

Market Feasibility Analysis

Peaks of Waycross
Approximately 702 Walnut Avenue
(Northeast of Vine Street and Walnut Avenue intersection)
Waycross, Ware County, Georgia 31501

Prepared For

Ms. D'Anne Hilsmier
Landbridge Development, LLC
(Landbridge Acquisitions, LLC-Developers)
7000 Peachtree Dunwoody Road, Suite 4-100
Atlanta, Georgia 30328

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

1. Project Description:

The proposed project involves the new construction of the 64-unit Peaks of Waycross rental community on a 9.03-acre site located at approximately 702 Walnut Avenue, northeast of the Walnut Avenue and Vine Street intersection, in Waycross, Georgia. The project will offer eight (8) one-bedroom, 32 two-bedroom, and 24 three-bedroom garden-style units in four (4), two-story, walk-up residential buildings. In addition, the subject project will also include a free-standing, 1,200 square-foot community building. Peaks of Waycross will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$380 to \$590, depending on unit size and AMHI level, and will include the cost of trash collection. All other utility expenses will be the responsibility of the tenant. Eight of the subject units will operate under the HUD Section 811 program and provide integrated housing opportunities to persons with disabilities. However, specific unit types to be set aside with this subsidy have not yet been determined. The proposed project is expected to be complete by April of 2019. Additional details regarding the proposed project are as follows, as well as in *Section B* of this report.

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
2	One-Br.	1.0	Garden	705	50%	\$380	\$92	\$472	\$499
6	One-Br.	1.0	Garden	705	60%	\$480	\$92	\$572	\$599
6	Two-Br.	2.0	Garden	1,000	50%	\$450	\$117	\$567	\$600
26	Two-Br.	2.0	Garden	1,000	60%	\$550	\$117	\$667	\$720
5	Three-Br.	2.0	Garden	1,105	50%	\$500	\$144	\$644	\$693
19	Three-Br.	2.0	Garden	1,105	60%	\$590	\$144	\$734	\$831
64	Total								

Source: Landbridge Development, LLC

AMHI - Area Median Household Income (Ware County, Georgia Nonmetropolitan Area; 2016)

Unit amenities to be offered at the property include a range, refrigerator, dishwasher, microwave, garbage disposal, central air conditioning, washer/dryer hookups, vinyl plank flooring, window blinds, and ceiling fans. Community amenities will include on-site management, a clubhouse/community room, laundry facility, wellness/computer center, playground, picnic area w/ grills, and covered porch. Overall, the amenity package offered at the property is considered

appropriate for and marketable to the targeted tenant population and will be competitive with those offered among the comparable LIHTC projects in the market and region.

2. Site Description/Evaluation:

The subject site is situated within a primarily residential neighborhood and most existing structures within proximity of the site were observed to be well-maintained. The wooded land surrounding much of the subject site will also provide an aesthetically pleasing natural buffer to additional surrounding land uses. Visibility of the subject project will be somewhat limited due to the surrounding land uses and light vehicular traffic (limited passerby traffic) within the immediate site neighborhood. However, this is not expected to have any adverse impact on the overall marketability of the subject project, especially when considering the high occupancy rates reported at the existing rental properties within the immediate site neighborhood. The subject site is easily accessible from Walnut Avenue which borders the site to the west and provides direct access to and from Central Avenue and Knight Avenue, two arterial roadways located north and south of the subject site, respectively. The subject site is also within close proximity of multiple highways, including U.S. Highway 82 which is accessible within 0.7 miles of the subject site. The subject's proximity to arterial roadways and major highways allows for convenient access to most area services, many of which are located within 1.5 miles of the site. The subject site is also located within walking distance of the local middle school, which is considered beneficial to the family-oriented subject project. In addition, the crime risk index reported for the Site PMA is slightly lower than that reported for Ware County as a whole, and the national average of 100. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability. An in-depth site evaluation is included in *Section C* of this report.

3. Market Area Definition:

The Waycross Site PMA includes Waycross and the surrounding communities of Deenwood, Sunnyside, Blackshear, Waresboro, Dixie Union, Hoboken, and Manor, as well as surrounding unincorporated portions of the counties of Ware, Brantley and Pierce. The boundaries of the PMA generally include Telmore-Dixie Union Road, the northern town limits of Dixie Union, Dixie Union Road and Cason Road to the north; the eastern town limits of Blackshear, State Route 15, and the eastern town limits of Hoboken to the east; Swamp Perimeter Road, the Okefenokee National Wildlife Refuge, 15 Mile Post Road, and Swamp Road to the south; and Suwannee Chapel Road, Manor Millwood Road South, Hasty Road and State Route 158 to the west. A map illustrating these boundaries is included on page *D-2* of this report and details the furthest boundary is 20.9 miles from the site.

4. Community Demographic Data:

Demographic trends within the Waycross Site PMA are projected to be negative in terms of overall population and household trends between 2017 and 2019. Both the population and household decline projected for the market during this time period, however, will be minimal, as the total population will decline by just 207 (0.4%) and households will decline by 66 (0.4%). As such, the overall demographic base is generally considered stable within the Waycross market. The number of renter households is also expected to remain stable during this time period and nearly 6,700 renter households are projected to exist in the market in 2019. Notably, approximately 63.0% of all renter households in the market are projected to earn below \$35,000 in 2019. Based on the preceding factors, the Waycross market is stable in terms of overall demographics and a large base of potential income-appropriate renter households exists for affordable rental product such as that proposed at the subject site. Additional demographic data is included in *Section E* of this report.

Also note that based on 2010 Census data, 64.0% of the vacant housing units in the market were classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Waycross Site PMA, the majority of rental properties are operating at strong occupancy levels and maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that no such structures were observed within the immediate site neighborhood. As such, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability.

5. Economic Data:

The employment base within the Waycross Site PMA appears to be relatively well balanced, as no single industry segment represents more than 17.9% of the total workforce. It is of note, however, that nearly 40.0% of the local workforce is comprised within the Retail Trade, Public Administration, and Accommodation & Food Services industries. Typically, these aforementioned industry types offer lower wage paying positions, conducive to affordable housing such as that proposed at the subject site. The Ware County economy has shown signs of improvement since the impact of the national recession in terms of both total employment and unemployment rates. Specifically, the employment base within the county has increased by 876 jobs, or 6.4%, since 2014 (through December 2016), while the unemployment rate has declined by nearly six full percentage points since 2011, to a rate of 5.4% through December of 2016. Notably, the 5.4% unemployment rate reported for the county is identical to the Georgia state average through December of 2016. Based on the preceding factors, we expect the local economy will continue to improve for the foreseeable future, though we also expect demand to remain high for affordable housing in the Waycross area, due to the

relatively large share of lower-wage paying jobs within the area. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$16,183 To \$28,800)	60% AMHI (\$19,611 To \$34,560)	Overall (\$16,183 To \$34,560)
Net Demand	378	252	442
Proposed Units / Net Demand	13 / 378	51 / 252	64 / 442
Capture Rate	= 3.4%	= 20.2%	= 14.5%

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall capture rate of 14.5% is considered low and achievable within the Waycross Site PMA. This is especially true, given the high occupancy rates and waiting lists maintained among the comparable LIHTC projects surveyed in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 3.4% to 20.2%.

Applying the shares of demand detailed in *Section G* to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (25%)	50%	2	97	2	95	2.1%
One-Bedroom (25%)	60%	6	75	7	68	8.8%
One-Bedroom	Total	8	172	9	163	4.9%
Two-Bedroom (50%)	50%	6	195	7	188	3.2%
Two-Bedroom (50%)	60%	26	150	26	124	21.0%
Two-Bedroom	Total	32	345	33	312	10.3%
Three-Bedroom (25%)	50%	5	98	3	95	5.3%
Three-Bedroom (25%)	60%	19	75	15	60	31.7%
Three-Bedroom	Total	24	173	18	155	15.5%

*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.

The capture rates by bedroom type and AMHI level range from 2.1% to 31.7%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a good base of potential income-eligible renter households in the Waycross market for the proposed subject development. This is especially true when considering the high occupancy rates and waiting lists maintained among the existing comparable LIHTC projects in the market, as evidenced by our Field Survey of Conventional Rentals (*Addendum A*).

Detailed demand calculations are provided in *Section G* of this report.

7. Competitive Rental Analysis

The subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of five non-subsidized LIHTC properties. Three of these five properties, however, target senior households (age 55 or 62 and older) and therefore are not considered competitive with or comparable to the proposed general-occupancy subject project. The two remaining LIHTC properties surveyed target family households earning up to 50% and 60% of AMHI and will therefore serve as accurate benchmarks with which to compare the subject project. Due to the relatively limited supply of comparable LIHTC product within the Site PMA, we also identified and surveyed two additional general-occupancy LIHTC properties located outside the Site PMA, but within the nearby region. These two properties are located in the towns of Douglas and Jesup, Georgia. Note that since these properties are located outside the Site PMA, they derive demographic support from different geographic areas as compared to the subject project. As such, these properties are not considered competitive with the subject project and have only been included for comparability purposes.

The four comparable properties and the proposed development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum B, *Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Waycross	2019	64	-	-	-	Families; 50% & 60% AMHI
4	Ocean Breeze Park	2010	48	100.0%	3.4 Miles	14 H.H.	Families; 50% & 60% AMHI
7	Ware Hotel	2012	35	100.0%	1.7 Miles	20 H.H.	Families; 50% & 60% AMHI
902	Estes Park Apts.	2004	72	100.0%	37.1 Miles	6 H.H.	Families; 30%, 50%, & 60% AMHI
904	Sunset Pointe	2005	51*	100.0%	38.9 Miles	None	Families; 30%, 50%, & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

The four LIHTC projects have a combined occupancy rate of 100.0%, with three of the four properties maintaining waiting lists for their next available units. The high occupancy rates and waiting lists reported among the comparable LIHTC projects are good indications of high and pent-up demand for additional family-oriented LIHTC product in the market and region. The subject project will help alleviate a portion of this pent-up demand.

The gross rents for the comparable projects and the proposed 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.	
Site	Peaks of Waycross	\$472/50% (2) \$572/60% (6)	\$567/50% (6) \$667/60% (26)	\$644/50% (5) \$734/60% (19)	-
4	Ocean Breeze Park	-	\$532/50% (8/0) \$624/60% (12/0)	\$628/50% (11/0) \$693/60% (17/0)	None
7	Ware Hotel	\$471/50% (3/0) \$574/60% (14/0)	\$565/50% (3/0) \$643/60% (15/0)	-	None
902	Estes Park Apts.	\$287/30% (3/0) \$477/50% (12/0) \$517/60% (5/0)	\$339/30% (2/0) \$569/50% (21/0) \$599/60% (13/0)	\$633/50% (11/0) \$678/60% (5/0)	None
904	Sunset Pointe	\$252/30% (2/0) \$417/50% (10/0) \$417/60% (1/0)	\$314/30% (3/0) \$519/50% (22/0) \$534/60% (1/0)	\$378/30% (2/0) \$623/50% (10/0)	None

900 Series Map IDs are located outside the Site PMA

As the preceding illustrates, the subject's proposed gross Tax Credit rents are relatively competitive with those reported among similar unit types at the comparable properties. However, the subject's two- and three-bedroom rents at 60% of AMHI will be the highest among similar unit types at the comparable properties. The 100.0% occupancy rates and waiting lists reported among the comparable properties, as well as the newness and anticipated quality of the subject project, will likely contribute to the subject's ability to achieve premium rents within the Waycross market. Considering the preceding factors, the subject's proposed gross two- and three-bedroom rents at the 60% AMHI level (\$667 and \$734) are considered marketable within the Waycross market, as they are only \$24 and \$41 higher than the highest rents currently being achieved among similar unit types in the market.

Comparable/Competitive Tax Credit Summary

All four of the comparable LIHTC projects surveyed in the market and region report occupancy rates of 100.0% and three maintain waiting lists for their next available units, including the two properties located within the Site PMA. The high occupancy rates and waiting lists reported among the comparable properties are clear indications of strong and pent-up demand for family-oriented LIHTC product such as that proposed at the subject site. The subject units will be competitively positioned and marketable within the Waycross market in terms of price point (gross rent). The subject project will be very competitive in terms of unit design (square footage and number of bathrooms) and amenities offered. Although some of the comparable properties offer additional amenities not offered at the subject project, this is not expected to have any adverse impact on the overall marketability

of the project. This is especially true when considering the newness of the subject project and the high occupancy rates and waiting lists maintained among the existing LIHTC projects in the market.

Average Market Rent

The following table illustrates the weighted average *collected* rents of the comparable market-rate projects by bedroom type, *for units similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable Market-Rate Units*		
One-Br.	Two-Br.	Three-Br.
\$490	\$550	\$632

*As identified in *Addendum E*

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

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$490	- \$380 (50%)	\$110	/ \$380 (50%)	28.9%
		- \$480 (60%)	\$10	/ \$480 (60%)	2.1%
Two-Br.	\$550	- \$450 (50%)	\$100	/ \$450 (50%)	22.2%
		- \$550 (60%)	\$0	/ \$550 (60%)	0.0%
Three-Br.	\$632	- \$500 (50%)	\$132	/ \$500 (50%)	26.4%
		- \$590 (60%)	\$42	/ \$590 (60%)	7.1%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 0.0% to 28.9%, depending upon unit type, as compared to the weighted average collected rents of the comparable market-rate projects located in the Site PMA. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, 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 proposed development’s collected rents are available in *Addendum E* of this report.

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

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 64 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately seven months. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 64 general-occupancy LIHTC units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes to the project's site design, rents, amenities or opening date may alter these findings.

The subject project will offer non-subsidized general-occupancy LIHTC units, a product type that is clearly in high demand within the market and region, as the four comparable properties surveyed all report occupancy rates of 100.0% and three maintain waiting lists. The subject project will help alleviate a portion of this pent-up demand. The subject's proposed gross LIHTC rents are considered marketable and will be competitive within the Waycross market. The subject project will be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Some of the comparable properties offer a slightly superior amenity package as compared to the subject project, though the additional amenities offered at these properties are not considered necessary to the marketability of a LIHTC property in the Waycross market.

In addition to the existing LIHTC properties, one general-occupancy LIHTC property (Grove at Oakmont) is planned for the area and is expected to be competitive with the subject project. It is of note, however, that a sufficient base of support is expected to exist in the market for both the subject project and this planned property, as evidenced by our demand estimates included in *Section G*. Specifically, the overall capture rate for the subject project is 14.5%, which is considered achievable within the Waycross market, especially when considering the high occupancy rates and waiting lists reported among the comparable properties. Regardless, it is recommended that the development progression of the planned Grove at Oakmont property is closely monitored by the developer, as it is likely that the subject project will experience similar absorption trends given the comparable unit types to be offered.

Based on the preceding analysis and additional information contained within this report, we believe the proposed subject development is marketable and supportable within the Waycross Site PMA as proposed and the project is not expected to have any adverse impact on future occupancy rates among existing comparable LIHTC properties in the market. In fact, we expect the subject project will help alleviate a portion of the pent-up demand for family-oriented LIHTC product within the Site PMA.

SUMMARY TABLE (must be completed by the analyst and included in the executive summary)		
Development Name:	Peaks of Waycross	Total # Units: 64
Location:	Approximately 702 Walnut Avenue (Northeast of Vine Street and Walnut Avenue intersection) Waycross, GA 31501	# LIHTC Units: 64
PMA Boundary:	Telmore-Dixie Union Road, the northern town limits of Dixie Union, Dixie Union Road and Cason Road to the north; the eastern town limits of Blackshear, State Route 15, and the eastern town limits of Hoboken to the east; Swamp Perimeter Road, the Okefenokee National Wildlife Refuge, 15 Mile Post Road, and Swamp Road to the south; and Suwannee Chapel Road, Manor Millwood Road South, Hasty Road and State Route 158 to the west.	
	Farthest Boundary Distance to Subject:	20.9 miles

RENTAL HOUSING STOCK (found on page H-1 & A-4 & 5)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	15	761	4	99.5%
Market-Rate Housing	4	200	3	98.5%
Assisted/Subsidized Housing not to include LIHTC	7	346	0	100.0%
LIHTC*	5	215	1	99.5%
Stabilized Comps**	4	206	0	100.0%
Properties in Construction & Lease Up	1	60	-	-

*Non-subsidized

**Includes out of market comps

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
2	One-Br.	1.0	705	\$380 (50%)	\$490	\$0.66	28.9%	\$500	\$0.69
6	One-Br.	1.0	705	\$480 (60%)	\$490	\$0.66	2.1%	\$500	\$0.69
6	Two-Br.	2.0	1,000	\$450 (50%)	\$550	\$0.58	22.2%	\$795	\$0.91
26	Two-Br.	2.0	1,000	\$550 (60%)	\$550	\$0.58	0.0%	\$795	\$0.91
5	Three-Br.	2.0	1,105	\$500 (50%)	\$632	\$0.51	26.4%	\$995	\$0.90
19	Three-Br.	2.0	1,105	\$590 (60%)	\$632	\$0.51	7.1%	\$995	\$0.90

DEMOGRAPHIC DATA (found on page E-3 & G-5)						
	2012		2017		2019	
Renter Households	6,749	36.3%	6,693	36.3%	6,670	36.3%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	1,645	24.6%	1,535	23.0%
Income-Qualified Renter HHs (MR) (if applicable)	N/A	N/A	N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)						
Type of Demand	30%	50%	60%	Market-Rate	Other: __	Overall
Renter Household Growth	-	-79	-88	-	-	-110
Existing Households (Overburd + Substand)	-	469	388	-	-	612
Homeowner conversion (Seniors)	-	N/A	N/A	-	-	N/A
Total Primary Market Demand	-	390	300	-	-	502
Less Comparable/Competitive Supply	-	12	48	-	-	60
Adjusted Income-Qualified Renter HHs	-	378	252	-	-	442

CAPTURE RATES (found on page G-5)						
Targeted Population	30%	50%	60%	Market-Rate	Other: __	Overall
Capture Rate	-	3.4%	20.2%	-	-	14.5%

Section B - Project Description

The proposed project involves the new construction of the 64-unit Peaks of Waycross rental community on a 9.03-acre site located at approximately 702 Walnut Avenue, northeast of the Walnut Avenue and Vine Street intersection, in Waycross, Georgia. The project will offer eight (8) one-bedroom, 32 two-bedroom, and 24 three-bedroom garden-style units in four (4), two-story, walk-up residential buildings. In addition, the subject project will also include a free-standing, 1,200 square-foot community building. Peaks of Waycross will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$380 to \$590, depending on unit size and AMHI level, and will include the cost of trash collection. All other utility expenses will be the responsibility of the tenant. Eight of the subject units will operate under the HUD Section 811 program and provide integrated housing opportunities to persons with disabilities. However, specific unit types to be set aside with this subsidy have not yet been determined. 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 Waycross
2. **Property Location:** Approximately 702 Walnut Avenue
(Northeast of Vine Street and Walnut Avenue intersection)
Waycross, Georgia 31501
(Ware County)

Census Tract: 9506

QCT: No DDA: Yes
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	
2	One-Br.	1.0	Garden	705	50%	\$380	\$92	\$472	\$499
6	One-Br.	1.0	Garden	705	60%	\$480	\$92	\$572	\$599
6	Two-Br.	2.0	Garden	1,000	50%	\$450	\$117	\$567	\$600
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5	Three-Br.	2.0	Garden	1,105	50%	\$500	\$144	\$644	\$693
19	Three-Br.	2.0	Garden	1,105	60%	\$590	\$144	\$734	\$831
64	Total								

Source: Landbridge Development, LLC

AMHI - Area Median Household Income (Ware County, Georgia Nonmetropolitan Area; 2016)

5. Target Market: Family Households Earning Up To 50% & 60% of AMHI

6. Project Design: Four (4) two-story, walk-up residential buildings with 80 garden-style units and one (1) 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 Oven

10. Community Amenities:

- On-Site Management
- Club House
- Community Room
- Laundry Facility
- Wellness/Computer Center
- Playground
- Picnic Area w/ Grills
- Covered Porch

11. Resident Services:

The subject site will not offer any resident services.

12. Utility Responsibility:

The cost of trash collection will be included in the monthly rent. Tenants will be responsible for all other utility charges, including the cost of:

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

13. Rental Assistance:

According to the developer, eight (8) of the subject units will operate with a Section 811 subsidy available to persons with disabilities. Note that a specific disability group to be targeted at the subject project was not indicated by the developer at the time of this report.

