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

A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF: EDGEWOOD COURT

1572 Hardee Street NE
Atlanta, DeKalb County, Georgia 30307

Inspection Date: July 11, 2017
Effective Date: July 11, 2017
Report Date: July 25, 2017

Prepared for:
Mr. Brandon Kearse
Rose Affordable Housing Preservation Fund IV, LP
c/o Jonathan Rose Companies
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Assignment Code: JON600V-043

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July 25, 2017

Mr. Brandon Kearse
Rose Affordable Housing Preservation Fund IV, LP
c/o Jonathan Rose Companies
551 Fifth Avenue, 23rd Floor
New York, New York 10176

Re: Market Study - Application for Edgewood Court, located in Atlanta, DeKalb County, Georgia

Dear Mr. Kearse:

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

The purpose of this market study is to assess the viability of the proposed rehabilitation of an existing 204-unit Section 8 multifamily property that will be renovated using LIHTC equity. Currently, all units benefit from a HAP contract in which tenants pay 30 percent of their income as rent. Post-renovation, all units will be restricted to households earning 60 percent of the Area Median Income (AMI) or less. In addition, the 204 units will maintain a Section 8 overlay where tenants will continue to pay 30 percent of their income as rent. Further, four units will be demolished and rebuilt and 18 units will be newly constructed, equating to a total of 222 units, and be restricted to households earning 60 percent of the AMI or less. The 18 newly constructed one and two-bedroom units will not benefit from the Section 8 overlay. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

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

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

Novogradac & Company LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA). The NCHMA certification and checklist can be found in the Addenda of this report. Please refer to the checklist to find the sections in which content is located.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough

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

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

Respectfully submitted,
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Addendum

A. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Project Description

Edgewood Court is located at 1572 Hardee Street NE in Atlanta, DeKalb County, Georgia. The property is an existing Project-Based Section 8 development that currently consists of 41 two-story residential buildings originally constructed in 1950 and renovated in 1980. Currently, the Subject consists of 204 one, two, three, and four-bedroom units that benefit from Section 8 rental subsidies. As part of the renovation, four units will be demolished and rebuilt and 18 new one and two-bedroom units will be constructed in an additional three two-story garden-style residential buildings. It should be noted that per the Georgia DCA 2017 guidelines, the market study analyst must use the maximum rent and income limits effective as of January 1, 2017. Therefore, we have utilized the 2016 maximum income and rent limits. HAP contract rents are effective as of the most recent increase effective April 1, 2017.

PROPOSED RENTS

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2016 LIHTC Maximum Allowable Gross Rent	Contract Rents	Proposed Contract Rents*
<i>60% AMI (Section 8)</i>								
1BR/1BA	594	24	\$677	\$82	\$759	\$759	\$834	\$1,075
2BR/1BA	690	64	\$803	\$109	\$912	\$912	\$948	\$1,200
3BR/1.5BA	966	80	\$917	\$136	\$1,053	\$1,053	\$1,061	\$1,375
3BR/1.5BA	1,050	4	\$917	\$136	\$1,053	\$1,053	\$1,061	\$1,375
4BR/2BA	1,219	32	\$1,011	\$163	\$1,174	\$1,174	\$1,133	\$1,525
<i>60% AMI</i>								
1BR/1BA	650	12	\$677	\$82	\$759	\$759	-	-
2BR/1BA	850	6	\$803	\$109	\$912	\$912	-	-
Total		222						

Notes (1) Source of Utility Allowance provided by the Subject's HAP Contract

*Note: Due to the type of HAP Contract renewal, contract rents will increase post-renovation

Post-renovations, all of the Subject's units will be restricted to households earning 60 percent of the AMI or less. In addition, the Subject's original 204 units will continue to benefit from a Section 8 overlay in which tenants will pay 30 percent of their income as rent. The following table illustrates the proposed unit mix. The proposed rents for the Subject's units at the 60 percent AMI level are at the 2016 maximum allowable level. The Subject's amenity packages are considered to be inferior to the existing housing supply in the market. The Subject's biggest deficiency is its relatively small unit sizes and inferior in-unit amenities as the Subject will not offer a coat closet, dishwasher, ceiling fan, walk-in closet, or in-unit washer/dryer, all of which a majority of the comparables offer. However, the Subject, post-renovation, will offer an exercise facility and business center/computer lab, which is not commonly offered in the market.

2. Site Description/Evaluation

The Subject site is located on the north sides of Foote Street NE and Hardee Street NE. The Subject site has good accessibility from multiple access points and good visibility from Foote Street NE and Hardee Street NE. The Subject consists of 41 two-story garden-style residential buildings constructed in 1950 and renovated in 1980. Post-renovation, an additional three, two-story garden-style residential buildings will be constructed for a total of 44 two-story garden-style residential buildings. Surrounding uses consist of single-family homes in fair to good condition, condominium developments, parks and educational uses, religious uses, vacant land, and several offices. Based on our inspection of the neighborhood, retail appeared to be 90 to 95 percent occupied. The Subject site is considered "Somewhat Walkable" by Walkscore with a rating of 54 out of 100. Crime risk indices in the Subject's area are considered high. As such, the Subject offers courtesy patrol as a security feature. Most of the comparables offer at least one security feature. Post-

renovation, the Subject will continue to offer courtesy patrol. It should be noted that the PMA constitutes an area that is going through significant revitalization. The Subject site is considered a desirable building site for rental housing. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 2.2 miles of the Subject site.

3. Market Area Definition

The PMA is defined by the boundaries of 14th Street NE, Piedmont Avenue, Rock Springs Road NE, Decatur Road, and Claremont Avenue to the north, Candler Street and Windyhill Road to the east, Tillson Road, Stoney Creek Drive SE, Custer Avenue and University Avenue to the south, Interstate 75 to the west. Many property managers have indicated that majority of their tenants from the area are from the Atlanta area. The total square mileage of the PMA is 28 miles. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 3.4 miles
East: 2.7 miles
South: 2.7 miles
West: 3.4 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many of the local property managers indicated that most residents originated from the local area but stated that a small percentage of tenants also come from various points within the greater Atlanta metro area and surrounding communities. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 3.4 miles.

4. Community Demographic Data

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth increased from 2010 to 2016. The rate of population and household growth is projected to continue to increase through 2021. The current population of the PMA is 140,522 and is expected to be 144,299 in 2019. Renter households are concentrated in the lowest income cohorts, with 46.7 percent of renters in the PMA earning less than \$40,000 annually. Assuming subsidized rents, the Subject will target households earning between zero and \$48,540. As such, the Subject should be well-positioned to service this market as a large percentage of renter households earn less than \$49,999. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market. Further, it should be noted that the Subject is currently stabilized and all tenants will remain income qualified post-renovation.

5. Economic Data

Employment in the PMA is concentrated in five industries which represent approximately 59.8 percent of total employment in the PMA. However, three of those industries, professional/scientific/technology services, educational services, and healthcare/social assistance, are resilient during periods of economic downturn. Furthermore, the Atlanta metro area is home to the world headquarters of corporations such as Coca-Cola, Home Depot, United Postal Service, Delta Air Lines, and Turner Broadcasting. In addition to a number of post-secondary educational institutions including Clark Atlanta University, Georgia Institute of Technology, Georgia State University, Emory University, and others.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through May 2017. As of May 2017, total employment in the MSA has grown by 3.6 percent year-over-year, while national employment has grown 1.2 percent during the same time period. The unemployment rate in the MSA as of May 2017 was 4.5 percent, 40 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment

rate indicate that the MSA has made a strong recovery from the most recent national recession and is currently expanding. The growing local economy is a positive indicator of demand for rental housing and the Subject’s proposed units.

6. Project-Specific Affordability and Demand Analysis

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 60% AMI (Section 8)	\$0	\$33,480	24	3,829	49	3,780	0.6%	0	\$838	\$639	\$1,146	\$677
1BR at 60% AMI	\$26,023	\$33,480	12	740	0	740	1.6%	0	\$838	\$639	\$1,146	\$677
1BR Overall	\$0	\$33,480	36	3,829	49	3,780	1.0%	0	-	-	-	-
2BR at 60% AMI (Section 8)	\$0	\$36,480	64	2,727	43	2,684	2.4%	0	\$1,084	\$799	\$1,505	\$803
2BR at 60% AMI	\$31,269	\$36,480	6	527	0	527	1.1%	0	\$1,084	\$799	\$1,505	\$803
2BR Overall	\$0	\$36,480	70	2,727	43	2,684	2.6%	0	-	-	-	-
3BR at 60% AMI (Section 8)	\$0	\$43,740	80	624	29	595	13.5%	0	\$1,089	\$941	\$1,403	\$917
3BR Overall	\$0	\$43,740	80	624	29	595	13.5%	0	-	-	-	-
4BR at 60% AMI (Section 8)	\$0	\$46,980	32	226	0	226	14.2%	0	\$1,408	\$1,100	\$1,716	\$1,011
4BR Overall	\$0	\$46,980	32	226	0	226	14.2%	0	-	-	-	-
60% AMI (Section 8) Overall	\$0	\$46,980	200	7,406	121	7,285	2.7%	0	-	-	-	-
60% AMI Overall	\$26,023	\$36,480	18	1,267	0	1,267	1.4%	0	-	-	-	-
Overall	\$0	\$46,980	218	7,406	121	7,285	3.0%	0	-	-	-	-

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

7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 2,233 units.

We researched rental housing in the east Atlanta market area and identified seven market-rate apartment properties that were most similar to the Subject in regards to property type, quality, age, structure, location and unit types offered. The Subject is a two-story garden-style property originally constructed in 1950 and subsequently renovated in 1980. Therefore, when selecting the comparables more weight was placed on the comparables being located in a similar location, of similar quality and age. Additionally, the Subject will be extensively renovated in 2019 and an additional 18 new units will be added, and we therefore located several comparables that feature a similar vintage as the Subject and have been renovated or constructed over the past decade.

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

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

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Subject's Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 60%	\$677	\$639	\$1,146	\$838	23.8%
2BR @ 60%	\$803	\$799	\$1,505	\$1,084	35.0%
3BR @ 60%	\$917	\$941	\$1,430	\$1,089	18.8%
4BR @ 60%	\$1,011	\$1,100	\$1,716	\$1,408	39.3%

As illustrated the Subject's proposed 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. The Subject's one and two-bedroom proposed LIHTC rents are within the surveyed range of comparable LIHTC and market rents, while the Subject's two, three, and four-bedroom proposed LIHTC rents are slightly below the range of the comparable LIHTC and market rents.

8. Absorption/Stabilization Estimate

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

ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated above, the comparables reported absorption rates between 12 to 20 units per month. The Subject is larger than all of these properties so an absorption rate towards the low end of the range would be reasonable. Thus, if the Subject was hypothetically 100 percent vacant and had to re-lease units, we would estimate an absorption rate of approximately 15 units per month, which results in an absorption period of approximately 13 to 14 months. It should be noted that this absorption analysis is hypothetical because the Subject is currently operating at a stabilized occupancy.

9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.4 percent, which is considered low. Furthermore, three of the four LIHTC comparables reported no vacancies. The Subject will offer inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties, but generally similar to slightly superior property amenities. Post-renovation, the Subject will offer a business center/computer lab and exercise facility, which several of the comparable properties lack. Overall, we believe that the proposed community amenities will allow the Subject to effectively compete in the family LIHTC market. However, the lack of in-unit amenities provides a marketing disadvantage of the Subject. Post-renovation, the Subject will be in good to excellent condition and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be generally inferior with the comparable properties and offer a marketing disadvantage in the market. However, based on historical performance of the Subject assuming the affordable operation, we believe the Subject's small unit sizes and lack of in-unit amenities will not impact the future performance of the Subject. Additionally, the Subject will offer three and four-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject is filling a void in the market for income-restricted, three and four-bedroom units. Given the Subject's anticipated relatively superior condition to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties, we believe that the Subject will continue to perform well in the market.

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

Summary Table: (must be completed by the analyst and included in the executive summary)										
Development Name:		Edgewood Court						Total # Units:		222
Location:		1572 Hardee Street NE						# LIHTC Units:		18
		Atlanta, Dekalb County, Georgia 30307								
PMA Boundary:		North: 14th Stret NE, Piedmont Avenue, Rock Springs Road NE, Decatur Road, and Claremont Avenue; East: Candler Street and Windyhill Road; South: Tillson Road, Stoney Creek Drive SE, Custer Avenue, and University Avenue; West: Interstate 75								
		Farthest Boundary Distance to Subject:								3.4 miles
Rental Housing Stock (found on page 63)										
Type	# Properties*	Total Units	Vacant Units	Average Occupancy						
All Rental Housing	77	10,748	131	98.8%						
Market-Rate Housing	14	3,199	70	97.8%						
Assisted/Subsidized Housing not to include LIHTC	40	5,336	22	99.6%						
LIHTC	23	2,213	39	98.2%						
Stabilized Comps	77	10,748	131	98.8%						
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap						
*Only includes properties in PMA										
Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent		
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF	
12	1BR at 60% AMI	1	650	\$677	\$838	\$1.29	24%	\$892	\$1.27	
24	1BR at 60% AMI (Section 8)	1	594	\$677	\$838	\$1.41	24%	\$1,049	\$1.10	
6	2BR at 60% AMI	1	850	\$803	\$1,084	\$1.28	35%	\$1,196	\$1.09	
64	2BR at 60% AMI (Section 8)	1	690	\$803	\$1,084	\$1.57	35%	\$892	\$1.27	
84	3BR at 60% AMI (Section 8)	2	966-1,050	\$917	\$1,089	\$1.13-\$1.04	19%	\$1,049	\$1.10	
32	4BR at 60% AMI (Section 8)	2	1,219	\$1,011	\$1,408	\$1.16	39%	\$1,196	\$1.09	
Demographic Data (found on page 26)										
		2010		2017		January 2019				
Renter Households		30,994	100.0%	37,896	54.0%	39,063	54.2%			
Income-Qualified Renter HHs (LIHTC)		16,502	53.2%	20,176	53.2%	20,798	53.2%			
Targeted Income-Qualified Renter Household Demand (found on pages 44 to 59)										
Type of Demand	30%	50%	60% (Section 8)	60%	Other: __	Overall*				
Renter Household Growth	0	0	-23	7	-	-	-	-	-23	
Existing Households (Overburdened + Substandard)	0	0	7,429	1,425	-	-	-	-	7,429	
Homeowner conversion (Seniors)	-	-	-	-	-	-	-	-	-	
Total Primary Market Demand	-	-	7,406	1,431	-	-	-	-	7,406	
Less Comparable/Competitive Supply	0	0	121	0	0	0	0	0	121	
Adjusted Income-qualified Renter HHs**	-	-	7,285	1,431	-	-	-	-	7,285	
Capture Rates (found on page 59)										
Targeted Population	30%	50%	60% (Section 8)	60%	Other: __	Overall				
Capture Rate:	-	-	2.7%	1.5%	-	-	-	-	3.0%	

*Includes LIHTC and unrestricted (when applicable)

**Not adjusted for demand by bedroom-type.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

- | | |
|---|---|
| 1. Project Address and Development Location: | The Subject is located at 1572 Hardee Street NE in Atlanta, DeKalb County, Georgia 30307. The Subject is existing 204-unit Section 8 development covered by HAP contract number: GA6A002001, which expires March 31, 2018. As part of the rehabilitation, four existing units will be demolished and rebuilt and 18 one and two-bedroom units will be newly constructed in three additional two-story garden-style residential buildings. |
| 2. Construction Type: | The Subject consists of 41 two-story, garden-style residential buildings. The Subject will be a rehabilitation of an existing Section 8 multifamily development using LIHTC equity. Further, the Subject will also include four units which will be demolished and then rebuilt and 18 one and two-bedroom units which will be newly constructed and contained in an additional three, two-story garden-style residential buildings. |
| 3. Occupancy Type: | Families. |
| 4. Special Population Target: | None. |
| 5. Number of Units by Bedroom Type and AMI Level: | See following property profile. |
| 6. Unit Size, Number of Bedrooms and Structure Type: | See following property profile. |
| 7. Rents and Utility Allowances: | See following property profile. |
| 8. Existing or Proposed Project-Based Rental Assistance: | See following property profile. |
| 9. Proposed Development Amenities: | See following property profile. |

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

Edgewood Court Apartments

Location 1572 Hardee Street NE
 Atlanta, GA 30307
 DeKalb County
Units 222
Vacant Units N/A
Vacancy Rate N/A
Type Garden
 (2 stories)
Year Built / Renovated 1950 /
 1980/Proposed



Market

Program @60%, @60% (Section 8)	Leasing Pace Pre-lease to two weeks
Annual Turnover Rate N/A	Change in Rent (Past) n/a
Units/Month Absorbed n/a	Concession None
Section 8 Tenants 92%	

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	Range
1	1	Garden (2 stories)	12	650	\$677	\$0	@60%	n/a	n/a	n/a	yes	
1	1	Garden (2 stories)	24	594	\$677	\$0	@60% (Section 8)	Yes	n/a	n/a	yes	
2	1	Garden (2 stories)	6	850	\$803	\$0	@60%	n/a	n/a	n/a	yes	
2	1	Garden (2 stories)	64	690	\$803	\$0	@60% (Section 8)	Yes	n/a	n/a	yes	
3	1.5	Garden (2 stories)	80	966	\$917	\$0	@60% (Section 8)	Yes	n/a	n/a	yes	
3	1.5	Garden (2 stories)	4	1050	\$917	\$0	@60% (Section 8)	Yes	n/a	n/a	yes	
4	2	Garden (2 stories)	32	1,219	\$1,011	\$0	@60% (Section 8)	Yes	n/a	n/a	yes	

Amenities

In-Unit	Balcony/Patio Blinds Carpeting Central A/C Garbage Disposal Oven Refrigerator	Security	none
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Playground	Premium	none
Services	Afterschool Program	Other	none

Comments

The property is an existing Project-Based Section 8 development that consists of 41 two-story residential buildings originally constructed in 1950 and renovated in 1980. The property consists of 24 one-, 64 two-, 84 three-, 32 four-bedroom units, and currently operates as a Section 8 property covered by HAP contract number GA06A002001, which expires March 31, 2018. The most recent HAP contract rent increase was April 2017. Post-renovation, 204 units will continue to benefit from rental subsidies. The property will be renovated with LIHTCs in 2019, and the rents in this profile represent the restricted LIHTC rents absent the Section 8 subsidy. Additionally, as part of the renovations, four units will be demolished and rebuilt and 18 new one and two-bedroom units will be constructed and will operate as LIHTC only units. The Subject's utility allowances are \$82, \$109, \$136, and \$163 for the one, two, three, and four-bedroom units, respectively. These utility allowances are based on the Subject's current HAP Contract effective April 1, 2017.

10. Scope of Renovations:

The Subject is an existing multifamily that will be renovated. Hard costs of renovations are expected to be \$13,013,533 or \$65,068 per unit. In addition to the renovation, four units will be demolished and rebuilt and 18 units will be newly constructed. Hard costs for the new construction are expected to be \$2,224,333 or \$92,681 per unit. The scope of renovations is detailed as follows: exterior stucco repair, concrete repair, construction of a new community center/leasing space, improvements to landscaping, new paving, improvements to electrical wiring, new HVAC system, new appliances, new bathroom accessories, new exercise facility, new computer room/business center, and new steel doors. New amenities at the Subject post-renovation will include an exercise facility and a computer room/business center.

Current Rents:

The following table details the current rents for the Subject’s units according to the HUD approved rent schedule, April 1, 2017.

CURRENT RENTS

Unit Type	Unit Size (SF)	Number of Units	Contract Rent	Utility Allowance (1)	Gross Contract Rent	HUD Fair Market Rents
<i>Section 8</i>						
1BR/1BA	594	24	\$722	\$112	\$834	\$858
2BR/1BA	690	64	\$812	\$136	\$948	\$990
3BR/1.5BA	966	84	\$894	\$167	\$1,061	\$1,299
4BR/2BA	1,219	32	\$951	\$182	\$1,133	\$1,599
Total		204				

Notes: (1) Source of utility allowance provided by HUD Rent Schedule, effective 4/2017

Current Occupancy:

The Subject is currently 97.1 percent occupied as of the rent roll dated July 12, 2017. The six vacant units are currently held offline for the proposed renovations. The Subject currently operates as a Section 8 development. Following renovations, the Subject’ original 204 one, two, three, and four-bedroom units will continue to benefit from Section 8 rental subsidies in which tenants will continue to pay 30 percent of their income as rent.

Current Tenant Income:

All units benefit from a HAP contract in which tenants pay 30 percent of their income as rent. The current average tenant paid rent is \$5.

11. Placed in Service Date:

The Subject was originally built in 1950 with the last significant renovations occurring in 1980. The proposed renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are scheduled to be completed in January 2019.

Conclusion:

The Subject currently consists of 41 average-quality brick and vinyl siding two-story garden style residential buildings, comparable to most of the inventory in the area. In addition to the renovation, four existing units will be demolished and rebuilt and an additional three two-story garden-style buildings will be constructed and add an additional 18 newly constructed units to the Subject. Post-renovation, the Subject will exhibit good to excellent overall condition and we expect the Subject to not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

1. **Date of Site Visit and Name of Inspector:** Meg Southern visited the site on July 11, 2017.

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

Frontage: The Subject site has frontage along the north side of Hardee Street NE.

Visibility/Views: The Subject will be located along the north side of Hardee Street NE and Foote Street NE. Visibility and views from the site will be good and will include single-family homes in fair to excellent condition to the west, Valerie Dial Thomas Facilities Center and LaFrance Street Lofts, a condominium development in good condition to the north, a public school to the south, and wooded vacant land to the east.

Surrounding Uses: The following aerial illustrates the Subject site.



Source: Google Earth, July 2017

The Subject is located in the Edgewood neighborhood of Atlanta, approximately four miles east of downtown. The Subject's neighborhood consists primarily of single-family homes in fair to good condition, condominium developments, parks and educational uses, religious uses, vacant land, and several offices. West of the Subject are single-family homes in fair to excellent condition and religious uses. Further west is Retreat at Edgewood I & II, a mixed income multifamily development in excellent condition. This property has been utilized as a comparable. Adjacent uses to the north consist of the Valerie Dial Thomas Facilities Center, a corporate office of a tech company (Big Nerd Ranch), and LaFrance Street Lofts, a condominium development in good condition. Carlyle Park, a townhome style for-purchase development in very good condition, is located to the northwest. South of the Subject is a public school, followed by a public park and recreation center. East of the Subject is wooded vacant land, followed by public sports fields and a restaurant. The retail in the immediate area appeared approximately 90 to 95 percent occupied. Overall, the Subject site is a good location for multifamily use.

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. The Subject is located approximately four miles east of downtown Atlanta.

3. Physical Proximity to Locational Amenities:

The Subject is located within 2.2 miles of all locational amenities.

4. Pictures of Site and Adjacent Uses:

The following are pictures of the Subject and adjacent uses.



View of Subject facing east



View of Subject facing north



View of Subject facing west



View of Subject facing west



Subject signage



Community room



Leasing office



Playground



Typical commercial/retail use west of Subject along Moreland Avenue



Typical commercial/retail use west of Subject along Moreland Avenue



Typical single-family home east of Subject



Typical single-family home west of Subject



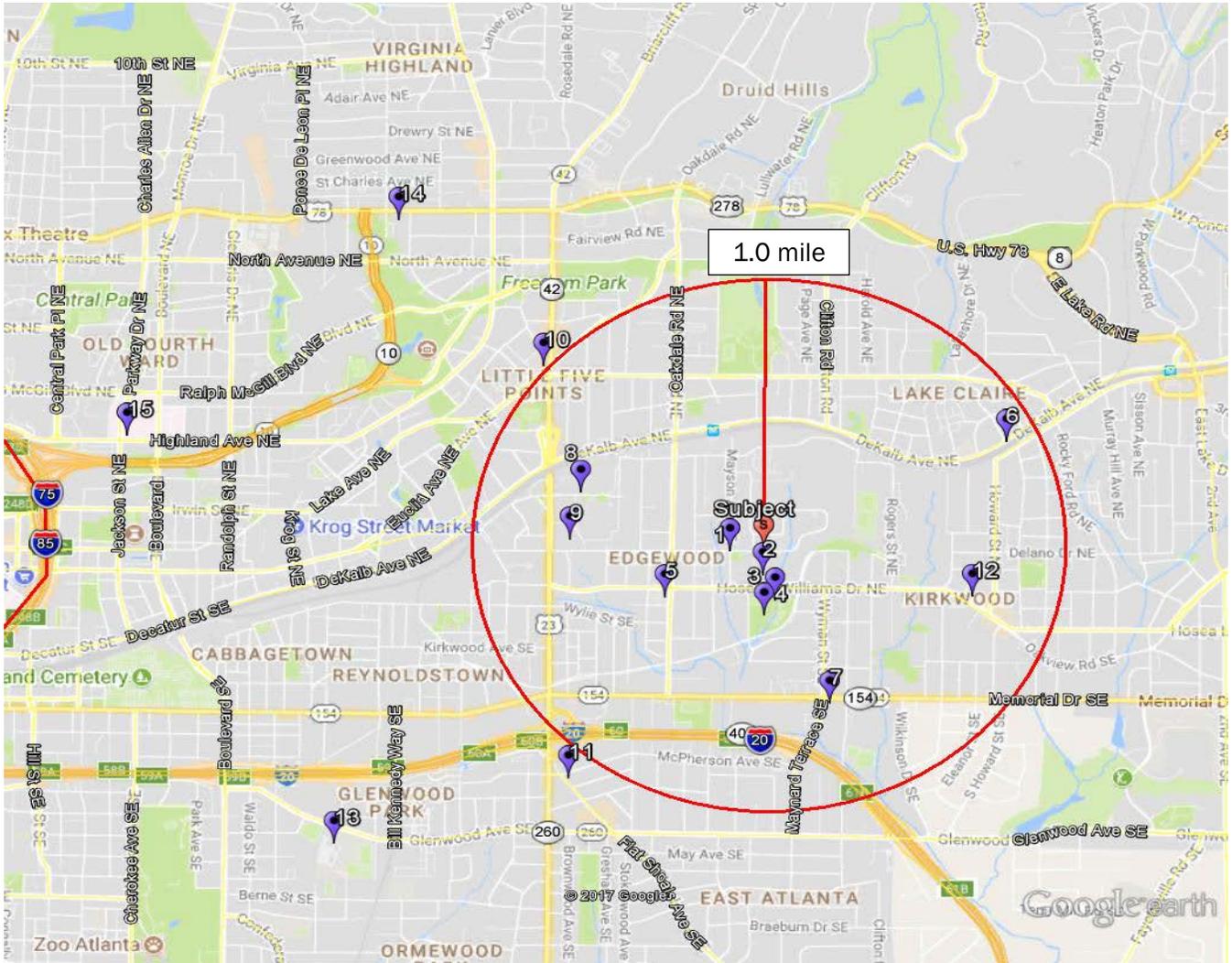
House of worship northwest of Subject



Typical single-family home east of Subject

5. Proximity to Locational Amenities:

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



Source: Google Earth, July 2017

LOCATIONAL AMENITIES

#	Service or Amenity	Distance from Subject
1	Bus Stop	0.1 miles
2	Sammye E. Coan Middle School	0.2 miles
3	Coan Park	0.2 miles
4	Coan Park Recreation Center	0.2 miles
5	Whiteford Elementary School	0.2 miles
6	MARTA Rail Station	0.5 miles
7	Exxon Gas Station	0.6 miles
8	Wells Fargo	0.7 miles
9	Kroger	0.7 miles
10	Police Station	0.9 miles
11	Library	0.9 miles
12	Post Office	1.1 miles
13	Maynard Jackson High School	1.8 miles
14	Rite Aid	1.8 miles
15	Atlanta Medical Center	2.2 miles

6. Description of Land Uses

The Subject is located in the Edgewood neighborhood of Atlanta, approximately four miles east of downtown. The Subject’s neighborhood consists primarily of single-family homes in fair to good condition, condominium developments, parks and educational uses, religious uses, vacant land, and several offices. West of the Subject are single-family homes in fair to excellent condition and religious uses. Further west, is the Retreat at Edgewood I & II, a mixed income multifamily development in excellent condition. Adjacent uses to the north consist of the Valerie Dial Thomas Facilities Center, a corporate office of a tech company (Big Nerd Ranch), and LaFrance Street Lofts, a condominium development in good condition. Carlyle Park, a townhome style for-purchase development in very good condition, is located to the northwest. Further to the northwest are commercial uses in good condition and railroad tracks. South of the Subject is Sammie E. Coan Middle School, followed by a public park and recreation center. Further south are single-family homes in average to good condition. East of the Subject is wooded vacant land, followed by public sports fields and a restaurant. Further east is a house of worship and single-family homes in average to good condition. The retail in the Subject’s immediate area appeared approximately 90 to 95 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 54 out of 100. Overall, the Subject site is a good location for multifamily use.

