



**NOVOGRADAC
& COMPANY** LLP®

CERTIFIED PUBLIC ACCOUNTANTS

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

GROVE GARDENS

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: GROVE GARDENS

1927 Glenwood Avenue
Atlanta, DeKalb County, Georgia 30316

Effective Date: April 25, 2017
Report Date: May 22, 2017

Prepared for:
Mr. Phil Ellen
Grove Gardens, LP
754 Ponce de Leon Terrace NE
Atlanta, GA 30306

Assignment Code: AEP600V.066

Prepared by:
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CERTIFIED PUBLIC ACCOUNTANTS

May 22, 2017

Mr. Phil Ellen
Grove Gardens, LP
754 Ponce de Leon Terrace NE
Atlanta, GA 30306

Re: Market Study - Application for Grove Gardens, located in Atlanta, DeKalb County, Georgia

Dear Mr. Ellen:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Atlanta, DeKalb County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project.

The purpose of this market study is to assess the viability of the proposed 70-unit senior 55+ LIHTC project. It will be a newly constructed affordable LIHTC project, with 66 units restricted to senior households earning 50 and 60 percent of the Area Median Income (AMI) or less and four market-rate units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

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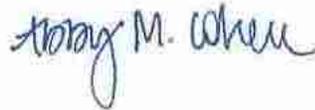
This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and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

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

Respectfully submitted,
Novogradac & Company LLP



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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Grove Gardens will be a newly constructed senior 55+ (HFOP) property located in Atlanta, DeKalb County, Georgia, which will consist of one, three-story, elevator-serviced residential building.

The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowances.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	700	6	\$504	\$129	\$633	\$633	\$820
2BR	900	9	\$575	\$185	\$760	\$760	\$949
<i>60% AMI</i>							
1BR	700	20	\$585	\$129	\$714	\$759	\$820
2BR	900	31	\$660	\$185	\$845	\$912	\$949
<i>Market Rate</i>							
1BR	700	2	\$673	\$0	\$673	N/A	\$820
2BR	900	2	\$759	\$0	\$759	N/A	\$949
Total		70					

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

The Subject's proposed LIHTC rents are below the 2016 LIHTC maximum allowable levels for DeKalb County. The Subject's market rate rents are below the HUD fair market rents for DeKalb County.

2. Site Description/Evaluation

The Subject site is located on the south side of Glenwood Avenue. The Subject site has good visibility and accessibility from Glenwood Avenue. The Subject site is currently wooded land. Surrounding uses consist of single-family residential and commercial uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Somewhat Walkable" by *Walk Score with* a rating of 68 out of 100. The total crime indices in the PMA are generally above that of the MSA and the nation. The Subject will not offer any security features. Retreat at Edgewood offers limited security features and is currently fully-occupied. Given the performance of this comparable property, we do not believe the Subject's lack of security features will negatively impact the Subject. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.2 miles of the Subject site.

3. Market Area Definition

The PMA is defined by US Highway 78 and S Columbia Drive to the north, S Columbia Drive and Columbia Drive to the east, Interstate 285 and Constitution Road SE to the south, and Jonesboro Road/ Highway 54/Interstate 85 to the west. This area includes the cities of Gresham Park, Panthersville, Candler-McAfee, and parts of Atlanta. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 4.5 miles

East: 4.1 miles
South: 3.8 miles
West: 4.3 miles

4. Community Demographic Data

The population in the PMA and the SMA increased significantly from 2000 to 2017. The rate of population and household growth is projected to continue to increase through 2021. The current senior population of the PMA is 32,401 and is expected to be 36,645 in 2021. Renter households are concentrated in the lowest income cohorts, with 56.2 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject's LIHTC units will target households earning between \$18,990 and \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of April 2017. The Subject's zip code is experiencing a foreclosure rate of one in every 1,624 homes, while the state of Georgia is experiencing a foreclosure rate of one in every 1,898 homes. Overall, DeKalb County is experiencing a lower foreclosure rate than the nation, and a slightly higher rate than Georgia as a whole, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

5. Economic Data

Employment in the PMA is concentrated in five industries which represent approximately 57.0 percent of total local employment. Three of those industries, professional/scientific/technology services, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county's largest employers are in the education and healthcare fields.

Overall, the county experienced moderate employment growth between 2011 and the end of 2016. As of December 2016, total employment in the county was higher than ever before, having eclipsed its pre-recession peak in 2014. The unemployment rate in the county as of December 2016 was 50 basis points higher than the national unemployment rate, but significantly lower than its 2010 high of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that DeKalb County has made a recovery from the most recent national recession and is in an expansionary phase. Recent business expansions in several industries suggest both the health of the county's historically stable industries such as healthcare and education and the growth of smaller industries such as professional/scientific/technology services. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$18,990	\$25,325	6	262	0	262	2.3%	\$504
1BR at 60% AMI	\$21,420	\$30,390	20	313	0	313	6.4%	\$585
1BR Unrestricted	\$20,190	\$67,500	2	932	0	932	0.2%	\$673
1BR Overall Project	\$18,990	\$67,500	28	991	0	991	2.8%	-
1BR Overall Affordable	\$18,990	\$30,390	26	407	0	407	6.4%	-
2BR at 50% AMI	\$22,800	\$27,000	9	136	0	136	6.6%	\$575
2BR at 60% AMI	\$25,350	\$32,400	31	163	0	163	19.1%	\$660
2BR Unrestricted	\$22,770	\$67,500	2	484	0	484	0.4%	\$759
2BR Overall Project	\$22,800	\$67,500	42	515	0	515	8.2%	-
2BR Overall Affordable	\$22,800	\$32,400	40	212	0	212	18.9%	-
50% AMI Overall	\$18,990	\$27,000	15	398	0	398	3.8%	-
60% AMI Overall	\$21,420	\$32,400	51	476	0	476	10.7%	-
Unrestricted Overall	\$20,190	\$67,500	4	1,416	0	1,416	0.3%	-
Overall Project	\$18,990	\$67,500	70	1,506	0	1,506	4.6%	-
Overall Affordable	\$18,990	\$32,400	66	619	0	619	10.7%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not considered demand from outside the PMA or standard rental household turnover. All of the capture rates are within GA DCA thresholds.

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,627 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good; however, there is only one comparable senior property in the PMA. We have included this property as a comparable. The other five LIHTC properties target the general population and offer similar unit types in comparison to the proposed Subject. The comparable LIHTC properties are all located in the PMA, between 0.8 and 3.8 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in Atlanta, and there are several market-rate properties in the area. We have included four conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 0.5 and 1.8 miles from the Subject site. These comparables were built or renovated between the 1960s and 2014. Overall, we believe the properties used in our analysis are the most comparable

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$504	\$506	\$979	\$707	40%
2 BR @ 50%	\$575	\$596	\$1,284	\$864	50%
1 BR @ 60%	\$585	\$526	\$979	\$756	29%
2 BR @ 60%	\$660	\$616	\$1,284	\$931	41%
1 BR Unrestricted	\$673	\$661	\$979	\$824	22%
2 BR Unrestricted	\$759	\$731	\$1,284	\$1,053	39%

As illustrated the Subject’s proposed 50 percent rents are below the range of the comparables and below the surveyed average. The Subject’s proposed 60 percent and market rents are within the range of the comparables, but well below the surveyed average.

The Villages at East Lake is achieving the highest one-bedroom unrestricted rents in the market, while Columbia Citihomes is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be superior to The Villages at East Lake as a market-rate property and similar to Columbia Citihomes. Columbia Citihomes was constructed in 2002 and exhibits good condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s design is also considered slightly inferior to the Subject, as it offers two-story walk-up buildings without elevator service. Columbia Citihomes also does not offer hand rails, which the Subject offers. However, Columbia Citihomes offers similar property amenities and is located 1.8 miles from the Subject in a similar location. The two-bedroom rents at Columbia Citihomes are between approximately 61 and 69 percent higher than the Subject’s proposed unrestricted rents, 86 and 95 percent higher than the Subject’s proposed 60 percent rents, and 113 to 123 percent higher than the Subject’s proposed 50 percent rents. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer a significant advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

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

ABSORPTION

Property Name	Occupancy Type	Tenancy	Year Built/Renovated	Number of Units	Units Absorbed / Month
Columbia Mill	LIHTC, Market	Family	2014	100	20
Magnolia Circle	LIHTC, Market	Senior	2003	84	14
Retreat At Edgewood	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	LIHTC, Market	Family	2012	40	<u>12</u>
				Average	17

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The average absorption pace at the comparable LIHTC and market properties is 17 units per month. The Subject is proposed new construction, and we believe it is likely to absorb at a similar pace given the existing waiting lists at the LIHTC comparables and the low vacancy rates at those properties. We expect the Subject will experience an absorption rate of approximately 17 units per month. At this pace the Subject would reach 93 percent occupancy of 65 units within four to five months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.8 percent, which is considered low. Several of the LIHTC properties maintain waiting lists, some as large as 100 households. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer ceiling fans, hand rails, microwaves, walk-in closets, a business center/computer lab, a courtyard, elevators, an exercise facility, and adult education classes, which many of the comparables lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well. We believe the Subject is feasible as proposed and it will perform well.

GROVE GARDENS – ATLANTA, GEORGIA – MARKET STUDY

Summary Table:

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

Development Name:	Grove Gardens	Total # Units:	70
Location:	1927 Glenwood Avenue Atlanta, DeKalb County 30316	# LIHTC Units:	66
PMA Boundary:	North: US Highway 78 and S Columbia Drive; South: Interstate 285 and Constitution Road SE; S Columbia Drive and Columbia Drive;		
West: Jonesboro Road/Highway 54/Interstate 85	Farthest Boundary Distance to Subject:	4.5 miles	

Rental Housing Stock (found on page 59 - 76)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	54	9,501	258	97.3%
Market-Rate Housing	23	5,140	198	96.2%
Assisted/Subsidized Housing not to include LIHTC	12	1,622	18	98.9%
LIHTC	17	2,299	84	96.3%
Stabilized Comps	50	8,940	243	97.3%
Properties in Construction & Lease Up	4	561	N/Ap	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1BR at 50% AMI	1	700	\$504	\$707	\$1.01	40%	\$979	\$1.40
9	2BR at 50% AMI	1	900	\$575	\$864	\$0.96	50%	\$1,284	\$1.43
20	1BR at 60% AMI	1	700	\$585	\$756	\$1.08	29%	\$979	\$1.40
31	2BR at 60% AMI	1	900	\$660	\$931	\$1.03	41%	\$1,284	\$1.43
2	1BR Unrestricted	1	700	\$673	\$824	\$1.18	22%	\$979	\$1.40
2	2BR Unrestricted	1	900	\$759	\$1,053	\$1.17	39%	\$1,284	\$1.43

Demographic Data (found on page 23)

	2010		2017		July 2019	
Renter Households	5,876	50.1%	8,813	41.8%	9,826	43.0%
Income-Qualified Renter HHs (LIHTC)	953	16.2%	1,429	16.2%	1,593	16.2%

Targeted Income-Qualified Renter Household Demand (found on pages 39 to 56)

Type of Demand	30%	50%	60%	Market-rate	Overall Project*	Overall Affordable
Renter Household Growth	-	71	95	346	360	119
Existing Households (Overburdened + Substandard)	-	398	467	1,340	1,432	614
Homeowner conversion (Seniors)	-	7	7	7	10	7
Total Primary Market Demand	-	476	569	1,693	1,801	740
Less Comparable/Competitive Supply	-	0	0	0	0	0
Adjusted Income-qualified Renter HHs**	-	476	569	1,693	1,801	740

Capture Rates (found on page 57)

Targeted Population	30%	50%	60%	Market-rate	Overall Project*	Overall Affordable
Capture Rate:	-	3.8%	10.7%	0.3%	4.6%	10.7%

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- | | |
|---|---|
| 1. Project Address and Development Location: | The Subject site is located at 1927 Glenwood Avenue in Atlanta, DeKalb County, Georgia 30316. The Subject site is currently vacant. |
| 2. Construction Type: | The Subject will consist of one, three-story, elevator-serviced residential building. The Subject will be new construction. |
| 3. Occupancy Type: | Seniors ages 55 and older (HFOP). |
| 4. Special Population Target: | None. |
| 5. Number of Units by Bedroom Type and AMI Level: | See following property profile. |
| 6. Unit Size, Number of Bedrooms and Structure Type: | See following property profile. |
| 7. Rents and Utility Allowances: | See following property profile. |
| 8. Existing or Proposed Project-Based Rental Assistance: | See following property profile. |
| 9. Proposed Development Amenities: | See following property profile. |

GROVE GARDENS – ATLANTA, GEORGIA – MARKET STUDY

Grove Gardens	
Location	1927 Glenwood Road Atlanta, GA 30316 DeKalb County Intersection: Terry Mill Road (verified)
Units	70
Type	Lowrise (age-restricted)
Year Built / Renovated	Proposed
Tenant Characteristics	Seniors age 55 and older



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

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

Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise (3 stories)	6	700	\$504	\$0	@50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	20	700	\$585	\$0	@60%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	2	700	\$673	\$0	Market	n/a	N/A	N/A	n/a
2	1	Lowrise (3 stories)	9	900	\$575	\$0	@50%	n/a	N/A	N/A	no
2	1	Lowrise (3 stories)	31	900	\$660	\$0	@60%	n/a	N/A	N/A	no
2	1	Lowrise (3 stories)	2	900	\$759	\$0	Market	n/a	N/A	N/A	n/a

Amenities	
In-Unit	Blinds Carpeting Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup
Property	Parking spaces: 84 Business Center/Computer Lab Courtyard Elevators Exercise Facility Off-Street Parking On-Site Management Picnic Area
Services	Adult Education
Security	none
Premium	none
Other	none

Comments

Classes offered include computer training and aerobics classes. The property will also have a library and a gazebo. The property will not offer any security features. Utility allowance for one-bedroom units is \$129 and \$185 for two-bedroom units.

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

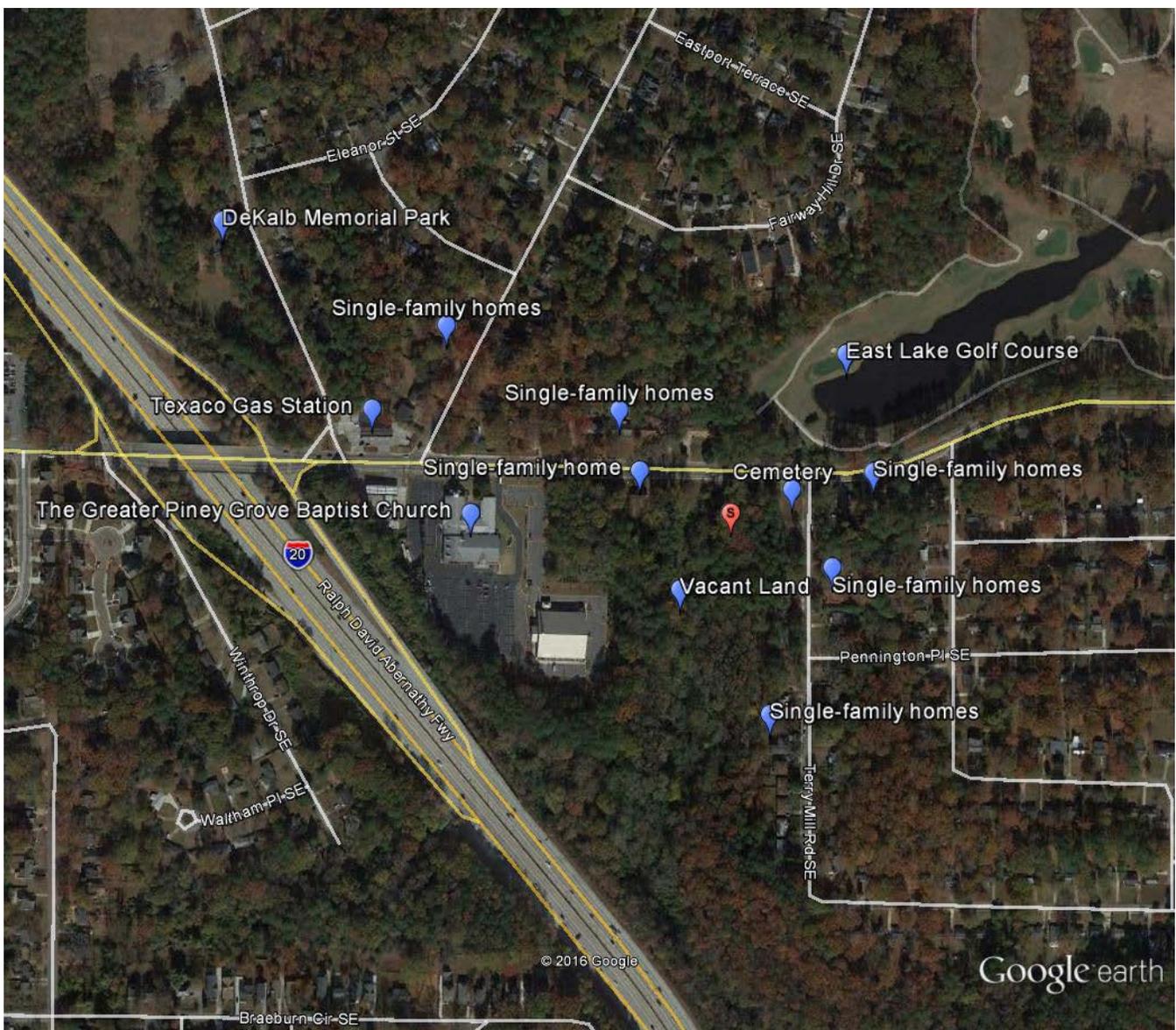
C. SITE EVALUATION

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on April 25, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along Glenwood Avenue.

Visibility/Views: The Subject will be located on the south side of Glenwood Avenue, on the eastern side of Interstate 20. Visibility and views from the site will be good and initially will include single family homes in average condition, vacant land, The Greater Piney Grove Baptist Church, and the East Lake Golf Course.

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



Source: Google Earth, April 2017.

The Subject site is located on the south side of Glenwood Avenue. The Subject site is currently wooded land. To the north of the Subject site across Glenwood Avenue are single-family homes in average condition. Directly east of the Subject site are single-family homes in average condition. The Greater Piney Grove Baptist Church abuts the Subject site to the immediate west. Single-family homes in average condition border the Subject site to the immediate east. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Somewhat Walkable" by *Walk Score* with a rating of 68 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition. The uses surrounding the Subject are in good condition, and the site has good proximity to locational amenities, which are within 4.2 miles of the Subject site. The total crime indices in the PMA are generally above that of the MSA and the nation. The Subject will not offer any security features. Retreat at Edgewood offers limited security features and is currently fully-occupied. Given the performance of this comparable property, we do not believe the Subject's lack of security features will negatively impact the Subject.

Positive/Negative Attributes of Site:

The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes. The Subject site is located approximately 9.2 miles from the center of Atlanta. Additionally, the Subject site is within close proximity to Interstate 20, which provides convenient access to other employment centers. The total crime indices in the PMA are generally above that of the MSA and the nation. The Subject will not offer any security features. Retreat at Edgewood offers limited security features and is currently fully-occupied. Given the performance of this comparable property, we do not believe the Subject's lack of security features will negatively impact the Subject.

3. Physical Proximity to Locational Amenities:

The Subject is located within 4.2 miles of all locational amenities. Additionally, it is within 5.6 miles of Emory University, which is the area's largest employer.

4. Pictures of Site and Adjacent Uses:

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



Subject site from Glenwood Avenue



Subject site from Glenwood Avenue



Subject site



Subject site



Adjacent house of worship



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Gas station in the Subject's neighborhood



Gas station in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Grocery store in the Subject's neighborhood



Bank in the Subject's neighborhood



Commerical use in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



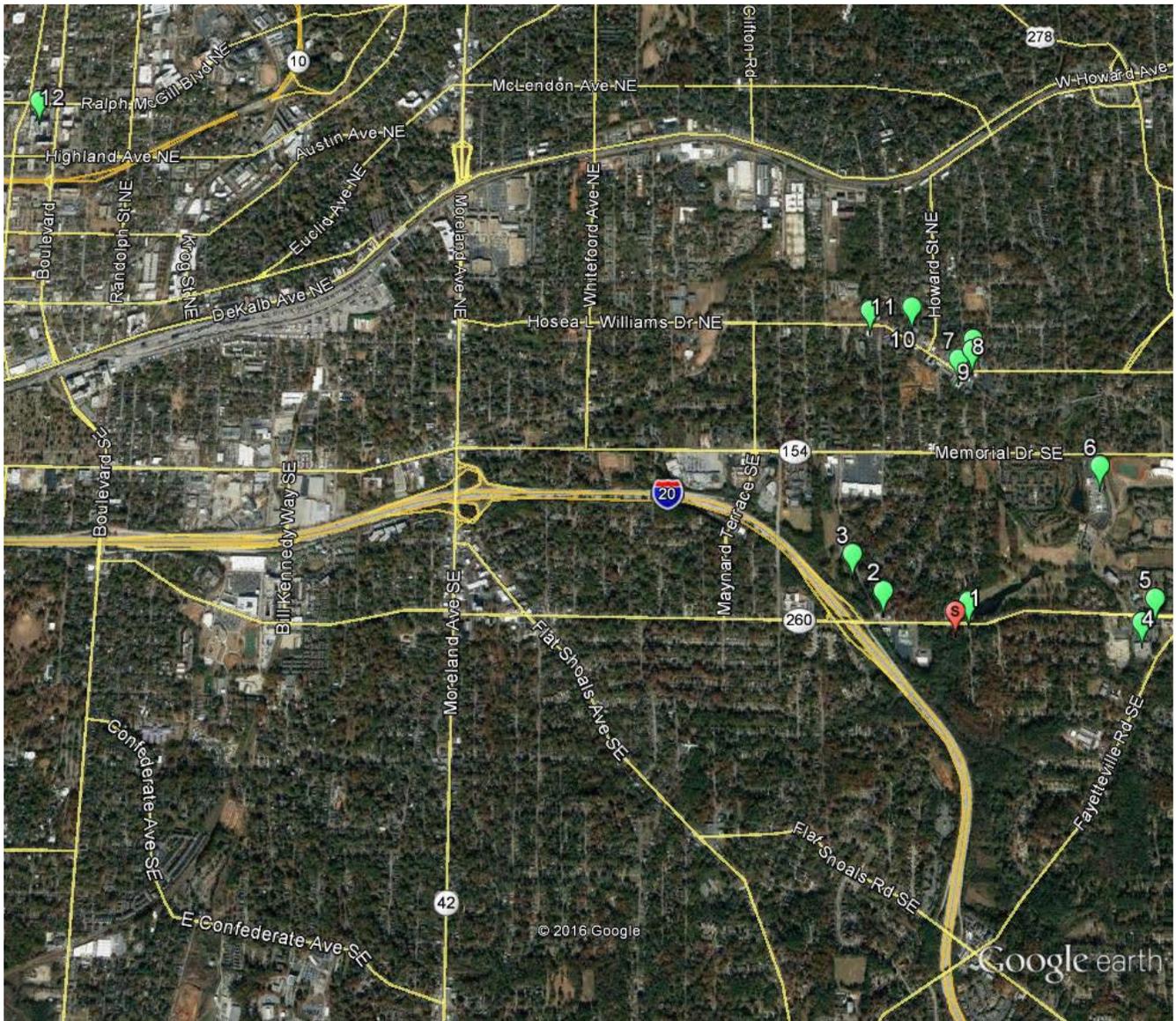
View east on Glenwood Avenue



View west on Glenwood Avenue

5. Proximity to Locational Amenities:

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



Source: Google Earth, April 2017.

