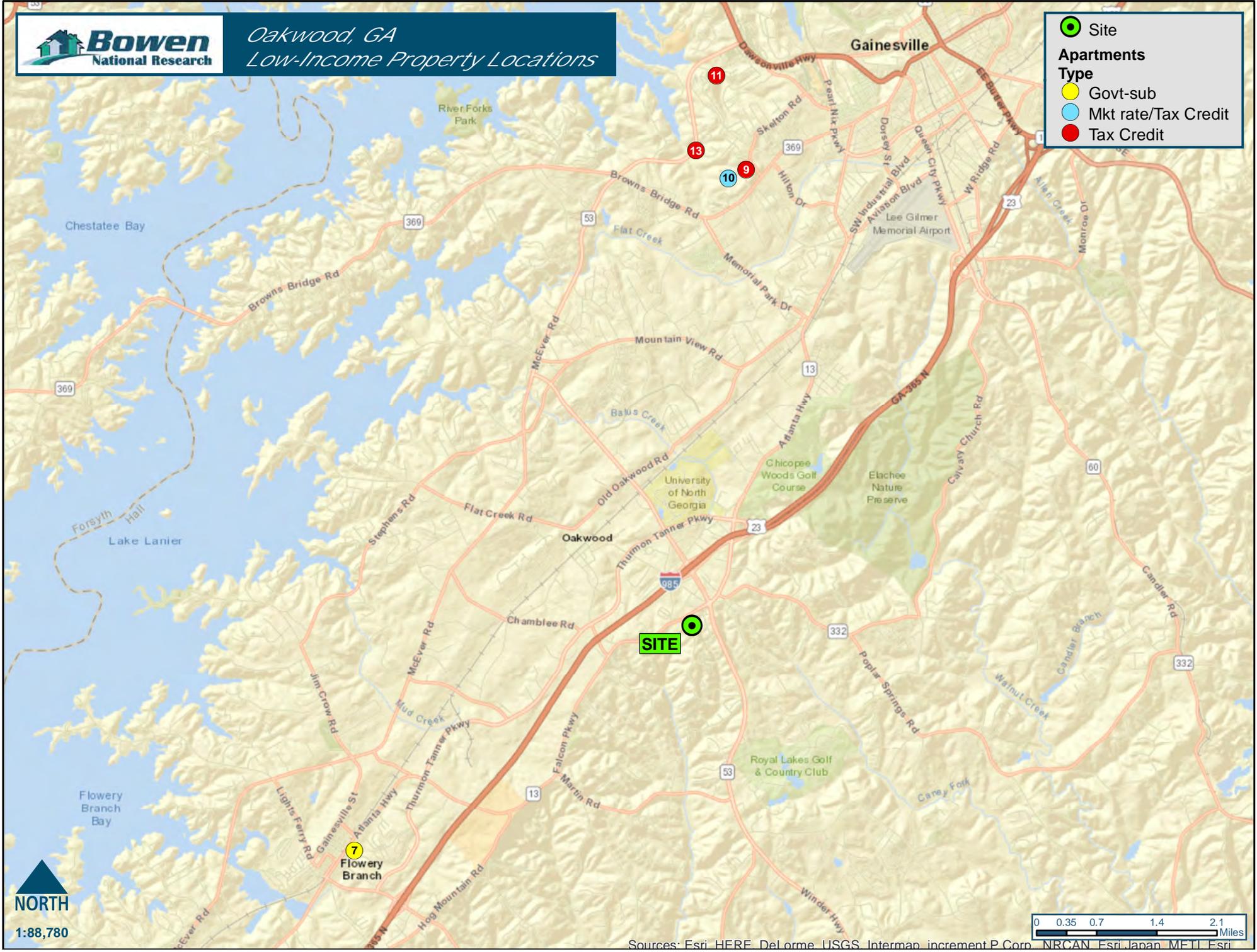


Oakwood, GA Low-Income Property Locations

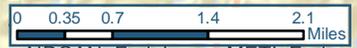
Site
● Site

Apartments Type

- Govt-sub
- Mkt rate/Tax Credit
- Tax Credit



NORTH
1:88,780



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section D – Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Oakwood Site PMA was determined through interviews with area leasing and real estate agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Oakwood Site PMA includes Oakwood, portions of Gainesville, Flowery Branch and Braselton, as well as the surrounding unincorporated areas of Hall and Gwinnett counties. The boundaries of the Site PMA include State Route 53, Jesse Jewell Parkway, and Athens Highway to the north; Interstate 985 and State Route 60 to the east; State Route 211, Winder Highway, Friendship Road, and Spout Springs Road to the south; and Interstate 985, Wade Orr Road, Gaines Ferry Road, and McEver Road to the west.

Demarcus Lauderdale, Leasing Consultant with Tree Park Apartment Homes (Map ID 1), a market-rate community located in Flowery Branch, stated that the majority of his property's residents have originated from the Oakwood, Flowery Branch and Gainesville areas and anticipates that the subject project will do the same, thus confirming the Site PMA. Mr. Lauderdale stated that people from Gainesville would have no problem relocating to Oakwood for quality affordable rental housing.

Heather White, Property Manager at Myrtle Place Apartments (Map ID 8), a market-rate property in Gainesville, confirmed the Site PMA, explaining that most of her property's residents come from the southern portions of Gainesville, Flowery Branch and Oakwood and expects the proposed development to experience similar trends.

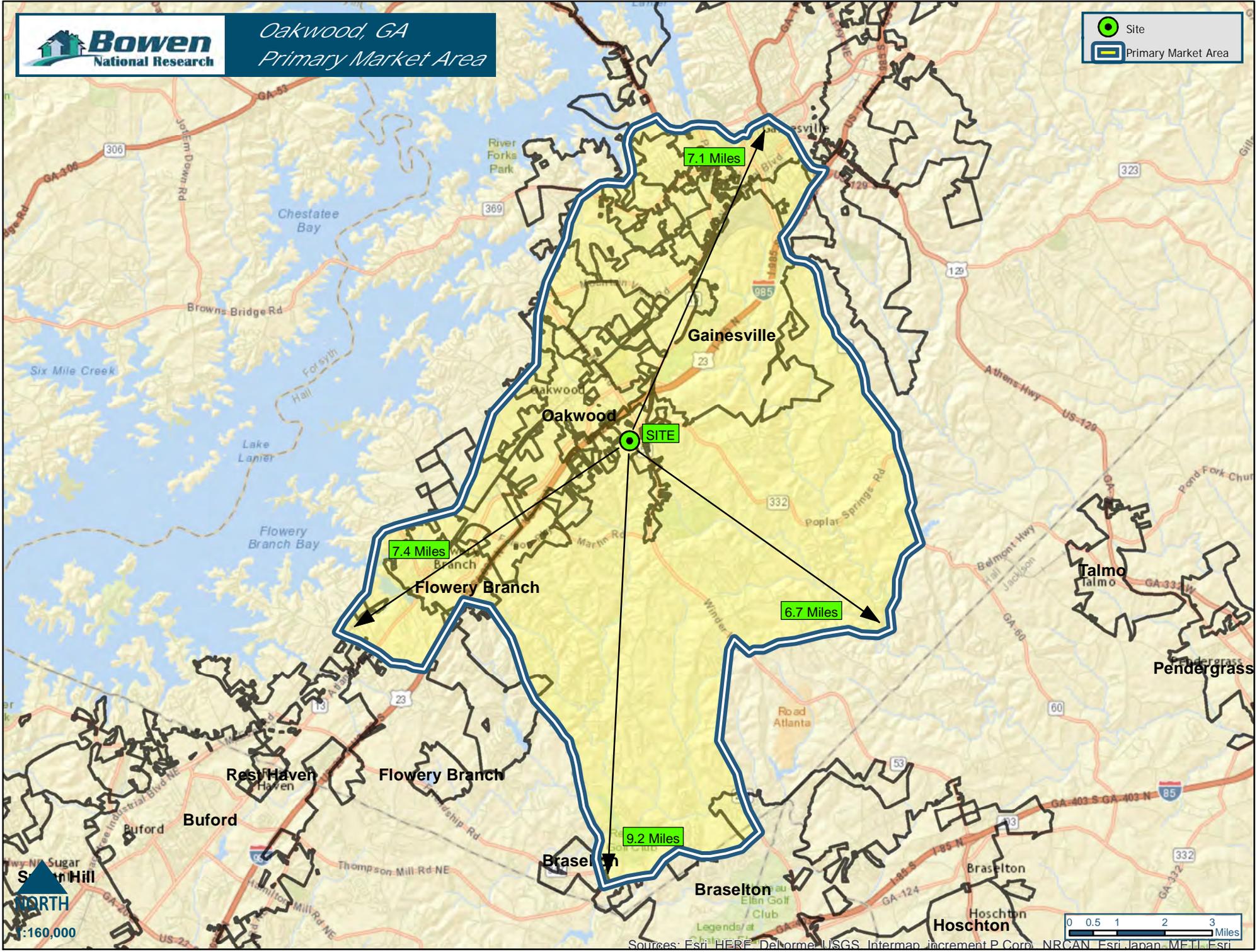
Though some support for the proposed project will undoubtedly originate from areas outside the Site PMA, the majority of support is expected to derive from within the boundaries of the Site PMA. Based on the preceding analysis, we have not considered a secondary market area in this report.

A map delineating the boundaries of the Site PMA is included on the following page.



*Oakwood, GA
Primary Market Area*

● Site
▭ Primary Market Area



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2017 (estimated) and 2019 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Population	44,295	59,472	65,929	67,884
Population Change	-	15,177	6,457	1,955
Percent Change	-	34.3%	10.9%	3.0%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Oakwood Site PMA population base increased by 15,177 between 2000 and 2010. This represents a 34.3% increase over the 2000 population, or an annual rate of 3.0%. Between 2010 and 2017, the population increased by 6,457, or 10.9%. It is projected that the population will increase by 1,955, or 3.0%, between 2017 and 2019.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	19,753	33.2%	20,947	31.8%	21,450	31.6%	504	2.4%
20 to 24	4,405	7.4%	4,701	7.1%	4,668	6.9%	-34	-0.7%
25 to 34	9,293	15.6%	10,265	15.6%	10,452	15.4%	187	1.8%
35 to 44	8,953	15.1%	9,117	13.8%	9,402	13.8%	285	3.1%
45 to 54	7,158	12.0%	8,071	12.2%	8,216	12.1%	146	1.8%
55 to 64	5,061	8.5%	6,137	9.3%	6,466	9.5%	329	5.4%
65 to 74	3,029	5.1%	4,164	6.3%	4,427	6.5%	263	6.3%
75 & Over	1,818	3.1%	2,526	3.8%	2,802	4.1%	276	10.9%
Total	59,470	100.0%	65,929	100.0%	67,884	100.0%	1,955	3.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 51% of the population is expected to be between 25 and 64 years old in 2017. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Oakwood Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	13,574	18,409	20,465	21,090
Household Change	-	4,835	2,056	626
Percent Change	-	35.6%	11.2%	3.1%
Household Size	3.26	3.23	3.16	3.16

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Oakwood Site PMA, households increased by 4,835 (35.6%) between 2000 and 2010. Between 2010 and 2017, households increased by 2,056 or 11.2%. By 2019, there will be 21,090 households, an increase of 626 households, or 3.1%, from 2017. This is an increase of approximately 313 households annually over the next two years and indicates that there will likely be an increasing need for additional housing within the market.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	1,041	5.7%	1,028	5.0%	1,025	4.9%	-4	-0.4%
25 to 34	3,469	18.8%	3,812	18.6%	3,867	18.3%	55	1.4%
35 to 44	4,326	23.5%	4,299	21.0%	4,406	20.9%	106	2.5%
45 to 54	3,751	20.4%	4,115	20.1%	4,154	19.7%	39	1.0%
55 to 64	2,795	15.2%	3,248	15.9%	3,391	16.1%	143	4.4%
65 to 74	1,840	10.0%	2,370	11.6%	2,497	11.8%	127	5.4%
75 to 84	932	5.1%	1,237	6.0%	1,366	6.5%	129	10.4%
85 & Over	257	1.4%	355	1.7%	385	1.8%	30	8.3%
Total	18,411	100.0%	20,465	100.0%	21,090	100.0%	625	3.1%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2017 and 2019, household growth is projected to occur among nearly all age cohorts within the Site PMA. This illustrates that there will be an increasing need for housing for both families and seniors within the market.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,555	62.8%	12,282	60.0%	12,685	60.1%
Renter-Occupied	6,854	37.2%	8,183	40.0%	8,406	39.9%
Total	18,409	100.0%	20,465	100.0%	21,090	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, renter households within the market are projected to increase by 223, or 2.7%, between 2017 and 2019. This further demonstrates that there will be a need for additional rental housing within the Site PMA.

The household sizes by tenure within the Site PMA, based on the 2017 estimates and 2019 projections, were distributed as follows:

Persons Per Renter Household	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,146	26.2%	2,201	26.2%	55	2.6%
2 Persons	1,876	22.9%	1,927	22.9%	51	2.7%
3 Persons	1,409	17.2%	1,447	17.2%	38	2.7%
4 Persons	1,302	15.9%	1,339	15.9%	37	2.8%
5 Persons+	1,450	17.7%	1,491	17.7%	41	2.8%
Total	8,183	100.0%	8,405	100.0%	222	2.7%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	2,137	17.4%	2,208	17.4%	71	3.3%
2 Persons	4,182	34.0%	4,318	34.0%	136	3.3%
3 Persons	2,061	16.8%	2,129	16.8%	68	3.3%
4 Persons	1,573	12.8%	1,624	12.8%	51	3.2%
5 Persons+	2,330	19.0%	2,407	19.0%	76	3.3%
Total	12,283	100.0%	12,686	100.0%	402	3.3%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The subject's one-, two- and three-bedroom units will target up to five-person households, which comprise the majority of renter households within the Oakwood Site PMA. As such, the subject property will be able to accommodate nearly all renter households in the market, based on household size.

The distribution of households by income within the Oakwood Site PMA is summarized as follows:

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	2,509	13.6%	2,397	11.7%	2,632	12.5%
\$15,000 to \$24,999	2,220	12.1%	2,301	11.2%	2,486	11.8%
\$25,000 to \$34,999	2,234	12.1%	2,595	12.7%	2,812	13.3%
\$35,000 to \$49,999	3,031	16.5%	2,991	14.6%	2,812	13.3%
\$50,000 to \$74,999	3,475	18.9%	4,113	20.1%	4,192	19.9%
\$75,000 to \$99,999	2,092	11.4%	2,620	12.8%	2,623	12.4%
\$100,000 to \$149,999	1,941	10.5%	2,127	10.4%	2,179	10.3%
\$150,000 to \$199,999	486	2.6%	900	4.4%	924	4.4%
\$200,000 & Over	423	2.3%	422	2.1%	429	2.0%
Total	18,411	100.0%	20,466	100.0%	21,091	100.0%
Median Income	\$46,098		\$49,743		\$48,944	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$46,098. This increased by 7.9% to \$49,743 in 2017. By 2019, it is projected that the median household income will be \$48,944, a decline of 1.6% from 2017.

