Market Feasibility Analysis

Peaks of Cartersville
640 North Tennessee Street
Cartersville, Bartow County, Georgia 30120

Prepared For

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Section A – Executive Summary

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

1. Project Description:

The subject project involves the new construction of the 72-unit Peaks of Cartersville rental community to be located on an approximate 5.874 acre site at 640 North Tennessee Street in Cartersville, Georgia. The project will offer 30 one-bedroom and 42 two-bedroom, garden-style units in two (2) three-story, elevator-equipped residential buildings together with a free-standing, 2,000 square-foot community building. The subject project will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income senior (age 62 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI). In addition to the Tax Credit units, 14 of the 72 subject units will operate as unrestricted market-rate units. Monthly collected Tax Credit rents will range from $495 to $695, depending on unit size and AMHI level, while the collected market-rate rents will range from $695 for a one-bedroom unit to $795 for a two-bedroom unit. Additionally, eight (8) of the subject units will operate under the HUD Section 811 program and target disabled households. Note that these subsidized units will be floating units among the subject units set at 50% of AMHI. The proposed project is expected to be complete by April of 2019. Additional details regarding the proposed project are as follows, and included in *Section B* of this report.

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents Collected Rent	Proposed Rents Utility Allowance	Proposed Rents Gross Rent	Max. Allowable LIHTC Gross Rent
6	One-Br.	1.0	Garden	742	50%	$495	$94	$589	$633
18	One-Br.	1.0	Garden	742	60%	$595	$94	$689	$759
6	One-Br.	1.0	Garden	742	MR	$695	$94	$789	-
9	Two-Br.	2.0	Garden	1,056	50%	$595	$118	$713	$760
25	Two-Br.	2.0	Garden	1,056	60%	$695	$118	$813	$912
8	Two-Br.	2.0	Garden	1,056	MR	$795	$118	$913	-
72	Total								

Source: Landbridge Development, LLC
AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2016)
Note: Eight (8) units at 50% AMHI will be HUD Section 811 units.

Unit amenities to be offered at the property include a range, refrigerator, garbage disposal, dishwasher, microwave, central air conditioning, washer/dryer hookups, vinyl plank flooring, window blinds, ceiling fans, and emergency call systems. Community amenities will include on-site management, a community space, laundry facility, elevator, picnic area w/grills, covered porch, and wellness screening room. 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 projects in the market.

2. Site Description/Evaluation:

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are minimal and are not expected to have any negative impact on marketability of the subject site. A set of high-tension power lines are parallel to the northern boundary of the subject site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property. The subject site is clearly visible and easily accessible from North Tennessee Street, a moderately traveled roadway with a center turn lane which borders the site to the east. Most area services are located within 2.0 miles of the subject site, with many being located along and easily accessible from U.S. Highway 41, which is accessible within 0.6 miles of the subject site. In addition, the crime risk index reported for the Cartersville Site PMA (47) is lower than that reported for Bartow County (51) as a whole, and both are well below the national average of 100. These low crime rates indicate that there is likely a low perception of crime within the area, which will contribute to the overall marketability of the subject project. Overall, the subject site location is considered conducive to age-restricted rental housing and should contribute to the subject's overall marketability within the Cartersville market. An in-depth site evaluation is included in *Section C* of this report.

3. Market Area Definition:

The Cartersville Site PMA includes portions of Cartersville and Cassville and outlying unincorporated portions of Bartow County. The boundaries of the Site PMA include Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west. A map illustrating these boundaries is included on page *D-3* of this report and details the farthest boundary is 6.6 miles from the site.

4. **Community Demographic Data:**

Demographic trends within the Cartersville Site PMA have been positive in terms of both population and households since 2000, a trend which is projected to continue between 2017 and 2019. More specifically, a total of 50 households will be added to the market during this time period, which is reflective of a 0.4% increase. Although modest, this household growth is indicative of a stable demographic base within the Site PMA. It is also of note that, senior (age 62 and older) household growth will outpace overall household growth within this market, as 125 such households will be added to the market between 2017 and 2019, reflective of a 3.2% increase during this time period. It is projected that 1,224 senior (age 62 and older) renter households will exist in the market in 2019, reflective of an increase of 29 households, or 2.4%, over 2017 levels. More than 73.0% of all senior renter households are projected to earn below $35,000 in 2019. Based on the preceding factors, a good and expanding base of potential age- and income-appropriate renter support exists in the Cartersville market for affordable senior-oriented 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, 18.8% 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 Cartersville 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 the share of vacant housing units in the Site PMA declined between 2010 and 2017, as illustrated in *Section H*, on *page 1*. This is a good indication of a well-performing overall housing market within the Site PMA. Based on the preceding factors, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability. This is especially true when considering the limited availability among existing comparable rental product in the Cartersville market.

5. **Economic Data:**

The employment base within the Cartersville Site PMA is relatively well-balanced, as no single industry segment comprises more than 17.5% of the overall labor force. A well-diversified labor force will contribute to the continued strength of the local economy. The Bartow County economy has experienced significant improvement since the end of the national recession, in terms of both total employment and the unemployment rate. Notably, more than 5,000 jobs have been added to the county since 2009, with the majority of this employment growth occurring over the past two years. The unemployment rate has declined by more than seven full percentage points since 2010. There are several announcements of new business openings and/or expansions within the area. This will contribute to the continued growth and strength of the local economy within the Bartow County area. Demand for affordable age-restricted housing alternatives, however, is also expected to remain high regardless of economic conditions, as many senior residents in the area are likely to be retired and living on fixed-incomes. 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 – Age 62+	Percent of Median Household Income			
	50% AMHI ($17,670 To $27,000)	60% AMHI ($20,670 To $32,400)	Tax Credit Overall ($17,670 To $32,400)	Market-Rate ($32,401 +)
Net Demand	221	182	267	73
Proposed Units / Net Demand	15 / 221	43 / 182	58 / 267	14 / 73
Capture Rate	= 6.8%	= 23.6%	= 21.7%	= 19.2%

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 Tax Credit capture rate of 21.7% and market-rate capture rate of 19.2% are both considered achievable within the Cartersville 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 6.8% to 23.6%. Considering the overall capture rates for the subject's Tax Credit and market-rate units, a deep base of both age- and income-qualified renter households exists in the market for the subject project as a whole.

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 (50%)	50%	6	110	0	110	5.5%
One-Bedroom (50%)	60%	18	91	0	91	19.8%
One-Bedroom (50%)	MR	6	36	0	36	16.7%
One-Bedroom	**Total**	**30**	**237**	**0**	**237**	**12.7%**
Two-Bedroom (50%)	50%	9	111	0	111	8.1%
Two-Bedroom (50%)	60%	25	91	0	91	27.5%
Two-Bedroom (50%)	MR	8	37	0	37	21.6%
Two-Bedroom	**Total**	**42**	**239**	**0**	**239**	**17.6%**

*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.
MR-Market-Rate

The capture rates by bedroom type and AMHI level range from 5.5% to 27.5%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a good base of potential age- and income-eligible renter households in the Cartersville 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

Tax Credit Units

The subject project will offer one- and two-bedroom units targeting seniors (age 62 and older) 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 four (4) properties which at least partially operate under the LIHTC program. Of these four properties, two are age-restricted similar to the subject project, while another is family-oriented (general-occupancy), but offers two-bedroom garden-style units similar to those proposed at the subject site. Thus, these three non-subsidized LIHTC properties have been included in our comparable analysis. It is of note, however, that these three properties offer a very limited number of units set at the 60% AMHI level to be targeted at the subject site. As such, we identified and surveyed four additional properties outside the Site PMA, but within the nearby region, that offer one- and two-bedroom units targeting households earning up to 60% of AMHI. Since these properties are located outside the Site PMA, and are general-occupancy properties, they are not considered competitive with the subject project. Thus, these properties have been included for comparability purposes only.

The seven comparable/competitive 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 Cartersville**	**2019**	**58***	**-**	**-**	**-**	**Seniors 62+; 50% & 60% AMHI & Section 811**
3	Cove Apts.	2000	60	100.0%	3.7 Miles	12 H.H.	Seniors 62+; 35% & 40% AMHI
5	Etowah Village Apts.	1996	95	97.9%	2.8 Miles	2-Br: 2 H.H.	Families; 45%, 50%, & 60% AMHI
12	Shangri-La Park	2011	72	100.0%	3.8 Miles	20 H.H.	Seniors 55+; 50% & 60% AMHI
901	Cherokee Summit	2002	272	98.9%	17.9 Miles	None	Families; 60% AMHI
902	Legacy at Acworth	1997	86*	97.7%	12.9 Miles	None	Families; 60% AMHI
903	Somerset Club Apts.	2004	120*	98.3%	4.2 Miles	None	Families; 60% AMHI
904	Peaks at Bells Ferry	2005	200*	96.0%	17.8 Miles	None	Families; 60% AMHI

900 Series Map IDs are located outside the Site PMA
OCC. – Occupancy
H.H. – Households
*Tax Credit units only

The seven LIHTC projects have a combined occupancy rate of 98.1%, with none of the properties reporting an individual occupancy rate below 96.0%. Notably, the three comparable LIHTC properties located in the Site PMA are 99.1% occupied, with the two age-restricted properties being 100.0% occupied and both maintaining waiting lists for their next available unit. This is a clear indication of pent-up demand for age-restricted LIHTC product. 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:

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**	**Rent Special**
Site	**Peaks of Cartersville**	**$589/50% (6) $689/60% (18)**	**$713/50% (9) $813/60% (25)**	**-**	**-**
3	Cove Apts.	$427/35% (12/0) $448/40% (36/0)	$501/35% (4/0) $516/40% (8/0)	-	
5	Etowah Village Apts.	-	$723/45% (19/0) $723/50% (4/0)	$828/50% (29/1) $841/60% (43/1)	None
12	Shangri-La Park	$546/50% (2/0) $546/60% (6/0)	$612/50% (14/0) $612/60% (50/0)	-	
901	Cherokee Summit	$846/60% (48/0)	$1,025/60% (184/3)	$1,193/60% (40/0)	None
902	Legacy at Acworth	$821/60% (16/0)	$982/60% (38/1)	$1,141/60% (32/1)	None
903	Somerset Club Apts.	$844/60% (30/0)	$1,013/60% (54/2)	$1,170/60% (36/0)	None
904	Peaks at Bells Ferry	$892/60% (48/2)	$1,074/60% (101/4)	$1,248/60% (51/2)	None

900 Series Map IDs are located in the Site PMA

The subject's proposed gross Tax Credit rents are generally within range of, if not lower than, those reported among similar unit types among the comparable LIHTC projects. Note that the one property in the market which offers units at both 50% and 60% of AMHI, Shangri-La Park (Map ID 12), charges the same rent, regardless of AMHI level. Although management was unable to confirm, this is likely due to the fact that the units set at 60% of AMHI effectively have rents restricted to 50% of AMHI. Thus, the units set at 60% of AMHI at this property are not believed to be the most accurate representation of what is truly achievable within this market. Although the four other properties offering units at the 60% AMHI level are located outside the Site PMA, these properties are located within the outlying portions of Cartersville or the nearby Acworth area, which is also within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area. As such, these properties comply with the same rent and income limits as similar properties within the Site PMA and will therefore serve as accurate comparables for the subject project. When compared to these properties located outside the Site PMA, the subject's proposed gross rents are expected to represent a significant value and are considered marketable.

Comparable/Competitive Tax Credit Summary

A total of three non-subsidized LIHTC projects were identified and surveyed within the Site PMA. These three properties have a combined occupancy rate of 99.1%, with the two age-restricted comparable LIHTC properties both reporting at 100.0% occupancy. Due to the limited supply of LIHTC product set at the 60% AMHI level, four additional properties were surveyed outside the Site PMA, all of which report occupancy rates of 96.0% or higher. The subject's proposed gross Tax Credit rents are considered competitive and marketable within the Cartersville market. In fact, the subject rents set at 60% of AMHI will be significantly lower than those reported among several of the comparable properties. The subject's unit designs and amenity packages are also considered competitive and marketable to the targeted senior population within the Site PMA.

Market-Rate Units

In addition to its Tax Credit units, the proposed project will also offer some unrestricted market-rate units. Within the Cartersville Site PMA, we identified and surveyed a total of ten properties which offer unrestricted market-rate units. Of these ten properties, we have selected the five properties which we consider most comparable to the subject project in terms of age, design, unit types offered, and/or amenities offered. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	**Peaks of Cartersville**	**2019**	**14***	**-**	**-**	**-**
4	Vineyards	1999	152	99.3%	3.8 Miles	None
7	Rosewood Apts.	1990	148	100.0%	3.8 Miles	None
14	Alexandria Landing	2000	76	100.0%	3.0 Miles	None
16	Avonlea Highlands	2002	228	99.6%	1.9 Miles	None
17	Glen Apts.	1990	108	100.0%	3.4 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 712 units with an overall occupancy rate of 99.7%, with none of the selected properties reporting individual occupancy rates below 99.3%. These occupancy rates demonstrate that these properties have been well-received within the market and will serve as accurate benchmarks with which to compare the subject site.

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:

		Gross Rent (Number of Units/Vacancies)		
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**
Site	**Peaks of Cartersville**	**$789 (6)**	**$913 (8)**	**-**
4	Vineyards	$875 (42/0)	$994-$1,069 (96/1)	$1,142 (14/0)
7	Rosewood Apts.	$916-$931 (56/0)	$1,042 (84/0)	$1,216 (8/0)
14	Alexandria Landing	$781 (20/0)	$905 (40/0)	$1,041 (16/0)
16	Avonlea Highlands	$1,073-$1,168 (54/0)	$1,213-$1,341 (138/1)	$1,427-$1,466 (36/0)
17	Glen Apts.	$876-$936 (32/0)	$1,002-$1,112 (52/0)	$1,186-$1,236 (24/0)

The subject's proposed gross market-rate rents are some of the lowest among the comparable properties. Thus, the subject project will likely be perceived a good value within the Cartersville market.

Comparable Market-Rate Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed development will be competitive with these properties. In fact, the subject project will offer some of the lowest priced one- and two-bedroom units among the comparable market-rate properties, in terms of gross rents. This will create a competitive advantage for the property.

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.**
$847	$981

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

One-Br.	$847	- $695	$152	/ $695	21.9%
Two-Br.	$981	- $795	$186	/ $795	23.4%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 21.9% for a one-bedroom unit to 23.4% for a two-bedroom unit, 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 Cartersville 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 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. 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 72 age-restricted (62+) units proposed at the subject site, assuming it is developed as detailed in this report.

The two age-restricted LIHTC properties surveyed in the market are both 100.0% occupied with waiting lists. It is also of note that only one of these two age-restricted properties offers units set at 50% and 60% of AMHI similar to the subject project. Additionally, this property which targets AMHI levels similar to the subject project charges the same rent, regardless of AMHI level. This is a good indication that the units set at 60% of AMHI are effectively rent restricted to 50% of AMHI. This also indicates that there is lack of traditional age-restricted LIHTC product targeting households earning up to 60% of AMHI. The subject project will also offer some unrestricted market-rate units. Although no age-restricted market-rate properties were surveyed within the Site PMA, the five market-rate properties selected as comparables for the subject project are 99.7% occupied, demonstrating that market-rate product is also in high demand within this market. The subject project is considered marketable and will be competitive in terms of price point (gross rent), unit design, and amenities offered.

In addition to the competitive position of the subject project, a sufficient base of potential age- and income-appropriate renter households exists in the market for the subject project, as evident by the subject's overall Tax Credit capture rate of 21.7% and market-rate capture rate of 19.2%. The subject's capture rates by AMHI level are also achievable, ranging from 6.8% to 23.6%, as detailed in *Section G*.

Based on the preceding factors, the subject project is considered marketable and is expected to represent a value to low-income senior renters within the Cartersville Site PMA. Also, when considering the high occupancy rates and waiting lists maintained among the comparable properties surveyed, the development of the subject project is not expected to have any adverse impact on future occupancy rates among existing rental product in the Cartersville market. We have no recommendations for the subject project at this time.

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

Development Name:	Peaks of Cartersville	Total # Units:	72
Location:	640 North Tennessee Street, Cartersville, Georgia 30120 (Bartow County)	# LIHTC Units:	**58**
PMA Boundary:	Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west.		
		Farthest Boundary Distance to Subject:	6.6 miles

RENTAL HOUSING STOCK (found on page H-1 & A-4 & 5)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	18	1,401	4	99.7%
Market-Rate Housing	10	988	2	99.8%
Assisted/Subsidized Housing not to include LIHTC	5	186	0	100.0%
LIHTC*	3	227	2	99.1%
Stabilized Comps**	3	227	2	99.1%
Properties in Construction & Lease Up	0	0	0	-

*Non-subsidized
**In market comps only

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	One-Br.	1.0	742	**$495 (50%)**	**$847**	**$1.10**	**71.1%**	**$952**	**$1.44**
18	One-Br.	1.0	742	**$595 (60%)**	**$847**	**$1.10**	**42.4%**	**$952**	**$1.44**
6	One-Br.	1.0	742	**$695 (MR)**	**$847**	**$1.10**	**21.9%**	**$952**	**$1.44**
9	Two-Br.	2.0	1,056	**$595 (50%)**	**$981**	**$0.88**	**64.9%**	**$1,066**	**$1.02**
25	Two-Br.	2.0	1,056	**$695 (60%)**	**$981**	**$0.88**	**41.2%**	**$1,066**	**$1.02**
8	Two-Br.	2.0	1,056	**$795 (MR)**	**$981**	**$0.88**	**23.4%**	**$1,066**	**$1.02**

DEMOGRAPHIC DATA (found on page E-3 & G-5)

	2012		2017		2019	
Renter Households (62+)	1,123	31.3%	1,195	30.6%	1,224	30.3%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	338	28.3%	323	26.4%
Income-Qualified Renter HHs (MR) (if applicable)	N/A	N/A	328	27.4%	353	28.8%

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

Type of Demand	30%	50%	60%	Market-Rate	Other:__	Overall Tax
Renter Household Growth	-	-11	-12	25	-	-15
Existing Households (Overburd + Substand)	-	228	191	47	-	277
Homeowner conversion (Seniors)	-	4	3	1	-	5
Total Primary Market Demand	-	221	182	73	-	267
Less Comparable/Competitive Supply	-	0	0	0	-	0
Adjusted Income-Qualified Renter HHs	**-**	**221**	**182**	**73**	**-**	**267**

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-Rate	Other:__	Overall Tax
Capture Rate	-	6.8%	23.6%	19.2%	-	21.7%

Section B - Project Description

The subject project involves the new construction of the 72-unit Peaks of Cartersville rental community to be located on an approximate 5.874acre site at 640 North Tennessee Street in Cartersville, Georgia. The project will offer 30 one-bedroom and 42 two-bedroom, garden-style units in two (2) three-story, elevator-equipped residential buildings together with a free-standing, 2,000 square-foot community building. The subject project will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income senior (age 62 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI). In addition to the Tax Credit units, 14 of the 72 subject units will operate as unrestricted market-rate units. Monthly collected Tax Credit rents will range from $495 to $695, depending on unit size and AMHI level, while the collected market-rate rents will range from $695 for a one-bedroom unit to $795 for a two-bedroom unit. Additionally, eight (8) of the subject units will operate under the HUD Section 811 program and target disabled households. Note that these subsidized units will be floating units among the subject units set at 50% of AMHI. 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 Cartersville

2. **Property Location:** 640 North Tennessee Street
Cartersville, Georgia 30120
(Bartow County)

3. **Project Type:** New construction

4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents: Collected Rent	Proposed Rents: Utility Allowance	Proposed Rents: Gross Rent	Max. Allowable LIHTC Gross Rent
6	One-Br.	1.0	Garden	742	50%	$495	$94	$589	$633
18	One-Br.	1.0	Garden	742	60%	$595	$94	$689	$759
6	One-Br.	1.0	Garden	742	MR	$695	$94	$789	-
9	Two-Br.	2.0	Garden	1,056	50%	$595	$118	$713	$760
25	Two-Br.	2.0	Garden	1,056	60%	$695	$118	$813	$912
8	Two-Br.	2.0	Garden	1,056	MR	$795	$118	$913	-
72	Total								

Source: Landbridge Development, LLC
AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2016)
Note: Eight (8) units at 50% AMHI will be HUD Section 811 units.

5. **Target Market:** Seniors (age 62 and older)

6. **Project Design:** Two (2) three-story elevator-equipped residential buildings and one non-residential 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
- Microwave
- Emergency Call System
- Central Air Conditioning
- Washer/Dryer Hookups
- Vinyl Plank Flooring
- Window Blinds
- Ceiling Fan

10. **Community Amenities:**

The subject property will include the following community features:

- On-Site Management
- Laundry Facility
- Picnic Area w/Grills
- Wellness Screening Room
- Clubhouse/Community Space
- Elevator
- Covered Porch

11. **Resident Services:**

None

12. **Utility Responsibility:**

The cost of trash collection will be included in the rent, while tenants will be responsible for the following:

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

13. **Rental Assistance:**

Eight (8) of the 72 proposed units will operate under the HUD Section 811 program and target disabled households. These disabled units will not be restricted to a specific disabled population (i.e. physical, mental, etc.).

14. Parking:

The subject site will offer a surface parking lot containing a total of 144 parking spaces, which equates to 2.0 spaces per unit. This is considered appropriate for senior-oriented rental product such as that proposed at the subject site.

