

Appraisal Report*

For

An Existing Family Apartment Complex

Called

**Sawgrass Cove Apartments
534 McIntosh Road
Darien, Georgia 31305**

Prepared For

Mr. Billy Glisson

Hallmark Sawgrass Cove Apartments, LP

3111 Paces Mill Road, Suite A-250

Atlanta, Georgia 30339

Intended Users

Hallmark Sawgrass Cove Apartments, LP and

Georgia Department of Community Affairs

Date of Appraisal

May 3, 2017

Effective Date of Appraisal

April 13, 2017

Appraised By

Jonathan Richmond

**Gill
Group**
*P.O. Box 784
512 N. One Mile Road
Dexter, MO 63841*



May 3, 2017

Mr. Billy Glisson
Hallmark Sawgrass Cove Apartments, LP
3111 Paces Mill Road, Suite A-250
Atlanta, Georgia 30339

RE: Sawgrass Cove Apartments
534 McIntosh Road
Darien, Georgia 31305
"As Is" and "As Complete" Appraisal Report
As of April 13, 2017

Dear Mr. Glisson:

In accordance with your request, I have personally appraised the existing Rural Development property targeted towards families known as Sawgrass Cove Apartments. The site contains approximately 8.87 acres. The subject is improved with 11 one-story buildings containing 50 revenue units, one non-revenue unit and an accessory building.

The purpose of the Appraisal Report is to estimate the "as is" market value, subject to restricted rents of the subject's fee simple interest; the "as is" market value, subject to market rents of the subject's fee simple interest; the "as complete" market value, subject to market rents, of the subject's fee simple interest; the "as complete" market value, subject to restricted rents, of the subject's fee simple interest; and the value of tax credits for financing decisions and mortgage underwriting. Additional values required by Georgia Department of Community Affairs include the value of the land; the prospective market value upon completion and as stabilized (unrestricted rents) and the prospective unrestricted market value at loan maturity. The property interest being appraised is the fee simple interest. The function of this appraisal is to aid the client, Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs in the decision-making process involved in evaluating the value of the subject property. The intended users of the appraisal are Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs. The appraisal is assignable to other lenders or participants in the transaction. In addition to this appraisal, Gill Group, Inc., has also completed a market study.

**Prior to the 2014-2015 USPAP, this report would have been considered a complete self-contained appraisal report.*

A description of the property, together with information providing a basis for estimates, is presented in the accompanying report. This appraisal is subject to the definitions, assumptions, conditions and certification contained in the attached report. During the fieldwork, it has been determined the appraised property has no natural, cultural, scientific or recreational value. Jonathan Richmond, State Certified General Real Estate Appraiser, is the signing appraiser on this report. He completed valuation and analysis as indicated in the Scope of Work of this report. Jonathan Richmond inspected the interior and exterior of the subject property.

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions.

The "prospective" values of the fee simple estate were determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved.

The following values are determined for Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the market value of the land, as of April 13, 2017, is as follows.

TWO HUNDRED TWENTY THOUSAND DOLLARS
\$220,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to market rents, as of April 13, 2017, is as follows.

TWO MILLION NINE HUNDRED SIXTY THOUSAND DOLLARS
\$2,960,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to restricted rents, as of April 13, 2017, is as follows.

ONE MILLION FOUR HUNDRED THOUSAND DOLLARS
\$1,400,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value upon completion and as stabilized (unrestricted rents) of the subject property, as of December 31, 2018, is as follows.

THREE MILLION SIX HUNDRED FIVE THOUSAND DOLLARS

\$3,605,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value, upon completion and as stabilized (restricted rents), as of December 31, 2018, is as follows.

TWO MILLION SIX HUNDRED NINETY FIVE THOUSAND DOLLARS

\$2,695,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the value of the Low Income Housing Tax Credits, as of April 13, 2017, is as follows:

FOUR MILLION ONE HUNDRED FIVE THOUSAND DOLLARS

\$4,105,000

This report and its contents are intended solely for your information and assistance for the function stated previously, and should not be relied upon for any other purpose. Otherwise, neither the whole nor any part of this appraisal or any reference thereto may be included in any document, statement, appraisal or circular without my explicit, prior written approval of the form and context in which it appears.

The accompanying prospective financial analysis is based on estimates and assumptions developed in connection with the appraisal. However, some assumptions inevitably will not materialize and unanticipated events and circumstances will occur. The actual results achieved during the holding period will vary from my estimates and these variations may be material. I have not been engaged to evaluate the effectiveness of management, and I am not responsible for management's actions such as marketing efforts.

This appraisal report sets forth only the appraiser's conclusions. Supporting documentation is retained in the appraiser's file. A copy of this report, together with the field data from which it was prepared, is retained in my files. This data is available for your inspection upon request.

Respectfully submitted,



Jonathan Richmond
State Certified General Real Estate
Appraiser
GA# 375377



Samuel T. Gill
State Certified General Real Estate
Appraiser
GA# 258907

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EXECUTIVE SUMMARY

Name of the Property Sawgrass Cove Apartments

Location 534 McIntosh Road, Darien, McIntosh County, Georgia 31305

Current Owner Sawgrass Cove Apartments

Type of Report "As Is" and "As Complete" Appraisal Report

Total Land Area 8.87 acres or 386,377+/- square feet

Floodplain Hazard According to FloodSource FloodScape, Flood Map Number 13191C0381D, dated March 16, 2009, the subject is zoned X, an area determined to be outside the 100- and 500-year floodplains. Federal flood insurance is available but is not required.

Zoning According to City of Darien, the subject is zoned R-2, Multi-Family. The subject is a legal, conforming use.

Property Description The subject is improved with 11 one-story buildings containing 51 units and an accessory building. The net rentable area is approximately 36,654 square feet. The gross building area, according to the McIntosh County Assessor's Office, is 37,732 square feet.

Unit Type	# of Units	Square Footage	Total Square Footage
1/1 @ 50%	4	616	2,464
1/1 @ 60%	14	616	8,624
2/1 @ 50%	7	771	5,397
2/1 @ 60%	25	771	19,275
2/1 (Non-Revenue)	1	894	894
	51		36,654

Real Estate Taxes \$12,213.80 for 2016 **Parcel Number** 0052C 0119

Property Type Apartment Complex **Highest and Best Use** Apartment Complex

Date of Inspection April 13, 2017 **Date of Report** May 3, 2017

Sales History of Subject According to the McIntosh County Assessor's Office, the property is owned by Sawgrass Cove Apartments. The property has not transferred ownership within the past five years. The improvements are currently under contract to be sold from Darien LTD. L.P. (Grantor) to Hallmark Sawgrass Cove, LP (Grantee) for the amount of \$1,400,000 as of May 1, 2017.

EXECUTIVE SUMMARY VALUES

Cost Approach	\$1,390,000 (As Is Restricted) \$1,460,000 (As Is Market) \$2,680,000 (As Complete Restricted) \$2,755,000 (As Complete Market)
Income Approach	\$1,400,000 (As Is Restricted) \$2,960,000 (As Is Market) \$2,695,000 (As Complete Restricted) \$3,605,000 (As Complete Market)
Sales Comparison Approach	Not Developed (As Is Restricted) \$1,860,000 (As Is Market) Not Developed (As Complete Restricted) \$2,295,000 (As Complete Market)
Value of Land	\$220,000
Value of Low Income Housing Tax Credits	\$4,105,000

CERTIFICATION

We certify that to the best of my knowledge and belief:

- ◆ The statements of fact contained in this report are true and correct.
- ◆ The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial and unbiased professional analyses, opinions and conclusions.
- ◆ We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- ◆ We have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment
- ◆ We have no bias with respect to the property that is the subject of the report or to the parties involved with this assignment.
- ◆ Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- ◆ Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- ◆ Our analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- ◆ Jonathan Richmond inspected the interior and exterior of the subject property and inspected the exteriors of the properties used as comparables in this report. Samuel T. Gill viewed the property that is the subject of this report. In addition to Jonathan Richmond and Samuel T. Gill, there were several trainee appraisers involved in the collection and verification of data.
- ◆ No one provided significant professional assistance to the persons signing this report.
- ◆ The appraisers retained by the lender inspected the subject property.



Jonathan Richmond
State Certified General Real Estate
Appraiser
GA# 375377



Samuel T. Gill
State Certified General Real Estate
Appraiser
GA# 258907

SCOPE OF WORK

The appraisal development and reporting process required gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work of this appraisal assignment is outlined below. In addition to the work performed by Jonathan Richmond, some portions of the scope of work had various amounts of assistance given by trainee appraisers and market analysts.

- ◆ Jonathan Richmond analyzed the regional and local area economic profiles including employment, population, household income and real estate trends. The local area was further studied to assess the general quality and condition and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- ◆ Jonathan Richmond confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, floodplain data, zoning, easements and encumbrances, access and exposure of the site and construction materials and condition of the improvements. This process also include estimating the remaining economic life of the improvements, analysis of the subject's site coverage compared to market standards, a process to identify deferred maintenance and a conclusion of the subject's overall functional utility.
- ◆ Jonathan Richmond completed an apartment market analysis that included market and sub-market overviews. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- ◆ Jonathan Richmond conducted a Highest and Best Use analysis, if required, determining the highest and best use of the subject property As-Vacant and As-Proposed. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion and continued use "as-is".
- ◆ Jonathan Richmond confirmed and analyzed financial features of the subject property including budgeted income/expense data, if available and tax and assessment records. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- ◆ The appraisal report is intended to satisfy the scope of work and requirements agreed upon by Hallmark Sawgrass Cove Apartments, LP and the engaged appraiser. The client requested a full narrative appraisal in the engagement letter.

- ◆ I understand the Competency Rule of USPAP and the author of this report meets the standards.
- ◆ No one provided significant real property appraisal assistance to the appraiser signing this certification.
- ◆ Samuel T. Gill, a State Certified General Real Estate Appraiser, reviewed all data collection and analysis. The following actions were taken to complete this appraisal.
 - On April 13, 2017 Jonathan Richmond, a State Certified General Real Estate Appraiser, conducted an interior and exterior inspection of the subject property to determine the property's physical and functional characteristics. Jonathan Richmond inspected all common areas and at least one unit of each varying type.
 - Jonathan Richmond researched comparable apartment rental activity in the subject market and competing locations. The research retrieve data from several of the following: internet sites, local newspapers and rental publications, town records, owners and managers of local apartment properties, local real estate brokers, fellow appraisers and the appraiser's office files.
 - During the week of April 13, 2017, Jonathan Richmond inspected the exterior of each comparable property used in the analysis.
 - During the verification process, Jonathan Richmond talked with the managers or leasing agents of the comparable properties, to confirm all data and to collect additional information about each comparable, including size, age, amenities, occupancy rates and general market information. Whenever possible, floor plans and brochures were obtained, which describe the comparable properties unit size, feature and amenities.
 - Jonathan Richmond oversaw and assisted in the completion of data and adjustments on the analysis and determined all value conclusions determined in the appraisal.

INTRODUCTION

Identification of the Subject Property

The property appraised is the land and improvements known as Sawgrass Cove Apartments. The site is located at 534 McIntosh Road, Darien, McIntosh County, Georgia.

Legal Description

See Addendum A.

Past Five Years Sales History of the Subject

According to the McIntosh County Assessor's Office, the property is owned by Sawgrass Cove Apartments. The property has not transferred ownership within the past five years. The property is currently under contract to be sold. The improvements are currently under contract to be sold from Darien LTD. L.P. (Grantor) to Hallmark Sawgrass Cove, LP (Grantee) for the amount of \$1,400,000 as of May 1, 2017.

Property Rights Appraised

The subject is a Section 515 affordable housing project with tax credit financing. Section 515 housing is typically subject to a restrictive-use agreement imposed by the U.S. Department of Agriculture (USDA) Rural Development that places restriction on the property for a specified period of time. These restrictions pertain to the use, transfer and operation of the property, including rent limits and restriction on tenant eligibility based on income. In addition, properties have deed restrictions imposed by the Low-Income Housing Tax Credit (LIHTC) program when tax credit financing is involved. These restrictions are a type of encumbrance. Since the subject will be encumbered with restrictive-use agreements and LIHTC deed restrictions, the property rights appraised are the fee simple estate, subject to short-term leases and the fee simple estate, as restricted, subject to short term leases.

Purpose of the Appraisal

The purpose of the Appraisal Report is to estimate the "as is" market value, subject to restricted rents of the subject's fee simple interest; the "as is" market value, subject to market rents of the subject's fee simple interest; the "as complete" market value, subject to market rents, of the subject's fee simple interest; the "as complete" market value, subject to restricted rents, of the subject's fee simple interest; and the value of tax credits for financing decisions and mortgage underwriting. Additional values required by Georgia Department of Community Affairs include the value of the land; the prospective market value upon completion and as stabilized (unrestricted rents) and the prospective unrestricted market value at loan maturity. The date of the inspection and the effective date of the as is value are both April 13, 2017. The effective date of the as complete value is December 31, 2018.

Function of the Appraisal

The function of this appraisal is to aid the client, Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs in the decision-making process involved in evaluating the value of the subject property.

Intended Use of Report

This appraisal report is intended for the sole purpose of assisting the client in the decision-making process involving financing.

Intended Users of Report

The intended users of the appraisal are Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs.

Extent of the Investigation (Scope)

As part of this appraisal, the appraiser made a number of independent investigations and analyses. The investigations undertaken and the major data sources used are as follows: City of Darien, the McIntosh County Recorder; the McIntosh County Assessor; United States Bureau of Labor Statistics; United States Census Bureau; Walkscore; ESRI Business Information Solutions; and Nielsen Claritas and Ribbon Demographics.

Area and Neighborhood Analyses

Primary data was gathered pertaining to the subject neighborhood and the area during the week of April 10, 2017, to April 14, 2017. This information was analyzed and summarized in this report. Area data was obtained from the City of Darien; the McIntosh County Recorder; the McIntosh County Assessor; United States Bureau of Labor Statistics; United States Census Bureau; ESRI Business Information Solutions; Walkscore; and Nielsen Claritas and Ribbon Demographics. The neighborhood analysis was based on the observations made by the appraiser as well as the sales in the neighborhood.

Improvement and Description Analyses

Detailed descriptions of the site are included in this report. Interior and exterior photographs of the buildings at the subject are included in this report. Exterior photos of the rent comparables are also included in this report.

Statement of Competency

We have the knowledge and experience to complete the assignment competently based upon having completed appraisals of properties of a similar type throughout the United States for the past several years.

Market Data

Market data on land sales were obtained from the subject neighborhood in Darien and the surrounding area. Market data on improved sales and leased properties were obtained from Darien and the surrounding area. The improved sales were obtained from parties involved with the sales. Summaries of the sales and leases are included in this report.

Attention of the reader is also directed to the assumptions and limiting conditions contained within the report.

Reasonable Exposure Time

In the definition of market value, one of the conditions of a “market value sale” is as follows: a reasonable time is allowed for exposure in the open market. Marketing time has a definite influence on the potential selling price of a property. To obtain a maximum selling price, a property must be exposed to a given market for a time long enough to enable most market participants to gain full knowledge of the sale and the attributes of the property.

To produce a reliable estimate of the expected normal marketing period for the subject property, the following factors were considered and findings analyzed:

1. Historical evidence.
2. Supply and demand relationships including vacancy and occupancy rates.
3. Revenue and expense changes.
4. Future market conditions.

Historical Evidence

Generally, the sales in the market area were on the market for one to two years. Since current supply and demand relationships are similar to historical relationships, there is justification for some reliance on historical evidence.

Supply and Demand Relationships

A survey of apartment complexes in Darien, Georgia, and the surrounding area indicate that they are not owner-occupied. The Income Approach discusses similar apartment complexes in Darien, McIntosh County, Georgia, which were leased.

Revenue and Expense Changes and Future Market Conditions

The revenue from apartment complexes has increased corresponding to increases in expenses at generally the same rate. A survey completed by PwC indicated that the change rate of apartment complexes ranges from 0.00 to 5.00 percent, with an average of 2.80 percent for the first quarter of 2017. During the same period a year ago, the market rent change rate ranged from 0.00 to 6.00 percent, with an average of 3.18 percent.

The changes in expenses range from 2.00 to 4.00 percent, with an average of 2.73 percent (first quarter of 2017). The survey for a year ago indicated a range of expenses from 2.00 to 4.00 percent, with an average of 2.91 percent.

Summary

For the purpose of this report the reasonable exposure time is estimated at nine to twelve months based on the previous discussion and the length of time the comparables were on the market. The 2017 First Quarter National Apartment Market Survey conducted by PwC Real Estate Investor Survey indicated a range of one to nine months for marketing time. In accordance with the Uniform Standards of Professional Appraisal Practice, special financial arrangements and related special situations were not used in estimating the value of the property. In accordance with the Uniform Standards of Professional Appraisal Practice; the appraisal was completed using the current or anticipated use of the property as an apartment complex without regard to the highest and best use.

Estimated Marketing Time

Marketing time is similar to exposure time in that it refers to a time during which a property is marketed prior to its sale. Marketing time differs from exposure time in that it is estimated to occur after the date of value as opposed to before that date of value. This time would be measured from the date of value and would be a measure of time necessary to secure a willing buyer for the property, at a market price. Since this refers to prospective events, it is typically necessary to analyze neighborhood trends. In theory, in a market which is near equilibrium, the estimated marketing time should be equal to past trends or the reasonable exposure time. In a market, which is experiencing down turning conditions, the estimated marketing time should be greater than the reasonable exposure time. In the case of the subject property, the market for this type of facility should be similar to previous market conditions. Therefore, the estimated marketing time is estimated at nine to twelve months.

Definition of Terms

Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of U.S. cash dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Market Value, Subject to Restricted Rents

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

It considers any rent limits, rent subsidies, expense abatements or restrictive-use conditions imposed by any government or non-government financing sources but does not consider any favorable financing involved in the development of the property.²

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

² Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560

“As-Is” Value

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.³

Prospective Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.⁴

Investment Value

The specific value of an investment to a particular investor or class of investors based on individual requirements; as distinguished from market value, which is impersonal and detached.⁵ Investment value of the leased fee estate is determined utilizing the subject’s contract rents, historical and projected subject expenses and an overall capitalization rate based on the subject’s mortgage terms.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Leased Fee Estate

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

Leasehold Estate

The interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015. and Attachment 7-A of Chapter 7 of the USDA RD Handbook HB-1-3560.

⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015.

Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout and quality of workmanship and embodying all the deficiencies, superadequacies and obsolescence of the subject building.

Contract Rent

The actual rental income specified in a lease.

Market Rent

The rental income that a property would most probably command in the open market; indicated by the current rents paid and asked for comparable space as of the date of the appraisal.

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect a locational advantage, unusual management, unknowledgeable parties or a lease execution in an earlier, stronger rental market.

Percentage Rent

Rental income received in accordance with the terms of a percentage lease; typically derived from retail store tenants on the basis of a certain percentage of their retail sales.

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified break-even sales volume.

Special Purpose Property

A limited market property with a unique physical design, special construction materials or layout that restricts its utility to the use for which it was built; also called special-design property.

Special Limited Conditions and Assumptions

1. Limit of Liability

The liability of Gill Group, employees and subcontractors is limited to the client. There is no accountability, obligation or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser assumes no responsibility for any costs incurred to discover or correct any deficiencies present in the property. Possession of this or any copy thereof does not carry with it the right of publication nor may it be used for other than its intended use; the physical report(s) remain the property of the appraiser for the use of the client, the fee being for the analytical services only. This appraisal report is prepared for the sole and exclusive use of the client to assist with the mortgage lending decision. It is not to be relied upon by any third parties for any purpose whatsoever.

2. Copies, Publications, Distribution, Use of Report

The client may distribute copies of the appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public for the use of advertising media, public relations, news, sales or other media for public communication without prior written consent of the appraiser.

3. Confidentiality

This appraisal is to be used only in its entirety. All conclusions and opinions of the analyses set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and the firm shall have no responsibility if any such unauthorized change is made.

The Appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions or give a copy of the report to anyone other than the client or his designee as specified in writing except by a court of law or body with the power of subpoena.

4. Information Used

No responsibility is assumed for accuracy of information furnished by or from others, the client, his designee or public records. I am not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with the consultant and possibly signing the report are independent contractors. The comparable data relied upon in this report have been confirmed with one or more parties familiar with the transaction or from affidavit or other source thought reasonable; all are considered appropriate for inclusion to the best of my factual judgment and knowledge. An impractical

and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information. It is suggested that the client consider independent verification within these categories as a prerequisite to any transaction involving sale, lease or other significant commitment of subject property and that such verification be performed by the appropriate specialists.

5. Testimony, Consultation, Completion of Contract for Appraisal Services

The contract for appraisal, consultation or analytical service is fulfilled and the total fee payable upon completion of the report. The appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post-appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of any subpoena issued on the behalf of the client, then the client shall be responsible for any additional time fees and changes.

6. Exhibits

The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos, if any, are included for the same purpose as of the date of the photos. Site plans are not surveys unless shown as being prepared by a professional surveyor. As noted in the Scope of Work section of the report, the appraiser inspected the exterior of the comparable properties. Our comparable database automatically includes pictures we have recently taken. The only time a comparable picture is replaced is when the inspection shows a material change. Otherwise, the pictures shown in the report are representative of how the comparables looked during the inspection.

7. Legal, Engineering, Financial, Structural or Mechanical Nature Hidden Components, Soil

No responsibility is assumed for matters legal in character or nature or matters of survey or of any architectural, structural, mechanical or engineering nature. The title to the property is good and marketable. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. The use of the land and improvements is confined within the boundaries or property lines of the property described.

The property is appraised as if free and clear unless otherwise stated in particular parts of the report. The legal description is assumed to be correct as used in this report as furnished by the client, his designee or as derived by the appraiser.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy or soils and potential for settlement, drainage, etc., (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status and legal marketability (seek legal assistance). The

lender and owner should inspect the property before any disbursement of funds; further, it is likely that the lender or owner may wish to require mechanical or structural inspections by qualified and licensed contractor, civil or structural engineer, architect or other expert.

The appraiser has inspected, as far as possible by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural or other components. I have not critically inspected mechanical components within the improvements, and no representations are made therein as to these matters unless specifically stated conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, subsidence in the area is unknown. The appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden unapparent or apparent conditions of the property site subsoil or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.

All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling ventilation, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment is made as to adequacy of insulation, type of insulation or energy efficiency of the improvements or equipment.

If the Appraiser has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above-mentioned items.

The Appraiser assumes no responsibility for any costs or consequences arising due to the need or the lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

8. Legality of Use

The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report and that all applicable zoning, building and use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits or other

legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

9. Component Values

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

10. Auxiliary and Related Studies

No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report. The appraiser reserves the unlimited right to alter, amend, revise or rescind any of the statements, findings, opinions, values, estimations or conclusions upon any subsequent such study or analysis or previous study or factual information as to market or subject or analysis subsequently becoming known to him.

11. Dollar Values, Purchasing Power

The market value estimated and the costs used are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the value estimate.

12. Inclusions

Furnishings and equipment or personal property or business operations except as specifically indicated and typically considered as part of real estate have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types business and real estate interests and values are combined.

13. Proposed Improvements, Conditioned Value

Improvements proposed, if any, on or off-site as well as any repairs required are considered, for purposes of this appraisal, to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. In cases of proposed construction the appraisal is subject to change upon inspection of property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected.

14. Value Change, Dynamic Market, Influences

The estimated market value is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation and conditions surrounding the offering. The value

estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and appraiser's interpretation of income, yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value are naturally dynamic.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

The Appraiser reserves the right to alter the opinion of value on the basis of any information withheld or not discovered in the original normal course of a diligent investigation.

15. Management of the Property

It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management neither inefficient nor super-efficient.

16. Fee

The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report.

17. Authentic Copies

The authentic copies of this report are signed originals. Any copy that does not have the above is unauthorized and may have been altered.

18. Insulation and Toxic Materials

Unless otherwise stated in this report, the appraiser(s) signing this report have no knowledge concerning the presence or absence of toxic materials, asbestos and/or urea-formaldehyde foam insulation in existing improvements; if such is present, the value of the property may be adversely affected and reappraisal an additional cost necessary to estimate the effects of such.

19. Hypothetical Conditions*

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions. The use of a hypothetical condition might have affected the assignment results.

20. Extraordinary Assumptions*

The "prospective" value was determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved. The use of an extraordinary assumption might have affected the assignment results.

21. Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) became effective January 26, 1992, as to the removal of barriers in existing public accommodations. The ADA applies to alterations of existing public accommodations or commercial facilities or places of public accommodation designed for first occupancy after January 26, 1993. A compliance survey of the subject property has not been conducted to determine if it conforms to the various requirements of the ADA. A compliance survey of the property, in conjunction with a detailed study of the ADA requirements, could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this could have a negative effect on the value of the property. Since I am not qualified to determine if the subject property complies with the various ADA regulations, I did not consider possible noncompliance with the requirements of the ADA in estimating the value of the property.

22. Review

Unless otherwise noted herein, the review appraiser has reviewed the report only as to general appropriateness of technique and format and has not necessarily inspected the subject or market comparable properties.

The appraiser(s) and/or associates of Gill Group reserve the right to alter statements, analyses, conclusions or any value estimate in the appraisal if there becomes known to them facts pertinent to the appraisal process which were unknown to Gill Group when the report was finished.

**Acceptance Of And/Or Use Of This Appraisal Report
Constitutes Acceptance of the Above Conditions**

DESCRIPTIVE SECTION

Regional and Area Data and Area Maps

The following data on the City of Darien and McIntosh County are included to give the reader an insight into the social, economic, governmental and environmental factors which provide the setting and ultimate stability for the subject neighborhood and the property which is the subject of this appraisal. The various social, economic, governmental and environmental factors within any locality are the underlying forces which create, modify or destroy real property values.

Location

The City of Darien is located in McIntosh County which is located in the southeast portion of Georgia. The nearest cities are Everett, Georgia; Country Club Estates, Georgia; Dock Junction, Georgia; Townsend, Georgia; St. Simons, Georgia; Brunswick, Georgia; Thalmann, Georgia; and Waynesville, Georgia. McIntosh County has the following boundaries: North – Liberty and Long Counties; South – Glynn County; East – Atlantic Ocean; and West – Wayne and Glynn Counties.

Utilities

The City of Darien provides water and sewer services to the residents of the city. Electricity services are provided by Georgia Power. Natural gas services are provided by Infinity Energy. Basic phone service is provided by DarienTel.

Health Care

Southeast Georgia Health System Brunswick Campus is a health care facility located in Brunswick, approximately 18 miles from Darien that serves the residents of the city and the surrounding area.

Transportation

Major highways in the County of McIntosh include Interstate 95; U.S. Highway 17; and State Highways 25, 57, 99, 251 and 405. Brunswick Golden Isles Airport is approximately 12 miles away in Brunswick.

Population and Employment Statistics

CENSUS: 2015

	City	County	State
Population	2,844	14,007	10,006,693
Households	1,058	5,296	3,574,362
Renter Occupied	406	1,883	724,493
Rental Vacancy %	7.1	5.0	8.7

LABOR STATISTICS

COUNTY				
	Labor Force	Employment	Unemployment	Unemployment Rate
2000	4,890	4,678	212	4.3
2010	6,289	5,625	664	10.6
February 2017	6,027	5,674	353	5.9

STATE				
	Labor Force	Employment	Unemployment	Unemployment Rate
2000	4,222,253	4,071,557	150,696	3.6
2010	4,696,692	4,202,061	494,631	10.5
February 2017	5,014,429	4,772,580	241,849	4.8

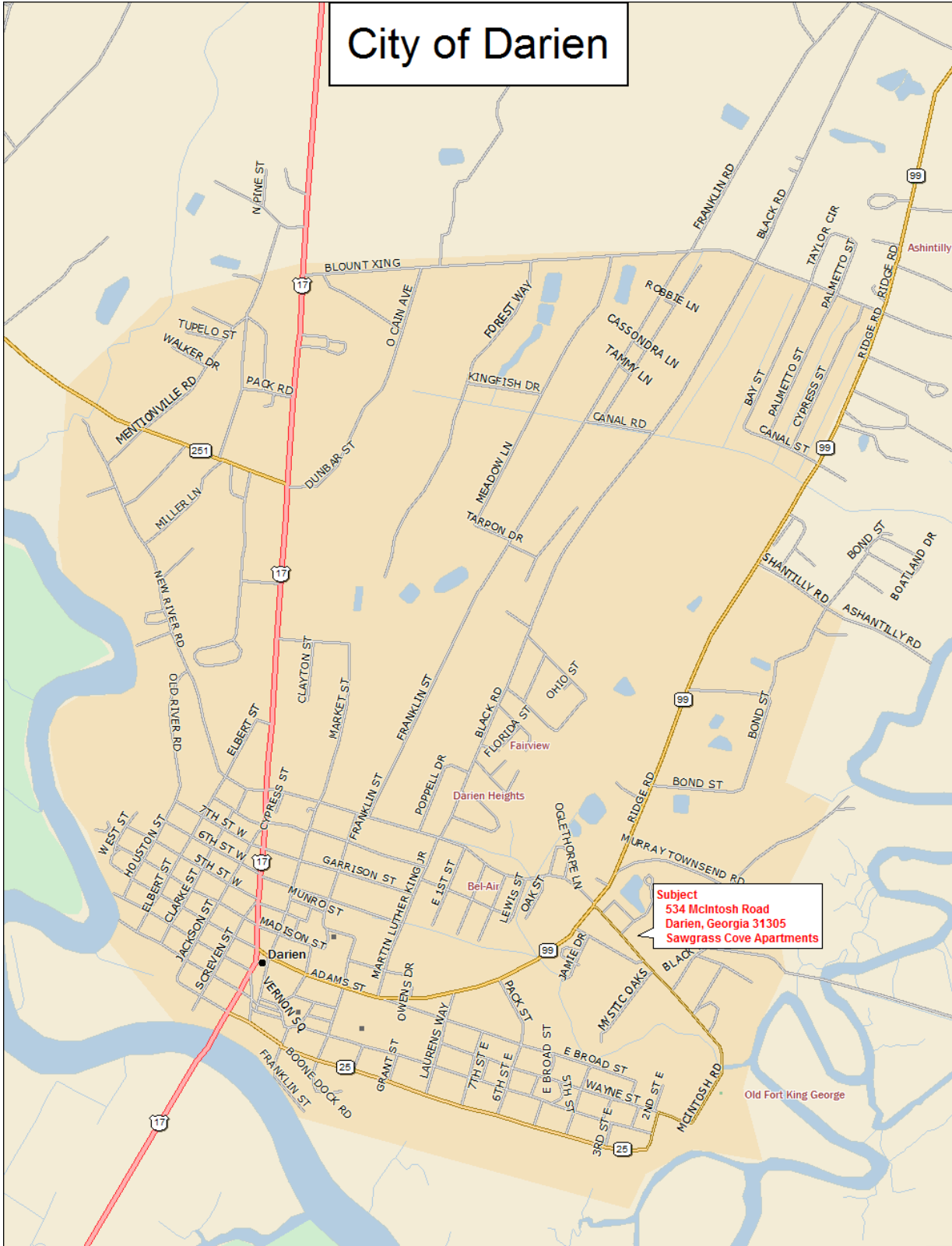
Major Employers

Major employers for the area are as follows:

Employer
Burger King
Darien Telephone Co., Inc.
McDonald's
Mike Murphy Ford of Darien
Phillips Seafood, Inc.
Ruby Tuesday
Skippers Fish Camp
Southeastern Bank
Winn Dixie
YMCA of Coastal Georgia, Inc.
Brunswick Pulp & Paper Company
Mercedes-Benz USA, LLC
Rayonier Performance Fibers, LLC
Rich Products Corp.
Sea Island Acquisitions, LLC
SNF Holding Company
Target
Walmart

Summary and Conclusions

Darien is a city located in the southeast portion of Georgia. The economic outlook for future growth and development appears to be stable.

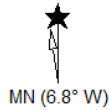


City of Darien

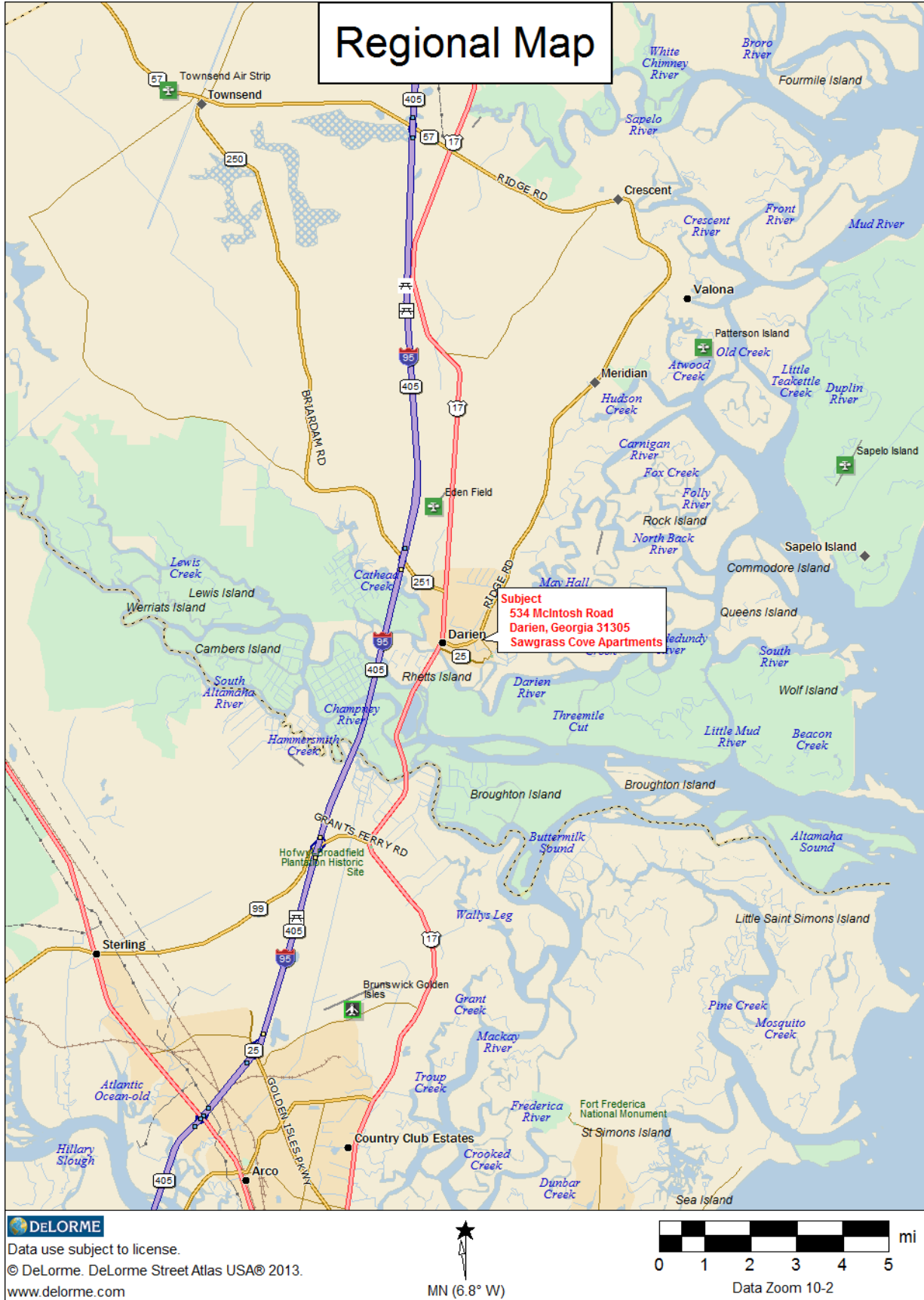
Subject
534 McIntosh Road
Darien, Georgia 31305
Sawgrass Cove Apartments



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www.delorme.com



Data Zoom 13-4



Neighborhood Data

Location

The subject property is located in the eastern portion of the City of Darien, Georgia. The neighborhood has average attractiveness and appeal. The neighborhood has the following boundaries: North – Ashantilly Road/Shantilly Road, Ridge Road and Canal Road; South – State Highway 25/FT King George Drive; East - Block Island Road; and West – U.S. Highway 17.

Access

The neighborhood is accessed by Ashantilly Road/Shantilly Road, Ridge Road, Canal Road, State Highway 25/FT King George Drive, Block Island Road and U.S. Highway 17. There are additional roads running north to south and west to east that provide access to the neighborhood as well. Street widths and patterns appear to be adequate for the surrounding uses.

Proximity to Services

Restaurants	
0.8 mi	Darien River House Restaurant
0.8 mi	Nautica Joe's Cafe
0.8 mi	KFC
0.9 mi	B & J's Steaks & Seafood
0.9 mi	China 1
0.9 mi	Kickin Chicken
1 mi	The Purple Pickle
1 mi	Skipper's Fish Camp
1.1 mi	Pizza Hut
1.2 mi	Subway
1.7 mi	Karwack's Crab Co
2.2 mi	Waffle House
2.2 mi	McDonald's
2.3 mi	DQ Grill & Chill
2.6 mi	Ruby Tuesday

Groceries	
1 mi	Waterfront Wine & Gourmet
1.1 mi	ATM (Snappy Foods)
1.2 mi	Bi Lo
1.2 mi	Bi Lo Grocery Store
7.3 mi	Kerns Food Concepts Inc
8.1 mi	MonaVie Independent Distributor-Catherine Daring
9.9 mi	Harvey's Supermarket
10 mi	Tak Food LLC

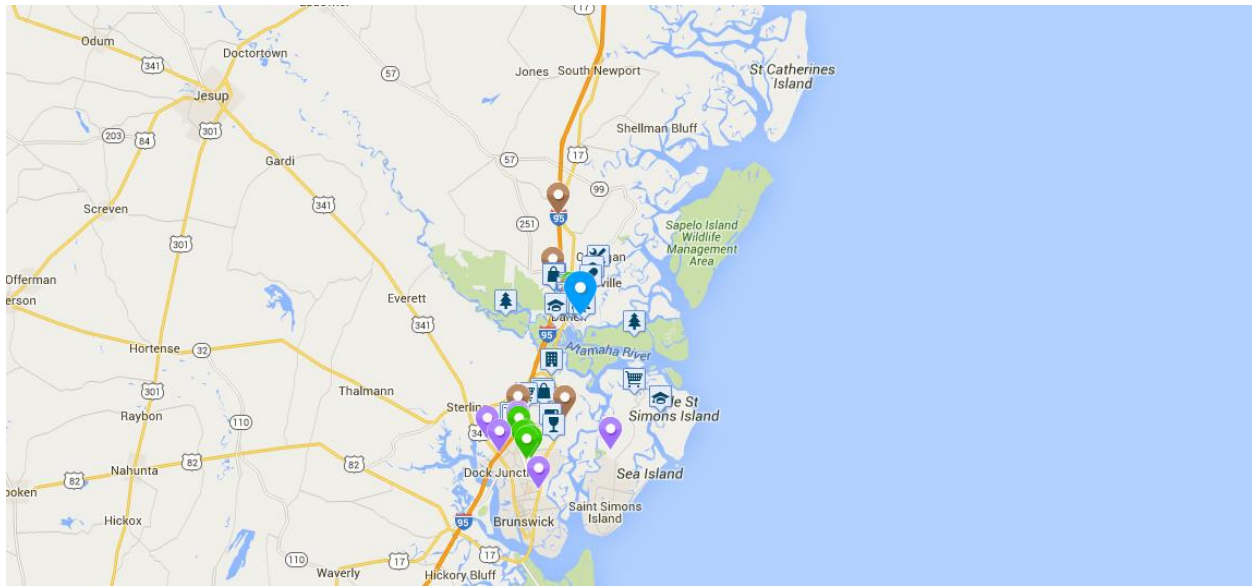
Schools	
0.9 mi	Oak Grove Intermediate School
1.1 mi	Todd Grant Elementary School
1.8 mi	McIntosh County Academy
2.6 mi	Community Harvest Childcare Center
7.2 mi	Greer Elementary School
7.2 mi	Needwood Middle School
9.4 mi	St. Simons Elementary School
9.4 mi	Oglethorpe Point Elementary School

Shopping	
0.8 mi	Doodlebugs & Tuxedo Central
2.5 mi	Polo Ralph Lauren Factory Store
2.6 mi	Bass Shoe Outlet
2.6 mi	Tommy Hilfiger
2.6 mi	Coach
7 mi	Spaulding Fine Menswear
7.4 mi	Tibi LLC
9.6 mi	Crescent Food Mart

Banks	
0.9 mi	Southeastern Bank
1 mi	The Heritage Bank
10 mi	Marshland Credit Union
11 mi	Synovus - Coastal Bank of GA
11 mi	Southeastern Bank
11 mi	United Community Bank
11 mi	Atlantic National Bank
11 mi	Bank of America Financial Center
11 mi	SunTrust Bank
11 mi	United Community Bank
12 mi	First Glynn Bank
12 mi	BB&T - Brunswick GA Branch
12 mi	Bank of the Ozarks - Brunswick
12 mi	SunTrust Bank
12 mi	United Community Bank

Police	
0.8 mi	US Civil Defense
0.8 mi	Darien City Hall
0.9 mi	Darien Police Department
3.4 mi	Mc Intosh County Sheriff Department
7.6 mi	SB Weigh Station
7.8 mi	Glynn County Police Department-Animal
8.9 mi	Glynn County Police Department
9 mi	State Patrol Office
9.4 mi	Glynn County fire station No.7

Medical Facilities	
10 mi	Southeast Georgia Health System MRI & Imaging
10 mi	VA Brunswick Clinic
10 mi	AppleCare Brunswick
10 mi	Marsh's Edge
10 mi	Glynco Immediate Care Center
11 mi	ERgent Med-1
13 mi	Community Care Center-Pediatrics
13 mi	Glynn Family Medicine Center
14 mi	Southeast Georgia Physician Associates - Radiation Oncology
14 mi	Southeast Ga Health System: Snow Jr James S DO
14 mi	Glynn Immediate Care Center
14 mi	Brunswick Campus Hospital
14 mi	Coastal Medical Access Project (CMAP) - Brunswick



Land Use Pattern

The subject neighborhood is comprised primarily of single-family residences and is 80 percent built up. Approximately 40 percent of the land use is made up of single-family residences. About 30 percent is comprised of multifamily dwellings. Another 10 percent of the land use is made up of commercial properties. The remaining 20 percent is vacant land. The area is mostly suburban.