The following tables illustrate renter household income by household size for 2010, 2017 and 2019 for the Oakwood Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	464	317	235	299	241	1,556
\$15,000 to \$24,999	337	258	193	244	195	1,227
\$25,000 to \$34,999	313	268	198	251	203	1,233
\$35,000 to \$49,999	254	227	170	215	173	1,039
\$50,000 to \$74,999	266	241	179	226	181	1,093
\$75,000 to \$99,999	89	84	62	79	63	377
\$100,000 to \$149,999	69	64	48	60	48	289
\$150,000 to \$199,999	6	4	4	4	3	21
\$200,000 & Over	5	4	3	4	1	17
Total	1,803	1,467	1,092	1,382	1,108	6,852

Source: ESRI; Urban Decision Group

Renter Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	415	346	260	241	269	1,530
\$15,000 to \$24,999	422	347	260	242	268	1,539
\$25,000 to \$34,999	404	352	265	244	274	1,539
\$35,000 to \$49,999	328	300	226	209	231	1,294
\$50,000 to \$74,999	315	290	217	200	224	1,245
\$75,000 to \$99,999	132	126	94	86	96	534
\$100,000 to \$149,999	82	76	59	53	60	330
\$150,000 to \$199,999	31	27	20	19	20	117
\$200,000 & Over	15	13	9	9	9	55
Total	2,146	1,876	1,409	1,302	1,450	8,183

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	440	375	281	261	290	1,647
\$15,000 to \$24,999	444	372	279	259	289	1,643
\$25,000 to \$34,999	439	387	290	268	299	1,683
\$35,000 to \$49,999	295	268	201	186	206	1,156
\$50,000 to \$74,999	296	269	202	187	209	1,164
\$75,000 to \$99,999	126	117	87	81	90	501
\$100,000 to \$149,999	81	73	55	50	57	316
\$150,000 to \$199,999	54	46	35	32	35	201
\$200,000 & Over	26	21	16	15	16	94
Total	2,201	1,927	1,447	1,339	1,491	8,405

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

Demographic Summary

Overall, population and households within the Oakwood Site PMA have been experiencing positive growth since 2000. These trends are projected to remain positive through 2019, increasing by 1,955 (3.0%) and 626 (3.1%), respectively, from 2017. Renter households are projected to increase by 223 (2.7%) during the same time period. The projected 8,406 renter households in 2019 within the market represent a deep base of potential support for the subject project. In addition, the subject project will be able to accommodate nearly all of the Site PMA's renter households, based on household size. Overall, the demographic trends contained within this report demonstrate an increasing base of potential support for the proposed subject development.

Section F – Economic Trends

1. LABOR FORCE PROFILE

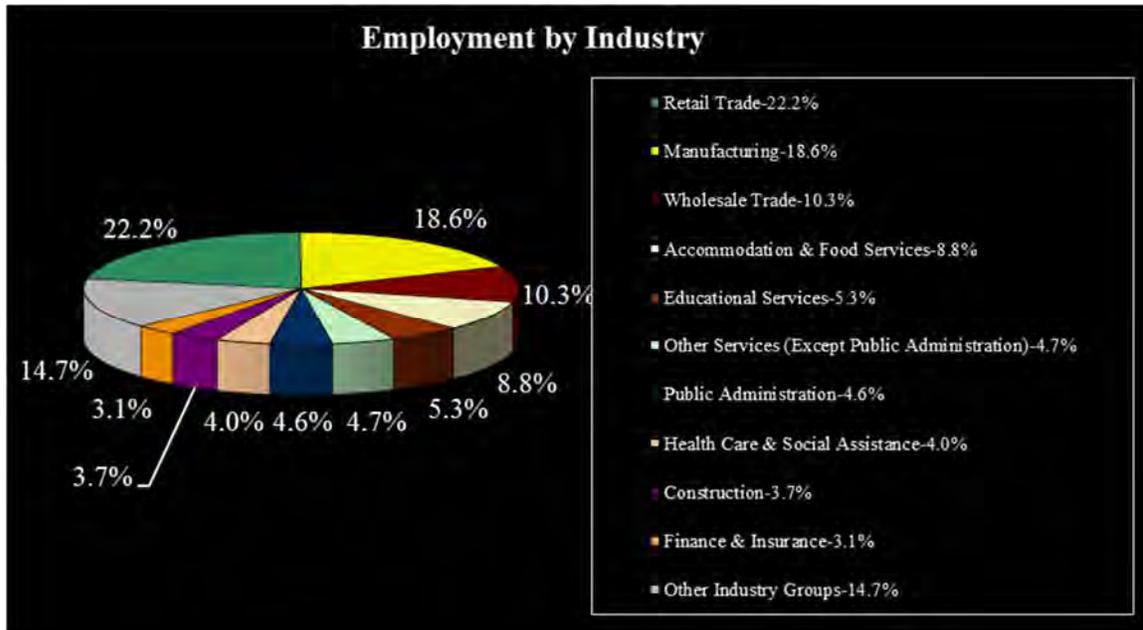
The labor force within the Oakwood Site PMA is based primarily in three sectors. Retail Trade (which comprises 22.2%), Manufacturing and Wholesale Trade comprise over 51% of the Site PMA labor force. Employment in the Oakwood Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	14	0.5%	399	1.1%	28.5
Mining	1	0.0%	10	0.0%	10.0
Utilities	2	0.1%	65	0.2%	32.5
Construction	226	8.0%	1,369	3.7%	6.1
Manufacturing	148	5.2%	6,917	18.6%	46.7
Wholesale Trade	151	5.3%	3,835	10.3%	25.4
Retail Trade	522	18.5%	8,240	22.2%	15.8
Transportation & Warehousing	83	2.9%	1,088	2.9%	13.1
Information	50	1.8%	472	1.3%	9.4
Finance & Insurance	211	7.5%	1,159	3.1%	5.5
Real Estate & Rental & Leasing	132	4.7%	874	2.4%	6.6
Professional, Scientific & Technical Services	190	6.7%	897	2.4%	4.7
Management of Companies & Enterprises	1	0.0%	28	0.1%	28.0
Administrative, Support, Waste Management & Remediation Services	129	4.6%	1,033	2.8%	8.0
Educational Services	52	1.8%	1,979	5.3%	38.1
Health Care & Social Assistance	139	4.9%	1,500	4.0%	10.8
Arts, Entertainment & Recreation	35	1.2%	371	1.0%	10.6
Accommodation & Food Services	195	6.9%	3,272	8.8%	16.8
Other Services (Except Public Administration)	343	12.1%	1,746	4.7%	5.1
Public Administration	124	4.4%	1,703	4.6%	13.7
Nonclassifiable	78	2.8%	208	0.6%	2.7
Total	2,826	100.0%	37,165	100.0%	13.2

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Gainesville Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Gainesville MSA	Georgia
Management Occupations	\$108,460	\$114,210
Business and Financial Occupations	\$68,080	\$71,300
Computer and Mathematical Occupations	\$73,480	\$85,800
Architecture and Engineering Occupations	\$68,240	\$78,820
Community and Social Service Occupations	\$45,140	\$45,460
Art, Design, Entertainment and Sports Medicine Occupations	\$61,650	\$52,710
Healthcare Practitioners and Technical Occupations	\$69,450	\$74,310
Healthcare Support Occupations	\$28,930	\$28,330
Protective Service Occupations	\$33,100	\$36,610
Food Preparation and Serving Related Occupations	\$21,490	\$20,530
Building and Grounds Cleaning and Maintenance Occupations	\$25,650	\$25,010
Personal Care and Service Occupations	\$23,780	\$24,390
Sales and Related Occupations	\$36,340	\$38,060
Office and Administrative Support Occupations	\$32,570	\$35,470
Construction and Extraction Occupations	\$39,960	\$40,540
Installation, Maintenance and Repair Occupations	\$39,260	\$44,550
Production Occupations	\$30,560	\$33,500
Transportation and Moving Occupations	\$28,940	\$33,720

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$21,490 to \$61,650 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$77,542. It is important to note that most occupational types within the MSA have slightly lower typical wages than the State of Georgia's typical wages. The area employment base has a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest employers within Hall County comprise a total of 22,830 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Northeast Georgia Medical Center	Health Care	7,900
Hall County School System	Education	3,500
Fieldale Farms Corporation	Poultry Producer	2,550
Hall County Government	Government	1,500
Pilgrim's Pride	Poultry Producer	1,380
Victory Processing	Poultry Processor	1,310
Kubota Manufacturing of America	Manufacturer Trackers, Products	1,300
Mar-Jac Poultry, Inc	Poultry Processor	1,250
ZF Gainesville LLC	Auto Parts Manufacturer	1,150
Cottrell, Inc.	Manufacturer Transportation Trailers	990
	Total	22,830

Source: Greater Hall Chamber of Commerce (December 2016)

According to a representative with the Greater Hall Chamber of Commerce, the Hall County economy continues to grow. The efforts of the Greater Hall Chamber of Commerce led to 18 new and expanded businesses in Gainesville-Hall County, creating approximately 800 jobs and \$163 million in capital investment. Some of the expanding companies include King's Hawaiian, SKF, Jinsung TEC, Lowers Risk Group, Kubota, Tatsumi, ElringKlinger, Wrigley, First Fresh Foods, Milliken & Co., Performance Foodservice, and The Louver Shop. Additionally, the area population is growing and per capital incomes are rising.

In 2016, the Hall County Building Department issued 1,000 single-family home permits. Specifically, 440 were issued in the city of Gainesville alone, which is the highest yearly total in the city's history. Flowery Branch issued 172 single-family home permits, and unincorporated Hall County processed another 372 single-family permits. Additional factors impacting the local employment base are summarized on the following page.

- Kubota Manufacturing of America invested \$220 million and constructed a new manufacturing campus on 180 acres at the Gateway Industrial Centre in Gainesville that opened in early 2017. The new plant will manufacture the company's RTV series utility vehicles. The company added 580 jobs.
- Mars Wrigley Confectionary expanded their Flowery Branch plant to produce Orbit gum, which was previously being produced in Canada. Wrigley added 170 new jobs in 2016.
- Lowers Risk Group, an enterprise risk management company, is adding 150 new jobs to their Wholesale Screening Solutions business on Spout Springs Road in Flowery Branch. They hired 50 people in October 2016 for their background check business and plan to add another 100 people by the end of 2017.
- Mincey Marble announced plans for a new 350,000 to 400,000 square-foot headquarters and manufacturing center on a 79-acre corporate campus in the Gainesville Business Park. Construction of the new campus will begin in 2017, and it is planned to open in 2018.
- ZF Manufacturing is expanding and adding equipment for a new production line and added 46 new jobs in 2016. ZF manufactures transmissions and other automobile parts.
- Performance Food Group, a distributor of fresh produce, meat, dry/frozen/refrigerated groceries and restaurant supplies, expanded in Oakwood into a 174,000 square-foot building in 2016. The company now has more than 550 employees and plans are to hire a sizable number of new employees by 2018.

WARN (layoff notices):

According to the Georgia Department of Labor website, there has been one WARN notice (large-scale layoffs/closures) reported for Hall County since January 2016. Below is a table summarizing these notice:

Company	Location	Jobs	Notice Date
Perdue Foods	Gainesville	60	5-1-2017

3. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

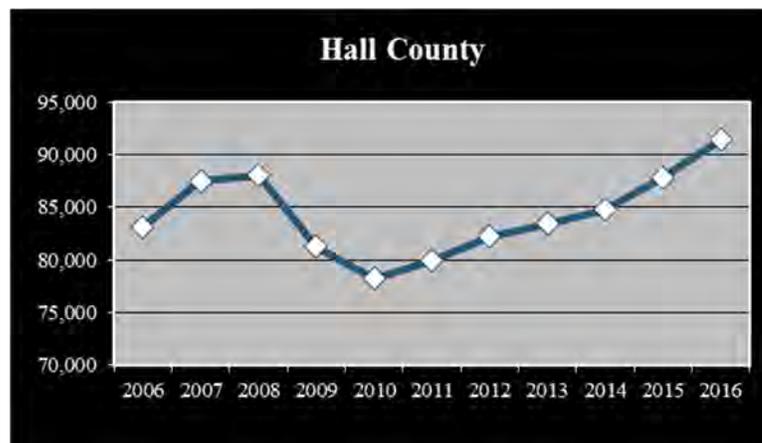
Excluding 2016, the employment base has increased by 9.9% over the past five years in Hall County, more than the Georgia state increase of 5.6%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Hall County, Georgia and the United States.

Year	Total Employment					
	Hall County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	83,160	-	4,489,128	-	145,000,042	-
2007	87,514	5.2%	4,597,640	2.4%	146,388,400	1.0%
2008	88,082	0.6%	4,575,010	-0.5%	146,047,748	-0.2%
2009	81,284	-7.7%	4,311,854	-5.8%	140,696,560	-3.7%
2010	78,205	-3.8%	4,202,052	-2.5%	140,469,139	-0.2%
2011	79,953	2.2%	4,263,305	1.5%	141,791,255	0.9%
2012	82,212	2.8%	4,348,083	2.0%	143,688,931	1.3%
2013	83,423	1.5%	4,367,147	0.4%	145,126,067	1.0%
2014	84,790	1.6%	4,418,471	1.2%	147,604,328	1.7%
2015	87,894	3.7%	4,502,021	1.9%	149,950,804	1.6%
2016*	91,428	4.0%	4,656,255	3.4%	152,400,435	1.6%

Source: Department of Labor; Bureau of Labor Statistics

*Through December



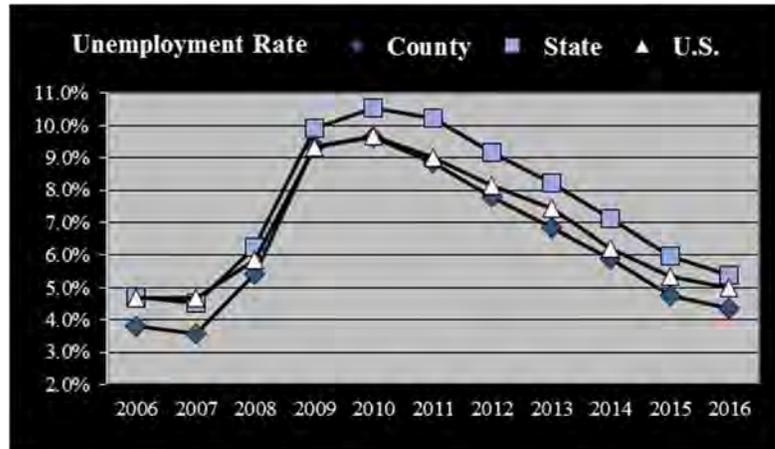
The employment base within Hall County declined significantly between 2008 and 2010 as a result of the national recession. However, employment growth has rebounded sharply since and has generally outpaced both state and national averages. Total employment in 2016 (to date) is above prerecession levels.

Unemployment rates for Hall County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Hall County	Georgia	United States
2006	3.8%	4.7%	4.7%
2007	3.6%	4.5%	4.7%
2008	5.4%	6.2%	5.8%
2009	9.4%	9.9%	9.3%
2010	9.6%	10.6%	9.7%
2011	8.9%	10.2%	9.0%
2012	7.8%	9.2%	8.1%
2013	6.9%	8.2%	7.4%
2014	5.9%	7.1%	6.2%
2015	4.8%	6.0%	5.3%
2016*	4.4%	5.4%	5.0%

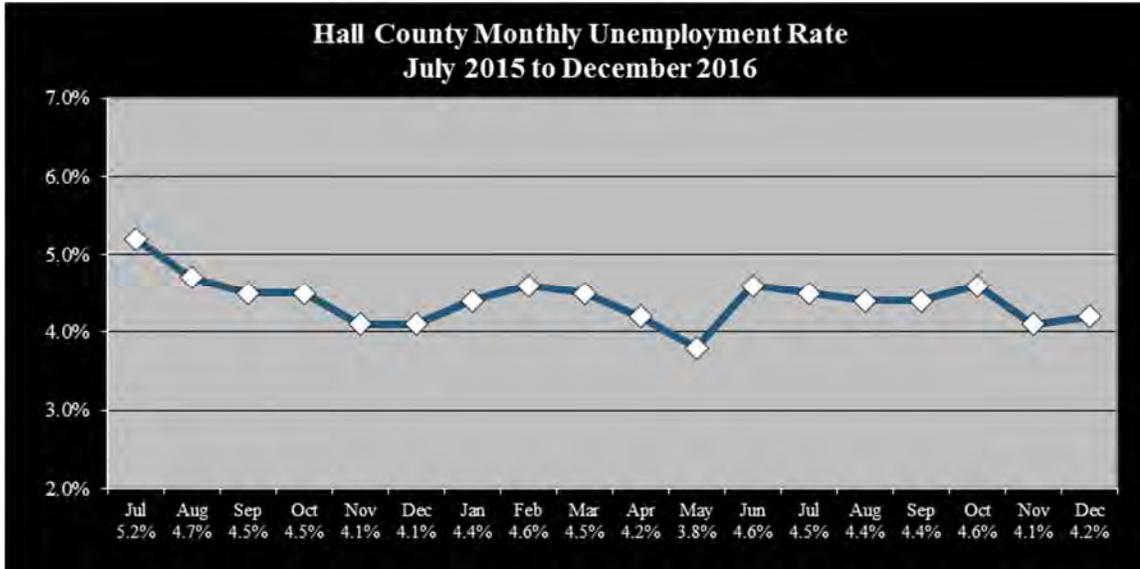
Source: Department of Labor, Bureau of Labor Statistics

*Through December



The unemployment rate in Hall County has ranged between 3.6% and 9.6%, generally below both state and national averages since 2006. As the preceding table illustrates, the county's unemployment rate increased by six percentage points between 2007 and 2010, similar to trends experienced by most of the country during the national recession. On a positive note, the county's unemployment rate has consistently decreased over the preceding six-year period and is at its lowest level (4.4%) since 2007 (3.6%).

