



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

**PIEDMONT SENIOR TOWER
3601 Piedmont Road NE
Atlanta, Fulton County, Georgia 30305**

Effective Date: April 19, 2017

Report Date: June 9, 2017

Prepared For

**Mr. Jorge Aguirre
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Prepared By

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& COMPANY** LLP®
CERTIFIED PUBLIC ACCOUNTANTS

June 9, 2017

Mr. Jorge Aguirre
Vice President
The Michaels Development Company
355 Lenox Road NE Suite 750
Atlanta, Georgia 30307

Re: Market Study for Piedmont Senior Tower in Atlanta, Georgia

Dear Mr. Aguirre:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Atlanta, Georgia area relative to the above-referenced Low-income Housing Tax Credit (LIHTC) project. The purpose of this market study is to assess the feasibility of the rehabilitation of Piedmont Senior Tower (Subject), an existing Public Housing community. The Subject is an existing 208-unit Public Housing community that is proposed for low-income housing tax credit (LIHTC) rehabilitation. Upon completion of the proposed renovation, all of the units will operate under the Rental Assistance Demonstration (RAD) and LIHTC programs. Following renovation using LIHTC equity, the property will be restricted to households earning 60 percent of the Area Median Income (AMI), or less. The Subject will operate under the Rental Assistance Demonstration (RAD) Program and will offer rental assistance on all of the units. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the 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.

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,



John Cole, MAI
Partner



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ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant 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 consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. 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.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. 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.
6. 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.
7. 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. 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 consultant 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.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. 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.
12. 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.
13. 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 appraisal report.
14. 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 conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. 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 consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant 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.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. 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 appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

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A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Piedmont Senior Tower (Subject) is an existing age-restricted Public Housing multifamily property in Atlanta, Fulton County, Georgia that will be renovated using Low-income Housing Tax Credit (LIHTC) equity. The Subject will also operate under the Rental Assistance Demonstration (RAD) program with rental assistance on all the units following the proposed renovations. As such, tenants will continue to pay 30 percent of their incomes toward rent. The Subject was originally constructed in 1978 and was substantially renovated and updated in 2001, 2006, and 2007. The Subject currently consists of one 13-story high-rise residential building.

According to the client, the following details the proposed renovations that are anticipated being complete by December 1, 2018.

Exterior:

- Remove and replace existing roof, flashing, and curbs
- Remove and replace all windows
- Remove and replace three storefront doors
- Install new key card access control system for all exterior doors

Interior:

- Remove and replace all elevator doors
- Remove and replace all interior doors

In-Unit:

- Replace all appliances with energy efficient appliances
- Remove and replace all doors and hardware
- Repaint
- Replace all bathtubs, sinks, and lavatories

General:

- Replace above ground diesel tank that fuels the generator
- Re-commission HVAC and controls
- Replace water pump in mechanical room
- Replace ductless split system
- Replace fan coil units
- Replace all exhaust fans
- Replace central station air handling unit
- Replace hot water pump and heater

- Replace boiler pumps
- Replace stairwell vane axial pressurization fan
- Replace PTAC’s in all units
- Clean and or replace all duct work
- Replace water closets
- Replace hot water storage tank
- Replace fire booster pump and electric fire pump

According to the client, renovations will be done with tenants in place. The hard costs of renovation are \$7,815,124, or approximately \$37,573 per unit.

The Subject will be renovated with LIHTC equity, and the following table illustrates the proposed LIHTC rents, post renovation, assuming no subsidy as well as the proposed CHAP rents. Per DCA requirements, we are referencing the 2016 maximum allowable LIHTC rents in the following table. The proposed CHAP rents are an estimate provided by the developer. All utilities are paid by the landlord.

PROPOSED RENTS

Unit Type	Number of Units	CHAP Rent	LIHTC Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable	HUD Fair Market Rents
<i>60% AMI (RAD/PBRA)</i>							
1BR/1BA	205	\$779	\$759	\$0	\$779	\$759	\$820
2BR/1BA	1	\$933	\$912	\$0	\$933	\$912	\$949
<i>Market Rate</i>							
1BR/1BA	1	\$250	N/A	N/A	N/A	N/A	\$820
<i>Manager Unit</i>							
1BR/1BA	1	N/A	N/A	N/A	N/A	N/A	\$820
Total	208						

Notes (1) All utilities included at Subject

The Subject offers blinds, carpet and vinyl flooring, ceiling fans, hand rails, pull cords, wall air conditioning, garbage disposals, ovens, refrigerators, and coat closets in units. The Subject’s project amenities include a community room, off-street parking, on-site management, non-shelter services, service coordination, business center, central laundry, courtyard, hairdresser, computer tutoring, housekeeping, shuttle service, and fitness center. Overall, the Subject’s amenities will be competitive with those offered at most of the comparable properties.

2. Site Description/Evaluation: The Subject site has frontage along Piedmont Road NE and Habersham Drive NE. Surrounding uses consist of residential, commercial uses, and retail uses. To the immediate north is a multifamily development called The Habersham of Buckhead. To the immediate east are commercial uses. To the immediate south is a Wyndham hotel. To the immediate southwest is a multifamily development called Tremont Luxury Homes. To the immediate west is a veterinarian clinic. Overall, the Subject's immediate neighborhood is mixed in nature. Commercial and retail occupancy in the Subject's neighborhood appeared to be 95 percent. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered "very walkable" by Walkscore with a rating of 72. The Subject site is considered a desirable location for senior rental housing. The uses surrounding the Subject are in average to good condition and the site has average proximity to locational amenities.

The Subject has good visibility from Piedmont Road NE and Habersham Drive NE, and limited visibility from Habersham Road NE. Views from the Subject site are of a multifamily development, The Habersham of Buckhead, in average condition to the north, commercial uses in good condition to the east, Windgate by Wyndham hotel in good condition to the south, a multifamily development, Tremont Luxury Homes, in good condition to the southwest, and a veterinarian clinic in average condition to the west. Overall, views are considered good.

3. Market Area Definition: The Primary Market Area (PMA) is defined as follows:

North – Mt. Paran Rd NW & Johnson Ferry Rd NE
 East – Ashford Dunwoody Road NE, Peachtree Road NE,
 & North Druid Hills Road BE
 South – Interstate 85
 West- Interstate 75

The area consists of the northern portion of Atlanta and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager, as well as based on our knowledge of the area. We have estimated that approximately 20 percent of the Subject's tenants originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA

boundaries, per the DCA market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is 4.0 miles.

4. Community Demographic Data:

Senior population growth will increase 3.2 percent from 2016 to 2021, a slower rate than that of the MSA and the nation as a whole. It is expected that senior households will increase 3.6 percent through 2021 as well, which is significantly faster than the general population. The increasing number of households in the PMA bodes well for the Subject's demand as a senior project.

The share of senior renter-occupied units in the PMA is less than that of owner-occupied units. The number of senior renter-occupied units in the PMA is expected to increase by 505 households from 2016 to the market entry date.

Households earning under \$40,000 in the PMA comprise approximately 24.9 percent of all income cohorts in 2016. For senior households, approximately 36.3 percent earn less than \$40,000. The Subject will target households earning between \$22,770 and \$32,400 under the LIHTC program assuming no subsidies and households with incomes as low as \$0 with the RAD program rental assistance; therefore, the Subject should be well-positioned to service this market. According to the client, all but one of the existing tenants at the Subject will remain income-qualified.

Overall, the demographic data points to strong ongoing demand for affordable senior housing.

5. Economic Data:

Total employment in the MSA has increased every year since 2011. From February 2016 to February 2017, the MSA's total employment increased by 5.1 percent, which was significantly greater than the national average of 1.0 percent over the same time period. Between February 2016 and February 2017, the unemployment rate decreased by 0.4 percentage points. Overall, the local economy is currently in an expansion stage, as total employment rates are above pre-recessionary rates and unemployment rates have been declining since 2011.

The PMA includes various employment options for area residents. The largest employment types in the area are the professional/scientific/tech services sector,

finance/insurance sector, and the health care sector. The MSA economy has performed well over the past decade with increased number of employed and a declining unemployment rate. The MSA’s economy appears to be in an expansion phase.

6. Project-Specific Affordability And Demand Analysis:

The following table illustrates the Subject’s capture rates. According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments 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 provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject has nine vacant units, one over income tenant, and the remaining tenants are income-qualified for their specific unit type assuming LIHTC operation based on the current rent roll. Therefore, we have determined the Subject’s capture rates based on 206 total units, considering the one over-income unit and manager unit as deducted.

CAPTURE RATE ANALYSIS CHART

Unit	Income Limits Min.	Income Limits Max.	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed LIHTC
1BR @ 60%	\$22,770	\$32,400	205	206	0	206	99%	5 months	\$1,275	\$870-\$1,667	\$759
2BR @ 60%	\$27,360	\$32,400	1	26	0	26	4%	5 months	\$1,766	\$1,155-\$2,347	\$912
1BR w RAD	\$0	\$32,400	205	825	0	825	25%	5 months	\$1,275	\$870-\$1,667	\$759
2BR w RAD	\$0	\$32,400	1	102	0	102	1%	5 months	\$1,766	\$1,155-\$2,347	\$912

The RAD capture rate of 22.2 percent is within the DCA threshold requirements and indicates adequate demand for the Subject.

7. Competitive Rental Analysis:

The availability of LIHTC data is considered average; there are several affordable properties in the PMA, but the majority operates with additional subsidies. Thus, we selected four senior LIHTC properties as “true” comparables, two of which are located within the PMA. The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included seven market rate properties in the rental analysis, and all are located within 2.8 miles of the Subject. The comparable market rate properties were constructed or renovated since 2001, and all offer one-bedroom units. Additionally, two of the market rate comparables offer a similar high-rise design as the Subject.

The vacancy rates in the market range from zero to 14.0 percent, averaging 5.8 percent. The LIHTC comparable properties have vacancy rates of zero percent. The market rate properties have vacancy rates of 1.9 to 14.0 percent. It should be noted that Haynes House cited increased market competition for its elevated vacancy rates. All of the LIHTC comparables target seniors, like the Subject.

If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable senior housing in the local market. In addition, the renovation of the Subject will remove some units from the existing Public Housing stock in Atlanta. The renovations at the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock, while all of the existing tenants will remain income-qualified.

The Subject is currently 96 percent occupied with a waiting list. Vacant units are being held offline pending the Subject's renovations. According to data provided by the developer, the Subject has historically operated with an average vacancy and collection loss of less than one percent over the past three years. Based on the Subject's historical performance, as well as the performance of the comparables, we believe the Subject, as a restricted property, would operate with a vacancy rate of three percent or less over a typical investment period.

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers only 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the 60 percent AMI and lower AMI levels, we have not included the lower AMI level rents in the average market rent for the 60 percent 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 proposed LIHTC rents for the Subject, which will be subsidized,

allowing tenants to pay just 30 percent of their income toward rent.

Subject Comparison To Market Rents - As Renovated

Unit Type	Size (SF)	Subject LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents	Subject Rent Advantage
1 BR	409	\$759	\$1,170	\$1,317	\$1,239	\$1,225	38%
1 BR	522	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	533	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	548	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	574	\$759	\$1,170	\$1,317	\$1,239	\$1,325	43%
2 BR	899	\$912	\$1,434	\$1,770	\$1,603	\$1,500	39%

The Subject’s proposed LIHTC rents are below the surveyed minimums. This is considered reasonable given that the Subject will be a renovated property but will offer competitively small units that target seniors.

The comparable LIHTC properties are considered similar to superior to the Subject, which will be a renovated LIHTC project with a RAD program subsidy for all units. Based on our similarity matrix, Big Bethel Village is the most similar LIHTC property and is 100 percent occupied with a waiting list. Further, the remaining senior LIHTC comparables are all 100 percent occupied and maintain waiting lists. Overall, the Subject’s rents appear achievable when compared to the rents at the comparables and the strong demand for affordable senior units.

The Subject will be similar to the majority of the comparable market rate properties in terms of location. In terms of age/condition and design, the Subject will be similar to slightly superior to the majority of the market rate comparables. However, the Subject’s unit sizes are generally inferior to the market rate comparables. Additionally, the Subject’s amenities are similar to inferior to the majority of the market rate comparables. Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the subsidized rents are well below the achievable market rates for the Subject’s area.

Overall, it is our opinion that the Subject’s proposed LIHTC rents are achievable in the market and will offer significant advantages when compared to the average rents being achieved at comparable properties.

8. Absorption/Stabilization

Estimate:

We were able to obtain absorption information from four senior LIHTC comparable properties, and several market rate properties, illustrated in the following table.

ABSORPTION					
Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ashford Landing Senior Residences*	LIHTC	Senior	2009	117	10
Ashford Parkside*	LIHTC	Senior	2007	151	75
Baptist Gardens*	LIHTC	Senior	2013	100	15
Big Bethel Village*	LIHTC	Senior	2003	120	10
Steelworks	Market	Family	2014	317	21
Square On Fifth	Market	Family	2015	270	45
University House	Market	Family	2015	268	30
The Haynes House*	Market	Family	2015	186	12

*Utilized as comparable

As illustrated in the previous table, the properties constructed between 2003 and 2015 reported absorption rates of 10 to 75 units per month, with an average of 27 units per month.

Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 40 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

9. Overall Conclusion:

Based upon our market research of comparables, our inspection of the Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject property as proposed following renovations. The Subject, which currently operates as Public Housing with 208 units and will operate with RAD program rental assistance for all the units in addition to operating under the LIHTC program with a 60 percent of AMI restriction. The age-restricted LIHTC comparables are performing well, each reporting zero vacancies. Additionally, the comparable LIHTC properties maintain waiting lists. The Subject’s proposed rents are within the range of the LIHTC comparables and below the range of the market rate comparables. This suggests that even if rents at the Subject were not subsidized through the RAD program, the proposed rents would be achievable in the open market. Considering the

RAD subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The overall RAD capture rates for the Subject are all considered achievable and are within the capture rate thresholds for DCA LIHTC application projects. We believe that the Subject will maintain a vacancy rate of three percent or less following stabilization. We have no recommended changes to the project concept at this time.

**Summary Table:
Piedmont Senior Tower**

Development Name:	Piedmont Senior Tower	Total # Units:	208
Location:	3601 Piedmont Road NE	# LIHTC Units:	206
	Atlanta, Fulton County, GA		
PMA Boundary:	North – Mt. Paran Rd NW & Johnson Ferry Rd NE East – Ashford Dunwoody Road NE, Peachtree Road NE, & North Druid Hills Road BE South – Interstate 85 West- Interstate 75		
	Farthest Boundary Distance to Subject:		4 miles

Rental Housing Stock (found on pages 74-107)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11	2,064	119	94.2%
Market-Rate Housing**	9	1,847	119	93.6%
Assisted/Subsidized Housing not to include LIHTC	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC**	4	488	0	100.0%
Stabilized Comps	11	2,064	119	94.2%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
207	1BR at 60% AMI	1	409	\$759	\$1,175	\$2.87	-54.8%	\$1,755	\$4.29
1	2BR	1	899	\$912	\$1,626	\$1.81	-78.3%	\$2,349	\$2.61

Demographic Data (found on page 36 & 67)

	2010		2016		2021	
Senior Renter Households	3,210	34.10%	5,290	41.90%	6,524	43.70%
Income-Qualified Renter HHs (w/ Subsidy)	-	-	-	-	2,709	41.52%

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

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	N/Ap	275	N/Ap	N/Ap	275
Existing Households (Overburdened + Substandard)	N/Ap	N/Ap	732	N/Ap	N/Ap	732
Homeowner conversion (Seniors)	N/Ap	N/Ap	20	N/Ap	N/Ap	20
Total Primary Market Demand	N/Ap	N/Ap	1,040	N/Ap	N/Ap	1,040
Less Comparable/Competitive Supply	N/Ap	N/Ap	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs*	N/Ap	N/Ap	2,709	N/Ap	N/Ap	2,709

Capture Rates (found on pages 62)

Targeted Population	50% w/Subsidy	50% w/out Subsidy	60% w/Subsidy	60% w/out Subsidy	Other: __	Overall
Capture Rate:	N/Ap	N/Ap	22.2%	88.9%	N/Ap	22.20%

*With subsidy

**Includes Mixed Income Properties

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:

The Subject site is located at 3601 Piedmont Road NE in Atlanta, Fulton County, Georgia.

Construction Type:

The Subject was originally constructed in 1978 and was substantially renovated and updated in 2001, 2006, and 2007. The Subject currently consists of one 13-story high-rise residential building. The developer is now proposing renovation with LIHTC, and the renovations are anticipated to be complete by December 2018.

Occupancy Type:

Senior

Special Population Target:

None

Number of Units by Bedroom Type and AMI Level:

See following property profile

Unit Size:

See following property profile

Structure Type:

See following property profile

Rents and Utility Allowances:

See following property profile

Existing or Proposed Project Based Rental Assistance:

Currently, the Subject operates as Public Housing. Following renovations, all of the units will operate with Project-Based Rental Assistance through HUD's Rental Assistance Demonstration (RAD) program.

Proposed Development Amenities: See following property profile

PROPERTY PROFILE REPORT

Piedmont Senior Tower

Effective Rent Date	5/26/2017
Location	3601 Piedmont Road NE Atlanta, GA 30305 Fulton County County
Distance	N/A
Units	208
Vacant Units	9
Vacancy Rate	4.3%
Type	Highrise (age-restricted) (13 stories)
Year Built/Renovated	1978 / 2001/2006/2007/2018
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Peachtree Highrise & Campbell Stone North Apt.
Tenant Characteristics	Seniors and senior disabled households
Contact Name	N/A
Phone	(404) 365-0557



Market Information

Program	Non-Rental, Section 8
Annual Turnover Rate	12%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	7 days
Annual Chg. in Rent	N/A
Concession	None

Utilities

A/C	included -- wall
Cooking	included -- gas
Water Heat	included -- gas
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	Highrise (13 stories)	1	409	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	129	409	\$779	\$0	Section 8	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	14	522	\$779	\$0	Section 8	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	14	533	\$779	\$0	Section 8	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	25	548	\$779	\$0	Section 8	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	1	574	\$250	\$0	Section 8	N/A	N/A	N/A	N/A	None
1	1	Highrise (13 stories)	23	574	\$779	\$0	Section 8	N/A	N/A	N/A	N/A	None
2	1	Highrise (13 stories)	1	899	\$933	\$0	Section 8	N/A	N/A	N/A	N/A	None

Unit Mix

Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	N/A	\$0	N/A	\$0	N/A	1BR / 1BA	\$250 - \$779	\$0	\$250 - \$779	\$0	\$250 - \$779
						2BR / 1BA	\$933	\$0	\$933	\$0	\$933

Piedmont Senior Tower, continued

Amenities

In-Unit

Blinds
Carpeting
Ceiling Fan
Hand Rails
Pull Cords
Wall A/C

Cable/Satellite/Internet
Coat Closet
Garbage Disposal
Oven
Refrigerator

Security

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

Services

Computer Tutoring

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
Non-shelter Services
On-Site Management

Clubhouse/Meeting Room/Community Room
Elevators
Central Laundry
Off-Street Parking
Service Coordination

Premium

Hairdresser / Barber
Housekeeping

Other

None

Comments

Piedmont Senior Tower is a 208-unit public housing development that targets seniors 62+. The property will be renovated using LIHTC and will operate under the RAD program with rental assistance on 206 units following the renovation. As such, tenants will continue to pay 30 percent of income toward rent. It should be noted that the rents included in the profile are the proposed CHAP rents.

Piedmont Senior Tower, continued

Trend Report

Vacancy Rates

2Q15	1Q16
0.5%	4.3%

Trend: Non-Rental

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	N/A	\$0	N/A	N/A

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	N/A	\$0	N/A	N/A

Trend: Section 8

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$250 - \$779	\$0	\$250 - \$779	\$250 - \$779

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$933	\$0	\$933	\$933

Trend: Comments

2Q15 Piedmont Senior Tower is a 209-unit public housing development that targets seniors 62+. The property will be renovated using LIHTC and will operate under the RAD program with rental assistance on all units following the renovation. As such, tenants will continue to pay 30 percent of income toward rent. It should be noted that the rents included in the profile are the proposed CHAP rents.

1Q16 Piedmont Senior Tower is a 208-unit public housing development that targets seniors 62+. The property will be renovated using LIHTC and will operate under the RAD program with rental assistance on 206 units following the renovation. As such, tenants will continue to pay 30 percent of income toward rent. It should be noted that the rents included in the profile are the proposed CHAP rents.

Piedmont Senior Tower, continued

Photos



Scope of Renovations:

According to the client, the following details the proposed renovations that are anticipated being complete by December 1, 2018.

Exterior:

- Remove and replace existing roof, flashing, and curbs
- Remove and replace all windows
- Remove and replace three storefront doors
- Install new key card access control system for all exterior doors

Interior:

- Remove and replace all elevator doors
- Remove and replace all interior doors

In-Unit:

- Replace all appliances with energy efficient appliances
- Remove and replace all doors and hardware
- Repaint
- Replace all bathtubs, sinks, and lavatories

General:

- Replace above ground diesel tank that fuels the generator
- Re-commission HVAC and controls
- Replace water pump in mechanical room
- Replace ductless split system
- Replace fan coil units
- Replace all exhaust fans
- Replace central station air handling unit
- Replace hot water pump and heater
- Replace boiler pumps
- Replace stairwell vane axial pressurization fan
- Replace PTAC's in all units
- Clean and or replace all duct work
- Replace water closets
- Replace hot water storage tank
- Replace fire booster pump and electric fire pump

According to the client, renovations will be done with tenants in place. The hard costs of renovation are \$7,815,124, or approximately \$37,573 per unit.

Current Rents:

The following table summarizes the Subject's current (i.e., public housing operation) unit mix. It should be noted that there are no reported asking rents; as public housing,

tenants pay 30 percent of their monthly income towards rent. The landlord pays all utilities, and this structure will not change post renovation.

CURRENT RENTS

Unit Type	Number of Units	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent
		<i>Public Housing</i>		
1BR	207	\$0	\$711	\$249
		<i>Manager's Unit</i>		
2BR (Non-Rental)	<u>1</u>	N/A	N/A	<u>N/A</u>
Total	208			\$249

Current Occupancy:

The Subject is currently 96 percent occupied at the time of inspection. Vacant units are currently held offline pending renovation. According to data provided by the developer, the Subject has historically operated with an average economic vacancy and collection loss of less than one percent over the past three years.

Current Tenant Income:

Most of the current tenants at the Subject have incomes that would be too low to income-qualify for the Subject without its continuing project-based Rental Assistance through the Housing Authority of Atlanta. One of the current residents is over income to remain at the Subject.

Placed in Service Date:

The renovation of the Subject is anticipated to be complete by December 2018.

Conclusion:

The Subject will be of good quality following renovations and will be comparable to most of the inventory in the area. The renovations will be substantial and are expected to total approximately \$37,573 per unit. Based on our inspection of the Subject ground and units, the Subject does not suffer from significant deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

SITE EVALUATION

**Date of Site Visit and
Name of Site Inspector:**

John Cole inspected the site on April 19, 2017.

Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

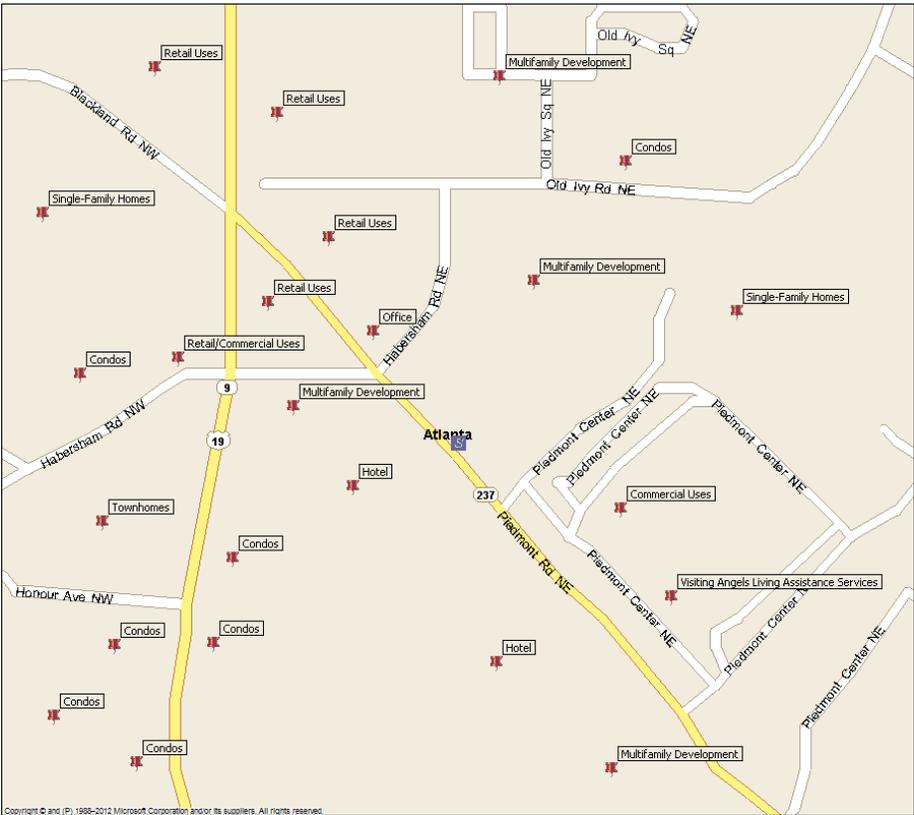
The Subject site has frontage along Piedmont Road NE and Habersham Drive NE.

Visibility/Views:

The Subject has good visibility from Piedmont Road NE and Habersham Drive NE, and limited visibility from Habersham Road NE. Views from the Subject site are of a multifamily development, The Habersham of Buckhead, in average condition to the north, commercial uses in good condition to the east, Windgate by Wyndham hotel in good condition to the south, a multifamily development, Tremont Luxury Homes, in good condition to the southwest, and a veterinarian clinic in average condition to the west. Overall, views are considered good.

Surrounding Uses:

The following map illustrates the surrounding land uses.



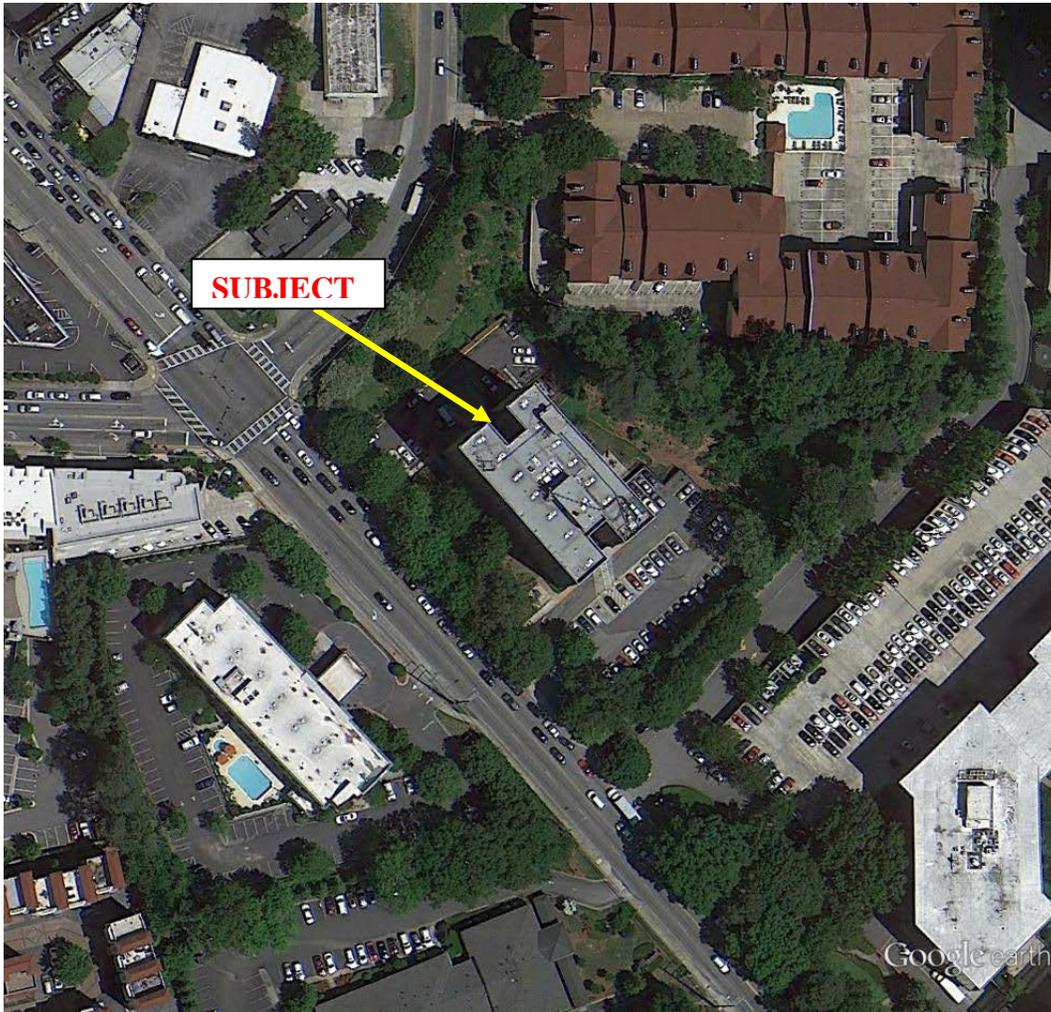
Surrounding uses consist primarily of residential, retail, and commercial uses. The multifamily developments in the

Subject neighborhood appear to be in average to good condition. Commercial and retail occupancy appeared to be 95 percent. The Subject site is considered “very walkable” by Walkscore with a rating of 72. The Subject site is considered a desirable location for senior rental housing. The site has average proximity to locational amenities.

