



REAL PROPERTY **RESEARCH** GROUP

WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

Abbington at Linwood Apartments

LaFayette, Walker County, Georgia

Prepared for:

Rea Ventures Group, LLC

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1. EXECUTIVE SUMMARY

Rea Ventures Group, LLC has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for Abbington at Linwood, a proposed scattered-site rental community in LaFayette, Georgia. As proposed, Abbington at Linwood will be financed in part with Low Income Housing Tax Credits (LIHTC) from the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA’s 2017 market study requirements.

1. Project Description

- Abbington at Linwood will be located on three separate sites in northwestern LaFayette, Georgia. The southern site comprises an area on both sides of North Chattanooga Street near the southern terminus of Probasco Street, the central site is on the west side of Probasco Street south of its intersection with Adams Street, and the northern site is between Probasco Street and North Steele Street south of Bradley Avenue. All three sites are along a one-half mile stretch of Probasco Street and within one mile northwest of downtown LaFayette.
- Abbington at Linwood will comprise 60 general occupancy rental units including 13 LIHTC units targeting householders earning up to 50 percent of the Area Median Income (AMI) and 47 LIHTC units targeting households earning up to 60 percent AMI. One additional non-revenue two-bedroom unit will be designated for the property manager.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below. The rents shown will include trash removal.

Unit Mix/Rents								
Type	Bed	Bath	Income Target	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
Gar	1	1	50%	2	811	\$480	\$94	\$574
Gar	1	1	50%	4	761	\$480	\$94	\$574
Gar	1	1	60%	15	761	\$560	\$94	\$654
1 BR Total/Avg.				21	766	\$537		
Gar	2	2	50%	1	1,047	\$570	\$118	\$688
Gar	2	2	50%	3	1,033	\$570	\$118	\$688
Gar	2	2	60%	24	1,033	\$666	\$118	\$784
2 BR Total/Avg.				28	1,034	\$652		
Gar	3	2	50%	2	1,140	\$646	\$149	\$795
Gar	3	2	60%	5	1,140	\$757	\$149	\$906
TH	3	2.5	50%	1	1,276	\$646	\$149	\$795
TH	3	2.5	60%	3	1,276	\$757	\$149	\$906
3 BR Total/Avg.				11	1,189	\$727		
Gar	2	2	Mgr.	1	1,047	N/A	N/A	N/A
Total Rental Units				60				

Rents include trash removal

Source: Rea Ventures Group, LLC



- In-unit features offered at the subject property will include a range, refrigerator, dishwasher, garbage disposal, microwave, ceiling fans, and washer and dryer connections. These unit features are superior to those offered at all communities inside the market area. Abbington at Linwood will be the only community in the market area to offer a dishwasher and microwave and the new construction will offer more modern finishes when compared to the much older rental housing stock in the market area.
- Abbington at Linwood's community amenity package will include a clubhouse with community room, fitness center, computer center, laundry facilities, and an attached health clinic with a health screening room that will be free for residents of the subject property. Outdoor amenities will include a playground, gazebo, and community garden. These proposed amenities are far superior to those offered at all surveyed communities inside the market area.

The health clinic with health screening room (Community Service Facility) will be attached to the clubhouse and will be staffed by third-party medical professionals; services will be free to residents of the subject property and will be offered to other low-income residents in the LaFayette area for a fee. The facility will primarily serve low to moderate income residents of the LaFayette area. The health clinic will be beneficial and well received by the target market, which includes households earning up to 60 percent of AMI.

2. Site Description / Evaluation:

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has ample access to amenities, services, employers, and transportation arteries.

- Abbington at Linwood will be a scattered-site rental community with three locations along a one-half mile stretch of Probasco Street in LaFayette, Georgia. All sites are within one mile northwest of downtown LaFayette.
- LaFayette is primarily residential with commercial uses common along US-27 Bus including a concentration in downtown. Land uses surrounding the site include primarily older modest value single-family detached homes. Additional land uses in close proximity to the sites include LaFayette Housing Authority rental units, industrial uses along Probasco Street, places of worship, and South Walker Head Start school.
- Community services, grocery stores, pharmacies, banks, convenience stores, shopping, and medical facilities are within one mile of the site with a concentration in or near downtown.
- This site's crime risk is comparable to all of Lafayette and the location of the most comparable rental communities. Furthermore, the crime risk in LaFayette is comparable to the crime risk of most municipalities in the region. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.
- Abbington at Linwood will have visibility from multiple residential streets and will have several access points as it is split between three sites.

3. Market Area Definition

The Abbington Market Area consists of the census tracts in the southern half of Walker County including the city of LaFayette and the unincorporated census county division of Rock Spring to the northeast. The areas included in the Abbington Market Area are those most comparable to LaFayette and the area surrounding the subject sites and renters in this market area would likely consider the subject property a suitable place to live. Outside of LaFayette



and Rock Spring which are the two most populated areas in Walker County, the market area is largely rural. The market area is bounded by county lines to the south, east, and west and does not extend further north to include Chickamauga and Rossville given distance and a transition from primarily rural areas of the county to exurban/suburban areas in closer proximity to Chattanooga. Given the large size of the census tracts in the southern portion of the county, the market area is geographically large; however, the rural portions of the market area contain limited development and few renter households, thus, demand estimates are not inflated by the inclusion of these areas. The boundaries of Abbingtion Market Area and their approximate distance from the subject sites are Catoosa County/State Highway 136 (8.4 miles to the north), Whitfield County (13.5 miles to the east), Chattooga County (8.4 miles to the south), and Dade County/Alabama (11.0 miles to the west).

4. Community Demographic Data

- The Abbingtion Market Area grew steadily during the previous decade and modest growth continued over the past seven years. The market's area population and household base are projected to remain relatively unchanged over the next two years.
 - The market area added 449 people (1.7 percent) and 167 households (1.6 percent) per year between the 2000 and 2010 census counts. Growth continued at a modest pace from 2010 to 2017 with 0.1 percent annual population growth and 0.2 percent annual household growth.
 - Esri projects the market area's population and household base to remain relatively unchanged from 2017 to 2019 with the net addition of 17 people and seven households over the next two years.
- Working age households (age 25 to 54) account for the majority (55.7 percent) of all renters in the market area and 36.0 percent of renters are age 55 and older.
- Multi-person households accounted for roughly three-quarters (75.8 percent) of all market area households including 42.3 percent without children and one-third (33.5 percent) with children. Single-person households comprise approximately 24 percent of market area households.
- The Abbingtion Market Area's 2010 renter percentage was 25.2 compared to 26.0 percent in Walker County. The market area's renter percentage is estimated to have increased to 28.6 percent in 2017 and is projected to increase slightly to 28.7 percent by 2019; a shift from owners to renters occurred over the past seven years with the net addition of 419 renter households and loss of 300 owner households from 2010 to 2017.
- Roughly 58 percent of market area renter households contained one or two people including one-third with one person. Households with three or four people accounted for 32.3 percent of renter households and large households (5+ people) accounted for 10.2 percent of renter households.
- The 2017 median household income in the Abbingtion Market Area is \$43,024 which is \$2,466 or 6.1 percent higher than the \$40,558 median in Walker County. RPRG estimates that the median income of renter households in the Abbingtion Market Area is a modest \$23,260. Over half (53.2 percent) of market area renter households earn less than \$25,000 including 34.7 percent earning less than \$15,000. Approximately 26 percent of market area renters earn \$25,000 to \$49,000.



- We do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property's ability to lease its units given its affordable nature and minimal foreclosure activity in the region.

5. Economic Data:

Walker County's economy is trending upward with recent job growth and a declining unemployment rate. Recently, the county has added over 500 jobs since 2015 and the unemployment rate has dropped to a nine-year low in 2016.

- Walker County's unemployment rate has decreased in each of the past seven years to a nine-year low of 5.6 percent in 2016 which is slightly higher than the state rate (5.4 percent).
- Walker County lost jobs in 11 of 15 years from 2000 to 2015 including significant losses during the recession for a net loss of 2,879 jobs or 18.7 percent. The county has shown recent stabilization and growth with the addition of 134 jobs in 2015 and 396 more jobs through the third quarter of 2016.
- Manufacturing is the largest employment sector in Walker County, accounting for 33.8 percent of all jobs in 2016 (Q3) compared to 8.7 percent of national employment; ten of the county's 14 largest employers are manufacturers. Government accounts for 26.3 percent of the county's jobs and no other individual sector accounts for more than 12.7 percent of the county's jobs. All employment sectors in the county with the exception of Manufacturing and Government account for smaller proportions of jobs when compared to the nation.
- Five employment sectors added jobs from 2011 to 2016 Q3 in Walker County including its largest sector (Manufacturing) with net growth of 12.3 percent; the remaining sectors that added jobs grew by 6.7 to 39.1 percent. Six sectors lost jobs during this period including a 2.1 percent loss of jobs in the second largest sector in the county (Government).

6. Project Specific Affordability and Demand Analysis:

- Abbingtion at Linwood will contain 60 general occupancy rental units including 21 one-bedroom units, 28 two-bedroom units, and 11 three-bedroom units. Thirteen LIHTC units will target households earning up to 50 percent of the AMI and 47 units will target households earning up to 60 percent of the AMI.
- The 50 percent units will target renter householders earning between \$19,680 and \$33,050. The 13 proposed units at 50 percent AMI would need to capture 1.9 percent of the 694 income-qualified renter households in order to lease-up.
- The 60 percent units will target renter householders earning between \$22,423 and \$39,660. The 47 proposed units at 60 percent AMI would need to capture 6.4 percent of the 730 income-qualified renter households in order to lease-up.
- The overall affordability capture rate for the project is 6.7 percent.
- Based on DCA methodology, total net demand for all 60 proposed units in the Abbingtion Market Area is 343 households, resulting in a capture rate of 17.5 percent. Capture rates by income level are 4.9 percent for the 50 percent units and 16.7 percent for the 60 percent AMI units. Capture rates by bedroom type within each AMI market segment range from 5.9 percent to 37.7 percent and the capture rates by floor plan are 12.0 percent for all one-bedroom units, 21.2 percent for all two-bedroom units, and 14.6 percent for all three-bedroom units. DCA's threshold for capture rate by bedroom type within each AMI market segment is 70 percent.



- All affordability renter capture rates are acceptable and DCA demand capture rates are below DCA thresholds and indicate sufficient demand in the market area to support the proposed Abbingtion at Linwood.

7. Competitive Rental Analysis

RPRG surveyed five deeply subsidized communities in the market area including one LIHTC community. The market area's rental market is performing very well with limited vacancies. We surveyed five market rate communities outside the market area in Dalton to illustrate market rate rents achieved in the region as no market rate units were identified in the market area.

- The five communities in the market area reported two vacancies among a combined 232 units; four of five surveyed communities had a waiting list.
- Among the surveyed rental communities outside the market area, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** units averaged 711 square feet and \$652 per month for a rent per square foot of \$0.92.
 - **Two-bedroom** units averaged 967 square feet and \$766 per month for a rent per square foot of \$0.79.
 - **Three-bedroom** units at Legacy at Dalton were \$899 for a 1,300 square foot units resulting in a rent per square foot of \$0.69.
- The "average market rent" was \$648 for one-bedroom units, \$749 for two-bedroom units, and \$881 for three-bedroom units. The proposed 50 percent AMI rents are at least 23 percent below these average market rents and the proposed 60 percent AMI rents are all at least 11 percent below average market rent. The project's overall weighted average market advantage is 15.2 percent.
- No multi-family rental communities were identified as planned, approved, or under construction in the market area.

8. Absorption/Stabilization Estimates

- Based on the superior product to be constructed, the number of income-qualified renter households in the market area, demand estimates, and the lack of affordable rental options without deep subsidies, we expect Abbingtion at Linwood to lease-up at a rate of 10 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within five to six months.

Given no directly comparable rental communities exist or are planned in the Abbingtion Market Area (all existing general occupancy communities in the market area are deeply subsidized), we do not expect Abbingtion at Linwood to have a negative impact on existing or pipeline rental communities in the Abbingtion Market Area including those with tax credits. Furthermore, demand estimates indicate more than sufficient demand to support the subject property.

9. Overall Conclusion / Recommendation

Based on acceptable affordability and demand capture rates and the limited rental market without deep subsidies in the market area, sufficient demand exists to support the proposed units at Abbingtion at Linwood. As such, RPRG believes that the proposed Abbingtion at Linwood will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Abbingtion Market Area and the units will be well received by the target market.



We believe the market area can support the subject property and we recommend proceeding with the project as planned.

DCA Summary Table:

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$19,680 - \$33,050		21.5%										
One Bedroom Units	\$19,680 - \$24,000	6	7.9%	98		98	0	98	6.1%	3 months	\$648	\$545-\$815	\$480
Two Bedroom Units	\$24,001 - \$27,500	4	5.5%	68		68	0	68	5.9%	3 months	\$749	\$640-\$990	\$570
Three Bedroom Units	\$27,501 - \$33,050	3	8.1%	101	42.5%	43	0	43	7.0%	3 months	\$881	\$863-\$899	\$646
60% Units	\$22,423 - \$39,660		22.6%										
One Bedroom Units	\$22,423 - \$28,000	15	9.1%	113		113	0	113	13.3%	4 months	\$648	\$545-\$815	\$560
Two Bedroom Units	\$28,001 - \$31,500	24	5.1%	64		64	0	64	37.7%	5-6 months	\$749	\$640-\$990	\$666
Three Bedroom Units	\$31,501 - \$39,660	8	8.4%	104	42.5%	44	0	44	18.1%	4 months	\$881	\$863-\$899	\$757
By Bedroom													
One Bedroom Units	\$19,680 - \$28,000	21	14.1%	175		175	0	175	12.0%	4 months			
Two Bedroom Units	\$24,001 - \$31,500	28	10.6%	132		132	0	132	21.2%	5-6 months			
Three Bedroom Units	\$27,501 - \$39,660	11	14.3%	177	42.5%	75	0	75	14.6%	4 months			
Project Total	\$19,680 - \$39,660		27.7%										
50% Units	\$19,680 - \$33,050	13		267			0	267	4.9%	3 months			
60% Units	\$22,423 - \$39,660	47		281			0	281	16.7%	5-6 months			
Total Units	\$19,680 - \$39,660	60		343			0	343	17.5%	5-6 months			

Total demand by income level is the sum of demand by bedroom*

SUMMARY TABLE:	
Development Name:	Abbington at Linwood Total # Units: 60
Location:	Scattered, LaFayette, Walker County, GA # LIHTC Units: 60
PMA Boundary:	North: Catoosa County/State Highway 136, East: Whitfield County, South: Chattooga County, West: Dade County/Alabama
	Farthest Boundary Distance to Subject: 13.5 miles

RENTAL HOUSING STOCK – (found on pages 10, 44-45, 48)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	5	232	2	99.1%
Market-Rate Housing				
Assisted/Subsidized Housing not to include LIHTC	4	212	2	99.1%
LIHTC	1	20	0	100.0%
Stabilized Comps	5	232	2	99.1%
Properties in construction & lease up				

Only surveyed communities inside the market area are included above

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1	1	811	\$480	\$648	\$0.80	25.9%	\$830	\$1.11
4	1	1	761	\$480	\$648	\$0.85	25.9%	\$830	\$1.11
15	1	1	761	\$560	\$648	\$0.85	13.6%	\$830	\$1.11
1	2	2	1,047	\$570	\$749	\$0.72	23.9%	\$1,100	\$1.04
3	2	2	1,033	\$570	\$749	\$0.73	23.9%	\$1,100	\$1.04
24	2	2	1,033	\$666	\$749	\$0.73	11.0%	\$1,100	\$1.04
2	3	2	1,140	\$646	\$881	\$0.77	26.7%	\$924	\$0.71
5	3	2	1,140	\$757	\$881	\$0.77	14.1%	\$924	\$0.71
1	3	2.5	1,276	\$646	\$881	\$0.69	26.7%	\$924	\$0.71
3	3	2.5	1,276	\$757	\$881	\$0.69	14.1%	\$924	\$0.71
1	2	2	1,047	Manager					

DEMOGRAPHIC DATA (found on pages 26, 38)						
	2012		2017		2019	
Renter Households	3,194	28.5%	3,217	28.6%	3,226	28.7%
Income-Qualified Renter HHs (LIHTC)	868	27.2%	883	27.4%	892	27.7%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 40)				
Type of Demand	50%	60%		Overall
Renter Household Growth	1	1		1
Existing Households (Overburd + Substand)	266	280		343
Homeowner Conversion (Seniors)				
Secondary Market Demand (10%)				
Total Primary Market Demand	267	281		343
Less Comparable/Competitive Supply	0	0		0
Adjusted Income-qualified Renter HHs	267	281		343

CAPTURE RATES (found on page 40)				
Targeted Population	50%	60%		Overall
Capture Rate	4.9%	16.7%		17.5%

2. INTRODUCTION

A. Overview of Subject

The subject of this report is Abbingtion at Linwood, a proposed scattered-site multi-family rental community in LaFayette, Walker County, Georgia. Abbingtion at Linwood will be newly constructed and financed in part with Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). Abbingtion at Linwood will comprise 60 LIHTC rental units reserved for households earning up to 50 percent or 60 percent of the Area Median Income (AMI), adjusted for household size. The subject property will also include one non-revenue unit designated for the property manager.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis.

C. Format of Report

The report format is comprehensive and conforms to DCA's 2017 Market Study Manual. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Rea Ventures Group, LLC (Developer). Along with the Client, the Intended Users are DCA, potential lenders, and investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2017 Market Study Manual and Qualified Allocation Plan (QAP).
- The National Council of Housing Market Analysts' (NCHMA) Recommended Model Content.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 5 for a detailed list of DCA requirements as well as the corresponding pages of requirements within the report.
- Brett Welborn (Analyst) conducted a site visit on May 16, 2017.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Kristy Parker with the Walker County Planning Office, Phil Jeffers with the City of LaFayette, and staff with the Housing Authority of the City of LaFayette.
- The market study utilizes 2016 HUD Median Income Limits per DCA's Qualified Allocation Plan (QAP).



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.



3. PROJECT DESCRIPTION

A. Project Overview

Abbingtion at Linwood will be a scattered-site rental community with three separate locations generally along Probasco Street in northwestern LaFayette, Georgia. The subject property will comprise 60 general occupancy LIHTC rental units with 13 units targeting householders earning up to 50 percent of the Area Median Income (AMI) and 47 units targeting households earning up to 60 percent AMI. One additional non-revenue unit will be designated for the property manager.

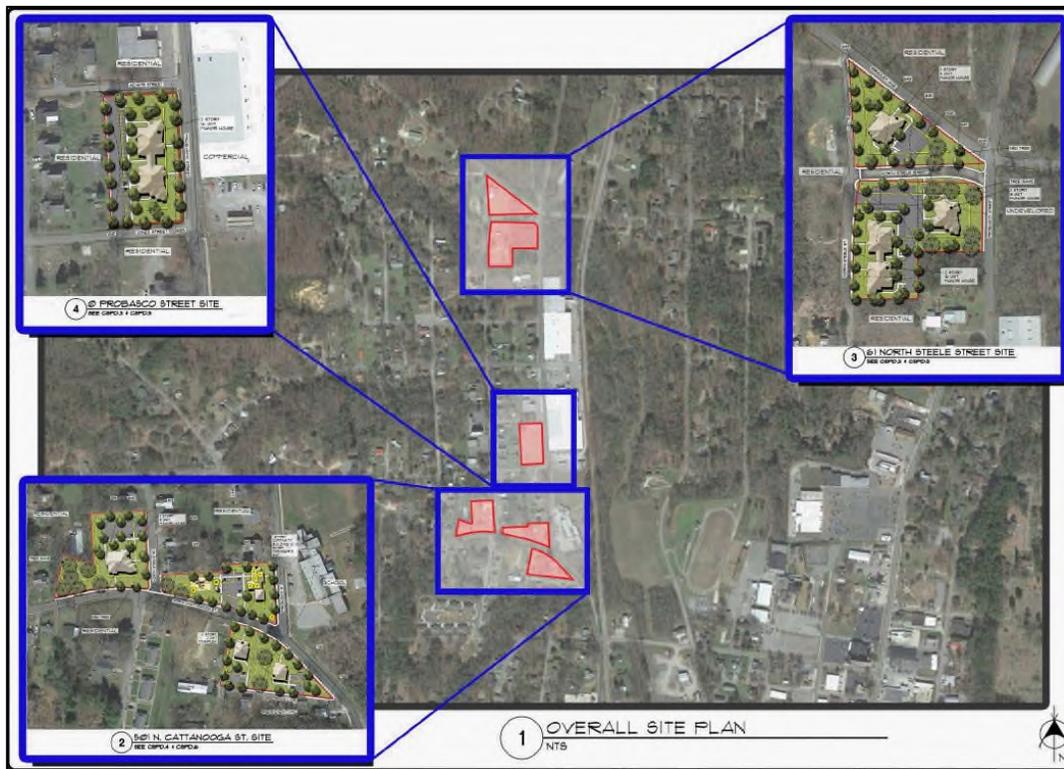
B. Project Type and Target Market

Abbingtion at Linwood will target low to moderate income renter households. The proposed unit mix of one, two, and three-bedroom units will target a wide range of household types including singles, couples, roommates, and families with children.

