

**TAB 05 V. Market Feasibility**

**01 Market Study**



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

**PROMINENCE  
SENIOR VILLAGE**

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

# **OF: PROMINENCE SENIOR VILLAGE**

Prominence Point Parkway  
Canton, Cherokee County, Georgia 30114

Effective Date: April 29, 2017  
Report Date: May 22, 2017

Prepared for:  
Mr. Josh Thomason  
Principal  
Piedmont Housing Group, LLC  
80 West Wieuca Road, NE  
Atlanta, GA 30342

Assignment Code: PHP600V.065

Prepared by:  
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May 22, 2017

Mr. Josh Thomason  
Principal  
Piedmont Housing Group, LLC  
80 West Wieuca Road, NE  
Atlanta, GA 30342

Re: Market Study - Application for Prominence Senior Village, located in Canton, Cherokee County, Georgia

Dear Mr. Thomason:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Canton, Cherokee County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We previously completed market study for the Subject dated June 8, 2016, and a rent and demand letter dated April 21, 2017.

The purpose of this market study is to assess the viability of the proposed 75-unit senior 62+ LIHTC project. It will be a newly constructed affordable LIHTC project, with 75 revenue generating units, restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less and 21 unrestricted market rate units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Georgia Department of Community Affairs (DCA), including the following:

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

MR. JOSH THOMASON  
PIEDMONT HOUSING GROUP, LLC  
MAY 22, 2017  
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This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report was completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,  
Novogradac & Company LLP



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- A. Assumptions and Limiting Conditions
- B. Subject & Neighborhood Photographs
- C. Qualifications
- D. Summary Matrix

# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Prominence Senior Village will be a newly constructed senior 62+ property located in Canton, Cherokee County, Georgia, which will consist of one, three-story, elevator-serviced residential building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	690	4	\$485	\$94	\$579	\$633	\$764
2BR	880	12	\$580	\$118	\$698	\$760	\$820
<i>60% AMI</i>							
1BR	690	2	\$504	\$94	\$598	\$759	\$764
1BR	690	6	\$580	\$94	\$674	\$759	\$764
2BR	880	30	\$675	\$118	\$793	\$912	\$820
<i>Market Rate</i>							
1BR	690	6	\$730	\$0	\$730	N/A	\$764
2BR	880	<u>15</u>	\$825	\$0	\$825	N/A	\$820
<b>Total</b>		<b>75</b>					

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject's proposed rents are less than the 2016 LIHTC maximum allowable rents at both the 50 and 60 percent AMI levels. The Subject's development pricing strategy includes one-bedroom units at 60 percent AMI with different rents. The Subject's market-rate units are below the HUD fair market rents. The Subject will offer hand rails, microwaves, elevators, a picnic area, and a library, which several of the comparable properties lack. However, the Subject will lack balcony/patios, exterior storage, a car wash, a playground, and a swimming pool, which many of the comparables offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market.

### 2. Site Description/Evaluation

The Subject site is located on the north side of Prominence Point Parkway. The Subject site has good visibility and accessibility from Prominence Point Parkway. The Subject site is currently wooded land. Surrounding uses consist of single-family residential, commercial, and institutional uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered "Car-Dependent" by Walk Score with a rating of 46 out of 100. However, many locational amenities including Publix grocery store will be within walking distance of the Subject upon completion. Therefore the current Walk Score may be understated and could change once the Subject is constructed. Crime risk indices in the Subject's area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.8 miles of the Subject site.

### 3. Market Area Definition

The PMA is defined Fincher Road to the north, Fincher Road and Lake Allatoona to the west, Interstate 75 and Sandy Plains Road to the south, the Cherokee County line and East Cherokee Drive to the east. This area includes the Cities of Canton, Holly Springs and Woodstock as well as portions of Marietta, Kennesaw

and Acworth. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 11 miles  
East: 5 miles  
South: 14 miles  
West: 4 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 14 miles

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

The senior population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of senior population and household growth is projected to increase through 2021. The current senior population of the PMA is 41,248 and is expected to be 46,749 in 2019. Senior renter households are concentrated in the lowest income cohorts, with 31.9 percent of senior renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target senior households earning between \$17,370 and \$32,400 for its LIHTC units and up to \$67,500 for its market rate unit. The Subject should be well-positioned to service this market. Overall, population growth and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable senior rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Canton is experiencing a foreclosure rate of one in every 3,627 homes, while Cherokee County is experiencing foreclosure rate of one in every 2,318 homes and Georgia experienced one foreclosure in every 2,041 housing units. Overall, Canton is experiencing a lower foreclosure rate than the state, the county, and the nation, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

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

Employment in the PMA is concentrated in five industries, which represent approximately 51 percent of total local employment. There have been a few WARN notices issued in the county since 2014. However, several companies have moved to the county since 2014. Overall, the MSA has experienced positive total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent above its pre-recession peak, while national employment was 3.7 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, which was the same as the national unemployment rate and significantly lower than the 2010 peak of 10.3 percent. Overall, local employment growth and declining unemployment is a positive indicator of demand for affordable rental housing and the Subject's proposed units.

#### **6. Project-Specific Affordability and Demand Analysis**

The following table illustrates the demand and capture rates for the Subject's proposed units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$17,370	\$27,000	4	82	0	82	4.9%	\$485
1BR at 60% AMI	\$17,940	\$32,400	8	116	0	116	6.9%	\$504
1BR Unrestricted	\$21,900	\$67,500	6	247	0	247	2.4%	\$730
1BR Overall Affordable	\$17,370	\$32,400	12	121	0	121	9.9%	-
1 BR Overall Project	\$17,370	\$67,500	18	393	0	393	4.6%	-
2BR at 50% AMI	\$20,940	\$27,000	12	138	0	138	8.7%	\$580
2BR at 60% AMI	\$23,790	\$32,400	30	195	0	195	15.4%	\$675
2BR Unrestricted	\$24,750	\$67,500	15	415	0	415	3.6%	\$825
2BR Overall Affordable	\$20,940	\$32,400	42	203	0	203	20.7%	-
2 BR Overall Project	\$20,940	\$67,500	57	492	0	492	11.6%	-
50% AMI Overall	\$17,370	\$27,000	16	220	0	220	7.3%	-
60% AMI Overall	\$17,940	\$32,400	38	311	0	311	12.2%	-
Unrestricted Overall	\$21,900	\$67,500	21	663	0	663	3.2%	-
Overall Affordable	\$17,370	\$32,400	54	324	0	324	16.7%	-
Overall Project	\$17,370	\$67,500	75	885	0	885	8.5%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not considered demand from outside the PMA or standard rental household turnover. Of note, the demand calculation for the Subject’s one-bedroom units at 60 percent AMI includes both one-bedroom unit types. Setting two, one-bedroom units at 60 percent AMI at lower rents broadens the income band for one-bedroom units at 60 percent AMI, increasing total demand for one-bedroom units at 60 percent AMI. However, these two units account for approximately 33 percent of the total number of one-bedroom unit at 60 percent AMI. Therefore, the calculation accurately determines demand for this unit type at 60 percent AMI. All capture rates are within Georgia DCA’s thresholds.

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 1,868 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good. We have included three senior LIHTC properties, all of which are located in the PMA. Two of the senior LIHTC comparables also offer unrestricted market rate units. We also included one family LIHTC/market rate comparable located one mile from the Subject site. Alexander Ridge offers one and two-bedroom 50 percent, 60 percent, and market rate units, similar to the proposed Subject. Therefore, it has been included as a comparable. Due to the availability of senior LIHTC data, we have excluded most of the family LIHTC properties in the PMA. Senior market rate data was very limited; therefore we have included five conventional family properties located in the PMA. Management at one market rate comparable, Riverview Apartments, indicated that approximately half of the tenants (50 percent) are seniors. The market rate comparables were constructed between 2000 and 2009. Overall, the availability of LIHTC and market rate data is considered adequate to support our conclusions.

When comparing the Subject’s rents to the average comparable rent, we have not included surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI

levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$485	\$571	\$1,168	\$891	46%
2 BR @ 50%	\$580	\$683	\$1,497	\$1,022	43%
1 BR @ 60%	\$504	\$671	\$1,168	\$945	47%
1 BR @ 60%	\$580	\$671	\$1,168	\$945	39%
2 BR @ 60%	\$675	\$839	\$1,497	\$1,091	38%
1 BR Unrestricted	\$730	\$723	\$1,168	\$995	27%
2 BR Unrestricted	\$825	\$897	\$1,497	\$1,154	29%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents.

Atlantic Bridgemill is achieving the highest one-bedroom unrestricted rents in the market. The Subject will be inferior to Atlantic Bridgemill as a market-rate property upon completion. Atlantic Bridgemill was built in 2000 and exhibits good condition, which is inferior to the anticipated condition of the Subject upon completion. Atlantic Bridgemill is located 3.4 miles from the Subject site and offers a similar location. Atlantic Bridgemill offers superior in-unit and property amenities compared to the Subject’s proposed amenities, including balcony patios, coat closets, exterior storage, fireplaces, walk-in closets, a parking garage, playground, swimming pool, and tennis court. Atlantic Bridgemill offers similar unit sizes to those planned for the Subject. The one-bedroom rents at Atlantic Bridgemill are approximately 38 percent higher than the Subject’s proposed market rents, and approximately 73 percent higher than the Subject’s highest one-bedroom rents at 60 percent AMI.

Hearthside Towne Lake is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be similar to Hearthside Towne Lake as a market-rate property upon completion. Hearthside Towne Lake was built in 2011 and exhibits good condition, which will be slightly inferior to the anticipated condition of the Subject upon completion. However, Hearthside Towne Lake is located 7.4 miles from the Subject and offers a similar location. Hearthside Towne Lake offers similar property and in-unit amenities in comparison to the Subject. The lowest two-bedroom rents at Hearthside Towne Lake are 52 percent higher than the Subject’s two-bedroom unrestricted rents, and 86 percent higher than the Subject’s two-bedroom rents at 60 percent AMI. Overall, we believe the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

**8. Absorption/Stabilization Estimate**

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

**ABSORPTION**

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	2011	100	9
The Legacy At Walton Heights	LIHTC	Senior	2013	100	20
Riverview Apartments	Market	Family	2009	138	<u>11</u>
				<b>Average</b>	<b>13</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is proposed new construction. The comparables exhibit an average absorption pace of 13 units per month. The Subject could achieve an absorption pace most similar to the newer senior comparables constructed in 2011 and 2013. The comparables indicate an average absorption pace of 15 units per month. As such, we have concluded to an absorption pace of 15 units per month. At this rate, the Subject will have an absorption period between four and five months.

**9. Overall Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Capture rates for the Subject are considered low for all unit types. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The LIHTC report no vacancy, and all maintain waiting lists, some up to six months in length. These factors indicate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties similar to slightly inferior property amenities. The Subject will offer hand rails, microwaves, elevators, a picnic area, and a library, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to all of the comparable properties. The Subject’s proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject’s anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the proposed or existing LIHTC properties that are in overall good condition and performing well. We believe that the Subject is feasible as proposed and will perform well.

**PROMINENCE SENIOR VILLAGE – CANTON, GEORGIA – MARKET STUDY**

**Summary Table:**

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

Development Name:	Prominence Senior Village	Total # Units:	75
Location:	Prominence Point Boulevard	# LIHTC Units:	54
	Canton, Cherokee County, Georgia		
PMA Boundary:	North: Fincher Road; South: Interstate 75 and Sandy Plains Road; East: Cherokee County line and East Cherokee Drive;		
West: Fincher Road and Lake Allatoona	Farthest Boundary Distance to Subject:	14 miles	

**Rental Housing Stock (found on page 62)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	51	8,092	98	98.8%
Market-Rate Housing	17	3,699	157	95.8%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	15	1,163	0	100.0%
<b>LIHTC</b>	18	2,880	75	97.4%
Stabilized Comps	50	7,742	94	98.8%
Properties in Construction & Lease Up	1	350	N/Ap	N/Ap

\*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	1BR at 50% AMI	1	690	\$485	\$891	\$1.29	46%	\$1,168	\$1.67
12	2BR at 50% AMI	1	880	\$580	\$1,022	\$1.16	43%	\$1,497	\$1.58
2	1BR at 60% AMI	1	690	\$504	\$945	\$1.37	47%	\$1,168	\$1.06
6	1BR at 60% AMI	1	690	\$580	\$945	\$1.37	39%	\$1,168	\$1.67
30	2BR at 60% AMI	1	880	\$675	\$1,091	\$1.24	38%	\$1,497	\$1.58
6	1BR Unrestricted	1	690	\$730	\$995	\$1.44	27%	\$1,168	\$1.06
15	2BR Unrestricted	1	880	\$825	\$1,154	\$1.31	29%	\$1,497	\$1.06

**Demographic Data (found on page 30)**

	2010		2017		July 2019	
Renter Households	2,451	14.2%	3,782	14.9%	4,325	15.2%
Income-Qualified Renter HHs (LIHTC)	530	21.6%	819	21.6%	936	21.6%

**Targeted Income-Qualified Renter Household Demand (found on page 59)**

Type of Demand	30%	50%	60%	Market-rate	Overall Project*	Overall Affordable
Renter Household Growth	-	56	83	195	217	85
Existing Households (Overburdened + Substandard)	-	220	310	650	760	325
Homeowner conversion (Seniors)	-	6	6	6	6	6
<b>Total Primary Market Demand</b>	-	<b>282</b>	<b>399</b>	<b>851</b>	<b>983</b>	<b>416</b>
Less Comparable/Competitive Supply	-	0	0	0	0	0
<b>Adjusted Income-qualified Renter HHs**</b>	-	<b>282</b>	<b>399</b>	<b>851</b>	<b>983</b>	<b>416</b>

**Capture Rates (found on page 60)**

Targeted Population	30%	50%	60%	Market-rate	Overall Project	Overall Affordable
Capture Rate:	-	7.3%	12.2%	3.2%	8.5%	16.7%

\*Includes LIHTC and unrestricted (when applicable)

\*\*Not adjusted for demand by bedroom-type.

## **B. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located at Prominence Point Parkway in Canton, Cherokee County, Georgia 30114. The Subject site is currently vacant.
- 2. Construction Type:** The Subject will consist of one, three-story, elevator-serviced residential building. The Subject will be new construction.
- 3. Occupancy Type:** Seniors ages 62 and older.
- 4. Special Population Target:** None.
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

**PROMINENCE SENIOR VILLAGE – CANTON, GEORGIA – MARKET STUDY**

**Prominence Senior Village**

<b>Location</b>	Located Off Of Prominence Point	
<b>Distance</b>	n/a	
<b>Units</b>	75	
<b>Type</b>	Lowrise (age-restricted)	
<b>Year Built / Renovated</b>	Proposed / n/a	
<b>Tenant Characteristics</b>	Seniors 62+	

**Market**

<b>Program</b>	@50%, @60%, Market	<b>Leasing Pace</b>	n/a
<b>Annual Turnover Rate</b>	N/A	<b>Change in Rent (Past</b>	n/a
<b>Units/Month Absorbed</b>	n/a	<b>Concession</b>	n/a
<b>Section 8 Tenants</b>	N/A		

**Utilities**

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

**Unit Mix (face rent)**

<b>Beds</b>	<b>Baths</b>	<b>Type</b>	<b>Units</b>	<b>Size (SF)</b>	<b>Rent</b>	<b>Concession (monthly)</b>	<b>Restriction</b>	<b>Waiting List</b>	<b>Vacant</b>	<b>Vacancy Rate</b>	<b>Max rent?</b>
1	1	Lowrise (3 stories)	4	690	\$485	\$0	@50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	6	690	\$580	\$0	@60%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	2	690	\$504	\$0	@60%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	6	690	\$730	\$0	Market	n/a	N/A	N/A	N/A
2	1	Lowrise (3 stories)	12	880	\$580	\$0	@50%	n/a	N/A	N/A	no
2	1	Lowrise (3 stories)	30	880	\$675	\$0	@60%	n/a	N/A	N/A	no
2	1	Lowrise (3 stories)	15	880	\$825	\$0	Market	n/a	N/A	N/A	N/A

**Amenities**

<b>In-Unit</b>	Blinds Carpeting Central A/C Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Refrigerator Washer/Dryer hookup	<b>Security</b>	Limited Access
<b>Property</b>	Parking spaces: 75 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	Craft room, library

**Comments**

The property will target seniors age 62 and older. The property's projected utility allowance estimates for LIHTC units are \$94 and \$118 for the one and two-bedroom units, respectively. Additional amenities include a library and a craft room.

- 10. Scope of Renovations:** The Subject will be new construction.
- 11. Placed in Service Date:** Construction on the Subject is expected to begin in June 2018 and be completed in June 2019.
- Conclusion:** The Subject will be an excellent quality brick and fiber cement siding three-story elevator-serviced apartment complex for seniors 62+, comparable to superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

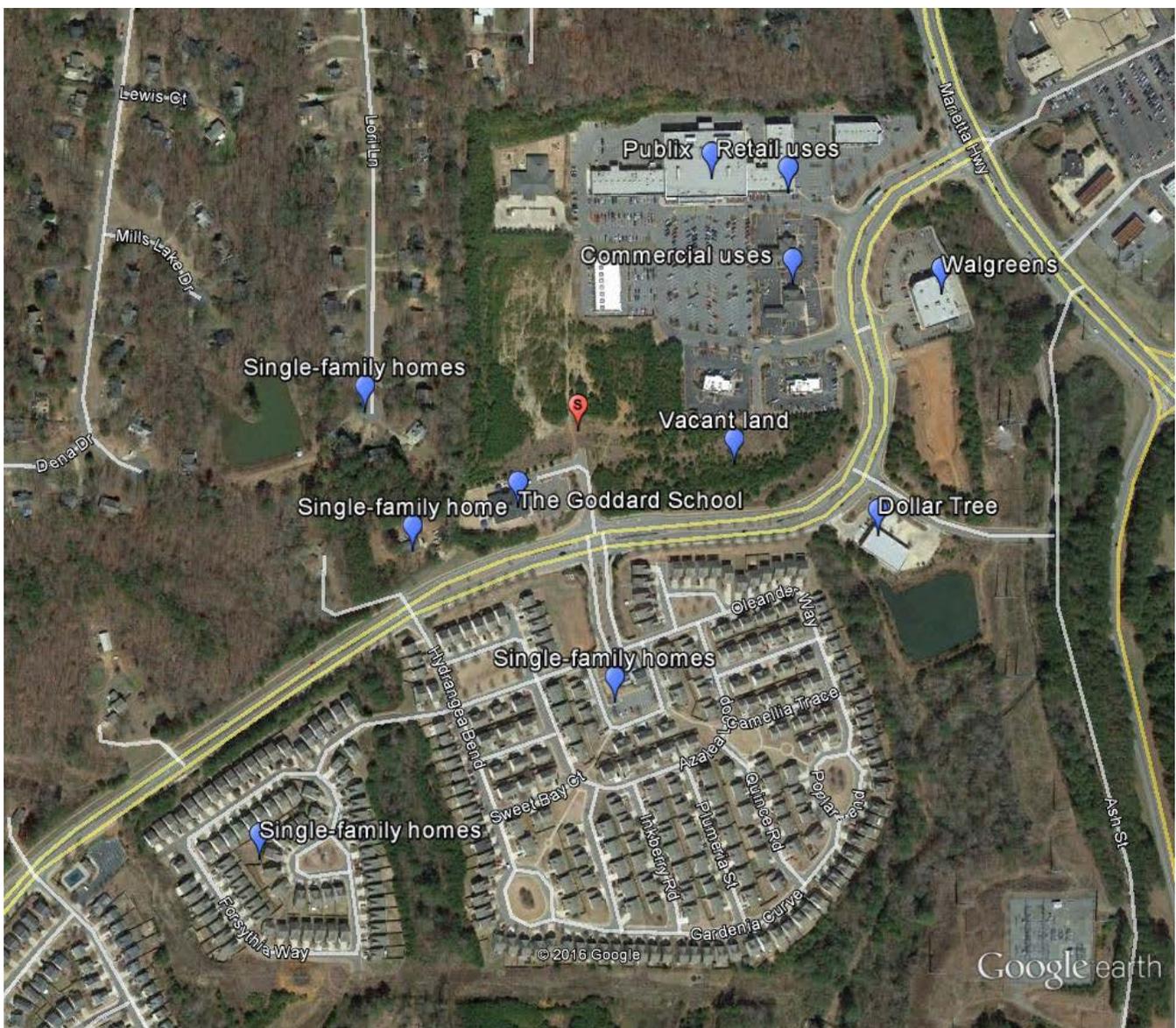
## **C. SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on April 29, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along Prominence Point Parkway.

**Visibility/Views:** The Subject will be located on the north side of Prominence Point Parkway. Visibility and views from the site will be good and initially will include vacant land to the east, the adjacent Goddard School to the south, commercial uses to the north, and single-family homes to the west and south.

**Surrounding Uses:** The following map illustrates the surrounding land uses.



Source: Google Earth, April 2017.

The Subject site is located on the north side of Prominence Point Parkway. The Subject site is currently vacant land. Adjacent north of the Subject site is the Discovery Point Child Development of Prominence Point. Directly east of the Subject site is Goodwill of North Georgia and Zaxby's Chicken. Single-family homes in good condition are located west of the Subject site beyond a line of trees. The Goddard School is adjacent south of the Subject site along Prominence Point Parkway. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered "Car-Dependent" by *Walk Score* with a rating of 46 out of 100. However, Publix grocery store will be located within walking distance of the Subject upon completion. The current *Walk Score* may be understated and could change once the Subject is constructed. Crime indices in the Subject's neighborhood are below the national average. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, all of which are within 4.8 miles of the Subject site and many of which are located less than 0.5 miles from the Subject site.

**Positive/Negative Attributes of Site:**

The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Interstate 575, which is approximately 0.3 miles east of the Subject site. Interstate 575 provides convenient access to other employment centers. Crime indices for the Subject's neighborhood are below national indices.

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

The Subject site is located within 4.8 miles of all locational amenities and many are located less than 0.5 miles from the Subject site. The Subject site is also located within close proximity of most of the area's major employers.

**4. Pictures of Site and Adjacent Uses:**

The following are pictures of the Subject site and adjacent uses.



