



**NOVOGRADAC  
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CERTIFIED PUBLIC ACCOUNTANTS

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

**SPARROW  
POINTE**

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: SPARROW POINTE**

North side of Woodland Avenue  
Americus, Sumter County, Georgia 31719

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

Prepared for:  
Mr. Deion Lowry  
DDER Development  
1631 E Vine Street, Suite 300  
Kissimmee, FL 34744

Assignment Code: AEP600V.069

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May 25, 2017

Mr. Deion Lowry  
DDER Development  
1631 E Vine Street, Suite 300  
Kissimmee, FL 34744

Re: Market Study - Application for Sparrow Pointe, located in Americus, Sumter County, Georgia

Dear Mr. Lowry:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Americus, Sumter 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 42-unit family LIHTC project. It will be a newly constructed LIHTC project, with 42 units restricted to households earning 50 and 60 percent of the Area Median Income (AMI) or less. 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.

MR. DEION LOWRY  
DDER DEVELOPMENT  
MAY 25, 2017  
PAGE 2

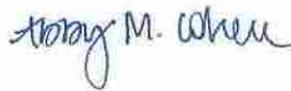
The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please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

Respectfully submitted,  
Novogradac & Company LLP



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## Addendum

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

# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Sparrow Pointe will be a newly constructed family LIHTC property located in Americus, Sumter County, Georgia, which will consist of 42 one-story, single-family residential buildings and one community building.

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

PROPOSED RENTS							
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	900	1	\$375	\$116	\$491	\$499	\$564
3BR	1,300	8	\$518	\$170	\$688	\$693	\$838
<i>60% AMI</i>							
1BR	900	4	\$460	\$116	\$576	\$599	\$564
3BR	1,300	<u>29</u>	\$632	\$170	\$802	\$831	\$838
<b>Total</b>		<b>42</b>					

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

The Subject's proposed LIHTC rents are below the 2016 LIHTC maximum allowable levels. The Subject's amenity packages are considered to be competitive with the existing housing supply in the market. The Subject will offer microwaves, walk-in closets, a business center/computer lab, a courtyard, an exercise facility, a picnic area, and adult education classes, which many of the comparables do not 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 north side of Woodland Avenue. The Subject site will have good visibility and accessibility from Woodland Avenue. The Subject site is currently undeveloped land. Surrounding uses consist of commercial, retail, industrial, multifamily and single-family uses, as well as undeveloped land. The Subject site is considered "Car-Dependent" by Walk Score with a rating of 40 out of 100. Crime risk indices in the Subject's area are considered moderate. The Subject site is considered a desirable building site for rental housing. The Subject 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 3.1 miles of the Subject site.

### 3. Market Area Definition

The PMA is defined by Georgia Highway 26 to the north, Sumter County border to the west, Sumter County border to the south and Georgia Highway 195 to the east. This area includes the City of Americus as well as portions of portions of Sumter, Schley and Macon Counties. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 15 miles  
 East: 11 miles  
 South: 15 miles  
 West: 13 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 15 miles.

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

Population growth in the PMA and SMA was positive but below national growth from 2000 to 2010. The population in the PMA and the SMA marginally decreased from 2010 to 2017. Total population and households are projected to marginally decrease at similar rates from 2017 through 2021. Renter households are concentrated in the lowest income cohorts with 36.1 percent of renter households in the PMA earning between \$10,000 and \$29,000 annually. Overall, the concentrations of renter households in the lowest income cohorts in the PMA indicate demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of April 2017. The town of Americus is experiencing a foreclosure rate of one in every 5,472 homes, while Sumter County is experiencing foreclosure rate of one in every 3,900 homes and Georgia is experiencing one foreclosure in every 1,898 housing units. Overall, Americus is experiencing a much lower foreclosure rate than Sumter County, Georgia, and the nation, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

#### **5. Economic Data**

Employment in the PMA is concentrated in healthcare/social assistance, manufacturing, educational services, and retail trade industries. The industries represent approximately 52 percent of total local employment. Two of these industries, healthcare/social assistance and educational services are resilient during periods of economic downturn. Although manufacturing is a volatile sector, there have been several recent employment expansions in the manufacturing industry, such as TCI Powder Coating and Caravelle Powerboats.

Overall, the SMA has experienced moderate total employment growth from 2014 through February 2017. As of February 2017, total employment in the SMA was 10.0 percent lower than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2017 was 8.0 percent, 3.1 percent higher than the national unemployment rate but significantly lower than the 2013 peak of 12.3 percent. Overall, it appears that the local economy and the SMA have been impacted by the national recession and is still recovering. The recent stabilization and growth in the 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	\$16,834	\$21,300	1	73	10	63	1.6%	\$375
1BR at 60% AMI	\$19,749	\$25,560	4	79	6	73	5.5%	\$460
1BR Overall	\$16,834	\$25,560	5	118	16	102	4.9%	-
3BR at 50% AMI	\$23,589	\$28,800	8	76	3	73	10.9%	\$518
3BR at 60% AMI	\$27,497	\$34,560	29	81	13	68	42.4%	\$632
3BR Overall	\$23,589	\$34,560	37	122	16	106	34.9%	-
50% AMI Overall	\$16,834	\$28,800	9	150	13	137	6.6%	-
60% AMI Overall	\$19,749	\$34,560	33	160	19	141	23.4%	-
Overall	\$16,834	\$34,560	42	240	32	208	20.2%	-

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

**7. Competitive Rental Analysis**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 480 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good. We have included three LIHTC properties, all of which are located within the PMA. The comparable LIHTC properties are located between 0.4 and 3.1 miles of the proposed Subject.

The availability of market-rate data is considered average. The Subject is located in Americus, and there are several market-rate properties in the area. We have included six conventional properties in our analysis of the competitive market. Four of the market-rate properties are located in the PMA, and the remaining two market-rate properties are located in Cordele, approximately 28 miles from the Subject, which is an area considered similar to the Subject as previously discussed. All of the market-rate comparables were built or renovated between 1985 and 1998. 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 market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject will offer 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$375	\$273	\$579	\$460	23%
1 BR @ 60%	\$460	\$363	\$579	\$506	10%
3 BR @ 50%	\$518	\$384	\$843	\$630	22%
3 BR @ 60%	\$632	\$479	\$843	\$696	10%

As illustrated, the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed rents are within the surveyed range of LIHTC and market rents, with the exception of the two-bedroom unrestricted units. Whisperwoods Apartments is achieving the highest unrestricted rents in the market. The Subject will be superior to Whisperwoods Apartments as a market-rate property. Whisperwoods Apartments was built in 1985 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This property is located 28.6 miles from the Subject in Cordele, which is considered a similar location in terms of median household income and median rent. Whisperwoods Apartments offers inferior in-unit amenities compared to the Subject because it lacks dishwashers and microwaves, which the Subject will offer. Whisperwoods Apartments also offers inferior property amenities because it lacks a business center/computer lab, clubhouse/meeting room, a courtyard, and an exercise facility, which the Subject will offer. Unit sizes at Whisperwoods Apartments are inferior to the proposed unit sizes at the Subject. The one-bedroom rents at Whisperwoods Apartments are approximately 26 percent higher than the Subject’s proposed one-bedroom rents at 60 percent AMI.

The two market-rate comparables located closest the Subject, George Town Apartments and St. Charles, are achieving rents at the high end of the range of market rents. George Town Apartments is located 2.2 miles from the Subject in Americus and offers a similar location. George Town Apartments was constructed in the 1990s and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. George Town Apartments is considered similar to the Subject in terms of in-unit amenities, but inferior to the Subject in terms of property amenities. George Town Apartments does not offer a business center/computer lab, a clubhouse/meeting room, courtyard, exercise facility, on-site management, and adult education, all of which the Subject will offer. George Town Apartments does offer superior unit sizes in comparison to the Subject’s proposed unit sizes. Overall, the Subject will be superior to George Town Apartments upon completion. George Town Apartments offers one-bedroom rents that are approximately 25 percent higher than the Subject’s proposed one-bedroom rents at 60 percent AMI.

St. Charles is located 2.1 miles from the Subject in Americus and offers a similar location. St. Charles was constructed in the 1990s and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. St. Charles is considered slightly inferior to the Subject in terms of in-unit amenities, as it does not offer blinds, or microwaves, which the Subject will offer. St. Charles is considered inferior to the Subject with respect to property amenities, as it lacks a business center/computer lab, clubhouse/meeting room, courtyard, exercise facility, on-site management, picnic area, and adult education, all of which the Subject will offer. Overall, the Subject will be superior to St. Charles upon completion. St. Charles offers three-bedroom units that are approximately 20 percent higher than the Subject’s proposed three-bedroom rents at 60 percent AMI.

Given the Subject’s anticipated superiority to both George Town Apartments and St. Charles, we believe it can achieve rents similar to rents at these properties. Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

## 8. Absorption/Stabilization Estimate

We were only able to obtain absorption information from two of the comparable properties, and expanded our search to newer rental properties in the south Georgia region. Absorption at four properties in the area is illustrated following table.

ABSORPTION				
Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
Rosewood Estates	LIHTC, Market	2010	56	5
Forrester Senior Village	LIHTC	2012	50	17
The Reserve at Hampton	LIHTC	2015	60	20
Southwestern Estates	LIHTC	2016	64	<u>32</u>
<b>Average</b>				<b>19</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The four newer properties able to provide absorption information reported absorption paces between five and 32 units per month, with an average pace of 19 units per month. The newest and closest LIHTC comparable to the Subject, Southwestern Estates, reported an absorption pace of 32 units per month. We believe the Subject would likely achieve an absorption pace most similar to Southwestern Estates, a family LIHTC property located approximately two miles from the Subject. We have concluded to an absorption pace of 32 units per month. Thus, the Subject would reach stabilization between one and two months.

## 9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are fully-occupied and report extensive waiting lists. The Subject will offer generally similar to superior property and in-unit amenities in comparison to the LIHTC and market-rate comparables. The Subject will offer microwaves, walk-in closets, a business center/computer lab, a courtyard, an exercise facility, a picnic area, and adult education classes, which many of the comparables do not 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 similar to superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer one-bedroom units, 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, one-bedroom units. In general, the Subject will be similar to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

**SPARROW POINTE – AMERICUS, GEORGIA – MARKET STUDY**

**Summary Table:**

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

Development Name:	Sparrow Point	Total # Units:	42
Location:	North side of Woodland Avenue	# LIHTC Units:	42
	Americus, Georgia 31719		
PMA Boundary:	North: Georgia Highway 26 West; South: Sumter County border; East: Highway 195; West: Sumer County border		
	Farthest Boundary Distance to Subject:		15 miles

**Rental Housing Stock (found on page 60)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	28	1,467	75	94.9%
Market-Rate Housing	12	572	43	92.5%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	12	685	0	100.0%
<b>LIHTC</b>	4	210	0	100.0%
Stabilized Comps	28	1,467	75	94.9%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

\*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1	1BR at 50% AMI	1	900	\$375	\$460	\$0.51	23%	\$579	\$0.83
8	3BR at 50% AMI	2	1,300	\$518	\$630	\$0.48	22%	\$843	\$0.89
4	1BR at 60% AMI	1	900	\$460	\$506	\$0.56	10%	\$579	\$0.83
29	3BR at 60% AMI	2	1,300	\$632	\$696	\$0.54	10%	\$843	\$0.89

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

	2010		2017		July 2019	
Renter Households	5,516	100.0%	5,996	46.0%	5,964	46.1%
Income-Qualified Renter HHs (LIHTC)	1,463	26.5%	1,590	26.5%	1,581	26.5%

**Targeted Income-Qualified Renter Household Demand (found on pages 40 to 58)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	-	2	8	-	-	5
Existing Households (Overburdened + Substandard)	-	365	385	-	-	582
Homeowner conversion (Seniors)	-	-	-	-	-	-
<b>Total Primary Market Demand</b>	-	<b>366</b>	<b>392</b>	-	-	<b>587</b>
Less Comparable/Competitive Supply	-	13	0	-	-	0
<b>Adjusted Income-qualified Renter HHs**</b>	-	<b>353</b>	<b>392</b>	-	-	<b>587</b>

**Capture Rates (found on page 58)**

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	-	6.6%	23.4%	-	-	20.2%

\*Includes LIHTC and unrestricted (when applicable)

\*\*Not adjusted for demand by bedroom-type.

## **B. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- |   |   |
|---|---|
| <b>1. Project Address and Development Location:</b>             | The Subject site is located at the North side of Woodland Avenue in Americus, Sumter County, Georgia 31719. The Subject site is currently vacant. |
| <b>2. Construction Type:</b>                                    | The Subject will consist of 42 one-story, single-family residential buildings and a community building. The Subject will be new construction.     |
| <b>3. Occupancy Type:</b>                                       | Families.   |
| <b>4. Special Population Target:</b>                            | None.   |
| <b>5. Number of Units by Bedroom Type and AMI Level:</b>        | See following property profile.   |
| <b>6. Unit Size, Number of Bedrooms and Structure Type:</b>     | See following property profile.   |
| <b>7. Rents and Utility Allowances:</b>                         | See following property profile.   |
| <b>8. Existing or Proposed Project-Based Rental Assistance:</b> | See following property profile.   |
| <b>9. Proposed Development Amenities:</b>                       | See following property profile.   |

**SPARROW POINTE – AMERICUS, GEORGIA – MARKET STUDY**

Sparrow Pointe												
<b>Location</b>	North side of Woodland Ave Americus, GA 31719 Sumter County Intersection: Denham Drive (verified)											
<b>Units</b>	42											
<b>Type</b>	Single-family											
<b>Year Built / Renovated</b>	Proposed											
<b>Tenant Characteristics</b>	Family											
Market												
<b>Program</b>	@50%, @60%						<b>Leasing Pace</b>	n/a				
<b>Annual Turnover Rate</b>	N/A						<b>Change in Rent (Past Year)</b>	n/a				
<b>Units/Month Absorbed</b>	n/a						<b>Concession</b>	n/a				
<b>Section 8 Tenants</b>	N/A											
Utilities												
<b>A/C</b>	not included – central						<b>Other Electric</b>	not included				
<b>Cooking</b>	not included – electric						<b>Water</b>	not included				
<b>Water Heat</b>	not included – electric						<b>Sewer</b>	not included				
<b>Heat</b>	not included – electric						<b>Trash Collection</b>	not included				
Unit Mix (face rent)												
<b>Beds</b>	<b>Baths</b>	<b>Type</b>	<b>Units</b>	<b>Size (SF)</b>	<b>Rent</b>	<b>Concession (monthly)</b>	<b>Restriction</b>	<b>Waiting List</b>	<b>Vacant</b>	<b>Vacancy Rate</b>	<b>Max rent?</b>	
1	1	Single-family	1	900	\$375	\$0	@50%	n/a	N/A	N/A	no	
1	1	Single-family	4	900	\$460	\$0	@60%	n/a	N/A	N/A	no	
3	2	Single-family	8	1,300	\$518	\$0	@50%	n/a	N/A	N/A	no	
3	2	Single-family	29	1,300	\$632	\$0	@60%	n/a	N/A	N/A	no	
Amenities												
<b>In-Unit</b>	Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup						<b>Security</b>	none				
<b>Property</b>	Parking spaces: 72 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Exercise Facility Off-Street Parking On-Site Management Picnic Area Wi-Fi						<b>Premium</b>	none				
<b>Services</b>	Adult Education						<b>Other</b>	none				
Comments												
Additional amenities include a gazebo. Adult education includes computer training and aerobics classes. The property will not include any security features. Utility allowance is \$116 for one-bedroom units and \$170 for three-bedroom units.												

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

## **C. SITE EVALUATION**

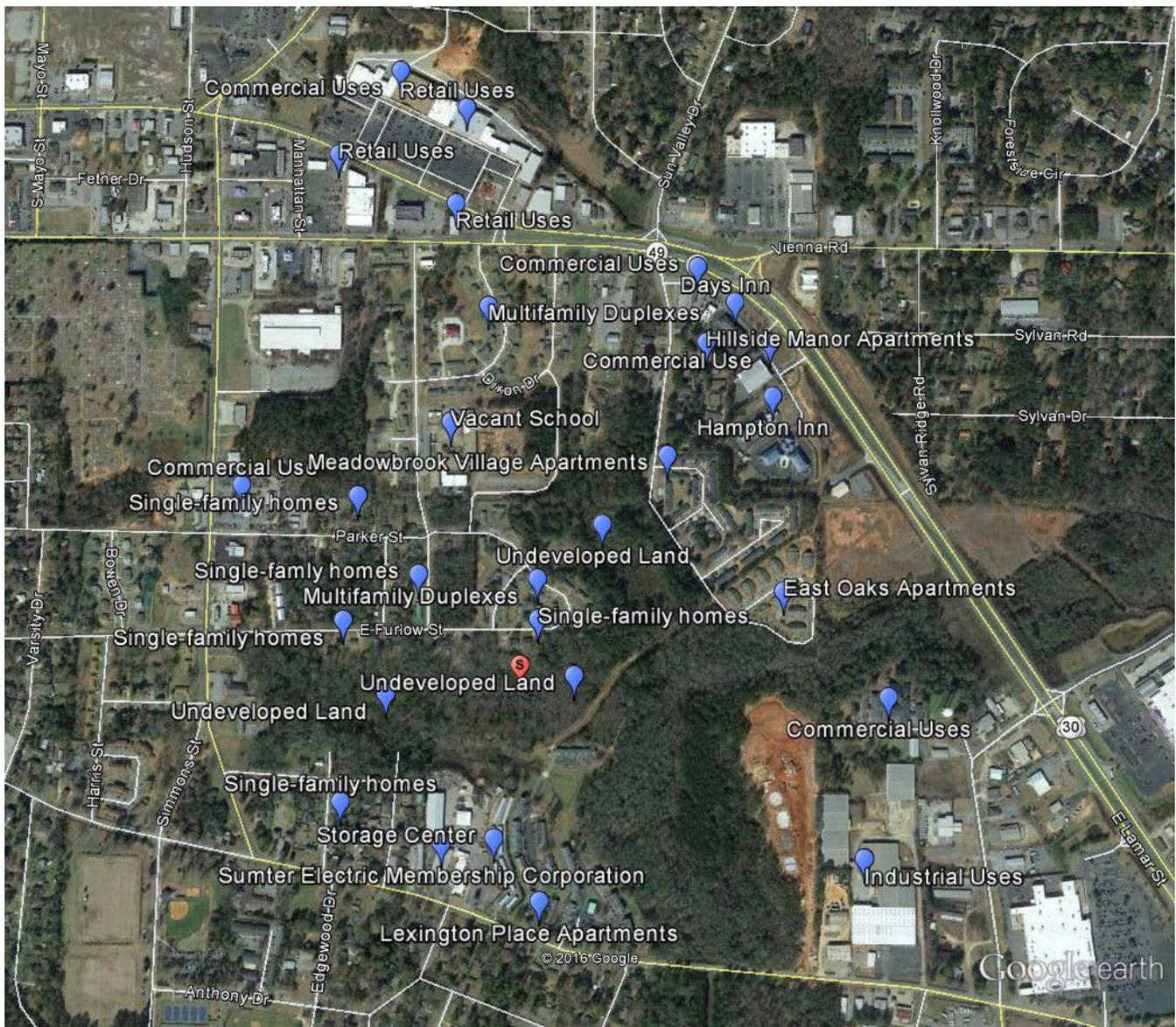
1. **Date of Site Visit and Name of Inspector:** Michael Jones visited the site on April 22, 2017.

