

**TAB 05 V. Market Feasibility**

**01 Market Study**



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CERTIFIED PUBLIC ACCOUNTANTS

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

**AZALEA  
SENIOR  
VILLAGE**

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

**AZALEA SENIOR  
VILLAGE**

Jefferson Avenue  
Hoschton, Jackson County, Georgia 30548

Effective Date: May 15, 2017  
Report Date: May 19, 2017

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

Assignment Code: PHP600V.066

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& COMPANY** LLP®  
CERTIFIED PUBLIC ACCOUNTANTS

May 19, 2017

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

Re: Market Study - Application for Azalea Senior Village, located in Hoschton, Jackson County, Georgia

Dear Mr. Thomason:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Hoschton, Jackson County, Georgia area relative to the above-referenced senior 55+ Low-Income Housing Tax Credit (LIHTC) project. We previously completed a rent and demand letter for the Subject dated April 24, 2017.

The purpose of this market study is to assess the viability of the proposed 65-unit senior 55+ LIHTC project. It will be a newly constructed affordable LIHTC project, with 40 units restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less and 25 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.

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



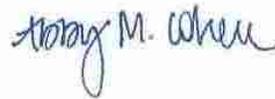
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## Addendum

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

# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Azalea Senior Village will be a newly constructed senior 55+ property located in Hoschton, Jackson County, Georgia, which will consist of one, three-story, 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	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	750	8	\$425	\$94	\$519	\$588	\$610
2BR	880	12	\$495	\$118	\$613	\$706	\$777
<i>60% AMI</i>							
1BR	750	2	\$500	\$94	\$594	\$705	\$610
2BR	880	18	\$570	\$118	\$688	\$847	\$777
<i>Market Rate</i>							
2BR	880	<u>25</u>	\$720	\$0	\$720	N/A	\$777
<b>Total</b>		<b>65</b>					

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

The Subject’s proposed LIHTC rents are below the 2016 LIHTC maximum allowable levels. The Subject’s proposed unrestricted rents are below the HUD Fair Market Rents. The Subject will offer a business center/computer lab, clubhouse/meeting room, elevators, an exercise facility, a picnic area, craft room, gazebo, and library, which many of the comparables do not offer. However, the Subject will lack balcony/patios, a playground, service coordination, a swimming pool, limited access and perimeter fencing security features, 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 north of Jefferson Avenue. The Subject site has good visibility and accessibility from Jefferson Avenue. The Subject site currently consists of wooded land and a single-family home. Surrounding uses consist of industrial, commercial, and single-family 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 17 out of 100. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for affordable senior rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities, which are within 6.4 miles of the Subject site.

### 3. Market Area Definition

The PMA is generally defined Interstate 985 to the northwest, Highway 11/346 to the northeast, Jefferson Bypass to the east, Double Bridges Road, Jefferson Highway, and Atlanta Highway to the south, and Highway 324/124 to the southwest. This area includes the cities of Hoschton and Braselton as well as portions of Pendergrass, Jefferson, Winder, Auburn, and Talmo. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.8 miles

East: 10.2 miles  
South: 7.5 miles  
West: 12.9 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 outside of the PMA. 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 12.9 miles.

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

From 2000 to 2010, the senior population in the PMA exhibited a rapid rate of annual growth, outpacing the SMA and the nation. Senior population growth slowed from 2010 to 2017, though continued to outpace the SMA and the nation. Senior population growth is expected to continue this growth pattern through market entry 2019 and 2021, increasing at a rate of 4.3 percent over this period. Senior population growth in the PMA will continue to exceed senior population growth in the SMA and the nation through 2021. Senior household growth in the PMA and the SMA is expected to continue outpacing the nation through market entry and 2021. The Subject's LIHTC units will target tenants earning between \$15,570 and \$30,120. Approximately 40 percent of senior renter households in the PMA are earning incomes between of less than \$30,000, which is comparable to the approximately 39 percent of renter households in the SMA in 2017. A significant portion of senior renter households are likely to income qualify to reside at one of the Subject's unit types, and the Subject should be well-positioned to service this market. Senior population growth and the large percentage of 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 1,706 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Hoschton is experiencing a foreclosure rate of one in every 1,931 homes, while Jackson County is experiencing foreclosure rate of one in every 1,830 homes and Georgia experienced one foreclosure in every 2,041 housing units. Overall, Hoschton is experiencing a lower foreclosure rate than the nation and the county as a whole, 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 the retail trade, manufacturing, healthcare/social assistance, and educational services industries which represent approximately 48 percent of total local employment. The manufacturing and retail trade industries are historically volatile during economic recession. However, industries such as healthcare/social assistance and educational services traditionally remain stable during economic downturns. There were four WARN notices issued in Jackson County between 2014 and 2017, which affected approximately 267 employees. Despite these job losses the county added more than 800 new jobs during the same period. Most of these new jobs are in the transportation/warehousing industry, such as Amazon's new fulfillment center announced in 2016.

Between 2003 and 2008, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2008. Total employment in the SMA has exhibited positive growth each year since 2010, surpassing its pre-recession peak in 2011. Additionally, the total employment growth in the SMA during the 12 month period preceding March 2017 was more than two times that of the nation over the same period. Historically, the SMA has reported a lower unemployment rate relative to the nation. As of March 2017, unemployment in the SMA was 70 basis points below the nation. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a recovery from the most recent national

recession. The growing local economy is a positive indicator of demand for affordable senior 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	\$15,570	\$21,950	8	40	0	40	20.2%	\$425
1BR at 60% AMI	\$17,820	\$26,340	2	42	0	42	4.7%	\$500
1BR Overall Affordable	\$15,570	\$26,340	10	54	0	54	18.4%	-
1 BR Overall Project	\$15,570	\$26,340	10	54	0	54	18.4%	-
2BR at 50% AMI	\$18,390	\$25,100	12	118	0	118	10.2%	\$495
2BR at 60% AMI	\$20,640	\$30,120	18	125	0	125	14.4%	\$570
2BR Unrestricted	\$21,600	\$62,700	25	329	0	329	7.6%	\$720
2BR Overall Affordable	\$18,390	\$30,120	30	161	0	161	18.6%	-
2 BR Overall Project	\$18,390	\$62,700	55	414	0	414	13.3%	-
50% AMI Overall	\$15,570	\$25,100	20	157	0	157	12.7%	-
60% AMI Overall	\$17,820	\$30,120	20	167	0	167	12.0%	-
Unrestricted Overall	\$21,600	\$62,700	25	329	0	329	7.6%	-
Overall Affordable	\$15,570	\$30,120	40	216	0	216	18.5%	-
Overall Project	\$15,570	\$62,700	65	731	0	731	8.9%	-

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. All capture rates are within Georgia DCA 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 seven “true” comparable properties containing 1,068 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 average. We have included one senior LIHTC comparable property, one senior mixed-income comparable property, and two family LIHTC comparable properties. All of the comparables offer one- and two-bedroom units. One of the LIHTC comparable properties is located within the PMA, while the remaining three are located in nearby Auburn and Winder. The comparables are located between 2.1 and 10.4 miles of the proposed Subject. Two senior LIHTC properties, Mainstreet Winder and Maple Square, were excluded as we were unable to contact a management representative willing to provide information for our survey.

The availability of market-rate data is considered average. We have included three conventional properties in our analysis of the competitive market. Two of the market-rate comparable properties are located in the PMA, while the remaining comparable is located in nearby Flowery Branch. All of the market-rate properties are located between 0.2 and 10.8 miles from the Subject site. These comparables were built or renovated between 1958 and 2009. There are a limited number of new construction market-rate properties in the

area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Two market-rate properties, Hillcrest Apartments and Winding Hollow Apartments in Winder, were excluded as we were unable to contact a management representative willing to provide information for our survey.

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%	\$425	\$370	\$1,210	\$754	77%
2 BR @ 50%	\$495	\$390	\$1,282	\$830	68%
1 BR @ 60%	\$500	\$370	\$1,210	\$844	69%
2 BR @ 60%	\$570	\$390	\$1,282	\$929	63%
2 BR Unrestricted	\$720	\$638	\$1,282	\$1,042	45%

As illustrated the Subject’s proposed 50 and 60 percent rents are within the range but well below the surveyed average when compared to the comparables, both LIHTC and market-rate. The Subject’s proposed rents are only above those achieved at Autry Pines, which, as presented, are not testing the market. The Subject’s unrestricted rents are within the range of the market-rate comparables. Walden at Oakwood is achieving the highest unrestricted one-bedroom rents in the market, while Mainstreet Braselton is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be inferior to Walden at Oakwood as a market-rate property. Walden at Oakwood is located in Flowery Branch, 9.6 miles from the Subject, and offers a similar location. This property was constructed in 2009 and exhibits good condition, which is considered inferior to the anticipated condition of the Subject upon completion. However, Walden at Oakwood offers superior amenities in comparison to the Subject, as it offers balcony/patios, a car wash, garage parking, a playground, and a swimming pool, which the Subject lacks. Walden at Oakwood also offers superior unit sizes in comparison the Subject. Walden at Oakwood’s lowest one-bedroom rents are approximately 43 percent higher than the Subject’s proposed unrestricted one-bedroom rents.

Mainstreet Braselton is achieving the highest unrestricted two-bedroom rents in the market. The Subject will be similar to Mainstreet Braselton as a market rate property. Mainstreet Braselton is located in Braselton 2.1 miles from the Subject and offers a similar location. Mainstreet Braselton was built in 2014 and exhibits good condition, which is considered inferior to the Subject’s anticipated condition upon completion. Mainstreet Braselton offers similar property amenities and slightly superior in-unit amenities in comparison to the Subject. It offers balcony/patios, exterior storage, and a courtyard, which the Subject lacks. It also offers limited access and perimeter fencing as security features, which the Subject will lack. Mainstreet Braselton offers slightly superior unit sizes in comparison to the Subject. The lowest two-bedroom rents at Mainstreet Braselton are approximately 78 percent higher than the Subject’s proposed unrestricted two-bedroom rents.

Overall, we believe that 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 four of the comparable properties, which is illustrated following table.

<b>ABSORPTION</b>					
Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Autry Pines Senior Village	LIHTC	Senior	2015	64	21
Farmington Hills Phase II	LIHTC	Family	2014	72	14
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	2014	80	9
Farmington Hills Phase I	LIHTC	Family	2012	72	<u>10</u>
<b>Average</b>					<b>14</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The comparable properties report absorption paces between nine and 21 units per month, with an average absorption pace of 14 units per month. Autry Pines Senior Village and Mainstreet Braselton are most comparable to the Subject. These comparables present a range of 9 to 21 units per month absorption. As new construction, the Subject is likely to experience an absorption pace similar to the average pace of these comparables. At this pace the Subject would experience an absorption pace of 15 units per month for an absorption period of approximately four to 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. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Additionally, the LIHTC properties report lengthy waiting lists. These factors indicate demand for affordable senior housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and inferior to superior property amenities. The Subject will offer a business center/computer lab, clubhouse/meeting room, elevators, exercise facility, central laundry facilities, on-site management, a picnic area, a library, a craft room, and a gazebo, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior 55+ LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the 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 inferior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition, strong senior population growth in the PMA, and the demand for affordable housing evidenced by waiting lists and low vacancy at 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 existing LIHTC properties that are in overall good condition and currently performing well. We believe that it will fill a void in the market and will perform well.

**AZALEA SENIOR VILLAGE – HOSCHTON, GEORGIA – MARKET STUDY**

**Summary Table:**

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

Development Name:	<b>Azalea Senior Village</b>	Total # Units:	<b>65</b>
Location:	Jefferson Avenue	# LIHTC Units:	<b>40</b>
	Hoschton, Jackson County, Georgia 30548		
PMA Boundary:	Northwest: Interstate 985; Northeast: Highway 11/346; East: Jefferson Bypass; South: Double Bridges Road, Jefferson Highway, Atlanta Highway;		
Southwest: Highway 324/124	Farthest Boundary Distance to Subject:		<b>12.8</b>

**Rental Housing Stock (found on page 61)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	15	1,322	41	96.9%
Market-Rate Housing	9	731	37	95.0%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	1	280	0	100.0%
<b>LIHTC</b>	5	311	0	100.0%
Stabilized Comps	15	1,322	41	96.9%
Properties in Construction & Lease Up	N/Ap	N/Ap	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
8	1BR at 50% AMI	1	750	\$425	\$754	\$1.00	77%	\$1,210	\$1.73
12	2BR at 50% AMI	1	880	\$495	\$830	\$0.94	68%	\$1,282	\$1.35
2	1BR at 60% AMI	1	750	\$500	\$844	\$1.13	69%	\$1,210	\$1.73
18	2BR at 60% AMI	1	880	\$570	\$929	\$1.06	63%	\$1,282	\$1.35
25	2BR Unrestricted	1	880	\$720	\$983	\$1.12	37%	\$1,210	\$1.73

**Demographic Data (found on page 28)**

	2010		2017		July 2019	
Renter Households	1,807	13.8%	2,926	14.3%	3,327	14.6%
Income-Qualified Renter HHs (LIHTC)	369	20.4%	598	20.4%	680	20.4%

**Targeted Income-Qualified Renter Household Demand (found on pages 41 to 59)**

Type of Demand	30%	50%	60%	Market-rate	Overall Project*	Overall Affordable
Renter Household Growth	-	48	51	152	187	66
Existing Households (Overburdened + Substandard)	-	157	167	425	540	215
Homeowner conversion (Seniors)	-	4	4	4	4	4
<b>Total Primary Market Demand</b>	-	<b>208</b>	<b>221</b>	<b>581</b>	<b>731</b>	<b>284</b>
Less Comparable/Competitive Supply	-	0	0	0	0	0
<b>Adjusted Income-qualified Renter HHs**</b>	-	<b>208</b>	<b>221</b>	<b>581</b>	<b>731</b>	<b>284</b>

**Capture Rates (found on page 59)**

Targeted Population	30%	50%	60%	Market-rate	Overall Project*	Affordable
Capture Rate:	-	12.7%	12.0%	7.6%	8.9%	18.5%

\*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 along the northeast side of Jefferson Avenue in Hoschton, Jackson County, Georgia 30548. The Subject site is currently vacant.
- 2. Construction Type:** The Subject will consist of one, three-story residential building. The Subject will be new construction.
- 3. Occupancy Type:** Housing for Older Persons ages 55 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.

## AZALEA SENIOR VILLAGE – HOSCHTON, GEORGIA – MARKET STUDY

### Azalea Senior Apartments

<b>Location</b>	Jefferson Avenue Hoschton, GA 30548 Jackson County Intersection: West Jefferson Street	
<b>Units</b>	65	
<b>Type</b>	Garden	
<b>Year Built / Renovated</b>	Proposed	
<b>Tenant Characteristics</b>	Seniors age 55 and older	

### 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 Year)</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)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (3 stories)	8	750	\$425	\$0	@50%	n/a	N/A	N/A	no
1	1	Garden (3 stories)	2	750	\$500	\$0	@60%	n/a	N/A	N/A	no
2	1	Garden (3 stories)	12	880	\$495	\$0	@50%	n/a	N/A	N/A	no
2	1	Garden (3 stories)	18	880	\$570	\$0	@60%	n/a	N/A	N/A	no
2	1	Garden (3 stories)	25	880	\$720	\$0	Market	n/a	N/A	N/A	N/A

### Amenities

<b>In-Unit</b>	Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup	<b>Security</b>	none
<b>Property</b>	Parking spaces: 111 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, gazebo, library

### Comments

Additional amenities will include a craft room, gazebo, and a library. Utility allowance is \$94 for one-bedroom LIHTC units and \$118 for two-bedroom LIHTC units.

- 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, 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.

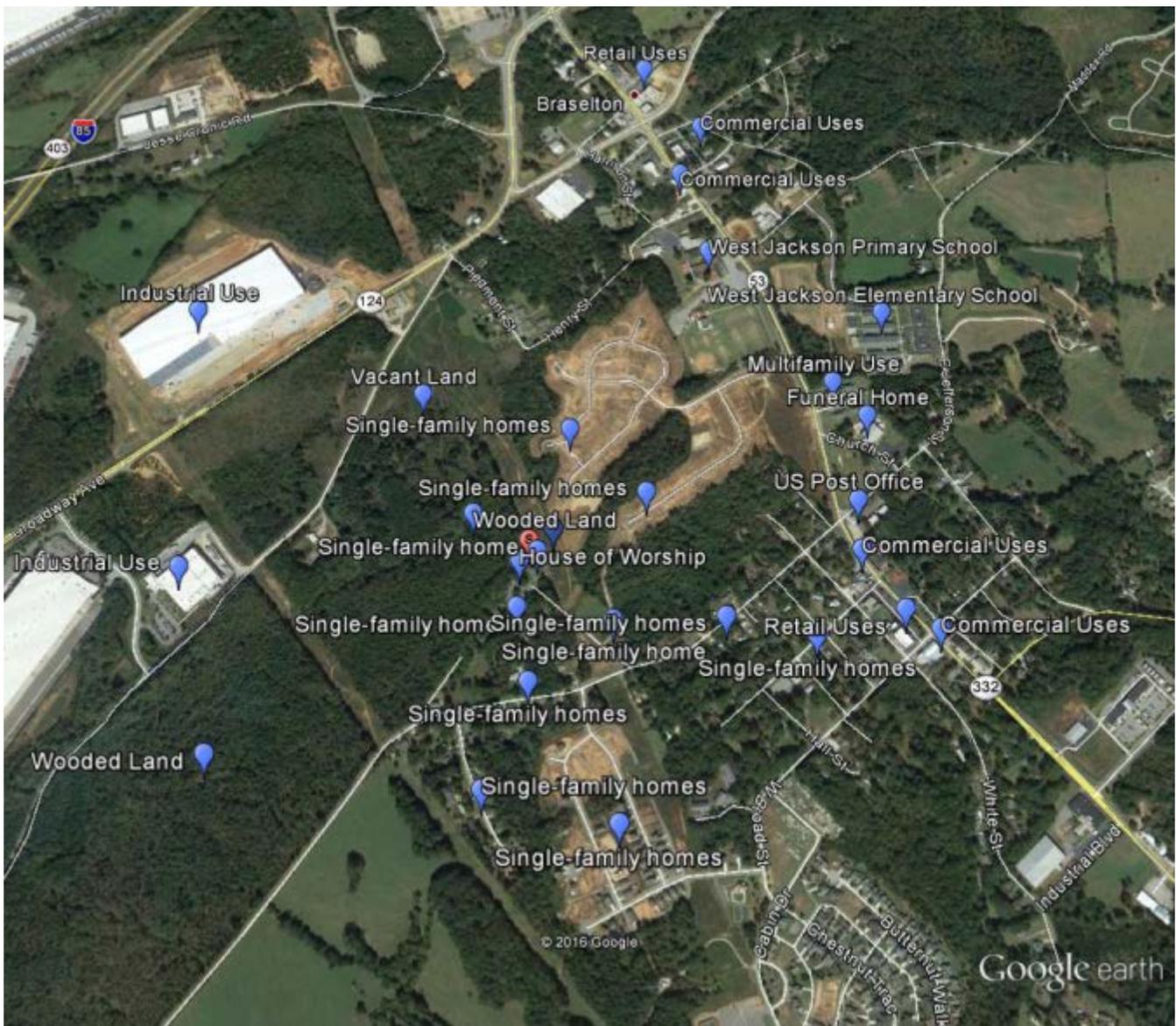
## **C. SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on May 15, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along Jefferson Avenue.

**Visibility/Views:** The Subject will be located along the northeast side of Jefferson Avenue. Visibility and views from the site will be good and initially will include Wesley Chapel Methodist Church, wooded land, and single-family homes.

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



Source: Google Earth, May 2017.

The Subject site is located along the northeast side of Jefferson Avenue. The Subject site is currently located on a property occupied by a single-family home and wooded land. Adjacent north of the Subject site is wooded and vacant land. Directly east of the Subject site is vacant land and a single-family home subdivision is located to the northeast. South of the Subject site are several single-family homes. Wesley Chapel Methodist Church is also located southwest of the Subject site. Adjacent west of the Subject site is wooded land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 17 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a predominantly residential neighborhood. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities, which are within 6.4 miles of the Subject site.

**Positive/Negative Attributes of Site:**

Power lines are located adjacent to the Subject site, and may be considered a negative attribute. However, there are several subdivisions located along the powerline route that are fully occupied; thus, we do not anticipate any issues with marketability due to the power lines. 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 approximately 0.7 miles of Interstate 85, which provides convenient access to other employment centers.

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

The Subject is located within 6.4 miles of all locational amenities. Additionally, it is within three miles of the Carter’s distribution facility, which is the area’s largest employer.