Positive/Negative Attributes of Site: The Subject’s proximity to retail and other locational amenities as well as its surrounding uses, which are in good condition, are considered positive attributes.

3. Physical Proximity to Locational Amenities:

The Subject is located within two miles or less of most locational amenities, with the exception of a hospital and senior center. Below is an aerial photograph of the Subject.



4. Pictures of Site and Adjacent Uses:



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior



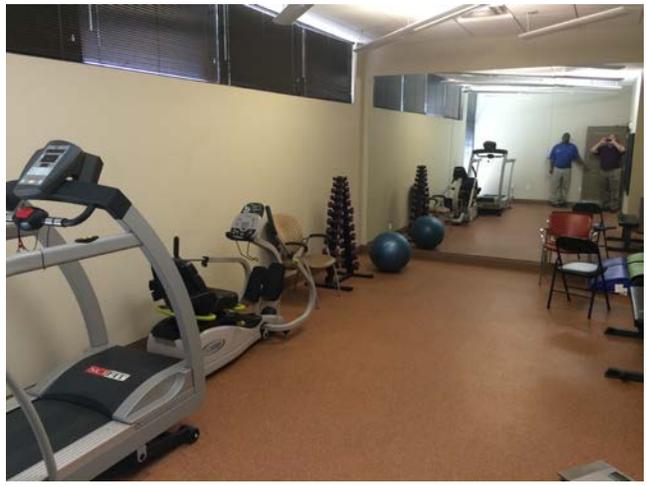
Picnic area



Billiards room



Community kitchen



Exercise room



Business center



Mail center



Maintenance



Community Bathroom



Central laundry



Leasing office



Leasing office



Typical hallway



Typical living room



Typical bathroom



Typical bedroom



Typical kitchen



Typical view



View east along Piedmont Road NE



View west along Piedmont Road NE



Grocery store



Typical retail uses



Typical commercial uses



Typical hotel



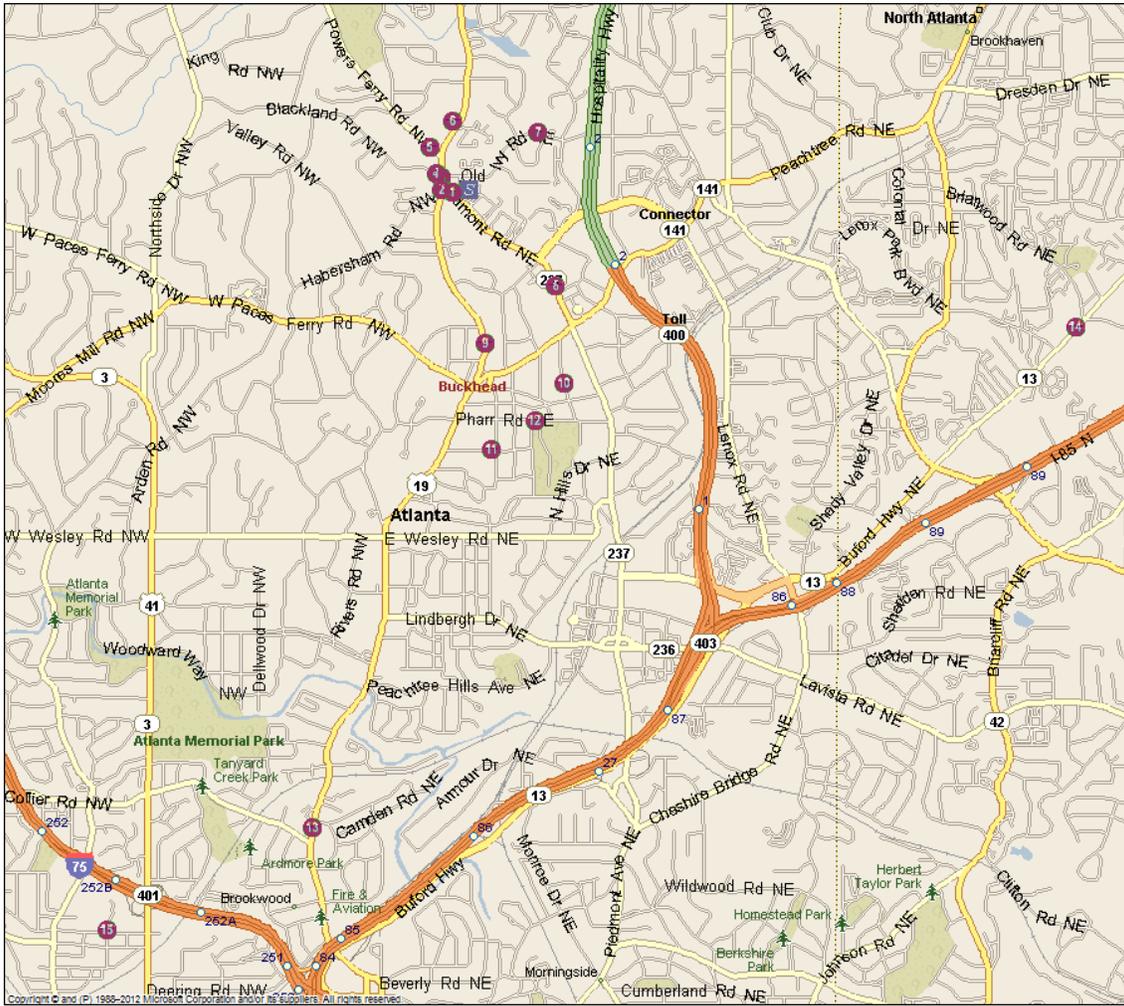
Typical condos

5. Proximity to Locational Amenities:

The following table details the Subject’s distance from key locational amenities. As illustrated, there is a senior center approximately 5.6 miles from the Subject, as well as a large medical center (Piedmont Hospital) approximately 3.5 miles from the Subject.

LOCATIONAL AMENITIES

Map Number	Service or Amenity	Distance From Subject
1	Piedmont Road NE Bus Stop	<0.1 Mile
2	WellStreet Buckhead North Urgent Care	<0.1 Mile
3	Regions Bank	<0.1 Mile
4	Walgreens	<0.1 Mile
5	Shell Gas Station	0.3 Mile
6	US Post Office	0.4 Mile
7	Sarah Smith Elementary School	0.6 Mile
8	Kroger Supermarket	0.6 Mile
9	Atlanta Fire Rescue Station 21	0.9 Mile
10	Atlanta Police Department Zone 2	1.2 Miles
11	North Fulton High School	1.6 Miles
12	Frankie Allen Park	1.7 Miles
13	Piedmont Hospital	3.5 Miles
14	Family Dollar	3.7 Miles
15	Northside Shepherd Neighborhood Senior Center	5.6 Miles



6. Description of Land Uses:

Surrounding uses consist of residential, commercial uses, and retail uses. To the immediate north is a multifamily development called The Habersham of Buckhead. To the immediate east are commercial uses. To the immediate south is a Wyndham hotel. To the immediate southwest is a multifamily development called Tremont Luxury Homes. To the immediate west is a veterinarian clinic. Overall, the Subject’s immediate neighborhood is mixed in nature. Commercial and retail occupancy in the Subject’s neighborhood appeared to be 95 percent. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered “very walkable” by Walkscore with a rating of 72.. The Subject site is considered a desirable location for senior rental housing. The uses surrounding the Subject are in average to good condition and the site has average proximity to locational amenities.

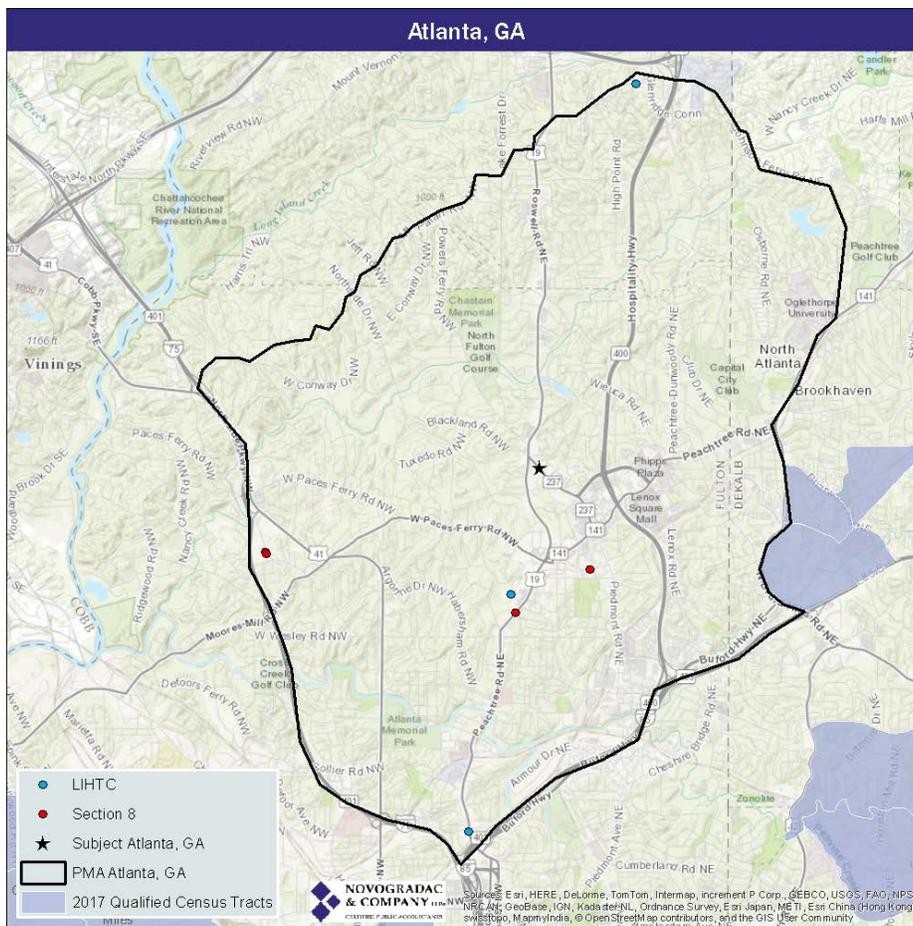
7. Existing Assisted Rental Housing

Property Map:

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

ASSISTED RENTAL HOUSING PROPERTIES

Property Name	Address	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion
Ashton SF Senior	5605 Glenridge Drive, Atlanta, GA 30342	LIHTC/Market	Senior	Blue	Included	-
Gates Park Crossing	200 Peyton Place SW, Atlanta, GA 30311	LIHTC	Senior		Excluded	Unable to Contact
Campbell Stone Apartments	2911 Pharr Court South NW, Atlanta, GA	LIHTC/PBRA	Senior		Excluded	Subsidized Rents
Columbia senior Residences	1718 Peachtree Street Northwest, Atlanta, GA 30309	LIHTC/PBRA	Senior	Red	Excluded	Subsidized Rents
Calvin Court	479 East Paces Ferry Rd NE, Atlanta, GA 30305	Section 8/Market	Senior		Excluded	Subsidized Rents
Cathedral Towers	2820 Peachtree St NW, Atlanta, GA 30305	Section 8	Senior		Excluded	Subsidized Rents
Jewish Tower	3160 Howell Mill Rd NW, Atlanta, GA 30327	Section 8	Senior		Excluded	Subsidized Rents
Zaban Tower	3156 Howell Mill Rd NW, Atlanta, GA 30327	Section 8	Senior		Excluded	Subsidized Rents



8. Road/Infrastructure

Proposed Improvements:

We did not witness any road/infrastructure improvements during our field work.

9. Access, Ingress/Egress and Visibility of site:

The Subject site can be accessed from Piedmont Road NE, a street that runs directly south of the site and connects to GA-141 to the southeast and GA-9 to the northwest. Piedmont Road NE is a moderately trafficked road with numerous multifamily, hotel, and commercial/retail uses in average to good condition. GA-141 is an east-west highway that provides access to Big Creek to the northeast and GA-400 Toll to the southwest. GA-9 is a north-south highway that provides access to Roswell to the north and downtown Atlanta to the south. Overall, visibility and access to and from the site are considered good.

10. Environmental Concerns:

We requested, but were not provided with, a Phase I Environmental Report for the Subject. During our site inspection, we walked the Subject's grounds, including the rear of the buildings and the parking lot, and did not observe any obvious indicators of environmental contamination or adverse property condition issues. However, Novogradac & Company LLP does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions.

11. Conclusion:

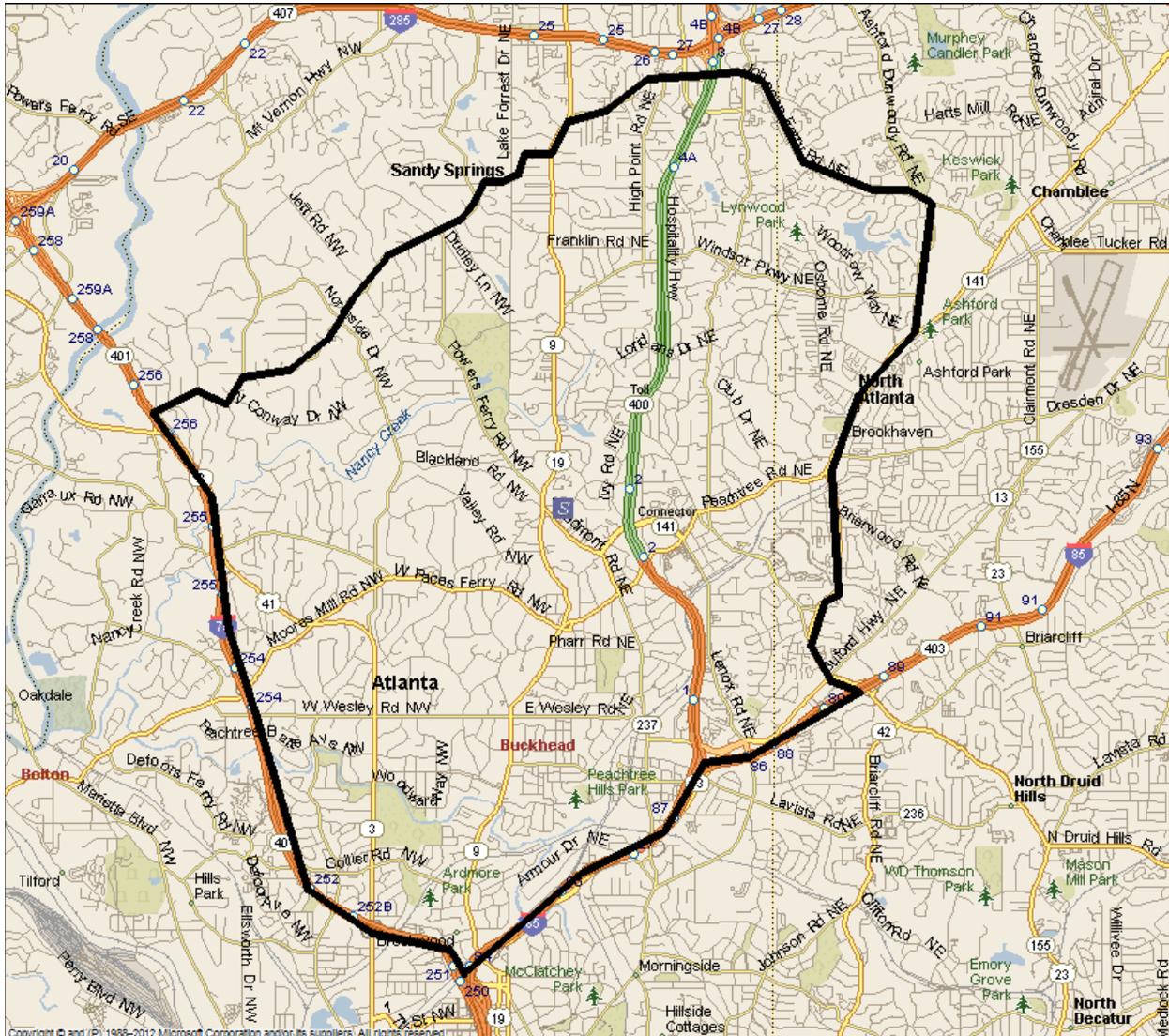
The Subject site has frontage along Piedmont Road NE and Habersham Drive NE. Surrounding uses consist of residential, commercial uses, and retail uses. To the immediate north is a multifamily development called The Habersham of Buckhead. To the immediate east are commercial uses. To the immediate south is a Wyndham hotel. To the immediate southwest is a multifamily development called Tremont Luxury Homes. To the immediate west is a veterinarian clinic. Overall, the Subject's immediate neighborhood is mixed in nature. Commercial and retail occupancy in the Subject's neighborhood appeared to be 95 percent. Overall, the Subject has a desirable location for multifamily housing. The Subject site is considered "very walkable" by Walkscore with a rating of 72. The Subject site is considered a desirable location for senior rental housing. The uses surrounding the Subject are in average to good condition and the site has average proximity to locational amenities.

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



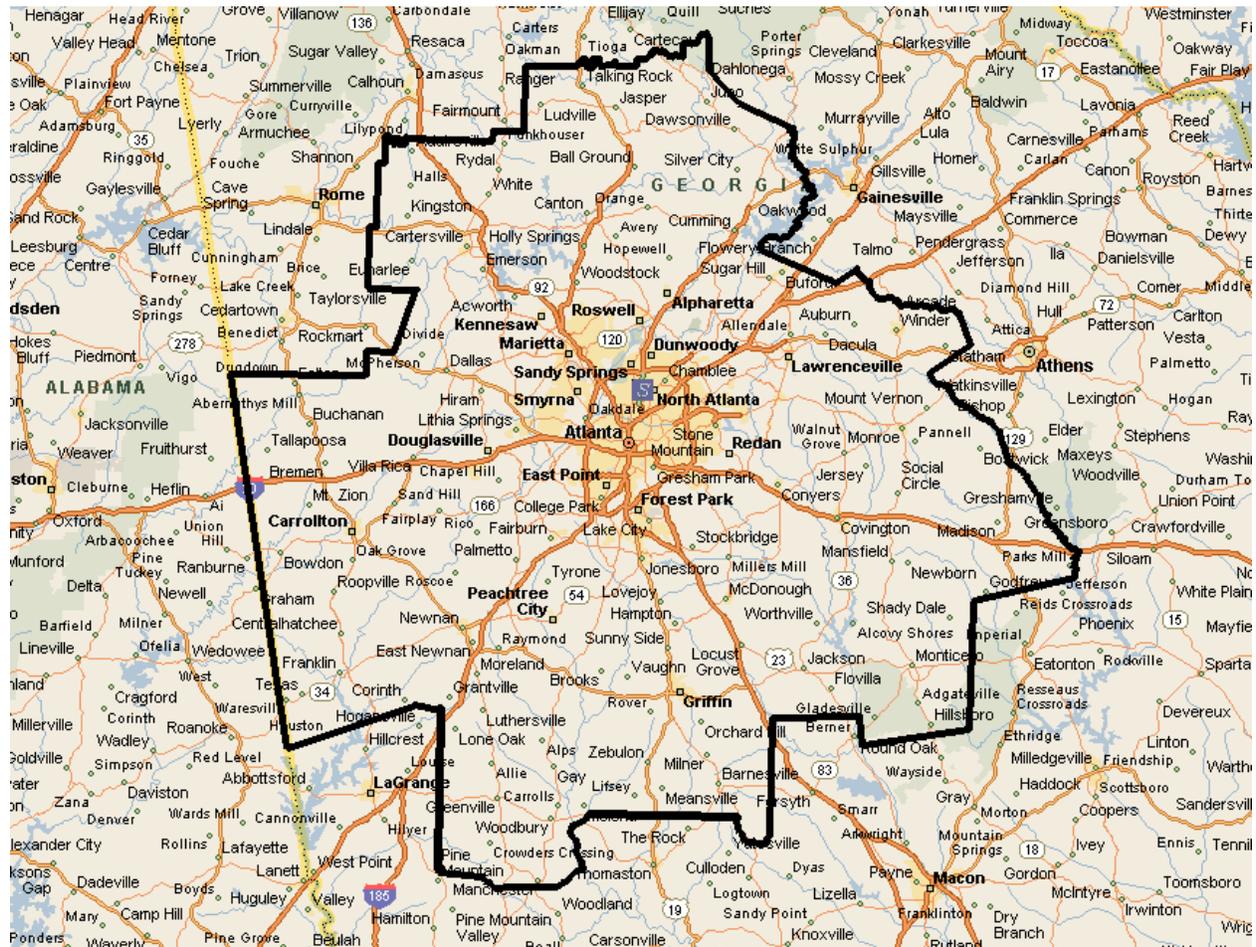
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Sandy Springs-Roswell, Georgia MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – Mt. Paran Rd NW & Johnson Ferry Rd NE
 East – Ashford Dunwoody Road NE, Peachtree Road NE, & North Druid Hills Road BE
 South – Interstate 85
 West- Interstate 75

The area consists of the northern portion of Atlanta and was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager, as well as based on our knowledge of the area. We have estimated that approximately 20 percent of the Subject’s tenants originate from outside these boundaries. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the DCA market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The furthest PMA boundary from the Subject is 4.0 miles.

For comparison purposes, the secondary market area (SMA) for the Subject is considered to be the Atlanta MSA, which includes 29 counties including Fulton County. Following is a map of the SMA.



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 Metropolitan Statistical Area (MSA) are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

1. Population Trends

The following tables illustrate (a) Total Population and Total Senior Population 62+, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2000 through 2021.

TOTAL POPULATION

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	86,296	-	4,263,438	-	281,421,906	-
2010	100,691	1.7%	5,665,958	3.3%	308,745,538	1.0%
2016	110,822	1.6%	5,665,958	0.0%	323,580,626	0.8%
Projected Mkt Entry December 2018	115,123	1.6%	5,858,011	1.4%	330,224,280	0.8%
2021	119,720	1.6%	6,063,308	1.4%	337,326,118	0.8%

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

TOTAL SENIOR POPULATION (62+)

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	12,916	-	407,225	-	41,475,021	-
2010	15,462	2.0%	625,999	5.4%	50,358,738	2.1%
2016	18,956	3.6%	803,915	4.5%	60,304,482	3.2%
Projected Mkt Entry December 2018	20,430	3.2%	891,834	4.5%	65,146,072	3.3%
2021	22,007	3.2%	985,817	4.5%	70,321,565	3.3%

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

Overall, population growth in the PMA was faster than that of the MSA and the nation from 2010 to 2016. Total population in the PMA is projected to increase at a 1.6 percent annual rate from 2016 to 2021, a growth rate faster than that of the MSA and the nation during the same time period. Further, from 2010 to 2016, the senior population growth in the PMA was faster than that of the nation as a whole but less than that of the MSA. It is expected that the senior population growth will increase 3.2 percent from 2016 to 2021, a slower rate than that of the MSA and the nation as a whole. The senior population is forecast to grow at a significantly faster rate than the general population, which increases demand for age-restricted housing.

POPULATION BY AGE GROUP

Age Cohort	PMA					
	1990	2000	2010	2016	Projected Mkt Entry December 2018	2021
0-4	3,338	4,497	5,868	5,783	5,793	6,209
5-9	2,745	3,582	5,516	5,791	5,485	5,795
10-14	2,343	3,113	4,450	5,524	4,818	5,443
15-19	2,952	3,279	3,492	4,716	8,004	4,926
20-24	5,472	6,981	8,083	7,623	13,306	8,411
25-29	8,176	11,665	12,834	12,705	11,432	13,948
30-34	7,237	10,080	9,011	10,931	9,205	11,967
35-39	6,188	7,762	8,509	8,677	7,967	9,769
40-44	5,804	6,133	7,705	7,909	7,147	8,028
45-49	4,311	5,567	6,683	7,127	6,918	7,169
50-54	3,135	5,606	5,916	6,759	6,290	7,087
55-59	2,640	4,025	5,105	6,099	5,850	6,494
60-64	2,817	2,719	5,143	5,553	4,971	6,168
65-69	3,105	2,195	3,457	4,789	3,967	5,166
70-74	2,605	2,278	2,427	3,489	2,817	4,477
75-79	2,511	2,455	1,986	2,452	2,130	3,207
80-84	2,128	1,869	1,879	1,964	3,036	2,307
85+	1,840	2,488	2,627	2,930	115,122	3,149
Total	69,347	86,294	100,691	110,821	224,255	119,720

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

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (62+)	Total Population	Non-Elderly	Elderly (62+)
1990	69,347	55,468	13,879	3,082,308	2,769,581	312,727
2000	86,294	73,378	12,916	4,263,438	3,856,213	407,225
2010	100,691	85,229	15,462	5,286,728	4,660,729	625,999
2016	110,821	91,865	18,956	5,665,958	4,862,043	803,915
Projected Mkt Entry December 2018	115,122	94,692	20,430	5,858,011	4,966,177	891,834
2021	119,720	97,713	22,007	6,063,308	5,077,491	985,817

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

Overall, population growth in the PMA was faster than that of the MSA and the nation from 2010 to 2016. Total population in the PMA is projected to increase at a 1.6 percent annual rate from 2016 to 2021, a growth rate faster than that of the MSA and the nation during the same time period. Further, from 2010 to 2016, the senior population growth in the PMA was faster than that of the nation as a whole but less than that of the MSA. It is expected that the senior population growth will increase 3.2 percent from 2016 to 2021, a slower rate than that of the MSA and the nation as a whole. The senior population is forecast to grow at a significantly faster rate than the general population, which increases demand for age-restricted housing. The significant population growth between the ages of 25 and 29 is attributed to a growing base of young professionals in the city of Atlanta, as the city has become a popular destination for recent college graduates according to local chamber of commerce sources. In 2016, 14.1 percent of the PMA’s population is aged 65 and older, which is the main age range of most tenants at the Subject currently. The projected PMA population growth is expected to outpace the MSA and the nation population growth through 2021.

2. Household Trends

2a. Total Number of Households, Total Number of Senior Households 62+, and Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA	
	Number	Annual Change	Number	Annual Change
2000	43,087	-	1,559,712	-
2010	50,584	1.7%	1,943,885	2.5%
2016	55,118	1.4%	2,065,785	1.0%
Projected Mkt Entry December 2018	57,161	1.5%	2,131,379	1.3%
2021	59,344	1.5%	2,201,496	1.3%

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

TOTAL NUMBER OF SENIOR HOUSEHOLDS (62+)

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA	
	Number	Annual Change	Number	Annual Change
2000	8,539	-	253,346	-
2010	9,407	1.0%	362,824	4.3%
2016	12,637	5.5%	498,340	6.0%
Projected Mkt Entry December 2018	13,739	3.6%	549,543	4.3%
2021	14,917	3.6%	604,278	4.3%

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

As the previous table illustrates, the PMA was an area with an increasing base of households from 2000 through 2016. Further, the number of households in the PMA is expected to grow at a faster rate than the MSA over the next five years. Senior households also experienced a faster growth rate of 5.5 percent in households from 2010 to 2016. It is expected that senior households will increase 3.6 percent through 2021, a slower rate than that of the MSA. The increasing number of households in the PMA bodes well for the Subject’s demand as a senior project.

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	1.95	-	2.68	-	2.59	-
2010	1.97	0.1%	2.68	0.0%	2.58	-0.1%
2016	1.99	0.2%	2.70	0.1%	2.59	0.1%
Projected Mkt Entry December 2018	1.99	0.1%	2.71	0.1%	2.59	0.1%
2021	2.00	0.1%	2.72	0.1%	2.60	0.1%

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

The average household size in the PMA, at 1.99, is much smaller than the average household sizes in the MSA and nation. The Subject offers one-bedroom rental units targeted to seniors, which generally comprise one and two person households. The average household size in the PMA is appropriate for the Subject’s unit mix and target population.

2b. Households by Tenure

The tables below depict household growth by tenure from 2000 through 2021.