The following table illustrates the monthly unemployment rate in Hall County for the most recent 18-month period for which data is currently available.



The unemployment rate for the county has generally trended downward during the previous 18-month period, from a high of 5.2% in July 2015 to 4.2% in December 2016.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Hall County.

In-Place Employment Hall County			
Year	Employment	Change	Percent Change
2006	70,695	-	-
2007	73,940	3,245	4.6%
2008	74,256	316	0.4%
2009	68,564	-5,692	-7.7%
2010	68,532	-32	0.0%
2011	70,722	2,190	3.2%
2012	71,283	561	0.8%
2013	73,862	2,579	3.6%
2014	75,928	2,066	2.8%
2015	79,700	3,772	5.0%
2016*	81,732	2,032	2.6%

Source: Department of Labor, Bureau of Labor Statistics
*Through September

Data for 2015, the most recent year that year-end figures are available, indicates in-place employment in Hall County to be 90.7% of the total Hall County employment. This means that Hall County has more employed persons staying in the county for daytime employment than those who work outside of the county. This will contribute to the proposed development's marketability, as it is likely that many of its residents will have minimal commute times to their place of employment.

4. ECONOMIC FORECAST

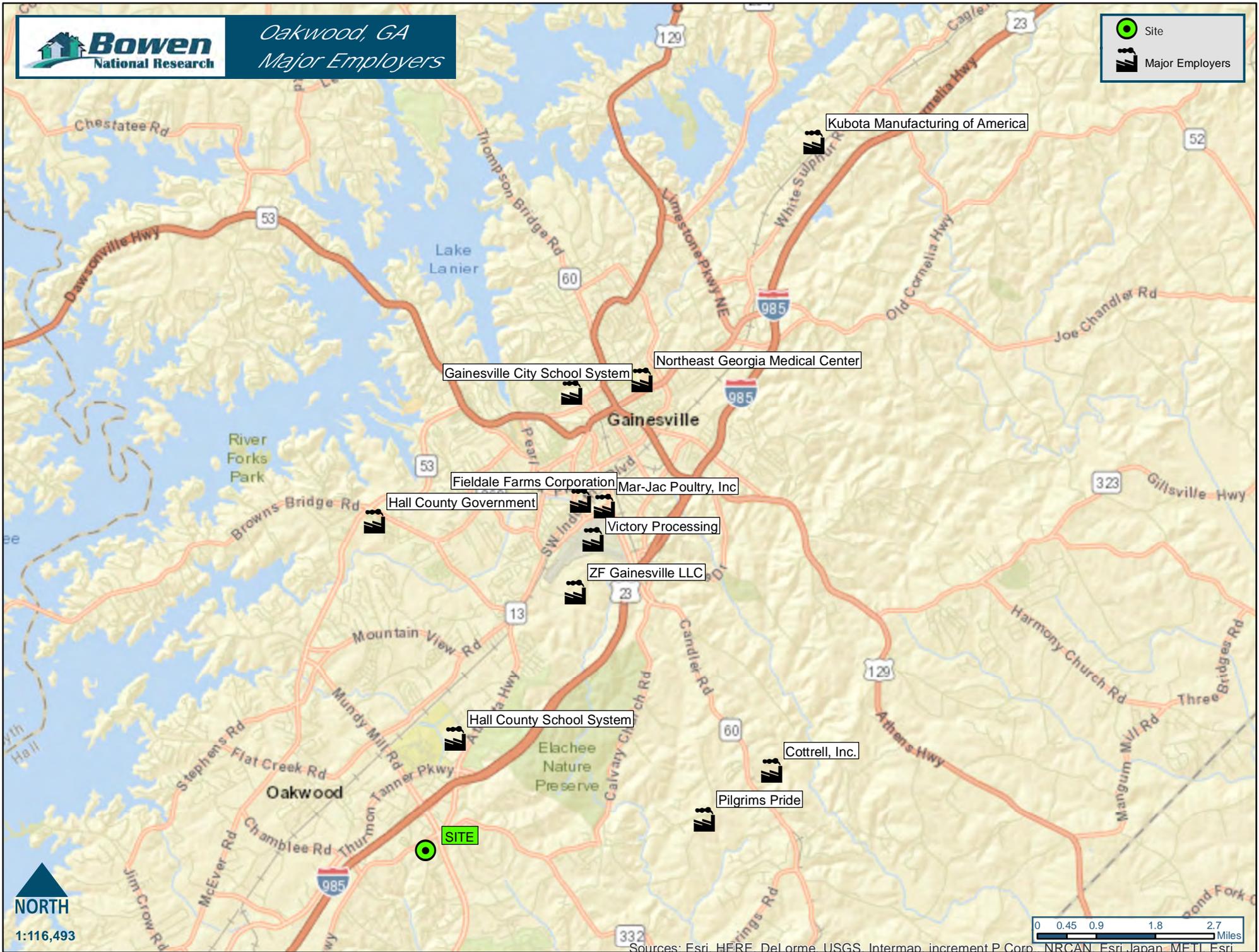
According to a representative with the Greater Hall Chamber of Commerce and data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Hall County economy continues to experience growth. Notably, over 950 jobs have or will be added within the county by 2018. Additionally, aside from a downturn between 2007 and 2010, the employment base within the county has consistently increased over the preceding six-year period. In fact, the employment base has increased by 13,223 employees, or 16.9%, since 2010 and is currently above pre-recession levels. Further, the unemployment rate has decreased each of the past six years and is at its lowest level (4.4%) since 2007 (3.6%). Overall, these positive economic trends indicate that the Hall County economy is strong and improving. Based on these recent trends, it is anticipated that Hall County will continue to experience positive economic trends for the foreseeable future, which will continue to create a stable environment for housing.

A map illustrating notable employment centers is on the following page.



Oakwood, GA Major Employers

- Site
- Major Employers



1:116,493



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Gainesville, Georgia MSA, which has a four-person median household income of \$53,000 for 2016. The LIHTC units offered at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$19,800	\$23,760
Two-Person	\$22,600	\$27,120
Three-Person	\$25,450	\$30,540
Four-Person	\$28,250	\$33,900
Five-Person	\$30,550	\$36,660

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$36,660**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The proposed LIHTC units will have a lowest gross rent of \$509 (one-bedroom unit at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,108. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$17,451**.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project with units built to serve households at 50% and 60% of AMHI are as follows. Also note that 13 (15.5%) of the subject units will be market-rate and operate with no income restrictions. Therefore, we have factored in all renters in the market with incomes above the maximum allowable LIHTC limit of \$36,660 when evaluating demand for the subject's market-rate units. This minimum income for the market-rate units was conservatively utilized to avoid overlap with the subject's Tax Credits units.

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$17,451	\$30,550
Tax Credit (Limited To 60% Of AMHI)	\$20,880	\$36,660
Tax Credit Overall	\$17,451	\$36,660
Market-Rate	\$36,661	-

2. **METHODOLOGY**

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*

b. Demand from Existing Households: The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2011-2015 5-year estimates, approximately 4.8% to 60.7% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2011-2015 5-year estimates, 11.4% of all households within the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

- c. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2015/2016) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2015 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. 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.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

Within the Site PMA, we identified one family (general-occupancy) LIHTC and market-rate property that was funded and/or built during the projection period (2015 to current). This one project is summarized as follows:

- 240 Atlanta Street Phase I is a planned general-occupancy replacement housing project that was allocated Tax Credit financing in 2015 and will offer 84 one-, two- and three-bedroom units. There will be a total of 52 non-subsidized Tax Credit units, 13 Section 8 and Tax Credit units and 19 market-rate units. The ground is currently being cleared and the project is anticipated to be complete in 2018.

Considering that the 52 non-subsidized Tax Credit units and the 19 market-rate units that will be offered at 240 Atlanta Street Phase I will target a similar demographic as the proposed subject development, they were considered in deriving net demand and are summarized in the following table:

Project Name	Year Built	Number Of Bedrooms	Planned Competitive Non-Subsidized Units	
			60% AMHI	Market Rate
240 Atlanta Street Phase I	2018	One	5	-
		Two	25	11
		Three	22	8

These comparable Tax Credit and market-rate units are included in our following demand analysis. Also note that we did not identify any competitive projects placed in service prior to 2015 that have not reached a stabilized occupancy of 90%.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income			
	50% AMHI (\$17,451-\$30,550)	60% AMHI (\$20,880-\$36,660)	Tax Credit Overall (\$17,451-\$36,660)	Market Rate (\$36,661+)
Demand From New Households (Age- And Income-Appropriate)	2,174 - 2,016 = 158	2,488 - 2,316 = 172	3,051 - 2,844 = 207	3,304 - 3,432 = -128
+				
Demand From Existing Households (Rent Overburdened)	2,016 X 60.7% = 1,224	2,316 X 52.9% = 1,225	2,844 X 57.3% = 1,629	3,432 X 4.8% = 166
+				
Demand From Existing Households (Renters In Substandard Housing)	2,016 X 11.4% = 230	2,316 X 11.4% = 264	2,844 X 11.4% = 324	3,432 X 11.4% = 391
=				
Demand Subtotal	1,612	1,661	2,160	429
+				
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A	N/A
=				
Total Demand	1,612	1,661	2,160	429
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2015)	0	52	52	19
=				
Net Demand	1,612	1,609	2,108	410
Proposed Units / Net Demand	18 / 1,612	53 / 1,609	71 / 2,108	13 / 410
Capture Rate	= 1.1%	= 3.3%	= 3.4%	= 3.2%

N/A – Not applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets such as the Oakwood Site PMA are considered acceptable. As such, the project's overall LIHTC-only capture rate of 3.4% is considered low and easily achievable within the Oakwood Site PMA and demonstrates that a deep base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true, given the high occupancy rates and wait lists maintained among the existing LIHTC properties surveyed in the Site PMA. Also note that the 13 market-rate units proposed at the subject site have a capture rate of just 3.2%, demonstrating that significant demographic support also exists for the proposed unrestricted market-rate units.

Based on the distribution of households by household size, our survey of conventional apartments and the distribution of bedroom types in balanced markets, the estimated shares of demand by bedroom type for the Site PMA are distributed as follows.

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	25%
Two-Bedroom	45%
Three-Bedroom	30%
Total	100.0%

Applying these shares to the income-qualified renter households yields demand and capture rates for the proposed units by bedroom type and targeted income level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (25%)	50%	3	403	0	403	0.7%	< 1 Month	\$979	\$841-\$1,271	\$415
	60%	7	415	5	410	1.7%	1 Month	\$979	\$841-\$1,271	\$515
	MR	2	107	0	107	1.9%	< 1 Month	\$979	\$841-\$1,271	\$595
One-Bedroom	Total	12	925	5	920	1.3%	1 Month	\$979	\$841-\$1,271	\$503***
Two-Bedroom (45%)	50%	10	725	0	725	1.4%	1 Month	\$1,109	\$880-\$1,335	\$495
	60%	30	747	25	722	4.2%	3 Months	\$1,109	\$880-\$1,335	\$620
	MR	8	193	11	182	4.4%	1 Month	\$1,109	\$880-\$1,335	\$695
Two-Bedroom	Total	48	1,665	36	1,629	2.9%	4 Months	\$1,109	\$880-\$1,335	\$606***
Three-Bedroom (30%)	50%	5	484	0	484	1.0%	< 1 Month	\$1,303	\$950-\$1,547	\$565
	60%	16	499	22	477	3.4%	2 Months	\$1,303	\$950-\$1,547	\$705
	MR	3	129	8	121	2.5%	< 1 Month	\$1,303	\$950-\$1,547	\$775
Three-Bedroom	Total	24	1,112	30	1,082	2.2%	2 to 3 Months	\$1,303	\$950-\$1,547	\$685***

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Weighted average

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in Section H.

MR - Market-rate

The capture rates by bedroom type and targeted income level range from 0.7% to 4.4%. Utilizing this methodology, these capture rates are considered easily achievable and demonstrate that a deep base of income-eligible renter household support exists in the Oakwood Site PMA for each of the unit types proposed at the subject development. This is especially true when considering the high occupancy rates maintained among most existing rental properties surveyed in the market, as evidenced by our Field Survey of Conventional Rentals (Addendum A).

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Oakwood Site PMA in 2010 and 2017 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2017 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	18,409	89.2%	20,465	89.4%
Owner-Occupied	11,555	62.8%	12,282	60.0%
Renter-Occupied	6,854	37.2%	8,183	40.0%
Vacant	2,238	10.8%	2,422	10.6%
Total	20,647	100.0%	22,886	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2017 update of the 2010 Census, of the 22,886 total housing units in the market, 10.6% were vacant. In 2017, it was estimated that homeowners occupied 60.0% of all occupied housing units, while the remaining 40.0% were occupied by renters. The share of renters is considered typical for a market of this size and the current 8,183 renter households represent a deep base of potential support in the Site PMA for the subject development.

We identified and personally surveyed 17 conventional housing projects containing a total of 2,295 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.7%, a very strong rate for rental housing. Among these projects, 16 are non-subsidized (market-rate and Tax Credit) projects containing 2,283 units. These non-subsidized units are 98.7% occupied. The remaining government-subsidized project contains 12 units, which is 91.7% occupied (a result of only one vacant unit).

