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

**ENCLAVE AT
DEPOT PARK**

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

ENCLAVE AT DEPOT PARK

2726 South Main Street
Kennesaw, Cobb County, Georgia 30144

Effective Date: April 18, 2017
Report Date: May 18, 2017

Prepared for:
Ms. Patti P. Adams
Vice President - Development
Royal American Development Inc.
1002 West 23rd Street, Suite 400
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Assignment Code: RAD601v.002

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May 18, 2017

Ms. Patti P. Adams
Vice President - Development
Royal American Development Inc.
1002 West 23rd Street, Suite 400
Panama City, Florida 32405

Re: Market Study - Application for Enclave at Depot Park, located in Kennesaw, Cobb County, Georgia

Dear Ms. Adams:

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

The purpose of this market study is to assess the viability of the proposed 78-unit age-restricted LIHTC project. It will be a newly constructed development, with 78 revenue-generating one and two-bedroom units, restricted to mixed-income senior households 62 and older. Of these, 58 units will be restricted at the 50 and 60 percent AMI levels, while the remaining 20 rental units will be market rate. 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.

Novogradac & Company LLP adheres to the market study guidelines and best practices promulgated by the National Council of Housing Market Analysts (NCHMA).

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

market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

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

Respectfully submitted,
Novogradac & Company LLP



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A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Enclave at Depot Park (Subject) will be a newly constructed age-restricted property located in Kennesaw, Cobb County, Georgia, which will consist of one three-story lowrise building.

The following table illustrates the proposed unit mix.

PROPOSED RENTS						
Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent
<i>50% AMI</i>						
1BR	637	8	\$464	\$118	\$582	\$633
2BR	864	20	\$548	\$151	\$699	\$760
<i>60% AMI</i>						
1BR	637	20	\$577	\$118	\$695	\$759
2BR	864	10	\$685	\$151	\$836	\$912
<i>Market Rate</i>						
1BR	637	8	\$870	-	-	-
2BR	864	12	\$1,040	-	-	-
Total		78				

Notes (1) Source: Cobb County Housing Authority Utility Allowance, effective 1/1/2017.

The proposed rents for the Subject’s units at the 50 and 60 percent of AMI levels are slightly below the maximum allowable rents. The Subject’s amenity packages are considered to be comparable or slightly superior to the existing housing supply in the market.

2. Site Description/Evaluation

The Subject site is located at the northeast corner of Sardis Street and South Main Street. The Subject site is currently wooded undeveloped land. Surrounding uses consist of houses or worship, commercial, and single-family uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 53 out of 100. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.7 miles of the Subject site.

3. Market Area Definition

The PMA is defined by the Cobb/Cherokee and Cobb/Bartow county lines to the north, Cobb/Paulding county line to the west, Dallas Highway/120 and Kennesaw Mountain National Battlefield Park to the south, and Canton Road and Interstate 575 to the east. This area consists of northwestern Cobb County, including the cities of Kennesaw and Acworth, as well as the far northern portion of Marietta. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

- North: 3.8 miles
- East: 4.5 miles
- South: 5.2 miles
- West: 7.2 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from out of state. Of those residents coming from within Georgia, most are coming from the Kennesaw area or surrounding communities. 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 7.2 miles.

4. Community Demographic Data

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of population and household growth is projected to continue through 2021. The population of the PMA is 188,135 in 2017 and is expected to be 195,361 by projected market entry. Renter households are concentrated in the lowest income cohorts, with 49.7 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target senior households earning between \$17,445 and \$32,400 for its LIHTC units and up to \$68,000 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been significant over the last decade, and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,588 housing units nationwide was in some stage of foreclosure as of March 2017. The city of Kennesaw is experiencing a foreclosure rate of one in every 2,582 homes, while Cobb County is experiencing foreclosure rate of one in every 2,845 homes and Georgia experienced one foreclosure in every 1,898 housing units. Overall, Kennesaw is experiencing a similar foreclosure rate to the county, and lower than both the state and nation. 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 five industries which represent approximately 52.2 percent of total local employment. However, two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent greater than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, similar to the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$17,445	\$27,000	8	99	0	99	8.1%	\$464
1BR at 60% AMI	\$20,847	\$32,400	20	110	0	110	18.2%	\$577
1BR Unrestricted	\$26,100	\$68,000	8	284	90	194	4.1%	\$870
1BR Overall	\$17,445	\$68,000	36	373	90	283	12.7%	-
2BR at 50% AMI	\$20,973	\$27,000	20	73	0	73	27.5%	\$548
2BR at 60% AMI	\$25,077	\$32,400	10	81	40	41	24.5%	\$685
2BR Unrestricted	\$31,200	\$68,000	12	209	90	119	10.1%	\$1,040
2BR Overall	\$20,973	\$68,000	42	275	130	145	29.0%	-
50% AMI Overall	\$17,445	\$27,000	28	172	0	172	16.3%	-
60% AMI Overall	\$20,847	\$32,400	30	191	40	151	19.9%	-
Unrestricted Overall	\$26,100	\$68,000	20	493	180	313	6.4%	-
Overall	\$17,445	\$68,000	78	647	220	427	18.2%	-

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 at the Subject fall below the 2017 DCA Market Study capture rate threshold of 30 percent.

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 12 “true” comparable properties containing 2,941 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 very good; there are eight LIHTC properties in the PMA, six of which also offer market rate units. We have included six LIHTC properties, all of which are mixed-income, and are located in the cities of Marietta, Acworth, and Kennesaw. Further, of the six LIHTC comparables, four are age-restricted, similar to the Subject. Five of the comparable LIHTC properties are located in the PMA, between 1.4 and 5.2 miles of the proposed Subject. The remaining LIHTC comparable is located outside of the PMA in the city of Acworth, approximately 5.5 miles from the Subject.

The availability of market-rate data is considered good. The Subject is located in Kennesaw, and there are several market-rate properties in the area. We have included six conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 0.3 and 3.3 miles from the Subject site. These comparables were built or renovated between 1996 and 2015, with two reporting ongoing renovations. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types.

When comparing the Subject’s rents to the average comparable rent, we have not included surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI

levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$464	\$661	\$1,309	\$969	52%
2 BR @ 50%	\$548	\$781	\$1,663	\$1,111	51%
1 BR @60%	\$577	\$698	\$1,309	\$977	41%
2 BR @ 60%	\$685	\$781	\$1,663	\$1,111	38%
1 BR @ Market Rate	\$870	\$728	\$1,309	\$1,060	22%
2 BR @ Market Rate	\$1,040	\$893	\$1,663	\$1,259	21%

As illustrated the Subject’s proposed 50 and 60 percent rents, as well as the Subject’s market rate rents, are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents. The Subject’s market rate one and two-bedroom rents are within the surveyed range of comparable properties.

Twenty25 Barrett is achieving the some of the highest one and two-bedroom rents in the market. Twenty25 Barrett was built in 2014 and exhibits excellent condition, similar to the condition of the Subject upon completion. This development’s garden-style design is considered slightly inferior to the Subject’s elevator-serviced lowrise design. Twenty25 Barrett is located 2.5 miles from the Subject site and offers a similar location. Twenty25 Barrett offers similar in-unit and community amenities compared to the proposed Subject. 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 able to obtain absorption information from two of the comparable properties, illustrated in the following table.

ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Legacy At Walton Overlook	LIHTC	Senior	2012	108	18
Legacy At Walton Park	LIHTC	Senior	2015	100	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed age-restricted mixed-income property. Based on the comparable absorption data, the Subject would likely experience a re-absorption pace of 16 to 18 units per month, which equates to an absorption period of approximately four to five months.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is ample demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Of the LIHTC comparables, five reported no vacant units. Only one LIHTC comparable reported vacant units; however, the development is mixed-income and the vacancies are among market rate units. The Subject will offer generally similar to slightly superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer hardwood flooring and in-unit washer/dryers, both of which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the age-restricted market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to slightly superior in terms of condition to the comparable properties. The Subject's proposed unit sizes will be generally competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by strong demographic trends, waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that due to the ample demand in the market the Subject will perform well.

ENCLAVE AT DEPOT PARK – KENNESAW, GEORGIA – MARKET STUDY

Summary Table:

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

Development Name:	Enclave at Depot Park	Total # Units:	78
Location:	2726 South Main Street, Kennesaw, GA	# LIHTC Units:	58
PMA Boundary: North: Cobb/Cherokee and Cobb/Bartow county lines; South: Kennesaw Mountain National Battlefield Park; East: Canton Road and Interstate 575; West: Cobb/Paulding county line			
Farthest Boundary Distance to Subject:			7.2 miles

Rental Housing Stock (found on page 65-66)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	31	7,348	55	99.3%
Market-Rate Housing	18	5,687	51	99.1%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	4	342	0	100.0%
LIHTC	9	1,319	4	99.7%
Stabilized Comps	31	7,348	55	99.3%
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
8	1BR at 50% AMI	1	637	\$464	\$1,060	\$1.66	128%	\$1,309	\$1.56
20	2BR at 50% AMI	2	864	\$577	\$1,259	\$1.46	118%	\$1,663	\$1.58
20	1BR at 60% AMI	1	637	\$870	\$1,060	\$1.66	22%	\$1,309	\$1.56
10	2BR at 60% AMI	2	864	\$548	\$1,259	\$1.46	130%	\$1,663	\$1.58
8	1BR Market Rate	1	637	\$685	\$1,060	\$1.66	55%	\$1,309	\$1.56
12	2BR Market Rate	2	864	\$1,040	\$1,259	\$1.46	21%	\$1,663	\$1.58

Demographic Data (found on page 48)

	2010		2017		June 2019	
Senior Renter Households	949	15.4%	2,969	19.8%	3,446	20.5%
Income-Qualified Renter HHs (All Units)	471	49.6%	1,473	49.6%	1,710	49.6%

Targeted Income-Qualified Renter Household Demand (found on page 61)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	-	46	56	177	-	218
Existing Households (Overburdened + Substandard)	-	162	175	423	-	571
Homeowner conversion (Seniors)	-	1	1	1	-	1
Total Primary Market Demand	-	210	233	602	-	791
Less Comparable/Competitive Supply	-	0	40	195	-	235
Adjusted Income-qualified Renter HHs**	-	210	193	407	-	556

Capture Rates (found on page 62)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	-	16.3%	19.9%	6.4%	-	18.2%

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject site is located at 2726 South Main Street in Kennesaw, Cobb County, Georgia 30144. The Subject site is currently vacant.
- 2. Construction Type:** The Subject will consist of one three-story elevator-serviced lowrise residential building. The Subject will be new construction.
- 3. Occupancy Type:** Seniors ages 62 and older.
- 4. Special Population Target:** None.
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

ENCLAVE AT DEPOT PARK – KENNESAW, GEORGIA – MARKET STUDY

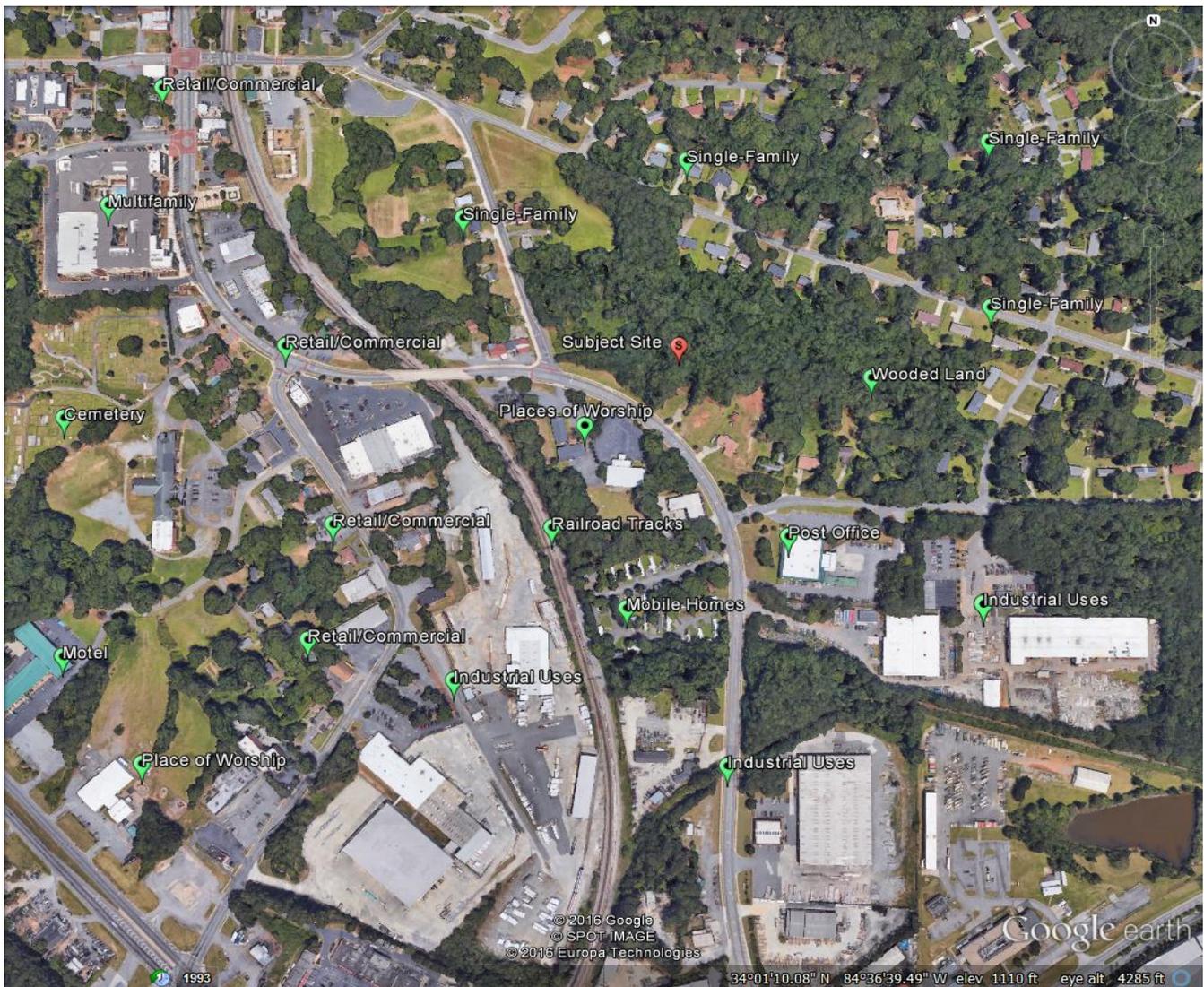
Enclave At Depot Park											
Location	2726 South Main Street Kennesaw, GA 30144 Cobb County (verified)										
Distance	n/a										
Units	78										
Vacant Units	N/A										
Vacancy Rate	N/A										
Type	Lowrise (age-restricted) (3 stories)										
Year Built / Renovated	Proposed / n/a										
Tenant Characteristics	Seniors 62+										
Market											
Program	@50%, @60%, Market			Leasing Pace	N/A						
Annual Turnover Rate	N/A			Change in Rent (Past Year)	N/A						
Units/Month Absorbed	N/A			Concession							
Section 8 Tenants	N/A										
Utilities											
A/C	not included – central			Other Electric	not included						
Cooking	not included – electric			Water	not included						
Water Heat	not included – electric			Sewer	not included						
Heat	not included – electric			Trash Collection	included						
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise (3 stories)	8	637	\$464	\$0	@50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	20	637	\$577	\$0	@60%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	8	637	\$870	\$0	Market	n/a	N/A	N/A	N/A
2	2	Lowrise (3 stories)	8	864	\$548	\$0	@50%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	26	864	\$685	\$0	@60%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	8	864	\$1,040	\$0	Market	n/a	N/A	N/A	N/A
Amenities											
In-Unit	Balcony/Patio Blinds Carpet/Hardwood Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Grab Bars Hand Rails Microwave Oven Pull Cords Refrigerator Walk-In Closet Washer/Dryer			Security	Patrol						
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Elevators Exercise Facility Off-Street Parking On-Site Management Picnic Area Recreation Areas Service Coordination			Premium	Hairdresser / Barber						
Services	none			Other	Library						
Comments											
Based on the Cobb County Housing Authority utility allowance schedule, effective January 1, 2017, the utility allowances for the Subject are \$118 and \$151 for one and two-bedroom units, respectively.											

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

C. SITE EVALUATION

SITE EVALUATION

1. **Date of Site Visit and Name of Inspector:** Michael Jones visited the site on April 18, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.
 - Frontage:** The Subject site has frontage along South Main Street and Sardis Street.
 - Visibility/Views:** The Subject will be located at the northeast corner of South Main Street and Sardis Street. Visibility from the site will be good, and views will include wooded land, scattered single-family homes, places of worship, and scattered retail/commercial uses.
 - Surrounding Uses:** The following map illustrates the surrounding land uses.



Source: Google Earth, April 2017

The Subject site is located on the northeast corner of Sardis Street and South Main Street. The Subject site is currently wooded undeveloped land. Adjacent north of the Subject site is wooded undeveloped land and scattered single-family homes in average to good condition. Directly east of the Subject site is wooded undeveloped land, followed by single-family homes in average condition. A single-family home in average condition and South Main Street are located immediately south of the Subject site. Across South Main Street are two places of worship in average condition, as well as a commercial/retail building in good condition, which is currently occupied by Energy Tae Kwon Do. Further south is a mobile home park, and further to the southeast are the U.S. Postal Service and TUG Technology Corporation, both of which are in average to good condition. West of the site is Kerry's Print Shop and a single-family home in fair condition, followed by wooded land, railroad tracks, and various retail/commercial uses ranging from fair to good condition. Based on our inspection of the neighborhood, retail appeared to be approximately 90 percent occupied. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 53 out of 100. The Subject site is considered a desirable building site for rental housing, and there is evidence of new multifamily housing within the neighborhood. The Subject site is located in a mixed-use neighborhood. The uses surrounding the Subject are primarily in average condition, and the site is located within close proximity to locational amenities, which are within 4.7 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, are considered positive attributes. Additionally, the Subject site is located within close proximity to Interstates 75 and 575, which provides convenient access to other areas and services within the region. Negative attributes of the site include its close proximity to freight railroad tracks, located approximately 250 feet southwest of the Subject site. However, this does not appear to be a detriment in the neighborhood given the high occupancy rates in the area; Revival on Main, a market rate comparable, was completed in 2015 and is also located within close proximity of the railroad tracks. This development is currently 97.2 percent occupied.

3. Physical Proximity to Locational Amenities:

The Subject is located within 4.7 miles of all locational amenities. Additionally, it is within 2.1 miles of the Kennesaw State University, which is one of the area's largest employers.

4. Pictures of Site and Adjacent Uses:

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



View of the Subject site facing east



View of the Subject site facing northeast



View of the Subject site facing east



View of the Subject site facing southeast



View of the Subject site facing south



View of the Subject site facing south



House of worship south of Subject site



House of worship south of Subject site



Commercial use west of Subject site



Commercial use southwest of Subject site



Commercial use southwest of Subject site



Typical single-family home east of Subject site

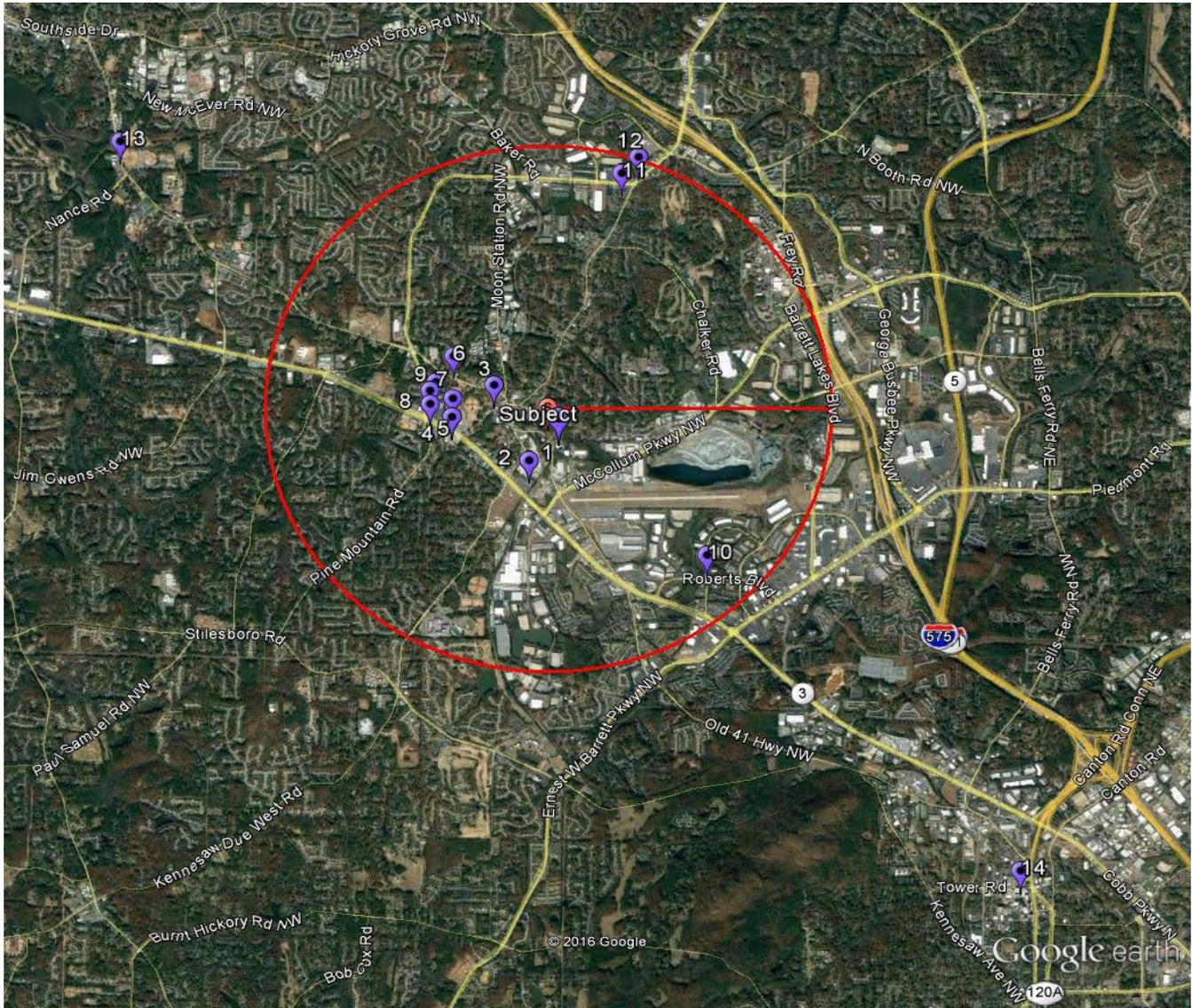


Commercial use west of Subject site



Typical single-family home north of Subject site

- 5. Proximity to Locational Amenities:** The table and map on the following page details the Subject's distance from key locational amenities.



Source: Google Earth, April 2017.

LOCATIONAL AMENITIES

Number	Service or Amenity	Distance from Subject
1	U.S. Post Office	0.1 miles
2	Goodwill of North Georgia	0.4 miles
3	Kennesaw Police Department	0.4 miles
4	Quick Trip	0.7 miles
5	Dollar General	0.7 miles
6	Adams Park	0.7 miles
7	Publix Grocery Store	0.8 miles
8	Walgreens	0.8 miles
9	Wells Fargo Bank	0.8 miles
10	Bus Stop	1.5 miles
11	WellStar Medical Group Urgent Care	1.9 miles
12	Cobb County Fire Department	2.1 miles
13	North Cobb Senior Center	3.2 miles
14	WellStar Kennestone Hospital	4.7 miles

6. Description of Land Uses

The Subject site is located at the northeast corner of Sardis Street and South Main Street. The Subject site is currently wooded undeveloped land. Directly east of the Subject site is wooded undeveloped land, followed by single-family homes in average condition. A single-family home in average condition and South Main Street are located immediately south of the Subject site. West of the site is Kerry’s Print Shop and a single-family home in fair condition, followed by wooded land, railroad tracks, and various retail/commercial uses ranging from fair to good condition. Adjacent north of the Subject site is wooded undeveloped land and scattered single-family homes in average to good condition. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 53 out of 100. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood, approximately 0.4 miles from downtown Kennesaw. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.7 miles of the Subject site.

7. Crime:

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

2016 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
Total Crime*	96	139
Personal Crime*	47	130
Murder	45	155
Rape	49	88
Robbery	59	163
Assault	41	118
Property Crime*	102	140
Burglary	91	147
Larceny	107	134
Motor Vehicle Theft	92	178

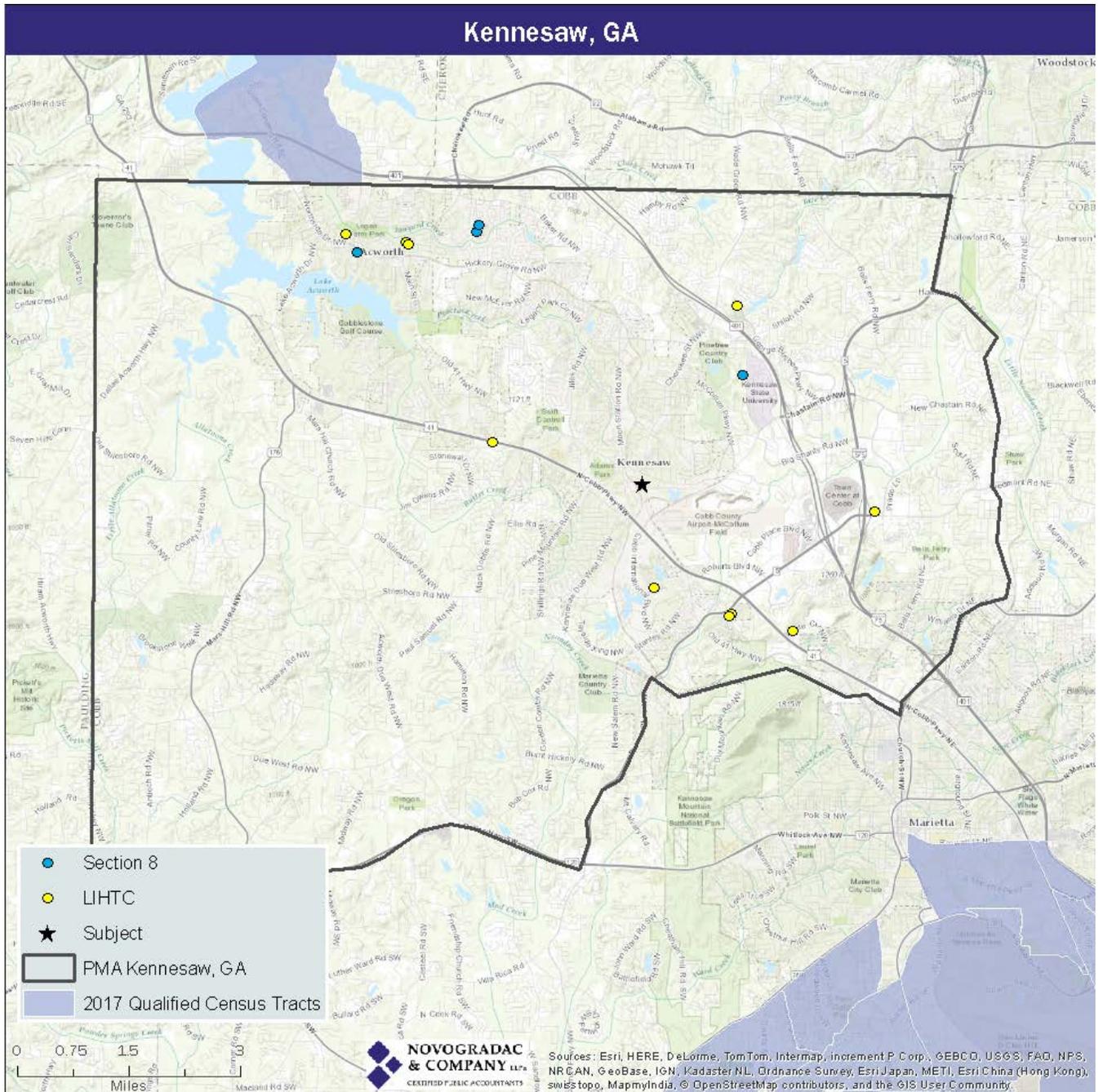
Source: Esri Demographics 2016, Novogradac & Company LLP, April 2017

*Unweighted aggregations

The total crime indices in the PMA are generally below that of the MSA and the nation. Personal crime in the PMA is significantly below national personal crime levels. The Subject will offer courtesy patrol as a security feature. All of the comparables offer at least one form of security feature, similar to the Subject.