Neighborhood Characteristics

The median real estate price of the neighborhood is \$114,213, which is more expensive than 36.3 percent of the neighborhoods in Georgia and 25.6 percent of the neighborhoods in the United States. The average rental price in the neighborhood is \$713, according to Neighborhood Scout, which is lower than 87.2 percent of all Georgia neighborhoods.

The neighborhood has 21.5 percent of the working population employed in executive, management and professional occupations. Another 31.9 percent of the residents are employed in sales and service jobs. Manufacturing and laborer occupations make up 27.4 percent, and 19.0 percent are employed in clerical, assistant and technical support occupations.

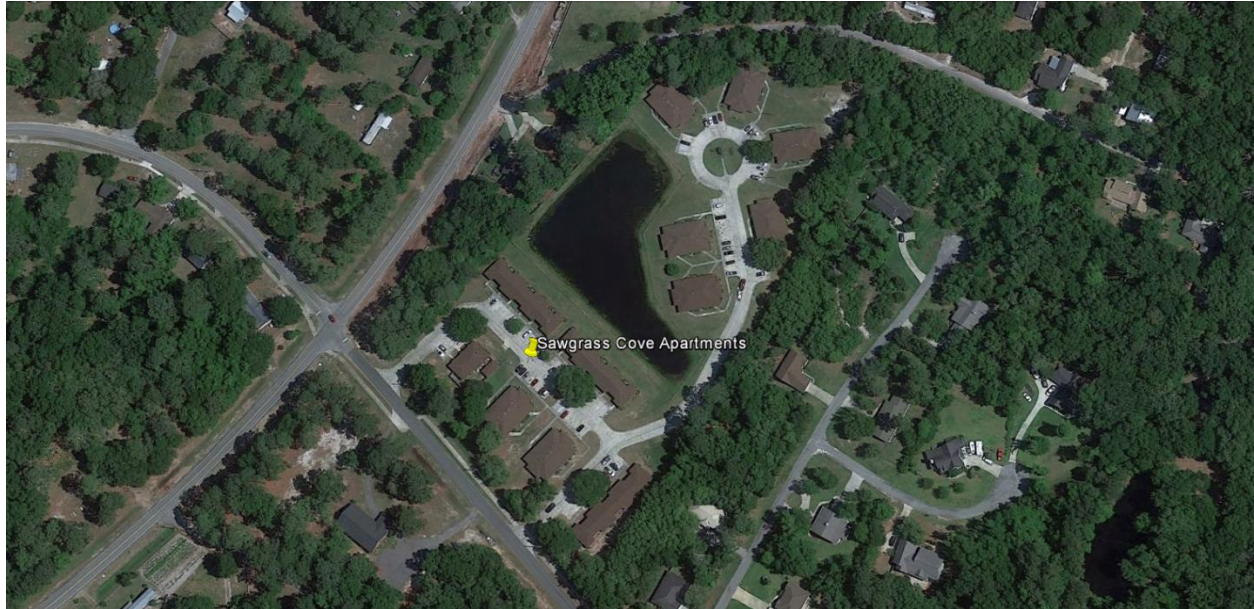
According to Neighborhood Scout, the school quality rating is 34 (100 is the best). The neighborhood is served by the McIntosh County which contains 4 schools and approximately 1,661 students. The school district quality is considered better than 6.0 percent of Georgia school districts.

Most of the properties in the neighborhood maintain an acceptable level of property maintenance and condition. The ages of buildings in the area generally range from new to 100 years. The subject

neighborhood is in average condition with average appeal. There are no rent controls affecting the marketability of the subject.

Neighboring Property Use

The neighborhood is comprised primarily of single-family residences. A place of worship and vacant land are located south of the site. Single-family residences are located north, east and west of the subject.



Crime

According to www.neighborhoodscout.com, the crime index for the subject neighborhood is 24. There are 81 total crimes annually in the neighborhood, 3 of which are violent crimes and 78 of which are property crimes. The annual violent crime rate is 1.61 per 1,000 residents, while the property crime rate is 41.98 per 1,000 residents. The total annual crime rate is 43.60 per 1,000 residents. The chances of becoming a victim of a violent crime are 1 in 619 which is lower than for the state which is 1 in 264. The chances of becoming a victim of a property crime are 1 in 24 which is lower than the rate for the state which is 1 in 33.

Adverse Influences

There are no major adverse influences or hazards observed or known by the appraiser in the immediate surrounding area.

Utilities

Utilities generally available in the neighborhood include water, electricity, sewer and telephone.

Demographics

The population for the subject's neighborhood for 2017, according to U.S. Census Bureau and Nielson Claritas, is 13,927, a decrease of (406) people from the 2010 population of 14,333. The population is expected to increase at an annual rate of 0.7 percent between 2017 and 2022. Therefore, the 2022 population is projected at 14,019.

The total number of households decreased from 5,971 in 2010 to 5,927 in 2017. Household totals are expected to increase, with a projected 6,025 households in 2022.

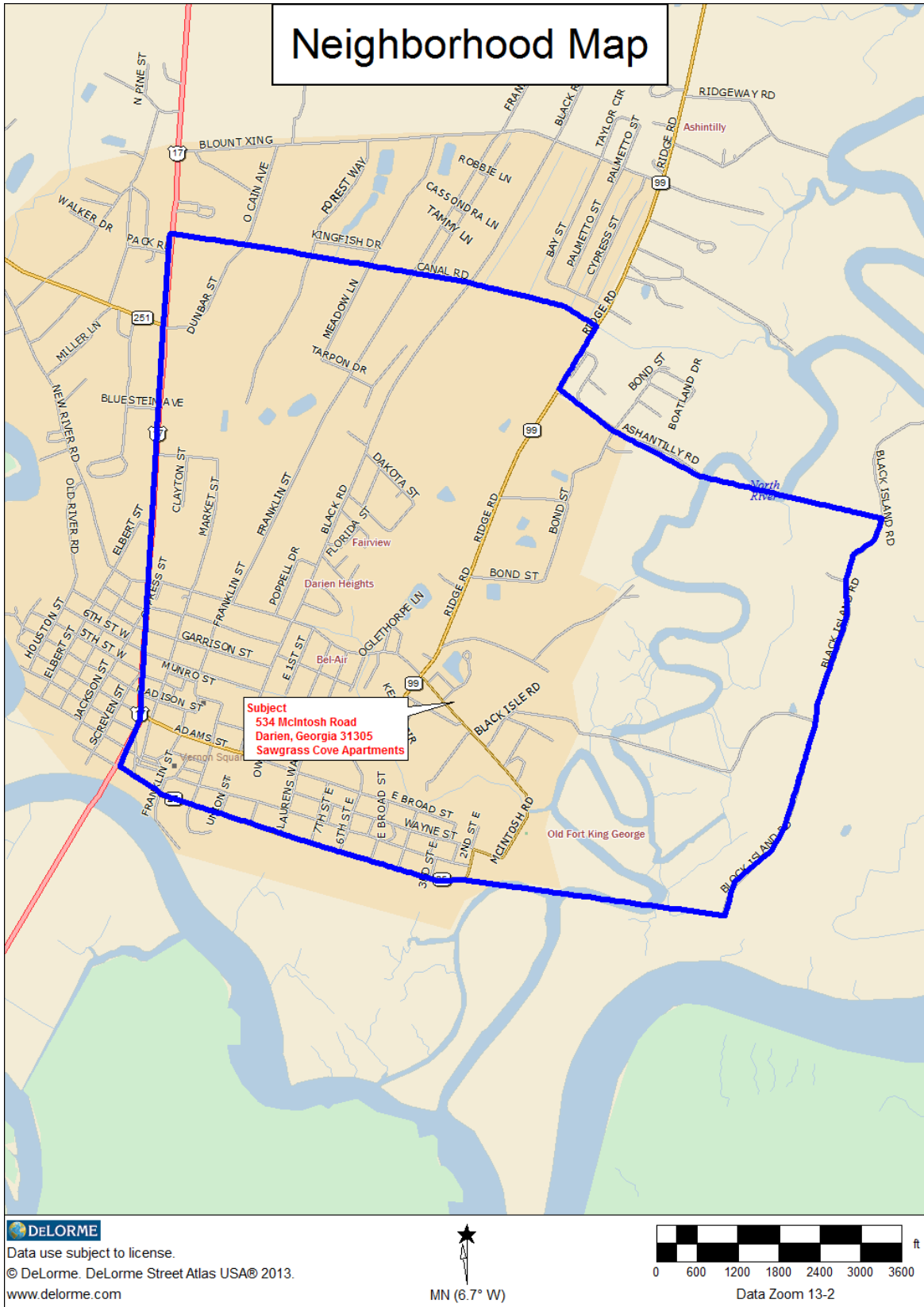
The median household income for the neighborhood in 2017 is \$39,161. It is expected to increase to \$41,462 by 2022. The per capita income is \$14,197.

The median home value for the neighborhood in 2016, according to U.S. Census Bureau and Nielson Claritas, is \$86,500. According to U.S. Census Bureau and Nielson Claritas, the average amount spent for owner-occupied households in the subject's neighborhood is \$1,110.00, or \$93 per month. The average amount spent for renter-occupied households is \$625.00, or \$52 per month.

Analysis/Comments

In conclusion, the subject is located in the eastern portion of Darien, Georgia. The subject is considered to be compatible with the adjacent properties. Based on the current and projected population and household data, the neighborhood appears to be stable. There have been no significant changes in the make-up of the neighborhood over the past few years. Properties in the neighborhood are generally well maintained. Therefore, it is anticipated that the neighborhood will remain stable and in acceptable condition.

Neighborhood Map



Defining the Market Area

The market area for the subject consists of McIntosh County. The market area has the following boundaries: North – Liberty County; South – Glynn and Wayne Counties; East – Atlantic Ocean; and West – Long County.

SUPPLY AND DEMAND CONDITIONS

The demand for additional housing in a market area is a function of population growth, household formations and, also, a replacement of units lost through demolition and extreme obsolescence. Some of the demand has been, or will be, satisfied by units which have been built, or will be built, by the time the project is renting. The difference between demand and supply, the residual, is the total market of which the project's market will be a share. The "tenure" of existing housing will be examined first as a guide to the future proportion of ownership and rentals, and then characteristics of the housing stock will be noted. The most important analysis is that of demand, supply and residual demand which follows. Its product is the number of rental units which will be demanded.

Tenure

The percentage of renters in the market area in 2017 was 21.6 percent. According to the U.S. Census Bureau, the national rental percentage is 35.6 percent. This percentage is utilized to segment the number of existing households in the demand section of this report.

HOUSEHOLDS BY TENURE						
SUBJECT	YEAR	TOTAL HOUSEHOLDS	OWNER		RENTER	
			NO.	%	NO.	%
MCINTOSH COUNTY	2000	4,198	3,529	84.1%	669	15.9%
	2010	5,971	4,684	78.4%	1,287	21.6%
Estimated Projected	2017	5,927	4,648	78.4%	1,279	21.6%
	2022	6,025	4,723	78.4%	1,302	21.6%
DARIEN	2000	682	491	72.0%	191	28.0%
	2010	798	506	63.4%	292	36.6%
Estimated Projected	2017	726	543	74.8%	183	25.2%
	2022	724	542	74.9%	182	25.1%

Source: U.S. Census Bureau and Nielsen Claritas; Ribbon Demographics

The breakdown of households according to size and type in 2010 is shown below.

HOUSEHOLDS BY SIZE AND TYPE		
OWNER-OCCUPIED	MCINTOSH COUNTY	DARIEN
1 person	1,239	152
2 persons	1,857	169
3 persons	675	76
4 persons	522	54
5 persons	255	31
6 persons	82	14
7 or more persons	54	10
RENTER-OCCUPIED		
1 person	455	86
2 persons	376	89
3 persons	208	54
4 persons	132	30
5 persons	70	21
6 persons	29	8
7 or more persons	17	4

Source: U.S. Census Bureau

Lease Terms and Concessions

The typical lease term is 12 months. At the time of the writing of this report, none of the surveyed comparables were offering concessions.

Turnover Rates

An estimated turnover rate of 22.5 percent was deemed reasonable for the market area. This was based on the Institute of Real Estate Management (IREM) and comparables in the market area. The table below shows the turnover rates of the comparables verified:

TURNOVER RATES	
Property Name	Avg. Annual
The Retreat at Grande Lake	20.0%
Doyle Village Apartments	25.0%
Average Annual Turnover	22.5%

Surveying existing apartment complexes helps to show what the competition is offering. Vacancy rates are an indicator of current market strength. In a field survey an attempt is made to survey 100 percent of all units in the market area. This is not always possible. There are several apartments in the market area. Information was gathered through interviews with owners and managers and through field inspection. These sources appear to be reliable, but it is impossible to authenticate all data. The appraiser does not guarantee this data and assumes no liability for any errors in fact, analysis or judgment.

The field/phone survey was conducted in April 2017. Five market-rate properties responded to the survey and three restricted properties, including the subject, responded to the survey. Of the apartments surveyed an overall vacancy rate of three percent was determined for the market-rate vacancy and two percent was determined for the restricted vacancy. The subject is currently 98 percent occupied. Historically, the subject's occupancy was unavailable. After considering the vacancy rate of the comparables, a vacancy rate of five percent was deemed appropriate for "as is" conventional housing; five percent was deemed appropriate for "as complete" conventional housing; five percent was deemed appropriate for "as is" affordable housing; and five percent was deemed appropriate for "as complete" affordable housing.

Market Area Vacancy by Development - Conventional			
Property Name	# of Units	# of Vacant Units	Vacancy Percentage
Legacy Apartments Homes	168	2	1%
Merrit Landing	128	10	8%
The Reserve at Altama	108	2	2%
Palm Club Apartments	132	4	3%
The Retreat at Grande Lake	192	5	3%
TOTALS	728	23	3%

Market Area Vacancy by Development - Affordable			
Property Name	# of Units	# of Vacant Units	Vacancy Percentage
Sawgrass Cove Apartments (Subject)	51	1	2%
Doyle Village Apartments	38	0	0%
Blount Crossing Apartments	40	2	5%
TOTALS	129	3	2%

Absorption Period

The subject is an existing 51-unit complex that is currently 98 percent occupied. The proposed rehabilitation of the development will not permanently displace residents. Therefore, no additional absorption of units will be needed as the property typically maintains a stabilized occupancy.

Likely Impact of Rehabilitated Development on Rental Occupancy Rates

The rehabilitated development will not have an adverse impact on the market area. The subject is an existing development with a stabilized occupancy rate that maintains an active waiting list with three current applicants. All of the restricted properties in the market area maintain stabilized occupancy rates. The subject's one- and two-bedroom units are suitable in the market area.

Market Area Overview

The rental housing stock in the market area is comprised of market-rate and restricted apartment complexes. The majority of the housing stock was built in the 1990s and 2000s. The market-rate complexes were built between 1972 and 2005. The restricted apartment complexes were built between 1993 and 2003. The market area's rental units have average occupancy rates.

Number of Units

A building permit survey was unavailable from the U.S. Census Bureau. According to McIntosh County there have been no multi-family building permits issued within the last five years.

Households Income Trends and Analysis

Within the subject's target incomes from \$10,251 to \$28,800, there are 474 renters, or 37.1 percent, that will qualify for the subject's units.

Sawgrass Cove Apartments * 534 McIntosh Road * Darien, Georgia



www.ribbondata.com

HISTA 2.2 Summary Data McIntosh County, Georgia

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Claritas

Renter Households						
Age 15 to 54 Years						
Year 2017 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	60	40	31	0	0	131
\$10,000-20,000	71	8	9	71	9	168
\$20,000-30,000	46	30	14	8	0	98
\$30,000-40,000	0	0	12	6	0	18
\$40,000-50,000	19	81	11	11	0	122
\$50,000-60,000	12	10	0	0	47	69
\$60,000-75,000	1	4	0	3	59	67
\$75,000-100,000	5	0	45	0	1	51
\$100,000-125,000	5	60	3	4	4	76
\$125,000-150,000	2	3	0	3	0	8
\$150,000-200,000	0	0	1	0	0	1
\$200,000+	4	1	0	3	2	10
Total	225	237	126	109	122	819

Renter Households						
Aged 55+ Years						
Year 2017 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	61	2	0	4	0	67
\$10,000-20,000	154	18	0	1	0	173
\$20,000-30,000	21	41	0	1	0	63
\$30,000-40,000	15	5	6	0	0	26
\$40,000-50,000	20	2	0	0	0	22
\$50,000-60,000	3	5	0	1	0	9
\$60,000-75,000	15	3	2	0	0	20
\$75,000-100,000	9	8	3	1	0	21
\$100,000-125,000	14	7	0	0	0	21
\$125,000-150,000	6	5	0	0	1	12
\$150,000-200,000	10	4	1	1	1	17
\$200,000+	7	0	2	0	0	9
Total	335	100	14	9	2	460

Renter Households						
Aged 62+ Years						
Year 2017 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	56	2	0	3	0	61
\$10,000-20,000	118	10	0	1	0	129
\$20,000-30,000	21	26	0	1	0	48
\$30,000-40,000	15	4	6	0	0	25
\$40,000-50,000	19	2	0	0	0	21
\$50,000-60,000	2	5	0	1	0	8
\$60,000-75,000	15	3	2	0	0	20
\$75,000-100,000	9	8	3	1	0	21
\$100,000-125,000	14	7	0	0	0	21
\$125,000-150,000	5	4	0	0	1	10
\$150,000-200,000	9	4	1	1	1	16
\$200,000+	7	0	2	0	0	9
Total	290	75	14	8	2	389

Renter Households						
All Age Groups						
Year 2017 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	121	42	31	4	0	198
\$10,000-20,000	225	26	9	72	9	341
\$20,000-30,000	67	71	14	9	0	161
\$30,000-40,000	15	5	18	6	0	44
\$40,000-50,000	39	83	11	11	0	144
\$50,000-60,000	15	15	0	1	47	78
\$60,000-75,000	16	7	2	3	59	87
\$75,000-100,000	14	8	48	1	1	72
\$100,000-125,000	19	67	3	4	4	97
\$125,000-150,000	8	8	0	3	1	20
\$150,000-200,000	10	4	2	1	1	18
\$200,000+	11	1	2	3	2	19
Total	560	337	140	118	124	1,279

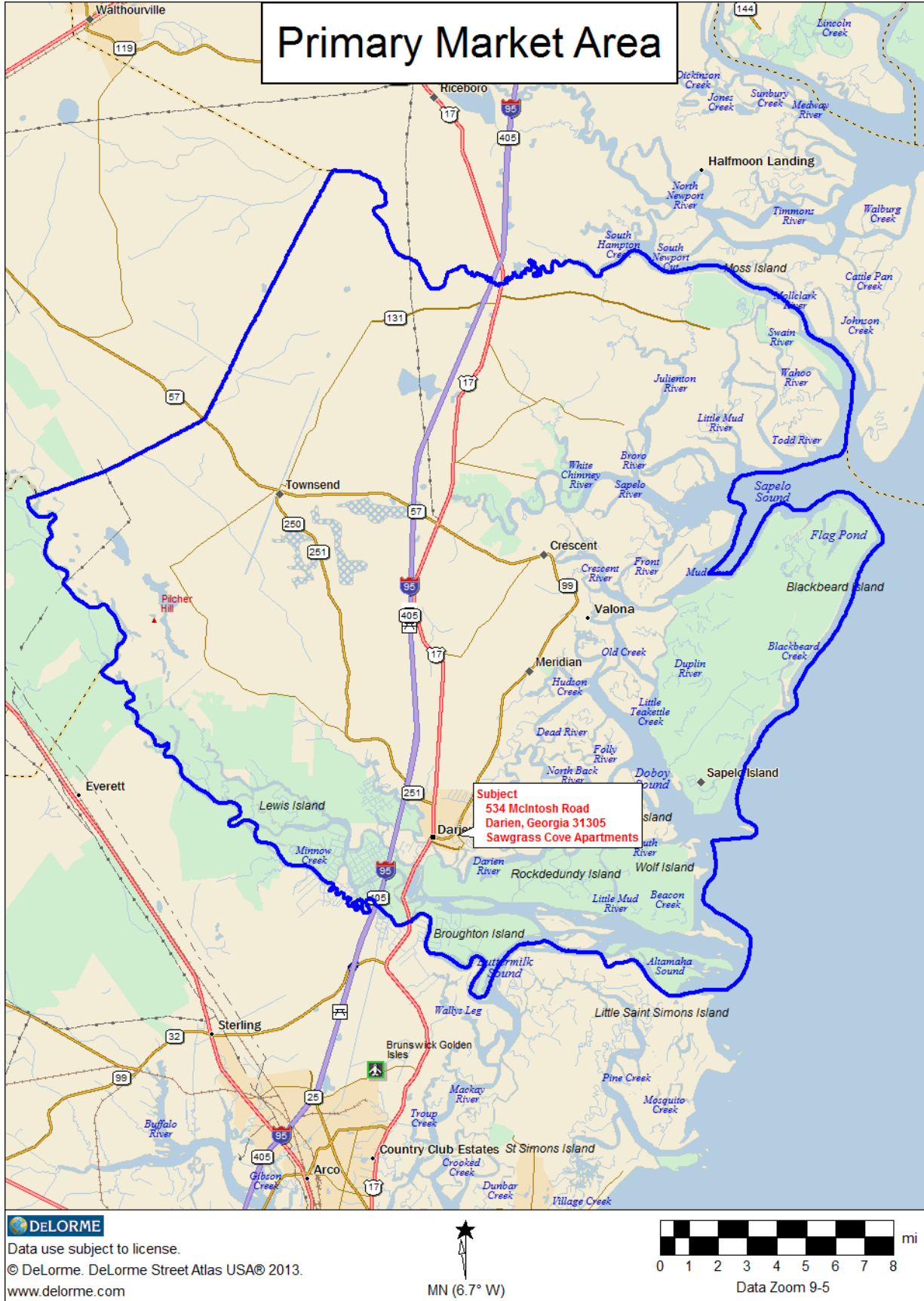
HOUSEHOLDS BY INCOME GROUP BY AGE									
INCOME	2010			2017			2022		
	25-44	45-64	65+	25-44	45-64	65+	25-44	45-64	65+
MCINTOSH COUNTY									
Less than \$15,000	285	428	423	169	328	325	150	275	324
\$15,000 - \$24,999	79	261	298	109	197	306	112	179	331
\$25,000 - \$34,999	147	284	166	29	274	246	25	235	236
\$35,000 - \$49,999	306	261	183	300	234	303	304	225	316
\$50,000 - \$74,999	288	564	276	124	576	313	114	521	345
\$75,000 - \$99,999	187	259	41	286	330	200	271	301	222
\$100,000 - \$149,999	126	284	74	211	282	249	236	325	330
\$150,000 - \$199,999	67	34	15	0	98	133	2	103	169
\$200,000+	0	28	10	26	39	76	37	53	122
TOTAL	5,374			5,763			5,863		
DARIEN									
Less than \$15,000	67	65	72	28	43	46	24	38	46
\$15,000 - \$24,999	17	113	78	22	21	45	19	16	42
\$25,000 - \$34,999	62	61	25	3	39	32	4	36	34
\$35,000 - \$49,999	126	57	35	40	28	11	42	22	15
\$50,000 - \$74,999	30	110	48	26	77	24	23	72	26
\$75,000 - \$99,999	19	41	9	28	38	32	24	34	36
\$100,000 - \$149,999	21	0	24	13	30	27	17	42	33
\$150,000 - \$199,999	7	6	0	0	7	16	0	5	19
\$200,000+	0	6	0	5	0	18	5	0	23
TOTAL	1,099			699			697		

Source: U.S. Census Bureau and Nielsen Claritas; Ribbon Demographics

The following table uses a 35 percent lease rent-to-income to determine the minimum target income required for each unit and the tax credit income limits to determine the upper range of eligibility for each LIHTC unit. The following table lists how many households are within the required target age and income for each unit type.

INCOME ELIGIBLE HOUSEHOLDS					
Unit Type	Gross Rent	Lower Range	Upper Range	Percent Renter	Renter Households
1/1 (50%)	\$299	\$10,251	\$21,300	27.6%	353
1/1 (60%)	\$595	\$20,400	\$25,560	6.5%	83
2/1 (50%)	\$360	\$12,343	\$24,000	25.5%	326
2/1 (60%)	\$718	\$24,617	\$28,800	5.3%	67
All Units @ 50%	\$299	\$10,251	\$24,000	31.0%	397
All Units @ 60%	\$595	\$20,400	\$28,800	10.6%	135
Total Units		\$10,251	\$28,800	37.1%	474

Source: U.S. Census Bureau, Nielsen Claritas and Ribbon Demographics and HUD



Subject Description

The area of the site and the site dimensions are based on the building plans provided by the McIntosh County Assessor's Office.

Total Land Area 8.87 acres or 386,377+/- square feet

Shape/Dimensions Irregular

Access & Exposure The subject property is located on McIntosh Road. The site is at or near pavement grade with McIntosh Road. The site has ingress and egress on McIntosh Road.

Topography/Drainage The site is nearly level. A water detention area is not located on the site. No adverse soil conditions are known in the area which would prevent development.

Flood Plain According to FloodSource FloodScope, Flood Map Number 13191C0381D, dated March 16, 2009, the subject is zoned X, an area determined to be outside the 100- and 500-year floodplains. Federal flood insurance is available but is not required.

Environmental Issues The appraisers are not qualified to determine whether or not hazards exist. A copy of a Phase I Environmental Site Assessment was not provided to the appraisers with this assignment. No environmental hazards were observed on the site on the date of the inspection.

Encroachments No encroachments were observed. A survey was not provided with this assignment. The appraisers are not qualified to determine whether or not the adjacent properties encroach on the subject site.

Easements Typical utility easements that are not adverse to the site's development run on the property. A title insurance report was not provided to the appraisers with this assignment. No significant easements are known.

Site Ratios

Building to Land Ratio: 1 to 10.80;

Site Coverage Ratio - 9.26 percent

There is limited room for expansion of the existing facility as the current buildings do not occupy 100 percent of the site. The size of the buildings when compared to the total lot size does not preclude expansion of the facility and, therefore, does not negatively affect the estimated market value of the subject. The site coverage ratio indicates the available land around the buildings has been utilized at the subject to preclude a "cramped" feel to the property.

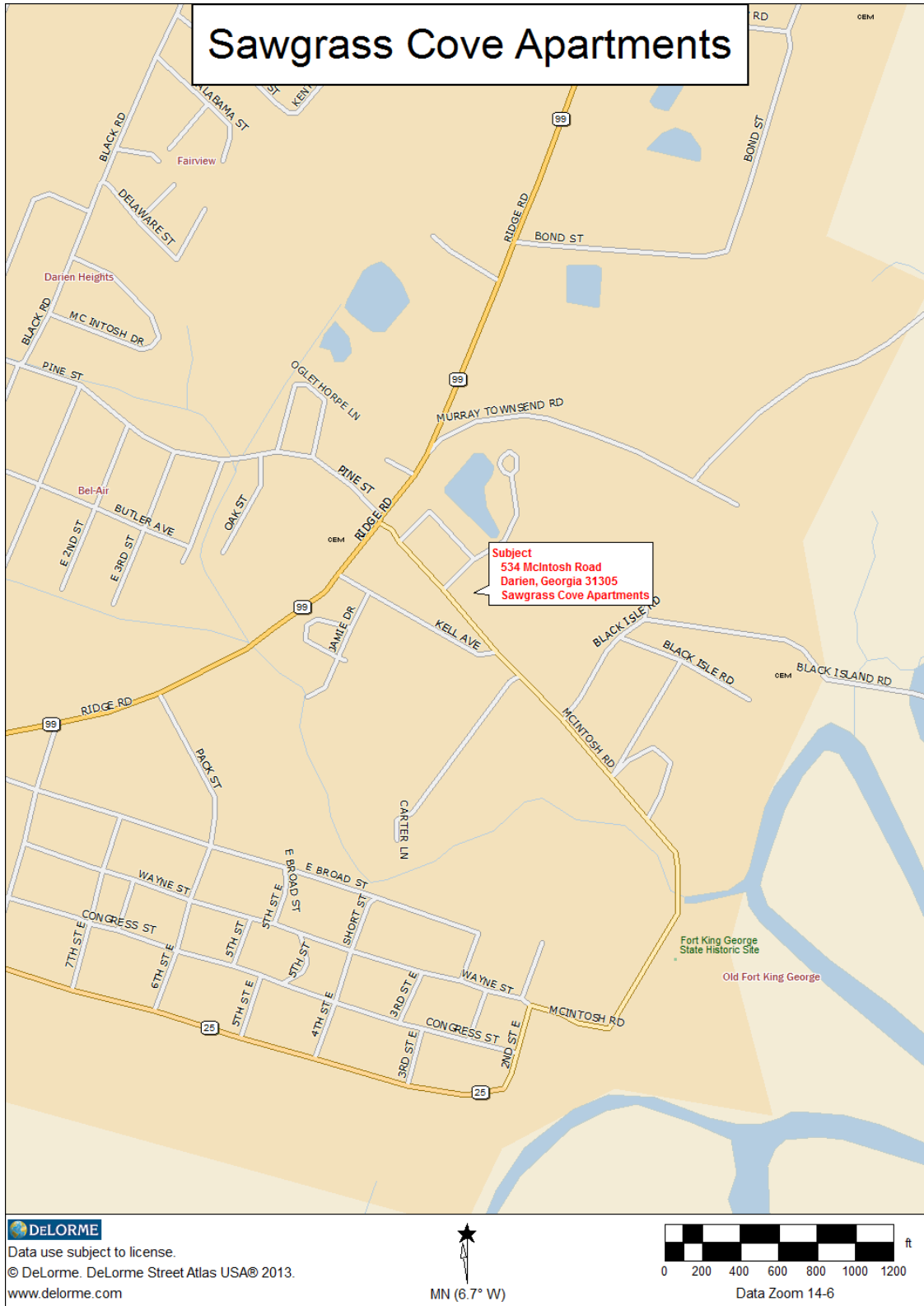
Utilities

Water, sewer and electricity are provided by city utilities along the site boundaries. These services appear to be adequate for commercial use.

Zoning

According to City of Darien, the subject is zoned R-2, Multi-Family. The subject is a legal, conforming use. Therefore, it is unlikely that a zoning change will occur. The subject appears to meet site and setback requirements and appears to conform to the current zoning restrictions. The subject could be re-built if it were destroyed. The current zoning is consistent with the Highest and Best Use of the subject. A copy of the zoning ordinances was not available. Since there are no obvious conflicts between the subject property and the zoning of the property, there is no negative impact on the market value by the zoning classification.

Subject Map



Improvement Description

Number of Buildings	The subject contains 11 one-story buildings containing 51 units and an accessory building.
Net Rentable Building Area	36,654 square feet
Gross Building Area	37,732 square feet
Year Built/Year Renovated	1985
Economic Life	55 Years
Effective Age	31 Years (As Is) 5 Years (As Complete)

The subject contains 11 one-story buildings containing 50 revenue units and one non-revenue unit. The property also contains an accessory building that contains the leasing office, laundry facility, maintenance area and the non-revenue manager unit. According to the McIntosh County Assessor, the gross building area of the property is 37,732 square feet. A copy of the plans completed by Hallmark Development Services is included in the addenda.

The following table shows the unit mix for the subject property. The unit sizes shown in the table are based on inspector measurements taken the date of inspection.

Unit Type	# of Units	Square Footage	Total Square Footage
1/1 @ 50%	4	616	2,464
1/1 @ 60%	14	616	8,624
2/1 @ 50%	7	771	5,397
2/1 @ 60%	25	771	19,275
2/1 (Non-Revenue)	1	894	894
	51		36,654

The property includes the following amenities:

Unit Amenities	Included	Fee	Project Amenities	Included	Fee
Refrigerator	X		Clubhouse		
Range/Oven	X		Meeting Room		
Garbage Disposal			Dining Room		
Dishwasher			Swimming Pool		
Microwave			Spa/Hot Tub		
Washer/Dryer			Exercise Room		
Washer/Dryer Hook-Ups	X		Picnic Area	X	
Carpet	X		Playground		
Vinyl	X		Tot Lot		
Wood			Volleyball Court		
Wood Composite			Basketball Court		
Ceramic Tile			Tennis Court		
Blinds	X		Exterior Storage	X	\$0
Drapes/Shades			Housekeeping		
Ceiling Fans			Business Center		
Vaulted Ceilings			Educational Classes		
Fireplace			Transportation	X	
Walk-In Closet	X		Service Coordinator/HUD Paid		
Coat Closet	X		Concierge Services		
Balcony			Computer Room		
Patio	X		Car Wash Area		
Pull Cords			Laundry Facility	X	
Emergency Call			On-Site Management	X	
Safety Bars	X		On-Site Maintenance	X	
Parking	Included	Fee	Intercom/Electronic Entry		
Parking Lot/# of Spaces	X/80	\$0	Limited Access Gate		
Covered Parking/# of Spaces			Perimeter Fencing		
Garage/# of Spaces			Security Patrol	X	
Parking Garage/Underground/# of Spaces			Video Surveillance		

**The property provides transportation by Coastal Regional Commission of Georgia for residents.*

The subject is 100 percent Rural Development with Rental Assistance for 25 units. The unit types, current rents, utility allowances and square footages for the units are shown in the table below:

Unit Type	# of Units	Square Footage	Current Rent	Utility Allowance
1/1	18	616	\$425	\$133
2/1	32	771	\$457	\$178
2/1 (Non-Revenue)	1	894	N/A	N/A

The property will undergo a substantial rehabilitation and will be in good condition. The proposed scope of work is comprehensive and will include interior, exterior and common area renovations. Interior unit renovations will target electrical, plumbing and mechanical improvements that will include all new energy star/energy efficient items such as: HVAC systems, hot water heaters, plumbing/piping and other low flow water saving toilets and fixtures. Additionally, new energy star/energy efficient dishwashers, garbage disposals, range hoods, microwaves, ceiling fans, windows, window trim and blinds will be installed in units. Unit kitchens renovations will also include new flooring, cabinets, counter tops. Unit bathroom renovations will also include new flooring, mirrors, vanities, bathtub surrounds, faucets and other accessory upgrades. All units will have energy star rated lighting with new wall switch controls in each room and new exterior and interior bedroom/closet doors. Exterior building improvements includes tuck-

pointing the existing four-side brick veneer. The property will install new signage and energy star exterior lighting throughout the property as well as a new entrance sign. The current community building will be re-built and reconfigured to include the leasing office, community room, business center, maintenance room and laundry facility. Additionally, a new playground, gazebo with landscaping, exercise room, covered picnic area, outdoor smoking pavilion and anchored water resistant benches will be installed on the property. A complete asphalt overlay and restriping to all parking areas will be completed to repair all existing parking lot issues and deferred maintenance. Concrete sidewalks will also be addressed where applicable and landscaping will be upgraded throughout the property. The total estimated cost of rehabilitation is \$3,298,835, or \$64,683.04 per unit. The rehabilitation is anticipated to begin in December 01, 2017 end in December 01, 2018.

The unit types, proposed rents after completion of the rehabilitation, utility allowances and square footages for the units are shown in the table below:

Unit Type	# of Units	Square Footage	Proposed Rent	Utility Allowance
1/1 @ 50%	4	616	\$299	\$133
1/1 @ 60%	14	616	\$595	\$133
2/1 @ 50%	7	771	\$360	\$178
2/1 @ 60%	25	771	\$718	\$178
2/1 (Non-Revenue)	1	894	N/A	N/A

The rents indicated in the table are assuming LIHTC restrictions, but the subject will retain its Rental Assistance for 25 units. The subject is currently a Rural Development property that, after rehabilitation, will remain a Rural Development property with Rental Assistance for 25 units as well as be a Low Income Housing Tax Credit property at 50 and 60 percent of the area median income. As a result of the Rental Assistance, tenants in those units will never be asked to pay more than 30 percent of their gross annual income for rent.

Once rehabilitation is complete, the property will include the following amenities:

Unit Amenities	Included	Fee	Project Amenities	Included	Fee
Refrigerator	X		Clubhouse		
Range/Oven	X		Meeting Room	X	
Garbage Disposal	X		Dining Room		
Dishwasher	X		Swimming Pool		
Microwave	X		Spa/Hot Tub		
Washer/Dryer			Exercise Room	X	
Washer/Dryer Hook-Ups	X		Picnic Area	X	
Carpet	X		Playground	X	
Vinyl			Tot Lot		
Wood	X		Volleyball Court		
Wood Composite			Basketball Court		
Ceramic Tile			Tennis Court		
Blinds	X		Exterior Storage	X	
Drapes/Shades			Housekeeping		
Ceiling Fans	X		Business Center	X	
Vaulted Ceilings			Educational Classes		
Fireplace			Transportation	X	
Walk-In Closet	X		Service Coordinator/HUD Paid		
Coat Closet	X		Concierge Services		
Balcony			Computer Room		
Patio	X		Car Wash Area		
Pull Cords			Laundry Facility	X	
Emergency Call			On-Site Management	X	
Safety Bars	X		On-Site Maintenance	X	
Parking	Included	Fee	Intercom/Electronic Entry		
Parking Lot/# of Spaces	X/80	\$0	Limited Access Gate		
Covered Parking/# of Spaces			Perimeter Fencing		
Garage/# of Spaces			Security Patrol	X	
Parking Garage/Underground/# of Spaces			Video Surveillance		

* The property will provide transportation by Coastal Regional Commission of Georgia for residents.

CONSTRUCTION SUMMARY

Foundation	Concrete Slab on Grade
Construction	Frame
Exterior Walls	Brick
Floors	Carpet/Vinyl
Roof	Asphalt Shingle

UTILITIES

UTILITY SCHEDULE		
Utility	Type	Who Pays
Heat	Central Electric	Tenant
Air Conditioning	Central Electric	Tenant
Hot Water	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	N/A	Tenant
Cold Water/Sewer	N/A	Tenant
Trash Collection	N/A	Tenant

APPEAL

Landscaping	Grass, trees, and shrubs
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Age, Life and Condition

The subject was constructed in 1985 using both residential and commercial industry standard workmanship and materials. At the time of the inspection, the facility was observed to be in average physical condition. The subject will be in good condition after the rehabilitation is complete. The remaining estimated useful life is calculated by subtracting the effective age of a property as determined by the appraiser from the total economic life as determined by *Marshall and Swift Cost Valuation Services*. The effective age of a property is its age as compared with other properties performing like functions. It is the actual age less the age which has been taken off by face-lifting, structural reconstruction, removal of functional inadequacies, modernization of equipment, etc. It is an age which reflects the true remaining life for the property, taking into account the typical life expectancy of buildings or equipment of its class and its usage. It is a matter of judgment, taking all factors, current and those anticipated in the immediate future, into consideration.