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	12	1,616	29	98.2%
Market-rate/Tax Credit	1	135	0	100.0%
Tax Credit	3	532	0	100.0%
Government-Subsidized	1	12	1	91.7%
Total	17	2,295	30	98.7%

As the preceding table illustrates, all surveyed projects broken out by project type are generally maintaining strong occupancy levels, as most are at or above 98.2%. In fact, all Tax Credit units within the market are occupied and maintain waiting lists. Therefore, pent-up demand exists for additional affordable rental housing within the Oakwood Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

The following table summarizes the breakdown of market-rate and Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	8	0.5%	0	0.0%	\$594
One-Bedroom	1.0	562	34.2%	15	2.7%	\$1,051
Two-Bedroom	1.0	91	5.5%	2	2.2%	\$879
Two-Bedroom	1.5	127	7.7%	0	0.0%	\$859
Two-Bedroom	2.0	483	29.4%	6	1.2%	\$1,327
Two-Bedroom	2.5	127	7.7%	0	0.0%	\$1,208
Three-Bedroom	2.0	102	6.2%	2	2.0%	\$1,210
Three-Bedroom	2.5	106	6.4%	4	3.8%	\$1,571
Four-Bedroom	2.0	4	0.2%	0	0.0%	\$1,195
Four-Bedroom	3.0	34	2.1%	0	0.0%	\$1,272
Total Market-rate		1,644	100.0%	29	1.8%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	164	25.7%	0	0.0%	\$687
Two-Bedroom	2.0	283	44.3%	0	0.0%	\$804
Three-Bedroom	2.0	180	28.2%	0	0.0%	\$778
Four-Bedroom	2.0	12	1.9%	0	0.0%	\$825
Total Tax Credit		639	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit rents are significantly lower than their corresponding median gross market-rate rents. As such, Tax Credit properties likely represent excellent values to low-income renters within the market. This is further evidenced by the 100.0% occupancy rate and wait lists maintained at all Tax Credit projects in the market.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	756	1.5%
A-	1	184	5.4%
B+	2	154	0.0%
B	3	237	1.3%
B-	3	266	0.8%
C	1	24	12.5%
C-	1	23	0.0%

Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	2	444	0.0%
B+	1	107	0.0%
B	1	88	0.0%

Regardless of quality, nearly all non-subsidized rental projects surveyed within the market are maintaining low vacancy rates, as most are no higher than 5.4%. As such, it can be concluded that quality has not had a significant impact on the Oakwood rental housing market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of five federally subsidized or Tax Credit apartment developments in the Oakwood Site PMA. These projects were surveyed in March 2017 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
7	Charter Oak Estates	RD 515	1984	12	91.7%	-	\$561 - \$732 (12)	-	-
9	Oconee Springs	TAX	1998	88	100.0%	-	\$325 - \$635 (16)	\$366 - \$726 (64)	\$400 - \$825 (8)
10	Paces Landing	TAX	2002	107*	100.0%	\$687 (12)	\$681 - \$825 (51)	\$778 (40)	\$857 (4)
11	Retreat at McEver	TAX	2002	224	100.0%	\$685 (80)	\$804 (120)	\$927 (24)	-
13	McEver Vineyards	TAX	2004	220	100.0%	\$742 (72)	\$895 (96)	\$1048 (52)	-
Total				651	99.8%				

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

OCCUP. - Occupancy

TAX - Tax Credit

RD - Rural Development

*Market-rate units not included

The overall occupancy rate is 99.8% (as a result of one vacant unit) for these affordable projects. Notably, four of these affordable developments are 100.0% occupied and maintain waiting lists, illustrating that pent-up demand exists for additional affordable rental housing within the Site PMA.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs' Rental Assistance Division-North Athens Office-Hall County, there are approximately 214 Housing Choice Voucher holders within Hall County and 245 households currently on the waiting list for additional Vouchers. The waiting list is closed and it is unknown when the waiting list will reopen. This reflects the continuing need for Housing Choice Voucher assistance.

The following table identifies the comparable Tax Credit properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
9	Oconee Springs	88	4	4.5%
10	Paces Landing	107*	2	1.9%
11	Retreat at McEver	224	15	6.7%
13	McEver Vineyards	220^	N/A	-
Total		419	21	5.0%

*Tax Credit units only

^Units not included in total

N/A – Number not available

As the preceding table illustrates, there are a total of approximately 21 units that are occupied by Voucher holders among the three competitive LIHTC projects in the market that provided such information. The 21 units occupied by Voucher holders comprise only 5.0% of these comparable units. This illustrates that 95% of these comparable Tax Credit units are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned LIHTC projects are achievable.

If the rents do not exceed the payment standards established by the local housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Georgia Department of Community Affairs' Rental Assistance Division-North Athens Office-Hall County, the local payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Gross Rents (AMHI)
One-Bedroom	\$709	\$509 (50%)
		\$609 (60%)
		\$689 (MR)
Two-Bedroom	\$870	\$613 (50%)
		\$738 (60%)
		\$813 (MR)
Three-Bedroom	\$1,101	\$714 (50%)
		\$854 (60%)
		\$924 (MR)

MR – Market-rate

As the preceding table illustrates, all of the subject's proposed gross rents are below the local payment standards. As such, the subject project will be able to rely on support from Housing Choice Voucher holders. This will increase the base of income-appropriate renter households within the Oakwood Site PMA for the subject development and has been considered in our absorption estimates in Section I of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that there are five rental communities within the development pipeline in the Site PMA, which are summarized as follows:

- The Gainesville Housing Authority and Walton Companies demolished the 131-unit Green Hunter Homes rental community, a former Public Housing project located at 240 Atlanta Street in Gainesville, and will be replacing it with 174 newly constructed apartments. These projects, 240 Atlanta Street Phase I and II, were allocated Tax Credit financing in 2015 and 2016, respectively, and will offer one-, two- and three-bedroom units. The first phase of the development will include 52 non-subsidized Tax Credit units, 13 Section 8 and Tax Credit units, and 19 market-rate units targeting family (general-occupancy) households. The second phase will include 57 non-subsidized Tax Credit units, 13 Public Housing and Tax Credit units and 20 market-rate units targeting seniors ages 55 and older. Construction of the new apartments is estimated to begin sometime in 2017 and is anticipated to be complete in 2018.
- Mundy Mill Apartments is a proposed rental community to be located northwest of 4077 Mundy Mill Road in Oakwood. To be developed by Garrison McMillan, plans call for 266 market-rate units, which are currently under review.
- Enclave Apartments is a planned rental community located at 920 Martin Luther King Jr. Boulevard in Gainesville. Developed by Marrison LLC, this market-rate project will include 45 two-bedroom/2.0-bath townhome units, with rents starting around \$1,000. The project is anticipated to be complete by the fall of 2017.
- Radial Property Group has plans to build a market-rate project for those ages 55 and older to be located near 5977 Stouts Spring Road and Hog Mountain Road in Flowery Branch. A conditional use permit has been submitted; however, additional information on this project was unavailable at the time this report was issued.

Of the five rental communities within the development pipeline in the market, only the 240 Atlanta Street Phase I housing project will be directly competitive with the subject development, as it will offer 52 non-subsidized Tax Credit and 19 market-rate units targeting family households. These units within the pipeline have been included in our demand analysis illustrated earlier in Section G of this report.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Oakwood and Hall County for the past ten years:

Housing Unit Building Permits for Oakwood, GA:

Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	31	26	319	0	0	0	0	0	0	12
Single-Family Permits	1	0	1	0	0	0	0	0	0	0
Total Units	32	26	320	0	0	0	0	0	0	12

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Hall County:

Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	152	44	322	2	0	0	0	0	8	40
Single-Family Permits	1,702	1,283	416	237	184	228	303	552	714	906
Total Units	1,854	1,327	738	239	184	228	303	552	722	946

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

As the preceding tables indicate, the number of multifamily building permits issued within both Oakwood and Hall County declined significantly from 2008 to 2009, likely as a result of the national recession. Since 2009, the number of multifamily building permits issued have been virtually nonexistent. Given that the combined occupancy rate of all rental projects identified and surveyed in the market is 98.7% and based on the limited number of multifamily building permits issued, it is likely that there is greater demand for additional rental housing units within the Site PMA.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit

We identified and surveyed four existing family (general-occupancy) non-subsidized rental communities that offer Low-Income Housing Tax Credit (LIHTC) units in the Site PMA. These four projects target households with incomes of up to 30%, 50% and/or 60% of Area Median Household Income (AMHI) and are considered competitive properties. These four competitive LIHTC projects and the subject development are summarized in the following table. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum A, Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Oakwood	2019	71*	-	-	-	Families; 50% & 60% AMHI
9	Oconee Springs	1998	88	100.0%	5.6 Miles	50-60 H.H.	Families; 30%, 50%, & 60% AMHI
10	Paces Landing	2002	107*	100.0%	5.8 Miles	42 H.H.	Families; 50% & 60% AMHI
11	Retreat at McEver	2002	224	100.0%	7.0 Miles	1 Month	Families; 60% AMHI
13	McEver Vineyards	2004	220	100.0%	6.2 Miles	3 H.H.	Families; 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

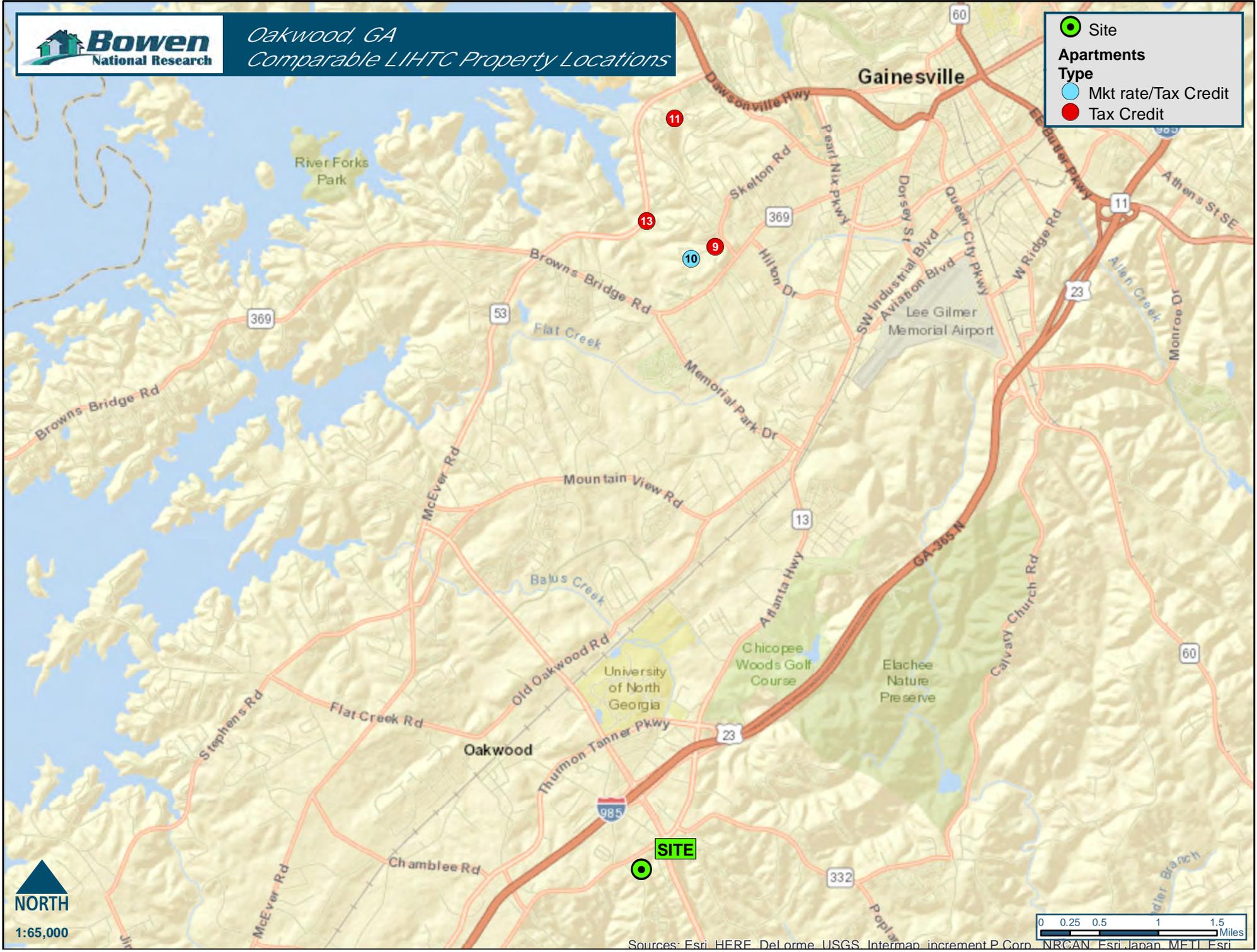
The four competitive LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This indicates that pent-up demand exists for additional affordable rental housing within the market. Given the lack of available LIHTC units within the market, the subject project will provide an affordable rental housing alternative to low-income households which are currently underserved.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed subject site location.



Oakwood, GA
Comparable LIHTC Property Locations

● Site
● Apartments
Type
● Mkt rate/Tax Credit
● Tax Credit



NORTH
1:65,000

0 0.25 0.5 1 1.5 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

The gross rents for the competing LIHTC projects and the proposed LIHTC rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Peaks of Oakwood	\$509/50% (3) \$609/60% (7)	\$613/50% (10) \$738/60% (30)	\$714/50% (5) \$854/60% (16)	-	-
9	Oconee Springs	-	\$325/30% (4/0) \$605/50% (3/0) \$635/60% (9/0)	\$366/30% (13/0) \$706/50% (16/0) \$726/60% (35/0)	\$400/30% (2/0) \$760/50% (2/0) \$825/60% (4/0)	None
10	Paces Landing	\$687/60% (12/0)	\$681/50% (11/0) \$825/60% (40/0)	\$778/50% (40/0)	\$857/50% (4/0)	None
11	Retreat at McEver	\$685/60% (80/0)	\$804/60% (120/0)	\$927/60% (24/0)	-	None
13	McEver Vineyards	\$742/60% (72/0)	\$895/60% (96/0)	\$1,048/60% (52/0)	-	None

The proposed subject gross LIHTC rents, ranging from \$509 to \$854, will be some of the lowest LIHTC rents relative to the rents offered at the comparable affordable developments targeting similar income levels within the market. Combined with the fact that the subject project will be at least 15 years newer than these LIHTC projects will provide it with a significant competitive advantage.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC units by bedroom type and targeted income level:

Weighted Average Collected Rent of Comparable LIHTC Units*		
One-Br.	Two-Br.	Three-Br.
N/A (50%)	\$553 (50%)	\$619 (50%)
\$625 (60%)	\$728 (60%)	\$778 (60%)

*Only units targeting similar AMHI levels as the subject project

N/A – Not Available; there are no comparable one-bedroom LIHTC units at 50% AMHI

The rent advantage for the proposed Tax Credit units is calculated as follows (average weighted collected LIHTC rent – weighted proposed LIHTC rent) / weighted proposed LIHTC rent.

Bedrooms	Weighted Avg. Rent (AMHI)	Proposed Rent (AMHI)	Difference	Proposed Rent (AMHI)	Rent Advantage
One-Br.	-	- \$415 (50%)	-	/ \$415 (50%)	-
	\$625 (60%)	- \$515 (60%)	\$110	/ \$515 (60%)	21.4%
Two-Br.	\$553 (50%)	- \$495 (50%)	\$58	/ \$495 (50%)	11.7%
	\$728 (60%)	- \$620 (60%)	\$108	/ \$620 (60%)	17.4%
Three-Br.	\$619 (50%)	- \$565 (50%)	\$54	/ \$565 (50%)	9.6%
	\$778 (60%)	- \$705 (60%)	\$73	/ \$705 (60%)	10.4%

As the preceding table illustrates, the proposed collected LIHTC rents at the subject project represent significant rent advantages. Therefore, the proposed collected LIHTC rents at the subject project will likely represent excellent values to low-income renters within the market. However, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. As such, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject project's collected rents are available in Addendum E of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Peaks of Oakwood	705	1,000	1,105	-
9	Oconee Springs	-	1,013	1,210	1,372
10	Paces Landing	799	1,062	1,267	1,428
11	Retreat at McEver	892	1,120 - 1,170	1,350	-
13	McEver Vineyards	860	1,119	1,335	-

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Peaks of Oakwood	1.0	2.0	2.0	-
9	Oconee Springs	-	2.0	2.0	2.0
10	Paces Landing	1.0	2.0	2.0	2.0
11	Retreat at McEver	1.0	2.0	2.0	-
13	McEver Vineyards	1.0	2.0	2.0	-

The subject development will offer slightly smaller unit sizes, based on square feet, relative to the unit sizes offered at the competitive LIHTC developments within the market. This will provide the subject with a slight competitive disadvantage. The inclusion of two full bathrooms in the subject's two- and three-bedroom units is considered appealing to the targeted population.

The following table compares the amenities of the subject development with the competitive LIHTC projects in the market.