8. Existing Assisted Rental Housing Property Map:

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



AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	City	Tenancy	# of Units	Distance from Subject	Map Color
Subject Name	LIHTC/Market	Kennesaw	Senior		-	Star
Barrington Square Apartments	Section 8	Acworth	Senior	50	4.0 miles	
Laurel's Edge	Section 8	Kennesaw	Senior	50	2.7 miles	
Fred G. Hull Homes	Section 8	Acworth	Family	50	5.1 miles	
Wingate Falls	LIHTC/Section 8	Acworth	Family	192	4.1 miles	
Legacy at Walton Park**	LIHTC	Acworth	Senior	100	5.2 miles	
Highland Court Apartments**	LIHTC/Market	Kennesaw	Senior	122	2.7 miles	
Cobblestone Landing Apts	LIHTC/Market	Kennesaw	Family	244	2.1 miles	
Alta Ridenour Senior Apts**	LIHTC/Market	Kennesaw	Senior	252	2.1 miles	
Lakeside Vista Apts**	LIHTC/Market	Kennesaw	Family	62	1.4 miles	
Walton Ridenour Apts	LIHTC/Market	Kennesaw	Family	260	2.2 miles	
Legacy At Walton Heights	LIHTC	Marietta	Senior	100	3.1 miles	
Legacy at Walton Overlook**	LIHTC/Market	Acworth	Senior	108	4.5 miles	
White Circle Phase I*	LIHTC	Marietta	Family	71	2.8 miles	

*Currently under construction

**Utilized as a comparable

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 Sardis Street and South Main Street. Sardis Street is a two-lane, neighborhood street, while South Main Street is a two-lane arterial through central Kennesaw. South Main Street connects to McCollum Parkway North 0.5 miles south of the site, and to Old 41 Highway approximately 1.3 miles southeast of the site. McCollum Parkway North provides access to Interstates 75 and 575, approximately 2.3 miles and 3.2 miles to the northeast, respectively. Overall, access and visibility are considered good.

11. Conclusion:

The Subject site is located at the northeast corner of Sardis Street and South Main Street. The Subject site is currently wooded undeveloped land. Surrounding uses consist of houses or worship, commercial, and single-family uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 90 percent occupied. The Subject site is considered “Somewhat Walkable” by *Walkscore* with a rating of 53 out of 100. Crime risk indices in the Subject’s area are considered low. The Subject site is considered a desirable building site for rental housing. The Subject is located in a residential neighborhood. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 4.7 miles of the Subject site.

D. MARKET AREA

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.

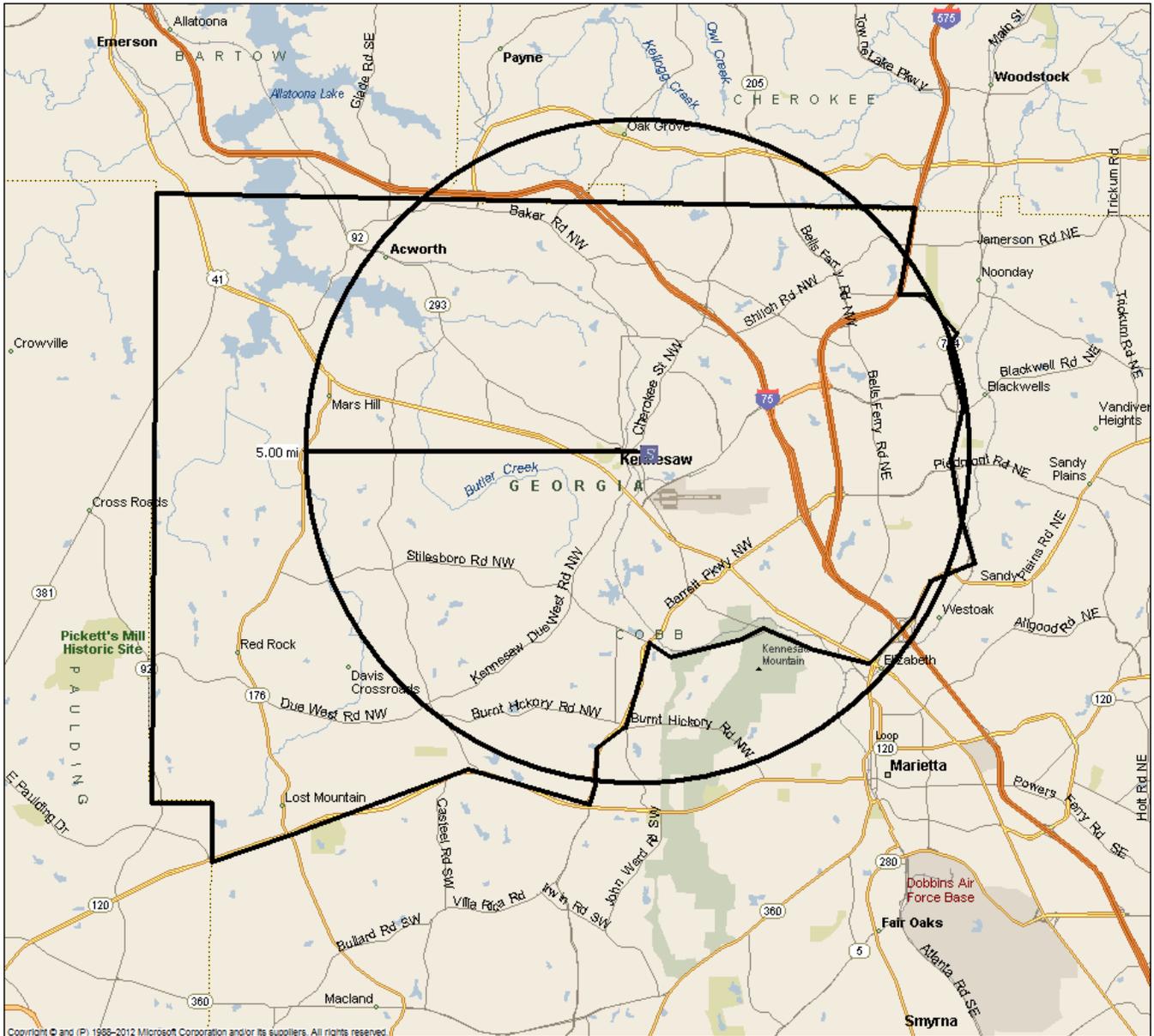
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA)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

The PMA is defined by the Cobb/Cherokee and Cobb/Bartow county lines to the north, Cobb/Paulding county line to the west, Dallas Highway/120 and Kennesaw Mountain National Battlefield Park to the south, and Canton Road and Interstate 575 to the east. This area consists of northwestern Cobb County, including the cities of Kennesaw and Acworth, as well as the far northern portion of Marietta. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 3.8 miles
East: 4.5 miles
South: 5.2 miles
West: 7.2 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. Many property managers indicated that a significant portion of their tenants come from out of state. Of those residents coming from within Georgia, most are coming from the Kennesaw area or surrounding communities. 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 7.2 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

Primary Market Area Map



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 the Atlanta-Sandy Springs-Roswell, GA MSA 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 MSA.

1. Population Trends

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

1a. Total Population

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

POPULATION						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	130,031	-	4,263,438	-	281,421,906	-
2010	173,604	3.4%	5,286,728	2.4%	308,745,538	1.0%
2017	188,135	0.5%	5,665,958	0.4%	323,580,626	0.3%
Proj. Mkt Entry	195,361	1.6%	5,856,355	1.4%	330,167,008	0.8%
2021	203,216	1.6%	6,063,308	1.4%	337,326,118	0.8%

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

SENIOR POPULATION 62+						
Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	9,612	-	407,225	-	41,475,021	-
2010	18,303	9.0%	625,999	5.4%	50,358,738	2.1%
2017	24,714	4.8%	803,915	3.9%	60,304,482	2.7%
Proj. Mkt Entry	30,076	5.8%	941,455	4.5%	68,000,953	3.3%
2021	31,928	5.8%	985,817	4.5%	70,321,565	3.3%

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

Between 2000 and 2010 there was approximately 3.4 percent annual population growth in the PMA and 2.4 percent annual population growth in the MSA, which significantly exceeded the national population growth during this time period. Over the next five years, the population growth in the PMA and the MSA is projected to increase at a rate of 1.6 percent and 1.4 percent annually, respectively, which exceeds national projections.

Senior population has experienced significant growth in both the PMA and MSA since 2000, which is expected to continue over the next five years. Overall, we believe that population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

1b. Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry June 2019	2021
0-4	10,655	10,590	10,807	11,112	11,444
5-9	10,766	12,791	12,035	12,121	12,215
10-14	10,345	13,811	13,837	13,711	13,573
15-19	8,576	14,912	14,635	14,865	15,114
20-24	7,380	13,653	14,076	13,829	13,560
25-29	10,055	10,908	14,482	14,503	14,525
30-34	11,984	10,772	12,673	14,487	16,458
35-39	13,771	12,971	12,095	13,236	14,476
40-44	12,249	14,223	13,701	13,478	13,235
45-49	9,857	14,978	14,222	13,984	13,726
50-54	8,080	12,886	14,476	14,407	14,332
55-59	5,293	9,736	12,526	13,149	13,827
60-64	3,525	7,675	9,641	10,770	11,998
65-69	2,700	4,925	7,399	8,209	9,090
70-74	1,924	3,442	4,851	5,855	6,946
75-79	1,436	2,458	3,089	3,638	4,234
80-84	850	1,582	1,940	2,166	2,411
85+	<u>587</u>	<u>1,291</u>	<u>1,650</u>	<u>1,841</u>	<u>2,048</u>
Total	130,033	173,604	188,135	195,359	203,212

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

POPULATION BY AGE GROUP

Atlanta-Sandy Springs-Roswell, GA MSA

Age Cohort	Atlanta-Sandy Springs-Roswell, GA MSA				
	2000	2010	2017	Projected Mkt Entry June 2019	2021
0-4	318,972	380,735	380,008	388,750	398,252
5-9	326,062	394,306	392,983	396,912	401,183
10-14	314,313	390,992	406,441	412,579	419,251
15-19	290,180	378,372	385,702	396,449	408,131
20-24	289,654	341,650	389,646	387,332	384,816
25-29	364,046	377,057	408,658	425,823	444,480
30-34	382,158	386,120	403,640	428,331	455,170
35-39	396,792	417,987	399,148	416,847	436,084
40-44	360,050	415,233	415,330	414,081	412,724
45-49	307,308	411,635	404,741	403,602	402,364
50-54	267,500	364,330	397,839	397,741	397,635
55-59	186,754	301,331	359,211	369,468	380,616
60-64	131,059	252,453	296,741	318,410	341,963
65-69	101,856	170,690	241,279	258,874	278,000
70-74	82,809	114,130	160,967	189,069	219,614
75-79	65,303	81,144	100,456	117,710	136,464
80-84	42,357	57,082	63,423	70,536	78,267
85+	<u>36,265</u>	<u>51,481</u>	<u>59,745</u>	<u>63,841</u>	<u>68,294</u>
Total	4,263,438	5,286,728	5,665,958	5,856,355	6,063,308

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

The largest age cohorts in the PMA are between 15 and 19, 25 and 29, and 50 and 54, which indicate the presence of families. Conversely, the largest age cohorts in the MSA are between 40 and 44, 10 and 14, and 25 and 29.

1c. Number of Elderly and Non-Elderly

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

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (62+)	Total Population	Non-Elderly	Elderly (62+)
2000	130,031	113,716	9,612	4,263,438	3,617,035	407,225
2010	173,604	142,495	18,303	5,286,728	4,258,417	625,999
2017	188,135	147,039	24,714	5,665,958	4,384,136	803,915
Projected Mkt Entry	195,361	149,733	28,170	5,856,355	4,468,447	891,076
2021	203,216	152,662	31,928	6,063,308	4,560,090	985,817

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

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

2. Household Trends

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

2a. Total Number of Households and Average Household Size

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

HOUSEHOLDS

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	46,212	-	1,559,712	-	105,480,101	-
2010	61,998	3.4%	1,943,885	2.5%	116,716,292	1.1%
2017	67,043	0.5%	2,065,785	0.4%	121,786,233	0.3%
Proj. Mkt Entry	69,606	1.6%	2,130,813	1.3%	124,138,000	0.8%
2021	72,392	1.6%	2,201,496	1.3%	126,694,268	0.8%

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

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 62+

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	6,181	-	253,346	-	26,202,060	-
2010	11,368	8.4%	362,824	4.3%	30,451,108	1.6%
2017	14,966	1.8%	567,275	3.3%	37,341,086	1.3%
Proj. Mkt Entry	16,826	5.2%	585,006	1.3%	39,764,305	2.7%
2021	18,849	5.2%	604,278	1.3%	42,398,240	2.7%

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

Household growth for households with a senior householder, 62+ grew more rapidly in the PMA than in the MSA and nation between 2000 and 2010 at a rate of 8.4 percent annually. Over the next five years, growth in the PMA is expected slow, but still vastly exceed growth in both the MSA and the nation.

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.80	-	2.68	-	2.59	-
2010	2.75	-0.2%	2.68	0.0%	2.58	-0.1%
2017	2.76	0.0%	2.70	0.1%	2.59	0.0%
Proj. Mkt Entry	2.76	0.0%	2.71	0.1%	2.59	0.1%
2021	2.76	0.0%	2.72	0.1%	2.60	0.1%

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

Household growth in the PMA exceeded that of the MSA and nation between 2000 and 2010. Over the next five years, the household growth in the PMA and MSA is expected to exceed the national household growth rate. The average household size in the PMA is slightly larger than that of the MSA and the nation at 2.76 persons in 2017. Over the next five years, the average household size is projected to remain relatively stable.

2b. Households by Tenure

The tables below depict 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	37,162	80.4%	9,050	19.6%
2017	45,943	68.5%	21,100	31.5%
Proj. Mkt Entry	47,530	68.3%	22,076	31.7%
2021	49,255	68.0%	23,137	32.0%

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

PMA TENURE PATTERNS OF SENIORS 62+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	5,232	84.6%	949	15.4%
2017	11,997	80.2%	2,969	19.8%
Proj. Mkt Entry	13,381	79.5%	3,446	20.5%
2021	14,885	79.0%	3,964	21.0%

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

As the table illustrates, households within the PMA reside in predominant owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a similar percentage of renters in the PMA relative to the nation. This percentage is projected to remain relatively stable over the next five years. In addition, approximately 19.8 senior households reside in renter-occupied residences in 2017. Both the percentage and number of senior renter households are expected to increase through the date of projected market entry and 2021.

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 June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,692	8.0%	1,704	7.7%	1,717	7.4%
\$10,000-19,999	2,315	11.0%	2,305	10.4%	2,294	9.9%
\$20,000-29,999	2,691	12.8%	2,685	12.2%	2,679	11.6%
\$30,000-39,999	2,948	14.0%	2,975	13.5%	3,004	13.0%
\$40,000-49,999	2,446	11.6%	2,517	11.4%	2,593	11.2%
\$50,000-59,999	1,946	9.2%	2,066	9.4%	2,198	9.5%
\$60,000-74,999	2,435	11.5%	2,575	11.7%	2,728	11.8%
\$75,000-99,999	2,280	10.8%	2,499	11.3%	2,738	11.8%
\$100,000-124,999	806	3.8%	930	4.2%	1,065	4.6%
\$125,000-149,999	639	3.0%	747	3.4%	865	3.7%
\$150,000-199,999	578	2.7%	663	3.0%	756	3.3%
\$200,000+	324	1.5%	409	1.9%	500	2.2%
Total	21,100	100.0%	22,076	100.0%	23,137	100.0%

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

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

Income Cohort	2017		Projected Mkt Entry June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	91,779	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	105,946	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	105,865	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	97,851	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	82,242	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	66,335	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	74,595	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	72,462	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	41,515	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,723	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,764	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	23,539	2.9%	24,347	2.9%
Total	783,097	100.0%	808,617	100.0%	836,356	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION – PMA 62+

Income Cohort	2017		Projected Mkt Entry June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	268	9.0%	313	9.1%	362	9.1%
\$10,000-19,999	483	16.3%	526	15.3%	574	14.5%
\$20,000-29,999	421	14.2%	471	13.7%	526	13.3%
\$30,000-39,999	276	9.3%	320	9.3%	368	9.3%
\$40,000-49,999	384	12.9%	450	13.1%	522	13.2%
\$50,000-59,999	171	5.8%	204	5.9%	241	6.1%
\$60,000-74,999	184	6.2%	210	6.1%	237	6.0%
\$75,000-99,999	293	9.9%	349	10.1%	410	10.3%
\$100,000-124,999	203	6.8%	244	7.1%	288	7.3%
\$125,000-149,999	92	3.1%	123	3.6%	158	4.0%
\$150,000-199,999	104	3.5%	122	3.5%	141	3.6%
\$200,000+	90	3.0%	113	3.3%	137	3.5%
Total	2,969	100.0%	3,446	100.0%	3,964	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA 62+

Income Cohort	2017		Projected Mkt Entry June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	17,494	12.1%	18,064	12.1%	18,683	12.1%
\$10,000-19,999	26,977	18.7%	27,856	18.7%	28,812	18.7%
\$20,000-29,999	19,546	13.6%	20,183	13.6%	20,875	13.6%
\$30,000-39,999	14,950	10.4%	15,437	10.4%	15,967	10.4%
\$40,000-49,999	12,158	8.4%	12,554	8.4%	12,985	8.4%
\$50,000-59,999	9,565	6.6%	9,877	6.6%	10,215	6.6%
\$60,000-74,999	9,401	6.5%	9,708	6.5%	10,041	6.5%
\$75,000-99,999	10,459	7.3%	10,800	7.3%	11,170	7.3%
\$100,000-124,999	7,879	5.5%	8,136	5.5%	8,415	5.5%
\$125,000-149,999	5,544	3.8%	5,724	3.8%	5,921	3.8%
\$150,000-199,999	4,635	3.2%	4,786	3.2%	4,950	3.2%
\$200,000+	5,596	3.9%	5,778	3.9%	5,977	3.9%
Total	144,203	100.0%	148,903	100.0%	154,011	100.0%

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

The Subject will target tenants earning between \$17,445 and \$68,000. As the table above depicts, approximately 67.5 percent of senior renter households in the PMA earn less than \$60,000 annually, while 39.5 percent of senior households earn less than \$30,000 annually. For the projected market entry date of June 2019, these percentages are projected to slightly decrease.

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

The following table illustrates household size for all households in 2017, market entry, 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 June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	7,350	34.8%	7,699	34.9%	8,080	34.9%
2 Persons	6,062	28.7%	6,277	28.4%	6,511	28.1%
3 Persons	3,409	16.2%	3,558	16.1%	3,719	16.1%
4 Persons	2,155	10.2%	2,276	10.3%	2,407	10.4%
5+ Persons	2,124	10.1%	2,266	10.3%	2,420	10.5%
Total Households	21,100	100.0%	22,076	100.0%	23,137	100.0%

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS – PMA 62+

Household Size	2017		Projected Mkt Entry June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	1,510	51%	1,753	52%	2,018	54%
2 Persons	876	29%	1,030	31%	1,197	32%
3 Persons	218	7%	244	7%	273	7%
4 Persons	185	6%	212	6%	242	6%
5+ Persons	180	6%	100	3%	13	0%
Total Households	2,969	100%	3,340	100%	3,743	100%

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

The majority of renter households in the PMA overall are one to two-person households, which is similar to senior renter households.

Conclusion

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of population and household growth is projected to continue through 2021. The population of the PMA is 188,135 in 2017 and is expected to be 195,361 by projected market entry. Renter households are concentrated in the lowest income cohorts, with 49.7 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target senior households earning between \$17,445 and \$32,400 for its LIHTC units and up to \$68,000 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been significant over the last decade, and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

Cobb County is economically reliant on trade, transportation, and utilities, as well as professional and business services, while the PMA’s economy is heavily reliant on the retail trade and healthcare industries. Employment levels in the MSA decreased during the national recession, but have surpassed pre-recession highs; the MSA is now in an expansionary phase, with significant increases in total jobs since 2015. This period of growth in the MSA is similar to trends experienced in Cobb County.

1. Total Jobs

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

TOTAL JOBS IN COBB COUNTY, GEORGIA

Year	Total Employment	% Change
2007	365,319	-
2008	360,319	-1.4%
2009	340,632	-5.8%
2010	344,871	1.2%
2011	350,725	1.7%
2012	358,787	2.2%
2013	363,027	1.2%
2014	370,284	2.0%
2015	391,386	5.4%
2016	397,603	1.6%
2017 YTD Average*	399,874	0.6%
Feb-16	383,844	-
Feb-17	402,144	4.6%

Source: U.S. Bureau of Labor Statistics

*YTD as of February 2017

As illustrated in the table above, Cobb County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth quickly rebounded and Cobb County exhibited employment growth from 2010 through 2017 year-to-date. Employment growth has been significant in recent years, with an increase of 5.39 percent in 2015 and an increase of 4.55 percent from February 2016 to February 2017, with smaller increases of 1.56 and 0.57 percent in 2016 and 2017 year-to-date, respectively.

2. Total Jobs by Industry

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

FEBRUARY 2017 COVERED EMPLOYMENT COBB COUNTY, GEORGIA

	Number	Percent
Total, all industries	312,755	-
Goods-producing	-	-
Natural resources and mining	140	0.0%
Construction	24,869	8.0%
Manufacturing	18,061	5.8%
Service-providing	-	-
Trade, transportation, and utilities	76,042	24.3%
Information	9,799	3.1%
Financial activities	21,695	6.9%
Professional and business services	74,079	23.7%
Education and health services	39,538	12.6%
Leisure and hospitality	38,231	12.2%
Other services	8,796	2.8%
Unclassified	1,505	0.5%

Source: Bureau of Labor Statistics, 2017

Trade, transportation, and utilities is the largest industry in Cobb County, followed by professional and business services. The trade and transportation industries are particularly vulnerable in economic downturns and are historically volatile industries, while utilities and professional and business services industries are generally more stable.

The following table illustrates employment by industry for the PMA as of 2016 (most recent year available).

2016 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	12,660	13.0%	17,169,304	11.3%
Healthcare/Social Assistance	10,187	10.5%	21,304,508	14.1%
Professional/Scientific/Tech Services	9,489	9.8%	10,269,978	6.8%
Educational Services	9,414	9.7%	14,359,370	9.5%
Accommodation/Food Services	8,934	9.2%	11,574,403	7.6%
Manufacturing	8,192	8.4%	15,499,826	10.2%
Construction	5,660	5.8%	9,342,539	6.2%
Finance/Insurance	5,012	5.2%	6,942,986	4.6%
Other Services (excl Public Admin)	4,795	4.9%	7,463,834	4.9%
Admin/Support/Waste Mgmt. Services	4,357	4.5%	6,511,707	4.3%
Transportation/Warehousing	4,072	4.2%	6,128,217	4.0%
Wholesale Trade	3,523	3.6%	4,066,471	2.7%
Public Administration	3,054	3.1%	7,093,689	4.7%
Information	2,689	2.8%	2,862,063	1.9%
Arts/Entertainment/Recreation	2,203	2.3%	3,416,474	2.3%
Real Estate/Rental/Leasing	1,946	2.0%	2,946,196	1.9%
Utilities	836	0.9%	1,344,219	0.9%
Agriculture/Forestry/Fishing/Hunting	237	0.2%	2,253,044	1.5%
Mgmt. of Companies/Enterprises	60	0.1%	89,612	0.1%
Mining	0	0.0%	749,242	0.5%
Total Employment	97,320	100.0%	151,387,682	100.0%

Source: Esri Demographics 2016, Novogradac & Company LLP, April 2017

The largest industries in the PMA are retail trade, healthcare/social assistance, and professional/scientific/technology services. The percentage of professional/scientific/technology services jobs in the PMA is significantly higher than that of the nation. The accommodation/food services and retail trade industries are also over represented in the PMA; industries under-represented in the PMA include healthcare/social assistance, manufacturing, public administration, and agriculture/forestry/fishing/hunting. As will be demonstrated in the employment discussion, the manufacturing and retail trade industries have been affected by numerous layoffs and employment decreases. Which does not bode well for the PMA as the retail trade and manufacturing sectors make up 13.0 and 8.4 percent of total employment, respectively.

3. Major Employers

The table below shows the largest employers in Kennesaw, GA.

2016 MAJOR EMPLOYERS - KENNESAW, GA

#	Company	Industry	Number of Employees
1	Kennesaw State University	Higher Education	5,980
2	Brand Energy & Infrastructure Holdings	Retail	2,803
3	Publix Super Market Inc.	Retail	381
4	Fabric.com Inc.	Manufacturing	317
5	Atlanta Bonded Warehouse	Storage/Warehousing	270
6	Tug Technologies Corp.	Technology	152
7	Cintas Corporation	Distribution	137
8	Owens & Minor Distribution	Distribution	127
9	Shady Grove Rest Home	Assisted Living	120
10	Crane Nuclear Inc.	Nuclear Engineering	97

Source: City of Kennesaw Economic Development Department, 4/2017

We also referenced a list of major employers in Cobb County, which is detailed below.

MAJOR EMPLOYERS - COBB COUNTY, GA

#	Company	Industry	Location	Number of Employees
1	Cobb County Schools	Education	Marietta	14,984
2	Home Depot	Retail	Marietta	12,000
3	WellStar	Healthcare	Austell	11,596
4	Kennesaw State University	Higher Education	Kennesaw	5,980
5	Lockheed Martin	Aerospace/Defense	Marietta	5,100
6	Cobb County Government	Government	Marietta	5,086
7	Publix Super Markets Inc.	Retail	County-wide	3,619
8	Brand Energy & Infrastructure Holdings	Retail	Kennesaw	2,803
9	Six Flags Over Georgia	Entertainment	Austell	2,772
10	The Kroger Company	Defense	County-wide	2,523

Source: Cobb County Chamber of Commerce, 4/2017

Cobb County Schools is the largest employer in Cobb County. Other major employers are within the healthcare, aerospace/defense, entertainment, and retail industries. While healthcare and education are historically stable industries, retail is historically volatile during times of economic downturn. Further, two of the county's 10 largest employers are located in Kennesaw.

4. Expansions/Contractions

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

WARN NOTICES - COBB COUNTY, GA (2014-2017)

Company	Industry	Number of Employees Affected
2017		
Walmart	Retail	68
Remington Outdoor Company	Manufacturing	23
PFG Customized Distribution	Distribution	170
CAN Capital Inc.	Finance	136
bebe	Retail	11
2016		
Hannah and Associates	Debt Collection Law Firm	200
McKesson Medical/Surgical	Distribution	30
Technicolor Home Entertainment Services SE	Technology	63
Amrep/ZepInc	Manufacturing	74
WellStar	Healthcare	521
Ditech	Finance	79
Coca Cola European Partners	Distribution	89
Talenti Gelato LLC	Manufacturing	234
2015		
Meda Pharmaceuticals	Healthcare/Manufacturing	21
Staples	Retail	150
Triton Digital	Technology	51
Sodexo	Food Services	167
Office Depot Inc.	Retail	75
Garda World	Security	56
World Marketing Atlanta	Sales/Marketing	105
2014		
Radisson Hotel	Hospitality	25
Archiver's	Retail	15
McKesson Medical Supply	Distribution	13
BrandsMart USA	Retail	108
Remington Outdoor Company	Manufacturing	34
Acosta Sales and Marketing	Sales/Marketing	50
Alorica Inc.	Business Consulting	135
Emory-Adventist Hospital	Healthcare	517
Cobb Medical Associates	Healthcare	64
Walden Security	Security	38

As illustrated in the above table, there have been 3,322 employees in the area impacted by layoffs or closures since 2014. Despite these job losses that have been reported, there has been net growth occurring in the area.

