

PROFESSIONAL MARKET STUDY
FOR THE VILLAGE AT CHICKAMAUGA II
A PROPOSED LIHTC ELDERLY DEVELOPMENT

LOCATED IN:
CHICKAMAUGA, WALKER COUNTY, GA

PREPARED FOR:
THE VILLAGE AT CHICKAMAUGA II, L.P.

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MAY 2017

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SECTION A
EXECUTIVE SUMMARY

1. Project Description:

- **Brief description of project location including address and/or position relative to the closest cross-street.**

- The proposed LIHTC/Market Rate apartment development is located off Arrowhead Dairy Lane, a service road that connects with the Battlefield Place Shopping Center and US Highway 27.

- **Construction and occupancy types.**

- The proposed new construction project design will comprise three 2-story residential buildings, connected by two elevators. The development will include a separate building comprising a manager's office, and community room / clubhouse. The project will provide 98 parking spaces.

The proposed *Occupancy Type* is **Housing for Older Persons** (age 55+).

- **Unit mix including bedrooms, bathrooms, square footage, income targeting rents, utility allowance.**

Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	8	779	858
2BR/2b	52	1109	1218
Total	60		

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), approximately 68% of the units at 60% AMI, and approximately 12% at Market. Rent excludes water and sewer and includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	7	\$340	\$101	\$441
2BR/2b	5	\$410	\$130	\$540

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	1	\$340	\$101	\$441
2BR/2b	40	\$410	\$130	\$540

PROPOSED PROJECT RENTS @ Market				
Bedroom Mix	# of Units	Net Rent	Utility Estimate*	Gross Rent
2BR/2b	7	\$450	\$130	\$580

*UA Pro Utility Allowances, Effective Date: 4/27/2017

- **Any additional subsidies available including project based rental assistance (PBRA).**
- The proposed LIHTC/Market Rate elderly development will not include any additional deep subsidy rental assistance, including PBRA. The development will accept deep subsidy Section 8 vouchers.
- **Brief description of proposed amenities and how they compare to existing properties.**
- Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the unit and the development amenity package.

2. Site Description/Evaluation:

- **A brief description of physical features of the site and adjacent parcels. In addition, a brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).**
- The approximately 7.73-acre, polygon shaped tract is mostly cleared and relatively flat. Other than a non functioning silo, there are no physical structures located on the tract. The site is not located within a 100-year flood plain.

- The overall character of the neighborhood within the immediate vicinity of the site can be defined predominantly as a mixture of: commercial, multi-family and single-family development.
- Directly north of the site is a bank and the Battlefield Place Shopping Center, which is anchored by a Food Lion. Directly south of the site is commercial development. Directly west is the 40-unit The Village of Chickamauga (LIHTC-elderly) apartment development. The Village of Chickamauga was built in 2007 and is in very good condition. At the time of the survey, the property was 100% occupied and had 52-applicants on a waiting list. Also west of the site is Heritage Row, a for-sale duplex development which was built sometime in 2005 and 2006. Directly east of the site is a Taco Bell and an Advance Auto Parts Store, followed by US Highway 27. About .6 miles east of the site is the entrance into the Chickamauga Battlefield National Park. The downtown area of Chickamauga is about 2.5 miles south of the site.

• ***A discussion of site access and visibility.***

- Access to the site is available off Arrowhead Dairy Lane. Arrowhead Dairy Lane is a very short connector which links with US 27, about .1 miles east. It is a very low density road with a speed limit of 25 miles per hour. The access point to the site does not present problems of egress and ingress. Also, road noise is not considered to be detrimental to the site.
- The site offers good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities including: noxious odors, close proximity to cemeteries, rail lines, high density transmission lines and junk yards.

• ***Any significant positive or negative aspects of the subject site.***

- Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, and health care (within walking distance to the Battlefield Place Shopping Center)	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

- **A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.**
- Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, healthcare facilities, and area churches. All major facilities within Chickamauga can be accessed within a 5-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site.
- **An overall conclusion of the site's appropriateness for the proposed development.**
- The site location is considered to be very marketable. In the opinion of the analyst, the proposed site location offers attributes that will greatly enhance the rent-up process of the proposed LIHTC/Market Rate development.

3. Market Area Definition:

- **A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property.**
- The Primary Market Area (PMA) for the proposed multi-family development consists of the following 2010 census tracts in Catoosa and Walker Counties:

Catoosa: 304.01 and 307

Walker: 201, 202, 203.01, 203.02, 205.01, 205.02 and 206.01
- The PMA is located in the northwest portion of Georgia. Chickamauga, is centrally located within the PMA. For the most part the PMA is linked by US Highway 27 and several State Roads (2, 341 and 193). Note: The PMA excluded Chattanooga, TN to the north, Ringgold, GA to the east and Lafayette, GA to the south.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	GA/TN State Line & Cloud Springs Rd	5 to 7 miles
East	central Catoosa County	5 miles
South	LaFayette PMA	4 to 8 miles
West	western Walker County & Lookout Mtn	6 miles

4. Community Demographic Data:

- **Current and projected household and population counts for the primary market area. For senior reports, data should be presented for both overall and senior households and populations/households.**
- Total population gains over the next several years, (2017-2019) are forecasted for the PMA at a modest rate of increase, represented by a rate of change approximating +0.36% per year. In the PMA, in 2017, the total population count was 58,022 with a projected increase to 58,441 in 2019.
- Population gains over the next several years, (2017-2019) are forecasted for the PMA for the 55 and over age group continuing at a significant to very significant rate of increase, with a forecasted rate of growth approximating +1.74% per year. In the PMA, in 2017, for population age 55 and over, the count was 18,142 with a projected increase to 18,777 in 2019. In the PMA, in 2017, for households age 55 and over, the count was 10,915 with a projected increase to 11,217 in 2019.
- **Households by tenure including any trends in rental rates.**
- The 2017 to 2019 tenure trend exhibited an increase in both owner-occupied and renter-occupied tenure in the PMA for households age 55 and over. The tenure trend (on a percentage basis) currently favors renter households.
- **Households by income level.**
- It is projected that in 2019, **16%** of the owner-occupied households age 55+ in the PMA will be in the 50% AMI LIHTC target income group of \$13,230 to \$24,500.
- It is projected that in 2019, **22.5%** of the renter-occupied households age 55+ in the PMA will be in the 50% AMI LIHTC target income group of \$13,230 to \$24,500.
- It is projected that in 2019, **23%** of the owner-occupied households age 55+ in the PMA will be in the 60% AMI LIHTC target income group of \$13,230 to \$29,400.
- It is projected that in 2019, **30.5%** of the renter-occupied households age 55+ in the PMA will be in the 60% AMI LIHTC target income group of \$13,230 to \$29,400.
- It is projected that in 2019, **34%** of the owner-occupied households age 55+ in the PMA will be in the Market Rate target income group of \$29,500 to \$60,000.
- It is projected that in 2019, **20%** of the renter-occupied households age 55+ in the PMA will be in the Market Rate target income group of \$29,500 to \$60,000.

- ***Impact of foreclosed, abandoned and vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development should be discussed.***
- The foreclosure problem is still very much evident Nationwide, Statewide, but to a much lesser degree in Chickamauga and Walker County. ForeclosureListings.com is a nationwide data base with approximately 986,000 listings (84% foreclosures, 4% short sales, and 12% auctions). As of 4/5/2017, there were 86 foreclosure listings, 3 foreclosure auction listings and 1 short sale. Twenty-two of the foreclosure listings had a value of greater than \$100,000. The same data for Walker County indicated 359 foreclosure listings, 30 listings in the foreclosure auction stage and 5 short sales.
- In Chickamauga and Walker County as a whole, the relationship between the local area foreclosure market and existing LIHTC supply is not crystal clear. However, at the time of the survey, the existing LIHTC elderly properties located within the PMA was 98% occupied.
- Note: Recent anecdotal news information points to the fact that the majority of the foreclosed properties were occupied by first time buyers or move-up buyers, of which the majority were younger households, still in the job market, (at the time) versus elderly homeowners. The recent recession and current slow recovery magnified the foreclosure problem and negatively impacted young to middle age homeowners more so than the elderly.
- With regard to the elderly desiring to sell a home in a market with many foreclosed properties they have the upper hand in terms of pricing power. Many purchased their homes decades ago at far lower prices than today and many own homes outright. Also, many transfer home ownership rights to heirs versus selling outright.

5. Economic Data:

- ***Trends in employment for the county and/or region. Employment should be based on the number of jobs in the county (i.e., covered employment).***
- Between 2005 and 2007, the average increase in employment in Walker County was approximately +27 workers or approximately +0.09% per year. The rate of employment loss between 2008 and 2010, was very significant at over -5% per year, representing a annual net loss of -1,600 workers. The rate of employment loss between 2011 and 2014, was significant at approximately -0.84% per year. The 2015 to 2016, rate of gain was a considerable improvement when compared to the preceding two years at +2.42%. The rate of employment change thus far into 2017, is forecasted to exhibit an increase in the level of employment when compared to 2015 and 2016.

- The gains in covered employment in Walker County in 2015, as well as the gains in the 1st, 2nd, and 3rd Quarters of 2016 have been comparable to resident employment trends during the same time period.
- ***Employment by sector for the county and/or region.***
 - The top four employment sectors in the County are: manufacturing, trade, government and service. The 2017 forecast is for the manufacturing to stabilize and the health care sector to increase.
- ***Unemployment trends for the county and/or region for the past 5 years.***
 - Monthly unemployment rates in 2016 were improved when compared to the 2009 to 2014 period. Monthly unemployment rates in 2016, were for the most part improving on a month to month basis, ranging between 4.8% and 7.3%. The National forecast for 2017 (at present) is for the unemployment rate to approximate 4% to 4.5%. Typically, during the last three years, the overall unemployment rate in Walker County has been slightly higher than the state and national average unemployment rates. The annual unemployment rate in 2017 in Walker County is forecasted to continue to decline, to the vicinity of 5% (on an annual basis) and improving on a relative year to year basis.
- ***A brief discussion of any recent or planned major employment contractions or expansions.***
 - The Walker County Development Authority is the lead economic development agency for Chickamauga and Walker County. The stated mission is "to improve the quality of life and increase community wealth for Walker County by promoting the expansion and growth of industry and diversification of the local economy". The Walker County Development Authority works closely with regional and state agencies, including the Georgia Department of Labor, the Northwest Georgia Joint Economic Development Authority, the Walker County Chamber of Commerce, and the Greater Chattanooga Economic Partnership.
 - Industrial site options in Walker County include two industrial parks. The Walker County Business Park has 463 acres available and the Northwest Georgia Business & Industrial Park has 38 acres available. Recently, Walker County completed work on equipping both of its industrial parks with fiber technology that will allow unlimited data processing capacity, making these some of the first "smart parks" in the State of Georgia. Target markets include Automotive, Textile and General Manufacturing. Walker County is gaining a reputation as "automotive alley" and currently has four manufacturing facilities supplying automotive parts, including one listed as a Tier One supplier to Honda.

- Recent announcements resulting in job creation include the following:
- In April 2017, the Roper Corporation will begin to fill 100 new positions at its LaFayette, GA plant. The positions will be on the assembly line, putting together home cooking appliances under the GE, GE Profile and Monogram brands.
- The Audia Group recently finished construction fo a 300,000 SF plant in the Walker County Business Park. Roughly 60 jobs were created due to the \$50 million investment. Production of plastic pellets at the new plant began in mid-2016.
- ***An overall conclusion regarding the stability of the county's overall economic environment. This conclusion should include an opinion if the current economic environment will negatively impact the demand for additional or renovated rental housing.***
- Recent economic indicators in 2016 and thus far in 2017 suggest a scenario, in terms of economic growth (vs loss), in which the local economy will continue to grow at a moderate to significant pace in 2017. The Chickamauga - Walker County area economy has a sizable number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the good location of the site, with good proximity to several employment nodes, the proposed subject development will very likely attract potential elderly renters from those sectors of the workforce who are in need of affordable housing, a reasonable commute to work, and still participating in the local labor market.
- For that portion of the 55 to 65 elderly subject target group that still desires or needs to continue working on a part-time basis, the Chickamauga and Walker County local economy provides many opportunities. The majority of the opportunities are in the local service and trade sectors of the economy.
- One of the contributing factors of the labor force participation rate decline over the last several years is the ever increasing number of workers retiring from the workforce, and in some cases electing to participate in social security at age 62.

6. Project-Specific Affordability and Demand Analysis:

- **Number of renter households income qualified for the proposed development given the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households.**
- The forecasted number of income qualified households for the LIHTC segment of the proposed development is 466. The forecasted number of households for the Market Rate segment of the proposed development is 114.
- **Overall estimate of demand based on DCA's demand methodology.**
- The overall forecasted number of income qualified households for the proposed LIHTC/Market Rate elderly development taking into consideration like-kind competitive supply introduced into the market since 2015 is 466 and 114, respectively.
- Capture Rates (Adjusted for BR Mix):

Proposed Project Capture Rate All Units	10.3%
Proposed Project Capture Rate LIHTC Units	11.4%
Proposed Project Capture Rate LIHTC Units @ 50% AMI	6.9%
Proposed Project Capture Rate LIHTC Units @ 60% AMI	14.0%
Proposed Project Capture Rate Market Rate Units	6.1%

- **A conclusion regarding the achievability of the above Capture Rates.**
- The above capture rates are well below the GA-DCA thresholds. They are considered to be a reliable quantitative indicator of market support for the proposed subject development.

7. Competitive Rental Analysis:

• An analysis of the competitive properties in the PMA.

- At the time of the survey, the estimated vacancy rate of the surveyed LIHTC elderly apartment properties was 2%.
- At the time of the survey, the four of the five surveyed LIHTC elderly properties maintained a waiting list ranging in size of between 20 to 52 applicants.
- The nearest LIHTC elderly property to the proposed subject site is the Village at Chickamauga I apartments which opened in 2007. At the time of the survey, the 40-unit development was 100% occupied and had 52 applicants on the waiting list.
- The typical absorption period of LIHTC elderly properties located within Northwest Georgia is 3 to 8 months. Most of the surveyed LIHTC elderly properties were 100% occupied over a 3 to 4 month period.
- At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties was less than 1%, at 0.4%.

• Number of properties.

- Five LIHTC elderly properties, representing 308 units, were surveyed in the subject's competitive environment.
- Six market rate properties representing 855 units, were surveyed in the subject's competitive environment. Three of the properties are located within the PMA.

• Rent bands for each bedroom type proposed.

Bedroom type	Rent Band (Subject)	Rent Band (Market Rate)
1BR/1b	\$340	\$464-\$635
2BR/1b	Na	Na
2BR/2b	\$410-\$450	\$590-\$835
3BR/2b	Na	Na

• Average Market rents.

Bedroom type	Average Market Rent
1BR/1b	\$544 (Adjusted = \$555)
2BR/1b	Na
2BR/2b	\$744 (Adjusted = \$695)
3BR/2b	Na

8. Absorption/Stabilization Estimate:

- **An estimate of the number of units to be leased at the subject property, on average.**
- The forecasted rent-up scenario exhibits an average of 12-units being leased per month.
- **Number of units expected to be leased by AMI Targeting.**

AMI Target Group	Number of units Expected to be Leased*
50% AMI	12
60% AMI	41
Market	7

* at the end of the 1 to 5-month absorption period

- **Number of months required for the project to reach stabilization of 93% occupancy.**
- A 93% occupancy rate is forecasted to occur within 5-months of the placed in service date. Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.
- **The absorption rate should coincide with other key conclusions. For example, insufficient demand or unachievable rents should be reflected in the absorption rate.**
- A reconciliation of the proposed LIHTC and Market Rate net rents by bedroom type with current average market rate net rents by bedroom type are supportive of the forecasted absorption and stabilization periods.

9. Overall Conclusion:

- ***A narrative detailing the key conclusions of the report including the analyst's opinion regarding the potential for success of the proposed development.***
- Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application ***proceed forward based on market findings, as presently configured.***
- Elderly population and household growth is significant to very significant, with annual growth rates approximating +1.66% to +1.74% per year.
- At the time of the survey, the overall vacancy rate of the surveyed LIHTC elderly properties located within the Chickamauga competitive environment was 2%.
- The nearest LIHTC elderly property to the proposed subject site is the Village at Chickamauga I apartments which opened in 2007. At the time of the survey, the 40-unit development was 100% occupied and had 52 applicants on the waiting list. Management reported that the development was 100% occupied within 3-months of opening.
- In the area of unit size, by bedroom type, the subject will offer a competitive unit size. The proposed subject 1BR heated square footage is approximately 15% greater than the 1BR market average unit size. The proposed subject 2BR heated square footage is approximately 4% less than the 2BR market average unit size.
- The subject will be competitive with the older, traditional, Class B market rate apartment properties in the market regarding proposed net rents by bedroom type.
- The 1BR net rent advantage at both 50% AMI and 60% AMI is estimated at 39%.
- The 2BR net rent advantage at both 50% AMI and 60% AMI is estimated at 41%.
- The overall project rent advantage for the LIHTC segment of the proposed subject development is estimated at 41%.
- In the opinion of the market analyst, the proposed LIHTC elderly development **will not negatively impact** the existing supply of program assisted LIHTC properties located within the Chickamauga PMA in the short or long term. At the time of the survey, the existing LIHTC elderly developments located within the area competitive environment were on average 98% occupied, with four of the five LIHTC elderly properties maintaining a sizable waiting list ranging between 20 and 52 applications.

Summary Table				
Development Name: The Village at Chickamauga II			Total Number of Units: 60	
Location: Chickamauga, GA (Walker Co)			# LIHTC Units: 53	
PMA Boundary: North 5-7 miles; East 5 miles South 4-8 miles; West 6 miles			Farthest Boundary Distance to Subject: 8 miles	
Rental Housing Stock (found on pages 86 - 96)				
Type	# Properties	Total Units	Vacant Units	Avg Occupancy
All Rental Housing	11	1,163	9	99.2%
Market Rate Housing	6	855	3	99.6%
Assisted/Subsidized Housing Ex LIHTC	0	0	0	0.0%
LIHTC	5	308	6	98.0%
Stabilized Comps	11	1,163	9	99.2%
Properties in Lease Up	Na	Na	Na	Na

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
Number Units	Number Bedrooms	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Adv (%)	Per Unit	Per SF
8	1	1	779	\$340	\$555	\$.85	39%	\$635	\$.75
45	2	2	1109	\$410	\$695	\$.68	41%	\$835	\$.64
7	2	2	1109	\$450	\$695	\$.68	35%	\$835	\$.64

LIHTC Segment

Market Rate Segment

Demographic Data (found on pages 42 & 70)						
	2010		2017		2019	
Renter Households	1,501	16.16%	1,882	17.24%	1,947	17.36%
Income-Qualified Renter HHs (LIHTC)	356	23.75%	447	23.75%	466	23.93%
Income-Qualified Renter HHs (MR)	86	5.75%	108	5.75%	114	5.86%

Targeted Income Qualified Renter Household Demand (found on pages 68 - 70)						
Type of Demand	30%	50%	60%	MR	Other	Overall
Renter Household Growth		7	13	13		33
Existing Households (Overburdened + Substandard)		164	273	136		573
Homeowner Conversion (Seniors)		3	6	3		12
Total Primary Market Demand		174	292	152		618
Less Comparable Supply		0	0	0		0
Adjusted Income-Qualified Renter HHs		174	292	114*		580
Capture Rates (found on page 71 - 73)						
Targeted Population	30%	50%	60%	MR	Other	Overall
Capture Rate		6.9%	14.0%	6.1*		10.3%

*Adjusted for proposed BR mix at Market.

MARKET STUDY FOLLOWS

SECTION B
PROPOSED PROJECT
DESCRIPTION

The proposed LIHTC/Market Rate multi-family development will target elderly households, age 55 and over in Chickamauga and Walker County, Georgia. The subject property is located off Arrowhead Dairy Lane, a service road that connects to site with the Battlefield Place Shopping Center and US Highway 27.

Scope of Work

The market study assignment was to ascertain market demand for a proposed new construction multi-family LIHTC/Market Rate elderly development to be known as **The Village of Chickamauga II Apartments**, for The Village of Chickamauga II L.P., under the following scenario:

Project Description:

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2BR/2b	52	1109	1218
Total	60		

The proposed new construction project design will comprise three 2-story residential buildings, connected by two elevators. The development will include a separate building comprising a manager's office, and community room/clubhouse. The project will provide 98-parking spaces.

The proposed *Occupancy Type* is **Housing for Older Persons** (age 55+).

Project Rents:

The proposed development will target 20% of the units at 50% or below of area median income (AMI), approximately 68% of the units at 60% AMI, and approximately 12% at Market. Rent excludes water and sewer and includes trash removal.

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Bedroom Mix	# of Units	Net Rent	Utility Estimate*	Gross Rent
2BR/2b	7	\$450	\$130	\$580

*UA Pro Utility Allowances, Effective Date: 4/27/2017

The proposed LIHTC/Market Rate new construction elderly development will not have any project based rental assistance, nor private rental assistance.

Project Amenity Package

The proposed development will include the following amenity package:

Unit Amenities

- range
- microwave
- central air
- smoke alarms
- carpet
- in sink disposal
- energy star refrigerator
- energy star dish washer
- cable ready
- washer/dryer hook-ups
- window coverings
- patio/balcony w/exterior storage

Development Amenities

- manager's office
- laundry facility
- computer center
- fitness room
- walking path
- clubhouse w/kitchen
- covered pavilion with picnic/barbecue facilities
- community garden

The projected first full year that **The Village at Chickamauga II Apartments** will be placed in service as a new construction property, is mid to late 2019. The first full year of occupancy is forecasted to be in 2020. Note: The 2017 GA QAP states that "owners of projects receiving credits in the 2017 round must place all buildings in the project in service by December 31, 2019".

The architectural firm for the proposed development is McKean & Associates Architects, LLC. At the time of the market study, the floor plans and elevations had not been completed. However, the conceptual site plan submitted to the market analyst was reviewed.

Utility estimated are based upon UA Pro, Utility Allowance estimates. Effective date: April 27, 2017.

SECTION C
SITE & NEIGHBORHOOD

The site of the proposed Elderly LIHTC/Market Rate apartment development is located off US Highway 27, approximately 2 miles northeast of Downtown Chickamauga. Specifically, the site is located in Census Tract 205.01 and Zip Code 30707.

Note: The site is not located within a Qualified Census Tract (QCT).

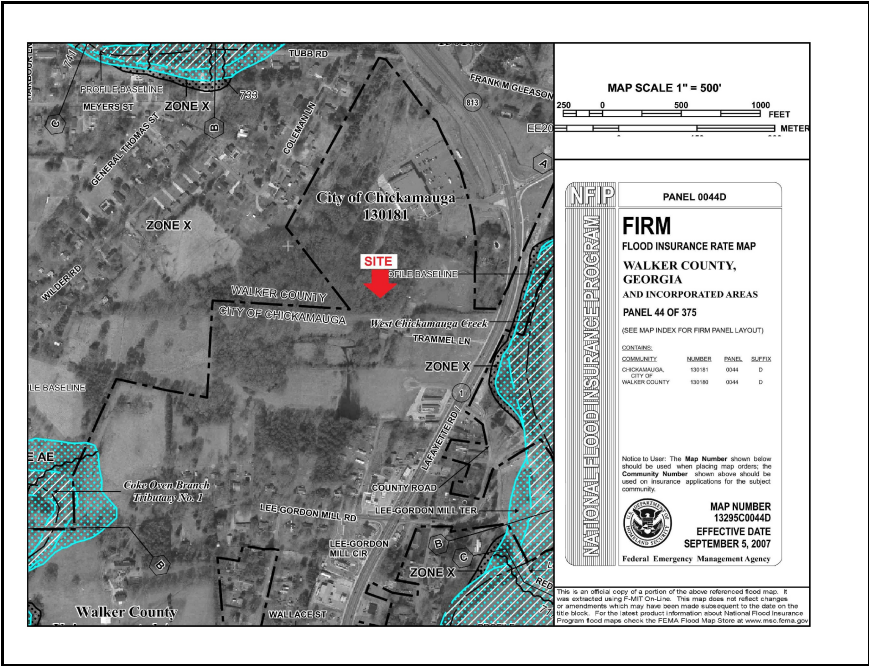
Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, and area churches. Access to all major facilities can be attained within a 5 minute drive. At the time of the market study, no significant infrastructure development was in progress within the immediate vicinity of the site. Source: Ms. Briggitt Garrett, Chickamauga Zoning and Planning Administrator, (706) 375-3177.