TENURE PATTERNS - TOTAL POPULATION

Year	PMA				Atlanta-Sandy Springs-Roswell, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	21,483	49.9%	21,604	50.1%	1,041,714	66.8%	517,998	33.2%
2010	25,645	50.7%	24,939	49.3%	1,285,066	66.1%	658,819	33.9%
2016	24,984	45.3%	30,134	54.7%	1,282,688	62.1%	783,097	37.9%
Projected Mkt Entry								
December 2018	25,726	45.0%	31,434	55.0%	1,322,540	62.1%	808,839	37.9%
2021	26,520	44.7%	32,824	55.3%	1,365,140	62.0%	836,356	38.0%

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

TENURE PATTERNS - ELDERLY POPULATION (AGE 62+)

Year	PMA				Atlanta-Sandy Springs-Roswell, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	5,123	60.0%	3,416	40.0%	203,034	80.1%	50,312	19.9%
2010	6,197	65.9%	3,210	34.1%	280,063	77.2%	82,761	22.8%
2016	7,348	58.1%	5,290	41.9%	374,512	75.2%	123,828	24.8%
Projected Mkt Entry								
December 2018	7,853	57.2%	5,886	42.8%	411,127	74.8%	138,416	25.2%
2021	8,393	56.3%	6,524	43.7%	450,267	74.5%	154,011	25.5%

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

The share of senior renter households in the PMA is less than the share of owner households. However, the percentage of senior renter-occupied housing is also well above the national average of approximately 24 percent (not shown). The number of senior renter-occupied units in the PMA is expected to increase by 505 households from 2016 to the market entry date.

2c. Households by Income

The following table depicts household income in 2016, market entry date, and 2021 for the PMA.

HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	3,135	5.7%	3,021	5.3%	3,117	5.3%
\$10,000-19,999	3,018	5.5%	3,526	6.2%	3,025	5.1%
\$20,000-29,999	3,562	6.5%	4,014	7.0%	3,488	5.9%
\$30,000-39,999	4,033	7.3%	3,844	6.7%	3,994	6.7%
\$40,000-49,999	3,841	7.0%	3,640	6.4%	3,847	6.5%
\$50,000-59,999	3,562	6.5%	4,591	8.0%	3,722	6.3%
\$60,000-74,999	4,498	8.2%	6,386	11.2%	4,689	7.9%
\$75,000-99,999	6,149	11.2%	5,247	9.2%	6,638	11.2%
\$100,000-124,999	5,080	9.2%	3,698	6.5%	5,426	9.1%
\$125,000-149,999	3,423	6.2%	4,516	7.9%	3,993	6.7%
\$150,000-199,999	4,236	7.7%	11,550	20.2%	4,816	8.1%
\$200,000+	10,579	19.2%	57,161	100.0%	12,589	21.2%
Total	55,118	100.0%	57,161	194.5%	59,344	100.0%

Source: Ribbon Demographics 2007, Novogradac & Company LLP, August 2010

HOUSEHOLD INCOME DISTRIBUTION - PMA (AGE 62+)

Income Cohort	2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,186	9.4%	1,249	9.1%	1,316	8.8%
\$10,000-19,999	1,277	10.1%	1,326	9.7%	1,380	9.2%
\$20,000-29,999	1,276	10.1%	1,336	9.7%	1,401	9.4%
\$30,000-39,999	847	6.7%	916	6.7%	989	6.6%
\$40,000-49,999	676	5.3%	722	5.3%	772	5.2%
\$50,000-59,999	973	7.7%	1,054	7.7%	1,140	7.6%
\$60,000-74,999	744	5.9%	813	5.9%	886	5.9%
\$75,000-99,999	1,011	8.0%	1,120	8.2%	1,238	8.3%
\$100,000-124,999	1,002	7.9%	1,096	8.0%	1,196	8.0%
\$125,000-149,999	660	5.2%	749	5.4%	843	5.7%
\$150,000-199,999	755	6.0%	832	6.1%	915	6.1%
\$200,000+	2,232	17.7%	2,526	18.4%	2,840	19.0%
Total	12,637	100.0%	13,739	100.0%	14,917	100.0%

Source: Ribbon Demographics 2007, Novogradac & Company LLP, August 2010

Households earning under \$40,000 in the PMA comprise approximately 24.9 percent of all income cohorts in 2016. For senior households, approximately 36.3 percent earn less than \$40,000. The Subject will target households earning between \$22,770 and \$32,400 under the LIHTC program assuming no subsidies and households with incomes as low as \$0 with the RAD program rental assistance; therefore, the Subject should be well-positioned to service this market. As previously noted, all of the existing tenants at the Subject will remain income-qualified.

2d. Renter Households and Renter Households 62+ by Number of Persons in the Household

The following table illustrates the number of persons per household among renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA										
	2000		2010		2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	11,939	55.3%	14,559	58.4%	18,132	60.2%	7,676	17.5%	20,008	61.0%
With 2 Persons	6,133	28.4%	6,520	26.1%	7,467	24.8%	2,196	5.0%	7,899	24.1%
With 3 Persons	1,670	7.7%	1,718	6.9%	2,112	7.0%	1,268	2.9%	2,287	7.0%
With 4 Persons	737	3.4%	1,061	4.3%	1,210	4.0%	1,255	2.9%	1,331	4.1%
With 5+ Persons	1,125	5.2%	1,081	4.3%	1,214	4.0%	31,434	71.7%	1,300	4.0%
Total Renter Households	21,604	100.0%	24,939	100.0%	30,134	100.0%	43,830	100.0%	32,824	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, May 2017

RENTER HOUSEHOLDS BY NUMBER OF PERSONS 62+ PMA										
	2000		2010		2016		Projected Mkt Entry December 2018		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,693	78.8%	2,221	62.1%	3,845	72.7%	4,281	72.7%	4,746	72.7%
With 2 Persons	653	19.1%	518	14.5%	875	16.5%	966	16.4%	1,063	16.3%
With 3 Persons	52	1.5%	175	4.9%	223	4.2%	244	4.2%	268	4.1%
With 4 Persons	8	0.2%	518	14.5%	177	3.3%	195	3.3%	213	3.3%
With 5+ Persons	10	0.3%	145	4.1%	170	3.2%	201	3.4%	234	3.6%
Total Renter Households	3,416	100.0%	3,575	100.0%	5,290	100.0%	5,886	100.0%	6,524	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, May 2017

The senior household size with the largest percentage of households is one-person households, followed by two-person households. The Subject will contain one-bedroom floor plans, so the large percentage of one and two-person households bodes well for the Subject.

Conclusion

Senior population growth will increase 3.2 percent from 2016 to 2021, a slower rate than that of the MSA and the nation as a whole. It is expected that senior households will increase 3.6 percent through 2021 as well, which is significantly faster than the general population. The increasing number of households in the PMA bodes well for the Subject’s demand as a senior project.

The share of senior renter-occupied units in the PMA is less than that of owner-occupied units. The number of senior renter-occupied units in the PMA is expected to increase by 505 households from 2016 to the market entry date.

Households earning under \$40,000 in the PMA comprise approximately 24.9 percent of all income cohorts in 2016. For senior households, approximately 36.3 percent earn less than \$40,000. The Subject will target households earning between \$22,770 and \$32,400 under the LIHTC program assuming no subsidies and households with incomes as low as \$0 with the RAD program rental assistance; therefore, the Subject should be well-positioned to service this market. As previously noted, all but one of the existing tenants at the Subject will remain income-qualified.

Overall, the demographic data points to strong ongoing demand for affordable senior housing.

F. EMPLOYMENT TRENDS

EMPLOYMENT TRENDS

The Atlanta-Sandy Springs-Roswell, GA MSA is comprised of Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding, and Walton. Atlanta is the county seat of Fulton County and is located approximately 267 miles inland from the Atlantic Ocean. Atlanta also has good access to major interstates, including Interstate 85, Interstate 75, and Interstate 20. Interstate 85 traverses northeast/southwest and provides access to Alabama to the west and South Carolina to the east and South Carolina. Interstate 75 traverses northwest/southeast and provides access to Tennessee to the north and Florida to the south. Interstate 20 traverses east/west through the central portion of Georgia and provides access to Alabama to the west and South Carolina to the east.

1. Total Jobs

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

TOTAL JOBS - FULTON COUTNY, GA		
Year	Total Employment	% Change
2007	465,409	3.80%
2008	465,380	-0.01%
2009	437,746	-5.94%
2010	434,315	-0.78%
2011	447,939	3.14%
2012	464,310	3.65%
2013	467,366	0.66%
2014	473,843	1.63%
2015	502,655	5.70%
2016	502,655	0.00%
Feb-16	496,594	-
Feb-17	509,162	2.5%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, Fulton County experienced a weakening economy during the national recession. Employment levels declined substantially in 2009 by 6.3 percent. Employment growth quickly rebounded and Fulton County exhibited employment growth from 2010 through 2017 year-to-date. While employment growth was stagnant from 2015 to 2016, total employment in Fulton County has increased approximately 2.5 percent from February 2016 to February 2017.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Fulton County as of February 2017, the most recent data available.

COVERED EMPLOYMENT		
Fulton County, Georgia		
	Number	Percent
Total, all industries	732,561	-
Goods-producing	-	-
Natural resources and mining	529	0.1%
Construction	19,286	2.6%
Manufacturing	29,337	4.0%
Service-providing	-	-
Trade, transportation, and utilities	143,315	19.6%
Information	49,260	6.7%
Financial activities	72,008	9.8%
Professional and business services	192,811	26.3%
Education and health services	102,278	14.0%
Leisure and hospitality	97,367	13.3%
Other services	23,170	3.2%
Unclassified	3,200	0.4%

Source: Bureau of Labor Statistics, 2015

Professional and business services, and trade, transportation, and utilities represent the largest percentages of total employment in Fulton County. Trade, transportation, and utilities are somewhat stable in economic downturns whereas professional and business services are somewhat vulnerable and are historically volatile industries in economic downturns. Other significant employment sectors include education and health services, as well as leisure and hospitality.

2016 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	13,954	22.2%	10,269,978	6.8%
Healthcare/Social Assistance	6,800	10.8%	21,304,508	14.1%
Finance/Insurance	5,819	9.3%	6,942,986	4.6%
Retail Trade	5,285	8.4%	17,169,304	11.3%
Educational Services	5,127	8.2%	14,359,370	9.5%
Accommodation/Food Services	4,734	7.5%	11,574,403	7.6%
Manufacturing	3,471	5.5%	15,499,826	10.2%
Real Estate/Rental/Leasing	3,070	4.9%	2,946,196	1.9%
Admin/Support/Waste Mgmt Svcs	2,379	3.8%	6,511,707	4.3%
Information	1,961	3.1%	2,862,063	1.9%
Wholesale Trade	1,852	2.9%	4,066,471	2.7%
Construction	1,720	2.7%	9,342,539	6.2%
Other Services (excl Publ Adm)	1,579	2.5%	7,463,834	4.9%
Public Administration	1,532	2.4%	7,093,689	4.7%
Transportation/Warehousing	1,512	2.4%	6,128,217	4.0%
Arts/Entertainment/Recreation	1,371	2.2%	3,416,474	2.3%
Utilities	333	0.5%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	210	0.3%	2,253,044	1.5%
Mgmt of Companies/Enterprises	85	0.1%	89,612	0.1%
Mining	9	0.0%	749,242	0.5%
Total Employment	62,803	100.0%	151,387,682	100.0%

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

As depicted in the previous table, employment in the PMA is greatest in the professional/scientific/tech services, healthcare, finance/insurance, retail trade and educational service sectors. Combined, these five sectors account for 58.9 percent of total employment in the PMA. The disparity between the PMA and the nation in terms of professional/scientific/technical services is particularly notable. The Subject’s PMA exhibits a higher percentage of employment within the professional/scientific/tech services, finance/insurance, real estate/rental/leasing, and information sectors, while the nation exhibits a higher percentage of employment in industries such as healthcare/social assistance, retail trade, educational services, and accommodation/food services sectors. Overall, the PMA appears to have significant concentrations of professional/scientific/tech jobs. Additionally, the large presence of healthcare and education jobs, both of which are historically stable, are a positive indication of the stability of the local economy.

3. Major Employers

The following table is a list of the top 10 employers in the Atlanta-Sandy Springs-Roswell, GA MSA.

MAJOR EMPLOYERS

Atlanta-Sandy Springs-Roswell, GA MSA

#	Employer	Employer	Number Employed
1	Delta Airlines	Transportation	31,237
2	Emory University/ Emory Healthcare	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Retail Trade	20,532
4	The Home Depot, Inc.	Retail Trade	20,000
5	AT&T Inc.	Communications	17,882
6	The Kroger Co.	Retail Trade	14,753
7	WellStar Health System	Healthcare	13,500
8	Publix Super Markets, Inc.	Retail Trade	9,494
9	United States Postal Service	Government	9,385
10	Northside Hospital	Healthcare	9,016

Source: Metro Atlanta Chamber of Commerce, Novogradac & Co LLP, 2017

As indicated in the table above, the major employers in the MSA are varied and represent a wide range of industries. The four largest employers are in the transportation, education/healthcare, and retail trade industries.

Expansions/Contractions

The following table illustrates business closures and layoffs within Atlanta, GA from 2015 to 2017 YTD, according to the Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings.

As illustrated in the previous table, Atlanta experienced multiple WARN filings from 2015 to 2017 YTD for a total of 4,053 jobs affected.

WARN Notices - Atlanta, GA

Company	Jobs Lost	County	Date
2017			
DAL Global Services	52	Fulton	2/1/2017
West Rock	66	Fulton	1/20/2017
Burris Logistics	167	Fulton	3/20/2017
Newell Brands	258	Fulton	3/31/2017
Windstream Communications	55	Fulton	3/1/2017
2016			
Masterack, Division of Leggett & Platt	121	Fulton	2/29/2016
GA State University	25	DeKalb	2/2/2016
Delta Global Services, LLC.	275	Fulton	3/15/2016
INPAX Shipping Solutions	37	Fulton	1/23/2016
Metropolitan Atlanta Rapid Transit Authority (MARTA)	371	Fulton	3/25/2016
American Residential Properties	2	Fulton	2/29/2016
Advance Auto Parts	8	Fulton	2/16/2016
Georgia Department of Agriculture	52	N/A	5/1/2016
Maslow Media Group	1	Fulton	4/30/2016
Crawford and Company	21	DeKalb	9/30/2016
Core Logic	36	Fulton	8/29/2016
EchoStar Technologies LLC.	137	DeKalb	10/1/2016
Benchmark Brands, Inc.	156	Fulton	8/11/2016
Hawker Beechcraft	42	DeKalb	11/30/2016
Coca-Cola European Partners	89	Cobb	12/15/2016
Holiday Inn Atlanta Perimeter	43	DeKalb	11/20/2016
Corizon Health	208	Fulton	12/31/2016
2015			
Generation Mortgage Company	64	Fulton	1/15/2015
Sony	100	Fulton	2/27/2015
Quad Graphics	110	DeKalb	2/1/2015
Infosys McCamish Systems, LLC.	61	Fulton	3/6/2015
Generation Mortgage Company	25	Fulton	3/31/2015
Meda Pharmaceuticals	21	Cobb	4/30/2015
Affinity Specialty Apparel, Inc.	60	Fulton	4/15/2015
United Airlines	87	Clayton	5/17/2015
New Breed Leasing of New Jersey, Inc.	89	Fulton	5/26/2015
The Intown Academy	60	Fulton	5/29/2015
Generation Mortgage Company	76	Fulton	7/31/2015
Delta Global Services	N/Av	Clayton	10/1/2015
Aramark	1078	Fulton	11/15/2015

Source: Georgia Department of Economic Development, February 2017

As illustrated in the previous table, the PMA experienced several WARN filings from 2015 to 2017 resulting in 4,053 job losses. Relative the size of the economy, the losses will not have a major impact on the local economy.

Metro Atlanta Chamber of Commerce

According to Ms. Kelly Sydney, Vice President of Research, with the Metro Atlanta Chamber of Commerce 2016, was generally a stable year in terms of job growth and expansions in the Atlanta area. Below are the largest expansions in Fulton County for 2016.

EMPLOYMENT EXPANSIONS 2016 - FULTON COUNTY, GA

Company	Industry	Expansion/Opening	Projected Number of New Jobs
Anthem	Healthcare	Expansion	1800
NCR	IT	Expansion	1800
United Parcel Services (UPS)	Logistics	Expansion	1250
Honeywell International	IT	Expansion	800
GE Digital	Digital Operations	Expansion	250
Keysight Technologies	Innovation/R&D	Expansion	241
Rubicon Global	Recycling	Expansion	240
Azalea Health Innovations	Healthcare/IT	Opening	200
Dispersive Technologies	Software Development	Opening	200
Global Payments	Finance/Payment Processing	Expansion	200
Kabbage	Finance/Lending	Expansion	200
KPMG	Management/Software Development	Expansion	200
Equifax	Finance/Credit	Expansion	158
MagicJack	Communications	Opening	150
Emids Technologies	Healthcare/IT	Opening	100
Pindrop Security	Fraud Detection	Expansion	100
Riskalyze	Finance/Software Development	Opening	100
Terminus	Marketing/Automation	Opening	100
Hi-Rez Studios	Gaming	Expansion	75
Akamai Technologies	Internet Provider	Expansion	70
CallRail	Call Center	Opening	70
Springbot	Marketing/Automation	Opening	70
Deliv	Delivery Services	Expansion	60
OnPay/Payroll Center	Finance/Payroll	Expansion	50
Sifted	Catering Services	Expansion	50
Signs	Software Development	Expansion	50
Anthem	Insurance/Healthcare	Expansion	25
Careers in Nonprofits	Non-Profit Staffing	Expansion	25
EngagedMedia	IT/Patient Engagement	Expansion	25
Relax Systems	Software Development	Expansion	25
Turkish Airlines	Logistics	Expansion	25
Volantio	Development	Expansion	25
CMS Payments Intelligence	Consultants	Expansion	15
The Garage	Support Services	Expansion	14
KQ Communications	Marketing	Opening	13
Dense Networks	IT	Expansion	12
Switchyards	Support Services	Expansion	12
PBS Aerospace	Manufacturing	Expansion	10
Total			8,810

Source: Metro Atlanta Chamber of Commerce, February 2017

4. Employment and Unemployment Trends

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

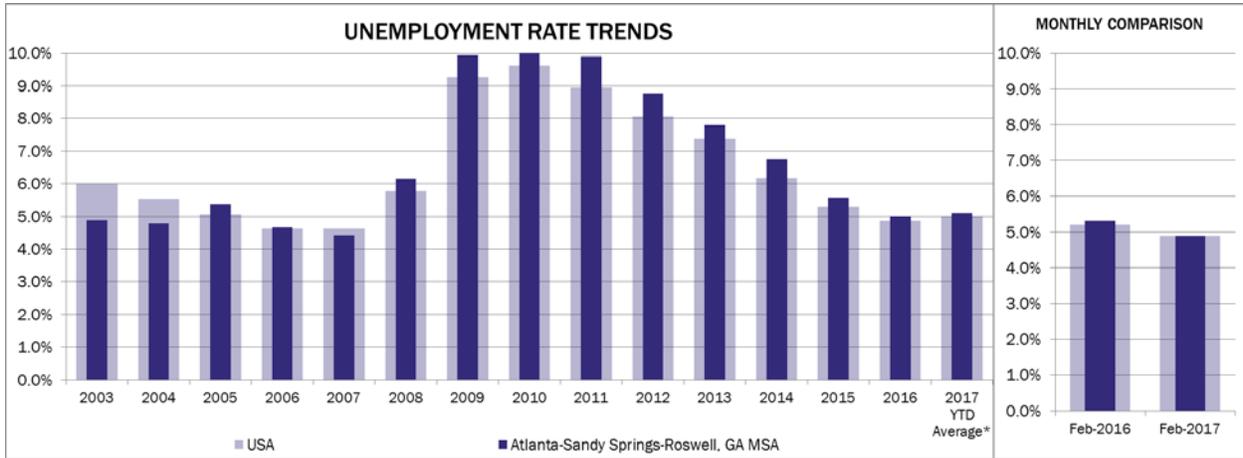
EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	2,324,880	-	5.0%	-	136,485,000	-	5.8%	-
2003	2,347,173	1.0%	4.9%	-0.2%	137,736,000	0.9%	6.0%	0.2%
2004	2,382,163	1.5%	4.8%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,445,674	2.7%	5.4%	0.6%	141,730,000	1.8%	5.1%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	146,047,000	1.1%	4.6%	0.0%
2008	2,606,822	-0.5%	6.2%	1.7%	145,363,000	-0.5%	5.8%	1.2%
2009	2,452,057	-5.9%	9.9%	3.8%	139,878,000	-3.8%	9.3%	3.5%
2010	2,440,037	-0.5%	10.3%	0.4%	139,064,000	-0.6%	9.6%	0.3%
2011	2,486,895	1.9%	9.9%	-0.4%	139,869,000	0.6%	9.0%	-0.7%
2012	2,546,478	2.4%	8.8%	-1.1%	142,469,000	1.9%	8.1%	-0.9%
2013	2,574,339	1.1%	7.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2014	2,619,867	1.8%	6.7%	-1.1%	146,305,000	1.7%	6.2%	-1.2%
2015	2,677,863	2.2%	5.6%	-1.2%	148,833,000	1.7%	5.3%	-0.9%
2016	2,770,683	3.5%	5.0%	-0.6%	151,436,000	1.7%	4.9%	-0.4%
2017 YTD Average*	2,839,862	2.5%	5.1%	0.1%	151,060,500	-0.2%	5.0%	0.1%
Feb-2016	2,716,753	-	5.3%	-	150,060,000	-	5.2%	-
Feb-2017	2,855,099	5.1%	4.9%	-0.4%	151,594,000	1.0%	4.9%	-0.3%

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

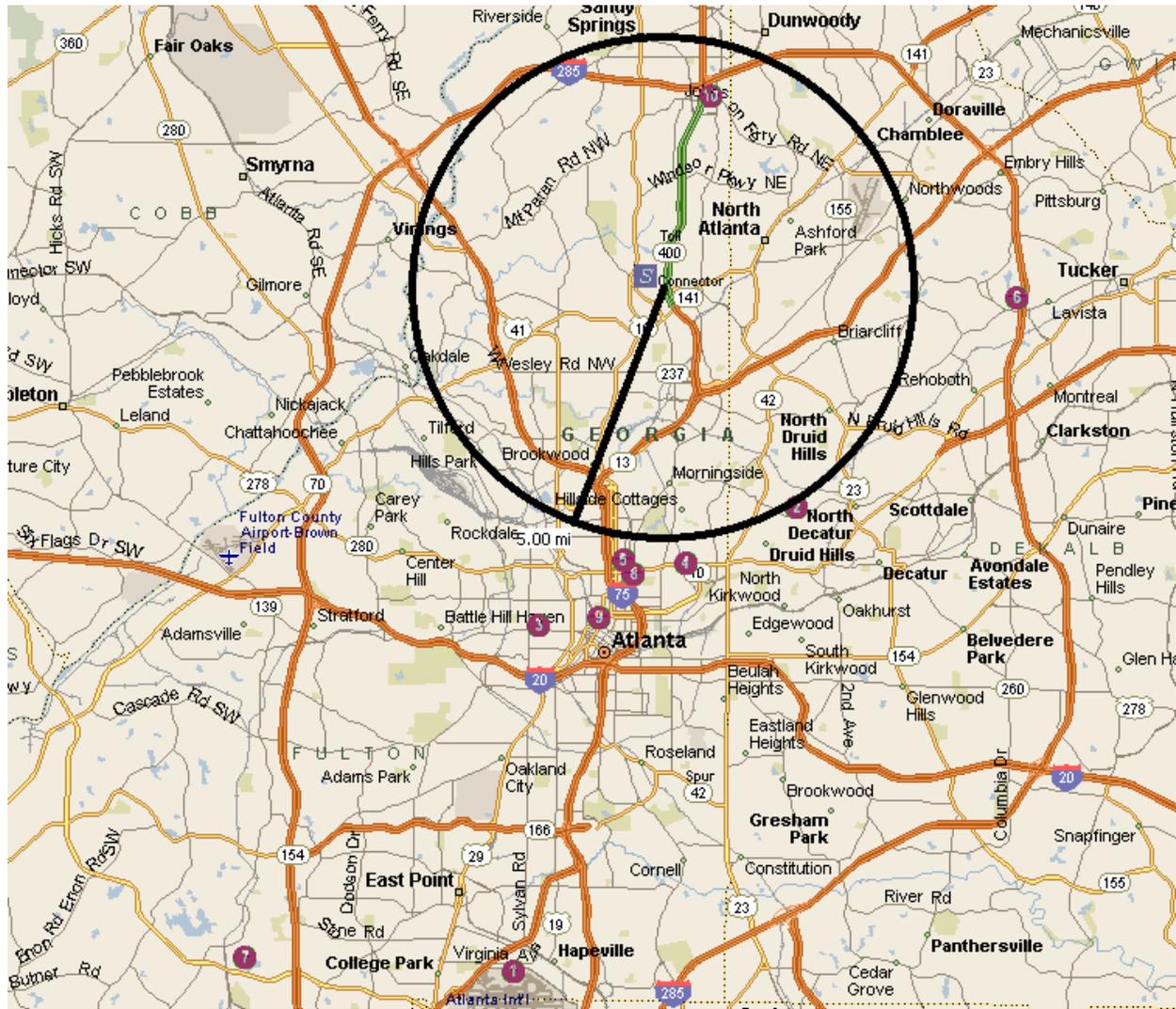
Total employment levels increased annually between 2003 and 2007 in the MSA and the nation. However, between 2008 and 2010, employment levels declined significantly due to the national recession. From February 2016 to February 2017, the MSA’s total employment increased by 5.1 percent, which was significantly greater than the national average of 1.0 percent over the same time period. Although the MSA was negatively affected by the recent national recession, the MSA has been experiencing relatively large increases in employment levels since 2011. Further, employment levels have surpassed pre-recessionary levels and the local economy is in an expansion phase.

The national recession caused a significant increase in unemployment. The unemployment rate in the MSA increased by 1.7 percentage points between 2007 and 2008, and increased another 3.8 percentage points between 2008 and 2009. In 2010, the unemployment rate continued to increase, albeit at a slower rate than the prior two years. These increases in 2008, 2009, and 2010 were greater than the nation in terms of percentage points, indicating that the MSA was more significantly affected by the recent economic recession than the nation as a whole. Unemployment rates have continued to decrease in the MSA since 2011. Between February 2016 and February 2017, the unemployment rate decreased by 0.4 percentage points. The MSA is experiencing the lowest unemployment rate since 2007. Overall, the MSA has recovered from the national recession and total employment has surpassed pre-recessionary levels and the area is currently in an expansion phase.



5. Map of Site and Major Employment Concentrations

The following map and table details the top ten largest employers in the Atlanta, Georgia area.



MAJOR EMPLOYERS

Atlanta-Sandy Springs-Roswell, GA MSA

#	Employer	Employer	Number Employed
1	Delta Airlines	Transportation	31,237
2	Emory University/ Emory Healthcare	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Retail Trade	20,532
4	The Home Depot, Inc.	Retail Trade	20,000
5	AT&T Inc.	Communications	17,882
6	The Kroger Co.	Retail Trade	14,753
7	WellStar Health System	Healthcare	13,500
8	Publix Super Markets, Inc.	Retail Trade	9,494
9	United States Postal Service	Government	9,385
10	Northside Hospital	Healthcare	9,016

Source: Metro Atlanta Chamber of Commerce, Novogradac & Co LLP, 2017

Conclusion

Total employment in the MSA has increased every year since 2011. From February 2016 to February 2017, the MSA's total employment increased by 5.1 percent, which was significantly greater than the national average of 1.0 percent over the same time period. Between February 2016 and February 2017, the unemployment rate decreased by 0.4 percentage points. Overall, the local economy is currently in an expansion stage, as total employment rates are above pre-recessionary rates and unemployment rates have been declining since 2011.

The PMA includes various employment options for area residents. The largest employment types in the area are the professional/scientific/tech services sector, finance/insurance sector, and the health care sector. The MSA economy has performed well over the past decade with increased number of employed and a declining unemployment rate. The MSA's economy appears to be in an expansion phase.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC 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 senior household will pay is 40 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).

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

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

2. AFFORDABILITY

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 40 percent for senior households. 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 senior households. We will use these guidelines to set the minimum income levels for the demand analysis.

3. DEMAND

The demand for the Subject will be derived from two sources: existing households and new households. 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 December 2018, the anticipated date of market entry, as the base year for the analysis. Therefore, 2016 household population estimates are inflated to December 2018 by interpolation of the difference between 2016 estimates and 2021 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. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in December 2018. This number takes the overall growth from 2016 to December 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 three sources of potential tenants. The first source (**2a.**) 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 CHAS data based on appropriate income levels.