We gathered information on recent local business expansions from the City of Kennesaw Economic Development website, as well as several online articles, which are detailed following. It should be noted that we reached out to several contacts with the City of Kennesaw, as well as Cobb County and the Cobb County Chamber of Commerce, but as of the date of the report, our requests for business expansion and contraction data have not been returned.

- One major development within Kennesaw is the Kennesaw Marketplace, which is a 50-acre mixed-use development at the corner of Cobb Parkway and Barrett Parkway. According to an online article from August 2016 in the Marietta Daily Journal, the retail portion of the development was partially completed in fall 2016, with the remainder of retail space and residential space being completed throughout 2017. The developer expects the development to have a large economic impact, creating between 1,600 and 2,000 new jobs. The project first broke ground in mid-2015. Anchor tenants include Whole Foods, Academy Sports, Petco, and Hobby Lobby, with several other surrounding retail stores and restaurants, such as Starbucks, Zoe's Kitchen, Freddy's Steakburgers, Mattress Firm, and QuikTrip. While Whole Foods is still under construction, many of the retail spaces are currently open. Another portion of the phase currently still under construction is a residential apartment building on the south end of the site, which will target seniors 55 and older. The property will offer 180 market rate units; however, further details were unavailable.
- According to the Cobb County Chamber of Commerce 2017 Economic Development Guide, Cobb County is a large technology hub for the metropolitan area and is home to many large brands such as Travel Port, The Weather Company, GE, and The Home Depot. New companies to the county include Greenway Health, Novelis, Vonage Business Solutions, and Comcast. Cobb County offers a centralized and easily accessible location, with sufficient space available for large-scale business operations, which draws companies to the area. Home Depot built a new 200,000-square-foot tech center in Marietta and created 525 new jobs in late 2015. Additionally in 2015, Greenway Health expanded of its technology center in Cumberland, creating an additional 150 jobs.
- A major development within Cobb County is the new SunTrust Park ballpark in Cumberland, which serves as the home field for the Atlanta Braves as of the start of the 2017 season. In addition to the stadium, the mixed-use development includes retail space, an indoor entertainment facility (The Roxy), a nine-story office tower (Comcast offices), and a 260-room Omni hotel that offers a restaurant and 12,500 square feet of meeting space.
- According to an article from November 2016 published by the Atlanta Business Chronicle, other than the above referenced development projects, Smyrna is currently developing 82 acres of riverfront space. Riverview Landing will include retail stores, residential homes, restaurants, and green space. In addition, Cumberland will have a total of five new office towers in the coming years. Several communities within Cobb County are transforming, adding housing, recreation, and shopping. Further, since 2015, has realized approximately \$313-million in economic impact, with more than 5,200 new jobs at major employers such as Comcast, Aaron's Inc., The Home Depot, and Synovus Financial Corporation.

5. Employment and Unemployment Trends

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

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

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

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

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

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

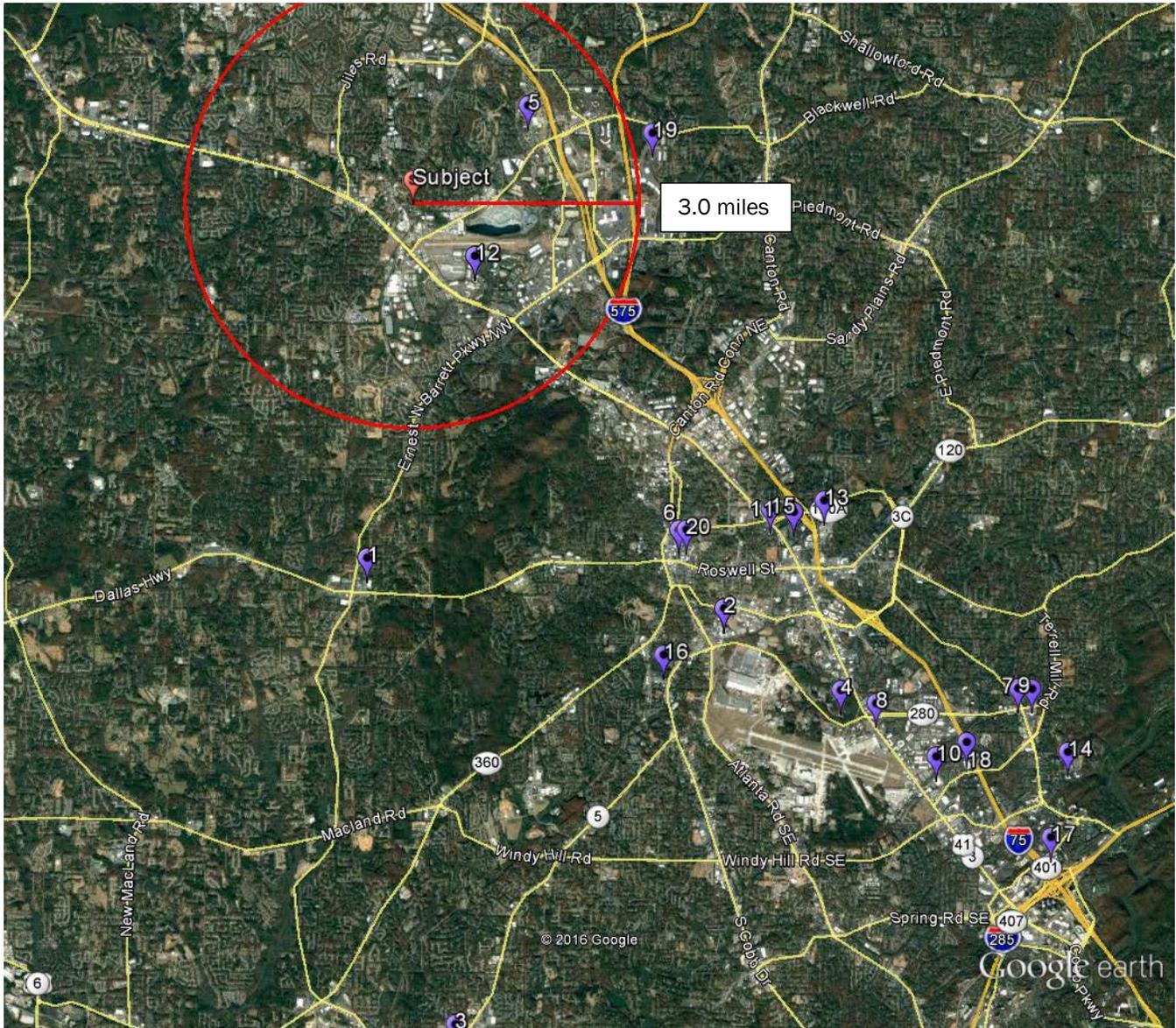
Source: U.S. Bureau of Labor Statistics April 2017

Between 2002 and 2007, total employment in the MSA exhibited positive growth, with a pre-recession peak occurring in 2007. While the nation experienced its most significant recession-related employment losses in 2009, at the height of the recession, the MSA was more significantly impacted at this time experiencing a 5.9 percent annual decrease in total employment. Overall, the MSA experienced total employment losses of 6.9 percent compared to 4.9 percent nationally. However, as of February 2017 both the MSA and the nation have surpassed their pre-recessionary employment levels. Furthermore, the total employment growth in the MSA from February 2016 to February 2017 was over five times the rate of employment growth in the nation during the same time period.

Historically, the MSA has reported a similar unemployment rate relative to the nation. Unemployment in the MSA began increasing during 2008, at the onset of the national recession. Similar to total employment, the MSA maintained a higher unemployment rate throughout the entire recession relative to the nation. Unemployment data in February 2017 shows the unemployment rate in the MSA similar to that of the nation. Given that total employment in the MSA has surpassed its pre-recessionary levels, and local employment growth and unemployment are both similar if not outperforming the nation, it appears the MSA has fully recovered and entered into an expansionary phase.

6. Map of Site and Major Employment Concentrations

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



Source: Google Earth, April 2017.

MAJOR EMPLOYERS - COBB COUNTY, GA

#	Company	Industry	Location	Number of Employees
1	Home Depot	Retail	County-wide	20,000
2	Cobb County Schools	Education	Marietta	18,751
3	WellStar	Healthcare	Austell	12,746
4	Lockheed Martin	Aerospace	Marietta	6,900
5	Kennesaw State University	Higher Education	Kennesaw	4,404
6	Cobb County Government	Government	Marietta	4,210
7	Publix Super Markets Inc.	Retail	County-wide	2,988
8	Dobbins Airforce Base	Military	Marietta	2,547
9	The Kroger Company	Retail	County-wide	2,383
10	Walmart	Retail	County-wide	2,258
11	Six Flags	Entertainment	Austell	2,010
12	Alorica Inc.	Business Services	Kennesaw	1,950
13	Tip Top Poultry	Food Products Supplier	Rockmart	1,435
14	Genuine Parts	Distribution	Atlanta	1,274
15	Marietta City Schools	Education	Marietta	1,139
16	Chattahoochee Tech. Institute	Higher Education	Marietta	1,100
17	Birch (Formerly Cbeyond)	Technology	Marietta	925
18	Quintiles Labs	Laboratory	Marietta	819
19	CCH Small Firm Services	Technology	Kennesaw	752
20	City of Marietta	Government	Marietta	719

Source: Cobb County Office of Economic Development/Cobb County Chamber of Commerce, April 2017

7. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 52.2 percent of total local employment. However, two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent greater than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, similar to the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

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 established by HUD and assume 30 percent of its household income at the appropriate AMI level.

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

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. We have estimated a maximum income of \$68,000 for the market rate units, which is similar to the MSA’s 2016 four-person AMI level (\$67,500).

2. Affordability

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

SENIOR 62+ INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	50% AMI		60% AMI		Market Rate	
1BR	\$17,445	\$27,000	\$20,847	\$32,400	\$26,100	\$68,000
2BR	\$20,973	\$27,000	\$25,077	\$32,400	\$31,200	\$68,000

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
Kennesaw Marketplace Apartments	Market	Kennesaw	Senior	Under construction	180
Legacy at Walton Park	LIHTC/PBRA	Acworth	Senior	Complete	40

It should be noted that we have only deducted 40 two-bedroom units at Legacy at Walton Park, as the remaining units are subsidized and are not considered to be directly competitive with the Subject.

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, placed in service, or stabilizing between 2014 and present.

ADDITIONS TO SUPPLY 2017

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Unrestricted	Overall
1BR	-	-	0	0	99	90
2BR	-	-	0	40	96	130
Total	-	-	0	40	180	220

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	City	Tenancy	# of Units	Occupancy
Legacy at Walton Park	LIHTC/PBRA	Acworth	Senior	100	100.0%
Highland Court Apartments	LIHTC/Market	Kennesaw	Senior	122	100.0%
Alta Ridenour Senior Apts	LIHTC/Market	Kennesaw	Senior	252	99.2%
Legacy At Walton Heights	LIHTC	Marietta	Senior	100	100.0%
Legacy at Walton Overlook	LIHTC/Market/PBR	Acworth	Senior	108	100.0%
Average PMA Occupancy					99.8%

The average occupancy rate of competitive developments in the PMA is 99.8 percent.

Rehab Developments and PBRA

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

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

5. Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 62+

Income Cohort	2017		Projected Mkt Entry June 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	268	9.0%	313	9.1%	362	9.1%
\$10,000-19,999	483	16.3%	526	15.3%	574	14.5%
\$20,000-29,999	421	14.2%	471	13.7%	526	13.3%
\$30,000-39,999	276	9.3%	320	9.3%	368	9.3%
\$40,000-49,999	384	12.9%	450	13.1%	522	13.2%
\$50,000-59,999	171	5.8%	204	5.9%	241	6.1%
\$60,000-74,999	184	6.2%	210	6.1%	237	6.0%
\$75,000-99,999	293	9.9%	349	10.1%	410	10.3%
\$100,000-124,999	203	6.8%	244	7.1%	288	7.3%
\$125,000-149,999	92	3.1%	123	3.6%	158	4.0%
\$150,000-199,999	104	3.5%	122	3.5%	141	3.6%
\$200,000+	90	3.0%	113	3.3%	137	3.5%
Total	2,969	100.0%	3,446	100.0%	3,964	100.0%

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

50% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 50%					
Minimum Income Limit		\$17,445		Maximum Income Limit	
				\$27,000	
New Renter Households - Total					
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry June 2019	Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	45	9.4%		0.0%	0
\$10,000-19,999	43	9.1%	2,554	25.5%	11
\$20,000-29,999	50	10.5%	7,000	70.0%	35
\$30,000-39,999	44	9.2%		0.0%	0
\$40,000-49,999	66	13.9%		0.0%	0
\$50,000-59,999	33	7.0%		0.0%	0
\$60,000-74,999	25	5.3%		0.0%	0
\$75,000-99,999	56	11.7%		0.0%	0
\$100,000-124,999	41	8.6%		0.0%	0
\$125,000-149,999	32	6.7%		0.0%	0
\$150,000-199,999	18	3.8%		0.0%	0
\$200,000+	22	4.7%		0.0%	0
Total	477	100.0%		9.7%	46

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 50%					
Minimum Income Limit		\$17,445		Maximum Income Limit	
				\$27,000	
Income Category	Total Renter Households PMA 2017	Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	268	9.0%		0.0%	0
\$10,000-19,999	483	16.3%	2,554	25.5%	123
\$20,000-29,999	421	14.2%	7,000	70.0%	295
\$30,000-39,999	276	9.3%		0.0%	0
\$40,000-49,999	384	12.9%		0.0%	0
\$50,000-59,999	171	5.8%		0.0%	0
\$60,000-74,999	184	6.2%		0.0%	0
\$75,000-99,999	293	9.9%		0.0%	0
\$100,000-124,999	203	6.8%		0.0%	0
\$125,000-149,999	92	3.1%		0.0%	0
\$150,000-199,999	104	3.5%		0.0%	0
\$200,000+	90	3.0%		0.0%	0
Total	2,969	100.0%		14.1%	418

ASSUMPTIONS - 50%					
Tenancy	Senior	% of Income towards Housing			40%
Rural/Urban	Urban	Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	80%	20%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	100%	0%
5+	0%	0%	0%	100%	0%

Demand from New Renter Households 2017 to June 2019

Income Target Population	50%
New Renter Households PMA	477
Percent Income Qualified	9.7%
New Renter Income Qualified Households	46

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	50%
Total Existing Demand	2,969
Income Qualified	14.1%
Income Qualified Renter Households	418
Percent Rent Overburdened Prj Mrkt Entry June 2019	38.5%
Rent Overburdened Households	161

Demand from Living in Substandard Housing

Income Qualified Renter Households	418
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	1

Senior Households Converting from Homeownership

Income Target Population	50%
Total Senior Homeowners	13,381
Rural Versus Urban	0.01%
Senior Demand Converting from Homeownership	1

Total Demand

Total Demand from Existing Households	163
Total New Demand	46
Total Demand (New Plus Existing Households)	210

Demand from Seniors Who Convert from Homeownership	1
Percent of Total Demand From Homeownership Conversion	0.6%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	51.3%	107
Two Persons	30.6%	64
Three Persons	7.3%	15
Four Persons	5.6%	12
Five Persons	5.2%	11
Total	100.0%	210

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	86
Of two-person households in 1BR units	20%	13
Of one-person households in 2BR units	20%	21
Of two-person households in 2BR units	80%	51
Total Demand		210

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	99	-	0	=	99			
2 BR	73	-	0	=	73			
Total	172		0		172			

Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	8	/	99	=	8.1%			
2 BR	20	/	73	=	27.5%			
Total	28		172		16.3%			

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60%					
Minimum Income Limit		\$20,847		Maximum Income Limit	
				\$32,400	
New Renter Households - Total					
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry June 2019	Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	45	9.4%		0.0%	0
\$10,000-19,999	43	9.1%		0.0%	0
\$20,000-29,999	50	10.5%	9,152	91.5%	46
\$30,000-39,999	44	9.2%	2,400	24.0%	11
\$40,000-49,999	66	13.9%		0.0%	0
\$50,000-59,999	33	7.0%		0.0%	0
\$60,000-74,999	25	5.3%		0.0%	0
\$75,000-99,999	56	11.7%		0.0%	0
\$100,000-124,999	41	8.6%		0.0%	0
\$125,000-149,999	32	6.7%		0.0%	0
\$150,000-199,999	18	3.8%		0.0%	0
\$200,000+	22	4.7%		0.0%	0
Total	477	100.0%		11.8%	56

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60%					
Minimum Income Limit		\$20,847		Maximum Income Limit	
				\$32,400	
Income Category	Total Renter Households PMA 2017	Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	268	9.0%		0.0%	0
\$10,000-19,999	483	16.3%		0.0%	0
\$20,000-29,999	421	14.2%	9,152	91.5%	386
\$30,000-39,999	276	9.3%	2,400	24.0%	66
\$40,000-49,999	384	12.9%		0.0%	0
\$50,000-59,999	171	5.8%		0.0%	0
\$60,000-74,999	184	6.2%		0.0%	0
\$75,000-99,999	293	9.9%		0.0%	0
\$100,000-124,999	203	6.8%		0.0%	0
\$125,000-149,999	92	3.1%		0.0%	0
\$150,000-199,999	104	3.5%		0.0%	0
\$200,000+	90	3.0%		0.0%	0
Total	2,969	100.0%		15.2%	452

ASSUMPTIONS - 60%					
Tenancy	Senior	% of Income towards Housing			40%
Rural/Urban	Urban	Maximum # of Occupants			2
Persons in Household	0BR	1BR	2BR	3BR	4BR+
1	0%	80%	20%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	100%	0%
5+	0%	0%	0%	100%	0%

Demand from New Renter Households 2017 to June 2019

Income Target Population	60%
New Renter Households PMA	477
Percent Income Qualified	11.8%
New Renter Income Qualified Households	56

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	2,969
Income Qualified	15.2%
Income Qualified Renter Households	452
Percent Rent Overburdened Prj Mrkt Entry June 2019	38.5%
Rent Overburdened Households	174

Demand from Living in Substandard Housing

Income Qualified Renter Households	452
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	1

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	13,381
Rural Versus Urban	0.01%
Senior Demand Converting from Homeownership	1

Total Demand

Total Demand from Existing Households	176
Total New Demand	56
Total Demand (New Plus Existing Households)	233

Demand from Seniors Who Convert from Homeownership	1
Percent of Total Demand From Homeownership Conversion	0.6%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	51.3%	119
Two Persons	30.6%	71
Three Persons	7.3%	17
Four Persons	5.6%	13
Five Persons	5.2%	12
Total	100.0%	233

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	96
Of two-person households in 1BR units	20%	14
Of one-person households in 2BR units	20%	24
Of two-person households in 2BR units	80%	57
Total Demand		233

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	110	-	0	=	110
2 BR	81	-	40	=	41
Total	191		40		151

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	20	/	110	=	18.2%
2 BR	10	/	41	=	24.5%
Total	30		151		19.9%

Market Rate

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Market					
Minimum Income Limit		\$26,100		Maximum Income Limit	
				\$68,000	
New Renter Households - Total					
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry June 2019	Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	45	9.4%		0.0%	0
\$10,000-19,999	43	9.1%		0.0%	0
\$20,000-29,999	50	10.5%	3,899	39.0%	20
\$30,000-39,999	44	9.2%	9,999	100.0%	44
\$40,000-49,999	66	13.9%	9,999	100.0%	66
\$50,000-59,999	33	7.0%	\$9,999	100.0%	33
\$60,000-74,999	25	5.3%	\$8,000	53.3%	14
\$75,000-99,999	56	11.7%		0.0%	0
\$100,000-124,999	41	8.6%		0.0%	0
\$125,000-149,999	32	6.7%		0.0%	0
\$150,000-199,999	18	3.8%		0.0%	0
\$200,000+	22	4.7%		0.0%	0
Total	477	100.0%		37.1%	177

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Market					
Minimum Income Limit		\$26,100		Maximum Income Limit	
				\$68,000	
Income Category	Total Renter Households PMA 2017	Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	268	9.0%		0.0%	0
\$10,000-19,999	483	16.3%		0.0%	0
\$20,000-29,999	421	14.2%	3,899	39.0%	164
\$30,000-39,999	276	9.3%	9,999	100.0%	276
\$40,000-49,999	384	12.9%	9,999	100.0%	384
\$50,000-59,999	171	5.8%	\$9,999	100.0%	171
\$60,000-74,999	184	6.2%	\$8,000	53.3%	98
\$75,000-99,999	293	9.9%		0.0%	0
\$100,000-124,999	203	6.8%		0.0%	0
\$125,000-149,999	92	3.1%		0.0%	0
\$150,000-199,999	104	3.5%		0.0%	0
\$200,000+	90	3.0%		0.0%	0
Total	2,969	100.0%		36.8%	1,093

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

Demand from New Renter Households 2017 to June 2019

Income Target Population	Market
New Renter Households PMA	477
Percent Income Qualified	37.1%
New Renter Income Qualified Households	177

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Market
Total Existing Demand	2,969
Income Qualified	36.8%
Income Qualified Renter Households	1,093
Percent Rent Overburdened Prj Mrkt Entry June 2019	38.5%
Rent Overburdened Households	420

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,093
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	3

Senior Households Converting from Homeownership

Income Target Population	Market
Total Senior Homeowners	13,381
Rural Versus Urban	0.01%
Senior Demand Converting from Homeownership	1

Total Demand

Total Demand from Existing Households	425
Total New Demand	177
Total Demand (New Plus Existing Households)	602

Demand from Seniors Who Convert from Homeownership	1
Percent of Total Demand From Homeownership Conversion	0.2%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	51.3%	309
Two Persons	30.6%	184
Three Persons	7.3%	44
Four Persons	5.6%	34
Five Persons	5.2%	31
Total	100.0%	602

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	247
Of two-person households in 1BR units	20%	37
Of one-person households in 2BR units	20%	62
Of two-person households in 2BR units	80%	147
Total Demand		602

Total Demand (Subject Unit Types)			Additions to Supply			Net Demand		
1 BR	284	-	90	=	194			
2 BR	209	-	90	=	119			
Total	493		180		313			

Developer's Unit Mix			Net Demand			Capture Rate		
1 BR	8	/	194	=	4.1%			
2 BR	12	/	119	=	10.1%			
Total	20		313		6.4%			

Overall

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall					
Minimum Income Limit		\$17,445		Maximum Income Limit	
				\$68,000	
New Renter Households - Total					
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry June 2019	Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	45	9.4%		0.0%	0
\$10,000-19,999	43	9.1%	2,554	25.5%	11
\$20,000-29,999	50	10.5%	9,999	100.0%	50
\$30,000-39,999	44	9.2%	9,999	100.0%	44
\$40,000-49,999	66	13.9%	9,999	100.0%	66
\$50,000-59,999	33	7.0%	\$9,999	100.0%	33
\$60,000-74,999	25	5.3%	\$8,000	53.3%	14
\$75,000-99,999	56	11.7%		0.0%	0
\$100,000-124,999	41	8.6%		0.0%	0
\$125,000-149,999	32	6.7%		0.0%	0
\$150,000-199,999	18	3.8%		0.0%	0
\$200,000+	22	4.7%		0.0%	0
Total	477	100.0%		45.8%	218

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall					
Minimum Income Limit		\$17,445		Maximum Income Limit	
				\$68,000	
Income Category	Total Renter Households PMA 2017	Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	268	9.0%		0.0%	0
\$10,000-19,999	483	16.3%	2,554	25.5%	123
\$20,000-29,999	421	14.2%	9,999	100.0%	421
\$30,000-39,999	276	9.3%	9,999	100.0%	276
\$40,000-49,999	384	12.9%	9,999	100.0%	384
\$50,000-59,999	171	5.8%	\$9,999	100.0%	171
\$60,000-74,999	184	6.2%	\$8,000	53.3%	98
\$75,000-99,999	293	9.9%		0.0%	0
\$100,000-124,999	203	6.8%		0.0%	0
\$125,000-149,999	92	3.1%		0.0%	0
\$150,000-199,999	104	3.5%		0.0%	0
\$200,000+	90	3.0%		0.0%	0
Total	2,969	100.0%		49.6%	1,473

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

Demand from New Renter Households 2017 to June 2019

Income Target Population	Overall
New Renter Households PMA	477
Percent Income Qualified	45.8%
New Renter Income Qualified Households	218

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	2,969
Income Qualified	49.6%
Income Qualified Renter Households	1,473
Percent Rent Overburdened Prj Mrkt Entry June 2019	38.5%
Rent Overburdened Households	567

Demand from Living in Substandard Housing

Income Qualified Renter Households	1,473
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	4

Senior Households Converting from Homeownership

Income Target Population	Overall
Total Senior Homeowners	13,381
Rural Versus Urban	0.01%
Senior Demand Converting from Homeownership	1

Total Demand

Total Demand from Existing Households	572
Total New Demand	218
Total Demand (New Plus Existing Households)	791

Demand from Seniors Who Convert from Homeownership	1
Percent of Total Demand From Homeownership Conversion	0.2%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	51.3%	406
Two Persons	30.6%	242
Three Persons	7.3%	58
Four Persons	5.6%	45
Five Persons	5.2%	41
Total	100.0%	791

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	324
Of two-person households in 1BR units	20%	48
Of one-person households in 2BR units	20%	81
Of two-person households in 2BR units	80%	194
Total Demand		791

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	373	-	90	=	283
2 BR	275	-	130	=	145
Total	647		220		427

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	36	/	283	=	12.7%
2 BR	42	/	145	=	29.0%
Total	78		427		18.2%

Conclusions

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

- The number of senior households in the PMA is expected to increase significantly through the date of market entry.
- This *Demand Analysis* does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

DEMAND AND NET DEMAND						
	HH at 30% AMI (min to max income)	HH at 40% AMI (min to max income)	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	HH > 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	0	0	46	56	177	218
PLUS	+	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	0	0	1	1	3	4
PLUS	+	+	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	0	0	161	174	420	567
Sub Total	0	0	208	231	600	789
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	268	268	1	1	1	1
Equals Total Demand	268	268	210	233	602	791
Less	-	-	-	-	-	-
Competitive New Supply	0	0	0	40	195	235
Equals Net Demand	268	268	210	193	407	556

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	\$17,445	\$27,000	8	99	0	99	8.1%	4-5 months	\$1,055	\$728	\$1,309	\$464
1BR at 60% AMI	\$20,847	\$32,400	20	110	0	110	18.2%	4-5 months	\$1,055	\$728	\$1,309	\$577
1BR Unrestricted	\$26,100	\$68,000	8	284	90	194	4.1%	4-5 months	\$1,055	\$728	\$1,309	\$870
1BR Overall	\$17,445	\$68,000	36	373	90	283	12.7%	4-5 months	-	-	-	-
2BR at 50% AMI	\$20,973	\$27,000	20	73	0	73	27.5%	4-5 months	\$1,271	\$893	\$1,663	\$548
2BR at 60% AMI	\$25,077	\$32,400	10	81	40	41	24.5%	4-5 months	\$1,271	\$893	\$1,663	\$685
2BR Unrestricted	\$31,200	\$68,000	12	209	90	119	10.1%	4-5 months	\$1,271	\$893	\$1,663	\$1,040
2BR Overall	\$20,973	\$68,000	42	275	130	145	29.0%	4-5 months	-	-	-	-
50% AMI Overall	\$17,445	\$27,000	28	172	0	172	16.3%	4-5 months	-	-	-	-
60% AMI Overall	\$20,847	\$32,400	30	191	40	151	19.9%	4-5 months	-	-	-	-
Unrestricted Overall	\$26,100	\$68,000	20	493	180	313	6.4%	4-5 months	-	-	-	-
Overall	\$17,445	\$68,000	78	647	220	427	18.2%	4-5 months	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 8.1 to 27.5 percent, with an overall capture rate of 16.3 percent. The Subject’s 60 percent AMI capture rates range from 18.2 to 24.5 percent, with an overall capture rate of 19.9 percent. The Subject’s market rate capture rates range from 4.1 to 10.1 percent, with an overall capture rate of 6.4 percent. The overall capture rate for the project’s units is 18.2 percent. Therefore, we believe there is adequate demand for the Subject. All capture rates at the Subject fall below the 2017 DCA Market Study capture rate threshold of 30 percent.