C. Building Types and Placement

Abbingtion at Linwood will include five two-story walk-up manor home buildings, including one building on the southern site, one building on the central site, and three buildings on the northern site, containing 56 rental units; two two-story townhouse buildings will contain four units on the eastern portion of the southern site (Figure 1). A single-story clubhouse, attached health clinic, and community amenities will be in the central portion of the southern site. Parking will be adjacent to each residential building and the clubhouse.

Figure 1 Site Plan



Source: Rea Ventures Group, LLC



D. Detailed Project Description

1. Project Description

- Abbington at Linwood will offer 21 one-bedroom units, 28 two-bedroom units, and 11 three-bedroom units.
- Thirteen units will target households earning up to 50 percent AMI and 47 units will target households earning up to 60 percent AMI.
- One additional non-revenue two-bedroom unit will be designated for the property manager.
- One-bedroom units will have one bathroom with 761 or 811 gross heated square feet; the weighted average unit size is 766 square feet.
- Two-bedroom units will have two bathrooms with 1,033 or 1,047 gross heated square feet; the weighted average unit size is 1,034 square feet.
- Three-bedroom garden-style units will have two bathrooms and 1,140 gross heated square feet and the three-bedroom townhomes will have 2.5 bathrooms and 1,276 gross heated square feet; the weighted average unit size is 1,189 square feet (Table 1).
- The proposed rents will include the cost of trash removal. Tenants will bear the cost of all other utilities.
- Proposed unit features and community amenities are detailed in Table 2.

Table 1 Detailed Unit Mix and Rents, Abbington at Linwood

Unit Mix/Rents								
Type	Bed	Bath	Income Target	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
Gar	1	1	50%	2	811	\$480	\$94	\$574
Gar	1	1	50%	4	761	\$480	\$94	\$574
Gar	1	1	60%	15	761	\$560	\$94	\$654
1 BR Total/Avg.				21	766	\$537		
Gar	2	2	50%	1	1,047	\$570	\$118	\$688
Gar	2	2	50%	3	1,033	\$570	\$118	\$688
Gar	2	2	60%	24	1,033	\$666	\$118	\$784
2 BR Total/Avg.				28	1,034	\$652		
Gar	3	2	50%	2	1,140	\$646	\$149	\$795
Gar	3	2	60%	5	1,140	\$757	\$149	\$906
TH	3	2.5	50%	1	1,276	\$646	\$149	\$795
TH	3	2.5	60%	3	1,276	\$757	\$149	\$906
3 BR Total/Avg.				11	1,189	\$727		
Gar	2	2	Mgr.	1	1,047	N/A	N/A	N/A
Total Rental Units				60				

Rents include trash removal

Source: Rea Ventures Group, LLC



Table 2 Unit Features and Community Amenities

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Kitchens with a refrigerator, stove, dishwasher, garbage disposal, and microwave. • Washer and dryer connections. • Ceiling fans. • Central heating and air-conditioning. • Window blinds. 	<ul style="list-style-type: none"> • Clubhouse and attached health clinic with health screening room. • Community room. • Fitness center. • Computer center. • Gazebo. • Playground. • Community garden. • Laundry facilities.

Source: Rea Ventures Group, LLC

2. Other Proposed Uses

None.

3. Proposed Timing of Development

Abbingtion at Linwood is expected to begin construction in 2018 and will have first move-ins and be completed in 2019. The subject property’s anticipated placed-in-service year is 2019 for the purposes of this report.



4. SITE EVALUATION

A. Site Analysis

1. Site Location

Abbingtion at Linwood will be located on three separate sites in northwestern LaFayette, Georgia. The southern site comprises an area on both sides of North Chattanooga Street near the southern terminus of Probasco Street, the central site is on the west side of Probasco Street south of its intersection with Adams Street, and the northern site is between Probasco Street and North Steele Street south of Bradley Avenue. All three sites are along a one-half mile stretch of Probasco Street and within one mile northwest of downtown LaFayette (Map 1).

Map 1 Site Locations



2. Existing Uses

Northern site: grassy with mature trees and a shed in the northern corner of the site.

Central site: grassy with several mature trees and no existing structures.

Southern site: grassy with mature trees and overgrowth with one single-family detached home (Figure 2).

All existing structures will be demolished prior to development.

3. Size, Shape, and Topography

The three sites comprise roughly 6.3 total acres, are generally flat with some rolling topography, and are irregularly shaped.

Figure 2 Views of Subject Sites



Southern site (northwest corner of the intersection of N Chattanooga Street and N Steele Street).



Central site facing west from Probasco Street.



Southern site facing west from N Chattanooga Street.



Northern site facing west from Probasco Street.



Southern site facing south from N Chattanooga Street..

4. General Description of Land Uses Surrounding the Subject Sites

The subject sites are all within one mile northwest of downtown LaFayette, Walker County, Georgia. The immediate area includes primarily older modest value single-family detached homes in a range of conditions (well-maintained to homes in disrepair). Additional surrounding land uses in the immediate area include LaFayette Housing Authority rental units, several industrial uses along Probasco Street, places of worship, and South Walker Head Start school. (Figure 3).

Figure 3 Satellite Image of Subject Sites



5. Land Uses Surrounding the Subject Sites

Typical land uses surrounding the subject sites generally include (Figure 4):

- **North:** Undeveloped land and single-family detached homes.
- **East:** Industrial uses and South Walker Head Start school.
- **South:** Single-family detached homes and LaFayette Housing Authority apartments.
- **West:** Places of worship and single-family detached homes.



Industry to the east on Probasco Street.

Figure 4 Views of Surrounding Land Uses



South Walker Head Start to the east on Probasco Street.



LaFayette Housing Authority apartments to the south.



Single-family detached home on N Steele Street near the southern site.



Single-family detached home to the west on Bradley Avenue.



B. Neighborhood Analysis

1. General Description of Neighborhood

The subject sites are in Lafayette which is a small rural city in northwestern Georgia roughly 22 miles south of Chattanooga and the Tennessee state line. Lafayette is in southern Walker County and is the county seat. The subject sites are northwest of Lafayette's downtown district which includes the city's densest commercial development including retailers, restaurants, and service providers. The city is primarily residential including generally modest to moderate value single-family detached homes and affordable multi-family rental communities. Residential development generally extends two miles from downtown with most development west of U.S. Highway 27. Commercial uses are concentrated in the downtown district and along U.S. Highway 24 Business (Main Street) to the south and east of the sites. An industrial center including the county's largest employer (Roper Corporation) is on the southern periphery of LaFayette roughly two miles south of the sites. Land uses quickly become rural outside of the city limits.

2. Neighborhood Planning Activities

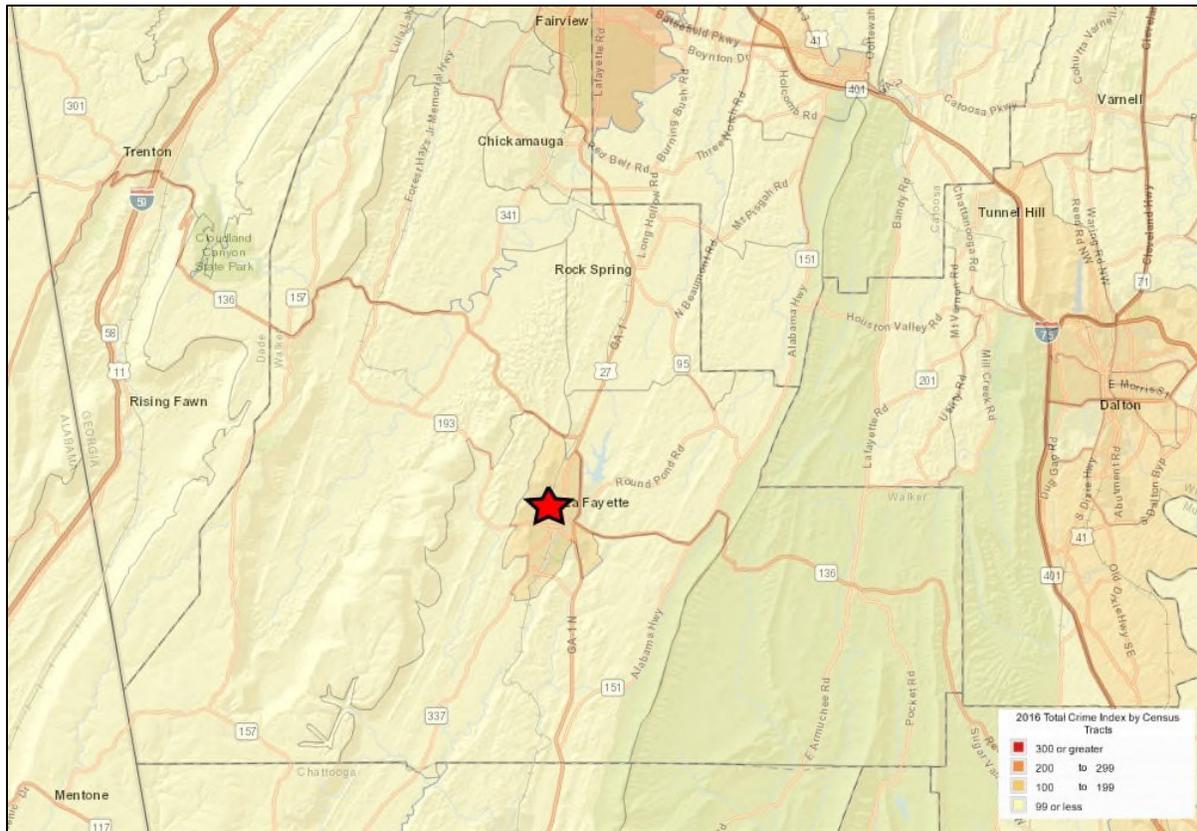
RPRG did not identify any recent significant development activity in LaFayette.

3. Public Safety

CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

The 2016 CrimeRisk Index for the census tracts in the general vicinity of the subject site is displayed in graduations from yellow (least risk) to red (most risk) (Map 2). The subject site's census tract is light orange (100 to 199) which represents a crime risk slightly above the national average (100). This crime risk is comparable to all of Lafayette and the location of the most comparable rental communities. Furthermore, the crime risk in LaFayette is comparable to the crime risk of most municipalities in the region. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Map 2 Crime Index Map



C. Site Visibility and Accessibility

1. Visibility

Abbington at Linwood will have visibility from several residential streets including North Chattanooga Street, Probasco Street, and Bradley Avenue, all of which have light traffic.

2. Vehicular Access

The northern site will be accessible via two entrances on North Steele Street, the central site will be accessible via entrances on Adams Street and Jones Street, and the southern site will be accessible via four entrances on Prince Lane, North Chattanooga Street, and North Steele Street. Problems with accessibility are not expected as all of these roads have light residential traffic.

3. Availability of Public Transit

Public fixed-route bus transportation is not available in LaFayette. Demand-response public transportation is provided to Walker County residents by Walker County Transit Monday through Friday between 6 a.m. and 5 p.m.

4. Availability of Inter-Regional Transit

The sites are within roughly one mile of U.S. Highway 27 and State Highway 193 and within several miles of State Highway 136. U.S. Highway 27 is the city’s primary north-south thoroughfare connecting LaFayette to Chattanooga roughly 22 miles to the north and Rome approximately 40 miles

to the south. State Highways 136 and 193 run east to west and connect LaFayette to Interstate 59 roughly 26 miles the northwest and Interstate 75 approximately 25 miles to the east in Dalton. These interstates provide access to the southeastern United States including Birmingham and Atlanta.

Chattanooga Airport is roughly 27 miles north of the site.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. We did not identify any significant improvements as underway or planned near the subject site.

Transit and Other Improvements under Construction and/or Planned

None.

6. Environmental Concerns

RPRG did not identify any visible environmental site concerns.

D. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part on its proximity to those facilities and services required daily. Key facilities and services and their driving distances from the subject property's central site are listed in Table 3 and their locations are plotted on Map 3.

Table 3 Key Facilities and Services

Establishment	Type	Address	City	Driving Distance
Consistent Care Family Practice	Doctor/Medical	204 S Chattanooga St.	LaFayette	0.5 mile
Shop Rite	Grocery	321 W Patton St.	LaFayette	0.5 mile
MediThrift Pharmacy	Pharmacy	324 W Patten St.	LaFayette	0.5 mile
Kangaroo Express	Convenience Store	400 W Main St.	LaFayette	0.6 mile
Fred's Store	General Retail	307 W Patten St.	LaFayette	0.6 mile
Cohutta Banking Company (Synovus)	Bank	201 W Patten St.	LaFayette	0.7 mile
Bank of Lafayette	Bank	101 W Patton St.	LaFayette	0.8 mile
LaFayette Fire Department	Fire	104 Wardlaw St. E	LaFayette	0.8 mile
Dollar General	General Retail	311 N Main St.	LaFayette	0.8 mile
Food City	Grocery	311 N Main St.	LaFayette	0.8 mile
Walker County Sheriff Department	Police	105 S Duke St.	LaFayette	0.8 mile
LaFayette Family Practice	Doctor/Medical	611 N Main St.	LaFayette	0.9 mile
Chevron	Convenience Store	800 N Main St.	LaFayette	1 mile
LaFayette-Walker County Public Library	Library	305 S Duke St.	LaFayette	1 mile
CVS	Pharmacy	807 N Main St.	LaFayette	1 mile
North LaFayette Elementary School	Public School	610 N Duke St.	LaFayette	1 mile
US Post Office	Post Office	220 Foster Blvd.	LaFayette	1.9 miles
LaFayette Middle School	Public School	419 Roadrunner Blvd.	LaFayette	2 miles
LaFayette High School	Public School	5178 Round Pond Rd.	LaFayette	2.1 miles
Walmart	General Retail	2625 No. Hwy 27	LaFayette	2.9 miles
Cornerstone Medical Center	Hospital	100 Gross Crescent	Fort Ogelthorpe	18.3 miles

Source: Field and Internet Research, RPRG, Inc.



2. Essential Services

Health Care

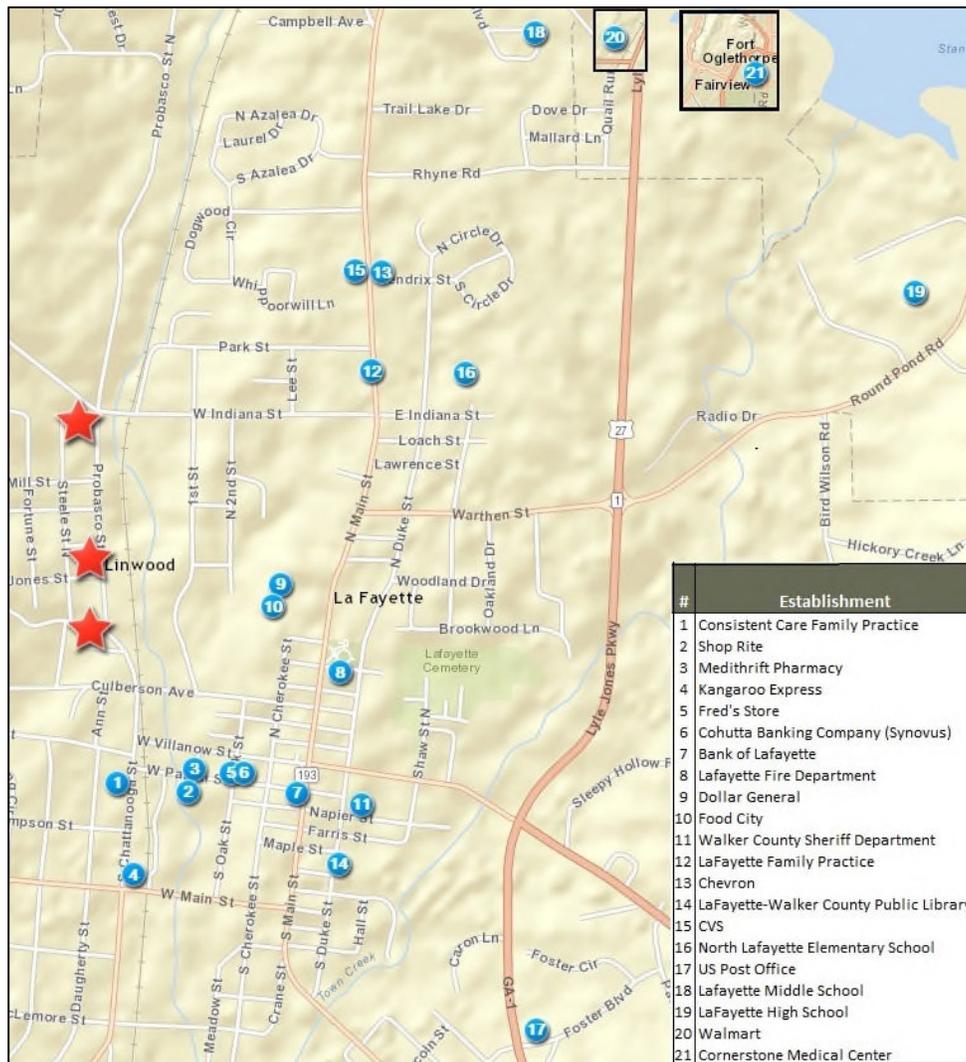
Cornerstone Medical Center in Fort Oglethorpe is the closest hospital to the site roughly 18 miles to the north via U.S. Highway 27. This medical center offers services including emergency medicine, radiology, laboratory, and general medical care.

Several medical clinics are within one mile of the site including the closest (Consistent Care Family Practice) within one-half mile of the site.

Education

Walker County Schools District comprises 16 total schools and serves roughly 9,500 students. School age children residing at Abbingtion at Linwood will attend North LaFayette Elementary (1.0 mile), LaFayette Middle (2.0 miles), and LaFayette High (2.1 miles).

Map 3 Location of Key Facilities and Services





3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

Abbingtion at Linwood will be within one mile of pharmacies (Medithrift and CVS), banks (Synovus and Bank of LaFayette), grocery stores (Shop Rite and Food City), and convenience stores (Kangaroo Express and Chevron), most of which are in or near downtown to the southeast.

Shoppers Goods

The term “comparison goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop.

Fred’s Store and Dollar General are within one mile of the sites on W Patten Street and N Main Street, respectively. Walmart Supercenter is roughly three miles north of the sites on the west side of U.S. Highway 27. LaFayette does not offer a regional shopping mall; the closest mall is Walnut Square Mall in Dalton roughly 29 miles east of the site. The mall is anchored by Belk and Sears and offers many smaller retailers, a movie theater, and food court.

4. Location of Low Income Housing

A list and map of existing low-income housing in the Abbingtion Market Area are provided in the Existing Low Income Rental Housing section of this report, starting on page 49.

E. Site Conclusion

The subject sites area in a residential neighborhood in LaFayette and is in close proximity to community amenities and services and traffic arteries. The sites are considered comparable to existing multi-family rental communities in the market area and are appropriate for the proposed development of Abbingtion at Linwood.