2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along the north side of Woodland Avenue.

**Visibility/Views:** The Subject will be located on the north side of Woodland Avenue. Visibility and views from the site will be good and initially will include multifamily duplexes, undeveloped land, and single-family homes.

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



Source: Google Earth, May 2017.

The Subject site is located on the north side of Woodland Avenue and the south side of Lakeview Circle. The Subject site is currently undeveloped land. Adjacent north of the Subject site are single-family homes and a multifamily duplex development owned by the Housing Authority of Americus. Several retail and commercial uses are located further north of the Subject site. To the northeast of the Subject site are three multifamily developments and undeveloped land. The multifamily developments are known as Hillside Manor, Meadowbrook Village, and East Oaks Apartments. Hillside Manor is used as a comparable in our analysis, while Meadowbrook Village and East Oaks Apartments have been excluded because they are subsidized properties. Directly east of the Subject site is undeveloped land. Industrial, commercial, and multifamily uses are located to the south of the Subject site. Lexington Place Apartments is a multifamily development located south of the Subject site and is used as a comparable in our analysis. Adjacent west of the Subject site is undeveloped land. Based on our inspection of the neighborhood, retail uses appeared to be 90 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 40 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 3.1 miles 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. We did not observe any negative attributes.

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

The Subject is located within 3.1 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



View of the Subject site



View west along Lakeview Circle



View east along Lakeview Circle



View across Lakeview Circle from Subject site



View of adjacent single family home



View of adjacent single family home



View of multifamily near the Subject site



Typical single-family home in the Subject's neighborhood



Typical single-family home in the Subject's neighborhood



Retail in the Subject's neighborhood



Retail in the Subject's neighborhood



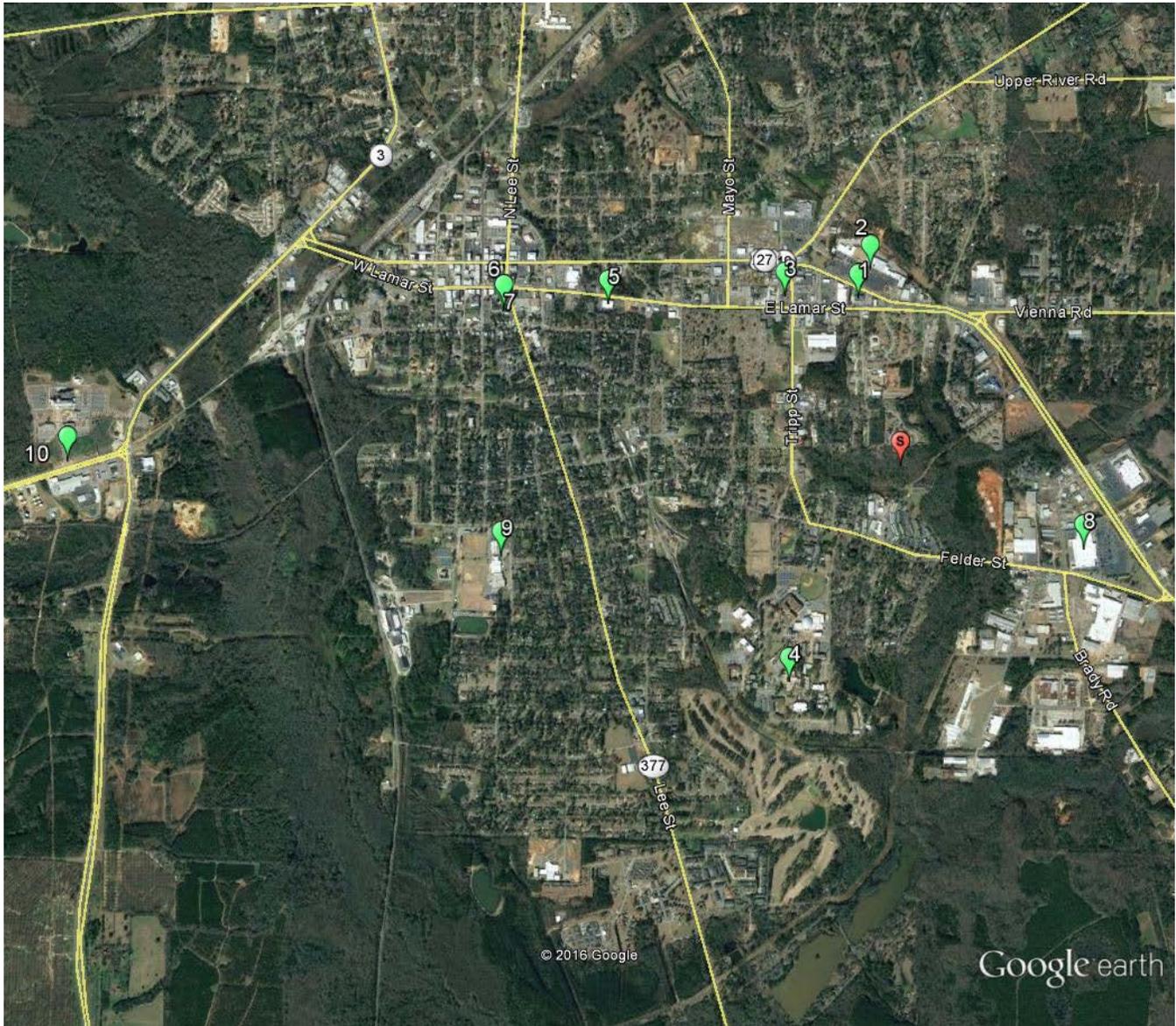
Retail in the Subject's neighborhood



House of Worship in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

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



Source: Google Earth, May 2017.

**LOCATIONAL AMENITIES**

Number	Service or Amenity	Distance from Subject
1	Rite Aid Pharmacy	0.5 miles
2	Perlis Plaza- Shopping Center	0.8 miles
3	Wells Fargo Bank	1.0 miles
4	US Post Office	1.2 miles
5	Lake Blackshear Regional Library	1.3 miles
6	Americus Fire and Emergency Services	1.5 miles
7	Americus Police Department	1.5 miles
8	Walmart Supercenter (Major employer)	1.5 miles
9	Americus- Sumter High School	1.6 miles
10	Phoebe Sumter Medical Center (Major employer)	3.1 miles

**6. Description of Land Uses**

Adjacent north of the Subject site are single-family homes and Eastside Americus, which is a multifamily development owned by the Housing Authority of Americus. Eastside Americus consists of 243 units. Hillside Manor, Meadowbrook Village, and East Oaks Apartments are multifamily developments located northeast of the Subject site. Hillside Manor was included as a comparable property. Meadowbrook Village and East Oaks apartments are subsidized properties, which were not included as comparable properties. East of the Subject site is undeveloped land. Lexington Place Apartments is a multifamily development located south of the Subject site, which is included as a comparable property. Several commercial and industrial uses are located to the south and southeast of the Subject site. Adjacent west of the Subject site is undeveloped land. Based on our inspection of the neighborhood, retail uses appeared to be 90 percent occupied. The uses surrounding the Subject are in average to good condition.

**7. Crime:**

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

**2017 CRIME INDICES**

	<b>PMA</b>	<b>SMA</b>
<b>Total Crime*</b>	<b>117</b>	<b>102</b>
<b>Personal Crime*</b>	<b>124</b>	<b>110</b>
Murder	108	117
Rape	45	63
Robbery	77	68
Assault	156	136
<b>Property Crime*</b>	<b>115</b>	<b>100</b>
Burglary	174	143
Larceny	105	94
Motor Vehicle Theft	40	39

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

\*Unweighted aggregations

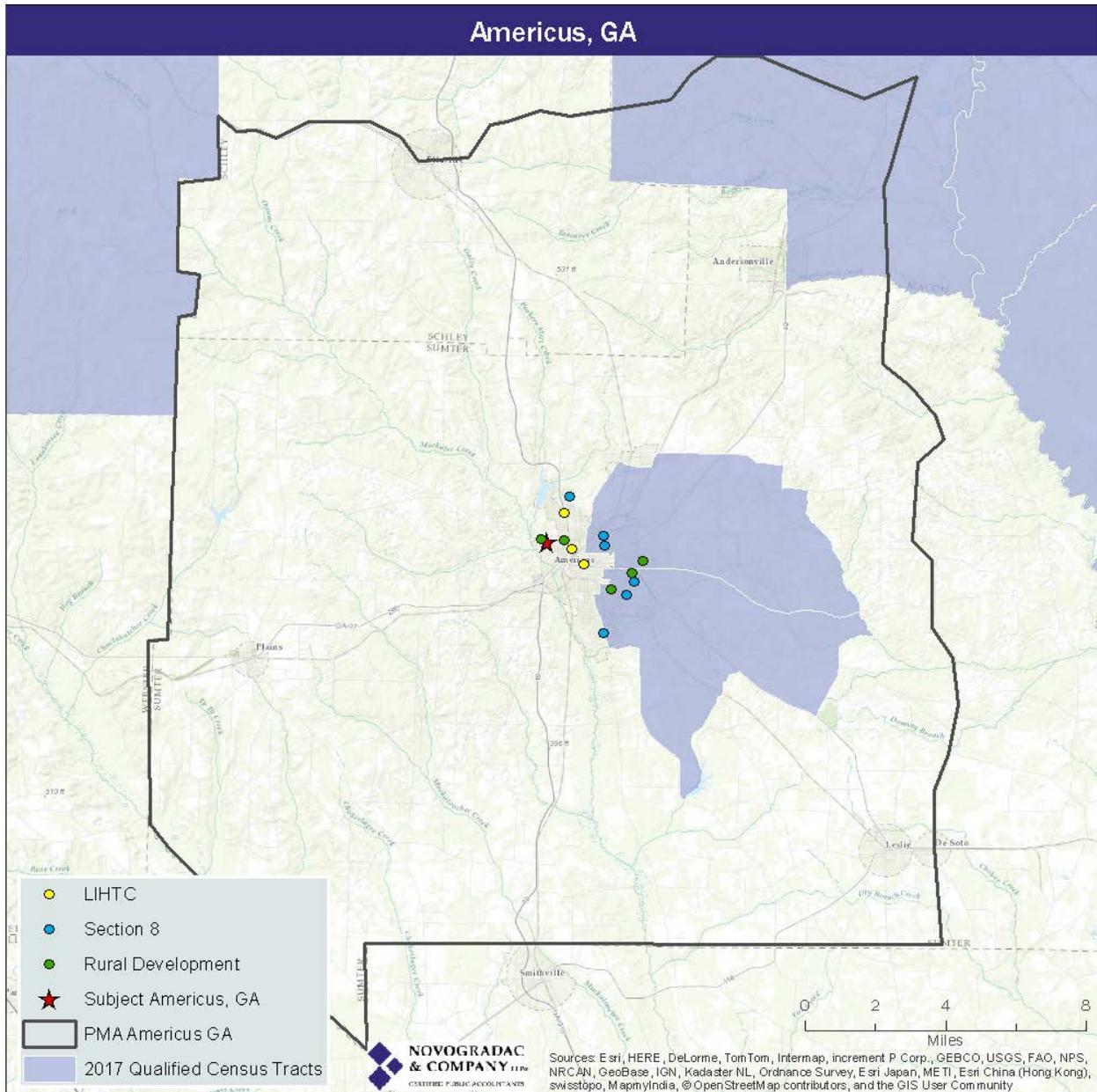
The total crime indices in the PMA are slightly above that of the SMA and the nation. The Subject will not offer any security features. Given the moderate crime indices in the Subject’s neighborhood and the lack of features in the market, we do not believe the Subject’s lack of security features will negatively impact the Subject. Additionally, the lack of security features has not negatively impacted the seven comparable properties that also do not offer security features.

**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
Sparrow Pointe	LIHTC	Americus	Family	42	Star
Eastview Apartments	Section 8	Americus	Family	80	Blue
Magnolia Village	Section 8	Americus	Family	80	
Magnolia Gardens	Section 8	Americus	Senior/Disabled	50	
Magnolia Manor	Section 8	Americus	Family	176	
Joy Court Village Apartments	Section 8	Americus	Senior/Disabled	20	
Southwestern Estates	LIHTC	Americus	Family	64	
Meadowbrook Lane	LIHTC, Rural Development	Americus	Family	50	
Ravenwood Apts	Rural Development	Americus	Family	24	
Verandah Apts	PBRA, Market	Americus	Family	32	
East Oaks Apts	PBRA, Market	Americus	Family	32	
Starlight Place	LIHTC	Americus	Family	52	Yellow
Magnolia Village Apts	Rural Development	Americus	Senior	53	Green
Americus Gardens	LIHTC	Americus	Family	44	Yellow
Creekview Commons	LIHTC	Americus	Senior	50	Yellow
Cripple Creek Apartments	Rural Development	Americus	Family	49	Green
Heritage Villas of Americus	Rural Development	Americus	Family	39	Green



**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 Woodland Avenue, which is a two-lane neighborhood street connected to Felder Street and Denham Drive. Highway 30 is a two-lane roadway that can be accessed via Felder Street. Highway 30, also known as E. Lamar Street provides access to downtown Americus. Overall, access and visibility are considered good.

**11. Conclusion:**

The Subject site is located on the north side of Woodland Avenue.

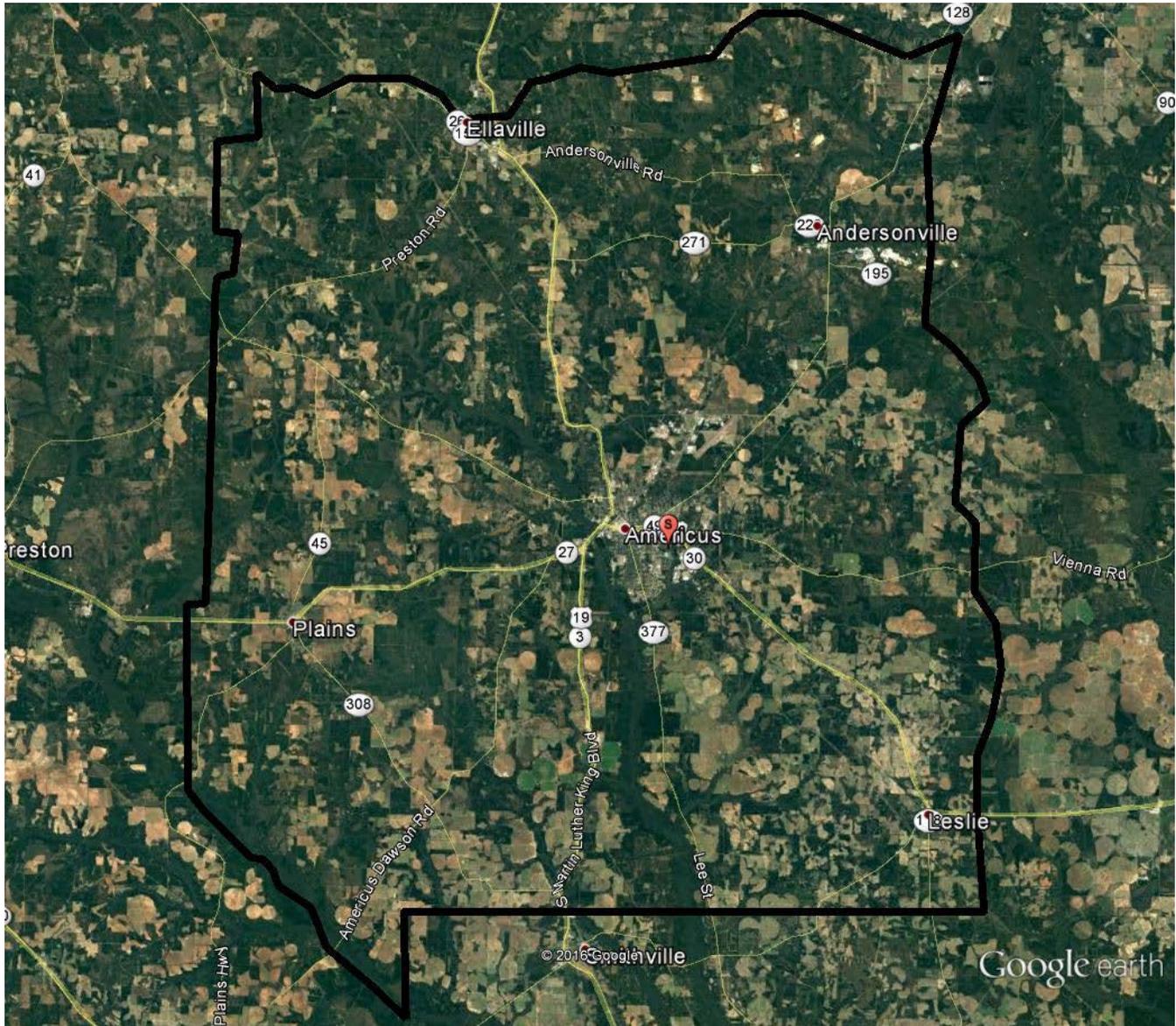
The Subject site will have good visibility and accessibility from Woodland Avenue. The Subject site is currently undeveloped land. Surrounding uses consist of commercial, retail, industrial, multifamily and single-family uses, as well as undeveloped land. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 40 out of 100. Crime risk indices in the Subject’s area are considered moderate. The Subject site is considered a desirable building site for rental housing. The Subject 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 3.1 miles of the Subject site.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

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

### Primary Market Area Map



Source: Google Earth, May 2017.

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

The PMA is defined by Georgia Highway 26 to the north, Sumter County border to the west, Sumter County border to the south and Georgia Highway 195 to the east. This area includes the City of Americus as well as portions of portions of Sumter, Schley and Macon Counties. The approximate distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 15 miles

East: 11 miles

South: 15 miles

West: 13 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 15 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 SMA 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 SMA.