Subject site from Prominence Point Parkway



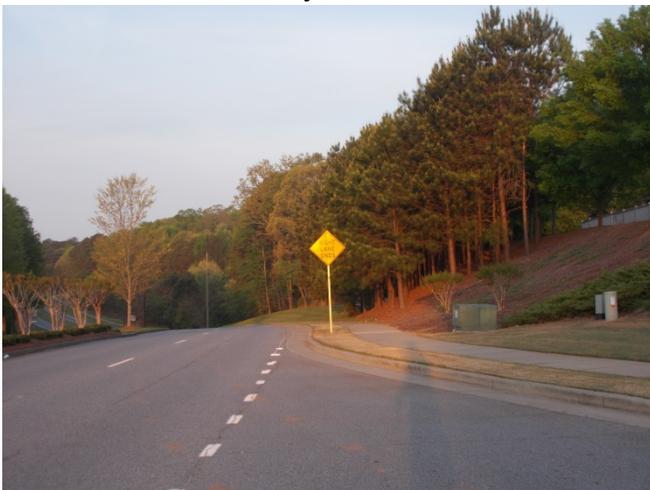
Subject site from Prominence Point Parkway



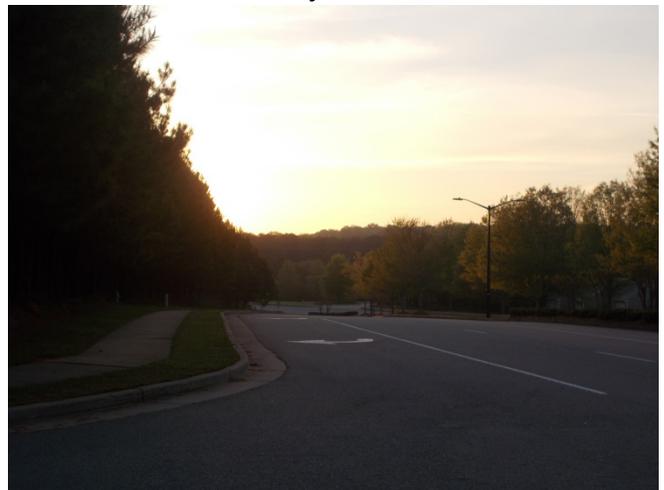
Subject site



Subject site



View west on Prominence Point Parkway



View east on Prominence Point Parkway



Institutional use adjacent south of the Subject site



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Pharmacy in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Grocery store in the Subject's neighborhood



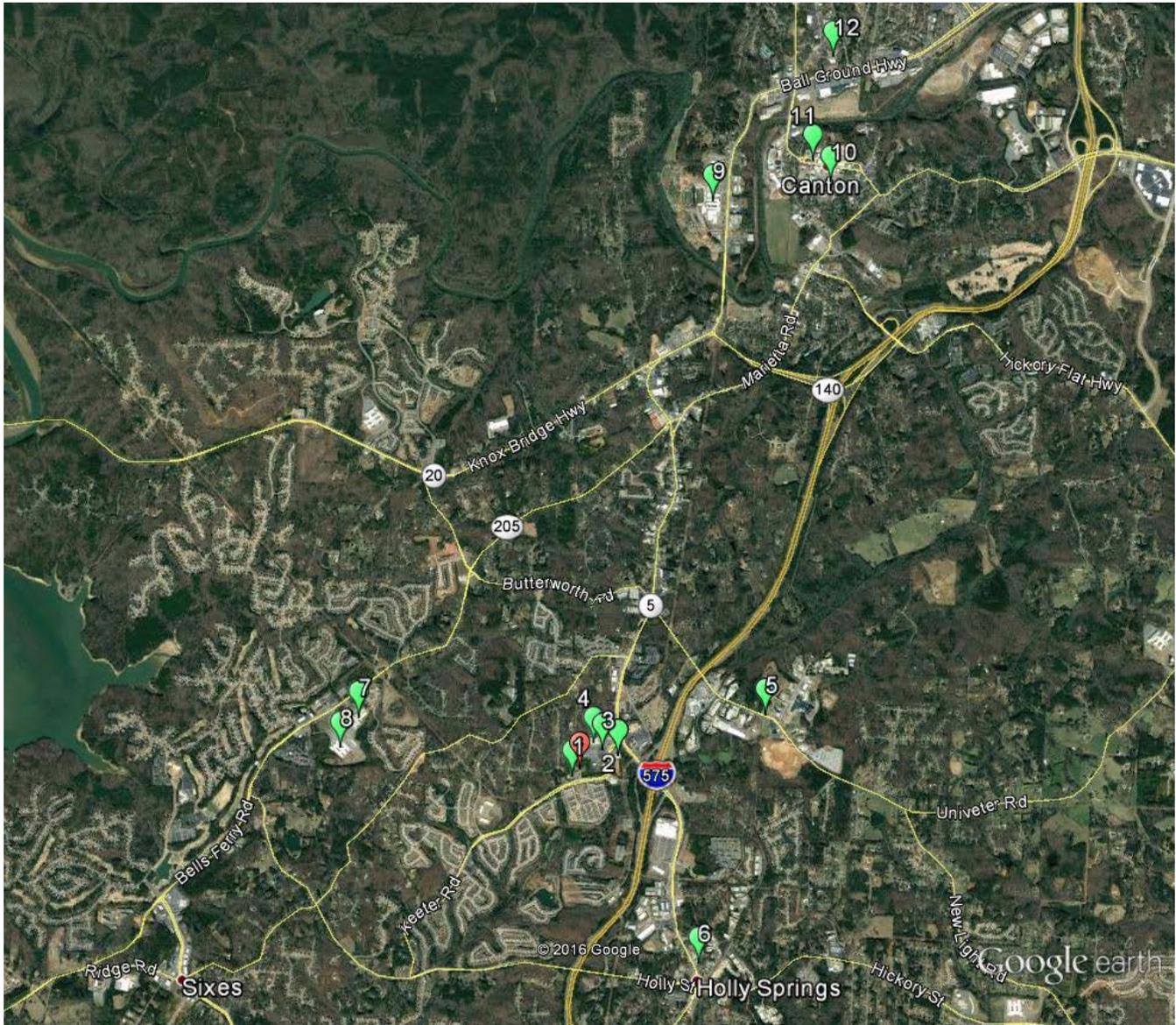
Gas station in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

The following table details the Subject's distance from key locational amenities.



Source: Google Earth, April 2017.

**LOCATIONAL AMENITIES**

Number	Service or Amenity	Distance from Subject
1	The Goddard School	< 0.1 miles
2	Walgreens Pharmacy	0.3 miles
3	Wells Fargo Bank	0.4 miles
4	Publix Super Market	0.5 miles
5	Cherokee County Senior Services	1.6 miles
6	US Post Office	1.7 miles
7	Freedom Middle School	3.5 miles
8	Liberty Elementary School	3.6 miles
9	Cherokee High School	3.8 miles
10	Canton Police Dept	4.0 miles
11	Canton Fire Dept	4.4 miles
12	Northside Hospital Cherokee	4.8 miles

**6. Description of Land Uses**

The Subject site is located on the north side of Prominence Point Parkway. The Subject site is currently vacant land. It is adjacent to the Goddard School, an institutional use in good condition. Farther south across Prominence Point Parkway are single-family homes in good condition. Single-family homes in average to good condition are also located west of the Subject site beyond a dense row of trees. Immediately north and east of the Subject are institutional and commercial uses in good condition. These include many locational amenities such as Publix super market, Dollar Tree, fast food restaurants, banks, and a Walgreens Pharmacy. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 46 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition, and the site has good proximity to locational amenities, all of which are within 4.8 miles of the Subject site. Many locational amenities are located less than 0.5 miles from the Subject site.

**7. Crime:**

The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

**2017 CRIME INDICES**

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
<b>Total Crime*</b>	<b>60</b>	<b>139</b>
<b>Personal Crime*</b>	<b>32</b>	<b>130</b>
Murder	41	155
Rape	41	88
Robbery	32	163
Assault	30	118
<b>Property Crime*</b>	<b>63</b>	<b>140</b>
Burglary	68	147
Larceny	64	134
Motor Vehicle Theft	50	178

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

\*Unweighted aggregations

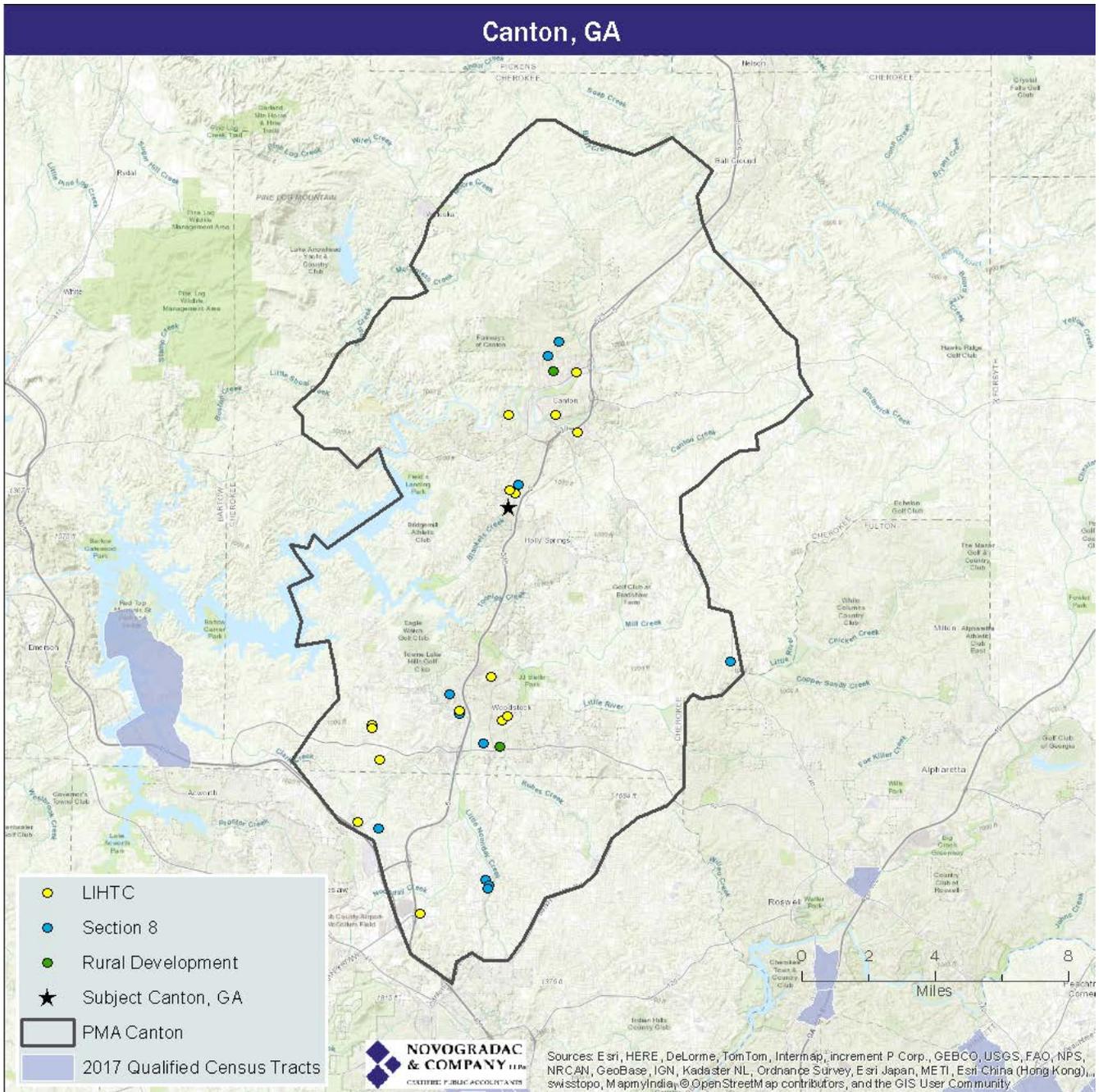
The total crime indices in the PMA are below that of the MSA and the nation. Personal crime risk indices in the PMA are below MSA and national personal crime levels. The Subject will offer limited access as a security feature, which is similar to the security features of the comparable properties.

**8. Existing Assisted Rental Housing Property Map:**

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

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Location	Tenancy	# of Units	Map Color	
Prominence Senior Village	LIHTC	Canton	Senior	75	Star	
Columbia Creek Apts	Section 8	Woodstock	Family	0	Blue	
Grand Reserve At Riverstone	Section 8	Canton	Family	0		
Cherokee Residential Services	Section 8	Canton	Senior/Disabled	10		
Colbert Square	Section 8	Woodstock	Senior/Disabled	70		
Ucp Of Atlanta	Section 8	Marietta	Senior/Disabled	8		
Laurel'S Edge	Section 8	Kennesaw	Senior/Disabled	50		
River Ridge Apartments At Canton	Section 8	Canton	Family	356		
Crs Grimes Road, Inc.	Section 8	Woodstock	Senior/Disabled	5		
Cassie'S Corner	Section 8	Marietta	Senior/Disabled	4		
The Willow House	Section 8	Marietta	Senior/Disabled	4		
Heritage At Madison Pointe	Section 8	Woodstock	Family	100		
The Heights At Town Lake	Section 8	Woodstock	Family	194		
Cherokee Summit Apartments	Section 8	Acworth	Family	272		
Whispering Trace Apts	LIHTC	Woodstock	Family	40		Yellow
Gregory Lane Apts Phase I	LIHTC	Acworth	Family	72		
Gregory Lane Apts Phase II	LIHTC	Acworth	Family	38		
Lancaster Ridge Apartments	LIHTC	Canton	Family	143		
Canterbury Ridge Apts	LIHTC	Canton	Family	212		
Columbia Creek	LIHTC	Woodstock	Family	137		
Canton Mill Lofts	LIHTC	Canton	Family	313		
Alexander Ridge Apts	LIHTC	Canton	Family	272		
Cherokee Summit	LIHTC	Acworth	Family	272		
Heritage At Madison Pointe	LIHTC	Woodstock	Family	100		
Laurels At Greenwood	LIHTC	Canton	Family	174		
Highland Court Senior Residences	LIHTC/Market	Kennesaw	Senior	122		
Peaks At Bells Ferry	LIHTC	Acworth	Family	248		
Alta Ridge Walk	LIHTC	Woodstock	Family	340		
Hearthstone Landing	LIHTC	Canton	Family	72		
Legacy At Walton Heights	LIHTC	Marietta	Senior	100		
Legacy at Walton Village	LIHTC	Marietta	Family	125		
Hearthside Towne Lake	LIHTC/Market	Woodstock	Family	100		
Lakeview Apartments	Rural Development	Canton	Family	40	Green	
Laurelwood Apartments	Rural Development	Woodstock	Family	50		



**9. Road, Infrastructure or Proposed Improvements:**

We did not witness any road, infrastructure or proposed improvements during our field work.

**10. Access, Ingress-Egress and Visibility of Site:**

The Subject site can be accessed from Prominence Point Parkway, a four-lane, arterial route in a mixed-use neighborhood in Canton, Georgia. Prominence Point Parkway intersects Holly Street to the south and Marietta Highway to the north. Both of these roads provide access to Interstate 575 to the east, which is located approximately 0.3 miles east of the Subject site. Interstate 575

provides access north through Canton, and south to Interstate 75 in Kennesaw, Georgia. Overall, access and visibility are considered good.

**11. Conclusion:**

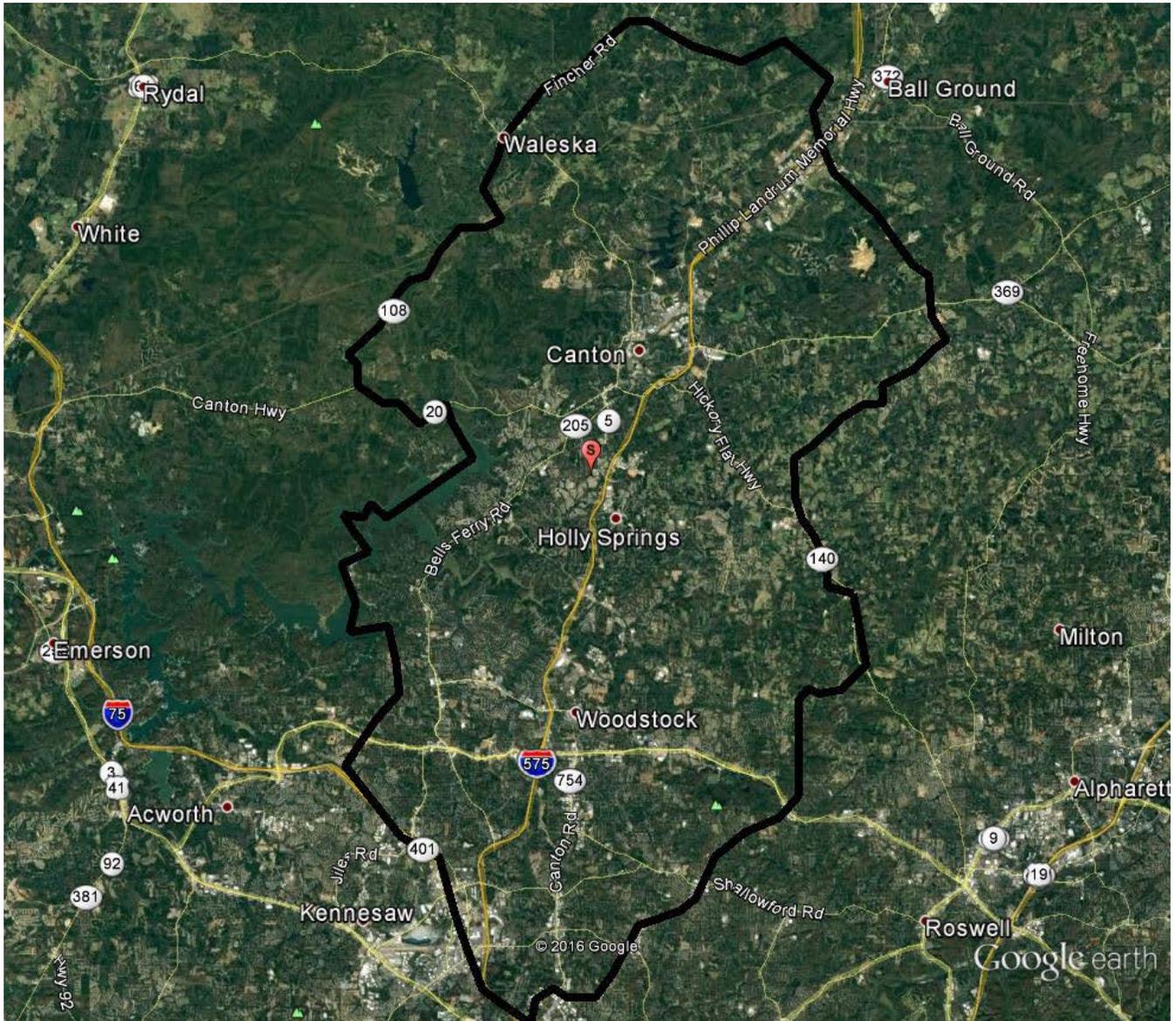
The Subject site is located on the north side of Prominence Point Parkway. The Subject site has good visibility and accessibility from Prominence Point Parkway. The Subject site is currently wooded land. Surrounding uses consist of single-family residential, commercial, and institutional uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 46 out of 100. However, many locational amenities including Publix grocery store will be within walking distance of the Subject upon completion. Therefore the current Walk Score may be understated and could change once the Subject is constructed. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.8 miles of the Subject site.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

### Primary Market Area Map



Source: Google Earth, April 2017.

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

The PMA is defined Fincher Road to the north, Fincher Road and Lake Allatoona to the west, Interstate 75 and Sandy Plains Road to the south, the Cherokee County line and East Cherokee Drive to the east. This area includes the Cities of Canton, Holly Springs and Woodstock as well as portions of Marietta, Kennesaw and Acworth. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 11 miles  
East: 5 miles  
South: 14 miles  
West: 4 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 14 miles.

# **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

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

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within the population in the MSA, the PMA and nationally from 2000 through 2021.

#### 1a. Total Population

The following table illustrates the total population within the PMA, MSA and nation from 2000 through 2021.

Year	SENIOR POPULATION, 62+					
	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	14,747	-	407,225	-	41,475,021	-
2010	30,449	10.6%	625,999	5.4%	50,358,738	2.1%
2017	41,248	2.1%	803,915	1.6%	60,304,482	1.1%
Projected Mkt Entry July 2019	46,749	5.3%	894,866	4.5%	65,313,023	3.3%
2021	52,249	5.3%	985,817	4.5%	70,321,565	3.3%

Source: Esri Demographics 2017, Novogradac & Company LLP, May 2017

The senior population in the PMA grew significantly between 2000 and 2010, far outpacing senior population growth in the MSA and the nation over the same period. Between 2010 and 2017, there was approximately 2.1 percent annual growth in the senior population of the PMA, which was greater than the MSA and the national senior population growth rate. Total senior population in the PMA is projected to increase at a rate of 5.3 percent annually from 2017 to 2021, which is a growth rate above that of the MSA and the nation as a whole during the same time period. Overall, we believe that senior population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

#### 1b. Total Population by Age Group

The following table illustrates the total population within the PMA and MSA and nation from 2000 to 2021.

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	15,150	17,998	18,337	18,965	19,592
5-9	15,428	19,783	19,804	20,106	20,408
10-14	15,558	19,342	20,891	21,349	21,807
15-19	13,073	17,589	18,167	19,052	19,937
20-24	10,508	15,727	16,885	16,599	16,313
25-29	13,414	16,008	19,626	19,622	19,617
30-34	16,796	17,569	19,018	21,327	23,636
35-39	19,288	20,387	19,365	20,991	22,616
40-44	18,405	20,619	20,876	20,950	21,023
45-49	15,478	20,965	20,520	20,518	20,516
50-54	13,254	18,787	20,615	20,573	20,531
55-59	8,483	15,418	18,859	19,440	20,021
60-64	5,515	13,252	15,364	16,800	18,236
65-69	3,831	8,696	13,010	13,935	14,859
70-74	2,987	5,612	8,440	10,246	12,051
75-79	2,279	3,625	5,072	6,186	7,300
80-84	1,319	2,482	2,950	3,477	4,004
85+	1,022	2,083	2,558	2,826	3,093
<b>Total</b>	<b>191,788</b>	<b>255,942</b>	<b>280,357</b>	<b>292,959</b>	<b>305,560</b>

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

POPULATION BY AGE GROUP

Age Cohort	Atlanta-Sandy Springs-Roswell, GA MSA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	318,972	380,735	380,008	389,130	398,252
5-9	326,062	394,306	392,983	397,083	401,183
10-14	314,313	390,992	406,441	412,846	419,251
15-19	290,180	378,372	385,702	396,917	408,131
20-24	289,654	341,650	389,646	387,231	384,816
25-29	364,046	377,057	408,658	426,569	444,480
30-34	382,158	386,120	403,640	429,405	455,170
35-39	396,792	417,987	399,148	417,616	436,084
40-44	360,050	415,233	415,330	414,027	412,724
45-49	307,308	411,635	404,741	403,553	402,364
50-54	267,500	364,330	397,839	397,737	397,635
55-59	186,754	301,331	359,211	369,914	380,616
60-64	131,059	252,453	296,741	319,352	341,963
65-69	101,856	170,690	241,279	259,640	278,000
70-74	82,809	114,130	160,967	190,291	219,614
75-79	65,303	81,144	100,456	118,460	136,464
80-84	42,357	57,082	63,423	70,845	78,267
85+	36,265	51,481	59,745	64,020	68,294
<b>Total</b>	<b>4,263,438</b>	<b>5,286,728</b>	<b>5,665,958</b>	<b>5,864,633</b>	<b>6,063,308</b>

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

The largest age cohorts in the PMA are between 10 and 14 and 40 to 54, which indicates the presence of families. However, age cohorts between 55 and 69 are expected to increase through market entry and 2021.

### 1c. Number of Elderly and Non-Elderly

The following table illustrates the elderly and non-elderly population within the PMA, MSA and nation from 2000 through 2021.

Year	NUMBER OF ELDERLY AND NON-ELDERLY			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total	PMA Non-Elderly	PMA Elderly (62+)	Total Population	Non-Elderly	Elderly (62+)
2000	191,787	166,351	14,747	4,263,438	3,617,035	407,225
2010	255,942	204,774	30,449	5,286,728	4,258,417	625,999
2017	280,356	214,103	41,248	5,665,958	4,384,136	803,915
Projected Mkt Entry July 2019	292,959	220,050	46,749	5,864,633	4,472,113	894,866
2021	305,561	225,997	52,249	6,063,308	4,560,090	985,817

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

The elderly population in the PMA is expected to increase through market entry and 2021 indicating demand for the Subject's proposed units.

### 2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, and (e) Elderly Households 62+ within the population in the MSA, the PMA and nationally from 2000 through 2017.

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

The following tables illustrate the total number of households and average household size within the PMA, MSA and nation from 2000 through 2021.

Year	HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 62+					
	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	9,167	-	253,346	-	26,202,060	-
2010	17,308	8.9%	362,824	4.3%	30,451,108	1.6%
2017	25,344	2.7%	567,275	3.3%	37,341,086	1.3%
Projected Mkt Entry July 2019	28,396	4.8%	585,777	1.3%	39,869,663	2.7%
2021	31,447	4.8%	604,278	1.3%	42,398,240	2.7%

Source: Esri Demographics 2017, Novogradac & Company LLP, May 2017

Year	AVERAGE HOUSEHOLD SIZE					
	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.85	-	2.68	-	2.59	-
2010	2.77	-0.3%	2.68	0.0%	2.58	-0.1%
2017	2.80	0.0%	2.70	0.1%	2.59	0.0%
Projected Mkt Entry July 2019	2.80	0.1%	2.71	0.1%	2.59	0.1%
2021	2.81	0.1%	2.72	0.1%	2.60	0.1%

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

Senior household growth in the PMA exceeded the MSA and nation between 2000 and 2010 but slowed between 2010 and 2017. Over the next five years, senior household growth in the PMA is projected to increase at a rate above that of the MSA and nation as a whole. The average household size in the PMA is slightly larger than the national average at 2.8 persons in 2017. Over the next five years, the average household size is projected to remain relatively similar.