5. MARKET AREA

A. Introduction

The primary market area, referred to as the Abbingtion Market Area for the purposes of this report, is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Abbingtion Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Abbingtion Market Area consists of the census tracts in the southern half of Walker County including the city of LaFayette and the unincorporated census county division of Rock Spring to the northeast (Map 4). The areas included in the Abbingtion Market Area are those most comparable to LaFayette and the area surrounding the subject sites and renters in this market area would likely consider the subject property a suitable place to live. Outside of LaFayette and Rock Spring which are the two most populated areas in Walker County, the market area is largely rural. The market area is bounded by county lines to the south, east, and west and does not extend further north to include Chickamauga and Rossville given distance and a transition from primarily rural areas of the county to exurban/suburban areas in closer proximity to Chattanooga. Given the large size of the census tracts in the southern portion of the county, the market area is geographically large; however, the rural portions of the market area contain limited development and few renter households, thus, demand estimates are not inflated by the inclusion of these areas.

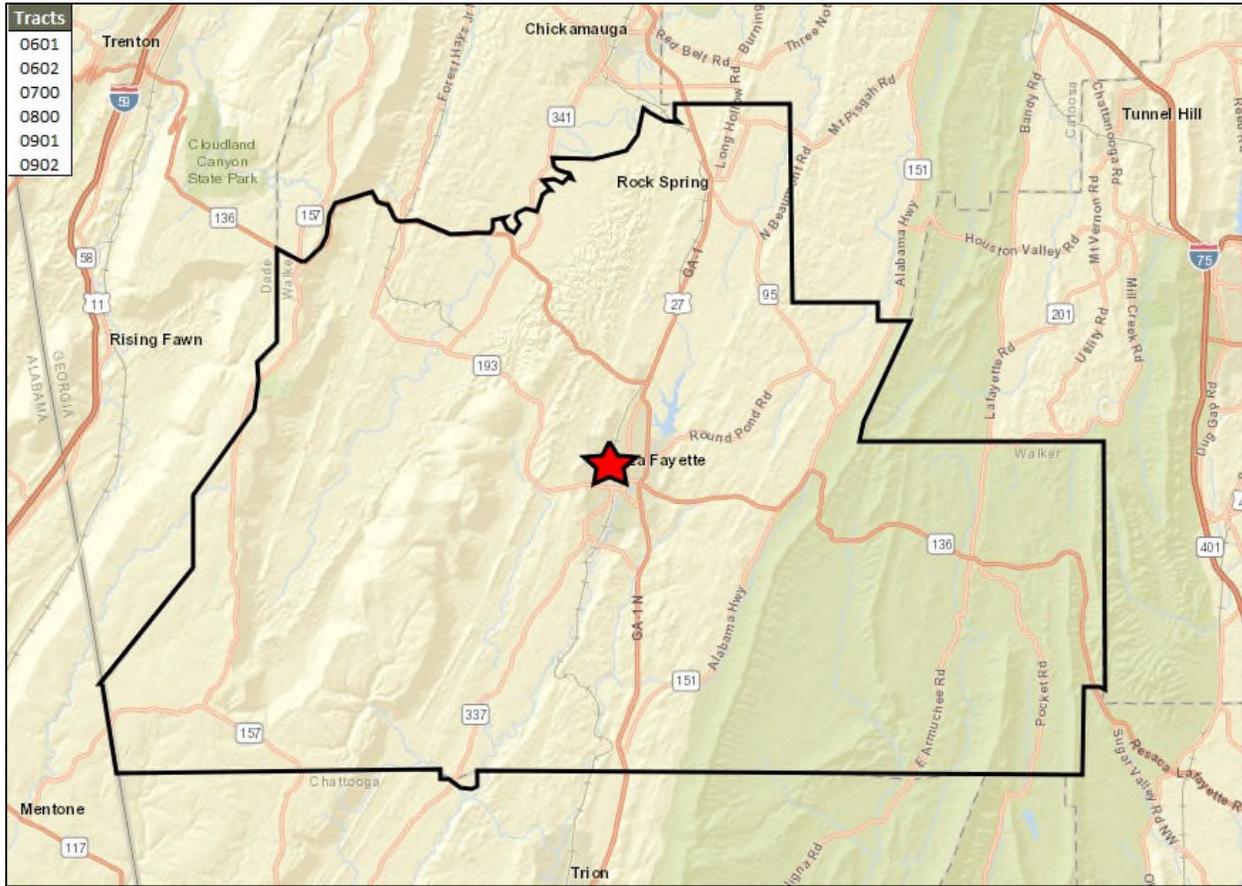
The boundaries of the Abbingtion Market Area and their approximate distance from the subject site are:

- North:** Catoosa County / State Highway 136 (8.4 miles)
- East:** Whitfield County (13.5 miles)
- South:** Chattooga County (8.4 miles)
- West:** Dade County / Alabama (11.0 miles)

As appropriate for this analysis, the Abbingtion Market Area is compared to Walker County, which is considered the secondary market area. Demand estimates are based only on the Abbingtion Market Area.



Map 4 Abbingdon Market Area



6. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Abbingtion Market Area and Walker County using U.S. Census data and data from Esri, a national data vendor that prepares small area estimates and projections of population and households. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

B. Trends in Population and Households

1. Recent Past Trends

The Abbingtion Market Area grew steadily during the previous decade with the addition of 449 people (1.7 percent) and 167 households (1.6 percent) per year between 2000 and 2010 Census counts (Table 4). Growth in the Abbingtion Market Area is estimated to have slowed over the past seven years with the addition of 36 people (0.1 people) and 17 households (0.2 percent) per year from 2010 to 2017.

Growth rates were slower in Walker County during the previous decade with annual growth of 770 people (1.2 percent) and 289 households (1.2 percent) from 2000 to 2010. Walker County's population and household base was relatively unchanged over the past seven years with a net loss of 11 people and net growth of 15 households from 2010 to 2017.

2. Projected Trends

Esri projects the market area's population and household base to remain relatively unchanged from 2017 to 2019 with the net addition of 17 people and seven households. The Abbingtion Market Area is expected to include 29,720 people and 11,249 households by 2019.

In contrast, Walker County is expected to lose 43 people (0.1 percent) and 16 households (0.1 percent) per year over the next two years.

The average household size in the Abbingtion Market Area of 2.54 persons per household in 2017 is expected to remain unchanged through 2019 (Table 5).

3. Building Permit Trends

RPRG examines building permit trends to help determine if the housing supply is meeting demand, as measured by new households. Permitted units in Walker County steadily increased from 334 in 2000 to a peak of 522 in 2004 before decreasing in each of the next six years to 75 permitted units in 2010. An average of 363 new housing units were permitted annually in Walker County from 2000 to 2009 compared to annual growth of 289 households in the county between 2000 and 2010 census counts (Table 6). This small disparity in household growth relative to units permitted illustrates that the county was in relative balance in the previous decade especially given these figures do not take the replacement of existing housing units into account. Permit activity has been relatively steady since 2010 with a low of 51 permitted units in 2012 and recent highs of 144 permitted units in 2013 and 2016.

Ninety-one percent of all residential permits issued in Walker County were for single-family detached homes. Multi-family structures (5+ units) accounted for four percent of units permitted and buildings with 2-4 units accounted for five percent of permitted units. Eighty units in multi-family structures with five or more units were permitted in the county since 2003 including none in the past three years.



Table 4 Population and Household Projections

Population	Walker County					Count	Abbingdon Market Area			
	Count	Total Change		Annual Change			Total Change	Annual Change		
		#	%	#	%			#	%	
2000	61,053					24,963				
2010	68,756	7,703	12.6%	770	1.2%	29,450	4,487	18.0%	449	1.7%
2017	68,745	-11	0.0%	-2	0.0%	29,703	253	0.9%	36	0.1%
2019	68,660	-85	-0.1%	-43	-0.1%	29,720	17	0.1%	8	0.0%

Households	Walker County					Count	Abbingdon Market Area			
	Count	Total Change		Annual Change			Total Change	Annual Change		
		#	%	#	%			#	%	
2000	23,605					9,457				
2010	26,497	2,892	12.3%	289	1.2%	11,123	1,666	17.6%	167	1.6%
2017	26,512	15	0.1%	2	0.0%	11,242	119	1.1%	17	0.2%
2019	26,479	-33	-0.1%	-16	-0.1%	11,249	7	0.1%	4	0.0%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

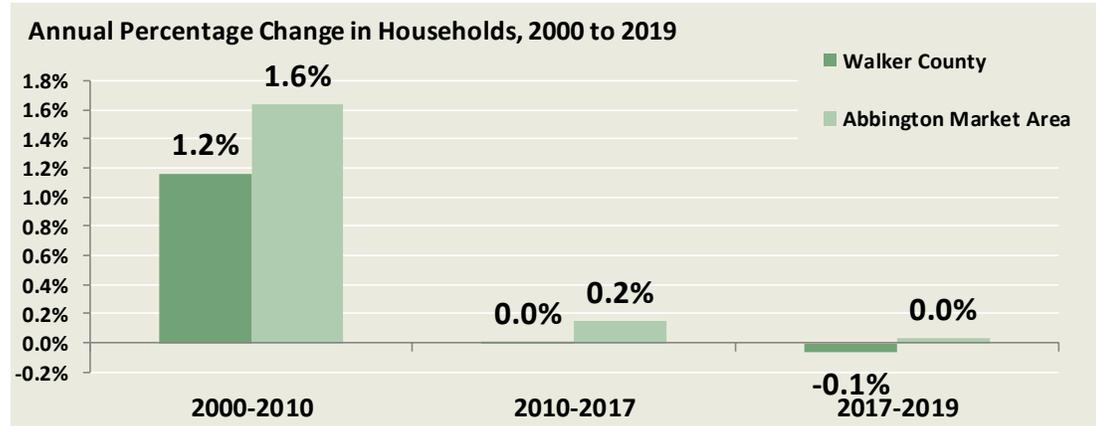


Table 5 Persons per Household, Abbingdon Market Area

Persons per HH, Abbingdon Market Area			
Year	2010	2017	2019
Population	29,450	29,703	29,720
Group Quarters	1,118	1,118	1,118
Households	11,123	11,242	11,249
Households Size	2.55	2.54	2.54

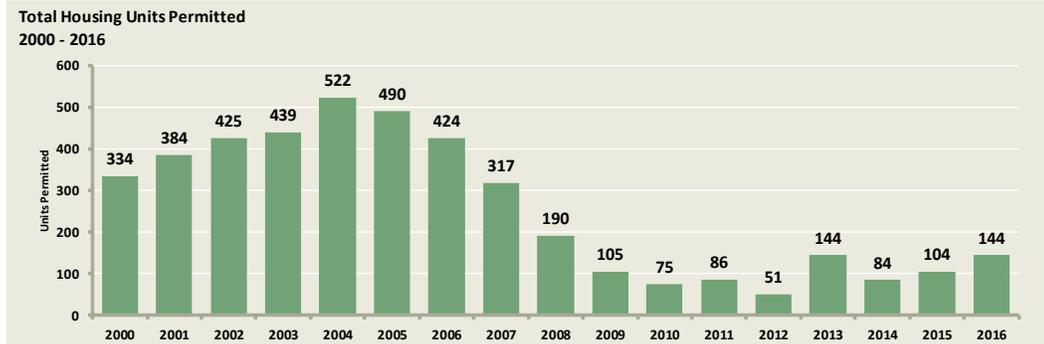
Source: Census, Esri, RPRG



Table 6 Building Permits by Structure Type, Walker County

Walker County																	2000-2016	Annual Average	
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016			
Single Family	294	308	331	415	512	490	406	275	176	97	69	80	51	99	84	100	142	3,929	231
Two Family	22	40	28	10	6	0	18	2	4	2	0	0	0	2	0	0	2	136	8
3 - 4 Family	12	22	8	8	4	0	0	0	10	6	6	6	0	3	0	4	0	89	5
5+ Family	6	14	58	6	0	0	0	40	0	0	0	0	40	0	0	0	0	164	10
Total	334	384	425	439	522	490	424	317	190	105	75	86	51	144	84	104	144	4,318	254

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

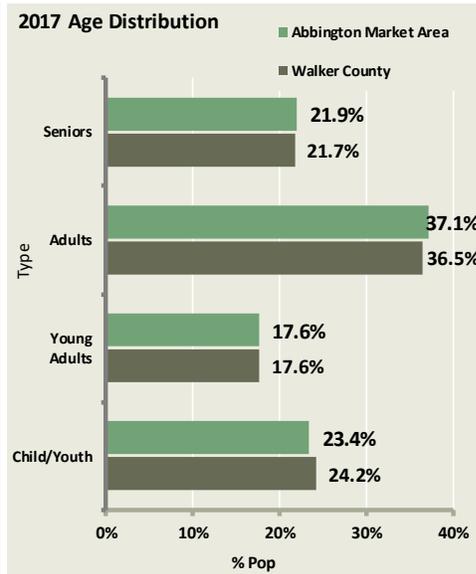
1. Age Distribution and Household Type

Both the Abbingtion Market Area and Walker County have relatively old populations with an older market area median age of 41 compared to 40 in Walker County (Table 7). Adults age 35 to 61 account for 37.1 percent of the Abbingtion Market Area’s population and roughly 23 percent are Children/Youth under 20 years old. A significant percentage (21.9 percent) of the market area’s population are Seniors age 62 and older and 17.6 percent are Young Adults age 20 to 34. The Abbingtion Market Area contains a slightly larger proportion of people over 35 years old when compared to Walker County (59.0 percent versus 58.2 percent).

Table 7 2017 Age Distribution

2017 Age Distribution	Walker County		Abbingtion Market Area	
	#	%	#	%
Children/Youth	16,633	24.2%	6,946	23.4%
Under 5 years	3,974	5.8%	1,617	5.4%
5-9 years	4,153	6.0%	1,705	5.7%
10-14 years	4,373	6.4%	1,828	6.2%
15-19 years	4,133	6.0%	1,796	6.0%
Young Adults	12,132	17.6%	5,219	17.6%
20-24 years	3,847	5.6%	1,680	5.7%
25-34 years	8,285	12.1%	3,539	11.9%
Adults	25,070	36.5%	11,019	37.1%
35-44 years	9,016	13.1%	3,934	13.2%
45-54 years	9,415	13.7%	4,138	13.9%
55-61 years	6,638	9.7%	2,948	9.9%
Seniors	14,910	21.7%	6,519	21.9%
62-64 years	2,845	4.1%	1,263	4.3%
65-74 years	7,259	10.6%	3,281	11.0%
75-84 years	3,551	5.2%	1,480	5.0%
85 and older	1,255	1.8%	494	1.7%
TOTAL	68,745	100%	29,703	100%
Median Age	40		41	

Source: Esri; RPRG, Inc.

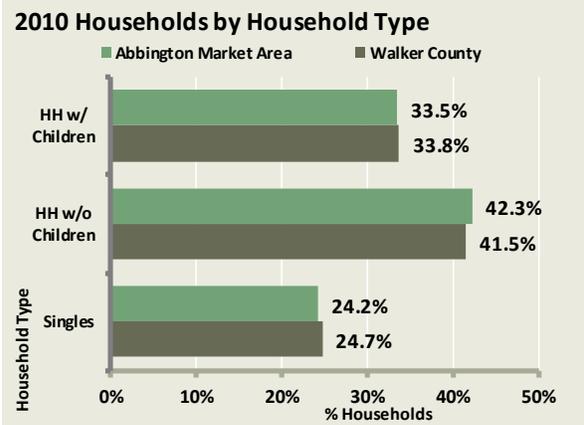




The Abbingtion Market Area had a significant proportion of multi-person households as of the 2010 Census including those without children which accounted for 42.3 percent of market area households (Table 8). Roughly one-third (33.5 percent) of households in the market area had children and single-person households accounted for roughly 24.2 percent of households. Walker County had a similar household composition with a slightly larger percentage of households with children and single-person households.

Table 8 2010 Households by Household Type

2010 Households by Household Type	Walker County		Abbingtion Market Area	
	#	%	#	%
Married w/Children	5,945	22.4%	2,520	22.7%
Other w/ Children	2,998	11.3%	1,207	10.9%
Households w/ Children	8,943	33.8%	3,727	33.5%
Married w/o Children	8,128	30.7%	3,561	32.0%
Other Family w/o Children	1,912	7.2%	764	6.9%
Non-Family w/o Children	966	3.6%	376	3.4%
Households w/o Children	11,006	41.5%	4,701	42.3%
Singles	6,548	24.7%	2,695	24.2%
Total	26,497	100%	11,123	100%



Source: 2010 Census; RPRG, Inc.

2. Renter Household Characteristics

The Abbingtion Market Area and Walker County are primarily owner markets with 2010 renter percentages of 25.2 percent in the market area and 26.0 percent in the county (Table 9). The Abbingtion Market Area added 694 total renter households in the previous decade which accounted for 41.7 percent of net household growth. The market area’s renter percentage is estimated to have increased significantly to 28.6 percent in 2017 as a result of a shift from ownership to renters in the market area with the net addition of 419 renters and net loss of 300 owner households from 2010 to 2017. The renter percentage in the Abbingtion Market Area is expected to increase further to 28.7 percent in 2019.

Table 9 Households by Tenure

Walker County	2000		2010		Change 2000-2010		2017		Change 2010-2017		2019		Change 2017-2019	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Housing Units														
Owner Occupied	18,163	76.9%	19,610	74.0%	1,447	50.0%	18,610	70.2%	-1,000		18,575	70.2%	-34	
Renter Occupied	5,442	23.1%	6,887	26.0%	1,445	50.0%	7,902	29.8%	1,015		7,903	29.8%	2	
Total Occupied	23,605	100%	26,497	100%	2,892	100%	26,512	100%	15	100%	26,479	100%	-33	100%
Total Vacant	1,972		3,603				4,037				4,425			
TOTAL UNITS	25,577		30,100				30,548				30,904			

Abbingtion Market Area	2000		2010		Change 2000-2010		2017		Change 2010-2017		2019		Change 2017-2019	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Housing Units														
Owner Occupied	7,353	77.8%	8,325	74.8%	972	58.3%	8,025	71.4%	-300		8,023	71.3%	-2	
Renter Occupied	2,104	22.2%	2,798	25.2%	694	41.7%	3,217	28.6%	419		3,226	28.7%	9	
Total Occupied	9,457	100%	11,123	100%	1,666	100%	11,242	100%	119	100%	11,249	100%	7	100%
Total Vacant	776		1,552				1,675				1,788			
TOTAL UNITS	10,233		12,675				12,916				13,037			

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

Renter households represent a wide range of ages in the Abbingtion Market Area with working age households (age 25 to 54) forming the core of market area renters at 55.7 percent (Table 10). Over

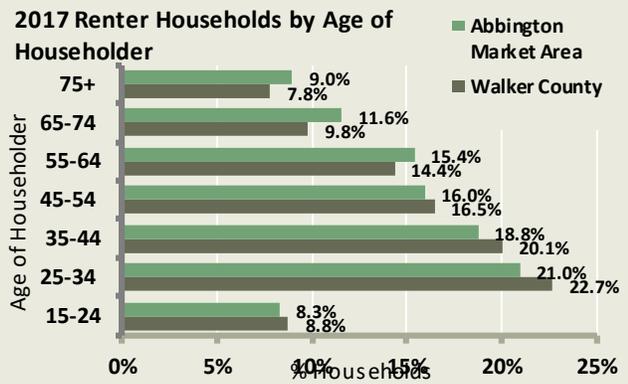


one-third (36.0 percent) of market area renters are older adults and seniors age 55 and older and 8.3 percent are under 25 years old. Renter households in Walker County are younger with a higher percentage of renter households under 54 years old (68.0 percent versus 64.0 percent).

Table 10 Renter Households by Age of Householder

Renter Households	Walker County		Abbingtion Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	693	8.8%	266	8.3%
25-34 years	1,795	22.7%	675	21.0%
35-44 years	1,586	20.1%	604	18.8%
45-54 years	1,303	16.5%	514	16.0%
55-64 years	1,136	14.4%	496	15.4%
65-74 years	773	9.8%	373	11.6%
75+ years	616	7.8%	289	9.0%
Total	7,902	100%	3,217	100%

Source: Esri, Real Property Research Group, Inc.