Site Characteristics

The approximately 7.73-acre, polygon shaped tract is mostly cleared and relatively flat. Other than a non functioning silo, there are no physical structures located on the tract. The site is not located within a 100-year flood plain. Source: FEMA website (www.msc.fema.gov), Map Number 13295C0044D, Panel 44 of 375, Effective Date: September 5, 2007.

The site is currently zoned C2, General Commercial District, which allows multi-family development. The surrounding zoning is a mixture of C1, C2 and R3. Source: Official City Zoning Map of the Chickamauga. All public utility services are available to the tract and excess capacity exists.

However, these assessments are subject to both environmental and engineering studies.



Crime & Perceptions of Crime

The overall setting of the site is considered to be one that is very acceptable for residential development and commercial development within the present neighborhood setting. The site and the immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. The most recent crime rate data for Walker County reported by the Georgia Bureau of Investigations - Uniform Crime Report revealed that violent crime and property crime rate for Walker County was relatively low, particularly for violent crime (homicide, rape, robbery and assault). Further, the total number of crimes declined by 2,848 for the last two reporting years, representing a decrease of 59.6%.

Between 2014 and 2015 violent crime in Walker County decreased by 62.4%. The actual number of such crimes in 2015 was very low at only 180 overall (mostly assault). There were only 1 murders and 4 rapes reported. Property crimes decreased by 59.3% in Walker County between 2014 and 2015, and the total number was very low (1,748).

Walker County			
Type of Offence	2014	2015	Change
Homicide	11	1	-10
Rape	10	4	-6
Robbery	210	13	-197
Assault	248	162	-86
Burglary	987	438	-549
Larceny	2,987	1,255	-1,732
Motor Vehicle Theft	323	55	-268
Walker County Total	4,776	1,928	-2,848

Source: Georgia Bureau of Investigation, Uniform Crime Report

Neighborhood Description / Characteristics

The overall character of the neighborhood in the immediate vicinity of the site can be defined predominantly as a mixture of: commercial, multi-family and single-family development.

Directly north of the site is a bank and the Battlefield Place Shopping Center, which is anchored by a Food Lion.

Directly south of the site is commercial development.

Directly west is the 40-unit The Village of Chickamauga (LIHTC-elderly) apartment development. The Village of Chickamauga was built in 2007 and is in very good condition. At the time of the survey, the property was 100% occupied and had 52-applicants on a waiting list. Also west of the site is Heritage Row, a for-sale duplex development which was built sometime in 2005 and 2006.

Directly east of the site is a Taco Bell and an Advance Auto Parts Store, followed by US Highway 27.

About .6 miles east of the site is the entrance into the Chickamauga Battlefield National Park. The downtown area of Chickamauga is about 2.5 miles south of the site.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.



(1) Site entrance off service road, north to south.



(2) Site entrance left, off service road, east to west.



(3) Site entrance right, off service road, west to east.



(4) Site of service road, north west to southeast.



(5) Site interior view, NE to southwest.



(6) Alternative site entrance, from short connector to US 27, east to west.



(7) Village of Chickamauga (LIHTC-EL) west of site.

(8) Site, west to east from The Village of Chickamauga.



(9) Food Lion grocery, north of site.

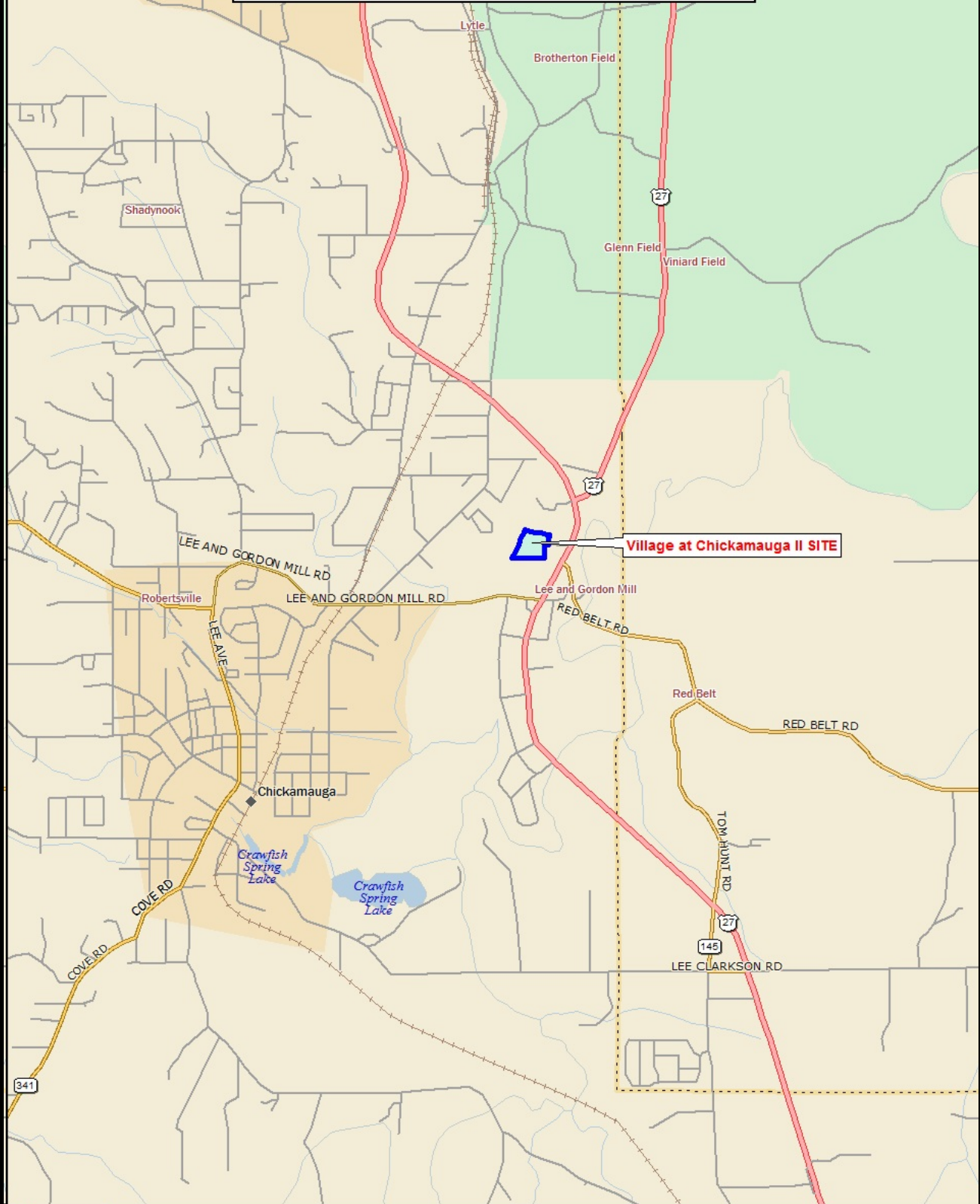
(10) Capital Bank, north of site.



(11) Taco Bell, east of site.

(12) Advance Auto Parts, east of site.

The Village at Chickamauga II Site



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MN (4.6° W)



Data Zoom 12-5

Access to Services

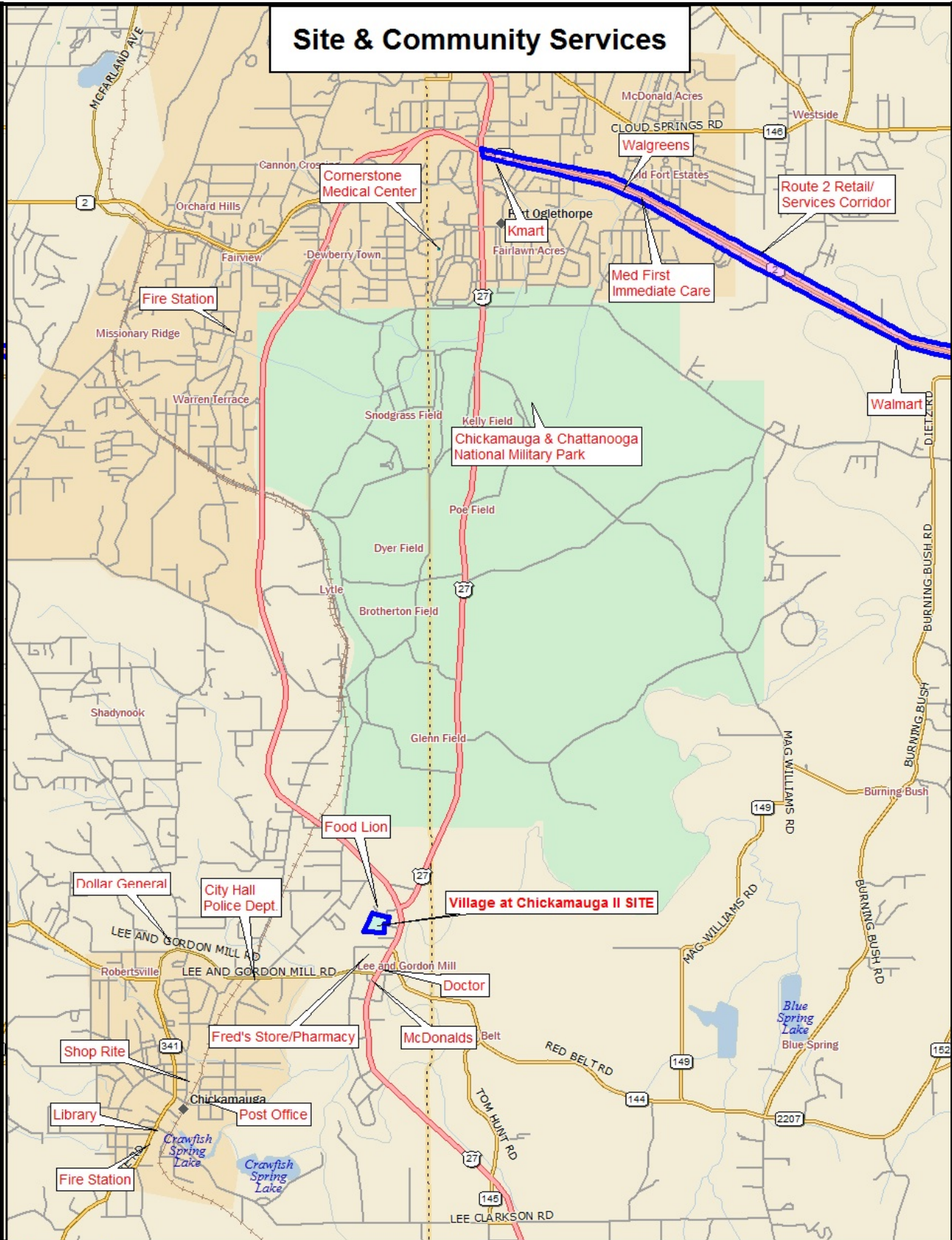
The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

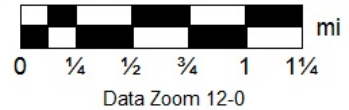
Points of Interest	Distance from Subject
Food Lion	Adjacent
US 27	Adjacent
Doctor	0.4
Fred's Store/Pharmacy	0.4
McDonalds	0.4
City Hall/Police Department	1.2
Dollar General	1.7
Post Office	2.0
Shop Rite	2.1
Library	2.5
Fire Station 6	2.6
Cornerstone Medical Center	4.6
Route 2	4.9
Kmart	5.0
Route 2 Retail/Service Corridor	5.1
Med First Immediate Care	5.4
Walgreens Drug	5.5
Walmart	6.8
I-75	9.2

Note: Distance from subject is in tenths of miles and are approximated.

Site & Community Services



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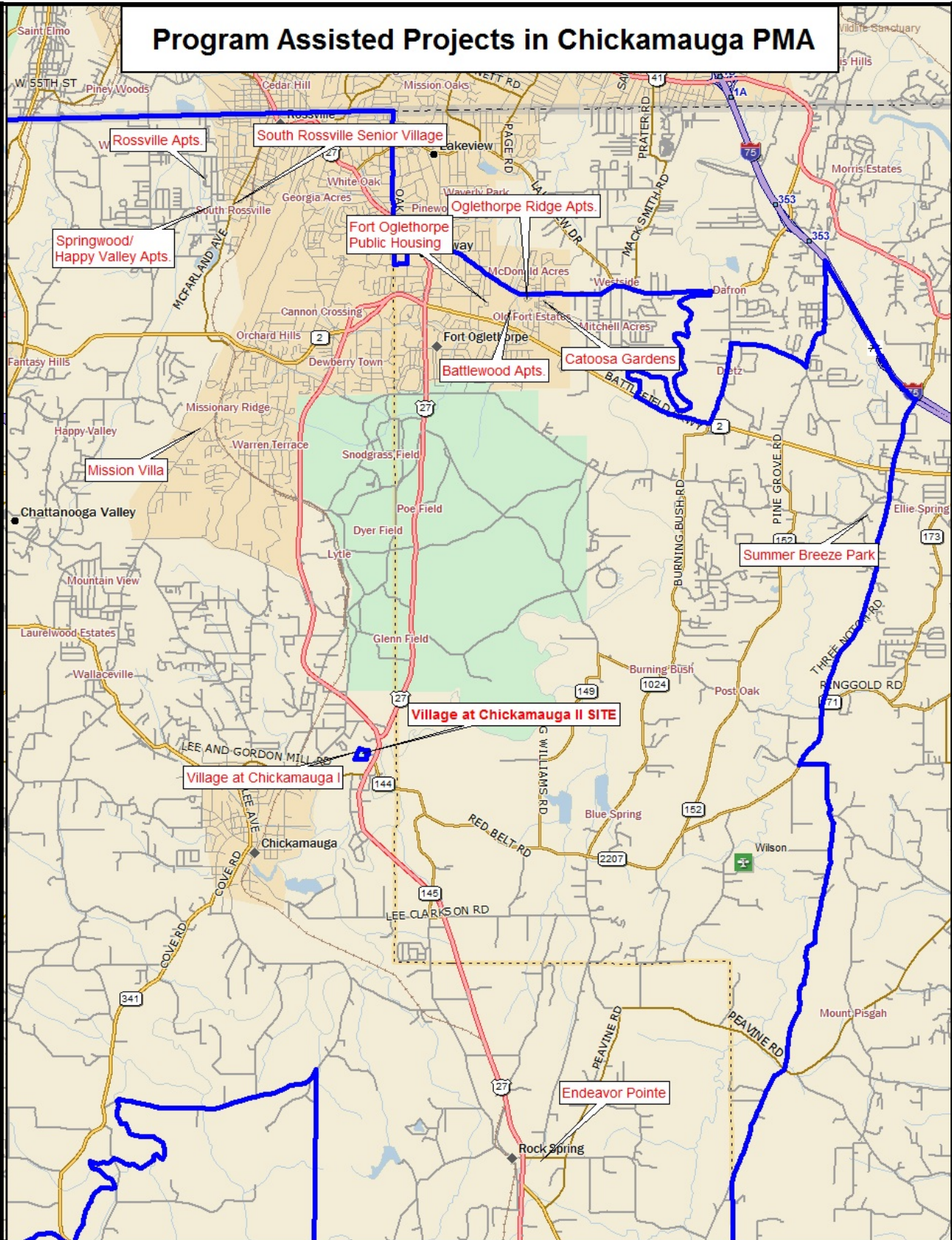
Program Assisted Apartments in Chickamauga - PMA

At present, there 11 program assisted apartment properties located within the Chickamauga PMA, including the Fort Oglethorpe Housing Authority. Five of the 11 properties are LIHTC developments, of which three are elderly. A map (on the next page) exhibits the program assisted properties located within the Chickamauga PMA in relation to the site.

Project Name	Program Type	Number of Units	Distance from Site (in miles)
Village of Chickamauga I	LIHTC EL	40	Adjacent
Endeavor Pointe	LIHTC/HOME EL	64	5.1
Mission Villa	USDA RD 515 FM	32	5.4
Fort Oglethorpe PHA	Public Housing	74	5.8
Battlewood Apartments	HUD 8 FM	150	6.0
Oglethorpe Ridge	LIHTC FM	97	6.4
Catoosa Gardens	HUD 8 FM	101	6.6
South Rossville Sr Village	LIHTC/HOME EL	60	8.2
Springwood/Happy Valley	HUD 8 FM	68	8.3
Summer Breeze Park	LIHTC/HOME FM	72	8.6
Rossville Apartments	HUD 8 FM	110	9.1

Distance in tenths of miles

Program Assisted Projects in Chickamauga PMA



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Data Zoom 11-2

SUMMARY

The field visit for the site and surrounding market area was conducted on **April 1, 2017**. The site inspector was Mr. Jerry M. Koontz (of the firm Koontz & Salinger).

The overall character of the neighborhood within the immediate vicinity of the site can be defined predominantly as a mixture of: commercial, multi-family and single-family development. The site is located in the northern portion of Chickamauga, within the city limits. The site is zoned C-2, which allows for the intended use of the proposed LIHTC-elderly development.

Access to the site is available off Arrowhead Dairy Lane. Arrowhead Dairy Lane is a very short connector which links with US 27, about .1 miles east. It is a very low density road with a speed limit of 25 miles per hour. The access point to the site does not present problems of egress and ingress. Also, road noise is not considered to be detrimental to the site.

The site offers good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities including: noxious odors, close proximity to cemeteries, rail lines, high density transmission lines and junk yards.

The site in relation to the subject and the surrounding roads is agreeable to signage, in particular to passing traffic along Arrowhead Dairy Lane.

Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability. In the opinion of the analyst, the site of the subject is considered appropriate as a LIHTC/Market Rate elderly multi-family development.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, and health care (within walking distance to the Battlefield Place Shopping Center)	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

SECTION D
MARKET AREA DESCRIPTION

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the **location** and

proximity and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography as well as local interviews with key respondents regarding market specific input relating to market area delineation.

Primary Market Area

Based upon field research in Chickamauga and a 5 to 10 mile area, along with an assessment of: the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers - the Primary Market Area (PMA) for the proposed LIHTC elderly apartment development consists of the following 2010 census tracts in Catoosa and Walker Counties:

Catoosa: 304.01 and 307

Walker: 201, 202, 203.01, 203.02, 205.01, 205.02 and 206.01

The PMA is located in the northwest portion of Georgia. Chickamauga, is centrally located within the PMA. For the most part the PMA is linked by US Highway 27 and several State Roads (2, 341 and 193). It extends north of Chickamauga via US 27 and the US 27 Bypass to incorporate the Fairview, Chattanooga Valley, Orchard Hills, and Rossville areas of Walker County. The PMA extends south to Rock Spring and west to the State Road 193 corridor. The PMA extends northeast to include the City of Fort Oglethorpe in Catoosa County. Rock Spring is about 5 miles south of the proposed site in Chickamauga and Fort Oglethorpe is about 5 miles northeast of the proposed site.

Note: The PMA excluded Chattanooga, TN to the north, Ringgold to the east and Lafayette to the south.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	GA/TN State Line & Cloud Springs Rd	5 to 7 miles
East	central Catoosa County	5 miles
South	LaFayette PMA	4 to 8 miles
West	western Walker County & Lookout Mtn	6 miles

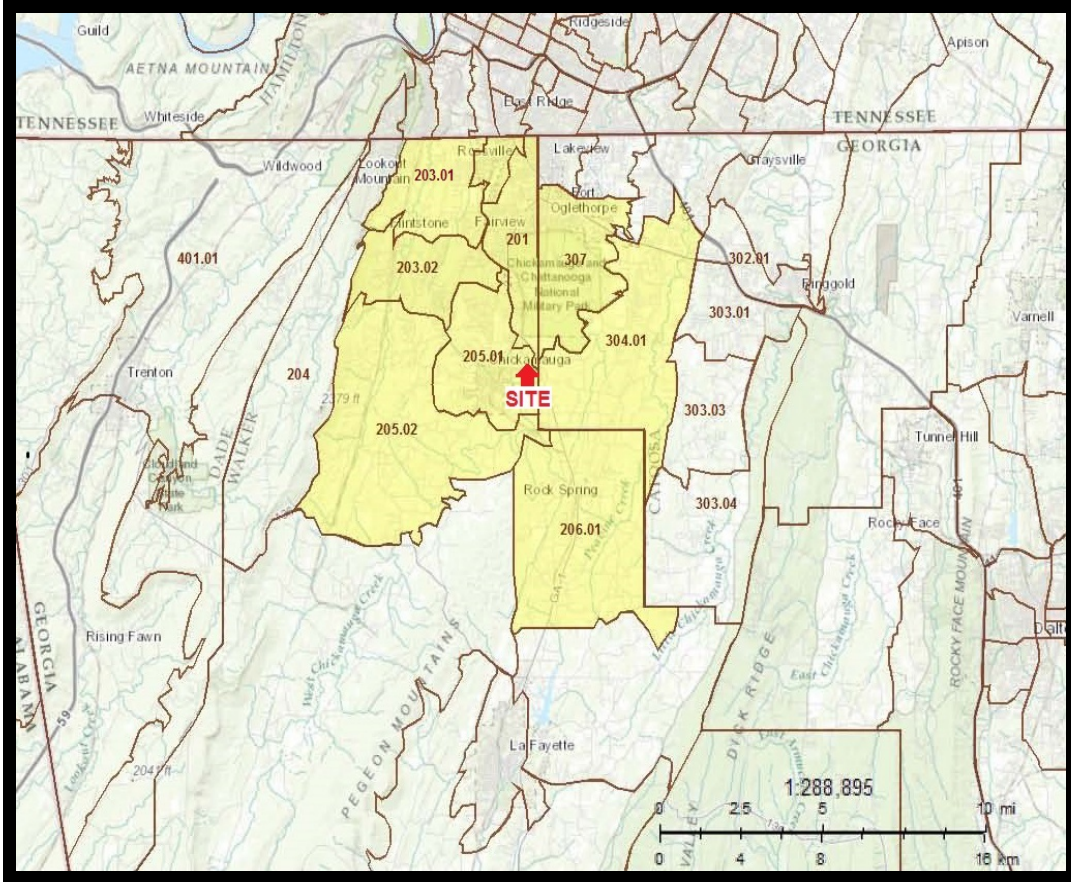
Transportation access to Chickamauga and the PMA is good. US 27, the US 27 Bypass, and State Road 193 and 341 are the major north/south corridors. State Road 2 and County Road 144 are the major east/west corridors.

In addition, comments from managers and/or management companies of the existing LIHTC elderly apartment properties located within the competitive environment were surveyed, as to where the majority of their existing tenants previously resided. These comments were taken into consideration when delineating the subject PMA. The most important of these sources was the manager of Village of Chickamauga II.