7. Crime:

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

2016 CRIME INDICES

	PMA	Atlanta-Sandy Springs-Roswell, GA MSA
Total Crime*	320	139
Personal Crime*	367	130
Murder	414	155
Rape	177	88
Robbery	443	163
Assault	350	118
Property Crime*	314	140
Burglary	310	147
Larceny	295	134
Motor Vehicle Theft	481	178

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

*Unweighted aggregations

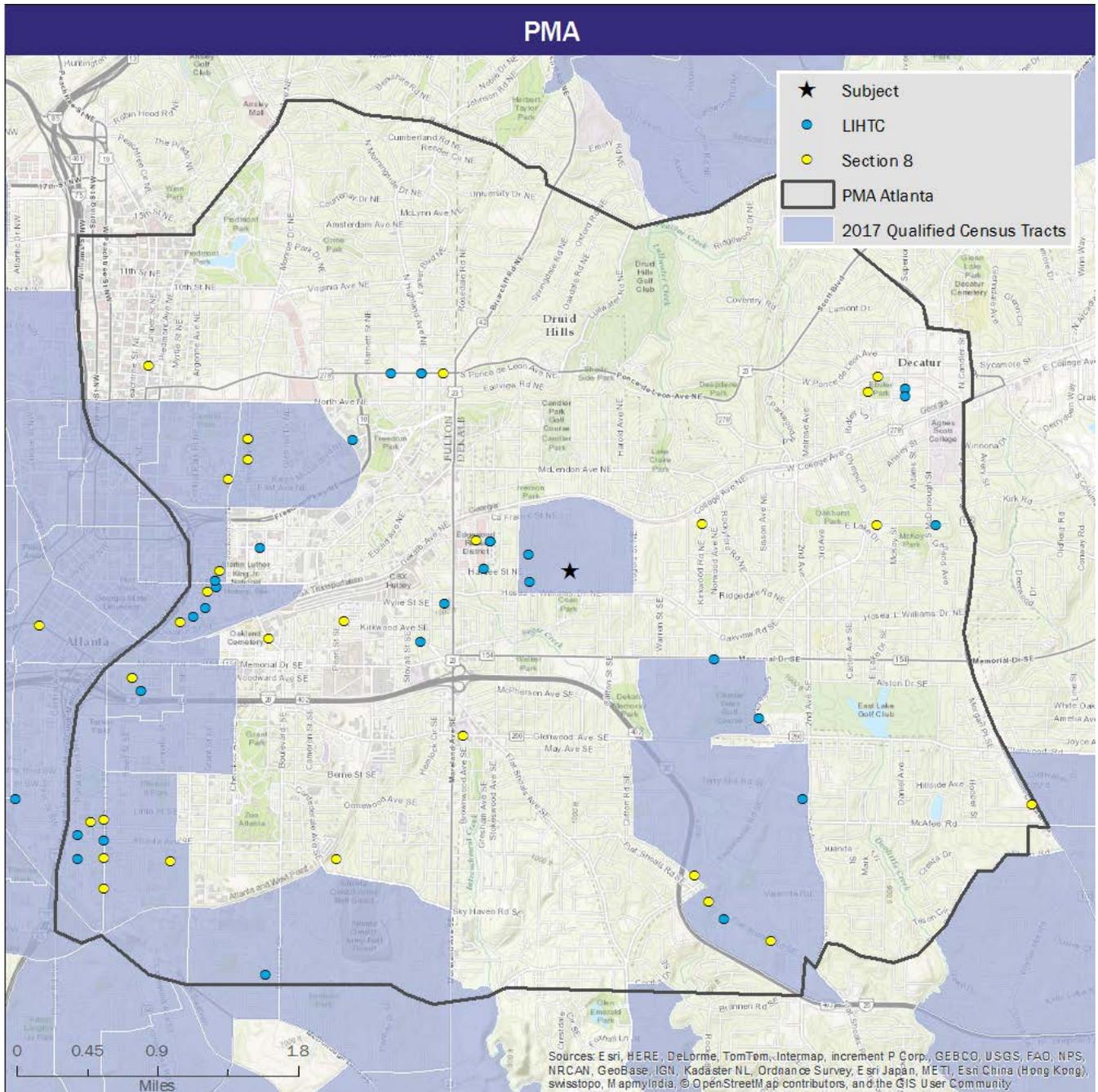
The total crime indices in the PMA are significantly above that of the MSA and the nation. The Subject offers courtesy patrol as a security feature. Most of the comparables offer at least one security feature. Post-renovation, the Subject will continue to offer courtesy patrol. It should be noted that the PMA constitutes an area that is going through significant revitalization.

8. Existing Assisted Rental Housing Property Map: The following map and list identifies all assisted rental housing properties in the PMA.

AFFORDABLE PROPERTIES IN THE PMA

Property Name	Program	Location	Tenancy	# of Units	Distance from Subject	Occupancy	Reason for Exclusion	Map Color
Edgewood Court Apartments	Section 8	Atlanta	Family	222	-	97.1%	-	Star
Columbia At Peopletown	Section 8/LIHTC	Atlanta	Family	135	3.2 miles	99.3%	Subsidized rents	
Columbia Senior Residences Edgewood	Section 8/LIHTC	Atlanta	Family	135	0.6 miles	100.0%	Subsidized rents	
Wheat Street Towers	Section 8	Atlanta	Family	210	2.3 miles	100.0%	Subsidized rents	
Sterling At Candler Village	Section 8	Atlanta	Family	170	N/A	N/A	Subsidized rents	
Columbia Mills	Section 8/LIHTC	Atlanta	Family	100	2.7 miles	N/A	Subsidized rents	
Briarcliff Summit Apartments	Section 8	Atlanta	Family	200	N/A	100.0%	Subsidized rents	
Maggie Russell Tower	Section 8	Atlanta	Family	150	2.3 miles	100.0%	Subsidized rents	
Boynton Village Apartments	Section 8/LIHTC	Atlanta	Family	43	3.6 miles	N/A	Subsidized rents	
Branan Towers	Section 8	Atlanta	Family	176	1.3 miles	100.0%	Subsidized rents	
Capitol Avenue School	Section 8	Atlanta	Family	48	3.4 miles	N/A	Subsidized rents	
Capitol Towers	Section 8	Atlanta	Family	39	3.5 miles	N/A	Subsidized rents	
Capitol Vanira Apartments	Section 8	Atlanta	Disabled	60	3.5 miles	N/A	Subsidized rents	
Highlands @ East Atlanta	Section 8/LIHTC	Atlanta	Family	250	2.3 miles	100.0%	Subsidized rents	
Bedford Pine Apartments V	Section 8	Atlanta	Family	146	2.0 miles	100.0%	Subsidized rents	
Bedford Pine Apartments I	Section 8	Atlanta	Family	134	2.0 miles	100.0%	Subsidized rents	
Bedford Pine Apartments IV	Section 8	Atlanta	Family	77	2.0 miles	100.0%	Subsidized rents	
Trestletree Village	Section 8/LIHTC	Atlanta	Family	188	2.5 miles	N/A	Subsidized rents	
Lutheran Towers	Section 8	Atlanta	Family	205	N/A	N/A	Subsidized rents	
Park Trace Apartments	Section 8	Atlanta	Family	170	N/A	100.0%	Subsidized rents	
Philips Towers	Section 8	Atlanta	Family	225	2.7 miles	100.0%	Subsidized rents	
Booth Residence	Section 8	Atlanta	Senior	100	2.8 miles	100.0%	Subsidized rents	
Fulton Cotton Mill Lofts	Section 8/LIHTC	Atlanta	Family	206	2.0 miles	99.0%	Subsidized rents	
Presley Woods Apts	Section 8/LIHTC	Atlanta	Family	40	0.9 miles	100.0%	Subsidized rents	
Shepherd Center	Section 8	Atlanta	Senior	14	N/A	N/A	Subsidized rents	
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	N/A	N/A	Subsidized rents	
Columbia Senior Residences @ Mlk	Section 8/LIHTC	Atlanta	Family	121	2.8 miles	N/A	Subsidized rents	
Capitol Gateway Phase II	Section 8/LIHTC	Atlanta	Family	152	N/A	100.0%	Subsidized rents	
Veranda At Auburn Pointe III	Section 8/LIHTC	Atlanta	Family	102	2.3 miles	100.0%	Subsidized rents	
Ashley Auburn Pointe II	Section 8/LIHTC	Atlanta	Family	150	N/A	98.0%	Subsidized rents	
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	78	2.5 miles	100.0%	Subsidized rents	
Capital Gateway Apartments Phase I	Section 8	Atlanta	Family	269	N/A	99.0%	Subsidized rents	
City Lights I	Section 8	Atlanta	Family	80	N/A	N/A	Subsidized rents	
Summit Trail	LIHTC	Atlanta	At Risk	44	N/A	100.0%	Differing target tenancy	
Courtyards At Glenview	LIHTC	Atlanta	Family	176	1.0 mile	N/A	Unable to contact	
Bienvenue Place	LIHTC	Atlanta	Family	61	N/A	N/A	Unable to contact	
Patterson Heights	LIHTC	Atlanta	At Risk	10	3.6 miles	100.0%	Differing target tenancy	
Washington Heights	LIHTC	Atlanta	Family	10	3.7 miles	100.0%	Inferior condition	
People's Place	LIHTC/PBRA	Atlanta	Family	76	2.3 miles	100.0%	Subsidized rents	
O'Hern House - Project Peoples Place	LIHTC/PBRA	Atlanta	Family	76	2.3 miles	100.0%	Subsidized rents	
Amberwood Village	LIHTC	Atlanta	Family	30	N/A	100.0%	Dissimilar unit mix	
Oakland Court Apts	LIHTC	Atlanta	Family	100	0.6 miles	N/A	Unable to contact	
Columbia Village Townhomes	LIHTC	Decatur	Family	100	N/A	100.0%	Differing building design	
Villages Of Eastlake I & II	Market/PBRA	Atlanta	Family	287	1.5 miles	100.0%	Subsidized rents	
Square At Peopletown	LIHTC	Atlanta	Family	94	N/A	100.0%	Unable to contact	
Briarcliff Summit Apts	Section 8/LIHTC	Atlanta	Family	200	N/A	98.0%	Subsidized rents	
Columns At East Hill	LIHTC	Decatur	Family	28	N/A	N/A	Unable to contact	
Grant Park Apts	LIHTC	Atlanta	Family	291	3.2 miles	99.0%	Unable to contact	
Oakhill	LIHTC	Atlanta	Family	132	0.6 miles	100.0%	Unable to contact	
Telephone Factory Lofts	LIHTC	Atlanta	Family	17	N/A	N/A	Unable to contact	
Irwin Street Apts/Pri	LIHTC	Atlanta	Family	57	2.0 miles	N/A	Unable to contact	
Columbia Citi Homes*	LIHTC/Market	Atlanta	Family	84	0.6 miles	100.0%	Utilized as a comparable	
Retreat at Edgewood*	LIHTC	Atlanta	Family	100	0.3 miles	100.0%	Utilized as a comparable	
Vineyards Of Flatshoals*	LIHTC	Atlanta	Family	228	2.4 miles	99.1%	Utilized as a comparable	
Reynolds Town Commons	LIHTC	Atlanta	Family	32	0.8 miles	97.0%	Unable to contact	
Columbia Tower At MLK Village	LIHTC	Atlanta	Family	95	N/A	98.9%	Dissimilar building design	
Retreat at Edgewood II*	LIHTC	Atlanta	Family	40	0.3 miles	100.0%	Utilized as a comparable	
Allen Wilson Terrace Phase III	LIHTC/Public Housing	Atlanta	Family	71	N/A	98.8%	Subsidized rents	
Veranda At Auburn Point	LIHTC	Atlanta	Senior	222	2.3 miles	100.0%	Differing target tenancy	
Ashley Auburn Pointe I	LIHTC/PBRA	Atlanta	Family	154	N/A	97.4%	Subsidized rents	
Allen Wilson Terrace Phase I	LIHTC/Public Housing	Atlanta	Family	80	N/A	98.8%	Subsidized rents	
Centennial Place IV	LIHTC/Market/PBRA	Atlanta	Family	107	N/A	100.0%	Subsidized rents	
Bethel Heights	LIHTC	Atlanta	Family	10	N/A	90.0%	Inferior condition	
Reed Street Apts	LIHTC	Atlanta	Family	30	N/A	N/A	Unable to contact	
Average PMA Occupancy						99.3%		

*Utilized as a comparable



9. Road, Infrastructure or Proposed Improvements:

We did not witness any road, infrastructure or proposed improvements during our field work.

10. Access, Ingress-Egress and Visibility of Site:

There are multiple access points to the Subject property. The Subject primarily has frontage along Hardee Street NE and Foote Street NE, both of which are two-lane roadways with light traffic that generally traverses east to west. Hardee Street NE provides access to Moreland Avenue NE, approximately 0.6 miles to the west. Moreland Avenue NE is a major thoroughfare that provides access

to Interstate 20, approximately 0.7 miles to the south. Overall, access and visibility are considered good.

11. Conclusion:

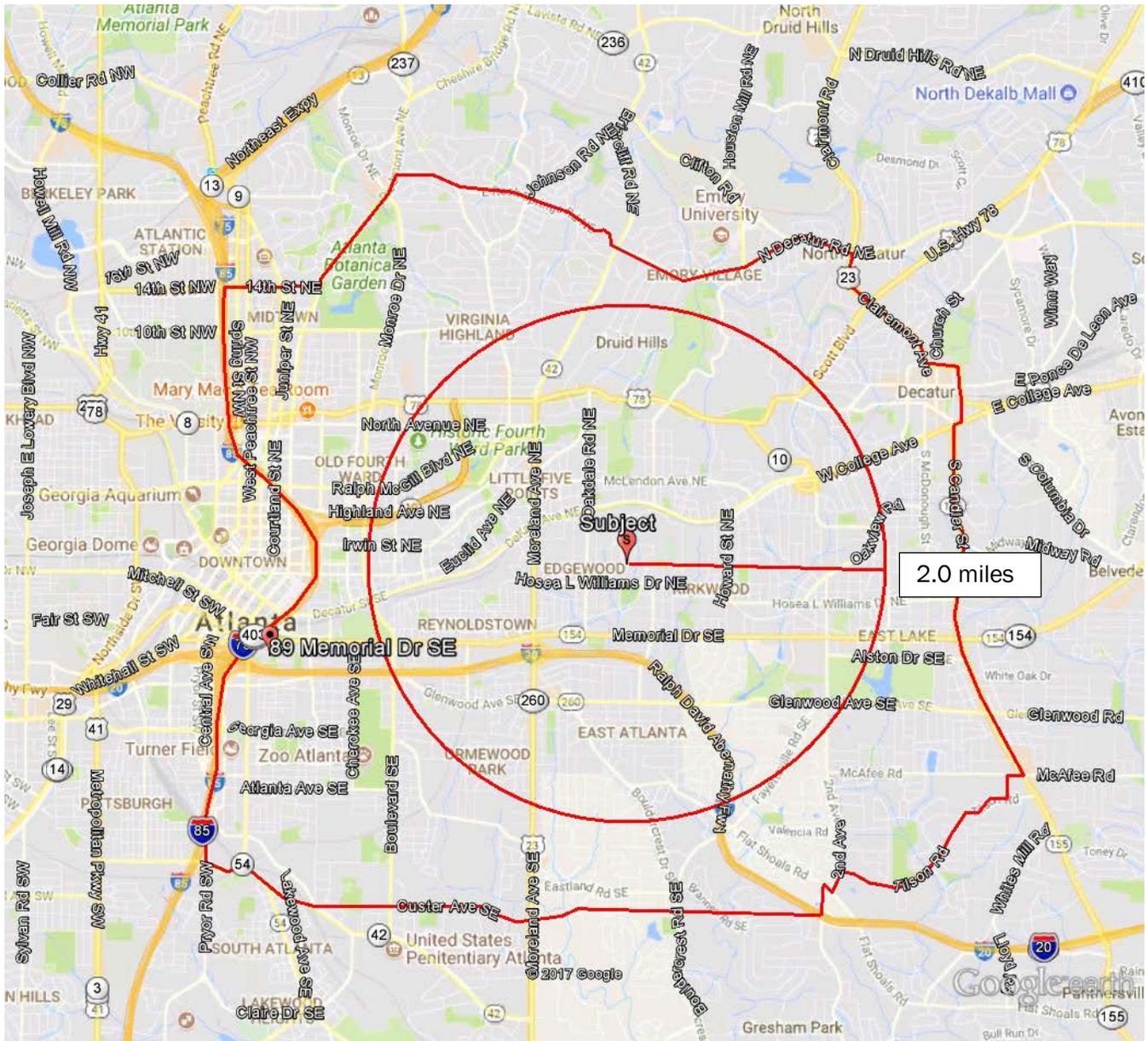
The Subject site is located on the north sides of Foote Street NE and Hardee Street NE. The Subject site has good accessibility from multiple access points and good visibility from Foote Street NE and Hardee Street NE. The Subject consists of 41 two-story garden-style residential buildings constructed in 1950 and renovated in 1980. Post-renovation, an additional three, two-story garden-style residential buildings will be constructed for a total of 44 two-story garden-style residential buildings. Surrounding uses consist of single-family homes in fair to good condition, condominium developments, parks and educational uses, religious uses, vacant land, and several offices. Based on our inspection of the neighborhood, commercial/retail appeared to be 90 to 95 percent occupied. The Subject site is considered “Somewhat Walkable” by Walkscore with a rating of 54 out of 100. Crime risk indices in the Subject’s area are considered high. As such, the Subject offers courtesy patrol as a security feature. Most of the comparables offer at least one security feature. Post-renovation, the Subject will continue to offer courtesy patrol. It should be noted that the PMA constitutes an area that is going through significant revitalization. The Subject site is considered a desirable building site for rental housing. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are within 2.2 miles of the Subject site.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



Source: Google Earth, July 2017

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

The PMA is defined by the boundaries of 14th Street NE, Piedmont Avenue, Rock Springs Road NE, Decatur Road, and Claremont Avenue to the north, Candler Street and Windyhill Road to the east, Tillson Road, Stoney Creek Drive SE, Custer Avenue and University Avenue to the south, Interstate 75 to the west. Many property managers have indicated that majority of their tenants from the area are from the Atlanta area. The total square mileage of the PMA is 28 miles. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 3.4 miles
East: 2.7 miles
South: 2.7 miles
West: 3.4 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many of the local property managers indicated that most residents originated from the local area but stated that a small percentage of tenants also come from various points within the greater Atlanta metro area and surrounding communities. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 3.4 miles. The SMA is defined as the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA), which consists of 30 counties in northwest Georgia and encompasses 8,726 square miles.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

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

1a. Total Population

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

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	125,533	-	4,263,438	-	281,421,906	-
2010	129,090	0.3%	5,286,728	2.4%	308,745,538	1.0%
2017	140,522	0.5%	5,665,958	0.4%	323,580,626	0.3%
Projected Mkt Entry January 2019	144,299	1.4%	5,814,964	1.4%	328,735,186	0.8%
2021	150,595	1.4%	6,063,308	1.4%	337,326,118	0.8%

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

Between 2000 and 2010 there was approximately 0.3 percent annual growth in the PMA. During the same time period, annual growth in the MSA outpaced that of the PMA at 2.4 percent annually. Over the next five years, the population growth in the PMA and the MSA is projected to increase at a 1.4 percent annual rate, which outpaces the national projections. Overall, we believe that population growth in the PMA and MSA is a positive indication of demand for the Subject's proposed units.

1b. Total Population by Age Group

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2017	Projected Mkt Entry	2021
0-4	7,397	8,028	7,940	8,082	8,318
5-9	7,421	5,948	6,655	6,789	7,011
10-14	6,901	4,704	5,730	5,915	6,223
15-19	6,424	4,928	5,698	5,868	6,152
20-24	9,522	10,189	10,559	10,494	10,386
25-29	15,320	16,025	16,313	16,762	17,510
30-34	14,452	15,323	16,408	16,710	17,213
35-39	12,253	13,358	13,772	14,024	14,444
40-44	10,070	10,892	11,266	11,595	12,142
45-49	8,666	9,115	9,569	9,741	10,027
50-54	7,532	7,678	8,523	8,712	9,026
55-59	4,997	6,809	7,886	8,015	8,230
60-64	3,778	5,809	6,599	6,885	7,361
65-69	3,088	3,688	5,329	5,611	6,080
70-74	2,681	2,391	3,367	3,813	4,556
75-79	2,049	1,689	2,077	2,307	2,691
80-84	1,575	1,282	1,408	1,495	1,640
85+	1,406	1,234	1,423	1,484	1,586
Total	125,532	129,090	140,522	144,300	150,596

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

POPULATION BY AGE GROUP

Atlanta-Sandy Springs-Roswell, GA MSA

Age Cohort	Atlanta-Sandy Springs-Roswell, GA MSA				
	2000	2010	2017	Projected Mkt Entry	2021
0-4	318,972	380,735	380,008	386,850	398,252
5-9	326,062	394,306	392,983	396,058	401,183
10-14	314,313	390,992	406,441	411,245	419,251
15-19	290,180	378,372	385,702	394,113	408,131
20-24	289,654	341,650	389,646	387,835	384,816
25-29	364,046	377,057	408,658	422,091	444,480
30-34	382,158	386,120	403,640	422,964	455,170
35-39	396,792	417,987	399,148	412,999	436,084
40-44	360,050	415,233	415,330	414,353	412,724
45-49	307,308	411,635	404,741	403,850	402,364
50-54	267,500	364,330	397,839	397,763	397,635
55-59	186,754	301,331	359,211	367,238	380,616
60-64	131,059	252,453	296,741	313,699	341,963
65-69	101,856	170,690	241,279	255,049	278,000
70-74	82,809	114,130	160,967	182,960	219,614
75-79	65,303	81,144	100,456	113,959	136,464
80-84	42,357	57,082	63,423	68,990	78,267
85+	36,265	51,481	59,745	62,951	68,294
Total	4,263,438	5,286,728	5,665,958	5,814,964	6,063,308

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

The largest age cohorts in the PMA are between 30 and 34 and 25 and 29, which indicates the presence of families.

1c. Number of Elderly and Non-Elderly

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

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	125,533	105,959	19,574	4,263,438	3,617,035	646,403
2010	129,090	106,188	22,902	5,286,728	4,258,417	1,028,311
2017	140,522	112,433	28,089	5,665,958	4,384,136	1,281,822
Projected Mkt Entry January 2019	144,299	114,690	29,610	5,814,964	4,450,119	1,364,846
2021	150,595	118,451	32,144	6,063,308	4,560,090	1,503,218

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

The elderly population in the PMA is expected to increase through market entry and 2021. In 2017, the elderly population consisted of 20.0 percent of the total population in the PMA; whereas, the elderly population consisted of 22.6 percent of the total population in the MSA.

2. Household Trends

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

2a. Total Number of Households and Average Household Size

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

HOUSEHOLDS

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	56,336	-	1,559,712	-	105,480,101	-
2010	64,569	1.5%	1,943,885	2.5%	116,716,292	1.1%
2017	70,130	0.5%	2,065,785	0.4%	121,786,233	0.3%
Proj. Mkt Entry	72,019	1.4%	2,116,677	1.3%	123,626,746	0.8%
2021	75,168	1.4%	2,201,496	1.3%	126,694,268	0.8%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.16	-	2.68	-	2.59	-
2010	1.94	-1.0%	2.68	0.0%	2.58	-0.1%
2017	1.95	0.0%	2.70	0.1%	2.59	0.0%
Proj. Mkt Entry	1.95	0.0%	2.71	0.1%	2.59	0.1%
2021	1.95	0.0%	2.72	0.1%	2.60	0.1%

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

Household growth in the PMA was more rapid than that of the nation and slower than the MSA between 2000 and 2010. Over the next five years, the household growth in the PMA and MSA is expected to outpace the national household growth. The average household size in the PMA is smaller than the national average at 1.95 persons in 2017. Over the next five years, the average household size is projected to remain relatively similar.

2b. Households by Tenure

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	25,979	46.1%	30,357	53.9%
2017	32,234	46.0%	37,896	54.0%
2021	34,159	45.4%	41,009	54.6%

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

TENURE PATTERNS MSA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	1,041,714	66.8%	517,998	33.2%
2017	1,282,688	62.1%	783,097	37.9%
2021	1,365,140	62.0%	836,356	38.0%

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

As the table illustrates, households within the PMA reside in predominately owner occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the MSA and the nation. This percentage and number of renter-occupied units is projected to increase over the next five years.

2c. Household Income

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	5,852	15.4%	5,839	14.9%	5,819	14.2%
\$10,000-19,999	4,392	11.6%	4,402	11.3%	4,419	10.8%
\$20,000-29,999	3,920	10.3%	3,916	10.0%	3,909	9.5%
\$30,000-39,999	3,566	9.4%	3,578	9.2%	3,600	8.8%
\$40,000-49,999	3,506	9.3%	3,463	8.9%	3,392	8.3%
\$50,000-59,999	2,985	7.9%	3,035	7.8%	3,119	7.6%
\$60,000-74,999	3,639	9.6%	3,778	9.7%	4,010	9.8%
\$75,000-99,999	3,695	9.8%	3,971	10.2%	4,431	10.8%
\$100,000-124,999	2,428	6.4%	2,627	6.7%	2,960	7.2%
\$125,000-149,999	1,183	3.1%	1,311	3.4%	1,523	3.7%
\$150,000-199,999	1,428	3.8%	1,614	4.1%	1,924	4.7%
\$200,000+	1,303	3.4%	1,528	3.9%	1,904	4.6%
Total	37,896	100.0%	39,063	100.0%	41,009	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION – ATLANTA-SANDY SPRINGS-ROSWELL, GA MSA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	91,149	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	105,219	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	105,139	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	97,180	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	81,678	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	65,880	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	74,083	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	71,965	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	41,230	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,561	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,607	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	23,378	2.9%	24,347	2.9%
Total	783,097	100.0%	803,069	100.0%	836,356	100.0%

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

The Subject will target tenants earning between \$0 and \$46,980 as proposed. Assuming no subsidies are in place, the Subject will target tenants earning between \$26,023 and \$46,980. As the table above depicts, approximately 56.0 percent of renter households in the PMA are earning incomes between zero and \$49,999, which is comparable to the 59.9 percent of renter households in the MSA in 2017. For the projected market entry date of January 2019, these percentages are projected to slightly decrease to 45.4 percent in the PMA and remain stable in the MSA.

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

The following table illustrates household size for all households in 2000, 2010, 2017, projected market entry, and 2021. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

Household Size	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	21,981	58.0%	22,834	58.5%	24,254	59.1%
2 Persons	9,441	24.9%	9,657	24.7%	10,017	24.4%
3 Persons	3,422	9.0%	3,489	8.9%	3,601	8.8%
4 Persons	1,732	4.6%	1,761	4.5%	1,809	4.4%
5+ Persons	1,319	3.5%	1,323	3.4%	1,329	3.2%
Total Households	37,896	100.0%	39,063	100.0%	41,009	100.0%

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

The majority of renter households in the PMA are one- to three-person households. The Subject will accommodate one to six person households. As such, the Subject will be able to accommodate the majority of households within the PMA.

Conclusion

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth increased from 2010 to 2016. The rate of population and household growth is projected to continue to increase through 2021. The current population of the PMA is 140,522 and is expected to be 144,299 in 2019. Renter households are concentrated in the lowest income cohorts, with 46.7 percent of renters in the PMA earning less than \$40,000 annually. Assuming subsidized rents, the Subject will target households earning between zero and \$46,980. As such, the Subject should be well-positioned to service this market as a large percentage of renter households earn less than \$49,999. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market. Further, it should be noted that the Subject is currently stabilized and all tenants will remain income qualified post-renovation.

F. EMPLOYMENT TRENDS

Employment Trends

The PMA and the Atlanta metro area is home to the world headquarters of corporations such as Coca-Cola, Home Depot, United Postal Service, Delta Air Lines, and Turner Broadcasting. The Atlanta metro area is also home to a number of post-secondary educational institutions including Clark Atlanta University, Georgia Institute of Technology, Georgia State University, Emory University, and others. As such, a large portion to total employment is concentrated in professional/scientific/technology services sector. In addition, the educational services and healthcare/social assistance industries are also heavily represented in the PMA, two historically stable industries. Total employment levels decreased during the national recession, but surpassed pre-recessionary levels in 2014 and is currently in an expansionary phase.

1. Total Jobs

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

TOTAL JOBS IN DEKALB COUNTY, GEORGIA		
Year	Total Employment	% Change
2007	374,934	-
2008	367,914	-1.9%
2009	343,126	-7.2%
2010	323,687	-6.0%
2011	327,936	1.3%
2012	335,318	2.2%
2013	337,653	0.7%
2014	342,314	1.4%
2015	364,065	6.0%
2016	364,065	0.0%
2017 YTD Average	373,592	2.6%
Jul-16	365,694	-
Jul-17	376,265	2.8%

Source: U.S. Bureau of Labor Statistics

As illustrated in the table above, DeKalb County experienced a weakening economy during the national recession. The county began feeling the effects of the downturn in 2008 with its first employment decrease of the decade. Employment growth quickly rebounded and DeKalb County exhibited employment growth from 2011 through year-to-date, with exception of 2016 when total employment remained stable. While total employment remained stagnant in 2016, total employment has increased 2.8 percent year-over-year since July 2017.

2. Total Jobs by Industry

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

JULY 2017 COVERED EMPLOYMENT DEKALB COUNTY, GEORGIA

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

Source: Bureau of Labor Statistics, 2015

Trade, transportation, and utilities is the largest industry in DeKalb County, followed by education and health services. The trade, transportation, and utilities industry is particularly vulnerable in economic downturns and is historically volatile; however, the education and health services industry is historically stable. The following table illustrates employment by industry for the PMA as of 2017.

