



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

HAVENWOOD

CARTERSVILLE

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY

OF: HAVENWOOD CARTERSVILLE

East side of Felton Road
Cartersville, Bartow County, Georgia 30121

Effective Date: May 13, 2017
Report Date: May 22, 2017

Prepared for:
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Manager
Lowcountry Housing Communities
1831 Village Crossing Drive
Daniel Island, SC 29492

Assignment Code: PHP600V.068

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May 22, 2017

Mr. Max Elbe
Manager
Lowcountry Housing Communities
1831 Village Crossing Drive
Daniel Island, SC 29492

Re: Market Study - Application for Havenwood Cartersville, located in Cartersville, Bartow County, Georgia

Dear Mr. Elbe:

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

The purpose of this market study is to assess the viability of the proposed 50-unit family LIHTC project. It will be a newly constructed affordable LIHTC project, with 38 units restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less and 12 unrestricted market-rate units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

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

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

Respectfully submitted,
Novogradac & Company LLP



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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Havenwood Cartersville will be a newly constructed family property located in Cartersville, Bartow County, Georgia, which will consist of three, two-story residential building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	750	4	\$480	\$94	\$574	\$633	\$820
2BR	950	5	\$560	\$118	\$678	\$760	\$949
3BR	1,150	3	\$625	\$149	\$774	\$877	\$1,253
<i>60% AMI</i>							
1BR	750	8	\$505	\$94	\$599	\$759	\$820
2BR	950	13	\$575	\$118	\$693	\$912	\$949
3BR	1,150	5	\$655	\$149	\$804	\$1,053	\$1,253
<i>Market Rate</i>							
1BR	750	2	\$605	\$0	\$605	N/A	\$820
2BR	950	6	\$675	\$0	\$675	N/A	\$949
3BR	1,150	4	\$755	\$0	\$755	N/A	\$1,253
Total		50					

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

The Subject's proposed LIHTC rents are below the maximum allowable LIHTC rents. The Subject's market rents are below the HUD Fair Market Rents as well. The Subject will offer garbage disposals, microwaves, a business center/computer lab, a clubhouse/meeting room/community room, central laundry facilities, a picnic area, a craft room, and a library, which many of the comparables do not offer. However, the Subject will lack balcony/patios, exterior storage, a basketball court, a car wash, parking garage, swimming pool, tennis court, volleyball court, and security features, which many of the comparable properties do offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market.

2. Site Description/Evaluation

The Subject site is located on the east side of Felton Road in Cartersville, Georgia. The Subject site has good visibility and accessibility from Felton Road. The Subject site is currently wooded land. Surrounding uses consist of multifamily, commercial, and single-family uses. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered "Car-Dependent" by Walk Score with a rating of 23 out of 100. Crime risk indices in the Subject's area are considered low. Given the low crime risk indices in the Subject's neighborhood and the lack of features in the market, we do not believe the Subject's lack of security features will negatively impact the Subject. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and it has good proximity to locational amenities, which are within 2.1 miles.

3. Market Area Definition

The PMA is generally defined by Larry McDonald Memorial Highway and Cass White Road to the north, Cassville Road and Burnt Hickory Road to the west, the Etowah River to the south and Interstate 75 to the east. This area includes the City of Cartersville as well as portions of Emerson. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 5.8 miles
 East: 2.6 miles
 South: 5.3 miles
 West: 5.5 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 5.8 miles.

4. Community Demographic Data

The population in the PMA and SMA increased from 2010 to 2017, albeit at a slower rate than from 2000 to 2010. Population and household growth is projected to continue to grow through 2021. Renter households are concentrated in the lowest income cohorts, with 54.7 percent of renters in the PMA earning incomes between \$10,000 and \$49,999 annually. The Subject will target households earning between \$19,680 and \$43,740 for its LIHTC units and up to \$67,500 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Cartersville is experiencing a foreclosure rate of one in every 2,390 homes, while Bartow County is experiencing foreclosure rate of one in every 2,312 homes and Georgia experienced one foreclosure in every 1,898 housing units. Overall, Cartersville is experiencing a lower foreclosure rate than the nation, the state, and the county, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

5. Economic Data

Employment in the PMA is concentrated in three industries which represent approximately 43.4 percent of total local employment. These industries are particularly vulnerable during periods of economic downturn. However, the area's largest employer Shaw Industries, a flooring manufacturer, has historically been a source of stability for the local economy. Additionally, manufacturing expansions have outpaced contractions since 2014.

Overall, the MSA has experienced total employment growth from 2000 through February 2017. Total employment in the MSA surpassed its pre-recession peak in 2014. Unemployment in the MSA has decreased each year since 2011 but has yet to reach pre-recession levels. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$19,680	\$27,000	4	191	0	191	2.1%	\$480
1BR at 60% AMI	\$20,537	\$32,400	8	261	0	261	3.1%	\$505
1BR Unrestricted	\$20,743	\$67,500	2	487	0	487	0.4%	\$605
1BR Overall	\$19,680	\$67,500	14	499	0	499	2.8%	-
1 BR Overall Affordable	\$19,680	\$32,400	12	271	0	271	4.4%	-
2BR at 50% AMI	\$23,246	\$30,400	5	203	0	203	2.5%	\$560
2BR at 60% AMI	\$23,760	\$36,480	13	278	0	278	4.7%	\$575
2BR Unrestricted	\$23,143	\$67,500	6	519	0	519	1.2%	\$675
2BR Overall	\$23,246	\$67,500	24	531	0	531	4.5%	-
2BR Overall Affordable	\$23,246	\$36,480	18	288	0	288	6.3%	-
3BR at 50% AMI	\$26,743	\$36,450	3	131	0	131	2.3%	\$625
3BR at 60% AMI	\$27,771	\$43,740	5	178	0	178	2.8%	\$655
3BR Unrestricted	\$25,886	\$67,500	4	333	0	333	1.2%	\$755
3BR Overall	\$26,743	\$67,500	12	341	0	341	3.5%	-
3BR Overall Affordable	\$26,743	\$43,740	8	185	0	185	4.3%	-
50% AMI Overall	\$19,680	\$36,450	12	525	0	525	2.3%	-
60% AMI Overall	\$20,537	\$43,740	26	717	0	717	3.6%	-
Unrestricted Overall	\$20,743	\$67,500	12	1339	0	1339	0.9%	-
Overall	\$19,680	\$67,500	50	1371	0	1371	3.6%	-
Overall Affordable	\$19,680	\$43,740	38	743	0	743	5.1%	-

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

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,812 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average. Only one of the LIHTC comparables is located within the PMA. The other four LIHTC comparables are located outside of the PMA, three in nearby Cherokee and Cobb Counties. Cherokee and Cobb Counties are considered superior locations to Hiwassee with respect to median household income, median home value, and median rent. However, these LIHTC comparables are the most proximate to the Subject. Other LIHTC properties within the PMA have been excluded because they target senior tenants. The comparable LIHTC properties are all located between 1.8 and 13.5 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in Cartersville, and there are several market-rate properties in the area. We have included five conventional properties in our analysis of the competitive market. All but one of the market-rate properties are located in the PMA, and all are located between 1.2 and 2.9 miles from the Subject site and offer similar locations. These comparables were built or renovated between 1992 and 2014. It is noted that two market rate comparables in the PMA, Morgan Square Apartments and Stone Haven Falls Apartments, are located just north of the Subject site. We were

not able to contact anyone at these properties. Based on a CoStar search, rents at these properties are reported at \$702 for two-bedroom units at Morgan Square Apartments and \$700 for the three-bedroom units at Stone Haven Falls Apartments. These are the only unit types offered at each property. Additionally, based on our inspection, it is our opinion that these properties, those closest to the Subject in proximity, are inferior to the Subject with respect to age and condition. These properties appear to be well-occupied. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types.

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$480	\$678	\$988	\$821	71%
2 BR @ 50%	\$560	\$610	\$1,181	\$932	66%
3 BR @ 50%	\$625	\$687	\$1,476	\$1,040	66%
1 BR @ 60%	\$505	\$678	\$988	\$821	63%
2 BR @ 60%	\$575	\$807	\$1,181	\$963	67%
3 BR @ 60%	\$655	\$700	\$1,476	\$1,066	63%
1 BR Unrestricted	\$605	\$780	\$988	\$845	40%
2 BR Unrestricted	\$675	\$880	\$1,181	\$989	46%
3 BR Unrestricted	\$755	\$992	\$1,476	\$1,149	52%

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. Avonlea Heights is the most similar market-rate property in terms of location, and this property reported rents generally at the low end of the range. However, this property was constructed in 2001 and will be inferior to the Subject in terms of condition and slightly superior in terms of amenities. Rosewood Apartments, Stonemill Apartments, The Glen, and The Vineyards are all located in similar locations, and offer similar to slightly superior amenity packages when compared to the Subject as proposed. Despite being significantly inferior to the proposed Subject, Morgan Square Apartments, which has been excluded as a comparable because of its inferior condition, offers two-bedroom rents that are above the Subject’s proposed two-bedroom unrestricted rents. Further, Stone Haven Falls, while also being inferior and therefore excluded as a comparable, offers three-bedroom rents above those proposed for the Subject at 50 and 60 percent of AMI and slightly below the planned unrestricted rents for three-bedroom units. The remaining market-rate comparables are located in Acworth, which is a superior location relative to the Subject. However, the average market-rate vacancy is very low, and the Subject’s proposed LIHTC rents are well below the rents reported by these comparables. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer a substantial market rent advantage when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization Estimate

We were able to obtain absorption information from only one comparable property. We have supplemented this information with absorption information for properties from neighboring Cherokee County, which is illustrated in the following table.

ABSORPTION					
Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month	
The Peaks Of Bells Ferry	LIHTC, Market	2003	248	11	
River Ridge at Canton	LIHTC	2003	356	11	
Riverview Apartments	Market	2009	138	11	
Station 92 at Woodstock (FKA Crest at Laurelwood)	Market	2015	272	<u>15</u>	
Average				12	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the table above, multifamily properties in the area have reported an average absorption pace of 12 units per month. As new construction we expect the Subject will experience an absorption pace similar to that of the most recently constructed property, Station 92 at Woodstock. The Subject will likely experience an absorption pace of 15 units per month for an absorption period of approximately three to four months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables are experiencing a weighted average vacancy rate of 1.2 percent, which is considered low. Furthermore, two of the LIHTC and mixed-income comparables maintain waiting lists. Population is expected to increase moderately in the PMA through projected market entry; however, renter households in the PMA continue to increase more rapidly than that of home-owner households. These factors indicate demand for affordable housing. The Subject will offer similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar to inferior property amenities. The Subject will not offer a car wash, garage parking, a swimming pool, tennis courts, balcony/patios, or exterior storage, which several of the comparables offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. The Subject will offer units at 50 percent AMI, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted units at the 50 percent AMI level. Additionally, the majority of the available housing stock is older construction. There is a void of new construction housing in the market, which the Subject will help fill. The Subject will be superior to the comparables in the area and thus provide good quality affordable housing. Given the Subject's anticipated superior condition relative to the competition, the Subject's low capture rates for all unit types at all levels of AMI, and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. These factors also indicated that the Subject will not have negative impact on existing affordable units in the market. We believe that the Subject will fill a void in the market and will perform well.

HAVENWOOD CARTERSVILLE – CARTERSVILLE, GEORGIA – MARKET STUDY

Summary Table:

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

Development Name:	Havenwood Cartersville	Total # Units: 50
Location:	East side of Felton Road	# LIHTC Units: 38
	Cartersville, Bartow County, Georgia 30121	
PMA Boundary:	North: Larry McDonald Memorial Highway and Cass White Road; South: Etowah River; East: Interstate 75;	
West: Cassville Road and Burnt Hickory Road	Farthest Boundary Distance to Subject:	5.8 miles

Rental Housing Stock (found on page 65)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	31	2,229	23	99.0%
Market-Rate Housing	16	1,391	25	98.2%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	9	408	0	100.0%
LIHTC	6	430	1	99.7%
Stabilized Comps	31	2,229	23	99.0%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	1BR at 50% AMI	1	750	\$480	\$819	\$1.09	71%	\$988	\$1.41
5	2BR at 50% AMI	2	950	\$560	\$929	\$0.98	66%	\$1,181	\$1.24
3	3BR at 50% AMI	2	1,150	\$625	\$1,041	\$0.90	66%	\$1,476	\$1.34
8	1BR at 60% AMI	1	750	\$505	\$819	\$1.09	62%	\$988	\$1.41
13	2BR at 60% AMI	2	950	\$575	\$960	\$1.01	67%	\$1,181	\$1.24
5	3BR at 60% AMI	2	1,150	\$655	\$1,066	\$0.93	63%	\$1,476	\$1.34
2	1BR Unrestricted	1	750	\$605	\$845	\$1.13	40%	\$988	\$1.41
6	2BR Unrestricted	2	950	\$675	\$989	\$1.04	46%	\$1,181	\$1.24
4	3BR Unrestricted	2	1,150	\$755	\$1,149	\$1.00	52%	\$1,476	\$1.34

Demographic Data (found on page 28)

	2010		2017		July 2019	
Renter Households	5,877	100.0%	6,578	49.0%	6,643	49.2%
Income-Qualified Renter HHs (LIHTC)	3,339	56.8%	3,737	56.8%	3,774	56.8%

Targeted Income-Qualified Renter Household Demand (found on pages 41 to 61)

Type of Demand	30%	50%	60%	Market-rate	Overall Project*	Overall Affordable
Renter Household Growth	-	-84	-98	-13	-20	-104
Existing Households (Overburdened + Substandard)	-	722	969	1,639	1,685	1,006
Homeowner conversion (Seniors)	-	0	0	0	0	0
Total Primary Market Demand	-	638	871	1,626	1,665	903
Less Comparable/Competitive Supply	-	0	0	0	0	0
Adjusted Income-qualified Renter HHs**	-	638	871	1,626	1,665	903

Capture Rates (found on page 63)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	-	2.3%	3.6%	0.9%	5.1%	3.6%

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located at East side of Felton Road in Cartersville, Bartow County, Georgia 30121. The Subject site is currently vacant.
- 2. Construction Type:** The Subject will consist of three, two-story residential buildings. The Subject will be new construction.
- 3. Occupancy Type:** Families.
- 4. Special Population Target:** None.
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

HAVENWOOD CARTERSVILLE – CARTERSVILLE, GEORGIA – MARKET STUDY

Havenwood Cartersville

Location Felton Road
Cartersville, GA 30121
Bartow County County
Intersection: Zena Drive

Units 50

Type Garden

Year Built / Renovated Proposed



Market

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

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden (2 stories)	4	750	\$480	\$0	@50%	n/a	N/A	N/A	no
1	1	Garden (2 stories)	8	750	\$505	\$0	@60%	n/a	N/A	N/A	no
1	1	Garden (2 stories)	2	750	\$605	\$0	Market	n/a	N/A	N/A	n/a
2	2	Garden (2 stories)	5	950	\$560	\$0	@50%	n/a	N/A	N/A	no
2	2	Garden (2 stories)	13	950	\$575	\$0	@60%	n/a	N/A	N/A	no
2	2	Garden (2 stories)	6	950	\$675	\$0	Market	n/a	N/A	N/A	n/a
3	2	Garden (2 stories)	3	1,150	\$625	\$0	@50%	n/a	N/A	N/A	no
3	2	Garden (2 stories)	5	1,150	\$655	\$0	@60%	n/a	N/A	N/A	no
3	2	Garden (2 stories)	4	1,150	\$755	\$0	Market	n/a	N/A	N/A	n/a

Amenities

In-Unit	Blinds Carpeting Central A/C Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Washer/Dryer hookup Coat Closets	Security	none
Property	Parking spaces: 100 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Playground	Premium	none
Services	none	Other	Craft room, library

Comments

Utility allowance for one-bedroom units is \$94, for two-bedroom units is \$118, and for three-bedroom units is \$149. Additional amenities include a craft room and a library.

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

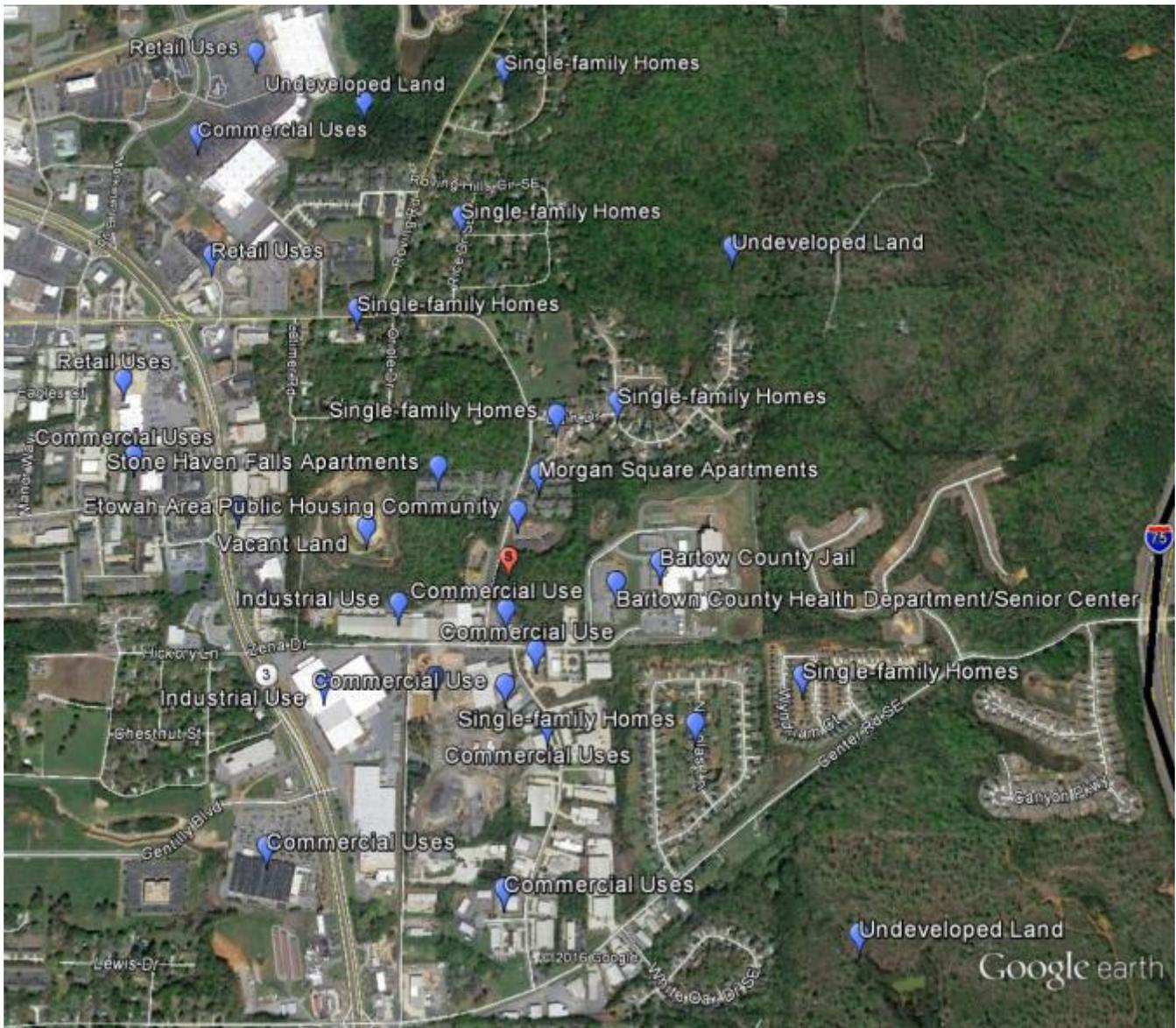
C. SITE EVALUATION

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on May 13, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

Frontage: The Subject site has frontage along Felton Road and Zena Road.

Visibility/Views: The Subject will be located on the eastern side of Felton Road. Visibility and views from the site will be good and initially will include vacant land and commercial uses.

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



Source: Google Earth, May 2017.