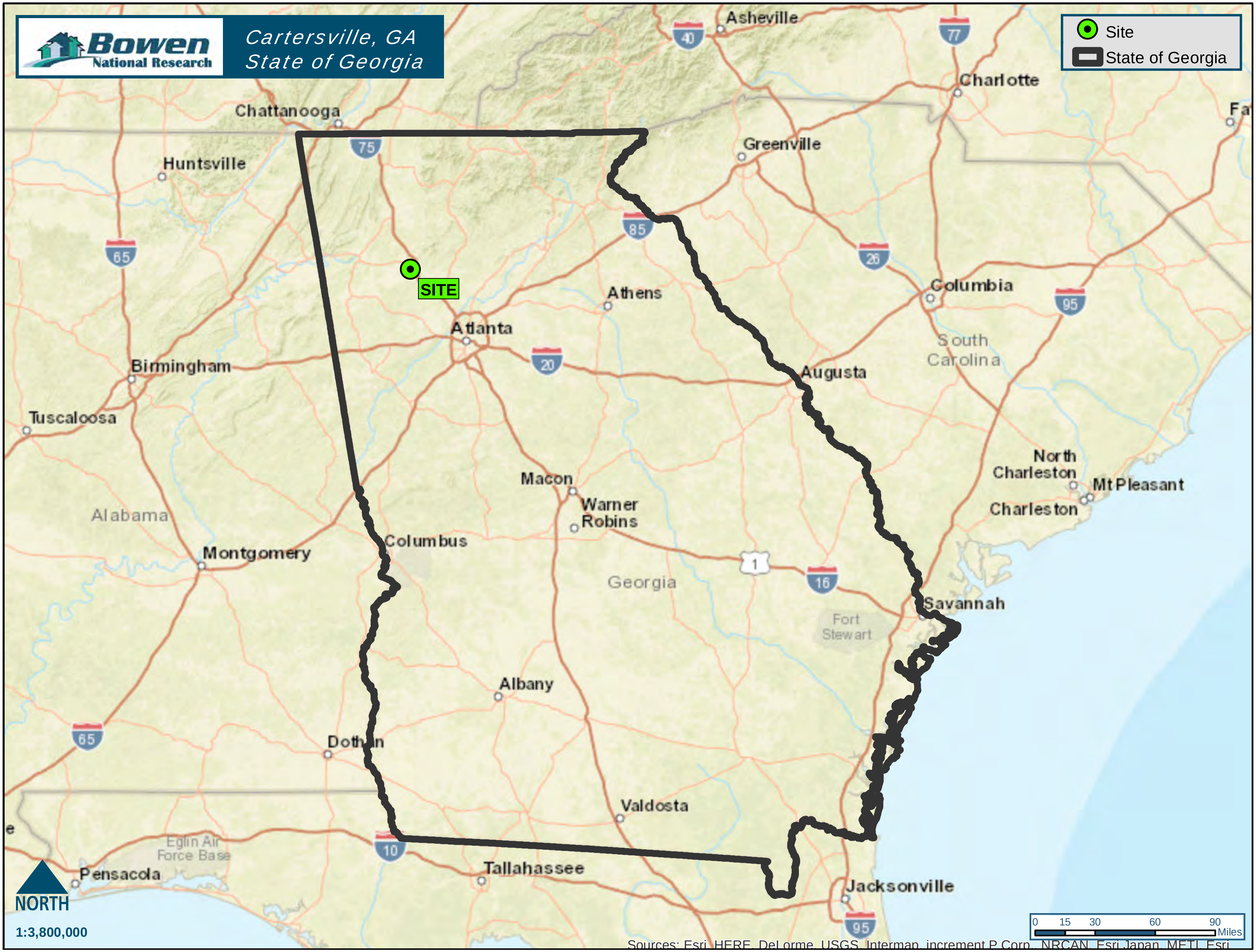
15. Current Project Status:

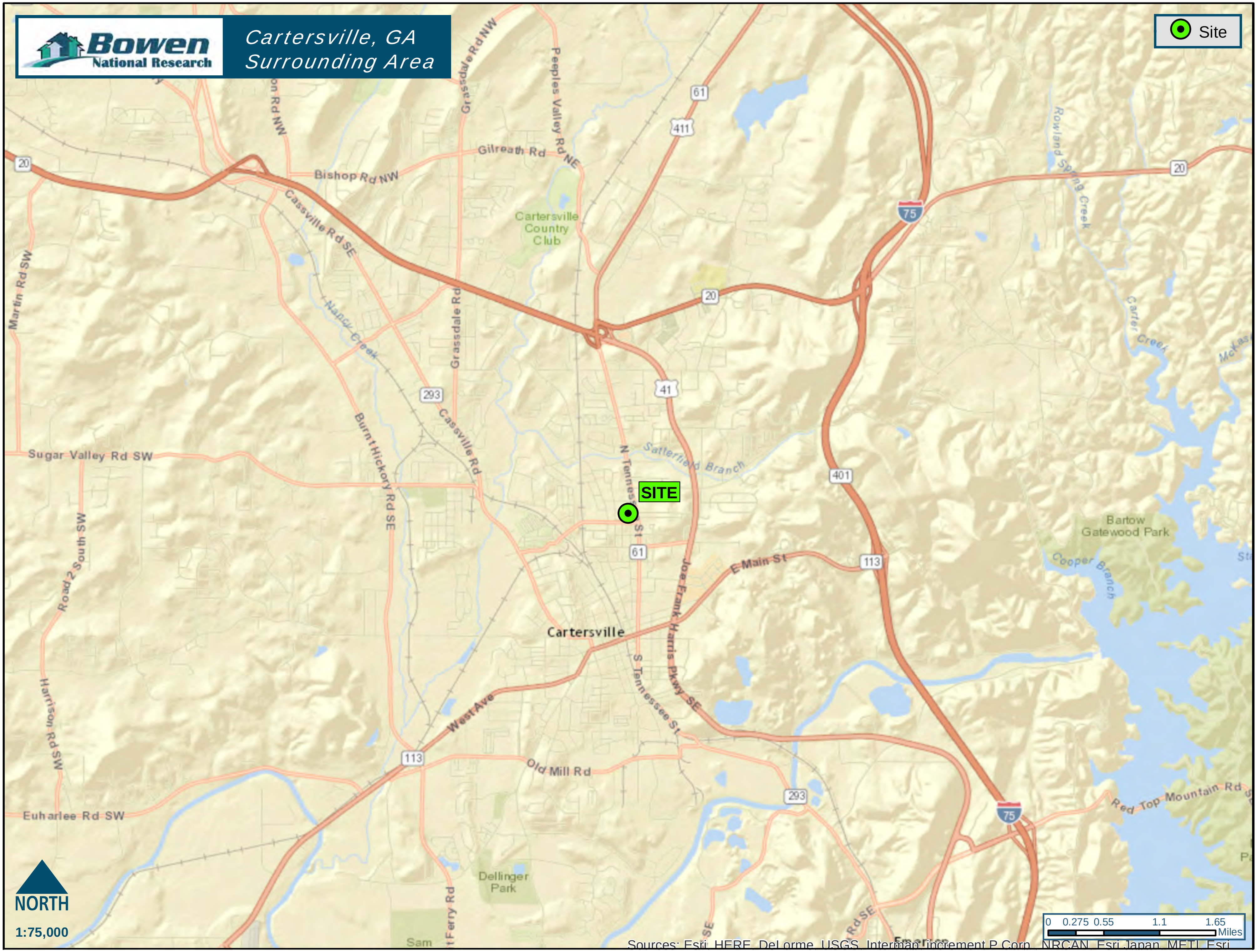
Not Applicable; New Construction

16. Statistical Area:

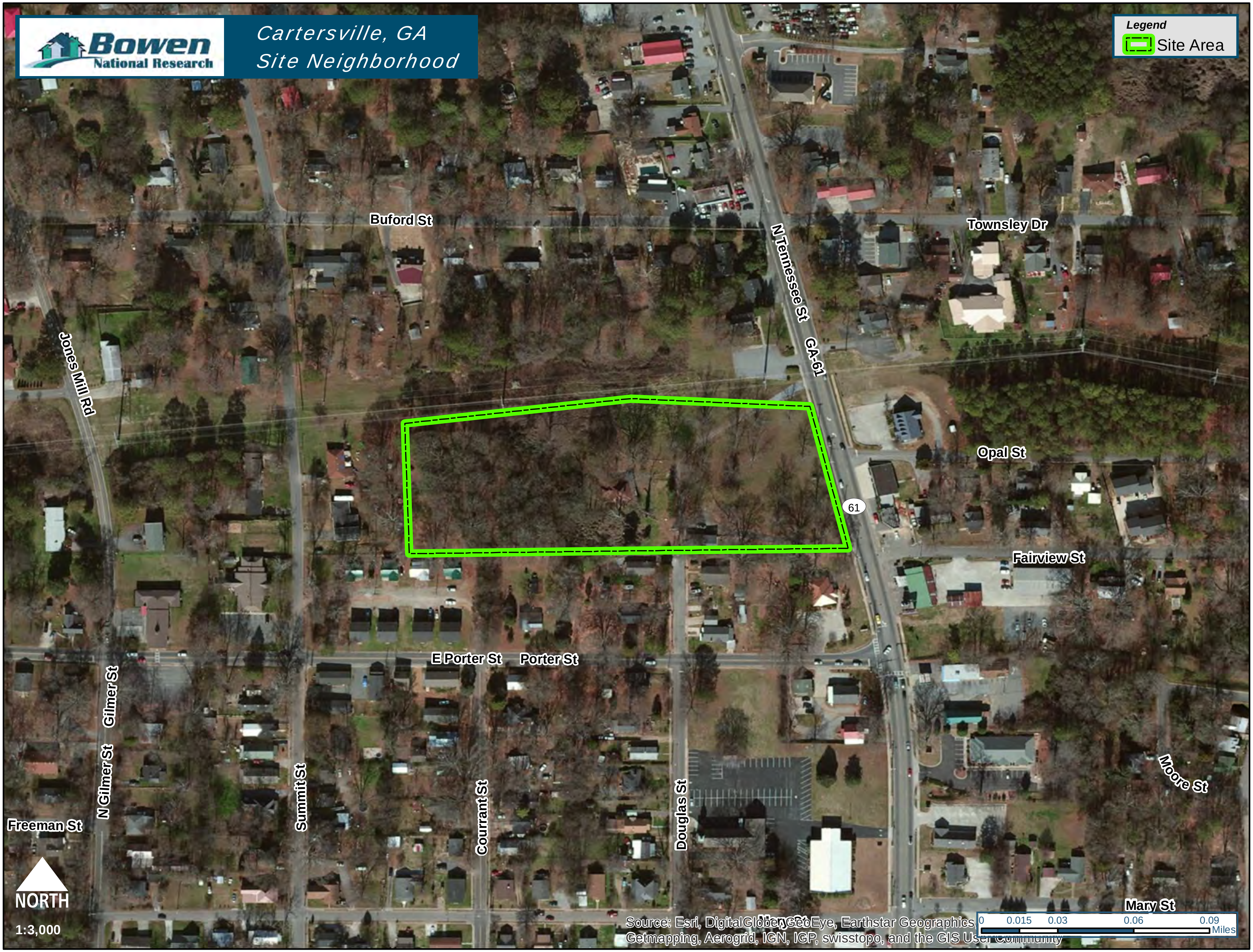
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area (2016)

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


Bowen
National Research
Cartersville, GA
State of Georgia
Site
State of Georgia
SITE
Chattanooga
Huntsville
Asheville
Charlotte
Greenville
Athens
Atlanta
Columbia
South Carolina
Augusta
Birmingham
Tuscaloosa
Alabama
Montgomery
Columbus
Macon
Warner Robins
Georgia
North Charleston
Mt Pleasant
Charleston
Savannah
Fort Stewart
Albany
Dothan
Valdosta
Tallahassee
Eglin Air Force Base
Pensacola
Jacksonville
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



Bowen
National Research
Cartersville, GA
Surrounding Area
Site
SITE
Cartersville
Cartersville Country Club
Bartow Gatewood Park
Dellinger Park
Sugar Valley Rd SW
Euharlee Rd SW
Bishop Rd NW
Gilreath Rd
Cassville Rd SE
Cassville Rd
Grassdale Rd
Burnt Hickory Rd SE
N Tennessee St
S Tennessee St
Joe Frank Harris Pkwy SE
E Main St
West Ave
Old Mill Rd
Red Top Mountain Rd
Satterfield Branch
Nancy Creek
Cooper Branch
NORTH
1:75,000
0 0.275 0.55 1.1 1.65
Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri


Bowen
National Research
Cartersville, GA
Site Neighborhood
Legend
Site Area
Buford St
Townsley Dr
N Tennessee St
GA-61
Jones Mill Rd
Opal St
61
Fairview St
E Porter St
Porter St
Gilmer St
N Gilmer St
Summit St
Courrant St
Douglas St
Moore St
Freeman St
Mary St
NORTH
1:3,000
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics
Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community
0 0.015 0.03 0.06 0.09
Miles

Section C – Site Description And Evaluation

1. LOCATION

The subject site is an undeveloped and lightly wooded 5.874-acre parcel located at 640 North Tennessee Street in the central portion of Cartersville, Georgia. Located within Bartow County, Cartersville is approximately 43.0 miles northwest of Atlanta, Georgia. Garth Semple, an employee of Bowen National Research, inspected the site and area apartments during the week of March 27, 2017.

2. SURROUNDING LAND USES

The subject site is within an established area of Cartersville, Georgia. Surrounding land uses generally include single-family homes, a small group of townhomes, wooded and vacant land, retail shops and various other small businesses. Adjacent land uses are detailed as follows:

North -	The northern boundary of the site is defined by a tree line. It is also of note that what appear to be high-tension powerlines run parallel to the northern border of the site. Continuing north is a residential neighborhood generally comprised of one- and two-story single-family homes observed to be in average condition. A small Hertz rental car center and Brandi's World Famous Hot Dogs, both observed to be in average condition, extend northeast of the site.
East -	The eastern boundary is defined by North Tennessee Street (State Route 61), a two-lane arterial with a designated center turn lane and light to moderate vehicular traffic. Located east of North Tennessee Street (State Route 61), are multiple small businesses including, but not limited to a pet grooming facility, dentist's office, insurance office, and automotive customization center. All these businesses were observed to be in average condition. Extending farther east is a mix of single-family homes in average condition and wooded land.
South -	There are two single-family home structures located near the southeast boundary of the site that are expected to be razed as part of the development of the subject site. Continuing south are residential neighborhoods comprised of single-family homes ranging from less than average to average condition. A small set of townhomes observed to be in less than average condition lies beyond the southwest boundary of the site. In addition, Lifepoint Church, observed to be in good condition, is southeast of the site.

West -	The western boundary of the site is defined by a steep decline in elevation followed by one- and two-story single-family homes observed to be in average condition. Scattered single-family homes and undeveloped wooded land extend farther west.

The subject site is located within a mixed-use area of Cartersville. Structures within the immediate site area are generally in average condition, though there are some single-family homes and townhomes south of the site which were observed to be in less than average condition. Additionally, what appear to be high tension power lines run parallel to the northern boundary of the subject site. The structures located south of the subject site which were observed to be of less than average condition are not expected to have a significant impact on the marketability of the subject site as these are structures are not blighted structures or in disrepair, rather cosmetically undesirable. The high-tension power lines along the northern boundary of the subject site are also not expected to impact marketability of the subject site, as these power lines are not expected to be directly overhead of any of the subject buildings or community areas.

3. VISIBILITY AND ACCESS

The subject property maintains full frontage and is clearly visible from North Tennessee Street (State Route 61) which borders the site to the east. There are no tall structures in the immediate area to obstruct views of the site. However, the tree lines/wooded land to the north and south, as well as a steep change in elevation to the west, do slightly obstruct visibility from these aforementioned directions. The obstructed visibility of the subject site from these aforementioned directions is not, however, expected to have any adverse impact on marketability of the subject site due to the fact that the heaviest passerby traffic to the subject site will derive from North Tennessee Street (State Route 61) east of the site. The subject site is clearly visible from this roadway and any signage provided along North Tennessee Street (State Route 61) would adequately promote awareness of the site. Overall, visibility is considered to be good.

The subject site derives access from North Tennessee Street (State Route 61), a two-lane thoroughfare which borders the site to the east and was observed to experience moderate vehicular traffic. Notably, a dedicated center turn lane is provided along North Tennessee Street (State Route 61), which will help mitigate periods of heavier traffic and enhance ingress and egress of the subject site. The subject site is also within proximity of multiple arterial roadways, including U.S. Highway 41 which can be accessed by way of Martin Luther King Jr. Drive approximately 0.6 miles southeast of the site, and U.S. Highway 411 can be accessed approximately 1.7 miles north via North Tennessee Street (State Route 61). Both of the previously mentioned highways provide access throughout Cartersville. There is no fixed-route public transportation in Cartersville. However, on-call public transit is offered by Bartow

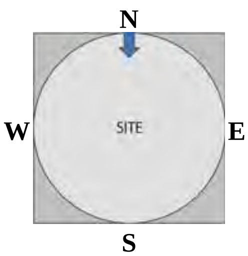
County Transit, which is considered beneficial to the low-income senior population targeted at the subject project. Based on the preceding factors, accessibility of the subject site is considered good and should contribute to the subject's marketability within the Cartersville market.

According to area planning and zoning officials, and based on the observations of our analyst, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

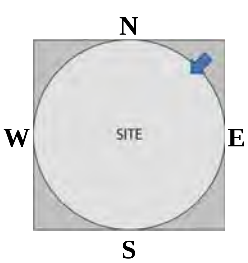
4. SITE PHOTOGRAPHS

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

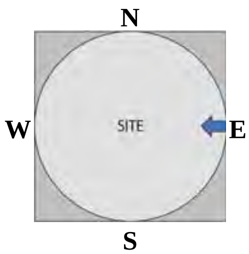
SITE PHOTOGRAPHS



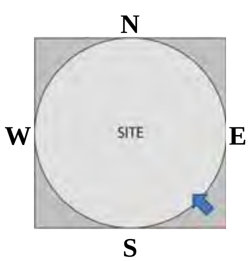
View of site from the north

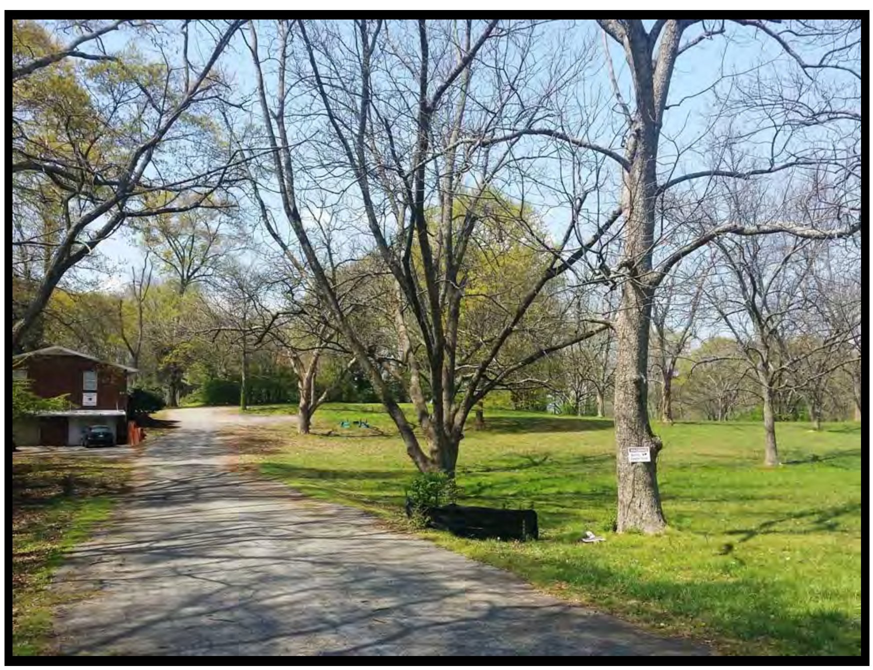


View of site from the northeast

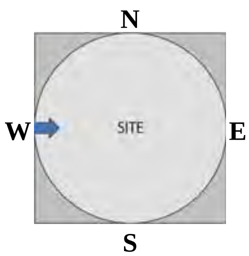


View of site from the east

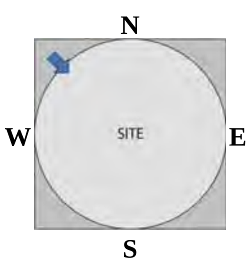




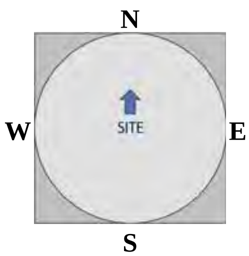
View of site from the southeast



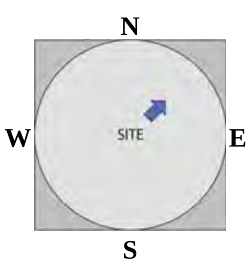
View of site from the west



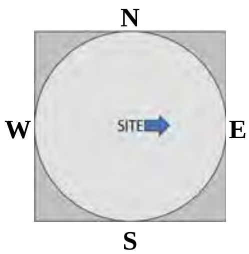
View of site from the northwest



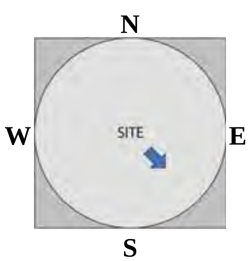
North view from site



Northeast view from site



East view from site

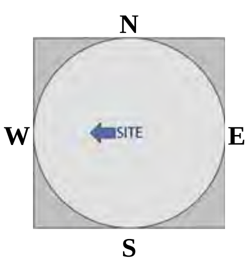


Southeast view from site


Typical single-family home south of site

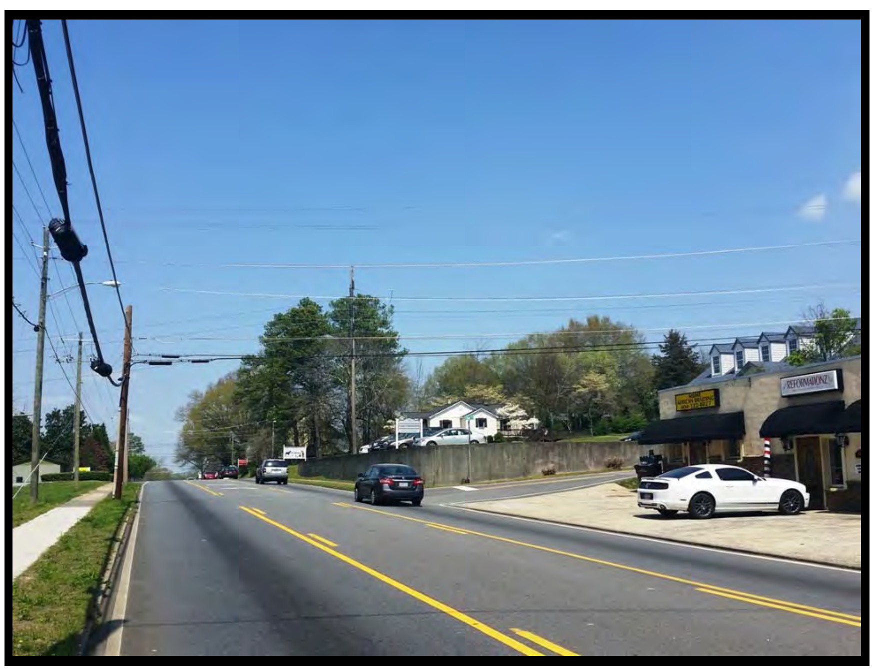

Typical single-family home south of site

Townhomes southwest of site



West view from site

Northwest view from site



Streetscape: North view of North Tennessee Street

Streetscape: South view of North Tennessee Street

Streetscape: South view of Summit Street

Streetscape: North view of Summit Street

Streetscape: East view of Porter Street

Streetscape: West view of Porter Street

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

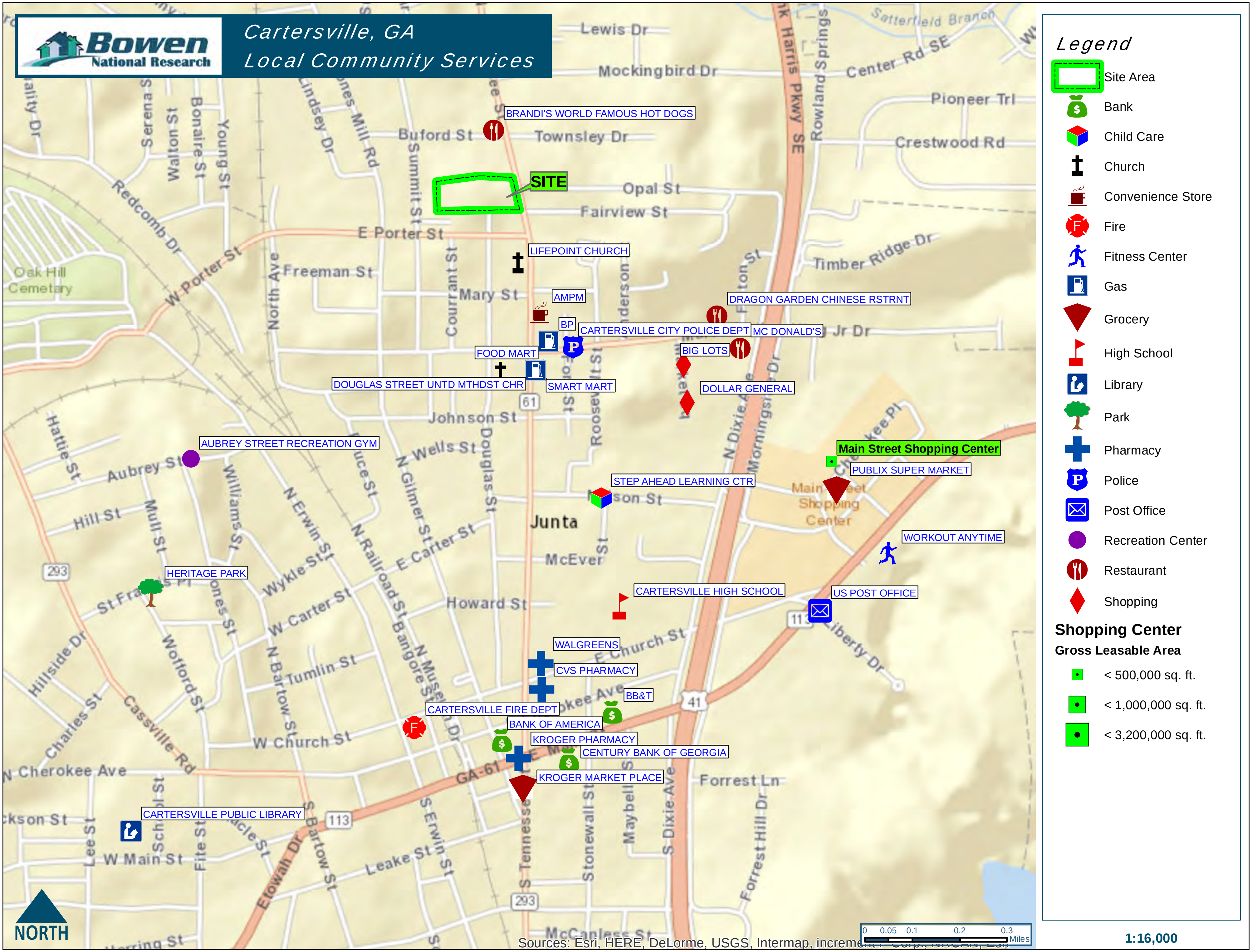
Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 61 (North Tennessee Street) U.S. Highway 41 U.S. Highway 411 Interstate 75	Adjacent East 0.6 Southeast 1.7 North 2.9 Southeast
Public Bus Stop	Bartow County Transit	On-Call
Major Employers/ Employment Centers	Cartersville Medical Center Walmart Supercenter Shaw Industries	1.7 North 2.1 Northeast 7.3 Northeast
Convenience Store	AmPm Food Mart	0.3 South 0.3 South
Grocery	Kroger Market Place Publix Super Market Walmart Supercenter	1.0 South 1.2 Southeast 2.1 Northeast
Discount Department Store	Big Lots Dollar General Walmart Supercenter	0.6 Southeast 0.7 Southeast 2.1 Northeast
Shopping Center/Mall	Market Square Shopping Center Cartersville Plaza Shopping Center	0.6 Southeast 0.6 Southeast
Schools: Primary Elementary Middle/Junior High High	 Cartersville Primary School (K-2) Cartersville Elementary School (3-5) Cartersville Middle School (6-8) Cartersville High School (9-12)	 2.9 Southwest 2.8 Southwest 3.7 Southwest 1.1 South
Hospital	Cartersville Medical Center	1.7 North
Police	Cartersville City Police Department	0.4 South
Fire	Cartersville Fire Department	1.1 South
Post Office	U.S. Post Office	1.3 Southeast
Bank	Bank of America Century Bank of Georgia BB&T	1.0 South 1.1 South 1.2 South
Recreational Facilities	Aubrey Street Recreation Gym	1.2 Southwest
Gas Station	BP Smart Mart	0.3 South 0.3 South
Pharmacy	CVS Pharmacy Walgreens Kroger Pharmacy	0.9 South 0.9 South 1.0 South
Restaurant	Brandi's World Famous Hot Dogs Dragon Garden Chinese Restaurant McDonald's	0.1 Northwest 0.6 Southeast 0.7 Southeast
Day Care	Step Ahead Learning Center	0.7 South
Library	Cartersville Public Library	1.7 Southwest
Community Center	Aubrey Street Recreation Gym	1.2 Southwest
Fitness Center	Workout Anytime	1.9 Southeast
Park	Heritage Park	1.4 Southwest
Church	Lifepoint Church Douglas Street United Methodist Church	0.2 South 0.4 South