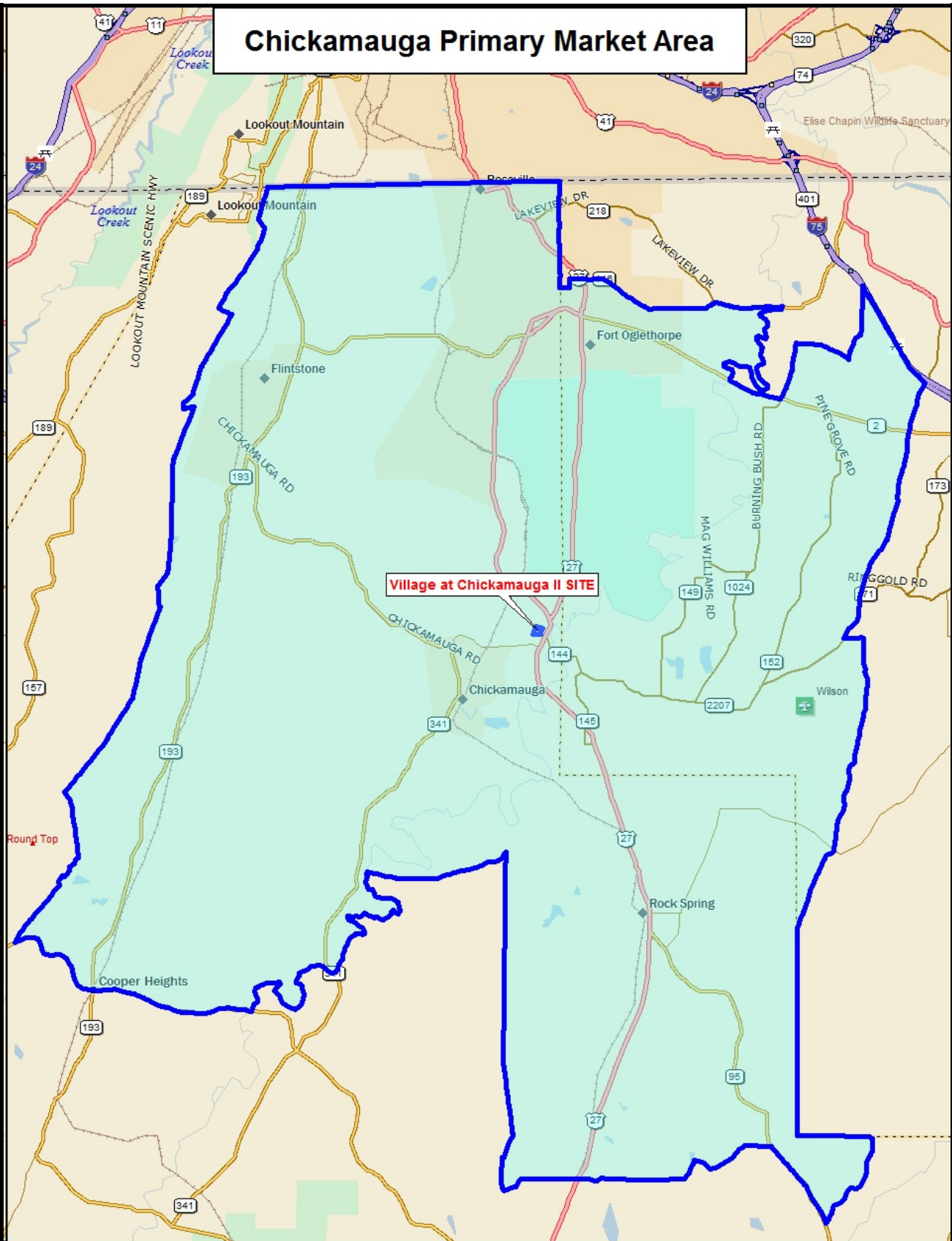
Secondary Market Area

The Secondary Market Area (SMA) consists of that area beyond the PMA, principally from out of market, as well as from out of state. Note: The demand methodology **excluded** any potential demand from a SMA.

Chickamauga PMA - 2010 Census Tracts



Chickamauga Primary Market Area



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Data Zoom 10-6

SECTION E

COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 8 exhibit indicators of trends in total population and household growth, as well as for population and households and 55 and older.

Population Trends

Table 1, exhibits the change in **total** population in Chickamauga, the Chickamauga PMA, and Walker County between 2000 and 2022. Table 2, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Chickamauga, the Chickamauga PMA, and Walker County between 2000 and 2022. The year 2019 is estimated to be the first year of availability for occupancy of the subject property. The year 2017 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure.

Total Population

The PMA exhibited very significant total population gains between 2000 and 2010, at approximately +1.5% per year. Total population gains over the next several years, (2017-2019) are forecasted for the PMA, represented by a modest rate of change approximating +0.36% per year.

The projected change in population for Chickamauga is subject to local annexation policy and in-migration of rural county and surrounding county residents into Chickamauga. However, recent indicators, including the 2015 and 2016 US Census estimates (at the place level) suggest that the population trend of the mid to late 2000's in Chickamauga has slowed considerably and more modest gains are forecasted into the remainder of the decade.

Population 55+

The PMA exhibited very significant population gains for population age 55+ between 2000 and 2010, at +2.59% per year. Population gains over the next several years (2017-2019) are forecasted for the PMA for the 55 and over age group continuing at a significant rate of increase, with a forecasted rate of growth at approximately +1.74% per year.

Population gains are forecasted in both the 55 and 65 and over age groups for the year 2019 and beyond. The projected increase is not owing to a significant increase in elderly in-migration into the

PMA, but instead owing to significant age in-place as the "war baby generation, (1940-1945)" and the beginning of the "baby boom generation, (1946 to 1950)" begin to enter into the empty nester and retirement population segments in large numbers.

Population Projection Methodology

The forecast for total population, and population age 55 and over is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas population projections. The Georgia Office of Planning and Budget county projections were examined and use as a cross check to the direction of trend in population over the forecast period.

Sources: (1) 2000 and 2010 US Census.
(2) Nielsen Claritas Projections.
(3) 2015 and 2016 US Census population estimates.
(4) Georgia Residential Population Projections by Age & County, 2010-2020, GA Governor's Office of Planning & Budget.

Table 1, exhibits the change in **total** population in Chickamauga, the Chickamauga PMA, and Walker County between 2000 and 2022.

Table 1					
Total Population Trends and Projections: Chickamauga, Chickamauga PMA, Walker County					
Year	Population	Total Change	Percent	Annual Change	Percent
Chickamauga					
2000	2,245	-----	-----	-----	-----
2010	3,101	+ 856	+ 38.13	+ 86	+ 3.28
2017	3,164	+ 63	+ 2.03	+ 9	+ 0.29
2019	3,192	+ 28	+ 0.89	+ 14	+ 0.44
2022	3,232	+ 40	+ 1.25	+ 13	+ 0.42
Chickamauga PMA					
2000	49,630	-----	-----	-----	-----
2010	57,667	+ 8,037	+ 16.19	+ 805	+ 1.51
2017	58,022	+ 355	+ 0.62	+ 51	+ 0.09
2019*	58,441	+ 419	+ 0.72	+ 210	+ 0.36
2022	59,067	+ 626	+ 1.08	+ 209	+ 0.36
Walker County					
2000	61,053	-----	-----	-----	-----
2010	68,756	+ 7,703	+ 12.62	+ 770	+ 1.20
2017	68,242	- 514	- 0.75	- 73	- 0.11
2019	68,537	+ 295	+ 0.43	+ 148	+ 0.21
2022	68,978	+ 441	+ 0.64	+ 147	+ 0.21

* 2019 - Estimated year that project will be placed in service.

Calculations - Koontz and Salinger. May, 2017.

Table 2, exhibits the change in **elderly** population age 55 and over (the age restriction limit for the subject), in Chickamauga, the Chickamauga PMA, and Walker County between 2000 and 2022.

Table 2					
Elderly Population (Age 55+) Trends and Projections: Chickamauga, Chickamauga PMA, Walker County					
Year	Population	Total Change	Percent	Annual Change	Percent
Chickamauga					
2000	500	-----	-----	-----	-----
2010	781	+ 281	+ 56.20	+ 28	+ 4.56
2017	924	+ 143	+ 18.30	+ 20	+ 2.43
2019	967	+ 43	+ 4.65	+ 22	+ 2.30
2022	1,032	+ 65	+ 6.72	+ 22	+ 2.19
Chickamauga PMA					
2000	12,345	-----	-----	-----	-----
2010	15,945	+3,600	+ 29.16	+ 360	+ 2.59
2017	18,142	+2,197	+ 13.78	+ 314	+ 1.86
2019*	18,777	+ 635	+ 3.50	+ 318	+ 1.74
2022	19,730	+ 953	+ 5.08	+ 318	+ 1.66
Walker County					
2000	14,557	-----	-----	-----	-----
2010	19,177	+4,620	+ 31.74	+ 462	+ 2.79
2017	21,631	+2,454	+ 12.80	+ 351	+ 1.74
2019	22,344	+ 713	+ 3.30	+ 357	+ 1.63
2022	23,413	+1,069	+ 4.78	+ 356	+ 1.57

* 2019 - Estimated 1st year of occupancy.

Calculations - Koontz and Salinger. May, 2017.

Between 2000 and 2010, population age 55+ increased in the Chickamauga PMA at a very significant rate growth at +2.59% per year. Between 2017 and 2019, the population age 55 and over in the PMA is forecasted to continue to increase at a significant rate of gain at approximately +1.74% per year. The figure below presents a graphic display of the numeric change in population age 55+ in the PMA between 2000 and 2022.

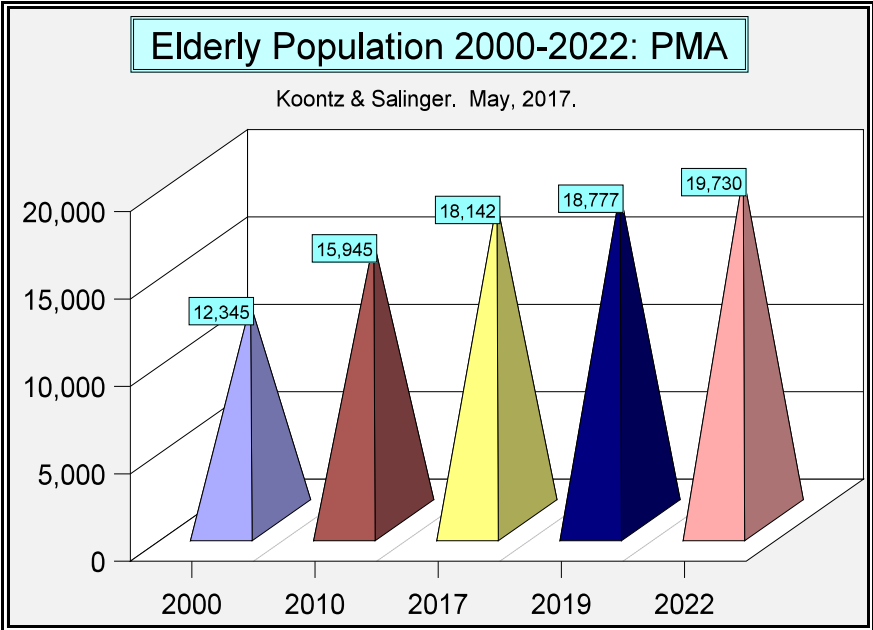


Table 3A exhibits the change in population by age group in Chickamauga between 2010 and 2019. The most significant increase exhibited between 2017 and 2019 within Chickamauga was in the 65-74 age group representing an increase of almost 9.5% over the two year period. The 75+ age group is forecasted to stabilize at around 210 persons.

Table 3A						
Population by Age Groups: Chickamauga, 2010 - 2019						
	2010 Number	2010 Percent	2017 Number	2017 Percent	2019 Number	2019 Percent
Age Group						
0 - 24	1,066	34.38	1,019	32.21	1,010	31.64
25 - 44	785	25.31	777	24.56	780	24.44
45 - 54	469	15.12	444	14.03	435	13.63
55 - 64	350	11.29	423	13.37	434	13.60
65 - 74	249	8.03	296	9.36	324	10.15
75 +	182	5.87	205	6.48	209	6.55

Table 3B exhibits the change in population by age group in the Chickamauga PMA between 2010 and 2019. The most significant increase exhibited between 2017 and 2019 within the Chickamauga PMA was in the 65-74 age group representing an increase of around 7.5% over the two year period. The 75+ age group is forecasted to increase by 129 persons, or by approximately +3%.

Table 3B						
Population by Age Groups: Chickamauga PMA, 2010 - 2019						
	2010 Number	2010 Percent	2017 Number	2017 Percent	2019 Number	2019 Percent
Age Group						
0 - 24	18,286	31.71	17,784	30.65	17,721	30.32
25 - 44	15,017	26.04	14,301	24.65	14,252	24.39
45 - 54	8,419	14.60	7,796	13.44	7,691	13.16
55 - 64	7,172	12.44	7,715	13.30	7,760	13.28
65 - 74	4,847	8.41	6,070	10.46	6,532	11.18
75 +	3,926	6.81	4,356	7.51	4,485	7.67

Sources: 2010 Census of Population, Georgia
Nielsen Claritas Projections
Koontz and Salinger. May, 2017

HOUSEHOLD TRENDS & CHARACTERISTICS

Table 4 exhibits the change in **elderly** households (age 55 and over) in the Chickamauga PMA between 2000 and 2022. The increase in household formations age 55+ in the PMA has continued over a 10 year period and reflects the recent population trends and near term forecasts for population 55 and over.

The increase in the rate of persons per household exhibited between 2000 and 2010 is forecasted to continue from around 1.625 to 1.655 between 2017 and 2022 within the PMA. The rate of change in person per household is based upon: (1) the increase in the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and death rates.

The projection of household formations age 55 and over in the PMA between 2017 and 2019 exhibited a significant increase of 151 households age 55 and over per year or by approximately +1.37% per year.

Table 4					
Household Formations Age 55+: 2000 to 2022					
Chickamauga PMA					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household	Total Households
2000	12,345	452	11,893	1.5421	7,712
2010	15,945	410	15,535	1.6722	9,290
2017	18,142	400	17,742	1.6255	10,915
2019	18,777	400	18,377	1.6383	11,217
2022	19,730	400	19,330	1.6564	11,670

Sources: Nielsen Claritas Projections.
2000 and 2010 Census of Population, Georgia.

Calculations: Koontz & Salinger. May, 2017.

Table 5 exhibits households in the Chickamauga PMA, age 55 and over, by owner-occupied and renter-occupied tenure. The 2010 to 2022 projected trend supports a change in the tenure ratio favoring renter-occupied households on a percentage basis.

Overall, significant net numerical gains are forecasted for both owner-occupied and renter-occupied households age 55 and over within the PMA. Between 2017 and 2019, the increase in renter-occupied households age 55 and over remains positive, at +1.71% per year.

Table 5					
Households by Tenure, Chickamauga PMA: Age 55+					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	7,712	6,618	85.81	1,094	14.19
2010	9,290	7,789	83.84	1,501	16.16
2017	10,915	9,033	82.76	1,882	17.24
2019	11,217	9,270	82.64	1,947	17.36
2022	11,670	9,627	82.49	2,043	17.51

Sources: 2000 & 2010 Census of Population, Georgia.
 Nielsen Claritas Projections.
 Koontz and Salinger. May, 2017.

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those elderly households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households age 55+ must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents, average minimum social security payments, and/or the availability of deep subsidy rental assistance (RA) for USDA-RD, PHA and HUD Section 8 developments.

The estimate of the upper income limit is based upon the most recent set of HUD MTSP income limits for two person households (the maximum household size allowable for the estimation of elderly in the GA-DCA Market Study Guidelines) in Walker County, Georgia at 50% and 60% of the area median income (AMI).

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 35% of household income.

Tables 6A and 6B exhibit owner-occupied households, by age 55+, and by income group, in the Chickamauga PMA in 2010, and forecasted in 2017 and 2019. Tables 7A and 7B exhibit renter-occupied households, by age 55+, and by income group, in the Chickamauga PMA in 2010, and forecasted in 2017 and 2019.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2016 and 2021, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey. The data set was extrapolated to fit the required forecast year of 2019.

Tables 6A and 6B exhibit owner-occupied households age 55+, by income in the Chickamauga PMA in 2010, and projected in 2017 and 2019.

Table 6A				
Chickamauga PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2017 Number	2017 Percent
Under \$10,000	436	5.60	511	5.66
10,000 - 20,000	1,483	19.04	1,365	15.11
20,000 - 30,000	1,324	17.00	1,296	14.35
30,000 - 40,000	1,150	14.79	1,094	12.11
40,000 - 50,000	795	10.21	1,140	12.62
50,000 - 60,000	622	7.99	737	8.16
\$60,000 and over	1,979	25.41	2,890	31.99
Total	7,789	100%	9,033	100%

Table 6B				
Chickamauga PMA: Owner-Occupied Households Age 55+, by Income Groups				
Households by Income	2017 Number	2017 Percent	2019 Number	2019 Percent
Under \$10,000	511	5.66	512	5.52
10,000 - 20,000	1,365	15.11	1,256	14.63
20,000 - 30,000	1,296	14.35	1,295	13.97
30,000 - 40,000	1,094	12.11	1,106	11.93
40,000 - 50,000	1,140	12.62	1,174	12.66
50,000 - 60,000	737	8.16	737	7.95
\$60,000 and over	2,890	31.99	3,090	33.33
Total	9,033	100%	9,270	100%

Sources: 2006 - 2010 American Community Survey
 Nielsen Claritas, HISTA Data, Ribbon Demographics
 Koontz and Salinger. May, 2017

Tables 7A and 7B exhibit renter-occupied households age 55+, by income in the Chickamauga PMA in 2010, and projected in 2017 and 2019.

Table 7A				
Chickamauga PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2010 Number	2010 Percent	2017 Number	2017 Percent
Under \$10,000	216	14.39	310	16.47
10,000 - 20,000	411	27.38	441	23.43
20,000 - 30,000	336	22.39	312	16.58
30,000 - 40,000	106	7.06	94	4.99
40,000 - 50,000	141	9.39	161	8.55
50,000 - 60,000	36	2.40	60	3.19
60,000 +	255	16.99	504	26.78
Total	1,501	100%	1,882	100%

Table 7B				
Chickamauga PMA: Renter-Occupied Household Age 55+, by Income Groups				
Households by Income	2017 Number	2017 Percent	2019 Number	2019 Percent
Under \$10,000	310	16.47	308	15.82
10,000 - 20,000	441	23.43	441	22.65
20,000 - 30,000	312	16.58	318	16.33
30,000 - 40,000	94	4.99	97	4.98
40,000 - 50,000	161	8.55	166	8.53
50,000 - 60,000	60	3.19	63	3.24
60,000 +	504	26.78	554	28.45
Total	1,882	100%	1,947	100%

Sources: 2006 - 2010 American Community Survey
 Nielsen Claritas, HISTA Data, Ribbon Demographics
 Koontz and Salinger. May, 2017

Table 8A								
Households by Owner-Occupied Tenure, by Person Per Household, Age 55+ Chickamauga PMA, 2010 - 2019								
Households	Owner				Owner			
	2010	2017	Change	% 2017	2017	2019	Change	% 2019
1 Person	2,630	2,758	+ 128	30.53%	2,758	2,811	+ 53	30.32%
2 Person	4,015	4,617	+ 602	51.11%	4,617	4,712	+ 95	50.83%
3 Person	604	955	+ 351	10.57%	955	1,016	+ 61	10.96%
4 Person	276	381	+ 105	4.22%	381	394	+ 13	4.25%
5 + Person	264	322	+ 58	3.56%	322	337	+ 15	3.64%
Total	7,789	9,033	+1,244	100%	9,033	9,270	+ 237	100%

Table 8B								
Households by Renter-Occupied Tenure, by Person Per Household, Age 55+ Chickamauga PMA, 2010 - 2019								
Households	Renter				Renter			
	2010	2017	Change	% 2017	2017	2019	Change	% 2019
1 Person	884	1,097	+ 213	58.29%	1,097	1,130	+ 33	58.04%
2 Person	477	607	+ 130	32.25%	607	628	+ 21	32.25%
3 Person	64	54	- 10	2.87%	54	59	+ 5	3.03%
4 Person	71	90	+ 19	4.78%	90	91	+ 1	4.67%
5 + Person	5	34	+ 29	1.81%	34	39	+ 5	2.00%
Total	1,501	1,882	+ 381	100%	1,882	1,947	+ 65	100%

Sources: Nielsen Claritas Projections
Koontz and Salinger. May, 2017

Table 8A indicates that in 2019 approximately 81% of the owner-occupied households age 55+ in the PMA contain 1 and 2 persons (the target group by household size). An increase in households by size is exhibited by 1 and 2 person owner-occupied households.

Table 8B indicates that in 2019 approximately 90% of the renter-occupied households age 55+ in the PMA contain 1 and 2 persons. An increase in households by size is exhibited by 1 and 2 person renter-occupied households age 55+. One person elderly households are typically attracted to both 1 and 2 bedroom rental units and 2 person elderly households are typically attracted to two bedroom units, and to a much lesser degree three bedroom units.

SECTION F
ECONOMIC & EMPLOYMENT
TRENDS

Analysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area to create and sustain growth, and job formation is typically the primary motivation for positive net in-

migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 9 through 15 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Walker County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 9			
Civilian Labor Force and Employment Trends, Walker County: 2005, 2015 and 2016			
	2005	2015	2016
Civilian Labor Force	33,027	29,580	30,209
Employment	31,432	27,851	28,525
Unemployment	1,595	1,729	1,684
Rate of Unemployment	4.8%	5.8%	5.6%

Table 10				
Change in Employment, Walker County				
Years	# Total	# Annual*	% Total	% Annual*
2005 - 2007	+ 55	+ 27	+ 0.18	+ 0.09
2008 - 2010	- 3,199	-1,600	-10.33	- 5.16
2011 - 2014	- 709	- 236	- 2.53	- 0.84
2015 - 2016	+ 674	Na	+ 2.42	Na

* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2005 - 2016. Georgia Department of Labor, Workforce Information Analysis. Koontz and Salinger. May, 2017.

Table 11 exhibits the annual change in civilian labor force employment in Walker County between 2005 and the 1st three months in 2017. Also, exhibited are unemployment rates for the County, State and Nation.

Table 11							
Change in Labor Force: 2005 - 2017							
	Walker County					GA	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2005	33,027	31,432	-----	1,595	4.8%	5.3%	5.1%
2006	33,818	32,330	898	1,488	4.4%	4.7%	4.6%
2007	32,959	31,487	(843)	1,472	4.5%	4.5%	4.6%
2008	33,155	30,965	(522)	2,190	6.6%	6.2%	5.8%
2009	32,153	28,809	(2,156)	3,344	10.4%	9.9%	9.3%
2010	30,958	27,766	(1,043)	3,192	10.3%	10.5%	9.6%
2011	31,019	27,998	232	3,021	9.7%	10.2%	8.9%
2012	30,838	28,106	108	2,732	8.9%	9.2%	8.1%
2013	30,074	27,706	(400)	2,368	7.9%	8.2%	7.4%
2014	29,397	27,289	(417)	2,108	7.2%	7.1%	6.2%
2015	29,580	27,851	562	1,729	5.8%	5.9%	5.3%
2016	30,209	28,525	674	1,684	5.6%	5.4%	4.9%
Month							
1/2017	30,416	28,773	-----	1,643	5.4%	5.6%	5.1%
2/2017	30,532	29,009	236	1,526	5.0%	5.1%	4.9%
3/2017	30,642	29,204	195	1,438	4.7%	4.8%	4.6%

Sources: Georgia Labor Force Estimates, 2005 - 2017.
 Georgia Department of Labor, Workforce Information Analysis.
 Koontz and Salinger. May, 2017.