The Subject site is located on the east side of Felton Road. The

Subject site is currently vacant land. Adjacent north of the Subject site is wooded land, followed by the Etowah Area Public Housing Community. Directly east of the Subject site are the Bartow County Senior Center and Health Department, which are in good condition. Farther east of the Subject site is the Bartow County Jail and Sherriff’s Office. Several commercial and industrial uses are located immediately south of the Subject site. Adjacent west of the Subject site is vacant land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 22 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition, and the site has good proximity to locational amenities, which are within 2.1miles of the Subject site.

Positive/Negative Attributes of Site:

The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. There were no negative attributes observed.

3. Physical Proximity to Locational Amenities:

The Subject is located within 2.1 miles of all locational amenities.

4. Pictures of Site and Adjacent Uses:

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



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View south on Felton Road



View north on Felton Road



Adjacent use across Felton Street



Adjacent use across Felton Street



View of the Subject site from Zena Drive



View of the Subject site from Zena Drive



View north on Zena Drive



View south on Zena Drive



Rite Aid Pharmacy in the Subject's neighborhood



Walmart in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood



Grocery store in the Subject's neighborhood



Etowah Area Housing Authority adjacent to the Subject site



Morgan Square Apartments in the Subject's neighborhood (not used as a comparable)



Stone Haven Falls Apartments in the Subject's neighborhood (not used as a comparable)



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Commercial use adjacent south to the Subject site



Commercial use adjacent south to the Subject site



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



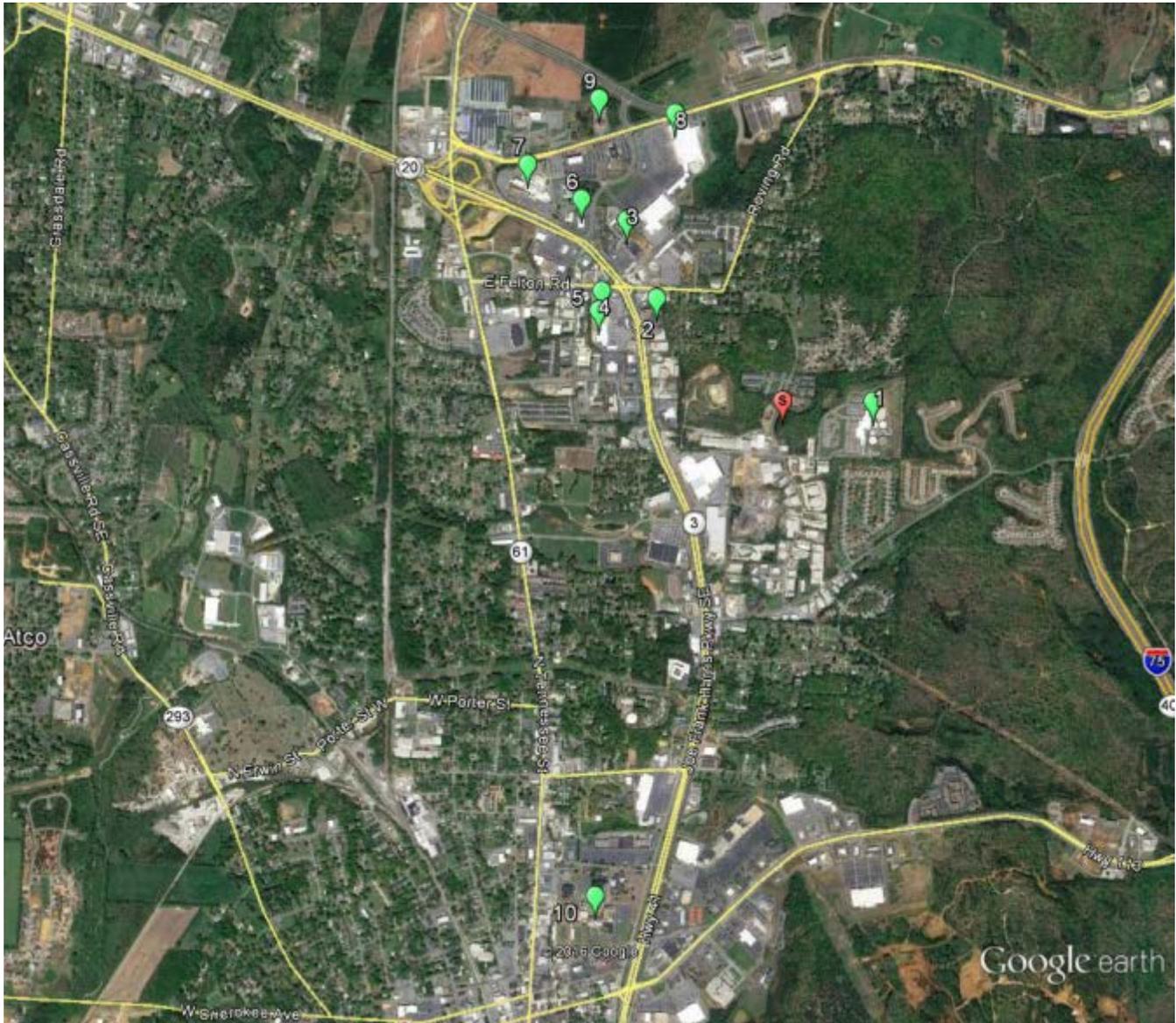
Healthcare center in the Subject's neighborhood



Institutional use east of the Subject site

5. Proximity to Locational Amenities:

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



Source: Google Earth, May 2017.

LOCATIONAL AMENITIES

Number	Service or Amenity	Distance from Subject
1	Bartow County Sheriff's Office	0.5 miles
2	Renasant Bank	0.8 miles
3	US Post Office	0.9 miles
4	Felton Crossing Shopping Center	1.0 miles
5	Ingles Market	1.0 miles
6	Rite Aid Pharmacy	1.0 miles
7	Cartersville Medical Center	1.2 miles
8	Walmart Supercenter	1.5 miles
9	Bartow County Fire Department	1.5 miles
10	Cartersville High School	2.1 miles

6. Description of Land Uses

The Subject site is located on the east side of Felton Road. The Subject site is currently vacant land. It is adjacent to The Etowah Area Public Housing Community, which is located immediately north of the Subject. Farther north of the Subject site are Morgan Square Apartments, which was not used as a comparable property due to its inferior age and condition. Single-family homes are located to the northeast of the Subject site. A multifamily development, Stone Haven Falls Apartments, is located northwest of the Subject site and was not used as a comparable due to its inferior age and condition. To the south, there are several commercial and industrial uses such as a bail bonds company and a Shaw flooring manufacturing facility. Undeveloped land is located west of the Subject site. Directly east of the Subject site are the Bartow County Senior Center, Health Department, Sheriff’s Office, and Jail. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 23 out of 100. The Subject site is considered a desirable building site for rental housing. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 2.1 miles of the Subject site.

7. Crime:

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

2017 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
Total Crime*	88	139
Personal Crime*	63	130
Murder	62	155
Rape	83	88
Robbery	45	163
Assault	70	118
Property Crime*	91	140
Burglary	111	147
Larceny	85	134
Motor Vehicle Theft	88	178

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

*Unweighted aggregations

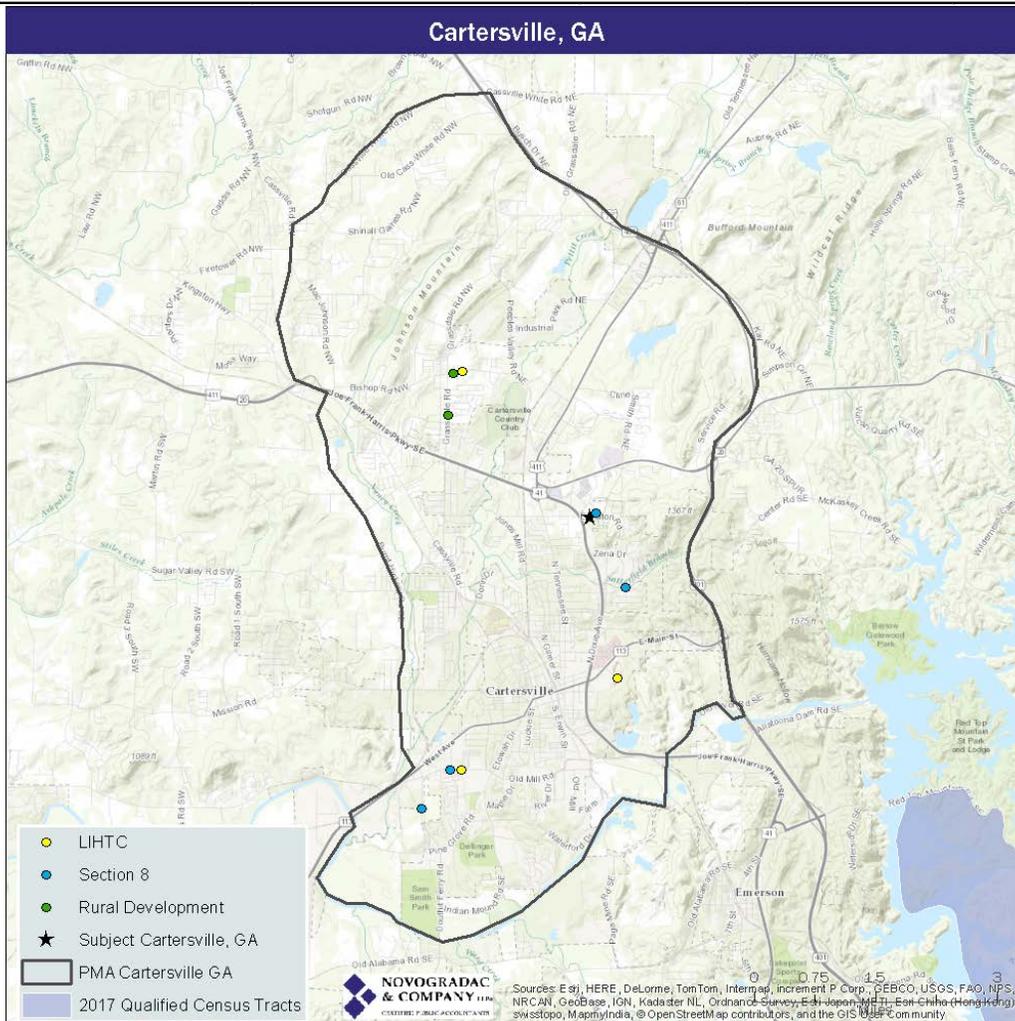
The total crime indices in the PMA are generally below that of the MSA and the nation. Burglary in the PMA is slightly above national personal crime levels. Given the low crime risk indices in the Subject’s neighborhood and the lack of features in the market, we do not believe the Subject’s lack of security features will negatively impact the Subject.

8. Existing Assisted Rental Housing Property Map:

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

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Map Color
Havenwood Cartersville	LIHTC/Market	Cartersville	Family	50	Star
Cartersville Gardens	Section 8	Cartersville	Family	100	Blue
Huntwood Terrace	Section 8	Cartersville	Senior/Disabled	40	
The Jared House	Section 8	Cartersville	Senior/Disabled	4	
Maple Ridge Health Care Center	Section 8	Cartersville	Family	44	
Crossfield Apts Ii	LIHTC/Rural Development	Cartersville	Family	24	Green
Crossfield Apts Phase I	LIHTC/Rural Development	Cartersville	Family	48	
Cass Towne Apts	LIHTC	Cartersville	Senior	10	Yellow
Cove Apts	LIHTC	Cartersville	Senior	60	
Etowah Village Apts	LIHTC	Cartersville	Family	96	Yellow
Shangri-La Park	LIHTC	Cartersville	Senior	72	
Club Court Apartments II	Rural Development/Market	Cartersville	Family	50	Green
Club Court Apartments	Rural Development/Market	Cartersville	Family	58	
Fieldmont Apartments	Rural Development/Market	Cartersville	Family	40	Yellow
Somerset Club Apartments	LIHTC	Cartersville	Family	192	



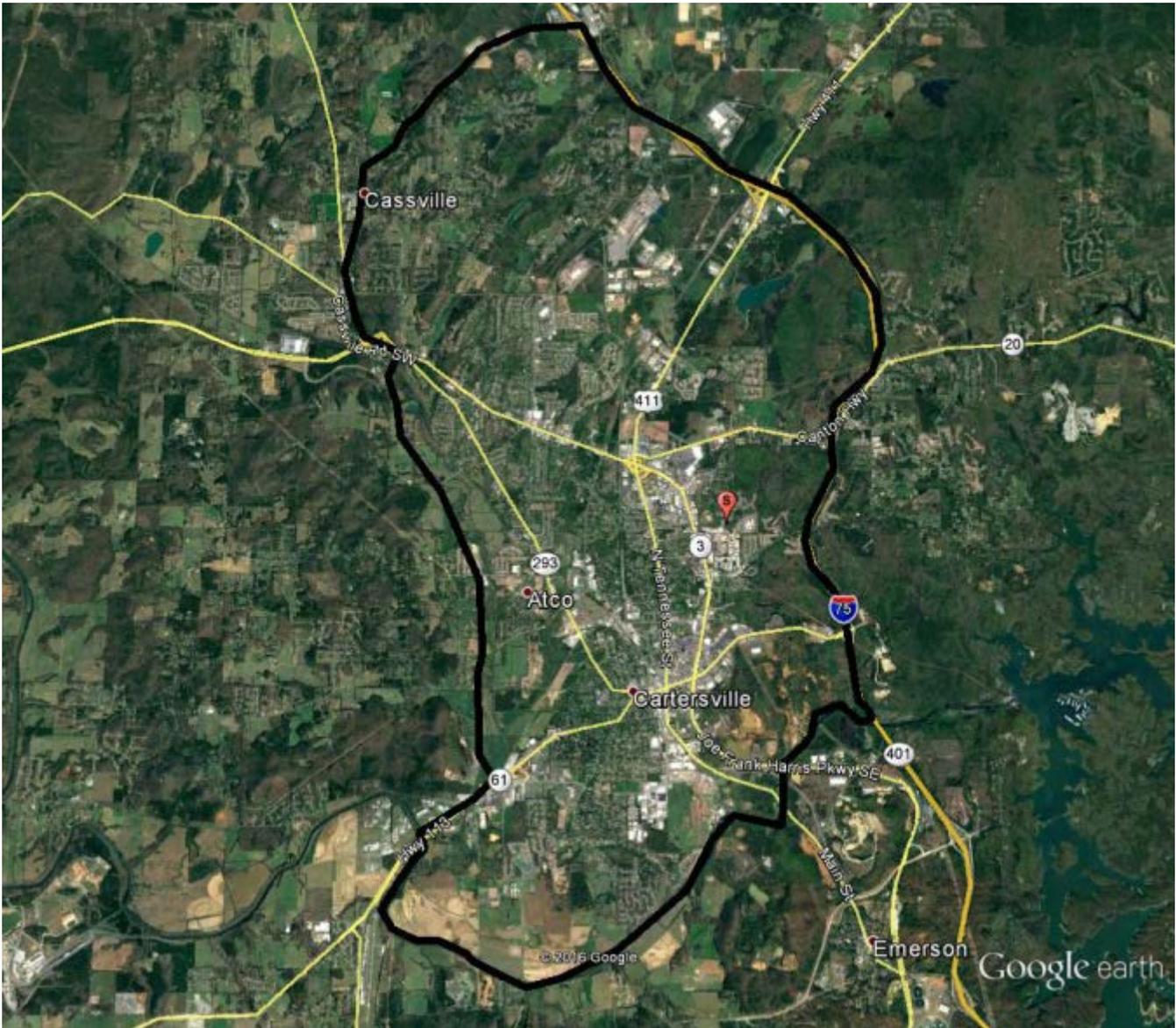
- 9. Road, Infrastructure or Proposed Improvements:** We did not witness any road, infrastructure or proposed improvements during our field work.
- 10. Access, Ingress-Egress and Visibility of Site:** The Subject site can be accessed from Felton Road, which is a two-lane neighborhood street. Felton Road provides access to Joe Frank Parkway Highway 20 and Interstate 75. Overall, access and visibility are considered good.
- 11. Conclusion:** The Subject site is located on the east side of Felton Road in Cartersville, Georgia. The Subject site has good visibility and accessibility from Felton Road. The Subject site is currently wooded land. Surrounding uses consist of multifamily, commercial, and single-family uses. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 23 out of 100. Crime risk indices in the Subject’s area are considered low. Given the low crime risk indices in the Subject’s neighborhood and the lack of features in the market, we do not believe the Subject’s lack of security features will negatively impact the Subject. The Subject site is considered a desirable building site for rental housing. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are in average to good condition and it has good proximity to locational amenities, which are within 2.1 miles.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



Source: Google Earth, May 2017.

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

The PMA is generally defined by Larry McDonald Memorial Highway and Cass White Road to the north, Cassville Road and Burnt Hickory Road to the west, the Etowah River to the south and Interstate 75 to the east. This area includes the City of Cartersville as well as portions of Emerson. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 5.8 miles
East: 2.6 miles
South: 5.3 miles
West: 5.5 miles

The PMA was defined based on interviews with the local housing authority and property managers at comparable properties. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 5.8 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

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

1a. Total Population

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

Year	PMA		Atlanta-Sandy Springs- Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	26,534	-	4,263,438	-	281,421,906	-
2010	35,509	3.4%	5,286,728	2.4%	308,745,538	1.0%
2017	36,949	0.2%	5,665,958	0.4%	323,580,626	0.3%
Projected Mkt Entry July 2019	37,251	0.3%	5,864,633	1.4%	330,453,372	0.8%
2021	37,553	0.3%	6,063,308	1.4%	337,326,118	0.8%

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

Between 2000 and 2010, population growth in the PMA outpaced population growth in both the MSA and the nation. Between 2010 and 2017 there was approximately 0.2 percent annual growth in the PMA, which was lower than the MSA and national population growth. Over the next five years, the population in the PMA is projected to increase at a 0.3 percent annual rate. Additionally, the population in the MSA is expected to increase at a rate faster than the PMA and nation. Overall, we believe that population growth in the PMA and SMA is a positive indication of demand for the Subject's proposed units.

1b. Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	1,995	2,767	2,708	2,692	2,675
5-9	2,056	2,681	2,749	2,730	2,711
10-14	1,899	2,482	2,601	2,643	2,685
15-19	1,707	2,404	2,348	2,401	2,453
20-24	1,689	2,439	2,394	2,355	2,316
25-29	2,042	2,582	2,706	2,641	2,575
30-34	2,142	2,403	2,564	2,574	2,583
35-39	2,131	2,475	2,452	2,509	2,566
40-44	1,981	2,534	2,483	2,467	2,450
45-49	1,716	2,517	2,444	2,391	2,337
50-54	1,602	2,320	2,389	2,355	2,321
55-59	1,237	1,923	2,192	2,199	2,205
60-64	1,024	1,721	1,925	2,016	2,107
65-69	930	1,274	1,675	1,740	1,805
70-74	821	1,010	1,181	1,320	1,458
75-79	666	813	907	965	1,022
80-84	443	576	612	635	658
85+	455	588	618	623	627
Total	26,536	35,509	36,948	37,251	37,554

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

POPULATION BY AGE GROUP

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

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

The largest age cohorts in the PMA are between 0 and 9 and 25 and 29, which indicates the presence of families.

2. Household Trends

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

2a. Total Number of Households and Average Household Size

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

HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	9,781	-	1,559,712	-	105,480,101	-
2010	13,077	3.4%	1,943,885	2.5%	116,716,292	1.1%
2017	13,433	0.2%	2,065,785	0.4%	121,786,233	0.3%
Projected Mkt Entry July 2019	13,495	0.2%	2,133,641	1.3%	124,240,251	0.8%
2021	13,557	0.2%	2,201,496	1.3%	126,694,268	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.64	-	2.68	-	2.59	-
2010	2.66	0.1%	2.68	0.0%	2.58	-0.1%
2017	2.70	0.1%	2.70	0.1%	2.59	0.0%
Projected Mkt Entry July 2019	2.71	0.1%	2.71	0.1%	2.59	0.1%
2021	2.72	0.1%	2.72	0.1%	2.60	0.1%

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

Household growth in the PMA was greater than the MSA and nation between 2000 and 2010. From 2010 to 2017, household growth in the PMA slowed and lagged the MSA and the nation. Over the next five years, the household growth in the PMA is expected to increase at a slower rate than the MSA and national household growth. However, household growth in the MSA is projected to exceed the rate of growth in the PMA and nation through 2021. The average household size in the PMA and MSA are slightly larger than the national average at 2.70 persons in 2017. Over the next five years, the average household size is projected to remain relatively similar.