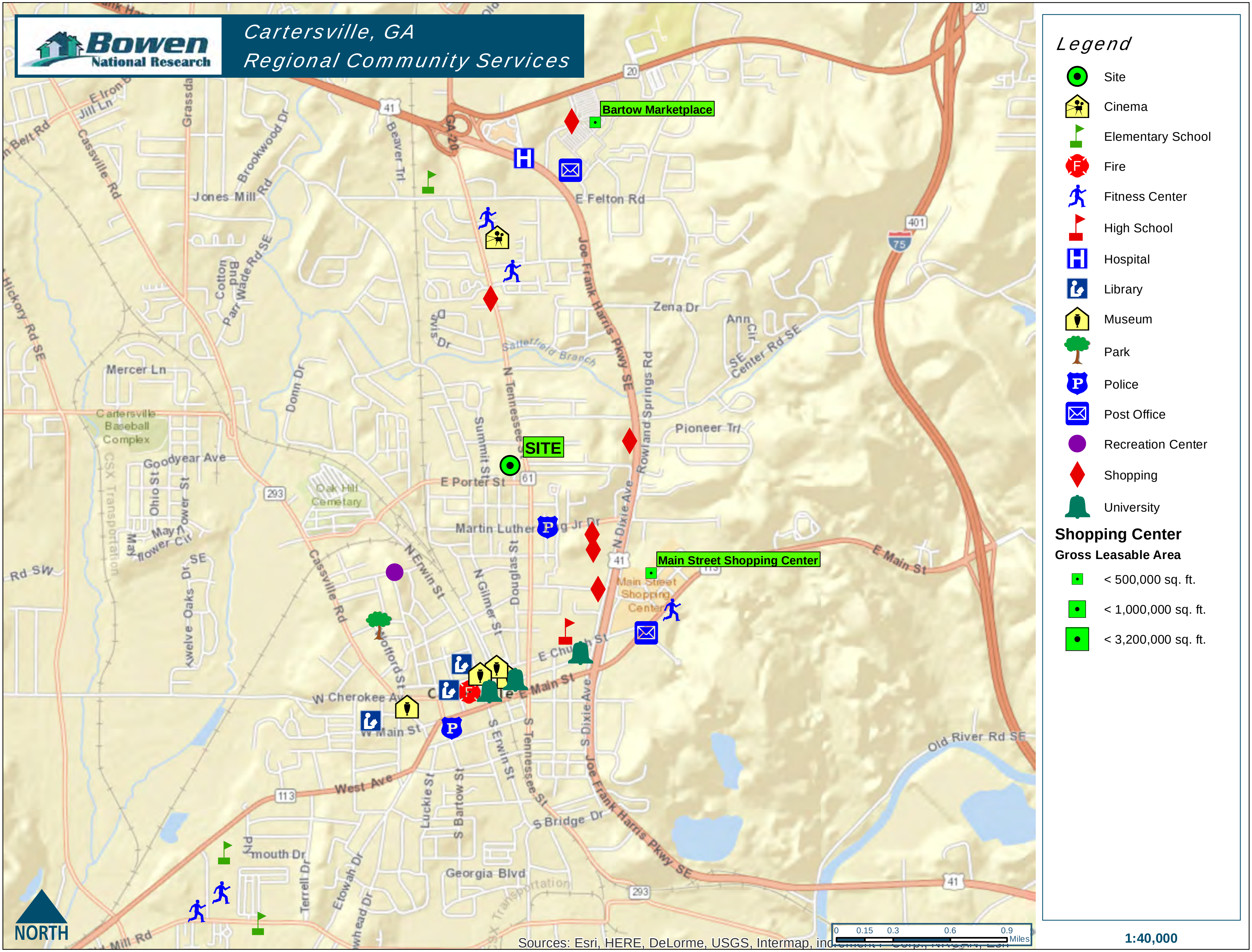
There are numerous community services located within proximity of the site. Notably, the subject site is near multiple shopping centers which contain such retailers as Kroger Marketplace, Publix, Big Lots, and a Walmart Supercenter. Additionally, dining establishments, pharmacies, financial institutions, and convenience stores are all located within proximity of the site, which is considered beneficial to the targeted population. Many of the aforementioned community services are located along U.S. Highway 41 (Joe Frank Harris Parkway), which is accessible within 0.6 miles of the subject site.

The subject site is provided public safety services by the City of Cartersville Police and Fire departments which are located 0.4 miles and 1.1 mile, respectively, from the site. The nearest acute-care hospital is the Cartersville Medical Center which offers an emergency care unit, as well as specializing in numerous medical treatments. Overall, the subject site's proximity to community services should contribute to the overall marketability of the subject site.

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

Cartersville, GA
Local Community Services




Bowen National Research
Cartersville, GA
Regional Community Services
Legend
Site
Cinema
Elementary School
Fire
Fitness Center
High School
Hospital
Library
Museum
Park
Police
Post Office
Recreation Center
Shopping
University
Shopping Center
Gross Leasable Area
< 500,000 sq. ft.
< 1,000,000 sq. ft.
< 3,200,000 sq. ft.
SITE
Bartow Marketplace
Main Street Shopping Center
E Felton Rd
Jones Mill Rd
Zena Dr
Pioneer Trl
E Porter St
E Main St
W Main St
W Cherokee Ave
West Ave
Georgia Blvd
S Bridge Dr
Joe Frank Harris Pkwy SE
N Tennessee St
Old River Rd SE
Mercer Ln
Goodyear Ave
Cartersville Baseball Complex
Oak Hill Cemetary
NORTH
0 0.15 0.3 0.6 0.9 Miles
1:40,000
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri

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.

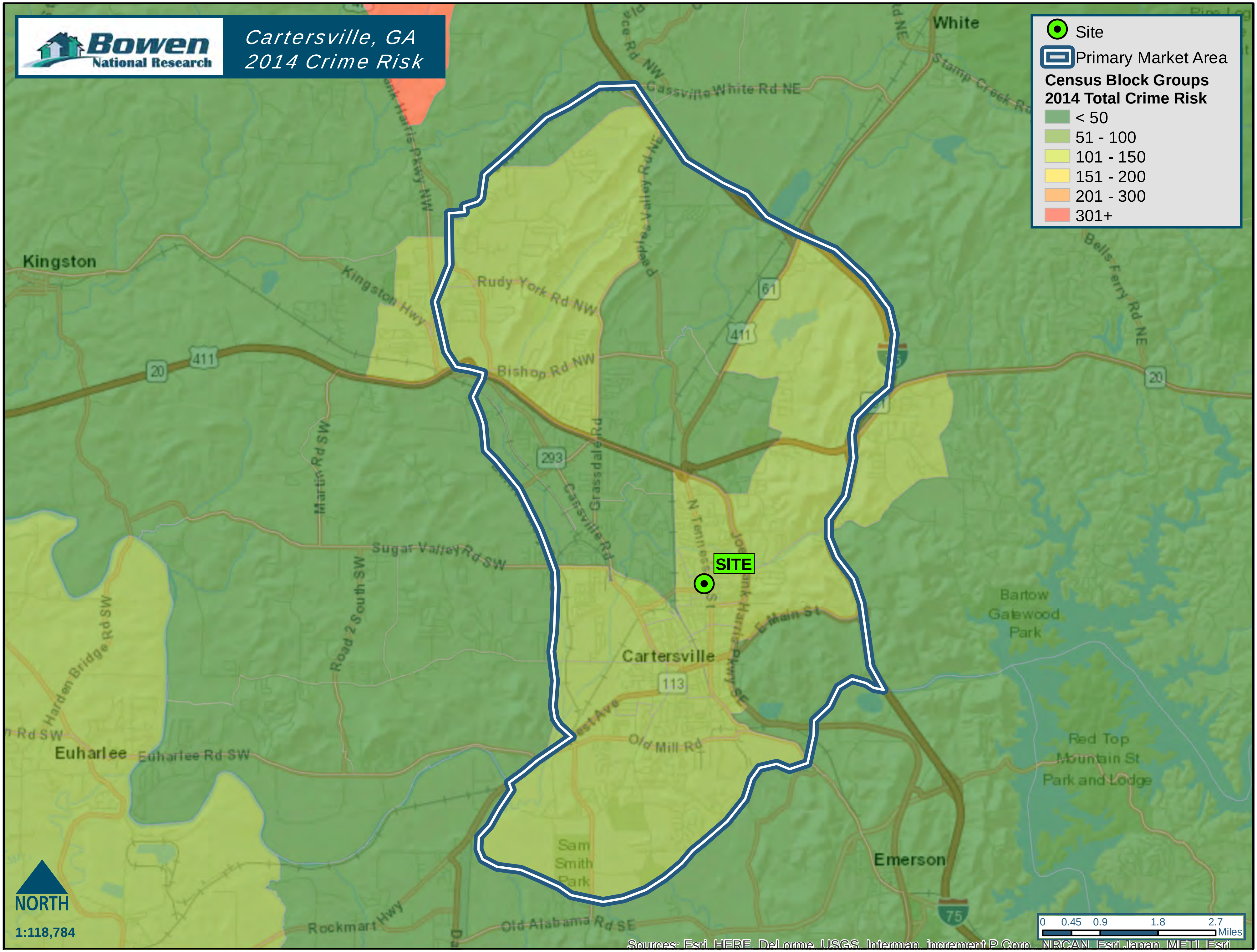
Total crime risk for the Site PMA is 47, with an overall personal crime index of 38 and a property crime index of 50. Total crime risk for Bartow County is 51with indexes for personal and property crime of 34 and 62, respectively.

	Crime Risk Index	
	Site PMA	Bartow County
Total Crime	**47**	**51**
Personal Crime	**38**	**34**
Murder	40	36
Rape	37	32
Robbery	27	24
Assault	49	47
Property Crime	**50**	**62**
Burglary	75	87
Larceny	28	48
Motor Vehicle Theft	49	54

Source: Applied Geographic Solutions

As the preceding illustrates, the crime risk index reported for the Cartersville Site PMA (47) is lower than that reported for Bartow County (51) as a whole, and both are well below the national average of 100. These low crime rates indicate that there is likely a low perception of crime within the area, which will contribute to the overall marketability of the subject project.

A map illustrating crime risk is on the following page.

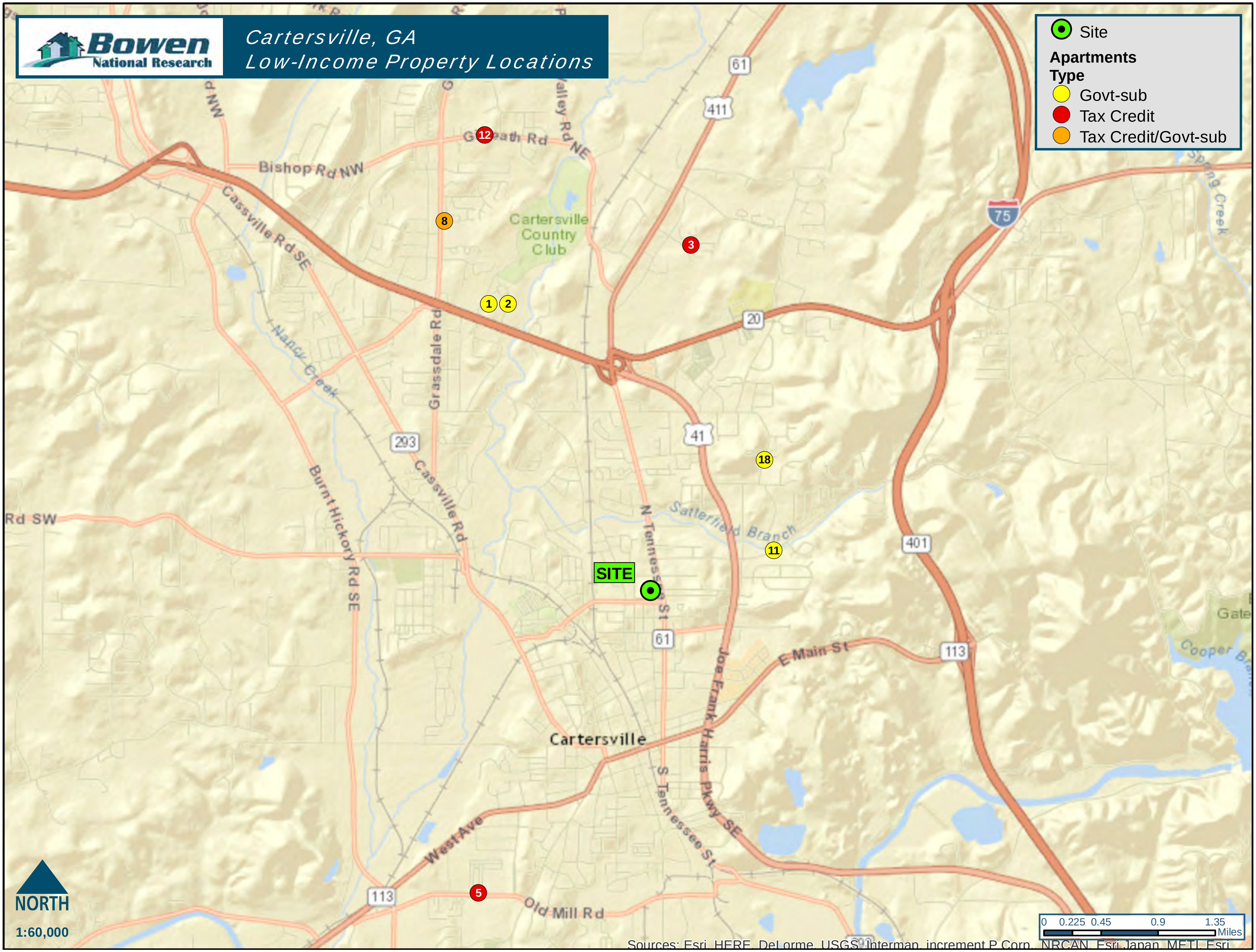

Bowen National Research
Cartersville, GA
2014 Crime Risk
Site
Primary Market Area
Census Block Groups
2014 Total Crime Risk
< 50
51 - 100
101 - 150
151 - 200
201 - 300
301+
SITE
Cartersville
Kingston
White
Euharlee
Emerson
Bartow
Gatewood
Park
Red Top
Mountain St
Park and Lodge
Sam
Smith
Park
Rudy York Rd NW
Bishop Rd NW
Kingston Hwy
Sugar Valley Rd SW
Martin Rd SW
Road 2 South SW
Harden Bridge Rd SW
Euharlee Rd SW
Old Mill Rd
E Main St
Cassville White Rd NE
Cassville Rd
Grassdale Rd
Bells Ferry Rd NE
Stamp Creek Rd
Rockmart Hwy
Old Alabama Rd SE
20
411
61
293
113
75
NORTH
1:118,784
0 0.45 0.9 1.8 2.7
Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

7. OVERALL SITE EVALUATION

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are minimal and are not expected to have any negative impact on marketability of the subject site. A set of high-tension power lines are parallel to the northern boundary of the subject site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property. The subject site is clearly visible and easily accessible from North Tennessee Street, a moderately traveled roadway with a center turn lane which borders the site to the east. Most area services are located within 2.0 miles of the subject site, with many being located along and easily accessible from U.S. Highway 41, which is accessible within 0.6 miles of the subject site. Overall, the subject site location is considered conducive to age-restricted rental housing and should contribute to the subject's overall marketability within the Cartersville market.

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.


Bowen National Research
Cartersville, GA
Low-Income Property Locations
Site
Apartments
Type
Govt-sub
Tax Credit
Tax Credit/Govt-sub
SITE
Cartersville
Cartersville Country Club
Bishop Rd NW
Cassville Rd SE
Nancy Creek
Grassdale Rd
Burnt Hickory Rd SE
Cassville Rd
N Tennessee St
S Tennessee St
Satterfield Branch
Joe Frank Harris Pkwy SE
E Main St
West Ave
Old Mill Rd
Rd SW
Spring Creek
Cooper Br
Gate
61
411
75
20
41
293
401
113
1
2
3
5
8
11
12
18
NORTH
1:60,000
0 0.225 0.45 0.9 1.35 Miles
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 Cartersville Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

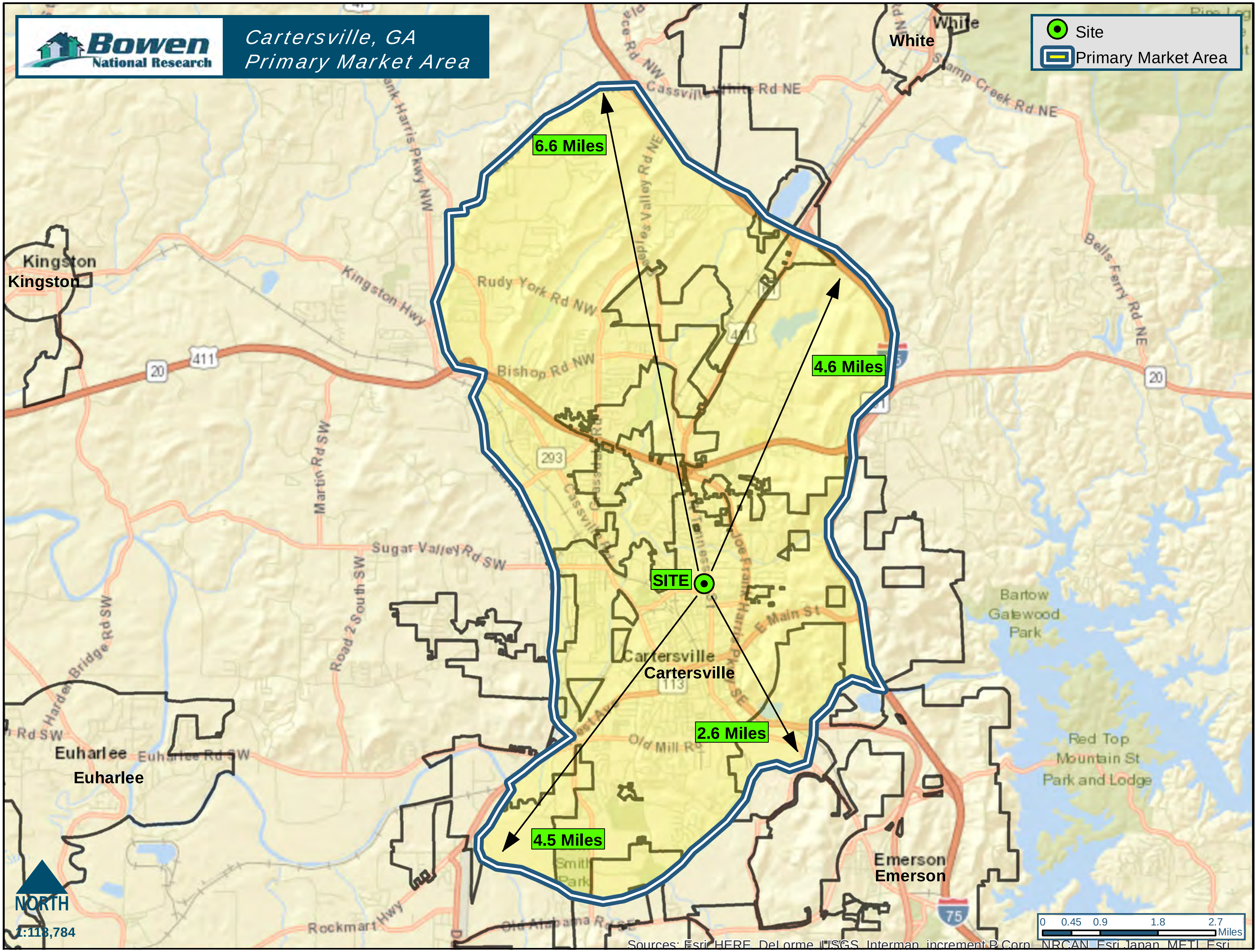
The Cartersville Site PMA includes portions of Cartersville and Cassville and outlying unincorporated portions of Bartow County. The boundaries of the Site PMA include Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west. The boundaries of the Site PMA are within 6.6 miles of the subject site.

Bailey West, Leasing Agent with Rosewood Apartments, a market-rate community located in the Site PMA, confirmed the Site PMA. Ms. West stated the majority of potential tenants for a new affordable rental property located in Cartersville would likely originate from within the immediate Cartersville area. Ms. West feels that residents of nearby communities, like Rome, Kingston, Euharlee and Emerson, may relocate to Cartersville for affordable housing due to the lack of quality housing within these areas, but they would not make up a large portion of the property. Ms. Bailey stated she does not believe residents from larger communities south of the Site PMA would be willing to relocate to Cartersville.

Patty Everett, Leasing Consultant with the Avenue Apartments, a market-rate community located in the Site PMA, confirmed the Site PMA. Ms. Everett stated that the majority of her current residents are from the immediate Cartersville area and some of the surrounding communities. Ms. Everett stated residents from the larger communities south of the Site PMA would not likely relocate to Cartersville, as they are closer to the larger surrounding areas of Atlanta, which offer more abundant affordable housing options.

Though some support for the project will undoubtedly originate from areas outside the Site PMA, the majority of support is expected to derive from within the boundaries of the Site PMA. In addition to their distance from Cartersville, areas outside of the Site PMA have been excluded from the Site PMA as households within these areas would likely gravitate towards similar rental alternatives in the surrounding areas such as Adairsville, Acworth and Kennesaw. It is also of note that areas south of the Site PMA are generally comprised of higher income households which would not likely support affordable housing alternatives in Cartersville. Based on the preceding analysis, we have not considered a secondary market area in this report.

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



Bowen National Research
Cartersville, GA
Primary Market Area
Site
Primary Market Area
6.6 Miles
4.6 Miles
2.6 Miles
4.5 Miles
SITE
Kingston
White
Cartersville
Euharlee
Emerson
Bartow Gatewood Park
Red Top Mountain St Park and Lodge
Rudy York Rd NW
Bishop Rd NW
Kingston Hwy
Sugar Valley Rd SW
Martin Rd SW
Cassville White Rd NE
Stamp Creek Rd NE
Bells Ferry Rd NE
E Main St
Old Mill Rd
Rockmart Hwy
NORTH
1:113,784
0 0.45 0.9 1.8 2.7 Miles

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	26,535	35,510	37,070	37,311
Population Change	-	8,975	1,560	242
Percent Change	-	33.8%	4.4%	0.7%

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

The Cartersville Site PMA population base increased by 8,975 between 2000 and 2010. This represents a 33.8% increase over the 2000 population, or an annual rate of 3.0%. Between 2010 and 2017, the population increased by 1,560, or 4.4%. It is projected that the population will increase by 242, or 0.7%, between 2017 and 2019.

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

Population by Age	2010 (Census)		2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	10,334	29.1%	10,430	28.1%	10,477	28.1%	46	0.4%
20 to 24	2,439	6.9%	2,378	6.4%	2,347	6.3%	-31	-1.3%
25 to 34	4,985	14.0%	5,248	14.2%	5,203	13.9%	-45	-0.9%
35 to 44	5,009	14.1%	4,951	13.4%	4,984	13.4%	32	0.7%
45 to 54	4,837	13.6%	4,798	12.9%	4,728	12.7%	-70	-1.5%
55 to 64	3,644	10.3%	4,156	11.2%	4,234	11.3%	78	1.9%
65 to 74	2,284	6.4%	2,937	7.9%	3,100	8.3%	163	5.5%
75 & Over	1,977	5.6%	2,171	5.9%	2,239	6.0%	68	3.1%
Total	35,509	100.0%	37,070	100.0%	37,311	100.0%	242	0.7%

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

The subject project will be restricted to seniors age 62 and older. Thus, the primary group of potential tenants at the property is the 65 and older age cohort, which is estimated to comprise nearly 14.0% of the total population in 2017. This age cohort is also projected to increase by 231 persons, or 4.5%, between 2017 and 2019.

The following compares the PMA's elderly (age 62+) and non-elderly population.