The second source (**2b.**) 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. The third source (**2c.**) is those 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.

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. SECONDARY MARKET AREA

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.

3D. OTHER

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. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

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 or sooner.
- 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.

We researched the Georgia DCA published list of LIHTC allocations from 2014 - 2016. Over this time period, there have been no allocations in the Subject's PMA.

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 average occupancy rates reported.

OVERALL PMA OCCUPANCY				
Property Name	Type	Te nancy	Units	Occupancy
Ashton SF Senior	LIHTC/Market	Senior	60	N/Av
Gates Park Crossing	LIHTC	Senior	153	N/Av
Cove at Red Oak	LIHTC/Section 8	Family	144	N/Av
Campbell Stone Apartments	LIHTC/PBRA	Senior	342	N/Av
Columbia Senior Residences	LIHTC/PBRA	Senior	78	N/Av
Calvin Court	Section 8/Market	Senior	240	N/Av
Cathedral Towers	Section 8	Senior	195	100%
Jewish Tower	Section 8	Senior	200	100%
Zaban Tower	Section 8	Senior	60	N/Av
The Stratford	Market	Family	269	89%
Post Olgethorpe	Market	Family	250	97%
Chastain Terrace Apartments	N/Av	N/Av	N/Av	92%
Peachtree Garden	Market	Family	523	N/Av
The Brookhaven	Market	Family	735	N/Av
Renaissance on Peachtree	Market	Senior	228	97%
Bell Lenox Park	Market	Family	206	97%
Jefferson at Lenox Park	Market	Family	407	N/Av
Lexington Glen Apartments	N/Av	N/Av	N/Av	N/Av
Berkshires at Lenox Park	Market	Family	375	92%
Reserve at Lenox Park	Market	Family	176	96%
Shephard Biscayne Apartments	N/Av	N/Av	N/Av	N/Av
Post Gardens	Market	Family	398	93%
Glenridge Walk	Market	Family	273	93%
Elle of Buckhead	N/Av	N/Av	N/Av	91%
Metropolitan at Buckhead	Market	Family	431	N/Av
Sterling Collier Hills/Fernwood	Market	Family	120	98%
Colonial Homes Apartments	N/Av	N/Av	N/Av	N/Av
Brookwood Valley	Market	Family	240	N/Av
The Darlington	Market	Family	612	N/Av
Amberidge Apartments	Market	Family	31	100%
Camden Brookwood Apartments	Market	Family	359	N/Av
Buford Apartments	N/Av	N/Av	N/Av	N/Av
The Allure	Market	Family	231	96%
Westminster at Buckhead	Market	Family	224	89%
Chastain Park Apartments	N/Av	N/Av	N/Av	N/Av
Bell at Peachtree	Market	Family	236	N/Av
771 Lindbergh	Market	Family	204	93%
Canlan Walk	Market	Family	425	93%
Belle Isle Apartments/ARIUM Chastain Apartments	Market	Family	212	N/Av
Waterford Place Apartments	Market	Family	180	95%
Peachtree Park Apartments	Market	Family	303	N/Av
Avistele at Andalusia	Market	Family	312	N/Av
Chateau Villa Apartments	Market	Family	125	100%
Park Village Apartments	Market	Family	68	100%
Versailles Apartments	N/Av	N/Av	N/Av	N/Av
1105 Town Brookhaven Apartments	Market	Family	299	94%
Windsor at Brookhaven	Market	Family	287	95%
Post Glen	Market	Family	314	93%
Windsor Hall Apartments	N/Av	N/Av	N/Av	100%
Phipps Place	Market	Family	266	93%
Kingsboro Place Luxury Apartments	Market	Family	152	97%
Tremont Apartment Homes	Market	Family	78	100%
Bryson Square at City Park/The Row at 26th Apartments	N/Av	N/Av	N/Av	85%
Alexan Lenox	Market	Family	305	93%
Pointe at Lenox Park	Market	Family	271	92%
Uptown Buckhead Apartments	N/Av	N/Av	N/Av	87%
Rivers Edge at Peachtree Creek	Market	Family	50	N/Av
The Overlook at Lindbergh/Avana Lenox Apartments	Market	Family	423	N/Av
Archstone-Westchester at Peachtree Valley	Market	Family	349	N/Av
Ivy Chase	Market	Family	216	100%
Wesley Townsend Apartments	Market	Family	144	94%
Uptown Square Apartments	Market	Family	363	95%

Cambridge at Buckhead/Axial Buckhead	Market	Family	168	N/Av
Enclave at Glenridge Gate	N/Av	N/Av	N/Av	N/Av
Post Collier Hills/The Pointe at Collier Hills	Market	Family	396	93%
Gramercy at Buckhead	Market	Family	249	96%
West Paces Park Gate	N/Av	N/Av	N/Av	96%
Post Chastain	Market	Family	558	N/Av
Amlı 3464*	Market	Family	240	30%
Amlı Piedmont Heights*	Market	Family	375	72%
Broadstone Court	Market	Family	250	94%
Camden Paces	Market	Family	369	97%
Cyan On Peachtree	Market	Family	328	N/Av
Elan Lindbergh	Market	Family	358	84%
Hanover East Paces*	Market	Family	375	10%
Skyhouse Buckhead	Market	Family	362	N/Av
Solis Downwood	Market	Family	280	N/Av
The Collection - Ph I	Market	Family	316	N/Av
The Haynes House	Market	Family	188	86%
The Monroe	Market	Family	217	96%
The Residence Buckhead	Market	Family	368	93%
The High Rise At Post Alexander	Market	Family	340	N/Av
Venue Brookwood	Market	Family	250	N/Av
Gables Brookhaven	Market	Family	374	82%
Gables Brookhaven Ph Ii	Market	Family	242	82%
Average				92%

Novogradac & Company LLP

*Not yet stabilized

Rehab Developments and PBRA

For any properties that are rehabilitated 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.

According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments 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 provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject has nine vacant units, one over income tenant, and the remaining tenants are income-qualified for their specific unit type assuming LIHTC operation based on the current rent roll. Therefore, we have determined the Subject’s capture rates based on 206 total units, considering the one over-income unit and manager unit as deducted.

The Subject will offer primarily one -bedroom units, and a single two-bedroom unit restricted at 60 percent of AMI. It should be noted that DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. Rent increases will be made gradually, maintaining rents which are affordable to the existing tenant base. We do not

expect that the Subject will need to re-lease 206 units following renovation. Therefore, our demand analysis is considered conservative and hypothetical.

Capture Rates

The above calculations and derived capture rates are illustrated in the following tables.

Renter Household Income Distribution 2016 to Projected Market Entry December 2018					
Piedmont Senior Tower					
PMA					
	2016		Projected Mkt Entry December 2018		Percent Growth
	#	%	#	%	
\$0-9,999	859	16.2%	921	15.6%	6.7%
\$10,000-19,999	844	16.0%	896	15.2%	5.8%
\$20,000-29,999	723	13.7%	776	13.2%	6.8%
\$30,000-39,999	430	8.1%	485	8.2%	11.2%
\$40,000-49,999	311	5.9%	349	5.9%	10.8%
\$50,000-59,999	423	8.0%	476	8.1%	11.2%
\$60,000-74,999	233	4.4%	264	4.5%	12.0%
\$75,000-99,999	379	7.2%	431	7.3%	12.1%
\$100,000-124,999	332	6.3%	377	6.4%	11.9%
\$125,000-149,999	206	3.9%	246	4.2%	16.3%
\$150,000-199,999	225	4.2%	267	4.5%	16.0%
\$200,000+	326	6.2%	399	6.8%	18.3%
Total	5,290	100.0%	5,886	100.0%	10.1%

Renter Household Income Distribution Projected Market Entry December 2018			
Piedmont Senior Tower			
	PMA		Change 2016 to Prj Mrkt Entry December 2018
	Projected Mkt Entry December 2018		
	#	%	#
\$0-9,999	921	15.6%	93
\$10,000-19,999	896	15.2%	91
\$20,000-29,999	776	13.2%	79
\$30,000-39,999	485	8.2%	49
\$40,000-49,999	349	5.9%	35
\$50,000-59,999	476	8.1%	48
\$60,000-74,999	264	4.5%	27
\$75,000-99,999	431	7.3%	44
\$100,000-124,999	377	6.4%	38
\$125,000-149,999	246	4.2%	25
\$150,000-199,999	267	4.5%	27
\$200,000+	399	6.8%	40
Total	5,886	100.0%	597

Tenure Prj Mrkt Entry December 2018	
Owner	57.2%
Renter	42.8%
Total	100.0%

Renter Household Size for Prj Mrkt Entry December 2018		
Size	Number	Percentage
1 Person	4,281	72.7%
2 Person	966	16.4%
3 Person	244	4.2%
4 Person	195	3.3%
5+ Person	201	3.4%
Total	5,886	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	2,693	78.8%
2 Person	653	19.1%
3 Person	52	1.5%
4 Person	8	0.2%
5+ Person	10	0.3%
Total	3,416	100.0%

60%AMI

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%	
Minimum Income Limit		\$22,770	
Maximum Income Limit		\$32,400	
			0
	New Renter Households - Total		
	Change in Households		
	PMA 2016 to Prj		
	Mrkt Entry December		
	2018		
Income Category		Income Brackets	Percent within Cohort
			Renter Households within Bracket
\$0-9,999	93.32		0.0%
\$10,000-19,999	90.84		0.0%
\$20,000-29,999	78.64	7,229	72.3%
\$30,000-39,999	49.11	2,400	24.0%
\$40,000-49,999	35.36		0.0%
\$50,000-59,999	48.21		0.0%
\$60,000-74,999	26.79		0.0%
\$75,000-99,999	43.69		0.0%
\$100,000-124,999	38.19		0.0%
\$125,000-149,999	24.91		0.0%
\$150,000-199,999	27.10		0.0%
\$200,000+	40.45		0.0%
	597		100.0%
			69
Percent of renter households within limits versus total number of renter households			11.51%

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%	
Minimum Income Limit		\$22,770	
Maximum Income Limit		\$32,400	
			0
	Total Renter Households PMA Prj		
	Mrkt Entry December		
	2018		
Income Category		Income Brackets	Percent within Cohort
			Households within Bracket
\$0-9,999	921		0.0%
\$10,000-19,999	896		0.0%
\$20,000-29,999	776	\$7,229	72.3%
\$30,000-39,999	485	\$2,400	24.0%
\$40,000-49,999	349		0.0%
\$50,000-59,999	476		0.0%
\$60,000-74,999	264		0.0%
\$75,000-99,999	431		0.0%
\$100,000-124,999	377		0.0%
\$125,000-149,999	246		0.0%
\$150,000-199,999	267		0.0%
\$200,000+	399		0.0%
	5,886		100.0%
			677
Percent of renter households within limits versus total number of renter households			11.51%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2016 Median Income

Change from 2016 to Prj Mrkt Entry December 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

Yes
Senior
Urban
\$0.40
\$65,504
\$67,500
\$1,996
3.0%
0.5%
0.5%
Two year adjustment
1.0000
\$32,400
\$32,400
2
60%
\$759
\$759.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	100%	0%	0%	0%	0%	100%
2	0%	40%	60%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2016 to Prj Mrkt Entry December 2018

Income Target Population		60%
New Renter Households PMA		597
Percent Income Qualified		11.5%
New Renter Income Qualified Households		69

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2016

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		5,886
Income Qualified		11.5%
Income Qualified Renter Households		677
Percent Rent Overburdened Prj Mrkt Entry December 2018		27.0%
Rent Overburdened Households		183

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		677
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		3

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		5886
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		191
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		191
Total New Demand		69
Total Demand (New Plus Existing Households)		260

Demand from Seniors Who Convert from Homeownership		5
Percent of Total Demand From Homeownership Conversion		1.9%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	72.7%	189
Two Persons	16.4%	43
Three Persons	4.2%	11
Four Persons	3.3%	9
Five Persons	3.4%	9
Total	100.0%	260

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	189
Of two-person households in 1BR units	40%	17
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	0%	0
Of two-person households in 2BR units	60%	26
Of three-person households in 2BR units	60%	6
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0

Total Demand 260

Check OK

Total Demand by Bedroom 60%

1 BR 206

2 BR 26

Total Demand 254

Additions To Supply 2016 to Prj Mrkt Entry December 2018 60%

1 BR 0

2 BR 0

Total 0

Net Demand 60%

1 BR 206

2 BR 26

Total 232

Developer's Unit Mix 60%

1 BR 205

2 BR 1

Total 206

Capture Rate Analysis 60%

1 BR 99.4%

2 BR 3.9%

Total 88.9%

Overall with RAD

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%		
Minimum Income Limit		\$0		
Maximum Income Limit		\$32,400	2	
Income Category	New Renter Households - Total Change in Households PMA 2016 to Prj Mrkt Entry December 2018		Renter Households within Bracket	
	Income Brackets	Percent within Cohort	within Bracket	
\$0-9,999	93.32	15.6%	9,999	100.0% 93
\$10,000-19,999	90.84	15.2%	9,999	100.0% 91
\$20,000-29,999	78.64	13.2%	9,999	100.0% 79
\$30,000-39,999	49.11	8.2%	2,400	24.0% 12
\$40,000-49,999	35.36	5.9%		0.0% 0
\$50,000-59,999	48.21	8.1%		0.0% 0
\$60,000-74,999	26.79	4.5%		0.0% 0
\$75,000-99,999	43.69	7.3%		0.0% 0
\$100,000-124,999	38.19	6.4%		0.0% 0
\$125,000-149,999	24.91	4.2%		0.0% 0
\$150,000-199,999	27.10	4.5%		0.0% 0
\$200,000+	40.45	6.8%		0.0% 0
	597	100.0%		275
Percent of renter households within limits versus total number of renter households				46.02%

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%		
Minimum Income Limit		\$0		
Maximum Income Limit		\$32,400	2	
Income Category	Total Renter Households PMA Prj Mrkt Entry December 2018		Households within Bracket	
	Income Brackets	Percent within Cohort	Bracket	
\$0-9,999	921	15.6%	\$9,999	100.0% 921
\$10,000-19,999	896	15.2%	\$9,999	100.0% 896
\$20,000-29,999	776	13.2%	\$9,999	100.0% 776
\$30,000-39,999	485	8.2%	\$2,400	24.0% 116
\$40,000-49,999	349	5.9%		0.0% 0
\$50,000-59,999	476	8.1%		0.0% 0
\$60,000-74,999	264	4.5%		0.0% 0
\$75,000-99,999	431	7.3%		0.0% 0
\$100,000-124,999	377	6.4%		0.0% 0
\$125,000-149,999	246	4.2%		0.0% 0
\$150,000-199,999	267	4.5%		0.0% 0
\$200,000+	399	6.8%		0.0% 0
	5,886	100.0%		2,709
Percent of renter households within limits versus total number of renter households				46.02%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2016 Median Income

Change from 2016 to Prj Mrkt Entry December 2018

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

Yes
Senior
Urban
\$0
\$65,504
\$67,500
\$1,996
3.0%
0.5%
0.5%
Two year adjustment
1.0000
\$32,400
\$32,400
2
60%
\$759
\$759.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	100%	0%	0%	0%	0%	100%
2	0%	40%	60%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2016 to Prj Mrkt Entry December 2018

Income Target Population		60%
New Renter Households PMA		597
Percent Income Qualified		46.0%
New Renter Income Qualified Households		275

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2016

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		5,886
Income Qualified		46.0%
Income Qualified Renter Households		2,709
Percent Rent Overburdened Prj Mrkt Entry December 2018		27.0%
Rent Overburdened Households		732

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		2,709
Percent Living in Substandard Housing		0.5%
Households Living in Substandard Housing		13

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		5886
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		20

Total Demand

Total Demand from Existing Households		765
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		765
Total New Demand		275
Total Demand (New Plus Existing Households)		1,040

Demand from Seniors Who Convert from Homeownership		20
Percent of Total Demand From Homeownership Conversion		1.9%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	72.7%	756
Two Persons	16.4%	171
Three Persons	4.2%	43
Four Persons	3.3%	34
Five Persons	3.4%	36
Total	100.0%	1,040

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	756
Of two-person households in 1BR units	40%	68
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	0%	0
Of two-person households in 2BR units	60%	102
Of three-person households in 2BR units	60%	26
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Total Demand		1,040
Check		OK
Total Demand by Bedroom		60%
1 BR		825
2 BR		102
Total Demand		1,014
Additions To Supply 2016 to Prj Mrkt Entry December 2018		60%
1 BR		0
2 BR		0
Total		0
Net Demand		60%
1 BR		825
2 BR		102
Total		927
Developer's Unit Mix		60%
1 BR		205
2 BR		1
Total		206
Capture Rate Analysis		60%
1 BR		24.9%
2 BR		1.0%
Total		22.2%

Conclusions

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

- The number of senior renter households in the PMA is expected to increase by 597 units between 2016 and market entry.
- The senior affordable comparables reported zero vacancy and waiting lists.

- We considered the 206 units at the Subject for capture rate calculations for the Subject, removing the manager unit and the single unit that will be over-income.
- 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.

CAPTURE RATE ANALYSIS CHART

Unit	Income Limits Min.	Income Limits Max	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed LIHTC
1BR @ 60%	\$22,770	\$32,400	205	206	0	206	99%	5 months	\$1,275	\$870-\$1,667	\$759
2BR @ 60%	\$27,360	\$32,400	1	26	0	26	4%	5 months	\$1,766	\$1,155-\$2,347	\$912
1BR w/ RAD	\$0	\$32,400	205	825	0	825	25%	5 months	\$1,275	\$870-\$1,667	\$759
2BR w/ RAD	\$0	\$32,400	1	102	0	102	1%	5 months	\$1,766	\$1,155-\$2,347	\$912

Demand and Net Demand		
	HH at 60% AMI \$22,770 to \$32,400	All Tax Credit Households
Demand from New Households (age and income appropriate)	69	69
PLUS	+	+
Demand from Existing Renter Households - Substandard Housing	3	3
PLUS	+	+
Demand from Existing Renter Households - Rent Overburdened Households	183	183
=		
Sub Total	255	255
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	5	5
Equals Total Demand	260	260
Less	-	-
New Supply	0	0
Equals Net Demand	260	260

As the analysis illustrates, the Subject’s overall capture rate when we consider the RAD program rental assistance that will be in place 22.2 percent. Therefore, we believe there is more than adequate demand for the Subject. This is a hypothetical demand analysis as the Subject is currently operating as a stabilized development.

H. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 2,064 units that are 94.2 percent occupied. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided later in this section. A map illustrating the location of the Subject in relation to comparable properties is also provided in this section. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average; there are several affordable properties in the PMA, but the majority operates with additional subsidies. Thus, we selected four senior LIHTC properties as “true” comparables, two of which are located within the PMA. The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included seven market rate properties in the rental analysis, and all are located within 2.8 miles of the Subject. The comparable market rate properties were constructed or renovated since 2001, and all offer one-bedroom units. Additionally, two of the market rate comparables offer a similar high-rise design as the Subject.

The selected LIHTC properties are included in the following list of properties. As previously noted, all of these properties target seniors, similar to the Subject.

SURVEYED LIHTC COMPARABLES			
Property Name	Address	Total Units (1)	Vacancy Rate
Ashford Landing Senior	3521 Blair Circle NE	117	0.0%
Ashford Parkside	3522 Blair Circle NE	151	0.0%
Baptist Gardens	1928 Delowe Drive SW	100	0.0%
Big Bethel Village	500 Richard Allen Boulevard SW	120	0.0%
Total		488	0.0%

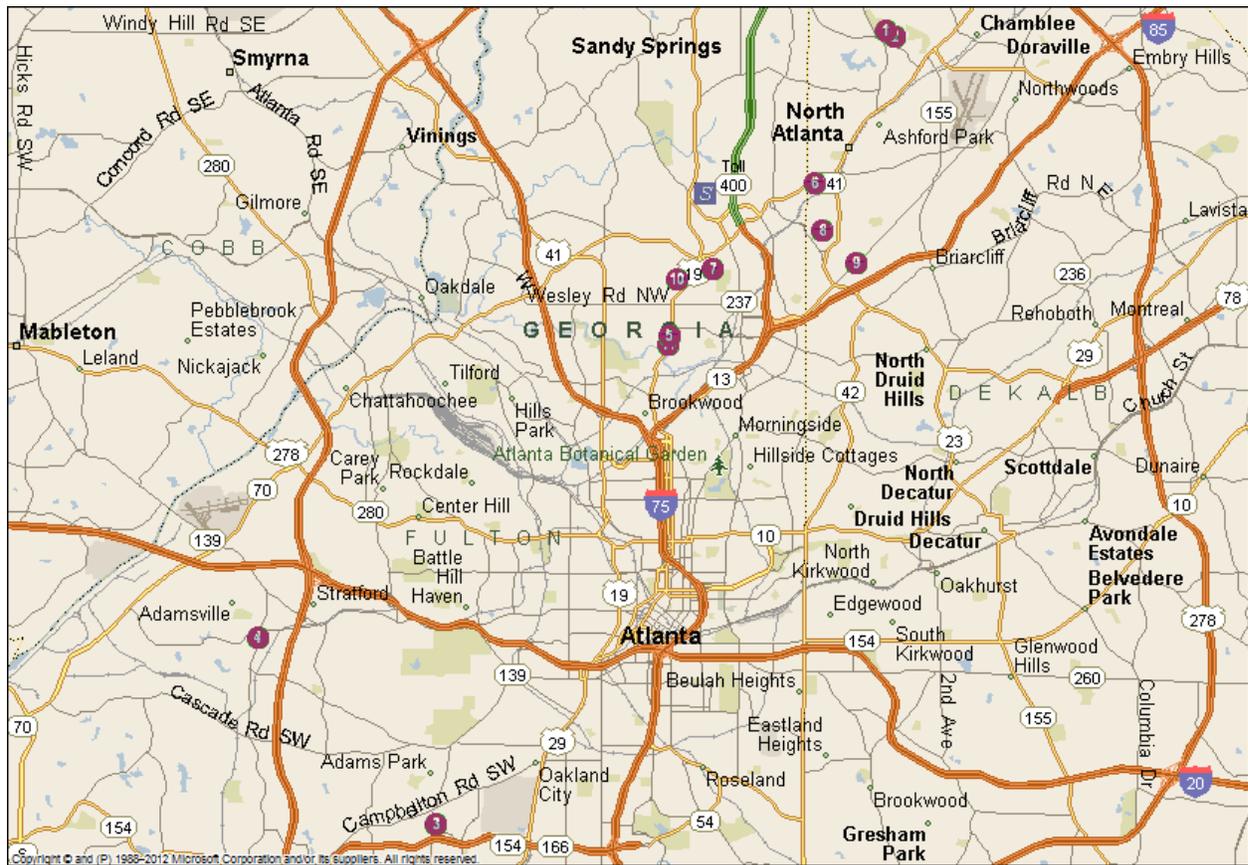
Excluded Properties

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	Type	Tenancy	Units	Occupancy	Waiting List	Reason for Exclusion
Gates Park Crossing Senior	LIHTC	Senior	153	N/Av	N/Av	Unable to contact
Ashton SF Senior	LIHTC/Market	Senior	60	N/Av	N/Av	Unable to contact
Cove at Red Oak	LIHTC/Section 8	Family	144	N/Av	N/Av	Subsidized rents
Campbell Stone Apartments	LIHTC/PBRA	Senior	342	N/Av	N/Av	Subsidized rents
Columbia Senior Residences	LIHTC/PBRA	Senior	78	N/Av	N/Av	Subsidized rents
Calvin Court	Section 8/Market	Senior	240	N/Av	N/Av	Subsidized rents
Cathedral Towers	Section 8	Senior	195	100%	Yes	Subsidized rents
Jewish Tower	Section 8	Senior	200	100%	Yes	Subsidized rents
Zaban Tower	Section 8	Senior	60	100%	Yes	Subsidized rents

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashford Landing Senior Residences	Atlanta	LIHTC	4.3 miles
2	Ashford Parkside	Atlanta	LIHTC,	4.3 miles
3	Baptist Gardens	Atlanta	LIHTC	11.2 miles
4	Big Bethel Village	Atlanta	LIHTC,	10.8 miles
5	2460 Peachtree Apartments	Atlanta	Market	2.2 miles
6	3833 Peachtree Apartments	Atlanta	Market	1.9 miles
7	Allure In Buckhead Village	Atlanta	Market	1.1 miles
8	Berkshires At Lenox Park	Atlanta	Market	2.2 miles
9	Esquire Apartments	Atlanta	Market	2.8 miles
10	The Aster At Buckhead	Atlanta	Market	1.4 miles
11	The Haynes House	Atlanta	Market	2.4 miles