COMPARABLE PROPERTIES AMENITIES - OAKWOOD, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES										OTHER			
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY		WINDOW TREATMENTS	E-CALL BUTTONS	PARKING
SITE	X	X		X	X	X	X		>	X		X					B		S	
10	X	X	X	X	X		X		C	X							B		S	Sunroom
9	X	X		X	X		X		C	X	X						B		S	Storage
11	X	X	X	X	X	X	X		C	X	X	X					B		S	Storage
13	X	X	X	X	X		X		C	X		X					B		S	

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X		X									X	X		Wellness Center
10	X	X	X	X	L	X	X		B							X			
9		X	X	X	L		X									X			
11	X	X	X	X		X	X									X			
13	X	X	X	X		X	X	X	X			X	X			X			

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenity packages included at the proposed subject development will be generally similar to those offered at the competitive LIHTC projects within the market. In terms of unit amenities, the subject project will be one of two LIHTC projects to include a microwave. Regarding project amenities, the subject project will be the only affordable development to offer a wellness center with resident services, however, will be one of two to not include a swimming pool and a fitness center. Nonetheless, the lack of the aforementioned amenities is not anticipated to have an adverse impact on the subject's marketability.

Comparable/Competitive Tax Credit Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly smaller unit sizes, it will be at least 15 years newer than the competitive affordable product within the market, offering some of the lowest general-occupancy LIHTC rents targeting similar income levels. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

The anticipated occupancy rates of the existing competitive general-occupancy Tax Credit developments in the market during the first year of occupancy at the subject project are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2019
9	Oconee Springs	100.0%	95.0%+
10	Paces Landing	100.0%	95.0%+
11	Retreat at McEver	100.0%	95.0%+
13	McEver Vineyards	100.0%	95.0%+

The subject project is not expected to have a negative impact on the four existing general-occupancy Tax Credit projects within the Site PMA, which are currently 100.0% occupied and maintain wait lists. Given the lack of availability for affordable units in the market, we expect the four Tax Credit projects to operate at or above 95.0% once the proposed subject units are built. Overall, we believe there is sufficient demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on the Tax Credit projects within the market if the proposed subject project is developed.

One page profiles of the Comparable/Competitive Tax Credit properties are included in Addendum B of this report.

Market-Rate

We identified and surveyed five market-rate projects in the Site PMA that we consider the most comparable to the subject project. This selection was based on, but not limited to newness, unit type, design, size and amenities. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Oakwood	2019	13*	-	-	-
1	Tree Park Apt. Homes	2006	456	98.5%	4.1 Miles	None
2	Park Creek Apts.	1998	184 + 16**	94.6%	7.0 Miles	None
5	Legacy at Audubon Crest	1998	126	100.0%	1.3 Miles	None
16	Villas at Lanier	2004	150	98.0%	3.9 Miles	None
17	Walden at Oakwood	2009	300	98.7%	0.9 Miles	None

*Market-rate units only

**Units under construction

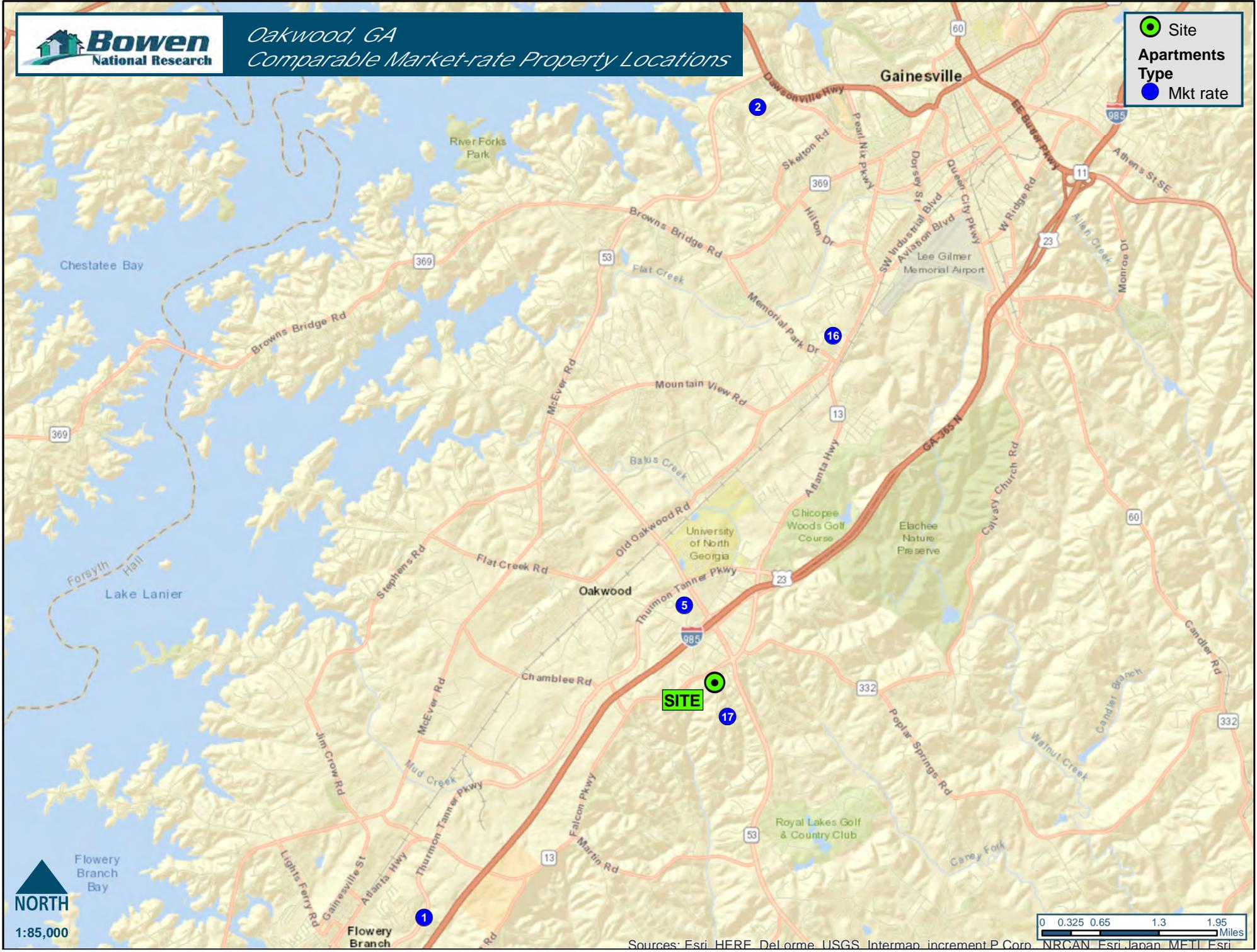
The five selected market-rate projects have a combined total of 1,216 units with an overall occupancy rate of 98.0%, a strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development.

The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location.



Oakwood, GA
Comparable Market-rate Property Locations

● Site
● Apartments
● Type
● Mkt rate



NORTH
1:85,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

The gross rents for the competing market-rate projects and the proposed market-rate rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Oakwood	\$689 (2)	\$813 (8)	\$924 (3)
1	Tree Park Apt. Homes	\$999-\$1,116 (136/3)	\$1,108-\$1,208 (214/0)	\$1,427-\$1,702 (106/4)
2	Park Creek Apts.	\$1,106-\$1,211 (74/4)	\$1,332-\$1,382 (78/4)	\$1,541 (32/2)
5	Legacy at Audubon Crest	\$1,001 (20/0)	\$1,047-\$1,157 (74/0)	\$1,131 (32/0)
16	Villas at Lanier	\$962-\$1,392 (40/2)	\$1,027-\$1,466 (86/1)	\$1,210-\$1,591 (24/0)
17	Walden at Oakwood	\$1,051-\$1,361 (125/2)	\$1,327-\$1,502 (171/2)	\$1,526 (4/0)

The proposed subject gross market-rate rents, ranging between \$689 and \$924, will be significantly lower than the rents offered at the comparable market-rate developments within the Site PMA. Combined with the fact that the subject project will be at least ten years newer than these market-rate projects will provide it with a significant competitive advantage.

The following table illustrates the weighted average *collected* rents of the comparable market-rate units by bedroom type:

Weighted Average Collected Rent Of Comparable Market-Rate Units		
One-Br.	Two-Br.	Three-Br.
\$979	\$1,109	\$1,303

The rent advantage for the proposed market-rate units is calculated as follows (average weighted market rent – proposed market rent) / proposed market rent.

Bedrooms	Weighted Avg. Market Rent	Proposed Market Rent	Difference	Proposed Market Rent	Rent Advantage
One-Br.	\$979	- \$595	\$384	/ \$595	64.5%
Two-Br.	\$1,109	- \$695	\$414	/ \$695	59.6%
Three-Br.	\$1,303	- \$775	\$528	/ \$775	68.1%

As the preceding table illustrates, the proposed collected market-rate rents at the subject project represent substantial rent advantages. Therefore, the proposed collected market-rate rents at the subject project will likely represent excellent values to renters within the market. However, please note that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. As such, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject project's collected rents are available in Addendum E of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different comparable market-rate unit types offered in the market are compared with the subject development in the following tables:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Oakwood	705	1,000	1,105
1	Tree Park Apt. Homes	780 - 840	1,260 - 1,393	1,419 - 2,078
2	Park Creek Apts.	635 - 804	1,050 - 1,131	1,308
5	Legacy at Audubon Crest	830	1,080 - 1,180	1,390
16	Villas at Lanier	803 - 892	1,134 - 1,227	1,409
17	Walden at Oakwood	751 - 943	1,160 - 1,287	1,396

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Oakwood	1.0	2.0	2.0
1	Tree Park Apt. Homes	1.0	2.0 - 2.5	2.5
2	Park Creek Apts.	1.0	2.0	2.0
5	Legacy at Audubon Crest	1.0	2.0	2.0
16	Villas at Lanier	1.0	1.0 - 2.0	2.0
17	Walden at Oakwood	1.0	2.0	2.0

The subject development will offer some of the smallest market-rate unit sizes, based on square feet, relative to the unit sizes offered at the comparable market-rate developments within the market. This will provide the subject with a slight competitive disadvantage. The inclusion of two full bathrooms in the subject's two- and three-bedroom units is considered appealing to the targeted population.

The following tables compare the appliances and the unit and project amenities of the subject site with the comparable market-rate properties in the market.

COMPARABLE PROPERTIES AMENITIES - OAKWOOD, GEORGIA

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X	X	X		√	X		X	S	S		X	B		S	
1	X	X	X	X	X		X		C		X	X	S	S		X	B		A(s), D(o), S	Exterior Storage
2	X	X	X	X	X	X	X		√	X	X	S	X				B		D(o), S	
5	X	X	X	X	X	X	X		C		X	X	S				B		S	
16	X	X	X	X	X		X		C		X	X					B		D(o), S	Exterior Storage
17	X	X	X	X	X	X	X		C		X	S	X				B		A(s), D(o), S	Sunroom

MAP ID	PROJECT AMENITIES																OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA		SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X			X								X	X		Wellness Center
1	X	X	X			X	X	X	X				X			X			Walking Trail
2	X	X	X	X		X		X	X				X			X			Dog Park
5	X	X	X		X	X		X	X							X	X		
16	X	X		X				X								X	X		
17	X	X	X	X		X							X			X	X		Dog Park

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenity packages included at the proposed subject development will be slightly inferior when compared to those offered at the comparable market-rate projects within the market. In terms of unit amenities, the subject project will be the only market-rate property to not offer a patio/balcony. Regarding project amenities, the subject project will be the only market-rate development to not offer a swimming pool, and one of two to not offer a fitness center. However, the lack of the aforementioned amenities is not anticipated to have an adverse impact on the subject's marketability, especially considering that its market-rate rents will be significantly lower than those offered at the comparable market-rate properties.

Comparable/Competitive Market-Rate Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing market-rate properties within the Site PMA, it is our opinion that the subject development will be very competitive. Aside from the subject's slightly smaller unit sizes and inferior amenities package, it will be at least ten years newer than the comparable market-rate properties, offering the lowest market-rate rents. The aforementioned characteristics will provide the subject with a significant competitive advantage. This has been considered in our absorption projections.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$173,814. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$173,814 home is \$1,046, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$173,814
Mortgaged Value = 95% of Median Home Price	\$165,123
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$837
Estimated Taxes and Insurance*	\$209
Estimated Monthly Mortgage Payment	\$1,046

*Estimated at 25% of principal and interest

In comparison, the proposed collected LIHTC rents for the subject property range from \$415 to \$705 per month, depending on unit size and targeted income level. Therefore, the cost of a monthly mortgage for a typical home in the area is \$341 to \$631 more than renting at the subject site's affordable units. As such, it is unlikely that tenants that would qualify to reside at the subject project's affordable units would be able to afford the monthly payments required to own a home or would be able to afford the down payment on such a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2019 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2019.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized LIHTC and market-rate projects in the market, the required capture rate, achievable market rents and the competitiveness of the proposed subject development within the Oakwood Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 84 proposed LIHTC and market-rate units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately six to seven months. This absorption period is based on an average monthly absorption rate of approximately 12 units per month.

These absorption projections assume a 2019 opening date. A later opening date may have a slowing impact on the absorption potential for the subject project. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Section J – Interviews

The following are summaries of interviews conducted with various local sources regarding the need for affordable housing within the Oakwood Site PMA.

- Demarcus Lauderdale, Leasing Consultant with Tree Park Apartment Homes (Map ID 1), a market-rate property in Flowery Branch, stated that there is a need for more affordable housing in Oakwood. Mr. Lauderdale explained that he receives many requests for affordable housing and many people in the area are not qualifying for market-rate communities. Mr. Lauderdale believes that the need is greatest for three-bedroom affordable apartments.
- Heather White, Property Manager with Myrtle Place Apartments (Map ID 8), a market-rate property in Gainesville, also believes that there is a need for more affordable housing in Oakwood and Gainesville. Ms. White stated that there is a general lack of affordable housing in these areas and one-, two-, three- and four-bedroom affordable rentals are in demand.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 84 LIHTC and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

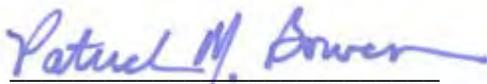
The Oakwood rental housing market is performing very well, as evidenced by the overall rental market occupancy rate of 98.7%. In fact, no vacancies exist among the LIHTC units within the Site PMA, all of which maintain wait lists. This indicates that pent-up demand for additional affordable housing exists within the market. As such, the proposed LIHTC units at the subject site will help alleviate a portion of this pent-up demand. Also note that the market-rate rental housing segment is performing very well with a combined occupancy of 98.2%. Aside from the subject's slightly smaller unit sizes and inferior amenities package, it will be at least ten years newer than the competitive product within the market, offering some of the lowest rents. The aforementioned characteristics will provide the subject with a significant competitive advantage.

The overall required capture rates of 3.4% and 3.2% for the subject's LIHTC and market-rate units, respectively, are considered very low and further demonstrate that a significant base of potential income-appropriate renter support exists for the subject project within the Oakwood Site PMA.

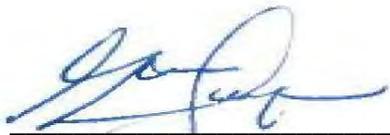
Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Oakwood Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

Section L - Signed Statement

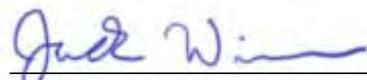
I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GA-DCA market study manual and GA-DCA Qualified Action Plan.