LOCATIONAL AMENITIES

Number	Service or Amenity	Distance from Subject
1	Bus Stop	<0.1 miles
2	Texaco Gas Station	0.2 miles
3	DeKalb Memorial Park	0.5 miles
4	Publix Super Market/ Pharmacy	0.6 miles
5	Wells Fargo Bank	0.6 miles
6	Drew Charter School	1.0 miles
7	Atlanta Fire Rescue Station 18	1.2 miles
8	Atlanta Police Department Zone 6	1.2 miles
9	Kirkwood Branch Library	1.2 miles
10	US Post Office	1.3 miles
11	DeKalb Atlanta Senior Center	1.3 miles
12	WellStar Atlanta Medical Center	4.2 miles

6. Description of Land Uses

The Subject site is located on the south side of Glenwood Avenue in in southeast Atlanta. The Subject site is currently wooded land. It is adjacent to The Greater Piney Grove Baptist Church, which is located immediately west of the Subject site. To the immediate north and east are single-family homes in average condition. Wooded land abuts the site to the south. Interstate 20 runs diagonally southwest of the Subject site. Land uses beyond the Subject’s immediate area include single-family residential developments and the East Lake Golf Course. Commercial uses are located further east of the Subject site along Glenwood Avenue and Second Avenue. These include a grocery store, pharmacy, and bank. Civil services such as the local police department and fire station are located north of the Subject site along Hosea L. Williams Drive NE. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. However, there are a limited number of retail uses in the Subject’s immediate neighborhood. The Subject site is considered “Somewhat Walkable” by *Walk Score* with a rating of 68 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a predominantly residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.2 miles of the Subject site.

7. Crime:

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

2017 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
Total Crime*	283	139
Personal Crime*	315	130
Murder	405	155
Rape	180	88
Robbery	407	163
Assault	283	118
Property Crime*	278	140
Burglary	285	147
Larceny	258	134
Motor Vehicle Theft	427	178

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

*Unweighted aggregations

The total crime indices in the PMA are generally above that of the MSA and the nation. The Subject will not offer any security features. Retreat at Edgewood offers limited security features and is currently fully-occupied. Given the performance of this comparable property, we do not believe the Subject’s lack of security features will negatively impact the Subject.

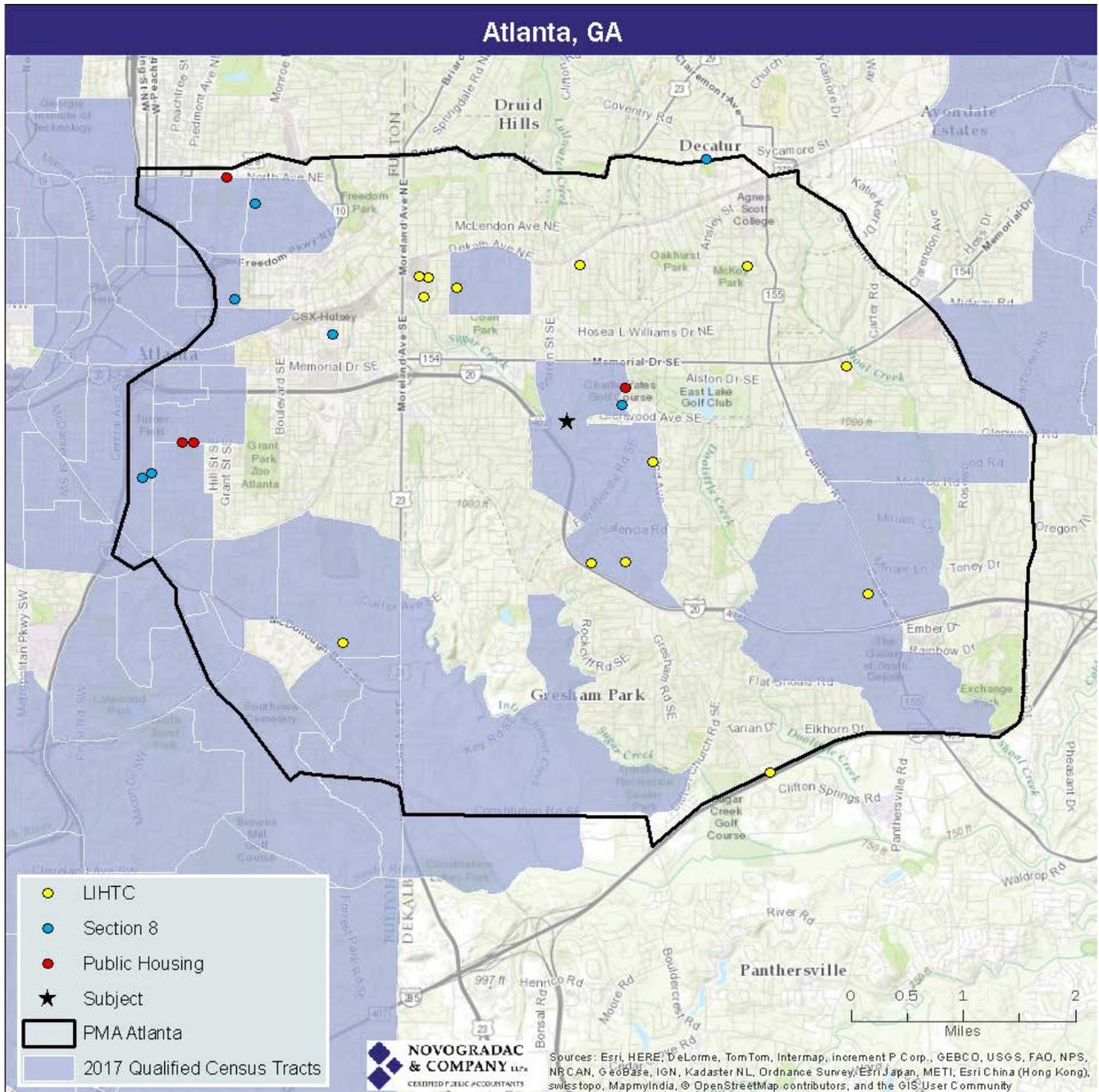
8. Existing Assisted Rental Housing

The following map and list identifies all assisted rental housing

Property Map: properties in the PMA.

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Map Color	
Grove Gardens	LIHTC/Market	Atlanta	Senior	70	Star	
Columbia Citi Homes	LIHTC	Atlanta	Family	84	Yellow	
Columbia Mill Apts	LIHTC	Atlanta	Family	100		
Columbia Park Citi Residences	LIHTC	Atlanta	Family	154		
Columbia Senior Residences At Edgewood	LIHTC	Atlanta	Senior	135		
Columbia Village Townhomes	LIHTC	Decatur	Family	100		
Columns At East Hill	LIHTC	Decatur	Family	28		
Delano Place	LIHTC	Decatur	Family	50		
Oakland Court Apts	LIHTC	Atlanta	Family	100		
Park 35	LIHTC	Atlanta	Family	304		
Retreat at Edgewood I	LIHTC	Atlanta	Family	100		
Retreat at Edgewood II	LIHTC	Atlanta	Family	40		
Presley Woods	LIHTC	Atlanta	Family	40		
Thornberry Apartments	LIHTC	Decatur	Family	298		
Vineyards Of Flats Shoals	LIHTC	Atlanta	Family	228		
Whispering Pines (Decatur)	LIHTC	Decatur	Family	40		
Panola Gardens Senior Housing	LIHTC	Lithonia	Senior	84		
Grant Park Commons	LIHTC/Market	Atlanta	Family	344		Blue
Wheat Street Towers	Section 8	Atlanta	Family	210		
Capitol Avenue School	Section 8	Atlanta	Senior	48		
Capitol Towers	Section 8	Atlanta	Senior	39		
Bedford Pine Apartments Ii	Section 8	Atlanta	Family	20		
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	69		
Trinity Walk I	Section 8	Decatur	Family	69		
Trinity Walk II	Section 8	Decatur	Mixed	52		
Villages Of East Lake I and II	Section 8/Market	Atlanta	Family	542		
Cosby Spear Memorial Towers	Public Housing	Atlanta	Family	282	Red	
Martin Street Plaza	Public Housing	Atlanta	Family	60		
Georgia Avenue Highrise	Public Housing	Atlanta	Senior	81		
East Lake Highrise	Public Housing	Atlanta	Senior	150		



9. Road, Infrastructure or Proposed Improvements:

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

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

The Subject site can be accessed from Glenwood Avenue which is a moderately trafficked four-lane arterial route through southeast Atlanta. Glenwood Avenue provides access to Interstate 20 to the west and Interstate 285 to the east. Overall, access and visibility are considered good.

11. Conclusion:

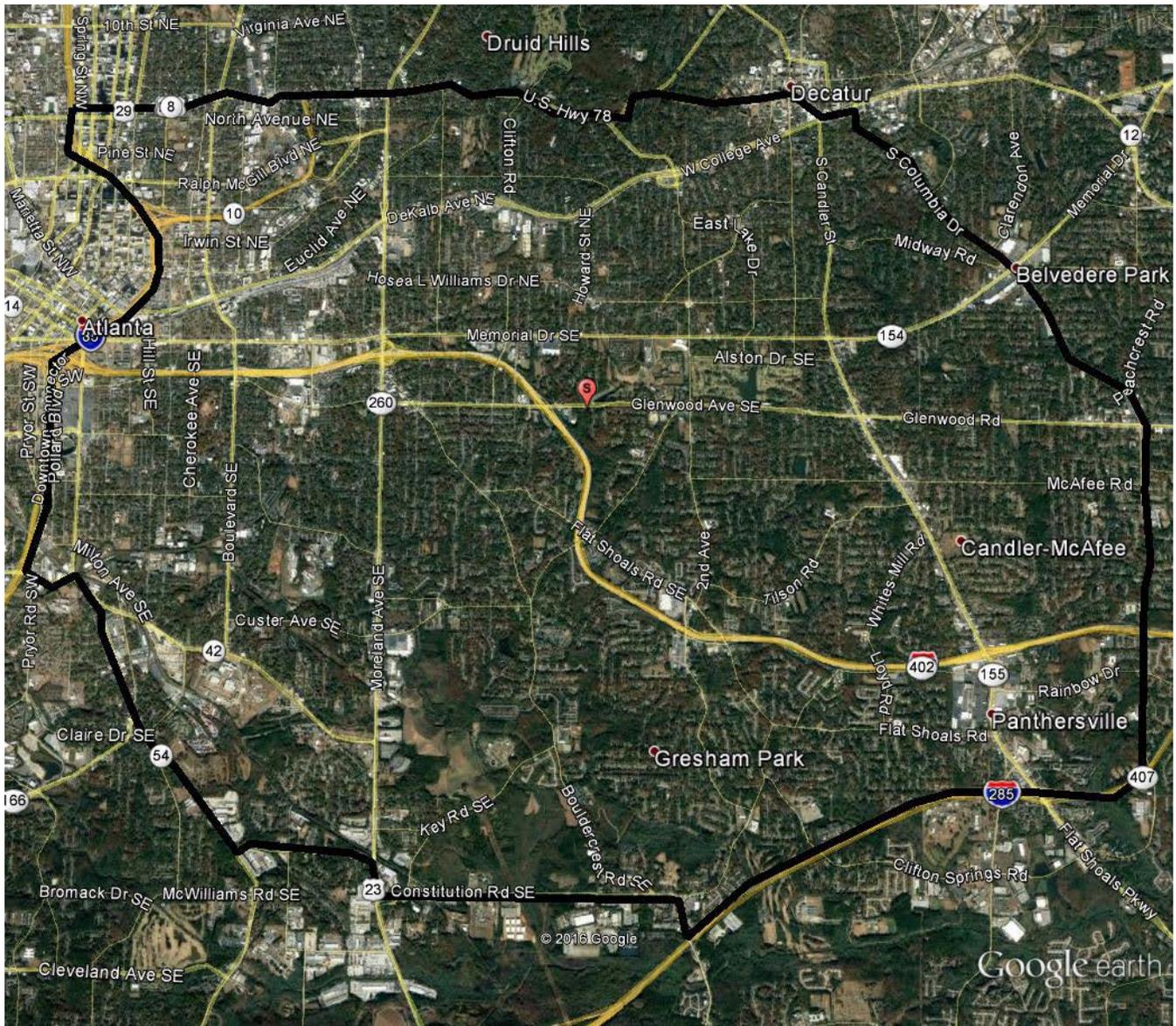
The Subject site is located on the south side of Glenwood Avenue. The Subject site has good visibility and accessibility from Glenwood Avenue. The Subject site is currently wooded land. Surrounding uses consist of single-family residential and commercial uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. However, there are a limited number of retail uses in the Subject's immediate neighborhood. The Subject site is considered "Somewhat Walkable" by *Walk Score* with a rating of 68 out of 100. The total crime indices in the PMA are generally above that of the MSA and the nation. The Subject will not offer any security features. Retreat at Edgewood offers limited security features and is currently fully-occupied. Given the performance of this comparable property, we do not believe the Subject's lack of security features will negatively impact the Subject. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.2 miles of the Subject site.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



Source: Google Earth, April 2017.

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

The PMA is defined by US Highway 78 and S Columbia Drive to the north, S Columbia Drive and Columbia Drive to the east, Interstate 285 and Constitution Road SE to the south, and Jonesboro Road/ Highway 54/Interstate 85 to the west. This area includes the cities of Gresham Park, Panthersville, Candler-McAfee, and parts of Atlanta. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 4.5 miles
East: 4.1 miles
South: 3.8 miles
West: 4.3 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from out of state. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 4.5 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

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

1a. Total Population

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

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	23,373	-	646,403	-	59,266,437	-
2010	27,250	1.7%	1,028,311	5.9%	76,750,713	3.0%
2017	32,401	1.1%	1,281,822	1.4%	90,114,303	1.0%
Projected Mkt Entry July 2019	34,373	2.4%	1,392,520	3.5%	95,362,046	2.3%
2021	36,345	2.4%	1,503,218	3.5%	100,609,788	2.3%

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

Between 2000 and 2010 there was approximately 1.1 percent annual senior population growth in the PMA, which was slower than growth in both the MSA and the nation. Over the next five years, senior population growth in the PMA is projected to increase at a rate of 2.4 percent annually, which is similar to the nation but lags behind the MSA projections. Overall, we believe that senior population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

1b. Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	11,180	9,998	9,803	9,971	10,139
5-9	11,771	7,679	8,667	8,793	8,918
10-14	10,875	6,655	7,475	7,900	8,324
15-19	10,539	7,520	7,471	7,794	8,116
20-24	11,995	10,701	11,101	11,022	10,943
25-29	14,893	14,674	14,618	14,888	15,157
30-34	14,256	14,549	15,168	15,155	15,141
35-39	12,963	13,184	13,781	14,103	14,424
40-44	11,809	10,754	11,369	11,865	12,360
45-49	10,626	9,584	9,778	10,078	10,377
50-54	9,351	8,534	8,944	9,162	9,380
55-59	6,446	7,814	8,544	8,662	8,780
60-64	5,098	6,886	7,406	7,727	8,048
65-69	3,862	4,662	6,362	6,618	6,874
70-74	3,064	3,171	4,240	4,839	5,438
75-79	2,154	2,086	2,716	3,059	3,402
80-84	1,503	1,418	1,683	1,885	2,087
85+	1,246	1,213	1,450	1,583	1,716
Total	153,631	141,082	150,576	155,100	159,624

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

POPULATION BY AGE GROUP

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

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

The largest age cohorts in the PMA are between 25 and 29 and 30 and 34, which indicates the presence of families.

1c. Number of Elderly and Non-Elderly

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

NUMBER OF ELDERLY AND NON-ELDERLY						
Year	Total	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		
		Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	153,631	130,258	23,373	4,263,438	3,617,035	646,403
2010	141,082	113,832	27,250	5,286,728	4,258,417	1,028,311
2017	150,576	118,175	32,401	5,665,958	4,384,136	1,281,822
Projected Mkt Entry July 2019	155,100	120,727	34,373	5,864,633	4,472,113	1,392,520
2021	159,623	123,278	36,345	6,063,308	4,560,090	1,503,218

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

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

2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, (e) Elderly Households 62+ and (f) Housing for Older Persons Households 55+ within the population in the MSA, the PMA and nationally from 2000 through 2017.

2a. Total Number of Households and Average Household Size

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

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	15,099	-	389,452	-	36,459,822	-
2010	17,596	1.7%	612,759	5.7%	45,892,195	2.6%
2017	21,070	1.1%	853,568	2.3%	54,372,574	1.1%
Projected Mkt Entry July 2019	22,842	3.4%	881,403	1.3%	57,163,936	2.1%
2021	24,614	3.4%	909,238	1.3%	59,955,298	2.1%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.58	-	2.68	-	2.59	-
2010	2.22	-1.4%	2.68	0.0%	2.58	-0.1%
2017	2.22	0.0%	2.70	0.1%	2.59	0.0%
Projected Mkt Entry July 2019	2.22	0.0%	2.71	0.1%	2.59	0.1%
2021	2.22	0.0%	2.72	0.1%	2.60	0.1%

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

As illustrated in the previous tables, the number senior households in the Subject's PMA increased from 2010 to 2017. This trend is expected to continue through 2021 at a higher rate than in the preceding time period. The PMA is expected to experience a 3.4 percent household growth from market entry through 2021. The average household size in the PMA is slightly smaller than the national average at 2.59 persons in 2017. Over the next five years, the average household size is projected to remain relatively similar.

2b. Households by Tenure

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	10,017	66.3%	5,083	33.7%
2017	12,257	58.2%	8,813	41.8%
Projected Mkt Entry July 2019	13,017	57.0%	9,826	43.0%
2021	13,776	56.0%	10,838	44.0%

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

As the table illustrates, senior households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of senior renters in the PMA than the nation. This percentage is projected to increase moderately over the next five years.

2c. Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,002	22.7%	2,105	21.4%	2,209	20.4%
\$10,000-19,999	1,904	21.6%	2,024	20.6%	2,143	19.8%
\$20,000-29,999	1,050	11.9%	1,134	11.5%	1,218	11.2%
\$30,000-39,999	776	8.8%	872	8.9%	969	8.9%
\$40,000-49,999	637	7.2%	699	7.1%	761	7.0%
\$50,000-59,999	425	4.8%	487	5.0%	550	5.1%
\$60,000-74,999	502	5.7%	588	6.0%	675	6.2%
\$75,000-99,999	415	4.7%	516	5.2%	617	5.7%
\$100,000-124,999	361	4.1%	438	4.5%	515	4.7%
\$125,000-149,999	231	2.6%	305	3.1%	380	3.5%
\$150,000-199,999	221	2.5%	275	2.8%	330	3.0%
\$200,000+	290	3.3%	381	3.9%	472	4.4%
Total	8,813	100.0%	9,826	100.0%	10,838	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA, 55+

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	26,377	12.3%	27,274	12.3%	28,171	12.3%
\$10,000-19,999	36,689	17.0%	37,936	17.0%	39,184	17.0%
\$20,000-29,999	27,587	12.8%	28,525	12.8%	29,463	12.8%
\$30,000-39,999	22,872	10.6%	23,649	10.6%	24,427	10.6%
\$40,000-49,999	18,114	8.4%	18,730	8.4%	19,346	8.4%
\$50,000-59,999	15,082	7.0%	15,594	7.0%	16,107	7.0%
\$60,000-74,999	15,203	7.1%	15,719	7.1%	16,236	7.1%
\$75,000-99,999	16,053	7.5%	16,599	7.5%	17,145	7.5%
\$100,000-124,999	11,701	5.4%	12,099	5.4%	12,497	5.4%
\$125,000-149,999	8,518	4.0%	8,808	4.0%	9,098	4.0%
\$150,000-199,999	7,588	3.5%	7,846	3.5%	8,104	3.5%
\$200,000+	9,438	4.4%	9,759	4.4%	10,080	4.4%
Total	215,221	100.0%	222,539	100.0%	229,858	100.0%

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

The Subject’s LIHTC units will target tenants earning between \$18,990 and \$32,400. As the table above depicts, approximately 56.2 percent of senior renter households in the PMA are earning incomes less than \$30,000 annually. Significant portions of senior renter households are likely to income qualify to reside at one of the Subject’s unit types, and the Subject should be well-positioned to service this market. The large percentage of senior households earning among the lowest income cohorts demonstrates a strong need for quality affordable senior housing.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+

Household Size	2017		Projected Mkt Entry July 2019		2021	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	5,554	63%	6,271	64%	6,987	64%
2 Persons	1,774	20%	1,943	20%	2,112	19%
3 Persons	713	8%	780	8%	847	8%
4 Persons	370	4%	409	4%	448	4%
5+ Persons	402	5%	422	4%	443	4%
Total Households	8,813	100%	9,826	100%	10,838	100%

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

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

Conclusion

The population in the PMA and the SMA increased significantly from 2000 to 2017. The rate of population and household growth is projected to continue to increase through 2021. The current senior population of the PMA is 32,401 and is expected to be 36,645 in 2021. Renter households are concentrated in the lowest income cohorts, with 56.2 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject’s LIHTC units will target households earning between \$18,990 and \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

F. EMPLOYMENT TRENDS

Employment Trends

1. Total Jobs

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

Year	Total Employment	% Change
2006	366,471	-
2007	374,934	-1.91%
2008	367,914	-7.22%
2009	343,126	-6.01%
2010	323,687	1.30%
2011	327,936	2.24%
2012	335,451	0.70%
2013	337,823	1.27%
2014	342,178	2.13%
2015	349,619	11.38%
2016 YTD Average	394,503	-11.30%
Dec-15	354,466	-
Dec-16	369,809	4.15%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, DeKalb County experienced a weakening economy during the most recent national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth slowly rebounded, and DeKalb County exhibited moderate employment growth from 2010 through 2015. Total employment is continuing to grow in DeKalb County and surpassed its pre-recession peak in 2016.