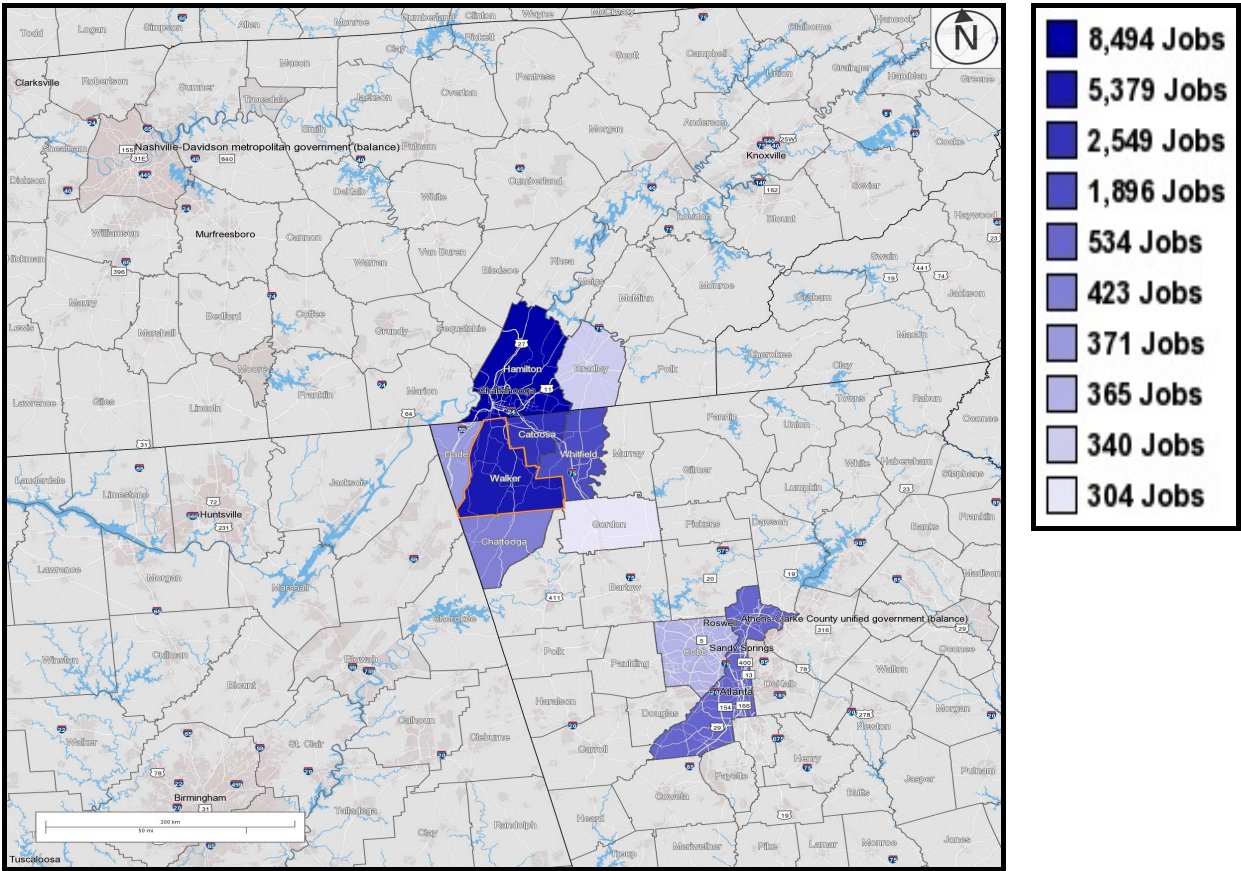
Table 12 exhibits the annual change in covered employment in Walker County between 2003 and 2016. Covered employment data differs from civilian labor force data in that it is based on at-place employment within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers. Since 2012, the overall trend in covered employment in Walker County has been positive.

Table 12 Change in Covered Employment: 2003 - 2016		
Year	Employed	Change
2003	14,700	-----
2004	14,476	(224)
2005	14,160	(316)
2006	14,326	166
2007	14,708	382
2008	14,194	(514)
2009	12,873	(1,321)
2010	12,626	(247)
2011	12,578	(48)
2012	12,438	(140)
2013	12,454	16
2014	12,450	(4)
2015	12,499	49
2016 1 st Q	12,729	-----
2016 2 nd Q	12,931	202
2016 3 rd Q	13,034	103

Sources: Georgia Department of Labor, Workforce Information Analysis, 2003 and 2016. Koontz & Salinger. May, 2017.

Commuting

Most the workforce within the PMA has relatively short commutes to work within Walker or Catoosa county, Hamilton County TN, or other counties in Georgia. Data from the 2011-2015 American Community Survey indicate that mean commuting times range from 21.2 minutes to 31.1 minutes; the average commute is around 25.2 minutes. Some 47.5% of workers living in the PMA have jobs in Georgia, inclusive of 32.2% who work in their county of residence. Some 52.5% work out-of-state, principally in Hamilton County TN. Major areas of employment for residents of Walker County are shown on the map below.



Walker County also provide jobs for workers living outside the area, principally workers living in Catoosa and Chattooga counties in GA as well as Hamilton County TN. The adjacent table shows the in-commuting from other counties for jobs in Walker County. Note: These data are from 2014, and ratios may differ slightly from data from the 2011-2015 ACS.

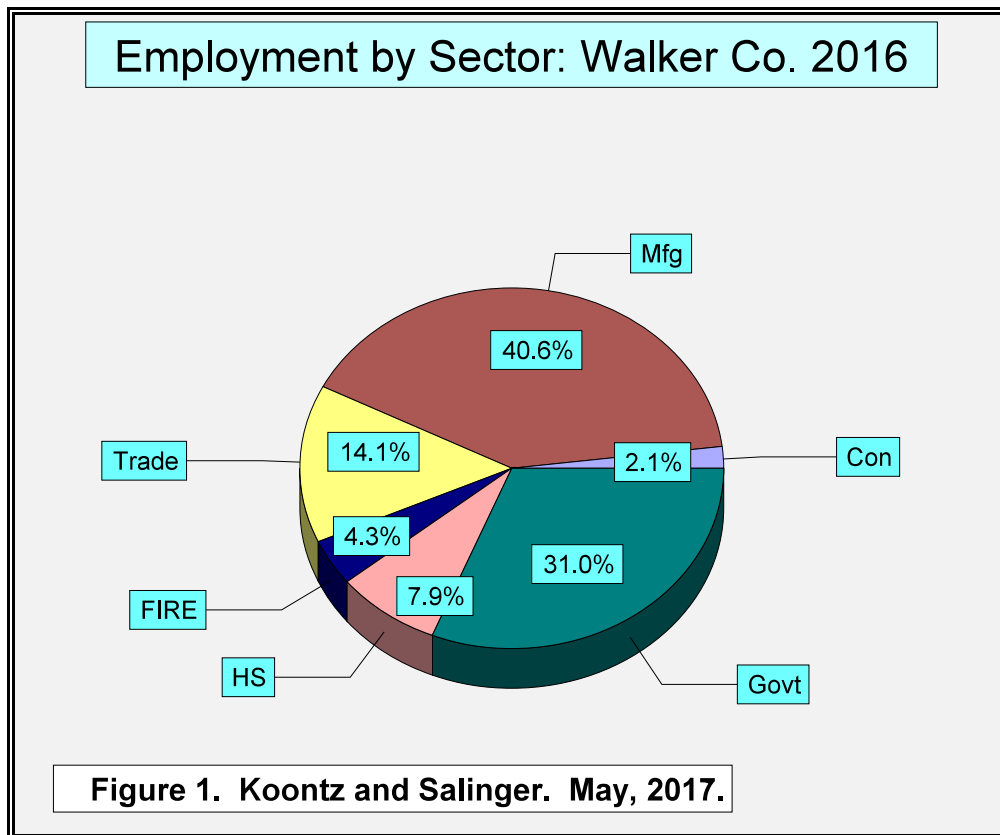
Jobs Counts by Counties Where Workers Live - All Jobs		2014	
		Count	Share
	All Counties	11,583	100.0%
	Walker County, GA	5,379	46.4%
	Catoosa County, GA	1,400	12.1%
	Hamilton County, TN	1,080	9.3%
	Chattooga County, GA	912	7.9%
	Whitfield County, GA	438	3.8%
	Dade County, GA	269	2.3%
	Floyd County, GA	221	1.9%
	Gordon County, GA	185	1.6%
	Murray County, GA	169	1.5%
	DeKalb County, AL	74	0.6%
	All Other Locations	1,456	12.6%

Source: US Census Bureau, 2011-2015 American Community Survey.

Table 13 Average Monthly Covered Employment by Sector, Walker County, 3 rd Quarter 2015 and 2016							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2015	12,613	214	4,278	1,503	434	950	3,356
2016	13,034	230	4,373	1,519	461	855	3,344
15-16 # Ch.	+ 421	+ 16	+ 95	+ 16	+ 27	- 95	- 12
15-16 % Ch.	+ 3.3	+7.5	+ 2.2	+1.1	+ 6.2	-10.0	- 0.4

Note: Con - Construction; Mfg - Manufacturing; T - Retail and Wholesale Trade; FIRE - Finance, Insurance and Real Estate; HCSS - Health Care and Social Services; G - Federal, State & Local Government

Figure 1 exhibits employment by sector in Walker County in the 3rd Quarter of 2016. The top four employment sectors are: manufacturing, trade, government and service. The 2017 forecast, is for the manufacturing sector to stabilize and the trade and healthcare sectors to increase.



Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, 2015 and 2016. Koontz and Salinger. May, 2017.

Table 14, exhibits average annual weekly wages in the 3rd Quarter of 2015 and 2016 in the major employment sectors in Walker County. It is estimated that the majority of workers in the service and trade sectors (excluding accommodation and food service workers) in 2017 will have average weekly wages between \$400 and \$925. Workers in the accommodation and food service sectors in 2017 will have average weekly wages in the vicinity of \$275.

Table 14				
Average 3rd Quarter Weekly Wages, 2015 and 2016				
Walker County				
Employment Sector	2015	2016	% Numerical Change	Annual Rate of Change
Total	\$ 615	\$ 632	+ 17	+ 2.8
Construction	\$ 698	\$ 930	+232	+33.2
Manufacturing	\$ 752	\$ 770	+ 18	+ 2.4
Wholesale Trade	\$ 780	\$ 700	- 80	-10.3
Retail Trade	\$ 399	\$ 418	+ 19	+ 4.8
Transportation & Warehouse	\$ 918	\$ 921	+ 3	+ 0.3
Finance & Insurance	\$ 874	\$ 936	+ 62	+ 7.1
Real Estate Leasing	\$ 589	\$ 559	- 30	- 5.1
Health Care Services	\$ 569	\$ 609	+ 40	+ 7.0
Educational Services	Na	Na	Na	Na
Hospitality	\$ 241	\$ 274	+ 33	+13.7
Federal Government	\$1107	\$1118	+ 11	+ 1.0
State Government	\$ 620	\$ 658	+ 38	+ 6.0
Local Government	\$ 562	\$ 564	+ 2	+ 0.4

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2015 and 2016.

Koontz and Salinger. May, 2017.

Major Employers

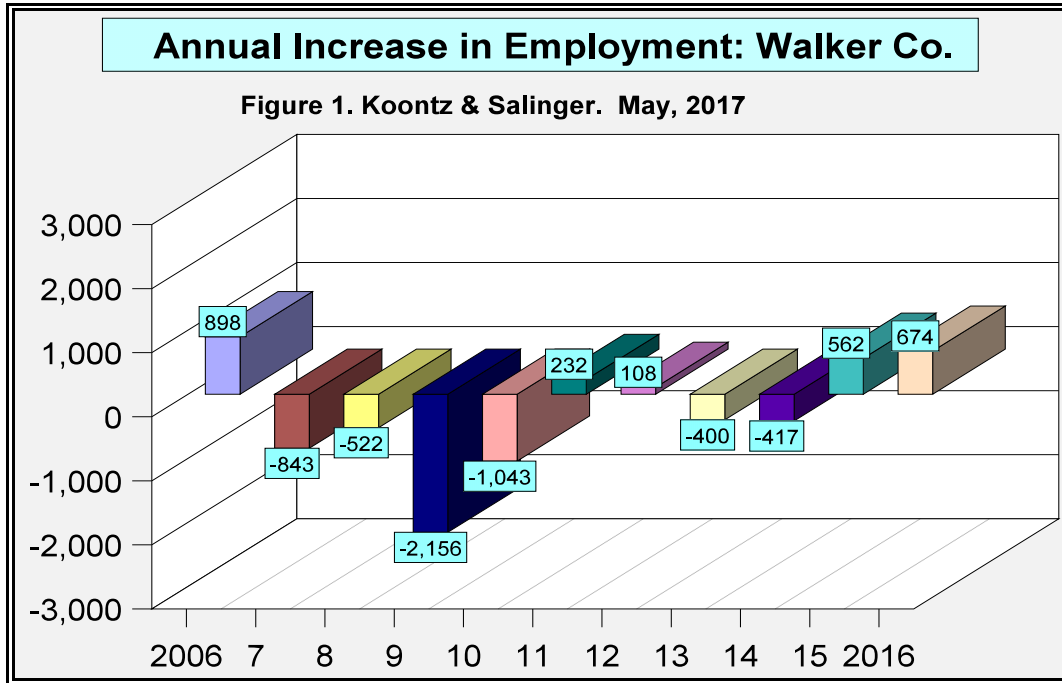
The major employers in Catoosa and Walker Counties are listed in Table 15.

Table 15		
Major Employers		
Firm	Product/Service	Employees
Manufacturing		
Roper	Appliances	1,800
SI, Inc.	Carpet Fiber & Backing	1,600
Shaw Industries	Carpet Yarn & Products	1,000
Phillips Brothers	Equipment Parts	100
Yates Bleachery	Bleach Cloth	250
Syntec	Nylon Yarn	200
Tillotson Corp.	Gloves	300
Wire Tech	Electrical Equipment	50
Crystal Springs Printworks	Fabric Finisher	160
Nissin	Brake Compnents	210
Propex	Geotextiles	150
Curbs Plus	Roof Curbs	120
Container Service Corp.	Cardboard Boxes	110
Roller-Die	Custom Roll Parts & Dies	109
Non Manufacturing		
Walker County	Government	309
Walker County School System	Education	1,334
Walmart (Walker County)	Retail	275
Walker County State Prison	Corrections	125
Catoosa County	Government	260
Catoosa County School System	Education	1,900
Freightliner of Chattanooga	Trucking	165
Five Star Vending	Food & Beverage Service	100

Sources: Catoosa County Economic Development Authority
 Northwest Georgia Joint Development Authority
 Southeast Industrial Development Association

SUMMARY

The economic situation for Walker County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 9-15, Walker County experienced employment losses between 2007 and 2010. Like much of the state and nation, very significant employment losses were exhibited in 2009. Significant to very significant gains were exhibited in both 2015 and 2016.



As represented in Figure 1 (and Table 10), between 2005 and 2007, the average increase in employment in Walker County was approximately +27 workers or approximately +0.09% per year. The rate of employment loss between 2008 and 2010, was very significant at over -5% per year, representing a annual net loss of -1,600 workers. The rate of employment loss between 2011 and 2014, was significant at approximately -0.84% per year. The 2015 to 2016, rate of gain was a considerable improvement when compared to the preceding two years at +2.42%. The rate of employment change thus far into 2017, is forecasted to exhibit an increase in the level of employment when compared to 2015 and 2016.

Monthly unemployment rates in 2016 were improved when compared to the 2009 to 2014 period. Monthly unemployment rates in 2016, were for the most part improving on a month to month basis, ranging between 4.8% and 7.3%.

The National forecast for 2017 (at present) is for the unemployment rate to approximate 4% to 4.5%. Typically, during the last three years, the overall unemployment rate in Walker County has been slightly higher than the state and national average unemployment rates. The annual unemployment rate in 2017 in Walker County is forecasted to continue to decline, to the vicinity of 5% (on an annual basis) and improving on a relative year to year basis.

The Walker County Development Authority is the lead economic development agency for Chickamauga and Walker County. The stated mission is "to improve the quality of life and increase community wealth for Walker County by promoting the expansion and growth of industry and diversification of the local economy". The Walker County Development Authority works closely with regional and state agencies, including the Georgia Department of Labor, the Northwest Georgia Joint Economic Development Authority, the Walker County Chamber of Commerce, and the Greater Chattanooga Economic Partnership.

Industrial site options in Walker County include two industrial parks. The Walker County Business Park has 463 acres available and the Northwest Georgia Business & Industrial Park has 38 acres available. Recently, Walker County completed work on equipping both of its industrial parks with fiber technology that will allow unlimited data processing capacity, making these some of the first "smart parks" in the State of Georgia. Target markets include Automotive, Textile and General Manufacturing. Walker County is gaining a reputation as "automotive alley" and currently has four manufacturing facilities supplying automotive parts, including one listed as a Tier One supplier to Honda.

Recent announcements resulting in job creation include the following:

(1) In April 2017, the Roper Corporation will begin to fill 100 new positions at its LaFayette, GA plant. The positions will be on the assembly line, putting together home cooking appliances under the GE, GE Profile and Monogram brands.

(2) The Audia Group recently finished construction fo a 300,000 SF plant in the Walker County Business Park. Roughly 60 jobs were created due to the \$50 million investment. Production of plastic pellets at the new plant began in mid-2016.

Sources: www.northwestgeorgia.us
www.georgiatrend.org
www.seida.info
www.Walkercounty.org

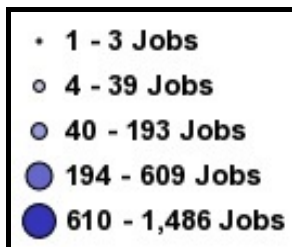
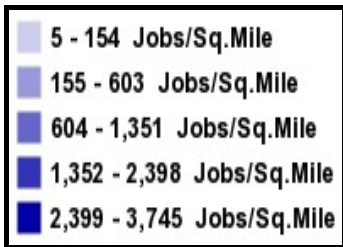
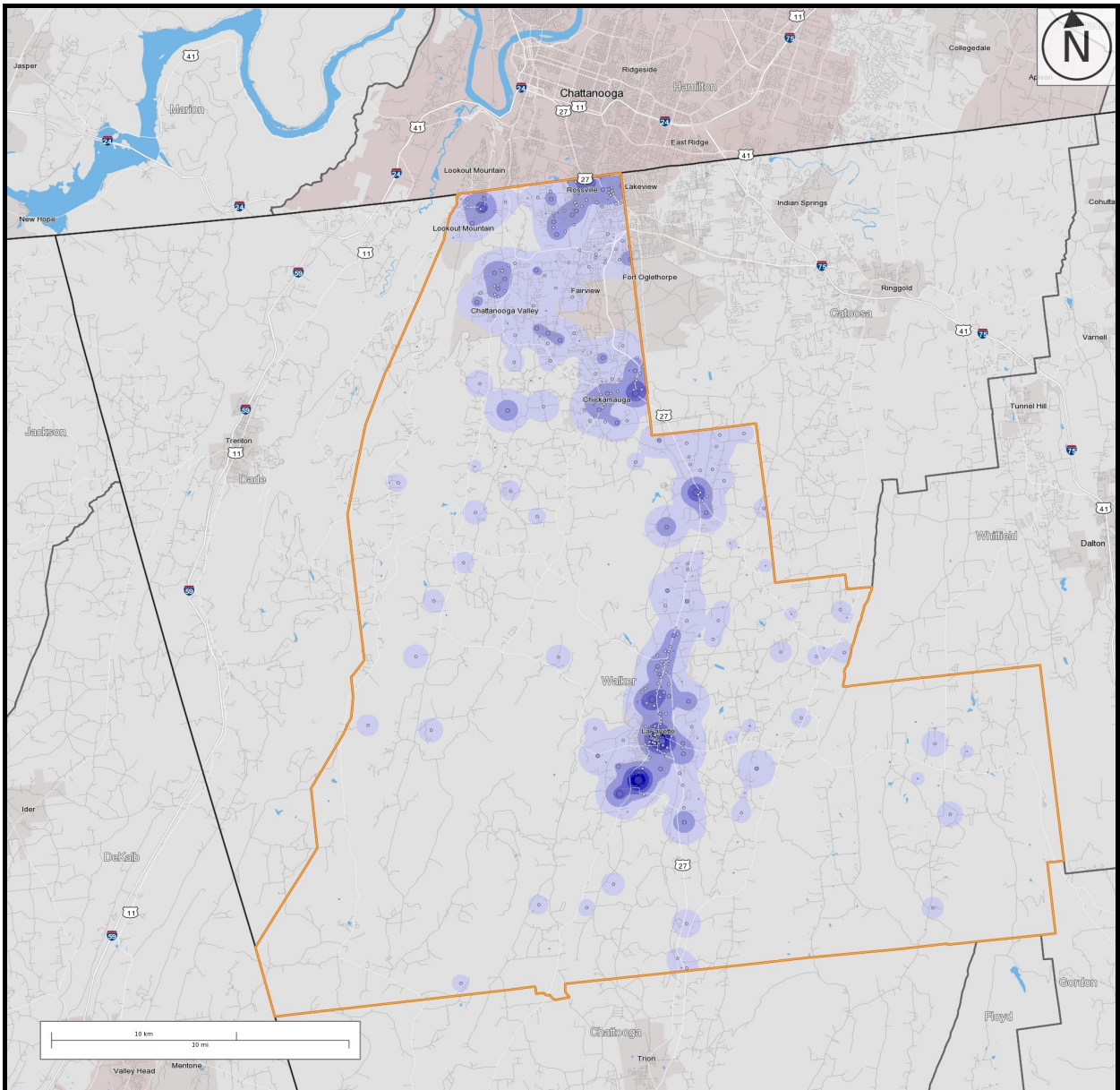
Local Economy - Relative to Subject & Impact on Housing Demand

Recent economic indicators in 2016, and thus far in 2017 suggest a scenario, in terms of economic growth (vs loss), in which the local economy will continue to grow at a moderate to significant pace in 2017. The Chickamauga - Walker County area economy has a sizable number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the good location of the site, with good proximity to several employment nodes, the proposed subject development will very likely attract potential elderly renters from those sectors of the workforce who are in need of affordable housing, a reasonable commute to work, and still participating in the local labor market.

For that portion of the 55 to 65 elderly subject target group that still desires or needs to continue working on a part-time basis, the Chickamauga and Walker County local economy provides many opportunities. The majority of the opportunities are in the local service and trade sectors of the economy.

A map of the major employment concentrations in Walker County is exhibited on the next page. Jobs in Walker County are concentrated in the US 27 Highway corridor, including the Chickamauga area and south of the PMA in the LaFayette area.

Major Employment Nodes in Walker County



SECTION G

PROJECT-SPECIFIC DEMAND ANALYSIS

This analysis examines the area market demand in terms of a specified GA-DCA demand methodology. This incorporates several sources of income eligible demand, including demand from new renter household growth and demand from existing elderly renter households already in the

Chickamauga PMA market.

Note: All elements of the demand methodology will be segmented by age (elderly 55 and over) and income, owing to the availability of detailed age 55+ income by tenure data.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimated projected year that the subject will be placed in service of 2019.

In this section, the effective project size is 60-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 6 and 7 from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered in the context of the current market conditions. This assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like-kind competitive supply. In this case, demand is discriminated by age and income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted elderly apartment projects in the market area.

Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2016 HUD Income Limits.
- (5) - 12% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 60 one-bedroom and two-bedroom units. The expected minimum to maximum number of people per unit is:

1BR - 1 and 2 persons
2BR - 2 persons

Analyst Note: As long as the unit in demand is income qualified there is no minimum number of people per unit. It is assumed that the target group for the proposed elderly development (by household size) will be one and two persons. Given the intended subject targeting by age, only household sizes of 1 and 2 persons were utilized in the determination of the income ranges, by AMI.

The proposed development will target 20% of the units at 50% or below of area median income (AMI), approximately 68% of the units at 60% AMI, and approximately 12% at Market.

LIHTC Segment

The lower portion of the target LIHTC income range is set by the proposed subject 1BR and 2BR rents at 50% and 60% AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income on rent. GA-DCA has set the estimate for elderly applications at 40%.

The proposed 1BR net rent at 50% AMI is \$340. The estimated utility costs is \$101. The proposed 1BR gross rent is \$441. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$13,230.

The proposed 2BR net rent at 50% AMI is \$410. The estimated utility costs is \$130. The proposed 2BR gross rent is \$540. The lower income limit at 50% AMI based on a rent to income ratio of 40% is established at \$16,200.