### 1. Population Trends

The following tables illustrate (a) Total Population and (b) Population by Age Group within the population in the PMA, SMA, 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		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	35,539	-	86,949	-	281,421,906	-
2010	37,373	0.5%	93,725	0.8%	308,745,538	1.0%
2017	36,630	-0.1%	91,828	-0.1%	323,580,626	0.3%
Projected Mkt Entry						
July 2019	36,332	-0.3%	91,004	-0.4%	330,453,372	0.8%
2021	36,033	-0.3%	90,179	-0.4%	337,326,118	0.8%

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

Population growth in the PMA and SMA was positive but below national growth from 2000 to 2010. From 2010 to 2017, the population in both the PMA and SMA decreased at a rate of 0.1 percent annually. The populations of the PMA and SMA are expected to decline marginally through market entry to 2021.

#### 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	2,794	2,604	2,463	2,391	2,319
5-9	2,765	2,463	2,385	2,329	2,272
10-14	2,785	2,624	2,303	2,292	2,280
15-19	2,831	3,190	2,766	2,720	2,673
20-24	2,923	3,360	3,183	3,037	2,891
25-29	2,496	2,654	2,872	2,769	2,666
30-34	2,534	2,347	2,601	2,605	2,608
35-39	2,523	2,284	2,170	2,243	2,315
40-44	2,391	2,435	2,118	2,100	2,081
45-49	2,251	2,478	2,257	2,128	1,998
50-54	2,126	2,346	2,244	2,194	2,143
55-59	1,665	2,179	2,152	2,126	2,099
60-64	1,226	1,958	2,032	2,023	2,013
65-69	1,064	1,492	1,806	1,838	1,869
70-74	987	1,030	1,280	1,408	1,536
75-79	816	762	868	960	1,052
80-84	675	584	549	596	643
85+	690	583	580	578	576
<b>Total</b>	<b>35,542</b>	<b>37,373</b>	<b>36,629</b>	<b>36,332</b>	<b>36,034</b>

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

POPULATION BY AGE GROUP

Age Cohort	SMA				
	2000	2010	2017	Projected Mkt Entry July 2019	2021
0-4	6,608	6,259	5,854	5,685	5,515
5-9	6,738	6,219	5,813	5,664	5,515
10-14	6,757	6,459	5,801	5,714	5,627
15-19	6,806	7,115	6,178	6,093	6,007
20-24	6,284	6,659	6,642	6,300	5,957
25-29	5,691	6,149	6,344	6,151	5,958
30-34	5,880	5,650	6,032	5,931	5,829
35-39	6,267	5,716	5,419	5,492	5,564
40-44	6,204	6,081	5,479	5,406	5,333
45-49	5,950	6,549	5,729	5,461	5,193
50-54	5,368	6,566	6,126	5,870	5,614
55-59	4,200	6,283	6,191	6,023	5,855
60-64	3,325	5,645	5,964	5,964	5,964
65-69	2,950	4,146	5,230	5,356	5,482
70-74	2,616	2,944	3,701	4,159	4,616
75-79	2,160	2,177	2,310	2,611	2,912
80-84	1,606	1,628	1,544	1,649	1,753
85+	1,541	1,480	1,471	1,478	1,485
<b>Total</b>	<b>86,951</b>	<b>93,725</b>	<b>91,828</b>	<b>91,004</b>	<b>90,179</b>

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

The largest age cohort in the PMA is between 20 and 29 years old. Additionally, many family age cohorts are projected to increase through projected market entry and through 2021. This bodes well for the Subject, as these cohorts compose its target tenancy.

## 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 SMA, the PMA and nationally from 2000 through 2021.

### 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		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	12,652	-	31,451	-	105,480,101	-
2010	13,102	0.4%	34,478	1.0%	116,716,292	1.1%
2017	13,025	0.0%	34,122	-0.1%	121,786,233	0.3%
Projected Mkt Entry						
July 2019	12,937	-0.3%	33,844	-0.3%	124,240,251	0.8%
2021	12,849	-0.3%	33,566	-0.3%	126,694,268	0.8%

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

#### AVERAGE HOUSEHOLD SIZE

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.65	-	2.63	-	2.59	-
2010	2.60	-0.2%	2.53	-0.4%	2.58	-0.1%
2017	2.58	-0.1%	2.52	0.0%	2.59	0.0%
Projected Mkt Entry						
July 2019	2.57	-0.1%	2.52	-0.1%	2.59	0.1%
2021	2.57	-0.1%	2.51	-0.1%	2.60	0.1%

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

Households in the PMA and the SMA increased from 2000 through 2010. From 2017 through 2021, households in the PMA and SMA are projected to marginally decrease. The PMA contains a larger average household size than the SMA. Household size in the PMA is projected to remain relatively similar through 2021. Average household size in the PMA suggests there are a large number of households that would be attracted to the Subject's one-bedroom units.

### P2b. 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	8,159	64.5%	4,493	35.5%
2017	7,029	54.0%	5,996	46.0%
Projected Mkt Entry				
July 2019	6,973	53.9%	5,964	46.1%
2021	6,917	53.8%	5,932	46.2%

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

As the table illustrates, owner-occupied households are slightly more common than renter-households in the PMA. 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 higher percentage of renters in the PMA than in the nation. This percentage is projected to remain relatively stable over the next five years.

## 2c. Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,678	28.0%	1,658	27.8%	1,638	27.6%
\$10,000-19,999	1,234	20.6%	1,219	20.4%	1,205	20.3%
\$20,000-29,999	929	15.5%	939	15.7%	949	16.0%
\$30,000-39,999	592	9.9%	592	9.9%	592	10.0%
\$40,000-49,999	386	6.4%	385	6.5%	384	6.5%
\$50,000-59,999	278	4.6%	274	4.6%	269	4.5%
\$60,000-74,999	330	5.5%	334	5.6%	339	5.7%
\$75,000-99,999	222	3.7%	221	3.7%	219	3.7%
\$100,000-124,999	108	1.8%	113	1.9%	117	2.0%
\$125,000-149,999	77	1.3%	78	1.3%	78	1.3%
\$150,000-199,999	102	1.7%	96	1.6%	90	1.5%
\$200,000+	58	1.0%	55	0.9%	52	0.9%
<b>Total</b>	<b>5,996</b>	<b>100.0%</b>	<b>5,964</b>	<b>100.0%</b>	<b>5,932</b>	<b>100.0%</b>

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - SMA						
Income Cohort	2017		Projected Mkt Entry July 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,871	27.2%	3,799	26.9%	3,727	26.6%
\$10,000-19,999	3,047	21.4%	2,979	21.1%	2,912	20.8%
\$20,000-29,999	2,088	14.7%	2,075	14.7%	2,061	14.7%
\$30,000-39,999	1,416	10.0%	1,411	10.0%	1,406	10.0%
\$40,000-49,999	978	6.9%	957	6.8%	935	6.7%
\$50,000-59,999	733	5.2%	721	5.1%	710	5.1%
\$60,000-74,999	755	5.3%	772	5.5%	789	5.6%
\$75,000-99,999	443	3.1%	449	3.2%	456	3.3%
\$100,000-124,999	318	2.2%	350	2.5%	381	2.7%
\$125,000-149,999	170	1.2%	184	1.3%	197	1.4%
\$150,000-199,999	209	1.5%	212	1.5%	215	1.5%
\$200,000+	185	1.3%	203	1.4%	221	1.6%
<b>Total</b>	<b>14,213</b>	<b>100.0%</b>	<b>14,112</b>	<b>100.0%</b>	<b>14,011</b>	<b>100.0%</b>

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

The Subject's LIHTC units will target tenants earning between \$16,834 and \$34,560. As the table above depicts, approximately 36.1 percent of renter households in the PMA are earning incomes between \$10,000 and \$29,999, which is comparable to the 36.1 percent of renter households in the SMA in 2017. For the projected market entry date of July 2019, these percentages are projected to remain stable.

## 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	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
1 Person	2,155	36%	2,162	36%	2,168	37%
2 Persons	1,673	28%	1,656	28%	1,640	28%
3 Persons	946	16%	941	16%	936	16%
4 Persons	567	9%	565	9%	563	9%
5+ Persons	655	11%	640	11%	625	11%
<b>Total Households</b>	<b>5,996</b>	<b>100%</b>	<b>5,964</b>	<b>100%</b>	<b>5,932</b>	<b>100%</b>

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

The Subject will target households of one to five persons. The majority of renter households in the PMA are one or three-person households, which is a positive sign for the Subject's proposed units.

## Conclusion

Population growth in the PMA and SMA was positive but below national growth from 2000 to 2010. The population in the PMA and the SMA marginally decreased from 2010 to 2017. Total population and households are projected to marginally decrease at similar rates from 2017 through 2021. Renter households are concentrated in the lowest income cohorts with 36.1 percent of renter households in the PMA earning between \$10,000 and \$29,000 annually. Overall, the concentrations of renter households in the lowest income cohorts in the PMA indicate 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 Sumter County. Note that the data below was the most recent data available.

Year	Total Employment	% Change
2006	9,079	-
2007	9,051	-0.3%
2008	8,788	-3.0%
2009	8,104	-8.4%
2010	7,271	-11.5%
2011	7,274	0.0%
2012	7,215	-0.8%
2013	6,901	-4.6%
2014	6,709	-2.9%
2015	6,414	-4.6%
2016 YTD Average	7,025	8.7%
Dec-15	6,363	-
Dec-16	6,510	2.3%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Sumter County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008. In 2009 and 2010, Sumter County experienced its most significant employment losses, at 8.4 and 11.5 percent, respectively. As of year-to-date 2016, total job growth was estimated at 8.7 percent. Sumter County has yet to reach its 2006 prerecession peak. However, the most recent numbers indicate employment may be stabilizing in the county.

## 2. Total Jobs by Industry

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

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

	Number	Percent
Total, all industries	8,456	-
Goods-producing	-	-
Natural resources and mining	493	5.8%
Construction	197	2.3%
Manufacturing	1,375	16.3%
Service-providing	-	-
Trade, transportation, and utilities	2,226	26.3%
Information	80	0.9%
Financial activities	265	3.1%
Professional and business services	733	8.7%
Education and health services	1,869	22.1%
Leisure and hospitality	1,021	12.1%
Other services	174	2.1%
Unclassified	23	0.3%

Source: Bureau of Labor Statistics, 2017

Trade, transportation, and utilities is the largest industry in Sumter County, followed by education and health services and manufacturing. The manufacturing sector is considered a volatile sector that is more vulnerable to declines during times of economic recession. The following table illustrates employment by industry for the PMA as of 2017 (most recent year available).

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	2,090	14.9%	21,304,508	14.1%
Manufacturing	1,996	14.3%	15,499,826	10.2%
Educational Services	1,650	11.8%	14,359,370	9.5%
Retail Trade	1,465	10.5%	17,169,304	11.3%
Public Administration	1,142	8.2%	7,093,689	4.7%
Other Services (excl Publ Adm)	906	6.5%	7,463,834	4.9%
Accommodation/Food Services	833	6.0%	11,574,403	7.6%
Construction	701	5.0%	9,342,539	6.2%
Agric/Forestry/Fishing/Hunting	581	4.2%	2,253,044	1.5%
Transportation/Warehousing	490	3.5%	6,128,217	4.0%
Prof/Scientific/Tech Services	413	3.0%	10,269,978	6.8%
Admin/Support/Waste Mgmt Svcs	397	2.8%	6,511,707	4.3%
Finance/Insurance	285	2.0%	6,942,986	4.6%
Information	272	1.9%	2,862,063	1.9%
Wholesale Trade	241	1.7%	4,066,471	2.7%
Real Estate/Rental/Leasing	217	1.6%	2,946,196	1.9%
Arts/Entertainment/Recreation	126	0.9%	3,416,474	2.3%
Utilities	112	0.8%	1,344,219	0.9%
Mining	48	0.3%	749,242	0.5%
Mgmt of Companies/Enterprises	19	0.1%	89,612	0.1%
<b>Total Employment</b>	<b>13,984</b>	<b>100.0%</b>	<b>151,387,682</b>	<b>100.0%</b>

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

Employment in the PMA is concentrated in the healthcare/social assistance, manufacturing, educational services, and retail trade industries. When combined these industries makeup approximately 52 percent of total employment in the PMA. The percentage of manufacturing jobs in the PMA is significantly larger than that of the nation. The public administration industry is also over represented in the PMA. Industries under-represented in the PMA include professional/scientific/tech services and finance/insurance.

### 3. Major Employers

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

#### MAJOR EMPLOYERS

#	Company	Industry	Number of Employees
1	Habitat For Humanity Intl	Healthcare/social assistance	250 to 499
2	Phoebe Sumter Medical Ctr	Healthcare/social assistance	250 to 499
3	Magnolia Manor	Healthcare/social assistance	250 to 499
4	Cooper Lighting	Manufacturing	250 to 499
5	Walmart Supercenter	Retail	250 to 499
6	Middle Slint Behavioral Health	Healthcare/social assistance	250 to 499
7	Imerys	Manufacturing	250 to 499
8	Mulcoa	Manufacturing	100 to 249
9	Container Marketing Inc	Manufacturing	100 to 249
10	South Georgia Tech College	Educational Services	100 to 249

Source: Georgia Department of Labor, April 2017

Major employers include companies in the healthcare/social assistance, manufacturing, retail, and educational services industries. While healthcare and education are historically stable industries, manufacturing is historically unstable, especially during times of recession.

### Expansions/Contractions

There have been no layoffs or closures of significance that have occurred or been announced since January 1, 2014, in Sumter County according to the Georgia Department of Economic Development.

#### EXPANSIONS/NEW ADDITIONS - SUMTER COUNTY, GA - 2014-2017

Company Name	Industry	Jobs
PharmaCentra	Pharmaceutical Marketing	280
Caravelle Powerboats	Manufacturing	143
TCI Powder Coatings	Manufacturing	75
Golden Gourmet	Nutrition Services	65
H2OH Sports	Manufacturing	30

As illustrated, there were several additions within industries including manufacturing and pharmaceutical marketing. In November 2016, PharmaCentra, a pharmaceutical marketing company moved its corporate headquarters from Atlanta to Americus. Between 2014 and 2017, there were more than 500 jobs created, which is a positive sign for the county's local economy.

## 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for Sumter County from 2002 to February 2017.

#### EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	SMA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	23,904	-	-28.9%	136,485,000	-	-9.9%
2003	24,171	1.1%	-28.1%	137,736,000	0.9%	-9.0%
2004	23,703	-1.9%	-29.5%	139,252,000	1.1%	-8.0%
2005	32,841	38.6%	-2.3%	141,730,000	1.8%	-6.4%
2006	33,424	1.8%	-0.6%	144,427,000	1.9%	-4.6%
2007	33,622	0.6%	0.0%	146,047,000	1.1%	-3.6%
2008	33,494	-0.4%	-0.4%	145,363,000	-0.5%	-4.0%
2009	32,251	-3.7%	-4.1%	139,878,000	-3.8%	-7.6%
2010	32,347	0.3%	-3.8%	139,064,000	-0.6%	-8.2%
2011	31,279	-3.3%	-7.0%	139,869,000	0.6%	-7.6%
2012	30,583	-2.2%	-9.0%	142,469,000	1.9%	-5.9%
2013	29,087	-4.9%	-13.5%	143,929,000	1.0%	-5.0%
2014	29,392	1.1%	-12.6%	146,305,000	1.7%	-3.4%
2015	29,490	0.3%	-12.3%	148,833,000	1.7%	-1.7%
2016	30,534	3.5%	-9.2%	151,436,000	1.7%	0.0%
2017 YTD Average	30,379	-0.5%	-	151,382,214	0.0%	-
Feb-2016	29,835	-	-	150,060,000	-	-
Feb-2017	30,245	1.4%	-	151,594,000	1.0%	-

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	SMA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	6.4%	-	0.3%	5.8%	-	1.2%
2003	6.1%	-0.3%	0.0%	6.0%	0.2%	1.4%
2004	6.4%	0.3%	0.3%	5.5%	-0.5%	0.9%
2005	6.8%	0.5%	0.8%	5.1%	-0.5%	0.5%
2006	6.1%	-0.7%	0.1%	4.6%	-0.5%	0.0%
2007	6.3%	0.2%	0.2%	4.6%	0.0%	0.0%
2008	7.3%	0.9%	1.2%	5.8%	1.2%	1.2%
2009	10.3%	3.1%	4.3%	9.3%	3.5%	4.7%
2010	10.8%	0.5%	4.8%	9.6%	0.3%	5.0%
2011	11.4%	0.6%	5.3%	9.0%	-0.7%	4.3%
2012	12.0%	0.7%	6.0%	8.1%	-0.9%	3.5%
2013	12.3%	0.2%	6.2%	7.4%	-0.7%	2.8%
2014	11.0%	-1.3%	4.9%	6.2%	-1.2%	1.6%
2015	9.4%	-1.6%	3.4%	5.3%	-0.9%	0.7%
2016	8.4%	-1.0%	2.3%	4.9%	-0.4%	0.3%
2017 YTD Average	8.3%	-0.1%	-	4.9%	0.0%	-
Feb-2016	8.9%	-	-	5.2%	-	-
Feb-2017	8.0%	-0.9%	-	4.9%	-0.3%	-

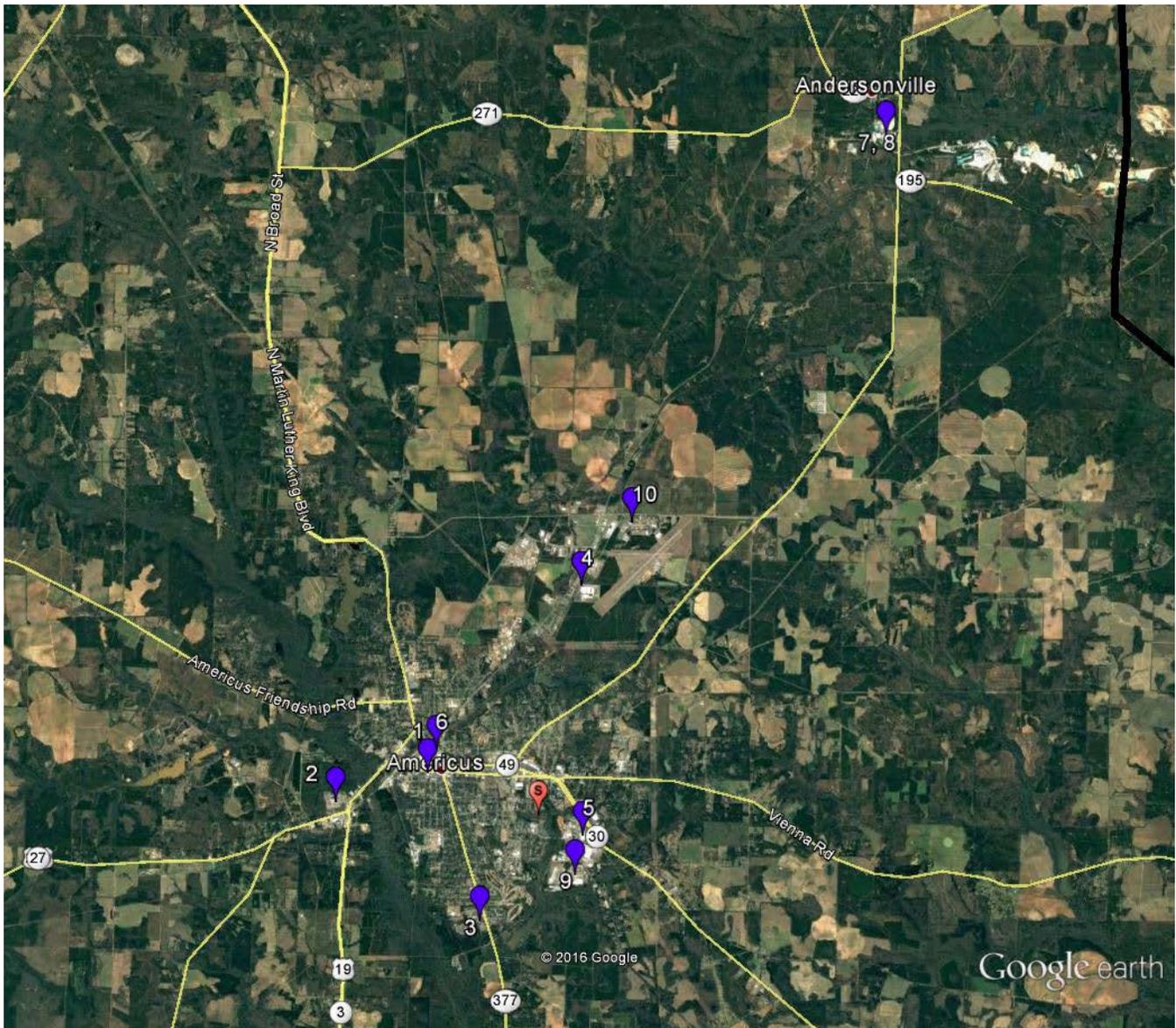
Source: U.S. Bureau of Labor Statistics April 2017

As the previous table demonstrates, the local economy has fluctuated over the past 10 years. The area appears to have been heavily impacted by the national recession, with total employment in the SMA decreasing from 2008 through 2013. However, total employment increased slightly in 2010 before continuing to decline. Between February 2016 and February 2017, total employment increased 1.4 compared to 1.0 percent in the nation during the same period. As of February 2017, total employment in the SMA was 10.0 percent lower than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak.