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Professional/Scientific/Tech Services	15,809	19.5%	10,269,978	6.8%
Educational Services	11,173	13.8%	14,359,370	9.5%
Healthcare/Social Assistance	8,594	10.6%	21,304,508	14.1%
Retail Trade	6,694	8.2%	17,169,304	11.3%
Accommodation/Food Services	6,239	7.7%	11,574,403	7.6%
Public Administration	4,067	5.0%	7,093,689	4.7%
Finance/Insurance	3,538	4.4%	6,942,986	4.6%
Other Services (excl Public Admin)	3,534	4.3%	7,463,834	4.9%
Manufacturing	3,532	4.3%	15,499,826	10.2%
Information	3,264	4.0%	2,862,063	1.9%
Admin/Support/Waste Mgmt. Services	3,178	3.9%	6,511,707	4.3%
Transportation/Warehousing	2,849	3.5%	6,128,217	4.0%
Arts/Entertainment/Recreation	2,479	3.1%	3,416,474	2.3%
Construction	1,790	2.2%	9,342,539	6.2%
Real Estate/Rental/Leasing	1,773	2.2%	2,946,196	1.9%
Wholesale Trade	1,653	2.0%	4,066,471	2.7%
Utilities	921	1.1%	1,344,219	0.9%
Agriculture/Forestry/Fishing/Hunting	92	0.1%	2,253,044	1.5%
Mgmt. of Companies/Enterprises	67	0.1%	89,612	0.1%
Mining	8	0.0%	749,242	0.5%
Total Employment	81,254	100.0%	151,387,682	100.0%

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

The largest industries in the PMA are professional/scientific/technology services, educational services, and healthcare/social assistance, three historically stable industries. The percentage of professional/scientific/technology services jobs in the PMA is significantly larger than that of the nation. The educational services industry is also over represented in the PMA; industries under-represented in the PMA include manufacturing, healthcare/social assistance, construction, and retail trade sectors. As will be demonstrated in the employment discussion, the manufacturing and retail trade industries have been affected by numerous layoffs and employment decreases. Nationwide, these industries have also been affected by the recession.

3. Major Employers

The table below shows the largest employers in Atlanta, Georgia.

MAJOR EMPLOYERS - ATLANTA METRO AREA

#	Company	City	Industry	Number of Employees
1	Delta Air Lines Inc.	Atlanta	Transportation	31,237
2	Emory University	Atlanta	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Various	Retail Trade	20,532
4	The Home Depot, Inc.	Various	Retail Trade	20,000
5	AT&T Inc.	Atlanta	Communications	17,882
6	The Kroger Company	Atlanta	Retail Trade	14,753
7	WellStar Health System	Various	Healthcare	13,500
8	Publix Super Markets, Inc.	Marietta	Retail Trade	9,494
9	United States Postal Service	Various	Government	9,385
10	Northside Hospital	Atlanta	Healthcare	9,016
11	The Coca-Cola Company	Atlanta	Retail Trade	8,761
12	United Parcel Service, Inc.	Various	Government	8,727
13	Piedmont Healthcare	Atlanta	Healthcare	8,707
14	Centers for Disease Control and Prevention	Atlanta	Healthcare	8,539
15	Children's Healthcare of Atlanta	Atlanta	Healthcare	7,452

Source: The Metro Atlanta Chamber of Commerce, July 2017

The Atlanta metro area is home to the world headquarters of corporations such as Coca-Cola, Home Depot, United Postal Service, Delta Air Lines, and Turner Broadcasting. The Atlanta metro area is also home to a number of post-secondary educational institutions including Clark Atlanta University, Georgia Institute of Technology, Georgia State University, Emory University, and others. Major employers in the Atlanta metro area represent a wide variety of industries including transportation, education, healthcare, retail trade, communications, and government. While healthcare, education, and government are historically stable industries, retail trade is historically unstable, especially during times of recession.

Expansions/Contractions

The following table illustrates the layoffs and closures of significance that have occurred or been announced since January 1, 2016 in the city of Atlanta according to the Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) filings.

WARN NOTICES - ATLANTA, GA

Company	Jobs Lost	County	Date
2017			
West Rock	66	Fulton	1/20/2017
DAL Global Services	52	Fulton	2/1/2017
Windstream Communications	55	Fulton	3/1/2017
Burris Logistics	167	Fulton	3/20/2017
bebe	44	Fulton	3/31/2017
Newell Brands	258	Fulton	3/31/2017
Sheraton	145	Clayton	5/12/2017
ZEP Inc.	158	Fulton	6/1/2017
International Fragrance	85	DeKalb	6/4/2017
Popeyes	81	DeKalb	6/19/2017
Sodexo	372	Fulton	6/30/2017
Dollar Express	47	Fulton	6/30/2017
Millwood Inc.	97	Fulton	6/30/2017
Coca-Cola	421	Fulton	7/15/2017
B&B Bacrach	5	Fulton	8/6/2017
2016			
INPAX Shipping Solutions	37	Fulton	1/23/2016
GA State University	25	DeKalb	2/2/2016
Advance Auto Parts	8	Fulton	2/16/2016
Masterack, Division of Leggett & Platt	121	Fulton	2/29/2016
American Residential Properties	2	Fulton	2/29/2016
Delta Global Services, LLC.	275	Fulton	3/15/2016
Metropolitan Atlanta Rapid Transit Authority (MARTA)	371	Fulton	3/25/2016
Maslow Media Group	1	Fulton	4/30/2016
Georgia Department of Agriculture	52	N/A	5/1/2016
Benchmark Brands, Inc.	156	Fulton	8/11/2016
Core Logic	36	Fulton	8/29/2016
Crawford and Company	21	DeKalb	9/30/2016
EchoStar Technologies LLC.	137	DeKalb	10/1/2016
Holiday Inn Atlanta Perimeter	43	DeKalb	11/20/2016
Hawker Beechcraft	42	DeKalb	11/30/2016
Coca-Cola European Partners	89	Cobb	12/15/2016
Corizon Health	208	Fulton	12/31/2016
Total	3,677		

Source: Georgia Department of Economic Development, July 2017

As illustrated in the above table, there have been 3,677 employees in the area impacted by layoffs or closures since 2016. Despite these job losses that have been reported, growth has far outpaced the job losses occurring in the area.

EXPANSIONS/NEW ADDITIONS - DEKALB COUNTY 2016-2017 YTD

Company Name	Industry	Jobs
Home Chef	Manufacturing/Distribution	1,200
Sysnet Global Solutions	Cybersecurity	500
YRC Worldwide	Freight Terminal	60
Sifted	Catering Services	50
Phytobiotics	Manufacturing	25
UberOps	Security Systems	25
Carter Retail Equipment	Storage	10

Source: DeKalb County Economic Development Corporation, July 2017

EXPANSIONS/NEW ADDITIONS - FULTON COUNTY 2016-2017 YTD

Company Name	Industry	Jobs
Honeywell International	Software Development	800
GE Digital	Technology	250
Keysight Technologies	Software Development	241
magicjack	Technology	150
Deliv	Delivery Services	60
CapTech	IT Consulting	50
OnPay/Payroll Center	Payroll Services	50
Sifted	Catering Services	50
Anthem	Healthcare	25
Careers in Nonprofits	Staffing	25
EngagedMedia	Technology	25
Relex Systems	Supply Chain	25
Turkish Airlines	Cargo Carrier	25
Volantio	Research and Development	25
CMS Payments Intelligence	Payment Processing	15
The Garage	Technology Services	14

Source: Development Authority of Fulton County, July 2017

As illustrated, there were several additions in a variety of industries including manufacturing, cybersecurity, transportation, technology, software, and healthcare. From 2016 through 2017 year-to-date, there were a total of 3,700 jobs, which helps to counteract the 3,677 layoffs in the county during the same period.

4. Employment and Unemployment Trends

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

EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2002	2,324,880	-	-16.6%	136,485,000	-	-9.9%
2003	2,347,173	1.0%	-15.8%	137,736,000	0.9%	-9.0%
2004	2,382,163	1.5%	-14.6%	139,252,000	1.1%	-8.0%
2005	2,445,674	2.7%	-12.3%	141,730,000	1.8%	-6.4%
2006	2,538,141	3.8%	-9.0%	144,427,000	1.9%	-4.6%
2007	2,618,825	3.2%	-6.1%	146,047,000	1.1%	-3.6%
2008	2,606,822	-0.5%	-6.5%	145,363,000	-0.5%	-4.0%
2009	2,452,057	-5.9%	-12.1%	139,878,000	-3.8%	-7.6%
2010	2,440,037	-0.5%	-12.5%	139,064,000	-0.6%	-8.2%
2011	2,486,895	1.9%	-10.8%	139,869,000	0.6%	-7.6%
2012	2,545,474	2.4%	-8.7%	142,469,000	1.9%	-5.9%
2013	2,573,040	1.1%	-7.7%	143,929,000	1.0%	-5.0%
2014	2,620,911	1.9%	-6.0%	146,305,000	1.7%	-3.4%
2015	2,684,068	2.4%	-3.7%	148,833,000	1.7%	-1.7%
2016	2,788,476	3.9%	0.0%	151,436,000	1.7%	0.0%
2017 YTD Average*	2,862,541	2.7%	-	152,283,600	0.6%	-
May-2016	2,783,022	-	-	151,594,000	-	-
May-2017	2,882,848	3.6%	-	153,407,000	1.2%	-

Source: U.S. Bureau of Labor Statistics, July 2017

UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Atlanta-Sandy Springs-Roswell, GA MSA			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2002	5.0%	-	0.6%	5.8%	-	1.2%
2003	4.9%	-0.2%	0.5%	6.0%	0.2%	1.4%
2004	4.8%	-0.1%	0.4%	5.5%	-0.5%	0.9%
2005	5.4%	0.6%	0.9%	5.1%	-0.5%	0.5%
2006	4.7%	-0.7%	0.2%	4.6%	-0.5%	0.0%
2007	4.4%	-0.2%	0.0%	4.6%	0.0%	0.0%
2008	6.2%	1.7%	1.7%	5.8%	1.2%	1.2%
2009	9.9%	3.8%	5.5%	9.3%	3.5%	4.7%
2010	10.3%	0.4%	5.9%	9.6%	0.3%	5.0%
2011	9.9%	-0.4%	5.5%	9.0%	-0.7%	4.3%
2012	8.8%	-1.1%	4.4%	8.1%	-0.9%	3.5%
2013	7.8%	-1.0%	3.4%	7.4%	-0.7%	2.8%
2014	6.8%	-1.0%	2.3%	6.2%	-1.2%	1.6%
2015	5.7%	-1.1%	1.3%	5.3%	-0.9%	0.7%
2016	5.1%	-0.6%	0.7%	4.9%	-0.4%	0.3%
2017 YTD Average*	4.8%	-0.3%	-	4.6%	-0.3%	-
May-2016	4.7%	-	-	4.5%	-	-
May-2017	4.5%	-0.2%	-	4.1%	-0.4%	-

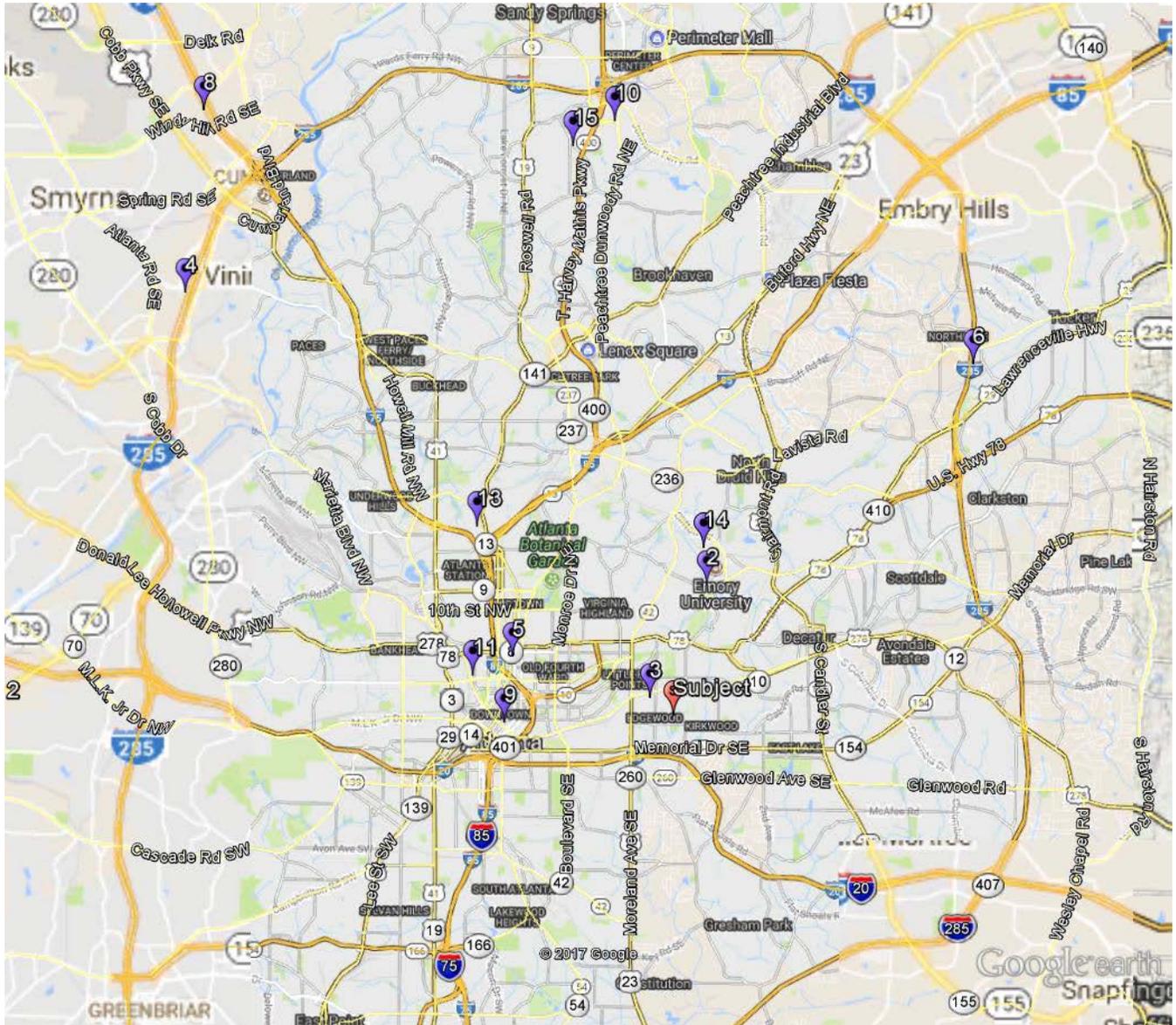
Source: U.S. Bureau of Labor Statistics, July 2017

Between 2002 and 2007, total employment in the MSA exhibited positive growth, with a pre-recessionary peak occurring in 2007. While the nation experienced its most significant recession-related employment losses in 2009, at the height of the recession. During the recession, total employment levels in the MSA decreased by 6.9 percent between 2008 and 2010 while the nation only experienced a 4.9 percent decrease during the same time period. Since 2010, the MSA has experienced substantial ongoing growth, outpacing that of the nation. In 2014, the MSA surpassed pre-recessionary total employment levels, similar to that of the nation. Between May 2016 and May 2017, total employment in the MSA increased by 3.6 percent, while the nation experienced a 1.2 percent increase during the same time period.

Historically, the MSA has reported a relatively similar unemployment rate relative to the nation. Unemployment in the MSA began increasing during 2009, at the onset of the national recession. In contrast to total employment, the MSA experienced a slightly higher unemployment rate throughout the entire recession relative to the nation. The most recent data show unemployment in the MSA 40 basis points above the national rate at 4.5 percent. Given that total employment in the MSA has surpassed pre-recessionary levels, and local employment growth is outperforming the nation, it appears the MSA has fully recovered and entered into an expansionary phase while maintaining an unemployment rate relatively similar to that of the nation indicating a continued demand for rental housing in the area.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in the Atlanta metro area.



Source: Google Earth, July 2017

MAJOR EMPLOYERS – ATLANTA METRO AREA

#	Company	City	Industry	Number of Employees
1	Delta Air Lines Inc.	Atlanta	Transportation	31,237
2	Emory University	Atlanta	Educational/Healthcare	29,937
3	Wal-Mart Stores, Inc.	Various	Retail Trade	20,532
4	The Home Depot, Inc.	Various	Retail Trade	20,000
5	AT&T Inc.	Atlanta	Communications	17,882
6	The Kroger Company	Atlanta	Retail Trade	14,753
7	WellStar Health System	Various	Healthcare	13,500
8	Publix Super Markets, Inc.	Marietta	Retail Trade	9,494
9	United States Postal Service	Various	Government	9,385
10	Northside Hospital	Atlanta	Healthcare	9,016
11	The Coca-Cola Company	Atlanta	Retail Trade	8,761
12	United Parcel Service, Inc.	Various	Government	8,727
13	Piedmont Healthcare	Atlanta	Healthcare	8,707
14	Centers for Disease Control and Prevention	Atlanta	Healthcare	8,539
15	Children's Healthcare of Atlanta	Atlanta	Healthcare	7,452

Source: The Metro Atlanta Chamber of Commerce, July 2017

6. Conclusion

Employment in the PMA is concentrated in five industries which represent approximately 59.8 percent of total employment in the PMA. However, three of those industries, professional/scientific/technology services, educational services, and healthcare/social assistance, are resilient during periods of economic downturn. Furthermore, the Atlanta metro area is home to the world headquarters of corporations such as Coca-Cola, Home Depot, United Postal Service, Delta Air Lines, and Turner Broadcasting. In addition to a number of post-secondary educational institutions including Clark Atlanta University, Georgia Institute of Technology, Georgia State University, Emory University, and others.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through May 2017. As of May 2017, total employment in the MSA has grown by 3.6 percent year-over-year, while national employment has grown 1.2 percent during the same time period. The unemployment rate in the MSA as of May 2017 was 4.5 percent, 40 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a strong recovery from the most recent national recession and is currently expanding. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by DCA. It should be noted that the Subject is an existing Section 8 development performing with a high occupancy rate, and 204 of the Subject’s 222 units will maintain subsidies post-renovation.

1. Income Restrictions

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

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

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

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

2. Affordability

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

FAMILY INCOME LIMITS - AS PROPOSED

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	60% AMI (Section 8)		60% AMI	
1BR/1BA	\$0	\$32,400	\$26,023	\$32,400
2BR/1BA	\$0	\$36,480	\$31,269	\$36,480
3BR/1.5BA	\$0	\$43,740	-	-
4BR/2BA	\$0	\$46,980	-	-

3. Demand

The demand for the Subject will be derived from two sources: new households and existing 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 2019, the anticipated date of market entry, as the base year for the analysis. Therefore, 2017 household population estimates are inflated to 2019 by interpolation of the difference between 2017 estimates and 2019 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2019. This number takes the overall growth from 2017 to 2019 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3b. Demand from Existing Households

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

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

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

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA.

3d. Other

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

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

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

4. New Demand, Capture Rates and Stabilization Conclusions

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

Additions to Supply

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

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2014 through the present.

- Vacancies in projects placed in service prior to 2014 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2014 to present. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

COMPETITIVE SUPPLY 2014 - PRESENT

Property Name	Program	Tenancy	Type	# of Units	# of Competitive Units
Trinity Walk I	LIHTC/Section 8	Family	New Construction	69	69
Trinity Walk II	LIHTC/Section 8	Family	New Construction	52	52
Juniper & 10th	LIHTC	Senior	Rehabilitation	149	0

We have deducted 121 competitive units from the analysis. There have been three recently allocated developments within the PMA, as seen in the table above. However, only two will directly compete with the Subject, assuming no subsidies. Trinity Walk I and II will offer 121 LIHTC/Section 8 units to the general population and will compete directly with the Subject. As such, we have removed 121 units at these properties from our demand analysis. The apartments on Juniper & 10th will target seniors and therefore not be directly competitive with the Subject.

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

ADDITIONS TO SUPPLY 2017

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI	Unrestricted	Overall
0BR	-	-	-	-	-	-
1BR	-	-	-	49	-	49
2BR	-	-	-	43	-	43
3BR	-	-	-	29	-	29
4BR	-	-	-	-	-	-
5BR	-	-	-	-	-	-
Total	-	-	-	121	-	121

PMA Occupancy

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

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

PMA OCCUPANCY

Property Name	Program	Location	Tenancy	# of Units	Occupancy
Edgewood Court Apartments	Section 8	Atlanta	Family	222	97.1%
Columbia At Peoplestown	Section 8/LIHTC	Atlanta	Family	135	99.3%
Columbia Senior Residences Edgewood	Section 8/LIHTC	Atlanta	Family	135	100.0%
Wheat Street Towers	Section 8	Atlanta	Family	210	100.0%
Sterling At Candler Village	Section 8	Atlanta	Family	170	N/A
Columbia Mills	Section 8/LIHTC	Atlanta	Family	100	N/A
Briarcliff Summit Apartments	Section 8	Atlanta	Family	200	100.0%
Maggie Russell Tower	Section 8	Atlanta	Family	150	100.0%
Boynton Village Apartments	Section 8/LIHTC	Atlanta	Family	43	N/A
Branan Towers	Section 8	Atlanta	Family	176	100.0%
Capitol Avenue School	Section 8	Atlanta	Family	48	N/A
Capitol Towers	Section 8	Atlanta	Family	39	N/A
Capitol Vanira Apartments	Section 8	Atlanta	Disabled	60	N/A
Highlands @ East Atlanta	Section 8/LIHTC	Atlanta	Family	250	100.0%
Bedford Pine Apartments V	Section 8	Atlanta	Family	146	100.0%
Bedford Pine Apartments I	Section 8	Atlanta	Family	134	100.0%
Bedford Pine Apartments IV	Section 8	Atlanta	Family	77	100.0%
Trestletree Village	Section 8/LIHTC	Atlanta	Family	188	N/A
Lutheran Towers	Section 8	Atlanta	Family	205	N/A
Park Trace Apartments	Section 8	Atlanta	Family	170	100.0%
Philips Towers	Section 8	Atlanta	Family	225	100.0%
Booth Residence	Section 8	Atlanta	Senior	100	100.0%
Fulton Cotton Mill Lofts	Section 8/LIHTC	Atlanta	Family	206	99.0%
Presley Woods Apts	Section 8/LIHTC	Atlanta	Family	40	100.0%
Shepherd Center	Section 8	Atlanta	Senior	14	N/A
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	N/A
Columbia Senior Residences @ Mlk	Section 8/LIHTC	Atlanta	Family	121	N/A
Capitol Gateway Phase II	Section 8/LIHTC	Atlanta	Family	152	100.0%
Veranda At Auburn Pointe III	Section 8/LIHTC	Atlanta	Family	102	100.0%
Ashley Auburn Pointe II	Section 8/LIHTC	Atlanta	Family	150	98.0%
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	78	100.0%
Capital Gateway Apartments Phase I	Section 8	Atlanta	Family	269	99.0%
City Lights I	Section 8	Atlanta	Family	80	N/A
Summit Trail	LIHTC	Atlanta	At Risk	44	100.0%
Courtyards At Glenview	LIHTC	Atlanta	Family	176	N/A
Bienvenue Place	LIHTC	Atlanta	Family	61	N/A
Patterson Heights	LIHTC	Atlanta	At Risk	10	100.0%
Washington Heights	LIHTC	Atlanta	Family	10	100.0%
People's Place	LIHTC/PBRA	Atlanta	Family	76	100.0%
O'Hern House - Project Peoples Place	LIHTC/PBRA	Atlanta	Family	76	100.0%
Amberwood Village	LIHTC	Atlanta	Family	30	100.0%
Oakland Court Apts	LIHTC	Atlanta	Family	100	N/A
Columbia Village Townhomes	LIHTC	Decatur	Family	100	100.0%
Villages Of Eastlake I & II	Market/PBRA	Atlanta	Family	287	100.0%
Square At Peoplestown	LIHTC	Atlanta	Family	94	100.0%
Briarcliff Summit Apts	Section 8/LIHTC	Atlanta	Family	200	98.0%
Columns At East Hill	LIHTC	Decatur	Family	28	N/A
Grant Park Apts	LIHTC	Atlanta	Family	291	99.0%
Oakhill	LIHTC	Atlanta	Family	132	100.0%
Telephone Factory Lofts	LIHTC	Atlanta	Family	17	N/A
Irwin Street Apts/Pri	LIHTC	Atlanta	Family	57	N/A
Columbia Citi Homes*	LIHTC/Market	Atlanta	Family	84	100.0%
Retreat at Edgewood*	LIHTC	Atlanta	Family	100	100.0%
Vineyards Of Flatshoals*	LIHTC	Atlanta	Family	228	99.1%
Reynolds Town Commons	LIHTC	Atlanta	Family	32	97.0%
Columbia Tower At MLK Village	LIHTC	Atlanta	Family	95	98.9%
Retreat at Edgewood II*	LIHTC	Atlanta	Family	40	100.0%
Allen Wilson Terrace Phase III	LIHTC/Public Housing	Atlanta	Family	71	98.8%
Veranda At Auburn Point	LIHTC	Atlanta	Senior	222	100.0%
Ashley Auburn Pointe I	LIHTC/PBRA	Atlanta	Family	154	97.4%
Allen Wilson Terrace Phase I	LIHTC/Public Housing	Atlanta	Family	80	98.8%
Centennial Place IV	LIHTC/Market/PBRA	Atlanta	Family	107	100.0%
Bethel Heights	LIHTC	Atlanta	Family	10	90.0%
Reed Street Apts	LIHTC	Atlanta	Family	30	N/A
Average PMA Occupancy					99.3%

*Utilized as a comparable

The average occupancy rate of competitive developments in the PMA is 99.3 percent.

Rehab Developments and PBRA

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

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

5. Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	5,852	15.4%	5,839	14.9%	5,819	14.2%
\$10,000-19,999	4,392	11.6%	4,402	11.3%	4,419	10.8%
\$20,000-29,999	3,920	10.3%	3,916	10.0%	3,909	9.5%
\$30,000-39,999	3,566	9.4%	3,578	9.2%	3,600	8.8%
\$40,000-49,999	3,506	9.3%	3,463	8.9%	3,392	8.3%
\$50,000-59,999	2,985	7.9%	3,035	7.8%	3,119	7.6%
\$60,000-74,999	3,639	9.6%	3,778	9.7%	4,010	9.8%
\$75,000-99,999	3,695	9.8%	3,971	10.2%	4,431	10.8%
\$100,000-124,999	2,428	6.4%	2,627	6.7%	2,960	7.2%
\$125,000-149,999	1,183	3.1%	1,311	3.4%	1,523	3.7%
\$150,000-199,999	1,428	3.8%	1,614	4.1%	1,924	4.7%
\$200,000+	1,303	3.4%	1,528	3.9%	1,904	4.6%
Total	37,896	100.0%	39,063	100.0%	41,009	100.0%

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - MSA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	91,149	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	105,219	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	105,139	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	97,180	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	81,678	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	65,880	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	74,083	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	71,965	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	41,230	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,561	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,607	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	23,378	2.9%	24,347	2.9%
Total	783,097	100.0%	803,069	100.0%	836,356	100.0%

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

60% AMI (Section 8)

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% (Section 8)

Minimum Income Limit		\$0		Maximum Income Limit		\$46,980	
New Renter Households - Total							
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry January 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-12	-1.0%	9,999	100.0%	-12		
\$10,000-19,999	10	0.9%	9,999	100.0%	10		
\$20,000-29,999	-4	-0.3%	9,999	100.0%	-4		
\$30,000-39,999	13	1.1%	9,999	100.0%	13		
\$40,000-49,999	-43	-3.7%	6,980	69.8%	-30		
\$50,000-59,999	50	4.3%					
\$60,000-74,999	139	11.9%					
\$75,000-99,999	276	23.6%					
\$100,000-124,999	200	17.1%					
\$125,000-149,999	127	10.9%					
\$150,000-199,999	186	15.9%					
\$200,000+	225	19.3%					
Total	1,167	100.0%		-2.0%	-23		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60% (Section 8)

Minimum Income Limit		\$0		Maximum Income Limit		\$46,980	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	5,852	15.4%	9,999	100.0%	5,852		
\$10,000-19,999	4,392	11.6%	9,999	100.0%	4,392		
\$20,000-29,999	3,920	10.3%	9,999	100.0%	3,920		
\$30,000-39,999	3,566	9.4%	9,999	100.0%	3,566		
\$40,000-49,999	3,506	9.3%	6,980	69.8%	2,447		
\$50,000-59,999	2,985	7.9%					
\$60,000-74,999	3,639	9.6%					
\$75,000-99,999	3,695	9.8%					
\$100,000-124,999	2,428	6.4%					
\$125,000-149,999	1,183	3.1%					
\$150,000-199,999	1,428	3.8%					
\$200,000+	1,303	3.4%					
Total	37,896	100.0%		53.2%	20,176		

ASSUMPTIONS - 60% (Section 8)

ASSUMPTIONS - 60% (Section 8)						
Tenancy		Family		% of Income towards Housing		35%
Rural/Urban		Urban		Maximum # of Occupants		6
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	80%	20%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	60%	40%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	

Demand from New Renter Households 2017 to January 2019

Income Target Population	60% (Section 8)
New Renter Households PMA	1,167
Percent Income Qualified	-2.0%
New Renter Income Qualified Households	-23

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	60% (Section 8)
Total Existing Demand	37,896
Income Qualified	53.2%
Income Qualified Renter Households	20,176
Percent Rent Overburdened Prj Mrkt Entry January 2019	36.2%
Rent Overburdened Households	7,302

Demand from Living in Substandard Housing

Income Qualified Renter Households	20,176
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	127

Senior Households Converting from Homeownership

Income Target Population	60% (Section 8)
Total Senior Homeowners	0
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	7,429
Total New Demand	-23
Total Demand (New Plus Existing Households)	7,406

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

By Bedroom Demand

One Person	58.5%	4,329
Two Persons	24.7%	1,831
Three Persons	8.9%	661
Four Persons	4.5%	334
Five Persons	3.4%	251
Total	100.0%	7,406

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	3,463
Of two-person households in 1BR units	20%	366
Of one-person households in 2BR units	20%	866
Of two-person households in 2BR units	80%	1,465
Of three-person households in 2BR units	60%	397
Of three-person households in 3BR units	40%	265
Of four-person households in 3BR units	70%	234
Of five-person households in 3BR units	50%	125
Of four-person households in 4BR units	30%	100
Of five-person households in 4BR units	50%	125
Total Demand		7,406