2b. Households by Tenure

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	6,203	63.4%	3,578	36.6%
2017	6,855	51.0%	6,578	49.0%
Projected Mkt Entry July 2019	6,852	50.8%	6,643	49.2%
2021	6,849	50.5%	6,708	49.5%

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to remain moderately grow over the next five years, which is a positive sign for the Subject’s proposed units.

2c. Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	938	14.3%	892	13.4%	845	12.6%
\$10,000-19,999	858	13.0%	827	12.5%	797	11.9%
\$20,000-29,999	1,014	15.4%	934	14.1%	855	12.7%
\$30,000-39,999	867	13.2%	861	13.0%	856	12.8%
\$40,000-49,999	864	13.1%	817	12.3%	770	11.5%
\$50,000-59,999	686	10.4%	788	11.9%	891	13.3%
\$60,000-74,999	557	8.5%	579	8.7%	601	9.0%
\$75,000-99,999	433	6.6%	494	7.4%	554	8.3%
\$100,000-124,999	122	1.9%	143	2.2%	164	2.4%
\$125,000-149,999	58	0.9%	73	1.1%	89	1.3%
\$150,000-199,999	83	1.3%	104	1.6%	125	1.9%
\$200,000+	98	1.5%	130	2.0%	162	2.4%
Total	6,578	100.0%	6,643	100.0%	6,708	100.0%

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

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

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	91,905	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	106,091	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	106,011	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	97,985	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	82,355	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	66,426	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	74,698	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	72,561	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	41,572	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,756	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,795	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	23,572	2.9%	24,347	2.9%
Total	783,097	100.0%	809,727	100.0%	836,356	100.0%

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

The Subject's LIHTC units will target tenants earning between \$19,680 and \$43,740. As the table above depicts, approximately 54.7 percent of renter households in the PMA are earning incomes between \$10,000 and \$49,999, which is comparable to the 48.5 percent of renter households in the MSA in 2017. This bodes well for the Subject's development and demand for affordable housing.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	2,063	31%	2,082	31%	2,100	31%
2 Persons	1,630	25%	1,629	25%	1,628	24%
3 Persons	1,007	15%	1,013	15%	1,020	15%
4 Persons	931	14%	949	14%	966	14%
5+ Persons	947	14%	970	15%	994	15%
Total Households	6,578	100%	6,643	100%	6,708	100%

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

The majority of renter households in the PMA are one- to three-person households. The distribution of household size indicates the presence of families.

Conclusion

The population in the PMA and SMA increased from 2010 to 2017, albeit at a slower rate than from 2000 to 2010. Population and household growth is projected to continue to grow through 2021. Renter households are concentrated in the lowest income cohorts, with 54.7 percent of renters in the PMA earning incomes between \$10,000 and \$49,999 annually. The Subject will target households earning between \$19,680 and \$43,740 for its LIHTC units and up to \$67,500 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

F. EMPLOYMENT TRENDS

Employment Trends

1. Total Jobs

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

Total Jobs in Bartow County, Georgia

Year	Total Employment	% Change
2007	43,620	-
2008	43,592	-0.1%
2009	40,810	-6.8%
2010	42,007	2.8%
2011	42,279	0.6%
2012	42,733	1.1%
2013	43,005	0.6%
2014	43,285	0.6%
2015	45,870	5.6%
2016	46,508	1.4%
2017 YTD Average	46,710	0.4%
Feb-16	44,924	-
Feb-17	46,912	4.2%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Bartow County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn from 2008 to 2009. Employment growth increased in 2010 through 2017, and past its pre-recessionary levels in 2015. As of the most recent employment numbers available, Bartow County has surpassed its pre-recessionary peak indicating that the county has recovered.

2. Total Jobs by Industry

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

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

	Number	Percent
Total, all industries	31,060	-
Goods-producing	-	-
Natural resources and mining	194	0.6%
Construction	1,757	5.7%
Manufacturing	9,780	31.5%
Service-providing	-	-
Trade, transportation, and utilities	7,750	25.0%
Information	194	0.6%
Financial activities	1,001	3.2%
Professional and business services	2,335	7.5%
Education and health services	2,709	8.7%
Leisure and hospitality	4,560	14.7%
Other services	664	2.1%
Unclassified	116	0.4%

Source: Bureau of Labor Statistics, 2017

Manufacturing is the largest industry in Bartow County, followed by trade, transportation, and utilities and leisure and hospitality. These industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. The following table illustrates employment by industry for the PMA as of 2016 (most recent year available).

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	2,584	16.0%	17,169,304	11.3%
Manufacturing	2,565	15.9%	15,499,826	10.2%
Accommodation/Food Services	1,860	11.5%	11,574,403	7.6%
Healthcare/Social Assistance	1,434	8.9%	21,304,508	14.1%
Construction	1,338	8.3%	9,342,539	6.2%
Educational Services	1,072	6.7%	14,359,370	9.5%
Admin/Support/Waste Mgmt Svcs	879	5.5%	6,511,707	4.3%
Other Services (excl Publ Adm)	619	3.8%	7,463,834	4.9%
Public Administration	554	3.4%	7,093,689	4.7%
Finance/Insurance	514	3.2%	6,942,986	4.6%
Transportation/Warehousing	499	3.1%	6,128,217	4.0%
Real Estate/Rental/Leasing	473	2.9%	2,946,196	1.9%
Utilities	420	2.6%	1,344,219	0.9%
Prof/Scientific/Tech Services	346	2.1%	10,269,978	6.8%
Arts/Entertainment/Recreation	345	2.1%	3,416,474	2.3%
Wholesale Trade	340	2.1%	4,066,471	2.7%
Information	198	1.2%	2,862,063	1.9%
Agric/Forestry/Fishing/Hunting	36	0.2%	2,253,044	1.5%
Mining	29	0.2%	749,242	0.5%
Mgmt of Companies/Enterprises	7	0.0%	89,612	0.1%
Total Employment	16,112	100.0%	151,387,682	100.0%

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

The largest industries in the PMA are retail trade, manufacturing, and accommodation/food services. These industries account for 43.4 percent of total employment within the PMA. The percentage of retail trade jobs in the PMA is significantly larger than that of the nation. The manufacturing and accommodation/food services industries are also over represented in the PMA. Industries under-represented in the PMA include healthcare/social assistance and educational services.

3. Major Employers

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

MAJOR EMPLOYERS			
Rank	Company	Industry	Number of Employees
1	Shaw Industries Inc	Flooring Manufacturer	1,000 to 4,999
2	Trinity Rail Group	Transportation/Warehousing	500 to 999
3	Anheuser-Busch Brewery	Beer Manufacturer	500 to 999
4	Walmart Supercenter	Retail Trade	250 to 499
5	Plant Bowen	Utilities	250 to 499
6	Cartersville Medical Center	Healthcare/Social Assistance	250 to 499
7	Gerdau	Steel Manufacturer	250 to 499
8	ATCO Rubber Products Inc	A/C Parts Manufacturer	250 to 499
9	Chemical Products Corp	Chemical Manufacturer	250 to 499
10	Woodlands Grill At Barnsley	Accommodations/Food Services	250 to 499

Source: Georgia Department of Labor, May 2017

Shaw Industries is one of the largest employers in Bartow County. The company has a manufacturing facility located approximately 0.5 miles from the Subject site. Other major employers include companies in the manufacturing, transportation/warehousing, and healthcare industries. While healthcare is a historically stable industry, manufacturing is historically unstable, especially during times of recession. However, as subsequently illustrated, the manufacturing sector has recently experienced several expansions in Bartow County.

Expansions/Contractions

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

WARN NOTICES - BARTOW COUNTY, GA 2014-2017

Company	Industry	Number of Employees Affected
Trinity Rail	Manufacturing	298
Gossen	Manufacturing	50
Wynn Buick GMC	Retail Trade	36
Springs Global	Manufacturing	24

Source: Georgia Department of Economic Development, May 2017

As illustrated in the above table, there have been 408 employees in the area impacted by layoffs or closures since 2014. Despite these job losses that have been reported, there has been some growth occurring in the area.

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

Company	Industry	Number of Employees Affected
Shaw Plant T1	Manufacturing	500
Surya	Manufacturing	350
Beaulieu International Group	Manufacturing	350
Hühoco Group	Manufacturing	200
Voestalpine Automotive Body Parts Inc.	Manufacturing	150
Constellium	Manufacturing	150

As illustrated, there were several additions in manufacturing. Between 2014 and 2017, there were more than 1,500 jobs created, which helps to counteract the 408 layoffs in the county during the same period.

4. Employment and Unemployment Trends

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

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

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

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

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

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

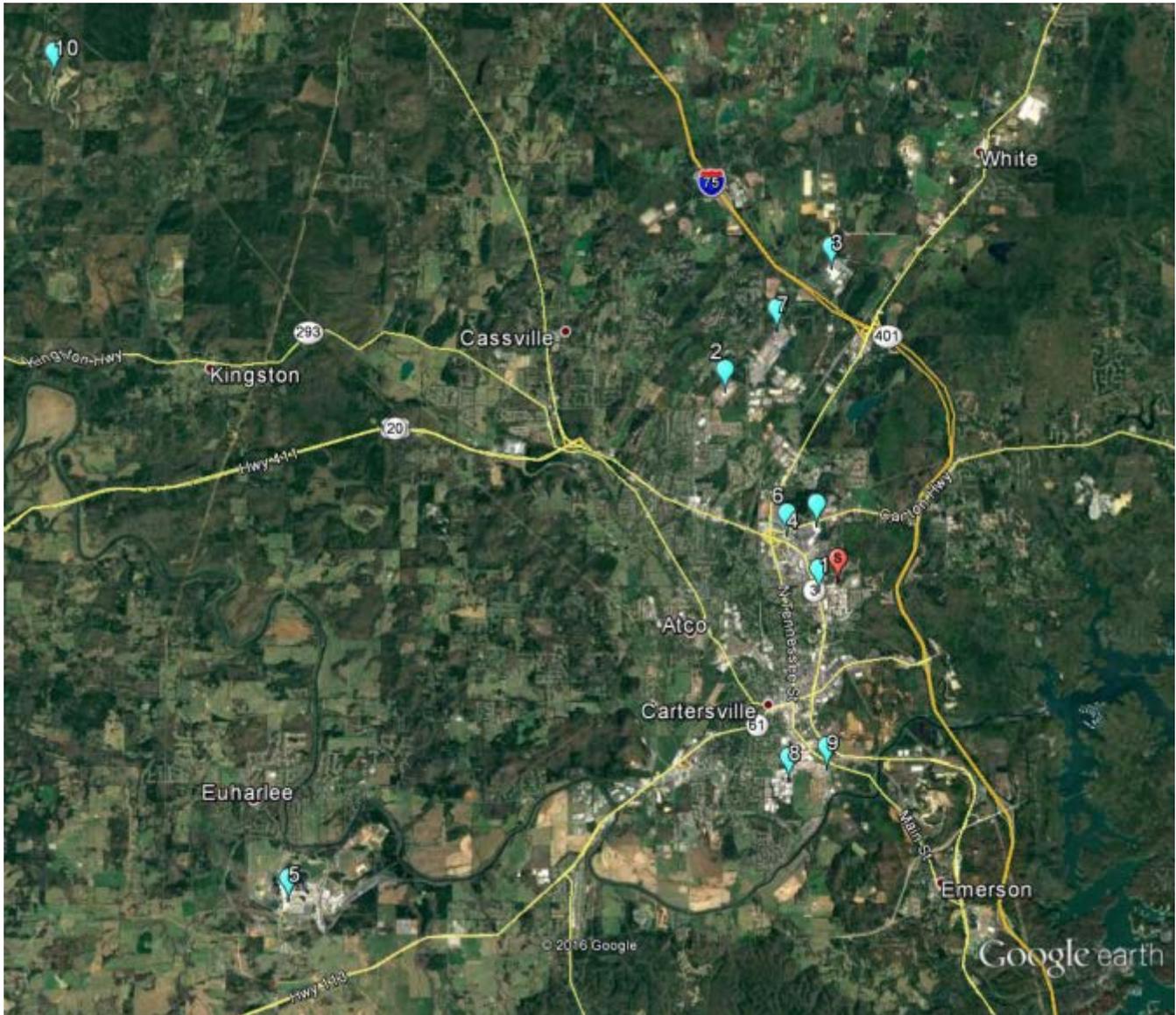
Between 2003 and 2007, total employment in the MSA exhibited positive growth, with a pre-recession peak occurring in 2007. In keeping with national trends, the MSA experienced its most significant recession-related employment losses in in 2009, at the height of the recession. The MSA saw increases in total employment once again in 2011, and total employment has increased each year since then. Total

employment in the MSA surpassed its pre-recession peak in 2014. Furthermore, the total employment growth in the MSA during the 12 month period preceding February 2017 was more than five times the percent of employment growth in the nation during the same period.

Unemployment in the SMA began increasing during 2008, at the onset of the most recent national recession. Following national trends, the MSA experienced increasing unemployment from 2008 to 2010, reaching its unemployment peak in 2010. Unemployment in the MSA has decreased each subsequent year but has yet to reach pre-recession levels. The most recent data show unemployment in the MSA similar to unemployment levels in the nation. Given that total employment in the MSA has surpassed its pre-recession levels, local employment growth has outperformed the nation, and unemployment rates in the MSA are similar to those of the nation, it appears the MSA has recovered from the most national recession.

5. Map of Site and Major Employment Concentrations

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



Source: Google Earth, May 2017.

MAJOR EMPLOYERS

Rank	Company	Industry	Number of Employees
1	Shaw Industries Inc	Flooring Manufacturer	1,000 to 4,999
2	Trinity Rail Group	Transportation/Warehousing	500 to 999
3	Anheuser-Busch Brewery	Beer Manufacturer	500 to 999
4	Walmart Supercenter	Retail Trade	250 to 499
5	Plant Bowen	Utilities	250 to 499
6	Cartersville Medical Center	Healthcare/Social Assistance	250 to 499
7	Gerdau	Steel Manufacturer	250 to 499
8	ATCO Rubber Products Inc	A/C Parts Manufacturer	250 to 499
9	Chemical Products Corp	Chemical Manufacturer	250 to 499
10	Woodlands Grill At Barnsley	Accommodations/Food Services	250 to 499

Source: Georgia Department of Labor, May 2017

6. Conclusion

Employment in the PMA is concentrated in three industries which represent approximately 43.4 percent of total local employment. These industries are particularly vulnerable during periods of economic downturn. However, the area’s largest employer Shaw Industries, a flooring manufacturer, has historically been a source of stability for the local economy. Additionally, manufacturing expansions have outpaced contractions since 2014.

Overall, the MSA has experienced total employment growth from 2000 through February 2017. Total employment in the MSA surpassed its pre-recession peak in 2014. Unemployment in the MSA has decreased each year since 2011 but has yet to reach pre-recession levels. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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

1. Income Restrictions

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

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

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. We have utilized \$67,500 as the maximum income limit for the market rate units, which is the Bartow County 2016 LIHTC area median income (AMI).

2. Affordability

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

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income								
	50% AMI		60% AMI		Market Rate		Overall Project		Overall Affordable	
1BR	\$19,680	\$27,000	\$20,537	\$32,400	\$20,743	\$67,500	\$19,680	\$67,500	\$19,680	\$32,400
2BR	\$23,246	\$30,400	\$23,760	\$36,480	\$23,143	\$67,500	\$23,143	\$67,500	\$23,246	\$36,480
3BR	\$26,537	\$36,450	\$27,566	\$43,740	\$25,886	\$67,500	\$25,886	\$67,500	\$26,537	\$43,740

3. Demand

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

3a. Demand from New Households

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

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

3b. Demand from Existing Households

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

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

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

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

3d. Other

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

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

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

4. New Demand, Capture Rates and Stabilization Conclusions

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

Additions to Supply

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

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

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

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

According to Georgia Department of Community Affairs (DCA) allocation lists, no new properties in the Subject’s PMA have been allocated LIHTC funds since 2013. Additional research into multifamily development in the Cartersville area revealed no new market rate construction in the Subject’s PMA. Therefore, we have not deducted any units from our demand analysis.

PMA Occupancy

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

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Etowah Village Apts	LIHTC	Cartersville	Family	96	99%
Somerset Club Apartments	LIHTC	Cartersville	Family	192	100%
222 North Erwin Street	Market	Cartersville	Family	10	100%
Alexandria Landing	Market	Cartersville	Family	76	100%
Amberwood Apartments	Market	Cartersville	Family	117	98%
Avonlea Highlands	Market	Cartersville	Family	228	100%
Cartersville Gardens Apartments	Market	Cartersville	Family	99	100%
Collins Pointe	Market	Cartersville	Family	66	100%
Grandview Apartments	Market	Cartersville	Family	90	100%
Hannah Apartments	Market	Cartersville	Family	56	100%
Magnolia Gardens	Market	Cartersville	Family	52	100%
Morgan Square	Market	Cartersville	Family	52	N/Av
Park Place Townhomes	Market	Cartersville	Family	20	90%
Rosewood Apartments	Market	Cartersville	Family	148	97%
Stone Haven Falls	Market	Cartersville	Family	72	N/Av
The Avenue	Market	Cartersville	Family	45	91%
The Glen	Market	Cartersville	Family	108	100%
The Vineyards	Market	Cartersville	Family	152	98%
Average					98%

The average occupancy rate of competitive developments in the PMA is approximately 98 percent.