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: April 11, 2017



Garth Semple
Market Analyst
garths@bowennational.com
Date: April 11, 2017



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: April 11, 2017

Section M – Market Study Representation

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

Section N - Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Luke Mortensen, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Mortensen received his Bachelor's Degree in Sports Leadership and Management from Miami University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Elijah Wright, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Wright holds a Bachelor of Arts degree in Integrated Media from Ohio University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

OAKWOOD, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

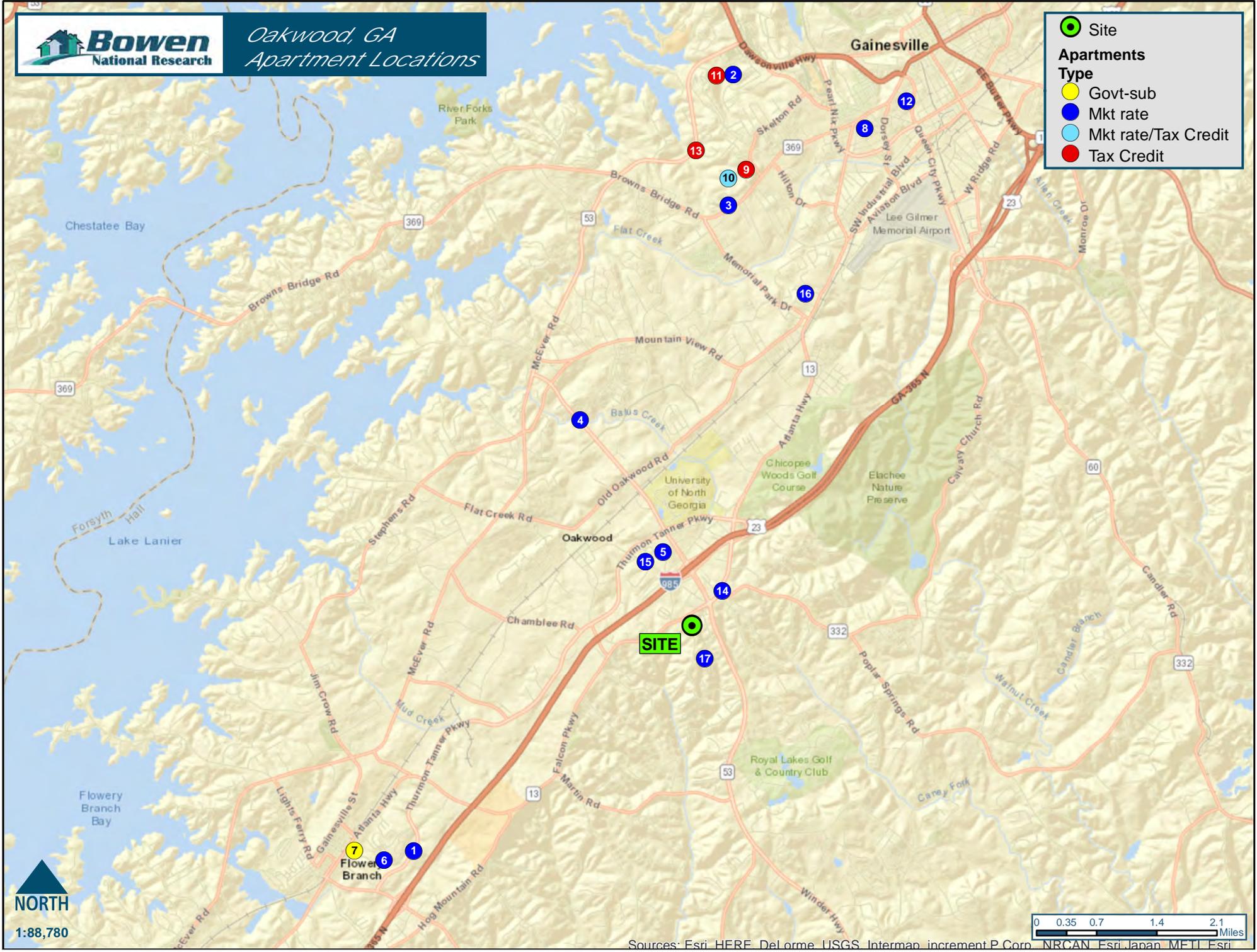


Oakwood, GA Apartment Locations

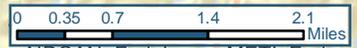
Site
● Site

Apartments Type

- Govt-sub
- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit



NORTH
1:88,780



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

MAP IDENTIFICATION LIST - OAKWOOD, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Tree Park Apt. Homes	MRR	A	2006	456	7	98.5%	4.1
2	Park Creek Apts.	MRR	A-	1998	184	10	94.6%	7.0
3	Pines of Lanier	MRR	B-	1986	157	2	98.7%	5.1
4	Creekside on Mundy Hill	MRR	B-	1988	75	0	100.0%	2.6
5	Legacy at Audubon Crest	MRR	B+	1998	126	0	100.0%	1.3
6	Carriage Crossing	MRR	C	1987	24	3	87.5%	4.4
7	Charter Oak Estates	GSS	C+	1984	12	1	91.7%	4.8
8	Myrtle Place Apts.	MRR	C-	1982	23	0	100.0%	5.6
9	Oconee Springs	TAX	B	1998	88	0	100.0%	5.6
10	Paces Landing	MRT	B+	2002	135	0	100.0%	5.8
11	Retreat at McEver	TAX	A-	2002	224	0	100.0%	7.0
12	Villas at Midtown I & II	MRR	B-	2008	34	0	100.0%	6.0
13	McEver Vineyards	TAX	A-	2004	220	0	100.0%	6.2
14	Cedar Springs	MRR	B	1983	60	0	100.0%	0.7
15	Kingswood Apts.	MRR	B	1983	27	0	100.0%	1.6
16	Villas at Lanier	MRR	B	2004	150	3	98.0%	3.9
17	Walden at Oakwood	MRR	A	2009	300	4	98.7%	0.9

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	12	1,616	29	98.2%	16
MRT	1	135	0	100.0%	0
TAX	3	532	0	100.0%	0
GSS	1	12	1	91.7%	0

Total units does not include units under construction.

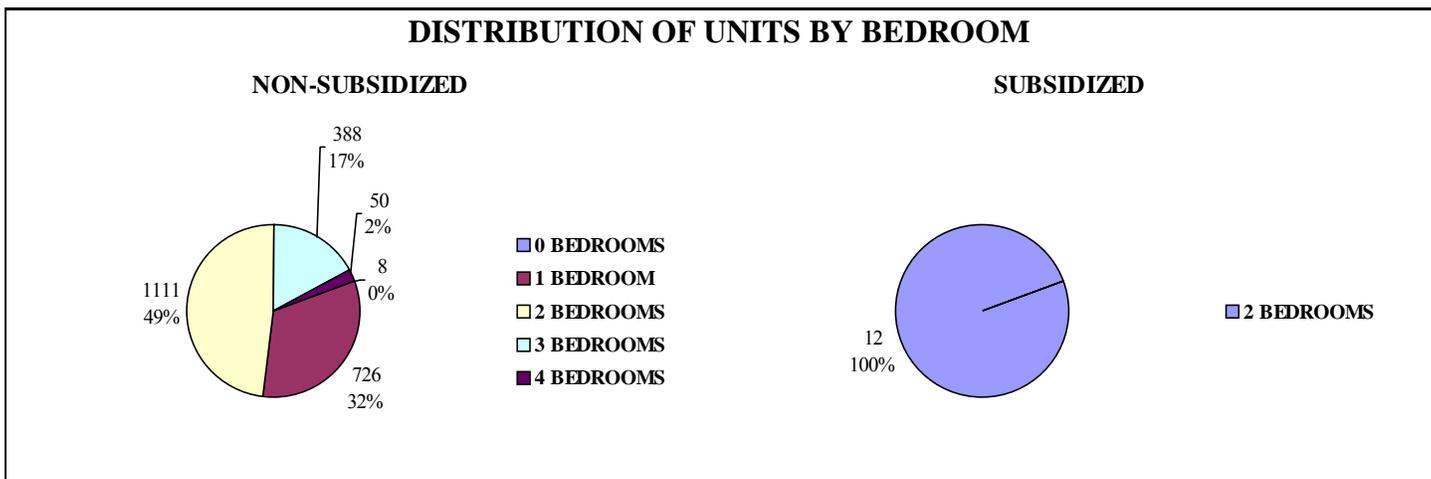
◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

* - Drive Distance (Miles)

Survey Date: March 2017

DISTRIBUTION OF UNITS - OAKWOOD, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	8	0.5%	0	0.0%	\$594
1	1	562	34.2%	15	2.7%	\$1,051
2	1	91	5.5%	2	2.2%	\$879
2	1.5	127	7.7%	0	0.0%	\$859
2	2	483	29.4%	6	1.2%	\$1,327
2	2.5	127	7.7%	0	0.0%	\$1,208
3	2	102	6.2%	2	2.0%	\$1,210
3	2.5	106	6.4%	4	3.8%	\$1,571
4	2	4	0.2%	0	0.0%	\$1,195
4	3	34	2.1%	0	0.0%	\$1,272
TOTAL		1,644	100.0%	29	1.8%	
16 UNITS UNDER CONSTRUCTION						
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	164	25.7%	0	0.0%	\$687
2	2	283	44.3%	0	0.0%	\$804
3	2	180	28.2%	0	0.0%	\$778
4	2	12	1.9%	0	0.0%	\$825
TOTAL		639	100.0%	0	0.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
2	1.5	12	100.0%	1	8.3%	N.A.
TOTAL		12	100.0%	1	8.3%	
GRAND TOTAL		2,295	-	30	1.3%	



SURVEY OF PROPERTIES - OAKWOOD, GEORGIA

1 Tree Park Apt. Homes			
	Address 130 Treepark Cir. Flowery Branch, GA 30542	Phone (770) 967-7133 (Contact in person)	Total Units 456
	Year Built 2006 Comments Does not accept HCV; Final phase completed in 2007; Select 1-br & townhomes have attached garage; Townhomes have ceiling fan, fireplace & basement	Contact Amber	Vacancies 7 Occupied 98.5% Floors 3,4 Quality Rating A
			Waiting List None
2 Park Creek Apts.			
	Address 1100 Park Creek Ct. Gainesville, GA 30504	Phone (770) 287-1414 (Contact in person)	Total Units 184
	Year Built 1998 Comments Does not accept HCV; Select units have fireplace; Large 2-br do not have patio; 16 units under renovation, completion date unknown	Contact Tia	Vacancies 10 Occupied 94.6% Floors 2,3 Quality Rating A-
Rent Special 50% off application & admin fee			Waiting List None
3 Pines of Lanier			
	Address 2354 Pine Cove Cir. Gainesville, GA 30504	Phone (770) 535-1309 (Contact in person)	Total Units 157
	Year Built 1986 Comments Does not accept HCV; Select units have ceiling fan, washer/dryer hookups & patio/balcony	Contact Lindsay	Vacancies 2 Occupied 98.7% Floors 1,2 Quality Rating B-
			Waiting List None
4 Creekside on Mundy Hill			
	Address 4225 Mundy Hill Oakwood, GA 30566	Phone (770) 532-3680 (Contact in person)	Total Units 75
	Year Built 1988 Comments Accepts HCV (0 currently)	Contact Keith	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B-
			Waiting List 3 households
5 Legacy at Audubon Crest			
	Address 1200 Lanier Mill Cir. Oakwood, GA 30566	Phone (770) 535-5586 (Contact in person)	Total Units 126
	Year Built 1998 Comments Does not accept HCV; Select units have ceiling fan; Rent range based on renovated units	Contact Nichole	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B+
			Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: March 2017

SURVEY OF PROPERTIES - OAKWOOD, GEORGIA

6 Carriage Crossing			
	Address 4820 Victoria Ct. Flowery Branch, GA 30542	Phone (770) 318-3344 (Contact in person)	Total Units 24
	Year Built 1987 Comments Accepts HCV (0 currently); Square footage estimated	Contact Brandon	Vacancies 3 Occupied 87.5% Floors 2 Quality Rating C
			Waiting List None
7 Charter Oak Estates			
	Address 5115 Spring St. Flowery Branch, GA 30542	Phone (706) 547-0028 (Contact in person)	Total Units 12
	Year Built 1984 Comments RD 515, has RA (5 units); Accepts HCV (0 currently); Square footage estimated	Contact Hannah	Vacancies 1 Occupied 91.7% Floors 2 Quality Rating C+
			Waiting List None
8 Myrtle Place Apts.			
	Address 1222 Myrtle St. Gainesville, GA 30504	Phone (770) 532-9911 (Contact in person)	Total Units 23
	Year Built 1982 Comments Does not accept HCV; Rent range based on renovated units; Square footage estimated	Contact Heather	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C-
			Waiting List None
9 Oconee Springs			
	Address 2351 Spring Haven Dr. Gainesville, GA 30504	Phone (770) 535-1565 (Contact in person)	Total Units 88
	Year Built 1998 Comments 30%, 50% & 60% AMHI; HCV (4 units); HOME Funds	Contact Nel	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B
			Waiting List 50-60 households
10 Paces Landing			
	Address 100 Paces Ct. Gainesville, GA 30504	Phone (770) 535-1565 (Contact in person)	Total Units 135
	Year Built 2002 Comments Market-rate (28 units); 50% & 60% AMHI (107 units); HCV (2 units)	Contact Nel	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B+
			Waiting List 42 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: March 2017

SURVEY OF PROPERTIES - OAKWOOD, GEORGIA

11 Retreat at McEver			
	Address 1050 Eagle Eye Rd. Gainesville, GA 30504	Phone (770) 531-0065 (Contact in person)	Total Units 224
	Year Built 2002	Contact Ruby	Vacancies 0
	Comments 60% AMHI; HCV (15 units)		Occupied 100.0%
			Floors 4
			Quality Rating A-
			Waiting List
			1 month
12 Villas at Midtown I & II			
	Address 811 Johnson St. Gainesville, GA 30501	Phone (770) 532-9911 (Contact in person)	Total Units 34
	Year Built 2008	Contact Heather	Vacancies 0
	Comments Does not accept HCV; Select units have microwave; Square footage estimated		Occupied 100.0%
			Floors 2
			Quality Rating B-
			Waiting List
			None
13 McEver Vineyards			
	Address 1240 McEver Rd. Gainesville, GA 30504	Phone (770) 287-8292 (Contact in person)	Total Units 220
	Year Built 2004	Contact Fiona	Vacancies 0
	Comments 60% AMHI; Accepts HCV		Occupied 100.0%
			Floors 3
			Quality Rating A-
			Waiting List
			3 households
14 Cedar Springs			
	Address 3609 Cedar Way Gainesville, GA 30507	Phone (770) 287-1770 (Contact in person)	Total Units 60
	Year Built 1983	Contact Katie	Vacancies 0
	Comments Does not accept HCV; 1-br rent range based on units with washer/dryer hookups; Year built, unit mix & square footage estimated		Occupied 100.0%
			Floors 1,2
			Quality Rating B
			Waiting List
			10 households
15 Kingswood Apts.			
	Address 4427 Oakwood Rd. Oakwood, GA 30566	Phone (770) 287-1770 (Contact in person)	Total Units 27
	Year Built 1983	Contact Katie	Vacancies 0
	Comments Does not accept HCV; Year built & square footage estimated		Occupied 100.0%
			Floors 2
			Quality Rating B
			Waiting List
			10 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: March 2017

SURVEY OF PROPERTIES - OAKWOOD, GEORGIA

16 Villas at Lanier			
	<p>Address 1750 Columns Dr. Gainesville, GA 30504</p> <p>Year Built 2004</p> <p>Comments Does not accept HCV; Rent range based on unit location</p> <p>Rent Special Application fee reduced</p>	<p>Phone (770) 532-7200 (Contact in person)</p> <p>Contact Moses</p>	<p>Total Units 150</p> <p>Vacancies 3</p> <p>Occupied 98.0%</p> <p>Floors 2,3</p> <p>Quality Rating B</p> <p>Waiting List None</p>
	17 Walden at Oakwood		
	<p>Address 4000 Walden Way Oakwood, GA 30542</p> <p>Year Built 2009</p> <p>Comments Does not accept HCV; Rent range based on unit location & floor plan; Four 1-br are cottage style with attached garage; Units have either patio or sunroom</p>	<p>Phone (678) 450-5725 (Contact in person)</p> <p>Contact Tina</p>	<p>Total Units 300</p> <p>Vacancies 4</p> <p>Occupied 98.7%</p> <p>Floors 3</p> <p>Quality Rating A</p> <p>Waiting List None</p>