H. COMPETITIVE RENTAL ANALYSIS

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 12 “true” comparable properties containing 2,941 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 very good; there are eight LIHTC properties in the PMA, six of which also offer market rate units. We have included six LIHTC properties, all of which are mixed-income, and are located in the cities of Marietta, Acworth, and Kennesaw. Further, of the six LIHTC comparables, four are age-restricted, similar to the Subject. Five of the comparable LIHTC properties are located in the PMA, between 1.4 and 5.2 miles of the proposed Subject. The remaining LIHTC comparable is located outside of the PMA in the city of Acworth, approximately 5.5 miles from the Subject.

The availability of market-rate data is considered good. The Subject is located in Kennesaw, and there are several market-rate properties in the area. We have included six conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 0.3 and 3.3 miles from the Subject site. These comparables were built or renovated between 1996 and 2015, with two reporting ongoing renovations. 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.

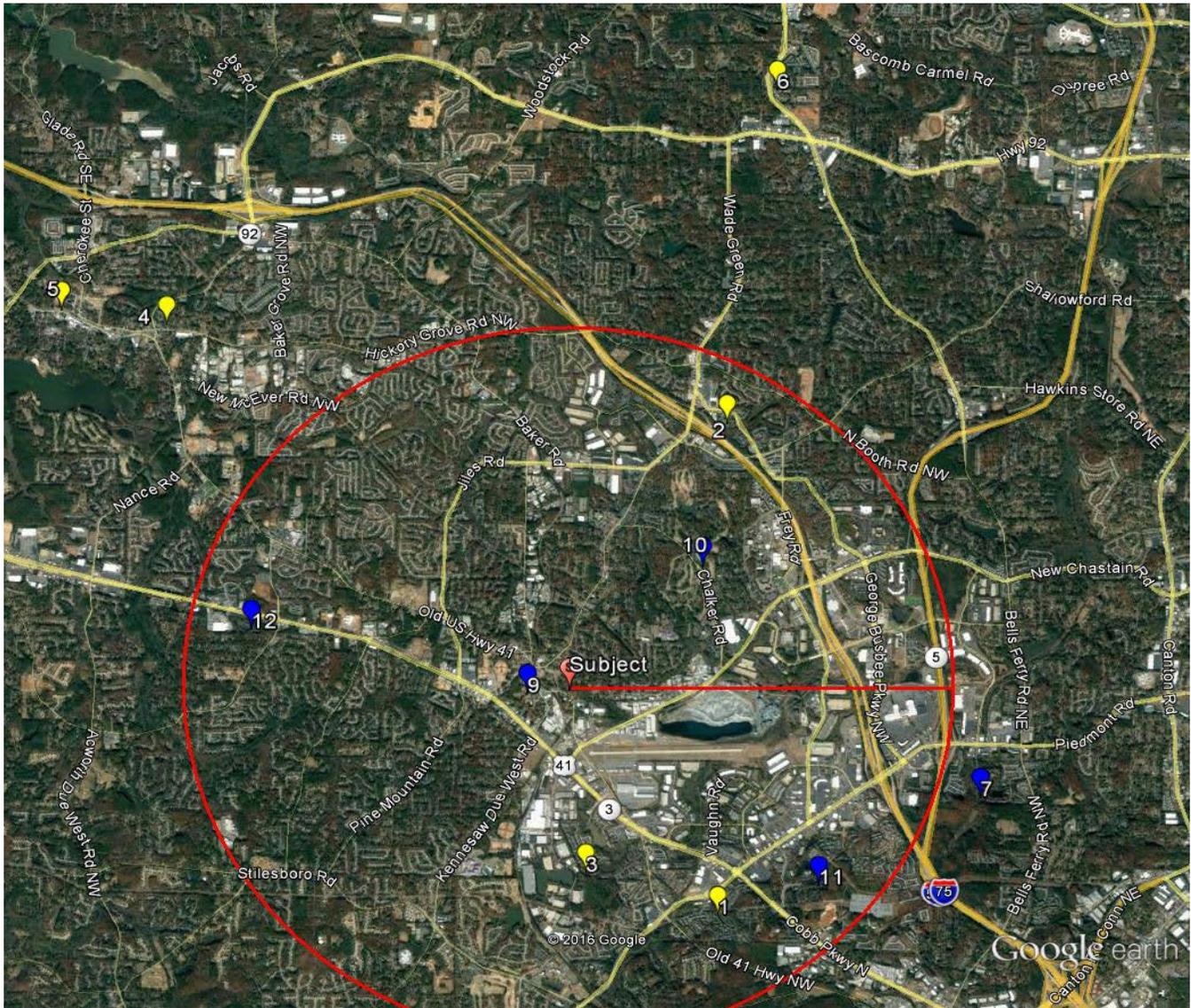
Excluded Properties

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

EXCLUDED PROPERTIES

Property	City	Tenancy	Program	Number of Units	Reason for Exclusion
Barrington Square Apartments	Acworth	Senior	Section 8	50	Subsidized
Laurel's Edge	Kennesaw	Senior	Section 8	50	Subsidized
Fred G. Hull Homes	Acworth	Family	Section 8	50	Subsidized
Wingate Falls	Acworth	Family	LIHTC/Section 8	192	Subsidized
Cobblestone Landing Apts	Kennesaw	Family	LIHTC/Market	244	Target tenancy
Walton Ridenour Apts	Kennesaw	Family	LIHTC/Market	260	Target tenancy
Legacy At Walton Heights	Marietta	Senior	LIHTC	100	Unable to contact
Arium Kennesaw Villas	Kennesaw	Family	Market	205	Dissimilar building design
Charlestowne	Kennesaw	Family	Market	450	Target tenancy
Milstead Village	Kennesaw	Family	Market	308	Target tenancy
Greenhouse Apartments	Kennesaw	Family	Market	489	Inferior condition
The Mill at Chastain	Kennesaw	Family	Market	239	Unable to contact
Laurel Hills Reserve	Kennesaw	Family	Market	718	Inferior condition
Alridge @ Town Village	Kennesaw	Family	Market	300	Unable to contact
Barrett Walk	Kennesaw	Family	Market	293	Target tenancy
Crestmont	Marietta	Family	Market	228	Inferior condition
Heights of Kennesaw Apartment	Kennesaw	Family	Market	446	Unable to contact
Shiloh Valley Overlook	Kennesaw	Family	Market	300	Unable to contact
Camden Shiloh	Kennesaw	Family	Market	232	Inferior condition
Ashford Ridenour	Kennesaw	Family	Market	255	Inferior condition
Bridges of Kennesaw	Kennesaw	Family	Market	296	Inferior condition
Lakeside at Town Center	Marietta	Family	Market	358	Inferior condition
1800 at Barrett Lakes	Kennesaw	Family	Market	500	Inferior condition
Park at Kennesaw Apartments	Kennesaw	Family	Market	212	Dissimilar building design
Clarinbridge	Kennesaw	Family	Market	306	Inferior condition
Hawthorne at Kennesaw	Kennesaw	Family	Market	322	Unable to contact
Legacy at Acworth Apartments	Acworth	Family	Market	192	Dissimilar building design
West 22	Kennesaw	Family	Market	245	Dissimilar unit mix
Townpark Crossing	Kennesaw	Family	Market	300	Dissimilar building design

Comparable Rental Property Map



Source: Google Earth, April 2017.

COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Alta Ridenour	Kennesaw	Senior LIHTC/Market	2.2 miles
2	Highland Court Apartments	Kennesaw	Senior LIHTC/Market	2.7 miles
3	Lakeside Vista	Kennesaw	LIHTC/Market	1.4 miles
4	Legacy At Walton Overlook	Acworth	Senior LIHTC (PBRA)/Market	4.5 miles
5	Legacy At Walton Park	Acworth	Senior LIHTC (PBRA)/Market	5.2 miles
6	The Peaks Of Bells Ferry*	Acworth	LIHTC/Market	5.5 miles
7	Colonial Grand At Barrett Creek	Marietta	Market	3.3 miles
8	Mountain Park Apartments	Kennesaw	Market	1.5 miles
9	Revival On Main	Kennesaw	Market	0.3 miles
10	Shiloh Green Apartments	Kennesaw	Market	1.6 miles
11	Twenty25 Barrett	Kennesaw	Market	2.5 miles
12	Walden Ridge Apartments	Kennesaw	Market	2.6 miles

*Located outside of PMA

ENCLAVE AT DEPOT PARK – KENNESAW, GEORGIA – MARKET STUDY

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Enclave At Enclave Park 2726 South Main Street Kennesaw, GA 30144 Cobb County	n/a	Lowrise (age-restricted) (3 stories) Proposed / n/a	LIHTC/Market	1BR / 1BA	8	10.3%	@50%	\$464	637	no	N/A	N/A	N/A
					1BR / 1BA	20	25.6%	@60%	\$577	637	no	N/A	N/A	N/A
					1BR / 1BA	8	10.3%	Market	\$870	637	n/a	N/A	N/A	N/A
					2BR / 2BA	20	25.6%	@50%	\$548	864	no	N/A	N/A	N/A
					2BR / 2BA	10	12.8%	@60%	\$685	864	no	N/A	N/A	N/A
					2BR / 2BA	12	15.4%	Market	\$1,040	864	n/a	N/A	N/A	N/A
					78	100.0%							N/A	N/A
1	Alta Ridenour 1355 Ridenour Blvd NW Kennesaw, GA 30152 Cobb County	2.2 miles	Midrise (age-restricted) (4 stories) 2005 / n/a	LIHTC/Market	1BR / 1BA	N/A	N/A	@60%	\$746	804	yes	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$905	804	n/a	Yes	1	N/A
					2BR / 2BA	N/A	N/A	@60%	\$896	1,149	yes	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,210	1,149	n/a	Yes	1	N/A
					3BR / 2BA	N/A	N/A	@60%	\$1,036	1,296	yes	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,325	1,296	n/a	Yes	0	N/A
					252	100.0%							2	0.8%
2	Highland Court Apartments 4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County	2.7 miles	Midrise (age-restricted) (4 stories) 2003 / n/a	LIHTC/Market	1BR / 1BA	2	1.6%	@50%	\$577	650	no	Yes	0	0.0%
					1BR / 1BA	16	13.1%	@60%	\$658	650	no	Yes	0	0.0%
					1BR / 1BA	6	4.9%	Market	\$728	650	n/a	Yes	0	0.0%
					1BR / 1BA	2	1.6%	Non-Rental	N/A	N/A	n/a		0	0.0%
					2BR / 1BA	3	2.5%	@50%	\$683	860	no	Yes	0	0.0%
					2BR / 1BA	57	46.7%	@60%	\$778	860	no	Yes	0	0.0%
					2BR / 1BA	8	6.6%	Market	\$893	920	n/a	Yes	0	0.0%
					2BR / 2BA	2	1.6%	@50%	\$683	900	no	Yes	0	0.0%
					2BR / 2BA	16	13.1%	@60%	\$833	900	no	Yes	0	0.0%
					2BR / 2BA	10	8.2%	Market	\$1,003	992	n/a	Yes	0	0.0%
					122	100.0%							0	0.0%
3	Lakeside Vista 2100 Ellison Lakes Dr Kennesaw, GA 30152 Cobb County	1.4 miles	Garden (3 stories) 2005 / n/a	LIHTC/Market	1BR / 1BA	94	29.0%	@60%	\$727	841	yes	No	0	0.0%
					1BR / 1BA	20	6.2%	Market	\$949	841	n/a	No	0	0.0%
					2BR / 2BA	80	24.7%	@60%	\$861	1,149	yes	No	0	0.0%
					2BR / 2BA	16	4.9%	Market	\$1,199	1,149	n/a	No	0	0.0%
					3BR / 2BA	89	27.5%	@60%	\$971	1,435	yes	No	0	0.0%
					3BR / 2BA	25	7.7%	Market	\$1,375	1,435	n/a	No	0	0.0%
					324	100.0%							0	0.0%
4	Legacy At Walton Overlook 4645 Spring St Acworth, GA 30101 Cobb County	4.5 miles	Lowrise (age-restricted) (4 stories) 2012 / n/a	LIHTC (PBRA)/Market	1BR / 1BA	53	49.1%	@50% (PBRA)	\$945	750	n/a	Yes	0	0.0%
					1BR / 1BA	7	6.5%	@60%	\$698	750	yes	Yes	0	0.0%
					1BR / 1BA	9	8.3%	Market	\$1,100	750	n/a	Yes	0	0.0%
					2BR / 1BA	31	28.7%	@60%	\$830	1,232	yes	Yes	0	0.0%
					2BR / 1BA	6	5.6%	Market	\$1,300	1,232	n/a	Yes	0	0.0%
					2BR / 2BA	2	1.9%	@50% (PBRA)	\$1,100	1,232	n/a	Yes	0	0.0%
					108	100.0%							0	0.0%
5	Legacy At Walton Park 4700 School Street Acworth, GA 30101 Cobb County	5.2 miles	Lowrise (age-restricted) (3 stories) 2015 / n/a	LIHTC (PBRA)/Market	1BR / 1BA	15	15.0%	@50% (PBRA)	\$817	748	n/a	Yes	0	0.0%
					1BR / 1BA	45	45.0%	@60% (PBRA)	\$817	748	n/a	Yes	0	0.0%
					2BR / 2BA	20	20.0%	@60%	\$781	1,060	yes	Yes	0	0.0%
					2BR / 2BA	20	20.0%	@60%	\$781	1,242	yes	Yes	0	0.0%
					100	100.0%							0	0.0%
6	The Peaks Of Bells Ferry 100 Peaks Ridge Acworth, GA 30102 Cherokee County	5.5 miles	Garden (3 stories) 2003 / n/a	LIHTC/Market	1BR / 1BA	50	20.2%	@60%	\$745	874	yes	No	0	0.0%
					1BR / 1BA	12	4.8%	Market	\$958	874	n/a	No	0	0.0%
					2BR / 2BA	98	39.5%	@60%	\$893	1,149	yes	No	1	1.0%
					2BR / 2BA	25	10.1%	Market	\$1,068	1,149	n/a	No	0	0.0%
					3BR / 2BA	51	20.6%	@60%	\$1,014	1,388	yes	Yes	1	2.0%
					3BR / 2BA	12	4.8%	Market	\$1,178	1,388	n/a	Yes	0	0.0%
					248	100.0%							2	0.8%
7	Colonial Grand At Barrett Creek 2400 Barrett Creek Blvd Marietta, GA 30066 Cobb County	3.3 miles	Garden (4 stories) 1998 / n/a	Market	1BR / 1BA	125	37.8%	Market	\$892	719	n/a	No	1	0.8%
					2BR / 1BA	136	41.1%	Market	\$1,147	1,050	n/a	No	2	1.5%
					3BR / 2BA	70	21.1%	Market	\$1,342	1,226	n/a	No	1	1.4%
										331	100.0%			

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8	Mountain Park Apartments 1925 Old 41 Highway NW Kennesaw, GA 30152 Cobb County	1.5 miles	Garden (3 stories) 1999 / Ongoing	Market	1BR / 1BA	N/A	N/A	Market	\$993	687	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,096	896	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$968	687	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,077	896	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,208	1,283	n/a	No	N/A	N/A
					2BR / 2.5BA	N/A	N/A	Market	\$1,501	1,507	n/a	No	N/A	N/A
					2BR / 2.5BA	N/A	N/A	Market	\$1,301	1,419	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,709	1,871	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,563	1,504	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,343	1,504	n/a	No	N/A	N/A
					450	100.0%							27	6.0%
9	Revival On Main 2825 South Main Street Kennesaw, GA 30144 Cobb County	0.3 miles	Midrise (5 stories) 2015 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$1,158	638	n/a	Yes	4	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,663	1,055	n/a	Yes	2	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,923	1,294	n/a	Yes	1	N/A
										252	100.0%			
10	Shiloh Green Apartments 50 Walton Green Way NW Kennesaw, GA 30144 Cobb County	1.6 miles	Garden (3 stories) 1996 / Ongoing	Market	1BR / 1BA	28	11.9%	Market	\$918	900	n/a	Yes	1	3.6%
					2BR / 2BA	80	33.9%	Market	\$1,143	1,300	n/a	Yes	0	0.0%
					3BR / 2BA	104	44.1%	Market	\$1,293	1,425	n/a	No	3	2.9%
					4BR / 2BA	24	10.2%	Market	\$1,518	1,650	n/a	Yes	1	4.2%
										236	100.0%			
11	Twenty25 Barrett 2025 Barrett Lakes Blvd Kennesaw, GA 30144 Cobb County	2.5 miles	Garden (3 stories) 2014 / n/a	Market	1BR / 1BA	44	14.3%	Market	\$1,163	713	n/a	No	0	0.0%
					1BR / 1BA	14	4.5%	Market	\$1,183	770	n/a	No	0	0.0%
					1BR / 1BA	14	4.5%	Market	\$1,309	840	n/a	No	0	0.0%
					1BR / 1BA	54	17.5%	Market	\$1,269	848	n/a	No	5	9.3%
					2BR / 2BA	98	31.8%	Market	\$1,527	1,213	n/a	No	1	1.0%
					2BR / 2BA	84	27.3%	Market	\$1,517	1,214	n/a	No	0	0.0%
										308	100.0%			
12	Walden Ridge Apartments 3093 Cobb Parkway NW Kennesaw, GA 30152 Cobb County	2.6 miles	Garden (3 stories) 2001 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$1,063	732	n/a	Yes	1	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,113	916	n/a	Yes	0	N/A
					1.5BR / 1BA	N/A	N/A	Market	\$1,198	1,013	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,328	1,157	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,328	1,252	n/a	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,553	1,425	n/a	Yes	1	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,550	1,532	n/a	Yes	0	N/A
										210	100.0%			

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RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.					
Effective Rent Date:		Apr-17		Units Surveyed:	2,941
				Market Rate	1,787
				Tax Credit	1,154
				Weighted Occupancy:	98.1%
				Market Rate	97.1%
				Tax Credit	99.7%
One Bedroom One Bath			Two Bedrooms Two Bath		
	Property	Average	Property	Average	
RENT	Twenty25 Barrett	\$1,309	Revival On Main	\$1,663	
	Twenty25 Barrett	\$1,269	Twenty25 Barrett	\$1,527	
	Twenty25 Barrett	\$1,183	Twenty25 Barrett	\$1,517	
	Twenty25 Barrett	\$1,163	Walden Ridge Apartments	\$1,328	
	Revival On Main	\$1,158	Walden Ridge Apartments	\$1,328	
	Walden Ridge Apartments	\$1,113	Alta Ridenour * (M)	\$1,210	
	Legacy At Walton Overlook * (M)	\$1,100	Mountain Park Apartments	\$1,208	
	Mountain Park Apartments	\$1,096	Lakeside Vista * (M)	\$1,199	
	Mountain Park Apartments	\$1,077	Colonial Grand At Barrett Creek (1BA)	\$1,147	
	Walden Ridge Apartments	\$1,063	Shiloh Green Apartments	\$1,143	
	Mountain Park Apartments	\$993	Legacy At Walton Overlook * (50%)	\$1,100	
	Mountain Park Apartments	\$968	The Peaks Of Bells Ferry * (M)	\$1,068	
	The Peaks Of Bells Ferry * (M)	\$958	Enclave At Depot Park * (M)	\$1,040	
	Lakeside Vista * (M)	\$949	Highland Court Apartments * (M)	\$1,003	
	Legacy At Walton Overlook * (50%)	\$945	Alta Ridenour * (60%)	\$896	
	Shiloh Green Apartments	\$918	The Peaks Of Bells Ferry * (60%)	\$893	
	Alta Ridenour * (M)	\$905	Lakeside Vista * (60%)	\$861	
	Colonial Grand At Barrett Creek	\$892	Highland Court Apartments * (60%)	\$833	
	Enclave At Depot Park * (M)	\$870	Legacy At Walton Park * (60%)	\$781	
	Legacy At Walton Park * (50%)	\$817	Legacy At Walton Park * (60%)	\$781	
	Legacy At Walton Park * (60%)	\$817	Enclave At Depot Park * (60%)	\$685	
	Alta Ridenour * (60%)	\$746	Highland Court Apartments * (50%)	\$683	
	The Peaks Of Bells Ferry * (60%)	\$745	Enclave At Depot Park * (50%)	\$548	
	Highland Court Apartments * (M)	\$728			
	Lakeside Vista * (60%)	\$727			
	Legacy At Walton Overlook * (60%)	\$698			
	Highland Court Apartments * (60%)	\$658			
	Enclave At Depot Park * (60%)	\$577			
	Highland Court Apartments * (50%)	\$577			
	Enclave At Depot Park * (50%)	\$464			
SQUARE FOOTAGE	Walden Ridge Apartments	916	Shiloh Green Apartments	1,300	
	Shiloh Green Apartments	900	Mountain Park Apartments	1,283	
	Mountain Park Apartments	896	Walden Ridge Apartments	1,252	
	Mountain Park Apartments	896	Legacy At Walton Park * (60%)	1,242	
	The Peaks Of Bells Ferry * (60%)	874	Legacy At Walton Overlook * (50%)	1,232	
	The Peaks Of Bells Ferry * (M)	874	Twenty25 Barrett	1,214	
	Twenty25 Barrett	848	Twenty25 Barrett	1,213	
	Lakeside Vista * (60%)	841	Walden Ridge Apartments	1,157	
	Lakeside Vista * (M)	841	Alta Ridenour * (60%)	1,149	
	Twenty25 Barrett	840	Alta Ridenour * (M)	1,149	
	Alta Ridenour * (60%)	804	Lakeside Vista * (60%)	1,149	
	Alta Ridenour * (M)	804	Lakeside Vista * (M)	1,149	
	Twenty25 Barrett	770	The Peaks Of Bells Ferry * (60%)	1,149	
	Legacy At Walton Overlook * (50%)	750	The Peaks Of Bells Ferry * (M)	1,149	
	Legacy At Walton Overlook * (60%)	750	Legacy At Walton Park * (60%)	1,060	
	Legacy At Walton Overlook * (M)	750	Revival On Main	1,055	
	Legacy At Walton Park * (50%)	748	Colonial Grand At Barrett Creek (1BA)	1,050	
	Legacy At Walton Park * (60%)	748	Highland Court Apartments * (M)	992	
	Walden Ridge Apartments	732	Highland Court Apartments * (50%)	900	
	Colonial Grand At Barrett Creek	719	Highland Court Apartments * (60%)	900	
	Twenty25 Barrett	713	Enclave At Depot Park * (50%)	864	
	Mountain Park Apartments	687	Enclave At Depot Park * (60%)	864	
	Mountain Park Apartments	687	Enclave At Depot Park * (M)	864	
	Highland Court Apartments * (50%)	650			
	Highland Court Apartments * (60%)	650			
	Highland Court Apartments * (M)	650			
	Revival On Main	638			
	Enclave At Depot Park * (50%)	637			
	Enclave At Depot Park * (60%)	637			
	Enclave At Depot Park * (M)	637			

ENCLAVE AT DEPOT PARK – KENNESAW, GEORGIA – MARKET STUDY

RENT PER SF				
	Revival On Main	\$1.82	Revival On Main	\$1.58
	Twenty25 Barrett	\$1.63	Twenty25 Barrett	\$1.26
	Twenty25 Barrett	\$1.56	Twenty25 Barrett	\$1.25
	Twenty25 Barrett	\$1.54	Enclave At Depot Park * (M)	\$1.20
	Twenty25 Barrett	\$1.50	Walden Ridge Apartments	\$1.15
	Legacy At Walton Overlook * (M)	\$1.47	Colonial Grand At Barrett Creek (1BA)	\$1.09
	Walden Ridge Apartments	\$1.45	Walden Ridge Apartments	\$1.06
	Mountain Park Apartments	\$1.45	Alta Ridenour * (M)	\$1.05
	Mountain Park Apartments	\$1.41	Lakeside Vista * (M)	\$1.04
	Enclave At Depot Park * (M)	\$1.37	Highland Court Apartments * (M)	\$1.01
	Legacy At Walton Overlook * (50%)	\$1.26	Mountain Park Apartments	\$0.94
	Colonial Grand At Barrett Creek	\$1.24	The Peaks Of Bells Ferry * (M)	\$0.93
	Mountain Park Apartments	\$1.22	Highland Court Apartments * (60%)	\$0.93
	Walden Ridge Apartments	\$1.22	Legacy At Walton Overlook * (50%)	\$0.89
	Mountain Park Apartments	\$1.20	Shiloh Green Apartments	\$0.88
	Lakeside Vista * (M)	\$1.13	Enclave At Depot Park * (60%)	\$0.79
	Alta Ridenour * (M)	\$1.13	Alta Ridenour * (60%)	\$0.78
	Highland Court Apartments * (M)	\$1.12	The Peaks Of Bells Ferry * (60%)	\$0.78
	The Peaks Of Bells Ferry * (M)	\$1.10	Highland Court Apartments * (50%)	\$0.76
	Legacy At Walton Park * (50%)	\$1.09	Lakeside Vista * (60%)	\$0.75
	Legacy At Walton Park * (60%)	\$1.09	Legacy At Walton Park * (60%)	\$0.74
	Shiloh Green Apartments	\$1.02	Enclave At Depot Park * (50%)	\$0.63
	Highland Court Apartments * (60%)	\$1.01	Legacy At Walton Park * (60%)	\$0.63
	Legacy At Walton Overlook * (60%)	\$0.93		
	Alta Ridenour * (60%)	\$0.93		
	Enclave At Depot Park * (60%)	\$0.91		
	Highland Court Apartments * (50%)	\$0.89		
	Lakeside Vista * (60%)	\$0.86		
	The Peaks Of Bells Ferry * (60%)	\$0.85		
	Enclave At Depot Park * (50%)	\$0.73		

PROPERTY PROFILE REPORT

Alta Ridenour

Effective Rent Date	4/17/2017
Location	1355 Ridenour Blvd NW Kennesaw, GA 30152 Cobb County
Distance	2.2 miles
Units	252
Vacant Units	2
Vacancy Rate	0.8%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	7/01/2005
Leasing Began	8/01/2005
Last Unit Leased	N/A
Major Competitors	Walton Ridenour, Highland Court
Tenant Characteristics	55+; Average age is 65; 70% previous homeowners; Many from out of state
Contact Name	Gwen
Phone	770-426-5143



Market Information

Program	@60%, Market
Annual Turnover Rate	2%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Within one month
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	N/A	804	\$746	\$0	@60%	Yes	0	N/A	yes	None
1	1	Midrise (4 stories)	N/A	804	\$905	\$0	Market	Yes	1	N/A	N/A	None
2	2	Midrise (4 stories)	N/A	1,149	\$896	\$0	@60%	Yes	0	N/A	yes	None
2	2	Midrise (4 stories)	N/A	1,149	\$1,210	\$0	Market	Yes	1	N/A	N/A	None
3	2	Midrise (4 stories)	N/A	1,296	\$1,036	\$0	@60%	Yes	0	N/A	yes	None
3	2	Midrise (4 stories)	N/A	1,296	\$1,325	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$746	\$0	\$746	\$0	\$746	1BR / 1BA	\$905	\$0	\$905	\$0	\$905
2BR / 2BA	\$896	\$0	\$896	\$0	\$896	2BR / 2BA	\$1,210	\$0	\$1,210	\$0	\$1,210
3BR / 2BA	\$1,036	\$0	\$1,036	\$0	\$1,036	3BR / 2BA	\$1,325	\$0	\$1,325	\$0	\$1,325

Alta Ridenour, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Hand Rails
Pull Cords
Walk-In Closet

Blinds
Central A/C
Dishwasher
Grab Bars
Oven
Refrigerator
Washer/Dryer

Security

Limited Access

Services

None

Property

Business Center/Computer Lab
Elevators
Off-Street Parking
Swimming Pool

Clubhouse/Meeting
Exercise Facility
On-Site Management
Tennis Court

Premium

None

Other

Library, media room, valet

Comments

The property maintains a waiting list; however, the contact was unable to note its exact length. LIHTC rents have been kept at the maximum allowable level, while market rate rents have increased three to five percent since the first quarter of 2015. In-unit washer/dryer is included with rent.