Rehab Developments and PBRA

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

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in

the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

5. Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	938	14.3%	892	13.4%	845	12.6%
\$10,000-19,999	858	13.0%	827	12.5%	797	11.9%
\$20,000-29,999	1,014	15.4%	934	14.1%	855	12.7%
\$30,000-39,999	867	13.2%	861	13.0%	856	12.8%
\$40,000-49,999	864	13.1%	817	12.3%	770	11.5%
\$50,000-59,999	686	10.4%	788	11.9%	891	13.3%
\$60,000-74,999	557	8.5%	579	8.7%	601	9.0%
\$75,000-99,999	433	6.6%	494	7.4%	554	8.3%
\$100,000-124,999	122	1.9%	143	2.2%	164	2.4%
\$125,000-149,999	58	0.9%	73	1.1%	89	1.3%
\$150,000-199,999	83	1.3%	104	1.6%	125	1.9%
\$200,000+	98	1.5%	130	2.0%	162	2.4%
Total	6,578	100.0%	6,643	100.0%	6,708	100.0%

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$19,680		Maximum Income Limit		\$36,450	
Income Category	New Renter Households - Total Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-46	-71.2%		0.0%	0		
\$10,000-19,999	-31	-47.4%	319	3.2%	-1		
\$20,000-29,999	-80	-122.6%	9,999	100.0%	-80		
\$30,000-39,999	-6	-8.6%	6,450	64.5%	-4		
\$40,000-49,999	-47	-72.0%		0.0%	0		
\$50,000-59,999	102	157.5%		0.0%	0		
\$60,000-74,999	22	33.6%		0.0%	0		
\$75,000-99,999	61	93.4%		0.0%	0		
\$100,000-124,999	21	32.2%		0.0%	0		
\$125,000-149,999	16	23.9%		0.0%	0		
\$150,000-199,999	21	32.3%		0.0%	0		
\$200,000+	32	49.0%		0.0%	0		
Total	65	100.0%		-129.7%	-84		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$19,680		Maximum Income Limit		\$36,450	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	938	14.3%		0.0%	0		
\$10,000-19,999	858	13.0%	319	3.2%	27		
\$20,000-29,999	1,014	15.4%	9,999	100.0%	1,014		
\$30,000-39,999	867	13.2%	6,450	64.5%	559		
\$40,000-49,999	864	13.1%		0.0%	0		
\$50,000-59,999	686	10.4%		0.0%	0		
\$60,000-74,999	557	8.5%		0.0%	0		
\$75,000-99,999	433	6.6%		0.0%	0		
\$100,000-124,999	122	1.9%		0.0%	0		
\$125,000-149,999	58	0.9%		0.0%	0		
\$150,000-199,999	83	1.3%		0.0%	0		
\$200,000+	98	1.5%		0.0%	0		
Total	6,578	100.0%		24.3%	1,601		

ASSUMPTIONS - 50%

ASSUMPTIONS - 50%						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Urban		Maximum # of Occupants			5
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	10%	80%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2017 to July 2019

Income Target Population	50%
New Renter Households PMA	65
Percent Income Qualified	-129.7%
New Renter Income Qualified Households	-84

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	6,578
Income Qualified	24.3%
Income Qualified Renter Households	1,601
Percent Rent Overburdened Prj Mrkt Entry July 2019	44.7%
Rent Overburdened Households	716

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,601
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	6

Senior Households Converting from Homeownership

Income Target Population	50%
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	722
Total New Demand	-84
Total Demand (New Plus Existing Households)	638

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

By Bedroom Demand

One Person	31.3%	200
Two Persons	24.5%	156
Three Persons	15.3%	97
Four Persons	14.3%	91
Five Persons	14.6%	93
Total	100.0%	638

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	20
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	160
Of two-person households in 1BR units	20%	31
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	20
Of two-person households in 2BR units	80%	125
Of three-person households in 2BR units	60%	58
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	39
Of four-person households in 3BR units	70%	64
Of five-person households in 3BR units	30%	28
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	27
Of five-person households in 4BR units	35%	33
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	33
Total Demand		638

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	191	-	0	=	191			
2 BR	203	-	0	=	203			
3 BR	131	-	0	=	131			
Total	525		0		525			
Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	4	/	191	=	2.1%			
2 BR	5	/	203	=	2.5%			
3 BR	3	/	131	=	2.3%			
Total	12		525		2.3%			

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$20,537		Maximum Income Limit		\$43,740	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			Households within Bracket		
\$0-9,999	-46	-71.2%		0.0%	0		
\$10,000-19,999	-31	-47.4%		0.0%	0		
\$20,000-29,999	-80	-122.6%	9,462	94.6%	-75		
\$30,000-39,999	-6	-8.6%	9,999	100.0%	-6		
\$40,000-49,999	-47	-72.0%	3,740	37.4%	-17		
\$50,000-59,999	102	157.5%		0.0%	0		
\$60,000-74,999	22	33.6%		0.0%	0		
\$75,000-99,999	61	93.4%		0.0%	0		
\$100,000-124,999	21	32.2%		0.0%	0		
\$125,000-149,999	16	23.9%		0.0%	0		
\$150,000-199,999	21	32.3%		0.0%	0		
\$200,000+	32	49.0%		0.0%	0		
Total	65	100.0%		-151.5%	-98		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$20,537		Maximum Income Limit		\$43,740	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	938	14.3%		0.0%	0		
\$10,000-19,999	858	13.0%		0.0%	0		
\$20,000-29,999	1,014	15.4%	9,462	94.6%	960		
\$30,000-39,999	867	13.2%	9,999	100.0%	867		
\$40,000-49,999	864	13.1%	3,740	37.4%	323		
\$50,000-59,999	686	10.4%		0.0%	0		
\$60,000-74,999	557	8.5%		0.0%	0		
\$75,000-99,999	433	6.6%		0.0%	0		
\$100,000-124,999	122	1.9%		0.0%	0		
\$125,000-149,999	58	0.9%		0.0%	0		
\$150,000-199,999	83	1.3%		0.0%	0		
\$200,000+	98	1.5%		0.0%	0		
Total	6,578	100.0%		32.7%	2,150		

ASSUMPTIONS - 60%

Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Urban		Maximum # of Occupants		5
Persons in Household	0BR	1BR	2BR	3BR	4BR+	
1	10%	80%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2017 to July 2019

Income Target Population	60%
New Renter Households PMA	65
Percent Income Qualified	-151.5%
New Renter Income Qualified Households	-98

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	6,578
Income Qualified	32.7%
Income Qualified Renter Households	2,150
Percent Rent Overburdened Prj Mrkt Entry July 2019	44.7%
Rent Overburdened Households	961

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,150
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	8

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	969
Total New Demand	-98
Total Demand (New Plus Existing Households)	871

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

By Bedroom Demand

One Person	31.3%	273
Two Persons	24.5%	214
Three Persons	15.3%	133
Four Persons	14.3%	124
Five Persons	14.6%	127
Total	100.0%	871

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	27
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	218
Of two-person households in 1BR units	20%	43
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	27
Of two-person households in 2BR units	80%	171
Of three-person households in 2BR units	60%	80
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	53
Of four-person households in 3BR units	70%	87
Of five-person households in 3BR units	30%	38
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	37
Of five-person households in 4BR units	35%	45
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	45
Total Demand		871

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	261	-	0	=	261			
2 BR	278	-	0	=	278			
3 BR	178	-	0	=	178			
Total	717		0		717			

Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	8	/	261	=	3.1%			
2 BR	13	/	278	=	4.7%			
3 BR	5	/	178	=	2.8%			
Total	26		717		3.6%			

Market

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$20,743		Maximum Income Limit		\$67,500	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019			Households	within Bracket	
\$0-9,999	-46	-71.2%		0.0%		0	
\$10,000-19,999	-31	-47.4%		0.0%		0	
\$20,000-29,999	-80	-122.6%	9,256	92.6%		-74	
\$30,000-39,999	-6	-8.6%	9,999	100.0%		-6	
\$40,000-49,999	-47	-72.0%	9,999	100.0%		-47	
\$50,000-59,999	102	157.5%	9,999	100.0%		102	
\$60,000-74,999	22	33.6%	7,500	50.0%		11	
\$75,000-99,999	61	93.4%		0.0%		0	
\$100,000-124,999	21	32.2%		0.0%		0	
\$125,000-149,999	16	23.9%		0.0%		0	
\$150,000-199,999	21	32.3%		0.0%		0	
\$200,000+	32	49.0%		0.0%		0	
Total	65	100.0%		-19.7%		-13	

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market

Minimum Income Limit		\$20,743		Maximum Income Limit		\$67,500	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households		
	2017				within Bracket		
\$0-9,999	938	14.3%		0.0%		0	
\$10,000-19,999	858	13.0%		0.0%		0	
\$20,000-29,999	1,014	15.4%	9,256	92.6%		939	
\$30,000-39,999	867	13.2%	9,999	100.0%		867	
\$40,000-49,999	864	13.1%	9,999	100.0%		864	
\$50,000-59,999	686	10.4%	9,999	100.0%		686	
\$60,000-74,999	557	8.5%	7,500	50.0%		279	
\$75,000-99,999	433	6.6%		0.0%		0	
\$100,000-124,999	122	1.9%		0.0%		0	
\$125,000-149,999	58	0.9%		0.0%		0	
\$150,000-199,999	83	1.3%		0.0%		0	
\$200,000+	98	1.5%		0.0%		0	
Total	6,578	100.0%		55.2%		3,634	

ASSUMPTIONS - Market

ASSUMPTIONS - Market						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Urban		Maximum # of Occupants			5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	80%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

Demand from New Renter Households 2017 to July 2019

Income Target Population	Market
New Renter Households PMA	65
Percent Income Qualified	-19.7%
New Renter Income Qualified Households	-13

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Market
Total Existing Demand	6,578
Income Qualified	55.2%
Income Qualified Renter Households	3,634
Percent Rent Overburdened Prj Mrkt Entry July 2019	44.7%
Rent Overburdened Households	1625

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,634
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	14

Senior Households Converting from Homeownership

Income Target Population	Market
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,639
Total New Demand	-13
Total Demand (New Plus Existing Households)	1,626

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

By Bedroom Demand

One Person	31.3%	509
Two Persons	24.5%	399
Three Persons	15.3%	248
Four Persons	14.3%	232
Five Persons	14.6%	238
Total	100.0%	1,626

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	51
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	408
Of two-person households in 1BR units	20%	80
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	51
Of two-person households in 2BR units	80%	319
Of three-person households in 2BR units	60%	149
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	99
Of four-person households in 3BR units	70%	163
Of five-person households in 3BR units	30%	71
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	70
Of five-person households in 4BR units	35%	83
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	83
Total Demand		1,626

Total Demand (Subject Unit Types)		Additions to Supply			Net Demand
1 BR	487	-	0	=	487
2 BR	519	-	0	=	519
3 BR	333	-	0	=	333
Total	1,339		0		1,339

Developer's Unit Mix		Net Demand			Capture Rate
1 BR	2	/	487	=	0.4%
2 BR	6	/	519	=	1.2%
3 BR	4	/	333	=	1.2%
Total	12		1,339		0.9%

Overall Project

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit	\$19,680		Maximum Income Limit	\$67,500	
Income Category	New Renter Households - Total Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	-46	-71.2%		0.0%	0
\$10,000-19,999	-31	-47.4%	319	3.2%	-1
\$20,000-29,999	-80	-122.6%	9,999	100.0%	-80
\$30,000-39,999	-6	-8.6%	9,999	100.0%	-6
\$40,000-49,999	-47	-72.0%	9,999	100.0%	-47
\$50,000-59,999	102	157.5%	9,999	100.0%	102
\$60,000-74,999	22	33.6%	7,500	50.0%	11
\$75,000-99,999	61	93.4%		0.0%	0
\$100,000-124,999	21	32.2%		0.0%	0
\$125,000-149,999	16	23.9%		0.0%	0
\$150,000-199,999	21	32.3%		0.0%	0
\$200,000+	32	49.0%		0.0%	0
Total	65	100.0%		-30.4%	-20

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit	\$19,680		Maximum Income Limit	\$67,500	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	938	14.3%		0.0%	0
\$10,000-19,999	858	13.0%	319	3.2%	27
\$20,000-29,999	1,014	15.4%	9,999	100.0%	1,014
\$30,000-39,999	867	13.2%	9,999	100.0%	867
\$40,000-49,999	864	13.1%	9,999	100.0%	864
\$50,000-59,999	686	10.4%	9,999	100.0%	686
\$60,000-74,999	557	8.5%	7,500	50.0%	279
\$75,000-99,999	433	6.6%		0.0%	0
\$100,000-124,999	122	1.9%		0.0%	0
\$125,000-149,999	58	0.9%		0.0%	0
\$150,000-199,999	83	1.3%		0.0%	0
\$200,000+	98	1.5%		0.0%	0
Total	6,578	100.0%		56.8%	3,737

ASSUMPTIONS - Overall

Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	10%	80%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	60%	40%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	30%	70%

Tenancy	Family	% of Income towards Housing	35%
Rural/Urban	Urban	Maximum # of Occupants	5

Demand from New Renter Households 2017 to July 2019

Income Target Population	Overall
New Renter Households PMA	65
Percent Income Qualified	-30.4%
New Renter Income Qualified Households	-20

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	6,578
Income Qualified	56.8%
Income Qualified Renter Households	3,737
Percent Rent Overburdened Prj Mrkt Entry July 2019	44.7%
Rent Overburdened Households	1671

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,737
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	14

Senior Households Converting from Homeownership

Income Target Population	Overall
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,685
Total New Demand	-20
Total Demand (New Plus Existing Households)	1,665

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

By Bedroom Demand

One Person	31.3%	522
Two Persons	24.5%	408
Three Persons	15.3%	254
Four Persons	14.3%	238
Five Persons	14.6%	243
Total	100.0%	1,665

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	52
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	417
Of two-person households in 1BR units	20%	82
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	52
Of two-person households in 2BR units	80%	327
Of three-person households in 2BR units	60%	152
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	102
Of four-person households in 3BR units	70%	166
Of five-person households in 3BR units	30%	73
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	71
Of five-person households in 4BR units	35%	85
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	85
Total Demand		1,665

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	499	-	0	=	499
2 BR	531	-	0	=	531
3 BR	341	-	0	=	341
Total	1,371		0		1,371

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	14	/	499	=	2.8%
2 BR	24	/	531	=	4.5%
3 BR	12	/	341	=	3.5%
Total	50		1,371		3.6%

Overall Affordable

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable

Minimum Income Limit		\$19,680		Maximum Income Limit		\$43,740	
Income Category	New Renter Households - Total Change in Households PMA 2017 to Prj Mrkt Entry July 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-46	-71.2%		0.0%	0		
\$10,000-19,999	-31	-47.4%	319	3.2%	-1		
\$20,000-29,999	-80	-122.6%	9,999	100.0%	-80		
\$30,000-39,999	-6	-8.6%	9,999	100.0%	-6		
\$40,000-49,999	-47	-72.0%	3,740	37.4%	-17		
\$50,000-59,999	102	157.5%		0.0%	0		
\$60,000-74,999	22	33.6%		0.0%	0		
\$75,000-99,999	61	93.4%		0.0%	0		
\$100,000-124,999	21	32.2%		0.0%	0		
\$125,000-149,999	16	23.9%		0.0%	0		
\$150,000-199,999	21	32.3%		0.0%	0		
\$200,000+	32	49.0%		0.0%	0		
Total	65	100.0%		-159.6%	-104		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall Affordable

Minimum Income Limit		\$19,680		Maximum Income Limit		\$43,740	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	938	14.3%		0.0%	0		
\$10,000-19,999	858	13.0%	319	3.2%	27		
\$20,000-29,999	1,014	15.4%	9,999	100.0%	1,014		
\$30,000-39,999	867	13.2%	9,999	100.0%	867		
\$40,000-49,999	864	13.1%	3,740	37.4%	323		
\$50,000-59,999	686	10.4%		0.0%	0		
\$60,000-74,999	557	8.5%		0.0%	0		
\$75,000-99,999	433	6.6%		0.0%	0		
\$100,000-124,999	122	1.9%		0.0%	0		
\$125,000-149,999	58	0.9%		0.0%	0		
\$150,000-199,999	83	1.3%		0.0%	0		
\$200,000+	98	1.5%		0.0%	0		
Total	6,578	100.0%		33.9%	2,232		

ASSUMPTIONS - Overall Affordable

Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	10%	80%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	60%	40%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	30%	70%

Tenancy	Family	% of Income towards Housing	35%
Rural/Urban	Urban	Maximum # of Occupants	5

Demand from New Renter Households 2017 to July 2019

Income Target Population	Overall Affordable
New Renter Households PMA	65
Percent Income Qualified	-159.6%
New Renter Income Qualified Households	-104

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall Affordable
Total Existing Demand	6,578
Income Qualified	33.9%
Income Qualified Renter Households	2,232
Percent Rent Overburdened Prj Mrkt Entry July 2019	44.7%
Rent Overburdened Households	998

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,232
Percent Living in Substandard Housing	0.4%
Households Living in Substandard Housing	9

Senior Households Converting from Homeownership

Income Target Population	Overall Affordable
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	1,006
Total New Demand	-104
Total Demand (New Plus Existing Households)	903

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

By Bedroom Demand

One Person	31.3%	283
Two Persons	24.5%	221
Three Persons	15.3%	138
Four Persons	14.3%	129
Five Persons	14.6%	132
Total	100.0%	903

To place Person Demand into Bedroom Type Units

Of one-person households in studio units	10%	28
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	226
Of two-person households in 1BR units	20%	44
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	28
Of two-person households in 2BR units	80%	177
Of three-person households in 2BR units	60%	83
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	55
Of four-person households in 3BR units	70%	90
Of five-person households in 3BR units	30%	40
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	39
Of five-person households in 4BR units	35%	46
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	46
Total Demand		903

Total Demand (Subject Unit Types)		Additions to Supply			Net Demand
1 BR	271	-	0	=	271
2 BR	288	-	0	=	288
3 BR	185	-	0	=	185
Total	743		0		743

Developer's Unit Mix		Net Demand			Capture Rate
1 BR	12	/	271	=	4.4%
2 BR	18	/	288	=	6.3%
3 BR	8	/	185	=	4.3%
Total	38		743		5.1%

Conclusions

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

- The number of households in the PMA is expected to increase 0.3 percent between 2017 and projected market entry 2019.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

DEMAND AND NET DEMAND

DCA Conclusion Tables (Family)	HH at 50% AMI (\$19,680 to \$36,450)	HH at 60% AMI (\$20,537 to \$43,740)	HH > 60% AMI (\$20,743 to \$67,500)	Overall Project (\$19,680 to \$67,500)	Overall Affordable (\$19,680 to \$43,740)
Demand from New Households (age and income appropriate)	-84	-98	-13	-20	-104
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	6	8	14	14	9
PLUS	+	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	716	961	1,625	1,671	998
Sub Total	638	871	1,626	1,665	903
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0	0	0
Equals Total Demand	638	871	1,626	1,665	903
Less	-	-	-	-	-
Competitive New Supply	0	0	0	0	0
Equals Net Demand	638	871	1,626	1,665	903

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 50% AMI	\$19,680	\$27,000	4	191	0	191	2.1%	Three to four months	\$821	\$678	\$988	\$480
1BR at 60% AMI	\$20,537	\$32,400	8	261	0	261	3.1%	Three to four months	\$821	\$678	\$821	\$505
1BR Unrestricted	\$20,743	\$67,500	2	487	0	487	0.4%	Three to four months	\$845	\$780	\$988	\$605
1BR Overall	\$19,680	\$67,500	14	499	0	499	2.8%	Three to four months	-	-	-	-
1 BR Overall Affordable	\$19,680	\$32,400	12	271	0	271	4.4%	Three to four months	-	-	-	-
2BR at 50% AMI	\$23,246	\$30,400	5	203	0	203	2.5%	Three to four months	\$932	\$610	\$1,181	\$560
2BR at 60% AMI	\$23,760	\$36,480	13	278	0	278	4.7%	Three to four months	\$963	\$807	\$1,181	\$575
2BR Unrestricted	\$23,143	\$67,500	6	519	0	519	1.2%	Three to four months	\$989	\$880	\$1,181	\$675
2BR Overall	\$23,246	\$67,500	24	531	0	531	4.5%	Three to four months	-	-	-	-
2BR Overall Affordable	\$23,246	\$36,480	18	288	0	288	6.3%	Three to four months	-	-	-	-
3BR at 50% AMI	\$26,743	\$36,450	3	131	0	131	2.3%	Three to four months	\$1,040	\$687	\$1,476	\$625
3BR at 60% AMI	\$27,771	\$43,740	5	178	0	178	2.8%	Three to four months	\$1,066	\$700	\$1,476	\$655
3BR Unrestricted	\$25,886	\$67,500	4	333	0	333	1.2%	Three to four months	\$1,149	\$992	\$1,476	\$755
3BR Overall	\$26,743	\$67,500	12	341	0	341	3.5%	Three to four months	-	-	-	-
3BR Overall Affordable	\$26,743	\$43,740	8	185	0	185	4.3%	Three to four months	-	-	-	-
50% AMI Overall	\$19,680	\$36,450	12	525	0	525	2.3%	Three to four months	-	-	-	-
60% AMI Overall	\$20,537	\$43,740	26	717	0	717	3.6%	Three to four months	-	-	-	-
Unrestricted Overall	\$20,743	\$67,500	12	1339	0	1339	0.9%	Three to four months	-	-	-	-
Overall	\$19,680	\$67,500	50	1371	0	1371	3.6%	Three to four months	-	-	-	-
Overall Affordable	\$19,680	\$43,740	38	743	0	743	5.1%	Three to four months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.1 to 2.5 percent, with an overall capture rate of 2.3 percent. The Subject’s 60 percent AMI capture rates range from 2.8 to 4.7 percent, with an overall capture rate of 3.6 percent. Capture rates for the Subject’s unrestricted units range from 0.4 to 1.2 percent with an overall capture rate of 0.9 percent. The overall capture rate for the project’s 50 and 60 percent units is 5.1 percent. The overall capture rate for the project, including unrestricted units, is 3.6 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within Georgia DCA’s thresholds.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,812 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average. Only one of the LIHTC comparables is located within the PMA. The other four LIHTC comparables are located outside of the PMA, three in nearby Cherokee and Cobb Counties. Cherokee and Cobb Counties are considered superior locations to Hiawassee with respect to median household income, median home value, and median rent. However, these LIHTC comparables are the most proximate to the Subject. Other LIHTC properties within the PMA have been excluded because they target senior tenants. The comparable LIHTC properties are all located between 1.8 and 13.5 miles of the proposed Subject.