2. Total Jobs by Industry

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

**January 2017 Covered Employment
DeKalb County, Georgia**

	Number	Percent
Total, all industries	253,263	-
Goods-producing	-	-
Natural resources and mining	78	0.03%
Construction	10,518	4.15%
Manufacturing	13,266	5.24%
Service-providing	-	-
Trade, transportation, and utilities	61,398	24.24%
Information	9,882	3.90%
Financial activities	17,572	6.94%
Professional and business services	43,914	17.34%
Education and health services	60,739	23.98%
Leisure and hospitality	26,289	10.38%
Other services	8,338	3.29%
Unclassified	1,269	0.50%

Source: Bureau of Labor Statistics, 2017

The largest employment sector in DeKalb County, according to the Bureau of Labor Statistics, is the trade/transportation/utilities industry, followed by education and health services, professional and business services, and leisure and hospitality. The education, health services, and professional and business services industries historically are considered to be stable employers and could provide some additional stability to the local economy during a recession. The trade/transportation/utilities and leisure and hospitality industries are historically unstable sectors. However, due to the close proximity to Atlanta, a major tourism and business city in Georgia, these industries (specifically trade and transportation) continue to prosper. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	10,116	14.0%	10,269,978	6.8%
Educational Services	9,072	12.5%	14,359,370	9.5%
Healthcare/Social Assistance	8,913	12.3%	21,304,508	14.1%
Retail Trade	6,957	9.6%	17,169,304	11.3%
Accommodation/Food Services	6,255	8.6%	11,574,403	7.6%
Public Administration	3,999	5.5%	7,093,689	4.7%
Transportation/Warehousing	3,923	5.4%	6,128,217	4.0%
Other Services (excl Publ Adm)	3,585	5.0%	7,463,834	4.9%
Admin/Support/Waste Mgmt Svcs	3,336	4.6%	6,511,707	4.3%
Manufacturing	3,134	4.3%	15,499,826	10.2%
Finance/Insurance	2,739	3.8%	6,942,986	4.6%
Information	2,562	3.5%	2,862,063	1.9%
Construction	2,102	2.9%	9,342,539	6.2%
Arts/Entertainment/Recreation	1,900	2.6%	3,416,474	2.3%
Wholesale Trade	1,575	2.2%	4,066,471	2.7%
Real Estate/Rental/Leasing	1,346	1.9%	2,946,196	1.9%
Utilities	694	1.0%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	101	0.1%	2,253,044	1.5%
Mgmt of Companies/Enterprises	55	0.1%	89,612	0.1%
Mining	8	0.0%	749,242	0.5%
Total Employment	72,372	100.0%	151,387,682	100.0%

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

Professional/scientific/technological services, educational services, healthcare/social assistance, retail trade, and accommodation/food services are the five largest industries in the PMA. Combined they account for approximately 57 percent of total employment within the PMA. Industries overrepresented in the PMA include professional/scientific/technological services, educational services, accommodation/food services, public administration, transportation/warehousing, and administration/support/waste management services. Employment in these sectors is supported by the PMA's proximity to the state capitol, several institutions of higher education, and Interstate 20 and Interstates 75 and 85, all major thoroughfares in the region. As illustrated below, the county's largest employers are concentrated in these sectors. By contrast, industries underrepresented in the PMA include healthcare/social assistance, retail trade, manufacturing, finance/insurance, construction, wholesale trade, and agriculture/forestry/fishing/hunting.

3. Major Employers

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

LARGEST EMPLOYERS: DEKALB COUNTY, GA

Rank	Company	Industry	Number of Employees
1	Emory University	Educational Services	10,000+
2	Dekalb Medical Ctr Pharmacy	Healthcare	1,000 to 4,999
3	Emory University Hospital	Healthcare	1,000 to 4,999
4	Dekalb County Police Info	Public Administration	1,000 to 4,999
5	Allscripts	Healthcare	1,000 to 4,999
6	Georgia Perimeter College	Educational Services	1,000 to 4,999
7	Centers For Disease Control	Healthcare	1,000 to 4,999
8	Dekalb Medical At N Decatur	Healthcare	1,000 to 4,999
9	Granite Pro Inc	Manufacturing	1,000 to 4,999
10	Quest Diagnostics	Healthcare	1,000 to 4,999

Source: Georgia Department of Labor, Georgia Labor Marker Explorer, April 2017

As seen in the previous table, the top employers within DeKalb County are concentrated in the educational services and healthcare industries. The largest employer in the county, Emory University, is also ranked as the second largest employer in the metro-Atlanta area.

Expansions/Contractions

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

WARN NOTICES - DEKALB COUNTY, GA - 2014-2017

Company	Industry	Number of Employees Affected
Macy's Customer Fulfillment Center	Wholesale Trade	133
Hawker Beechcraft	Transportation/Warehousing	42
Holiday Inn Alanta Perimeter	Accommodation/Food Services	43
EchoStar Technologies LLC	Information	137
GA State University	Educational Services	25
Crawford and Company	Finance/Insurance	21
Sears Holding Corporation	Management of Companies/Enterprises	48
Quad Graphics	Manufacturing	110
DeKalb County Government	Public Administration	88
Hood Packaing Corporation	Admin/Support/Waste Mgmt Services	59
Georgia-Pacific Corrugated LLC	Manufacturing	80
CCP North America Inc.	Prof/Scientific/Tech Services	57
RCO Legal, P.S.	Prof/Scientific/Tech Services	133
Total		976

Source: Georgia Department of Economic Development, Workforce Division, March 2017

As illustrated in the above table, there have been 976 employees in the area impacted by layoffs or closures since 2014. Despite these job losses that have been reported, there has been some growth occurring in the area.

EXPANSIONS/NEW ADDITIONS - DEKALB COUNTY, GA - 2014-2017

Company	Industry	Number of Employees
Home Chef	Retail Trade	1,200
Seven Oaks Company	Real Estate/Rental/Leasing	1,350
Cox Automotive HQ	Information	1,200
Synet Global Solutions	Information	500
Children's Health Care of Atlanta	Healthcare	143
Sprouts Farmers Market	Retail Trade	100
Source One Direct	Prof/Scientific/Tech Services	100
The Task Force for Global Health	Healthcare	85
Eurofins Genomics	Prof/Scientific/Tech Services	78
Total		3,471

As illustrated, there were several additions in a variety of industries including retail trade, healthcare, and professional/scientific/technology services. Between 2014 and 2017, there were more than 3,000 new jobs created, which helps to counteract the 976 layoffs in the county during the same period. Home Chef added the greatest number of employees over this period. Home Chef is a weekly meal delivery service company based in Illinois with locations throughout the United States. The company has added approximately 1,200 employees in DeKalb County in the past three years.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Atlanta-Sandy Springs-Roswell, GA MSA from 2001 to December 2016.

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2001	2,329,891	-	-13.0%	136,933,000	-	-8.0%
2002	2,324,880	-0.2%	-13.2%	136,485,000	-0.3%	-8.3%
2003	2,347,173	1.0%	-12.3%	137,736,000	0.9%	-7.5%
2004	2,382,163	1.5%	-11.0%	139,252,000	1.1%	-6.4%
2005	2,445,674	2.7%	-8.7%	141,730,000	1.8%	-4.8%
2006	2,538,141	3.8%	-5.2%	144,427,000	1.9%	-3.0%
2007	2,618,825	3.2%	-2.2%	146,047,000	1.1%	-1.9%
2008	2,606,822	-0.5%	-2.7%	145,363,000	-0.5%	-2.3%
2009	2,452,057	-5.9%	-8.4%	139,878,000	-3.8%	-6.0%
2010	2,440,037	-0.5%	-8.9%	139,064,000	-0.6%	-6.6%
2011	2,486,895	1.9%	-7.1%	139,869,000	0.6%	-6.0%
2012	2,546,478	2.4%	-4.9%	142,469,000	1.9%	-4.3%
2013	2,574,339	1.1%	-3.9%	143,929,000	1.0%	-3.3%
2014	2,619,867	1.8%	-2.2%	146,305,000	1.7%	-1.7%
2015	2,677,863	2.2%	0.0%	148,833,000	1.7%	0.0%
2016 YTD Average*	2,770,683	3.5%	-	151,435,833	1.7%	-
Dec-2015	2,716,023	-	-	149,703,000	-	-
Dec-2016	2,834,631	4.4%	-	151,798,000	1.4%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2001	3.7%	-	0.0%	4.7%	-	0.1%
2002	5.0%	1.4%	1.4%	5.8%	1.0%	1.2%
2003	4.9%	-0.2%	1.2%	6.0%	0.2%	1.4%
2004	4.8%	-0.1%	1.1%	5.5%	-0.5%	0.9%
2005	5.4%	0.6%	1.7%	5.1%	-0.5%	0.5%
2006	4.7%	-0.7%	1.0%	4.6%	-0.5%	0.0%
2007	4.4%	-0.2%	0.7%	4.6%	0.0%	0.0%
2008	6.2%	1.7%	2.5%	5.8%	1.2%	1.2%
2009	9.9%	3.8%	6.2%	9.3%	3.5%	4.7%
2010	10.3%	0.4%	6.6%	9.6%	0.3%	5.0%
2011	9.9%	-0.4%	6.2%	9.0%	-0.7%	4.3%
2012	8.8%	-1.1%	5.1%	8.1%	-0.9%	3.5%
2013	7.8%	-1.0%	4.1%	7.4%	-0.7%	2.8%
2014	6.7%	-1.1%	3.1%	6.2%	-1.2%	1.6%
2015	5.6%	-1.2%	1.9%	5.3%	-0.9%	0.7%
2016 YTD Average*	5.0%	-0.6%	-	4.9%	-0.4%	-
Dec-2015	4.8%	-	-	4.8%	-	-
Dec-2016	5.0%	0.2%	-	4.5%	-0.3%	-

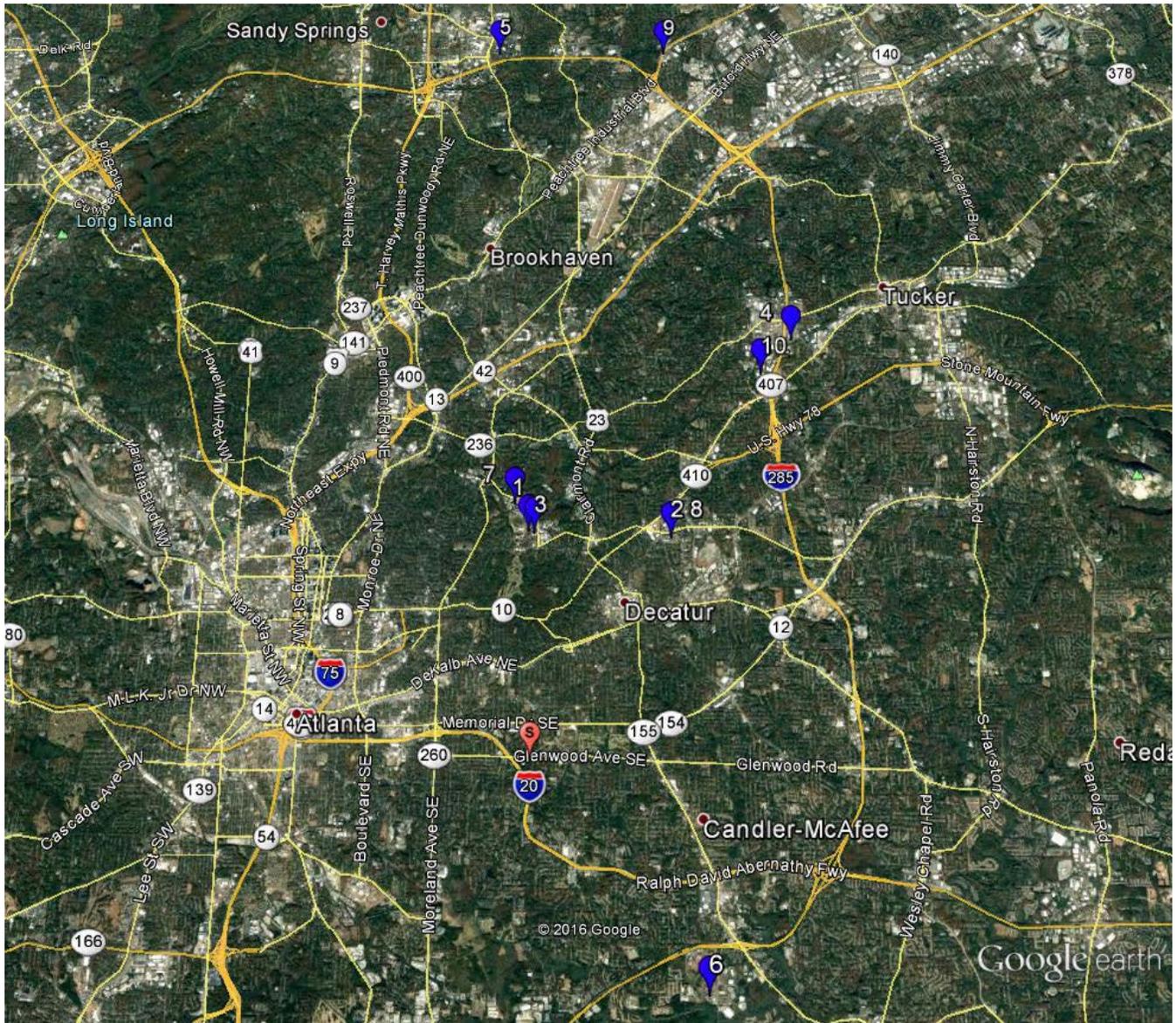
Source: U.S. Bureau of Labor Statistics April 2017

Between 2003 and 2007, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2007. These increases were significant but were followed by employment decreases from 2008 to 2010 as a result of the most recent economic recession. The MSA appears relatively healthy as total employment increased each year from 2011 through December 2016. As of 2015, total employment in the MSA exceeded pre-recessionary levels. Furthermore, the total employment growth in the SMA from December 2015 to December 2016 increased by 4.4 percent in the MSA compared to an increase of 1.4 percent nationally during the same time period.

Prior to the most recent economic recession, the unemployment rate in the MSA was generally similar to or below that of the nation. However, the unemployment rate in the MSA experienced a slightly more significant increase during the most recent national recession and has been generally above the nation since 2008. From December 2015 to December 2016, the unemployment rate in the MSA increased 0.2 percentage points, compared to a decrease of 0.3 percentage points nationally. The unemployment rate in the MSA as of December 2016 was 5.0 percent, which was 0.5 percentage points above the national rate of 4.5 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy, which bodes well for affordable housing demand in the area.

5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, April 2017.

LARGEST EMPLOYERS: DEKALB COUNTY, GA

Rank	Company	Industry	Number of Employees
1	Emory University	Educational Services	10,000+
2	Dekalb Medical Ctr Pharmacy	Healthcare	1,000 to 4,999
3	Emory University Hospital	Healthcare	1,000 to 4,999
4	Dekalb County Police Info	Public Administration	1,000 to 4,999
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6	Georgia Perimeter College	Educational Services	1,000 to 4,999
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8	Dekalb Medical At N Decatur	Healthcare	1,000 to 4,999
9	Granite Pro Inc	Manufacturing	1,000 to 4,999
10	Quest Diagnostics	Healthcare	1,000 to 4,999

Source: Georgia Department of Labor, Georgia Labor Market Explorer, April 2017

6. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 57.0 percent of total local employment. Three of those industries, professional/scientific/technology services, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county’s largest employers are in the education and healthcare fields.

Overall, the county experienced moderate employment growth between 2011 and the end of 2016. As of December 2016, total employment in the county was higher than ever before, having eclipsed its pre-recession peak in 2014. The unemployment rate in the county as of December 2016 was 50 basis points higher than the national unemployment rate, but significantly lower than its 2010 high of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that DeKalb County has made a recovery from the most recent national recession and is in an expansionary phase. Recent business expansions in several industries suggest both the health of the county’s historically stable industries such as healthcare and education and the growth of smaller industries such as professional/scientific/technology services. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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

1. Income Restrictions

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

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

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

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

2. Affordability

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

SENIOR 55+ INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income								
	50% AMI		60% AMI		Market Rate		Overall Affordable		Overall Project	
1BR	\$18,990	\$25,325	\$21,420	\$30,390	\$20,190	\$67,500	\$18,990	\$30,390	\$18,990	\$67,500
2BR	\$22,800	\$27,000	\$25,350	\$32,400	\$22,770	\$67,500	\$22,800	\$32,400	\$22,800	\$67,500

3. Demand

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

3a. Demand from New Households

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

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

3b. Demand from Existing Households

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

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

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

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

3d. Other

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

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

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

4. New Demand, Capture Rates and Stabilization Conclusions

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

Additions to Supply

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

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

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

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

COMPETITIVE SUPPLY 2014 - PRESENT

Property Name	Program	Location	Tenancy	Status	# of Competitive
Trinity Walk I	LIHTC	Decatur	Family	Under construction	0
Trinity Walk II	LIHTC	Decatur	Senior	Under construction	0

Because Trinity Walk I and the senior units at Trinity Walk II will be subsidized by a Section 8 contract, these properties are not likely to compete with the Subject. As such, we have not deducted any units from our demand analysis.

PMA Occupancy

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

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Grove Gardens	LIHTC/Market	Atlanta	Senior	70	-
Columbia Senior Residences At Edgewood	LIHTC	Atlanta	Senior	135	100.0%
Panola Gardens Senior Housing	LIHTC	Lithonia	Senior	84	97.6%
Capitol Avenue School	Section 8	Atlanta	Senior	48	91.7%
Capitol Towers	Section 8	Atlanta	Senior	39	100.0%
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	69	100.0%
Average PMA Occupancy					97.9%

The average occupancy rate of competitive developments in the PMA is 97.9 percent.

Rehab Developments and PBRA

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

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

5. Capture Rates

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income distribution through the projected market entry date of 2019 were illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	2,002	22.7%	2,105	21.4%	2,209	20.4%
\$10,000-19,999	1,904	21.6%	2,024	20.6%	2,143	19.8%
\$20,000-29,999	1,050	11.9%	1,134	11.5%	1,218	11.2%
\$30,000-39,999	776	8.8%	872	8.9%	969	8.9%
\$40,000-49,999	637	7.2%	699	7.1%	761	7.0%
\$50,000-59,999	425	4.8%	487	5.0%	550	5.1%
\$60,000-74,999	502	5.7%	588	6.0%	675	6.2%
\$75,000-99,999	415	4.7%	516	5.2%	617	5.7%
\$100,000-124,999	361	4.1%	438	4.5%	515	4.7%
\$125,000-149,999	231	2.6%	305	3.1%	380	3.5%
\$150,000-199,999	221	2.5%	275	2.8%	330	3.0%
\$200,000+	290	3.3%	381	3.9%	472	4.4%
Total	8,813	100.0%	9,826	100.0%	10,838	100.0%

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$18,990		Maximum Income Limit		\$27,000	
New Renter Households - Total							
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	104	10.2%		0.0%	0		
\$10,000-19,999	120	11.8%	1,009	10.1%	12		
\$20,000-29,999	84	8.3%	7,000	70.0%	59		
\$30,000-39,999	96	9.5%		0.0%	0		
\$40,000-49,999	62	6.1%		0.0%	0		
\$50,000-59,999	62	6.1%		0.0%	0		
\$60,000-74,999	87	8.6%		0.0%	0		
\$75,000-99,999	101	10.0%		0.0%	0		
\$100,000-124,999	77	7.6%		0.0%	0		
\$125,000-149,999	74	7.3%		0.0%	0		
\$150,000-199,999	54	5.4%		0.0%	0		
\$200,000+	91	9.0%		0.0%	0		
Total	1,012	100.0%		7.0%	71		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$18,990		Maximum Income Limit		\$27,000	
Income Category	Total Renter Households PMA 2017	Income Brackets	Percent within Cohort	Households within Bracket			
\$0-9,999	2,002	22.7%		0.0%	0		
\$10,000-19,999	1,904	21.6%	1,009	10.1%	192		
\$20,000-29,999	1,050	11.9%	7,000	70.0%	735		
\$30,000-39,999	776	8.8%		0.0%	0		
\$40,000-49,999	637	7.2%		0.0%	0		
\$50,000-59,999	425	4.8%		0.0%	0		
\$60,000-74,999	502	5.7%		0.0%	0		
\$75,000-99,999	415	4.7%		0.0%	0		
\$100,000-124,999	361	4.1%		0.0%	0		
\$125,000-149,999	231	2.6%		0.0%	0		
\$150,000-199,999	221	2.5%		0.0%	0		
\$200,000+	290	3.3%		0.0%	0		
Total	8,813	100.0%		10.5%	927		

ASSUMPTIONS - 50%

Tenancy	Senior	% of Income towards Housing				40%
Rural/Urban	Urban	Maximum # of Occupants				2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	80%	20%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2017 to July 2019

Income Target Population	50%
New Renter Households PMA	1,012
Percent Income Qualified	7.0%
New Renter Income Qualified Households	71

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	8,813
Income Qualified	10.5%
Income Qualified Renter Households	927
Percent Rent Overburdened Prj Mrkt Entry July 2019	42.2%
Rent Overburdened Households	391

Demand from Living in Substandard Housing

Income Qualified Renter Households	927
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	7

Senior Households Converting from Homeownership

Income Target Population	50%
Total Senior Homeowners	9,139
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	7

Total Demand

Total Demand from Existing Households	405
Total New Demand	71
Total Demand (New Plus Existing Households)	476

Demand from Seniors Who Convert from Homeownership	7
Percent of Total Demand From Homeownership Conversion	1.4%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	304
Two Persons	19.8%	94
Three Persons	7.9%	38
Four Persons	4.2%	20
Five Persons	4.3%	20
Total	100.0%	476

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	243
Of two-person households in 1BR units	20%	19
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	61
Of two-person households in 2BR units	80%	75
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	38
Of four-person households in 3BR units	70%	14
Of five-person households in 3BR units	30%	6
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	6
Of five-person households in 4BR units	35%	7
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	7

Total Demand 476

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	262	-	0	=	262
2 BR	136	-	0	=	136
Total	398		0		398