	Total Demand (Subject Unit Types)		Additions to Supply	=	Net Demand
Studio	-	-	-	=	-
1 BR	3,829	-	49	=	3,780
2 BR	2,727	-	43	=	2,684
3 BR	624	-	29	=	595
4 BR	226	-	0	=	226
5 BR	-	-	-	=	-
Total	7,406		121		7,285

	Developer's Unit Mix		Net Demand	=	Capture Rate
Studio	/	/	-	=	-
1 BR	24	/	3,780	=	0.6%
2 BR	64	/	2,684	=	2.4%
3 BR	80	/	595	=	13.5%
4 BR	32	/	226	=	14.2%
5 BR	/	/	-	=	-
Total	200		7,285		2.7%

60% AMI

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$26,023		Maximum Income Limit		\$36,480	
New Renter Households - Total							
Income Category	Change in Households PMA 2017 to Prj Mrkt Entry January 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-12	-1.0%					
\$10,000-19,999	10	0.9%					
\$20,000-29,999	-4	-0.3%	3,976	39.8%	-2		
\$30,000-39,999	13	1.1%	6,480	64.8%	8		
\$40,000-49,999	-43	-3.7%					
\$50,000-59,999	50	4.3%					
\$60,000-74,999	139	11.9%					
\$75,000-99,999	276	23.6%					
\$100,000-124,999	200	17.1%					
\$125,000-149,999	127	10.9%					
\$150,000-199,999	186	15.9%					
\$200,000+	225	19.3%					
Total	1,167	100.0%		0.6%	7		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - 60%

Minimum Income Limit		\$26,023		Maximum Income Limit		\$36,480	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	5,852	15.4%					
\$10,000-19,999	4,392	11.6%					
\$20,000-29,999	3,920	10.3%	3,976	39.8%	1,559		
\$30,000-39,999	3,566	9.4%	6,480	64.8%	2,311		
\$40,000-49,999	3,506	9.3%					
\$50,000-59,999	2,985	7.9%					
\$60,000-74,999	3,639	9.6%					
\$75,000-99,999	3,695	9.8%					
\$100,000-124,999	2,428	6.4%					
\$125,000-149,999	1,183	3.1%					
\$150,000-199,999	1,428	3.8%					
\$200,000+	1,303	3.4%					
Total	37,896	100.0%		10.2%	3,869		

ASSUMPTIONS - 60%

Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	80%	20%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	60%	0%	0%

Tenancy	Family	% of Income towards Housing	35%
Rural/Urban	Urban	Maximum # of Occupants	0

Demand from New Renter Households 2017 to January 2019

Income Target Population	60%
New Renter Households PMA	1,167
Percent Income Qualified	0.6%
New Renter Income Qualified Households	7

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	37,896
Income Qualified	10.2%
Income Qualified Renter Households	3,869
Percent Rent Overburdened Prj Mrkt Entry January 2019	36.2%
Rent Overburdened Households	1400

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,869
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	24

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households	1,425
Total New Demand	7
Total Demand (New Plus Existing Households)	1,431

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

By Bedroom Demand

One Person	58.5%	837
Two Persons	24.7%	354
Three Persons	8.9%	128
Four Persons	4.5%	65
Five Persons	3.4%	48
Total	100.0%	1,431

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	669
Of two-person households in 1BR units	20%	71
Of one-person households in 2BR units	20%	167
Of two-person households in 2BR units	80%	283
Of three-person households in 2BR units	60%	77
Of three-person households in 3BR units	-	-
Of four-person households in 3BR units	-	-
Of five-person households in 3BR units	-	-
Of four-person households in 4BR units	-	-
Of five-person households in 4BR units	-	-
Total Demand		1,267

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
Studio	-	-	-	=	-
1 BR	740	-	49	=	691
2 BR	527	-	43	=	484
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
Total	1,267		92		1,175

	Developer's Unit Mix		Net Demand		Capture Rate
Studio	-	/	-	=	-
1 BR	12	/	691	=	1.7%
2 BR	6	/	484	=	1.2%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
Total	18		1,175		1.5%

Overall

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$0		Maximum Income Limit		\$46,980	
Income Category	New Renter Households - Total		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Change in Households PMA 2017 to Prj Mrkt Entry January 2019						
\$0-9,999	-12	-1.0%	9,999	100.0%	-12		
\$10,000-19,999	10	0.9%	9,999	100.0%	10		
\$20,000-29,999	-4	-0.3%	9,999	100.0%	-4		
\$30,000-39,999	13	1.1%	9,999	100.0%	13		
\$40,000-49,999	-43	-3.7%	6,980	69.8%	-30		
\$50,000-59,999	50	4.3%					
\$60,000-74,999	139	11.9%					
\$75,000-99,999	276	23.6%					
\$100,000-124,999	200	17.1%					
\$125,000-149,999	127	10.9%					
\$150,000-199,999	186	15.9%					
\$200,000+	225	19.3%					
Total	1,167	100.0%		-2.0%	-23		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall

Minimum Income Limit		\$0		Maximum Income Limit		\$46,980	
Income Category	Total Renter Households PMA 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	5,852	15.4%	9,999	100.0%	5,852		
\$10,000-19,999	4,392	11.6%	9,999	100.0%	4,392		
\$20,000-29,999	3,920	10.3%	9,999	100.0%	3,920		
\$30,000-39,999	3,566	9.4%	9,999	100.0%	3,566		
\$40,000-49,999	3,506	9.3%	6,980	69.8%	2,447		
\$50,000-59,999	2,985	7.9%					
\$60,000-74,999	3,639	9.6%					
\$75,000-99,999	3,695	9.8%					
\$100,000-124,999	2,428	6.4%					
\$125,000-149,999	1,183	3.1%					
\$150,000-199,999	1,428	3.8%					
\$200,000+	1,303	3.4%					
Total	37,896	100.0%		53.2%	20,176		

ASSUMPTIONS - OVERALL

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

Demand from New Renter Households 2017 to January 2019

Income Target Population	Overall
New Renter Households PMA	1,167
Percent Income Qualified	-2.0%
New Renter Income Qualified Households	-23

Demand from Existing Households 2017

Demand from Rent Overburdened Households

Income Target Population	Overall
Total Existing Demand	37,896
Income Qualified	53.2%
Income Qualified Renter Households	20,176
Percent Rent Overburdened Prj Mrkt Entry January 2019	36.2%
Rent Overburdened Households	7,302

Demand from Living in Substandard Housing

Income Qualified Renter Households	20,176
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	127

Senior Households Converting from Homeownership

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

Total Demand

Total Demand from Existing Households	7,429
Total New Demand	-23
Total Demand (New Plus Existing Households)	7,406

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

By Bedroom Demand

One Person	58.5%	4,329
Two Persons	24.7%	1,831
Three Persons	8.9%	661
Four Persons	4.5%	334
Five Persons	3.4%	251
Total	100.0%	7,406

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	3463
Of two-person households in 1BR units	20%	366
Of one-person households in 2BR units	20%	866
Of two-person households in 2BR units	80%	1465
Of three-person households in 2BR units	60%	397
Of three-person households in 3BR units	40%	265
Of four-person households in 3BR units	70%	234
Of five-person households in 3BR units	50%	125
Of four-person households in 4BR units	30%	100
Of five-person households in 4BR units	50%	125
Total Demand		7,406

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	3,829	-	49	=	3,780
2 BR	2,727	-	43	=	2,684
3 BR	624	-	29	=	595
4 BR	226	-	0	=	226
5 BR	-	-	-	=	-
Total	7,406		121		7,285

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	36	/	3,780	=	1.0%
2 BR	70	/	2,684	=	2.6%
3 BR	84	/	595	=	14.1%
4 BR	32	/	226	=	14.2%
5 BR	-	/	-	=	-
Total	222		7,285		3.0%

Conclusions

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

- The number of households in the PMA is expected to increase 1.4 percent annually between 2017 and 2021; however, the percentage of renter households earning less than \$40,000 is projected to decrease.
- 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.

It should be noted that our analysis hypothetically assumes the Subject would be re-tenanted post-renovation. In actuality, the Subject operates at high stabilized occupancy and all of the tenants will remain income-qualified post-renovation. The following table illustrates demand and net demand for the Subject's units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

DEMAND AND NET DEMAND

DCA Conclusion Tables (Family)	HH at 30% AMI (min to max income)	HH at 40% AMI (min to max income)	HH at 50% AMI (min to max income)	HH at 60% AMI (Section 8) (min to max income)	HH at 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	0	0	0	-23	7	-23
PLUS	+	+	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	0	0	0	127	24	127
PLUS	+	+	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	0	0	0	7,302	1,400	7,302
Sub Total	0	0	0	7,406	1,431	7,406
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0	0	0	0	0
Equals Total Demand	0	0	0	7,406	1,431	7,406
Less	-	-	-	-	-	-
Competitive New Supply	-	-	-	121	92	121
Equals Net Demand	-	-	-	7,285	1,339	7,285

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 60% AMI (Section 8)	\$0	\$33,480	24	3,829	49	3,780	0.6%	0	\$838	\$639	\$1,146	\$677
1BR at 60% AMI	\$26,023	\$33,480	12	740	0	740	1.6%	0	\$838	\$639	\$1,146	\$677
1BR Overall	\$0	\$33,480	36	3,829	49	3,780	1.0%	0	-	-	-	-
2BR at 60% AMI (Section 8)	\$0	\$36,480	64	2,727	43	2,684	2.4%	0	\$1,084	\$799	\$1,505	\$803
2BR at 60% AMI	\$31,269	\$36,480	6	527	0	527	1.1%	0	\$1,084	\$799	\$1,505	\$803
2BR Overall	\$0	\$36,480	70	2,727	43	2,684	2.6%	0	-	-	-	-
3BR at 60% AMI (Section 8)	\$0	\$43,740	80	624	29	595	13.5%	0	\$1,089	\$941	\$1,403	\$917
3BR Overall	\$0	\$43,740	80	624	29	595	13.5%	0	-	-	-	-
4BR at 60% AMI (Section 8)	\$0	\$46,980	32	226	0	226	14.2%	0	\$1,408	\$1,100	\$1,716	\$1,011
4BR Overall	\$0	\$46,980	32	226	0	226	14.2%	0	-	-	-	-
60% AMI (Section 8) Overall	\$0	\$46,980	200	7,406	121	7,285	2.7%	0	-	-	-	-
60% AMI Overall	\$26,023	\$36,480	18	1,267	0	1,267	1.4%	0	-	-	-	-
Overall	\$0	\$46,980	218	7,406	121	7,285	3.0%	0	-	-	-	-

As the analysis illustrates, the Subject’s capture rates at the 60 percent AMI level will range from 1.1 to 1.6 percent, with an overall capture rate of 1.4 percent. The Subject’s 60 percent (Section 8) AMI capture rates range from 0.6 to 14.2 percent, with an overall capture rate of 2.8 percent. The overall capture rate for the project’s 60 percent units with Section 8 subsidies is 3.0 percent. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 2,233 units.

We researched rental housing in the east Atlanta market area and identified seven market-rate apartment properties that were most similar to the Subject in regards to property type, quality, age, structure, location and unit types offered. The Subject is a two-story garden-style property originally constructed in 1950 and subsequently renovated in 1980. Therefore, when selecting the comparables more weight was placed on the comparables being located in a similar location, of similar quality and age. Additionally, the Subject will be extensively renovated in 2019 and an additional 18 new units will be added, and we therefore located several comparables that feature a similar vintage as the Subject and have been renovated or constructed over the past decade.

All four of the LIHTC comparables are located within the Subject’s PMA, and three of the four comparables are located 0.6 mile from the Subject or less. Two of the LIHTC comparables offer three-bedroom units. However, none of the LIHTC comparables offer four-bedroom units. We attempted to contact the Villages at Carver, a LIHTC property located south of the Subject’s PMA that offers four-bedroom units. However, we were unsuccessful.

Overall, the comparables are located within 4.0 miles of the Subject, and five of the 11 comparables are located in within 1.0 miles of the Subject. The rental data gathered from the market is considered sufficient to support the conclusions.

Excluded Properties

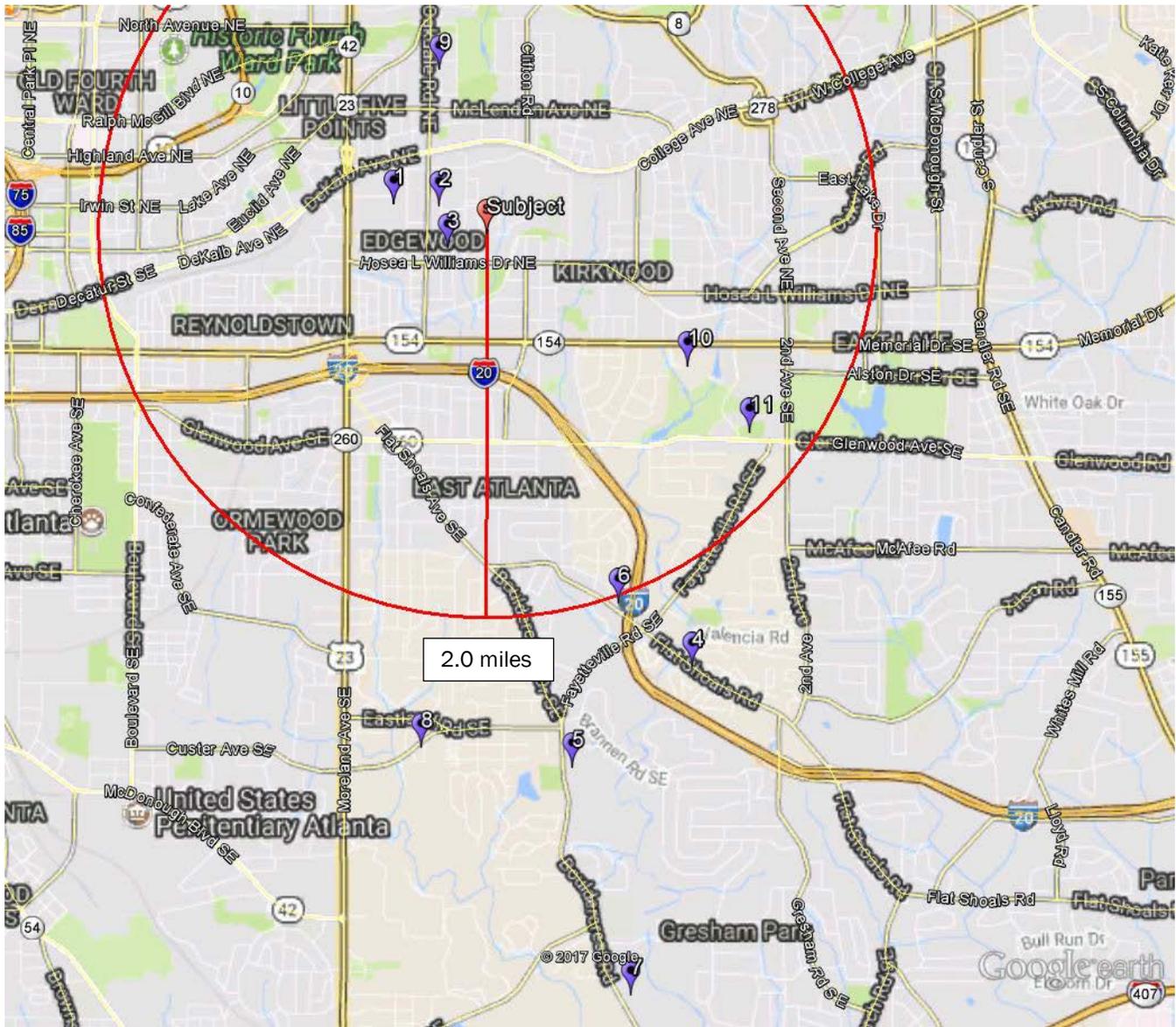
The following table illustrates properties within the PMA that have been excluded from our analysis along with their reason for exclusion.

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

EXCLUDED PROPERTIES

Property Name	Program	Location	Tenancy	# of Units	Reason for Exclusion
Edgewood Court Apartments	Section 8	Atlanta	Family	222	-
Columbia At Peoplestown	Section 8/LIHTC	Atlanta	Family	135	Subsidized rents
Columbia Senior Residences Edgewood	Section 8/LIHTC	Atlanta	Family	135	Subsidized rents
Wheat Street Towers	Section 8	Atlanta	Family	210	Subsidized rents
Sterling At Candler Village	Section 8	Atlanta	Family	170	Subsidized rents
Columbia Mills	Section 8/LIHTC	Atlanta	Family	100	Subsidized rents
Briarcliff Summit Apartments	Section 8	Atlanta	Family	200	Subsidized rents
Maggie Russell Tower	Section 8	Atlanta	Family	150	Subsidized rents
Boynton Village Apartments	Section 8/LIHTC	Atlanta	Family	43	Subsidized rents
Branan Towers	Section 8	Atlanta	Family	176	Subsidized rents
Capitol Avenue School	Section 8	Atlanta	Family	48	Subsidized rents
Capitol Towers	Section 8	Atlanta	Family	39	Subsidized rents
Capitol Vanira Apartments	Section 8	Atlanta	Disabled	60	Subsidized rents
Highlands @ East Atlanta	Section 8/LIHTC	Atlanta	Family	250	Subsidized rents
Bedford Pine Apartments V	Section 8	Atlanta	Family	146	Subsidized rents
Bedford Pine Apartments I	Section 8	Atlanta	Family	134	Subsidized rents
Bedford Pine Apartments IV	Section 8	Atlanta	Family	77	Subsidized rents
Trestletree Village	Section 8/LIHTC	Atlanta	Family	188	Subsidized rents
Lutheran Towers	Section 8	Atlanta	Family	205	Subsidized rents
Park Trace Apartments	Section 8	Atlanta	Family	170	Subsidized rents
Philips Towers	Section 8	Atlanta	Family	225	Subsidized rents
Booth Residence	Section 8	Atlanta	Senior	100	Subsidized rents
Fulton Cotton Mill Lofts	Section 8/LIHTC	Atlanta	Family	206	Subsidized rents
Presley Woods Apts	Section 8/LIHTC	Atlanta	Family	40	Subsidized rents
Shepherd Center	Section 8	Atlanta	Senior	14	Subsidized rents
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	Subsidized rents
Columbia Senior Residences @ MLK	Section 8/LIHTC	Atlanta	Family	121	Subsidized rents
Capitol Gateway Phase II	Section 8/LIHTC	Atlanta	Family	152	Subsidized rents
Veranda At Auburn Pointe III	Section 8/LIHTC	Atlanta	Family	102	Subsidized rents
Ashley Auburn Pointe II	Section 8/LIHTC	Atlanta	Family	150	Subsidized rents
Reynoldstown Senior Residences	Section 8	Atlanta	Senior	78	Subsidized rents
Capital Gateway Apartments Phase I	Section 8	Atlanta	Family	269	Subsidized rents
City Lights I	Section 8	Atlanta	Family	80	Subsidized rents
Summit Trail	LIHTC	Atlanta	At Risk	44	Differing target tenancy
Courtyards At Glenview	LIHTC	Atlanta	Family	176	Unable to contact
Bienvenue Place	LIHTC	Atlanta	Family	61	Unable to contact
Patterson Heights	LIHTC	Atlanta	At Risk	10	Differing target tenancy
Washington Heights	LIHTC	Atlanta	Family	10	Inferior condition
People's Place	LIHTC/PBRA	Atlanta	Family	76	Subsidized rents
O'Hern House - Project Peoples Place	LIHTC/PBRA	Atlanta	Family	76	Subsidized rents
Amberwood Village	LIHTC	Atlanta	Family	30	Dissimilar unit mix
Oakland Court Apts	LIHTC	Atlanta	Family	100	Unable to contact
Columbia Village Townhomes	LIHTC	Decatur	Family	100	Differing building design
Villages Of Eastlake I & II	Market/PBRA	Atlanta	Family	287	Subsidized rents
Square At Peoplestown	LIHTC	Atlanta	Family	94	Unable to contact
Briarcliff Summit Apts	Section 8/LIHTC	Atlanta	Family	200	Subsidized rents
Columns At East Hill	LIHTC	Decatur	Family	28	Unable to contact
Grant Park Apts	LIHTC	Atlanta	Family	291	Unable to contact
Oakhill	LIHTC	Atlanta	Family	132	Unable to contact
Telephone Factory Lofts	LIHTC	Atlanta	Family	17	Unable to contact
Irwin Street Apts/Pri	LIHTC	Atlanta	Family	57	Unable to contact
Reynolds Town Commons	LIHTC	Atlanta	Family	32	Unable to contact
Columbia Tower At MLK Village	LIHTC	Atlanta	Family	95	Dissimilar building design
Allen Wilson Terrace Phase III	LIHTC/Public Housing	Atlanta	Family	71	Subsidized rents
Veranda At Auburn Point	LIHTC	Atlanta	Senior	222	Differing target tenancy
Ashley Auburn Pointe I	LIHTC/PBRA	Atlanta	Family	154	Subsidized rents
Allen Wilson Terrace Phase I	LIHTC/Public Housing	Atlanta	Family	80	Subsidized rents
Centennial Place IV	LIHTC/Market/PBRA	Atlanta	Family	107	Subsidized rents
Bethel Heights	LIHTC	Atlanta	Family	10	Inferior condition
Reed Street Apts	LIHTC	Atlanta	Family	30	Unable to contact
Alexan on Krog	Market	Atlanta	Family	225	Dissimilar unit mix
Station R	Market	Atlanta	Family	271	Dissimilar building design
Inman Quarter	Market	Atlanta	Family	200	Dissimilar unit mix
West Inman Lofts	Market	Atlanta	Family	204	Dissimilar unit mix
Mariposa Lofts	Market	Atlanta	Family	252	Dissimilar unit mix
Gables Montclair	Market	Atlanta	Family	183	Dissimilar building design
Block Loft	Market	Atlanta	Family	83	Superior condition

Comparable Rental Property Map



Source: Google Earth, July 2017.

COMPARABLE PROPERTIES

#	Property Name	Type	Distance
1	Columbia Citihomes	LIHTC/Market	0.6 miles
2	Retreat at Edgewood	LIHTC	0.3 miles
3	Retreat at Edgewood Ph. II	LIHTC/Market	0.3 miles
4	Vineyards of Flat Shoals	LIHTC/Market	2.4 miles
5	Ashford East Village	Market	2.7 miles
6	Broadway at East Atlanta	Market	2.0 miles
7	Eagles Run Apartments	Market	4.0 miles
8	East Lake Gardens	Market	2.7 miles
9	Oak Pointe Apartments	Market	0.9 miles
10	The Element at Kirkwood	Market	1.0 mile
11	Villages of East Lake I and II	Market/PBRA	1.5 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	Edgewood Court Apartments 1572 Hardee Street NE Atlanta, GA 30307 DeKalb County	n/a	Garden (2 stories) 1950 / 1980/Proposed	LIHTC (Section 8)	1BR / 1BA	12	5.4%	@60%	\$677	650	yes	N/A	n/a	n/a					
					1BR / 1BA	24	10.8%	@60% (Section 8)	\$677	594	yes	Yes	n/a	n/a					
					2BR / 1BA	6	2.7%	@60%	\$803	850	yes	N/A	n/a	n/a					
					2BR / 1BA	64	28.8%	@60% (Section 8)	\$803	690	yes	Yes	n/a	n/a					
					3BR / 1.5BA	80	36.0%	@60% (Section 8)	\$917	966	yes	Yes	n/a	n/a					
					3BR / 1.5BA	4	1.8%	@60% (Section 8)	\$917	1050	yes	Yes	n/a	n/a					
					4BR / 2BA	32	14.4%	@60% (Section 8)	\$1,011	1,219	yes	Yes	n/a	n/a					
						222	100.0%										n/a	n/a	
					1	Columbia CitiHomes 165 Marion Place NE Atlanta, GA 30307 DeKalb County	0.6 mile	Various (2 stories) 2003 / n/a	LIHTC/Market	2BR / 2BA (Garden)	13	15.5%	@50%	\$798	1,126	yes	No	0	0.0%
										2BR / 2BA (Garden)	12	14.3%	@60%	\$865	1,162	yes	No	0	0.0%
2BR / 2BA (Garden)	7	8.3%	Market	\$1,335						1,162	n/a	No	0	0.0%					
2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$865						1,212	yes	No	0	0.0%					
2BR / 2.5BA (Townhouse)	18	21.4%	@50%	\$798						1,212	yes	No	0	0.0%					
2BR / 2.5BA (Townhouse)	4	4.8%	@50%	\$798						1,331	yes	No	0	0.0%					
2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$865						1,331	yes	No	0	0.0%					
2BR / 2.5BA (Townhouse)	8	9.5%	Market	\$1,394						1,212	n/a	No	0	0.0%					
2BR / 2.5BA (Townhouse)	4	4.8%	Market	\$1,394						1,331	n/a	No	0	0.0%					
2BR / 2.5BA (Townhouse)	2	2.4%	Non-Rental	\$110						1,212	n/a	No	0	0.0%					
2	Retreat At Edgewood 150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	0.3 mile	Various (2 stories) 2011 / n/a	LIHTC	1BR / 1BA (Garden)	10	10.0%	@60%	\$695	732	yes	No	0	0.0%					
					1BR / 1BA (Garden)	10	10.0%	@60%	\$695	789	yes	No	0	0.0%					
					2BR / 1.5BA (Townhouse)	12	12.0%	@60%	\$823	1,174	yes	No	0	0.0%					
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$823	1,253	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$823	1,229	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$823	1,333	yes	No	0	0.0%					
					3BR / 2BA (Townhouse)	12	12.0%	@60%	\$941	1,538	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$941	1,362	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$941	1,568	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$941	1,697	yes	No	0	0.0%					
3	Retreat At Edgewood Phase II 37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	0.3 mile	Various (2 stories) 2012 / n/a	LIHTC/Market	1BR / 1BA (Garden)	2	5.0%	@50%	\$564	873	yes	No	0	0.0%					
					1BR / 1BA (Garden)	27	67.5%	@60%	\$695	873	yes	No	0	0.0%					
					1BR / 1BA (Garden)	1	2.5%	Market	\$851	809	n/a	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	2	5.0%	@50%	\$744	1,595	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	17.5%	@60%	\$941	1,595	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	1	2.5%	Market	\$1,176	1,469	n/a	No	0	0.0%					
						40	100.0%										0	0.0%	
					4	Vineyards Of Flat Shoals 2125 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	2.4 miles	Garden (2 stories) 1966 / 2005	LIHTC/Market	1BR / 1BA	31	13.6%	@60%	\$639	630	no	No	0	0.0%
										1BR / 1BA	N/A	N/A	@60%	\$639	736	no	No	0	N/A
										1BR / 1BA	3	1.3%	Market	\$639	736	n/a	No	1	33.3%
2BR / 1BA	N/A	N/A	@60%	\$799						884	no	No	0	N/A					
2BR / 1BA	174	76.3%	@60%	\$799						829	no	No	1	0.6%					
2BR / 1BA	20	8.8%	Market	\$799						884	n/a	No	0	0.0%					
	228	100.0%															2	0.9%	
5	Ashford East Village 1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County	2.7 miles	Various (2 stories) 1979 / Ongoing	Market						1BR / 1BA (Garden)	60	16.2%	Market	\$995	815	n/a	No	1	1.7%
										1BR / 1BA (Garden)	35	9.4%	Market	\$925	650	n/a	No	0	0.0%
										2BR / 1BA (Garden)	30	8.1%	Market	\$1,070	780	n/a	No	2	6.7%
					2BR / 1BA (Garden)	62	16.7%	Market	\$995	945	n/a	No	1	1.6%					
					2BR / 1.5BA (Townhouse)	92	24.8%	Market	\$1,135	1,155	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	62	16.7%	Market	\$1,195	1,095	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	30	8.1%	Market	\$1,082	980	n/a	No	0	0.0%					
						371	100.0%										4	1.1%	
					6	Broadway At East Atlanta 1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	2 miles	Various (2 stories) 1967 / 2015	Market	1BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,012	725	n/a	No	5	N/A
										2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,110	900	n/a	No	0	N/A
2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,145						990	n/a	No	0	N/A					
2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,330						1,365	n/a	No	0	N/A					
2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,355						1,365	n/a	No	0	N/A					
	176	100.0%															5	2.8%	