The availability of market-rate data is considered good. The Subject is located in Cartersville, and there are several market-rate properties in the area. We have included five conventional properties in our analysis of the competitive market. All but one of the market-rate properties are located in the PMA, and all are located between 1.2 and 2.9 miles from the Subject site and offer similar locations. These comparables were built or renovated between 1992 and 2014. It is noted that two market rate comparables in the PMA, Morgan Square Apartments and Stone Haven Falls Apartments, are located just north of the Subject site. We were not able to contact anyone at these properties. Based on a CoStar search, rents at these properties are reported at \$702 for two-bedroom units at Morgan Square Apartments and \$700 for the three-bedroom units at Stone Haven Falls Apartments. These are the only unit types offered at each property. Additionally, based on our inspection, it is our opinion that these properties, those closest to the Subject in proximity, are inferior to the Subject with respect to age and condition. These properties appear to be well-occupied. There are a limited number of new construction market-rate properties in the area. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types.

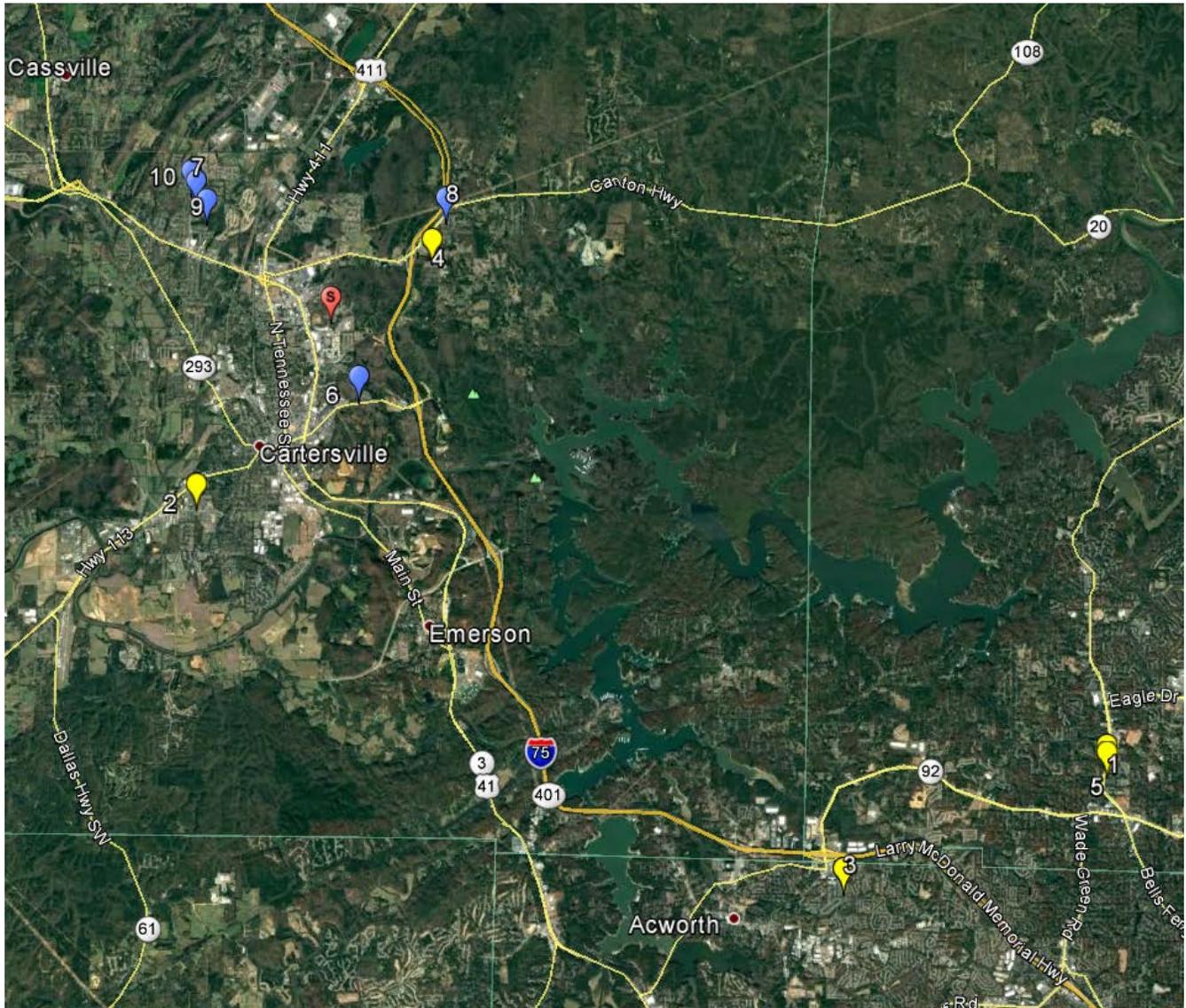
Excluded Properties

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

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Havenwood Cartersville	LIHTC/Market	Cartersville	Family	50	-
Cartersville Gardens	Section 8	Cartersville	Family	100	Subsidized
Huntwood Terrace	Section 8	Cartersville	Senior/Disabled	40	Subsidized
The Jared House	Section 8	Cartersville	Senior/Disabled	4	Subsidized
Maple Ridge Health Care Center	Section 8	Cartersville	Family	44	Subsidized
Crossfield Apts II	LIHTC/Rural Development	Cartersville	Family	24	Rural Development
Crossfield Apts Phase I	LIHTC/Rural Development	Cartersville	Family	48	Rural Development
Cass Towne Apts	LIHTC	Cartersville	Senior	10	Dissimilar tenancy
Cove Apts	LIHTC	Cartersville	Senior	60	Dissimilar tenancy
Shangri-La Park	LIHTC	Cartersville	Senior	72	Dissimilar tenancy
Club Court Apartments II	Rural Development/Market	Cartersville	Family	50	Rural Development
Club Court Apartments	Rural Development/Market	Cartersville	Family	58	Rural Development
Fieldmont Apartments	Rural Development/Market	Cartersville	Family	40	Rural Development
222 North Erwin Street	Market	Cartersville	Family	10	Inferior age and condition
Alexandria Landing	Market	Cartersville	Family	76	Inferior age and condition
Amberwood Apartments	Market	Cartersville	Family	117	Inferior age and condition
Cartersville Gardens Apartments	Market	Cartersville	Family	99	Inferior age and condition
Collins Pointe	Market	Cartersville	Family	66	Inferior age and condition
Grandview Apartments	Market	Cartersville	Family	90	Inferior age and condition
Hannah Apartments	Market	Cartersville	Family	56	Inferior age and condition
Magnolia Gardens	Market	Cartersville	Family	52	Inferior age and condition
Morgan Square	Market	Cartersville	Family	52	Could not contact/inferior age and condition
Park Place Townhomes	Market	Cartersville	Family	20	Dissimilar style
Stone Haven Falls	Market	Cartersville	Family	72	Could not contact/inferior age and condition
The Avenue	Market	Cartersville	Family	45	Inferior age and condition

Comparable Rental Property Map



Source: Google Earth, May 2017.

COMPARABLE PROPERTIES

#	Property Name	Type	Distance from Subject
1	Cherokee Summit	LIHTC	13.5 miles
2	Etowah Village	LIHTC	3.4 miles
3	Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	11.2 miles
4	Somerset Club Apartments	LIHTC, Market	1.8 miles
5	The Peaks Of Bells Ferry	LIHTC, Market	13.5 miles
6	Avonlea Highlands	Market	1.2 miles
7	Rosewood Apartments	Market	2.4 miles
8	Stonemill Apartments	Market	2.3 miles
9	The Glen	Market	2.7 miles
10	The Vineyards	Market	2.9 miles

HAVENWOOD CARTERSVILLE - CARTERSVILLE, GEORGIA - MARKET STUDY

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

SUMMARY MATRIX																		
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	Havenwood Cartersville Felton Road Cartersville, GA 30121 Bartow County	n/a	Garden (2 stories) Proposed	LIHTC, Market	1BR / 1BA	4	8.0%	@50%	\$480	750	no		N/A	N/A				
					1BR / 1BA	8	16.0%	@60%	\$505	750	no	N/A	N/A					
					1BR / 1BA	2	4.0%	Market	\$605	750	n/a	N/A	N/A					
					2BR / 2BA	5	10.0%	@50%	\$560	950	no	N/A	N/A					
					2BR / 2BA	13	26.0%	@60%	\$575	950	no	N/A	N/A					
					2BR / 2BA	6	12.0%	Market	\$675	950	n/a	N/A	N/A					
					3BR / 2BA	3	6.0%	@50%	\$625	1,150	no	N/A	N/A					
					3BR / 2BA	5	10.0%	@60%	\$655	1,150	no	N/A	N/A					
					3BR / 2BA	4	8.0%	Market	\$755	1,150	n/a	N/A	N/A					
										50	100.0%						N/A	N/A
1	Cherokee Summit 5920 Bells Ferry Road Acworth, GA 30102 Cherokee County	13.5 miles	Garden (3 stories) 2000	LIHTC	1BR / 1BA	48	17.6%	@60%	\$749	975	yes	No	0	0.0%				
					2BR / 2BA	184	67.6%	@60%	\$885	1,150	yes	No	6	3.3%				
					3BR / 2BA	40	14.7%	@60%	\$920	1,350	yes	No	5	12.5%				
					272	100.0%												
2	Etowah Village 366 Old Mill Road Cartersville, GA 30120 Bartow County	3.4 miles	Garden (2 stories) 1998/2012	LIHTC	2BR / 2BA	24	25.0%	@50%	\$610	1,106	no	Yes	0	0.0%				
					3BR / 2BA	36	37.5%	@50%	\$687	1,237	no	Yes	1	2.8%				
					3BR / 2BA	36	37.5%	@60%	\$700	1,237	no	Yes	0	0.0%				
					96	100.0%												
3	Legacy At Acworth (FKA 4801 Baker Grove Road Acworth, GA 30101 Cobb County	11.2 miles	Garden (2 stories) 1997	LIHTC, Market	1BR / 1BA	38	19.8%	@60%	\$678	840	no	No	0	0.0%				
					1BR / 1BA	36	18.8%	Market	\$788	840	n/a	No	0	0.0%				
					2BR / 2BA	46	24.0%	@60%	\$807	1,056	no	No	0	0.0%				
					2BR / 2BA	50	26.0%	Market	\$932	1,056	n/a	No	2	4.0%				
					3BR / 2BA	12	6.2%	@60%	\$922	1,254	no	No	1	8.3%				
					3BR / 2BA	10	5.2%	Market	\$1,047	1,254	n/a	No	1	10.0%				
										192	100.0%							
4	Somerset Club Apartments 91 Somerset Club Drive SE Cartersville, GA 30121 Bartow County	1.8 miles	Garden (3 stories) 2004	LIHTC, Market	1BR / 1BA	44	22.9%	@60%	N/A	864	yes	No	0	0.0%				
					1BR / 1BA	N/A	N/A	Market	\$795	864	n/a	No	0	N/A				
					2BR / 2BA	84	43.8%	@60%	\$881	1,200	yes	No	1	1.2%				
					2BR / 2BA	N/A	N/A	Market	\$950	1,200	n/a	No	0	N/A				
					3BR / 2BA	40	20.8%	@60%	\$1,004	1,300	yes	No	0	0.0%				
					4BR / 3BA	24	12.5%	Market	\$1,120	1,460	n/a	No	0	0.0%				
					192	100.0%												
5	The Peaks Of Bells Ferry 100 Peaks Ridge Acworth, GA 30102 Cherokee County	13.5 miles	Garden (3 stories) 2003	LIHTC, Market	1BR / 1BA	50	20.2%	@60%	\$740	874	yes	No	0	0.0%				
					1BR / 1BA	12	4.8%	Market	\$953	874	n/a	No	0	0.0%				
					2BR / 2BA	98	39.5%	@60%	\$897	1,149	yes	No	1	1.0%				
					2BR / 2BA	25	10.1%	Market	\$1,072	1,149	n/a	No	0	0.0%				
					3BR / 2BA	51	20.6%	@60%	\$1,038	1,388	yes	Yes	1	2.0%				
					3BR / 2BA	12	4.8%	Market	\$1,202	1,388	n/a	Yes	0	0.0%				
					248	100.0%												
6	Avonlea Highlands 950 East Main Street Cartersville, GA 30121 Bartow County	1.2 miles	Garden (4 stories) 2001	Market	1BR / 1BA	N/A	N/A	Market	\$838	660	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$950	843	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$988	912	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,071	1,048	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,146	1,210	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,181	1,337	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,373	1,366	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,478	1,439	n/a	No	0	N/A				
										228	100.0%							
					7	Rosewood Apartments 531 Grassdale Road Cartersville, GA 30121 Bartow County	2.4 miles	Garden (2 stories) 1984/2014	Market	1BR / 1BA	18	12.2%	Market	\$795	575	n/a	No	2
1BR / 1BA	30	20.3%	Market	\$810						800	n/a	No	2	6.7%				
2BR / 2BA	92	62.2%	Market	\$883						1,140	n/a	No	0	0.0%				
3BR / 2BA	8	5.4%	Market	\$992						1,170	n/a	No	0	0.0%				
					148	100.0%												
8	Stonemill Apartments 50 Stone Mill Drive SE Cartersville, GA 30121 Bartow County	2.3 miles	Garden (2 stories) 2001	Market	1BR / 1BA	16	9.1%	Market	\$809	774	n/a	No	0	0.0%				
					1BR / 1BA	52	29.5%	Market	\$854	828	n/a	No	0	0.0%				
					2BR / 2BA	92	52.3%	Market	\$944	1,084	n/a	No	2	2.2%				
					3BR / 2BA	16	9.1%	Market	\$1,113	1,277	n/a	No	0	0.0%				
					176	100.0%												
9	The Glen 200 Governor's Court Cartersville, GA 30121 Bartow County	2.7 miles	Garden (2 stories) 1992	Market	1BR / 1BA	N/A	N/A	Market	\$780	701	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$800	750	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$830	908	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$880	938	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$920	1,136	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$970	1,300	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$980	1,305	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,020	1,290	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,070	1,406	n/a	No	0	N/A				
										108	100.0%							
10	The Vineyards 11 Sheffield Place Cartersville, GA 30121 Bartow County	2.9 miles	Garden (2 stories) 1997	Market	1BR / 1BA	46	30.3%	Market	\$838	850	n/a	No	0	0.0%				
					2BR / 2BA	60	39.5%	Market	\$923	1,000	n/a	No	2	3.3%				
					3BR / 2BA	46	30.3%	Market	\$1,048	1,200	n/a	No	1	2.2%				
					152	100.0%												

HAVENWOOD CARTERSVILLE – CARTERSVILLE, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
Effective Rent Date:		Apr-17	Units Surveyed:	1,812	Weighted Occupancy:	98.5%
			Market Rate	812	Market Rate	98.9%
			Tax Credit	1,000	Tax Credit	98.1%
One Bedroom One Bath		Two Bedrooms Two Bath		Three Bedrooms Two Bath		
RENT	Property	Average	Property	Average	Property	Average
	Avonlea Highlands	\$988	Avonlea Highlands	\$1,181	Avonlea Highlands	\$1,476
	The Peaks Of Bells Ferry * (M)	\$953	Avonlea Highlands	\$1,146	Avonlea Highlands	\$1,371
	Avonlea Highlands	\$950	The Peaks Of Bells Ferry * (M)	\$1,072	The Peaks Of Bells Ferry * (M)	\$1,200
	Stonemill Apartments	\$854	Avonlea Highlands	\$1,071	Stonemill Apartments	\$1,114
	Avonlea Highlands	\$838	The Glen	\$980	The Glen	\$1,070
	The Vineyards	\$838	The Glen	\$970	The Vineyards	\$1,049
	The Glen	\$830	Somerset Club Apartments * (M)	\$950	Legacy At Acworth (FKA Wingate Falls) *	\$1,045
	Rosewood Apartments	\$810	The Peaks Of Bells Ferry * (60%)	\$947	The Peaks Of Bells Ferry * (60%)	\$1,036
	Stonemill Apartments	\$809	Stonemill Apartments	\$944	The Glen	\$1,020
	The Glen	\$800	Legacy At Acworth (FKA Wingate Falls) *	\$932	Somerset Club Apartments * (60%)	\$1,004
	Somerset Club Apartments * (M)	\$795	The Vineyards	\$923	Rosewood Apartments	\$992
	Rosewood Apartments	\$795	The Glen	\$920	Cherokee Summit * (60%)	\$921
	The Peaks Of Bells Ferry * (60%)	\$790	Cherokee Summit * (60%)	\$885	Legacy At Acworth (FKA Wingate Falls) *	\$920
	Legacy At Acworth (FKA Wingate Falls) *	\$788	Rosewood Apartments	\$883	Havenwood Cartersville * (M)	\$755
	The Glen	\$780	Somerset Club Apartments * (60%)	\$881	Etowah Village * (60%)	\$700
	Cherokee Summit * (60%)	\$749	The Glen	\$880	Etowah Village * (50%)	\$687
	Legacy At Acworth (FKA Wingate Falls) *	\$678	Legacy At Acworth (FKA Wingate Falls) *	\$807	Havenwood Cartersville * (60%)	\$655
	Havenwood Cartersville * (M)	\$605	Havenwood Cartersville * (M)	\$675	Havenwood Cartersville * (50%)	\$625
	Havenwood Cartersville * (60%)	\$505	Etowah Village * (50%)	\$610		
	Havenwood Cartersville * (50%)	\$480	Havenwood Cartersville * (60%)	\$575		
	Somerset Club Apartments * (60%)	N/A	Havenwood Cartersville * (50%)	\$560		
SQUARE FOOTAGE	Cherokee Summit * (60%)	975	Avonlea Highlands	1,337	Avonlea Highlands	1,439
	Avonlea Highlands	912	The Glen	1,305	The Glen	1,406
	The Glen	908	The Glen	1,300	The Peaks Of Bells Ferry * (60%)	1,388
	The Peaks Of Bells Ferry * (60%)	874	Avonlea Highlands	1,210	The Peaks Of Bells Ferry * (M)	1,388
	The Peaks Of Bells Ferry * (M)	874	Somerset Club Apartments * (60%)	1,200	Avonlea Highlands	1,366
	Somerset Club Apartments * (60%)	864	Somerset Club Apartments * (M)	1,200	Cherokee Summit * (60%)	1,350
	Somerset Club Apartments * (M)	864	Cherokee Summit * (60%)	1,150	Somerset Club Apartments * (60%)	1,300
	The Vineyards	850	The Peaks Of Bells Ferry * (60%)	1,149	The Glen	1,290
	Avonlea Highlands	843	The Peaks Of Bells Ferry * (M)	1,149	Stonemill Apartments	1,277
	Legacy At Acworth (FKA Wingate Falls) *	840	Rosewood Apartments	1,140	Legacy At Acworth (FKA Wingate Falls) *	1,254
	Legacy At Acworth (FKA Wingate Falls) *	840	The Glen	1,136	Legacy At Acworth (FKA Wingate Falls) *	1,254
	Stonemill Apartments	828	Etowah Village * (50%)	1,106	Etowah Village * (50%)	1,237
	Rosewood Apartments	800	Stonemill Apartments	1,084	Etowah Village * (60%)	1,237
	Stonemill Apartments	774	Legacy At Acworth (FKA Wingate Falls) *	1,056	The Vineyards	1,200
	Havenwood Cartersville * (50%)	750	Legacy At Acworth (FKA Wingate Falls) *	1,056	Rosewood Apartments	1,170
	Havenwood Cartersville * (60%)	750	Avonlea Highlands	1,048	Havenwood Cartersville * (50%)	1,150
	Havenwood Cartersville * (M)	750	The Vineyards	1,000	Havenwood Cartersville * (60%)	1,150
	The Glen	750	Havenwood Cartersville * (50%)	950	Havenwood Cartersville * (M)	1,150
	The Glen	701	Havenwood Cartersville * (60%)	950		
	Avonlea Highlands	660	Havenwood Cartersville * (M)	950		
	Rosewood Apartments	575	The Glen	938		
RENT PER SQUARE FOOT	Rosewood Apartments	\$1.38	Avonlea Highlands	\$1.02	Avonlea Highlands	\$1.03
	Avonlea Highlands	\$1.27	Avonlea Highlands	\$0.95	Avonlea Highlands	\$1.00
	Avonlea Highlands	\$1.13	The Glen	\$0.94	The Vineyards	\$0.87
	The Glen	\$1.11	The Peaks Of Bells Ferry * (M)	\$0.93	Stonemill Apartments	\$0.87
	The Peaks Of Bells Ferry * (M)	\$1.09	The Vineyards	\$0.92	The Peaks Of Bells Ferry * (M)	\$0.86
	Avonlea Highlands	\$1.08	Avonlea Highlands	\$0.88	Rosewood Apartments	\$0.85
	The Glen	\$1.07	Legacy At Acworth (FKA Wingate Falls) *	\$0.88	Legacy At Acworth (FKA Wingate Falls) *	\$0.83
	Stonemill Apartments	\$1.05	Stonemill Apartments	\$0.87	The Glen	\$0.79
	Stonemill Apartments	\$1.03	The Peaks Of Bells Ferry * (60%)	\$0.82	Somerset Club Apartments * (60%)	\$0.77
	Rosewood Apartments	\$1.01	The Glen	\$0.81	The Glen	\$0.76
	The Vineyards	\$0.99	Somerset Club Apartments * (M)	\$0.79	The Peaks Of Bells Ferry * (60%)	\$0.75
	Legacy At Acworth (FKA Wingate Falls) *	\$0.94	Rosewood Apartments	\$0.77	Legacy At Acworth (FKA Wingate Falls) *	\$0.73
	Somerset Club Apartments * (M)	\$0.92	Cherokee Summit * (60%)	\$0.77	Cherokee Summit * (60%)	\$0.68
	The Glen	\$0.91	Legacy At Acworth (FKA Wingate Falls) *	\$0.76	Havenwood Cartersville * (M)	\$0.66
	The Peaks Of Bells Ferry * (60%)	\$0.90	The Glen	\$0.75	Etowah Village * (60%)	\$0.57
	Legacy At Acworth (FKA Wingate Falls) *	\$0.81	The Glen	\$0.75	Havenwood Cartersville * (60%)	\$0.57
	Havenwood Cartersville * (M)	\$0.81	Somerset Club Apartments * (60%)	\$0.73	Etowah Village * (50%)	\$0.56
	Cherokee Summit * (60%)	\$0.77	Havenwood Cartersville * (M)	\$0.71	Havenwood Cartersville * (50%)	\$0.54
	Havenwood Cartersville * (60%)	\$0.67	Havenwood Cartersville * (60%)	\$0.61		
	Havenwood Cartersville * (50%)	\$0.64	Havenwood Cartersville * (50%)	\$0.59		
	Somerset Club Apartments * (60%)	\$0.00	Etowah Village * (50%)	\$0.55		