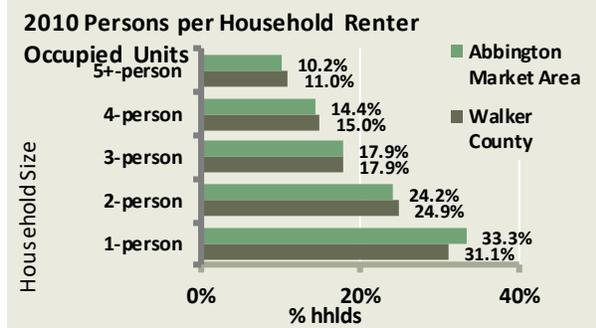


Roughly 58 percent of all renter households in the Abbingtion Market Area contained one or two people including one-third with one person as of the 2010 Census (Table 11). Nearly one-third (32.3 percent) of market area renter households had three or four people and 10.2 percent were large households with five or more people. Walker County had higher percentages of renter households with two or four or more people and a lower percentage of single-person renter households.

Table 11 Renter Households by Household Size

Renter Occupied	Walker County		Abbingtion Market Area	
	#	%	#	%
1-person hhld	2,145	31.1%	933	33.3%
2-person hhld	1,712	24.9%	677	24.2%
3-person hhld	1,236	17.9%	500	17.9%
4-person hhld	1,035	15.0%	403	14.4%
5+-person hhld	759	11.0%	285	10.2%
TOTAL	6,887	100%	2,798	100%

Source: 2010 Census



3. Income Characteristics

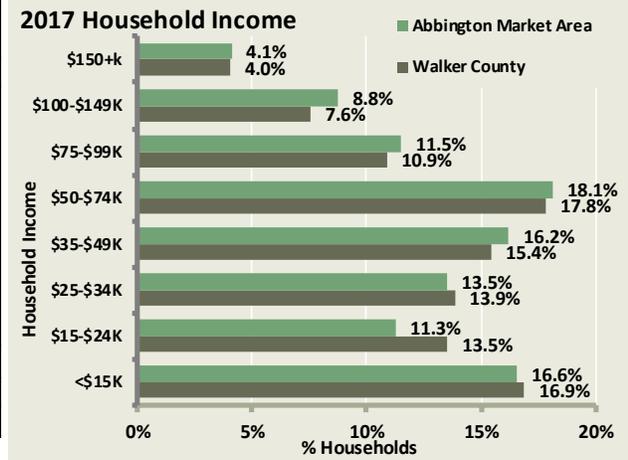
The Abbingtion Market Area’s 2017 median household income is \$43,024, \$2,466 or 6.1 percent higher than the \$40,558 median in Walker County (Table 12). The market area includes a range of household incomes including significant percentages of lower and moderate income households. Roughly 28 percent of market area households earn less than \$25,000, 29.7 percent earn \$25,000 to \$49,999, and 18.1 percent earn \$50,000 to \$74,999. Approximately 24 percent of market area households earn upper incomes of \$75,000. Walker County has a larger proportion of lower income households earning less than \$35,000 when compared to the market area (44.3 percent versus 41.3 percent).



Table 12 2017 Household Income

Estimated 2017 Household Income		Walker County		Abbington Market Area	
		#	%	#	%
less than	\$15,000	4,479	16.9%	1,861	16.6%
	\$15,000 - \$24,999	3,587	13.5%	1,266	11.3%
	\$25,000 - \$34,999	3,673	13.9%	1,518	13.5%
	\$35,000 - \$49,999	4,091	15.4%	1,823	16.2%
	\$50,000 - \$74,999	4,724	17.8%	2,036	18.1%
	\$75,000 - \$99,999	2,883	10.9%	1,293	11.5%
	\$100,000 - \$149,999	2,002	7.6%	984	8.8%
	\$150,000 Over	1,072	4.0%	461	4.1%
Total		26,512	100%	11,242	100%
Median Income		\$40,558		\$43,024	

Source: Esri; Real Property Research Group, Inc.

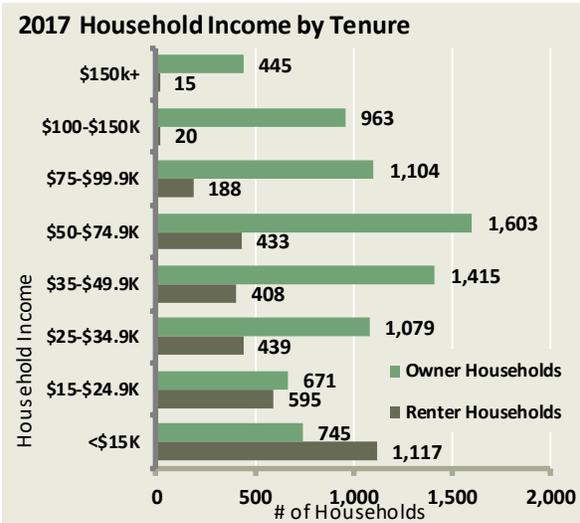


Based on the U.S. Census Bureau’s American Community Survey data, the breakdown of tenure, and household estimates, RPRG estimates that the median income of Abbington Market Area households by tenure is a modest \$23,260 for renters and \$51,609 for owners (Table 13). The market area has large proportions of low and moderate income renter households including 53.2 percent earning less than \$25,000 and 26.3 percent earning \$25,000 and \$49,999. Roughly 14 percent of market area renter households earn \$50,000 to \$74,999.

Table 13 2017 Household Income by Tenure, Abbington Market Area

Estimated 2017 Hhld Income		Renter Households		Owner Households	
		#	%	#	%
Abbington Market Area					
less than	\$15,000	1,117	34.7%	745	9.3%
	\$15,000 - \$24,999	595	18.5%	671	8.4%
	\$25,000 - \$34,999	439	13.7%	1,079	13.4%
	\$35,000 - \$49,999	408	12.7%	1,415	17.6%
	\$50,000 - \$74,999	433	13.5%	1,603	20.0%
	\$75,000 - \$99,999	188	5.9%	1,104	13.8%
	\$100,000 - \$149,999	20	0.6%	963	12.0%
	\$150,000 over	15	0.5%	445	5.5%
Total		3,217	100%	8,025	100%
Median Income		\$23,260		\$51,609	

Source: American Community Survey 2011-2015 Estimates, RPRG, Inc.



Roughly one-third (33.7 percent) of renter households in the Abbington Market Area pay at least 40 percent of income for rent (Table 14). Approximately five percent of renter households are living in substandard conditions; however, this includes only overcrowding and incomplete plumbing.



Table 14 Rent Burdened and Substandard Housing, Abbingdon Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	98	3.9%
10.0 to 14.9 percent	170	6.7%
15.0 to 19.9 percent	340	13.4%
20.0 to 24.9 percent	362	14.3%
25.0 to 29.9 percent	213	8.4%
30.0 to 34.9 percent	265	10.4%
35.0 to 39.9 percent	51	2.0%
40.0 to 49.9 percent	294	11.6%
50.0 percent or more	468	18.4%
Not computed	278	10.9%
Total	2,539	100.0%
> 40% income on rent	762	33.7%

Source: American Community Survey 2011-2015

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	8,336
1.00 or less occupants per room	8,022
1.01 or more occupants per room	314
Lacking complete plumbing facilities:	94
Overcrowded or lacking plumbing	408
Renter occupied:	
Complete plumbing facilities:	2,539
1.00 or less occupants per room	2,417
1.01 or more occupants per room	122
Lacking complete plumbing facilities:	0
Overcrowded or lacking plumbing	122
Substandard Housing	530
% Total Stock Substandard	4.8%
% Rental Stock Substandard	4.8%



7. EMPLOYMENT TREND

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Walker County, the jurisdiction in which Abbingtion at Linwood will be located. For purposes of comparison, economic trends in Georgia and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Walker County's labor force lost roughly 3,500 workers or 10.4 percent since 2006; however, the county added over 800 workers in 2016 (Table 15). The employed portion of the labor force has followed the same general trend with a loss of 3,672 employed workers since 2006 but a gain of nearly 900 employed workers in 2016. The number of unemployed workers in the county has decreased by 52.1 percent since a recession-era high of 3,516 in 2009 to 1,684 unemployed workers in 2016.

2. Trends in County Unemployment Rate

Walker County's unemployment rate decreased in each of the past seven years to 5.6 percent in 2016 from a peak of 10.9 percent in 2009 during the recession (Table 15). Walker County's 2016 unemployment rate of 5.6 percent is higher than state (5.4 percent) and national (4.9 percent) rates.

C. Commutation Patterns

According to 2011-2015 American Community Survey (ACS) data, roughly 48 percent of Abbingtion Market Area workers commute less than 25 minutes to work, 30.8 percent commute 25 to 44 minutes, and 18.5 percent commute 45 minutes or more to work (Table 16).

A small majority (51.8 percent) of workers residing in the Abbingtion Market Area worked in Walker County; however, large proportions of workers worked in another Georgia county (30.0 percent) or outside the state (18.2 percent) which reflects Walker County's rural nature and location near Chattanooga/Tennessee and Alabama.



Table 15 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Labor Force	33,701	33,084	33,436	32,199	30,980	31,064	30,923	30,173	29,424	29,390	30,209
Employment	32,197	31,617	31,232	28,683	27,788	28,025	28,145	27,730	27,300	27,638	28,525
Unemployment	1,504	1,467	2,204	3,516	3,192	3,039	2,778	2,443	2,124	1,752	1,684
Unemployment Rate											
Walker County	4.5%	4.4%	6.6%	10.9%	10.3%	9.8%	9.0%	8.1%	7.2%	6.0%	5.6%
Georgia	4.7%	4.5%	6.2%	9.9%	10.5%	10.2%	9.2%	8.2%	7.1%	6.0%	5.4%
United States	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%

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

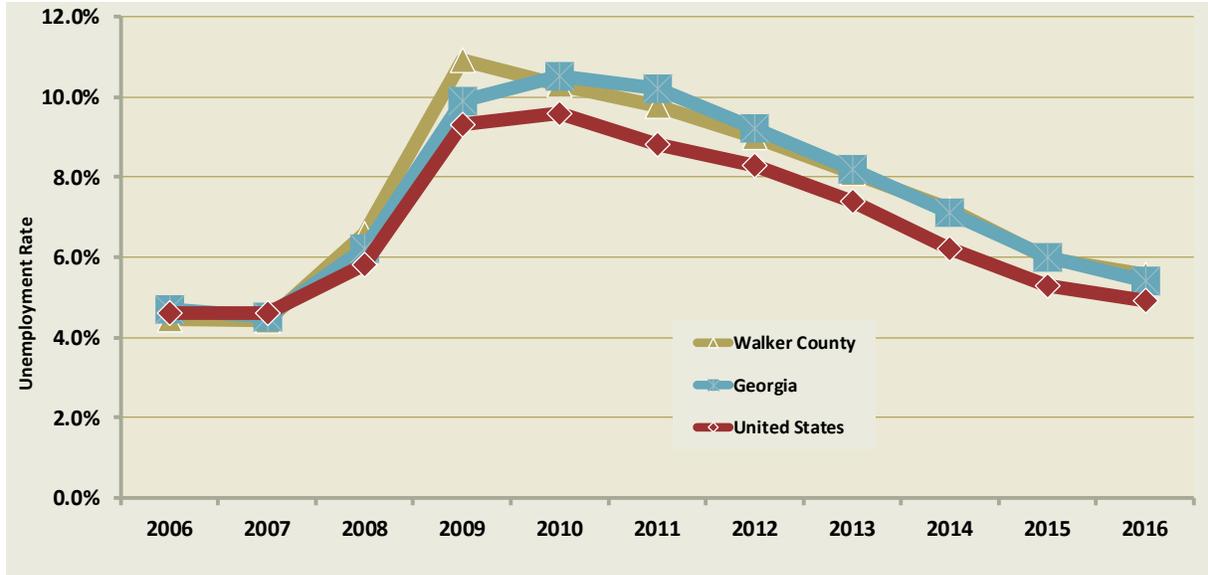
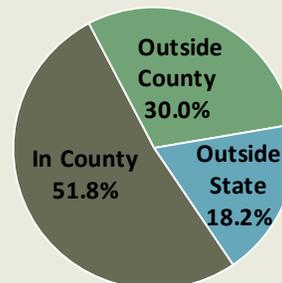


Table 16 Commutation Data, Abbingdon Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	11,562	97.0%	Worked in state of residence:	9,743	81.8%
Less than 5 minutes	425	3.6%	Worked in county of residence	6,172	51.8%
5 to 9 minutes	977	8.2%	Worked outside county of residence	3,571	30.0%
10 to 14 minutes	1,417	11.9%	Worked outside state of residence	2,175	18.2%
15 to 19 minutes	1,556	13.1%	Total	11,918	100%
20 to 24 minutes	1,312	11.0%			
25 to 29 minutes	554	4.6%			
30 to 34 minutes	2,065	17.3%			
35 to 39 minutes	439	3.7%			
40 to 44 minutes	611	5.1%			
45 to 59 minutes	1,451	12.2%			
60 to 89 minutes	362	3.0%			
90 or more minutes	393	3.3%			
Worked at home	356	3.0%			
Total	11,918				

Source: American Community Survey 2011-2015

**2011-2015 Commuting Patterns
Abbingdon Market Area**



Source: American Community Survey 2011-2015

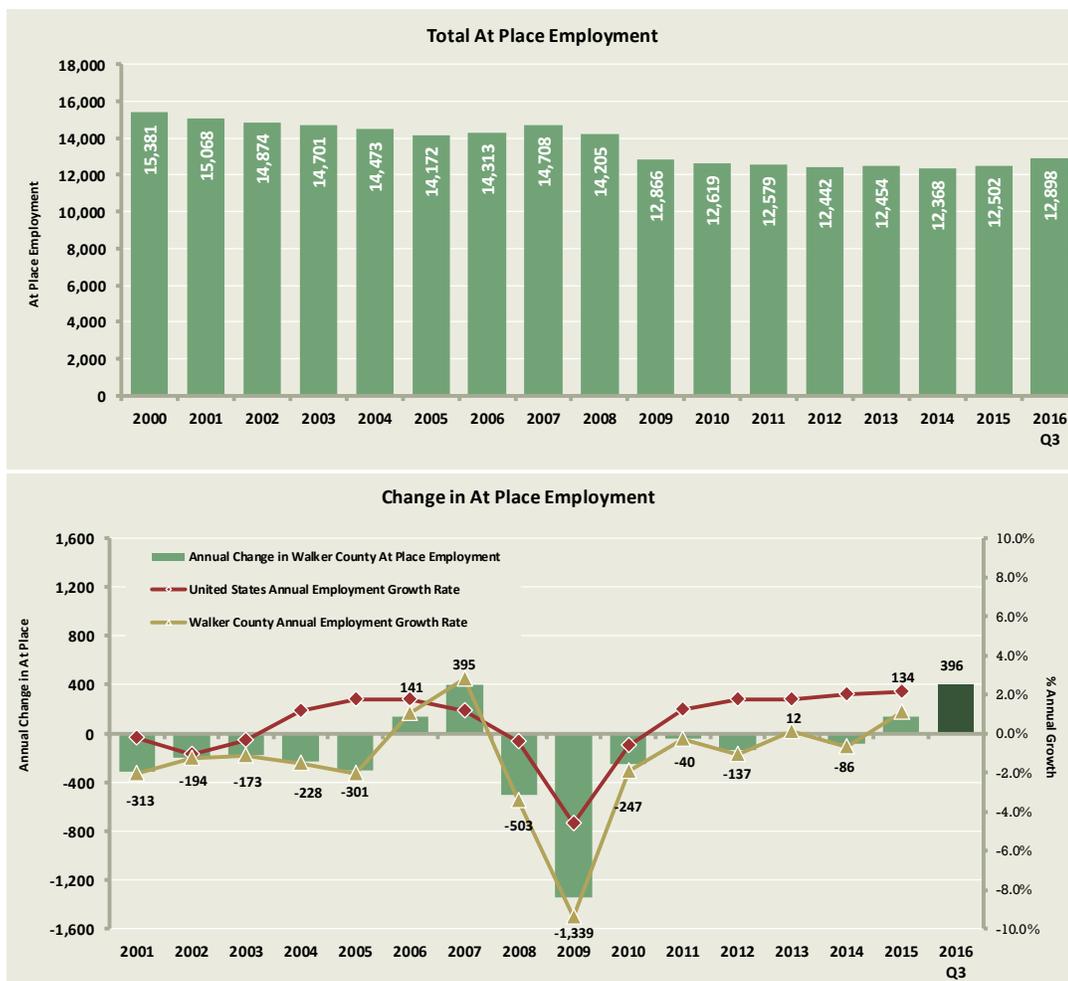


D. At-Place Employment

1. Trends in Total At-Place Employment

Walker County lost roughly 200 to 300 jobs each year from 2001 to 2005 for a net loss of 1,209 jobs or 7.9 percent. The county added jobs in 2006 and 2007 (536 net jobs) before suffering significant job losses from 2008 to 2010 during the recession; the county lost roughly 2,100 jobs from 2008 to 2010 for a net loss of 14.2 percent. The county had modest job losses for the next two years before adding jobs during two of the past three years including 134 new jobs in 2015 (Figure 5). Walker County suffered job losses for much of the past 15 years but has shown recent stabilization and growth with the addition of 530 total jobs since the beginning of 2015 including 396 new jobs through the third quarter of 2016.

Figure 5 At-Place Employment, Walker County



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

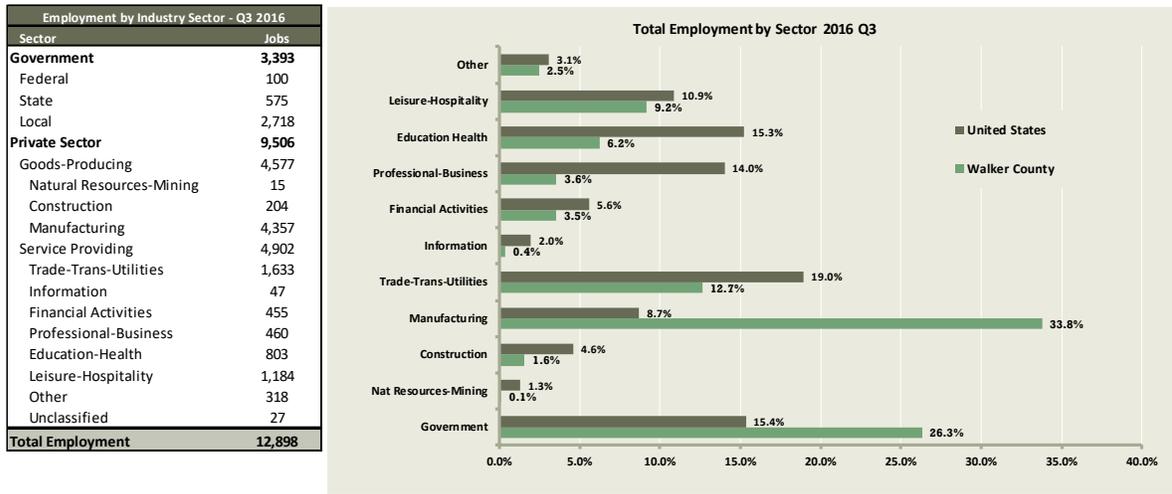
2. At-Place Employment by Industry Sector

Manufacturing is the largest employment sector in Walker County, accounting for one-third (33.8 percent) of total employment in 2016 (Q3) which is nearly four times the 8.7 percent of jobs nationally (Figure 6). Government also accounts for a significant percentage of Walker County jobs at 26.3 percent compared to 15.4 percent of the nation's jobs. None of the remaining sectors account for more than 12.7 percent of the county's total jobs and all comprise significantly lower percentages of jobs compared to the nation. The most significant disparities are among the Education-Health,



Professional Business, and Trade-Transportation-Utilities sectors in which the county has a total of 22.5 percent of jobs compared to 48.3 percent nationally.