	Year		
Population Type	2010 (Census)	2017 (Estimated)	2019 (Projected)
Elderly (Age 62+)	5,294	6,285	6,560
Non-Elderly	30,216	30,785	30,752
Total	35,510	37,070	37,311

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

The elderly population (age 62 and older) is projected to increase by 274, or 4.4%, between 2017 and 2019. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	9,761	13,077	13,458	13,507
Household Change	-	3,316	381	50
Percent Change	-	34.0%	2.9%	0.4%
Household Size	2.72	2.72	2.70	2.71

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

Within the Cartersville Site PMA, households increased by 3,316 (34.0%) between 2000 and 2010. Between 2010 and 2017, households increased by 381 or 2.9%. By 2019, there will be 13,507 households, an increase of 50 households, or 0.4% over 2017 levels. This is an increase of approximately 25 households annually over the next two years.

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	667	5.1%	635	4.7%	630	4.7%	-5	-0.8%
25 to 34	2,232	17.1%	2,247	16.7%	2,214	16.4%	-33	-1.5%
35 to 44	2,600	19.9%	2,469	18.3%	2,467	18.3%	-2	-0.1%
45 to 54	2,696	20.6%	2,534	18.8%	2,479	18.3%	-56	-2.2%
55 to 64	2,179	16.7%	2,387	17.7%	2,415	17.9%	28	1.2%
65 to 74	1,446	11.1%	1,805	13.4%	1,890	14.0%	84	4.7%
75 to 84	912	7.0%	986	7.3%	1,020	7.6%	34	3.4%
85 & Over	345	2.6%	394	2.9%	394	2.9%	0	-0.1%
Total	13,077	100.0%	13,457	100.0%	13,508	100.0%	50	0.4%

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

As previously stated, the primary age group of potential tenants at the age-restricted subject project is the 65 and older age cohort, which is estimated to comprise 23.7% of the total household base in 2017. This age cohort will increase by 118 households, or 3.7%, between 2017 and 2019.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,200	55.1%	6,854	50.9%	6,851	50.7%
Renter-Occupied	5,877	44.9%	6,604	49.1%	6,656	49.3%
Total	13,077	100.0%	13,458	100.0%	13,507	100.0%

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

In 2017, homeowners occupied 50.9% of all occupied housing units, while the remaining 49.1% were occupied by renters.

Households by tenure for those age 62 and older in 2010, 2017 (estimated) and 2019 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	2,488	74.1%	2,713	69.4%	2,810	69.7%
Renter-Occupied	870	25.9%	1,195	30.6%	1,224	30.3%
Total	3,358	100.0%	3,909	100.0%	4,034	100.0%

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

A total of 1,195 (30.6%) of all households age 62 and older within the Site PMA were renters in 2017. This is considered a good share of elderly renter households. It is also of note that the number of elderly renter households will increase by 29, or 2.4%, between 2017 and 2019. Although modest, this renter growth is a good indication of an expanding elderly renter base within the Cartersville market.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	4,717	36.1%	4,145	30.8%	4,046	29.9%
Owner-Occupied (Age 62+)	2,488	19.0%	2,713	20.1%	2,810	20.8%
Renter-Occupied (<Age 62)	5,009	38.3%	5,413	40.2%	5,436	40.2%
Renter-Occupied (Age 62+)	870	6.6%	1,195	8.9%	1,224	9.1%
Total	13,084	100.0%	13,467	100.0%	13,516	100.0%

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

Currently, 8.9% of all occupied housing units within the Site PMA are occupied by renters age 62 and older.

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2017 estimates and 2019 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	730	61.1%	739	60.4%	10	1.3%
2 Persons	211	17.7%	219	17.9%	8	3.8%
3 Persons	126	10.6%	131	10.7%	4	3.5%
4 Persons	73	6.1%	76	6.2%	4	4.9%
5 Persons+	56	4.7%	59	4.8%	3	5.8%
Total	1,195	100.0%	1,224	100.0%	29	2.4%

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

Persons Per Owner Household Age 62+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,008	37.1%	1,036	36.9%	28	2.8%
2 Persons	801	29.5%	835	29.7%	34	4.2%
3 Persons	388	14.3%	403	14.3%	15	3.8%
4 Persons	349	12.8%	362	12.9%	13	3.8%
5 Persons+	167	6.2%	174	6.2%	7	4.1%
Total	2,713	100.0%	2,810	100.0%	97	3.6%

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

The one- and two-bedroom units proposed at the subject site are expected to house up to two-person senior (age 62 and older) households. Notably, one- and two-person households are estimated to comprise nearly 79.0% of all senior renter households in the Cartersville market in 2017. Thus, the subject project will be capable of accommodating most senior renters in the market, based on household size.

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

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than $15,000	2,176	16.6%	2,137	15.9%	2,218	16.4%
$15,000 to $24,999	1,413	10.8%	1,854	13.8%	1,887	14.0%
$25,000 to $34,999	1,741	13.3%	1,673	12.4%	1,752	13.0%
$35,000 to $49,999	1,985	15.2%	2,155	16.0%	1,988	14.7%
$50,000 to $74,999	2,518	19.3%	2,539	18.9%	2,560	19.0%
$75,000 to $99,999	1,302	10.0%	1,442	10.7%	1,433	10.6%
$100,000 to $149,999	1,275	9.7%	1,108	8.2%	1,117	8.3%
$150,000 to $199,999	539	4.1%	303	2.2%	306	2.3%
$200,000 & Over	128	1.0%	247	1.8%	246	1.8%
Total	13,077	100.0%	13,458	100.0%	13,507	100.0%
Median Income	$44,132		$42,412		$41,762	

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

In 2010, the median household income was $44,132. This declined by 3.9% to $42,412 in 2017. By 2019, it is projected that the median household income will be $41,762, a decline of 1.5% over 2017.

The distribution of households by income age 62 and older within the Cartersville Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than $15,000	917	27.3%	791	20.2%	818	20.3%
$15,000 to $24,999	603	18.0%	775	19.8%	786	19.5%
$25,000 to $34,999	521	15.5%	559	14.3%	590	14.6%
$35,000 to $49,999	436	13.0%	607	15.5%	570	14.1%
$50,000 to $74,999	417	12.4%	608	15.6%	653	16.2%
$75,000 to $99,999	193	5.7%	285	7.3%	306	7.6%
$100,000 to $149,999	172	5.1%	196	5.0%	215	5.3%
$150,000 to $199,999	83	2.5%	51	1.3%	55	1.4%
$200,000 & Over	16	0.5%	37	1.0%	42	1.0%
Total	3,358	100.0%	3,909	100.0%	4,034	100.0%
Median Income	$28,052		$31,950		$31,987	

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

In 2010, the median household income for households age 62 and older was $28,052. This increased by 13.9% to $31,950 in 2017. By 2019, it is projected that the median household income will be $31,987, an increase of 0.1% over 2017.

The following tables illustrate renter household income by household size for age 62 and older for 2010, 2017 and 2019 for the Cartersville Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	294	100	34	40	23	491
$15,000 to $24,999	122	40	14	16	9	201
$25,000 to $34,999	37	18	6	7	3	71
$35,000 to $49,999	33	20	7	7	4	71
$50,000 to $74,999	11	6	3	3	1	24
$75,000 to $99,999	3	3	1	1	0	8
$100,000 to $149,999	1	1	0	0	0	2
$150,000 to $199,999	1	1	0	0	0	2
$200,000 & Over	0	0	0	0	0	0
Total	502	189	65	74	40	870

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	271	75	44	26	21	437
$15,000 to $24,999	217	58	36	20	17	347
$25,000 to $34,999	71	20	12	7	4	114
$35,000 to $49,999	92	30	18	10	8	157
$50,000 to $74,999	47	17	10	5	4	83
$75,000 to $99,999	25	10	5	4	2	46
$100,000 to $149,999	5	2	1	1	0	10
$150,000 to $199,999	1	0	0	0	0	1
$200,000 & Over	1	0	0	0	0	1
Total	730	211	126	73	56	1,195

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	283	79	47	27	22	459
$15,000 to $24,999	206	57	35	20	16	334
$25,000 to $34,999	64	19	11	6	5	105
$35,000 to $49,999	89	29	17	10	8	153
$50,000 to $74,999	50	18	11	6	4	89
$75,000 to $99,999	38	14	8	5	3	69
$100,000 to $149,999	7	3	2	1	1	13
$150,000 to $199,999	1	0	0	0	0	1
$200,000 & Over	1	0	0	0	0	1
Total	739	219	131	76	59	1,224

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2017 and 2019 for the Cartersville Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	168	129	54	50	25	426
$15,000 to $24,999	169	117	49	45	22	402
$25,000 to $34,999	162	143	60	55	30	450
$35,000 to $49,999	117	124	52	47	25	365
$50,000 to $74,999	121	136	57	52	27	393
$75,000 to $99,999	55	65	27	25	13	185
$100,000 to $149,999	46	62	26	24	12	170
$150,000 to $199,999	23	30	12	11	5	81
$200,000 & Over	5	7	2	2	0	16
Total	866	813	339	311	159	2,488

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	151	95	46	41	20	354
$15,000 to $24,999	182	116	56	50	24	428
$25,000 to $34,999	174	127	62	55	27	446
$35,000 to $49,999	166	134	65	58	28	450
$50,000 to $74,999	182	162	78	70	34	525
$75,000 to $99,999	80	75	36	33	15	238
$100,000 to $149,999	51	63	31	28	13	186
$150,000 to $199,999	14	17	8	7	4	50
$200,000 & Over	9	13	6	5	3	36
Total	1,008	801	388	349	167	2,713

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $15,000	154	96	47	42	20	359
$15,000 to $24,999	189	124	60	53	26	453
$25,000 to $34,999	188	140	67	60	30	485
$35,000 to $49,999	153	124	60	54	26	417
$50,000 to $74,999	191	175	85	76	37	564
$75,000 to $99,999	80	74	36	32	14	237
$100,000 to $149,999	56	69	33	30	14	201
$150,000 to $199,999	15	18	9	8	4	54
$200,000 & Over	10	14	7	6	4	41
Total	1,036	835	403	362	174	2,810

Source: ESRI; Urban Decision Group

Demographic Summary

Demographic trends within the Cartersville Site PMA have been positive in terms of both population and households since 2000, a trend which is projected to continue between 2017 and 2019. More specifically, a total of 50 households will be added to the market during this time period, which is reflective of a 0.4% increase. Although modest, this household growth is indicative of a stable demographic base within the Site PMA. It is also of note that, senior (age 62 and older) household growth will outpace overall household growth within this market, as 125 such households will be added to the market between 2017 and 2019, reflective of a 3.2% increase during this time period. It is projected that 1,224 senior (age 62 and older) renter households will exist in the market in 2019, reflective of an increase of 29 households, or 2.4%, over 2017 levels. More than 73.0% of all senior renter households are projected to earn below $35,000 in 2019. Based on the preceding factors, a good and expanding base of potential age- and income-appropriate renter support exists in the Cartersville market for affordable senior-oriented rental product, such as that proposed at the subject site.

Section F – Economic Trends

1. LABOR FORCE PROFILE

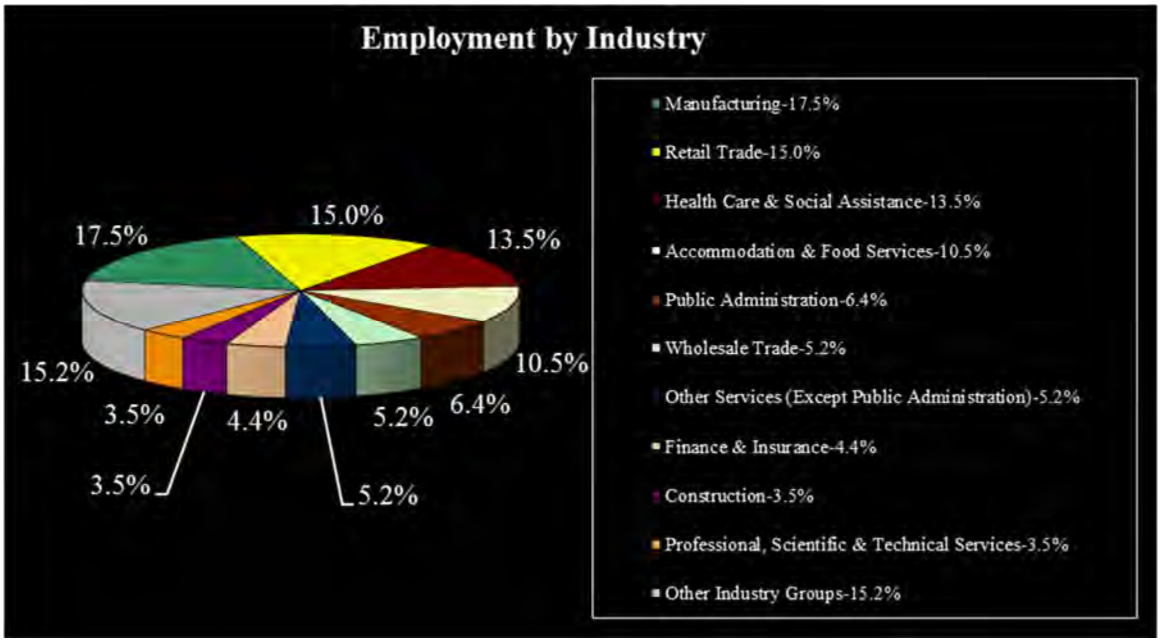
The labor force within the Cartersville Site PMA is based primarily in four sectors. Manufacturing (which comprises 17.5%), Retail Trade, Health Care & Social Assistance and Accommodation & Food Services comprise nearly 57% of the Site PMA labor force. Employment in the Cartersville Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.3%	20	0.1%	3.3
Mining	2	0.1%	48	0.2%	24.0
Utilities	5	0.2%	123	0.5%	24.6
Construction	165	7.1%	838	3.5%	5.1
Manufacturing	80	3.5%	4,130	17.5%	51.6
Wholesale Trade	95	4.1%	1,234	5.2%	13.0
Retail Trade	382	16.5%	3,541	15.0%	9.3
Transportation & Warehousing	46	2.0%	410	1.7%	8.9
Information	33	1.4%	337	1.4%	10.2
Finance & Insurance	223	9.6%	1,038	4.4%	4.7
Real Estate & Rental & Leasing	139	6.0%	774	3.3%	5.6
Professional, Scientific & Technical Services	171	7.4%	835	3.5%	4.9
Management of Companies & Enterprises	3	0.1%	30	0.1%	10.0
Administrative, Support, Waste Management & Remediation Services	77	3.3%	601	2.5%	7.8
Educational Services	37	1.6%	826	3.5%	22.3
Health Care & Social Assistance	220	9.5%	3,201	13.5%	14.6
Arts, Entertainment & Recreation	41	1.8%	423	1.8%	10.3
Accommodation & Food Services	149	6.4%	2,488	10.5%	16.7
Other Services (Except Public Administration)	302	13.0%	1,220	5.2%	4.0
Public Administration	101	4.4%	1,515	6.4%	15.0
Nonclassifiable	41	1.8%	5	0.0%	0.1
Total	2,318	100.0%	23,637	100.0%	10.2

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	**Atlanta-Sandy Springs-Roswell MSA**	**Georgia**
Management Occupations	$123,040	$114,210
Business and Financial Occupations	$73,890	$71,300
Computer and Mathematical Occupations	$88,510	$85,800
Architecture and Engineering Occupations	$80,320	$78,820
Community and Social Service Occupations	$48,670	$45,460
Art, Design, Entertainment and Sports Medicine Occupations	$53,020	$52,710
Healthcare Practitioners and Technical Occupations	$79,040	$74,310
Healthcare Support Occupations	$30,090	$28,330
Protective Service Occupations	$38,690	$36,610
Food Preparation and Serving Related Occupations	$20,840	$20,530
Building and Grounds Cleaning and Maintenance Occupations	$26,260	$25,010
Personal Care and Service Occupations	$25,120	$24,390
Sales and Related Occupations	$41,960	$38,060
Office and Administrative Support Occupations	$37,590	$35,470
Construction and Extraction Occupations	$42,720	$40,540
Installation, Maintenance and Repair Occupations	$46,670	$44,550
Production Occupations	$33,750	$33,500
Transportation and Moving Occupations	$35,340	$33,720

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

Most annual blue-collar salaries range from $20,840 to $53,020 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of $88,960. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have slightly higher typical wages than the state of Georgia's typical wages. The subject site will be restricted to seniors age 55 and older. Thus, many residents of the subject site are likely to be retired and living on fixed-incomes. Regardless, the area employment base appears to have a significant number of income-appropriate occupations from which potential residents of the subject project still in the workforce could choose.

2. MAJOR EMPLOYERS

The ten largest employers within the Cartersville/Bartow County area are summarized in the following table. Note that specific employment numbers were not available at the time this report was issued.

Industry	Business Type
Shaw Industries Group, Incorporated	Floor Coverings
Bartow County School System	Education
Bartow County Government	Government
Cartersville Medical Center	Health Care
Toyo Tire	Automotive Tires
Anheuser-Busch	Beverage Production
Quest Global Incorporated	Trucking
Cartersville School System	Education
City of Cartersville	City Government
Wal-Mart	Retail

Source: Cartersville-Bartow County Department of Economic Development (2015)

The following are summaries of some notable and recent economic development activity within the Cartersville area:

- Surya, an India-based home accessories manufacturer, will create 200 new jobs over the next few years and invested $33.5 million into its corporate office and distribution facility in Cartersville. The new one million square-foot facility is located fifteen minutes south of Surya's current U.S. Headquarters in Calhoun, Georgia. This new facility opened in May 2016.

- LakePoint Sporting Community and Town Center is a 1,400+ acre project developed by sports performance expert Chip Smith, and will feature state-of-the-art indoor venues for over 40 of America's favorite sports. The complex includes 16 baseball fields, 12 youth baseball/fast pitch softball fields, 17 soccer/lacrosse/multipurpose fields, a certified track and field complex, and a 300,000+ square foot indoor facility for basketball, volleyball, sports performance training, and other indoor sports. The LakePoint project also offers five million square-feet of mixed use development consisting of 29 hotels, 100 restaurants, retail shops, office space, and executive golf course along with other numerous entertainment venues. The $1 billion investment has created 26,000 construction jobs and will create approximately 12,000 new permanent jobs for the area. This facility held its grand opening in June 2016.

- Belgium-based flooring manufacturer Beaulieu International Group completed construction of a $200 million campus on 120 acres previously owned by Anheuser-Busch in Cartersville in 2015. The plant will create 350 new jobs over five years, following its opening.

- In January 2017, it was announced that Huhoco Group, a manufacturer of metal products for the automotive and construction industry, would be investing $24 million for a new 70,000 square-foot facility to be located in Cartersville. This project will create 200 jobs.

- Georgia Highlands is to break ground on an academic building in Cartersville in April 2017. The new 52,000 square foot facility is to cost $17.7 million and be completed in fall 2018.

- In August 2016, it was announced that Automotive Body Parts Incorporated would be expanding in Bartow County. The company is anticipated to invest $50 million and create 150 jobs, though no further information was available at the time of this report.

- In June 2016 Shaw Industries Group, Inc. broke ground on a $24 million 67,000 square foot Create Center in Cartersville. The new center will be used for a custom design studio and customer service location and is expected to open in late 2017. Shaw Industries Group, Inc. also completed an $85 million facility in late 2016, known as Shaw Plant T1, in Adairsville. The new facility will create 500 new jobs once it reaches its full capacity.

- In August 2016 Voestalpine Automotive Body Parts announced they would be investing $50 million for an expansion of its factory in Bartow County, which will create 150 jobs.

- Constellium, a metal manufacturing company, is to open an 84,000-square foot facility in Cartersville by the end of 2017. The $32 million project will create 150 jobs and have the ability to expand to 220,000 square feet.

- In December 2016 construction began on the Dalton Expansion Project. Once completed the 115-mile project will connect the Tansco natural gas pipeline to an existing electric facility in northern Georgia as well as a distribution company, Atlanta Gas Light Company, located in Cartersville. The entire project consists of 300 workers and may expand to 800. The project is expected to be completed in summer of 2017.

- Barnsley Gardens, located near Adairsville, is adding an additional 19,000 square feet of space to their exiting inn. The additional indoor and outdoor space will be used for meetings and events. The project also includes the addition of 54 new rooms. The project is anticipated to create 100 new jobs once completed.

- Pattillo Industrial Real Estate finished a 265,000-square foot speculative building in July 2016 at the Cartersville Business Park off of Interstate 75 and Cassville White Road. The business park is 188 acres and will be able to accommodate 1.7 million square feet of building space.

Infrastructure Projects

- The State Route 20 widening project from U.S. Highway 411 to Interstate 75 in Cartersville is expected to be complete in spring of 2017.

WARN (layoff notices):

According to the Georgia Department of Labor website, there have been two WARN notices of large-scale layoffs/closures reported for Bartow County since January of 2016. Below is a table summarizing these notices:

Company	Location	Jobs	Notice Date
Trinity Rail	Cartersville	298	1/2017
Gossen	Cartersville	50	10/2016

3. EMPLOYMENT TRENDS

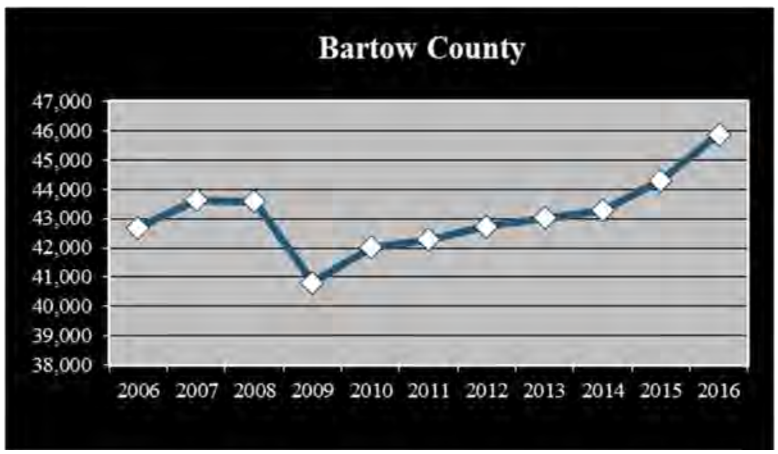
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2016, the employment base has increased by 4.8% over the past five years in Bartow 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 Bartow County, the state of Georgia and the United States.

	Total Employment					
	Bartow County		Georgia		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	42,696	-	4,489,128	-	145,000,042	-
2007	43,620	2.2%	4,597,640	2.4%	146,388,400	1.0%
2008	43,592	-0.1%	4,575,010	-0.5%	146,047,748	-0.2%
2009	40,810	-6.4%	4,311,854	-5.8%	140,696,560	-3.7%
2010	42,007	2.9%	4,202,052	-2.5%	140,469,139	-0.2%
2011	42,279	0.6%	4,263,305	1.5%	141,791,255	0.9%
2012	42,733	1.1%	4,348,083	2.0%	143,688,931	1.3%
2013	43,005	0.6%	4,367,147	0.4%	145,126,067	1.0%
2014	43,285	0.6%	4,418,471	1.2%	147,604,328	1.7%
2015	44,306	2.4%	4,502,021	1.9%	149,950,804	1.6%
2016*	45,870	3.5%	4,656,255	3.4%	152,400,435	1.6%

Source: Department of Labor; Bureau of Labor Statistics
*Through December

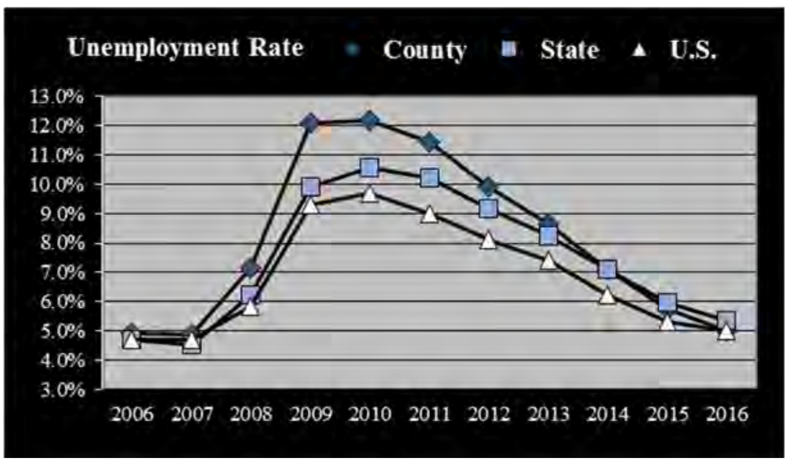


As the preceding illustrates, the Bartow County employment base has steadily increased since 2009, as more than 5,000 jobs have been added between 2009 and December of 2016. Notably, much of this employment growth has occurred over the past two years.