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate	
7	Eagles Run Apartments 2000 Bouldercrest Road Atlanta, GA 30316 DeKalb County	4 miles	Garden (3 stories) 1972 / 1997	Market	1BR / 1BA	68	26.4%	Market	\$720	800	n/a	No	0	0.0%	
					2BR / 2BA	67	26.0%	Market	\$840	1,200	n/a	No	0	0.0%	
					3BR / 2BA	71	27.5%	Market	\$1,025	1,350	n/a	No	2	2.8%	
					4BR / 2.5BA	52	20.2%	Market	\$1,100	1,500	n/a	No	1	1.9%	
						258	100.0%							3	1.2%
8	East Lake Gardens 1403 Custer Avenue Atlanta, GA 30316 DeKalb County	2.7 miles	Garden (2 stories) 1962 / n/a	Market	1BR / 1BA	25	17.4%	Market	\$748	767	n/a	Yes	1	4.0%	
					2BR / 1BA	58	40.3%	Market	\$886	891	n/a	Yes	2	3.4%	
					2BR / 1.5BA	58	40.3%	Market	\$986	921	n/a	Yes	0	0.0%	
					3BR / 1BA	3	2.1%	Market	\$1,036	1,025	n/a	Yes	0	0.0%	
						144	100.0%							3	2.1%
9	Oak Pointe Apartments 469-497 Oakdale Road Atlanta, GA 30307 DeKalb County	0.9 miles	Garden (2 stories) 1963 / 2016	Market	2BR / 1BA	38	33.3%	Market	\$1,335	750	n/a	No	0	0.0%	
					2BR / 1BA	38	33.3%	Market	\$1,405	800	n/a	No	0	0.0%	
					2BR / 1BA	38	33.3%	Market	\$1,505	850	n/a	No	3	7.9%	
						114	100.0%							3	2.6%
						92	52.3%							N/A	N/A
10	The Element At Kirkwood 2035 Memorial Drive Atlanta, GA 30317 DeKalb County	1 miles	Garden (2 stories) 1980 / 1994/Ongoing	Market	1BR / 1BA	84	47.7%	Market	\$1,071	700	n/a	No	N/A	N/A	
					2BR / 1BA	84	47.7%	Market	\$1,239	900	n/a	No	N/A	N/A	
						176	100.0%							40	22.7%
						15	2.8%	Market	\$1,106	926	n/a	No	2	13.3%	
						8	1.5%	Market	\$1,146	1,026	n/a	No	2	25.0%	
11	Villages Of East Lake I And II 460 East Lake Blvd. Atlanta, GA 30317 DeKalb County	1.5 miles	Various 1998/2000 / n/a	Market/PBRA	1BR / 1BA (Garden)	15	2.8%	Market	\$1,106	926	n/a	No	2	13.3%	
					1BR / 1BA (Garden)	8	1.5%	Market	\$1,146	1,026	n/a	No	2	25.0%	
					1BR / 1BA (Garden)	15	2.8%	PBRA	N/A	926	n/a	Yes	0	0.0%	
					1BR / 1BA (Garden)	8	1.5%	PBRA	N/A	1,026	n/a	Yes	0	0.0%	
					2BR / 1.5BA (Townhouse)	25	4.6%	Market	\$1,305	1,200	n/a	No	3	12.0%	
					2BR / 1.5BA (Townhouse)	26	4.8%	PBRA	N/A	1,200	n/a	Yes	0	0.0%	
					2BR / 2BA (Garden)	15	2.8%	Market	\$1,222	1,165	n/a	No	0	0.0%	
					2BR / 2BA (Garden)	84	15.5%	Market	\$1,254	1,282	n/a	No	1	1.2%	
					2BR / 2BA (Garden)	5	0.9%	Market	\$1,274	1,322	n/a	No	0	0.0%	
					2BR / 2BA (Garden)	15	2.8%	PBRA	N/A	1,165	n/a	Yes	0	0.0%	
					2BR / 2BA (Garden)	84	15.5%	PBRA	N/A	1,282	n/a	Yes	0	0.0%	
					2BR / 2BA (Garden)	5	0.9%	PBRA	N/A	1,322	n/a	Yes	0	0.0%	
					3BR / 2BA (Garden)	25	4.6%	Market	\$1,414	1,319	n/a	No	2	8.0%	
					3BR / 2BA (Garden)	20	3.7%	Market	\$1,420	1,400	n/a	No	0	0.0%	
					3BR / 2BA (Garden)	47	8.7%	Market	\$1,430	1,544	n/a	No	0	0.0%	
					3BR / 2BA (Garden)	3	0.6%	Market	\$1,420	1,585	n/a	No	0	0.0%	
					3BR / 2BA (Garden)	26	4.8%	PBRA	N/A	1,319	n/a	Yes	0	0.0%	
					3BR / 2BA (Garden)	20	3.7%	PBRA	N/A	1,400	n/a	Yes	0	0.0%	
					3BR / 2BA (Garden)	47	8.7%	PBRA	N/A	1,544	n/a	Yes	0	0.0%	
					3BR / 2BA (Garden)	3	0.6%	PBRA	N/A	1,585	n/a	Yes	0	0.0%	
					4BR / 2BA (Garden)	18	3.3%	Market	\$1,690	1,812	n/a	No	2	11.1%	
4BR / 2BA (Garden)	18	3.3%	PBRA	N/A	1,812	n/a	Yes	0	0.0%						
4BR / 2.5BA (Townhouse)	5	0.9%	Market	\$1,716	1,650	n/a	No	0	0.0%						
4BR / 2.5BA (Townhouse)	5	0.9%	PBRA	N/A	1,650	n/a	Yes	0	0.0%						
	542	100.0%							12	2.2%					

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.								
Effective Rent Date:		Jul-17		Units Surveyed:		2233		
				Market Rate		1781		
				Tax Credit		452		
				Weighted Occupancy:		96.8%		
				Market Rate		96.1%		
				Tax Credit		99.6%		
One Bedroom One Bath		Two Bedrooms One Bath		Three Bedrooms Two Bath		Four Bedrooms Two Bath		
RENT	Property	Average	Property	Average	Property	Average	Property	Average
	Villages Of East Lake I And II	\$1,146	Oak Pointe Apartments	\$1,505	Villages Of East Lake I And II	\$1,430	Villages Of East Lake I And II	\$1,690
	Villages Of East Lake I And II	\$1,106	Oak Pointe Apartments	\$1,405	Villages Of East Lake I And II	\$1,420	Eagles Run Apartments (2.5BA)	\$1,100
	The Element At Kirkwood	\$1,071	Columbia CitiHomes * (2BA M)	\$1,335	Villages Of East Lake I And II	\$1,420	Edgewood Court Apartments * (60%)	\$992
	Broadway At East Atlanta	\$1,012	Oak Pointe Apartments	\$1,335	Villages Of East Lake I And II	\$1,414		
	Ashford East Village	\$995	Villages Of East Lake I And II	\$1,305	Ashford East Village	\$1,356		
	Ashford East Village	\$965	The Element At Kirkwood	\$1,239	Retreat At Edgewood Phase II * (2.5BA M)	\$1,176		
	Retreat At Edgewood Phase II * (M)	\$851	Broadway At East Atlanta	\$1,145	Ashford East Village	\$1,082		
	East Lake Gardens	\$748	Broadway At East Atlanta	\$1,110	East Lake Gardens (1BA)	\$1,036		
	Eagles Run Apartments	\$720	Ashford East Village	\$1,070	Eagles Run Apartments	\$1,025		
	Retreat At Edgewood * (60%)	\$695	Ashford East Village	\$1,050	Retreat At Edgewood * (60%)	\$941		
	Retreat At Edgewood * (60%)	\$695	East Lake Gardens	\$886	Retreat At Edgewood Phase II * (2.5BA)	\$941		
	Retreat At Edgewood Phase II *	\$695	Columbia CitiHomes * (2BA 60%)	\$865	Edgewood Court Apartments * (60%)	\$886		
	Edgewood Court Apartments * (60%)	\$647	Eagles Run Apartments (2BA)	\$840	Retreat At Edgewood Phase II * (2.5BA 50%)	\$744		
	Edgewood Court Apartments * (60%)	\$647	Retreat At Edgewood * (1.5BA)	\$823				
	Vineyards Of Flat Shoals * (60%)	\$639	Vineyards Of Flat Shoals * (60%)	\$799				
	Vineyards Of Flat Shoals * (60%)	\$639	Vineyards Of Flat Shoals * (60%)	\$799				
	Vineyards Of Flat Shoals * (M)	\$639	Vineyards Of Flat Shoals * (M)	\$799				
	Retreat At Edgewood Phase II *	\$564	Columbia CitiHomes * (2BA 50%)	\$798				
			Edgewood Court Apartments * (60%)	\$776				
			Edgewood Court Apartments * (60%)	\$776				
SQUARE FOOTAGE	Property	Average	Property	Average	Property	Average	Property	Average
	Villages Of East Lake I And II	1,026	Eagles Run Apartments (2BA)	1,200	Retreat At Edgewood Phase II * (2.5BA 50%)	1,595	Villages Of East Lake I And II	1,812
	Villages Of East Lake I And II	926	Villages Of East Lake I And II (1.5BA)	1,200	Retreat At Edgewood Phase II * (2.5BA 60%)	1,595	Eagles Run Apartments (2.5BA)	1,500
	Retreat At Edgewood Phase II * (50%)	873	Retreat At Edgewood * (1.5BA 60%)	1,174	Villages Of East Lake I And II	1,585	Edgewood Court Apartments * (60%)	1,219
	Retreat At Edgewood Phase II * (60%)	873	Columbia CitiHomes * (2BA 60%)	1,162	Villages Of East Lake I And II	1,544		
	Ashford East Village	815	Columbia CitiHomes * (2BA M)	1,162	Retreat At Edgewood * (60%)	1,538		
	Retreat At Edgewood Phase II * (M)	809	Columbia CitiHomes * (2BA 50%)	1,126	Retreat At Edgewood Phase II * (2.5BA M)	1,469		
	Eagles Run Apartments	800	Broadway At East Atlanta	990	Villages Of East Lake I And II	1,400		
	Retreat At Edgewood * (60%)	789	Ashford East Village	945	Eagles Run Apartments	1,350		
	East Lake Gardens	767	Broadway At East Atlanta	900	Villages Of East Lake I And II	1,319		
	Vineyards Of Flat Shoals * (60%)	736	The Element At Kirkwood	900	Ashford East Village	1,095		
	Vineyards Of Flat Shoals * (M)	736	East Lake Gardens	891	East Lake Gardens (1BA)	1,025		
	Retreat At Edgewood * (60%)	732	Vineyards Of Flat Shoals * (60%)	884	Ashford East Village	980		
	Broadway At East Atlanta	725	Vineyards Of Flat Shoals * (M)	884	Edgewood Court Apartments * (60%)	966		
	The Element At Kirkwood	700	Oak Pointe Apartments	850				
	Ashford East Village	650	Vineyards Of Flat Shoals * (60%)	829				
	Vineyards Of Flat Shoals * (60%)	630	Oak Pointe Apartments	800				
	Edgewood Court Apartments * (60%)	594	Ashford East Village	780				
	Edgewood Court Apartments * (60%)	594	Oak Pointe Apartments	750				
			Edgewood Court Apartments * (60%)	690				
			Edgewood Court Apartments * (60%)	690				
RENT PER SQUARE FOOT	Property	Average	Property	Average	Property	Average	Property	Average
	The Element At Kirkwood	\$1.53	Oak Pointe Apartments	\$1.78	Ashford East Village	\$1.24	Villages Of East Lake I And II	\$0.93
	Ashford East Village	\$1.48	Oak Pointe Apartments	\$1.77	Ashford East Village	\$1.10	Edgewood Court Apartments * (60%)	\$0.81
	Broadway At East Atlanta	\$1.40	Oak Pointe Apartments	\$1.76	Villages Of East Lake I And II	\$1.07	Eagles Run Apartments (2.5BA)	\$0.73
	Ashford East Village	\$1.22	The Element At Kirkwood	\$1.38	Villages Of East Lake I And II	\$1.01		
	Villages Of East Lake I And II	\$1.19	Ashford East Village	\$1.37	East Lake Gardens (1BA)	\$1.01		
	Villages Of East Lake I And II	\$1.12	Broadway At East Atlanta	\$1.23	Villages Of East Lake I And II	\$0.93		
	Edgewood Court Apartments * (60%)	\$1.09	Broadway At East Atlanta	\$1.16	Edgewood Court Apartments * (60%)	\$0.92		
	Edgewood Court Apartments * (60%)	\$1.09	Columbia CitiHomes * (2BA M)	\$1.15	Villages Of East Lake I And II	\$0.90		
	Retreat At Edgewood Phase II * (M)	\$1.05	Edgewood Court Apartments * (60%)	\$1.12	Retreat At Edgewood Phase II * (2.5BA M)	\$0.80		
	Vineyards Of Flat Shoals * (60%)	\$1.01	Edgewood Court Apartments * (60%)	\$1.12	Eagles Run Apartments	\$0.76		
	East Lake Gardens	\$0.98	Ashford East Village	\$1.11	Retreat At Edgewood * (60%)	\$0.61		
	Retreat At Edgewood * (60%)	\$0.95	Villages Of East Lake I And II (1.5BA)	\$1.09	Retreat At Edgewood Phase II * (2.5BA 60%)	\$0.59		
	Eagles Run Apartments	\$0.90	East Lake Gardens	\$0.99	Retreat At Edgewood Phase II * (2.5BA 50%)	\$0.47		
	Retreat At Edgewood * (60%)	\$0.88	Vineyards Of Flat Shoals * (60%)	\$0.96				
	Vineyards Of Flat Shoals * (60%)	\$0.87	Vineyards Of Flat Shoals * (60%)	\$0.90				
	Vineyards Of Flat Shoals * (M)	\$0.87	Vineyards Of Flat Shoals * (M)	\$0.90				
	Retreat At Edgewood Phase II * (60%)	\$0.80	Columbia CitiHomes * (2BA 60%)	\$0.74				
	Retreat At Edgewood Phase II * (50%)	\$0.65	Columbia CitiHomes * (2BA 50%)	\$0.71				
			Retreat At Edgewood * (1.5BA 60%)	\$0.70				
			Eagles Run Apartments (2BA)	\$0.70				

PROPERTY PROFILE REPORT

Columbia CitiHomes

Effective Rent Date	7/05/2017
Location	165 Marion Place NE Atlanta, GA 30307 DeKalb County
Distance	0.6 miles
Units	84
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Villages of East Lake, City View
Tenant Characteristics	Mixed tenancy including single parent households from the immediate area
Contact Name	Melanie
Phone	404-223-1020



Market Information

Program	@50%, @60%, Market, Non-Rental
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	12%
Leasing Pace	Preleased to one week
Annual Chg. in Rent	See below
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	13	1,126	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	12	1,162	\$755	\$0	@60%	No	0	0.0%	yes	None
2	2	Garden (3 stories)	7	1,162	\$1,225	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse	8	1,212	\$755	\$0	@60%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	18	1,212	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	4	1,331	\$688	\$0	@50%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	8	1,331	\$755	\$0	@60%	No	0	0.0%	yes	None
2	2.5	Townhouse (3 stories)	8	1,212	\$1,284	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse (3 stories)	4	1,331	\$1,284	\$0	Market	No	0	0.0%	N/A	None
2	2.5	Townhouse (3 stories)	2	1,212	\$0	\$0	Non-Rental	No	0	0.0%	N/A	None

Columbia CitiHomes, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$688	\$0	\$688	\$110	\$798	2BR / 2BA	\$755	\$0	\$755	\$110	\$865
2BR / 2.5BA	\$688	\$0	\$688	\$110	\$798	2BR / 2.5BA	\$755	\$0	\$755	\$110	\$865
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$1,225	\$0	\$1,225	\$110	\$1,335	2BR / 2.5BA	N/A	\$0	N/A	\$110	\$110
2BR / 2.5BA	\$1,284	\$0	\$1,284	\$110	\$1,394						

Amenities

In-Unit	Security	Services
Blinds	Limited Access	None
Central A/C	Perimeter Fencing	
Dishwasher		
Garbage Disposal		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting Room/Community	None	Gazebo and badminton
Central Laundry		
On-Site Management		
Playground		

Comments

The contact reported occupancy rates are typically at or near 100 percent and the property operates on a first come, first served basis. LIHTC rents have been kept at the maximum allowable level, while market rate rents have increased one to three percent since the third quarter of 2016.

Trend Report

Vacancy Rates

3Q12	1Q17	2Q17	3Q17
1.2%	1.2%	1.2%	0.0%

Trend: @50%

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$606	\$0	\$606	\$716
2017	1	0.0%	\$684	\$0	\$684	\$794
2017	2	0.0%	\$688	\$0	\$688	\$798
2017	3	0.0%	\$688	\$0	\$688	\$798

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	7.7%	\$606	\$0	\$606	\$716
2017	1	0.0%	\$684	\$0	\$684	\$794
2017	2	0.0%	\$688	\$0	\$688	\$798
2017	3	0.0%	\$688	\$0	\$688	\$798

Trend: @60%

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$673	\$0	\$673	\$783
2017	1	0.0%	\$732	\$0	\$732	\$842
2017	2	0.0%	\$755	\$0	\$755	\$865
2017	3	0.0%	\$755	\$0	\$755	\$865

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$673	\$0	\$673	\$783
2017	1	0.0%	\$732	\$0	\$732	\$842
2017	2	0.0%	\$755	\$0	\$755	\$865
2017	3	0.0%	\$755	\$0	\$755	\$865

Trend: Market

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$1,109	\$0	\$1,109	\$1,219
2017	1	0.0%	\$1,284	\$0	\$1,284	\$1,394
2017	2	0.0%	\$1,284	\$0	\$1,284	\$1,394
2017	3	0.0%	\$1,284	\$0	\$1,284	\$1,394

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	\$1,074 - \$1,149	\$0	\$1,074 - \$1,149	\$1,184 - \$1,259
2017	1	14.3%	\$1,225	\$0	\$1,225	\$1,335
2017	2	14.3%	\$1,225	\$0	\$1,225	\$1,335
2017	3	0.0%	\$1,225	\$0	\$1,225	\$1,335

Trend: Non-Rental

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	3	0.0%	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	\$110
2017	2	0.0%	N/A	\$0	N/A	\$110
2017	3	0.0%	N/A	\$0	N/A	\$110

Trend: Comments

3Q12	No additional comments.
1Q17	The contact reported occupancy rates are typically at or near 100 percent and the property operates on a first come, first served basis.
2Q17	N/A
3Q17	The contact reported occupancy rates are typically at or near 100 percent and the property operates on a first come, first served basis. LIHTC rents have been kept at the maximum allowable level, while market rate rents have increased one to three percent since the third quarter of 2016.

Photos



PROPERTY PROFILE REPORT

Retreat At Edgewood

Effective Rent Date	7/14/2017
Location	150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County
Distance	0.3 miles
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	11/22/2011
Last Unit Leased	4/30/2012
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy from the immediate area
Contact Name	Julius
Phone	404-577-9001



Market Information

Program	@60%
Annual Turnover Rate	23%
Units/Month Absorbed	20
HCV Tenants	0%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Kept at max
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	732	\$674	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	10	789	\$674	\$0	@60%	No	0	0.0%	yes	None
2	1.5	Townhouse (2 stories)	12	1,174	\$791	\$0	@60%	No	0	0.0%	yes	None
2	2	Townhouse (2 stories)	12	1,253	\$791	\$0	@60%	No	0	0.0%	yes	None
2	2.5	Townhouse (2 stories)	12	1,229	\$791	\$0	@60%	No	0	0.0%	yes	None
2	2.5	Townhouse (2 stories)	12	1,333	\$791	\$0	@60%	No	0	0.0%	yes	None
3	2	Townhouse (2 stories)	12	1,538	\$895	\$0	@60%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	7	1,362	\$895	\$0	@60%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	7	1,568	\$895	\$0	@60%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	6	1,697	\$895	\$0	@60%	No	0	0.0%	yes	None

Trend Report

Vacancy Rates

2Q16	3Q16	1Q17	3Q17
0.0%	1.0%	0.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$590	\$0	\$590	\$611
2016	3	5.0%	\$615	\$0	\$615	\$636
2017	1	0.0%	\$667	\$0	\$667	\$688
2017	3	0.0%	\$674	\$0	\$674	\$695

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$669	\$0	\$669	\$701
2016	3	0.0%	\$694	\$0	\$694	\$726
2017	1	0.0%	\$764	\$0	\$764	\$796
2017	3	0.0%	\$791	\$0	\$791	\$823

2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$669	\$0	\$669	\$701
2016	3	0.0%	\$694	\$0	\$694	\$726
2017	1	0.0%	\$764	\$0	\$764	\$796
2017	3	0.0%	\$791	\$0	\$791	\$823

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$669	\$0	\$669	\$701
2016	3	0.0%	\$694	\$0	\$694	\$726
2017	1	0.0%	\$764	\$0	\$764	\$796
2017	3	0.0%	\$791	\$0	\$791	\$823

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$735	\$0	\$735	\$781
2016	3	0.0%	\$760	\$0	\$760	\$806
2017	1	0.0%	\$847	\$0	\$847	\$893
2017	3	0.0%	\$895	\$0	\$895	\$941

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	0.0%	\$895	\$0	\$895	\$941

Trend: Comments

2Q16	N/A
3Q16	Management reported strong demand for affordable housing in the local area. The property currently has one vacant one-bedroom unit, which has a pending application. The rents at the property have increased three to four percent since the fourth quarter of 2015. Although the property has a high occupancy rate it does not maintain a waiting list. They operate on a first come first serve basis.
1Q17	The contact reported strong demand for affordable housing in the local area. Housing Choice Vouchers are not accepted. Although the property has a high occupancy rate it does not maintain a waiting list and operate on a first come first serve basis. There are a select number of units that have PBRA restrictions.
3Q17	The contact reported strong demand for affordable housing in the local area. The property does not accept Housing Choice Vouchers. Although the property has a high occupancy rate it does not maintain a waiting list and operates on a first-come, first-serve basis. There are a select number of units that have PBRA restrictions. In-unit washer/dryer and garage parking is included with rent.

Photos



PROPERTY PROFILE REPORT

Retreat At Edgewood Phase II

Effective Rent Date	7/14/2017
Location	37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County
Distance	0.3 miles
Units	40
Vacant Units	0
Vacancy Rate	0.0%
Type	Various (2 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	9/04/2012
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy primarily from the immediate area
Contact Name	Julius
Phone	404-577-9001



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	27%
Units/Month Absorbed	12
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	873	\$543	\$0	@50%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	27	873	\$674	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	1	809	\$830	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	2	1,595	\$698	\$0	@50%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	7	1,595	\$895	\$0	@60%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	1	1,469	\$1,130	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$543	\$0	\$543	\$21	\$564	1BR / 1BA	\$674	\$0	\$674	\$21	\$695
3BR / 2.5BA	\$698	\$0	\$698	\$46	\$744	3BR / 2.5BA	\$895	\$0	\$895	\$46	\$941
Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent						
1BR / 1BA	\$830	\$0	\$830	\$21	\$851						
3BR / 2.5BA	\$1,130	\$0	\$1,130	\$46	\$1,176						

Retreat At Edgewood Phase II, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpet/Hardwood	Central A/C	Patrol	
Coat Closet	Dishwasher	Video Surveillance	
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	Library
Exercise Facility	Garage		
Off-Street Parking	Picnic Area		
Playground			

Comments

The contact reported strong demand for affordable housing in the local area. The property does not accept Housing Choice Vouchers. Although the property has a high occupancy rate it does not maintain a waiting list and operates on a first-come, first-serve basis. There are a select number of units that have PBRA restrictions. In-unit washer/dryer and garage parking is included with rent. Market rate rents have remained stable since the third quarter of 2016 while the LIHTC rents have been kept at the maximum allowable level.

Retreat At Edgewood Phase II, continued

Trend Report

Vacancy Rates

2Q16	3Q16	1Q17	3Q17
2.5%	0.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$495	\$0	\$495	\$516
2016	3	0.0%	\$520	\$0	\$520	\$541
2017	1	0.0%	\$529	\$0	\$529	\$550
2017	3	0.0%	\$543	\$0	\$543	\$564

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$608	\$0	\$608	\$654
2016	3	0.0%	\$633	\$0	\$633	\$679
2017	1	0.0%	\$681	\$0	\$681	\$727
2017	3	0.0%	\$698	\$0	\$698	\$744

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$623	\$0	\$623	\$644
2016	3	0.0%	\$648	\$0	\$648	\$669
2017	1	0.0%	\$667	\$0	\$667	\$688
2017	3	0.0%	\$674	\$0	\$674	\$695

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	14.3%	\$781	\$0	\$781	\$827
2016	3	0.0%	\$806	\$0	\$806	\$852
2017	1	0.0%	\$854	\$0	\$854	\$900
2017	3	0.0%	\$895	\$0	\$895	\$941

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$809	\$0	\$809	\$830
2016	3	0.0%	\$830	\$0	\$830	\$851
2017	1	0.0%	\$830	\$0	\$830	\$851
2017	3	0.0%	\$830	\$0	\$830	\$851

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	2	0.0%	\$1,081	\$0	\$1,081	\$1,127
2016	3	0.0%	\$1,131	\$0	\$1,131	\$1,177
2017	1	0.0%	\$1,130	\$0	\$1,130	\$1,176
2017	3	0.0%	\$1,130	\$0	\$1,130	\$1,176

Trend: Comments

2Q16 N/A

3Q16 Management reported strong demand for affordable housing in the local area. Although the property is 100 percent occupied it does not maintain a waiting list. They operate on a first come first serve basis. It should be noted that the development's sponsor, Mayson Avenue Cooperative, is a non profit that was created to maintain affordable rental housing in the Edgewood neighborhood and rents are kept affordable.

1Q17 The contact reported strong demand for affordable housing in the local area. Housing Choice Vouchers are not accepted. Although the property is 100 percent occupied it does not maintain a waiting list and operate on a first come first serve basis. It should be noted that the development's sponsor, Mayson Avenue Cooperative, is a non profit that was created to maintain affordable rental housing in the Edgewood neighborhood and rents are kept below the maximum allowable to remain affordable for a wider range of households.

3Q17 The contact reported strong demand for affordable housing in the local area. The property does not accept Housing Choice Vouchers. Although the property has a high occupancy rate it does not maintain a waiting list and operates on a first-come, first-serve basis. There are a select number of units that have PBRA restrictions. In-unit washer/dryer and garage parking is included with rent. Market rate rents have remained stable since the third quarter of 2016 while the LIHTC rents have been kept at the maximum allowable level.

Photos



PROPERTY PROFILE REPORT

Vineyards Of Flat Shoals

Effective Rent Date	7/05/2017
Location	2125 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County
Distance	2.4 miles
Units	228
Vacant Units	2
Vacancy Rate	0.9%
Type	Garden (2 stories)
Year Built/Renovated	1966 / 2005
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Candler Crossing
Tenant Characteristics	Most from Atlanta and Decatur and work in retail.
Contact Name	Kiana
Phone	404-328-0820



Market Information

Program	@60%, Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	30%
Leasing Pace	Within three weeks
Annual Chg. in Rent	Inc. 15-22% since 3Q16
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	31	630	\$639	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (2 stories)	N/A	736	\$639	\$0	@60%	No	0	N/A	no	None
1	1	Garden (2 stories)	3	736	\$639	\$0	Market	No	1	33.3%	N/A	None
2	1	Garden (2 stories)	N/A	884	\$799	\$0	@60%	No	0	N/A	no	None
2	1	Garden (2 stories)	174	829	\$799	\$0	@60%	No	1	0.6%	no	None
2	1	Garden (2 stories)	20	884	\$799	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$639	\$0	\$639	\$0	\$639	1BR / 1BA	\$639	\$0	\$639	\$0	\$639
2BR / 1BA	\$799	\$0	\$799	\$0	\$799	2BR / 1BA	\$799	\$0	\$799	\$0	\$799

Vineyards Of Flat Shoals, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Limited Access	None
Central A/C	Dishwasher	Perimeter Fencing	
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

Comments

The contact reported market rate units have the highest turnover and are typically the hardest to lease out so rents for those units are now the same as the income restricted units. No waiting list is maintained for any unit type. In-unit washer/dryer is included with rent.

Vineyards Of Flat Shoals, continued

Trend Report

Vacancy Rates

4Q15	3Q16	1Q17	3Q17
2.6%	0.0%	0.4%	0.9%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$555 - \$600	\$0	\$555 - \$600	\$555 - \$600
2016	3	N/A	\$555 - \$600	\$0	\$555 - \$600	\$555 - \$600
2017	1	N/A	\$619	\$0	\$619	\$619
2017	3	N/A	\$639	\$0	\$639	\$639

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$655 - \$695	\$0	\$655 - \$695	\$655 - \$695
2016	3	N/A	\$655 - \$695	\$0	\$655 - \$695	\$655 - \$695
2017	1	N/A	\$739	\$0	\$739	\$739
2017	3	N/A	\$799	\$0	\$799	\$799

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$615	\$0	\$615	\$615
2016	3	0.0%	\$610	\$0	\$610	\$610
2017	1	33.3%	\$619	\$0	\$619	\$619
2017	3	33.3%	\$639	\$0	\$639	\$639

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$715	\$0	\$715	\$715
2016	3	0.0%	\$710	\$0	\$710	\$710
2017	1	0.0%	\$739	\$0	\$739	\$739
2017	3	0.0%	\$799	\$0	\$799	\$799

Trend: Comments

4Q15	The six vacant units have pending applications.
3Q16	The property is currently 100 percent occupied with a 12 household waiting list. The contact was unable to provide insight as to why the market rate units decreased \$5 in rent since the fourth quarter of 2015.
1Q17	The contact reported market rate units have the highest turnover and are typically the hardest to lease out so rents for those units are now the same as the income restricted units. No waiting list was reported at this time.
3Q17	The contact reported market rate units have the highest turnover and are typically the hardest to lease out so rents for those units are now the same as the income restricted units. No waiting list is maintained for any unit type. In-unit washer/dryer is included with rent.