The proposed 1BR net rent at 60% AMI is \$340. The estimated utility costs is \$101. The proposed 1BR gross rent is \$441. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$13,230.

The proposed 2BR net rent at 60% AMI is \$410. The estimated utility costs is \$130. The proposed 2BR gross rent is \$540. The lower income limit at 60% AMI based on a rent to income ratio of 40% is established at \$16,200.

The maximum 50% and 60% AMI for 1 and 2 person households located within Walker County follows:

	<u>50%</u> <u>AMI</u>	<u>60%</u> <u>AMI</u>
1 Person -	\$21,450	\$25,740
2 Person -	\$24,500	\$29,400

Source: 2016 HUD MTSP Income Limits.

LIHTC Target Income Ranges

The overall income range for the targeting of income eligible households at 50% AMI is \$13,230 to \$24,500.

The overall income range for the targeting of income eligible households at 60% AMI is \$13,230 to \$29,400.

Market Rate Segment

In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income, with an estimated expenditure (for the Chickamauga market) of gross rent to income set at 25%.

The estimated 2BR gross rent is \$580. The 2BR lower income limit based on a rent to income ratio of 25% is established at \$27,840, adjusted to \$29,500, in order to avoid income overlap with the 60% AMI target income range.

Technically there is no upper income limit for age restricted conventional apartment developments. Sometimes, an arbitrary limit can be placed upon a proposed development, taking into consideration, project design, intended targeted use, site location and the proposed unit and development amenity package. After examining the overall subject development project parameters, the upper income limit will be capped at \$60,000.

Market Rate Target Income Range

The overall income range for the targeting of non income restricted elderly households is \$29,500 to \$60,000.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 50% AMI is \$13,230 to \$24,500.

It is projected that in 2019, approximately **16%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$13,230 to \$24,500.

It is projected that in 2019, approximately **22.5%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 50% AMI LIHTC target income group of \$13,230 to \$24,500.

60% AMI

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$13,230 to \$29,400.

It is projected that in 2019, approximately **23%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$13,230 to \$29,400.

It is projected that in 2019, approximately **30.5%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property 60% AMI LIHTC target income group of \$13,230 to \$29,400.

Adjustments

In order to adjust for income overlap between the 50% and 60% AMI income segments several adjustments were made resulting in the following discrete estimates/percentages of household age 55+, within the 50% AMI, and 60% AMI income ranges. The 60% income segment estimate was held constant for renter-occupied elderly households owing to the extent of its lower bound and in order to account for overlap with the 50% AMI income target group the 50% AMI estimate was reduced.

	<u>Owner-Occupied</u>	<u>Renter-Occupied</u>
50% AMI	8.0%	10.5%
60% AMI	15.0%	20.0%

Market Rate

The overall **Target Income Range** for the proposed subject property targeting households at Market is \$29,500 to \$60,000.

It is projected that in 2019, approximately **34%** of the elderly owner-occupied households age 55+ in the PMA will be in the subject property Market Rate target income group of \$29,500 to \$60,000.

It is projected that in 2019, approximately **20%** of the elderly renter-occupied households age 55+ in the PMA will be in the subject property Market Rate target income group of \$29,500 to \$60,000.

Effective Demand Pool

In this methodology, there are four basic sources of demand for an apartment project to acquire potential elderly tenants:

- * net renter household formation (normal growth),
- * existing elderly renter households who are living in substandard housing,
- * existing renters who choose to move to another unit, typically based on affordability (rent overburdened), and project location, and features, and
- * current homeowners who elect to become renters, typically based on changing physical and financial circumstances and yield to the difficulty in maintaining a home.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2015 and 2016.

Demand from New Elderly Renter Households (Growth)

For the PMA, forecast housing demand through household formation totals 65 elderly renter-occupied households over the 2017 to 2019 forecast period.

Based on 2019 income forecasts, 7 new elderly renter households fall into the 50% AMI target income segment of the proposed subject property, 13 into the 60% AMI target income segment, and 13 into the Market Rate target income segment.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2011-2015 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2011-2015 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 8 elderly renter-occupied households were defined as residing in substandard housing within the PMA. Based upon 2011-2015 American Community Survey data, 50 elderly renter-occupied households were defined as residing in substandard housing. The forecast in 2019 was for 15 elderly renter occupied households residing in substandard housing in the PMA.

Based on 2019 income forecasts, 2 substandard elderly renter households fall into the target income segment of the proposed subject property at 50% AMI, and 3 in the 60% AMI segment. This segment of the demand methodology is considered to be non applicable at Market.

Demand from Existing Renters

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2011-2015 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2019 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to: (1) the 2008-2010 national and worldwide recession, and slow recovery period since the report of the findings in the 2011-2015 American Community Survey, and (2) the restricted income targeting of the proposed subject development.

The 2011-2015 ACS indicates that within Walker County around 53.5% of all households age 65 and over (owners & renters) are rent or cost overburdened. In addition, the ACS estimates that approximately 84% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened, versus 47% in the \$20,000 to \$34,999 income range, and 65% in the overall \$10,000 to \$34,000 income range.

It is estimated that approximately 80% of the elderly renters with incomes in the 50% AMI target income segment are rent overburdened, 70% of the elderly renters with incomes in the 60% AMI target income segment are rent overburdened, and 35% at Market.

***Note:** HUD and the US Census define a rent over burdened household at 30% or greater of income to rent.

In the PMA it is estimated that 162 existing elderly renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property, 270 are in the 60% AMI segment, and 136 in the Market Rate segment.

Elderly Homeowner Tenure Conversion

An additional source of potential tenants involves elderly householders who currently own a home, but who may switch to a rental unit. This tendency is divergent for non-elderly and elderly households, and is usually the result of changes in circumstances in the households - the financial ability to pay maintenance costs and property taxes, the physical ability to maintain a larger, detached house, or an increased need for security and proximity of neighbors. In most cases, the need is strongest among single-person households, primarily female, but is becoming more common among older couples as well. Frequently, pressure comes from the householders' family to make the decision to move.

Recent surveys of new assisted housing for the elderly have indicated that an average of 15% to 30% of a typical, elderly apartment project's tenants were former homeowners. In order to remain conservative this demand factor was capped at **2.5%**.

Note: This element of the demand methodology does not allow for more than 2% of the overall demand estimate (up to this portion of the demand methodology) to be derived from owner-occupied tenure. (This is to ensure that there is no over weighting of demand from this portion of the demand methodology.)

After income segmentation, this results in 19 elderly households added to the target demand pool at 50% AMI, 35 elderly households added to the target demand pool at 60% AMI, and 79 elderly households added to the target demand pool at Market.

After adjusting for the 2% Rule, the 50% AMI segment was reduced by 16, the 60% AMI segment was reduced by 29, and the Market Rate segment was reduced by 76.

Total Effective Tenant Pool

The potential demand from these sources (in the methodology) total 174 households/units at 50% AMI. The potential demand from these sources (in the methodology) total 292 households/units at 60% AMI. The potential demand from these sources (in the methodology) total 152 households/units at Market. These estimates comprise the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA. These estimates of demand were adjusted for the introduction of new like-kind supply into the PMA since 2015. Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

The final segmentation process of the demand methodology was to subtract out like-kind competition/supply in the PMA built since 2015. In the case of the subject, like-kind supply includes other LIHTC and/or LIHTC/HOME elderly developments.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct competitive supply under construction and/or in the pipeline for development must be taken into consideration. At present, there are neither apartments under construction nor in the pipeline for development within Chickamauga that solely target the elderly population, or for that matter the general population as well. Source: Ms. Briggitt Garrett, Chickamauga Zoning and Planning Administrator, (706) 375-3177.

A review of the 2014, 2015 and 2016 list of awards for both LIHTC & Bond applications made by the Georgia Department of Community Affairs revealed that no awards were made in Walker County or the Fort Oglethorpe area of Catoosa County for LIHTC elderly new construction development.

No adjustments were made within the demand methodology in order to take into consideration new like-kind LIHTC-elderly supply.

The segmented, effective demand pool for the PMA is summarized in Tables 16A and 16B, on the following pages.

Table 16A

LIHTC Quantitative Demand Estimate: Chickamauga PMA

	AMI	AMI
● <u>Demand from New Growth - Elderly Renter Households</u>	<u>50%</u>	<u>60%</u>
Total Projected Number of Households (2019)	1,947	1,947
Less: Current Number of Households (2017)	<u>1,882</u>	<u>1,882</u>
Change in Total Renter Households	+ 65	+ 65
% of Renter Households in Target Income Range	<u>10.5%</u>	<u>20%</u>
Total Demand from New Growth	7	13
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing (2010)	50	50
Number of Households in Substandard Housing (2019)	15	15
% of Substandard Households in Target Income Range	<u>10.5%</u>	<u>20%</u>
Number of Income Qualified Renter Households	2	3
● <u>Demand from Existing Elderly Renter Households</u>		
Number of Renter Households (2019)	1,947	1,947
Minus Number of Substandard Renter Household	<u>- 15</u>	<u>- 15</u>
Total in Eligible Demand Pool	1,932	1,932
% of Households in Target Income Range	<u>10.5%</u>	<u>20%</u>
Number of Income Qualified Renter Households	203	386
Proportion Income Qualified (that are Rent Overburdened)	<u>80%</u>	<u>70%</u>
Total	162	270
● <u>Total Demand From Elderly Renters</u>	171	286
● <u>Demand from Existing Elderly Owner Households</u>		
Number of Owner Households (2019)	9,270	9,270
% of Households in Target Income Range	<u>8%</u>	<u>15%</u>
Number of Income Qualified Owner Households	742	1,391
Proportion Income Qualified (likely to Re-locate)	<u>2.5%</u>	<u>2.5%</u>
Total	19	35
2% Rule Adjustment	<u>- 16</u>	<u>- 29</u>
Net (after adjustment)	3	6
● <u>Net Total Demand</u>	174	292
● <u>Minus New Supply of Competitive Units (2015-2016)</u>	<u>- 0</u>	<u>- 0</u>
● <u>Gross Total Demand - LIHTC Segment</u>	174	292

Table 16B

Market Quantitative Demand Estimate: Chickamauga PMA

● <u>Demand from New Growth - Elderly Renter Households</u>	<u>Market</u>
Total Projected Number of Households (2019)	1,947
Less: Current Number of Households (2017)	<u>1,882</u>
Change in Total Renter Households	+ 65
% of Renter Households in Target Income Range	<u>20%</u>
Total Demand from New Growth	13
● <u>Demand from Existing Elderly Renter Households</u>	
Number of Renter Households (2019)	1,947
% of Households in Target Income Range	<u>20%</u>
Number of Income Qualified Renter Households	389
Proportion Income Qualified (that are Rent Overburdened)	<u>35%</u>
Total	136
● <u>Total Demand From Elderly Renters</u>	149
● <u>Demand from Existing Elderly Owner Households</u>	
Number of Owner Households (2019)	9,270
% of Households in Target Income Range	<u>34%</u>
Number of Income Qualified Owner Households	3,152
Proportion Income Qualified (likely to Re-locate)	<u>2.5%</u>
Total	79
2% Rule Adjustment	<u>- 76</u>
Net (after adjustment)	3
● <u>Net Total Demand</u>	152
● <u>Minus New Supply of Competitive Units (2015-2016)</u>	<u>- 0</u>
● <u>Gross Total Demand - Market Rate</u>	152

Table 16 - Converted w/in GA-DCA Required Table

	HH @30% AMI xx,xxx to xx,xxx	HH @50% AMI \$13,230 to \$24,500	HH@ 60% AMI \$13,230 to \$29,400	HH @ Market \$29,500 to \$60,000	All LIHTC Households
Demand from New Households (age & income appropriate)		7	13	13	20
Plus					
Demand from Existing Renter Households - Substandard Housing		2	3	0	5
Plus					
Demand from Existing Renter Households - Rent Overburdened households		162	270	136	432
Sub Total		171	286	149	457
Demand from Existing Households - Elderly Homeowner Turnover (limited to 2%)		3	6	3	9
Equals Total Demand		174	292	152	466
Less					
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the project market between 2015 and the present		0	0	0	0
Equals Net Demand		174	292	114*	466

*When adjusted for the proposed subject BR Mix at Market this estimate is reduced to 114 further into the demand and capture rate analysis.

Capture Rate Analysis

LIHTC Segment

After adjusting for new like kind supply, the total number of LIHTC Income Qualified Households = 466. For the subject 53 LIHTC units this equates to an overall LIHTC Capture Rate of **11.4%**.

	50%	60%
	<u>AMI</u>	<u>AMI</u>
● <u>Capture Rate</u> (53 unit subject, by AMI)		
Number of Units in Subject Development	12	41
Number of Income Qualified Households	174	292
Required Capture Rate	6.9%	14.0%

Market Rate Segment

After adjusting for new like kind supply, the total number of Market Rate Income Qualified Households = 152. For the subject 7 Market Rate units this equates to an overall Market Capture Rate of **4.6%**.

	<u>Market</u>
● <u>Capture Rate</u> @ Market	
Number of Units in Subject Development	7
Number of Income Qualified Households	152
Required Capture Rate	4.6%

Adjusted for the Market Rate bedroom mix (2BR only) results in the following overall Market Capture Rate of **6.1%**.

	<u>Market</u>
● <u>Capture Rate</u> @ Market	
Number of Units in Subject Development	7
Number of Income Qualified Households	114
Required Capture Rate	6.1%

- Total Demand by Bedroom Mix

Approximately 41.5% of the 55 and over population in the PMA is in the 55 to 64 age group. Also, of the PMA population that comprises 1 and 2 person households (both owners and renters), approximately 42.5% are 1 person and 57.5% are 2 person (see Table 8). In addition, the size of the households age 55+ in the 2010 to 2022 forecast period is estimated to have stabilized at around 1.65 between 2010 and 2022, well over a 1.5 ratio. Finally, the Applicant has experience in offering a product at a very affordable net rent, with large size units that make the proposed 2BR units very attractive to the market. All these factors in turn suggests additional demand support for 2BR units.

Based on these data it is assumed that 25% of the target group will demand a 1BR unit and 75% a 2BR unit.

* At present there are no LIHTC like kind competitive properties either under construction or in the pipeline for development.

Total Demand by Bedroom Type (at 50% AMI)

1BR - 44
 2BR - 130
 Total - 174

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	44	0	44	7	15.9%
2BR	130	0	130	5	3.8%

Total Demand by Bedroom Type (at 60% AMI)

1BR - 73
 2BR - 219
 Total - 292

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	73	0	73	1	1.4%
2BR	219	0	219	40	18.3%

Total Demand by Bedroom Type (at Market)

1BR - 38
 2BR - 114
 Total - 152

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	38	0	38	0	Na
2BR	114	0	114	7	6.1%

Capture Rate Analysis Chart

Income Targeting	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Abspt
30% AMI							
1BR							
2BR							
3BR							
4BR							
50% AMI							
1BR	\$13,230-\$21,450	7	44	0	44	15.9%	1 mo.
2BR	\$16,200-\$24,500	5	130	0	130	3.8%	1 mo.
3BR							
4BR							
60% AMI							
1BR	\$13,230-\$25,740	1	73	0	73	1.4%	1 mo.
2BR	\$16,200-\$29,400	40	219	0	219	18.3%	5 mos.
3BR							
4BR							
Market Rate							
1BR							
2BR	\$29,500-\$60,000	7	114	0	114	6.1%	2 mos.
3BR							
4BR							
Total 30%							
Total 50%	\$13,230-\$24,500	12	174	0	174	6.9%	1 mo.
Total 60%	\$13,230-\$29,400	41	292	0	292	14.0%	5 mos.
Total LIHTC	\$13,230-\$29,400	53	466	0	466	11.4%	5 mos.
Total Market	\$29,500-\$60,000	7	114	0	114	6.1%	2 mos.

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

Overall Impact to the Rental Market

In the opinion of the market analyst, the proposed new construction LIHTC/Market Rate elderly development **will not negatively impact** the existing supply of program assisted LIHTC properties located within the Chickamauga PMA in the short or long term. At the time of the survey, the existing LIHTC elderly developments located within the area competitive environment were on average 98% occupied, with four of the five LIHTC elderly properties maintaining a sizable waiting list ranging between 20 and 52 applications.

The nearest LIHTC/Market Rate elderly property to the proposed subject site is The Village at Chickamauga I Apartments which opened in 2007. At the time of the survey, the 40-unit development was 100% occupied and had 52 applicants on the waiting list. Management reported that the development was 100% occupied within 3-months of opening.

Some relocation of elderly tenants in the area program assisted properties could occur in any of the properties, particularly those properties absent deep subsidy rental assistance (RA) support. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

SECTION H

**COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS**

This section of the report evaluates the general rental housing market conditions in the Chickamauga PMA competitive apartment market, for both LIHTC Elderly apartment properties and market rate apartment properties.

Part I of the survey focused upon a sample of market rate properties within the Chickamauga PMA. Owing to the fact that Chickamauga lacks traditional market rate properties of size, the market rate data set consisted of market rate properties located approximately 5 miles north of Chickamauga in Fort Oglethrope and Rossville. Part II consisted of a survey of the LIHTC elderly apartment properties located with Chickamauga competitive environment, in particular properties located along or near to the US Highway 27 (north/south) corridor. The analysis includes individual summaries and pictures of properties.

The immediate Chickamauga rental market is representative of a rural to semi-urban rental market, significantly influenced by a much larger rural hinterland. Most of the local market rate rental stock comprises small properties. Larger market rate apartment properties are located in the vicinity of Fort Oglethrope and Rossville. The vast majority of the apartment properties surveyed were in good to very good condition.

Part I - Sample Survey of Market Rate Apartments

Six market rate properties representing 855 units, were surveyed in the subject's overall competitive environment, in detail. Several key findings in the local conventional apartment market include:

- * At the time of the survey, the estimated vacancy rate of the surveyed market rate properties was less than 1%, at 0.4%.
- * The bedroom mix of the surveyed market rate apartment properties is 9% 0BR, 58.5% 1BR, 32% 2BR and .5% 3BR.
- * A survey of the surveyed conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
0BR/1b	\$392	\$380	\$350-\$500
1BR/1b	\$544	\$525	\$464-\$635
2BR/1b	\$639	\$650	\$635-\$688
2BR/1.5b & 2b	\$744	\$665	\$590-\$835
3BR/2b	\$710	\$710	\$710-\$710

Source: Koontz & Salinger. May, 2017

* At the time of the survey, none of the surveyed market rate properties were offering rent concessions.

* The survey of the competitive apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

Surveyed Competitive Environment - Unit Size			
BR/Size	Average	Median	Range
0BR/1b	390	350	288-480
1BR/1b	664	600	500-850
2BR/1b	820	820	816-864
2BR/1.5b & 2b	1158	1025	864-1300
3BR/2b	963	963	963-963

Source: Koontz & Salinger. May, 2017

* In the area of unit size, by bedroom type, the subject will offer competitive unit sizes, by floor plan, in comparison with the existing market rate properties. The proposed subject 1BR heated square footage is approximately 15% greater than the 1BR market average unit size. The proposed subject 2BR heated square footage is approximately 4% less than the 2BR market average unit size.

Part II - Survey of the LIHTC Elderly Competitive Environment

Five LIHTC elderly apartment properties, representing 308 units, were surveyed in the subject's competitive environment, in detail. Several key findings in the local program assisted apartment market include:

* At the time of the survey, the estimated vacancy rate of the surveyed LIHTC elderly apartment properties was 2%.

* At the time of the survey, the four of the five surveyed LIHTC elderly properties maintained a waiting list ranging in size of between 20 to 52 applicants.

* The nearest LIHTC elderly property to the proposed subject site is the Village at Chickamauga I apartments which opened in 2007. At the time of the survey, the 40-unit development was 100% occupied and had 52 applicants on the waiting list. Management reported that the development was 100% occupied within 3-months of opening.

* The typical absorption period of LIHTC elderly properties located within Northwest Georgia is 3 to 8 months. Most of the surveyed LIHTC elderly properties were 100% occupied over a 3 to 4 month period.

* The bedroom mix of the surveyed LIHTC elderly apartment properties is 41% 1BR and 59% 2BR.

Section 8 Vouchers

The Section 8 voucher program for Chattooga County is managed by the Georgia Department of Community Affairs, Atlanta Office. At the time of the survey, the Georgia DCA State Office stated that 32 vouchers held by elderly households were under contract within Catoosa County. In addition, it was reported that presently there are 49 applicants on the waiting list for Catoosa County. At the time of the survey, the Georgia DCA regional office stated that 57 vouchers held by elderly households were under contract within Walker County. In addition, it was reported that presently there are 79 applicants on the waiting list for Walker County. The waiting list is presently closed. Source: Mr. Anton Shaw, Director of Policy and Administration, GA-DCA, Atlanta Office, (404) 982-3569, April 6, 2017.

Most Comparable Property

* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Fort Town	Fort Town	
Fountain Brook	Fountain Brook	
Lakeshore I	Lakeshore I	
Park Lane	Park Lane	
Park Trace	Park Knoll	

Source: Koontz & Salinger. May, 2017

* The most direct like-kind comparable surveyed properties to the proposed subject development in terms of age and income targeting are the five surveyed LIHTC elderly properties located within the Chickamauga competitive environment.

* In terms of market rents, and subject rent advantage, the most comparable properties, comprise a compilation of the surveyed market rate properties located within the local competitive environment. Five of the surveyed market rate properties are located in Fort Oglethorpe and one in Rossville. No distance value adjustment is applied within the rent reconciliation process for those properties owing to the fact that they are only 5 to 6 miles north of the proposed site location in Chickamauga.

Housing Voids

Based upon the sizable waiting lists (at the time of the survey) in the majority of the surveyed LIHTC elderly properties located within the Chickamauga competitive environment it is evident that an existing and on-going housing void remains. Existing demand strongly suggest that additional need exists for affordable, professionally managed, apartment housing targeting the low to moderate income elderly population in the PMA.

Fair Market Rents

The 2017 Fair Market Rents for Walker County, GA are as follows:

Efficiency = \$ 562
1 BR Unit = \$ 661
2 BR Unit = \$ 822
3 BR Unit = \$1084
4 BR Unit = \$1343

*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.gov

Note: The proposed subject property LIHTC one and two-bedroom gross rents are set below the maximum Fair Market Rent for a one and two-bedroom unit at 50% and 60% AMI. Thus, the subject property LIHTC 1BR and 2BR units at 50% and 60% AMI will be readily marketable to Section 8 voucher holders in Walker County.

Change in Average Rents

Between June 2011 and April 2017, the Chickamauga competitive environment conventional apartment market exhibited the following change in average net rents, by bedroom type:

	<u>2011</u>	<u>2017</u>	<u>% Change</u>	<u>Annual</u> (approx.)
1BR/1b	\$468	\$544	+ 16.2%	+2.54%
2BR/1b	\$567	\$639	+ 12.7%	+2.01%
2BR/2b	\$683	\$744	+ 8.9%	+1.44%

Table 17 exhibits building permit data between 2000 and 2016. The permit data is for Walker County, which includes Chickamauga.

Between 2000 and 2016, 4,299 permits were issued in Walker County, of which approximately 9% were multi-family.

Table 17			
New Housing Units Permitted: Walker County, 2000-2016¹			
Year	Net Total ²	Single-Family Units	Multi-Family Units
2000	334	294	40
2001	384	304	80
2002	425	331	94
2003	439	415	24
2004	522	512	10
2005	490	490	0
2006	424	406	18
2007	317	275	42
2008	190	176	14
2009	105	97	8
2010	75	69	6
2011	86	80	6
2012	51	51	0
2013	144	99	45
2014	84	84	0
2015	104	100	4
2016	125	123	2
Total	4,299	3,906	393

¹Source: New Privately Owned Housing Units Authorized In Permit Issuing Places, U.S. Department of Commerce, C-40 Construction Reports. U.S. Census Bureau.