## 2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2021.

**PMA TENURE PATTERNS OF SENIORS 62+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	8,053	87.8%	1,114	12.2%
2017	21,562	85.1%	3,782	14.9%
Projected Mkt Entry July 2019	24,071	84.8%	4,325	15.2%
2021	26,580	84.5%	4,867	15.5%

Source: Esri Demographics 2017, Novogradac & Company LLP, May 2017

**MSA TENURE PATTERNS OF SENIORS 62+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	203,034	80.1%	50,312	19.9%
2017	423,072	74.6%	144,203	25.4%
Projected Mkt Entry July 2019	436,670	74.5%	149,107	25.5%
2021	450,267	74.5%	154,011	25.5%

Source: Esri Demographics 2017, Novogradac & Company LLP, May 2017

As the table illustrates, senior households within the PMA primarily reside in owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a lower percentage of senior renters in in the PMA than the nation. However, as presented, the percent of senior renter population increased significantly between 2000 and 2017 and will continue to moderately increase over the next five years.

## 2c. Household Income

The following table depicts renter household income in the PMA in 2017, market entry, and 2021.

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 62+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	233	6.2%	268	6.2%	303	6.2%
\$10,000-19,999	663	17.5%	698	16.2%	734	15.1%
\$20,000-29,999	543	14.3%	610	14.1%	677	13.9%
\$30,000-39,999	423	11.2%	460	10.6%	497	10.2%
\$40,000-49,999	417	11.0%	458	10.6%	499	10.3%
\$50,000-59,999	193	5.1%	230	5.3%	267	5.5%
\$60,000-74,999	327	8.6%	379	8.8%	431	8.9%
\$75,000-99,999	289	7.6%	339	7.8%	389	8.0%
\$100,000-124,999	240	6.3%	284	6.6%	328	6.7%
\$125,000-149,999	148	3.9%	187	4.3%	226	4.6%
\$150,000-199,999	145	3.8%	188	4.3%	230	4.7%
\$200,000+	162	4.3%	224	5.2%	286	5.9%
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>	<b>4,325</b>	<b>100.0%</b>	<b>4,867</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, April 2017

**RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA, 62+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	17,494	12.1%	18,089	12.1%	18,683	12.1%
\$10,000-19,999	26,977	18.7%	27,895	18.7%	28,812	18.7%
\$20,000-29,999	19,546	13.6%	20,211	13.6%	20,875	13.6%
\$30,000-39,999	14,950	10.4%	15,458	10.4%	15,967	10.4%
\$40,000-49,999	12,158	8.4%	12,572	8.4%	12,985	8.4%
\$50,000-59,999	9,565	6.6%	9,890	6.6%	10,215	6.6%
\$60,000-74,999	9,401	6.5%	9,721	6.5%	10,041	6.5%
\$75,000-99,999	10,459	7.3%	10,814	7.3%	11,170	7.3%
\$100,000-124,999	7,879	5.5%	8,147	5.5%	8,415	5.5%
\$125,000-149,999	5,544	3.8%	5,732	3.8%	5,921	3.8%
\$150,000-199,999	4,635	3.2%	4,792	3.2%	4,950	3.2%
\$200,000+	5,596	3.9%	5,786	3.9%	5,977	3.9%
<b>Total</b>	<b>144,203</b>	<b>100.0%</b>	<b>149,107</b>	<b>100.0%</b>	<b>154,011</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, April 2017

The Subject's LIHTC units will target senior tenants earning between \$17,370 and \$32,400. As the table above depicts, approximately 31.8 percent of senior renter households in the PMA are earning incomes between \$10,000 and \$29,999, which is comparable to the 32.3 percent of senior renter households in the MSA in 2017. These percentages are projected to remain relatively stable through 2021.

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

The following table illustrates household size for all households in 2017, 2019 and 2021. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 62+**

Household Size	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	2,222	59%	2,571	61%	2,921	63%
2 Persons	825	22%	953	23%	1,080	23%
3 Persons	218	6%	242	6%	267	6%
4 Persons	275	7%	296	7%	317	7%
5+ Persons	243	6%	131	3%	20	0%
<b>Total Households</b>	<b>3,782</b>	<b>100%</b>	<b>4,194</b>	<b>100%</b>	<b>4,605</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, April 2017

The largest senior renter household cohort is a one-person household, followed by two-person households. These cohorts are projected to remain the largest through 2021.

**Conclusion**

The senior population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of senior population and household growth is projected to increase through 2021. The current senior population of the PMA is 41,248 and is expected to be 46,749 in 2019. Senior renter households are concentrated in the lowest income cohorts, with 31.9 percent of senior renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target senior households earning between \$17,370 and \$32,400 for its LIHTC units and up to \$67,500 for its market rate unit. The Subject should be well-positioned to service this market. Overall, population growth and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable senior rental housing in the market.

## **F. EMPLOYMENT TRENDS**

## Employment Trends

### 1. Total Jobs

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

Year	Total Employment	% Change
2006	100,633	-
2007	105,748	4.84%
2008	106,486	0.69%
2009	100,467	-5.99%
2010	102,687	2.16%
2011	104,542	1.77%
2012	106,938	2.24%
2013	108,641	1.57%
2014	111,575	2.63%
2015	113,989	2.12%
2016 YTD Average	128,658	11.40%
Dec-15	115,502	-
Dec-16	120,623	4.25%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Cherokee County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2009. However, employment growth quickly rebounded and Cherokee County exhibited employment growth from 2010 through 2016. Total employment in Cherokee County surpassed pre-recessionary levels in 2012. Total employment in Cherokee County increased 4.25 percent between December 2015 and December 2016. Total employment data suggests the economy of Cherokee County is in an expansionary phase.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Cherokee County as of January 2017.

January 2017 Covered Employment Cherokee County, Georgia		
	Number	Percent
Total, all industries	48,178	-
Goods-producing	-	-
Natural resources and mining	178	0.37%
Construction	4,391	9.11%
Manufacturing	4,520	9.38%
Service-providing	-	-
Trade, transportation, and utilities	12,631	26.22%
Information	597	1.24%
Financial activities	2,196	4.56%
Professional and business services	5,829	12.10%
Education and health services	7,114	14.77%
Leisure and hospitality	8,495	17.63%
Other services	1,870	3.88%
Unclassified	357	0.74%

Source: Bureau of Labor Statistics

Trade, transportation, and utilities is the largest industry in Cherokee County, followed by leisure and hospitality and education and health services. Trade, transportation, and utilities and leisure and hospitality are particularly vulnerable in economic downturns, while education and health services are typically stable industries. The following table illustrates employment by industry for the PMA as of 2017 (most recent year available).

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	19,518	14.0%	17,169,304	11.3%
Prof/Scientific/Tech Services	13,910	9.9%	10,269,978	6.8%
Healthcare/Social Assistance	13,178	9.4%	21,304,508	14.1%
Manufacturing	12,565	9.0%	15,499,826	10.2%
Educational Services	12,356	8.8%	14,359,370	9.5%
Accommodation/Food Services	11,940	8.5%	11,574,403	7.6%
Construction	9,957	7.1%	9,342,539	6.2%
Finance/Insurance	8,642	6.2%	6,942,986	4.6%
Other Services (excl Publ Adm)	7,063	5.1%	7,463,834	4.9%
Admin/Support/Waste Mgmt Svcs	5,675	4.1%	6,511,707	4.3%
Transportation/Warehousing	5,095	3.6%	6,128,217	4.0%
Wholesale Trade	4,735	3.4%	4,066,471	2.7%
Information	4,012	2.9%	2,862,063	1.9%
Public Administration	3,967	2.8%	7,093,689	4.7%
Arts/Entertainment/Recreation	2,987	2.1%	3,416,474	2.3%
Real Estate/Rental/Leasing	2,780	2.0%	2,946,196	1.9%
Utilities	973	0.7%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	311	0.2%	2,253,044	1.5%
Mining	92	0.1%	749,242	0.5%
Mgmt of Companies/Enterprises	82	0.1%	89,612	0.1%
<b>Total Employment</b>	<b>139,838</b>	<b>100.0%</b>	<b>151,387,682</b>	<b>100.0%</b>

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

The largest industries in the PMA are retail trade, professional/scientific/tech services, healthcare/social assistance, and manufacturing. These industries account for 42.3 percent of total employment within the PMA. The percentage of retail trade jobs in the PMA is significantly larger than that of the nation. The professional/scientific/tech services industry is also over represented in the PMA. Industries under-represented in the PMA include healthcare/social assistance and public administration.

### 3. Major Employers

The table below shows the largest employers in Cherokee County, GA.

MAJOR EMPLOYERS			
Rank	Company	Industry	Number of Employees
1	Northside Hospital- Cherokee	Healthcare	1,000-4,999
2	Pilgrahm	Manufacturing	500-999
3	Walmart Supercenter	Retail Trade	500-999
4	Publix Super Market	Retail Trade	250-499
5	Chart Inc	Manufacturing	250-499
6	Meyn Poultry Processing LLC	Manufacturing	250-499
7	Cherokee County Sheriff's Office	Public Administration	250-499
8	Cherokee County Board of Education	Educational Services	250-499
9	Cabela's	Retail Trade	250-499
10	Austin Law Group	Professional/Scientific/Tech Services	250-499

Source: Georgia Department of Labor, April 2017

Northside Hospital-Cherokee is one of the largest employers in Cherokee County. Other major employers include companies in the manufacturing, retail trade, educational services, public administration and

professional/scientific/tech services. While healthcare, education, and public administration are historically stable industries, manufacturing is historically unstable, especially during times of recession. However, there have been several employment expansions in the county in the manufacturing sector.

**Expansions/Contractions**

The following table illustrates the layoffs and closures of significance that have occurred or been announced since January 1, 2014 in Cherokee County according to the Georgia Department of Economic Development.

**WARN NOTICES - CHEROKEE COUNTY, GA 2014-2017**

Company	Industry	Number of Employees Affected
Timken	Manufacturing	56
Agilex Fragrances	Manufacturing	32
Radius Global Solutions	Professional/Scientific/Tech Services	27

Source: Georgia Department of Economic Development, April 2017

As illustrated in the above table, there have been 115 employees in the area impacted by layoffs or closures since 2014. Despite these job losses, there has been some growth occurring in the area.

**EXPANSIONS/NEW ADDITIONS - CHEROKEE COUNTY, GA 2014-2017**

Company	Industry	Number of jobs
New Northside Hospital Cherokee	Healthcare	300
Adidas	Manufacturing	160
Inalfa Roof Systems	Manufacturing	132
Jaipur Living	Manufacturing	100
Universal Alloy Corporation	Manufacturing	40
MSK Coverttech Inc	Manufacturing	30

There were several additions in the healthcare, manufacturing, and transportation/warehousing sectors. The new Northside Hospital in Cherokee County is expected to open in May 2017. The new campus will offer 105 beds and employ 1,700 employees and create up to 300 new jobs. Universal Alloy, an aerospace manufacturer recently began construction of a new facility in Cherokee County. It is expected to initially employ 40 personnel when it opens on July 1, 2017. Between 2014 and 2017, there were a total of more than 700 jobs added, which helps to counteract the 115 layoffs in the county during the same period.

**4. Employment and Unemployment Trends**

The following table details employment and unemployment trends for the MSA from 2002 to February 2017.

**EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	2,324,880	-	-16.1%	136,485,000	-	-9.9%
2003	2,347,173	1.0%	-15.3%	137,736,000	0.9%	-9.0%
2004	2,382,163	1.5%	-14.0%	139,252,000	1.1%	-8.0%
2005	2,445,674	2.7%	-11.7%	141,730,000	1.8%	-6.4%
2006	2,538,141	3.8%	-8.4%	144,427,000	1.9%	-4.6%
2007	2,618,825	3.2%	-5.5%	146,047,000	1.1%	-3.6%
2008	2,606,822	-0.5%	-5.9%	145,363,000	-0.5%	-4.0%
2009	2,452,057	-5.9%	-11.5%	139,878,000	-3.8%	-7.6%
2010	2,440,037	-0.5%	-11.9%	139,064,000	-0.6%	-8.2%
2011	2,486,895	1.9%	-10.2%	139,869,000	0.6%	-7.6%
2012	2,546,478	2.4%	-8.1%	142,469,000	1.9%	-5.9%
2013	2,574,339	1.1%	-7.1%	143,929,000	1.0%	-5.0%
2014	2,619,867	1.8%	-5.4%	146,305,000	1.7%	-3.4%
2015	2,677,863	2.2%	-3.4%	148,833,000	1.7%	-1.7%
2016	2,770,683	3.5%	0.0%	151,436,000	1.7%	0.0%
2017 YTD Average	2,839,862	2.5%	-	151,060,500	-0.2%	-
Feb-2016	2,716,753	-	-	150,060,000	-	-
Feb-2017	2,855,099	5.1%	-	151,594,000	1.0%	-

Source: U.S. Bureau of Labor Statistics April 2017

**UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	5.0%	-	0.6%	5.8%	-	1.2%
2003	4.9%	-0.2%	0.5%	6.0%	0.2%	1.4%
2004	4.8%	-0.1%	0.4%	5.5%	-0.5%	0.9%
2005	5.4%	0.6%	0.9%	5.1%	-0.5%	0.5%
2006	4.7%	-0.7%	0.2%	4.6%	-0.5%	0.0%
2007	4.4%	-0.2%	0.0%	4.6%	0.0%	0.0%
2008	6.2%	1.7%	1.7%	5.8%	1.2%	1.2%
2009	9.9%	3.8%	5.5%	9.3%	3.5%	4.7%
2010	10.3%	0.4%	5.9%	9.6%	0.3%	5.0%
2011	9.9%	-0.4%	5.5%	9.0%	-0.7%	4.3%
2012	8.8%	-1.1%	4.3%	8.1%	-0.9%	3.5%
2013	7.8%	-1.0%	3.4%	7.4%	-0.7%	2.8%
2014	6.7%	-1.1%	2.3%	6.2%	-1.2%	1.6%
2015	5.6%	-1.2%	1.2%	5.3%	-0.9%	0.7%
2016	5.0%	-0.6%	0.6%	4.9%	-0.4%	0.3%
2017 YTD Average	5.1%	0.1%	-	5.0%	0.1%	-
Feb-2016	5.3%	-	-	5.2%	-	-
Feb-2017	4.9%	-0.4%	-	4.9%	-0.3%	-

Source: U.S. Bureau of Labor Statistics April 2017

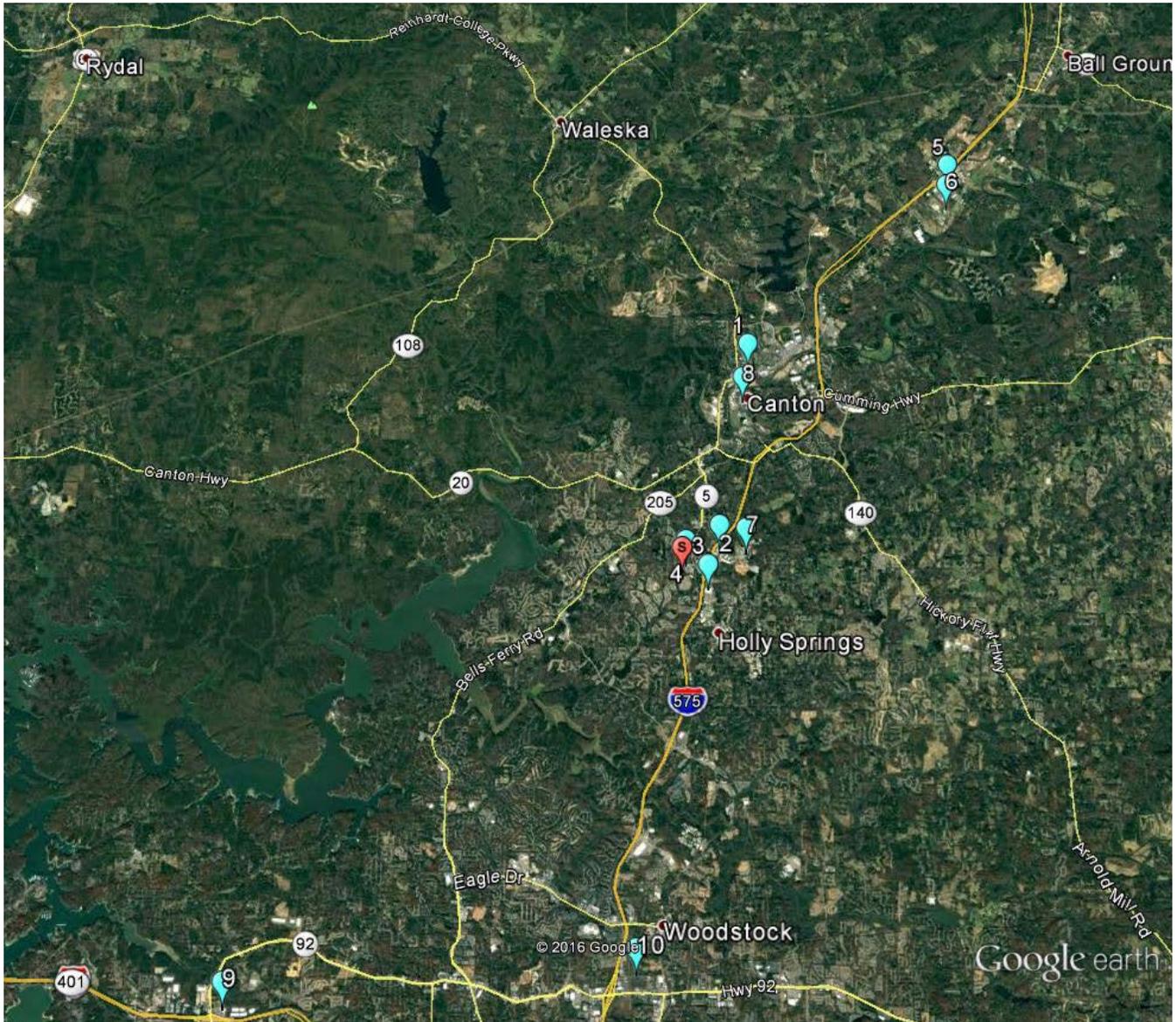
Between 2002 and 2007, total employment in the MS exhibited positive growth, with a pre-recession peak occurring in 2007. The MSA and the nation experienced their most significant recession-related employment losses in in 2009, at the height of the recession. Overall, the MSA experienced total employment losses of 6.9 percent compared to 4.9 percent nationally. However, as of 2014 both the MSA and the nation have surpassed their pre-recession employment highs. Furthermore, the total employment growth in the MSA

during the 12 month period preceding February 2017 was over twice the percent of employment growth in the nation during the same time period.

Historically, the MSA has reported a lower unemployment rate relative to the nation. Unemployment in the MSA began increasing during 2008, at the onset of the national recession. The MSA maintained a higher unemployment rate throughout the entire recession relative to the nation. Unemployment in the MSA began decreasing in 2011 and has continued to decrease. As of February 2017, the unemployment rate in the MSA was 4.9 percent, which is identical to the nation. Given that total employment in the MSA has surpassed its pre-recession levels and that unemployment continues to decrease, it appears the MSA has recovered, which should have a positive impact on local affordable rental housing demand.

## 5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Cherokee County, Georgia.



Source: Google Earth, April 2017.

**MAJOR EMPLOYERS**

Rank	Company	Industry	Number of Employees
1	Northside Hospital- Cherokee	Healthcare	1,000-4,999
2	Pilgrahm	Manufacturing	500-999
3	Walmart Supercenter	Retail Trade	500-999
4	Publix Super Market	Retail Trade	250-499
5	Chart Inc	Manufacturing	250-499
6	Meyn Poultly Processing LLC	Manufacturing	250-499
7	Cherokee County Sheriff's Office	Public Administration	250-499
8	Cherokee County Board of Education	Educational Services	250-499
9	Cabela's	Retail Trade	250-499
10	Austin Law Group	Professional/Scientific/Tech Services	250-499

Source: Georgia Department of Labor, April 2017

**6. Conclusion**

Employment in the PMA is concentrated in five industries, which represent approximately 51 percent of total local employment. There have been a few WARN notices issued in the county since 2014. However, several companies have moved to the county since 2014. Overall, the MSA has experienced positive total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent above its pre-recession peak, while national employment was 3.7 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, which was the same as the national unemployment rate and significantly lower than the 2010 peak of 10.3 percent. Overall, local employment growth and declining unemployment is a positive indicator of demand for affordable rental housing and the Subject's proposed units.

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

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

### 1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 35 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). However, very few senior households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Information Systems, to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. We have utilized \$67,500, the Cherokee County Area Median Income (AMI), as the maximum allowable income for the market-rate units.

### 2. Affordability

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

SENIOR 62+ INCOME LIMITS - AS PROPOSED

Unit Type	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable
	Income	Income	Income	Income	Income	Income	Income	Income	Income	Income
	50% AMI		60% AMI		Market Rate		Overall Affordable		Overall Project	
1BR	\$17,370	\$27,000	\$17,940	\$32,400	\$21,900	\$67,500	\$17,370	\$32,400	\$17,370	\$67,500
2BR	\$20,940	\$27,000	\$23,790	\$32,400	\$24,750	\$67,500	\$20,940	\$32,400	\$20,940	\$67,500

### 3. Demand

The demand for the Subject will be derived from three sources: new households, existing households and elderly homeowners likely to convert to rentership. These calculations are illustrated in the following tables.

#### 3a. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized 2019, the anticipated date of market entry, as the base year for the analysis. Therefore, 2017 household population estimates are inflated to 2019 by interpolation of the difference between 2017 estimates and 2019 projections. This change in households is considered the gross potential demand for the Subject

property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2019. This number takes the overall growth from 2017 to 2019 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **3b. Demand from Existing Households**

Demand for existing households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using ACS data based on appropriate income levels.

The second source is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

### **3c. Demand from Elderly Homeowners likely to Convert to Rentership**

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we have lowered demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

### **3d. Other**

Per the 2017 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

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

We have adjusted all of our capture rates based on household size. DCA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to considered larger household sizes. We have incorporated household size adjustments in our capture rates for all of the Subject's units.

## **4. New Demand, Capture Rates and Stabilization Conclusions**

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2014 to the present.

### **Additions to Supply**

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we have deducted the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2014 through the present.
- Vacancies in projects placed in service prior to 2014 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).

- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2014 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

According to Georgia DCA allocation lists, there have been no new LIHTC properties funded, under construction, or placed in service in the PMA since 2014. The only multifamily property recently constructed in the PMA is The Crest at Laurel Canyon, a market-rate family property offering 350 one-, two-, and three-bedroom units. The Crest at Laurel Canyon began leasing in at the end of March 2017 and is currently in its lease-up period. Because this property targets families, it will not directly compete with the Subject. We have not deducted any units from The Crest at Laurel Canyon in our demand analysis.

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated, placed in service, or stabilizing between 2014 and present.

**PMA Occupancy**

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

**PMA OCCUPANCY**

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Prominence Senior Village	LIHTC	Canton	Senior	75	N/A
Highland Court Senior Residences	LIHTC/Market	Kennesaw	Senior	122	100.0%
Legacy At Walton Heights	LIHTC	Marietta	Senior	100	<u>100.0%</u>
<b>Average PMA Occupancy</b>					<b>100.0%</b>

All of the senior LIHTC developments in the Subject’s PMA are fully-occupied.

**Rehab Developments and PBRA**

For any properties that are rehab developments, the capture rates will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet.

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

**5. Capture Rates**

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income

distribution through the projected market entry date of 2019 were illustrated in the previous section of this report.