In evaluating the remaining economic life, consideration of the following points was included:

a. The economic make-up of the community or region and the on-going demand for accommodations of the type represented.

As noted in the Neighborhood Data section of this report, the subject is considered to be compatible with the adjacent properties in its neighborhood. The median home value for the neighborhood in 2016, according to U.S. Census Bureau and Nielson Claritas, is \$86,500. According to U.S. Census Bureau and Nielson Claritas, the average amount spent for owner-occupied households in the subject's neighborhood is \$1,110.00, or \$93 per month. The average amount spent for renter-occupied households is \$625.00, or \$52 per month. This data indicates that the cost to rent is significantly lower than the cost to own, thereby increasing the demand for rental housing. Therefore, the demand for rental units continues to be strong.

b. The relationship between the property and the immediate environment. Older properties may have legally non-conforming use if they pre-dated real property zoning for the neighborhood. Observations within the neighborhood in which the subject is situated may reveal a conflicting relationship. This should be fully explored to determine any potential external obsolescence.

In selecting an appropriate effective age for the subject, the property's compatibility within the neighborhood was considered. The property is a compatible use in the neighborhood and remains in demand by residents as exhibited by the stable occupancy rate of the property. The existing multifamily use of the subject does not conflict with adjacent property uses. Therefore, the property's compatibility does not have a detrimental impact on the property's remaining economic life. Surrounding and nearby

land uses are not detrimental to the subject property. There is no evidence of external obsolescence arising from undesirable or non-conforming properties within the subject district.

c. To the extent possible, the appraiser should analyze architectural design, style and utility from a functional point of view and the likelihood of obsolescence attributable to new inventions, new materials, changes in building codes, and changes in tastes.

The property's architectural design is typical for the local rental market and is generally similar to rental projects in the area. In addition, the functional utility of the subject is similar to rental projects in the area, and the property does not suffer from functional obsolescence.

d. The trend and rate of change in the characteristics of the neighborhood that affect property values and their effect on those values.

Essential goods and services are readily accessible. Access to primary transportation routes is average to good, with ready linkage to both north-south and east-west highways. These neighborhood characteristics have resulted in a stable environment where occupancy rates are strong. No significant changes to the market area characteristics are anticipated.

e. Workmanship and durability of construction and the rapidity with which natural and man-made forces may cause physical deterioration.

The physical aspects reflect Class D construction which is viewed as having good durability.

f. Physical condition and the practice of owners and occupants with respect to maintenance, the use or abuse to which the improvements are subjected, the physical deterioration and functional obsolescence within the subject property.

The property is well-maintained, exhibits no evidence of deferred maintenance and is functionally adequate. The subject property is not anticipated to experience physical deterioration at a higher rate than projected for similar properties in the area.

The buildings are classified as Average Class D Multiple Residences, according to the Marshall & Swift Cost Manual. Based on the life expectancy tables found in the Marshall & Swift Cost Manual, the economic life of the building is approximately 55 years. Therefore, the effective age is 31 years. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation the subject will be in good condition, and the effective age of the subject will be five years.

Subject Photos



View of Sign



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Exterior



View of Accessory Building



View of Entrance



View of Laundry Facility



View of Leasing Office



View of Maintenance Area



View of Mail Center



View of Picnic Area



View of Living Area – One-Bedroom Unit



View of Kitchen – One-Bedroom Unit



View of Bedroom – One-Bedroom Unit



View of Bath – One-Bedroom Unit



View of Laundry Area – One-Bedroom Unit



View of Living Area – Two-Bedroom Unit



View of Kitchen – Two-Bedroom Unit



View of Dining Area – Two-Bedroom Unit



View of Bedroom – Two-Bedroom Unit



View of Bath – Two-Bedroom Unit



View of Laundry Area – Two-Bedroom Unit



View of Living Area – Non-Revenue Unit



View of Kitchen – Non-Revenue Unit



View of Bedroom – Non-Revenue Unit



View of Bath – Non-Revenue Unit



View of Parking



View of Parking



View to the North



View to the South



View to the East



View to the West



Street View of McIntosh Road – To the East



Street View of McIntosh Road – To the West

Assessments and Current Real Estate Taxes

The property has a total appraised value of \$846,440, with \$109,200 allocated to land and \$737,240 allocated to improvements. The assessor uses 40 percent of the appraised value to determine the assessed value. As a result, the assessed value was \$338,576. The 2016 real estate taxes for the subject were \$12,213.80. The taxes have been paid.

In order to determine the reasonableness of the real estate taxes when considering the “As Is” market value of the subject property, subject to market rents, real estate tax comparables were verified. These comparables are shown in the following table:

Property	No. of Units	Year Built	Parcel #	Assessed Value - 2015	Real Estate Taxes	Taxes Per Unit
Legacy Apartment Homes 101 Legacy Way Brunswick, Glynn, Georgia	168	2009	03-20982	\$13,570,000	\$114,119.04	\$679.28
Merrit Landing 5700 Altama Avenue Brunswick, Glynn, Georgia	128	1973	03-01888	\$3,944,400	\$37,866.24	\$295.83
The Reserve at Altama 5801 Altama Avenue Brunswick, Glynn, Georgia	108	1972	03-00925	\$3,544,200	\$34,024.32	\$315.04
Palm Club Apartments 111 South Palm Drive Brunswick, Glynn, Georgia	132	1999	03-02197	\$9,811,400	\$94,189.92	\$713.56

These comparables are all market-rate facilities in McIntosh County. The comparables indicated a range of \$295.83 per unit to \$713.56 per unit. The subject’s actual real estate taxes are \$239.00 per unit. Based on the tax comparables shown above, the subject “as is” would have real estate taxes more similar to these comparables. Therefore, real estate taxes were projected at \$350 per unit, or \$17,850, for the market “as is” scenario.

Highest and Best Use Analysis

Highest and Best Use is defined in *The Dictionary of Real Estate Appraisal*, sponsored by the Appraisal Institute (Sixth Edition 2015), as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that result in the highest value.

Implied in this definition is that the determination of highest and best use takes into account the contribution of specific use to the community and community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations, the highest and best use of land may be for parks, greenbelt, preservation, conservation, wildlife habitat, etc.

In determining the highest and best use of the subject property, careful consideration was given to the economic, legal, and social factors which motivate investors to develop, own, buy, sell and lease real estate.

There are four criteria that are used in evaluating the highest and best use of a property. The highest and best must be:

1. **Physically Possible**
2. **Legally Permissible**
3. **Financially Feasible**
4. **Maximally Productive**

The four criteria are applied in sequential order. The selection of uses is narrowed through the consideration of each criteria, so that by the time the last criteria is applied, only a single use is indicated. Hence, a property often will have numerous uses which are physically possible, a lesser number which are both physically possible and legally permissible; fewer still which are physically possible, legally permissible and financially feasible; and only a single use which meets all four criteria.

In addition to the preceding four criteria, the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation further indicate that the following items must be considered as they relate to the use and value of the property:

1. Existing land use regulations
2. Reasonably probable modifications of such regulations
3. Economic demand
4. The physical adaptability of the property
5. Neighborhood trends

The previous sections of this report were used to render a judgment as to the highest and best use of the site as though vacant and as though improved.

Highest and Best Use as though Vacant

Highest and best use of land or a site as though vacant assumes that a parcel of land is vacant or can be made vacant by demolishing any improvements. With this assumption, uses that create value can be identified, and the appraiser can begin to select comparable properties and estimate land value. The questions to be answered in this analysis are as follows:

If the land is, or were, vacant, what use should be made of it?

What type of building or improvement, if any, should be constructed on the land and when?⁶

Physically Possible Use as Vacant

The first constraint imposed on the possible use of the property is dictated by the physical aspects of the site itself. The size and location within a given block are the most important determinants of value. In general, the larger the site, the greater its potential to achieve economies of scale and flexibility in development. The size of the parcel, considered within the provisions of the zoning, has considerable influence on its ultimate development.

The key determinant in developing a site is the permitted size of the project. More land permits higher density development, higher floor to area ratios (FAR), etc. the total number of square feet allowed for a building structure tends to rise in proportion to the size of the lot. Location is important when considering a site's proximity to open plazas, office trade areas, work force areas, public transportation, major highways (access/visibility), etc.

As noted in the Site Data section of this report, the subject site has a land area of 8.87 acres. Topographically, the site is nearly level. The subject is not located in a flood hazard area. No subsoil or drainage conditions are known that would adversely affect the development of the site. Public utilities available to the subject include electricity, water, sewer and telephone. The size of the subject and the adjacent properties suggest a number of possible uses for the subject site.

Legally Permissible Use As Vacant

Legal restrictions, as they apply to the subject property, are of two types, private restrictions (deed restriction easements) and public restrictions, namely zoning. No information regarding private restrictions affecting title was provided with this assignment other than those mentioned below. It is assumed that only common restrictions (i.e. utility easements, etc.) are applicable and are not of any consequence to the development of this site.

⁶ The Appraisal Institute. *The Appraisal of Real Estate*. 14th ed. (Chicago, 2013), 337

FINANCIALLY FEASIBLE USE AS VACANT

After the discussion of the physically possible and legally permissible uses for the site as vacant, the adjacent property uses suggest that the possibilities for the subject have been narrowed to multifamily development.

MAXIMALLY PRODUCTIVE AS VACANT

Based on the analysis of the previous elements, it is reasonable to assume, if the site were vacant and available for development on the date of valuation, the highest and best use would be for multifamily development, most likely a multifamily use which could produce a higher return.

HIGHEST AND BEST USE AS IMPROVED

Highest and best use of a property as improved pertains to the use that should be made of an improved property in light of its improvements. The use that maximizes an investment property's value, consistent with the long-term rate of return and associated risk, is its highest and best use as improved.⁷

This part of highest and best use analysis is structured to answer the following problems:

1. Should the building be maintained as is?
2. Should the building be renovated, expanded, or demolished?
3. Should the building be replaced with a different type or intensity of use?

PHYSICALLY POSSIBLE AS IMPROVED

The subject site supports an existing multifamily development with a gross building area of approximately 37,732 square feet. The subject does appear to suffer from functional or external obsolescence. The subject is in average condition.

LEGALLY PERMISSIBLE AS IMPROVED

Based on the adjacent property uses and the zoning restrictions for the subject, the highest and best use of the subject site is considered to be a multifamily facility. The configuration of the improvements is not in violation of any known regulations and is considered to be a compatible use with the adjacent commercial and residential properties.

⁷ The Appraisal Institute. *The Appraisal of Real Estate*. 14th ed. (Chicago, 2013), 345

FINANCIALLY FEASIBLE AS IMPROVED

The third factor that must be considered is the economical feasibility of the types of uses that are physically and legally permissible. Based on the data presented in the Income Approach section of this report, the existing improvements appear to be capable to produce an adequate return to be financially feasible as they exist.

MAXIMALLY PRODUCTIVE AS IMPROVED

Considering the previous discussions, the existing improvements are physically possible, legally permissible and financially feasible. There currently is no alternative legal use that could economically justify razing the existing improvement or significantly changing their use. Based on the foregoing analysis, it is my opinion that the maximally productive use of the property is as a multifamily development.

Appraisal Procedures

The Cost Approach

The Cost Approach considers the current cost of replacing a property, less depreciation from three sources: physical deterioration, functional obsolescence and external obsolescence. A summation of the market value of the land, assumed vacant and the depreciated replacement cost of the improvements provides an indication of the total value of the property.

The Income Approach

The Income Approach is based on an estimate of the subject property's possible net income. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. This method measures the present worth and anticipated future benefits (net income) derived from the property.

The Sales Comparison Approach

The Sales Comparison Approach produces an estimate of value by comparing the subject property to sales and/or listings of similar properties in the same or competing areas. This technique is used to indicate the value established by informed buyers and sellers in the market.

In preparing this appraisal, the appraiser inspected the subject property and analyzed historic operating data for the subject. A Cost Approach was used to determine the effective age and economic life of the proposed development. Furthermore, information was gathered on competitive properties in the region for comparable improved rentals and operating expenses. Lastly, comparable sales were gathered primarily for their use as overall rate indicators. This information was applied in the Income Capitalization Approach. The application of each measure of value is discussed further in appropriate sections of this report.

VALUATION SECTION

Cost Approach

The Cost Approach is a method in which the value of a property is derived by estimating the replacement cost of the improvements, deducting the estimated depreciation, and adding the market value of the land.

The first Step in the Cost Approach is to estimate the value of the subject site.

Site Value

The comparison method is the most common way of developing a market value estimate for land. In the comparison method, sales of vacant land comparable to the subject property are gathered and analyzed. Ideally, such vacant sales are close in time and proximity to the subject property.

The sales prices are adjusted for time, location, physical characteristics, and other relevant variations. The adjusted prices are reduced to some common unit of comparison and conclude a unit value applicable to the subject property. This unit value, when applied to the appropriate unit measure, results in an estimate of market value for land.

An investigation revealed several sales of similar sites in the subject's neighborhood. The comparables found are summarized on the following pages.

Land Sale No. 1



Property Identification

Record ID	3097
Property Name	0 Wildcat Drive SE
Address	0 Wildcat Drive SE, Kingsland, Camden County, Georgia 31548
Tax ID	106 034A

Sale Data

Grantor	Ameris Bank
Grantee	Teramore Development
Sale Date	March 29, 2013
Deed Book/Page	1659 1023
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017

Sale Price	\$150,000
Cash Equivalent	\$150,000
Adjusted Price	\$150,000

Land Sale No. 1 (Cont.)

Land Data

Zoning

R-4, Residential Multi-Family

Topography

Nearly Level

Utilities

E,W,G,S

Shape

Irregular

Land Size Information

Gross Land Size

5.150 Acres or 224,334 SF

Front Footage

Wildcat Drive

Indicators

Sale Price/Gross Acre

\$29,126

Sale Price/Gross SF

\$0.67

Land Sale No. 2



Property Identification

Record ID	3130
Property Name	Jacks Bluff Road and Pine Point Lane
Address	Jacks Bluff Road and Pine Point Lane, Townsend, McIntosh County, Georgia 31331
Tax ID	0048B-0073
Market Type	Land

Sale Data

Grantor	Waterfront, LLP
Grantee	River Oaks Condominium Association
Sale Date	March 13, 2016
Deed Book/Page	604-683
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017

Sale Price	\$175,000
Cash Equivalent	\$175,000
Adjusted Price	\$175,000

Land Sale No. 2 (Cont.)

Land Data

Zoning	R-3, Multifamily
Topography	Nearly Level
Utilities	E, W, S, G
Shape	Irregular

Land Size Information

Gross Land Size	8.040 Acres or 350,222 SF
Allowable Units	9
Front Footage	Jacks Bluff Road

Indicators

Sale Price/Gross Acre	\$21,766
Sale Price/Gross SF	\$0.50
Sale Price/Allowable Unit	\$19,444

Land Sale No. 3



Property Identification

Record ID	3275
Property Name	Clarks Bluff Road
Address	Clarks Bluff Road, Kingsland, Camden County, Georgia 31548
Tax ID	K200060001A

Sale Data

Grantor	Wayne E, McAdams
Grantee	Daniel T. Wheeler
Sale Date	April 28, 2016 Under Contract
Deed Book/Page	1804000681
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017

Sale Price	\$29,500
Cash Equivalent	\$29,500
Adjusted Price	\$29,500

Land Sale No. 3 (Cont.)

Land Data

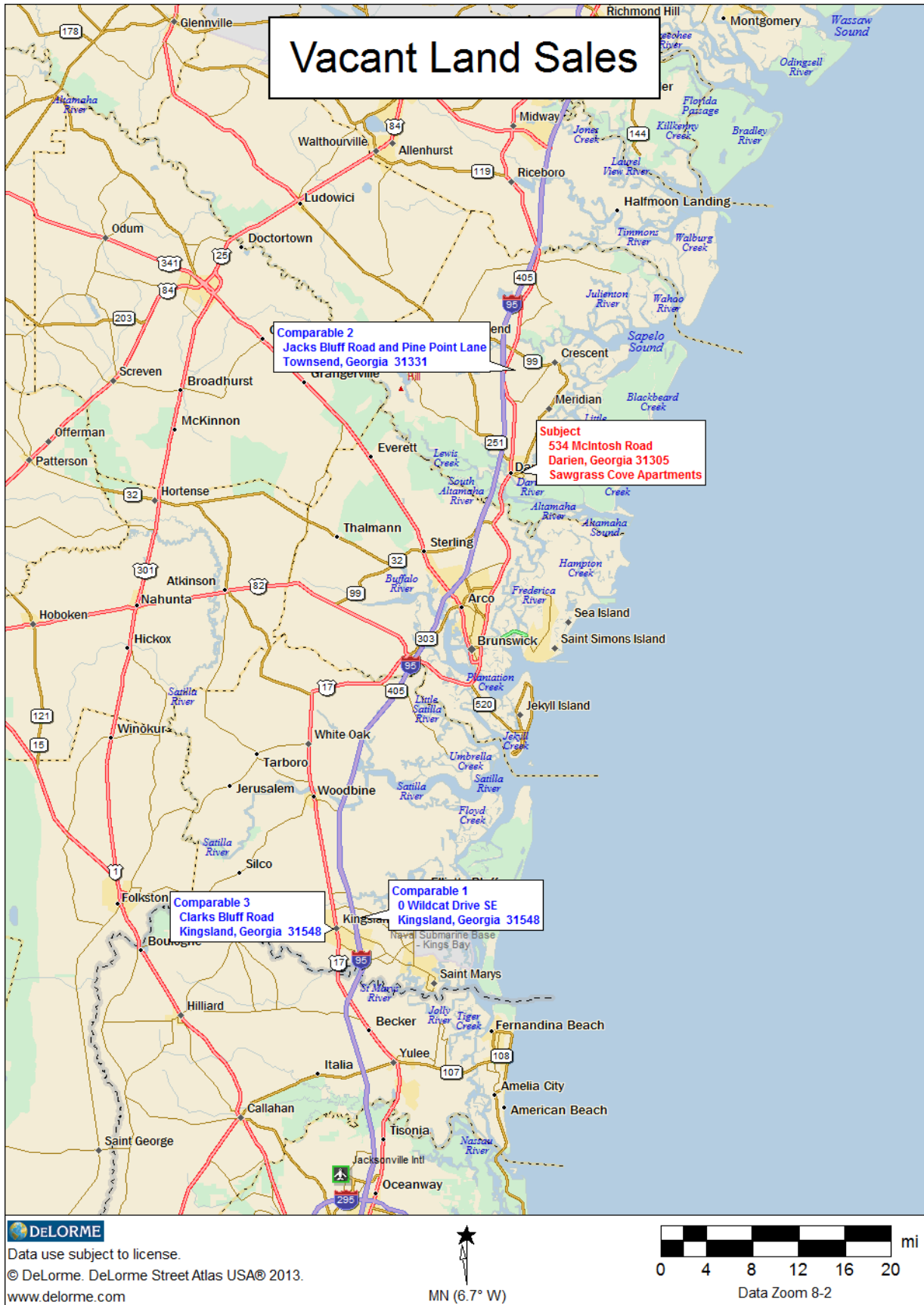
Zoning	R3, Multifamily
Topography	Nearly Level
Utilities	E, G, W, S
Shape	Irregular

Land Size Information

Gross Land Size	0.740 Acres or 32,234 SF
Allowable Units	8
Front Footage	Clarks Bluff Road

Indicators

Sale Price/Gross Acre	\$39,865
Sale Price/Gross SF	\$0.92
Sale Price/Allowable Unit	\$3,688



Sawgrass Cove Apartments * 534 McIntosh Road * Darien, Georgia

Land Analysis Grid		Comp 1		Comp 2		Comp 3	
Address	534 McIntosh Road	0 Wildcat Drive SE		Jacks Bluff Road and Pine		Clarks Bluff Road	
City	Darien	Kingsland		Townsend		Kingsland	
State	GA	GA		GA		GA	
Date	4/13/2017	3/29/2013		3/13/2016		4/28/2016	
Price		\$150,000		\$175,000		\$29,500	
Acres	8.87	5.15		8.04		0.74	
Acre Unit Price		\$29,126		\$21,766		\$39,865	
Transaction Adjustments							
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%
Conditions of Sale	Normal	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Acre Unit Price		\$29,126		\$21,766		\$39,865	
Market Trends Through	04/13/17	0%		0%		0%	
Adjusted GBA Unit Price		\$29,126		\$21,766		\$39,865	
Location	Good	Superior		Superior		Superior	
% Adjustment		-10%		-5%		-10%	
\$ Adjustment		-\$2,913		-\$1,088		-\$3,986	
Acres	8.87	5.15		8.04		0.74	
% Adjustment		0%		0%		-5%	
\$ Adjustment		\$0		\$0		-\$1,993	
Visibility/Access	Average	Similar		Similar		Similar	
% Adjustment		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0	
Topography	Nearly Level	Nearly Level		Nearly Level		Nearly Level	
% Adjustment		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0	
Zoning	R-2	R-4		R-3		R3	
% Adjustment		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0	
Utilities	E, G, W, S	E,W,G,S		E, W, S, G		E, G, W, S	
% Adjustment		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0	
Adjusted Acre Unit Price		\$26,214		\$20,678		\$33,885	
Net adjustments		-10.0%		-5.0%		-15.0%	
Gross adjustments		-10.0%		-5.0%		-15.0%	

After analyzing the land sales and adjusting each sale accordingly, it is our opinion that the estimated Market Value of the subject site as of April 13, 2017, is as follows:

8.87 acres x \$25,000 per acre = \$221,750

Rounded \$220,000

Summary of Vacant Land Sales

Comp	Address	Sale Date	Sale Price	Acre Unit Price	Acres	Land SF	Zoning
1	0 Wildcat Drive SE	3/29/2013	\$150,000	\$29,126	5.15	224,334	R-4
2	Jacks Bluff Road and Pine Point Lane	3/13/2016	\$175,000	\$21,766	8.04	350,222	R-3
3	Clarks Bluff Road	4/28/2016	\$29,500	\$39,865	0.74	32,234	R3

Adjustments

The prices of the comparable land sales range from \$21,766 to \$39,865 per acre before adjustments. Each of the comparables was adjusted for differences from the subject site. The adjustments are based on the following characteristics.

Location

The location of the subject property and the comparables relative to residential population, population wealth, traffic patterns, centers of employment, economic levels and other locational attributes was analyzed. Location comparisons were made based on the appraiser's judgment as to the relative desirability of the property to a potential commercial or multifamily investor. These factors also include degree and quality of surrounding development and view. The subject is located in Darien. Comparables 1 and 3 are located in Kingsland. Comparable 2 is located in Townsend. All comparables are considered superior to various degrees in location when compared to the subject. The City of Valdosta is the county seat and largest city in Lowndes County; therefore, has superior access to services and linkages. The City of Kingsland also has superior access to services and linkages. Therefore, Comparables 1 and 3 were adjusted downward ten percent. The City of Townsend has slightly higher access to services and major linkages; therefore, Comparable 2 was adjusted downward five percent.

Size

Consideration was given to the size of the subject as compared to the comparables. Size can have an impact on site value based on the premise that smaller parcels often sell for a higher price per unit than larger parcels with equal utility. The subject site consists of a total area of 8.87 acres. The comparables range in size from 0.74 acres to 8.04 acres. Comparable 3 is considerably smaller than the subject; therefore, Comparable 3 was adjusted downward five percent. Comparables 1 and 2 were considered similar in size and were not adjusted.

Visibility/Access

Consideration was given to the subject's visibility/access. The subject has average visibility/access. All comparables are similar to the subject. No adjustment was needed.

Topography

Consideration was given to the subject's topography. The subject is nearly level. All comparables are similar. No adjustment was needed.

Zoning

The adjustment for zoning reflects not only the zoning of the comparables relative to the subject property but also the potential utility of the sites. The subject is zoned R-2. Comparable 1 is zoned R-4. Comparable 2 is zoned R-3. Comparable 3 is zoned R3. The market did not indicate a need for any adjustment due to zoning. No adjustments were made.

Utilities

Consideration was given to the subject's utilities. The subject has E, G, W, S. All comparables are similar. No adjustment was needed.

Summary Conclusions

The land sales analysis indicates the quantitative or qualitative adjustments. The comparable land sales range from \$20,678 to \$33,885 per acre after adjustments. All comparables were given consideration. The comparables indicated a reconciled value of \$25,000 per acre. These were considered to be the best comparables available after researching sales with local realtors and the county assessor's office.

8.87 acres x \$25,000 per Acre = \$221,750

Rounded \$220,000

Improvement Valuation

The next step in the Cost Approach is to estimate the replacement cost new of the improvements.

Replacement cost new (RCN) is defined as follows:

The estimated cost to construct, at current prices as of the effective date of the appraisal, a building with utility equivalent to the building being appraised, using modern materials and current standards, design and layout.⁸

A description of the improvements was presented in the Improvement Data section. The costs estimated were made based on the developer's plans. Cost estimates were made based on the replacement cost new of the improvements using the **Marshall Valuation Service Cost Manual**. Soft costs are included in the base cost determined by the **Marshall Valuation Service Cost Manual**.

Depreciation Analysis

Depreciation may be defined as any loss of value from any cause. There are three general areas of depreciation: physical deterioration, functional obsolescence and external obsolescence. Depreciation may be curable or incurable, the test being that money spent to cure the depreciation be gained in value. If the depreciation costs more to fix than will be gained in value, then the depreciation is considered incurable.

Physical Deterioration

This results from deterioration from aging and use. This type of depreciation may be curable or incurable.

Depreciation Accrued To The Subject

The buildings have an effective age of 31 years. Properties of this type are anticipated to have a total economic life of 55 years. Based upon the concept of age/life depreciation, the overall depreciation applicable to the subject is 31/55, or 56 percent.

The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, the buildings will have an effective age of five years. Properties of this type are anticipated to have a total economic life of 55 years. Based upon the concept of age/life depreciation, the overall depreciation applicable to the subject will be 5/55, or 9 percent.

⁸Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute), 2015

External Obsolescence

External obsolescence is due to circumstances outside the property itself, such as industry, demographic and economic conditions or an undesirable proximate use. This type of depreciation is rarely curable. The subject does seem to suffer from external obsolescence.

Deferred Maintenance

There were no visible signs of deferred maintenance at the subject.

The following formula shows the external obsolescence for the "as is" restricted value.

External Obsolescence - As Is Restricted

Total Construction Cost of Structures			\$2,553,145
Plus: Entrepreneur's Profit			\$255,315
Depreciation			(\$1,569,780)
Cost of Structures before External Obsolescence			\$1,238,679
Value of Land			\$220,000
Plus: Entrepreneur's Profit			\$22,000
Cost before External Obsolescence			\$1,480,679
Current Capitalization Rate			6.00%
Economic Net Operating Income (RCN x CR)			\$88,841
Net Operating Income from the Subject			\$83,894
Net Loss Due to Economic Obsolescence			(\$4,947)
Ratio of Improvements Total Property Value			0.8366
Year	Actual NOI Loss	Overall Cap Rate	Capitalized NOI Loss
1	(\$4,947)	6.00%	(\$82,450)
Times ratio of Improvements to Total Property			0.8366
Total External Obsolescence			(\$68,975)

Cost Analysis - Restricted As Is - Section 1 of 1

Marshall & Swift

Cost Source: Marshall & Swift	# 12: Dwellings, Duplexes & Motels
No. of Stories Multiplier: 1.0000	Local Multiplier: 0.8700
Height/Story Multiplier: 1.0000	Current Cost Multiplier: 1.0300
Perimeter Multiplier: 1.0000	Combined Multipliers: 0.8961

Building Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Average Class D Multiple Residences	Sq. Ft.	\$71.55	37,732	0.896	\$2,419,223
Built-Ins	Per Unit	\$1,950.00	51	0.896	\$89,117
Total Building Improvement Costs					\$2,508,340
Price per SF Gross Building Area					\$66.48

Site Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Paving	Lump Sum	\$50,000.00	1	0.896	\$44,805
Total Site Improvement Costs					\$44,805
Subtotal: Building & Site Costs					\$2,553,145
Price per SF Gross Building Area					\$67.67

Total Costs

Subtotal: Building, Site & Soft Costs	\$2,553,145
Developer's Profit 10.0%	\$255,315
Total Cost	\$2,808,460
Price per SF Gross Building Area	\$74.43

Depreciation

Component	Eff. Age	Life	Percent	Amount
Physical Depreciation: Building	31	55	56%	\$1,545,138
Physical Depreciation: Site	10	20	50%	\$24,643
Functional Obsolescence Building			0%	\$0
External Obsolescence Building			0%	\$68,975
Total Depreciation				\$1,638,755
Depreciated Value of Improvements				\$1,169,704
Cost Per Square Foot Gross Building Area				\$31.00

Additional Cost Sections

Cost Section 2	\$0
Cost Section 3	\$0

Land Value

Land Value	\$220,000
Other	\$0
Cost Approach Value Indication	\$1,389,704
Rounded	\$1,390,000
Price per SF Gross Building Area	\$36.84

The costs in the preceding charts were derived by using the "Marshall Swift Valuation Service" and by conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as is":

Restricted Value As Is = \$1,390,000

Cost Analysis - Market As Is - Section 1 of 1

Marshall & Swift

Cost Source: Marshall & Swift	# 12: Dwellings, Duplexes & Motels
No. of Stories Multiplier: 1.0000	Local Multiplier: 0.8700
Height/Story Multiplier: 1.0000	Current Cost Multiplier: 1.0300
Perimeter Multiplier: 1.0000	Combined Multipliers: 0.8961

Building Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Average Class D Multiple Residences	Sq. Ft.	\$71.55	37,732	0.896	\$2,419,223
Built-Ins	Per Unit	\$1,950.00	51	0.896	\$89,117
Total Building Improvement Costs					\$2,508,340
Price per SF Gross Building Area					\$66.48

Site Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Paving	Lump Sum	\$50,000.00	1	0.896	\$44,805
Total Site Improvement Costs					\$44,805
Subtotal: Building & Site Costs					\$2,553,145
Price per SF Gross Building Area					\$67.67

Total Costs

Subtotal: Building, Site & Soft Costs	\$2,553,145
Developer's Profit 10.0%	\$255,315
Total Cost	\$2,808,460
Price per SF Gross Building Area	\$74.43

Depreciation

Component	Eff. Age	Life	Percent	Amount
Physical Depreciation: Building	31	55	56%	\$1,545,138
Physical Depreciation: Site	10	20	50%	\$24,643
Functional Obsolescence Building			0%	\$0
External Obsolescence Building			0%	\$0
Total Depreciation				\$1,569,780
Depreciated Value of Improvements				\$1,238,679
Cost Per Square Foot Gross Building Area				\$32.83

Additional Cost Sections

Cost Section 2	\$0
Cost Section 3	\$0

Land Value

Land Value	\$220,000
Other	\$0
Cost Approach Value Indication	\$1,458,679
Rounded	\$1,460,000
Price per SF Gross Building Area	\$38.69

The costs in the preceding charts were derived by using the "Marshall Swift Valuation Service" and by conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as is":

Market Value As Is = \$1,460,000

The following formula shows the external obsolescence for the "as complete" restricted value.

External Obsolescence - As Complete Restricted

Total Construction Cost of Structures				\$2,553,145
Plus: Entrepreneur's Profit				\$255,315
Depreciation				(\$272,968)
Cost of Structures before External Obsolescence				<u>\$2,535,491</u>
Value of Land				\$220,000
Plus: Entrepreneur's Profit				<u>\$22,000</u>
Cost before External Obsolescence				\$2,777,491
Current Capitalization Rate				6.00%
Economic Net Operating Income (RCN x CR)				\$166,649
Net Operating Income from the Subject				<u>\$161,846</u>
Net Loss Due to Economic Obsolescence				(\$4,803)
Ratio of Improvements Total Property Value				0.9129
Year		Actual NOI Loss	Overall Cap Rate	Capitalized NOI Loss
1		(\$4,803)	6.00%	(\$80,050)
Times ratio of Improvements to Total Property				0.9129
Total External Obsolescence				(\$73,076)

Cost Analysis - Restricted As Complete - Section 1 of 1

Marshall & Swift

Cost Source: Marshall & Swift	# 12: Dwellings, Duplexes & Motels
No. of Stories Multiplier: 1.0000	Local Multiplier: 0.8700
Height/Story Multiplier: 1.0000	Current Cost Multiplier: 1.0300
Perimeter Multiplier: 1.0000	Combined Multipliers: 0.8961

Building Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Average Class D Multiple Residences	Sq. Ft.	\$71.55	37,732	0.896	\$2,419,223
Built-Ins	Per Unit	\$1,950.00	51	0.896	\$89,117
Total Building Improvement Costs					\$2,508,340
Price per SF Gross Building Area					\$66.48

Site Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Paving	Lump Sum	\$50,000.00	1	0.896	\$44,805
Total Site Improvement Costs					\$44,805
Subtotal: Building & Site Costs					\$2,553,145
Price per SF Gross Building Area					\$67.67

Total Costs

Subtotal: Building, Site & Soft Costs	\$2,553,145
Developer's Profit 10.0%	\$255,315
Total Cost	\$2,808,460
Price per SF Gross Building Area	\$74.43

Depreciation: Section 1 of 1

Component	Eff. Age	Life	Percent	Amount
Physical Depreciation: Building	5	55	9%	\$248,326
Physical Depreciation: Site	10	20	50%	\$24,643
Functional Obsolescence Building			0%	\$0
External Obsolescence Building			0%	\$73,076
Total Depreciation				\$346,044
Depreciated Value of Improvements				\$2,462,415
Cost Per Square Foot Gross Building Area				\$65.26

Additional Cost Sections

Cost Section 2	\$0
Cost Section 3	\$0

Land Value

Land Value	\$220,000
Other	\$0
Cost Approach Value Indication	\$2,682,415
Rounded	\$2,680,000
Price per SF Gross Building Area	\$71.03

The costs in the preceding charts were derived by using the "Marshall Swift Valuation Service" and by conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as complete":

Restricted Value As Complete = \$2,680,000

Cost Analysis - Market As Complete - Section 1 of 1

Marshall & Swift

Cost Source: Marshall & Swift	# 12: Dwellings, Duplexes & Motels
No. of Stories Multiplier: 1.000	Local Multiplier: 0.870
Height/Story Multiplier: 1.000	Current Cost Multiplier: 1.030
Perimeter Multiplier: 1.000	Combined Multipliers: 0.896

Building Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Average Class D Multiple Residences	Sq. Ft.	71.55	37732	0.896	\$2,419,223
Built-Ins	Per Unit	\$1,950.00	51	0.896	\$89,117
Total Building Improvement Costs					\$2,508,340
Price per SF Gross Building Area					\$66.48

Site Improvements

Item	Unit Type	Cost	Quantity	Multiplier	Total
Paving	Lump Sum	\$50,000.00	1	0.896	\$44,805
Total Site Improvement Costs					\$44,805
Subtotal: Building & Site Costs					\$2,553,145
Price per SF Gross Building Area					\$67.67

Total Costs

Subtotal: Building, Site & Soft Costs	\$2,553,145
Developer's Profit 10.0%	\$255,315
Total Cost	\$2,808,460
Price per SF Gross Building Area	\$74.43

Depreciation: Section 1 of 1

Component	Eff. Age	Life	Percent	Amount
Physical Depreciation: Building	5	55	9%	\$248,326
Physical Depreciation: Site	10	20	50%	\$24,643
Functional Obsolescence Building			0%	\$0
External Obsolescence Building			0%	\$0
Total Depreciation				\$272,968
Depreciated Value of Improvements				\$2,535,491
Cost Per Square Foot Gross Building Area				\$67.20

Additional Cost Sections

Cost Section 2	\$0
Cost Section 3	\$0

Land Value

Land Value	\$220,000
Other	\$0
Cost Approach Value Indication	\$2,755,491
Rounded	\$2,755,000
Price per SF Gross Building Area	\$73.01

The costs in the preceding charts were derived by using the "Marshall Swift Valuation Service" and by conversations with local builders and comparable sales data. The total Estimated Value indicated by the Cost Approach for the subject "as complete":

Market Value As Complete = \$2,755,000

Sales Comparison Approach

The Sales Comparison Approach is based on the assumption that an informed purchaser will pay no more for a property than the cost of acquiring an existing property of similar utility. Typically, one would estimate the value of the subject property by comparing the sales prices of recent transactions involving property similar to the subject. Adjustments are made to each sale for dissimilarities as compared to the subject property. These adjustments may include the date of sale, location, age, floor plan, condition, quality, size or external factors that may influence rents or occupancy levels. Typically, the reliability of the sales comparison approach is based on a number of factors such as:

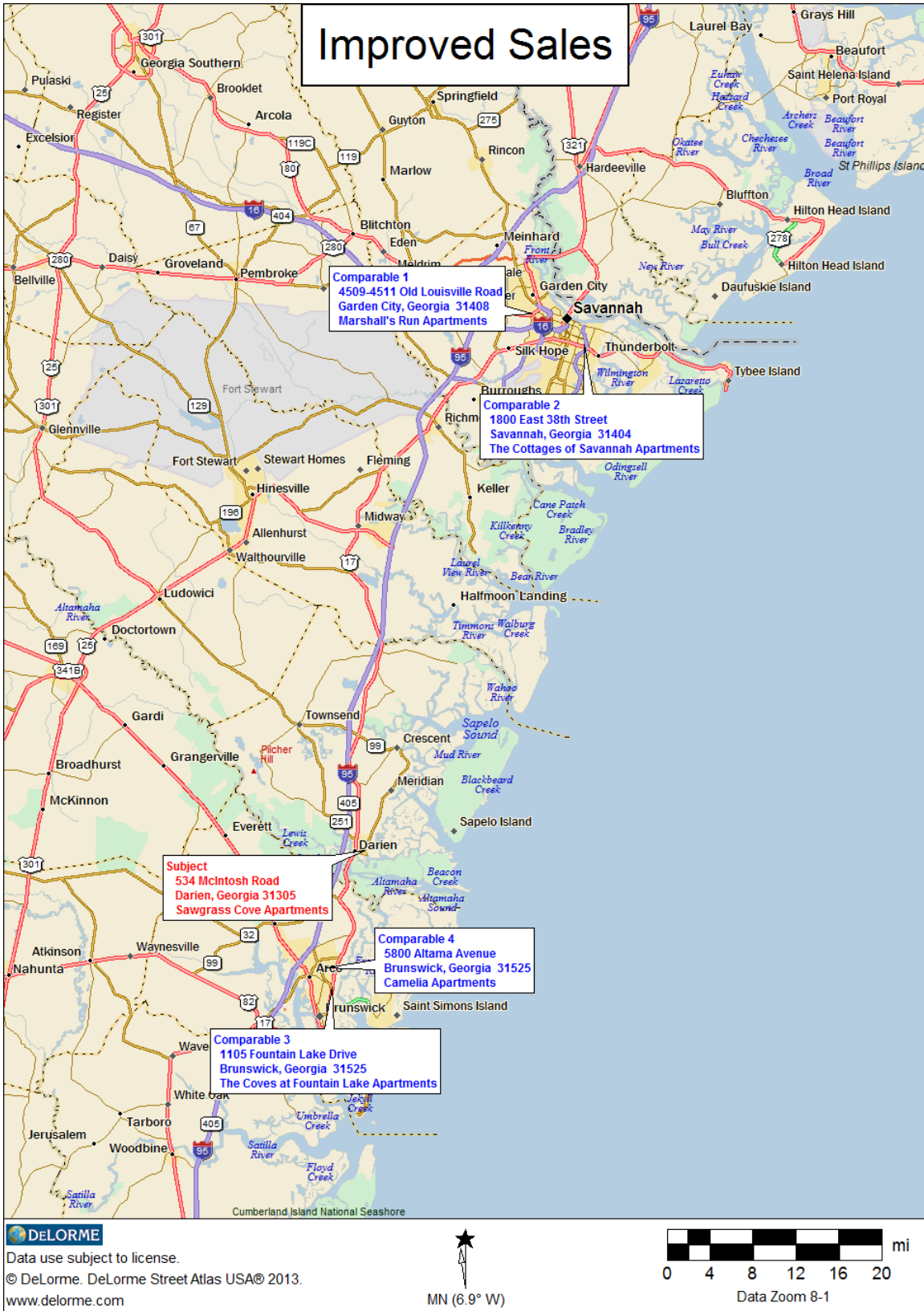
- Availability of comparable sales data
- Verification of sales data
- Degree of comparability to the extent that large or numerous adjustments are not necessary to compensate for the differences between the subject property and the comparable sales used

I have found that the reliability of the sales comparison approach for traditional real estate is excellent when valuing vacant land, single family homes or small commercial type properties where there is more activity, a larger data base, and greater degree of comparability. For more complex and larger investment grade properties such as shopping centers, nursing homes, and apartment complexes, the required adjustments are often numerous and the degree to which they can be performed without a considerable amount of subjectivity is difficult. As mentioned previously, a number of factors must be verifiable and documented in order to make appropriate adjustments. Items necessary for verification might include the following:

- Location
- Condition
- Appeal
- Date of Sale
- Amenities
- Income and Expense Data
- Personal Property Included
- Financing Terms and Conditions
- Management Contracts Involved

There are obviously other differences that must be adjusted in the marketplace. For the purposes of this report, the appraiser has analyzed a number of sales; however, only those believed to be most similar to the subject were included. The information from the sales analyzed will be included. The information from the sales analyzed will be used to determine a value estimate for the subject property by the sales comparison approach. The unit of comparison considered will be the price paid per unit. The following sales are offered as an indication of value of the subject property as of the date of this assignment.