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

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



Subject site



Subject site



Subject site



House of worship adjacent to the Subject site



View south on Jefferson Avenue



Power lines adjacent to the Subject site



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



House of worship in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



West Jackson Villas multifamily property in the Subject's neighborhood (not used as a comparable)



Healthcare in the Subject's neighborhood



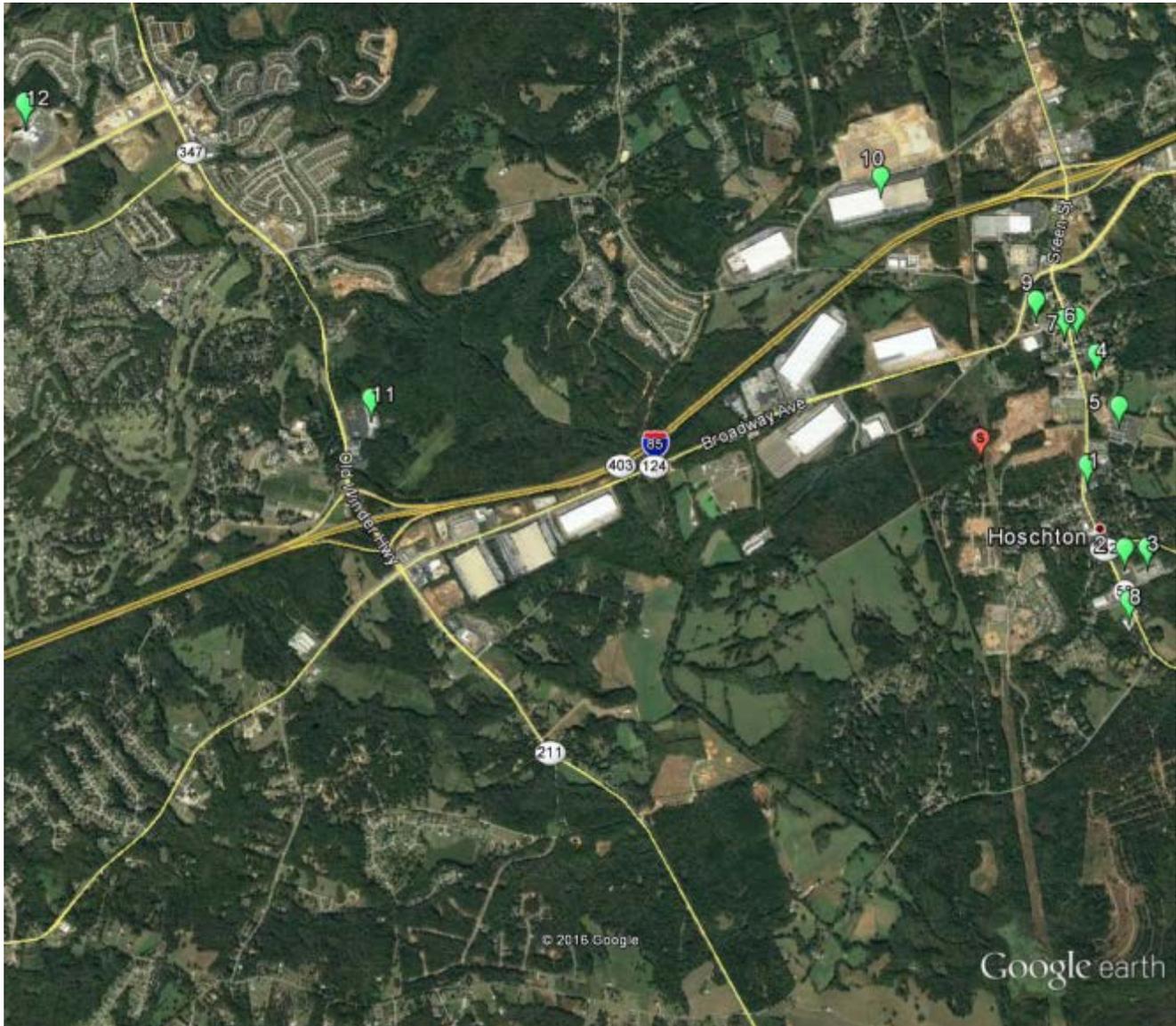
School in the Subject's neighborhood



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, May 2017.

**LOCATIONAL AMENITIES**

Number	Service or Amenity	Distance from Subject
1	US Post Office	0.5 miles
2	Dolar General	0.9 miles
3	Town Center-Shopping Plaza	1.0 miles
4	West Jackson Fire Dept	1.0 miles
5	West Jackson Elementary School	1.0 miles
6	Northeast Georgia Bank	1.1 miles
7	Braselton Police Dept.	1.1 miles
8	West Jackson Medical Center- Pharmacy	1.1 miles
9	Braselton Library	1.3 miles
10	Carter's Distribution Center (Major Employer)	3.0 miles
11	Publix Super Market	4.1 miles
12	Northeast Georgia Medical Center	6.4 miles

**6. Description of Land Uses**

The Subject site is located north of Jefferson Avenue. The Subject site is currently located on a site occupied by a single-family home and wooded land. It is adjacent to vacant land to the east and Creekside Village, which is a single-family home subdivision located northeast of the Subject site. South of the Subject site are single-family homes in good condition. Farther southeast, there are retail and commercial uses in average to good condition. Undeveloped land is located north and west of the Subject site. Northwest of the Subject site are several Industrial uses. 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 17 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a primarily residential neighborhood. The uses surrounding the Subject are in good condition, and the site has good proximity to locational amenities, which are within 6.4 miles of the Subject site.

**7. Crime:**

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

**2017 CRIME INDICES**

	PMA	SMA
<b>Total Crime*</b>	<b>58</b>	<b>89</b>
<b>Personal Crime*</b>	<b>32</b>	<b>53</b>
Murder	39	57
Rape	47	57
Robbery	27	59
Assault	32	49
<b>Property Crime*</b>	<b>61</b>	<b>94</b>
Burglary	67	100
Larceny	59	91
Motor Vehicle Theft	68	104

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

\*Unweighted aggregations

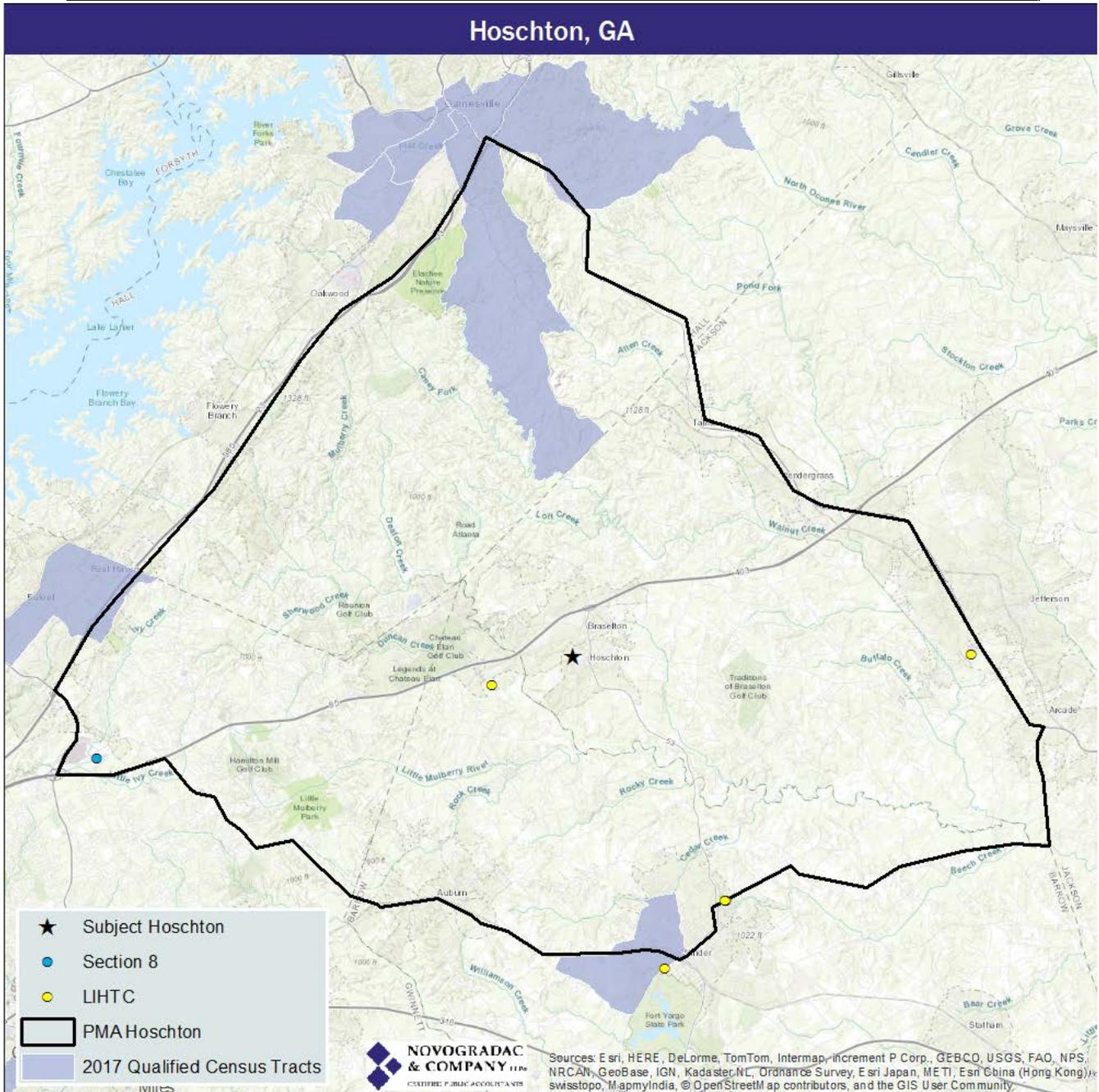
The total crime indices in the PMA are below that of the SMA and nation. The Subject will not offer any security features. Given the low crime risk indices in the Subject’s neighborhood and the lack of features in the market, we do not believe the Subject’s lack of security features will negatively impact the Subject.

**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
Azalea Senior Village	LIHTC, Market	Hoschton	Senior	65	Star
Mainstreet Winder	LIHTC, Non-rental	Winder	Senior	64	Yellow
The Reserve At Ivy Creek	Section 8	Buford	Family	280	Blue
Maple Square	LIHTC	Jefferson	Senior	56	Yellow
Rock Springs Apts	LIHTC	Winder	Family	48	Yellow
Stratford Court	LIHTC	Winder	Senior	63	Yellow
Mainstreet Braselton	LIHTC	Hoschton	Senior	80	Yellow



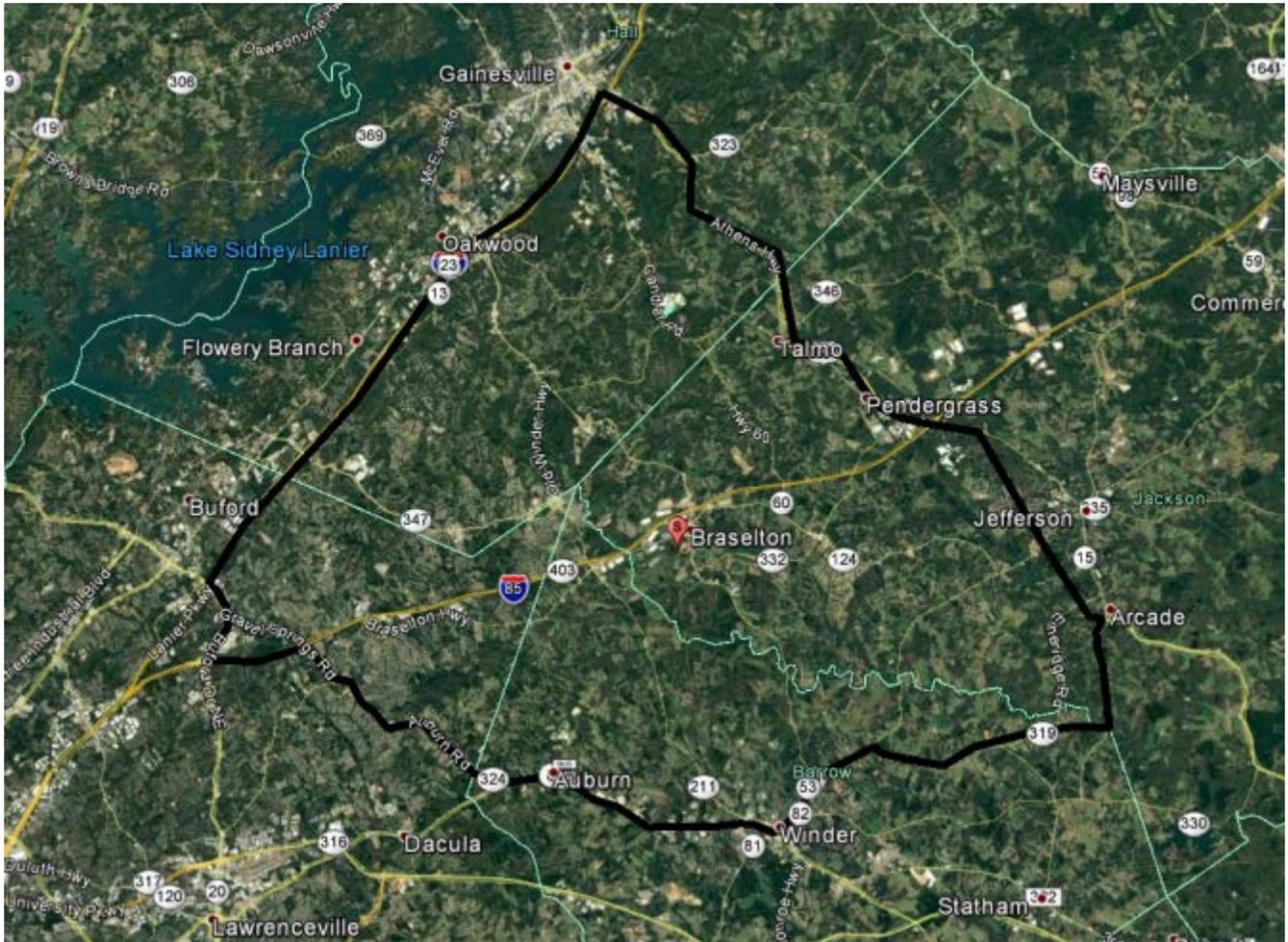
- 9. Road, Infrastructure or Proposed Improvements:** We did not witness any road, infrastructure or proposed improvements during our field work.
- 10. Access, Ingress-Egress and Visibility of Site:** The Subject site can be accessed from Jefferson Avenue, which is a two-lane neighborhood street. Highway 53 is a two-lane highway that can be accessed via Jefferson Avenue. Highway 53 provides access to the downtown Hoschton to the south and the City of Braselton and Interstate 85 to the north. Overall, access and visibility are considered good.
- 11. Conclusion:** The Subject site is located north of Jefferson Avenue. The Subject site has good visibility and accessibility from Jefferson Avenue. The Subject site currently consists of wooded land and a single-family home. Surrounding uses consist of industrial, commercial, and single-family 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 17 out of 100. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for affordable senior rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in good condition and the site has good proximity to locational amenities, which are within 6.4 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, May 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 SMA are areas of growth or contraction.

The PMA is generally defined Interstate 985 to the northwest, Highway 11/346 to the northeast, Jefferson Bypass to the east, Double Bridges Road, Jefferson Highway, and Atlanta Highway to the south, and Highway 324/124 to the southwest. This area includes the cities of Hoschton and Braselton as well as portions of Pendergrass, Jefferson, Winder, Auburn, and Talmo. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 12.8 miles

East: 10.2 miles  
South: 7.5 miles  
West: 12.9 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 outside of the PMA. 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 12.9 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 Jackson 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 Jackson County.

### 1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly and 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, SMA and nation from 2000 through 2021.

Year	SENIOR POPULATION, 55+					
	PMA		SMA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	11,453	-	109,088	-	59,266,437	-
2010	26,759	13.4%	195,482	7.9%	76,750,713	3.0%
2017	35,333	1.9%	251,909	1.7%	90,114,303	1.0%
Projected Mkt Entry July 2019	39,094	4.3%	276,257	3.9%	95,362,046	2.3%
2021	42,854	4.3%	300,605	3.9%	100,609,788	2.3%

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

From 2000 to 2010, the senior population in the PMA exhibited a rapid rate of annual growth, outpacing the SMA and the nation. Senior population growth slowed from 2010 to 2017, though continued to outpace the SMA and the nation. Senior population growth is expected to continue this growth pattern through market entry 2019 and 2021, increasing at a rate of 4.3 percent over this period. Senior population growth in the PMA will continue to exceed senior population growth in the SMA and the nation through 2021. Overall, we believe that senior population growth in the PMA and SMA 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 SMA and nation from 2000 to 2021.

**POPULATION BY AGE GROUP**

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	6,841	10,588	11,301	11,804	12,306
5-9	6,707	12,301	12,326	12,704	13,081
10-14	6,263	12,257	13,265	13,581	13,896
15-19	4,961	10,458	11,479	12,137	12,794
20-24	4,512	7,109	9,404	9,371	9,338
25-29	6,454	8,136	9,929	10,766	11,603
30-34	7,690	9,625	10,330	11,840	13,349
35-39	8,069	11,938	11,406	12,205	13,004
40-44	6,707	12,550	12,817	12,725	12,633
45-49	5,309	11,926	12,606	12,582	12,557
50-54	4,671	9,716	11,725	11,964	12,203
55-59	3,566	7,539	10,002	10,615	11,228
60-64	2,458	6,905	7,888	8,819	9,750
65-69	1,832	4,901	6,862	7,191	7,519
70-74	1,471	3,151	4,818	5,611	6,403
75-79	1,012	2,111	2,894	3,519	4,144
80-84	628	1,282	1,669	1,952	2,235
85+	486	870	1,200	1,388	1,575
<b>Total</b>	<b>79,637</b>	<b>143,363</b>	<b>161,921</b>	<b>170,770</b>	<b>179,618</b>

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

**POPULATION BY AGE GROUP**

Age Cohort	SMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	64,645	85,713	87,405	90,182	92,959
5-9	63,927	90,789	90,584	92,070	93,556
10-14	61,574	88,734	93,732	95,773	97,814
15-19	55,882	81,019	83,813	87,574	91,335
20-24	52,291	66,364	78,659	78,602	78,544
25-29	67,204	75,325	84,232	87,790	91,347
30-34	74,043	80,791	85,310	92,051	98,791
35-39	79,340	88,919	86,076	91,198	96,319
40-44	70,922	88,397	89,673	90,115	90,557
45-49	58,637	87,521	86,725	86,806	86,887
50-54	49,500	75,127	84,307	84,339	84,370
55-59	33,785	59,567	74,390	77,240	80,089
60-64	22,553	48,011	59,015	64,607	70,199
65-69	17,236	32,183	46,660	50,867	55,074
70-74	13,554	21,278	30,592	36,422	42,252
75-79	10,250	15,247	18,962	22,483	26,004
80-84	6,514	10,376	11,880	13,292	14,703
85+	5,196	8,820	10,410	11,347	12,284
<b>Total</b>	<b>807,053</b>	<b>1,104,181</b>	<b>1,202,425</b>	<b>1,252,755</b>	<b>1,303,084</b>

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

The largest age cohorts in the PMA are between 5 and 14 and 40 and 49, which indicates the presence of families. However, all age cohorts 55 and above are expected to increase through market entry and 2021, which bodes well for the proposed Subject.

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

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

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	Total	PMA		Total Population	SMA	
		Non-Elderly	Elderly (55+)		Non-Elderly	Elderly (55+)
2000	79,638	68,185	11,453	807,051	697,963	109,088
2010	143,363	116,604	26,759	1,104,181	908,699	195,482
2017	161,920	126,587	35,333	1,202,426	950,517	251,909
Projected Mkt Entry July 2019	170,768	131,674	39,094	1,252,755	976,498	276,257
2021	179,615	136,761	42,854	1,303,083	1,002,478	300,605

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

The elderly population in both the PMA and the SMA is expected to increase significantly through market entry and 2021.

## 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 within the population in the PMA, the SMA 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, SMA and nation from 2000 through 2021.