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 62+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	233	6.2%	268	6.2%	303	6.2%
\$10,000-19,999	663	17.5%	698	16.2%	734	15.1%
\$20,000-29,999	543	14.3%	610	14.1%	677	13.9%
\$30,000-39,999	423	11.2%	460	10.6%	497	10.2%
\$40,000-49,999	417	11.0%	458	10.6%	499	10.3%
\$50,000-59,999	193	5.1%	230	5.3%	267	5.5%
\$60,000-74,999	327	8.6%	379	8.8%	431	8.9%
\$75,000-99,999	289	7.6%	339	7.8%	389	8.0%
\$100,000-124,999	240	6.3%	284	6.6%	328	6.7%
\$125,000-149,999	148	3.9%	187	4.3%	226	4.6%
\$150,000-199,999	145	3.8%	188	4.3%	230	4.7%
\$200,000+	162	4.3%	224	5.2%	286	5.9%
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>	<b>4,325</b>	<b>100.0%</b>	<b>4,867</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, April 2017

**50% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 50%**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$27,000	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			Households within Bracket		
\$0-9,999	35	6.4%		0.0%	0		
\$10,000-19,999	35	6.5%	2,629	26.3%	9		
\$20,000-29,999	67	12.4%	7,000	70.0%	47		
\$30,000-39,999	37	6.8%		0.0%	0		
\$40,000-49,999	41	7.6%		0.0%	0		
\$50,000-59,999	37	6.8%		0.0%	0		
\$60,000-74,999	52	9.6%		0.0%	0		
\$75,000-99,999	50	9.3%		0.0%	0		
\$100,000-124,999	44	8.1%		0.0%	0		
\$125,000-149,999	39	7.2%		0.0%	0		
\$150,000-199,999	42	7.8%		0.0%	0		
\$200,000+	62	11.5%		0.0%	0		
<b>Total</b>	<b>543</b>	<b>100.0%</b>		<b>10.4%</b>	<b>56</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 50%**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$27,000	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	233	6.2%		0.0%	0		
\$10,000-19,999	663	17.5%	2,629	26.3%	174		
\$20,000-29,999	543	14.3%	7,000	70.0%	380		
\$30,000-39,999	423	11.2%		0.0%	0		
\$40,000-49,999	417	11.0%		0.0%	0		
\$50,000-59,999	193	5.1%		0.0%	0		
\$60,000-74,999	327	8.6%		0.0%	0		
\$75,000-99,999	289	7.6%		0.0%	0		
\$100,000-124,999	240	6.3%		0.0%	0		
\$125,000-149,999	148	3.9%		0.0%	0		
\$150,000-199,999	145	3.8%		0.0%	0		
\$200,000+	162	4.3%		0.0%	0		
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>		<b>14.7%</b>	<b>554</b>		

**ASSUMPTIONS - 50%**

Tenancy	Senior	% of Income towards Housing				40%
Rural/Urban	Urban	Maximum # of Occupants				2
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to July 2019**

Income Target Population	50%
New Renter Households PMA	543
Percent Income Qualified	10.4%
<b>New Renter Income Qualified Households</b>	<b>56</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	50%
Total Existing Demand	3,782
Income Qualified	14.7%
Income Qualified Renter Households	554
Percent Rent Overburdened Prj Mrkt Entry July 2019	39.5%
<b>Rent Overburdened Households</b>	<b>219</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	554
Percent Living in Substandard Housing	0.3%
<b>Households Living in Substandard Housing</b>	<b>2</b>

**Senior Households Converting from Homeownership**

Income Target Population	50%
Total Senior Homeowners	24,071
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>6</b>

**Total Demand**

Total Demand from Existing Households	226
Total New Demand	56
<b>Total Demand (New Plus Existing Households)</b>	<b>282</b>

Demand from Seniors Who Convert from Homeownership	6
Percent of Total Demand From Homeownership Conversion	2.0%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.3%	173
Two Persons	22.7%	64
Three Persons	5.8%	16
Four Persons	7.1%	20
Five Persons	3.1%	9
<b>Total</b>	<b>100.0%</b>	<b>282</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	10%	17
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	40%	69
Of two-person households in 1BR units	20%	13
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	86
Of two-person households in 2BR units	80%	51
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	7
Of four-person households in 3BR units	70%	14
Of five-person households in 3BR units	30%	3
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	10
Of four-person households in 4BR units	30%	6
Of five-person households in 4BR units	35%	3
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	3
<b>Total Demand</b>		<b>282</b>

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	82	-	0	=	82			
2 BR	138	-	0	=	138			
<b>Total</b>	<b>220</b>		<b>0</b>		<b>220</b>			
Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	4	/	82	=	4.9%			
2 BR	12	/	138	=	8.7%			
<b>Total</b>	<b>16</b>		<b>220</b>		<b>7.3%</b>			

**60% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60%**

Minimum Income Limit		\$17,940		Maximum Income Limit		\$32,400	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			Households	within Bracket	
\$0-9,999	35	6.4%		0.0%		0	
\$10,000-19,999	35	6.5%	2,059	20.6%		7	
\$20,000-29,999	67	12.4%	9,999	100.0%		67	
\$30,000-39,999	37	6.8%	2,400	24.0%		9	
\$40,000-49,999	41	7.6%		0.0%		0	
\$50,000-59,999	37	6.8%		0.0%		0	
\$60,000-74,999	52	9.6%		0.0%		0	
\$75,000-99,999	50	9.3%		0.0%		0	
\$100,000-124,999	44	8.1%		0.0%		0	
\$125,000-149,999	39	7.2%		0.0%		0	
\$150,000-199,999	42	7.8%		0.0%		0	
\$200,000+	62	11.5%		0.0%		0	
<b>Total</b>	<b>543</b>	<b>100.0%</b>		<b>15.3%</b>		<b>83</b>	

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60%**

Minimum Income Limit		\$17,940		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	233	6.2%		0.0%		0	
\$10,000-19,999	663	17.5%	2,059	20.6%		137	
\$20,000-29,999	543	14.3%	9,999	100.0%		543	
\$30,000-39,999	423	11.2%	2,400	24.0%		102	
\$40,000-49,999	417	11.0%		0.0%		0	
\$50,000-59,999	193	5.1%		0.0%		0	
\$60,000-74,999	327	8.6%		0.0%		0	
\$75,000-99,999	289	7.6%		0.0%		0	
\$100,000-124,999	240	6.3%		0.0%		0	
\$125,000-149,999	148	3.9%		0.0%		0	
\$150,000-199,999	145	3.8%		0.0%		0	
\$200,000+	162	4.3%		0.0%		0	
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>		<b>20.6%</b>		<b>781</b>	

**ASSUMPTIONS - 60%**

Tenancy		Senior	% of Income towards Housing			40%
Rural/Urban		Urban	Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to July 2019**

Income Target Population	60%
New Renter Households PMA	543
Percent Income Qualified	15.3%
<b>New Renter Income Qualified Households</b>	<b>83</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	60%
Total Existing Demand	3,782
Income Qualified	20.6%
Income Qualified Renter Households	781
Percent Rent Overburdened Prj Mrkt Entry July 2019	39.5%
<b>Rent Overburdened Households</b>	<b>308</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	781
Percent Living in Substandard Housing	0.3%
<b>Households Living in Substandard Housing</b>	<b>2</b>

**Senior Households Converting from Homeownership**

Income Target Population	60%
Total Senior Homeowners	24,071
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>6</b>

**Total Demand**

Total Demand from Existing Households	316
Total New Demand	83
<b>Total Demand (New Plus Existing Households)</b>	<b>399</b>

Demand from Seniors Who Convert from Homeownership	6
Percent of Total Demand From Homeownership Conversion	1.4%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.3%	245
Two Persons	22.7%	91
Three Persons	5.8%	23
Four Persons	7.1%	28
Five Persons	3.1%	13
<b>Total</b>	<b>100.0%</b>	<b>399</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	10%	24
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	40%	98
Of two-person households in 1BR units	20%	18
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	122
Of two-person households in 2BR units	80%	73
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	9
Of four-person households in 3BR units	70%	20
Of five-person households in 3BR units	30%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	14
Of four-person households in 4BR units	30%	8
Of five-person households in 4BR units	35%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	4
<b>Total Demand</b>		<b>399</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	116	-	0	=	116
2 BR	195	-	0	=	195
<b>Total</b>	<b>311</b>		<b>0</b>		<b>311</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	8	/	116	=	6.9%
2 BR	30	/	195	=	15.4%
<b>Total</b>	<b>38</b>		<b>311</b>		<b>12.2%</b>

**Market**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market**

Minimum Income Limit		\$21,900		Maximum Income Limit		\$67,500	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			Households within Bracket		
\$0-9,999	35	6.4%		0.0%	0		
\$10,000-19,999	35	6.5%		0.0%	0		
\$20,000-29,999	67	12.4%	8,099	81.0%	54		
\$30,000-39,999	37	6.8%	9,999	100.0%	37		
\$40,000-49,999	41	7.6%	9,999	100.0%	41		
\$50,000-59,999	37	6.8%	9,999	100.0%	37		
\$60,000-74,999	52	9.6%	7,500	50.0%	26		
\$75,000-99,999	50	9.3%		0.0%	0		
\$100,000-124,999	44	8.1%		0.0%	0		
\$125,000-149,999	39	7.2%		0.0%	0		
\$150,000-199,999	42	7.8%		0.0%	0		
\$200,000+	62	11.5%		0.0%	0		
<b>Total</b>	<b>543</b>	<b>100.0%</b>		<b>36.0%</b>	<b>195</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market**

Minimum Income Limit		\$21,900		Maximum Income Limit		\$67,500	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	233	6.2%		0.0%	0		
\$10,000-19,999	663	17.5%		0.0%	0		
\$20,000-29,999	543	14.3%	8,099	81.0%	440		
\$30,000-39,999	423	11.2%	9,999	100.0%	423		
\$40,000-49,999	417	11.0%	9,999	100.0%	417		
\$50,000-59,999	193	5.1%	9,999	100.0%	193		
\$60,000-74,999	327	8.6%	7,500	50.0%	163		
\$75,000-99,999	289	7.6%		0.0%	0		
\$100,000-124,999	240	6.3%		0.0%	0		
\$125,000-149,999	148	3.9%		0.0%	0		
\$150,000-199,999	145	3.8%		0.0%	0		
\$200,000+	162	4.3%		0.0%	0		
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>		<b>43.3%</b>	<b>1,636</b>		

**ASSUMPTIONS - Market**

Tenancy		Senior	% of Income towards Housing			40%
Rural/Urban		Urban	Maximum # of Occupants			2
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to July 2019**

Income Target Population	Market
New Renter Households PMA	543
Percent Income Qualified	36.0%
<b>New Renter Income Qualified Households</b>	<b>195</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Market
Total Existing Demand	3,782
Income Qualified	43.3%
Income Qualified Renter Households	1,636
Percent Rent Overburdened Prj Mrkt Entry July 2019	39.5%
<b>Rent Overburdened Households</b>	<b>646</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,636
Percent Living in Substandard Housing	0.3%
<b>Households Living in Substandard Housing</b>	<b>4</b>

**Senior Households Converting from Homeownership**

Income Target Population	Market
Total Senior Homeowners	24,071
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>6</b>

**Total Demand**

Total Demand from Existing Households	656
Total New Demand	195
<b>Total Demand (New Plus Existing Households)</b>	<b>851</b>

Demand from Seniors Who Convert from Homeownership	6
Percent of Total Demand From Homeownership Conversion	0.7%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.3%	522
Two Persons	22.7%	193
Three Persons	5.8%	49
Four Persons	7.1%	60
Five Persons	3.1%	27
<b>Total</b>	<b>100.0%</b>	<b>851</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	10%	52
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	40%	209
Of two-person households in 1BR units	20%	39
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	261
Of two-person households in 2BR units	80%	155
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	20
Of four-person households in 3BR units	70%	42
Of five-person households in 3BR units	30%	8
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	30
Of four-person households in 4BR units	30%	18
Of five-person households in 4BR units	35%	9
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	9
<b>Total Demand</b>		<b>851</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	247	-	0	=	247
2 BR	415	-	0	=	415
<b>Total</b>	<b>663</b>		<b>0</b>		<b>663</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	6	/	247	=	2.4%
2 BR	15	/	415	=	3.6%
<b>Total</b>	<b>21</b>		<b>663</b>		<b>3.2%</b>

**Overall Project**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall Project**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$67,500	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2017 to Prj Mrkt Entry July 2019						
\$0-9,999	35	6.4%		0.0%		0	
\$10,000-19,999	35	6.5%	2,629	26.3%		9	
\$20,000-29,999	67	12.4%	9,999	100.0%		67	
\$30,000-39,999	37	6.8%	9,999	100.0%		37	
\$40,000-49,999	41	7.6%	9,999	100.0%		41	
\$50,000-59,999	37	6.8%	9,999	100.0%		37	
\$60,000-74,999	52	9.6%	7,500	50.0%		26	
\$75,000-99,999	50	9.3%		0.0%		0	
\$100,000-124,999	44	8.1%		0.0%		0	
\$125,000-149,999	39	7.2%		0.0%		0	
\$150,000-199,999	42	7.8%		0.0%		0	
\$200,000+	62	11.5%		0.0%		0	
<b>Total</b>	<b>543</b>	<b>100.0%</b>		<b>40.0%</b>		<b>217</b>	

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall Project**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$67,500	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	233	6.2%		0.0%		0	
\$10,000-19,999	663	17.5%	2,629	26.3%		174	
\$20,000-29,999	543	14.3%	9,999	100.0%		543	
\$30,000-39,999	423	11.2%	9,999	100.0%		423	
\$40,000-49,999	417	11.0%	9,999	100.0%		417	
\$50,000-59,999	193	5.1%	9,999	100.0%		193	
\$60,000-74,999	327	8.6%	7,500	50.0%		163	
\$75,000-99,999	289	7.6%		0.0%		0	
\$100,000-124,999	240	6.3%		0.0%		0	
\$125,000-149,999	148	3.9%		0.0%		0	
\$150,000-199,999	145	3.8%		0.0%		0	
\$200,000+	162	4.3%		0.0%		0	
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>		<b>50.6%</b>		<b>1,913</b>	

**ASSUMPTIONS - Overall Project**

ASSUMPTIONS - Overall Project						
Tenancy		Senior	% of Income towards Housing			40%
Rural/Urban		Urban	Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to July 2019**

Income Target Population	Overall Project
New Renter Households PMA	543
Percent Income Qualified	40.0%
<b>New Renter Income Qualified Households</b>	<b>217</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Overall Project
Total Existing Demand	3,782
Income Qualified	50.6%
Income Qualified Renter Households	1,913
Percent Rent Overburdened Prj Mrkt Entry July 2019	39.5%
<b>Rent Overburdened Households</b>	<b>755</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,913
Percent Living in Substandard Housing	0.3%
<b>Households Living in Substandard Housing</b>	<b>5</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall Project
Total Senior Homeowners	24,071
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households	760
Total New Demand	217
<b>Total Demand (New Plus Existing Households)</b>	<b>977</b>

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	100.0%	977
Two Persons	0.0%	0
Three Persons	0.0%	0
Four Persons	0.0%	0
Five Persons	0.0%	0
<b>Total</b>	<b>100.0%</b>	<b>977</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	10%	98
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	40%	391
Of two-person households in 1BR units	20%	0
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	489
Of two-person households in 2BR units	80%	0
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	0
Of four-person households in 3BR units	70%	0
Of five-person households in 3BR units	30%	0
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	0
Of four-person households in 4BR units	30%	0
Of five-person households in 4BR units	35%	0
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	0

**Total Demand** **977**

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	391	-	0	=	391
2 BR	489	-	0	=	489
<b>Total</b>	<b>880</b>		<b>0</b>		<b>880</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	18	/	391	=	4.6%
2 BR	57	/	489	=	11.7%
<b>Total</b>	<b>75</b>		<b>880</b>		<b>8.5%</b>

**Overall Affordable**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$32,400	
New Renter Households - Total							
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	35	6.4%		0.0%	0		
\$10,000-19,999	35	6.5%	2,629	26.3%	9		
\$20,000-29,999	67	12.4%	9,999	100.0%	67		
\$30,000-39,999	37	6.8%	2,400	24.0%	9		
\$40,000-49,999	41	7.6%		0.0%	0		
\$50,000-59,999	37	6.8%		0.0%	0		
\$60,000-74,999	52	9.6%		0.0%	0		
\$75,000-99,999	50	9.3%		0.0%	0		
\$100,000-124,999	44	8.1%		0.0%	0		
\$125,000-149,999	39	7.2%		0.0%	0		
\$150,000-199,999	42	7.8%		0.0%	0		
\$200,000+	62	11.5%		0.0%	0		
<b>Total</b>	<b>543</b>	<b>100.0%</b>		<b>15.7%</b>	<b>85</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable**

Minimum Income Limit		\$17,370		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	233	6.2%		0.0%	0		
\$10,000-19,999	663	17.5%	2,629	26.3%	174		
\$20,000-29,999	543	14.3%	9,999	100.0%	543		
\$30,000-39,999	423	11.2%	2,400	24.0%	102		
\$40,000-49,999	417	11.0%		0.0%	0		
\$50,000-59,999	193	5.1%		0.0%	0		
\$60,000-74,999	327	8.6%		0.0%	0		
\$75,000-99,999	289	7.6%		0.0%	0		
\$100,000-124,999	240	6.3%		0.0%	0		
\$125,000-149,999	148	3.9%		0.0%	0		
\$150,000-199,999	145	3.8%		0.0%	0		
\$200,000+	162	4.3%		0.0%	0		
<b>Total</b>	<b>3,782</b>	<b>100.0%</b>		<b>21.6%</b>	<b>819</b>		

**ASSUMPTIONS - Overall Affordable**

ASSUMPTIONS - Overall Affordable						
Tenancy	Senior		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	40%	60%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to July 2019**

Income Target Population	Overall Affordable
New Renter Households PMA	543
Percent Income Qualified	15.7%
<b>New Renter Income Qualified Households</b>	<b>85</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Overall Affordable
Total Existing Demand	3,782
Income Qualified	21.6%
Income Qualified Renter Households	819
Percent Rent Overburdened Prj Mrkt Entry July 2019	39.5%
<b>Rent Overburdened Households</b>	<b>323</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	819
Percent Living in Substandard Housing	0.3%
<b>Households Living in Substandard Housing</b>	<b>2</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall Affordable
Total Senior Homeowners	24,071
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>6</b>

**Total Demand**

Total Demand from Existing Households	331
Total New Demand	85
<b>Total Demand (New Plus Existing Households)</b>	<b>416</b>

Demand from Seniors Who Convert from Homeownership	6
Percent of Total Demand From Homeownership Conversion	1.4%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	61.3%	255
Two Persons	22.7%	95
Three Persons	5.8%	24
Four Persons	7.1%	29
Five Persons	3.1%	13
<b>Total</b>	<b>100.0%</b>	<b>416</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	10%	26
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	40%	102
Of two-person households in 1BR units	20%	19
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	50%	128
Of two-person households in 2BR units	80%	76
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	10
Of four-person households in 3BR units	70%	21
Of five-person households in 3BR units	30%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	60%	14
Of four-person households in 4BR units	30%	9
Of five-person households in 4BR units	35%	5
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	5

**Total Demand 416**

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	121	-	0	=	121			
2 BR	203	-	0	=	203			
<b>Total</b>	<b>324</b>		<b>0</b>		<b>324</b>			

Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	12	/	121	=	9.9%			
2 BR	42	/	203	=	20.7%			
<b>Total</b>	<b>54</b>		<b>324</b>		<b>16.7%</b>			

## Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of senior households in the PMA is expected to increase 4.8 percent between 2017 and market entry July 2019. Senior households in the PMA are expected to continue increasing at this rate through 2021.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject's units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

**DEMAND AND NET DEMAND**

	HH at 50% AMI (\$17,370 to \$27,000)	HH at 60% AMI (\$17,940 to \$32,400)	HH > 60% AMI (\$21,900 to \$67,500)	Overall Affordable (\$17,370 to \$32,400)	Overall Project (\$17,370 to \$67,500)
Demand from New Households (age and income appropriate)	56	83	195	85	217
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	2	2	4	2	5
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	219	308	646	323	755
Sub Total	276	393	845	410	977
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	6	6	6	6	6
<b>Equals Total Demand</b>	282	399	851	416	983
<b>Less</b>	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
<b>Equals Net Demand</b>	282	399	851	416	983

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 50% AMI	\$17,370	\$27,000	4	82	0	82	4.9%	Four to five months	\$891	\$571	\$1,168	\$485
1BR at 60% AMI	\$17,940	\$32,400	8	116	0	116	6.9%	Four to five months	\$945	\$671	\$1,168	\$504
1BR Unrestricted	\$21,900	\$67,500	6	247	0	247	2.4%	Four to five months	\$995	\$723	\$1,168	\$730
1BR Overall Affordable	\$17,370	\$32,400	12	121	0	121	9.9%	Four to five months	-	-	-	-
1 BR Overall Project	\$17,370	\$67,500	18	393	0	393	4.6%	Four to five months	-	-	-	-
2BR at 50% AMI	\$20,940	\$27,000	12	138	0	138	8.7%	Four to five months	\$1,022	\$683	\$1,497	\$580
2BR at 60% AMI	\$23,790	\$32,400	30	195	0	195	15.4%	Four to five months	\$1,091	\$839	\$1,497	\$675
2BR Unrestricted	\$24,750	\$67,500	15	415	0	415	3.6%	Four to five months	\$1,154	\$897	\$1,497	\$825
2BR Overall Affordable	\$20,940	\$32,400	42	203	0	203	20.7%	Four to five months	-	-	-	-
2 BR Overall Project	\$20,940	\$67,500	57	492	0	492	11.6%	Four to five months	-	-	-	-
50% AMI Overall	\$17,370	\$27,000	16	220	0	220	7.3%	Four to five months	-	-	-	-
60% AMI Overall	\$17,940	\$32,400	38	311	0	311	12.2%	Four to five months	-	-	-	-
Unrestricted Overall	\$21,900	\$67,500	21	663	0	663	3.2%	Four to five months	-	-	-	-
Overall Affordable	\$17,370	\$32,400	54	324	0	324	16.7%	Four to five months	-	-	-	-
Overall Project	\$17,370	\$67,500	75	885	0	885	8.5%	Four to five months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level is at 7.3 percent, at the 60 percent AMI level is at 12.2 percent, at the unrestricted level is 3.2 percent, and its overall capture rate for all affordable units is 16.7 percent. The overall capture rate for the project, including unrestricted units, is 8.5 percent. Of note, the demand calculation for the Subject’s one-bedroom units at 60 percent AMI includes both one-bedroom unit types. Setting two, one-bedroom units at 60 percent AMI at lower rents broadens the income band for one-bedroom units at 60 percent AMI, increasing total demand for one-bedroom units at 60 percent AMI. However, these two units account for approximately 33 percent of the total number of one-bedroom unit at 60 percent AMI. All capture rates are within Georgia DCA’s thresholds.

# **H. COMPETITIVE RENTAL ANALYSIS**

### **Survey of Comparable Projects**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 1,868 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good. We have included three senior LIHTC properties, all of which are located in the PMA. Two of the senior LIHTC comparables also offer unrestricted market rate units. We also included one family LIHTC/market rate comparable located one mile from the Subject site. Alexander Ridge offers one and two-bedroom 50 percent, 60 percent, and market rate units, similar to the proposed Subject. Therefore, it has been included as a comparable. Due to the availability of senior LIHTC data, we have excluded most of the family LIHTC properties in the PMA. Senior market rate data was very limited; therefore we have included five conventional family properties located in the PMA. Management at one market rate comparable, Riverview Apartments, indicated that approximately half of the tenants (50 percent) are seniors. The market rate comparables were constructed between 2000 and 2009. Overall, the availability of LIHTC and market rate data is considered adequate to support our conclusions.