Comparable Sales Map



Comparable Sales

Multi-Family Sale No. 1



Property Identification

Record ID	1590
Property Type	Walk-Up
Property Name	Marshall's Run Apartments
Address	4509-4511 Old Louisville Road, Garden City, Chatham County, Georgia 31408
Tax ID	6-0882-04-059,6-0882-04-060
Market Type	Market

Sale Data

Grantor	Marshall Jeanette & Joe Griffin
Grantee	Marshall's Run Apartments LLC
Sale Date	June 20, 2014
Deed Book/Page	00397F000733
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017
Sale Price	\$1,050,000
Cash Equivalent	\$1,050,000
Adjusted Price	\$1,050,000

Multi-Family Sale No. 1 (Cont.)

Land Data

Land Size 1.500 Acres or 65,340 SF
Front Footage Old Louisville Road
Zoning R2, Multifamily District
Topography Nearly Level
Utilities E, G, W, S
Shape Irregular

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	4	590	\$400	\$0.68
1/1		590	\$700	\$1.19
2/1	20	784	\$675	\$0.86

Total Units 24
Avg. Unit Size 752
Avg. Rent/Unit \$629
Avg. Rent/SF \$0.84
Net Rentable SF 18,040

General Physical Data

Construction Type Siding
HVAC Central Elec/Central Elec
Parking L/0
Stories 2
Year Built 1992
Condition Good

Indicators

Sale Price/Net Rentable SF \$58.20
Sale Price/Unit \$43,750

Amenities

Refrigerator, Range/Oven, Dishwasher, Washer/Dryer Hook-Ups, Pantry and Walk-In Closet

Multi-Family Sale No. 2



Property Identification

Record ID	1651
Property Type	Walk-Up
Property Name	The Cottages of Savannah Apartments
Address	1800 East 38th Street, Savannah, Chatham County, Georgia 31404
Tax ID	2-0061-01-002; 2-0061-01-009 through 2-0061-019; 2-0061-01-021 through 2-0061-01-035; 2-0061-01-070 through 2-0061-01-075

Sale Data

Grantor	Park Villa Investments, Inc.
Grantee	Ye Old Savannah LLC
Sale Date	May 13, 2015
Deed Book/Page	000533000654
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017
Sale Price	\$6,614,519
Cash Equivalent	\$6,614,519
Adjusted Price	\$6,614,519

Multi-Family Sale No. 2 (Cont.)

Land Data

Land Size	14.600 Acres or 635,976 SF
Front Footage	East 38th Street
Zoning	R2, Two Family Residential
Topography	Nearly Level
Utilities	E, G, W, S
Shape	Irregular

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
2/1	148	670	\$700	\$1.04
Total Units	148			
Avg. Unit Size	670			
Avg. Rent/Unit	\$700			
Avg. Rent/SF	\$1.04			
Net Rentable SF	99,160			

General Physical Data

No. of Buildings	74
Construction Type	Siding
HVAC	Central Elec /Central Elec
Parking	L/O
Stories	1
Year Built	1945/2012
Condition	Good

Income Analysis

Net Operating Income	\$467,646
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Indicators

Sale Price/Net Rentable SF	\$66.71
Sale Price/Unit	\$44,693
Overall or Cap Rate	7.07%
NOI/SF	\$4.72 Net Rentable
NOI/Unit	\$3,160

Amenities

Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Ceiling Fans, Patio and Dog Park

Multi-Family Sale No. 3



Property Identification

Record ID	2392
Property Type	Walk-Up
Property Name	The Coves at Fountain Lake Apartments
Address	1105 Fountain Lake Drive, Brunswick, Glynn County, Georgia 31525
Tax ID	01-06826
Market Type	Market

Sale Data

Grantor	MAA
Grantee	Bridge Partners
Sale Date	March 25, 2015
Deed Book/Page	3414/209
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017
Sale Price	\$5,750,000
Cash Equivalent	\$5,750,000
Adjusted Price	\$5,750,000

Multi-Family Sale No. 3 (Cont.)

Land Data

Land Size 18.550 Acres or 808,038 SF
Front Footage Fountain Lake Drive
Zoning Multifamily
Topography Nearly Level
Utilities E, G, W, S
Shape Irregular

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	8	675	\$820	\$1.21
2/2	34	981	\$795	\$0.81
2/2.5	33	1,200	\$825	\$0.69
3/2.5	38	1,333	\$875	\$0.66

Total Units 113
Avg. Unit Size 1,142
Avg. Rent/Unit \$832
Avg. Rent/SF \$0.73
Net Rentable SF 129,008

General Physical Data

No. of Buildings 20
Construction Type Siding
HVAC Central Elec/Central Elec
Parking L/0
Stories 3
Utilities with Rent None
Year Built 1983
Condition Good

Indicators

Sale Price/Net Rentable SF \$44.57
Sale Price/Unit \$50,885

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Hardwood, Blinds, Walk-In Closet, Balcony, Patio, Swimming Pool, Extra Storage and Laundry Facility

Multi-Family Sale No. 4



Property Identification

Record ID	3399
Property Type	Walk-Up
Property Name	Camelia Apartments
Address	5800 Altama Avenue, Brunswick, Glynn County, Georgia 31525
Tax ID	03-01891
Market Type	Market

Sale Data

Grantor	Byck Management Company
Grantee	Meridian One Group
Sale Date	September 02, 2015
Deed Book/Page	3484-392
Property Rights	Fee Simple
Conditions of Sale	Normal
Financing	Conventional
Verification	Assessor; April 13, 2017
Sale Price	\$4,750,000
Cash Equivalent	\$4,750,000
Adjusted Price	\$4,750,000

Multi-Family Sale No. 4 (Cont.)

Land Data

Land Size 6.750 Acres or 294,030 SF
Front Footage Altama Avenue
Zoning Multifamily
Topography Nearly Level
Utilities E, G, W, S
Shape Irregular

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	40	690	\$625	\$0.91
2/1.5	53	1,032	\$677	\$0.66
3/2.5	18	1,255	\$782	\$0.62

Total Units 111
Avg. Unit Size 945
Avg. Rent/Unit \$675
Avg. Rent/SF \$0.71
Gross SF 114,000
Net Rentable SF 104,886

General Physical Data

No. of Buildings 13
Construction Type Stucco
HVAC Central Elec/Central Elec
Parking L/0
Stories 2
Year Built 1990
Condition Good

Indicators

Sale Price/Gross SF \$41.67
Sale Price/Net Rentable SF \$45.29
Sale Price/Unit \$42,793

Amenities

Refrigerator, Range/Oven, Dishwasher, Carpet, Vinyl, Blinds, Ceiling Fans, Coat Closet, Patio, Clubhouse, Swimming Pool and Laundry Facility

Comparable Sales Chart – As Is

Sales Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4
Address	534 McIntosh Road	4509-4511 Old Louisville Road	1800 East 38th Street	1105 Fountain Lake Drive	5800 Altama Avenue
City	Darien	Garden City	Savannah	Brunswick	Brunswick
State	GA	GA	GA	GA	GA
Date	4/13/2017	6/20/2014	5/13/2015	3/25/2015	9/2/2015
Price		\$1,050,000	\$6,614,519	\$5,750,000	\$4,750,000
Total No. of Units	51	24	148	113	111
Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Transaction Adjustments					
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Conventional	Conventional	Conventional	Conventional	Conventional
Conditions of Sale	Normal	Normal	Normal	Normal	Normal
Adjusted Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Market Trends Through	04/13/17	0%	0%	0%	0%
Adjusted Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Location	Average	Superior	Superior	Superior	Superior
% Adjustment		-15%	-20%	-20%	-20%
\$ Adjustment		-\$6,563	-\$8,939	-\$10,177	-\$8,559
Total No. of Units	51	24	148	113	111
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
YearBuilt/Renovated	1985	1992	1945/2012	1983	1990
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Condition/Street Appeal	Average	Similar	Superior	Similar	Similar
% Adjustment		0%	-5%	0%	0%
\$ Adjustment		\$0	-\$2,235	\$0	\$0
HVAC	Central Electric/Central Electric	Central Elec/Central Elec	Central Elec /Central Elec	Central Elec/Central Elec	Central Elec/Central Elec
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Parking	L/0	L/0	L/0	L/0	L/0
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Amenities	Range/Oven, Refrigerator, Washer/Dryer Hook-Ups, Carpet, Vinyl, Coat Closet, Walk-In Closet, Blinds, Patios, Safety Bars, Extra Storage, Picnic Area and Laundry Facility	Refrigerator, Range/Oven, Dishwasher, Washer/Dryer Hook-Ups, Pantry and Walk-In Closet	Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Ceiling Fans, Patio and Dog Park	Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Hardwood, Blinds, Walk-In Closet, Balcony, Patio, Swimming Pool, Extra Storage and Laundry Facility	Refrigerator, Range/Oven, Dishwasher, Carpet, Vinyl, Blinds, Ceiling Fans, Coat Closet, Patio, Clubhouse, Swimming Pool and Laundry Facility
% Adjustment		2%	2%	-1%	0%
\$ Adjustment		\$875	\$894	-\$509	\$0
Adjusted Price per Unit		\$38,063	\$34,413	\$40,199	\$34,234
Net adjustments		-13.0%	-23.0%	-21.0%	-20.0%
Gross adjustments		-13.0%	-23.0%	-21.0%	-20.0%

Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of April 13, 2017, via the Sales Comparable Approach is as follows:

51 units x \$36,500 per unit = \$1,861,500

Indicated Value = \$1,860,000

Comparable Sales Explanations & Value – As Is

Comp	Address	Date	Price	Price per Unit	Total No. of Units	Year Built/Renovated
1	4509-4511 Old Louisville Road	6/20/2014	\$1,050,000	\$43,750	24	1992
2	1800 East 38th Street	5/13/2015	\$6,614,519	\$44,693	148	1945/2012
3	1105 Fountain Lake Drive	3/25/2015	\$5,750,000	\$50,885	113	1983
4	5800 Altama Avenue	9/2/2015	\$4,750,000	\$42,793	111	1990

Improved Sales Analysis

The sale prices of the comparables range from \$42,793 to \$50,885 per unit before adjustments. The sales were analyzed in order to estimate their comparability to the subject based on the following characteristics of value.

Location

The subject is located in Darien, Georgia. Comparable 1 is located in Garden City. Comparable 2 is located in Savannah. Comparable 3 is located in Brunswick. Comparable 4 is located in Brunswick. Consideration is given to the average rent and home values; population and households; and access to services. All comparables are superior to various degrees. The City of Garden City is located just northwest of the City of Savannah; therefore it has superior access to services and major linkages. The City of Brunswick and Savannah have a much larger population and households, and superior access to services and major linkages. Therefore, Comparable 1 was adjusted downward 15 percent, and Comparables 2, 3 and 4 were adjusted downward 20 percent.

Total No. of Units

Size can have an impact on value based on the premise that smaller facilities tend to sell for a higher price per unit than larger facilities. The subject contains 51 units. The number of units of the comparables range from 24 to 148. No adjustments were needed.

Year Built/Renovated

The subject was built in 1985. It is in average condition. Comparable 1 was built in 1992. Comparable 2 was constructed in 1945 and renovated in 2012. Comparable 3 was built in 1870. Any necessary adjustment was utilized in the condition/street appeal adjustment.

Condition/Street Appeal

The subject is in average condition and has average street appeal. Comparables 1, 3 and 4 were considered similar. Comparable 2 is considered superior and was adjusted downward five percent.

HVAC

The subject contains central electric heating and cooling. All comparables are similar. No adjustment was needed.

Parking

The subject contains open lot parking. All comparables are similar. No adjustment was needed.

Amenities

The subject contains a range/oven, refrigerator, washer/dryer hook-ups, carpet, vinyl, coat closet, walk-in closet, blinds, patios, safety bars, extra storage, picnic area and laundry facility. Comparable 1 contains a refrigerator, range/oven, dishwasher, washer/dryer hook-ups, pantry and walk-in closet. Comparable 2 contains a refrigerator, range/oven, washer/dryer hook-ups, ceiling fans, patio and dog park. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, hardwood, blinds, walk-in closet, balcony, patio, swimming pool, extra storage and laundry facility. Comparable 4 contains a refrigerator, range/oven, dishwasher, carpet, vinyl, blinds, ceiling fans, coat closet, patio, clubhouse, swimming pool and laundry facility. Comparable 1 was adjusted upward two percent. Comparable 2 was adjusted upward two percent. Comparable 3 was adjusted downward one percent. Comparable 4 was not adjusted.

Summary and Conclusion

The comparables range from \$34,234 to \$40,199 per unit after adjustments. Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of April 13, 2017, via the Sales Comparable Approach is as follows:

51 units x \$36,500 per unit = \$1,861,500

Indicated As Is Market Value = \$1,860,000

Comparable Sales Chart – As Complete

Sales Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4
Address	534 McIntosh Road	4509-4511 Old Louisville Road	1800 East 38th Street	1105 Fountain Lake Drive	5800 Altama Avenue
City	Darien	Garden City	Savannah	Brunswick	Brunswick
State	GA	GA	GA	GA	GA
Date	4/13/2017	6/20/2014	5/13/2015	3/25/2015	9/2/2015
Price		\$1,050,000	\$6,614,519	\$5,750,000	\$4,750,000
Total No. of Units	51	24	148	113	111
Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Transaction Adjustments					
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Conventional	0.0%	Conventional	0.0%
Conditions of Sale	Normal	Normal	0.0%	Normal	0.0%
Adjusted Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Market Trends Through 04/13/17		0%	0%	0%	0%
Adjusted Price per Unit		\$43,750	\$44,693	\$50,885	\$42,793
Location	Average	Similar	Similar	Similar	Similar
% Adjustment		-10%	-20%	-20%	-20%
\$ Adjustment		-\$4,375	-\$8,939	-\$10,177	-\$8,559
Total No. of Units	51	24	148	113	111
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
YearBuilt/Renovated	1985/Proposed	1992	1945/2012	1983	1990
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Condition/Street Appeal	Good	Inferior	Inferior	Inferior	Inferior
% Adjustment		15%	5%	15%	15%
\$ Adjustment		\$6,563	\$2,235	\$7,633	\$6,419
HVAC	Central Electric/Central Electric	Central Elec/Central Elec	Central Elec /Central Elec	Central Elec/Central Elec	Central Elec/Central Elec
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Parking	L/0	L/0	L/0	L/0	L/0
% Adjustment		0%	0%	0%	0%
\$ Adjustment		\$0	\$0	\$0	\$0
Amenities	Range/Oven, Refrigerator, Garbage Disposal, Dishwasher, Microwave, Washer/Dryers Hook-Ups, Carpet, Hardwood, Blinds, Ceiling Fans, Exterior Storage,Patios, Laundry Facility, Playgound, Picnic Area, Business Center and	Refrigerator, Range/Oven, Dishwasher,Washer/Dryer Hook-Ups, Pantry and Walk-In Closet	Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Ceiling Fans, Patio and Dog Park	Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups, Hardwood, Blinds, Walk-In Closet, Balcony, Patio, Swimming Pool, Extra Storage and Laundry Facility	Refrigerator, Range/Oven, Dishwasher, Carpet, Vinyl, Blinds, Ceiling Fans, Coat Closet, Patio, Clubhouse, Swimming Pool and Laundry Facility
% Adjustment		4%	4%	1%	2%
\$ Adjustment		\$1,750	\$1,788	\$509	\$856
Adjusted Price per Unit		\$47,688	\$39,776	\$48,850	\$41,509
Net adjustments		9.0%	-11.0%	-4.0%	-3.0%
Gross adjustments		9.0%	-11.0%	-4.0%	-3.0%

Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of April 13, 2017, via the Sales Comparable Approach is as follows:

51 units x \$45,000 per unit = 2295000

Indicated Value = \$2,295,000

Comparable Sales Explanations & Value – As Complete

Comp	Address	Date	Price	Price per Unit	Total No. of Units	Year Built/Renovated
1	4509-4511 Old Louisville Road	6/20/2014	\$1,050,000	\$43,750	24	1992
2	1800 East 38th Street	5/13/2015	\$6,614,519	\$44,693	148	1945/2012
3	1105 Fountain Lake Drive	3/25/2015	\$5,750,000	\$50,885	113	1983
4	5800 Altama Avenue	9/2/2015	\$4,750,000	\$42,793	111	1990

Improved Sales Analysis

The sale prices of the comparables range from \$42,793 to \$50,885 per unit before adjustments. The sales were analyzed in order to estimate their comparability to the subject based on the following characteristics of value.

Location

The subject is located in Darien, Georgia. Comparable 1 is located in Garden City. Comparable 2 is located in Savannah. Comparable 3 is located in Brunswick. Comparable 4 is located in Brunswick. Consideration is given to the average rent and home values; population and households; and access to services. All comparables are superior to various degrees. The City of Garden City is located just northwest of the City of Savannah; therefore it has superior access to services and major linkages. The City of Brunswick and Savannah have a much larger population and households, and superior access to services and major linkages. Therefore, Comparable 1 was adjusted downward 15 percent, and Comparables 2, 3 and 4 were adjusted downward 20 percent.

Total No. of Units

Size can have an impact on value based on the premise that smaller facilities tend to sell for a higher price per unit than larger facilities. The subject contains 51 units. The number of units of the comparables range from 24 to 148. No adjustments were needed.

Year Built/Renovated

The subject was built in 1985 and will be rehabilitated. It will be in good condition. Comparable 1 was built in 1992. Comparable 2 was constructed in 1945 and renovated in 2012. Comparable 3 was built in 1870. Any necessary adjustment was utilized in the condition/street appeal adjustment.

Condition/Street Appeal

The subject was built in 1985 and will be rehabilitated. It will be in good condition. All comparables will be inferior to various degrees. It is difficult to determine appropriate adjustment for sales fluctuations due to

condition. Therefore, it was necessary to rely on the opinions of apartment managers and residents. After considering all factors, Comparables 1, 3 and 4 were adjusted upward 15 percent, and Comparable 2 was adjusted upward five percent.

HVAC

The subject will contain central electric heating and cooling. All comparables are similar. No adjustment was needed.

Parking

The subject will contain open lot parking. All comparables are similar. No adjustment was needed.

Amenities

The subject will contain a range/oven, refrigerator, garbage disposal, dishwasher, microwave, washer/dryers hook-ups, carpet, hardwood, blinds, ceiling fans, exterior storage, patios, laundry facility, playground, picnic area, business center and gazebo. Comparable 1 contains a refrigerator, range/oven, dishwasher, washer/dryer hook-ups, pantry and walk-in closet. Comparable 2 contains a refrigerator, range/oven, washer/dryer hook-ups, ceiling fans, patio and dog park. Comparable 3 contains a refrigerator, range/oven, garbage disposal, dishwasher, washer/dryer hook-ups, hardwood, blinds, walk-in closet, balcony, patio, swimming pool, extra storage and laundry facility. Comparable 4 contains a refrigerator, range/oven, dishwasher, carpet, vinyl, blinds, ceiling fans, coat closet, patio, clubhouse, swimming pool and laundry facility. Comparable 1 was adjusted upward four percent. Comparable 2 was adjusted upward four percent. Comparable 3 was adjusted upward one percent. Comparable 4 was adjusted upward two percent.

Summary and Conclusion

The comparables range from \$39,776 to \$48,850 per unit after adjustments. Based on the preceding analysis, it is the appraiser's opinion that the market value of the subject property, as of December 31, 2018, via the Sales Comparable Approach is as follows:

$$51 \times \$45,000 \text{ per unit} = \$2,295,000$$

Indicated As Complete Market Value = \$2,295,000

Restricted Value Determination

The sales comparison approach is applicable but not necessary for a credible appraisal and has not been developed for the restricted value determination. The subject is a Rural Development property with restricted rents. As a result, there are very few similar operating properties in the market area and none that could be confirmed as having sold within the past five years. Research for sales comparables similar to the subject was conducted with local realtors, MLS and CoStar, and none could be confirmed. As per the scope of work for this assignment, the sales comparison approach is not required and was not developed.

Income Approach

The Income Approach is a procedure in which the value of a property is estimated by means of capitalization of a net income stream, either imputed or actual. The steps in the procedure are as follows:

1. Analyze the income the property is capable of generating.
2. Estimate the rental loss from vacancy and uncollected rents.
3. Estimate the amount of expense that will be incurred in operating the property.
4. Subtract 2 and 3 above from 1 to arrive at a net income estimate before capital charges.
5. Using an appropriate rate, capitalize the net income estimate into an indication of value.

Income Analysis

The first step in forming an opinion of reasonable net income expectancy is the estimation of market rent. Market rent is defined as the rental warranted by a property in the open real estate market based upon current rentals being paid for comparable space.

HUD-Forms 92273 – As Is
One-Bedroom Units (616 SF) – As Is

Estimates of Market Rent
by Comparison - As Is

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 09/30/2016)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor or formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)				
One-Bedroom	Sawgrass Cove Apartments 534 McIntosh Road Darien, McIntosh, GA	Legacy Apartment Homes 101 Legacy Way Brunswick, Glynn, GA	Merit Landing 5700 Altama Avenue Brunswick, Glynn, GA	The Reserve at Altama 5801 Altama Avenue Brunswick, Glynn, GA	Palm Club Apartments 111 South Palm Drive Brunswick, Glynn, GA	The Retreat at Grande Lake 100 Walden Shores Drive Brunswick, Glynn, GA				
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	
3. Effective Date of Rental	04/2017	04/2017		04/2017		04/2017		04/2017		
4. Type of Project/Stories	G/1	WU/2		WU/2		WU/2		WU/3		
5. Floor of Unit in Building	First	Varies		Varies		Varies		Varies		
6. Project Occupancy %	98%	99%		92%		98%		97%		
7. Concessions	N	N		N		N		N		
8. Year Built	1985	2009	(\$50)	1973	\$25	1972	\$25	1999	(\$50)	
9. Sq. Ft. Area	616	800	(\$45)	682	(\$5)	960	(\$85)	811	(\$50)	
10. Number of Bedrooms	1	1		1		1		1		
11. Number of Baths	1.0	1.0		1.0		1.0		1.0		
12. Number of Rooms	2	3		3		3		3		
13. Balc./Terrace/Patio	Y	Y		Y		Y		Y		
14. Garage or Carport	L/0	L/0, G/75		L/0		L/0		L/0		
15. Equipment										
a. A/C	C	C		C		C		C		
b. Range/Refrigerator	RF	RF		RF		RF		RF		
c. Disposal	N	Y		Y		N		Y		
d. Microwave/Dishwasher	N	MD	(\$5)	D	(\$10)	M	(\$5)	MD	(\$5)	
e. Washer/Dryer	HU	HU		L	\$5	L	\$5	HU		
f. Carpet	C	C		C		C		C		
g. Drapes	B	B		B		B		B		
h. Pool/Rec. Area	R	PE	(\$10)	R		PR	(\$10)	PER	(\$20)	
16. Services										
a. Heat/Type	N/E	N/E		N/G		N/E		N/E		
b. Cooling	N/E	N/E		N/E		N/E		N/E		
c. Cook/Type	N/E	N/E		N/G		N/E		N/E		
d. Electricity	N	N		N		N		N/E		
e. Hot Water	N/E	N/E		N/G		N/E		N/E		
f. Cold Water/Sewer	N	Y	(\$43)	N		Y	(\$43)	N		
g. Trash	N	Y	(\$5)	Y	(\$5)	N		N		
17. Storage	Y/0	Y		N	\$5	Y		Y	\$5	
18. Project Location	Average	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	
19. Security	Y	Y		Y		N	\$5	Y	\$5	
20. Clubhouse/Meeting Room	N	C	(\$5)	N		C	(\$5)	C	(\$5)	
21. Special Features	N	N		N		N		N		
22. Business Center / Nbdh Netwk	N	N		N		N		BC	(\$5)	
23. Unit Rent Per Month		\$815		\$693		\$699		\$830		
24. Total Adjustment			(\$223)		(\$45)		(\$53)		(\$185)	
25. Indicated Rent		\$592		\$648		\$546		\$645		
26. Correlated Subject Rent	\$ 615	If there are any Remarks, check here and add the remarks to the back of page.								
	high rent	\$648	low rent	\$546	60% range	\$566	to	\$628		
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature		Date (mm/dd/yy)		Reviewer's Signature		Date (mm/dd/yyyy)
						04/13/17				

Previous editions are obsolete

form HUD-92273 (07/2003)

Two-Bedroom Units (771 SF) – As Is

Estimates of Market Rent
by Comparison - As Is

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 09/30/2016)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor or formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)					
Two-Bedroom	Sawgrass Cove Apartments 534 McIntosh Road Darien, McIntosh, GA	Legacy Apartment Homes 101 Legacy Way Brunswick, Glynn, GA	Merrit Landing 5700 Altama Avenue Brunswick, Glynn, GA	The Reserve at Altama 5801 Altama Avenue Brunswick, Glynn, GA	Palm Club Apartments 111 South Palm Drive Brunswick, Glynn, GA	The Retreat at Grande Lake 100 Walden Shores Drive Brunswick, Glynn, GA					
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments
3. Effective Date of Rental	04/2017	04/2017		04/2017		04/2017		04/2017		04/2017	
4. Type of Project/Stories	G/1	WU/2		WU/2		WU/2		WU/3		WU/3	
5. Floor of Unit in Building	First	Varies		Varies		Varies		Varies		Varies	
6. Project Occupancy %	98%	99%		92%		98%		97%		97%	
7. Concessions	N	N		N		N		N		N	
8. Year Built	1985	2009	(\$50)	1973	\$25	1972	\$25	1999	(\$50)	2000	(\$50)
9. Sq. Ft. Area	771	157	(\$75)	925	(\$30)	160	(\$75)	1109	(\$65)	1166	(\$75)
10. Number of Bedrooms	2	2		2		2		2		2	
11. Number of Baths	10	2.0	(\$20)	10		15	(\$10)	2.0	(\$20)	2.0	(\$20)
12. Number of Rooms	4	4		4		4		4		4	
13. Balc./Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage or Carport	L/0	L/0, G/75		L/0		L/0		L/0		L/0	
15. Equipment a. A/C	C	C		C		C		C		C	
b. Range/Refrigerator	RF	RF		RF		RF		RF		RF	
c. Disposal	N	Y		Y		N		Y		Y	
d. Microwave/Dishwasher	N	MD	(\$15)	D	(\$10)	M	(\$5)	MD	(\$15)	D	(\$10)
e. Washer/Dryer	HU	HU		L	\$5	L	\$5	HU		HU	
f. Carpet	C	C		C		C		C		C	
g. Drapes	B	B		B		B		B		B	
h. Pool/Rec. Area	R	PE	(\$10)	R		PR	(\$10)	PER	(\$20)	PER	(\$20)
16. Services a. Heat/Type	N/E	N/E		N/G		N/E		N/E		N/E	
b. Cooling	N/E	N/E		N/E		N/E		N/E		N/E	
c. Cook/Type	N/E	N/E		N/G		N/E		N/E		N/E	
d. Electricity	N	N		N		N		N/E		N	
e. Hot Water	N/E	N/E		N/G		N/E		N/E		N/E	
f. Cold Water/Sewer	N	Y	(\$53)	N		Y	(\$53)	N		N	
g. Trash	N	Y	(\$15)	Y	(\$15)	N		N		N	
17. Storage	Y/0	Y		N	\$5	Y		Y		N	\$5
18. Project Location	Average	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)
19. Security	Y	Y		Y		N	\$5	Y		N	\$5
20. Clubhouse/Meeting Room	N	C	(\$5)	N		C	(\$5)	C	(\$5)	C	(\$5)
21. Special Features	N	N		N		N		N		N	
22. Business Center / Nbhnd Netwk	N	N		N		N		BC	(\$5)	N	
23. Unit Rent Per Month		\$880		\$672		\$799		\$967		\$1018	
24. Total Adjustment			(\$283)		(\$60)		(\$163)		(\$220)		(\$210)
25. Indicated Rent		\$597		\$612		\$636		\$747		\$808	
26. Correlated Subject Rent	\$665	If there are any Remarks, check here and add the remarks to the back of page.									
	high rent	\$808	low rent	\$597	60% range	\$639	to	\$766			
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature		Date (mm/dd/yy)		Reviewer's Signature		Date (mm/dd/yyyy)	
						04/13/17					

Previous editions are obsolete

form HUD-92273 (07/2003)

Explanation of Adjustments and Market Rent Conclusions – As Is

Sawgrass Cove Apartments

Primary Unit Types – One-Bedroom Units (616 SF) and Two-Bedroom Units (771 SF)

Rent comparability grids were prepared for the primary unit types with 616 and 771 square feet. Comparable apartments used include the following: Legacy Apartment Homes (Comparable 1), Merritt Landing (Comparable 2), The Reserve at Altama (Comparable 3), Palm Club Apartments (Comparable 4), and The Retreat at Grande Lake (Comparable 5).

Structure/Stories – The subject is located in one-story garden-style buildings. All comparables are located in walk-up two- or three-story buildings. No complex in the market area shows a rent difference based on this particular item. No adjustment was needed.

Project Occupancy – The subject is currently 98 percent occupied. The occupancy rates of the comparables range from 92 to 99 percent. No adjustment was needed.

Concessions – The subject is not currently offering concessions. None of the comparables are currently offering concessions. No adjustment was needed.

Year Built/Year Renovated – The subject was constructed in 1985. Comparable 1 was built in 2009, and Comparable 2 was constructed in 1973. Comparable 3 was built in 1972, and Comparable 4 was constructed in 1999. Comparable 5 was constructed in 2000. Comparables 2 and 3 are considered inferior to the subject. Comparables 1, 4 and 5 are superior to the subject. It is difficult to determine adjustment amounts for condition/street appeal as it is difficult to determine rent level fluctuations based on these items. Therefore, it was necessary to rely in large part on opinions of area apartment managers and tenants. In addition, adjusted rents of the comparables were considered as the difference in rents of the comparables after everything else is factored out is assumed to be attributable to condition/street appeal. After considering all factors, Comparables 1, 4 and 5 were each adjusted downward \$50 per month and Comparables 2 and 3 were adjusted upward \$25 per month.

SF Area – For the purpose of this report, a range of comparable rents per square foot was derived. To determine this adjustment, each comparable's dollar per square foot rental rate was determined. This number was then multiplied by 25 percent for each comparable to derive an adjusted dollar per square foot rental rate. The median dollar per square foot rental rate is determined. Next, the difference in square footage between the subject and each comparable is determined. The difference is multiplied by the determined adjusted dollar per square foot rate to arrive at the adjustment for each comparable. The selected dollar per square foot for the one-bedroom comparison is \$0.25 and for the two-bedroom

comparison is \$0.19. No adjustments were made to comparables within 25 square feet of the subject. The adjustments were rounded to the nearest \$5. These adjustments are reflected on the HUD-Forms 92273, which are attached.

of Bedrooms – The subject contains one- and two-bedroom units. All comparables are similar to the subject. No adjustment was needed.

of Baths – The subject contains one bath in the units. Each complex with a differing number of baths than the subject was adjusted \$20 per full bath. The majority of the difference in number of baths is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional baths. The extra room(s) will enhance the marketability of a unit even if the square footage remains the same. A paired rental analysis range is determined by comparing comparables with differing numbers of baths and factoring out any other differences (amenities, utilities provided, etc.). The resulting difference is assumed to be attributable to the differing number of baths. The results are grouped together in a range. The adjustment is selected based on where the majority of the results fall within the range. If there is no majority, a conservative adjustment at the low end of the range is selected. As there was no majority for this paired analysis, a \$20 adjustment was selected for each full bath.

Balcony/Patio – The subject and all comparables contains balconies and patios. No adjustment was needed.

Parking – The subject and all comparables contain open parking lots. Comparable 1 also offers garage parking for an additional fee of \$75 per month. No adjustment is needed.

AC: Central/Wall – The subject contains central air conditioning as do all comparables. No adjustments were needed.

Range/Refrigerator – The subject contains both features in all units. All comparables contain these features in the units. No adjustment was needed.

Garbage Disposal – The subject does not contain a garbage disposal in the units. All of the comparables except Comparable 3 contain garbage disposals. Since there is no market data concerning units with this feature, no adjustment was given.

Microwave/Dishwasher – The subject does not contain either amenity. Comparables 1 and 4 contain microwaves and dishwashers and Comparables 2, 3 and 5 contain dishwashers. Although there is little

market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, comparables were adjusted downward \$10 per month for dishwashers and \$5 per month for microwaves.

Washer/Dryer – The subject and Comparables 1, 4 and 5 contains washers/dryer hook-ups in the units. Comparables 2 and 3 contain laundry facilities. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, Comparables 2 and 3 and were adjusted upward \$5 per month.

Carpet– The subject contains carpet floor coverings in the units. All comparables are similar. No adjustment was needed.

Drapes– The subject and all comparables contain window coverings. No adjustment was needed.

Pool/Recreation Areas – The subject contains a picnic area. Comparable 1 contains a swimming pool, exercise room and theater room. Comparable 2 contains a playground and picnic area. Comparable 3 contains a swimming pool, playground and picnic area. Comparables 4 contains a swimming pool, spa/hot tub, exercise room, playground, volleyball court and tennis court. Comparable 5 contains a swimming pool, exercise room, playground, volleyball court, basketball court and tennis court. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, Comparables 1 and 3 were adjusted downward \$10 per month, and Comparables 4 and 5 were adjusted downward \$20 per month. Comparable 2 was considered similar and was not adjusted.

Heat – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cooling – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cooking – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Electricity – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Hot Water – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cold Water/Sewer – The subject and Comparables 4 and 5 do not have this utility provided by the landlord. Comparable 1, 2 and 3 have this utility provided and were adjusted downward \$43 per month for the one bedroom units and \$53 for the two-bedroom units. The adjustment was determined using the Utility Allowances Chart provided by Georgia Department of Community Affairs for the Southern Region.

Trash – The subject and Comparables 3, 4 and 5 do not have this utility provided by the landlord. Comparable 1 and 2 have this utility provided and were each adjusted downward \$15 per month. The adjustment was determined using the Utility Allowances Chart provided by Georgia Department of Community Affairs for the Southern Region.

Extra Storage – The subject and Comparables 1, 3 and 4 do contain this feature. Comparables 2 and 5 do not contain extra storage and were each adjusted upward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement.

Location – The subject's location is average. All comparables are located in Brunswick and are considered to be located in superior locations. Therefore, each comparables was adjusted downward \$40 per month.

Security – The subject and Comparables 2 and 4 contain a security/courtesy patrol. Comparable 1 contains a limited access gate. Comparables 3 and 5 do not contain any form of security. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement, particularly security that limits access to the property. Therefore, Comparables 3 and 5 were adjusted upward \$5 per month.

Clubhouse/Meeting Room – The subject does not contain a meeting room. Comparables 1, 3, 4 and 5 contain clubhouses. Comparable 2 does not contain either feature. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, Comparables 1, 3, 4 and 5 was adjusted downward \$5 per month.

Special Features – The subject does not contain special features in the units. All comparables are similar to the subject. No adjustment was needed.

Business Center/Neighborhood Network – The subject does not contain either amenity. Comparables 1, 2, 3 and 5 are similar to the subject. Comparable 4 does contain a business center and was adjusted downward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, the adjustment was deemed appropriate.

Conclusion of Market Rents – As Is

The adjusted rents range from \$546 to \$648 for the one-bedroom comparison and from \$597 to \$808 for the two-bedroom comparison. All comparables were given consideration. The appraiser concluded the market rent for the units at the subject as follows:

- **616 SF One-Bedroom Units** - **\$615**
- **771 SF Two-Bedroom Units** - **\$665**

The following table shows the current rents at the subject. The estimated market rents are above the current rents.