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+						
Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	6,995	-	63,069	-	36,459,822	-
2010	14,948	11.4%	113,098	7.9%	45,892,195	2.6%
2017	20,433	2.1%	143,876	1.6%	54,372,574	1.1%
Projected Mkt Entry July 2019	22,828	4.7%	158,538	4.1%	57,163,936	2.1%
2021	25,223	4.7%	173,200	4.1%	59,955,298	2.1%

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

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.90	-	2.87	-	2.59	-
2010	3.02	0.4%	2.95	0.3%	2.58	-0.1%
2017	3.05	0.1%	2.99	0.1%	2.59	0.0%
Projected Mkt Entry						
July 2019	3.06	0.1%	3.00	0.1%	2.59	0.1%
2021	3.07	0.1%	3.01	0.1%	2.60	0.1%

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

Between 2000 and 2010, the number of senior households in the PMA and SMA grew dramatically, outpacing the nation. Senior household growth in the PMA and SMA slowed between 2010 and 2017 but remained greater than senior household growth in the nation over the same period. Senior household growth in the PMA and the SMA is expected to continue outpacing the nation through market entry and 2021. The average household size in the PMA is 3.05 people and has grown moderately in each period since 2000. Average household size is expected to continue moderate growth through market entry and 2021.

### 2b. Households by Tenure

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	6,046	86.4%	949	13.6%
2017	17,507	85.7%	2,926	14.3%
Projected Mkt Entry				
July 2019	19,501	85.4%	3,327	14.6%
2021	21,495	85.2%	3,728	14.8%

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

As the table illustrates, senior households within the PMA reside in predominately 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 smaller percentage of senior renters in the PMA than the nation. The percentage of renter population is projected to grow moderately over the next five years. This growth along with the continuing rapid senior population growth bodes well for affordable senior housing in the area.

### 2c. Household Income

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	273	9.3%	301	9.1%	330	8.8%
\$10,000-19,999	603	20.6%	670	20.1%	737	19.8%
\$20,000-29,999	326	11.1%	362	10.9%	398	10.7%
\$30,000-39,999	356	12.2%	391	11.8%	427	11.4%
\$40,000-49,999	288	9.9%	335	10.1%	382	10.2%
\$50,000-59,999	208	7.1%	241	7.3%	275	7.4%
\$60,000-74,999	282	9.6%	320	9.6%	358	9.6%
\$75,000-99,999	176	6.0%	205	6.2%	235	6.3%
\$100,000-124,999	160	5.5%	181	5.4%	201	5.4%
\$125,000-149,999	105	3.6%	133	4.0%	161	4.3%
\$150,000-199,999	71	2.4%	85	2.6%	99	2.7%
\$200,000+	78	2.7%	103	3.1%	128	3.4%
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>	<b>3,327</b>	<b>100.0%</b>	<b>3,728</b>	<b>100.0%</b>

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - SMA, 55+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,747	9.4%	2,989	9.1%	3,232	8.9%
\$10,000-19,999	4,853	16.6%	5,177	15.8%	5,500	15.1%
\$20,000-29,999	4,056	13.8%	4,455	13.6%	4,854	13.4%
\$30,000-39,999	3,752	12.8%	4,142	12.6%	4,533	12.5%
\$40,000-49,999	2,712	9.3%	3,035	9.2%	3,359	9.2%
\$50,000-59,999	2,187	7.5%	2,490	7.6%	2,794	7.7%
\$60,000-74,999	2,429	8.3%	2,757	8.4%	3,086	8.5%
\$75,000-99,999	2,285	7.8%	2,615	8.0%	2,944	8.1%
\$100,000-124,999	1,607	5.5%	1,866	5.7%	2,125	5.8%
\$125,000-149,999	1,112	3.8%	1,349	4.1%	1,586	4.4%
\$150,000-199,999	708	2.4%	871	2.7%	1,035	2.8%
\$200,000+	863	2.9%	1,081	3.3%	1,298	3.6%
<b>Total</b>	<b>29,310</b>	<b>100.0%</b>	<b>32,828</b>	<b>100.0%</b>	<b>36,347</b>	<b>100.0%</b>

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

The Subject's LIHTC units will target tenants earning between \$15,570 and \$30,120. As the table above depicts, approximately 40 percent of senior renter households in the PMA are earning incomes between of less than \$30,000, which is comparable to the approximately 39 percent of renter households in the SMA in 2017. For the projected market entry date of July 2019, these percentages are projected to remain relatively stable at 39 percent and 37 percent for the PMA and SMA, respectively. The large percentage of senior households earning among the lowest income cohorts demonstrates a strong need for quality affordable housing.

**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, 55+**

Household Size	2017		Projected Mkt Entry July 2019		2021	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	1,158	40%	1,309	39%	1,460	39%
2 Persons	1,067	36%	1,209	36%	1,350	36%
3 Persons	273	9%	311	9%	349	9%
4 Persons	138	5%	166	5%	193	5%
5+ Persons	291	10%	333	10%	376	10%
<b>Total Households</b>	<b>2,926</b>	<b>100%</b>	<b>3,327</b>	<b>100%</b>	<b>3,728</b>	<b>100%</b>

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

The majority of senior renter households in the PMA are one- to two-person households.

**Conclusion**

From 2000 to 2010, the senior population in the PMA exhibited a rapid rate of annual growth, outpacing the SMA and the nation. Senior population growth slowed from 2010 to 2017, though continued to outpace the SMA and the nation. Senior population growth is expected to continue this growth pattern through market entry 2019 and 2021, increasing at a rate of 4.3 percent over this period. Senior population growth in the PMA will continue to exceed senior population growth in the SMA and the nation through 2021. Senior household growth in the PMA and the SMA is expected to continue outpacing the nation through market entry and 2021. The Subject’s LIHTC units will target tenants earning between \$15,570 and \$30,120. Approximately 40 percent of senior renter households in the PMA are earning incomes between of less than \$30,000, which is comparable to the approximately 39 percent of renter households in the SMA in 2017. A significant portion of senior renter households are likely to income qualify to reside at one of the Subject’s unit types, and the Subject should be well-positioned to service this market. Senior population growth and the large percentage of 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 Jackson County. Note that the data below was the most recent data available.

<b>Total Jobs in Jackson County, Georgia</b>		
Year	Total Employment	% Change
2007	25,849	-
2008	25,975	0.5%
2009	24,053	-8.0%
2010	25,660	6.3%
2011	26,135	1.8%
2012	27,006	3.2%
2013	27,576	2.1%
2014	28,079	1.8%
2015	31,296	10.3%
2016	32,758	4.5%
2017 YTD Average	32,898	0.4%
Feb-16	29,639	-
Feb-17	33,037	10.3%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Jackson County experienced a weakening economy during the national recession. The county felt the effects of the downturn in 2009 with its only employment decrease of the recession. Employment growth quickly rebounded, and Jackson County exhibited employment growth from 2010 through February 2017. As of 2011, total employment in the county has surpassed its 2008 pre-recession peak. Additionally, total employment in Jackson County increased 10.3 percent from February 2016 to February 2017.

## 2. Total Jobs by Industry

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

**February 2017 Covered Employment  
Jackson County, Georgia**

	Number	Percent
Total, all industries	21,869	-
Goods-producing	-	-
Natural resources and mining	198	0.9%
Construction	1,067	4.9%
Manufacturing	5,505	25.2%
Service-providing	-	-
Trade, transportation, and utilities	8,100	37.0%
Information	97	0.4%
Financial activities	1,411	6.5%
Professional and business services	2,252	10.3%
Education and health services	1,201	5.5%
Leisure and hospitality	1,570	7.2%
Other services	388	1.8%
Unclassified	80	0.4%

Source: Bureau of Labor Statistics, 2017

Trade, transportation, and utilities is the largest industries in Jackson County, followed by manufacturing and professional and business services. These industries are particularly vulnerable in economic downturns, with the exception of professional and business services and utilities. 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	11,074	15.3%	17,169,304	11.3%
Manufacturing	8,819	12.2%	15,499,826	10.2%
Healthcare/Social Assistance	7,582	10.5%	21,304,508	14.1%
Educational Services	7,409	10.2%	14,359,370	9.5%
Construction	4,883	6.7%	9,342,539	6.2%
Prof/Scientific/Tech Services	4,759	6.6%	10,269,978	6.8%
Accommodation/Food Services	4,396	6.1%	11,574,403	7.6%
Admin/Support/Waste Mgmt Svcs	3,833	5.3%	6,511,707	4.3%
Other Services (excl Publ Adm)	3,463	4.8%	7,463,834	4.9%
Finance/Insurance	3,409	4.7%	6,942,986	4.6%
Transportation/Warehousing	2,823	3.9%	6,128,217	4.0%
Wholesale Trade	2,815	3.9%	4,066,471	2.7%
Public Administration	2,007	2.8%	7,093,689	4.7%
Information	1,510	2.1%	2,862,063	1.9%
Real Estate/Rental/Leasing	1,298	1.8%	2,946,196	1.9%
Arts/Entertainment/Recreation	1,271	1.8%	3,416,474	2.3%
Utilities	764	1.1%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	295	0.4%	2,253,044	1.5%
Mining	68	0.1%	749,242	0.5%
Mgmt of Companies/Enterprises	32	0.0%	89,612	0.1%
<b>Total Employment</b>	<b>72,510</b>	<b>100.0%</b>	<b>151,387,682</b>	<b>100.0%</b>

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

The largest industries in the PMA are retail trade, manufacturing, healthcare/social assistance, and educational services. Together these industries make up approximately 48 percent of total local employment. The percentage of manufacturing jobs in the PMA is slightly larger than that of the nation. The retail trade, educational services, construction, administration/support/waste management services, finance/insurance, and wholesale trade industries are also over-represented in the PMA. Industries underrepresented in the PMA include healthcare/social assistance, accommodation/food services, and public administration. The manufacturing and retail trade industries are historically volatile during economic recession. However, industries such as healthcare/social assistance and educational services traditionally remain stable during economic downturns.

### 3. Major Employers

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

**MAJOR EMPLOYERS**

#	Company	Industry	Number of Employees
1	Carter's/OshKosh	Distribution - Baby Clothing	1,200
2	Bed Bath & Beyond	E-Fulfillment - Home Furnishings	1,200
3	Wayne Farms LLC	Agriculture - Poultry Processing	1,100
4	Kubota Industrial Equipment Corp	Manufacturing - Farm Machinery & Equip	1,050
5	HomeGoods	Distribution - Home Furniture	750
6	TD Automotive Compressor Georgia LLC	Manufacturing - Air & Gas Compressors	650
7	Mission Foods	Manufacturing - Food Preparations	500
8	Jackson EMC	Public Utilities - Electric Services	430
9	Northridge Medical Center	Services - Hospital	422
10	Baker & Taylor Inc/Distribution Ctr	Distribution - Books, Periodicals, Newspapers	400

Source: Jackson County Area Chamber of Commerce, April 2017

Carter's, Inc. is the largest branded marketer of baby and young children's apparel in the United States and has global headquarters in Atlanta. In order to support the company's retail and wholesale business Carter's opened a new distribution facility located in Braselton, GA in 2015, which made it one of the largest employers in Jackson County. Other major employers include companies in the distribution, poultry processing, manufacturing, public utilities and healthcare industries. While healthcare and utilities are historically stable industries, manufacturing is historically unstable, especially during times of recession.

**Expansions/Contractions**

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

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

Company	Industry	Number of Employees
SYX Distribution Inc	Transportation/Warehousing	99
Barrette Outdoor Living LLC.	Transportation/Warehousing	73
TigerDirect Inc	Retail	30
GENCO	Transportation/Warehousing	65

As illustrated in the above table, there have been 267 employees in the area impacted by layoffs or closures since 2014. Despite these job losses that have been reported, there has been some growth occurring in the area.

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

Company	Industry	Number of Jobs
Amazon	Transportation/Warehousing	500
Williams-Sonoma Inc.	Transportation/Warehousing	250
Hubbell Incorporated	Manufacturing	100

As illustrated, there were several additions in industries including transportation/warehousing and manufacturing. In June 2016, Amazon, a major online retailer, announced that it would be opening a 600,000 square foot fulfillment center in Jackson County. Between 2014 and 2017, there were more than 800 jobs created, which is a positive sign for the county's local economy.

**4. Employment and Unemployment Trends**

The following table details employment and unemployment trends for the SMA from 2001 to February 2017.

**EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

	<u>SMA</u>			<u>USA</u>		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	20,857	-	-34.4%	136,485,000	-	-9.9%
2003	21,805	4.5%	-31.4%	137,736,000	0.9%	-9.0%
2004	22,864	4.9%	-28.1%	139,252,000	1.1%	-8.0%
2005	24,196	5.8%	-23.9%	141,730,000	1.8%	-6.4%
2006	25,615	5.9%	-19.4%	144,427,000	1.9%	-4.6%
2007	25,849	0.9%	-18.7%	146,047,000	1.1%	-3.6%
2008	25,975	0.5%	-18.3%	145,363,000	-0.5%	-4.0%
2009	24,053	-7.4%	-24.3%	139,878,000	-3.8%	-7.6%
2010	25,660	6.7%	-19.3%	139,064,000	-0.6%	-8.2%
2011	26,135	1.9%	-17.8%	139,869,000	0.6%	-7.6%
2012	26,995	3.3%	-15.1%	142,469,000	1.9%	-5.9%
2013	27,562	2.1%	-13.3%	143,929,000	1.0%	-5.0%
2014	28,090	1.9%	-11.7%	146,305,000	1.7%	-3.4%
2015	29,253	4.1%	-8.0%	148,833,000	1.7%	-1.7%
2016	31,794	8.7%	0.0%	151,436,000	1.7%	0.0%
2017 YTD Average	32,804	3.2%	-	151,060,500	-0.2%	-
Mar-2016	31,371	-	-	150,738,000	-	-
Mar-2017	32,900	4.9%	-	152,682,000	1.3%	-

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

**UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

	<u>SMA</u>			<u>USA</u>		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	5.2%	-	1.1%	5.8%	-	1.2%
2003	4.6%	-0.6%	0.4%	6.0%	0.2%	1.4%
2004	4.3%	-0.2%	0.2%	5.5%	-0.5%	0.9%
2005	4.7%	0.4%	0.6%	5.1%	-0.5%	0.5%
2006	4.1%	-0.6%	0.0%	4.6%	-0.5%	0.0%
2007	4.1%	0.0%	0.0%	4.6%	0.0%	0.0%
2008	6.2%	2.1%	2.1%	5.8%	1.2%	1.2%
2009	11.1%	4.9%	7.0%	9.3%	3.5%	4.7%
2010	10.5%	-0.6%	6.4%	9.6%	0.3%	5.0%
2011	9.6%	-0.9%	5.5%	9.0%	-0.7%	4.3%
2012	8.2%	-1.4%	4.1%	8.1%	-0.9%	3.5%
2013	6.9%	-1.3%	2.8%	7.4%	-0.7%	2.8%
2014	5.9%	-1.0%	1.8%	6.2%	-1.2%	1.6%
2015	4.8%	-1.0%	0.7%	5.3%	-0.9%	0.7%
2016	4.3%	-0.6%	0.1%	4.9%	-0.4%	0.3%
2017 YTD Average	4.0%	-0.3%	-	5.0%	0.1%	-
Mar-2016	4.2%	-	-	5.1%	-	-
Mar-2017	3.8%	-0.4%	-	4.5%	-0.6%	-

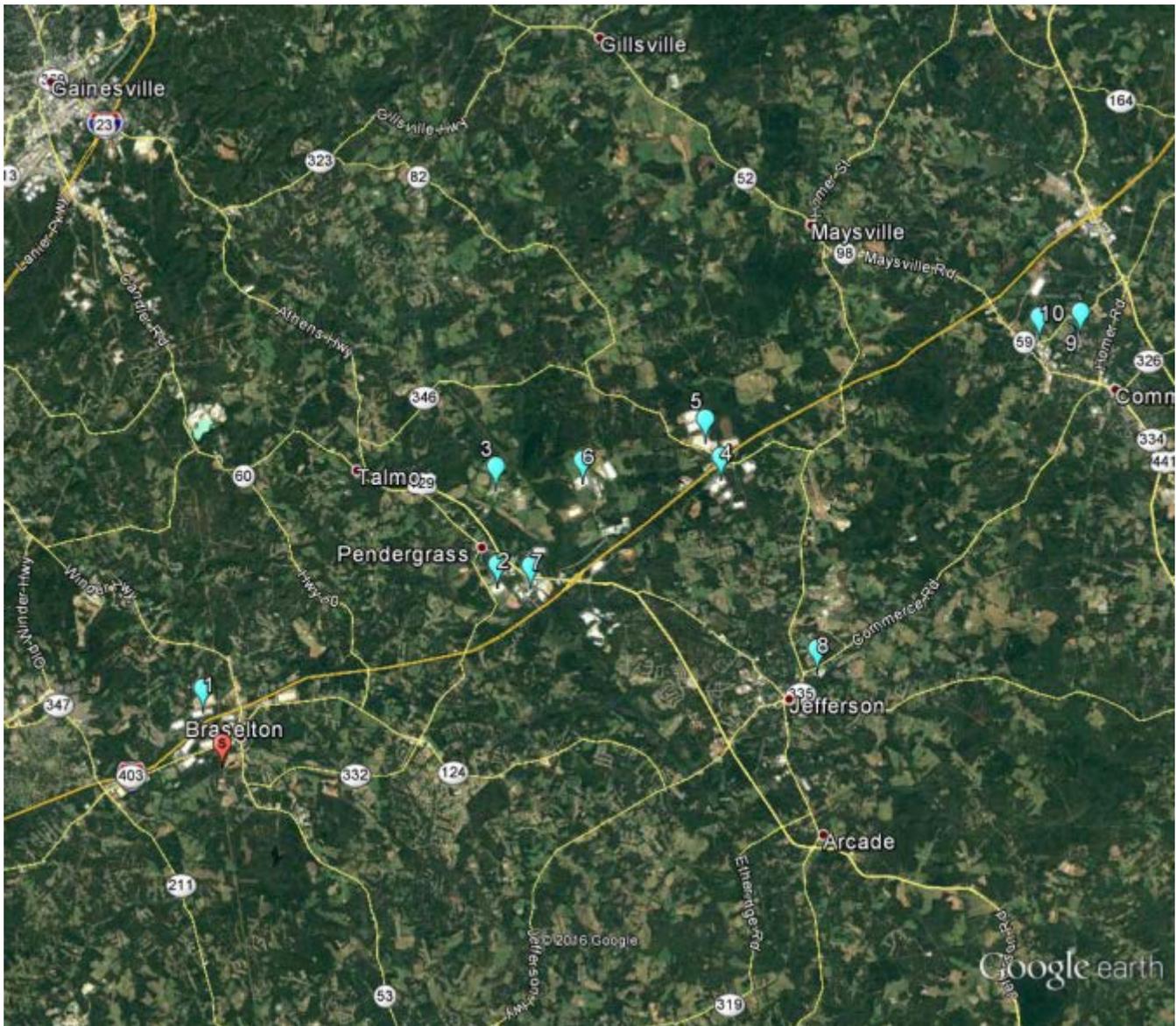
Source: U.S. Bureau of Labor Statistics May 2017

Between 2003 and 2008, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2008. In keeping with national trends, the SMA experienced its most significant recession-related employment losses in 2009. Total employment in the SMA has exhibited positive growth each year since 2010, surpassing its pre-recession peak in 2011. Additionally, the total employment growth in the SMA during the 12 month period preceding March 2017 was more than two times that of the nation over the same period. It should be noted that due to the smaller total employment pool in the SMA, employment variations may appear more significant on a percentage basis.

Historically, the SMA has reported a lower unemployment rate relative to the nation. Unemployment in the SMA began increasing in 2008, at the onset of the most recent national recession. Unemployment in the SMA exceeded unemployment in the nation through the recession. As of March 2017, unemployment in the SMA was 70 basis points below the nation. The total employment in the SMA has reached its pre-recession levels, and local employment growth and unemployment are both outperforming the nation, which should positively impact demand for senior rental housing in the local area.

## 5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, May 2017.

**MAJOR EMPLOYERS**

#	Company	Industry	Number of Employees
1	Carter's/OshKosh	Distribution - Baby Clothing	1,200
2	Bed Bath & Beyond	E-Fulfillment - Home Furnishings	1,200
3	Wayne Farms LLC	Agriculture - Poultry Processing	1,100
4	Kubota Industrial Equipment Corp	Manufacturing - Farm Machinery & Equip	1,050
5	HomeGoods	Distribution - Home Furniture	750
6	TD Automotive Compressor Georgia LLC	Manufacturing - Air & Gas Compressors	650
7	Mission Foods	Manufacturing - Food Preparations	500
8	Jackson EMC	Public Utilities - Electric Services	430
9	Northridge Medical Center	Services - Hospital	422
10	Baker & Taylor Inc/Distribution Ctr	Distribution - Books, Periodicals, Newspapers	400

Source: Jackson County Area Chamber of Commerce, April 2017

## 6. Conclusion

Employment in the PMA is concentrated in the retail trade, manufacturing, healthcare/social assistance, and educational services industries which represent approximately 48 percent of total local employment. The manufacturing and retail trade industries are historically volatile during economic recession. However, industries such as healthcare/social assistance and educational services traditionally remain stable during economic downturns. There were four WARN notices issued in Jackson County between 2014 and 2017, which affected approximately 267 employees. Despite these job losses the county added more than 800 new jobs during the same period. Most of these new jobs are in the transportation/warehousing industry, such as Amazon's new fulfillment center announced in 2016.