14. Parking:

The subject site will offer 128 open lot parking spaces, which equates to 2.0 spaces per unit. This is considered appropriate for affordable multifamily rental product.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

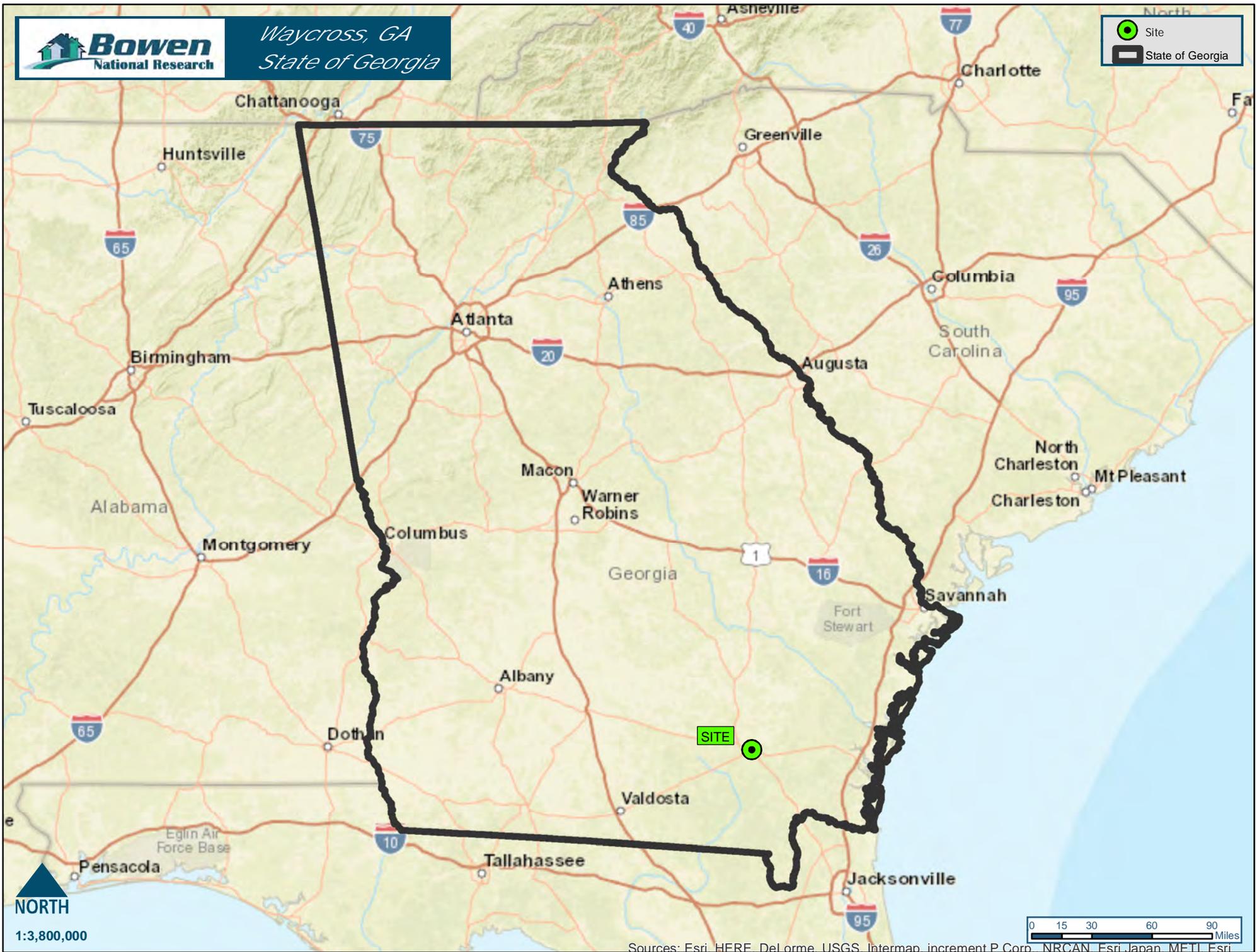
Ware County, Georgia; Nonmetropolitan Area (2016)

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



Waycross, GA
State of Georgia

Legend:
● Site
▭ State of Georgia



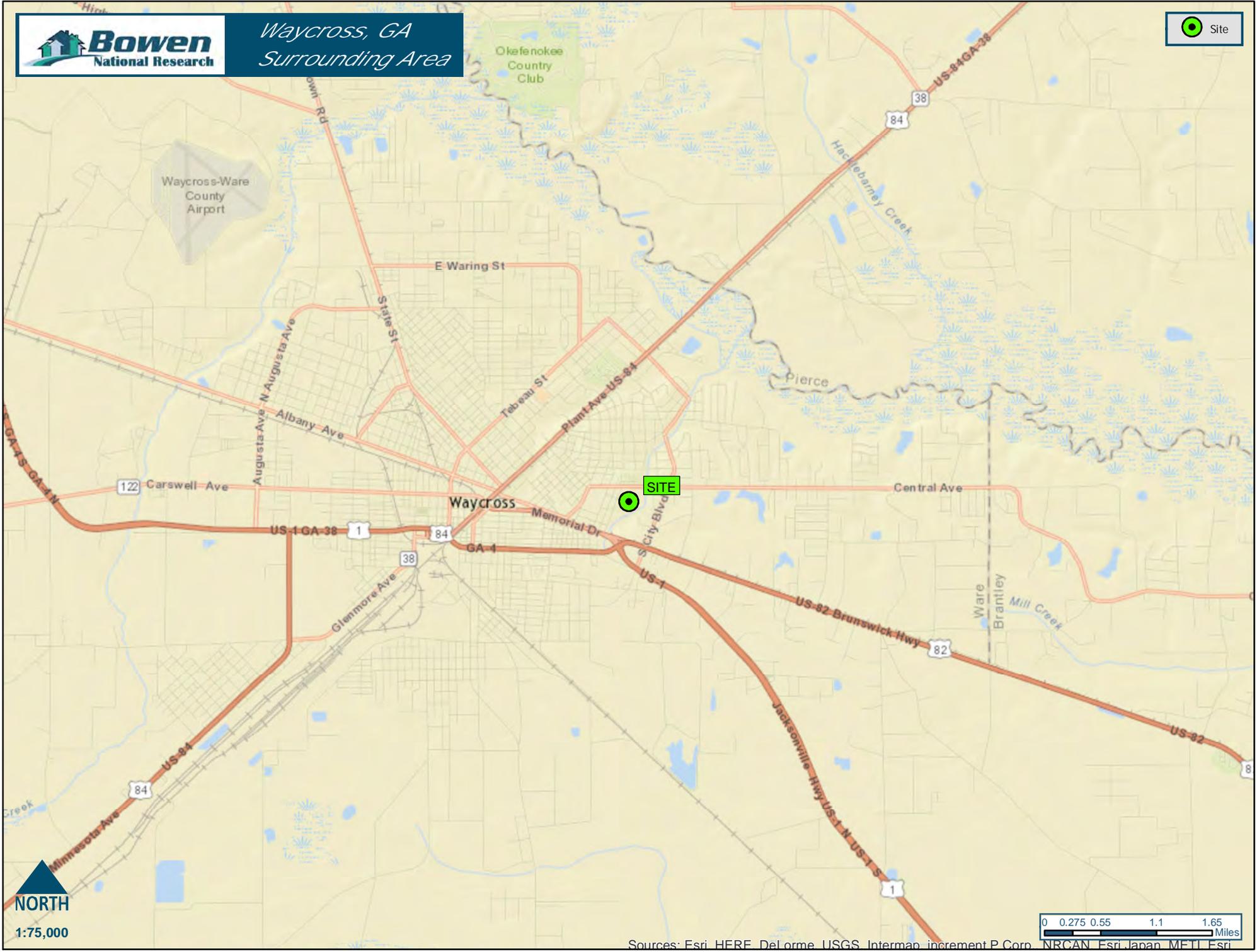
NORTH
1:3,800,000

0 15 30 60 90 Miles

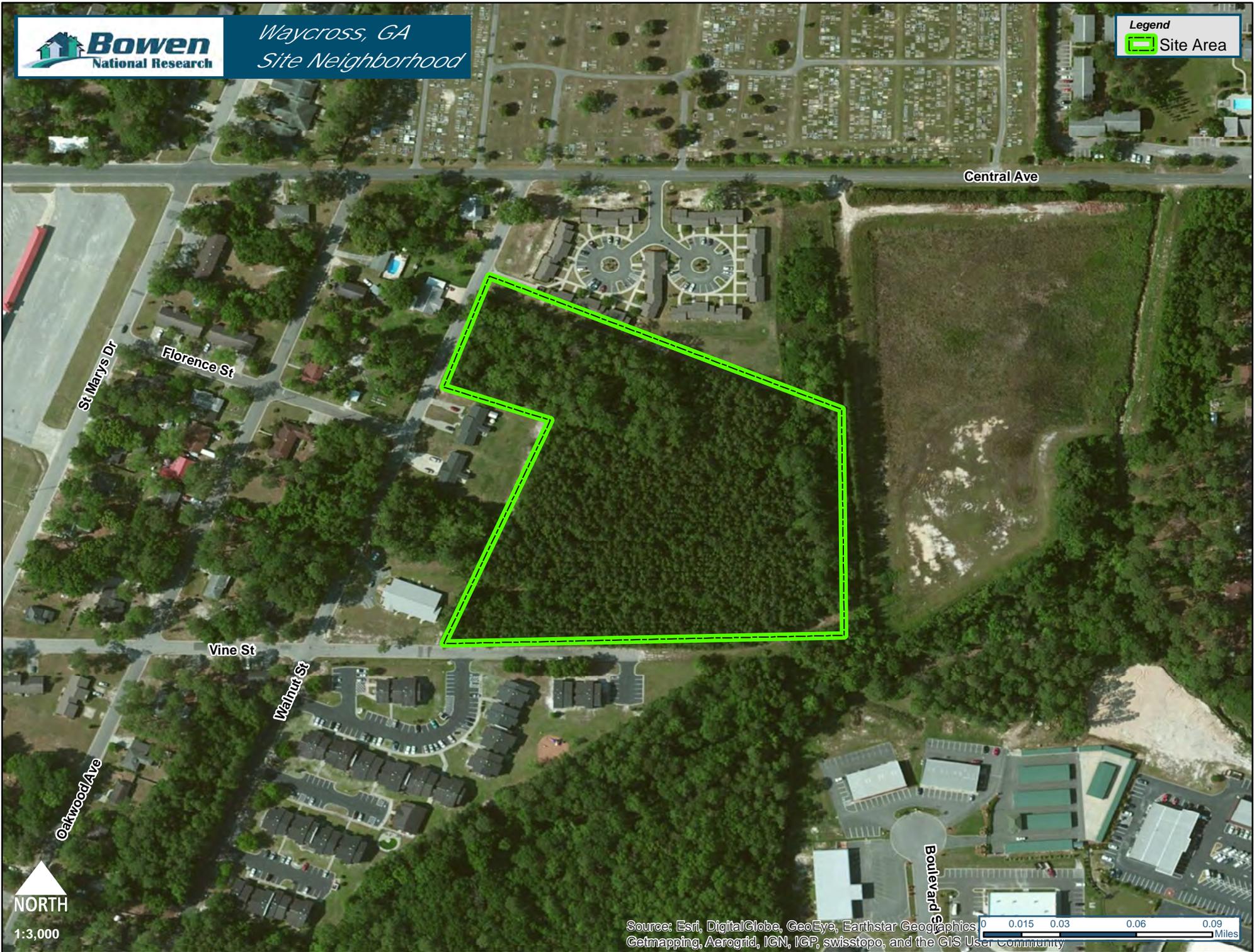
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Waycross, GA Surrounding Area



NORTH
1:75,000



Section C – Site Description And Evaluation

1. LOCATION

The proposed subject site is located on the north side of Vine Street approximately 0.1 mile east of the intersection of Walnut Avenue and Vine Street in the central portion of Waycross, Georgia, at approximately 702 Walnut Avenue. Located in Ware County, Waycross is approximately 60.0 miles northeast of Valdosta, Georgia. Greg Piduch, an employee of Bowen National Research, inspected the site and area apartments during the week of March 6, 2017.

2. SURROUNDING LAND USES

The subject site is within an established residential area of Waycross, Georgia. Surrounding land uses generally include multifamily communities, single-family homes, a middle school, wooded land, a parking lot, and various small businesses. Adjacent land uses are detailed as follows:

North -	Central Walnut Village (Map ID 15), an age-restricted government-subsidized rental community considered to be in good condition, borders the site to the north. Continuing north is Central Avenue, a lightly traveled two-lane residential roadway, followed by the Hazzard Hill Cemetery and Central Park Apartments (Map ID 13), a general-occupancy market-rate community considered to be in average condition.
East -	Undeveloped vacant land defines the eastern boundary of the site. Continuing east is a predominantly residential area comprised of single-family homes in satisfactory condition which extend to South City Boulevard.
South -	Vine Street, a two-lane lightly traveled residential roadway defines the southern boundary of the site. Continuing south is Ware Manor (Map ID 6), a general-occupancy subsidized Tax-Credit rental community considered to be in good condition. Extending beyond is wooded land extending to Knight Avenue and Memorial Drive, two commercial corridors within the Waycross area.
West -	Walnut Avenue, a two-lane lightly traveled residential roadway, and duplex-style structures in good condition define the western boundary of the site. Continuing west are additional duplex structures and single-family homes in satisfactory condition, followed by the Waycross Middle School.

The proposed subject project will be consistent with the predominantly residential nature of the immediate site neighborhood. The existing residential structures within the site neighborhood are generally considered to be well-maintained. The subject project is also expected to benefit from its close proximity to Memorial Drive and Knight Avenue which serve as commercial corridors and provide east/west access throughout the Waycross area. Overall, the subject site is considered conducive to multifamily housing and the surrounding land uses are expected to have a positive impact on the project's overall marketability within the Waycross market.

3. VISIBILITY AND ACCESS

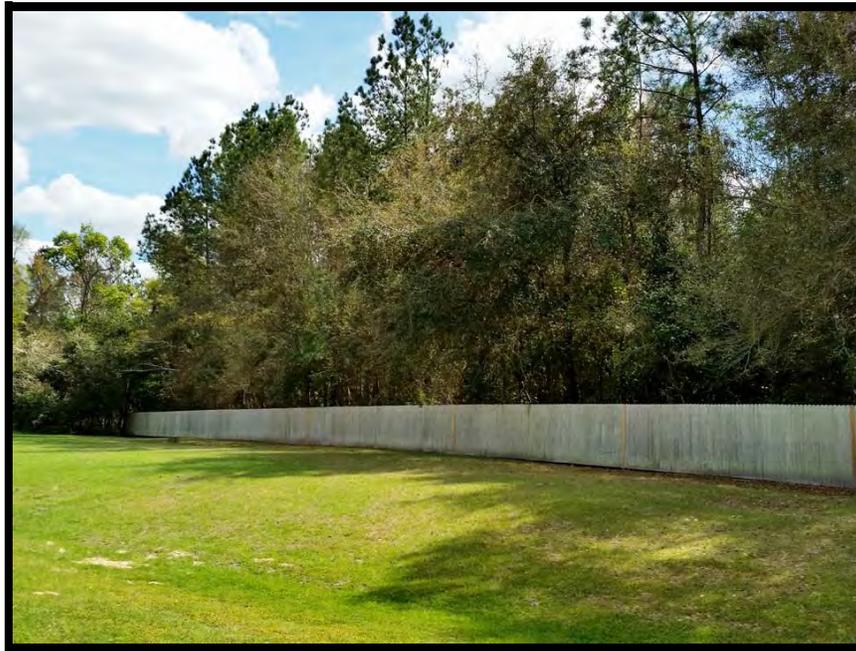
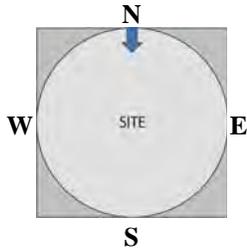
The subject site maintains full or partial frontage along Vine Street and Walnut Avenue, two residential roadways bordering the site to the south and west, respectively. Traffic is relatively light along these aforementioned roadways. Thus, the subject project will likely receive limited passerby traffic. However, it is expected that proper site signage will be provided and clearly visible at the entrance of the subject project along Walnut Avenue. Therefore, visibility of the subject project upon ingress is expected to be good. Due to the light vehicular traffic patterns and wooded land surrounding much of the subject site, promotional site signage placed near the intersection of Walnut Avenue and Knight Avenue, south of the site, would likely enhance awareness of the subject project during its initial lease-up period. Based on information provided by the developer at the time of this report, the subject project will derive access from Walnut Avenue. The light vehicular traffic patterns within the immediate site neighborhood are expected to allow for unimpeded ingress and egress of the subject project. In addition, Walnut Avenue provides direct access to Central Avenue and Knight Avenue, two arterial roadways located north and south of the subject site, respectively. U.S. Highway 82 is also accessible within 0.7 miles of the subject site, further enhancing accessibility of the subject project and site neighborhood. Based on the preceding analysis, both visibility and access of the subject site are considered adequate and should have a positive impact on the overall marketability of the subject project.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area. The subject site has convenient access to Memorial Drive and U.S. Highways 23 and 82. Fixed route public transportation is not provided within the Waycross area. However, as most residents of this area are likely accustomed to not having this service readily available to them, we do not anticipate the lack of public transportation to have any adverse impact on marketability of the subject project.

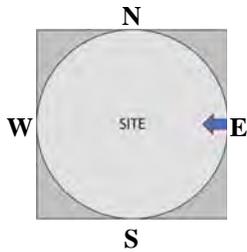
4. SITE PHOTOGRAPHS

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

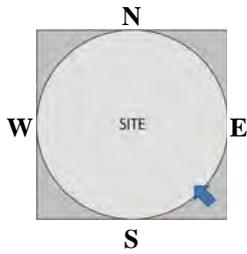
SITE PHOTOGRAPHS



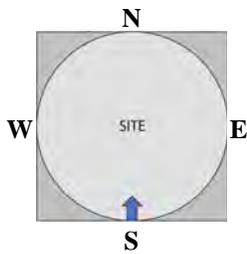
View of site from the north



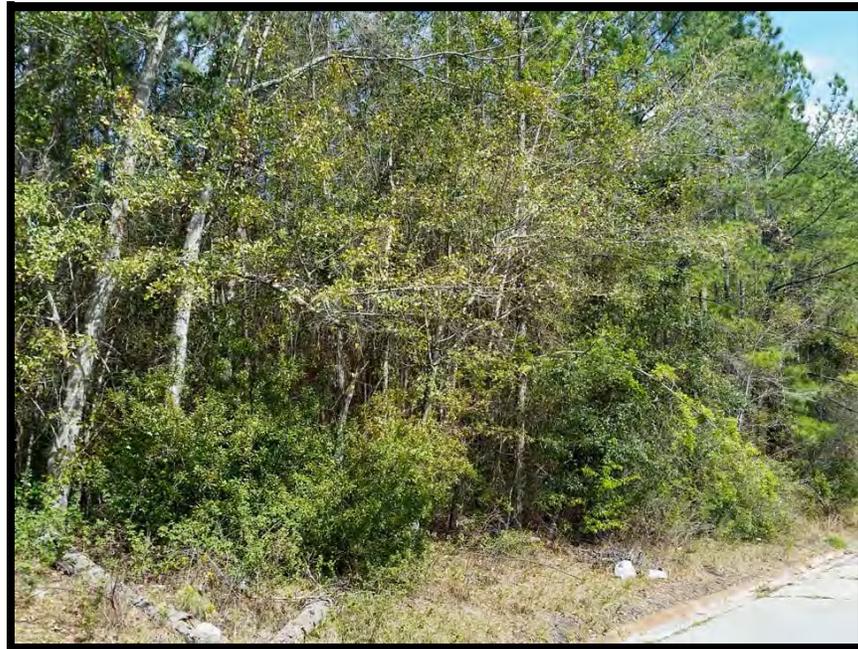
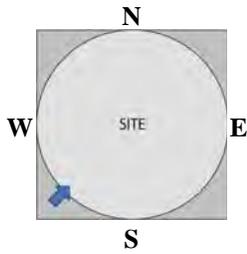
View of site from the east



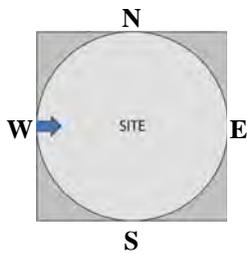
View of site from the southeast



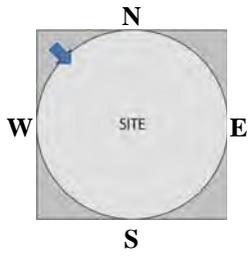
View of site from the south



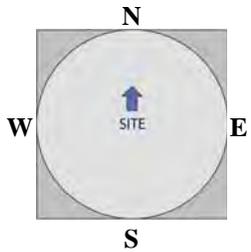
View of site from the southwest



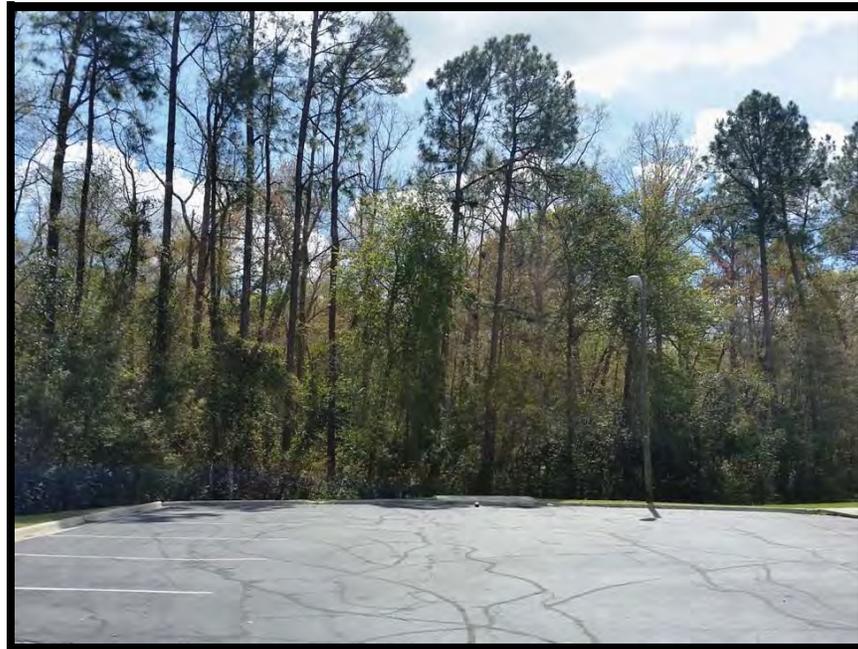
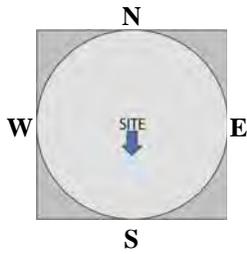
View of site from the west