PROPERTY PROFILE REPORT

Cherokee Summit

Effective Rent Date	4/07/2017
Location	5920 Bells Ferry Road Acworth, GA 30102 Cherokee County
Distance	13.5 miles
Units	272
Vacant Units	11
Vacancy Rate	4.0%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Peaks at Bells Ferry, Gregory Lane Apartments
Tenant Characteristics	Would not disclose
Contact Name	Adda
Phone	678.494.9400



Market Information

Program	@60%
Annual Turnover Rate	22%
Units/Month Absorbed	N/Av
HCV Tenants	3%
Leasing Pace	2-Weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	48	975	\$736	\$0	@60%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	184	1,150	\$872	\$0	@60%	No	6	3.3%	yes	None
3	2	Garden (3 stories)	40	1,350	\$907	\$0	@60%	No	5	12.5%	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$736	\$0	\$736	\$13	\$749
2BR / 2BA	\$872	\$0	\$872	\$13	\$885
3BR / 2BA	\$907	\$0	\$907	\$14	\$921

Cherokee Summit, continued

Amenities

In-Unit

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

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

Security

Limited Access
Perimeter Fencing

Services

Afterschool Program

Property

Basketball Court
Car Wash
Exercise Facility
Off-Street Parking
Playground
Swimming Pool

Business Center/Computer Lab
Clubhouse/Meeting
Central Laundry
On-Site Management
Sport Court
Tennis Court

Premium

None

Other

Video library, aerobic

Comments

The manager had no additional comments.

PROPERTY PROFILE REPORT

Etowah Village

Effective Rent Date	4/19/2017
Location	366 Old Mill Road Cartersville, GA 30120 Bartow County
Distance	3.4 miles
Units	96
Vacant Units	1
Vacancy Rate	1.0%
Type	Garden (2 stories)
Year Built/Renovated	1998 / 2012
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mostly from local area
Contact Name	Niecie
Phone	770-383-9995



Market Information

Program	@50%, @60%
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	8%
Leasing Pace	Pre-leased to three weeks
Annual Chg. in Rent	11% increase since 2Q2015
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	24	1,106	\$610	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	36	1,237	\$687	\$0	@50%	Yes	1	2.8%	no	None
3	2	Garden (2 stories)	36	1,237	\$700	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$610	\$0	\$610	\$0	\$610	3BR / 2BA	\$700	\$0	\$700	\$0	\$700
3BR / 2BA	\$687	\$0	\$687	\$0	\$687						

Etowah Village, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Security

None

Services

None

Property

Basketball Court
Car Wash
Central Laundry
On-Site Management
Volleyball Court

Business Center/Computer Lab
Carport
Off-Street Parking
Playground

Premium

None

Other

None

Comments

The contact reported that the property maintains a waiting list of six households, and the current vacant unit is pre-leased.

Photos



PROPERTY PROFILE REPORT

Legacy At Acworth (FKA Wingate Falls)

Effective Rent Date	4/07/2017
Location	4801 Baker Grove Road Acworth, GA 30101 Cobb County
Distance	11.2 miles
Units	192
Vacant Units	4
Vacancy Rate	2.1%
Type	Garden (2 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Stanton Place, Gregory Lane, Cobblestone
Tenant Characteristics	Mixed tenancy, some families
Contact Name	Brenda
Phone	877-544-0612



Market Information

Program	@60%, Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	5% increase since 3Q2016
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	38	840	\$715	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (2 stories)	36	840	\$825	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	46	1,056	\$850	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (2 stories)	50	1,056	\$975	\$0	Market	No	2	4.0%	N/A	None
3	2	Garden (2 stories)	12	1,254	\$975	\$0	@60%	No	1	8.3%	no	None
3	2	Garden (2 stories)	10	1,254	\$1,100	\$0	Market	No	1	10.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$715	\$0	\$715	-\$37	\$678	1BR / 1BA	\$825	\$0	\$825	-\$37	\$788
2BR / 2BA	\$850	\$0	\$850	-\$43	\$807	2BR / 2BA	\$975	\$0	\$975	-\$43	\$932
3BR / 2BA	\$975	\$0	\$975	-\$55	\$920	3BR / 2BA	\$1,100	\$0	\$1,100	-\$55	\$1,045

Legacy At Acworth (FKA Wingate Falls), continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Patrol
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Playground

Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The property was formerly known as Wingate Falls. The contact had no additional comments.

PROPERTY PROFILE REPORT

Somerset Club Apartments

Effective Rent Date 4/20/2017
Location 91 Somerset Club Drive SE
 Cartersville, GA 30121
 Bartow County
Distance 1.8 miles
Units 192
Vacant Units 1
Vacancy Rate 0.5%
Type Garden (3 stories)
Year Built/Renovated 2004 / N/A
Marketing Began 3/10/2004
Leasing Began 3/10/2004
Last Unit Leased 12/09/2004
Major Competitors None identified
Tenant Characteristics None identified
Contact Name Bruce
Phone 678-721-3090



Market Information

Program LIHTC/Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants N/A
Leasing Pace Within two weeks
Annual Chg. in Rent Increased up to 27 percent
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	44	864	\$738	N/A	@60%	No	0	0.0%	yes	None
1	1	Garden (3 stories)	N/A	864	\$795	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	84	1,200	\$881	\$0	@60%	No	1	1.2%	yes	None
2	2	Garden (3 stories)	N/A	1,200	\$950	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	40	1,300	\$1,004	\$0	@60%	No	0	0.0%	yes	None
4	3	Garden (3 stories)	24	1,460	\$1,120	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$738	\$0	N/A	\$0	N/A	1BR / 1BA	\$795	\$0	\$795	\$0	\$795
2BR / 2BA	\$881	\$0	\$881	\$0	\$881	2BR / 2BA	\$950	\$0	\$950	\$0	\$950
3BR / 2BA	\$1,004	\$0	\$1,004	\$0	\$1,004	4BR / 3BA	\$1,120	\$0	\$1,120	\$0	\$1,120

Somerset Club Apartments, continued

Amenities

In-Unit

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

Carpeting
Coat Closet
Ceiling Fan
Oven
Walk-In Closet

Security

Perimeter Fencing

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground
Volleyball Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The property does not maintain a waiting list.

Photos



PROPERTY PROFILE REPORT

The Peaks Of Bells Ferry

Effective Rent Date	4/07/2017
Location	100 Peaks Ridge Acworth, GA 30102 Cherokee County
Distance	13.5 miles
Units	248
Vacant Units	2
Vacancy Rate	0.8%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	6/01/2003
Leasing Began	8/01/2003
Last Unit Leased	6/30/2005
Major Competitors	Brentwood, Cherokee Summit
Tenant Characteristics	Mixed tenancy
Contact Name	Jordan
Phone	770-928-0860



Market Information

Program	@60%, Market
Annual Turnover Rate	40%
Units/Month Absorbed	11
HCV Tenants	10%
Leasing Pace	Pre-leased to one week
Annual Chg. in Rent	15% increase since 3Q2016
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	50	874	\$827	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (3 stories)	12	874	\$990	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	98	1,149	\$990	\$0	@60%	No	1	1.0%	yes	None
2	2	Garden (3 stories)	25	1,149	\$1,115	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	51	1,388	\$1,091	\$0	@60%	Yes	1	2.0%	yes	None
3	2	Garden (3 stories)	12	1,388	\$1,255	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$827	\$0	\$827	-\$37	\$790	1BR / 1BA	\$990	\$0	\$990	-\$37	\$953
2BR / 2BA	\$990	\$0	\$990	-\$43	\$947	2BR / 2BA	\$1,115	\$0	\$1,115	-\$43	\$1,072
3BR / 2BA	\$1,091	\$0	\$1,091	-\$55	\$1,036	3BR / 2BA	\$1,255	\$0	\$1,255	-\$55	\$1,200

The Peaks Of Bells Ferry, continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Intercom (Buzzer)
Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Swimming Pool

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground
Wi-Fi

Premium

None

Other

None

Comments

The contact reported that the property maintains a waiting list of approximately 18 households.

PROPERTY PROFILE REPORT

Avonlea Highlands

Effective Rent Date	4/20/2017
Location	950 East Main Street Cartersville, GA 30121 Bartow County Intersection: hwy 41
Distance	1.2 miles
Units	228
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (4 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Somerset Club, Stonemill
Tenant Characteristics	None identified
Contact Name	Angie
Phone	770-387-0900



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased up to 20 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	N/A	660	\$875	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (4 stories)	N/A	843	\$987	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (4 stories)	N/A	912	\$1,025	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,048	\$1,114	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,210	\$1,189	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,337	\$1,224	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,366	\$1,426	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,439	\$1,531	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$875 - \$1,025	\$0	\$875 - \$1,025	-\$37	\$838 - \$988
2BR / 2BA	\$1,114 - \$1,224	\$0	\$1,114 - \$1,224	-\$43	\$1,071 - \$1,181
3BR / 2BA	\$1,426 - \$1,531	\$0	\$1,426 - \$1,531	-\$55	\$1,371 - \$1,476

Avonlea Highlands, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Oven
Washer/Dryer

Security

Limited Access
Perimeter Fencing

Services

None

Property

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

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

Premium

None

Other

None

Comments

The contact had no additional comments.

PROPERTY PROFILE REPORT

Rosewood Apartments

Effective Rent Date 4/20/2017
Location 531 Grassdale Road
 Cartersville, GA 30121
 Bartow County
Distance 2.4 miles
Units 148
Vacant Units 4
Vacancy Rate 2.7%
Type Garden (2 stories)
Year Built/Renovated 1984 / 2014
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Mostly from Bartow County.
Contact Name Autumn
Phone 770-382-5411



Market Information

Program Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within one week
Annual Chg. in Rent Increased up to 11 percent
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	18	575	\$795	\$0	Market	No	2	11.1%	N/A	None
1	1	Garden (2 stories)	30	800	\$810	\$0	Market	No	2	6.7%	N/A	None
2	2	Garden (2 stories)	92	1,140	\$883	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	8	1,170	\$992	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$795 - \$810	\$0	\$795 - \$810	\$0	\$795 - \$810
2BR / 2BA	\$883	\$0	\$883	\$0	\$883
3BR / 2BA	\$992	\$0	\$992	\$0	\$992

Rosewood Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Fireplace
Oven
Walk-In Closet

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

Security

None

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground
Tennis Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments.

Rosewood Apartments, continued

Photos



PROPERTY PROFILE REPORT

Stonemill Apartments

Effective Rent Date	4/20/2017
Location	50 Stone Mill Drive SE Cartersville, GA 30121 Bartow County
Distance	2.3 miles
Units	176
Vacant Units	2
Vacancy Rate	1.1%
Type	Garden (2 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Somerset Club, Avonlea Highlands
Tenant Characteristics	None identified
Contact Name	Amanda
Phone	770-382-0087



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased up to 15 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	16	774	\$796	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	52	828	\$841	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	92	1,084	\$931	\$0	Market	No	2	2.2%	N/A	None
3	2	Garden (2 stories)	16	1,277	\$1,100	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$796 - \$841	\$0	\$796 - \$841	\$13	\$809 - \$854
2BR / 2BA	\$931	\$0	\$931	\$13	\$944
3BR / 2BA	\$1,100	\$0	\$1,100	\$14	\$1,114

Stonemill Apartments, continued

Amenities

In-Unit

Balcony/Patio
Central A/C
Ceiling Fan
Oven
Vaulted Ceilings
Washer/Dryer hookup

Carpeting
Dishwasher
Garbage Disposal
Refrigerator
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

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

Exercise Facility
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The property does not accept Housing Choice Vouchers.

Stonemill Apartments, continued

Photos



PROPERTY PROFILE REPORT

The Glen

Effective Rent Date	4/20/2017
Location	200 Governor's Court Cartersville, GA 30121 Bartow County
Distance	2.7 miles
Units	108
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1992 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Most tenants from Cartersville.
Contact Name	Amy
Phone	770-386-1483



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 15 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	701	\$780	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	750	\$800	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	908	\$830	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	938	\$880	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,136	\$920	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,300	\$970	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,305	\$980	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,290	\$1,020	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,406	\$1,070	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$780 - \$830	\$0	\$780 - \$830	\$0	\$780 - \$830
2BR / 2BA	\$880 - \$980	\$0	\$880 - \$980	\$0	\$880 - \$980
3BR / 2BA	\$1,020 - \$1,070	\$0	\$1,020 - \$1,070	\$0	\$1,020 - \$1,070

The Glen, continued

Amenities

In-Unit

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

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

Security

None

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground

Clubhouse/Meeting
Garage
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments.

Photos



PROPERTY PROFILE REPORT

The Vineyards

Effective Rent Date	4/20/2017
Location	11 Sheffield Place Cartersville, GA 30121 Bartow County Intersection: village dr
Distance	2.9 miles
Units	152
Vacant Units	3
Vacancy Rate	2.0%
Type	Garden (2 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Glen, The Rosewood
Tenant Characteristics	Mostly singles, couples, and single parents from Bartow County.
Contact Name	Ian
Phone	770-607-0796



Market Information

Program	Market
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to 10 percent
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	46	850	\$825	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	60	1,000	\$910	\$0	Market	No	2	3.3%	N/A	None
3	2	Garden (2 stories)	46	1,200	\$1,035	\$0	Market	No	1	2.2%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$825	\$0	\$825	\$13	\$838
2BR / 2BA	\$910	\$0	\$910	\$13	\$923
3BR / 2BA	\$1,035	\$0	\$1,035	\$14	\$1,049

The Vineyards, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Vaulted Ceilings
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator
Walk-In Closet

Security

None

Services

None

Property

Car Wash
Garage
On-Site Management
Swimming Pool

Exercise Facility
Off-Street Parking
Playground
Tennis Court

Premium

None

Other

None

Comments

The contact had no additional comments.

The Vineyards, continued

Photos



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

Housing Choice Vouchers

We were unable to reach a representative of the Etowah Area Housing Authority. According to the Georgia DCA website, the waiting list for vouchers was open for one week in February 2016 and is currently closed. All households on the waiting list earn below 50 percent of the AMI and are expected to be income-qualified for the Subject’s 30 and 50 percent of AMI units. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS		
Property Name	Occupancy Type	Housing Choice Voucher Tenants
Cherokee Summit	LIHTC	N/A
Etowah Village	LIHTC	3%
Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	8%
Somerset Club Apartments	LIHTC, Market	0%
The Peaks Of Bells Ferry	LIHTC, Market	N/A
Avonlea Highlands	Market	10%
Rosewood Apartments	Market	0%
Stonemill Apartments	Market	0%
The Glen	Market	0%
The Vineyards	Market	0%

Housing Choice Voucher usage in this market ranges from zero to 10 percent. The LIHTC and mixed-income comparables report voucher usage of eight percent or less. Thus, it appears that the Subject will not need to rely on voucher residents in order to maintain a high occupancy level. We believe the Subject would maintain a voucher usage of 10 percent or less upon completion.

Lease Up History

We were able to obtain absorption information from only one comparable property. We have supplemented this information with absorption information for properties from neighboring Cherokee County, which is illustrated in the following table.

ABSORPTION				
Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
The Peaks Of Bells Ferry	LIHTC, Market	2003	248	11
River Ridge at Canton	LIHTC	2003	356	11
Riverview Apartments	Market	2009	138	11
Station 92 at Woodstock (FKA Crest at Laurelwood)	Market	2015	272	<u>15</u>
Average				12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the table above, multifamily properties in the area have reported an average absorption pace of 12 units per month. As new construction we expect the Subject will experience an absorption pace similar to that of the most recently constructed property, Station 92 at Woodstock. The Subject will likely experience an absorption pace of 15 units per month for an absorption period of approximately three to four months.