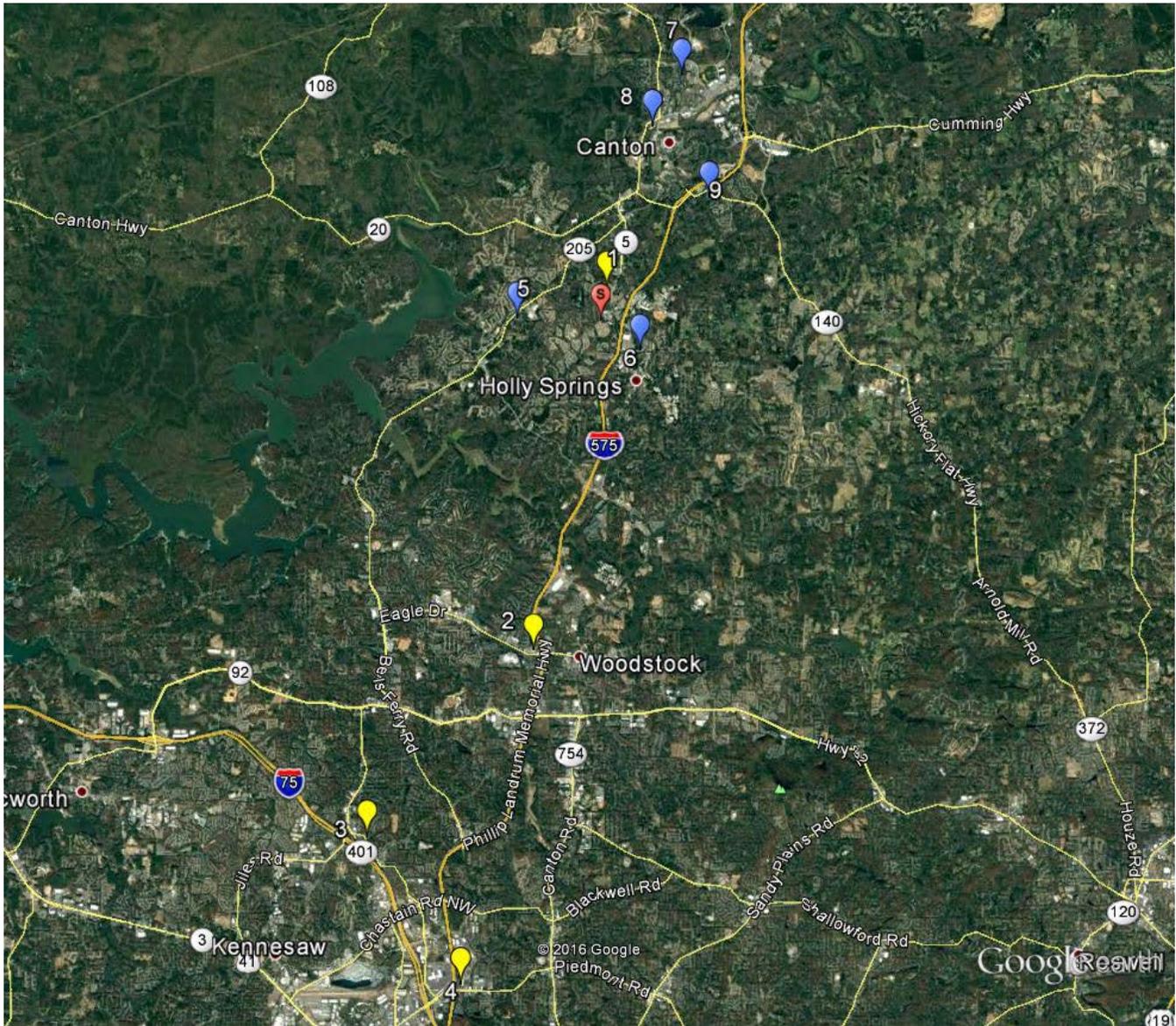
## Excluded Properties

The following table illustrates properties within the PMA that have been excluded from our analysis along with their reason for exclusion.

### EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Prominence Senior Village	LIHTC	Canton	Senior	75	-
Columbia Creek Apts	Section 8	Woodstock	Family	0	Subsidized
Grand Reserve At Riverstone	Section 8	Canton	Family	0	Subsidized
Cherokee Residential Services	Section 8	Canton	Senior/Disabled	10	Subsidized
Colbert Square	Section 8	Woodstock	Senior/Disabled	70	Subsidized
Ucp Of Atlanta	Section 8	Marietta	Senior/Disabled	8	Subsidized
Laurel'S Edge	Section 8	Kennesaw	Senior/Disabled	50	Subsidized
River Ridge Apartments At Canton	Section 8	Canton	Family	356	Subsidized
Crs Grimes Road, Inc.	Section 8	Woodstock	Senior/Disabled	5	Subsidized
Cassie'S Corner	Section 8	Marietta	Senior/Disabled	4	Subsidized
The Willow House	Section 8	Marietta	Senior/Disabled	4	Subsidized
Heritage At Madison Pointe	Section 8	Woodstock	Family	100	Subsidized
The Heights At Town Lake	Section 8	Woodstock	Family	194	Subsidized
Cherokee Summit Apartments	Section 8	Acworth	Family	272	Subsidized
Whispering Trace Apts	LIHTC	Woodstock	Family	40	Dissimilar unit mix
Gregory Lane Apts Phase I	LIHTC	Acworth	Family	72	Closer comparables
Gregory Lane Apts Phase Ii	LIHTC	Acworth	Family	38	Closer comparables
Lancaster Ridge Apartments	LIHTC	Canton	Family	143	Dissimilar tenancy
Canterbury Ridge Apts	LIHTC	Canton	Family	212	Dissimilar tenancy
Columbia Creek	LIHTC	Woodstock	Family	137	Closer comparables
Canton Mill Lofts	LIHTC	Canton	Family	313	Closer comparables
Cherokee Summit	LIHTC	Acworth	Family	272	Closer comparables
Heritage At Madison Pointe	LIHTC	Woodstock	Family	100	Closer comparables
Laurels At Greenwood	LIHTC	Canton	Family	174	Dissimilar unit mix
Peaks At Bells Ferry	LIHTC	Acworth	Family	248	Closer comparables
Alta Ridge Walk	LIHTC	Woodstock	Family	340	Closer comparables
Hearthstone Landing	LIHTC	Canton	Family	72	Dissimilar tenancy
Legacy at Walton Village	LIHTC	Marietta	Family	125	Closer comparables
Lakeview Apartments	Rural Development	Canton	Family	40	Subsidized
Laurelwood Apartments	Rural Development	Woodstock	Family	50	Subsidized
Lancaster Ridge	Market	Canton	Family	145	Closer comparables
Northwood Apartments	Market, Non-Rental	Canton	Family	52	Closer comparables
Park 9 Apartments	Market	Woodstock	Family	275	Closer comparables
Skyridge	Market	Woodstock	Family	125	Closer comparables
Station 92 At Woodstock (fka Crest At Laurelwood)	Market	Woodstock	Family	272	Closer comparables
Terraces At Towne Lake	Market	Woodstock	Family	502	Closer comparables
The Crest At Laurel Canyon	Market	Canton	Family	UC	Closer comparables
The Heights At Towne Lake	Market	Woodstock	Family	194	Closer comparables
The Pointe At Towne Lake	Market	Woodstock	Family	242	Closer comparables
Waldan Chase	Market	Woodstock	Family	60	Closer comparables
Walden Pond	Market	Acworth	Family	150	Closer comparables
Woodstock West By Walton Phases I And II	Market	Woodstock	Family	408	Closer comparables

**Comparable Rental Property Map**



Source: Google Earth, April 2017.

**COMPARABLE PROPERTIES**

#	Property Name	Type	Distance from Subject
1	Alexander Ridge Apartments	LIHTC, Market	1.0 miles
2	Hearthside Towne Lake	LIHTC, Market	7.4 miles
3	Highland Court Apartments	LIHTC, Market	13.9 miles
4	The Legacy At Walton Heights	LIHTC	14.7 miles
5	Atlantic Bridgemill	Market	3.4 miles
6	Harbor Creek	Market	1.4 miles
7	Heritage At Riverstone	Market	5.9 miles
8	Riverview Apartments	Market	4.4 miles
9	Walden Crossing Apartments	Market	3.9 miles

PROMINENCE SENIOR VILLAGE – CANTON, GEORGIA – MARKET STUDY

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Prominence Senior Village Located Off Of Prominence Point Canton, GA 30114 Cherokee County	n/a	Lowrise (age-restricted) (3 stories) Proposed	LIHTC, Market	1BR / 1BA	4	5.3%	@50%	\$485	690	no		N/A	N/A
					1BR / 1BA	6	8.0%	@60%	\$580	690	no	N/A	N/A	
					1BR / 1BA	2	2.7%	@60%	\$504	690	no	N/A	N/A	
					1BR / 1BA	6	8.0%	Market	\$730	690	no	N/A	N/A	
					2BR / 1BA	12	16.0%	@50%	\$580	880	no	N/A	N/A	
					2BR / 1BA	30	48.0%	@60%	\$675	880	no	N/A	N/A	
					15	12.0%	Market	\$825	880	n/a		N/A	N/A	
					75	100.0%							N/A	N/A
1	Alexander Ridge Apartments 3145 Ridge Road Canton, GA 30114 Cherokee County	1 mile	Garden (3 stories) 1999	LIHTC, Market	1BR / 1BA	18	6.6%	@50%	\$595	801	yes	Yes	0	0.0%
					1BR / 1BA	38	14.0%	@60%	\$735	801	yes	Yes	0	0.0%
					1BR / 1BA	16	5.9%	Market	\$900	801	n/a	Yes	0	0.0%
					2BR / 2BA	36	13.2%	@50%	\$710	1,002	yes	No	0	0.0%
					2BR / 2BA	56	20.6%	@60%	\$890	1,002	yes	Yes	0	0.0%
					2BR / 2BA	26	9.6%	Market	\$1,000	1,002	n/a	No	0	0.0%
					3BR / 2BA	22	8.1%	@50%	\$810	1,200	yes	Yes	0	0.0%
					3BR / 2BA	42	15.4%	@60%	\$1,000	1,200	yes	Yes	0	0.0%
					3BR / 2BA	N/A	N/A	Market	\$1,100	1,200	n/a	No	0	0.0%
										272	100.0%			
2	Hearthside Towne Lake 900 Towne Lake Parkway Woodstock, GA 30189 Cherokee County	7.4 miles	Midrise (age-restricted) (4 stories) 2011	LIHTC, Market, Non-Rental	1BR / 1BA	3	3.0%	@50%	\$594	752	yes	Yes	0	0.0%
					1BR / 1BA	14	4.0%	@60%	\$738	752	yes	Yes	0	0.0%
					1BR / 1BA	4	4.0%	Market	\$1,118	752	n/a	Yes	0	0.0%
					2BR / 1BA	9	9.0%	@50%	\$717	942	yes	Yes	0	0.0%
					2BR / 1BA	38	38.0%	@60%	\$857	942	yes	Yes	0	0.0%
					2BR / 1BA	11	11.0%	Market	\$1,257	942	n/a	Yes	0	0.0%
					2BR / 1BA	1	1.0%	Non-Rental	N/A	942	n/a	Yes	0	0.0%
					2BR / 2BA	3	3.0%	@50%	\$717	1,014	yes	Yes	0	0.0%
					2BR / 2BA	14	14.0%	@60%	\$857	1,014	yes	Yes	0	0.0%
					2BR / 2BA	3	3.0%	Market	\$1,497	1,014	n/a	Yes	0	0.0%
					100	100.0%							0	0.0%
3	Highland Court Apartments 4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County	13.9 miles	Midrise (age-restricted) (4 stories) 2003	LIHTC, Market, Non-Rental	1BR / 1BA	2	1.6%	@50%	\$656	650	yes	Yes	0	0.0%
					1BR / 1BA	16	13.1%	@60%	\$795	650	yes	Yes	0	0.0%
					1BR / 1BA	6	4.9%	Market	\$723	650	n/a	Yes	0	0.0%
					1BR / 1BA	2	1.6%	Non-Rental	N/A	N/A	n/a	Yes	0	0.0%
					2BR / 1BA	3	2.5%	@50%	\$789	860	yes	Yes	0	0.0%
					2BR / 1BA	57	46.7%	@60%	\$956	860	yes	Yes	0	0.0%
					2BR / 1BA	8	6.6%	Market	\$897	920	n/a	Yes	0	0.0%
					2BR / 2BA	2	1.6%	@50%	\$789	900	yes	Yes	0	0.0%
					2BR / 2BA	16	13.1%	@60%	\$956	900	yes	Yes	0	0.0%
					2BR / 2BA	10	8.2%	Market	\$1,007	992	n/a	Yes	0	0.0%
					122	100.0%							0	0.0%
4	The Legacy At Walton Heights 178 Roberts Trail NW Marietta, GA 30066 Cobb County	14.7 miles	Garden (age-restricted) (4 stories) 2013	LIHTC	1BR / 1BA	5	5.0%	@50%	\$571	750	no	Yes	0	0.0%
					1BR / 1BA	35	35.0%	@60%	\$671	750	no	Yes	0	0.0%
					2BR / 2BA	10	10.0%	@50%	\$683	1,232	no	Yes	0	0.0%
					2BR / 2BA	50	50.0%	@60%	\$839	1,232	no	Yes	0	0.0%
										100	100.0%			
5	Atlantic Bridgemoor (FKA Bell) 1000 Preston Glen Circle Canton, GA 30114 Cherokee County	3.4 miles	Garden (4 stories) 2000	Market	1BR / 1BA	28	10.9%	Market	\$1,006	767	n/a	Yes	N/A	N/A
					1BR / 1.5BA	12	4.7%	Market	\$1,168	916	n/a	Yes	N/A	N/A
					1BR / 1.5BA	14	5.5%	Market	\$1,060	1,046	n/a	Yes	N/A	N/A
					2BR / 2BA	42	16.4%	Market	\$1,168	1,062	n/a	Yes	N/A	N/A
					2BR / 2BA	48	18.8%	Market	\$1,157	1,188	n/a	Yes	N/A	N/A
					2BR / 2BA	24	9.4%	Market	\$1,204	1,189	n/a	Yes	N/A	N/A
					2BR / 2BA	30	11.7%	Market	\$1,160	1,328	n/a	Yes	N/A	N/A
					3BR / 2BA	18	7.0%	Market	\$1,486	1,296	n/a	Yes	N/A	N/A
					3BR / 2BA	40	15.6%	Market	\$1,649	1,422	n/a	Yes	N/A	N/A
										256	100.0%			
6	Harbor Creek 501 Harbor Creek Parkway Canton, GA 30115 Cherokee County	1.4 miles	Garden (3 stories) 2007	Market	1BR / 1BA	N/A	N/A	Market	\$1,061	806	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,216	1,143	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,256	1,178	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,207	1,181	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,627	1,435	n/a	No	N/A	N/A
					376	100.0%						8	2.1%	
7	Heritage At Riverstone 101 Heritage Drive Canton, GA 30114 Cherokee County	5.9 miles	Garden (3 stories) 2000	Market	1BR / 1BA	35	14.6%	Market	\$896	725	n/a	No	N/A	N/A
					1BR / 1BA	35	14.6%	Market	\$893	925	n/a	No	N/A	N/A
					2BR / 2BA	70	29.2%	Market	\$1,013	1,099	n/a	No	N/A	N/A
					2BR / 2BA	64	26.7%	Market	\$1,034	1,122	n/a	No	N/A	N/A
					3BR / 2BA	36	15.0%	Market	\$1,363	1,326	n/a	No	N/A	N/A
					240	100.0%						8	3.3%	
8	Riverview Apartments 59 Anderson Avenue Canton, GA 30114 Cherokee County	4.4 miles	Garden (4 stories) 2009	Market	1BR / 1BA	3	2.2%	Market	\$1,047	750	n/a	No	1	33.3%
					1BR / 1BA	2	1.4%	Market	\$1,077	860	n/a	No	0	0.0%
					1BR / 1BA	57	41.3%	Market	\$952	560	n/a	No	4	7.0%
					1BR / 1BA	8	5.8%	Market	\$912	780	n/a	No	0	0.0%
					1BR / 1BA	1	0.7%	Market	\$971	1,000	n/a	No	0	0.0%
					2BR / 1BA	60	43.5%	Market	\$1,158	768	n/a	No	4	6.7%
					2BR / 2BA	2	1.4%	Market	\$1,237	1,200	n/a	No	0	0.0%
					2BR / 2BA	1	0.7%	Market	\$1,016	1,082	n/a	No	0	0.0%
					3BR / 2BA	4	2.9%	Market	\$1,885	2,755	n/a	No	0	0.0%
					138	100.0%						9	6.5%	
9	Walden Crossing Apartments 100 Walden Crossing Dr Canton, GA 30115 Cherokee County	3.9 miles	Garden (4 stories) 2002	Market	1BR / 1BA	N/A	N/A	Market	\$988	732	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,033	916	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,105	1,013	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,195	1,157	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,245	1,252	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,350	1,425	n/a	No	N/A	N/A
3BR / 2BA	N/A	N/A	Market	\$1,350	1,532	n/a	No	N/A	N/A					
					264	100.0%						10	3.8%	

PROMINENCE SENIOR VILLAGE – CANTON, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.							
Effective Rent Date:		Apr-17	Units Surveyed:		1,868	Weighted	97.4%
			Market Rate		1,274	Market Rate	96.2%
			Tax Credit		594	Tax Credit	100.0%
One Bedroom One Bath			Two Bedrooms One Bath				
RENT	Property	Average	Property	Average	Property	Average	
	Atlantic Bridgemill (FKA Bell Bridgemill) (M)	\$1,168	Hearthside Towne Lake * (M)	\$1,497			
	Hearthside Towne Lake * (M)	\$1,118	Hearthside Towne Lake * (M)	\$1,257			
	Walden Crossing Apartments	\$1,105	Harbor Creek (2BA)	\$1,256			
	Riverview Apartments	\$1,077	Walden Crossing Apartments (2BA)	\$1,245			
	Harbor Creek	\$1,061	Harbor Creek (2BA)	\$1,216			
	Riverview Apartments	\$1,047	Harbor Creek (2BA)	\$1,207			
	Walden Crossing Apartments	\$1,033	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1,204			
	Atlantic Bridgemill (FKA Bell Bridgemill)	\$1,006	Walden Crossing Apartments (2BA)	\$1,195			
	Walden Crossing Apartments	\$988	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1,168			
	Riverview Apartments	\$971	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1,160			
	Riverview Apartments	\$952	Riverview Apartments	\$1,158			
	Riverview Apartments	\$912	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1,157			
	Alexander Ridge Apartments * (M)	\$900	Heritage At Riverstone (2BA)	\$1,034			
	Heritage At Riverstone	\$896	Heritage At Riverstone (2BA)	\$1,013			
	Heritage At Riverstone	\$893	Alexander Ridge Apartments * (2BA M)	\$1,000			
	Highland Court Apartments * (60%)	\$795	Highland Court Apartments * (60%)	\$956			
	Hearthside Towne Lake * (60%)	\$738	Highland Court Apartments * (M)	\$897			
	Alexander Ridge Apartments * (60%)	\$735	Alexander Ridge Apartments * (2BA 60%)	\$880			
	<b>Prominence Senior Village * (M)</b>	<b>\$730</b>	Hearthside Towne Lake * (60%)	\$857			
	Highland Court Apartments * (M)	\$723	The Legacy At Walton Heights * (2BA 60%)	\$839			
	The Legacy At Walton Heights * (60%)	\$671	<b>Prominence Senior Village * (M)</b>	<b>\$825</b>			
	Highland Court Apartments * (50%)	\$656	Highland Court Apartments * (50%)	\$789			
	Alexander Ridge Apartments * (50%)	\$595	Hearthside Towne Lake * (50%)	\$717			
	Hearthside Towne Lake * (50%)	\$594	Alexander Ridge Apartments * (2BA 50%)	\$710			
	<b>Prominence Senior Village * (60%)</b>	<b>\$580</b>	The Legacy At Walton Heights * (2BA 50%)	\$683			
	The Legacy At Walton Heights * (50%)	\$571	<b>Prominence Senior Village * (60%)</b>	<b>\$675</b>			
	<b>Prominence Senior Village * (60%)</b>	<b>\$504</b>	<b>Prominence Senior Village * (50%)</b>	<b>\$580</b>			
	<b>Prominence Senior Village * (50%)</b>	<b>\$485</b>					
SQUARE FOOTAGE	Walden Crossing Apartments	1,013	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	1,328			
	Riverview Apartments	1,000	Walden Crossing Apartments (2BA)	1,252			
	Heritage At Riverstone	925	The Legacy At Walton Heights * (2BA 50%)	1,232			
	Walden Crossing Apartments	916	The Legacy At Walton Heights * (2BA 60%)	1,232			
	Riverview Apartments	860	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	1,189			
	Harbor Creek	806	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	1,188			
	Alexander Ridge Apartments * (50%)	801	Harbor Creek (2BA)	1,181			
	Alexander Ridge Apartments * (60%)	801	Harbor Creek (2BA)	1,178			
	Alexander Ridge Apartments * (M)	801	Walden Crossing Apartments (2BA)	1,157			
	Riverview Apartments	780	Harbor Creek (2BA)	1,143			
	Atlantic Bridgemill (FKA Bell Bridgemill)	767	Heritage At Riverstone (2BA)	1,122			
	Hearthside Towne Lake * (50%)	752	Heritage At Riverstone (2BA)	1,099			
	Hearthside Towne Lake * (60%)	752	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	1,062			
	Hearthside Towne Lake * (M)	752	Alexander Ridge Apartments * (2BA 50%)	1,002			
	The Legacy At Walton Heights * (50%)	750	Alexander Ridge Apartments * (2BA 60%)	1,002			
	The Legacy At Walton Heights * (60%)	750	Alexander Ridge Apartments * (2BA M)	1,002			
	Riverview Apartments	750	Hearthside Towne Lake * (50%)	942			
	Walden Crossing Apartments	732	Hearthside Towne Lake * (60%)	942			
	Heritage At Riverstone	725	Hearthside Towne Lake * (M)	942			
	<b>Prominence Senior Village * (50%)</b>	<b>690</b>	Highland Court Apartments * (M)	920			
	<b>Prominence Senior Village * (60%)</b>	<b>690</b>	<b>Prominence Senior Village * (50%)</b>	<b>880</b>			
	<b>Prominence Senior Village * (60%)</b>	<b>690</b>	<b>Prominence Senior Village * (60%)</b>	<b>880</b>			
	<b>Prominence Senior Village * (M)</b>	<b>690</b>	<b>Prominence Senior Village * (M)</b>	<b>880</b>			
	Highland Court Apartments * (50%)	650	Highland Court Apartments * (50%)	860			
	Highland Court Apartments * (60%)	650	Highland Court Apartments * (60%)	860			
	Highland Court Apartments * (M)	650	Riverview Apartments	768			
	Riverview Apartments	560					
RENT PER SQUARE FOOT	Riverview Apartments	\$1.70	Riverview Apartments	\$1.51			
	Hearthside Towne Lake * (M)	\$1.49	Hearthside Towne Lake * (M)	\$1.33			
	Riverview Apartments	\$1.40	Highland Court Apartments * (60%)	\$1.11			
	Walden Crossing Apartments	\$1.35	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1.10			
	Harbor Creek	\$1.32	Harbor Creek (2BA)	\$1.07			
	Atlantic Bridgemill (FKA Bell Bridgemill)	\$1.31	Harbor Creek (2BA)	\$1.06			
	Riverview Apartments	\$1.25	Walden Crossing Apartments (2BA)	\$1.03			
	Heritage At Riverstone	\$1.24	Harbor Creek (2BA)	\$1.02			
	Highland Court Apartments * (60%)	\$1.22	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$1.01			
	Riverview Apartments	\$1.17	Alexander Ridge Apartments * (2BA M)	\$1.00			
	Walden Crossing Apartments	\$1.13	Walden Crossing Apartments (2BA)	\$0.99			
	Alexander Ridge Apartments * (M)	\$1.12	Highland Court Apartments * (M)	\$0.98			
	Highland Court Apartments * (M)	\$1.11	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$0.97			
	Walden Crossing Apartments	\$1.09	<b>Prominence Senior Village * (M)</b>	<b>\$0.94</b>			
	<b>Prominence Senior Village * (M)</b>	<b>\$1.06</b>	Heritage At Riverstone (2BA)	\$0.92			
	Highland Court Apartments * (50%)	\$1.01	Heritage At Riverstone (2BA)	\$0.92			
	Hearthside Towne Lake * (60%)	\$0.98	Highland Court Apartments * (50%)	\$0.92			
	Riverview Apartments	\$0.97	Hearthside Towne Lake * (60%)	\$0.91			
	Heritage At Riverstone	\$0.97	Alexander Ridge Apartments * (2BA 60%)	\$0.88			
	Alexander Ridge Apartments * (60%)	\$0.92	Atlantic Bridgemill (FKA Bell Bridgemill) (2BA)	\$0.87			
	The Legacy At Walton Heights * (60%)	\$0.89	<b>Prominence Senior Village * (60%)</b>	<b>\$0.77</b>			
	<b>Prominence Senior Village * (60%)</b>	<b>\$0.84</b>	Hearthside Towne Lake * (50%)	\$0.76			
	Hearthside Towne Lake * (50%)	\$0.79	Alexander Ridge Apartments * (2BA 50%)	\$0.71			
	The Legacy At Walton Heights * (50%)	\$0.76	The Legacy At Walton Heights * (2BA 60%)	\$0.68			
	Alexander Ridge Apartments * (50%)	\$0.74	<b>Prominence Senior Village * (50%)</b>	<b>\$0.66</b>			
	<b>Prominence Senior Village * (60%)</b>	<b>\$0.73</b>	The Legacy At Walton Heights * (2BA 50%)	\$0.55			
	<b>Prominence Senior Village * (50%)</b>	<b>\$0.70</b>					

# PROPERTY PROFILE REPORT

## Alexander Ridge Apartments

<b>Effective Rent Date</b>	4/07/2017
<b>Location</b>	3145 Ridge Road Canton, GA 30114 Cherokee County
<b>Distance</b>	1 mile
<b>Units</b>	272
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Canterbury Ridge, River Ridge, Walden Crossing
<b>Tenant Characteristics</b>	Mixed tenancy, some families
<b>Contact Name</b>	Sarah
<b>Phone</b>	770-479-5970



### Market Information

<b>Program</b>	@50%, @60%, Market
<b>Annual Turnover Rate</b>	40%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	8%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	5% increase since 3Q2016
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	18	801	\$595	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	38	801	\$735	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Garden (3 stories)	16	801	\$900	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	36	1,002	\$710	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	56	1,002	\$880	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	26	1,002	\$1,000	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	22	1,200	\$810	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	42	1,200	\$1,000	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	N/A	1,200	\$1,100	\$0	Market	No	0	N/A	N/A	None

## Alexander Ridge Apartments, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$595	\$0	\$595	\$0	\$595	1BR / 1BA	\$735	\$0	\$735	\$0	\$735
2BR / 2BA	\$710	\$0	\$710	\$0	\$710	2BR / 2BA	\$880	\$0	\$880	\$0	\$880
3BR / 2BA	\$810	\$0	\$810	\$0	\$810	3BR / 2BA	\$1,000	\$0	\$1,000	\$0	\$1,000
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$900	\$0	\$900	\$0	\$900						
2BR / 2BA	\$1,000	\$0	\$1,000	\$0	\$1,000						
3BR / 2BA	\$1,100	\$0	\$1,100	\$0	\$1,100						

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Coat Closet  
 Exterior Storage  
 Garbage Disposal  
 Oven  
 Walk-In Closet

Blinds  
 Central A/C  
 Dishwasher  
 Ceiling Fan  
 Microwave  
 Refrigerator  
 Washer/Dryer hookup

#### Security

In-Unit Alarm  
 Limited Access  
 Patrol  
 Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
 Clubhouse/Meeting  
 Central Laundry  
 On-Site Management  
 Playground

Car Wash  
 Exercise Facility  
 Off-Street Parking  
 Picnic Area  
 Swimming Pool

#### Premium

None

#### Other

None

### Comments

The contact reported that the property maintains a waiting list of six households.