Between 2003 and 2008, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2008. Total employment in the SMA has exhibited positive growth each year since 2010, surpassing its pre-recession peak in 2011. Additionally, the total employment growth in the SMA during the 12 month period preceding March 2017 was more than two times that of the nation over the same period. Historically, the SMA has reported a lower unemployment rate relative to the nation. As of March 2017, unemployment in the SMA was 70 basis points below the nation. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a recovery from the most recent national recession. The growing local economy is a positive indicator of demand for affordable senior 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 used \$62,700, the Jackson County Area Median Income (AMI) as the maximum allowable income for the Subject’s unrestricted 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 55+ INCOME LIMITS - AS PROPOSED**

Unit Type	Minimum Allowable Income	Maximum Allowable Income								
	50% AMI		60% AMI		Market Rate		Overall Affordable		Overall Project	
1BR	\$15,570	\$21,950	\$17,820	\$26,340	-	-	\$15,570	\$26,340	\$15,570	\$26,340
2BR	\$18,390	\$25,100	\$20,640	\$30,120	\$21,600	\$62,700	\$18,390	\$30,120	\$18,390	\$62,700

### 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 properties in the Subject’s PMA awarded LIHTC funds since 2013. Additional research into multifamily development revealed no new multifamily market rate properties in the Subject’s PMA. Therefore, we have not deducted any units from our analysis.

**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
Azalea Senior Village	LIHTC, Market	Hoschton	Senior	65	N/A
Mainstreet Winder	LIHTC, Non-rental	Winder	Senior	64	100.0%
Maple Square	LIHTC	Jefferson	Senior	56	100.0%
Stratford Court	LIHTC	Winder	Senior	63	100.0%
Mainstreet Braselton	LIHTC	Hoschton	Senior	80	100.0%
<b>Average</b>					<b>100.0%</b>

The average occupancy rate of competitive developments in the PMA is 100 percent.

**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, 55+**

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	273	9.3%	301	9.1%	330	8.8%
\$10,000-19,999	603	20.6%	670	20.1%	737	19.8%
\$20,000-29,999	326	11.1%	362	10.9%	398	10.7%
\$30,000-39,999	356	12.2%	391	11.8%	427	11.4%
\$40,000-49,999	288	9.9%	335	10.1%	382	10.2%
\$50,000-59,999	208	7.1%	241	7.3%	275	7.4%
\$60,000-74,999	282	9.6%	320	9.6%	358	9.6%
\$75,000-99,999	176	6.0%	205	6.2%	235	6.3%
\$100,000-124,999	160	5.5%	181	5.4%	201	5.4%
\$125,000-149,999	105	3.6%	133	4.0%	161	4.3%
\$150,000-199,999	71	2.4%	85	2.6%	99	2.7%
\$200,000+	78	2.7%	103	3.1%	128	3.4%
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>	<b>3,327</b>	<b>100.0%</b>	<b>3,728</b>	<b>100.0%</b>

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

**50% AMI**

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

Minimum Income Limit	\$15,570		Maximum Income Limit	\$25,100	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			
\$0-9,999	29	7.1%		0.0%	0
\$10,000-19,999	67	16.7%	4,429	44.3%	30
\$20,000-29,999	36	8.9%	5,100	51.0%	18
\$30,000-39,999	35	8.8%		0.0%	0
\$40,000-49,999	47	11.6%		0.0%	0
\$50,000-59,999	33	8.3%		0.0%	0
\$60,000-74,999	38	9.5%		0.0%	0
\$75,000-99,999	29	7.3%		0.0%	0
\$100,000-124,999	20	5.1%		0.0%	0
\$125,000-149,999	28	7.0%		0.0%	0
\$150,000-199,999	14	3.4%		0.0%	0
\$200,000+	25	6.2%		0.0%	0
<b>Total</b>	<b>401</b>	<b>100.0%</b>		<b>11.9%</b>	<b>48</b>

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

Minimum Income Limit	\$15,570		Maximum Income Limit	\$25,100	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households within Bracket
	2017				
\$0-9,999	273	9.3%		0.0%	0
\$10,000-19,999	603	20.6%	4,429	44.3%	267
\$20,000-29,999	326	11.1%	5,100	51.0%	166
\$30,000-39,999	356	12.2%		0.0%	0
\$40,000-49,999	288	9.9%		0.0%	0
\$50,000-59,999	208	7.1%		0.0%	0
\$60,000-74,999	282	9.6%		0.0%	0
\$75,000-99,999	176	6.0%		0.0%	0
\$100,000-124,999	160	5.5%		0.0%	0
\$125,000-149,999	105	3.6%		0.0%	0
\$150,000-199,999	71	2.4%		0.0%	0
\$200,000+	78	2.7%		0.0%	0
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>		<b>14.8%</b>	<b>434</b>

**ASSUMPTIONS - 50%**

Persons in Household	0BR	1BR	2BR	3BR	4BR+
1	0%	30%	70%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	30%	70%

Tenancy	Senior	% of Income towards Housing	40%
Rural/Urban	Rural	Maximum # of Occupants	2

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

Income Target Population	50%
New Renter Households PMA	401
Percent Income Qualified	11.9%
<b>New Renter Income Qualified Households</b>	<b>48</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	50%
Total Existing Demand	2,926
Income Qualified	14.8%
Income Qualified Renter Households	434
Percent Rent Overburdened Prj Mrkt Entry July 2019	35.9%
<b>Rent Overburdened Households</b>	<b>156</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	434
Percent Living in Substandard Housing	0.2%
<b>Households Living in Substandard Housing</b>	<b>1</b>

**Senior Households Converting from Homeownership**

Income Target Population	50%
Total Senior Homeowners	19,501
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>4</b>

**Total Demand**

Total Demand from Existing Households	160
Total New Demand	48
<b>Total Demand (New Plus Existing Households)</b>	<b>208</b>

Demand from Seniors Who Convert from Homeownership	4
Percent of Total Demand From Homeownership Conversion	1.7%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	39.3%	82
Two Persons	36.3%	76
Three Persons	9.3%	19
Four Persons	5.0%	10
Five Persons	10.0%	21
<b>Total</b>	<b>100.0%</b>	<b>208</b>

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

Of one-person households in studio units	0%	0
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
<hr style="border-top: 1px dashed #000;"/>		
Of one-person households in 1BR units	30%	25
Of two-person households in 1BR units	20%	15
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
<hr style="border-top: 1px dashed #000;"/>		
Of one-person households in 2BR units	70%	57
Of two-person households in 2BR units	80%	60
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
<hr style="border-top: 1px dashed #000;"/>		
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	100%	19
Of four-person households in 3BR units	70%	7
Of five-person households in 3BR units	30%	6
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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	0%	0
Of four-person households in 4BR units	30%	3
Of five-person households in 4BR units	35%	7
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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%	7
<b>Total Demand</b>		<b>208</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	40	-	0	=	40
2 BR	118	-	0	=	118
<b>Total</b>	<b>157</b>		<b>0</b>		<b>157</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	8	/	40	=	20.2%
2 BR	12	/	118	=	10.2%
<b>Total</b>	<b>20</b>		<b>157</b>		<b>12.7%</b>

**60% AMI**

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

Minimum Income Limit		\$17,820		Maximum Income Limit		\$30,120	
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	29	7.1%		0.0%		0	
\$10,000-19,999	67	16.7%	2,179	21.8%		15	
\$20,000-29,999	36	8.9%	9,999	100.0%		36	
\$30,000-39,999	35	8.8%	120	1.2%		0	
\$40,000-49,999	47	11.6%		0.0%		0	
\$50,000-59,999	33	8.3%		0.0%		0	
\$60,000-74,999	38	9.5%		0.0%		0	
\$75,000-99,999	29	7.3%		0.0%		0	
\$100,000-124,999	20	5.1%		0.0%		0	
\$125,000-149,999	28	7.0%		0.0%		0	
\$150,000-199,999	14	3.4%		0.0%		0	
\$200,000+	25	6.2%		0.0%		0	
<b>Total</b>	<b>401</b>	<b>100.0%</b>		<b>12.7%</b>		<b>51</b>	

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

Minimum Income Limit		\$17,820		Maximum Income Limit		\$30,120	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	273	9.3%		0.0%		0	
\$10,000-19,999	603	20.6%	2,179	21.8%		131	
\$20,000-29,999	326	11.1%	9,999	100.0%		326	
\$30,000-39,999	356	12.2%	120	1.2%		4	
\$40,000-49,999	288	9.9%		0.0%		0	
\$50,000-59,999	208	7.1%		0.0%		0	
\$60,000-74,999	282	9.6%		0.0%		0	
\$75,000-99,999	176	6.0%		0.0%		0	
\$100,000-124,999	160	5.5%		0.0%		0	
\$125,000-149,999	105	3.6%		0.0%		0	
\$150,000-199,999	71	2.4%		0.0%		0	
\$200,000+	78	2.7%		0.0%		0	
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>		<b>15.8%</b>		<b>462</b>	

**ASSUMPTIONS - 60%**

ASSUMPTIONS - 60%					
Tenancy		Senior	% of Income towards Housing		40%
Rural/Urban		Rural	Maximum # of Occupants		2
Persons in Household	0BR	1BR	2BR	3BR	4BR+
1	0%	30%	70%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
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	401
Percent Income Qualified	12.7%
<b>New Renter Income Qualified Households</b>	<b>51</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	60%
Total Existing Demand	2,926
Income Qualified	15.8%
Income Qualified Renter Households	462
Percent Rent Overburdened Prj Mrkt Entry July 2019	35.9%
<b>Rent Overburdened Households</b>	<b>166</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	462
Percent Living in Substandard Housing	0.2%
<b>Households Living in Substandard Housing</b>	<b>1</b>

**Senior Households Converting from Homeownership**

Income Target Population	60%
Total Senior Homeowners	19,501
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>4</b>

**Total Demand**

Total Demand from Existing Households	170
Total New Demand	51
<b>Total Demand (New Plus Existing Households)</b>	<b>221</b>

Demand from Seniors Who Convert from Homeownership	4
Percent of Total Demand From Homeownership Conversion	1.6%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	39.3%	87
Two Persons	36.3%	80
Three Persons	9.3%	21
Four Persons	5.0%	11
Five Persons	10.0%	22
<b>Total</b>	<b>100.0%</b>	<b>221</b>

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

Of one-person households in studio units	0%	0
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	30%	26
Of two-person households in 1BR units	20%	16
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	70%	61
Of two-person households in 2BR units	80%	64
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	100%	21
Of four-person households in 3BR units	70%	8
Of five-person households in 3BR units	30%	7
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	0%	0
Of four-person households in 4BR units	30%	3
Of five-person households in 4BR units	35%	8
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%	8

**Total Demand** **221**

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	42	-	0	=	42
2 BR	125	-	0	=	125
<b>Total</b>	<b>167</b>		<b>0</b>		<b>167</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	2	/	42	=	4.7%
2 BR	18	/	125	=	14.4%
<b>Total</b>	<b>20</b>		<b>167</b>		<b>12.0%</b>

**Market**

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

Minimum Income Limit		\$21,600	Maximum Income Limit		\$62,700
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Change in Households PMA 2017 to Prj Mrkt Entry July 2019				
\$0-9,999	29	7.1%		0.0%	0
\$10,000-19,999	67	16.7%		0.0%	0
\$20,000-29,999	36	8.9%	8,399	84.0%	30
\$30,000-39,999	35	8.8%	9,999	100.0%	35
\$40,000-49,999	47	11.6%	9,999	100.0%	47
\$50,000-59,999	33	8.3%	9,999	100.0%	33
\$60,000-74,999	38	9.5%	2,700	18.0%	7
\$75,000-99,999	29	7.3%		0.0%	0
\$100,000-124,999	20	5.1%		0.0%	0
\$125,000-149,999	28	7.0%		0.0%	0
\$150,000-199,999	14	3.4%		0.0%	0
\$200,000+	25	6.2%		0.0%	0
<b>Total</b>	<b>401</b>	<b>100.0%</b>		<b>37.9%</b>	<b>152</b>

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

Minimum Income Limit		\$21,600	Maximum Income Limit		\$62,700
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	273			
\$10,000-19,999	603	20.6%		0.0%	0
\$20,000-29,999	326	11.1%	8,399	84.0%	274
\$30,000-39,999	356	12.2%	9,999	100.0%	356
\$40,000-49,999	288	9.9%	9,999	100.0%	288
\$50,000-59,999	208	7.1%	9,999	100.0%	208
\$60,000-74,999	282	9.6%	2,700	18.0%	51
\$75,000-99,999	176	6.0%		0.0%	0
\$100,000-124,999	160	5.5%		0.0%	0
\$125,000-149,999	105	3.6%		0.0%	0
\$150,000-199,999	71	2.4%		0.0%	0
\$200,000+	78	2.7%		0.0%	0
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>		<b>40.2%</b>	<b>1,177</b>

**ASSUMPTIONS - Market**

Tenancy	Senior	% of Income towards Housing				40%
Rural/Urban	Rural	Maximum # of Occupants				2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	30%	70%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
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	401
Percent Income Qualified	37.9%
<b>New Renter Income Qualified Households</b>	<b>152</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Market
Total Existing Demand	2,926
Income Qualified	40.2%
Income Qualified Renter Households	1,177
Percent Rent Overburdened Prj Mrkt Entry July 2019	35.9%
<b>Rent Overburdened Households</b>	<b>423</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,177
Percent Living in Substandard Housing	0.2%
<b>Households Living in Substandard Housing</b>	<b>2</b>

**Senior Households Converting from Homeownership**

Income Target Population	Market
Total Senior Homeowners	19,501
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>4</b>

**Total Demand**

Total Demand from Existing Households	428
Total New Demand	152
<b>Total Demand (New Plus Existing Households)</b>	<b>581</b>

Demand from Seniors Who Convert from Homeownership	4
Percent of Total Demand From Homeownership Conversion	0.6%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	39.3%	228
Two Persons	36.3%	211
Three Persons	9.3%	54
Four Persons	5.0%	29
Five Persons	10.0%	58
<b>Total</b>	<b>100.0%</b>	<b>581</b>

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

Of one-person households in studio units	0%	0
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
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Of one-person households in 1BR units	30%	69
Of two-person households in 1BR units	20%	42
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
<hr/>		
Of one-person households in 2BR units	70%	160
Of two-person households in 2BR units	80%	169
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
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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	100%	54
Of four-person households in 3BR units	70%	20
Of five-person households in 3BR units	30%	17
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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	0%	0
Of four-person households in 4BR units	30%	9
Of five-person households in 4BR units	35%	20
<hr/>		
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%	20
<b>Total Demand</b>		<b>581</b>

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	-	-	0	=	-
2 BR	329	-	0	=	329
<b>Total</b>	<b>329</b>		<b>0</b>		<b>329</b>
Developer's Unit Mix			Net Demand		Capture Rate
1 BR	-	/	-	=	-
2 BR	25	/	329	=	7.6%
<b>Total</b>	<b>25</b>		<b>329</b>		<b>7.6%</b>

### Overall Affordable

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

Minimum Income Limit		\$15,570		Maximum Income Limit		\$30,120	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019					
\$0-9,999	29	7.1%		0.0%	0		
\$10,000-19,999	67	16.7%	4,429	44.3%	30		
\$20,000-29,999	36	8.9%	9,999	100.0%	36		
\$30,000-39,999	35	8.8%	120	1.2%	0		
\$40,000-49,999	47	11.6%		0.0%	0		
\$50,000-59,999	33	8.3%		0.0%	0		
\$60,000-74,999	38	9.5%		0.0%	0		
\$75,000-99,999	29	7.3%		0.0%	0		
\$100,000-124,999	20	5.1%		0.0%	0		
\$125,000-149,999	28	7.0%		0.0%	0		
\$150,000-199,999	14	3.4%		0.0%	0		
\$200,000+	25	6.2%		0.0%	0		
<b>Total</b>	<b>401</b>	<b>100.0%</b>		<b>16.4%</b>	<b>66</b>		

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

Minimum Income Limit		\$15,570		Maximum Income Limit		\$30,120	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	273	9.3%		0.0%	0		
\$10,000-19,999	603	20.6%	4,429	44.3%	267		
\$20,000-29,999	326	11.1%	9,999	100.0%	326		
\$30,000-39,999	356	12.2%	120	1.2%	4		
\$40,000-49,999	288	9.9%		0.0%	0		
\$50,000-59,999	208	7.1%		0.0%	0		
\$60,000-74,999	282	9.6%		0.0%	0		
\$75,000-99,999	176	6.0%		0.0%	0		
\$100,000-124,999	160	5.5%		0.0%	0		
\$125,000-149,999	105	3.6%		0.0%	0		
\$150,000-199,999	71	2.4%		0.0%	0		
\$200,000+	78	2.7%		0.0%	0		
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>		<b>20.4%</b>	<b>598</b>		

#### ASSUMPTIONS - Overall Affordable

ASSUMPTIONS - Overall Affordable						
Tenancy		Senior	% of Income towards Housing			40%
Rural/Urban		Rural	Maximum # of Occupants			2
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	0%	30%	70%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
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		401
Percent Income Qualified		16.4%
<b>New Renter Income Qualified Households</b>		<b>66</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population		Overall Affordable
Total Existing Demand		2,926
Income Qualified		20.4%
Income Qualified Renter Households		598
Percent Rent Overburdened Prj Mrkt Entry July 2019		35.9%
<b>Rent Overburdened Households</b>		<b>214</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households		598
Percent Living in Substandard Housing		0.2%
<b>Households Living in Substandard Housing</b>		<b>1</b>

**Senior Households Converting from Homeownership**

Income Target Population		Overall Affordable
Total Senior Homeowners		19,501
Rural Versus Urban	0.0%	
<b>Senior Demand Converting from Homeownership</b>		<b>4</b>

**Total Demand**

Total Demand from Existing Households		219
Total New Demand		66
<b>Total Demand (New Plus Existing Households)</b>		<b>285</b>

Demand from Seniors Who Convert from Homeownership		4
Percent of Total Demand From Homeownership Conversion		1.2%
Is this Demand Over 2 percent of Total Demand?		No

**By Bedroom Demand**

One Person	39.3%	112
Two Persons	36.3%	104
Three Persons	9.3%	27
Four Persons	5.0%	14
Five Persons	10.0%	29
<b>Total</b>	<b>100.0%</b>	<b>285</b>

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

Of one-person households in studio units	0%	0
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
<hr style="border-top: 1px dashed #000;"/>		
Of one-person households in 1BR units	30%	34
Of two-person households in 1BR units	20%	21
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
<hr style="border-top: 1px dashed #000;"/>		
Of one-person households in 2BR units	70%	78
Of two-person households in 2BR units	80%	83
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
<hr style="border-top: 1px dashed #000;"/>		
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	100%	27
Of four-person households in 3BR units	70%	10
Of five-person households in 3BR units	30%	9
<hr style="border-top: 1px dashed #000;"/>		
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	0%	0
Of four-person households in 4BR units	30%	4
Of five-person households in 4BR units	35%	10
<hr style="border-top: 1px dashed #000;"/>		
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%	10
<b>Total Demand</b>		<b>285</b>

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	54	-	0	=	54			
2 BR	161	-	0	=	161			
<b>Total</b>	<b>216</b>		<b>0</b>		<b>216</b>			
Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	10	/	54	=	18.4%			
2 BR	30	/	161	=	18.6%			
<b>Total</b>	<b>40</b>		<b>216</b>		<b>18.5%</b>			