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	Piedmont Senior Tower 3601 Piedmont Road NE Atlanta, GA 30305 Fulton County	n/a	Highrise (age-restricted) (13 stories) 1978 / 2001/2006/2007/2018	LIHTC	1BR / 1BA	129	62.00%	Section 8	\$779	409	yes	N/A	N/A	N/A				
					1BR / 1BA	14	6.70%	Section 8	\$779	522	yes	N/A	N/A	N/A				
					1BR / 1BA	14	6.70%	Section 8	\$779	533	yes	N/A	N/A	N/A				
					1BR / 1BA	25	12.00%	Section 8	\$779	548	yes	N/A	N/A	N/A				
					1BR / 1BA	23	11.10%	Section 8	\$779	574	yes	N/A	N/A	N/A				
					1BR / 1BA	1	0.50%	Market	\$250	574	n/a	N/A	N/A	N/A				
					1BR / 1BA	1	0.50%	Non-Rental	N/A	409	n/a	N/A	N/A	N/A				
					2BR / 1BA	1	0.50%	Section 8	\$933	899	yes	N/A	N/A	N/A				
										208	100%						9	4.30%
					1	Ashford Landing Senior Residences 3521 Blair Circle, NE Atlanta, GA 30319 DeKalb County	4.3 miles	Midrise (age-restricted) (4 stories) 2009 / n/a	LIHTC	1BR / 1BA	29	24.80%	@30% (ACC)	\$429	688	yes	Yes	0
1BR / 1BA	46	39.30%	@60%	\$837						688	yes	Yes	0	0.00%				
1BR / 1BA	19	16.20%	@60% (PBRA)	\$837						688	yes	Yes	0	0.00%				
2BR / 1BA	7	6.00%	@30% (ACC)	\$454						914	yes	Yes	0	0.00%				
2BR / 1BA	10	8.50%	@60%	\$1,005						914	yes	Yes	0	0.00%				
2BR / 1BA	6	5.10%	@60% (PBRA)	\$1,005						914	yes	Yes	0	0.00%				
										117	100%						0	0.00%
2	Ashford Parkside 3522 Blair Circle Atlanta, GA 30319 DeKalb County	4.3 miles	Midrise (age-restricted) (3 stories) 2007 / n/a	LIHTC, Mkt	1BR / 1BA	8	5.30%	@30% (ACC)	\$415	688	yes	Yes	0	0.00%				
					1BR / 1BA	3	2.00%	@30% (Section 8)	\$415	688	yes	Yes	0	0.00%				
					1BR / 1BA	28	18.50%	Market	\$1,005	688	n/a	Yes	0	0.00%				
					2BR / 1BA	14	9.30%	@30% (ACC)	\$500	914	yes	Yes	0	0.00%				
					2BR / 1BA	5	3.30%	@30% (Section 8)	\$500	914	yes	Yes	0	0.00%				
					2BR / 1BA	58	38.40%	Market	\$1,155	914	n/a	Yes	0	0.00%				
					2BR / 2BA	8	5.30%	@30% (ACC)	\$500	1,079	yes	Yes	0	0.00%				
					2BR / 2BA	2	1.30%	@30% (Section 8)	\$500	1,079	yes	Yes	0	0.00%				
					2BR / 2BA	25	16.60%	Market	\$1,180	1,079	n/a	Yes	0	0.00%				
										151	100%						0	0.00%
					3	Baptist Gardens 1928 Delowe Drive SW Atlanta, GA 30311 Fulton County	11.2 miles	Lowrise (age-restricted) (3 stories) 2013 / n/a	LIHTC	1BR / 1BA	25	25.00%	@50%	\$673	750	yes	Yes	0
1BR / 1BA	75	75.00%	@60%	\$740						750	yes	Yes	0	0.00%				
										100	100%					0	0.00%	
4	Big Bethel Village 500 Richard Allen Boulevard SW Atlanta, GA 30331 Fulton County	10.8 miles	Lowrise (age-restricted) (3 stories) 2003 / n/a	LIHTC, Mkt	Studio / 1BA	14	11.70%	@60%	\$650	358	no	Yes	0	0.00%				
					Studio / 1BA	4	3.30%	Market	\$700	358	n/a	No	0	0.00%				
					1BR / 1BA	19	15.80%	@60%	\$750	433	no	Yes	0	0.00%				
					1BR / 1BA	6	5.00%	@60%	\$795	500	n/a	Yes	0	0.00%				
					1BR / 1BA	6	5.00%	@60%	\$795	538	no	Yes	0	0.00%				
					1BR / 1BA	5	4.20%	Market	\$870	433	no	No	0	0.00%				
					1BR / 1BA	3	2.50%	Market	\$890	500	n/a	No	0	0.00%				
					1BR / 1BA	3	2.50%	Market	\$970	538	n/a	No	0	0.00%				
					1.5BR / 1BA	10	8.30%	@60%	\$820	630	no	Yes	0	0.00%				
					1.5BR / 1BA	1	0.80%	Market	\$1,050	630	n/a	No	0	0.00%				
					1.5BR / 1BA	4	3.30%	Market	\$1,050	639	n/a	No	0	0.00%				
					2BR / 2BA	9	7.50%	@60%	\$995	700	no	Yes	0	0.00%				
					2BR / 2BA	26	21.70%	@60%	\$995	759	no	Yes	0	0.00%				
					2BR / 2BA	10	8.30%	Market	\$1,175	759	n/a	No	0	0.00%				
					120	100%						0	0.00%					
5	2460 Peachtree Apartments 2460 Peachtree Road Atlanta, GA 30305 Fulton County	2.2 miles	Highrise (17 stories) 1985 / 2009	Market	1BR / 1BA	30	12.70%	Market	\$1,575	814	n/a	No	N/A	N/A				
					2BR / 2BA	116	49.20%	Market	\$2,007	1,100	n/a	No	N/A	N/A				
					2BR / 2BA	30	12.70%	Market	\$2,206	1,166	n/a	No	N/A	N/A				
					2BR / 2BA	30	12.70%	Market	\$2,102	1,196	n/a	No	N/A	N/A				
					2BR / 2BA	30	12.70%	Market	\$2,172	1,260	n/a	No	N/A	N/A				
										236	100%						16	6.80%
6	3833 Peachtree Apartments 3833 Peachtree Road NE Atlanta, GA 30319 DeKalb County	1.9 miles	Highrise (17 stories) 1985 / 2006	Market	1BR / 1BA	N/A	N/A	Market	\$1,579	850	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$1,629	950	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,846	1,250	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,897	1,375	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,996	1,400	n/a	No	N/A	N/A				
					232	100%						16	6.90%					
7	Allure In Buckhead Village 360 Pharr Road Atlanta, GA 30305 Fulton County	1.1 miles	Midrise (6 stories) 2001 / n/a	Market	Studio / 1BA	36	13.30%	Market	N/A	700	n/a	No	3	8.30%				
					1BR / 1BA	102	37.60%	Market	\$1,490	1,000	n/a	No	3	2.90%				
					2BR / 1BA	93	34.30%	Market	\$1,895	1,130	n/a	No	1	1.10%				
					2BR / 2BA	40	14.80%	Market	\$1,939	1,175	n/a	No	1	2.50%				
					271	100%						8	3.00%					
8	Berkshires At Lenox Park 2124 Gables Drive Atlanta, GA 30319 DeKalb County	2.2 miles	Garden (3 stories) 1990 / 2007	Market	1BR / 1BA	58	15.50%	Market	\$1,279	600	n/a	No	6	10.30%				
					1BR / 1BA	16	4.30%	Market	\$1,289	650	n/a	No	N/A	N/A				
					1BR / 1BA	132	35.20%	Market	\$1,269	800	n/a	No	N/A	N/A				
					1BR / 1BA	16	4.30%	Market	\$1,442	950	n/a	No	N/A	N/A				
					2BR / 2BA	72	19.20%	Market	\$1,564	1,100	n/a	No	N/A	N/A				
					2BR / 2BA	30	8.00%	Market	\$1,574	1,150	n/a	No	N/A	N/A				
					3BR / 2BA	33	8.80%	Market	\$1,386	1,300	n/a	No	N/A	N/A				
					3BR / 2BA	18	4.80%	Market	\$1,987	1,450	n/a	No	N/A	N/A				
										375	100%						32	8.50%
					9	Esquire Apartments 3102 Buford Hwy NE Atlanta, GA 30329 DeKalb County	2.8 miles	Various (2 stories) 1975 / 2010	Market	1BR / 1BA (Garden)	8	15.40%	Market	\$1,040	820	n/a	No	0
1.5BR / 1BA (Townhouse)	8	15.40%	Market	\$1,140						950	n/a	No	0	0.00%				
2BR / 1BA (Garden)	4	7.70%	Market	\$1,337						1,200	n/a	No	0	0.00%				
2BR / 1.5BA (Townhouse)	24	46.20%	Market	\$1,237						950	n/a	No	1	4.20%				
3BR / 2BA (Garden)	8	15.40%	Market	\$1,617						1,400	n/a	No	0	0.00%				
					52	100%						1	1.90%					
10	The Aster At Buckhead 2900 Pharr Court South Atlanta, GA 30305 Fulton County	1.4 miles	Midrise (4 stories) 2000 / n/a	Market	1BR / 1BA	41	18.30%	Market	\$1,370	675	n/a	No	1	2.40%				
					1BR / 1BA	41	18.30%	Market	\$1,409	786	n/a	No	2	4.90%				
					1BR / 1BA	41	18.30%	Market	\$1,494	885	n/a	No	7	17.10%				
					2BR / 1BA	19	8.50%	Market	\$1,752	1,147	n/a	No	2	10.50%				
					2BR / 1BA	19	8.50%	Market	\$1,697	1,162	n/a	No	4	21.10%				
					2BR / 2BA	46	20.50%	Market	\$1,846	1,279	n/a	No	1	2.20%				
					2BR / 2BA	17	7.60%	Market	\$2,347	1,461	n/a	No	3	17.60%				
					224	100%						20	8.90%					
11	The Haynes House 2420 Peachtree Road Atlanta, GA 30305 Fulton County	2.4 miles	Midrise (6 stories) 2015 / n/a	Market	Studio / 1BA	N/A	N/A	Market	\$1,511	652	n/a	No	N/A	N/A				
					1BR / 1BA	N/A	N/A	Market	\$1,667	790	n/a	No	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$2,154	1,253	n/a	No	N/A	N/A				
					186	100%						26	14.00%					

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

Effective Rent Date:	May-17	Units Surveyed:	2064	Weighted Occupancy:	94.20%
		Market Rate:	1576	Market Rate	92.40%
		Tax Credit:	488	Tax Credit	100.00%

One Bedroom One Bath			Two Bedrooms One Bath			
RENT	Property	Average	Property	Average	Property	Average
	The Haynes House	\$1,667	2460 Peachtree Apartments (2BA)	\$2,206		
	3833 Peachtree Apartments	\$1,629	2460 Peachtree Apartments (2BA)	\$2,172		
	3833 Peachtree Apartments	\$1,579	The Haynes House (2BA)	\$2,154		
	2460 Peachtree Apartments	\$1,575	2460 Peachtree Apartments (2BA)	\$2,102		
	The Aster At Buckhead	\$1,494	2460 Peachtree Apartments (2BA)	\$2,007		
	Allure In Buckhead Village	\$1,490	3833 Peachtree Apartments (2BA)	\$1,996		
	Berkshires At Lenox Park	\$1,442	3833 Peachtree Apartments (2BA)	\$1,897		
	The Aster At Buckhead	\$1,409	Allure In Buckhead Village	\$1,895		
	The Aster At Buckhead	\$1,370	3833 Peachtree Apartments (2BA)	\$1,846		
	Berkshires At Lenox Park	\$1,289	The Aster At Buckhead	\$1,752		
	Berkshires At Lenox Park	\$1,279	The Aster At Buckhead	\$1,697		
	Berkshires At Lenox Park	\$1,269	Berkshires At Lenox Park (2BA)	\$1,574		
	Esquire Apartments	\$1,040	Berkshires At Lenox Park (2BA)	\$1,564		
	Ashford Parkside * (M)	\$1,005	Esquire Apartments	\$1,337		
	Big Bethel Village * (M)	\$970	Big Bethel Village * (2BA M)	\$1,175		
	Big Bethel Village * (M)	\$890	Ashford Parkside * (M)	\$1,155		
	Big Bethel Village * (M)	\$870	Ashford Landing Senior Residences * (60%)	\$1,005		
	Ashford Landing Senior Residences * (60%)	\$837	Ashford Landing Senior Residences * (60%)	\$1,005		
	Ashford Landing Senior Residences * (60%)	\$837	Big Bethel Village * (2BA 60%)	\$995		
	Big Bethel Village * (60%)	\$795	Big Bethel Village * (2BA 60%)	\$995		
	Big Bethel Village * (60%)	\$795	Piedmont Senior Tower * (60%)	\$933		
	Piedmont Senior Tower * (60%)	\$779	Ashford Parkside * (30%)	\$500		
	Piedmont Senior Tower * (60%)	\$779	Ashford Parkside * (30%)	\$500		
	Piedmont Senior Tower * (60%)	\$779	Ashford Landing Senior Residences * (30%)	\$454		
	Piedmont Senior Tower * (60%)	\$779				
	Big Bethel Village * (60%)	\$750				
	Baptist Gardens * (60%)	\$740				
	Baptist Gardens * (50%)	\$673				
	Ashford Landing Senior Residences * (30%)	\$429				
	Ashford Parkside * (30%)	\$415				
	Ashford Parkside * (30%)	\$415				
	Piedmont Senior Tower * (M)	\$250				
SF	Allure In Buckhead Village	1,000	3833 Peachtree Apartments (2BA)	1,400		
	3833 Peachtree Apartments	950	3833 Peachtree Apartments (2BA)	1,375		
	Berkshires At Lenox Park	950	2460 Peachtree Apartments (2BA)	1,260		
	The Aster At Buckhead	885	The Haynes House (2BA)	1,253		
	3833 Peachtree Apartments	850	3833 Peachtree Apartments (2BA)	1,250		
	Esquire Apartments	820	Esquire Apartments	1,200		
	2460 Peachtree Apartments	814	2460 Peachtree Apartments (2BA)	1,196		
	Berkshires At Lenox Park	800	2460 Peachtree Apartments (2BA)	1,166		
	The Haynes House	790	The Aster At Buckhead	1,162		
	The Aster At Buckhead	786	Berkshires At Lenox Park (2BA)	1,150		
	Baptist Gardens * (50%)	750	The Aster At Buckhead	1,147		
	Baptist Gardens * (60%)	750	Allure In Buckhead Village	1,130		
	Ashford Landing Senior Residences * (30%)	688	2460 Peachtree Apartments (2BA)	1,100		
	Ashford Landing Senior Residences * (60%)	688	Berkshires At Lenox Park (2BA)	1,100		
	Ashford Landing Senior Residences * (60%)	688	Ashford Landing Senior Residences * (30%)	914		
	Ashford Parkside * (30%)	688	Ashford Landing Senior Residences * (60%)	914		
	Ashford Parkside * (30%)	688	Ashford Landing Senior Residences * (60%)	914		
	Ashford Parkside * (M)	688	Ashford Parkside * (30%)	914		
	The Aster At Buckhead	675	Ashford Parkside * (30%)	914		
	Berkshires At Lenox Park	650	Ashford Parkside * (M)	914		
	Berkshires At Lenox Park	600	Piedmont Senior Tower * (60%)	899		
	Piedmont Senior Tower * (60%)	574	Big Bethel Village * (2BA 60%)	759		
	Piedmont Senior Tower * (M)	574	Big Bethel Village * (2BA M)	759		
	Piedmont Senior Tower * (60%)	548	Big Bethel Village * (2BA 60%)	700		
	Big Bethel Village * (60%)	538				
	Big Bethel Village * (M)	538				
	Piedmont Senior Tower * (60%)	533				
	Piedmont Senior Tower * (60%)	522				
	Big Bethel Village * (60%)	500				
	Big Bethel Village * (M)	500				
	Big Bethel Village * (60%)	433				
	Big Bethel Village * (M)	433				
	Piedmont Senior Tower * (60%)	409				
RPSF	Berkshires At Lenox Park	\$2.13	2460 Peachtree Apartments (2BA)	\$1.89		
	The Haynes House	\$2.11	2460 Peachtree Apartments (2BA)	\$1.82		
	The Aster At Buckhead	\$2.03	2460 Peachtree Apartments (2BA)	\$1.76		
	Big Bethel Village * (M)	\$2.01	2460 Peachtree Apartments (2BA)	\$1.72		
	Berkshires At Lenox Park	\$1.98	The Haynes House (2BA)	\$1.72		
	2460 Peachtree Apartments	\$1.93	Allure In Buckhead Village	\$1.68		
	Piedmont Senior Tower * (60%)	\$1.90	Big Bethel Village * (2BA M)	\$1.55		
	3833 Peachtree Apartments	\$1.86	The Aster At Buckhead	\$1.53		
	Big Bethel Village * (M)	\$1.80	3833 Peachtree Apartments (2BA)	\$1.48		
	The Aster At Buckhead	\$1.79	The Aster At Buckhead	\$1.46		
	Big Bethel Village * (M)	\$1.78	3833 Peachtree Apartments (2BA)	\$1.43		
	Big Bethel Village * (60%)	\$1.73	Berkshires At Lenox Park (2BA)	\$1.42		
	3833 Peachtree Apartments	\$1.71	Big Bethel Village * (2BA 60%)	\$1.42		
	The Aster At Buckhead	\$1.69	3833 Peachtree Apartments (2BA)	\$1.38		
	Big Bethel Village * (60%)	\$1.59	Berkshires At Lenox Park (2BA)	\$1.37		
	Berkshires At Lenox Park	\$1.59	Big Bethel Village * (2BA 60%)	\$1.31		
	Berkshires At Lenox Park	\$1.52	Ashford Parkside * (M)	\$1.26		
	Piedmont Senior Tower * (60%)	\$1.49	Esquire Apartments	\$1.11		
	Allure In Buckhead Village	\$1.49	Ashford Landing Senior Residences * (60%)	\$1.10		
	Big Bethel Village * (60%)	\$1.48	Ashford Landing Senior Residences * (60%)	\$1.10		
	Piedmont Senior Tower * (60%)	\$1.46	Piedmont Senior Tower * (60%)	\$1.04		
	Ashford Parkside * (M)	\$1.46	Ashford Parkside * (30%)	\$0.55		
	Piedmont Senior Tower * (60%)	\$1.42	Ashford Parkside * (30%)	\$0.55		
	Piedmont Senior Tower * (60%)	\$1.36	Ashford Landing Senior Residences * (30%)	\$0.50		
	Esquire Apartments	\$1.27				
	Ashford Landing Senior Residences * (60%)	\$1.22				
	Ashford Landing Senior Residences * (60%)	\$1.22				
	Baptist Gardens * (60%)	\$0.99				
	Baptist Gardens * (50%)	\$0.90				
	Ashford Landing Senior Residences * (30%)	\$0.62				
	Ashford Parkside * (30%)	\$0.60				
	Ashford Parkside * (30%)	\$0.60				
	Piedmont Senior Tower * (M)	\$0.44				

PROPERTY PROFILE REPORT

Ashford Landing Senior Residences

Effective Rent Date 4/19/2017

Location 3521 Blair Circle, NE
Atlanta, GA 30319
DeKalb County
Intersection: E Johnson Ferry Road

Distance 4.3 miles

Units 117

Vacant Units 0

Vacancy Rate 0.0%

Type Midrise (age-restricted) (4 stories)

Year Built/Renovated 2009 / N/A

Marketing Began 1/01/2009

Leasing Began 3/23/2009

Last Unit Leased 12/31/2009

Major Competitors Chamblee Senior Residence, Ashford, Promenade

Tenant Characteristics Seniors age 62 and older; typical age is 75. Most are from the immediate area, 20% from out of state

Contact Name Heddy

Phone 770.488.2360



Market Information

Program @30% (ACC), @60%, @60% (PBRA)

Annual Turnover Rate 10%

Units/Month Absorbed 10

HCV Tenants 10%

Leasing Pace Immediate

Annual Chg. in Rent Increased 2.5% for 1BR units at 60% AMI

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)	29	688	\$324	\$0	@30% (ACC)	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	46	688	\$732	\$0	@60%	Yes	0	0.0%	yes	None
1	1	Midrise (4 stories)	19	688	\$732	\$0	@60% (PBRA)	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	7	914	\$324	\$0	@30% (ACC)	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	10	914	\$875	\$0	@60%	Yes	0	0.0%	yes	None
2	1	Midrise (4 stories)	6	914	\$875	\$0	@60% (PBRA)	Yes	0	0.0%	yes	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$324	\$0	\$324	\$105	\$429	1BR / 1BA	\$732	\$0	\$732	\$105	\$837
2BR / 1BA	\$324	\$0	\$324	\$130	\$454	2BR / 1BA	\$875	\$0	\$875	\$130	\$1,005

Ashford Landing Senior Residences, continued

Amenities

In-Unit

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

Carpeting
Coat Closet
Exterior Storage
Hand Rails
Pull Cords
Walk-In Closet
Washer/Dryer hookup

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

Adult Education
Computer Tutoring
Shuttle Service

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
Non-shelter Services
On-Site Management
Service Coordination

Clubhouse/Meeting Room/Community Room
Elevators
Central Laundry
Off-Street Parking
Picnic Area

Premium

Hairdresser / Barber

Other

None

Comments

The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the LIHTC units which ranges between six to 12 months.

Ashford Landing Senior Residences, continued

Trend Report

Vacancy Rates

2Q15	1Q16	2Q16	2Q17
0.9%	0.0%	0.0%	0.0%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$324	\$0	\$324	\$429
2016	1	0.0%	\$324	\$0	\$324	\$429
2016	2	0.0%	\$324	\$0	\$324	\$429
2017	2	0.0%	\$324	\$0	\$324	\$429

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$324	\$0	\$324	\$454
2016	1	0.0%	\$324	\$0	\$324	\$454
2016	2	0.0%	\$324	\$0	\$324	\$454
2017	2	0.0%	\$324	\$0	\$324	\$454

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	1.5%	\$714	\$0	\$714	\$819
2016	1	0.0%	\$714	\$0	\$714	\$819
2016	2	0.0%	\$714	\$0	\$714	\$819
2017	2	0.0%	\$732	\$0	\$732	\$837

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$875	\$0	\$875	\$1,005
2016	1	0.0%	\$875	\$0	\$875	\$1,005
2016	2	0.0%	\$875	\$0	\$875	\$1,005
2017	2	0.0%	\$875	\$0	\$875	\$1,005

Trend: Comments

- 2Q15** There the waiting list for this property is over five years long. The one vacant unit is currently pre-leased.
- 1Q16** There the waiting list for this property is over five years long.
- 2Q16** Management noted that they recently purged the waiting list for eligible applicants, and the current waiting list is roughly six to twelve months.
- 2Q17** The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the LIHTC units which ranges between six to 12 months.

Photos



PROPERTY PROFILE REPORT

Ashford Parkside

Effective Rent Date	4/19/2017
Location	3522 Blair Circle Atlanta, GA 30319 DeKalb County
Distance	4.3 miles
Units	151
Vacant Units	0
Vacancy Rate	0.0%
Type	Midrise (age-restricted) (3 stories)
Year Built/Renovated	2007 / N/A
Marketing Began	6/01/2007
Leasing Began	11/01/2007
Last Unit Leased	12/31/2007
Major Competitors	Chamblee Senior
Tenant Characteristics	Majority of tenants are from former Johnson Ferry East; Referrals from senior service providers and word-of-mouth; 10% former homeowners
Contact Name	Heddy
Phone	(770) 488-2360



Market Information

Program	@30% (ACC), @30% (Section 8), Market
Annual Turnover Rate	10%
Units/Month Absorbed	75
HCV Tenants	0%
Leasing Pace	Within 14 days
Annual Chg. in Rent	Increased 5% to 13.8%
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 (3 stories)	8	688	\$310	\$0	@30% (ACC)	Yes	0	0.0%	yes	None
1	1	Midrise (3 stories)	3	688	\$310	\$0	@30% (Section 8)	Yes	0	0.0%	yes	None
1	1	Midrise (3 stories)	28	688	\$900	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Midrise (3 stories)	14	914	\$370	\$0	@30% (ACC)	Yes	0	0.0%	yes	None
2	1	Midrise (3 stories)	5	914	\$370	\$0	@30% (Section 8)	Yes	0	0.0%	yes	None
2	1	Midrise (3 stories)	58	914	\$1,025	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Midrise (3 stories)	8	1,079	\$370	\$0	@30% (ACC)	Yes	0	0.0%	yes	None
2	2	Midrise (3 stories)	2	1,079	\$370	\$0	@30% (Section 8)	Yes	0	0.0%	yes	None
2	2	Midrise (3 stories)	25	1,079	\$1,050	\$0	Market	Yes	0	0.0%	N/A	None

Ashford Parkside, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$310	\$0	\$310	\$105	\$415	1BR / 1BA	\$900	\$0	\$900	\$105	\$1,005
2BR / 1BA	\$370	\$0	\$370	\$130	\$500	2BR / 1BA	\$1,025	\$0	\$1,025	\$130	\$1,155
2BR / 2BA	\$370	\$0	\$370	\$130	\$500	2BR / 2BA	\$1,050	\$0	\$1,050	\$130	\$1,180

Amenities

In-Unit

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

Carpeting
Coat Closet
Ceiling Fan
Hand Rails
Oven
Refrigerator
Washer/Dryer hookup

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

Computer Tutoring
Shuttle Service

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
Non-shelter Services
On-Site Management

Clubhouse/Meeting Room/Community Room
Elevators
Central Laundry
Off-Street Parking
Picnic Area

Premium

Hairdresser / Barber

Other

Library, garden, arts and crafts

Comments

The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the market rate units which ranges between two to three months.

Ashford Parkside, continued

Trend Report

Vacancy Rates

4Q15	1Q16	2Q16	2Q17
0.0%	0.0%	0.0%	0.0%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$310	\$0	\$310	\$415
2016	1	0.0%	\$310	\$0	\$310	\$415
2016	2	0.0%	\$310	\$0	\$310	\$415
2017	2	0.0%	\$310	\$0	\$310	\$415

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$370	\$0	\$370	\$500
2016	1	0.0%	\$370	\$0	\$370	\$500
2016	2	0.0%	\$370	\$0	\$370	\$500
2017	2	0.0%	\$370	\$0	\$370	\$500

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$370	\$0	\$370	\$500
2016	1	0.0%	\$370	\$0	\$370	\$500
2016	2	0.0%	\$370	\$0	\$370	\$500
2017	2	0.0%	\$370	\$0	\$370	\$500

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$800	\$0	\$800	\$905
2016	1	0.0%	\$800	\$0	\$800	\$905
2016	2	0.0%	\$800	\$0	\$800	\$905
2017	2	0.0%	\$900	\$0	\$900	\$1,005

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$900	\$0	\$900	\$1,030
2016	1	0.0%	\$900	\$0	\$900	\$1,030
2016	2	0.0%	\$900	\$0	\$900	\$1,030
2017	2	0.0%	\$1,025	\$0	\$1,025	\$1,155

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	0.0%	\$1,000	\$0	\$1,000	\$1,130
2016	1	0.0%	\$1,000	\$0	\$1,000	\$1,130
2016	2	0.0%	\$1,000	\$0	\$1,000	\$1,130
2017	2	0.0%	\$1,050	\$0	\$1,050	\$1,180

Trend: Comments

- 4Q15** According to the contact, the property has market rate units. These were listed as the @60% in this profile prior to our most recent interview.
- 1Q16** According to the contact, the waiting list has approximately 15 to 20 applicants at this time.
- 2Q16** Management stated that the current waiting list is at twenty-five households.
- 2Q17** The contact reported the subsidized and project based rental assistance units have waiting lists through the Housing Authority. The property maintains a waiting list for the market rate units which ranges between two to three months.

Photos



PROPERTY PROFILE REPORT

Baptist Gardens

Effective Rent Date	4/18/2017
Location	1928 Delowe Drive SW Atlanta, GA 30311 Fulton County
Distance	11.2 miles
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2013 / N/A
Marketing Began	9/01/2012
Leasing Began	1/01/2013
Last Unit Leased	6/01/2013
Major Competitors	None Identified
Tenant Characteristics	Senior tenants 55+ (Av. Age 65-70), mostly drawn from greater ATL
Contact Name	Ebony
Phone	404-753-2500



Market Information

Program	@50%, @60%
Annual Turnover Rate	10%
Units/Month Absorbed	15
HCV Tenants	3%
Leasing Pace	30 days
Annual Chg. in Rent	Increased 5.7% on units set aside at 60% AMI
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	Lowrise (3 stories)	25	750	\$673	\$0	@50%	Yes	0	0.0%	yes	None
1	1	Lowrise (3 stories)	75	750	\$740	\$0	@60%	Yes	0	0.0%	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$673	\$0	\$673	\$0	\$673	1BR / 1BA	\$740	\$0	\$740	\$0	\$740

Amenities

In-Unit

Carpet/Hardwood
Dishwasher
Microwave
Refrigerator

Central A/C
Ceiling Fan
Oven

Security

Limited Access

Services

Shuttle Service

Property

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

Clubhouse/Meeting Room/Community Room
Exercise Facility
Off-Street Parking
Service Coordination

Premium

Delivered Hot Lunches
Hairdresser / Barber
Medical Professional

Other

None

Baptist Gardens, continued

Comments

The contact reported strong demand for affordable senior housing in the area. A waiting list was reported but the length was not provided.

Baptist Gardens, continued

Trend Report

Vacancy Rates

2Q15	4Q15	1Q16	2Q17
0.0%	1.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$673	\$0	\$673	\$673
2015	4	0.0%	\$673	\$0	\$673	\$673
2016	1	0.0%	\$673	\$0	\$673	\$673
2017	2	0.0%	\$673	\$0	\$673	\$673

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$700	\$0	\$700	\$700
2015	4	1.3%	\$700	\$0	\$700	\$700
2016	1	0.0%	\$700	\$0	\$700	\$700
2017	2	0.0%	\$740	\$0	\$740	\$740

Trend: Comments

2Q15	The waiting list was reported to have 20 applicants at this time. The contact noted rents are well below the maximum allowable for the units at 60 percent AMI since max rents would be burdensome for the majority of households at the property.
4Q15	According to the contact, the property maintains a waiting list of 15 households that is shared between all units.
1Q16	N/A
2Q17	The contact reported strong demand for affordable senior housing in the area. A waiting list was reported but the length was not provided.

Photos



PROPERTY PROFILE REPORT

Big Bethel Village

Effective Rent Date	4/19/2017
Location	500 Richard Allen Boulevard SW Atlanta, GA 30331 Fulton County
Distance	10.8 miles
Units	120
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	1/01/2003
Last Unit Leased	1/01/2004
Major Competitors	Adamsville Place, Lilli R. Campbell.
Tenant Characteristics	Seniors that are 55 years of age or older and some disabled individuals.
Contact Name	Audrey
Phone	404-699-5665



Market Information

Program	@60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	10
HCV Tenants	8%
Leasing Pace	Within one month
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	included -- wall
Cooking	included -- electric
Water Heat	included -- electric
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Big Bethel Village, 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)	14	358	\$650	\$0	@60%	Yes	0	0.0%	no	None
0	1	Lowrise (3 stories)	4	358	\$700	\$0	Market	No	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	19	433	\$750	\$0	@60%	Yes	0	0.0%	no	None
1	1	Lowrise (3 stories)	6	500	\$795	\$0	@60%	Yes	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	6	538	\$795	\$0	@60%	Yes	0	0.0%	no	None
1	1	Lowrise (3 stories)	5	433	\$870	\$0	Market	No	0	0.0%	no	None
1	1	Lowrise (3 stories)	3	500	\$890	\$0	Market	No	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	3	538	\$970	\$0	Market	No	0	0.0%	N/A	None
1.5	1	Lowrise (3 stories)	10	630	\$820	\$0	@60%	Yes	0	0.0%	no	None
1.5	1	Lowrise (3 stories)	1	630	\$1,050	\$0	Market	No	0	0.0%	N/A	None
1.5	1	Lowrise (3 stories)	4	639	\$1,050	\$0	Market	No	0	0.0%	N/A	None
2	2	Lowrise (3 stories)	9	700	\$995	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	26	759	\$995	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (3 stories)	10	759	\$1,175	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$650	\$0	\$650	\$0	\$650	Studio / 1BA	\$700	\$0	\$700	\$0	\$700
1BR / 1BA	\$750 - \$795	\$0	\$750 - \$795	\$0	\$750 - \$795	1BR / 1BA	\$870 - \$970	\$0	\$870 - \$970	\$0	\$870 - \$970
1.5BR / 1BA	\$820	\$0	\$820	\$0	\$820	1.5BR / 1BA	\$1,050	\$0	\$1,050	\$0	\$1,050
2BR / 2BA	\$995	\$0	\$995	\$0	\$995	2BR / 2BA	\$1,175	\$0	\$1,175	\$0	\$1,175

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Dishwasher
Garbage Disposal
Oven
Refrigerator
Wall A/C

Blinds
Coat Closet
Ceiling Fan
Hand Rails
Pull Cords
Walk-In Closet
Washer/Dryer hookup

Security

Limited Access
Patrol
Perimeter Fencing

Services

Shuttle Service

Property

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

Clubhouse/Meeting Room/Community Room
Exercise Facility
Off-Street Parking
Theatre

Premium

Hairdresser / Barber

Other

None

Comments

A waiting list is maintained for all LIHTC units, however the contact was unable to provide the length of the waiting list.