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

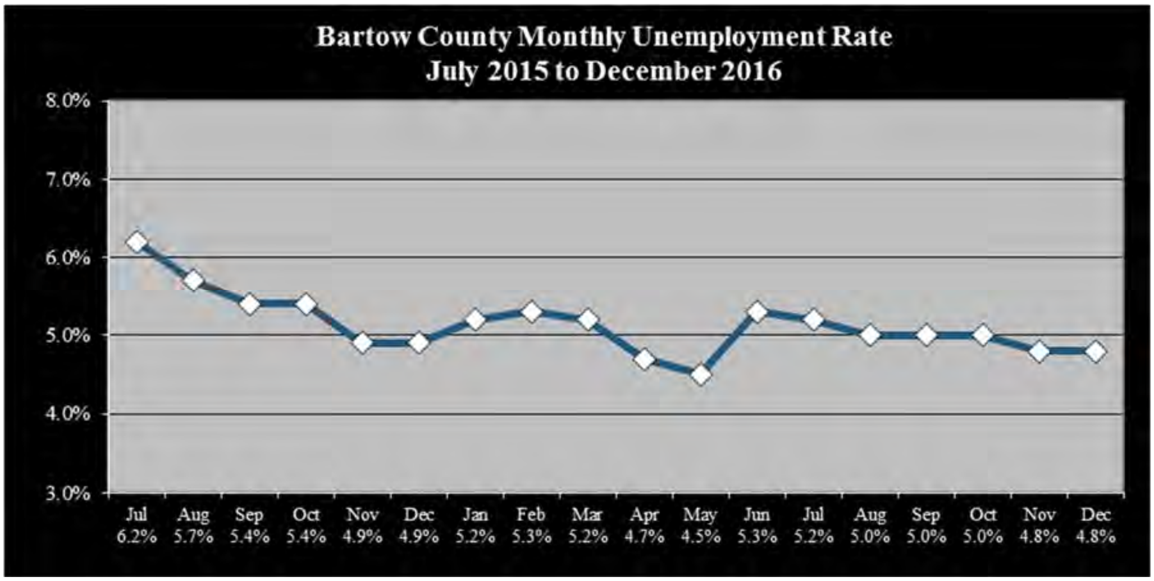
	Unemployment Rate		
Year	Bartow County	Georgia	United States
2006	4.9%	4.7%	4.7%
2007	4.9%	4.5%	4.7%
2008	7.1%	6.2%	5.8%
2009	12.1%	9.9%	9.3%
2010	12.2%	10.6%	9.7%
2011	11.5%	10.2%	9.0%
2012	9.9%	9.2%	8.1%
2013	8.7%	8.2%	7.4%
2014	7.1%	7.1%	6.2%
2015	5.8%	6.0%	5.3%
2016*	5.0%	5.4%	5.0%

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



The unemployment rate in Bartow County has declined each year since 2010, by a total of more than seven full percentage points through December of 2016. The unemployment rate has also been equal to, or below, the state average each of the past three years.

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



The monthly unemployment rate within Bartow County has remained relatively stable over the past 18-month period, never exceeding 6.2% during this time. Also note that the unemployment rate has remained below 5.0% 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 Bartow County.

	In-Place Employment Bartow County		
Year	Employment	Change	Percent Change
2006	34,638	-	-
2007	34,892	254	0.7%
2008	34,388	-504	-1.4%
2009	31,164	-3,224	-9.4%
2010	30,448	-716	-2.3%
2011	31,410	962	3.2%
2012	31,357	-53	-0.2%
2013	31,393	36	0.1%
2014	32,602	1,209	3.9%
2015	34,328	1,726	5.3%
2016*	35,225	897	2.6%

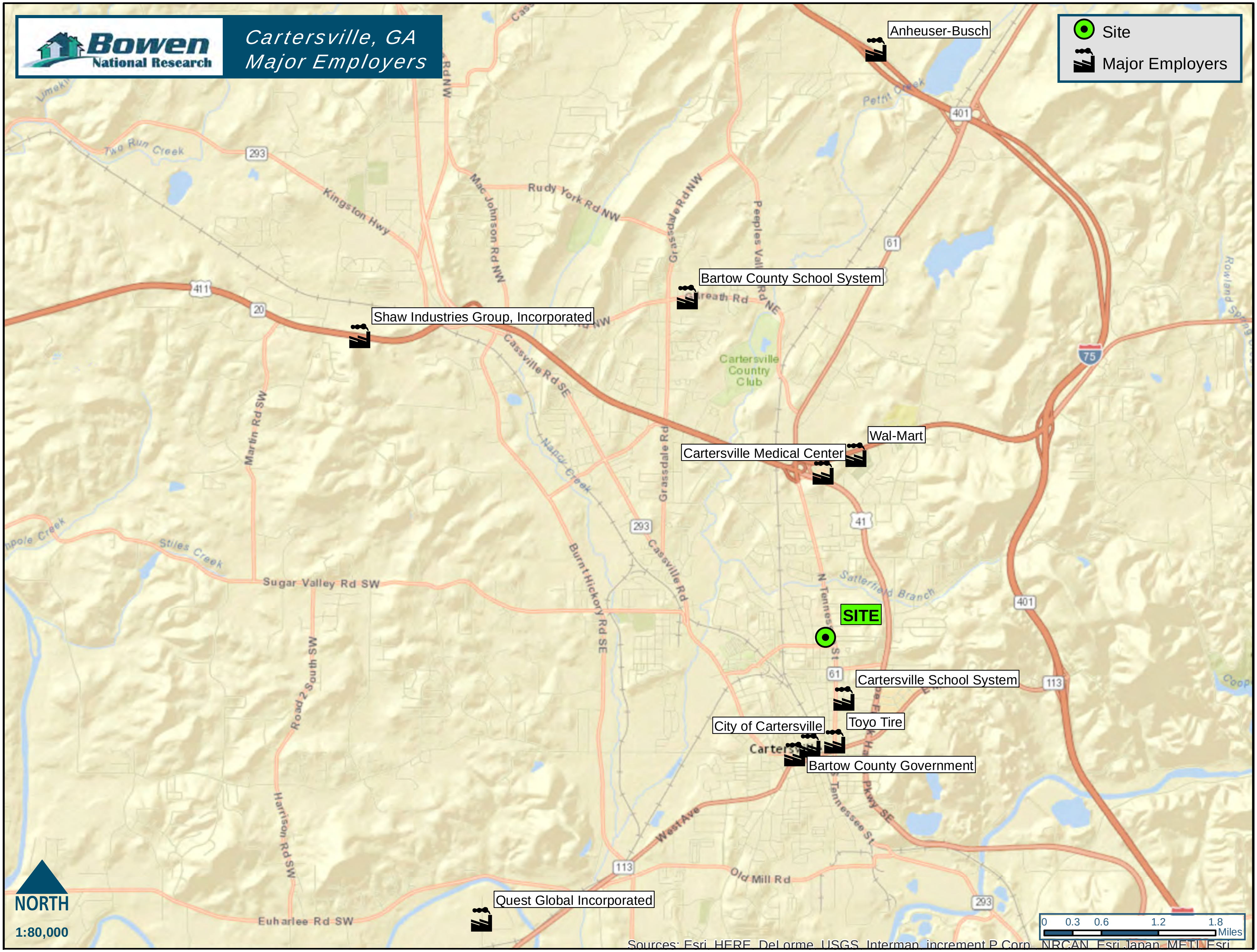
Source: Department of Labor, Bureau of Labor Statistics
*Through September

Data for 2015, the most recent year that year-end figures are available, indicates in-place employment in Bartow County to be 77.5% of the total Bartow County employment. This means that Bartow County has more employed persons leaving the county for daytime employment than those who work in the county. Regardless, the subject project will be restricted to seniors age 62 and older, many of which will likely be retired and thus unaffected by in-place employment trends.

4. ECONOMIC FORECAST

The employment base within the Cartersville Site PMA is relatively well-balanced, as no single industry segment comprises more than 17.5% of the overall labor force. A well-diversified labor force will contribute to the continued strength of the local economy. The Bartow County economy has experienced significant improvement since the end of the national recession, in terms of both total employment and the unemployment rate. Notably, more than 5,000 jobs have been added to the county since 2009, with the majority of this employment growth occurring over the past two years. The unemployment rate has declined by more than seven full percentage points since 2010. There are several announcements of new business openings and/or expansions within the area. This will contribute to the continued growth and strength of the local economy within the Bartow County area. Demand for affordable age-restricted housing alternatives, however, is also expected to remain high regardless of economic conditions, as many senior residents in the area are likely to be retired and living on fixed-incomes.

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


Bowen National Research
Cartersville, GA
Major Employers
Site
Major Employers
Anheuser-Busch
Bartow County School System
Shaw Industries Group, Incorporated
Wal-Mart
Cartersville Medical Center
SITE
Cartersville School System
Toyo Tire
City of Cartersville
Bartow County Government
Quest Global Incorporated
Cartersville Country Club
Kingston Hwy
Rudy York Rd NW
Mac Johnson Rd NW
Grassdale Rd NW
Peeples Valley Rd NE
Cassville Rd SE
Nancy Creek
Burnt Hickory Rd SE
Cassville Rd
Grassdale Rd
Martin Rd SW
Sugar Valley Rd SW
Road 2 South SW
Harrison Rd SW
Euharlee Rd SW
West Ave
Old Mill Rd
N Tennessee St
S Tennessee St
Two Run Creek
Stiles Creek
Petit Creek
Satterfield Branch
NORTH
1:80,000
0 0.3 0.6 1.2 1.8 Miles

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area, which has a median four-person household income of $67,500 for 2016. The Tax Credit units at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

	Targeted AMHI Maximum Allowable Income	
Household Size	50%	60%
One-Person	$23,650	$28,380
Two-Person	$27,000	$32,400

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior (age 62+) households. As such, the maximum allowable income for the Tax Credit units at the subject site is **$32,400.** The subject project will also offer some unrestricted market-rate units. These units will not have a maximum allowable income limit. Since our demand estimates are based solely on renter households, we have not capped the income for the subject's unrestricted market-rate units.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of $589 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is $7,068. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of $17,670.

Utilizing the same methodology, but assuming a lower rent-to-income ratio of 30% (typical of unrestricted market-rate product), the subject's market-rate units require a minimum annual household income requirement of $31,560. However, as this overlaps with the income requirements of the subject's LIHTC units, we have conservatively assumed a minimum income requirement of $32,401 ($1 over the maximum allowable income for the subject's LIHTC units) for the subject's market-rate units.

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, as well as market-rate, is as follows:

	Income Range	
Unit Type	**Minimum**	**Maximum**
Tax Credit (Limited To 50% Of AMHI)	$17,670	$27,000
Tax Credit (Limited To 60% Of AMHI)	$20,670	$32,400
Tax Credit Overall	$17,670	$32,400
Market-Rate	$32,401	None

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 7.4% to 75.2% (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, 7.1% 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.*

Considering that each of the affordable (Tax Credit and government-subsidized) age-restricted projects surveyed in the market is 100.0% occupied and three of the four maintain waiting lists for their next available units, there is currently a lack of available affordable senior-oriented housing within the market. As such, we believe that the proposed development will attract a significant share of income-qualified senior homeowners who are looking to downsize from their home and seek a maintenance free housing alternative. However, conservatively, we limited demand from senior homeowners to account for only 2% of total demand per GDCA guidelines.

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 are no planned non-subsidized age-restricted Tax Credit properties within the Site PMA and no such projects have been allocated Tax Credits during the projection period. In addition, the existing non-subsidized age-restricted Tax Credit properties surveyed in the market are all 100.0% occupied. Thus, we have not considered any directly competitive supply units in our following demand estimates.

The following is a summary of our demand calculations:

Demand Component – Age 62+	Percent of Median Household Income			
	50% AMHI ($17,670 To $27,000)	60% AMHI ($20,670 To $32,400)	Tax Credit Overall ($17,670 To $32,400)	Market-Rate ($32,401 +)
Demand from New Household (Age- and Income-Appropriate)	266 - 277 = -11	222 - 234 = -12	323 - 338 = -15	353 - 328 = 25
+				
Demand from Existing Households (Rent Overburdened)	277 X 75.2% = 208	234 X 74.2% = 174	338 X 74.8% = 253	328 X 7.4% = 24
+				
Demand from Existing Households (Renters in Substandard Housing)	277 X 7.1% = 20	234 X 7.1% = 17	338 X 7.1% = 24	328 X 7.1% = 23
=				
Demand Subtotal	217	179	262	72
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	403 X 5.0% = 4*	515 X 5.0% = 3*	644 X 5.0% = 5*	1,602 X 5.0% = 1*
=				
Total Demand	221	182	267	73
-				
Supply (Directly Comparable Units Built and/or Funded Since 2015)	0	0	0	0
=				
Net Demand	221	182	267	73
Proposed Units / Net Demand	15 / 221	43 / 182	58 / 267	14 / 73
Capture Rate	= 6.8%	= 23.6%	= 21.7%	= 19.2%

*Adjusted to not exceed 2% of total demand, per GDCA guidelines

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 Tax Credit capture rate of 21.7% and market-rate capture rate of 19.2% are both considered achievable within the Cartersville 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 6.8% to 23.6%. Considering the overall capture rates for the subject's Tax Credit and market-rate units, a deep base of both age- and income-qualified renter households exists in the market for the subject project as a whole.

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	50.0%
Two-Bedroom	50.0%
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 (50%)	50%	6	110	0	110	5.5%	2 Months	$847	$675-$1,047	$495
One-Bedroom (50%)	60%	18	91	0	91	19.8%	6 Months	$847	$675-$1,047	$595
One-Bedroom (50%)	MR	6	36	0	36	16.7%	5 Months	$847	$675-$1,047	$695
One-Bedroom	**Total**	**30**	**237**	**0**	**237**	**12.7%**	**6 Months**	-	-	-
Two-Bedroom (50%)	50%	9	111	0	111	8.1%	2 Months	$981	$773-$1,194	$595
Two-Bedroom (50%)	60%	25	91	0	91	27.5%	8 Months	$981	$773-$1,194	$695
Two-Bedroom (50%)	MR	8	37	0	37	21.6%	3 Months	$981	$773-$1,194	$795
Two-Bedroom	**Total**	**42**	**239**	**0**	**239**	**17.6%**	**8 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 as identified in *Section H* and *Addendum E*.
MR – Market-Rate

The capture rates by bedroom type and AMHI level range from 5.5% to 27.5%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a good base of potential age- and income-eligible renter households in the Cartersville 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 age-restricted (62+) 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 Bartow County. According to Table S1810 of the American Community Survey (ACS) 2011-2015 5-Year Estimates, a total of 3,532 persons age 65 and older (age 62+ data not available), or 29.4% of the total 65+ population, in Bartow County are classified as having an ambulatory (physical) disability. Applying this share to the estimated population (age 65+) within the Site PMA results in 1,502 persons age 65 and older 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	1,502
Site PMA Renter Share (65+)	x 27.1%
Subject's Income-Qualified Renter Share (subsidized)	x 73.4%
Total Income-Qualified Physically Disabled Renter Households (65+)	= 299
Proposed Units / Qualified Households	8 / 299
Capture Rate	**= 2.7%**

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 2.7% disabled capture rate is considered very low and easily achievable within the Cartersville 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 Cartersville Site PMA in 2010 and 2017 (estimated) are summarized in the following table:

	2010 (Census)		2017 (Estimated)	
Housing Status	**Number**	**Percent**	**Number**	**Percent**
Total-Occupied	13,077	88.9%	13,458	89.1%
Owner-Occupied	7,200	55.1%	6,854	50.9%
Renter-Occupied	5,877	44.9%	6,604	49.1%
Vacant	1,639	11.1%	1,650	10.9%
Total	14,716	100.0%	15,108	100.0%

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

Based on a 2017 update of the 2010 Census, of the 15,108 total housing units in the market, 10.9% were vacant. Note that the share of vacant housing units declined slightly between 2010 and 2017, a good indication of a well-performing housing market within the Site PMA. Nonetheless, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental housing market within the Cartersville Site PMA.

Conventional Rentals

We identified and personally surveyed 18 conventional rental housing projects containing a total of 1,401 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 99.7%, an excellent 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	10	988	2	99.8%
Tax Credit	3	227	2	99.1%
Tax Credit/Government-Subsidized	1	24	0	100.0%
Government-Subsidized	4	162	0	100.0%
Total	18	1,401	4	99.7%

A variety of rental product is offered within the Cartersville Site PMA, all of which is performing at a high level as each housing segment surveyed reports an overall occupancy rate of 99.1% or higher. Notably, only two (2) non-subsidized Tax Credit units are reported within the market. This is a clear indication of strong demand for Tax Credit product within the Site PMA.

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
Studio	1.0	6	0.6%	0	0.0%	$566
One-Bedroom	1.0	224	22.7%	0	0.0%	$916
One-Bedroom	1.5	30	3.0%	0	0.0%	$704
Two-Bedroom	1.0	16	1.6%	0	0.0%	$932
Two-Bedroom	1.5	30	3.0%	0	0.0%	$831
Two-Bedroom	2.0	548	55.5%	2	0.4%	$1,042
Two-Bedroom	2.5	30	3.0%	0	0.0%	$931
Three-Bedroom	2.0	104	10.5%	0	0.0%	$1,216
Total Market-Rate		**988**	**100.0%**	**2**	**0.2%**	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	56	24.7%	0	0.0%	$448
Two-Bedroom	1.0	12	5.3%	0	0.0%	$516
Two-Bedroom	1.5	23	10.1%	0	0.0%	$723
Two-Bedroom	2.0	64	28.2%	0	0.0%	$612
Three-Bedroom	2.0	72	31.7%	2	2.8%	$841
Total Tax Credit		**227**	**100.0%**	**2**	**0.9%**	-

The market-rate units are 99.8% occupied and the non-subsidized Tax Credit units are 99.1% occupied, demonstrating strong demand for each type of non-subsidized rental product in the market. The median gross Tax Credit rents reported in the preceding table are significantly lower than the median gross rents reported among similar market-rate product surveyed in the Site PMA. These low median gross rents have likely contributed to the 99.1% occupancy rate reported among non-subsidized Tax Credit product surveyed and are a good indication that such product represents a significant value in the Cartersville Site PMA.

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
A-	1	228	0.4%
B	7	616	0.2%
C+	1	54	0.0%
C	1	90	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	72	0.0%
B	2	155	1.3%

Non-subsidized Tax Credit properties surveyed are considered to be of relatively good condition, as all three properties surveyed were assigned a rating of "B" or better by our analyst. The subject project is expected to have an excellent quality finish upon completion of construction, which will contribute to the project's marketability within the Cartersville market.

2. SUMMARY OF ASSISTED PROJECTS

A total of eight (8) federally subsidized and/or Tax Credit apartment developments were identified and surveyed in the Cartersville Site PMA. These projects were surveyed in March of 2017 and are summarized as follows:

						Gross Rent (Unit Mix)				
Map I.D.	**Project Name**	**Type**	**Year Built**	**Total Units**	**Occupancy**	**Studio**	**One-Br.**	**Two-Br.**	**Three-Br.**	**Four-Br.**
1	Club Court Apts. I	RD 515	1983	58	100.0%	-	$521 - $686 (20)	$587 - $851 (38)	-	-
2	Club Court Apts. II	RD 515	1986	50	100.0%	-	$511 - $651 (40)	$572 - $727 (8)	$631 - $851 (2)	-
3	Cove Apts.	TAX	2000	60	100.0%	-	$427 - $448 (48)	$501 - $516 (12)	-	-
5	Etowah Village Apts.	TAX	1996	95	97.9%	-	-	$723 (23)	$828 - $841 (72)	-
8	Crossfield Apts. II	TAX & RD 515	1995	24	100.0%	-	$513 - $633 (16)	$559 - $756 (8)	-	-
11	Huntwood Terrace	SEC 8 & 202	1983	40	100.0%	$1014 (10)	$1081 (30)	-	-	-
12	Shangri-La Park	TAX	2011	72	100.0%	-	$546 (8)	$612 (64)	-	-
18	Etowah Area Public Housing	P.H.	2003	14	100.0%	-	$289 (10)	$347 (4)	-	-
			Total	**413**	**99.5%**					

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
P.H. - Public Housing
RD - Rural Development
*Market-rate units not included

The overall occupancy is 99.5% for these affordable projects. Notably, seven (7) of the eight (8) affordable developments are 100.0% occupied, illustrating that pent-up demand exists for additional affordable rental housing within the Site PMA.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs (GDCA) Rental Assistance Division – Bartow County, there are approximately 77 Housing Choice Voucher holders within Bartow County and 93 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 Bartow 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
3	Cove Apts.	60	1	1.7%
5	Etowah Village Apts.	95	5	5.3%
12	Shangri-La Park	72	6	8.3%
	Total	227	12	5.3%

As the preceding table illustrates, there are a total of approximately only 12 Voucher holders residing at the non-subsidized Tax Credit properties within the market. This comprises just 5.3% of the 227 total non-subsidized Tax Credit units offered among these properties. This is a clear indication that these properties do not rely heavily on support from Voucher holders and that the gross rents reported among these properties are achievable within the market 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 (GDCA) Rental Assistance Division – Bartow 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	$861	$589 (50%) $689 (60%) $789 (MR)
Two-Bedroom	$996	$713 (50%) $813 (60%) $913 (MR)

MR – Market-Rate

As the preceding table illustrates, all of the subject's proposed gross rents are below the Payment Standards set by the Georgia Department of Community Affairs (GDCA) Rental Assistance Division – Bartow County. As such, those who hold Housing Choice Vouchers will likely respond to the subject development. This will likely increase the base of income-appropriate renter households within the Site PMA for the subject development and has been considered in our absorption estimates in *Section I* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are four rental housing projects planned or proposed within the Site PMA. These planned and proposed developments are summarized as follows:

- BFB General Partners, LLC and Investors Management Companies have requested zoning changes to build a 70-unit senior property on Natchi Trail in Cartersville. The developers will be applying for Tax Credit funding for this project. No additional information was available as this project is still in the early planning stages.

- Peachtree Housing Communities will be applying for Tax Credit funding for a 50-unit multifamily property to be located at East Felton Road near Zena Drive in Cartersville. No additional information was available as this project is still in the early planning stages.

- Glen Apartments, an existing property located at 200 Governor's Court in Cartersville, had site and construction plans approved in March 2017 for an additional 144 market-rate units. BW Mesa Properties is the developer.

- Prestwick currently has a project in the zoning process. If approved, the developer will seek Tax Credit funding for a 70-unit senior property to be located on Douthit Ferry Road in Cartersville. No additional information was available as this project is still in the early planning stages.

As detailed above, two of the three projects known to be applying for Tax Credit funding in the upcoming round are proposed to be senior communities. Though detailed information pertaining to rent and income levels to be offered/targeted was unavailable, these age-restricted Tax Credit properties would be directly competitive with the proposed subject project which will also offer age-restricted units. It is important to reiterate, however, that neither of these projects have yet to receive a Tax Credit allocation and therefore have not been considered in our demand estimates in *Section G*.

Building Permit Data

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

Housing Unit Building Permits for Cartersville, GA:										
Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	16	12	0	0	4	0	0	0	0	0
Single-Family Permits	200	128	71	7	6	5	4	20	73	158
Total Units	216	140	71	7	10	5	4	20	73	158

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

Housing Unit Building Permits for Bartow County:										
Permits	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Multifamily Permits	50	34	9	0	62	0	0	0	0	0
Single-Family Permits	1,003	572	351	128	82	77	73	150	221	348
Total Units	1,053	606	360	128	144	77	73	150	221	348

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

As the preceding illustrates, there have been large numbers of single-family building permits issued within the both Cartersville and Bartow County over the past three years. Note, however, that no multifamily building permits have been issued within Cartersville or Bartow County since 2010. This is a good indication that the Cartersville area would benefit from the addition of some modern rental product such as that proposed at the subject site.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The subject project will offer one- and two-bedroom units targeting seniors (age 62 and older) 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 four (4) properties which at least partially operate under the LIHTC program. Of these four properties, two are age-restricted similar to the subject project, while another is family-oriented (general-occupancy), but offers two-bedroom garden-style units similar to those proposed at the subject site. Thus, these three non-subsidized LIHTC properties have been included in our comparable analysis. It is of note, however, that these three properties offer a very limited number of units set at the 60% AMHI level to be targeted at the subject site. As such, we identified and surveyed four additional properties outside the Site PMA, but within the nearby region, that offer one- and two-bedroom units targeting households earning up to 60% of AMHI. Since these properties are located outside the Site PMA, and are general-occupancy properties, they are not considered competitive with the subject project. Thus, these properties have been included for comparability purposes only.