Phased Developments

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

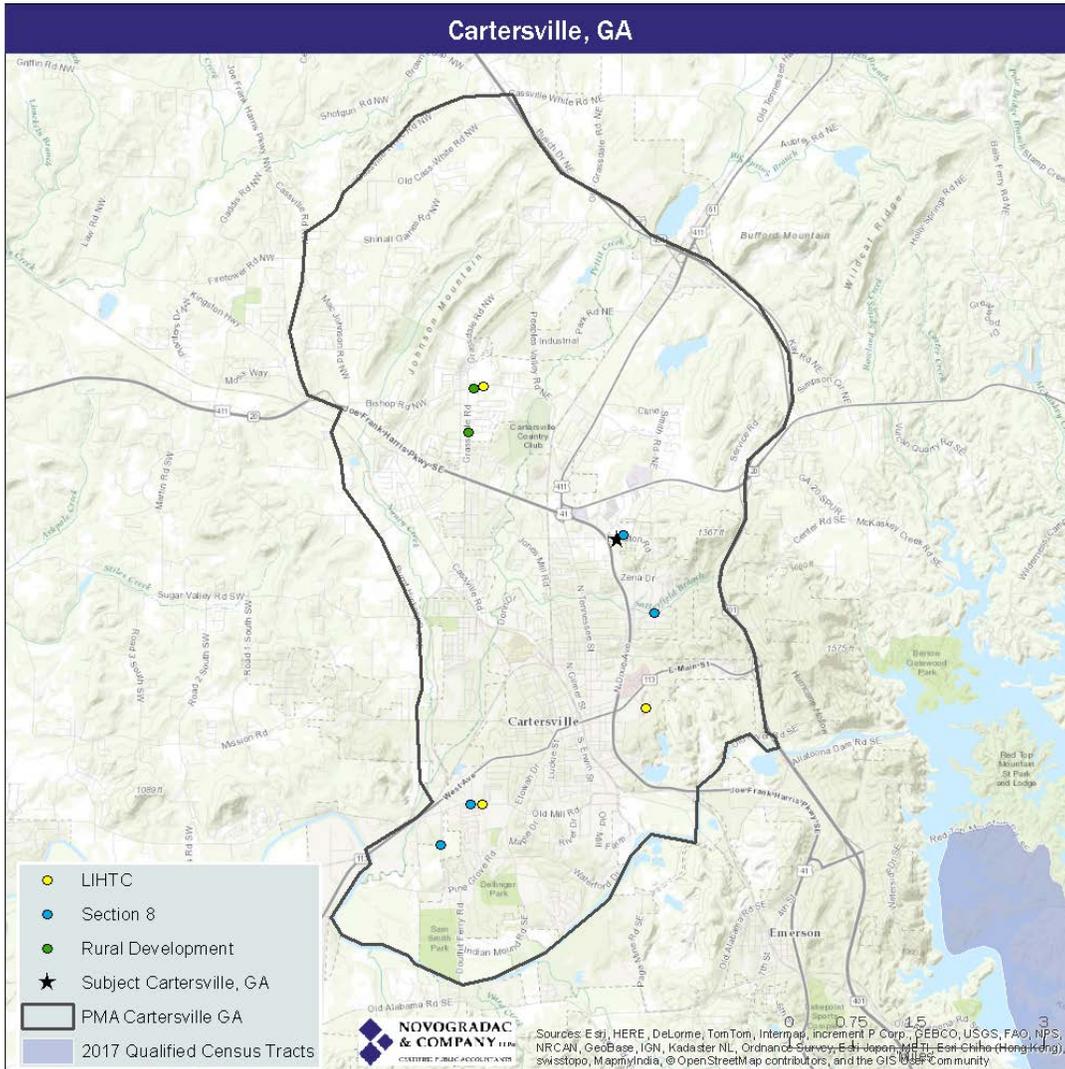
Rural Areas

The Subject is not located in a rural area.

3. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Havenwood Cartersville	LIHTC/Market	Cartersville	Family	50	-	Star
Cartersville Gardens	Section 8	Cartersville	Family	100	100%	Blue
Huntwood Terrace	Section 8	Cartersville	Senior/Disabled	40	100%	
The Jared House	Section 8	Cartersville	Senior/Disabled	4	100%	
Maple Ridge Health Care Center	Section 8	Cartersville	Family	44	100%	
Crossfield Apts II	LIHTC/Rural Development	Cartersville	Family	24	100%	Green
Crossfield Apts Phase I	LIHTC/Rural Development	Cartersville	Family	48	100%	
Cass Towne Apts	LIHTC	Cartersville	Senior	10	100%	Yellow
Cove Apts	LIHTC	Cartersville	Senior	60	100%	
Etowah Village Apts	LIHTC	Cartersville	Family	96	99%	Green
Shangri-La Park	LIHTC	Cartersville	Senior	72	100%	
Club Court Apartments II	Rural Development/Market	Cartersville	Family	50	N/Av	Green
Club Court Apartments	Rural Development/Market	Cartersville	Family	58	N/Av	
Fieldmont Apartments	Rural Development/Market	Cartersville	Family	40	100%	Yellow
Somerset Club Apartments	LIHTC	Cartersville	Family	192	100%	



4. Amenities

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

AMENITY MATRIX											
	Havenwood Cartersville	Cherokee Summit	Etowah Village	Legacy At Acworth (FKA Wingate Falls)	Somerset Club Apartments	The Peaks Of Bells Ferry	Avonlea Highlands	Rosewood Apartments	Stonemill Apartments	The Glen	The Vineyards
Property Type	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden (4 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated	Proposed	2000	1998 / 2012	1997	2004	2003	2001	1984 / 2014	2001	1992	1997
Market (Conv./)Subsidy Type	LIHTC, Market	LIHTC	LIHTC	LIHTC, Market	LIHTC, Market	LIHTC, Market	Market	Market	Market	Market	Market
Utility Adjustments											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	yes	yes	no	no	no	no
Sewer	no	no	no	yes	no	yes	yes	no	no	no	no
Trash Collection	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no
In-Unit Amenities											
Balcony/Patio	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	no	no	no	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	yes	no	yes	yes	yes	no	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Fireplace	no	no	no	no	no	no	no	yes	no	no	no
Garbage Disposal	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	no	no	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes	no	yes
Walk-in Closet	yes	yes	no	yes	yes	yes	no	yes	yes	yes	yes
Washer/Dryer	no	no	no	no	no	no	yes	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities											
Basketball Court	no	yes	yes	no	no	no	no	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	no	no	yes	yes	no	yes	no	no
Car Wash	no	yes	yes	no	yes	yes	yes	yes	no	yes	yes
Carport	no	no	yes	no	no	no	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	no	yes	yes	yes	yes	yes	no	yes	no
Exercise Facility	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	yes	yes	no	yes	yes	yes
Central Laundry	yes	yes	yes	yes	yes	yes	no	yes	yes	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	yes	no	yes	yes	no	yes	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Sport Court	no	yes	no	no	no	no	no	no	no	no	no
Swimming Pool	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	yes	no	no	no	no	yes	yes	no	no	yes
Volleyball Court	no	no	yes	no	yes	no	no	no	no	no	no
Wi-Fi	no	no	no	no	no	yes	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$100.00	\$100.00	N/A	\$85.00	\$125.00	N/A
Services											
Afterschool Program	no	yes	no	no	no	no	no	no	no	no	no
Security											
In-Unit Alarm	no	no	no	yes	no	yes	no	no	no	no	no
Intercom (Buzzer)	no	no	no	no	no	yes	no	no	no	no	no
Limited Access	no	yes	no	no	no	yes	yes	no	yes	no	no
Patrol	no	no	no	yes	no	yes	no	no	no	no	no
Perimeter Fencing	no	yes	no	yes	yes	yes	yes	no	yes	no	no
Other Amenities											
Other	Craft room, library	Video library, aerobic classes, continental bkfst	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Subject will offer garbage disposals, microwaves, a business center/computer lab, a clubhouse/meeting room/community room, central laundry facilities, a picnic area, a craft room, and a library, which many of the

comparables do not offer. However, the Subject will lack balcony/patios, exterior storage, a basketball court, a car wash, parking garage, swimming pool, tennis court, volleyball court, and security features, which many of the comparable properties do offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market.

5. Comparable Tenancy

The Subject will target families. All of the comparable properties also target families.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Occupancy Type	Total Units	Vacant Units	Vacancy Rates
Cherokee Summit	LIHTC	272	11	4.0%
Etowah Village	LIHTC	96	1	1.0%
Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	192	4	2.1%
Somerset Club Apartments	LIHTC, Market	192	1	0.5%
The Peaks Of Bells Ferry	LIHTC, Market	248	2	0.8%
Avonlea Highlands	Market	228	0	0.0%
Rosewood Apartments	Market	148	4	2.7%
Stonemill Apartments	Market	176	2	1.1%
The Glen	Market	108	0	0.0%
The Vineyards	Market	152	3	2.0%
Total LIHTC		1,000	16	1.6%
Total Market Rate		812	9	1.1%
Overall Total		1,812	28	1.5%

Overall vacancy in the market is low at 1.5 percent. Total LIHTC vacancy is slightly higher, at 1.6 percent, which is still considered low. Cherokee Summit reported the highest vacancy among the LIHTC comparables at 4.0 percent. The contact at Cherokee Summit could not explain current vacancy at this property and reported that the property does not maintain a waiting list. This property has historically reported vacancy of 1.8 percent or less. The remaining LIHTC and mixed-income properties reported vacancy below 2.1 percent, which is considered low. The single LIHTC comparable located within the PMA, Etowah Village, reports only one vacant unit and maintains a waiting list. The next nearest LIHTC comparable, Somerset Club Apartments, also reports only one vacant unit. Based on the historical vacancy at Cherokee Summit and the performance of the other LIHTC and mixed-income comparables, we believe that the current vacancy at Cherokee Summit is due to property-specific issues and is not indicative of the Subject's potential performance. Contacts at the other LIHTC and mixed-income comparables reported low vacancy and waiting lists in some instances.

The vacancy rates among the market-rate comparable properties range from zero to 2.7 percent, averaging 1.1 percent, which is considered low. The property with the highest vacancy rate of 2.7 percent, Rosewood Apartments, has historically reported vacancy of 2.0 percent or less. The remaining market-rate comparables reported vacancy of 2.0 percent or less, which is considered low. Morgan Square Apartments and Stone Haven Falls, while excluded because of condition, appeared well-occupied upon our site visit. The low vacancy rates among the market-rate comparable properties indicate that there is demand for rental housing the Subject's PMA. As a newly-constructed property with a competitive amenity package, we anticipate that the Subject will perform with a vacancy rate of five percent or less. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

7. Properties Under Construction and Proposed

According to Georgia DCA allocation lists, no new properties have been allocated in the Subject’s PMA since 2013. According to Richard Osborn, City Planner with the City of Cartersville, there is demand for multifamily units. Mr. Osborn went on to say that there has been limited multifamily housing built in the area, and that there are no multifamily properties currently proposed, planned, or under construction in the area.

8. Rental Advantage

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

SIMILARITY MATRIX

#	Property Name	Program	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Cherokee Summit	LIHTC	Superior	Similar	Superior	Inferior	Superior	20
2	Etowah Village	LIHTC	Similar	Slightly Superior	Similar	Inferior	Slightly Superior	0
3	Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	Similar	Similar	Superior	Inferior	Superior	10
4	Somerset Club Apartments	LIHTC, Market	Similar	Similar	Similar	Inferior	Superior	0
5	The Peaks Of Bells Ferry	LIHTC, Market	Superior	Superior	Superior	Inferior	Superior	30
6	Avonlea Highlands	Market	Slightly Superior	Similar	Slightly Inferior	Inferior	Superior	0
7	Rosewood Apartments	Market	Similar	Similar	Slightly Inferior	Inferior	Similar	-15
8	Stonemill Apartments	Market	Similar	Similar	Similar	Inferior	Slightly Superior	-5
9	The Glen	Market	Slightly Superior	Similar	Slightly Superior	Inferior	Similar	0
10	The Vineyards	Market	Similar	Slightly Inferior	Slightly Superior	Inferior	Slightly Superior	0

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

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

LIHTC RENT COMPARISON - @50%

Property Name	1BR	2BR	3BR
Havenwood Cartersville (Subject)	\$480	\$560	\$625
2016 LIHTC Maximum (Net)	\$539	\$642	\$728
2012 Bartow County Hold Harmless LIHTC Maximum (Net)	\$556	\$662	\$746
Etowah Village	-	\$610	\$687
Average (excluding Subject)	-	\$610	\$687

LIHTC RENT COMPARISON - @60%

Property Name	1BR	2BR	3BR
Havenwood Cartersville (Subject)	\$505	\$575	\$655
2016 LIHTC Maximum (Net)	\$665	\$794	\$904
2015 Bartow County Hold Harmless LIHTC Maximum (Net)	\$738	\$881	\$1,004
2012 Bartow County Hold Harmless LIHTC Maximum (Net)	\$686	\$818	\$932
2015 Cherokee County Hold Harmless LIHTC Maximum (Net)	\$738	\$881	\$1,004
2015 Cobb County Hold Harmless LIHTC Maximum (Net)	\$738	\$881	\$1,004
Cherokee Summit*	\$749	\$885	\$914
Etowah Village	-	-	\$694
Legacy At Acworth (FKA Wingate Falls)*	\$678	\$807	\$916
Somerset Club Apartments*	\$738	\$881	\$998
The Peaks Of Bells Ferry*	\$740	\$897	\$1,032
Average (excluding Subject)	\$726	\$868	\$911

*Located outside the PMA

The Subject's proposed LIHTC rents are set below the maximum allowable levels at the 50 percent AMI maximum allowable levels. Etowah Village, the only comparable property offering units at 50 percent AMI, reported rents below the maximum allowable levels. Upon completion, the Subject will be considered similar to Etowah Village. This comparables reported a vacancy rate of 0.5 percent, and management reported maintaining a waiting list of approximately six households. The low vacancy rates and presence of a waiting list at the most similar LIHTC comparable indicates demand in the local area for affordable housing. Relative to Etowah Village, the Subject's property amenity package will be similar, its in-unit amenity package will be slightly inferior, and its age and condition will be slightly superior. Additionally, the Subject's location will be similar to that of Etowah Village; however, the Subject will offer unit sizes considered slightly inferior to those at Etowah Village. Overall, given the strong occupancy rate at Etowah Village and its reported 50 percent rents, we believe the Subject's rents are achievable as proposed.

The Subject's proposed LIHTC rents are set below the maximum allowable levels at 60 percent AMI maximum allowable level. Three comparable properties, Cherokee Summit, Somerset Club Apartments, and The Peaks of Bells Ferry, reported achieving 60 percent maximum allowable levels. It should be noted that some of the comparable rents may appear to be above maximum allowable rents due to differences in utility allowances used for calculations, as well as comparables being held harmless at higher maximum allowable rents.

The Subject's proposed 50 and 60 percent rents are below the comparable range; however, as previously noted, the comparables are held harmless at higher maximum allowable levels. Upon completion, the Subject will be considered most similar to Somerset Club Apartments and Etowah Village, the two most recently completed/renovated LIHTC comparables in Cartersville. These comparables reported vacancy rates of 1.0 and 0.5 percent, respectively, and management at Etowah Village reported maintaining a waiting list of approximately six households. The low vacancy rates and presence of a waiting list at the most similar LIHTC and mixed-income comparables indicates demand in the local area for affordable housing.

Relative to the most similar comparables, the Subject's property amenity package will be similar, as its in-unit amenity package will be similar to slightly inferior, and its age and condition will be slightly superior to superior. The Subject's location will be similar to the most comparable properties; however, the Subject will offer unit sizes considered similar to inferior to the majority of the comparables. Overall, given the strong occupancy rates of the comparables and reported 50 and 60 percent rents, we believe the Subject's rents will provide value in the market and will be achievable as proposed, with upward potential.

Analysis of “Market Rents”

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

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject Proposed Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$480	\$678	\$988	\$821	71%
2 BR @ 50%	\$560	\$610	\$1,181	\$932	66%
3 BR @ 50%	\$625	\$687	\$1,476	\$1,040	66%
1 BR @ 60%	\$505	\$678	\$988	\$821	63%
2 BR @ 60%	\$575	\$807	\$1,181	\$963	67%
3 BR @ 60%	\$655	\$700	\$1,476	\$1,066	63%
1 BR Unrestricted	\$605	\$780	\$988	\$845	40%
2 BR Unrestricted	\$675	\$880	\$1,181	\$989	46%
3 BR Unrestricted	\$755	\$992	\$1,476	\$1,149	52%

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. Avonlea Heights is the most similar market-rate property in terms of location, and this property reported rents generally at the low end of the range. However, this property was constructed in 2001 and will be inferior to the Subject in terms of condition and slightly superior in terms of amenities. Rosewood Apartments, Stonemill Apartments, The Glen, and The Vineyards are all located in similar locations, and offer similar to slightly superior amenity packages when compared to the Subject as proposed. Despite being significantly inferior to the proposed Subject, Morgan Square Apartments, which has been excluded as a comparable because of its inferior condition, offers two-bedroom rents that are above the Subject’s proposed two-bedroom unrestricted rents. Further, Stone Haven Falls, while also being inferior and therefore excluded as a comparable, offers three-bedroom rents above those proposed for the Subject at 50 and 60 percent of AMI and slightly below the planned unrestricted rents for three-bedroom units. The remaining market-rate comparables are located in Acworth, which is a superior location relative to the Subject. However, the average market-rate vacancy is very low, and the Subject’s proposed LIHTC rents are well below the rents reported by these comparables. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer a substantial market rent advantage when compared to the average rents being achieved at comparable properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types and AMI levels. If allocated, the Subject will be superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is healthy at 1.6 percent. Of the five LIHTC and mixed-income properties, only two have vacancy rates above 1.0 percent. Two of the LIHTC and mixed-income properties report maintaining waiting lists.

According to Georgia DCA allocation lists, no new properties have been allocated in the Subject’s PMA since 2013. Given the current performance of the existing LIHTC and mixed-income properties, we do not believe that the addition of the Subject to the market will impact the existing LIHTC and mixed-income properties that are in overall good condition.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	6,203	63.4%	3,578	36.6%
2017	6,855	51.0%	6,578	49.0%
Projected Mkt Entry				
July 2019	6,852	50.8%	6,643	49.2%
2021	6,849	50.5%	6,708	49.5%

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

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

Historical Vacancy

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

HISTORICAL VACANCY

Comparable Property	Type	Total Units	1QTR 2015	2QTR 2015	3QTR 2016	2QTR 2017
Cherokee Summit	Garden	272	N/A	0.7%	N/A	4.0%
Etowah Village	Garden	96	1.0%	1.0%	N/A	1.0%
Legacy At Acworth (FKA Wingate Falls)	Garden	192	N/A	2.6%	0.0%	2.1%
Somerset Club Apartments	Garden	192	3.6%	3.6%	N/A	0.5%
The Peaks Of Bells Ferry	Garden	248	N/A	2.0%	0.0%	0.8%
Avonlea Highlands	Garden	228	0.4%	0.4%	N/A	0.0%
Rosewood Apartments	Garden	148	2.0%	2.0%	N/A	2.7%
Stonemill Apartments	Garden	176	2.8%	2.8%	N/A	1.1%
The Glen	Garden	108	0.0%	0.0%	N/A	0.0%
The Vineyards	Garden	152	0.0%	0.0%	N/A	2.0%
Average			1.4%	1.5%	0.0%	1.4%

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties in the past two years. Vacancy rates at all of the comparables have remained at or below 4.0 percent in the past two years. Vacancy rates at the LIHTC comparables have remained at or below 4.0 percent over this period, while vacancy at the market rate comparables has remained below 2.8 percent. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Cherokee Summit	LIHTC	None
Etowah Village	LIHTC	11 percent increase since 2Q2015
Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	Five percent increase since 3Q2016
Somerset Club Apartments	LIHTC, Market	Increased up to 27 percent in market units
The Peaks Of Bells Ferry	LIHTC, Market	15 percent increase since 3Q2016
Avonlea Highlands	Market	Increased up to 20 percent
Rosewood Apartments	Market	Increased up to 11 percent
Stonemill Apartments	Market	Increased up to 15 percent
The Glen	Market	Increased up to 15 percent
The Vineyards	Market	Increased up to 10 percent

The LIHTC properties have reported growth of up to 15 percent since the third quarter of 2016. The market rate properties all reported rent growth in the past year. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of May 2017. The city of Cartersville is experiencing a foreclosure rate of one in every 2,390 homes, while Bartow County is experiencing foreclosure rate of one in every 2,312 homes and Georgia experienced one foreclosure in every 1,898 housing units. Overall, Cartersville is experiencing a lower foreclosure rate than the nation, the state, and the county, indicating a healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

12. Primary Housing Void

Etowah Village, a recently renovated family LIHTC property in Cartersville, maintains a waiting list that is six households in length. Additionally, The Peaks of Bells Ferry, a mixed-income family property in Acworth, maintains a waiting list of 18 households. These waiting lists indicated demand for affordable housing in the market.

Only one LIHTC comparable property, Etowah Village, offers units at 50 percent of AMI. Units at 50 percent of AMI are generally not available in the market. As such, the Subject will be filling a void in the market for income-restricted units at the 50 percent AMI level. Additionally, the majority of the available housing stock is older construction. There is a void of new construction affordable housing in the market, which the Subject will help fill.