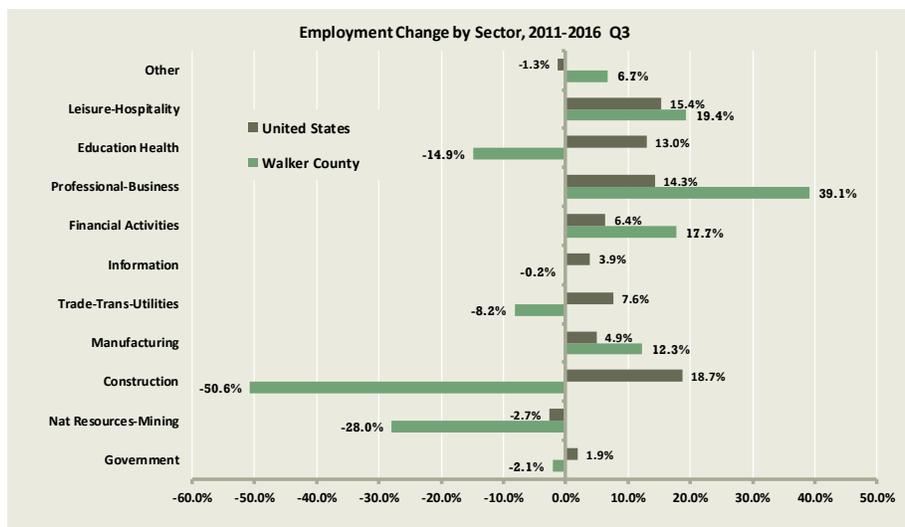
Figure 6 Total Employment by Sector



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Five of 11 employment sectors added jobs from 2011 to 2016 Q3 including Walker County’s largest sector (Manufacturing) which grew by 12.3 percent. Additional sectors that added jobs include Professional-Business (39.1 percent), Leisure-Hospitality (19.4 percent), Financial Activities (17.7 percent), and Other (6.7 percent). Six sectors lost jobs from 2011 to 2016 (Q3) including a 2.1 percent loss of jobs in the second largest sector in the county (Government) which represents 26.3 percent of the county’s jobs. The largest percentage losses were in the Construction (50.6 percent) and Natural Resources-Mining (28.0 percent) sectors; however, these sectors account for less than two percent of the county’s total jobs combined (Figure 7).

Figure 7 Employment Change by Sector, 2011-2016 Q3



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

3. Major Employers

Ten manufacturers are among the top 14 employers in Walker County including the two largest employers (Roper Corporation and SI, Inc.) which employ 1,600 to 1,800 people each. The Walker



County Board of Education employs 1,334 people and all other employers in the county employ less than 500 people. Outside of manufacturers, the remaining major employers include Walker County, Wal-Mart, and the Walker County state prison (Table 17). Most of Walker County’s major employers are in LaFayette within a few miles of the site including the largest (Roper Corporation) within two miles of the site (Map 5). All but one of the major employers outside LaFayette are within 14 miles of the subject sites in Rock Spring or Chickamauga.

Table 17 Major Employers, Walker County

Rank	Name	Sector	Employment
1	Roper	Manufacturing	1,800
2	SI, Inc.	Manufacturing	1,600
3	Walker County Board of Education	Education	1,334
4	Shaw Industries	Manufacturing	494
5	Walker County Government	Government	309
6	Wal-Mart	Retail	275
7	Yates Bleachery	Manufacturing	250
8	Nissin	Manufacturing	210
9	Syntec, LLC	Manufacturing	200
10	Crystal Springs Printworks	Manufacturing	160
11	Walker County State Prison	Law Enforcement	125
12	Phillips Brothers Machine Company	Manufacturing	100
13	Quality Carpet Cushion	Manufacturing	70
14	United Synthetics	Manufacturing	60

Source: Walker County Commissioner's Office

Map 5 Major Employers, Walker County





4. Recent Economic Expansions and Contractions

RPRG did not identify any recently completed or planned major economic expansions or contractions in Walker County. Plans were announced by Scenic Land Company in May 2017 for an upscale resort, conference center, and spa on Lookout Mountain in the Canyon Ridge Resort roughly 20 miles west of the site. This project would cost \$106 million and create nearly 2,000 construction jobs and 280 permanent jobs; however, the project is in the conceptual planning stage and funding has not been secured.

E. Conclusions on Local Economics

Walker County's economy has experienced a net loss of jobs since 2000; however, the county's economy is trending upward with recent job growth and a declining unemployment rate. Recently, the county has added over 500 jobs since 2015 and the unemployment rate has dropped to a nine-year low in 2016.



8. PROJECT-SPECIFIC AFFORDABILITY & DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of income-qualified households in the market area that the subject community must capture to achieve full occupancy.

The first component of the Affordability Analysis involves looking at the total household income distribution and renter household income distribution among Abbington Market Area households for the target year of 2019. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2011-2015 American Community Survey along with estimates and projected income growth by Esri (Table 18).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability Analysis, RPRG employs a 35 percent gross rent burden.

The proposed 60 LIHTC rental units at Abbington at Linwood will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. One additional non-revenue unit will be designated for property management and is not included this analysis. Maximum income limits are derived from 2016 HUD income limits (per Georgia DCA requirements) for the Chattanooga TN-GA MSA and are based on an average of 1.5 persons per bedroom rounded up to the nearest whole number per DCA requirements. Rent and income limits are detailed in Table 19 on the following page.

Table 18 2019 Total and Renter Income Distribution

Abbington Market Area		Total Households		Renter Households	
2019 Income		#	%	#	%
less than	\$15,000	1,913	17.0%	1,154	35.8%
	\$15,000 \$24,999	1,246	11.1%	589	18.3%
	\$25,000 \$34,999	1,626	14.5%	473	14.7%
	\$35,000 \$49,999	1,512	13.4%	340	10.6%
	\$50,000 \$74,999	2,002	17.8%	428	13.3%
	\$75,000 \$99,999	1,385	12.3%	203	6.3%
	\$100,000 \$149,999	1,069	9.5%	22	0.7%
	\$150,000 Over	497	4.4%	17	0.5%
Total		11,249	100%	3,226	100%
Median Income		\$43,330		\$22,796	

Source: American Community Survey 2011-2015 Projections, RPRG, Inc.



Table 19 LIHTC Income and Rent Limits, Chattanooga, TN-GA MSA

HUD 2016 Median Household Income											
Chattanooga, TN-GA MSA \$61,300											
Very Low Income for 4 Person Household \$30,600											
2016 Computed Area Median Gross Income \$61,200											
Utility Allowance:											
1 Bedroom \$94											
2 Bedroom \$118											
3 Bedroom \$149											
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%		
2 Persons	\$14,700	\$19,600	\$24,500	\$29,400	\$39,200	\$49,000	\$58,800	\$73,500	\$98,000		
3 Persons	\$16,530	\$22,040	\$27,550	\$33,060	\$44,080	\$55,100	\$66,120	\$82,650	\$110,200		
4 Persons	\$18,360	\$24,480	\$30,600	\$36,720	\$48,960	\$61,200	\$73,440	\$91,800	\$122,400		
5 Persons	\$19,830	\$26,440	\$33,050	\$39,660	\$52,880	\$66,100	\$79,320	\$99,150	\$132,200		
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%	
2	1	\$14,700	\$19,600	\$24,500	\$29,400	\$39,200	\$49,000	\$58,800	\$73,500	\$98,000	
3	2	\$16,530	\$22,040	\$27,550	\$33,060	\$44,080	\$55,100	\$66,120	\$82,650	\$110,200	
5	3	\$19,830	\$26,440	\$33,050	\$39,660	\$52,880	\$66,100	\$79,320	\$99,150	\$132,200	
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		40%		50%		60%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom		\$344	\$250	\$459	\$365	\$574	\$480	\$689	\$595	\$919	\$825
2 Bedroom		\$413	\$295	\$551	\$433	\$688	\$570	\$826	\$708	\$1,102	\$984
3 Bedroom		\$477	\$328	\$636	\$487	\$795	\$646	\$954	\$805	\$1,273	\$1,124

Source: U.S. Department of Housing and Urban Development

2. Affordability Analysis

The steps in the affordability analysis (Table 20) are as follows:

- Looking at the one-bedroom units at 50 percent AMI (upper left panel), the overall shelter cost at the proposed rent would be \$574 (\$480 net rent plus a \$94 allowance to cover all utilities except trash removal).
- We determined that a 50 percent one-bedroom unit would be affordable to households earning at least \$19,680 per year by applying a 35 percent rent burden to this gross rent. A projected 8,753 households in the market area will earn at least this amount in 2019.
- The maximum income limit for a one-bedroom unit at 50 percent of the AMI is \$24,500 based on an average household size of two people. According to the interpolated income distribution for 2019, 8,152 households in the Abbingtion Market Area will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 8,152 households with incomes above the maximum income limit from the 8,753 households that could afford to rent this unit, RPRG computes that an estimated 600 households in the Abbingtion Market Area fall within the band of affordability for the subject’s one-bedroom units at 50 percent AMI. The subject property would need to capture 1.0 percent of these income-qualified households to absorb the proposed one-bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified households that are currently renters and determined that 284 renter households are within the income band for a one-bedroom 50 percent AMI unit at the subject property. To absorb the proposed 50 percent one-bedroom units, the subject property will need to capture 2.1 percent of income-qualified renter households.



- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered at the community. We also computed the capture rates for all units. The remaining renter capture rates by floor plan range from 1.1 percent to 8.2 percent.
- Renter capture rates by income level are 1.9 percent for the 50 percent units, 6.4 percent for the 60 percent units, and 6.7 percent for the project overall.

Table 20 2019 Affordability Analysis, Abbington at Linwood

50% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	6		4		3	
Net Rent	\$480		\$570		\$646	
Gross Rent	\$574		\$688		\$795	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$19,680	\$24,500	\$23,589	\$27,550	\$27,257	\$33,050
Total Households						
Range of Qualified Hhlds	8,753	8,152	8,266	7,675	7,723	6,781
# Qualified Households	600		590		942	
Total HH Capture Rate	1.0%		0.7%		0.3%	
Renter Households						
Range of Qualified Hhlds	1,796	1,513	1,566	1,363	1,376	1,102
# Qualified Hhlds	284		204		274	
Renter HH Capture Rate	2.1%		2.0%		1.1%	

60% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units	15		24		8	
Net Rent	\$560		\$666		\$757	
Gross Rent	\$654		\$784		\$906	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$22,423	\$29,400	\$26,880	\$33,060	\$31,063	\$39,660
Total Households						
Range of Qualified Hhlds	8,411	7,375	7,784	6,779	7,104	5,994
# Qualified Households	1,037		1,005		1,110	
Unit Total HH Capture Rate	1.4%		2.4%		0.7%	
Renter Households						
Range of Qualified Hhlds	1,635	1,275	1,394	1,102	1,196	905
# Qualified Hhlds	360		292		292	
Renter HH Capture Rate	4.2%		8.2%		2.7%	

Income Target	# Units	All Households = 11,249				Renter Households = 3,226				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
50% Units	13	<i>Income</i>	\$19,680	\$33,050			\$19,680	\$33,050		
		<i>Households</i>	8,753	6,781	1,972		1,796	1,102	694	1.9%
60% Units	47	<i>Income</i>	\$22,423	\$39,660			\$22,423	\$39,660		
		<i>Households</i>	8,411	5,994	2,417		1,635	905	730	6.4%
Total Units	60	<i>Income</i>	\$19,680	\$39,660			\$19,680	\$39,660		
		<i>Households</i>	8,753	5,994	2,758		1,796	905	892	6.7%

Source: Income Projections, RPRG, Inc.

3. Conclusions of Affordability

The affordability capture rates indicate a sufficient number of income-qualified renter households will exist within the Abbington Market Area for the units proposed at Abbington at Linwood. A projected 892 renter households fall within the subject property’s projected income range of \$19,680 to \$39,660.



B. Demand Estimates and Capture Rates

1. Methodology

DCA's demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of age and income-qualified renter households projected to move into the Abbingtion Market Area between the base year of 2015 and 2018 based on DCA's market study guidelines.
- The next component of demand is income-qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to ACS data, the percentage of renter households in the primary market area that are "substandard" is 4.8 percent (see Table 14). This substandard percentage is applied to current household numbers.
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 40 percent of household income for housing costs. According to ACS data, 33.7 percent of the Abbingtion Market Area's renter households are categorized as cost burdened (see Table 14). We utilized the higher standard of 40 percent for this calculation to avoid over counting demand from this component as the subject property will underwrite at 35 percent.

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 21. Income qualification percentages are derived by using the Affordability Analysis detailed in Table 20, but are adjusted to remove overlap among bedroom sizes within the same AMI level.

2. Demand Analysis

According to DCA's demand methodology, all comparable units built or approved since the base year (2015) are to be subtracted from the demand estimates to arrive at net demand. No such units were identified in the market area.

Capture rates for the subject property are 4.9 percent for the 50 percent AMI units, 16.7 percent for the 60 percent AMI units, and 17.5 percent for the project as a whole (Table 21). As over twenty percent of the proposed units will be three-bedroom units, the demand analysis by floorplan is refined to account for only larger households of three or more people for three-bedroom units. Abbingtion at Linwood's capture rates by bedroom type within each AMI market segment range from 5.9 percent to 37.7 percent and the capture rates by floor plan are 12.0 percent for all one-bedroom units, 21.2 percent for all two-bedroom units, and 14.6 percent for all three-bedroom units (Table 22). DCA's threshold for capture rate by bedroom type within each AMI market segment is 70 percent.



Table 21 Overall Demand Estimates, Abbingtion at Linwood

	Income Target	50% Units	60% Units	Total Units
	Minimum Income Limit	\$19,680	\$22,423	\$19,680
	Maximum Income Limit	\$33,050	\$39,660	\$39,660
(A) Renter Income Qualification Percentage		21.5%	22.6%	27.7%
Demand from New Renter Households <i>Calculation (C-B) * F * A</i>		1	1	1
PLUS				
Demand from Existing Renter HHs (Substandard) <i>Calculation B * D * F * A</i>		33	35	43
PLUS				
Demand from Existing Renter HHs (Overburdened) <i>- Calculation B * E * F * A</i>		233	245	300
Total Demand		267	281	343
LESS				
Comparable Units Built or Planned Since 2015		0	0	0
Net Demand		267	281	343
Proposed Units		13	47	60
Capture Rate		4.9%	16.7%	17.5%

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2015 Households	11,234
C). 2018 Households	11,245
D). Substandard Housing (% of Rental Stock)	4.8%
E). Rent Overburdened (% of Renter HHlds at >40%)	33.7%
F). Renter Percentage (% of all 2017 HHlds)	28.6%

Table 22 Demand Estimates by Floor Plan, Abbingtion at Linwood

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate
50% Units	\$19,680 - \$33,050		21.5%						
One Bedroom Units	\$19,680 - \$24,000	6	7.9%	98		98	0	98	6.1%
Two Bedroom Units	\$24,001 - \$27,500	4	5.5%	68		68	0	68	5.9%
Three Bedroom Units	\$27,501 - \$33,050	3	8.1%	101	42.5%	43	0	43	7.0%
60% Units	\$22,423 - \$39,660		22.6%						
One Bedroom Units	\$22,423 - \$28,000	15	9.1%	113		113	0	113	13.3%
Two Bedroom Units	\$28,001 - \$31,500	24	5.1%	64		64	0	64	37.7%
Three Bedroom Units	\$31,501 - \$39,660	8	8.4%	104	42.5%	44	0	44	18.1%
By Bedroom									
One Bedroom Units	\$19,680 - \$28,000	21	14.1%	175		175	0	175	12.0%
Two Bedroom Units	\$24,001 - \$31,500	28	10.6%	132		132	0	132	21.2%
Three Bedroom Units	\$27,501 - \$39,660	11	14.3%	177	42.5%	75	0	75	14.6%
Project Total	\$19,680 - \$39,660		27.7%						
50% Units	\$19,680 - \$33,050	13		267			0	267	4.9%
60% Units	\$22,423 - \$39,660	47		281			0	281	16.7%
Total Units	\$19,680 - \$39,660	60		343			0	343	17.5%

Total demand by income level is the sum of demand by bedroom*

3. DCA Demand Conclusions

All capture rates are below DCA thresholds and indicate sufficient demand in the market area to support the proposed Abbingtion at Linwood.



9. COMPETITIVE RENTAL ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the Abbingtion Market Area. We pursued several avenues of research in an attempt to identify multifamily rental projects that are in the planning stages or under construction in the Abbingtion Market Area. We contacted planners with the City of LaFayette and Walker County. In addition, we reviewed the list of LIHTC awards from DCA. The rental survey was conducted in May 2017.

B. Overview of Market Area Housing Stock

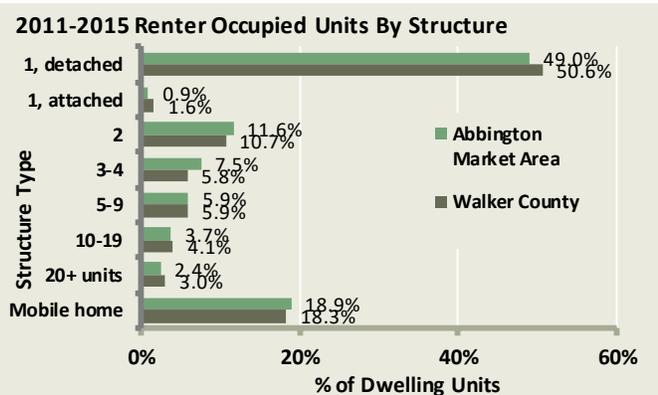
The majority of rentals in the Abbingtion Market Area and region are in single-family structures. Roughly half (49.0 percent) of rentals in the market area are single-family detached homes and 18.9 percent are mobile homes. Approximately 31 percent of Abbingtion Market Area rentals are contained in multi-family structures including 19.1 percent in structures with two to four units and 12.1 percent in structures with five or more units. Walker County contains a similar distribution with a slightly larger proportion of single-family detached home rentals and smaller proportion of rentals in multi-family structures.

Abbingtion Market Area rentals are newer when compared to Walker County rentals with a median year built of 1982 in the market area and 1975 in the county. Roughly 54 percent of market area rentals were built from 1970 to 1999 and one-third (33.4 percent) were built prior to 1970. Approximately 12 percent of market area rentals have been built since 2000. Owner-occupied units are slightly newer with a median year built of 1982 in the Abbingtion Market Area and 1977 in Walker County (Table 24). Roughly half (51.1 percent) of owner-occupied units in the market area were built from 1970 to 1999 and a larger proportion (19.6 percent) have been built since 2000 when compared to market area rentals.

According to ACS data, the median value among owner-occupied housing units in the Abbingtion Market Area as of 2011-2015 was \$108,811, \$2,895 or 2.7 percent higher than the Walker County median of \$105,916 (Table 25). This data is a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight on relative housing values among two or more areas.