Trend Report

Vacancy Rates

3Q10	4Q11	1Q15	2Q17
6.0%	0.8%	0.8%	0.8%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$722	\$43	\$679	\$679
2011	4	N/A	\$722	\$0	\$722	\$722
2015	1	N/A	\$735	\$0	\$735	\$735
2017	2	N/A	\$746	\$0	\$746	\$746

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$857	\$0	\$857	\$857
2011	4	N/A	\$858	\$0	\$858	\$858
2015	1	N/A	\$881	\$0	\$881	\$881
2017	2	N/A	\$896	\$0	\$896	\$896

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$961	\$62	\$899	\$899
2011	4	N/A	\$957	\$0	\$957	\$957
2015	1	N/A	\$1,014	\$0	\$1,014	\$1,014
2017	2	N/A	\$1,036	\$0	\$1,036	\$1,036

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$813	\$0	\$813	\$813
2011	4	N/A	\$813	\$0	\$813	\$813
2015	1	N/A	\$880	\$0	\$880	\$880
2017	2	N/A	\$905	\$0	\$905	\$905

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,000	\$0	\$1,000	\$1,000
2011	4	N/A	\$1,000	\$0	\$1,000	\$1,000
2015	1	N/A	\$1,165	\$0	\$1,165	\$1,165
2017	2	N/A	\$1,210	\$0	\$1,210	\$1,210

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,230	\$0	\$1,230	\$1,230
2011	4	N/A	\$1,230	\$0	\$1,230	\$1,230
2015	1	N/A	\$1,270	\$0	\$1,270	\$1,270
2017	2	N/A	\$1,325	\$0	\$1,325	\$1,325

Trend: Comments

- 3Q10** There were seven pre-leases at the time of our interview. Occupancy at the time of our interview was typical. Contact estimated the rate for three-bedroom units as there were none available at the time of interview.
- 4Q11** Management indicated demand was high for affordable senior housing and that there is always a need for additional senior housing in the area. Most of the tenants at Alta Ridenour come from out of state to be close to their children, management estimated that 75 percent of tenants come from out of state and 25 percent are locals. The unit type with the highest demand according to management is two-bedroom. 65 percent of tenants utilize services from outside sources, transportation and meals on wheels being the most popular. Tenants at Alta Ridenour primarily rely on social security for income and their income levels range from \$30,000 to \$35,000 annually. Management believes the rent range seniors would likely pay for housing is between \$700 and \$1,100 dollars. The current occupancy is 99 percent with two vacancies out of 252 units. The rents have not changed over the past 12 months. There are no concessions being offered.
- 1Q15** Management indicated that the property maintains a waiting list of eight households, adding that most of the households on the waiting list are waiting until their single-family homes sell to move into the vacant unit. Rents currently at the maximum allowable level and will be decreasing March 1st, 2015 due to changes in utility allowances. Since our last interview in 2011, rents have increased between two and 16 percent on all units.
- 2Q17** The property maintains a waiting list; however, the contact was unable to note its exact length. LIHTC rents have been kept at the maximum allowable level, while market rate rents have increased three to five percent since the first quarter of 2015. In-unit washer/dryer is included with rent.

PROPERTY PROFILE REPORT

Highland Court Apartments

Effective Rent Date	4/13/2017
Location	4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County
Distance	2.7 miles
Units	122
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	11/01/2003
Leasing Began	12/19/2003
Last Unit Leased	12/15/2004
Major Competitors	Alta Ridenour, Ashley Minor
Tenant Characteristics	Senior 62+, avg age 81, mostly from Atlanta area
Contact Name	Takowa
Phone	770-419-7330



Market Information

Program	@50%, @60%, Market, Non-Rental
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	4%
Leasing Pace	Pre-leased
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	2	650	\$609	\$0	@50%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	16	650	\$690	\$0	@60%	Yes	0	0.0%	no	None
1	1	Midrise (4 stories)	6	650	\$760	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	2	N/A	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None
2	1	Midrise (4 stories)	3	860	\$730	\$0	@50%	Yes	0	0.0%	no	None
2	1	Midrise (4 stories)	57	860	\$825	\$0	@60%	Yes	0	0.0%	no	None
2	1	Midrise (4 stories)	8	920	\$940	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (4 stories)	2	900	\$730	\$0	@50%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	16	900	\$880	\$0	@60%	Yes	0	0.0%	no	None
2	2	Midrise (4 stories)	10	992	\$1,050	\$0	Market	Yes	0	0.0%	N/A	None

Highland Court Apartments, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$609	\$0	\$609	-\$32	\$577	1BR / 1BA	\$690	\$0	\$690	-\$32	\$658
2BR / 1BA	\$730	\$0	\$730	-\$47	\$683	2BR / 1BA	\$825	\$0	\$825	-\$47	\$778
2BR / 2BA	\$730	\$0	\$730	-\$47	\$683	2BR / 2BA	\$880	\$0	\$880	-\$47	\$833
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$760	\$0	\$760	-\$32	\$728	1BR / 1BA	N/A	\$0	N/A	-\$32	N/A
2BR / 1BA	\$940	\$0	\$940	-\$47	\$893						
2BR / 2BA	\$1,050	\$0	\$1,050	-\$47	\$1,003						

Amenities

In-Unit

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

Blinds
 Central A/C
 Dishwasher
 Garbage Disposal
 Hand Rails
 Pull Cords
 Walk-In Closet

Security

Intercom (Buzzer)
 Limited Access

Services

Adult Education
 Shuttle Service

Property

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

Clubhouse/Meeting
 Exercise Facility
 Off-Street Parking

Premium

Hairdresser / Barber

Other

Wellness Center

Comments

The property maintains a waiting list approximately six months in length. Market rate units have increased between zero and nine percent since the second quarter of 2016, whereas the LIHTC rents have remained stable. The utility allowances are \$85 and \$102 for one and two-bedroom units, respectively.

Highland Court Apartments, continued

Trend Report

Vacancy Rates

2Q14	2Q15	2Q16	2Q17
3.3%	0.8%	3.3%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$607	\$0	\$607	\$575
2015	2	0.0%	\$609	\$0	\$609	\$577
2016	2	0.0%	\$609	\$0	\$609	\$577
2017	2	0.0%	\$609	\$0	\$609	\$577

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$725	\$0	\$725	\$678
2015	2	33.3%	\$730	\$0	\$730	\$683
2016	2	66.7%	\$730	\$0	\$730	\$683
2017	2	0.0%	\$730	\$0	\$730	\$683

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$730	\$0	\$730	\$683
2015	2	0.0%	\$730	\$0	\$730	\$683
2016	2	0.0%	\$730	\$0	\$730	\$683
2017	2	0.0%	\$730	\$0	\$730	\$683

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	16.7%	\$760	\$0	\$760	\$728
2015	2	0.0%	\$760	\$0	\$760	\$728
2016	2	0.0%	\$760	\$0	\$760	\$728
2017	2	0.0%	\$760	\$0	\$760	\$728

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$885	\$0	\$885	\$838
2015	2	0.0%	\$895	\$0	\$895	\$848
2016	2	0.0%	\$895	\$0	\$895	\$848
2017	2	0.0%	\$940	\$0	\$940	\$893

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$1,005	\$0	\$1,005	\$958
2015	2	0.0%	\$1,010	\$0	\$1,010	\$963
2016	2	0.0%	\$1,010	\$0	\$1,010	\$963
2017	2	0.0%	\$1,050	\$0	\$1,050	\$1,003

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	18.8%	\$690	\$0	\$690	\$658
2015	2	0.0%	\$690	\$0	\$690	\$658
2016	2	0.0%	\$690	\$0	\$690	\$658
2017	2	0.0%	\$690	\$0	\$690	\$658

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$775	\$0	\$775	\$728
2015	2	0.0%	\$825	\$0	\$825	\$778
2016	2	3.5%	\$825	\$0	\$825	\$778
2017	2	0.0%	\$825	\$0	\$825	\$778

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$795	\$0	\$795	\$748
2015	2	0.0%	\$880	\$0	\$880	\$833
2016	2	0.0%	\$880	\$0	\$880	\$833
2017	2	0.0%	\$880	\$0	\$880	\$833

Trend: Non-Rental

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	N/A	\$0	N/A	N/A
2015	2	0.0%	N/A	\$0	N/A	N/A
2016	2	0.0%	N/A	\$0	N/A	N/A
2017	2	0.0%	N/A	\$0	N/A	N/A

Highland Court Apartments, continued

Trend: Comments

- 2Q14** The property has a waiting list of three applicants on the two bedroom one bathrooms. Seniors at the property usually like amenities that allows them to be together such as the outdoor seating area, lake area, and garden area. Contact stated that the demand for senior housing is rising and there needs to be more in the area.
- 2Q15** The waiting list consists of three households for one-bedroom units and two households for two-bedroom units. Management estimated that 60 percent of the tenants were previously homeowners. Additionally, approximately 80 percent of the two-bedroom units are filled by one-person households.
- 2Q16** The contact reported that the property is generally at typical occupancy. Recent turnover is due to previous tenants becoming sick or passing away. The aggregate waiting list is approximately seven households.
- 2Q17** The property maintains a waiting list approximately six months in length. Market rate units have increased between zero and nine percent since the second quarter of 2016, whereas the LIHTC rents have remained stable. The utility allowances are \$85 and \$102 for one and two-bedroom units, respectively.

PROPERTY PROFILE REPORT

Lakeside Vista

Effective Rent Date 4/13/2017
Location 2100 Ellison Lakes Dr
 Kennesaw, GA 30152
 Cobb County
Distance 1.4 miles
Units 324
Vacant Units 0
Vacancy Rate 0.0%
Type Garden (3 stories)
Year Built/Renovated 2005 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Mixed; families, full time students
Contact Name Bridget
Phone 678-581-5255



Market Information

Program @60%, Market
Annual Turnover Rate 11%
Units/Month Absorbed N/A
HCV Tenants 25%
Leasing Pace Within one day
Annual Chg. in Rent See comments
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	94	841	\$727	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (3 stories)	20	841	\$949	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	80	1,149	\$861	\$0	@60%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	16	1,149	\$1,199	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	89	1,435	\$971	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden (3 stories)	25	1,435	\$1,375	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$727	\$0	\$727	\$0	\$727	1BR / 1BA	\$949	\$0	\$949	\$0	\$949
2BR / 2BA	\$861	\$0	\$861	\$0	\$861	2BR / 2BA	\$1,199	\$0	\$1,199	\$0	\$1,199
3BR / 2BA	\$971	\$0	\$971	\$0	\$971	3BR / 2BA	\$1,375	\$0	\$1,375	\$0	\$1,375

Lakeside Vista, continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Off-Street Parking
Playground
Tennis Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments. Market rate units have increased six to eight percent since the second quarter of 2016, whereas LIHTC rents have been kept at the maximum allowable level.

Lakeside Vista, continued

Trend Report

Vacancy Rates

2Q08	3Q13	2Q16	2Q17
9.0%	5.2%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$685	\$30	\$655	\$655
2013	3	N/A	\$689	\$0	\$689	\$689
2016	2	0.0%	\$727	\$0	\$727	\$727
2017	2	0.0%	\$727	\$0	\$727	\$727

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$815	\$0	\$815	\$815
2013	3	N/A	\$849	\$0	\$849	\$849
2016	2	0.0%	\$861	\$0	\$861	\$861
2017	2	0.0%	\$861	\$0	\$861	\$861

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$927	\$30	\$897	\$897
2013	3	N/A	\$959	\$0	\$959	\$959
2016	2	0.0%	\$971	\$0	\$971	\$971
2017	2	0.0%	\$971	\$0	\$971	\$971

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$789	\$30	\$759	\$759
2013	3	N/A	\$739	\$0	\$739	\$739
2016	2	0.0%	\$889	\$0	\$889	\$889
2017	2	0.0%	\$949	\$0	\$949	\$949

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$899	\$0	\$899	\$899
2013	3	N/A	\$879	\$0	\$879	\$879
2016	2	0.0%	\$1,100	\$0	\$1,100	\$1,100
2017	2	0.0%	\$1,199	\$0	\$1,199	\$1,199

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$1,140	\$30	\$1,110	\$1,110
2013	3	N/A	\$989	\$0	\$989	\$989
2016	2	0.0%	\$1,275	\$0	\$1,275	\$1,275
2017	2	0.0%	\$1,375	\$0	\$1,375	\$1,375

Trend: Comments

- 2Q08** The contact reported that the LIHTC rents are at the maximum allowable. The property is currently 91 percent occupied but by July 1, 2008 the property will be 94 percent leased as of June 18, 2008. Typical occupancy for the property is 95 percent. The contact could not comment further on market characteristics and absorption or confirm amenities due to time constraints.
- 3Q13** The contact was not able to provide a unit or vacancy breakdown but indicated that 80 percent of the units (259 units) were LIHTC and that the majority of the vacancies were three-bedroom units. The contact reported that the market rents used to be higher but also included a concession. The concession is no longer available and the rents have been reduced. The LIHTC rents, though, have increased according to the maximum allowable levels. The contact was unsure of the number of tenants that utilized vouchers but indicated there were a few.
- 2Q16** The contact was unsure of the number of tenants that utilized vouchers but indicated there were a few.
- 2Q17** The contact had no additional comments. Market rate units have increased six to eight percent since the second quarter of 2016, whereas LIHTC rents have been kept at the maximum allowable level.

PROPERTY PROFILE REPORT

Legacy At Walton Overlook

Effective Rent Date 4/13/2017
Location 4645 Spring St
 Acworth, GA 30101
 Cobb County
Distance 4.5 miles
Units 108
Vacant Units 0
Vacancy Rate 0.0%
Type Lowrise (age-restricted) (4 stories)
Year Built/Renovated 2012 / N/A
Marketing Began 3/01/2012
Leasing Began 7/01/2012
Last Unit Leased 12/31/2012
Major Competitors None Identified
Tenant Characteristics Seniors 55+
Contact Name Miranda Sanders
Phone 678-872-4510



Market Information

Program @50% (Project Based Rental Assistance -
Annual Turnover Rate 30%
Units/Month Absorbed 18
HCV Tenants 0%
Leasing Pace Within one month
Annual Chg. in Rent See comments
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (4 stories)	53	750	\$945	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Lowrise (4 stories)	7	750	\$698	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (4 stories)	9	750	\$1,100	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise (4 stories)	31	1,232	\$830	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Lowrise (4 stories)	6	1,232	\$1,300	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Lowrise (4 stories)	2	1,232	\$1,100	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None

Legacy At Walton Overlook, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$945	\$0	\$945	\$0	\$945	1BR / 1BA	\$698	\$0	\$698	\$0	\$698
2BR / 2BA	\$1,100	\$0	\$1,100	\$0	\$1,100	2BR / 1BA	\$830	\$0	\$830	\$0	\$830

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,100	\$0	\$1,100	\$0	\$1,100
2BR / 1BA	\$1,300	\$0	\$1,300	\$0	\$1,300

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Grab Bars
Microwave
Pull Cords
Walk-In Closet

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

Security

Limited Access
Perimeter Fencing

Services

Adult Education

Property

Business Center/Computer Lab
Clubhouse/Meeting
Elevators
Central Laundry
Off-Street Parking
Picnic Area
Service Coordination

Car Wash
Courtyard
Exercise Facility
Neighborhood Network
On-Site Management
Recreation Areas
Theatre

Premium

None

Other

Community Gardens

Comments

The property maintains a waiting list approximately three years in length for the project-based units. The waiting lists for the tax credit and market rate units consist of 10 households and 13 households, respectively. Exterior storage is available for an additional \$30 to \$125 per month depending on size. The property accepts Housing Choice Vouchers; however, none are currently utilized at the property. Market rate units have increased eight to ten percent, while LIHTC rents have been kept at the maximum allowable level since the second quarter of 2014.

Legacy At Walton Overlook, continued

Trend Report

Vacancy Rates

2Q14	2Q17
0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$945	\$0	\$945	\$945
2017	2	0.0%	\$945	\$0	\$945	\$945

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$1,100	\$0	\$1,100	\$1,100
2017	2	0.0%	\$1,100	\$0	\$1,100	\$1,100

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$693	\$0	\$693	\$693
2017	2	0.0%	\$698	\$0	\$698	\$698

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$822	\$0	\$822	\$822
2017	2	0.0%	\$830	\$0	\$830	\$830

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$1,000	\$0	\$1,000	\$1,000
2017	2	0.0%	\$1,100	\$0	\$1,100	\$1,100

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$1,200	\$0	\$1,200	\$1,200
2017	2	0.0%	\$1,300	\$0	\$1,300	\$1,300

Trend: Comments

2Q14 The property took three months to become fully occupied when it opened. Marketing and leasing for the property began 60 days before the first units were occupied. The property is 100 percent occupied.

2Q17 The property maintains a waiting list approximately three years in length for the project-based units. The waiting lists for the tax credit and market rate units consist of 10 households and 13 households, respectively. Exterior storage is available for an additional \$30 to \$125 per month depending on size. The property accepts Housing Choice Vouchers; however, none are currently utilized at the property. Market rate units have increased eight to ten percent, while LIHTC rents have been kept at the maximum allowable level since the second quarter of 2014.

PROPERTY PROFILE REPORT

Legacy At Walton Park

Effective Rent Date 4/14/2017
Location 4700 School Street
 Acworth, GA 30101
 Cobb County
Distance 5.2 miles
Units 100
Vacant Units 0
Vacancy Rate 0.0%
Type Lowrise (age-restricted) (3 stories)
Year Built/Renovated 2015 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Highland Court and Alta
Tenant Characteristics Seniors 55+
Contact Name Laura
Phone 770-224-7480



Market Information

Program @50% (Project Based Rental Assistance -
Annual Turnover Rate 5%
Units/Month Absorbed 14
HCV Tenants 2%
Leasing Pace Pre-leased
Annual Chg. in Rent Kept at max
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	15	748	\$817	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	45	748	\$817	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Lowrise (3 stories)	20	1,060	\$781	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Lowrise (3 stories)	20	1,242	\$781	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$817	\$0	\$817	\$0	\$817	1BR / 1BA	\$817	\$0	\$817	\$0	\$817
						2BR / 2BA	\$781	\$0	\$781	\$0	\$781

Legacy At Walton Park, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Grab Bars
Microwave
Pull Cords
Walk-In Closet

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

Security

Intercom (Phone)
Limited Access
Patrol
Perimeter Fencing
Video Surveillance

Services

None

Property

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

Clubhouse/Meeting
Elevators
Central Laundry
On-Site Management
Service Coordination

Premium

None

Other

Community Gardens

Comments

The property maintains a waiting list for the one-bedroom units approximately one to two years in length and a waiting list for two-bedroom units approximately six months to one year in length. Exterior storage is available for an additional fee of \$45 to \$100 per month depending on unit size.

Legacy At Walton Park, continued

Trend Report

Vacancy Rates

2Q14	2Q16	2Q17
N/A	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$750	\$0	\$750	\$750
2016	2	0.0%	\$786	\$0	\$786	\$786
2017	2	0.0%	\$817	\$0	\$817	\$817

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$750	\$0	\$750	\$750
2016	2	0.0%	\$786	\$0	\$786	\$786
2017	2	0.0%	\$817	\$0	\$817	\$817

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$640	\$0	\$640	\$640
2016	2	0.0%	\$772	\$0	\$772	\$772
2017	2	0.0%	\$781	\$0	\$781	\$781

Trend: Comments

- 2Q14** This is a proposed senior LIHTC development that was awarded LIHTC in 2013. The supportive services to be offered include weekly social and recreational programs to include healthcare, exercise, games, and cultural classes.
- 2Q16** The property is restricted to seniors 55 and older. The property officially opened in February 2016. The manager reported that there is a waiting list of three households.
- 2Q17** The property maintains a waiting list for the one-bedroom units approximately one to two years in length and a waiting list for two-bedroom units approximately six months to one year in length. Exterior storage is available for an additional fee of \$45 to \$100 per month depending on unit size.

PROPERTY PROFILE REPORT

The Peaks Of Bells Ferry

Effective Rent Date	4/07/2017
Location	100 Peaks Ridge Acworth, GA 30102 Cherokee County
Distance	5.5 miles
Units	248
Vacant Units	2
Vacancy Rate	0.8%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	6/01/2003
Leasing Began	8/01/2003
Last Unit Leased	6/30/2005
Major Competitors	Brentwood, Cherokee Summit
Tenant Characteristics	Mixed tenancy
Contact Name	Jordan
Phone	770-928-0860



Market Information

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

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	50	874	\$777	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (3 stories)	12	874	\$990	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	98	1,149	\$940	\$0	@60%	No	1	1.0%	yes	None
2	2	Garden (3 stories)	25	1,149	\$1,115	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	51	1,388	\$1,091	\$0	@60%	Yes	1	2.0%	yes	None
3	2	Garden (3 stories)	12	1,388	\$1,255	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$777	\$0	\$777	-\$32	\$745	1BR / 1BA	\$990	\$0	\$990	-\$32	\$958
2BR / 2BA	\$940	\$0	\$940	-\$47	\$893	2BR / 2BA	\$1,115	\$0	\$1,115	-\$47	\$1,068
3BR / 2BA	\$1,091	\$0	\$1,091	-\$77	\$1,014	3BR / 2BA	\$1,255	\$0	\$1,255	-\$77	\$1,178

The Peaks Of Bells Ferry, 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

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

Services

None

Property

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

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

Premium

None

Other

None

Comments

The contact reported that the property maintains a waiting list of approximately 18 households. According to the contact, the last rent increase occurred in January 2017, and all LIHTC rents are kept at the maximum allowable levels. In-unit washer/dryers and wood floors are offered in select units. There is an additional fee of \$100 per month for garage parking.

The Peaks Of Bells Ferry, continued

Trend Report

Vacancy Rates

2Q14	2Q15	3Q16	2Q17
0.0%	2.0%	0.0%	0.8%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$684	\$0	\$684	\$652
2015	2	0.0%	\$700	\$0	\$700	\$668
2016	3	0.0%	\$733	\$0	\$733	\$701
2017	2	0.0%	\$777	\$0	\$777	\$745

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$804	\$0	\$804	\$757
2015	2	1.0%	\$840	\$0	\$840	\$793
2016	3	0.0%	\$871	\$0	\$871	\$824
2017	2	1.0%	\$940	\$0	\$940	\$893

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$909	\$0	\$909	\$832
2015	2	3.9%	\$935	\$0	\$935	\$858
2016	3	0.0%	\$995	\$0	\$995	\$918
2017	2	2.0%	\$1,091	\$0	\$1,091	\$1,014

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$744	\$0	\$744	\$712
2015	2	0.0%	\$760	\$0	\$760	\$728
2016	3	0.0%	\$795	\$0	\$795	\$763
2017	2	0.0%	\$990	\$0	\$990	\$958

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$864	\$0	\$864	\$817
2015	2	4.0%	\$875	\$0	\$875	\$828
2016	3	0.0%	\$930	\$0	\$930	\$883
2017	2	0.0%	\$1,115	\$0	\$1,115	\$1,068

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$909	\$0	\$909	\$832
2015	2	8.3%	\$969	\$0	\$969	\$892
2016	3	0.0%	\$1,015	\$0	\$1,015	\$938
2017	2	0.0%	\$1,255	\$0	\$1,255	\$1,178

Trend: Comments

- 2Q14** The property is 100 percent occupied. There is a pet fee for \$300.
- 2Q15** The contact had no additional comments.
- 3Q16** The property is under new management as of the beginning of July 2016. The property maintains a waiting list for three-bedroom units consisting of four households.
- 2Q17** The contact reported that the property maintains a waiting list of approximately 18 households. According to the contact, the last rent increase occurred in January 2017, and all LIHTC rents are kept at the maximum allowable levels. In-unit washer/dryers and wood floors are offered in select units. There is an additional fee of \$100 per month for garage parking.

PROPERTY PROFILE REPORT

Colonial Grand At Barrett Creek

Effective Rent Date	4/13/2017
Location	2400 Barrett Creek Blvd Marietta, GA 30066 Cobb County
Distance	3.3 miles
Units	331
Vacant Units	4
Vacancy Rate	1.2%
Type	Garden (4 stories)
Year Built/Renovated	1998 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed Tenancy
Contact Name	Ashley
Phone	866-485-6761



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Inc. 0-15% since the 2Q16
Concession	\$150 off April and May for 1BRs

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 (4 stories)	125	719	\$899	\$25	Market	No	1	0.8%	N/A	None
2	1	Garden (4 stories)	136	1,050	\$1,129	\$0	Market	No	2	1.5%	N/A	None
3	2	Garden (4 stories)	70	1,226	\$1,324	\$0	Market	No	1	1.4%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$899	\$25	\$874	\$18	\$892
2BR / 1BA	\$1,129	\$0	\$1,129	\$18	\$1,147
3BR / 2BA	\$1,324	\$0	\$1,324	\$18	\$1,342

Colonial Grand At Barrett Creek, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Walk-In Closet

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Vaulted Ceilings
Washer/Dryer

Security

None

Services

None

Property

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

Clubhouse/Meeting
Garage
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The rents shown in the profile are base rents. The one-bedroom units range from \$899 to \$949, two-bedrooms range from \$1,129 to \$1,204, and three-bedrooms range from \$1,324 to \$1,384. The rents range based on floor level and view. Select units have attached garage parking; however, the property also offers detached garage parking for an additional fee of \$100 per month. The property does not accept Housing Choice Vouchers.

Colonial Grand At Barrett Creek, continued

Trend Report

Vacancy Rates

2Q16	2Q17
N/A	1.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$898	\$0	\$898	\$916
2017	2	0.8%	\$899	\$25	\$874	\$892

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,088	\$0	\$1,088	\$1,106
2017	2	1.5%	\$1,129	\$0	\$1,129	\$1,147

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	N/A	\$1,150	\$0	\$1,150	\$1,168
2017	2	1.4%	\$1,324	\$0	\$1,324	\$1,342

Trend: Comments

2Q16 N/A

2Q17 The rents shown in the profile are base rents. The one-bedroom units range from \$899 to \$949, two-bedrooms range from \$1,129 to \$1,204, and three-bedrooms range from \$1,324 to \$1,384. The rents range based on floor level and view. Select units have attached garage parking; however, the property also offers detached garage parking for an additional fee of \$100 per month. The property does not accept Housing Choice Vouchers.

PROPERTY PROFILE REPORT

Mountain Park Apartments

Effective Rent Date	4/13/2017
Location	1925 Old 41 Highway NW Kennesaw, GA 30152 Cobb County
Distance	1.5 miles
Units	450
Vacant Units	27
Vacancy Rate	6.0%
Type	Garden (3 stories)
Year Built/Renovated	1999 / Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed Tenancy
Contact Name	Camille
Phone	678-354-0095



Market Information

Program	Market
Annual Turnover Rate	32%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Fluctuate daily
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	687	\$975	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (3 stories)	N/A	896	\$1,078	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (3 stories)	N/A	687	\$950	\$0	Market	No	N/A	N/A	N/A	LOW
1	1	Garden (3 stories)	N/A	896	\$1,059	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (3 stories)	N/A	1,283	\$1,190	\$0	Market	No	N/A	N/A	N/A	None
2	2.5	Garden (3 stories)	N/A	1,507	\$1,483	\$0	Market	No	N/A	N/A	N/A	None
2	2.5	Garden (3 stories)	N/A	1,419	\$1,368	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2.5	Garden (3 stories)	N/A	1,419	\$1,283	\$0	Market	No	N/A	N/A	N/A	LOW*
3	2.5	Garden (3 stories)	N/A	1,871	\$1,691	\$0	Market	No	N/A	N/A	N/A	None
3	2.5	Garden (3 stories)	N/A	1,504	\$1,545	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2.5	Garden (3 stories)	N/A	1,504	\$1,325	\$0	Market	No	N/A	N/A	N/A	LOW

Mountain Park Apartments, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$950 - \$1,078	\$0	\$950 - \$1,078	\$18	\$968 - \$1,096
2BR / 2BA	\$1,190	\$0	\$1,190	\$18	\$1,208
2BR / 2.5BA	\$1,283 - \$1,483	\$0	\$1,283 - \$1,483	\$18	\$1,301 - \$1,501
3BR / 2.5BA	\$1,325 - \$1,691	\$0	\$1,325 - \$1,691	\$18	\$1,343 - \$1,709

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Swimming Pool

Exercise Facility
Central Laundry
On-Site Management
Playground
Tennis Court

Premium

None

Other

None

Comments

The property is currently undergoing renovations. The scope of the renovations includes new flooring, countertops, paint, appliances, and fixtures. All of the units will eventually be renovated, and they are being renovated as they become vacant. Non-renovated units are not leased. The property does not accept Housing Choice Vouchers. The contact reported rents fluctuating daily due to the property's utilization of daily pricing software.