Historically, the unemployment rates in the SMA have been consistently above the nation. This is likely due to the rural nature of the area and its reliance on the manufacturing sector. The unemployment rate in the SMA began to increase in 2007 at the onset of the recession and continued to increase until 2013. The most recent data shows that the unemployment rate in the SMA is 3.1 percent above the nation. Furthermore, unemployment has not returned to pre-recession levels. From February 2016 to February 2017, unemployment in the SMA decreased 0.9 percent compared to on 0.3 percent in the nation. The stabilization of employment and the recent total employment growth in the SMA should have a positive impact on local affordable rental housing demand.

### Map of Site and Major Employment Concentrations

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



Source: Google Earth, May 2017.

**MAJOR EMPLOYERS**

#	Company	Industry	Number of Employees
1	Habitat For Humanity Intl	Healthcare/social assistance	250 to 499
2	Phoebe Sumter Medical Ctr	Healthcare/social assistance	250 to 499
3	Magnolia Manor	Healthcare/social assistance	250 to 499
4	Cooper Lighting	Manufacturing	250 to 499
5	Walmart Supercenter	Retail	250 to 499
6	Middle Slint Behavioral Health	Healthcare/social assistance	250 to 499
7	Imerys	Manufacturing	250 to 499
8	Mulcoa	Manufacturing	100 to 249
9	Container Marketing Inc	Manufacturing	100 to 249
10	South Georgia Tech College	Educational Services	100 to 249

Source: Georgia Department of Labor, April 2017

**5. Conclusion**

Employment in the PMA is concentrated in healthcare/social assistance, manufacturing, educational services, and retail trade industries. The industries represent approximately 52 percent of total local employment. Two of these industries, healthcare/social assistance and educational services are resilient during periods of economic downturn. Although manufacturing is a volatile sector, there have been several recent employment expansions in the manufacturing industry, such as TCI Powder Coating and Caravelle Powerboats.

Overall, the SMA has experienced moderate total employment growth from 2014 through February 2017. As of February 2017, total employment in the SMA was 10.0 percent lower than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2017 was 8.0 percent, 3.1 percent higher than the national unemployment rate but significantly lower than the 2013 peak of 12.3 percent. Overall, it appears that the local economy and the SMA have been impacted by the national recession and is still recovering. The recent stabilization and growth in the 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.

### 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	Maximum	Minimum	Maximum	Minimum	Maximum
	Allowable	Allowable	Allowable	Allowable	Allowable	Allowable
	Income	Income	Income	Income	Income	Income
	50% AMI		60% AMI		Overall Affordable	
1BR	\$16,834	\$21,300	\$19,749	\$25,560	\$16,834	\$25,560
3BR	\$23,589	\$28,800	\$27,497	\$34,560	\$23,589	\$34,560

### 3. Demand

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

#### 3a. Demand from New Households

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

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

### **3b. Demand from Existing Households**

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

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

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

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

### **3d. Other**

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

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

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

## **4. New Demand, Capture Rates and Stabilization Conclusions**

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

### **Additions to Supply**

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

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

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

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

**COMPETITIVE SUPPLY 2014 - PRESENT**

Property Name	Program	Location	Tenancy	Status	# of Competitive Units
Southwestern Estates	LIHTC	Americus	Family	Complete	32

We have only deducted the one and three-bedroom units at Southwestern Estates, a family LIHTC property in the PMA, as the two-bedroom units at this property are not considered to be competitive with the Subject. Additional research revealed no new market-rate construction within the Subject’s PMA. Therefore, we have only deducted the 32 one and three-bedroom units at Southwestern Estates from our demand analysis.

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated, place in service, or stabilizing between 2014 and present.

**ADDITIONS TO SUPPLY 2016**

Unit Type	50% AMI	60% AMI	Overall
1BR	10	6	16
3BR	3	13	16
<b>Total</b>	<b>13</b>	<b>19</b>	<b>32</b>

**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
Sparrow Pointe	LIHTC	Americus	Family	42	N/A
Eastview Apartments	Section 8	Americus	Family	80	100.0%
Magnolia Village	Section 8	Americus	Family	80	100.0%
Magnolia Manor	Section 8	Americus	Family	176	N/A
Southwestern Estates	LIHTC	Americus	Family	64	100.0%
Meadowbrook Lane	LIHTC, Rural Development	Americus	Family	50	100.0%
Ravenwood Apts	Rural Development	Americus	Family	24	N/A
Verandah Apts	PBRA, Market	Americus	Family	32	100.0%
East Oaks Apts	PBRA, Market	Americus	Family	32	100.0%
Starlight Place	LIHTC	Americus	Family	52	100.0%
Magnolia Village Apts	Rural Development	Americus	Senior	53	100.0%
Americus Gardens	LIHTC	Americus	Family	44	100.0%
Creekview Commons	LIHTC	Americus	Senior	50	100.0%
Cripple Creek Apartments	Rural Development	Americus	Family	49	N/A
Heritage Villas of Americus	Rural Development	Americus	Family	39	N/A

The LIHTC properties in the PMA with similar tenancy are fully-occupied.

### 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	1,678	28.0%	1,658	27.8%	1,638	27.6%
\$10,000-19,999	1,234	20.6%	1,219	20.4%	1,205	20.3%
\$20,000-29,999	929	15.5%	939	15.7%	949	16.0%
\$30,000-39,999	592	9.9%	592	9.9%	592	10.0%
\$40,000-49,999	386	6.4%	385	6.5%	384	6.5%
\$50,000-59,999	278	4.6%	274	4.6%	269	4.5%
\$60,000-74,999	330	5.5%	334	5.6%	339	5.7%
\$75,000-99,999	222	3.7%	221	3.7%	219	3.7%
\$100,000-124,999	108	1.8%	113	1.9%	117	2.0%
\$125,000-149,999	77	1.3%	78	1.3%	78	1.3%
\$150,000-199,999	102	1.7%	96	1.6%	90	1.5%
\$200,000+	58	1.0%	55	0.9%	52	0.9%
<b>Total</b>	<b>5,996</b>	<b>100.0%</b>	<b>5,964</b>	<b>100.0%</b>	<b>5,932</b>	<b>100.0%</b>

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$16,834		Maximum Income Limit		\$28,800	
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	-20	63.7%		0.0%	0		
\$10,000-19,999	-15	46.4%	3,165	31.7%	-5		
\$20,000-29,999	10	-30.9%	6,511	65.1%	6		
\$30,000-39,999	0	0.0%		0.0%	0		
\$40,000-49,999	-1	3.0%		0.0%	0		
\$50,000-59,999	-4	13.3%		0.0%	0		
\$60,000-74,999	4	-13.2%		0.0%	0		
\$75,000-99,999	-1	4.2%		0.0%	0		
\$100,000-124,999	4	-13.9%		0.0%	0		
\$125,000-149,999	0	-1.5%		0.0%	0		
\$150,000-199,999	-6	19.8%		0.0%	0		
\$200,000+	-3	9.1%		0.0%	0		
<b>Total</b>	<b>-32</b>	<b>100.0%</b>		<b>-5.4%</b>	<b>2</b>		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 50%

Minimum Income Limit		\$16,834		Maximum Income Limit		\$28,800	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,678	28.0%		0.0%	0		
\$10,000-19,999	1,234	20.6%	3,165	31.7%	391		
\$20,000-29,999	929	15.5%	6,511	65.1%	605		
\$30,000-39,999	592	9.9%		0.0%	0		
\$40,000-49,999	386	6.4%		0.0%	0		
\$50,000-59,999	278	4.6%		0.0%	0		
\$60,000-74,999	330	5.5%		0.0%	0		
\$75,000-99,999	222	3.7%		0.0%	0		
\$100,000-124,999	108	1.8%		0.0%	0		
\$125,000-149,999	77	1.3%		0.0%	0		
\$150,000-199,999	102	1.7%		0.0%	0		
\$200,000+	58	1.0%		0.0%	0		
<b>Total</b>	<b>5,996</b>	<b>100.0%</b>		<b>16.6%</b>	<b>996</b>		

ASSUMPTIONS - 50%

ASSUMPTIONS - 50%						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Rural		Maximum # of Occupants			5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	50%	30%	0%	
3	0%	0%	20%	60%	20%	
4	0%	0%	0%	20%	80%	
5+	0%	0%	0%	10%	90%	

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

Income Target Population	50%
New Renter Households PMA	-32
Percent Income Qualified	-5.4%
<b>New Renter Income Qualified Households</b>	<b>2</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	50%
Total Existing Demand	5,996
Income Qualified	16.6%
Income Qualified Renter Households	996
Percent Rent Overburdened Prj Mrkt Entry July 2019	36.1%
<b>Rent Overburdened Households</b>	<b>359</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	996
Percent Living in Substandard Housing	0.5%
<b>Households Living in Substandard Housing</b>	<b>5</b>

**Senior Households Converting from Homeownership**

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

**Total Demand**

Total Demand from Existing Households	365
Total New Demand	2
<b>Total Demand (New Plus Existing Households)</b>	<b>366</b>

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	36.2%	133
Two Persons	27.8%	102
Three Persons	15.8%	58
Four Persons	9.5%	35
Five Persons	10.7%	39
<b>Total</b>	<b>100.0%</b>	<b>366</b>

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

Of one-person households in studio units	10%	13
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	40%	53
Of two-person households in 1BR units	20%	20
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	50%	66
Of two-person households in 2BR units	50%	51
Of three-person households in 2BR units	20%	12
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	30%	31
Of three-person households in 3BR units	60%	35
Of four-person households in 3BR units	20%	7
Of five-person households in 3BR units	10%	4
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	20%	12
Of four-person households in 4BR units	50%	17
Of five-person households in 4BR units	40%	16
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	30%	10
Of five-person households in 5BR units	50%	20
<b>Total Demand</b>		<b>366</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	73	-	10	=	63
3 BR	76	-	3	=	73
<b>Total</b>	<b>150</b>		<b>13</b>		<b>137</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	1	/	63	=	1.6%
3 BR	8	/	73	=	10.9%
<b>Total</b>	<b>9</b>		<b>137</b>		<b>6.6%</b>

60% AMI

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

Minimum Income Limit		\$19,749		Maximum Income Limit		\$34,560	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017 to Prj Mrkt Entry July 2019						
\$0-9,999	-20	63.7%		0.0%	0		
\$10,000-19,999	-15	46.4%	250	2.5%	0		
\$20,000-29,999	10	-30.9%	8,062	80.6%	8		
\$30,000-39,999	0	0.0%	4,560	45.6%	0		
\$40,000-49,999	-1	3.0%		0.0%	0		
\$50,000-59,999	-4	13.3%		0.0%	0		
\$60,000-74,999	4	-13.2%		0.0%	0		
\$75,000-99,999	-1	4.2%		0.0%	0		
\$100,000-124,999	4	-13.9%		0.0%	0		
\$125,000-149,999	0	-1.5%		0.0%	0		
\$150,000-199,999	-6	19.8%		0.0%	0		
\$200,000+	-3	9.1%		0.0%	0		
<b>Total</b>	<b>-32</b>	<b>100.0%</b>		<b>-23.7%</b>	<b>8</b>		

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

Minimum Income Limit		\$19,749		Maximum Income Limit		\$34,560	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,678	28.0%		0.0%	0		
\$10,000-19,999	1,234	20.6%	250	2.5%	31		
\$20,000-29,999	929	15.5%	8,062	80.6%	749		
\$30,000-39,999	592	9.9%	4,560	45.6%	270		
\$40,000-49,999	386	6.4%		0.0%	0		
\$50,000-59,999	278	4.6%		0.0%	0		
\$60,000-74,999	330	5.5%		0.0%	0		
\$75,000-99,999	222	3.7%		0.0%	0		
\$100,000-124,999	108	1.8%		0.0%	0		
\$125,000-149,999	77	1.3%		0.0%	0		
\$150,000-199,999	102	1.7%		0.0%	0		
\$200,000+	58	1.0%		0.0%	0		
<b>Total</b>	<b>5,996</b>	<b>100.0%</b>		<b>17.5%</b>	<b>1,050</b>		

**ASSUMPTIONS - 60%**

ASSUMPTIONS - 60%						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Rural		Maximum # of Occupants			5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	50%	30%	0%	
3	0%	0%	20%	60%	20%	
4	0%	0%	0%	20%	80%	
5+	0%	0%	0%	10%	90%	

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

Income Target Population	60%
New Renter Households PMA	-32
Percent Income Qualified	-23.7%
<b>New Renter Income Qualified Households</b>	<b>8</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	60%
Total Existing Demand	5,996
Income Qualified	17.5%
Income Qualified Renter Households	1,050
Percent Rent Overburdened Prj Mrkt Entry July 2019	36.1%
<b>Rent Overburdened Households</b>	<b>379</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,050
Percent Living in Substandard Housing	0.5%
<b>Households Living in Substandard Housing</b>	<b>6</b>

**Senior Households Converting from Homeownership**

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

**Total Demand**

Total Demand from Existing Households	385
Total New Demand	8
<b>Total Demand (New Plus Existing Households)</b>	<b>392</b>

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	36.2%	142
Two Persons	27.8%	109
Three Persons	15.8%	62
Four Persons	9.5%	37
Five Persons	10.7%	42
<b>Total</b>	<b>100.0%</b>	<b>392</b>

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

Of one-person households in studio units	10%	14
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	40%	57
Of two-person households in 1BR units	20%	22
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	50%	71
Of two-person households in 2BR units	50%	54
Of three-person households in 2BR units	20%	12
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	30%	33
Of three-person households in 3BR units	60%	37
Of four-person households in 3BR units	20%	7
Of five-person households in 3BR units	10%	4
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	20%	12
Of four-person households in 4BR units	50%	19
Of five-person households in 4BR units	40%	17
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	30%	11
Of five-person households in 5BR units	50%	21
<b>Total Demand</b>		<b>392</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
1 BR	79	-	6	= 73
3 BR	81	-	13	= 68
<b>Total</b>	<b>160</b>		<b>19</b>	<b>141</b>

Developer's Unit Mix		Net Demand		Capture Rate
1 BR	4	/	73	= 5.5%
3 BR	29	/	68	= 42.4%
<b>Total</b>	<b>33</b>		<b>141</b>	<b>23.4%</b>

**Overall**

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

Minimum Income Limit		\$16,834		Maximum Income Limit		\$34,560	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017	to Prj Mrkt Entry July 2019					
\$0-9,999	-20	63.7%		0.0%		0	
\$10,000-19,999	-15	46.4%	3,165	31.7%		-5	
\$20,000-29,999	10	-30.9%	9,999	100.0%		10	
\$30,000-39,999	0	0.0%	4,560	45.6%		0	
\$40,000-49,999	-1	3.0%		0.0%		0	
\$50,000-59,999	-4	13.3%		0.0%		0	
\$60,000-74,999	4	-13.2%		0.0%		0	
\$75,000-99,999	-1	4.2%		0.0%		0	
\$100,000-124,999	4	-13.9%		0.0%		0	
\$125,000-149,999	0	-1.5%		0.0%		0	
\$150,000-199,999	-6	19.8%		0.0%		0	
\$200,000+	-3	9.1%		0.0%		0	
<b>Total</b>	<b>-32</b>	<b>100.0%</b>		<b>-16.2%</b>		<b>5</b>	

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

Minimum Income Limit		\$16,834		Maximum Income Limit		\$34,560	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households within Bracket		
		2017					
\$0-9,999	1,678	28.0%		0.0%		0	
\$10,000-19,999	1,234	20.6%	3,165	31.7%		391	
\$20,000-29,999	929	15.5%	9,999	100.0%		929	
\$30,000-39,999	592	9.9%	4,560	45.6%		270	
\$40,000-49,999	386	6.4%		0.0%		0	
\$50,000-59,999	278	4.6%		0.0%		0	
\$60,000-74,999	330	5.5%		0.0%		0	
\$75,000-99,999	222	3.7%		0.0%		0	
\$100,000-124,999	108	1.8%		0.0%		0	
\$125,000-149,999	77	1.3%		0.0%		0	
\$150,000-199,999	102	1.7%		0.0%		0	
\$200,000+	58	1.0%		0.0%		0	
<b>Total</b>	<b>5,996</b>	<b>100.0%</b>		<b>26.5%</b>		<b>1,590</b>	