Photos



PROPERTY PROFILE REPORT

Ashford East Village

Effective Rent Date	6/30/2017
Location	1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County
Distance	2.7 miles
Units	371
Vacant Units	4
Vacancy Rate	1.1%
Type	Various (2 stories)
Year Built/Renovated	1979 / Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	1/25/2005
Major Competitors	Broadway at East Atlanta
Tenant Characteristics	Mixed tenancy, mostly families
Contact Name	Kuana
Phone	404-748-4466



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Dec. 7-10% since 3Q16
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	60	815	\$995	\$0	Market	No	1	1.7%	N/A	None
1	1	Garden (2 stories)	35	650	\$925	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	30	780	\$1,070	\$0	Market	No	2	6.7%	N/A	None
2	1	Garden (2 stories)	62	945	\$995	\$0	Market	No	1	1.6%	N/A	None
2	1.5	Townhouse (2 stories)	92	1,155	\$1,135	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	62	1,095	\$1,195	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	30	980	\$1,082	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$925 - \$995	\$0	\$925 - \$995	\$0	\$925 - \$995
2BR / 1BA	\$995 - \$1,070	\$0	\$995 - \$1,070	\$0	\$995 - \$1,070
2BR / 1.5BA	\$1,135	\$0	\$1,135	\$0	\$1,135
3BR / 2BA	\$1,082 - \$1,195	\$0	\$1,082 - \$1,195	\$0	\$1,082 - \$1,195

Ashford East Village, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpet/Hardwood	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Exercise Facility		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Sport Court	Swimming Pool		
Wi-Fi			

Comments

The property does not accept Housing Choice Vouchers. In-unit washer/dryer is included with rent.

Trend Report

Vacancy Rates

4Q15	3Q16	1Q17	2Q17
5.9%	2.4%	3.2%	1.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$800	\$0	\$800	\$800
2016	3	2.1%	\$1,000 - \$1,070	\$0	\$1,000 - \$1,070	\$1,000 - \$1,070
2017	1	6.3%	\$925 - \$955	\$0	\$925 - \$955	\$925 - \$955
2017	2	1.1%	\$925 - \$995	\$0	\$925 - \$995	\$925 - \$995

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$925	\$0	\$925	\$925
2016	3	2.2%	\$1,275	\$0	\$1,275	\$1,275
2017	1	3.3%	\$1,190	\$0	\$1,190	\$1,190
2017	2	0.0%	\$1,135	\$0	\$1,135	\$1,135

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$825	\$0	\$825	\$825
2016	3	3.3%	\$1,075 - \$1,175	\$0	\$1,075 - \$1,175	\$1,075 - \$1,175
2017	1	0.0%	\$1,047 - \$1,074	\$0	\$1,047 - \$1,074	\$1,047 - \$1,074
2017	2	3.3%	\$995 - \$1,070	\$0	\$995 - \$1,070	\$995 - \$1,070

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$1,090	\$0	\$1,090	\$1,090
2016	3	2.2%	\$1,200 - \$1,325	\$0	\$1,200 - \$1,325	\$1,200 - \$1,325
2017	1	3.3%	\$1,082 - \$1,395	\$0	\$1,082 - \$1,395	\$1,082 - \$1,395
2017	2	0.0%	\$1,082 - \$1,195	\$0	\$1,082 - \$1,195	\$1,082 - \$1,195

Trend: Comments

4Q15	The two-bedroom rents decreased two to three percent since October 2015. The three-bedroom rents increased one percent since October 2015. Management could not provide an explanation for the rent decreases. The property offers a dog park and bocce/shuffleboard courts.
3Q16	Renovated units include new hardwood floors in living areas, new cabinets and granite countertops in kitchens and bathrooms, black appliances, paint, and fixtures throughout. The rent profile reflects renovated rents. Non-renovated units rent for a discount of \$100 to \$175 per month. Each unit offers an in-unit washer/dryer. This property does not accept Housing Choice Vouchers.
1Q17	The property does not accept Housing Choice Vouchers.
2Q17	The property does not accept Housing Choice Vouchers. In-unit washer/dryer is included with rent.

Photos



PROPERTY PROFILE REPORT

Broadway At East Atlanta

Effective Rent Date	6/30/2017
Location	1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County
Distance	2 miles
Units	176
Vacant Units	5
Vacancy Rate	2.8%
Type	Various (2 stories)
Year Built/Renovated	1967 / 2015
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy, few families
Contact Name	Onilee
Phone	404-241-3242



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 24-26% since 3Q16
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	Lowrise (2 stories)	N/A	725	\$940	\$0	Market	No	5	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	900	\$1,000	\$0	Market	No	0	N/A	N/A	None
2	1	Lowrise (2 stories)	N/A	990	\$1,035	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,365	\$1,220	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,365	\$1,245	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$940	\$0	\$940	\$72	\$1,012
2BR / 1BA	\$1,000 - \$1,035	\$0	\$1,000 - \$1,035	\$110	\$1,110 - \$1,145
2BR / 1.5BA	\$1,220 - \$1,245	\$0	\$1,220 - \$1,245	\$110	\$1,330 - \$1,355

Broadway At East Atlanta, continued

Amenities

In-Unit		Security	Services
Blinds	Carpet/Hardwood	Limited Access	None
Central A/C	Coat Closet	Patrol	
Dishwasher	Ceiling Fan	Perimeter Fencing	
Garbage Disposal	Microwave		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Elevators	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Wi-Fi		

Comments

The property does not accept Housing Choice Vouchers and does not maintain a waiting list. In-unit washer/dryer is included with rent.

Broadway At East Atlanta, continued

Trend Report

Vacancy Rates

4Q15	3Q16	1Q17	2Q17
0.0%	2.5%	4.5%	2.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$760	\$0	\$760	\$832
2016	3	N/A	\$760	\$0	\$760	\$832
2017	1	N/A	\$900	\$0	\$900	\$972
2017	2	N/A	\$940	\$0	\$940	\$1,012

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$980 - \$999	\$0	\$980 - \$999	\$1,090 - \$1,109
2016	3	N/A	\$980 - \$999	\$0	\$980 - \$999	\$1,090 - \$1,109
2017	1	N/A	\$1,125 - \$1,200	\$0	\$1,125 - \$1,200	\$1,235 - \$1,310
2017	2	N/A	\$1,220 - \$1,245	\$0	\$1,220 - \$1,245	\$1,330 - \$1,355

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$860 - \$870	\$0	\$860 - \$870	\$970 - \$980
2016	3	N/A	\$860 - \$870	\$0	\$860 - \$870	\$970 - \$980
2017	1	N/A	\$965 - \$1,000	\$0	\$965 - \$1,000	\$1,075 - \$1,110
2017	2	N/A	\$1,000 - \$1,035	\$0	\$1,000 - \$1,035	\$1,110 - \$1,145

Trend: Comments

4Q15	The contact stated that the property went through a foreclosure in 2014. In December 2014, the property changed ownership and started major renovations. Prior to renovations, the few existing tenants were evicted. The renovations have been ongoing since December 2014, and three buildings remain empty and renovated as they await certificates of occupancy. Renovations include new flooring, bathrooms, kitchens, fixtures, and appliances. The contact stated that they are currently 85 percent leased and 68 percent occupied. Due to the evictions and renovations, management was unable to provide turnover and lease up. There is a total of 176 units at the property, with 119 units currently online (all of which are occupied). We illustrated the 119 units online in the rent grid. The property no longer accepts Housing Choice Vouchers.
3Q16	The property was renovated in 2015 consisting of new flooring, bathrooms, kitchens, appliances, and fixtures throughout. The contact could not provide unit breakdown by bedroom type. This property does not accept Housing Choice Vouchers.
1Q17	The property does not accept Housing Choice Vouchers.
2Q17	The property does not accept Housing Choice Vouchers and does not maintain a waiting list. In-unit washer/dryer is included with rent.

Photos



PROPERTY PROFILE REPORT

Eagles Run Apartments

Effective Rent Date	7/14/2017
Location	2000 Bouldercrest Road Atlanta, GA 30316 DeKalb County
Distance	4 miles
Units	258
Vacant Units	3
Vacancy Rate	1.2%
Type	Garden (3 stories)
Year Built/Renovated	1972 / 1997
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sun Valley, Paradise East, Park on Bouldercrest
Tenant Characteristics	Mixed tenancy
Contact Name	Victor
Phone	404-212-8090



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	64%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 14-20% since 3Q16
Concession	No

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	68	800	\$720	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	67	1,200	\$840	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	71	1,350	\$1,025	\$0	Market	No	2	2.8%	N/A	None
4	2.5	Garden (3 stories)	52	1,500	\$1,100	\$0	Market	No	1	1.9%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$720	\$0	\$720	\$0	\$720
2BR / 2BA	\$840	\$0	\$840	\$0	\$840
3BR / 2BA	\$1,025	\$0	\$1,025	\$0	\$1,025
4BR / 2.5BA	\$1,100	\$0	\$1,100	\$0	\$1,100

Eagles Run Apartments, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	Afterschool Program
Carpeting	Central A/C	Patrol	
Coat Closet	Dishwasher	Perimeter Fencing	
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Business Center/Computer Lab	None	Library
Clubhouse/Meeting Room/Community	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		
Theatre	Volleyball Court		

Comments

The contact noted the vacancy is typical for the property and that typically over 50 percent of the tenants utilize Housing Choice Vouchers.

Eagles Run Apartments, continued

Trend Report

Vacancy Rates

4Q15	3Q16	1Q17	3Q17
37.2%	12.1%	7.8%	1.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$575	\$0	N/A	N/A
2016	3	7.4%	\$600	\$0	\$600	\$600
2017	1	0.0%	\$724	\$0	\$724	\$724
2017	3	0.0%	\$720	\$0	\$720	\$720

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$725	\$0	\$725	\$725
2016	3	12.7%	\$750	\$0	\$750	\$750
2017	1	25.4%	\$840	\$0	\$840	\$840
2017	3	0.0%	\$840	\$0	\$840	\$840

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$850	\$0	N/A	N/A
2016	3	19.3%	\$860	\$0	\$860	\$860
2017	1	2.8%	\$1,075	\$0	\$1,075	\$1,075
2017	3	2.8%	\$1,025	\$0	\$1,025	\$1,025

4BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	4	N/A	\$950	\$0	\$950	\$950
2016	3	5.8%	\$960	\$0	\$960	\$960
2017	1	1.9%	\$1,100	\$0	\$1,100	\$1,100
2017	3	1.9%	\$1,100	\$0	\$1,100	\$1,100

Trend: Comments

4Q15	The property was previous a tax credit property and recently had eviction sweep. Currently the property is in the process of converting to market rate units, and leasing up units. The property was purchase in the summer of 2015 and is now under new management.
3Q16	The contact reported that units have been leasing at a rate of approximately seven units a month.
1Q17	The contact reported a short waiting list for the one-bedroom units. Rents increased recently by \$75 across the board. The contact stated that this is a conventional market rate property. She also noted that despite being conventional, the property is trying to set up on site daycare services in which she said once that is operational, rents are expected to increase.
3Q17	The contact noted the vacancy is typical for the property and that typically over 50 percent of the tenants utilize Housing Choice Vouchers.

Photos



PROPERTY PROFILE REPORT

East Lake Gardens

Effective Rent Date	6/30/2017
Location	1403 Custer Avenue Atlanta, GA 30316 DeKalb County
Distance	2.7 miles
Units	144
Vacant Units	3
Vacancy Rate	2.1%
Type	Garden (2 stories)
Year Built/Renovated	1962 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	1/26/2004
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Christine
Phone	404-622-2010



Market Information

Program	Market
Annual Turnover Rate	17%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc.18-23% since 3Q16
Concession	\$50 off month's rent

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 (2 stories)	25	767	\$680	\$4	Market	Yes	1	4.0%	N/A	None
2	1	Garden (2 stories)	58	891	\$780	\$4	Market	Yes	2	3.4%	N/A	None
2	1.5	Garden (2 stories)	58	921	\$880	\$4	Market	Yes	0	0.0%	N/A	None
3	1	Garden (2 stories)	3	1,025	\$880	\$4	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$680	\$4	\$676	\$72	\$748
2BR / 1BA	\$780	\$4	\$776	\$110	\$886
2BR / 1.5BA	\$880	\$4	\$876	\$110	\$986
3BR / 1BA	\$880	\$4	\$876	\$160	\$1,036

East Lake Gardens, continued

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Limited Access	None
Central A/C	Coat Closet	Perimeter Fencing	
Dishwasher	Ceiling Fan	Video Surveillance	
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management			

Comments

The property does accept Housing Choice Vouchers; however, the contact was unable to note the number of vouchers utilized at the property. The contact also noted that the property maintains a short waiting list estimate to be five to 10 households in length. The property was formerly known as Manor V Apartments.

Trend Report

Vacancy Rates

3Q16	1Q17	2Q17	3Q17
1.4%	0.0%	2.1%	2.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	0.0%	\$600	\$0	\$600	\$672
2017	1	0.0%	\$600	\$0	\$600	\$672
2017	2	4.0%	\$680	\$4	\$676	\$748
2017	3	4.0%	\$680	\$4	\$676	\$748

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	2	0.0%	\$880	\$4	\$876	\$986
2017	3	0.0%	\$880	\$4	\$876	\$986

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	1.7%	\$660	\$0	\$660	\$770
2017	1	0.0%	\$680	\$0	\$680	\$790
2017	2	3.4%	\$780	\$4	\$776	\$886
2017	3	3.4%	\$780	\$4	\$776	\$886

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	3	0.0%	\$800	\$0	\$800	\$960
2017	1	0.0%	\$780	\$0	\$780	\$940
2017	2	0.0%	\$880	\$4	\$876	\$1,036
2017	3	0.0%	\$880	\$4	\$876	\$1,036

Trend: Comments

3Q16	The contact had no additional comments.
1Q17	No additional comments.
2Q17	The property does accept Housing Choice Vouchers; however, the contact was unable to note the number of vouchers utilized at the property. The contact also noted that the property maintains a short waiting list estimate to be five to 10 households in length. The property was formerly known as Manor V Apartments.
3Q17	N/A

Photos



PROPERTY PROFILE REPORT

Oak Pointe Apartments

Effective Rent Date	7/05/2017
Location	469-497 Oakdale Road Atlanta, GA 30307 DeKalb County
Distance	0.9 miles
Units	114
Vacant Units	3
Vacancy Rate	2.6%
Type	Garden (2 stories)
Year Built/Renovated	1963 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Travis
Phone	404-688-6257



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Inc. 5-11% since 4Q16
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	38	750	\$1,225	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	38	800	\$1,295	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (2 stories)	38	850	\$1,395	\$0	Market	No	3	7.9%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$1,225 - \$1,395	\$0	\$1,225 - \$1,395	\$110	\$1,335 - \$1,505

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Dishwasher		
Garbage Disposal		
Refrigerator		
Carpet/Hardwood		
Coat Closet		
Ceiling Fan		
Oven		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		

Comments

The property does not accept Housing Choice Vouchers. The contact was unable to report the property's annual turnover rate. All units have been renovated with new hardwood flooring, new stainless steel appliances, new cabinetry, and updated plumbing fixtures.

Oak Pointe Apartments, continued

Trend Report

Vacancy Rates

4Q16	1Q17	3Q17
9.6%	7.0%	2.6%

Trend: Market

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,100 - \$1,325	\$0	\$1,100 - \$1,325	\$1,210 - \$1,435
2017	1	7.0%	\$1,125 - \$1,295	\$0	\$1,125 - \$1,295	\$1,235 - \$1,405
2017	3	2.6%	\$1,225 - \$1,395	\$0	\$1,225 - \$1,395	\$1,335 - \$1,505

Trend: Comments

4Q16	The contact reported the property is being renovated with new flooring, fixtures, paint, and appliances as needed. She did not know the cost of the renovation and the contact stated all units should be upgraded by early 2017.
1Q17	No additional comments.
3Q17	The property does not accept Housing Choice Vouchers. The contact was unable to report the property's annual turnover rate. All units have been renovated with new hardwood flooring, new stainless steel appliances, new cabinetry, and updated plumbing fixtures.

Photos



PROPERTY PROFILE REPORT

The Element At Kirkwood

Effective Rent Date	7/06/2017
Location	2035 Memorial Drive Atlanta, GA 30317 DeKalb County
Distance	1 mile
Units	176
Vacant Units	40
Vacancy Rate	22.7%
Type	Garden (2 stories)
Year Built/Renovated	1980 / 1994/Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	1/22/2005
Major Competitors	Park on Candler, Candler Crossing
Tenant Characteristics	Mixed tenancy primarily from Atlanta
Contact Name	Kevin
Phone	404-371-0003



Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Inc. 7-9% since the 4Q16
Concession	\$999 for one-bedrooms \$1199 for two-

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	92	700	\$1,199	\$200	Market	No	N/A	N/A	N/A	None
2	1	Garden (2 stories)	84	900	\$1,329	\$200	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,199	\$200	\$999	\$72	\$1,071
2BR / 1BA	\$1,329	\$200	\$1,129	\$110	\$1,239

Amenities

In-Unit	Security	Services
Blinds	Intercom (Phone)	None
Central A/C	Limited Access	
Dishwasher	Patrol	
Refrigerator	Perimeter Fencing	
Washer/Dryer		
Carpet/Hardwood		
Coat Closet		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting Room/Community	None	Dog park
Central Laundry		
On-Site Management		
Playground		
Exercise Facility		
Off-Street Parking		
Picnic Area		
Swimming Pool		

Comments

The contact reported that high vacancy rate was due to ongoing renovations of half the units at the property. Units are renovated as they become available. Renovations include new granite counters, stainless steel appliances and new tile flooring. Units will also be furnished with washer and dryer all inclusive in the post-renovation rent price. The property does not accept Housing Choice Vouchers and does not maintain a waiting list. The contact was unable to report the property's annual turnover rate.

Trend Report

Vacancy Rates

2Q11	4Q16	1Q17	3Q17
15.3%	13.1%	27.3%	22.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,099	\$100	\$999	\$1,071
2017	1	N/A	\$1,099	\$100	\$999	\$1,071
2017	3	N/A	\$1,199	\$200	\$999	\$1,071

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	N/A	\$1,299	\$0	\$1,299	\$1,409
2017	1	N/A	\$1,299	\$100	\$1,199	\$1,309
2017	3	N/A	\$1,329	\$200	\$1,129	\$1,239

Trend: Comments

2Q11	Management noted that this property has been for sale for five years and it has affected the overall performance of the property.
4Q16	The contact reported the property was FKA as Courtyard at Glenview and used to operate as a LIHTC property. It has been under new ownership since December of 2014 and has been operating as a market rate property since. The contact stated the property is being completely renovated with new granite counters, stainless steel appliances, tiled backsplash, cabinets, flooring, lighting, fixtures, and washer and dryer appliances. The exteriors have been painted and new doors added. The contact reported the leasing pace has been taking longer due to the extensive upgrades for each unit as it becomes available. The contact could not estimate the total cost of renovations.
1Q17	The contact reported that high vacancy rate was due to ongoing renovations of half the units at the property. Units are renovated as they become available. Renovations include new granite counters, stainless steel appliances and new tile flooring. Units will also be furnished with washer and dryer all inclusive in the post-renovation rent price. The property does not accept Housing Choice Vouchers.
3Q17	The contact reported that high vacancy rate was due to ongoing renovations of half the units at the property. Units are renovated as they become available. Renovations include new granite counters, stainless steel appliances and new tile flooring. Units will also be furnished with washer and dryer all inclusive in the post-renovation rent price. The property does not accept Housing Choice Vouchers and does not maintain a waiting list. The contact was unable to report the property's annual turnover rate.

Photos



PROPERTY PROFILE REPORT

Villages Of East Lake I And II

Effective Rent Date 7/08/2017
Location 460 East Lake Blvd.
Atlanta, GA 30317
DeKalb County
Distance 1.5 miles
Units 542
Vacant Units 12
Vacancy Rate 2.2%
Type Various
Year Built/Renovated 1998/2000 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased 2/03/2005
Major Competitors None identified
Tenant Characteristics Mixed tenancy
Contact Name Raphael
Phone 404-373-9598



Market Information

Program Market/PBRA
Annual Turnover Rate 25%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within one month
Annual Chg. in Rent Inc. 6-9% since 1Q17
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

Villages Of East Lake I And II, continued

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)	15	926	\$1,034	\$0	Market	No	2	13.3%	N/A	None
1	1	Garden (3 stories)	8	1,026	\$1,074	\$0	Market	No	2	25.0%	N/A	None
1	1	Garden (3 stories)	15	926	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Garden (3 stories)	8	1,026	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	25	1,200	\$1,195	\$0	Market	No	3	12.0%	N/A	None
2	1.5	Townhouse (2 stories)	26	1,200	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	15	1,165	\$1,112	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	84	1,282	\$1,144	\$0	Market	No	1	1.2%	N/A	None
2	2	Garden (3 stories)	5	1,322	\$1,164	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	15	1,165	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	84	1,282	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	5	1,322	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	25	1,319	\$1,254	\$0	Market	No	2	8.0%	N/A	None
3	2	Garden (3 stories)	20	1,400	\$1,260	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	47	1,544	\$1,270	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	3	1,585	\$1,260	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	26	1,319	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	20	1,400	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	47	1,544	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
3	2	Garden (3 stories)	3	1,585	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
4	2	Garden (3 stories)	18	1,812	\$1,496	\$0	Market	No	2	11.1%	N/A	None
4	2	Garden (3 stories)	18	1,812	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None
4	2.5	Townhouse (2 stories)	5	1,650	\$1,522	\$0	Market	No	0	0.0%	N/A	None
4	2.5	Townhouse (2 stories)	5	1,650	N/A	\$0	PBRA	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	PBRA	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$1,034 - \$1,074	\$0	\$1,034 - \$1,074	\$72	\$1,106 - \$1,146	1BR / 1BA	N/A	\$0	N/A	\$72	N/A
2BR / 1.5BA	\$1,195	\$0	\$1,195	\$110	\$1,305	2BR / 1.5BA	N/A	\$0	N/A	\$110	N/A
2BR / 2BA	\$1,112 - \$1,164	\$0	\$1,112 - \$1,164	\$110	\$1,222 - \$1,274	2BR / 2BA	N/A	\$0	N/A	\$110	N/A
3BR / 2BA	\$1,254 - \$1,270	\$0	\$1,254 - \$1,270	\$160	\$1,414 - \$1,430	3BR / 2BA	N/A	\$0	N/A	\$160	N/A
4BR / 2BA	\$1,496	\$0	\$1,496	\$194	\$1,690	4BR / 2BA	N/A	\$0	N/A	\$194	N/A
4BR / 2.5BA	\$1,522	\$0	\$1,522	\$194	\$1,716	4BR / 2.5BA	N/A	\$0	N/A	\$194	N/A

Villages Of East Lake I And II, continued

Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpet/Hardwood	Central A/C	Limited Access	
Coat Closet	Dishwasher	Patrol	
Exterior Storage	Ceiling Fan	Perimeter Fencing	
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	Public golf course
Clubhouse/Meeting Room/Community	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Sport Court	Swimming Pool		
Tennis Court			

Comments

They property charges for water, sewer, and trash apart from the monthly rent. The property charges \$55 for one bedrooms, \$65 for two-bedrooms, \$75 for three-bedrooms, and \$85 for four-bedroom units per month. The waiting list was estimated to be approximately one year in length for the PBRA units.

Villages Of East Lake I And II, continued

Trend Report

Vacancy Rates

1Q13	3Q16	1Q17	3Q17
7.7%	4.4%	3.0%	2.2%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$795	\$50	\$745	\$817
2016	3	N/A	\$895 - \$915	\$0	\$895 - \$915	\$967 - \$987
2017	1	0.0%	\$969 - \$979	\$0	\$969 - \$979	\$1,041 - \$1,051
2017	3	17.4%	\$1,034 - \$1,074	\$0	\$1,034 - \$1,074	\$1,106 - \$1,146

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$899 - \$999	\$50	\$849 - \$949	\$959 - \$1,059
2016	3	N/A	\$1,049	\$0	\$1,049	\$1,159
2017	1	N/A	\$1,129	\$0	\$1,129	\$1,239
2017	3	12.0%	\$1,195	\$0	\$1,195	\$1,305

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$819 - \$999	\$50	\$769 - \$949	\$879 - \$1,059
2016	3	N/A	\$969 - \$1,015	\$0	\$969 - \$1,015	\$1,079 - \$1,125
2017	1	N/A	\$1,049 - \$1,099	\$0	\$1,049 - \$1,099	\$1,159 - \$1,209
2017	3	1.0%	\$1,112 - \$1,164	\$0	\$1,112 - \$1,164	\$1,222 - \$1,274

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$969 - \$1,069	\$50	\$919 - \$1,019	\$1,079 - \$1,179
2016	3	N/A	\$1,085 - \$1,150	\$0	\$1,085 - \$1,150	\$1,245 - \$1,310
2017	1	N/A	\$1,179 - \$1,199	\$0	\$1,179 - \$1,199	\$1,339 - \$1,359
2017	3	2.1%	\$1,254 - \$1,270	\$0	\$1,254 - \$1,270	\$1,414 - \$1,430

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$1,210	\$50	\$1,160	\$1,354
2016	3	N/A	\$1,299	\$0	\$1,299	\$1,493
2017	1	N/A	\$1,399	\$0	\$1,399	\$1,593
2017	3	0.0%	\$1,522	\$0	\$1,522	\$1,716

4BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$1,210	\$50	\$1,160	\$1,354
2016	3	N/A	\$1,349	\$0	\$1,349	\$1,543
2017	1	N/A	\$1,375	\$0	\$1,375	\$1,569
2017	3	11.1%	\$1,496	\$0	\$1,496	\$1,690

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	\$1,210	\$50	\$1,160	\$1,354
2016	3	N/A	\$1,349	\$0	\$1,349	\$1,543
2017	1	N/A	\$1,375	\$0	\$1,375	\$1,569
2017	3	11.1%	\$1,496	\$0	\$1,496	\$1,690

Trend: PBRA

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

4BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	1	N/A	N/A	\$0	N/A	N/A
2016	3	N/A	N/A	\$0	N/A	N/A
2017	1	0.0%	N/A	\$0	N/A	N/A
2017	3	0.0%	N/A	\$0	N/A	N/A

Villages Of East Lake I And II, continued

Trend: Comments

1Q13	N/A
3Q16	Village of East Lake I was built in 1998 and Village of East Lake II was built in 2000. Village of East Lake I has gas powered cooking, heat and water. Village of East Lake II had electric powered heat, cooking and hot water. Village of East Lake II's utility structure was used to calculate utility adjustments since it has more units.
1Q17	They property charges for water, sewer, and trash apart from the monthly rent. The property charges \$55 for one bedrooms, \$65 for two-bedrooms, \$75 for three-bedrooms, and \$85 for four-bedroom units per month. The waiting list was reported to be up to one year for the PBRA units.
3Q17	They property charges for water, sewer, and trash apart from the monthly rent. The property charges \$55 for one bedrooms, \$65 for two-bedrooms, \$75 for three-bedrooms, and \$85 for four-bedroom units per month. The waiting list was estimated to be approximately one year in length for the PBRA units.

Photos



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

Housing Choice Vouchers

We spoke with Ms. Tometia Smith with the Housing Authority of DeKalb County about the issuance of Housing Choice Vouchers in the area. Ms. Smith indicated that both the Housing Authority of DeKalb County and the Decatur Housing Authority administer Housing Choice Vouchers in the Subject’s area. Ms. Smith reported that the Housing Authority of DeKalb County issues a total of 6,298 vouchers, of which 3,027 are tenant-based. As of March 2017, the Housing Authority of DeKalb County has issued 4,650 project-based and tenant-based vouchers. The waiting list for tenant-based vouchers is currently closed. The payment standards for DeKalb County are listed below.

PAYMENT STANDARDS	
Unit Type	Payment Standard
1BR	\$820
2BR	\$949
3BR	\$1,253
4BR	\$1,532

TENANTS WITH VOUCHERS		
Comparable Property	Type	Housing Choice Voucher Tenants
Columbia Citihomes	LIHTC/Market	12%
Retreat At Edgewood	LIHTC	0%
Retreat At Edgewood Phase II	LIHTC/Market	0%
Vineyards Of Flat Shoals	LIHTC/Market	30%
Ashford East Village	Market	0%
Broadway At East Atlanta	Market	0%
Eagles Run Apartments	Market	64%
East Lake Gardens	Market	N/A
Oak Pointe Apartments	Market	0%
The Element At Kirkwood	Market	0%
Villages Of East Lake I And II	Market/PBRA	0%

Housing Choice Voucher usage in this market ranges from zero to 64 percent. The majority of LIHTC properties have a low reliance on tenants with vouchers. However, one property, Vineyards of Flat Shoals, reported 30 percent of their tenants utilize vouchers. The remaining LIHTC properties reported low voucher usage rates and two comparables, Retreat at Edgewood and Retreat at Edgewood Phase II, do not accept Housing Choice Vouchers. Currently, the Subject is 100 percent Section 8. As such, all tenants pay 30 percent of their income as rent. Post-renovation, the new construction of an additional 18 one and two-bedroom units will not be covered by the Subject’s HAP contract. As such, voucher holding tenants will be able to reside at the property among those 18 units. It should be noted that the current payment standards are above the proposed LIHTC rents so perspective voucher holding tenants would not be required to pay extra out of pocket rent.

Lease Up History

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

ABSORPTION					
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated above, the comparables reported absorption rates between 12 to 20 units per month. The Subject is larger than all of these properties so an absorption rate towards the low end of the range would be reasonable. Thus, if the Subject was hypothetically 100 percent vacant and had to re-lease units, we would estimate an absorption rate of approximately 15 units per month, which results in an absorption period of approximately 13 to 14 months. It should be noted that this absorption analysis is hypothetical because the Subject is currently operating at a stabilized occupancy.