The seven comparable/competitive 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.*

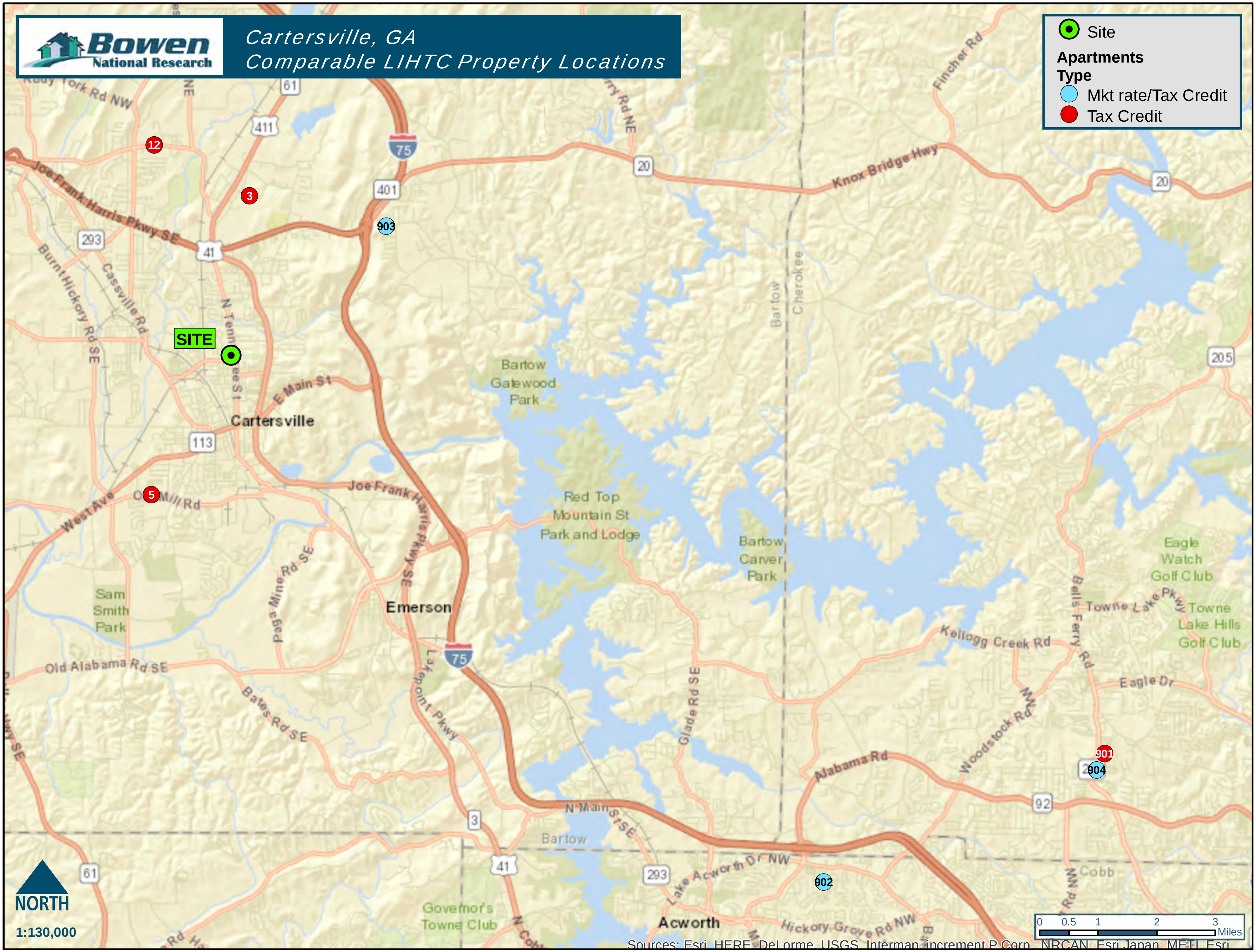
Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	**Peaks of Cartersville**	**2019**	**58***	**-**	**-**	**-**	**Seniors 62+; 50% & 60% AMHI & Section 811**
3	Cove Apts.	2000	60	100.0%	3.7 Miles	12 H.H.	Seniors 62+; 35% & 40% AMHI
5	Etowah Village Apts.	1996	95	97.9%	2.8 Miles	2-Br: 2 H.H.	Families; 45%, 50%, & 60% AMHI
12	Shangri-La Park	2011	72	100.0%	3.8 Miles	20 H.H.	Seniors 55+; 50% & 60% AMHI
901	Cherokee Summit	2002	272	98.9%	17.9 Miles	None	Families; 60% AMHI
902	Legacy at Acworth	1997	86*	97.7%	12.9 Miles	None	Families; 60% AMHI
903	Somerset Club Apts.	2004	120*	98.3%	4.2 Miles	None	Families; 60% AMHI
904	Peaks at Bells Ferry	2005	200*	96.0%	17.8 Miles	None	Families; 60% AMHI

900 Series Map IDs are located outside the Site PMA
OCC. – Occupancy
H.H. - Households
*Tax Credit units only

The seven LIHTC projects have a combined occupancy rate of 98.1%, with none of the properties reporting an individual occupancy rate below 96.0%. Notably, the three comparable LIHTC properties located in the Site PMA are 99.1% occupied, with the two age-restricted properties being 100.0% occupied and both maintaining waiting lists for their next available unit. This is a clear indication of pent-up demand for age-restricted LIHTC product. The subject project will help alleviate a portion of this pent-up demand.

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

Cartersville, GA
Comparable LIHTC Property Locations



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:

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**	**Rent Special**
Site	**Peaks of Cartersville**	**\$589/50% (6) \$689/60% (18)**	**\$713/50% (9) \$813/60% (25)**	**-**	**-**
3	Cove Apts.	\$427/35% (12/0) \$448/40% (36/0)	\$501/35% (4/0) \$516/40% (8/0)	-	
5	Etowah Village Apts.	-	\$723/45% (19/0) \$723/50% (4/0)	\$828/50% (29/1) \$841/60% (43/1)	None
12	Shangri-La Park	\$546/50% (2/0) \$546/60% (6/0)	\$612/50% (14/0) \$612/60% (50/0)	-	
901	Cherokee Summit	\$846/60% (48/0)	\$1,025/60% (184/3)	\$1,193/60% (40/0)	None
902	Legacy at Acworth	\$821/60% (16/0)	\$982/60% (38/1)	\$1,141/60% (32/1)	None
903	Somerset Club Apts.	\$844/60% (30/0)	\$1,013/60% (54/2)	\$1,170/60% (36/0)	None
904	Peaks at Bells Ferry	\$892/60% (48/2)	\$1,074/60% (101/4)	\$1,248/60% (51/2)	None

900 Series Map IDs are located in the Site PMA

The subject's proposed gross Tax Credit rents are generally within range of, if not lower than, those reported among similar unit types among the comparable LIHTC projects. Note that the one property in the market which offers units at both 50% and 60% of AMHI, Shangri-La Park (Map ID 12), charges the same rent, regardless of AMHI level. Although management was unable to confirm, this is likely due to the fact that the units set at 60% of AMHI effectively have rents restricted to 50% of AMHI. Thus, the units set at 60% of AMHI at this property are not believed to be the most accurate representation of what is truly achievable within this market. Although the four other properties offering units at the 60% AMHI level are located outside the Site PMA, these properties are located within the outlying portions of Cartersville or the nearby Acworth area, which is also within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area. As such, these properties comply with the same rent and income limits as similar properties within the Site PMA and will therefore serve as accurate comparables for the subject project. When compared to these properties located outside the Site PMA, the subject's proposed gross rents are expected to represent a significant value and are considered marketable.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC projects by bedroom type, *for unit types (bedroom and AMHI level) similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable LIHTC Units	
One-Br.	**Two-Br.**
\$440 (50%) \$752 (60%)	\$509 (50%) \$862 (60%)

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.	$440 (50%)	- $495 (50%)	-$55	/ $495 (50%)	-11.1%
	$752 (60%)	- $595 (60%)	$157	/ $595 (60%)	26.4%
Two-Br.	$509 (50%)	- $595 (50%)	-$86	/ $595 (50%)	-14.5%
	$862 (60%)	- $695 (60%)	$167	/ $695 (60%)	24.0%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from -14.5% to 26.4%, depending upon unit type, as compared to the weighted average collected rents of the comparable LIHTC projects. 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 tables:

		Square Footage		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	**Peaks of Cartersville**	**742**	**1,056**	**-**
3	Cove Apts.	722	930	-
5	Etowah Village Apts.	-	1,106	1,237
12	Shangri-La Park	762	1,078	-
901	Cherokee Summit	975	1,150	1,350
902	Legacy at Acworth	840	1,056	1,254
903	Somerset Club Apts.	864	1,200	1,300
904	Peaks at Bells Ferry	874	1,149	1,388

900 Series Map IDs are located outside the Site PMA

		Number of Baths		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	**Peaks of Cartersville**	**1.0**	**2.0**	**-**
3	Cove Apts.	1.0	1.0	-
5	Etowah Village Apts.	-	1.5	2.0
12	Shangri-La Park	1.0	2.0	-
901	Cherokee Summit	1.0	2.0	2.0
902	Legacy at Acworth	1.0	2.0	2.0
903	Somerset Club Apts.	1.0	2.0	2.0
904	Peaks at Bells Ferry	1.0	2.0	2.0

900 Series Map IDs are located outside the Site PMA

The proposed development will be competitive with the existing LIHTC projects in the market and region based on unit size (square footage) and the number of baths offered.

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

COMPARABLE PROPERTIES AMENITIES - CARTERSVILLE, GEORGIA

	APPLIANCES						UNIT AMENITIES													
MAP ID	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		V		X		X				B	X	S	
902	X	X	X	X	X		X		C		X	X	X				B		S	Exterior Storage
903	X	X	X	X	X		X		C	O	X		X				B		S	
904	X	X	X	X	X	X	X		C	X	X	X	X				B		D(o), S	
♦ 3	X	X		X	X		X		C		X	X					B		S	Exterior Storage
5	X	X		X	X		X		C		X	X					B		S	Exterior Storage
♦ 12	X	X	X	X	X	X	X		C		X	X	X				B	X	S	Exterior Storage
901	X	X	X	X	X	X	X		C		X	X	X				B		S	Exterior Storage

♦ 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

Bowen National Research

COMPARABLE PROPERTIES AMENITIES - CARTERSVILLE, GEORGIA

	PROJECT AMENITIES																		
MAP ID	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	**OTHER**
♦ **SITE**		X	X	X	X							X				X			Wellness Screening Room; Covered Porch
902	X	X	X	X		X		X								X			CCTV
903	X	X	X		X	X		X		X			X	X		X			
904	X	X	X	X		X		X					X			X	X		Dog Park
♦ **3**		X	X		X											X			Gazebo
5		X	X	X				X		X						X			
♦ **12**		X	X		A	X						X		X	X	X	X		Shuffleboard
901	X	X	X	X		X		X		X			X			X	X		

♦ Senior Restricted
Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
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G - Parking Garage
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Sports Courts
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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

Survey Date: March 2017

Bowen National Research

The amenity packages included at the proposed development are relatively competitive with those offered among the comparable LIHTC projects. The subject project will be one of only four properties to offer microwaves, which will likely enhance marketability of the property. Most properties offer a patio/balcony area with exterior storage and some also offer fitness centers. While these features would certainly be beneficial, they are not considered necessary at the subject project, especially when considering the lack of available age-restricted LIHTC product in the market and the low proposed gross rents at the subject project as compared to similar unit types among the comparable properties in the region. The subject's amenity package is considered appropriate for and marketable to the targeted senior population and does not appear to lack any key amenities that would adversely impact its marketability within the Cartersville market.

Comparable/Competitive Tax Credit Summary

A total of three non-subsidized LIHTC projects were identified and surveyed within the Site PMA. These three properties have a combined occupancy rate of 99.1%, with the two age-restricted comparable LIHTC properties both reporting at 100.0% occupancy. Due to the limited supply of LIHTC product set at the 60% AMHI level, four additional properties were surveyed outside the Site PMA, all of which report occupancy rates of 96.0% or higher. The subject's proposed gross Tax Credit rents are considered competitive and marketable within the Cartersville market. In fact, the subject rents set at 60% of AMHI will be significantly lower than those reported among several of the comparable properties. The subject's unit designs and amenity packages are also considered competitive and marketable to the targeted senior population within the Site PMA.

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
3	Cove Apts.	100.0%	95.0%+
5	Etowah Village Apts.	97.9%	95.0%+
12	Shangri-La Park	100.0%	95.0%+

As previously discussed and illustrated in the preceding table, the three comparable LIHTC projects surveyed in the Site PMA are 97.9% to 100.0% occupied, with the two age-restricted properties being 100.0% occupied with 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.

Market-Rate Units

In addition to its Tax Credit units, the proposed project will also offer some unrestricted market-rate units. Within the Cartersville Site PMA, we identified and surveyed a total of ten properties which offer unrestricted market-rate units. Of these ten properties, we have selected the five properties which we consider most comparable to the subject project in terms of age, design, unit types offered, and/or amenities offered. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	**Peaks of Cartersville**	**2019**	**14***	**-**	**-**	**-**
4	Vineyards	1999	152	99.3%	3.8 Miles	None
7	Rosewood Apts.	1990	148	100.0%	3.8 Miles	None
14	Alexandria Landing	2000	76	100.0%	3.0 Miles	None
16	Avonlea Highlands	2002	228	99.6%	1.9 Miles	None
17	Glen Apts.	1990	108	100.0%	3.4 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 712 units with an overall occupancy rate of 99.7%, with none of the selected properties reporting individual occupancy rates below 99.3%. These occupancy rates demonstrate that these properties have been well-received within the market and will serve as accurate benchmarks with which to compare the subject site.

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:

		Gross Rent (Number of Units/Vacancies)		
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**
Site	**Peaks of Cartersville**	**$789 (6)**	**$913 (8)**	**-**
4	Vineyards	$875 (42/0)	$994-$1,069 (96/1)	$1,142 (14/0)
7	Rosewood Apts.	$916-$931 (56/0)	$1,042 (84/0)	$1,216 (8/0)
14	Alexandria Landing	$781 (20/0)	$905 (40/0)	$1,041 (16/0)
16	Avonlea Highlands	$1,073-$1,168 (54/0)	$1,213-$1,341 (138/1)	$1,427-$1,466 (36/0)
17	Glen Apts.	$876-$936 (32/0)	$1,002-$1,112 (52/0)	$1,186-$1,236 (24/0)

The subject's proposed gross market-rate rents are some of the lowest among the comparable properties. Thus, the subject project will likely be perceived a good value within the Cartersville market.

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.**
$847	$981

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	Difference	Proposed Rent	Rent Advantage
One-Br.	$847	- $695	$152	/ $695	21.9%
Two-Br.	$981	- $795	$186	/ $795	23.4%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 21.9% for a one-bedroom unit to 23.4% for a two-bedroom unit, 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.

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

		Square Footage		
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**
Site	**Peaks of Cartersville**	**742**	**1,056**	**-**
4	Vineyards	850	1,000	1,200
7	Rosewood Apts.	575 - 800	1,140	1,170
14	Alexandria Landing	695	1,050	1,200
16	Avonlea Highlands	660 - 912	1,048 - 1,337	1,366 - 1,439
17	Glen Apts.	701 - 908	938 - 1,305	1,290 - 1,406

		Number of Baths		
Map I.D.	**Project Name**	**One-Br.**	**Two-Br.**	**Three-Br.**
Site	**Peaks of Cartersville**	**1.0**	**2.0**	**-**
4	Vineyards	1.0	2.0	2.0
7	Rosewood Apts.	1.0	2.0	2.0
14	Alexandria Landing	1.0	2.0	2.0
16	Avonlea Highlands	1.0	2.0	2.0
17	Glen Apts.	1.0	2.0	2.0

The proposed development will be competitive with the existing comparable projects in the market based on unit size (square footage) and the number of baths offered.

The following tables compare the amenities of the subject development with the most comparable projects in the market.

COMPARABLE PROPERTIES AMENITIES - CARTERSVILLE, GEORGIA

	APPLIANCES						UNIT AMENITIES													
MAP ID	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		V		X		X				B		S	
4	X	X		X	X		X		C		X	X	X				B		D(o), S	Exterior Storage
7	X	X		X	X		X		C	S	X	S					B		S	Exterior Storage
14	X	X		X	X		X		C		X	X	X				B		S	Exterior Storage
16	X	X	X	X	X		X		C		X	X	X				B		D(o), S	Exterior Storage
17	X	X	X	X	X	X	X		C	O	X	X	X				B		D(o), S	Exterior Storage

	PROJECT AMENITIES																	
MAP ID	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	OTHER
SITE		X	X	X	X			X								X			Wellness Screening Room Covered Porch
4	X	X	X	X		X		X		X						X			Sundeck; Dog Park
7	X	X	X			X		X		X						X			
14		X				X													
16	X	X	X	X		X		X		X			X	X		X			CCTV
17	X	X		X		X		X								X			

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

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

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

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

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

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

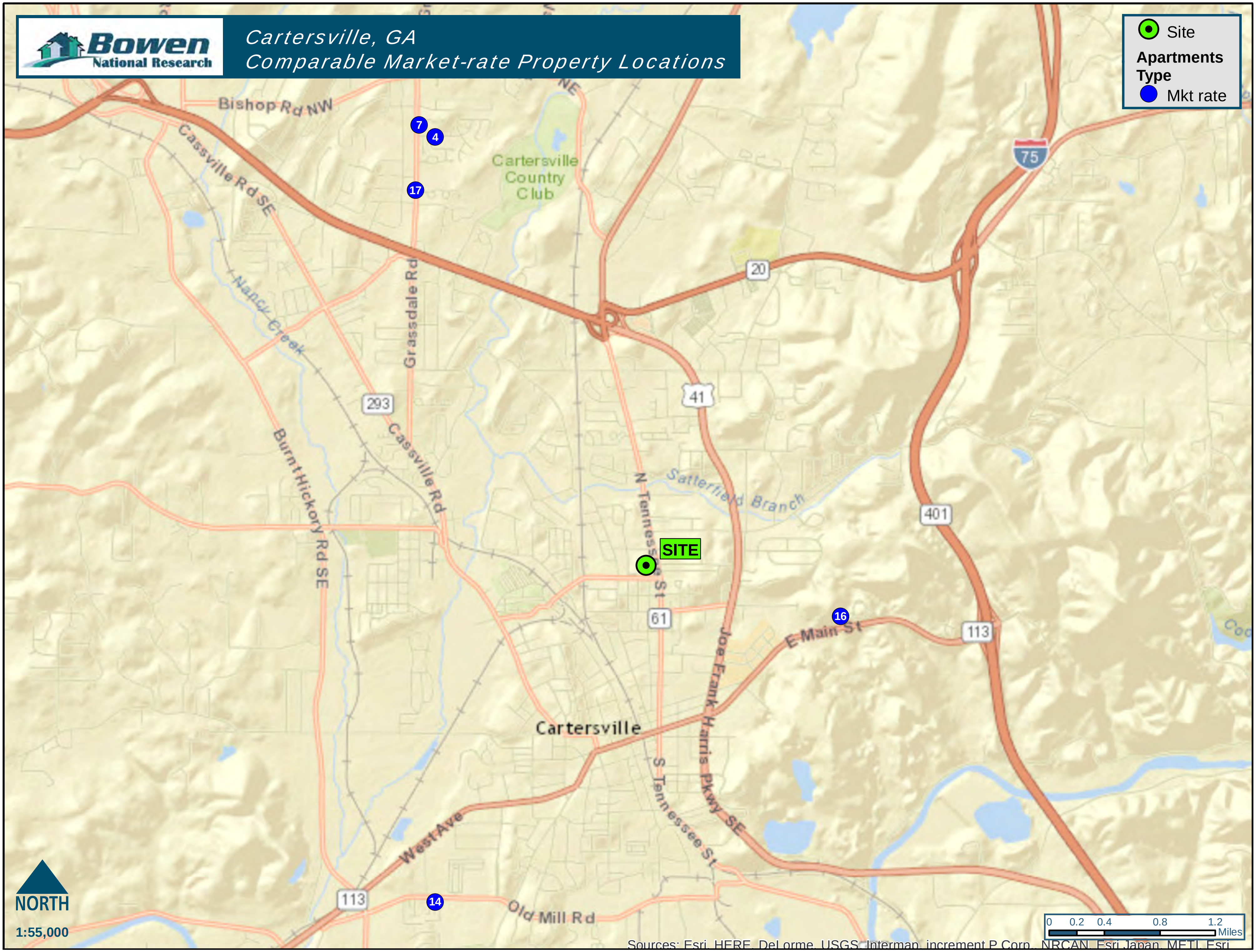
The amenity packages included at the proposed development will be relatively competitive with those offered among the comparable market-rate properties. Some of the comparable properties offer premium features such as swimming pools and fitness centers. However, such features are not considered necessary within a mixed-income age-restricted property such as the subject property. Thus, the lack of these features is not expected to have any adverse impact on marketability of the subject project.

Comparable Market-Rate Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed development will be competitive with these properties. In fact, the subject project will offer some of the lowest priced one- and two-bedroom units among the comparable market-rate properties, in terms of gross rents. This will create a competitive advantage for the property.

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

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



Bowen National Research
Cartersville, GA
Comparable Market-rate Property Locations
Site
Apartments Type
Mkt rate
SITE
7
4
17
16
14
Bishop Rd NW
Cassville Rd SE
Cartersville Country Club
Grassdale Rd
Nancy Creek
293
Cassville Rd
Burnt Hickory Rd SE
N Tennessee St
Satterfield Branch
41
20
75
401
61
113
E Main St
Joe Frank Harris Pkwy SE
Cartersville
S Tennessee St
West Ave
Old Mill Rd
NORTH
1:55,000
0 0.2 0.4 0.8 1.2 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was $134,395. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a $134,395 home is $809, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	$134,395
Mortgaged Value = 95% of Median Home Price	$127,675
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	$647
Estimated Taxes and Insurance*	$162
Estimated Monthly Mortgage Payment	$809

*Estimated at 25% of principal and interest

In comparison, the proposed collected rents for the subject property range from $495 to $795 per month. While some tenants of the subject's market-rate units could potentially afford the cost of typical home in the area, we do not anticipate any competitive impact on or from the homebuyer market, as the subject project will target senior households. Considering this targeted age group, we anticipate the subject project will actually attract some senior homeowners looking to downsize to a smaller, maintenance-free rental alternative.

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 maintained among the existing comparable LIHTC and market-rate properties in the Cartersville Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate, achievable market rents and assume that the developer and/or management will successfully market the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. 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 Cartersville Site PMA.

- According to Lynne Reeves, Director of the Northwest Georgia Area Agency on Aging, there is an ongoing issue with seniors having trouble finding adequate and affordable housing in the area. Ms. Reeves further stated that one- and two-bedroom units would both be beneficial to the senior population within the area and that larger unit types would not be highly desired by most seniors.

- Bailey West, Leasing Agent with Rosewood Apartments (Map ID 7), a market-rate property in Cartersville, stated there is a need for affordable rental housing in Cartersville. Ms. West further stated that most affordable housing projects in the area have extensive waitlists and options are limited. Ms. West explained that Cartersville could use an upgrade in all types of rental housing and one-, two-, and three-bedroom units are in the highest demand.

- Patty Everett, Leasing Consultant with the Avenue Apartments (Map ID 15), a market-rate property in Cartersville, also feels that there is a need for more affordable housing Cartersville. Ms. Everett explained that the affordable properties currently offered in the area typically maintain waitlists and the housing authority keeps a very long waitlist as well. Ms. Everett stated some older market-rate communities have lower rents, but they cannot meet the need for affordable housing. Ms. Everett feels one-, two-, and three-bedroom units are in demand.

- According to Vickie Barfield, a representative with the Etowah Area Consolidated Housing Authority, there is a need for more affordable housing in the area. Ms. Barfield also stated that she feels the need is more so for age-restricted product than family-oriented product. According to Ms. Barfield, one-bedroom units are in highest demand.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 age-restricted (62+) units proposed at the subject site, assuming it is developed as detailed in this report.

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are minimal and are not expected to have any negative impact on marketability of the subject site. A set of high-tension power lines are parallel to the northern boundary of the subject site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property. The subject site has good visibility and access from North Tennessee Street which borders the site to the east. Most area services are also easily accessible from the subject site and located along U.S. Highway 41 east of the subject site.

Within the Cartersville Site PMA, we identified and surveyed a total of three non-subsidized Tax Credit properties, two of which are age-restricted. These two age-restricted properties are both 100.0% occupied with waiting lists. It is also of note that only one of these two age-restricted properties offers units set at 50% and 60% of AMHI similar to the subject project. Additionally, this property which targets AMHI levels similar to the subject project charges the same rent, regardless of AMHI level. This is a good indication that the units set at 60% of AMHI are effectively rent restricted to 50% of AMHI. This also indicates that there is lack of traditional age-restricted LIHTC product targeting households earning up to 60% of AMHI. The subject project will also offer some unrestricted market-rate units. Although no age-restricted market-rate properties were surveyed within the Site PMA, the five market-rate properties selected as comparables for the subject project are 99.7% occupied, demonstrating that market-rate product is also in high demand within this market. The subject project is considered marketable and will be competitive in terms of price point (gross rent), unit design, and amenities offered.

In addition to the competitive position of the subject project, a sufficient base of potential age- and income-appropriate renter households exists in the market for the subject project, as evident by the subject's overall Tax Credit capture rate of 21.7% and market-rate capture rate of 19.2%. The subject's capture rates by AMHI level are also achievable, ranging from 6.8% to 23.6%, as detailed in *Section G*.

Based on the preceding factors, the subject project is considered marketable and is expected to represent a value to low-income senior renters within the Cartersville Site PMA. Also, when considering the high occupancy rates and waiting lists maintained among the comparable properties surveyed, the development of the subject project is not expected to have any adverse impact on future occupancy rates among existing rental product in the Cartersville market. We have no recommendations for the subject project at this time.