# PROPERTY PROFILE REPORT

## Hearthside Towne Lake

<b>Effective Rent Date</b>	4/17/2017
<b>Location</b>	900 Towne Lake Parkway Woodstock, GA 30189 Cherokee County Intersection: Stone Ridge Pkwy & Towne Lake Pkwy
<b>Distance</b>	7.4 miles
<b>Units</b>	100
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Midrise (age-restricted) (4 stories)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	No other senior LIHTC properties nearby
<b>Tenant Characteristics</b>	Seniors 62+, many downsizing from homes or moving from out of state
<b>Contact Name</b>	Shirley
<b>Phone</b>	770-852-2225



### Market Information

<b>Program</b>	@50%, @60%, Market, Non-Rental
<b>Annual Turnover Rate</b>	15%
<b>Units/Month Absorbed</b>	9
<b>HCV Tenants</b>	15%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increased up to 10%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	3	752	\$631	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	14	752	\$775	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	4	752	\$1,155	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (4 stories)	9	942	\$760	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	38	942	\$900	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	11	942	\$1,300	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (4 stories)	1	942	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None
2	2	Midrise (4 stories)	3	1,014	\$760	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	14	1,014	\$900	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	3	1,014	\$1,540	\$0	Market	Yes	0	0.0%	N/A	None

## Hearthside Towne Lake, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$631	\$0	\$631	-\$37	\$594	1BR / 1BA	\$775	\$0	\$775	-\$37	\$738
2BR / 1BA	\$760	\$0	\$760	-\$43	\$717	2BR / 1BA	\$900	\$0	\$900	-\$43	\$857
2BR / 2BA	\$760	\$0	\$760	-\$43	\$717	2BR / 2BA	\$900	\$0	\$900	-\$43	\$857
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,155	\$0	\$1,155	-\$37	\$1,118	2BR / 1BA	N/A	\$0	N/A	-\$43	N/A
2BR / 1BA	\$1,300	\$0	\$1,300	-\$43	\$1,257						
2BR / 2BA	\$1,540	\$0	\$1,540	-\$43	\$1,497						

### Amenities

#### In-Unit

Blinds  
Central A/C  
Ceiling Fan  
Hand Rails  
Oven  
Walk-In Closet

Carpeting  
Dishwasher  
Garbage Disposal  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
Elevators  
Central Laundry  
Off-Street Parking  
Picnic Area

Clubhouse/Meeting  
Exercise Facility  
Non-shelter Services  
On-Site Management

#### Premium

Hairdresser / Barber

#### Other

Library, walking trails

### Comments

The contact reported that property typically remains fully occupied. The contact also reported a strong demand for affordable senior housing in the area. The contact was unable to report the number of households on the property's waiting list.

# Hearthside Towne Lake, continued

## Photos



# PROPERTY PROFILE REPORT

## Highland Court Apartments

<b>Effective Rent Date</b>	4/13/2017
<b>Location</b>	4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County
<b>Distance</b>	13.9 miles
<b>Units</b>	122
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Midrise (age-restricted) (4 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	11/01/2003
<b>Leasing Began</b>	12/19/2003
<b>Last Unit Leased</b>	12/15/2004
<b>Major Competitors</b>	Alta Ridenour, Ashley Minor
<b>Tenant Characteristics</b>	Senior 62+, avg age 81, mostly from Atlanta area
<b>Contact Name</b>	Takowa
<b>Phone</b>	770-419-7330



### Market Information

<b>Program</b>	@50%, @60%, Market, Non-Rental
<b>Annual Turnover Rate</b>	10%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	4%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Market units increased 5% since 2Q2016
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	2	650	\$693	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	16	650	\$832	\$0	@60%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	6	650	\$760	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	2	N/A	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None
2	1	Midrise (4 stories)	3	860	\$832	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	57	860	\$999	\$0	@60%	Yes	0	0.0%	no	None
2	1	Midrise (4 stories)	8	920	\$940	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	2	900	\$832	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	16	900	\$999	\$0	@60%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	10	992	\$1,050	\$0	Market	Yes	0	0.0%	N/A	None

## Highland Court Apartments, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$693	\$0	\$693	-\$37	\$656	1BR / 1BA	\$832	\$0	\$832	-\$37	\$795
2BR / 1BA	\$832	\$0	\$832	-\$43	\$789	2BR / 1BA	\$999	\$0	\$999	-\$43	\$956
2BR / 2BA	\$832	\$0	\$832	-\$43	\$789	2BR / 2BA	\$999	\$0	\$999	-\$43	\$956
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$760	\$0	\$760	-\$37	\$723	1BR / 1BA	N/A	\$0	N/A	-\$37	N/A
2BR / 1BA	\$940	\$0	\$940	-\$43	\$897						
2BR / 2BA	\$1,050	\$0	\$1,050	-\$43	\$1,007						

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Hand Rails  
Pull Cords  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Oven  
Refrigerator  
Washer/Dryer hookup

#### Security

Intercom (Buzzer)  
Limited Access

#### Services

Adult Education  
Shuttle Service

#### Property

Business Center/Computer Lab  
Elevators  
Central Laundry  
On-Site Management

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking

#### Premium

Hairdresser / Barber

#### Other

Wellness Center

### Comments

The property maintains a waiting list approximately six months in length.

# PROPERTY PROFILE REPORT

## The Legacy At Walton Heights

**Effective Rent Date** 4/17/2017  
**Location** 178 Roberts Trail NW  
 Marietta, GA 30066  
 Cobb County  
 Intersection: Chastain Meadows pkwy & Roberts Trail  
**Distance** 14.7 miles  
**Units** 100  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (age-restricted) (4 stories)  
**Year Built/Renovated** 2013 / N/A  
**Marketing Began** N/A  
**Leasing Began** 10/01/2013  
**Last Unit Leased** 3/01/2014  
**Major Competitors** Highland Court Apts  
**Tenant Characteristics** Seniors 55+, many from out of state, most sold homes  
**Contact Name** Donna  
**Phone** 678-439-8304



### Market Information

**Program** @50%, @60%  
**Annual Turnover Rate** 12%  
**Units/Month Absorbed** 20  
**HCV Tenants** N/A  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** Decreased up to 1%  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	5	750	\$558	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (4 stories)	35	750	\$658	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (4 stories)	10	1,232	\$670	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (4 stories)	50	1,232	\$826	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$558	\$0	\$558	\$13	\$571	1BR / 1BA	\$658	\$0	\$658	\$13	\$671
2BR / 2BA	\$670	\$0	\$670	\$13	\$683	2BR / 2BA	\$826	\$0	\$826	\$13	\$839

## The Legacy At Walton Heights, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Ceiling Fan  
Hand Rails  
Pull Cords  
Walk-In Closet

Blinds  
Central A/C  
Exterior Storage  
Garbage Disposal  
Oven  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Elevators  
Central Laundry  
On-Site Management  
Service Coordination

#### Premium

None

#### Other

Library, theater

### Comments

The contact reported high demand for affordable rental housing in the area. The property typically remains fully occupied with an aggregate waiting list of approximately 40 households. The property does accept Housing Choice Vouchers, however, the contact was unsure of how many tenants use them. AMI in the county decreased from 2016 to 2017.

Photos



# PROPERTY PROFILE REPORT

## Atlantic Bridgemill (FKA Bell Bridgemill)

**Effective Rent Date** 4/17/2017

**Location** 1000 Preston Glen Circle  
Canton, GA 30114  
Cherokee County  
Intersection: Bells Ferry Rd & Preston Glen Cir

**Distance** 3.4 miles

**Units** 256

**Vacant Units** 14

**Vacancy Rate** 5.5%

**Type** Garden (4 stories)

**Year Built/Renovated** 2000 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Harbor Creek, Walden Crossing

**Tenant Characteristics** Mostly from Canton and Cherokee County

**Contact Name** Heather

**Phone** 770-704-6888



### Market Information

**Program** Market

**Annual Turnover Rate** 50%

**Units/Month Absorbed** N/A

**HCV Tenants** 0%

**Leasing Pace** Pre-leased to 30 days

**Annual Chg. in Rent** Increased up to 25%

**Concession** None

### Utilities

**A/C** not included -- central

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** not included

**Sewer** not included

**Trash Collection** not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	28	767	\$993	\$0	Market	Yes	N/A	N/A	N/A	AVG
1	1.5	Garden (4 stories)	12	916	\$1,155	\$0	Market	Yes	N/A	N/A	N/A	AVG
1	1.5	Garden (4 stories)	14	1,046	\$1,047	\$0	Market	Yes	N/A	N/A	N/A	AVG
2	2	Garden (4 stories)	42	1,062	\$1,155	\$0	Market	Yes	N/A	N/A	N/A	AVG
2	2	Garden (4 stories)	48	1,188	\$1,144	\$0	Market	Yes	N/A	N/A	N/A	AVG
2	2	Garden (4 stories)	24	1,189	\$1,191	\$0	Market	Yes	N/A	N/A	N/A	AVG
2	2	Garden (4 stories)	30	1,328	\$1,147	\$0	Market	Yes	N/A	N/A	N/A	AVG
3	2	Garden (4 stories)	18	1,296	\$1,471	\$0	Market	Yes	N/A	N/A	N/A	AVG
3	2	Garden (4 stories)	40	1,422	\$1,634	\$0	Market	Yes	N/A	N/A	N/A	AVG

## Atlantic Bridgemill (FKA Bell Bridgemill), continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$993	\$0	\$993	\$13	\$1,006
1BR / 1.5BA	\$1,047 - \$1,155	\$0	\$1,047 - \$1,155	\$13	\$1,060 - \$1,168
2BR / 2BA	\$1,144 - \$1,191	\$0	\$1,144 - \$1,191	\$13	\$1,157 - \$1,204
3BR / 2BA	\$1,471 - \$1,634	\$0	\$1,471 - \$1,634	\$15	\$1,486 - \$1,649

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Coat Closet  
 Exterior Storage  
 Fireplace  
 Microwave  
 Refrigerator  
 Washer/Dryer hookup

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

#### Security

In-Unit Alarm  
 Limited Access

#### Services

None

#### Property

Business Center/Computer Lab  
 Exercise Facility  
 Central Laundry  
 On-Site Management  
 Playground  
 Tennis Court

Clubhouse/Meeting  
 Garage  
 Off-Street Parking  
 Picnic Area  
 Swimming Pool

#### Premium

None

#### Other

Pet park

### Comments

The property uses LRO pricing and prices change daily. Additionally, the property is currently undergoing renovations in select units. Select kitchens are being upgraded with granite counter tops and stainless steel appliances. Rents provided are for remodeled units. The contact could not provide the length of the wait list.

**Atlantic Bridgmill (FKA Bell Bridgemill), continued**

**Photos**



# PROPERTY PROFILE REPORT

## Harbor Creek

<b>Effective Rent Date</b>	4/17/2017
<b>Location</b>	501 Harbor Creek Parkway Canton, GA 30115 Cherokee County Intersection: Holly Springs Pkwy & Harbor Creek Pkwy
<b>Distance</b>	1.4 miles
<b>Units</b>	376
<b>Vacant Units</b>	8
<b>Vacancy Rate</b>	2.1%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2007 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Varied tenancy from Atlanta metro area
<b>Contact Name</b>	Sonny
<b>Phone</b>	770-224-7316



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within three weeks
<b>Annual Chg. in Rent</b>	Increased up to 27%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	806	\$1,048	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,143	\$1,203	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,178	\$1,243	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,181	\$1,194	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,435	\$1,612	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,048	\$0	\$1,048	\$13	\$1,061
2BR / 2BA	\$1,194 - \$1,243	\$0	\$1,194 - \$1,243	\$13	\$1,207 - \$1,256
3BR / 2BA	\$1,612	\$0	\$1,612	\$15	\$1,627

## Harbor Creek, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Fireplace  
Microwave  
Refrigerator  
Walk-In Closet

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
Clubhouse/Meeting  
Garage  
Off-Street Parking  
Playground  
Tennis Court

Car Wash  
Exercise Facility  
Central Laundry  
On-Site Management  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

The contact reported that typical occupancy is usually between 95 and 97 percent. The property does not accept Housing Choice Vouchers. The property recently constructed three additional buildings increasing the total number of units by 60 to 376. The contact could not provide the absorption pace or period for these additional units.

# PROPERTY PROFILE REPORT

## Heritage At Riverstone

<b>Effective Rent Date</b>	4/17/2017
<b>Location</b>	101 Heritage Drive Canton, GA 30114 Cherokee County Intersection: Reinhardt College Pkwy & Heritage Drive
<b>Distance</b>	5.9 miles
<b>Units</b>	240
<b>Vacant Units</b>	8
<b>Vacancy Rate</b>	3.3%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2000 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Walden Crossing, River Ridge
<b>Tenant Characteristics</b>	Mixed tenancy
<b>Contact Name</b>	Asha
<b>Phone</b>	770-704-6757



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased up to 13%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	35	725	\$896	\$0	Market	No	N/A	N/A	N/A	AVG
1	1	Garden (3 stories)	35	925	\$893	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (3 stories)	70	1,099	\$1,013	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (3 stories)	64	1,122	\$1,034	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (3 stories)	36	1,326	\$1,363	\$0	Market	No	N/A	N/A	N/A	AVG

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$893 - \$896	\$0	\$893 - \$896	\$0	\$893 - \$896
2BR / 2BA	\$1,013 - \$1,034	\$0	\$1,013 - \$1,034	\$0	\$1,013 - \$1,034
3BR / 2BA	\$1,363	\$0	\$1,363	\$0	\$1,363

## Heritage At Riverstone, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Garbage Disposal  
Refrigerator  
Walk-In Closet

Blinds  
Central A/C  
Fireplace  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

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

Clubhouse/Meeting  
Garage  
Off-Street Parking  
Playground

#### Premium

None

#### Other

None

### Comments

The property utilizes LRO pricing, and rents change on a daily basis. The property does not maintain a waiting list. The contact reported that turnover has recently increased due to several short-term leases for tenants in need of temporary housing while they are constructing homes.

# PROPERTY PROFILE REPORT

## Riverview Apartments

<b>Effective Rent Date</b>	4/17/2017
<b>Location</b>	59 Anderson Avenue Canton, GA 30114 Cherokee County Intersection: N Etowah Dr
<b>Distance</b>	4.4 miles
<b>Units</b>	138
<b>Vacant Units</b>	9
<b>Vacancy Rate</b>	6.5%
<b>Type</b>	Garden (4 stories)
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	River Ridge
<b>Tenant Characteristics</b>	50% seniors
<b>Contact Name</b>	Nicole
<b>Phone</b>	678-880-8437



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	43%
<b>Units/Month Absorbed</b>	10.5
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased up to 21%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	3	750	\$1,034	\$0	Market	No	1	33.3%	N/A	None
1	1	Garden (4 stories)	2	860	\$1,064	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (4 stories)	57	560	\$939	\$0	Market	No	4	7.0%	N/A	None
1	1	Garden (4 stories)	8	780	\$899	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (4 stories)	1	1,000	\$958	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (4 stories)	60	768	\$1,145	\$0	Market	No	4	6.7%	N/A	None
2	2	Garden (4 stories)	2	1,200	\$1,224	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (4 stories)	1	1,082	\$1,003	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (4 stories)	4	2,755	\$1,870	\$0	Market	No	0	0.0%	N/A	None

## Riverview Apartments, continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$899 - \$1,064	\$0	\$899 - \$1,064	\$13	\$912 - \$1,077
2BR / 1BA	\$1,145	\$0	\$1,145	\$13	\$1,158
2BR / 2BA	\$1,003 - \$1,224	\$0	\$1,003 - \$1,224	\$13	\$1,016 - \$1,237
3BR / 2BA	\$1,870	\$0	\$1,870	\$15	\$1,885

### Amenities

#### In-Unit

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

Blinds  
 Carpeting  
 Coat Closet  
 Exterior Storage  
 Microwave  
 Pull Cords  
 Vaulted Ceilings  
 Whirlpool Tub  
 Washer/Dryer hookup

#### Security

Limited Access  
 Video Surveillance

#### Services

None

#### Property

Business Center/Computer Lab  
 Courtyard  
 Off-Street Parking  
 Picnic Area

Clubhouse/Meeting  
 Elevators  
 On-Site Management

#### Premium

None

#### Other

None

### Comments

The contact reported that the demand rental housing in the area is high, with typical occupancy between 98 and 100 percent. Current vacancy is reportedly seasonal. The property does not accept Housing Choice Vouchers.

Photos



# PROPERTY PROFILE REPORT

## Walden Crossing Apartments

<b>Effective Rent Date</b>	4/17/2017
<b>Location</b>	100 Walden Crossing Dr Canton, GA 30115 Cherokee County Intersection: Hickory Flat Highway
<b>Distance</b>	3.9 miles
<b>Units</b>	264
<b>Vacant Units</b>	10
<b>Vacancy Rate</b>	3.8%
<b>Type</b>	Garden (4 stories)
<b>Year Built/Renovated</b>	2002 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Heritage Park
<b>Tenant Characteristics</b>	Varied tenancy from Atlanta metro area
<b>Contact Name</b>	Derrick
<b>Phone</b>	770-648-1293



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased up to 10%
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	N/A	732	\$975	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	916	\$1,020	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	1,013	\$1,092	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,157	\$1,182	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,252	\$1,232	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,425	\$1,335	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,532	\$1,335	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$975 - \$1,092	\$0	\$975 - \$1,092	\$13	\$988 - \$1,105
2BR / 2BA	\$1,182 - \$1,232	\$0	\$1,182 - \$1,232	\$13	\$1,195 - \$1,245
3BR / 2BA	\$1,335	\$0	\$1,335	\$15	\$1,350

## Walden Crossing Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Pull Cords  
Skylights  
Walk-In Closet

Blinds  
Carpet/Hardwood  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Refrigerator  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

Limited Access  
Video Surveillance

#### Services

None

#### Property

Business Center/Computer Lab  
Clubhouse/Meeting  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground  
Tennis Court

Car Wash  
Elevators  
Jacuzzi  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

Playroom, Dog Park

### Comments

The contact reported that the property is at a typically occupancy level of 97 percent. The property does not accept Housing Choice Vouchers

## Walden Crossing Apartments, continued

### Photos



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

**Housing Choice Vouchers**

We spoke to Anton Shaw, Director of Policy & Administration with the Georgia Department of Community Affairs. Mr. Shaw indicated 263 Housing Choice Vouchers are in use in Cherokee County. According to the Mr. Shaw, the waiting list for vouchers is currently closed. Currently, there are 100 applicants on the county’s wait list. The following table illustrates voucher usage at the comparables.

**TENANTS WITH VOUCHERS**

Property Name	Occupancy Type	Tenancy	Housing Choice Voucher Tenants
Alexander Ridge Apartments	LIHTC, Market	Family	8%
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	15%
Highland Court Apartments	LIHTC, Market, Non-Rental	Senior	4%
The Legacy At Walton Heights	LIHTC	Senior	N/A
Atlantic Bridgemill (FKA Bell Bridgemill)	Market	Family	0%
Harbor Creek	Market	Family	0%
Heritage At Riverstone	Market	Family	0%
Riverview Apartments	Market	Family	0%
Walden Crossing Apartments	Market	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 15 percent. The LIHTC properties have a low to moderate reliance on tenants with vouchers. Thus, it appears that the Subject will not need to rely on voucher residents in order to maintain a high occupancy level. We believe the Subject would maintain a voucher usage of 10 percent or less upon completion.

**Lease Up History**

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

**ABSORPTION**

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	2011	100	9
The Legacy At Walton Heights	LIHTC	Senior	2013	100	20
Riverview Apartments	Market	Family	2009	138	<u>11</u>
				<b>Average</b>	<b>13</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is proposed new construction. The comparables exhibit an average absorption pace of 13 units per month. The Subject could achieve an absorption pace most similar to the newer senior comparables constructed in 2011 and 2013. The comparables indicate an average absorption pace of 15 units per month. As such, we have concluded to an absorption pace of 15 units per month. At this rate, the Subject will have an absorption period between four and five months.

**Phased Developments**

The Subject is not part of a multi-phase development.