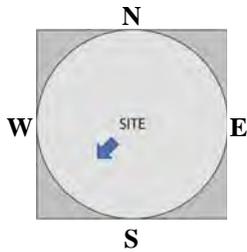
View of site from the northwest



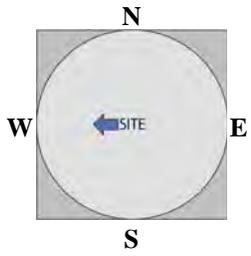
North view from site



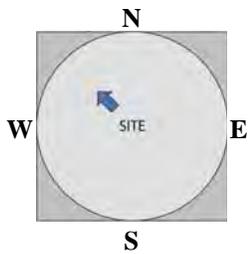
South view from site



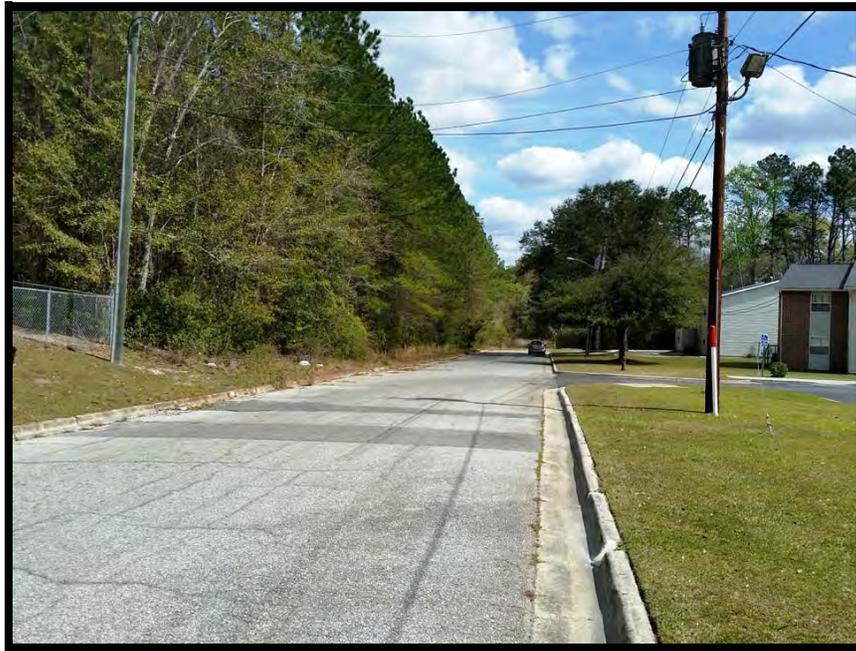
Southwest view from site



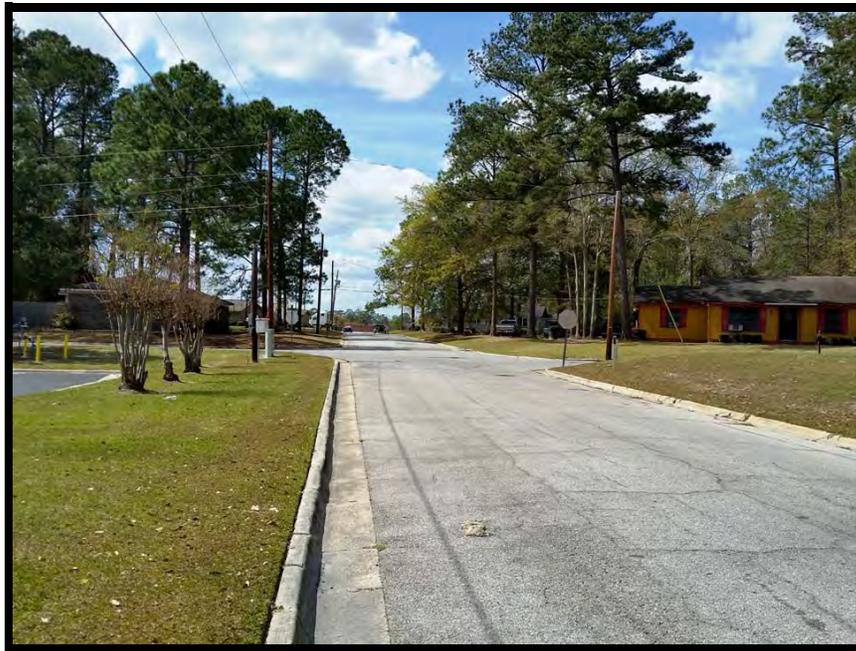
West view from site



Northwest view from site



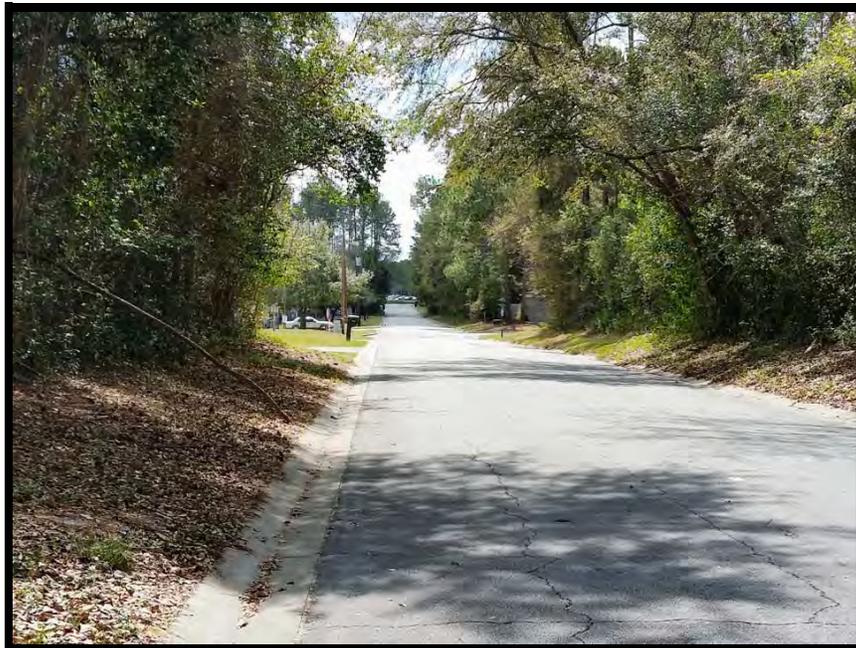
Streetscape: East view of Vine Street



Streetscape: West view of Vine Street



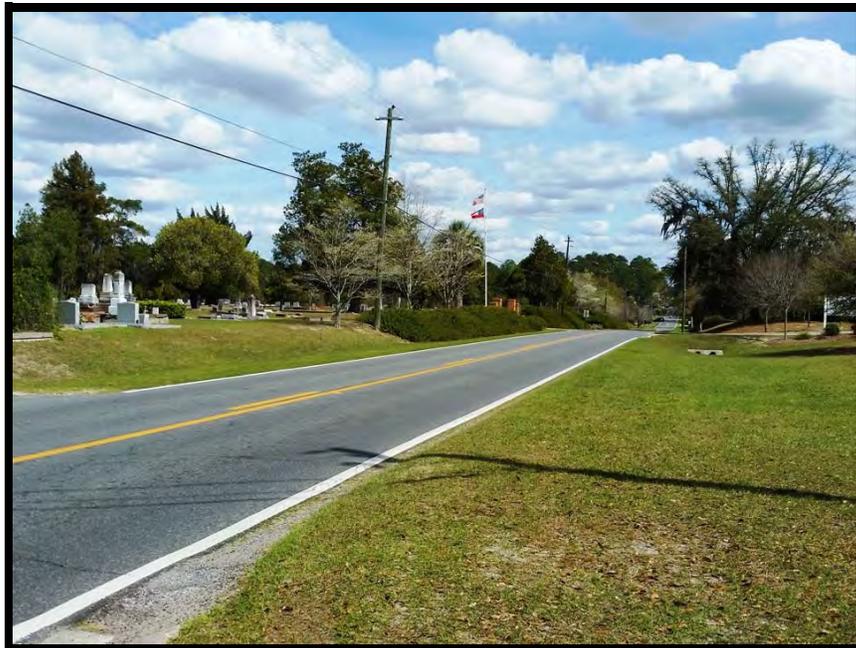
Streetscape: North view of Walnut Avenue



Streetscape: South view of Walnut Avenue



Streetscape: West view of Central Avenue



Streetscape: East view of Central Avenue

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 Highway(s)	U.S. Highway 82	0.7 Southeast
	U.S. Highway 23	1.0 South
	U.S. Highway 84	1.4 West
Public Bus Stop	N/A	N/A
Major Employers/Employment Centers	Satilla Regional Medical Center	1.7 Northwest
Convenience Store	Petro Station	0.9 West
	Flash Foods	1.5 West
Grocery	Kroger	0.9 Southwest
	Walmart	1.5 Southeast
	Waycross Food & Beverage	2.2 Southwest
Discount Department Store	Fred's Store	0.6 Southeast
	Citi Trends	0.6 Southeast
	Belk	1.5 Southeast
	TJMaxx	1.5 Southeast
	Bealls Outlet	1.5 Southeast
	Ollie's Bargain Outlet	1.5 Southeast
	Hobby Lobby	1.5 Southeast
	Dollar General	1.7 Northwest
Shopping Center/Mall	Satilla Square Shopping Center	0.6 Southeast
	The Mall At Waycross	1.5 Southeast
Schools:		
Elementary	Williams Heights Elementary	0.7 West
Middle/Junior High	Waycross Middle School	0.2 West
High	Ware County High School	3.5 West
Hospital	Satilla Regional Medical Center	1.7 Northwest
Police	Waycross Police Department	1.6 West
Fire	Waycross Fire Department	3.3 West
Post Office	U.S. Post Office	1.8 West
Bank	Suntrust Bank	0.7 Southeast
	Patterson Bank	0.7 West
	Atlantic Coast Bank	1.3 Southeast
Recreational Facilities	YMCA	1.3 West
Gas Station	Friendly Express	0.8 Southeast
	Kroger	0.9 Southwest
	Petro Station	0.9 West
Pharmacy	CVS Pharmacy	0.7 Southeast
	Kroger Pharmacy	0.9 Southwest
	Walgreens	1.1 South
Restaurant	Wong's Palace Restaurant	0.3 Southwest
	Domino's Pizza	0.4 West
	Stricklands Diner	0.4 Southwest
Day Care	YMCA	1.3 Northwest
	AV Kennedy Early Head Start	1.5 Northwest
	Cookie Daycare	2.1 West

N/A – Not Available

(Continued)

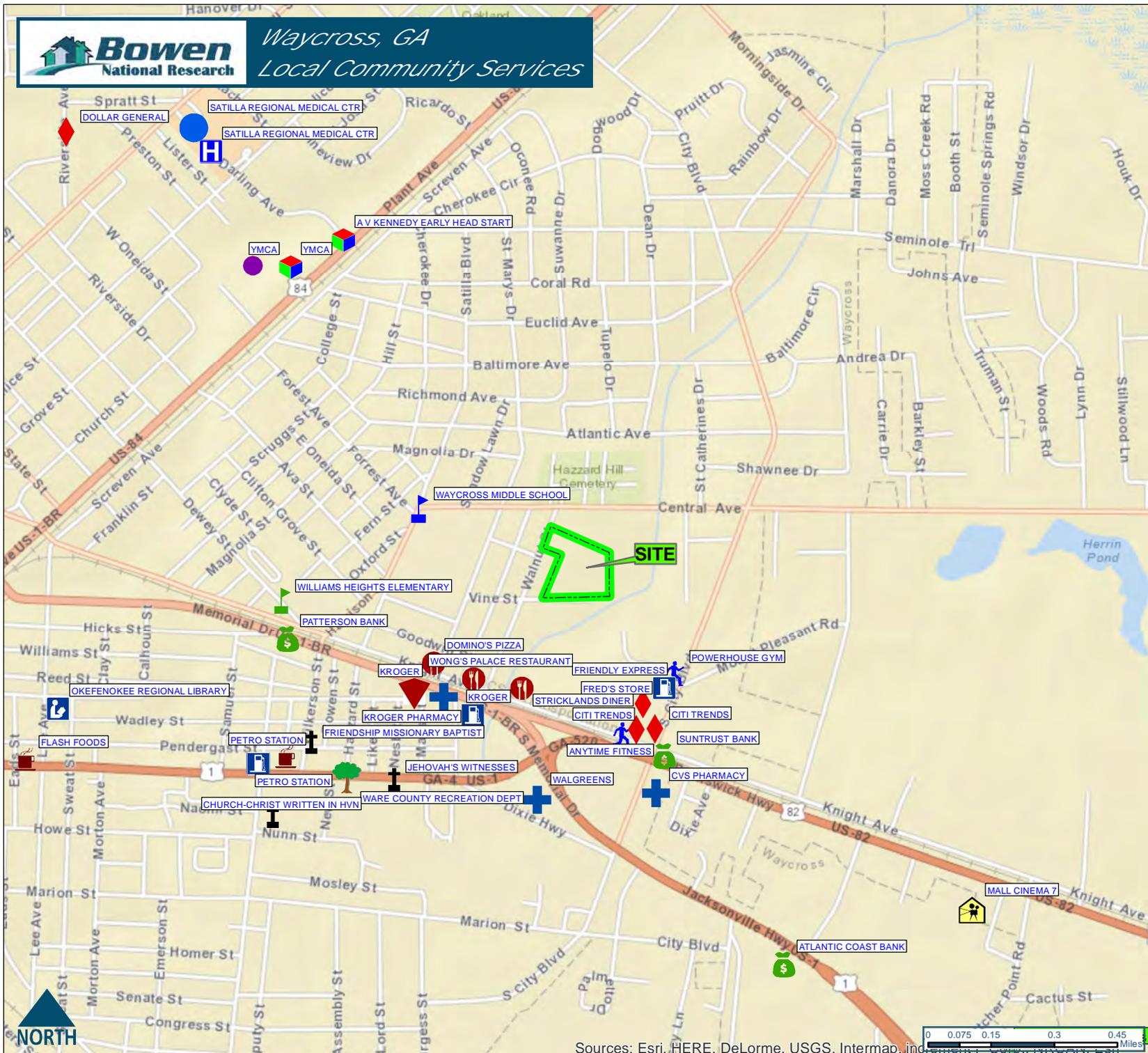
Community Services	Name	Driving Distance From Site (Miles)
Community Center	YMCA	1.3 West
Library	Okefenokee Regional Library	1.3 West
Cinema/ Theatre	Mall Cinema 7	1.5 Southeast
	Waycross Area Community Theatre	1.6 West
Fitness Center	Anytime Fitness	0.6 Southeast
	Powerhouse Gym	0.8 Southeast
Church	Friendship Missionary Baptist	0.9 West
	Jehovah's Witnesses	1.0 Southwest
	Church-Christ Written In Heaven	1.1 Southwest

The close proximity of the Satilla Square Shopping Center and The Mall at Waycross which include anchor stores such as Belk, TJMaxx, Bealls Outlet, Fred's Store, Citi Trends, Ollies Bargain Outlet, and Hobby Lobby is considered beneficial to the residents of the subject site and will contribute to the marketability of the subject development within the Waycross area. Many area services are also easily accessible from the subject project due to the project's proximity to U.S. Highway 82 and U.S. Highway 84 which serve as commercial corridors within the Waycross area. Fixed route public transportation is not provided within the Waycross area. Regardless, the lack of this service is not expected to have any adverse impact on marketability of the subject project due to the close proximity of most area services and the fact that most area residents are likely accustomed to not having this service readily available.

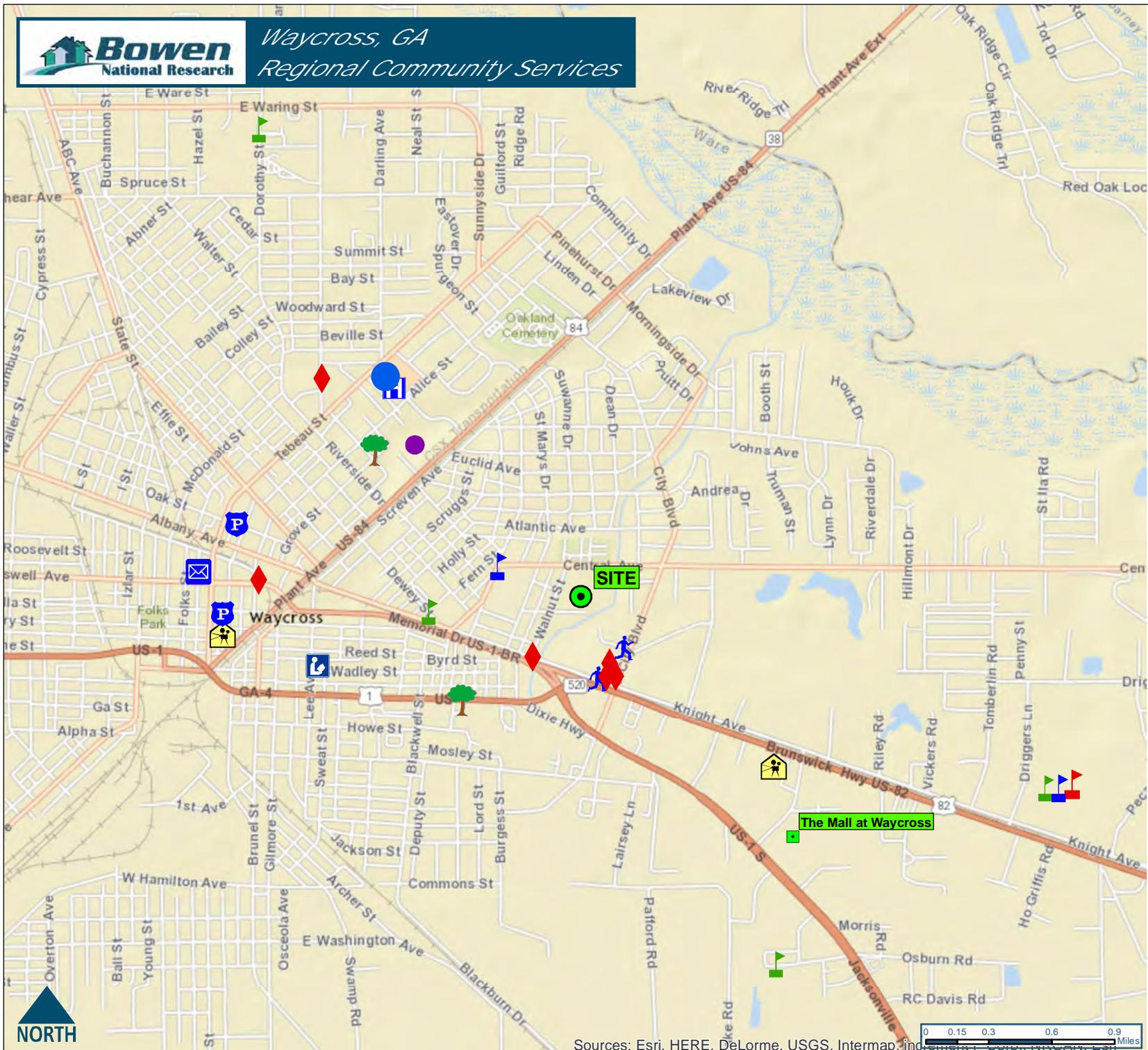
The Ware County School District serves the subject site with all applicable attendance schools located within 3.5 miles of the site. Notably, Waycross Middle School is located within walking distance of the subject site, just 0.2 miles west. The subject site is provided public safety services by the Waycross Police and Fire departments, which are located 1.6 and 3.3 miles from the subject site, respectively. Further, the nearest acute-care hospital is the Satilla Regional Medical Center located just 1.7 northwest of the subject site.

Overall, the site's proximity to community and public safety services is expected to have a positive effect on the marketability of the subject site.

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



- ### Legend
- Site Area
 - bank
 - child care
 - church
 - cinema
 - convenience store
 - elementary school
 - fitness center
 - gas
 - grocery
 - hospital
 - library
 - middle school
 - park
 - pharmacy
 - recreation center
 - restaurant
 - shopping
 - employers_1000_5000



Legend

- Site
- cinema
- elementary school
- fitness center
- high school
- hospital
- library
- middle school
- park
- police
- post office
- recreation center
- shopping
- employers_1000_5000

Shopping Center
Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



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 for the Site PMA is 97, with an overall personal crime index of 87 and property crime index of 95. Total crime risk for Ware County is 99 with indexes for personal and property crime of 98 and 89, respectively.

	Crime Risk Index	
	Site PMA	Ware County
Total Crime	97	99
Personal Crime	87	98
Murder	159	190
Rape	64	64
Robbery	80	72
Assault	67	86
Property Crime	95	89
Burglary	111	106
Larceny	133	121
Motor Vehicle Theft	42	42

Source: Applied Geographic Solutions

As the preceding illustrates, the crime risk index reported for the Site PMA (97) is nearly identical to that reported for Ware County (99) as a whole, and both are slightly below the national average of 100. These slightly lower crime indexes along with the high occupancy rates reported among most properties surveyed in the market are good indications that there is likely a low perception of crime within the area. This will likely contribute to the overall marketability of the subject project.

A map illustrating crime risk is on the following page.



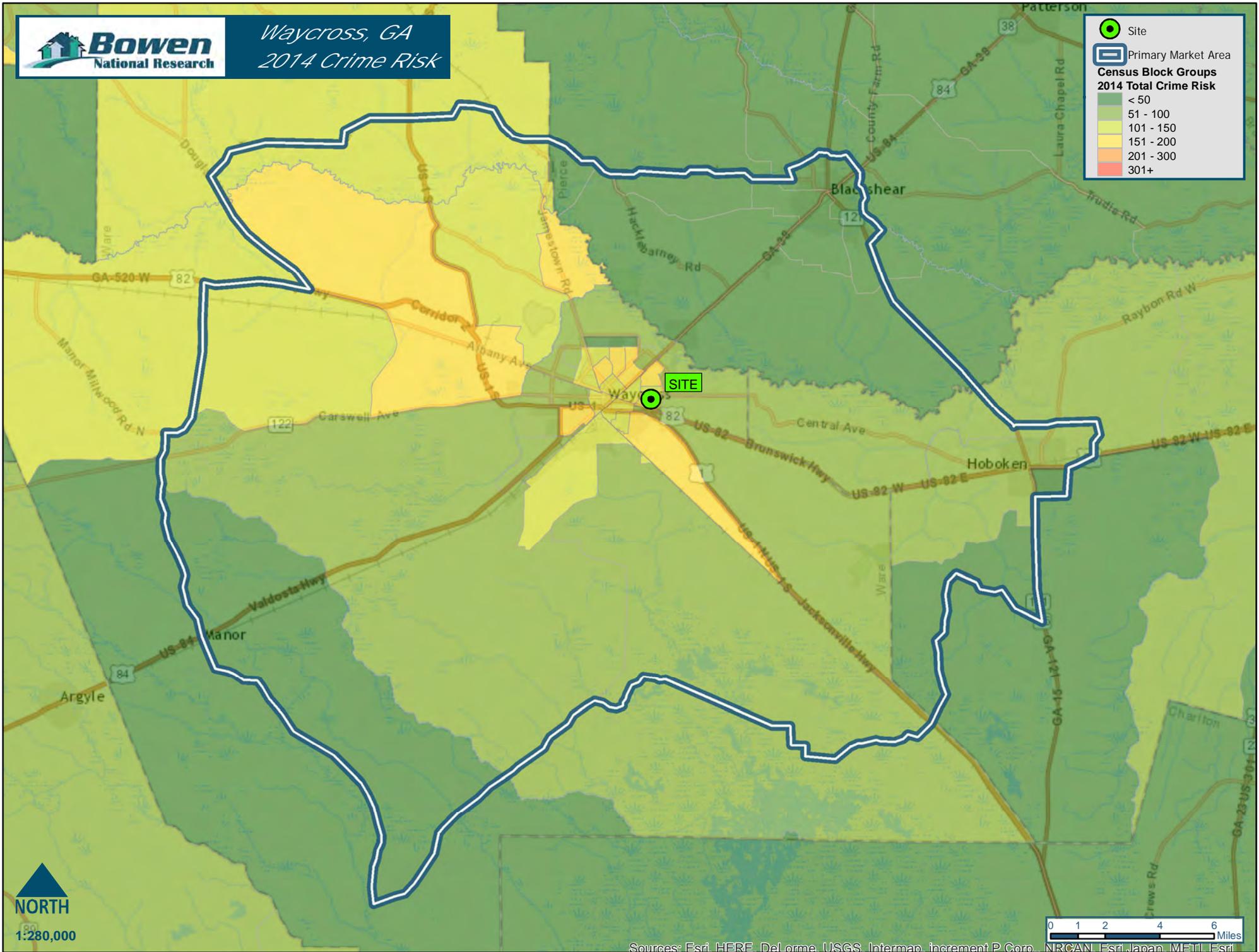
Waycross, GA
2014 Crime Risk

● Site

▭ Primary Market Area

Census Block Groups
2014 Total Crime Risk

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



NORTH
1:280,000

7. OVERALL SITE EVALUATION

The subject site is situated within a primarily residential neighborhood and most existing structures within proximity of the site were observed to be well-maintained. The wooded land surrounding much of the subject site will also provide an aesthetically pleasing natural buffer to additional surrounding land uses. Visibility of the subject project will be somewhat limited due to the surrounding land uses and light vehicular traffic (limited passerby traffic) within the immediate site neighborhood. However, this is not expected to have any adverse impact on the overall marketability of the subject project, especially when considering the high occupancy rates reported at the existing rental properties within the immediate site neighborhood. The subject site is easily accessible from Walnut Avenue which borders the site to the west and provides direct access to and from Central Avenue and Knight Avenue, two arterial roadways located north and south of the subject site, respectively. The subject site is also within close proximity of multiple highways, including U.S. Highway 82 which is accessible within 0.7 miles of the subject site. The subject's proximity to arterial roadways and major highways allows for convenient access to most area services, many of which are located within 1.5 miles of the site. The subject site is also located within walking distance of the local middle school, which is considered beneficial to the family-oriented subject project. 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.