Section L - Signed Statement

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

Patrick M. Bowen
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Date: May 18, 2017

Garth Semple
Market Analyst
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Date: May 18, 2017

Craig Rupert
Market Analyst
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Date: May 18, 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

CARTERSVILLE, 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:

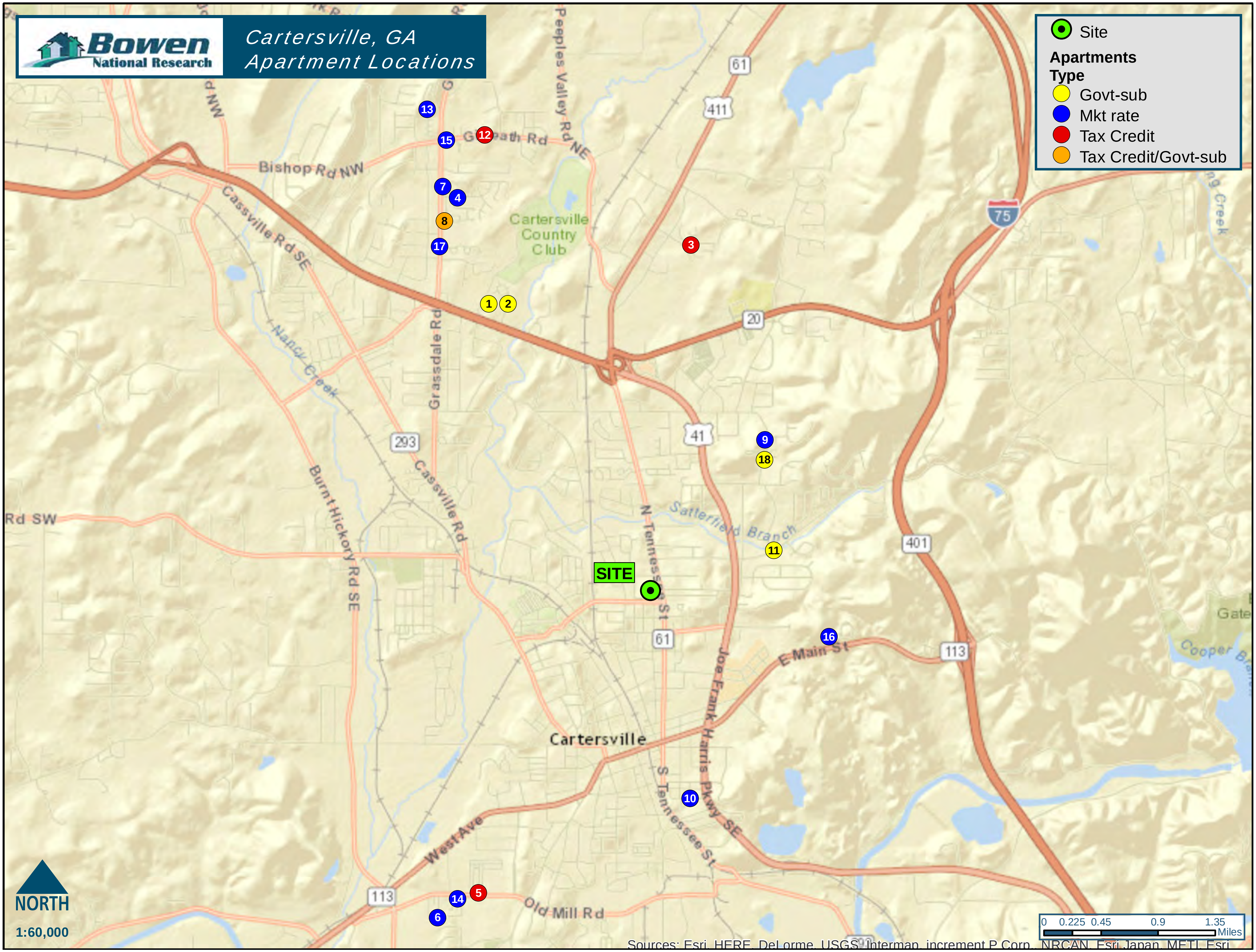
- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, 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.



Bowen National Research
Cartersville, GA
Apartment Locations
Site
Apartments Type
Govt-sub
Mkt rate
Tax Credit
Tax Credit/Govt-sub
SITE
Cartersville
Cartersville Country Club
Bishop Rd NW
Cassville Rd SE
Cassville Rd
Grassdale Rd
Burnt Hickory Rd SE
Peeples Valley Rd NE
N Tennessee St
S Tennessee St
Joe Frank Harris Pkwy SE
E Main St
West Ave
Old Mill Rd
Nancy Creek
Satterfield Branch
Rd SW
61
411
75
20
41
293
401
113
NORTH
1:60,000
0 0.225 0.45 0.9 1.35 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

MAP IDENTIFICATION LIST - CARTERSVILLE, GEORGIA

	MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
	1	Club Court Apts. I	GSS	B-	1983	58	0	100.0%	2.7
	2	Club Court Apts. II	GSS	B-	1986	50	0	100.0%	2.7
♦	3	Cove Apts.	TAX	B	2000	60	0	100.0%	3.7
	4	Vineyards	MRR	B	1999	152	1	99.3%	3.8
	5	Etowah Village Apts.	TAX	B	1996	95	2	97.9%	2.8
	6	Hannah Apts.	MRR	B	2003	56	0	100.0%	3.2
	7	Rosewood Apts.	MRR	B	1990	148	0	100.0%	3.8
	8	Crossfield Apts. II	TGS	B-	1995	24	0	100.0%	3.5
	9	Morgan Square	MRR	B	2002	52	0	100.0%	1.8
	10	Ivy Mill Apts.	MRR	B	1997	24	0	100.0%	1.5
♦	11	Huntwood Terrace	GSS	B-	1983	40	0	100.0%	1.2
♦	12	Shangri-La Park	TAX	B+	2011	72	0	100.0%	3.8
	13	Grandview Apts.	MRR	C	2003	90	0	100.0%	4.3
	14	Alexandria Landing	MRR	B	2000	76	0	100.0%	3.0
	15	Avenue Apts.	MRR	C+	2004	54	0	100.0%	4.1
	16	Avonlea Highlands	MRR	A-	2002	228	1	99.6%	1.9
	17	Glen Apts.	MRR	B	1990	108	0	100.0%	3.4
♦	18	Etowah Area Public Housing	GSS	B	2003	14	0	100.0%	1.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	10	988	2	99.8%	0
TAX	3	227	2	99.1%	0
TGS	1	24	0	100.0%	0
GSS	4	162	0	100.0%	0

* - Drive Distance (Miles)

♦ 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

Bowen National Research

DISTRIBUTION OF UNITS - CARTERSVILLE, GEORGIA

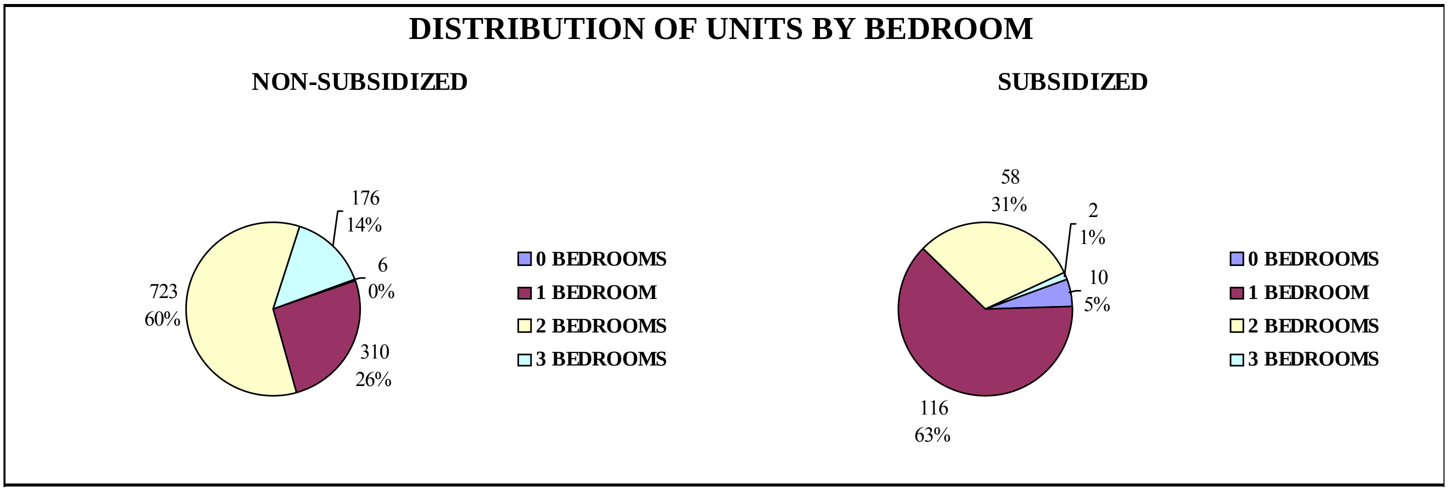
MARKET-RATE						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
0	1	6	0.6%	0	0.0%	$566
1	1	224	22.7%	0	0.0%	$916
1	1.5	30	3.0%	0	0.0%	$704
2	1	16	1.6%	0	0.0%	$932
2	1.5	30	3.0%	0	0.0%	$831
2	2	548	55.5%	2	0.4%	$1,042
2	2.5	30	3.0%	0	0.0%	$931
3	2	104	10.5%	0	0.0%	$1,216
TOTAL		**988**	**100.0%**	**2**	**0.2%**	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
1	1	56	24.7%	0	0.0%	$448
2	1	12	5.3%	0	0.0%	$516
2	1.5	23	10.1%	0	0.0%	$723
2	2	64	28.2%	0	0.0%	$612
3	2	72	31.7%	2	2.8%	$841
TOTAL		**227**	**100.0%**	**2**	**0.9%**	

TAX CREDIT, GOVERMENT-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
1	1	16	66.7%	0	0.0%	N.A.
2	1	8	33.3%	0	0.0%	N.A.
TOTAL		**24**	**100.0%**	**0**	**0.0%**	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	
0	1	10	6.2%	0	0.0%	N.A.
1	1	100	61.7%	0	0.0%	N.A.
2	1	38	23.5%	0	0.0%	N.A.
2	1.5	12	7.4%	0	0.0%	N.A.
3	1.5	2	1.2%	0	0.0%	N.A.
TOTAL		**162**	**100.0%**	**0**	**0.0%**	
GRAND TOTAL		**1,401**	**-**	**4**	**0.3%**	

DISTRIBUTION OF UNITS - CARTERSVILLE, GEORGIA



SURVEY OF PROPERTIES - CARTERSVILLE, GEORGIA

1 Club Court Apts. I

Address 72 Massell Dr. SE
Cartersville, GA 30120
Phone (770) 382-4912
(Contact in person)
Year Built 1983
Contact Janice
Comments RD 515, has RA (20 units); HCV (1 unit); Townhomes have patio storage; Select units have ceiling fan & washer/dryer

Total Units	58
Vacancies	0
Occupied	100.0%
Floors	1,2
Quality Rating	B-

Waiting List
35 households

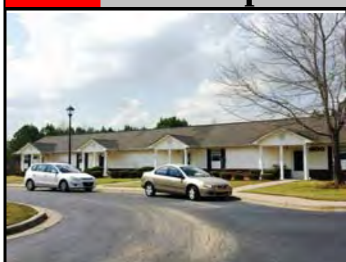
2 Club Court Apts. II

Address 72 Massell Dr. SE
Cartersville, GA 30120
Phone (770) 382-4912
(Contact in person)
Year Built 1986
Contact Janice
Comments RD 515, has RA (22 units); Accepts HCV (0 currently); Select units have ceiling fan & washer/dryer

Total Units	50
Vacancies	0
Occupied	100.0%
Floors	1
Quality Rating	B-

Waiting List
30 households

3 Cove Apts.



Address 90 Liberty Square Dr. NE
Cartersville, GA 30121
Phone (770) 387-0510
(Contact in person)
Year Built 2000
Contact Mindy
Comments 35% & 40% AMHI; HCV (1 unit); Unit mix estimated

Total Units	60
Vacancies	0
Occupied	100.0%
Floors	1
Quality Rating	B

Senior Restricted (62+)
Waiting List
12 households

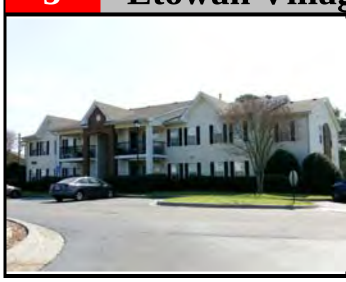
4 Vineyards

Address 11 Sheffield Pl.
Cartersville, GA 30121
Phone (770) 607-0796
(Contact in person)
Year Built 1999
Contact Priscilla
Comments Does not accept HCV; Rent range on 2-br based on renovated units; Unit mix estimated

Total Units	152
Vacancies	1
Occupied	99.3%
Floors	2
Quality Rating	B

Waiting List
None

5 Etowah Village Apts.



Address 366 Old Mill Rd.
Cartersville, GA 30120
Phone (770) 383-9995
(Contact in person)
Year Built 1996
Contact Heather
Comments 45%, 50% & 60% AMHI; HCV (5 units); One 2-br manager unit not included in total

Total Units	95
Vacancies	2
Occupied	97.9%
Floors	2
Quality Rating	B

Waiting List
2-br: 2 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 OF PROPERTIES - CARTERSVILLE, GEORGIA

6 Hannah Apts.

Address 390 Old Mill Rd.
Cartersville, GA 30120
Phone (770) 383-9877
(Contact in person)
Year Built 2003
Contact Letty
Comments HCV (5 units)

Total Units	56
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B
Waiting List	None

7 Rosewood Apts.

Address 531 Grassdale Rd.
Cartersville, GA 30121
Phone (770) 382-5411
(Contact in person)
Year Built 1990
Contact Bailey
Comments Does not accept HCV; Storage on patio or in sunroom; Smallest 1-br includes stackable washer/dryer; Select units have fireplace

Total Units	148
Vacancies	0
Occupied	100.0%
Floors	2,2.5
Quality Rating	B
Waiting List	None

8 Crossfield Apts. II

Address 7 Crossfield Cir.
Cartersville, GA 30121
Phone (770) 386-6854
(Contact in person)
Year Built 1995
Contact Paula
Comments 60% AMHI; RD 515, no RA; Accepts HCV (0 currently); Random units have tenant installed ceiling fan; Waitlist shared with phase I; Square footage estimated

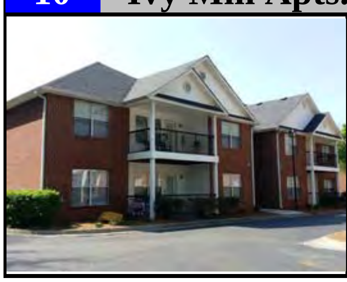
Total Units	24
Vacancies	0
Occupied	100.0%
Floors	1,2
Quality Rating	B-
Waiting List	8 households

9 Morgan Square

Address 290 E. Felton Rd.
Cartersville, GA 30121
Phone (770) 382-2583
(Contact in person)
Year Built 2002
Contact Emma
Comments Accepts HCV; Rent range based on units with washer/dryer

Total Units	52
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B
Waiting List	2-3 households

10 Ivy Mill Apts.



Address 51 Ridge Row Dr.
Cartersville, GA 30120
Phone (855) 543-8039
(Contact in person)
Year Built 1997
Contact Gary
Comments Accepts HCV (0 currently)

Total Units	24
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B
Waiting List	None

Project Type

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

Survey Date: March 2017

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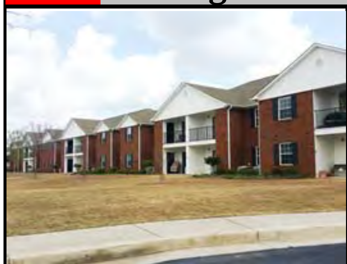
11 Huntwood Terrace

Address 71 Center Rd.
Cartersville, GA 30121
Phone (770) 387-9296
(Contact in person)
Year Built 1983
Contact Latisha
Comments HUD Section 8 & HUD Section 202

Total Units	40
Vacancies	0
Occupied	100.0%
Floors	3
Quality Rating	B-
Senior Restricted (62+)	
Waiting List	7 households

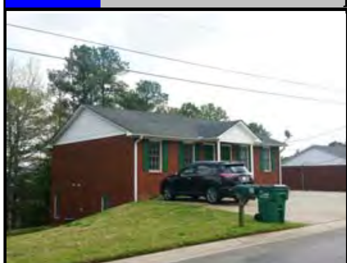
12 Shangri-La Park



Address 69 Gilreath Rd. NW
Cartersville, GA 30121
Phone (770) 606-9074
(Contact in person)
Year Built 2011
Contact Denise
Comments 50% & 60% AMHI; HCV (6 units); HOME Funds (8 units)

Total Units	72
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B+
Senior Restricted (55+)	
Waiting List	20 households

13 Grandview Apts.



Address 73 Grandview Ct. NW
Cartersville, GA 30121
Phone (770) 382-8981
(Contact in person)
Year Built 2003
Contact Judy
Comments Accepts HCV; Units built into a hill, bedrooms on lower level with walkout patio; Unit mix estimated

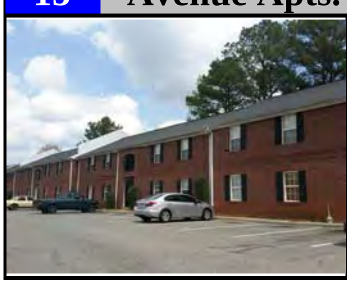
Total Units	90
Vacancies	0
Occupied	100.0%
Floors	1.5
Quality Rating	C
Waiting List	10 households

14 Alexandria Landing

Address 370 Old Mill Rd.
Cartersville, GA 30120
Phone (770) 382-2379
(Contact in person)
Year Built 2000
Contact Amanda
Comments Accepts HCV; Year built & unit mix estimated

Total Units	76
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B
Waiting List	6 households

15 Avenue Apts.



Address 25 Gilreath Rd. SE
Cartersville, GA 30121
Phone (770) 387-1950
(Contact in person)
Year Built 2004
Contact Patty
Comments Does not accept HCV; 2 & 3-br have washer/dryer hookups; Select units have patio & ceiling fan

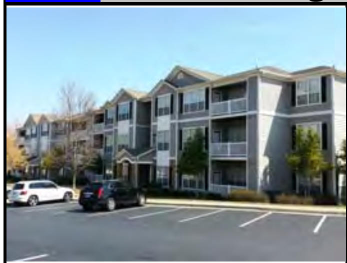
Total Units	54
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	C+
Waiting List	None

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

16 Avonlea Highlands



Address 950 E. Main St.
Cartersville, GA 30121
Phone (770) 387-0900
(Contact in person)
Year Built 2002
Contact Natasha
Comments Does not accept HCV; Rents change daily

Total Units	228
Vacancies	1
Occupied	99.6%
Floors	3,4
Quality Rating	A-

Waiting List
None

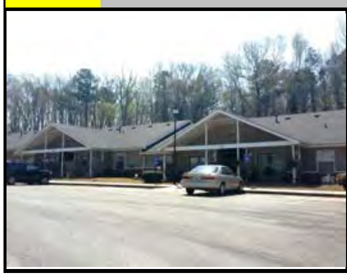
17 Glen Apts.

Address 200 Governor's Ct.
Cartersville, GA 30121
Phone (678) 719-0415
(Contact in person)
Year Built 1990
Contact Amy
Comments Does not accept HCV; Select units have exterior storage

Total Units	108
Vacancies	0
Occupied	100.0%
Floors	2
Quality Rating	B

Waiting List
30 households

18 Etowah Area Public Housing



Address 296 E. Felton Rd. & 240 Stonewall St.
Cartersville, GA 30121
Phone (770) 382-1414
(Contact in person)
Year Built 2003
Contact Angela Cooley
Comments Public Housing; Select units have ceiling fan

Total Units	14
Vacancies	0
Occupied	100.0%
Floors	1
Quality Rating	B

Senior Restricted (62+)
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

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COLLECTED RENTS - CARTERSVILLE, GEORGIA

MAP	GARDEN UNITS					TOWNHOUSE UNITS			
ID	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
♦ 3		$362 to $383	$417 to $432						
4		$810	$910 to $985	$1035					
5			$610	$687 to $700					
6			$750						
7		$810 to $825	$910	$1050					
9			$675 to $700						
10		$700	$800						
♦ 12		$440	$480						
13						$595	$695 to $795		
14		$675	$773	$875					
15	$520	$565	$670	$765					
16		$952 to $1047	$1066 to $1194	$1246 to $1285					
17		$770 to $830	$870 to $980	$1020 to $1070					

♦ 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

Bowen National Research

PRICE PER SQUARE FOOT - CARTERSVILLE, GEORGIA

MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	$ / SQ. FT.
STUDIO UNITS					
15	Avenue Apts.	1	400	$566	$1.42
ONE-BEDROOM UNITS					
4	Vineyards	1	850	$875	$1.03
7	Rosewood Apts.	1	575 to 800	$916 to $931	$1.16 to $1.59
10	Ivy Mill Apts.	1	750	$806	$1.07
13	Grandview Apts.	1.5	900	$704	$0.78
14	Alexandria Landing	1	695	$781	$1.12
15	Avenue Apts.	1	600	$630	$1.05
16	Avonlea Highlands	1	660 to 912	$1073 to $1168	$1.28 to $1.63
17	Glen Apts.	1	701 to 908	$876 to $936	$1.03 to $1.25
♦ 3	Cove Apts.	1	722	$427 to $448	$0.59 to $0.62
♦ 12	Shangri-La Park	1	762	$546	$0.72
TWO-BEDROOM UNITS					
4	Vineyards	2	1000	$994 to $1069	$0.99 to $1.07
6	Hannah Apts.	2	1050	$882	$0.84
7	Rosewood Apts.	2	1140	$1042	$0.91
9	Morgan Square	2	1050	$782 to $807	$0.74 to $0.77
10	Ivy Mill Apts.	1	950	$932	$0.98
13	Grandview Apts.	1.5 to 2.5	1000 to 1400	$831 to $931	$0.67 to $0.83
14	Alexandria Landing	2	1050	$905	$0.86
15	Avenue Apts.	2	700 to 850	$754	$0.89 to $1.08
16	Avonlea Highlands	2	1048 to 1337	$1213 to $1341	$1.00 to $1.16
17	Glen Apts.	2	938 to 1305	$1002 to $1112	$0.85 to $1.07
♦ 3	Cove Apts.	1	930	$501 to $516	$0.54 to $0.55
5	Etowah Village Apts.	1.5	1106	$723	$0.65
♦ 12	Shangri-La Park	2	1078	$612	$0.57
THREE-BEDROOM UNITS					
4	Vineyards	2	1200	$1142	$0.95
7	Rosewood Apts.	2	1170	$1216	$1.04
14	Alexandria Landing	2	1200	$1041	$0.87
15	Avenue Apts.	2	1000	$872	$0.87
16	Avonlea Highlands	2	1366 to 1439	$1427 to $1466	$1.02 to $1.04

- ♦ 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 - CARTERSVILLE, GEORGIA

THREE-BEDROOM UNITS					
MAP ID	**PROJECT NAME**	**BATHS**	**UNIT SIZE**	**GROSS RENT**	**$ / SQ. FT.**
17	Glen Apts.	2	1290 to 1406	$1186 to $1236	$0.88 to $0.92
5	Etowah Village Apts.	2	1237	$828 to $841	$0.67 to $0.68

♦ 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

Bowen National Research

AVERAGE GROSS RENT PER SQUARE FOOT - CARTERSVILLE, GEORGIA

MARKET-RATE			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$1.25	$0.96	$0.96
TOWNHOUSE	$0.78	$0.75	$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$0.63	$0.59	$0.68
TOWNHOUSE	$0.00	$0.00	$0.00

COMBINED			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$1.12	$0.90	$0.84
TOWNHOUSE	$0.78	$0.75	$0.00

TAX CREDIT UNITS - CARTERSVILLE, GEORGIA

	ONE-BEDROOM UNITS						
	MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
♦	3	Cove Apts.	12	722	1	35%	$362
♦	3	Cove Apts.	36	722	1	40%	$383
	8	Crossfield Apts. II	16	610	1	60%	$407 - $527
♦	12	Shangri-La Park	6	762	1	60%	$440
♦	12	Shangri-La Park	2	762	1	50%	$440

	TWO-BEDROOM UNITS						
	MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
♦	3	Cove Apts.	4	930	1	35%	$417
	8	Crossfield Apts. II	8	750	1	60%	$427 - $624
♦	3	Cove Apts.	8	930	1	40%	$432
♦	12	Shangri-La Park	50	1078	2	60%	$480
♦	12	Shangri-La Park	14	1078	2	50%	$480
	5	Etowah Village Apts.	4	1106	1.5	50%	$610
	5	Etowah Village Apts.	19	1106	1.5	45%	$610