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: March 2017

COLLECTED RENTS - OAKWOOD, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1		\$895 to \$1012	\$982 to \$1082	\$1273 to \$1482				\$1416 to \$1547	
2		\$985 to \$1090	\$1185 to \$1235	\$1360					
3	\$530	\$590 to \$660	\$770						
4		\$695	\$795				\$825		
5		\$880	\$900 to \$1010	\$950					
6		\$650					\$695		
8	\$550	\$550					\$700 to \$750		
9			\$220 to \$530	\$235 to \$595	\$240 to \$665				
10		\$595 to \$725	\$568 to \$825	\$637 to \$925	\$687 to \$1025				
11		\$620	\$720	\$820					
12									\$1050
13		\$636	\$763	\$882					
14						\$649 to \$679	\$849		
15		\$725					\$849 to \$879		
16		\$841 to \$1271	\$880 to \$1319	\$1029 to \$1410					
17		\$930 to \$1240	\$1180 to \$1355	\$1345					

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: March 2017

PRICE PER SQUARE FOOT - OAKWOOD, GEORGIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Pines of Lanier	1	363	\$594	\$1.64
8	Myrtle Place Apts.	1	600	\$631	\$1.05
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Tree Park Apt. Homes	1	780 to 840	\$999 to \$1116	\$1.28 to \$1.33
2	Park Creek Apts.	1	635 to 804	\$1106 to \$1211	\$1.51 to \$1.74
3	Pines of Lanier	1	509 to 551	\$676 to \$746	\$1.33 to \$1.35
4	Creekside on Mundy Hill	1	900	\$740	\$0.82
5	Legacy at Audubon Crest	1	830	\$1001	\$1.21
6	Carriage Crossing	1	700	\$715	\$1.02
8	Myrtle Place Apts.	1	600	\$656	\$1.09
14	Cedar Springs	1	850	\$773 to \$803	\$0.91 to \$0.94
15	Kingswood Apts.	1	675	\$829	\$1.23
16	Villas at Lanier	1	803 to 892	\$962 to \$1392	\$1.20 to \$1.56
17	Walden at Oakwood	1	751 to 943	\$1051 to \$1361	\$1.40 to \$1.44
10	Paces Landing	1	799	\$687 to \$817	\$0.86 to \$1.02
11	Retreat at McEver	1	892	\$685	\$0.77
13	McEver Vineyards	1	860	\$742	\$0.86
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Tree Park Apt. Homes	2 to 2.5	1260 to 1393	\$1108 to \$1208	\$0.87 to \$0.88
2	Park Creek Apts.	2	1050 to 1131	\$1332 to \$1382	\$1.22 to \$1.27
3	Pines of Lanier	1	653	\$879	\$1.35
4	Creekside on Mundy Hill	1.5	950	\$859	\$0.90
		2.5	1050	\$893	\$0.85
5	Legacy at Audubon Crest	2	1080 to 1180	\$1047 to \$1157	\$0.97 to \$0.98
6	Carriage Crossing	1.5	1040	\$783	\$0.75
8	Myrtle Place Apts.	1.5	1000	\$836 to \$886	\$0.84 to \$0.89
14	Cedar Springs	1.5	1000	\$1000	\$1.00
15	Kingswood Apts.	1.5	1110 to 1180	\$978 to \$1008	\$0.85 to \$0.88
16	Villas at Lanier	1 to 2	1134 to 1227	\$1027 to \$1466	\$0.91 to \$1.19
17	Walden at Oakwood	2	1160 to 1287	\$1327 to \$1502	\$1.14 to \$1.17
10	Paces Landing	2	1062	\$681 to \$938	\$0.64 to \$0.88
9	Oconee Springs	2	1013	\$325 to \$635	\$0.32 to \$0.63
11	Retreat at McEver	2	1120 to 1170	\$804	\$0.69 to \$0.72

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
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■	Tax Credit/Government-subsidized
■	Government-subsidized

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PRICE PER SQUARE FOOT - OAKWOOD, GEORGIA

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
13	McEver Vineyards	2	1119	\$895	\$0.80
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Tree Park Apt. Homes	2.5	1419 to 2078	\$1427 to \$1702	\$0.82 to \$1.01
2	Park Creek Apts.	2	1308	\$1541	\$1.18
5	Legacy at Audubon Crest	2	1390	\$1131	\$0.81
16	Villas at Lanier	2	1409	\$1210 to \$1591	\$0.86 to \$1.13
17	Walden at Oakwood	2	1396	\$1526	\$1.09
10	Paces Landing	2	1267	\$778 to \$1066	\$0.61 to \$0.84
9	Oconee Springs	2	1210	\$366 to \$726	\$0.30 to \$0.60
11	Retreat at McEver	2	1350	\$927	\$0.69
13	McEver Vineyards	2	1335	\$1048	\$0.79
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
12	Villas at Midtown I & II	3	1500	\$1272	\$0.85
10	Paces Landing	2	1428	\$857 to \$1195	\$0.60 to \$0.84
9	Oconee Springs	2	1372	\$400 to \$825	\$0.29 to \$0.60

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

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AVERAGE GROSS RENT PER SQUARE FOOT - OAKWOOD, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.36	\$1.05	\$1.02
TOWNHOUSE	\$0.93	\$0.89	\$0.89

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.82	\$0.73	\$0.65
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.23	\$0.96	\$0.83
TOWNHOUSE	\$0.93	\$0.89	\$0.89

TAX CREDIT UNITS - OAKWOOD, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
10	Paces Landing	12	799	1	60%	\$595
11	Retreat at McEver	80	892	1	60%	\$620
13	McEver Vineyards	72	860	1	60%	\$636
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
9	Oconee Springs	4	1013	2	30%	\$220
9	Oconee Springs	3	1013	2	50%	\$500
9	Oconee Springs	9	1013	2	60%	\$530
10	Paces Landing	11	1062	2	50%	\$568
10	Paces Landing	40	1062	2	60%	\$712
11	Retreat at McEver	120	1120 - 1170	2	60%	\$720
13	McEver Vineyards	96	1119	2	60%	\$763
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
9	Oconee Springs	13	1210	2	30%	\$235
9	Oconee Springs	16	1210	2	50%	\$575
9	Oconee Springs	35	1210	2	60%	\$595
10	Paces Landing	40	1267	2	50%	\$637
11	Retreat at McEver	24	1350	2	60%	\$820
13	McEver Vineyards	52	1335	2	60%	\$882
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
9	Oconee Springs	2	1372	2	30%	\$240
9	Oconee Springs	2	1372	2	50%	\$600
9	Oconee Springs	4	1372	2	60%	\$665
10	Paces Landing	4	1428	2	50%	\$687

QUALITY RATING - OAKWOOD, GEORGIA

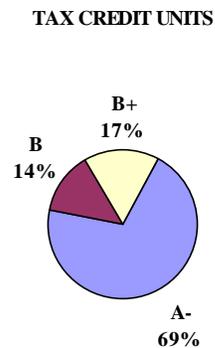
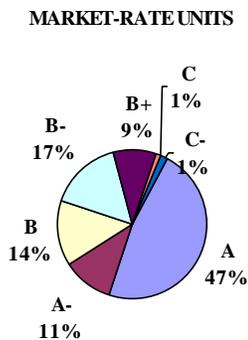
MARKET-RATE PROJECTS AND UNITS

QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	756	1.5%		\$1,081	\$1,208	\$1,571	
A-	1	184	5.4%		\$1,106	\$1,332	\$1,541	
B+	2	154	0.0%		\$1,001	\$1,147	\$1,131	\$1,195
B	3	237	1.3%		\$962	\$1,027	\$1,210	
B-	3	266	0.8%	\$594	\$716	\$879		\$1,272
C	1	24	12.5%		\$715	\$783		
C-	1	23	0.0%	\$631	\$656	\$886		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	2	444	0.0%		\$685	\$804	\$1,048	
B+	1	107	0.0%		\$687	\$825	\$778	\$857
B	1	88	0.0%			\$635	\$726	\$760

DISTRIBUTION OF UNITS BY QUALITY RATING



YEAR BUILT - OAKWOOD, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	6	366	5	1.4%	366	16.0%
1990 to 1999	3	398	10	2.5%	764	17.4%
2000 to 2005	4	729	3	0.4%	1493	31.9%
2006	1	456	7	1.5%	1949	20.0%
2007	0	0	0	0.0%	1949	0.0%
2008	1	34	0	0.0%	1983	1.5%
2009	1	300	4	1.3%	2283	13.1%
2010	0	0	0	0.0%	2283	0.0%
2011	0	0	0	0.0%	2283	0.0%
2012	0	0	0	0.0%	2283	0.0%
2013	0	0	0	0.0%	2283	0.0%
2014	0	0	0	0.0%	2283	0.0%
2015	0	0	0	0.0%	2283	0.0%
2016**	0	0	0	0.0%	2283	0.0%
TOTAL	16	2283	29	1.3%	2283	100.0 %

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of March 2017

Survey Date: March 2017

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APPLIANCES AND UNIT AMENITIES - OAKWOOD, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	16	100.0%	2,283
REFRIGERATOR	16	100.0%	2,283
ICEMAKER	9	56.3%	1,870
DISHWASHER	16	100.0%	2,283
DISPOSAL	11	68.8%	2,115
MICROWAVE	5	31.3%	868
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	16	100.0%	2,283
AC - WINDOW	0	0.0%	
FLOOR COVERING	16	100.0%	2,283
WASHER/DRYER	1	6.3%	184
WASHER/DRYER HOOK-UP	16	100.0%	2,283
PATIO/DECK/BALCONY	12	75.0%	1,881
CEILING FAN	8	50.0%	1,701
FIREPLACE	2	12.5%	640
BASEMENT	1	6.3%	456
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	1	6.3%	456
WINDOW TREATMENTS	16	100.0%	2,283
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - OAKWOOD, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	11	68.8%	2,087
ON-SITE MANAGEMENT	11	68.8%	2,100
LAUNDRY	10	62.5%	1,950
CLUB HOUSE	7	43.8%	1,301
MEETING ROOM	4	25.0%	506
FITNESS CENTER	8	50.0%	1,802
JACUZZI/SAUNA	1	6.3%	456
PLAYGROUND	9	56.3%	1,658
COMPUTER LAB	1	6.3%	220
SPORTS COURT	4	25.0%	937
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	5	31.3%	1,220
BUSINESS CENTER	3	18.8%	576
CAR WASH AREA	5	31.3%	1,286
PICNIC AREA	10	62.5%	2,040
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - OAKWOOD, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	14	1,724	75.1%
GAS	3	571	24.9%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	15	2,072	90.3%
GAS	2	223	9.7%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	13	1,589	69.2%
GAS	4	706	30.8%
			100.0%
ELECTRIC			
TENANT	17	2,295	100.0%
			100.0%
WATER			
LANDLORD	4	480	20.9%
TENANT	13	1,815	79.1%
			100.0%
SEWER			
LANDLORD	3	323	14.1%
TENANT	14	1,972	85.9%
TRASH PICK-UP			
LANDLORD	8	946	41.2%
TENANT	9	1,349	58.8%
			100.0%

UTILITY ALLOWANCE - OAKWOOD, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$7	\$12		\$4	\$3	\$9	\$2	\$5	\$20	\$17	\$18	\$15	\$20
1	GARDEN	\$10	\$17		\$5	\$4	\$14	\$3	\$7	\$27	\$20	\$21	\$15	\$20
1	TOWNHOUSE	\$11	\$18		\$5	\$4	\$14	\$3	\$7	\$29	\$20	\$21	\$15	\$20
2	GARDEN	\$12	\$20		\$6	\$6	\$19	\$3	\$9	\$36	\$23	\$25	\$15	\$20
2	TOWNHOUSE	\$14	\$23		\$6	\$6	\$19	\$3	\$9	\$37	\$23	\$25	\$15	\$20
3	GARDEN	\$16	\$26		\$9	\$7	\$24	\$4	\$12	\$45	\$28	\$31	\$15	\$20
3	TOWNHOUSE	\$17	\$28		\$9	\$7	\$24	\$4	\$12	\$45	\$28	\$31	\$15	\$20
4	GARDEN	\$20	\$30		\$11	\$8	\$28	\$5	\$15	\$56	\$34	\$37	\$15	\$20
4	TOWNHOUSE	\$22	\$35		\$11	\$8	\$28	\$5	\$15	\$58	\$34	\$37	\$15	\$20

GA-Northern Region (1/2017)

Survey Date: March 2017

ADDENDUM B

COMPARABLE PROPERTY PROFILES

1 Tree Park Apt. Homes		4.1 miles to site	
	Address 130 Treepark Cir. Flowery Branch, GA 30542		
	Phone (770) 967-7133	Contact Amber	
	Total Units 456	Vacancies 7	Percent Occupied 98.5%
	Project Type Market-Rate		
Year Open 2006		Floors 3,4	
Concessions No Rent Specials			
Age Restrictions NONE			
Waiting List NONE			
Ratings: Quality A Neighborhood A Access/Visibility B/B			
Remarks Does not accept HCV; Final phase completed in 2007; Select 1-br & townhomes have attached garage; Townhomes have ceiling fan, fireplace & basement			

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Security System, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Jacuzzi, Playground, Tennis Court(s), Sports Court, Security Gate, Car Wash Area, Picnic Area, Walking Trail
Parking	Attached & Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	
1	1	G	136	3	780 to 840	\$1.15 - \$1.20	\$895 to \$1012	
2	2 to 2.5	G	214	0	1260 to 1393	\$0.78 - \$0.78	\$982 to \$1082	
3	2.5	T	34	1	1638 to 2078	\$0.74 - \$0.86	\$1416 to \$1547	
3	2.5	G	72	3	1419	\$0.90 - \$1.04	\$1273 to \$1482	

2 Park Creek Apts.

7.0 miles to site



Address 1100 Park Creek Ct.
Gainesville, GA 30504

Phone (770) 287-1414 **Contact** Tia

Total Units 184 **Vacancies** 10 **Percent Occupied** 94.6%

Project Type Market-Rate

Year Open 1998 **Floors** 2,3

Concessions 50% off application & admin fee

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** A- **Neighborhood** B **Access/Visibility** B/B

Remarks Does not accept HCV; Select units have fireplace; Large 2-br do not have patio; 16 units under renovation, completion date unknown

FEATURES AND UTILITIES

- Utilities** No landlord paid utilities
- Unit Amenities** Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Vinyl Flooring, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds
- Project Amenities** Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Tennis Court(s), Security Gate, Car Wash Area, Picnic Area, Dog Park
- Parking** Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	74	4	635 to 804	\$1.36 - \$1.55	\$985 to \$1090
2	2	G	78	4	1050 to 1131	\$1.09 - \$1.13	\$1185 to \$1235
3	2	G	32	2	1308	\$1.04	\$1360

5 Legacy at Audubon Crest

1.3 miles to site



Address	1200 Lanier Mill Cir. Oakwood, GA 30566		
Phone	(770) 535-5586	Contact	Nichole
Total Units	126	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1998	Floors	2,3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B+	Neighborhood B	Access/Visibility B/B
Remarks	Offers Tennis; Does not accept HCV; Select units have ceiling fan; Rent range based on renovated units		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Tennis Court(s), Sports Court, Car Wash Area, Picnic Area, Business Center
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	20	0	830	\$1.06	\$880
2	2	G	36	0	1180	\$0.86	\$1010
2	2	G	38	0	1080	\$0.83 - \$0.93	\$900 to \$1000
3	2	G	32	0	1390	\$0.68	\$950