**Overall Project**

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

Minimum Income Limit		\$15,570		Maximum Income Limit		\$62,700	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019					
\$0-9,999	29	7.1%		0.0%		0	
\$10,000-19,999	67	16.7%	4,429	44.3%		30	
\$20,000-29,999	36	8.9%	9,999	100.0%		36	
\$30,000-39,999	35	8.8%	9,999	100.0%		35	
\$40,000-49,999	47	11.6%	9,999	100.0%		47	
\$50,000-59,999	33	8.3%	9,999	100.0%		33	
\$60,000-74,999	38	9.5%	2,700	18.0%		7	
\$75,000-99,999	29	7.3%		0.0%		0	
\$100,000-124,999	20	5.1%		0.0%		0	
\$125,000-149,999	28	7.0%		0.0%		0	
\$150,000-199,999	14	3.4%		0.0%		0	
\$200,000+	25	6.2%		0.0%		0	
<b>Total</b>	<b>401</b>	<b>100.0%</b>		<b>46.7%</b>		<b>187</b>	

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

Minimum Income Limit		\$15,570		Maximum Income Limit		\$62,700	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households within Bracket		
		2017					
\$0-9,999	273	9.3%		0.0%		0	
\$10,000-19,999	603	20.6%	4,429	44.3%		267	
\$20,000-29,999	326	11.1%	9,999	100.0%		326	
\$30,000-39,999	356	12.2%	9,999	100.0%		356	
\$40,000-49,999	288	9.9%	9,999	100.0%		288	
\$50,000-59,999	208	7.1%	9,999	100.0%		208	
\$60,000-74,999	282	9.6%	2,700	18.0%		51	
\$75,000-99,999	176	6.0%		0.0%		0	
\$100,000-124,999	160	5.5%		0.0%		0	
\$125,000-149,999	105	3.6%		0.0%		0	
\$150,000-199,999	71	2.4%		0.0%		0	
\$200,000+	78	2.7%		0.0%		0	
<b>Total</b>	<b>2,926</b>	<b>100.0%</b>		<b>51.1%</b>		<b>1,497</b>	

**ASSUMPTIONS - Overall Project**

ASSUMPTIONS - Overall Project						
Tenancy	Senior	% of Income towards Housing				40%
Rural/Urban	Rural	Maximum # of Occupants				2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	30%	70%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
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	401
Percent Income Qualified	46.7%
<b>New Renter Income Qualified Households</b>	<b>187</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Overall Project
Total Existing Demand	2,926
Income Qualified	51.1%
Income Qualified Renter Households	1,497
Percent Rent Overburdened Prj Mrkt Entry July 2019	35.9%
<b>Rent Overburdened Households</b>	<b>537</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,497
Percent Living in Substandard Housing	0.2%
<b>Households Living in Substandard Housing</b>	<b>3</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall Project
Total Senior Homeowners	19,501
Rural Versus Urban	0.0%
<b>Senior Demand Converting from Homeownership</b>	<b>4</b>

**Total Demand**

Total Demand from Existing Households	544
Total New Demand	187
<b>Total Demand (New Plus Existing Households)</b>	<b>731</b>

Demand from Seniors Who Convert from Homeownership	4
Percent of Total Demand From Homeownership Conversion	0.5%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	39.3%	288
Two Persons	36.3%	266
Three Persons	9.3%	68
Four Persons	5.0%	36
Five Persons	10.0%	73
<b>Total</b>	<b>100.0%</b>	<b>731</b>

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

Of one-person households in studio units	0%	0
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
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Of one-person households in 1BR units	30%	86
Of two-person households in 1BR units	20%	53
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
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Of one-person households in 2BR units	70%	201
Of two-person households in 2BR units	80%	212
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
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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	100%	68
Of four-person households in 3BR units	70%	25
Of five-person households in 3BR units	30%	22
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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	0%	0
Of four-person households in 4BR units	30%	11
Of five-person households in 4BR units	35%	26
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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%	26
<b>Total Demand</b>		<b>731</b>

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	139	-	0	=	139
2 BR	414	-	0	=	414
<b>Total</b>	<b>553</b>		<b>0</b>		<b>553</b>

Developer's Unit Mix			Net Demand	=	Capture Rate
1 BR	10	/	139	=	7.2%
2 BR	55	/	414	=	13.3%
<b>Total</b>	<b>65</b>		<b>553</b>		<b>11.8%</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 55+ households in the PMA is expected to increase 4.7 percent between 2017 and 2019.
- 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 (\$15,570 to \$25,100)	HH at 60% AMI (\$17,820 to \$30,120)	HH > 60% AMI (\$19,500 to \$62,700)	Overall Affordable	Overall Project
Demand from New Households (age and income appropriate)	48	51	152	66	187
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	1	1	2	1	3
<b>PLUS</b>	+	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	156	166	423	214	537
Sub Total	204	218	577	282	728
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	4	4	4	4	4
<b>Equals Total Demand</b>	208	221	581	286	731
<b>Less</b>	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
<b>Equals Net Demand</b>	208	221	581	286	731

**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	\$15,570	\$21,950	8	40	0	40	20.2%	Four to five months	\$754	\$370	\$1,210	\$425
1BR at 60% AMI	\$17,820	\$26,340	2	42	0	42	4.7%	Four to five months	\$844	\$370	\$844	\$500
1BR Overall Affordable	\$15,570	\$26,340	10	54	0	54	18.4%	Four to five months	-	-	-	-
1 BR Overall Project	\$15,570	\$26,340	10	54	0	54	18.4%	Four to five months	-	-	-	-
2BR at 50% AMI	\$18,390	\$25,100	12	118	0	118	10.2%	Four to five months	\$830	\$390	\$1,282	\$495
2BR at 60% AMI	\$20,640	\$30,120	18	125	0	125	14.4%	Four to five months	\$929	\$390	\$1,282	\$570
2BR Unrestricted	\$21,600	\$62,700	25	329	0	329	7.6%	Four to five months	\$1,042	\$638	\$1,282	\$720
2BR Overall Affordable	\$18,390	\$30,120	30	161	0	161	18.6%	Four to five months	-	-	-	-
2 BR Overall Project	\$18,390	\$62,700	55	414	0	414	13.3%	Four to five months	-	-	-	-
50% AMI Overall	\$15,570	\$25,100	20	157	0	157	12.7%	Four to five months	-	-	-	-
60% AMI Overall	\$17,820	\$30,120	20	167	0	167	12.0%	Four to five months	-	-	-	-
Unrestricted Overall	\$21,600	\$62,700	25	329	0	329	7.6%	Four to five months	-	-	-	-
Overall Affordable	\$15,570	\$30,120	40	216	0	216	18.5%	Four to five months	-	-	-	-
Overall Project	\$15,570	\$62,700	65	731	0	731	8.9%	Four to five months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 10.2 to 20.2 percent, with an overall capture rate of 12.7 percent. The Subject’s 60 percent AMI capture rates range from 4.7 to 14.4 percent, with an overall capture rate of 12.0 percent. The capture rate for the Subject’s unrestricted units is 7.6 percent. Overall capture rates for the Subject’s affordable units range from 18.4 to 18.6 percent with an overall capture rate of 18.5 percent. Overall capture rates for the project range from 7.2 to 13.3 percent with an overall rate of 11.8 percent. All capture rates are within Georgia DCA 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 seven “true” comparable properties containing 1,068 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 average. We have included one senior LIHTC comparable property, one senior mixed-income comparable property, and two family LIHTC comparable properties. All of the comparables offer one- and two-bedroom units. One of the LIHTC comparable properties is located within the PMA, while the remaining three are located in nearby Auburn and Winder. The comparables are located between 2.1 and 10.4 miles of the proposed Subject. Two senior LIHTC properties, Mainstreet Winder and Maple Square, were excluded as we were unable to contact a management representative willing to provide information for our survey.

The availability of market-rate data is considered average. We have included three conventional properties in our analysis of the competitive market. Two of the market-rate comparable properties are located in the PMA, while the remaining comparable is located in nearby Flowery Branch. All of the market-rate properties are located between 0.2 and 10.8 miles from the Subject site. These comparables were built or renovated between 1958 and 2009. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Two market-rate properties, Hillcrest Apartments and Winding Hollow Apartments in Winder, were excluded as we were unable to contact a management representative willing to provide information for our survey.

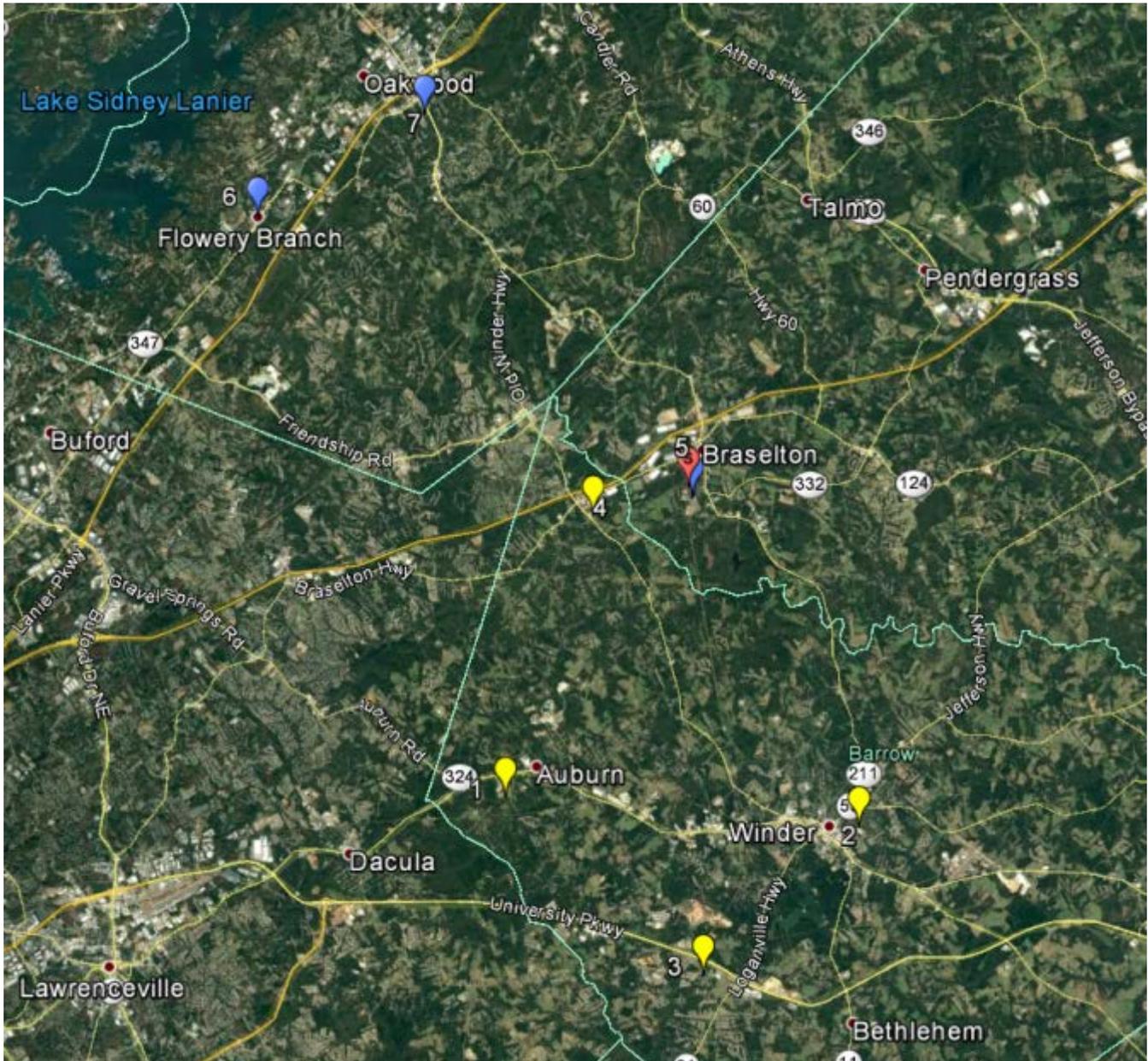
## Excluded Properties

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
Mainstreet Winder	LIHTC, Non-rental	Winder	Senior	64	Would not participate in interview
The Reserve At Ivy Creek	Section 8	Buford	Family	280	Subsidized
Maple Square	LIHTC	Jefferson	Senior	56	Would not participate in interview
Rock Springs Apts	LIHTC	Winder	Family	48	Dissimilar Tenancy
Stratford Court	LIHTC	Winder	Senior	63	Closer comparables
Hillcrest Apartments	Market	Winder	Family	102	Would not participate in interview
Winding Hollow Apartments	Market	Winder	Family	40	Would not participate in interview
Auburn Park Apartments	Market	Auburn	Family	60	Inferior age and condition
Century At Mill Creek	Market	Buford	Family	259	Closer comparables
Country Place Duplexes	Market	Winder	Family	28	Closer comparables
North Cliff Colony	Market	Gainesville	Family	175	Inferior age and condition
West Jackson Villas	Market	Hoschton	Family	25	Inferior age and condition
Poplar Hills	Market	Gainesville	Family	18	Inferior age and condition

**Comparable Rental Property Map**



Source: Google Earth, April 2017.

**COMPARABLE PROPERTIES**

#	Property Name	program	Tenancy	Distance from Subject
1	Autry Pines Senior Village	LIHTC	Senior	7.8 miles
2	Farmington Hills Phase I	LIHTC	Family	8.2 miles
3	Farmington Hills Phase II	LIHTC	Family	10.4 miles
4	Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	2.1 miles
5	The Meadows Apartments	Market	Family	0.2 miles
6	Tree Park Apartments	Market	Family	10.8 miles
7	Walden At Oakwood	Market	Family	9.6 miles

**AZALEA SENIOR VILLAGE – HOSCHTON, 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	Azalea Senior Apartments Jefferson Avenue Hoschton, GA 30548 Jackson County	n/a	Garden (3 stories) Proposed	LIHTC, Market	1BR / 1BA	8	12.3%	@50%	\$425	750	no		N/A	N/A	
					1BR / 1BA	2	3.1%	@60%	\$500	750	no		N/A	N/A	
					2BR / 1BA	12	18.5%	@50%	\$495	880	no		N/A	N/A	
					2BR / 1BA	18	27.7%	@60%	\$570	880	no		N/A	N/A	
					2BR / 1BA	25	38.5%	Market	\$720	880	n/a		N/A	N/A	
					65	100.0%								N/A	N/A
1	Autry Pines Senior Village 155 Autry Road Auburn, GA 30011 Barrow County	7.8 miles	Lowrise (age-restricted) (2 stories) 2015	LIHTC	1BR / 1BA	7	10.9%	@50%	\$370	760	no	Yes	1	14.3%	
					1BR / 1BA	1	1.6%	@60%	\$370	760	no	Yes	0	0.0%	
					2BR / 2BA	6	9.4%	@50%	\$390	1,060	no	Yes	0	0.0%	
					2BR / 2BA	50	78.1%	@60%	\$390	1,060	no	Yes	0	0.0%	
						64	100.0%								
2	Farmington Hills Phase I 1506 Farmington Way Winder, GA 30680 Barrow County	8.2 miles	Garden (2 stories) 2012	LIHTC	1BR / 1BA	3	4.2%	@50%	\$525	740	yes	Yes	0	0.0%	
					1BR / 1BA	9	12.5%	@60%	\$640	740	yes	Yes	0	0.0%	
					2BR / 2BA	4	5.6%	@50%	\$615	1,150	yes	Yes	0	0.0%	
					2BR / 2BA	31	43.1%	@60%	\$750	1,150	yes	Yes	0	0.0%	
					3BR / 2BA	4	5.6%	@50%	\$685	1,250	yes	Yes	0	0.0%	
	21	29.2%	@60%	\$840	1,250	yes	Yes	0	0.0%						
					72	100.0%								0	0.0%
3	Farmington Hills Phase II 807 Haymon Morris Road Winder, GA 30680 Barrow County	10.4 miles	Garden (2 stories) 2014	LIHTC	1BR / 1BA	4	5.6%	@50%	\$525	878	yes	Yes	0	0.0%	
					1BR / 1BA	8	11.1%	@60%	\$640	878	yes	Yes	0	0.0%	
					2BR / 2BA	4	5.6%	@50%	\$615	1,143	yes	Yes	0	0.0%	
					2BR / 2BA	32	44.4%	@60%	\$750	1,143	yes	Yes	0	0.0%	
					3BR / 2BA	3	4.2%	@50%	\$675	1,328	yes	Yes	0	0.0%	
	21	29.2%	@60%	\$840	1,328	yes	Yes	0	0.0%						
					72	100.0%								0	0.0%
4	Mainstreet Braselton 1018 Beaver Dam Road Braselton, GA 30548 Barrow County	2.1 miles	Lowrise (age-restricted) 2014	LIHTC, Market, Non- Rental	1BR / 1BA	4	5.0%	@50%	\$513	752	yes	Yes	0	0.0%	
					1BR / 1BA	18	22.5%	@60%	\$613	752	yes	Yes	0	0.0%	
					1BR / 1BA	2	2.5%	Market	\$963	752	n/a	Yes	0	0.0%	
					2BR / 2BA	6	7.5%	@50%	\$607	1,014	yes	Yes	0	0.0%	
					2BR / 2BA	4	5.0%	@50%	\$607	1,061	yes	Yes	0	0.0%	
					2BR / 2BA	21	26.2%	@60%	\$722	1,014	yes	Yes	0	0.0%	
					2BR / 2BA	14	17.5%	@60%	\$707	1,061	yes	Yes	0	0.0%	
					2BR / 2BA	4	5.0%	Market	\$1,282	1,014	n/a	No	0	0.0%	
					2BR / 2BA	6	7.5%	Market	\$1,232	1,061	n/a	No	0	0.0%	
					2BR / 2BA	1	1.3%	Non-Rental	\$0	1,014	n/a	No	0	0.0%	
						80	100.0%								
5	The Meadows Apartments 335 West Broad Street Hoschton, GA 30548 Jackson County	0.2 miles	Various (2 stories) 1985	Market	2BR / 1BA (Garden)	N/A	N/A	Market	\$638	800	n/a	No	0	N/A	
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$713	940	n/a	No	0	N/A	
					3BR / 2BA (Garden)	N/A	N/A	Market	\$765	1,000	n/a	No	0	N/A	
						24	100.0%								
6	Tree Park Apartments 130 Tree Park Circle Flowery Branch, GA 30542 Hall County	10.8 miles	Various 2006	Market	1BR / 1BA (Duplex)	6	1.3%	Market	\$938	800	n/a	No	0	0.0%	
					1BR / 1BA (Garden)	N/A	N/A	Market	\$908	780	n/a	No	0	N/A	
					1BR / 1BA (Garden)	N/A	N/A	Market	\$989	840	n/a	No	3	N/A	
					2BR / 2BA (Garden)	N/A	N/A	Market	\$1,000	1,260	n/a	No	5	N/A	
					2BR / 2BA (Garden)	N/A	N/A	Market	\$1,102	1,393	n/a	No	1	N/A	
					3BR / 2BA (Garden)	N/A	N/A	Market	\$1,379	1,419	n/a	No	2	N/A	
					3BR / 2BA (Townhouse)	6	1.3%	Market	\$1,683	1,861	n/a	No	0	0.0%	
	456	100.0%											11	2.4%	
7	Walden At Oakwood 4000 Walden Way Flowery Branch, GA 30542 Hall County	9.6 miles	Garden (3 stories) 2009	Market	1BR / 1BA	N/A	N/A	Market	\$1,210	943	n/a	Yes	0	N/A	
					1BR / 1BA	N/A	N/A	Market	\$930	751	n/a	Yes	0	N/A	
					1BR / 1BA	N/A	N/A	Market	\$950	792	n/a	Yes	0	N/A	
					1BR / 1BA	N/A	N/A	Market	\$975	871	n/a	Yes	0	N/A	
					2BR / 2BA	N/A	N/A	Market	\$1,185	1,268	n/a	Yes	0	N/A	
					2BR / 2BA	N/A	N/A	Market	\$1,180	1,160	n/a	Yes	1	N/A	
					3BR / 2BA	N/A	N/A	Market	\$1,290	1,287	n/a	Yes	0	N/A	
					3BR / 2BA	N/A	N/A	Market	\$1,345	1,396	n/a	Yes	0	N/A	
	300	100.0%											1	0.3%	