**ASSUMPTIONS - Overall Affordable**

ASSUMPTIONS - Overall Affordable						
Tenancy	Family		% of Income towards Housing			35%
Rural/Urban	Rural		Maximum # of Occupants			5
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	40%	50%	0%	0%	
2	0%	20%	50%	30%	0%	
3	0%	0%	20%	60%	20%	
4	0%	0%	0%	20%	80%	
5+	0%	0%	0%	10%	90%	

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

Income Target Population	Overall Affordable
New Renter Households PMA	-32
Percent Income Qualified	-16.2%
<b>New Renter Income Qualified Households</b>	<b>5</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	Overall Affordable
Total Existing Demand	5,996
Income Qualified	26.5%
Income Qualified Renter Households	1,590
Percent Rent Overburdened Prj Mrkt Entry July 2019	36.1%
<b>Rent Overburdened Households</b>	<b>574</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,590
Percent Living in Substandard Housing	0.5%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

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

**Total Demand**

Total Demand from Existing Households	582
Total New Demand	5
<b>Total Demand (New Plus Existing Households)</b>	<b>587</b>

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	36.2%	213
Two Persons	27.8%	163
Three Persons	15.8%	93
Four Persons	9.5%	56
Five Persons	10.7%	63
<b>Total</b>	<b>100.0%</b>	<b>587</b>

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

Of one-person households in studio units	10%	21
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	40%	85
Of two-person households in 1BR units	20%	33
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	50%	106
Of two-person households in 2BR units	50%	82
Of three-person households in 2BR units	20%	19
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	30%	49
Of three-person households in 3BR units	60%	56
Of four-person households in 3BR units	20%	11
Of five-person households in 3BR units	10%	6
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	20%	19
Of four-person households in 4BR units	50%	28
Of five-person households in 4BR units	40%	25
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	30%	17
Of five-person households in 5BR units	50%	32
<b>Total Demand</b>		<b>587</b>

Total Demand (Subject Unit Types)		Additions to Supply		Net Demand	
1 BR	118	-	16	=	102
3 BR	122	-	16	=	106
<b>Total</b>	<b>240</b>		<b>32</b>		<b>208</b>

Developer's Unit Mix		Net Demand		Capture Rate	
1 BR	5	/	102	=	4.9%
3 BR	37	/	106	=	34.9%
<b>Total</b>	<b>42</b>		<b>208</b>		<b>20.2%</b>

## Conclusions

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

- 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 (\$16,834 to \$28,800)	HH at 60% AMI (\$19,749 to \$34,560)	Overall
Demand from New Households (age and income appropriate)	2	8	5
<b>PLUS</b>	+	+	+
Demand from Existing Renter Households - Substandard Housing	5	6	9
<b>PLUS</b>	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	359	379	574
Sub Total	366	392	587
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0
<b>Equals Total Demand</b>	366	392	587
<b>Less</b>	-	-	-
Competitive New Supply	13	19	32
<b>Equals Net Demand</b>	353	373	555

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	\$16,834	\$21,300	1	73	10	63	1.6%	One to two months	\$460	\$273	\$579	\$375
1BR at 60% AMI	\$19,749	\$25,560	4	79	6	73	5.5%	One to two months	\$506	\$363	\$579	\$460
1BR Overall	\$16,834	\$25,560	5	118	16	102	4.9%	One to two months	-	-	-	-
3BR at 50% AMI	\$23,589	\$28,800	8	76	3	73	10.9%	One to two months	\$630	\$384	\$843	\$518
3BR at 60% AMI	\$27,497	\$34,560	29	81	13	68	42.4%	One to two months	\$696	\$479	\$843	\$632
3BR Overall	\$23,589	\$34,560	37	122	16	106	34.9%	One to two months	-	-	-	-
50% AMI Overall	\$16,834	\$28,800	9	150	13	137	6.6%	One to two months	-	-	-	-
60% AMI Overall	\$19,749	\$34,560	33	160	19	141	23.4%	One to two months	-	-	-	-
Overall	\$16,834	\$34,560	42	240	32	208	20.2%	One to two months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 1.6 to 10.9 percent, with an overall capture rate of 6.6 percent. The Subject’s 60 percent AMI capture rates range from 5.5 to 42.4 percent, with an overall capture rate of 23.4 percent. The overall capture rate for the project is 20.2 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates are within GA DCA thresholds.

# **H. COMPETITIVE RENTAL ANALYSIS**

### **Survey of Comparable Projects**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes nine “true” comparable properties containing 480 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good. We have included three LIHTC properties, all of which are located within the PMA. The comparable LIHTC properties are located between 0.4 and 3.1 miles of the proposed Subject.

The availability of market-rate data is considered average. The Subject is located in Americus, and there are several market-rate properties in the area. We have included six conventional properties in our analysis of the competitive market. Four of the market-rate properties are located in the PMA, and the remaining two market-rate properties are located in Cordele, approximately 28 miles from the Subject, which is an area considered similar to the Subject as previously discussed. All of the market-rate comparables were built or renovated between 1985 and 1998. 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.

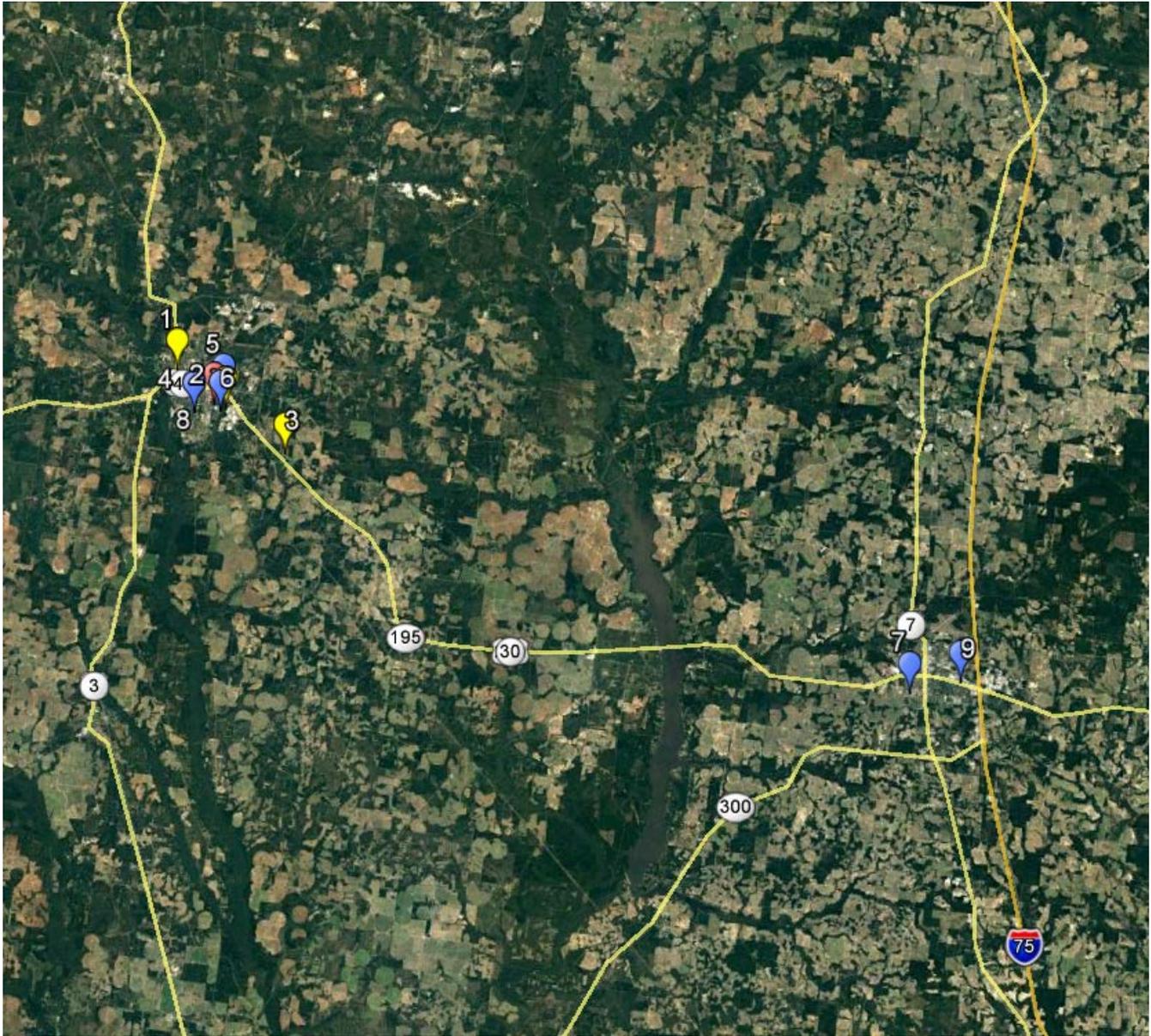
## Excluded Properties

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
Sparrow Pointe	LIHTC	Americus	Family	42	-
Eastview Apartments	Section 8	Americus	Family	80	Subsidized
Magnolia Village	Section 8	Americus	Family	80	Subsidized
Magnolia Gardens	Section 8	Americus	Senior/Disabled	50	Subsidized
Magnolia Manor	Section 8	Americus	Family	176	Subsidized
Joy Court Village Apartments	Section 8	Americus	Senior/Disabled	20	Subsidized
Meadowbrook Lane	LIHTC, Rural Development	Americus	Family	50	Subsidized
Ravenwood Apts	Rural Development	Americus	Family	24	Subsidized
Verandah Apts	PBRA, Market	Americus	Family	32	Subsidized
East Oaks Apts	PBRA, Market	Americus	Family	32	Subsidized
Magnolia Village Apts	Rural Development	Americus	Senior	53	Dissimilar tenancy
Creekview Commons	LIHTC	Americus	Senior	50	Dissimilar tenancy
Cripple Creek Apartments	Rural Development	Americus	Family	49	Subsidized
Heritage Villas of Americus	Rural Development	Americus	Family	39	Subsidized
Country Club Estates	Market	Americus	Family	40	Inferior age and condition
Kingstown	Market	Americus	Family	34	Dissimilar unit mix
Knollwood	Market	Americus	Family	16	Dissimilar unit mix
Red Oaks	Market	Americus	Family	16	Dissimilar unit mix
Southland Heights	Market	Americus	Family	89	Inferior age and condition
Timber Ridge	Market	Americus	Family	16	Dissimilar unit mix
Troy Hill	Market	Americus	Family	57	Inferior age and condition
University Place Apartments	Market	Americus	Family	57	Student tenancy
Whisperwood	Market	Americus	Family	16	Dissimilar unit mix

**Comparable Rental Property Map**



Source: Google Earth, May 2017.

**COMPARABLE PROPERTIES**

#	Property Name	Program	Distance from Subject (miles)
1	Americus Garden	LIHTC	1.8
2	Southwestern Estates	LIHTC	0.4
3	Starlight Place	LIHTC	3.1
4	George Town Apartments	Market	0.7
5	Hillside Manor	Market	0.5
6	Lexington Place Apartments	Market	0.4
7	Madison Place Apartments	Market	26.2
8	St. Charles	Market	0.8
9	Whisperwoods Apartments	Market	27.6

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	Sparrow Point North side of Woodland Ave Americus, GA 31719 Sumter County	n/a	Single Family Proposed	LIHTC	1BR / 1BA	1	2.4%	@50%	\$375	900	no		N/A	N/A
					1BR / 1BA	4	9.5%	@60%	\$460	900	no	N/A	N/A	
					3BR / 2BA	8	19.0%	@50%	\$518	1,300	no	N/A	N/A	
					3BR / 2BA	29	69.0%	@60%	\$632	1,300	no	N/A	N/A	
						42	100.0%						N/A	N/A
1	Americus Garden 730 S Martin Luther King Blvd Americus, GA 31719 Sumter County	1.8 miles	Garden (2 stories) 1998	LIHTC	1BR / 1BA	6	13.6%	@50%	\$273	760	no	Yes	0	0.0%
					1BR / 1BA	6	13.6%	@60%	\$363	760	no	Yes	0	0.0%
					2BR / 1BA	12	27.3%	@50%	\$348	915	no	Yes	0	0.0%
					2BR / 1BA	12	27.3%	@60%	\$439	915	no	Yes	0	0.0%
					3BR / 2BA	4	9.1%	@50%	\$384	1,136	no	Yes	0	0.0%
					3BR / 2BA	4	9.1%	@60%	\$479	1,136	no	Yes	0	0.0%
	44	100.0%							0	0.0%				
2	Southwestern Estates 900 Southwestern Circle Americus, GA 31709 Sumter County	0.4 miles	Garden (2 stories) 2016	LIHTC	1BR / 1BA	10	15.6%	@50%	\$319	811	no	Yes	0	0.0%
					1BR / 1BA	6	9.4%	@60%	\$421	811	no	Yes	0	0.0%
					2BR / 1BA	5	7.8%	@50%	\$380	1,051	no	Yes	0	0.0%
					2BR / 1BA	27	42.2%	@60%	\$502	1,051	no	Yes	0	0.0%
					3BR / 2BA	3	4.7%	@50%	\$409	1,261	no	Yes	0	0.0%
					3BR / 2BA	13	20.3%	@60%	\$549	1,261	no	Yes	0	0.0%
	64	100.0%							0	0.0%				
3	Starlight Place 154 Starlight Circle Americus, GA 31709 Sumter County	3.1 miles	Single Family 2005	LIHTC	2BR / 2BA	3	5.8%	@30%	\$248	900	yes	Yes	0	0.0%
					2BR / 2BA	9	17.3%	@50%	\$491	900	yes	Yes	0	0.0%
					2BR / 2BA	10	19.2%	@60%	\$613	900	yes	Yes	0	0.0%
					3BR / 2BA	3	5.8%	@30%	\$421	1,100	yes	Yes	0	0.0%
					3BR / 2BA	14	26.9%	@50%	\$703	1,100	yes	Yes	0	0.0%
					3BR / 2BA	13	25.0%	@60%	\$843	1,100	yes	Yes	0	0.0%
	52	100.0%							0	0.0%				
4	George Town Apartmetns 1034 Elm Ave Americus, GA 31709 Sumter County	0.7 miles	Garden 1990s	Market	Studio / 1BA	N/A	N/A	Market	\$474	500	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$573	850	n/a	No	0	N/A
						32	100.0%						0	0.0%
5	Hillside Manor 120 Lonnie Lane Americus, GA 31709 Sumter County	0.5 miles	Garden 1985	Market	Studio / 1BA	6	10.0%	Market	\$411	288	n/a	No	2	33.3%
					1BR / 1BA	42	70.0%	Market	\$490	576	n/a	Yes	0	0.0%
					2BR / 1BA	5	8.3%	Market	\$645	864	n/a	No	1	20.0%
					2BR / 2BA	7	11.7%	Market	\$675	900	n/a	No	0	0.0%
						60	100.0%						3	5.0%
6	Lexington Place Apartments 1130 Felder St Americus, GA 31079 Sumter County	0.4 miles	Various (2 stories) 1998	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$570	850	n/a	No	4	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$671	1,140	n/a	No	4	N/A
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$670	1,140	n/a	No	4	N/A
					3BR / 3.5BA (Townhouse)	N/A	N/A	Market	\$791	1,400	n/a	No	0	N/A
						97	100.0%						12	12.4%
7	Madison Place Apartments 1501 13th Avenue E Cordele, GA 31015 Crisp County	26.2 miles	Various 1990's	Market	1BR / 1BA (Flat)	5	12.8%	Market	\$549	850	n/a	No	0	0.0%
					2BR / 2BA (Garden)	27	69.2%	Market	\$649	1,140	n/a	No	0	0.0%
					3BR / 2.5BA (Garden)	3	7.7%	Market	\$749	1,400	n/a	No	0	0.0%
					3BR / 2.5BA (Townhouse)	4	10.3%	Market	\$749	1,400	n/a	No	0	0.0%
						39	100.0%						0	0.0%
8	St. Charles 1034 Elm Avenue Americus, GA 31709 Sumter County	0.8 miles	Townhouse (2 stories) 1990s	Market	2BR / 2BA	N/A	N/A	Market	\$670	1,140	n/a	No	3	N/A
					3BR / 3BA	N/A	N/A	Market	\$764	1,400	n/a	No	0	N/A
						42	100.0%						3	7.1%
9	Whisperwoods Apartments 1506 East 16th Avenue Cordele, GA 31015 Crisp County	27.6 miles	One-story 1985	Market	Studio / 1BA	4	8.0%	Market	\$450	288	n/a	None	1	25.0%
					1BR / 1BA	36	72.0%	Market	\$579	576	n/a	None	3	8.3%
					2BR / 1BA	8	16.0%	Market	\$600	864	n/a	None	1	12.5%
					2BR / 2BA	2	4.0%	Market	\$686	864	n/a	None	1	50.0%
						50	100.0%						6	12.0%