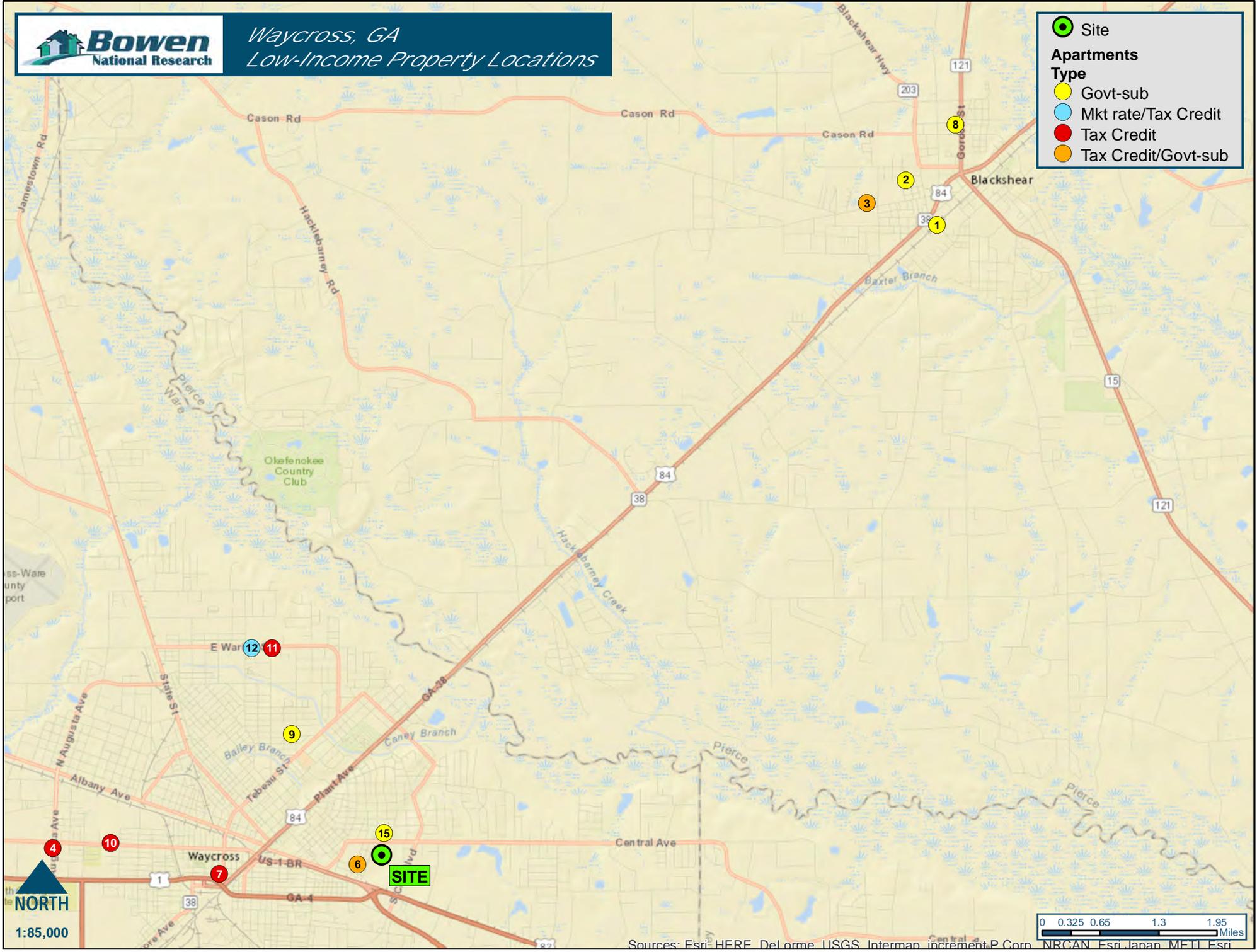


Waycross, GA Low-Income Property Locations

Site
● Site

Apartments Type

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



NORTH
1:85,000



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 comparable properties and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Waycross Site PMA was determined through interviews with area leasing agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socio-economic differences in the market and a demographic analysis of the area households and population.

The Waycross Site PMA includes Waycross and the surrounding communities of Deenwood, Sunnyside, Blackshear, Waresboro, Dixie Union, Hoboken, and Manor, as well as surrounding unincorporated portions of the counties of Ware, Brantley and Pierce. The boundaries of the PMA generally include Telmore-Dixie Union Road, the northern town limits of Dixie Union, Dixie Union Road and Cason Road to the north; the eastern town limits of Blackshear, State Route 15, and the eastern town limits of Hoboken to the east; Swamp Perimeter Road, the Okefenokee National Wildlife Refuge, 15 Mile Post Road, and Swamp Road to the south; and Suwannee Chapel Road, Manor Millwood Road South, Hasty Road and State Route 158 to the west.

Melissa Gandy, Property Manager at Ware Manor (Map ID 6), a general-occupancy government-subsidized Tax Credit property, confirmed the Site PMA. Ms. Gandy stated that her residents come from Waycross and the smaller surrounding communities within the boundaries of the Site PMA. Ms. Gandy further stated that it is very rare for her property to receive support from areas outside of the Site PMA.

Jenny Starling, Property Manager at Waring Apartments I (Map ID 11), an age-restricted Tax Credit property and Waring Apartments II (Map ID 12), an age-restricted market-rate and Tax Credit property, also confirmed the Site PMA. Ms. Starling stated that she very rarely receives residents from outside of the Site PMA and that most of her tenants are local to the Waycross and immediately surrounding areas due to the fact that her properties are age restricted and seniors tend not to relocate far distances when seeking affordable housing.

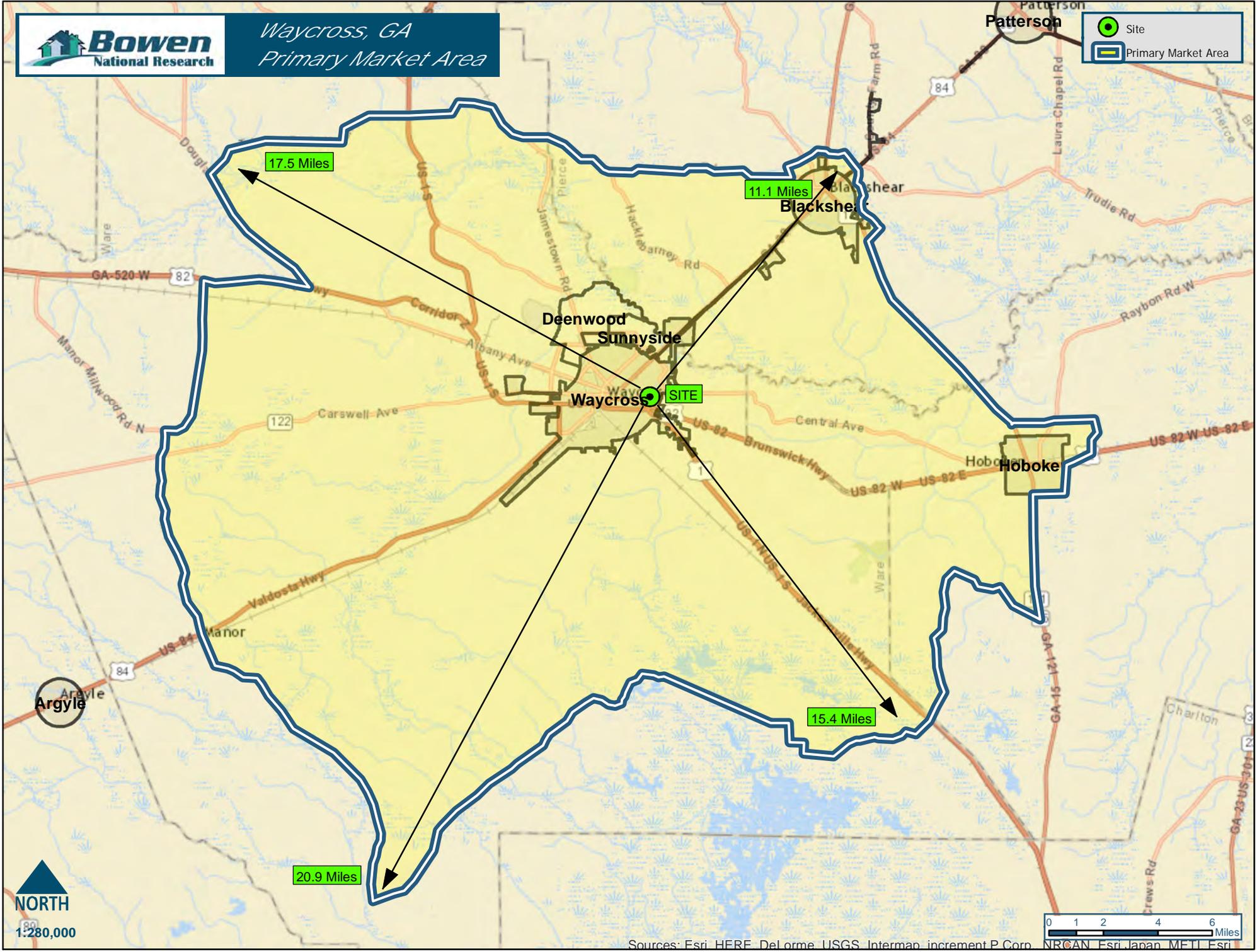
A modest portion of support may originate from some of the smaller communities outside the Site PMA; we have not, however, considered a secondary market area in this report. Areas outside the Site PMA have primarily been excluded from the Site PMA due to their distance from the subject site and/or the very rural nature of these areas.

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



Waycross, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:280,000



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	45,911	49,367	48,495	48,288
Population Change	-	3,456	-872	-207
Percent Change	-	7.5%	-1.8%	-0.4%

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

The Waycross Site PMA population base increased by 3,456 between 2000 and 2010. This represents a 7.5% increase over the 2000 population, or an annual rate of 0.7%. Between 2010 and 2017, the population declined by 872, or 1.8%. It is projected that the population will decline by 207, or 0.4%, between 2017 and 2019. Although the overall population is projected to continue to decline during this time period, it will do so at a slower rate than that reported between 2010 and 2017.

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	13,338	27.0%	12,443	25.7%	12,372	25.6%	-71	-0.6%
20 to 24	3,201	6.5%	2,995	6.2%	2,874	6.0%	-122	-4.1%
25 to 34	6,201	12.6%	6,247	12.9%	6,068	12.6%	-180	-2.9%
35 to 44	6,273	12.7%	5,991	12.4%	5,963	12.3%	-28	-0.5%
45 to 54	6,949	14.1%	6,207	12.8%	6,056	12.5%	-151	-2.4%
55 to 64	6,068	12.3%	6,212	12.8%	6,210	12.9%	-2	0.0%
65 to 74	3,947	8.0%	4,911	10.1%	5,089	10.5%	178	3.6%
75 & Over	3,392	6.9%	3,489	7.2%	3,657	7.6%	168	4.8%
Total	49,369	100.0%	48,495	100.0%	48,288	100.0%	-207	-0.4%

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 Waycross Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	17,519	18,611	18,446	18,380
Household Change	-	1,092	-165	-66
Percent Change	-	6.2%	-0.9%	-0.4%
Household Size	2.62	2.65	2.50	2.50

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

Within the Waycross Site PMA, households increased by 1,092 (6.2%) between 2000 and 2010. Between 2010 and 2017, households declined by 165 or 0.9%. By 2019, there will be 18,380 households, a decline of 66 households, or 0.4% over 2017 levels. This is a decline of approximately 33 households annually over the next two years, which is considered modest decline and indicative of a relatively stable household base within the Site PMA.

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	848	4.6%	756	4.1%	739	4.0%	-18	-2.3%
25 to 34	2,560	13.8%	2,585	14.0%	2,497	13.6%	-88	-3.4%
35 to 44	3,090	16.6%	2,885	15.6%	2,854	15.5%	-30	-1.1%
45 to 54	3,673	19.7%	3,211	17.4%	3,108	16.9%	-102	-3.2%
55 to 64	3,630	19.5%	3,636	19.7%	3,618	19.7%	-18	-0.5%
65 to 74	2,557	13.7%	3,082	16.7%	3,175	17.3%	94	3.0%
75 to 84	1,690	9.1%	1,632	8.8%	1,720	9.4%	88	5.4%
85 & Over	570	3.1%	659	3.6%	669	3.6%	9	1.4%
Total	18,618	100.0%	18,446	100.0%	18,381	100.0%	-66	-0.4%

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

As previously mentioned, the primary age cohort of potential renters for the subject project is the 25 to 64 age group. Although this age cohort is projected to experience household decline between 2017 and 2019, nearly 66.0% of all households are projected to be within this primary age group in 2019. This indicates that a large base of potential age-appropriate household support will continue to exist in the market for general-occupancy housing such as that proposed at the subject site.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	12,559	67.5%	11,753	63.7%	11,710	63.7%
Renter-Occupied	6,052	32.5%	6,693	36.3%	6,670	36.3%
Total	18,611	100.0%	18,446	100.0%	18,380	100.0%

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

In 2017, homeowners occupied 63.7% of all occupied housing units, while the remaining 36.3% were occupied by renters. This is considered a good share of renter support in a relatively rural market such as the Waycross Site PMA. The number of renter households is projected to decline between 2017 and 2019, though at a slow annual rate of just 11 to 12 households. Further, nearly 6,700 renter households will exist in the market in 2019, despite this decline. This indicates that a good base of potential renter support will continue to exist in the market in 2019.

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	2,500	37.4%	2,495	37.4%	-5	-0.2%
2 Persons	1,594	23.8%	1,587	23.8%	-6	-0.4%
3 Persons	1,071	16.0%	1,064	16.0%	-6	-0.6%
4 Persons	707	10.6%	702	10.5%	-4	-0.6%
5 Persons+	822	12.3%	822	12.3%	0	0.0%
Total	6,694	100.0%	6,671	100.0%	-22	-0.3%

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	2,726	23.2%	2,716	23.2%	-10	-0.4%
2 Persons	4,354	37.0%	4,339	37.0%	-16	-0.4%
3 Persons	2,096	17.8%	2,088	17.8%	-8	-0.4%
4 Persons	1,527	13.0%	1,521	13.0%	-6	-0.4%
5 Persons+	1,050	8.9%	1,047	8.9%	-3	-0.3%
Total	11,754	100.0%	11,711	100.0%	-43	-0.4%

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

The one- through three-bedroom units proposed at the subject site are expected to house up to five-person households. As such, the subject project will be able to accommodate most renter households in the market, based on household size.

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

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	4,828	25.9%	4,138	22.4%	4,231	23.0%
\$15,000 to \$24,999	2,851	15.3%	2,428	13.2%	2,347	12.8%
\$25,000 to \$34,999	2,251	12.1%	2,326	12.6%	2,194	11.9%
\$35,000 to \$49,999	3,029	16.3%	2,736	14.8%	2,745	14.9%
\$50,000 to \$74,999	2,942	15.8%	2,904	15.7%	2,905	15.8%
\$75,000 to \$99,999	1,465	7.9%	1,911	10.4%	1,918	10.4%
\$100,000 to \$149,999	1,079	5.8%	1,376	7.5%	1,407	7.7%
\$150,000 to \$199,999	111	0.6%	364	2.0%	371	2.0%
\$200,000 & Over	62	0.3%	265	1.4%	264	1.4%
Total	18,618	100.0%	18,447	100.0%	18,382	100.0%
Median Income	\$32,241		\$36,818		\$37,290	

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

In 2010, the median household income was \$32,241. This increased by 14.2% to \$36,818 in 2017. By 2019, it is projected that the median household income will be \$37,290, an increase of 1.3% over 2017.

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

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,042	666	332	332	282	2,654
\$15,000 to \$24,999	311	212	107	107	92	829
\$25,000 to \$34,999	238	187	94	94	81	694
\$35,000 to \$49,999	221	194	98	98	82	693
\$50,000 to \$74,999	236	213	107	107	91	754
\$75,000 to \$99,999	77	71	34	34	30	246
\$100,000 to \$149,999	56	46	23	23	19	167
\$150,000 to \$199,999	4	3	0	0	0	7
\$200,000 & Over	6	2	0	0	0	8
Total	2,191	1,594	795	795	677	6,052

Source: ESRI; Urban Decision Group

Renter Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	988	562	377	248	292	2,468
\$15,000 to \$24,999	376	209	141	93	109	928
\$25,000 to \$34,999	316	209	139	93	108	865
\$35,000 to \$49,999	294	203	137	90	104	829
\$50,000 to \$74,999	244	193	129	85	100	751
\$75,000 to \$99,999	156	123	83	55	64	481
\$100,000 to \$149,999	117	88	60	40	44	349
\$150,000 to \$199,999	5	4	2	2	1	14
\$200,000 & Over	4	2	2	2	0	10
Total	2,500	1,594	1,071	707	822	6,694

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,001	571	382	251	297	2,503
\$15,000 to \$24,999	351	194	131	86	100	863
\$25,000 to \$34,999	298	195	130	86	101	810
\$35,000 to \$49,999	273	191	128	85	99	776
\$50,000 to \$74,999	245	191	128	84	99	748
\$75,000 to \$99,999	171	132	88	59	69	518
\$100,000 to \$149,999	150	109	74	49	57	440
\$150,000 to \$199,999	3	3	1	1	0	9
\$200,000 & Over	3	1	1	1	0	5
Total	2,495	1,587	1,064	702	822	6,671

Source: ESRI; Urban Decision Group

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

Demographic Summary

Demographic trends within the Waycross Site PMA are projected to be negative in terms of overall population and household trends between 2017 and 2019. Both the population and household decline projected for the market during this time period, however, will be minimal, as the total population will decline by just 207 (0.4%) and households will decline by 66 (0.4%). As such, the overall demographic base is generally considered stable within the Waycross market. The number of renter households is also expected to remain stable during this time period and nearly 6,700 renter households are projected to exist in the market in 2019. Notably, approximately 63.0% of all renter households in the market are projected to earn below \$35,000 in 2019. Based on the preceding factors, the Waycross market is stable in terms of overall demographics and a large base of potential income-appropriate renter households exists for affordable rental product such as that proposed at the subject site.

Section F – Economic Trends

1. LABOR FORCE PROFILE

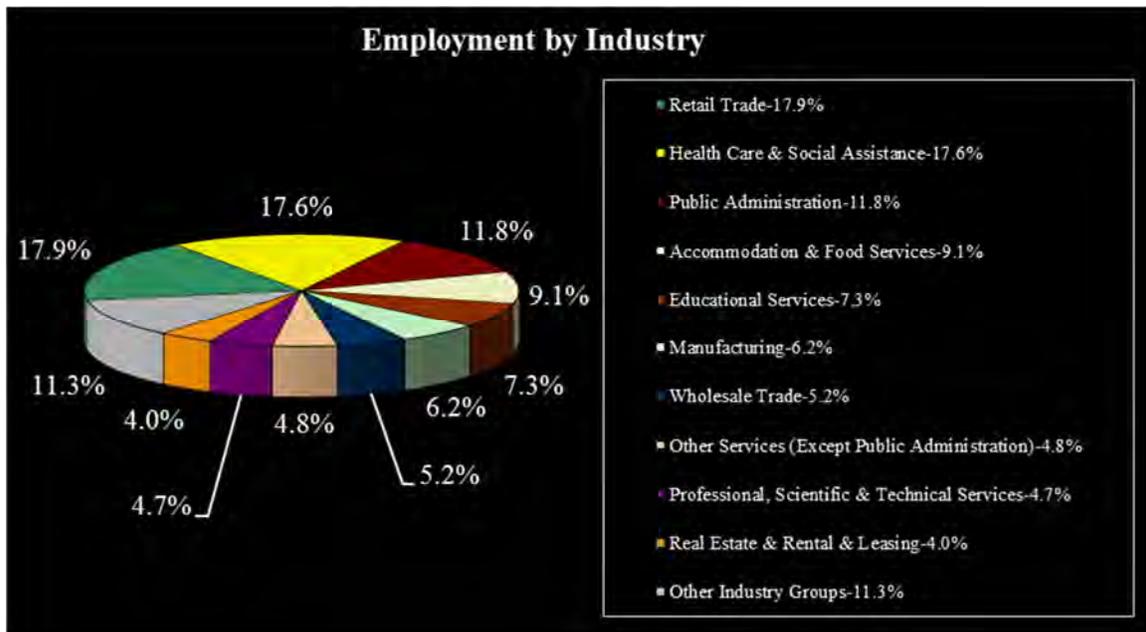
The labor force within the Waycross Site PMA is based primarily in three sectors. Retail Trade (which comprises 17.9%), Health Care & Social Assistance and Public Administration comprise over 47% of the Site PMA labor force. Employment in the Waycross Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	16	0.8%	147	0.6%	9.2
Mining	2	0.1%	7	0.0%	3.5
Utilities	1	0.0%	20	0.1%	20.0
Construction	112	5.4%	679	3.0%	6.1
Manufacturing	50	2.4%	1,414	6.2%	28.3
Wholesale Trade	99	4.7%	1,199	5.2%	12.1
Retail Trade	393	18.8%	4,126	17.9%	10.5
Transportation & Warehousing	30	1.4%	443	1.9%	14.8
Information	32	1.5%	225	1.0%	7.0
Finance & Insurance	172	8.2%	597	2.6%	3.5
Real Estate & Rental & Leasing	89	4.3%	929	4.0%	10.4
Professional, Scientific & Technical Services	109	5.2%	1,085	4.7%	10.0
Management of Companies & Enterprises	0	0.0%	0	0.0%	0.0
Administrative, Support, Waste Management & Remediation Services	60	2.9%	277	1.2%	4.6
Educational Services	50	2.4%	1,679	7.3%	33.6
Health Care & Social Assistance	198	9.5%	4,051	17.6%	20.5
Arts, Entertainment & Recreation	28	1.3%	196	0.9%	7.0
Accommodation & Food Services	130	6.2%	2,099	9.1%	16.1
Other Services (Except Public Administration)	304	14.5%	1,100	4.8%	3.6
Public Administration	182	8.7%	2,704	11.8%	14.9
Nonclassifiable	35	1.7%	12	0.1%	0.3
Total	2,092	100.0%	22,989	100.0%	11.0

*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 South Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	South Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$83,090	\$111,250
Business and Financial Occupations	\$56,780	\$70,750
Computer and Mathematical Occupations	\$62,910	\$81,100
Architecture and Engineering Occupations	\$67,150	\$76,920
Community and Social Service Occupations	\$35,330	\$44,150
Art, Design, Entertainment and Sports Medicine Occupations	\$38,920	\$51,440
Healthcare Practitioners and Technical Occupations	\$61,800	\$74,690
Healthcare Support Occupations	\$23,780	\$27,640
Protective Service Occupations	\$31,270	\$34,870
Food Preparation and Serving Related Occupations	\$18,830	\$20,150
Building and Grounds Cleaning and Maintenance Occupations	\$22,960	\$24,510
Personal Care and Service Occupations	\$22,200	\$24,220
Sales and Related Occupations	\$26,900	\$37,170
Office and Administrative Support Occupations	\$29,580	\$34,610
Construction and Extraction Occupations	\$33,530	\$38,540
Installation, Maintenance and Repair Occupations	\$39,400	\$43,540
Production Occupations	\$29,770	\$32,590
Transportation and Moving Occupations	\$29,120	\$33,620

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

Most annual blue-collar salaries range from \$18,830 to \$39,400 within the South Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$66,346. It is important to note that most occupational types within the South Georgia Nonmetropolitan Area have lower typical wages than the State of Georgia's typical wages. Regardless, the proposed project will generally target households with incomes between \$16,000 and \$35,000. As such, the area employment base appears to have 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 the Ware County area are summarized in the following table. Note that the total number employed for each employer was not available at the time of this report.