Developer's Unit Mix			Net Demand	Capture Rate	
1 BR	6	/	262	=	2.3%
2 BR	9	/	136	=	6.6%
Total	15		398		3.8%

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$21,420		Maximum Income Limit		\$32,400	
New Renter Households - Total							
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	104	10.2%		0.0%	0		
\$10,000-19,999	120	11.8%		0.0%	0		
\$20,000-29,999	84	8.3%	8,579	85.8%	72		
\$30,000-39,999	96	9.5%	2,400	24.0%	23		
\$40,000-49,999	62	6.1%		0.0%	0		
\$50,000-59,999	62	6.1%		0.0%	0		
\$60,000-74,999	87	8.6%		0.0%	0		
\$75,000-99,999	101	10.0%		0.0%	0		
\$100,000-124,999	77	7.6%		0.0%	0		
\$125,000-149,999	74	7.3%		0.0%	0		
\$150,000-199,999	54	5.4%		0.0%	0		
\$200,000+	91	9.0%		0.0%	0		
Total	1,012	100.0%		9.4%	95		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$21,420		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,002	22.7%		0.0%	0		
\$10,000-19,999	1,904	21.6%		0.0%	0		
\$20,000-29,999	1,050	11.9%	8,579	85.8%	901		
\$30,000-39,999	776	8.8%	2,400	24.0%	186		
\$40,000-49,999	637	7.2%		0.0%	0		
\$50,000-59,999	425	4.8%		0.0%	0		
\$60,000-74,999	502	5.7%		0.0%	0		
\$75,000-99,999	415	4.7%		0.0%	0		
\$100,000-124,999	361	4.1%		0.0%	0		
\$125,000-149,999	231	2.6%		0.0%	0		
\$150,000-199,999	221	2.5%		0.0%	0		
\$200,000+	290	3.3%		0.0%	0		
Total	8,813	100.0%		12.3%	1,087		

ASSUMPTIONS - 60%

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

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

Demand from New Renter Households 2017 to July 2019

Income Target Population	60%
New Renter Households PMA	1,012
Percent Income Qualified	9.4%
New Renter Income Qualified Households	95

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	8,813
Income Qualified	12.3%
Income Qualified Renter Households	1,087
Percent Rent Overburdened Prj Mrkt Entry July 2019	42.2%
Rent Overburdened Households	459

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,087
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	9

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	9,139
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	7

Total Demand

Total Demand from Existing Households	474
Total New Demand	95
Total Demand (New Plus Existing Households)	569

Demand from Seniors Who Convert from Homeownership	7
Percent of Total Demand From Homeownership Conversion	1.2%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	363
Two Persons	19.8%	113
Three Persons	7.9%	45
Four Persons	4.2%	24
Five Persons	4.3%	24
Total	100.0%	569

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	291
Of two-person households in 1BR units	20%	23
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	73
Of two-person households in 2BR units	80%	90
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	45
Of four-person households in 3BR units	70%	17
Of five-person households in 3BR units	30%	7
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	7
Of five-person households in 4BR units	35%	9
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	9

Total Demand **569**

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	313	-	0	=	313
2 BR	163	-	0	=	163
Total	476		0		476

Developer's Unit Mix			Net Demand	Capture Rate	
1 BR	20	/	313	=	6.4%
2 BR	31	/	163	=	19.1%
Total	51		476		10.7%

Market Rate

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$20,190		Maximum Income Limit		\$67,500	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017 to Prj Mrkt Entry July 2019						
\$0-9,999	104	10.2%		0.0%	0		
\$10,000-19,999	120	11.8%		0.0%	0		
\$20,000-29,999	84	8.3%	9,809	98.1%	82		
\$30,000-39,999	96	9.5%	9,999	100.0%	96		
\$40,000-49,999	62	6.1%	9,999	100.0%	62		
\$50,000-59,999	62	6.1%	9,999	100.0%	62		
\$60,000-74,999	87	8.6%	7,500	50.0%	43		
\$75,000-99,999	101	10.0%		0.0%	0		
\$100,000-124,999	77	7.6%		0.0%	0		
\$125,000-149,999	74	7.3%		0.0%	0		
\$150,000-199,999	54	5.4%		0.0%	0		
\$200,000+	91	9.0%		0.0%	0		
Total	1,012	100.0%		34.2%	346		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$20,190		Maximum Income Limit		\$67,500	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,002	22.7%		0.0%	0		
\$10,000-19,999	1,904	21.6%		0.0%	0		
\$20,000-29,999	1,050	11.9%	9,809	98.1%	1,030		
\$30,000-39,999	776	8.8%	9,999	100.0%	776		
\$40,000-49,999	637	7.2%	9,999	100.0%	637		
\$50,000-59,999	425	4.8%	9,999	100.0%	425		
\$60,000-74,999	502	5.7%	7,500	50.0%	251		
\$75,000-99,999	415	4.7%		0.0%	0		
\$100,000-124,999	361	4.1%		0.0%	0		
\$125,000-149,999	231	2.6%		0.0%	0		
\$150,000-199,999	221	2.5%		0.0%	0		
\$200,000+	290	3.3%		0.0%	0		
Total	8,813	100.0%		35.4%	3,120		

ASSUMPTIONS - Market

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

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

Demand from New Renter Households 2017 to July 2019

Income Target Population	Market
New Renter Households PMA	1,012
Percent Income Qualified	34.2%
New Renter Income Qualified Households	346

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Market
Total Existing Demand	8,813
Income Qualified	35.4%
Income Qualified Renter Households	3,120
Percent Rent Overburdened Prj Mrkt Entry July 2019	42.2%
Rent Overburdened Households	1316

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,120
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	25

Senior Households Converting from Homeownership

Income Target Population	Market
Total Senior Homeowners	9,139
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	7

Total Demand

Total Demand from Existing Households	1,347
Total New Demand	346
Total Demand (New Plus Existing Households)	1,693

Demand from Seniors Who Convert from Homeownership	7
Percent of Total Demand From Homeownership Conversion	0.4%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	1,081
Two Persons	19.8%	335
Three Persons	7.9%	134
Four Persons	4.2%	70
Five Persons	4.3%	73
Total	100.0%	1,693

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	865
Of two-person households in 1BR units	20%	67
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	216
Of two-person households in 2BR units	80%	268
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	134
Of four-person households in 3BR units	70%	49
Of five-person households in 3BR units	30%	22
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	21
Of five-person households in 4BR units	35%	25
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	25
Total Demand		1,693

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	932	-	0	=	932
2 BR	484	-	0	=	484
Total	1,416		0		1,416

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	2	/	932	=	0.2%
2 BR	2	/	484	=	0.4%
Total	4		1,416		0.3%

Overall Affordable

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable

Minimum Income Limit		\$18,990		Maximum Income Limit		\$32,400	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017 to Prj Mrkt Entry July 2019						
\$0-9,999	104	10.2%		0.0%	0		
\$10,000-19,999	120	11.8%	1,009	10.1%	12		
\$20,000-29,999	84	8.3%	9,999	100.0%	84		
\$30,000-39,999	96	9.5%	2,400	24.0%	23		
\$40,000-49,999	62	6.1%		0.0%	0		
\$50,000-59,999	62	6.1%		0.0%	0		
\$60,000-74,999	87	8.6%		0.0%	0		
\$75,000-99,999	101	10.0%		0.0%	0		
\$100,000-124,999	77	7.6%		0.0%	0		
\$125,000-149,999	74	7.3%		0.0%	0		
\$150,000-199,999	54	5.4%		0.0%	0		
\$200,000+	91	9.0%		0.0%	0		
Total	1,012	100.0%		11.8%	119		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable

Minimum Income Limit		\$18,990		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,002	22.7%		0.0%	0		
\$10,000-19,999	1,904	21.6%	1,009	10.1%	192		
\$20,000-29,999	1,050	11.9%	9,999	100.0%	1,050		
\$30,000-39,999	776	8.8%	2,400	24.0%	186		
\$40,000-49,999	637	7.2%		0.0%	0		
\$50,000-59,999	425	4.8%		0.0%	0		
\$60,000-74,999	502	5.7%		0.0%	0		
\$75,000-99,999	415	4.7%		0.0%	0		
\$100,000-124,999	361	4.1%		0.0%	0		
\$125,000-149,999	231	2.6%		0.0%	0		
\$150,000-199,999	221	2.5%		0.0%	0		
\$200,000+	290	3.3%		0.0%	0		
Total	8,813	100.0%		16.2%	1,429		

ASSUMPTIONS - Overall Affordable

Tenancy	Senior	% of Income towards Housing				40%
Rural/Urban	Urban	Maximum # of Occupants				2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	80%	20%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2017 to July 2019

Income Target Population	Overall Affordable
New Renter Households PMA	1,012
Percent Income Qualified	11.8%
New Renter Income Qualified Households	119

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall Affordable
Total Existing Demand	8,813
Income Qualified	16.2%
Income Qualified Renter Households	1,429
Percent Rent Overburdened Prj Mrkt Entry July 2019	42.2%
Rent Overburdened Households	603

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,429
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	11

Senior Households Converting from Homeownership

Income Target Population	Overall Affordable
Total Senior Homeowners	9,139
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	7

Total Demand

Total Demand from Existing Households	621
Total New Demand	119
Total Demand (New Plus Existing Households)	740

Demand from Seniors Who Convert from Homeownership	7
Percent of Total Demand From Homeownership Conversion	0.9%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	472
Two Persons	19.8%	146
Three Persons	7.9%	59
Four Persons	4.2%	31
Five Persons	4.3%	32
Total	100.0%	740

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	378
Of two-person households in 1BR units	20%	29
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	94
Of two-person households in 2BR units	80%	117
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	59
Of four-person households in 3BR units	70%	22
Of five-person households in 3BR units	30%	10
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	9
Of five-person households in 4BR units	35%	11
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	11
Total Demand		740

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	407	-	0	=	407
2 BR	212	-	0	=	212
Total	619		0		619

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	26	/	407	=	6.4%
2 BR	40	/	212	=	18.9%
Total	66		619		10.7%

Overall Project

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall Project

Minimum Income Limit	\$18,990		Maximum Income Limit	\$67,500	
Income Category	New Renter Households - Total Change in		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Households PMA 2017 to Prj Mrkt Entry	July 2019			
\$0-9,999	104	10.2%		0.0%	0
\$10,000-19,999	120	11.8%	1,009	10.1%	12
\$20,000-29,999	84	8.3%	9,999	100.0%	84
\$30,000-39,999	96	9.5%	9,999	100.0%	96
\$40,000-49,999	62	6.1%	9,999	100.0%	62
\$50,000-59,999	62	6.1%	9,999	100.0%	62
\$60,000-74,999	87	8.6%	7,500	50.0%	43
\$75,000-99,999	101	10.0%		0.0%	0
\$100,000-124,999	77	7.6%		0.0%	0
\$125,000-149,999	74	7.3%		0.0%	0
\$150,000-199,999	54	5.4%		0.0%	0
\$200,000+	91	9.0%		0.0%	0
Total	1,012	100.0%		35.6%	360

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall Project

Minimum Income Limit	\$18,990		Maximum Income Limit	\$67,500	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	2,002	22.7%		0.0%	0
\$10,000-19,999	1,904	21.6%	1,009	10.1%	192
\$20,000-29,999	1,050	11.9%	9,999	100.0%	1,050
\$30,000-39,999	776	8.8%	9,999	100.0%	776
\$40,000-49,999	637	7.2%	9,999	100.0%	637
\$50,000-59,999	425	4.8%	9,999	100.0%	425
\$60,000-74,999	502	5.7%	7,500	50.0%	251
\$75,000-99,999	415	4.7%		0.0%	0
\$100,000-124,999	361	4.1%		0.0%	0
\$125,000-149,999	231	2.6%		0.0%	0
\$150,000-199,999	221	2.5%		0.0%	0
\$200,000+	290	3.3%		0.0%	0
Total	8,813	100.0%		37.8%	3,332

ASSUMPTIONS - Overall Project

Tenancy	Senior	% of Income towards Housing		40%	
Rural/Urban	Urban	Maximum # of Occupants		2	
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	80%	20%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	30%	70%

Demand from New Renter Households 2017 to July 2019

Income Target Population	Overall Project
New Renter Households PMA	1,012
Percent Income Qualified	35.6%
New Renter Income Qualified Households	360

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall Project
Total Existing Demand	8,813
Income Qualified	37.8%
Income Qualified Renter Households	3,332
Percent Rent Overburdened Prj Mrkt Entry July 2019	42.2%
Rent Overburdened Households	1405

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,332
Percent Living in Substandard Housing	0.8%
Households Living in Substandard Housing	26

Senior Households Converting from Homeownership

Income Target Population	Overall Project
Total Senior Homeowners	13,017
Rural Versus Urban	0.1%
Senior Demand Converting from Homeownership	10

Total Demand

Total Demand from Existing Households	1,441
Total New Demand	360
Total Demand (New Plus Existing Households)	1,801

Demand from Seniors Who Convert from Homeownership	10
Percent of Total Demand From Homeownership Conversion	0.5%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	1,150
Two Persons	19.8%	356
Three Persons	7.9%	143
Four Persons	4.2%	75
Five Persons	4.3%	77
Total	100.0%	1,801

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	920
Of two-person households in 1BR units	20%	71
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	230
Of two-person households in 2BR units	80%	285
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	143
Of four-person households in 3BR units	70%	52
Of five-person households in 3BR units	30%	23
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	22
Of five-person households in 4BR units	35%	27
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	27
Total Demand		1,801

Total Demand (Subject Unit Types)		Additions to Supply			Net Demand
1 BR	991	-	0	=	991
2 BR	515	-	0	=	515
Total	1,506		0		1,506
Developer's Unit Mix		Net Demand			Capture Rate
1 BR	28	/	991	=	2.8%
2 BR	42	/	515	=	8.2%
Total	70		1,506		4.6%

Conclusions

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

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

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

DEMAND AND NET DEMAND

	HH at 50% AMI (\$18,990 to \$27,000)	HH at 60% AMI (\$21,420 to \$32,400)	HH at Market (\$20,190 to \$67,500)	Overall Affordable	Overall Project
Demand from New Households (age and income appropriate)	71	95	346	119	360
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	7	9	25	11	26
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	391	459	1,316	603	1,405
Sub Total	469	562	1,687	733	1,791
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	7	7	7	7	10
Equals Total Demand	476	569	1,693	740	1,801
Less	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
Equals Net Demand	476	569	1,693	740	1,801

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 50% AMI	\$18,990	\$25,325	6	262	0	262	2.3%	Four to five months	\$707	\$506	\$979	\$504
1BR at 60% AMI	\$21,420	\$30,390	20	313	0	313	6.4%	Four to five months	\$756	\$526	\$979	\$585
1BR Unrestricted	\$20,190	\$67,500	2	932	0	932	0.2%	Four to five months	\$824	\$661	\$979	\$673
1BR Overall Project	\$18,990	\$67,500	28	991	0	991	2.8%	Four to five months	-	-	-	-
1BR Overall Affordable	\$18,990	\$30,390	26	407	0	407	6.4%	Four to five months	-	-	-	-
2BR at 50% AMI	\$22,800	\$27,000	9	136	0	136	6.6%	Four to five months	\$864	\$596	\$1,284	\$575
2BR at 60% AMI	\$25,350	\$32,400	31	163	0	163	19.1%	Four to five months	\$931	\$616	\$1,284	\$660
2BR Unrestricted	\$22,770	\$67,500	2	484	0	484	0.4%	Four to five months	\$1,053	\$731	\$1,284	\$759
2BR Overall Project	\$22,800	\$67,500	42	515	0	515	8.2%	Four to five months	-	-	-	-
2BR Overall Affordable	\$22,800	\$32,400	40	212	0	212	18.9%	Four to five months	-	-	-	-
50% AMI Overall	\$18,990	\$27,000	15	398	0	398	3.8%	Four to five months	-	-	-	-
60% AMI Overall	\$21,420	\$32,400	51	476	0	476	10.7%	Four to five months	-	-	-	-
Unrestricted Overall	\$20,190	\$67,500	4	1,416	0	1,416	0.3%	Four to five months	-	-	-	-
Overall Project	\$18,990	\$67,500	70	1,506	0	1,506	4.6%	Four to five months	-	-	-	-
Overall Affordable	\$18,990	\$32,400	66	619	0	619	10.7%	Four to five months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.3 to 6.6 percent, with an overall capture rate of 3.8 percent. The Subject’s 60 percent AMI capture rates range from 6.4 percent to 19.1 percent, with an overall capture rate of 10.7 percent. Capture rates for the Subject’s unrestricted units range from 0.2 to 0.4 percent with an overall rate of 0.3 percent. The overall capture rate for the project is 4.6 percent. The overall capture rate for the project’s 50 and 60 percent units is 10.7 percent. Therefore, we believe there is adequate demand for the Subject. All of the capture rates are within GA DCA thresholds.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,627 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good; however, there is only one comparable senior property in the PMA. We have included this property as a comparable. The other five LIHTC properties target the general population and offer similar unit types in comparison to the proposed Subject. The comparable LIHTC properties are all located in the PMA, between 0.8 and 3.8 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in Atlanta, and there are several market-rate properties in the area. We have included four conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 0.5 and 1.8 miles from the Subject site. These comparables were built or renovated between the 1960s and 2014. Overall, we believe the properties used in our analysis are the most comparable

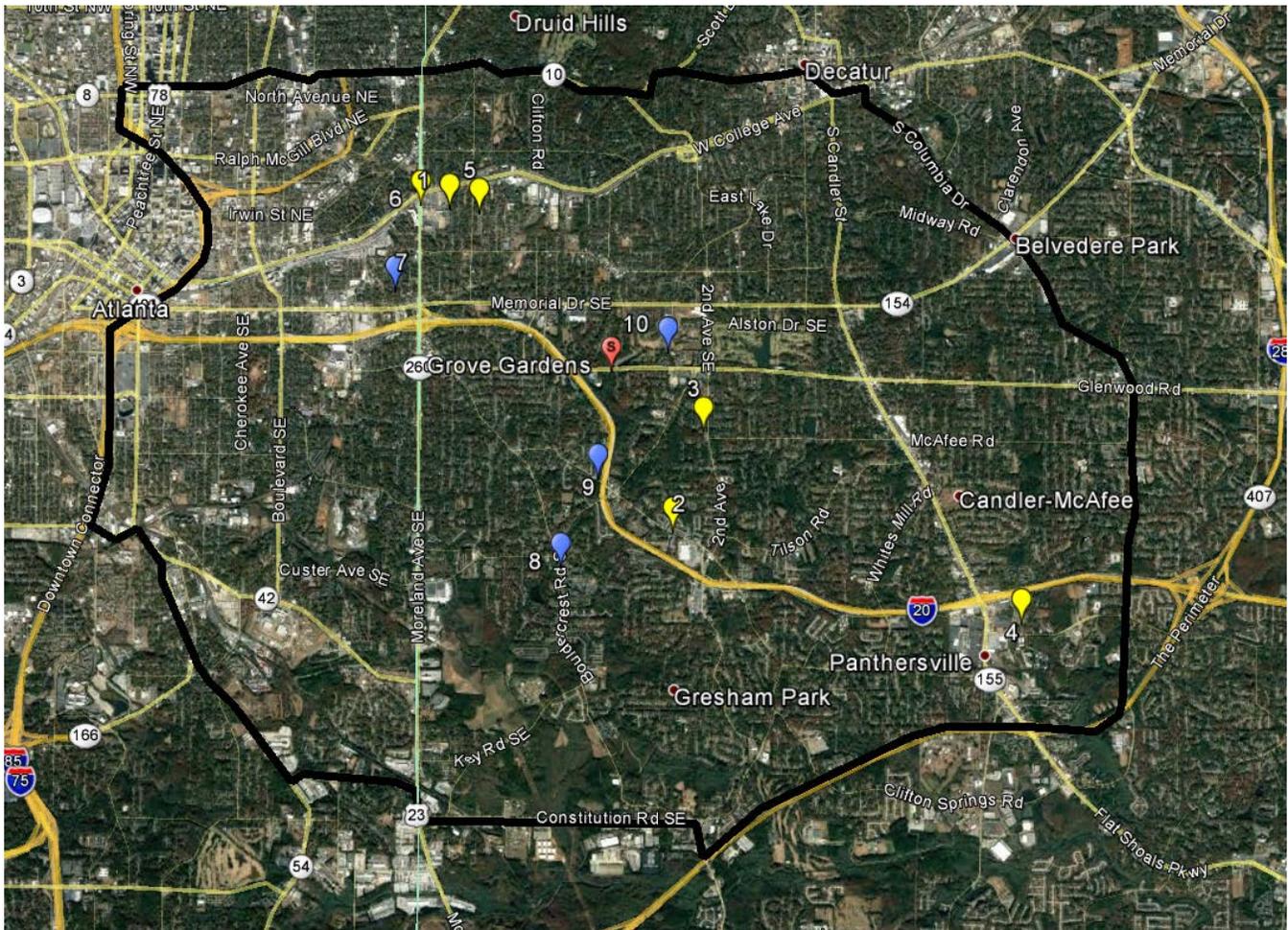
Excluded Properties

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

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Columbia Park Citi Residences	LIHTC	Atlanta	Family	154	Closer comparables
Columbia Senior Residences At Edgewood	LIHTC	Atlanta	Senior	135	Closer comparables
Columns At East Hill	LIHTC	Decatur	Family	28	Closer comparables
Delano Place	LIHTC	Decatur	Family	50	Closer comparables
Oakland Court Apts	LIHTC	Atlanta	Family	100	Closer comparables
Park 35	LIHTC	Atlanta	Family	304	Closer comparables
Presley Woods	LIHTC	Atlanta	Family	40	Closer comparables
Thornberry Apartments	LIHTC	Decatur	Family	298	Closer comparables
Vineyards Of Flatshoals	LIHTC	Atlanta	Family	228	Closer comparables
Whispering Pines (Decatur)	LIHTC	Decatur	Family	40	Closer comparables
Panola Gardens Senior Housing	LIHTC	Lithonia	Senior	84	Closer comparables
Grant Park Commons	LIHTC/Market	Atlanta	Family	344	Closer comparables
Wheat Street Towers	Section 8	Atlanta	Family	210	Subsidized
Capitol Avenue School	Section 8	Atlanta	Senior	48	Subsidized
Capitol Towers	Section 8	Atlanta	Senior	39	Subsidized
Bedford Pine Apartments Ii	Section 8	Atlanta	Family	20	Subsidized
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	69	Subsidized
Trinity Walk I	Section 8	Decatur	Family	69	Under construction
Trinity Walk II	Section 8	Decatur	Mixed	52	Undergoing rehabilitation
Cosby Spear Memorial Towers	Public Housing	Atlanta	Family	282	Subsidized
Martin Street Plaza	Public Housing	Atlanta	Family	60	Subsidized
Georgia Avenue Highrise	Public Housing	Atlanta	Senior	81	Subsidized
East Lake Highrise	Public Housing	Atlanta	Senior	150	Subsidized
Amberwood Village	Market	Atlanta	Family	30	Included
Arbors Of East Atlanta	Market	Atlanta	Family	124	Inferior age and condition
Highlands At East Atlanta	Market	Atlanta	Family	250	Closer comparables
Manor V Apartments	Market	Atlanta	Family	144	Closer comparables
The Element At Kirkwood	Market	Atlanta	Family	176	Inferior age and condition
Creekside Forest	Market	Atlanta	Family	256	Closer comparables
Eagles Run Apartments	Market	Atlanta	Family	258	Closer comparables
Enso Apartments	Market	Atlanta	Family	325	Closer comparables
Fulton Cotton Mill Lofts	Market	Atlanta	Family	207	Closer comparables
Glenwood East	Market	Atlanta	Family	236	Closer comparables
Highland Walk	Market	Atlanta	Family	350	Closer comparables
Highlands At East Atlanta	Market	Atlanta	Family	250	Closer comparables
Kingstown Apartments	Market	Atlanta	Family	43	Closer comparables
Laurel Mill Apartments	Market	Atlanta	Family	107	Closer comparables
Park)	Market	Atlanta	Family	250	Closer comparables
Mountain Park	Market	Atlanta	Family	212	Closer comparables
North Highland Steel	Market	Atlanta	Family	238	Closer comparables
Overlook Atlanta Gardens	Market	Atlanta	Family	192	Closer comparables
Park On Candler	Market	Atlanta	Family	236	Closer comparables
Pencil Factory Lofts	Market	Atlanta	Family	188	Closer comparables
Roosevelt Historic Apartments	Market	Atlanta	Family	120	Closer comparables
Sorelle Apartments	Market	Atlanta	Family	401	Closer comparables

Comparable Rental Property Map



Source: Google Earth, April 2017.