Mountain Park Apartments, continued

Trend Report

Vacancy Rates

3Q13	2Q17
6.0%	6.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$735 - \$840	\$0	\$735 - \$840	\$753 - \$858
2017	2	N/A	\$950 - \$1,078	\$0	\$950 - \$1,078	\$968 - \$1,096

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$995 - \$1,355	\$0	\$995 - \$1,355	\$1,013 - \$1,373
2017	2	N/A	\$1,283 - \$1,483	\$0	\$1,283 - \$1,483	\$1,301 - \$1,501

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$950 - \$985	\$0	\$950 - \$985	\$968 - \$1,003
2017	2	N/A	\$1,190	\$0	\$1,190	\$1,208

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	3	N/A	\$1,090 - \$1,571	\$0	\$1,090 - \$1,571	\$1,108 - \$1,589
2017	2	N/A	\$1,325 - \$1,691	\$0	\$1,325 - \$1,691	\$1,343 - \$1,709

Trend: Comments

3Q13 The contact was unwilling to disclose their turnover, annual change in rents, tenant characteristics, and leasing pace information. This property was previously 'Trees of Kennesaw'.

2Q17 The property is currently undergoing renovations. The scope of the renovations includes new flooring, countertops, paint, appliances, and fixtures. All of the units will eventually be renovated, and they are being renovated as they become vacant. Non-renovated units are not leased. The property does not accept Housing Choice Vouchers. The contact reported rents fluctuating daily due to the property's utilization of daily pricing software.

PROPERTY PROFILE REPORT

Revival On Main

Effective Rent Date	4/13/2017
Location	2825 South Main Street Kennesaw, GA 30144 Cobb County
Distance	0.3 miles
Units	252
Vacant Units	7
Vacancy Rate	2.8%
Type	Midrise (5 stories)
Year Built/Renovated	2015 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed Tenancy
Contact Name	Andrea
Phone	918-888-3736



Market Information

Program	Market
Annual Turnover Rate	35%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Fluctuate daily
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	Midrise (5 stories)	N/A	638	\$1,140	\$0	Market	Yes	4	N/A	N/A	None
2	2	Midrise (5 stories)	N/A	1,055	\$1,645	\$0	Market	Yes	2	N/A	N/A	None
3	2	Midrise (5 stories)	N/A	1,294	\$1,905	\$0	Market	Yes	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,140	\$0	\$1,140	\$18	\$1,158
2BR / 2BA	\$1,645	\$0	\$1,645	\$18	\$1,663
3BR / 2BA	\$1,905	\$0	\$1,905	\$18	\$1,923

Revival On Main, continued

Amenities

In-Unit

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

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

Security

None

Services

None

Property

Clubhouse/Meeting
Elevators
Garage
On-Site Management
Swimming Pool

Courtyard
Exercise Facility
Off-Street Parking
Picnic Area

Premium

None

Other

Yoga Studio

Comments

The base rents are shown in the profile. The one-bedroom units range from 638 to 853 square feet and from \$1,140 to \$1,175 per month. The two-bedroom units range from 1,055 to 1,244 square feet and from \$1,645 to \$1,885 per month. The rents range based on square footage. Exterior storage is available for an additional fee ranging from \$16 to \$160 per month depending on unit size. The property maintains a waiting list for select units approximately two months in length. The contact was unable to provide absorption information as the property had changed management companies since lease up. Garage parking is included in the rent. The property does not accept Housing Choice Vouchers. The contact reported rents fluctuating daily due to the property's utilization of daily pricing software.

PROPERTY PROFILE REPORT

Shiloh Green Apartments

Effective Rent Date	4/13/2017
Location	50 Walton Green Way NW Kennesaw, GA 30144 Cobb County
Distance	1.6 miles
Units	236
Vacant Units	5
Vacancy Rate	2.1%
Type	Garden (3 stories)
Year Built/Renovated	1996 / Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Wingate
Tenant Characteristics	Families from Kennesaw, some from Acworth, few seniors
Contact Name	Andrea
Phone	770-425-2585



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Inc. 3-6% annually since 3Q13
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 (3 stories)	28	900	\$900	\$0	Market	Yes	1	3.6%	N/A	None
2	2	Garden (3 stories)	80	1,300	\$1,125	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	104	1,425	\$1,275	\$0	Market	No	3	2.9%	N/A	None
4	2	Garden (3 stories)	24	1,650	\$1,500	\$0	Market	Yes	1	4.2%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$900	\$0	\$900	\$18	\$918
2BR / 2BA	\$1,125	\$0	\$1,125	\$18	\$1,143
3BR / 2BA	\$1,275	\$0	\$1,275	\$18	\$1,293
4BR / 2BA	\$1,500	\$0	\$1,500	\$18	\$1,518

Shiloh Green Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Oven
Vaulted Ceilings
Washer/Dryer hookup

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

Security

Intercom (Buzzer)
Limited Access
Patrol
Perimeter Fencing

Services

Afterschool Program

Property

Basketball Court
Car Wash
Garage
Off-Street Parking
Picnic Area
Swimming Pool

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

Premium

None

Other

None

Comments

The rents shown in the profile are base rents. The one-bedroom units range from \$900 to \$1,150, two-bedrooms range from \$1,125 to \$1,125, three-bedrooms range from \$1,275 to \$1,450, and four-bedroom units range from \$1,500 to \$1,545. The ranges in the rent are due to various upgrades within the units. The property has been renovating units since 2015 as they become vacant. Exterior storage is available for an additional fee ranging from \$15 to \$83 per month depending on unit size. The property does not accept Housing Choice Vouchers. The contact reported a waiting list; however, was unable to disclose the exact length.

Shiloh Green Apartments, continued

Trend Report

Vacancy Rates

2Q08	2Q09	3Q13	2Q17
0.0%	8.1%	8.1%	2.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$950	\$10	\$940	\$958
2009	2	N/A	\$995	\$265	\$730	\$748
2013	3	N/A	\$795	\$0	\$795	\$813
2017	2	3.6%	\$900	\$0	\$900	\$918

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$1,075	\$10	\$1,065	\$1,083
2009	2	N/A	\$1,085	\$289	\$796	\$814
2013	3	N/A	\$925	\$0	\$925	\$943
2017	2	0.0%	\$1,125	\$0	\$1,125	\$1,143

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$1,170	\$13	\$1,157	\$1,175
2009	2	N/A	\$1,170	\$312	\$858	\$876
2013	3	N/A	\$1,050	\$0	\$1,050	\$1,068
2017	2	2.9%	\$1,275	\$0	\$1,275	\$1,293

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$1,350	\$0	\$1,350	\$1,368
2009	2	N/A	\$1,350	\$360	\$990	\$1,008
2013	3	N/A	\$1,315	\$0	\$1,315	\$1,333
2017	2	4.2%	\$1,500	\$0	\$1,500	\$1,518

Trend: Comments

- 2Q08** This property is a market rate property offering 106 units under the Affordable Housing Program (AHP). Typical occupancy for the property ranges between 94 and 98 percent. While several units are currently vacant, all units have been pre-leased. Management reported that the property typically experiences high vacancy during this time of year. The property has few senior tenants. Tenancy generally consists of families from the local area. Management reported that there is demand for both market rate and AHP units. Rents can change weekly or biweekly and can fluctuate by \$100. The after school programs offered are called Kid Claws and Teen Extreme. It should be noted that one of the units is a non-income producing unit for the coordinator of resident activities.
- 2Q09** The contact reported that the property typically remains 90 to 92 percent occupied and that there is a demand for affordable housing units as the majority of vacancies are among the unrestricted units. The concession is four months free prorated over a 15 to 24 month lease for the market rate units. To be conservative, the concessions listed are based on the shortest lease term of 15 months. The concession has been offered since February 2009 due to the state of the economy.
- 3Q13** The contact estimated their turnover but indicated that tenants stay between three and 10 years (on average). Although the contact was unable to provide a unit breakdown of vacancies, she indicated that the majority of vacancies were three-bedroom units.
- 2Q17** The rents shown in the profile are base rents. The one-bedroom units range from \$900 to \$1,150, two-bedrooms range from \$1,125 to \$1,125, three-bedrooms range from \$1,275 to \$1,450, and four-bedroom units range from \$1,500 to \$1,545. The ranges in the rent are due to various upgrades within the units. The property has been renovating units since 2015 as they become vacant. Exterior storage is available for an additional fee ranging from \$15 to \$83 per month depending on unit size. The property does not accept Housing Choice Vouchers. The contact reported a waiting list; however, was unable to disclose the exact length.

PROPERTY PROFILE REPORT

Twenty25 Barrett

Effective Rent Date	4/13/2017
Location	2025 Barrett Lakes Blvd Kennesaw, GA 30144 Cobb County
Distance	2.5 miles
Units	308
Vacant Units	6
Vacancy Rate	1.9%
Type	Garden (3 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed Tenancy
Contact Name	Mariah
Phone	678-202-5940



Market Information

Program	Market
Annual Turnover Rate	31%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Fluctuates daily
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 (3 stories)	44	713	\$1,145	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	14	770	\$1,165	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	14	840	\$1,291	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	54	848	\$1,251	\$0	Market	No	5	9.3%	N/A	None
2	2	Garden (3 stories)	98	1,213	\$1,509	\$0	Market	No	1	1.0%	N/A	None
2	2	Garden (3 stories)	84	1,214	\$1,499	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,145 - \$1,291	\$0	\$1,145 - \$1,291	\$18	\$1,163 - \$1,309
2BR / 2BA	\$1,499 - \$1,509	\$0	\$1,499 - \$1,509	\$18	\$1,517 - \$1,527

Twenty25 Barrett, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Coat Closet
Exterior Storage
Fireplace
Microwave
Refrigerator
Washer/Dryer

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

Security

Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Off-Street Parking
Swimming Pool

Clubhouse/Meeting
Garage
On-Site Management

Premium

None

Other

None

Comments

Detached garages are available for an additional fee of \$180 per month. Exterior storage units are available an additional fee ranging from \$45 to \$75 per month depending on unit size. The property does not accept Housing Choice Vouchers. The contact reported rents changing daily due to the property's utilization of daily pricing software.

Trend Report

Vacancy Rates

2Q16	2Q17
4.2%	1.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	6.3%	\$1,143 - \$1,251	\$0	\$1,143 - \$1,251	\$1,161 - \$1,269
2017	2	4.0%	\$1,145 - \$1,291	\$0	\$1,145 - \$1,291	\$1,163 - \$1,309

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	2.7%	\$1,288 - \$1,585	\$0	\$1,288 - \$1,585	\$1,306 - \$1,603
2017	2	0.5%	\$1,499 - \$1,509	\$0	\$1,499 - \$1,509	\$1,517 - \$1,527

Trend: Comments

2Q16 Detached garages are offered for a monthly fee of \$170.

2Q17 Detached garages are available for an additional fee of \$180 per month. Exterior storage units are available an additional fee ranging from \$45 to \$75 per month depending on unit size. The property does not accept Housing Choice Vouchers. The contact reported rents changing daily due to the property's utilization of daily pricing software.

PROPERTY PROFILE REPORT

Walden Ridge Apartments

Effective Rent Date	4/13/2017
Location	3093 Cobb Parkway NW Kennesaw, GA 30152 Cobb County
Distance	2.6 miles
Units	210
Vacant Units	2
Vacancy Rate	1.0%
Type	Garden (3 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy, mostly from Cobb CO. 10 percent seniors
Contact Name	Vickie
Phone	678-574-0100



Market Information

Program	Market
Annual Turnover Rate	28%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three weeks
Annual Chg. in Rent	Inc. 4-5% annually since 2Q14
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 (3 stories)	N/A	732	\$1,045	\$0	Market	Yes	1	N/A	N/A	None
1	1	Garden (3 stories)	N/A	916	\$1,095	\$0	Market	Yes	0	N/A	N/A	None
1.5	1	Garden (3 stories)	N/A	1,013	\$1,180	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,157	\$1,310	\$0	Market	Yes	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,252	\$1,310	\$0	Market	Yes	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,425	\$1,535	\$0	Market	Yes	1	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,532	\$1,532	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,045 - \$1,095	\$0	\$1,045 - \$1,095	\$18	\$1,063 - \$1,113
1.5BR / 1BA	\$1,180	\$0	\$1,180	\$18	\$1,198
2BR / 2BA	\$1,310	\$0	\$1,310	\$18	\$1,328
3BR / 2BA	\$1,532 - \$1,535	\$0	\$1,532 - \$1,535	\$18	\$1,550 - \$1,553

Walden Ridge 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

Intercom (Buzzer)
Limited Access
Perimeter Fencing

Services

None

Property

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

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground
Tennis Court

Premium

None

Other

None

Comments

The property maintains a waiting list approximately two months in length. Exterior storage is available for an additional fee of \$75 per month. The property does not accept Housing Choice Vouchers.

Walden Ridge Apartments, continued

Trend Report

Vacancy Rates

2Q08	3Q12	2Q14	2Q17
1.4%	0.5%	0.5%	1.0%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$885	\$0	\$885	\$903
2012	3	N/A	\$1,020	\$0	\$1,020	\$1,038
2014	2	N/A	\$1,035	\$0	\$1,035	\$1,053
2017	2	N/A	\$1,180	\$0	\$1,180	\$1,198

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$710 - \$815	\$0	\$710 - \$815	\$728 - \$833
2012	3	N/A	\$835 - \$880	\$0	\$835 - \$880	\$853 - \$898
2014	2	N/A	\$895 - \$965	\$0	\$895 - \$965	\$913 - \$983
2017	2	N/A	\$1,045 - \$1,095	\$0	\$1,045 - \$1,095	\$1,063 - \$1,113

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$920 - \$970	\$0	\$920 - \$970	\$938 - \$988
2012	3	N/A	\$1,070 - \$1,100	\$0	\$1,070 - \$1,100	\$1,088 - \$1,118
2014	2	N/A	\$1,120 - \$1,140	\$0	\$1,120 - \$1,140	\$1,138 - \$1,158
2017	2	N/A	\$1,310	\$0	\$1,310	\$1,328

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$1,135 - \$1,175	\$0	\$1,135 - \$1,175	\$1,153 - \$1,193
2012	3	N/A	\$1,270 - \$1,300	\$0	\$1,270 - \$1,300	\$1,288 - \$1,318
2014	2	N/A	\$1,320 - \$1,340	\$0	\$1,320 - \$1,340	\$1,338 - \$1,358
2017	2	N/A	\$1,532 - \$1,535	\$0	\$1,532 - \$1,535	\$1,550 - \$1,553

Trend: Comments

- 2Q08** Typical occupancy for this property is reported to be 98 percent and higher. The rents reflected in the rent grid above are starting rents. One-bedroom units at 732 SF, 916, and 1,013 SF can go up to \$740, \$845, and \$905y. Two-bedroom units at 1,157 SF and 1,252 SF can go up to \$960 and \$980. Three-bedroom units at 1,425 SF and 1,532 SF can go up to \$1,155 and \$1,185. Management reported that the property receives a lot of interest from seniors. Approximately 30 percent of the property's tenancy is seniors. Management believes there is demand for senior housing.
- 3Q12** The contact reported the property has performed above 96 percent during the past year. A waiting list with approximately 10 to 15 households is maintained.
- 2Q14** The contact would not report the number of applicants on the waiting list and the annual turnover rate. The property does not accept Section 8 tenants.
- 2Q17** The property maintains a waiting list approximately two months in length. Exterior storage is available for an additional fee of \$75 per month. The property does not accept Housing Choice Vouchers.

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

Housing Choice Vouchers

According to the Marietta Housing Authority website, there are 2,588 Housing Choice Vouchers administered in Cobb County. The waiting list for vouchers is currently closed and is estimated at three years in length. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS		
Comparable Property	Type	Housing Choice Voucher Tenants
Alta Ridenour	Senior LIHTC/Market	15%
Highland Court Apartments	Senior LIHTC/Market	4%
Lakeside Vista	LIHTC/Market	25%
Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	0%
Legacy At Walton Park	Senior LIHTC (PBRA)/Market	2%
The Peaks Of Bells Ferry*	LIHTC/Market	10%
Colonial Grand At Barrett Creek	Market	0%
Mountain Park Apartments	Market	0%
Revival On Main	Market	0%
Shiloh Green Apartments	Market	0%
Twenty25 Barrett	Market	0%
Walden Ridge Apartments	Market	0%

*Located outside of PMA

Housing Choice Voucher usage in this market ranges from zero to 25 percent. The LIHTC properties have a low reliance on tenants with vouchers with usage rates ranging from zero to 25 percent. In addition, all of the market rate properties do not accept Housing Choice Vouchers. In conclusion, it appears that the Subject will not need to rely on voucher utilizing residents in order to maintain a high occupancy level. We believe the Subject would maintain a voucher usage of approximately 10 percent upon completion, similar to the LIHTC comparables.

Phased Developments

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

Rural Areas

The Subject is not located in a rural area.

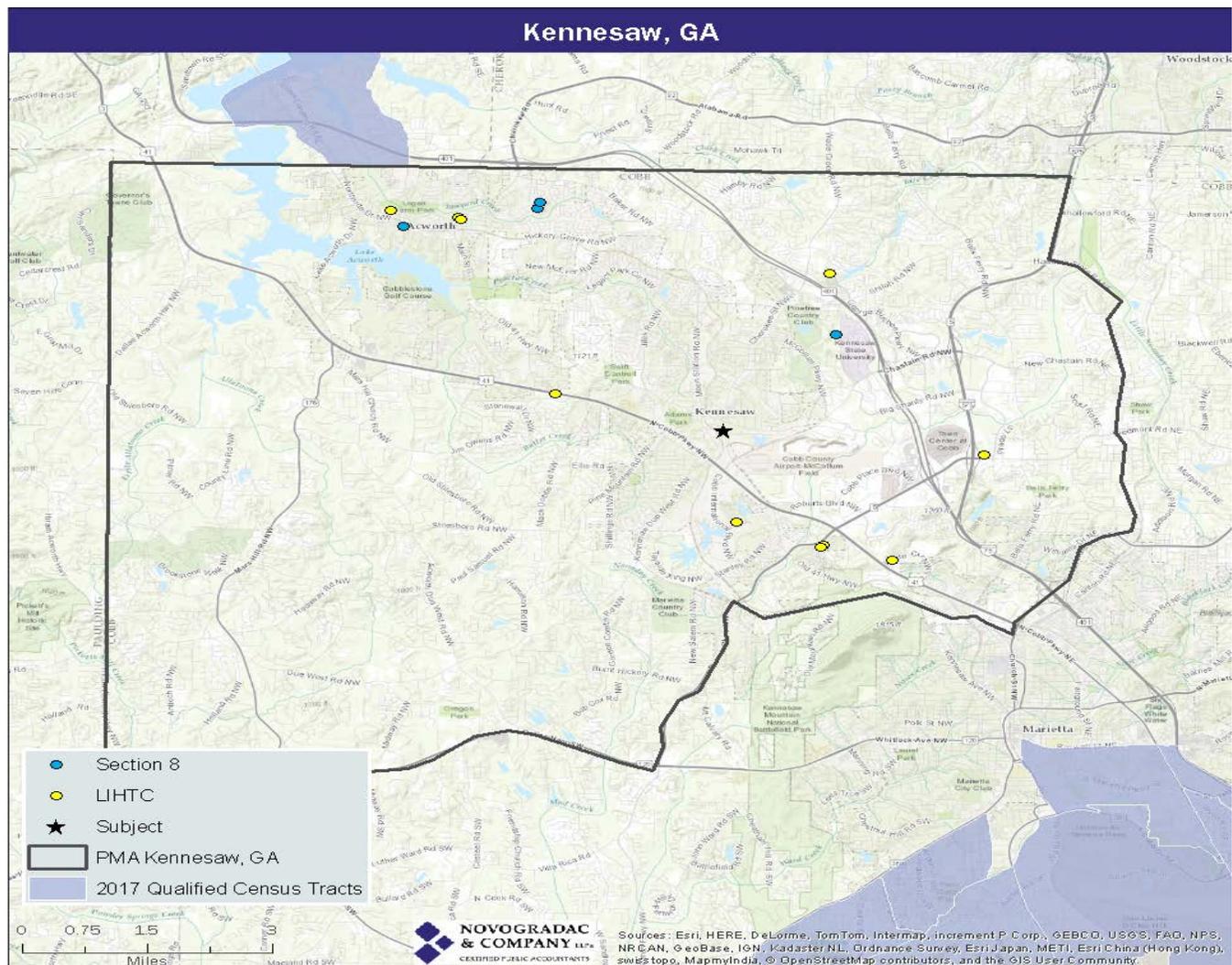
3. Competitive Project Map

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	City	Tenancy	# of Units	Distance from Subject	Map Color
Subject	LIHTC/Market	Kennesaw	Senior	-	-	Star
Barrington Square Apartments	Section 8	Acworth	Senior	50	4.0 miles	
Laurel's Edge	Section 8	Kennesaw	Senior	50	2.7 miles	
Fred G. Hull Homes	Section 8	Acworth	Family	50	5.1 miles	
Wingate Falls	LIHTC/Section 8	Acworth	Family	192	4.1 miles	
Legacy at Walton Park**	LIHTC	Acworth	Senior	100	5.2 miles	
Highland Court Apartments**	LIHTC/Market	Kennesaw	Senior	122	2.7 miles	
Cobblestone Landing Apts	LIHTC/Market	Kennesaw	Family	244	2.1 miles	
Alta Ridenour Senior Apts**	LIHTC/Market	Kennesaw	Senior	252	2.1 miles	
Lakeside Vista Apts**	LIHTC/Market	Kennesaw	Family	62	1.4 miles	
Walton Ridenour Apts	LIHTC/Market	Kennesaw	Family	260	2.2 miles	
Legacy At Walton Heights	LIHTC	Marietta	Senior	100	3.1 miles	
Legacy at Walton Overlook**	LIHTC/Market	Acworth	Senior	108	4.5 miles	
White Circle Phase I*	LIHTC	Marietta	Family	71	2.8 miles	

*Currently under construction

**Utilized as a comparable



4. Amenities

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

UNIT MATRIX REPORT													
	Enclave at Depot Park	Alta Ridenour	Highland Court Apartments	Lakeside Vista	Legacy At Walton Overlook	Legacy At Walton Park	The Peaks Of Belts Ferry	Colonial Grand At Barrett Creek	Mountain Park Apartments	Revival On Main	Shiloh Green Apartments	Twenty25 Barnett	Walden Ridge Apartments
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11	12
Property Information													
Property Type	Lowrise (age-restricted) (3 stories)	Midrise (age-restricted) (4 stories)	Midrise (age-restricted) (4 stories)	Garden (3 stories)	Lowrise (age-restricted) (4 stories)	Lowrise (age-restricted) (3 stories)	Garden (3 stories)	Garden (4 stories)	Garden (3 stories)	Midrise (5 stories)	Garden (3 stories)	Garden (3 stories)	Garden (3 stories)
Year Built / Renovated	Proposed / n/a	2005 / n/a	2003 / n/a	2005 / n/a	2012 / n/a	2015 / n/a	2003 / n/a	1998 / n/a	1999 / Ongoing	2015 / n/a	1996 / Ongoing	2014 / n/a	2001 / n/a
Market (Conv./Subsidy Type)	LIHTC/Market	LIHTC/Market	LIHTC/Market	LIHTC/Market	LIHTC (PBRA)/Market	LIHTC (PBRA)/Market	LIHTC/Market	Market	Market	Market	Market	Market	Market
Utility Adjustments													
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	no	no	no	yes	no	no	no	no	no	no
Sewer	no	no	yes	no	no	no	yes	no	no	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	yes	yes	no	no	no	no	no	no
In-Unit Amenities													
Balcony/Patio	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	no	no	no	no	no	no	no	no
Carpet/Hardwood	yes	no	no	no	no	no	no	yes	no	yes	no	yes	no
Carpeting	no	yes	yes	yes	yes	yes	yes	no	yes	no	yes	no	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Fireplace	no	no	no	no	no	no	no	no	no	no	no	yes	no
Garbage Disposal	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Grab Bars	yes	yes	yes	no	yes	yes	no	no	no	no	no	no	no
Hand Rails	yes	yes	yes	no	yes	yes	no	no	no	no	no	no	no
Microwave	yes	no	no	yes	yes	yes	yes	no	no	yes	yes	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	yes	no	yes	yes	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	yes	no	no	yes	no	no
Walk-in Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Washer/Dryer	yes	yes	no	no	no	no	no	yes	no	yes	no	yes	no
Washer/Dryer hookup	no	no	yes	yes	yes	yes	yes	no	yes	no	yes	no	yes
Property Amenities													
Basketball Court	no	no	no	no	no	no	no	no	no	no	yes	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Car Wash	no	no	no	no	yes	no	yes	no	no	no	yes	no	yes
Clubhouse/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Courtyard	yes	no	no	no	yes	yes	yes	no	no	no	no	no	no
Elevators	yes	yes	yes	no	yes	yes	no	no	no	yes	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Garage	no	no	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
Central Laundry	no	no	yes	yes	yes	yes	yes	no	yes	no	no	no	yes
Neighborhood Network	no	no	no	no	yes	no	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	no	yes	yes	yes	yes	yes	yes	yes	no	yes
Playground	no	no	no	yes	no	no	yes	no	yes	no	yes	no	yes
Recreation Areas	yes	no	no	no	yes	no	no	no	no	no	no	no	no
Service Coordination	yes	no	no	no	yes	yes	no	no	no	no	no	no	no
Swimming Pool	no	yes	no	yes	no	no	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	yes	no	yes	no	no	no	no	yes	no	no	no	yes
Theatre	no	no	no	no	yes	no	no	no	no	no	no	no	no
Wi-Fi	no	no	no	no	no	no	yes	no	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	\$100.00	\$100.00	\$125.00	N/A	\$100.00	\$180.00	\$125.00
Services													
Adult Education	no	no	yes	no	yes	no	no	no	no	no	no	no	no
Afterschool Program	no	no	no	no	no	no	no	no	no	no	yes	no	no
Shuttle Service	no	no	yes	no	no	no	no	no	no	no	no	no	no
Security													
In-Unit Alarm	no	no	no	yes	no	no	yes	no	yes	no	no	no	no
Intercom (Buzzer)	no	no	yes	no	no	no	yes	no	no	no	yes	no	yes
Intercom (Phone)	no	no	no	no	no	no	no	no	no	no	no	no	no
Limited Access	no	yes	yes	yes	yes	yes	yes	no	yes	no	yes	no	yes
Patrol	yes	no	no	no	no	yes	yes	no	no	no	yes	no	yes
Perimeter Fencing	no	no	no	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Video Surveillance	no	no	no	no	no	yes	no	no	no	no	no	no	no

The Subject will offer generally similar to slightly superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer recreation areas

and service coordination, which many of the comparables will lack. However, the Subject will lack a swimming pool and garage parking which is offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC and market rate markets.

5. Comparable Tenancy

The Subject will target seniors age 62 and older. Four of the LIHTC comparables also target seniors, similar to the Subject. However, given the limited supply of senior market rate developments in the area, we have included eight additional comparables that target families. We believe inclusion of these comparables provides additional support for our analysis and rent conclusions.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Type	Total Units	Vacant Units	Vacancy Rate	
Alta Ridenour	Senior LIHTC/Market	252	2	0.8%	
Highland Court Apartments	Senior LIHTC/Market	122	0	0.0%	
Lakeside Vista	LIHTC/Market	324	0	0.0%	
Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	108	0	0.0%	
Legacy At Walton Park	Senior LIHTC (PBRA)/Market	100	0	0.0%	
The Peaks Of Bells Ferry*	LIHTC/Market	248	2	0.8%	
Colonial Grand At Barrett Creek	Market	331	4	1.2%	
Mountain Park Apartments	Market	450	27	6.0%	
Revival On Main	Market	252	7	2.8%	
Shiloh Green Apartments	Market	236	5	2.1%	
Twenty25 Barrett	Market	308	6	1.9%	
Walden Ridge Apartments	Market	210	2	1.0%	
Total LIHTC		1,154	4	0.3%	
Total Market		1,787	51	2.9%	
Total		2,941	55	1.9%	

*Located outside PMA

Overall vacancy in the market is low at 1.9 percent. Total LIHTC vacancy is significantly lower, at 0.3 percent. Of the LIHTC comparables, five reported no vacant units. Only two LIHTC comparables reported vacant units; however, both developments are mixed-income and the vacant units are market rate units.