	THREE-BEDROOM UNITS						
	MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
	5	Etowah Village Apts.	29	1237	2	50%	$687
	5	Etowah Village Apts.	43	1237	2	60%	$700

♦ - Senior Restricted

QUALITY RATING - CARTERSVILLE, GEORGIA

MARKET-RATE PROJECTS AND UNITS

QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	228	0.4%		$1,073	$1,213	$1,427	
B	7	616	0.2%		$876	$994	$1,186	
C+	1	54	0.0%	$566	$630	$754	$872	
C	1	90	0.0%		$704	$831		

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+	1	72	0.0%		$546	$612		
B	2	155	1.3%		$448	$723	$841	

DISTRIBUTION OF UNITS BY QUALITY RATING

YEAR BUILT - CARTERSVILLE, 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	5	527	3	0.6%	527	43.4%
2000 to 2005	7	616	1	0.2%	1143	50.7%
2006 to 2010	0	0	0	0.0%	1143	0.0%
2011	1	72	0	0.0%	1215	5.9%
2012	0	0	0	0.0%	1215	0.0%
2013	0	0	0	0.0%	1215	0.0%
2014	0	0	0	0.0%	1215	0.0%
2015	0	0	0	0.0%	1215	0.0%
2016	0	0	0	0.0%	1215	0.0%
2017**	0	0	0	0.0%	1215	0.0%
TOTAL	**13**	**1215**	**4**	**0.3%**	**1215**	**100.0 %**

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

** As of March 2017

APPLIANCES AND UNIT AMENITIES - CARTERSVILLE, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	13	100.0%	1,215
REFRIGERATOR	13	100.0%	1,215
ICEMAKER	3	23.1%	408
DISHWASHER	13	100.0%	1,215
DISPOSAL	10	76.9%	1,015
MICROWAVE	3	23.1%	232
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	13	100.0%	1,215
AC - WINDOW	0	0.0%	
FLOOR COVERING	13	100.0%	1,215
WASHER/DRYER	2	15.4%	200
WASHER/DRYER HOOK-UP	13	100.0%	1,215
PATIO/DECK/BALCONY	13	100.0%	1,215
CEILING FAN	10	76.9%	912
FIREPLACE	3	23.1%	308
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	13	100.0%	1,215
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	7.7%	72

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

PROJECT AMENITIES - CARTERSVILLE, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	4	30.8%	636
ON-SITE MANAGEMENT	11	84.6%	1,073
LAUNDRY	7	53.8%	809
CLUB HOUSE	4	30.8%	583
MEETING ROOM	2	15.4%	132
FITNESS CENTER	6	46.2%	784
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	6	46.2%	785
COMPUTER LAB	2	15.4%	300
SPORTS COURT	4	30.8%	623
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	1	7.7%	72
SECURITY GATE	1	7.7%	228
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	2	15.4%	376
PICNIC AREA	8	61.5%	887
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	7.7%	72

DISTRIBUTION OF UTILITIES - CARTERSVILLE, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	40	2.9%
TENANT			
ELECTRIC	16	1,347	96.1%
GAS	1	14	1.0%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	40	2.9%
TENANT			
ELECTRIC	15	1,252	89.4%
GAS	2	109	7.8%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	40	2.9%
TENANT			
ELECTRIC	15	1,252	89.4%
GAS	2	109	7.8%
			100.0%
ELECTRIC			
LANDLORD	1	40	2.9%
TENANT	17	1,361	97.1%
			100.0%
WATER			
LANDLORD	5	320	22.8%
TENANT	13	1,081	77.2%
			100.0%
SEWER			
LANDLORD	6	372	26.6%
TENANT	12	1,029	73.4%
TRASH PICK-UP			
LANDLORD	17	1,173	83.7%
TENANT	1	228	16.3%
			100.0%

UTILITY ALLOWANCE - CARTERSVILLE, GEORGIA

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

GA-Northern Region (1/2017)

ADDENDUM B

COMPARABLE PROPERTY PROFILES

4 Vineyards — 3.8 miles to site

Address 11 Sheffield Pl.
Cartersville, GA 30121

Phone (770) 607-0796 **Contact** Priscilla

Total Units 152 **Vacancies** 1 **Percent Occupied** 99.3%

Project Type Market-Rate

Year Open 1999 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

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

Remarks Offers Tennis; Does not accept HCV; Rent range on 2-br based on renovated units; Unit mix estimated

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash

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

Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Picnic Area, Sundeck; Dog Park

Parking Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	
1	1	G	42	0	850	$0.95	$810	
2	2	G	96	1	1000	$0.91 - $0.99	$910 to $985	
3	2	G	14	0	1200	$0.86	$1035	

7 Rosewood Apts. — 3.8 miles to site

Address	531 Grassdale Rd. Cartersville, GA 30121
Phone	(770) 382-5411
Contact	Bailey
Total Units	148
Vacancies	0
Percent Occupied	100.0%
Project Type	Market-Rate
Year Open	1990
Floors	2,2.5
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	NONE
Ratings:	**Quality** B **Neighborhood** B **Access/Visibility** B/B
Remarks	Offers Tennis; Does not accept HCV; Storage on patio or in sunroom; Smallest 1-br includes stackable washer/dryer; Select units have fireplace

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Fireplace, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Car Wash Area, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	
1	1	G	56	0	575 to 800	$1.03 - $1.41	$810 to $825	
2	2	G	84	0	1140	$0.80	$910	
3	2	G	8	0	1170	$0.90	$1050	

14	Alexandria Landing	3.0 miles to site

Address	370 Old Mill Rd. Cartersville, GA 30120
Phone	(770) 382-2379
Contact	Amanda
Total Units	76
Vacancies	0
Percent Occupied	100.0%
Project Type	Market-Rate
Year Open	2000
Floors	2
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	6 households
Ratings: Quality	B
Neighborhood	B
Access/Visibility	B/B
Remarks	Accepts HCV; Year built & unit mix estimated

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Fitness Center
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	
1	1	G	20	0	695	$0.97	$675	
2	2	G	40	0	1050	$0.74	$773	
3	2	G	16	0	1200	$0.73	$875	

16 Avonlea Highlands — 1.9 miles to site

Address 950 E. Main St.
Cartersville, GA 30121

Phone (770) 387-0900 **Contact** Natasha

Total Units 228 **Vacancies** 1 **Percent Occupied** 99.6%

Project Type Market-Rate

Year Open 2002 **Floors** 3,4

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

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

Remarks Offers Tennis; Does not accept HCV; Rents change daily

FEATURES AND UTILITIES

Utilities No landlord paid utilities

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

Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Security Gate, Computer Lab, Car Wash Area, Picnic Area, CCTV

Parking Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	
1	1	G	54	0	660 to 912	$1.15 - $1.44	$952 to $1047	
2	2	G	138	1	1048 to 1337	$0.89 - $1.02	$1066 to $1194	
3	2	G	36	0	1366 to 1439	$0.89 - $0.91	$1246 to $1285	

17	Glen Apts.	3.4 miles to site

Address 200 Governor's Ct.
Cartersville, GA 30121

Phone (678) 719-0415 **Contact** Amy

Total Units 108 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1990 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List 30 households

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

Remarks Does not accept HCV; Select units have exterior storage

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, Fireplace, Blinds, Exterior Storage

Project Amenities Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Picnic Area

Parking Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	
1	1	G	32	0	701 to 908	$0.91 - $1.10	$770 to $830	
2	2	G	52	0	938 to 1305	$0.75 - $0.93	$870 to $980	
3	2	G	24	0	1290 to 1406	$0.76 - $0.79	$1020 to $1070	

902 Legacy at Acworth — 12.9 miles to site

Address	4801 Baker Grover Rd. Acworth, GA 30101
Phone	(770) 529-1212
Contact	Hailey
Total Units	192
Vacancies	6
Percent Occupied	96.9%
Project Type	Market-Rate & Tax Credit
Year Open	1997
Floors	2, 3
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	NONE
Ratings: Quality	B-
Neighborhood	B
Access/Visibility	
Remarks	Market-rate (106 units); 60% AMHI (86 units); HCV (approx 18 units)

FEATURES AND UTILITIES

Utilities Landlord pays Trash

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

Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Picnic Area, CCTV

Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	16	0	840	$1.01	$850	
1	1	G	16	0	840	$0.85	$715	60%
2	2	G	42	2	1056	$0.95	$1000	
2	2	G	38	1	1056	$0.80	$850	60%
3	2	G	48	2	1254	$0.88	$1100	
3	2	G	32	1	1254	$0.78	$975	60%

903 Somerset Club Apts. 4.2 miles to site

Address	91 Somerset Club Dr. Cartersville, GA 30121
Phone	(678) 721-3090
Contact	Bruce
Total Units	192
Vacancies	2
Percent Occupied	99.0%
Project Type	Market-Rate & Tax Credit
Year Open	2004
Floors	2,3
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	NONE
Ratings: Quality	B+
Neighborhood	B
Access/Visibility	B/B
Remarks	Market-rate (72 units); 60% AMHI (120 units); HCV (4 units); Unit mix by AMHI estimated

FEATURES AND UTILITIES

Utilities Landlord pays Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds

Project Amenities Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Sports Court, Security Gate, Computer Lab, Car Wash Area, Picnic Area

Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	N.A.	G	20	0	864	$0.92	$795	
1	1	G	30	0	864	$0.85	$738	60%
2	2	G	40	0	1200	$0.76	$906	
2	2	G	54	2	1200	$0.73	$881	60%
3	2	G	36	0	1300	$0.77	$1004	60%
4	3	G	12	0	1460	$0.76	$1109	

904 Peaks at Bells Ferry

17.8 miles to site

Address	100 Peaks Ridge Acworth, GA 30102
Phone	(770) 928-0860
Contact	Carla
Total Units	248
Vacancies	10
Percent Occupied	96.0%
Project Type	Market-Rate & Tax Credit
Year Open	2005
Floors	3,4
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	NONE
Ratings: Quality	B+
Neighborhood	B
Access/Visibility	B+/
Remarks	Market-rate (48 units); 60% AMHI (200 units); HCV (20 units)

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Security Gate, Car Wash Area, Picnic Area, Social Services, Dog Park
Parking	Detached Garages, Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	874	$1.13	$990	
1	1	G	48	2	874	$0.95	$827	60%
2	2	G	25	1	1149	$0.97	$1115	
2	2	G	101	4	1149	$0.86	$990	60%
3	2	G	13	1	1388	$0.91	$1265	
3	2	G	51	2	1388	$0.82	$1141	60%

3 Cove Apts. 3.7 miles to site

Address 90 Liberty Square Dr. NE
Cartersville, GA 30121

Phone (770) 387-0510 **Contact** Mindy

Total Units 60 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2000 **Floors** 1

Concessions No Rent Specials

Age Restrictions Senior (62+)

Waiting List 12 households

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

Remarks 35% & 40% AMHI; HCV (1 unit); Unit mix estimated

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash

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

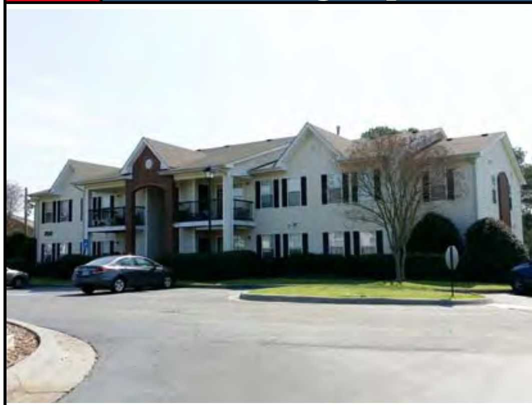
Project Amenities On-site Management, Laundry Facility, Meeting Room, Picnic Area, Gazebo

Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	36	0	722	$0.53	$383	40%
1	1	G	12	0	722	$0.50	$362	35%
2	1	G	8	0	930	$0.46	$432	40%
2	1	G	4	0	930	$0.45	$417	35%

5 Etowah Village Apts. — 2.8 miles to site



Address	366 Old Mill Rd. Cartersville, GA 30120
Phone	(770) 383-9995
Contact	Heather
Total Units	95
Vacancies	2
Percent Occupied	97.9%
Project Type	Tax Credit
Year Open	1996
Floors	2
Concessions	No Rent Specials
Age Restrictions	NONE
Waiting List	2-br: 2 households
Ratings: Quality	B
Neighborhood	B
Access/Visibility	B/B
Remarks	45%, 50% & 60% AMHI; HCV (5 units); One 2-br manager unit not included in total

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, 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, Playground, Sports Court, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
2	1.5	G	4	0	1106	$0.55	$610	50%
2	1.5	G	19	0	1106	$0.55	$610	45%
3	2	G	43	1	1237	$0.57	$700	60%
3	2	G	29	1	1237	$0.56	$687	50%

12 Shangri-La Park 3.8 miles to site

Address	69 Gilreath Rd. NW Cartersville, GA 30121
Phone	(770) 606-9074
Contact	Denise
Total Units	72
Vacancies	0
Percent Occupied	100.0%
Project Type	Tax Credit
Year Open	2011
Floors	2
Concessions	No Rent Specials
Age Restrictions	Senior (55+)
Waiting List	20 households
Ratings: Quality	B+
Neighborhood	B
Access/Visibility	B/B
Remarks	50% & 60% AMHI; HCV (6 units); HOME Funds (8 units)

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, E-Call Button, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Elevator, Computer Lab, Picnic Area, Social Services, Shuffleboard
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	762	$0.58	$440	60%
1	1	G	2	0	762	$0.58	$440	50%
2	2	G	50	0	1078	$0.45	$480	60%
2	2	G	14	0	1078	$0.45	$480	50%

901 Cherokee Summit — 17.9 miles to site

Address 5920 Bells Ferry Rd.
Acworth, GA 30102

Phone (678) 494-9400 **Contact** Treva

Total Units 272 **Vacancies** 3 **Percent Occupied** 98.9%

Project Type Tax Credit

Year Open 2002 **Floors** 2,3

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

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

Remarks 60% AMHI; HCV (6 units)

FEATURES AND UTILITIES

Utilities No landlord paid utilities

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

Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Security Gate, Picnic Area, Social Services

Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	48	0	975	$0.75	$736	60%
2	2	G	184	3	1150	$0.78	$892	60%
3	2	G	40	0	1350	$0.76	$1030	60%

Addendum C – Member Certification & Checklist

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

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

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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)

		Section (s)
Other Requirements		
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

Bowen National Research

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 Cartersville, Georgia by Peaks of Cartersville, LP. (developer).

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

  - A detailed demographic and socioeconomic evaluation
  - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
  - A drive-time analysis for the site
  - Personal observations of the field analyst

- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.

- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.

- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.

- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

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

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4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis _

A. INTRODUCTION

We identified five market-rate properties within the Cartersville Site PMA that we consider comparable in terms of unit and project amenities 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 and the subject property's market advantage. 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:

					Unit Mix (Occupancy Rate)		
Map I.D.	**Project Name**	**Year Built**	**Total Units**	**Occ. Rate**	**One-Br.**	**Two-Br.**	**Three-Br.**
Site	**Peaks of Cartersville**	**2019**	**72**	**-**	**30 (-)**	**42 (-)**	**-**
4	Vineyards	1999	152	99.3%	42 (100.0%)	96 (99.0%)	14 (100.0%)
7	Rosewood Apts.	1990	148	100.0%	56 (100.0%)	84 (100.0%)	8 (100.0%)
14	Alexandria Landing	2000	76	100.0%	20 (100.0%)	40 (100.0%)	16 (100.0%)
16	Avonlea Highlands	2002	228	99.6%	54 (100.0%)	138 (99.3%)	36 (100.0%)
17	Glen Apts.	1990	108	100.0%	32 (100.0%)	52 (100.0%)	24 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 712 units with an overall occupancy rate of 99.7%. None of the comparable properties has an occupancy rate below 99.3%, demonstrating that each of the selected properties is well-received within the Cartersville market and will serve as an accurate benchmark with which to compare the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate 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	Data on Subject	*Comp #1*		*Comp #2*		*Comp #3*		*Comp #4*		*Comp #5*	
	Peaks of Cartersville 640 North Tennessee Street Cartersville, GA		Vineyards 11 Sheffield Pl. Cartersville, GA		Rosewood Apts. 531 Grassdale Rd. Cartersville, GA		Alexandria Landing 370 Old Mill Rd. Cartersville, GA		Avonlea Highlands 950 E. Main St. Cartersville, GA		Glen Apts. 200 Governor's Ct. Cartersville, GA	
A.	**Rents Charged**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
1	**$ Last Rent / Restricted?**		**$810**		**$825**		**$675**		**$952**		**$770**	
2	**Date Surveyed**		Mar-17		Mar-17		Apr-17		Mar-17		Mar-17	
3	**Rent Concessions**		None		None		None		None		None	
4	**Occupancy for Unit Type**		100%		100%		100%		100%		100%	
5	**Effective Rent & Rent/ sq. ft**		**$810**	0.95	**$825**	1.03	**$675**	0.97	**$952**	1.44	**$770**	1.10
B.	**Design, Location, Condition**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
6	**Structure / Stories**	**EE/3**	WU/2		WU/2,2.5		WU/2		WU/3,4		WU/2	
7	**Yr. Built/Yr. Renovated**	**2019**	1999	$20	1990	$29	2000	$19	2002	$17	1990	$29
8	**Condition /Street Appeal**	**E**	G	$15	G	$15	G	$15	E		G	$15
9	**Neighborhood**	**G**	G		G		G		G		G	
10	**Same Market?**		Yes		Yes		Yes		Yes		Yes	
C.	**Unit Equipment/ Amenities**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
11	**# Bedrooms**	**1**	1		1		1		1		1	
12	**# Baths**	**1**	1		1		1		1		1	
13	**Unit Interior Sq. Ft.**	**742**	850	($29)	800	($16)	695	$13	660	$22	701	$11
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	N/Y	$5	Y/Y	
18	**Washer/Dryer**	**HU/L**	HU/L		HU/L		HU	$5	HU/L		HU	$5
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**	Y		Y		Y		Y		Y	
23	**Ceiling Fans/E-Call System**	**Y/Y**	Y/N	$5	Y/N	$5	Y/N	$5	Y/N	$5	Y/N	$5
D	**Site Equipment/ Amenities**		**Data**	**$ 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		Y		Y		Y	
26	**Security Gate**	**N**	N		N		N		Y	($5)	N	
27	**Clubhouse/ Meeting Space**	**Y**	Y		N	$5	N	$5	Y		Y	
28	**Pool/ Recreation Areas**	**N**	P/F/S	($18)	P/F/S	($18)	F	($5)	P/F/S	($18)	P/F	($15)
29	**Computer/Business Center**	**N**	N		N		N		Y	($3)	N	
30	**Picnic Area**	**Y**	Y		Y		N	$3	Y		Y	
31	**Library**	**N**	N		N		N		N		N	
32	**Social Services**	**N**	N		N		N		N		N	
E.	**Utilities**		**Data**	**$ 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	($41)	N/N		N/N		N/N		N/N	
39	**Trash /Recycling**	**Y/N**	Y/N		Y/N		Y/N		N/N	$15	Y/N	
F.	**Adjustments Recap**		**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**
40	**# Adjustments B to D**		4	3	5	3	8	2	4	4	5	2
41	**Sum Adjustments B to D**		$45	($52)	$59	($39)	$70	($10)	$49	($31)	$65	($20)
42	**Sum Utility Adjustments**			($41)					$15			
			Net	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**
43	***Net/ Gross Adjmts B to E***		*($48)*	*$138*	*$20*	*$98*	*$60*	*$80*	*$33*	*$95*	*$45*	*$85*
G.	**Adjusted & Market Rents**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**	
44	**Adjusted Rent** (5+ 43)		**$762**		**$845**		**$735**		**$985**		**$815**	
45	Adj Rent/Last rent			94%		102%		109%		103%		106%
46	**Estimated Market Rent**	**$815**	**$1.10** ←	**Estimated Market Rent/ Sq. Ft**								

Rent Comparability Grid — Unit Type → **TWO BEDROOM**

			Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
	Subject											
	Peaks of Cartersville	**Data**	Vineyards		Rosewood Apts.		Alexandria Landing		Avonlea Highlands		Glen Apts.	
	640 North Tennessee Street	**on**	11 Sheffield Pl.		531 Grassdale Rd.		370 Old Mill Rd.		950 E. Main St.		200 Governor's Ct.	
	Cartersville, GA	**Subject**	Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
A.	**Rents Charged**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
1	**$ Last Rent / Restricted?**		**$910**		**$910**		**$773**		**$1,066**		**$870**	
2	**Date Surveyed**		Mar-17		Mar-17		Apr-17		Mar-17		Mar-17	
3	**Rent Concessions**		None		None		None		None		None	
4	**Occupancy for Unit Type**		99%		100%		100%		99%		100%	
5	**Effective Rent & Rent/ sq. ft**		**$910**	0.91	**$910**	0.80	**$773**	0.74	**$1,066**	1.02	**$870**	0.93
B.	**Design, Location, Condition**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
6	**Structure / Stories**	**EE/3**	WU/2		WU/2,2.5		WU/2		WU/3,4		WU/2	
7	**Yr. Built/Yr. Renovated**	**2019**	1999	$20	1990	$29	2000	$19	2002	$17	1990	$29
8	**Condition /Street Appeal**	**E**	G	$15	G	$15	G	$15	E		G	$15
9	**Neighborhood**	**G**	G		G		G		G		G	
10	**Same Market?**		Yes		Yes		Yes		Yes		Yes	
C.	**Unit Equipment/ Amenities**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
11	**# Bedrooms**	**2**	2		2		2		2		2	
12	**# Baths**	**2**	2		2		2		2		2	
13	**Unit Interior Sq. Ft.**	**1056**	1000	$12	1140	($18)	1050	$1	1048	$2	938	$26
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	N/Y	$5	Y/Y	
18	**Washer/Dryer**	**HU/L**	HU/L		HU/L		HU	$5	HU/L		HU	$5
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**	Y		Y		Y		Y		Y	
23	**Ceiling Fans/E-Call Syatem**	**Y/Y**	Y/N	$5	Y/N	$5	Y/N	$5	Y/N	$5	Y/N	$5
D	**Site Equipment/ Amenities**		**Data**	**$ 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		Y		Y		Y	
26	**Security Gate**	**N**	N		N		N		Y	($5)	N	
27	**Clubhouse/ Meeting Space**	**Y**	Y		N	$5	N	$5	Y		Y	
28	**Pool/ Recreation Areas**	**N**	P/F/S	($18)	P/F/S	($18)	F	($5)	P/F/S	($18)	P/F	($15)
29	**Computer/Business Center**	**N**	N		N		N		Y	($3)	N	
30	**Picnic Area**	**Y**	Y		Y		N	$3	Y		Y	
31	**Library**	**N**	N		N		N		N		N	
32	**Social Services**	**N**	N		N		N		N		N	
E.	**Utilities**		**Data**	**$ 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	($48)	N/N		N/N		N/N		N/N	
39	**Trash /Recycling**	**Y/N**	Y/N		Y/N		Y/N		N/N	$15	Y/N	
F.	**Adjustments Recap**		**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**	**Pos**	**Neg**
40	**# Adjustments B to D**		5	2	5	3	8	2	4	4	5	2
41	**Sum Adjustments B to D**		$57	($23)	$59	($41)	$58	($10)	$29	($31)	$80	($20)
42	**Sum Utility Adjustments**			($48)					$15			
			Net	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**
43	***Net/ Gross Adjmts B to E***		*($14)*	*$128*	*$18*	*$100*	*$48*	*$68*	*$13*	*$75*	*$60*	*$100*
G.	**Adjusted & Market Rents**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**	
44	**Adjusted Rent** (5+ 43)		**$896**		**$928**		**$821**		**$1,079**		**$930**	
45	Adj Rent/Last rent			98%		102%		106%		101%		107%
46	**Estimated Market Rent**	**$925**	**$0.88**	← **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 the present-day achievable market rents for units similar to the proposed subject development are $815 for a one-bedroom unit and $925 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	$495	$815	39.3%
One-Br.	60%	$595	$815	27.0%
One-Br.	MR	$695	$815	14.7%
Two-Br.	50%	$595	$925	35.7%
Two-Br.	60%	$695	$925	24.9%
Two-Br.	MR	$795	$925	14.1%

MR – Market-Rate

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's Tax Credit rents set at 50% and 60% of AMHI will likely be perceived as significant values within the market as they represent market rent advantages ranging from 24.9% to 39.3%, depending upon bedroom type and AMHI level. Market-rate rents do not need to represent significant market rent advantages, but should still be near the achievable market-rate rents determined in order to ensure they will be marketable within a given market. Regardless, the subject's market-rate rents represent market rent advantages ranging from 14.1% to 14.7% depending upon bedroom type. Thus, these unit types will also represent significant values within the Cartersville market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1990 and 2002. 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 appearance upon completion of construction. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.

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 which is relatively competitive with those offered among 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 offers a project amenities package which is considered slightly inferior to those offered among most of the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.

33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property as needed. The utility adjustments were based on the local housing authority's utility cost estimates.