Unit Type	# of Units	Square Footage	Current Rent	Utility Allowance
1/1	18	616	\$425	\$133
2/1	32	771	\$457	\$178
2/1 (Non-Revenue)	1	894	N/A	N/A

HUD-Forms 92273 – As Complete

One-Bedroom Units (616 SF) – As Complete

Estimates of Market Rent
by Comparison - As Complete

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 09/30/2016)

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1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)				
One-Bedroom	Sawgrass Cove Apartments 534 McIntosh Road Darien, McIntosh, GA	Legacy Apartment Homes 101 Legacy Way Brunswick, Glynn, GA	Merritt Landing 5700 Altama Avenue Brunswick, Glynn, GA	The Reserve at Altama 5801 Altama Avenue Brunswick, Glynn, GA	Palm Club Apartments 111 South Palm Drive Brunswick, Glynn, GA	The Retreat at Grande Lake 100 Walden Shores Drive Brunswick, Glynn, GA				
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	
3. Effective Date of Rental	04/2017	04/2017		04/2017		04/2017		04/2017		
4. Type of Project/Stories	G/1	WU/2		WU/2		WU/2		WU/3		
5. Floor of Unit in Building	First	Varies		Varies		Varies		Varies		
6. Project Occupancy %	98%	99%		92%		98%		97%		
7. Concessions	N	N		N		N		N		
8. Year Built	1985/Proposed	2009		1973	\$75	1972	\$75	1999		
9. Sq. Ft. Area	616	800	(\$45)	682	(\$15)	960	(\$85)	811	(\$50)	
10. Number of Bedrooms	1	1		1		1		1		
11. Number of Baths	10	10		10		10		10		
12. Number of Rooms	3	3		3		3		3		
13. Balc./Terrace/Patio	Y	Y		Y		Y		Y		
14. Garage or Carport	L/O	L/O, G/75		L/O		L/O		L/O		
15. Equipment	a. A/C	C		C		C		C		
	b. Range/Refrigerator	RF		RF		RF		RF		
	c. Disposal	D		Y		N		Y		
	d. Microwave/Dishwasher	MD		D	\$5	M	\$10	MD	\$5	
	e. Washer/Dryer	HU		HU	\$5	L	\$5	HU		
	f. Carpet	C		C		C		C		
	g. Drapes	B		B		B		B		
	h. Pool/Rec. Area	ER		PE	\$15	PR		PER	(\$5)	
16. Services	a. Heat/Type	N/E		N/E		N/E		N/E		
	b. Cooling	N/E		N/E		N/E		N/E		
	c. Cook/Type	N/E		N/E		N/E		N/E		
	d. Electricity	N		N		N		N		
	e. Hot Water	N/E		N/E		N/E		N/E		
	f. Cold Water/Sewer	N	(\$43)	Y		Y	(\$43)	N		
	g. Trash	N	(\$15)	Y	(\$15)	N		N		
17. Storage	Y/O	Y		N	\$5	Y		Y	\$5	
18. Project Location	Average	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	
19. Security	Y	Y		Y		N	\$5	Y		
20. Clubhouse/Meeting Room	MR	C		N	\$5	C		C		
21. Special Features	N	N		N		N		N		
22. Business Center / Nbd Netwk	BC	N	\$5	N	\$5	N	\$5	BC	\$5	
23. Unit Rent Per Month		\$815		\$693		\$699		\$830		
24. Total Adjustment			(\$138)		\$45		(\$68)		(\$95)	
25. Indicated Rent		\$677		\$738		\$631		\$735		
26. Correlated Subject Rent	\$700									
If there are any Remarks, check here and add the remarks to the back of page.										
high rent		\$738	low rent		\$631	60% range		\$652	to \$717	
Appraiser's Signature				Date (mm/dd/yy)				Reviewer's Signature		Date (mm/dd/yyyy)
				04/13/17						

Previous editions are obsolete

form HUD-92273 (07/2003)

Two-Bedroom Units (771 SF) – As Complete

Estimates of Market Rent
by Comparison - As Complete

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(exp. 09/30/2016)

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1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)	B. Comparable Property No. 2 (address)	C. Comparable Property No. 3 (address)	D. Comparable Property No. 4 (address)	E. Comparable Property No. 5 (address)					
Two-Bedroom	Sawgrass Cove Apartments 534 McIntosh Road Darien, McIntosh, GA	Legacy Apartment Homes 101 Legacy Way Brunswick, Glynn, GA	Merrit Landing 5700 Altama Avenue Brunswick, Glynn, GA	The Reserve at Altama 5801 Altama Avenue Brunswick, Glynn, GA	Palm Club Apartments 111 South Palm Drive Brunswick, Glynn, GA	The Retreat at Grande Lake 100 Walden Shores Drive Brunswick, Glynn, GA					
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments		
3. Effective Date of Rental	04/2017	04/2017		04/2017		04/2017		04/2017			
4. Type of Project/Stories	G/1	WU/2		WU/2		WU/2		WU/3			
5. Floor of Unit in Building	First	Varies		Varies		Varies		Varies			
6. Project Occupancy %	98%	99%		92%		98%		97%			
7. Concessions	N	N		N		N		N			
8. Year Built	1985/Proposed	2009		1973	\$75	1972	\$75	1999	2000		
9. Sq. Ft. Area	771	157	(\$75)	925	(\$30)	160	(\$75)	1109	(\$65)	1166	(\$75)
10. Number of Bedrooms	2	2		2		2		2		2	
11. Number of Baths	10	2.0	(\$20)	10		15	(\$10)	2.0	(\$20)	2.0	(\$20)
12. Number of Rooms	4	4		4		4		4		4	
13. Balc./Terrace/Patio	Y	Y		Y		Y		Y		Y	
14. Garage or Carport	L/0	L/0, G/75		L/0		L/0		L/0		L/0	
15. Equipment a. A/C	C	C		C		C		C		C	
b. Range/Refrigerator	RF	RF		RF		RF		RF		RF	
c. Disposal	D	Y		Y		N		Y		Y	
d. Microwave/Dishwasher	MD	MD		D	\$5	M	\$10	MD		D	\$5
e. Washer/Dryer	HU	HU		L	\$5	L	\$5	HU		HU	
f. Carpet	C	C		C		C		C		C	
g. Drapes	B	B		B		B		B		B	
h. Pool/Rec. Area	ER	PE		R	\$15	PR		PER	(\$5)	PER	(\$5)
16. Services a. Heat/Type	N/E	N/E		N/G		N/E		N/E		N/E	
b. Cooling	N/E	N/E		N/E		N/E		N/E		N/E	
c. Cook/Type	N/E	N/E		N/G		N/E		N/E		N/E	
d. Electricity	N	N		N		N		N/E		N	
e. Hot Water	N/E	N/E		N/G		N/E		N/E		N/E	
f. Cold Water/Sewer	N	Y	(\$53)	N		Y	(\$53)	N		N	
g. Trash	N	Y	(\$15)	Y	(\$15)	N		N		N	
17. Storage	Y/0	Y		N	\$5	Y		Y		N	\$5
18. Project Location	Average	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)	Superior	(\$40)
19. Security	Y	Y		Y		N	\$5	Y		N	\$5
20. Clubhouse/Meeting Room	MR	C		N	\$5	C		C		C	
21. Special Features	N	N		N		N		N		N	
22. Business Center / Nbdh Netwk	BC	N	\$5	N	\$5	N	\$5	BC		N	\$5
23. Unit Rent Per Month		\$880		\$672		\$799		\$967		\$1018	
24. Total Adjustment			(\$198)		\$30		(\$78)		(\$130)		(\$120)
25. Indicated Rent		\$682		\$702		\$721		\$837		\$898	
26. Correlated Subject Rent	\$750	If there are any Remarks, check here and add the remarks to the back of page.									
	high rent	\$898	low rent	\$682	60% range	\$725	to	\$855			

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature: _____ Date (mm/dd/yy): 04/13/17

Reviewer's Signature: _____ Date (mm/dd/yyyy): _____

Previous editions are obsolete

form HUD-92273 (07/2003)

Explanation of Adjustments and Market Rent Conclusions – As Complete

Sawgrass Cove Apartments

Primary Unit Types – One-Bedroom Units (616 SF) and Two-Bedroom Units (771 SF)

Rent comparability grids were prepared for the primary unit types with 616 and 771 square feet. Comparable apartments used include the following: Legacy Apartment Homes (Comparable 1), Merritt Landing (Comparable 2), The Reserve at Altama (Comparable 3), Palm Club Apartments (Comparable 4), and The Retreat at Grande Lake (Comparable 5).

Structure/Stories – The subject is located in one-story garden-style buildings. All comparables are located in walk-up two- or three-story buildings. No complex in the market area shows a rent difference based on this particular item. No adjustment was needed.

Project Occupancy – The subject is currently 98 percent occupied. The occupancy rates of the comparables range from 92 to 99 percent. No adjustment was needed.

Concessions – The subject is not currently offering concessions. None of the comparables are currently offering concessions. No adjustment was needed.

Year Built/Year Renovated – The subject was constructed in 1985 and will be renovated. It will be in good condition. Comparable 1 was built in 2009, and Comparable 2 was constructed in 1973. Comparable 3 was built in 1972, and Comparable 4 was constructed in 1999. Comparable 5 was constructed in 2000. Comparables 1, 4 and 5 will be considered similar to the subject. Comparables 2 and 3 will be inferior to the subject. It is difficult to determine adjustment amounts for condition/street appeal as it is difficult to determine rent level fluctuations based on these items. Therefore, it was necessary to rely in large part on opinions of area apartment managers and tenants. In addition, adjusted rents of the comparables were considered as the difference in rents of the comparables after everything else is factored out is assumed to be attributable to condition/street appeal. After considering all factors, Comparables 2 and 3 were each adjusted upward \$75 per month.

SF Area – For the purpose of this report, a range of comparable rents per square foot was derived. To determine this adjustment, each comparable's dollar per square foot rental rate was determined. This number was then multiplied by 25 percent for each comparable to derive an adjusted dollar per square foot rental rate. The median dollar per square foot rental rate is determined. Next, the difference in square footage between the subject and each comparable is determined. The difference is multiplied by the determined adjusted dollar per square foot rate to arrive at the adjustment for each comparable. The selected dollar per square foot for the one-bedroom comparison is \$0.25 and for the two-bedroom

comparison is \$0.19. No adjustments were made to comparables within 25 square feet of the subject. The adjustments were rounded to the nearest \$5. These adjustments are reflected on the HUD-Forms 92273, which are attached.

of Bedrooms – The subject contains one- and two-bedroom units. All comparables have similar number of bedroom units. No adjustment was needed.

of Baths – The subject contains one bath in the units. Each complex with a differing number of baths than the subject was adjusted \$20 per full bath. The majority of the difference in number of baths is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional baths. The extra room(s) will enhance the marketability of a unit even if the square footage remains the same. A paired rental analysis range is determined by comparing comparables with differing numbers of baths and factoring out any other differences (amenities, utilities provided, etc.). The resulting difference is assumed to be attributable to the differing number of baths. The results are grouped together in a range. The adjustment is selected based on where the majority of the results fall within the range. If there is no majority, a conservative adjustment at the low end of the range is selected. As there was no majority for this paired analysis, a \$20 adjustment was selected for each full bath.

Balcony/Patio – The subject and all comparables contains balconies and patios. No adjustment was needed.

Parking – The subject and all comparables contain open parking lots. Comparable 1 also offers garage parking for an additional fee of \$75 per month. No adjustment is needed.

AC: Central/Wall – The subject contains central air conditioning as do all comparables. No adjustments were needed.

Range/Refrigerator – The subject contains both features in all units. All comparables contain these features in the units. No adjustment was needed.

Garbage Disposal – The subject will contain a garbage disposal in the units. All of the comparables except Comparable 3 contain garbage disposals. Since there is no market data concerning units with this feature, no adjustment was given.

Microwave/Dishwasher – The subject will contain microwaves and dishwashers in the units. Comparables 1 and 4 contain microwaves and dishwashers and Comparables 2, 3 and 5 contain

dishwashers. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, comparables were adjusted upward \$10 per month for dishwashers and \$5 per month for microwaves.

Washer/Dryer – The subject and Comparables 1, 4 and 5 contains washers/dryer hook-ups in the units. Comparables 2 and 3 contain laundry facilities. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Therefore, Comparables 2 and 3 and were adjusted upward \$5 per month.

Carpet– The subject contains carpet and hardwood floor coverings in the units. All comparables are similar. No adjustment was needed.

Drapes– The subject and all comparables contain window coverings. No adjustment was needed.

Pool/Recreation Areas – The subject contains a picnic area. Once rehabilitation is complete, the subject will also contain a playground, gazebo, exercise room and outdoor seating area. Comparable 1 contains a swimming pool, exercise room and theater room. Comparable 2 contains a playground and picnic area. Comparable 3 contains a swimming pool, playground and picnic area. Comparables 4 contains a swimming pool, spa/hot tub, exercise room, playground, volleyball court and tennis court. Comparable 5 contains a swimming pool, exercise room, playground, volleyball court, basketball court and tennis court. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, Comparable 2 was adjusted upward \$15 per month, and Comparables 4 and 5 were adjusted downward \$5 per month. Comparable 1 was considered similar and was not adjusted.

Heat – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cooling – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cooking – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Electricity – The subject does not have this utility provided. All comparables are similar. No adjustment needed.

Hot Water – The subject does not have this utility provided. All comparables are similar. No adjustment was needed.

Cold Water/Sewer – The subject and Comparables 4 and 5 do not have this utility provided by the landlord. Comparable 1, 2 and 3 have this utility provided and were adjusted downward \$43 per month for the one bedroom units and \$53 for the two-bedroom units. The adjustment was determined using the Utility Allowances Chart provided by Georgia Department of Community Affairs for the Southern Region.

Trash – The subject and Comparables 3, 4 and 5 do not have this utility provided by the landlord. Comparable 1 and 2 have this utility provided and were each adjusted downward \$15 per month. The adjustment was determined using the Utility Allowances Chart provided by Georgia Department of Community Affairs for the Southern Region.

Extra Storage – The subject and Comparables 1, 3 and 4 do contain this feature. Comparables 2 and 5 do not contain extra storage and were each adjusted upward \$5 per month. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement.

Location – The subject's location is average. All comparables are located in Brunswick and are considered to be located in superior locations. Therefore, each comparables was adjusted downward \$40 per month.

Security – The subject and Comparables 2 and 4 contain a security/courtesy patrol. Comparable 1 contains a limited access gate. Comparables 3 and 5 do not contain any form of security. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement, particularly security that limits access to the property. Therefore, Comparables 3 and 5 were adjusted upward \$5 per month.

Clubhouse/Meeting Room – The subject will contain a meeting room. Comparables 1, 3, 4 and 5 contain clubhouses. Comparable 2 does not contain either feature. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, Comparable 2 was adjusted upward \$5 per month.

Special Features – The subject does not contain special features in the units. All comparables are similar to the subject. No adjustment was needed.

Business Center/Neighborhood Network – The subject and Comparable 4 will contain a business center. Comparables 1, 2, 3 and 5 do not contain this feature. No complex in the market area shows a rent differential based on this particular item; however, the added amenity is an enhancement. Therefore, Comparables 1, 2, 3 and 5 were each adjusted upward \$5 per month.

Conclusion of Market Rents – As Complete

The adjusted rents range from \$631 to \$738 for the one-bedroom comparison and from \$682 to \$898 for the two-bedroom comparison. All comparables were given consideration. The appraiser concluded the market rent for the units at the subject as follows:

- **616 SF One-Bedroom Units** - **\$700**
- **771 SF Two-Bedroom Units** - **\$750**

The following table shows the proposed rents at the subject. The estimated “as complete” market rents are above the proposed rents. Therefore, the proposed rents were considered achievable.

Unit Type	# of Units	Square Footage	Maximum Net LIHTC Rent	Proposed Rent	Utility Allowance
1/1 @ 50%	4	616	\$538	\$299	\$133
1/1 @ 60%	14	616	\$646	\$595	\$133
2/1 @ 50%	7	771	\$646	\$360	\$178
2/1 @ 60%	25	771	\$775	\$718	\$178
2/1 (Non-Revenue)	1	894	N/A	N/A	N/A

Rent Comparables

Multi-Family Lease No. 1



Property Identification

Record ID 11251
Property Type Walk-Up
Property Name Legacy Apartment Homes
Address 101 Legacy Way, Brunswick, Glynn County, Georgia 31525
Market Type Market
Verification Brandy; 912-262-0481, April 13, 2017

<u>Unit Type</u>	<u>Unit Mix</u>			
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	48	800	\$815	\$1.02
2/2	46	1,157	\$880	\$0.76
2/2		1,157	\$910	\$0.79
2/2	48	1,223	\$920	\$0.75
2/2	2	1,253	\$960	\$0.77
3/2	24	1,332	\$1,070	\$0.80

Occupancy 99%
Rent Premiums N
Total Units 168
Unit Size Range 800 – 1,332
Avg. Unit Size 1,100
Avg. Rent/Unit \$901
Avg. Rent/SF \$0.82
SF 184,800

Multi-Family Lease No. 1 (Cont.)

Physical Data

No. of Buildings	19
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	2
Utilities with Rent	Water, Sewer, Trash Collection
Parking	L/0, G/75
Year Built	2009
Condition	Good
Gas Utilities	None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Carpet, Hardwood, Blinds, Ceiling Fans, Walk-In Closet, Coat Closet, Balcony, Patio, Clubhouse, Swimming Pool, Exercise Room, Extra Storage, On-Site Management, On-Site Maintenance, Limited Access Gate, Theater Room

Remarks

The property does not maintain an active waiting list. The annual turnover rate was not disclosed.

Multi-Family Lease No. 2



Property Identification

Record ID 11247
Property Type Walk-Up
Property Name Merrit Landing
Address 5700 Altama Avenue, Brunswick, Glynn County, Georgia 31525
Market Type Market
Verification Stacy; 912-217-4950, April 13, 2017

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	21	682	\$693	\$1.02
2/1	77	925	\$672	\$0.73
3/1.5	20	1,066	\$708	\$0.66
4/2	10	1,144	\$850	\$0.74

Occupancy 92%
Rent Premiums N
Total Units 128
Unit Size Range 682 – 1,144
Avg. Unit Size 924
Avg. Rent/Unit \$695
Avg. Rent/SF \$0.75
SF 118,307

Multi-Family Lease No. 2 (Cont.)

Physical Data

No. of Buildings	11
Construction Type	Brick/Siding
HVAC	Central Gas/Central Elec
Stories	2
Utilities with Rent	Trash Collection
Parking	L/0
Year Built	1973
Condition	Good
Gas Utilities	Heating, Cooking, Hot Water
Electric Utilities	Cooling, Other Electric

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Carpet, Vinyl, Blinds, Ceiling Fans (Select), Walk-In Closet (Select), Coat Closet, Patio, Picnic Area, Playground, Laundry Facility, On-Site Maintenance, On-Site Management, Security Patrol

Remarks

This complex does not maintain an active waiting list. The annual turnover rate was not disclosed. The property currently has several unit down due to renovations; therefore, has a higher than usual vacancy rate.

Multi-Family Lease No. 3



Property Identification

Record ID 11249
Property Type Walk-Up
Property Name The Reserve at Altama
Address 5801 Altama Avenue, Brunswick, Glynn County, Georgia 31525
Market Type Market
Verification Tracy; 912-264-1000, April 13, 2017

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	20	960	\$699	\$0.73
2/1.5	72	1,160	\$799	\$0.69
3/2	16	1,470	\$899	\$0.61

Occupancy 98%
Rent Premiums N
Total Units 108
Unit Size Range 960 – 1,470
Avg. Unit Size 1,169
Avg. Rent/Unit \$795
Avg. Rent/SF \$0.68
SF 126,240

Multi-Family Lease No. 3 (Cont.)

Physical Data

No. of Buildings	14
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	2
Utilities with Rent	None
Parking	L/0
Year Built	1972
Condition	Good
Gas Utilities	None
Electric Utilities	All

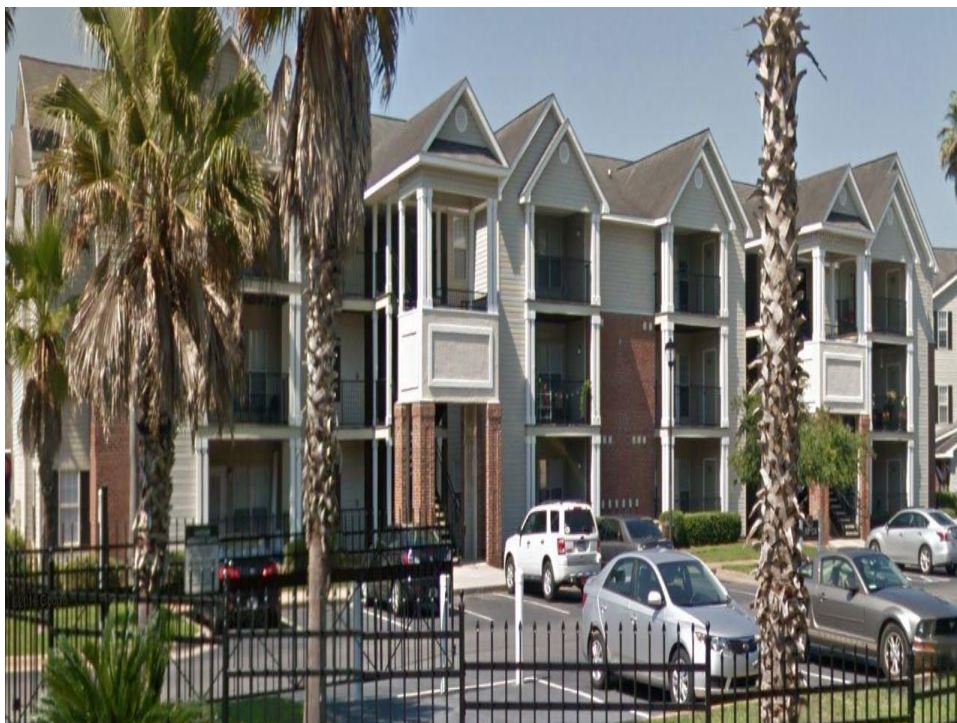
Amenities

Refrigerator, Range/Oven, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Coat Closet, Balcony, Patio, Clubhouse, Swimming Pool, Playground, Picnic Area, Laundry Facility, On-Site Management, On-Site Maintenance

Remarks

This complex does not maintain an active waiting list. The annual turnover rate was not disclosed.

Multi-Family Lease No. 4



Property Identification

Record ID 11253
Property Type Walk-Up
Property Name Palm Club Apartments
Address 111 South Palm Drive, Brunswick, Glynn County, Georgia 31525
Market Type Market
Verification Clarissa; 912-466-9090, April 13, 2017

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	24	811	\$830	\$1.02
1/1		811	\$842	\$1.04
1/1	8	824	\$882	\$1.07
2/2	76	1,109	\$967	\$0.87
2/2		1,109	\$1,037	\$0.94
2/2	24	1,343	\$1,063	\$0.79
2/2		1,343	\$1,188	\$0.88

Occupancy 97%
Rent Premiums N
Total Units 132
Unit Size Range 811 – 1,343
Avg. Unit Size 1,080
Avg. Rent/Unit \$954
Avg. Rent/SF \$0.88
SF 142,572

Multi-Family Lease No. 4 (Cont.)

Physical Data

No. of Buildings	11
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	3
Utilities with Rent	None
Parking	L/0
Year Built	1999
Condition	Good
Gas Utilities	None
Electric Utilities	All

Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans (Select), Vaulted Ceilings (Select), Walk-In Closet, Balcony, Patio, Clubhouse, Swimming Pool, Spa/Hot Tub, Exercise Room, Playground, Volleyball Court, Tennis Court, Extra Storage, Business Center, Car Wash Area, Laundry Facility, On-Site Management, On-Site Maintenance, Limited Access Gate, Perimeter Fencing

Remarks

This complex does not maintain an active waiting list. The annual turnover rate was not disclosed.

Multi-Family Lease No. 5



Property Identification

Record ID 11256
Property Type Walk-Up
Property Name The Retreat at Grande Lake
Address 100 Walden Shores Drive, Brunswick, Glynn County, Georgia 31525
Market Type Market
Verification Taia; 912-264-5441, April 13, 2017

Unit Mix

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	72	909	\$835	\$0.92
1/1		1,094	\$880	\$0.80
2/2	84	1,166	\$1,018	\$0.87
3/2	36	1,403	\$1,100	\$0.78

Occupancy 97%
Rent Premiums N
Total Units 192
Unit Size Range 909 – 1,403
Avg. Unit Size 1,114
Avg. Rent/Unit \$965
Avg. Rent/SF \$0.87
SF 213,900

Multi-Family Lease No. 5 (Cont.)

Physical Data

No. of Buildings	8
Construction Type	Siding
HVAC	Central Elec/Central Elec
Stories	3
Utilities with Rent	None
Parking	L/0
Year Built	2000
Condition	Good
Gas Utilities	None
Electric Utilities	All

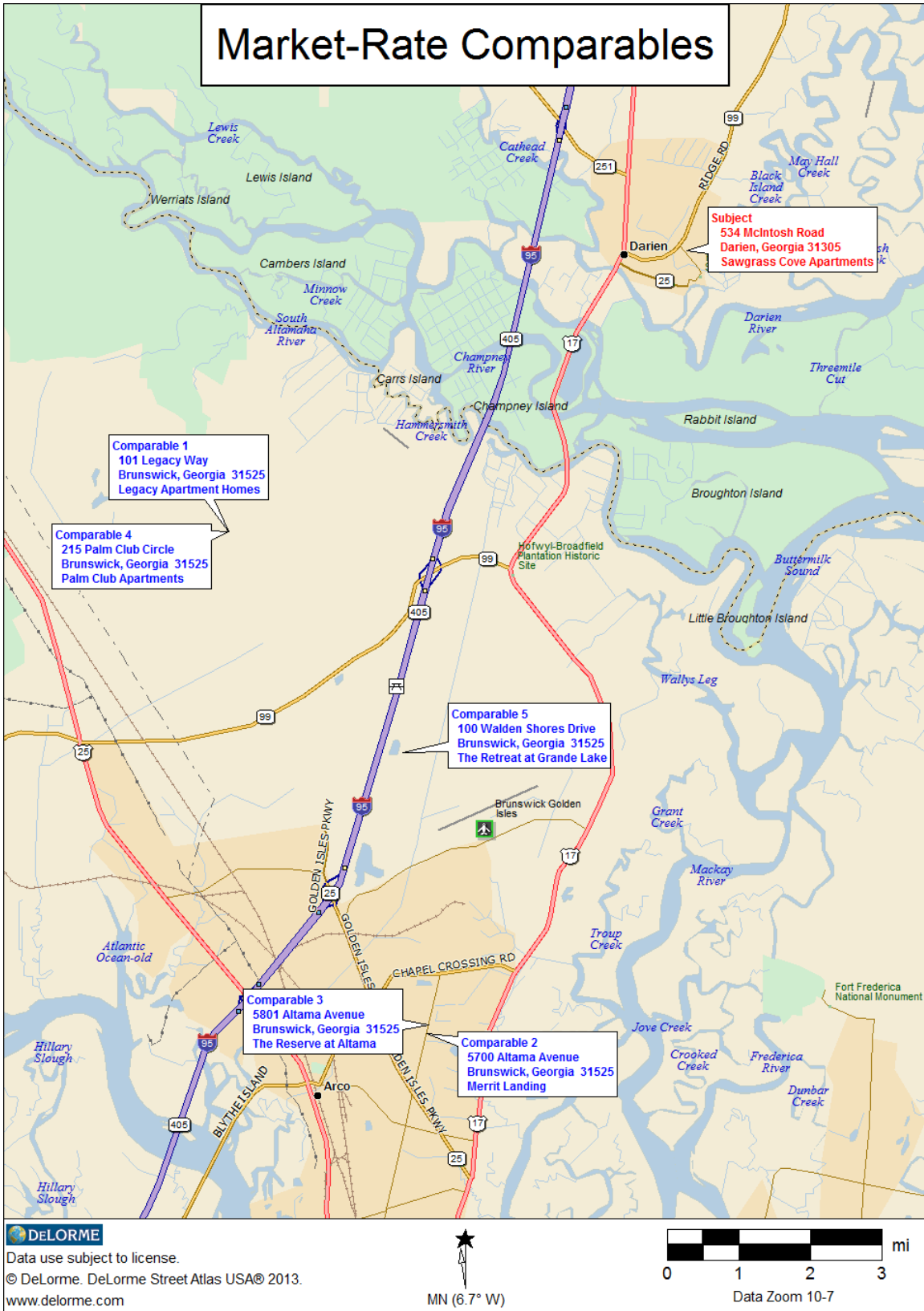
Amenities

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Washer/Dryer Hook-Ups (All but smallest one bedroom), Carpet, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Balcony, Patio, Clubhouse, Swimming Pool, Exercise Room, Playground, Volleyball Court, Basketball Court, Tennis Court, Car Wash Area, Laundry Facility, Lake

Remarks

The property does not maintain an active waiting list. The annual turnover rate is 20 percent.

Rent Comparable Map



Summary and Conclusion

Comparable apartment complexes were analyzed as shown on the attached HUD-Forms 92273. Adjustments were based on market rates for individual items as discussed on the previous pages. After analyzing the aforementioned data, market rates were established with special emphasis placed on the best comparables for each unit type to arrive at the estimated market rents as shown in the chart below. After all adjustments, the comparables with the least amount of adjustments for each bedroom type were considered to determine market rates. These rates were used throughout the report as the "Market Rates" for all subject apartment types.

Potential Gross Rental Income

Total Potential Gross Rental Income (Restricted Rent As Is)

# of Units	Unit Type	Unit SF	Contract	Potential Gross Income
18	1/1	616	\$425	\$7,650
32	2/1	771	\$457	\$14,624
1	2/1 (Non-Revenue)	894	N/A	N/A
Total Potential Monthly Rental Income				\$22,274
				x 12
Total Potential Gross Rental Income				\$267,288
Miscellaneous Income				\$6,500
Total Potential Gross Income				\$273,788

Total Potential Gross Rental Income (Market Rent As Is)

# of Units	Unit Type	Unit SF	Market	Potential Gross Income
18	1/1	616	\$615	\$11,070
32	2/1	771	\$665	\$21,280
1	2/1 (Non-Revenue)	894	N/A	N/A
Total Potential Monthly Rental Income				\$32,350
				x 12
Total Potential Gross Rental Income				\$388,200
Miscellaneous Income				\$6,500
Total Potential Gross Income				\$394,700

Total Potential Gross Rental Income (Restricted Rent As Complete)

# of Units	Unit Type	Unit SF	Contract	Potential Gross Income
4	1/1 @ 50%	616	\$299	\$1,196
14	1/1 @ 60%	616	\$595	\$8,330
7	2/1 @ 50%	771	\$360	\$2,520
25	2/1 @ 60%	771	\$718	\$17,950
1	2/1 (Non-Revenue)	894	N/A	N/A
Total Potential Monthly Rental Income				\$29,996
				x 12
Total Potential Gross Rental Income				\$359,952
Miscellaneous Income				\$6,500
Total Potential Gross Income				\$366,452

Total Potential Gross Rental Income (Market Rent As Complete)

# of Units	Unit Type	Unit SF	Contract	Potential Gross Income
18	1/1	616	\$700	\$12,600
32	2/1	771	\$750	\$24,000
1	2/1 (Non-Revenue)	894	N/A	N/A
Total Potential Monthly Rental Income				\$36,600
				x 12
Total Potential Gross Rental Income				\$439,200
Miscellaneous Income				\$6,500
Total Potential Gross Income				\$445,700

Vacancy and Expense Explanations

Vacancy and Collection Loss

Vacancy and collection loss is an allowance for reductions in potential rental income because space is not leased or rents that are due cannot be collected.

Annual rent collections are typically less than the potential annual gross income; therefore, an allowance for vacancy and collection loss is typically included in an appraisal of income-producing property. The allowance is usually estimated as a percentage of potential gross income. The percentage varies according to the type and characteristics of the physical property, the quality of tenancy, current and projected supply and demand relationships, and general and local economic conditions.

The field/phone survey was conducted in April 2017. Five market-rate properties responded to the survey and three restricted properties, including the subject, responded to the survey. Of the apartments surveyed an overall vacancy rate of three percent was determined for the market-rate vacancy and two percent was determined for the restricted vacancy. The subject is currently 98 percent occupied. Historically, the subject's occupancy rate was unavailable. After considering the vacancy rate of the subject and the comparables, a vacancy rate of five percent was deemed appropriate for "as is" conventional housing; five percent was deemed appropriate for "as complete" conventional housing; five percent was deemed appropriate for "as is" affordable housing; and five percent was deemed appropriate for "as complete" affordable housing.

Expenses

To develop an estimate of the net operating income, the appraiser analyzes data for the property. Net operating income (NOI), the income remaining after total expenses have been deducted from the effective gross income, may be calculated before or after deducting replacement reserves. The actual expenses a landlord is required to defray include two specific categories: those incurred by the property itself, such as taxes and insurance, and those resulting from the operation of the property, such as utilities and maintenance. Generally, expenses incurred by the property per se are called fixed expenses.

Expenses tied to the operation of the property, which rise or fall with occupancy, are called variable expenses.

Management

Building size determines the type of management. Generally, buildings of more than 25 units are of sufficient size to bear the additional burden of professional property management; larger high-rise or garden apartment projects of over 40 units often require the additional services of a site or resident manager. Lenders generally prefer that properties be professionally managed.

A property manager reports to the property owners, sets rent levels, establishes marketing procedures and does the fiscal planning for the project. The property manager also supervises on-site employees, among whom the resident manager is responsible for looking after the day-to-day dealings with the tenants, leasing of units, collection of rents, and coordination of routine and long-term building maintenance. The resident manager may oversee janitorial staff, an on-site maintenance crew, or various outside contractors. Large-scale apartment projects and newly built developments also employ leasing agents to fill vacancies or negotiate lease renewals and to assist with marketing programs, promotion, and advertising.

Tax and Assessment Information

Real property taxes are based on ad valorem assessments. The records of the county assessor or tax collector can provide the details of a property's assessed value and annual tax burden. From the present assessment data and recent history of tax rates, the appraiser can formulate conclusions about future taxes. Property taxes directly increase the cost of ownership and therefore reduce the net income derived from the rental of apartment units. The fairness of the assessment and anticipated future taxes must be thoroughly analyzed and their impact on value considered in the property appraisal. Property taxes are generally imposed to pay for local government services such as fire fighting, police protection and schools. Apartment properties in well-run communities, however, will attract potential tenants willing to pay higher rents for the superior services provided.

Special assessments are levied to pay for infrastructure development (roads or utilities) and extraordinary services (fire or police protection). Ideally, the value of the properties' subject to special assessment is not penalized. The enhancement resulting from the new infrastructure or the provision of additional services should offset the tax increase. However, when a property is subject to a special assessment that exceeds the benefit derived, the value of the property is diminished.

Insurance

The insurance expense is the responsibility of the landlord.

Maintenance

The property manager is responsible for the janitorial staff and on-site maintenance crew and various outside contractors.

Utilities and Service

Water, electricity, natural or liquid petroleum (propane) gas, sewage, trash collection, street maintenance, telephone and cable television are essential utilities and services in most residential markets. If the utilities on the site are inadequate, the cost of improving utility service must be considered. Utilities may be publicly provided or privately owned as part of a community system. In some cases, utilities are individual to the site. The availability and reliability of utilities have a direct bearing on the amount of rent a tenant will pay. At the same time, the cost of utility services is an operating expense that affects the potential net income of the project. The effect of this expenditure is investigated by comparing the costs of utilities and services at competing buildings in relation to rents with the costs incurred by the subject.

Reserves for Replacement

For large properties, the cost of replacing items such as heating/cooling equipment or hallway carpeting may occur regularly. Thus, an allowance for replacements is treated as a separate expense. Even for smaller apartment properties, however, mortgage lenders and property managers may require that part of net operating income be withheld as a reserve to fund the replacement of building components. Consequently, appraisers often estimate an allowance for replacements when projecting cash flow to be capitalized into market value. Other allowances are sometimes made for unusual circumstances—e.g., reserves to cover periodic non-annual repairs, eventual compliance with environmental regulations (asbestos removal), or bringing the building up to code for handicapped persons. Estimates of such reserves should be included in the income forecast if the appraiser believes the situation warrants it.

Because possible differences in the way accountants and property managers enter line-item expenses, the appraiser should ensure the subject property's operating statement is reconstructed to provide that the expense items recorded correspond to proper appraisal practice. In the reconstruction of the operating statement 1) nonrecurring past items are not repeated, 2) any deductions taken for non-operating expenses (personal expenses) are eliminated, 3) ambiguous, repetitive or atypical expense items are recategorized and 4) line items are appropriately grouped to facilitate analysis.

An expense comparison should be made on a uniform or standardized basis. If most of the expense comparables include a replacement reserve, an estimate of this item should be included in the reconstructed operating statement for the subject property. Recategorizing expense items allows the

appraiser to compare the operation of the subject with the operating expenses of other properties and the expense averages from benchmark data.

For example, apartment managers often record air conditioning as an expense category. In some cases, this may simply cover the cost of maintaining the equipment, while in others it includes allocations for water, electricity, supplies (filters) and maintenance. Similarly, the category for management may reflect different items because of different ways of operating a property. Some apartment managers will contract for landscaping, snow removal, boiler maintenance and redecoration, while others have these functions performed by on-site managers. By grouping all expense items that are management-controllable, the appraiser will be able to compare the operations of building maintained on contract accounts with those of buildings that employ a permanent workforce to look after maintenance.

Utility expense often differ among properties because some managers operate apartments on a “self-contained” basis, whereby tenants pay directly for meterable natural gas and electricity, while other managers pay the costs of fuel for heating and cooking but not for electricity. Typically, the landlord absorbs all utility charges incurred by vacant units and public spaces (corridors, lobbies, office, basement storage rooms, laundry, parking and exterior lighting) as well as water and sewer charges.

In analyzing operating expenses, the appraiser may also consult benchmark data. For example, the Institute of Real Estate Management’s annual reports include the following groupings:

- * Administration and management
- * Utilities
- * Repairs and maintenance
- * Real estate taxes and insurance
- * Payroll (salaries for maintenance and administrative staff)

These data are quoted per square foot of rentable area, as dollars per unit, and as percentage of effective gross income. Such data may be compared against the historic expense data for the subject and cited in the appraisal report. In this instance, the benchmark data was merely used to reflect the validity of my report.

Market Rent and Contract Rent

In the income capitalization approach, the appraiser arrives at an estimate of market rent, or rental income the subject property would likely command in the open market, by analyzing current rents paid and asked for space in comparable buildings. Estimated market rent is important for both proposed and operating properties. In the case of the former, market rent allows the forecast of gross income, and with the latter it is used to calculate the income for vacant rental space or space occupied by the ownership or

property management. Contract rent is the actual rental income specified in a lease. It is calculated for operating properties from existing leases, including month-to-month extensions of former leases. It is essential to specify whether the cited rent is 1) the former or existing contract rent, 2) the asking amount sought by the landlord or property manager or 3) the market rent estimated by the appraiser.

Other Miscellaneous Income

In addition to income from apartment rents, income to the building may be generated from a variety of sources. License fees are paid for temporary, nonexclusive use of special facilities, such as party room or swimming pool fees. Service fees are charged for elective maid service. An apartment project may earn concession income from coin telephones, vending machines and laundry room equipment.

Rental income can also be generated from non-apartment space such as an on-site retail store, restaurant, beauty parlor or physician's office. A parking garage may be leased to an operator or, alternatively, the building may directly license the parking spaces to tenants or non-tenants (on-site parking, however, is often available to tenants at no additional charge). Finally, interest income may accrue on the balance between rents collected in advance and expenses paid in arrears. Interest can also be earned on security deposits, although in some jurisdictions such interest must ultimately be paid back to the tenants. Thus, other income includes rent for non-apartment space and miscellaneous income from various tenant charges.

In many instances, a significant degree of the apartment project's income stream is imputable to intangible as well as tangible personality. Apartment properties may earn business income from profits on the rental of in-suite furniture to tenants, marking up the cost of electricity privately metered to tenants, as well as for opening tenants' doors when the key is left inside, licensing the concierge function and the coin machines, profit centers such as storage rooms (including the sale of abandoned tenant goods), and the interest on company bank accounts.

Operating Expenses & Restricted Projections

Property: Sawgrass Cove Apartments

Project #: 51

of Rental Units: 51

Revenue and Expense Analysis

Historical and Proforma

% change compared to preceding year.

2016 is base year for % changes for YTD current year annualized and projections.

REVENUE - Annual						REVENUE - Annual					
	2014	PUPA	2015	PUPA	%	2016	PUPA	%			
Residential & Ancillary Income									Residential & Ancillary Income		
Annual Gross Potential Rental Income	229,622	4,502	233,506	4,579	2%	240,489	4,715	3%	Annual Gross Potential Rental Income		
Annual Ancillary Income	6,448	126	4,738	93	-27%	7,488	147	58%	Annual Ancillary Income		
Annual Gross Potential Income	236,070	4,629	238,244	4,671	1%	247,977	4,862	4%	Annual Gross Potential Income		
Occupancy	N/A	N/A	N/A	N/A	N/A	96.15%	187	N/A	Occupancy		
Effective Gross Income (EGI)	236,070	4,629	238,244	4,671	1%	238,422	4,675	0%	Effective Gross Income (EGI)		

ITEMIZED EXPENSES - Annual						ITEMIZED EXPENSES - Annual					
Estimate of Annual Expense						Estimate of Annual Expense					
	2014	PUPA	2015	PUPA	%	2016	PUPA	%			
Administrative									Administrative		
Advertising	105	2	441	9	320%	726	14	65%	Advertising		
Management Fee	25,766	505	25,806	506	0%	27,025	530	5%	Management Fee		
Other (Specify)	32,407	635	30,918	606	-5%	12,440	244	-60%	Other (Specify)		
Total Administrative	58,278	1,143	57,165	1,121	-2%	40,191	788	-30%	Total Administrative		
Operating									Operating		
Elevator Maintenance Exp.	0	0	0	0	0	0	0	0	Elevator Maintenance Exp.		
Fuel	0	0	663	13	0	0	0	-100%	Fuel - Heating		
Fuel - Domestic Hotwater	0	0	0	0	0	0	0	0	Fuel - Domestic Hotwater		
Lighting and Misc. Power	9,539	187	7,917	155	-17%	7,508	147	-5%	Lighting and Misc. Power		
Water	1,415	28	1,024	20	-28%	1,036	20	1%	Water		
Gas	765	15	0	0	-100%	594	12	0	Gas		
Garbage and Trash Removal	0	0	0	0	0	0	0	0	Garbage and Trash Removal		
Payroll	25,219	494	910	18	-96%	39,227	769	4211%	Payroll		
Other (Specify)	12,807	251	22,680	445	77%	23,716	465	5%	Other (Specify)		
Total Operating	49,745	975	33,194	651	-33%	72,081	1,413	117%	Total Operating		
Maintenance									Maintenance		
Decorating	2,158	42	1,750	34	-19%	2,394	47	37%	Decorating		
Repairs	1,285	25	3,075	60	139%	1,565	31	-49%	Repairs		
Exterminating	8,858	174	7,495	147	-15%	4,949	97	-34%	Exterminating		
Insurance	20,275	398	25,462	499	26%	29,014	569	14%	Insurance		
Ground Expense	372	7	4,660	91	1153%	1,830	36	-61%	Ground Expense		
Other (specify)	0	0	0	0	0	0	0	0	Other (specify)		
Total Maintenance	32,948	646	42,442	832	29%	39,752	779	-6%	Total Maintenance		
Taxes									Taxes		
Real Estate Tax	12,727	250	4,313	85	-66%	12,214	239	183%	Real Estate Tax		
Personal Property Tax	0	0	0	0	0	0	0	0	Personal Property Tax		
Employee Payroll Tax	3,762	74	1,962	38	-48%	3,463	68	77%	Employee Payroll Tax		
Employee Benefits	10,861	213	1,194	23	-89%	8,143	160	582%	Employee Benefits		
Other	2,218	43	2,694	53	21%	1,088	21	-60%	Other		
Total Taxes	29,568	580	10,163	199	-66%	24,908	488	145%	Total Taxes		
Operating Exp. before RFR	170,539	3,344	142,964	2,803	-16%	176,932	3,469	24%	Operating Exp. before RFR		
Reserve For Replacement	43,274	849	14,487	284	-67%	18,890	370	30%	Reserve For Replacement		
Operating Exp. Incl. RFR	213,813	4,192	157,451	3,087	-26%	195,822	3,840	24%	Operating Exp. Incl. RFR		
NOI	22,257	436	80,793	1,584	263%	42,600	835	-47%	NOI		

Sawgrass Cove Apartments * 534 McIntosh Road * Darien, Georgia

Property: Sawgrass Cove Apartments

Project #:

of Rental Units: 51

**Revenue and Expense Analysis
Historical and Proforma**

% change compared to preceding year.