Phased Developments

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

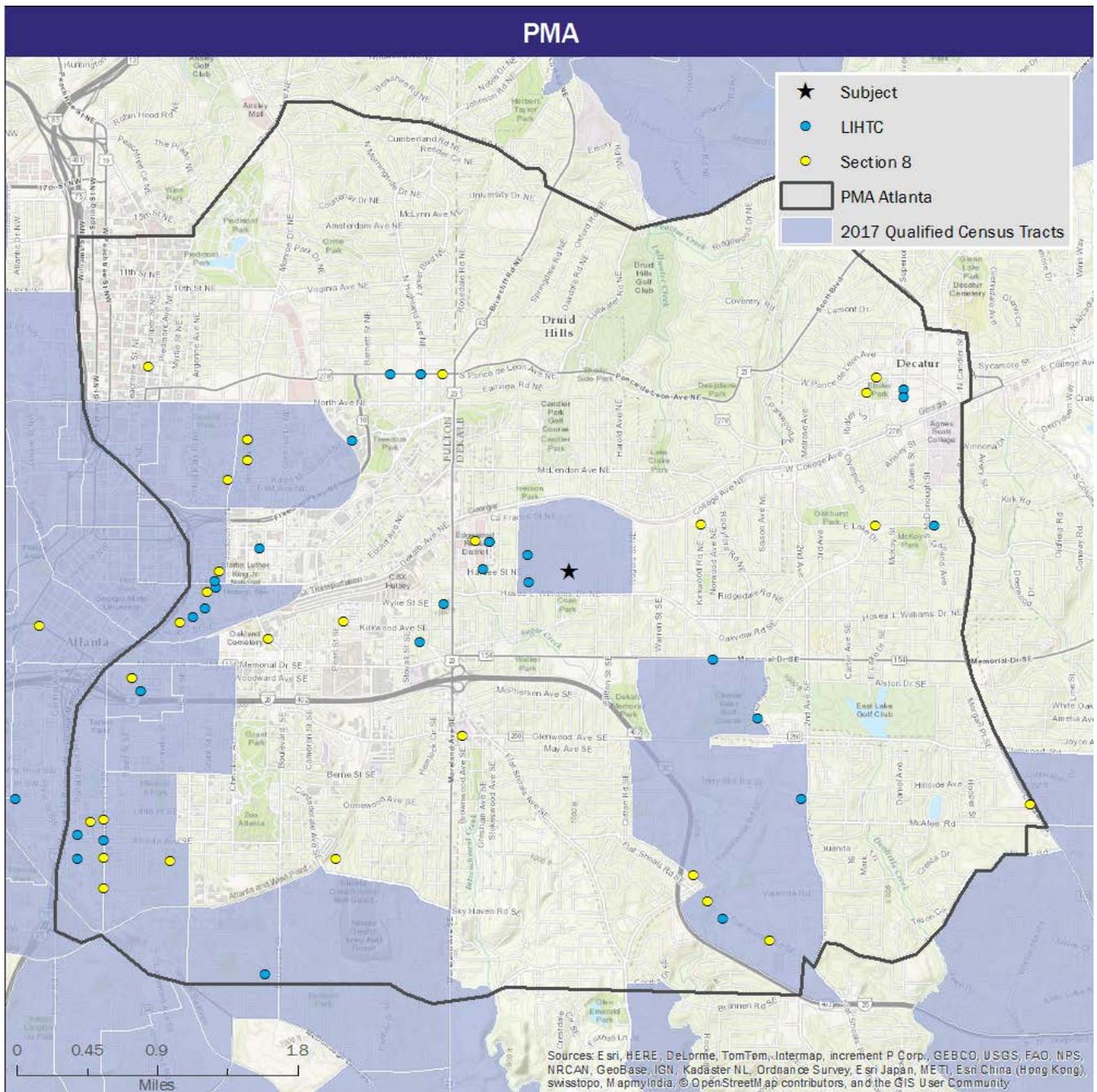
Rural Areas

The Subject is not located in a rural area.

3. Competitive Project Map

COMPETITIVE PROJECTS

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Edgewood Court Apartments	Section 8	Atlanta	Family	222	97.1%	Star
Columbia At Peopletown	Section 8/LIHTC	Atlanta	Family	135	99.3%	Blue
Columbia Senior Residences Edgewood	Section 8/LIHTC	Atlanta	Family	135	100.0%	
Wheat Street Towers	Section 8	Atlanta	Family	210	100.0%	
Sterling At Candler Village	Section 8	Atlanta	Family	170	N/A	
Columbia Mills	Section 8/LIHTC	Atlanta	Family	100	N/A	
Briarcliff Summit Apartments	Section 8	Atlanta	Family	200	100.0%	
Maggie Russell Tower	Section 8	Atlanta	Family	150	100.0%	
Boynton Village Apartments	Section 8/LIHTC	Atlanta	Family	43	N/A	
Branan Towers	Section 8	Atlanta	Family	176	100.0%	
Capitol Avenue School	Section 8	Atlanta	Family	48	N/A	
Capitol Towers	Section 8	Atlanta	Family	39	N/A	
Highlands @ East Atlanta	Section 8/LIHTC	Atlanta	Family	250	100.0%	
Bedford Pine Apartments V	Section 8	Atlanta	Family	146	100.0%	
Bedford Pine Apartments I	Section 8	Atlanta	Family	134	100.0%	
Bedford Pine Apartments IV	Section 8	Atlanta	Family	77	100.0%	
Trestletree Village	Section 8/LIHTC	Atlanta	Family	188	N/A	
Lutheran Towers	Section 8	Atlanta	Family	205	N/A	
Park Trace Apartments	Section 8	Atlanta	Family	170	100.0%	
Philips Towers	Section 8	Atlanta	Family	225	100.0%	
Fulton Cotton Mill Lofts	Section 8/LIHTC	Atlanta	Family	206	99.0%	
Presley Woods Apts	Section 8/LIHTC	Atlanta	Family	40	100.0%	
Hollywood/Shawnee Apartments	Section 8	Atlanta	Family	112	N/A	
Columbia Senior Residences @ MLK	Section 8/LIHTC	Atlanta	Family	121	N/A	
Capitol Gateway Phase II	Section 8/LIHTC	Atlanta	Family	152	100.0%	
Veranda At Auburn Pointe III	Section 8/LIHTC	Atlanta	Family	102	100.0%	
Ashley Auburn Pointe II	Section 8/LIHTC	Atlanta	Family	150	98.0%	
Capital Gateway Apartments Phase I	Section 8	Atlanta	Family	269	99.0%	
City Lights I	Section 8	Atlanta	Family	80	N/A	
Courtyards At Glenview	LIHTC	Atlanta	Family	176	N/A	
Bienville Place	LIHTC	Atlanta	Family	61	N/A	
Washington Heights	LIHTC	Atlanta	Family	10	100.0%	
People's Place	LIHTC/PBRA	Atlanta	Family	76	100.0%	
O'Hern House - Project Peoples Place	LIHTC/PBRA	Atlanta	Family	76	100.0%	
Amberwood Village	LIHTC	Atlanta	Family	30	100.0%	
Oakland Court Apts	LIHTC	Atlanta	Family	100	N/A	
Columbia Village Townhomes	LIHTC	Decatur	Family	100	100.0%	
Villages Of Eastlake I & II	Market/PBRA	Atlanta	Family	287	100.0%	
Square At Peopletown	LIHTC	Atlanta	Family	94	100.0%	
Briarcliff Summit Apts	Section 8/LIHTC	Atlanta	Family	200	98.0%	
Columns At East Hill	LIHTC	Decatur	Family	28	N/A	
Grant Park Apts	LIHTC	Atlanta	Family	291	99.0%	
Oakhill	LIHTC	Atlanta	Family	132	100.0%	
Telephone Factory Lofts	LIHTC	Atlanta	Family	17	N/A	
Irwin Street Apts/Pri	LIHTC	Atlanta	Family	57	N/A	
Reynolds Town Commons	LIHTC	Atlanta	Family	32	97.0%	
Columbia Tower At MLK Village	LIHTC	Atlanta	Family	95	98.9%	
Allen Wilson Terrace Phase III	LIHTC/Public Housing	Atlanta	Family	71	98.8%	
Ashley Auburn Pointe I	LIHTC/PBRA	Atlanta	Family	154	97.4%	
Allen Wilson Terrace Phase I	LIHTC/Public Housing	Atlanta	Family	80	98.8%	
Centennial Place IV	LIHTC/Market/PBRA	Atlanta	Family	107	100.0%	
Bethel Heights	LIHTC	Atlanta	Family	10	90.0%	
Reed Street Apts	LIHTC	Atlanta	Family	30	N/A	



4. Amenities

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

EDGEWOOD COURT – ATLANTA, GEORGIA – MARKET STUDY

UNIT MATRIX REPORT

	Edgewood Court Apartments	Columbia CitiHomes	Retreat At Edgewood	Retreat At Edgewood Phase II	Vineyards Of Flat Shoals	Ashford East Village	Broadway At East Atlanta	Eagles Run Apartments	East Lake Gardens	Oak Pointe Apartments	The Element At Kirkwood	Villages Of East Lake I And II
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11
Property Information												
Property Type	Garden (2 stories)	Various (2 stories)	Various (2 stories)	Various (2 stories)	Garden (2 stories)	Various (2 stories)	Various (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Various (2 stories)
Year Built / Renovated	1950 / 1980/Proposed	2003 / n/a	2011 / n/a	2012 / n/a	1966 / 2005	1979 / Ongoing	1967 / 2015	1972 / 1997	1962 / n/a	1963 / 2016	1980 / 1994/Ongoing	1998/2000 / n/a
Program	LHTC (Section 8)	LHTC/Market	LHTC	LHTC/Market	LHTC/Market	Market	Market	Market	Market	Market	Market	Market/PBRA
Utility Adjustments												
Cooking	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no
Water	yes	no	no	no	yes	yes	no	yes	no	no	no	no
Sewer	yes	no	yes	yes	yes	yes	no	yes	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	yes	no	yes	no	no	no	no
In-Unit Amenities												
Balcony/Patio	yes	no	yes	yes	no	yes	no	yes	no	no	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	yes	no	yes	yes	no	no	yes	yes	yes
Carpeting	yes	yes	yes	no	yes	no	no	yes	yes	no	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Dishwasher	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	yes	yes	no	yes	no	yes	no	no	no	yes
Ceiling Fan	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Microwave	no	yes	no	no	no	yes	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	yes	yes	yes	no	yes	yes	yes	yes	no	yes	yes
Washer/Dryer	no	no	yes	yes	yes	yes	no	no	no	no	yes	no
Washer/Dryer hookup	no	yes	no	no	no	no	yes	yes	no	no	no	yes
Property Amenities												
Basketball Court	no	no	no	no	no	no	no	yes	no	no	no	no
Business Center/Computer Lab	yes	no	yes	yes	yes	yes	no	yes	no	no	no	yes
Car Wash	no	no	no	no	no	no	no	no	no	no	no	yes
Clubhouse/Community Room	yes	yes	yes	yes	yes	yes	no	yes	no	no	yes	yes
Courtyard	no	no	no	no	no	yes	no	no	no	no	no	no
Elevators	no	no	no	no	no	no	yes	no	no	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	no	no	no	no	yes	no
Garage	no	no	yes	yes	no	no	no	no	no	no	no	no
Central Laundry	yes	yes	no	no	yes	no	yes	no	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Playground	yes	yes	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Sport Court	no	no	no	no	no	yes	no	no	no	no	no	yes
Swimming Pool	no	no	no	no	yes	yes	yes	yes	no	no	yes	yes
Tennis Court	no	yes	no	no	no	no	no	yes	no	no	no	yes
Theatre	no	no	no	no	no	no	no	yes	no	no	no	no
Volleyball Court	no	no	no	no	no	no	no	yes	no	no	no	no
WiFi	no	no	no	no	no	yes	yes	no	no	no	no	no
Services												
Afterschool Program	yes	no	no	no	no	no	no	yes	no	no	no	no
Security												
In-Unit Alarm	no	no	yes	yes	no	no	no	no	no	no	no	yes
Intercom (Phone)	no	no	no	no	no	no	no	no	no	no	yes	no
Limited Access	no	yes	no	no	yes	yes	yes	yes	yes	no	yes	yes
Patrol	no	no	yes	yes	no	no	yes	yes	no	no	yes	yes
Perimeter Fencing	no	yes	no	no	yes	yes	yes	yes	yes	no	yes	yes
Video Surveillance	no	no	yes	yes	no	no	no	no	yes	no	no	no

The Subject will offer generally inferior in-unit amenities in comparison to the LIHTC and market rate comparables and relatively similar to slightly superior property amenities. The Subject offers a clubhouse/community room, a central laundry facility, off-street surface parking, playground, and an afterschool program. Post renovation, the Subject will also offer a business center/computer lab and exercise facility, which many of the comparables lack. However, the Subject will lack a picnic area and swimming pool which are offered at several of the comparable developments. Overall we believe that the proposed amenities will allow the Subject to effectively compete in the LIHTC market. It should be noted that although the lack of in-unit amenities at the Subject provides a marketing disadvantage, historical performance at the Subjects suggests that the lack of in-unit amenities will not impact future performance at the Subject.

5. Comparable Tenancy

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

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Columbia CitiHomes	LIHTC/Market	84	0	0.0%
Retreat At Edgewood	LIHTC	100	0	0.0%
Retreat At Edgewood Phase II	LIHTC/Market	40	0	0.0%
Vineyards Of Flat Shoals	LIHTC/Market	228	2	0.9%
Ashford East Village	Market	371	4	1.1%
Broadway At East Atlanta	Market	176	5	2.8%
Eagles Run Apartments	Market	258	3	1.2%
East Lake Gardens	Market	144	3	2.1%
Oak Pointe Apartments	Market	114	3	2.6%
The Element At Kirkwood	Market	176	40	22.7%
Villages Of East Lake I And II	Market/PBRA	542	12	2.2%
Total LIHTC		452	2	0.4%
Total Market		1,781	70	3.9%
Total		2,233	72	3.2%

Overall vacancy in the market is moderate at 3.2 percent. Total LIHTC vacancy is significantly lower, at 0.4 percent. However, none of the properties reported maintaining a waiting list. The vacancy rates among the market rate comparable properties ranges from zero to 22.7 percent, averaging 3.9 percent, which is also considered moderate. The Element at Kirkwood reported an elevated vacancy rate of 22.7 percent. Management at the property reported that vacancy is due to ongoing renovations at the Subject. Units are currently being renovated as they become available. However, according to the property's historical vacancy, which has ranged between 15.3 and 27.3 percent between the second quarter of 2011 and the first quarter of 2017, we suspect that high vacancy is a property specific issue. According to a rent roll dated July 12, 2017, the Subject is 97.1 percent occupied. Over the last three years, the Subject has experienced annual vacancy rates ranging between 4.9 and 5.9 percent. Based on the low vacancy by the LIHTC comparables and historically stable vacancy, we believe that there is sufficient demand for additional affordable housing in the market. Post-renovation, all tenants are expected to remain income-qualified at the Subject. We do not believe that the Subject's new construction of 22 (four rebuilt and 18 newly constructed) one and two-bedroom units will impact the performance of the existing LIHTC properties. We expect that the Subject will experience approximately five percent vacancy post-renovation, similar to the Subject's historical vacancy rates.

7. Properties Under Construction and Proposed

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 PMA.

PLANNED, UNDER CONSTRUCTION, AND PROPOSED IN THE PMA

Property Name	Program	City	# of Units	Status
Alexan 1133	Market	Atlanta	167	Complete
Edgewood Marta Apartments	Market	Atlanta	224	Under Constr.
Edgewood/Candler Park Marta Mixed Use Ph I & II	Market	Atlanta	459	Under Constr.
New Townhomes	Market	Atlanta	18	Proposed
Spoke Apartments	Market	Atlanta	224	Under Constr.
The Moderns at Sugar Creek	Market	Atlanta	62	Under Constr.
Trinity Place Mixed Use	Market	Atlanta	329	Planned
Trinity Walk Ph I.	LIHTC	Atlanta	69	Complete
1138 Peachtree	Market	Atlanta	370	Planned
12th Street Apartments	Market	Atlanta	11	Planned
195 13th Street Apartments	Market	Atlanta	307	Planned
675 North Highland	Market	Atlanta	125	Complete
841 Memorial	Market	Atlanta	80	Complete
Alexan 880	Market	Atlanta	356	Under Constr.
Alexan on the Krog	Market	Atlanta	222	Complete
Alta at the Park	Market	Atlanta	220	Under Constr.
Alta Midtown	Market	Atlanta	369	Complete
Anthem on Ashley	Market	Atlanta	244	Under Constr.
Atlantic House	Market	Atlanta	407	Complete
Azure on the Park	Market	Atlanta	329	Complete
Broadstone Juniper	Market	Atlanta	218	Under Constr.
Eviva On Peachtree	Market	Atlanta	392	Under Constr.
Four15 Stacks	Market	Atlanta	24	Proposed
Gartrell Street Apartments	Market	Atlanta	261	Proposed
Hanover Midtown	Market	Atlanta	350	Under Constr.
Hanover West Peachtree	Market	Atlanta	328	Under Constr.
Icon Midtown	Market	Atlanta	400	Under Constr.
King Memorial Marta Station	Market	Atlanta	348	Proposed
Memorial Drive Residential	Market	Atlanta	566	Proposed
Moda Reynoldstown	Market	Atlanta	65	Under Constr.
Moderia Midtown	Market	Atlanta	435	Under Constr.
Madison Yards	Market	Atlanta	550	Proposed
North and Line	Market	Atlanta	228	Under Constr.
Old Fourth Ward Apartments	Market	Atlanta	268	Under Constr.
Post Millenium	Market	Atlanta	325	Under Constr.
Post Midtown Millenium	Market	Atlanta	332	Under Constr.
Ralph McGill Blvd Mixed Use	Market	Atlanta	250	Under Constr.
Sixty 11th	Market	Atlanta	320	Complete
Station R	Market	Atlanta	285	Complete
Station 464	Market	Atlanta	96	Under Constr.
Studioplex On Auburn - Expansion	Market	Atlanta	19	Under Constr.
The George Apartments	Market	Atlanta	130	Planned
Trace Midtown Apartments	Market	Atlanta	294	Complete
West Peachtree Apartments	Market	Atlanta	80	Proposed
Lilli Midtown	Market	Atlanta	147	Under Constr.
Arlo	Market	Atlanta	210	Complete
1000 Park Avenue	Market	Atlanta	267	Under Constr.
Alexan Glenwood	Market	Atlanta	216	Complete
Cityview at Englewood	Market	Atlanta	320	Proposed
Total			12,316	

Source: REIS.com, Novogradac and Company, 7/2017

It should be noted that we assume all but one of these developments will be market rate.

LIHTC Competition / Recent and Proposed Construction

According to the Georgia Department of Community Affairs summary of LIHTC projects awarded tax credits between 2014 and 2016, there were several projects awarded LIHTC funding in the Subject’s PMA, which are detailed in the table below:

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Program	Tenancy	Type	Award Year	# of Units
Trinity Walk II	LIHTC/Section 8	Family	New Construction	2016	52
Juniper & 10th	LIHTC	Senior	Rehabilitation	2015	149
Trinity Walk I	LIHTC/Section 8	Family	New Construction	2014	69

There have been two recent LIHTC allocations that will compete with the Subject. Trinity Walk I & II, which consist of 121 units, was awarded LIHTCs in 2014 and 2016, respectively.

Further, LIHTC allocations for 2017 have not been yet released by the Georgia Department of Community Affairs. However, according to the list of applicants, three will be located within the PMA, all of which are proposed for new construction and only two of which will target the general population, similar to 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.

SIMILARITY MATRIX

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Columbia CitiHomes	LIHTC/Market	Similar	Superior	Similar	Similar	Superior	20
2	Retreat At Edgewood	LIHTC	Similar	Superior	Similar	Slightly Superior	Superior	25
3	Retreat At Edgewood Phase II	LIHTC/Market	Similar	Superior	Similar	Slightly Superior	Superior	25
4	Vineyards Of Flat Shoals	LIHTC/Market	Slightly Superior	Superior	Slightly Inferior	Slightly Inferior	Similar	5
5	Ashford East Village	Market	Similar	Superior	Slightly Inferior	Similar	Superior	15
6	Broadway At East Atlanta	Market	Similar	Superior	Slightly Inferior	Similar	Superior	15
7	Eagles Run Apartments	Market	Similar	Superior	Slightly Inferior	Slightly Inferior	Superior	10
8	East Lake Gardens	Market	Slightly Inferior	Superior	Slightly Inferior	Slightly Inferior	Superior	5
9	Oak Pointe Apartments	Market	Slightly Inferior	Superior	Slightly Inferior	Similar	Superior	10
10	The Element At Kirkwood	Market	Similar	Superior	Similar	Similar	Superior	20
11	Villages Of East Lake I And II	Market/PBRA	Slightly Superior	Superior	Slightly Inferior	Slightly Inferior	Superior	15

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

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

LIHTC RENT COMPARISON - @60%

Property Name	1BR	2BR	3BR	4BR
Edgewood Court Apartments (Subject)	\$647	\$776	\$920	\$1,031
2016 LIHTC Maximum (Net)	\$647	\$776	\$920	\$1,031
Columbia Citihomes	-	\$865	-	-
Retreat At Edgewood	\$695	\$823	\$941	-
Retreat At Edgewood Phase II	\$695	-	\$941	-
Vineyards Of Flat Shoals	\$639	\$799	-	-
Average (excluding Subject)	\$673	\$832	\$841	-

Vineyards of Flat Shoals was originally constructed in 1966 and was renovated with LIHTCs in 2005. This property is considered to be in average condition, slightly inferior to the Subject post-renovation. Columbia Citihomes was constructed in 2003 and is in good condition, similar to the Subject post-renovation. The remaining LIHTC comparables were constructed in 2011 and 2012, are slightly superior to the Subject in terms of condition, post-renovation. The AMI in DeKalb County for 2017 is the highest level the county has ever experienced. Therefore, none of the comparable properties have been “held harmless.” All of the comparables will operate with the same maximum allowable income and rent limits as the Subject’s proposed income and rent limits. Per the Georgia DCA 2017 guidelines, the market study analyst must use the maximum rent and income limits effective as of January 1, 2017. Therefore, we have utilized the 2016 maximum income and rent limits.

Three of the comparables reported achieving LIHTC rents at the maximum allowable rent levels. The rents at the three comparables appear to be achieving rents higher than the 2016 maximum allowable net rents. This is most likely due to differences in these properties’ utility structures and allowances. Only Vineyards of Flat Shoals reported vacant units. However, the property is mixed-use and reported both vacancies in their one and two-bedroom market rate units. This comparable also reported setting LIHTC rents below the maximum allowable level. This is primarily due to the property’s inferior condition compared to other properties in the market.

Columbia Citihomes and Vineyards of Flat Shoals are considered the most comparable LIHTC properties to the Subject. Columbia Citihomes, which is located 0.6 miles from the Subject, is considered slightly superior to the proposed Subject. The unit sizes at Columbia Citihomes are superior to the unit sizes at the Subject. The Subject offers similar property amenities as Columbia Citihomes lacks a business center/computer lab, but offers a picnic area and tennis court, both of which are not offered at the Subject. The Subject will offer inferior in-unit amenities compared to this property as it does not offer a coat closet, dishwasher, ceiling fan, microwave, walk-in closet, and washer/dryer hookups, all of which are offered by the property. Columbia Citihomes was built in 2003 and exhibits good condition, similar to the Subject post-renovation. The Subject will offer a two-story garden-style design, which is generally considered similar to slightly inferior to the garden and townhome-style designs, respectively, that Columbia Citihomes offers. This comparable property reported no vacant units and does not maintain a waiting list. Based on the Subject’s similarity to Columbia Citihomes, we expect the Subject will be able to achieve LIHTC rents at the maximum allowable level.

Vineyards of Flat Shoals is located 2.4 miles from the Subject site and is considered relatively similar to the proposed Subject. This property offers similar unit sizes compared to the proposed Subject, supporting the competitiveness of the Subject’s unit sizes. This property offers slightly superior property amenities compared to the proposed Subject, as it offers a picnic area and swimming pool, both of which the Subject does not offer. Furthermore, Vineyards of Flat Shoals also offers a dishwasher, ceiling fan, and in-unit

washer/dryer, all of which the Subject does not offer, and therefore offers superior in-unit amenities compared to the Subject. This comparable property was built in 1966, renovated in 2005, and exhibits average condition, which will be considered slightly inferior to the Subject post-renovation. This property exhibits 0.9 percent vacancy and is achieving LIHTC rents below the maximum allowable level. As the Subject will be newly renovated and offer competitive unit sizes, we believe that the Subject should be able to achieve similar or higher LIHTC rents than those achieved at Vineyards of Flat Shoals.

One of the comparable properties to the Subject is achieving the maximum allowable LIHTC net rents for their one, two, and three-bedroom units restricted to 60 percent of the AMI. The LIHTC comparable properties currently exhibit a low average weighted vacancy rate. As such, we believe the Subject’s proposed rents are achievable at the maximum allowable level.

Analysis of “Market Rents”

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

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

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

SUBJECT COMPARISON TO COMPARABLE RENTS

Unit Type	Subject’s Proposed Rents	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR @ 60%	\$677	\$639	\$1,146	\$838	23.8%
2BR @ 60%	\$803	\$799	\$1,505	\$1,084	35.0%
3BR @ 60%	\$917	\$941	\$1,430	\$1,089	18.8%
4BR @ 60%	\$1,011	\$1,100	\$1,716	\$1,408	39.3%

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

9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject are considered low for all bedroom types and AMI levels. The Subject will be similar to slightly superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is low at 0.4 percent. Of the four LIHTC properties, only one reported vacant units. Vineyards at Flat Shoals reported two

vacant units; however, the property is mixed-use and reported both vacancies in the one and two-bedroom market rate units.

Three properties were allocated tax credits over the last three years (2014-2016), which can be identified in the following table.

RECENT LIHTC ALLOCATIONS IN PMA

Property Name	Program	Tenancy	Type	Award Year	# of Units
Trinity Walk II	LIHTC/Section 8	Family	New Construction	2016	52
Juniper & 10th	LIHTC	Senior	Rehabilitation	2015	149
Trinity Walk I	LIHTC/Section 8	Family	New Construction	2014	69

There have been two recent LIHTC allocations that will compete with the Subject. Trinity Walk I & II, which consist of 121 units, were awarded LIHTC in 2014 and 2016, respectively.

Based on the low vacancy rate of the affordable housing market and the low vacancy of the LIHTC comparables it appears that there is demand for additional LIHTC housing in the market. We do not believe the Subject’s addition of 18 new LIHTC units into the market will impact the existing LIHTC properties that are in overall good condition and currently performing well. In addition, the Subject will be in generally superior condition to the existing affordable housing supply post-renovation. As such, we expect the Subject will draw tenants from the older LIHTC properties that suffer from deferred maintenance and those that are currently underperforming the market.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	25,979	46.1%	30,357	53.9%
2017	32,234	46.0%	37,896	54.0%
2021	34,159	45.4%	41,009	54.6%

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

As the table illustrates, households within the PMA reside in predominately owner occupied residences. Nationally, approximately two-thirds of the population resides in renter-occupied housing units, and one-third resides in owner-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. This percentage is projected to slightly increase over the next five years.

Historical Vacancy

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

HISTORICAL VACANCY							
Comparable Property	Type	Total Units	2QTR 2012	4QTR 2015	3QTR 2016	1QTR 2017	3QTR 2017
Columbia Citihomes	LIHTC/Market	84	N/A	N/A	N/A	1.2%	0.0%
Retreat At Edgewood	LIHTC	100	0.0%	0.0%	1.0%	0.0%	0.0%
Retreat At Edgewood Phase II	LIHTC/Market	40	N/A	2.5%	0.0%	0.0%	0.0%
Vineyards Of Flat Shoals	LIHTC/Market	228	6.0%	2.6%	0.0%	0.4%	0.9%
Ashford East Village	Market	371	N/A	5.9%	2.4%	3.2%	1.1%
Broadway At East Atlanta	Market	176	35.2%	0.0%	2.5%	4.5%	2.8%
Eagles Run Apartments	Market	258	N/A	37.2%	12.1%	7.8%	1.2%
East Lake Gardens	Market	144	2.8%	2.1%	1.4%	0.0%	2.1%
Oak Pointe Apartments	Market	114	N/A	N/A	N/A	7.0%	2.6%
The Element At Kirkwood	Market	176	N/A	N/A	N/A	27.3%	22.7%
Villages Of East Lake I And II	Market/PBRA	542	7.7%	N/A	4.4%	3.0%	2.2%
		2,455	10.3%	7.2%	2.6%	4.5%	3.2%

As illustrated in the table, we were able to obtain historical vacancy rates at all of the comparable properties for several quarters in the past three years. In general, the comparable properties experienced decreasing vacancy from 2012 through the third quarter of 2016. However, vacancy rates have decreased in the past year. Vacancy rates at the LIHTC comparable properties have generally remained stable since the previous interview in the first quarter of 2017. Of the comparables, Eagles Run Apartments experienced the greatest decrease in vacancy. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject’s market.

Change in Rental Rates

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Columbia Citihomes	LIHTC/Market	LIHTC @ max, Mkt inc. 1-3% since 3Q16
Retreat At Edgewood	LIHTC	Kept at max
Retreat At Edgewood Phase II	LIHTC/Market	LIHTC @ max, Mkt stable since 3Q16
Vineyards Of Flat Shoals	LIHTC/Market	Inc. 15-22% since 3Q16
Ashford East Village	Market	Dec. 7-10% since 3Q16
Broadway At East Atlanta	Market	Inc. 24-26% since 3Q16
Eagles Run Apartments	Market	Inc. 14-20% since 3Q16
East Lake Gardens	Market	Inc.18-23% since 3Q16
Oak Pointe Apartments	Market	Inc. 5-11% since 4Q16
The Element At Kirkwood	Market	Inc. 7-9% since the 4Q16
Villages Of East Lake I And II	Market/PBRA	Inc. 6-9% since 1Q17

The LIHTC properties have reported growth over the past year as three of the comparables reported maintaining rents at the maximum allowable levels. The market rate properties reported in several instances of rent growth, with the exception of Ashford East Village which reported a seven to 10 percent decrease since the third quarter of 2016. Three of the comparables are mixed-income and reported rent increases ranging from zero to 22 percent since the third quarter of 2016. We assume the Subject will be able to experience stable rent growth similar to the comparables. However, rents at the Subject are set at the maximum allowable level. As such, rent increases are dependent on future increases in the AMI.