Table 23 Dwelling Units by Structure and Tenure

Renter Occupied	Walker County		Abbingtion Market Area	
	#	%	#	%
1, detached	3,674	50.6%	1,243	49.0%
1, attached	118	1.6%	24	0.9%
2	775	10.7%	295	11.6%
3-4	420	5.8%	190	7.5%
5-9	426	5.9%	151	5.9%
10-19	296	4.1%	95	3.7%
20+ units	219	3.0%	61	2.4%
Mobile home	1,331	18.3%	480	18.9%
TOTAL	7,259	100%	2,539	100%



Source: American Community Survey 2011-2015



Table 24 Dwelling Units by Year Built and Tenure

Owner Occupied	Walker County		Abbington Market Area	
	#	%	#	%
2014 or later	12	0.1%	0	0.0%
2010 to 2013	185	1.0%	22	0.3%
2000 to 2009	2,967	16.0%	1,628	19.3%
1990 to 1999	2,972	16.0%	1,689	20.0%
1980 to 1989	2,529	13.6%	1,292	15.3%
1970 to 1979	2,713	14.6%	1,324	15.7%
1960 to 1969	2,666	14.3%	893	10.6%
1950 to 1959	2,117	11.4%	738	8.8%
1940 to 1949	1,098	5.9%	302	3.6%
1939 or earlier	1,342	7.2%	542	6.4%
TOTAL	18,601	100%	8,430	100%
MEDIAN YEAR BUILT	1977		1983	

Source: American Community Survey 2011-2015

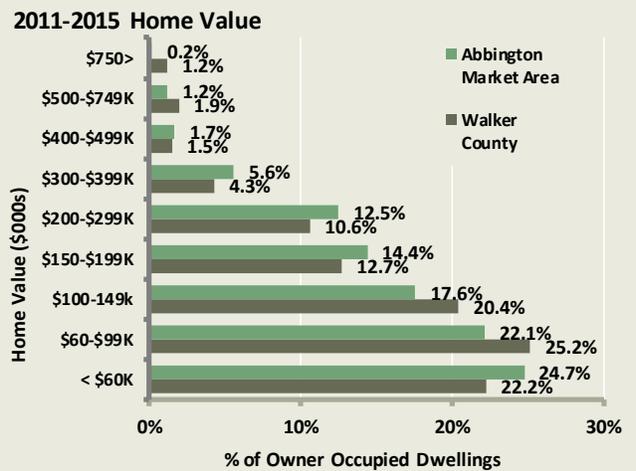
Renter Occupied	Walker County		Abbington Market Area	
	#	%	#	%
2014 or later	0	0.0%	0	0.0%
2010 to 2013	38	0.5%	11	0.4%
2000 to 2009	719	9.9%	305	12.0%
1990 to 1999	1,373	18.9%	620	24.4%
1980 to 1989	1,041	14.3%	408	16.1%
1970 to 1979	1,024	14.1%	348	13.7%
1960 to 1969	772	10.6%	200	7.9%
1950 to 1959	1,185	16.3%	315	12.4%
1940 to 1949	521	7.2%	188	7.4%
1939 or earlier	586	8.1%	144	5.7%
TOTAL	7,259	100%	2,539	100%
MEDIAN YEAR BUILT	1975		1982	

Source: American Community Survey 2011-2015

Table 25 Value of Owner Occupied Housing Stock

2011-2015 Home Value		Walker County		Abbington Market Area	
		#	%	#	%
less than \$60,000		4,137	22.2%	2,085	24.7%
\$60,000 - \$99,999		4,680	25.2%	1,866	22.1%
\$100,000 - \$149,999		3,796	20.4%	1,482	17.6%
\$150,000 - \$199,999		2,364	12.7%	1,212	14.4%
\$200,000 - \$299,999		1,973	10.6%	1,054	12.5%
\$300,000 - \$399,999		796	4.3%	471	5.6%
\$400,000 - \$499,999		274	1.5%	142	1.7%
\$500,000 - \$749,999		361	1.9%	102	1.2%
\$750,000 over		220	1.2%	16	0.2%
Total		18,601	100%	8,430	100%
Median Value		\$105,916		\$108,811	

Source: American Community Survey 2011-2015





C. Survey of General Occupancy Rental Communities

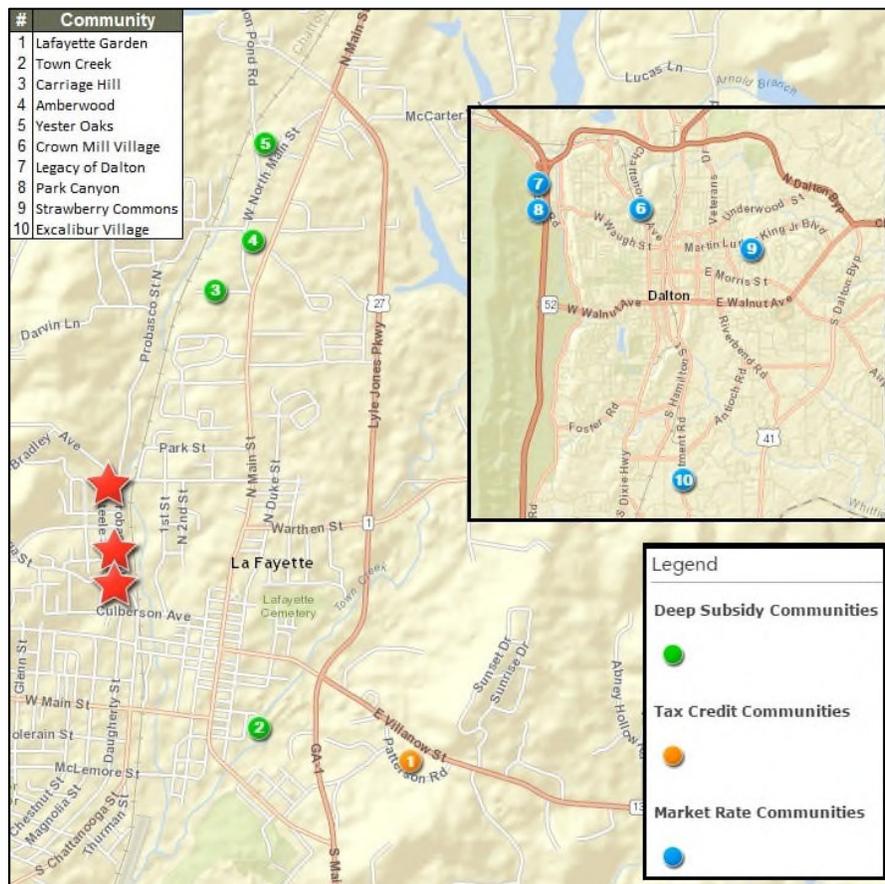
1. Introduction to the Rental Housing Survey

We did not identify any general occupancy multi-family rental communities without deep subsidies in the Abbingtion Market Area. RPRG surveyed five deeply subsidized communities in the market area including one LIHTC community (LaFayette Gardens) with USDA Rural Development Rental Assistance on all units. All other surveyed communities in the market area have rental assistance through either the USDA Rural Development or Section 8 programs. None of the surveyed communities in the market area are considered directly comparable to the proposed development of Abbingtion at Linwood as rents at these communities are based on a percentage of each tenants income and minimum income limits do not apply unlike the subject which will not have deep subsidies. Given the lack of rental units without deep subsidies in the market area, RPRG surveyed five market rate communities in Dalton which is roughly five miles outside the market area to determine market rate rents that are being attained in the region. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 6.

2. Location

All surveyed communities in the market area are in LaFayette within two miles of the subject sites. Two communities are to the north and two communities are to the south including the only LIHTC community. The surveyed communities in Dalton are outside the market area roughly 25 miles to the east (Map 6).

Map 6 Surveyed Rental Communities





3. Size of Communities

The surveyed communities in the market area range from 20 to 60 units and average 46 units (Table 26). The surveyed market rate communities outside the market area are larger and range in size from 39 to 171 units and average 98 units (Table 27).

4. Age of Communities

The market area’s rental housing stock is relatively old with an average year built of 1983 (Table 26). All market area communities were built from 1974 to 1991 including LaFayette Gardens which was rehabbed in 2015. The surveyed communities outside the market area are slightly newer on average with an average year built of 1987 (Table 27).

5. Structure Type

All surveyed communities in the market area offer garden style units including two that also offer townhomes (Table 26). Four of the surveyed communities outside the market area offer garden style units and the highest priced community (Crown Mill Village) is an adaptive reuse of a mill (Table 27).

6. Vacancy Rates

The market area’s rental market is performing well with two total vacancies among 232 combined units for an aggregate vacancy rate of 0.9 percent (Table 26). The surveyed LIHTC community in the market area (LaFayette Gardens) is fully occupied with a waiting list. The surveyed communities outside the market area have 11 total vacancies among 491 combined units for a vacancy rate of 2.2 percent including three properties with a vacancy rate of less than one percent (Table 27).

7. Rent Concessions

No surveyed community was offering rental incentives.

8. Absorption History

No surveyed community (inside or outside of the market area) has been built in the past 10 years and absorption information is not relevant to the current market.

Table 26 Rental Summary, Surveyed Communities inside the Abbingdon Market Area

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI			TH	13			\$480	\$570	
	Subject 60% AMI			TH	47			\$560	\$666	
1	Lafayette Gardens*	1980	2015	Gar	20	0	0.0%	\$505	\$635	None
2	Town Creek**	1974		Gar	60	1	1.7%	\$450	\$550	None
3	Carriage Hill**	1982		Gar	60	0	0.0%	\$457	\$487	None
4	Amberwood**	1987		Gar/TH	44	1	2.3%	\$443	\$480	None
5	Yester Oaks**	1991		Gar/TH	48	0	0.0%	\$420	\$445	None
	Total				232	2	0.9%			
	Average	1983			46			\$455	\$519	
	LIHTC Total				20	0	0.0%			
	LIHTC Average	1980			20			\$505	\$635	

Tax Credit/Deep Subsidy Communities* Deep Subsidy Communities**

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, RPRG, Inc. May 2017.



Table 27 Rental Summary, Surveyed Communities outside the Abbingtion Market Area

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
Communities Outside the Market Area									
6	Crown Mill Village	2004	Reuse	66	0	0.0%	\$830	\$1,010	None
7	Legacy of Dalton	1984	Gar	158	8	5.1%	\$714	\$819	None
8	Park Canyon	1987	Gar	171	1	0.6%	\$653	\$760	None
9	Strawberry Commons	1959	Gar	39	0	0.0%	\$560	\$680	None
10	Excalibur Village	2001	Gar	57	2	3.5%	\$580	\$660	None
Outside the PMA Total				491	11	2.2%			
Outside the PMA Average				1987	98		\$667	\$786	

(1) Rent is contract rent, and not adjusted for utilities or incentives Source: Field Survey, RPRG, Inc. May 2017.

D. Analysis of Product Offerings

1. Payment of Utility Costs

Three surveyed communities inside the market area include water/sewer and trash removal in the rent and two include trash removal only (Table 28). The subject property will include trash removal.

2. Unit Features

None of the surveyed communities inside the market area offer a dishwasher or microwave and four of five communities offer washer and dryer connections (Table 28). Abbingtion at Linwood will offer a superior product with unit features including a dishwasher, garbage disposal, microwave, washer and dryer connections, and ceiling fans.

Table 28 Utility Arrangement and Unit Features

Community	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
	Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Communities Inside the Market Area										
Lafayette Gardens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	Hook Ups
Town Creek	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	
Carriage Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	Hook Ups
Amberwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	Hook Ups
Yester Oaks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Surface	Hook Ups

Source: Field Survey, RPRG, Inc. May 2017.



3. Parking

All surveyed communities in the market area include free surface parking as a standard feature.

4. Community Amenities

The surveyed communities in the market area offer limited to no community amenities. Four surveyed communities offer a playground and one community (Carriage Hill) offers no community amenities (Table 29). Abbingtion at Linwood will offer a significantly superior community amenity package including a clubhouse with a community room, fitness center, computer center, laundry facilities, and attached health clinic with a health screening room that will be free for residents of the subject property. Outdoor amenities will include a playground, gazebo, and community garden.

Table 29 Community Amenities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Health Room
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Communities Inside the PMA							
Lafayette Gardens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Town Creek	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carriage Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amberwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yester Oaks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, RPRG, Inc. May 2017.

5. Unit Distribution

All surveyed communities in the market area offer one and two-bedroom units including two that also offer three-bedroom units. All surveyed communities outside the market area offer one and two-bedroom units including Legacy of Dalton which also offers three bedroom units. Four of five communities outside the market area reported a unit mix breakdown and one-bedroom units are the most common at 47.0 percent; two-bedroom units comprise 35.5 percent of these surveyed units and three-bedroom units are the least common at 12.2 percent (Table 30).

6. Effective Rents

Rents paid by tenants at deeply subsidized communities are based on a percentage of each tenants income and are not representative of the rental market. Given the lack of rental units without deep subsidies in the market area, the five surveyed market rate rental communities outside the market area are shown in Table 30. Unit rents shown are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply adjustments to street rents in order to control for current rental incentives and to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where trash removal utility costs are included in monthly rents at all communities, with tenants responsible for other utility costs.



Among the market rate communities outside the market area, net rents, unit sizes, and rents per square foot were as follows:

- **One-bedroom** effective rents averaged \$652 per month. The average one-bedroom unit size was 711 square feet, resulting in a net rent per square foot of \$0.92. The range for one-bedroom effective rents was \$545 to \$815.
- **Two-bedroom** effective rents averaged \$766 per month. The average two-bedroom unit size was 967 square feet, resulting in a net rent per square foot of \$0.79. The range for two-bedroom effective rents was \$640 to \$990.
- **Three-bedroom** – Legacy of Dalton’s effective three-bedroom rent was \$899 per month. The unit size was 1,300 square feet which results in a net rent per square foot of \$0.69.

Table 30 Unit Distribution, Size, and Pricing

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	13	6	\$480	766	\$0.63	4	\$570	1,034	\$0.55	3	\$646	1,189	\$0.54
Subject 60% AMI	47	15	\$560	766	\$0.73	24	\$666	1,034	\$0.64	8	\$757	1,189	\$0.64
Communities Outside the Market Area													
Crown Mill Village	66	56	\$815	750	\$1.09	10	\$990	913	\$1.08				
Legacy of Dalton	158	24	\$699	800	\$0.87	81	\$799	1,100	\$0.73	53	\$899	1,300	\$0.69
Park Canyon	171	98	\$638	704	\$0.91	50	\$740	1,012	\$0.73				
Strawberry Commons	39	26	\$545	719	\$0.76	13	\$660	1,029	\$0.64				
Excalibur Village	57		\$565	580	\$0.97		\$640	780	\$0.82				
Outside PMA Total/Average	491		\$652	711	\$0.92		\$766	967	\$0.79		\$899	1,300	\$0.69
Outside PMA Unit Distribution	434	204				154				53			
% of Total	88.4%	47.0%				35.5%				12.2%			

(1) Rent is adjusted to include only Trash and incentives

Source: Field Survey, RPRG, Inc. May 2017.

7. Scattered Site Rentals

We researched scattered site rentals in the market area due to the lack of rentals without deep subsidies. Based on online listings, six rentals were identified as listed for rent in the Abbingtion Market Area. These rentals offer a range of structure types including single-family detached homes, a duplex, and a townhouse in varying conditions from fair to well-maintained. Average rents were \$625 for one-bedroom units, \$663 for two-bedroom units, and \$863 for three-bedroom units (Table 31).

Table 31 Scattered Site Rentals, Abbingtion Market Area

Bed	Bath	Sq. Ft.	Rent	Address	City	Type
1	1		\$650		Rock Spring	SFD
1	1.5	700	\$600	Foster Blvd.	LaFayette	SFD
One Bedroom Average			\$625			
2	1.5		\$800		LaFayette	TH
2	1.5	832	\$525	206 S Flora St.	LaFayette	Duplex
Two Bedroom Average			\$663			
3	2	1,200	\$925	136 Pinewood Dr.	Rock Spring	SFD
3	2		\$800		Rock Spring	SFD
Three Bedroom Average			\$863			

Source: Craigslist, Zillow, Trulia



8. DCA Average Market Rent

To determine average “market rents” as outlined in DCA’s 2017 Market Study Manual, market rate rents were averaged at the most comparable communities to the proposed Abbingtion at Linwood. We utilized the average rents among the scattered-site rentals in the market area and the rents at the five market rate communities surveyed outside the market area for the purposes of this analysis as all surveyed rental communities in the market area were deeply subsidized and rents are not representative of the market as tenants only pay a percentage of income for rent. It is important to note, “average market rents” are not adjusted to reflect differences in location, age, unit size, or amenities relative to the subject property.

The “average market rent” was \$648 for one-bedroom units, \$749 for two-bedroom units, and \$881 for three-bedroom units (Table 32). The subject property’s proposed 50 percent AMI rents are all at least 23 percent below average market rents and the proposed 60 percent AMI rents are all at least 11 percent below average market rents. The project’s overall weighted average market advantage is 15.2 percent (Table 33).

Table 32 Average Rents, Comparable Properties

Community	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
Scattered Site - Market Area	\$625			\$663			\$863		
Crown Mill Village	\$815	750	\$1.09	\$990	913	\$1.08			
Legacy of Dalton	\$699	800	\$0.87	\$799	1,100	\$0.73	\$899	1,300	\$0.69
Park Canyon	\$638	704	\$0.91	\$740	1,012	\$0.73			
Strawberry Commons	\$545	719	\$0.76	\$660	1,029	\$0.64			
Excalibur Village	\$565	580	\$0.97	\$640	780	\$0.82			
Total/Average	\$648	711	\$0.91	\$749	967	\$0.77	\$881	1,300	\$0.68

Table 33 Average Market Rent and Rent Advantage Summary

	1 BR	2 BR	3 BR
Average Market Rent	\$648	\$749	\$881
Proposed 50% AMI Rent	\$480	\$570	\$646
Advantage (\$)	\$168	\$179	\$235
Advantage (%)	25.9%	23.9%	26.7%
Total Units	6	4	3
Proposed 60% AMI Rent	\$560	\$666	\$757
Advantage (\$)	\$88	\$83	\$124
Advantage (%)	13.6%	11.0%	14.1%
Total Units	15	24	8
Overall Rent Advantage	15.2%		

E. Multi-Family Pipeline

Based on information provided by planning and zoning officials and DCA’s list of LIHTC allocations, no rental communities were identified as planned, approved, or under construction in the market area.

F. Housing Authority Data

The Housing Authority of the City of LaFayette operates 300 public housing units and holds a three to six month waiting list. The housing authority does not manage Section 8 Housing Choice Vouchers.



G. Existing Low Income Rental Housing

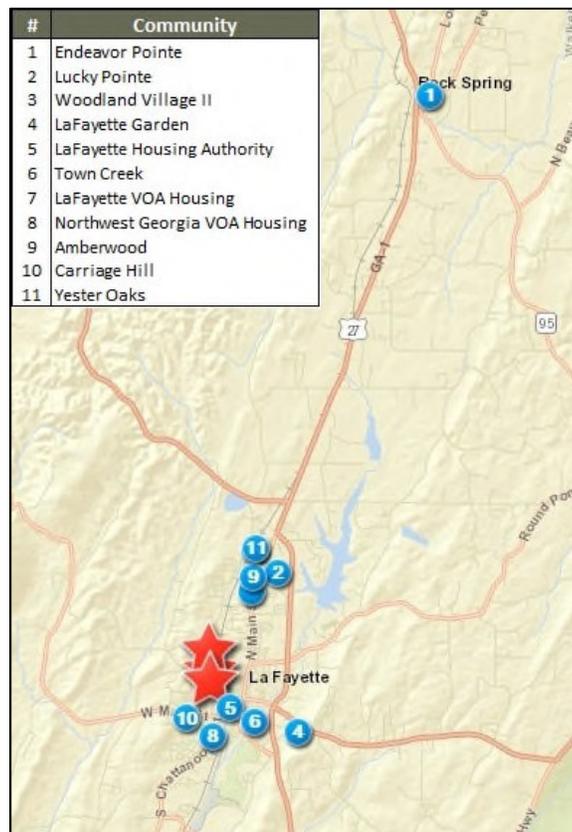
Eleven existing affordable rental communities are in the market area including four LIHTC communities (Table 34). Three LIHTC communities are age-restricted and not comparable to the proposed general occupancy units at Abbingtion at Linwood; the only general occupancy LIHTC community in the market area (LaFayette Gardens) includes USDA Rental Assistance on all units and was included in our competitive survey. The balance of the affordable housing stock is deeply subsidized through the public housing, Section 8, or USDA Rural Development programs with rents based on a percentage of income; although not directly comparable to the subject property which will not be deeply subsidized, the four deeply subsidized general occupancy communities were included in our competitive survey given the lack of rental units without deep subsidies in the market area. The location of these communities relative to the subject site is shown in Map 7.

Table 34 Subsidized Communities, Abbingtion Market Area

Community	Subsidy	Type	Address	City	State	Distance
Endeavor Pointe	LIHTC	Senior	102 Endeavor Pointe Way	Rock Spring	GA	8.7 miles
Lucky Pointe	LIHTC	Senior	307 Stanfield Rd.	LaFayette	GA	2 miles
Woodland Village II	LIHTC	Senior	1201 W North Main St.	LaFayette	GA	1.5 miles
LaFayette Garden	LIHTC/USDA	Family	709 Patterson Rd.	LaFayette	GA	1.8 miles
LaFayette Housing Authority	Public Housing	Family	300 Oak St.	LaFayette	GA	0.8 mile
Town Creek	Section 8	Family	300 Cooper St.	LaFayette	GA	1.3 miles
LaFayette VOA Housing	Section 8	Senior	1405 Gordon Pond Rd.	LaFayette	GA	1.7 miles
Northwest Georgia VOA Housing	Section 8	Senior	McLemore St/Chattanooga St.	LaFayette	GA	1 mile
Amberwood	USDA	Family	1212 W North Main St.	LaFayette	GA	1.5 miles
Carriage Hill	USDA	Family	1135 Campbell Ave.	LaFayette	GA	1.6 miles
Yester Oaks	USDA	Family	101 Yester Oaks Dr.	LaFayette	GA	1.9 miles

Source: HUD, GA DCA, USDA

Map 7 Subsidized Rental Communities





H. Impact of Abandoned, Vacant, or Foreclosed Homes

Based on field observations, limited abandoned / vacant single and multi-family homes exist in the Abbingtion Market Area. In addition, to understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner’s grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30728 in which the subject property will be located and the broader areas of LaFayette, Walker County, Georgia, and the United States for comparison purposes.