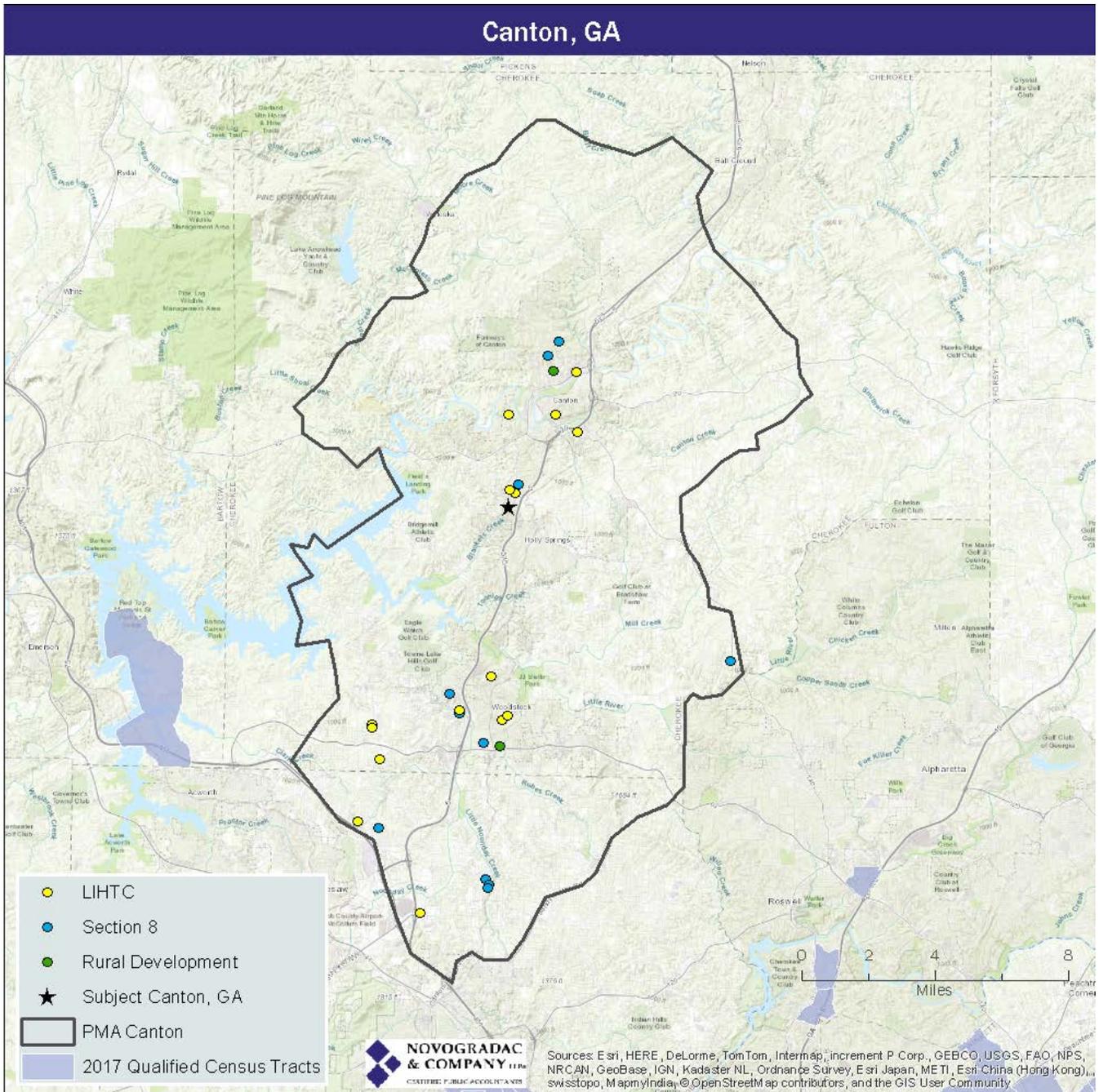
**Rural Areas**

The Subject is not located in a rural area.

**3. Competitive Project Map**

**COMPETITIVE PROJECTS**

Property Name	Program	Location	Tenancy	# of Units	Map Color	
Prominence Senior Village	LIHTC	Canton	Senior	75	Star	
Columbia Creek Apts	Section 8	Woodstock	Family	0	Blue	
Grand Reserve At Riverstone	Section 8	Canton	Family	0		
Cherokee Residential Services	Section 8	Canton	Senior/Disabled	10		
Colbert Square	Section 8	Woodstock	Senior/Disabled	70		
Ucp Of Atlanta	Section 8	Marietta	Senior/Disabled	8		
Laurel's Edge	Section 8	Kennesaw	Senior/Disabled	50		
River Ridge Apartments At Canton	Section 8	Canton	Family	356		
Crs Grimes Road, Inc.	Section 8	Woodstock	Senior/Disabled	5		
Cassie'S Corner	Section 8	Marietta	Senior/Disabled	4		
The Willow House	Section 8	Marietta	Senior/Disabled	4		
Heritage At Madison Pointe	Section 8	Woodstock	Family	100		
The Heights At Town Lake	Section 8	Woodstock	Family	194		
Cherokee Summit Apartments	Section 8	Acworth	Family	272		
Whispering Trace Apts	LIHTC	Woodstock	Family	40		Yellow
Gregory Lane Apts Phase I	LIHTC	Acworth	Family	72		
Gregory Lane Apts Phase II	LIHTC	Acworth	Family	38		
Lancaster Ridge Apartments	LIHTC	Canton	Family	143		
Canterbury Ridge Apts	LIHTC	Canton	Family	212		
Columbia Creek	LIHTC	Woodstock	Family	137		
Canton Mill Lofts	LIHTC	Canton	Family	313		
Alexander Ridge Apts	LIHTC	Canton	Family	272		
Cherokee Summit	LIHTC	Acworth	Family	272		
Heritage At Madison Pointe	LIHTC	Woodstock	Family	100		
Laurels At Greenwood	LIHTC	Canton	Family	174		
Highland Court Senior Residences	LIHTC/Market	Kennesaw	Senior	122		
Peaks At Bells Ferry	LIHTC	Acworth	Family	248		
Alta Ridge Walk	LIHTC	Woodstock	Family	340		
Hearthstone Landing	LIHTC	Canton	Family	72		
Legacy At Walton Heights	LIHTC	Marietta	Senior	100		
Legacy at Walton Village	LIHTC	Marietta	Family	125		
Hearthside Towne Lake	LIHTC/Market	Woodstock	Family	100		
Lakeview Apartments	Rural Development	Canton	Family	40	Green	
Laurelwood Apartments	Rural Development	Woodstock	Family	50		



#### 4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below.

# PROMINENCE SENIOR VILLAGE – CANTON, GEORGIA – MARKET STUDY

## AMENITY MATRIX

	Prominence Senior Village	Alexander Ridge Apartments	Hearthside Towne Lake	Highland Court Apartments	The Legacy At Walton Heights	Atlantic Bridgemill (FKA Bell Bridgemill)	Harbor Creek	Heritage At Riverstone	Riverview Apartments	Walden Crossing Apartments
<b>Property Type</b>	Lowrise (age-restricted) (3 stories)	Garden (3 stories)	Midrise (age-restricted) (4 stories)	Midrise (age-restricted) (4 stories)	Garden (age-restricted) (4 stories)	Garden (4 stories)	Garden (3 stories)	Garden (3 stories)	Garden (4 stories)	Garden (4 stories)
<b>Year Built / Renovated</b>	Proposed	1999	2011	2003	2013	2000	2007	2000	2009	2002
<b>Market (Conv.)/Subsidy Type</b>	LIHTC, Market	LIHTC, Market	LIHTC, Market, Non-Rental	LIHTC, Market, Non-Rental	LIHTC	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>										
Cooking	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	yes	no	no	no	no	no	no
Sewer	no	no	yes	yes	no	no	no	no	no	no
Trash Collection	yes	yes	yes	yes	no	no	no	yes	no	no
<b>In-Unit Amenities</b>										
Balcony/Patio	no	yes	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	no	no	no	no	yes
Carpet/Hardwood	no	no	no	no	no	no	no	no	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	no	yes	no	yes	yes	no	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	no	yes	yes	yes	no	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Fireplace	no	no	no	no	no	yes	yes	yes	no	no
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Hand Rails	yes	no	yes	yes	yes	no	no	no	no	no
Microwave	yes	yes	yes	no	no	yes	yes	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	no	yes	yes	no	no	no	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Skylights	no	no	no	no	no	no	no	no	no	yes
Vaulted Ceilings	no	no	no	no	no	no	yes	yes	yes	yes
Walk-In Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Whirlpool Tub	no	no	no	no	no	no	no	no	yes	no
Washer/Dryer	no	no	no	no	no	no	no	no	yes	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>										
Business Center/Computer Lab	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Car Wash	no	yes	no	no	no	no	yes	no	no	yes
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Courtyard	no	no	no	no	yes	no	no	no	yes	no
Elevators	yes	no	yes	yes	yes	no	no	no	yes	yes
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Garage	no	no	no	no	no	yes	yes	yes	no	no
Jacuzzi	no	no	no	no	no	no	no	no	no	yes
Central Laundry	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Non-shelter Services	no	no	yes	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	yes	yes	no	yes	yes	no	no	yes	yes
Playground	no	yes	no	no	no	yes	yes	yes	no	yes
Service Coordination	no	no	no	no	yes	no	no	no	no	no
Swimming Pool	no	yes	no	no	no	yes	yes	yes	no	yes
Tennis Court	no	no	no	no	no	yes	yes	no	no	yes
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$100.00	\$120.00	\$89.00	N/A	N/A
<b>Services</b>										
Adult Education	no	no	no	yes	no	no	no	no	no	no
Shuttle Service	no	no	no	yes	no	no	no	no	no	no
<b>Security</b>										
In-Unit Alarm	no	yes	no	no	no	yes	no	no	no	no
Intercom (Buzzer)	no	no	no	yes	no	no	no	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Patrol	no	yes	no	no	no	no	no	no	no	no
Perimeter Fencing	no	yes	yes	no	yes	no	yes	yes	no	no
Video Surveillance	no	no	no	no	no	no	no	no	yes	yes
<b>Premium Amenities</b>										
Hairdresser / Barber	no	no	yes	yes	no	no	no	no	no	no
<b>Other Amenities</b>										
Other	Craft room, library	n/a	Library, walking trails	Wellness Center	Library, theater	Pet park	n/a	n/a	n/a	Playroom, Dog Park

The Subject will offer hand rails, microwaves, elevators, a picnic area, and a library, which several of the comparable properties lack. However, the Subject will lack balcony/patios, exterior storage, a car wash, a playground, and a swimming pool, which many of the comparables offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market.

## 5. Comparable Tenancy

The Subject will target seniors aged 62 and older. Three of the LIHTC comparable properties also target seniors. The remaining LIHTC comparable and all of the market-rate comparable properties target families.

## 6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates
Alexander Ridge Apartments	LIHTC, Market	Family	272	0	0.0%
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	100	0	0.0%
Highland Court Apartments	LIHTC, Market, Non-Rental	Senior	122	0	0.0%
The Legacy At Walton Heights	LIHTC	Senior	100	0	0.0%
Atlantic Bridgemill (FKA Bell Bridgemill)	Market	Family	256	14	5.5%
Harbor Creek	Market	Family	376	8	2.1%
Heritage At Riverstone	Market	Family	240	8	3.3%
Riverview Apartments	Market	Family	138	9	6.5%
Walden Crossing Apartments	Market	Family	264	10	3.8%
<b>Total LIHTC</b>			<b>594</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>1,274</b>	<b>49</b>	<b>4.2%</b>
<b>Overall Total</b>			<b>1,868</b>	<b>49</b>	<b>2.4%</b>

Overall vacancy in the market is low at 2.4 percent. Total LIHTC vacancy is lower, as all LIHTC comparables are currently fully-occupied. The LIHTC comparables also report maintaining waiting lists, some in excess of six months in length. This indicates strong demand for affordable housing in the area.

The vacancy rates among the market-rate comparable properties range from zero to 6.5 percent, averaging 4.2 percent, which is considered moderate. The contact at Riverview Apartments, the market rate property with the highest vacancy rate, reported that the demand for rental housing in the area is high and that the property is typically 98 to 100 percent occupied. High current vacancy at this property is reportedly seasonal. Atlantic Bridgemill reported the second highest vacancy rate at 5.5 percent. The contact at this property reported that ongoing renovations keep select units vacant. However, this property maintains a waiting list. We believe the Subject will maintain a vacancy rate of five percent or less once stabilized.

## 7. Properties Under Construction and Proposed

The following section details properties currently planned, proposed or under construction.

### The Crest at Laurel Canyon

- Location: 30 Laurel Canyon Village Circle, Canton, GA
- Owner: The Residential Group LLC
- Total number of units: 350 units
- Unit configuration: One, two and three bedroom units
- Rent structure: Market-rate
- Estimated market entry: March 2017
- Relevant information: This property has begun leasing, though it is still under construction. As of April 2017, the property had leased 17 of the 20 available units.

**Grand Reserve at Canton**

- a. Location: 165 Reservoir Drive, Canton, GA
- b. Owner: Unknown
- c. Total number of units: 308 units
- d. Unit configuration: Unknown
- e. Rent structure: Market-rate
- f. Estimated market entry: Proposed
- g. Relevant information: This market-rate multifamily development is currently under review by the Canton Planning Department. The owner, unit configuration, and estimated market entry are unknown. This property is located approximately six miles from the Subject site.

**Rosewood Active Adult Community**

- a. Location: North side of East Cherokee Drive, Canton, GA
- b. Owner: KM Homes of Alpharetta
- c. Total number of units: 81 units
- d. Unit configuration: Single-family homes
- e. Rent structure: Market-rate
- f. Estimated market entry: Proposed
- g. Relevant information: This market-rate age-restricted, single-family home development is currently under review by the Canton Planning Department. This property is located approximately 12.5 miles from the Subject site.

**8. Rental Advantage**

The following table illustrates the Subject’s similarity to the comparable properties. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

**SIMILARITY MATRIX**

#	Property Name	Program	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Alexander Ridge Apartments	LIHTC, Market	Slightly Superior	Slightly Superior	Similar	Inferior	Slightly Superior	5
2	Hearthside Towne Lake	LIHTC, Market, Non-Rental	Similar	Similar	Similar	Slightly Inferior	Similar	-5
3	Highland Court Apartments	LIHTC, Market, Non-Rental	Similar	Similar	Similar	Slightly Inferior	Inferior	-15
4	The Legacy At Walton Heights	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Similar	Slightly Superior	10
5	Atlantic Bridgemill (FKA Bell Bridgemill)	Market	Superior	Superior	Superior	Inferior	Similar	20
6	Harbor Creek	Market	Superior	Slightly Superior	Similar	Slightly Inferior	Superior	20
7	Heritage At Riverstone	Market	Slightly Superior	Similar	Inferior	Inferior	Slightly Superior	-10
8	Riverview Apartments	Market	Slightly Inferior	Superior	Inferior	Similar	Inferior	-15
9	Walden Crossing Apartments	Market	Superior	Superior	Similar	Slightly Inferior	Slightly Superior	20

\*Inferior=-10, slightly inferior=-5, similar=0, slightly superior=5, superior=10.

The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following tables.

**LIHTC RENT COMPARISON - @50%**

Property Name	1BR	2BR
Prominence Senior Village (Subject)	\$485	\$580
<b>2016 Cherokee County LIHTC Maximum (Net)</b>	<b>\$539</b>	<b>\$642</b>
<b>2015 Cobb County LIHTC Maximum (Net)</b>	<b>\$599</b>	<b>\$714</b>
<b>2015 Cherokee County LIHTC Maximum (Net)</b>	<b>\$599</b>	<b>\$714</b>
Alexander Ridge Apartments	\$595	\$710
Hearthside Towne Lake	\$594	\$717
Highland Court Apartments	\$656	\$789
The Legacy At Walton Heights	\$571	\$683
<b>Average (excluding Subject)</b>	<b>\$604</b>	<b>\$725</b>

**LIHTC RENT COMPARISON - @60%**

Property Name	1BR	2BR
Prominence Senior Village (Subject)	\$580	\$675
	\$504	
<b>2016 Cherokee County LIHTC Maximum (Net)</b>	<b>\$665</b>	<b>\$794</b>
<b>2015 Cobb County LIHTC Maximum (Net)</b>	<b>\$738</b>	<b>\$881</b>
<b>2015 Cherokee County LIHTC Maximum (Net)</b>	<b>\$738</b>	<b>\$881</b>
Alexander Ridge Apartments	\$735	\$880
Hearthside Towne Lake	\$738	\$857
Highland Court Apartments	\$795	\$956
The Legacy At Walton Heights	\$671	\$839
<b>Average (excluding Subject)</b>	<b>\$735</b>	<b>\$883</b>

All of the comparable properties were built in 2013 or earlier. The AMI in Cherokee County has fluctuated since 2010, alternating between periods of increase and periods of decrease. Therefore, all of the comparable properties have been “held harmless” at various maximum levels according to the year in which they were placed in service. Alexander Ridge Apartments and Highland Court Apartments were placed in service prior to 2009 and are held harmless at the 2016 HERA special income limit, which is the same as the 2015 Cherokee County and Cobb County LIHTC maximum allowable levels. Hearthside Towne Lake and The Legacy at Walton Heights were placed in service in 2011 and 2013, respectively, and are held harmless at the 2015 LIHTC maximum allowable levels. Per the Georgia DCA 2016 guidelines, the market study analyst must use the maximum rent and income limits effective as of January 1, 2017. Therefore, we have utilized the 2016 maximum income and rent limits.

Three comparables, Alexander Ridge, Hearthside Towne Lake, and Highland Court Apartments, report achieving rents at the maximum allowable levels at both 50 and 60 percent AMI levels. Rents at Highland Court Apartments appear to be above the maximum allowable level. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. Highland Court Apartments is fully-occupied and is maintaining a waiting list six months in length. This indicates that its rents are sustainable in the market.

Hearthside Towne Lake is the most similar LIHTC property when compared to the Subject. It is located 7.4 miles south of the Subject in a similar location. Hearthside Towne Lake was built in 2011 and offers one and two-bedroom units restricted to seniors age 62 and older. The property is currently fully-occupied with an extensive waiting list dating back to 2012. Management reported that the property typically remains fully occupied. Management also reported a strong demand for affordable senior housing in the area. The Subject will be similar to Hearthside Towne Lake in terms of in-unit amenities, common area amenities, unit sizes, and age/condition. Therefore, we believe the Subject’s proposed rents are reasonable and achievable. The Subject’s LIHTC rents are also supported by the remaining comparable properties.

The comparable affordable senior properties are exhibiting no current vacancy, which is considered excellent. Further, all of the LIHTC comparables maintain waiting lists. We believe the low vacancy rate and existence of waiting lists at the comparable properties demonstrates strong demand for affordable senior housing in the market. We believe the Subject’s LIHTC rents are feasible as proposed.

**Analysis of “Market Rents”**

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not ‘Achievable unrestricted market rent.’ In an urban market with many tax credit comps, the average

market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market-rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market-rate comps. In a small rural market there may be neither tax credit comps nor market-rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

When comparing the Subject’s rents to the average comparable rent, we have not included surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$485	\$571	\$1,168	\$891	46%
2 BR @ 50%	\$580	\$683	\$1,497	\$1,022	43%
1 BR @ 60%	\$504	\$671	\$1,168	\$945	47%
1 BR @ 60%	\$580	\$671	\$1,168	\$945	39%
2 BR @ 60%	\$675	\$839	\$1,497	\$1,091	38%
1 BR Unrestricted	\$730	\$723	\$1,168	\$995	27%
2 BR Unrestricted	\$825	\$897	\$1,497	\$1,154	29%

As illustrated the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents.

Atlantic Bridgemill is achieving the highest one-bedroom unrestricted rents in the market. The Subject will be inferior to Atlantic Bridgemill as a market-rate property upon completion. Atlantic Bridgemill was built in 2000 and exhibits good condition, which is inferior to the anticipated condition of the Subject upon completion. Atlantic Bridgemill is located 3.4 miles from the Subject site and offers a similar location. Atlantic Bridgemill offers superior in-unit and property amenities compared to the Subject’s proposed amenities, including balcony patios, coat closets, exterior storage, fireplaces, walk-in closets, a parking garage, playground, swimming pool, and tennis court. Atlantic Bridgemill offers similar unit sizes to those planned for the Subject. The one-bedroom rents at Atlantic Bridgemill are approximately 38 percent higher than the Subject’s proposed market rents, and approximately 73 percent higher than the Subject’s highest one-bedroom rents at 60 percent AMI.

Hearthside Towne Lake is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be similar to Hearthside Towne Lake as a market-rate property upon completion. Hearthside Towne Lake was built in 2011 and exhibits good condition, which will be slightly inferior to the anticipated condition of the Subject upon completion. However, Hearthside Town Lake is located 7.4 miles from the Subject and offers a similar location. Hearthside Towne Lake offers similar property and in-unit amenities in comparison to the Subject. The lowest two-bedroom rents at Hearthside Towne Lake are 52 percent higher than the Subject’s two-bedroom unrestricted rents, and 86 percent higher than the Subject’s two-bedroom rents at

60 percent AMI. Overall, we believe the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

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

Capture rates for the Subject are considered low for all bedroom types at the 50 percent AMI level and moderate for two-bedroom units at the 60 percent AMI level. If allocated, the Subject will be slightly superior to superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is healthy as all of the LIHTC comparables are currently fully-occupied. The LIHTC comparables are also maintaining waiting lists, some greater than six months in length. According to Georgia DCA allocation lists, there have been no LIHTC properties allocated within the Subject’s PMA since 2013. We do not believe that the addition of the Subject to the market will impact the existing LIHTC properties that are in overall good condition and currently performing well.

**10. Rental Trends in the PMA**

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

**PMA TENURE PATTERNS OF SENIORS 62+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	8,053	87.8%	1,114	12.2%
2017	21,562	85.1%	3,782	14.9%
Projected Mkt Entry July 2019	24,071	84.8%	4,325	15.2%
2021	26,580	84.5%	4,867	15.5%

Source: Esri Demographics 2017, Novogradac & Company LLP, April 2017

As the table illustrates, senior households within the PMA reside in predominantly owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a lower percentage of senior renters in in the PMA than the nation. However, as presented, the percent of senior renter population increased significantly between 2000 and 2017 and will continue to increase over the next five years.

**Historical Vacancy**

The following table details historical vacancy levels for the properties included as comparables.

**HISTORICAL VACANCY**

Comparable Property	Type	Total Units	3QTR 2013	1QTR 2014	2QTR 2014	2QTR 2015	2QTR 2016	3QTR 2016	2QTR 2017
Prominence Senior Village	Lowrise	75	N/A						
Alexander Ridge Apartments	Garden	272	5.5%	2.9%	N/A	5.1%	0.7%	0.0%	0.0%
Hearthside Towne Lake	Midrise	100	N/A	N/A	N/A	0.0%	1.0%	N/A	0.0%
Highland Court Apartments	Midrise	122	N/A	N/A	3.3%	0.8%	3.3%	N/A	0.0%
The Legacy At Walton Heights	Garden	100	N/A	N/A	N/A	2.0%	0.0%	N/A	0.0%
Atlantic Bridgemill (FKA Bell Bridgemill)	Garden	256	3.4%	1.3%	N/A	2.7%	7.8%	N/A	5.5%
Harbor Creek	Garden	376	N/A	N/A	N/A	0.3%	4.7%	N/A	2.1%
Heritage At Riverstone	Garden	240	6.7%	1.3%	N/A	2.1%	2.1%	N/A	3.3%
Riverview Apartments	Garden	138	0.0%	0.0%	N/A	0.7%	0.0%	N/A	6.5%
Walden Crossing Apartments	Garden	264	<u>3.8%</u>	<u>1.9%</u>	<u>N/A</u>	<u>3.4%</u>	<u>3.4%</u>	<u>N/A</u>	<u>3.8%</u>
<b>Average</b>			<b>3.9%</b>	<b>1.5%</b>	<b>3.3%</b>	<b>1.9%</b>	<b>2.6%</b>	<b>0.0%</b>	<b>2.4%</b>

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties. In general, the comparable properties have generally experienced low to moderate vacancy rates in the past three years. All of the LIHTC comparables are currently fully-occupied, and the current weighted average vacancy rate among the market-rate comparable properties is moderate at 4.2 percent. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

**Change in Rental Rates**

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Alexander Ridge Apartments	LIHTC, Market	Five percent increase since 3Q2016
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Increased up to 10 percent
Highland Court Apartments	LIHTC, Market, Non-Rental	Market-rate increased up to five percent since
The Legacy At Walton Heights	LIHTC	Decreased up to one percent
Atlantic Bridgemill (FKA Bell Bridgemill)	Market	Increased up to 25 percent
Harbor Creek	Market	Increased up to 27 percent
Heritage At Riverstone	Market	Increased up to 13 percent
Riverview Apartments	Market	Increased up to 21 percent
Walden Crossing Apartments	Market	Increased up to 10 percent

The LIHTC properties have reported growth of up to 10 percent since the time of our last interview. The market rate properties reported rent growth of up to 27 percent since the time of our last interview. One LIHTC comparable, The Legacy at Walton Heights, reported a decline in its rents of up to one percent, which were lowered in response to the decrease in the county’s AMI between 2016 and 2017. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

**11. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Canton is experiencing a foreclosure rate of one in every 3,627 homes, while Cherokee County is experiencing foreclosure rate of one in every 2,318 homes and Georgia experienced one foreclosure in every 2,041 housing units. Overall, Canton is experiencing a lower foreclosure rate than the state, the county, and the nation, indicating a healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

**12. Primary Housing Void**

All of the LIHTC comparables report maintaining waiting lists. Alexander Ridge Apartments, a family LIHTC property in Canton, reports maintaining a waiting list of six households. Highland Court Apartments, a senior mixed-income property in Canton, reports maintaining a waiting list six months in length. The waiting list at The Legacy at Walton Heights is approximately 40 households in length. These waiting lists indicate demand for affordable housing in the market.