SOCDS Building Permit Database.

²Net total equals new SF and MF dwellings units.

Table 18, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed conventional apartment properties within the competitive environment.

Table 18											
SURVEY OF CONVENTIONAL APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	60	8	52	--	Na	\$340	\$410-\$450	--	779	1109	--
Fort Town	251	163	88	--	0	\$510-\$530	\$635-\$665	--	600	816-1024	--
Fountain Brook	224	100	124	--	3	\$635	\$825-\$835	--	850	1300	--
Lakeshore I	79	74	5	--	0	\$500-\$595	\$680	--	288-576	864	--
Park Lane	207	175	32	--	0	\$350-\$515	\$590-\$620	--	350-728	958	--
Park Knoll	32	--	28	4	0	--	\$665	\$710	--	925-1040	963
Park Trace	62	62	--	--	0	\$464	--	--	500	--	--
Total*	855	574	277	4	3						

* - Excludes the subject property

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. May, 2017.

Table 19, exhibits the key amenities of the subject and the surveyed conventional apartment properties. Overall, the subject is competitive to very competitive with all of the existing conventional apartment properties in the local market regarding the unit and development amenity package.

Table 19													
SURVEY OF CONVENTIONAL APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
Fort Town	x		x			x		x	x	x	x		x
Fountain Brook	x		x		x	x	x	x	x	x	x	x	x
Lakeshore I	x	x			x		x	x	x	x	x		x
Park Lane	x	x	x			x		x	x	x	x		x
Park Knoll	x	x	x			x		x	x	x	x		x
Park Trace	x				x				x	x	x		x

Source: Koontz and Salinger. May, 2017.

Key: A - On-Site Mgmt B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

Table 20, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed LIHTC elderly apartment properties located within the Chickamauga competitive environment.

Table 20											
SURVEY OF LIHTC ELDERLY APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	60	8	52	--	Na	\$340	\$410-\$450	--	779	1109	--
Lucky Pointe	52	24	28	--	2	\$385-\$420	\$425-\$455	--	760	1002	--
Endeavor Pointe	64	8	56	--	0	\$357	\$377	--	762	1078	--
South Rossville	60	38	22	--	2	\$385	\$430	--	680	918	--
Village at Chickamauga	40	16	24	--	0	\$400-\$440	\$430-\$475	--	760	1002	--
Woodland Senior	92	40	52	--	2	\$368	\$439-\$465	--	622	800-1078	--
Total*	308	126	182	--	6						

* - Excludes the subject property

Comparable Properties are highlighted in red.

Source: Koontz and Salinger. May, 2017.

Table 21, exhibits the key amenities of the subject and the surveyed program assisted apartment properties. Overall, the subject is competitive with the existing LIHTC elderly apartment properties in the Chickamauga competitive environment regarding the unit and development amenity package.

Table 21													
SURVEY OF LIHTC ELDERLT APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
Lucky Pointe	x	x			x	x	x	x	x	x	x	x	x
Endeavor Pointe	x	x			x	x	x	x	x	x	x	x	x
South Rossville	x	x			x	x	x	x	x	x	x	x	x
Village at Chickamauga	x	x			x	x	x	x	x	x	x	x	x
Woodland Senior	x	x			x	x	x	x	x	x	x	x	x

Source: Koontz and Salinger. May, 2017.

Key: A - On-Site Mgmt B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information.

A map showing the location of the LIHTC elderly properties in the Chickamauga competitive environment is provided on page 97. A map showing the location of the surveyed Market Rate properties located within the Chickamauga competitive environment is provided on page 98. A map showing the location of the surveyed Comparable Properties in the Chickamauga competitive environment is provided on page 99.

Survey of the Competitive Environment - Market Rate

1. Fort Town Place Apartments, 304 Fort Town Dr (706) 866-1114
Fort Oglethorpe

Contact: Mr Blake (3/29/17)
Date Built: 2000's

Type: Conventional
Condition: Good to Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	163	\$510-\$530	600	0
2BR/1b	44	\$635	816	0
2BR/1.5b	44	\$665	1024	0
Total	251			0

Typical Occupancy Rate: high 90's
Security Deposit: \$360-\$410
Utilities Included: Trash

Waiting List: "not needed"
Concessions: No
Turnover: "low turnover"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	No	Clubhouse	No
Fitness Ctr	Yes	Recreation Area	No
Storage	No	Picnic Area	No

Design: 1 & 2 story

Remarks: 2BR/1.5b with a garage is \$715



2. Fountain Brook Apartments, 100 Brookhaven Cir (706) 866-9441
 Fort Oglethorpe (423) 298-3294

Contact: Ms Jenny, Lsg Con (4/3/17)
Date Built: 2000/2006

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	100	\$635	850	0
2BR/1.5b	100	\$825	1300	3
2BR/2b	24	\$835	1300	0
Total	224			3

Typical Occupancy Rate: high 90's
Security Deposit: \$300-\$400
Utilities Included: Trash

Waiting List: Yes (4)
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	No	Clubhouse	Yes
Fitness Ctr	Yes	Recreation Area	No
Storage	Yes	Picnic Area	No

Design: 2 & 3 story walk-up

Remarks: storage premium is \$35; garage premium is \$110-\$130 per month



3. Lakeshore I Apartments, 1100 Lakeshore Dr (706) 861-5518
Fort Oglethorpe

Contact: Stephen, Mgr (3/29/17)
Date Built: 1985

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
0BR/1b	15	\$500	288	0
1BR/1b	59	\$595	576	0
2BR/1b	4	\$680	864	0
2BR/2b	1	\$680	864	0
Total	79			0

Typical Occupancy Rate: high 90's
Security Deposit: \$250
Utilities Included: None

Waiting List: Yes (2 month wait)
Concessions: No
Turnover: "low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Clubhouse	No
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: 1 story

Remarks: recently remodeled



4. Park Lake Apartments, 950 Park Lake Rd (706) 861-1666
Fort Oglethorpe

Contact: Phyllis & Barbara (4/3/17)
Date Built: 1983

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
0BR/1b	60	\$350-\$380	350-450	0
1BR/1b	115	\$515	728	0
2BR/1.5b	32	\$590-\$620	958	0
Total	207			0

Typical Occupancy Rate: high 90's
Security Deposit: 1 month rent
Utilities Included: water, sewer, trash

Waiting List: Yes
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Clubhouse	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 2 story walk-up

Remarks: might be LRO or Yieldstar



5. Park Knoll Apartments, 2212 S Cedar Ln (423) 402-8185
Fort Oglethorpe

Contact: Cindy (3/30/17)
Date Built: 1984

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1.5b	28	\$665	925-1040	0
3BR/2b	4	\$710	963	0
Total	32			0

Typical Occupancy Rate: high 90's
Security Deposit: \$200
Utilities Included: water, sewer, trash (Partial)

Waiting List: "as needed"
Concessions: No
Turnover: "low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	Yes	Ceiling Fan	Yes
W/D Hook Up	No	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Clubhouse	No
Fitness Ctr	No	Recreation Area	No
Storage	Yes	Picnic Area	No

Design: 2 story walk-up

Remarks: units include a microwave; flat rate for water, sewer, trash of \$33.50



6. Park Trace Apartments, 730 W James Ln (706) 858-0140
 Rossville

Contact: Ms Gina (3/30/17)
Date Built: 1984

Type: Conventional
Condition: Good to Fair

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	62	\$464	500	0
Total	62			0

Typical Occupancy Rate: high 90's
Security Deposit: \$200
Utilities Included: water, sewer, trash

Waiting List: "1st come 1st serve"
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)_	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: 2 story walk-up



Survey of the Competitive Environment: LIHTC Elderly

1. Lucky Pointe Apartments, LaFayette, Stanfield Rd (706) 638-2654

Contact: Ronna, Mgr (4/3/17)
Date Built: 2008

Type: LIHTC el
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>MR</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	24	\$385	\$390	\$420	\$92	760	2
2BR/2b	28	\$425	\$430	\$455	\$85	1002	0
Total	52 -	19	17	16			2

Typical Occupancy Rate: 95%
Security Deposit: \$150
Utilities Included: Trash

Waiting List: Yes (42 apps)
Concessions: No
Turnover: "very low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: two story w/elevator

Remarks: 2 tenants have a Section 8 voucher; no negative impact expected; property absorbed over a 4-month period; 2BR units in most demand



2. Endeavor Pointe, Rock Spring, 102 Endeavor Pt Way (706) 375-8800

Contact: Sandy Lee, Mgr. (4/5/17)
 Nick Sherman, Owner

Type: LIHTC e1

Date Built: 2013

Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% 60%</u> <u>Rent</u>		<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$357	\$357	\$133	762	0
2BR/2b	56	\$377	\$377	\$163	1078	0
Total	64 -	13	51			0

Typical Occupancy Rate: 100%

Waiting List: Yes (35 apps)

Security Deposit: 1 month

Concessions: No

Utilities Included: Trash

Turnover: "low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: two story w/elevator

Remarks: 0 Section 8 voucher holders; expects no negative impact; the property was absorbed over a 7 to 8-month period; 2BR units are in most demand



3. South Rossville Senior Village Apts, 1300 McFarland Ave (706) 861-3934
Rossville

Contact: Valerie, Mgr (4/3/17)
Date Built: 2003

Type: LIHTC/HOME el
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>MR</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	38	\$385	\$385	--	Na	680	2
2BR/1b	22	\$430	\$430	\$430	Na	918	0
Total	60 -	24	24	12			2

Typical Occupancy Rate: 95%+
Security Deposit: 1 month rent
Utilities Included: Trash

Waiting List: Yes (20 apps)
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: rehab of high school & new construction two story w/elevator

Remarks: vac units will fill w/in 30-days; the property was absorbed over a 4-month period; no negative impact expected



4. The Village @ Chickamauga, 147 Arrow Dairy Ln (706) 375-3047

Contact: Missy, Mgr (4/4/17)
Date Built: 2007

Type: LIHTC e1
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>MR</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	16	\$400	\$410	\$440	\$113	760	0
2BR/2b	24	\$430	\$445	\$475	\$150	1002	0
Total	40 -	16	16	8			0

Typical Occupancy Rate: 99%+
Security Deposit: \$150
Utilities Included: Trash

Waiting List: Yes (52 apps)
Concessions: No
Turnover: "very low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: two story w/elevator

Remarks: 0 Section 8 voucher holders; the property was 100% absorbed over a 3-month period; 2BR units are in most demand; no negative impact



5. Woodland Senior Village, LaFayette, 1201 N Main St (706) 639-9595

Contact: Hoberta Freeman, Mgr (3/30/17) **Type:** LIHTC e1 (55+)
Date Built: Phase I 2003; Phase II 2014 **Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>50% AMI Rent</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	40	\$368	\$368	622	1
2BR/1b	12	\$439	\$439	800	1
2BR/2b	40	\$465	\$465	1078	0
Total	92				2

Typical Occupancy Rate: 99% **Waiting List:** Yes "as needed"
Security Deposit: 1 month rent **Concessions:** No
Utilities Included: water, sewer, trash **Turnover:** Na
Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

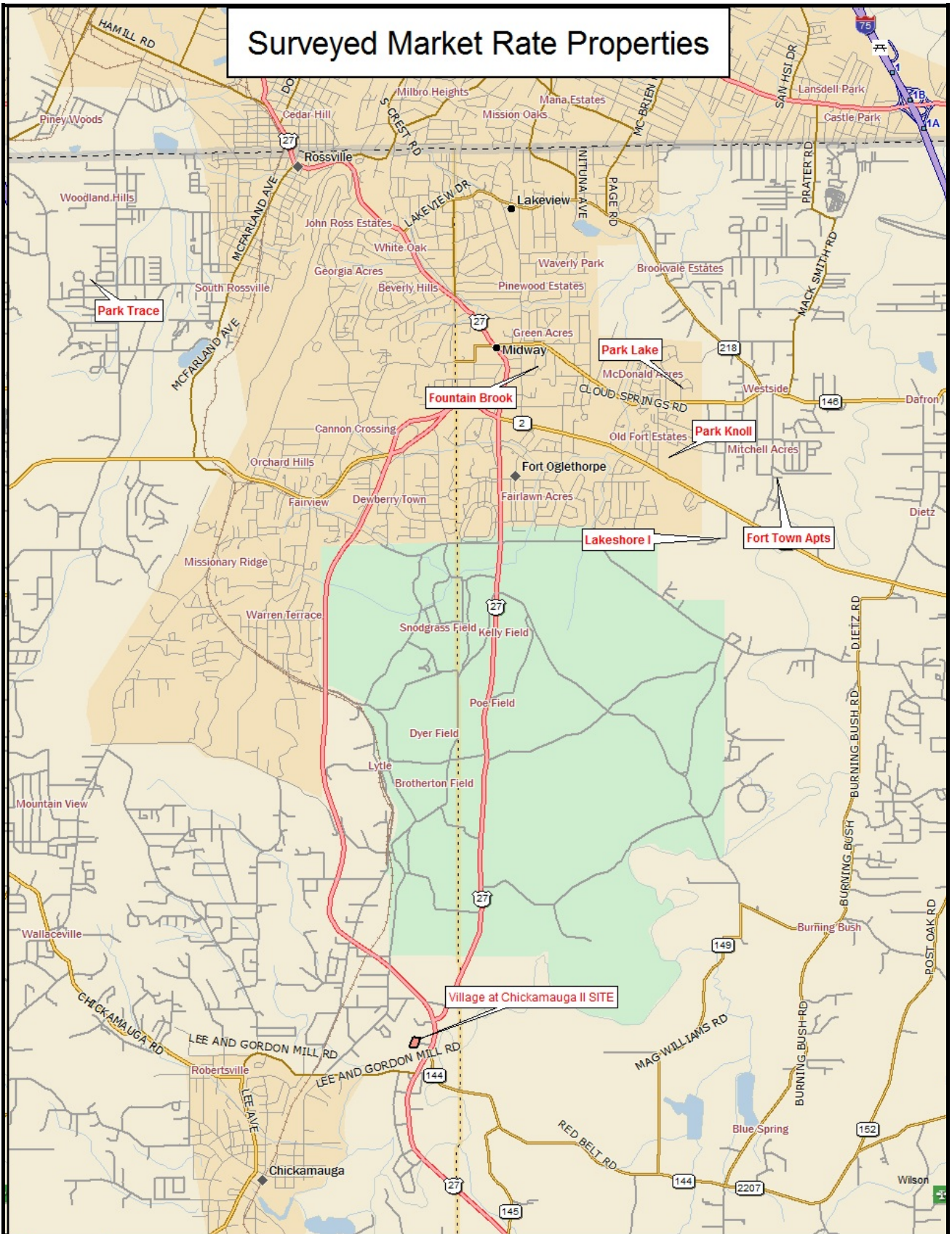
On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	No	Picnic Area	Yes

Design: 1 story

Remarks: 7 households have a Section 8 voucher; no negative impact is expected; demand greatest for 2BR units



Surveyed Market Rate Properties



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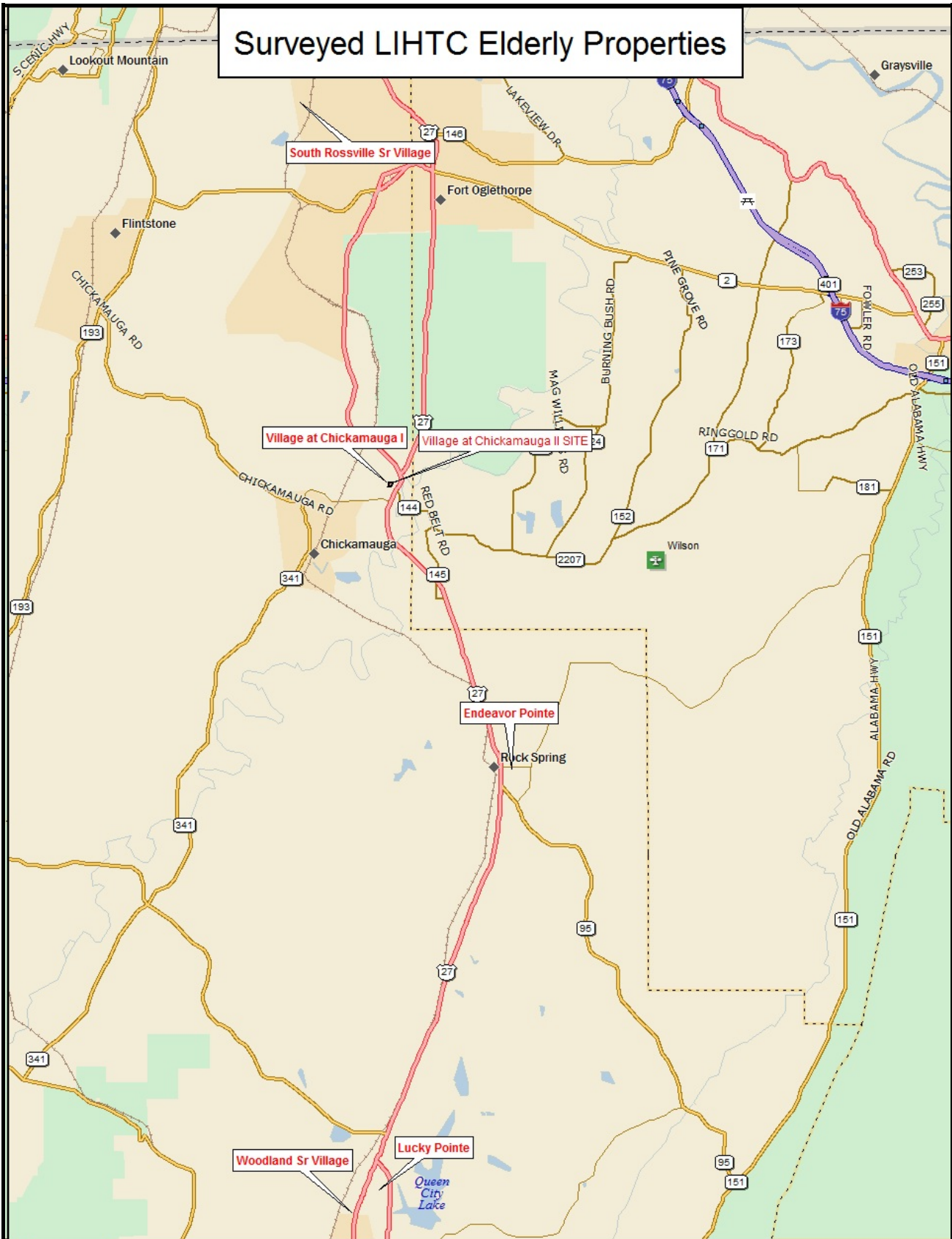


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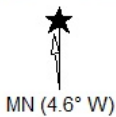


Data Zoom 11-6

Surveyed LIHTC Elderly Properties

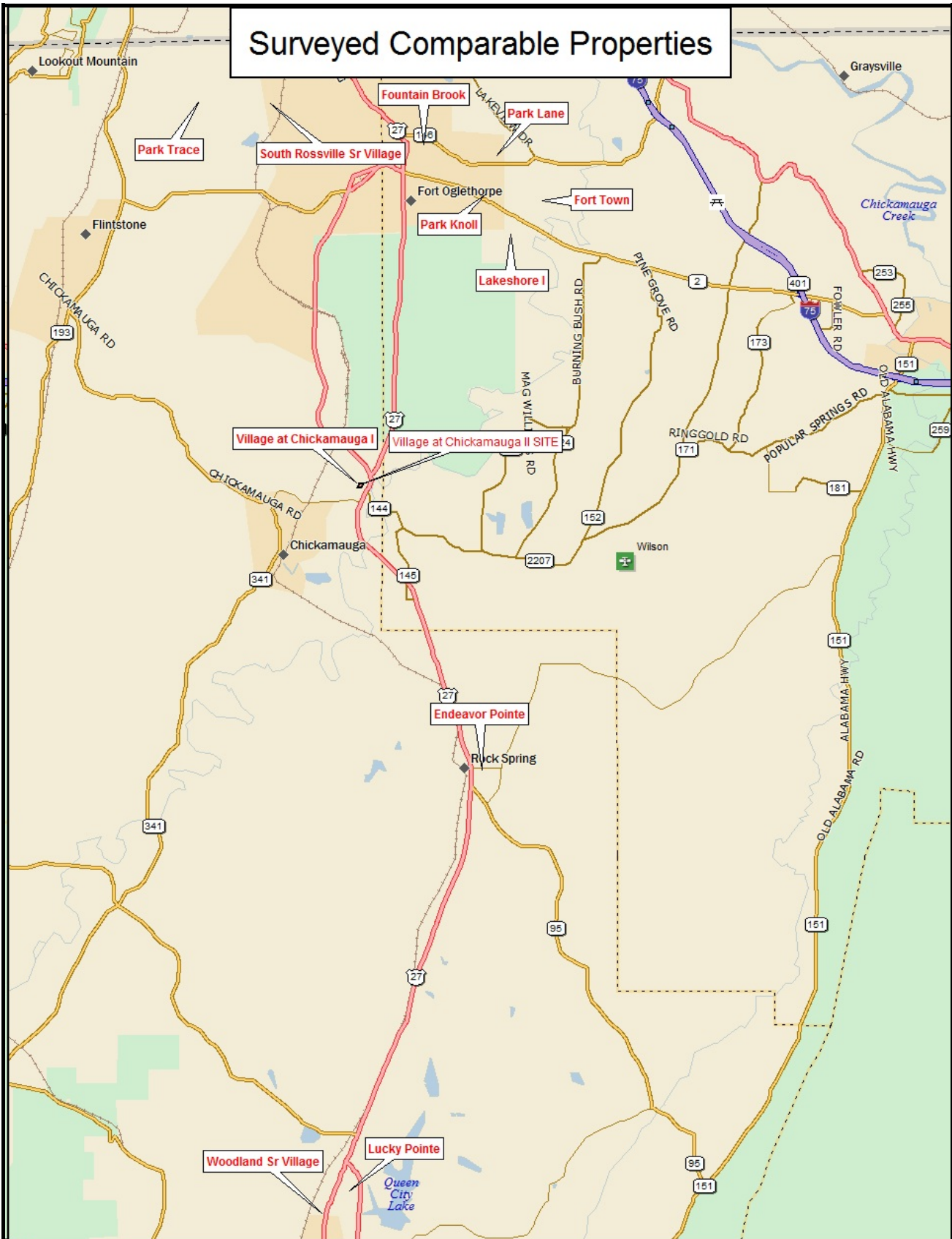


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Surveyed Comparable Properties



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SECTION I
 ABSORPTION &
 STABILIZATION RATES

Given the strength of the demand estimated in Table 15, the most likely/best case scenario for 93% to 100% rent-up is estimated to be within 5 months (at 12-units per month on average).

The rent-up period estimate is based upon several recently built LIHTC elderly developments located in Northwest Georgia:

<u>Calhoun</u> (2003)		
Catoosa Sr Village	60-units	7-months to attain 100% occupancy
<u>Chatsworth</u> (2007)		
Linwood Place	48-units	3-months to attain 100% occupancy
<u>Chickamauga</u> (2007)		
Village of Chickamauga	40-units	3-months to attain 100% occupancy
<u>LaFayette</u> (2008)		
Lucky Pointe	54-units	4-months to attain 100% occupancy
<u>Summerville</u> (2007)		
Saratoga Court (2003)	48-units	6-months to attain 100% occupancy

Note: In addition, the absorption of the project is contingent upon an attractive product, a competitive amenity package, competitive rents and professional management. Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.

NCHMA Definitions

Absorption Period: The period of time necessary for a newly constructed renovated property to achieve the Stabilized Level of occupancy. The Absorption Period begins when the first certificate of occupancy is issued and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. This assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption Rate: The average number of units rented each month during the Absorption Period.