**AZALEA SENIOR VILLAGE – HOSCHTON, 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:	1,068	Weighted	98.8%	
			Market Rate	780	Market	98.5%	
			Tax Credit	288	Tax Credit	99.7%	
One Bedroom One Bath			Two Bedrooms One Bath				
	Property	Average	Property	Average			
RENT	Walden At Oakwood	\$1,304	Mainstreet Braselton * (2BA M)	\$1,282			
	Walden At Oakwood	\$1,223	Mainstreet Braselton * (2BA M)	\$1,232			
	Walden At Oakwood	\$975	Walden At Oakwood (2BA)	\$1,185			
	Mainstreet Braselton * (M)	\$963	Walden At Oakwood (2BA)	\$1,180			
	Walden At Oakwood	\$950	Tree Park Apartments (2BA)	\$1,102			
	Tree Park Apartments	\$938	Tree Park Apartments (2BA)	\$1,000			
	Tree Park Apartments	\$908	Farmington Hills Phase I * (2BA	\$750			
	<b>Azalea Senior Apartments *</b>	<b>\$650</b>	Farmington Hills Phase II * (2BA	\$750			
	Farmington Hills Phase I * (60%)	\$640	Mainstreet Braselton * (2BA 60%)	\$722			
	Farmington Hills Phase II * (60%)	\$640	<b>Azalea Senior Apartments *</b>	<b>\$720</b>			
	Mainstreet Braselton * (60%)	\$613	Mainstreet Braselton * (2BA 60%)	\$707			
	Farmington Hills Phase I * (50%)	\$525	The Meadows Apartments	\$638			
	Farmington Hills Phase II * (50%)	\$525	Farmington Hills Phase I * (2BA	\$615			
	Mainstreet Braselton * (50%)	\$513	Farmington Hills Phase II * (2BA	\$615			
	<b>Azalea Senior Apartments *</b>	<b>\$500</b>	Mainstreet Braselton * (2BA 50%)	\$607			
	<b>Azalea Senior Apartments *</b>	<b>\$425</b>	Mainstreet Braselton * (2BA 50%)	\$607			
	Autry Pines Senior Village * (50%)	\$370	<b>Azalea Senior Apartments *</b>	<b>\$570</b>			
	Autry Pines Senior Village * (60%)	\$370	<b>Azalea Senior Apartments *</b>	<b>\$495</b>			
			Autry Pines Senior Village * (2BA	\$390			
			Autry Pines Senior Village * (2BA	\$390			
	SQUARE FOOTAGE	Walden At Oakwood	943	Tree Park Apartments (2BA)	1,393		
		Farmington Hills Phase II * (50%)	878	Walden At Oakwood (2BA)	1,268		
		Farmington Hills Phase II * (60%)	878	Tree Park Apartments (2BA)	1,260		
		Walden At Oakwood	871	Walden At Oakwood (2BA)	1,160		
		Tree Park Apartments	840	Farmington Hills Phase I * (2BA	1,150		
		Walden At Oakwood	792	Farmington Hills Phase I * (2BA	1,150		
		Tree Park Apartments	780	Farmington Hills Phase II * (2BA	1,143		
		Autry Pines Senior Village * (50%)	760	Farmington Hills Phase II * (2BA	1,143		
		Autry Pines Senior Village * (60%)	760	Mainstreet Braselton * (2BA 50%)	1,061		
		Mainstreet Braselton * (50%)	752	Mainstreet Braselton * (2BA 60%)	1,061		
		Mainstreet Braselton * (60%)	752	Mainstreet Braselton * (2BA M)	1,061		
		Mainstreet Braselton * (M)	752	Autry Pines Senior Village * (2BA	1,060		
		Walden At Oakwood	751	Autry Pines Senior Village * (2BA	1,060		
<b>Azalea Senior Apartments *</b>		<b>750</b>	Mainstreet Braselton * (2BA 50%)	1,014			
<b>Azalea Senior Apartments *</b>		<b>750</b>	Mainstreet Braselton * (2BA 60%)	1,014			
<b>Azalea Senior Apartments *</b>		<b>750</b>	Mainstreet Braselton * (2BA M)	1,014			
Farmington Hills Phase I * (50%)		740	<b>Azalea Senior Apartments *</b>	<b>880</b>			
Farmington Hills Phase I * (60%)		740	<b>Azalea Senior Apartments *</b>	<b>880</b>			
			<b>Azalea Senior Apartments *</b>	<b>880</b>			
			The Meadows Apartments	800			
RENT PER SQUARE FOOT	Walden At Oakwood	\$1.40	Mainstreet Braselton * (2BA M)	\$1.26			
	Walden At Oakwood	\$1.38	Mainstreet Braselton * (2BA M)	\$1.16			
	Walden At Oakwood	\$1.30	Walden At Oakwood (2BA)	\$1.02			
	Walden At Oakwood	\$1.30	Walden At Oakwood (2BA)	\$0.93			
	Mainstreet Braselton * (M)	\$1.28	Tree Park Apartments (2BA)	\$0.87			
	Tree Park Apartments	\$1.16	<b>Azalea Senior Apartments *</b>	<b>\$0.82</b>			
	Tree Park Apartments	\$1.12	The Meadows Apartments	\$0.80			
	<b>Azalea Senior Apartments *</b>	<b>\$0.87</b>	Tree Park Apartments (2BA)	\$0.79			
	Farmington Hills Phase I * (60%)	\$0.86	Mainstreet Braselton * (2BA 60%)	\$0.71			
	Mainstreet Braselton * (60%)	\$0.82	Mainstreet Braselton * (2BA 60%)	\$0.67			
	Farmington Hills Phase II * (60%)	\$0.73	Farmington Hills Phase II * (2BA	\$0.66			
	Farmington Hills Phase I * (50%)	\$0.71	Farmington Hills Phase I * (2BA	\$0.65			
	Mainstreet Braselton * (50%)	\$0.68	<b>Azalea Senior Apartments *</b>	<b>\$0.65</b>			
	<b>Azalea Senior Apartments *</b>	<b>\$0.67</b>	Mainstreet Braselton * (2BA 50%)	\$0.60			
	Farmington Hills Phase II * (50%)	\$0.60	Mainstreet Braselton * (2BA 50%)	\$0.57			
	<b>Azalea Senior Apartments *</b>	<b>\$0.57</b>	<b>Azalea Senior Apartments *</b>	<b>\$0.56</b>			
	Autry Pines Senior Village * (50%)	\$0.49	Farmington Hills Phase II * (2BA	\$0.54			
	Autry Pines Senior Village * (60%)	\$0.49	Farmington Hills Phase I * (2BA	\$0.53			
			Autry Pines Senior Village * (2BA	\$0.37			
			Autry Pines Senior Village * (2BA	\$0.37			

# PROPERTY PROFILE REPORT

## Autry Pines Senior Village

**Effective Rent Date** 4/20/2017  
**Location** 155 Autry Road  
 Auburn, GA 30011  
 Barrow County County  
**Distance** 7.8 miles  
**Units** 64  
**Vacant Units** 1  
**Vacancy Rate** 1.6%  
**Type** Lowrise (age-restricted) (2 stories)  
**Year Built/Renovated** 2015 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None Identified  
**Tenant Characteristics** Seniors 55+, mostly from Auburn and surrounding areas  
**Contact Name** Ali @ Tower Mgmt  
**Phone** 770-386-2921



### Market Information

**Program** @50%, @60%  
**Annual Turnover Rate** N/A  
**Units/Month Absorbed** 21.3  
**HCV Tenants** 20%  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** Increased up to 2 percent  
**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** 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	Lowrise (2 stories)	7	760	\$370	\$0	@50%	Yes	1	14.3%	no	None
1	1	Lowrise (2 stories)	1	760	\$370	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	6	1,060	\$390	\$0	@50%	Yes	0	0.0%	no	None
2	2	Lowrise (2 stories)	50	1,060	\$390	\$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	\$370	\$0	\$370	\$0	\$370	1BR / 1BA	\$370	\$0	\$370	\$0	\$370
2BR / 2BA	\$390	\$0	\$390	\$0	\$390	2BR / 2BA	\$390	\$0	\$390	\$0	\$390

## Autry Pines Senior Village, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Microwave  
Pull Cords  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Hand Rails  
Oven  
Refrigerator

**Security**

Limited Access

**Services**

None

**Property**

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

Clubhouse/Meeting  
Elevators  
Central Laundry  
On-Site Management  
Recreation Areas

**Premium**

None

**Other**

None

### Comments

The contact reported the property opened in November of 2015 and was fully occupied within three months. An extensive waiting list is maintained at this time with a quoted wait of one year. The contact reported rents are not set at the maximum allowable to keep the property affordable for a wider range of low income senior households in the area that have limited and fixed incomes.

Photos



# PROPERTY PROFILE REPORT

## Farmington Hills Phase I

**Effective Rent Date** 3/06/2017  
**Location** 1506 Farmington Way  
 Winder, GA 30680  
 Barrow County  
**Distance** 8.2 miles  
**Units** 72  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 2012 / N/A  
**Marketing Began** 6/01/2012  
**Leasing Began** 9/26/2012  
**Last Unit Leased** 4/30/2013  
**Major Competitors** None identified  
**Tenant Characteristics** Mixed tenancy, families  
**Contact Name** Helen  
**Phone** 770-307-0224



### Market Information

**Program** @50%, @60%  
**Annual Turnover Rate** 20%  
**Units/Month Absorbed** 10  
**HCV Tenants** 3%  
**Leasing Pace** Pre-Leased  
**Annual Chg. in Rent** Kept at max  
**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** 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 (2 stories)	3	740	\$525	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	9	740	\$640	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	4	1,150	\$615	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	31	1,150	\$750	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	4	1,250	\$685	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	21	1,250	\$840	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$525	\$0	\$525	\$0	\$525	1BR / 1BA	\$640	\$0	\$640	\$0	\$640
2BR / 2BA	\$615	\$0	\$615	\$0	\$615	2BR / 2BA	\$750	\$0	\$750	\$0	\$750
3BR / 2BA	\$685	\$0	\$685	\$0	\$685	3BR / 2BA	\$840	\$0	\$840	\$0	\$840

## Farmington Hills Phase I, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpet/Hardwood  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

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

**Security**

None

**Services**

None

**Property**

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

Clubhouse/Meeting  
Off-Street Parking  
Picnic Area  
Service Coordination

**Premium**

None

**Other**

None

### Comments

Some property amenities are shared with Phase I including a business center and swimming pool. The property shares a waiting list with Phase I estimated to be approximately six months in length. The project utilizes a project-specific utility allowance and is therefore achieving maximum allowable rents.

Photos



# PROPERTY PROFILE REPORT

## Farmington Hills Phase II

**Effective Rent Date** 3/03/2017  
**Location** 807 Haymon Morris Road  
 Winder, GA 30680  
 Barrow County  
**Distance** 10.4 miles  
**Units** 72  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 2014 / N/A  
**Marketing Began** 10/01/2014  
**Leasing Began** 12/01/2014  
**Last Unit Leased** 5/01/2015  
**Major Competitors** None identified  
**Tenant Characteristics** Mixed tenancy, families  
**Contact Name** Helen  
**Phone** 770-307-0224



### Market Information

**Program** @50%, @60%  
**Annual Turnover Rate** 20%  
**Units/Month Absorbed** 14  
**HCV Tenants** 3%  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** Kept at max  
**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** 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 (2 stories)	4	878	\$525	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Garden (2 stories)	8	878	\$640	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	4	1,143	\$615	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (2 stories)	32	1,143	\$750	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	3	1,328	\$675	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (2 stories)	21	1,328	\$840	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$525	\$0	\$525	\$0	\$525	1BR / 1BA	\$640	\$0	\$640	\$0	\$640
2BR / 2BA	\$615	\$0	\$615	\$0	\$615	2BR / 2BA	\$750	\$0	\$750	\$0	\$750
3BR / 2BA	\$675	\$0	\$675	\$0	\$675	3BR / 2BA	\$840	\$0	\$840	\$0	\$840

## Farmington Hills Phase II, continued

### Amenities

**In-Unit**

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

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator

**Security**

None

**Services**

Tutoring

**Property**

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

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Playground  
Swimming Pool

**Premium**

None

**Other**

None

### Comments

Some property amenities are shared with Phase I including a business center and swimming pool. The property shares a waiting list with Phase I estimated to be approximately six months in length. The project utilizes a project-specific utility allowance and is therefore achieving maximum allowable rents.

# PROPERTY PROFILE REPORT

## Mainstreet Braselton

**Effective Rent Date** 4/20/2017  
**Location** 1018 Beaver Dam Road  
 Braselton, GA 30548  
 Barrow County  
**Distance** 2.1 miles  
**Units** 80  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Lowrise (age-restricted)  
**Year Built/Renovated** Nov. 2014 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None Identified  
**Tenant Characteristics** None identified  
**Contact Name** Gabby  
**Phone** 770-791-0078



### Market Information

**Program** @50%, @60%, Market, Non-Rental  
**Annual Turnover Rate** N/A  
**Units/Month Absorbed** 8.8  
**HCV Tenants** N/A  
**Leasing Pace** Pre-leased  
**Annual Chg. in Rent** Increased up to 10 percent  
**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** included  
**Sewer** included  
**Trash Collection** 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	Lowrise	4	752	\$550	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise	18	752	\$650	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise	2	752	\$1,000	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Lowrise	6	1,014	\$650	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Lowrise	4	1,061	\$650	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Lowrise	21	1,014	\$765	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Lowrise	14	1,061	\$750	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Lowrise	4	1,014	\$1,325	\$0	Market	No	0	0.0%	N/A	None
2	2	Lowrise	6	1,061	\$1,275	\$0	Market	No	0	0.0%	N/A	None
2	2	Lowrise	1	1,014	\$0	\$0	Non-Rental	No	0	0.0%	N/A	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$550	\$0	\$550	-\$37	\$513	1BR / 1BA	\$650	\$0	\$650	-\$37	\$613
2BR / 2BA	\$650	\$0	\$650	-\$43	\$607	2BR / 2BA	\$750 - \$765	\$0	\$750 - \$765	-\$43	\$707 - \$722
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,000	\$0	\$1,000	-\$37	\$963	2BR / 2BA	N/A	\$0	N/A	-\$43	-\$43
2BR / 2BA	\$1,275 - \$1,325	\$0	\$1,275 - \$1,325	-\$43	\$1,232 - \$1,282						

## Mainstreet Braselton, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

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

#### 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

#### Premium

None

#### Other

None

### Comments

The contact reported the property began moving in households after the property was completed in November of 2014. She noted it took nine months to fully lease up. The property has a waiting list with 25 applicants at this time for the income restricted units. The property accepts Housing Choice Vouchers but the contact would not provide the number currently in use.

Photos





## **The Meadows Apartments, continued**

### **Comments**

No additional comments.

# PROPERTY PROFILE REPORT

## Tree Park Apartments

<b>Effective Rent Date</b>	4/20/2017
<b>Location</b>	130 Tree Park Circle Flowery Branch, GA 30542 Hall County
<b>Distance</b>	10.8 miles
<b>Units</b>	456
<b>Vacant Units</b>	11
<b>Vacancy Rate</b>	2.4%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	2006 / 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 at Oakwood
<b>Tenant Characteristics</b>	Mixed tenant base, some tenants are from Jefferson and Hoschton
<b>Contact Name</b>	Patsy
<b>Phone</b>	770-967-7133



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	33%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased up to 15 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- gas
<b>Heat</b>	not included -- gas
<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	Duplex (2 stories)	6	800	\$938	N/A	Market	No	0	0.0%	N/A	AVG
1	1	Garden (3 stories)	N/A	840	\$989	N/A	Market	No	3	N/A	N/A	HIGH*
1	1	Garden (3 stories)	N/A	780	\$908	N/A	Market	No	0	N/A	N/A	LOW*
2	2	Garden (3 stories)	N/A	1,260	\$1,000	N/A	Market	No	5	N/A	N/A	AVG
2	2	Garden (3 stories)	N/A	1,393	\$1,102	N/A	Market	No	1	N/A	N/A	AVG
3	2	Garden (3 stories)	N/A	1,419	\$1,379	N/A	Market	No	2	N/A	N/A	AVG
3	2	Townhouse (2 stories)	6	1,861	\$1,683	N/A	Market	No	0	0.0%	N/A	AVG

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$908 - \$989	\$0	N/A	\$13	N/A
2BR / 2BA	\$1,000 - \$1,102	\$0	N/A	\$13	N/A
3BR / 2BA	\$1,379 - \$1,683	\$0	N/A	\$15	N/A

## Tree Park Apartments, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

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

**Security**

Perimeter Fencing

**Services**

None

**Property**

Car Wash  
Garage  
Off-Street Parking  
Swimming Pool

Exercise Facility  
Central Laundry  
On-Site Management  
Tennis Court

**Premium**

None

**Other**

None

### Comments

Management does not accept Housing Choice Vouchers. The average rents for the different floorplans are reflected in the profile. The contact noted that only the carriage style one-bedroom units and three-bedroom townhomes have garages. However, garage spaces are only included in the rent for the townhome units. There are two carriage style one-bedroom units in each building. In terms of amenities, ceiling fans are available in select townhome units.

The contact did not disclose the square footages of the vacant units; however, the property manager noted that there are three vacant units per bedroom type.

# PROPERTY PROFILE REPORT

## Walden At Oakwood

<b>Effective Rent Date</b>	4/20/2017
<b>Location</b>	4000 Walden Way Flowery Branch, GA 30542 Hall County
<b>Distance</b>	9.6 miles
<b>Units</b>	300
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	0.3%
<b>Type</b>	Garden (3 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>	Tree Park
<b>Tenant Characteristics</b>	Unable to disclose
<b>Contact Name</b>	Lisa
<b>Phone</b>	678-450-5725



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	50%
<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 15 percent
<b>Concession</b>	N/A

### 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	943	\$1,210	\$0	Market	Yes	0	N/A	N/A	None
1	1	Garden (3 stories)	N/A	751	\$930	N/A	Market	Yes	0	N/A	N/A	AVG
1	1	Garden (3 stories)	N/A	792	\$950	N/A	Market	Yes	0	N/A	N/A	AVG
1	1	Garden (3 stories)	N/A	871	\$975	N/A	Market	Yes	0	N/A	N/A	AVG
2	2	Garden (3 stories)	N/A	1,268	\$1,185	N/A	Market	Yes	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,160	\$1,180	N/A	Market	Yes	1	N/A	N/A	AVG
3	2	Garden (3 stories)	N/A	1,287	\$1,290	N/A	Market	Yes	0	N/A	N/A	AVG
3	2	Garden (3 stories)	N/A	1,396	\$1,345	N/A	Market	Yes	0	N/A	N/A	AVG

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$930 - \$1,210	\$0	\$0 - \$1,210	\$13	\$0 - \$1,223
2BR / 2BA	\$1,180 - \$1,185	\$0	N/A	\$13	N/A
3BR / 2BA	\$1,290 - \$1,345	\$0	N/A	\$15	N/A

## Walden At Oakwood, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

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

**Security**

Limited Access

**Services**

None

**Property**

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

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

**Premium**

None

**Other**

None

### Comments

Management does not accept Housing Choice Vouchers. The property currently maintains a waiting list of two households. In terms of amenities, some of the units have either a sunroom or patio. All units have a washer and dryer hookup. Only the large carriage style one-bedroom units have garages; however, detached garage parking spaces are available to other tenants at the property.

The property manager was unable to provide a detailed unit mix; however, the contact noted that the development has 24 three-bedroom, 157 two-bedroom, and 119 one-bedroom units.

**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 that 14 Housing Choice Vouchers are in use in Jackson County. According to the Mr. Shaw, the waiting list for vouchers is currently closed. Currently, there are 19 applicants on the county’s wait list. The following table illustrates voucher usage at the comparables.

<b>TENANTS WITH VOUCHERS</b>			
Property Name	Occupancy Type	Tenancy	Housing Choice Voucher Tenants
Autry Pines Senior Village	LIHTC	Senior	N/A
Farmington Hills Phase I	LIHTC	Family	20%
Farmington Hills Phase II	LIHTC	Family	3%
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	3%
The Meadows Apartments	Market	Family	N/A
Tree Park Apartments	Market	Family	0%
Walden At Oakwood	Market	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 20 percent. The LIHTC properties have a low 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 20 percent or less upon completion.

**Lease Up History**

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

<b>ABSORPTION</b>						
Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month	
Autry Pines Senior Village	LIHTC	Senior	2015	64	21	
Farmington Hills Phase I	LIHTC	Family	2012	72	10	
Farmington Hills Phase II	LIHTC	Family	2014	72	14	
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	2014	80	9	
<b>Average</b>					<b>14</b>	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The comparable properties report absorption paces between nine and 21 units per month, with an average absorption pace of 14 units per month. Autry Pines Senior Village and Mainstreet Braselton are most comparable to the Subject. These comparables present a range of 9 to 21 units per month absorption. As new construction, the Subject is likely to experience an absorption pace similar to the average pace of these comparables. At this pace the Subject would experience an absorption pace of 15 units per month for an absorption period of approximately four to five months.