COMPARABLE PROPERTIES

#	Property Name	Type	Tenancy	Distance from Subject (miles)
1	Columbia Cithomes	LIHTC, Market, Non-Rental	Family	2.0
2	Columbia Mill	LIHTC, Market	Family	1.3
3	Columbia Village	LIHTC	Family	0.8
4	Magnolia Circle	LIHTC, Market	Senior	3.8
5	Retreat At Edgewood	LIHTC	Family	1.6
6	Retreat At Edgewood Phase II	LIHTC, Market	Family	2.1
7	Amberwood Village	Market	Family	1.8
8	Ashford East Village	Market	Family	1.6
9	Broadway At East Atlanta	Market	Family	0.9
10	Villages Of East Lake I And II	Market, PBRA	Family	0.5

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

SUMMARY MATRIX																	
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate			
Subject	Grove Gardens 1927 Glenwood Road Atlanta, GA 30316 DeKalb County	n/a	Lowrise (age-restricted) (3 stories) Proposed	LIHTC, Market	1BR / 1BA	6	8.6%	@50%	\$504	700	no		N/A	N/A			
					1BR / 1BA	20	28.6%	@60%	\$585	700	no	N/A	N/A				
					1BR / 1BA	2	2.9%	Market	\$673	700	no	N/A	N/A				
					2BR / 1BA	9	12.9%	@50%	\$575	900	no	N/A	N/A				
					2BR / 1BA	31	44.3%	@50%	\$660	900	no	N/A	N/A				
					2BR / 1BA	2	2.9%	Market	\$759	900	no	N/A	N/A				
					70	100.0%											
1	Columbia Citihomes 165 Marion Place NE Atlanta, GA 30307 DeKalb County	1.8 miles	Various (2 stories) 2002	LIHTC, Market, Non- Rental	2BR / 2BA (Garden)	13	15.5%	@50%	\$688	1,126	yes	No	0	0.0%			
					2BR / 2BA (Garden)	12	14.3%	@60%	\$755	1,162	no	No	0	0.0%			
					2BR / 2BA (Garden)	7	8.3%	Market	\$1,225	1,162	n/a	No	1	14.3%			
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$755	1,212	no	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	18	21.4%	@50%	\$688	1,212	yes	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	4	4.8%	@50%	\$688	1,331	yes	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$755	1,331	no	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	8	9.5%	Market	\$1,284	1,212	n/a	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	4	4.8%	Market	\$1,284	1,331	n/a	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	2	2.4%	Non-Rental	\$0	1,212	n/a	No	0	0.0%			
										84	100.0%						
2	Columbia Mill 2239 Flat Shoals Rd SE Atlanta, GA 30316 DeKalb County	n/a	Various (2 stories) 2014	LIHTC, Market	1BR / 1BA (Garden)	10	10.0%	@50%	\$550	670	no	Yes	0	0.0%			
					1BR / 1BA (Garden)	10	10.0%	@60%	\$687	766	no	Yes	0	0.0%			
					1BR / 1BA (Garden)	5	5.0%	Market	\$799	766	n/a	Yes	0	0.0%			
					2BR / 2BA (Garden)	17	17.0%	@50%	\$653	1,031	no	Yes	0	0.0%			
					2BR / 2BA (Garden)	17	17.0%	@60%	\$809	1,031	no	Yes	2	11.8%			
					2BR / 2BA (Garden)	5	5.0%	Market	\$999	1,031	n/a	Yes	1	20.0%			
					2BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$809	1,182	no	Yes	0	0.0%			
					2BR / 2.5BA (Townhouse)	6	6.0%	Market	\$1,099	1,182	n/a	Yes	0	0.0%			
					3BR / 2BA (Garden)	10	10.0%	@50%	\$771	1,235	no	Yes	1	10.0%			
					3BR / 2BA (Garden)	10	10.0%	@60%	\$951	1,235	no	Yes	0	0.0%			
					3BR / 2BA (Garden)	4	4.0%	Market	\$1,199	1,235	n/a	Yes	1	25.0%			
					100	100.0%											
3	Columbia Village 100 Jessica Ave Decatur, GA 30032 DeKalb County	0.8 miles	One-story 1999	LIHTC	2BR / 2BA	20	20.0%	@50%	\$690	1,008	yes	Yes	0	0.0%			
					2BR / 2BA	28	28.0%	@60%	\$861	1,008	yes	Yes	0	0.0%			
					3BR / 2BA	18	18.0%	@50%	\$761	1,142	yes	Yes	0	0.0%			
					3BR / 2BA	25	25.0%	@60%	\$968	1,142	yes	Yes	0	0.0%			
					4BR / 2BA	9	9.0%	@60%	\$1,059	1,334	yes	Yes	0	0.0%			
					100	100.0%											
4	Magnolia Circle 150 Dash Lewis Dr Decatur, GA 30034 DeKalb County	3.8 miles	Garden (age-restricted) (2 stories) 2003	LIHTC, Market	1BR / 1BA	14	16.7%	@50%	\$506	690	no	Yes	2	14.3%			
					1BR / 1BA	12	14.3%	@60%	\$526	760	no	Yes	0	0.0%			
					1BR / 1BA	6	7.1%	Market	\$661	690	n/a	Yes	0	0.0%			
					2BR / 2BA	21	25.0%	@50%	\$596	1,000	no	Yes	0	0.0%			
					2BR / 2BA	20	23.8%	@60%	\$616	1,030	no	Yes	0	0.0%			
					2BR / 2BA	11	13.1%	Market	\$731	1,000	n/a	Yes	0	0.0%			
					84	100.0%											
5	Retreat At Edgewood 150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	1.7 miles	Various (2 stories) 2011	LIHTC	1BR / 1BA (Garden)	10	10.0%	@60%	\$667	732	no	No	0	0.0%			
					1BR / 1BA (Garden)	10	10.0%	@60%	\$667	789	no	No	0	0.0%			
					2BR / 1.5BA (Townhouse)	12	12.0%	@60%	\$764	1,174	no	No	0	0.0%			
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$764	1,253	no	No	0	0.0%			
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$764	1,538	no	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$764	1,229	no	No	0	0.0%			
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$764	1,333	no	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$847	1,362	no	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$847	1,568	no	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$847	1,697	no	No	0	0.0%			
										100	100.0%						
6	Retreat At Edgewood Phase II 37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	2.9 miles	Various (2 stories) 2012	LIHTC, Market	1BR / 1BA (Garden)	2	5.0%	@50%	\$529	873	no	No	0	0.0%			
					1BR / 1BA (Garden)	27	67.5%	@60%	\$667	873	no	No	0	0.0%			
					1BR / 1BA (Garden)	1	2.5%	Market	\$830	809	n/a	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	2	5.0%	@50%	\$681	1,595	no	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	7	17.5%	@60%	\$854	1,595	no	No	0	0.0%			
					3BR / 2.5BA (Townhouse)	1	2.5%	Market	\$1,130	1,469	n/a	No	0	0.0%			
										40	100.0%						
										0	0.0%						
7	Amberwood Village 180 Flat Shoals Avenue Atlanta, GA 30316 Fulton County	n/a	Garden (2 stories) 1964/1994/2013	Market	1BR / 1BA	1	3.3%	Market	\$700	500	n/a	Yes	0	0.0%			
					2BR / 1BA	29	96.7%	Market	\$820	615	n/a	Yes	0	0.0%			
										30	100.0%						
					0	0.0%											
8	Ashford East Village 1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County	1.6 miles	Various (2 stories) 1979/Ongoing	Market	1BR / 1BA (Garden)	60	16.2%	Market	\$896	815	n/a	No	3	5.0%			
					1BR / 1BA (Garden)	35	9.4%	Market	\$866	650	n/a	No	3	8.6%			
					2BR / 1BA (Garden)	30	8.1%	Market	\$963	780	n/a	No	0	0.0%			
					2BR / 1BA (Garden)	62	16.7%	Market	\$990	945	n/a	No	0	0.0%			
					2BR / 1.5BA (Townhouse)	92	24.8%	Market	\$1,106	1,155	n/a	No	3	3.3%			
					3BR / 2BA (Garden)	62	16.7%	Market	\$1,395	1,095	n/a	No	3	4.8%			
					3BR / 2BA (Garden)	30	8.1%	Market	\$1,082	980	n/a	No	0	0.0%			
					371	100.0%											
					12	3.2%											
9	Broadway At East Atlanta 1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	0.9 miles	Various (2 stories) 1976 / 2015	Market	1BR / 1BA (Lowrise)	N/A	N/A	Market	\$900	725	n/a	No	4	N/A			
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$965	670	n/a	No	0	N/A			
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,000	990	n/a	No	2	N/A			
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,125	1,008	n/a	No	1	N/A			
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,200	1,046	n/a	No	1	N/A			
										176	100.0%						
					8	4.5%											
10	Villages Of East Lake I And II 460 East Lake Blvd. Atlanta, GA 30317 DeKalb County	0.5 miles	Various 1998/2000	Market/PBRA	1BR / 1BA (Garden)	15	2.8%	Market	\$969	926	n/a	No	0	0.0%			
					1BR / 1BA (Garden)	8	1.5%	Market	\$979	1,026	n/a	No	0	0.0%			
					1BR / 1BA (Garden)	15	2.8%	PBRA	N/A	926	n/a	Yes	0	0.0%			
					1BR / 1BA (Garden)	8	1.5%	PBRA	N/A	1,026	n/a	Yes	0	0.0%			
					2BR / 1.5BA (Townhouse)	25	4.6%	Market	\$1,129	1,200	n/a	No	N/A	N/A			
					2BR / 1.5BA (Townhouse)	26	4.8%	PBRA	N/A	1,200	n/a	Yes	0	0.0%			
					2BR / 2BA (Garden)	15	2.8%	Market	\$1,049	1,165	n/a	No	N/A	N/A			
					2BR / 2BA (Garden)	84	15.5%	Market	\$1,079	1,282	n/a	No	N/A	N/A			
					2BR / 2BA (Garden)	5	0.9%	Market	\$1,099	1,322	n/a	No	N/A	N/A			
					2BR / 2BA (Garden)	15	2.8%	PBRA	N/A	1,165	n/a	Yes	0	0.0%			
					2BR / 2BA (Garden)	84	15.5%	PBRA	N/A	1,282	n/a	Yes	0	0.0%			
					2BR / 2BA (Garden)	5	0.9%	PBRA	N/A	1,322	n/a	Yes	0	0.0%			
					3BR / 2BA (Garden)	25	4.6%	Market	\$1,179	1,319	n/a	No	N/A	N/A			
					3BR / 2BA (Garden)	20	3.7%	Market	\$1,189	1,400	n/a	No	N/A	N/A			
					3BR / 2BA (Garden)	47	8.7%	Market	\$1,199	1,544	n/a	No	N/A	N/A			
					3BR / 2BA (Garden)	3	0.6%	Market	\$1,189	1,585	n/a	No	N/A	N/A			
					3BR / 2BA (Garden)	26	4.8%	PBRA	N/A	1,319	n/a	Yes	0	0.0%			
					3BR / 2BA (Garden)	20	3.7%	PBRA	N/A	1,400	n/a	Yes	0	0.0%			
					3BR / 2BA (Garden)	47	8.7%	PBRA	N/A	1,544	n/a	Yes	0	0.0%			
					3BR / 2BA (Garden)	3	0.6%	PBRA	N/A	1,585	n/a	Yes	0	0.0%			
4BR / 2BA (Garden)	18	3.3%	Market	\$1,375	1,812	n/a	No	N/A	N/A								
4BR / 2BA (Garden)	18	3.3%	PBRA	N/A	1,812	n/a	Yes	0	0.0%								
4BR / 2.5BA (Townhouse)	5	0.9%	Market	\$1,399	1,650	n/a	No	N/A	N/A								
4BR / 2.5BA (Townhouse)	5	0.9%	PBRA	N/A	1,650	n/a	Yes	0	0.0%								
					542	100.0%											
					16	3.0%											

GROVE GARDENS – ATLANTA, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.							
Effective Rent Date:		May-17	Units Surveyed:		1,627	Weighted	97.3%
			Market Rate		1,119	Market Rate	96.8%
			Tax Credit		508	Tax Credit	98.4%
One Bedroom One Bath			Two Bedrooms One Bath				
	Property	Average	Property	Average	Property	Average	
RENT	Villages Of East Lake I And II	\$979	Columbia Citihomes * (2BA M)	\$1,225			
	Villages Of East Lake I And II	\$969	Villages Of East Lake I And II (1.5BA)	\$1,129			
	Broadway At East Atlanta	\$900	Broadway At East Atlanta	\$1,000			
	Ashford East Village	\$896	Columbia Mill * (2BA M)	\$999			
	Ashford East Village	\$866	Ashford East Village	\$990			
	Retreat At Edgewood Phase II * (M)	\$830	Broadway At East Atlanta	\$965			
	Columbia Mill * (M)	\$799	Ashford East Village	\$963			
	Amberwood Village	\$700	Columbia Village * (2BA 60%)	\$861			
	Columbia Mill * (60%)	\$687	Amberwood Village	\$820			
	Grove Gardens * (M)	\$673	Columbia Mill * (2BA 60%)	\$809			
	Retreat At Edgewood * (60%)	\$667	Retreat At Edgewood * (1.5BA 60%)	\$764			
	Retreat At Edgewood * (60%)	\$667	Grove Gardens * (M)	\$759			
	Retreat At Edgewood Phase II * (60%)	\$667	Columbia Citihomes * (2BA 60%)	\$755			
	Magnolia Circle * (M)	\$661	Magnolia Circle * (2BA M)	\$731			
	Grove Gardens * (60%)	\$585	Columbia Village * (2BA 50%)	\$690			
	Columbia Mill * (50%)	\$550	Columbia Citihomes * (2BA 50%)	\$688			
	Retreat At Edgewood Phase II * (50%)	\$529	Grove Gardens * (60%)	\$660			
	Magnolia Circle * (60%)	\$526	Columbia Mill * (2BA 50%)	\$653			
	Magnolia Circle * (50%)	\$506	Magnolia Circle * (2BA 60%)	\$616			
	Grove Gardens * (50%)	\$504	Magnolia Circle * (2BA 50%)	\$596			
		Grove Gardens * (50%)	\$575				
SQUARE FOOTAGE	Villages Of East Lake I And II	1,026	Villages Of East Lake I And II (1.5BA)	1,200			
	Villages Of East Lake I And II	926	Retreat At Edgewood * (1.5BA 60%)	1,174			
	Retreat At Edgewood Phase II * (50%)	873	Columbia Citihomes * (2BA 60%)	1,162			
	Retreat At Edgewood Phase II * (60%)	873	Columbia Citihomes * (2BA M)	1,162			
	Ashford East Village	815	Columbia Citihomes * (2BA 50%)	1,126			
	Retreat At Edgewood Phase II * (M)	809	Columbia Mill * (2BA 50%)	1,031			
	Retreat At Edgewood * (60%)	789	Columbia Mill * (2BA 60%)	1,031			
	Columbia Mill * (60%)	766	Columbia Mill * (2BA M)	1,031			
	Columbia Mill * (M)	766	Magnolia Circle * (2BA 60%)	1,030			
	Magnolia Circle * (60%)	760	Columbia Village * (2BA 50%)	1,008			
	Retreat At Edgewood * (60%)	732	Columbia Village * (2BA 60%)	1,008			
	Broadway At East Atlanta	725	Magnolia Circle * (2BA 50%)	1,000			
	Grove Gardens * (50%)	700	Magnolia Circle * (2BA M)	1,000			
	Grove Gardens * (60%)	700	Broadway At East Atlanta	990			
	Grove Gardens * (M)	700	Ashford East Village	945			
	Magnolia Circle * (50%)	690	Grove Gardens * (50%)	900			
	Magnolia Circle * (M)	690	Grove Gardens * (60%)	900			
	Columbia Mill * (50%)	670	Grove Gardens * (M)	900			
	Ashford East Village	650	Ashford East Village	780			
	Amberwood Village	500	Broadway At East Atlanta	670			
		Amberwood Village	615				
RENT PER SQUARE FOOT	Amberwood Village	\$1.40	Broadway At East Atlanta	\$1.44			
	Ashford East Village	\$1.33	Amberwood Village	\$1.33			
	Broadway At East Atlanta	\$1.24	Ashford East Village	\$1.23			
	Ashford East Village	\$1.10	Columbia Citihomes * (2BA M)	\$1.05			
	Villages Of East Lake I And II	\$1.05	Ashford East Village	\$1.05			
	Columbia Mill * (M)	\$1.04	Broadway At East Atlanta	\$1.01			
	Retreat At Edgewood Phase II * (M)	\$1.03	Columbia Mill * (2BA M)	\$0.97			
	Grove Gardens * (M)	\$0.96	Villages Of East Lake I And II (1.5BA)	\$0.94			
	Magnolia Circle * (M)	\$0.96	Columbia Village * (2BA 60%)	\$0.85			
	Villages Of East Lake I And II	\$0.95	Grove Gardens * (M)	\$0.84			
	Retreat At Edgewood * (60%)	\$0.91	Columbia Mill * (2BA 60%)	\$0.78			
	Columbia Mill * (60%)	\$0.90	Grove Gardens * (60%)	\$0.73			
	Retreat At Edgewood * (60%)	\$0.85	Magnolia Circle * (2BA M)	\$0.73			
	Grove Gardens * (60%)	\$0.84	Columbia Village * (2BA 50%)	\$0.68			
	Columbia Mill * (50%)	\$0.82	Retreat At Edgewood * (1.5BA 60%)	\$0.65			
	Retreat At Edgewood Phase II * (60%)	\$0.76	Columbia Citihomes * (2BA 60%)	\$0.65			
	Magnolia Circle * (50%)	\$0.73	Grove Gardens * (50%)	\$0.64			
	Grove Gardens * (50%)	\$0.72	Columbia Mill * (2BA 50%)	\$0.63			
	Magnolia Circle * (60%)	\$0.69	Columbia Citihomes * (2BA 50%)	\$0.61			
	Retreat At Edgewood Phase II * (50%)	\$0.61	Magnolia Circle * (2BA 60%)	\$0.60			
		Magnolia Circle * (2BA 50%)	\$0.60				

PROPERTY PROFILE REPORT

Columbia CitiHomes

Effective Rent Date	4/04/2017
Location	165 Marion Place NE Atlanta, GA 30307 DeKalb County
Distance	2 miles
Units	84
Vacant Units	1
Vacancy Rate	1.2%
Type	Various (2 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Villages of East Lake, City View
Tenant Characteristics	Mixed tenancy including single parent households from the immediate area
Contact Name	Sony
Phone	404-223-1020



Market Information

Program	@50%, @60%, Market, Non-Rental
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	12%
Leasing Pace	Preleased to one week
Annual Chg. in Rent	Increased 3% mkt rate units
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	13	1,126	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	12	1,162	\$755	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	7	1,162	\$1,225	\$0	Market	No	1	14.3%	N/A	None
2	2.5	Townhouse	8	1,212	\$755	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (3 stories)	18	1,212	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	4	1,331	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	8	1,331	\$755	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (3 stories)	8	1,212	\$1,284	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse (3 stories)	4	1,331	\$1,284	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse (3 stories)	2	1,212	\$0	\$0	Non-Rental	No	0	0.0%	N/A	None

Columbia Citihomes, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$688	\$0	\$688	\$0	\$688	2BR / 2BA	\$755	\$0	\$755	\$0	\$755
2BR / 2.5BA	\$688	\$0	\$688	\$0	\$688	2BR / 2.5BA	\$755	\$0	\$755	\$0	\$755
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$1,225	\$0	\$1,225	\$0	\$1,225	2BR / 2.5BA	N/A	\$0	N/A	\$0	N/A
2BR / 2.5BA	\$1,284	\$0	\$1,284	\$0	\$1,284						

Amenities

In-Unit

Blinds	Carpeting
Central A/C	Coat Closet
Dishwasher	Ceiling Fan
Garbage Disposal	Microwave
Oven	Refrigerator
Walk-In Closet	Washer/Dryer hookup

Security

Limited Access
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting	Exercise Facility
Central Laundry	Off-Street Parking
Picnic Area	Playground

Premium

None

Other

Gazebo and badminton

Comments

The contact reported occupancy rates are typically at or near 100 percent and the property operates on a first come, first served basis.