Stabilized Level of Occupancy: The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

SECTION J
INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research process. In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site

location, project size, bedroom mix, income targeting and net rents. The following observations/comments were made:

(1) - Ms. Briggitt Garrett, Chickamauga Zoning and Planning Administrator reported that no ongoing, nor planned infrastructure development or improvements are in process within the immediate vicinity of the subject site. In addition, she reported on the status of current and upcoming permitted multi-family rental development within Chickamauga. Contact Number: (706) 375-3177.

(2) - Mr. Anton Shaw, Director of Policy & Administration, Atlanta GA-DCA Office, made available the number of Section 8 Housing Choice Vouchers being used within Catoosa and Walker Counties. At the time of the survey, the Georgia DCA State Office stated that 32 vouchers held by elderly households were under contract within Catoosa County. In addition, it was reported that presently there are 49 applicants on the waiting list for Catoosa County. At the time of the survey, the Georgia DCA regional office stated that 57 vouchers held by elderly households were under contract within Walker County. In addition, it was reported that presently there are 79 applicants on the waiting list for Walker County. The waiting list is presently closed. Source: Mr. Anton Shaw, Director of Policy and Administration, GA-DCA, Atlanta Office, (404) 982-3569, April 6, 2017.

(3) - Ms. Missy, Manager of the Village at Chickamauga LIHTC elderly apartments in Chickamauga stated that her property would not be negatively impacted by the introduction of the proposed subject development in Chickamauga. It was reported that the Village at Chickamauga was typically 99% to 100% occupied and maintains a waiting list. At the time of the survey, the property was 100% occupied and had 52-applicants on the waiting list. It was reported that 2BR units are in greatest demand. Contact Number: (706) 375-3047.

(4) - Ms. Sandy Lee, Manager and Mr, Nick Sherman, Owner, of the Endeavor Pointe LIHTC elderly apartments in Rock Spring stated that Endeavor Pointe would not be negatively impacted by the introduction of the proposed subject development in Chickamauga. It was reported that the Endeavor Pointe was typically 100% occupied and maintains a waiting list. At the time of the survey, the property was 100% occupied and had 35-applicants on the waiting list. It was reported that 2BR units are in greatest demand. Contact Number: (706) 375-8800.

(5) - Ms. Valarie, Manager of the South Rossville Senior Village LIHTC elderly apartments in Rossville stated that her property would not be negatively impacted by the introduction of the proposed subject development in Chickamauga. It was reported that South Rossville Sr Village was typically 95%+ occupied and maintains a waiting list. At the time of the survey, the property was 97% occupied and had 20-applicants on the waiting list. Contact Number: (706) 861-3934.

SECTION K

CONCLUSIONS &
RECOMMENDATION

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that The Village at Chickamauga II Apartments (a proposed LIHTC/Market Rate property) targeting the elderly population age 55 and over should proceed forward with the development process.

Detailed Support of Recommendation

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC/Market Rate elderly development of **60-units**. The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable**.
2. The current program assisted apartment market is **not** representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed LIHTC elderly apartment properties was 2%. The current market rate apartment market is not representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed Market Rate apartment properties located within the competitive environment was less than 1% at 0.4%.
3. The proposed complex amenity package is considered to be very competitive within the PMA apartment market for affordable properties. It will be very competitive with older program assisted properties and older Class B market rate properties.
4. Bedroom Mix - The subject will offer 1BR and 2BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. Both typical elderly household sizes will be targeted, i.e., a single person household and a couple. The bedroom mix of the most recent LIHTC elderly property in nearby Rock Spring (Endeavor Pointe) offers a mixture of both 1BR and 2BR units. Both bedroom types were very well received by the local market in terms of demand and absorption.
5. Assessment of rents - The proposed net rents, by bedroom type, will be very competitive within the PMA apartment market at 50%, and 60% AMI. Market rent advantage is greater than 35% in all AMI segments, and by bedroom type. The table on page 104, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties within the competitive environment.
6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 5-months.

5. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 93% or higher.

6. The site location is considered to be very marketable.

7. In the opinion of the market analyst, the proposed new construction LIHTC elderly development will not negatively impact the existing supply of program assisted LIHTC properties located within the Chickamauga PMA in the short or long term. At the time of the survey, the existing LIHTC elderly developments located within the area competitive environment were on average 98% occupied, with four of the five LIHTC elderly properties maintaining a sizable waiting list ranging between 20 and 52 applications.

8. No modifications to the proposed project development parameters as currently configured are recommended.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

Market Rent Advantage

The rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50% and 60% of AMI.

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	39%	39%
2BR/2b:	41%	41%
Overall:	41%	

Rent Reconciliation				
50% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$340	\$410	---	---
Estimated Market net rents	\$555	\$695	---	---
Rent Advantage (\$)	+\$215	+\$285	---	---
Rent Advantage (%)	39%	41%	-	---
60% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$340	\$410	---	---
Estimated Market net rents	\$555	\$695	-	---
Rent Advantage (\$)	+\$215	+\$285	-	---
Rent Advantage (%)	39%	41%	---	---

Source: Koontz & Salinger. May, 2017

Recommendation

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that The Village at Chickamauga II Apartments (a proposed LIHTC/Market Rate new construction elderly development) proceed forward with the development process.

Negative Impact

In the opinion of the market analyst, the proposed new construction LIHTC elderly development will not negatively impact the existing supply of program assisted LIHTC properties located within the Chickamauga PMA in the short or long term. At the time of the survey, the existing LIHTC elderly developments located within the area competitive environment were on average 98% occupied, with four of the five LIHTC elderly properties maintaining a sizable waiting list ranging between 20 and 52 applications.

The nearest LIHTC elderly property to the proposed subject site is the Village at Chickamauga I apartments which opened in 2007. At the time of the survey, the 40-unit development was 100% occupied and had 52 applicants on the waiting list. Management reported that the development was 100% occupied within 3-months of opening.

Some relocation of age and income eligible tenants in the area program assisted family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50% and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income qualified Section 8 Housing Choice Voucher holders within Chickamauga and Walker County, for the proposed subject 1BR and 2BR units.

It is recommended that the proposed subject LIHTC net rents at 50% and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC elderly development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers, when taking into consideration differences in income restrictions, unit size and amenity package.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, it is recommended that the proposed net rents remain unchanged, in particular, to be able to comply with maximum income thresholds. In addition, the subject's gross rents are already closely positioned to be under Fair Market Rents for Walker County, while at the same time operating within a competitive environment.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained, is not recommended.

Mitigating Risks

The subject development is very well positioned to be successful in the market place, in particular, when taking into consideration the current rent advantage positioning. It will offer a product that will be very competitive regarding project design, amenity package and professional management. The major unknown mitigating risk to the development process will be demand support from income eligible homeowners. Future economic market conditions in 2017 and 2018 will have an impact on the home buying and selling market environment in Chickamauga and Walker County.

Recent economic indicators in 2016 and thus far in 2017 suggest a scenario, in terms of economic growth (vs loss), in which the local economy will continue to grow at a moderate pace in 2017. However, the operative word in forecasting the economic outlook in Walker County, the State, the Nation, and the Globe, at present is "uncertainty". At present, the Chickamauga/Walker County local economic conditions are considered to be operating within a more positive and certain state compared to the recent past, with recent continuing signs of optimism.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

Rent Reconciliation Process

Six market rate properties in the competitive environment were used as comparables to the subject. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- an adjustment was made for the floor/level of the unit in the building; this adjustment is consider to be appropriate for elderly apartment properties in order to take into consideration 1 story structures and elevator status, versus walk-up properties,
- no "time adjustment" was made; all of the comparable properties were surveyed in March and April, 2017,
- no "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being made between a proposed elderly property versus existing market rate family properties, all located within the Chickamauga competitive environment,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no specific adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout, however, the floor level does incorporate some project design factors,

- an adjustment was made for the age of the property; some of the comparables were built in the 1980's; this adjustment was made on a conservative basis in order to take into consideration the adjustment for condition of the property,
- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment is made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- an adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer within the net rent and includes trash removal. Some of the comparable properties include cold water, sewer, and trash removal within the net rent.

ADJUSTMENT ANALYSIS

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

Adjustments:

- Concessions: None of the 6 surveyed properties offers a concession.
- Structure/Floors: A \$10 net adjustment is made for 2 and 3 story walk-up structures versus the subject (2 story with an elevator).
- Year Built: Some of the comparable properties were built in the 1980's, and will differ considerably from the subject (after new construction) regarding age. The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property. Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.

- Square Feet (SF) Area: An adjustment was made for unit size; the overall estimated for unit size by bedroom type was \$.05. The adjustment factor allows for differences in amenity package and age of property.
- Number of Baths: An adjustment was made for the proposed 2BR/2b units owing to the fact that several of the comparable properties offered 2BR/1.5b units. The adjustment is \$15 for a ½ bath and \$30 for a full bath.
- Balcony/Terrace/Patio: The subject will offer a traditional patio/balcony, with an attached storage closet. The adjustment process resulted in a \$5 value for the balcony/patio, and a \$5 value for the storage closet.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$225; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$5.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$750; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15, rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- Pool/Recreation Area: The subject offers a picnic area, but not a swimming pool, nor a tennis court. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$15 for a tennis court and \$25 for a pool.

- Water: The subject excludes cold water and sewer in the net rent. Three of the comparable properties include water and sewer in the net rent. Note: The source for the utility estimates by bedroom type is based upon the Utility Allowance calculations provided by GA-DCA Northern Region, (effective 1/1/2017). See Appendix.
- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.
- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location, or a location with significant distance to the subject site was assigned a value of \$75.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Most of the comparable properties include trash in the net rent.

Adjustment Factor Key:

SF - .05 per sf

Patio/balcony - \$5

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse - \$2 (each)

Disposal - \$5

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$40

Pool - \$25 Tennis Court - \$15

Playground - \$5 (Na for elderly) Craft/Game Room - \$2

Full bath - \$30; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;
Inferior - minus \$10*

Water & Sewer - 1BR - \$41; 2BR - \$48; 3BR - \$59 (Source: GA-DCA Northern
Region, 1/1/17)

Trash Removal - \$15 (Source: GA-DCA Northern Region, 1/1/17)

Age - \$.50 per year (differential) Note: If difference is around 10
years, a choice is provided for no valuation adjustment.*

*Could be included with the year built (age) adjustment, thus in most
cases will not be double counted/adjusted. Also, the value of condition
is somewhat included within the Age adjustment. Thus, the value
adjustment applied to Condition is conservative.

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
The Village at Chickamauga II		Fort Town		Fountain Brook		Lakeshore I	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$520		\$635		\$595	
Utilities	t	t		t		None	\$15
Concessions		No		No		No	
Effective Rent		\$520		\$635		\$610	
B. Design, Location, Condition							
Structures/Stories	2 w/elv	1 & 2		3 wu	\$10	1	
Year Built/Rehab	2019	2005		2006		1985	\$17
Condition	Excell	V Good		V Good		Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	779	600	\$9	850	(\$4)	576	\$10
Balcony/Patio/Stor	Y/Y	N/N	\$10	Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$5	Y/Y		N/Y	\$5
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	Y		N	\$2
Pool/Tennis	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Rec/Picnic Area	Y	N	\$2	Y		Y	
Computer/Fitness	Y/Y	N/N	\$4	Y/Y		N/N	\$4
F. Adjustments							
Net Adjustment			+\$7		-\$19		+\$38
G. Adjusted & Achievable Rent		\$527		\$616		\$648	
Estimated Market Rent (Avg of 5 comps, rounded)		next page	Rounded to:		see Table	% Adv	

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
The Village at Chickamauga II		Park Lake		Park Trace			
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$515		\$464			
Utilities	t	w,s,t	(\$41)	w,s,t	(\$41)		
Concessions		No		No			
Effective Rent		\$474		\$423			
B. Design, Location, Condition							
Structures/Stories	2 w/elv	2 wu	\$10	2 wu	\$10		
Year Built/Rehab	2019	1983	\$18	1984	\$18		
Condition	Excell	Good		Fair	\$5		
Location	Good	Good		Good			
C. Unit Amenities							
# of BR's	1	1		1			
# of Bathrooms	1	1		1			
Size/SF	779	728	\$3	500	\$14		
Balcony-Patio/Stor	Y/Y	Y/N	\$5	N/N	\$10		
AC Type	Central	Central		Central			
Range/Refrigerator	Y/Y	Y/Y		Y/Y			
Dishwasher/Disp.	Y/Y	Y/N	\$5	N/N	\$10		
W/D Unit	N	N		N			
W/D Hookups or CL	Y	Y		Y			
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2		
Pool/Tennis	N/N	Y/N	(\$25)	N/N			
Rec/Picnic Area	Y	Y		Y			
Computer/Fitness	Y/Y	N/N	\$4	N/N	\$4		
F. Adjustments							
Net Adjustment			+\$22		+\$73		
G. Adjusted & Achievable Rent		\$496		\$496			
Estimated Market Rent (Avg of 5 comps, rounded)		\$557	Rounded to: \$555		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
The Village at Chickamauga II		Fort Town		Fountain Brook		Lakeshore I	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$665		\$835		\$680	
Utilities	t	t		t		None	\$15
Concessions		No		No		No	
Effective Rent		\$665		\$835		\$695	
B. Design, Location, Condition							
Structures/Stories	2 w/elv	1 & 2		3 wu	\$10	1	
Year Built/Rehab	2019	2005		2006		1985	\$17
Condition	Excell	V Good		V Good		Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	1.5	\$15	2		2	
Size/SF	1109	1024	\$4	1300	(\$10)	864	\$12
Balcony-Patio/Stor	Y/Y	N/N	\$10	Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$5	Y/Y		N/Y	\$5
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	Y		N	\$2
Pool/Tennis	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Rec/Picnic Area	Y	N	\$2	Y		Y	
Computer/Fitness	Y/Y	N/N	\$4	Y/Y		N/N	\$4
F. Adjustments							
Net Adjustment			+\$17		-\$25		+\$40
G. Adjusted & Achievable Rent		\$682		\$810		\$735	
Estimated Market Rent (Avg of 5 comps, rounded)		next page	Rounded to:		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
The Village at Chickamauga II		Park Lake		Park Knoll			
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$605		\$665			
Utilities	t	w,s,t	(\$48)	w,s,t	(\$48)		
Concessions		No		No			
Effective Rent		\$557		\$617			
B. Design, Location, Condition							
Structures/Stories	2 w/elv	2 wu	\$10	2 wu	\$10		
Year Built/Rehab	2019	1983	\$18	1984	\$18		
Condition	Excell	Good		Good			
Location	Good	Good		Good			
C. Unit Amenities							
# of BR's	2	2		2			
# of Bathrooms	2	1.5	\$15	1.5	\$15		
Size/SF	1109	958	\$8	985	\$6		
Balcony-Patio/Stor	Y/Y	Y/N	\$5	Y/N	\$5		
AC Type	Central	Central		Central			
Range/Refrigerator	Y/Y	Y/Y		Y/Y			
Dishwasher/Disp.	Y/Y	Y/N	\$5	Y/Y			
W/D Unit	N	N		N			
W/D Hookups or CL	Y	Y		Y			
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2		
Pool/Tennis	N/N	Y/N	(\$25)	Y/N	(\$25)		
Rec/Picnic Area	Y	Y		Y			
Computer/Fitness	Y/Y	N/N	\$4	N/N	\$4		
F. Adjustments							
Net Adjustment			+\$42		+\$35		
G. Adjusted & Achievable Rent		\$599		\$652			
Estimated Market Rent (Avg of 5 comps, rounded)		\$696	Rounded to: \$695		see Table	% Adv	

Three Bedroom Units (NA)							
Subject		Comp # 1		Comp # 2		Comp # 3	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities							
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories							
Year Built/Rehab							
Condition							
Location							
C. Unit Amenities							
# of BR's							
# of Bathrooms							
Size/SF							
Balcony-Patio/Stor							
AC Type							
Range/Refrigerator							
Dishwasher/Disp.							
W/D Unit							
W/D Hookups or CL							
D. Development Amenities							
Clubhouse/Comm Rm							
Pool/Tennis							
Recreation Area							
Computer/Fitness							
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)		next page		Rounded to:	see Table	% Adv	

SECTION L & M
IDENTITY OF INTEREST
&
REPRESENTATION STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property area and that information has been used in the full study of 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.

The report was written in accordance with my understanding of the 2017 GA-DCA Market Study Manual and 2017 GA-DCA Qualified Action Plan.

DCA may rely upon the representation made in the market study provided. In addition, the market study is assignable to other lenders that are parties to the DCA loan transaction.

CERTIFICATION

Koontz and Salinger
P.O. Box 37523
Raleigh, North Carolina 27627

Jerry M. Koontz *5-16-2017*
Jerry M. Koontz
Real Estate Market Analyst
(919) 362-9085

MARKET ANALYST
QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental

agencies.

JERRY M. KOONTZ

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B.A. Economics 1980 Florida Atlantic Un.
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PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC.

1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC.

1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.

1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

AREAS OF

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WORK PRODUCT: Over last 33+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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NCHMA Market Study Index

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number. project types.

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DATA SET

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NCHMA CERTIFICATION

DATA SET



B25072

AGE OF HOUSEHOLDER BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

 Universe: Renter-occupied housing units
 2011-2015 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Walker County, Georgia	
	Estimate	Margin of Error
Total:	7,259	+/-613
Householder 15 to 24 years:	603	+/-170
Less than 20.0 percent	151	+/-112
20.0 to 24.9 percent	114	+/-90
25.0 to 29.9 percent	29	+/-36
30.0 to 34.9 percent	75	+/-53
35.0 percent or more	216	+/-104
Not computed	18	+/-22
Householder 25 to 34 years:	1,700	+/-312
Less than 20.0 percent	385	+/-183
20.0 to 24.9 percent	265	+/-143
25.0 to 29.9 percent	125	+/-99
30.0 to 34.9 percent	154	+/-94
35.0 percent or more	565	+/-185
Not computed	206	+/-113
Householder 35 to 64 years:	3,900	+/-462
Less than 20.0 percent	940	+/-228
20.0 to 24.9 percent	510	+/-200
25.0 to 29.9 percent	533	+/-198
30.0 to 34.9 percent	227	+/-110
35.0 percent or more	1,308	+/-278
Not computed	382	+/-138
Householder 65 years and over:	1,056	+/-213
Less than 20.0 percent	182	+/-76
20.0 to 24.9 percent	83	+/-48
25.0 to 29.9 percent	98	+/-75
30.0 to 34.9 percent	89	+/-79
35.0 percent or more	327	+/-134
Not computed	277	+/-111



B25074

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units
2011-2015 American Community Survey 5-Year Estimates

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	Walker County, Georgia	
	Estimate	Margin of Error
Total:	7,259	+/-613
Less than \$10,000:	1,081	+/-252
Less than 20.0 percent	0	+/-30
20.0 to 24.9 percent	15	+/-24
25.0 to 29.9 percent	10	+/-18
30.0 to 34.9 percent	61	+/-50
35.0 to 39.9 percent	7	+/-13
40.0 to 49.9 percent	62	+/-66
50.0 percent or more	657	+/-207
Not computed	269	+/-112
\$10,000 to \$19,999:	1,809	+/-341
Less than 20.0 percent	106	+/-79
20.0 to 24.9 percent	41	+/-41
25.0 to 29.9 percent	104	+/-97
30.0 to 34.9 percent	138	+/-88
35.0 to 39.9 percent	69	+/-72
40.0 to 49.9 percent	432	+/-179
50.0 percent or more	660	+/-198
Not computed	259	+/-137
\$20,000 to \$34,999:	1,798	+/-371
Less than 20.0 percent	183	+/-123
20.0 to 24.9 percent	272	+/-159
25.0 to 29.9 percent	397	+/-186
30.0 to 34.9 percent	280	+/-130
35.0 to 39.9 percent	91	+/-80
40.0 to 49.9 percent	274	+/-160
50.0 percent or more	121	+/-85
Not computed	180	+/-86
\$35,000 to \$49,999:	962	+/-269
Less than 20.0 percent	343	+/-141
20.0 to 24.9 percent	289	+/-144
25.0 to 29.9 percent	190	+/-141

	Walker County, Georgia	
	Estimate	Margin of Error
30.0 to 34.9 percent	46	+/-60
35.0 to 39.9 percent	19	+/-24
40.0 to 49.9 percent	24	+/-31
50.0 percent or more	0	+/-30
Not computed	51	+/-69
\$50,000 to \$74,999:	1,296	+/-331
Less than 20.0 percent	748	+/-234
20.0 to 24.9 percent	341	+/-154
25.0 to 29.9 percent	84	+/-74
30.0 to 34.9 percent	20	+/-24
35.0 to 39.9 percent	0	+/-30
40.0 to 49.9 percent	0	+/-30
50.0 percent or more	0	+/-30
Not computed	103	+/-78
\$75,000 to \$99,999:	202	+/-85
Less than 20.0 percent	170	+/-80
20.0 to 24.9 percent	11	+/-12
25.0 to 29.9 percent	0	+/-30
30.0 to 34.9 percent	0	+/-30
35.0 to 39.9 percent	0	+/-30
40.0 to 49.9 percent	0	+/-30
50.0 percent or more	0	+/-30
Not computed	21	+/-23
\$100,000 or more:	111	+/-59
Less than 20.0 percent	108	+/-58
20.0 to 24.9 percent	3	+/-5
25.0 to 29.9 percent	0	+/-30
30.0 to 34.9 percent	0	+/-30
35.0 to 39.9 percent	0	+/-30
40.0 to 49.9 percent	0	+/-30
50.0 percent or more	0	+/-30
Not computed	0	+/-30

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2011-2015 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is

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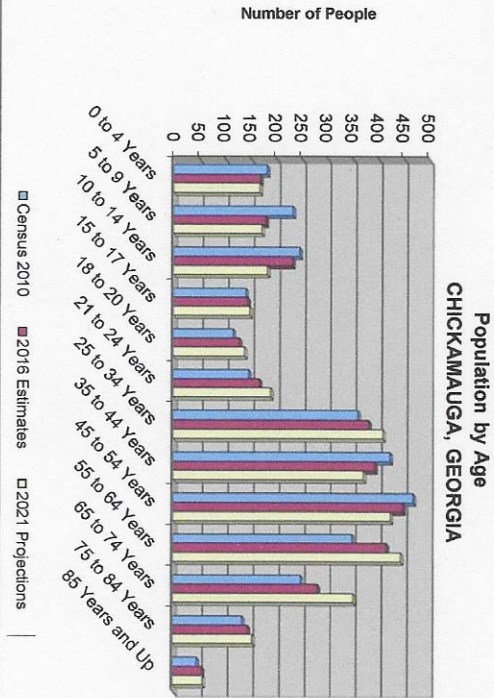
Nilsen Claritas

Population by Age & Sex
CHICKAMAUGA, GEORGIA

Census 2010				Current Year Estimates - 2016				Five-Year Projections - 2021			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	106	76	182	0 to 4 Years	87	82	169	0 to 4 Years	86	82	168
5 to 9 Years	116	117	233	5 to 9 Years	103	77	180	5 to 9 Years	87	85	172
10 to 14 Years	136	110	246	10 to 14 Years	118	114	232	10 to 14 Years	105	78	183
15 to 17 Years	66	75	141	15 to 17 Years	80	65	145	15 to 17 Years	75	74	149
18 to 20 Years	65	52	117	18 to 20 Years	70	59	129	18 to 20 Years	73	66	139
21 to 24 Years	71	76	147	21 to 24 Years	87	81	168	21 to 24 Years	103	87	190
25 to 34 Years	182	179	361	25 to 34 Years	183	199	382	25 to 34 Years	206	204	410
35 to 44 Years	199	225	424	35 to 44 Years	186	208	394	35 to 44 Years	182	190	372
45 to 54 Years	221	248	469	45 to 54 Years	224	225	449	45 to 54 Years	198	227	425
55 to 64 Years	158	192	350	55 to 64 Years	191	226	417	55 to 64 Years	210	235	445
65 to 74 Years	109	140	249	65 to 74 Years	124	158	282	65 to 74 Years	149	203	352
75 to 84 Years	54	81	135	75 to 84 Years	60	86	146	75 to 84 Years	69	86	155
85 Years and Up	16	31	47	85 Years and Up	22	35	57	85 Years and Up	19	39	58
Total	1,499	1,602	3,101	Total	1,555	1,615	3,150	Total	1,562	1,656	3,218
62+ Years	n/a	n/a	536	62+ Years	n/a	n/a	594	62+ Years	n/a	n/a	692
Median Age:			37.9	Median Age:			39.3	Median Age:			40.3

