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CERTIFIED PUBLIC ACCOUNTANTS

**A MARKET CONDITIONS AND  
PROJECT EVALUATION SUMMARY**

**OF:**

**RETREAT AT  
SPRING HILL**

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

**RETREAT AT SPRING  
HILL**

4947 Memorial Drive  
Stone Mountain, DeKalb County, Georgia 30083

Effective Date: June 27, 2017  
Report Date: June 30, 2017

Prepared for:  
Mr. John Corcoran  
Housing Development Corporation of DeKalb  
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Decatur, Georgia 30030

Assignment Code: HDC603V.003

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CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2017

Mr. John Corcoran  
Housing Development Corporation of DeKalb  
750 Commerce Drive, Suite 201  
Decatur, Georgia 30030

Re: Market Study - Application for Retreat at Spring Hill, located in Stone Mountain, DeKalb County, Georgia

Dear Mr. Corcoran:

At your request, Novogradac & Company LLP has performed a study of the multifamily rental market in the Stone Mountain, DeKalb County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We previously completed a market study for this property dated March 24, 2017.

The purpose of this market study is to assess the viability of the proposed 83-unit elderly LIHTC project. It will be a renovation of Spring Chase II Apartments, an existing senior Low Income Tax Credit (LIHTC) property. The proposed units will be restricted to senior households age 55 and older earning 60 percent of the AMI or less. As proposed, the Subject includes 83 units that will operate with Project-Based Rental Assistance (PBRA). As such, residents will pay 30 percent of their income towards rent not to exceed LIHTC rent levels. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

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

MR. JOHN CORCORAN  
HOUSING DEVELOPMENT CORPORATION OF DEKALB  
JUNE 30, 2017  
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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

Retreat at Spring Hill is a proposed senior mixed-income development located in Stone Mountain, DeKalb County, Georgia, which will offer 83 one and two-bedroom units. The project will contain Project-Based Voucher (PBV) units reserved for households earning 60 percent of the Area Median Income (AMI) or below. The Subject will consist of one four-story, elevator-serviced building. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowances.

#### PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>60% AMI (PBRA)</i>							
1BR	576	71	\$902	\$0	\$902	\$759	\$820
2BR	857	<u>12</u>	\$1,043	\$0	\$1,043	\$912	\$949
<b>Total</b>		<b>83</b>					

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

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 Subject's units at the 60 percent of AMI level will operate with a Section 8 project-based subsidy. Tenants in these units will pay 30 percent of their AMI towards rent. The contract rents for the Subject's units at the 60 percent of AMI levels are above the maximum allowable rents. The Subject's amenity packages are considered to be comparable to the existing housing supply in the market. The Subject's biggest deficiency is the size of its one-bedroom units, which, on average, are smaller than other one-bedroom units in the market. The Subject is currently fully-occupied indicating acceptance in the market of the Subject's smaller one-bedroom units. The Subject offers a desirable location and will be superior to all of the comparables with respect to age and condition post-renovation.

Renovation costs are estimated at \$4,671,240, or \$57,670 per unit. Renovations will include installation of new roofing materials, replacement of exterior doors, replacement of windows, repair of gypsum board ceilings in common areas and in unit bathrooms, replacement of ceramic tile in unit bathrooms, replacement of acoustical tile ceilings in common areas, installation of carpeting and replacement of carpeting in units, painting of the building's interior and exterior, installation of signage, installation of bath accessories, installation of access control security system, installation of an upgraded video surveillance system, installation of fire/smoke detection and alarm in all units, repair of kitchen cabinets and countertops and bathroom vanities in all units and common areas, installation of new kitchen appliances, installation of new window treatments, upgrades to handicap accessible units and units for the sight and hearing impaired, upgrades to common areas to ensure ADA compliance, replacement of multiple unit water heaters, replacement of kitchen and bathroom plumbing fixtures in all units and common areas, cleaning and sealing of ductwork throughout the building, replacement of air conditioning systems, installation of new energy efficient lighting fixtures, refurbishment of roads and walks, and landscaping around the building's exterior.

## 2. Site Description/Evaluation

The Subject site is located at 4947 Memorial Drive in Stone Mountain, DeKalb County, Georgia. The Subject site is improved with one four-story building currently known as Spring Chase II Apartments. The proposed Subject will be a renovation of the aforementioned property and will be known as Retreat at Spring Hill. Surrounding land uses include: single-family homes, multi-family developments, wooded land, and various commercial buildings. Commercial uses in the Subject's neighborhood appeared to be approximately 95 percent occupied at the time of inspection. The Subject's neighborhood is considered "Somewhat Walkable" by Walkscore.com with a rating of 56. The Subject site is considered a desirable building site for rental housing.

## 3. Market Area Definition

The PMA is defined as a portion of the east Atlanta area including the communities of Stone Mountain, Scottdale, Clarkston, Belvedere Park, and Avondale Estates. This area bounded by Stone Mountain Freeway to the north, Candler Road and US Route 29 to the west, Interstate 20 to the south, Panola Road and South Stone Mountain Lithonia Road to the east. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 3.7 miles  
East: 3.8 miles  
South: 6.6 miles  
West: 4.8 miles

The determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates from throughout DeKalb County. 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 6.6 miles.

## 4. Community Demographic Data

The senior population in the PMA and the MSA increased between 2000 and 2017. The rate of senior population and household growth is projected to continue its positive trend through market entry 2018 and 2021. Senior renter households are concentrated in the lowest income cohorts, with 50.1 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning up to \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, senior population and household growth 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 1,620 housing units nationwide was in some stage of foreclosure as of June 2017. The city of Stone Mountain is experiencing a foreclosure rate of one in every 742 homes, while DeKalb County is experiencing foreclosure rate of one in every 1,135 homes and Georgia experienced one foreclosure in every 1,513 housing units. Overall, Stone Mountain is experiencing a higher foreclosure rate than the nation, the state, and the county. However, 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 54.3 percent of total local employment. Two of those industries, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county's largest employers are in the education and healthcare fields.

## 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 60% AMI (with subsidy)	\$0	\$32,400	71	1,327	136	1,191	6.0%	\$759
2BR at 60% AMI (with subsidy)	\$0	\$32,400	12	678	22	656	1.8%	\$912
1BR at 60% AMI (absent subsidy)	\$22,770	\$32,400	71	374	136	238	29.8%	\$759
2BR at 60% AMI (absent subsidy)	\$27,360	\$32,400	12	191	22	169	7.1%	\$912
Overall (with subsidy)	\$0	\$32,400	83	2,005	158	1,847	4.5%	-
Overall (absent subsidy)	\$22,770	\$32,400	83	566	158	408	20.3%	-

\*In this scenario, proposed LIHTC rents are LIHTC maximum allowable rents at the 60% AMI level.

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

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 2,093 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good; there are 25 LIHTC properties in the PMA. However, many of these have been excluded from our analysis because of their dissimilar levels of AMI or tenancy. We have included five senior LIHTC properties offering units at 60 percent AMI in our analysis. Three of the comparable LIHTC properties are all located in the PMA, and the remaining two LIHTC properties are located just outside of the PMA. All of the comparable LIHTC properties are located between 2.9 and 9.3 miles of the Subject. These comparables were built or renovated between 2003 and 2015.

The availability of market-rate data is considered good. The Subject is located in Stone Mountain and there are several market-rate properties in the area. We have included five conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 1.0 and 4.8 miles from the Subject site. These comparables were built or renovated between 1982 and 2016. Of note, there are a limited number of new construction market-rate senior properties in the area. We have included the market-rate senior property Clairmont Crest in our analysis. 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 achievable LIHTC rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Surveyed Min	Surveyed Max	Surveyed Average	Achievable LIHTC Rent	Subject Rent Advantage
1BR @ 60% AMI (PBRA)	\$659	\$1,496	\$896	\$759	18.0%
2BR @ 60% AMI (PBRA)	\$800	\$2,053	\$1,114	\$912	22.1%

The Reserve at Decatur is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be slightly inferior to The Reserve at Decatur as a market-rate property. The Reserve at Decatur was built in 2016 and exhibits good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject post-renovation. This development’s midrise design is considered similar to the Subject’s midrise design. The Reserve at Decatur is located 3.6 miles from the Subject site and offers a similar location. The Reserve at Decatur offers similar in-unit and property amenities. However, The Reserve at Decatur offers superior unit sizes in comparison to the Subject’s proposed unit sizes. The one and two-bedroom rents at The Reserve at Decatur are approximately 97 and 105 percent higher than the 2016 LIHTC maximum allowable rents for one and two-bedroom units, respectively.

The Subject is considered most comparable to Clairmont Crest as a market-rate property. Clairmont Crest is a senior LIHTC property located 4.8 miles from the Subject, and offers a similar location to that of the Subject. Clairmont Crest is similar to the Subject with respect to location and in-unit features, but offers slightly inferior property amenities and will be inferior to the Subject with respect to age and condition post-renovation. This property offers one-bedroom and two-bedroom units at market rates for \$1,024 and \$1,200, respectively. These rents are 35 and 32 percent higher than the 2016 LIHTC maximum allowable rents for one and two-bedroom units, respectively. Were the Subject to operate without subsidy it would need to offer the 2016 LIHTC maximum allowable rents of \$759 and \$912 for one and two-bedroom units, respectively.

**8. Absorption/Stabilization Estimate**

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

**ABSORPTION**

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Antioch Manor Estates	LIHTC	Senior	2005	120	24
Antioch Villas And Gardens	LIHTC	Senior	2012	106	35
Magnolia Circle	LIHTC	Senior	2003	84	14
Panola Gardens	LIHTC	Senior	2015	84	20
Retreat At Madison Place	LIHTC	Senior	2007	160	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed renovation of an existing Section 8/market rate property. According to management, the Subject is currently fully-occupied. The Subject will be fully-subsidized following renovations. Although we were not provided with a tenant relocation spreadsheet, management at the Subject believes that all tenants currently residing at the Subject will remain income qualified following renovations. Because it will be fully-subsidized, the Subject is not likely to experience turnover following renovations. If the Subject were to operate as a LIHTC-

only property, the Subject would likely experience an absorption pace similar to that of Panola Gardens. Without subsidy, the Subject would likely experience an absorption pace of 16 units per month for an absorption period of approximately five to six months. With its subsidy in place, we expect the Subject will be able to re-absorb to 93 percent occupancy within one to two months.

## **9. Overall Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered low. Furthermore, the majority of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar in-unit and property amenities in comparison to the LIHTC comparables, and generally superior amenities in comparison to market comparables. The Subject will offer a business center, gazebo, and community room, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As a newly renovated property, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to all of the comparable properties. Additionally, all of the units will receive subsidy post-renovation, which will make it accessible to a large portion of the population. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. Additionally, the Subject is an existing property, is currently fully-occupied, and is expected to retain all of its current tenants post-renovation. We believe that it will continue to perform well in the market.

**RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY**

**Summary Table:**

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

Development Name:	Retreat at Spring Hill	Total # Units:	83
Location:	4947 Memorial Drive	# LIHTC Units:	83
	Stone Mountain, Georgia 30083		
PMA Boundary:	North: Stone Mountain Freeway; West: Candler Road and US Route 29; South: Interstate 20; East: Panola Road and South Stone Mountain Lithonia Road		
	Farthest Boundary Distance to Subject:		6.6 miles

**Rental Housing Stock (found on page 68)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	10	2,093	145	93.1%
Market-Rate Housing	5	1,537	144	90.6%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	6	6	0	100.0%
<b>LIHTC</b>	5	556	1	99.8%
Stabilized Comps	10	2,093	145	93.1%
Properties in Construction & Lease Up	2	188	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 (1)	Per Unit	Per SF	Advantage	Per Unit	Per SF
71	1BR at 60% AMI (PBRA)	1	576	\$759	\$896	\$1.55	18%	\$1,496	\$2.60
12	2BR at 60% AMI (PBRA)	2	857	\$912	\$1,114	\$1.30	22%	\$2,053	\$2.40

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

	2010		2017		January 2018	
Renter Households	34,698	49.5%	39,027	54.4%	39,201	54.4%
Income-Qualified Renter HHs (LIHTC)	19,153	55.2%	21,543	55.2%	21,639	55.2%

**Targeted Income-Qualified Renter Household Demand (found on pages 43 to 55)**

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	-	-	65	65	-	65
Existing Households (Overburdened + Substandard)	-	-	2,573	2,573	-	2,573
Homeowner conversion (Seniors)	-	-	15	15	-	15
<b>Total Primary Market Demand</b>	-	-	<b>2,653</b>	<b>2,653</b>	-	<b>2,653</b>
Less Comparable/Competitive Supply	-	-	158	0	-	158
<b>Adjusted Income-qualified Renter HHs**</b>	-	-	<b>2,495</b>	<b>2,653</b>	-	<b>2,495</b>

**Capture Rates (found on page 55)**

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate (without subsidy):	-	-	20.3%	-	-	-
Capture Rate (with subsidy):	-	-	4.5%	-	-	-

(1) Proposed Tenant Rents are the Subject's achievable LIHTC rents as determined in the Competitive Rental Analysis section of this study.

\*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 4947 Memorial Drive in Stone Mountain, DeKalb County, Georgia 30083. The Subject is an existing subsidized property targeting senior households.
- 2. Construction Type:** The Subject consists of one elevator-serviced, four-story building. The Subject will be a rehabilitation of an existing property.
- 3. Occupancy Type:** Seniors ages 55 and older.
- 4. Special Population Target:** See following property profile.
- 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:** The proposed Subject will consist of 83 units operating with Project Based Rental Assistance (PBRA).
- 9. Proposed Development Amenities:** See following property profile.

## RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY

Retreat At Spring Hill												
Location	4947 Memorial Drive Stone Mountain, GA 30083 DeKalb County County Intersection: Woodcroft Drive (verified)											
Units	83											
Type	Midrise (age-restricted) (4 stories)											
Year Built / Renovated	2003 / Proposed 2017											
Tenant Characteristics	Seniors age 55 and older											
Market												
Program	@60% (PBRA)					Leasing Pace	N/A					
Annual Turnover Rate	N/A					Change in Rent (Past Year)	N/A					
Units/Month Absorbed	N/A					Concession	N/A					
Section 8 Tenants	N/A											
Utilities												
A/C	not included – central					Other Electric	not included					
Cooking	not included – electric					Water	included					
Water Heat	not included – electric					Sewer	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	Midrise (4 stories)	71	576	\$902	\$0	@60% (PBRA)	n/a	N/A	N/A	N/A	
2	2	Midrise (4 stories)	12	857	\$1,043	\$0	@60% (PBRA)	n/a	N/A	N/A	N/A	
Amenities												
In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Pull Cords Refrigerator Walk-In Closet					Security	In-Unit Alarm Limited Access Patrol Video Surveillance					
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Courtyard Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area Recreation Areas Service Coordination					Premium	none					
Services	Shuttle Service					Other	none					
Comments												
Only first floor units will have washer/dryers and patios. The property will include a business center, gazebo, and community room.												

**10. Scope of Renovations:**

The Subject is existing and will be renovated. Hard costs of renovations are expected to be \$4,671,240 or \$57,670 per unit. The scope of renovations is detailed as follows:

- Regrading of the site
- Planting of trees, shrubs, and annuals and tree pruning and root removal
- Addition of site fencing
- Repaving asphalt in the parking lot
- Addition of street and grounds lighting
- Construction of exterior gathering area
- Repair to exterior masonry work
- Addition of roof insulation
- Installation of new shingles, gutters, and downspouts
- Installation of new exterior siding
- Replacement of interior doors and exterior doors
- Replacement of windows
- Repair and replacement of drywall
- Installation of new ceramic floors
- Painting of exterior and interior walls
- Installation of new signage and bathroom accessories
- Replacement of kitchen cabinets
- Replacement of kitchen appliances
- Replacement of HVAC equipment and cleaning of ductwork
- Installation of new unit light fixtures, outlets, and light switches
- Installation of new smoke detectors

**Current Rents:**

The following table details the current rents for the Subject’s units according to information provided by the owner as of the date of inspection. We were not provided with a current rent roll; thus, we are not able to comment on current tenant-paid rents. 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

**CURRENT RENTS**

Unit Type	Unit Size (SF)	Number of Units	Contract Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>PBRA (50% AMI)</i>							
1BR/1BA	576	40	\$570	\$0	\$570	\$633	\$820
<i>Market Rate</i>							
1BR/1BA	576	29	\$570	\$0	\$570	-	\$820
2BR/2BA	875	<u>12</u>	\$670	\$0	\$670	-	\$949
<b>Total</b>		<b>81</b>					

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

The following table details Section contract rents and rents for the Subject’s units as of July 1, 2017. These rents are substantially higher than the Subject’s current contract rents.

**CURRENT RENTS AS OF JULY 1, 2017**

Unit Type	Unit Size (SF)	Number of Units	Contract Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>60% AMI (PBRA)</i>							
1BR	576	34	\$902	\$0	\$902	\$759	\$820
2BR	857	6	\$1,043	\$0	\$1,043	\$912	\$949
<i>Market Rate</i>							
1BR	576	35	\$902	\$0	\$902	\$759	\$820
2BR	857	6	\$1,043	\$0	\$1,043	\$912	\$949
<b>Total</b>		<b>81</b>					

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

**Current Occupancy:**

The Subject is fully-occupied according to management. The Subject currently operates as a Section 8/LIHTC property. Following renovations all units will operate with a subsidy.

**Current Tenant Income:**

The current tenants are restricted to incomes below 50 percent of the AMI. The client did not provide a current rent roll, and, thus, we do not have information on the current tenant paid rents. Tenants receiving the Project-Based subsidy pay 30 percent of their income toward rent.

**11. Placed in Service Date:**

The Subject was originally built in 2003. Renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are scheduled to be completed in January 2018.

**Conclusion:**

The Subject will be an excellent-quality brick and vinyl siding four-story elevator-serviced, garden style apartment complex, comparable to most of the inventory in the area. As a recent renovation, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

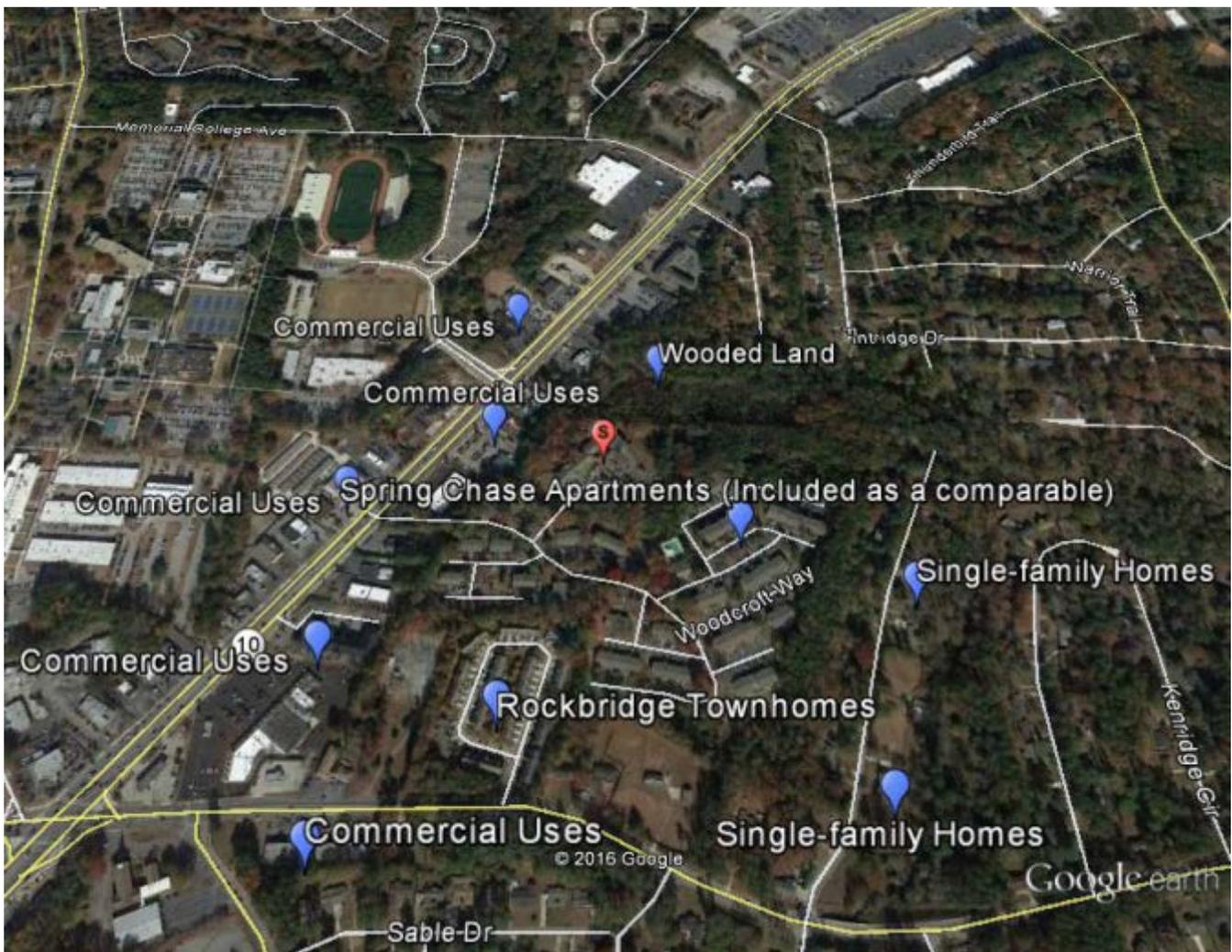
## **C. SITE EVALUATION**

1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on June 27, 2017.
2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has frontage along Hillcroft Lane.

**Visibility/Views:** The Subject site is located in a mixed-use neighborhood that consists of multifamily developments, single-family homes, and commercial uses, which range in condition from average to good. Views to the north, east, and west consist of wooded land, while views to the south consist of wooded land with limited views of Spring Chase Apartments. The Subject site has average views and visibility.

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



Source: Google Earth, June 2017.

The Subject is located in a mixed-use neighborhood. Surrounding

land uses include: single-family homes, multi-family developments, wooded land, and various commercial buildings. Commercial uses in the Subject's neighborhood appeared to be approximately 95 percent occupied at the time of inspection.

**Positive/Negative Attributes of Site:**

The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. Most locational amenities are located within 2.9 miles of the Subject. The Subject is 4.8 miles from I-285, which provides convenient access to other employment centers. We did not observe any detrimental influences in the immediate neighborhood that would negatively impact marketability of the proposed Subject.

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

The Subject is located within 6.6 miles of all locational amenities.

**4. Pictures of Site and Adjacent Uses:**

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



Subject Site



Subject Site



Subject Site



Subject Site



View south on Hillcroft Lane



View north on Hillcroft Lane



Maintenance Space at Subject



Management Office at Subject



Mailboxes at Subject



Meeting room at Subject



Unit kitchen



Unit living room



Bedroom at Subject



Subject laundry facilities



Bank in the Subject's neighborhood



Pharmacy in the Subject's neighborhood



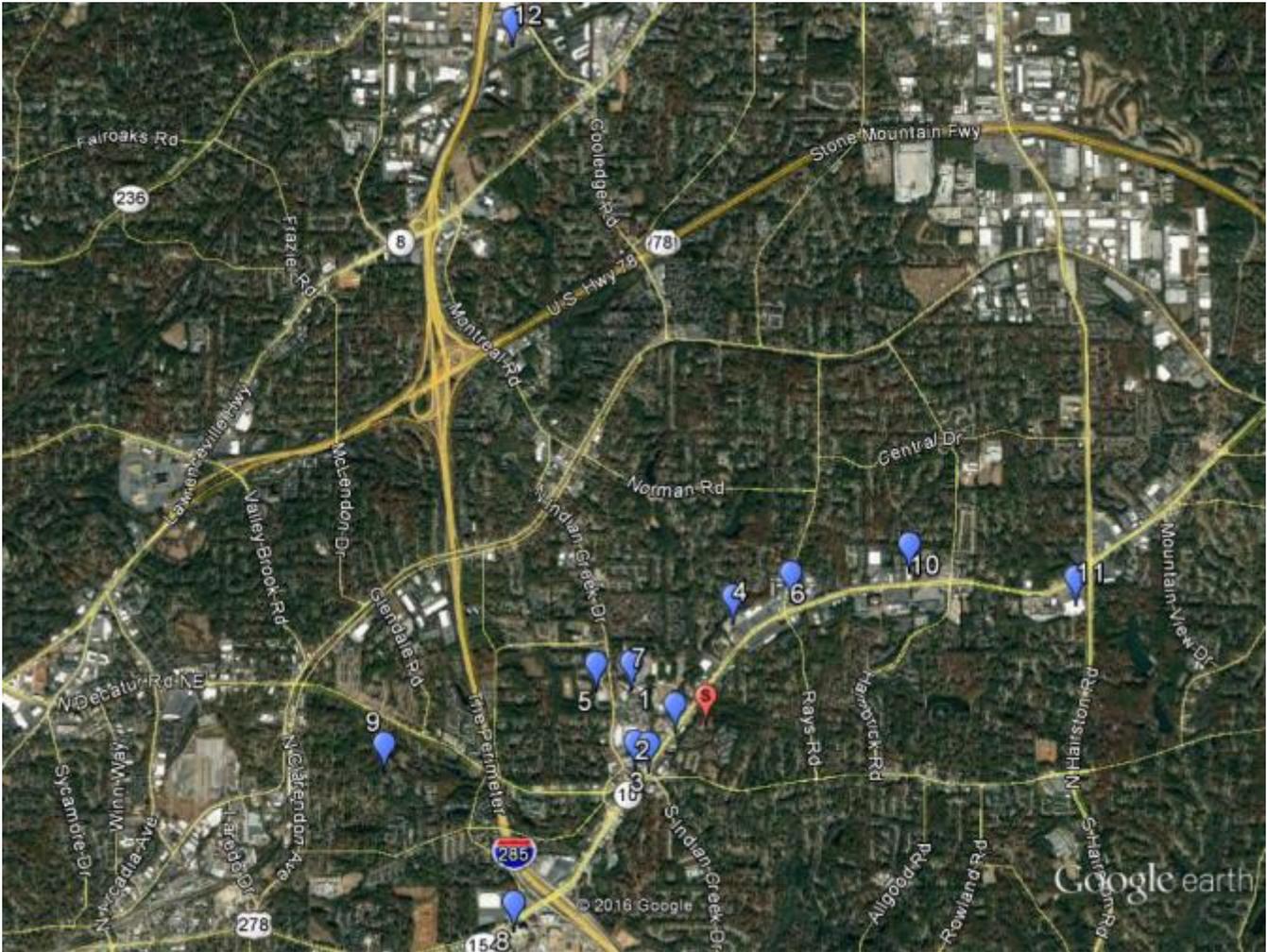
Typical single-family home in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood

**5. Proximity to Locational Amenities:**

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



Source: Google Earth, June 2017.