REVENUE - Annual	As Is			As Complete			REVENUE - Annual
	Restricted Projections	PUPA	%	Restricted Projections	PUPA	%	
Residential & Ancillary Income							Residential & Ancillary Income
Annual Gross Potential Rental Income	267,288	5,241	11%	359,952	7,058	50%	Annual Gross Potential Rental Income
Annual Ancillary Income	6,500	127	-13%	6,500	127	-13%	Annual Ancillary Income
Annual Gross Potential Income	273,788	5,368	10%	366,452	7,185	48%	Annual Gross Potential Income
Occupancy	95.00%	268	0%	95.00%	359	0%	Occupancy
Effective Gross Income (EGI)	260,099	5,100	9%	348,129	6,826	46%	Effective Gross Income (EGI)

ITEMIZED EXPENSES - Annual Estimate of Annual Expense	As Is			As Complete			ITEMIZED EXPENSES - Annual Estimate of Annual Expense
	Restricted Projections	PUPA	%	Restricted Projections	PUPA	%	
Administrative							Administrative
Advertising	510	10	-30%	510	10	-30%	Advertising
Management Fee	26,010	510	-4%	34,813	683	29%	10.000% Management Fee
Other (Specify)	17,850	350	43%	17,850	350	43%	Other (Specify)
Total Administrative	44,370	870	10%	53,173	1,043	32%	Total Administrative
Operating							Operating
Elevator Maintenance Exp.	0	0	0	0	0	0	Elevator Maintenance Exp.
Fuel	0	0	0	0	0	0	Fuel - Heating
Fuel - Domestic Hot water	0	0	0	0	0	0	Fuel - Domestic Hot water
Lighting and Misc. Power	7,140	140	-5%	7,140	140	-5%	Lighting and Misc. Power
Water	1,020	20	-2%	1,020	20	-2%	Water
Gas	510	10	-14%	510	10	-14%	Gas
Garbage and Trash Removal	0	0	0	0	0	0	Garbage and Trash Removal
Payroll	25,500	500	-35%	25,500	500	-35%	Payroll
Other (Specify)	22,950	450	-3%	22,950	450	-3%	Other (Specify)
Total Operating	57,120	1,120	-21%	57,120	1,120	-21%	Total Operating
Maintenance							Maintenance
Decorating	1,785	35	-25%	1,785	35	-25%	Decorating
Repairs	2,550	50	63%	1,275	25	-19%	Repairs
Exterminating	5,100	100	3%	5,100	100	3%	Exterminating
Insurance	25,500	500	-12%	25,500	500	-12%	Insurance
Ground Expense	2,295	45	25%	2,295	45	25%	Ground Expense
Other (specify)	0	0	0	0	0	0	Other (specify)
Total Maintenance	37,230	730	-6%	35,955	705	-10%	Total Maintenance
Taxes							Taxes
Real Estate Tax	12,750	250	4%	15,300	300	25%	Real Estate Tax
Personal Property Tax	0	0	0	0	0	0	Personal Property Tax
Employee Payroll Tax	2,295	45	-34%	2,295	45	-34%	Employee Payroll Tax
Employee Benefits	5,100	100	-37%	5,100	100	-37%	Employee Benefits
Other	2,040	40	88%	2,040	40	88%	Other
Total Taxes	22,185	435	-11%	24,735	485	-1%	Total Taxes
Operating Exp. before RFR	160,905	3,155	-9%	170,983	3,353	-3%	Operating Exp. before RFR
Reserve For Replacement	15,300	300	-19%	15,300	300	-19%	Reserve For Replacement
Operating Exp. Incl. RFR	176,205	3,455	-10%	186,283	3,653	-5%	Operating Exp. Incl. RFR
NOI	83,894	1,645	97%	161,846	3,173	280%	NOI

Estimating Restricted Expenses Per Unit

Estimating Restricted Expenses Per Unit							
Subject As Is	Expenses	Subject As Complete	Comparable One	Comparable Two	Comparable Three	Comparable Four	IREM Region IV
\$10	Advertising	\$10	\$0	\$5	\$5	\$3	\$0
\$510	Management	\$683	\$465	\$513	\$511	\$362	\$619
\$350	Other Administrative Expenses	\$350	\$664	\$562	\$574	\$280	\$1,065
\$0	Elevator Maintenance Expense	\$0	\$0	\$0	\$0	\$0	\$0
\$0	Fuel	\$0	\$0	\$0	\$0	\$0	\$123
\$140	Lighting & Misc. Power	\$140	\$160	\$113	\$101	\$119	\$144
\$20	Water/Sewer	\$20	\$92	\$497	\$276	\$254	\$81
\$10	Gas	\$10	\$0	\$0	\$0	\$22	\$27
\$0	Garbage/Trash Removal	\$0	\$63	\$74	\$79	\$0	\$0
\$500	Payroll	\$500	\$161	\$286	\$130	\$441	\$536
\$450	Other Operating Expenses	\$450	\$201	\$228	\$130	\$272	\$382
\$35	Decorating	\$35	\$30	\$50	\$14	\$0	\$109
\$50	Repairs	\$25	\$0	\$0	\$0	\$96	\$364
\$100	Exterminating	\$100	\$31	\$51	\$53	\$0	\$0
\$500	Insurance	\$500	\$200	\$189	\$198	\$203	\$247
\$45	Ground Expenses	\$45	\$200	\$260	\$302	\$0	\$172
\$0	Other Maintenance	\$0	\$4	\$5	\$4	\$0	\$0
\$250	Real Estate Taxes	\$300	\$231	\$239	\$439	\$277	\$350
\$45	Payroll Taxes	\$45	\$51	\$62	\$37	\$0	\$0
\$100	Employee Benefits	\$100	\$15	\$21	\$17	\$0	\$0
\$40	Other Taxes	\$40	\$0	\$4	\$9	\$0	\$16
\$300	Replacement Reserves	\$300	\$255	\$966	\$262	\$0	\$0
\$3,455	Total Per Unit	\$3,653	\$2,823	\$4,125	\$3,141	\$2,329	\$4,235

Comments:

Subject expenses were estimated based on comparable apartments and industry norms. Comparable apartment expenses were estimated after discussions with area apartment managers. The comparable estimates were substantiated by the *2016 Income/Expense Analysis: Federally Assisted Apartments printed by the Institute of Real Estate Management*. No major fluctuations from the total expenses per unit are anticipated from the expenses provided above, although itemized expenses may deviate on the specific factors affecting the individual properties.

The expenses for the comparable apartments vary per unit but are consistently between 38 and 75 percent of the gross rent potential. The subject's expenses were estimated at 52 percent of the gross rent potential which is within the comparable range. Market expenses for the subject were categorized similar to the actual expenses as different properties categorize expenses in different ways. Explanations of specific itemized expenses are indicated on the following pages.

**Itemized Expense Explanations - Restricted
Expense Numbers per Unit**

Expense	As Is	As Complete	Comp Range
1. Advertising	\$10	\$10	\$0- \$5
An advertising expense of \$10 per unit was projected for the subject. A comparable range of \$0 to \$5 per unit was determined. Expenses such as advertising are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.			
2. Management	\$510	\$683	\$362-\$513
A management expense of \$510 per unit was projected for the as is scenario, and a management expense of \$683 per unit was projected for the as complete scenario. A comparable range of \$362 to \$513 was determined. The expense was projected based on ten percent of the effective gross income as per unit as indicated by the subject's historical financials.			
3. Other Administrative	\$350	\$350	\$280- \$664
An other administrative expense of \$350 per unit was projected. A comparable range of \$280 to \$664 was determined. The expense was projected considering the subject's historical financials and the comparable range.			
4. Elevator	\$0	\$0	\$0- \$0
The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.			
5. Fuel	\$0	\$0	\$0- \$0
The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.			
6. Lighting & Misc. Power	\$140	\$140	\$101-\$160
A lighting and miscellaneous power expense of \$140 was projected for the subject. A comparable range of \$101 to \$160 per unit was determined. The expense was projected considering the subject's historical financials, the comparable range and the <i>2016 Income/Expense Analysis: Federally Assisted Apartments</i> printed by Institute of Real Estate Management.			

- | | | | | |
|----|-------------|------|------|-------------|
| 7. | Water/Sewer | \$20 | \$20 | \$92- \$497 |
|----|-------------|------|------|-------------|
- A water/sewer expense of \$20 per unit was projected for the subject. A comparable range of \$92 to \$497 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|----|-----|------|------|----------|
| 8. | Gas | \$10 | \$10 | \$0-\$22 |
|----|-----|------|------|----------|
- A gas expense of \$10 per unit was projected for the subject. A comparable range of \$0 to \$22 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|----|-----------------------|-----|-----|-----------|
| 9. | Garbage/Trash Removal | \$0 | \$0 | \$0- \$79 |
|----|-----------------------|-----|-----|-----------|
- A garbage/trash removal expense of \$0 per unit was projected for the subject. A comparable range of \$0 to \$79 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|---------|-------|-------|-------------|
| 10. | Payroll | \$500 | \$500 | \$130-\$441 |
|-----|---------|-------|-------|-------------|
- The payroll expense of \$500 per unit was projected. A comparable range of \$130 to \$441 was determined. The expense was projected considering the subject's historical financials and the *2016 Income/Expense Analysis: Federally Assisted Apartments* printed by Institute of Real Estate Management.
- | | | | | |
|-----|--------------------------|-------|-------|-------------|
| 11. | Other Operating Expenses | \$450 | \$450 | \$130-\$272 |
|-----|--------------------------|-------|-------|-------------|
- An other operating expense of \$450 per unit was projected for the "as is" scenario and \$450 was projected for the "as complete" scenario. A comparable range of \$130 to \$272 was determined. The Expenses such as other operating are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|------------|------|------|-----------|
| 12. | Decorating | \$35 | \$35 | \$0- \$50 |
|-----|------------|------|------|-----------|
- A decorating expense of \$35 was projected. A comparable range of \$0 to \$50 was determined. The expense was projected considering the subject's historical financials and the comparable range.

- | | | | | |
|-----|---------|------|------|-----------|
| 13. | Repairs | \$50 | \$25 | \$0- \$96 |
|-----|---------|------|------|-----------|
- A repairs expense of \$50 was projected for the as is scenario. A comparable range of \$0 to \$96 was determined. Expenses such as repairs are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, fewer repairs will be required. Therefore, the as complete expense was projected lower than the as is expense.
- | | | | | |
|-----|---------------|-------|-------|-----------|
| 14. | Exterminating | \$100 | \$100 | \$0- \$53 |
|-----|---------------|-------|-------|-----------|
- An exterminating expense of \$100 per unit was projected. A comparable range of \$0 to \$53 was determined. Expenses such as exterminating are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-----------|-------|-------|--------------|
| 15. | Insurance | \$500 | \$500 | \$189- \$203 |
|-----|-----------|-------|-------|--------------|
- An insurance expense of \$500 per unit was projected for the subject's as is scenario, and \$500 per unit for the subject's as complete scenario. A comparable range of \$189 to \$203 per unit was determined. Expenses such as insurance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-----------------|------|------|-----------|
| 16. | Ground Expenses | \$45 | \$45 | \$0-\$302 |
|-----|-----------------|------|------|-----------|
- A ground expense of \$45 per unit was projected. A comparable range of \$0 to \$302 was determined. Ground expenses are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-------------------|-----|-----|----------|
| 17. | Other Maintenance | \$0 | \$0 | \$0- \$5 |
|-----|-------------------|-----|-----|----------|
- Other maintenance expenses of \$0 per unit were projected for the subject. A comparable range of \$0 to \$5 per unit was determined. Expenses such as other maintenance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.

- | | | | | |
|-----|-------------------|-------|-------|--------------|
| 18. | Real Estate Taxes | \$250 | \$300 | \$231- \$439 |
|-----|-------------------|-------|-------|--------------|
- A real estate tax expense of \$250 per unit was projected for the subject based on the information obtained by the McIntosh County Assessor's Office. It is likely that this expense will increase after completion of the rehabilitation. Therefore, the as complete expense was projected higher than the as is expense.
- | | | | | |
|-----|---------------|------|------|-----------|
| 19. | Payroll Taxes | \$45 | \$45 | \$0- \$62 |
|-----|---------------|------|------|-----------|
- Payroll taxes were projected at \$45 per unit. A comparable range of \$0 to \$62 was determined. The expense was projected considering the subject's historical financials and the comparable range.
- | | | | | |
|-----|-------------------|-------|-------|----------|
| 20. | Employee Benefits | \$100 | \$100 | \$0-\$21 |
|-----|-------------------|-------|-------|----------|
- Employee benefits were projected at \$100 per unit. A comparable range of \$0 to \$21 was determined. Expenses such as employee benefits are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|----------------------|-------|-------|-----------|
| 21. | Replacement Reserves | \$300 | \$300 | \$0-\$966 |
|-----|----------------------|-------|-------|-----------|
- A replacement reserves expense \$300 per unit was projected. This reserves expense is typical for restricted apartment complexes such as the subject.

Expenses before Reserves for Replacement

The subject's projected expenses per unit are \$3,155 before reserves for replacement. This is nine percent lower than the 2015 data. The comparables range from \$2,568 to \$3,159 per unit before reserves for replacement. All comparables are Section 8 and Rural Development properties located in the State of Georgia. The subject is within than the comparable range. The *2016 Income/Expense Analysis: Federally Assisted Apartments* published by the Institute of Real Estate Management indicates an overall expense per unit of \$4,235. Comparable 1 was constructed in 1990, contains 27 units and has total overall expenses of \$2,823 per unit; Comparable 2 was constructed in 1990, contains 21 units and has total overall expenses of \$4,125 per unit; Comparable 3 was constructed in 1991, contains 25 units and has total overall expenses of \$3,141 per unit; and Comparable 4 was constructed in 1975, contains 80 units and has total overall expenses of \$2,329 per unit. The subject was constructed in 1985 and is a 51-unit stabilized Rural Development property. Historically, the subject's overall expenses have ranged from \$2,803 to \$3,469 per unit before reserves for replacement. Therefore, the subject's expenses were deemed reasonable.

Operating Expenses & Market Projections

Property: Sawgrass Cove Apartments

Project #:

of Rental Units: 51

Revenue and Expense Analysis

Historical and Proforma

% change compared to preceding year.

2016 is base year for % changes for YTD current year annualized and projections.

REVENUE - Annual						REVENUE - Annual		
	2014	PUPA	2015	PUPA	%	2016	PUPA	%
Residential & Ancillary Income								
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Annual Ancillary Income	6,448	126	4,738	93	-27%	7,488	147	58%
Annual Gross Potential Income	236,070	4,629	238,244	4,671	1%	247,977	4,862	4%
Occupancy	N/A	N/A	N/A	N/A	N/A	96.15%	187	#VALUE
Effective Gross Income (EGI)	236,070	4,629	238,244	4,671	1%	238,422	4,675	0%

ITEMIZED EXPENSES - Annual						ITEMIZED EXPENSES - Annual		
Estimate of Annual Expense						Estimate of Annual Expense		
	2014	PUPA	2015	PUPA	%	2016	PUPA	%
Administrative								
Advertising	105	2	441	9	320%	726	14	65%
Management Fee	25,766	505	25,806	506	0%	27,025	530	5%
Other (Specify)	32,407	635	30,918	606	-5%	12,440	244	-60%
Total Administrative	58,278	1,143	57,165	1,121	-2%	40,191	788	-30%
Operating								
Elevator Maintenance Exp.	0	0	0	0	0	0	0	0
Fuel	0	0	663	13	0	0	0	-100%
Fuel - Domestic Hotwater	0	0	0	0	0	0	0	0
Lighting and Misc. Power	9,539	187	7,917	155	-17%	7,508	147	-5%
Water	1,415	28	1,024	20	-28%	1,036	20	1%
Gas	765	15	0	0	-100%	594	12	0
Garbage and Trash Removal	0	0	0	0	0	0	0	0
Payroll	25,219	494	910	18	-96%	39,227	769	4211%
Other (Specify)	12,807	251	22,680	445	77%	23,716	465	5%
Total Operating	49,745	975	33,194	651	-33%	72,081	1,413	117%
Maintenance								
Decorating	2,158	42	1,750	34	-19%	2,394	47	37%
Repairs	1,285	25	3,075	60	139%	1,565	31	-49%
Exterminating	8,858	174	7,495	147	-15%	4,949	97	-34%
Insurance	20,275	398	25,462	499	26%	29,014	569	14%
Ground Expense	372	7	4,660	91	1153%	1,830	36	-61%
Other (specify)	0	0	0	0	0	0	0	0
Total Maintenance	32,948	646	42,442	832	29%	39,752	779	-6%
Taxes								
Real Estate Tax	12,727	250	4,313	85	-66%	12,214	239	183%
Personal Property Tax	0	0	0	0	0	0	0	0
Employee Payroll Tax	3,762	74	1,962	38	-48%	3,463	68	77%
Employee Benefits	10,861	213	1,194	23	-89%	8,143	160	582%
Other	2,218	43	2,694	53	21%	1,088	21	-60%
Total Taxes	29,568	580	10,163	199	-66%	24,908	488	145%
Operating Exp. before RFR	170,539	3,344	142,964	2,803	-16%	176,932	3,469	24%
Reserve For Replacement	43,274	849	14,487	284	-67%	18,890	370	30%
Operating Exp. Incl. RFR	213,813	4,192	157,451	3,087	-26%	195,822	3,840	24%
NOI	22,257	436	80,793	1,584	263%	42,600	835	-47%

Property: Sawgrass Cove Apartments

Project #:

of Rental Units: 51

Revenue and Expense Analysis

Historical and Proforma

% change compared to preceding year.

REVENUE - Annual	As Is			As Complete			REVENUE - Annual
	Restricted Projections	PUPA	%	Restricted Projections	PUPA	%	
Residential & Ancillary Income							Residential & Ancillary Income
Annual Gross Potential Rental Income	388,200	7,612	61%	439,200	8,612	83%	Annual Gross Potential Rental Income
Annual Ancillary Income	6,500	127	-13%	6,500	127	-13%	Annual Ancillary Income
Annual Gross Potential Income	394,700	7,739	59%	445,700	8,739	80%	Annual Gross Potential Income
Occupancy	95.00%	387	0%	95.00%	437	0%	Occupancy
Effective Gross Income (EGI)	374,965	7,352	57%	423,415	8,302	78%	Effective Gross Income (EGI)

ITEMIZED EXPENSES - Annual Estimate of Annual Expense	As Is			As Complete			ITEMIZED EXPENSES - Annual Estimate of Annual Expense
	Restricted Projections	PUPA	%	Restricted Projections	PUPA	%	
Administrative							Administrative
Advertising	510	10	-30%	510	10	-30%	Advertising
Management Fee	14,999	294	-45%	16,937	332	-37%	4.000% Management Fee
Other (Specify)	17,850	350	43%	17,850	350	43%	Other (Specify)
Total Administrative	33,359	654	-17%	35,297	692	-12%	Total Administrative
Operating							Operating
Elevator Maintenance Exp.	0	0	0	0	0	0	Elevator Maintenance Exp.
Fuel	0	0	0	0	0	0	Fuel - Heating
Fuel - Domestic Hot water	0	0	0	0	0	0	Fuel - Domestic Hot water
Lighting and Misc. Power	7,140	140	-5%	7,140	140	-5%	Lighting and Misc. Power
Water	1,020	20	-2%	1,020	20	-2%	Water
Gas	510	10	-14%	510	10	-14%	Gas
Garbage and Trash Removal	0	0	0	0	0	0	Garbage and Trash Removal
Payroll	25,500	500	-35%	25,500	500	-35%	Payroll
Other (Specify)	22,950	450	-3%	22,950	450	-3%	Other (Specify)
Total Operating	57,120	1,120	-21%	57,120	1,120	-21%	Total Operating
Maintenance							Maintenance
Decorating	1,785	35	-25%	1,785	35	-25%	Decorating
Repairs	2,550	50	63%	1,275	25	-19%	Repairs
Exterminating	5,100	100	3%	5,100	100	3%	Exterminating
Insurance	25,500	500	-12%	25,500	500	-12%	Insurance
Ground Expense	2,295	45	25%	2,295	45	25%	Ground Expense
Other (specify)	0	0	0	0	0	0	Other (specify)
Total Maintenance	37,230	730	-6%	35,955	705	-10%	Total Maintenance
Taxes							Taxes
Real Estate Tax	17,850	350	46%	20,400	400	67%	Real Estate Tax
Personal Property Tax	0	0	0	0	0	0	Personal Property Tax
Employee Payroll Tax	2,295	45	-34%	2,295	45	-34%	Employee Payroll Tax
Employee Benefits	5,100	100	-37%	5,100	100	-37%	Employee Benefits
Other	2,040	40	88%	2,040	40	88%	Other
Total Taxes	27,285	535	10%	29,835	585	20%	Total Taxes
Operating Exp. before RFR	154,994	3,039	-12%	158,207	3,102	-11%	Operating Exp. before RFR
Reserve For Replacement	12,750	250	-33%	12,750	250	-33%	Reserve For Replacement
Operating Exp. Incl. RFR	167,744	3,289	-14%	170,957	3,352	-13%	Operating Exp. Incl. RFR
NOI	207,221	4,063	386%	252,458	4,950	493%	NOI

Estimating Market Expenses Per Unit

Estimating Market Expenses Per Unit							
Subject As Is	Expenses	Subject As Complete	Comparable One	Comparable Two	Comparable Three	Comparable Four	IREM Region IV
\$10	Advertising	\$10	\$18	\$0	\$5	\$94	\$0
\$294	Management	\$332	\$177	\$339	\$420	\$445	\$382
\$350	Other Administrative Expenses	\$350	\$75	\$67	\$0	\$0	\$650
\$0	Elevator Maintenance Expense	\$0	\$0	\$0	\$0	\$0	\$0
\$0	Fuel	\$0	\$0	\$0	\$0	\$0	\$43
\$140	Lighting & Misc. Power	\$140	\$148	\$47	\$269	\$296	\$161
\$20	Water/Sewer	\$20	\$120	\$224	\$0	\$0	\$278
\$10	Gas	\$10	\$6	\$0	\$0	\$0	\$7
\$0	Garbage/Trash Removal	\$0	\$23	\$52	\$0	\$0	\$0
\$500	Payroll	\$500	\$734	\$0	\$0	\$0	\$628
\$450	Other Operating Expenses	\$450	\$0	\$218	\$0	\$0	\$282
\$35	Decorating	\$35	\$0	\$25	\$0	\$0	\$190
\$50	Repairs	\$25	\$400	\$201	\$523	\$524	\$407
\$100	Exterminating	\$100	\$0	\$1	\$79	\$0	\$0
\$500	Insurance	\$500	\$250	\$0	\$408	\$289	\$248
\$45	Ground Expenses	\$45	\$0	\$145	\$0	\$0	\$193
\$0	Other Maintenance	\$0	\$0	\$18	\$199	\$363	\$0
\$350	Real Estate Taxes	\$400	\$470	\$154	\$932	\$584	\$696
\$45	Payroll Taxes	\$45	\$0	\$0	\$0	\$0	\$0
\$100	Employee Benefits	\$100	\$0	\$0	\$0	\$0	\$0
\$40	Other Taxes	\$40	\$0	\$0	\$0	\$0	\$11
\$250	Replacement Reserves	\$250	\$300	\$0	\$105	\$0	\$0
\$3,289	Total Per Unit	\$3,352	\$2,721	\$1,491	\$2,940	\$2,595	\$4,176

Comments:

Subject expenses were estimated based on comparable apartments and industry norms. Comparable apartment expenses were estimated after discussions with area apartment managers. The comparable estimates were substantiated by the *2016 Income/Expense Analysis: Conventional Apartments printed by the Institute of Real Estate Management*. No major fluctuations from the total expenses per unit are anticipated from the expenses provided above, although itemized expenses may deviate on the specific factors affecting the individual properties.

The expenses for the comparable apartments vary per unit but are consistently between 39 and 45 percent of the gross rent potential. The subject's expenses were estimated at 39 percent of the gross rent potential which is within the comparable range. Market expenses for the subject were categorized similar to the actual expenses as different properties categorize expenses in different ways. Explanations of specific itemized expenses are indicated on the following pages.

**Itemized Expense Explanations - Market
Expense Numbers per Unit**

	Expense	As Is	As Complete	Comp Range
1.	Advertising	\$10	\$10	\$0- \$94
	An advertising expense of \$10 per unit was projected for the subject. A comparable range of \$0 to \$94 per unit was determined. The expense was projected considering the subject's historical financials and the comparable range.			
2	Management	\$294	\$332	\$177-\$445
	A management expense of \$294 per unit was projected for the as is scenario, and a management expense of \$332 per unit was projected for the as complete scenario. A comparable range of \$177to \$445 was determined. The expense was projected using approximately four percent of the effective gross income as indicated by the comparables.			
3.	Other Administrative	\$350	\$350	\$0-\$75
	An other administrative expense of \$350 per unit was projected. A comparable range of \$0 to \$75 was determined. Expenses such as other administrative are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.			
4.	Elevator	\$0	\$0	\$0-\$0
	The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.			
5.	Fuel	\$0	\$0	\$0-\$0
	The property does not have this expense. The expense is not typical in the market. Therefore, no expense was projected.			
6.	Lighting & Misc. Power	\$140	\$140	\$47-\$296
	A lighting and miscellaneous power expense of \$140 was projected for the subject. A comparable range of \$47 to \$296 per unit was determined. The expense was projected considering the subject's historical financials, the comparable range and the <i>2016 Income/Expense Analysis: Conventional Apartments</i> printed by Institute of Real Estate Management.			

- | | | | | |
|----|-------------|------|------|-----------|
| 7. | Water/Sewer | \$20 | \$20 | \$0-\$224 |
|----|-------------|------|------|-----------|
- A water/sewer expense of \$20 per unit was projected for the subject. A comparable range of \$0 to \$224 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|----|-----|------|------|---------|
| 8. | Gas | \$10 | \$10 | \$0-\$6 |
|----|-----|------|------|---------|
- A gas expense of \$10 per unit was projected for the subject. A comparable range of \$0 to \$6 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|----|-----------------------|-----|-----|----------|
| 9. | Garbage/Trash Removal | \$0 | \$0 | \$0-\$52 |
|----|-----------------------|-----|-----|----------|
- A garbage/trash removal expense of \$0 per unit was projected for the subject. A comparable range of \$0 to \$52 per unit was determined. Due to properties having unique utility characteristics, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|---------|-------|-------|-----------|
| 10. | Payroll | \$500 | \$500 | \$0-\$734 |
|-----|---------|-------|-------|-----------|
- The payroll expense of \$500 per unit was projected. A comparable range of \$0 to \$734 was determined. The expense was projected considering the subject's historical financials, the comparable range and the *2016 Income/Expense Analysis: Conventional Apartments* printed by Institute of Real Estate Management.
- | | | | | |
|-----|--------------------------|-------|-------|-----------|
| 11. | Other Operating Expenses | \$450 | \$450 | \$0-\$218 |
|-----|--------------------------|-------|-------|-----------|
- An other operating expense of \$450 per unit was projected. A comparable range of \$0 to \$218 was determined. Expenses such as other operating are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|------------|------|------|----------|
| 12. | Decorating | \$35 | \$35 | \$0-\$25 |
|-----|------------|------|------|----------|
- A decorating expense of \$35 was projected. A comparable range of \$0 to \$25 was determined. Expenses such as decorating are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.

- | | | | | |
|-----|---------|------|------|-------------|
| 13. | Repairs | \$50 | \$25 | \$201-\$524 |
|-----|---------|------|------|-------------|
- A repairs expense of \$50 was projected for the as is scenario. A comparable range of \$201 to \$524 was determined. Expenses such as repairs are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials. The subject will undergo a substantial rehabilitation. Upon completion of the rehabilitation, fewer repairs will be required. Therefore, the as complete expense was projected lower than the as is expense.
- | | | | | |
|-----|---------------|-------|-------|----------|
| 14. | Exterminating | \$100 | \$100 | \$0-\$79 |
|-----|---------------|-------|-------|----------|
- An exterminating expense of \$100 per unit was projected. A comparable range of \$0 to \$79 was determined. Expenses such as exterminating are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-----------|-------|-------|-----------|
| 15. | Insurance | \$500 | \$500 | \$0-\$408 |
|-----|-----------|-------|-------|-----------|
- An insurance expense of \$500 per unit was projected for the subject's as is scenario, and \$500 per unit for the subject's as complete scenario. A comparable range of \$0 to \$408 per unit was determined. Expenses such as insurance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-----------------|------|------|-----------|
| 16. | Ground Expenses | \$45 | \$45 | \$0-\$145 |
|-----|-----------------|------|------|-----------|
- A ground expense of \$45 per unit was projected. A comparable range of \$0 to \$145 was determined. Ground expenses are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-------------------|-----|-----|-----------|
| 17. | Other Maintenance | \$0 | \$0 | \$0-\$363 |
|-----|-------------------|-----|-----|-----------|
- Other maintenance expenses of \$0 per unit were projected for the subject. A comparable range of \$0 to \$363 per unit was determined. Expenses such as other maintenance are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.

- | | | | | |
|-----|-------------------|-------|-------|-------------|
| 18. | Real Estate Taxes | \$350 | \$400 | \$154-\$932 |
|-----|-------------------|-------|-------|-------------|
- A real estate tax expense of \$350 per unit was projected based upon the tax analysis completed on page 75. It is likely that this expense will increase after completion of the rehabilitation. Therefore, the as complete expense was projected higher than the as is expense.
- | | | | | |
|-----|---------------|------|------|---------|
| 19. | Payroll Taxes | \$45 | \$45 | \$0-\$0 |
|-----|---------------|------|------|---------|
- Payroll taxes were projected at \$45 per unit. A comparable range of \$0 to \$0 was determined. Expenses such as payroll taxes are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|-------------------|-------|-------|---------|
| 20. | Employee Benefits | \$100 | \$100 | \$0-\$0 |
|-----|-------------------|-------|-------|---------|
- Employee benefits were projected at \$100 per unit. A comparable range of \$0 to \$0 was determined. Expenses such as employee benefits are typically based on unique property characteristics. Therefore, the subject's historical data was determined to be the most accurate indicator of this expense. The expense was projected using the subject's historical financials.
- | | | | | |
|-----|----------------------|-------|-------|-----------|
| 21. | Replacement Reserves | \$250 | \$250 | \$0-\$300 |
|-----|----------------------|-------|-------|-----------|
- A replacement reserves expense of \$250 per unit was projected. This reserves expense is typical for market-rate apartment complexes.

Expenses before Reserves for Replacement

The subject's projected expenses per unit are \$3,039 before reserves for replacement. This is 12 percent lower than the 2015 data. The comparables range from \$1,491 to \$2,835 per unit before reserves for replacement. The subject is slightly higher than the comparable range. The *2016 Income/Expense Analysis: Federally Conventional Apartments* published by the Institute of Real Estate Management indicates an overall expense per unit of \$4,176. Comparable 1 was constructed in 1984, contains 130 units and has total overall expenses of \$2,721 per unit; Comparable 2 was constructed in 1966, contains 19 units and has total overall expenses of \$1,491 per unit; Comparable 3 was constructed in 2008, contains 32 units and has total overall expenses of \$2,940 per unit; and Comparable 4 was constructed in 1978, contains 69 units and has a total overall expenses of \$2,595. The subject was constructed in 1985 and is a 51-unit stabilized Rural Development property. Historically, the subject's overall expenses have ranged from \$2,803 to \$3,469 per unit before reserves for replacement. Therefore, the subject's expenses were deemed reasonable.

Net Operating Income Conclusions

Expenses after Reserves for Replacement

The subject's expenses were projected considering the subject's operating history, the expense data of the comparables and the information contained in the *2016 Income/Expense Analysis: Federally Assisted Apartments* printed by the Institute of Real Estate Management and the *2016 Income/Expense Analysis: Conventional Apartments* printed by the Institute of Real Estate Management.

Direct Capitalization

Most apartment appraisers as well as buyers, sellers and lenders prefer value estimates derived from direct capitalization rather than discounted cash flow analysis. Other than in cases where the client and appraiser believe that the achievable income from an apartment property has not approximated its stabilized income, the net operating income to the property can be directly capitalized as of the effective date of the appraisal, based on the current yield to the property. In this situation, the discounting of forecast cash flows on a yield-to-maturity basis is considered superfluous. The use of overall cash flow analysis under other circumstances is discussed in the following section.

An overall capitalization rate (R_o) is the usual expression of the relationship between the net operating income and the value of the property (the R_o is the reciprocal of a net income multiplier). Overall capitalization rates are derived from the simple formula

$$\text{Rate} = \text{Income}/\text{Value of } R_o = I/V$$

A capitalization rate is typically expressed as a percentage. For example, if the net operating income to a comparable property was \$1.8 million and its value/price was \$20 million, the overall capitalization rate would be 9.0% (the reciprocal, 11.1, is the property's net income multiplier).

An overall capitalization rate incorporates many considerations, including the likelihood that property income will increase, the momentum and duration of such an increase, and the risk and timing of a possible decrease. It reflects judgments regarding the recapture of investment and property depreciation. An overall capitalization rate can be developed on the basis of the relative allocation between, or weighting of, property components (e.g., mortgage and equity), and the respective capitalization rates of both components. This procedure is known as the band of investment technique. The specific allocation between financial components is supported by their relative risk rating based on which component has the prior claim to payment; for example, mortgages are paid before equity investors.

Other ways to apportion NOI are among the physical and ownership components of the property. When the property's NOI, the value of one property component, and the capitalization rates of both property components are known, a residual technique is applied to estimate the value of the property component

of unknown value. The income to the property component of known value is deducted from the property's NOI, and the residual income attributable to the property component of unknown value is capitalized. In many cases, however, it is not necessary to apportion an overall rate or net operating income to property components.

Market Derived Capitalization Rates

Income and expense data from comparable properties were analyzed to derive the capitalization rate. To derive the capitalization rate, the appraiser used the direct capitalization method, which consists of dividing the net income by the value.

The direct capitalization method will both reflect the value of income at yields attractive to a prospective investor and provide for the recapture of wasting purchase capital. The capitalization rate shows the rate of return for land, as well as the rate of return for the buildings. It also reflects the relationship between the income from the entire property and the value of the entire property.

Comparable Capitalization Rates

Comparable #	Comparable Address	Number of Units	Date of Sale	NOI /	Sales Price =	Indicated Capitalization
1	501 Burke Drive Hinesville, Georgia	222	3/21/2016	\$1,838,140	\$25,180,000	7.30%
2	505 Harris Trail Road Richmond Hill, Georgia	233	5/1/2015	\$977,619	\$14,790,000	6.61%
3	9400 Abercorn Street Savannah, Georgia	278	12/15/2016	\$1,192,800	\$21,000,000	5.68%
4	5800 Altama Avenue Brunswick, Georgia	111	9/2/2015	\$368,125	\$4,750,000	7.75%
5	5801 Altama Avenue Brunswick, Georgia	108	5/30/2016	\$425,250	\$6,300,000	6.75%
6	422 Connell Road Valdosta, Georgia	150	9/9/2015	\$515,200	\$7,000,000	7.36%

The comparables indicate a range of 5.68 to 7.75 percent for indicated capitalization rates, with a mean of 6.91 percent. The appraiser selected a weighted capitalization rate of 7.00 percent.

Realty Rates Survey

The Realty Rates Market Survey was considered in this analysis. The RealtyRates.com Market Survey First Quarter 2017 found that investors in apartments in the South Atlantic Region which includes the State of Georgia indicated an overall capitalization rate of 8.20 percent. The Realty Rates Investor Survey was also considered in this analysis. The RealtyRates.com Investor Survey First Quarter 2017 indicates a range of 4.54 to 12.72 percent for capitalization rates, with a median capitalization rate of 7.85 percent.

PwC Real Estate Investor Survey

The PwC Real Estate Investor Survey was considered in this analysis. The National Apartment Market survey for the first quarter of 2017 found that investors in apartments indicate overall capitalization rates ranging from 3.50 percent to 8.00 percent, with an average of 5.33 percent.

Band of Investment – Conventional Terms

Another method of arriving at a capitalization rate is the Band of Investment Method. This method is based on typical mortgage terms currently available and expected investment return. For the mortgage component of the band of investment, mortgage brokers, current periodicals and rate sheets were consulted relative to mortgage terms, interest rates and investor yield rates. Based on the subject's physical and economic characteristics, the following components were used in this analysis.

Capitalization Rate Analysis					
Mortgage Interest Rate	5.00%		Loan To Value Ratio	80%	
Loan Term (Years)	30		Debt Coverage Ratio	1.20	
			Equity Dividend Rate	10.00%	
Band of Investment					
Mortgage Constant		Loan Ratio			
0.06442	x	80%	=	0.0515	Mortgage Component
Equity Dividend Rate		Equity Ratio			
10%	x	0.20	=	0.02	Equity Component
Capitalization Rate				7.15%	
Debt Coverage Ratio Analysis					
Debt Coverage Ratio	x	LTV	x	Mortgage Constant	
1.20	x	80%	x	0.06442	= 0.061842
Capitalization Rate				6.18%	

Mortgage financing from local lenders indicated that a typical interest rate is 5.00 percent. The typical loan term is 30 years and the loan-to-value ratio is 80 percent. Therefore a capitalization rate of 7.15 percent was determined.

Determination of the Market Capitalization Rate

The PwC Real Estate Investor Survey indicated an average capitalization rate of 5.33 percent. From the sales available in the area a capitalization rate of 7.00 percent was determined. The RealtyRates.com Market Survey indicated an average capitalization rate of 8.20 percent. The RealtyRates.com Investor Survey indicated a median capitalization rate of 7.85 percent. The band of investment indicated a capitalization rate of 7.15 percent. The comparable sales were determined to be the most accurate reflection of the market capitalization rate. Therefore, a capitalization rate of 7.00 percent was determined to be appropriate for the market values.

Income Values

Market	As Is	\$207,221 /7.00%	=	\$2,960,306
Market	As Complete	\$252,458 /7.00%	=	\$3,606,549
		Market Rate As Is Value	=	\$2,960,000
		Market Rate As Complete Value	=	\$3,605,000

Determination of Capitalization Rate Considering Subject's Rental Assistance

Due to the presence of Rental Assistance, properties similar to the subject have guaranteed income streams and typically have higher occupancy rates than market properties. As a result, the marketplace shows a preference for these types of properties with Rental Assistance, and the market indicates a lower capitalization rate as a result. Therefore, a slightly more aggressive capitalization rate of one half-point to one full point is seen in the market. The capitalization rate was adjusted from the market-indicated rate of 7.00 percent to a capitalization rate one point lower at **6.00 percent** for the property's restricted valuations.

Restricted	As Is	\$83,894 /6.00%	=	\$1,398,229
Restricted	As Complete	\$161,846 /6.00%	=	\$2,697,441
		Restricted Rate As Is Value	=	\$1,400,000
		Restricted Rate As Complete Value	=	\$2,695,000

Population

The population for the subject’s neighborhood for 2017, according to U.S. Census Bureau and Nielson Claritas, is 13,927, a decrease of (406) people from the 2010 population of 14,333. The population is expected to increase at an annual rate of 0.7 percent between 2017 and 2022. Therefore, the 2022 population is projected at 14,019.