Source: Nilsen Claritas; Ribbon Demographics

Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-880-1644



Source: Nilsen Claritas; Ribbon Demographics

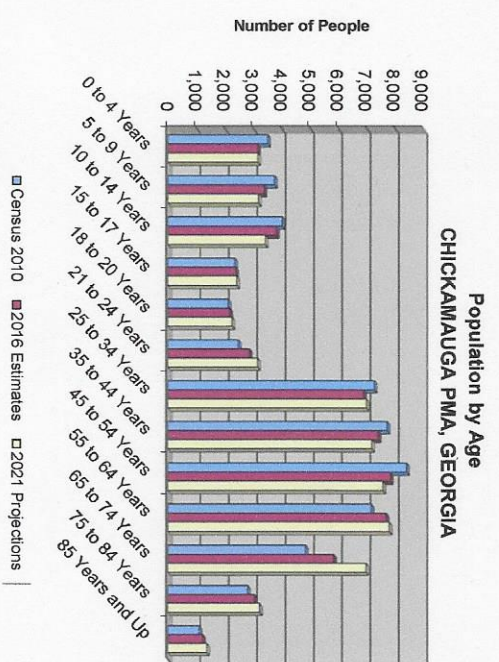
Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-880-1644

Population by Age & Sex
CHICKAMAUGA PMA, GEORGIA

Census 2010				Current Year Estimates - 2016				Five-Year Projections - 2021			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	1,819	1,702	3,521	0 to 4 Years	1,604	1,555	3,159	0 to 4 Years	1,622	1,547	3,169
5 to 9 Years	1,961	1,796	3,757	5 to 9 Years	1,751	1,635	3,386	5 to 9 Years	1,618	1,576	3,194
10 to 14 Years	2,121	1,910	4,031	10 to 14 Years	2,008	1,822	3,830	10 to 14 Years	1,776	1,658	3,434
15 to 17 Years	1,199	1,165	2,364	15 to 17 Years	1,261	1,129	2,390	15 to 17 Years	1,275	1,160	2,435
18 to 20 Years	1,094	1,037	2,131	18 to 20 Years	1,165	1,015	2,180	18 to 20 Years	1,209	1,055	2,264
21 to 24 Years	1,256	1,226	2,482	21 to 24 Years	1,514	1,357	2,871	21 to 24 Years	1,702	1,460	3,162
25 to 34 Years	3,641	3,643	7,284	25 to 34 Years	3,389	3,513	6,902	25 to 34 Years	3,692	3,404	7,096
35 to 44 Years	3,834	3,899	7,733	35 to 44 Years	3,688	3,735	7,423	35 to 44 Years	3,489	3,708	7,197
45 to 54 Years	4,135	4,264	8,419	45 to 54 Years	3,873	3,976	7,849	45 to 54 Years	3,714	3,871	7,585
55 to 64 Years	3,416	3,756	7,172	55 to 64 Years	3,665	4,028	7,693	55 to 64 Years	3,745	4,060	7,805
65 to 74 Years	2,147	2,700	4,847	65 to 74 Years	2,646	3,193	5,839	65 to 74 Years	3,184	3,810	6,994
75 to 84 Years	1,111	1,704	2,815	75 to 84 Years	1,259	1,799	3,058	75 to 84 Years	1,356	1,879	3,235
85 Years and Up	302	809	1,111	85 Years and Up	363	871	1,234	85 Years and Up	425	953	1,378
Total	28,056	29,611	57,667	Total	28,186	29,628	57,814	Total	28,717	30,141	58,858
62+ Years	n/a	n/a	10,824	62+ Years	n/a	n/a	12,239	62+ Years	n/a	n/a	13,877
Median Age:			38.8	Median Age:			40.1	Median Age:			41.0

Source: Nelson A. Clarius, Ribbon Demographics

Ribbon Demographics, LLC
www.ribbondata.com
Tel: 918-880-1844



Source: Nelson A. Clarius, Ribbon Demographics

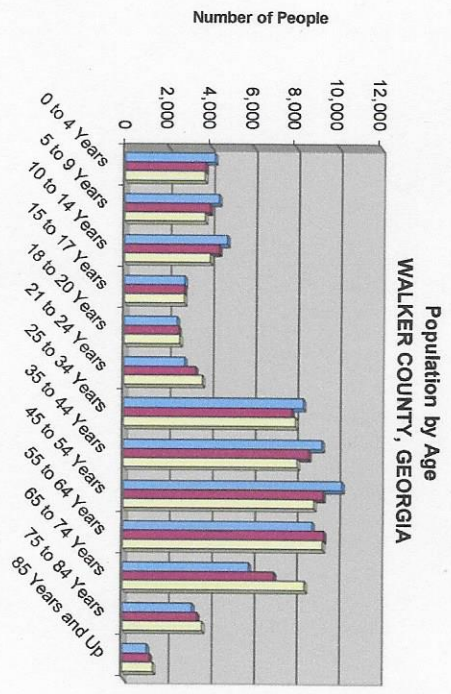
Ribbon Demographics, LLC
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Tel: 918-880-1844

Population by Age & Sex
WALKER COUNTY, GEORGIA

Census 2010				Current Year Estimates - 2016				Five-Year Projections - 2021			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	2,157	2,045	4,202	0 to 4 Years	1,904	1,849	3,753	0 to 4 Years	1,907	1,826	3,733
5 to 9 Years	2,312	2,101	4,413	5 to 9 Years	2,063	1,931	3,994	5 to 9 Years	1,909	1,855	3,764
10 to 14 Years	2,469	2,347	4,816	10 to 14 Years	2,315	2,124	4,439	10 to 14 Years	2,076	1,943	4,019
15 to 17 Years	1,445	1,380	2,825	15 to 17 Years	1,448	1,349	2,797	15 to 17 Years	1,462	1,340	2,802
18 to 20 Years	1,277	1,202	2,479	18 to 20 Years	1,345	1,200	2,545	18 to 20 Years	1,381	1,226	2,607
21 to 24 Years	1,434	1,404	2,838	21 to 24 Years	1,764	1,588	3,352	21 to 24 Years	1,950	1,732	3,682
25 to 34 Years	4,270	4,162	8,432	25 to 34 Years	3,925	3,965	7,890	25 to 34 Years	4,146	3,925	8,071
35 to 44 Years	4,706	4,616	9,322	35 to 44 Years	4,337	4,349	8,686	35 to 44 Years	3,992	4,161	8,153
45 to 54 Years	5,122	5,130	10,252	45 to 54 Years	4,688	4,676	9,364	45 to 54 Years	4,489	4,489	8,978
55 to 64 Years	4,268	4,607	8,875	55 to 64 Years	4,563	4,862	9,425	55 to 64 Years	4,561	4,802	9,363
65 to 74 Years	2,670	3,230	5,900	65 to 74 Years	3,230	3,832	7,062	65 to 74 Years	3,937	4,597	8,534
75 to 84 Years	1,320	1,932	3,252	75 to 84 Years	1,494	1,994	3,488	75 to 84 Years	1,612	2,111	3,723
85 Years and Up	331	819	1,150	85 Years and Up	410	870	1,280	85 Years and Up	479	928	1,407
Total	33,781	34,975	68,756	Total	33,506	34,589	68,095	Total	33,866	34,965	68,831
62+ Years	n/a	n/a	12,832	62+ Years	n/a	n/a	14,470	62+ Years	n/a	n/a	16,436
Median Age:	n/a	n/a	39.7	Median Age:	n/a	n/a	41.1	Median Age:	n/a	n/a	42.0

Source: Nicklen Claritas; Ribbon Demographics

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www.ribbondata.com
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Chickamauga
Primary Market Area

Nielsen Claritas

Owner Households						
Under Age 55 Years						
<i>Base Year: 2006 - 2010 Estimates</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	55	32	23	49	24	183
\$10,000-20,000	79	47	65	1	21	213
\$20,000-30,000	117	158	193	28	68	564
\$30,000-40,000	223	303	340	183	123	1,172
\$40,000-50,000	70	264	184	116	59	693
\$50,000-60,000	59	297	199	208	118	881
\$60,000+	<u>149</u>	<u>877</u>	<u>1,398</u>	<u>1,171</u>	<u>678</u>	<u>4,273</u>
Total	752	1,978	2,402	1,756	1,091	7,979

Owner Households						
Aged 55-61 Years						
<i>Base Year: 2006 - 2010 Estimates</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	38	51	2	2	6	99
\$10,000-20,000	97	95	32	0	1	225
\$20,000-30,000	115	118	6	0	1	240
\$30,000-40,000	135	135	10	0	1	281
\$40,000-50,000	27	192	22	0	39	280
\$50,000-60,000	21	157	35	38	2	253
\$60,000+	<u>58</u>	<u>610</u>	<u>157</u>	<u>86</u>	<u>47</u>	<u>958</u>
Total	491	1,358	264	126	97	2,336

Owner Households						
Aged 62+ Years						
<i>Base Year: 2006 - 2010 Estimates</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	181	120	24	3	9	337
\$10,000-20,000	963	262	9	1	23	1,258
\$20,000-30,000	408	593	26	17	40	1,084
\$30,000-40,000	259	532	47	9	22	869
\$40,000-50,000	73	345	47	17	33	515
\$50,000-60,000	72	204	29	58	6	369
\$60,000+	<u>183</u>	<u>601</u>	<u>158</u>	<u>45</u>	<u>34</u>	<u>1,021</u>
Total	2,139	2,657	340	150	167	5,453

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Nielsen Claritas

Renter Households						
Under Age 55 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	207	360	116	37	130	850
\$10,000-20,000	491	178	122	30	130	951
\$20,000-30,000	203	206	80	243	138	870
\$30,000-40,000	139	93	84	184	100	600
\$40,000-50,000	70	91	147	108	23	439
\$50,000-60,000	14	83	165	120	14	396
\$60,000+	99	32	65	179	163	538
Total	1,223	1,043	779	901	698	4,644

Renter Households						
Aged 55-61 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	82	16	0	1	0	99
\$10,000-20,000	101	53	0	7	0	161
\$20,000-30,000	41	51	0	16	0	108
\$30,000-40,000	10	23	0	1	0	34
\$40,000-50,000	0	19	0	1	1	21
\$50,000-60,000	0	0	0	1	0	1
\$60,000+	30	43	1	11	1	86
Total	264	205	1	38	2	510

Renter Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	104	12	0	1	0	117
\$10,000-20,000	246	1	0	3	0	250
\$20,000-30,000	154	69	0	5	0	228
\$30,000-40,000	21	15	33	3	0	72
\$40,000-50,000	23	86	6	5	0	120
\$50,000-60,000	15	13	4	2	1	35
\$60,000+	57	76	20	14	2	169
Total	620	272	63	33	3	991

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Nielsen Claritas

Owner Households						
Under Age 55 Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	67	25	21	45	32	190
\$10,000-20,000	70	56	94	3	27	250
\$20,000-30,000	95	105	160	12	68	440
\$30,000-40,000	143	178	266	131	87	805
\$40,000-50,000	40	194	169	110	47	560
\$50,000-60,000	55	276	200	168	129	828
\$60,000+	144	679	1,316	1,161	694	3,994
Total	614	1,513	2,226	1,630	1,084	7,067

Owner Households						
Aged 55-61 Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	90	103	5	5	11	214
\$10,000-20,000	108	71	31	0	1	211
\$20,000-30,000	103	119	6	1	1	230
\$30,000-40,000	117	115	12	1	1	246
\$40,000-50,000	29	140	26	0	42	237
\$50,000-60,000	15	199	40	40	4	298
\$60,000+	55	699	208	112	38	1,112
Total	517	1,446	328	159	98	2,548

Owner Households						
Aged 62+ Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	152	106	28	4	6	296
\$10,000-20,000	888	229	22	2	17	1,158
\$20,000-30,000	396	570	33	25	42	1,066
\$30,000-40,000	238	523	44	16	21	842
\$40,000-50,000	116	607	79	17	67	886
\$50,000-60,000	85	253	42	55	4	439
\$60,000+	339	836	348	96	60	1,679
Total	2,214	3,124	596	215	217	6,366

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Renter Households						
Under Age 55 Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	265	219	116	45	135	780
\$10,000-20,000	474	198	143	32	118	965
\$20,000-30,000	191	146	74	263	126	800
\$30,000-40,000	92	66	73	137	83	451
\$40,000-50,000	46	84	124	84	34	372
\$50,000-60,000	16	77	170	173	14	450
\$60,000+	141	48	63	181	218	651
Total	1,225	838	763	915	728	4,469

Renter Households						
Aged 55-61 Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	152	37	0	1	1	191
\$10,000-20,000	73	60	0	6	0	139
\$20,000-30,000	39	34	0	20	1	94
\$30,000-40,000	8	14	0	1	0	23
\$40,000-50,000	0	17	0	1	1	19
\$50,000-60,000	0	0	0	1	1	2
\$60,000+	41	87	1	10	2	141
Total	313	249	1	40	6	609

Renter Households						
Aged 62+ Years						
Current Year Estimates - 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+Person Household	Total
\$0-10,000	99	10	1	5	5	120
\$10,000-20,000	288	3	1	5	5	302
\$20,000-30,000	143	65	2	4	1	215
\$30,000-40,000	39	7	14	5	5	70
\$40,000-50,000	36	90	5	4	4	139
\$50,000-60,000	25	21	5	6	0	57
\$60,000+	138	151	22	21	6	338
Total	768	347	50	50	26	1,241

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**Chickamauga
Primary Market Area**

Nielsen Claritas

Owner Households						
Under Age 55 Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	47	20	18	36	31	152
\$10,000-20,000	55	45	80	3	25	208
\$20,000-30,000	72	74	127	10	52	335
\$30,000-40,000	144	145	223	117	77	706
\$40,000-50,000	33	156	136	100	39	464
\$50,000-60,000	58	220	167	151	101	697
\$60,000+	<u>153</u>	<u>698</u>	<u>1,387</u>	<u>1,172</u>	<u>758</u>	4,168
Total	562	1,358	2,138	1,589	1,083	6,730

Owner Households						
Aged 55-61 Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	87	94	6	4	11	202
\$10,000-20,000	93	58	27	0	1	179
\$20,000-30,000	86	113	7	0	1	207
\$30,000-40,000	118	100	11	1	1	231
\$40,000-50,000	27	132	23	0	40	222
\$50,000-60,000	14	182	39	39	3	277
\$60,000+	<u>65</u>	<u>745</u>	<u>235</u>	<u>126</u>	<u>39</u>	1,210
Total	490	1,424	348	170	96	2,528

Owner Households						
Aged 62+ Years						
<i>Five Year Projections - 2021</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	162	107	29	4	9	311
\$10,000-20,000	895	223	26	3	21	1,168
\$20,000-30,000	412	577	32	29	38	1,088
\$30,000-40,000	242	556	53	14	23	888
\$40,000-50,000	128	666	91	19	82	986
\$50,000-60,000	96	258	47	56	3	460
\$60,000+	<u>440</u>	<u>995</u>	<u>452</u>	<u>112</u>	<u>80</u>	2,079
Total	2,375	3,382	730	237	256	6,980

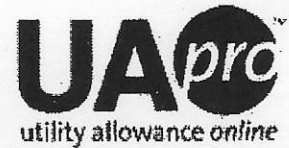
Renter Households						
Under Age 55 Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	251	199	113	45	129	737
\$10,000-20,000	428	192	145	25	115	905
\$20,000-30,000	164	128	69	264	106	731
\$30,000-40,000	99	63	77	145	84	468
\$40,000-50,000	41	69	124	86	44	364
\$50,000-60,000	18	79	166	174	20	457
\$60,000+	180	56	67	211	257	771
Total	1,181	786	761	950	755	4,433

Renter Households						
Aged 55-61 Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	148	32	0	1	1	182
\$10,000-20,000	65	54	0	7	1	127
\$20,000-30,000	38	32	0	21	1	92
\$30,000-40,000	7	14	0	1	0	22
\$40,000-50,000	0	15	0	1	1	17
\$50,000-60,000	2	0	1	1	0	4
\$60,000+	49	99	2	8	7	165
Total	309	246	3	40	11	609

Renter Households						
Aged 62+ Years						
Five Year Projections - 2021						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	105	13	1	3	2	124
\$10,000-20,000	298	3	0	6	6	313
\$20,000-30,000	156	67	1	5	3	232
\$30,000-40,000	41	11	16	4	5	77
\$40,000-50,000	45	96	6	6	2	155
\$50,000-60,000	27	21	6	6	2	62
\$60,000+	182	191	31	22	13	439
Total	854	402	61	52	33	1,402

UTILITY ALLOWANCES

Allowances for Tenant-Furnished Utilities and Other Services



U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

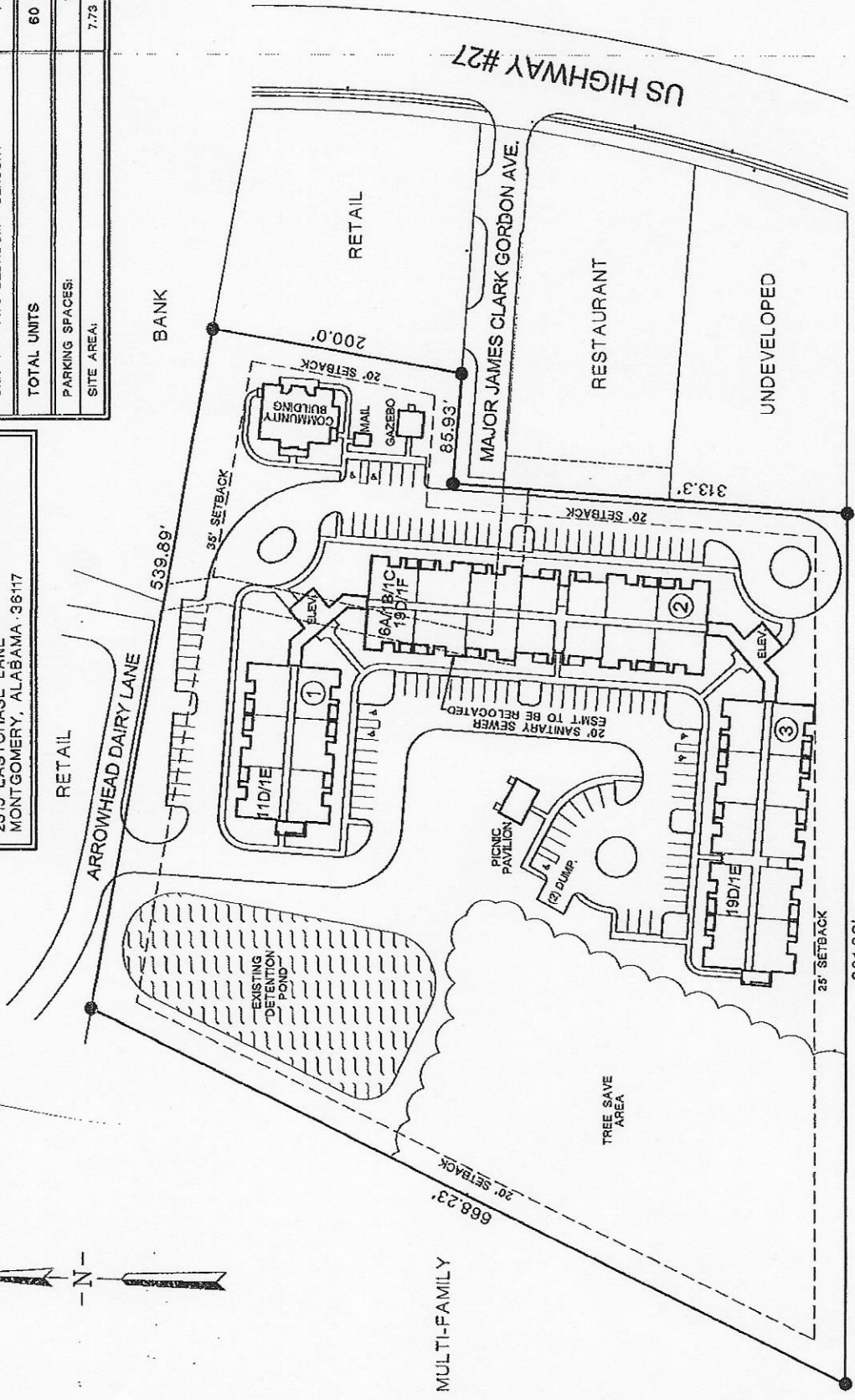
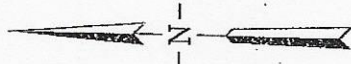
Locality	Green Discount	Unit Type	Weather Code	Date		
Chickamauga, GA (I-All Units)	None	Large Apartment (5+ units)	30707	2017-04-27		
Utility/Service	Monthly Dollar Allowances					
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Space Heating						
Natural Gas						
Bottle Gas						
Electric Resistance						
Electric Heat Pump			\$13	\$15		
Fuel Oil						
Cooking						
Natural Gas						
Bottle Gas						
Electric			\$5	\$7		
Other						
Other Electric			\$19	\$27		
Air Conditioning			\$7	\$10		
Water Heating						
Natural Gas						
Bottle Gas						
Electric			\$12	\$16		
Fuel Oil						
Water			\$16	\$21		
Sewer			\$17	\$22		
Electric Fee			\$12	\$12		
Natural Gas Fee						
Fuel Oil Fee						
Bottled Gas Fee						
Trash Collection						
Range/Microwave						
Refrigerator						
Other - specify						
Totals			\$101	\$130		

SCHEMATIC SITE PLAN

LEGEND		COUNT
UNIT 'A'	ONE BEDROOM	6 UNITS
UNIT 'B'	ONE BEDROOM - HANDICAP	1 UNIT
UNIT 'C'	ONE BEDROOM - SENSORY	1 UNIT
UNIT 'D'	TWO BEDROOM	49 UNITS
UNIT 'E'	TWO BEDROOM - HANDICAP	2 UNITS
UNIT 'F'	TWO BEDROOM - SENSORY	1 UNIT
TOTAL UNITS		60 UNITS
PARKING SPACES:		98
SITE AREA:		7.73 ACRES

OWNER
 THE VILLAGE AT CHICKAMAUGA II, L.P.
 P.O. BOX 447
 SUMMERVILLE, GEORGIA 30747

ARCHITECT
 MCKEAN & ASSOCIATES, ARCHITECTS, LLC
 2315 EASTCHASE LANE
 MONTGOMERY, ALABAMA 36117



MCKEAN & ASSOCIATES
 ARCHITECTS
 MONTGOMERY, ALABAMA

APRIL 28, 2017

SCHEMATIC SITE PLAN
THE VILLAGE AT CHICKAMAUGA II
 CHICKAMAUGA, GEORGIA

NCHMA CERTIFICATION

Certificate of Membership

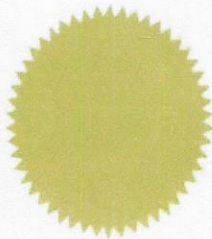
Koontz & Salinger
Is a Member Firm in Good Standing of



Formerly known as
National Council of Affordable
Housing Market Analysts

National Council of Housing Market Analysts
1400 16th St. NW
Suite 420
Washington, DC 20036
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Membership Term
7/01/2016 to 6/30/2017



Thomas Amdur
Executive Director, NH&RA