LOCAL AMENITIES		
Number	Service or Amenity	Distance from Subject
1	Bus Stop	0.2 miles
2	Wells Fargo Bank	0.5 miles
3	Shell Gas Station	0.6 miles
4	US Post Office	1.0 miles
5	Clarkston High School	1.0 miles
6	Walgreens Pharmacy	1.2 miles
7	GSU Perimeter College - Clarkston Campus	1.2 miles
8	DeKalb County Sheriff's Office	1.8 miles
9	South Dekalb Senior Center	2.0 miles
10	Oakhurst Medical Center	2.1 miles
11	Walmart	2.7 miles

**6. Description of Land Uses**

The Subject is located on the east side of Memorial Drive. North and northeast of the Subject is wooded land. Further north and west are

commercial uses along Memorial Drive. The areas south and east of the Subject are primarily single-family homes in average condition. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 56 out of 100. 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 2.7 miles of the Subject site.

**7. Crime:**

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

**2017 CRIME INDICES**

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
<b>Total Crime*</b>	<b>196</b>	<b>139</b>
<b>Personal Crime*</b>	<b>160</b>	<b>130</b>
Murder	222	155
Rape	132	88
Robbery	233	163
Assault	126	118
<b>Property Crime*</b>	<b>201</b>	<b>140</b>
Burglary	224	147
Larceny	189	134
Motor Vehicle Theft	239	178

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

\*Unweighted aggregations

The total crime indices in the PMA are generally above that of the MSA and the nation. Personal crime in the PMA is above MSA and national personal crime levels. The Subject will offer security features including an in-unit alarm, limited access control, a patrol, and video surveillance. All of the comparables offer security features, but most offer security features inferior to the Subject’s. We believe the Subject’s security features will be competitive within the market.

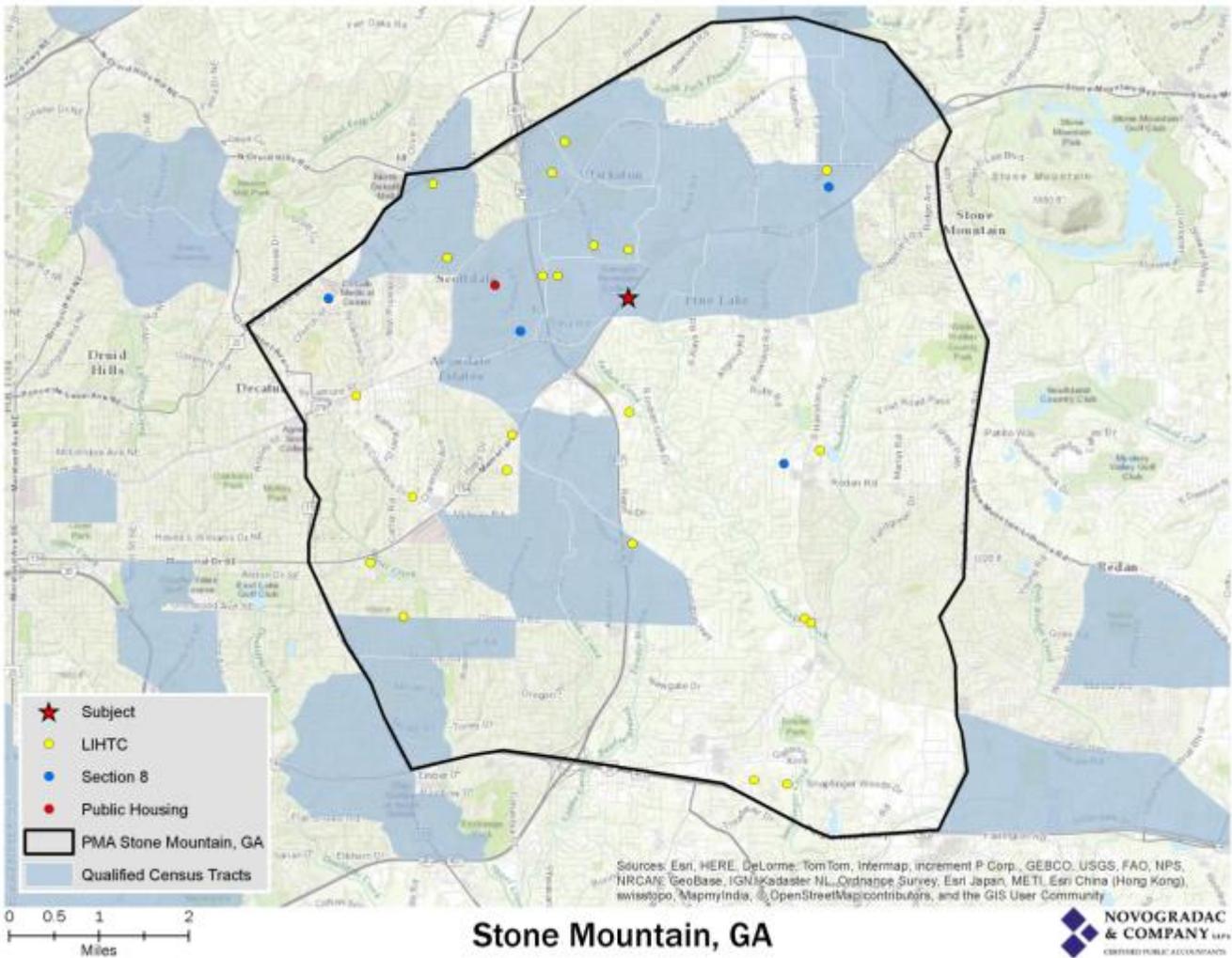
**8. Existing Assisted Rental Housing Property Map:**

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

**RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY**

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Tenancy	# Units	Location	Distance from Subject (miles)	Map Color
Retreat at Spring Hill	Section 8	Senior	83	Stone Mountain	-	Star
Decatur Christian Towers	Section 8	Senior	43	Decatur	3.3	
Oak Forest Apartments	Section 8	Family	150	Scottsdale	1.3	
Hairston Lake Apartments	Section 8	Family	170	Stone Mountain	2.4	
Lake Manor	Section 8	Senior	53	Stone Mountain	2.6	
The Retreat At Mills Creek	Section 8	Senior	80	Scottsdale	1.5	
Mountain View Senior	Section 8	Senior	80	Stone Mountain	3.7	
Tobie Grant Senior	Public Housing	Senior	100	Scottsdale	1.5	
Mountain Crest	LIHTC	Family	280	Stone Mountain	2.5	
Clarkston Station	LIHTC	Family	356	Clarkston	1.9	
Cedar Creek Apartments	LIHTC	Family	168	Decatur	2.5	
Cedar Creek West Apartments	LIHTC	Family	164	Decatur	2.1	
Tuscany Village	LIHTC	Family	144	Clarkston	1.0	
Lakes at Indian Creek	LIHTC	Family	603	Clarkston	0.7	
Woodside Village Apartments	LIHTC	Family	360	Clarkston	0.3	
Brittany Apartments	LIHTC	Family	177	Decatur	2.5	
Forrest Heights Apartments	LIHTC	Family	80	Decatur	3.4	
Delano Place	LIHTC	Family	58	Decatur	4.2	
Robins Landing	LIHTC	Family	304	Decatur	4.4	
Candler Forest	LIHTC	Family	100	Decatur	5.6	
Lake Point/The Park at Hairston	LIHTC	Family	354	Stone Mountain	2.7	
Hidden Meadows Townhomes	LIHTC	Family	46	Stone Mountain	1.6	
Antioch Manor Estates, Phase I*	LIHTC	Senior	120	Stone Mountain	4.2	
Antioch Manor Estates, Phase III*	LIHTC	Senior	106	Stone Mountain	4.2	
Villas of Friendly Heights	LIHTC	Family	132	Decatur	5.6	
Chapel Run Apartments	LIHTC	Family	172	Decatur	5.6	
Retreat at Madison Place	LIHTC	Senior	160	Decatur	2.8	
Manor At Indian Creek	LIHTC	Senior	94	Stone Mountain	1.4	
Peachtree Trace Apartments	LIHTC	Family	91	Clarkston	1.4	
Prince Avondale Apartments	LIHTC	Family	85	Avondale Estates	2.1	
Columbia Avondale Senior	LIHTC	Senior	92	Decatur	3.4	



**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 can be accessed from Woodcroft Drive, which is a two-lane neighborhood street branching east from Memorial Drive. Memorial Drive is a six-lane arterial road that provides access south to Interstate 285 and north to North Hairston Road. Overall, access and visibility are considered average.

**11. Conclusion:**

The Subject is located on the east side of Memorial Drive. The Subject site has average visibility and accessibility from Memorial Drive. Surrounding uses consist of multifamily, commercial, and single-family uses, as well as undeveloped land. Based on our inspection of the neighborhood, retail appeared to be 95 percent occupied. The Subject site is considered “Somewhat Walkable” by *Walk Score* with a rating of 56 out of 100. Crime risk indices in the Subject’s area are generally above that of the MSA and the nation. The Subject will offer perimeter fencing, in-unit alarms, limited

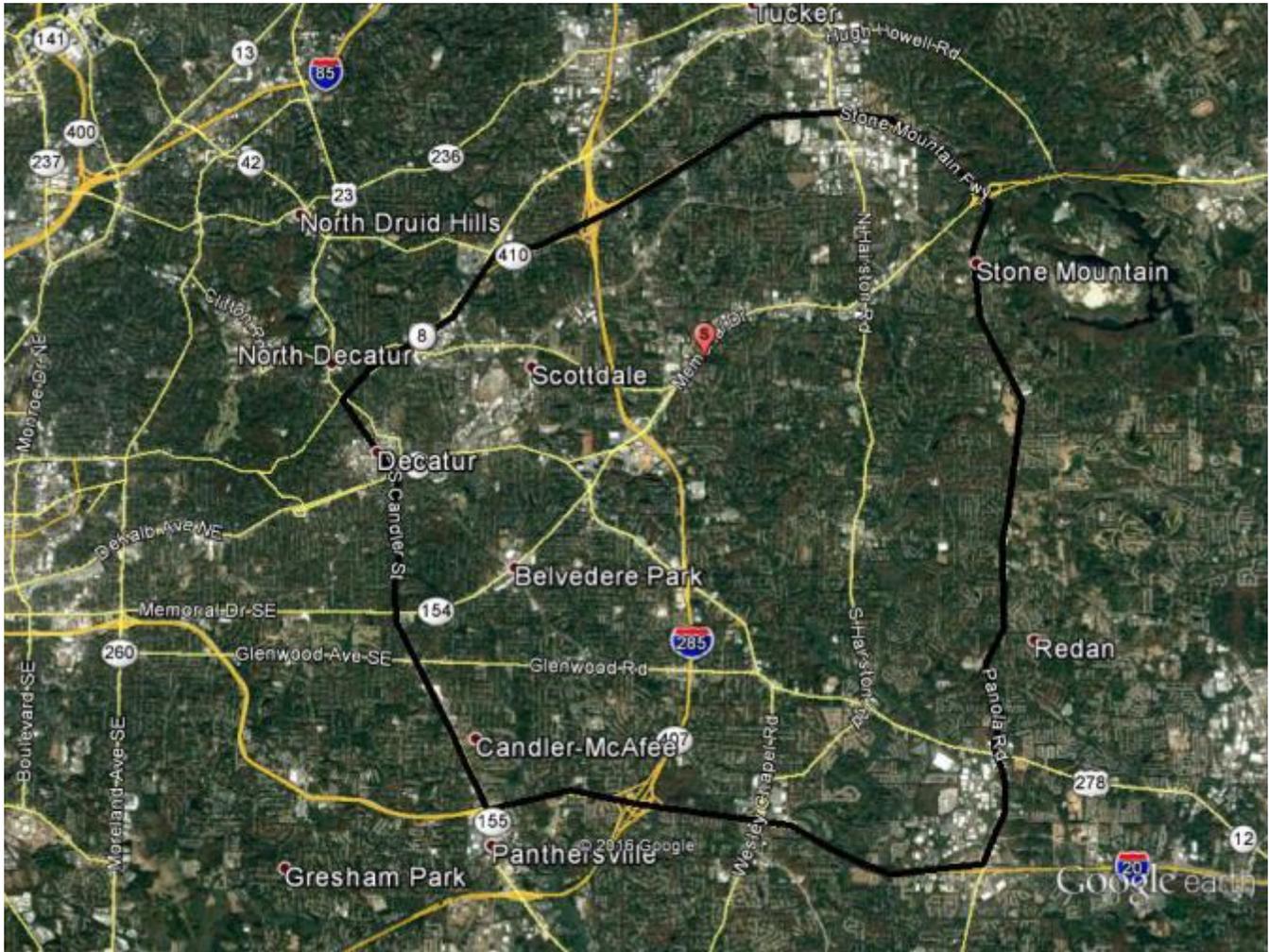
access, a patrol, and video surveillance as security features. All of the comparables offer security features, but most offer security features inferior to the Subject's. We believe the Subject's security features will be competitive within the market. The Subject is considered a desirable building site 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 2.7 miles of the Subject site.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

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

### Primary Market Area Map



Source: Google Earth, June 2017.

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

The PMA is defined as a portion of the east Atlanta area including the communities of Stone Mountain, Scottdale, Clarkston, Belvedere Park, and Avondale Estates. This area bounded by Stone Mountain Freeway to the north, Candler Road and US Route 29 to the west, Interstate 20 to the south, Panola Road and South Stone Mountain Lithonia Road to the east. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 3.7 miles  
East: 3.8 miles  
South: 6.6 miles  
West: 4.8 miles

The determination of this market area was influenced by conversations with surveyed property managers, who reported that the majority of rental traffic originates from throughout DeKalb County. 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 6.6 miles.

# **E. COMMUNITY DEMOGRAPHIC DATA**

## COMMUNITY DEMOGRAPHIC DATA

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

Year	SENIOR POPULATION, 55+					
	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual</i>
2000	24,470	-	646,403	-	59,266,437	-
2010	35,097	4.3%	1,028,311	5.9%	76,750,713	3.0%
2017	42,452	1.2%	1,281,822	1.4%	90,114,303	1.0%
Projected Mkt Entry January 2018	43,099	2.4%	1,309,497	3.5%	91,426,239	2.3%
2021	47,631	2.4%	1,503,218	3.5%	100,609,788	2.3%

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

The senior population aged 55 and older in the PMA grew by approximately 4.3 percent between 2000 and 2010. The senior population of the MSA grew by approximately 5.9 percent over the same period. The senior population in the PMA and MSA experienced a population increase from 2010 to 2017 and is projected to continue to increase at a slightly faster rate through 2021. Overall, we believe that senior population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

#### 1b. Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA			Projected Mkt Entry January 2018	2021
	2000	2010	2017		
0-4	15,939	14,336	13,721	13,763	14,056
5-9	16,367	12,491	13,008	13,008	13,004
10-14	15,565	12,393	12,359	12,443	13,028
15-19	14,978	13,104	12,380	12,403	12,564
20-24	16,712	14,286	14,780	14,792	14,876
25-29	19,727	15,350	15,868	15,941	16,452
30-34	19,326	14,474	14,796	14,874	15,421
35-39	18,931	13,836	13,453	13,546	14,196
40-44	16,308	13,507	13,148	13,147	13,142
45-49	13,839	13,995	12,519	12,504	12,401
50-54	11,167	13,008	12,861	12,772	12,152
55-59	7,165	11,294	12,147	12,139	12,082
60-64	4,910	8,869	10,311	10,400	11,024
65-69	3,662	5,619	8,182	8,305	9,162
70-74	2,984	3,499	5,080	5,319	6,991
75-79	2,463	2,415	3,030	3,159	4,061
80-84	1,703	1,752	1,877	1,930	2,299
85+	1,583	1,649	1,825	1,848	2,012
<b>Total</b>	<b>203,329</b>	<b>185,877</b>	<b>191,345</b>	<b>192,292</b>	<b>198,923</b>

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

The largest age cohorts in the PMA are between 25 and 29 and 30 and 34.

**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	Non-Elderly	Elderly (55+)	Total	Non-Elderly	Elderly (55+)
2000	203,327	178,857	24,470	4,263,438	3,617,035	646,403
2010	185,877	150,780	35,097	5,286,728	4,258,417	1,028,311
2017	191,345	148,893	42,452	5,665,958	4,384,136	1,281,822
Projected Mkt Entry January 2018	192,292	149,193	43,099	5,715,627	4,406,130	1,309,497
2021	198,923	151,292	47,631	6,063,308	4,560,090	1,503,218

Source: Esri Demographics 2017, Novogradac & Company LLP, June 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, (e) Elderly Households 62+ and (f) Housing for Older Persons Households 55+ within the population in the MSA, the PMA and nationally from 2000 through 2017.

## 2a. Total Number of Households and Average Household Size

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

### HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual	Number	Annual Change	Number	Annual
2000	14,774	-	389,452	-	36,459,822	-
2010	21,714	4.7%	612,759	5.7%	45,892,195	2.6%
2017	26,386	1.2%	853,568	2.3%	54,372,574	1.1%
Projected Mkt Entry January 2018	26,849	2.8%	860,526	1.3%	55,070,414	2.1%
2021	30,094	2.8%	909,238	1.3%	59,955,298	2.1%

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

### AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	2.73	-	2.68	-	2.59	-
2010	2.58	-0.6%	2.68	0.0%	2.58	-0.1%
2017	2.60	0.0%	2.70	0.1%	2.59	0.0%
Projected Mkt Entry January 2018	2.60	0.1%	2.70	0.1%	2.59	0.1%
2021	2.62	0.1%	2.72	0.1%	2.60	0.1%

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

The number of senior households in the PMA increased 4.7 percent between 2000 and 2010, while the number of senior households in the MSA increased 5.7 percent over the same period. The number of senior households in the PMA grew by 1.2 percent between 2010 and 2017, and by 1.3 percent in the MSA over the same period. Senior household growth is expected to increase at a faster annual rate of 2.8 percent in the PMA between 2017 and market growth entry, while the total number of senior households in the MSA is projected to increase at a rate of 1.3 percent over the same period. Average household size in the PMA is currently 2.6 persons and is projected to increase marginally through 2021.

## 2b. Households by Tenure

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

### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied		Renter-Occupied Units	Percentage Renter-Occupied
		Percentage Owner-Occupied	Percentage Renter-Occupied		
2000	38,286	52.6%	47.4%	34,455	47.4%
2017	32,799	45.6%	54.4%	39,154	54.4%
Projected Mkt Entry January 2018	32,944	45.6%	54.4%	39,329	54.4%
2021	33,957	45.6%	54.4%	40,551	54.4%

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

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,140	75.4%	3,633	24.6%
2017	16,740	63.4%	9,646	36.6%
Projected Mkt Entry January 2018	16,978	63.2%	9,871	36.8%
2021	18,643	62.0%	11,450	38.0%

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

Owner-occupied housing units comprise the majority of senior housing in the PMA. The percentage of renter-occupied housing units in the PMA is expected to increase slightly through 2021. The percentage of renter-occupied housing in the PMA is generally consistent with the national average.

**2c. Household Income**

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

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

Income Cohort	2017		Projected Mkt Entry January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,421	14.7%	1,441	14.6%	1,580	13.8%
\$10,000-19,999	1,985	20.6%	1,999	20.2%	2,094	18.3%
\$20,000-29,999	1,640	17.0%	1,664	16.9%	1,835	16.0%
\$30,000-39,999	1,183	12.3%	1,211	12.3%	1,408	12.3%
\$40,000-49,999	972	10.1%	995	10.1%	1,161	10.1%
\$50,000-59,999	528	5.5%	549	5.6%	691	6.0%
\$60,000-74,999	516	5.3%	535	5.4%	667	5.8%
\$75,000-99,999	534	5.5%	562	5.7%	753	6.6%
\$100,000-124,999	294	3.0%	310	3.1%	421	3.7%
\$125,000-149,999	260	2.7%	274	2.8%	373	3.3%
\$150,000-199,999	164	1.7%	172	1.7%	228	2.0%
\$200,000+	147	1.5%	159	1.6%	241	2.1%
<b>Total</b>	<b>9,646</b>	<b>100.0%</b>	<b>9,871</b>	<b>100.0%</b>	<b>11,450</b>	<b>100.0%</b>

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

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

Income Cohort	2017		Projected Mkt Entry January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	26,377	12.3%	26,601	12.3%	28,171	12.3%
\$10,000-19,999	36,689	17.0%	37,001	17.0%	39,184	17.0%
\$20,000-29,999	27,587	12.8%	27,821	12.8%	29,463	12.8%
\$30,000-39,999	22,872	10.6%	23,066	10.6%	24,427	10.6%
\$40,000-49,999	18,114	8.4%	18,268	8.4%	19,346	8.4%
\$50,000-59,999	15,082	7.0%	15,210	7.0%	16,107	7.0%
\$60,000-74,999	15,203	7.1%	15,332	7.1%	16,236	7.1%
\$75,000-99,999	16,053	7.5%	16,189	7.5%	17,145	7.5%
\$100,000-124,999	11,701	5.4%	11,801	5.4%	12,497	5.4%
\$125,000-149,999	8,518	4.0%	8,591	4.0%	9,098	4.0%
\$150,000-199,999	7,588	3.5%	7,652	3.5%	8,104	3.5%
\$200,000+	9,438	4.4%	9,518	4.4%	10,080	4.4%
<b>Total</b>	<b>215,221</b>	<b>100.0%</b>	<b>217,050</b>	<b>100.0%</b>	<b>229,858</b>	<b>100.0%</b>

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

Senior renter households earning under \$30,000 in the PMA comprised 50.1 percent of all income cohorts in 2017. The income limits for the Subject’s affordable units will range from zero to \$32,400. As such, a large portion of renter households will income qualify to reside at the Subject’s units, and the Subject should be well-positioned to service this market. It should be noted that the area median income (AMI) in DeKalb County declined in 2013 and 2014 but increased 6.1 percent in 2015.

## 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 January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	13,792	35%	13,876	35%	14,469	36%
2 Persons	9,782	25%	9,811	25%	10,013	25%
3 Persons	6,466	17%	6,495	17%	6,698	17%
4 Persons	4,332	11%	4,354	11%	4,505	11%
5+ Persons	4,782	12%	4,793	12%	4,866	12%
<b>Total Households</b>	<b>39,154</b>	<b>100%</b>	<b>39,329</b>	<b>100%</b>	<b>40,551</b>	<b>100%</b>

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

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+**

Household Size	2017		Projected Mkt Entry January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	4,755	49%	4,862	49%	5,615	49%
2 Persons	2,508	26%	2,568	26%	2,989	26%
3 Persons	1,011	10%	1,037	11%	1,216	11%
4 Persons	709	7%	724	7%	831	7%
5+ Persons	662	7%	679	7%	800	7%
<b>Total Households</b>	<b>9,646</b>	<b>100%</b>	<b>9,871</b>	<b>100%</b>	<b>11,450</b>	<b>100%</b>

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

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

## Conclusion

The senior population in the PMA and the MSA increased between 2000 and 2017. The rate of senior population and household growth is projected to continue its positive trend through market entry 2018 and 2021. Senior renter households are concentrated in the lowest income cohorts, with 50.1 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning up to \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, senior population and household growth 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

The PMA and DeKalb County are economically reliant on the healthcare/social assistance, education, retail trade, and manufacturing industries. Employment is concentrated in these sectors. Employment levels decreased during the national recession but have reached and surpassed pre-recession highs. Employment and unemployment trends, as well as recent business expansions, suggest the local economy is in an expansionary phase.

### 1. Total Jobs

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

TOTAL JOBS IN DEKALB COUNTY, GEORGIA		
Year	Total Employment	% Change
2006	366,471	-
2007	374,934	-1.9%
2008	367,914	-7.2%
2009	343,126	-6.0%
2010	323,687	1.3%
2011	327,936	2.2%
2012	335,451	0.7%
2013	337,823	1.3%
2014	342,178	2.1%
2015	349,619	11.4%
2016 YTD Average	394,503	11.4%
Dec-15	354,466	-
Dec-16	369,809	4.1%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

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

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within DeKalb County as of January 2017. Note that this is the most recent data available.

### JANUARY 2017 COVERED EMPLOYMENT DEKALB COUNTY, GEORGIA

	Number	Percent
Total, all industries	253,263	-
<b>Goods-producing</b>	-	-
Natural resources and mining	78	0.0%
Construction	10,518	4.2%
Manufacturing	13,266	5.2%
<b>Service-providing</b>	-	-
Trade, transportation, and utilities	61,398	24.2%
Information	9,882	3.9%
Financial activities	17,572	6.9%
Professional and business	43,914	17.3%
Education and health services	60,739	24.0%
Leisure and hospitality	26,289	10.4%
Other services	8,338	3.3%
Unclassified	1,269	0.5%

Source: Bureau of Labor Statistics, 2015

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

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	12,076	14.2%	21,304,508	14.1%
Retail Trade	11,474	13.5%	17,169,304	11.3%
Educational Services	8,177	9.6%	14,359,370	9.5%
Accommodation/Food Services	7,510	8.9%	11,574,403	7.6%
Manufacturing	6,805	8.0%	15,499,826	10.2%
Transportation/Warehousing	6,215	7.3%	6,128,217	4.0%
Prof/Scientific/Tech Services	5,812	6.9%	10,269,978	6.8%
Admin/Support/Waste Mgmt Svcs	4,598	5.4%	6,511,707	4.3%
Other Services (excl Publ Adm)	4,083	4.8%	7,463,834	4.9%
Public Administration	4,068	4.8%	7,093,689	4.7%
Finance/Insurance	3,103	3.7%	6,942,986	4.6%
Construction	2,701	3.2%	9,342,539	6.2%
Information	2,293	2.7%	2,862,063	1.9%
Wholesale Trade	2,063	2.4%	4,066,471	2.7%
Real Estate/Rental/Leasing	1,606	1.9%	2,946,196	1.9%
Arts/Entertainment/Recreation	1,494	1.8%	3,416,474	2.3%
Utilities	527	0.6%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	97	0.1%	2,253,044	1.5%
Mining	47	0.1%	749,242	0.5%
Mgmt of Companies/Enterprises	27	0.0%	89,612	0.1%
<b>Total Employment</b>	<b>84,776</b>	<b>100.0%</b>	<b>151,387,682</b>	<b>100.0%</b>

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

Healthcare/social assistance, retail trade and educational services are the largest industries within the PMA. Combined they represent approximately 37.3 percent of total employment within the PMA. Both the health care/social assistance and educational services sectors have experienced growth over the past decade. The PMA is overrepresented in the retail trade, accommodation/food services, transportation/warehousing, and administration/support/waste management services sectors. Comparatively, the manufacturing, finance/insurance, construction, and arts/entertainment/recreation sectors are underrepresented in the PMA.