**13. Effect of Subject on Other Affordable Units in Market**

There are no proposed LIHTC developments in the PMA. All of the comparable properties report extensive waiting lists, some up to six months in length. We believe there is adequate demand for the addition of the Subject within the market. All of the LIHTC comparables are currently fully-occupied. The performance of the comparable LIHTC properties and the existence of waiting lists for affordable units indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

## Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Capture rates for the Subject are considered low for all unit types. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The LIHTC report no vacancy, and all maintain waiting lists, some up to six months in length. These factors indicate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties similar to slightly inferior property amenities. The Subject will offer hand rails, microwaves, elevators, a picnic area, and a library, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the proposed or existing LIHTC properties that are in overall good condition and performing well. We believe that the Subject is feasible as proposed and will perform well.

# **I. ABSORPTION AND STABILIZATION RATES**

## ABSORPTION AND STABILIZATION RATES

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

### ABSORPTION

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	2011	100	9
The Legacy At Walton Heights	LIHTC	Senior	2013	100	20
Riverview Apartments	Market	Family	2009	138	<u>11</u>
<b>Average</b>					<b>13</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is proposed new construction. The comparables exhibit an average absorption pace of 13 units per month. The Subject could achieve an absorption pace most similar to the newer senior comparables constructed in 2011 and 2013. The comparables indicate an average absorption pace of 15 units per month. As such, we have concluded to an absorption pace of 15 units per month. At this rate, the Subject will have an absorption period between four and five months.

# **J. INTERVIEWS**

**Georgia Department of Community Affairs, Waycross Regional Office**

We spoke to Anton Shaw, Director of Policy & Administration with the Georgia Department of Community Affairs. Mr. Shaw indicated 263 Housing Choice Vouchers are in use in Cherokee County. According to the Mr. Shaw, the waiting list for vouchers is currently closed. Currently, there are 100 applicants on the county’s wait list. The payment standards for Cherokee County are listed below.

**PAYMENT STANDARDS**

Unit Type	Standard
One-bedroom	\$861
Two-bedroom	\$996

Source: Georgia Department of Community Affairs, April 2017

The Subject’s proposed rents are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent.

**Planning**

According to Mr. Steve Green with the Canton Planning Department, there are three multifamily developments currently planned, proposed, or under construction in in Canton.

The Crest at Laurel Canyon is a market-rate multifamily development in the Subject’s PMA. According to Mr. Green, The Crest at Laurel Canyon is currently under construction at 30 Laurel Canyon Village Circle, Canton, GA, approximately 7.0 miles from the Subject’s site. Mr. Green stated that the property 350 will offer one, two, and three-bedroom units.

Grand Reserve at Canton, a proposed market-rate multifamily development, is under review by the Canton Planning department. The proposed property is located at 165 Reservoir Drive in Canton, GA, approximately 6.0 miles from the Subject’s site. Mr. Green reported that the development will consist of 308 units.

In addition to these two properties, Mr. Green indicated that Rosewood Active Adult Community, a proposed 81 lot single-family residential age-restricted development planned by KM Homes of Alpharetta, Georgia is under review. The proposed project is located on 37 acres in Cherokee County, Georgia along the north side of East Cherokee Drive. The proposed development is located approximately 12.5 miles from the Subject’s site.

The Crest at Laurel Canyon and Grand Reserve at Canton are both market-rate properties, which will target families. Rosewood Active Adult Community will consist of single-family homes and it is located just beyond the PMA of the Subject. Therefore, none of these properties should significantly impact or be in direct competition with the Subject.

**City of Canton Community Development**

We spoke with Mr. Ken Patton, Community Development Director with the City of Canton. He expressed that economic growth has been concentrated in commercial and industrial development. According to Mr. Patton, most of the economic development activity has been taking place in the southwest portion of Cherokee County. Mr. Patton sited the Cherokee 75 Corporate Park as an example, which is a business park located near Woodstock, GA. He stated that companies like Inalfa Roof Systems, one of the county’s largest employer, have been attracted to the area because of the business park.

**Additional interviews can be found in the comments section of the property profiles.**

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

The senior population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of senior population and household growth is projected to increase through 2021. The current senior population of the PMA is 41,248 and is expected to be 46,749 in 2019. Senior renter households are concentrated in the lowest income cohorts, with 31.9 percent of senior renters in the PMA earning between \$10,000 and \$29,999 annually. The Subject will target senior households earning between \$17,370 and \$32,400 for its LIHTC units and up to \$67,500 for its market rate unit. The Subject should be well-positioned to service this market. Overall, population growth and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable senior rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in five industries, which represent approximately 51 percent of total local employment. There have been a few WARN notices issued in the county since 2014. However, several companies have moved to the county since 2014. Overall, the MSA has experienced positive total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent above its pre-recession peak, while national employment was 3.7 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, which was the same as the national unemployment rate and significantly lower than the 2010 peak of 10.3 percent. Overall, local employment growth and declining unemployment is a positive indicator of demand for affordable rental housing and the Subject's proposed units.

### Capture Rates

The following table illustrates the demand and capture rates for the Subject's proposed units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$17,370	\$27,000	4	82	0	82	4.9%	\$485
1BR at 60% AMI	\$17,940	\$32,400	8	116	0	116	6.9%	\$504
1BR Unrestricted	\$21,900	\$67,500	6	247	0	247	2.4%	\$730
1BR Overall Affordable	\$17,370	\$32,400	12	121	0	121	9.9%	-
1 BR Overall Project	\$17,370	\$67,500	18	393	0	393	4.6%	-
2BR at 50% AMI	\$20,940	\$27,000	12	138	0	138	8.7%	\$580
2BR at 60% AMI	\$23,790	\$32,400	30	195	0	195	15.4%	\$675
2BR Unrestricted	\$24,750	\$67,500	15	415	0	415	3.6%	\$825
2BR Overall Affordable	\$20,940	\$32,400	42	203	0	203	20.7%	-
2 BR Overall Project	\$20,940	\$67,500	57	492	0	492	11.6%	-
50% AMI Overall	\$17,370	\$27,000	16	220	0	220	7.3%	-
60% AMI Overall	\$17,940	\$32,400	38	311	0	311	12.2%	-
Unrestricted Overall	\$21,900	\$67,500	21	663	0	663	3.2%	-
Overall Affordable	\$17,370	\$32,400	54	324	0	324	16.7%	-
Overall Project	\$17,370	\$67,500	75	885	0	885	8.5%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. Of note, the demand calculation for the Subject's one-bedroom units at 60 percent AMI includes both one-bedroom unit types. Setting two, one-bedroom units at 60 percent AMI at lower rents broadens the income band for one-bedroom units at 60 percent AMI, increasing total demand for one-bedroom units at 60 percent AMI.

However, these two units account for approximately 33 percent of the total number of one-bedroom unit at 60 percent AMI. Therefore, the calculation accurately determines demand for this unit type at 60 percent AMI. All capture rates are within Georgia DCA's thresholds.

### Absorption

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

#### ABSORPTION

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	2011	100	9
The Legacy At Walton Heights	LIHTC	Senior	2013	100	20
Riverview Apartments	Market	Family	2009	138	<u>11</u>
				<b>Average</b>	<b>13</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is proposed new construction. The comparables exhibit an average absorption pace of 13 units per month. The Subject could achieve an absorption pace most similar to the newer senior comparables constructed in 2011 and 2013. The comparables indicate an average absorption pace of 15 units per month. As such, we have concluded to an absorption pace of 15 units per month. At this rate, the Subject will have an absorption period between four and five months.

### Vacancy Trends

The following table illustrates the vacancy rates in the market.

#### OVERALL VACANCY

Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates
Alexander Ridge Apartments	LIHTC, Market	Family	272	0	0.0%
Hearthside Towne Lake	LIHTC, Market, Non-Rental	Senior	100	0	0.0%
Highland Court Apartments	LIHTC, Market, Non-Rental	Senior	122	0	0.0%
The Legacy At Walton Heights	LIHTC	Senior	100	0	0.0%
Atlantic Bridgemill (FKA Bell Bridgemill)	Market	Family	256	14	5.5%
Harbor Creek	Market	Family	376	8	2.1%
Heritage At Riverstone	Market	Family	240	8	3.3%
Riverview Apartments	Market	Family	138	9	6.5%
Walden Crossing Apartments	Market	Family	<u>264</u>	<u>10</u>	<u>3.8%</u>
<b>Total LIHTC</b>			<b>594</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>1,274</b>	<b>49</b>	<b>4.2%</b>
<b>Overall Total</b>			<b>1,868</b>	<b>49</b>	<b>2.4%</b>

Overall vacancy in the market is low at 2.4 percent. Total LIHTC vacancy is lower, as all LIHTC comparables are currently fully-occupied. The LIHTC comparables also report maintaining waiting lists, some in excess of six months in length. This indicates strong demand for affordable housing in the area.

The vacancy rates among the market-rate comparable properties range from zero to 6.5 percent, averaging 4.2 percent, which is considered moderate. The contact at Riverview Apartments, the market rate property with the highest vacancy rate, reported that the demand for rental housing in the area is high and that the property is typically 98 to 100 percent occupied. High current vacancy at this property is reportedly seasonal. Atlantic Bridgemill reported the second highest vacancy rate at 5.5 percent. The contact at this property reported that ongoing renovations keep select units vacant. However, this property maintains a waiting list. We believe the Subject will maintain a vacancy rate of five percent or less once stabilized.

### **Strengths of the Subject**

Strengths of the Subject will include located in close proximity to neighborhood retail and other amenities. Single family homes in the general vicinity appear to have been built since 1980 and are in good condition. Upon completion, the Subject will offer slightly superior to inferior property and in-unit amenities when compared to other tax credit and market-rate properties in the local market. As the demand analysis in this report indicates, there is adequate demand for the Subject based on our calculations for the all unit types. The Subject will fill a void for affordable senior housing in the market.

### **Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. Capture rates for the Subject are considered low for all unit types. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The LIHTC report no vacancy, and all maintain waiting lists, some up to six months in length. These factors indicate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties similar to slightly inferior property amenities. The Subject will offer hand rails, microwaves, elevators, a picnic area, and a library, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the proposed or existing LIHTC properties that are in overall good condition and performing well. We believe that the Subject is feasible as proposed and will perform well.

### **Recommendations**

We recommend the Subject as proposed.

# **L. SIGNED STATEMENT REQUIREMENTS**

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the Subject property and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



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# **M. MARKET STUDY REPRESENTATION**

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



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**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst,

firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

**ADDENDUM B**  
**Subject and Neighborhood Photographs**

**Photographs of Subject Site and Surrounding Uses**



Subject site from Prominence Point Parkway



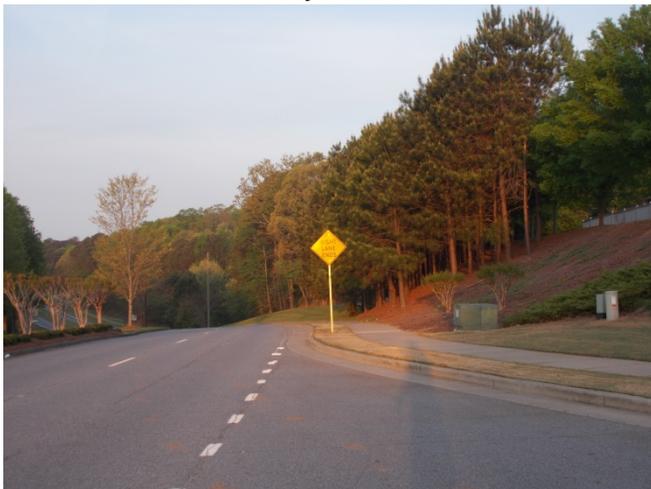
Subject site from Prominence Point Parkway



Subject site



Subject site



View west on Prominence Point Parkway



View east on Prominence Point Parkway



Institutional use adjacent south of the Subject site



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Pharmacy in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Grocery store in the Subject's neighborhood



Gas station in the Subject's neighborhood



Single-family home in the Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

Duquesne University, Pittsburgh, Pennsylvania  
Masters in Business Administration  
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia  
Bachelor of Science in Business Administration  
Graduated Magna Cum Laude

### II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)  
Member, The Counselors of Real Estate (CRE)  
LEED Green Associate  
Member, National Council of Housing Market Analysts (NCHMA)  
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut  
Certified General Real Estate Appraiser, No. GA12288 – District of Columbia  
Certified General Real Estate Appraiser, No. CG1694 – State of Maine  
Certified General Real Estate Appraiser, No. 1326 – State of Maryland  
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts  
Certified General Real Estate Appraiser, No. 46000039124 – State of New York  
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina  
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania  
Certified General Real Estate Appraiser, No. CGA.0020047 – State of Rhode Island  
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina  
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee  
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia  
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

### III. Professional Experience

**Partner**, Novogradac & Company LLP  
**Vice President**, Capital Realty Advisors, Inc.  
**Vice President - Acquisitions**, The Community Partners Development Group, LLC  
**Commercial Loan Officer/Work-Out Specialist**, First Federal Savings Bank of Western MD  
**Manager** - Real Estate Valuation Services, Ernst & Young LLP  
**Senior Associate**, Joseph J. Blake and Associates, Inc.  
**Senior Appraiser**, Chevy Chase, F.S.B.  
**Senior Consultant**, Pannell Kerr Forster

#### **IV. Professional Training**

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings

#### **V. Real Estate Assignments – Examples**

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as

if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

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

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Manager, September 2015- Present**

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

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

**REAL ESTATE ASSIGNMENTS**

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

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

## **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

**Meg Southern**

### **I. Education**

University of South Carolina – Columbia, SC Master of Arts,  
Public History

College of William and Mary – Williamsburg, VA  
Bachelor of Arts, Anthropology and History

### **II. Professional Experience**

Junior Analyst, Novogradac & Company LLP, September 2016 – Present Contract  
Researcher, Historic Columbia, May 2014 - September 2016

### **III. Research Assignments**

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

**ADDENDUM D**  
**Summary Matrix**

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	Prominence Senior Village Located Off Of Prominence Point Canton, GA 30114 Cherokee County	n/a	Lowrise (age-restricted) (3 stories) Proposed	LIHTC, Market	1BR / 1BA	4	5.3%	@50%	\$485	690	no		N/A	N/A				
					1BR / 1BA	6	8.0%	@60%	\$580	690	no	N/A	N/A					
					1BR / 1BA	2	2.7%	@60%	\$504	690	no	N/A	N/A					
					1BR / 1BA	6	8.0%	Market	\$730	690	n/a	N/A	N/A					
					2BR / 1BA	12	16.0%	@50%	\$580	880	no	N/A	N/A					
					2BR / 1BA	30	48.0%	@60%	\$675	880	no	N/A	N/A					
					2BR / 1BA	15	12.0%	Market	\$825	880	n/a	N/A	N/A					
					75	100.0%						N/A	N/A					
1	Alexander Ridge Apartments 3145 Ridge Road Canton, GA 30114 Cherokee County	1 mile	Garden (3 stories) 1999	LIHTC, Market	1BR / 1BA	18	6.6%	@50%	\$595	801	yes	Yes	0	0.0%				
					1BR / 1BA	38	14.0%	@60%	\$735	801	yes	Yes	0	0.0%				
					1BR / 1BA	16	5.9%	Market	\$900	801	n/a	No	0	0.0%				
					2BR / 2BA	36	13.2%	@50%	\$710	1,002	yes	Yes	0	0.0%				
					2BR / 2BA	56	20.6%	@60%	\$880	1,002	yes	Yes	0	0.0%				
					2BR / 2BA	26	9.6%	Market	\$1,000	1,002	n/a	No	0	0.0%				
					3BR / 2BA	22	8.1%	@50%	\$810	1,200	yes	Yes	0	0.0%				
					3BR / 2BA	42	15.4%	@60%	\$1,000	1,200	yes	Yes	0	0.0%				
					3BR / 2BA	N/A	N/A	Market	\$1,100	1,200	n/a	No	0	0.0%				
										272	100.0%						0	0.0%
2	Hearthside Towne Lake 900 Towne Lake Parkway Woodstock, GA 30189 Cherokee County	7.4 miles	Midrise (age-restricted) (4 stories) 2011	LIHTC, Market, Non-Rental	1BR / 1BA	3	3.0%	@50%	\$594	752	yes	Yes	0	0.0%				
					1BR / 1BA	14	14.0%	@60%	\$738	752	yes	Yes	0	0.0%				
					1BR / 1BA	4	4.0%	Market	\$1,118	752	n/a	Yes	0	0.0%				
					2BR / 1BA	9	9.0%	@50%	\$717	942	yes	Yes	0	0.0%				
					2BR / 1BA	38	38.0%	@60%	\$857	942	yes	Yes	0	0.0%				
					2BR / 1BA	11	11.0%	Market	\$1,257	942	n/a	Yes	0	0.0%				
					2BR / 1BA	1	1.0%	Non-Rental	N/A	942	n/a	Yes	0	0.0%				
					2BR / 2BA	3	3.0%	@50%	\$717	1,014	yes	Yes	0	0.0%				
					2BR / 2BA	14	14.0%	@60%	\$857	1,014	yes	Yes	0	0.0%				
					2BR / 2BA	3	3.0%	Market	\$1,497	1,014	n/a	Yes	0	0.0%				
										100	100.0%						0	0.0%
					3	Highland Court Apartments 4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County	13.9 miles	Midrise (age-restricted) (4 stories) 2003	LIHTC, Market, Non-Rental	1BR / 1BA	2	1.6%	@50%	\$656	650	yes	Yes	0
1BR / 1BA	16	13.1%	@60%	\$795						650	yes	Yes	0	0.0%				
1BR / 1BA	6	4.9%	Market	\$723						650	n/a	Yes	0	0.0%				
1BR / 1BA	2	1.6%	Non-Rental	N/A						n/a	n/a	Yes	0	0.0%				
2BR / 1BA	3	2.5%	@50%	\$789						860	yes	Yes	0	0.0%				
2BR / 1BA	57	46.7%	@60%	\$956						860	yes	Yes	0	0.0%				
2BR / 1BA	8	6.6%	Market	\$897						920	n/a	Yes	0	0.0%				
2BR / 2BA	2	1.6%	@50%	\$789						900	yes	Yes	0	0.0%				
2BR / 2BA	16	13.1%	@60%	\$956						900	yes	Yes	0	0.0%				
2BR / 2BA	10	8.2%	Market	\$1,007						992	n/a	Yes	0	0.0%				
										122	100.0%						0	0.0%
4	The Legacy At Walton Heights 178 Roberts Trail NW Marietta, GA 30066 Cobb County	14.7 miles	Garden (age-restricted) (4 stories) 2013	LIHTC	1BR / 1BA	5	5.0%	@50%	\$571	750	no	Yes	0	0.0%				
					1BR / 1BA	35	35.0%	@60%	\$671	750	no	Yes	0	0.0%				
					2BR / 2BA	10	10.0%	@50%	\$683	1,232	no	Yes	0	0.0%				
					2BR / 2BA	50	50.0%	@60%	\$839	1,232	no	Yes	0	0.0%				
										100	100.0%						0	0.0%
5	Atlantic Bridgemoor (FKA Bell 1000 Preston Glen Circle Canton, GA 30114 Cherokee County	3.4 miles	Garden (4 stories) 2000	Market	1BR / 1BA	28	10.9%	Market	\$1,006	767	n/a	Yes	N/A	N/A				
					1BR / 1.5BA	12	4.7%	Market	\$1,168	916	n/a	Yes	N/A	N/A				
					1BR / 1.5BA	14	5.5%	Market	\$1,060	1,046	n/a	Yes	N/A	N/A				
					2BR / 2BA	42	16.4%	Market	\$1,168	1,062	n/a	Yes	N/A	N/A				
					2BR / 2BA	48	18.8%	Market	\$1,157	1,188	n/a	Yes	N/A	N/A				
					2BR / 2BA	24	9.4%	Market	\$1,204	1,189	n/a	Yes	N/A	N/A				
					2BR / 2BA	30	11.7%	Market	\$1,160	1,328	n/a	Yes	N/A	N/A				
					3BR / 2BA	18	7.0%	Market	\$1,486	1,296	n/a	Yes	N/A	N/A				
					3BR / 2BA	40	15.6%	Market	\$1,649	1,422	n/a	Yes	N/A	N/A				
										256	100.0%						14	5.5%
					6	Harbor Creek 501 Harbor Creek Parkway Canton, GA 30115 Cherokee County	1.4 miles	Garden (3 stories) 2007	Market	1BR / 1BA	N/A	N/A	Market	\$1,061	806	n/a	No	N/A
2BR / 2BA	N/A	N/A	Market	\$1,216						1,143	n/a	No	N/A	N/A				
2BR / 2BA	N/A	N/A	Market	\$1,256						1,178	n/a	No	N/A	N/A				
2BR / 2BA	N/A	N/A	Market	\$1,207						1,181	n/a	No	N/A	N/A				
3BR / 2BA	N/A	N/A	Market	\$1,627						1,435	n/a	No	N/A	N/A				
					376	100.0%						8	2.1%					
7	Heritage At Riverstone 101 Heritage Drive Canton, GA 30114 Cherokee County	5.9 miles	Garden (3 stories) 2000	Market	1BR / 1BA	35	14.6%	Market	\$896	725	n/a	No	N/A	N/A				
					1BR / 1BA	35	14.6%	Market	\$893	925	n/a	No	N/A	N/A				
					2BR / 2BA	70	29.2%	Market	\$1,013	1,099	n/a	No	N/A	N/A				
					2BR / 2BA	64	26.7%	Market	\$1,034	1,122	n/a	No	N/A	N/A				
					3BR / 2BA	36	15.0%	Market	\$1,363	1,326	n/a	No	N/A	N/A				
					240	100.0%						8	3.3%					
8	Riverview Apartments 59 Anderson Avenue Canton, GA 30114 Cherokee County	4.4 miles	Garden (4 stories) 2009	Market	1BR / 1BA	3	2.2%	Market	\$1,047	750	n/a	No	1	33.3%				
					1BR / 1BA	2	1.4%	Market	\$1,077	860	n/a	No	0	0.0%				
					1BR / 1BA	57	41.3%	Market	\$952	560	n/a	No	4	7.0%				
					1BR / 1BA	8	5.8%	Market	\$912	780	n/a	No	0	0.0%				
					1BR / 1BA	1	0.7%	Market	\$971	1,000	n/a	No	0	0.0%				
					2BR / 1BA	60	43.5%	Market	\$1,158	768	n/a	No	4	6.7%				
					2BR / 2BA	2	1.4%	Market	\$1,237	1,200	n/a	No	0	0.0%				
					2BR / 2BA	1	0.7%	Market	\$1,016	1,082	n/a	No	0	0.0%				
					3BR / 2BA	4	2.9%	Market	\$1,885	2,755	n/a	No	0	0.0%				
										138	100.0%						9	6.5%
9	Walden Crossing Apartments 100 Walden Crossing Dr Canton, GA 30115 Cherokee County	3.9 miles	Garden (4 stories) 2002	Market	1BR / 1BA	N/A	N/A	Market	\$988	732	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$1,033	916	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$1,105	1,013	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,195	1,157	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,245	1,252	n/a	No	N/A	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,350	1,425	n/a	No	N/A	N/A				
					264	100.0%						10	3.8%					