13. Effect of Subject on Other Affordable Units in Market

There are no proposed LIHTC developments in the PMA. Two of the comparable properties report waiting lists. We believe there is adequate demand for the addition of the Subject within the market. The vacancy rate among the existing LIHTC comparables is low at 1.6 percent. The performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, and the fact that the proposed Subject will offer units at 50 percent of AMI where are generally not available in the market all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables are experiencing a weighted average vacancy rate of 1.2 percent, which is considered low. Furthermore, two of the LIHTC and mixed-income comparables maintain waiting lists. Population is expected to increase moderately in the PMA through projected market entry; however, renter households in the PMA continue to increase more rapidly than that of home-owner households. These factors indicate demand for affordable housing. The Subject will offer similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar to inferior property amenities. The Subject will not offer a car wash, garage parking, a swimming pool, tennis courts, balcony/patios, or exterior storage, which several of the comparables offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. The Subject will offer units at 50 percent AMI, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted units at the 50 percent AMI level. Additionally, the majority of the available housing stock is older construction. There is a void of new construction housing in the market, which the Subject will help fill. The Subject will be superior to the comparables in the area and thus provide good quality affordable housing. Given the Subject's anticipated superior condition relative to the competition, the Subject's low capture rates for all unit types at all levels of AMI, and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. These factors also indicated that the Subject will not have negative impact on existing affordable units in the market. We believe that the Subject will fill a void in the market and will perform well.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption information from only one comparable property. We have supplemented this information with absorption information for properties from neighboring Cherokee County, which is illustrated in the following table.

ABSORPTION				
Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
The Peaks Of Bells Ferry	LIHTC, Market	2003	248	11
River Ridge at Canton	LIHTC	2003	356	11
Riverview Apartments	Market	2009	138	11
Station 92 at Woodstock (FKA Crest at Laurelwood)	Market	2015	272	<u>15</u>
Average				12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the table above, multifamily properties in the area have reported an average absorption pace of 12 units per month. As new construction we expect the Subject will experience an absorption pace similar to that of the most recently constructed property, Station 92 at Woodstock. The Subject will likely experience an absorption pace of 15 units per month for an absorption period of approximately three to four months.

J. INTERVIEWS

Etowah Area Housing Authority

We were unable to reach a representative of the Etowah Area Housing Authority, According to the Georgia DCA website, the waiting list for vouchers was open for one week in February 2016 and is currently closed. All households on the waiting list earn below 50 percent of the AMI and are expected to be income-qualified for the Subject’s 30 and 50 percent of AMI units. The payment standards for Bartow County are listed below.

PAYMENT STANDARDS

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

Source: Georgia Department of Community Affairs, May 2017

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

City of Cartersville Planning

According to Richard Osborn, City Planner with the City of Cartersville, there is demand for multifamily units. Mr. Osborn went on to say that there has been limited multifamily housing built in the area, and that there are no multifamily properties currently proposed, planned, or under construction.

Bartow-Cartersville Joint Development Authority

We were unable to speak to anyone with the Bartow-Cartersville Joint Development Authority. However, according to the Development Authority’s website an estimated there were 686 jobs added and/or announced from eleven companies in the past year.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The population in the PMA and SMA increased from 2010 to 2017, albeit at a slower rate than from 2000 to 2010. Population and household growth is projected to continue to grow through 2021. Renter households are concentrated in the lowest income cohorts, with 54.7 percent of renters in the PMA earning incomes between \$10,000 and \$49,999 annually. The Subject will target households earning between \$19,680 and \$43,740 for its LIHTC units and up to \$67,500 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, population growth and the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

Employment Trends

Employment in the PMA is concentrated in three industries which represent approximately 43.4 percent of total local employment. These industries are particularly vulnerable during periods of economic downturn. However, the area’s largest employer Shaw Industries, a flooring manufacturer, has historically been a source of stability for the local economy. Additionally, manufacturing expansions have outpaced contractions since 2014.

Overall, the MSA has experienced total employment growth from 2000 through February 2017. Total employment in the MSA surpassed its pre-recession peak in 2014. Unemployment in the MSA has decreased each year since 2011 but has yet to reach pre-recession levels. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$19,680	\$27,000	4	191	0	191	2.1%	\$480
1BR at 60% AMI	\$20,537	\$32,400	8	261	0	261	3.1%	\$505
1BR Unrestricted	\$20,743	\$67,500	2	487	0	487	0.4%	\$605
1BR Overall	\$19,680	\$67,500	14	499	0	499	2.8%	-
1 BR Overall Affordable	\$19,680	\$32,400	12	271	0	271	4.4%	-
2BR at 50% AMI	\$23,246	\$30,400	5	203	0	203	2.5%	\$560
2BR at 60% AMI	\$23,760	\$36,480	13	278	0	278	4.7%	\$575
2BR Unrestricted	\$23,143	\$67,500	6	519	0	519	1.2%	\$675
2BR Overall	\$23,246	\$67,500	24	531	0	531	4.5%	-
2BR Overall Affordable	\$23,246	\$36,480	18	288	0	288	6.3%	-
3BR at 50% AMI	\$26,743	\$36,450	3	131	0	131	2.3%	\$625
3BR at 60% AMI	\$27,771	\$43,740	5	178	0	178	2.8%	\$655
3BR Unrestricted	\$25,886	\$67,500	4	333	0	333	1.2%	\$755
3BR Overall	\$26,743	\$67,500	12	341	0	341	3.5%	-
3BR Overall Affordable	\$26,743	\$43,740	8	185	0	185	4.3%	-
50% AMI Overall	\$19,680	\$36,450	12	525	0	525	2.3%	-
60% AMI Overall	\$20,537	\$43,740	26	717	0	717	3.6%	-
Unrestricted Overall	\$20,743	\$67,500	12	1339	0	1339	0.9%	-
Overall	\$19,680	\$67,500	50	1371	0	1371	3.6%	-
Overall Affordable	\$19,680	\$43,740	38	743	0	743	5.1%	-

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

Absorption

We were able to obtain absorption information from only one comparable property. We have supplemented this information with absorption information for properties from neighboring Cherokee County, which is illustrated in the following table.

ABSORPTION				
Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
The Peaks Of Bells Ferry	LIHTC, Market	2003	248	11
River Ridge at Canton	LIHTC	2003	356	11
Riverview Apartments	Market	2009	138	11
Station 92 at Woodstock (FKA Crest at Laurelwood)	Market	2015	272	<u>15</u>
Average				12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated in the table above, multifamily properties in the area have reported an average absorption pace of 12 units per month. As new construction we expect the Subject will experience an absorption pace similar to that of the most recently constructed property, Station 92 at Woodstock. The Subject will likely experience an absorption pace of 15 units per month for an absorption period of approximately three to four months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Occupancy Type	Total Units	Vacant Units	Vacancy Rates
Cherokee Summit	LIHTC	272	11	4.0%
Etowah Village	LIHTC	96	1	1.0%
Legacy At Acworth (FKA Wingate Falls)	LIHTC, Market	192	4	2.1%
Somerset Club Apartments	LIHTC, Market	192	1	0.5%
The Peaks Of Bells Ferry	LIHTC, Market	248	2	0.8%
Avonlea Highlands	Market	228	0	0.0%
Rosewood Apartments	Market	148	4	2.7%
Stonemill Apartments	Market	176	2	1.1%
The Glen	Market	108	0	0.0%
The Vineyards	Market	<u>152</u>	<u>3</u>	<u>2.0%</u>
Total LIHTC		1,000	16	1.6%
Total Market Rate		812	9	1.1%
Overall Total		1,812	28	1.5%

Overall vacancy in the market is low at 1.5 percent. Total LIHTC vacancy is slightly higher, at 1.6 percent, which is still considered low. Cherokee Summit reported the highest vacancy among the LIHTC comparables at 4.0 percent. The contact at Cherokee Summit could not explain current vacancy at this property and reported that the property does not maintain a waiting list. This property has historically reported vacancy of 1.8 percent or less. The remaining LIHTC and mixed-income properties reported vacancy below 2.1 percent, which is considered low. The single LIHTC comparable located within the PMA, Etowah Village, reports only one vacant unit and maintains a waiting list. The next nearest LIHTC comparable, Somerset Club Apartments, also reports only one vacant unit. Based on the historical vacancy at Cherokee Summit and the performance of the other LIHTC and mixed-income comparables, we believe that the current vacancy at

Cherokee Summit is due to property-specific issues and is not indicative of the Subject's potential performance. Contacts at the other LIHTC and mixed-income comparables reported low vacancy and waiting lists in some instances.

The vacancy rates among the market-rate comparable properties range from zero to 2.7 percent, averaging 1.1 percent, which is considered low. The property with the highest vacancy rate of 2.7 percent, Rosewood Apartments, has historically reported vacancy of 2.0 percent or less. The remaining market-rate comparables reported vacancy of 2.0 percent or less, which is considered low. Morgan Square Apartments and Stone Haven Falls, while excluded because of condition, appeared well-occupied upon our site visit. The low vacancy rates among the market-rate comparable properties indicate that there is demand for rental housing in the Subject's PMA. As a newly-constructed property with a competitive amenity package, we anticipate that the Subject will perform with a vacancy rate of five percent or less. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

Strengths of the Subject

Strengths of the Subject will include its proximity to neighborhood retail and schools. Single family homes in the general vicinity appear to have been built since 1970 and are in average to good condition. Upon completion, the Subject will be considered superior to all of the comparables in terms of condition. The Subject will offer units at 50 percent AMI, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted units at the 50 percent AMI level. Additionally, the majority of the available housing stock is older construction. There is a void of new construction housing in the market, which the Subject will help fill. The Subject will be superior to the comparables in the area and thus provide good quality affordable housing. As the demand analysis in this report will indicate, there is adequate demand for the Subject based on our calculations.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC and mixed-income comparables are experiencing a weighted average vacancy rate of 1.2 percent, which is considered low. Furthermore, two of the LIHTC and mixed-income comparables maintain waiting lists. Population is expected to increase moderately in the PMA through projected market entry; however, renter households in the PMA continue to increase more rapidly than that of home-owner households. These factors indicate demand for affordable housing. The Subject will offer similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar to inferior property amenities. The Subject will not offer a car wash, garage parking, a swimming pool, tennis courts, balcony/patios, or exterior storage, which several of the comparables offer. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As new construction, the Subject will be in excellent condition upon completion and will be considered superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. The Subject will offer units at 50 percent AMI, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject will be filling a void in the market for income-restricted units at the 50 percent AMI level. Additionally, the majority of the available housing stock is older construction. There is a void of new construction housing in the market, which the Subject will help fill. The Subject will be superior to the comparables in the area and thus provide good quality affordable housing. Given the Subject's anticipated superior condition relative to the competition, the Subject's low capture rates for all unit types at all levels of AMI, and the demand for affordable housing evidenced by waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. These factors also indicated that the Subject will not have negative impact on existing affordable units in the market. We believe that the Subject will fill a void in the market and will perform well.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

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



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M. MARKET STUDY REPRESENTATION

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



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ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View of the Subject site from Felton Road



View south on Felton Road



View north on Felton Road



Adjacent use across Felton Street



Adjacent use across Felton Street



View of the Subject site from Zena Drive



View of the Subject site from Zena Drive



View north on Zena Drive



View south on Zena Drive



Rite Aid Pharmacy in the Subject's neighborhood



Walmart in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood



Grocery store in the Subject's neighborhood



Etowah Area Housing Authority adjacent to the Subject site



Morgan Square Apartments in the Subject's neighborhood
(not used as a comparable)



Stone Haven Falls Apartments in the Subject's neighborhood (not used as a comparable)



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Commercial use adjacent south to the Subject site



Commercial use adjacent south to the Subject site



Commercial use in the Subject's neighborhood



Commercial use in the Subject's neighborhood



Healthcare center in the Subject's neighborhood



Institutional use east of the Subject site

ADDENDUM C
Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

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

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

V. Real Estate Assignments – Examples

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

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

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

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, September 2015- Present

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

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

REAL ESTATE ASSIGNMENTS

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

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

I. Education

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

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

II. Professional Experience

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

III. Research Assignments

A representative sample of work on various types of projects:

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

ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate		
Subject	Havenwood Cartersville Felton Road Cartersville, GA 30121 Bartow County	n/a	Garden (2 stories) Proposed	LIHTC, Market	1BR / 1BA	4	8.0%	@50%	\$480	750	no		N/A	N/A		
					1BR / 1BA	8	16.0%	@60%	\$505	750	no	N/A	N/A			
					1BR / 1BA	2	4.0%	Market	\$605	750	n/a	N/A	N/A			
					2BR / 2BA	5	10.0%	@50%	\$560	950	no	N/A	N/A			
					2BR / 2BA	13	26.0%	@60%	\$575	950	no	N/A	N/A			
					2BR / 2BA	6	12.0%	Market	\$675	950	n/a	N/A	N/A			
					3BR / 2BA	3	6.0%	@50%	\$625	1,150	no	N/A	N/A			
					3BR / 2BA	5	10.0%	@60%	\$655	1,150	no	N/A	N/A			
					3BR / 2BA	4	8.0%	Market	\$755	1,150	n/a	N/A	N/A			
										50	100.0%					
1	Cherokee Summit 5920 Bells Ferry Road Acworth, GA 30102 Cherokee County	13.5 miles	Garden (3 stories) 2000	LIHTC	1BR / 1BA	48	17.6%	@60%	\$749	975	yes	No	0	0.0%		
					2BR / 2BA	184	67.6%	@60%	\$885	1,150	yes	No	6	3.3%		
					3BR / 2BA	40	14.7%	@60%	\$920	1,350	yes	No	5	12.5%		
						272	100.0%							11	4.0%	
2	Etowah Village 366 Old Mill Road Cartersville, GA 30120 Bartow County	3.4 miles	Garden (2 stories) 1998/2012	LIHTC	2BR / 2BA	24	25.0%	@50%	\$610	1,106	no	Yes	0	0.0%		
					2BR / 2BA	36	37.5%	@50%	\$687	1,237	no	Yes	1	2.8%		
					3BR / 2BA	36	37.5%	@60%	\$700	1,237	no	Yes	0	0.0%		
						96	100.0%							1	1.0%	
3	Legacy At Acworth (FKA 5920 Baker Grove Road Acworth, GA 30101 Cobb County	11.2 miles	Garden (2 stories) 1997	LIHTC, Market	1BR / 1BA	38	19.8%	@60%	\$678	840	no	No	0	0.0%		
					1BR / 1BA	36	18.8%	Market	\$788	840	n/a	No	0	0.0%		
					2BR / 2BA	46	24.0%	@60%	\$807	1,056	no	No	0	0.0%		
					2BR / 2BA	50	26.0%	Market	\$932	1,056	n/a	No	2	4.0%		
					3BR / 2BA	12	6.2%	@60%	\$922	1,254	no	No	1	8.3%		
					3BR / 2BA	10	5.2%	Market	\$1,047	1,254	n/a	No	1	10.0%		
						192	100.0%							4	2.1%	
															0	0.0%
4	Somerset Club Apartments 91 Somerset Club Drive SE Cartersville, GA 30121 Bartow County	1.8 miles	Garden (3 stories) 2004	LIHTC, Market	1BR / 1BA	44	22.9%	@60%	N/A	864	yes	No	0	0.0%		
					1BR / 1BA	N/A	N/A	Market	\$795	864	n/a	No	0	N/A		
					2BR / 2BA	84	43.8%	@60%	\$881	1,200	yes	No	1	1.2%		
					2BR / 2BA	N/A	N/A	Market	\$950	1,200	n/a	No	0	N/A		
					3BR / 2BA	40	20.8%	@60%	\$1,004	1,300	yes	No	0	0.0%		
					4BR / 3BA	24	12.5%	Market	\$1,120	1,460	n/a	No	0	0.0%		
						192	100.0%								1	0.5%
																0
5	The Peaks Of Bells Ferry 100 Peaks Ridge Acworth, GA 30102 Cherokee County	13.5 miles	Garden (3 stories) 2003	LIHTC, Market	1BR / 1BA	50	20.2%	@60%	\$740	874	yes	No	0	0.0%		
					1BR / 1BA	12	4.8%	Market	\$953	874	n/a	No	0	0.0%		
					2BR / 2BA	98	39.5%	@60%	\$897	1,149	yes	No	1	1.0%		
					2BR / 2BA	25	10.1%	Market	\$1,072	1,149	n/a	No	0	0.0%		
					3BR / 2BA	51	20.6%	@60%	\$1,038	1,388	yes	Yes	1	2.0%		
					3BR / 2BA	12	4.8%	Market	\$1,202	1,388	n/a	Yes	0	0.0%		
						248	100.0%								2	0.8%
																0
6	Avonlea Highlands 950 East Main Street Cartersville, GA 30121 Bartow County	1.2 miles	Garden (4 stories) 2001	Market	1BR / 1BA	N/A	N/A	Market	\$838	660	n/a	No	0	N/A		
					1BR / 1BA	N/A	N/A	Market	\$950	843	n/a	No	0	N/A		
					1BR / 1BA	N/A	N/A	Market	\$988	912	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$1,071	1,048	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$1,146	1,210	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$1,181	1,337	n/a	No	0	N/A		
					3BR / 2BA	N/A	N/A	Market	\$1,373	1,366	n/a	No	0	N/A		
					3BR / 2BA	N/A	N/A	Market	\$1,478	1,439	n/a	No	0	N/A		
						228	100.0%								0	0.0%
																2
7	Rosewood Apartments 531 Grassdale Road Cartersville, GA 30121 Bartow County	2.4 miles	Garden (2 stories) 1984/2014	Market	1BR / 1BA	18	12.2%	Market	\$795	575	n/a	No	2	6.7%		
					1BR / 1BA	30	20.3%	Market	\$810	800	n/a	No	2	6.7%		
					2BR / 2BA	92	62.2%	Market	\$883	1,140	n/a	No	0	0.0%		
					3BR / 2BA	8	5.4%	Market	\$992	1,170	n/a	No	0	0.0%		
	148	100.0%								4	2.7%					
8	Stonemill Apartments 50 Stone Mill Drive SE Cartersville, GA 30121 Bartow County	2.3 miles	Garden (2 stories) 2001	Market	1BR / 1BA	16	9.1%	Market	\$809	774	n/a	No	0	0.0%		
					1BR / 1BA	52	29.5%	Market	\$854	828	n/a	No	0	0.0%		
					2BR / 2BA	92	52.3%	Market	\$944	1,084	n/a	No	2	2.2%		
					3BR / 2BA	16	9.1%	Market	\$1,113	1,277	n/a	No	0	0.0%		
	176	100.0%								2	1.1%					
9	The Glen 200 Governor's Court Cartersville, GA 30121 Bartow County	2.7 miles	Garden (2 stories) 1992	Market	1BR / 1BA	N/A	N/A	Market	\$780	701	n/a	No	0	N/A		
					1BR / 1BA	N/A	N/A	Market	\$800	750	n/a	No	0	N/A		
					1BR / 1BA	N/A	N/A	Market	\$830	908	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$880	938	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$920	1,136	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$970	1,300	n/a	No	0	N/A		
					2BR / 2BA	N/A	N/A	Market	\$980	1,305	n/a	No	0	N/A		
					3BR / 2BA	N/A	N/A	Market	\$1,020	1,290	n/a	No	0	N/A		
					3BR / 2BA	N/A	N/A	Market	\$1,070	1,406	n/a	No	0	N/A		
						108	100.0%								0	0.0%
10	The Vineyards 11 Sheffield Place Cartersville, GA 30121 Bartow County	2.9 miles	Garden (2 stories) 1997	Market	1BR / 1BA	46	30.3%	Market	\$838	850	n/a	No	0	0.0%		
					2BR / 2BA	60	39.5%	Market	\$923	1,000	n/a	No	2	3.3%		
					3BR / 2BA	46	30.3%	Market	\$1,048	1,200	n/a	No	1	2.2%		
						152	100.0%							3	2.0%	