Unemployment Trends

The unemployment rate has fluctuated from 4.1 percent to 10.6 percent over the past 12 years. These fluctuations are in line with the unemployment rates for the State of Georgia.

LABOR FORCE AND EMPLOYMENT TRENDS FOR MCINTOSH COUNTY					
ANNUALS	CIVILIAN LABOR FORCE*	EMPLOYMENT		UNEMPLOYMENT	
		TOTAL	%	TOTAL	%
2005	5,231	4,951	94.6%	280	5.4%
2006	5,283	5,054	95.7%	229	4.3%
2007	5,398	5,178	95.9%	220	4.1%
2008	5,469	5,145	94.1%	324	5.9%
2009	5,276	4,741	89.9%	535	10.1%
2010	6,289	5,625	89.4%	664	10.6%
2011	6,188	5,530	89.4%	658	10.6%
2012	6,033	5,444	90.2%	589	9.8%
2013	5,933	5,399	91.0%	534	9.0%
2014	5,873	5,409	92.1%	464	7.9%
2015	5,817	5,440	93.5%	377	6.5%
2016	6,065	5,715	94.2%	350	5.8%
2017**	6,027	5,674	94.1%	353	5.9%

* Data based on place of residence.

**Preliminary - based on monthly data through February 2017

Source: U.S. Bureau of Labor Statistics Data

Median Household Income

The median household income for the neighborhood in 2017 is \$39,161. It is expected to increase to \$41,462 by 2022. The per capita income is \$14,197.

Median Home Value

The median home value for the neighborhood in 2017, according to U.S. Census Bureau and Nielson Claritas, is \$89,600. According to U.S. Census Bureau and Nielson Claritas, the average amount spent for owner-occupied households in the subject’s neighborhood is \$249.00, or \$21 per month. The average amount spent for renter-occupied households is \$406.00, or \$34 per month.

Realty Rates Market Survey

The Realty Rates Market Survey was considered in this analysis. The following table indicates the fluctuation of capitalization rates within the Atlanta Metropolitan Region. Capitalization rates ranged from 7.80 to 7.90 percent in 2015, with an average of 7.85 percent.

REALTY RATES MARKET SURVEY – ATLANTA AREA CAPITALIZATION RATES			
QUARTER	2014	2015	2016
1 ST Quarter	8.10%	7.80%	7.90%
2 nd Quarter	8.00%	7.80%	---
3 rd Quarter	8.00%	7.90%	---
4 th Quarter	7.90%	7.80%	---

Source: RealtyRates.com Atlanta Metropolitan Region

Comparable Sales Analysis

Comparable market sales that sold within the State of Georgia were analyzed to determine any trend in the area. The following table lists the comparables used in this analysis. Capitalization rates ranged from 5.00 to 9.00 percent between 2001 and 2014.

Property Name	Number Of Units	Sale Date	NOI	Sale Price	Capitalization Rate
Le Chateau	66	9/7/2001	\$1,084,005	\$14,453,403	7.50%
Whispering Pines Apartments	40	10/5/2001	\$102,165	\$1,225,000	8.34%
Highland Manor	21	6/18/2002	\$96,320	\$1,400,000	6.88%
Park Village Apartments	68	1/23/2003	\$196,000	\$2,800,000	7.00%
Del Mar Apartments	64	4/2/2003	\$163,438	\$1,870,000	8.74%
Royal Emory Apartments	24	5/5/2003	\$158,550	\$2,100,000	7.55%
Wood Court Apartments	52	5/20/2003	\$113,646	\$1,612,000	7.05%
Norwood Apartments	68	5/28/2003	\$195,840	\$2,176,000	9.00%
Dwell Villas	40	6/17/2003	\$85,420	\$1,247,000	6.85%
Park Gate Apartments	23	6/20/2003	\$135,060	\$1,565,000	8.63%
Woodstock Station	56	10/31/2003	\$322,350	\$3,684,000	8.75%
Peachtree Memorial Crest	20	3/12/2004	\$121,210	\$1,550,000	7.82%
Ramsgate Apartments	60	3/24/2004	\$242,238	\$2,820,000	8.59%
Harvard House Apartments	24	5/3/2004	\$64,838	\$997,500	6.50%
West Gate Manor	64	5/28/2004	\$205,310	\$2,450,000	8.38%
Palms Condominiums	70	7/6/2004	\$331,684	\$4,040,000	8.21%
The Frederica Condominium	46	8/2/2004	\$272,369	\$3,258,000	8.36%
Maxwell Place	27	9/8/2004	\$171,405	\$1,950,000	8.79%
Courtyard on Kirkwood	32	10/27/2004	\$73,103	\$902,500	8.10%
Riviera Terrace	45	11/30/2004	\$264,240	\$3,600,000	7.34%
Chelsea Court	56	1/4/2005	\$225,109	\$2,563,884	8.78%
Jasmine Gardens	40	1/5/2005	\$114,750	\$1,350,000	8.50%
Knox Landing Apartments	40	1/31/2005	\$83,928	\$1,475,000	5.69%
Lauren Heights Apartments	48	3/25/2005	\$188,100	\$2,200,000	8.55%
Pine Hills	48	4/20/2005	\$168,228	\$2,424,000	6.94%
Highland Springs Apartments	66	8/19/2005	\$203,235	\$2,550,000	7.97%
Auburn Place Apartments	28	9/30/2005	\$89,565	\$1,050,000	8.53%
Highland Glen Apartments	31	11/23/2005	\$90,520	\$1,550,000	5.84%
North Avenue Apartments	34	11/23/2005	\$107,300	\$1,850,000	5.80%
Washington Arms Apartments	40	1/13/2006	\$115,130	\$1,588,000	7.25%
Forrest Grove Apartments	20	1/27/2006	\$82,560	\$960,000	8.60%
Somerset Apartments	40	6/30/2006	\$148,800	\$2,000,000	7.44%
Beverly Forest Apartments	41	7/31/2006	\$99,774	\$1,271,000	7.85%
Brighton Manor Apartments	40	8/9/2006	\$131,840	\$1,600,000	8.24%
Kirkwood Apartments	53	10/28/2007	\$201,760	\$2,600,000	7.76%
Waters Edge Apartments	48	1/25/2008	\$149,850	\$1,850,000	8.10%
Northside Apartments	22	2/22/2008	\$81,035	\$950,000	8.53%
Waldan Chase Apartments	60	4/7/2008	\$273,192	\$3,414,900	8.00%
Twin Keys Apartments	68	3/30/2009	\$201,000	\$3,350,000	6.00%
Paine Villas	22	1/1/2010	\$57,600	\$720,000	8.00%
Main Street Apartments	32	7/28/2010	\$38,211	\$470,000	8.13%
DeFours Crossing	60	8/16/2010	\$240,000	\$3,000,000	8.00%
Park Gate Apartments	23	11/18/2010	\$72,500	\$1,000,000	7.25%
Clisby Towers	52	4/14/2011	\$117,000	\$1,300,000	9.00%
Inman Way Apartments	28	2/9/2012	\$139,344	\$1,592,500	8.75%
Rumson Court Apartments	20	11/5/2012	\$56,375	\$1,025,000	5.50%
Gardens on Gaston	20	4/10/2013	\$131,070	\$1,700,000	7.71%
Cedar Bluffs Apartments	31	4/16/2013	\$132,600	\$1,580,000	8.50%
Proctor Square Apartments	72	6/18/2013	\$137,283	\$2,225,000	6.17%
Pine Hill Places	73	7/1/2013	\$138,059	\$1,627,500	8.36%
Oakwood Village Apartments	70	7/1/2013	\$98,616	\$1,680,000	5.87%
Waterbury Apartments	53	7/3/2013	\$112,219	\$1,496,250	7.50%
1045 on the Park Apartment Homes	30	7/9/2013	\$592,515	\$9,450,000	6.27%
Creekstone Apartments Phase II	72	7/16/2013	\$150,900	\$3,000,000	5.03%
Erwin North	32	7/22/2013	\$72,450	\$905,000	9.00%
Student Quarters Bay Tree	32	10/10/2013	\$265,200	\$3,900,000	6.80%
Brooks Trace Apartments	49	10/10/2013	\$363,937	\$4,363,750	8.34%
Sherwood Arms	44	10/30/2013	\$31,980	\$390,000	8.20%
Townhomes at Hapeville	34	1/23/2014	\$77,900	\$950,000	8.20%
Brick Pointe	56	2/1/2014	\$158,950	\$1,825,000	8.60%
Pine Ridge Apartments	29	2/18/2014	\$71,775	\$825,000	8.70%
Jefferson Ridge Townhomes	22	4/14/2014	\$81,900	\$975,000	8.40%
Waterbury	53	6/30/2014	\$145,440	\$1,818,000	8.00%
Woodbridge Apartments	28	7/2/2014	\$123,750	\$1,650,000	7.50%
Pecan Terrace	36	8/28/2014	\$114,026	\$1,420,000	8.03%
DeFours Crossing	60	9/23/2014	\$235,571	\$4,610,000	5.11%
Pine Hill Places	73	10/27/2014	\$169,200	\$2,115,000	8.00%
West Gate Manor	48	12/4/2014	\$93,500	\$1,100,000	8.50%
Courtyard on Kirkwood	32	12/18/2014	\$148,813	\$2,175,000	6.75%
Azalea Place	42	1/15/2015	\$100,300	\$1,180,000	8.50%
Forest Ridge Apartments	75	1/20/2015	\$168,560	\$2,107,000	8.00%
University Crossing	48	1/23/2015	\$284,925	\$4,350,000	6.55%
Crown Mill Village Lofts	66	1/31/2015	\$370,760	\$5,200,000	7.13%
Hawaiian Village MHP	44	3/3/2015	\$8,804	\$178,074	5.00%
Pines at Lawrenceville Hwy	66	3/31/2015	\$254,200	\$3,100,000	8.20%
Salem Chase	64	4/1/2015	\$292,250	\$4,175,000	7.00%

Value of Tax Credits

For the purposes of this analysis, the likely market value of the tax credits allocated to the subject has been estimated. The subject is a proposed rehabilitation. The following information is based on the assumption that the development will receive tax credit allocations. The developer is assuming that the property will receive an annual allocation of \$328,923 from the Georgia Department of Community Affairs for low-income housing tax credits. The total for the 10-year period will be \$3,289,233. To determine the value of the tax credits, the average price for tax credits in the area was established by utilizing interviews with syndicators, developers and mortgage lenders as well as published sources.

Analysis of Tax Credits

The following analysis is used to develop a present value for the subject's tax credits. Percentages utilized were based on similar transactions as well as interviews with state and federal authorities to arrive at an accurate market value for the allocated tax credits.

Value of Tax Credits

Assumed Federal Allocation:	=	\$2,141,826	
Price	x 1.00	= \$2,141,826	\$ 3,589,471

Assumed State Allocation:	=	\$1,147,407	
Price	x 0.45	= \$516,333	\$ 516,333

Value of State Tax Credits = \$4,105,804

Rounded = \$4,105,000

RECONCILIATION AND CONCLUSIONS

Conclusion of Value

Reconciliation involves the weighing of the three approaches in relation to their importance or their probable influence on the reactions of typical uses and investors in the market. Consideration is given to the quality and quantity of the data available for examination in each approach, to the inherent advantages and disadvantages of each approach, and to the relevancy of each to the subject property.

The Cost Approach considers the current cost of replacing a property, less depreciation from three sources: physical deterioration, functional obsolescence and external obsolescence. A summation of the market value of the land, assumed vacant and the depreciated replacement cost of the improvements provides an indication of the total value of the property. This approach is given less consideration as the validity of this approach decreases as the property's age increases.

The Income Approach is typically used when the real estate is commonly developed, or bought and sold for the anticipated income stream. Income and expense data of similar properties in Darien and the surrounding area were used in this analysis. The most weight is accorded to the indication via the Income Comparison Approach in the final value conclusion.

The Sales Comparison Approach is a reflection of the buying and selling public based on physical and/or financial units of comparison. The market for properties similar to the subject has been active in the subject's market area. As was noted in the improved sales analysis, the range of unit values after adjustments was relatively narrow. Quantitative (percentage) adjustments for the differences between the comparables and the subject were made to the comparables.

The indicated value of the subject would best be represented by a value within this range. The data utilized and the value indicated by the three approaches is considered appropriate in estimating the value of the subject property. Weight is given to the Income Comparison Approaches and this value is considered to provide the best indication of value for the subject.

The market value of the fee simple estate, unrestricted or conventional, subject to short-term leases, was determined under the hypothetical condition that the subject was a conventional property and not subject to any rent restrictions.

The "prospective" values of the fee simple estate were determined under the extraordinary assumption that the rehabilitation is completed as detailed in the scope of work and that the proposed rents indicated in the report are approved.

The following values are determined for Hallmark Sawgrass Cove Apartments, LP and Georgia Department of Community Affairs:

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the market value of the land, as of April 13, 2017, is as follows.

TWO HUNDRED TWENTY THOUSAND DOLLARS

\$220,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to market rents, as of April 13, 2017, is as follows.

TWO MILLION NINE HUNDRED SIXTY THOUSAND DOLLARS

\$2,960,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "As Is" market value of the subject property, subject to restricted rents, as of April 13, 2017, is as follows.

ONE MILLION FOUR HUNDRED THOUSAND DOLLARS

\$1,400,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value upon completion and as stabilized (unrestricted rents) of the subject property, as of December 31, 2018, is as follows.

THREE MILLION SIX HUNDRED FIVE THOUSAND DOLLARS

\$3,605,000

Based on the data, analyses and conclusions presented in the attached report, it is my opinion the "Prospective" market value, upon completion and as stabilized (restricted rents), as of December 31, 2018, is as follows.

TWO MILLION SIX HUNDRED NINETY FIVE THOUSAND DOLLARS

\$2,695,000

Based on the data, analyses and conclusions presented in the attached report, it is our opinion that the value of the Low Income Housing Tax Credits, as of April 13, 2017, is as follows:

FOUR MILLION ONE HUNDRED FIVE THOUSAND DOLLARS

\$4,105,000

Sources Used

Information used in the appraisal was obtained from various sources including; the U.S. Census Bureau, Nielsen Claritas and Ribbon Demographics, U.S. Bureau of Labor Statistics, interviews with local city and government officials and interviews with local property owners or managers.

ADDENDUM A

STATE OF FLORIDA
COUNTY OF ALACHUA

WARRANTY DEED

THIS INDENTURE, Made this 15th day of August, in the Year of Our Lord One Thousand Nine Hundred and Eighty-four, between RONNIE C. DAVIS, of the first part, and DARIEN LTD., a limited partnership of Camden County, Georgia, having as its general partner Ronnie C. Davis, of the second part.

WITNESSETH: That the said party of the first part, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations in hand paid at and before the ing and delivery of these presents, the receipt whereof is hereby acknowledged; has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto the said party of the second part, its successors and assigns, all that lot, tract or parcel of land lying and being in the City of Darien, 1771st G.M. District, McIntosh County, Georgia, more particularly described as follows:

TO ARRIVE AT A POINT OF BEGINNING, from the point where the centerline of Georgia Highway 99 intersects the Northerly right-of-way line, if extended, of McIntosh Road, sometimes called Ft. King George Drive (a 120 foot right-of-way), extend South 42° 16' East 110.9 feet to an iron pin which is the point of beginning; AND FROM SAID POINT OF BEGINNING, running North 41° 34' East 302.30 feet to an iron pin; thence, running North 39° 35' East 398 feet to an iron pin in the Southerly line of a public road; thence, running North 85° 32' East along the Southerly line of said road 199.4 feet to an iron pin; thence, running South 85° 41' East along the Southerly line of said road 135.28 feet to an iron pin; thence, running South 74° 07' East along the Southerly line of said road 90.37 feet to an iron pin; thence, running South 29° 06' West 1043.68 feet to an iron pin in the Northeasterly right-of-way line of McIntosh Road; thence, running North 42° 16' West along the Northeasterly right-of-way line of McIntosh Road 538.94 feet to the point of beginning. Containing 8.866 acres, and being more fully and accurately shown and described as all of Parcel "B" on that certain plat of survey by C. E. Williams, Georgia Registered Land Surveyor No. 1565, dated August 14, 1981, recorded in Plat Book 4, page 62, McIntosh County, Georgia, records.

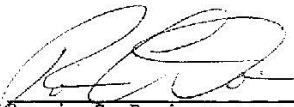
TO HAVE AND TO HOLD the said bargained premises, together

ES C. SMITH, JR.
Attorney At Law
1709 Osborne Road
St. Marys, Ga. 31558
912/882-4348

with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining to the only proper use, benefit and behoof of the said party of the second part, its successors and assigns, IN FEE SIMPLE.

And the said party of the first part, for himself, his heirs, executors and administrators will warrant and forever defend the right and title to the above described property unto the said party of the second part, its successors and assigns, against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the said party of the first part has hereunto set his hand and affixed his seal, the day and year above written.



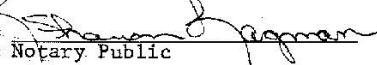
Ronnie C. Davis (Seal)

Signed, sealed and delivered

in the presence of:



Witness



Notary Public
Notary Public, State of Florida
My Commission Expires June 1, 1985
Bonds: The Fidelity Insurance, Inc.

EXHIBIT "A"

All that lot, tract or parcel of land, lying and being in the City of Darien, 1771st G.M. District, McIntosh County, Georgia, more particularly described as follows: TO ARRIVE AT A POINT OF BEGINNING, from the point where the centerline of Georgia Highway 99 intersects the Northerly right of way line, if extended, of McIntosh Road, sometimes called Ft. King George Drive (a 120 foot right of way), extend South 42°16' East 110.9 feet to an iron pin which is the point of beginning; AND FROM SAID POINT OF BEGINNING, running North 41°34' East 302.30 feet to an iron pin; thence, running North 39°35' East 398 feet to an iron pin in the southerly line of a public road; thence, running North 85°32' East along the southerly line of said road 199.4 feet to an iron pin; thence, running South 85°41' East along the southerly line of said road 135.28 feet to an iron pin; thence, running South 74°07' East along the southerly line of said road 90.37 feet to an iron pin; thence, running South 29°06' West 1043.68 feet to an iron pin in the northeasterly right of way line of McIntosh Road; thence, running North 42°16' West along the northeasterly right of way line of McIntosh Road 538.94 feet to the point of beginning. Containing 8.866 acres, and being more fully and accurately shown and described as all of Parcel "B" on that certain plat of survey by C.E. Williams, Georgia Registered Land Surveyor #1565, dated August 14, 1981, recorded in Plat Book 4, Page 62, McIntosh County, Georgia, records.

All structures and improvements now and hereafter on the premises, or real property, described above, and the fixtures attached hereto; also all elevators, gas, electric, lighting, power, water, sewage, drainage, heating, cooling and air conditioning and irrigation systems, pipe, wire, cables, machines, appliances, fixtures, equipment and appurtenances, which now are or may hereafter pertain to, or be used with, in or on said premises and such systems and all replacements and substitutions of the same or parts thereof and all additions thereto even though they be detached or detachable; also all building materials, supplies, tools and equipment hereafter delivered to or used upon said premises contemplating installation on the premises or use in constructions thereon and all rights and interest of the Debtor in building permits and architectural plans and specifications relating to contemplated buildings and improvements on said premises. Also, all plans, drawings, specifications, permits, licenses and authorizations pertaining to said real property, improvements, fixtures and personal property; also all furniture, furnishings, rugs, carpets, drapes, appliances and other tangible personal property of the Owner brought upon and used or usable in or on the Property; also all maintenance supplies, machinery and equipment; also all licenses, permits and franchises, accounts receivable; contract rights, earnest money deposits; also all and every of the tangible and intangible personal property of every kind of the Owner used or usable in connection with the Property; and all of Owner's general intangibles; also all plants, shrubbery and landscaping material brought upon or used upon the above described real property.

PL 91 REV. 7-89 STATE OF GEORGIA RECORDING DATE _____
 REAL ESTATE TRANSFER TAX DECLARATION DATE OF INSTRUMENT _____

SELLER NAME: Ronnie C. Davis PURCHASER NAME: Darlen Led

SELLER ADDRESS (Street & No.): 2233 N.W. 41st Street, Suite 200 PURCHASER ADDRESS (Street & No.): 116 Martha Drive, Apt. A-1

SELLER CITY & STATE: Gainesville, Florida 32606 PURCHASER CITY & STATE: St. Marys, Georgia 31558

SELLER ZIP CODE: _____ PURCHASER ZIP CODE: _____

LOCATION OF PROPERTY: _____ STREET ADDRESS OR SUBLOT AND BLOCK: _____

WITHIN MUNICIPALITY GIVE: Darien NO. OF ACRES: 8.866 LAND LOT: 1771 DISTRICT: _____

ONLY GIVE: _____ TOTAL VALUE OF CONSIDERATION RECEIVED BY SELLER (includes all mortgages, if any): \$ 36,000.00

TOTAL VALUE OF PROPERTY CONVEYED (Actual or Fair Market Value): _____ LESS VALUE OF LIEN(S) OR ENCUMBRANCE(S) EXISTING PRIOR TO SALE AND NOT REMOVED THEREBY: \$ 36,000.00

1st Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

2nd Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

3rd Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

4th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

5th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

6th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

7th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

8th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

9th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

10th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

11th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

12th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

13th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

14th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

15th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

16th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

17th Lien Holder Name: _____ Recorded Book: _____ Page: _____ Amount Transferred: _____

NET TAXABLE VALUE OF CONVEYANCE: \$ 36,000.00

TAX DUE (See back): \$ 36.00

Seller Signature: _____

Authorized Agent: _____ (SEE REVERSE SIDE)

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

Notarized Book: _____ Page: _____ Date: _____

ADDENDUM B

Tenant List

DARIEN - Sawgrass Cove

Bldg #	Unit	Unit Type	Name	Phone No.	Work Phone	Fax	E-mail	Move In	Lease Expiration	F, D or H
B	B-1	1BR	Andrew, Bonnie	(912) 223-3741				09/20/2010	09/30/2016	Disabled
B	B-2	1BR	Devaney, Lianne	(419) 766-1197				01/29/2016	01/31/2017	
B	B-3	1BR	BUTLER, BESSIE	(912) 437-3938				01/30/2008	01/31/2017	Elderly
B	B-4	1BR	Stewart, Elijah	(912) 222-7124				02/14/2014	02/28/2017	Elderly
B	B-5	1BR	Wilson, Fay	(912) 271-9717				04/07/2016	04/30/2017	Elderly
B	B-6	1BR	Lil, Juliana	(912) 437-3384				04/05/2016	04/30/2017	Elderly
C	C-1	2BR	Collins, Charlotte	(912) 596-8399				01/31/2013	07/31/2016	
C	C-2	2BR	Hansberger, Alice	(912) 230-0247				05/06/2013	08/31/2016	Elderly
C	C-3	2BR	WILLIAMSON, DOROTHY	(912) 258-3139				05/12/2006	01/31/2017	Elderly
C	C-4	2BR	Lanemore, Bradley	(912) 266-0442				04/07/2009	04/30/2017	
D	D-1	1BR	MERCHANT, WANDA	(912) 437-2907				10/01/2002	10/31/2016	Elderly
D	D-2	1BR	Johnson, Martha	(912) 225-8262				12/05/2013	12/31/2016	Elderly
D	D-3	1BR	Price, Catherine	(912) 437-2017				11/22/2011	10/31/2016	Elderly
D	D-4	1BR	Slughter, Elizabeth	(912) 625-0165	(912) 506-3479			08/04/2011	08/31/2016	Elderly
D	D-5	1BR	Staples, Virginia	(912) 223-0677				04/09/2015	04/30/2017	Elderly
D	D-6	1BR	COUETTE, JOHN	(912) 437-2633	(912) 996-7094			06/01/1999	07/31/2016	Disabled
E	E-1	2BR	Smith, Danny	(229) 318-0130				10/01/2015	12/31/2016	Disabled
E	E-2	2BR	Pachmayr, Stephanie	(912) 269-1351				07/26/2010	01/31/2017	
E	E-3	2BR	Jackson, Crystal	(912) 217-0429				07/14/2010	07/31/2016	
E	E-4	2BR	Rivers, JANIS	(912) 625-0046				02/09/2005	04/31/2016	Elderly
F	F-1	1BR	Starr, Tessia	(912) 884-4399	(912) 320-7132			02/02/2015	02/28/2017	Disabled
F	F-2	1BR	Kindson, Matthew	(912) 602-4640				04/16/2014	02/28/2017	Disabled
F	F-3	1BR	Duranos, Carolyn	(912) 625-2180	(912) 275-6305			08/31/2007	07/31/2016	Elderly
F	F-4	1BR	STONE, JOANN	(912) 437-6111	(912) 342-9049		(912) 275-1375	01/08/1986	02/28/2017	Elderly
F	F-5	1BR	Frazier, Britney	(912) 844-1223				09/15/2015	09/30/2016	
F	F-6	1BR	Spicer, Linda	(678) 768-1229				01/26/2016	01/31/2017	Disabled
G	G-1	2BR	CROSBY, LINDA	(912) 437-2314	(912) 269-5124			12/01/1992	09/30/2016	Elderly
G	G-2	2BR	Walden, Angie	(912) 242-4715				05/03/2016	05/31/2017	
G	G-3	2BR	Johnson, Kerline	(912) 223-3411				04/06/2012	06/30/2017	
G	G-4	2BR	Ammonog, Shai	(912) 242-3691				08/03/2013	08/31/2016	Disabled

Tenant List

DARIEN - Sawgrass Cove

Bldg #	Unit	Unit Type	Name	Phone No.	Work Phone	Fax	E-mail	Lease		
								Move In	Expiration	F, D or H
H	H-1	ZBR	Aram, Maribeth	(912) 571-5558	(912) 566-2217			07/1/2012	3/31/2015	
H	H-2	ZBR	Bradley, Lavina	(912) 399-7346				08/19/2011	12/31/2015	
H	H-3	ZBR	Armstrong, Tiffany	(912) 258-9293				07/08/2013	01/31/2017	
H	H-4	ZBR	Boia, Erika	(912) 269-2324	(912) 574-6906			10/18/2012	03/31/2017	
I	I-1	ZBR	Michell, Angela	(912) 342-9981				08/13/2010	07/31/2016	Disabled
I	I-2	ZBR	MILES, MARY	(912) 437-3105				04/14/1998	04/30/2017	
I	I-3	ZBR	Mixon, Tommy	(912) 217-9088				01/04/2016	01/31/2017	
I	I-4	ZBR	Laheur, Christian	(912) 230-0152				12/11/2014	2/31/2016	
J	J-2	ZBR	Jones, Ann	(912) 366-7172				09/19/2014	09/30/2016	Empty
J	J-3	ZBR	Jones, Syreeta	(912) 223-8311				04/14/2016	01/30/2017	
J	J-4	ZBR	Batnac-Collins, Ariell	(912) 692-2878				07/11/2014	07/31/2016	Disabled
K	K-1	ZBR	Armstrong, Brittany	(912) 571-6696				05/26/2010	04/30/2017	Disabled
K	K-2	ZBR	Hollins, Destiny	(912) 754-4231				03/25/2016	03/31/2017	
K	K-3	ZBR	Hites, Tony	(912) 342-1013				03/25/2016	03/31/2017	Disabled
K	K-4	ZBR	Johnson, Joazette	(912) 463-9535	(912) 222-6135			10/18/2013	03/31/2017	
L	L-1	ZBR	Robinson, Janie	(912) 238-9088				02/15/2015	02/28/2017	
L	L-2	ZBR	Smith, Vivian	(912) 625-2165	(912) 571-2350	(912) 246-0037		10/06/2008	12/31/2016	Disabled
L	L-3	ZBR	Holts, Vanessa	(912) 625-0397				01/09/2009	09/30/2016	Disabled
L	L-4	ZBR	Zegarra, Carlos	(706) 372-9647				04/01/2016	03/31/2017	Disabled
MGR	AJ	MGR	Sic, Manager					09/30/2012	10/31/2016	
MOK	J-1		COURTESY OFFIC, Courtesy Officer					09/30/2012	10/31/2016	

Rent Roll

DARIEN - Sawgrass Cove

Report Date: 04/2017
 Building: B

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
B-1	Andrews, Bonnie	09/20/2010	09/30/2017	M1	\$425.00	\$83.00	83.00	
B-2	Devaney, Lianne	01/29/2016	05/31/2017	M1	\$425.00	\$425.00	425.00	
B-3	BUTLER, BESSIE	01/30/2006	01/31/2018	M1	\$425.00	\$425.00	425.00	
B-4	Stewart, Elijah	02/14/2014	02/28/2018	M1	\$425.00	\$84.00	84.00	
B-5	William, Fay	04/07/2016	04/30/2017	M1	\$425.00	\$425.00	425.00	
B-6	*MR Lili, Juliano	04/05/2010	04/03/2017	M1	\$43.00	\$43.00	43.00	
B-6	* VACANT * 4/4/2017 - 4/30/2017			M1	\$383.00	\$0.00	0.00	
Units in Building:					6			
Occupied Units:					5			
% Occupied:					83%			
					\$2,551.00	\$1,485.00	1,485.00	

Building: C

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
C-1	Collins, Charmelle	01/31/2013	07/31/2017	M2	\$457.00	\$0.00	0.00	
C-2	Hunsberger, Alice	05/06/2013	08/31/2017	M2	\$457.00	\$457.00	457.00	
C-3	WILLIAMSON, DOROTHY	05/12/2006	01/31/2018	M2	\$457.00	\$166.00	166.00	
C-4	Larremore, Bradley	04/07/2009	04/30/2017	M2	\$457.00	\$265.00	265.00	
Units in Building:					4			
Occupied Units:					4			
% Occupied:					100%			
					\$1,828.00	\$888.00	888.00	

Building: D

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
D-1	MERCHANT, WANDA	10/01/2002	10/31/2017	M1	\$425.00	\$262.00	262.00	
D-2	Gordon, Emily	03/31/2017	03/31/2018	M1	\$425.00	\$425.00	425.00	
D-3	Price, Catherin	11/22/2001	10/31/2017	M1	\$425.00	\$430.00	430.00	
D-4	Hendrickson, Frank	01/27/2017	01/31/2018	M1	\$425.00	\$425.00	425.00	
D-5	Staples, Virginia	04/09/2015	04/30/2017	M1	\$425.00	\$425.00	425.00	
D-6	CORLETTE, JOHN	06/01/1999	07/31/2017	M1	\$425.00	\$86.00	86.00	
Units in Building:					6			
Occupied Units:					6			
% Occupied:					100%			
					\$2,550.00	\$2,053.00	2,053.00	

Building: E

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								

** = Expired Lease
 *MR = Moved out during the report range.
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Rent Roll

DARIEN - Sawgrass Cove

Report Date: 04/2017

Building: E

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
E-1	Smith, Danny	10/02/2015	10/31/2017	M2	\$457.00	\$165.00	165.00	
E-2	Pachmayer, Stephanie	07/26/2010	01/31/2018	M2	\$457.00	\$13.00	13.00	
E-3	Jackson, Crystal	07/14/2009	07/31/2017	M2	\$457.00	\$28.00	28.00	
E-4	Rivers, JANIS	02/06/2006	08/31/2017	M2	\$457.00	\$457.00	457.00	
Units in Building:					4			
Occupied Units:					4			
% Occupied:					100%			
					\$1,828.00	\$663.00	663.00	

Building: F

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
F-1	Stuart, Treasia	02/02/2016	02/28/2018	M1	\$425.00	\$84.00	84.00	
F-2	Knudson, Matthew	04/16/2014	02/28/2018	M1	\$425.00	\$425.00	425.00	
F-3	Durrance, Carolyn	08/31/2007	07/31/2017	M1	\$425.00	\$192.00	192.00	
F-4	STONE, JOANN	01/08/1986	02/28/2018	M1	\$425.00	\$425.00	425.00	
F-5	Varnadoe, Melveta	07/27/2016	07/31/2017	M1	\$425.00	\$425.00	425.00	
F-6	Spicer, Linda	01/29/2016	01/31/2018	M1	\$425.00	\$425.00	425.00	
Units in Building:					6			
Occupied Units:					6			
% Occupied:					100%			
					\$2,550.00	\$1,976.00	1,976.00	

Building: G

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
G-1	CROSBY, LINDA	12/01/1992	09/30/2017	M2	\$457.00	\$140.00	140.00	
G-2	Walden, Angle	05/03/2016	09/30/2017	M2	\$457.00	\$472.00	472.00	
G-3	Johnson, Jereline	04/06/2012	04/30/2017	M2	\$457.00	\$242.00	242.00	
G-4	Armstrong, Shirl	08/03/2015	08/31/2017	M2	\$457.00	\$457.00	457.00	
Units in Building:					4			
Occupied Units:					4			
% Occupied:					100%			
					\$1,828.00	\$1,311.00	1,311.00	

Building: H

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
H-1	Amin, Minaxiben	07/11/2012	07/31/2017	M2	\$457.00	\$123.00	123.00	
H-2	Sullivan, Lakamisha	01/27/2017	01/31/2018	M2	\$457.00	\$37.00	37.00	
H-3	Armstrong, Tiffany	07/08/2013	01/31/2018	M2	\$457.00	\$105.00	105.00	
H-4	Bista, Erina	10/18/2012	03/31/2018	M2	\$457.00	\$0.00	0.00	

** = Expired Lease

*MR = Moved out during the report range.

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Rent Roll

DARIEN - Sawgrass Cove

Report Date: 04/2017

Building: H

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units in Building:		4						
Occupied Units:		4			\$1,828.00	\$265.00	265.00	
% Occupied:		100%						

Building: I

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
I-1	Mitchell, Angela	08/13/2010	11/30/2017	M2	\$457.00	\$98.00	98.00	
I-2	MILES, MARY	04/14/1998	04/30/2017	M2	\$457.00	\$0.00	0.00	
I-3	Long, Harry	01/13/2017	01/31/2018	M2	\$457.00	\$457.00	457.00	
I-4	Lafleur, Christian	12/11/2014	12/31/2017	M2	\$457.00	\$174.00	174.00	
Units in Building:		4			\$1,828.00	\$729.00	729.00	
Occupied Units:		4						
% Occupied:		100%						

Building: J

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
J-2	James, Ann	09/19/2014	04/30/2017	M2	\$457.00	\$120.00	120.00	
J-3	Brantly, Tiffany	07/15/2016	07/31/2017	M2	\$457.00	\$457.00	457.00	
J-4	Barnes, Tiondra	10/21/2016	10/31/2017	M2	\$457.00	\$457.00	457.00	
Units in Building:		3			\$1,371.00	\$1,034.00	1,034.00	
Occupied Units:		3						
% Occupied:		100%						

Building: K

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
K-1	Armstrong, Brittany	05/26/2010	07/31/2017	M2	\$457.00	\$112.00	112.00	
K-2	Hollins, Destiny	03/25/2016	03/31/2018	M2	\$457.00	\$457.00	457.00	
K-3	Armstrong, Clarence	06/18/2016	06/30/2017	M2	\$457.00	\$457.00	457.00	
K-4	Johnson, Joetzette	10/18/2013	03/31/2018	M2	\$457.00	\$0.00	0.00	
Units in Building:		4			\$1,828.00	\$1,026.00	1,026.00	
Occupied Units:		4						
% Occupied:		100%						

Building: L

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
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** = Expired Lease

*MK = Moved out during the report range.

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Rent Roll

DARIEN - Sawgrass Cove

Report Date: 04/2017
 Building: L

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
L-1	Robinson, Jamie	02/16/2015	02/28/2018	M2	\$457.00	\$548.00	548.00	
L-2	Daughtry, Allie	11/04/2016	11/30/2017	M2	\$457.00	\$457.00	457.00	
L-3	Hollis, Vanessa	01/09/2009	09/30/2017	M2	\$457.00	\$264.00	264.00	
L-4	Miller, Carmen	02/28/2017	02/28/2018	M2	\$457.00	\$457.00	457.00	
Units in Building:					4			
Occupied Units:					4			
% Occupied:					100%			
					\$1,828.00	\$1,726.00	1,726.00	

Building: MGR

Unit	Tenant	Move In	Lease End	Description	Potential	Net Rent	Lease	Sq. Ft
Units without Square Footage Set								
A1	Site, Manager	09/30/2012	10/31/2017		\$0.00	\$0.00	0.00	
J-1	Courtesy, Officer	09/30/2012	10/31/2017	Z2	\$0.00	\$0.00	0.00	
Units in Building:					2			
Occupied Units:					2			
% Occupied:					100%			
					\$0.00	\$0.00	0.00	

Total Units: 51
 Total Occupied: 50.00
 Total % Occupied: 98.04

Grand Totals:

\$21,818.00 \$13,156.00 13,156.00

** = Expired Lease
 *MR = Moved out during the report range.
 Print Date & Time: 04/13/2017 8:43:21AM



United States Department of Agriculture

VIA EMAIL ONLY

November 7, 2016

Mr. Martin H. Petersen
Hallmark Mgmt. Inc.
3111 Paces Mill Rd., Suite A-250
Atlanta, GA 30339

RE: RENT INCREASE

You are hereby notified **DARIEN, LTD.; D/B/A SAWGRASS COVE APTS** project(s), and considered all justifications provided by project management [and comments provided by tenants]. The Rural Development has approved the following rent (occupancy charge) and/or utility allowance rates listed below. The changes for all units will become effective on **JANUARY 1, 2017** or later effective date in accordance with state or local laws.

The change is needed for the following reasons: Increases maintenance and operating costs.

The approved changes are as follows:

Unit Size	Present Rent (Occupancy Charge)		Approved Rent (Occupancy Charge)	
	Basic	Note Rate	Basic	Note Rate
1-Bedroom	\$405	\$558	\$425	\$578
2-Bedroom	\$437	\$596	\$457	\$616

The approved utility allowance changes are as follows:

Unit Size	Present Utility Allowance	Approved Utility Allowance
1-Bedroom	\$133	NO CHANGE
2-Bedroom	\$178	NO CHANGE

Should you have any questions or concerns, you may contact Rural Development. The Rural Development Servicing Office address is: 703 East Ward St., Douglas, GA 31533.