Big Bethel Village, continued

Trend Report

Vacancy Rates

2Q15	4Q15	1Q16	2Q17
1.7%	1.7%	1.7%	0.0%

Trend: @60%

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$800	\$0	\$800	\$800
2015	4	0.0%	\$820	\$0	\$820	\$820
2016	1	0.0%	\$820	\$0	\$820	\$820
2017	2	0.0%	\$820	\$0	\$820	\$820

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795
2015	4	0.0%	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795
2016	1	0.0%	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795
2017	2	0.0%	\$750 - \$795	\$0	\$750 - \$795	\$750 - \$795

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$995	\$0	\$995	\$995
2015	4	2.9%	\$995	\$0	\$995	\$995
2016	1	2.9%	\$995	\$0	\$995	\$995
2017	2	0.0%	\$995	\$0	\$995	\$995

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$650	\$0	\$650	\$650
2015	4	0.0%	\$650	\$0	\$650	\$650
2016	1	0.0%	\$650	\$0	\$650	\$650
2017	2	0.0%	\$650	\$0	\$650	\$650

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$1,050 - \$1,075	\$0	\$1,050 - \$1,075	\$1,050 - \$1,075
2015	4	0.0%	\$1,050 - \$1,075	\$0	\$1,050 - \$1,075	\$1,050 - \$1,075
2016	1	0.0%	\$1,050 - \$1,075	\$0	\$1,050 - \$1,075	\$1,050 - \$1,075
2017	2	0.0%	\$1,050	\$0	\$1,050	\$1,050

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	18.2%	\$805 - \$940	\$0	\$805 - \$940	\$805 - \$940
2015	4	0.0%	\$805 - \$940	\$0	\$805 - \$940	\$805 - \$940
2016	1	0.0%	\$805 - \$940	\$0	\$805 - \$940	\$805 - \$940
2017	2	0.0%	\$870 - \$970	\$0	\$870 - \$970	\$870 - \$970

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$1,175	\$0	\$1,175	\$1,175
2015	4	10.0%	\$1,175	\$0	\$1,175	\$1,175
2016	1	10.0%	\$1,175	\$0	\$1,175	\$1,175
2017	2	0.0%	\$1,175	\$0	\$1,175	\$1,175

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	0.0%	\$700	\$0	\$700	\$700
2015	4	0.0%	\$700	\$0	\$700	\$700
2016	1	0.0%	\$700	\$0	\$700	\$700
2017	2	0.0%	\$700	\$0	\$700	\$700

Trend: Comments

2Q15	The contact reported a five to seven household waiting list for the income restricted units at this time.
4Q15	According to the contact, the 1.5 bedroom units at the 60% AMI level experienced an increase of \$20 since our last interview in April of 2015. A waiting list is maintained for all LIHTC units, however the contact was unable to provide the length of the waiting list.
1Q16	A waiting list is maintained for all LIHTC units, however the contact was unable to provide the length of the waiting list.
2Q17	N/A

Photos



PROPERTY PROFILE REPORT

2460 Peachtree Apartments

Effective Rent Date	4/19/2017
Location	2460 Peachtree Road Atlanta, GA 30305 Fulton County Intersection: Terrace Drive NE
Distance	2.2 miles
Units	236
Vacant Units	16
Vacancy Rate	6.8%
Type	Highrise (17 stories)
Year Built/Renovated	1985 / 2009
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Wesley Townson, The Jane, 3833 Peachtree
Tenant Characteristics	Did not disclose
Contact Name	Erika
Phone	404.233.5000



Market Information

Program	Market
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within 2 weeks
Annual Chg. in Rent	Fluctuate often
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Highrise (17 stories)	30	814	\$1,395	\$0	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	116	1,100	\$1,760	\$0	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	30	1,166	\$1,959	\$0	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	30	1,196	\$1,855	\$0	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	30	1,260	\$1,925	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,395	\$0	\$1,395	\$180	\$1,575
2BR / 2BA	\$1,760 - \$1,959	\$0	\$1,760 - \$1,959	\$247	\$2,007 - \$2,206

2460 Peachtree Apartments, continued

Amenities

In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Coat Closet	Dishwasher
Garbage Disposal	Oven
Refrigerator	Walk-In Closet
Washer/Dryer	Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Clubhouse/Meeting Room/Community Room	Elevators
Exercise Facility	Garage
Central Laundry	Off-Street Parking
On-Site Management	Recreation Areas
Swimming Pool	

Premium

None

Other

None

Comments

The contact reported that the property offers concierge service to residents in lieu of an intercom security system. Each unit includes one free garage parking space; additional garage parking is \$50 per space. Additional community amenities include an on-site Zipcar station, arrangement with a dry cleaning pickup and delivery service, and a yoga studio. The contact reported a highly competitive rental market which she attributed as why occupancy rates have been ranging between 91 and 93 percent during the past six months.

2460 Peachtree Apartments, continued

Trend Report

Vacancy Rates

1Q16	4Q16	1Q17	2Q17
2.6%	1.7%	2.1%	6.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$1,540	\$0	\$1,540	\$1,720
2016	4	3.3%	\$1,750	\$0	\$1,750	\$1,930
2017	1	3.3%	\$1,823	\$42	\$1,781	\$1,961
2017	2	N/A	\$1,395	\$0	\$1,395	\$1,575

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$1,695 - \$1,900	\$63	\$1,632 - \$1,837	\$1,879 - \$2,084
2016	4	1.5%	\$1,695 - \$1,900	\$0 - \$63	\$1,632 - \$1,900	\$1,879 - \$2,147
2017	1	1.9%	\$2,053 - \$2,275	\$42	\$2,011 - \$2,233	\$2,258 - \$2,480
2017	2	N/A	\$1,760 - \$1,959	\$0	\$1,760 - \$1,959	\$2,007 - \$2,206

Trend: Comments

1Q16 N/A

4Q16 The contact reported that the property offers concierge service to residents in lieu of an intercom security system. Each unit is entitled to one free garage parking space; additional garage parking is \$50 per space. The contact did not report the utilization of garage spaces. Additional community amenities include an on-site Zipcar station, arrangement with a dry cleaning pickup and delivery service, and a yoga studio.

1Q17 The contact reported that the property offers concierge service to residents in lieu of an intercom security system. Each unit is entitled to one free garage parking space; additional garage parking is \$50 per space. The contact did not report the utilization of garage spaces. Additional community amenities include an on-site Zipcar station, arrangement with a dry cleaning pickup and delivery service, and a yoga studio. The property does not accept Housing Choice Vouchers.

2Q17 The contact reported that the property offers concierge service to residents in lieu of an intercom security system. Each unit includes one free garage parking space; additional garage parking is \$50 per space. Additional community amenities include an on-site Zipcar station, arrangement with a dry cleaning pickup and delivery service, and a yoga studio. The contact reported a highly competitive rental market which she attributed as why occupancy rates have been ranging between 91 and 93 percent during the past six months.

Photos



PROPERTY PROFILE REPORT

3833 Peachtree Apartments

Effective Rent Date	4/19/2017
Location	3833 Peachtree Road NE Atlanta, GA 30319 DeKalb County
Distance	1.9 miles
Units	232
Vacant Units	16
Vacancy Rate	6.9%
Type	Highrise (17 stories)
Year Built/Renovated	1985 / 2006
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	1050 Lenox
Tenant Characteristics	Young professionals, singles, 5% seniors
Contact Name	Nadine
Phone	404-267-5320



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Varies
Annual Chg. in Rent	Changes frequently
Concession	\$100 off each month throughout the lease

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	Highrise (17 stories)	N/A	850	\$1,499	\$100	Market	No	N/A	N/A	N/A	None
1	1	Highrise (17 stories)	N/A	950	\$1,549	\$100	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	N/A	1,250	\$1,699	\$100	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	N/A	1,375	\$1,750	\$100	Market	No	N/A	N/A	N/A	None
2	2	Highrise (17 stories)	N/A	1,400	\$1,849	\$100	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,499 - \$1,549	\$100	\$1,399 - \$1,449	\$180	\$1,579 - \$1,629
2BR / 2BA	\$1,699 - \$1,849	\$100	\$1,599 - \$1,749	\$247	\$1,846 - \$1,996

3833 Peachtree Apartments, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Blinds
Carpet/Hardwood
Central A/C
Exterior Storage
Microwave
Refrigerator
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

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

Clubhouse/Meeting Room/Community Room
Exercise Facility
Central Laundry
On-Site Management
Tennis Court

Premium

View

Other

Stainless steel appliances and

Comments

The contact reported occupancy rates have ranged in the low to mid 90's during the past six months. She noted several households move out to the suburbs to purchase homes. Incentives and rent concessions have been more common in the past three to six months to keep occupancy rates from falling below 90 percent.

3833 Peachtree Apartments, continued

Trend Report

Vacancy Rates

4Q13	2Q15	4Q15	2Q17
9.6%	7.2%	1.9%	6.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$1,070 - \$1,138	\$89 - \$95	\$981 - \$1,043	\$1,161 - \$1,223
2015	2	N/A	\$1,248 - \$1,481	\$104 - \$123	\$1,144 - \$1,358	\$1,324 - \$1,538
2015	4	N/A	\$1,337 - \$1,380	\$112 - \$115	\$1,225 - \$1,265	\$1,405 - \$1,445
2017	2	N/A	\$1,499 - \$1,549	\$100	\$1,399 - \$1,449	\$1,579 - \$1,629

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$1,485	\$124	\$1,361	\$1,608
2015	2	N/A	\$1,818	\$152	\$1,666	\$1,913
2015	4	N/A	\$1,675	\$70	\$1,605	\$1,852
2017	2	N/A	\$1,699 - \$1,849	\$100	\$1,599 - \$1,749	\$1,846 - \$1,996

Trend: Comments

- 4Q13** The contact reported the property was renovated in 2006 with new cabinetry, flooring, granite countertops, and stainless steel appliances in an effort to convert into condominiums. At the time, only 31 of the units were sold. Due to the slow pace of sales, the property reverted to rental units when the remaining 209 units were purchased by one ownership group. The property utilizes LRO software pricing but there is a one month free concession offered at this time. The contact reported occupancy has ranged between 90 and 94 percent during the past six months and has a 70 percent tenancy retention rate. The property is 93 percent pre-leased.
- 2Q15** The contact reported occupancy has ranged between 90 and 94 percent during the past six months and has a 70 percent tenancy retention rate. The property is 95 percent pre-leased.
- 4Q15** The property is 95 percent leased. The contact reported there will be increased availability for their one-bedroom units in the near future.
- 2Q17** The contact reported occupancy rates have ranged in the low to mid 90's during the past six months. She noted several households move out to the suburbs to purchase homes. Incentives and rent concessions have been more common in the past three to six months to keep occupancy rates from falling below 90 percent.

Photos



PROPERTY PROFILE REPORT

Allure In Buckhead Village

Effective Rent Date	3/06/2017
Location	360 Pharr Road Atlanta, GA 30305 Fulton County Intersection: Grandview Avenue NE
Distance	1.1 miles
Units	271
Vacant Units	8
Vacancy Rate	3.0%
Type	Midrise (6 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Elle at Buckhead, Gramercy, Alexan Buckhead
Tenant Characteristics	None provided
Contact Name	Dana
Phone	404-231-8743



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Both increase and decrease
Concession	See comments

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 (6 stories)	36	700	\$1,168	N/A	Market	No	3	8.3%	N/A	None
1	1	Midrise (6 stories)	102	1,000	\$1,310	\$0	Market	No	3	2.9%	N/A	None
2	1	Midrise (6 stories)	93	1,130	\$1,648	\$0	Market	No	1	1.1%	N/A	None
2	2	Midrise (6 stories)	40	1,175	\$1,692	\$0	Market	No	1	2.5%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$1,168	\$0	N/A	\$180	N/A
1BR / 1BA	\$1,310	\$0	\$1,310	\$180	\$1,490
2BR / 1BA	\$1,648	\$0	\$1,648	\$247	\$1,895
2BR / 2BA	\$1,692	\$0	\$1,692	\$247	\$1,939

Allure In Buckhead Village, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Microwave
Refrigerator
Washer/Dryer

Blinds
Central A/C
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Central Laundry
On-Site Management

Clubhouse/Meeting Room/Community Room
Garage
Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

This property was formerly known as The Allure Apartments and as The Atrium in Buckhead Village prior to that. Garage spaces are limited to one space per resident and are included in the rent. The parking garage is the only area of the property that has video surveillance. Pet rent is \$15 per month. The property uses a pricing software that calculates rents for available units daily; the contact reported average rents for each unit type. The contact reported that the property is typically better than 95 percent occupied, and that current vacancy is seasonal. The property does not accept Housing Choice Vouchers.

Allure In Buckhead Village, continued

Trend Report

Vacancy Rates

4Q15	2Q16	4Q16	1Q17
5.2%	5.2%	3.9%	3.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$1,310	\$0	\$1,310	\$1,490
2016	2	N/A	\$1,230	\$0	\$1,230	\$1,410
2016	4	N/A	\$1,263	\$53	\$1,210	\$1,390
2017	1	2.9%	\$1,310	\$0	\$1,310	\$1,490

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	1	1.1%	\$1,648	\$0	\$1,648	\$1,895

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$1,635	\$0	\$1,635	\$1,882
2016	2	N/A	\$1,550	\$0	\$1,550	\$1,797
2016	4	N/A	\$1,768	\$0	\$1,768	\$2,015
2017	1	2.5%	\$1,692	\$0	\$1,692	\$1,939

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$1,075	\$0	\$1,075	\$1,255
2016	2	N/A	\$1,298	\$0	\$1,298	\$1,478
2016	4	N/A	\$1,103	\$0	\$1,103	\$1,283
2017	1	8.3%	\$1,168	\$0	N/A	N/A

Trend: Comments

4Q15 N/A

2Q16 The contact reported that the property is currently at a typical occupancy level and are offering no concessions.

4Q16 This property was formerly known as The Allure Apartments and as The Atrium in Buckhead Village prior to that. The contact reported that the property is currently at a typical occupancy level. Concessions are currently offered only on one-bedroom units: new tenants pay half price for the first month. Garage spaces are limited to one space per resident and are included in the rent. The parking garage is the only area of the property that has video surveillance. Pet rent is \$15 per month.

1Q17 This property was formerly known as The Allure Apartments and as The Atrium in Buckhead Village prior to that. Garage spaces are limited to one space per resident and are included in the rent. The parking garage is the only area of the property that has video surveillance. Pet rent is \$15 per month. The property uses a pricing software that calculates rents for available units daily; the contact reported average rents for each unit type. The contact reported that the property is typically better than 95 percent occupied, and that current vacancy is seasonal. The property does not accept Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

Berkshires At Lenox Park

Effective Rent Date	4/19/2017
Location	2124 Gables Drive Atlanta, GA 30319 DeKalb County
Distance	2.2 miles
Units	375
Vacant Units	32
Vacancy Rate	8.5%
Type	Garden (3 stories)
Year Built/Renovated	1990 / 2007
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Reserve at Lenox Park
Tenant Characteristics	Families, singles, young professionals. Did not know how many senior hh's
Contact Name	Melissa
Phone	404-445-6493



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	One week
Annual Chg. in Rent	Change frequently
Concession	Reduced app and admin fees

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	58	600	\$1,099	\$0	Market	N/A	6	10.3%	N/A	None
1	1	Garden (3 stories)	16	650	\$1,109	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	132	800	\$1,089	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	16	950	\$1,262	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	72	1,100	\$1,317	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	30	1,150	\$1,327	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	33	1,300	\$1,069	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	18	1,450	\$1,670	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,089 - \$1,262	\$0	\$1,089 - \$1,262	\$180	\$1,269 - \$1,442
2BR / 2BA	\$1,317 - \$1,327	\$0	\$1,317 - \$1,327	\$247	\$1,564 - \$1,574
3BR / 2BA	\$1,069 - \$1,670	\$0	\$1,069 - \$1,670	\$317	\$1,386 - \$1,987

Berkshires At Lenox Park, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Garbage Disposal
Refrigerator
Washer/Dryer

Blinds
Carpeting
Dishwasher
Oven
Walk-In Closet

Security

Limited Access

Services

None

Property

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

Clubhouse/Meeting Room/Community Room
Exercise Facility
Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

The contact reported typical occupancy throughout the past year at between 92 and 95 percent.

Berkshires At Lenox Park, continued

Trend Report

Vacancy Rates

4Q13	2Q15	1Q16	2Q17
2.7%	7.7%	6.7%	8.5%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$872 - \$1,293	\$0	\$872 - \$1,293	\$1,052 - \$1,473
2015	2	N/A	\$1,025 - \$1,317	\$0	\$1,025 - \$1,317	\$1,205 - \$1,497
2016	1	N/A	\$1,180 - \$1,425	\$0	\$1,180 - \$1,425	\$1,360 - \$1,605
2017	2	N/A	\$1,089 - \$1,262	\$0	\$1,089 - \$1,262	\$1,269 - \$1,442

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$1,385	\$0	\$1,385	\$1,632
2015	2	N/A	\$1,415 - \$1,436	\$0	\$1,415 - \$1,436	\$1,662 - \$1,683
2016	1	N/A	\$1,447 - \$1,514	\$0	\$1,447 - \$1,514	\$1,694 - \$1,761
2017	2	N/A	\$1,317 - \$1,327	\$0	\$1,317 - \$1,327	\$1,564 - \$1,574

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$1,786 - \$1,826	\$0	\$1,786 - \$1,826	\$2,103 - \$2,143
2015	2	N/A	\$1,704	\$0	\$1,704	\$2,021
2016	1	N/A	\$1,926 - \$2,048	\$0	\$1,926 - \$2,048	\$2,243 - \$2,365
2017	2	N/A	\$1,069 - \$1,670	\$0	\$1,069 - \$1,670	\$1,386 - \$1,987

Trend: Comments

4Q13	The contact reported typical occupancy throughout the past year at 96 percent. He noted the smaller one bedroom units at 600 and 650 square feet typically perform well, and demand for the three bedroom units is strong as well. Both three bedroom vacancies are pre-leased. The contact could not estimate the number of seniors at the property but noted it is not a significant number. A complete unit mix was not available, but the contact reported a total of 222 one bedroom units, 102 two bedroom units, and 51 three bedroom units.
2Q15	The contact reported typical occupancy throughout the past year at between 92 and 95 percent. A complete unit mix was not available, but the contact reported a total of 222 one bedroom units, 102 two bedroom units, and 51 three bedroom units.
1Q16	N/A
2Q17	The contact reported typical occupancy throughout the past year at between 92 and 95 percent.

Photos



PROPERTY PROFILE REPORT

Esquire Apartments

Effective Rent Date	4/19/2017
Location	3102 Buford Hwy NE Atlanta, GA 30329 DeKalb County
Distance	2.8 miles
Units	52
Vacant Units	1
Vacancy Rate	1.9%
Type	Various (2 stories)
Year Built/Renovated	1975 / 2010
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy including several long term residents of 5+ years
Contact Name	Heddy
Phone	(404) 634-0074



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within a week
Annual Chg. in Rent	Increased 3% to 5%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	8	820	\$860	\$0	Market	No	0	0.0%	N/A	None
1.5	1	Townhouse	8	950	\$960	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden	4	1,200	\$1,090	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse	24	950	\$990	\$0	Market	No	1	4.2%	N/A	None
3	2	Garden	8	1,400	\$1,300	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$860	\$0	\$860	\$180	\$1,040
1.5BR / 1BA	\$960	\$0	\$960	\$180	\$1,140
2BR / 1BA	\$1,090	\$0	\$1,090	\$247	\$1,337
2BR / 1.5BA	\$990	\$0	\$990	\$247	\$1,237
3BR / 2BA	\$1,300	\$0	\$1,300	\$317	\$1,617

Esquire Apartments, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Garbage Disposal
Refrigerator

Blinds
Carpeting
Dishwasher
Oven
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

The contact reported typical occupancy at the property has been consistently at or near 100 percent during the past year. She attributes strong occupancy to stable and responsive management and many residents have been long term tenants of five or more years. The contact stated the property was heavily renovated in 2010 and is well maintained.

Esquire Apartments, continued

Trend Report

Vacancy Rates

4Q10	2Q15	1Q16	2Q17
23.1%	0.0%	3.8%	1.9%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$890	\$0	\$890	\$1,070
2016	1	N/A	\$890	\$0	\$890	\$1,070
2017	2	0.0%	\$960	\$0	\$960	\$1,140

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$610	\$0	\$610	\$790
2015	2	N/A	\$790	\$0	\$790	\$970
2016	1	N/A	\$810	\$0	\$810	\$990
2017	2	0.0%	\$860	\$0	\$860	\$1,040

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	2	N/A	\$990	\$0	\$990	\$1,237
2016	1	N/A	\$1,000	\$0	\$1,000	\$1,247
2017	2	4.2%	\$990	\$0	\$990	\$1,237

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$750	\$0	\$750	\$997
2015	2	N/A	\$950	\$0	\$950	\$1,197
2016	1	N/A	\$910	\$0	\$910	\$1,157
2017	2	0.0%	\$1,090	\$0	\$1,090	\$1,337

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$990	\$0	\$990	\$1,307
2015	2	N/A	\$1,100	\$0	\$1,100	\$1,417
2016	1	N/A	\$1,100	\$0	\$1,100	\$1,417
2017	2	0.0%	\$1,300	\$0	\$1,300	\$1,617

Trend: Comments

4Q10	Contact stated that the 12 vacant units are in the process of being completely renovated.
2Q15	N/A
1Q16	The contact reported rents increased for the garden style one-bedroom and the two-bedroom townhome style units by one percent and 2.5 percent respectively. One-bedroom townhome units and three-bedroom units remained unchanged and rents for the two-bedroom garden style units decreased 4.3 percent.
2Q17	The contact reported typical occupancy at the property has been consistently at or near 100 percent during the past year. She attributes strong occupancy to stable and responsive management and many residents have been long term tenants of five or more years. The contact stated the property was heavily renovated in 2010 and is well maintained.

Photos



PROPERTY PROFILE REPORT

The Aster At Buckhead

Effective Rent Date	4/18/2017
Location	2900 Pharr Court South Atlanta, GA 30305 Fulton County Intersection: Pharr Road NW
Distance	1.4 miles
Units	224
Vacant Units	20
Vacancy Rate	8.9%
Type	Midrise (4 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy
Contact Name	John
Phone	404.233.5582



Market Information

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

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	41	675	\$1,190	\$0	Market	No	1	2.4%	N/A	None
1	1	Midrise (4 stories)	41	786	\$1,229	\$0	Market	No	2	4.9%	N/A	None
1	1	Midrise (4 stories)	41	885	\$1,314	\$0	Market	No	7	17.1%	N/A	None
2	1	Midrise (4 stories)	19	1,147	\$1,505	\$0	Market	No	2	10.5%	N/A	None
2	1	Midrise (4 stories)	19	1,162	\$1,450	\$0	Market	No	4	21.1%	N/A	None
2	2	Midrise (4 stories)	46	1,279	\$1,599	\$0	Market	No	1	2.2%	N/A	None
2	2	Midrise (4 stories)	17	1,461	\$2,100	\$0	Market	No	3	17.6%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$1,190 - \$1,314	\$0	\$1,190 - \$1,314	\$180	\$1,370 - \$1,494
2BR / 1BA	\$1,450 - \$1,505	\$0	\$1,450 - \$1,505	\$247	\$1,697 - \$1,752
2BR / 2BA	\$1,599 - \$2,100	\$0	\$1,599 - \$2,100	\$247	\$1,846 - \$2,347

The Aster At Buckhead, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Oven
Walk-In Closet
Washer/Dryer hookup

Blinds
Central A/C
Garbage Disposal
Refrigerator
Washer/Dryer

Security

In-Unit Alarm
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Elevators
Off-Street Parking
Recreation Areas

Clubhouse/Meeting Room/Community Room
Exercise Facility
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The property was FKA The Westminster at Buckhead and is under new ownership since January 2017. The contact reported occupancy declined from 94 percent in the past two months as is common when new ownership takes over a property. Renovations are expected to be during 2017 including upgrades to the units although the contact was unsure of the scope. Exterior paint, updated landscaping, and a remodeled clubhouse are also planned for this year.

The Aster At Buckhead, continued

Trend Report

Vacancy Rates

1Q09	4Q11	4Q16	2Q17
12.1%	0.9%	0.9%	8.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$785 - \$835	\$0	\$785 - \$835	\$965 - \$1,015
2011	4	N/A	\$1,036 - \$1,120	\$0	\$1,036 - \$1,120	\$1,216 - \$1,300
2016	4	N/A	\$1,268 - \$1,584	\$0	\$1,268 - \$1,584	\$1,448 - \$1,764
2017	2	8.1%	\$1,190 - \$1,314	\$0	\$1,190 - \$1,314	\$1,370 - \$1,494

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$945	\$0	\$945	\$1,192
2011	4	N/A	\$1,220	\$0	\$1,220	\$1,467
2016	4	N/A	\$1,597 - \$1,794	\$0	\$1,597 - \$1,794	\$1,844 - \$2,041
2017	2	15.8%	\$1,450 - \$1,505	\$0	\$1,450 - \$1,505	\$1,697 - \$1,752

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$1,050	\$0	\$1,050	\$1,297
2011	4	N/A	\$1,467	\$0	\$1,467	\$1,714
2016	4	N/A	\$1,979 - \$2,524	\$0	\$1,979 - \$2,524	\$2,226 - \$2,771
2017	2	6.3%	\$1,599 - \$2,100	\$0	\$1,599 - \$2,100	\$1,846 - \$2,347

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	N/A	\$1,490	\$0	\$1,490	\$1,807
2011	4	N/A	\$1,655	\$0	\$1,655	\$1,972

Trend: Comments

1Q09 Contact had no additional comments.

4Q11 The property is formerly known as Camelot at Buckhead and it changed its name to Westminster at Buckhead in 2009. Management is no longer offering concessions. Rents have been raised 11-40% since management was last interviewed in 2009, however the rents are determined by YieldStar and management did not know when the rents had increased over that two year span.

4Q16 N/A

2Q17 The property was FKA The Westminster at Buckhead and is under new ownership since January 2017. The contact reported occupancy declined from 94 percent in the past two months as is common when new ownership takes over a property. Renovations are expected to be during 2017 including upgrades to the units although the contact was unsure of the scope. Exterior paint, updated landscaping, and a remodeled clubhouse are also planned for this year.

Photos



PROPERTY PROFILE REPORT

The Haynes House

Effective Rent Date	4/19/2017
Location	2420 Peachtree Road Atlanta, GA 30305 Fulton County Intersection: Terrace Drive NW
Distance	2.4 miles
Units	186
Vacant Units	26
Vacancy Rate	14.0%
Type	Midrise (6 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	Did not disclose
Contact Name	Felicia
Phone	404-467-8300



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	12
HCV Tenants	0%
Leasing Pace	Preleased to two weeks
Annual Chg. in Rent	Fluctuates frequently
Concession	Month of June free with 13 month lease

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 (6 stories)	N/A	652	\$1,441	\$110	Market	No	N/A	N/A	N/A	None
1	1	Midrise (6 stories)	N/A	790	\$1,611	\$124	Market	No	N/A	N/A	N/A	AVG*
1	1	Midrise (6 stories)	N/A	928	\$1,755	\$135	Market	No	N/A	N/A	N/A	HIGH
1	1	Midrise (6 stories)	N/A	652	\$1,468	\$113	Market	No	N/A	N/A	N/A	LOW
2	2	Midrise (6 stories)	N/A	1,253	\$2,066	\$159	Market	No	N/A	N/A	N/A	AVG*
2	2	Midrise (6 stories)	N/A	1,349	\$2,318	\$178	Market	No	N/A	N/A	N/A	HIGH
2	2	Midrise (6 stories)	N/A	1,156	\$1,814	\$140	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$1,441	\$110	\$1,331	\$180	\$1,511
1BR / 1BA	\$1,468 - \$1,755	\$113 - \$135	\$1,355 - \$1,620	\$180	\$1,535 - \$1,800
2BR / 2BA	\$1,814 - \$2,318	\$140 - \$178	\$1,674 - \$2,140	\$247	\$1,921 - \$2,387

The Haynes House, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Central A/C
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer

Blinds
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Clubhouse/Meeting Room/Community Room
Elevators
Garage
On-Site Management
Swimming Pool

Courtyard
Exercise Facility
Off-Street Parking
Picnic Area

Premium

None

Other

Stainless steel, granite counters,

Comments

The contact reported occupancy rates have remained below 90 percent so far during 2017. She noted January through March are typically slow in the local rental market but she reported it was especially slower this year. The contact added that it has been a very competitive rental market and stated prospective renter traffic has not improved as it typically does this time of year. The property is offering the month of June free for any leases signed between now and June 1st based on a 13 month lease.