**SPARROW POINTE – AMERICUS, GEORGIA – MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.</b>					
Effective Rent Date:	May-17	Units Surveyed:	480	Weighted	95.0%
		Market Rate	320	Market	92.5%
		Tax Credit	160	Tax Credit	100.0%
	<b>One Bedroom One Bath</b>		<b>Three Bedrooms Two Bath</b>		-
	<b>Property</b>	<b>Average</b>	<b>Property</b>	<b>Average</b>	
<b>RENT</b>	Whisperwoods Apartments	\$579	Starlight Place * (60%)	\$843	
	George Town Apartmetns	\$573	Lexington Place Apartments (3.5BA)	\$791	
	Lexington Place Apartments	\$570	St. Charles (3BA)	\$764	
	Madison Place Apartments	\$549	Madison Place Apartments (2.5BA)	\$749	
	Hillside Manor	\$490	Madison Place Apartments (2.5BA)	\$749	
	<b>Sparrow Pointe * (60%)</b>	<b>\$460</b>	Starlight Place * (50%)	\$703	
	Southwestern Estates * (60%)	\$421	<b>Sparrow Pointe * (60%)</b>	<b>\$632</b>	
	<b>Sparrow Pointe * (50%)</b>	<b>\$375</b>	Southwestern Estates * (60%)	\$549	
	Americus Garden * (60%)	\$363	<b>Sparrow Pointe * (50%)</b>	<b>\$518</b>	
	Southwestern Estates * (50%)	\$319	Americus Garden * (60%)	\$479	
	Americus Garden * (50%)	\$273	Starlight Place * (30%)	\$421	
			Southwestern Estates * (50%)	\$409	
			Americus Garden * (50%)	\$384	
	<b>SQUARE FOOTAGE</b>	<b>Sparrow Pointe * (50%)</b>	<b>900</b>	Lexington Place Apartments (3.5BA)	1,400
<b>Sparrow Pointe * (60%)</b>		<b>900</b>	Madison Place Apartments (2.5BA)	1,400	
George Town Apartmetns		850	Madison Place Apartments (2.5BA)	1,400	
Lexington Place Apartments		850	St. Charles (3BA)	1,400	
Madison Place Apartments		850	<b>Sparrow Pointe * (50%)</b>	<b>1,300</b>	
Southwestern Estates * (50%)		811	<b>Sparrow Pointe * (60%)</b>	<b>1,300</b>	
Southwestern Estates * (60%)		811	Southwestern Estates * (50%)	1,261	
Americus Garden * (50%)		760	Southwestern Estates * (60%)	1,261	
Americus Garden * (60%)		760	Americus Garden * (50%)	1,136	
Hillside Manor		576	Americus Garden * (60%)	1,136	
Whisperwoods Apartments		576	Starlight Place * (30%)	1,100	
			Starlight Place * (50%)	1,100	
			Starlight Place * (60%)	1,100	
<b>RENT PER SQUARE FOOT</b>		Whisperwoods Apartments	\$1.01	Starlight Place * (60%)	\$0.77
	Hillside Manor	\$0.85	Starlight Place * (50%)	\$0.64	
	George Town Apartmetns	\$0.67	Lexington Place Apartments (3.5BA)	\$0.56	
	Lexington Place Apartments	\$0.67	St. Charles (3BA)	\$0.55	
	Madison Place Apartments	\$0.65	Madison Place Apartments (2.5BA)	\$0.54	
	Southwestern Estates * (60%)	\$0.52	Madison Place Apartments (2.5BA)	\$0.54	
	<b>Sparrow Pointe * (60%)</b>	<b>\$0.51</b>	<b>Sparrow Pointe * (60%)</b>	<b>\$0.49</b>	
	Americus Garden * (60%)	\$0.48	Southwestern Estates * (60%)	\$0.44	
	<b>Sparrow Pointe * (50%)</b>	<b>\$0.42</b>	Americus Garden * (60%)	\$0.42	
	Southwestern Estates * (50%)	\$0.39	<b>Sparrow Pointe * (50%)</b>	<b>\$0.40</b>	
	Americus Garden * (50%)	\$0.36	Starlight Place * (30%)	\$0.38	
			Americus Garden * (50%)	\$0.34	
			Southwestern Estates * (50%)	\$0.32	

# PROPERTY PROFILE REPORT

## Americus Garden

<b>Effective Rent Date</b>	4/14/2017
<b>Location</b>	730 S Martin Luther King Blvd Americus, GA 31719 Sumter County Intersection: Davenport Street
<b>Distance</b>	1.8 miles
<b>Units</b>	44
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1998 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Sister properties: East Oaks, Verandah
<b>Tenant Characteristics</b>	Primarily from Americus, mostly families
<b>Contact Name</b>	Stephanie
<b>Phone</b>	(229) 924-7475



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	10%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	25%
<b>Leasing Pace</b>	Within one weeks
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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)	6	760	\$288	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	6	760	\$378	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	12	915	\$363	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	12	915	\$454	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,136	\$399	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,136	\$494	\$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
<b>1BR / 1BA</b>	\$288	\$0	\$288	-\$15	\$273	<b>1BR / 1BA</b>	\$378	\$0	\$378	-\$15	\$363
<b>2BR / 1BA</b>	\$363	\$0	\$363	-\$15	\$348	<b>2BR / 1BA</b>	\$454	\$0	\$454	-\$15	\$439
<b>3BR / 2BA</b>	\$399	\$0	\$399	-\$15	\$384	<b>3BR / 2BA</b>	\$494	\$0	\$494	-\$15	\$479

## Americus Garden, continued

### Amenities

**In-Unit**

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

Blinds  
Central A/C  
Exterior Storage  
Garbage Disposal  
Refrigerator

**Security**

None

**Services**

None

**Property**

Clubhouse/Meeting Room/Community Room  
Off-Street Parking  
Picnic Area

Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

The manager indicated that there is strong demand for affordable housing in the market. The contact stated that most residents are families from the local area and only five percent of residents are seniors. The average age of seniors is between 60 and 65 years old. The property maintains a waiting list of about 20 households for all unit types and levels of AMI.

# PROPERTY PROFILE REPORT

## Southwestern Estates

<b>Effective Rent Date</b>	5/24/2017
<b>Location</b>	900 Southwestern Circle Americus, GA 31709 Sumter County County Intersection: Thomas Drive
<b>Distance</b>	0.4 miles
<b>Units</b>	64
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2016 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	9/01/2016
<b>Last Unit Leased</b>	11/01/2016
<b>Major Competitors</b>	N/A
<b>Tenant Characteristics</b>	N/A
<b>Contact Name</b>	Allison
<b>Phone</b>	229-928-9455



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	0%
<b>Units/Month Absorbed</b>	32
<b>HCV Tenants</b>	60%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	No change
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	811	\$334	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	6	811	\$436	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	5	1,051	\$395	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	27	1,051	\$517	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,261	\$424	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	13	1,261	\$564	\$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
<b>1BR / IBA</b>	\$334	\$0	\$334	-\$15	\$319	<b>1BR / IBA</b>	\$436	\$0	\$436	-\$15	\$421
<b>2BR / IBA</b>	\$395	\$0	\$395	-\$15	\$380	<b>2BR / IBA</b>	\$517	\$0	\$517	-\$15	\$502
<b>3BR / 2BA</b>	\$424	\$0	\$424	-\$15	\$409	<b>3BR / 2BA</b>	\$564	\$0	\$564	-\$15	\$549

## Southwestern Estates, continued

### Amenities

**In-Unit**

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

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

**Security**

None

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
On-Site Management  
Playground

Clubhouse/Meeting Room/Community Room  
Off-Street Parking  
Picnic Area  
Recreation Areas

**Premium**

None

**Other**

None

### Comments

The property operates with a waiting list consisting of 400 to 500 households.

Photos



# PROPERTY PROFILE REPORT

## Starlight Place

**Effective Rent Date** 4/25/2017  
**Location** 154 Starlight Circle  
 Americus, GA 31709  
 Sumter County  
**Distance** 3.1 miles  
**Units** 52  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Single Family  
**Year Built/Renovated** 2005 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None  
**Tenant Characteristics** 50% seniors; Tenants come from Leslie, Plains,  
 Andersonville, Ellaville; Employed at Wal-Mart  
**Contact Name** Bertha  
**Phone** (229) 928-0258



### Market Information

**Program** @30%, @50%, @60%  
**Annual Turnover Rate** 2%  
**Units/Month Absorbed** 3  
**HCV Tenants** 15%  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** Increased 4%-6%  
**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
2	2	Single Family	3	900	\$248	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Single Family	9	900	\$491	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Single Family	10	900	\$613	\$0	@60%	Yes	0	0.0%	yes	None
3	2	Single Family	3	1,100	\$421	\$0	@30%	Yes	0	0.0%	yes	None
3	2	Single Family	14	1,100	\$703	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Single Family	13	1,100	\$843	\$0	@60%	Yes	0	0.0%	yes	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$248	\$0	\$248	\$0	\$248	2BR / 2BA	\$491	\$0	\$491	\$0	\$491
3BR / 2BA	\$421	\$0	\$421	\$0	\$421	3BR / 2BA	\$703	\$0	\$703	\$0	\$703
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
2BR / 2BA	\$613	\$0	\$613	\$0	\$613						
3BR / 2BA	\$843	\$0	\$843	\$0	\$843						

## Starlight Place, 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**

None

**Services**

None

**Property**

Clubhouse/Meeting Room/Community Room  
Garage  
Off-Street Parking  
Picnic Area

Exercise Facility  
Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

The manager reported a waiting list but could not provide its length. The manager stated that there is demand for more affordable housing in the market, indicating that they receive many inquiries and rarely have any vacancies at the property. Garage parking is available for residents at no additional charge.

# PROPERTY PROFILE REPORT

## George Town Apartmetns

**Effective Rent Date** 4/24/2017  
**Location** 1034 Elm Ave  
 Americus, GA 31709  
 Sumter County  
**Distance** 0.7 miles  
**Units** 32  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Garden  
**Year Built/Renovated** 1990s / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** N/A  
**Tenant Characteristics** Mostly students  
**Contact Name** Property Manager  
**Phone** (229) 928-8413



### Market Information

**Program** Market  
**Annual Turnover Rate** 25%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 0%  
**Leasing Pace** Within three weeks  
**Annual Chg. in Rent** None  
**Concession** None

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** 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
0	1	Garden	N/A	500	\$474	\$0	Market	No	0	N/A	N/A	None
1	1	Garden	N/A	850	\$573	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$474	\$0	\$474	\$0	\$474
1BR / 1BA	\$573	\$0	\$573	\$0	\$573

### 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

Patrol

#### Services

None

#### Property

Off-Street Parking

#### Premium

None

#### Other

None

### Comments

None

# PROPERTY PROFILE REPORT

## Hillside Manor

**Effective Rent Date** 4/13/2017  
**Location** 120 Lonnie Lane  
 Americus, GA 31709  
 Sumter County  
 Intersection: East Lamar Street  
**Distance** 0.5 miles  
**Units** 60  
**Vacant Units** 3  
**Vacancy Rate** 5.0%  
**Type** Garden  
**Year Built/Renovated** 1985 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Southland Heights, St Charles, Troy Hill  
**Tenant Characteristics** Students, young couples, seniors 65 - 70 years old  
**Contact Name** Leasing agent  
**Phone** 229-924-9859



### Market Information

**Program** Market  
**Annual Turnover Rate** 15%  
**Units/Month Absorbed** N/A  
**HCV Tenants** N/A  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** Increase of three 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
0	1	Garden	6	288	\$411	\$0	Market	No	2	33.3%	N/A	None
1	1	Garden	42	576	\$490	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden	5	864	\$645	\$0	Market	No	1	20.0%	N/A	None
2	2	Garden	7	900	\$675	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$411	\$0	\$411	\$0	\$411
1BR / 1BA	\$490	\$0	\$490	\$0	\$490
2BR / 1BA	\$645	\$0	\$645	\$0	\$645
2BR / 2BA	\$675	\$0	\$675	\$0	\$675

## Hillside Manor, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator

**Security**

None

**Services**

None

**Property**

Central Laundry  
On-Site Management

Off-Street Parking

**Premium**

None

**Other**

None

### Comments

The contact reported that most residents are students but that approximately 10 percent of residents are seniors. The average age of senior tenants is between 65 and 70 years old, and most are former homeowners. One vacant studio unit is pre-leased. The property does maintains a waiting list but it currently includes just one household. The property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Lexington Place Apartments

**Effective Rent Date** 4/13/2017

**Location** 1130 Felder St  
Americus, GA 31079  
Sumter County  
Intersection: Felder St/Wildwood Cir

**Distance** 0.4 miles

**Units** 97

**Vacant Units** 12

**Vacancy Rate** 12.4%

**Type** Various (2 stories)

**Year Built/Renovated** 1998 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Sister properties: Georgetown, University Place

**Tenant Characteristics** Mostly students, some seniors

**Contact Name** Property Manager

**Phone** (229) 928-8413



### Market Information

**Program** Market

**Annual Turnover Rate** 20%

**Units/Month Absorbed** N/A

**HCV Tenants** 0%

**Leasing Pace** Within one month

**Annual Chg. in Rent** Increased up to 5 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	N/A	850	\$570	\$0	Market	No	4	N/A	N/A	None
2	2	Garden	N/A	1,140	\$671	\$0	Market	No	4	N/A	N/A	None
2	2.5	Townhouse	N/A	1,140	\$670	\$0	Market	No	4	N/A	N/A	None
3	3.5	Townhouse	N/A	1,400	\$791	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$570	\$0	\$570	\$0	\$570
2BR / 2BA	\$671	\$0	\$671	\$0	\$671
2BR / 2.5BA	\$670	\$0	\$670	\$0	\$670
3BR / 3.5BA	\$791	\$0	\$791	\$0	\$791

## Lexington Place Apartments, 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**

Patrol

**Services**

None

**Property**

Off-Street Parking

Swimming Pool

**Premium**

None

**Other**

None

### Comments

The property does not accept Housing Choice Vouchers The contact reported that renter demand is strong, however, due to a large percentage of renters being college students, turnover and vacancy is seasonal.

# PROPERTY PROFILE REPORT

## Madison Place Apartments

<b>Effective Rent Date</b>	3/22/2017
<b>Location</b>	1501 13th Avenue E Cordele, GA 31015 Crisp County
<b>Distance</b>	26.2 miles
<b>Units</b>	39
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	1990's / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Whisperwoods and English Village Apartments
<b>Tenant Characteristics</b>	Mixed tenancy
<b>Contact Name</b>	Judy
<b>Phone</b>	229-273-9430



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	1 week
<b>Annual Chg. in Rent</b>	Increase of 1 to 2 percent
<b>Concession</b>	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Flat	5	850	\$549	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	27	1,140	\$649	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Garden (2 stories)	3	1,400	\$749	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	4	1,400	\$749	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$549	\$0	\$549	\$0	\$549
2BR / 2BA	\$649	\$0	\$649	\$0	\$649
3BR / 2.5BA	\$749	\$0	\$749	\$0	\$749

### Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Ceiling Fan		
Oven		
Washer/Dryer hookup		
Carpeting		
Dishwasher		
Garbage Disposal		
Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None

## **Madison Place Apartments, continued**

### **Comments**

The contact reported a strong demand for rental housing in the area. The property typically remains fully occupied.



## **St. Charles, continued**

### **Comments**

The property contains a high percentage of students resulting in seasonal vacancy and turnover. The property does not accept Housing Choice Vouchers.

Photos





## Whisperwoods Apartments, continued

### Comments

The contact noted that the two-bedroom, two bath units rarely become available. Occupancy is typically better than 93 percent.

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

**Housing Choice Vouchers**

We were able to speak with Mr. John C Anderson, CEO of the Housing Authority of the City of Americus. According to Mr. Anderson, the city issues 716 vouchers. Currently, the waiting list is closed and Mr. Anderson expects it to remain closed for the next 2 years. Mr. Anderson also indicated that there is strong demand for affordable one and two-bedroom units. The following table illustrates voucher usage at the comparables.

**TENANTS WITH VOUCHERS**

Property Name	Occupancy Type	Tenancy	HCV Tenants
Americus Garden	LIHTC	Family	N/A
Southwestern Estates	LIHTC	Family	60%
Starlight Place	LIHTC	Family	10%
George Town Apartments	Market	Family	15%
Hillside Manor	Market	Family	0%
Lexington Place Apartments	Market	Family	N/A
Madison Place Apartments	Market	Family	0%
St. Charles	Market	Family	0%
Whisperwoods Apartments	Market	Family	0%

Housing Choice Voucher usage in this market ranges from zero to 60 percent. The LIHTC properties have a moderate reliance on tenants with vouchers. One LIHTC property, Southwestern Estates, reports 60 percent of its tenants utilize vouchers. The single market-rate property that accepts Housing Choice Vouchers reports voucher usage of 15 percent. We believe the Subject would maintain a voucher usage of 30 percent upon completion, similar to voucher usages at Southwestern Estates and Starlight Place, the most comparable LIHTC properties.

**Lease Up History**

We were only able to obtain absorption information from two of the comparable properties, and expanded our search to newer rental properties in the south Georgia region. Absorption at four properties in the area is illustrated following table.

**ABSORPTION**

Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
Rosewood Estates	LIHTC, Market	2010	56	5
Forrester Senior Village	LIHTC	2012	50	17
The Reserve at Hampton	LIHTC	2015	60	20
Southwestern Estates	LIHTC	2016	64	<u>32</u>
<b>Average</b>				<b>19</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The four newer properties able to provide absorption information reported absorption paces between five and 32 units per month, with an average pace of 19 units per month. The newest and closest LIHTC comparable to the Subject, Southwestern Estates, reported an absorption pace of 32 units per month. We believe the Subject would likely achieve an absorption pace most similar to Southwestern Estates, a family LIHTC property located approximately two miles from the Subject. We have concluded to an absorption pace of 32 units per month. Thus, the Subject would reach stabilization between one and two months.