**Phased Developments**

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

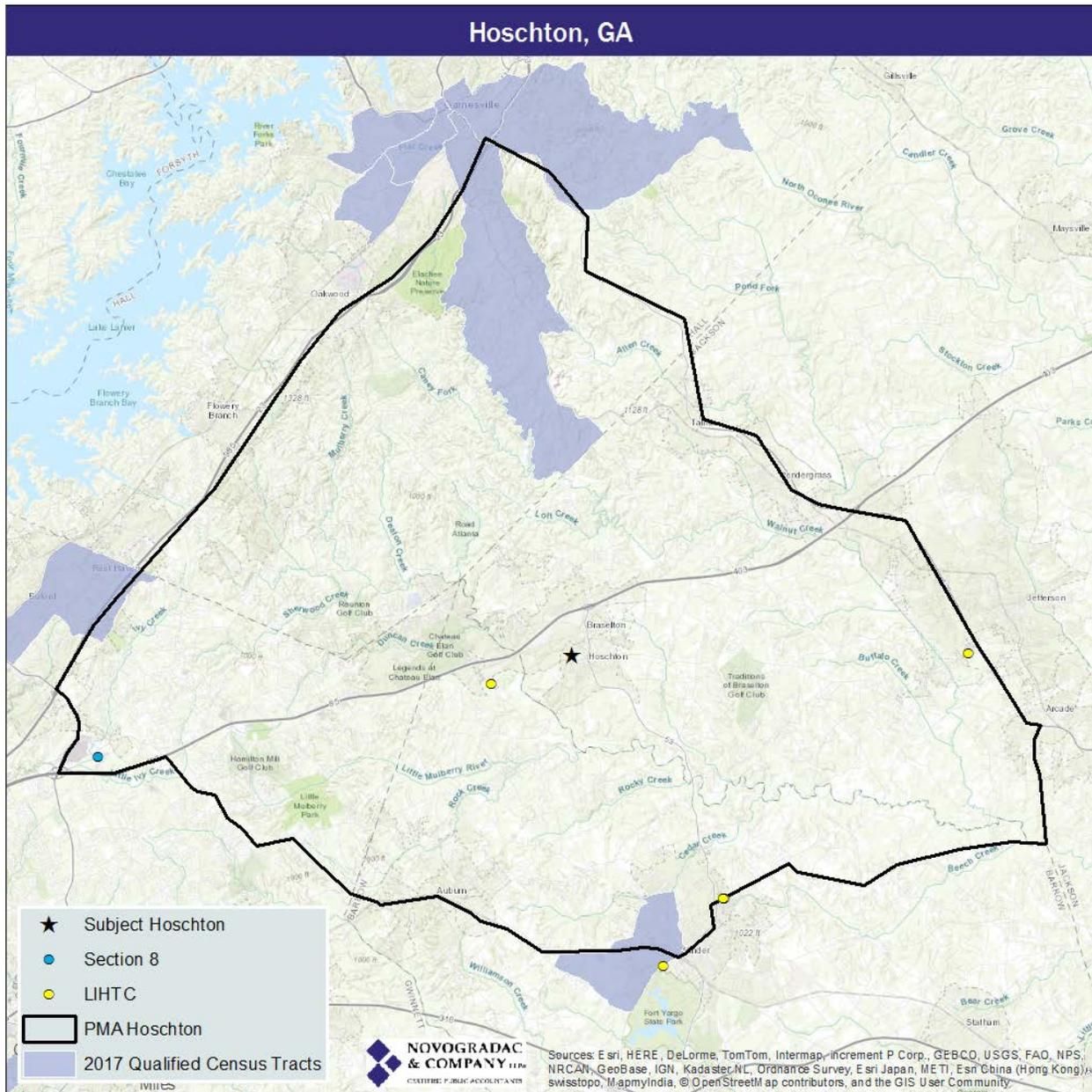
**Rural Areas**

The Subject is located in a rural area; however, existing competitive rental supply is sufficient from which to draw conclusions.

### 3. Competitive Project Map

#### COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Azalea Senior Village	LIHTC, Market	Hoschton	Senior	65	N/A	Star
Mainstreet Winder	LIHTC, Non-rental	Winder	Senior	64	100.0%	Yellow
The Reserve At Ivy Creek	Section 8	Buford	Family	280	100.0%	Blue
Maple Square	LIHTC	Jefferson	Senior	56	100.0%	Yellow
Rock Springs Apts	LIHTC	Winder	Family	48	N/Av	Yellow
Stratford Court	LIHTC	Winder	Senior	63	100.0%	Yellow
Mainstreet Braselton	LIHTC	Hoschton	Senior	80	100.0%	Yellow



#### **4. Amenities**

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

**AZALEA SENIOR VILLAGE – HOSCHTON, GEORGIA – MARKET STUDY**

**AMENITY MATRIX**

	Azalea Senior Apartments	Autry Pines Senior Village	Farmington Hills Phase I	Farmington Hills Phase II	Mainstreet Braselton	The Meadows Apartments	Tree Park Apartments	Walden At Oakwood
<b>Property Type</b>	Garden (3 stories)	Lowrise (age-restricted) (2 stories)	Garden (2 stories)	Garden (2 stories)	Lowrise (age-restricted)	Various (2 stories)	Various	Garden (3 stories)
<b>Year Built / Renovated</b>	Proposed	2015	2012	2014	2014	1985	2006	2009
<b>Market (Conv.)/Subsidy Type</b>	LIHTC, Market	LIHTC	LIHTC	LIHTC	LIHTC, Market, Non-Rental	Market	Market	Market
<b>Utility Adjustments</b>								
<b>Cooking</b>	no	no	no	no	no	no	no	no
<b>Water Heat</b>	no	no	no	no	no	no	no	no
<b>Heat</b>	no	no	no	no	no	no	no	no
<b>Other Electric</b>	no	no	no	no	no	no	no	no
<b>Water</b>	no	no	no	no	yes	no	no	no
<b>Sewer</b>	no	no	no	no	yes	no	no	no
<b>Trash Collection</b>	yes	yes	yes	yes	yes	no	no	no
<b>In-Unit Amenities</b>								
<b>Balcony/Patio</b>	no	yes	yes	yes	yes	yes	yes	yes
<b>Blinds</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Carpet/Hardwood</b>	no	no	yes	no	no	no	no	no
<b>Carpeting</b>	yes	yes	no	yes	yes	yes	yes	yes
<b>Central A/C</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Coat Closet</b>	yes	yes	yes	yes	yes	no	yes	yes
<b>Dishwasher</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Exterior Storage</b>	no	yes	no	yes	yes	no	no	no
<b>Ceiling Fan</b>	yes	yes	yes	yes	yes	no	yes	yes
<b>Garbage Disposal</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Hand Rails</b>	no	yes	no	no	no	no	no	no
<b>Microwave</b>	yes	yes	yes	yes	no	no	no	yes
<b>Oven</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Pull Cords</b>	no	yes	no	no	no	no	no	no
<b>Refrigerator</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Walk-In Closet</b>	yes	no	yes	no	yes	no	yes	yes
<b>Washer/Dryer hookup</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>								
<b>Business Center/Computer Lab</b>	yes	yes	yes	yes	yes	no	no	yes
<b>Car Wash</b>	no	no	no	no	no	no	yes	yes
<b>Clubhouse/Meeting Room/Community Room</b>	yes	yes	yes	yes	yes	no	no	yes
<b>Courtyard</b>	no	yes	no	no	yes	no	no	no
<b>Elevators</b>	yes	yes	no	no	yes	no	no	no
<b>Exercise Facility</b>	yes	yes	no	yes	yes	no	yes	yes
<b>Garage</b>	no	no	no	no	no	no	yes	yes
<b>Central Laundry</b>	yes	yes	yes	yes	yes	no	yes	no
<b>Off-Street Parking</b>	yes	yes	yes	yes	yes	yes	yes	yes
<b>On-Site Management</b>	yes	yes	yes	yes	yes	no	yes	yes
<b>Picnic Area</b>	yes	no	yes	yes	yes	yes	no	yes
<b>Playground</b>	no	yes	yes	yes	no	no	no	yes
<b>Recreation Areas</b>	no	yes	no	no	no	no	no	no
<b>Service Coordination</b>	no	no	yes	yes	no	no	no	no
<b>Swimming Pool</b>	no	no	yes	yes	no	no	yes	yes
<b>Tennis Court</b>	no	no	no	no	no	no	yes	no
<b>Garage Fee</b>	N/A	N/A	N/A	N/A	N/A	N/A	\$125.00	\$120.00
<b>Services</b>								
<b>Tutoring</b>	no	no	no	yes	no	no	no	no
<b>Security</b>								
<b>Limited Access</b>	no	yes	no	no	yes	no	no	yes
<b>Perimeter Fencing</b>	no	no	no	no	yes	no	yes	no
<b>Other Amenities</b>								
<b>Other</b>	Craft room, gazebo, library	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Subject will offer a business center/computer lab, clubhouse/meeting room, elevators, an exercise facility, a picnic area, craft room, gazebo, and library, which many of the comparables do not offer. However, the Subject will lack balcony/patios, a playground, service coordination, a swimming pool, limited access and perimeter fencing security features, 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 55+. Two of the LIHTC comparables, Autry Pines Senior Village and Mainstreet Braselton, target seniors. The remaining LIHTC comparables and all of the market-rate comparables target families.

## 6. Vacancy

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>						
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates	
Autry Pines Senior Village	LIHTC	Senior	64	1	1.6%	
Farmington Hills Phase I	LIHTC	Family	72	0	0.0%	
Farmington Hills Phase II	LIHTC	Family	72	0	0.0%	
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	80	0	0.0%	
The Meadows Apartments	Market	Family	24	0	0.0%	
Tree Park Apartments	Market	Family	456	11	2.4%	
Walden At Oakwood	Market	Family	<u>300</u>	<u>1</u>	<u>0.3%</u>	
<b>Total LIHTC</b>			<b>288</b>	<b>1</b>	<b>0.3%</b>	
<b>Total Market Rate</b>			<b>780</b>	<b>12</b>	<b>1.5%</b>	
<b>Overall Total</b>			<b>1,068</b>	<b>13</b>	<b>1.2%</b>	

Overall vacancy in the market is low at 1.2 percent. Total LIHTC vacancy is lower, at 0.3 percent. Autry Pines Senior Village is the only LIHTC comparable that reported any vacancy. Vacancy at this property is still considered low, as only one unit is currently vacant. The contact at Autry Pines Senior Village also reported a waiting list of one year in length. The remaining LIHTC properties are currently fully-occupied and all maintain waiting lists. The Subject has a majority of two-bedroom units, which is generally not the case for senior properties. However, within the competitive set, the two senior properties have a similar unit mix and are performing well at rents that support those proposed for the Subject.

The vacancy rates among the market-rate comparable properties range from zero to 2.4 percent, averaging 1.5 percent, which is considered low. Tree Park Apartments reports vacancy of 2.4 percent, which is still considered low. The remaining market-rate properties reported vacancy of 0.3 percent or less. One market-rate property, Walden at Oakwood, maintains a waiting list. The low vacancy rates among the LIHTC and market-rate comparable properties indicate that there is demand for rental housing in the Subject's PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less.

## 7. Properties Under Construction and Proposed

According to Georgia DCA allocation lists, there have been no new properties in the Subject's PMA awarded LIHTC funds since 2013. Additional research into multifamily development revealed no new multifamily market rate properties in the Subject's PMA.

## 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	Autry Pines Senior Village	LIHTC	Slightly Superior	Slightly Superior	Similar	Slightly Inferior	Similar	5
2	Farmington Hills Phase I	LIHTC	Superior	Superior	Similar	Inferior	Similar	10
3	Farmington Hills Phase II	LIHTC	Superior	Superior	Similar	Inferior	Superior	20
4	Mainstreet Braselton	LIHTC, Market, Non-Rental	Similar	Slightly Superior	Similar	Inferior	Slightly Superior	0
5	The Meadows Apartments	Market	Inferior	Similar	Similar	Inferior	Slightly Inferior	-25
6	Tree Park Apartments	Market	Similar	Slightly Superior	Similar	Inferior	Superior	5
7	Walden At Oakwood	Market	Superior	Superior	Similar	Inferior	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 table.

### LIHTC RENT COMPARISON - @50%

Property Name	1BR	2BR
Azalea Senior Apartments (Subject)	\$425	\$495
<b>2016 Jackson County LIHTC Maximum (Net)</b>	<b>\$494</b>	<b>\$588</b>
<b>2015 Barrow County Held Harmless Maximum (Net)</b>	<b>\$546</b>	<b>\$649</b>
<b>2012 Barrow County Held Harmless Maximum (Net)</b>	<b>\$556</b>	<b>\$662</b>
Autry Pines Senior Village*	\$370	\$390
Farmington Hills Phase I*	\$525	\$615
Farmington Hills Phase II*	\$525	\$615
Mainstreet Braselton	\$513	\$607
<b>Average (excluding Subject)</b>	<b>\$483</b>	<b>\$557</b>

\*Located outside of the PMA

**LIHTC RENT COMPARISON - @60%**

Property Name	1BR	2BR
Azalea Senior Apartments (Subject)	\$500	\$570
<b>2016 Jackson County LIHTC Maximum (Net)</b>	<b>\$611</b>	<b>\$729</b>
<b>2015 Barrow County LIHTC Maximum (Net)</b>	<b>\$674</b>	<b>\$803</b>
<b>2012 Barrow County Held Harmless Maximum (Net)</b>	<b>\$686</b>	<b>\$818</b>
Autry Pines Senior Village*	\$370	\$390
Farmington Hills Phase I*	\$640	\$750
Farmington Hills Phase II*	\$640	\$750
Mainstreet Braselton	\$613	\$707 - \$722
<b>Average (excluding Subject)</b>	<b>\$566</b>	<b>\$649</b>

\*Located outside of the PMA

All of the LIHTC comparable properties were built in 2015 or earlier and are located in Barrow County. These comparables are considered the best available as they are located in close proximity to Hoschton, which is located at the confluence of Jackson, Barrow, Hall, and Gwinnett counties. The AMI in Jackson and Barrow Counties has fluctuated in recent years. Therefore, the comparable properties are “held harmless” at the Barrow County LIHTC maximum allowable levels according to the construction date of the comparables. Autry Pines Senior Village, Farmington Hills Phase II, and Mainstreet Braselton were placed in service between 2014 and 2015 and are held harmless at the 2015 Barrow County Held Harmless maximum allowable levels. Farmington Hills Phase I was placed in service in 2012 and is held harmless at the 2012 Barrow County 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 of the comparable properties, Farmington Hills Phase I, Farmington Hills Phase II, and Mainstreet Braselton, report achieving rents at the LIHTC maximum allowable levels. However, their rents appear to be below the 2015 Barrow County maximum allowable levels. This is most likely due to differences in this property’s utility structure and allowance from the Subject’s proposed utility structure. These properties are maintaining low vacancy rates and are maintaining waiting lists.

Autry Pines Senior Village and Mainstreet Braselton are considered the most comparable LIHTC properties to Subject. Autry Pines Senior Village is similar to the Subject with respect to tenancy because it also targets senior tenants age 55 and older. Autry Pines Senior Village is located in Auburn, 7.8 miles from the Subject, and is considered similar in terms of location. This property was constructed in 2015 and exhibits good condition, which is considered slightly inferior to the anticipated condition of the Subject upon completion. Autry Pines Senior Village offers slightly superior in-unit amenities and superior property amenities in comparison to the Subject. This property offers balcony/patios, exterior storage, hand rails, pull cords, a courtyard, a playground, and recreation areas, which the Subject will lack. This property also offers limited access as a security feature, which the Subject will not offer. However, the Subject will have similar unit sizes to those at Autry Pines Senior Village. This property is achieving rents below the 2015 Barrow County LIHTC maximum allowable levels, where it is held harmless. The property manager at Autry Pines Senior Village stated that there is a substantial waiting list at the property and significant demand for affordable senior housing in the area. Additionally, Autry Pines Senior Village is achieving substantially lower rents than those found in the market. Thus, we believe this comparable is not testing the market. Therefore, we believe the Subject would be able to achieve rents above those offered at Autry Pines Senior Village.

Mainstreet Braselton is located 2.1 miles from the Subject site and offers a similar location. Like the Subject, Mainstreet Braselton targets senior tenants. This property was constructed in 2014 and exhibits good condition, which is considered slightly inferior to the anticipated condition of the Subject upon

completion. Mainstreet Braselton offers similar property amenities and slightly superior in-unit amenities, as it offers balcony/patios, exterior storage, garbage disposals, which the Subject will not offer. Main Street Braselton also has limited access and perimeter fencing as security features, which the Subject will not have. The Subject will offer slightly inferior unit sizes compared to those at Mainstreet Braselton. This property is achieving rents below the 2015 Barrow County LIHTC maximum allowable levels, where it is held harmless. Mainstreet Braselton reports no vacancy and maintains a waiting list of 25 households. Therefore, we believe the Subject’s proposed rents, which are below the current rent at this property, is reasonable.

Those properties that report achieving rents at the maximum allowable levels in the area report no vacancy and maintain waiting lists. The Subject’s proposed rents will offer a value in the market compared to the comparable LIHTC properties. As such, we believe the Subject’s 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%	\$425	\$370	\$1,210	\$754	77%
2 BR @ 50%	\$495	\$390	\$1,282	\$830	68%
1 BR @ 60%	\$500	\$370	\$1,210	\$844	69%
2 BR @ 60%	\$570	\$390	\$1,282	\$929	63%
2 BR Unrestricted	\$720	\$638	\$1,282	\$1,042	45%

As illustrated the Subject’s proposed 50 and 60 percent rents are within the range but well below the surveyed average when compared to the comparables, both LIHTC and market-rate. The Subject’s proposed rents are only above those achieved at Autry Pines, which, as discussed, are not testing the market. The Subject’s unrestricted rents are within the range of the market-rate comparables. Walden at Oakwood is achieving the highest unrestricted one-bedroom rents in the market, while Mainstreet Braselton is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be inferior to Walden at Oakwood as a market-rate property. Walden at Oakwood is located in Flowery Branch, 9.6 miles from the Subject, and offers a similar location. This property was constructed in 2009 and exhibits good condition, which is considered inferior to the anticipated condition of the Subject upon completion. However, Walden at

Oakwood offers superior amenities in comparison to the Subject, as it offers balcony/patios, a car wash, garage parking, a playground, and a swimming pool, which the Subject will lack. Walden at Oakwood also offers superior unit sizes in comparison the Subject. Walden at Oakwood’s lowest one-bedroom rents are approximately 43 percent higher than the Subject’s proposed unrestricted one-bedroom rents.

Mainstreet Braselton is achieving the highest unrestricted two-bedroom rents in the market. The Subject will be similar to Mainstreet Braselton as a market rate property. Mainstreet Braselton is located in Braselton 2.1 miles from the Subject and offers a similar location. Mainstreet Braselton was built in 2014 and exhibits good condition, which is considered inferior to the Subject’s anticipated condition upon completion. Mainstreet Braselton offers similar property amenities and slightly superior in-unit amenities in comparison to the Subject. It offers balcony/patios, exterior storage, and a courtyard, which the Subject lacks. It also offers limited access and perimeter fencing as security features, which the Subject will lack. Mainstreet Braselton offers slightly superior unit sizes in comparison to the Subject. The lowest two-bedroom rents at Mainstreet Braselton are approximately 78 percent higher than the Subject’s proposed unrestricted two-bedroom rents.

Overall, we believe that 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 moderate for all bedroom types and AMI levels. If allocated, the Subject will be slightly superior to superior to the existing LIHTC housing stock in terms of condition and competitive in terms of amenities. The average LIHTC vacancy rate is healthy at 0.3 percent. Of the four LIHTC properties, only one reports any vacant units. All of the LIHTC comparables report extensive waiting lists.

One property was allocated in 2013 and has been completed and placed in service. It is used as a comparable property in this study. Autry Pines Senior Village was placed in service in 2015 and experienced an absorption pace of 21 units per month. This property offers one- and two-bedroom units at 50 and 60 percent of the AMI to seniors aged 55 and older. Autry Pines Senior Village reports one vacant unit and a waiting list of one year. Given the low vacancy and waiting lists at the LIHTC comparables, it appears that there is demand for additional LIHTC housing in the market. 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 55+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	2,811	86.8%	429	13.2%
2017	10,214	87.9%	1,410	12.1%
Projected Mkt Entry July 2019	11,464	87.5%	1,631	12.5%
2021	12,715	87.3%	1,853	12.7%

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

As the table illustrates, senior households within the PMA reside in predominately 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 smaller percentage of senior renters in the PMA than the nation. The percentage of renter population is projected to grow moderately over the next five years. This growth along with the continuing rapid senior population growth bodes well for affordable senior housing in the area.