11. Primary Housing Void

The LIHTC comparables reported an average vacancy rate of 0.4 percent. In addition, three of the comparables reported rents at the maximum allowable level. Further, the affordable properties in the PMA reported a total occupancy of 99.3 percent, indicating a supply constrained market.

Of all renter households in the PMA, 46.7 percent earn less than \$40,000 annually indicating a need for affordable housing in the immediate area. This percentage of renter households is projected to decrease slightly through projected market entry. In addition, the Subject offers three and four-bedroom units, which are not common in the market. As such, we believe that the Subject will fill a void in the market by providing three and four-bedroom affordable units restricted to households 60 percent of the AMI or less.

12. Effect of Subject on Other Affordable Units in Market

There are two proposed/under construction competitive LIHTC developments in the PMA. Further, the LIHTC comparables reported an average vacancy rate of just 0.4 percent. As such, we believe there is adequate demand for the addition of the Subject within the market. The vacancy rate among the existing affordable comparables in the PMA is low at 0.7 percent. In addition, the current and historical vacancy rates at the majority of the LIHTC comparable properties indicate unmet demand in the market for affordable housing. Furthermore, the Subject offers three and four-bedroom units, which are not available at the majority of the LIHTC comparable properties. Post-renovation, all tenants at the Subject will remain income-qualified. Therefore, a portion of the demand for the proposed Subject would not be taking demand from other affordable properties in the market. In summary, the performance of the comparable LIHTC properties, the performance of affordable developments in the immediate market, and the fact that the proposed Subject will offer a unit type that is generally not available in the market all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.4 percent, which is considered low. Furthermore, three of the four LIHTC comparables reported no vacancies. The Subject will offer inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties, but generally similar to slightly superior property amenities. Post-renovation, the Subject will offer a business center/computer lab and exercise facility, which several of the comparable properties lack. Overall, we believe that the proposed community amenities will allow the Subject to effectively compete in the family LIHTC market. However, the inferior in-unit amenities provides a marketing disadvantage of the Subject. Post-renovation, the Subject will be in good to excellent condition and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be generally inferior with the comparable properties and offer a marketing disadvantage in the market. However, based on historical performance of the Subject assuming the affordable operation, we believe the Subject's small unit sizes and limited in-unit amenities will not impact the future performance of the Subject. Additionally, the Subject will offer three and four-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject is filling a void in the market for income-restricted, three and four-bedroom units. Given the Subject's anticipated relatively superior condition to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties, we believe that the Subject will continue to perform well in the market.

I. ABSORPTION AND STABILIZATION RATES

ABSORPTION AND STABILIZATION RATES

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

ABSORPTION						
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month	
Retreat At Edgewood	LIHTC	Family	2011	100	20	
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12	

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated above, the comparables reported absorption rates between 12 to 20 units per month. The Subject is larger than all of these properties so an absorption rate towards the low end of the range would be reasonable. Thus, if the Subject was hypothetically 100 percent vacant and had to re-lease units, we would estimate an absorption rate of approximately 15 units per month, which results in an absorption period of approximately 13 to 14 months. It should be noted that this absorption analysis is hypothetical because the Subject is currently operating at a stabilized occupancy.

J. INTERVIEWS

Atlanta Housing Authority (AHA)

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, which are shown in the following table.

PAYMENT STANDARDS	
Unit Type	Payment Standard
1BR	\$1,650
2BR	\$2,200
3BR	\$2,700
4BR	\$3,100

Source: Atlanta Housing Authority, effective July 1, 2016

The Subject's proposed rents are set below the current payment standards. However, 204 of the Subject's units will continue to benefit from its Section 8 overlay. As such, tenants will pay 30 percent of income as rent. Tenants at the remaining 18 units will be able to use a Housing Choice Voucher at the Subject. It should be noted that the current payment standards are above the proposed LIHTC rents so perspective voucher holding tenants would not be required to pay extra out of pocket rent.

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 PMA.

PLANNED, UNDER CONSTRUCTION, AND PROPOSED IN THE PMA

Property Name	Program	City	# of Units	Status
Edgewood Marta Apartments	Market	Atlanta	224	Under Constr.
Edgewood/Candler Park Marta Mixed Use Ph I & II	Market	Atlanta	459	Under Constr.
New Townhomes	Market	Atlanta	18	Proposed
Spoke Apartments	Market	Atlanta	224	Under Constr.
The Moderns at Sugar Creek	Market	Atlanta	62	Under Constr.
Trinity Place Mixed Use	Market	Atlanta	329	Planned
Trinity Walk Ph II.	LIHTC	Atlanta	52	Under Constr.
1138 Peachtree	Market	Atlanta	370	Planned
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Memorial Drive Residential	Market	Atlanta	566	Proposed
Moda Reynoldstown	Market	Atlanta	65	Under Constr.
Moderate Midtown	Market	Atlanta	435	Under Constr.
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Post Millenium	Market	Atlanta	325	Under Constr.
Post Midtown Millenium	Market	Atlanta	332	Under Constr.
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Studioplex On Auburn - Expansion	Market	Atlanta	19	Under Constr.
The George Apartments	Market	Atlanta	130	Planned
West Peachtree Apartments	Market	Atlanta	80	Proposed
Lilli Midtown	Market	Atlanta	147	Under Constr.
1000 Park Avenue	Market	Atlanta	267	Under Constr.
Cityview at Englewood	Market	Atlanta	320	Proposed
Total			9,275	

Source: REIS.com, Novogradac and Company, 7/2017

It should be noted that we assume all but one of these developments will be market rate.

LIHTC Competition / Recent and Proposed Construction

According to the Georgia Department of Community Affairs summary of LIHTC projects awarded tax credits between 2014 and 2016, there were several projects awarded LIHTC funding in the Subject’s PMA, which are detailed in the table below:

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Property Name	Program	Tenancy	Type	Award Year	# of Units
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Trinity Walk I	LIHTC/Section 8	Family	New Construction	2014	69

There have been two recent LIHTC allocations that will compete with the Subject. Trinity Walk I & II, which consist of 121 units, were awarded LIHTC in 2014 and 2016, respectively.

Further, LIHTC allocations for 2017 have not been yet released by the Georgia DCA. However, according to the list of applicants, three will be located within the PMA is awarded funding, all of which will be new construction and only two of which will target the general population.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Demographics

The population in the PMA and the MSA increased significantly from 2000 to 2010, though the rate of growth increased from 2010 to 2016. The rate of population and household growth is projected to continue to increase through 2021. The current population of the PMA is 140,522 and is expected to be 144,299 in 2019. Renter households are concentrated in the lowest income cohorts, with 46.7 percent of renters in the PMA earning less than \$40,000 annually. Assuming subsidized rents, the Subject will target households earning between zero and \$46,980. As such, the Subject should be well-positioned to service this market as a large percentage of renter households earn less than \$49,999. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market. Further, it should be noted that the Subject is currently stabilized and all tenants will remain income qualified post-renovation.

Employment Trends

Employment in the PMA is concentrated in five industries which represent approximately 59.8 percent of total employment in the PMA. However, three of those industries, professional/scientific/technology services, educational services, and healthcare/social assistance, are resilient during periods of economic downturn. Furthermore, the Atlanta metro area is home to the world headquarters of corporations such as Coca-Cola, Home Depot, United Postal Service, Delta Air Lines, and Turner Broadcasting. In addition to a number of post-secondary educational institutions including Clark Atlanta University, Georgia Institute of Technology, Georgia State University, Emory University, and others.

Overall, the MSA has experienced moderate to strong total employment growth from 2011 through May 2017. As of May 2017, total employment in the MSA has grown by 3.6 percent year-over-year, while national employment has grown 1.2 percent during the same time period. The unemployment rate in the MSA as of May 2017 was 4.5 percent, 40 basis points higher than the national unemployment rate but significantly lower than the 2010 peak of 10.3 percent. Overall, employment growth and the declining unemployment rate indicate that the MSA has made a strong recovery from the most recent national recession. The growing local economy is a positive indicator of demand for rental housing and the Subject's proposed units.

Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 60% AMI (Section 8)	\$0	\$33,480	24	3,829	49	3,780	0.6%	0	\$838	\$639	\$1,146	\$677
1BR at 60% AMI	\$26,023	\$33,480	12	740	0	740	1.6%	0	\$838	\$639	\$1,146	\$677
1BR Overall	\$0	\$33,480	36	3,829	49	3,780	1.0%	0	-	-	-	-
2BR at 60% AMI (Section 8)	\$0	\$36,480	64	2,727	43	2,684	2.4%	0	\$1,084	\$799	\$1,505	\$803
2BR at 60% AMI	\$31,269	\$36,480	6	527	0	527	1.1%	0	\$1,084	\$799	\$1,505	\$803
2BR Overall	\$0	\$36,480	70	2,727	43	2,684	2.6%	0	-	-	-	-
3BR at 60% AMI (Section 8)	\$0	\$43,740	80	624	29	595	13.5%	0	\$1,089	\$941	\$1,403	\$917
3BR Overall	\$0	\$43,740	80	624	29	595	13.5%	0	-	-	-	-
4BR at 60% AMI (Section 8)	\$0	\$46,980	32	226	0	226	14.2%	0	\$1,408	\$1,100	\$1,716	\$1,011
4BR Overall	\$0	\$46,980	32	226	0	226	14.2%	0	-	-	-	-
60% AMI (Section 8) Overall	\$0	\$46,980	200	7,406	121	7,285	2.7%	0	-	-	-	-
60% AMI Overall	\$26,023	\$36,480	18	1,267	0	1,267	1.4%	0	-	-	-	-
Overall	\$0	\$46,980	218	7,406	121	7,285	3.0%	0	-	-	-	-

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

Absorption

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

ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	LIHTC	Family	2012	40	12

Per DCA guidelines, we have calculated the absorption to 93 percent occupancy. As illustrated above, the comparables reported absorption rates between 12 to 20 units per month. The Subject is larger than all of these properties so an absorption rate towards the low end of the range would be reasonable. Thus, if the Subject was hypothetically 100 percent vacant and had to re-lease units, we would estimate an absorption rate of approximately 15 units per month, which results in an absorption period of approximately 13 to 14 months. It should be noted that this absorption analysis is hypothetical because the Subject is currently operating at a stabilized occupancy.

Vacancy Trends

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Columbia CitiHomes	LIHTC/Market	84	0	0.0%
Retreat At Edgewood	LIHTC	100	0	0.0%
Retreat At Edgewood Phase II	LIHTC/Market	40	0	0.0%
Vineyards Of Flat Shoals	LIHTC/Market	228	2	0.9%
Ashford East Village	Market	371	4	1.1%
Broadway At East Atlanta	Market	176	5	2.8%
Eagles Run Apartments	Market	258	3	1.2%
East Lake Gardens	Market	144	3	2.1%
Oak Pointe Apartments	Market	114	3	2.6%
The Element At Kirkwood	Market	176	40	22.7%
Villages Of East Lake I And II	Market/PBRA	542	12	2.2%
Total LIHTC		452	2	0.4%
Total Market		1,781	70	3.9%
Total		2,233	72	3.2%

Overall vacancy in the market is moderate at 3.2 percent. Total LIHTC vacancy is significantly lower, at 0.4 percent. However, none of the properties reported maintaining a waiting list. The vacancy rates among the market rate comparable properties ranges from zero to 22.7 percent, averaging 3.9 percent, which is also considered moderate. The Element at Kirkwood reported an elevated vacancy rate of 22.7 percent. Management at the property reported that vacancy is due to ongoing renovations at the Subject. Units are currently being renovated as they become available. However, according to the property's historical vacancy, which has ranged between 15.3 and 27.3 percent between the second quarter of 2011 and the first quarter of 2017, we suspect that high vacancy is a property specific issue. According to a rent roll dated July 12, 2017, the Subject is 97.1 percent occupied. Over the last three years, the Subject has experienced annual vacancy rates ranging between 4.9 and 5.9 percent. Based on the low vacancy by the LIHTC comparables and historically stable vacancy, we believe that there is sufficient demand for additional affordable housing in the market. Post-renovation, all tenants are expected to remain income-qualified at the Subject. We do not believe that the Subject's new construction of 22 (four rebuilt and 18 newly constructed) one and two-bedroom units will impact the performance of the existing LIHTC properties. We expect that the Subject will

experience approximately five percent vacancy post-renovation, similar to the Subject's historical vacancy rates.

Strengths of the Subject

Strengths of the Subject will include its location as it is located north of Interstate 20. According to local property managers, neighborhoods north of Interstate are undergoing revitalization provide better accessibility to local employment opportunities. In addition, there are several detrimental uses south of Interstate 20, including a landfill and a state penitentiary. The Subject is located in the Edgewood neighborhood which is located four miles from downtown Atlanta. The Subject's neighborhood consists primarily of single-family homes in fair to good condition, condominium developments, parks and educational uses, religious uses, vacant land, and several offices. Single family homes in the general vicinity appear to have been built before 1939 and are in average to good overall condition. Post-renovation, the Subject will have generally similar to slightly superior common area amenities when compared to other tax credit and market rate properties in the local market. According to management, the current occupancy rate at the Subject is 97.1 percent, which is typical in the local market. Management is currently keeping all six units vacant for renovations. As the demand analysis found later in this report will indicate, there is adequate demand for the Subject based on our calculations for the 60 percent AMI units with and without subsidies.

Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The LIHTC comparables are experiencing a weighted average vacancy rate of 0.4 percent, which is considered low. Furthermore, three of the four LIHTC comparables reported no vacancies. The Subject will offer inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties, but generally similar to slightly superior property amenities. Post-renovation, the Subject will offer a business center/computer lab and exercise facility, which several of the comparable properties lack. Overall, we believe that the proposed community amenities will allow the Subject to effectively compete in the family LIHTC market. However, the inferior in-unit amenities provides a marketing disadvantage of the Subject. Post-renovation, the Subject will be in good to excellent condition and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be generally inferior with the comparable properties and offer a marketing disadvantage in the market. However, based on historical performance of the Subject assuming the affordable operation, we believe the Subject's small unit sizes and limited in-unit amenities will not impact the future performance of the Subject. Additionally, the Subject will offer three and four-bedroom units, which are generally not available among the LIHTC comparable properties and are demonstrated to be in demand in the market. As such, the Subject is filling a void in the market for income-restricted, three and four-bedroom units. Given the Subject's anticipated relatively superior condition to the competition and the demand for affordable housing evidenced by low vacancy at several LIHTC comparable properties, we believe that the Subject will continue to perform well in the market.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

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



John Cole, MAI
Partner
Novogradac & Company LLP

Date July 11, 2017



Lindsey Sutton
Manager
Novogradac & Company LLP

Date July 11, 2017



Jon Sestak
Junior Analyst
Novogradac & Company LLP

Date July 11, 2017



Meg Southern
Junior Analyst

Date July 11, 2017

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
Novogradac & Company LLP

Date July 11, 2017



Lindsey Sutton
Manager
Novogradac & Company LLP

Date July 11, 2017



Jon Sestak
Junior Analyst
Novogradac & Company LLP

Date July 11, 2017



Meg Southern
Junior Analyst

Date July 11, 2017

ADDENDUM A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

ADDENDUM B
Subject and Neighborhood Photographs

Photographs of Subject Site and Surrounding Uses



View of Subject facing east



View of Subject facing north



View of Subject facing west



View of Subject facing west



Subject signage



Community room



Leasing office



Playground



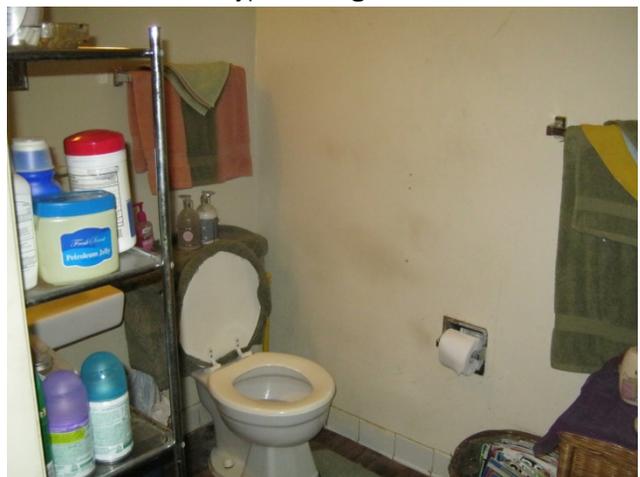
Typical bedroom



Typical living area



Typical kitchen



Typical bathroom



Typical dining area



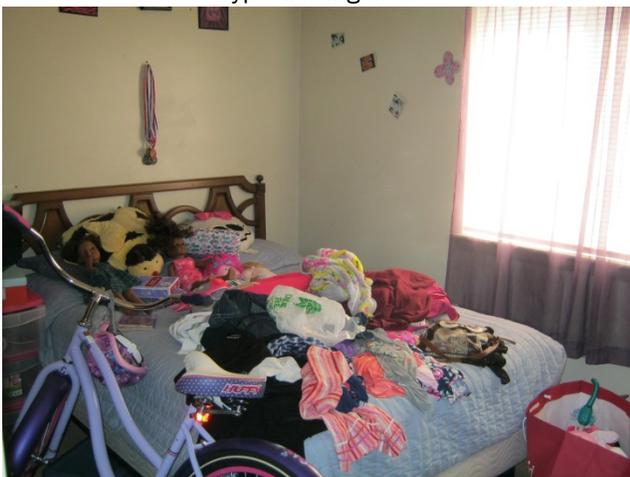
Typical bedroom



Typical living area



Typical kitchen



Typical bedroom



Typical bedroom



Typical commercial/retail use west of Subject along Moreland Avenue



Typical commercial/retail use west of Subject along Moreland Avenue



Typical single-family home east of Subject



Typical single-family home west of Subject



House of worship northwest of Subject



Typical single-family home east of Subject

ADDENDUM C
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)

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

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
LINDSEY SUTTON**

EDUCATION

Texas State University, Bachelor of Business Administration in Finance

LICENSING AND CERTIFICATIONS

Certified General Real Estate Appraiser – State of Texas (TX 1380684-G)

EXPERIENCE

Novogradac & Company LLP, Manager, December 2012- Present

Novogradac & Company LLP, Real Estate Analyst, September 2011- December 2012

Novogradac & Company LLP, Real Estate Researcher February 2010 – September 2011

REAL ESTATE ASSIGNMENTS

A representative sample of work on various types of projects:

- Performed market studies for proposed new construction and existing Low Income Housing Tax Credit, USDA Rural Development, Section 8 and market rate multifamily and age-restricted developments. This included property screenings, market and demographic analysis, comparable rent surveys, supply and demand analysis, determination of market rents, expense comparability analysis, and other general market analysis. Property types include proposed multifamily, acquisition with rehabilitation, historic rehabilitation, adaptive reuse, and single-family development.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Assist on appraisals using the cost approach, income capitalization approach, and sales comparison approach for Low Income Housing Tax Credit, USDA Rural Development, and Section 8 properties. Additional assignments also include partnership valuations and commercial land valuation.
- Prepared HUD Market-to-Market rent comparability studies for Section 8 multifamily developments.
- Perform valuations of General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.
- Prepare Fair Market Value analyses for solar panel installations in connection with financing and structuring analyses performed for various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, these reports can be used in connection with application for the Federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and the ITC funding process.
- Analyze historic audited financial statements to determine property expense projections.
- Perform market studies and assist on appraisals for proposed and existing multifamily properties under the HUD MAP program. These reports meet the requirements outlined in Chapter 7 of the HUD MAP Guide for the 221(d)4, 223(f), and the LIHTC Pilot Program.
- Consult with lenders and developers and complete valuation assignments for developments converting under the RAD program.

- Completed assignments in the following states:

California

Texas

New Jersey

Georgia

Oklahoma

Virgin Islands

Maryland

Tennessee

Florida

Washington

Louisiana

North Carolina

Missouri

Minnesota

Delaware

South Carolina

Illinois

Utah

Arizona

Oregon

Michigan

New York

Arkansas

Connecticut

Mississippi

Iowa

Tennessee

Indiana

Nebraska

Wisconsin

West Virginia

Ohio

STATEMENT OF PROFESSIONAL QUALIFICATIONS

JONATHON D. SESTAK

I. EDUCATION

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

II. PROFESSIONAL EXPERIENCE

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

III. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

I. Education

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

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

II. Professional Experience

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

III. Research Assignments

A representative sample of work on various types of projects:

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

ADDENDUM D
Summary Matrix

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate					
Subject	Edgewood Court Apartments 1572 Hardee Street NE Atlanta, GA 30307 DeKalb County	n/a	Garden (2 stories) 1950 / 1980/Proposed	LIHTC (Section 8)	1BR / 1BA	12	5.4%	@60%	\$677	650	yes	N/A	n/a	n/a					
					1BR / 1BA	24	10.8%	@60% (Section 8)	\$677	594	yes	Yes	n/a	n/a					
					2BR / 1BA	6	2.7%	@60%	\$803	850	yes	No	n/a	n/a					
					2BR / 1BA	64	28.8%	@60% (Section 8)	\$803	690	yes	Yes	n/a	n/a					
					3BR / 1.5BA	80	36.0%	@60% (Section 8)	\$917	966	yes	Yes	n/a	n/a					
					3BR / 1.5BA	4	1.8%	@60% (Section 8)	\$917	1050	yes	Yes	n/a	n/a					
					4BR / 2BA	32	14.4%	@60% (Section 8)	\$1,011	1,219	yes	Yes	n/a	n/a					
						222	100.0%									n/a	0.0%		
1	Columbia Cithomes 165 Marion Place NE Atlanta, GA 30307 DeKalb County	0.6 mile	Various (2 stories) 2003 / n/a	LIHTC/Market	2BR / 2BA (Garden)	13	15.5%	@50%	\$798	1,126	yes	No	0	0.0%					
					2BR / 2BA (Garden)	12	14.3%	@60%	\$865	1,162	yes	No	0	0.0%					
					2BR / 2BA (Garden)	7	8.3%	Market	\$1,335	1,162	n/a	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$865	1,212	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	18	21.4%	@50%	\$798	1,212	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	4	4.8%	@50%	\$798	1,331	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	8	9.5%	@60%	\$865	1,331	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	8	9.5%	Market	\$1,394	1,212	n/a	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	4	4.8%	Market	\$1,394	1,331	n/a	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	2	2.4%	Non-Rental	\$110	1,212	n/a	No	0	0.0%					
	84	100.0%																	
2	Retreat At Edgewood 150 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	0.3 mile	Various (2 stories) 2011 / n/a	LIHTC	1BR / 1BA (Garden)	10	10.0%	@60%	\$695	732	yes	No	0	0.0%					
					1BR / 1BA (Garden)	10	10.0%	@50%	\$695	789	yes	No	0	0.0%					
					2BR / 1.5BA (Townhouse)	12	12.0%	@60%	\$823	1,174	yes	No	0	0.0%					
					2BR / 2BA (Townhouse)	12	12.0%	@60%	\$823	1,253	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$823	1,229	yes	No	0	0.0%					
					2BR / 2.5BA (Townhouse)	12	12.0%	@60%	\$823	1,333	yes	No	0	0.0%					
					3BR / 2BA (Townhouse)	12	12.0%	@60%	\$941	1,538	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$941	1,362	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	7.0%	@60%	\$941	1,568	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	6	6.0%	@60%	\$941	1,697	yes	No	0	0.0%					
	100	100.0%																	
3	Retreat At Edgewood Phase II 37 Hutchinson Street NE Atlanta, GA 30307 DeKalb County	0.3 mile	Various (2 stories) 2012 / n/a	LIHTC/Market	1BR / 1BA (Garden)	2	5.0%	@50%	\$564	873	yes	No	0	0.0%					
					1BR / 1BA (Garden)	27	67.5%	@60%	\$695	873	yes	No	0	0.0%					
					1BR / 1BA (Garden)	1	2.5%	Market	\$851	809	n/a	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	2	5.0%	@50%	\$744	1,595	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	7	17.5%	@60%	\$941	1,595	yes	No	0	0.0%					
					3BR / 2.5BA (Townhouse)	1	2.5%	Market	\$1,176	1,469	n/a	No	0	0.0%					
						40	100.0%												
4	Vineyards Of Flat Shoals 2125 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	2.4 miles	Garden (2 stories) 1966 / 2005	LIHTC/Market	1BR / 1BA	31	13.6%	@60%	\$639	630	no	No	0	0.0%					
					1BR / 1BA	N/A	N/A	Market	\$639	736	no	No	0	N/A					
					1BR / 1BA	3	1.3%	Market	\$639	736	n/a	No	1	33.3%					
					2BR / 1BA	N/A	N/A	@60%	\$799	884	no	No	0	N/A					
					2BR / 1BA	174	76.3%	@60%	\$799	829	no	No	1	0.6%					
					2BR / 1BA	20	8.8%	Market	\$799	884	n/a	No	0	0.0%					
						228	100.0%												
5	Ashford East Village 1438 Bouldercrest Road SE Atlanta, GA 30316 DeKalb County	2.7 miles	Various (2 stories) 1979 / Ongoing	Market	1BR / 1BA (Garden)	60	16.2%	Market	\$995	815	n/a	No	1	1.7%					
					1BR / 1BA (Garden)	35	9.4%	Market	\$925	690	n/a	No	0	0.0%					
					2BR / 1BA (Garden)	30	8.1%	Market	\$1,070	780	n/a	No	2	6.7%					
					2BR / 1BA (Garden)	62	16.7%	Market	\$995	945	n/a	No	1	1.6%					
					2BR / 1.5BA (Townhouse)	92	24.8%	Market	\$1,135	1,155	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	62	16.7%	Market	\$1,195	1,095	n/a	No	0	0.0%					
					3BR / 2BA (Garden)	30	8.1%	Market	\$1,082	980	n/a	No	0	0.0%					
						371	100.0%												
6	Broadway At East Atlanta 1930 Flat Shoals Road SE Atlanta, GA 30316 DeKalb County	2 miles	Various (2 stories) 1967 / 2015	Market	1BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,012	725	n/a	No	5	N/A					
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,110	900	n/a	No	0	N/A					
					2BR / 1BA (Lowrise)	N/A	N/A	Market	\$1,145	990	n/a	No	0	N/A					
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,330	1,365	n/a	No	0	N/A					
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$1,355	1,365	n/a	No	0	N/A					
						176	100.0%												
7	Eagles Run Apartments 2000 Bouldercrest Road Atlanta, GA 30316 DeKalb County	4 miles	Garden (3 stories) 1972 / 1997	Market	1BR / 1BA	68	26.4%	Market	\$720	800	n/a	No	0	0.0%					
					2BR / 2BA	67	26.0%	Market	\$840	1,200	n/a	No	0	0.0%					
					3BR / 2BA	71	27.5%	Market	\$1,025	1,350	n/a	No	2	2.8%					
					4BR / 2.5BA	52	20.2%	Market	\$1,100	1,500	n/a	No	1	1.9%					
						258	100.0%												
8	East Lake Gardens 1403 Custer Avenue Atlanta, GA 30316 DeKalb County	2.7 miles	Garden (2 stories) 1962 / n/a	Market	1BR / 1BA	25	17.4%	Market	\$748	767	n/a	Yes	1	4.0%					
					2BR / 1BA	58	40.3%	Market	\$886	891	n/a	Yes	2	3.4%					
					2BR / 1.5BA	58	40.3%	Market	\$986	921	n/a	Yes	0	0.0%					
					3BR / 1BA	3	2.1%	Market	\$1,036	1,025	n/a	Yes	0	0.0%					
						144	100.0%												
9	Oak Pointe Apartments 469-497 Oakdale Road Atlanta, GA 30307 DeKalb County	0.9 miles	Garden (2 stories) 1963 / 2016	Market	2BR / 1BA	38	33.3%	Market	\$1,335	750	n/a	No	0	0.0%					
					2BR / 1BA	38	33.3%	Market	\$1,405	800	n/a	No	0	0.0%					
					2BR / 1BA	38	33.3%	Market	\$1,505	850	n/a	No	3	7.9%					
						114	100.0%												
10	The Element At Kirkwood 2035 Memorial Drive Atlanta, GA 30317 DeKalb County	1 miles	Garden (2 stories) 1980 / 1994/Ongoing	Market	1BR / 1BA	92	52.3%	Market	\$1,071	700	n/a	No	N/A	N/A					
					2BR / 1BA	84	47.7%	Market	\$1,239	900	n/a	No	N/A	N/A					
						176	100.0%												
11	Villages Of East Lake I And II 460 East Lake Blvd. Atlanta, GA 30317 DeKalb County	1.5 miles	Various 1998/2000 / n/a	Market/PBRA	1BR / 1BA (Garden)	15	2.8%	Market	\$1,106	926	n/a	No	2	13.3%					
					1BR / 1BA (Garden)	8	1.5%	Market	\$1,146	1,026	n/a	No	2	25.0%					
					1BR / 1BA (Garden)	15	2.8%	PBRA	N/A	926	n/a	Yes	0	0.0%					
					1BR / 1BA (Garden)	9	1.5%	PBRA	N/A	1,026	n/a	Yes	0	0.0%					
					2BR / 1.5BA (Townhouse)	25	4.6%	Market	\$1,305	1,200	n/a	No	3	12.0%					
					2BR / 1.5BA (Townhouse)	26	4.8%	PBRA	N/A	1,200	n/a	Yes							

ADDENDUM E
Subject Floor Plans