Trend Report

Vacancy Rates

1Q16	4Q16	1Q17	2Q17
19.9%	3.8%	4.8%	14.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$1,575 - \$1,825	\$0	\$1,575 - \$1,825	\$1,755 - \$2,005
2016	4	N/A	\$1,750	\$0	\$1,750	\$1,930
2017	1	N/A	\$1,750	\$0	\$1,750	\$1,930
2017	2	N/A	\$1,468 - \$1,755	\$113 - \$135	\$1,355 - \$1,620	\$1,535 - \$1,800

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$2,375 - \$2,750	\$0	\$2,375 - \$2,750	\$2,622 - \$2,997
2016	4	N/A	\$2,680	\$0	\$2,680	\$2,927
2017	1	N/A	\$2,680	\$0	\$2,680	\$2,927
2017	2	N/A	\$1,814 - \$2,318	\$140 - \$178	\$1,674 - \$2,140	\$1,921 - \$2,387

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	1	N/A	\$1,275	\$0	\$1,275	\$1,455
2016	4	N/A	\$1,400	\$0	\$1,400	\$1,580
2017	1	N/A	\$1,400	\$0	\$1,400	\$1,580
2017	2	N/A	\$1,441	\$110	\$1,331	\$1,511

Trend: Comments

- 1Q16** The contact reported the property opened at the end of February 2015 and is currently still in lease up at 80 percent occupancy. She noted the property is 85 percent preleased. Electric vehicle charging stations are offered on site.
- 4Q16** All parking is in the garage, which is currently free. The contact reported that parking fees will be implemented soon, at a rate of \$50 per garage space per month. Additional property amenities include electric vehicle charging stations and parcel package receipt. The contact was unable to provide details on turnover, leasing pace, or annual change in rent.
- 1Q17** Garage parking costs tenants \$100 per space per month. Additional property amenities include electric vehicle charging stations and parcel package receipt. The contact was unable to provide details on turnover, leasing pace, or annual change in rent. The property uses a pricing software that determines rents daily based on available units; the contact reported average rents for each unit type. The property does not accept Housing Choice Vouchers.
- 2Q17** The contact reported occupancy rates have remained below 90 percent so far during 2017. She noted January through March are typically slow in the local rental market but she reported it was especially slower this year. The contact added that it has been a very competitive rental market and stated prospective renter traffic has not improved as it typically does this time of year. The property is offering the month of June free for any leases signed between now and June 1st based on a 13 month lease.

Photos



Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		Comp #6		Comp #7	
Piedmont Senior Tower		2460 Peachtree Apartments		3833 Peachtree Apartments		Allure In Buckhead Village		Berkshires At Lenox Park		Esquire Apartments		The Aster At Buckhead		The Haynes House	
3601 Piedmont Road NE		2460 Peachtree Road		3833 Peachtree Road NE		360 Pharr Road		2124 Gables Drive		3102 Buford Hwy NE		2900 Pharr Court South		2420 Peachtree Road	
Atlanta, Fulton County		Atlanta, Fulton		Atlanta, Dekalb		Atlanta, Fulton		Atlanta, Dekalb		Atlanta, Dekalb		Atlanta, Fulton		Atlanta, Fulton	
Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,395	N	\$1,499	N	\$1,310	N	\$1,099	N	\$860	N	\$1,190	N	\$1,611	N
2	Date Last Leased (mo/yr)	Apr-17		Apr-17		Mar-17		Apr-17		Apr-17		Apr-17		Apr-17	
3	Rent Concessions	N		Y	(\$100)	N		N		N		N		Y	(\$124)
4	Occupancy for Unit Type	93%		93%		97%		89%		100%		97%		86%	
5	Effective Rent & Rent / sq. ft	\$1,395	\$1.71	\$1,399	\$1.65	\$1,310	\$1.31	\$1,099	\$1.83	\$860	\$1.05	\$1,190	\$1.76	\$1,487	\$1.88
In Parts B thru E, adjust only for differences the subject's market values.															
B. Design, Location, Condition															
6	Structure / Stories	E/13		E/17		E/6		G/3	\$50	G	\$50	E/4		E/6	
7	Yr. Built / Yr. Renovated	1978/2018		1985/2009		2001		1990/2007		1975/2010		2000		2015	
8	Condition / Street Appeal	Good	(\$150)	Excellent		Good		Average	\$100	Average	\$100	Good		Excellent	(\$150)
9	Neighborhood	Good		Excellent	(\$75)	Good		Excellent	(\$75)	Average	\$75	Good		Good	
10	Same Market? Miles to Subj.	Yes/2.2		Yes/1.9		Yes/1.1		Yes/2.2		Yes/2.8		No/1.4		No/2.4	
C. Unit Equipment / Amenities															
11	# Bedrooms	1		1		1		1		1		1		1	
12	# Bathrooms	1		1		1		1		1		1		1	
13	Unit Interior Sq. Ft.	409	\$14	814	(\$170)	850	(\$180)	1000	(\$190)	600	(\$85)	820	(\$105)	675	(\$115)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)
15	AC: Central / Wall	WA		C		C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	N	(\$10)	D	(\$10)	M/D	(\$10)	D	(\$10)	D	(\$10)	D	(\$10)	M/D	(\$10)
18	Washer / Dryer	L	(\$35)	WD/L/HU	(\$35)	L/HU	(\$10)	WD/L/HU	(\$35)	WD/L	(\$35)	L/HU	(\$10)	WD/HU	(\$35)
19	Floor Coverings	C		C		C		C		C		C		C	
20	Window Coverings	B		B		B		B		B		B		B	
21	Cable / Satellite / Internet	C/S/I		N		C/S/I		N		C/S/I		C/S/I		N	
22	Special Features	Pull Cords	\$5				\$5				\$5				\$5
23															
D. Site Equipment / Amenities															
24	Parking (\$ Fee)	L	L G/\$0	L	(\$25)	L	L G/\$25	L		L		L		L	L G/\$25
25	Extra Storage	N		N	(\$10)	Y		N		N		N		N	
26	Security	Y		Y		Y		Y		Y		Y		Y	
27	Clubhouse / Meeting Rooms	C		C		C		C		C		C		C	
28	Pool / Recreation Areas	E	P/E/R	P/E/R	(\$15)	P/E/R	(\$15)	P/E	(\$10)	P/E/R	(\$15)	P	(\$5)	P/E/R	(\$15)
29	Business Ctr / Nbrhd Network	BC		N	\$10	BC		BC		BC		N	\$10	BC	
30	Service Coordination	Y		N	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
31	Non-shelter Services	Y		N	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
32	Neighborhood Networks														
E. Utilities															
33	Heat (in rent? / type)	Y/E	\$13	N/E	\$13	N/E	\$13	N/G	\$13	N/G	\$13	N/E	\$13	N/E	\$13
34	Cooling (in rent? / type)	Y/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9
35	Cooking (in rent? / type)	Y/G	\$35	N/E	\$35	N/E	\$35	N/E	\$35	N/E	\$35	N/G	\$35	N/E	\$35
36	Hot water (in rent? / type)	Y/G	\$9	N/G	\$9	N/E	\$9	N/G	\$9	N/G	\$9	N/E	\$9	N/E	\$9
37	Other Electric	Y	\$39	N	\$39	N	\$39	N	\$39	N	\$39	N	\$39	N	\$39
38	Cold Water / Sewer	Y/Y	\$75	N/N	\$75	N/N	\$75	N/N	\$75	N/N	\$75	N/N	\$75	N/N	\$75
39	Trash / Recycling	Y		N		N		N		N		N		N	
F. Adjustments Recap															
40	# Adjustments B to D	4	(7)	3	(7)	3	(5)	5	(6)	8	(5)	3	(5)	4	(6)
41	Sum Adjustments B to D	\$35	(\$415)	\$25	(\$310)	\$25	(\$255)	\$175	(\$230)	\$270	(\$140)	\$25	(\$185)	\$25	(\$385)
42	Sum Utility Adjustments	\$180		\$180		\$180		\$180		\$180		\$180		\$180	
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$200)	\$630	(\$105)	\$515	(\$50)	\$460	\$125	\$585	\$310	\$590	\$20	\$390	(\$170)	\$600
G. Adjusted & Market Rents															
44	Adjusted Rent (\$ + 43)	\$1,195		\$1,294		\$1,260		\$1,224		\$1,170		\$1,210		\$1,317	
45	Adj Rent / Last rent		86%		86%		96%		111%		136%		102%		82%
46	Estimated Market Rent	\$1,225		\$3.00 Estimated Market Rent / Sq. Ft.											

4/19/2017

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		Comp #6		Comp #7	
Piedmont Senior Tower		2460 Peachtree Apartments		3833 Peachtree Apartments		Allure In Buckhead Village		Berkshires At Lenox Park		Esquire Apartments		The Aster At Buckhead		The Haynes House	
3601 Piedmont Road NE		2460 Peachtree Road		3833 Peachtree Road NE		360 Pharr Road		2124 Gables Drive		3102 Buford Hwy NE		2900 Pharr Court South		2420 Peachtree Road	
Atlanta, Fulton County		Atlanta, Fulton		Atlanta, Dekalb		Atlanta, Fulton		Atlanta, Dekalb		Atlanta, Dekalb		Atlanta, Fulton		Atlanta, Fulton	
Subject		Data		Data		Data		Data		Data		Data		Data	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,760	N	\$1,699	N	\$1,648	N	\$1,317	N	\$1,090	N	\$1,505	N	\$2,066	N
2	Date Last Leased (mo/yr)	Apr-17		Apr-17		Mar-17		Apr-17		Apr-17		Apr-17		Apr-17	
3	Rent Concessions	N		Y	(\$100)	N		N		N		N		Y	(\$159)
4	Occupancy for Unit Type	93%		93%		98%		91%		100%		89%		86%	
5	Effective Rent & Rent / sq. ft	\$1,760	\$1.60	\$1,599	\$1.28	\$1,648	\$1.46	\$1,317	\$1.20	\$1,090	\$0.91	\$1,505	\$1.31	\$1,907	\$1.52
In Parts B thru E, adjust only for differences the subject's market values.															
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	E/13		E/17		E/6		G/3	\$50	G	\$50	E/4		E/6	
7	Yr. Built / Yr. Renovated	1978/2018		1985/2009		2001		1990/2007		1975/2010		2000		2015	
8	Condition / Street Appeal	Good	(\$150)	Excellent		Good		Average	\$100	Average	\$100	Good		Excellent	(\$150)
9	Neighborhood	Good		Excellent	(\$75)	Good		Excellent	(\$75)	Average	\$75	Good		Good	
10	Same Market? Miles to Subj.	Yes/2.2		Yes/1.9		Yes/1.1		Yes/2.2		Yes/2.8		No/1.4		No/2.4	
C. Unit Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2		2		2	
12	# Bathrooms	1	(\$100)	2	(\$100)	1		2	(\$100)	1		1		2	(\$100)
13	Unit Interior Sq. Ft.	899	(\$80)	1100	(\$110)	1130	(\$85)	1100	(\$60)	1200	(\$70)	1147	(\$80)	1253	(\$135)
14	Balcony / Patio	N	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)	Y	(\$10)
15	AC: Central / Wall	WA		C		C		C		C		C		C	
16	Range / Refrigerator	R/F		R/F		R/F		R/F		R/F		R/F		R/F	
17	Microwave / Dishwasher	N	(\$10)	M/D	(\$10)	M/D	(\$10)	D	(\$10)	D	(\$10)	D	(\$10)	M/D	(\$10)
18	Washer / Dryer	L	(\$35)	WD/L/HU	(\$35)	L/HU	(\$10)	WD/L/HU	(\$35)	L/HU	(\$10)	WD/HU	(\$35)	WD/HU	(\$35)
19	Floor Coverings	C		C		C		C		C		C		C	
20	Window Coverings	B		B		B		B		B		B		B	
21	Cable / Satellite / Internet	C/S/I		C/S/I		N		C/S/I		C/S/I		N		N	
22	Special Features	Pull Cords	\$5		\$5		\$5		\$5		\$5		\$5		\$5
23															
D. Site Equipment / Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	L	L G/\$0 (\$25)	L		L G/\$25		L		L		L		L G/\$25	
25	Extra Storage	N		Y	(\$10)	N		N		N		N		N	
26	Security	Y		Y		Y		Y		Y		Y		Y	
27	Clubhouse / Meeting Rooms	C		C		C		C		N	\$10	C		C	
28	Pool / Recreation Areas	E	P/E/R (\$15)	P/E/R	(\$15)	P/E	(\$10)	P/E/R	(\$15)	P	(\$5)	P/E/R	(\$15)	P/E	(\$10)
29	Business Ctr / Nbrhd Network	BC	\$10	BC		BC		BC		N	\$10	BC		N	\$10
30	Service Coordination	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
31	Non-shelter Services	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
32	Neighborhood Networks														
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent? / type)	Y/E	\$17	N/E	\$17	N/E	\$17	N/G	\$17	N/G	\$17	N/E	\$17	N/E	\$17
34	Cooling (in rent? / type)	Y/E	\$16	N/E	\$16	N/E	\$16	N/E	\$16	N/E	\$16	N/E	\$16	N/E	\$16
35	Cooking (in rent? / type)	Y/G	\$36	N/E	\$36	N/E	\$36	N/E	\$36	N/G	\$36	N/E	\$36	N/E	\$36
36	Hot water (in rent? / type)	Y/G	\$13	N/E	\$13	N/E	\$13	N/G	\$13	N/G	\$13	N/E	\$13	N/E	\$13
37	Other Electric	Y	\$48	N	\$48	N	\$48	N	\$48	N	\$48	N	\$48	N	\$48
38	Cold Water / Sewer	Y/Y	\$117	N/N	\$117	N/N	\$117	N/N	\$117	N/N	\$117	N/N	\$117	N/N	\$117
39	Trash / Recycling	Y		N		N		N		N		N		N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	4	(8)	3	(8)	3	(5)	5	(7)	8	(5)	3	(5)	4	(7)
41	Sum Adjustments B to D	\$35	(\$425)	\$25	(\$340)	\$25	(\$150)	\$175	(\$305)	\$270	(\$105)	\$25	(\$150)	\$35	(\$450)
42	Sum Utility Adjustments	\$247		\$247		\$247		\$247		\$247		\$247		\$247	
43	Net / Gross Adjustments B to E	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
		(\$143)	\$707	(\$68)	\$612	\$122	\$422	\$117	\$727	\$412	\$622	\$122	\$422	(\$168)	\$732
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5 + 43)	\$1,617		\$1,531		\$1,770		\$1,434		\$1,502		\$1,627		\$1,739	
45	Adj Rent / Last rent		92%		90%		107%		109%		138%		108%		84%
46	Estimated Market Rent	\$1,500		\$1.67 Estimated Market Rent / Sq. Ft.											

4/19/2017

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared: [] Manually [X] Using HUD's Excel form

form HUD-92273-S8 (04/2002)

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Housing Choice Voucher Tenants
Ashford Landing Senior Residences	LIHTC	10%
Ashford Parkside	LIHTC	0%
Baptist Gardens	LIHTC	3%
Big Bethel Village	LIHTC	8%
2460 Peachtree Apartments	Market	0%
3833 Peachtree Apartments	Market	0%
Allure In Buckhead Village	Market	N/A
Berkshires At Lenox Park	Market	0%
Esquire Apartments	Market	0%
The Aster At Buckhead	Market	0%
The Haynes House	Market	0%

As illustrated in the table, the majority of the LIHTC properties reported having small shares of Housing Choice Voucher tenants, while none of the market rate properties reported Housing Choice Voucher usage. The average number of voucher tenants at the LIHTC properties is five percent. The voucher usage in the local market appears to be limited. Since the Subject will operate under the RAD program with rental assistance for all the units, the availability and acceptance of Housing Choice Vouchers will not be a significant concern for the Subject. The current payment standards for Atlanta are \$1,650 and \$2,200 for one- and two-bedroom units. The gross rents proposed at the Subject are well below the current Housing Choice Voucher payment standards for the local area. As such, if the project were to operate without the RAD program assistance, those with Vouchers would be eligible to live at the Subject and pay 30 percent of their income toward rent.

Absorption

We were able to obtain absorption information from four senior LIHTC comparable properties.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ashford Landing Senior Residences*	LIHTC	Senior	2009	117	10
Ashford Parkside*	LIHTC	Senior	2007	151	75
Baptist Gardens*	LIHTC	Senior	2013	100	15
Big Bethel Village*	LIHTC	Senior	2003	120	10
Steelworks	Market	Family	2014	317	21
Square On Fifth	Market	Family	2015	270	45
University House	Market	Family	2015	268	30
The Haynes House*	Market	Family	2015	186	12

*Utilized as comparable

As illustrated in the previous table, the properties constructed between 2003 and 2015 reported absorption rates of 10 to 75 units per month, with an average of 27 units per month.

Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD

program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 40 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

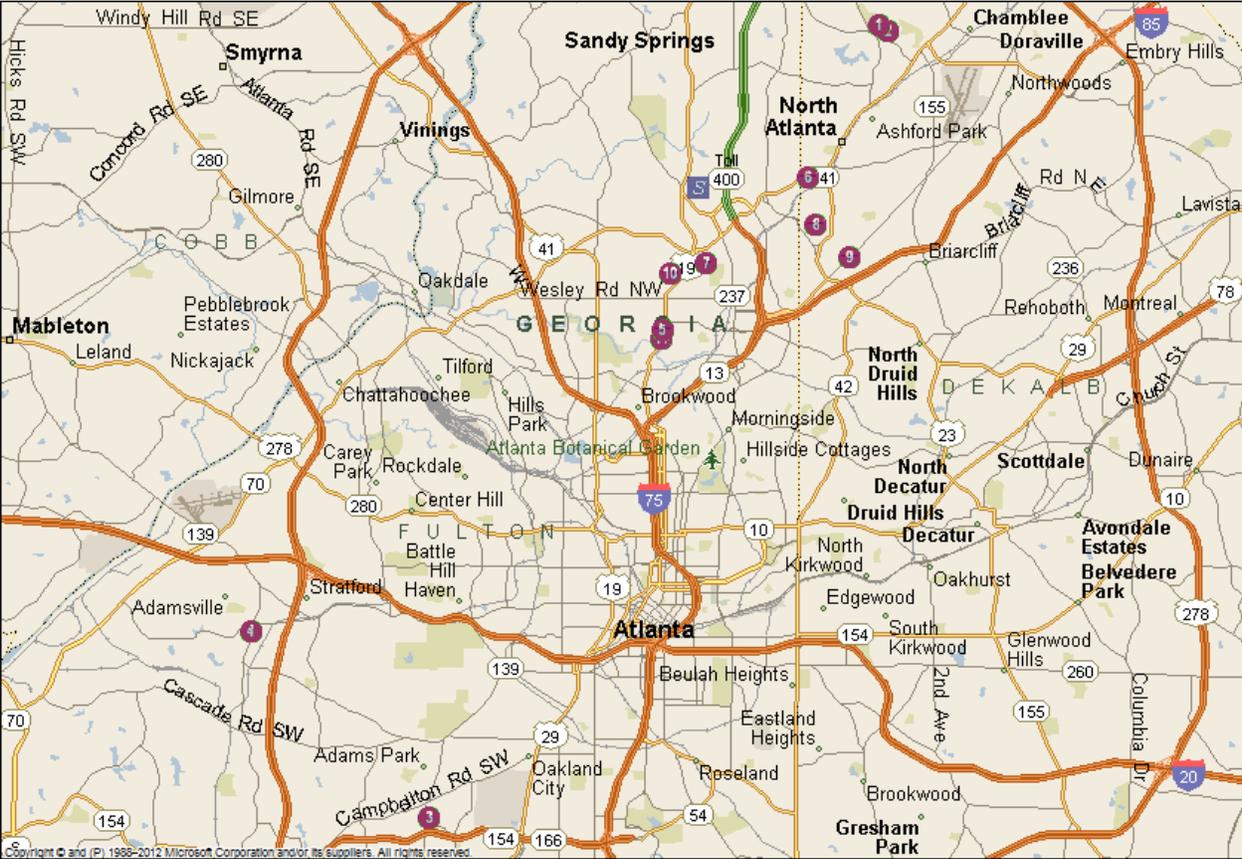
Phased Developments

The Subject is not part of a phased development. As such, this section is not applicable.

Rural Areas

The Subject is not located in a residential area of the city of Atlanta, and is not in a rural area. As such, this section is not applicable.

3. Competitive Project Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashford Landing Senior Residences	Atlanta	LIHTC	4.3 miles
2	Ashford Parkside	Atlanta	LIHTC	4.3 miles
3	Baptist Gardens	Atlanta	LIHTC	11.2 miles
4	Big Bethel Village	Atlanta	LIHTC	10.8 miles
5	2460 Peachtree Apartments	Atlanta	Market	2.2 miles
6	3833 Peachtree Apartments	Atlanta	Market	1.9 miles
7	Allure In Buckhead Village	Atlanta	Market	1.1 miles
8	Berkshires At Lenox Park	Atlanta	Market	2.2 miles
9	Esquire Apartments	Atlanta	Market	2.8 miles
10	The Aster At Buckhead	Atlanta	Market	1.4 miles
11	The Haynes House	Atlanta	Market	2.4 miles

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in red, while those properties that do not offer an amenity that the Subject does offer are shaded in blue. Thus, the inferior properties can be identified by the blue and the superior properties can be identified by the red.

Piedmont Senior Tower, Atlanta, GA; Market Study

UNIT MATRIX REPORT

	Piedmont Senior Tower	Ashford Landing Senior Residences	Ashford Parkside	Baptist Gardens	Big Bethel Village	2460 Peachtree Apartments	3833 Peachtree Apartments	Allure In Buckhead Village	Berkshires At Lenox Park	Esquire Apartments	The Aster At Buckhead	The Haynes House
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11
Property Information												
Property Type	Highrise	Midrise	Midrise	Lowrise	Lowrise	Highrise	Highrise	Midrise	Garden	Garden	Midrise	Midrise
Year Built / Renovated	1978 / 2001/2007/2018	2009	2007	2013	2003	1985 / 2009	1985 / 2006	2001 / n/a	1990 / 2007	1975 / 2010	2000	2015
Market (Conv./Subsidy)			LIHTC,		LIHTC,							
Type	LIHTC	LIHTC	Market	LIHTC	Market	Market	Market	Market	Market	Market	Market	Market
Utility Adjustments												
Cooking	yes	no	no	yes	yes	no	no	no	no	no	no	no
Water Heat	yes	no	no	yes	yes	no	no	no	no	no	no	no
Heat	yes	no	no	yes	yes	no	no	no	no	no	no	no
Other Electric	yes	no	no	yes	yes	yes	no	no	no	no	no	no
Water	yes	yes	yes	yes	yes	no	no	no	no	no	no	no
Sewer	yes	yes	yes	yes	yes	no	no	no	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	no	no	no	no	no	no	no
In-Unit Amenities												
Balcony/Patio	no	no	no	no	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	yes	no	no	no	no	no	yes	no	yes	yes	no	no
Carpet/Hardwood	no	no	no	yes	yes	no	yes	no	no	no	no	yes
Carpeting	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes	yes
Central A/C	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	no	yes	yes	no	no	no	no	no	no
Dishwasher	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	no	no	no	yes	no	no	no	no	no
Ceiling Fan	yes	no	yes	yes	yes	no	no	no	no	no	no	yes
Garbage Disposal	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	yes	yes	no	yes	no	no	no	no	no	no	no
Microwave	no	no	yes	yes	no	no	yes	yes	no	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	yes	no	yes	no	no	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	yes	yes	no	yes	yes	yes	yes	yes	no	yes	yes
Wall A/C	yes	no	no	no	yes	no	no	no	no	no	no	no
Washer/Dryer	no	yes	no	no	no	yes	no	yes	yes	no	yes	yes
Washer/Dryer hookup	no	yes	yes	no	yes	yes	yes	yes	no	yes	yes	yes
Property Amenities												
Business Center	yes	yes	yes	yes	yes	no	yes	yes	yes	no	yes	no
Clubhouse	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Courtyard	yes	yes	yes	no	no	no	no	no	no	no	no	yes
Elevators	yes	yes	yes	yes	yes	yes	yes	no	yes	no	yes	yes
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Garage	no	no	no	no	no	yes	no	yes	no	no	no	yes
Jacuzzi	no	no	no	no	no	no	yes	no	no	no	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no
Non-shelter Services	yes	yes	yes	no	no	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	yes	no	no	no	no	no	no	no	no	yes
Recreation Areas	no	no	no	no	no	yes	no	no	no	no	yes	no
Service Coordination	yes	yes	no	yes	no	no	no	no	no	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	yes	no	yes	no	no	no
Theatre	no	no	no	no	yes	no	yes	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	\$45.00	\$25.00	N/A	N/A	N/A	\$25.00
Services												
Adult Education	no	yes	no	no	no	no	no	no	no	no	no	no
Computer Tutoring	yes	yes	yes	no	no	no	no	no	no	no	no	no
Shuttle Service	no	yes	yes	yes	yes	no	no	no	no	no	no	no
Security												
In-Unit Alarm	yes	yes	yes	no	no	no	no	no	no	no	yes	no
Intercom (Buzzer)	yes	no	no	no	no	no	no	no	no	no	no	no
Limited Access	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Patrol	no	no	no	no	yes	no	no	no	no	no	no	no
Perimeter Fencing	yes	yes	yes	no	yes	no	no	no	no	no	yes	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	no	no

The Subject's unit amenities are generally slightly inferior to the LIHTC and market rate comparables, which typically include a balcony/patio, dishwasher, central air conditioning, walk-in closets, and washer/dryer hookups and/or appliances. It should be noted that the Subject's

amenities are designed to appeal to senior tenants. We applied adjustments to unit amenities based on feedback from local property managers.

5. The Subject will target senior population households.

6. Vacancy

The following table illustrates the current vacancy levels reported by the comparable properties in the market.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashford Landing Senior Residences	LIHTC	117	0	0.00%
Ashford Parkside	LIHTC, Market	151	0	0.00%
Baptist Gardens	LIHTC	100	0	0.00%
Big Bethel Village	LIHTC, Market	120	0	0.00%
2460 Peachtree Apartments	Market	236	16	6.80%
3833 Peachtree Apartments	Market	232	16	6.90%
Allure In Buckhead Village	Market	271	8	3.00%
Berkshires At Lenox Park	Market	375	32	8.50%
Esquire Apartments	Market	52	1	1.90%
The Aster At Buckhead	Market	224	20	8.90%
The Haynes House	Market	<u>186</u>	<u>26</u>	<u>14.00%</u>
Total		2,064	119	5.80%

As illustrated, vacancy rates in the market range from zero to 14.0 percent, averaging 5.8 percent. The LIHTC comparable properties have vacancy rates of zero percent. The market rate properties have vacancy rates of 1.9 to 14.0 percent. It should be noted that Haynes House cited increased market competition for its elevated vacancy rates. As previously noted, all of the LIHTC comparables target seniors, like the Subject.

If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable senior housing in the local market. Moreover, the renovations at the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock, while all of the existing tenants will remain income-qualified.

The Subject is currently 96 percent occupied with a waiting list. Vacant units are being held offline pending the Subject’s renovations. According to data provided by the developer, the Subject has historically operated with an average vacancy and collection loss of less than one percent over the past three years. Based on the Subject’s historical performance, as well as the performance of the comparables, we believe the Subject, as a restricted property, would operate with a vacancy rate of three percent or less over a typical investment period.

7. Properties Planned, Proposed, or Under Construction

We researched the Georgia Department of Community Affairs published list of LIHTC allocations from 2014 - 2016. Over this time period, there have been no allocations in the Subject’s PMA.

We have attempted to contact the City of Atlanta Planning Department multiple times in order to gather information on multifamily project either in the planning stages or currently under construction. At this time none of our phone calls have been returned. However, we were able to gather information from REIS on either proposed, planned, or under construction multifamily developments within the Buckhead Submarket, which are detailed in the table below.