PROPERTY PROFILE REPORT

Columbia Mill

Effective Rent Date	3/28/2017
Location	2239 Flat Shoals Rd SE Atlanta, GA 30316 DeKalb County
Distance	1.3 miles
Units	100
Vacant Units	5
Vacancy Rate	5.0%
Type	Various (2 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	5/09/2014
Major Competitors	Vineyards at Flat Shoals
Tenant Characteristics	Mixed tenancy
Contact Name	Evalyn Gifford
Phone	404-241-7441



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	8%
Units/Month Absorbed	20
HCV Tenants	15%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased up to 8 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	670	\$550	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	10	766	\$687	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	5	766	\$799	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	17	1,031	\$653	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	17	1,031	\$809	\$0	@60%	Yes	2	11.8%	no	None
2	2	Garden (2 stories)	5	1,031	\$999	\$0	Market	Yes	1	20.0%	N/A	None
2	2.5	Townhouse (2 stories)	6	1,182	\$809	\$0	@60%	Yes	0	0.0%	no	None
2	2.5	Townhouse (2 stories)	6	1,182	\$1,099	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden	10	1,235	\$771	\$0	@50%	Yes	1	10.0%	no	None
3	2	Garden	10	1,235	\$951	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden	4	1,235	\$1,199	\$0	Market	Yes	1	25.0%	N/A	None

Columbia Mill, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$550	\$0	\$550	\$0	\$550	1BR / 1BA	\$687	\$0	\$687	\$0	\$687
2BR / 2BA	\$653	\$0	\$653	\$0	\$653	2BR / 2BA	\$809	\$0	\$809	\$0	\$809
3BR / 2BA	\$771	\$0	\$771	\$0	\$771	2BR / 2.5BA	\$809	\$0	\$809	\$0	\$809
						3BR / 2BA	\$951	\$0	\$951	\$0	\$951

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$799	\$0	\$799	\$0	\$799
2BR / 2BA	\$999	\$0	\$999	\$0	\$999
2BR / 2.5BA	\$1,099	\$0	\$1,099	\$0	\$1,099
3BR / 2BA	\$1,199	\$0	\$1,199	\$0	\$1,199

Amenities

In-Unit

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

Blinds
 Central A/C
 Dishwasher
 Oven
 Walk-In Closet

Security

In-Unit Alarm
 Intercom (Video)
 Limited Access
 Perimeter Fencing

Services

None

Property

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

Clubhouse/Meeting
 Central Laundry
 On-Site Management
 Playground

Premium

None

Other

None

Comments

The contact was unable to provide the length of the waiting list. Also, the contact indicated that rents were set approximately \$5 below max as a precaution because of the recently lowered utility allowance.

Photos



PROPERTY PROFILE REPORT

Columbia Village

Effective Rent Date 3/28/2017
Location 100 Jessica Ave
 Decatur, GA 30032
 Dekalb County
Distance 0.8 miles
Units 100
Vacant Units 0
Vacancy Rate 0.0%
Type One-story
Year Built/Renovated 1999 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Village of East Lake
Tenant Characteristics Common employers are daycare centers,
 hospitals, and schools
Contact Name Kenisha Franklin
Phone (404) 377-2445



Market Information

Program @50%, @60%
Annual Turnover Rate 5%
Units/Month Absorbed N/A
HCV Tenants 15%
Leasing Pace Within two weeks
Annual Chg. in Rent Increased up to 13 percent
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	One-story	20	1,008	\$690	\$0	@50%	Yes	0	0.0%	yes	None
2	2	One-story	28	1,008	\$861	\$0	@60%	Yes	0	0.0%	yes	None
3	2	One-story	18	1,142	\$761	\$0	@50%	Yes	0	0.0%	yes	None
3	2	One-story	25	1,142	\$968	\$0	@60%	Yes	0	0.0%	yes	None
4	2	One-story	9	1,334	\$1,059	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$690	\$0	\$690	\$0	\$690	2BR / 2BA	\$861	\$0	\$861	\$0	\$861
3BR / 2BA	\$761	\$0	\$761	\$0	\$761	3BR / 2BA	\$968	\$0	\$968	\$0	\$968
						4BR / 2BA	\$1,059	\$0	\$1,059	\$0	\$1,059

Columbia Village, continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Limited Access
Perimeter Fencing
Video Surveillance

Services

None

Property

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

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Premium

None

Other

None

Comments

The property maintains a waiting list, but the contact could not provide an estimate of the number of households on the list.

Photos



PROPERTY PROFILE REPORT

Magnolia Circle

Effective Rent Date 5/04/2017

Location 100 Dash Lewis Dr
Decatur, GA 30034
DeKalb County

Distance 3.8 miles

Units 84

Vacant Units 2

Vacancy Rate 2.4%

Type Garden (age-restricted) (2 stories)

Year Built/Renovated 2003 / N/A

Marketing Began N/A

Leasing Began 7/01/2003

Last Unit Leased N/A

Major Competitors None identified

Tenant Characteristics 62+; 25% out of state; 25% prev. homeowners;
Many from Panola Rd (Decatur) and Evans Mill Rd (Lithonia) area

Contact Name Donna Rose

Phone 404-243-1553



Market Information

Program @50%, @60%, Market

Annual Turnover Rate 3%

Units/Month Absorbed 14

HCV Tenants 20%

Leasing Pace Within one week

Annual Chg. in Rent None

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water included

Sewer included

Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	14	690	\$565	\$0	@50%	Yes	2	14.3%	no	None
1	1	Garden (2 stories)	12	760	\$585	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	6	690	\$720	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	21	1,000	\$680	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	20	1,030	\$700	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	11	1,000	\$815	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$565	\$0	\$565	-\$59	\$506	1BR / 1BA	\$585	\$0	\$585	-\$59	\$526
2BR / 2BA	\$680	\$0	\$680	-\$84	\$596	2BR / 2BA	\$700	\$0	\$700	-\$84	\$616
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$720	\$0	\$720	-\$59	\$661						
2BR / 2BA	\$815	\$0	\$815	-\$84	\$731						

Magnolia Circle, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Oven
Refrigerator

Blinds
Central A/C
Dishwasher
Hand Rails
Pull Cords
Washer/Dryer hookup

Security

Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Central Laundry
On-Site Management

Clubhouse/Meeting
Off-Street Parking

Premium

None

Other

Social Director, Arts & Crafts

Comments

There are over 100 households on the waiting list. Management reported that the demand for affordable senior housing in Decatur is strong. The contact stated that while the maximum allowable rents are not being achieved at this property, they believed them to be achievable in the market. The property offers two parking spaces per unit, and parking is included with rent.

Magnolia Circle, continued

Photos



PROPERTY PROFILE REPORT

Retreat At Edgewood

Effective Rent Date	3/30/2017
Location	150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County
Distance	1.6 miles
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	11/22/2011
Last Unit Leased	4/30/2012
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from the immediate area
Contact Name	Julius
Phone	404-577-9001



Market Information

Program	@60%
Annual Turnover Rate	23%
Units/Month Absorbed	20
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 10% to 11.4%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	732	\$667	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (2 stories)	10	789	\$667	\$0	@60%	No	0	0.0%	no	None
2	1.5	Townhouse (2 stories)	12	1,174	\$764	\$0	@60%	No	0	0.0%	no	None
2	2	Townhouse (2 stories)	12	1,253	\$764	\$0	@60%	No	0	0.0%	no	None
2	2	Townhouse (2 stories)	12	1,538	\$764	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (2 stories)	12	1,229	\$764	\$0	@60%	No	0	0.0%	no	None
2	2.5	Townhouse (2 stories)	12	1,333	\$764	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,362	\$847	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,568	\$847	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	6	1,697	\$847	\$0	@60%	No	0	0.0%	no	None

Retreat At Edgewood, continued

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$667	\$0	\$667	\$0	\$667
2BR / 1.5BA	\$764	\$0	\$764	\$0	\$764
2BR / 2BA	\$764	\$0	\$764	\$0	\$764
2BR / 2.5BA	\$764	\$0	\$764	\$0	\$764
3BR / 2.5BA	\$847	\$0	\$847	\$0	\$847

Amenities

In-Unit

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

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

Security

In-Unit Alarm

Services

None

Property

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

Clubhouse/Meeting
Garage
On-Site Management
Playground

Premium

None

Other

None

Comments

The contact reported strong demand for affordable housing in the local area. Housing Choice Vouchers are not accepted. Although the property has a high occupancy rate it does not maintain a waiting list and operate on a first come first serve basis. There are a select number of units that have PBRA restrictions.

Photos



PROPERTY PROFILE REPORT

Retreat At Edgewood Phase II

Effective Rent Date	3/30/2017
Location	37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County
Distance	2.1 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	9/04/2012
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy primarily from the immediate area
Contact Name	Julius
Phone	404-577-9001



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	27%
Units/Month Absorbed	12
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 3 to 6% since 3Q16
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	873	\$529	\$0	@50%	No	0	0.0%	no	None
1	1	Garden (2 stories)	27	873	\$667	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (2 stories)	1	809	\$830	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	2	1,595	\$681	\$0	@50%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	7	1,595	\$854	\$0	@60%	No	0	0.0%	no	None
3	2.5	Townhouse (2 stories)	1	1,469	\$1,130	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$529	\$0	\$529	\$0	\$529	1BR / 1BA	\$667	\$0	\$667	\$0	\$667
3BR / 2.5BA	\$681	\$0	\$681	\$0	\$681	3BR / 2.5BA	\$854	\$0	\$854	\$0	\$854
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$830	\$0	\$830	\$0	\$830						
3BR / 2.5BA	\$1,130	\$0	\$1,130	\$0	\$1,130						

Retreat At Edgewood Phase II, continued

Amenities

In-Unit

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

Blinds
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer

Security

In-Unit Alarm
Patrol
Video Surveillance

Services

None

Property

Business Center/Computer Lab
Garage
Picnic Area

Clubhouse/Meeting
Off-Street Parking
Playground

Premium

None

Other

None

Comments

The contact reported strong demand for affordable housing in the local area. Housing Choice Vouchers are not accepted. Although the property is 100 percent occupied it does not maintain a waiting list and operate on a first come first serve basis. It should be noted that the development's sponsor, Mayson Avenue Cooperative, is a non profit that was created to maintain affordable rental housing in the Edgewood neighborhood and rents are kept below the maximum allowable to remain affordable for a wider range of households.

Retreat At Edgewood Phase II, continued

Photos



PROPERTY PROFILE REPORT

Amberwood Village

Effective Rent Date 3/28/2017
Location 180 Flat Shoals Avenue
 Atlanta, GA 30316
 Fulton County
Distance 1.8 miles
Units 30
Vacant Units 0
Vacancy Rate 0.0%
Type Garden (2 stories)
Year Built/Renovated 1964 / 1994/2013
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None Identified
Tenant Characteristics Mixed Tenancy
Contact Name Courtney
Phone (404) 476-9935



Market Information

Program Market
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Pre-leased to one week
Annual Chg. in Rent Increased up to 2 percent
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	500	\$700	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	29	615	\$820	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$700	\$0	\$700	\$0	\$700
2BR / 1BA	\$820	\$0	\$820	\$0	\$820

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Oven

Carpeting
Coat Closet
Garbage Disposal
Refrigerator

Security

Limited Access
Perimeter Fencing

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking
Picnic Area

Premium

None

Other

None

Amberwood Village, continued

Comments

The property maintains a waiting list, however the contact could not provide its length. The property does not accept Housing Choice Vouchers.

PROPERTY PROFILE REPORT

Ashford East Village

Effective Rent Date	3/28/2017
Location	1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County
Distance	1.6 miles
Units	371
Vacant Units	12
Vacancy Rate	3.2%
Type	Various (2 stories)
Year Built/Renovated	1979 / Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	1/25/2005
Major Competitors	Broadway at East Atlanta
Tenant Characteristics	Mixed tenancy, mostly families
Contact Name	Kuana
Phone	404-748-4466



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 7.2% and decreased 0.9-9%.
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	60	815	\$955	\$0	Market	No	3	5.0%	N/A	None
1	1	Garden (2 stories)	35	650	\$925	\$0	Market	No	3	8.6%	N/A	None
2	1	Garden (2 stories)	30	780	\$1,047	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	62	945	\$1,074	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	92	1,155	\$1,190	\$0	Market	No	3	3.3%	N/A	None
3	2	Garden (2 stories)	62	1,095	\$1,395	\$0	Market	No	3	4.8%	N/A	None
3	2	Garden (2 stories)	30	980	\$1,082	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$925 - \$955	\$0	\$925 - \$955	-\$59	\$866 - \$896
2BR / 1BA	\$1,047 - \$1,074	\$0	\$1,047 - \$1,074	-\$84	\$963 - \$990
2BR / 1.5BA	\$1,190	\$0	\$1,190	-\$84	\$1,106
3BR / 2BA	\$1,082 - \$1,395	\$0	\$1,082 - \$1,395	\$0	\$1,082 - \$1,395

Ashford East Village, continued

Amenities

In-Unit

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

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

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Courtyard
Off-Street Parking
Picnic Area
Sport Court
Wi-Fi

Clubhouse/Meeting
Exercise Facility
On-Site Management
Playground
Swimming Pool

Premium

None

Other

None

Comments

The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Broadway At East Atlanta

Effective Rent Date	3/28/2017
Location	1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County
Distance	0.9 miles
Units	176
Vacant Units	8
Vacancy Rate	4.5%
Type	Various (2 stories)
Year Built/Renovated	1976 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy, families
Contact Name	Onilee Hembree
Phone	404-241-3242



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 12% - 19%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	N/A	725	\$900	\$0	Market	No	4	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	670	\$965	\$0	Market	No	0	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	990	\$1,000	\$0	Market	No	2	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,008	\$1,125	\$0	Market	No	1	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,046	\$1,200	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$900	\$0	\$900	\$0	\$900
2BR / 1BA	\$965 - \$1,000	\$0	\$965 - \$1,000	\$0	\$965 - \$1,000
2BR / 1.5BA	\$1,125 - \$1,200	\$0	\$1,125 - \$1,200	\$0	\$1,125 - \$1,200

Broadway At East Atlanta, continued

Amenities

In-Unit

Blinds
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

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

Security

Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Central Laundry
On-Site Management
Playground

Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The property does not accept Housing Choice Vouchers.

PROPERTY PROFILE REPORT

Villages Of East Lake I And II

Effective Rent Date 3/28/2017
Location 460 East Lake Blvd.
Atlanta, GA 30317
DeKalb County
Distance 0.5 miles
Units 542
Vacant Units 16
Vacancy Rate 3.0%
Type Various
Year Built/Renovated 1998/2000 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased 2/03/2005
Major Competitors None identified
Tenant Characteristics Mixed tenancy
Contact Name Raphael
Phone 404-373-9598



Market Information

Program Market/PBRA
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within one month
Annual Chg. in Rent Increased 1.9 to 10.5 percent late 2016
Concession None

Utilities

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

Villages Of East Lake I And II, continued

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	15	926	\$969	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	8	1,026	\$979	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	15	926	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Garden (3 stories)	8	1,026	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	25	1,200	\$1,129	\$0	Market	No	N/A	N/A	N/A	None
2	1.5	Townhouse (2 stories)	26	1,200	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	15	1,165	\$1,049	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	84	1,282	\$1,079	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	5	1,322	\$1,099	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	15	1,165	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	84	1,282	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	5	1,322	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	25	1,319	\$1,179	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	20	1,400	\$1,189	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	47	1,544	\$1,199	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	3	1,585	\$1,189	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	26	1,319	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	20	1,400	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	47	1,544	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	3	1,585	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
4	2	Garden (3 stories)	18	1,812	\$1,375	\$0	Market	No	N/A	N/A	N/A	None
4	2	Garden (3 stories)	18	1,812	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
4	2.5	Townhouse (2 stories)	5	1,650	\$1,399	\$0	Market	No	N/A	N/A	N/A	None
4	2.5	Townhouse (2 stories)	5	1,650	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	PBRA	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$969 - \$979	\$0	\$969 - \$979	\$0	\$969 - \$979	1BR / 1BA	N/A	\$0	N/A	\$0	N/A
2BR / 1.5BA	\$1,129	\$0	\$1,129	\$0	\$1,129	2BR / 1.5BA	N/A	\$0	N/A	\$0	N/A
2BR / 2BA	\$1,049 - \$1,099	\$0	\$1,049 - \$1,099	\$0	\$1,049 - \$1,099	2BR / 2BA	N/A	\$0	N/A	\$0	N/A
3BR / 2BA	\$1,179 - \$1,199	\$0	\$1,179 - \$1,199	\$0	\$1,179 - \$1,199	3BR / 2BA	N/A	\$0	N/A	\$0	N/A
4BR / 2BA	\$1,375	\$0	\$1,375	\$0	\$1,375	4BR / 2BA	N/A	\$0	N/A	\$0	N/A
4BR / 2.5BA	\$1,399	\$0	\$1,399	\$0	\$1,399	4BR / 2.5BA	N/A	\$0	N/A	\$0	N/A

Villages Of East Lake I And II, continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Off-Street Parking
Picnic Area
Sport Court
Tennis Court

Car Wash
Central Laundry
On-Site Management
Playground
Swimming Pool

Premium

None

Other

Public golf course

Comments

They property charges for water, sewer, and trash apart from the monthly rent. The property charges \$55 for one bedrooms, \$65 for two-bedrooms, \$75 for three-bedrooms, and \$85 for four-bedroom units per month. The waiting list was reported to be up to one year for the PBRA units.

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

Housing Choice Vouchers

We spoke with Ms. Tometia Smith with the Housing Authority of DeKalb County about the issuance of Housing Choice Vouchers in the area. Ms. Smith indicated that both the Housing Authority of DeKalb County and the Decatur Housing Authority administer Housing Choice Vouchers in the Subject's area. Ms. Smith reported that the Housing Authority of DeKalb County issues a total of 6,298 vouchers, of which 3,027 are tenant-based. As of March 2017, the Housing Authority of DeKalb County has issued 4,650 project-based and tenant-based vouchers. The waiting list for tenant-based vouchers is currently closed. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS			
Property Name	Occupancy Type	Tenancy	Housing Choice Voucher Tenants
Columbia CitiHomes	LIHTC, Market, Non-Rental	Family	N/A
Columbia Mill	LIHTC, Market	Family	12%
Columbia Village	LIHTC	Family	15%
Magnolia Circle	LIHTC, Market	Senior	15%
Retreat At Edgewood	LIHTC	Family	20%
Retreat At Edgewood Phase II	LIHTC, Market	Family	0%
Amberwood Village	Market	Family	0%
Ashford East Village	Market	Family	0%
Broadway At East Atlanta	Market	Family	0%
Villages Of East Lake I And II	Market, PBRA	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 20 percent. The LIHTC properties have a moderate reliance on tenants with vouchers, with voucher usage ranging from 12 to 20 percent. Thus, it appears that the Subject will not need to rely on voucher residents in order to maintain a high occupancy level. We believe the Subject would maintain a voucher usage of 20 percent or less.

Lease Up History

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

ABSORPTION						
Property Name	Occupancy Type	Tenancy	Year	Number of	Units Absorbed	
			Built/Renovated	Units	/ Month	
Columbia Mill	LIHTC, Market	Family	2014	100	20	
Magnolia Circle	LIHTC, Market	Senior	2003	84	14	
Retreat At Edgewood	LIHTC	Family	2011	100	20	
Retreat At Edgewood Phase II	LIHTC, Market	Family	2012	40	<u>12</u>	
				Average	17	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The average absorption pace at the comparable LIHTC and market properties is 17 units per month. The Subject is proposed new construction, and we believe it is likely to absorb at a similar pace given the existing waiting lists at the LIHTC comparables and the low vacancy rates at those properties. We expect the Subject will experience an absorption rate of approximately 17 units per month. At this pace the Subject would reach 93 percent occupancy of 65 units within four to five months.

Phased Developments

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

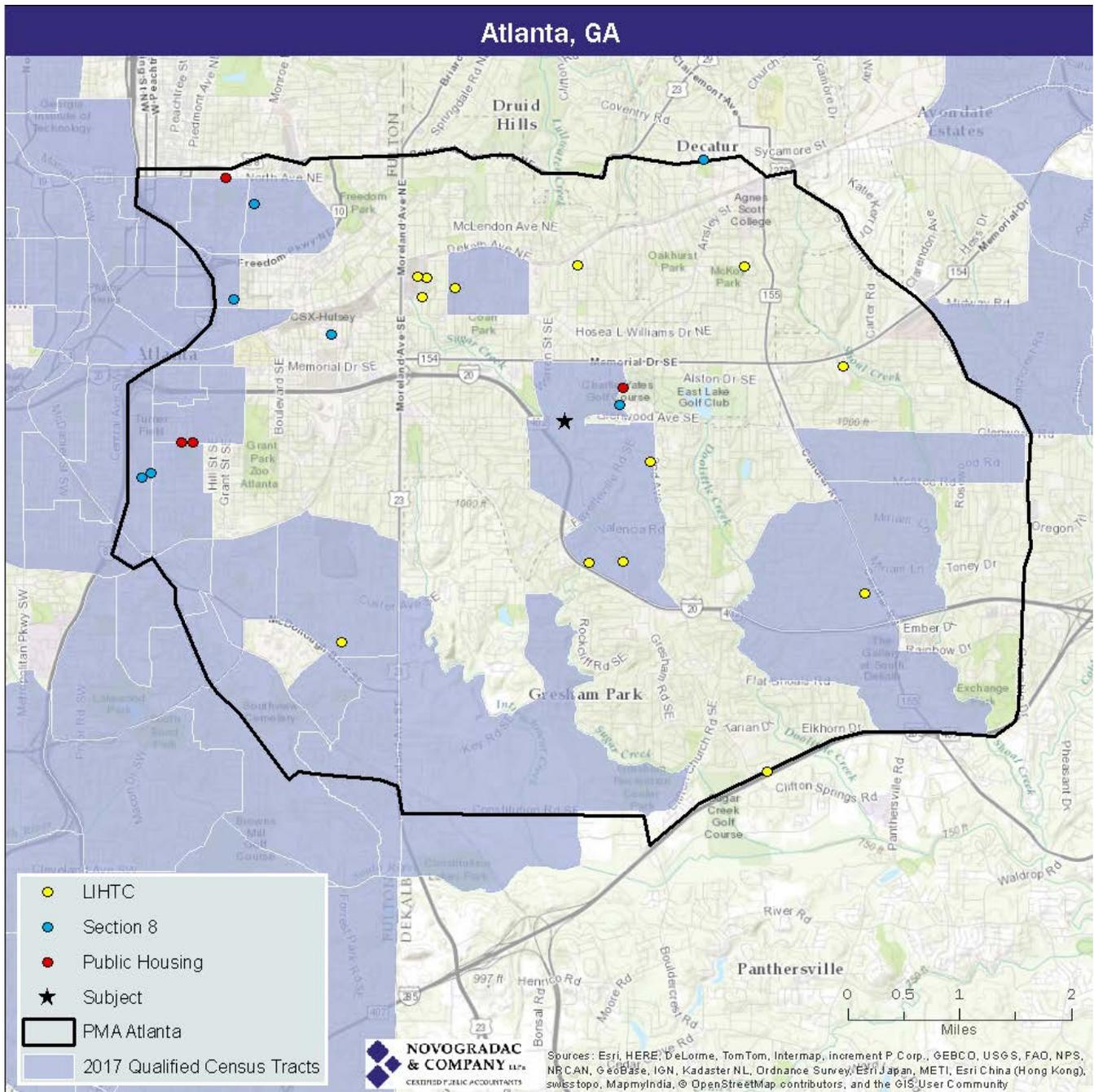
Rural Areas

The Subject is not located in a rural area.

3. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color	
Grove Gardens	LIHTC/Market	Atlanta	Senior	70	-	Star	
Columbia Citi Homes	LIHTC	Atlanta	Family	84	98.8%	Yellow	
Columbia Mill Apts	LIHTC	Atlanta	Family	100	95.0%		
Columbia Park Citi Residences	LIHTC	Atlanta	Family	154	98.1%		
Columbia Senior Residences At Edgewood	LIHTC	Atlanta	Senior	135	100.0%		
Columbia Village Townhomes	LIHTC	Decatur	Family	100	100.0%		
Columns At East Hill	LIHTC	Decatur	Family	28	100.0%		
Delano Place	LIHTC	Decatur	Family	50	100.0%		
Oakland Court Apts	LIHTC	Atlanta	Family	100	100.0%		
Park 35	LIHTC	Atlanta	Family	304	91.1%		
Retreat at Edgewood I	LIHTC	Atlanta	Family	100	100.0%		
Retreat at Edgewood II	LIHTC	Atlanta	Family	40	100.0%		
Presley Woods	LIHTC	Atlanta	Family	40	100.0%		
Thornberry Apartments	LIHTC	Decatur	Family	298	100.0%		
Vineyards Of Flatshoals	LIHTC	Atlanta	Family	228	96.0%		
Whispering Pines (Decatur)	LIHTC	Decatur	Family	40	90.0%		
Panola Gardens Senior Housing	LIHTC	Lithonia	Senior	84	97.6%		
Grant Park Commons	LIHTC/Market	Atlanta	Family	344	71.0%		Blue
Wheat Street Towers	Section 8	Atlanta	Family	210	100.0%		
Capitol Avenue School	Section 8	Atlanta	Senior	48	91.7%		
Capitol Towers	Section 8	Atlanta	Senior	39	100.0%		
Bedford Pine Apartments Ii	Section 8	Atlanta	Family	20	100.0%		
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	69	100.0%		
Trinity Walk I	Section 8	Decatur	Family	69	N/A		
Trinity Walk II	Section 8	Decatur	Mixed	52	N/A		
Villages Of East Lake I and II	Section 8/Market	Atlanta	Family	542	97.0%		
Cosby Spear Memorial Towers	Public Housing	Atlanta	Family	282	100.0%	Red	
Martin Street Plaza	Public Housing	Atlanta	Family	60	100.0%		
Georgia Avenue Highrise	Public Housing	Atlanta	Senior	81	100.0%		
East Lake Highrise	Public Housing	Atlanta	Senior	150	100.0%		



4. Amenities

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

GROVE GARDENS – ATLANTA, GEORGIA – MARKET STUDY

SUMMARY MATRIX

	Grove Gardens	Columbia Cithomes	Columbia Mill	Columbia Village	Magnolia Circle	Retreat At Edgewood	Retreat At Edgewood Phase II	Amberwood Village	Ashford East Village	Broadway At East Atlanta	Villages Of East Lake I And II
Property Type	Lowrise (age-restricted) (3 stories)	Various (2 stories)	Various (2 stories)	One-story	Garden (age-restricted) (2 stories)	Various (2 stories)	Various (2 stories)	Garden (2 stories)	Various (2 stories)	Various (2 stories)	Various
Year Built / Renovated	Proposed	2002	2014	1999	2003	2011	2012	1964 / 1994/2013	1979 / Ongoing	1976 / 2015	1998/2000
Market (Conv.)/Subsidy Type	LIHTC, Market	LIHTC, Market, Non-Rental	LIHTC, Market	LIHTC	LIHTC, Market	LIHTC	LIHTC, Market	Market	Market	Market	Market/PBRA
Utility Adjustments											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	no	yes	no	no	no	yes	no	no
Sewer	no	no	no	no	yes	no	no	no	yes	no	no
Trash Collection	yes	yes	yes	yes	yes	yes	yes	no	yes	no	no
In-Unit Amenities											
Balcony/Patio	no	no	yes	yes	yes	yes	yes	no	yes	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	no	no	no	yes	no	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	yes	yes	no	no	no	yes
Ceiling Fan	yes	yes	no	yes	no	yes	yes	no	yes	yes	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	no	no	no	yes	no	no	no	no	no	no
Microwave	yes	yes	no	no	no	no	no	no	yes	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	no	no	no	no	yes	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	yes	yes	yes	yes	no	yes	yes	no	yes	yes	yes
Washer/Dryer	no	no	no	no	no	yes	yes	no	yes	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Property Amenities											
Business Center/Computer Lab	yes	no	yes	yes	yes	yes	yes	no	yes	no	yes
Car Wash	no	no	no	no	no	no	no	no	no	no	yes
Clubhouse/Meeting Room/Community Room	no	yes	yes	yes	yes	yes	yes	no	yes	no	yes
Courtyard	yes	no	no	no	no	no	no	no	yes	no	no
Elevators	yes	no	no	no	no	no	no	no	no	no	no
Exercise Facility	yes	yes	yes	no	no	yes	no	no	yes	no	no
Garage	no	no	no	no	no	yes	yes	no	no	no	no
Central Laundry	no	yes	yes	yes	yes	no	no	yes	no	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	no	yes	yes	yes	yes	no	yes	yes	yes	yes
Picnic Area	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Playground	no	yes	yes	yes	no	yes	yes	no	yes	yes	yes
Sport Court	no	no	no	no	no	no	no	no	yes	no	yes
Swimming Pool	no	no	no	no	no	no	no	no	yes	yes	yes
Tennis Court	no	no	no	no	no	no	no	no	no	no	yes
Wi-Fi	no	no	no	no	no	no	no	no	yes	no	no
Services											
Adult Education	yes	no	no	no	no	no	no	no	no	no	no
Security											
In-Unit Alarm	no	no	yes	yes	no	yes	yes	no	no	no	yes
Intercom (Video)	no	no	yes	no	no	no	no	no	no	no	no
Limited Access	no	yes	yes	yes	no	no	no	yes	yes	yes	yes
Patrol	no	no	no	no	yes	no	yes	no	no	yes	yes
Perimeter Fencing	no	yes	yes	yes	yes	no	no	yes	yes	yes	yes
Video Surveillance	no	no	no	yes	no	no	yes	no	no	no	no
Other Amenities											
Other	Library	Gazebo and badminton	n/a	n/a	Social Director, Arts & Crafts Room	n/a	n/a	n/a	n/a	n/a	Public golf course

The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer ceiling fans, hand rails, microwaves, walk-in closets, a business center/computer lab, a courtyard, elevators, an exercise facility, and adult education classes, which many of the comparables lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market.

5. Comparable Tenancy

The Subject will target seniors age 55 and older. One of the LIHTC comparable properties, Magnolia Circle, also targets seniors. The remaining comparables target families.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates
Columbia CitiHomes	LIHTC, Market, Non-Rental	Family	84	1	1.2%
Columbia Mill	LIHTC, Market	Family	100	5	5.0%
Columbia Village	LIHTC	Family	100	0	0.0%
Magnolia Circle	LIHTC, Market	Senior	84	1	1.2%
Retreat At Edgewood	LIHTC	Family	100	0	0.0%
Retreat At Edgewood Phase II	LIHTC, Market	Family	40	0	0.0%
Amberwood Village	Market	Family	30	0	0.0%
Ashford East Village	Market	Family	371	12	3.2%
Broadway At East Atlanta	Market	Family	176	8	4.5%
Villages Of East Lake I And II	Market, PBRA	Family	542	16	3.0%
Total LIHTC			508	4	0.8%
Total Market Rate			1,119	39	3.5%
Overall Total			1,627	43	2.6%

Overall vacancy in the market is low at 2.6 percent. Total LIHTC vacancy is significantly lower, at 0.8 percent. Columbia Mill, a mixed-income family property, reported five total vacant units, three of which are LIHTC units. Magnolia Circle reported one vacant LIHTC unit. However, contacts at both properties reported maintaining a waiting list and that current vacancy is due to application processing time. Several LIHTC properties also report maintaining waiting lists, some which include as many as 100 households. Property managers at LIHTC properties noted high demand for affordable housing in the area.

The vacancy rates among the market-rate comparable properties range from zero to 4.5 percent, averaging 3.5 percent, which is considered low. The low vacancy rates among the market-rate comparables indicate that there is demand for rental housing in the Subject's PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. We do not believe that the Subject will negatively impact the performance of the existing LIHTC properties if allocated.

7. Properties Under Construction and Proposed

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

Trinity Walk I

- Location: 421 West Trinity Place, Decatur, GA
- Owner: Trinity Walk I, LP
- Total number of units: 69 units

- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 50 and 60 percent AMI with Section 8 overlay
- f. Estimated market entry: July 2017
- g. Relevant information: All units will be subsidized and offered to families

Trinity Walk II

- a. Location: 421 West Trinity Place, Decatur, GA
- b. Owner: Trinity Walk II, LP
- c. Total number of units: 52 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 50 and 60 percent AMI, Section 8
- f. Estimated market entry: July 2017
- g. Relevant information: Eight of the one-bedroom units are restricted to senior tenancy and are covered by Section 8 contract

8. Rental Advantage

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

SIMILARITY MATRIX

#	Property Name	Program	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Columbia Citihomes	LIHTC, Market, Non-Rental	Similar	Similar	Similar	Inferior	Superior	0
2	Columbia Mill	LIHTC, Market	Slightly Inferior	Similar	Similar	Slightly Inferior	Slightly Superior	-5
3	Columbia Village	LIHTC	Slightly Inferior	Slightly Inferior	Similar	Inferior	Superior	-10
4	Magnolia Circle	LIHTC, Market	Similar	Similar	Similar	Slightly Inferior	Similar	-5
5	Retreat At Edgewood	LIHTC	Slightly Superior	Slightly Superior	Similar	Inferior	Slightly Superior	5
6	Retreat At Edgewood Phase II	LIHTC, Market	Inferior	Inferior	Similar	Inferior	Superior	-20
7	Amberwood Village	Market	Inferior	Inferior	Similar	Inferior	Inferior	-40
8	Ashford East Village	Market	Superior	Similar	Similar	Inferior	Slightly Inferior	-5
9	Broadway At East Atlanta	Market	Slightly Inferior	Similar	Similar	Slightly Inferior	Slightly Inferior	-15
10	Villages Of East Lake I And II	Market, PBRA	Superior	Similar	Similar	Inferior	Superior	10

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

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

LIHTC RENT COMPARISON - @50%

Property Name	1BR	2BR
Grove Gardens (Subject)	\$504	\$575
2016 LIHTC Maximum (Net)	\$504	\$575
2015 LIHTC Maximum (Net)	\$511	\$582
2009 LIHTC Maximum (Net)	\$543	\$621
Columbia CitiHomes	-	\$688
Columbia Mill	\$550	\$653
Columbia Village	-	\$690
Magnolia Circle	\$506	\$596
Retreat At Edgewood Phase II	\$529	-
Average (excluding Subject)	\$528	\$667

The Subject’s proposed 50 percent AMI rents are below the 2016 maximum allowable levels. Rents at the comparable properties are above the 2016 maximum allowable levels because they were constructed prior to 2016 and are “held harmless” at earlier LIHTC maximum allowable levels. Columbia CitiHomes, Columbia Village, and Magnolia Circle were all constructed prior to 2009 and are held harmless at the 2009 LIHTC maximum allowable levels. Retreat at Edgewood Phase II and Columbia Mill and were constructed in 2012 and 2014, respectively, and are held harmless at the 2015 LIHTC maximum allowable levels. Additional discrepancy between rents at the comparable properties and their respective maximum allowable levels is likely due to differing utility allowances. The Subject will be most similar to Magnolia Circle, a senior LIHTC property offering similar location and amenities. Magnolia Circle was constructed in 2003 and is located approximately 3.8 miles from the Subject. Like the Subject, Magnolia Circle offers blinds, carpeting, garbage disposals, microwaves, refrigerators, and washer/dryer hookups. Magnolia Circle also offers a business center/computer lab, off-street parking, and on-site management, which the Subject also offers. Magnolia Circle is achieving rents below the 2009 maximum allowable levels and reports vacancy of 1.2 percent and a waiting list of 100 households. The Subject will be superior to Magnolia Circle with respect to age and condition. We believe the Subject will be able to achieve rents higher than those at Magnolia Circle. Thus, the Subject’s proposed 50 percent AMI rents are reasonable.

LIHTC RENT COMPARISON - @60%

Property Name	1BR	2BR
Grove Gardens (Subject)	\$585	\$660
2016 LIHTC Maximum (Net)	\$630	\$727
2015 LIHTC Maximum (Net)	\$639	\$736
2009 LIHTC Maximum (Net)	\$678	\$782
Columbia CitiHomes	-	\$755
Columbia Mill	\$687	\$809
Columbia Village	-	\$861
Magnolia Circle	\$526	\$616
Retreat At Edgewood	\$667	\$764
Retreat At Edgewood Phase II	\$667	-
Average (excluding Subject)	\$643	\$765

The Subject’s proposed 60 percent AMI rents are below the 2016 maximum allowable levels. Rents at the comparable properties are above the 2016 maximum allowable levels because they were constructed prior to 2016 and are “held harmless” at earlier LIHTC maximum allowable levels. Columbia CitiHomes, Columbia Village, and Magnolia Circle were all constructed prior to 2009 and are held harmless at the 2009 LIHTC maximum allowable levels. Retreat at Edgewood Phase II and Columbia Mill and were constructed in 2012 and 2014, respectively, and are held harmless at the 2015 LIHTC maximum allowable levels. Additional discrepancy between rents at the comparable properties and their respective maximum allowable levels is likely due to differing utility allowances. The Subject will be most similar to Magnolia Circle, a senior LIHTC property offering similar location and amenities. Magnolia Circle was constructed in 2003 and is located approximately 3.8 miles from the Subject. Like the Subject, Magnolia Circle offers blinds, carpeting, garbage disposals, microwaves, refrigerators, and washer/dryer hookups. Magnolia Circle also offers a business center/computer lab, off-street parking, and on-site management, which the Subject also offers. Magnolia Circle is achieving rents below the 2009 maximum allowable levels and reports vacancy of 1.2 percent and a waiting list of 100 households. The Subject will be superior to Magnolia Circle with respect to age and condition. We believe the Subject will be able to achieve rents higher than those at Magnolia Circle. Thus, the Subject’s proposed 60 percent AMI rents are reasonable.

Analysis of “Market Rents”

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not ‘Achievable unrestricted market rent.’ In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market-rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market-rate comps. In a small rural market there may be neither tax credit comps nor market-rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$504	\$506	\$979	\$707	40%
2 BR @ 50%	\$575	\$596	\$1,284	\$864	50%
1 BR @ 60%	\$585	\$526	\$979	\$756	29%
2 BR @ 60%	\$660	\$616	\$1,284	\$931	41%
1 BR Unrestricted	\$673	\$661	\$979	\$824	22%
2 BR Unrestricted	\$759	\$731	\$1,284	\$1,053	39%

As illustrated the Subject’s proposed 50 percent rents are below the range of the comparables and below the surveyed average. The Subject’s proposed 60 percent and market rents are within the range of the comparables, but well below the surveyed average.

The Villages at East Lake is achieving the highest one-bedroom unrestricted rents in the market, while Columbia CitiHomes is achieving the highest two-bedroom unrestricted rents in the market. The Subject will be superior to The Villages at East Lake as a market-rate property and similar to Columbia CitiHomes. Columbia CitiHomes was constructed in 2002 and exhibits good condition, which is inferior to the anticipated condition of the Subject upon completion. This development’s design is also considered slightly inferior to the Subject, as it offers two-story walk-up buildings without elevator service. Columbia CitiHomes also does not offer hand rails, which the Subject offers. However, Columbia CitiHomes offers similar property amenities and is located 1.8 miles from the Subject in a similar location. The two-bedroom rents at Columbia CitiHomes are between approximately 61 and 69 percent higher than the Subject’s proposed unrestricted rents, 86 and 95 percent higher than the Subject’s proposed 60 percent rents, and 113 to 123 percent higher than the Subject’s proposed 50 percent rents. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer a significant advantage when compared to the average rents being achieved at comparable properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types and AMI levels. If allocated, the Subject will be superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is healthy at 0.8 percent, and three of the LIHTC properties maintain waiting lists. Property managers report that vacant units are only due to application processing time. Overall, the LIHTC comparables are performing well.

Two properties within the PMA have been allocated tax credits since 2014. Trinity Walk Phase I and Phase II will be located at 421 West Trinity Place in Decatur, Georgia, approximately 2.7 miles northeast of the Subject on the border of the PMA. Trinity Walk I was allocated tax credits for new construction in 2014 and will offer one-, two-, and three-bedroom units. Of the 69 total units, 20 will be restricted to senior tenancy. Trinity Walk II was allocated tax credits in 2015 for rehabilitation of an existing affordable property and will offer 52 one-, two-, and three-bedroom units. Of the 52 total units, eight will be restricted to senior tenancy. All units at Trinity Walk I and the eight senior units at Trinity Walk II will be restricted to a Section 8 contract. We do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well.

10. Rental Trends in the PMA

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	10,017	66.3%	5,083	33.7%
2017	12,257	58.2%	8,813	41.8%
Projected Mkt Entry July 2019	13,017	57.0%	9,826	43.0%
2021	13,776	56.0%	10,838	44.0%

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

As the table illustrates, senior households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of senior

renters in the PMA than the nation. This percentage is projected to increase moderately over the next five years.

Historical Vacancy

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

HISTORICAL VACANCY									
Comparable Property	Type	Total Units	1QTR 2015	4QTR 2015	1QTR 2016	2QTR 2016	3QTR 2016	4QTR 2016	1QTR 2017
Grove Gardens	Lowrise	70	N/A						
Columbia Mill	Various	100	N/A	1.0%	N/A	N/A	0.0%	N/A	5.0%
Magnolia Circle	Garden	84	0.0%	N/A	0.0%	N/A	N/A	0.0%	1.2%
Retreat At Edgewood	Various	100	N/A	0.0%	N/A	0.0%	1.0%	N/A	0.0%
Retreat At Edgewood Phase II	Various	40	N/A	2.5%	2.5%	2.5%	0.0%	N/A	0.0%
Amberwood Village	Garden	30	N/A	0.0%	N/A	N/A	0.0%	N/A	0.0%
Ashford East Village	Various	371	N/A	5.9%	N/A	N/A	2.4%	N/A	3.2%
Broadway At East Atlanta	Various	176	N/A	0.0%	N/A	N/A	2.5%	N/A	4.5%
Villages Of East Lake I And II	Various	542	N/A	N/A	N/A	N/A	4.4%	N/A	3.0%
All Properties		1,697	0.0%	1.6%	1.2%	1.2%	1.3%	0.0%	1.8%

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties for several quarters in the past two years. In general, the comparable properties experienced stable vacancy from 2015 through the second quarter of 2017. Three of the five LIHTC comparables report maintaining waiting lists. Magnolia Circle reported a waiting list of more than 100 households. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Columbia CitiHomes	LIHTC, Market, Non-Rental	Increased three percent in market rate units
Columbia Village	LIHTC	Increased up to 13 percent
Retreat At Edgewood	LIHTC	Increased ten to 11.4 percent
Retreat At Edgewood Phase II	LIHTC, Market	Increased three to six percent since 3Q16
Amberwood Village	Market	Increased up to two percent
Ashford East Village	Market	Both increase and decrease
Broadway At East Atlanta	Market	Increased 12 to 19 percent
Villages Of East Lake I And II	Market/PBRA	Increased 1.9 to 10.5 percent late 2016

The LIHTC properties have reported growth of up to 13 percent in the past year. The market rate properties reported in some instances rent growth. The two mixed-income properties reported rent growth in their market rate units. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a mixed-income property.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of April 2017. The Subject’s zip code is experiencing a foreclosure rate of one in every 1,624 homes, while the state of Georgia is experiencing a foreclosure rate of one in every 1,898 homes. Overall, Dekalb County is experiencing a lower foreclosure rate than the nation, and a slightly higher rate than

Georgia as a whole, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

12. Primary Housing Void

Four of the six LIHTC comparables offer one-bedroom units, while five of the six LIHTC comparables offer two-bedroom units. Vacancy at the LIHTC comparables is low, averaging 0.8 percent. Three of the LIHTC comparables report maintaining waiting lists. These waiting lists indicate demand for affordable housing in the market. Magnolia Circle reports one vacant unit but maintains a waiting list of more than 100 households. Magnolia Circle offers one- and two-bedroom units at 50 and 60 percent AMI and at market rates. Magnolia Circle is the only senior LIHTC comparable, and low vacancy and an extensive waiting list at this property indicate demand for affordable senior housing in the market. As such, we believe that the Subject will fill a void in the market by providing one- and two-bedroom units restricted to senior households earning 50 or 60 percent of the AMI or less.