The vacancy rates among the market-rate comparable properties range from zero to six percent, averaging 2.9 percent, which is also considered low. The low to moderate vacancy rates among the market-rate comparable properties indicates that there is demand for rental housing in the Subject's PMA for rental housing. As a newly constructed mixed-income age-restricted property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Four of the LIHTC comparables reported no vacant units and the comparables as a whole exhibit low vacancy rates and maintain waiting lists. As such, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

7. Properties Under Construction and Proposed

City of Kennesaw

According to Darryl Simmons with the Kennesaw Planning Department, there are three multifamily developments currently planned, proposed, or under construction in the city, which are detailed below.

- Adjacent to the west of the Subject site, across Sardis Street, there is a proposed townhome development. There are a total of 38 townhomes proposed that will be known as The Terraces at Depot Park. While the development is still in the planning stages, the townhomes will be owner-occupied, and thus will not compete with the Subject development.
- Kennesaw Marketplace is a large mixed-use development currently under construction at the corner of Cobb and Barrett Parkways, approximately 2.8 miles southeast of the Subject site. As part of the development plans, there will be 180 age-restricted luxury apartments that are expected to be complete in late 2017 or early 2018. The building will be a three-story lowrise and offer one and two-bedroom units restricted to those 55 and older. No further details were available. As a market rate development, this property will compete with the Subject's market rate units for tenancy upon completion.
- White Circle Phase I is a LIHTC development which was awarded funding in 2015 and is currently under construction just east of the intersection of White Circle Northwest and Cobb Parkway (U.S. Highway 41). The development will consist of 71 LIHTC general occupancy units, 11 of which will benefit from project-based rental assistance. White Circle Phase I is the initial phase of a larger development, which will include a mixed-income senior rental community and additional affordable general occupancy units.

In addition, according to the City's map of recent developments, there are several other multifamily projects that have recently been completed.

- Fuller's Chase is a townhome development located approximately 0.3 miles north of the Subject site that offers three-story three and four-bedroom rental units. Given the bedroom types offered, this development will not compete with the Subject for tenancy.
- Revival on Main is a market rate multifamily development completed in 2015, located approximately 0.3 miles west of the Subject site. This property offers 252 one, two, and three-bedroom units and has been utilized as a comparable. However, this property targets the general population, while the Subject will target seniors 62 and older. It is possible that the Subject's 16 market rate units will compete with this development for tenancy.

City of Acworth

According to Loyd Fasselt with the Acworth Community Development Department, there are three multifamily developments currently planned, proposed, or under construction in the city, which are detailed below.

- Dogwood Forest of Acworth is a newly constructed assisted living facility located at 4461 South Main Street, approximately 4.4 miles to the northwest of the Subject. The development offers 96 assisted living and memory care units. The development is planned to construct an additional 196 units. As an assisted living facility, this development will not directly compete with the Subject.
- Celebration Village is a newly constructed assisted living and independent living facility located at 4460 Celebration Boulevard, approximately 4.6 miles to the north of the Subject. The development is located outside of the PMA and will not directly compete with the Subject.

- Mr. Fasselt also noted on one additional senior development proposed to be located along Baker Road; however, could not provide any additional details regarding the development.

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	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Alta Ridenour	Senior LIHTC/Market	Slightly Superior	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	0
2	Highland Court Apartments	Senior LIHTC/Market	Slightly Superior	Similar	Similar	Slightly Superior	Similar	10
3	Lakeside Vista	LIHTC/Market	Similar	Similar	Slightly Inferior	Slightly Superior	Inferior	-10
4	Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	Slightly Inferior	Slightly	Similar	Slightly Superior	Inferior	-5
5	Legacy At Walton Park	Senior LIHTC (PBRA)/Market	Similar	Similar	Similar	Similar	Inferior	-10
6	The Peaks Of Bells Ferry	LIHTC/Market	Similar	Slightly	Slightly Superior	Slightly Superior	Inferior	0
7	Colonial Grand At Barrett Creek	Market	Similar	Similar	Similar	Slightly Superior	Slightly Inferior	0
8	Mountain Park Apartments	Market	Similar	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	-5
9	Revival On Main	Market	Similar	Similar	Similar	Slightly Superior	Similar	5
10	Shiloh Green Apartments	Market	Similar	Similar	Similar	Slightly Superior	Slightly Inferior	0
11	Twenty25 Barrett	Market	Similar	Similar	Similar	Similar	Slightly Inferior	-5
12	Walden Ridge Apartments	Market	Similar	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	-5

*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. It should be noted that two additional age-restricted comparables offer units at the 50 percent AMI level; however, these units benefit from project-based subsidies, with contract rents well above the maximum allowable LIHTC levels.

LIHTC RENT COMPARISON - @50%

Property Name	1BR	2BR
Enclave At Depot Park (Subject)	\$464	\$548
2016 LIHTC Maximum (Net)	\$515	\$609
Cobb County Hold Harmless	\$575	\$681
Highland Court Apartments*	\$577	\$683
Average (excluding Subject)	\$577	\$683

*Age-restricted

LIHTC RENT COMPARISON - @60%

Property Name	1BR	2BR
Enclave At Depot Park (Subject)	\$577	\$685
2016 LIHTC Maximum (Net)	\$641	\$761
Cobb County Hold Harmless	\$714	\$848
Alta Ridenour*	\$746	\$896
Highland Court Apartments*	\$658	\$778-\$833
Lakeside Vista	\$727	\$861
Legacy At Walton Overlook*	\$698	\$830
Legacy At Walton Park*	-	\$781
The Peaks Of Bells Ferry	\$745	\$893
Average (excluding Subject)	\$732	\$832

*Age-restricted

All of the comparable properties were built between 2003 and 2015. The AMI in Cobb County for 2016 is currently at \$67,500 which is 1.9 percent below 2015 levels. Therefore, all of the comparable properties have been “held harmless.” 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.

All of the comparable properties reported achieving rents at or near the maximum allowable rent levels. However, the rents at certain comparables appear to be above the maximum allowable levels. This is likely due to differences in utility structures and project-specific utility allowances, as well as the fact that properties may have increased rents to the 2017 maximum allowable levels, which were released in April 2017.

Alta Ridenour and Highland Court Apartments are considered the most comparable LIHTC properties to the Subject. Alta Ridenour is an age-restricted mixed-income development located 2.2 miles from the Subject, which is considered a slightly superior location compared to the proposed Subject. The unit sizes at Alta Ridenour are slightly superior to the proposed unit sizes at the Subject. The Subject will offer slightly superior property amenities, as Alta Ridenour lacks a courtyard, picnic area, recreation area, and service coordination, all of which will be offered at the Subject. The Subject will offer generally similar in-unit amenities relative to this property. Alta Ridenour was built in 2005 and exhibits good condition, slightly inferior to the Subject upon completion. This comparable property exhibits 0.8 percent vacancy and maintains a waiting list. It should be noted that both vacant units reported at the LIHTC comparables are market rate units. Alta Ridenour reported achieving LIHTC rents at the maximum allowable levels. Based on the Subject’s superior condition, we believe the Subject will be able to achieve LIHTC rents at the maximum allowable level, similar to this comparable.

Highland Court Apartments is an age-restricted mixed-income development located 2.7 miles from the Subject site in a similar location. This property offers similar unit sizes and in-unit amenities compared to the proposed Subject, but slightly inferior property amenities, as it does not offer a courtyard, picnic area, or recreation areas, all of which will be offered at the proposed Subject. This comparable property was built in 2003 and exhibits good condition, which will be considered slightly inferior to the Subject upon completion. This property is 100 percent occupied and maintains a waiting list estimated to be approximately six months in length. As the Subject will be newly constructed and offer a competitive amenity package, we believe that the Subject should be able to achieve LIHTC rents similar to this comparable.

The two most similar comparable properties to the Subject are achieving rents higher than the Subject’s proposed rents. In addition, both maintain waiting lists and 100 percent occupancy among their LIHTC units. Additionally, the presence of waiting lists, low vacancy rates, and maximum allowable rents within the market area are indicative of demand for affordable housing. As such, we believe the Subject is feasible as proposed, and higher achievable rents are likely.

Analysis of “Market Rents”

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

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

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

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR @ 50%	\$464	\$661	\$1,309	\$969	107%
2 BR @ 50%	\$548	\$781	\$1,663	\$1,111	99%
1 BR @60%	\$577	\$698	\$1,309	\$977	68%
2 BR @ 60%	\$685	\$781	\$1,663	\$1,111	59%
1 BR @ Market Rate	\$870	\$728	\$1,309	\$1,060	22%
2 BR @ Market Rate	\$1,040	\$893	\$1,663	\$1,259	21%

As illustrated the Subject’s proposed 50 and 60 percent rents, as well as the Subject’s market rate rents, are well below the surveyed average when compared to the comparables, both LIHTC and market-rate. All of the Subject’s proposed LIHTC rents are below the surveyed range of comparable LIHTC and market rents. The Subject’s market rate one and two-bedroom rents are within the surveyed range of comparable properties, but well below the surveyed average.

Twenty25 Barrett is achieving the some of the highest one and two-bedroom rents in the market. Twenty25 Barrett was built in 2014 and exhibits excellent condition, similar to the condition of the Subject upon completion. This development’s garden-style design is considered slightly inferior to the Subject’s elevator-serviced lowrise design. Twenty25 Barrett is located 2.5 miles from the Subject site and offers a similar location. Twenty25 Barrett offers similar in-unit and community amenities compared to the proposed Subject. 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

Unsubsidized LIHTC selection in the PMA is plentiful, as there are eight unsubsidized affordable comparables located within the PMA, within 5.2 miles of the Subject. Of the eight developments, six are mixed-income and offer market rate units. In addition, four are age-restricted, similar to the Subject. However, demand for age-restricted LIHTC developments in the market area is evident, as three of the four age-restricted developments reported 100 percent occupancy.

Capture rates for the Subject are considered reasonable for all bedroom types and AMI levels. If allocated, the Subject will be slightly superior to superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is healthy at just 0.3 percent. Of the surveyed senior LIHTC properties, only one reported vacant units. There have been two developments awarded LIHTC funding in the PMA over the last five years which are detailed below.

White Circle Phase I was allocated tax credits in 2015 for the development of 71 general occupancy LIHTC units, 11 of which will have Project Based Rental Assistance (PBRA). The development will offer six one-bedroom units, 34 two-bedroom units, and 31 three-bedroom units restricted to families earning 60 percent

of the AMI or below. White Circle Phase I is currently under construction and is expected to be complete by early 2018.

Legacy at Walton Park was allocated tax credits in 2013 for the development of 100 age-restricted LIHTC units, 60 of which have subsidies. The development offers 60 one-bedroom and 40 two-bedroom units restricted to seniors age 55 and older earning 50 and 60 percent of the AMI or below. Legacy at Walton Park was completed and places in service in 2015 and has been utilized as a comparable.

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	37,162	80.4%	9,050	19.6%
2017	45,943	68.5%	21,100	31.5%
Proj. Mkt Entry	47,530	68.3%	22,076	31.7%
2021	49,255	68.0%	23,137	32.0%

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

PMA TENURE PATTERNS OF SENIORS 62+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	5,232	84.6%	949	15.4%
2017	11,997	80.2%	2,969	19.8%
Proj. Mkt Entry	13,381	79.5%	3,446	20.5%
2021	14,885	79.0%	3,964	21.0%

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

As the table illustrates, households within the PMA reside in predominate owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a similar percentage of renters in the PMA relative to the nation. This percentage is projected⁷ to remain relatively stable over the next five years. In addition, approximately 19.8 senior households reside in renter-occupied residences in 2017. Both the percentage and number of senior renter households are expected to increase through the date of projected market entry and 2021.

Historical Vacancy

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

HISTORICAL VACANCY

Comparable Property	Type	Total Units	2QTR	2QTR	1QTR	3QTR	2QTR	2QTR	2QTR
			2008	2009	2010	2013	2014	2016	2017
Alta Ridenour	Senior LIHTC/Market	252	11.1%	9.9%	6.7%	N/A	N/A	N/A	0.8%
Highland Court Apartments	Senior LIHTC/Market	122	3.3%	3.3%	2.5%	N/A	3.3%	3.3%	0.0%
Lakeside Vista	LIHTC/Market	324	9.0%	N/A	N/A	5.2%	N/A	0.0%	0.0%
Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	108	N/A	N/A	N/A	N/A	0.0%	N/A	0.0%
Legacy At Walton Park	Senior LIHTC (PBRA)/Market	100	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%
The Peaks Of Bells Ferry*	LIHTC/Market	248	5.2%	N/A	10.1%	N/A	0.0%	N/A	0.8%
Colonial Grand At Barrett Creek	Market	331	N/A	N/A	N/A	N/A	N/A	N/A	1.2%
Mountain Park Apartments	Market	450	N/A	N/A	N/A	6.0%	N/A	N/A	6.0%
Revival On Main	Market	252	N/A	N/A	N/A	N/A	N/A	N/A	2.8%
Shiloh Green Apartments	Market	236	0.0%	8.1%	N/A	8.1%	N/A	N/A	2.1%
Twenty25 Barrett	Market	308	N/A	N/A	N/A	N/A	N/A	4.2%	1.9%
Walden Ridge Apartments	Market	210	1.4%	N/A	N/A	N/A	0.5%	N/A	1.0%

*Located outside of PMA

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties for several quarters in the past nine years. In general, the comparable properties experienced decreasing vacancy from 2008 through the second quarter of 2017. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low 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
Alta Ridenour	Senior LIHTC/Market	MR inc. 3-5%, LIHTC kept at max since 1Q15
Highland Court Apartments	Senior LIHTC/Market	MR inc. 0-9%, LIHTC remained stable
Lakeside Vista	LIHTC/Market	MR inc. 6-8%, LIHTC kept at max since 2Q16
Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	MR inc. 8-10%, LIHTC kept at max since 2Q14
Legacy At Walton Park	Senior LIHTC (PBRA)/Market	Kept at max
The Peaks Of Bells Ferry*	LIHTC/Market	MR inc. 22-24%, LIHTC kept at max since 3Q16
Colonial Grand At Barrett Creek	Market	Inc. 0-15% since 2Q16
Mountain Park Apartments	Market	Fluctuates daily
Revival On Main	Market	Fluctuates daily
Shiloh Green Apartments	Market	Inc. 3-6% annually since 3Q13
Twenty25 Barrett	Market	Fluctuates daily
Walden Ridge Apartments	Market	Inc. 4-5% annually since 2Q14

*Located outside of PMA

Five of the LIHTC properties reported keeping rents at the maximum allowable levels, whereas one reported keeping LIHTC rents stable. The market rate properties reported in some instances rent growth, while three reported rents fluctuating daily due to utilization of daily pricing software. Market rate units at the mixed-

income properties reported rents increasing over the last several years. In addition, three solely market rate comparables also reported increases. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property and will also experience two to three percent annual increases for its market rate units.

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 March 2017. The city of Kennesaw is experiencing a foreclosure rate of one in every 2,582 homes, while Cobb County is experiencing foreclosure rate of one in every 2,845 homes and Georgia experienced one foreclosure in every 1,898 housing units. Overall, Kennesaw is experiencing a similar foreclosure rate to the county, and lower than both the state and nation. 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

Legacy at Walton Park and Legacy at Walton Overlook are two recently constructed, age-restricted, mixed-income properties located in Acworth maintain waiting lists ranging from one to three years in length. Additionally, Highland Court Apartments, a mixed-income age-restricted development located in Kennesaw maintains a waiting list that is estimated to be six months in length. Alta Ridenour, an age-restricted mixed-income property located in Kennesaw, reported maintaining a waiting list, but was unable to note its exact length. These waiting lists by age-restricted properties indicate demand for senior affordable housing in the market.

The vacancy rate among the existing LIHTC comparables is low at 0.3 percent. Of the LIHTC comparables, five reported no vacant units. Only one LIHTC comparable reported vacant units; however, the development is mixed-income and the vacant units are market rate units. As such, we believe that the Subject will fill a void in the market by providing age-restricted affordable units to a supply constrained market.

13. Effect of Subject on Other Affordable Units in Market

There is one recently allocated, under construction, LIHTC development in the PMA. All but one LIHTC comparable reported maintaining a waiting list ranging from 18 households to three years in length. The vacancy rate among the existing LIHTC comparables is low at 0.3 percent. Of the LIHTC comparables, five reported no vacant units. Only one LIHTC comparable reported vacant units; however, the development is mixed-income and the vacant units are market rate units. However, the current and historical vacancy rates at the majority of the LIHTC comparable properties, as well as the waiting lists at most of the LIHTC comparables, indicate unmet demand in the market for affordable housing. In summary, the performance of the comparable LIHTC properties and the existence of waiting lists for affordable units 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 ample demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Of the LIHTC comparables, five reported no vacant units. Only one LIHTC comparable reported vacant units; however, the development is mixed-income and the vacancies are among market rate units. The Subject will offer generally similar to slightly superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer hardwood flooring and in-unit washer/dryers, both of which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the age-restricted market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to slightly superior in terms of condition to the comparable properties. The Subject's

proposed unit sizes will be generally competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by strong demographic trends, waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that due to the ample demand in the market the Subject will perform well.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

We were able to obtain absorption information from two of the comparable properties, illustrated in the following table.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Legacy At Walton Overlook	LIHTC	Senior	2012	108	18
Legacy At Walton Park	LIHTC	Senior	2015	100	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed age-restricted mixed-income property. Based on the comparable absorption data, the Subject would likely experience a re-absorption pace of 16 to 18 units per month, which equates to an absorption period of approximately four to five months.

J. INTERVIEWS

INTERVIEWS

Marietta Housing Authority

According to the Marietta Housing Authority website, there are 2,588 Housing Choice Vouchers administered in Cobb County. The waiting list for vouchers is currently closed and is estimated at three years in length. The 2017 gross payment standards for Cobb County are listed in the table below.

PAYMENT STANDARDS	
Bedroom Size	Gross Payment Standard
1BR	\$877
2BR	\$940

Source: Marietta Housing Authority, April 2017

The Subject’s proposed LIHTC rents are set below the current payment standards, while the market rents are above the payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent if residing in a LIHTC unit.

Planning

City of Kennesaw

According to Darryl Simmons with the Kennesaw Planning Department, there are three multifamily developments currently planned, proposed, or under construction in the city, which are detailed below.

- Adjacent to the west of the Subject site, across Sardis Street, there is a proposed townhome development. There are a total of 38 townhomes proposed that will be known as The Terraces at Depot Park. While the development is still in the planning stages, the townhomes will be owner-occupied, and thus will not compete with the Subject development.
- Kennesaw Marketplace is a large mixed-use development currently under construction at the corner of Cobb and Barrett Parkways, approximately 2.8 miles southeast of the Subject site. As part of the development plans, there will be 180 age-restricted luxury apartments that are expected to be complete in late 2017 or early 2018. The building will be a three-story lowrise and offer one and two-bedroom units restricted to those 55 and older. No further details were available. As a market rate development, this property will compete with the Subject’s market rate units for tenancy upon completion.
- White Circle Phase I is a LIHTC development currently under construction just east of the intersection of White Circle Northwest and Cobb Parkway (U.S. Highway 41). The development will consist of 71 LIHTC general occupancy units, 11 of which will benefit from project-based rental assistance. White Circle Phase I is the initial phase of a larger development, which will include a mixed-income senior rental community and additional affordable general occupancy units.

In addition, according to the City’s map of recent developments, there are several other multifamily projects that have recently been completed.

- Fuller’s Chase is a townhome development located approximately 0.3 miles north of the Subject site that offers three-story three and four-bedroom rental units. Given the bedroom types offered, this development will not compete with the Subject for tenancy.
- Revival on Main is a market rate multifamily development completed in 2015, located approximately 0.3 miles west of the Subject site. This property offers 252 one, two, and three-bedroom units and

has been utilized as a comparable. However, this property targets the general population, while the Subject will target seniors 62 and older. It is possible that the Subject's 16 market rate units will compete with this development for tenancy.

City of Acworth

After several attempts to contact the Acworth Planning Department, we have been unable to verify if there are any multifamily developments in the pipeline; our calls and emails have not been returned as of the date of this report.

Economic Development

We reached out to several contacts with the City of Kennesaw, as well as Cobb County and the Cobb County Chamber of Commerce, but as of the date of the report, our requests for business expansion and contraction data have not been returned.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS AND RECOMMENDATIONS

Demographics

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth slowed from 2010 to 2017. The rate of population and household growth is projected to continue through 2021. The population of the PMA is 188,135 in 2017 and is expected to be 195,361 by projected market entry. Renter households are concentrated in the lowest income cohorts, with 49.7 percent of senior renters in the PMA earning less than \$40,000 annually. The Subject will target senior households earning between \$17,445 and \$32,400 for its LIHTC units and up to \$68,000 for its market rate units; therefore, the Subject should be well-positioned to service this market. Overall, senior population growth has been significant over the last decade, and the concentration of senior renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

Employment Trends

Employment in the PMA is concentrated in five industries which represent approximately 52.2 percent of total local employment. However, two of those industries, healthcare/social assistance and educational services, are resilient during periods of economic downturn.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through February 2017. As of February 2017, total employment in the MSA was 9.0 percent greater than its pre-recession peak, while national employment was 3.8 percent above its pre-recession peak. The unemployment rate in the MSA as of February 2017 was 4.9 percent, similar to the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents
1BR at 50% AMI	\$17,445	\$27,000	8	99	0	99	8.1%	\$464
1BR at 60% AMI	\$20,847	\$32,400	20	110	0	110	18.2%	\$577
1BR Unrestricted	\$26,100	\$68,000	8	284	90	194	4.1%	\$870
1BR Overall	\$17,445	\$68,000	36	373	90	283	12.7%	-
2BR at 50% AMI	\$20,973	\$27,000	20	73	0	73	27.5%	\$548
2BR at 60% AMI	\$25,077	\$32,400	10	81	40	41	24.5%	\$685
2BR Unrestricted	\$31,200	\$68,000	12	209	90	119	10.1%	\$1,040
2BR Overall	\$20,973	\$68,000	42	275	130	145	29.0%	-
50% AMI Overall	\$17,445	\$27,000	28	172	0	172	16.3%	-
60% AMI Overall	\$20,847	\$32,400	30	191	40	151	19.9%	-
Unrestricted Overall	\$26,100	\$68,000	20	493	180	313	6.4%	-
Overall	\$17,445	\$68,000	78	647	220	427	18.2%	-

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.

Absorption

We were able to obtain absorption information from two of the comparable properties, illustrated in the following table.

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Legacy At Walton Overlook	LIHTC	Senior	2012	108	18
Legacy At Walton Park	LIHTC	Senior	2015	100	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed age-restricted mixed-income property. Based on the comparable absorption data, the Subject would likely experience a re-absorption pace of 16 to 18 units per month, which equates to an absorption period of approximately four to five months.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Type	Total Units	Vacant Units	Vacancy Rate	
Alta Ridenour	Senior LIHTC/Market	252	2	0.8%	
Highland Court Apartments	Senior LIHTC/Market	122	0	0.0%	
Lakeside Vista	LIHTC/Market	324	0	0.0%	
Legacy At Walton Overlook	Senior LIHTC (PBRA)/Market	108	0	0.0%	
Legacy At Walton Park	Senior LIHTC (PBRA)/Market	100	0	0.0%	
The Peaks Of Bells Ferry*	LIHTC/Market	248	2	0.8%	
Colonial Grand At Barrett Creek	Market	331	4	1.2%	
Mountain Park Apartments	Market	450	27	6.0%	
Revival On Main	Market	252	7	2.8%	
Shiloh Green Apartments	Market	236	5	2.1%	
Twenty25 Barrett	Market	308	6	1.9%	
Walden Ridge Apartments	Market	210	2	1.0%	
Total LIHTC		1,154	4	0.3%	
Total Market		1,787	51	2.9%	
Total		2,941	55	1.9%	

*Located outside PMA

Overall vacancy in the market is low at 1.9 percent. Total LIHTC vacancy is significantly lower, at 0.3 percent. Of the LIHTC comparables, five reported no vacant units. Only two LIHTC comparables reported vacant units; however, both developments are mixed-income and the vacant units are market rate units.

The vacancy rates among the market-rate comparable properties range from zero to six percent, averaging 2.9 percent, which is also considered low. The low to moderate vacancy rates among the market-rate comparable properties indicates that there is demand for rental housing in the Subject's PMA for rental housing. As a newly constructed mixed-income age-restricted property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Four of the LIHTC comparables reported no vacant units and the comparables as a whole exhibit low vacancy rates and maintain waiting lists. As such, we believe that there is sufficient demand for additional affordable housing in the market. We do not believe that the Subject will impact the performance of the existing LIHTC properties if allocated.

Strengths of the Subject

Strengths of the Subject will include its close proximity to local amenities, including retail and recreational uses. According to ESRI Demographics, the median household income in the Subject's area (0.5-mile radius) was \$49,854, while the median household income in the PMA as a whole was \$72,005. Single family homes in the general vicinity are in average to good condition, and commercial/retail uses appeared to be 90 to 95 percent occupied. Upon completion, the Subject will have a similar to superior condition and competitive amenities when compared to other LIHTC and market rate properties in the market. Further, the proposed rents will offer an advantage among the senior LIHTC competition, all of which reported 100 percent occupancy for their LIHTC units and the presence of waiting lists. As the *Demand Analysis* (found later in this report) will indicate, there is adequate demand for the Subject based on our calculations for the 50 and 60 percent AMI units, as well as the market rate units.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is ample demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.3 percent, which is considered low. Of the LIHTC comparables, five reported no vacant units. Only one LIHTC comparable reported vacant units; however, the development is mixed-income and the vacancies are among market rate units. The Subject will offer generally similar to slightly superior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and similar property amenities. The Subject will offer hardwood flooring and in-unit washer/dryers, both of which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the age-restricted market. As new construction, the Subject will be in excellent condition upon completion and will be considered similar to slightly superior in terms of condition to the comparable properties. The Subject's proposed unit sizes will be generally competitive with the comparable properties. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by strong demographic trends, waiting lists and low vacancy at several LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that due to the ample demand in the market the Subject 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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Jon Sestak
Junior Analyst



Michael Jones
Junior Analyst

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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Michael Jones
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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 facing east



View of the Subject site facing northeast



View of the Subject site facing east



View of the Subject site facing southeast



View of the Subject site facing south



View of the Subject site facing south



House of worship south of Subject site



House of worship south of Subject site



Commercial use west of Subject site



Commercial use southwest of Subject site



Commercial use southwest of Subject site



Typical single-family home east of Subject site

ADDENDUM C
Qualifications

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
RACHEL BARNES DENTON, MAI**

I. EDUCATION

Cornell University, Ithaca, NY
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

Designated Member of the Appraisal Institute
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network
 2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter
 2013 Director of Communications and Board Member for Kansas City CREW
 2014 Secretary and Board Member for Kansas City CREW
 2015 and 2016 Treasurer and Board Member for Kansas City CREW

State of Arkansas Certified General Real Estate Appraiser No. CG3527
State of California Certified General Real Estate Appraiser No. AG044228
State of Colorado Certified General Real Estate Appraiser No. 100031319
State of Hawaii Certified General Real Estate Appraiser No. CGA1048
State of Illinois Certified General Real Estate Appraiser No. 553.002012
State of Kansas Certified General Real Estate Appraiser No. G-2501
State of Minnesota Certified General Real Estate Appraiser No. 40420897
State of Missouri Certified General Real Estate Appraiser No. 2007035992
State of New Mexico Certified General Real Estate Appraiser No. 03424-G
State of Oklahoma Certified General Real Estate Appraiser No. 13085CGA
State of Oregon Certified General Real Estate Appraiser No. C000951
State of Texas Certified General Real Estate Appraiser No. 1380396

III. PROFESSIONAL EXPERIENCE

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

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:
 Appraisal Principals, September 2004
 Basic Income Capitalization, April 2005
 Uniform Standards of Professional Appraisal Practice, November 2005
 Advanced Income Capitalization, August 2006
 General Market Analysis and Highest & Best Use, July 2008
 Advanced Sales Comparison and Cost Approaches, June 2009
 Advanced Applications, June 2010
 General Appraiser Report Writing and Case Studies, July 2014
 Standards and Ethics (USPAP and Business Practices and Ethics)
 MAI Designation General Comprehensive Examination, January 2015
 MAI Demonstration of Knowledge Report, April 2016

Completed HUD MAP Training, Columbus, Ohio, May 2010

Have presented and spoken at both national Novogradac conferences and other industry events, including the National Council of Housing Market Analysts (NCHMA) Annual Meetings and FHA Symposia, Institute for Professional and Executive Development (IPED) conferences, and state housing conferences, such as Housing Colorado.

V. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, 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 expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Conducted a Highest and Best Use Analysis for a proposed two-phase senior residential development for a local Housing Authority in the western United States. Completed an analysis of existing and proposed senior supply of all types, including both renter and owner-occupied options, and conducted various demand analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating

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 various community-wide affordable housing market analyses and needs assessments for communities and counties throughout the Midwest and Western states. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing. Additional analyses included identification of housing gaps, potential funding sources, and determination of appropriate recommendations. These studies are typically used by local, state, and federal agencies in order to assist with housing development and potential financing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

Performed appraisals of LIHTC assets for Year 15 purposes; valuations of both the underlying real estate asset and partnership interests have been completed. These reports were utilized to assist in potential disposition options for the property, including sale of the asset, buyout of one or more partners, or potential conversion to market rate.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

SARA N. NACHBAR

I. EDUCATION

Missouri State University – Springfield, MO
Bachelor of Science – Finance

II. PROFESSIONAL EXPERIENCE

Analyst, Novogradac & Company LLP
Executive Assistant, Helzberg Entrepreneurial Mentoring Program
Claims Associate, Farmers Insurance Group

III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- 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, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA 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.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies and assisted in appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Conducted more than 40 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation multifamily projects.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

JONATHON D. SESTAK

I. EDUCATION

University of Kansas – Lawrence, KS
Bachelor of Science – Economics

II. PROFESSIONAL EXPERIENCE

Research Assistant, Novogradac & Company LLP
Financial Analyst, Lockton Companies

III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- 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, assisted living, large family, and acquisition with rehabilitation.
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- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MICHAEL JONES

I. Education

Louisiana State University- Baton Rouge, LA
Bachelor of Interdisciplinary Studies, Leadership & Society

II. Professional Experience

Junior Analyst, Novogradac & Company LLP, September 2016-Present
Lending & Disbursement Specialist I, Federal Home Loan Bank of Atlanta, May 2015-September 2015

III. Research Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- 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.

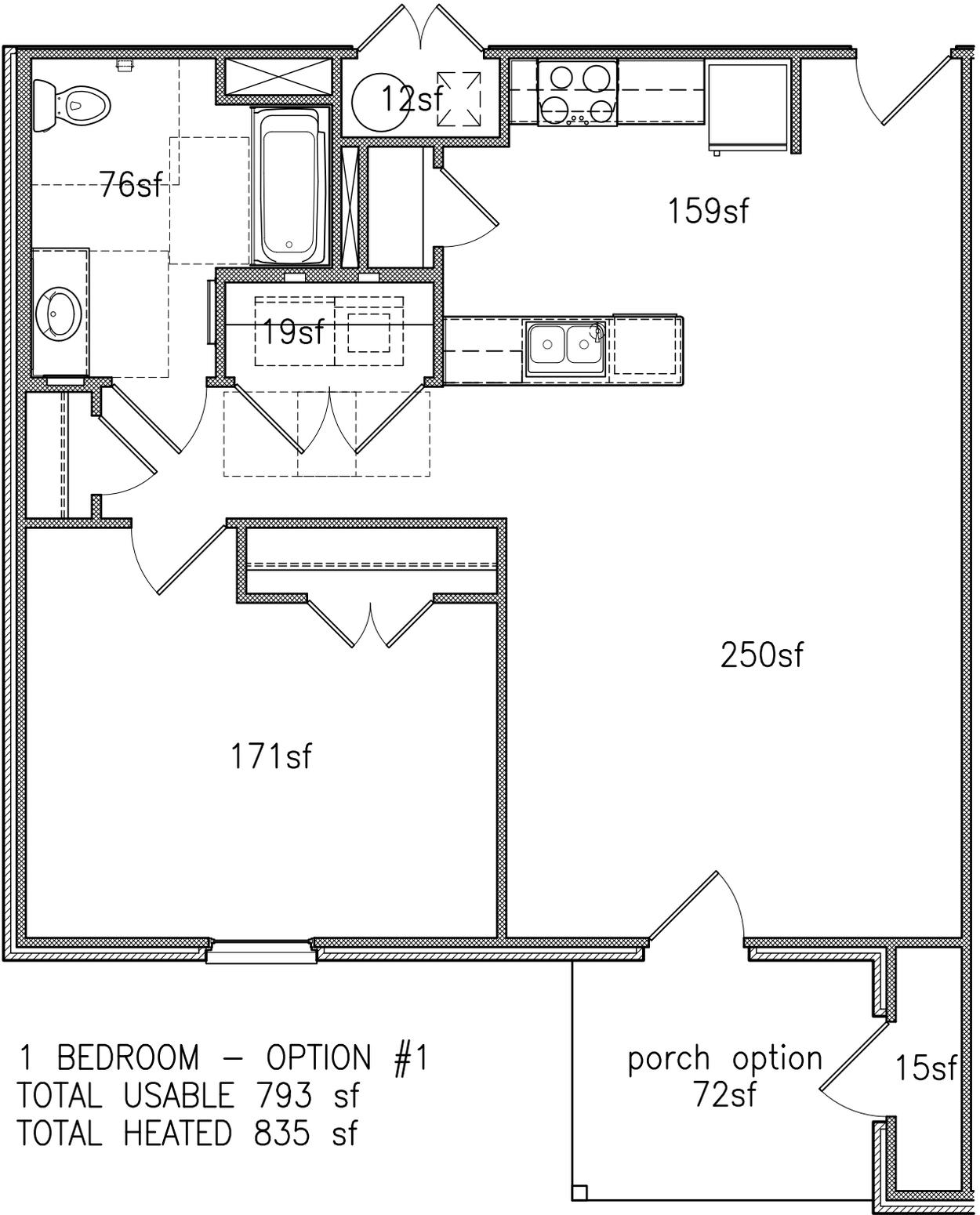
ADDENDUM D
Summary Matrix

SUMMARY MATRIX

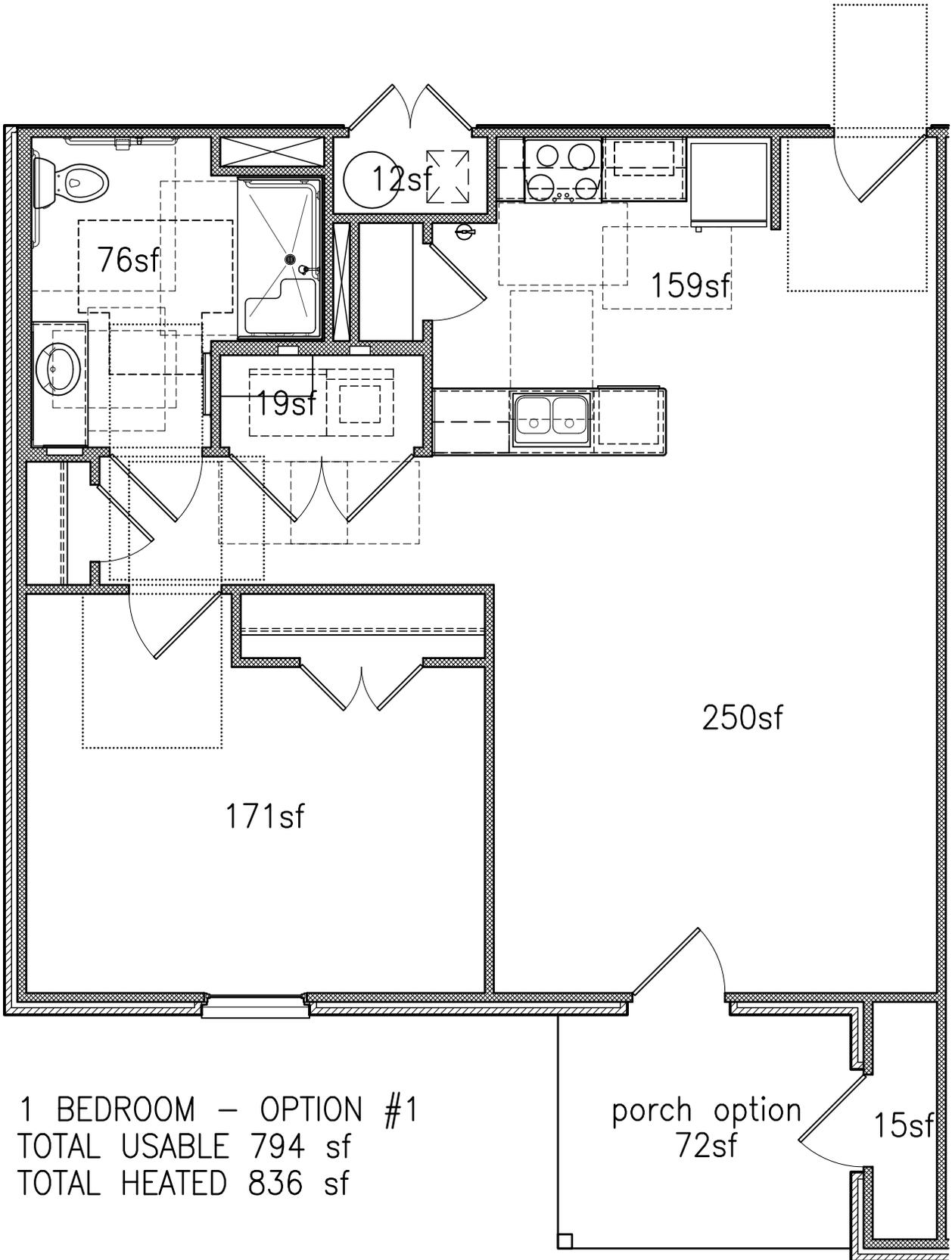
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	Enclave At Enclave Park 2726 South Main Street Kennesaw, GA 30144 Cobb County	n/a	Lowrise (age-restricted) (3 stories) Proposed / n/a	LIHTC/Market	1BR / 1BA	8	10.3%	@50%	\$464	637	no	N/A	N/A	N/A				
					1BR / 1BA	20	25.6%	@60%	\$577	637	no	N/A	N/A	N/A				
					1BR / 1BA	8	10.3%	Market	\$870	637	n/a	N/A	N/A	N/A				
					2BR / 2BA	20	25.6%	@50%	\$548	864	no	N/A	N/A	N/A				
					2BR / 2BA	10	12.8%	@60%	\$685	864	no	N/A	N/A	N/A				
					2BR / 2BA	12	15.4%	Market	\$1,040	864	n/a	N/A	N/A	N/A				
						78	100.0%										N/A	N/A
1	Alta Ridenour 1355 Ridenour Blvd NW Kennesaw, GA 30152 Cobb County	2.2 miles	Midrise (age-restricted) (4 stories) 2005 / n/a	LIHTC/Market	1BR / 1BA	N/A	N/A	@60%	\$746	804	yes	Yes	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$905	804	n/a	Yes	1	N/A				
					2BR / 2BA	N/A	N/A	@60%	\$896	1,149	yes	Yes	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,210	1,149	n/a	Yes	1	N/A				
					3BR / 2BA	N/A	N/A	@60%	\$1,036	1,296	yes	Yes	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,325	1,296	n/a	Yes	0	N/A				
						252	100.0%										2	0.8%
2	Highland Court Apartments 4150 George Busbee Parkway Kennesaw, GA 30144 Cobb County	2.7 miles	Midrise (age-restricted) (4 stories) 2003 / n/a	LIHTC/Market	1BR / 1BA	2	1.6%	@50%	\$577	650	no	Yes	0	0.0%				
					1BR / 1BA	16	13.1%	@60%	\$658	650	no	Yes	0	0.0%				
					1BR / 1BA	6	4.9%	Market	\$728	650	n/a	Yes	0	0.0%				
					1BR / 1BA	2	1.6%	Non-Rental	N/A	N/A	n/a		0	0.0%				
					2BR / 1BA	3	2.5%	@50%	\$683	860	no	Yes	0	0.0%				
					2BR / 1BA	57	46.7%	@60%	\$778	860	no	Yes	0	0.0%				
					2BR / 1BA	8	6.6%	Market	\$893	920	n/a	Yes	0	0.0%				
					2BR / 2BA	2	1.6%	@50%	\$683	900	no	Yes	0	0.0%				
					2BR / 2BA	16	13.1%	@60%	\$833	900	no	Yes	0	0.0%				
					2BR / 2BA	10	8.2%	Market	\$1,003	992	n/a	Yes	0	0.0%				
						122	100.0%										0	0.0%
					3	Lakeside Vista 2100 Ellison Lakes Dr Kennesaw, GA 30152 Cobb County	1.4 miles	Garden (3 stories) 2005 / n/a	LIHTC/Market	1BR / 1BA	94	29.0%	@60%	\$727	841	yes	No	0
1BR / 1BA	20	6.2%	Market	\$949						841	n/a	No	0	0.0%				
2BR / 2BA	80	24.7%	@60%	\$861						1,149	yes	No	0	0.0%				
2BR / 2BA	16	4.9%	Market	\$1,199						1,149	n/a	No	0	0.0%				
3BR / 2BA	89	27.5%	@60%	\$971						1,435	yes	No	0	0.0%				
3BR / 2BA	25	7.7%	Market	\$1,375						1,435	n/a	No	0	0.0%				
	324	100.0%															0	0.0%
4	Legacy At Walton Overlook 4645 Spring St Acworth, GA 30101 Cobb County	4.5 miles	Lowrise (age-restricted) (4 stories) 2012 / n/a	LIHTC (PBRA)/Market	1BR / 1BA	53	49.1%	@50% (PBRA)	\$945	750	n/a	Yes	0	0.0%				
					1BR / 1BA	7	6.5%	@60%	\$698	750	yes	Yes	0	0.0%				
					1BR / 1BA	9	8.3%	Market	\$1,100	750	n/a	Yes	0	0.0%				
					2BR / 1BA	31	28.7%	@60%	\$830	1,232	yes	Yes	0	0.0%				
					2BR / 1BA	6	5.6%	Market	\$1,300	1,232	n/a	Yes	0	0.0%				
					2BR / 2BA	2	1.9%	@50% (PBRA)	\$1,100	1,232	n/a	Yes	0	0.0%				
						108	100.0%										0	0.0%
5	Legacy At Walton Park 4700 School Street Acworth, GA 30101 Cobb County	5.2 miles	Lowrise (age-restricted) (3 stories) 2015 / n/a	LIHTC (PBRA)/Market	1BR / 1BA	15	15.0%	@50% (PBRA)	\$817	748	n/a	Yes	0	0.0%				
					1BR / 1BA	45	45.0%	@60% (PBRA)	\$817	748	n/a	Yes	0	0.0%				
					2BR / 2BA	20	20.0%	@60%	\$781	1,060	yes	Yes	0	0.0%				
					2BR / 2BA	20	20.0%	@60%	\$781	1,242	yes	Yes	0	0.0%				
						100	100.0%										0	0.0%
6	The Peaks Of Bells Ferry 100 Peaks Ridge Acworth, GA 30102 Cherokee County	5.5 miles	Garden (3 stories) 2003 / n/a	LIHTC/Market	1BR / 1BA	50	20.2%	@60%	\$745	874	yes	No	0	0.0%				
					1BR / 1BA	12	4.8%	Market	\$958	874	n/a	No	0	0.0%				
					2BR / 2BA	98	39.5%	@60%	\$893	1,149	yes	No	1	1.0%				
					2BR / 2BA	25	10.1%	Market	\$1,068	1,149	n/a	No	0	0.0%				
					3BR / 2BA	51	20.6%	@60%	\$1,014	1,388	yes	Yes	1	2.0%				
					3BR / 2BA	12	4.8%	Market	\$1,178	1,388	n/a	Yes	0	0.0%				
						248	100.0%										2	0.8%
7	Colonial Grand At Barrett Creek 2400 Barrett Creek Blvd Marietta, GA 30066 Cobb County	3.3 miles	Garden (4 stories) 1998 / n/a	Market	1BR / 1BA	125	37.8%	Market	\$892	719	n/a	No	1	0.8%				
					2BR / 1BA	136	41.1%	Market	\$1,147	1,050	n/a	No	2	1.5%				
					3BR / 2BA	70	21.1%	Market	\$1,342	1,226	n/a	No	1	1.4%				
						331	100.0%										4	1.2%

8	Mountain Park Apartments 1925 Old 41 Highway NW Kennesaw, GA 30152 Cobb County	1.5 miles	Garden (3 stories) 1999 / Ongoing	Market	1BR / 1BA	N/A	N/A	Market	\$993	687	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,096	896	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$968	687	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,077	896	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,208	1,283	n/a	No	N/A	N/A
					2BR / 2.5BA	N/A	N/A	Market	\$1,501	1,507	n/a	No	N/A	N/A
					2BR / 2.5BA	N/A	N/A	Market	\$1,301	1,419	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,709	1,871	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,563	1,504	n/a	No	N/A	N/A
					3BR / 2.5BA	N/A	N/A	Market	\$1,343	1,504	n/a	No	N/A	N/A
					450	100.0%						27	6.0%	
9	Revival On Main 2825 South Main Street Kennesaw, GA 30144 Cobb County	0.3 miles	Midrise (5 stories) 2015 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$1,158	638	n/a	Yes	4	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,663	1,055	n/a	Yes	2	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,923	1,294	n/a	Yes	1	N/A
										252	100.0%			
10	Shiloh Green Apartments 50 Walton Green Way NW Kennesaw, GA 30144 Cobb County	1.6 miles	Garden (3 stories) 1996 / Ongoing	Market	1BR / 1BA	28	11.9%	Market	\$918	900	n/a	Yes	1	3.6%
					2BR / 2BA	80	33.9%	Market	\$1,143	1,300	n/a	Yes	0	0.0%
					3BR / 2BA	104	44.1%	Market	\$1,293	1,425	n/a	No	3	2.9%
					4BR / 2BA	24	10.2%	Market	\$1,518	1,650	n/a	Yes	1	4.2%
										236	100.0%			
11	Twenty25 Barrett 2025 Barrett Lakes Blvd Kennesaw, GA 30144 Cobb County	2.5 miles	Garden (3 stories) 2014 / n/a	Market	1BR / 1BA	44	14.3%	Market	\$1,163	713	n/a	No	0	0.0%
					1BR / 1BA	14	4.5%	Market	\$1,183	770	n/a	No	0	0.0%
					1BR / 1BA	14	4.5%	Market	\$1,309	840	n/a	No	0	0.0%
					1BR / 1BA	54	17.5%	Market	\$1,269	848	n/a	No	5	9.3%
					2BR / 2BA	98	31.8%	Market	\$1,527	1,213	n/a	No	1	1.0%
					2BR / 2BA	84	27.3%	Market	\$1,517	1,214	n/a	No	0	0.0%
										308	100.0%			
12	Walden Ridge Apartments 3093 Cobb Parkway NW Kennesaw, GA 30152 Cobb County	2.6 miles	Garden (3 stories) 2001 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$1,063	732	n/a	Yes	1	N/A
					1BR / 1BA	N/A	N/A	Market	\$1,113	916	n/a	Yes	0	N/A
					1.5BR / 1BA	N/A	N/A	Market	\$1,198	1,013	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,328	1,157	n/a	Yes	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,328	1,252	n/a	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,553	1,425	n/a	Yes	1	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,550	1,532	n/a	Yes	0	N/A
										210	100.0%			

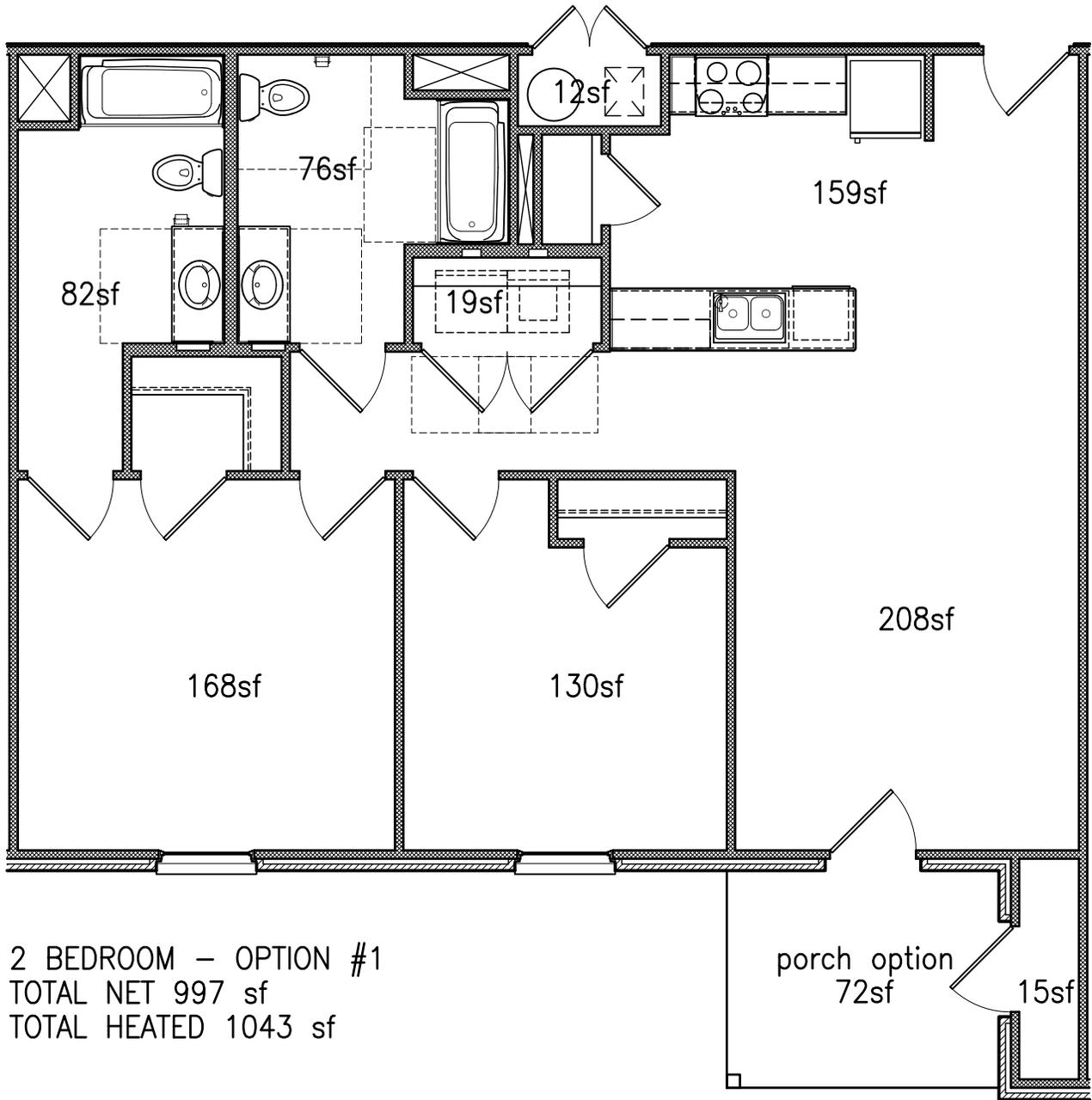
ADDENDUM E
Site & Floor Plans



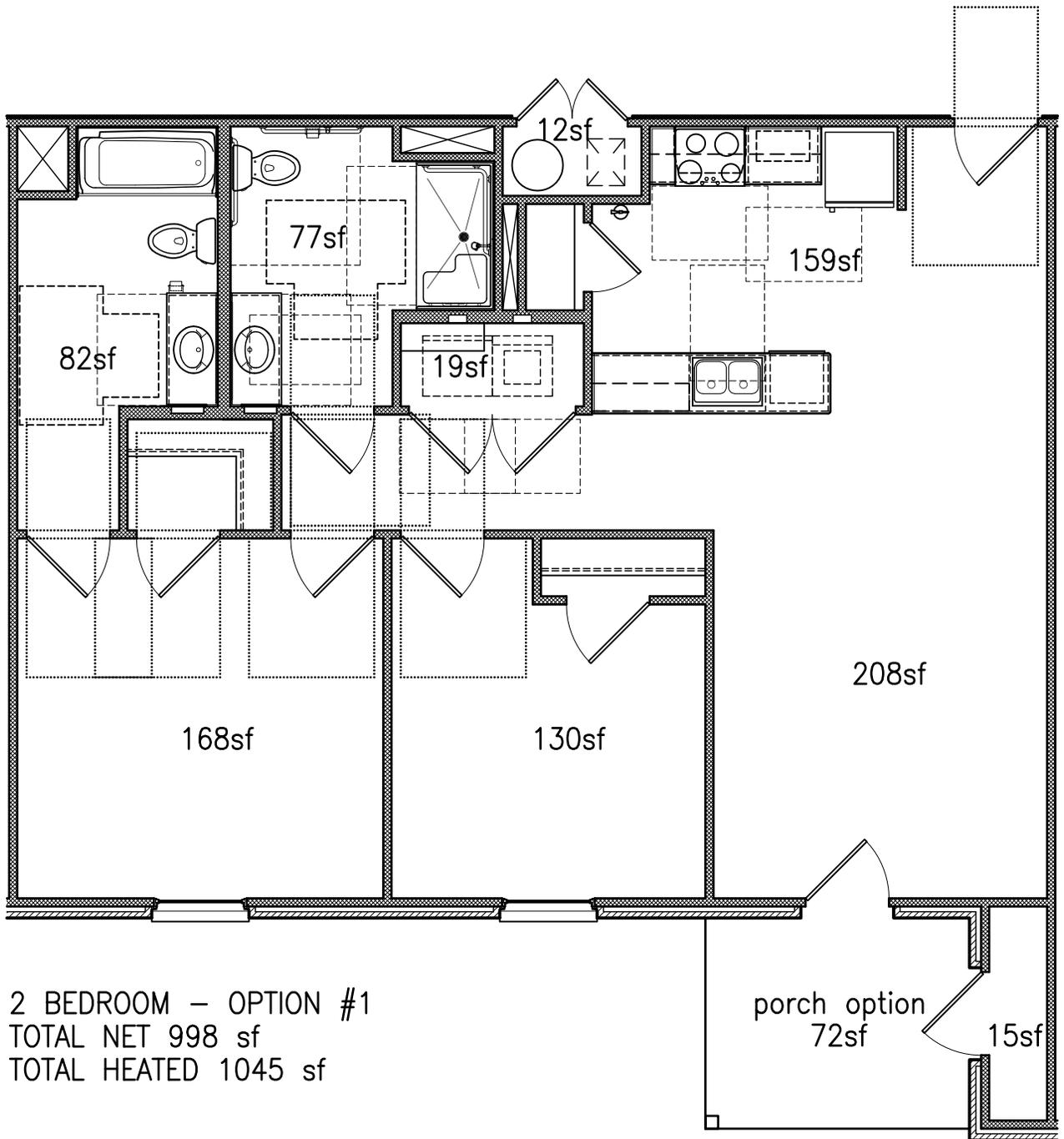
1 BEDROOM - OPTION #1
TOTAL USABLE 793 sf
TOTAL HEATED 835 sf



1 BEDROOM – OPTION #1
 TOTAL USABLE 794 sf
 TOTAL HEATED 836 sf



2 BEDROOM – OPTION #1
 TOTAL NET 997 sf
 TOTAL HEATED 1043 sf



2 BEDROOM - OPTION #1
TOTAL NET 998 sf
TOTAL HEATED 1045 sf