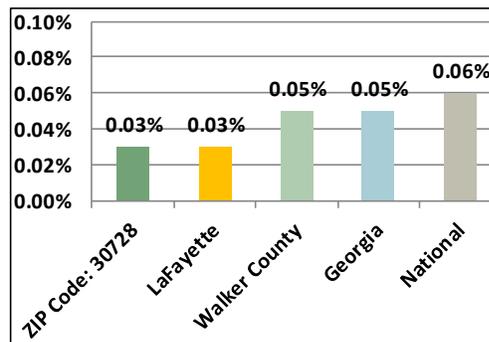
Our RealtyTrac search revealed April 2017 foreclosure rates of 0.03 percent in the subject property’s ZIP Code (30728) and LaFayette, 0.05 percent in Walker County and Georgia, and 0.06 percent in the nation (Table 35). The monthly number of foreclosures in the subject site’s ZIP Code ranged from two to 12 units over the past year.

While the conversion of foreclosure properties can affect the demand for new multi-family rental housing in some markets, the impact on an affordable housing community is typically limited due to their tenant rent and income restrictions. Furthermore, current foreclosure activity in the subject site’s ZIP Code was not significant over the past year. As such, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units.

Table 35 Foreclosure Activity, ZIP Code 30728

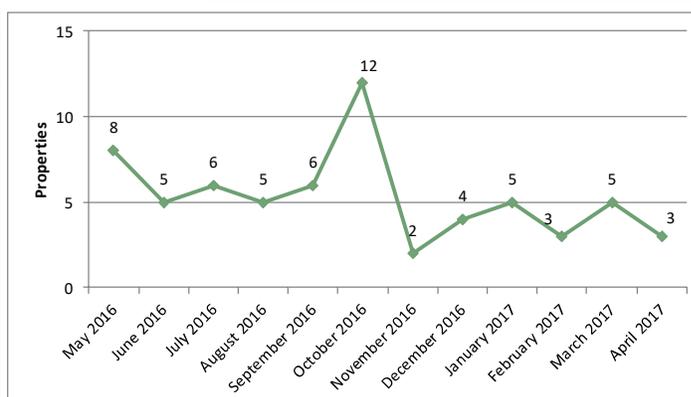
Geography	April 2017 Foreclosure Rate
ZIP Code: 30728	0.03%
LaFayette	0.03%
Walker County	0.05%
Georgia	0.05%
National	0.06%

Source: Realtytrac.com



ZIP Code: 30728	
Month	# of Foreclosures
May 2016	8
June 2016	5
July 2016	6
August 2016	5
September 2016	6
October 2016	12
November 2016	2
December 2016	4
January 2017	5
February 2017	3
March 2017	5
April 2017	3

Source: Realtytrac.com



10. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Abbington Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has ample access to amenities, services, employers, and transportation arteries.

- Abbington at Linwood will be a scattered-site rental community with three locations along a one-half mile stretch of Probasco Street in LaFayette, Georgia. All sites are within one mile northwest of downtown LaFayette.
- LaFayette is primarily residential with commercial uses common along US-27 Bus including a concentration in downtown. Land uses surrounding the site include primarily older modest value single-family detached homes. Additional land uses in close proximity to the sites include LaFayette Housing Authority rental units, industrial uses along Probasco Street, places of worship, and South Walker Head Start school.
- Community services, grocery stores, pharmacies, banks, convenience stores, shopping, and medical facilities are within one mile of the site with a concentration in or near downtown.
- Abbington at Linwood will have visibility from multiple residential streets and will have several access points as it is split between three sites.

2. Economic Context

Walker County's economy is trending upward with recent job growth and a declining unemployment rate. Recently, the county has added over 500 jobs since 2015 and the unemployment rate has dropped to a nine-year low in 2016.

- Walker County's unemployment rate has decreased in each of the past seven years to a nine-year low of 5.6 percent in 2016 which is slightly higher than the state rate (5.4 percent).
- Walker County lost jobs in 11 of 15 years from 2000 to 2015 including significant losses during the recession for a net loss of 2,879 jobs or 18.7 percent. The county has shown recent stabilization and growth with the addition of 134 jobs in 2015 and 396 more jobs through the third quarter of 2016.
- Manufacturing is the largest employment sector in Walker County, accounting for 33.8 percent of all jobs in 2016 (Q3) compared to 8.7 percent of national employment; ten of the county's 14 largest employers are manufacturers. Government accounts for 26.3 percent of the county's jobs and no other individual sector accounts for more than 12.7 percent of the county's jobs. All employment sectors in the county with the exception of Manufacturing and Government account for smaller proportions of jobs when compared to the nation.
- Five employment sectors added jobs from 2011 to 2016 Q3 in Walker County including its largest sector (Manufacturing) with net growth of 12.3 percent; the remaining sectors that added jobs grew by 6.7 to 39.1 percent. Six sectors lost jobs during this period including a 2.1 percent loss of jobs in the second largest sector in the county (Government).

3. Population and Household Trends

The Abbingtion Market Area grew steadily during the previous decade and modest growth continued over the past seven years. The market's area population and household base are projected to remain relatively unchanged over the next two years.

- The market area added 449 people (1.7 percent) and 167 households (1.6 percent) per year between the 2000 and 2010 census counts. Growth continued at a modest pace from 2010 to 2017 with 0.1 percent annual population growth and 0.2 percent annual household growth.
- Esri projects the market area's population and household base to remain relatively unchanged from 2017 to 2019 with the net addition of 17 people and seven households over the next two years.

4. Demographic Analysis

The Abbingtion Market Area's demographics reflect its rural nature with a relatively old population, a large proportion of families, and a relatively low renter percentage. A significant proportion of renter households earn modest to moderate incomes.

- Working age households (age 25 to 54) account for the majority (55.7 percent) of all renters in the market area and 36.0 percent of renters are age 55 and older.
- Multi-person households accounted for roughly three-quarters (75.8 percent) of all market area households including 42.3 percent without children and one-third (33.5 percent) with children. Single-person households comprise approximately 24 percent of market area households.
- The Abbingtion Market Area's 2010 renter percentage was 25.2 compared to 26.0 percent in Walker County. The market area's renter percentage is estimated to have increased to 28.6 percent in 2017 and is projected to increase slightly to 28.7 percent by 2019; a shift from owners to renters occurred over the past seven years with the net addition of 419 renter households and loss of 300 owner households from 2010 to 2017.
- Roughly 58 percent of market area renter households contained one or two people including one-third with one person. Households with three or four people accounted for 32.3 percent of renter households and large households (5+ people) accounted for 10.2 percent of renter households.
- The 2017 median household income in the Abbingtion Market Area is \$43,024 which is \$2,466 or 6.1 percent higher than the \$40,558 median in Walker County. RPRG estimates that the median income of renter households in the Abbingtion Market Area is a modest \$23,260. Over half (53.2 percent) of market area renter households earn less than \$25,000 including 34.7 percent earning less than \$15,000. Approximately 26 percent of market area renters earn \$25,000 to \$49,000.

5. Competitive Housing Analysis

RPRG surveyed five deeply subsidized communities in the market area including one LIHTC community. The market area's rental market is performing very well with limited vacancies. We surveyed five market rate communities outside the market area in Dalton to illustrate market rate rents achieved in the region as no market rate units were identified in the market area.

- The five communities in the market area reported two vacancies among a combined 232 units; four of five surveyed communities had a waiting list.



- Among the surveyed rental communities outside the market area, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** units averaged 711 square feet and \$652 per month for a rent per square foot of \$0.92.
 - **Two-bedroom** units averaged 967 square feet and \$766 per month for a rent per square foot of \$0.79.
 - **Three-bedroom** units at Legacy at Dalton were \$899 for a 1,300 square foot units resulting in a rent per square foot of \$0.69.
- The “average market rent” was \$648 for one-bedroom units, \$749 for two-bedroom units, and \$881 for three-bedroom units. The proposed 50 percent AMI rents are at least 23 percent below these average market rents and the proposed 60 percent AMI rents are all at least 11 percent below average market rent. The project’s overall weighted average market advantage is 15.2 percent.
- No multi-family rental communities were identified as planned, approved, or under construction in the market area.

B. Product Evaluation

Considered in the context of the competitive environment, the relative position of Abbingtion at Linwood is as follows:

- **Site:** The subject sites are acceptable for an affordable rental housing community in a rural market. The sites are convenient to community amenities, transportation arteries, and the county’s largest employer. The subject sites are considered comparable to the surveyed communities in the market area.
- **Unit Distribution:** The proposed unit mix for Abbingtion at Linwood includes 21 one-bedroom units (35.0 percent), 28 two-bedroom units (46.7 percent), and 11 three-bedroom units (18.3 percent). One, two, and three-bedroom floor plans are common among surveyed communities inside the market area. Furthermore, the market area consists of a wide range of renter household sizes including 57.5 percent with one or two people and 32.3 percent with three or four people. The affordability analysis illustrates that sufficient income-qualified renter households exist in the market area to support the proposed unit mix and rents. The proposed unit mix will be well received in the market area.
- **Unit Size:** The proposed weighted average unit sizes at Abbingtion at Linwood are 766 square feet for one-bedroom units, 1,034 square feet for two-bedroom units, and 1,189 square feet for three-bedroom units. The proposed units will be the largest units in the market area and larger than the one and two-bedroom market averages among communities surveyed outside the market area. Furthermore, the proposed rents result in significantly lower rent per square foot than market averages for the surveyed market rate communities outside the market area. The proposed unit sizes are appropriate and will be competitive in the market.
- **Unit Features:** In-unit features offered at the subject property will include a range, refrigerator, dishwasher, garbage disposal, microwave, ceiling fans, and washer and dryer connections. These unit features are superior to those offered at all communities inside the market area. Abbingtion at Linwood will be the only community in the market area to offer a dishwasher and microwave and the new construction will offer more modern finishes when compared to the much older rental housing stock in the market area.
- **Community Amenities:** Abbingtion at Linwood’s community amenity package will include a clubhouse with community room, fitness center, computer center, laundry facilities, and attached health clinic with a health screening room that will be free for residents of the subject property. Outdoor amenities will include a playground, gazebo, and community



garden. These proposed amenities are far superior to those offered at all surveyed communities inside the market area.

The health clinic with health screening room (Community Service Facility) will be attached to the clubhouse and will be staffed by third-party medical professionals; services will be free to residents of the subject property and will be offered to other low-income residents in the LaFayette area for a fee. The facility will primarily serve low to moderate income residents of the LaFayette area. The health clinic will be beneficial and well received by the target market, which includes households earning up to 60 percent of AMI.

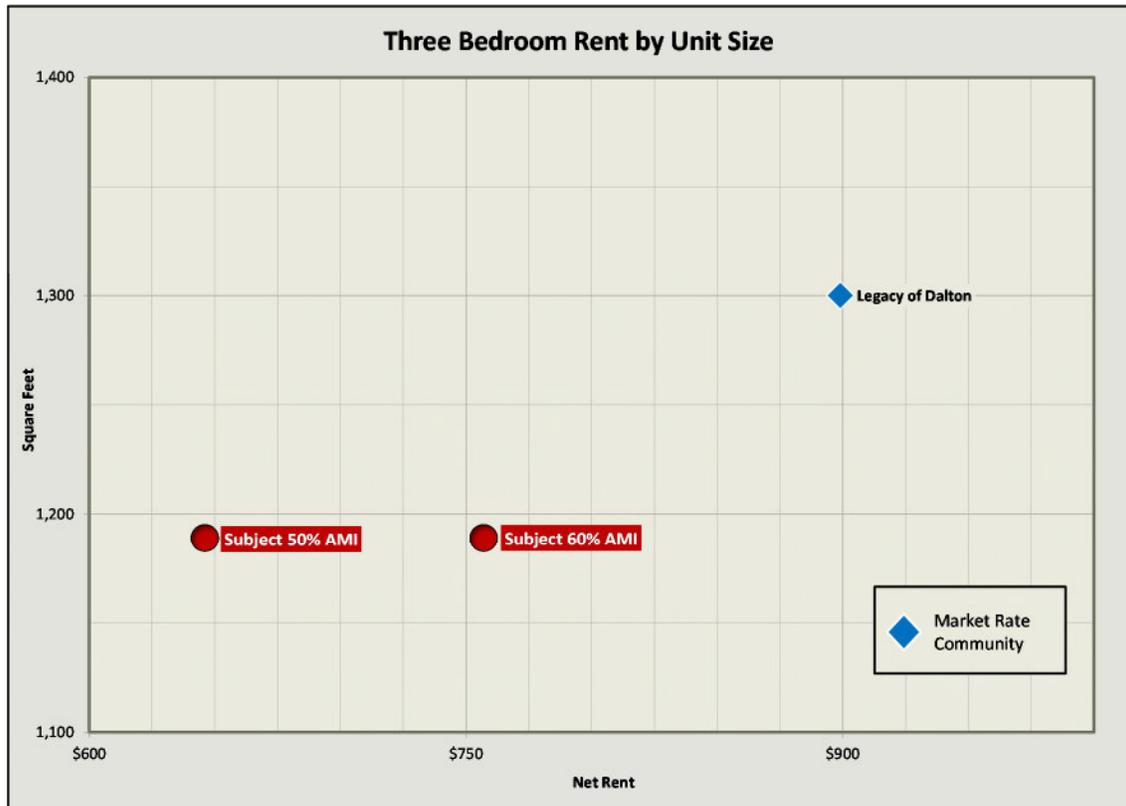
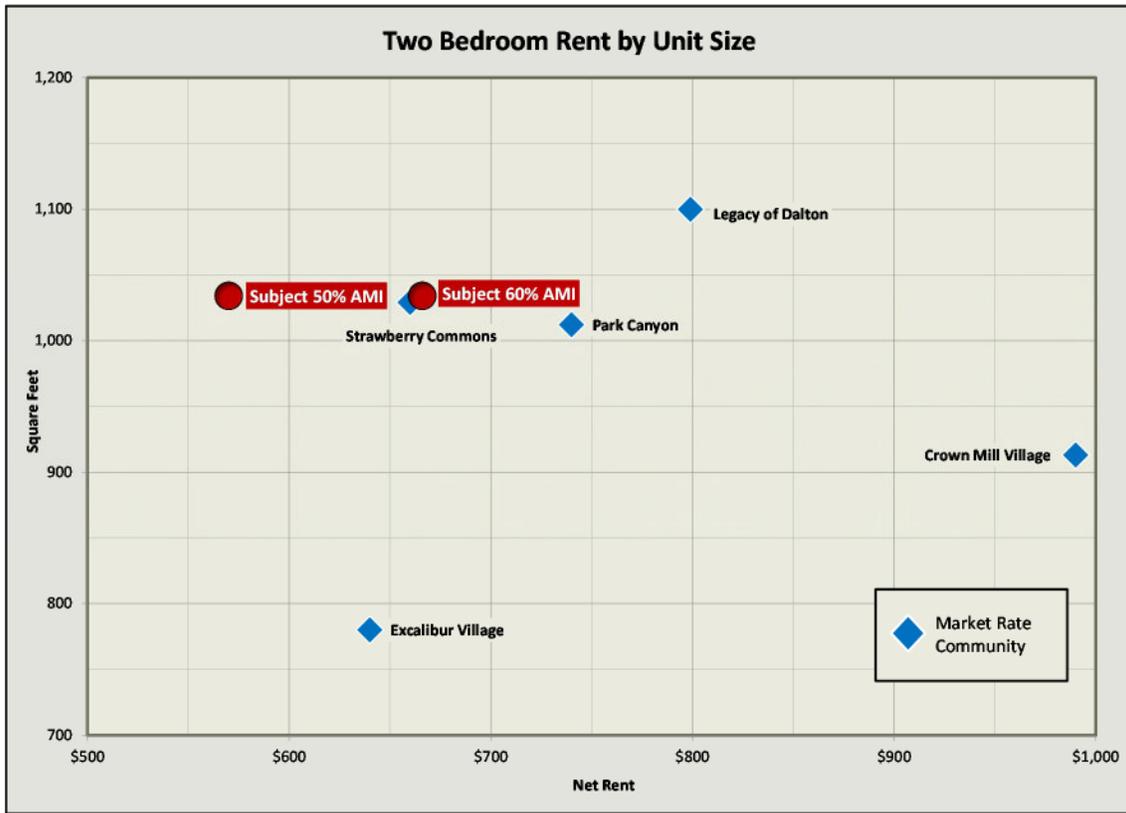
- **Marketability:** The subject property’s unit features and community amenities will be superior to the rental housing stock in the market area.

C. Price Position

We have compared the proposed rents with the market rate rents at the surveyed communities outside the market area as no units without deep subsidies were identified in the market area. The proposed 50 percent AMI rents are lower than all existing rents and the proposed 60 percent rents will be at or near the bottom of the market and well below the highest priced units (Figure 8). The proposed rents result in a significantly lower price per square foot when compared to most of the surveyed units. The proposed unit mix and rents result in acceptable affordability capture and DCA demand capture rates and all proposed rents are appropriate and will be competitive in the market.

Figure 8 Price Position







11. ABSORPTION AND STABILIZATION RATES

A. Absorption Estimate

The absorption rate for the subject property is based on the number of income-qualified renter households projected in the market area, demand estimates, rental market conditions, and the marketability of the proposed site and product.

- Roughly 900 renter households will be income-qualified for one of the proposed units at the subject property. The overall affordability capture rate is 6.7 percent.
- All DCA demand capture rates both overall and by floor plan are well within DCA thresholds. The overall demand capture rate for the subject property is 17.5 percent.
- All surveyed rental units in the market area are deeply subsidized as no general occupancy communities without deep subsidies were identified in the market area. The rental market is performing very well with two vacancies among 232 combined units for an aggregate vacancy rate of 0.9 percent including four of five communities with a waiting list.
- Abbingtion at Linwood will offer an attractive product that is superior to all existing communities in the market area and will be well received by the target market. The subject will be the only general occupancy multi-family rental community in the market area that is not deeply subsidized.

Based on the superior product to be constructed, the lack of affordable rental options without deep subsidies, and the factors discussed above, we expect Abbingtion at Linwood to lease-up at a rate of 10 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within five to six months.

B. Impact on Existing and Pipeline Rental Market

Given no directly comparable rental communities exist or are planned in the Abbingtion Market Area (all existing general occupancy communities in the market area are deeply subsidized), we do not expect Abbingtion at Linwood to have a negative impact on existing or pipeline rental communities in the Abbingtion Market Area including those with tax credits. Furthermore, demand estimates indicate more than sufficient demand to support the subject property.



12. INTERVIEWS

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Kristy Parker with the Walker County Planning Office, Phil Jeffers with the City of LaFayette, and staff with the Housing Authority of the City of LaFayette.