Employer Name	Business Type
Baptist Village, Inc	Retirement Community
Carolina Skiff, LLC	Boat Builders
Concerted Services, Inc	Community Action Agency
Flash Foods, Inc	Retail
Okefenokee Technical College	Higher Education
Georgia Department of Corrections	Correction Institution
Enhanced Recovery Corporation	Debt Collector
The Simmons Manufacturing Company, LLC	Bedding Company
Walmart	Retail
Wayne Frier Home Sales, Inc	Realty

Source: Georgia Department of Labor; Third Quarter of 2016

According to a representative of the Waycross-Ware County Development Authority, the area economy is growing and improving. All the key factors and infrastructure needed to encourage continued development in the area are being addressed or are in place and area stakeholders are working on developing a revitalization plan downtown Waycross. This representative feels the area will see a surge in development over the next two years. There have been multiple retail and commercial developments recently in Waycross, particularly along the Highway 1 corridor, over the past 18 months. Additionally, there are some new industrial developments planned in the area and announcements of these projects are expected over the next two months. Some additional recent economic development activity within the Ware County area is summarized as follows:

- An existing manufacturer, Carolina Skiff expanded in 2016 for added production space for their new and enhanced product line. They also added approximately 100 new jobs.

- It is also of note that two additional large-scale retail businesses recently opened in Waycross in the past two years. These include a Walmart Neighborhood Market and gas station which opened in October of 2015 and created 95 new jobs within the area, as well as a new 55,000 square foot Hobby Lobby store which created 50 new jobs with hourly wages typically between \$10 and \$15. These aforementioned business openings typically offer positions conducive to low-income housing such as that proposed at the subject site.

Infrastructure Projects

U.S. Highway 84 coming into Waycross is currently being widened from a two-lane highway to a four-lane highway. The construction is planned to be completed by mid-2018.

WARN (layoff notices):

According to the Georgia Department of Economic Development, there have been no WARN notices of large-scale layoffs/closures reported for Ware County since January 2017. This is a good indication of the stability of the local economy.

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 1.9% over the past five years in Ware County, less than the Georgia state increase of 5.6%. Total employment reflects the number of employed persons who live within the county.

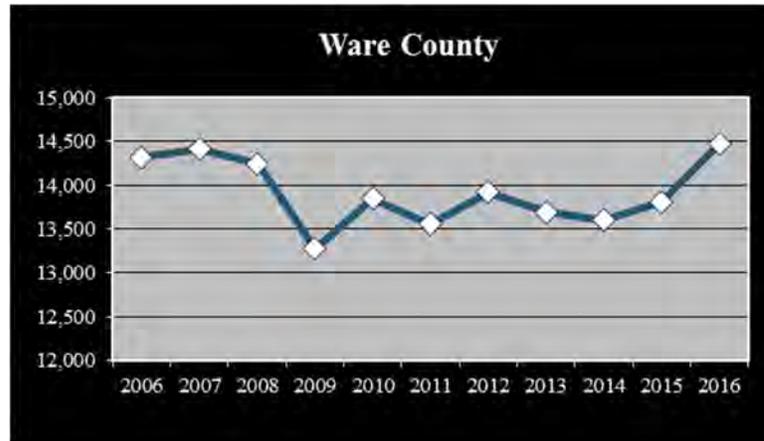
The following illustrates the total employment base for Ware County, the state of Georgia and the United States.

Year	Total Employment					
	Ware County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	14,321	-	4,489,128	-	145,000,042	-
2007	14,411	0.6%	4,597,640	2.4%	146,388,400	1.0%
2008	14,249	-1.1%	4,575,010	-0.5%	146,047,748	-0.2%
2009	13,276	-6.8%	4,311,854	-5.8%	140,696,560	-3.7%
2010	13,847	4.3%	4,202,052	-2.5%	140,469,139	-0.2%
2011	13,556	-2.1%	4,263,305	1.5%	141,791,255	0.9%
2012	13,920	2.7%	4,348,083	2.0%	143,688,931	1.3%
2013	13,694	-1.6%	4,367,147	0.4%	145,126,067	1.0%
2014	13,596	-0.7%	4,418,471	1.2%	147,604,328	1.7%
2015	13,810	1.6%	4,502,021	1.9%	149,950,804	1.6%
2016*	14,472	4.8%	4,656,255	3.4%	152,400,435	1.6%

Source: Department of Labor; Bureau of Labor Statistics

*Through December





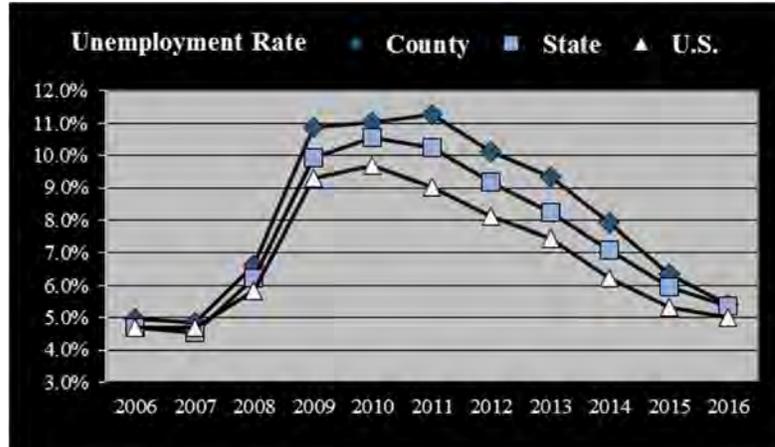
As the preceding illustrates, the employment base fluctuated and struggled to improve between 2009 and 2014, following the national recession. However, since 2014 the employment base has increased by 876 jobs, or 6.4%, through December of 2016. This increase is a good indication of an improving economy and the total employment base reported through December of 2016 is the highest reported in the county over the past ten-year period.

Unemployment rates for Ware County, the state of Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Ware County	Georgia	United States
2006	5.0%	4.7%	4.7%
2007	4.9%	4.5%	4.7%
2008	6.6%	6.2%	5.8%
2009	10.9%	9.9%	9.3%
2010	11.0%	10.6%	9.7%
2011	11.3%	10.2%	9.0%
2012	10.1%	9.2%	8.1%
2013	9.4%	8.2%	7.4%
2014	7.9%	7.1%	6.2%
2015	6.4%	6.0%	5.3%
2016*	5.4%	5.4%	5.0%

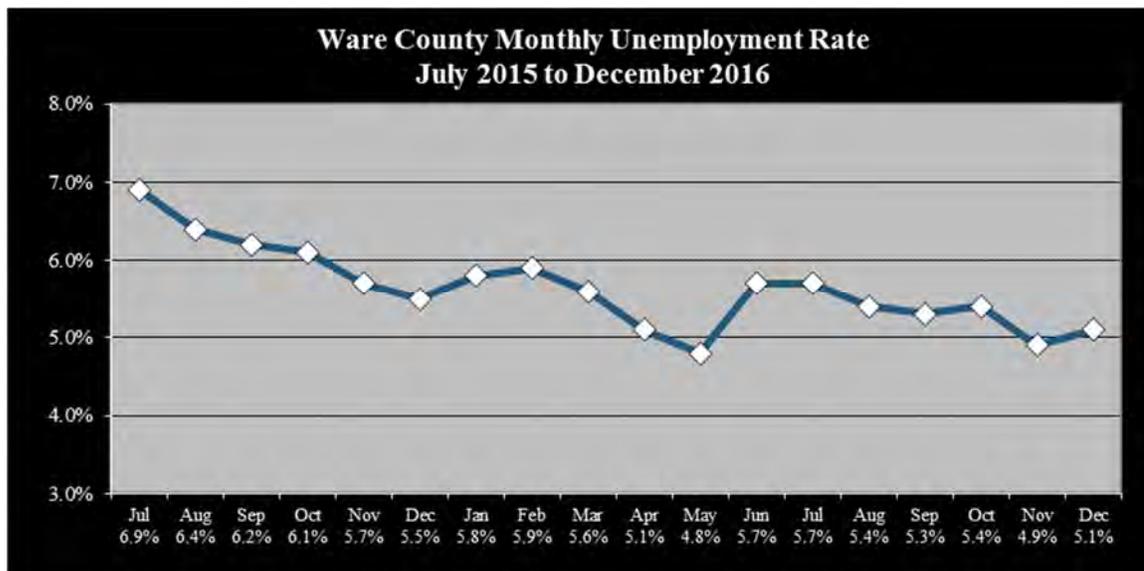
Source: Department of Labor, Bureau of Labor Statistics

*Through December



The Ware County unemployment rate reached a high of 11.3% during the national recession. It is of note however, that the unemployment rate has steadily improved each year since 2011, declining by nearly six full percentage points to a rate of 5.4% through December of 2016. Note the 5.4% unemployment rate reported for Ware County is the same as that reported for the state of Georgia as a whole through December of 2016.

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



As the preceding illustrates, the monthly unemployment rate within the county has generally trended downward over the past 18-month period. Also note that the unemployment rate has remained equal to or below 5.9% each month since November of 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 Ware County.

In-Place Employment Ware County			
Year	Employment	Change	Percent Change
2006	15,363	-	-
2007	15,386	23	0.1%
2008	15,014	-372	-2.4%
2009	14,231	-783	-5.2%
2010	14,641	410	2.9%
2011	14,366	-275	-1.9%
2012	14,321	-45	-0.3%
2013	14,265	-56	-0.4%
2014	14,285	20	0.1%
2015	14,834	549	3.8%
2016*	15,382	548	3.7%

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 Ware County to be 107.4% of the total Ware County employment. This means that Ware County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there. This is a good indication that a relatively large share of employment opportunities likely exists within close proximity of the subject site, which will likely contribute to the overall marketability of the subject project.

4. **ECONOMIC FORECAST**

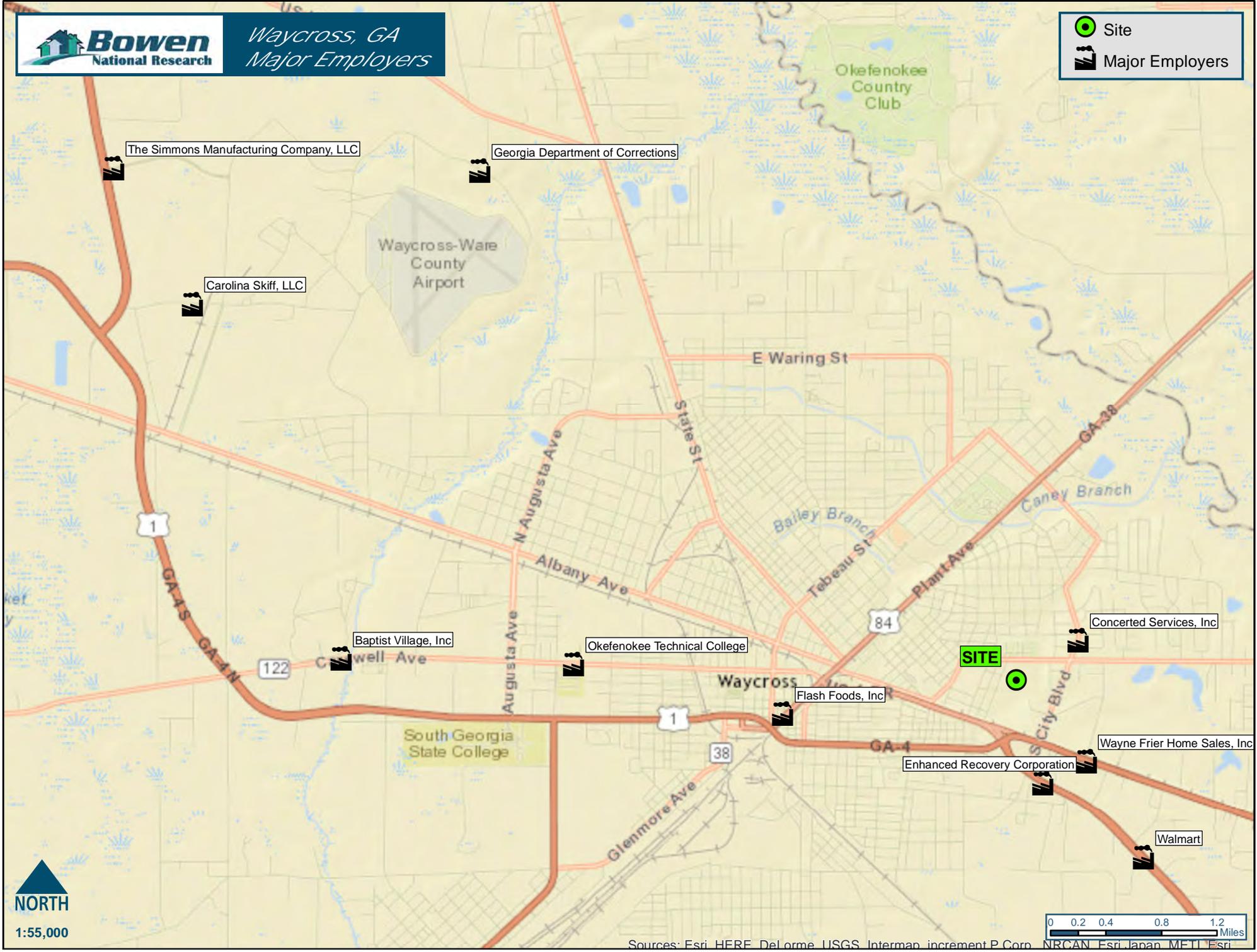
The employment base within the Waycross Site PMA appears to be relatively well balanced, as no single industry segment represents more than 17.9% of the total workforce. It is of note, however, that nearly 40.0% of the local workforce is comprised within the Retail Trade, Public Administration, and Accommodation & Food Services industries. Typically, these aforementioned industry types offer lower wage paying positions, conducive to affordable housing such as that proposed at the subject site. The Ware County economy has shown signs of improvement since the impact of the national recession in terms of both total employment and unemployment rates. Specifically, the employment base within the county has increased by 876 jobs, or 6.4%, since 2014 (through December 2016), while the unemployment rate has declined by nearly six full percentage points since 2011, to a rate of 5.4% through December of 2016. Notably, the 5.4% unemployment rate reported for the county is identical to the Georgia state average through December of 2016. Based on the preceding factors, we expect the local economy will continue to improve for the foreseeable future, though we also expect demand to remain high for affordable housing in the Waycross area, due to the relatively large share of lower-wage paying jobs within the area.

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



Waycross, GA Major Employers

- Site
- Major Employers



The Simmons Manufacturing Company, LLC

Georgia Department of Corrections

Carolina Skiff, LLC

Waycross-Ware County Airport

Okefenokee Country Club

E Waring St

State St

N Augusta Ave

Albany Ave

Bailey Branch

Tebeau St

Plant Ave

Caney Branch

1

GA-122

122

Baptist Village, Inc

Cowell Ave

Okefenokee Technical College

Waycross

Flash Foods, Inc

84

Concerted Services, Inc

SITE

South Georgia State College

1

38

Glenmore Ave

GA-4

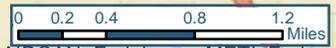
Enhanced Recovery Corporation

Wayne Frier Home Sales, Inc

Walmart



1:55,000



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 Ware County, Georgia, which has a median four-person household income of \$47,700 for 2016. However, the project location is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$53,300 in 2016. 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 AMHI levels:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$18,650	\$22,380
Two-Person	\$21,300	\$25,560
Three-Person	\$24,000	\$28,800
Four-Person	\$26,650	\$31,980
Five-Person	\$28,800	\$34,560

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 at the subject site is **\$34,560**.

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 Low-Income Housing Tax Credit (LIHTC) units will have a lowest gross rent of \$472 (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 \$5,664. 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 \$16,183.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 50% and 60% of AMHI is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$16,183	\$28,800
Tax Credit (Limited To 60% Of AMHI)	\$19,611	\$34,560
Tax Credit Overall	\$16,183	\$34,560

Note that the subject project will offer eight (8) units (10% of the property) which will operate under the HUD Section 811 program and be able to target households earning as little as \$0. However, since these units will be restricted to disabled households, our GDCA-formatted demand estimates which consider all income-qualified households regardless of disability status only consider households which will qualify to reside at the property under the LIHTC guidelines only. Supplemental demand estimates for the subject’s HUD Section 811 units have been included later in this section of the report to illustrate demand for the subject units which will target disabled households.

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 24.0% to 35.6% (depending upon 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, 5.3% of all households in 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.*

Not applicable, as the subject project will not be age-restricted.

- 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.**

As detailed in *Section H*, there is one planned non-subsidized general-occupancy Tax Credit property within the Site PMA. The Grove at Oakmont, to be located at the southeast corner of Monroe Street and East Waring Street in Waycross received LIHTC financing in 2015, but just recently broke ground in March of 2017. Once completed, it will target family households earning up to 50% (12 units) and 60% (48 units) of AMHI. This property is expected to be competitive with the subject project, given the similar unit types to be offered and population to be targeted. This planned property is summarized as follows and has been considered in our demand estimates for the subject project on the following page.

Project Name	Year Built	Number of Bedrooms	Units At Targeted AMHI	
			50% AMHI	60% AMHI
Grove at Oakmont	2015 (Allocated)	One	2	7
		Two	7	26
		Three	3	15
		Four	-	-

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income		
	50% AMHI (\$16,183 To \$28,800)	60% AMHI (\$19,611 To \$34,560)	Overall (\$16,183 To \$34,560)
Demand from New Households (Age- and Income-Appropriate)	1,068 - 1,147 = -79	1,239 - 1,327 = -88	1,535 - 1,645 = -110
+			
Demand from Existing Households (Rent Overburdened)	1,147 X 35.6% = 408	1,327 X 24.0% = 318	1,645 X 31.9% = 525
+			
Demand from Existing Households (Renters in Substandard Housing)	1,147 X 5.3% = 61	1,327 X 5.3% = 70	1,645 X 5.3% = 87
=			
Demand Subtotal	390	300	502
+			
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A
=			
Total Demand	390	300	502
-			
Supply (Directly Comparable Units Built and/ or Funded Since 2015)	12	48	60
=			
Net Demand	378	252	442
Proposed Units / Net Demand	13 / 378	51 / 252	64 / 442
Capture Rate	= 3.4%	= 20.2%	= 14.5%

N/A - Not Applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall capture rate of 14.5% is considered low and achievable within the Waycross Site PMA. This is especially true, given the high occupancy rates and waiting lists maintained among the comparable LIHTC projects surveyed in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 3.4% to 20.2%.

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	50%
Three-Bedroom	25%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI 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%	2	97	2	95	2.1%	1 Month	\$490	\$475-\$500	\$380
One-Bedroom (25%)	60%	6	75	7	68	8.8%	2 Months	\$490	\$475-\$500	\$480
One-Bedroom	Total	8	172	9	163	4.9%	2 Months	-	-	-
Two-Bedroom (50%)	50%	6	195	7	188	3.2%	2 Months	\$550	\$500-\$600	\$450
Two-Bedroom (50%)	60%	26	150	26	124	21.0%	7 Months	\$550	\$500-\$600	\$550
Two-Bedroom	Total	32	345	33	312	10.3%	7 Months	-	-	-
Three-Bedroom (25%)	50%	5	98	3	95	5.3%	2 Months	\$632	\$600-\$650	\$500
Three-Bedroom (25%)	60%	19	75	15	60	31.7%	6 Months	\$632	\$600-\$650	\$590
Three-Bedroom	Total	24	173	18	155	15.5%	7 Months	-	-	-

*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.

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

The capture rates by bedroom type and AMHI level range from 2.1% to 31.7%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a good base of potential income-eligible renter households in the Waycross market for the proposed subject development. This is especially true when considering the high occupancy rates and waiting lists maintained among the existing comparable LIHTC projects in the market, as evidenced by our Field Survey of Conventional Rentals (Addendum A).

Supplemental Disabled Demand Estimates

The subject project will also target disabled households under the Section 811 program, in addition to general-occupancy households, as previously detailed. Since an individual/household could, however, be classified within multiple disabled populations (i.e. physical, mental, vision/hearing, etc.), we have conservatively limited our supplemental demand estimates to physically disabled households. Since data pertaining to the disabled population is not available specific to the Site PMA, we have considered disabled data for Ware County. According to Table S1810 of the American Community Survey (ACS) 2011-2015 5-Year Estimates, a total of 3,943 persons, or 11.8% of the total population, in Ware County are classified as having an ambulatory (physical) disability. Applying this share to the estimated population within the Site PMA results in 5,722 persons with a physical disability within the Site PMA. Assuming these disabled persons all reside within separate households, and applying the renter share for the Site PMA and income-qualified share of renter households for the subject project, results in the total number of qualified disabled households for the subject project. This calculation and the subject's disabled capture rate is summarized in the following table.

Demand Component	Disabled Capture Rate
Physically Disabled Households	5,722
Site PMA Renter Share	x 36.3%
Subject's Income-Qualified Renter Share (subsidized)	x 63.1%
Total Income-Qualified Physically Disabled Renter Households	= 1,311
Proposed Units / Qualified Households	8 / 1,311
Capture Rate	= 0.6%

Considering the nature of the targeted special needs population and limited supply of affordable rental product actively targeting such households, capture rates up to and sometimes exceeding 100.0% are achievable. Thus, the subject's 0.6% disabled capture rate is considered very low and easily achievable within the Waycross market. It is also important to note that the preceding demand calculation only considers physically disabled households. Clearly, there are numerous other disabled populations (i.e. mental, hearing, vision, etc.) which could respond to the subject project. Thus, the subject's disabled capture rate is likely even lower than that provided in the preceding table.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Waycross 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	18,611	85.6%	18,446	83.8%
Owner-Occupied	12,559	67.5%	11,753	63.7%
Renter-Occupied	6,052	32.5%	6,693	36.3%
Vacant	3,124	14.4%	3,562	16.2%
Total	21,735	100.0%	22,008	100.0%

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

Based on a 2017 update of the 2010 Census, of the 22,008 total housing units in the market, 16.2% were vacant. This is considered a moderate share of vacant housing units. It is of note however, that the number of vacant housing units reflected in the preceding table includes dilapidated, abandoned, and/or for-sale housing units, as well as those utilized solely for recreation/seasonal purposes. Therefore, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental housing market within the Site PMA.

Conventional Rentals

We identified and personally surveyed 15 conventional rental housing projects containing a total of 761 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 99.5%, a strong rate for rental housing. Each of the rental housing segments surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	3	192	3	98.4%
Market-Rate/Tax Credit	1	36	0	100.0%
Tax Credit	4	187	1	99.5%
Tax Credit/Government-Subsidized	2	148	0	100.0%
Government-Subsidized	5	198	0	100.0%
Total	15	761	4	99.5%

As the preceding illustrates, the Waycross rental market is primarily comprised of affordable (Tax Credit and/or Government-Subsidized) product, as such product represents 73.7% of the rental units surveyed in the Site PMA. This share, along with the high occupancy rates, is a good indication that affordable rental product is in high demand within the Site PMA. Note only one (1) vacant unit is reported among the non-subsidized Tax Credit product surveyed, demonstrating a very limited supply of such product in the market.

Tax Credit Property Disclosure: In addition to the seven (7) properties surveyed, we also identified one (1) additional existing property that operates under the Low-Income Housing Tax Credit (LIHTC) program that we were unable to survey within the Site PMA. The known details of this project are as follows:

- Peachwood Place is a 72-unit general-occupancy LIHTC property located at 801 Naomi Street in Waycross, Georgia. This property was originally built in 1999 and offers two-, three-, and four-bedroom units targeting households earning up to 50% and 60% of Area Median Household Income (AMHI). At the time of our last survey of this property in July of 2016, an occupancy rate of 98.6% was reported, which was reflective of just one (1) vacant three-bedroom unit at the 50% AMHI level. Collected monthly rents ranged from \$445 to \$625 depending upon bedroom type and AMHI level at the time of our last survey. Considering the similar targeted tenant population and income (AMHI) levels, as well as the similar two- and three-bedroom units offered, this property is expected to have some competitive overlap with the subject development. Regardless, when considering the high occupancy rates reported among the other existing LIHTC projects surveyed in the market and the high occupancy rate reported at this property during the time of our last survey, it is likely that this property has also maintained a high occupancy rate since the time of our last survey. The development of the subject project is not expected to have any adverse impact on this aforementioned property, or the other comparable/competitive LIHTC projects surveyed in the Site PMA. Regardless, since this property was unable to be surveyed at the time of this report, it has been excluded from our analysis and Field Survey of Conventional Rentals.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	38	19.0%	2	5.3%	\$564
Two-Bedroom	1.0	77	38.5%	1	1.3%	\$632
Two-Bedroom	2.0	54	27.0%	0	0.0%	\$632
Three-Bedroom	2.0	31	15.5%	0	0.0%	\$726
Total Market-Rate		200	100.0%	3	1.5%	-

Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	82	38.1%	1	1.2%	\$456
Two-Bedroom	1.0	67	31.2%	0	0.0%	\$548
Two-Bedroom	2.0	38	17.7%	0	0.0%	\$624
Three-Bedroom	2.0	28	13.0%	0	0.0%	\$693
Total Tax Credit		215	100.0%	1	0.5%	-

The market-rate units are 98.5% occupied and the non-subsidized Tax Credit units are 99.5% occupied. Note that there is a variety of bedroom types offered among the existing non-subsidized Tax Credit properties surveyed in the market, all of which appear to be in high demand as no single unit type reports a vacancy rate above 1.2%. Although some of the median gross Tax Credit rents are similar to those reported among similar market-rate units in the market, this is likely due to the fact that non-subsidized Tax Credit product is the newest and highest quality rental product in the Waycross market and is thus setting the standard for non-subsidized rental product in the area. Regardless, the 99.5% occupancy rate reported is a clear indication that non-subsidized Tax Credit product has been well received and likely represents a value in the market.

We rated each property surveyed on a scale of "A" through "F". All 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
B	2	28	3.6%
C	2	172	1.2%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B	5	215	0.5%

As the preceding illustrates, non-subsidized Tax Credit product in the market is of similar, or higher, quality than unrestricted market-rate product, which is not unusual for more rural markets such as the Waycross Site PMA. The subject project is expected to have an excellent quality finish and attractive aesthetic appeal upon completion which should contribute to its marketability within the Waycross market.

2. SUMMARY OF ASSISTED PROJECTS

A total of 12 federally subsidized and/or Tax Credit apartment developments were identified and surveyed in the Waycross Site PMA. These projects were surveyed in March of 2017 and are summarized as follows.

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occupancy Rate	Gross Rent (Unit Mix)				
						Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Colonial Homes	RD 515	1989	20	100.0%	-	-	\$676 - \$885 (20)	-	-
2	Country Manor Apts.	RD 515	1989	54	100.0%	-	\$519 - \$711 (15)	\$584 - \$781 (31)	\$645 - \$851 (8)	-
3	Village at Blackshear	TX & SEC 8	1971 / 2014	64	100.0%	-	\$645 (64)	-	-	-
4	Ocean Breeze Park	TAX	2010	48	100.0%	-	-	\$532 - \$624 (20)	\$628 - \$693 (28)	-
6	Ware Manor Apts.	TX & SEC 8	1974 / 1999	84	100.0%	-	\$587 (20)	\$719 (28)	\$837 (36)	-
7	Ware Hotel	TAX	2012	35	100.0%	-	\$471 - \$574 (17)	\$565 - \$643 (18)	-	-
8	Windover Manor Apts.	RD 515	1999	51	100.0%	-	\$517 - \$566 (47)	\$585 - \$661 (4)	-	-
9	Terrace Garden Apts.	SEC 8 & 202	1985	40	100.0%	\$806 (10)	\$914 (30)	-	-	-
10	Westport Village	TAX	2005	64	98.4%	-	\$271 - \$444 (32)	\$315 - \$522 (32)	-	-
11	Waring Apts. I	TAX	1985 / 1999	40	100.0%	-	\$456 - \$466 (20)	\$548 (20)	-	-
12	Waring Apts. II	TAX	2003	28*	100.0%	-	\$461 (13)	\$564 - \$580 (15)	-	-
15	Central Walnut Village	SEC 202	2006	33	100.0%	-	\$459 (33)	-	-	-
Total				561	99.8%					

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

TAX - Tax Credit

SEC - Section

RD - Rural Development

*Market-rate units not included

The 12 federally subsidized and/or Tax Credit properties surveyed in the market have a combined occupancy rate of 99.8% and no individual property reports an occupancy rate below 98.4%. In addition, all 12 of the federally subsidized and/or Tax Credit properties maintain waiting lists for at least some, if not all, of their next available units. The high occupancy rates and waiting lists reported among these properties are good indications of high and pent-up demand for additional affordable rental housing product within the Waycross market. The subject project will help alleviate a portion of this pent-up demand.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs (DCA) Rental Assistance Division – Ware County, there are approximately 195 Housing Choice Voucher holders within Ware County and 294 people 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 affordable housing and/or Housing Choice Voucher assistance within the Ware County area.

The following table identifies the existing non-subsidized Tax Credit properties surveyed within the Site PMA that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
4	Ocean Breeze Park	48	13	27.1%
7	Ware Hotel	35	0	0.0%
10*	Westport Village	64	14	21.9%
11*	Waring Apts. I	40	16	40.0%
12*	Waring Apts. II	28	8	28.6%
Total		215	51	23.7%

*Age-Restricted

As the preceding table illustrates, there are a total of 51 Voucher holders residing at the existing non-subsidized LIHTC properties in the market. This comprises 23.7% of the 215 total non-subsidized LIHTC units occupied among these properties surveyed. This is a good indication that the subject project will likely receive some support from Voucher holders within the Site PMA. However, when considering that approximately 76.0% of the occupied units at these LIHTC projects are occupied by non-voucher holders, it can also be concluded that the rents at these properties are achievable and will serve as accurate benchmarks with which to compare the subject project.

If the rents do not exceed the payment standards established by the local/regional housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Georgia Department of Community Affairs (DCA) Rental Assistance Division – Ware County, the regional payment standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (% AMHI)
One-Bedroom	\$482	\$472 (50%)
		\$577 (60%)
Two-Bedroom	\$645	\$567 (50%)
		\$667 (60%)
Three-Bedroom	\$819	\$644 (50%)
		\$734 (60%)

As the preceding table illustrates, the proposed gross rents at the 50% AMHI level, as well as the three-bedroom units at 60% of AMHI, are below the payment standards set by the Georgia Department of Community Affairs (DCA) Rental Assistance Division - Ware County. As such, those who hold Housing Choice Vouchers will likely respond to these units at the subject development. This will likely increase the base of income-appropriate renter households within the Waycross 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 interviews with local planning officials and our review of the state Tax Credit allocation list, it was determined that there is one multifamily property currently planned within the Site PMA. The known details of this planned project are summarized as follows:

- The Grove at Oakmont, to be located at the southeast corner of Monroe Street and East Waring Street in Waycross (approximately 400 East Waring Street), is a planned LIHTC project by The Vantage Group. The project received LIHTC financing in 2015, but just recently broke ground in March of 2017. Once completed, it will target family households earning up to 50% (12 units) and 60% (48 units) of AMHI. The unit sizes will include one-, two- and three-bedroom garden-style units and two- and three-bedroom townhomes. Proposed collected rents at this property are expected to range from \$317 to \$480, depending upon unit type and will include the cost of trash collection. Unit sizes (square feet) at this property will range from 769 to 1,422 square feet. The one-bedroom units will include 1.0-bath while the two- and three-bedroom garden units will include 2.0-baths. The two- and three-bedroom townhomes will both offer 2.5-baths. Amenities to be offered at this property will include a refrigerator, dishwasher, electric range, central air conditioning, carpet, window blinds, washer/dryer hookups, on-site management, a laundry facility, club house, playground, and picnic area.

The aforementioned property is expected to be competitive with the subject project, given the similar unit types to be offered and population to be targeted. Thus, this property has been considered in our demand estimates for the subject project in *Section G*.

Building Permit Data

The following table illustrates single-family and multifamily building permits issued within Ware County for the past ten years. Note building permit data was unavailable for the city of Waycross.

Housing Unit Building Permits for Ware County:										
Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	0	0	2	2	0	0	0	0	0	0
Single-Family Permits	120	76	60	42	76	75	77	91	94	98
Total Units	120	76	62	44	76	75	77	91	94	98

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

As the preceding illustrates, there have been only four multifamily permits issued over the past ten years within the Ware County area. It is important to note however, that several rental properties have been constructed within the Waycross Site PMA during this time period, as evidenced by our Field Survey of Conventional Rentals. As such, the number of multifamily building permits illustrated in the preceding table is believed to be underestimated.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The subject project will offer one- through three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of five non-subsidized LIHTC properties. Three of these five properties, however, target senior households (age 55 or 62 and older) and therefore are not considered competitive with or comparable to the proposed general-occupancy subject project. The two remaining LIHTC properties surveyed target family households earning up to 50% and 60% of AMHI and will therefore serve as accurate benchmarks with which to compare the subject project. Due to the relatively limited supply of comparable LIHTC product within the Site PMA, we also identified and surveyed two additional general-occupancy LIHTC properties located outside the Site PMA, but within the nearby region. These two properties are located in the towns of Douglas and Jesup, Georgia. Note that since these properties are located outside the Site PMA, they derive demographic support from different geographic areas as compared to the subject project. As such, these properties are not considered competitive with the subject project and have only been included for comparability purposes.

The four comparable properties and the proposed development are summarized as follows. Information regarding property address and phone number, contact name, date of contact and utility responsibility is included in Addendum B, *Comparable Property Profiles*.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Waycross	2019	64	-	-	-	Families; 50% & 60% AMHI
4	Ocean Breeze Park	2010	48	100.0%	3.4 Miles	14 H.H.	Families; 50% & 60% AMHI
7	Ware Hotel	2012	35	100.0%	1.7 Miles	20 H.H.	Families; 50% & 60% AMHI
902	Estes Park Apts.	2004	72	100.0%	37.1 Miles	6 H.H.	Families; 30%, 50%, & 60% AMHI
904	Sunset Pointe	2005	51*	100.0%	38.9 Miles	None	Families; 30%, 50%, & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

The four LIHTC projects have a combined occupancy rate of 100.0%, with three of the four properties maintaining waiting lists for their next available units. The high occupancy rates and waiting lists reported among the comparable LIHTC projects are good indications of high and pent-up demand for additional family-oriented LIHTC product in the market and region. The subject project will help alleviate a portion of this pent-up demand.

It is of note that the newest comparable LIHTC property, Ware Hotel (Map ID 7), opened in January of 2012 and first reported an occupancy rate of 100.0% in March of 2012, according to management at this property. This yields an average absorption rate of approximately 11 to 12 units per month for this 35-unit property. This is considered a good absorption rate and further demonstrates high demand for family-oriented LIHTC product in the Site PMA.

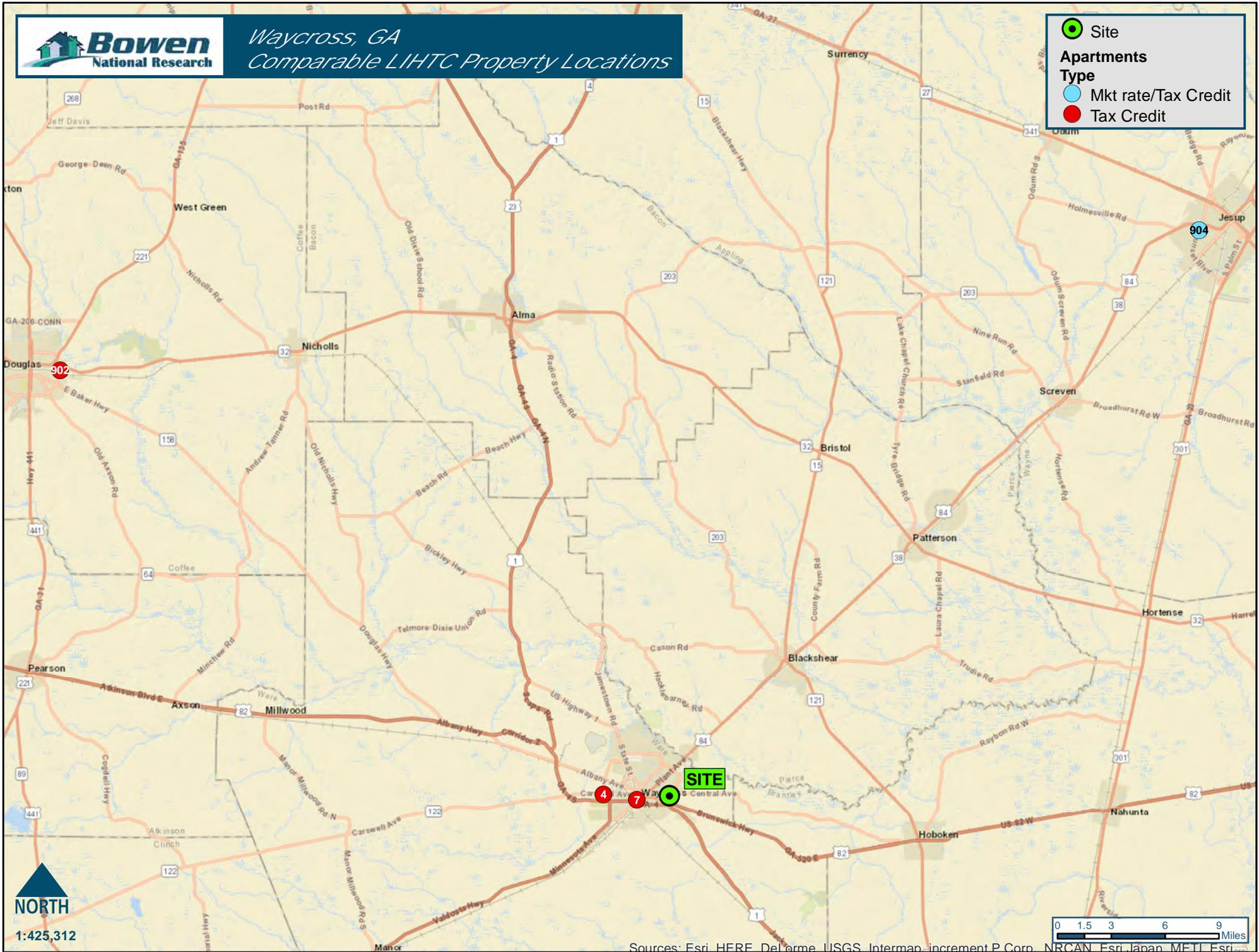
The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed site location.



Waycross, GA

Comparable LIHTC Property Locations

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



The gross rents for the comparable projects and the proposed 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.	
Site	Peaks of Waycross	\$472/50% (2) \$572/60% (6)	\$567/50% (6) \$667/60% (26)	\$644/50% (5) \$734/60% (19)	-
4	Ocean Breeze Park	-	\$532/50% (8/0) \$624/60% (12/0)	\$628/50% (11/0) \$693/60% (17/0)	None
7	Ware Hotel	\$471/50% (3/0) \$574/60% (14/0)	\$565/50% (3/0) \$643/60% (15/0)	-	None
902	Estes Park Apts.	\$287/30% (3/0) \$477/50% (12/0) \$517/60% (5/0)	\$339/30% (2/0) \$569/50% (21/0) \$599/60% (13/0)	\$633/50% (11/0) \$678/60% (5/0)	None
904	Sunset Pointe	\$252/30% (2/0) \$417/50% (10/0) \$417/60% (1/0)	\$314/30% (3/0) \$519/50% (22/0) \$534/60% (1/0)	\$378/30% (2/0) \$623/50% (10/0)	None

900 Series Map IDs are located outside the Site PMA

As the preceding illustrates, the subject's proposed gross Tax Credit rents are relatively competitive with those reported among similar unit types at the comparable properties. However, the subject's two- and three-bedroom rents at 60% of AMHI will be the highest among similar unit types at the comparable properties. The 100.0% occupancy rates and waiting lists reported among the comparable properties, as well as the newness and anticipated quality of the subject project, will likely contribute to the subject's ability to achieve premium rents within the Waycross market. Considering the preceding factors, the subject's proposed gross two- and three-bedroom rents at the 60% AMHI level (\$667 and \$734) are considered marketable within the Waycross market, as they are only \$24 and \$41 higher than the highest rents currently being achieved among similar unit types in the market.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC projects, in the Site PMA, by bedroom type.

Weighted Average Collected Rent of Comparable LIHTC Units*		
One-Br.	Two-Br.	Three-Br.
\$407 (50%)	\$414 (50%)	\$455 (50%)
\$510 (60%)	\$525 (60%)	\$520 (60%)

*Only units targeting similar AMHI levels as the subject project

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

Bedrooms	Weighted Avg. Rent (% AMHI)	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$407 (50%)	- \$380 (50%)	\$27	/ \$380 (50%)	7.1%
	\$510 (60%)	- \$480 (60%)	\$30	/ \$480 (60%)	6.3%
Two-Br.	\$414 (50%)	- \$450 (50%)	-\$36	/ \$450 (50%)	-8.0%
	\$525 (60%)	- \$550 (60%)	-\$25	/ \$550 (60%)	-4.5%
Three-Br.	\$455 (50%)	- \$500 (50%)	-\$45	/ \$500 (50%)	-9.0%
	\$520 (60%)	- \$590 (60%)	-\$70	/ \$590 (60%)	-11.9%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from -11.9% to 7.1%, depending upon unit type, as compared to the weighted average collected rents of the comparable LIHTC projects located in the Site PMA. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, 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 proposed development'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 and region are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Waycross	705	1,000	1,105
4	Ocean Breeze Park	-	1,010	1,133
7	Ware Hotel	500 - 700	600 - 800	-
902	Estes Park Apts.	783	1,025	1,080
904	Sunset Pointe	980	1,050	1,180

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Waycross	1.0	2.0	2.0
4	Ocean Breeze Park	-	2.0	2.0
7	Ware Hotel	1.0	2.0	-
902	Estes Park Apts.	1.0	2.0	2.0
904	Sunset Pointe	1.0	2.0	2.0

900 Series Map IDs are located outside the Site PMA

The subject project is competitively positioned among the comparable LIHTC projects in terms of both unit size (square feet) and number of bathrooms offered. This will contribute to the project's marketability within the Site PMA.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.

COMPARABLE PROPERTIES AMENITIES - WAYCROSS, 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				B		S	
904	X	X	X	X	X	X	X		C	S	X	X	X				B		S	Storage
4	X	X	X	X	X	X	X		C		X	X	X				B	S	A, S	Storage
7	X	X	X	X	X	X	X		C		X		X				B		O, S	
902	X	X	X	X	X		X		C		X	X					B		S	Exterior Storage

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			Covered Porch; Wellness Center
904		X	X	X		X				B				X	X	X			Walking Trail
4		X	X			X		X						X		X			Community Garden
7		X	X		X	X		X						X		X			
902		X	X	X		X		X		B				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

As the preceding illustrates, the proposed amenity package at the subject project is competitive with those offered among the comparable LIHTC projects surveyed in the market and region. Key amenities to be included at the subject project include, but are not limited to, dishwashers, microwave ovens, central air conditioning, in-unit washer/dryer hookups, on-site management, a community space, laundry facility, computer center, and playground. The inclusion of such features will help ensure the competitive position of the project. Some of the comparable properties offer additional features such as, a patio/balcony, exterior storage, and/or a fitness center. The inclusion of such features would certainly enhance the overall marketability of the subject project and its ability to achieve premium rents, but are not considered necessary amenities within an affordable rental community such as that proposed at the subject site.

Comparable Tax Credit Summary

All four of the comparable LIHTC projects surveyed in the market and region report occupancy rates of 100.0% and three maintain waiting lists for their next available units, including the two properties located within the Site PMA. The high occupancy rates and waiting lists reported among the comparable properties are clear indications of strong and pent-up demand for family-oriented LIHTC product such as that proposed at the subject site. The subject units will be competitively positioned and marketable within the Waycross market in terms of price point (gross rent). The subject project will be very competitive in terms of unit design (square footage and number of bathrooms) and amenities offered. Although some of the comparable properties offer additional amenities not offered at the subject project, this is not expected to have any adverse impact on the overall marketability of the project. This is especially true when considering the newness of the subject project and the high occupancy rates and waiting lists maintained among the existing LIHTC projects in the market.

Comparable/Competitive Housing Impact

The anticipated occupancy rates of the existing comparable Tax Credit developments in the Site PMA following the first year of occupancy at the subject site is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2019
4	Ocean Breeze Park	100.0%	95.0%+
7	Ware Hotel	100.0%	95.0%+

As previously discussed and illustrated in the preceding table, the two comparable LIHTC projects surveyed in the Site PMA are both 100.0% occupied and both maintain waiting lists. Considering the high occupancy rates and waiting lists maintained among the comparable properties and the depth of support (capture rate) for the subject project, we do not expect the development of the subject project to have any adverse impact on future occupancy rates among the existing comparable LIHTC projects in the market.

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

5. **SINGLE-FAMILY HOME IMPACT**

According to ESRI, the median home value within the Site PMA was \$89,991. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for an \$89,991 home is \$541, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$89,991
Mortgaged Value = 95% of Median Home Price	\$85,491
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$433
Estimated Taxes and Insurance*	\$108
Estimated Monthly Mortgage Payment	\$541

*Estimated at 25% of principal and interest

In comparison, the proposed monthly collected Tax Credit rents at the subject project range from \$380 to \$590, depending upon bedroom type and AMHI level. While some potential tenants of the subject project could likely afford the cost of a monthly mortgage for a typical home in the area, it is also important to note that the subject project will be significantly newer and likely of superior quality as compared to a “median” priced home in the area. In addition, the subject project will include the cost of trash collection, as well as a comprehensive amenity package, in the cost of rent. Such expenses/features are not typically included in the cost of a monthly mortgage payment for a typical home in the area. Based on the preceding factors, 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 most existing non-subsidized LIHTC projects in the market, the subject's capture rate, achievable market rents and the competitiveness of the proposed subject development within the Waycross Site PMA. Our absorption projections also assume the developer and/or management will successfully market the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 64 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately seven months. This absorption period is based on an average monthly absorption rate of approximately eight to nine units per month.

These absorption projections assume an April 2019 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated 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 Waycross Site PMA.