13. Effect of Subject on Other Affordable Units in Market

Two properties within the PMA have been allocated tax credits since 2014. Trinity Walk Phase I and Phase II will be located at 421 West Trinity Place in Decatur, Georgia, approximately 2.7 miles northeast of the Subject on the border of the PMA. Trinity Walk I was allocated tax credits for new construction in 2014 and will offer one-, two-, and three-bedroom units. Of the 69 total units, 20 will be restricted to senior tenancy. Trinity Walk II was allocated tax credits in 2015 for rehabilitation of an existing affordable property and will offer 52 one-, two-, and three-bedroom units. Of the 52 total units, eight will be restricted to senior tenancy. All units at Trinity Walk I and the eight senior units at Trinity Walk II will be restricted to a Section 8 contract. We do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.8 percent, which is considered low. Several of the LIHTC properties maintain waiting lists, some as large as 100 households. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer ceiling fans, hand rails, microwaves, walk-in closets, a business center/computer lab, a courtyard, elevators, an exercise facility, and adult education classes, which many of the comparables lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well. We believe the Subject is feasible as proposed and it will perform well.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION & STABILIZATION RATE

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

ABSORPTION						
Property Name	Occupancy Type	Tenancy	Year Built/Renovated	Number of Units	Units Absorbed / Month	
Columbia Mill	LIHTC, Market	Family	2014	100	20	
Magnolia Circle	LIHTC, Market	Senior	2003	84	14	
Retreat At Edgewood	LIHTC	Family	2011	100	20	
Retreat At Edgewood Phase II	LIHTC, Market	Family	2012	40	<u>12</u>	
				Average	17	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The average absorption pace at the comparable LIHTC and market properties is 17 units per month. The Subject is proposed new construction, and we believe it is likely to absorb at a similar pace given the existing waiting lists at the LIHTC comparables and the low vacancy rates at those properties. We expect the Subject will experience an absorption rate of approximately 17 units per month. At this pace the Subject would reach 93 percent occupancy of 65 units within four to five months.

J. INTERVIEWS

Housing Authority of DeKalb County

We spoke with Ms. Tometia Smith with the Housing Authority of DeKalb County about the issuance of Housing Choice Vouchers in the area. Ms. Smith indicated that both the Housing Authority of DeKalb County and the Decatur Housing Authority administer Housing Choice Vouchers in the Subject’s area. Ms. Smith reported that the Housing Authority of DeKalb County issues a total of 6,298 vouchers, of which 3,027 are tenant-based. As of March 2017, the Housing Authority of DeKalb County has issued 4,650 project-based and tenant-based vouchers. The waiting list for tenant-based vouchers is currently closed.

PAYMENT STANDARDS	
Unit Type	Standard
One-bedroom	\$820
Two-bedroom	\$949

Source: Housing Authority of DeKalb County, April 2017

The Subject’s proposed rents are below the current payment standards. Tenants using Housing Choice Vouchers would not be required to pay out of pocket for tenancy at the Subject.

Planning

We made several attempts to contact the City of Atlanta Planning Department for information regarding proposed or planned multifamily developments in the Subject’s PMA. However, as of the date of this report our calls have not been returned. Further research revealed the following properties proposed, planned, or under construction within the PMA

Trinity Walk Phase I and Phase II will be located at 421 West Trinity Place in Decatur, Georgia, approximately 2.7 miles northeast of the Subject on the border of the PMA. Trinity Walk I was allocated tax credits for new construction in 2014 and will offer one-, two-, and three-bedroom units. Of the 69 total units, 20 will be restricted to senior tenancy. Trinity Walk II was allocated tax credits in 2015 for rehabilitation of an existing affordable property and will offer 52 one-, two-, and three-bedroom units. Of the 52 total units, eight will be restricted to senior tenancy. All units at Trinity Walk I and the eight senior units at Trinity Walk II will be restricted to a Section 8 contract. Because these units will be subsidized, we have not yet deducted them from our demand analysis.

Glenwood Place Apartments is under construction approximately two miles west of the Subject at 860 Glenwood Avenue and has a projected market entry date of May 2017. Upon completion, Glenwood Place will offer 216 market-rate units to families. It is not considered competitive with the Subject because it will target a family tenancy, and we have not deducted its units from our demand analysis.

Spoke Apartments is currently under construction at 1450 La France Street approximately two miles north of the Subject and has a projected market entry date of December 2017. Upon completion, this property will offer 224 market-rate units to families. It is not considered competitive with the Subject because it will target a family tenancy, and we have not deducted its units from our demand analysis.

Atlanta Department of Planning and Community Development

We attempted to contact Lanii Thomas, Senior Public Relations Manager for the City of Atlanta Department of Planning and Community Development in regard to expansions planned in the Atlanta area. However, as of the date of this report, our phone calls have yet to be returned.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The population in the PMA and the SMA increased significantly from 2000 to 2017. The rate of population and household growth is projected to continue to increase through 2021. The current senior population of the PMA is 32,401 and is expected to be 36,645 in 2021. Renter households are concentrated in the lowest income cohorts, with 56.2 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject’s LIHTC units will target households earning between \$18,990 and \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

Employment Trends

Employment in the PMA is concentrated in five industries which represent approximately 57.0 percent of total local employment. Three of those industries, professional/scientific/technology services, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county’s largest employers are in the education and healthcare fields.

Overall, the county experienced moderate employment growth between 2011 and the end of 2016. As of December 2016, total employment in the county was higher than ever before, having eclipsed its pre-recession peak in 2014. The unemployment rate in the county as of December 2016 was 50 basis points higher than the national unemployment rate, but significantly lower than its 2010 high of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that DeKalb County has made a recovery from the most recent national recession and is in an expansionary phase. Recent business expansions in several industries suggest both the health of the county’s historically stable industries such as healthcare and education and the growth of smaller industries such as professional/scientific/technology services. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$18,990	\$25,325	6	262	0	262	2.3%	\$504
1BR at 60% AMI	\$21,420	\$30,390	20	313	0	313	6.4%	\$585
1BR Unrestricted	\$20,190	\$67,500	2	932	0	932	0.2%	\$673
1BR Overall Project	\$18,990	\$67,500	28	991	0	991	2.8%	-
1BR Overall Affordable	\$18,990	\$30,390	26	407	0	407	6.4%	-
2BR at 50% AMI	\$22,800	\$27,000	9	136	0	136	6.6%	\$575
2BR at 60% AMI	\$25,350	\$32,400	31	163	0	163	19.1%	\$660
2BR Unrestricted	\$22,770	\$67,500	2	484	0	484	0.4%	\$759
2BR Overall Project	\$22,800	\$67,500	42	515	0	515	8.2%	-
2BR Overall Affordable	\$22,800	\$32,400	40	212	0	212	18.9%	-
50% AMI Overall	\$18,990	\$27,000	15	398	0	398	3.8%	-
60% AMI Overall	\$21,420	\$32,400	51	476	0	476	10.7%	-
Unrestricted Overall	\$20,190	\$67,500	4	1,416	0	1,416	0.3%	-
Overall Project	\$18,990	\$67,500	70	1,506	0	1,506	4.6%	-
Overall Affordable	\$18,990	\$32,400	66	619	0	619	10.7%	-

We believe these calculated capture rates are reasonable, particularly as these calculations do not considered demand from outside the PMA or standard rental household turnover. All of the capture rates are within GA DCA thresholds.

Absorption

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

ABSORPTION						
Property Name	Occupancy Type	Tenancy	Year	Number of	Units Absorbed	
			Built/Renovated	Units	/ Month	
Columbia Mill	LIHTC, Market	Family	2014	100	20	
Magnolia Circle	LIHTC, Market	Senior	2003	84	14	
Retreat At Edgewood	LIHTC	Family	2011	100	20	
Retreat At Edgewood Phase II	LIHTC, Market	Family	2012	40	<u>12</u>	
				Average	17	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The average absorption pace at the comparable LIHTC and market properties is 17 units per month. The Subject is proposed new construction, and we believe it is likely to absorb at a similar pace given the existing waiting lists at the LIHTC comparables and the low vacancy rates at those properties. We expect the Subject will experience an absorption rate of approximately 17 units per month. At this pace the Subject would reach 93 percent occupancy of 65 units within four to five months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY						
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates	
Columbia CitiHomes	LIHTC, Market, Non-Rental	Family	84	1	1.2%	
Columbia Mill	LIHTC, Market	Family	100	5	5.0%	
Columbia Village	LIHTC	Family	100	0	0.0%	
Magnolia Circle	LIHTC, Market	Senior	84	1	1.2%	
Retreat At Edgewood	LIHTC	Family	100	0	0.0%	
Retreat At Edgewood Phase II	LIHTC, Market	Family	40	0	0.0%	
Amberwood Village	Market	Family	30	0	0.0%	
Ashford East Village	Market	Family	371	12	3.2%	
Broadway At East Atlanta	Market	Family	176	8	4.5%	
Villages Of East Lake I And II	Market, PBRA	Family	542	16	3.0%	
Total LIHTC			508	4	0.8%	
Total Market Rate			1,119	39	3.5%	
Overall Total			1,627	43	2.6%	

Overall vacancy in the market is low at 2.6 percent. Total LIHTC vacancy is significantly lower, at 0.8 percent. Columbia Mill, a mixed-income family property, reported five total vacant units, three of which are LIHTC units. Magnolia Circle reported one vacant LIHTC unit. However, contacts at both properties reported maintaining a waiting list and that current vacancy is due to application processing time. Several LIHTC properties also report maintaining waiting lists, some which include as many as 100 households. Property managers at LIHTC properties noted high demand for affordable housing in the area.

The vacancy rates among the market-rate comparable properties range from zero to 4.5 percent, averaging 3.5 percent, which is considered low. The low vacancy rates among the market-rate comparables indicate that there is demand for rental housing in the Subject's PMA. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. We do not believe that the Subject will negatively impact the performance of the existing LIHTC properties if allocated.

Strengths of the Subject

Strengths of the Subject will include its close proximity to neighborhood retail and schools. Single family homes in the general vicinity appear to have been built prior to 1979 and are in average condition. Upon completion, the Subject will still have similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer ceiling fans, hand rails, microwaves, walk-in closets, a business center/computer lab, a courtyard, elevators, an exercise facility, and adult education classes, which many of the comparables lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As the demand analysis found later in this report will indicate, there is adequate demand for the Subject based on our calculations for the 50 and 60 percent AMI units

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.8 percent, which is considered low. Several of the LIHTC properties maintain waiting lists, some as large as 100 households. These factors indicate demand for affordable housing. The Subject will offer generally similar to superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer ceiling fans, hand rails, microwaves, walk-in closets, a business center/computer lab, a courtyard, elevators, an exercise facility, and adult education classes, which many of the comparables lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties and offer an advantage in the market. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We do not believe that the addition of the Subject to the market will impact the two new LIHTC properties or the existing LIHTC properties that are in overall good condition and currently performing well. We believe the Subject is feasible as proposed and it will perform well.

Recommendations

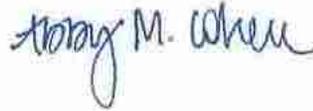
We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

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



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Meg Southern
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M. MARKET STUDY REPRESENTATION

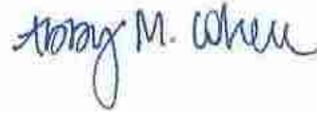
Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



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Manager
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Abby Cohen
Principal
Abby.Cohen@novoco.com



Meg Southern
Junior Analyst
Meg.Southern@novoco.com

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



Subject site from Glenwood Avenue



Subject site from Glenwood Avenue



Subject site



Subject site



Adjacent house of worship



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Gas station in the Subject's neighborhood



Gas station in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Grocery store in the Subject's neighborhood



Bank in the Subject's neighborhood



Commerical use in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



View east on Glenwood Avenue



View west on Glenwood Avenue

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

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

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

V. Real Estate Assignments – Examples

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

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

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

ABBY M. COHEN

I. Education

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

V. Publications

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

VI. Real Estate Assignments

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

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, September 2015- Present

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

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

REAL ESTATE ASSIGNMENTS

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

I. Education

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

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

II. Professional Experience

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

III. Research Assignments

A representative sample of work on various types of projects:

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

ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (\$)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Grove Gardens 1927 Glenwood Road Atlanta, GA 30316 DeKalb County	n/a	Lowrise (age-restricted) (3 stories) Proposed	LIHTC, Market	1BR / 1BA	6	8.6%	@50%	\$504	700	no		N/A	N/A
					1BR / 1BA	20	28.6%	@60%	\$585	700	no	N/A	N/A	
					1BR / 1BA	2	2.9%	Market	\$673	700	no	N/A	N/A	
					2BR / 1BA	9	12.9%	@50%	\$575	900	no	N/A	N/A	
					2BR / 1BA	31	44.3%	@60%	\$660	900	no	N/A	N/A	
					2BR / 1BA	2	2.9%	Market	\$759	900	no	N/A	N/A	
						70	100.0%							
1	Columbia Ctihomes 1825 Marion Place NE Atlanta, GA 30307 DeKalb County	1.8 miles	Various (2 stories) 2002	LIHTC, Market, Non- Rental	2BR / 2BA (Garden)	13	15.5%	@50%	\$688	1,126	yes	No	0	0.0%
					2BR / 2BA (Garden)	12	14.3%	@60%	\$755	1,162	no	No	0	0.0%
					2BR / 2BA (Garden)	7	8.3%	Market	\$1,225	1,162	n/a	No	1	14.3%
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$755	1,212	no	No	0	0.0%
					2BR / 2.5BA (Townhouse)	18	21.4%	@50%	\$688	1,212	yes	No	0	0.0%
					2BR / 2.5BA (Townhouse)	4	4.8%	@50%	\$688	1,331	yes	No	0	0.0%
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$755	1,331	no	No	0	0.0%
					2BR / 2.5BA (Townhouse)	8	9.5%	Market	\$1,284	1,212	n/a	No	0	0.0%
					2BR / 2.5BA (Townhouse)	4	4.8%	Market	\$1,284	1,331	n/a	No	0	0.0%
					2BR / 2.5BA (Townhouse)	2	2.4%	Non-Rental	\$0	1,212	n/a	No	0	0.0%
						84	100.0%							
2	Columbia Mill 2239 Flat Shoals Rd SE Atlanta, GA 30316 DeKalb County	n/a	Various (2 stories) 2014	LIHTC, Market	1BR / 1BA (Garden)	10	10.0%	@50%	\$550	670	no	Yes	0	0.0%
					1BR / 1BA (Garden)	10	10.0%	@60%	\$987	766	no	Yes	0	0.0%
					1BR / 1BA (Garden)	5	5.0%	Market	\$799	766	n/a	Yes	0	0.0%
					2BR / 2BA (Garden)	17	17.0%	@50%	\$653	1,031	no	Yes	0	0.0%
					2BR / 2BA (Garden)	17	17.0%	@60%	\$809	1,031	no	Yes	2	11.8%
					2BR / 2BA (Garden)	5	5.0%	Market	\$999	1,031	n/a	Yes	1	20.0%
					2BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$809	1,182	no	Yes	0	0.0%
					2BR / 2.5BA (Townhouse)	6	6.0%	Market	\$1,099	1,182	n/a	Yes	0	0.0%
					3BR / 2BA (Garden)	10	10.0%	@50%	\$771	1,235	no	Yes	1	10.0%
					3BR / 2BA (Garden)	10	10.0%	@60%	\$951	1,235	no	Yes	0	0.0%
					3BR / 2BA (Garden)	4	4.0%	Market	\$1,199	1,235	n/a	Yes	1	25.0%
	100	100.0%												
3	Columbia Village 100 Jessica Ave Decatur, GA 30032 DeKalb County	0.8 miles	One-story 1999	LIHTC	2BR / 2BA	20	20.0%	@50%	\$690	1,008	yes	Yes	0	0.0%
					2BR / 2BA	28	28.0%	@60%	\$861	1,008	yes	Yes	0	0.0%
					3BR / 2BA	18	18.0%	@50%	\$761	1,142	yes	Yes	0	0.0%
					3BR / 2BA	25	25.0%	@60%	\$968	1,142	yes	Yes	0	0.0%
					4BR / 2BA	9	9.0%	@60%	\$1,059	1,334	yes	Yes	0	0.0%
	100	100.0%												
4	Magnolia Circle 100 Dash Lewis Dr Decatur, GA 30034 DeKalb County	3.8 miles	Garden (age-restricted) (2 stories) 2003	LIHTC, Market	1BR / 1BA	14	16.7%	@50%	\$506	690	no	Yes	2	14.3%
					1BR / 1BA	12	14.3%	@60%	\$526	760	no	Yes	0	0.0%
					1BR / 1BA	6	7.1%	Market	\$661	690	n/a	Yes	0	0.0%
					2BR / 2BA	21	25.0%	@50%	\$596	1,000	no	Yes	0	0.0%
					2BR / 2BA	20	23.8%	@60%	\$616	1,030	no	Yes	0	0.0%
					2BR / 2BA	11	13.1%	Market	\$731	1,000	n/a	Yes	0	0.0%
	84	100.0%												
5	Retreat At Edgewood 150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	1.7 miles	Various (2 stories) 2011	LIHTC	1BR / 1BA (Garden)	10	10.0%	@60%	\$667	732	no	No	0	0.0%
					1BR / 1BA (Garden)	10	10.0%	@60%	\$667	789	no	No	0	0.0%
					2BR / 1.5BA (Townhouse)	12	12.0%	@60%	\$764	1,174	no	No	0	0.0%
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$764	1,253	no	No	0	0.0%
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$764	1,538	no	No	0	0.0%
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$764	1,229	no	No	0	0.0%
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$764	1,333	no	No	0	0.0%
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$847	1,362	no	No	0	0.0%
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$847	1,568	no	No	0	0.0%
					3BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$847	1,697	no	No	0	0.0%
						100	100.0%							
6	Retreat At Edgewood Phase II 37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	2.9 miles	Various (2 stories) 2012	LIHTC, Market	1BR / 1BA (Garden)	2	5.0%	@50%	\$529	873	no	No	0	0.0%
					1BR / 1BA (Garden)	27	67.5%	@60%	\$667	873	no	No	0	0.0%
					1BR / 1BA (Garden)	1	2.5%	Market	\$830	809	n/a	No	0	0.0%
					3BR / 2.5BA (Townhouse)	2	5.0%	@50%	\$681	1,595	no	No	0	0.0%
					3BR / 2.5BA (Townhouse)	7	17.5%	@60%	\$854	1,595	no	No	0	0.0%
					3BR / 2.5BA (Townhouse)	1	2.5%	Market	\$1,130	1,469	n/a	No	0	0.0%
						40	100.0%							
7	Amberwood Village 180 Flat Shoals Avenue Atlanta, GA 30316 Fulton County	n/a	Garden (2 stories) 1964/1994/2013	Market	1BR / 1BA	1	3.3%	Market	\$700	500	n/a	Yes	0	0.0%
					2BR / 1BA	29	96.7%	Market	\$820	615	n/a	Yes	0	0.0%
						30	100.0%							
8	Ashford East Village 1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County	1.6 miles	Various (2 stories) 1979/Ongoing	Market	1BR / 1BA (Garden)	60	16.2%	Market	\$896	815	n/a	No	3	5.0%
					1BR / 1BA (Garden)	35	9.4%	Market	\$866	650	n/a	No	3	8.6%
					2BR / 1BA (Garden)	30	8.1%	Market	\$963	780	n/a	No	0	0.0%
					2BR / 1BA (Garden)	62	16.7%	Market	\$990	945	n/a	No	0	0.0%
					2BR / 1.5BA (Townhouse)	92	24.8%	Market	\$1,106	1,155	n/a	No	3	3.3%
					3BR / 2BA (Garden)	62	16.7%	Market	\$1,395	1,095	n/a	No	3	4.8%
					3BR / 2BA (Garden)	30	8.1%	Market	\$1,082	980	n/a	No	0	0.0%
	371	100.0%												
9	Broadway At East Atlanta 1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	0.9 miles	Various (2 stories) 1976 / 2015	Market	1BR / 1BA (Lowrise)	N/A	N/A	Market	\$900	725	n/a	No	4	N/A
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$965	670	n/a	No	0	N/A
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,000	990	n/a	No	2	N/A
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,125	1,008	n/a	No	1	N/A
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,200	1,046	n/a	No	1	N/A
	176	100.0%												
10	Villages Of East Lake I And II 460 East Lake Blvd. Atlanta, GA 30317 DeKalb County	0.5 miles	Various 1998/2000	Market/PBRA	1BR / 1BA (Garden)	15	2.8%	Market	\$969	926	n/a	No	0	0.0%
					1BR / 1BA (Garden)	8	1.5%	Market	\$979	1,026	n/a	No	0	0.0%
					1BR / 1BA (Garden)	15	2.8%	PBRA	N/A	926	n/a	Yes	0	0.0%
					1BR / 1BA (Garden)	8	1.5%	PBRA	N/A	1,026	n/a	Yes	0	0.0%
					2BR / 1.5BA (Townhouse)	25	4.6%	Market	\$1,129	1,200	n/a	No	N/A	N/A
					2BR / 1.5BA (Townhouse)	26	4.8%	PBRA	N/A	1,200	n/a	Yes	0	0.0%
					2BR / 2BA (Garden)	15	2.8%	Market	\$1,049	1,165	n/a	No	N/A	N/A
					2BR / 2BA (Garden)	84	15.5%	Market	\$1,079	1,282	n/a	No	N/A	N/A
					2BR / 2BA (Garden)	5	0.9%	Market	\$1,099	1,322	n/a	No	N/A	N/A
					2BR / 2BA (Garden)	15	2.8%	PBRA	N/A	1,165	n/a	Yes	0	0.0%
					2BR / 2BA (Garden)	84	15.5%	PBRA	N/A	1,282	n/a	Yes	0	0.0%
					2BR / 2BA (Garden)	5	0.9%	PBRA	N/A	1,322	n/a	Yes	0	0.0%
					3BR / 2BA (Garden)	25	4.6%	Market	\$1,179	1,319	n/a	No	N/A	N/A
					3BR / 2BA (Garden)	20	3.7%	Market	\$1,189	1,400	n/a	No	N/A	N/A
					3BR / 2BA (Garden)	47	8.7%	Market	\$1,199	1,544	n/a	No	N/A	N/A
					3BR / 2BA (Garden)	3	0.6%	Market	\$1,189	1,585	n/a	No	N/A	N/A
					3BR / 2BA (Garden)	26	4.8%	PBRA	N/A	1,319	n/a	Yes	0	0.0%
					3BR / 2BA (Garden)	20	3.7%	PBRA	N/A	1,400	n/a	Yes	0	0.0%
					3BR / 2BA (Garden)	47	8.7%	PBRA	N/A	1,544	n/a	Yes	0	0.0%
					3BR / 2BA (Garden)	3	0.6%	PBRA	N/A	1,585	n/a	Yes	0	0.0%
					4BR / 2BA (Garden)	18	3.3%	Market	\$1,375	1,812	n/a	No	N/A	N/A
4BR / 2BA (Garden)	18	3.3%	PBRA	N/A	1,812	n/a	Yes	0	0.0%					
4BR / 2.5BA (Townhouse)	5	0.9%	Market	\$1,399	1,650	n/a	No	N/A	N/A					
4BR / 2.5BA (Townhouse)	5	0.9%	PBRA	N/A	1,650	n/a	Yes	0	0.0%					
	542	100.0%												