Rural Development • Douglas Service Center
703 East Ward St., Douglas, GA 31533
sandra.bryant@ga.usda.gov, <http://www.ru/dev.usda.gov/ga/>
Voice (912) 384-4811, Ext 127 • TDD (770) 253-2555 • Fax (855) 546-2600

USDA is an equal opportunity provider and employer.
If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.aphis.usda.gov/complaint_filing_cust.html or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-4410, by fax (202) 690-7442 or email at programintake@usda.gov

Georgia Department of Community Affairs
Office of Affordable Housing

Rehabilitation Work Scope

PROJECT NAME	Sawgrass Cove Apartments	YEAR BUILT	1985
PROJECT LOCATION	534 McIntosh Rd, Danen, GA 31305	UNIT COUNT	51
OWNER	Halmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE	36,654

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION	New Format	Old Format	TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
	2	2	Demolition						
			site	Demo existing street light heads on each pole in front of building	0%				Excluded
				Demo existing mail kiosk	100%	1	EA	\$ 500.00	\$ 500
				Demo existing playground equipment	100%	1	EA	\$ 500.00	\$ 500
				Demo monument sign	100%	1	EA	\$ 250.00	\$ 250
				Demo existing condensing pads	100%	51	EA	\$ 25.00	\$ 1,275
				Demo Curb and Gutter for accessible routes/parking	100%	300	LF	\$ 3.50	\$ 1,050
				Sidewalk Removal (5%) of property units	5%	4000	SF	\$ 3.50	\$ 14,000
				Concrete Drive saw-cut and Removal where new dumpster pad is to be poured	100%	800	SF	\$ 3.50	\$ 2,800
				Deteriorated concrete removal	100%	1600	SF	\$ 3.50	\$ 5,250
				Concrete Drive saw-cut and Removal where new HC parking	100%	1800	SF	\$ 3.50	\$ 5,600
			bidg interiors: ceilings, walls, floor, plumbing, HVAC, elec	Demo all components of interior down to studs	100%	51	UNIT	\$ 2,561.76	\$ 130,650
			bidg exteriors: siding, roofing, patios, decks, stairs, breezeways	Roofs, doors, gutters & downspouts, windows, siding, trims and fascias.	100%	51	UNIT	\$ 350.00	\$ 17,850
	2	2	Unusual site conditions (such as lead, asbestos, mold abatement)						
			lead abatement						
			asbestos abatement	Perform ACM removal of VCT mastic in designated UFAS units as necessary for unit reconfiguration	5%	3	Unit	\$ 1,500.00	\$ 4,500
			mold abatement						
	31	2	Earth Work						
			regrade for drainage control	fill in around buildings and re-grade to slope away from building, to create positive drainage, up to 21,000SF	100%	21000	SF	\$ 1.00	\$ 21,000
				jet and camera storm drainage system	100%	1	LS	\$ 5,000.00	\$ 5,000
				install 2 new inlet covers	100%	1	LS	\$ 800.00	\$ 800
			regrade for elimination of erosion situations	pipe downspouts to discharge water at least 5' away from building.	100%	1	LS	\$ 10,000.00	\$ 10,000
			Sanitary sewage	jet/camera all sewer lines from the buildings to the sewer main running to the property, continue to jet/camera to first manhole located off property.	100%	1	LS	\$ 7,500.00	\$ 7,500
			Erosion Control	Erosion Control per Earthcraft Requirements	100%	1	LS	\$ 3,000.00	\$ 3,000
	31	2	Landscaping & irrigation						
			sodding/seeding	over-seed and straw up to 70,000SF	100%	70000	SF	\$ 0.05	\$ 3,500
			trees, shrubs, and annuals	will upgrade landscaping with shrubbery and trees	100%	1	LS	\$ 20,000.00	\$ 20,000
			irrigation						
			tree pruning, root removal						
	31	2	Retaining walls						
	31	2	Site Improvements						
			fencing	install up to 80LF of 6' vinyl fence at the new dumpster pad	100%	80	LF	\$ 65.00	\$ 5,200
				install up to 12 bollards at new dumpster enclosure.	100%	12	EA	\$ 450.00	\$ 5,400
			exterior amenities construction (list each amenity separately)						
			playground	new monument sign and lighting	100%	1	LS	\$ 6,500.00	\$ 6,500
			covered pavilion	new playground including soft ground cover	100%	1	LS	\$ 12,500.00	\$ 12,500
			bus shelter	construct a new covered gazebo/pavilion picnic structure.	100%	1	LS	\$ 15,000.00	\$ 15,000
				pour slab and install a mail kiosk structure.	100%	1	LS	\$ 8,000.00	\$ 8,000
	32	2	Roads (paving)						
			paving	Concrete Drive Patching (Up to 1600 SF)	100%	1600	SF	\$ 9.00	\$ 14,400
				Power Wash Concrete Drives	100%	46422	SF	\$ 0.25	\$ 11,606
				Crack Fill (up to 1000 LF)	100%	1000	LF	\$ 12.75	\$ 12,750
				striping	100%	1	LS	\$ 2,500.00	\$ 2,500

Georgia Department of Community Affairs
Office of Affordable Housing

Rehabilitation Work Scope

PROJECT NAME:	Sawgrass Cove Apartments	YEAR BUILT:	1985
PROJECT LOCATION:	534 McIntosh Rd, Darien, GA 31305	UNIT COUNT:	51
OWNER:	Hallmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE:	38,854

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope, materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
32	2	Site concrete (curbs, gutters, & sidewalks)						
		curb & gutter	install curb and gutter up to 280LF	100%	300	LF	\$ 24.00	\$ 7,200
		sidewalks	install new concrete ADA parking spaces to designated UFAS units and amenity parking.	100%	1800	SF	\$ 7.00	\$ 12,600
		remaining site concrete	install (1) 6" thick 40'x20' reinforced concrete dumpster pad and approach	100%	800	SF	\$ 9.00	\$ 7,200
			Contractor will install new concrete sidewalks and ADA ramps to meet accessibility requirements up to 800LF.	100%	4000	SF	\$ 6.50	\$ 26,000
			Contractor will install tactile strips at new ADA ramps in 6 locations.	100%	6	EA	\$ 388.00	\$ 2,310
			Contractor will pour new condensing unit pads for units (25SF for each)	100%	51	EA	\$ 225.00	\$ 11,475
			Contractor will pour concrete toppings on breezeways that contain designated UFAS units.	100%	250	SF	\$ 7.50	\$ 1,875
		Video utilities						
33	2	Site Utilities						
		Fees	Fees incurred by utility are EXCLUDED	0%				Excluded
		water service						
		fire service						
		storm water piping						
		sewer service						
		electrical service						
		gas service						
		Total (Land Improvements)						\$ 417,641
3	3	Concrete (building pads & gyprocrete)						
4	4	Masonry	tuck point existing brick veneer up to 5% and will match existing mortar as closely as possible.	100%	1	LS	\$ 25,000.00	\$ 25,000
			remove and reset brick where new meter gear is to be installed as necessary.	100%				Included Above
5	5	Metals (stair stringers, metal decking, handrails, structural steel)						
		stair pans/stringers						
		corrugated metal decking						
		handrails						
		structural steel	will add metal site rails up to 360LF.	100%	360	LF	\$ 55.00	\$ 19,800
6	6	Rough carpentry (framing, sheathing, decking)						
		framing	re-frame 5% units for accessibility per ADA & UFAS standards.	100%	3	UNITS	\$ 3,500.00	\$ 10,500
			re-frame door headers at bi-fold door locations at each bedroom	100%	51	UNITS	\$ 100.00	\$ 5,100
			re-frame tub rough opening in two and three bedroom units at party walls to accommodate 2nd layer of drywall.	100%	51	UNITS	\$ 100.00	\$ 5,100
			frame for cabinet panel soffit above kitchen wall cabinets in all apartments.	100%	51	UNITS	\$ 100.00	\$ 5,100
		ext wall sheathing	install any blocking required for duct work, fixtures, shelving and accessories	100%	51	UNITS	\$ 50.00	\$ 2,550
		floor decking						
		attic draft stops	examine existing firewalls for code compliance after drywall demolition.	0%				Excluded
		exterior wood decks/patios and rails	Any modifications needed will be addressed through contingency.					

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Sawgrass Cove Apartments	YEAR BUILT:	1985
PROJECT LOCATION:	594 McIntosh Rd, Darien, GA 31305	UNIT COUNT:	51
OWNER:	Hallmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE:	36,654

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope, materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
6	6	Finish Carpentry (window sills, wood base, wood paneling, exterior wood trim, shutters, etc)						
		exterior trim including shutters	new shutters	100%				Included
		interior trim including wood base	install new window stool & apron in all units.	100%	51	UNITS	\$ 260.00	\$ 12,750
			install new wood base as indicated on the plans.	100%	51	UNITS	\$ 750.00	\$ 38,250
			install new shoe mould at hard surface floors.	100%	51	UNITS	\$ 100.00	\$ 5,100
			casing at doors and windows	100%	51	UNITS	\$ 50.00	\$ 2,550
7	7	Waterproofing						
7	7	Insulation						
		wall insulation	install new wall batt insulation to achieve a rating of R-13.	100%	51	UNITS	\$ 1,750.00	\$ 89,250
			insulate around unit exterior doors to achieve an R-12 rating.	100%				Included
			will have a 3 rd party inspector perform blower door test	100%				Included
		roof insulation	insulate band joist between floors to achieve a rating of R-15.	100%				Included
			install new blown attic insulation to achieve a rating of R-38	100%				Included
			fire caulk all rated walls and assemblies.	100%				Included
			Air sealing at unit envelope	100%				Included
7	7	Roofing						
		shingles (or other roofing material)	install new 30 year architectural shingles, felt, and roofing accessories on (9) buildings, new leasing office, & covered bus shelter.	100%	1	LS	\$ 120,000.00	\$ 120,000
		gutters & downspouts	install new 6" gutters and 4" downspouts on (9) apartment buildings, leasing office, & covered bus shelter.	100%	3600	LF	\$ 4.50	\$ 15,750
7	7	Siding/stucco						
			install new smooth, fiber cement siding panels at all breezeway ceilings in (9) apartment buildings.	100%	51	EA	\$ 3,000.00	\$ 153,000
			install new fiber cement trim at building exteriors.	100%				Included Above
			new fiber cement lap siding on up to 18 newly framed gables.	100%				Included Above
			install new vented vinyl soffit at newly framed building eaves and overhangs.	100%				Included Above
			install new circular vinyl gable vents at front gables.	100%				Included Above
8	8	Doors & hardware						
		interior doors	install new interior doors with 6 panel masonite interior doors where existing in all units.	100%	1	LS	\$ 95,000.00	\$ 95,000
			install new 6-panel masonite swinging doors with dummy knobs to closets in lieu existing bi-fold doors.	100%				Included Above
			provide new knob style door hardware on all non-handicap accessible doors. For all handicap accessible doors, Contractor will install new lever style door hardware on all handicap accessible doors.	100%				Included Above
			install all door hardware according to a door schedule approved by the Owner.	100%	1	LS	\$ 48,000.00	\$ 48,000
		exterior doors	install new Energy Star 6-panel, 24-gauge, insulated metal doors with split metal frames at unit entries and storage areas on (5) apartment buildings and existing leasing office.	100%	51	EA	\$ 550.00	\$ 28,050
			install doors with ADA thresholds at (2) accessible units.	5%				Included Above
			install new brick mould at new exterior doors.	100%				Included Above
			install new exterior door hardware per owner provided finish schedule.	100%	51	EA	\$ 100.00	\$ 5,100
			install new over head garage door on leasing office.	100%	1	EA	\$ 1,500.00	\$ 1,500
			install peepholes and door knockers on all unit entry doors. ADA units to have (2) peepholes.	100%				Included Above
		hardware	new hardware at doors	100%				Included Above

Georgia Department of Community Affairs
Office of Affordable Housing

Rehabilitation Work Scope

PROJECT NAME:	Sawgrass Cove Apartments	YEAR BUILT:	1985
PROJECT LOCATION:	534 McIntosh Rd, Darien, GA 31305	UNIT COUNT:	51
OWNER:	Hallmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE:	36,654

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
9	8	Windows/glass						
		Windows	Install low-e double paned vinyl windows with grids and screens. Windows will have a U-Value less than 0.34 and a Solar Heat Gain Coefficient (SHCG) less than 0.29.	100%	84	EA	\$ 295.00	\$ 24,780
		mirrors	Install low-e double paned vinyl windows with grids and screens. Windows will have a U-Value less than 0.34 and a Solar Heat Gain Coefficient (SHCG) less than 0.28. install full vanity length mirrors in all bathrooms.	100% 100%	51 51	EA EA	\$ 405.00 \$ 100.00	\$ 20,855 \$ 5,100
9	9	Drywall						
		repair and placement-walls	install new drywall in all units.	100%	51	UNITS	\$ 5,500.00	\$ 280,500
			install new water resistant drywall behind tub surrounds.	100%				Included Above
			add double layer of drywall at all tub surrounds on exterior walls and party walls.	100%				Included Above
		repair and placement-ceiling	will hang, tape, float and sand new drywall to have a smooth finish.	100%				Included Above
		Repair draftstop	repair attic draft stop as required by local municipality	0%				Excluded
9	9	Tile work						
		tub surrounds						
		ceramic floors						
9	9	Resilient/wood flooring						
		VCT	new vinyl plank flooring throughout units.	100%	51	EA	\$ 2,000.00	\$ 102,000
		sheet goods	prep	100%	51	EA	\$ 100.00	\$ 5,100
		wood flooring						
9	9	Painting						
		exterior walls	pressure wash all buildings.	100%	51	UNITS	\$ 425.00	\$ 21,875
			caulk and paint all new fiber-cementitious siding, trim and breezeway soffit per approved finish schedule.	100%				Included Above
			prime and paint all new exterior wood per finish schedule.	100%				Included Above
			exterior doors will be painted per finish schedule.	100%				Included Above
		interior walls	paint all previously painted surfaces not mentioned above.	100%	51	UNITS	\$ 1,450.00	\$ 73,950
			prime and paint all new drywall walls and ceilings.	100%				Included Above
			will prime and paint all new interior doors.	100%				Included Above
			prime and paint all new interior trim.	100%				Included Above
			All paints to be used will be low VOC paints to conform to EarthCraft requirements.	100%				Included Above
		ceilings		100%				Included Above
		doors & trim		100%				Included Above
		steel, handrails, stairs, etc.		100%				Included Above
		additional prep work (sandblasting)						
		Cleaning	finish clean prior to turnover	100%	51	UNITS	\$ 250.00	\$ 12,750
			Punch out	100%	51	UNITS	\$ 350.00	\$ 17,850
10	10	Specialties						
		pest control	above slab treatment	0%				Excluded
		signage	install Handicap Parking identification signs for each handicap parking space.	100%	1	LS	\$ 6,500.00	\$ 6,500
			upgrade the signage on the monument sign to meet DCA requirements.	100%				Included

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Sawgrass Cove Apartments	YEAR BUILT:	1985
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OWNER:	Halmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE:	36,654

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CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
			install new building identification signs to all buildings.	100%				Included
			install new unit identification signs to all units.	100%				Included
			install new directional and traffic signs throughout the property.	100%				Included
			install new building signage at the community center.	100%				Included
			All new pole-mounted signage will be mounted on an aluminum post.	100%				Included
		toilet accessories including framed mirrors	install new towel bars, toilet paper holders, and shower rods in all units.	100%	51	UNITS	\$ 275.00	\$ 14,025
		grab bars	grab bars in accessible units	100%	3	UNITS	\$ 350.00	\$ 1,050
		fire extinguishers	install 1 fire extinguisher in each unit.	100%	51	EA	\$ 90.00	\$ 4,590
		shelving	install new "Closetmaid" ventilated wire shelving or equal in all closets in all units.	100%	51	EA	\$ 575.00	\$ 29,325
		mailboxes	provide and install 4-C USPS aluminum mailboxes to install at the new mail kiosk structure.	100%	1	LS	\$ 6,500.00	\$ 6,500
		stovetop fire suppression	2 stove top fire suppression devices in the range hood over the range of each unit's kitchen.	100%	51	UNITS	\$ 65.00	\$ 3,315
11	11	Special Equipment (amenities equipment--list equipment as separate line items (playground equipment, movie rooms, beauty parlors, sport court surfacing & equipment, exercise equipment, pre-fab gazebos & pavilions; put stick-built gazebos and pavilions in carpentry))	construct a new ADA community center including a community area, computer center, kitchenette, laundry, & fitness center grade area, compaction test, run underground utilities and pour foundation slab will frame community center. will install house wrap over sheathing. will install brick veneer to match adjacent buildings. will install shake siding at gables. will install composite brackets. install fiber cement fascia, frieze and trim. install vented vinyl soffits. install roofing felt 30 yr architectural shingles w/ drip edge. will install aluminum gutters & downspouts. install 10" poly-resin columns. install exterior doors and windows per door & window schedules. install R-15 wall batt & R-38 attic blown in insulation. install driveway. install HVAC, Plumbing and Electrical systems per plans and specs. New Cooling system will be 14-SEER sized within 6000 btu/h of Manual J and heating equipment HSPF 8.0 within 25,000 btu/h of manual J. test airflow for each duct run to ensure it is measured and balanced. install flooring and paint. install appliances & cabinets. install bath accessories, shelving and blinds. conduct extensive clean after construction is complete. conduct extensive clean after construction is complete. will provide flashing/audio smoke alarm in community center.	100%	1	LS	\$ 150,000.00	\$ 150,000
			install kitchen cabinets, counter tops, and filler in dwelling units	100%	51	UNITS	\$ 2,550.00	\$ 130,050
		unit kitchens	cabinets are per HUD severe use specification.	100%				Included Above
			cabinets in ADA Compliant units will be laid out and installed to meet ADA requirements	5%				Included Above
		countertops	install new cultured marble countertop	100%				Included Above

Georgia Department of Community Affairs
Office of Affordable Housing

Rehabilitation Work Scope

PROJECT NAME	Sawgrass Cove Apartments	YEAR BUILT	1985
PROJECT LOCATION	534 Midlash Rd, Darien, GA 31305	UNIT COUNT	51
OWNER	Hallmark Sawgrass Cove, LP	GROSS SQUARE FOOTAGE	38,654

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demold or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		water heaters individual water metering	install new high efficiency 40 gallon electric water heaters, including drains and drain lines, with a minimum Energy Factor of 0.95 in all units.	100%				Included
23	15	HVAC						
		air conditioning equipment	replace existing HVAC systems using 15 SEER heat pumps.	100%	51	UNITS	\$ 4,750.00	\$ 242,250
			replace all existing condensate lines, ductwork, including grills, registers and thermostats with properly insulated duct work.	100%				Included
			vent all range hoods to the exterior and provide a back draft damper.	100%				Included
			will vent dryer exhaust to the exterior.	100%				Included
			will install new HVAC systems and ductwork per EarthCraft requirements	100%				Included
			will ensure duct leakage is below 10%	100%				Included
		heating equipment	Heat Pumps shall be minimum 18k, 8 HSPF, 15 SEER in 1-bed and minimum 24k, 8 HSPF, 14 SEER in townhomes	100%				Included
			All cooling equipment to be sized within 6,000 btuh of Manual J. All heating equipment output to be sized within 25,000 btuh of Manual J.	100%				Included
		ductwork cleaning						
		ductwork	replace existing duct system with new rigid trunk and takeoff system.	100%				Included
			protect all ducts until construction is completed	100%				Included
		duct insulation	insulate ducts in attic to a minimum R-8 and ducts in conditioned spaces to a minimum R-6	100%				Included
		thermostat	will install programmable thermostats	100%				Included
		bathroom ventilation fans	provide exhaust fans including back draft dampers and vent to the exterior.					
		solar hot water heating	All bathroom fans shall have a maximum sound level of 2.0 zones, minimum 80 cfm, and minimum efficiency level of 1.4 cfm/watt.	100%				Included
26	16	Electrical						
		unit light fixtures	install new Energy Star lighting fixtures in place of existing fixtures throughout each unit.	100%	51	EA	\$ 750.00	\$ 38,250
			Contractor will install light fixtures.	100%				Included
			At least 80% of the interior light fixtures shall be fluorescent lights.	100%				Included
		common area/exterior building mounted light fixtures	install exterior building/breezeway light fixtures.	100%				Included
		pole lights	(5) additional pole lights	100%				Included
		ceiling fans		100%				Included
		electrical wiring (within unit)	will extend all wiring for devices and equipment as necessary.	100%	51	UNITS	\$ 5,300.00	\$ 270,300
			will relocate all switches in handicap accessible units to ADA specifications.	100%				Included
			install exhaust fans controlled by humidistat or timed motion detector.	100%				Included
			will install range hoods.	100%				Included
			will install microwaves.	100%				Included
			install new light fixture at monument sign.	100%				Included
			provide and install GFCI circuits for all code requirements in bathrooms, kitchens and outdoors.	100%				Included
			will provide and install Arc-Fault breakers for all bedroom circuits for standard plug in breakers.	100%				Included
			will install dedicated circuits.	100%				Included
			will provide and install a disconnect at HVAC and water heater in each unit.	100%				Included
		outlets & light switches	will replace all electrical devices and covers.	100%				Included
			install emergency pull cords with weatherproof mini horns in ADA units.	100%				Included

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

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New Format	Old Format							
		distribution--breaker boxes, breakers, meters	install new meter centers, load centers and panels.	100%				Included
		solar panels						Included
27	16	Communications Systems (cable, phone, internet, etc)						
		cable outlets	cable outlets	100%				Included
		cable wiring	cable wiring	100%				Included
		phone jacks	phone jacks	100%				Included
		phone wiring (per unit)	phone wiring	100%				Included
		internet system (wireless or hard wired?)	internets	100%				Included
28	16	Safety systems						
		smoke detectors	hardwired	100%				Included
		fire alarm system						
		security alarm system						
		access control system						
		camera system						
		Subtotal (structures)						\$ 2,476,075
		Total (Structure & Land Imprvmts)						\$ 2,893,718

Unit count \$ 56,740
square footage \$ 78.95

	Overhead (2%)							\$ 57,874
	General Requirements (8%)							\$ 173,823
	Profit (8%)							\$ 173,823
	TOTAL BUDGET							\$ 3,298,835

Unit count \$ 64,683
square footage \$ 90

ACCESSIBILITY CONVERSION:

--In addition to the above, the extent of the work required to convert existing units to UFAS-compliant units must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.

--In addition to the above, the extent of the work required to convert the leasing office/dubhouse for UFAS, Fair Housing, and AHA compliance must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.

--In addition to the above, the extent of the work required to bring units and accessible paths into compliance with Fair Housing must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.

ADDENDUM C

- **ARTICLE IX. - R-2 ONE[-] AND TWO-FAMILY RESIDENTIAL ZONE (R-2 ZONE)**

- **Sec. 20-901. - Purpose and intent.**

The purpose and intent of the R-2 Medium-Density Residential Zone are:

1. To provide for quiet, livable, single, and two-family dwellings.
2. To encourage the use of land for one and two-family [dwellings].
3. To prohibit any use which would substantially interfere with the development or the continuation of two-family and multi-family dwellings.
4. To encourage the discontinuance of nonconforming uses.
5. To prohibit any new rezoning applications for properties within 600 feet of any marshland or river frontage, as this zone is not appropriate for these areas.
6. To provide a maximum residential density of approximately eight dwelling units per acre.

(Code 1998, § 20-901)

- **Sec. 20-902. - Permitted uses.**

In the R-2 multi-family zone the following uses only are permitted and as hereinafter specifically provided and allowed by this chapter [article]:

1. Any use permitted in the R-I single-family zone, except horses.
2. Two-family dwelling—only one two-family dwelling (duplex or townhouse) per lot area is required by [section 20-906](#)

(Code 1998, § 20-902)

- **Sec. 20-903. - Height.**

No building in the R-2 multi-family zone shall exceed a height of 35 feet or exceed three stories.

(Code 1998, § 20-903)

- **Sec. 20-904. - Front yards.**

Every lot in the R-2 multi-family zone shall have a front yard which has a depth of not less than 25 feet, except that on key lots which side upon commercially or industrially zoned property, the depth of the required front yard need not exceed 20 feet.

(Code 1998, § 20-904)

- **Sec. 20-905. - Side yards.**

In the R-2 zone every lot shall have side yards as follows:

1. Lots shall have a side yard on each side of the main building of not less than ten feet.
2. Corner lots shall have the following side yards.
3. On the side lot line which adjoins another lot, the side yard shall be the same as that required on any lot.
4. On the side street side the width of the required side yard shall be 15 feet.

(Code 1998, § 20-905)

- **Sec. 20-906. - Placement of buildings.**

Placement of buildings on any lot shall conform to the following:

- (a) LOTS.
 - (1) No building for human habitation shall occupy any portion of a required yard.
 - (2) Any building, any portion of which is used for human habitation, shall observe a distance from any side lot line the equivalent of the required side yard on such lot line and from the rear property line a distance 20 percent of the depth of the lot not to exceed 30 feet.
 - (3) The distance between buildings used for human habitation and between buildings used for human habitation and accessory buildings shall be ten feet, or as required by the current building code and fire code.
 - (4) A non-dwelling accessory building may be built to the rear lot line and to the side lines to the rear of the required side yard, provided if the lot rears upon an alley such accessory building shall maintain a distance of not less than 2½ feet from the rear lot line and may build to only one side lot line.
- (b) CORNER LOTS.
 - (1) No building shall occupy any portion of a required yard.
 - (2)

The distance between buildings used for human habitation and buildings shall be 20 feet.

(3)

Any building, any portion of which is used for human habitation, shall observe a distance from the rear property line of ten feet.

(Code 1998, § 20-906)

- **Sec. 20-907. - Area regulations.**

Unless otherwise specified in this ordinance, uses permitted in R-2, Multi-Family Residential Districts shall conform to the following requirements:

Minimum lot area:

Two-family dwellings: 9,000 square feet.

Minimum dwelling unit size:

Two-family dwellings: 1100 square feet per unit.

(Code 1998, § 20-907)

- **Sec. 20-908. - Lot width.**

Every lot created after the effective date of this ordinance shall maintain a width not less than 75 feet at the rear line of the required front yard. Lots having 12,000 square feet or more, the minimum width of a lot shall be not less than 100 feet at the rear line of the required front yard.

(Code 1998, § 20-908)

- **Sec. 20-909. - Permissible lot coverage.**

All buildings, including accessory buildings and structures, shall not cover more than 50 percent of the area of a lot.

(Code 1998, § 20-909)

- **Sec. 20-910. - Off street parking requirements.**

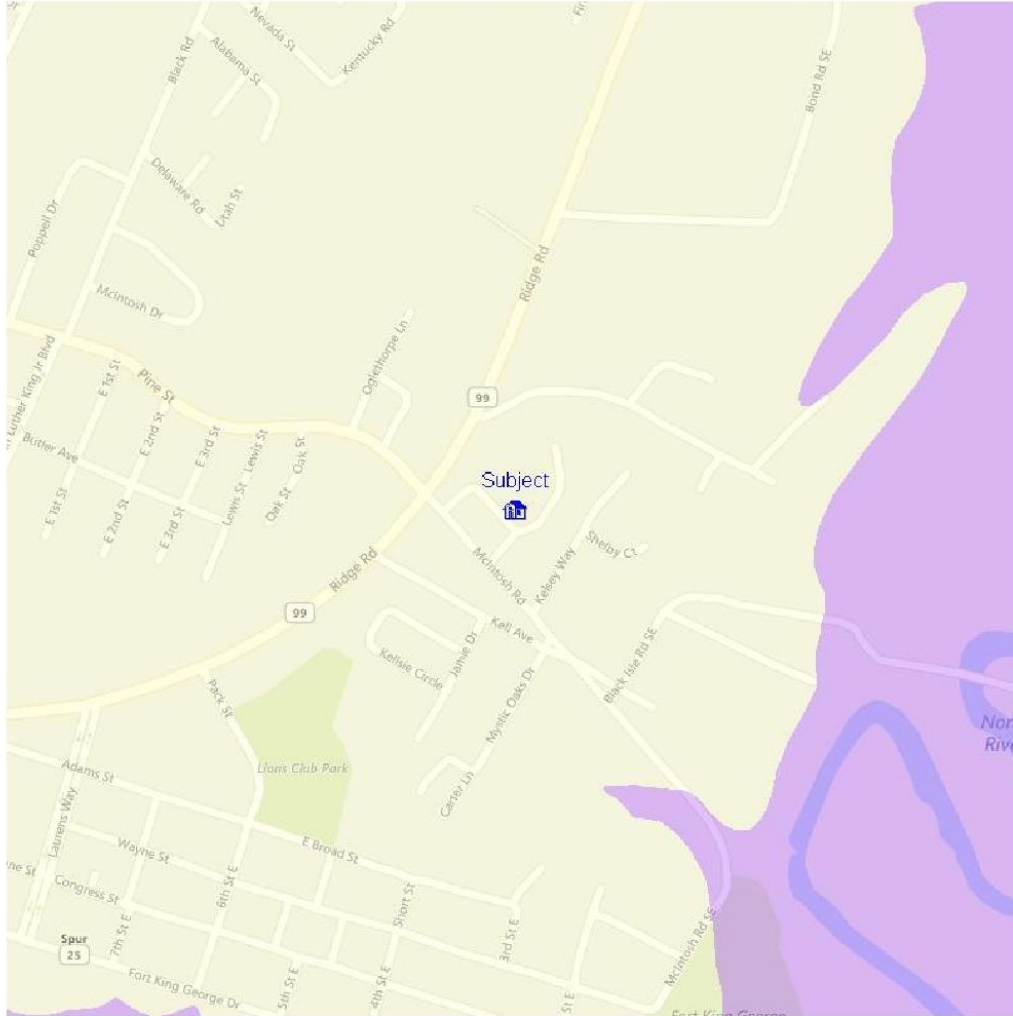
See [Sec. 20-1509](#).

(Code 1998, § 20-910)

- **Sec. 20-911. - On street parking requirements.**

Local streets may contain eight-foot by 22-foot parking spaces parallel to the travel lane for visitor or neighborhood amenity uses. All lots shall provide for off street parking.

ADDENDUM D



MAP DATA

Map Number : **13191C0381D**
Panel Date : **March 16,2009**
FIPS Code : **13191**

Census Tract : **1103.00**
Geo Result : **S5 (Most Accurate) -**
single close match, point located at
the street address position

Flood

	X or C Zone
	X500 or B Zone
	A Zone
	V Zone
	D Zone
	Area Not Mapped

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ADDENDUM E

**STATE OF GEORGIA
REAL ESTATE APPRAISERS BOARD**

JONATHAN ROY RICHMOND

375377

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

D. SCOTT MURPHY
Chairperson

JEANMARIE HOLMES
KEITH STONE

JEFF A. LAWSON
Vice Chairperson

12307649

RICHMOND, JONATHAN
PO BOX 784
DEXTER, MO 63841

JONATHAN ROY RICHMOND

375377
Status ACTIVE

END OF RENEWAL
11/30/2018

CERTIFIED GENERAL REAL PROPERTY
APPRAISER

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
629 Peachtree Street, N.E.
Atlanta, GA 30303-1605



LYNN DEMPSEY
Real Estate Commissioner

12307649

JONATHAN ROY RICHMOND

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LYNN DEMPSEY
Real Estate Commissioner

12307649

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

SAMUEL TODD GILL

258907

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

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D. SCOTT MURPHY
Chairperson

RONALD M. HECKMAN
JEANMARIE HOLMES
KEITH STONE

JEFF A. LAWSON
Vice Chairperson

46665602

SAMUEL TODD GILL
258907
Status ACTIVE
ORIGINALLY LICENSED 02/06/2003
END OF RENEWAL 09/30/2017

CERTIFIED GENERAL REAL PROPERTY APPRAISER

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State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



WII
Real Estate Commissioner

46665602

SAMUEL TODD GILL
258907
Status ACTIVE
ORIGINALLY LICENSED 02/06/2003
END OF RENEWAL 09/30/2017

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State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



WII
Real Estate Commissioner

46665602

ADDENDUM F

Jonathan Richmond
512 North One Mile Road
P.O. Box 784
Dexter, Missouri 63841
573-624-6614 (phone)
573-624-2942 (fax)
jon.richmond@gillgroup.com

OVERVIEW Multifamily and commercial experience specializing in work for private contractors, the Department of Housing and Urban Development (HUD) as well as lenders and developers through the Low-Income Housing Tax Credit (LIHTC) program. Has completed over 100 market studies in the past five years.

ACCREDITATIONS **State Certified Real Estate Appraiser**
Missouri State License Number 2014040824

Housing Credit Certified Professional (HCCP)
National Council of Affordable Housing Market Analysts (NCAHMA)

EMPLOYMENT **Hanley Wood** **2001 – 2005**
Specialized in Market Research Coordination by providing residential construction information for residential real estate development and new home construction.

Gill Group **2005 – Present**
Specializes in multi-family market studies, appraisals, and physical inspections.

EDUCATION **Bachelor of Science in Business Administration/Management**
The University of Phoenix
Advanced Microsoft Excel Training
New Horizons Microsoft Excel 2003-Level 2
State Registered Appraiser of Real Estate
Steve W. Vehmeier Appraisal School
General Education Classes
Manatee Community College

EXPERIENCE (2008 TO PRESENT) Provider of appraisals for HUD, Public Housing Authorities, Property Management Companies, Non-Profit Entities, For-Profit Entities, Commercial Property Chains, Banks and Lenders everywhere.

Inspector for Gill Group

Provides Property Condition Assessments for the following property types:

- Multi-Family
- Office

Provided Inspections for the following property types

- Single-Family
- Multi-Family
 - o Conventional
 - o Section 8
 - o Section 42 w/File Audits
 - o Section 202
 - o Section 221(d)(3)
 - o Section 221(d)(4)
 - o Section 236
- Hotels
- Motels
- Department Stores
- Retail Centers
- Warehouse
- Large, Multi-Unit Mini-Storage Facilities

RECENT PROJECTS

Proposed 52 Unit Family Complex - Guthrie, OK
43 Unit Multifamily Property - Waggaman, LA
32 Unit Multifamily Property - Waggaman, LA
24 Unit Family Complex - Republic, MO
112 Unit Multifamily Apartment Complex - Santa Clara, CA
28 Senior Unit Property - Ozark, AR
19 New Construction Single Family Homes - Butler, MO
44 Unit Multifamily Property - Nevada, MO
52 Senior Unit Complex - Savannah, MO
36 Unit Multifamily Property - Corbin, KY

Samuel T. Gill
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todd.gill@gillgroup.com

OVERVIEW

Extensive multifamily experience over the past 25 years specializing in work for the Department of Housing and Urban Development (HUD), United States Department of Agriculture/Rural Development (USDA/RD) as well as lenders and developers through the Low-Income Housing Tax Credit (LIHTC) program including but not limited to, Section 8, Section 202, Section 236, Section 515 and Section 538 Programs. Additionally, extensive experience since inception of the Multifamily Accelerated Processing (MAP) Program of Sections 202/223(f), 232/223(f), 221(d)3, 221(d)4 and 223(f). Also, more than 20 years of experience with nursing homes, hotels and complicated commercial appraisal assignments.

ACCREDITATIONS

State Certified General Real Estate Appraiser
Alabama State License Number: G00548
Arizona State License Number: 31453
Colorado State License Number: CG40024048
Connecticut State License Number: RCG.0001276
District of Columbia License Number: GA11630
Georgia State License Number: 258907
Hawaii State License Number: CGA1096
Idaho State License Number: CGA-3101
Illinois State License Number: 153.0001384
Indiana State License Number: CG40200270
Iowa State License Number: CG02426
Kansas State License Number: G-1783
Louisiana State License Number: G1126
Maryland State License Number: 32017
Michigan State License Number: 1201068069
Minnesota State License Number: 40186198
Mississippi State License Number: GA-624
Missouri State License Number: RA002563
Nebraska State License Number: CG2000046R
New York State License Number: 46000039864
North Carolina State License Number: A5519
North Dakota State License Number: CG-2601
Ohio State License Number: 448306
Oklahoma State License Number: 12524CGA
Oregon State License Number: C000793
Pennsylvania State License Number: GA001813R
South Carolina State License Number: 3976
Tennessee State License Number: 00003478
Texas State License Number: 1329698-G
Utah State License Number: 5510040-CG00
Virginia State License Number: 4001 015446
Washington State License Number: 1101018
West Virginia State License Number: CG358
Wisconsin State License Number: 1078-10
Wyoming State License Number: 479

Also received temporary licenses in the following states: Arkansas, California, Delaware, Florida, Kentucky, Maine, Massachusetts, Montana, Nevada, New Hampshire, New Jersey, New Mexico, Rhode Island, South Dakota and Vermont.

EXPERIENCE
(1991 TO PRESENT)

Primary provider of HUD Mark-to-Market Full Appraisals for mortgage restructuring and Mark-to-Market Lites for rent restructuring and has worked with HUD in this capacity since inception. Completed approximately 350 appraisals assignments under this program.

Provider of HUD MAP and TAP appraisals and market studies for multiple lenders since its inception. Completed approximately 300 appraisal assignments under this program.

Contract MAP quality control reviewer and field inspector for CohnReznick and HUD. Have completed approximately 300 reviews under this program. Have completed approximately 100 field inspections under this program.

Currently approved state reviewer for HUD Rent Comparability Studies for Section 8 Renewals in Alabama, California, Connecticut, Florida, Hawaii, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Nebraska, New Mexico, North Carolina, Oregon, Utah, Virgin Islands, Virginia, Washington, West Virginia and Wisconsin. Completed approximately 300 reviews under this program.

Provider of HUD Rent Comparability Studies for contract renewal purposes nationwide. Completed approximately 250 rent comparability studies.

Provider of tax credit financing analysis and value of financing analysis. Completed approximately 150 appraisal assignments and market studies under this program.

Provider of multifamily appraisals under the RD 515 and 538 programs. Completed approximately 150 appraisal assignments under these programs.

Partial list of clients include: Colorado Housing Finance Agency, CreditVest, Inc., Foley & Judell, LLP, Kentucky Housing Corporation, Kitsap County Consolidated Housing Authority, Louisiana Housing Finance Agency, Missouri Housing Development Agency, New Mexico Mortgage Finance Authority, Ontra, Inc., Quadel Consulting Corporation, CohnReznick, L.L.P., Group, Siegel Group, Signet Partners and Wachovia Securities.

**DEVELOPMENT/OWNERSHIP/
MANAGEMENT EXPERIENCE
(2006 TO PRESENT)**

For the past 10 years, he has owned three separate companies that develop, own and manage commercial, multifamily, residential, agricultural and vacant land properties.

In his portfolio are over 100,000 square feet of commercial space, over 500 units of multifamily, 200 acres of farmland, and 10 parcels of developable commercial and multifamily lots, all in the Midwest. In addition, the companies combined have 100 additional multifamily units and several thousand square feet of commercial space planned for the remainder of 2015.

EDUCATION

Bachelor of Arts Degree

Southeast Missouri State University

Associate of Arts Degree

Three Rivers Community College

HUD/FHA Appraiser Training

Arkansas State Office

Multifamily Accelerated Processing Valuation (MAP)

U.S. Department of Housing and Urban Development

2nd Annual Multifamily Accelerated Processing Basic and Advanced Valuation (MAP)

U.S. Department of Housing and Urban Development

FHA Appraising Today

McKissock, Inc.

Texas USDA Rural Development Multifamily Housing Appraiser Training

Texas Rural Development

Kentucky USDA Rural Development Multifamily Housing Appraiser Training

Kentucky Rural Development

Financial Analysis of Income Properties

National Association of Independent Fee Appraisers

Income Capitalization

McKissock, Inc.

Introduction to Income Property Appraising

National Association of Independent Fee Appraisers

Concepts, Terminology & Techniques

National Association of Independent Fee Appraisers

Uniform Standards of Professional Appraisal Practice

Central Missouri State University

Appraisal of Scenic, Recreational and Forest Properties

University of Missouri-Columbia

Appraiser Liability

McKissock, Inc.

Appraisal Trends

McKissock, Inc.

Sales Comparison Approach

Hondros College

Even Odder: More Oddball Appraisals

McKissock, Inc.

Mortgage Fraud: A Dangerous Business

Hondros College

Private Appraisal Assignments

McKissock, Inc.

Construction Details & Trends

McKissock, Inc.

Condemnation Appraising: Principles & Applications

Appraisal Institute

Michigan Law

McKissock, Inc.

Pennsylvania State Mandated Law

McKissock, Inc.

Valuing Real Estate in a Changing Market

National Association of Independent Fee Appraisers

Principles of Residential Real Estate Appraising

National Association of Independent Fee Appraisers

Real Estate Appraisal Methods

Southeast Missouri State University

Lead Inspector Training

The University of Kansas

Lead Inspector Refresher

Safety Support Services, Incorporated

Home Inspections: Common Defects in Homes

National Association of Independent Fee Appraisers

Heating and Air Conditioning Review

National Association of Independent Fee Appraisers

Professional Standards of Practice

National Association of Independent Fee Appraisers

Developing & Growing an Appraisal Practice – Virtual Classroom

McKissock, Inc.

The Appraiser as Expert Witness

McKissock, Inc.

Current Issues in Appraising

McKissock, Inc.

2011 ValExpo: Keynote-Valuation Visionaries

Van Education Center/Real Estate

Residential Report Writing

McKissock, Inc.

The Dirty Dozen

McKissock, Inc.

Risky Business: Ways to Minimize Your Liability

McKissock, Inc.

Introduction to Legal Descriptions

McKissock, Inc.

Introduction to the Uniform Appraisal Dataset

McKissock, Inc.

Mold Pollution and the Appraiser

McKissock, Inc.

Appraising Apartments: The Basics

McKissock, Inc.

Foundations in Sustainability: Greening the Real Estate and Appraisal Industries

McKissock, Inc.

Mortgage Fraud

McKissock, Inc.

The Nuts and Bolts of Green Building for Appraisers

McKissock, Inc.

The Cost Approach

McKissock, Inc.

Pennsylvania State Mandated Law for Appraisers

McKissock, Inc.

Michigan Appraisal Law

McKissock, Inc.

Modern Green Building Concepts

McKissock, Inc.

Residential Appraisal Review

McKissock, Inc.

Residential Report Writing: More Than Forms

McKissock, Inc.

2-4 Family Finesse

McKissock, Inc.

Appraisal Applications of Regression Analysis

McKissock, Inc.

Appraisal of Self-Storage Facilities

McKissock, Inc.

Supervisor-Trainee Course for Missouri

McKissock, Inc.

The Thermal Shell

McKissock, Inc.

Even Odder - More Oddball Appraisals

McKissock, Inc.