**Phased Developments**

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

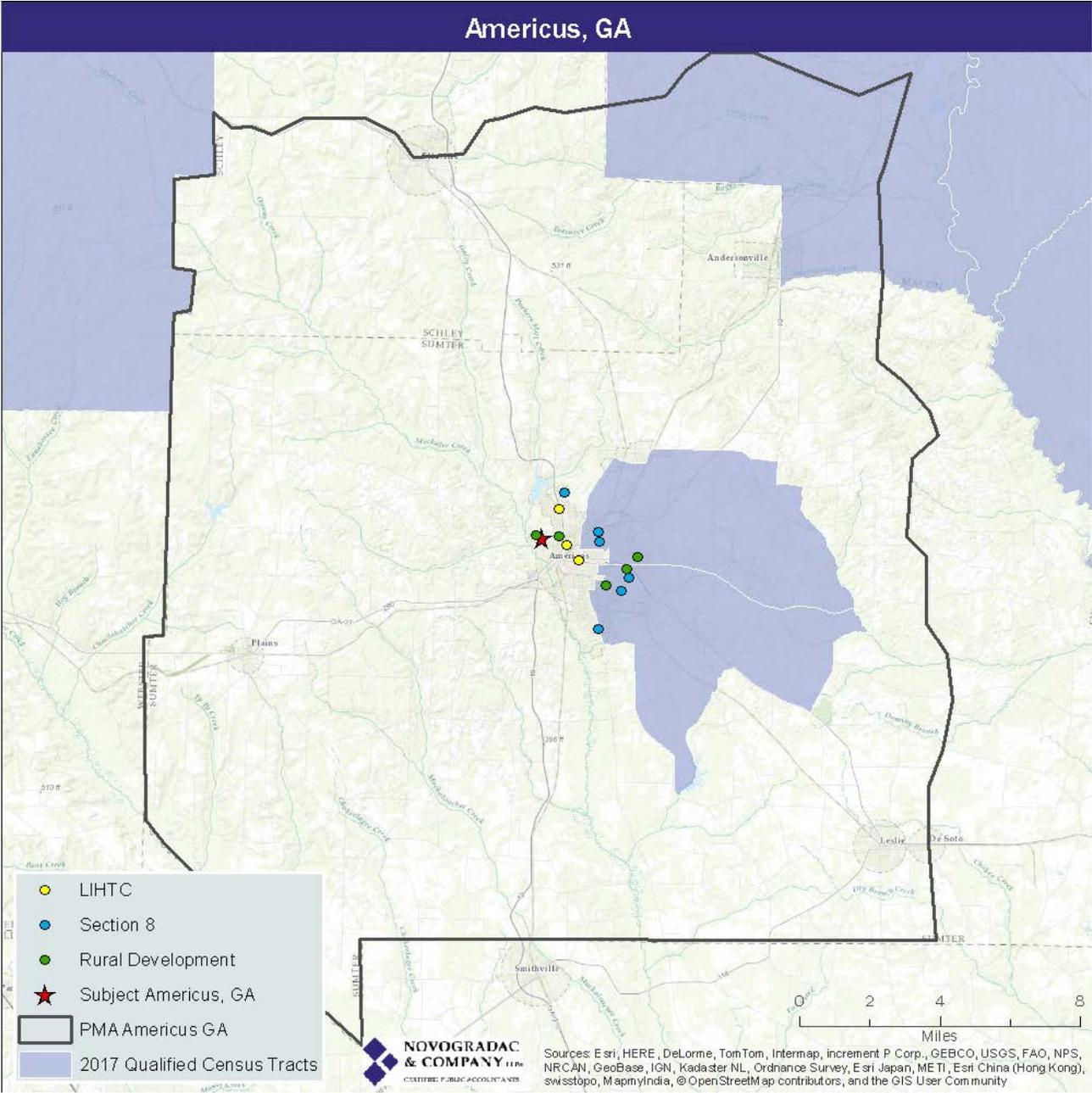
**Rural Areas**

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

### 3. Competitive Project Map

#### COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Sparrow Pointe	LIHTC	Americus	Family	42	N/A	Star
Eastview Apartments	Section 8	Americus	Family	80	100.0%	Blue
Magnolia Village	Section 8	Americus	Family	80	100.0%	
Magnolia Gardens	Section 8	Americus	Senior/Disabled	50	100.0%	
Magnolia Manor	Section 8	Americus	Family	176	N/A	
Joy Court Village Apartments	Section 8	Americus	Senior/Disabled	20	N/A	
Southwestern Estates	LIHTC	Americus	Family	64	100.0%	
Meadowbrook Lane	LIHTC, Rural Development	Americus	Family	50	100.0%	
Ravenwood Apts	Rural Development	Americus	Family	24	N/A	
Verandah Apts	PBRA, Market	Americus	Family	32	100.0%	
East Oaks Apts	PBRA, Market	Americus	Family	32	100.0%	
Starlight Place	LIHTC	Americus	Family	52	100.0%	Yellow
Magnolia Village Apts	Rural Development	Americus	Senior	53	100.0%	Green
Americus Gardens	LIHTC	Americus	Family	44	100.0%	Yellow
Creekview Commons	LIHTC	Americus	Senior	50	100.0%	Yellow
Cripple Creek Apartments	Rural Development	Americus	Family	49	N/A	Green
Heritage Villas of Americus	Rural Development	Americus	Family	39	N/A	Green



**4. Amenities**

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

SPARROW POINTE – AMERICUS, GEORGIA – MARKET STUDY

AMENITY MATRIX

	Sparrow Pointe	Americus Garden	Southwestern Estates	Starlight Place	George Town Apartmtns	Hillside Manor	Lexington Place Apartments	Madison Place Apartments	St. Charles	Whisperwoods Apartments
<b>Property Type</b>	Single Family	Garden (2 stories)	Garden (2 stories)	Single Family	Garden	Garden	Various (2 stories)	Various	Townhouse (2 stories)	One-story
<b>Year Built / Renovated</b>	Proposed	1998	2016	2005	1990s	1985	1998	1990's	1990s	1985
<b>Market (Conv.)/Subsidy Type</b>	LIHTC	LIHTC	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>										
Cooking	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	no	no	no	no	no	no	no
Sewer	no	no	no	no	no	no	no	no	no	no
Trash Collection	no	yes	yes	no	no	no	no	no	no	no
<b>In-Unit Amenities</b>										
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	no	yes	no
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	no	yes	yes	yes	yes	yes	no	yes	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	yes	yes	no	yes	no	yes	no
Ceiling Fan	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	no	no	no	no	no	no	no	no	no
Microwave	yes	no	yes	no	no	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	no	yes
Walk-In Closet	yes	no	yes	yes	yes	no	yes	no	yes	yes
Washer/Dryer	no	no	yes	no	no	no	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>										
Business Center/Computer Lab	yes	no	yes	no	no	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	no	no	no	no	no	no
Courtyard	yes	no	no	no	no	no	no	no	no	no
Elevators	no	no	no	no	no	no	no	no	no	no
Exercise Facility	yes	no	yes	yes	no	no	no	no	no	no
Garage	no	no	no	yes	no	no	no	no	no	no
Central Laundry	no	yes	no	yes	no	yes	no	no	no	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	no	yes	no	no	no	no
Picnic Area	yes	yes	yes	yes	no	no	no	no	no	no
Playground	no	yes	yes	yes	no	no	no	no	no	no
Recreation Areas	no	no	yes	no	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	no	yes	no	yes	no
Wi-Fi	yes	no	no	no	no	no	no	no	no	no
<b>Services</b>										
Adult Education	yes	no	no	no	no	no	no	no	no	no
<b>Security</b>										
Patrol	no	no	no	no	yes	no	yes	no	yes	no
<b>Other Amenities</b>										
Other	Gazebo	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Subject will offer generally similar to superior property and in-unit amenities in comparison to the LIHTC and market-rate comparables. The Subject will offer microwaves, walk-in closets, a business center/computer lab, a courtyard, an exercise facility, a picnic area, and adult education classes, which many of the comparables do not 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 LIHTC and market-rate comparables 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
Americus Garden	LIHTC	44	0	0.0%
Southwestern Estates	LIHTC	64	0	0.0%
Starlight Place	LIHTC	52	0	0.0%
George Town Apartmetns	Market	32	0	0.0%
Hillside Manor	Market	60	3	5.0%
Lexington Place Apartments	Market	97	12	12.4%
Madison Place Apartments	Market	39	0	0.0%
St. Charles	Market	42	3	7.1%
Whisperwoods Apartments	Market	<u>50</u>	<u>6</u>	<u>12.0%</u>
<b>Total LIHTC</b>		<b>160</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>		<b>320</b>	<b>24</b>	<b>7.5%</b>
<b>Overall Total</b>		<b>480</b>	<b>24</b>	<b>5.0%</b>

Overall vacancy in the market is moderate at 5.0 percent. Total LIHTC vacancy is lower as all LIHTC units are fully-occupied. All of the LIHTC comparables also report waiting lists. Waiting lists at the LIHTC comparables are extensive, including up to 500 households. Full occupancy and waiting lists at the LIHTC comparables suggests demand for additional affordable housing in the market.

The vacancy rates among the market-rate comparable properties range from zero to 12.4 percent, averaging 7.5 percent, which is considered moderate. The contact at Lexington Place Apartments, the property reporting the highest vacancy, reported that current vacancy is seasonal as the majority of the property's tenants are students. The contact reported that this also results in high turnover at the property. Our contact at Whisperwoods Apartments in Cordele reported that current vacancy is unusual, and that the property is typically better than 93 percent occupied. Current vacancy at Whisperwoods is assumed to be seasonal. The low to moderate vacancy rates at the remaining market-rate comparables indicates that there is demand for rental housing in the Subject's PMA.

## 7. Properties Under Construction and Proposed

According to Georgia DCA allocation lists, there are no new LIHTC properties under construction or proposed within the Subject's PMA. According to Mr. Roger Willis with the Americus Planning Department, there are no new multifamily developments currently planned, proposed, or under construction in the City of Americus.

## 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	Americus Garden	LIHTC	Similar	Inferior	Similar	Inferior	Similar	-20
2	Southwestern Estates	LIHTC	Similar	Similar	Similar	Similar	Slightly Inferior	5
3	Starlight Place	LIHTC	Similar	Similar	Similar	Slightly Inferior	Similar	-5
4	George Town Apartmetns	Market	Inferior	Similar	Similar	Inferior	Superior	-10
5	Hillside Manor	Market	Inferior	Inferior	Similar	Inferior	Slightly Inferior	-35
6	Lexington Place Apartments	Market	Inferior	Similar	Similar	Inferior	Superior	-10
7	Madison Place Apartments	Market	Inferior	Inferior	Similar	Inferior	Superior	-20
8	St. Charles	Market	Inferior	Slightly Inferior	Similar	Inferior	Slightly Superior	-20
9	Whisperwoods Apartments	Market	Inferior	Inferior	Similar	Inferior	Inferior	-40

\*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	3BR
<b>Sparrow Pointe (Subject)</b>	<b>\$375</b>	<b>\$518</b>
<b>2016 Sumter County LIHTC Maximum (Net)</b>	<b>\$383</b>	<b>\$523</b>
<b>2015 Sumter County LIHTC Maximum (Net)</b>	<b>\$391</b>	<b>\$533</b>
<b>2015 Crisp County LIHTC Maximum (Net)</b>	<b>\$391</b>	<b>\$533</b>
Americus Garden	\$273	\$384
Southwestern Estates	\$319	\$409
Starlight Place	-	\$703
<b>Average (excluding Subject)</b>	<b>\$296</b>	<b>\$499</b>

LIHTC Rent Comparison - @60%

Property Name	1BR	3BR
Sparrow Pointe (Subject)	\$460	\$632
2016 Sumter County LIHTC Maximum (Net)	\$483	\$661
2015 Sumter County LIHTC Maximum (Net)	\$493	\$673
2015 Crisp County LIHTC Maximum (Net)	\$493	\$673
Americus Garden	\$363	\$479
Southwestern Estates	\$421	\$549
Starlight Place	-	\$843
<b>Average (excluding Subject)</b>	<b>\$392</b>	<b>\$624</b>

All of the comparable properties were built in 2014 or earlier. The AMI in Sumter and Crisp County for 2016 is lower than in 2015. Therefore, the comparables are “held harmless” at the 2015 Sumter and Crisp County LIHTC maximum allowable levels. Per the Georgia DCA 2016 guidelines, the market study analyst must use the maximum rent and income limits effective as of January 1, 2017. Therefore, we have utilized the 2016 maximum income and rent limits.

The contact Starlight Place reported achieving maximum allowable rents for its 50 and 60 percent units. Starlight Place appears to be achieving rents significantly higher than the 2015 maximum allowable net rents. This is also most likely due to differences in this property’s utility structure and allowance. Starlight Place is maintaining full occupancy and a waiting list indicating that its rents are sustainable in the market.

Upon completion, the Subject will be most similar to the LIHTC comparables Southwestern Estates and Starlight Place. Southwestern Estates is located approximately 0.4-miles from the Subject in Americus and offers a similar location. It was constructed in 2014 and exhibits excellent condition, which is considered similar to the anticipated excellent condition of the Subject upon completion. Southwestern Estates offers similar property amenities and in-unit amenities in comparison to those of the proposed Subject. Unit sizes at Southwestern Estates are slightly smaller than the Subject’s proposed unit sizes. Additionally, Southwestern Estates has an inferior configuration to the Subject’s single-family development. Overall, the proposed Subject will be superior to Southwestern Estates. Southwestern Estates reports full occupancy and maintains a waiting list of 400 to 500 households. The one and three-bedroom rents at 50 and 60 percent AMI at this property are below the 2015 Sumter County LIHTC maximum allowable levels. Given the anticipated superiority of the Subject upon completion and the significant demand at Southwestern Estates, we believe it can achieve rents above those currently being achieved at Southwestern Estates.

Americus Garden is located approximately 1.8 miles from the Subject in Americus and offers a similar location. It was constructed in 1998 and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. Americus Garden offers similar property amenities but inferior in-unit amenities in comparison to those of the proposed Subject. Americus Garden lacks coat closets, microwaves, and walk-in closets, which the Subject will offer. Unit sizes at Americus Garden are smaller than the Subject’s proposed unit sizes. Overall, the proposed Subject will be superior to Americus Garden. Americus Garden reports full occupancy and maintains a waiting list of approximately 20 households. The one and three-bedroom rents at 50 and 60 percent AMI at this property are below the 2015 Sumter County LIHTC maximum allowable levels. Given the anticipated superiority of the Subject upon completion, we believe it can achieve rents above those currently being achieved at Americus Garden.

Starlight Place is located approximately 3.1 miles from the Subject in Americus and offers a similar location. It was constructed in 2005 and exhibit good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject upon completion. Starlight Place offers similar in-unit and property amenities to those of the proposed Subject. It also offers similar unit sizes to the Subject’s proposed unit sizes. Overall, the proposed Subject will be slightly superior to Starlight Place. Starlight Place reports full

occupancy and maintains a waiting list. Starlight Place is achieving rents at the maximum allowable levels at both the 50 and 60 percent AMI levels. Given the Subject’s anticipated superiority to Starlight Place, we believe its proposed rents are achievable.

**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 market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject will offer 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Subject Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$375	\$273	\$579	\$460	23%
1 BR @ 60%	\$460	\$363	\$579	\$506	10%
3 BR @ 50%	\$518	\$384	\$843	\$630	22%
3 BR @ 60%	\$632	\$479	\$843	\$696	10%

As illustrated, the Subject’s proposed 50 and 60 percent rents as well as the Subject’s unrestricted rents are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed rents are within the surveyed range of LIHTC and market rents, with the exception of the two-bedroom unrestricted units. Whisperwoods Apartments is achieving the highest unrestricted rents in the market. The Subject will be superior to Whisperwoods Apartments as a market-rate property. Whisperwoods Apartments was built in 1985 and exhibits average condition, which is inferior to the anticipated condition of the Subject upon completion. This property is located 28.6 miles from the Subject in Cordele, which is considered a similar location in terms of median household income and median rent. Whisperwoods Apartments offers inferior in-unit amenities compared to the Subject because it lacks dishwashers and microwaves, which the Subject will offer. Whisperwoods Apartments also offers inferior property amenities because it lacks a business center/computer lab, clubhouse/meeting room, a courtyard, and an exercise facility, which the Subject will offer. Unit sizes at Whisperwoods Apartments are inferior to the proposed unit sizes at the Subject. The one-bedroom rents at Whisperwoods Apartments are approximately 26 percent higher than the Subject’s proposed one-bedroom rents at 60 percent AMI.

The two market-rate comparables located closest the Subject, George Town Apartments and St. Charles, are achieving rents at the high end of the range of market rents. George Town Apartments is located 2.2 miles from the Subject in Americus and offers a similar location. George Town Apartments was constructed in the

1990s and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. George Town Apartments is considered similar to the Subject in terms of in-unit amenities, but inferior to the Subject in terms of property amenities. George Town Apartments does not offer a business center/computer lab, a clubhouse/meeting room, courtyard, exercise facility, on-site management, and adult education, all of which the Subject will offer. George Town Apartments does offer superior unit sizes in comparison to the Subject's proposed unit sizes. Overall, the Subject will be superior to George Town Apartments upon completion. George Town Apartments offers one-bedroom rents that are approximately 25 percent higher than the Subject's proposed one-bedroom rents at 60 percent AMI.

St. Charles is located 2.1 miles from the Subject in Americus and offers a similar location. St. Charles was constructed in the 1990s and exhibits average condition, which is considered inferior to the anticipated excellent condition of the Subject upon completion. St. Charles is considered slightly inferior to the Subject in terms of in-unit amenities, as it does not offer blinds, or microwaves, which the Subject will offer. St. Charles is considered inferior to the Subject with respect to property amenities, as it lacks a business center/computer lab, clubhouse/meeting room, courtyard, exercise facility, on-site management, picnic area, and adult education, all of which the Subject will offer. Overall, the Subject will be superior to St. Charles upon completion. St. Charles offers three-bedroom units that are approximately 20 percent higher than the Subject's proposed three-bedroom rents at 60 percent AMI.

Given the Subject's anticipated superiority to both George Town Apartments and St. Charles, we believe it can achieve rents similar to rents at these properties. Overall, we believe that the Subject's proposed rents are achievable in the market and will offer an advantage when compared to the average rents being achieved at comparable properties.

## **9. LIHTC Competition – DCA Funded Properties within the PMA**

Capture rates for the Subject are considered low for all bedroom types at 50 percent AMI and the unrestricted level, and moderate for all bedroom types at 60 percent AMI. If allocated, the Subject will be slightly superior to superior to the existing LIHTC housing stock. All of the LIHTC properties are fully-occupied and report waiting lists.

According to Georgia DCA allocation lists, one property within the Subject's PMA has been allocated tax credits since 2014. Southwestern Estates, a family LIHTC property in Americus, was completed in 2016 and has reached stabilization. This property offers units at 50 and 60 percent of AMI and is used as a comparable in our analysis. Southwestern Estates is currently fully-occupied and maintains a waiting list of 400 to 500 households.

Given the strong occupancy and lengthy waiting lists at the LIHTC comparables, it appears that there is demand for additional LIHTC housing in the market. We do not believe that the addition of the Subject to the market will impact the existing LIHTC properties that are in overall good condition and currently performing well.

## **10. Rental Trends in the PMA**

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

**TENURE PATTERNS PMA**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	8,159	64.5%	4,493	35.5%
2017	7,029	54.0%	5,996	46.0%
Projected Mkt Entry July 2019	6,973	53.9%	5,964	46.1%
2021	6,917	53.8%	5,932	46.2%

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

As the table illustrates, owner-occupied households are slightly more common than renter-households in the PMA. 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 higher percentage of renters in the PMA than in the nation. This percentage is projected to remain relatively stable over the next five years.