- Jenny Starling is the Property Manager at Waring Apartments I and II, two age-restricted Tax Credit properties located in the Site PMA. Ms. Starling stated that there is a need for more Tax Credit and affordable housing in Waycross. She added that her properties have wait lists and that she believes the greatest need is among the 60% AMHI income segment.
- Melissa Gandy, Property Manager at Ware Manor, stated that the area could use more Tax Credit and affordable housing. Ms. Gandy added that she thinks there is a need for both senior and multifamily properties. She also stated that Waycross is a hub for rail traffic and due to this, there are homeless households within the area that could benefit from the addition of more affordable housing within the area.
- According to a representative with the Georgia Department of Community Affairs (DCA) Rental Assistance Division – Ware County, there are approximately 195 Housing Choice Voucher holders within Ware County and 294 people 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 affordable housing and/or Housing Choice Voucher assistance within the Ware County area.
- Jana Dyke, the Director of the Ware County Development Authority, stated that she feels there is a need for additional apartments in general in Waycross. According to Ms. Dyke, there is a need for rental housing among all income levels and that much of the existing rental housing stock is old and in need of repair.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 64 general-occupancy LIHTC units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes to the project's site design, rents, amenities or opening date may alter these findings.

The subject site location is considered conducive to multifamily housing, as evidenced by the high occupancy rates reported among the existing properties in the immediate site neighborhood. The subject site is located within close proximity of most basic area services, many of which are easily accessible from the site due to site's convenient accessibility to multiple arterial roadways.

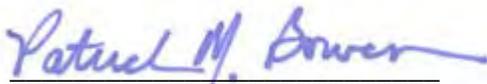
The subject project will offer non-subsidized general-occupancy LIHTC units, a product type that is clearly in high demand within the market and region, as the four comparable properties surveyed all report occupancy rates of 100.0% and three maintain waiting lists. The subject project will help alleviate a portion of this pent-up demand. The subject's proposed gross LIHTC rents are considered marketable and will be competitive within the Waycross market. The subject project will be competitive in terms of unit size (square feet), number of bathrooms offered, and amenities offered. Some of the comparable properties offer a slightly superior amenity package as compared to the subject project, though the additional amenities offered at these properties are not considered necessary to the marketability of a LIHTC property in the Waycross market.

In addition to the existing LIHTC properties, one general-occupancy LIHTC property (Grove at Oakmont) is planned for the area and is expected to be competitive with the subject project. It is of note, however, that a sufficient base of support is expected to exist in the market for both the subject project and this planned property, as evidenced by our demand estimates included in *Section G*. Specifically, the overall capture rate for the subject project is 14.5%, which is considered achievable within the Waycross market, especially when considering the high occupancy rates and waiting lists reported among the comparable properties. Regardless, it is recommended that the development progression of the planned Grove at Oakmont property is closely monitored by the developer, as it is likely that the subject project will experience similar absorption trends given the comparable unit types to be offered.

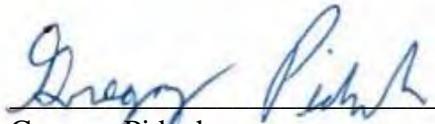
Based on the preceding analysis and additional information contained within this report, we believe the proposed subject development is marketable and supportable within the Waycross Site PMA as proposed and the project is not expected to have any adverse impact on future occupancy rates among existing comparable LIHTC properties in the market. In fact, we expect the subject project will help alleviate a portion of the pent-up demand for family-oriented LIHTC product within the Site PMA.

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 6, 2017



Gregory Piduch
Market Analyst
gregp@bowennational.com
Date: April 6, 2017



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: April 6, 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

WAYCROSS, 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.

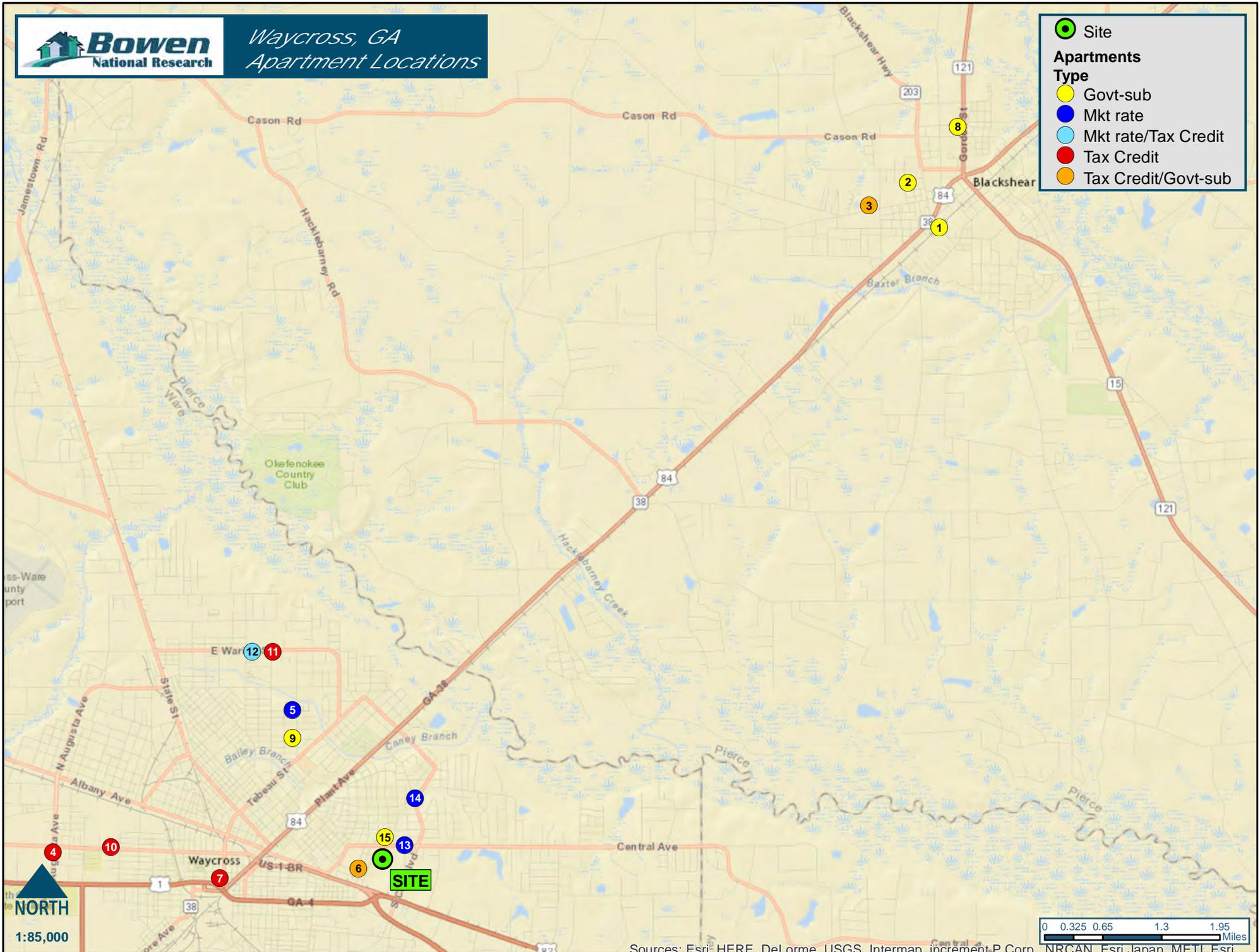


Waycross, GA Apartment Locations

Site
● Site

Apartments Type

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



NORTH
1:85,000

0 0.325 0.65 1.3 1.95 Miles

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

MAP IDENTIFICATION LIST - WAYCROSS, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Colonial Homes	GSS	B	1989	20	0	100.0%	8.9
2	Country Manor Apts.	GSS	B-	1989	54	0	100.0%	9.1
3	Village at Blackshear	TGS	B	1971	64	0	100.0%	8.9
4	Ocean Breeze Park	TAX	B	2010	48	0	100.0%	3.4
5	Sandy Creek Apts.	MRR	C	1970	80	2	97.5%	2.4
6	Ware Manor Apts.	TGS	B	1974	84	0	100.0%	0.1
7	Ware Hotel	TAX	B	2012	35	0	100.0%	1.7
8	Windover Manor Apts.	GSS	B+	1999	51	0	100.0%	9.9
9	Terrace Garden Apts.	GSS	B	1985	40	0	100.0%	2.1
10	Westport Village	TAX	B	2005	64	1	98.4%	2.8
11	Waring Apts. I	TAX	B	1985	40	0	100.0%	2.9
12	Waring Apts. II	MRT	B	2003	36	0	100.0%	2.9
13	Central Park	MRR	C	1975	92	0	100.0%	0.6
14	Cherokee Villa	MRR	B	1967	20	1	95.0%	1.2
15	Central Walnut Village	GSS	B+	2006	33	0	100.0%	0.4

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	3	192	3	98.4%	0
MRT	1	36	0	100.0%	0
TAX	4	187	1	99.5%	0
TGS	2	148	0	100.0%	0
GSS	5	198	0	100.0%	0

◆	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

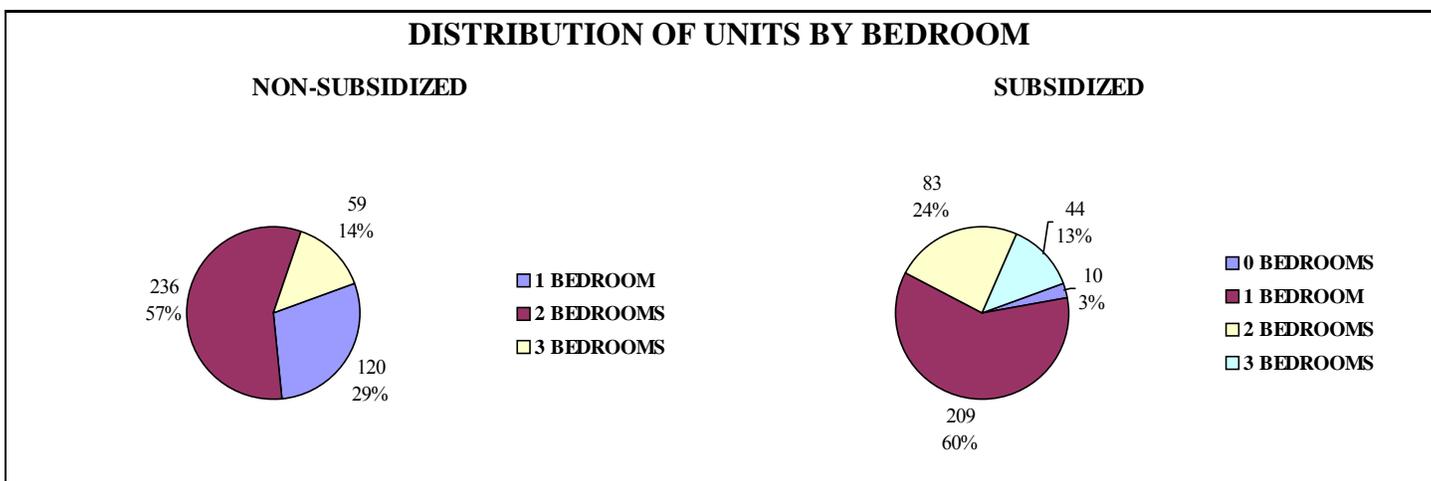
DISTRIBUTION OF UNITS - WAYCROSS, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	38	19.0%	2	5.3%	\$564
2	1	77	38.5%	1	1.3%	\$632
2	2	54	27.0%	0	0.0%	\$632
3	2	31	15.5%	0	0.0%	\$726
TOTAL		200	100.0%	3	1.5%	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	82	38.1%	1	1.2%	\$456
2	1	67	31.2%	0	0.0%	\$548
2	2	38	17.7%	0	0.0%	\$624
3	2	28	13.0%	0	0.0%	\$693
TOTAL		215	100.0%	1	0.5%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	84	56.8%	0	0.0%	N.A.
2	1	28	18.9%	0	0.0%	N.A.
3	1	36	24.3%	0	0.0%	N.A.
TOTAL		148	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
0	1	10	5.1%	0	0.0%	N.A.
1	1	125	63.1%	0	0.0%	N.A.
2	1	4	2.0%	0	0.0%	N.A.
2	1.5	51	25.8%	0	0.0%	N.A.
3	1.5	8	4.0%	0	0.0%	N.A.
TOTAL		198	100.0%	0	0.0%	
GRAND TOTAL		761	-	4	0.5%	



SURVEY OF PROPERTIES - WAYCROSS, GEORGIA

1 Colonial Homes			
	Address 319 Keller St. Blackshear, GA 31516	Phone (912) 449-0035 (Contact in person)	Total Units 20
	Year Built 1989 Comments RD 515, has RA (18 units); Accepts HCV (0 currently); Square footage estimated	Contact Shandra	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List 9 households
2 Country Manor Apts.			
	Address 310 Pomeroy St. Blackshear, GA 31516	Phone (912) 449-3398 (Contact in person)	Total Units 54
	Year Built 1989 Comments RD 515, has RA (40 units); HCV (1 unit); One manager unit not included in total; Square footage estimated	Contact Carneshia	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B-
			Waiting List 37 households
3 Village at Blackshear			
	Address 940 Ware St. Blackshear, GA 31516	Phone (912) 449-5291 (Contact in person)	Total Units 64
	Year Built 1971 Renovated 2014 Comments 60% AMHI & HUD Section 8; Phase II built in 1976	Contact David	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Senior Restricted (62+) Waiting List
			6 households
4 Ocean Breeze Park			
	Address 2001 Ocean Breeze Cir. Waycross, GA 31502	Phone (912) 548-0791 (Contact in person)	Total Units 48
	Year Built 2010 Comments 50% & 60% AMHI; HCV (13 units); Handicap units have e-call system	Contact Cindy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Single-Family Homes Waiting List
			14 households
5 Sandy Creek Apts.			
	Address 600 Summit St. Waycross, GA 31501	Phone (912) 285-1852 (Contact in person)	Total Units 80
	Year Built 1970 Comments Accepts HCV (6 units); 3-br units have washer/dryer hookups; Select units have dishwasher; Year built estimated	Contact Tabitha	Vacancies 2 Occupied 97.5% Floors 2 Quality Rating C
			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 - WAYCROSS, GEORGIA

6 Ware Manor Apts.			
	Address 500 Walnut Ave. Waycross, GA 31501	Phone (912) 285-4330 (Contact in person)	Total Units 84
	Year Built 1974 Renovated 1999	Contact Joice	Vacancies 0
	Comments 50% AMHI & HUD Section 8; 1st floor units have wood laminate flooring, 2nd floor units have carpet		Occupied 100.0%
			Floors 2
			Quality Rating B
			Waiting List 3-12 months
7 Ware Hotel			
	Address 604 Elizabeth St. Waycross, GA 31501	Phone (912) 283-7331 (Contact in person)	Total Units 35
	Year Built 2012	Contact Andrea	Vacancies 0
	Comments 50% & 60% AMHI; Accepts HCV (0 currently); Adaptive reuse of historic hotel built around 1900; Square footage varies in all units		Occupied 100.0%
			Floors 7
			Quality Rating B
			Waiting List 20 households
8 Windover Manor Apts.			
	Address 215 Marion St. Blackshear, GA 31516	Phone (912) 449-0035 (Contact in person)	Total Units 51
	Year Built 1999	Contact Shandra	Vacancies 0
	Comments RD 515, has RA (50 units); Accepts HCV (0 currently); Square footage estimated		Occupied 100.0%
			Floors 1
			Quality Rating B+
			Senior Restricted (62+) Waiting List 10 households
9 Terrace Garden Apts.			
	Address 1103 Darling Ave. Waycross, GA 31501	Phone (912) 283-6740 (Contact in person)	Total Units 40
	Year Built 1985	Contact Melanie	Vacancies 0
	Comments HUD Section 202 & HUD Section 8; Square footage estimated		Occupied 100.0%
			Floors 1
			Quality Rating B
			Senior Restricted (62+) Waiting List 10 households
10 Westport Village			
	Address 1612 Carswell Ave. Waycross, GA 31503	Phone (912) 285-1754 (Contact in person)	Total Units 64
	Year Built 2005	Contact Kaliegh	Vacancies 1
	Comments 30%, 50% & 60% AMHI; HCV (approx. 14 units); HOME funds (12 units)		Occupied 98.4%
			Floors 2
			Quality Rating B
			Senior Restricted (55+) Waiting List 30% AMHI: 5 HH

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 - WAYCROSS, GEORGIA

11 Waring Apts. I			
	Address 812 E. Waring St. Waycross, GA 31501	Phone (912) 285-0373 (Contact in person)	Total Units 40
	Year Built 1985 Renovated 1999	Contact Jenny	Vacancies 0
	Comments 50% & 60% AMHI; HCV (16 units); Unit mix estimated		Occupied 100.0%
			Floors 1
			Quality Rating B
			Senior Restricted (62+)
			Waiting List
			10 households
12 Waring Apts. II			
	Address 806 E. Waring St. Waycross, GA 31501	Phone (912) 283-1233 (Contact in person)	Total Units 36
	Year Built 2003	Contact Jenny	Vacancies 0
	Comments Market-rate (8 units); 50% & 60% AMHI (28 units); HCV (8 units); Unit mix by AMHI estimated		Occupied 100.0%
			Floors 1
			Quality Rating B
			Senior Restricted (55+)
			Waiting List
			10 households
13 Central Park			
	Address 1000 Central Ave. Waycross, GA 31501	Phone (912) 283-7131 (Contact in person)	Total Units 92
	Year Built 1975	Contact Lucreta	Vacancies 0
	Comments HCV (15 units); Rent range based on unit updates; Square footage estimated		Occupied 100.0%
			Floors 2
			Quality Rating C
			Waiting List
			None
14 Cherokee Villa			
	Address 1302 Coral Rd. Waycross, GA 31501	Phone (912) 288-6298 (Contact in person)	Total Units 20
	Year Built 1967	Contact Nell	Vacancies 1
	Comments Does not accept HCV; Townhomes have basement; Square footage estimated		Occupied 95.0%
			Floors 1,2
			Quality Rating B
			Waiting List
			None
15 Central Walnut Village			
	Address 904 Central Ave. Waycross, GA 31501	Phone (912) 285-9725 (Contact in person)	Total Units 33
	Year Built 2006	Contact Michelle	Vacancies 0
	Comments HUD Section 202; Does not accept HCV; One manager unit not included in total		Occupied 100.0%
			Floors 1
			Quality Rating B+
			Senior Restricted (62+)
			Waiting List
			7 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

COLLECTED RENTS - WAYCROSS, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
4			\$388 to \$480	\$455 to \$520					
5		\$500	\$550 to \$600	\$650					
7		\$407 to \$510	\$483 to \$561						
10		\$207 to \$380	\$233 to \$440						
11		\$354 to \$364	\$419						
12		\$359 to \$434	\$435 to \$451						
13		\$475	\$500 to \$550	\$600 to \$625					
14			\$595				\$595		

◆	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 - WAYCROSS, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	Sandy Creek Apts.	1	724	\$564	\$0.78
13	Central Park	1	770	\$539	\$0.70
◆ 12	Waring Apts. II	1	650	\$461 to \$536	\$0.71 to \$0.82
7	Ware Hotel	1	500 to 700	\$471 to \$574	\$0.82 to \$0.94
◆ 10	Westport Village	1	760	\$271 to \$444	\$0.36 to \$0.58
◆ 11	Waring Apts. I	1	650	\$456 to \$466	\$0.70 to \$0.72
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	Sandy Creek Apts.	1 to 2	872 to 1016	\$632 to \$682	\$0.67 to \$0.72
13	Central Park	1 to 2	890 to 1072	\$582 to \$632	\$0.59 to \$0.65
14	Cherokee Villa	1	750 to 780	\$677 to \$680	\$0.87 to \$0.90
◆ 12	Waring Apts. II	1	850	\$564 to \$580	\$0.66 to \$0.68
4	Ocean Breeze Park	2	1010	\$532 to \$624	\$0.53 to \$0.62
7	Ware Hotel	2	600 to 800	\$565 to \$643	\$0.80 to \$0.94
◆ 10	Westport Village	1	1000	\$315 to \$522	\$0.32 to \$0.52
◆ 11	Waring Apts. I	1	850	\$548	\$0.64
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	Sandy Creek Apts.	2	1229	\$751	\$0.61
13	Central Park	2	1200 to 1333	\$701 to \$726	\$0.54 to \$0.58
4	Ocean Breeze Park	2	1133	\$628 to \$693	\$0.55 to \$0.61

◆	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

AVERAGE GROSS RENT PER SQUARE FOOT - WAYCROSS, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.75	\$0.68	\$0.59
TOWNHOUSE	\$0.00	\$0.87	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.71	\$0.64	\$0.59
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.72	\$0.66	\$0.59
TOWNHOUSE	\$0.00	\$0.87	\$0.00

TAX CREDIT UNITS - WAYCROSS, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 10	Westport Village	2	760	1	30%	\$207
◆ 11	Waring Apts. I	10	650	1	50%	\$354
◆ 12	Waring Apts. II	7	650	1	50%	\$359
◆ 12	Waring Apts. II	6	650	1	60%	\$359
◆ 11	Waring Apts. I	10	650	1	60%	\$364
◆ 10	Westport Village	15	760	1	60%	\$380
◆ 10	Westport Village	15	760	1	50%	\$380
7	Ware Hotel	3	500 - 700	1	50%	\$407
7	Ware Hotel	14	500 - 700	1	60%	\$510
6	Ware Manor Apts.	20	660	1	50%	\$556
◆ 3	Village at Blackshear	32	547	1	60%	\$581
◆ 3	Village at Blackshear	14	678	1	60%	\$581
◆ 3	Village at Blackshear	18	691	1	50%	\$581
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 10	Westport Village	2	1000	1	30%	\$233
4	Ocean Breeze Park	8	1010	2	50%	\$388
◆ 11	Waring Apts. I	10	850	1	50%	\$419
◆ 11	Waring Apts. I	10	850	1	60%	\$419
◆ 12	Waring Apts. II	8	850	1	50%	\$435
◆ 10	Westport Village	15	1000	1	60%	\$440
◆ 10	Westport Village	15	1000	1	50%	\$440
◆ 12	Waring Apts. II	7	850	1	60%	\$451
4	Ocean Breeze Park	12	1010	2	60%	\$480
7	Ware Hotel	3	600 - 800	2	50%	\$483
7	Ware Hotel	15	600 - 800	2	60%	\$561
6	Ware Manor Apts.	28	859	1	50%	\$679
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
4	Ocean Breeze Park	11	1133	2	50%	\$455
4	Ocean Breeze Park	17	1133	2	60%	\$520
6	Ware Manor Apts.	36	976	1	50%	\$788

◆ - Senior Restricted

QUALITY RATING - WAYCROSS, GEORGIA

MARKET-RATE PROJECTS AND UNITS

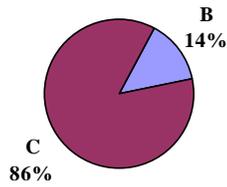
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	2	28	3.6%		\$536	\$677		
C	2	172	1.2%		\$564	\$632	\$726	