16 Villas at Lanier

3.9 miles to site



Address	1750 Columns Dr. Gainesville, GA 30504		
Phone	(770) 532-7200	Contact	Moses
Total Units	150	Vacancies	3
		Percent Occupied	98.0%
Project Type	Market-Rate		
Year Open	2004	Floors	2,3
Concessions	Application fee reduced		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B	Neighborhood B	Access/Visibility B/B
Remarks	Does not accept HCV; Rent range based on unit location		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Playground, Picnic Area, Business Center
Parking	Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	40	2	803 to 892	\$1.05 - \$1.42	\$841 to \$1271
2	1 to 2	G	86	1	1134 to 1227	\$0.78 - \$1.08	\$880 to \$1319
3	2	G	24	0	1409	\$0.73 - \$1.00	\$1029 to \$1410

17 Walden at Oakwood

0.9 miles to site



Address	4000 Walden Way Oakwood, GA 30542		
Phone	(678) 450-5725	Contact	Tina
Total Units	300	Vacancies	4
		Percent Occupied	98.7%
Project Type	Market-Rate		
Year Open	2009	Floors	3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A	Neighborhood B	Access/Visibility B/B
Remarks	Does not accept HCV; Rent range based on unit location & floor plan; Four 1-br are cottage style with attached garage; Units have either patio or sunroom		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Sunroom
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Security Gate, Car Wash Area, Picnic Area, Business Center, Dog Park
Parking	Attached & Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	
1	1	G	4	0	943	\$1.32	\$1240	
1	1	G	16	0	871	\$1.12	\$975	
1	1	G	18	0	792	\$1.20 - \$1.28	\$950 to \$1015	
1	1	G	87	2	751	\$1.24 - \$1.28	\$930 to \$960	
2	2	G	20	0	1287	\$1.00 - \$1.05	\$1290 to \$1355	
2	2	G	24	0	1268	\$0.93 - \$0.96	\$1185 to \$1220	
2	2	G	127	2	1160	\$1.02 - \$1.07	\$1180 to \$1245	
3	2	G	4	0	1396	\$0.96	\$1345	

10 Paces Landing

5.8 miles to site



Address	100 Paces Ct. Gainesville, GA 30504		
Phone	(770) 535-1565	Contact	Nel
Total Units	135	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2002	Floors	2,3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	42 households		
Ratings:	Quality B+	Neighborhood B	Access/Visibility C/C
Remarks	Market-rate (28 units); 50% & 60% AMHI (107 units); HCV (2 units)		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Blinds, Sunroom
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Meeting Room, Fitness Center, Playground, Sports Court, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	799	\$0.91	\$725	
1	1	G	12	0	799	\$0.74	\$595	60%
2	2	G	10	0	1062	\$0.78	\$825	
2	2	G	40	0	1062	\$0.67	\$712	60%
2	2	G	11	0	1062	\$0.53	\$568	50%
3	2	G	10	0	1267	\$0.73	\$925	
3	2	G	40	0	1267	\$0.50	\$637	50%
4	2	G	4	0	1428	\$0.72	\$1025	
4	2	G	4	0	1428	\$0.48	\$687	50%



Address 2351 Spring Haven Dr.
Gainesville, GA 30504

Phone (770) 535-1565 **Contact** Nel

Total Units 88 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 1998 **Floors** 2,3

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 50-60 households

Ratings: **Quality** B **Neighborhood** B **Access/Visibility** C/C

Remarks 30%, 50% & 60% AMHI; HCV (4 units); HOME Funds

FEATURES AND UTILITIES

Utilities Landlord pays Trash

Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Storage

Project Amenities On-site Management, Laundry Facility, Club House, Meeting Room, Playground, Picnic Area

Parking Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	9	0	1013	\$0.52	\$530	60%
2	2	G	3	0	1013	\$0.49	\$500	50%
2	2	G	4	0	1013	\$0.22	\$220	30%
3	2	G	35	0	1210	\$0.49	\$595	60%
3	2	G	16	0	1210	\$0.48	\$575	50%
3	2	G	13	0	1210	\$0.19	\$235	30%
4	2	G	4	0	1372	\$0.48	\$665	60%
4	2	G	2	0	1372	\$0.44	\$600	50%
4	2	G	2	0	1372	\$0.17	\$240	30%

11 Retreat at McEver

7.0 miles to site



Address	1050 Eagle Eye Rd. Gainesville, GA 30504		
Phone	(770) 531-0065	Contact	Ruby
Total Units	224	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2002	Floors	4
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	1 month		
Ratings:	Quality A-	Neighborhood B	Access/Visibility B/B
Remarks	60% AMHI; HCV (15 units)		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	80	0	892	\$0.70	\$620	60%
2	2	G	120	0	1120 to 1170	\$0.62 - \$0.64	\$720	60%
3	2	G	24	0	1350	\$0.61	\$820	60%

13 McEver Vineyards

6.2 miles to site



Address	1240 McEver Rd. Gainesville, GA 30504		
Phone	(770) 287-8292	Contact	Fiona
Total Units	220	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2004	Floors	3
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	3 households		
Ratings:	Quality A-	Neighborhood B	Access/Visibility A/A
Remarks	Offers Tennis; 60% AMHI; Accepts HCV		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Ice maker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Tennis Court(s), Sports Court, Security Gate, Computer Lab, Car Wash Area, Picnic Area
Parking	Surface Parking

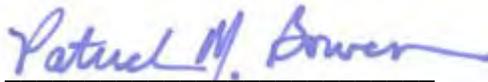
UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	72	0	860	\$0.74	\$636	60%
2	2	G	96	0	1119	\$0.68	\$763	60%
3	2	G	52	0	1335	\$0.66	\$882	60%

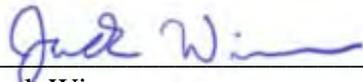
Addendum C – Member Certification & Checklist

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: April 11, 2017



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: April 11, 2017

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
Employment and Economy		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
Demographic Characteristics		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	E
27.	Households by tenure	E
Competitive Environment		
28.	Comparable property profiles	Addendum B
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H & Addendum E
45.	Derivation of Achievable Market Rent and Market Advantage	Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	A
48.	Market strengths and weaknesses impacting project	A
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	A
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

Other Requirements		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	Addendum A
56.	Certifications	L
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	Addendum D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Oakwood, Georgia by Peaks of Oakwood Development, LLC (Developer).

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
- A drive-time analysis for the site
- Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties within the Oakwood Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Peaks of Oakwood	2019	84	-	12 (-)	48 (-)	24 (-)
1	Tree Park Apt. Homes	2006	456	98.5%	136 (97.8%)	214 (100.0%)	106 (96.2%)
2	Park Creek Apts.	1998	184 + 16*	94.6%	74 (94.6%)	78 (94.9%)	32 (93.8%)
5	Legacy at Audubon Crest	1998	126	100.0%	20 (100.0%)	74 (100.0%)	32 (100.0%)
16	Villas at Lanier	2004	150	98.0%	40 (95.0%)	86 (98.8%)	24 (100.0%)
17	Walden at Oakwood	2009	300	98.7%	125 (98.4%)	171 (98.8%)	4 (100.0%)

Occ. – Occupancy

*Units under construction

The five selected market-rate projects have a combined total of 1,216 units with an overall occupancy rate of 98.0%, a strong rate for rental housing. This indicates that these projects have been well received within the market and will serve as accurate benchmarks with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the subject development.

Rent Comparability Grid

Unit Type →

ONE BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Peaks of Oakwood		Tree Park Apt. Homes		Park Creek Apts.		Legacy at Audubon Crest		Villas at Lanier		Walden at Oakwood	
Atlanta Highway/ State Route 13		130 Treepark Cir.		1100 Park Creek Ct.		1200 Lanier Mill Cir.		1750 Columns Dr.		4000 Walden Way	
Oakwood, GA		Flowery Branch, GA		Gainesville, GA		Oakwood, GA		Gainesville, GA		Oakwood, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$895		\$985		\$880		\$841		\$930	
2	Date Surveyed	Mar-17		Mar-17		Mar-17		Mar-17		Mar-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	98%		95%		100%		95%		98%	
5	Effective Rent & Rent/ sq. ft	\$895	1.15	\$985	1.55	\$880	1.06	\$841	1.05	\$930	1.24
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		WU/2,3		WU/2,3		WU/2,3		WU/3	
7	Yr. Built/Yr. Renovated	2019		1998	\$21	1998	\$21	2004	\$15	2009	\$10
8	Condition /Street Appeal	E		E		G	\$15	G	\$15	E	
9	Neighborhood	G	(\$10)	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	705	(\$22)	635	\$21	830	(\$37)	803	(\$29)	751	(\$14)
14	Balcony/ Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	Y/Y		Y/Y		N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L		W/D	(\$25)	HU/L		HU	\$5	HU/L	
19	Floor Coverings	V		V		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N	(\$3)	N/N		N/N		N/N		N/N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans	Y	\$5	Y		Y		N	\$5	Y	
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	N		N		Y	(\$5)
27	Clubhouse/ Meeting Space	Y	\$5	Y		Y		Y		Y	
28	Pool/ Recreation Areas	N	(\$24)	P/F	(\$15)	P/F/S	(\$18)	P	(\$10)	P/F	(\$15)
29	Computer/Business Center	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		Y		Y		N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	6	3	4	3	4	6	4	3	5
41	Sum Adjustments B to D	\$38	(\$69)	\$52	(\$50)	\$46	(\$63)	\$55	(\$47)	\$23	(\$42)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$16)	\$122	\$17	\$117	(\$2)	\$124	\$23	\$117	(\$4)	\$80
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$879		\$1,002		\$878		\$864		\$926	
45	Adj Rent/Last rent		98%		102%		100%		103%		100%
46	Estimated Market Rent	\$870	\$1.23 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Oakwood		Tree Park Apt. Homes		Park Creek Apts.		Legacy at Audubon Crest		Villas at Lanier		Walden at Oakwood	
Atlanta Highway/ State Route 13		130 Treepark Cir.		1100 Park Creek Ct.		1200 Lanier Mill Cir.		1750 Columns Dr.		4000 Walden Way	
Oakwood, GA		Flowery Branch, GA		Gainesville, GA		Oakwood, GA		Gainesville, GA		Oakwood, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$982		\$1,185		\$1,000		\$1,100		\$1,213	
2	Date Surveyed	Mar-17		Mar-17		Mar-17		Mar-17		Mar-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		95%		100%		99%		98%	
5	Effective Rent & Rent/ sq. ft	\$982	0.78	\$1,185	1.13	\$1,000	0.93	\$1,100	0.90	\$1,213	1.05
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		WU/2,3		WU/2,3		WU/2,3		WU/3	
7	Yr. Built/Yr. Renovated	2019	\$13	1998	\$21	1998	\$21	2004	\$15	2009	\$10
8	Condition /Street Appeal	E		E		G	\$15	G	\$15	E	
9	Neighborhood	G	(\$10)	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1000	(\$62)	1050	(\$12)	1080	(\$19)	1227	(\$54)	1160	(\$38)
14	Balcony/ Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	Y/Y		Y/Y		N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L		W/D	(\$25)	HU/L		HU	\$5	HU/L	
19	Floor Coverings	V		V		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N	(\$3)	N/N		N/N		N/N		N/N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans	Y	\$5	Y		Y		N	\$5	Y	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	N		N		Y	(\$5)
27	Clubhouse/ Meeting Space	Y	\$5	Y		Y		Y		Y	
28	Pool/ Recreation Areas	N	(\$24)	P/F	(\$15)	P/F/S	(\$18)	P	(\$10)	P/F	(\$15)
29	Computer/Business Center	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		Y		Y		N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	6	2	5	3	4	6	4	3	5
41	Sum Adjustments B to D	\$38	(\$109)	\$31	(\$62)	\$46	(\$45)	\$55	(\$72)	\$23	(\$66)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$56)	\$162	(\$16)	\$108	\$16	\$106	(\$2)	\$142	(\$28)	\$104
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$926		\$1,169		\$1,016		\$1,098		\$1,185	
45	Adj Rent/Last rent		94%		99%		102%		100%		98%
46	Estimated Market Rent	\$1,010		\$1.01		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

THREE BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Peaks of Oakwood		Tree Park Apt. Homes		Park Creek Apts.		Legacy at Audubon Crest		Villas at Lanier		Walden at Oakwood	
Atlanta Highway/ State Route 13		130 Treepark Cir.		1100 Park Creek Ct.		1200 Lanier Mill Cir.		1750 Columns Dr.		4000 Walden Way	
Oakwood, GA		Flowery Branch, GA		Gainesville, GA		Oakwood, GA		Gainesville, GA		Oakwood, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,273		\$1,360		\$950		\$1,220		\$1,345	
2	Date Surveyed	Mar-17		Mar-17		Mar-17		Mar-17		Mar-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	96%		94%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,273	0.90	\$1,360	1.04	\$950	0.68	\$1,220	0.87	\$1,345	0.96
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		WU/2,3		WU/2,3		WU/2,3		WU/3	
7	Yr. Built/Yr. Renovated	2019	\$13	1998	\$21	1998	\$21	2004	\$15	2009	\$10
8	Condition /Street Appeal	E		E		G	\$15	G	\$15	E	
9	Neighborhood	G	(\$10)	G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2	(\$15)	2		2		2		2	
13	Unit Interior Sq. Ft.	1105	(\$70)	1308	(\$45)	1390	(\$63)	1409	(\$68)	1396	(\$65)
14	Balcony/ Patio	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	Y/Y		Y/Y		N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L		W/D	(\$25)	HU/L		HU	\$5	HU/L	
19	Floor Coverings	V		V		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N	(\$3)	N/N		N/N		N/N		N/N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fans	Y	\$5	Y		Y		N	\$5	Y	
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N	(\$5)	Y	(\$5)	N		N		Y	(\$5)
27	Clubhouse/ Meeting Space	Y	\$5	Y		Y		Y		Y	
28	Pool/ Recreation Areas	N	(\$24)	P/F	(\$15)	P/F/S	(\$18)	P	(\$10)	P/F	(\$15)
29	Computer/Business Center	N		N		Y	(\$3)	Y	(\$3)	Y	(\$3)
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		Y		Y		N	\$3
32	Social Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	7	2	5	3	4	6	4	3	5
41	Sum Adjustments B to D	\$38	(\$132)	\$31	(\$95)	\$46	(\$89)	\$55	(\$86)	\$23	(\$93)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$79)	\$185	(\$49)	\$141	(\$28)	\$150	(\$16)	\$156	(\$55)	\$131
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,194		\$1,311		\$922		\$1,204		\$1,290	
45	Adj Rent/Last rent		94%		96%		97%		99%		96%
46	Estimated Market Rent	\$1,100	\$1.00 ←	Estimated Market Rent/ Sq. Ft							

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$870 for a one-bedroom unit, \$1,010 for a two-bedroom unit and \$1,100 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$415 (50%)	\$870	52.3%
	\$515 (60%)		40.8%
	\$595 (MR)		31.6%
Two-Bedroom	\$495 (50%)	\$1,010	51.0%
	\$620 (60%)		38.6%
	\$695 (MR)		31.2%
Three-Bedroom	\$565 (50%)	\$1,100	48.6%
	\$705 (60%)		35.9%
	\$775 (MR)		29.5%

MR - Market-rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Considering that the proposed subject Tax Credit rents represent market rent advantages ranging between 35.9% and 52.3%, they will likely be viewed as substantial values within the Site PMA. The proposed market-rate rents will likely also be viewed as excellent values, as they represent market rent advantages between 29.5% and 31.6%, depending upon unit type. These factors are considered in our absorption rate estimates.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
7. The proposed subject project is anticipated to be completed in 2019. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have a quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality to the subject development.
9. One of the selected properties, Tree Park Apartment Homes (Comp #1), is located in a more desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among this project and the subject project.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site compared with the competitive properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenities package slightly inferior than those offered at the selected properties. We have made adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.
- 24.-32. The proposed project offers a relatively limited project amenities package. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.