### Historical Vacancy

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

#### HISTORICAL VACANCY

Comparable Property	Type	Total Units	2QTR 2013	2QTR 2014	2QTR 2016	1QTR 2017	2QTR 2017
Americus Garden	Garden	44	0.0%	4.5%	N/A	N/A	0.0%
Southwestern Estates	Garden	64	N/A	N/A	N/A	N/A	0.0%
Starlight Place	Single Family	52	0.0%	0.0%	N/A	N/A	0.0%
George Town Apartmetns	Garden	32	N/A	6.2%	N/A	N/A	0.0%
Hillside Manor	Garden	60	N/A	N/A	N/A	N/A	5.0%
Lexington Place Apartments	Various	97	0.0%	5.2%	N/A	N/A	12.4%
Madison Place Apartments	Various	39	N/A	N/A	0.0%	0.0%	N/A
St. Charles	Townhouse	42	N/A	4.8%	N/A	N/A	7.1%
Whisperwoods Apartments	One-story	50	N/A	N/A	N/A	N/A	12.0%
<b>Average</b>			<b>0.0%</b>	<b>4.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>5.2%</b>

As illustrated in the table, we were able to obtain limited historical vacancy rates at all of the comparable properties for several quarters in the past four years. Lexington Place Apartments experienced the greatest increase in vacancy since the time of our last interview. The contact at Lexington Place Apartments reported that the property’s predominantly student tenancy results in high seasonal vacancy, but that the property is typically better than 93 percent occupied. While several properties exhibit slightly elevated vacancy rates, overall, the weighted average vacancy rate among the LIHTC comparable properties is low. Furthermore, the waiting lists at the LIHTC properties indicate better performance than what is shown in the vacancy rates represented above. 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
Americus Garden	LIHTC	None
Southwestern Estates	LIHTC	Increased up to 30 percent
Starlight Place	LIHTC	Increased four to six percent
George Town Apartmetns	Market	None
Hillside Manor	Market	Increase of three percent
Lexington Place Apartments	Market	Increased up to 5 percent
Madison Place Apartments	Market	Increase of up to 2 percent
St. Charles	Market	Increased up to 2 percent
Whisperwoods Apartments	Market	Increase of one percent

The LIHTC properties have reported growth ranging from four to 30 percent. The market rate properties reported rent growth of up to five percent in some instances. Southwestern Estates, the newest comparable LIHTC property in the market, reported rent growth of 30 percent since inception. Given the rent growth of the comparable properties in the market, 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 April 2017. The town of Americus is experiencing a foreclosure rate of one in every 5,472

homes, while Sumter County is experiencing foreclosure rate of one in every 3,900 homes and Georgia is experiencing one foreclosure in every 1,898 housing units. Overall, Americus is experiencing a much lower foreclosure rate than Sumter County, Georgia, and the nation, indicating a healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

## **12. Primary Housing Void**

Americus Garden, a family LIHTC development in the PMA, is fully-occupied and maintains a waiting list of 20 households. Southwestern Estates, the most recently constructed family LIHTC development in the PMA, is fully-occupied and maintains a waiting list of 400 to 500 households. The full occupancy and waiting lists at these properties indicated demand for affordable housing in the market.

Only two of the LIHTC comparables offer one-bedroom units. None of the one-bedroom units at the LIHTC comparables are vacant, and all of these properties maintain waiting lists. The full occupancy of one-bedroom LIHTC units in the market and the waiting lists at all LIHTC properties demonstrates that there is demand for this unit type that is being unmet in the affordable market. As such, we believe that the Subject will fill a void in the market by providing one-bedroom units restricted to households earning 50 or 60 percent of the AMI or less.

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

There are no proposed LIHTC developments in the PMA. All of the LIHTC comparable properties report extensive waiting lists. We believe there is adequate demand for the addition of the Subject within the market. All of the LIHTC comparables are currently fully-occupied. The current and historical vacancy rates at the LIHTC comparable properties, as well as the waiting lists at all LIHTC properties, indicate unmet demand in the market for affordable housing. Furthermore, the Subject will offer one-bedroom units, which are not available at all of the LIHTC comparable properties. Therefore, a portion of the demand for the proposed Subject would not be taking demand from other affordable properties in the market. In summary, the performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, and the fact that the proposed Subject will offer a unit type that is 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 comparables are fully-occupied and report extensive waiting lists. The Subject will offer generally similar to superior property and in-unit amenities in comparison to the LIHTC and market-rate comparables. The Subject will offer microwaves, walk-in closets, a business center/computer lab, a courtyard, an exercise facility, a picnic area, and adult education classes, which many of the comparables do not 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 similar to superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer one-bedroom units, 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, one-bedroom units. In general, the Subject will be similar to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

# **I. ABSORPTION AND STABILIZATION RATES**

**ABSORPTION & STABILIZATION RATE**

We were only able to obtain absorption information from two of the comparable properties, and expanded our search to newer rental properties in the south Georgia region. Absorption at four properties in the area is illustrated following table.

**ABSORPTION**

Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
Rosewood Estates	LIHTC, Market	2010	56	5
Forrester Senior Village	LIHTC	2012	50	17
The Reserve at Hampton	LIHTC	2015	60	20
Southwestern Estates	LIHTC	2016	64	<u>32</u>
<b>Average</b>				<b>19</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The four newer properties able to provide absorption information reported absorption paces between five and 32 units per month, with an average pace of 19 units per month. The newest and closest LIHTC comparable to the Subject, Southwestern Estates, reported an absorption pace of 32 units per month. We believe the Subject would likely achieve an absorption pace most similar to Southwestern Estates, a family LIHTC property located approximately two miles from the Subject. We have concluded to an absorption pace of 32 units per month. Thus, the Subject would reach stabilization between one and two months.

# **J. INTERVIEWS**

### Housing Authority of the City of Americus

We were able to speak with Mr. John C Anderson, CEO of the Housing Authority of the City of Americus. According to Mr. Anderson, the city issues 716 vouchers. Currently, the waiting list is closed, and Mr. Anderson expects it to remain closed for the next two years. Mr. Anderson also indicated that there is strong demand for affordable one and two-bedroom units. The current payment standards for Americus are listed below.

PAYMENT STANDARDS	
Unit Type	Standard
One-bedroom	\$517
Three-bedroom	\$853

Source: Housing Authority of the City of Americus, April 2017

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

### Planning

According to Mr. Roger Willis with the Americus Planning Department, there are no new multifamily developments currently planned, proposed, or under construction in the City of Americus.

### Sumter County Chamber of Commerce and Payroll Development Authority

We spoke with Sandy Collins with the Sumter County Chamber of Commerce and Payroll Development. She told us that there has been some recent economic growth in the area. Specifically, Ms. Collins mentioned the opening of TCI Powder Coating’s new facility in Americus. The facility opened in 2016 and is expected to employ up to 75 workers in full-time positions.

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

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

Population growth in the PMA and SMA was positive but below national growth from 2000 to 2010. The population in the PMA and the SMA marginally decreased from 2010 to 2017. Total population and households are projected to marginally decrease at similar rates from 2017 through 2021. Renter households are concentrated in the lowest income cohorts with 36.1 percent of renter households in the PMA earning between \$10,000 and \$29,000 annually. Overall, the concentrations of renter households in the lowest income cohorts in the PMA indicate demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in healthcare/social assistance, manufacturing, educational services, and retail trade industries. The industries represent approximately 52 percent of total local employment. Two of these industries, healthcare/social assistance and educational services are resilient during periods of economic downturn. Although manufacturing is a volatile sector, there have been several recent employment expansions in the manufacturing industry, such as TCI Powder Coating and Caravelle Powerboats.

Overall, the SMA has experienced moderate total employment growth from 2014 through February 2017. As of February 2017, total employment in the SMA was 10.0 percent lower than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the SMA as of February 2017 was 8.0 percent, 3.1 percent higher than the national unemployment rate but significantly lower than the 2013 peak of 12.3 percent. Overall, it appears that the local economy and the SMA have been impacted by the national recession and is still recovering. The recent stabilization and growth in the 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	\$16,834	\$21,300	1	73	10	63	1.6%	\$375
1BR at 60% AMI	\$19,749	\$25,560	4	79	6	73	5.5%	\$460
1BR Overall	\$16,834	\$25,560	5	118	16	102	4.9%	-
3BR at 50% AMI	\$23,589	\$28,800	8	76	3	73	10.9%	\$518
3BR at 60% AMI	\$27,497	\$34,560	29	81	13	68	42.4%	\$632
3BR Overall	\$23,589	\$34,560	37	122	16	106	34.9%	-
50% AMI Overall	\$16,834	\$28,800	9	150	13	137	6.6%	-
60% AMI Overall	\$19,749	\$34,560	33	160	19	141	23.4%	-
Overall	\$16,834	\$34,560	42	240	32	208	20.2%	-

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

### Absorption

We were only able to obtain absorption information from two of the comparable properties, and expanded our search to newer rental properties in the south Georgia region. Absorption at four properties in the area is illustrated following table.

**ABSORPTION**

Property Name	Occupancy Type	Year Built	Number of Units	Units Absorbed/ Month
Rosewood Estates	LIHTC, Market	2010	56	5
Forrester Senior Village	LIHTC	2012	50	17
The Reserve at Hampton	LIHTC	2015	60	20
Southwestern Estates	LIHTC	2016	64	<u>32</u>
<b>Average</b>				<b>19</b>

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The four newer properties able to provide absorption information reported absorption paces between five and 32 units per month, with an average pace of 19 units per month. The newest and closest LIHTC comparable to the Subject, Southwestern Estates, reported an absorption pace of 32 units per month. We believe the Subject would likely achieve an absorption pace most similar to Southwestern Estates, a family LIHTC property located approximately two miles from the Subject. We have concluded to an absorption pace of 32 units per month. Thus, the Subject would reach stabilization between one and two 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
Americus Garden	LIHTC	44	0	0.0%
Southwestern Estates	LIHTC	64	0	0.0%
Starlight Place	LIHTC	52	0	0.0%
George Town Apartmetns	Market	32	0	0.0%
Hillside Manor	Market	60	3	5.0%
Lexington Place Apartments	Market	97	12	12.4%
Madison Place Apartments	Market	39	0	0.0%
St. Charles	Market	42	3	7.1%
Whisperwoods Apartments	Market	<u>50</u>	<u>6</u>	<u>12.0%</u>
<b>Total LIHTC</b>		<b>160</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>		<b>320</b>	<b>24</b>	<b>7.5%</b>
<b>Overall Total</b>		<b>480</b>	<b>24</b>	<b>5.0%</b>

Overall vacancy in the market is moderate at 5.0 percent. Total LIHTC vacancy is lower as all LIHTC units are fully-occupied. All of the LIHTC comparables also report waiting lists. Waiting lists at the LIHTC comparables are extensive, including up to 500 households. Full occupancy and waiting lists at the LIHTC comparables suggests demand for additional affordable housing in the market.

The vacancy rates among the market-rate comparable properties range from zero to 12.4 percent, averaging 7.5 percent, which is considered moderate. The contact at Lexington Place Apartments, the property reporting the highest vacancy, reported that current vacancy is seasonal as the majority of the property’s tenants are students. The contact reported that this also results in high turnover at the property. Our contact at Whisperwoods Apartments in Cordele reported that current vacancy is unusual, and that the property is typically better than 93 percent occupied. Current vacancy at Whisperwoods is assumed to be seasonal. The low to moderate vacancy rates at the remaining market-rate comparables indicates that there is demand for rental housing in the Subject’s PMA.

### **Strengths of the Subject**

Strengths of the Subject will include its close proximity to neighborhood amenities. Single family homes in the general vicinity appear to have been built between 1970 and 1999, and are in average to good condition. Upon completion, the Subject will still have superior common area and in-unit amenities when compared to other tax credit and market rate properties in the local market. As the demand analysis found earlier in this report will indicate, there is adequate demand for the Subject based on our calculations for the all units.

### **Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are fully-occupied and report extensive waiting lists. The Subject will offer generally similar to superior property and in-unit amenities in comparison to the LIHTC and market-rate comparables. The Subject will offer microwaves, walk-in closets, a business center/computer lab, a courtyard, an exercise facility, a picnic area, and adult education classes, which many of the comparables do not 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 similar to superior in terms of condition to all of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. Additionally, the Subject will offer one-bedroom units, 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, one-bedroom units. In general, the Subject will be similar to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and full occupancy at the LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

### **Recommendations**

We recommend the Subject as proposed.

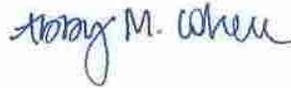
# **L. SIGNED STATEMENT REQUIREMENTS**

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



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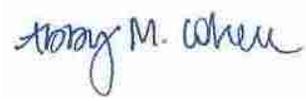
# **M. MARKET STUDY REPRESENTATION**

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



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

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

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

**ADDENDUM B**  
**Subject and Neighborhood Photographs**

## Photographs of Subject Site and Surrounding Uses



View of the Subject site



View of the Subject site



View west along Lakeview Circle



View east along Lakeview Circle



View across Lakeview Circle from Subject site



View of adjacent single family home



View of adjacent single family home



View of multifamily near the Subject site



Typical single-family home in the Subject's neighborhood



Typical single-family home in the Subject's neighborhood



Retail in the Subject's neighborhood



Retail in the Subject's neighborhood



Retail in the Subject's neighborhood



House of Worship in the Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

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

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

### II. Licensing and Professional Affiliation

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

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

### III. Professional Experience

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

#### **IV. Professional Training**

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

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

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

#### **V. Real Estate Assignments – Examples**

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

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

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

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

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

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

### II. Licensing and Professional Affiliation

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

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

### III. Professional Experience

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

### IV. Professional Training

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

### V. Publications

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

## VI. Real Estate Assignments

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

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

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

**State of Georgia Certified General Real Property Appraiser No. 329471**

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Manager, September 2015- Present**

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

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

**REAL ESTATE ASSIGNMENTS**

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

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

## STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

### I. Education

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

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

### II. Professional Experience

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

### III. Research Assignments

A representative sample of work on various types of projects:

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

**ADDENDUM D**  
**Summary Matrix**

**SUMMARY MATRIX**

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Sparrow Point North side of Woodland Ave Americus, GA 31719 Sumter County	n/a	Single Family Proposed	LIHTC	1BR / 1BA	1	2.4%	@50%	\$375	900	no		N/A	N/A
					1BR / 1BA	4	9.5%	@60%	\$460	900	no	N/A	N/A	
					3BR / 2BA	8	19.0%	@50%	\$518	1,300	no	N/A	N/A	
					3BR / 2BA	29	69.0%	@60%	\$632	1,300	no	N/A	N/A	
						42	100.0%					N/A	N/A	
1	Americus Garden 730 S Martin Luther King Blvd Americus, GA 31719 Sumter County	1.8 miles	Garden (2 stories) 1998	LIHTC	1BR / 1BA	6	13.6%	@50%	\$273	760	no	Yes	0	0.0%
					1BR / 1BA	6	13.6%	@60%	\$363	760	no	Yes	0	0.0%
					2BR / 1BA	12	27.3%	@50%	\$348	915	no	Yes	0	0.0%
					2BR / 1BA	12	27.3%	@60%	\$439	915	no	Yes	0	0.0%
					3BR / 2BA	4	9.1%	@50%	\$384	1,136	no	Yes	0	0.0%
					3BR / 2BA	4	9.1%	@60%	\$479	1,136	no	Yes	0	0.0%
	44	100.0%						0	0.0%					
2	Southwestern Estates 900 Southwestern Circle Americus, GA 31709 Sumter County	0.4 miles	Garden (2 stories) 2016	LIHTC	1BR / 1BA	10	15.6%	@50%	\$319	811	no	Yes	0	0.0%
					1BR / 1BA	6	9.4%	@60%	\$421	811	no	Yes	0	0.0%
					2BR / 1BA	5	7.8%	@50%	\$380	1,051	no	Yes	0	0.0%
					2BR / 1BA	27	42.2%	@60%	\$502	1,051	no	Yes	0	0.0%
					3BR / 2BA	3	4.7%	@50%	\$409	1,261	no	Yes	0	0.0%
					3BR / 2BA	13	20.3%	@60%	\$549	1,261	no	Yes	0	0.0%
	64	100.0%						0	0.0%					
3	Starlight Place 154 Starlight Circle Americus, GA 31709 Sumter County	3.1 miles	Single Family 2005	LIHTC	2BR / 2BA	3	5.8%	@30%	\$248	900	yes	Yes	0	0.0%
					2BR / 2BA	9	17.3%	@50%	\$491	900	yes	Yes	0	0.0%
					2BR / 2BA	10	19.2%	@60%	\$613	900	yes	Yes	0	0.0%
					3BR / 2BA	3	5.8%	@30%	\$421	1,100	yes	Yes	0	0.0%
					3BR / 2BA	14	26.9%	@50%	\$703	1,100	yes	Yes	0	0.0%
					3BR / 2BA	13	25.0%	@60%	\$843	1,100	yes	Yes	0	0.0%
	52	100.0%						0	0.0%					
4	George Town Apartmetns 1034 Elm Ave Americus, GA 31709 Sumter County	0.7 miles	Garden 1990s	Market	Studio / 1BA	N/A	N/A	Market	\$474	500	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$573	850	n/a	No	0	N/A
						32	100.0%						0	0.0%
5	Hillside Manor 120 Lonnie Lane Americus, GA 31709 Sumter County	0.5 miles	Garden 1985	Market	Studio / 1BA	6	10.0%	Market	\$411	288	n/a	No	2	33.3%
					1BR / 1BA	42	70.0%	Market	\$490	576	n/a	Yes	0	0.0%
					2BR / 1BA	5	8.3%	Market	\$645	864	n/a	No	1	20.0%
					2BR / 2BA	7	11.7%	Market	\$675	900	n/a	No	0	0.0%
						60	100.0%						3	5.0%
6	Lexington Place Apartments 1130 Felder St Americus, GA 31079 Sumter County	0.4 miles	Various (2 stories) 1998	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$570	850	n/a	No	4	N/A
					2BR / 2BA (Garden)	N/A	N/A	Market	\$671	1,140	n/a	No	4	N/A
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$670	1,140	n/a	No	4	N/A
					3BR / 3.5BA (Townhouse)	N/A	N/A	Market	\$791	1,400	n/a	No	0	N/A
						97	100.0%						12	12.4%
7	Madison Place Apartments 1501 13th Avenue E Cordele, GA 31015 Crisp County	26.2 miles	Various 1990's	Market	1BR / 1BA (Flat)	5	12.8%	Market	\$549	850	n/a	No	0	0.0%
					2BR / 2BA (Garden)	27	69.2%	Market	\$649	1,140	n/a	No	0	0.0%
					3BR / 2.5BA (Garden)	3	7.7%	Market	\$749	1,400	n/a	No	0	0.0%
					3BR / 2.5BA (Townhouse)	4	10.3%	Market	\$749	1,400	n/a	No	0	0.0%
						39	100.0%						0	0.0%
8	St. Charles 1034 Elm Avenue Americus, GA 31709 Sumter County	0.8 miles	Townhouse (2 stories) 1990s	Market	2BR / 2BA	N/A	N/A	Market	\$670	1,140	n/a	No	3	N/A
					3BR / 3BA	N/A	N/A	Market	\$764	1,400	n/a	No	0	N/A
						42	100.0%						3	7.1%
9	Whisperwoods Apartments 1506 East 16th Avenue Cordele, GA 31015 Crisp County	27.6 miles	One-story 1985	Market	Studio / 1BA	4	8.0%	Market	\$450	288	n/a	None	1	25.0%
					1BR / 1BA	36	72.0%	Market	\$579	576	n/a	None	3	8.3%
					2BR / 1BA	8	16.0%	Market	\$600	864	n/a	None	1	12.5%
					2BR / 2BA	2	4.0%	Market	\$686	864	n/a	None	1	50.0%
						50	100.0%						6	12.0%