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

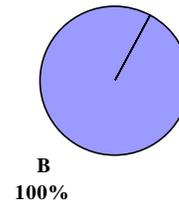
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	5	215	0.5%		\$456	\$548	\$693	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - WAYCROSS, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	20	1	5.0%	20	4.8%
1970 to 1979	2	172	2	1.2%	192	41.4%
1980 to 1989	1	40	0	0.0%	232	9.6%
1990 to 1999	0	0	0	0.0%	232	0.0%
2000 to 2005	2	100	1	1.0%	332	24.1%
2006	0	0	0	0.0%	332	0.0%
2007	0	0	0	0.0%	332	0.0%
2008	0	0	0	0.0%	332	0.0%
2009	0	0	0	0.0%	332	0.0%
2010	1	48	0	0.0%	380	11.6%
2011	0	0	0	0.0%	380	0.0%
2012	1	35	0	0.0%	415	8.4%
2013	0	0	0	0.0%	415	0.0%
2014	0	0	0	0.0%	415	0.0%
2015	0	0	0	0.0%	415	0.0%
2016**	0	0	0	0.0%	415	0.0%
TOTAL	8	415	4	1.0%	415	100.0 %

YEAR RENOVATED - WAYCROSS, 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	0	0	0	0.0%	0	0.0%
1990 to 1999	1	40	0	0.0%	40	100.0%
2000 to 2005	0	0	0	0.0%	40	0.0%
2006	0	0	0	0.0%	40	0.0%
2007	0	0	0	0.0%	40	0.0%
2008	0	0	0	0.0%	40	0.0%
2009	0	0	0	0.0%	40	0.0%
2010	0	0	0	0.0%	40	0.0%
2011	0	0	0	0.0%	40	0.0%
2012	0	0	0	0.0%	40	0.0%
2013	0	0	0	0.0%	40	0.0%
2014	0	0	0	0.0%	40	0.0%
2015	0	0	0	0.0%	40	0.0%
2016**	0	0	0	0.0%	40	0.0%
TOTAL	1	40	0	0.0%	40	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

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

** As of March 2017

APPLIANCES AND UNIT AMENITIES - WAYCROSS, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	8	100.0%	415
REFRIGERATOR	8	100.0%	415
ICEMAKER	3	37.5%	147
DISHWASHER	8	100.0%	415
DISPOSAL	5	62.5%	223
MICROWAVE	2	25.0%	83
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	8	100.0%	415
AC - WINDOW	0	0.0%	
FLOOR COVERING	8	100.0%	415
WASHER/DRYER	2	25.0%	76
WASHER/DRYER HOOK-UP	7	87.5%	323
PATIO/DECK/BALCONY	7	87.5%	380
CEILING FAN	5	62.5%	279
FIREPLACE	0	0.0%	
BASEMENT	1	12.5%	20
INTERCOM SYSTEM	1	12.5%	64
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	8	100.0%	415
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	4	50.0%	188

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

PROJECT AMENITIES - WAYCROSS, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	2	25.0%	172
ON-SITE MANAGEMENT	7	87.5%	395
LAUNDRY	5	62.5%	319
CLUB HOUSE	3	37.5%	140
MEETING ROOM	1	12.5%	35
FITNESS CENTER	3	37.5%	147
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	3	37.5%	163
COMPUTER LAB	3	37.5%	147
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	1	12.5%	64
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	3	37.5%	147
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	12.5%	64

DISTRIBUTION OF UTILITIES - WAYCROSS, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
GAS	2	124	16.3%
TENANT			
ELECTRIC	13	637	83.7%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	40	5.3%
GAS	1	84	11.0%
TENANT			
ELECTRIC	13	637	83.7%
			100.0%
HOT WATER			
LANDLORD			
GAS	2	124	16.3%
TENANT			
ELECTRIC	13	637	83.7%
			100.0%
ELECTRIC			
LANDLORD	1	40	5.3%
TENANT	14	721	94.7%
			100.0%
WATER			
LANDLORD	9	512	67.3%
TENANT	6	249	32.7%
			100.0%
SEWER			
LANDLORD	9	512	67.3%
TENANT	6	249	32.7%
TRASH PICK-UP			
LANDLORD	12	642	84.4%
TENANT	3	119	15.6%
			100.0%

UTILITY ALLOWANCE - WAYCROSS, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$6	\$8		\$2	\$3	\$9	\$2	\$5	\$23	\$17	\$19	\$15	\$20
1	GARDEN	\$8	\$12		\$2	\$5	\$14	\$3	\$7	\$31	\$18	\$20	\$15	\$20
1	TOWNHOUSE	\$9	\$13		\$2	\$5	\$14	\$3	\$7	\$33	\$18	\$20	\$15	\$20
2	GARDEN	\$10	\$15		\$3	\$6	\$18	\$4	\$9	\$40	\$22	\$25	\$15	\$20
2	TOWNHOUSE	\$11	\$16		\$3	\$6	\$18	\$4	\$9	\$42	\$22	\$25	\$15	\$20
3	GARDEN	\$12	\$18		\$4	\$8	\$23	\$5	\$11	\$49	\$27	\$30	\$15	\$20
3	TOWNHOUSE	\$13	\$20		\$4	\$8	\$23	\$5	\$11	\$51	\$27	\$30	\$15	\$20
4	GARDEN	\$15	\$24		\$5	\$9	\$28	\$6	\$15	\$61	\$32	\$35	\$15	\$20
4	TOWNHOUSE	\$17	\$26		\$5	\$9	\$28	\$6	\$15	\$66	\$32	\$35	\$15	\$20

GA-Southern Region (1/2017)

Survey Date: March 2017

ADDENDUM B

COMPARABLE PROPERTY PROFILES

5 Sandy Creek Apts.

2.4 miles to site



Address	600 Summit St. Waycross, GA 31501		
Phone	(912) 285-1852	Contact	Tabitha
Total Units	80	Vacancies	2
		Percent Occupied	97.5%
Project Type	Market-Rate		
Year Open	1970	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality C	Neighborhood B	Access/Visibility B/B
Remarks	Accepts HCV (6 units); 3-br units have washer/dryer hookups; Select units have dishwasher; Year built estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Playground
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	20	2	724	\$0.69	\$500
2	1 to 2	G	44	0	872 to 1016	\$0.59 - \$0.63	\$550 to \$600
3	2	G	16	0	1229	\$0.53	\$650

13 Central Park

0.6 miles to site



Address 1000 Central Ave.
Waycross, GA 31501

Phone (912) 283-7131 **Contact** Lucreta

Total Units 92 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1975 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** C **Neighborhood** B **Access/Visibility** B+/
Remarks HCV (15 units); Rent range based on unit updates; Square footage estimated

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities Swimming Pool, On-site Management, Laundry Facility
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	14	0	770	\$0.62	\$475
2	1 to 2	G	63	0	890 to 1072	\$0.51 - \$0.56	\$500 to \$550
3	2	G	15	0	1200 to 1333	\$0.47 - \$0.50	\$600 to \$625

14 Cherokee Villa 1.2 miles to site



Address	1302 Coral Rd. Waycross, GA 31501		
Phone	(912) 288-6298	Contact	Nell
Total Units	20	Vacancies	1
		Percent Occupied	95.0%
Project Type	Market-Rate		
Year Open	1967	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B	Neighborhood B	Access/Visibility B+/ B+
Remarks	Does not accept HCV; Townhomes have basement; Square footage estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	1	T	10	0	780	\$0.76	\$595
2	1	G	10	1	750	\$0.79	\$595

901 Cabaretta Place

39.8 miles to site



Address	4th & Orange St. Jesup, GA 31545		
Phone	(912) 427-3767	Contact	Destiny
Total Units	16	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2006	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A	Neighborhood B	Access/Visibility B+/
Remarks	Does not accept HCV; Square footage estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2	G	8	0	875	\$0.91	\$795
3	2	T	8	0	1100	\$0.90	\$995

904 Sunset Pointe

38.9 miles to site



Address	1288 Sunset Blvd. Jesup, GA 31598		
Phone	(912) 530-7007	Contact	Debbie
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2005	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A	Neighborhood B	Access/Visibility A/A
Remarks	Market-rate (13 units); 30%, 50% & 60% AMHI (51 units); HCV (2 units); Six handicap units have washer/dryer		

FEATURES AND UTILITIES

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

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	3	0	980	\$0.47	\$465	
1	1	G	1	0	980	\$0.32	\$315	60%
1	1	G	10	0	980	\$0.32	\$315	50%
1	1	G	2	0	980	\$0.15	\$150	30%
2	2	G	6	0	1050	\$0.48	\$505	
2	2	G	1	0	1050	\$0.39	\$405	60%
2	2	G	22	0	1050	\$0.37	\$390	50%
2	2	G	3	0	1050	\$0.18	\$185	30%
3	2	G	4	0	1180	\$0.47	\$555	
3	2	G	10	0	1180	\$0.39	\$465	50%
3	2	G	2	0	1180	\$0.19	\$220	30%

4

Ocean Breeze Park

3.4 miles to site



Address 2001 Ocean Breeze Cir.
Waycross, GA 31502

Phone (912) 548-0791 **Contact** Cindy

Total Units 48 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2010 **Floors** 1

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 14 households

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

Remarks 50% & 60% AMHI; HCV (13 units); Handicap units have e-call system

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, E-Call Button, Storage

Project Amenities On-site Management, Laundry Facility, Fitness Center, Playground, Computer Lab, Picnic Area, Community Garden

Parking Attached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	2	G	12	0	1010	\$0.48	\$480	60%
2	2	G	8	0	1010	\$0.38	\$388	50%
3	2	G	17	0	1133	\$0.46	\$520	60%
3	2	G	11	0	1133	\$0.40	\$455	50%

7 Ware Hotel

1.7 miles to site



Address 604 Elizabeth St.
Waycross, GA 31501

Phone (912) 283-7331 **Contact** Andrea

Total Units 35 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2012 **Floors** 7

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 20 households

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

Remarks
50% & 60% AMHI; Accepts HCV (0 currently); Adaptive reuse of historic hotel built around 1900; Square footage varies in all 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, Ceiling Fan, Blinds
Project Amenities On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area
Parking On Street Parking, Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	14	0	500 to 700	\$0.73 - \$1.02	\$510	60%
1	1	G	3	0	500 to 700	\$0.58 - \$0.81	\$407	50%
2	2	G	15	0	600 to 800	\$0.70 - \$0.94	\$561	60%
2	2	G	3	0	600 to 800	\$0.60 - \$0.81	\$483	50%

902 Estes Park Apts.

37.1 miles to site



Address 122 Bowens Mill Rd. SE
Douglas, GA 31533

Phone (912) 383-0908 **Contact** Donna

Total Units 72 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2004 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 6 households

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

Remarks 30%, 50% & 60% AMHI; HCV (approx. 10 units)

FEATURES AND UTILITIES

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Ice maker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Computer Lab, Picnic Area
Parking Surface Parking

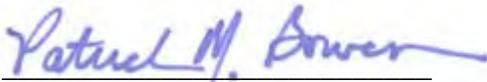
UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	783	\$0.51	\$400	60%
1	1	G	12	0	783	\$0.46	\$360	50%
1	1	G	3	0	783	\$0.22	\$170	30%
2	2	G	13	0	1025	\$0.44	\$455	60%
2	2	G	21	0	1025	\$0.41	\$425	50%
2	2	G	2	0	1025	\$0.19	\$195	30%
3	2	G	5	0	1080	\$0.47	\$505	60%
3	2	G	11	0	1080	\$0.43	\$460	50%

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 6, 2017



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: April 6, 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>.

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 Wacross, Georgia by Landbridge Acquisitions, LLC.

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 continued 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 or near the Waycross 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 Waycross	2019	64	-	8 (-)	32 (-)	24 (-)
5	Sandy Creek Apts.	1970	80	97.5%	20 (90.0%)	44 (100.0%)	16 (100.0%)
13	Central Park	1975	92	100.0%	14 (100.0%)	63 (100.0%)	15 (100.0%)
14	Cherokee Villa	1967	20	95.0%	-	20 (95.0%)	-
901	Cabaretta Place	2006	16	100.0%	-	8 (100.0%)	8 (100.0%)
904	Sunset Pointe	2005	13*	100.0%	3 (100.0%)	6 (100.0%)	4 (100.0%)

900 Series Map IDs are located outside the Site PMA

Occ. – Occupancy

*Market-rate units only

The five selected market-rate projects have a combined total of 221 units with an overall occupancy rate of 98.6%. None of the comparable properties has an occupancy rate below 95.0%. These high occupancy rates indicate that each of the selected properties has been well received within their respective markets and will therefore offer an accurate base of comparison for the subject project.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Waycross Approximately 702 Walnut Avenue Waycross, GA		Sandy Creek Apts. 600 Summit St. Waycross, GA		Central Park 1000 Central Ave. Waycross, GA		Cherokee Villa 1302 Coral Rd. Waycross, GA		Cabaretta Place 4th & Orange St. Jesup, GA		Sunset Pointe 1288 Sunset Blvd. Jesup, GA	
Data on Subject		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$500		\$475		\$595		\$795		\$465	
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		90%		100%		90%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$500	0.69	\$475	0.62	\$595	0.79	\$795	0.91	\$465	0.47
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2	WU/2		WU/2		WU/1,2		WU/2		WU/2	
7 Yr. Built/Yr. Renovated	2019	1970	\$49	1975	\$44	1967	\$52	2006	\$13	2005	\$14
8 Condition /Street Appeal	E	F	\$30	F	\$30	G	\$15	E		E	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		2	(\$50)	2	(\$50)	1	
12 # Baths	1	1		1		1		2	(\$30)	1	
13 Unit Interior Sq. Ft.	705	724	(\$3)	770	(\$11)	750	(\$8)	875	(\$29)	980	(\$47)
14 Balcony/ Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/ Wall	C	C		C		C		C		C	
16 Range/ Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18 Washer/Dryer	HU/L	L	\$10	L	\$10	HU	\$5	HU	\$5	HU/L	
19 Floor Coverings	V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	N/N	N/N		N/N		N/N		N/N		N/N	
22 Garbage Disposal	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
23 Ceiling Fans	Y	N	\$5	Y		N	\$5	Y		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		LOT/\$0	
25 On-Site Management	Y	Y		Y		N	\$5	N	\$5	Y	
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Space	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
28 Pool/ Recreation Areas	N	P	(\$10)	P	(\$10)	N		N		F/S/WT	(\$11)
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
30 Picnic Area	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
31 Playground	Y	Y		N	\$3	N	\$3	N	\$3	Y	
32 Social Services	N	N		N		N		N		N	
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		N/E	
34 Cooling (in rent?/ type)	N/E	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		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/ Sewer	N/N	Y/Y	(\$38)	Y/Y	(\$38)	Y/Y	(\$38)	N/N		N/N	
39 Trash /Recycling	Y/N	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		9	3	9	3	11	3	8	4	1	3
41 Sum Adjustments B to D		\$115	(\$18)	\$108	(\$26)	\$106	(\$63)	\$42	(\$114)	\$14	(\$63)
42 Sum Utility Adjustments			(\$38)		(\$38)		(\$38)				
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$59	\$171	\$44	\$172	\$5	\$207	(\$72)	\$156	(\$49)	\$77
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$559		\$519		\$600		\$723		\$416	
45 Adj Rent/Last rent			112%		109%		101%		91%		89%
46 Estimated Market Rent	\$560	\$0.79 ← 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 Waycross Approximately 702 Walnut Avenue Waycross, GA		Sandy Creek Apts. 600 Summit St. Waycross, GA		Central Park 1000 Central Ave. Waycross, GA		Cherokee Villa 1302 Coral Rd. Waycross, GA		Cabaretta Place 4th & Orange St. Jesup, GA		Sunset Pointe 1288 Sunset Blvd. Jesup, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$600		\$550		\$595		\$795		\$505	
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%		100%		90%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$600	0.59	\$550	0.51	\$595	0.79	\$795	0.91	\$505	0.48
B. Design, Location, Condition											
6 Structure / Stories	WU/2	WU/2		WU/2		WU/1,2		WU/2		WU/2	
7 Yr. Built/Yr. Renovated	2019	1970	\$49	1975	\$44	1967	\$52	2006	\$13	2005	\$14
8 Condition /Street Appeal	E	F	\$30	F	\$30	G	\$15	E		E	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities											
11 # Bedrooms	2	2		2		2		2		2	
12 # Baths	2	2		2		1	\$30	2		2	
13 Unit Interior Sq. Ft.	1000	1016	(\$3)	1072	(\$12)	750	\$40	875	\$20	1050	(\$8)
14 Balcony/ Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/ Wall	C	C		C		C		C		C	
16 Range/ Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18 Washer/Dryer	HU/L	L	\$10	L	\$10	HU	\$5	HU	\$5	HU/L	
19 Floor Coverings	V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	N/N	N/N		N/N		N/N		N/N		N/N	
22 Garbage Disposal	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
23 Ceiling Fans	Y	N	\$5	Y		N	\$5	Y		Y	
D Site Equipment/ Amenities											
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		N	\$5	N	\$5	Y	
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Space	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
28 Pool/ Recreation Areas	N	P	(\$10)	P	(\$10)	N		N		F/S/WT	(\$11)
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
30 Picnic Area	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
31 Playground	Y	Y		N	\$3	N	\$3	N	\$3	Y	
32 Social Services	N	N		N		N		N		N	
E. Utilities											
33 Heat (in rent?/ type)	N/E	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		N/E	
35 Cooking (in rent?/ type)	N/E	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		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/ Sewer	N/N	Y/Y	(\$47)	Y/Y	(\$47)	Y/Y	(\$47)	N/N		N/N	
39 Trash /Recycling	Y/N	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap											
40 # Adjustments B to D		9	3	9	3	13	1	9	1	1	3
41 Sum Adjustments B to D		\$115	(\$18)	\$108	(\$27)	\$176	(\$5)	\$62	(\$5)	\$14	(\$24)
42 Sum Utility Adjustments			(\$47)		(\$47)		(\$47)				
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$50	\$180	\$34	\$182	\$124	\$228	\$57	\$67	(\$10)	\$38
G. Adjusted & Market Rents											
44 Adjusted Rent (5+ 43)		\$650		\$584		\$719		\$852		\$495	
45 Adj Rent/Last rent			108%		106%		121%		107%		98%
46 Estimated Market Rent	\$655	\$0.66 ← Estimated Market Rent/ Sq. Ft									

Rent Comparability Grid

Unit Type →

THREE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Waycross Approximately 702 Walnut Avenue Waycross, GA		Sandy Creek Apts. 600 Summit St. Waycross, GA		Central Park 1000 Central Ave. Waycross, GA		Cherokee Villa 1302 Coral Rd. Waycross, GA		Cabaretta Place 4th & Orange St. Jesup, GA		Sunset Pointe 1288 Sunset Blvd. Jesup, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$650		\$600		\$595		\$995		\$555	
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%		100%		90%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$650	0.53	\$600	0.50	\$595	0.79	\$995	0.90	\$555	0.47
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/2	WU/2		WU/2		WU/1,2		TH/2		WU/2	
7 Yr. Built/Yr. Renovated	2019	1970	\$49	1975	\$44	1967	\$52	2006	\$13	2005	\$14
8 Condition /Street Appeal	E	F	\$30	F	\$30	G	\$15	E		E	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		No		No	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	3	3		3		2	\$50	3		3	
12 # Baths	2	2		2		1	\$30	2		2	
13 Unit Interior Sq. Ft.	1105	1229	(\$19)	1200	(\$15)	750	\$55	1100	\$1	1180	(\$12)
14 Balcony/ Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/ Wall	C	C		C		C		C		C	
16 Range/ Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18 Washer/Dryer	HU/L	HU/L		L	\$10	HU	\$5	HU	\$5	HU/L	
19 Floor Coverings	V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	N/N	N/N		N/N		N/N		N/N		N/N	
22 Garbage Disposal	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
23 Ceiling Fans	Y	N	\$5	Y		N	\$5	Y		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		LOT/\$0	
25 On-Site Management	Y	Y		Y		N	\$5	N	\$5	Y	
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Space	Y	N	\$5	N	\$5	N	\$5	N	\$5	Y	
28 Pool/ Recreation Areas	N	P	(\$10)	P	(\$10)	N		N		F/S/WT	(\$11)
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
30 Picnic Area	Y	N	\$3	N	\$3	N	\$3	N	\$3	Y	
31 Playground	Y	Y		N	\$3	N	\$3	N	\$3	Y	
32 Social Services	N	N		N		N		N		N	
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		N/E	
34 Cooling (in rent?/ type)	N/E	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		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/ Sewer	N/N	Y/Y	(\$57)	Y/Y	(\$57)	Y/Y	(\$57)	N/N		N/N	
39 Trash /Recycling	Y/N	Y/N		Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		8	3	9	3	14	1	9	1	1	3
41 Sum Adjustments B to D		\$105	(\$34)	\$108	(\$30)	\$241	(\$5)	\$43	(\$5)	\$14	(\$28)
42 Sum Utility Adjustments			(\$57)		(\$57)		(\$57)				
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$14	\$196	\$21	\$195	\$179	\$303	\$38	\$48	(\$14)	\$42
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$664		\$621		\$774		\$1,033		\$541	
45 Adj Rent/Last rent			102%		104%		130%		104%		98%
46 Estimated Market Rent	\$690	\$0.62	← 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 \$560 for a one-bedroom unit, \$655 for a two-bedroom unit, and \$690 for a three-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One - Br.	50%	\$380	\$560	32.1%
One - Br.	60%	\$480	\$560	14.3%
Two - Br.	50%	\$450	\$655	31.3%
Two - Br.	60%	\$550	\$655	16.0%
Three - Br.	50%	\$500	\$690	27.5%
Three - Br.	60%	\$590	\$690	14.5%

Typically, Tax Credit rents should represent at least a 10% market rent advantage to be perceived as a value in the market and ensure a sufficient flow of qualified applicants. Therefore, the proposed subject rents will likely be perceived as good to significant values within the market as they represent market rent advantages ranging from 14.3% to 32.1%, depending upon bedroom type and AMHI level.

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 are offered for indiscernible features (i.e. floor level, unit location, etc.), we have utilized an average rent.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1967 and 2006. 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 an excellent quality finish and attractive aesthetic street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
10. Due to the limited supply of comparable market-rate product in the Site PMA, it was necessary to identify and survey such product outside the market for comparability purposes. Two of the selected properties are located outside the Site PMA, but within the nearby region in the town of Jesup, Georgia. Although outside the Site PMA, the Jesup market is similar to the Waycross market in terms of median household income, median gross rents, and home values, based on American Community Survey (ACS) data. The similarities between these two markets is further evident by the similar collected rents reported among the selected properties located in Jesup and those located in the Site PMA. Based on the preceding factors, adjustments for out of market differences were not warranted for those properties located outside the Site PMA.
11. All of the selected properties offer two-bedroom units. However, some of the selected properties do not offer one- or three-bedroom units. In these instances, we have utilized the next most comparable floor plan and applied adjustments (positive or negative) to account for the difference in the number of defined bedrooms at the selected properties as compared to the subject project.
12. The number of bathrooms offered among the selected properties varies. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared this selected 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% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package that is generally considered competitive with those offered among most of the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.

- 24.-32. The proposed project also offers a competitive project amenities package as compared to those offered among most of the selected market-rate properties. In fact, the project amenity package offered at the site is superior to those offered among three of the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We made adjustments to reflect the differences in utility responsibility at the selected properties as needed. The utility adjustments were based on the local housing authority's utility cost estimates.