### 3. Major Employers

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

#### LARGEST EMPLOYERS: DEKALB COUNTY, GA

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

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

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

#### Expansions/Contractions

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

#### WARN NOTICES - DEKALB COUNTY, GA - 2014-2017

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

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

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

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

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

As illustrated, there were several additions in a variety of industries including retail trade, healthcare, and professional/scientific/technology services. Between 2014 and 2017, there were more than 3,000 new jobs created, which helps to counteract the 976 layoffs in the county during the same period.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2002 to April 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	-	-16.6%	136,485,000	-	-9.9%
2003	2,347,173	1.0%	-15.8%	137,736,000	0.9%	-9.0%
2004	2,382,163	1.5%	-14.6%	139,252,000	1.1%	-8.0%
2005	2,445,674	2.7%	-12.3%	141,730,000	1.8%	-6.4%
2006	2,538,141	3.8%	-9.0%	144,427,000	1.9%	-4.6%
2007	2,618,825	3.2%	-6.1%	146,047,000	1.1%	-3.6%
2008	2,606,822	-0.5%	-6.5%	145,363,000	-0.5%	-4.0%
2009	2,452,057	-5.9%	-12.1%	139,878,000	-3.8%	-7.6%
2010	2,440,037	-0.5%	-12.5%	139,064,000	-0.6%	-8.2%
2011	2,486,895	1.9%	-10.8%	139,869,000	0.6%	-7.6%
2012	2,545,474	2.4%	-8.7%	142,469,000	1.9%	-5.9%
2013	2,573,040	1.1%	-7.7%	143,929,000	1.0%	-5.0%
2014	2,620,911	1.9%	-6.0%	146,305,000	1.7%	-3.4%
2015	2,684,068	2.4%	-3.7%	148,833,000	1.7%	-1.7%
2016	2,788,476	3.9%	0.0%	151,436,000	1.7%	0.0%
2017 YTD Average*	2,857,086	2.5%	-	152,039,000	0.4%	-
Apr-2016	2,771,081	-	-	151,075,000	-	-
Apr-2017	2,872,402	3.7%	-	153,407,000	1.5%	-

Source: U.S. Bureau of Labor Statistics June 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%	4.4%	8.1%	-0.9%	3.5%
2013	7.8%	-1.0%	3.4%	7.4%	-0.7%	2.8%
2014	6.8%	-1.0%	2.3%	6.2%	-1.2%	1.6%
2015	5.7%	-1.1%	1.3%	5.3%	-0.9%	0.7%
2016	5.1%	-0.6%	0.7%	4.9%	-0.4%	0.3%
2017 YTD Average*	4.8%	-0.3%	-	4.7%	-0.2%	-
Apr-2016	4.8%	-	-	4.7%	-	-
Apr-2017	4.5%	-0.3%	-	4.1%	-0.6%	-

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

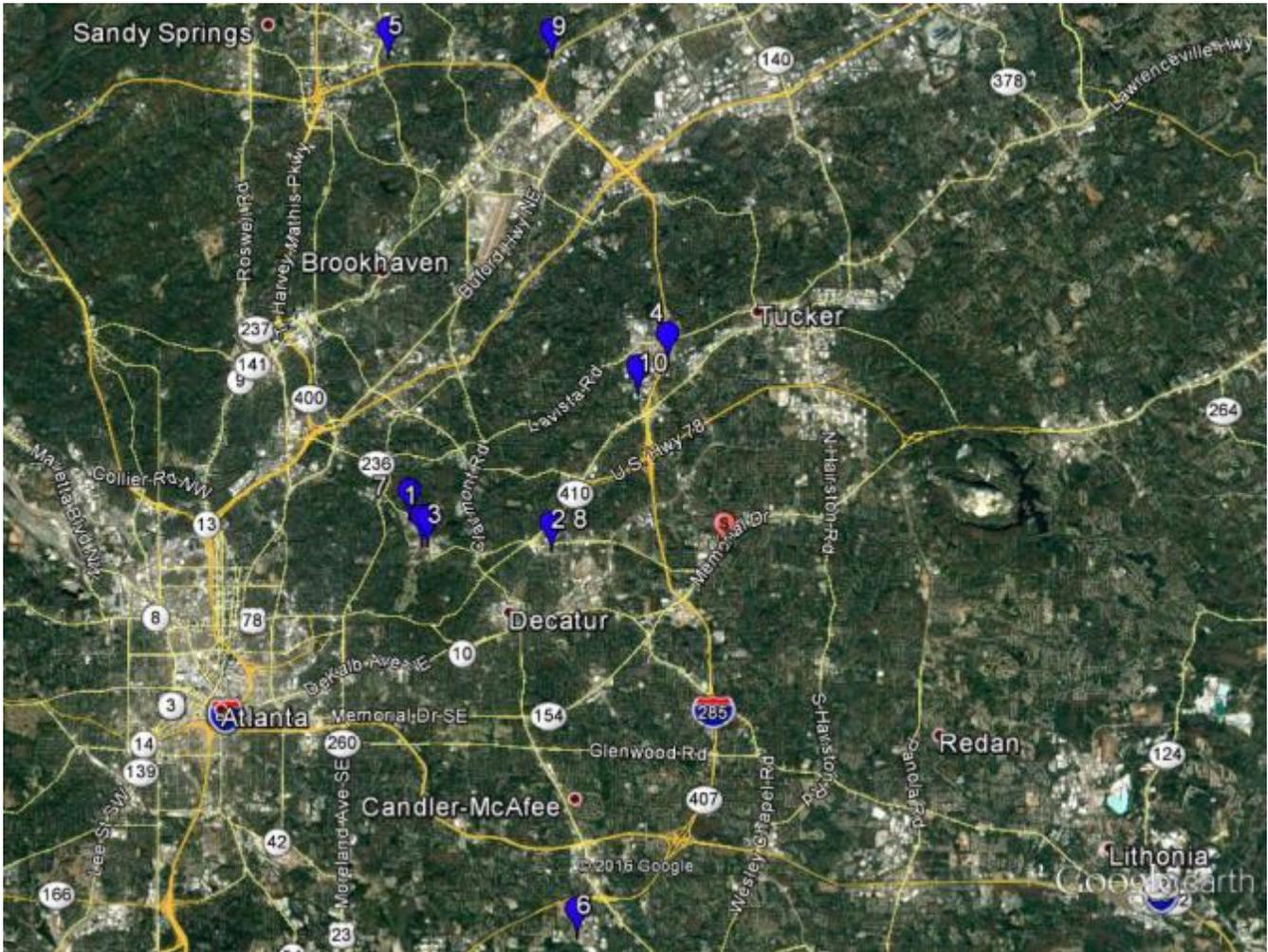
Between 2003 and 2007, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2007. These increases were significant but were followed by employment decreases from 2008 to 2010 as a result of the most recent economic recession. The MSA appears relatively healthy as total employment increased each year from 2011 through April 2017. As of 2015, total employment in the MSA exceeded pre-recessionary levels. Furthermore, the total employment growth in the MSA from April 2016 to

April 2017 increased by 3.7 percent in the MSA compared to an increase of 1.5 percent nationally during the same time period.

Prior to the most recent economic recession, the unemployment rate in the MSA was generally similar to or below that of the nation. However, the unemployment rate in the MSA experienced a slightly more significant increase during the most recent national recession and has been generally above the nation since 2008. From April 2016 to April 2017, the unemployment rate in the MSA increased 0.2 percentage points, compared to a decrease of 0.3 percentage points nationally. The unemployment rate in the MSA as of April 2017 was 4.5 percent, which was 0.4 percentage points above the national rate of 4.1 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels and has reached pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy, which bodes well for affordable housing demand in the area.

### Map of Site and Major Employment Concentrations

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



Source: Google Earth, June 2017.

#### LARGEST EMPLOYERS: DEKALB COUNTY, GA

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

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

## 5. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 54.3 percent of total local employment. Two of those industries, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county's largest employers are in the education and healthcare fields.

Overall, the county experienced moderate employment growth between 2011 and year-to-date 2017. As of April 2017, total employment in the county was higher than ever before, having eclipsed its pre-recession peak in 2014. The unemployment rate in the county as of December 2016 was 50 basis points higher than the national unemployment rate but lower than its 2010 high of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that DeKalb County has made a recovery from the most recent national recession and is in an expansionary phase. Recent business expansions in several industries suggest both the health of the county's historically stable industries such as healthcare and education and the growth of smaller industries such as professional/scientific/technology services. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

# **G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS**

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

**1. Income Restrictions**

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

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

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. Maximum income is assumed to be \$32,400, which is the maximum allowable income for two-person households at 60 percent AMI.

**2. Affordability**

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis. Below are income limits for two scenarios. The first details income limits for the Subject as proposed (with subsidy). The second details income limits for the Subject without subsidy, using the achievable rents for one-and two-bedroom units determined in the *Competitive Rental Analysis* section of this study.

**SENIOR 55+ INCOME LIMITS - AS PROPOSED (WITH SUBSIDY)**

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	<i>60% AMI (PBRA)</i>	
1BR/1BA	\$0	\$32,400
2BR/2BA	\$0	\$32,400

**SENIOR 55+ INCOME LIMITS - ABSENT SUBSIDY**

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	<i>60% AMI</i>	
1BR/1BA	\$22,770	\$32,400
2BR/2BA	\$27,360	\$32,400

**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 January 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2017 household population estimates are inflated to 2018 by interpolation of the difference between 2017 estimates and 2018 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 2018. This number takes the overall growth from 2017 to 2018 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.

#### 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
Columbia Avondale Senior	LIHTC	Decatur	Senior	Under construction	92
Manor at Indian Creek	LIHTC	Stone Mountain	Senior	Under construction	75

Columbia Avondale Senior (HFOP) was allocated LIHTC in 2015 and will target seniors age 62 and older. Columbia Avondale Senior will be located at the corner of Sams Street and College avenue in Decatur, approximately 3.8 miles southwest of the Subject site and within the PMA. The property will consist of 92 one and two-bedroom units restricted at 50 and 60 percent of the AMI. Eighty-three of these units will be restricted at 60 percent of the AMI and will directly compete with the Subject. We have deducted these 83 units from our demand analysis.

Manor at Indian Creek (HFOP) was also allocated LIHTC in 2015 and will target seniors age 55 and older. Manor at Indian Creek will be located at 3904 Durham Park Road in Stone Mountain, approximately 1.9 miles southwest of the Subject site and within the PMA. The property will consist of 75 one and two-bedroom units restricted at 60 percent of the AMI. All 75 units will directly compete with the Subject. We have deducted these 75 units from our demand analysis.

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

#### ADDITIONS TO SUPPLY

Unit Type	60% AMI	Overall
1BR	136	136
2BR	22	22
<b>Total</b>	<b>158</b>	<b>158</b>

### PMA Occupancy

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

#### PMA OCCUPANCY

Property Name	Program	Location	Tenancy	Total Units	Occupied Units	Occupancy
Antioch Manor Estates	LIHTC	Stone Mountain	Senior	120	106	100.0%
Antioch Villas and Gardens	LIHTC	Stone Mountain	Senior	106	160	100.0%
Retreat at Madison Place	LIHTC	Decatur	Senior	160	94	100.0%
<b>Average PMA Occupancy</b>						<b>100.0%</b>

The average occupancy rate of competitive developments in the PMA is 100.0 percent.

### Rehab Developments and PBRA

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

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

## 5. Capture Rates

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

#### RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	5,672	14.5%	5,651	14.4%	5,507	13.6%
\$10,000-19,999	7,196	18.4%	7,139	18.2%	6,739	16.6%
\$20,000-29,999	6,766	17.3%	6,753	17.2%	6,658	16.4%
\$30,000-39,999	5,743	14.7%	5,752	14.6%	5,813	14.3%
\$40,000-49,999	4,242	10.8%	4,264	10.8%	4,417	10.9%
\$50,000-59,999	2,562	6.5%	2,591	6.6%	2,799	6.9%
\$60,000-74,999	2,648	6.8%	2,690	6.8%	2,985	7.4%
\$75,000-99,999	2,187	5.6%	2,243	5.7%	2,631	6.5%
\$100,000-124,999	950	2.4%	991	2.5%	1,283	3.2%
\$125,000-149,999	446	1.1%	470	1.2%	643	1.6%
\$150,000-199,999	360	0.9%	376	1.0%	491	1.2%
\$200,000+	382	1.0%	407	1.0%	584	1.4%
<b>Total</b>	<b>39,154</b>	<b>100.0%</b>	<b>39,329</b>	<b>100.0%</b>	<b>40,551</b>	<b>100.0%</b>

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

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

Income Cohort	2017		Projected Mkt Entry January 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	89,638	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	103,475	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	103,396	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	95,568	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	80,324	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	64,788	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	72,855	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	70,771	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	40,547	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,170	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,233	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	22,990	2.9%	24,347	2.9%
<b>Total</b>	<b>783,097</b>	<b>100.0%</b>	<b>789,754</b>	<b>100.0%</b>	<b>836,356</b>	<b>100.0%</b>

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

**60% AMI – WITH SUBSIDY**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% (with sub)**

Minimum Income Limit		\$0		Maximum Income Limit		\$32,400	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017	to Prj Mrkt Entry January 2018					
\$0-9,999	20	8.8%	9,999	100.0%	20		
\$10,000-19,999	14	6.0%	9,999	100.0%	14		
\$20,000-29,999	24	10.8%	9,999	100.0%	24		
\$30,000-39,999	28	12.5%	2,400	24.0%	7		
\$40,000-49,999	24	10.5%		0.0%	0		
\$50,000-59,999	20	9.0%		0.0%	0		
\$60,000-74,999	19	8.4%		0.0%	0		
\$75,000-99,999	27	12.1%		0.0%	0		
\$100,000-124,999	16	7.0%		0.0%	0		
\$125,000-149,999	14	6.2%		0.0%	0		
\$150,000-199,999	8	3.5%		0.0%	0		
\$200,000+	12	5.2%		0.0%	0		
<b>Total</b>	<b>226</b>	<b>100.0%</b>		<b>28.6%</b>	<b>65</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60% (with sub)**

Minimum Income Limit		\$0		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA		Income Brackets	Percent within Cohort	Households within Bracket		
	2017						
\$0-9,999	1,421	14.7%	9,999	100.0%	1,421		
\$10,000-19,999	1,985	20.6%	9,999	100.0%	1,985		
\$20,000-29,999	1,640	17.0%	9,999	100.0%	1,640		
\$30,000-39,999	1,183	12.3%	2,400	24.0%	284		
\$40,000-49,999	972	10.1%		0.0%	0		
\$50,000-59,999	528	5.5%		0.0%	0		
\$60,000-74,999	516	5.3%		0.0%	0		
\$75,000-99,999	534	5.5%		0.0%	0		
\$100,000-124,999	294	3.0%		0.0%	0		
\$125,000-149,999	260	2.7%		0.0%	0		
\$150,000-199,999	164	1.7%		0.0%	0		
\$200,000+	147	1.5%		0.0%	0		
<b>Total</b>	<b>9,646</b>	<b>100.0%</b>		<b>55.3%</b>	<b>5,331</b>		

**ASSUMPTIONS - 60% (with sub)**

Tenancy		Senior		% of Income towards Housing		40%	
Rural/Urban		Urban		Maximum # of Occupants		2	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	10%	80%	20%	0%	0%		
2	0%	40%	60%	0%	0%		
3	0%	0%	0%	100%	0%		
4	0%	0%	0%	70%	30%		
5+	0%	0%	0%	30%	70%		

**Demand from New Renter Households 2017 to January 2018**

Income Target Population	60% (with sub)
New Renter Households PMA	226
Percent Income Qualified	28.6%
<b>New Renter Income Qualified Households</b>	<b>65</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	60% (with sub)
Total Existing Demand	9,646
Income Qualified	55.3%
Income Qualified Renter Households	5,331
Percent Rent Overburdened Prj Mrkt Entry January 2018	47.8%
<b>Rent Overburdened Households</b>	<b>2,550</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	5,331
Percent Living in Substandard Housing	0.6%
<b>Households Living in Substandard Housing</b>	<b>34</b>

**Senior Households Converting from Homeownership**

Income Target Population	60% (with sub)
Total Senior Homeowners	16,978
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>15</b>

**Total Demand**

Total Demand from Existing Households	2,599
Total New Demand	65
<b>Total Demand (New Plus Existing Households)</b>	<b>2,664</b>

Demand from Seniors Who Convert from Homeownership	15
Percent of Total Demand From Homeownership Conversion	0.6%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	49.3%	1,312
Two Persons	26.0%	693
Three Persons	10.5%	280
Four Persons	7.3%	195
Five Persons	6.9%	183
<b>Total</b>	<b>100.0%</b>	<b>2,664</b>

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

Of one-person households in studio units	10%	131
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	1,050
Of two-person households in 1BR units	40%	277
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	262
Of two-person households in 2BR units	60%	416
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	280
Of four-person households in 3BR units	70%	137
Of five-person households in 3BR units	30%	55
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	59
Of five-person households in 4BR units	35%	64
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	64
<b>Total Demand</b>		<b>2,795</b>

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	1,327	-	136	=	1,191
2 BR	678	-	22	=	656
<b>Total</b>	<b>2,005</b>		<b>158</b>		<b>1,847</b>

Developer's Unit Mix			Net Demand		Capture Rate
1 BR	71	/	1,191	=	6.0%
2 BR	12	/	656	=	1.8%
<b>Total</b>	<b>83</b>		<b>1,847</b>		<b>4.5%</b>

**60% AMI - WITHOUT SUBSIDY**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% (without sub)**

Minimum Income Limit		\$22,770		Maximum Income Limit		\$32,400	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017 to Prj Mrkt Entry January 2018						
\$0-9,999	20	8.8%		0.0%		0	
\$10,000-19,999	14	6.0%		0.0%		0	
\$20,000-29,999	24	10.8%	7,229	72.3%		18	
\$30,000-39,999	28	12.5%	2,400	24.0%		7	
\$40,000-49,999	24	10.5%		0.0%		0	
\$50,000-59,999	20	9.0%		0.0%		0	
\$60,000-74,999	19	8.4%		0.0%		0	
\$75,000-99,999	27	12.1%		0.0%		0	
\$100,000-124,999	16	7.0%		0.0%		0	
\$125,000-149,999	14	6.2%		0.0%		0	
\$150,000-199,999	8	3.5%		0.0%		0	
\$200,000+	12	5.2%		0.0%		0	
<b>Total</b>	<b>226</b>	<b>100.0%</b>		<b>10.8%</b>		<b>24</b>	

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60% (without sub)**

Minimum Income Limit		\$22,770		Maximum Income Limit		\$32,400	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	1,421	14.7%		0.0%		0	
\$10,000-19,999	1,985	20.6%		0.0%		0	
\$20,000-29,999	1,640	17.0%	7,229	72.3%		1,186	
\$30,000-39,999	1,183	12.3%	2,400	24.0%		284	
\$40,000-49,999	972	10.1%		0.0%		0	
\$50,000-59,999	528	5.5%		0.0%		0	
\$60,000-74,999	516	5.3%		0.0%		0	
\$75,000-99,999	534	5.5%		0.0%		0	
\$100,000-124,999	294	3.0%		0.0%		0	
\$125,000-149,999	260	2.7%		0.0%		0	
\$150,000-199,999	164	1.7%		0.0%		0	
\$200,000+	147	1.5%		0.0%		0	
<b>Total</b>	<b>9,646</b>	<b>100.0%</b>		<b>15.2%</b>		<b>1,470</b>	

**ASSUMPTIONS - 60% (without sub)**

ASSUMPTIONS - 60% (without sub)						
Tenancy		Senior	% of Income towards Housing			40%
Rural/Urban		Urban	Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	10%	80%	20%	0%	0%	
2	0%	40%	60%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	30%	70%	

**Demand from New Renter Households 2017 to January 2018**

Income Target Population	60% (without sub)
New Renter Households PMA	226
Percent Income Qualified	10.8%
<b>New Renter Income Qualified Households</b>	<b>24</b>

**Demand from Existing Households 2017**

**Demand from Rent Overburdened Households**

Income Target Population	60% (without sub)
Total Existing Demand	9,646
Income Qualified	15.2%
Income Qualified Renter Households	1,470
Percent Rent Overburdened Prj Mrkt Entry January 2018	47.8%
<b>Rent Overburdened Households</b>	<b>703</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	1,470
Percent Living in Substandard Housing	0.6%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

Income Target Population	60% (without sub)
Total Senior Homeowners	16,978
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>15</b>

**Total Demand**

Total Demand from Existing Households	727
Total New Demand	24
<b>Total Demand (New Plus Existing Households)</b>	<b>752</b>

Demand from Seniors Who Convert from Homeownership	15
Percent of Total Demand From Homeownership Conversion	2.0%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	49.3%	370
Two Persons	26.0%	196
Three Persons	10.5%	79
Four Persons	7.3%	55
Five Persons	6.9%	52
<b>Total</b>	<b>100.0%</b>	<b>752</b>

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

Of one-person households in studio units	10%	37
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	80%	296
Of two-person households in 1BR units	40%	78
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	20%	74
Of two-person households in 2BR units	60%	117
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	79
Of four-person households in 3BR units	70%	39
Of five-person households in 3BR units	30%	16
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	17
Of five-person households in 4BR units	35%	18
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	35%	18
<b>Total Demand</b>		<b>789</b>

Total Demand (Subject Unit Types)			Additions to Supply		Net Demand
1 BR	374	-	136	=	238
2 BR	191	-	22	=	169
<b>Total</b>	<b>566</b>		<b>158</b>		<b>408</b>

Developer's Unit Mix			Net Demand	Capture Rate	
1 BR	71	/	238	=	29.8%
2 BR	12	/	169	=	7.1%
<b>Total</b>	<b>83</b>		<b>408</b>		<b>20.3%</b>

**Conclusions**

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

- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

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

**DEMAND AND NET DEMAND**

	HH at 60% AMI - With Subsidy (\$0 to \$32,400)	HH at 60% AMI - Without Subsidy (\$22,770 to \$32,400)	All Tax Credit Households - With Subsidy
Demand from New Households (age and income appropriate)	65	24	65
<b>PLUS</b>	+	+	+
Demand from Existing Renter Households - Substandard Housing	34	9	34
<b>PLUS</b>	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	2,550	703	2,550
Sub Total	2,649	737	2,649
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	15	15	15
<b>Equals Total Demand</b>	2,664	752	2,664
<b>Less</b>	-	-	-
Competitive New Supply	158	158	158
<b>Equals Net Demand</b>	2,506	594	2,506

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 60% AMI (with subsidy)	\$0	\$32,400	71	1,327	136	1,191	6.0%	One to two months	\$896	\$659	\$1,496	\$759
2BR at 60% AMI (with subsidy)	\$0	\$32,400	12	678	22	656	1.8%	One to two months	\$1,114	\$800	\$2,053	\$912
1BR at 60% AMI (absent subsidy)	\$22,770	\$32,400	71	374	136	238	29.8%	One to two months	\$896	\$659	\$1,496	\$759
2BR at 60% AMI (absent subsidy)	\$27,360	\$32,400	12	191	22	169	7.1%	One to two months	\$1,114	\$800	\$2,053	\$912
Overall (with subsidy)	\$0	\$32,400	83	2,005	158	1,847	4.5%	One to two months	-	-	-	-
Overall (absent subsidy)	\$22,770	\$32,400	83	566	158	408	20.3%	One to two months	-	-	-	-

\*In this scenario, proposed LIHTC rents are LIHTC maximum allowable rents at the 60% AMI level.

As the analysis illustrates, in the subsidized scenario, the Subject’s capture rates at the 60 percent AMI level will range from 1.8 to 6.0 percent, with an overall capture rate of 4.5 percent. Absent subsidy, the Subject’s 60 percent AMI capture rates range from 7.1 to 29.8 percent, with an overall capture rate of 20.3 percent. Note, these capture rates were calculated using the achievable LIHTC rents we determined in the *Competitive Rental Analysis* section of this study. If the Subject were to operate as a LIHTC property without subsidy, the overall capture rate is 20.3 percent, which is considered low. Therefore, we believe there is adequate demand for the Subject in the subsidized scenario. However, all of the Subject’s units will receive subsidy post-renovation. Assuming subsidy, the overall capture rate is 4.5 percent, which is considered very low.

# **H. COMPETITIVE RENTAL ANALYSIS**

## Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 2,093 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered good; there are 25 LIHTC properties in the PMA. However, many of these have been excluded from our analysis because of their dissimilar levels of AMI or tenancy. We have included five senior LIHTC properties offering units at 60 percent AMI in our analysis. Three of the comparable LIHTC properties are all located in the PMA, and the remaining two LIHTC properties are located just outside of the PMA. All of the comparable LIHTC properties are located between 2.9 and 9.3 miles of the Subject. These comparables were built or renovated between 2003 and 2015.

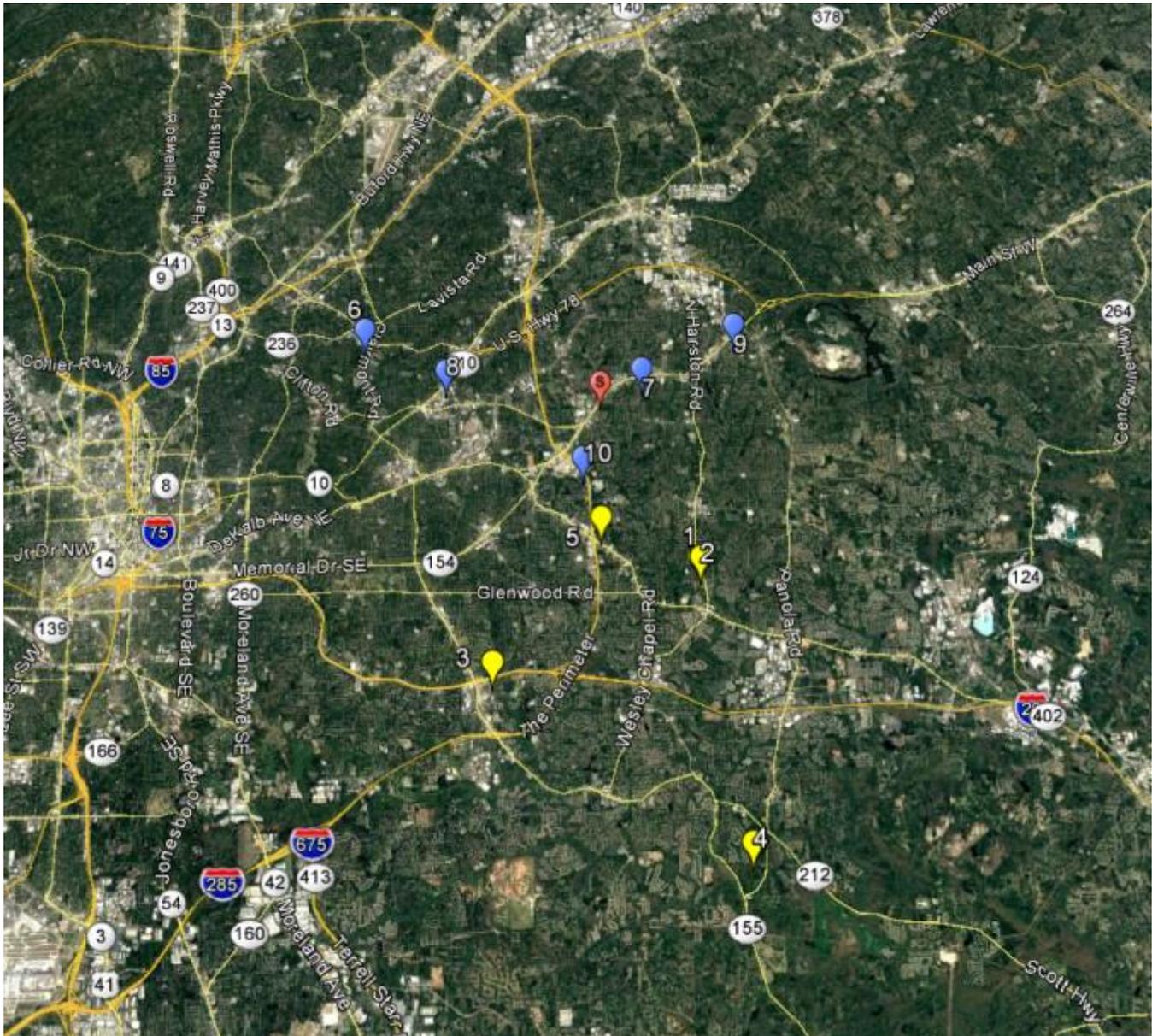
The availability of market-rate data is considered good. The Subject is located in Stone Mountain and there are several market-rate properties in the area. We have included five conventional properties in our analysis of the competitive market. All of the market-rate properties are located in the PMA, between 1.0 and 4.8 miles from the Subject site. These comparables were built or renovated between 1982 and 2016. Of note, there are a limited number of new construction market-rate senior properties in the area. We have included the market-rate senior property Clairmont Crest in our analysis. Overall, we believe the market-rate properties we have used in our analysis are the most comparable. Other market-rate properties were excluded based on proximity and unit types.

## Excluded Properties

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

EXCLUDED PROPERTIES				
Property Name	Tenancy	Location	Program	Reason for Exclusion
Decatur Christian Towers	Senior	Decatur	Section 8	Subsidized Rents
Oak Forest Apartments	Family	Scottdale	Section 8	Disimilar Tenancy
Hairston Lake Apartments	Family	Stone Mountain	Section 8	Disimilar Tenancy
Lake Manor	Senior	Stone Mountain	Section 8	Subsidized Rents
The Retreat At Mills Creek	Senior	Scottdale	Section 8	Subsidized Rents
Mountain View Senior	Senior	Stone Mountain	Section 8	Subsidized Rents
Tobie Grant Senior	Senior	Scottdale	Public Housing	Subsidized Rents
Mountain Crest	Family	Stone Mountain	LIHTC	Disimilar Tenancy
Clarkston Station	Family	Clarkston	LIHTC	Disimilar Tenancy
Cedar Creek Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Cedar Creek West Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Tuscany Village	Family	Clarkston	LIHTC	Disimilar Tenancy
Lakes at Indian Creek	Family	Clarkston	LIHTC	Disimilar Tenancy
Woodside Village Apartments	Family	Clarkston	LIHTC	Disimilar Tenancy
Brittany Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Forrest Heights Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Delano Place	Family	Decatur	LIHTC	Disimilar Tenancy
Robins Landing	Family	Decatur	LIHTC	Disimilar Tenancy
Candler Forest	Family	Decatur	LIHTC	Disimilar Tenancy
Whispering Pines Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Columns at East Mill	Family	Decatur	LIHTC	Disimilar Tenancy
Allen Wilson Terrace, Phase I	Family	Decatur	LIHTC	Disimilar Tenancy
Lake Point/The Park at Hairston	Family	Stone Mountain	LIHTC	Disimilar Tenancy
Hidden Meadows Townhomes	Family	Stone Mountain	LIHTC	Disimilar Tenancy
Villas of Friendly Heights	Family	Decatur	LIHTC	Disimilar Tenancy
Chapel Run Apartments	Family	Decatur	LIHTC	Disimilar Tenancy
Manor At Indian Creek	Senior	Stone Mountain	LIHTC	Under Construction
Peachtree Trace Apartments	Family	Clarkston	LIHTC	Disimilar Tenancy
Prince Avondale Apartments	Family	Avondale Estates	LIHTC	Disimilar Tenancy
Columbia Avondale Sr	Senior	Decatur	LIHTC	Under Construction
Polo Club Apartments	Family	Stone Mountain	Market	Dissimilar Unit Mix; Inferior Condition
Linden Ridge Apartments	Family	Stone Mountain	Market	Dissimilar unit mix
Oak Creek Apartments	Family	Stone Mountain	Market	Inferior Condition
Ashgrove Apartments	Family	Stone Mountain	Market	Inferior Condition
The Haverly at Stone Mountain	Family	Stone Mountain	Market	Unable to Contact
Ashland Lakeview	Family	Stone Mountain	Market	Inferior Condition
The Pointe Apartments	Family	Stone Mountain	Market	Inferior Condition
Lexington on the Green	Family	Lithonia	Market	Closer comparables
The Retreat at Stonecrest	Family	Stone Mountain	Market	Closer comparables

**Comparable Rental Property Map**



Source: Google Earth, June 2017.

**COMPARABLE PROPERTIES**

#	Property Name	Type	Tenancy	Distance from Subject (miles)
1	Antioch Manor Estates	@30%, @50%, @60%, Market	Senior	4.1
2	Antioch Villas And Gardens	@50%, @60%, @60% (PBRA), Market	Senior	4.1
3	Magnolia Circle	@50%, @60%, Market	Senior	6.0
4	Panola Gardens	@50%, @60%	Senior	9.3
5	Retreat At Madison Place	@60%	Senior	2.9
6	Clairmont Crest	Market, Non-Rental	Senior	4.8
7	Clifton Glen Apartments	Market	Family	1.0
8	The Reserve At Decatur	Market	Family	3.6
9	Willow Lake Apartments	Market	Family	3.1
10	Windrush Apartments	Market	Family	1.6

**RETREAT AT SPRING HILL – STONE MOUNTAIN, 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	Retreat At Spring Hill 4947 Memorial Drive Stone Mountain, GA 30083 DeKalb County	n/a	Midrise (age-restricted) (4 stories) 2003 / Proposed 2017	@60% (PBRA)	1BR / 1BA	71	85.5%	@60% (PBRA)	\$902	576	n/a		N/A	N/A	
					2BR / 2BA	12	14.5%	@60% (PBRA)	\$1,043	857	n/a		N/A	N/A	
						83	100.0%						N/A	N/A	
1	Antioch Manor Estates 4711 Bishop Ming Boulevard Stone Mountain, GA 30088 DeKalb County	4.1 miles	Lowrise (age-restricted) (3 stories) 2005	@30%, @50%, @60%, Market	Studio / 1BA	2	1.6%	@30%	\$388	450	yes	Yes	0	0.0%	
					Studio / 1BA	2	1.6%	@50%	\$647	450	yes	Yes	0	0.0%	
					Studio / 1BA	2	1.6%	@60%	\$737	450	yes	Yes	0	0.0%	
					Studio / 1BA	2	1.6%	Market	\$775	450	n/a	Yes	0	0.0%	
					1BR / 1BA	5	4.1%	@30%	\$416	600	yes	Yes	0	0.0%	
					1BR / 1BA	20	16.4%	@50%	\$693	600	yes	Yes	0	0.0%	
					1BR / 1BA	15	12.3%	@60%	\$832	600	yes	Yes	0	0.0%	
					1BR / 1BA	8	6.6%	Market	\$975	600	n/a	Yes	0	0.0%	
					2BR / 1BA	6	4.9%	@30%	\$499	800	yes	Yes	0	0.0%	
					2BR / 1BA	26	21.3%	@50%	\$832	800	yes	Yes	0	0.0%	
					2BR / 1BA	13	10.7%	@60%	\$999	800	yes	Yes	0	0.0%	
					2BR / 1BA	3	2.5%	Market	\$1,345	800	n/a	Yes	0	0.0%	
					2BR / 2BA	1	0.8%	@30%	\$499	850	yes	Yes	0	0.0%	
					2BR / 2BA	3	2.5%	@50%	\$832	850	yes	Yes	0	0.0%	
					2BR / 2BA	3	2.5%	@60%	\$999	850	yes	Yes	0	0.0%	
					2BR / 2BA	11	9.0%	Market	\$1,395	850	n/a	Yes	0	0.0%	
										122	100.0%				
2	Antioch Villas And Gardens 4735 Bishop Ming Boulevard Stone Mountain, GA 30088 DeKalb County	4.1 miles	Various (age-restricted) 2012	@50%, @60%, @60% (PBRA), Market	Studio / 1BA (Lowrise)	2	1.9%	@50%	\$652	524	yes	Yes	0	0.0%	
					Studio / 1BA (Lowrise)	2	1.9%	@60%	\$753	524	yes	Yes	0	0.0%	
					Studio / 1BA (Lowrise)	1	0.9%	@60% (PBRA)	N/A	524	n/a	Yes	0	0.0%	
					1BR / 1BA (Lowrise)	12	11.3%	@50%	\$757	626	yes	Yes	0	0.0%	
					1BR / 1BA (Midrise)	15	14.2%	@60%	\$807	626	yes	Yes	0	0.0%	
					1BR / 1BA (Midrise)	16	15.1%	@60% (PBRA)	N/A	626	n/a	Yes	0	0.0%	
					1BR / 1BA (One-story)	10	9.4%	@60%	\$807	690	yes	No	0	0.0%	
					1BR / 1BA (One-story)	4	3.8%	@60% (PBRA)	N/A	690	n/a	Yes	0	0.0%	
					1BR / 1BA (One-story)	6	5.7%	Market	\$1,025	690	n/a	Yes	0	0.0%	
					2BR / 1BA (Lowrise)	6	5.7%	@60%	\$967	831	yes	Yes	0	0.0%	
					2BR / 1BA (Lowrise)	2	1.9%	Market	\$1,095	831	n/a	Yes	0	0.0%	
					2BR / 1BA (Midrise)	2	1.9%	@50%	\$806	831	yes	Yes	0	0.0%	
					2BR / 1BA (Midrise)	2	1.9%	@60% (PBRA)	N/A	831	n/a	Yes	0	0.0%	
					2BR / 2BA (One-story)	16	15.1%	@60%	\$967	908	yes	Yes	0	0.0%	
					2BR / 2BA (One-story)	2	1.9%	@60% (PBRA)	N/A	908	n/a	Yes	0	0.0%	
2BR / 2BA (One-story)	8	7.5%	Market	\$1,250	908	n/a	Yes	0	0.0%						
					106	100.0%							0	0.0%	
3	Magnolia Circle 100 Dash Lewis Dr Decatur, GA 30034 DeKalb County	6 miles	Garden (age-restricted) (2 stories) 2003	@50%, @60%, Market	1BR / 1BA	14	16.7%	@50%	\$639	690	no	Yes	0	0.0%	
					1BR / 1BA	12	14.3%	@60%	\$659	760	no	Yes	0	0.0%	
					1BR / 1BA	6	7.1%	Market	\$794	690	n/a	Yes	0	0.0%	
					2BR / 2BA	21	25.0%	@50%	\$780	1,000	no	Yes	0	0.0%	
					2BR / 2BA	20	23.8%	@60%	\$800	1,030	no	Yes	0	0.0%	
					2BR / 2BA	11	13.1%	Market	\$915	1,000	n/a	Yes	1	9.1%	
										84	100.0%				
4	Panola Gardens 5710 Snapfinger Woods Drive Lithonia, GA 30058 DeKalb County	9.3 miles	Midrise (age-restricted) (4 stories) 2015	@50%, @60%	1BR / 1BA	N/A	N/A	@50%	\$640	698	no	Yes	0	N/A	
					1BR / 1BA	N/A	N/A	@60%	\$768	698	no	No	0	N/A	
					84	100.0%								0	0.0%
5	Retreat At Madison Place 3907 Redwing Circle Decatur, GA 30032 DeKalb County	2.9 miles	Midrise (age-restricted) (4 stories) 2007	@60%	1BR / 1BA	60	37.5%	@60%	\$830	701	yes	Yes	0	0.0%	
					2BR / 2BA	100	62.5%	@60%	\$1,005	971	yes	No	0	0.0%	
					160	100.0%								0	0.0%

**RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY**

**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	Retreat At Spring Hill 4947 Memorial Drive Stone Mountain, GA 30083 DeKalb County	n/a	Midrise (age-restricted) (4 stories) 2003 / Proposed 2017	@60% (PBRA)	1BR / 1BA	71	85.5%	@60% (PBRA) @60% (PBRA)	\$902	576	n/a		N/A	N/A			
					2BR / 2BA	12	14.5%		\$1,043	857	n/a		N/A	N/A			
6	Clairmont Crest 1861 Clairmont Road Decatur, GA 30033 DeKalb County	4.8 miles	Midrise (age-restricted) (5 stories) 1985/2014	Market, Non-Rental	Studio / 1BA	11	5.5%	Market Non-Rental Market Non-Rental Market	\$937	500	n/a	Yes	0	0.0%			
					Studio / 1BA	2	1.0%		N/A	500	n/a	N/A	0	0.0%			
					1BR / 1BA	141	70.5%		\$1,024	700	n/a	Yes	0	0.0%			
					1BR / 1BA	1	0.5%		N/A	700	n/a	N/A	0	0.0%			
					2BR / 2BA	45	22.5%		\$1,200	1,100	n/a	Yes	0	0.0%			
200	100.0%									0	0.0%						
7	Clifton Glen Apartments 600 Hambrick Road Stone Mountain, GA 30083 DeKalb County	1 miles	Garden (2 stories) 1972/2013	Market	1BR / 1BA	20	3.6%	Market Market Market Market Market Market Market Market	\$856	776	n/a	No	0	0.0%			
					1BR / 1BA	20	3.6%		\$931	776	n/a	No	1	5.0%			
					2BR / 2BA	130	23.4%		\$953	1,200	n/a	No	0	0.0%			
					2BR / 2BA	130	23.4%		\$1,028	1,200	n/a	No	7	5.4%			
					3BR / 2BA	104	18.7%		\$1,099	1,500	n/a	No	0	0.0%			
					3BR / 2BA	104	18.7%		\$1,174	1,500	n/a	No	13	12.5%			
					4BR / 2BA	24	4.3%		\$1,293	1,700	n/a	0	0	0.0%			
					4BR / 2BA	24	4.3%		\$1,368	1,700	n/a	No	5	20.8%			
					556	100.0%										26	4.7%
					8	The Reserve At Decatur 2600 Milscoff Drive Decatur, GA 30033 DeKalb County	3.6 miles		Midrise (5 stories) 2016	Market	Studio / 1BA	10	3.4%	Market Market Market Market	\$1,307	620	n/a
1BR / 1BA	167	56.0%	\$1,496	742				n/a			No	48	28.7%				
2BR / 2BA	99	33.2%	\$2,053	1,102				n/a			No	28	28.3%				
3BR / 2BA	22	7.4%	\$2,535	1,460				n/a			No	6	27.3%				
298	100.0%															85	28.5%
9	Willow Lake Apartments 5100 W. Mountain Street Stone Mountain, GA 30083 DeKalb County	3.1 miles	Garden (3 stories) 1992	Market	1BR / 1BA	21	7.5%	Market Market Market Market	\$872	850	n/a	No	1	4.8%			
					2BR / 2BA	178	63.3%		\$984	1,250	n/a	No	8	4.5%			
					3BR / 2BA	44	15.7%		\$1,099	1,450	n/a	No	2	4.5%			
					3BR / 2.5BA	38	13.5%		\$1,249	1,550	n/a	No	2	5.3%			
					281	100.0%										13	4.6%
10	Windrush Apartments 3841 Kensington Road Decatur, GA 30032 DeKalb County	1.6 miles	Garden (3 stories) 1982	Market	1BR / 1BA	20	9.9%	Market Market Market	\$759	688	n/a	No	2	10.0%			
					2BR / 2BA	162	80.2%		\$975	1,055	n/a	No	16	9.9%			
					3BR / 2BA	20	9.9%		\$1,052	1,219	n/a	No	2	10.0%			
					202	100.0%										20	9.9%

RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.						
Effective Rent Date:		Jun-17	Units Surveyed:		2,093	Weighted 93.1%
			Market Rate		1,537	Market 90.6%
			Tax Credit		556	Tax Credit 99.8%
One Bedroom One Bath			Two Bedrooms Two Bath			
	Property	Average	Property	Average	Property	Average
RENT	The Reserve At Decatur	\$1,496	The Reserve At Decatur	\$2,053		
	Antioch Villas And Gardens * (M)	\$1,025	Antioch Manor Estates * (M)	\$1,395		
	Clairmont Crest	\$1,024	Antioch Villas And Gardens * (M)	\$1,250		
	Antioch Manor Estates * (M)	\$975	Clairmont Crest	\$1,200		
	Clifton Glen Apartments	\$931	<b>Retreat At Spring Hill* (60%)</b>	<b>\$1,043</b>		
	<b>Retreat At Spring Hill* (60%)</b>	<b>\$902</b>	Clifton Glen Apartments	\$1,028		
	Willow Lake Apartments	\$872	Retreat At Madison Place * (60%)	\$1,005		
	Clifton Glen Apartments	\$856	Antioch Manor Estates * (60%)	\$999		
	Antioch Manor Estates * (60%)	\$832	Willow Lake Apartments	\$984		
	Retreat At Madison Place * (60%)	\$830	Windrush Apartments	\$975		
	Antioch Villas And Gardens * (60%)	\$807	Antioch Villas And Gardens * (60%)	\$967		
	Antioch Villas And Gardens * (60%)	\$807	Clifton Glen Apartments	\$953		
	Magnolia Circle * (M)	\$794	Magnolia Circle * (M)	\$915		
	Panola Gardens * (60%)	\$768	Antioch Manor Estates * (50%)	\$832		
	Windrush Apartments	\$759	Magnolia Circle * (60%)	\$800		
	Antioch Villas And Gardens * (50%)	\$757	Magnolia Circle * (50%)	\$780		
	Antioch Manor Estates * (50%)	\$693	Antioch Manor Estates * (30%)	\$499		
	Magnolia Circle * (60%)	\$659				
	Panola Gardens * (50%)	\$640				
	Magnolia Circle * (50%)	\$639				
Antioch Manor Estates * (30%)	\$416					
SQUARE FOOTAGE	Willow Lake Apartments	850	Willow Lake Apartments	1,250		
	Clifton Glen Apartments	776	Clifton Glen Apartments	1,200		
	Clifton Glen Apartments	776	Clifton Glen Apartments	1,200		
	Magnolia Circle * (60%)	760	The Reserve At Decatur	1,102		
	The Reserve At Decatur	742	Clairmont Crest	1,100		
	Retreat At Madison Place * (60%)	701	Windrush Apartments	1,055		
	Clairmont Crest	700	Magnolia Circle * (60%)	1,030		
	Panola Gardens * (50%)	698	Magnolia Circle * (50%)	1,000		
	Panola Gardens * (60%)	698	Magnolia Circle * (M)	1,000		
	Antioch Villas And Gardens * (60%)	690	Retreat At Madison Place * (60%)	971		
	Antioch Villas And Gardens * (M)	690	Antioch Villas And Gardens * (60%)	908		
	Magnolia Circle * (50%)	690	Antioch Villas And Gardens * (M)	908		
	Magnolia Circle * (M)	690	<b>Retreat At Spring Hill* (60%)</b>	<b>857</b>		
	Windrush Apartments	688	Antioch Manor Estates * (30%)	850		
	Antioch Villas And Gardens * (50%)	626	Antioch Manor Estates * (50%)	850		
	Antioch Villas And Gardens * (60%)	626	Antioch Manor Estates * (60%)	850		
	Antioch Manor Estates * (30%)	600	Antioch Manor Estates * (M)	850		
	Antioch Manor Estates * (50%)	600				
	Antioch Manor Estates * (60%)	600				
	Antioch Manor Estates * (M)	600				
<b>Retreat At Spring Hill* (60%)</b>	<b>576</b>					
RENT PER SQUARE FOOT	The Reserve At Decatur	\$2.02	The Reserve At Decatur	\$1.86		
	Antioch Manor Estates * (M)	\$1.62	Antioch Manor Estates * (M)	\$1.64		
	<b>Retreat At Spring Hill* (60%)</b>	<b>\$1.57</b>	Antioch Villas And Gardens * (M)	\$1.38		
	Antioch Villas And Gardens * (M)	\$1.49	<b>Retreat At Spring Hill* (60%)</b>	<b>\$1.22</b>		
	Clairmont Crest	\$1.46	Antioch Manor Estates * (60%)	\$1.18		
	Antioch Manor Estates * (60%)	\$1.39	Clairmont Crest	\$1.09		
	Antioch Villas And Gardens * (60%)	\$1.29	Antioch Villas And Gardens * (60%)	\$1.06		
	Antioch Villas And Gardens * (50%)	\$1.21	Retreat At Madison Place * (60%)	\$1.04		
	Clifton Glen Apartments	\$1.20	Antioch Manor Estates * (50%)	\$0.98		
	Retreat At Madison Place * (60%)	\$1.18	Windrush Apartments	\$0.92		
	Antioch Villas And Gardens * (60%)	\$1.17	Magnolia Circle * (M)	\$0.92		
	Antioch Manor Estates * (50%)	\$1.16	Clifton Glen Apartments	\$0.86		
	Magnolia Circle * (M)	\$1.15	Clifton Glen Apartments	\$0.79		
	Windrush Apartments	\$1.10	Willow Lake Apartments	\$0.79		
	Clifton Glen Apartments	\$1.10	Magnolia Circle * (50%)	\$0.78		
	Panola Gardens * (60%)	\$1.10	Magnolia Circle * (60%)	\$0.78		
	Willow Lake Apartments	\$1.03	Antioch Manor Estates * (30%)	\$0.59		
	Magnolia Circle * (50%)	\$0.93				
	Panola Gardens * (50%)	\$0.92				
	Magnolia Circle * (60%)	\$0.87				
Antioch Manor Estates * (30%)	\$0.69					

# PROPERTY PROFILE REPORT

## Antioch Manor Estates

Effective Rent Date 6/22/2017

Location 4711 Bishop Ming Boulevard  
Stone Mountain, GA 30088  
DeKalb County  
Intersection: S Hairston Road

Distance 4.1 miles

Units 122

Vacant Units 0

Vacancy Rate 0.0%

Type Lowrise (age-restricted) (3 stories)

Year Built/Renovated 2005 / N/A

Marketing Began 10/01/2004

Leasing Began 8/01/2005

Last Unit Leased 1/01/2006

Major Competitors Retreat at Madison, Spring Chase II

Tenant Characteristics Seniors 55+; average age is 80 years old;  
majority of tenants are from DeKalb County

Contact Name Anette

Phone (770) 322-8839



### Market Information

Program @30%, @50%, @60%, Market

Annual Turnover Rate 10%

Units/Month Absorbed 24

HCV Tenants 0%

Leasing Pace Pre-leased

Annual Chg. in Rent None

Concession None

### Utilities

A/C included -- central

Cooking included -- electric

Water Heat included -- gas

Heat included -- electric

Other Electric included

Water included

Sewer included

Trash Collection included

## Antioch Manor Estates, continued

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (3 stories)	2	450	\$388	\$0	@30%	Yes	0	0.0%	yes	None
0	1	Lowrise (3 stories)	2	450	\$647	\$0	@50%	Yes	0	0.0%	yes	None
0	1	Lowrise (3 stories)	2	450	\$737	\$0	@60%	Yes	0	0.0%	yes	None
0	1	Lowrise (3 stories)	2	450	\$775	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	5	600	\$416	\$0	@30%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	20	600	\$693	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	15	600	\$832	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	8	600	\$975	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise (3 stories)	6	800	\$499	\$0	@30%	Yes	0	0.0%	yes	None
2	1	Lowrise (3 stories)	26	800	\$832	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Lowrise (3 stories)	13	800	\$999	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Lowrise (3 stories)	3	800	\$1,345	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Lowrise (3 stories)	1	850	\$499	\$0	@30%	Yes	0	0.0%	yes	None
2	2	Lowrise (3 stories)	3	850	\$832	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Lowrise (3 stories)	3	850	\$999	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Lowrise (3 stories)	11	850	\$1,395	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$388	\$0	\$388	\$0	\$388	Studio / 1BA	\$647	\$0	\$647	\$0	\$647
1BR / 1BA	\$416	\$0	\$416	\$0	\$416	1BR / 1BA	\$693	\$0	\$693	\$0	\$693
2BR / 1BA	\$499	\$0	\$499	\$0	\$499	2BR / 1BA	\$832	\$0	\$832	\$0	\$832
2BR / 2BA	\$499	\$0	\$499	\$0	\$499	2BR / 2BA	\$832	\$0	\$832	\$0	\$832
@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$737	\$0	\$737	\$0	\$737	Studio / 1BA	\$775	\$0	\$775	\$0	\$775
1BR / 1BA	\$832	\$0	\$832	\$0	\$832	1BR / 1BA	\$975	\$0	\$975	\$0	\$975
2BR / 1BA	\$999	\$0	\$999	\$0	\$999	2BR / 1BA	\$1,345	\$0	\$1,345	\$0	\$1,345
2BR / 2BA	\$999	\$0	\$999	\$0	\$999	2BR / 2BA	\$1,395	\$0	\$1,395	\$0	\$1,395

## Antioch Manor Estates, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	Computer Tutoring
Carpeting	Central A/C	Limited Access	Shuttle Service
Coat Closet	Dishwasher	Perimeter Fencing	
Ceiling Fan	Garbage Disposal	Video Surveillance	
Hand Rails	Microwave		
Oven	Pull Cords		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	Hairdresser / Barber	None
Courtyard	Elevators		
Exercise Facility	Central Laundry		
Non-shelter Services	Off-Street Parking		
On-Site Management	Picnic Area		
Service Coordination			

### Comments

The contact indicated that rents have not changed over the past several years as they have been at the held-harmless maximum allowable levels. The contact stated that the wait list was approximately two years in length.

Photos



# PROPERTY PROFILE REPORT

## Antioch Villas And Gardens

**Effective Rent Date** 6/23/2017  
**Location** 4735 Bishop Ming Boulevard  
 Stone Mountain, GA 30088  
 Dekalb County  
**Distance** 4.1 miles  
**Units** 106  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Various (age-restricted)  
**Year Built/Renovated** 2012 / N/A  
**Marketing Began** N/A  
**Leasing Began** 4/03/2012  
**Last Unit Leased** N/A  
**Major Competitors** Retreat at Madison, Spring Chase II  
**Tenant Characteristics** Dekalb County residents aged 55 and older  
**Contact Name** Kenya Wyatt  
**Phone** 678-367-2918 EXT.1



### Market Information

**Program** @50%, @60%, @60% (Project Based Rental)  
**Annual Turnover Rate** 10%  
**Units/Month Absorbed** 35  
**HCV Tenants** 24%  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** N/A  
**Concession** None

### Utilities

**A/C** included -- central  
**Cooking** included -- electric  
**Water Heat** included -- gas  
**Heat** included -- electric  
**Other Electric** included  
**Water** included  
**Sewer** included  
**Trash Collection** included

## Antioch Villas And Gardens, continued

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (3 stories)	2	524	\$652	\$0	@50%	Yes	0	0.0%	yes	None
0	1	Lowrise (3 stories)	2	524	\$753	\$0	@60%	Yes	0	0.0%	yes	None
0	1	Lowrise (3 stories)	1	524	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	12	626	\$757	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Midrise (3 stories)	15	626	\$807	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (3 stories)	16	626	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	One-story	10	690	\$807	\$0	@60%	No	0	0.0%	yes	None
1	1	One-story	4	690	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	One-story	6	690	\$1,025	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise (3 stories)	6	831	\$967	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Lowrise (3 stories)	2	831	\$1,095	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (3 stories)	2	831	\$806	\$0	@50%	Yes	0	0.0%	yes	None
2	1	Midrise (3 stories)	2	831	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	One-story	16	908	\$967	\$0	@60%	Yes	0	0.0%	yes	None
2	2	One-story	2	908	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	One-story	8	908	\$1,250	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$652	\$0	\$652	\$0	\$652	Studio / 1BA	\$753	\$0	\$753	\$0	\$753
1BR / 1BA	\$757	\$0	\$757	\$0	\$757	1BR / 1BA	\$807	\$0	\$807	\$0	\$807
2BR / 1BA	\$806	\$0	\$806	\$0	\$806	2BR / 1BA	\$967	\$0	\$967	\$0	\$967
						2BR / 2BA	\$967	\$0	\$967	\$0	\$967
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$1,025	\$0	\$1,025	\$0	\$1,025						
2BR / 1BA	\$1,095	\$0	\$1,095	\$0	\$1,095						
2BR / 2BA	\$1,250	\$0	\$1,250	\$0	\$1,250						

## Antioch Villas And Gardens, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Intercom (Phone)	Shuttle Service
Carpet/Hardwood	Carpeting	Limited Access	
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Exterior Storage	Video Surveillance	
Ceiling Fan	Garbage Disposal		
Hand Rails	Microwave		
Oven	Pull Cords		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Library, offices for home health
Courtyard	Elevators		
Exercise Facility	Central Laundry		
Neighborhood Network	Off-Street Parking		
On-Site Management	Picnic Area		
Recreation Areas	Service Coordination		
Theatre			

### Comments

The contact stated that the waiting list is approximately three years in length. The vacant units will be filled from the waiting list.

Photos



# PROPERTY PROFILE REPORT

## Magnolia Circle

Effective Rent Date	6/23/2017
Location	100 Dash Lewis Dr Decatur, GA 30034 DeKalb County
Distance	6 miles
Units	84
Vacant Units	1
Vacancy Rate	1.2%
Type	Garden (age-restricted) (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	7/01/2003
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	62+; 25% out of state; 25% prev. homeowners; Many from Panola Rd (Decatur) and Evans Mill Rd (Lithonia) area
Contact Name	Donna Rose
Phone	404-243-1553



### Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	3%
Units/Month Absorbed	14
HCV Tenants	20%
Leasing Pace	Within one week
Annual Chg. in Rent	None
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	14	690	\$565	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	12	760	\$585	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	6	690	\$720	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	21	1,000	\$680	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	20	1,030	\$700	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	11	1,000	\$815	\$0	Market	Yes	1	9.1%	N/A	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$565	\$0	\$565	\$74	\$639	1BR / 1BA	\$585	\$0	\$585	\$74	\$659
2BR / 2BA	\$680	\$0	\$680	\$100	\$780	2BR / 2BA	\$700	\$0	\$700	\$100	\$800
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$720	\$0	\$720	\$74	\$794						
2BR / 2BA	\$815	\$0	\$815	\$100	\$915						

## Magnolia Circle, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Garbage Disposal	Hand Rails		
Oven	Pull Cords		
Refrigerator	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Social Director, Arts & Crafts
Central Laundry	Off-Street Parking		
On-Site Management			

### Comments

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

Photos



# PROPERTY PROFILE REPORT

## Panola Gardens

Effective Rent Date 6/21/2017

Location 5710 Snapfinger Woods Drive  
Lithonia, GA 30058  
DeKalb County  
Intersection: Stonekey Place

Distance 9.3 miles

Units 84

Vacant Units 0

Vacancy Rate 0.0%

Type Midrise (age-restricted) (4 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 Seniors 55+, many from Atlanta metro area and moving from homes, most are between the age of 55 and 60

Contact Name Tracy King

Phone 470-223-3319



### Market Information

Program @50%, @60%

Annual Turnover Rate 10%

Units/Month Absorbed 20

HCV Tenants 0%

Leasing Pace Within one month

Annual Chg. in Rent Increased up to three percent

Concession None

### Utilities

A/C included -- central

Cooking included -- electric

Water Heat included -- electric

Heat included -- electric

Other Electric 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)	N/A	698	\$640	\$0	@50%	Yes	0	N/A	no	None
1	1	Midrise (4 stories)	N/A	698	\$768	\$0	@60%	No	0	N/A	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$640	\$0	\$640	\$0	\$640	1BR / 1BA	\$768	\$0	\$768	\$0	\$768

## Panola Gardens, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	Intercom (Phone)	None
Central A/C	Coat Closet	Limited Access	
Dishwasher	Ceiling Fan	Perimeter Fencing	
Garbage Disposal	Grab Bars	Video Surveillance	
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Library
Elevators	Exercise Facility		
Central Laundry	Off-Street Parking		
On-Site Management	Service Coordination		

### Comments

Management reported strong demand for additional senior housing in the area. The property is currently maintaining a waiting list for all units that is six months to one year in length.

Photos



# PROPERTY PROFILE REPORT

## Retreat At Madison Place

**Effective Rent Date** 6/21/2017  
**Location** 3907 Redwing Circle  
 Decatur, GA 30032  
 Dekalb County  
 Intersection: Hudson Lane  
**Distance** 2.9 miles  
**Units** 160  
**Vacant Units** 0  
**Vacancy Rate** 0.0%  
**Type** Midrise (age-restricted) (4 stories)  
**Year Built/Renovated** 2007 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None identified  
**Tenant Characteristics** Seniors 55+; average age is 55 to 62; 60%+ previous homeowners; 5% employed  
**Contact Name** Paula  
**Phone** (404) 289-8393



### Market Information

**Program** @60%  
**Annual Turnover Rate** 30%  
**Units/Month Absorbed** 14  
**HCV Tenants** 10%  
**Leasing Pace** Within one week  
**Annual Chg. in Rent** None  
**Concession** None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	60	701	\$756	\$0	@60%	Yes	0	0.0%	yes	None
2	2	Midrise (4 stories)	100	971	\$905	\$0	@60%	No	0	0.0%	yes	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$756	\$0	\$756	\$74	\$830
2BR / 2BA	\$905	\$0	\$905	\$100	\$1,005

## Retreat At Madison Place, continued

### Amenities

#### In-Unit

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Oven  
Refrigerator

Carpeting  
Coat Closet  
Ceiling Fan  
Hand Rails  
Pull Cords  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

Adult Education  
Shuttle Service

#### Property

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

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

#### Premium

None

#### Other

Walking trails, game room, health

### Comments

The contact stated that management maintains a waiting list for the one-bedroom units that is approximately nine households in length. There is no waiting list for the two-bedroom units. The property offers 160 surface level parking spaces and there is no additional charge. The contact stated that there is strong demand in the area for affordable senior housing.

Photos



# PROPERTY PROFILE REPORT

## Clairmont Crest

Effective Rent Date	6/21/2017
Location	1861 Clairmont Road Decatur, GA 30033 DeKalb County
Distance	4.8 miles
Units	200
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (5 stories)
Year Built/Renovated	1985 / 2014
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Clairmont Place, Williamsburg
Tenant Characteristics	Seniors 50+, average age is 72; 50% previous homeowners
Contact Name	Kathy
Phone	404-325-9077



### Market Information

Program	Market, Non-Rental
Annual Turnover Rate	4%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased up to two percent
Concession	None

### Utilities

A/C	not included -- wall
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
0	1	Midrise (5 stories)	11	500	\$875	\$0	Market	Yes	0	0.0%	N/A	None
0	1	Midrise (5 stories)	2	500	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None
1	1	Midrise (5 stories)	141	700	\$950	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Midrise (5 stories)	1	700	N/A	\$0	Non-Rental	N/A	0	0.0%	N/A	None
2	2	Midrise (5 stories)	45	1,100	\$1,100	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$875	\$0	\$875	\$62	\$937	Studio / 1BA	N/A	\$0	N/A	\$62	N/A
1BR / 1BA	\$950	\$0	\$950	\$74	\$1,024	1BR / 1BA	N/A	\$0	N/A	\$74	N/A
2BR / 2BA	\$1,100	\$0	\$1,100	\$100	\$1,200						

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Limited Access	Shuttle Service
Carpeting	Coat Closet	Patrol	
Dishwasher	Exterior Storage		
Garbage Disposal	Hand Rails		
Oven	Refrigerator		
Walk-In Closet	Wall A/C		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Clubhouse/Meeting Room/Community	Elevators	Hairdresser / Barber	None
Exercise Facility	Garage	Medical Professional	
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Swimming Pool			

Comments

The contact reported that the waiting list for one-bedroom units is eight months to one year, and the waiting list for two-bedroom units is two years long.

Photos



# PROPERTY PROFILE REPORT

## Clifton Glen Apartments

Effective Rent Date	6/21/2017
Location	600 Hambrick Road Stone Mountain, GA 30083 DeKalb County
Distance	1 mile
Units	556
Vacant Units	26
Vacancy Rate	4.7%
Type	Garden (2 stories)
Year Built/Renovated	1972 / 2013
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy
Contact Name	Jailyn
Phone	404-292-2741



### Market Information

Program	Market
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased up to six percent
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	20	776	\$719	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (2 stories)	20	776	\$794	\$0	Market	No	1	5.0%	N/A	None
2	2	Garden (2 stories)	130	1,200	\$769	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	130	1,200	\$844	\$0	Market	No	7	5.4%	N/A	None
3	2	Garden (2 stories)	104	1,500	\$869	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	104	1,500	\$944	\$0	Market	No	13	12.5%	N/A	None
4	2	Garden (2 stories)	24	1,700	\$1,019	\$0	Market	0	0	0.0%	N/A	None
4	2	Garden (2 stories)	24	1,700	\$1,094	\$0	Market	No	5	20.8%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$719 - \$794	\$0	\$719 - \$794	\$137	\$856 - \$931
2BR / 2BA	\$769 - \$844	\$0	\$769 - \$844	\$184	\$953 - \$1,028
3BR / 2BA	\$869 - \$944	\$0	\$869 - \$944	\$230	\$1,099 - \$1,174
4BR / 2BA	\$1,019 - \$1,094	\$0	\$1,019 - \$1,094	\$274	\$1,293 - \$1,368

## Clifton Glen Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Billiards, Game Room
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

### Comments

The contact indicated the variation in unit price is due to renovations. The property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## The Reserve At Decatur

Effective Rent Date	6/09/2017
Location	2600 Millscott Drive Decatur, GA 30033 DeKalb County
Distance	3.6 miles
Units	298
Vacant Units	85
Vacancy Rate	28.5%
Type	Midrise (5 stories)
Year Built/Renovated	2016 / N/A
Marketing Began	N/A
Leasing Began	2/01/2016
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Sarah
Phone	(770) 415-5910



### Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	14
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	None
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Midrise (5 stories)	10	620	\$1,185	\$0	Market	No	3	30.0%	N/A	None
1	1	Midrise (5 stories)	167	742	\$1,359	\$0	Market	No	48	28.7%	N/A	None
2	2	Midrise (5 stories)	99	1,102	\$1,869	\$0	Market	No	28	28.3%	N/A	None
3	2	Midrise (5 stories)	22	1,460	\$2,305	\$0	Market	No	6	27.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
Studio / 1BA	\$1,185	\$0	\$1,185	\$122	\$1,307
1BR / 1BA	\$1,359	\$0	\$1,359	\$137	\$1,496
2BR / 2BA	\$1,869	\$0	\$1,869	\$184	\$2,053
3BR / 2BA	\$2,305	\$0	\$2,305	\$230	\$2,535

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Intercom (Buzzer)	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Elevators		
Exercise Facility	Hot Tub		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		

Comments

The property is still in its lease-up period, but the contact provided current absorption information. This property does not accept housing choice vouchers.

Photos



# PROPERTY PROFILE REPORT

## Willow Lake Apartments

Effective Rent Date	6/21/2017
Location	5100 W. Mountain Street Stone Mountain, GA 30083 DeKalb County Intersection: Pine Roc Way
Distance	3.1 miles
Units	281
Vacant Units	13
Vacancy Rate	4.6%
Type	Garden (3 stories)
Year Built/Renovated	1992 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Majority families.
Contact Name	Derrick
Phone	770-469-0644



### 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	Increased up to two percent
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	21	850	\$735	\$0	Market	No	1	4.8%	N/A	None
2	2	Garden (3 stories)	178	1,250	\$800	\$0	Market	No	8	4.5%	N/A	None
3	2	Garden (3 stories)	44	1,450	\$869	\$0	Market	No	2	4.5%	N/A	None
3	2.5	Garden (3 stories)	38	1,550	\$1,019	\$0	Market	No	2	5.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$735	\$0	\$735	\$137	\$872
2BR / 2BA	\$800	\$0	\$800	\$184	\$984
3BR / 2BA	\$869	\$0	\$869	\$230	\$1,099
3BR / 2.5BA	\$1,019	\$0	\$1,019	\$230	\$1,249

## Willow Lake Apartments, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Coat Closet		
Dishwasher	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

### Comments

The contact reported that vacancy has generally improved over the last two years since new management has taken over.

# PROPERTY PROFILE REPORT

## Windrush Apartments

**Effective Rent Date** 6/20/2017  
**Location** 3841 Kensington Road  
 Decatur, GA 30032  
 Dekalb County  
 Intersection: Lullaby  
**Distance** 1.6 miles  
**Units** 202  
**Vacant Units** 20  
**Vacancy Rate** 9.9%  
**Type** Garden (3 stories)  
**Year Built/Renovated** 1982 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** None Identified  
**Tenant Characteristics** 80 percent are from Decatur.  
**Contact Name** Zell  
**Phone** 404-296-1613



### Market Information

**Program** Market  
**Annual Turnover Rate** 13%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 20%  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** Increased up to three percent  
**Concession** N/A

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** 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)	20	688	\$685	\$0	Market	None	2	10.0%	N/A	None
2	2	Garden (3 stories)	162	1,055	\$875	\$0	Market	No	16	9.9%	N/A	None
3	2	Garden (3 stories)	20	1,219	\$927	\$0	Market	None	2	10.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$685	\$0	\$685	\$74	\$759
2BR / 2BA	\$875	\$0	\$875	\$100	\$975
3BR / 2BA	\$927	\$0	\$927	\$125	\$1,052

## Windrush Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

### Comments

The property is currently undergoing renovations. The contact indicated that current vacancy is seasonal and that the property is typically better than 95 percent occupied.

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

**Housing Choice Vouchers**

We were able to speak with representatives of both the Housing Authority of DeKalb County and the Decatur Housing Authority. Our contact at the Housing Authority of DeKalb County reported that the waiting list for Housing Choice Vouchers is currently closed. The following table illustrates voucher usage at the comparables.

TENANTS WITH VOUCHERS			
Property Name	Occupancy Type	Tenancy	Housing Choice Voucher Tenants
Antioch Manor Estates	LIHTC	Senior	0%
Antioch Villas And Gardens	LIHTC	Senior	24%
Magnolia Circle	LIHTC	Senior	20%
Panola Gardens	LIHTC	Senior	0%
Retreat At Madison Place	LIHTC	Senior	10%
Clairmont Crest	Market	Senior	0%
Clifton Glen Apartments	Market	Family	0%
The Reserve At Decatur	Market	Family	0%
Willow Lake Apartments	Market	Family	0%
Windrush Apartments	Market	Family	20%

Housing Choice Voucher usage in this market ranges from zero to 24 percent. Both the LIHTC and market-rate comparables have a low reliance on tenants with vouchers. The Subject will be fully-subsidized post-renovation, and thus voucher use will technically be approximately 1—percent. However, were it to operate without subsidy, we believe approximately 10 percent of the Subject’s tenants would be Housing Choice Voucher holders.

**Lease Up History**

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

ABSORPTION					
Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Antioch Manor Estates	LIHTC	Senior	2005	120	24
Antioch Villas And Gardens	LIHTC	Senior	2012	106	35
Magnolia Circle	LIHTC	Senior	2003	84	14
Panola Gardens	LIHTC	Senior	2015	84	20
Retreat At Madison Place	LIHTC	Senior	2007	160	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed renovation of an existing Section 8/market rate property. According to management, the Subject is currently fully-occupied. The Subject will be fully-subsidized following renovations. Although we were not provided with a tenant relocation spreadsheet, management at the Subject believes that all tenants currently residing at the Subject will remain income qualified following renovations. Because it will be fully-subsidized, the Subject is not likely to experience turnover following renovations. If the Subject were to operate as a LIHTC-only property, the Subject would likely experience an absorption pace similar to that of Panola Gardens. Without subsidy, the Subject would likely experience an absorption pace of 16 units per month for an absorption period of approximately five to six months. With its subsidy in place, we expect the Subject will be able to re-absorb to 93 percent occupancy within one to two months.

**Phased Developments**

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

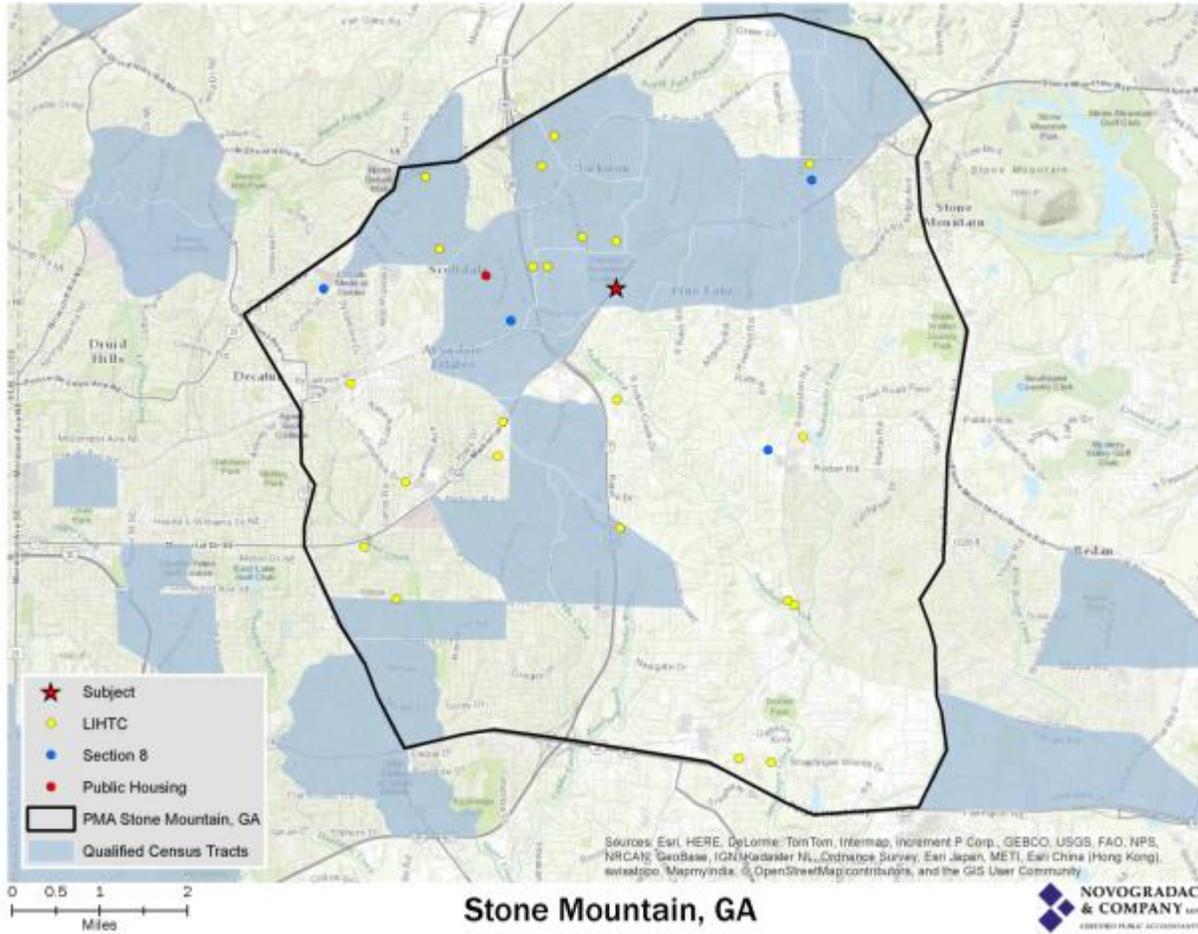
**Rural Areas**

The Subject is not located in a rural area.

**Competitive Project Map**

**COMPETITIVE PROJECTS**

Property Name	Program	Tenancy	Location	Occupancy	Map Color
Retreat at Spring Hill	Section 8	Senior	Stone Mountain	100%	Star
Decatur Christian Towers	Section 8	Senior	Decatur	100%	
Oak Forest Apartments	Section 8	Family	Scottdale	100%	
Hairston Lake Apartments	Section 8	Family	Stone Mountain	100%	
Lake Manor	Section 8	Senior	Stone Mountain	100%	
The Retreat At Mills Creek	Section 8	Senior	Scottdale	100%	
Mountain View Senior	Section 8	Senior	Stone Mountain	100%	
Tobie Grant Senior	Public Housing	Senior	Scottdale	100%	
Mountain Crest	LIHTC	Family	Stone Mountain	96%	
Clarkston Station	LIHTC	Family	Clarkston	96%	
Cedar Creek Apartments	LIHTC	Family	Decatur	Unknown	
Cedar Creek West Apartments	LIHTC	Family	Decatur	Unknown	
Tuscany Village	LIHTC	Family	Clarkston	98%	
Lakes at Indian Creek	LIHTC	Family	Clarkston	96%	
Woodside Village Apartments	LIHTC	Family	Clarkston	98%	
Brittany Apartments	LIHTC	Family	Decatur	82%	
Forrest Heights Apartments	LIHTC	Family	Decatur	100%	
Delano Place	LIHTC	Family	Decatur	100%	
Robins Landing	LIHTC	Family	Decatur	94%	
Candler Forest	LIHTC	Family	Decatur	Unknown	
Whispering Pines Apartments	LIHTC	Family	Decatur	90%	
Columns at East Mill	LIHTC	Family	Decatur	Unknown	
Allen Wilson Terrace, Phase I	LIHTC	Family	Decatur	100%	
Lake Point/The Park at Hairston	LIHTC	Family	Stone Mountain	100%	
Hidden Meadows Townhomes	LIHTC	Family	Stone Mountain	Unknown	
Antioch Manor Estates, Phase I*	LIHTC	Senior	Stone Mountain	100%	
Antioch Manor Estates, Phase III*	LIHTC	Senior	Stone Mountain	100%	
Villas of Friendly Heights	LIHTC	Family	Decatur	97%	
Chapel Run Apartments	LIHTC	Family	Decatur	97%	
Retreat at Madison Place	LIHTC	Senior	Decatur	100%	
Manor At Indian Creek	LIHTC	Senior	Stone Mountain	N/A	
Peachtree Trace Apartments	LIHTC	Family	Clarkston	95%	
Prince Avondale Apartments	LIHTC	Family	Avondale Estates	95%	
Columbia Avondale Senior	LIHTC	Senior	Decatur	N/A	



### 3. Amenities

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

# RETREAT AT SPRING HILL – STONE MOUNTAIN, GEORGIA – MARKET STUDY

## UNIT MATRIX REPORT

	Retreat At Spring Hill	Antioch Manor Estates	Antioch Villas And Gardens	Magnolia Circle	Panola Gardens	Retreat At Madison Place	Clairmont Crest	Clifton Glen Apartments	The Reserve At Decatur	Willow Lake Apartments	Windrush Apartments
Property Type	Midrise (age-restricted) (4 stories)	Lowrise (age-restricted) (3 stories)	Various (age-restricted)	Garden (age-restricted) (2 stories)	Midrise (age-restricted) (4 stories)	Midrise (age-restricted) (4 stories)	Midrise (age-restricted) (5 stories)	Garden (2 stories)	Midrise (5 stories)	Garden (3 stories)	Garden (3 stories)
Year Built / Renovated	2003 / Proposed 2017	2005	2012	2003	2015	2007	1985 / 2014	1972 / 2013	2016	1992	1982
Market (Conv.)/Subsidy Type	@60% (PBRA)	@30%, @50%, @60%, Market	@50%, @60%, @60% (PBRA), Market	@50%, @60%, Market	@50%, @60%	@60%	Market, Non-Rental	Market	Market	Market	Market

Utility Adjustments											
Cooking	yes	yes	yes	no	yes	no	no	no	no	no	no
Water Heat	yes	yes	yes	no	yes	no	no	no	no	no	no
Heat	yes	yes	yes	no	yes	no	no	no	no	no	no
Other Electric	yes	yes	yes	no	yes	no	no	no	no	no	no
Water	yes	no	no	no	yes						
Sewer	yes	no	no	no	yes						
Trash Collection	yes	no	no	no	yes						

In-Unit Amenities											
Balcony/Patio	no	yes	yes	yes	no	no	yes	yes	yes	no	yes
Blinds	yes										
Carpets/Hardwood	no	no	yes	no	no	no	no	no	yes	no	no
Carpeting	yes	no	yes	yes							
Central A/C	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Coat Closet	yes	no									
Dishwasher	yes										
Exterior Storage	no	no	yes	no	no	no	yes	no	no	no	no
Ceiling Fan	yes	yes	yes	no	yes	yes	no	yes	no	no	yes
Garbage Disposal	yes	no	yes								
Grab Bars	no	no	no	no	yes	no	no	no	no	no	no
Hand Rails	yes	yes	yes	yes	no	yes	yes	no	no	no	no
Microwave	yes	yes	yes	no	yes	no	no	yes	yes	no	no
Oven	yes										
Pull Cords	yes	yes	yes	yes	no	yes	no	no	no	no	no
Refrigerator	yes										
Vaulted Ceilings	no	no	yes	no							
Walk-In Closet	yes	yes	yes	no	yes	no	yes	yes	yes	yes	yes
Wall A/C	no	no	no	no	no	no	yes	no	no	no	no
Washer/Dryer	no	yes	no	no							
Washer/Dryer hookup	no	yes									

Property Amenities											
Business Center/Computer Lab	yes	yes	yes	yes	yes	yes	no	yes	yes	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes						
Courtyard	yes	yes	yes	no	no	no	no	no	yes	no	no
Elevators	yes	yes	yes	no	yes	yes	yes	no	yes	no	no
Exercise Facility	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no
Garage	no	no	no	no	no	no	yes	no	no	no	no
Hot Tub	no	no	yes	no	no						
Central Laundry	yes	yes	no	yes	yes						
Neighborhood Network	no	no	yes	no	no	no	no	no	no	no	no
Non-shelter Services	no	yes	no	no	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes						
On-Site Management	yes	yes	yes	yes	yes						
Picnic Area	yes	yes	yes	no	no	yes	yes	no	yes	no	yes
Playground	no	yes	no	yes	yes						
Recreation Areas	yes	no	yes	no	no	no	no	no	no	no	no
Service Coordination	yes	yes	yes	no	yes	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	no	yes	yes	yes	yes	yes
Theatre	no	no	yes	no	no	yes	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	\$25.00	N/A	N/A	N/A	N/A

Services											
Adult Education	no	no	no	no	no	yes	no	no	no	no	no
Computer Tutoring	no	yes	no	no	no	no	no	no	no	no	no
Shuttle Service	yes	yes	yes	no	no	yes	yes	no	no	no	no

Security											
In-Unit Alarm	yes	yes	no	no	no						
Intercom (Buzzer)	no	yes	no	no							
Intercom (Phone)	no	no	yes	no	yes	no	no	no	no	no	no
Limited Access	yes	yes	yes	no	yes	yes	yes	yes	yes	no	no
Patrol	yes	no	no	yes	no	no	yes	no	no	no	yes
Perimeter Fencing	no	yes	yes	yes	yes	yes	no	no	no	no	no
Video Surveillance	yes	yes	yes	no	yes	no	no	no	no	no	no

Premium Amenities											
Hairdresser / Barber	no	yes	no	no	no	no	yes	no	no	no	no
Medical Professional	no	no	no	no	no	no	yes	no	no	no	no

Other Amenities											
Other	Gazebo, community room	n/a	Library, offices for home health agencies	Social Director, Arts & Crafts Room	Library	Walking trails, game room, health seminars	n/a	Billiards, Game Room	n/a	n/a	n/a

The Subject will offer generally superior in-unit amenities in comparison to the LIHTC comparables, and generally superior amenities to the market-rate properties. The Subject will offer an outdoor seating area, recreation areas, and service coordination, which many of the comparables lack. However, the Subject will lack a swimming pool which is offered at several of the comparable market developments. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market.

#### 4. Comparable Tenancy

The Subject will target seniors aged 55 and older. All of the LIHTC comparable properties also target seniors. However, only one market-rate comparable targets seniors. The remaining market-rate comparables target families.

#### 5. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY						
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates	
Antioch Manor Estates	LIHTC	Senior	122	0	0.0%	
Antioch Villas And Gardens	LIHTC	Senior	106	0	0.0%	
Magnolia Circle	LIHTC	Senior	84	1	1.2%	
Panola Gardens	LIHTC	Senior	84	0	0.0%	
Retreat At Madison Place	LIHTC	Senior	160	0	0.0%	
Clairmont Crest	Market	Senior	200	0	0.0%	
Clifton Glen Apartments	Market	Family	556	26	4.7%	
The Reserve At Decatur	Market	Family	298	85	28.5%	
Willow Lake Apartments	Market	Family	281	13	4.6%	
Windrush Apartments	Market	Family	<u>202</u>	<u>20</u>	<u>9.9%</u>	
<b>Total LIHTC</b>			<b>556</b>	<b>1</b>	<b>0.2%</b>	
<b>Total Market Rate</b>			<b>1,537</b>	<b>144</b>	<b>9.4%</b>	
<b>Overall Total</b>			<b>2,093</b>	<b>145</b>	<b>6.9%</b>	

Overall vacancy in the market is moderate at 6.9 percent. Total LIHTC vacancy is lower at 0.2 percent, which is considered low. Magnolia Circle reported the only vacant unit among the LIHTC comparables. Antioch Manor Estates reports a waiting list two years long, Antioch Villas and Gardens reports a waiting list of three years, Magnolia Circle reports a waiting list of 100 households, Panola Gardens reports a waiting list of six months, and Retreat at Madison place reports a waiting list of nine households.

The vacancy rates among the market-rate comparable properties range from zero to 28.5 percent, averaging 9.4 percent, which is considered moderate. Elevated vacancy at The Reserve at Decatur is due to the property's being in its lease-up period. Excluding this comparable, market-rate vacancy is 4.8 percent, which is considered stabilized. Windrush Apartments reports the next highest vacancy at 9.9 percent. The contact reported that current vacancy is seasonal and that occupancy at this property is typically about 95 percent. Clairmont Crest, the only senior market-rate comparable, is currently fully-occupied and maintains a waiting list of eight months to a year for one-bedroom units and two years for two-bedroom units. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on these factors, 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.

## 6. Properties Under Construction and Proposed

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

### Columbia Avondale Senior Apartments

- a. Location: Sans Street and College Avenue, Decatur, GA
- b. Owner: Columbia Avondale Senior, LP
- c. Total number of units: 92 units
- d. Unit configuration: One and two bedroom units
- e. Rent structure: 50, 60 percent AMI, market rate
- f. Estimated market entry: Fall 2018
- g. Relevant information: 83 of the total units will be offered at 60 percent AMI

### Manor Indian Creek

- a. Location: 3904 Durham Park Road, Stone Mountain, GA
- b. Owner: Manor Indian Creek, LP
- c. Total number of units: 94 units
- d. Unit configuration: One and two bedroom units
- e. Rent structure: 50, 60 percent AMI
- f. Estimated market entry: July 2017
- g. Relevant information: 75 one and two-bedroom units offered at 60 percent AMI.

## 7. Rental Advantage

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

**SIMILARITY MATRIX**

#	Property Name	Program	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Antioch Manor Estates	LIHTC	Similar	Slightly Superior	Similar	Inferior	Similar	-5
2	Antioch Villas And Gardens	LIHTC	Similar	Superior	Similar	Slightly Inferior	Slightly Superior	10
3	Magnolia Circle	LIHTC	Inferior	Slightly Inferior	Similar	Inferior	Superior	-15
4	Panola Gardens	LIHTC	Inferior	Similar	Similar	Slightly Inferior	Superior	-5
5	Retreat At Madison Place	LIHTC	Slightly Inferior	Similar	Similar	Inferior	Superior	-5
6	Clairmont Crest	Market	Slightly Inferior	Similar	Similar	Slightly Inferior	Superior	0
7	Clifton Glen Apartments	Market	Slightly Inferior	Slightly Inferior	Similar	Slightly Inferior	Superior	-5
8	The Reserve At Decatur	Market	Similar	Similar	Similar	Slightly Inferior	Superior	5
9	Willow Lake Apartments	Market	Inferior	Inferior	Similar	Inferior	Superior	-20
10	Windrush Apartments	Market	Inferior	Inferior	Similar	Inferior	Superior	-20

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

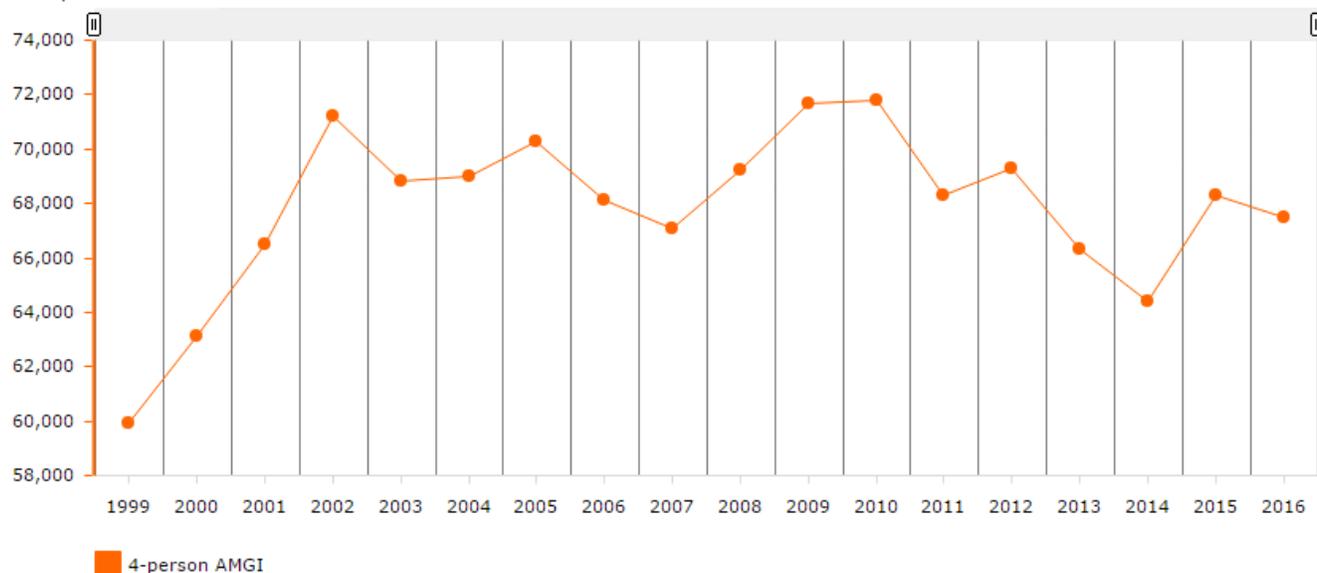
The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following table.

**LIHTC RENT COMPARISON - @60%**

Property Name	1BR	2BR
<b>Retreat At Spring Hill (Subject)*</b>	<b>\$902</b>	<b>\$1,043</b>
2016 LIHTC Maximum (Net)	\$759	\$912
2015 LIHTC Maximum (Net)	\$768	\$921
2012 LIHTC Maximum (Net)	\$780	\$936
2010 LIHTC Maximum (Net)	\$808	\$970
Antioch Manor Estates	\$832	\$999
Antioch Villas And Gardens	\$807	\$967
Magnolia Circle	\$659	\$800
Panola Gardens	\$768	-
Retreat At Madison Place	\$830	\$1,005
<b>Average (excluding Subject)</b>	<b>\$784</b>	<b>\$956</b>
<b>Novoco Achievable LIHTC Rent</b>	<b>\$759</b>	<b>\$912</b>

\*The Subject's rents are its contract rents.

All of the comparable properties were constructed prior to 2016 and are held harmless at various levels according to their construction dates. This is because the AMI in DeKalb County has fluctuated greatly in the past 14 years. The following chart depicts changing AMI in DeKalb County since 2000.



Source: Novogradac & Company, accessed June 2017.

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. Antioch Manor Estates, Magnolia Circle, and the Retreat at Madison Place were constructed prior to 2009, and are held harmless at 2010 maximum allowable levels, when AMI in DeKalb County reached its peak. Antioch Villas and Gardens was placed in service in 2012 and is held harmless at 2012 maximum allowable levels. Panola Gardens was constructed in 2015 and is held harmless at 2015 maximum allowable levels. Any additional discrepancy between the comparables' LIHTC rents and the maximum allowable level is assumed to be due to difference in utility allowance structure. Rents at the comparables have been adjusted according to the Subject's developer's utility allowance.

Antioch Manor Estates and Panola Gardens are considered the most comparable LIHTC properties to the Subject. Antioch Manor Estates, which is located 4.1 miles from the Subject, is considered similar in location to the Subject. The unit sizes at Antioch Manor Estates are similar to the Subject's proposed one- and two-bedroom unit sizes. However, Antioch Manor Estates is slightly superior to the Subject with respect to in-unit amenities, as it offers balconies and patios and washer/dryer connections in all of its units. The Subject only offers patios and washer/dryer hookups in its first floor units. Further, Antioch Manor is similar to the Subject with respect to property amenities and location. However, Antioch Manor was constructed in 2005 and will be inferior to the Subject post-renovation. Antioch Manor is fully-occupied and maintains a waiting list for all of its units, including those offered at 60 percent of AMI. Antioch Manor Estate's performance indicates that the maximum allowable LIHTC rents at 60 percent of AMI are achievable in the market. Given the Subject's superior condition in comparison to Antioch Manor Estates post-renovation, we believe it should be able to similarly achieve rents at the maximum allowable level. As stated heretofore, Antioch Manor Estates is held harmless at the 2010 maximum allowable levels; the Subject will be constructed after 2016 and will be held to the 2016 maximum allowable levels. As stated previously, the market study analyst must use the maximum rent and income limits effective as of January 1, 2017 per the Georgia DCA 2016 guidelines. Therefore, we have utilized the 2016 maximum income and rent limits.

Panola Gardens, which is located 9.3 miles south of the Subject, is considered similar to the Subject with respect to in-unit amenities, age and condition, and location. However, Panola Gardens is inferior to the Subject with respect to property amenities. Panola Gardens does not offer a courtyard, a picnic area, or recreation areas as the Subject does. Panola Gardens offers superior unit sizes in its one-bedroom units in comparison to the Subject. This property was constructed in 2015, and will be considered slightly inferior to

the Subject in terms of age and condition post-renovation. Panola Gardens is achieving rents at the 2015 maximum allowable levels and reports low vacancy. Given the performance of this comparable and the Subject’s superiority post-renovation, we believe the Subject can similarly achieve LIHTC rents at the 2016 maximum allowable levels.

The two most similar comparable properties to the Subject are achieving their respective LIHTC maximum allowable incomes for one and two-bedroom units at 60 percent AMI, both of which are higher than the Subject’s maximum allowable level. Both properties report low vacancy, and Antioch Manor Estates maintains a waiting list for its units at 60 percent AMI. We believe that this is indicative of demand for affordable housing in the marketplace. As such, we believe the Subject could achieve LIHTC rents at the 2016 maximum allowable levels were it to operate without subsidy.

**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 achievable LIHTC rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Surveyed Min	Surveyed Max	Surveyed Average	Achievable LIHTC Rent	Subject Rent Advantage
1BR @ 60% AMI (PBRA)	\$659	\$1,496	\$896	\$759	18.0%
2BR @ 60% AMI (PBRA)	\$800	\$2,053	\$1,114	\$912	22.1%

The Reserve at Decatur is achieving the highest one and two-bedroom unrestricted rents in the market. The Subject will be slightly inferior to The Reserve at Decatur as a market-rate property. The Reserve at Decatur was built in 2016 and exhibits good condition, which is considered slightly inferior to the anticipated excellent condition of the Subject post-renovation. This development’s midrise design is considered similar to the Subject’s midrise design. The Reserve at Decatur is located 3.6 miles from the Subject site and offers a similar location. The Reserve at Decatur offers similar in-unit and property amenities. However, The Reserve at Decatur offers superior unit sizes in comparison to the Subject’s proposed unit sizes. The one and two-bedroom rents at The Reserve at Decatur are approximately 97 and 105 percent higher than the 2016 LIHTC maximum allowable rents for one and two-bedroom units, respectively.

The Subject is considered most comparable to Clairmont Crest as a market-rate property. Clairmont Crest is a senior LIHTC property located 4.8 miles from the Subject, and offers a similar location to that of the

Subject. Clairmont Crest is similar to the Subject with respect to location and in-unit features, but offers slightly inferior property amenities and will be inferior to the Subject with respect to age and condition post-renovation. This property offers one-bedroom and two-bedroom units at market rates for \$1,024 and \$1,200, respectively. These rents are 35 and 32 percent higher than the 2016 LIHTC maximum allowable rents for one and two-bedroom units, respectively. Were the Subject to operate without subsidy it would need to offer the 2016 LIHTC maximum allowable rents of \$759 and \$912 for one and two-bedroom units, respectively.

### 8. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types in the subsidized scenario. If allocated, the Subject will be slightly superior to the existing LIHTC housing stock in terms of age and condition. The average LIHTC vacancy rate is healthy at 0.2 percent. Of the five LIHTC properties, only one reports any vacant units. All of the LIHTC comparables maintain waiting lists, some of up to three years in length.

Two properties in the PMA were allocated in 2015 both are currently under construction and scheduled to open between 2017 and 2018. Columbia Avondale Senior Apartments will contain 92 total units, 83 of which will be offered at 60 percent of AMI. Construction of Columbia Avondale Senior Apartments broke ground in November 2016, and the property has not yet begun to pre-lease its units. Manor Indian Creek will offer 96 units, 75 of which will be offered at 60 percent AMI. This project is under construction and is expected to be completed in 2017. Given that the Subject is an existing subsidized property, is fully-occupied, and will maintain its subsidy post-renovation, it is not likely to negatively impact these LIHTC projects. We believe there is ample demand for the Subject in addition to the existing LIHTC properties and those under construction.

### 9. 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	38,286	52.6%	34,455	47.4%
2017	32,799	45.6%	39,154	54.4%
Projected Mkt Entry January 2018	32,944	45.6%	39,329	54.4%
2021	33,957	45.6%	40,551	54.4%

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,140	75.4%	3,633	24.6%
2017	16,740	63.4%	9,646	36.6%
Projected Mkt Entry January 2018	16,978	63.2%	9,871	36.8%
2021	18,643	62.0%	11,450	38.0%

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

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

the nation. This percentage is projected to remain relatively stable over the next five years. Senior households in the PMA predominantly reside in owner-occupied residences, however, although the percentage of senior households residing in renter-occupied units is expected to increase through market entry and through 2021.

**Historical Vacancy**

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

**HISTORICAL VACANCY**

Comparable Property	Type	Total Units	1QTR 2016	2QTR 2016	3QTR 2016	4QTR 2016	1QTR 2017	2QTR 2017
Antioch Manor Estates	LIHTC	122	0.0%	0.0%	N/A	0.0%	0.0%	0.0%
Antioch Villas And Gardens	LIHTC	106	N/A	0.9%	N/A	2.8%	5.7%	0.0%
Magnolia Circle	LIHTC	84	0.0%	N/A	N/A	0.0%	1.2%	1.2%
Panola Gardens	LIHTC	84	N/A	2.4%	N/A	N/A	2.4%	0.0%
Retreat At Madison Place	LIHTC	160	6.9%	1.3%	N/A	0.6%	0.0%	0.0%
Clairmont Crest	Market	200	0.0%	N/A	1.0%	0.0%	0.0%	0.0%
Clifton Glen Apartments	Market	556	N/A	N/A	N/A	6.7%	4.9%	4.7%
The Reserve At Decatur	Market	298	N/A	N/A	N/A	N/A	N/A	28.5%
Willow Lake Apartments	Market	281	N/A	N/A	N/A	10.0%	10.0%	4.6%
Windrush Apartments	Market	202	3.1%	N/A	N/A	3.1%	4.0%	9.9%

As illustrated in the table, we were able to obtain historical vacancy rates at the majority of the comparable properties for several quarters in the past five years. In general, the comparable properties experienced generally stable vacancy between the first quarter of 2016 and 2017. In general, vacancy at LIHTC properties has remained low since the first quarter of 2016. The Reserve at Decatur was constructed in 2016 and elevated vacancy at this property is because it is still in its lease-up period. Removing the vacant units at this property, overall market vacancy is moderate at 4.8 percent. Overall, the weighted average vacancy rate among the LIHTC comparable properties is low. 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
Antioch Manor Estates	LIHTC	None
Antioch Villas And Gardens	LIHTC	None
Magnolia Circle	LIHTC	None
Panola Gardens	LIHTC	Increased up to three percent
Retreat At Madison Place	LIHTC	None
Clairmont Crest	Market	Increased up to two percent
Clifton Glen Apartments	Market	Increased up to six percent
The Reserve At Decatur	Market	None
Willow Lake Apartments	Market	Increased up to two percent
Windrush Apartments	Market	Increased up to three percent

The LIHTC properties have reported growth of up to three percent in the past year. The market rate properties reported rent growth of up to six percent in the past year. None of these properties are currently offering any concessions, indicating that rent increases were in line with achievable levels. The three mixed-income properties Antioch Manor Estates, Antioch Villas and Gardens, and Magnolia Circle did not report

rent growth in any of their units in the past year. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property.

### **10. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 1,620 housing units nationwide was in some stage of foreclosure as of June 2017. The city of Stone Mountain is experiencing a foreclosure rate of one in every 742 homes, while DeKalb County is experiencing foreclosure rate of one in every 1,135 homes and Georgia experienced one foreclosure in every 1,513 housing units. Overall, Stone Mountain is experiencing a higher foreclosure rate than the nation, the state, and the county. However, the Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

### **11. Primary Housing Void**

Four of the five LIHTC comparables report waiting lists for their one-bedroom units at 60 percent AMI. All are senior properties constructed since 2003 and in good condition. Antioch Manor Estates reports a waiting list of one to four years, and Antioch Villas and Gardens reports a waiting list three to four years in length. Magnolia Circle reports a waiting list of more than 100 households, and the contact at Panola Gardens affirms demand for affordable senior housing in the area. The low vacancy rates among one-bedroom units and lengthy waiting lists in the market demonstrates that there is demand for this unit type that is being unmet in the affordable market. As such, we believe that the Subject will continue to perform well in the market by providing one- and two-bedroom units restricted to senior households earning 60 percent of the AMI or less.

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

Four of the five LIHTC comparables report waiting lists for their one-bedroom units at 60 percent AMI. All are senior properties constructed since 2003 and in good condition. Antioch Manor Estates reports a waiting list of one to four years, and Antioch Villas and Gardens reports a waiting list three to four years in length. Magnolia Circle reports a waiting list of more than 100 households, and the contact at Panola Gardens affirms demand for affordable senior housing in the area. The low vacancy rates among one-bedroom units and lengthy waiting lists in the market demonstrates that there is demand for this unit type that is being unmet in the affordable market. As such, we believe that the Subject will continue to perform well in the market by providing one- and two-bedroom units restricted to senior households earning 60 percent of the AMI or less.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered low. Furthermore, the majority of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar in-unit and property amenities in comparison to the LIHTC comparables, and generally superior amenities in comparison to market comparables. The Subject will offer a business center, gazebo, and community room, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As a newly renovated property, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to all of the comparable properties. Additionally, all of the units will receive subsidy post-renovation, which will make it accessible to a large portion of the population. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as

proposed. Additionally, the Subject is an existing property, is currently fully-occupied, and is expected to retain all of its current tenants post-renovation. We believe that it will continue to perform well in the market.

# **I. ABSORPTION AND STABILIZATION RATES**

**ABSORPTION AND STABILIZATION RATES**

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

**ABSORPTION**

Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Antioch Manor Estates	LIHTC	Senior	2005	120	24
Antioch Villas And Gardens	LIHTC	Senior	2012	106	35
Magnolia Circle	LIHTC	Senior	2003	84	14
Panola Gardens	LIHTC	Senior	2015	84	20
Retreat At Madison Place	LIHTC	Senior	2007	160	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed renovation of an existing Section 8/market rate property. According to management, the Subject is currently fully-occupied. The Subject will be fully-subsidized following renovations. Although we were not provided with a tenant relocation spreadsheet, management at the Subject believes that all tenants currently residing at the Subject will remain income qualified following renovations. Because it will be fully-subsidized, the Subject is not likely to experience turnover following renovations. If the Subject were to operate as a LIHTC-only property, the Subject would likely experience an absorption pace similar to that of Antioch Villas and Gardens and Panola Gardens. Without subsidy, the Subject would likely experience an absorption pace of 30 units per month for an absorption period of approximately two to three months. With its subsidy in place, we expect the Subject will be able to re-absorb to 93 percent occupancy within one to two months.

# **J. INTERVIEWS**

## Housing Authority of DeKalb County

We were able to speak with representatives of both the Housing Authority of DeKalb County and the Decatur Housing Authority. Our contact at the Housing Authority of DeKalb County reported that the waiting list for Housing Choice Vouchers is currently closed. The Housing Authority of DeKalb County issues a total of 6,298 vouchers, of which 3,027 are tenant-based. The Housing Authority of DeKalb County has issued 4,650 project-based and tenant-based vouchers. The waiting list for tenant-based vouchers is currently closed.

We also spoke with a representative of the Decatur Housing Authority who provided Section 8 utility allowances and payment standards for DeKalb County. The following table illustrates the payment standards for DeKalb County.

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

Source: Housing Authority of DeKalb County, June 2017.

The Subject’s proposed rents are subsidized rents, and are above the current payment standards. If the Subject were to operate without subsidy offering the 2016 LIHTC maximum allowable rents concluded in the Competitive Rental Analysis section of this study, its rents would be below the payment standards.

## Planning

We made several attempts to contact the City of Atlanta and the City of Stone Mountain’s Planning Departments for information regarding proposed or planned multifamily developments in the Subject’s PMA. However, as of the date of this report our calls have not been returned. We have identified the following developments under construction or proposed within the Subject’s PMA. Several properties were awarded tax credits and were previously discussed in this report. Further research revealed the following properties proposed, planned, or under construction within the PMA.

The Reserve at Decatur and The Point on Scott are two new construction, market-rate properties. Both of these developments are in their initial leasing process. We have included The Reserve at Decatur as a comparable property in this report. As these developments are market-rate and target families, we have not deducted any units from these properties in our demand analysis.

Decatur Crossing I, II, and III is a multi-phase mixed-use development located near the intersection of Scott Road and North Decatur Road, approximately 3.4 miles from the Subject site. Phases I and II are currently under construction and are expected to reach completion in September and December 2017, respectively. Phase I will offer 250 market-rate units to families. Phase II will offer 150 market-rate units to families. Phase III will include 260 units, which will include 90 one-bedroom affordable units for seniors.

Solis – Decatur will be located at 2642 N Decatur Road, approximately 3.1 miles west of the Subject site. This property will offer 290 market-rate units to families. This property is expected to begin construction in late 2017 and to be completed in late 2018. Because this development is market-rate and targets families, we have not deducted any units at this property in our demand analysis.

Avondale Hills Apartments is planned for construction at 3360 Mountain Drive, approximately 1.6 miles from the Subject site. This property will offer 408 market-rate units to families. This property is expected to begin construction November 2017 and to reach completion by November 2018. Because this development is market-rate and targets families, we have not deducted any units at this property in our demand analysis.

### **City of Stone Mountain Economic Development Authority**

We also made several attempts to contact the City of Stone Mountain's Economic Development/Downtown Development Authority for information regarding economic development in the Stone Mountain area. As of the date of this report, our calls have not been returned.

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

# **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

The senior population in the PMA and the MSA increased between 2000 and 2017. The rate of senior population and household growth is projected to continue its positive trend through market entry 2018 and 2021. Senior renter households are concentrated in the lowest income cohorts, with 50.1 percent of senior renters in the PMA earning less than \$30,000 annually. The Subject will target households earning up to \$32,400; therefore, the Subject should be well-positioned to service this market. Overall, senior population and household growth 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 54.3 percent of total local employment. Two of those industries, educational services and healthcare/social assistance, are resilient during periods of economic downturn. Additionally, the county's largest employers are in the education and healthcare fields.

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

### Capture Rates

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents*
1BR at 60% AMI (with subsidy)	\$0	\$32,400	71	1,327	136	1,191	6.0%	\$759
2BR at 60% AMI (with subsidy)	\$0	\$32,400	12	678	22	656	1.8%	\$912
1BR at 60% AMI (absent subsidy)	\$22,770	\$32,400	71	374	136	238	29.8%	\$759
2BR at 60% AMI (absent subsidy)	\$27,360	\$32,400	12	191	22	169	7.1%	\$912
Overall (with subsidy)	\$0	\$32,400	83	2,005	158	1,847	4.5%	-
Overall (absent subsidy)	\$22,770	\$32,400	83	566	158	408	20.3%	-

\*In this scenario, proposed LIHTC rents are LIHTC maximum allowable rents at the 60% AMI level.

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

## Absorption

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

ABSORPTION					
Property Name	Occupancy Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Antioch Manor Estates	LIHTC	Senior	2005	120	24
Antioch Villas And Gardens	LIHTC	Senior	2012	106	35
Magnolia Circle	LIHTC	Senior	2003	84	14
Panola Gardens	LIHTC	Senior	2015	84	20
Retreat At Madison Place	LIHTC	Senior	2007	160	14

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. The Subject is a proposed renovation of an existing Section 8/market rate property. According to management, the Subject is currently fully-occupied. The Subject will be fully-subsidized following renovations. Although we were not provided with a tenant relocation spreadsheet, management at the Subject believes that all tenants currently residing at the Subject will remain income qualified following renovations. Because it will be fully-subsidized, the Subject is not likely to experience turnover following renovations. If the Subject were to operate as a LIHTC-only property, the Subject would likely experience an absorption pace similar to that of Antioch Villas and Gardens and Panola Gardens. Without subsidy, the Subject would likely experience an absorption pace of 30 units per month for an absorption period of approximately two to three months. With its subsidy in place, we expect the Subject will be able to re-absorb to 93 percent occupancy within one to two months.

## Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Occupancy Type	Tenancy	Total Units	Vacant Units	Vacancy Rates
Antioch Manor Estates	LIHTC	Senior	122	0	0.0%
Antioch Villas And Gardens	LIHTC	Senior	106	0	0.0%
Magnolia Circle	LIHTC	Senior	84	1	1.2%
Panola Gardens	LIHTC	Senior	84	0	0.0%
Retreat At Madison Place	LIHTC	Senior	160	0	0.0%
Clairmont Crest	Market	Senior	200	0	0.0%
Clifton Glen Apartments	Market	Family	556	26	4.7%
The Reserve At Decatur	Market	Family	298	85	28.5%
Willow Lake Apartments	Market	Family	281	13	4.6%
Windrush Apartments	Market	Family	<u>202</u>	<u>20</u>	<u>9.9%</u>
<b>Total LIHTC</b>			<b>556</b>	<b>1</b>	<b>0.2%</b>
<b>Total Market Rate</b>			<b>1,537</b>	<b>144</b>	<b>9.4%</b>
<b>Overall Total</b>			<b>2,093</b>	<b>145</b>	<b>6.9%</b>

Overall vacancy in the market is moderate at 6.9 percent. Total LIHTC vacancy is lower at 0.2 percent, which is considered low. Magnolia Circle reported the only vacant unit among the LIHTC comparables. Antioch Manor Estates reports a waiting list two years long, Antioch Villas and Gardens reports a waiting list of three years, Magnolia Circle reports a waiting list of 100 households, Panola Gardens reports a waiting list of six months, and Retreat at Madison place reports a waiting list of nine households.

The vacancy rates among the market-rate comparable properties range from zero to 28.5 percent, averaging 9.4 percent, which is considered moderate. Elevated vacancy at The Reserve at Decatur is due to the

property's being in its lease-up period. Excluding this comparable, market-rate vacancy is 4.8 percent, which is considered low. Windrush Apartments reports the next highest vacancy at 9.9 percent. The contact reported that current vacancy is seasonal and that vacancy at this property is typically about 95 percent. Clairmont Crest, the only senior market-rate comparable, is currently fully-occupied and maintains a waiting list of eight months to a year for one-bedroom units and two years for two-bedroom units. As a newly constructed property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on these factors, 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 excellent condition post-renovation. It will be slightly superior to superior to LIHTC and market rate comparables with respect to age and condition post-renovation. The Subject is also located in close proximity to neighborhood retail and other amenities. Single family homes in the general vicinity appear to be have been built since 1990 and are in generally good condition. Post-renovation, the Subject will have similar in-unit and property amenities when compared to other LIHTC properties, and will offer slightly superior amenities when compared to market rate properties in the area. The Subject will maintain its subsidy post-renovation, making it affordable to a large subset of the senior population. As the demand analysis in this report will indicate, there is adequate demand for the Subject based on our calculations for the Subject's proposed 60 percent AMI.

### **Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered low. Furthermore, the majority of the LIHTC comparables maintain waiting lists. These factors indicate demand for affordable housing. The Subject will offer generally similar in-unit and property amenities in comparison to the LIHTC comparables, and generally superior amenities in comparison to market comparables. The Subject will offer a business center, gazebo, and community room, which several of the comparable properties lack. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the senior LIHTC market. As a newly renovated property, the Subject will be in excellent condition upon completion and will be considered slightly superior to superior in terms of condition to all of the comparable properties. Additionally, all of the units will receive subsidy post-renovation, which will make it accessible to a large portion of the population. In general, the Subject will be slightly superior to superior to the comparable properties. Given the Subject's anticipated superior condition relative to the competition and the demand for affordable housing evidenced by waiting lists and low vacancy at all of the LIHTC comparable properties, we believe that the Subject is feasible as proposed. Additionally, the Subject is an existing property, is currently fully-occupied, and is expected to retain all of its current tenants post-renovation. We believe that it will continue to perform well in the market.

### **Recommendations**

We recommend the Subject as proposed.

# **L. SIGNED STATEMENT REQUIREMENTS**

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



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# **M. MARKET STUDY REPRESENTATION**

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



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Novogradac & Company LLP  
[Brad.Weinberg@novoco.com](mailto:Brad.Weinberg@novoco.com)



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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**



Subject Site



Subject Site



Subject Site



Subject Site



View south on Hillcroft Lane



View north on Hillcroft Lane



Maintenance Space at Subject



Management Office at Subject



Mailboxes at Subject



Meeting room at Subject



Unit kitchen



Unit living room



Bedroom at Subject



Subject laundry facilities



Bank in the Subject's neighborhood



Pharmacy in the Subject's neighborhood



Typical single-family home in the Subject's neighborhood



Fast food restaurant in the Subject's neighborhood

**ADDENDUM C**  
**Qualifications**

**CURRICULUM VITAE**  
**BRAD E. WEINBERG, MAI, CVA, CRE**

**I. Education**

University of Maryland, Masters of Science in Accounting & Financial Management  
University of Maryland, Bachelors of Arts in Community Planning

**II. Licensing and Professional Affiliations**

MAI Member, Appraisal Institute, No. 10790  
Certified Valuation Analyst (CVA), National Association of Certified Valuers and Analysts (NACVA)  
Member, The Counselors of Real Estate (CRE)  
Certified Investment Member (CCIM), Commercial Investment Real Estate Institute  
Member, Urban Land Institute  
Member, National Council of Housing Market Analysts (NCHMA)

State of Alabama – Certified General Real Estate Appraiser, No. G00628  
State of California – Certified General Real Estate Appraiser, No. 27638  
Washington, D.C. – Certified General Real Estate Appraiser; No. GA10340  
State of Florida – Certified General Real Estate Appraiser; No. RZ3249  
State of Georgia – Certified General Real Property Appraiser; No. 221179  
State of Maine – Certified General Real Estate Appraiser, No. CG3435  
State of Maryland – Certified General Real Estate Appraiser; No. 6048  
Commonwealth of Massachusetts – Certified General Real Estate Appraiser; No. 103769  
State of Michigan – Certified General Real Estate Appraiser, No. 1201074327  
State of Nebraska – Certified General Real Estate Appraiser, No. CG2015008R  
State of New Jersey – Certified General Real Estate Appraiser; No. 42RG00224900  
State of Ohio – Certified General Real Estate Appraiser; No. 2006007302  
State of Pennsylvania – Certified General Real Estate Appraiser; No. GA004111  
State of South Carolina – Certified General Real Estate Appraiser; No. 4566

**III. Professional Experience**

Partner, Novogradac & Company LLP  
President, Capital Realty Advisors, Inc.  
Vice President, The Community Partners Realty Advisory Services Group, LLC  
President, Weinberg Group, Real Estate Valuation & Consulting  
Manager, Ernst & Young LLP, Real Estate Valuation Services  
Senior Appraiser, Joseph J. Blake and Associates  
Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

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

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements

Commercial Investment Real Estate Institute (CIREI) Coursework and Seminars Completed for CCIM Designation and Continuing Education Requirements

#### **V. Speaking Engagements and Authorship**

Numerous speaking engagements at Affordable Housing Conferences throughout the Country

Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored "New Legislation Emphasizes Importance of Market Studies in Allocation Process," *Affordable Housing Finance*, March 2001

#### **VI. Real Estate Assignments**

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

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary 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 to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multifamily properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 9 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing

units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a “flat” rent, or an “income-based” rent. The flat rent is based on the “market rent”, defined as the rent charged for a comparable unit in the private, unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.

- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in its privatization efforts. Participation has included developing and analyzing housing privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest and responses to housing privatization RFP, Evaluating RFP responses, and recommending the private sector entity to the Air Force whose proposal brings best value to the Air Force. Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of military housing. This is a teaming effort with Parsons Corporation. These analyses were done for the purpose of determining whether housing deficits or surpluses exist at specific installations. Assignment included local market analysis, consultation with installation housing personnel and local government agencies, rent surveys, housing data collection, and analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

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

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

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

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

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

**REAL ESTATE ASSIGNMENTS**

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

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

**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	Retreat At Spring Hill 4947 Memorial Drive Stone Mountain, GA 30083 DeKalb County	n/a	Midrise (age-restricted) (4 stories) 2003 / Proposed 2017	@60% (PBRA)	1BR / 1BA	71	85.5%	@60% (PBRA)	\$902	576	n/a		N/A	N/A
					2BR / 2BA	12	14.5%	@60% (PBRA)	\$1,043	857	n/a		N/A	N/A
						83	100.0%						N/A	N/A
1	Antioch Manor Estates 4711 Bishop Ming Boulevard Stone Mountain, GA 30088 DeKalb County	4.1 miles	Lowrise (age-restricted) (3 stories) 2005	@30%, @50%, @60%, Market	Studio / 1BA	2	1.6%	@30%	\$388	450	yes	Yes	0	0.0%
					Studio / 1BA	2	1.6%	@50%	\$647	450	yes	Yes	0	0.0%
					Studio / 1BA	2	1.6%	@60%	\$737	450	yes	Yes	0	0.0%
					Studio / 1BA	2	1.6%	Market	\$775	450	n/a	Yes	0	0.0%
					1BR / 1BA	5	4.1%	@30%	\$416	600	yes	Yes	0	0.0%
					1BR / 1BA	20	16.4%	@50%	\$693	600	yes	Yes	0	0.0%
					1BR / 1BA	15	12.3%	@60%	\$832	600	yes	Yes	0	0.0%
					1BR / 1BA	8	6.6%	Market	\$975	600	n/a	Yes	0	0.0%
					2BR / 1BA	6	4.9%	@30%	\$499	800	yes	Yes	0	0.0%
					2BR / 1BA	26	21.3%	@50%	\$832	800	yes	Yes	0	0.0%
					2BR / 1BA	13	10.7%	@60%	\$999	800	yes	Yes	0	0.0%
					2BR / 1BA	3	2.5%	Market	\$1,345	800	n/a	Yes	0	0.0%
					2BR / 2BA	1	0.8%	@30%	\$499	850	yes	Yes	0	0.0%
					2BR / 2BA	3	2.5%	@50%	\$832	850	yes	Yes	0	0.0%
					2BR / 2BA	3	2.5%	@60%	\$999	850	yes	Yes	0	0.0%
						11	9.0%	Market	\$1,395	850	n/a	Yes	0	0.0%
						122	100.0%						0	0.0%
2	Antioch Villas And Gardens 4735 Bishop Ming Boulevard Stone Mountain, GA 30088 DeKalb County	4.1 miles	Various (age-restricted) 2012	@50%, @60%, @60% (PBRA), Market	Studio / 1BA (Lowrise)	2	1.9%	@50%	\$652	524	yes	Yes	0	0.0%
					Studio / 1BA (Lowrise)	2	1.9%	@60%	\$753	524	yes	Yes	0	0.0%
					Studio / 1BA (Lowrise)	1	0.9%	@60% (PBRA)	N/A	524	n/a	Yes	0	0.0%
					1BR / 1BA (Lowrise)	12	11.3%	@50%	\$757	626	yes	Yes	0	0.0%
					1BR / 1BA (Midrise)	15	14.2%	@60%	\$807	626	yes	Yes	0	0.0%
					1BR / 1BA (Midrise)	16	15.1%	@60% (PBRA)	N/A	626	n/a	Yes	0	0.0%
					1BR / 1BA (One-story)	10	9.4%	@60%	\$807	690	yes	No	0	0.0%
					1BR / 1BA (One-story)	4	3.8%	@60% (PBRA)	N/A	690	n/a	Yes	0	0.0%
					1BR / 1BA (One-story)	6	5.7%	Market	\$1,025	690	n/a	Yes	0	0.0%
					2BR / 1BA (Lowrise)	6	5.7%	@60%	\$967	831	yes	Yes	0	0.0%
					2BR / 1BA (Lowrise)	2	1.9%	Market	\$1,095	831	n/a	Yes	0	0.0%
					2BR / 1BA (Midrise)	2	1.9%	@50%	\$806	831	yes	Yes	0	0.0%
					2BR / 1BA (Midrise)	2	1.9%	@60% (PBRA)	N/A	831	n/a	Yes	0	0.0%
					2BR / 2BA (One-story)	16	15.1%	@60%	\$967	908	yes	Yes	0	0.0%
					2BR / 2BA (One-story)	2	1.9%	@60% (PBRA)	N/A	908	n/a	Yes	0	0.0%
2BR / 2BA (One-story)	8	7.5%	Market	\$1,250	908	n/a	Yes	0	0.0%					
						106	100.0%						0	0.0%
3	Magnolia Circle 100 Dash Lewis Dr Decatur, GA 30034 DeKalb County	6 miles	Garden (age-restricted) (2 stories) 2003	@50%, @60%, Market	1BR / 1BA	14	16.7%	@50%	\$639	690	no	Yes	0	0.0%
					1BR / 1BA	12	14.3%	@60%	\$659	760	no	Yes	0	0.0%
					1BR / 1BA	6	7.1%	Market	\$794	690	n/a	Yes	0	0.0%
					2BR / 2BA	21	25.0%	@50%	\$780	1,000	no	Yes	0	0.0%
					2BR / 2BA	20	23.8%	@60%	\$800	1,030	no	Yes	0	0.0%
					2BR / 2BA	11	13.1%	Market	\$915	1,000	n/a	Yes	1	9.1%
						84	100.0%						1	1.2%
4	Panola Gardens 5710 Snapfinger Woods Drive Lithonia, GA 30058 DeKalb County	9.3 miles	Midrise (age-restricted) (4 stories) 2015	@50%, @60%	1BR / 1BA	N/A	N/A	@50%	\$640	698	no	Yes	0	N/A
					1BR / 1BA	N/A	N/A	@60%	\$768	698	no	No	0	N/A
						84	100.0%						0	0.0%
5	Retreat At Madison Place 3907 Redwing Circle Decatur, GA 30032 DeKalb County	2.9 miles	Midrise (age-restricted) (4 stories) 2007	@60%	1BR / 1BA	60	37.5%	@60%	\$830	701	yes	Yes	0	0.0%
					2BR / 2BA	100	62.5%	@60%	\$1,005	971	yes	No	0	0.0%
						160	100.0%						0	0.0%

**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	Retreat At Spring Hill 4947 Memorial Drive Stone Mountain, GA 30083 DeKalb County	n/a	Midrise (age-restricted) (4 stories) 2003 / Proposed 2017	@60% (PBRA)	1BR / 1BA	71	85.5%	@60% (PBRA)	\$902	576	n/a		N/A	N/A				
					2BR / 2BA	12	14.5%	@60% (PBRA)	\$1,043	857	n/a		N/A	N/A				
						83	100.0%						N/A	N/A				
6	Clairmont Crest 1861 Clairmont Road Decatur, GA 30033 DeKalb County	4.8 miles	Midrise (age-restricted) (5 stories) 1985/2014	Market, Non-Rental	Studio / 1BA	11	5.5%	Market	\$937	500	n/a	Yes	0	0.0%				
					Studio / 1BA	2	1.0%	Non-Rental	N/A	500	n/a	N/A	0	0.0%				
					1BR / 1BA	141	70.5%	Market	\$1,024	700	n/a	Yes	0	0.0%				
					1BR / 1BA	1	0.5%	Non-Rental	N/A	700	n/a	N/A	0	0.0%				
					2BR / 2BA	45	22.5%	Market	\$1,200	1,100	n/a	Yes	0	0.0%				
					200	100.0%						0	0.0%					
7	Clifton Glen Apartments 600 Hambrick Road Stone Mountain, GA 30083 DeKalb County	1 miles	Garden (2 stories) 1972/2013	Market	1BR / 1BA	20	3.6%	Market	\$856	776	n/a	No	0	0.0%				
					1BR / 1BA	20	3.6%	Market	\$931	776	n/a	No	1	5.0%				
					2BR / 2BA	130	23.4%	Market	\$953	1,200	n/a	No	0	0.0%				
					2BR / 2BA	130	23.4%	Market	\$1,028	1,200	n/a	No	7	5.4%				
					3BR / 2BA	104	18.7%	Market	\$1,099	1,500	n/a	No	0	0.0%				
					3BR / 2BA	104	18.7%	Market	\$1,174	1,500	n/a	No	13	12.5%				
					4BR / 2BA	24	4.3%	Market	\$1,293	1,700	n/a	0	0	0.0%				
					4BR / 2BA	24	4.3%	Market	\$1,368	1,700	n/a	No	5	20.8%				
										556	100.0%						26	4.7%
																	3	30.0%
8	The Reserve At Decatur 2600 Milscoot Drive Decatur, GA 30033 DeKalb County	3.6 miles	Midrise (5 stories) 2016	Market	Studio / 1BA	10	3.4%	Market	\$1,307	620	n/a	No	3	30.0%				
					1BR / 1BA	167	56.0%	Market	\$1,496	742	n/a	No	48	28.7%				
					2BR / 2BA	99	33.2%	Market	\$2,053	1,102	n/a	No	28	28.3%				
					3BR / 2BA	22	7.4%	Market	\$2,535	1,460	n/a	No	6	27.3%				
										298	100.0%					85	28.5%	
9	Willow Lake Apartments 5100 W. Mountain Street Stone Mountain, GA 30083 DeKalb County	3.1 miles	Garden (3 stories) 1992	Market	1BR / 1BA	21	7.5%	Market	\$872	850	n/a	No	1	4.8%				
					2BR / 2BA	178	63.3%	Market	\$984	1,250	n/a	No	8	4.5%				
					3BR / 2BA	44	15.7%	Market	\$1,099	1,450	n/a	No	2	4.5%				
					3BR / 2.5BA	38	13.5%	Market	\$1,249	1,550	n/a	No	2	5.3%				
										281	100.0%					13	4.6%	
10	Windrush Apartments 3841 Kensington Road Decatur, GA 30032 DeKalb County	1.6 miles	Garden (3 stories) 1982	Market	1BR / 1BA	20	9.9%	Market	\$759	688	n/a	No	2	10.0%				
					2BR / 2BA	162	80.2%	Market	\$975	1,055	n/a	No	16	9.9%				
					3BR / 2BA	20	9.9%	Market	\$1,052	1,219	n/a	No	2	10.0%				
										202	100.0%					20	9.9%	

**ADDENDUM E**  
**Subject Floor Plans**

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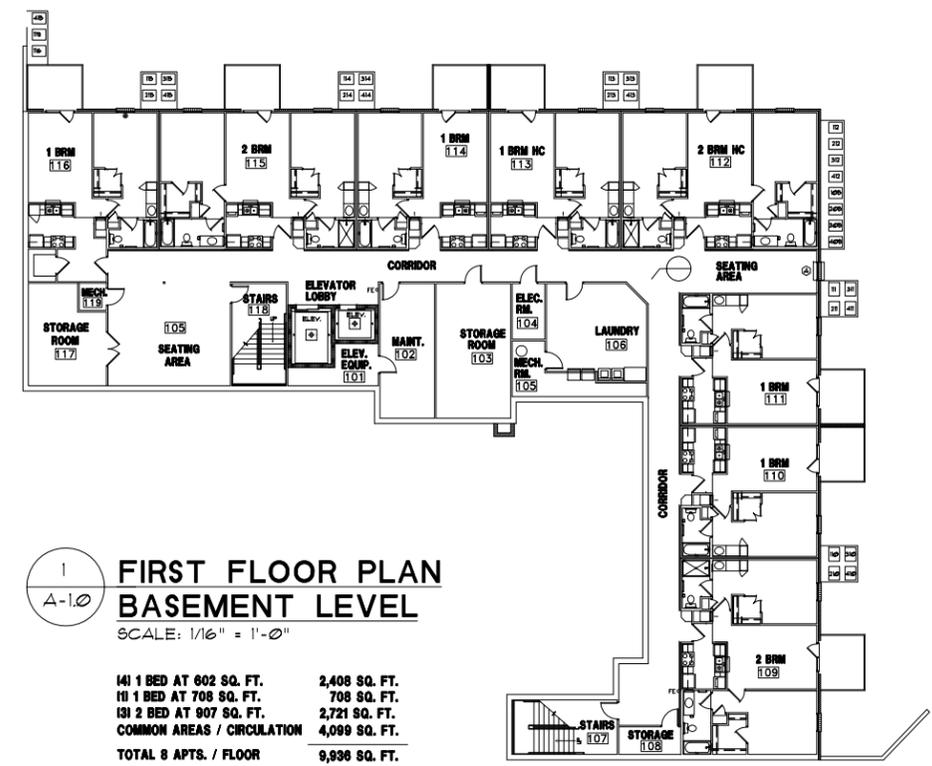
DATE	DEC. 10, 2001	APPROVED	BY	SL
DRAWN BY	SL	REVISIONS	DATE	DESCRIPTION
		1	4/2/02	REV. PER COMMENTS

**SPRING CHASE II**  
**RETIREMENT HOUSING**  
 MEMORIAL DRIVE, DEKALB COUNTY, GEORGIA

**AIKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.**  
 P.O. BOX 57628, ATLANTA, GA. 30355 - 7112 PIEDMONT RD., NE, ATLANTA, GA. 30326  
 TEL. 404-233-4466 FAX 404-233-1396

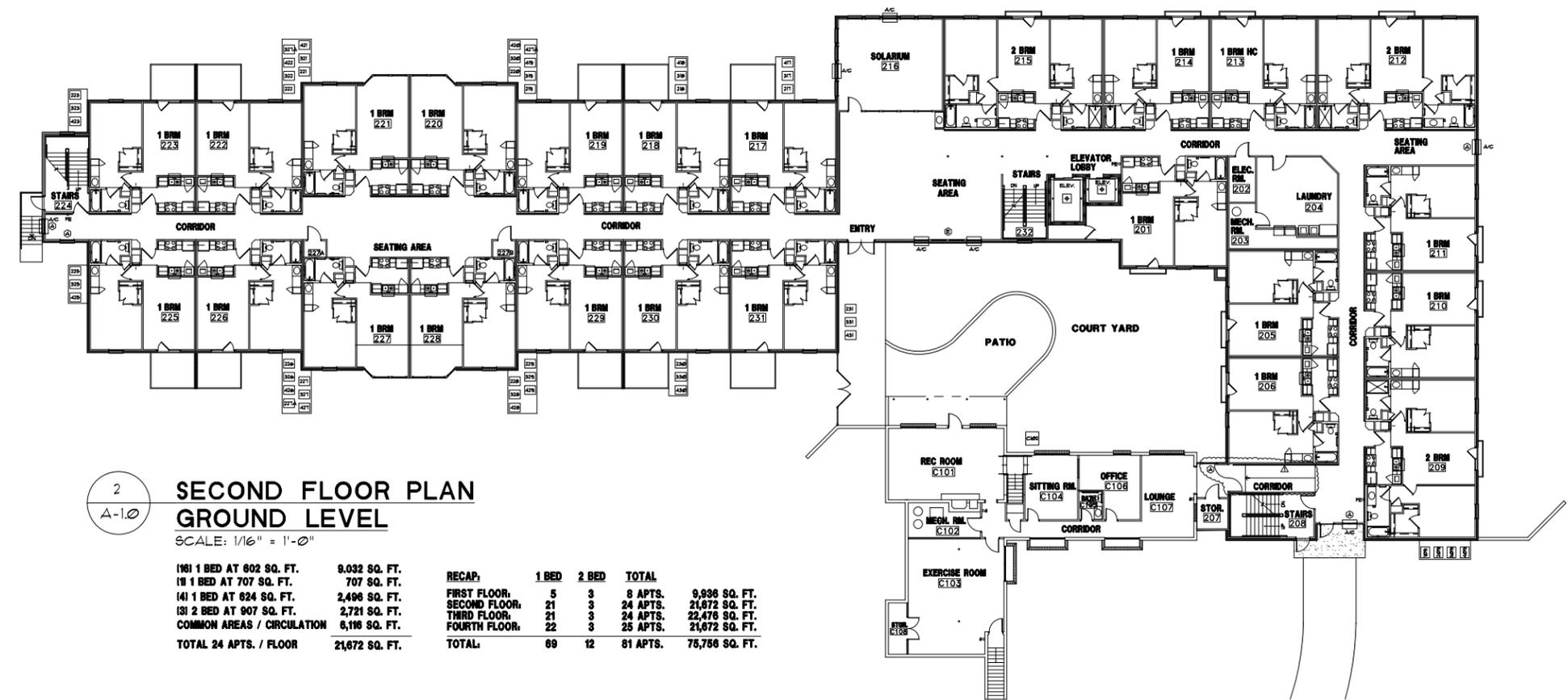
SHEET TITLE  
**FIRST AND SECOND FLOOR PLANS**

SHEET NO.  
**A-1.0**



**1**  
**FIRST FLOOR PLAN**  
**BASEMENT LEVEL**  
 SCALE: 1/16" = 1'-0"

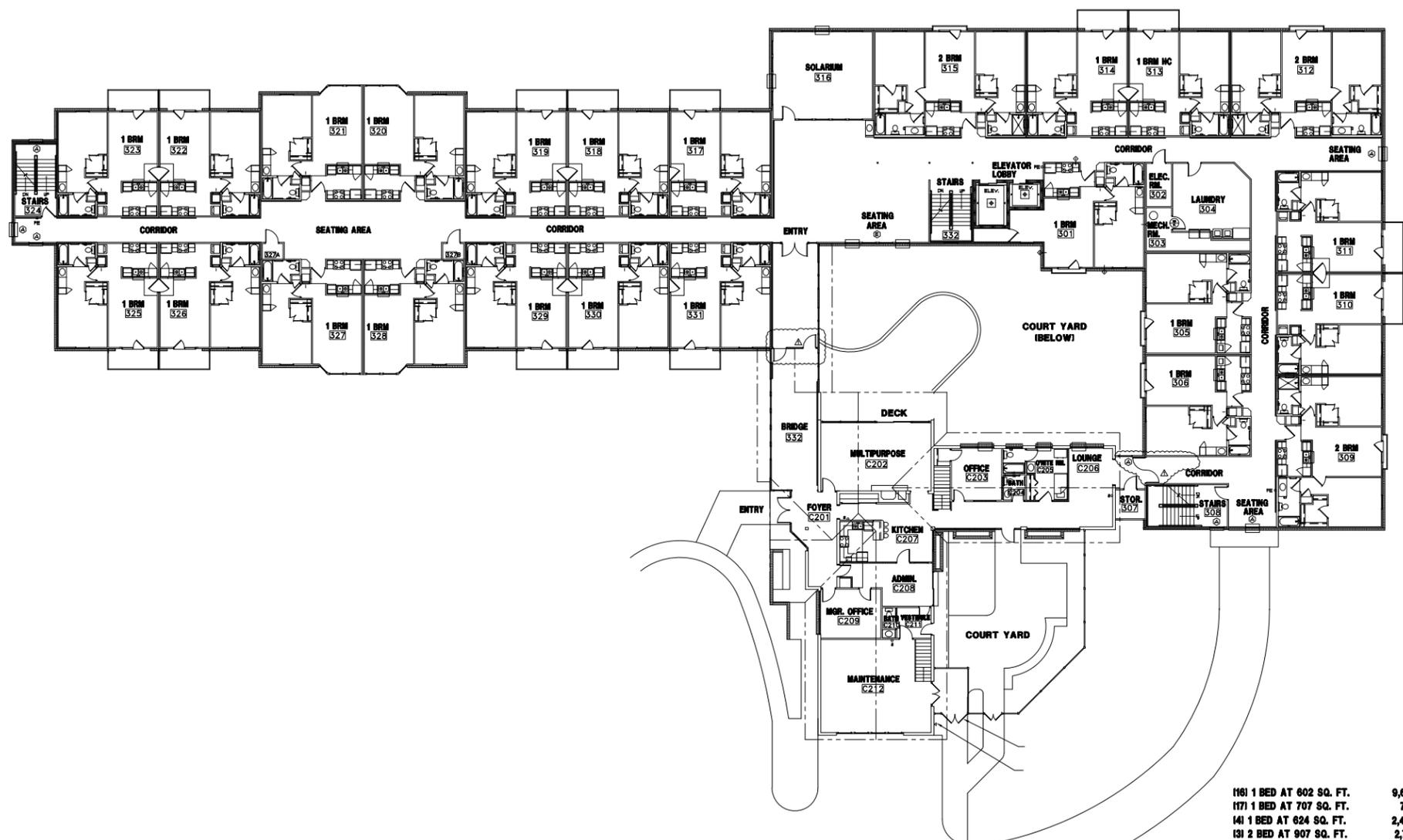
141 1 BED AT 602 SQ. FT. 2,408 SQ. FT.  
 111 1 BED AT 708 SQ. FT. 708 SQ. FT.  
 131 2 BED AT 907 SQ. FT. 2,721 SQ. FT.  
 COMMON AREAS / CIRCULATION 4,099 SQ. FT.  
**TOTAL 8 APTS. / FLOOR 9,936 SQ. FT.**



**2**  
**SECOND FLOOR PLAN**  
**GROUND LEVEL**  
 SCALE: 1/16" = 1'-0"

161 1 BED AT 602 SQ. FT.	9,032 SQ. FT.	RECAP:	1 BED	2 BED	TOTAL	
18 1 BED AT 707 SQ. FT.	707 SQ. FT.	FIRST FLOOR:	5	3	8 APTS.	9,936 SQ. FT.
141 1 BED AT 624 SQ. FT.	2,496 SQ. FT.	SECOND FLOOR:	21	3	24 APTS.	21,672 SQ. FT.
131 2 BED AT 907 SQ. FT.	2,721 SQ. FT.	THIRD FLOOR:	21	3	24 APTS.	22,476 SQ. FT.
COMMON AREAS / CIRCULATION	6,116 SQ. FT.	FOURTH FLOOR:	22	3	25 APTS.	21,672 SQ. FT.
<b>TOTAL 24 APTS. / FLOOR</b>	<b>21,672 SQ. FT.</b>	<b>TOTAL:</b>	<b>69</b>	<b>12</b>	<b>81 APTS.</b>	<b>75,756 SQ. FT.</b>

SEE EXHIBIT FOR CONSTRUCTION NOTES



1  
A-1.1  
THIRD FLOOR PLAN  
SCALE: 1/16" = 1'-0"

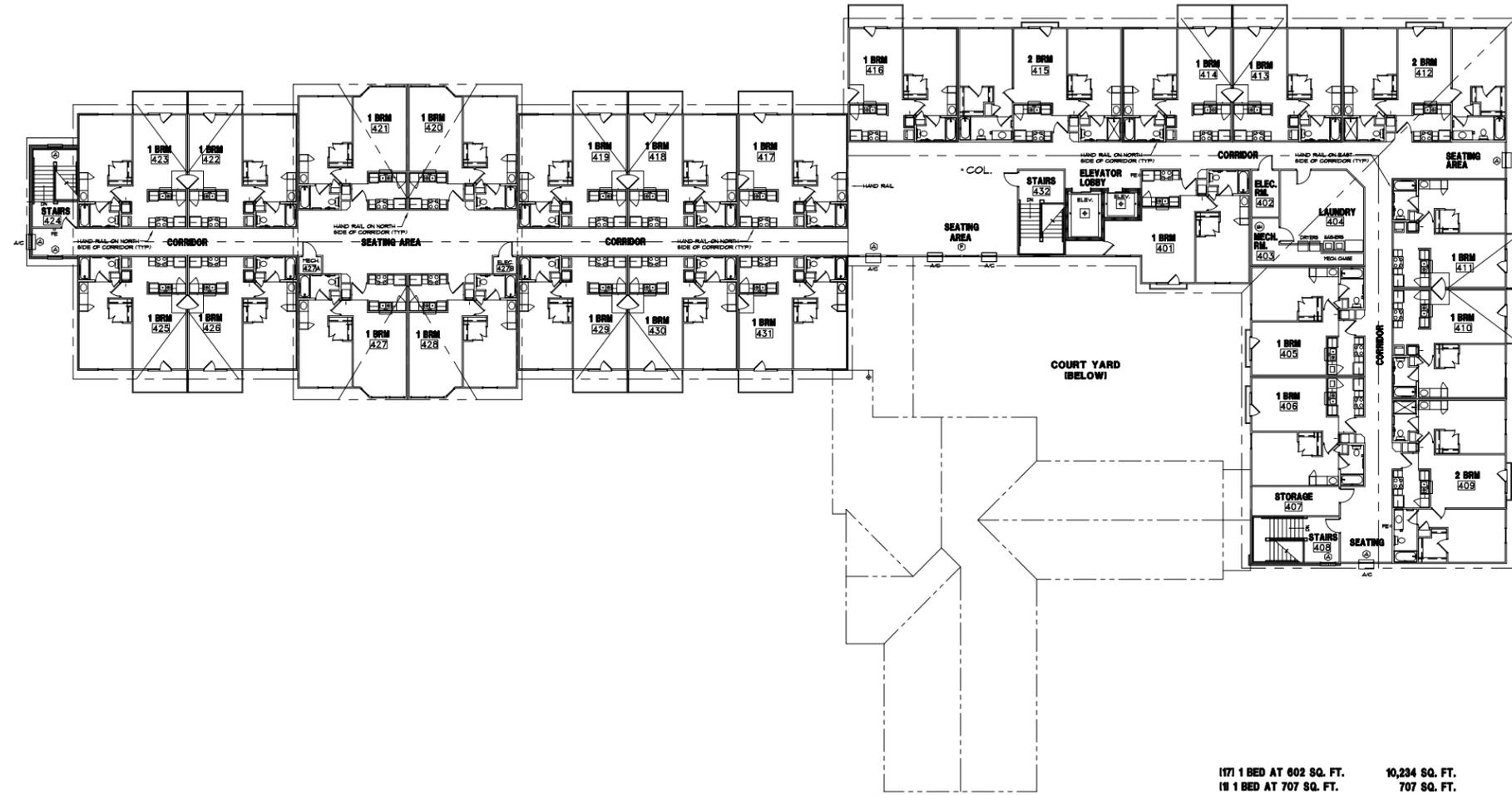
161 1 BED AT 602 SQ. FT.	9,632 SQ. FT.
171 1 BED AT 707 SQ. FT.	707 SQ. FT.
141 1 BED AT 624 SQ. FT.	2,496 SQ. FT.
131 2 BED AT 907 SQ. FT.	2,721 SQ. FT.
COMMON AREAS / CIRCULATION	6,249 SQ. FT.
COVERED BRIDGE	671 SQ. FT.
<b>TOTAL 25 APTS. / FLOOR</b>	<b>22,476 SQ. FT. Δ</b>

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DATE	DEC. 20, 2001	JOB NO.	2189
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APPROVED		DESCRIPTION	
DATE	4/2/02	REV. PER	COMMENTS
		SL	

SPRING CHASE II  
RETIREMENT HOUSING  
MEMORIAL DRIVE, DEKALB COUNTY, GEORGIA

AIKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.  
P.O. BOX 57623, ATLANTA, GA. 30355 - 2712 PIEDMONT RD., NE, ATLANTA, GA. 30325 TEL. 404-233-4466 FAX 404-233-1396



1  
A-12  
**FOURTH FLOOR PLAN**  
SCALE: 1/16" = 1'-0"

1771 1 BED AT 602 SQ. FT.	10,234 SQ. FT.
119 1 BED AT 707 SQ. FT.	707 SQ. FT.
141 1 BED AT 624 SQ. FT.	2,496 SQ. FT.
131 2 BED AT 907 SQ. FT.	2,721 SQ. FT.
COMMON AREAS / CIRCULATION	5,514 SQ. FT.
<b>TOTAL 25 APTS. / FLOOR</b>	<b>21,672 SQ. FT.</b>

DATE DEC. 10, 2001  
DRAWN BY: SL  
APPROVED:

DATE 4/2/02  
REV. PER COMMENTS  
SL

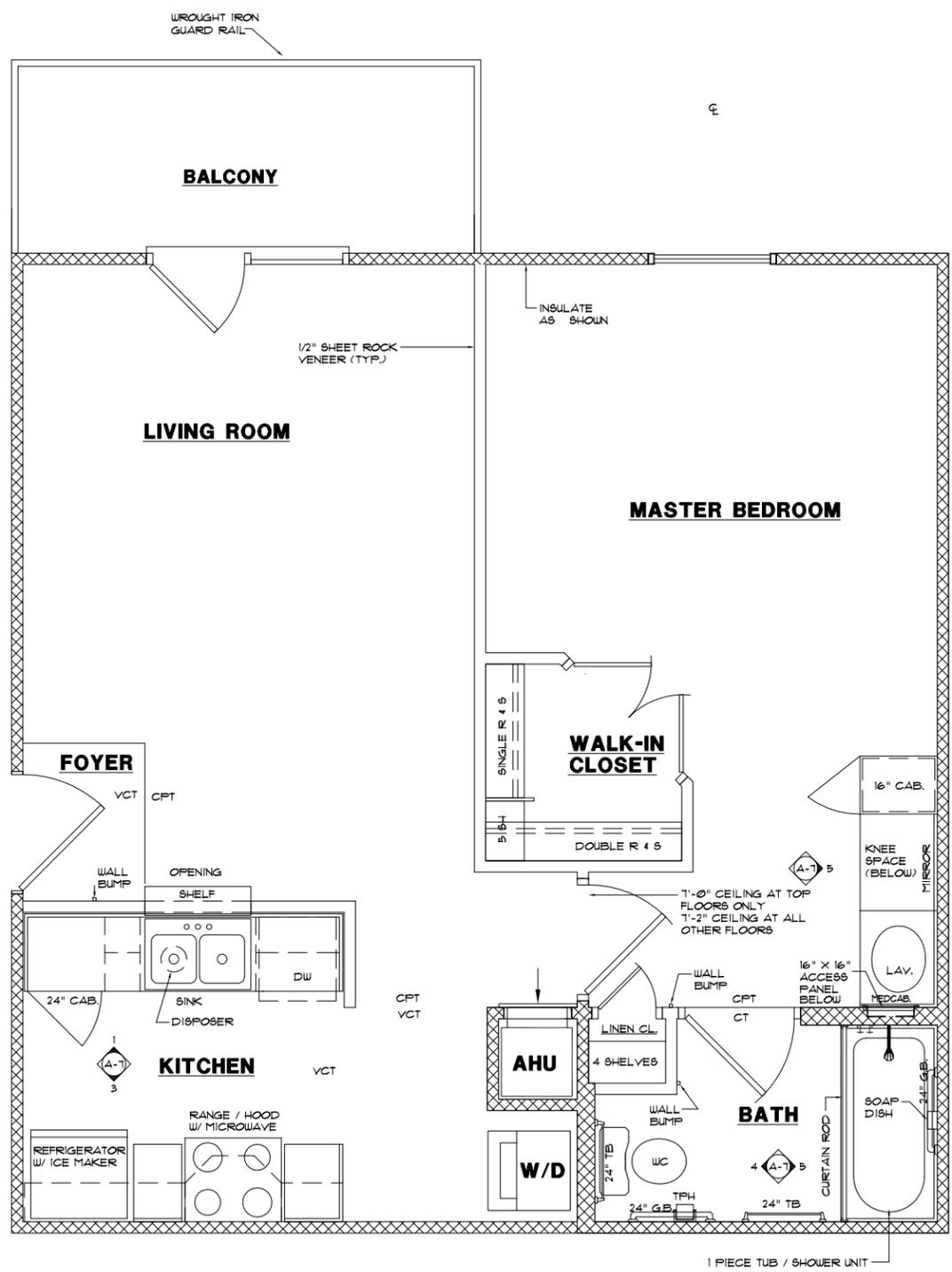
DATE 4/2/02  
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DATE 4/2/02  
REV. PER COMMENTS  
SL

**FOURTH FLOOR PLAN**

**AIKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.**  
P.O. BOX 57623, ATLANTA, GA. 30355 - 2712 PIEDMONT RD., NE, ATLANTA, GA. 30305  
TEL. 404-233-4466 FAX 404-233-1396

**SPRING CHASE II**  
**RETIREMENT HOUSING**  
MEMORIAL DRIVE, DEKALB COUNTY, GEORGIA



1  
A-2.0  
**TYPICAL 1 BEDROOM FLOOR PLAN**  
SCALE: 1/2" = 1'-0" AREA = 615 SQ. FT.  
ALL 1 BEDROOM APARTMENTS EXCEPT AS NOTED

SPACE NAME	FLOOR		BASE		WALL		CEILING		REMARKS
	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	
KITCHEN / FOYER	VCT.		MDF	PANT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
LIVING ROOM	CARPET		MDF	PANT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BED ROOMS	CARPET		MDF	PANT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
HALLWAY	CARPET		MDF	PANT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BATH ROOMS	CERAMIC TILE	THINSET	MDF	PANT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	

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DATE: DEC. 20, 2001  
JOB NO: 2189  
DRAWN BY: SL  
APPROVED:  
DATE: 4/2/02  
REVISIONS:  
BY: SL  
REV: PER COMMENTS

**TYPICAL 1 BEDROOM FLOOR PLANS**  
**SPRING CHASE II RETIREMENT HOUSING**  
MEMORIAL DRIVE, DEKALB COUNTY, GEORGIA

**AIKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.**  
P.O. BOX 57628, ATLANTA, GA. 30325 - 7122 PIEDMONT RD., N.E. ATLANTA, GA. 30325 - 4466 FAX 404-233-1396

SHEET TITLE: **A-2.0**  
SHEET NO. 6



**1**  
A-2.1 **1 BEDROOM BAY WINDOW FLOOR PLAN**  
SCALE: 1/2" = 1'-0"  
AREA = 624 SQ. FT.

ROOM NUMBERS:  
2nd FLOOR: 220, 221, 227, 228  
3rd FLOOR: 320, 321, 327, 328  
4th FLOOR: 420, 421, 427, 428

SPACE NAME	FLOOR		BASE		WALL		CEILING		REMARKS
	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	
KITCHEN / FOYER	V.C.T.		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
LIVING ROOM	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BED ROOMS	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
HALLWAY	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BATH ROOMS	CERAMIC TILE	THINSET	MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	

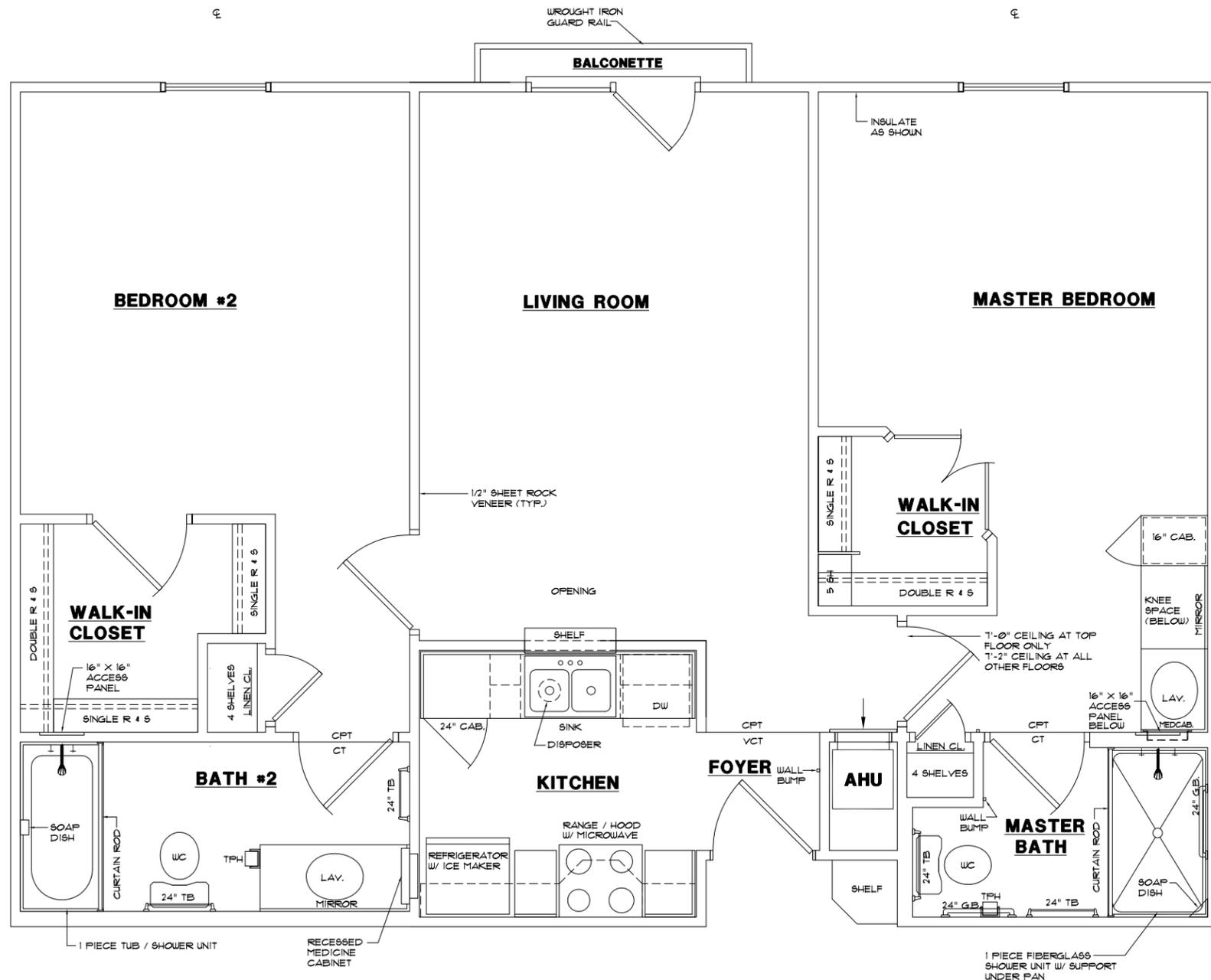


**2**  
A-2.1 **1 BEDROOM W/ FOYER**  
SCALE: 1/2" = 1'-0"  
AREA = 708 SQ. FT.  
ROOM No. 116 ONLY

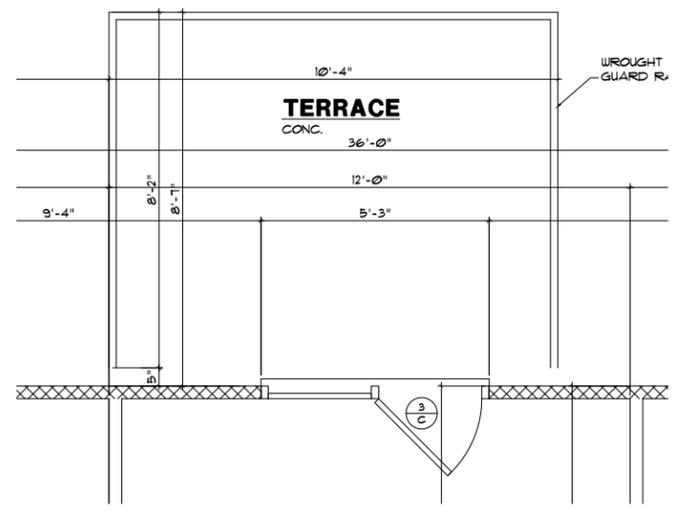
DATE: DEC. 20, 2001  
JOB NO: 2189  
DRAWN BY: SL  
APPROVED:

DATE	DESCRIPTION	BY
4/2/02	REV PER COMMENTS	SL

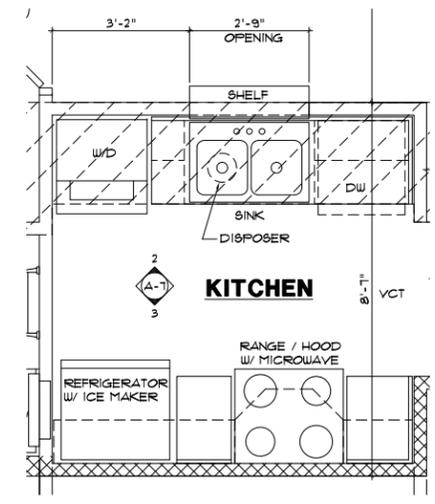
SPECIAL 1 BEDROOM FLOOR PLANS  
**SPRING CHASE II**  
**RETIREMENT HOUSING**  
 MEMORIAL DRIVE, DEKALB COUNTY, GEORGIA  
**AKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.**  
 P.O. BOX 57628, ATLANTA, GA. 30355 - 7112 PIEDMONT RD., N.E. ATLANTA, GA. 30325 - 7112  
 TEL: 404-733-4466 FAX: 404-733-1396



**1 TYPICAL 2 BEDROOM FLOOR PLAN**  
 A-2.3 SCALE: 1/2" = 1'-0" AREA = 907 SQ. FT.



**2 ALT. TERRACE PLAN**  
 A-2.3 SCALE: 1/2" = 1'-0"  
 ROOM NUMBERS: (1st FLOOR ONLY) 109, 112 & 115



**3 ALT. KITCHEN LAYOUT**  
 A-2.3 SCALE: 1/2" = 1'-0"  
 ROOM NUMBERS: (1st FLOOR ONLY) 109, 112 & 115

NOTE: ADD ALTERNATE NO. 1  
 ALTERNATE PRICE FOR PLUMBING, MECHANICAL AND ELECTRICAL  
 ROUGH-IN FOR FUTURE WASHER/DRYER IN ALL UNITS.

SPACE NAME	FLOOR		BASE		WALL		CEILING		REMARKS
	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	MATERIAL	FINISH	
KITCHEN / FOYER	V.C.T.		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
LIVING ROOM	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BED ROOMS	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
HALLWAY	CARPET		MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	
BATH ROOMS	CERAMIC TILE	THINSET	MDF	PAINT	GYP BD	INTER PAINT SMOOTH	GYP BD	INTER PAINT SMOOTH	

SHEET TITLE: **TYPICAL 2 BEDROOM FLOOR PLANS**  
**AKEN, AIKEN, BEAUCHAMP & SHEETZ ARCHITECTS, INC.**  
 P.O. BOX 57623, ATLANTA, GA. 30355 - 2712 PIEDMONT RD., N.E. ATLANTA, GA. 30326 TEL: 404-233-4466 FAX: 404-233-1396  
 PROJECT NO. 2189  
 DATE: DEC. 20, 2001  
 DRAWN BY: SL  
 APPROVED: SL  
 DATE: 4/2/02  
 DESCRIPTION: REVISED PER COMMENTS  
 BY: SL