MULTIFAMILY PIPELINE WITHIN PMA

Property Name	Property Address		# Units		stimated Completion
2425 Peachtree Apartments	2425 Peachtree Rd	2.3 Miles	262	Planned	NA
AmlI Piedmont Heights Ph Ii	2323 Piedmont Rd Ne	2.4 Miles	355	Planned	NA
Capital City Plaza Apartments	Tower Place Dr @ Peachtree Rd Ne	7.6 Miles	300	Planned	NA
Crescent Lenox	Oak Valley Rd @ Wright Ave	1.3 Miles	352	Planned	NA
Gables Buckhead	530 E Paces Ferry Rd Ne	1.1 Miles	327	Planned	NA
Stratford	3372 Peachtree Rd	0.8 Miles	362	Planned	2018
The Collection - Ph II	4600 Roswell Rd Ne	1.8 Miles	314	Planned	NA
The Sutton	2965 Peachtree Rd	1.2 Miles	151	Planned	NA
Heights At Lenox Park	Lenox Park Blvd Ne @ Lake Blvd	10.3 Miles	273	Planned	NA
Piedmont Road Apartments	Piedmont Rd @ Peachtree Rd	0.7 Miles	190	Proposed	NA
475 Buckhead Ave	475 Buckhead Ave	1.1 Miles	375	Under Construction	2017
Alexan Apartments	361 Pharr Rd Ne	1.3 Miles	244	Under Construction	2018
AmlI City Place Site D	E Paces Ferry Rd @ Roxboro Rd	1.5 Miles	240	Under Construction	2017
Ardmore & 28Th Apartments Ph Ii	330 Ardmore Cir Nw	3.5 Miles	165	Under Construction	2017
Apogee Buckhead	Peachtree Rd Ne @ Ga-400	1.1 Miles	362	Under Construction	2018
Chastain Heights	225 Franklin Road	2.2Miles	325	Under Construction	NA
Domain At Phipps Plaza	707 Park Ave Ne	1.0 Miles	319	Under Construction	2017
Greyco Partners Residential	2144 Peachtree Rd Nw	1.1 Miles	249	Under Construction	2017
Modera By Mill Creek-Buckhead	3005 Peachtree Rd Ne	1.1 Miles	400	Under Construction	2019
Millworks Apartments	1888 Emery St	3.7 Miles	345	Under Construction	2017

Source : REIS; Novogradac & Company , LLP April 2017

It should be noted that we assume all of these developments will be market rate properties, as they were not listed on the DCA allocation lists. Moreover, none of these properties are known to target seniors. Thus, they will not be directly competitive with the Subject.

8. Rental Advantage

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashford Landing Senior Residences	LIHTC	Similar	Superior	Slightly Inferior	Slightly Superior	Superior	20
2	Ashford Parkside	LIHTC, Mkt	Similar	Superior	Slightly Inferior	Slightly Superior	Superior	20
3	Baptist Gardens	LIHTC	Similar	Similar	Slightly Inferior	Superior	Superior	15
4	Big Bethel Village	LIHTC, Mkt	Similar	Slightly Superior	Slightly Inferior	Similar	Similar	0
5	2460 Peachtree Apartments	Market	Similar	Slightly Superior	Similar	Similar	Superior	15
6	3833 Peachtree Apartments	Market	Slightly Superior	Slightly Superior	Similar	Similar	Superior	20
7	Allure In Buckhead Village	Market	Similar	Similar	Similar	Similar	Superior	10
8	Berkshires At Lenox Park	Market	Similar	Superior	Similar	Similar	Similar	10
9	Esquire Apartments	Market	Inferior	Similar	Similar	Slightly Inferior	Superior	-5
10	The Aster At Buckhead	Market	Similar	Superior	Similar	Similar	Superior	20
11	The Haynes House	Market	Similar	Superior	Similar	Superior	Superior	30

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

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

LIHTC Rent Comparison - @60%		
Property Name	1BR	2BR
Piedmont Senior Tower (Subject)	\$759	\$912
2016 LIHTC Maximum (Net)	\$759	\$912
Ashford Landing Senior Residences	\$837	\$1,005
Baptist Gardens	\$740	-
Big Bethel Village	\$750 - \$820	\$995
Average (excluding Subject)	\$789	\$1,000

Note: The Subject will operate with rental assistance through the RAD program allowing residents to pay 30 percent of their income toward rent.

The Subject’s proposed rents are at the middle of the range of rents at the comparables. This suggests that even if rents at the Subject were not subsidized through the RAD program, the proposed rents would be achievable in the open market. Considering the RAD subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. It appears that several of the comparable properties is achieving rents above the maximum allowable LIHTC rent; however, this is likely due to a difference in utility structure/allowances. The comparable LIHTC properties are considered similar to superior to the Subject, which will be a renovated LIHTC project with a RAD program subsidy for all units. Based on our similarity matrix, Big Bethel Village is the most similar LIHTC property and is 100 percent occupied with a waiting list. Further, the remaining senior LIHTC comparables are all 100 percent occupied and maintain waiting lists. Overall, the Subject’s rents appear achievable when compared to the rents at the comparables and the strong demand for affordable senior units.

Analysis of “Market Rents”

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

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

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with proposed LIHTC rents for the Subject. It should be noted these units will be subsidized, allowing tenants to pay just 30 percent of their income toward rent.

Subject Comparison To Market Rents - As Renovated

Unit Type	Size (SF)	Subject LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents	Subject Rent Advantage
1 BR	409	\$759	\$1,170	\$1,317	\$1,239	\$1,225	38%
1 BR	522	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	533	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	548	\$759	\$1,170	\$1,317	\$1,239	\$1,300	42%
1 BR	574	\$759	\$1,170	\$1,317	\$1,239	\$1,325	43%
2 BR	899	\$912	\$1,434	\$1,770	\$1,603	\$1,500	39%

As illustrated in the previous table, the Subject’s LIHTC rents are below the range of the unrestricted units at the comparables. The Subject will be similar to the majority of the comparable market rate properties in terms of location. In terms of age/condition and design, the Subject will be similar to slightly superior to the of the market rate comparables. However, the Subject’s unit sizes are generally inferior to the market rate comparables. Additionally, the Subject’s amenities are similar to inferior to the majority of the market rate comparables. Overall, based on the Subject’s design and renovated condition, we have set the Subject’s achievable market rents ranging from **\$1,225 to \$1,325** for the one-bedroom units. We believe the two-bedroom unit can achieve rent of **\$1,500**. These rents are supported by the rent grids. Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the subsidized rents are well below the achievable market rates for the Subject’s area.

Overall, we believe that the Subject’s proposed LIHTC rents are achievable in the market and will offer significant advantages when compared to the average rents being achieved at comparable market rate and LIHTC properties.

9. LIHTC Competition – DCA Funded Properties within the PMA

We researched the Georgia Department of Community Affairs published list of LIHTC allocations from 2014 - 2016. Over this time period, there have been no allocations in the Subject’s PMA.

10. Rental Trends in the PMA

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

TENURE PATTERNS - ELDERLY POPULATION (AGE 62+)

Year	PMA				Atlanta-Sandy Springs-Roswell, GA MSA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	5,123	60.0%	3,416	40.0%	203,034	80.1%	50,312	19.9%
2010	6,197	65.9%	3,210	34.1%	280,063	77.2%	82,761	22.8%
2016	7,348	58.1%	5,290	41.9%	374,512	75.2%	123,828	24.8%
Projected Mkt Entry								
December 2018	7,853	57.2%	5,886	42.8%	411,127	74.8%	138,416	25.2%
2021	8,393	56.3%	6,524	43.7%	450,267	74.5%	154,011	25.5%

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

The share of senior renter households in the PMA is less than the share of owner households. However, the percentage of senior renter-occupied housing is also well above the national average of approximately 24 percent (not shown). The number of senior renter-occupied units in the PMA is expected to increase by 505 households from 2016 to the market entry date.

Historical Vacancy

The following table illustrates the historical vacancy at the comparable properties when available.

HISTORICAL VACANCY										
Comparable Property	Type	Total Units	4QTR 2010	4QTR 2011	4QTR 2013	2QTR 2015	1QTR 2016	4QTR 2016	1QTR 2017	2QTR 2017
Ashford Landing Senior Residences	LIHTC	117	0.00%	0.00%	N/A	0.90%	0.00%	N/A	N/A	0.00%
Ashford Parkside	LIHTC	151	0.00%	0.00%	N/A	2.00%	0.00%	N/A	N/A	0.00%
Baptist Gardens	LIHTC	100	N/A	N/A	6.00%	0.00%	0.00%	N/A	N/A	0.00%
Big Bethel Village	LIHTC	120	N/A	15.80%	13.30%	1.70%	1.70%	N/A	N/A	0.00%
2460 Peachtree Apartments	Market	236	N/A	2.50%	N/A	2.60%	2.60%	1.70%	2.10%	6.80%
3833 Peachtree Apartments	Market	232	7.10%	7.10%	9.60%	7.20%	N/A	N/A	N/A	6.90%
Allure In Buckhead Village	Market	271	N/A	7.40%	N/A	6.90%	N/A	3.90%	3.00%	N/A
Berkshires At Lenox Park	Market	375	4.00%	N/A	2.70%	7.70%	6.70%	N/A	N/A	8.50%
Esquire Apartments	Market	52	23.10%	N/A	N/A	0.00%	3.80%	N/A	N/A	1.90%
The Aster At Buckhead	Market	224	N/A	0.90%	N/A	N/A	N/A	0.90%	N/A	8.90%
The Haynes House	Market	186	N/A	N/A	N/A	N/A	19.90%	3.80%	4.80%	14.00%

N/A – Not available

As illustrated in the table, we were able to obtain the historical vacancy rate at several of the comparable properties over the last several years. However, we were not able to obtain all the historical vacancy rates for each individual year. As such, we have not provided average vacancy rates for each survey period. As illustrated, the majority of the LIHTC properties’ vacancy rates have remained stable or decreased over the past year, while the market rate properties have fluctuated.

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
Ashford Landing Senior Residences	LIHTC	Increased 2.5% for 1BR units at 60% AMI
Ashford Parkside	LIHTC, Mkt	Increased 5% to 13.8%
Baptist Gardens	LIHTC	Increased 5.7% on units set aside at 60% AMI
Big Bethel Village	LIHTC, Mkt	None
2460 Peachtree Apartments	Market	Fluctuates frequently
3833 Peachtree Apartments	Market	Fluctuates frequently
Allure In Buckhead Village	Market	Fluctuates frequently
Berkshires At Lenox Park	Market	Fluctuates frequently
Esquire Apartments	Market	Increased 3% to 5%
The Aster At Buckhead	Market	Fluctuates frequently
The Haynes House	Market	Fluctuates frequently

As illustrated, the LIHTC comparables reported rent growth for their LIHTC units over the past year. Given the fact the Subject will be a renovated LIHTC property and demand for affordable senior housing is very strong, we anticipate that rents will be able to increase within the limits of future AMI increases. With the RAD program rental assistance in place at the Subject, rent increases at the property should not directly impact residents, as they will continue to pay just 30 percent of their income toward rent.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to www.RealtyTrac.com, one in every 1,828 homes in Atlanta, GA was in foreclosure, and one in every 1,898 homes in Georgia was in foreclosure as of March 2017. Nationally, one in every 1,588 homes was in foreclosure and one in every 1,982 homes in Fulton County was in foreclosure. As indicated, Georgia is outperforming the nation as a whole in terms of foreclosure rates, and both Georgia and Fulton County have significantly lower foreclosure rates than the nation. The median home value in Atlanta is \$206,800 compared to \$154,200 in Georgia and \$196,5600 in the nation. Overall, it appears that the local market is faring better

than Georgia as a whole in terms of home values. We did not witness any abandoned structures during the site visit.

12. Primary Housing Void

The LIHTC comparable properties have vacancy rates of zero percent, with no LIHTC properties reporting vacancy. Additionally, all of the LIHTC properties maintain waiting lists, indicating relatively strong support for affordable senior rental housing. The other excluded low-income rental housing in the PMA that we contacted also is performing well. Based on the previous demand analysis, performance of the Subject and comparable properties, and conversations with local property managers, we believe there is continuing, pent-up demand for affordable rental housing in the local market. The Subject's renovations will not add new units, but rather improve the quality and marketability of existing low-income housing. The Subject will also continue to operate with rental assistance through the RAD program following renovations, making units affordable to a wide income band of renter households. As such, the Subject will continue to help fill a void in the market for adequate low-income rental housing.

13. Affect of Subject on Other Affordable Units in Market

The age-restricted LIHTC comparables have low vacancy rates, and four reported zero vacancies. The Subject's renovation will not add new affordable units to the PMA, but will improve existing units. Therefore, we do not believe that the renovations to the Subject will have any significant negative impact on the existing LIHTC properties.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed following renovations. The LIHTC comparable properties have no vacancy. Additionally, all of the LIHTC properties maintain waiting lists.

The Subject's proposed rents are below all of the rents at the market rate comparables, and within the range of the LIHTC comparables. This suggests that even if rents at the Subject were not subsidized through the RAD program, the proposed rents would be achievable in the open market. Considering the RAD subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable.

The comparable LIHTC properties are considered similar to superior to the Subject, which will be a renovated LIHTC project with a RAD program subsidy for all units. Based on our similarity matrix, Big Bethel Village is the most similar LIHTC property and is 100 percent occupied with a waiting list. Further, the remaining senior LIHTC comparables are all 100 percent occupied and maintain waiting lists. Overall, the Subject's rents appear achievable when compared to the rents at the comparables and the strong demand for affordable senior units.

Overall, we believe that the Subject's rents are achievable and that the Subject will offer a significant value in the market. This is further illustrated by the significant rental advantage that the Subject's rents will have over the market rents. We believe that the Subject will maintain a vacancy rate of three percent or less following stabilization. We believe the Subject will be supportable following renovations and will not adversely impact other low-income housing options in the PMA.

I. ABSORPTION & STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information from four senior LIHTC comparable properties.

ABSORPTION						
Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month	
Ashford Landing Senior Residences*	LIHTC	Senior	2009	117	10	
Ashford Parkside*	LIHTC	Senior	2007	151	75	
Baptist Gardens*	LIHTC	Senior	2013	100	15	
Big Bethel Village*	LIHTC	Senior	2003	120	10	
Steelworks	Market	Family	2014	317	21	
Square On Fifth	Market	Family	2015	270	45	
University House	Market	Family	2015	268	30	
The Haynes House*	Market	Family	2015	186	12	

*Utilized as comparable

As illustrated in the previous table, the properties constructed between 2003 and 2015 reported absorption rates of 10 to 75 units per month, with an average of 27 units per month.

Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 40 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

The Subject is currently 96 percent occupied with a waiting list. DCA requires that the new rent structure will not result in rent increases during the term of existing leases at the Subject. Rent increases will be made gradually, maintaining rents that are affordable to the existing tenants. All current residents will be income-qualified for the Subject under the RAD program subsidy. Further, renovations will occur on a rolling basis with tenants in place. Thus, this absorption analysis is hypothetical.

J. INTERVIEWS

INTERVIEWS

Atlanta’s Assisted Housing Programs Department

We attempted to contact the Atlanta Housing Authority several times, but were unable to reach them and no calls were returned. However, we were able to obtain the utility allowances from the Housing Authority website, as well as the payment standards. Payment standards for one- and two-bedroom units are \$1,650 and \$2,200. The Subjects asking rents are well below the payment standards. The Subject will maintain a project-based subsidy on 206 out of 208 units post renovation.

Planning

We have attempted to contact the City of Atlanta Planning Department multiple times in order to gather information on multifamily project either in the planning stages or currently under construction. At this time none of our phone calls have been returned. However, we were able to gather information from REIS on either proposed, planned, or under construction multifamily developments within the Buckhead Submarket, which are detailed in the table below.

MULTIFAMILY PIPELINE WITHIN PMA

Property Name	Property Address		# Units	Planned	Estimated Completion
2425 Peachtree Apartments	2425 Peachtree Rd	2.3 Miles	262	Planned	NA
AmlI Piedmont Heights Ph II	2323 Piedmont Rd Ne	2.4 Miles	355	Planned	NA
Capital City Plaza Apartments	Tower Place Dr @ Peachtree Rd Ne	7.6 Miles	300	Planned	NA
Crescent Lenox	Oak Valley Rd @ Wright Ave	1.3 Miles	352	Planned	NA
Gables Buckhead	530 E Paces Ferry Rd Ne	1.1 Miles	327	Planned	NA
Stratford	3372 Peachtree Rd	0.8 Miles	362	Planned	2018
The Collection - Ph II	4600 Roswell Rd Ne	1.8 Miles	314	Planned	NA
The Sutton	2965 Peachtree Rd	1.2 Miles	151	Planned	NA
Heights At Lenox Park	Lenox Park Blvd Ne @ Lake Blvd	10.3 Miles	273	Planned	NA
Piedmont Road Apartments	Piedmont Rd @ Peachtree Rd	0.7 Miles	190	Proposed	NA
475 Buckhead Ave	475 Buckhead Ave	1.1 Miles	375	Under Construction	2017
Alexan Apartments	361 Pharr Rd Ne	1.3 Miles	244	Under Construction	2018
AmlI City Place Site D	E Paces Ferry Rd @ Roxboro Rd	1.5 Miles	240	Under Construction	2017
Ardmore & 28Th Apartments Ph II	330 Ardmore Cir Nw	3.5 Miles	165	Under Construction	2017
Apogee Buckhead	Peachtree Rd Ne @ Ga-400	1.1 Miles	362	Under Construction	2018
Chastain Heights	225 Franklin Road	2.2 Miles	325	Under Construction	NA
Domain At Phipps Plaza	707 Park Ave Ne	1.0 Miles	319	Under Construction	2017
Greyco Partners Residential	2144 Peachtree Rd Nw	1.1 Miles	249	Under Construction	2017
Moderia By Mill Creek-Buckhead	3005 Peachtree Rd Ne	1.1 Miles	400	Under Construction	2019
Millworks Apartments	1888 Emery St	3.7 Miles	345	Under Construction	2017

Source : REIS; Novogradac & Company , LLP April 2017

It should be noted that we assume all of these developments will be market rate properties, as they were not listed on the DCA allocation lists. Moreover, none of these properties are known to target seniors. Thus, they will not be directly competitive with the Subject.

Additional interviews can be found in the comments section of the property profiles and in our Economic Analysis section of this report.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- Senior population growth will increase 3.2 percent from 2016 to 2021, a slower rate than that of the MSA and the nation as a whole. It is expected that senior households will increase 3.6 percent through 2021 as well, which is significantly faster than the general population. The increasing number of households in the PMA bodes well for the Subject's demand as a senior project.

The share of senior renter-occupied units in the PMA is less than that of owner-occupied units. The number of senior renter-occupied units in the PMA is expected to increase by 505 households from 2016 to the market entry date.

Households earning under \$40,000 in the PMA comprise approximately 24.9 percent of all income cohorts in 2016. For senior households, approximately 36.3 percent earn less than \$40,000. The Subject will target households earning between \$22,770 and \$32,400, therefore, the Subject should be well-positioned to service this market. Further, all but one of the existing tenants at the Subject will remain income-qualified.

- Total employment in the MSA has increased every year since 2011. From February 2016 to February 2017, the MSA's total employment increased by 5.1 percent, which was significantly greater than the national average of 1.0 percent over the same time period. Between February 2016 and February 2017, the unemployment rate decreased by 0.4 percentage points. Overall, the local economy is currently in an expansion stage, as total employment rates are above pre-recessionary rates and unemployment rates have been declining since 2011.
- The PMA includes various employment options for area residents. The largest employment types in the area are the professional/scientific/tech services sector, finance/insurance sector, and the health care sector. The MSA economy has performed well since 2010 with increased number of employed and a declining unemployment rate. The MSA's economy appears to be in an expansion phase.
- The following table illustrates the Subject's capture rates. According to the Georgia DCA market study guidelines, capture rate calculations for proposed renovation developments 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 provided by the applicant. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. The Subject has nine vacant units, one over income tenant, and the remaining tenants are income-qualified for their specific unit type assuming LIHTC operation based on the current rent roll. Therefore, we have determined the Subject's capture rates based on 206 total units, considering the one over-income unit and manager unit as deducted.

CAPTURE RATE ANALYSIS CHART

Unit	Income Limits Min.	Income Limits Max	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed LIHTC
1BR @ 60%	\$22,770	\$32,400	205	206	0	206	99%	5 months	\$1,275	\$870-\$1,667	\$759
2BR @ 60%	\$27,360	\$32,400	1	26	0	26	4%	5 months	\$1,766	\$1,155-\$2,347	\$912
1BR w/ RAD	\$0	\$32,400	205	825	0	825	25%	5 months	\$1,275	\$870-\$1,667	\$759
2BR w/ RAD	\$0	\$32,400	1	102	0	102	1%	5 months	\$1,766	\$1,155-\$2,347	\$912

The RAD capture rate is 22.2 percent, within the DCA threshold requirements and indicates adequate demand for the Subject.

- We were able to obtain absorption information from four senior LIHTC comparable properties, illustrated in the following table.

ABSORPTION

Property name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Ashford Landing Senior Residences*	LIHTC	Senior	2009	117	10
Ashford Parkside*	LIHTC	Senior	2007	151	75
Baptist Gardens*	LIHTC	Senior	2013	100	15
Big Bethel Village*	LIHTC	Senior	2003	120	10
Steelworks	Market	Family	2014	317	21
Square On Fifth	Market	Family	2015	270	45
University House	Market	Family	2015	268	30
The Haynes House*	Market	Family	2015	186	12

*Utilized as comparable

As illustrated in the previous table, the properties constructed between 2003 and 2015 reported absorption rates of 10 to 75 units per month, with an average of 27 units per month.

Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with a RAD program rental assistance subsidy in place for all the units, we would expect the Subject to experience an absorption pace of 40 units per month, which equates to an absorption period of approximately five months for the Subject to reach 93 percent occupancy.

- The vacancy rates in the market range from zero to 14.0 percent, averaging 5.8 percent. The LIHTC comparable properties have vacancy rates of zero percent. The market rate properties have vacancy rates of 1.9 to 14.0 percent. It should be noted that Haynes House cited increased market competition for its elevated vacancy rates. All of the LIHTC comparables target seniors, like the Subject.

If allocated, we do not believe that the Subject will impact the performance of the existing LIHTC properties, as they reported significant demand for affordable senior housing in the local market. In addition, the renovation of the Subject will remove some units from the existing Public Housing stock in Atlanta. The renovations at the Subject will not create new low-income units, but rather will serve to improve and preserve existing low-income housing stock, while all of the existing tenants will remain income-qualified.

The Subject is currently 96 percent occupied with a waiting list. Vacant units are being held offline pending the Subject’s renovations. According to data provided by the developer, the Subject has historically operated with an average vacancy and collection

loss of less than one percent over the past three years. Based on the Subject's historical performance, as well as the performance of the comparables, we believe the Subject, as a restricted property, would operate with a vacancy rate of three percent or less over a typical investment period.

- Based upon our market research of comparables, our inspection of the Subject site and surrounding neighborhood, review of area economic trends, and demographic calculations and analysis, we believe there is more than adequate demand for the Subject property as proposed following renovations. The Subject, which currently operates as Public Housing with 208 units and will operate with RAD program rental assistance for all the units in addition to operating under the LIHTC program with a 60 percent of AMI restriction. The age-restricted LIHTC comparables are performing well, each reporting zero vacancies. Additionally, the comparable LIHTC properties maintain waiting lists. The Subject's proposed rents are within the range of the LIHTC rents and below the market rate comparables. This suggests that even if rents at the Subject were not subsidized through the RAD program, the proposed rents would be achievable in the open market. Considering the RAD subsidy that will be in place, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The overall RAD capture rate for the Subject is considered achievable and are within the capture rate thresholds for Georgia DCA LIHTC application projects. We believe that the Subject will maintain a vacancy rate of three percent or less following stabilization.

Recommendations

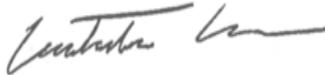
- We have no recommended changes to the Subject that would alter marketability. At the proposed rent levels, the Subject will be supportable as a LIHTC development, regardless of the RAD program rental assistance.

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. 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.



John Cole, MAI
Partner



Constantine Caloudas
Analyst
Constantine.Caloudas@Novoco.com

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.



John Cole, MAI
Partner



Constantine Caloudas
Analyst
Constantine.Caloudas@Novoco.com

N. QUALIFICATIONS

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
JOHN D. COLE**

I. EDUCATION

University of Texas – Austin, Texas (1999)
Master of Business Administration – Finance Concentration, Real Estate
Specialization

California Polytechnic State University – San Luis Obispo, California (1992)
Bachelor of Science in Civil/Environmental Engineering

II. LICENSING AND PROFESSIONAL AFFILIATION

Designated Member of the Appraisal Institute (MAI)
Member of National Council of Housing Market Analysts (NCHMA)

Certified General Real Estate Appraiser – State of Texas (1335358-G)
Certified General Real Estate Appraiser – State of Arizona (31931)
Certified General Real Estate Appraiser – State of Louisiana (G2092)
Certified General Real Estate Appraiser – State of Mississippi (GA-857)
Certified General Real Estate Appraiser – State of Florida (RZ3595)
Certified General Real Estate Appraiser – State of California (3002119)
Certified General Real Estate Appraiser – State of Illinois (553.002415)
Certified General Real Estate Appraiser – State of Minnesota (40474904)

III. PROFESSIONAL TRAINING

MAI Comprehensive Four Part Exam
Demonstration Appraisal Report - Capstone
National USPAP and USPAP Updates
Advanced Concepts and Case Studies
Advanced Market Analysis and Highest & Best Use
Advanced Sales Comparison and Cost Approaches
Advanced Income Capitalization
General Appraiser Report Writing and Case Studies
Residential & Commercial Valuation of Solar
Litigation Appraising

IV. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Partner (2002 to Present)
NAI/Commercial Industrial Properties Company, Director of Operations (1999 to 2001)
Asset Recovery Fund, Financial Analyst Internship (1998 to 1999)
Stratus Properties, Market Research Analyst Internship (1997 to 1998)
Dames & Moore (URS Corporation), Project Manager and Engineer (1992 to 1997)

V. REAL ESTATE ASSIGNMENTS

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

- Managed and conducted more than 400 market and feasibility studies for multifamily and student housing on a national basis. Special concentration in Section 42 Low Income Housing Tax Credit (LIHTC) Properties. Local housing authorities, developers, syndicators and lenders have utilized these studies to assist in the financial underwriting and design of these properties. Expertise in evaluating unit mix, estimating demand, analyzing rental rates, selecting competitive properties and assessing overall market feasibility.
- Managed and conducted appraisals of multifamily housing developments (primarily LIHTC properties). Appraisal assignments have typically involved determining the as is, as if complete, and as if complete and stabilized values. Additionally, encumbered and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Managed and conducted appraisals on existing and proposed U.S. Department of Agriculture (USDA) Rural Development properties. These assignments were performed in compliance with USDA underwriting guidelines, in accordance with USDA Handbook 3560, Chapter 7 and attachments.
- Completed and managed numerous Section 8 rent comparability studies (RCS) in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. These properties were typically undergoing recertification under HUD's Mark to Market Program.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)4 and 223(f) programs, as well as the LIHTC Pilot Program.
- Performed valuations of General and/or Limited Partnership Interests in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Assisted in the preparation of the Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, the reports can be used in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and in the ITC funding process.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Constantine Caloudas

Education

American University

- Bachelor of Communication, Journalism

New York University

- Graduate Certificate in Real Estate

Experience

Analyst, Novogradac & Company, LLP (December 2016 – Present)

Junior Analyst, (September 2015 – December 2016)

- Performs market studies for proposed new construction and existing affordable, market rate, and age-restricted multifamily developments. This includes property screenings, market and demographic analyses, comparable rent surveys, supply and demand analyses, determination of market rents, and other general market analysis.
- Conducts physical inspections of subject properties and comparable properties to determine condition and evaluate independent physical condition assessments.
- Analyze historic audited financial statements and proposed operating statements to determine property expense projections.
- Assist on appraisals using the cost approach, income capitalization approach, and sales comparison approach for multifamily developments. Additional appraisal assignments also include partnership valuations and HUD MAP reports.
- Prepare HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.

Real Estate Assignments: The analyst has conducted research and completed assignments in the following states and U.S. Territories:

California

Texas

Pennsylvania

Kansas

Florida

Mississippi

North Carolina

Connecticut

Missouri

Illinois

Louisiana

Indiana

Minnesota

Virginia

Washington

Maryland

Arizona

Michigan

New York

Maryland

North Carolina

Tennessee

Arizona

Ohio

Arkansas

Washington, D.C.

Indiana

Utah

West Virginia

Georgia