### Historical Vacancy

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

HISTORICAL VACANCY									
Comparable Property	Type	Total Units	1QTR 2015	2QTR 2015	1QTR 2016	3QTR 2016	4QTR 2016	1QTR 2017	2QTR 2017
Autry Pines Senior Village	Lowrise	64	N/A	N/A	N/A	0.0%	N/A	N/A	1.6%
Farmington Hills Phase I	Garden	72	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N/A
Farmington Hills Phase II	Garden	72	30.6%	0.0%	0.0%	0.0%	0.0%	0.0%	N/A
Mainstreet Braselton	Lowrise	80	N/A	N/A	N/A	0.0%	N/A	N/A	0.0%
The Meadows Apartments	Various	24	N/A	N/A	N/A	N/A	N/A	N/A	0.0%
Tree Park Apartments	Various	456	N/A	N/A	N/A	N/A	N/A	N/A	2.4%
Walden At Oakwood	Garden	300	N/A	N/A	N/A	N/A	N/A	N/A	0.3%
<b>Average</b>			<b>15.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.9%</b>

As illustrated in the table, we were able to obtain historical vacancy rates at several of the comparable properties for several quarters in the past two years. In general, the comparable properties experienced vacancy rates of 2.4 percent or less between 2015 and 2017. Farmington Hills Phase II reported high vacancy at 30.6 percent in the first quarter of 2015. The property was in its lease-up period at this time and was fully-occupied by the time of our next interview in the second quarter of 2015. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low 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
Autry Pines Senior Village	LIHTC, Market	Increased up to two percent
Farmington Hills Phase I	LIHTC	Kept at LIHTC maximum allowable levels
Farmington Hills Phase II	LIHTC	Kept at LIHTC maximum allowable levels
Mainstreet Braselton	LIHTC	Kept at LIHTC maximum allowable levels
Pine Bluff Apartments	LIHTC, Market, Non-Rental	Increased up to 10 percent
The Meadows Apartments	Market	Increased up to 15 percent
Tree Park Apartments	Market	Increased up to 15 percent
Walden At Oakwood	Market	Increased up to 15 percent

The LIHTC properties have reported growth of up to 10 percent in the past year. The market rate properties reported rent growth of up to 15 percent in some instances. The one mixed-income property reported rent increases of up to 10 percent. 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 1,706 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Hoschton is experiencing a foreclosure rate of one in every 1,931

homes, while Jackson County is experiencing foreclosure rate of one in every 1,830 homes and Georgia experienced one foreclosure in every 2,041 housing units. Overall, Hoschton is experiencing a lower foreclosure rate than the nation and the county as a whole, 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**

Autry Pines Senior Village, a recently constructed, age-restricted, LIHTC property in Auburn maintains a waiting list one year in length. Additionally, Mainstreet Braselton, another recently constructed, age-restricted LIHTC property in Braselton maintains a waiting list of 25 households. The family LIHTC properties Farmington Hills Phase I and Phase II report waiting lists six months in length. These waiting lists indicate demand for affordable housing in the market and for affordable senior housing in particular.

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

There are no proposed LIHTC developments in the PMA. Five of the comparable properties report extensive waiting lists, including the two senior LIHTC properties. We believe there is adequate demand for the addition of the Subject within the market. The vacancy rate among the existing LIHTC comparables is low at 0.3 percent. The current and historical vacancy rates at the majority of the LIHTC comparable properties, as well as the waiting lists several comparables, indicate unmet demand in the market for affordable housing.

## **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Additionally, the LIHTC properties report lengthy waiting lists. These factors indicate demand for affordable senior housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and inferior to superior property amenities. The Subject will offer a business center/computer lab, clubhouse/meeting room, elevators, exercise facility, central laundry facilities, on-site management, a picnic area, a library, a craft room, and a gazebo, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior 55+ LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the 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 inferior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition, strong senior population growth in the PMA, and the demand for affordable housing evidenced by waiting lists and low vacancy at 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 existing LIHTC properties that are in overall good condition and currently performing well. We believe that it will fill a void in the market and will perform well.

# **I. ABSORPTION AND STABILIZATION RATES**

**ABSORPTION AND STABILIZATION RATES**

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

<b>ABSORPTION</b>					
Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Autry Pines Senior Village	LIHTC	Senior	2015	64	21
Farmington Hills Phase II	LIHTC	Family	2014	72	14
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	2014	80	9
Farmington Hills Phase I	LIHTC	Family	2012	72	<u>10</u>
<b>Average</b>					<b>14</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The comparable properties report absorption paces between nine and 21 units per month, with an average absorption pace of 14 units per month. Autry Pines Senior Village and Mainstreet Braselton are most comparable to the Subject. These comparables present a range of 9 to 21 units per month absorption. As new construction, the Subject is likely to experience an absorption pace similar to the average pace of these comparables. At this pace the Subject would experience an absorption pace of 15 units per month for an absorption period of approximately four to five months.

# **J. INTERVIEWS**

**Georgia Department of Community Affairs**

We spoke to Anton Shaw, Director of Policy & Administration with the Georgia Department of Community Affairs. Mr. Shaw indicated that 14 Housing Choice Vouchers are in use in Jackson County. According to the Mr. Shaw, the waiting list for vouchers is currently closed. Currently, there are 19 applicants on the county’s wait list. The payment standards for Jackson County are listed below.

<b>PAYMENT STANDARDS</b>	
Unit Type	Standard
One-bedroom	\$549
Two-bedroom	\$700

Source: Georgia Department of Community Affairs, May 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**

We made several attempts to contact Ms. Gina Roy with the Planning Division of the Jackson County Public Development Department but were unable to reach her. According to Georgia DCA allocation lists, there have been no new properties in the Subject’s PMA awarded LIHTC funds since 2013. Additional research into multifamily development revealed no new multifamily market rate properties in the Subject’s PMA.

**Jackson County Area Chamber of Commerce**

We spoke to Melissa, with the Jackson County Area Chamber of Commerce. She directed us to the chamber’s website to obtain information regarding economic growth in the area. According to the chamber of commerce website, there have been several industrial developments that have moved to the area. Companies such as Hubbell, Inc., Amazon, and Williams-Sonoma have chosen to locate and expand in Jackson County. The chamber’s website indicated that Jackson County’s location and proximity to interstate 85 have made it a prime location for distribution centers.

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

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

From 2000 to 2010, the senior population in the PMA exhibited a rapid rate of annual growth, outpacing the SMA and the nation. Senior population growth slowed from 2010 to 2017, though continued to outpace the SMA and the nation. Senior population growth is expected to continue this growth pattern through market entry 2019 and 2021, increasing at a rate of 4.3 percent over this period. Senior population growth in the PMA will continue to exceed senior population growth in the SMA and the nation through 2021. Senior household growth in the PMA and the SMA is expected to continue outpacing the nation through market entry and 2021. The Subject's LIHTC units will target tenants earning between \$15,570 and \$30,120. Approximately 40 percent of senior renter households in the PMA are earning incomes between of less than \$30,000, which is comparable to the approximately 39 percent of renter households in the SMA in 2017. A significant portion of senior renter households are likely to income qualify to reside at one of the Subject's unit types, and the Subject should be well-positioned to service this market. Senior population growth and the large percentage of 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 the retail trade, manufacturing, healthcare/social assistance, and educational services industries which represent approximately 48 percent of total local employment. The manufacturing and retail trade industries are historically volatile during economic recession. However, industries such as healthcare/social assistance and educational services traditionally remain stable during economic downturns. There were four WARN notices issued in Jackson County between 2014 and 2017, which affected approximately 267 employees. Despite these job losses the county added more than 800 new jobs during the same period. Most of these new jobs are in the transportation/warehousing industry, such as Amazon's new fulfillment center announced in 2016.

Between 2003 and 2008, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2008. Total employment in the SMA has exhibited positive growth each year since 2010, surpassing its pre-recession peak in 2011. Additionally, the total employment growth in the SMA during the 12 month period preceding March 2017 was more than two times that of the nation over the same period. Historically, the SMA has reported a lower unemployment rate relative to the nation. As of March 2017, unemployment in the SMA was 70 basis points below the nation. Overall, employment growth and the declining unemployment rate indicate that the SMA has made a recovery from the most recent national recession. The growing local economy is a positive indicator of demand for affordable senior 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	\$15,570	\$21,950	8	40	0	40	20.2%	\$425
1BR at 60% AMI	\$17,820	\$26,340	2	42	0	42	4.7%	\$500
1BR Overall Affordable	\$15,570	\$26,340	10	54	0	54	18.4%	-
1 BR Overall Project	\$15,570	\$26,340	10	54	0	54	18.4%	-
2BR at 50% AMI	\$18,390	\$25,100	12	118	0	118	10.2%	\$495
2BR at 60% AMI	\$20,640	\$30,120	18	125	0	125	14.4%	\$570
2BR Unrestricted	\$21,600	\$62,700	25	329	0	329	7.6%	\$720
2BR Overall Affordable	\$18,390	\$30,120	30	161	0	161	18.6%	-
2 BR Overall Project	\$18,390	\$62,700	55	414	0	414	13.3%	-
50% AMI Overall	\$15,570	\$25,100	20	157	0	157	12.7%	-
60% AMI Overall	\$17,820	\$30,120	20	167	0	167	12.0%	-
Unrestricted Overall	\$21,600	\$62,700	25	329	0	329	7.6%	-
Overall Affordable	\$15,570	\$30,120	40	216	0	216	18.5%	-
Overall Project	\$15,570	\$62,700	65	731	0	731	8.9%	-

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. All capture rates are within Georgia DCA thresholds.

**Absorption**

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

**ABSORPTION**

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Autry Pines Senior Village	LIHTC	Senior	2015	64	21
Farmington Hills Phase II	LIHTC	Family	2014	72	14
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	2014	80	9
Farmington Hills Phase I	LIHTC	Family	2012	72	<u>10</u>
<b>Average</b>					<b>14</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The comparable properties report absorption paces between nine and 21 units per month, with an average absorption pace of 14 units per month. Autry Pines Senior Village and Mainstreet Braselton are most comparable to the Subject. These comparables present a range of 9 to 21 units per month absorption. As new construction, the Subject is likely to experience an absorption pace similar to the average pace of these comparables. At this pace the Subject would experience an absorption pace of 15 units per month for an absorption period of approximately four to 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
Autry Pines Senior Village	LIHTC	Senior	64	1	1.6%
Farmington Hills Phase I	LIHTC	Family	72	0	0.0%
Farmington Hills Phase II	LIHTC	Family	72	0	0.0%
Mainstreet Braselton	LIHTC, Market, Non-Rental	Senior	80	0	0.0%
The Meadows Apartments	Market	Family	24	0	0.0%
Tree Park Apartments	Market	Family	456	11	2.4%
Walden At Oakwood	Market	Family	300	1	0.3%
<b>Total LIHTC</b>			<b>288</b>	<b>1</b>	<b>0.3%</b>
<b>Total Market Rate</b>			<b>780</b>	<b>12</b>	<b>1.5%</b>
<b>Overall Total</b>			<b>1,068</b>	<b>13</b>	<b>1.2%</b>

Overall vacancy in the market is low at 1.2 percent. Total LIHTC vacancy is lower, at 0.3 percent. Autry Pines Senior Village is the only LIHTC comparable that reported any vacancy. Vacancy at this property is still considered low, as only one unit is currently vacant. The contact at Autry Pines Senior Village also reported a waiting list of one year in length. The remaining LIHTC properties are currently fully-occupied and all maintain waiting lists.

The vacancy rates among the market-rate comparable properties range from zero to 2.4 percent, averaging 1.5 percent, which is considered low. Tree Park Apartments reports vacancy of 2.4 percent, which is still considered low. The remaining market-rate properties reported vacancy of 0.3 percent or less. One market-rate property, Walden at Oakwood, maintains a waiting list. The low vacancy rates among the LIHTC and market-rate comparable properties indicate that there is demand for rental housing in the Subject’s PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less.

**Strengths of the Subject**

Strengths of the Subject will include its proximity to neighborhood retail and amenities. Single family homes in the general vicinity appear to have been built since 1970 and are in average to good condition. Upon completion, the Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and inferior to superior property amenities. As the demand analysis found in this report indicates, there is adequate demand for the Subject based on our calculations.

**Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Additionally, the LIHTC properties report lengthy waiting lists. These factors indicate demand for affordable senior housing. The Subject will offer generally similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and inferior to superior property amenities. The Subject will offer a business center/computer lab, clubhouse/meeting room, elevators, exercise facility, central laundry facilities, on-site management, a picnic area, a library, a craft room, and a gazebo, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior 55+ LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to the 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 inferior to superior to the comparable properties. Given the Subject’s anticipated superior condition relative to the competition, strong senior population growth in the PMA, and the demand for affordable housing evidenced by waiting lists and low vacancy at 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 existing LIHTC properties that are in overall good condition and currently performing well. We believe that it will fill a void in the market 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.



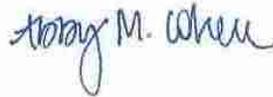
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# **M. MARKET STUDY REPRESENTATION**

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.



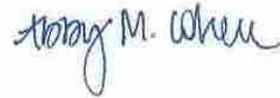
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**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **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



Subject site



Subject site



House of worship adjacent to the Subject site



View south on Jefferson Avenue



Power lines adjacent to the Subject site



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



House of worship in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



West Jackson Villas multifamily property in the Subject's neighborhood (not used as a comparable)



Healthcare in the Subject's neighborhood



School 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

## ABBY M. COHEN

### I. Education

The Pennsylvania State University, University Park, PA  
Bachelor of Arts

### II. Licensing and Professional Affiliation

Certified General Appraiser, MD License #40032823  
Certified General Appraiser, NC License #A8127  
Certified General Appraiser, NJ License #42RG00255000  
Certified General Appraiser, SC License #7487

Candidate for Designation in the Appraisal Institute  
Designated Member of the National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

### III. Professional Experience

Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

### IV. Professional Training

7-Hour National USPAP Update, January 2017  
Business Practices and Ethics, January 2017  
General Appraiser Report Writing and Case Studies, February 2015  
General Appraiser Sales Comparison Approach, February 2015  
General Appraiser Site Valuation and Cost Approach, February 2015  
Expert Witness for Commercial Appraisers, January 2015  
Commercial Appraisal Review, January 2015  
Real Estate Finance Statistics and Valuation Modeling, December 2014  
General Appraiser Income Approach Part II, December 2014  
General Appraiser Income Approach Part I, November 2014  
General Appraiser Market Analysis and Highest & Best Use, November 2014  
IRS Valuation Summit, October 2014  
15-Hour National USPAP Equivalent, April 2013  
Basic Appraisal Procedures, March 2013  
Basic Appraisal Principles, January 2013

### V. Publications

Co-authored "Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions," Novogradac Journal of Tax Credits, March 2016

## VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

**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	Azalea Senior Apartments Jefferson Avenue Hoschton, GA 30548 Jackson County	n/a	Garden (3 stories) Proposed	LIHTC, Market	1BR / 1BA	8	12.3%	@50%	\$425	750	no		N/A	N/A
					1BR / 1BA	2	3.1%	@60%	\$500	750	no		N/A	N/A
					2BR / 1BA	12	18.5%	@50%	\$495	880	no		N/A	N/A
					2BR / 1BA	18	27.7%	@60%	\$570	880	no		N/A	N/A
					2BR / 1BA	25	38.5%	Market	\$720	880	n/a		N/A	N/A
					65	100.0%						N/A	N/A	
1	Autry Pines Senior Village 155 Autry Road Auburn, GA 30011 Barrow County	7.8 miles	Lowrise (age-restricted) (2 stories) 2015	LIHTC	1BR / 1BA	7	10.9%	@50%	\$370	760	no	Yes	1	14.3%
					1BR / 1BA	1	1.6%	@60%	\$370	760	no	Yes	0	0.0%
					2BR / 2BA	6	9.4%	@50%	\$390	1,060	no	Yes	0	0.0%
					2BR / 2BA	50	78.1%	@60%	\$390	1,060	no	Yes	0	0.0%
						64	100.0%							
2	Farmington Hills Phase I 1506 Farmington Way Winder, GA 30680 Barrow County	8.2 miles	Garden (2 stories) 2012	LIHTC	1BR / 1BA	3	4.2%	@50%	\$525	740	yes	Yes	0	0.0%
					1BR / 1BA	9	12.5%	@60%	\$640	740	yes	Yes	0	0.0%
					2BR / 2BA	4	5.6%	@50%	\$615	1,150	yes	Yes	0	0.0%
					2BR / 2BA	31	43.1%	@60%	\$750	1,150	yes	Yes	0	0.0%
					3BR / 2BA	4	5.6%	@50%	\$685	1,250	yes	Yes	0	0.0%
					3BR / 2BA	21	29.2%	@60%	\$840	1,250	yes	Yes	0	0.0%
	72	100.0%									0	0.0%		
3	Farmington Hills Phase II 807 Haymon Morris Road Winder, GA 30680 Barrow County	10.4 miles	Garden (2 stories) 2014	LIHTC	1BR / 1BA	4	5.0%	@50%	\$525	878	yes	Yes	0	0.0%
					1BR / 1BA	8	11.1%	@60%	\$640	878	yes	Yes	0	0.0%
					2BR / 2BA	4	5.6%	@50%	\$615	1,143	yes	Yes	0	0.0%
					2BR / 2BA	32	44.4%	@60%	\$750	1,143	yes	Yes	0	0.0%
					3BR / 2BA	3	4.2%	@50%	\$675	1,328	yes	Yes	0	0.0%
					3BR / 2BA	21	29.2%	@60%	\$840	1,328	yes	Yes	0	0.0%
	72	100.0%									0	0.0%		
4	Mainstreet Braselton 1018 Beaver Dam Road Braselton, GA 30548 Barrow County	2.1 miles	Lowrise (age-restricted) 2014	LIHTC, Market, Non- Rental	1BR / 1BA	4	5.0%	@50%	\$513	752	yes	Yes	0	0.0%
					1BR / 1BA	18	22.5%	@60%	\$613	752	yes	Yes	0	0.0%
					1BR / 1BA	2	2.5%	Market	\$963	752	n/a	Yes	0	0.0%
					2BR / 2BA	6	7.5%	@50%	\$607	1,014	yes	Yes	0	0.0%
					2BR / 2BA	4	5.0%	@50%	\$607	1,061	yes	Yes	0	0.0%
					2BR / 2BA	21	26.2%	@60%	\$722	1,014	yes	Yes	0	0.0%
					2BR / 2BA	14	17.5%	@60%	\$707	1,061	yes	Yes	0	0.0%
					2BR / 2BA	4	5.0%	Market	\$1,282	1,014	n/a	No	0	0.0%
					2BR / 2BA	6	7.5%	Market	\$1,232	1,061	n/a	No	0	0.0%
					2BR / 2BA	1	1.3%	Non-Rental	\$0	1,014	n/a	No	0	0.0%
						80	100.0%							
5	The Meadows Apartments 335 West Broad Street Hoschton, GA 30548 Jackson County	0.2 miles	Various (2 stories) 1985	Market	2BR / 1BA (Garden)	N/A	N/A	Market	\$638	800	n/a	No	0	N/A
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$713	940	n/a	No	0	N/A
					3BR / 2BA (Garden)	N/A	N/A	Market	\$765	1,000	n/a	No	0	N/A
						24	100.0%							
6	Tree Park Apartments 130 Tree Park Circle Flowery Branch, GA 30542 Hall County	10.8 miles	Various 2006	Market	1BR / 1BA (Duplex)	6	1.3%	Market	\$938	800	n/a	No	0	0.0%
					1BR / 1BA (Garden)	N/A	N/A	Market	\$908	780	n/a	No	0	N/A
					1BR / 1BA (Garden)	N/A	N/A	Market	\$989	840	n/a	No	3	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$1,000	1,260	n/a	No	5	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$1,102	1,393	n/a	No	1	N/A
					3BR / 2BA (Garden)	N/A	N/A	Market	\$1,379	1,419	n/a	No	2	N/A
					3BR / 2BA (Townhouse)	6	1.3%	Market	\$1,683	1,861	n/a	No	0	0.0%
						456	100.0%							
7	Walden At Oakwood 4000 Walden Way Flowery Branch, GA 30542 Hall County	9.6 miles	Garden (3 stories) 2009	Market	1BR / 1BA	N/A	N/A	Market	\$1,210	943	n/a	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$930	751	n/a	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$950	792	n/a	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$975	871	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,185	1,268	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,180	1,160	n/a	Yes	1	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,290	1,287	n/a	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,345	1,396	n/a	Yes	0	N/A
	300	100.0%								1	0.3%			