13. CONCLUSIONS AND RECOMMENDATIONS

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$19,680 - \$33,050		21.5%										
One Bedroom Units	\$19,680 - \$24,000	6	7.9%	98		98	0	98	6.1%	3 months	\$648	\$545-\$815	\$480
Two Bedroom Units	\$24,001 - \$27,500	4	5.5%	68		68	0	68	5.9%	3 months	\$749	\$640-\$990	\$570
Three Bedroom Units	\$27,501 - \$33,050	3	8.1%	101	42.5%	43	0	43	7.0%	3 months	\$881	\$863-\$899	\$646
60% Units	\$22,423 - \$39,660		22.6%										
One Bedroom Units	\$22,423 - \$28,000	15	9.1%	113		113	0	113	13.3%	4 months	\$648	\$545-\$815	\$560
Two Bedroom Units	\$28,001 - \$31,500	24	5.1%	64		64	0	64	37.7%	5-6 months	\$749	\$640-\$990	\$666
Three Bedroom Units	\$31,501 - \$39,660	8	8.4%	104	42.5%	44	0	44	18.1%	4 months	\$881	\$863-\$899	\$757
By Bedroom													
One Bedroom Units	\$19,680 - \$28,000	21	14.1%	175		175	0	175	12.0%	4 months			
Two Bedroom Units	\$24,001 - \$31,500	28	10.6%	132		132	0	132	21.2%	5-6 months			
Three Bedroom Units	\$27,501 - \$39,660	11	14.3%	177	42.5%	75	0	75	14.6%	4 months			
Project Total	\$19,680 - \$39,660		27.7%										
50% Units	\$19,680 - \$33,050	13		267			0	267	4.9%	3 months			
60% Units	\$22,423 - \$39,660	47		281			0	281	16.7%	5-6 months			
Total Units	\$19,680 - \$39,660	60		343			0	343	17.5%	5-6 months			

Total demand by income level is the sum of demand by bedroom*

Based on acceptable affordability and demand capture rates and the limited rental market without deep subsidies in the market area, sufficient demand exists to support the proposed units at Abbington at Linwood. As such, RPRG believes that the proposed Abbington at Linwood will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Abbington Market Area and the units will be well received by the target market. We believe the market area can support the subject property and we recommend proceeding with the project as planned.

Brett Welborn
Analyst

Tad Scepaniak
Principal



14. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



15. APPENDIX 2 ANALYST CERTIFICATIONS

I certify that, to the best of my knowledge and belief:

- I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study 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.
- DCA may rely on the representation made in the market study provided and the document is assignable to other lenders that are parties to the DCA loan transaction.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.

Brett Welborn
Analyst
Real Property Research Group, Inc.

Tad Scepaniak
Principal
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



16. APPENDIX 3 NCHMA CERTIFICATION

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

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepaniak
Name

Principal
Title

May 18, 2017
Date



17. APPENDIX 4 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



TAD SCEPANIAK

Tad Scepianiak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is National Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as Vice Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



BRETT WELBORN

Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett has progressed to serve as Analyst for RPRG.

Areas of Concentration:

Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.

In addition to market analysis responsibilities, Brett has also assisted in the development of research tools for the organization.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



18. APPENDIX 5 DCA CHECKLIST

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

The report was written according to DCA's market study requirements, that the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: 

Date: May 18, 2017

Brett Welborn

A. Executive Summary

1. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-street.....Page(s) 1
 - ii. Construction and Occupancy TypesPage(s) 1
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowancePage(s) 1
 - iv. Any additional subsidies available, including project based rental assistance (PBRA)Page(s) 1
 - v. Brief description of proposed amenities and how they compare with existing propertiesPage(s) 2
2. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels.....Page(s) 2
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....Page(s) 2
 - iii. A discussion of site access and visibilityPage(s) 2
 - iv. Any significant positive or negative aspects of the subject site.....Page(s) 2
 - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etcPage(s) 2
 - vi. A brief discussion of public safety, including comments on local perceptions, maps, or statistics of crime in the areaPage(s) 2
 - vii. An overall conclusion of the site's appropriateness for the proposed development.....Page(s) 2
3. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject propertyPage(s) 2-3
4. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA.....Page(s) 3
 - ii. Household tenure including any trends in rental rates.Page(s) 3



- iii. Household income level Page(s) 3
- iv. Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development..... Page(s) 4
- 5. Economic Data:
 - i. Trends in employment for the county and/or region..... Page(s) 4
 - ii. Employment by sector for the primary market area Page(s) 4
 - iii. Unemployment trends for the county and/or region for the past five years..... Page(s) 4
 - iv. Brief discussion of recent or planned employment contractions or expansions..... Page(s) 4
 - v. Overall conclusion regarding the stability of the county’s economic environment. Page(s) 4
- 6. Project Specific Affordability and Demand Analysis:
 - i. Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households..... Page(s) 4
 - ii. Overall estimate of demand based on DCA’s demand methodology..... Page(s) 4
 - iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), bi AMI targeting, by bedroom type, and a conclusion regarding the achievability of these capture rates. Page(s) 4
- 7. Competitive Rental Analysis
 - i. An analysis of the competitive properties in the PMA. Page(s) 5
 - ii. Number of properties..... Page(s) 5
 - iii. Rent bands for each bedroom type proposed. Page(s) 5
 - iv. Average market rents Page(s) 5
- 8. Absorption/Stabilization Estimate:
 - i. Expected absorption rate of the subject property (units per month)..... Page(s) 5
 - ii. Months required for the project to reach a stabilized occupancy of 93 percent. Page(s) 5
- 9. Overall Conclusion:
 - i. A narrative detailing key conclusions of the report including the analyst’s opinion regarding the potential for success of the proposed development. Page(s) 5
- 10. Summary Table Page(s) 6

B. Project Description

- 1. Project address and location Page(s) 12
- 2. Construction type. Page(s) 9
- 3. Occupancy Type. Page(s) 9
- 4. Special population target (if applicable). Page(s) 9
- 5. Number of units by bedroom type and income targeting (AMI)..... Page(s) 10
- 6. Unit size, number of bedrooms, and structure type. Page(s) 10
- 7. Rents and Utility Allowances. Page(s) 10
- 8. Existing or proposed project based rental assistance..... Page(s) 10
- 9. Proposed development amenities..... Page(s) 11
- 10. For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost. Page(s) N/A
- 11. Projected placed-in-service date..... Page(s) 11

C. Site Evaluation

- 1. Date of site / comparables visit and name of site inspector..... Page(s) 7
- 2. Site description
 - i. Physical features of the site. Page(s) 13



- ii. Positive and negative attributes of the site..... Page(s) 20
 - iii. Detailed description of surrounding land uses including their condition..... Page(s) 14
 - 3. Description of the site’s physical proximity to surrounding roads, transportation, amenities, employment, and community services..... Page(s) 17-20
 - 4. Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point..... Page(s) 13, 15
 - 5. Neighborhood Characteristics
 - i. Map identifying the location of the project..... Page(s) 12
 - ii. List of area amenities including their distance (in miles) to the subject site..... Page(s) 18
 - iii. Map of the subject site in proximity to neighborhood amenities..... Page(s) 19
 - 6. Describe the land use and structures of the area immediately surrounding the site including significant concentrations of residential, commercial, industrial, vacant, or agricultural uses; comment on the condition of these existing land uses. Page(s) 14
 - 7. Discuss any public safety issues in the area Page(s) 16
 - 8. Map identifying existing low-income housing in the market area Page(s) 49
 - 9. Road or infrastructure improvements planned or under construction in the PMA..... Page(s) 18
 - 10. Discussion of accessibility, ingress/egress, and visibility of the subject site..... Page(s) 17,17
 - 11. Overall conclusions about the subject site, as it relates to the marketability of the proposed development..... Page(s) 20

D. Market Area

- 1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site..... Page(s) 21
- 2. Map Identifying subject property’s location within market area..... Page(s) 22

E. Community Demographic Data

- 1. Population Trends
 - i. Total Population..... Page(s) 23-24
 - ii. Population by age group..... Page(s) 25
 - iii. Number of elderly and non-elderly..... Page(s) N/A
 - iv. Special needs population (if applicable)..... Page(s) N/A
- 2. Household Trends
 - i. Total number of households and average household size..... Page(s) 23
 - ii. Household by tenure..... Page(s) 26
 - iii. Households by income..... Page(s) 27-28
 - iv. Renter households by number of persons in the household..... Page(s) 27

F. Employment Trends

- 1. Total jobs in the county or region..... Page(s) 32
- 2. Total jobs by industry – numbers and percentages..... Page(s) 32
- 3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area..... Page(s) 33, 35
- 4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years..... Page(s) 30
- 5. Map of the site and location of major employment concentrations..... Page(s) 34



6.	Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	35
G. Project-specific Affordability and Demand Analysis			
1.	Income Restrictions / Limits	Page(s)	37
2.	Affordability estimates	Page(s)	36-38
3.	Components of Demand		
	i. Demand from new households.....	Page(s)	39-40
	ii. Demand from existing households.....	Page(s)	39-40
	iii. Elderly Homeowners likely to convert to rentership.....	Page(s)	39-40
	iv. Other sources of demand (if applicable).....	Page(s)	N/A
4.	Net Demand, Capture Rate, and Stabilization Calculations		
	i. Net demand		
	1. By AMI Level	Page(s)	40
	2. By floor plan	Page(s)	40
	ii. Capture rates		
	1. By AMI level	Page(s)	40
	2. By floor plan	Page(s)	40
5.	Capture rate analysis chart	Page(s)	40
H. Competitive Rental Analysis (Existing Competitive Rental Environment			
1.	Detailed project information for each competitive rental community surveyed		
	i. Name and address of the competitive property development.....	Page(s)	App. 7
	ii. Name, title, and phone number of contact person and date contact was made.....	Page(s)	App. 7
	iii. Description of property.....	Page(s)	App. 7
	iv. Photographs of each competitive development.....	Page(s)	App. 7
	v. Square footages for each competitive unit type.....	Page(s)	44
	vi. Monthly rents and the utilities included in the rents of each unit type.....	Page(s)	45, 47, App. 7
	vii. Project age and current physical condition.....	Page(s)	44, App. 7
	viii. Concessions given if any.....	Page(s)	44
	ix. Current vacancy rates, historic vacancy factors, waiting lists, and turnover rates, broken down by bedroom size and structure type.....	Page(s)	44
2.	Additional rental market information		
	i. An analysis of voucher and certificates available in the market area.....	Page(s)	48
	ii. Lease-up history of competitive developments in the market area.....	Page(s)	44
	iii. Tenant profile and waiting list of existing phase (if applicable).....	Page(s)	N/A
	iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).....	Page(s)	47
3.	Map showing competitive projects in relation to the subject property.	Page(s)	43
4.	Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.....	Page(s)	45-46
5.	For senior communities, an overview / evaluation of family properties in the PMA.....	Page(s)	N/A
6.	Subject property's long-term impact on competitive rental communities in the PMA.....	Page(s)	56
7.	Competitive units planned or under construction the market area		
	i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.....	Page(s)	48



8.	Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.....	Page(s)	44-46, 53
i.	Average market rent and rent advantage.....	Page(s)	47
9.	Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.....	Page(s)	39-40
10.	Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.	Page(s)	N/A
11.	Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	50
12.	Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	N/A
13.	Note whether or not the proposed project adversely impacts the long term occupancy and health of existing assisted rental housing projects in the PMA.	Page(s)	56
I.	Absorption and Stabilization Rates		
1.	Anticipated absorption rate of the subject property.....	Page(s)	56
2.	Stabilization period.....	Page(s)	56
J.	Interviews.....	Page(s)	57
K.	Conclusions and Recommendations		
1.	Conclusion as to the impact of the subject property on PMA.....	Page(s)	56
2.	Recommendation as the subject property's viability in PMA.....	Page(s)	58
L.	Signed Statement Requirements.....	Page(s)	App. 2
M.	Market Study Representation.....	Page(s)	App. 2



19. APPENDIX 6 RENTAL COMMUNITY PROFILES

Community	Address	City	State	Phone Number	Date Surveyed	Contact
Amberwood	1212 W North Main St.	Lafayette	GA	706-638-7567	5/10/2017	Property Manager
Carriage Hill	1135 Campbell Ave.	Lafayette	GA	706-638-3332	5/11/2017	Property Manager
Crown Mill Village	801 Chattanooga Ave.	Dalton	GA	706-218-7404	5/5/2017	Property Manager
Excalibur Village	2315 Lakeland Rd. SE	Dalton	GA	706-876-0066	5/11/2017	Property Manager
Lafayette Garden	709 Patterson Rd.	Lafayette	GA	706-638-0335	5/17/2017	Property Manager
Legacy at Dalton	2111 Club Dr.	Dalton	GA	706-226-3012	5/5/2017	Property Manager
Park Canyon	284 Park Canyon Dr.	Dalton	GA	706-226-6054	5/5/2017	Property Manager
Strawberry Commons	1418 Burgess Dr.	Dalton	GA	706-278-1616	5/10/2017	Property Manager
Town Creek	300 Cooper St.	Lafayette	GA	706-638-5203	5/17/2017	Property Manager
Yester Oaks	101 Yesteroaks Dr.	Lafayette	GA	706-638-7461	5/10/2017	Property Manager

Amberwood

Multifamily Community Profile

1212 W North Main St.
Lafayette, GA 30728

Community Type: Deep Subsidy-General

Structure Type: Garden/TH

44 Units 2.3% Vacant (1 units vacant) as of 5/10/2017

Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	36.4%	\$443	676	\$0.66	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	63.6%	\$480	896	\$0.54	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Vacancy is a two-bedroom unit. Waiting list.
Rural development, rent is basic rent.

Floorplans (Published Rents as of 5/10/2017) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	16	\$443	676	\$.66	USDA	5/10/17	2.3%	\$443	\$480	--
Townhouse	--	2	1.5	28	\$480	896	\$.54	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Carriage Hill

Multifamily Community Profile

1135 Campbell Ave.
LaFayette, GA 30728

Community Type: Deep Subsidy-General
Structure Type: Garden

60 Units 0.0% Vacant (0 units vacant) as of 5/11/2017

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	46.7%	\$457	750	\$0.61	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	40.0%	\$487	850	\$0.57	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	13.3%	\$507	1,000	\$0.51	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Boyd Mgt Owner: --	

Comments

Rural development, rent is basic rent.
Square footage is an estimate.
Waiting list.

Floorplans (Published Rents as of 5/11/2017) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	28	\$457	750	\$.61	USDA	5/11/17	0.0%	\$457	\$487	\$507
Garden	--	2	1	24	\$487	850	\$.57	USDA					
Garden	--	3	1	8	\$507	1,000	\$.51	USDA					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Crown Mill Village

Multifamily Community Profile

801 Chattanooga Ave
Dalton, GA 30720

CommunityType: Market Rate - General

Structure Type: Adaptive Reuse

66 Units 0.0% Vacant (0 units vacant) as of 5/5/2017

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	84.8%	\$830	750	\$1.11	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	15.2%	\$1,010	1,059	\$0.95	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Pet park, picnic/grilling area. White or black appliances.

Building originally built in 1884.

Floorplans (Published Rents as of 5/5/2017) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	56	\$830	750	\$1.11	Market	5/5/17	0.0%	\$830	\$1,010	--
Townhouse	--	2	1.5	4	\$1,100	1,278	\$0.86	Market	11/5/13	4.5%	\$775	\$935	--
Garden	--	2	1	6	\$950	913	\$1.04	Market	6/14/12	15.2%	--	--	--
									4/30/12	19.7%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Excalibur Village

Multifamily Community Profile

2315 Lakeland Rd. SE
Dalton, GA 30721

Community Type: Market Rate - General

Structure Type: Garden

57 Units 3.5% Vacant (2 units vacant) as of 5/11/2017

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$580	580	\$1.00	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$660	780	\$0.85	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Cable TV	
Select Units: Disposal; Central A/C	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Vacancies are both 1BR units.

Community rents units by the week. Rents shown are weekly rents x 4.

Floorplans (Published Rents as of 5/11/2017) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$580	580	\$1.00	Market	5/11/17	3.5%	\$580	\$660	--
Garden	--	2	1	--	\$660	780	\$.85	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Lafayette Gardens

Multifamily Community Profile

709 Patterson Rd.
LaFayette, GA 30728

CommunityType: LIHTC - General

Structure Type: Garden

20 Units 0.0% Vacant (0 units vacant) as of 5/17/2017

Last Major Rehab in 2015 Opened in 1980



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	5.0%	\$520	750	\$0.69	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	95.0%	\$655	1,000	\$0.66	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Boyd	
Owner: --	

Comments

Rural development, rents are basic rents.
Waiting list of two people.

Floorplans (Published Rents as of 5/17/2017) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	1	\$505	750	\$.67	USDA	5/17/17	0.0%	\$520	\$655	--
Garden	--	2	1	19	\$635	1,000	\$.64	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Legacy of Dalton

Multifamily Community Profile

2111 Club Dr
Dalton, GA 30720

CommunityType: Market Rate - General

Structure Type: Garden

158 Units 5.1% Vacant (8 units vacant) as of 5/5/2017

Last Major Rehab in 2000 Opened in 1984



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	15.2%	\$714	800	\$0.89	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	51.3%	\$819	1,100	\$0.74	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	33.5%	\$924	1,300	\$0.71	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: --	Owner: --

Comments

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Floorplans (Published Rents as of 5/5/2017) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$714	800	\$.89	Market	5/5/17	5.1%	\$714	\$819	\$924
Garden	--	2	2	81	\$819	1,100	\$.74	Market	6/14/12	2.5%	--	--	--
Garden	--	3	2	53	\$924	1,300	\$.71	Market	4/24/12	1.9%	--	--	--

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Adjustments to Rent

Incentives:	
None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Park Canyon

Multifamily Community Profile

284 Park Canyon Dr
Dalton, GA 30720

CommunityType: Market Rate - General

Structure Type: Garden

171 Units 0.6% Vacant (1 units vacant) as of 5/5/2017

Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	13.5%	\$555	472	\$1.18	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	57.3%	\$653	704	\$0.93	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	29.2%	\$760	1,012	\$0.75	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$75
Property Manager: --	
Owner: --	

Comments

Vacancy is a 1BR unit.

Floorplans (Published Rents as of 5/5/2017) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	23	\$555	472	\$1.18	Market	5/5/17	0.6%	\$653	\$760	--
Garden	--	1	1	98	\$653	704	\$0.93	Market	6/14/12	2.3%	--	--	--
Garden	--	2	1.5	50	\$760	1,012	\$0.75	Market	4/30/12	3.5%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park Canyon

GA313-016999

Strawberry Commons

Multifamily Community Profile

1418 Burgess Dr.
Dalton, GA 30720

CommunityType: Market Rate - General

Structure Type: Garden

39 Units 0.0% Vacant (0 units vacant) as of 5/10/2017

Last Major Rehab in 2004 Opened in 1959



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	66.7%	\$560	719	\$0.78	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	33.3%	\$680	1,029	\$0.66	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Microwave; Central A/C	
Select Units: In Unit Laundry; Patio/Balcony	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

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Floorplans (Published Rents as of 5/10/2017) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$

Garden	--	1	1	26	\$560	719	\$.78	Market	5/10/17	0.0%	\$560	\$680	--
Garden	--	2	1	13	\$680	1,029	\$.66	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Town Creek

Multifamily Community Profile

300 Cooper St.
LaFayette, GA 30728

CommunityType: Deep Subsidy-General
Structure Type: Garden

60 Units 1.7% Vacant (1 units vacant) as of 5/17/2017

Opened in 1974



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	20.0%	\$450	650	\$0.69	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.0%	\$550	800	\$0.69	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.0%	\$650	900	\$0.72	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Central A/C	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Section 8, rent is contract rent. Vacancy is a 3BR.

Floorplans (Published Rents as of 5/17/2017) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	12	\$450	650	\$.69	Section 8	5/17/17	1.7%	\$450	\$550	\$650
Garden	--	2	1	36	\$550	800	\$.69	Section 8					
Garden	--	3	1	12	\$650	900	\$.72	Section 8					

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Town Creek

GA295-025120

Yester Oaks

Multifamily Community Profile

101 Yesteroaks Dr.
LaFayette, GA 30728

Community Type: Deep Subsidy-General

Structure Type: Garden/TH

48 Units 0.0% Vacant (0 units vacant) as of 5/10/2017

Opened in 1991



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	33.3%	\$435	610	\$0.71	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	58.3%	\$465	906	\$0.51	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Waiting list.
Rural development, rent is basic rent.
Former LIHTC community.

Floorplans (Published Rents as of 5/10/2017) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	16	\$420	610	\$.69	USDA	5/10/17	0.0%	\$435	\$465	--
Garden	--	2	2	8	\$445	906	\$.49	USDA					
Townhouse	--	2	1.5	20	\$445	906	\$.49	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash: