

Market Feasibility Analysis

Piedmont Hills
1001 West Main Street
Forsyth, Monroe County, Georgia 31029

Prepared For

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Section A – Executive Summary

This report evaluates the continued market feasibility of the Piedmont Hills rental community in Forsyth, Georgia, following renovations utilizing financing from the 4% Tax-Exempt Bond program. Based on the findings contained in this report, we believe a market will continue to exist for the subject project, assuming it is renovated and operated as proposed in this report. This assumes a Private Rental Assistance (PRA) subsidy is provided, which will effectively allow all current tenants to continue to income-qualify and remain at the property, post renovations. In the unlikely event that all units were vacated and had to be re-rented simultaneously, the subject project would lease up at a reasonable rate, as evidenced by our demand estimates included in Section G. The subject project is, however, 100.0% occupied and most, if not all, current tenants will remain post renovations.

1. Project Description:

Piedmont Hills, located in Forsyth, Monroe County, Georgia, was originally built in 1990 and has operated under the Rural Development 515 (RD 515) program since that time. The project contains 51 general-occupancy units, none of which receive Rental Assistance (RA) directly from Rural Development. According to management, the project is currently 100.0% occupied and maintains a 10-household waiting list.

The proposed Tax Credit renovations, which will be financed through the 4% Tax-Exempt Bond program, will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will continue to target general occupancy households with incomes up to 60% of Area Median Household Income (AMHI). The developer has also indicated that a Private Rental Assistance (PRA) subsidy will also be provided to all current unassisted tenants. This subsidy will prevent rent increases on current unassisted tenants at the property, post renovations. All renovations are expected to be completed in 2019. Additional details regarding the proposed project are included below, as well as in *Section B* of this report.

Total Units	Bedroom Type	Baths	Style	Square Feet*	% AMHI	Current Basic & Note Rents	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
12	One-Br.	1.0	Garden	648-732	60%	\$414/\$564	\$459	\$120	\$579	\$668
39	Two-Br.	1.0	Garden	784-866	60%	\$449/\$606	\$494	\$143	\$637	\$801
51	Total									

Source: Greystone Servicing Corporation, Inc.; Bowen National Research, LLC

AMHI – Area Median Household Income (Monroe County, GA HUD Metro FMR Area; 2017)

*Heated square feet

Unit amenities to be offered at the property include a range, refrigerator, microwave, central air conditioning, washer/dryer hookups, vinyl flooring, window blinds, and a patio with an exterior storage closet. Community amenities will include on-site management, a playground, laundry facility and a covered pavilion/picnic area. Overall, the amenity package offered at the property is limited as compared to those offered among the comparable properties but is considered appropriate for and marketable to the targeted tenant population, as indicated by the subject's 100.0% occupancy rate and waiting list.

2. Site Description/Evaluation:

The subject site is the existing Piedmont Hills Apartments located at 1001 West Main Street, which is within a rural, but established area of Forsyth. Surrounding land uses generally include a recycling facility, cemetery and single-family homes in average to good condition, as well as wooded land. The subject site is clearly visible and easily accessible from U.S. Highway 41/West Main Street, which is a primary arterial roadway within the Forsyth area. Proximity to this aforementioned roadway is important as it provides convenient access to downtown Forsyth, and provides access to State Route 83/Lee Street, a commercial corridor in the area. Most basic area services are located within 2.0 miles of the subject site and situated along State Route 83/Lee Street, including a Walmart, which is 1.7 miles from the site. Area services are easily accessible given the subject's proximity to U.S. Highway 41/West Main Street, south of the subject site. Note that although the subject site is adjacent to a recycling facility, there were no unfavorable odors during the site inspection. However, there were audible noises from this facility, which doesn't appear to have adversely impacted the subject, as evidenced by its 100.0% occupancy rate. Overall, the subject site location is considered conducive to affordable multifamily rental product, which is further evident by the 100.0% occupancy rate reported at the subject project. An in-depth site evaluation is included in *Section C* of this report.

3. Market Area Definition:

The Forsyth Site PMA includes the entire city of Forsyth, as well as a portion of the surrounding unincorporated areas of Monroe County. The boundaries of the Site PMA include Fairview Church Road, Sutton Road, and McCommon Road to the north; Blue Store Road, Joe Chambers Road, Bunn Road, and Gose Road to the east; Reedy Creek Road, Josey Road, and Hopewell Road to the south; and State Route 83, Vaughn Road, Old Atlanta Highway, and Collier Road to the west. A map illustrating these boundaries is included on page *D-2* of this report and details the farthest boundary is 6.9 miles from the site.

4. Community Demographic Data:

Overall population and total household growth trends have been positive between 2000 and 2017. It is projected that the population will increase by 72, or 0.9%, between 2017 and 2019, while the number of households will increase by 34, or 1.2% over 2017 levels. Approximately one-half of the households in the market are between the ages of 25 and 54, which is the primary group of households that would respond to the project. The number of renter households is projected to increase slightly between 2017 and 2019. It is also of note that nearly 70% of renter households are projected to earn less than \$35,000 annually in 2019. The overall demographic trends are projected to remain positive over the next couple of years, which will add to the demand for housing in the subject market and provide a positive environment for the continued success of the subject project. Additional demographic data is included in *Section E* of this report.

Also note that based on 2010 Census data, 46.7% of the vacant housing units in the market were classified as “Other Vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Forsyth Site PMA, the majority of rental properties are operating at strong occupancy levels and maintain waiting lists, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that no such structures were observed within the immediate site neighborhood. As such, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability.

5. Economic Data:

Over half of the Site PMA's labor force is employed within Retail Trade, Public Administration and Accommodation & Food Services job sectors. The proposed project will target low-income households. The area employment base has a significant number of wage-appropriate occupations from which the proposed subject project will be able to draw support. The county's employment base has grown by more than 1,064 employees since 2010 and the unemployment rate has declined seven straight years. The county's latest (May 2017) unemployment rate 4.8% represents nearly a 10-year low. The market's recent economic trends have been positive and are expected to trend in a positive direction for the foreseeable future. This will have a positive impact on housing demand. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

Two demand scenarios have been analyzed for the subject project. Scenario one accounts for any current tenants which will continue to income-qualify to reside at the property under the Tax Credit guidelines, per GDCA guidelines. Scenario two provides demand estimates for the entire subject project assuming the unlikely scenario the property had to operate exclusively under the Tax Credit guidelines.

Demand Component	Percent Of Median Household Income	
	Scenario One (Less units to remain occupied post renovations)	Scenario One (Less units to remain occupied post renovations)
	RD 515/LIHTC (\$19,851 - \$32,040)	LIHTC Only (\$19,851 - \$32,040)
Net Demand	124	124
Proposed Units/ Net Demand	0* / 124	51 / 124
Capture Rate	= 0.0%	= 41.1%

*Assumes all units are leasable and will remain occupied and the retention of current tenants which will continue to income-qualify under the LIHTC guidelines post renovations, per GDCA guidelines. These units have been excluded from these demand estimates.

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the subject's overall capture rate of 41.1% is considered high, however, it is still considered achievable based on the fact that the subject is currently 100.0% occupied and maintains a 10-household waiting list. This is especially true when considering the lack of available non-subsidized family-oriented LIHTC product in the market, as there are currently only two (2) vacant units of such product in the Forsyth market.

Applying the shares of demand detailed in *Section G* to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type as follows:

Scenario One (Less units to remain occupied post renovations)

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (35%)	60%	0***	43	0	43	0.0%
One-Bedroom	Total	0***	43	0	43	0.0%
Two-Bedroom (45%)	60%	0***	56	0	56	0.0%
Two-Bedroom	Total	0***	56	0	56	0.0%

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Assumes all units are leasable and will remain occupied and the retention of current tenants which will continue to income-qualify under the LIHTC guidelines post renovations, per GDCA guidelines. These units have been excluded from these demand estimates.

Scenario Two (Entire Property)

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate
One-Bedroom (35%)	60%	12	43	0	43	27.9%
One-Bedroom	Total	12	43	0	43	27.9%
Two-Bedroom (45%)	60%	39	56	0	56	69.6%
Two-Bedroom	Total	39	56	0	56	69.6%

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

As the preceding tables illustrate, the capture rates by bedroom type and AMHI level range from 0.0% to 69.6% depending upon scenario and unit type. Based on a review of the subject’s rent roll, it was determined that all of the current tenants will likely income-qualify to reside at the site upon completion of renovations. It is important to reiterate that the subject is currently 100.0% occupied and the availability of a PRA subsidy will prevent a rent increase to the subject’s current tenants. As such, it is anticipated that most, if not all, tenants at the subject site will remain post renovations and the subject’s effective capture rate is 0.0%. Detailed demand calculations are provided in *Section G* of this report.

7. Competitive Rental Analysis

Tax Credit Units

Following renovations, the subject project will offer one- and two-bedroom units targeting family (general-occupancy) households earning up to 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program following renovations. We identified and surveyed only one property within the Site PMA that offers non-subsidized LIHTC units. This property, Brentwood Place Apartments (Map ID 3), targets families earning up to 50% and 60% of AMHI, similar to the subject project. As such, this property is considered competitive with the subject and has been included in our comparable Tax Credit analysis.

Given the lack of comparable/competitive non-subsidized LIHTC product within the Site PMA, we identified and surveyed two non-subsidized general-occupancy LIHTC properties outside the Site PMA, but within the nearby areas of Macon and Barnesville, Georgia. These properties offer unit types and target tenant populations/income levels which are similar to those at the subject project. Since these properties are located outside the Site PMA, they are not considered directly competitive with the subject project. Thus, these properties have been included for comparability purposes only.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Piedmont Hills	1990 / 2019	51	100.0%	-	10 H.H.	Families; 60% AMHI & RD 515
3	Brentwood Place Apts.	2013	80	97.5%	1.4 Miles	None	Families; 50% & 60% AMHI
906	Powell Place	2011	63	100.0%	13.4 Miles	6 Months	Families; 50% & 60% AMHI
907	West Club	1998	140	99.3%	21.7 Miles	1 H.H.	Families; 30%, 50%, & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

The three LIHTC projects have a combined occupancy rate of 98.9%, which is reflective of just two (2) vacant units. Two of the three comparable LIHTC properties maintain a waiting list for their next available units, the longest of which is six months in duration, demonstrating strong demand within the market and region for general-occupancy LIHTC product such as that offered at the subject site.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Piedmont Hills	\$579/60% (12)	\$637/60% (39)	-	-	-
3	Brentwood Place Apts.	\$531/50% (4/0) \$531/60% (5/0)	\$579/50% (24/1) \$579/60% (24/1)	\$691/50% (11/0) \$691/60% (12/0)	-	None
906	Powell Place	\$496/50% (3/0) \$534/60% (4/0)	\$593/50% (3/0) \$642/60% (28/0)	\$690/50% (5/0) \$781/60% (20/0)	-	None
907	West Club	\$278/30% (7/0) \$609/60% (1/0)	\$606/50% (52/1) \$730/60% (24/0)	\$855/60% (48/0)	\$961/60% (8/0)	None

900 Series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents ranging from \$579 to \$637 will be within the range of the gross rents of similar unit types offered among the comparable properties surveyed. Considering the age and competitive position of the subject project in the way of unit design (square feet and number of bathrooms offered), and amenities offered, the subject's competitive proposed rent levels are considered appropriate.

Comparable/Competitive Tax Credit Summary

The Forsyth market offers a limited supply of general-occupancy LIHTC product, as only one such property was identified and surveyed. This property is currently reporting just two vacancies. Due to the limited supply of general-occupancy LIHTC product within the Site PMA, we identified and surveyed two additional general-occupancy LIHTC properties outside the market, but within the region. The combined occupancy rate of these three comparable LIHTC properties is 98.9% and two of the three properties maintain a waiting list for their next available units, the largest of which is six months in duration. The subject’s proposed gross Tax Credit rents will be competitive with those reported among similar unit types at these comparable LIHTC projects. The competitive proposed gross rents along with its competitive amenity packages, will it allow it compete well within the Forsyth market. It is important to reiterate, however, that the subject project is an existing property which is currently 100.0% occupied. This demonstrates that the unit designs and amenities offered are appropriate for and marketable to the targeted tenant population within the Forsyth Site PMA.

Average Market Rent

As detailed throughout this report and illustrated by our Field Survey of Conventional Rentals, only one unrestricted market-rate rental property was surveyed and identified as comparable in the Forsyth Site PMA. In addition, we identified and surveyed four properties outside the Site PMA in the nearby region that offer similar market-rate units, as compared to those proposed at the subject site. The following table illustrates the weighted average *collected* rents of the comparable market-rate projects by bedroom type, for units similar to those offered at the subject site.

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$744	\$880

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$744	- \$459	\$285	/ \$459	62.1%
Two-Br.	\$880	- \$494	\$386	/ \$494	78.1%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 62.1% to 78.1% depending upon unit type, as compared to the weighted average collected rents of the comparable market-rate projects. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include, and/or adjustments for other design characteristics, amenities, or locational differences. Therefore, caution

must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum F* of this report.

An in-depth analysis of the Forsyth rental housing market is included in *Section H* of this report.

8. Absorption/Stabilization Estimates

Based on our analysis, it is our opinion that the 51 units at the subject site will reach a stabilized occupancy of 93.0% within seven months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately seven units per month and considers the sufficient base of income-eligible households in this market for the subject project, as detailed by our demand estimates in Section G.

9. Overall Conclusion:

The Forsyth Site PMA offers a limited supply of non-subsidized LIHTC product, as there was only one such property identified and surveyed within the Site PMA, Brentwood Place Apartments. Given the lack of non-subsidized general-occupancy LIHTC product in the Site PMA, we also surveyed two such properties outside the market in the nearby towns of Macon and Barnesville, Georgia. The combined occupancy rate of these comparable Tax Credit properties is 98.9%, reflective of just two vacancies. In addition, two of the three comparable properties maintain a waiting list for their next available units, the longest of which is six months in duration. The subject's proposed gross Tax Credit rents will be competitive with these comparable properties, as compared to similar unit types. The 100.0% occupancy rate reported at the subject project further demonstrates that the unit designs and amenities offered are marketable to the targeted tenant population. Given the general lack of available general-occupancy LIHTC product and the fact that the proposed renovations at the subject project will not introduce any new units to the market, we do not expect the proposed renovations to the subject project to have any adverse impact on future occupancy rates among existing LIHTC product in this market.

In addition to being competitively positioned, a sufficient base of demographic support will continue to exist for the subject project within the Forsyth market. The subject's overall capture rate of 41.1% is considered achievable in the rural market of Forsyth, especially considering that the subject is currently 100.0% occupied with a 10-household waiting list. In addition, a PRA subsidy is offered to each current tenant, preventing a rent increase upon completion of renovations. The availability of this subsidy and the subject's current 100.0% occupancy level indicates that the subject's effective capture rate is 0.0%, as most, if not all, tenants are expected to remain post renovations. We have no recommendations to the subject project at this time.

SUMMARY TABLE (must be completed by the analyst and included in the executive summary)			
Development Name:	Piedmont Hills	Total # Units:	51
Location:	1001 West Main Street, Forsyth, Georgia 31029	# LIHTC Units:	51
PMA Boundary:	Fairview Church Road, Sutton Road, and McCommon Road to the north; Blue Store Road, Joe Chambers Road, Bunn Road, and Gose Road to the east; Reedy Creek Road, Josey Road, and Hopewell Road to the south; and State Route 83, Vaughn Road, Old Atlanta Highway, and Collier Road to the west.		
	Farthest Boundary Distance to Subject:		6.9 miles

RENTAL HOUSING STOCK (found on page H-3 & Add. A-4 & 5)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	437	2	99.5%
Market-Rate Housing	2	120	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	4	237	0	100.0%
LIHTC*	1	80	2	97.5%
Stabilized Comps**	3	283	3	98.9%
Properties in Construction & Lease Up	0	-	-	-

*Includes mixed-income properties

**Two (2) comps located out of market due to lack of comparable product in Site 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	One-Br.	1.0	648-732	\$459	\$744	\$1.02-\$1.15	62.1%	\$760	\$0.95
39	Two-Br.	1.0	784-866	\$494	\$880	\$1.02-\$1.12	78.1%	\$1,000	\$0.98

DEMOGRAPHIC DATA (found page E-2 & G-5)						
	2012		2017		2019	
Renter Households	992	35.7%	1,014	35.4%	1,023	35.3%
Income-Qualified Renter HHs (LIHTC)*	N/A	N/A	206	20.3%	188	18.4%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

*As proposed with the retention of RA

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)						
Type of Demand	RA Units	Non-RA Units	Overall as Proposed	Market-Rate	Other__	LIHTC Only Scenario
Renter Household Growth	-	-	-18	-	-	-18
Existing Households (Overburd + Substand)	-	-	142	-	-	142
Homeowner conversion (Seniors)	-	-	N/A	-	-	N/A
Total Primary Market Demand	-	-	124	-	-	124
Less Comparable/Competitive Supply	-	-	0	-	-	0
Adjusted Income-Qualified Renter HHs	-	-	124	-	-	124

CAPTURE RATES (found on page G-5)						
Targeted Population	RA Units	Non-RA Units	Overall as Proposed	Market-Rate	Other__	LIHTC Only Scenario
Capture Rate*	-	-	0.0%	-	-	41.1%

*Assumes all units are leasable and will remain occupied and the retention of current tenants which will continue to income-qualify under the LIHTC guidelines post renovations, per GDCA guidelines. These units have been excluded from these demand estimates.

Section B - Project Description

Piedmont Hills, located in Forsyth, Monroe County, Georgia, was originally built in 1990 and has operated under the Rural Development 515 (RD 515) program since that time. The project contains 51 general-occupancy units, none of which receive Rental Assistance (RA) directly from Rural Development. According to management, the project is currently 100.0% occupied and maintains a 10-household waiting list.

The proposed Tax Credit renovations, which will be financed through the 4% Tax-Exempt Bond program, will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will continue to target general occupancy households with incomes up to 60% of Area Median Household Income (AMHI). The developer has also indicated that a Private Rental Assistance (PRA) subsidy will also be provided to all current unassisted tenants. This subsidy will prevent rent increases on current unassisted tenants at the property, post renovations. All renovations are expected to be completed in 2019. Additional details of the subject project are as follows:

1. **PROJECT NAME:** Piedmont Hills
2. **PROPERTY LOCATION:** 1001 West Main Street
Forsyth, Georgia 31029
(Monroe County)
3. **PROJECT TYPE:** Rehabilitation of an existing RD 515 project using 4% Tax-Exempt Bond financing.

4. UNIT CONFIGURATION AND RENTS:

Total Units	Bedroom Type	Baths	Style	Square Feet*	% AMHI	Current Basic & Note Rents	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
12	One-Br.	1.0	Garden	648-732	60%	\$414/\$564	\$459	\$120	\$579	\$668
39	Two-Br.	1.0	Garden	784-866	60%	\$449/\$606	\$494	\$143	\$637	\$801
51	Total									

Source: Greystone Servicing Corporation, Inc.; Bowen National Research, LLC

AMHI – Area Median Household Income (Monroe County, GA HUD Metro FMR Area; 2017)

*Heated square feet

5. **TARGET MARKET:** General-Occupancy
6. **PROJECT DESIGN:** 10 one-story buildings.
7. **ORIGINAL YEAR BUILT:** 1990
8. **ANTICIPATED RENOVATION COMPLETION DATE:** 2019

9. UNIT AMENITIES:

- Electric Range
- Refrigerator
- Microwave
- Central Air Conditioning
- Exterior Storage Closet
- Vinyl Flooring
- Window Blinds
- Patio
- Washer/Dryer Hookups

10. COMMUNITY AMENITIES:

- On-Site Management
- Playground
- Laundry Facility
- Covered Pavilion/Picnic Area

11. RESIDENT SERVICES:

The subject project will not offer any on-site resident services.

12. UTILITY RESPONSIBILITY:

The cost of trash collection will be included in the rent, while tenants will be responsible for all other utilities and services, including the following:

- Electric Heating
- General Electric
- Cold Water
- Electric Water Heating
- Electric Cooking
- Sewer

13. RENTAL ASSISTANCE:

None of the units currently receive Rental Assistance. There are currently two (2) units occupied by a Housing Choice Voucher holder.

14. PARKING:

An unassigned surface parking lot is available to the tenants at no additional cost.

15. CURRENT PROJECT STATUS:

The subject project is an existing 51-unit general-occupancy property offering one- and two-bedroom units, which operate under the Rural Development 515 (RD 515) program. None of the subject units operate with Rental Assistance (RA). The subject project is 100.0% occupied and maintains a 10-household waiting list. Tenants of the subject units require tenants to pay rents between the basic and market rents under the RD 515 program, though the subject project does accept Housing Choice Vouchers. Currently, four (4) of the subject units are occupied by Voucher holders. Based on our review of the current tenant rent roll for the subject project, it was determined that all of the 51 units are occupied by tenants that would continue to income-qualify under the LIHTC guidelines, post renovations. Effectively, however, all current tenants are expected to remain at the property post renovations, as the developer has indicated that

a Private Rental Assistance (PRA) subsidy will be provided to all current tenants. The availability of this subsidy will prevent a rent increase for all current unassisted tenants at the property. A current tenant rent roll for the subject project is included in *Addendum E, Rent Roll*.

Floor and site plans for the existing subject project were not available for review at the time this report was prepared. We conducted, however, an on-site visit and evaluation of unit interiors of select units, the exterior of the subject buildings and property grounds. Based on our evaluation, and the 100.0% occupancy rate reported at the subject project, the subject floor plans and buildings appear to be sufficient. The proposed renovations are expected to improve the general aesthetic appeal of the subject property and improve its overall marketability. A detailed scope of renovations to be completed at the subject project is included in *Addendum H, Scope of Renovations*.

16. STATISTICAL AREA:

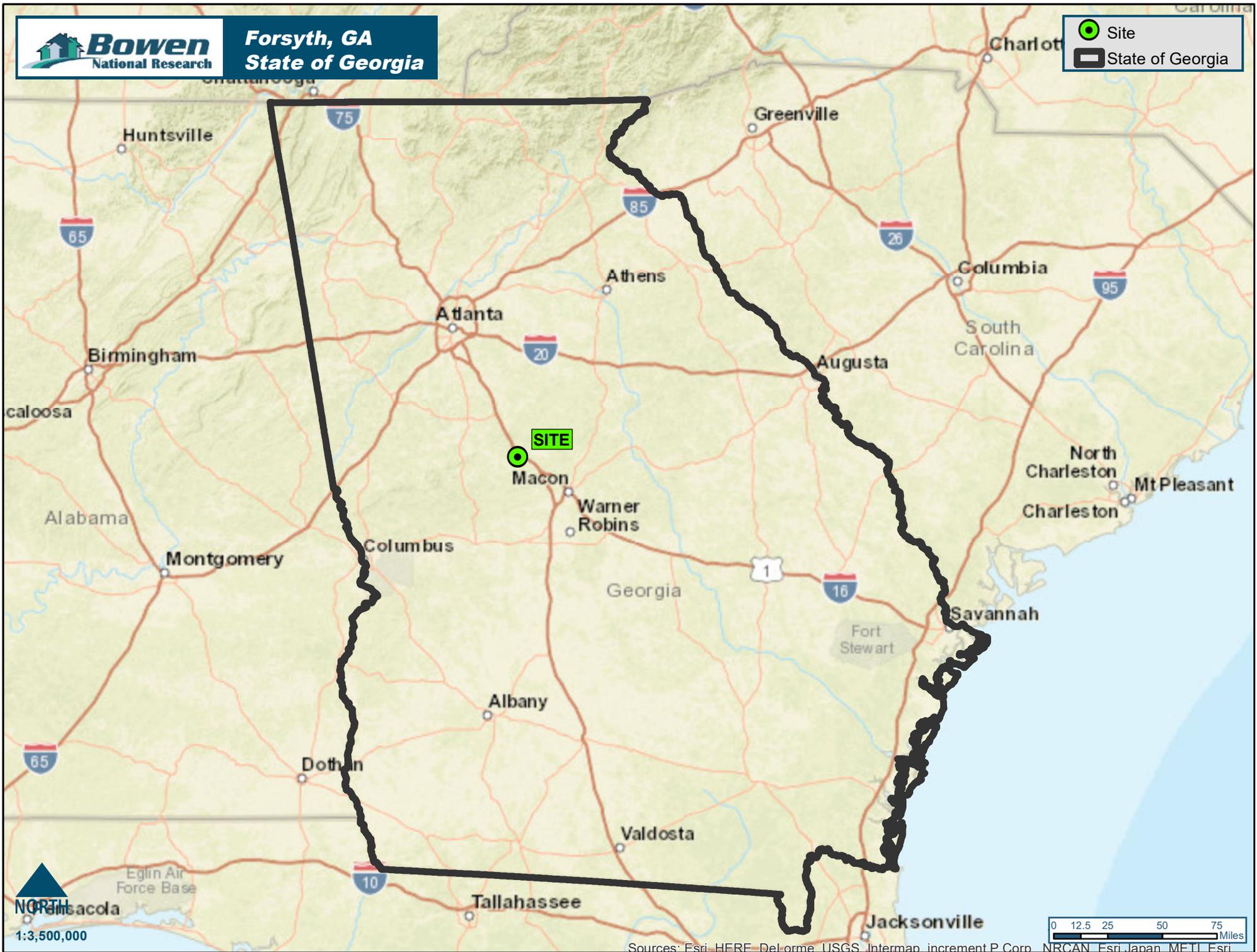
Monroe County, Georgia HUD Metro FMR Area (2017)

A state map, an area map and a map illustrating the site neighborhood are on the following pages.



Forsyth, GA
State of Georgia

● Site
▭ State of Georgia



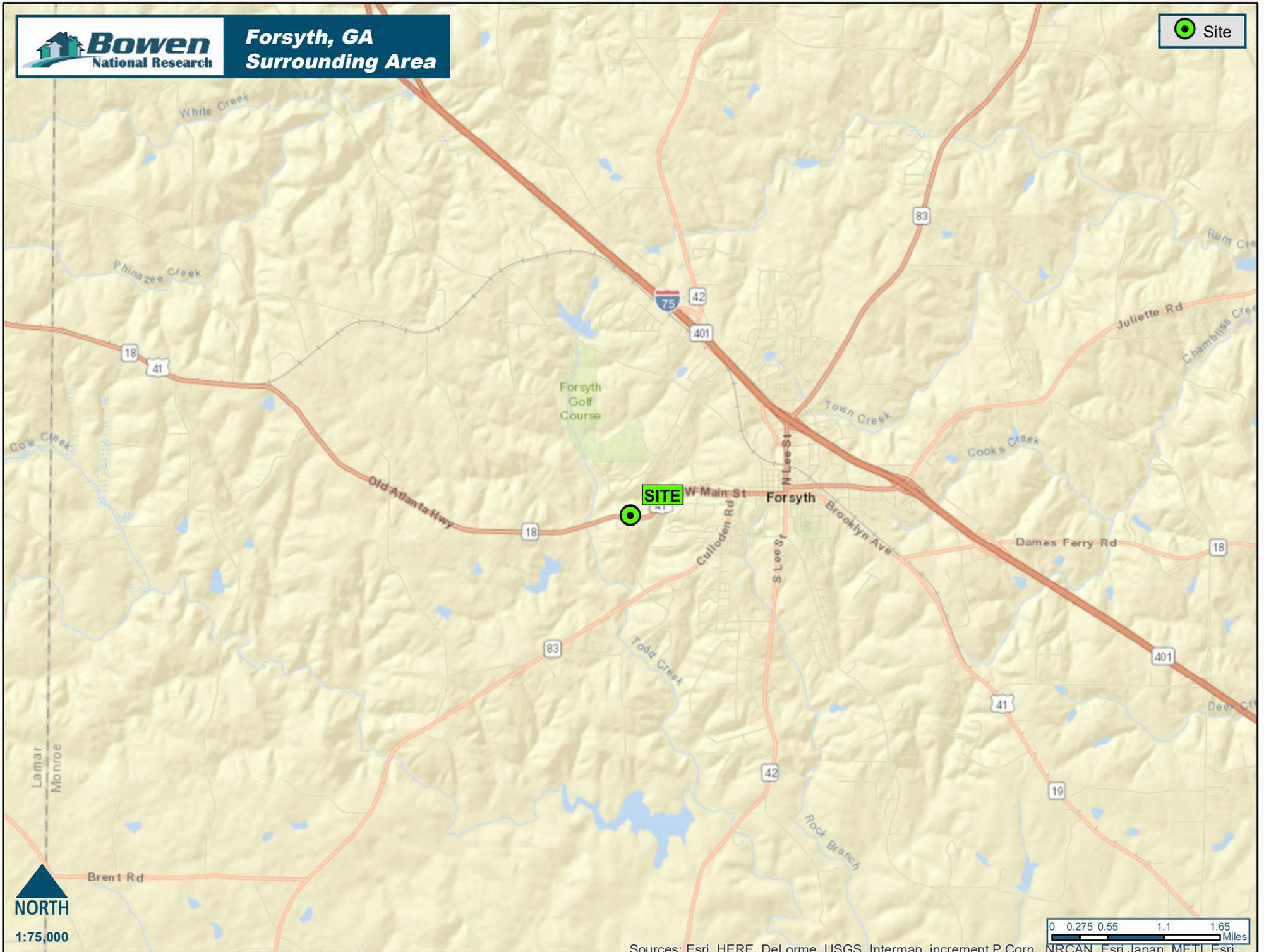
NORTH
1:3,500,000

0 12.5 25 50 75 Miles

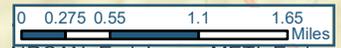
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Forsyth, GA Surrounding Area



NORTH
1:75,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Forsyth, GA
Site Neighborhood

Legend
 Site Area

Meadow Dr

Stroud St

W Main St

W Main St

W Main St

Stroud St



NORTH

1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, AeroGRID, IGN, and the GIS User Community



Section C – Site Description And Evaluation

1. LOCATION

The subject site is the existing Piedmont Hills Apartments located at 1001 West Main Street in the western portion of Forsyth, Georgia. Located within Monroe County, Forsyth is approximately 60.0 miles southeast of Atlanta, Georgia. Jeff Peters, an employee of Bowen National Research, inspected the site and area apartments during the week of July 31, 2017.

2. SURROUNDING LAND USES

The subject site is within a rural, yet established area of Forsyth, Georgia. Surrounding land uses include a cemetery, a recycling facility, single-family homes and heavily wooded land. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by heavily wooded land, which naturally buffers the subject site from a neighborhood of single-family homes considered to be in fair condition. Single-family homes scattered throughout heavily wooded land and a golf course extend north.
East -	The eastern boundary is defined by a privacy fence, which buffers the site from a wood recycling facility. Wooded land and single-family homes in fair condition extend east.
South -	U.S. Highway 41/West Main Street, a moderately traveled two-lane roadway with a dedicated center turn lane defines the southern boundary. A cemetery, an office and undeveloped land extend south.
West -	The western boundary is defined by heavily wooded land, which naturally buffers the site from an office. Undeveloped and wooded land extend west for a considerable distance.

Overall, the subject property fits well with the surrounding land uses and they should contribute to the continued marketability of the site. According to management of the subject project, the recycling facility located east of the site only processes lumber and wood materials and, as such, there are no unfavorable odors from this facility. However, there are audible noises from this facility, typically only during regular business hours when tenants of the subject site are generally not present. This facility does not seem to adversely impact the subject project, as evidenced by its 100.0% occupancy rate reported.

3. VISIBILITY AND ACCESS

The subject site is comprised of one-story buildings which are clearly visible upon ingress, given the subject's frontage along U.S. Highway 41/West Main Street, which borders the site to the south. The subject site also provides signage along this aforementioned roadway. Vehicular traffic U.S. Highway 41/West Main Street was observed to be moderate, which results in ample passerby traffic. In addition, U.S. Highway 41/West Main Street is an arterial roadway in the area and provides convenient access to downtown Forsyth and to surrounding communities. The subject site is also accessible via this roadway and the moderate traffic experienced allows for convenient ingress and egress of the subject site. Based on the preceding, accessibility of the subject project is considered good.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area.

4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

SITE PHOTOGRAPHS



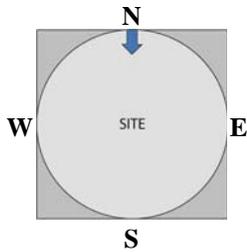
Site Entryway



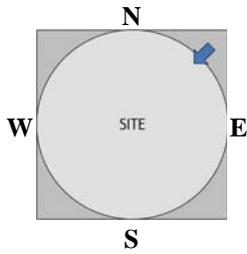
Entryway Signage



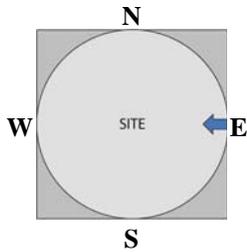
Typical Building Exterior



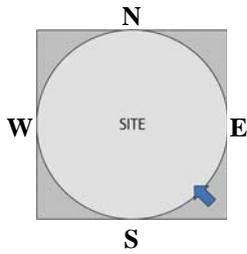
View of site from the north



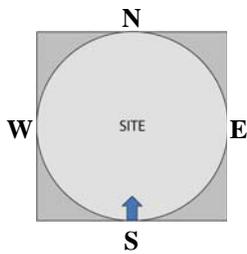
View of site from the northeast



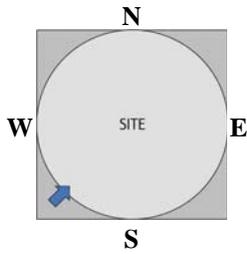
View of site from the east



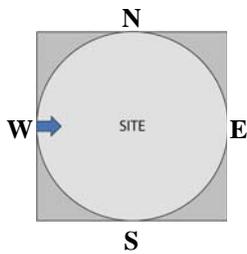
View of site from the southeast



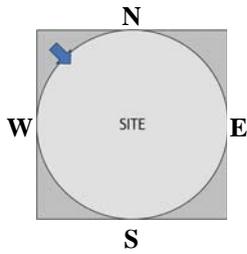
View of site from the south



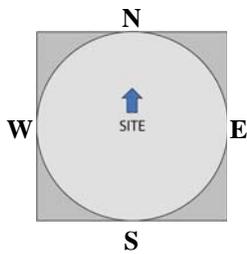
View of site from the southwest



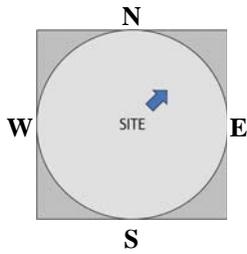
View of site from the west



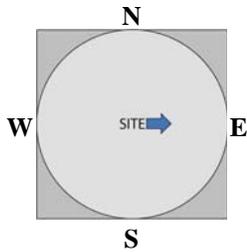
View of site from the northwest



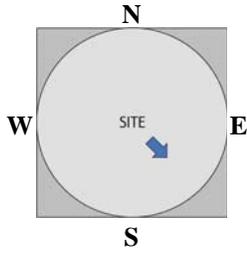
North view from site



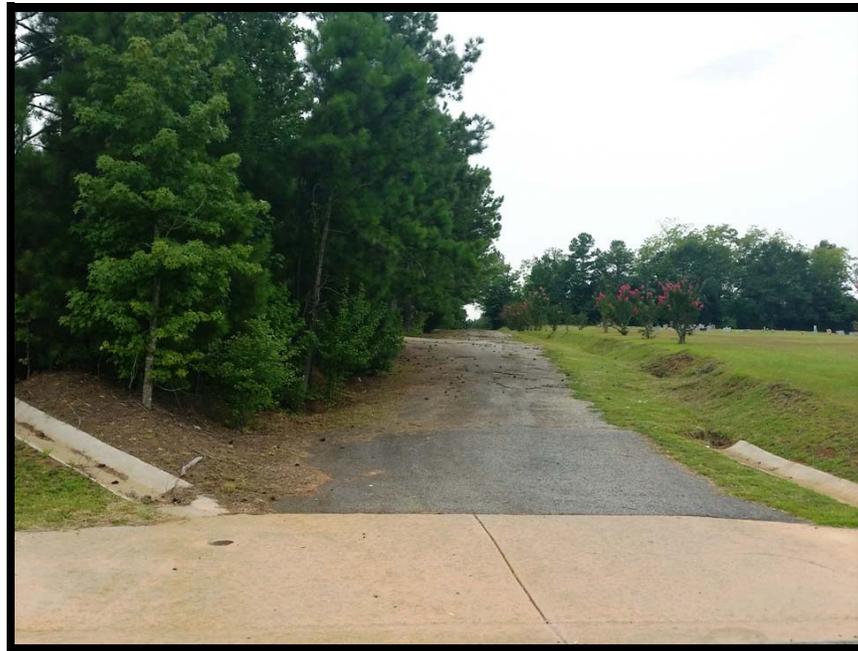
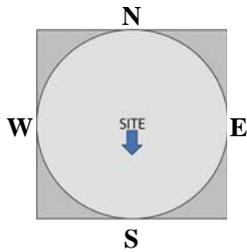
Northeast view from site



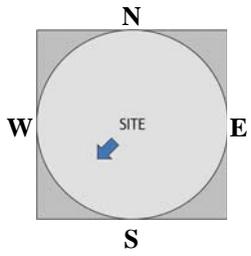
East view from site



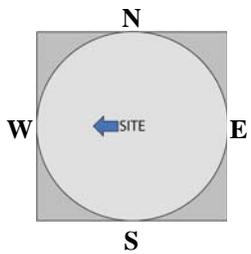
Southeast view from site



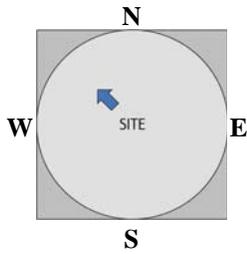
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape - East view of West Main Street



Streetscape - West view of West Main Street



Playground



Exterior Storage



Laundry Facility



Typical Living Room



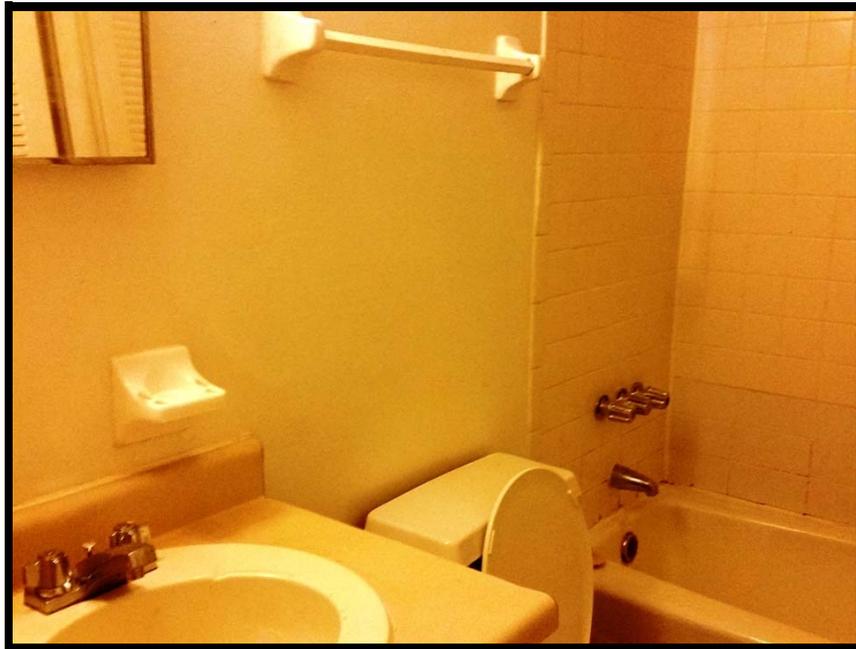
Typical Kitchen



Master Bedroom



Spare Bedroom



Typical Full Bathroom

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 41 State Route 83 Interstate 75	Adjacent South 1.4 East 1.9 North
Public Bus Stop	N/A	-
Major Employers/ Employment Centers	Monroe County Hospital Walmart	1.1 East 1.7 East
Convenience Store	Monroe Food Mart Marathon Shell Exxon	1.2 East 1.7 East 1.8 Northeast 1.9 Northeast
Grocery	Walmart Fresh Way Ingles Market	1.7 East 1.7 East 1.9 East
Discount Department Store	Dollar General Walmart Dollar Tree Family Dollar Store	1.6 East 1.7 East 1.7 East 1.7 East
Shopping Center/Mall	Plantation Hill Shopping Center	1.7 East
Schools: Elementary Middle/Junior High High	Hubbard Elementary School Hubbard Middle School Mary Persons High School	1.0 Southeast 1.0 Southeast 2.2 East
Hospital	Monroe County Hospital	1.1 East
Police	Forsyth Police Department	1.6 East
Fire	Monroe County Emergency Services	2.2 East
Post Office	U.S. Post Office	1.5 East
Bank	United Bank BB&T	1.4 East 1.6 East
Recreational Facilities	Monroe County Recreation Center	2.6 North
Gas Station	Marathon Shell Exxon	1.7 East 1.8 Northeast 1.9 Northeast
Pharmacy	Castleberry Drug Co. Walmart Pharmacy CVS Pharmacy	1.5 East 1.7 East 2.2 East
Restaurant	Ann's Deli & Pie Connection Grits Cafe Jonah's On Johnston	1.4 East 1.4 East 1.4 East
Day Care	Lads & Lassies Learning Center Star Learning Center Shannon's Day Care	2.2 Northeast 2.3 Southeast 2.4 Southeast
Community Center	Monroe County Recreation Center	2.6 North
Library	Monroe County Library	1.3 East

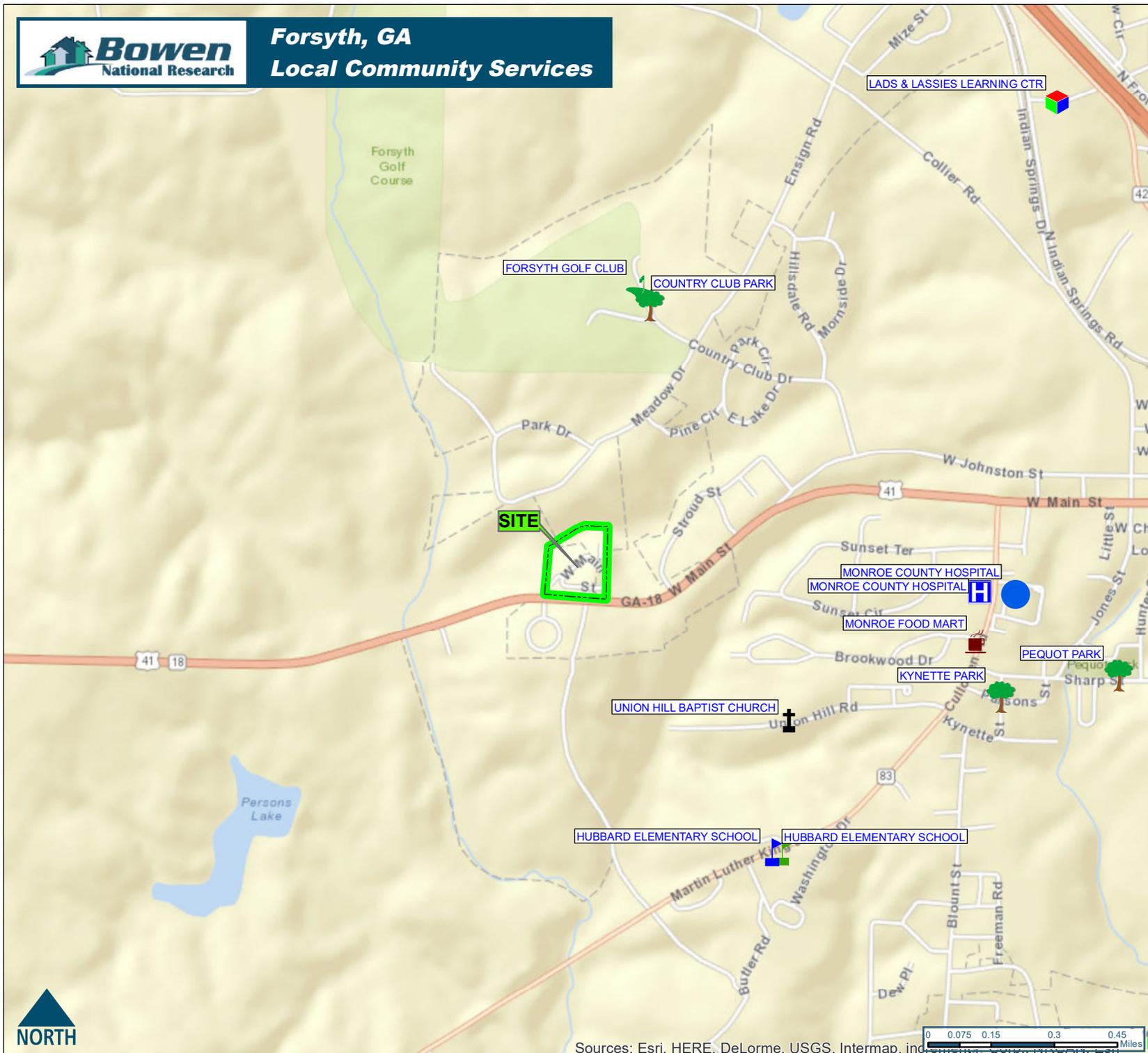
(continued)

Community Services	Name	Driving Distance From Site (Miles)
Golf	Forsyth Golf Club	1.3 North
Park	Country Club Park	1.2 North
	Kynette Park	1.4 East
	Pequot Park	1.5 East
Church	Forsyth United Methodist Church	1.3 East
	First Baptist Church	1.4 East
	Union Hill Baptist Church	1.7 Southeast

The subject site is in close proximity to a variety of notable community services such as grocery stores, schools, public safety services, gas stations, pharmacies and restaurants. These services can be accessed within 2.0 miles and are generally easily accessible due to the subject's proximity to arterials such as U.S. Highway 41 and State Route 83. Also of note is a Walmart Supercenter 1.7 miles northeast of the site in Plantation Hill Shopping Center, which also includes a Dollar Tree, and smaller retail stores.

Monroe County Hospital, located 1.1 miles east of the site, is the nearest emergency medical center. Public safety services such as the Forsyth Police Department and Monroe County Emergency Services (fire) departments, however, are both located within 2.6 miles of the site. Monroe County Schools serve the subject site from Pre-K through 12th grade. All applicable attendance schools are within 2.2 miles and offer bus transportation. Other area services include various parks and a recreation center, all of which are located within 3.0 miles of the site.

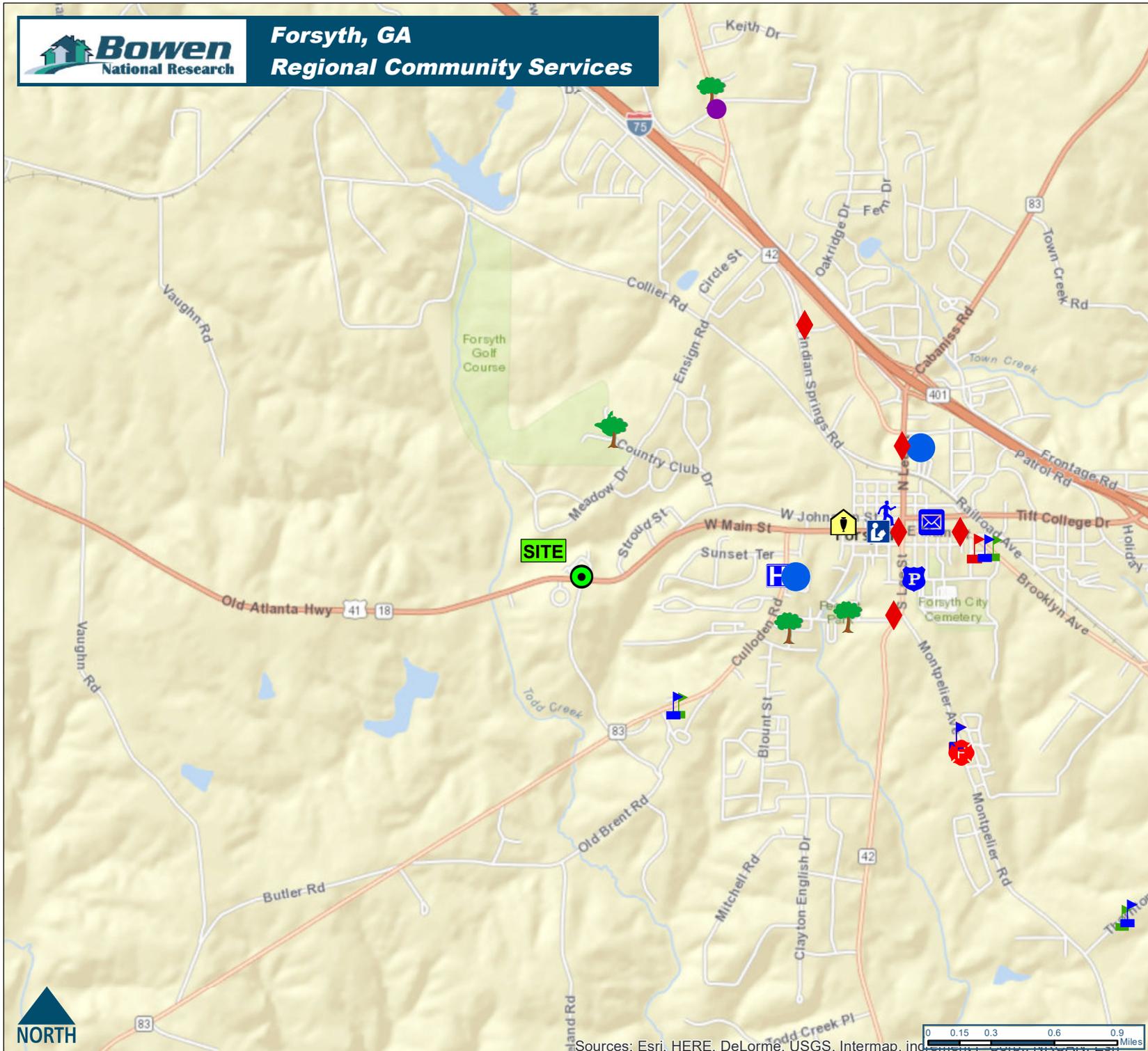
Maps illustrating the location of community services are on the following pages.



Legend

-  Site Area
-  child care
-  church
-  convenience store
-  elementary school
-  golf
-  hospital
-  middle school
-  park
-  employers_1000_5000





Legend

-  Site
-  elementary school
-  fire
-  fitness center
-  golf
-  high school
-  hospital
-  library
-  middle school
-  museum
-  park
-  police
-  post office
-  recreation center
-  shopping
-  employers_1000_5000



Sources: Esri, HERE, DeLorme, USGS, Intermap, inc.

1:40,000

6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (70) for the Site PMA is below the national average (100) with an overall personal crime index of 64 and a property crime index of 66. Total crime risk (58) for Monroe County is also below the national average with indexes for personal and property crime of 44 and 64, respectively.

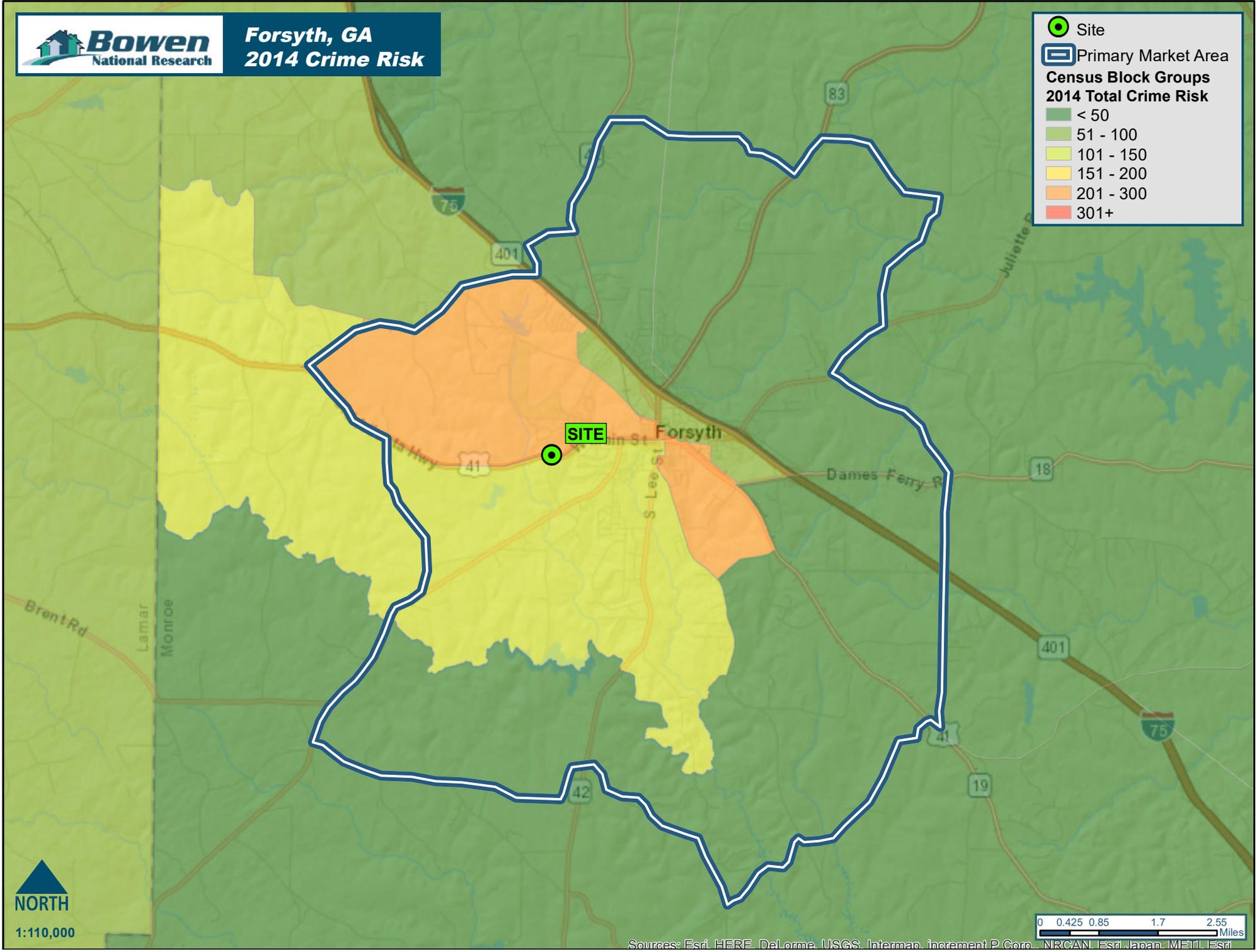
	Crime Risk Index	
	Site PMA	Monroe County
Total Crime	70	58
Personal Crime	64	44
Murder	104	78
Rape	65	45
Robbery	40	24
Assault	64	40
Property Crime	66	64
Burglary	62	75
Larceny	90	74
Motor Vehicle Theft	46	43

Source: Applied Geographic Solutions

The Site PMA's crime risk index is well below the national average. Therefore, the subject project and its market should not be perceived as an area that would be impacted by crime. This is particularly true given the subject project's 100% occupancy rate. As such, we do not anticipate that crime would adversely impact the subject project's ongoing marketability.

A map illustrating crime risk is on the following page.

-  Site
-  Primary Market Area
- Census Block Groups**
- 2014 Total Crime Risk**
-  < 50
-  51 - 100
-  101 - 150
-  151 - 200
-  201 - 300
-  301+




NORTH
1:110,000

0 0.425 0.85 1.7 2.55
Miles

7. OVERALL SITE EVALUATION

The subject site is the existing Piedmont Hills Apartments located at 1001 West Main Street, which is within a rural, but established area of Forsyth. Surrounding land uses generally include a recycling facility, cemetery and single-family homes in average to good condition, as well as wooded land. The subject site is clearly visible and easily accessible from U.S. Highway 41/West Main Street, which is a primary arterial roadway within the Forsyth area. Proximity to this aforementioned roadway is important as it provides convenient access to downtown Forsyth, and provides access to State Route 83/Lee Street, a commercial corridor in the area. Most basic area services are located within 2.0 miles of the subject site and situated along State Route 83/Lee Street, including a Walmart, which is 1.7 miles from the site. Area services are easily accessible given the subject's proximity to U.S. Highway 41/West Main Street, south of the subject site. Note that although the subject site is adjacent to a recycling facility, there were no unfavorable odors during the site inspection. However, there were audible noises from this facility, which doesn't appear to have adversely impacted the subject, as evidenced by its 100.0% occupancy rate. Overall, the subject site location is considered conducive to affordable multifamily rental product, which is further evident by the 100.0% occupancy rate reported at the subject project.

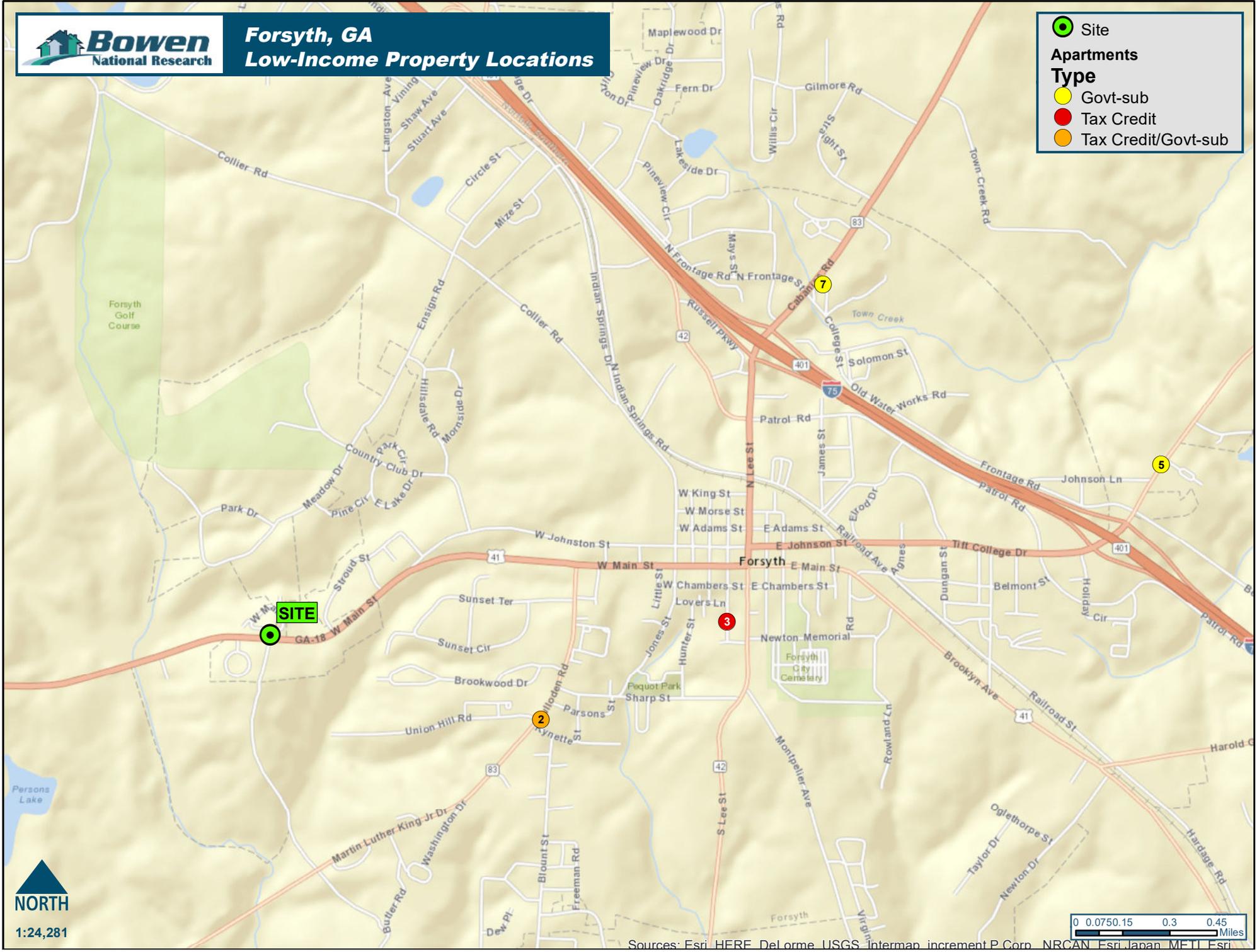
8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.



Forsyth, GA Low-Income Property Locations

- Site
- Apartments Type
 - Govt-sub
 - Tax Credit
 - Tax Credit/Govt-sub



NORTH
1:24,281

0 0.0750.15 0.3 0.45 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section D – Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to continue to originate. The Forsyth Site PMA was determined through interviews with management at the subject site, area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

Management at the subject site stated that the majority of the site's tenants originate from the immediate Forsyth area. This representative further stated that while the majority of the tenants are local to the Forsyth area, the subject project does derive support from some of the surrounding unincorporated areas of Monroe County because Forsyth is the county seat and provides a significant amount of community services and employment opportunities.

The Forsyth Site PMA includes the entire city of Forsyth, as well as a portion of the surrounding unincorporated areas of Monroe County. The boundaries of the Site PMA include Fairview Church Road, Sutton Road, and McCommon Road to the north; Blue Store Road, Joe Chambers Road, Bunn Road, and Gose Road to the east; Reedy Creek Road, Josey Road, and Hopewell Road to the south; and State Route 83, Vaughn Road, Old Atlanta Highway, and Collier Road to the west.

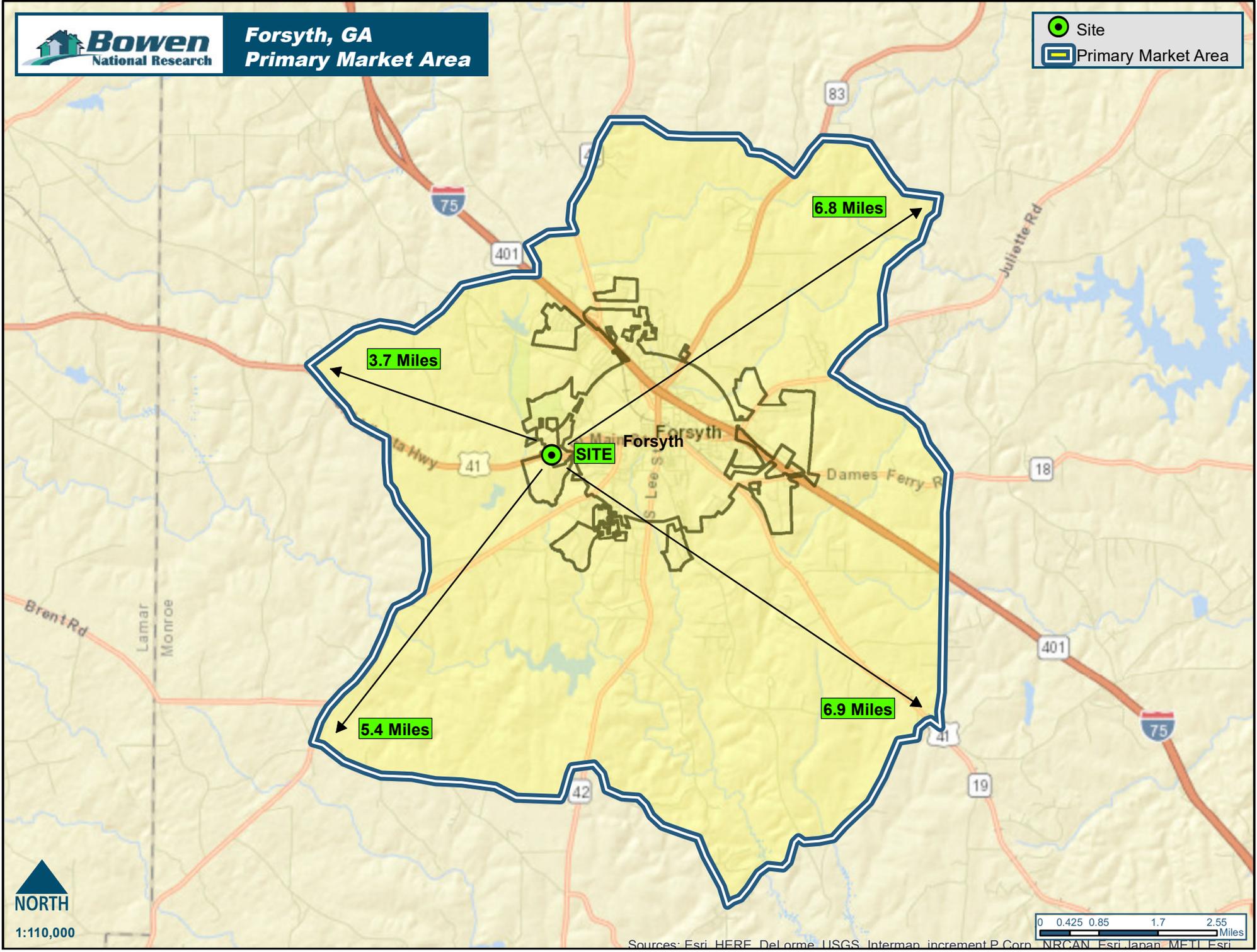
While some supplemental support for the subject project originates from outside the county, this support is considered minimal. Therefore, no secondary market area was considered in this analysis.

A map delineating the boundaries of the Site PMA is included on the following page.



Forsyth, GA Primary Market Area

Site
 Primary Market Area



NORTH
1:110,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2017 (estimated) and 2019 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Population	6,813	7,889	8,273	8,346
Population Change	-	1,076	384	72
Percent Change	-	15.8%	4.9%	0.9%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Forsyth Site PMA population base increased by 1,076 between 2000 and 2010. This represents a 15.8% increase over the 2000 population, or an annual rate of 1.5%. Between 2010 and 2017, the population increased by 384, or 4.9%. It is projected that the population will increase by 72, or 0.9%, between 2017 and 2019.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	2,028	25.7%	1,972	23.8%	1,983	23.8%	11	0.6%
20 to 24	640	8.1%	640	7.7%	619	7.4%	-22	-3.4%
25 to 34	1,055	13.4%	1,163	14.1%	1,129	13.5%	-34	-2.9%
35 to 44	1,053	13.3%	1,047	12.7%	1,066	12.8%	19	1.8%
45 to 54	1,190	15.1%	1,106	13.4%	1,083	13.0%	-24	-2.1%
55 to 64	952	12.1%	1,111	13.4%	1,129	13.5%	18	1.6%
65 to 74	559	7.1%	770	9.3%	836	10.0%	66	8.6%
75 & Over	412	5.2%	464	5.6%	501	6.0%	38	8.1%
Total	7,889	100.0%	8,273	100.0%	8,346	100.0%	72	0.9%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 54% of the population is estimated to be between 25 and 64 years old in 2017. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

Household trends within the Forsyth Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	2,359	2,685	2,863	2,898
Household Change	-	326	178	34
Percent Change	-	13.8%	6.6%	1.2%
Household Size	2.89	2.94	2.56	2.55

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Forsyth Site PMA, households increased by 326 (13.8%) between 2000 and 2010. Between 2010 and 2017, households increased by 178, or 6.6%. By 2019, there will be 2,898 households, an increase of 34 households, or 1.2% over 2017 levels. This is an increase of approximately 17 households annually over the next two years.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	90	3.4%	82	2.9%	81	2.8%	-1	-1.5%
25 to 34	305	11.4%	346	12.1%	331	11.4%	-16	-4.5%
35 to 44	475	17.7%	463	16.2%	470	16.2%	6	1.4%
45 to 54	586	21.8%	527	18.4%	510	17.6%	-18	-3.3%
55 to 64	578	21.5%	652	22.8%	657	22.7%	4	0.7%
65 to 74	367	13.7%	474	16.5%	509	17.6%	35	7.4%
75 to 84	213	7.9%	233	8.2%	254	8.8%	21	9.0%
85 & Over	71	2.6%	85	3.0%	86	3.0%	1	1.6%
Total	2,685	100.0%	2,863	100.0%	2,897	100.0%	34	1.2%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2017 and 2019, most growth is projected to occur among households ages 55 and older. The greatest growth among household age groups during this time is projected to be among the households between the ages of 75 and 84. Approximately one-half of the households in the market are between the ages of 25 and 54, which is the primary group of households that would respond to the project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	1,829	68.1%	1,849	64.6%	1,874	64.7%
Renter-Occupied	856	31.9%	1,014	35.4%	1,023	35.3%
Total	2,685	100.0%	2,863	100.0%	2,898	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2017, homeowners occupied 64.6% of all occupied housing units, while the remaining 35.4% were occupied by renters. The 1,014 renter households in the PMA in 2017 represent a good base of potential support for the subject development.

The household sizes by tenure within the Site PMA, based on the 2017 estimates and 2019 projections, were distributed as follows:

Persons Per Renter Household	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	384	37.9%	383	37.4%	-2	-0.4%
2 Persons	187	18.4%	188	18.4%	2	0.9%
3 Persons	277	27.3%	280	27.4%	4	1.3%
4 Persons	78	7.7%	79	7.7%	1	1.5%
5 Persons+	88	8.7%	92	9.0%	4	4.5%
Total	1,013	100.0%	1,022	100.0%	9	0.9%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	442	23.9%	451	24.1%	10	2.2%
2 Persons	766	41.4%	775	41.3%	9	1.2%
3 Persons	266	14.4%	270	14.4%	4	1.5%
4 Persons	227	12.3%	230	12.2%	2	1.1%
5 Persons+	149	8.1%	149	7.9%	0	0.0%
Total	1,850	100.0%	1,875	100.0%	25	1.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The subject project includes one- and two-bedroom units, which primarily house one- to three-person households. These household sizes represent over 80% of the renter households in the market, representing a good base of potential support for the site.

The distribution of households by income within the Forsyth Site PMA is summarized as follows:

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	493	18.4%	504	17.6%	537	18.5%
\$15,000 to \$24,999	387	14.4%	518	18.1%	529	18.3%
\$25,000 to \$34,999	401	14.9%	341	11.9%	366	12.6%
\$35,000 to \$49,999	458	17.1%	382	13.3%	341	11.8%
\$50,000 to \$74,999	387	14.4%	504	17.6%	493	17.0%
\$75,000 to \$99,999	247	9.2%	231	8.1%	234	8.1%
\$100,000 to \$149,999	209	7.8%	238	8.3%	249	8.6%
\$150,000 to \$199,999	26	1.0%	80	2.8%	83	2.9%
\$200,000 & Over	77	2.9%	65	2.3%	64	2.2%
Total	2,685	100.0%	2,863	100.0%	2,897	100.0%
Median Income	\$37,014		\$37,644		\$35,699	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$37,014. This increased by 1.7% to \$37,644 in 2017. By 2019, it is projected that the median household income will be \$35,699, a decline of 5.2% over 2017.

The following tables illustrate renter household income by household size for 2010, 2017 and 2019 for the Forsyth Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	92	79	57	22	43	293
\$15,000 to \$24,999	92	60	44	15	32	243
\$25,000 to \$34,999	31	34	24	10	19	118
\$35,000 to \$49,999	29	25	17	7	12	90
\$50,000 to \$74,999	23	26	20	8	15	92
\$75,000 to \$99,999	0	1	0	0	0	1
\$100,000 to \$149,999	0	0	0	0	0	0
\$150,000 to \$199,999	0	1	0	0	0	1
\$200,000 & Over	10	4	3	0	1	18
Total	277	230	165	62	122	856

Source: ESRI; Urban Decision Group

Renter Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	132	60	90	27	31	340
\$15,000 to \$24,999	122	48	73	21	25	289
\$25,000 to \$34,999	28	15	24	6	7	81
\$35,000 to \$49,999	34	17	26	7	8	92
\$50,000 to \$74,999	37	25	36	11	11	119
\$75,000 to \$99,999	17	12	17	4	4	53
\$100,000 to \$149,999	2	1	2	1	1	7
\$150,000 to \$199,999	7	4	5	0	0	16
\$200,000 & Over	6	4	4	0	0	15
Total	384	187	277	78	88	1,013

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	144	65	98	29	34	370
\$15,000 to \$24,999	118	47	71	20	24	281
\$25,000 to \$34,999	19	12	19	5	6	61
\$35,000 to \$49,999	23	14	21	6	7	71
\$50,000 to \$74,999	29	20	29	8	9	96
\$75,000 to \$99,999	30	19	28	7	9	94
\$100,000 to \$149,999	2	2	3	1	1	8
\$150,000 to \$199,999	10	5	6	1	1	23
\$200,000 & Over	7	5	5	1	1	18
Total	383	188	280	79	92	1,022

Source: ESRI; Urban Decision Group

Demographic Summary

Overall population and total household growth trends have been positive between 2000 and 2017. It is projected that the population will increase by 72, or 0.9%, between 2017 and 2019, while the number of households will increase by 34, or 1.2% over 2017 levels. Approximately one-half of the households in the market are between the ages of 25 and 54, which is the primary group of households that would respond to the project. The number of renter households is projected to increase slightly between 2017 and 2019. It is also of note that nearly 70% of renter households are projected to earn less than \$35,000 annually in 2019. The overall demographic trends are projected to remain positive over the next couple of years, which will add to the demand for housing in the subject market and provide a positive environment for the continued success of the subject project.

Section F – Economic Trends

1. LABOR FORCE PROFILE

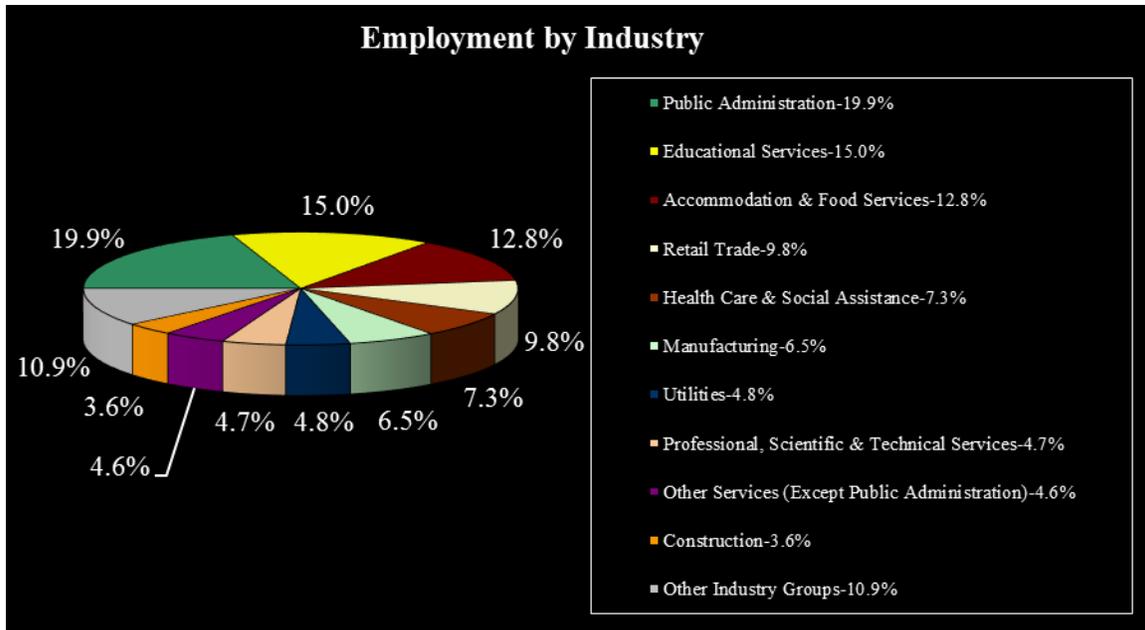
The labor force within the Forsyth Site PMA is based primarily in three sectors. Public Administration (which comprises 19.9%), Educational Services and Accommodation & Food Services comprise nearly 48% of the Site PMA labor force. Employment in the Forsyth Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	3	0.6%	17	0.3%	5.7
Mining	0	0.0%	0	0.0%	0.0
Utilities	4	0.8%	250	4.8%	62.5
Construction	33	6.5%	190	3.6%	5.8
Manufacturing	11	2.2%	344	6.5%	31.3
Wholesale Trade	24	4.7%	177	3.4%	7.4
Retail Trade	65	12.7%	513	9.8%	7.9
Transportation & Warehousing	13	2.5%	82	1.6%	6.3
Information	6	1.2%	32	0.6%	5.3
Finance & Insurance	36	7.0%	119	2.3%	3.3
Real Estate & Rental & Leasing	26	5.1%	83	1.6%	3.2
Professional, Scientific & Technical Services	29	5.7%	249	4.7%	8.6
Management of Companies & Enterprises	0	0.0%	0	0.0%	0.0
Administrative, Support, Waste Management & Remediation Services	10	2.0%	33	0.6%	3.3
Educational Services	17	3.3%	788	15.0%	46.4
Health Care & Social Assistance	28	5.5%	384	7.3%	13.7
Arts, Entertainment & Recreation	10	2.0%	32	0.6%	3.2
Accommodation & Food Services	43	8.4%	673	12.8%	15.7
Other Services (Except Public Administration)	76	14.9%	242	4.6%	3.2
Public Administration	68	13.3%	1,046	19.9%	15.4
Nonclassifiable	9	1.8%	0	0.0%	0.0
Total	511	100.0%	5,254	100.0%	10.3

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the Macon Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Macon MSA	Georgia
Management Occupations	\$97,080	\$114,210
Business and Financial Occupations	\$55,840	\$71,300
Computer and Mathematical Occupations	\$66,060	\$85,800
Architecture and Engineering Occupations	\$69,270	\$78,820
Community and Social Service Occupations	\$48,450	\$45,460
Art, Design, Entertainment and Sports Medicine Occupations	\$47,250	\$52,710
Healthcare Practitioners and Technical Occupations	\$68,280	\$74,310
Healthcare Support Occupations	\$26,140	\$28,330
Protective Service Occupations	\$35,390	\$36,610
Food Preparation and Serving Related Occupations	\$20,010	\$20,530
Building and Grounds Cleaning and Maintenance Occupations	\$21,460	\$25,010
Personal Care and Service Occupations	\$22,090	\$24,390
Sales and Related Occupations	\$31,610	\$38,060
Office and Administrative Support Occupations	\$32,540	\$35,470
Construction and Extraction Occupations	\$34,790	\$40,540
Installation, Maintenance and Repair Occupations	\$41,100	\$44,550
Production Occupations	\$35,150	\$33,500
Transportation and Moving Occupations	\$28,110	\$33,720

Source: U.S. Department of Labor, Bureau of Statistics

Most annual blue-collar salaries range from \$20,010 to \$48,450 within the Macon MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$71,306. It is important to note that most occupational types within the Macon MSA have slightly lower typical wages than the state of Georgia's typical wages. The proposed project will

target low-income households. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw renter support.

2. **MAJOR EMPLOYERS**

The 10 largest employers within Monroe County are summarized in the table below. Note that the year established and salary range was not readily available for these top employers. However, these employers are well-established in the market and likely offer salaries/wages typical of those reported for the Macon MSA and reflected in the *Typical Wage by Occupation Type* table earlier in this section.

Industry	Business Type
Arising Industries	Shipping Equipment
Bolingreen Health & Rehabilitation	Healthcare
Georgia Department of Corrections	Correctional Facilities
Georgia Power Company	Energy
Georgia Right of Way Company, Inc.	Hardware Manufacturing
Ingles Markets, Inc.	Grocery
Sportmans Warehouse	Outdoorsman Store
Sportsmans Distribution Company of Georgia	Outdoorsman Store
The Farmers Bank	Bank/Financial Services
Walmart	Retail

Source: Georgia Labor Market Explorer: Local Area Profiles (June 2017)

Despite extensive online research, we were unable to find any business expansions in Monroe County within the past year.

WARN (layoff notices):

According to the Georgia Economic Development Authority, there have been no WARN notices reported for Monroe County since August 2016.

3. **EMPLOYMENT TRENDS**

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

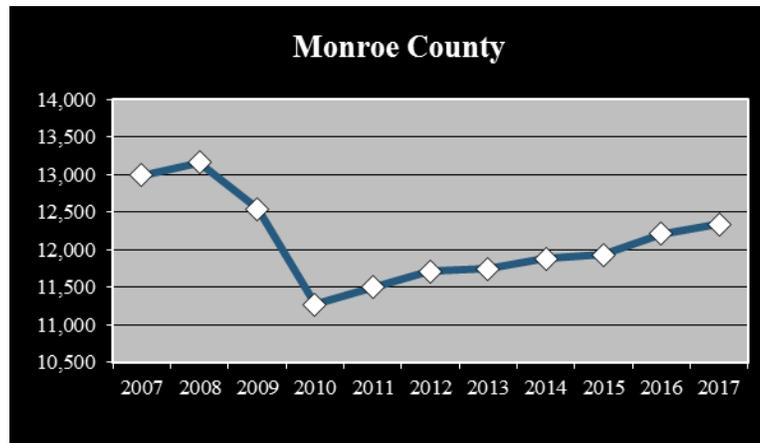
Excluding 2017, the employment base has increased by 4.3% over the past five years in Monroe County, less than the Georgia state increase of 7.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Monroe County, Georgia and the United States.

Year	Total Employment					
	Monroe County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	12,994	-	4,597,640	-	146,388,400	-
2008	13,164	1.3%	4,575,010	-0.5%	146,047,748	-0.2%
2009	12,547	-4.7%	4,311,854	-5.8%	140,696,560	-3.7%
2010	11,273	-10.1%	4,202,052	-2.5%	140,469,139	-0.2%
2011	11,503	2.0%	4,263,305	1.5%	141,791,255	0.9%
2012	11,712	1.8%	4,348,083	2.0%	143,621,634	1.3%
2013	11,744	0.3%	4,367,147	0.4%	144,996,474	1.0%
2014	11,886	1.2%	4,418,471	1.2%	147,403,607	1.7%
2015	11,931	0.4%	4,502,021	1.9%	149,648,686	1.5%
2016	12,214	2.4%	4,656,255	3.4%	152,001,644	1.6%
2017*	12,337	1.0%	4,767,833	2.4%	152,065,874	0.0%

Source: Department of Labor; Bureau of Labor Statistics

*Through May



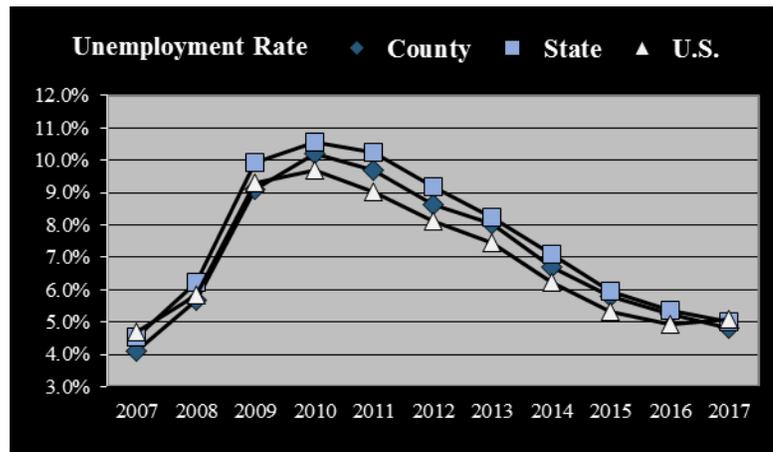
As the preceding illustrates, the Monroe County employment base has generally increased, despite the significant decrease between 2008 and 2011, which was likely attributed to the national recession. It is important to note that the employment base has increased by 1,064 employees since 2010, and has steadily increased over the past seven years.

Unemployment rates for Monroe County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Monroe County	Georgia	United States
2007	4.1%	4.5%	4.7%
2008	5.7%	6.2%	5.8%
2009	9.1%	9.9%	9.3%
2010	10.2%	10.6%	9.7%
2011	9.7%	10.2%	9.0%
2012	8.6%	9.2%	8.1%
2013	8.0%	8.2%	7.4%
2014	6.7%	7.1%	6.2%
2015	5.8%	6.0%	5.3%
2016	5.2%	5.4%	4.9%
2017*	4.8%	5.0%	5.1%

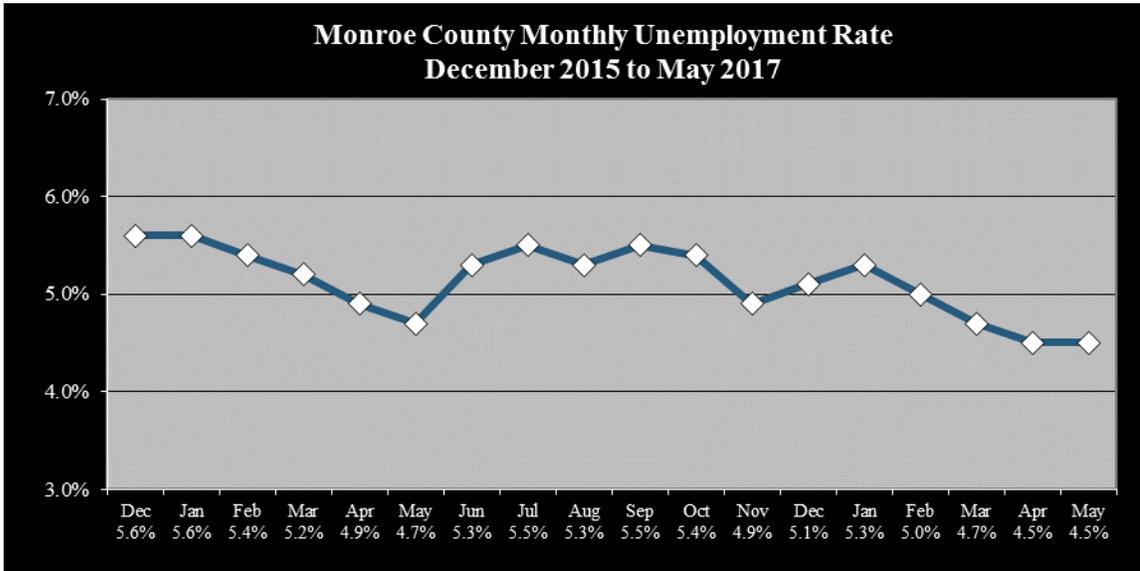
Source: Department of Labor, Bureau of Labor Statistics

*Through May



The unemployment rate in Monroe County has ranged between 4.1% and 10.2%, consistent with both the state and national averages since 2007. After reaching a peak of 10.2% in 2010, the county's unemployment rate has declined seven straight years. The county's 4.8% unemployment rate in May of 2017 represents a low near pre-recession levels of 4.1% in 2007.

The following table illustrates the monthly unemployment rate in Monroe County for the most recent 18-month period for which data is currently available.



While the Monroe County’s monthly unemployment rate has fluctuated some over the past 18 months, it has generally remained between 4.0% and 6.0%, and has trended downward over the past four months. The county’s current unemployment rate of 4.5% as of May, is the lowest it has been over the previous 18-month period.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Monroe County.

In-Place Employment Monroe County			
Year	Employment	Change	Percent Change
2006	5,665	-	-
2007	6,234	569	10.0%
2008	6,363	129	2.1%
2009	5,843	-520	-8.2%
2010	5,996	153	2.6%
2011	6,460	464	7.7%
2012	6,468	8	0.1%
2013	6,897	429	6.6%
2014	7,298	401	5.8%
2015	7,453	155	2.1%
2016	7,579	126	1.7%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2016, the most recent year that year-end figures are available, indicates in-place employment in Monroe County to be 62.0% of the total Monroe County employment. This means that Monroe County has more employed persons leaving the county for daytime employment than those who work in the county.

4. **ECONOMIC FORECAST**

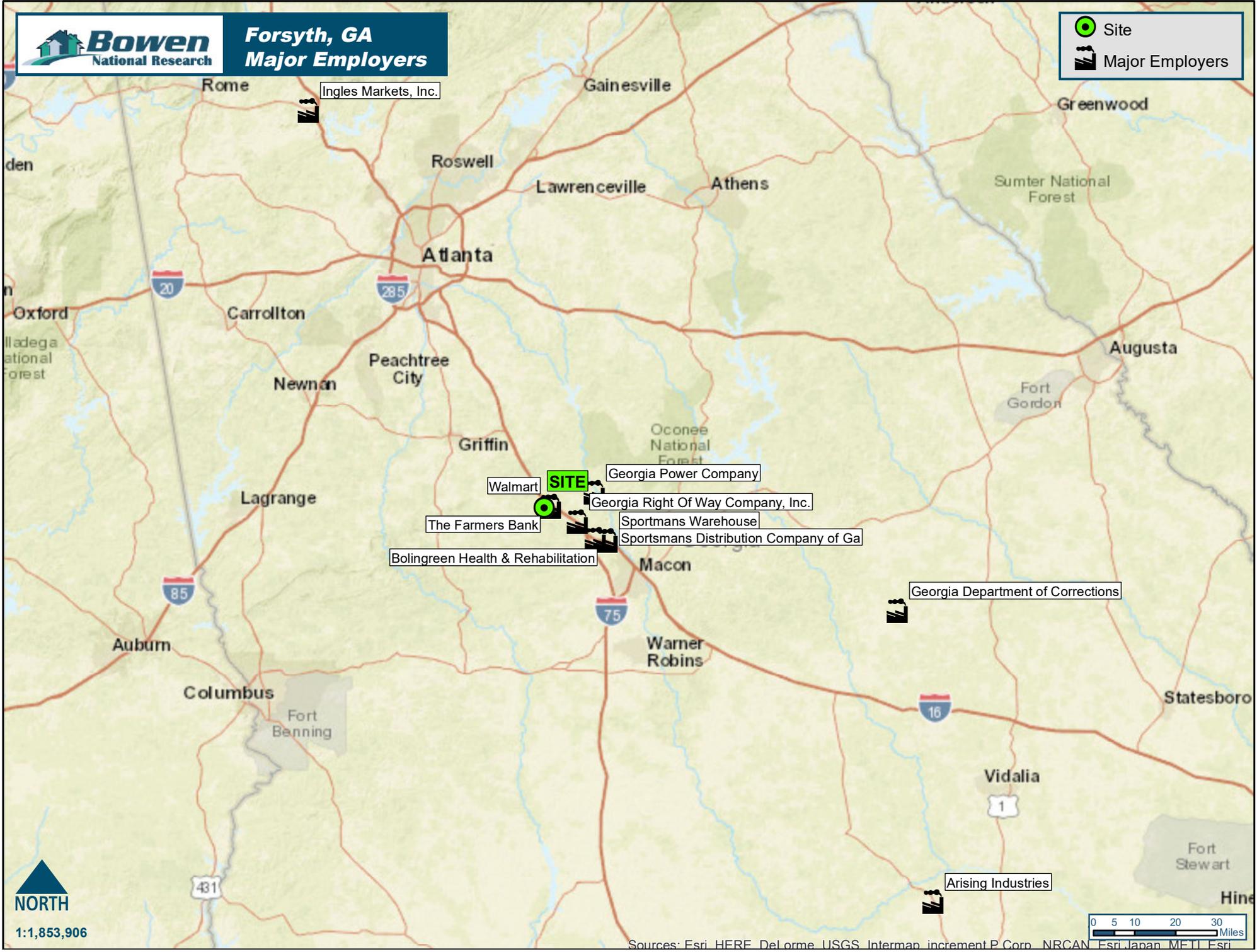
Over half of the Site PMA's labor force is employed within Retail Trade, Public Administration and Accommodation & Food Services job sectors. The proposed project will target low-income households. The area employment base has a significant number of wage-appropriate occupations from which the proposed subject project will be able to draw support. The county's employment base has grown by more than 1,064 employees since 2010 and the unemployment rate has declined seven straight years. The county's latest (May 2017) unemployment rate 4.8% represents nearly a 10-year low. The market's recent economic trends have been positive and are expected to trend in a positive direction for the foreseeable future. This will have a positive impact on housing demand.

A map illustrating notable employment centers is on the following page.

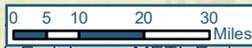


Forsyth, GA Major Employers

 Site
 Major Employers




 NORTH
 1:1,853,906



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

Section G – Project-Specific Demand Analysis

The subject project currently operates under the income and rent requirements of the RD Section 515 program. While the project will be renovated with 4% Tax-Exempt Bond financing, it is expected to follow the same household eligibility requirements that are currently in effect. Regardless, we have provided various demand scenarios that evaluate the depth of continued support for the project under the RD program and in the event the project had to operate exclusively under the 4% Tax-Exempt Bond program.

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential.

Under the Tax Credit program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within Monroe County, Georgia HUD Metro FMR Area, which has a four-person median household income of \$59,300 for 2017. The subject property will be restricted to households with incomes of up to 60% of AMHI. The following table summarizes the maximum allowable income by household size at 60% of AMHI.

Household Size	Maximum Allowable Income
	60%
One-Person	\$24,960
Two-Person	\$28,500
Three-Person	\$32,040

a. Maximum Income Limits

The largest units (two-bedroom) at the subject site are expected to continue to house up to three-person family households. As such, the maximum allowable income at the subject site is **\$32,040**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$579 (at 60% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,948. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$19,851.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the renovated subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate under the RD 515 program and under the Tax Credit program separately.

Unit Type	Income Range	
	Minimum	Maximum
Rural Development/Tax Credit	\$19,851	\$32,040

2. METHODOLOGY

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households.*
- b. Demand from Existing Households:** The second source of demand should be projected from:
 - **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent.*

Based on Table B25074 of the American Community Survey (ACS) 2011-2015 5-year estimates, approximately 64.2% (depending upon targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing.*

Based on Table B25016 of the American Community Survey (ACS) 2011-2015 5-year estimates, 5.0% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.

- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

Not applicable, as the subject project will not be age-restricted.

- c. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2015/2016) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2015 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. 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.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

There are no LIHTC properties that were funded and/or built during the projection period (2015 to current) within the Site PMA. Additionally, there are no existing LIHTC properties operating below a stabilized occupancy rate of 90.0% within the Site PMA. As such, there were no existing LIHTC properties included as part of supply in our demand analysis.

Two demand scenarios have been analyzed for the subject project. Scenario one accounts for any current tenants which will continue to income-qualify to reside at the property under the Tax Credit guidelines, per GDCA guidelines. Scenario two provides demand estimates for the entire subject project assuming the unlikely scenario the property had to operate exclusively under the Tax Credit guidelines.

The following is a summary of our demand calculations.

Demand Component	Percent Of Median Household Income	
	Scenario One (Less units to remain occupied post renovations)	Scenario Two (Overall Demand Estimates)
	RD 515/LIHTC (\$19,851 - \$32,040)	LIHTC Only (\$19,851 - \$32,040)
Demand From New Renter Households (Income-Appropriate)	188 - 206 = -18	188 - 206 = -18
+		
Demand From Existing Households (Rent Overburdened)	206 X 64.2% = 132	206 X 64.2% = 132
+		
Demand From Existing Households (Renters In Substandard Housing)	206 X 5.0% = 10	206 X 5.0% = 10
=		
Demand Subtotal	124	124
+		
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	0	0
=		
Total Demand	124	124
-		
Supply (Directly Comparable Units Built and/or Funded Since 2015)	0	0
=		
Net Demand	124	124
Proposed Units	0*	51
Proposed Units/ Net Demand	0* / 124	51 / 124
Capture Rate	= 0.0%	41.1%

N/A – Not Applicable

*Assumes all units are leasable and will remain occupied and the retention of current tenants which will continue to income-qualify under the LIHTC guidelines post renovations, per GDCA guidelines. These units have been excluded from these demand estimates.

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the subject's overall capture rate of 41.1% is considered high, however, it is still considered achievable based on the fact that the subject is currently 100.0% occupied and maintains a 10-household waiting list. This is especially true when considering the lack of available non-subsidized family-oriented LIHTC product in the market, as there are currently only two (2) vacant units of such product in the Forsyth market.

Based on the distribution of households by household size, our survey of conventional apartments and the distribution of bedroom types in balanced markets, the estimated shares of demand by bedroom type for the Site PMA are distributed as follows.

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	35%
Two-Bedroom	45%
Three-Bedroom+	20%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows. Note the following demand estimates by bedroom type have also been provided for each of the scenarios previously detailed in this section of the report.

Scenario One (Less units to remain occupied post renovations)

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (35%)	60%	0***	43	0	43	0.0%	-	\$744	\$550-\$850	\$459
One-Bedroom	Total	0***	43	0	43	0.0%	-	-	-	-
Two-Bedroom (45%)	60%	0***	56	0	56	0.0%	-	\$880	\$650-\$1,000	\$494
Two-Bedroom	Total	0***	56	0	56	0.0%	-	-	-	-

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Assumes all units are leasable and will remain occupied and the retention of current tenants which will continue to income-qualify under the LIHTC guidelines post renovations, per GDCA guidelines. These units have been excluded from these demand estimates.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in *Addendum F*.

Scenario Two (Entire Property)

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (35%)	60%	12	43	0	43	27.9%	3 Months	\$744	\$550-\$850	\$459
One-Bedroom	Total	12	43	0	43	27.9%	3 Months	-	-	-
Two-Bedroom (45%)	60%	39	56	0	56	69.6%	10 Months	\$880	\$650-\$1,000	\$494
Two-Bedroom	Total	39	56	0	56	69.6%	10 Months	-	-	-

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in *Addendum F*.

The capture rates by bedroom type and AMHI level range from 0.0% to 69.6% depending upon scenario and unit type. Based on a review of the subject's rent roll, it was determined that all of the current tenants will likely income-qualify to reside at the site upon completion of renovations. It is important to reiterate that the subject is currently 100.0% occupied and the availability of a PRA subsidy will prevent a rent increase to the subject's current tenants. As such, it is anticipated that most, if not all, tenants at the subject site will remain post renovations and the subject's effective capture rate is 0.0%.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Forsyth Site PMA in 2010 and 2017 (estimated) are summarized in the following table:

Housing Type	2010 (Census)		2017 (Estimated)	
	Housing Units	Percent	Housing Units	Percent
Total Occupied	2,685	88.9%	2,863	87.8%
Owner-Occupied	1,829	68.1%	1,849	64.6%
Renter-Occupied	856	31.9%	1,014	35.4%
Vacant	334	11.1%	398	12.2%
Total	3,019	100.0%	3,261	100.0%

Source: ESRI, Census 2010

Based on a 2017 update of the 2010 Census, of the 3,261 total housing units in the market, 12.2% were vacant. In 2017, it was estimated that homeowners occupied 64.6% of all occupied housing units, while the remaining 35.4% were occupied by renters. Note that the number of renter households increased within the Site PMA between 2010 and 2017. This is a good indication of increased demand for rental product within this market.

The following table illustrates the status of vacant units within the Site PMA for 2010.

Vacant Units	Number	Percent
For Rent	97	29.0%
For-Sale Only	38	11.4%
Renter/Sold, Not Occ.	9	2.7%
Seasonal or Recreational	34	10.2%
Other Vacant	156	46.7%
Total	334	100.0%

Source: 2010 Census

Based on the 2010 Census, of the 334 vacant units in the Site PMA, 46.7% are classified as “Other Vacant” and only 29.0% were classified as “For Rent”. This is a good indication that the vacant housing units included in the table earlier on this page are not reflective of the long-term rental housing market within the Site PMA. Regardless, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental market within the Site PMA.

The estimated distribution of occupied housing by units in a structure and tenure is detailed within the following table.

Units in Structure	Owner		Renter	
	Number	Percent	Number	Percent
1, Detached	1,380	78.9%	380	44.1%
1, Attached	15	0.9%	5	0.6%
2 to 4	0	0.0%	188	21.8%
5 to 9	0	0.0%	114	13.2%
10 to 19	1	0.1%	3	0.3%
20 to 49	0	0.0%	27	3.1%
50+	0	0.0%	7	0.8%
Mobile Homes	353	20.2%	137	15.9%
Boat, RV, Vans	0	0.0%	0	0.0%
Total	1,749	100.0%	861	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

Nearly 96.0% of all renter-occupied units within the Site PMA are comprised within structures containing less than 10 units. Thus, the majority of rental product in this market is non-conventional rental product. The subject project which contains 51 total units will therefore continue to provide a conventional rental alternative that has very limited supply within the Site PMA.

The following tables demonstrate the share of substandard housing found in the Site PMA, based on the presence or absence of kitchen and bathroom facilities:

	Kitchen Characteristics			
	Owner-Occupied		Renter-Occupied	
	Number	Percent	Number	Percent
Complete Kitchen	1,741	99.5%	846	98.4%
Lacking Complete Kitchen	8	0.5%	14	1.6%
Total	1,749	100.0%	860	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

	Bathroom Characteristics			
	Owner-Occupied		Renter-Occupied	
	Number	Percent	Number	Percent
Complete Plumbing	1,744	99.8%	859	99.8%
Lacking Complete Plumbing	4	0.2%	2	0.2%
Total	1,748	100.0%	861	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

Based on the 2011-2015 ACS estimates, the percentage of owner- and renter-occupied housing with incomplete kitchen facilities was 0.5% and 1.6%, respectively. It is also of note that 0.2% of both renter-occupied households and owner-occupied households had incomplete plumbing facilities.

The following table illustrates the percentage of households that are living in crowded quarters, as defined by the presence of 1.01 or more occupants per room.

	Owner-Occupied		Renter-Occupied	
	Number	Percent	Number	Percent
1.0 Or Less Occupants Per Room	1,711	97.8%	819	95.2%
1.01 Or More Occupants Per Room	38	2.2%	41	4.8%
Total	1,749	100.0%	860	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

The number of renter-occupied housing units with 1.01 or more occupants per room and considered overcrowded was 4.8% of the households, compared with 2.2% of owner-occupied households.

Owner and renter cost as a percent of income is illustrated in the following table:

Percentage of Income	Owner		Renter	
	Number	Percent	Number	Percent
Less Than 20%	902	51.6%	164	19.1%
20% to 29%	346	19.8%	111	12.9%
30% or More	443	25.3%	412	47.9%
Not Computed	58	3.3%	173	20.1%
Total	1,749	100.0%	860	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

As the preceding illustrates, 47.9% of renter households in the market pay more than 30% of their income towards rent. This is equal to the national average of 47.9%.

Conventional Rentals

We identified and personally surveyed seven conventional housing projects containing a total of 437 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.5%, an excellent rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	2	120	0	100.0%
Tax Credit	1	80	2	97.5%
Tax Credit/Government-Subsidized	1	68	0	100.0%
Government-Subsidized	3	169	0	100.0%
Total	7	437	2	99.5%

The majority of rental product surveyed in the Site PMA is affordable (i.e. Tax Credit and/or Government-Subsidized), as such product comprises more than 72.0% of the rental units surveyed. In addition, there are only two (2) vacancies in the market, a good indication of strong demand for rental housing among all affordability levels within the Site PMA.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	24	20.0%	0	0.0%	\$614
Two-Bedroom	1.0	24	20.0%	0	0.0%	\$682
Two-Bedroom	2.0	72	60.0%	0	0.0%	\$732
Total Market-rate		120	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	9	11.3%	0	0.0%	\$531
Two-Bedroom	2.0	48	60.0%	2	4.2%	\$579
Three-Bedroom	2.0	23	28.8%	0	0.0%	\$691
Total Tax Credit		80	100.0%	2	2.5%	-

The market-rate units are 100.0% occupied and the Tax Credit units are 97.5% occupied. The 97.5% occupancy rate reported among existing non-subsidized Tax Credit product, along with the 100.0% occupancy rate of market-rate product, is a good indication of strong demand for both conventional and affordable rental product in this market. Also, note that the median gross Tax Credit rents reported are lower than the median gross rents reported for similar unrestricted market-rate product surveyed. This demonstrates that non-subsidized Tax Credit product likely represents a value in the Forsyth Site PMA.

We rated each property surveyed on a scale of "A" through "F". All properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
B	1	96	0.0%
B-	1	24	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	80	2.5%

Vacancies are the highest among one non-subsidized Tax Credit property with a quality rating of “B+”. Regardless, there are only two vacancies in the market and the subject project is expected to have an improved overall quality/condition upon completion of renovations, which will contribute to the subject’s continued marketability.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of five federally subsidized and/or Tax Credit apartment developments in the Forsyth Site PMA. These projects were surveyed in July 2017. They are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Piedmont Hills Apts. (Site)	RD 515	1990	51	100.0%	\$516 - \$666 (12)	\$578 - \$735 (39)	-	-
2	Union Hill Apts.	TAX & SEC 8	1972 / 2005	68	100.0%	\$669 (12)	\$729 (32)	\$866 (24)	-
3	Brentwood Place Apts.	TAX	2013	80	97.5%	\$531 (9)	\$579 (48)	\$691 (23)	-
5	Village Oaks Apts.	RD 515	1982	40	100.0%	\$434 - \$627 (4)	\$515 - \$698 (16)	\$555 - \$746 (20)	-
7	Forsyth Gardens	SEC 8	1979	78	100.0%	\$652 (16)	\$672 (40)	\$739 (18)	\$808 (4)
Total				317	99.4%				

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

RD - Rural Development

*Market-rate units not included

The five federally subsidized and/or Tax Credit properties surveyed have a combined occupancy rate of 99.4%, including the existing subject site (Piedmont Hills Apartments; Map ID 1). Most of these properties also maintain waiting lists for their next available units, further demonstrating pent-up demand for affordable rental product within the Site PMA.

HOUSING CHOICE VOUCHER HOLDERS

According to the Georgia Department of Community Affairs, there are approximately 13 Housing Choice Voucher holders within Monroe County and 12 people on the waiting list for an additional Voucher. This reflects the continuing need for Housing Choice Voucher assistance.

The following table identifies the existing non-subsidized Tax Credit properties within the Site PMA that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
3	Brentwood Place Apts.	80	4	5.0%
	Total	80	4	5.0%

As the preceding table illustrates, there are a total of just four (4) Voucher holders residing at the only existing non-subsidized LIHTC property in the Site PMA. This comprises only 5.0% of the 80 total non-subsidized LIHTC units occupied at this property. This is a good indication that Voucher support is limited and that the gross rents reported among this property are achievable within the Forsyth Site PMA.

If the rents do not exceed the Payment Standards established by the local/regional housing authority, households with Housing Choice Vouchers may be willing to reside at a LIHTC project. Established by the Georgia Department of Community Affairs (DCA) Rental Assistance Division - Monroe County, the regional Payment Standards, as well as the proposed subject gross rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$679	\$579 (60%)
Two-Bedroom	\$783	\$637 (60%)

As the preceding table illustrates, the proposed gross rents are below the Payment Standards set by the Georgia Department of Community Affairs (DCA) Rental Assistance Division - Monroe County. As such, those who hold Housing Choice Vouchers will likely respond to the subject development. This will likely increase the base of income-appropriate renter households within the Forsyth Site PMA for the subject project and has been considered in our absorption estimates in *Section I* of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local planning representatives and online research, it was determined that there are no rental housing projects planned within the Site PMA.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Forsyth and Monroe County for the past ten years:

Housing Unit Building Permits for Forsyth, GA:

Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	4	0	0	0	0	0	0	0	0	0
Single-Family Permits	237	107	56	55	0	0	0	0	0	0
Total Units	241	107	56	55	0	0	0	0	0	0

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Monroe County:

Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	4	0	0	0	0	80	24	0	0	0
Single-Family Permits	499	214	112	110	47	47	64	77	82	106
Total Units	503	214	112	110	47	127	88	77	82	106

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

No multifamily building permits have been issued within the city of Forsyth since 2007, while none since 2013 have been issued within Monroe County. This demonstrates a limited supply of modern multifamily rental product exists within the Forsyth area. Although the subject project will not add any new units to the market during renovations, the proposed renovations will provide some much needed updated/modern rental units within this market.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The subject project will offer one- and two-bedroom units targeting family (general-occupancy) households earning up to 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program following renovations. We identified and surveyed only one property within the Site PMA that offers non-subsidized LIHTC units. This property, Brentwood Place Apartments (Map ID 3), targets families earning up to 50% and 60% of AMHI, similar to the subject project. As such, this property is considered competitive with the subject and has been included in our comparable Tax Credit analysis.

Given the lack of comparable/competitive non-subsidized LIHTC product within the Site PMA, we identified and surveyed two non-subsidized general-occupancy LIHTC properties outside the Site PMA, but within the nearby areas of Macon and Barnesville, Georgia. These properties offer unit types and target tenant populations/income levels which are similar to those at the subject project. Since these properties are located outside the Site PMA, they are not considered directly competitive with the subject project. Thus, these properties have been included for comparability purposes only.

The three comparable LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in *Addendum B, Comparable Property Profiles*.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Piedmont Hills	1990 / 2019	51	100.0%	-	10 H.H.	Families; 60% AMHI & RD 515
3	Brentwood Place Apts.	2013	80	97.5%	1.4 Miles	None	Families; 50% & 60% AMHI
906	Powell Place	2011	63	100.0%	13.4 Miles	6 Months	Families; 50% & 60% AMHI
907	West Club	1998	140	99.3%	21.7 Miles	1 H.H.	Families; 30%, 50%, & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

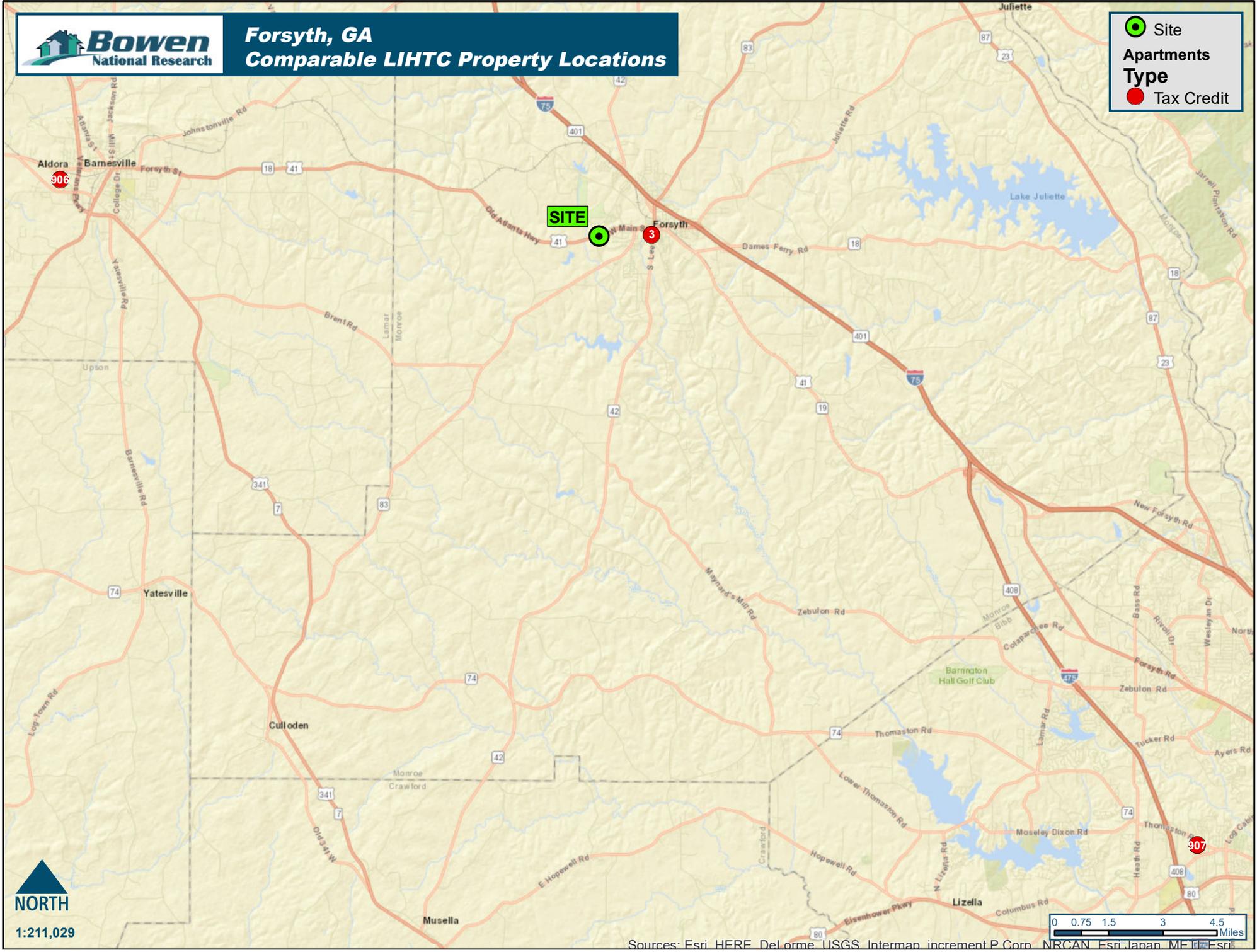
The three LIHTC projects have a combined occupancy rate of 98.9%, which is reflective of just three (3) vacant units. Two of the three comparable LIHTC properties maintain a waiting list for their next available units, the longest of which is six months in duration, demonstrating strong demand within the market and region for general-occupancy LIHTC product such as that offered at the subject site.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the subject site location.



Forsyth, GA Comparable LIHTC Property Locations

- Site
- Apartments
- Type
- Tax Credit



NORTH
1:211,029

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	Piedmont Hills	\$579/60% (12)	\$637/60% (39)	-	-	-
3	Brentwood Place Apts.	\$531/50% (4/0) \$531/60% (5/0)	\$579/50% (24/1) \$579/60% (24/1)	\$691/50% (11/0) \$691/60% (12/0)	-	None
906	Powell Place	\$496/50% (3/0) \$534/60% (4/0)	\$593/50% (3/0) \$642/60% (28/0)	\$690/50% (5/0) \$781/60% (20/0)	-	None
907	West Club	\$278/30% (7/0) \$609/60% (1/0)	\$606/50% (52/1) \$730/60% (24/0)	\$855/60% (48/0)	\$961/60% (8/0)	None

900 Series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents ranging from \$579 to \$637 will be within the range of the gross rents of similar unit types offered among the comparable properties surveyed. Considering the age and competitive position of the subject project in the way of unit design (square feet and number of bathrooms offered), and amenities offered, the subject's competitive proposed rent levels are considered appropriate.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC projects by bedroom type.

Weighted Average Collected Rent of Comparable LIHTC Units*	
One-Br.	Two-Br.
\$457	\$552

*Only unit types directly comparable to the subject units

The rent advantage for the proposed units is calculated as follows (average weighted market rent - proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$457	- \$459	-\$2	/ \$459	-0.4%
Two-Br.	\$552	- \$494	\$58	/ \$494	11.7%

As the preceding illustrates, the proposed subject's one- and two-bedroom rents represent rent advantages of -0.4% and 11.7%, respectively, as compared to the weighted average collected rent of the comparable LIHTC unit types surveyed. Please note however that this is in comparison to the *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum F* of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Piedmont Hills	648 - 732	784 - 866	-	-
3	Brentwood Place Apts.	890	1,230	1,565	-
906	Powell Place	850	965	1,100	-
907	West Club	778	1,021	1,212	1,348

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	Piedmont Hills	1.0	1.0	-	-
3	Brentwood Place Apts.	1.0	2.0	2.0	-
906	Powell Place	1.0	2.0	2.0	-
907	West Club	1.0	2.0	2.0	2.0

900 Series Map IDs are located outside the Site PMA

The subject project generally offers the smallest one- and two-bedroom units among the comparable properties in terms of square footage, as well as a lesser number of bathrooms within its two-bedroom units. The unit sizes (square feet) and number of bathrooms offered is considered typical of older subsidized rental product, however. In addition, the subject's 100.0% occupancy rate is a clear indication that the subject's unit designs are appropriate for and marketable to the targeted tenant population.

The following tables compare the amenities of the subject development with the comparable LIHTC projects surveyed in the region.

COMPARABLE PROPERTIES AMENITIES - FORSYTH, GEORGIA

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X				X	X		>		X	X					B		S	Exterior Storage
3	X	X	X	X	X	X	X		C		X	X	X				B		S	Exterior Storage
906	X	X	X	X	X	X	X		C		X	X	X				B		S	Exterior Storage
907	X	X	X	X	X		X		C	O	X		X				B		S	

MAP ID	PROJECT AMENITIES																	OTHER		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES		BUSINESS CENTER	
SITE		X	X				X									X				Covered Pavilion
3		X	X	X	X	X	X									X				Covered Porch
906		X	X		A		X						X			X				Community Garden
907	X	X	X			X	X		V			X				X				Wi-Fi

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units	
S - Some Units	
O - Optional	
Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

Parking	
A - Attached	C - Carport
D - Detached	O - On Street
S - Surface	G - Parking Garage
(o) - Optional	(s) - Some

Sports Courts	
B - Basketball	D - Baseball Diamonds
P - Putting Green	T - Tennis
V - Volleyball	X - Multiple

Floor Covering	
C - Carpet	H - Hardwood
V - Vinyl	W - Wood
T - Tile	

Community Space	
A - Activity Room	L - Lounge/Gathering Room
T - Training Room	

The unit amenity package offered at the subject project is relatively competitive with those offered among the comparable LIHTC projects surveyed. The lack of a dishwasher within the subject units will likely be offset by the inclusion of a microwave within each unit, as the comparable properties do not offer microwaves. The project amenity package is limited, relative to those offered among the comparable properties. Most notably, the subject project does not offer a swimming pool or club house/community space, features which some of the comparable properties offer. Nonetheless, the subject's 100.0% occupancy rate is clear indication that the amenity package offered is appropriate for and marketable to the targeted tenant population within the Site PMA.

Comparable/Competitive Tax Credit Summary

The Forsyth market offers a limited supply of general-occupancy LIHTC product, as only one such property was identified and surveyed. This property is currently reporting just two vacancies. Due to the limited supply of general-occupancy LIHTC product within the Site PMA, we identified and surveyed two additional general-occupancy LIHTC properties outside the market, but within the region. The combined occupancy rate of these three comparable LIHTC properties is 98.9% and two of the three properties maintain a waiting list for their next available units, the largest of which is six months in duration. The subject's proposed gross Tax Credit rents will be competitive with those reported among similar unit types at these comparable LIHTC projects. The competitive proposed gross rents along with its competitive amenity packages, will it allow it compete well within the Forsyth market. It is important to reiterate, however, that the subject project is an existing property which is currently 100.0% occupied. This demonstrates that the unit designs and amenities offered are appropriate for and marketable to the targeted tenant population within the Forsyth Site PMA.

Comparable/Competitive Housing Impact

The anticipated occupancy rates of the existing comparable Tax Credit development located within the Site PMA following stabilization of the subject property post renovations are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2019
3	Brentwood Place Apartments	97.5%	95.0%+

The only comparable general-occupancy LIHTC property within the Site PMA is Brentwood Place Apartments, which is currently 97.5% occupied, reflective of just two (2) vacancies. The subject project is currently 100.0% occupied and maintains a waiting list. The renovations of the subject project will not add any new units to the market. As such, we do not believe the renovation of the subject project will have any tangible impact on the occupancy rate of the comparable LIHTC property in the market, which is currently performing at a high occupancy level.

One page profiles of the Comparable/Competitive Tax Credit properties are included in Addendum B of this report.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$113,015. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$113,015 home is \$680, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$113,015
Mortgaged Value = 95% of Median Home Price	\$107,364
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$544
Estimated Taxes and Insurance*	\$136
Estimated Monthly Mortgage Payment	\$680

*Estimated at 25% of principal and interest

In comparison, the proposed monthly collected Tax Credit and market-rate rents at the subject project range from \$459 to \$494, depending upon bedroom type. As such, the cost of a typical monthly mortgage in the area is at least \$186 more than renting at the subject project. Considering the higher cost of homeownership and the fact that most current and potential tenants of the subject project are likely unable to afford the cost of a typical down payment, utility costs, and/or routine maintenance costs associated with such a home, we do not anticipate any competitive impact on or from the homebuyer market.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2019 renovation completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2019.

According to management, the subject project is currently 100.0% occupied and maintains a waiting list. Based on our review of the most current tenant rent roll and assuming that a Private Rental Assistance (PRA) subsidy will be provided to all current unassisted tenants, it is anticipated that few, if any, of the current tenants will move from the project following renovations. Furthermore, it is important to note that the renovations at the subject site will not necessitate the displacement of current residents and the project will be renovated in such a way to minimize off-site relocation. Therefore, few if any, of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 51 subject units will be vacated and that all units will have to be re-rented simultaneously.

It is our opinion that the 51 units at the subject site will reach a stabilized occupancy of 93.0% within seven months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately seven units per month. Our absorption projections assume that no other projects targeting a similar age or income group will be developed during the projection period and that the renovations will be completed as outlined in this report. Changes to the project's rents, amenities, scope of renovations, or other features may invalidate our findings. We assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period.

Section J – Interviews

The following are summaries of interviews conducted with various local sources regarding the need for affordable housing within the Forsyth Site PMA.

- According to Michael Norris, Economic Development Director with Forsyth Economic Development, there has been a shortage of rental housing in the Forsyth area for quite awhile. Specifically, Mr. Norris stated that affordable housing is always in need and most of the existing properties in the market are very dated and a more modern rental property would be well-received in the Forsyth area.
- Brenda McIntyre, Property Manager of Piedmont Hills Apartments (subject site), stated that there is definitely a need for more affordable housing within the Forsyth area. Ms. McIntyre added that the property that she manages rarely has a vacancy and currently maintains a 10-household waiting list.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 51 units offered at the existing Piedmont Hills Apartments in Forsyth, Georgia, following renovations utilizing financing from the 4% Tax Exempt Bond program. Changes in the project's scope of renovations, rents, amenities and/or renovation completion date may alter these findings.

The Forsyth Site PMA offers a limited supply of non-subsidized LIHTC product, as there was only one such property identified and surveyed within the Site PMA, Brentwood Place Apartments. Given the lack of non-subsidized general-occupancy LIHTC product in the Site PMA, we also surveyed two such properties outside the market in the nearby towns of Macon and Barnesville, Georgia. The combined occupancy rate of these comparable Tax Credit properties is 98.9%, reflective of just two vacancies. In addition, two of the three comparable properties maintain a waiting list for their next available units, the longest of which is six months in duration. The subject's proposed gross Tax Credit rents will be competitive with these comparable properties, as compared to similar unit types. The 100.0% occupancy rate reported at the subject project further demonstrates that the unit designs and amenities offered are marketable to the targeted tenant population. Given the general lack of available general-occupancy LIHTC product and the fact that the proposed renovations at the subject project will not introduce any new units to the market, we do not expect the proposed renovations to the subject project to have any adverse impact on future occupancy rates among existing LIHTC product in this market.

In addition to being competitively positioned, a sufficient base of demographic support will continue to exist for the subject project within the Forsyth market. The subject's overall capture rate of 41.1% is considered achievable in the rural market of Forsyth, especially considering that the subject is currently 100.0% occupied with a 10-household waiting list. In addition, a PRA subsidy is offered to each current tenant, preventing a rent increase upon completion of renovations. The availability of this subsidy and the subject's current 100.0% occupancy level indicates that the subject's effective capture rate is 0.0%, as most, if not all, tenants are expected to remain post renovations.

We do not have any recommendation for the proposed subject project.

Section L - Signed Statement

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GA-DCA market study manual and GA-DCA Qualified Action Plan.



Patrick M. Bowen
President/Market Analyst
Bowen National Research
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Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: August 14, 2017



Jeff Peters
Market Analyst
jeffp@bowennational.com
Date: August 14, 2017

Section M – Market Study Representation

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

Section N - Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Luke Mortensen, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Mortensen received his Bachelor's Degree in Sports Leadership and Management from Miami University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

FORSYTH, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

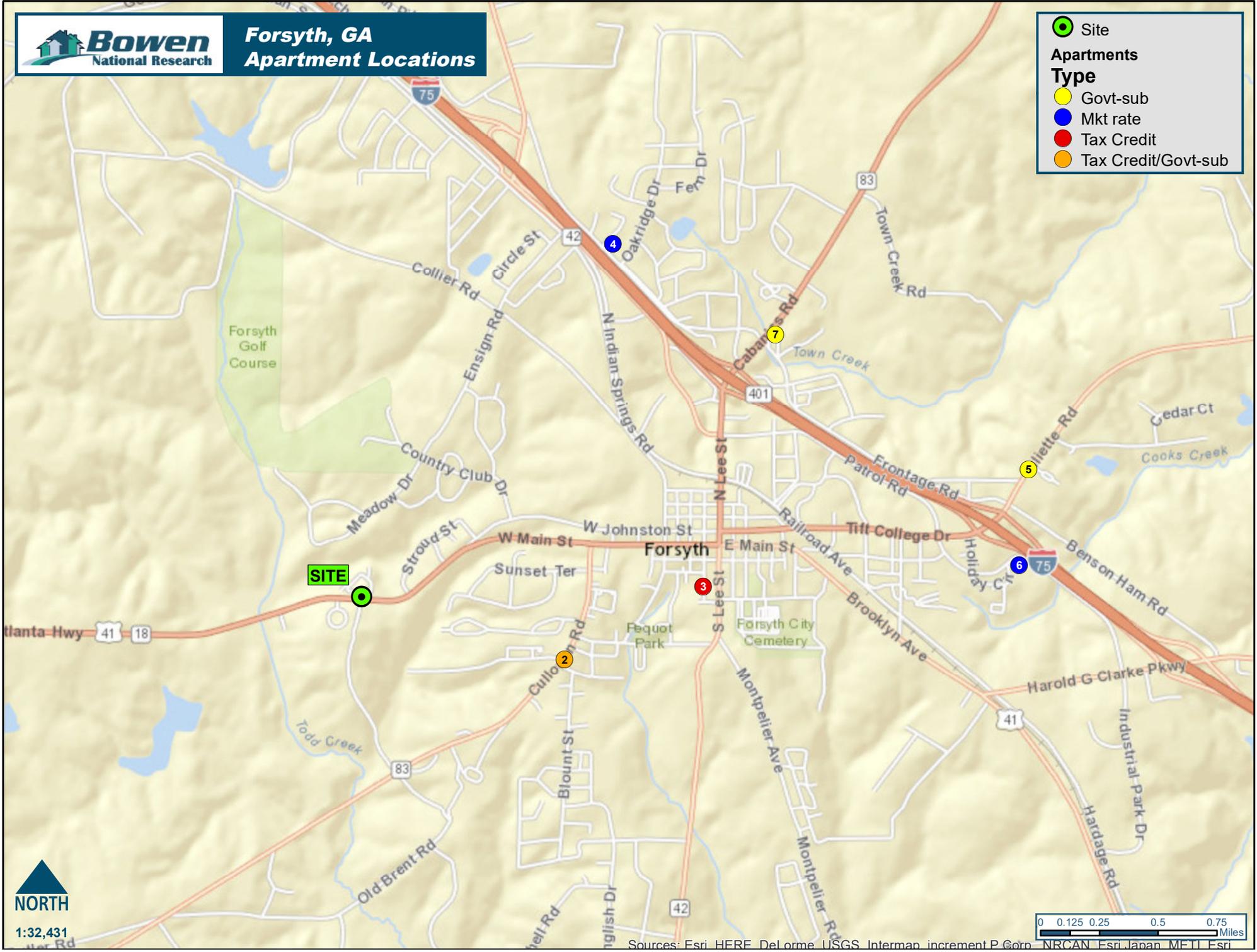


Forsyth, GA Apartment Locations

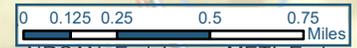
● Site

Apartments Type

- Govt-sub
- Mkt rate
- Tax Credit
- Tax Credit/Govt-sub



1:32,431



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri

MAP IDENTIFICATION LIST - FORSYTH, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Piedmont Hills Apts. (Site)	GSS	B-	1990	51	0	100.0%	-
2	Union Hill Apts.	TGS	B	1972	68	0	100.0%	1.3
3	Brentwood Place Apts.	TAX	B+	2013	80	2	97.5%	1.4
4	Betsy Lynn Apts.	MRR	B-	1960	24	0	100.0%	2.8
5	Village Oaks Apts.	GSS	B-	1982	40	0	100.0%	2.6
6	Holiday Cove	MRR	B	1987	96	0	100.0%	2.5
7	Forsyth Gardens	GSS	C+	1979	78	0	100.0%	2.2

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	2	120	0	100.0%	0
TAX	1	80	2	97.5%	0
TGS	1	68	0	100.0%	0
GSS	3	169	0	100.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

Survey Date: July 2017

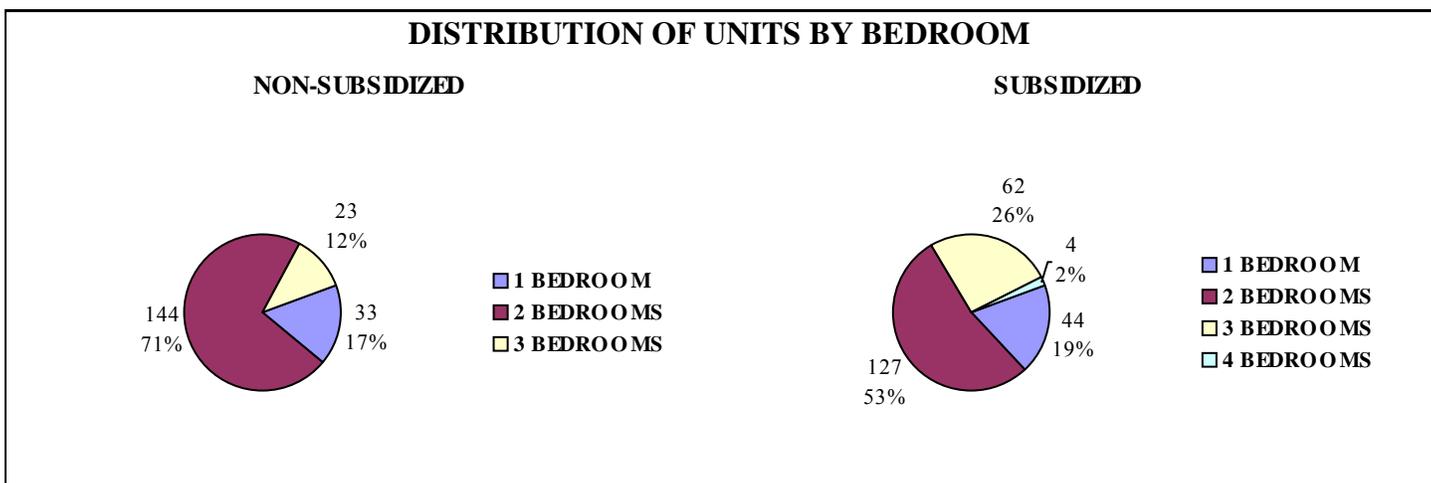
DISTRIBUTION OF UNITS - FORSYTH, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	24	20.0%	0	0.0%	\$614
2	1	24	20.0%	0	0.0%	\$682
2	2	72	60.0%	0	0.0%	\$732
TOTAL		120	100.0%	0	0.0%	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	9	11.3%	0	0.0%	\$531
2	2	48	60.0%	2	4.2%	\$579
3	2	23	28.8%	0	0.0%	\$691
TOTAL		80	100.0%	2	2.5%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	12	17.6%	0	0.0%	N.A.
2	1	32	47.1%	0	0.0%	N.A.
3	1	24	35.3%	0	0.0%	N.A.
TOTAL		68	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	32	18.9%	0	0.0%	N.A.
2	1	79	46.7%	0	0.0%	N.A.
2	1.5	16	9.5%	0	0.0%	N.A.
3	1.5	38	22.5%	0	0.0%	N.A.
4	2	4	2.4%	0	0.0%	N.A.
TOTAL		169	100.0%	0	0.0%	
GRAND TOTAL		437	-	2	0.5%	



SURVEY OF PROPERTIES - FORSYTH, GEORGIA

1 Piedmont Hills Apts. (Site)			
	Address 1001 W. Main St. Forsyth, GA 31029	Phone (478) 994-9916 (Contact in person)	Total Units 51
	Year Built 1990 Comments RD 515, no RA; HCV (4 units)	Contact Brenda	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Waiting List 10 households
2 Union Hill Apts.			
	Address 200 Union Hill Dr. Forsyth, GA 31029	Phone (478) 994-2255 (Contact in person)	Total Units 68
	Year Built 1972 Renovated 2005 Comments 40% AMHI; HUD Section 8	Contact Dionne	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 6-12 months
3 Brentwood Place Apts.			
	Address 32 Brentwood Place Dr. Forsyth, GA 31029	Phone (478) 845-6775 (Contact in person)	Total Units 80
	Year Built 2013 Comments 50% & 60% AMHI; HCV (4 units)	Contact Florence	Vacancies 2 Occupied 97.5% Floors 1 Quality Rating B+ Waiting List None
4 Betsy Lynn Apts.			
	Address 369 N. Frontage Rd. Forsyth, GA 31029	Phone (478) 994-3439 (Contact in person)	Total Units 24
	Year Built 1960 Comments Does not accept HCV	Contact Glenda	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List None
5 Village Oaks Apts.			
	Address 737 Juliette Rd. Forsyth, GA 31029	Phone (770) 350-4587 (Contact in person)	Total Units 40
	Year Built 1982 Comments RD 515, no RA; HCV (2 units)	Contact Lorie	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B- Waiting List 20 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: July 2017

SURVEY OF PROPERTIES - FORSYTH, GEORGIA

6		Holiday Cove	
	Address 600 Holiday Cir. Forsyth, GA 31029 Year Built 1987 Comments Does not accept HCV; Rent range based on floor level & unit location	Phone (478) 994-4505 (Contact in person) Contact Sarah	Total Units 96 Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 2 households
	7		Forsyth Gardens
	Address 500 Cabaniss Rd. Forsyth, GA 31029 Year Built 1979 Comments HUD Section 8; 2, 3 & 4-br have washer/dryer hookups; 1, 3 & 4-br have patio/balcony	Phone (478) 994-0038 (Contact in person) Contact Jennifer	Total Units 78 Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C+ Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: July 2017

COLLECTED RENTS - FORSYTH, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
3		\$467	\$497	\$590					
4							\$550		
6		\$550	\$650						

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: July 2017

PRICE PER SQUARE FOOT - FORSYTH, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	Holiday Cove	1	763	\$614	\$0.80
3	Brentwood Place Apts.	1	890	\$531	\$0.60
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Betsy Lynn Apts.	1	1050	\$682	\$0.65
6	Holiday Cove	2	950	\$732	\$0.77
3	Brentwood Place Apts.	2	1230	\$579	\$0.47
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Brentwood Place Apts.	2	1565	\$691	\$0.44

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: July 2017

AVERAGE GROSS RENT PER SQUARE FOOT - FORSYTH, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.80	\$0.77	\$0.00
TOWNHOUSE	\$0.00	\$0.65	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.60	\$0.47	\$0.44
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.75	\$0.65	\$0.44
TOWNHOUSE	\$0.00	\$0.65	\$0.00

TAX CREDIT UNITS - FORSYTH, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Brentwood Place Apts.	5	890	1	60%	\$467
3	Brentwood Place Apts.	4	890	1	50%	\$467
2	Union Hill Apts.	12	658	1	40%	\$638
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Brentwood Place Apts.	24	1230	2	60%	\$497
3	Brentwood Place Apts.	24	1230	2	50%	\$497
2	Union Hill Apts.	32	887	1	40%	\$689
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Brentwood Place Apts.	12	1565	2	60%	\$590
3	Brentwood Place Apts.	11	1565	2	50%	\$590
2	Union Hill Apts.	24	1009	1	40%	\$817

QUALITY RATING - FORSYTH, GEORGIA

MARKET-RATE PROJECTS AND UNITS

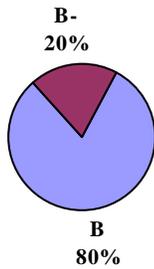
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	1	96	0.0%		\$614	\$732		
B-	1	24	0.0%			\$682		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

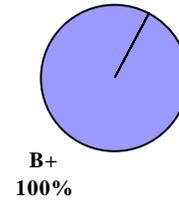
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	1	80	2.5%		\$531	\$579	\$691	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - FORSYTH, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	24	0	0.0%	24	12.0%
1970 to 1979	0	0	0	0.0%	24	0.0%
1980 to 1989	1	96	0	0.0%	120	48.0%
1990 to 1999	0	0	0	0.0%	120	0.0%
2000 to 2005	0	0	0	0.0%	120	0.0%
2006 to 2010	0	0	0	0.0%	120	0.0%
2011	0	0	0	0.0%	120	0.0%
2012	0	0	0	0.0%	120	0.0%
2013	1	80	2	2.5%	200	40.0%
2014	0	0	0	0.0%	200	0.0%
2015	0	0	0	0.0%	200	0.0%
2016	0	0	0	0.0%	200	0.0%
2017**	0	0	0	0.0%	200	0.0%
TOTAL	3	200	2	1.0%	200	100.0 %

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of July 2017

Survey Date: July 2017

APPLIANCES AND UNIT AMENITIES - FORSYTH, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	3	100.0%	200
REFRIGERATOR	3	100.0%	200
ICEMAKER	2	66.7%	176
DISHWASHER	3	100.0%	200
DISPOSAL	2	66.7%	176
MICROWAVE	2	66.7%	176
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	3	100.0%	200
AC - WINDOW	0	0.0%	
FLOOR COVERING	3	100.0%	200
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	3	100.0%	200
PATIO/DECK/BALCONY	3	100.0%	200
CEILING FAN	3	100.0%	200
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	3	100.0%	200
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - FORSYTH, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	1	33.3%	96
ON-SITE MANAGEMENT	3	100.0%	200
LAUNDRY	1	33.3%	80
CLUB HOUSE	1	33.3%	80
MEETING ROOM	1	33.3%	80
FITNESS CENTER	2	66.7%	176
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	66.7%	176
COMPUTER LAB	0	0.0%	
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	1	33.3%	96
PICNIC AREA	2	66.7%	176
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - FORSYTH, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
GAS	1	68	15.6%
TENANT			
ELECTRIC	5	291	66.6%
GAS	1	78	17.8%
			100.0%
COOKING FUEL			
LANDLORD			
GAS	1	68	15.6%
TENANT			
ELECTRIC	5	291	66.6%
GAS	1	78	17.8%
			100.0%
HOT WATER			
LANDLORD			
GAS	1	68	15.6%
TENANT			
ELECTRIC	5	291	66.6%
GAS	1	78	17.8%
			100.0%
ELECTRIC			
TENANT	7	437	100.0%
			100.0%
WATER			
LANDLORD	5	362	82.8%
TENANT	2	75	17.2%
			100.0%
SEWER			
LANDLORD	5	362	82.8%
TENANT	2	75	17.2%
TRASH PICK-UP			
LANDLORD	7	437	100.0%
			100.0%

UTILITY ALLOWANCE - FORSYTH, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$6	\$8		\$2	\$3	\$9	\$2	\$5	\$23	\$17	\$19	\$15	\$20
1	GARDEN	\$8	\$12		\$2	\$5	\$14	\$3	\$7	\$31	\$18	\$20	\$15	\$20
1	TOWNHOUSE	\$9	\$13		\$2	\$5	\$14	\$3	\$7	\$33	\$18	\$20	\$15	\$20
2	GARDEN	\$10	\$15		\$3	\$6	\$18	\$4	\$9	\$40	\$22	\$25	\$15	\$20
2	TOWNHOUSE	\$11	\$16		\$3	\$6	\$18	\$4	\$9	\$42	\$22	\$25	\$15	\$20
3	GARDEN	\$12	\$18		\$4	\$8	\$23	\$5	\$11	\$49	\$27	\$30	\$15	\$20
3	TOWNHOUSE	\$13	\$20		\$4	\$8	\$23	\$5	\$11	\$51	\$27	\$30	\$15	\$20
4	GARDEN	\$15	\$24		\$5	\$9	\$28	\$6	\$15	\$61	\$32	\$35	\$15	\$20
4	TOWNHOUSE	\$17	\$26		\$5	\$9	\$28	\$6	\$15	\$66	\$32	\$35	\$15	\$20

GA-Southern Region (1/2017)

Survey Date: July 2017

ADDENDUM B

COMPARABLE PROPERTY PROFILES

6 Holiday Cove

2.5 miles to site



Address	600 Holiday Cir. Forsyth, GA 31029		
Phone	(478) 994-4505	Contact	Sarah
Total Units	96	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1987	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	2 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Rent range based on floor level & unit location		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Fitness Center, Playground, Car Wash Area, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	24	0	763	\$0.72	\$550
2	2	G	72	0	950	\$0.68	\$650

902 Bristol Park

16.5 miles to site



Address	105 Bass Plantation Dr. Macon, GA 31210		
Phone	(478) 477-1477	Contact	Melissa
Total Units	160	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2002	Floors	2
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Higher rent on units with sunroom		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Sunroom
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Storage, Security Gate, Computer Lab, Car Wash Area, Picnic Area, Theater

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	32	0	800	\$0.94 - \$0.98	\$755 to \$780
2	1 to 2	G	112	0	1152 to 1212	\$0.73 - \$0.76	\$845 to \$915
3	2	G	16	0	1332	\$0.80	\$1070

903 Estates at Barrington Club

19.7 miles to site



Address	301 Barrington Hall Dr. Macon, GA 31210		
Phone	(478) 477-0055	Contact	Sandy
Total Units	176	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1996	Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B+
Remarks	Does not accept HCV; Select units have fireplace		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Storage, Picnic Area, Dog Park

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	40	0	815 to 1091	\$0.68 - \$0.91	\$739
2	1	G	36	0	1051	\$0.70	\$734
2	2	G	76	0	1125 to 1150	\$0.65 - \$0.66	\$747
3	2	G	24	0	1362	\$0.72	\$974

904 Falls at Spring Creek

17.6 miles to site



Address	1900 Wesleyan Dr. Macon, GA 31210		
Phone	(478) 474-7537	Contact	Rebecca
Total Units	296	Vacancies	3
		Percent Occupied	99.0%
Project Type	Market-Rate		
Year Open	1994	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	Select: 3 households		
Quality Rating	B+	Neighborhood Rating	B+
Remarks	Offers Tennis; Does not accept HCV; Waitlist for 2-br at 1,240 sf		



Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Storage, Security Gate, Business Center

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	62	0	800 to 900	\$0.84 - \$0.95	\$760
2	1	G	78	1	1020	\$0.98	\$1000
2	2	G	64	0	1240	\$0.85	\$1055
2	2	G	70	2	1130	\$0.80	\$905
3	2	G	22	0	1315	\$0.84	\$1100

905 Manchester at Wesleyan Apts.

17.4 miles to site



Address	1665 Wesleyan Dr. Macon, GA 31210		
Phone	(478) 476-8474	Contact	Jessica
Total Units	328	Vacancies	4
		Percent Occupied	98.8%
Project Type	Market-Rate		
Year Open	1999	Floors	2
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B+
Remarks	Offers Tennis; Accepts HCV; Select 2 & 3-br have den & fireplace; Select units have washer/dryer; Unit mix estimated		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Security System, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Security Gate, Car Wash Area, Picnic Area, Business Center, Coffee Bar

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	81	0	825 to 1126	\$0.75 - \$0.86	\$713 to \$850
2	2	G	175	2	1163 to 1432	\$0.65 - \$0.72	\$833 to \$927
3	2	G	72	2	1422 to 1616	\$0.65 - \$0.67	\$957 to \$1044

3

Brentwood Place Apts.

1.4 miles to site



Address 32 Brentwood Place Dr.
Forsyth, GA 31029

Phone (478) 845-6775 **Contact** Florence

Total Units 80 **Vacancies** 2 **Percent Occupied** 97.5%

Project Type Tax Credit

Year Open 2013 **Floors** 1

Concessions No Rent Specials

Parking Surface Parking

Waiting List NONE

Quality Rating B+ **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (4 units)

**Features and Utilities**

Utilities Landlord pays Water, Sewer, Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage

Project Amenities On-site Management, Laundry Facility, Club House, Meeting Room, Fitness Center, Playground, Picnic Area, Covered Porch

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	890	\$0.52	\$467	60%
1	1	G	4	0	890	\$0.52	\$467	50%
2	2	G	24	1	1230	\$0.40	\$497	60%
2	2	G	24	1	1230	\$0.40	\$497	50%
3	2	G	12	0	1565	\$0.38	\$590	60%
3	2	G	11	0	1565	\$0.38	\$590	50%

906 Powell Place

13.4 miles to site



Address 200 Ward Dr.
Barnesville, GA 30204

Phone (770) 358-9080 **Contact** Jody

Total Units 63 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2011 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 6 months

Quality Rating B+ **Neighborhood Rating** B-

Remarks 50% & 60% AMHI; HOME Funds (6 units); HCV (3 units);
One 2-br manager unit not included in total



Features and Utilities

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities On-site Management, Laundry Facility, Meeting Room, Playground, Computer Lab, Picnic Area, Community Garden

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	850	\$0.49	\$417	60%
1	1	G	3	0	850	\$0.45	\$379	50%
2	2	G	28	0	965	\$0.52	\$498	60%
2	2	G	3	0	965	\$0.47	\$449	50%
3	2	G	20	0	1100	\$0.55	\$608	60%
3	2	G	5	0	1100	\$0.47	\$517	50%

907 West Club

21.7 miles to site



Address	159 Steven Dr. Macon, GA 31210		
Phone	(478) 476-3500	Contact	Ciara
Total Units	140	Vacancies	1
		Percent Occupied	99.3%
Project Type	Tax Credit		
Year Open	1998	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	1 household		
Quality Rating	B	Neighborhood Rating	B
Remarks	30%, 50% & 60% AMHI; HCV (approx. 112 units)		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Security Gate, Picnic Area, Wi-Fi

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	1	0	778	\$0.72	\$562	60%
1	1	G	7	0	778	\$0.30	\$231	30%
2	2	G	24	0	1021	\$0.66	\$670	60%
2	2	G	52	1	1021	\$0.53	\$546	50%
3	2	G	48	0	1212	\$0.64	\$781	60%
4	2	G	8	0	1348	\$0.65	\$870	60%

Addendum C – NCHMA Member Certification & Checklist

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.



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Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

Addendum C – Market Study Index

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
Employment and Economy		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
Demographic Characteristics		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	E
27.	Households by tenure	E
Competitive Environment		
28.	Comparable property profiles	Addendum B
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H & Addendum F
45.	Derivation of Achievable Market Rent and Market Advantage	Addendum F
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	A
48.	Market strengths and weaknesses impacting project	A
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	A
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

Other Requirements		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	Addendum A
56.	Certifications	L
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	Addendum D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of an existing apartment project in Georgia following renovations under the 4% Tax-Exempt Bond program. Currently, the project is a Rural Development Section 515 (RD Section 515) project. When applicable, we have incorporated the market study requirements as outlined in exhibits 4-10 and 4-11 of the Rural Development Handbook.

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
- A drive-time analysis for the site
- Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the subject property renovations are complete and after it achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the continued market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Greystone Servicing Corporation, Inc. or Bowen National Research is strictly prohibited.

4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives

Addendum E:
RENT ROLL

PROJECT WORKSHEET FOR CREDIT AND RENTAL ASSISTANCE

(SERVICING OFFICE USE ONLY)

PART I	1. Date Received in the Servicing Office:	
2. Borrower Name:	3. Case Number :	4. Project Number :
5. Location of Project:	6. Report for the month of :	
7. Kind of Loan :	8. Plan of Operation:	
RRH	Full Profit	Plan II
RCH	Plan I	Plan II RA
LH	Section 8*	Plan RA
Direct RRH	Plan II (w/Sec. 8)	

9. Loan No.:	10. Loan Paymt.:	11. Overage/ Surcharge:	12. Total Due:	RENTAL ASSISTANCE	
				18. RA Agreement Number(s):	19. No. of Units Receiving RA This Month:
		Late Fees :	13.	20. Obligation Balance Brought Forward:	
		Total Payment Due:	14.		
		Less #21:	15.	21. Rental Assistance Requested this month:	
		Net Payment Due:	16.		
		Net Payment Remitted:	17.	22. Remaining Obligation Balance :	

Use Only for Projects with New Construction	23.		Section 8 Units x	24.		=	25.	
Section 8 Units when HUD rent exceeds note rate rent .	26.		Section 8 Units x :	27.		=	28.	
				<i>HUD Rent</i>				
				<i>RHS Note Rate Rent</i>			29.	
ADDITIONAL PAYMENT TO RESERVE ACCOUNT								

In accordance with Rural Housing Service formula and procedures, all rental units are occupied by households who have executed Form 1944-8 , "Tenant Certification" and are farm workers if this is the Labor Housing Project or if this is the Rental Housing Project, have incomes within the limitations as set forth in Rural Development regulations or the Project has written permission from RHS to rent to ineligible occupants on a temporary basis.

I certify that the statements made above and in Part II are true to the best of my knowledge and belief and are made in good faith.

WARNING: Section 1001 of Title 18, United States code provides; "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same or contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.

30. _____
Date

31. _____
Signature - Borrower or Borrower's Representativ

*Includes previous Plan I S 8.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this collection is 0575-0033. The time required to complete this information collection is estimated to average 40 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Addendum F – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties that we consider comparable in terms of age, unit size (square feet) and/or amenities offered to the subject development. These selected properties are used to derive market rent for a project with characteristics similar to the subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to derive achievable market rents, or *Conventional Rents for Comparable Units (CRCU)*, that can be achieved in the open market for the subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, midrise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Piedmont Hills	1990 / 2019	51	100.0%	12 (100.0%)	39 (100.0%)	-
6	Holiday Cove	1987	96	100.0%	24 (100.0%)	72 (100.0%)	-
902	Bristol Park	2002	160	100.0%	32 (100.0%)	112 (100.0%)	16 (100.0%)
903	Estates at Barrington Club	1996	176	100.0%	40 (100.0%)	112 (100.0%)	24 (100.0%)
904	Falls at Spring Creek	1994	296	99.0%	62 (100.0%)	212 (98.6%)	22 (100.0%)
905	Manchester at Wesleyan Apts.	1999	328	98.8%	81 (100.0%)	175 (98.9%)	72 (97.2%)

Occ. – Occupancy

900 Series Map IDs are located outside the Site PMA

The five selected market-rate projects have a combined total of 1,056 units with an overall occupancy rate of 99.3%. This demonstrates that these comparable properties have been well received within the market and region and will serve as accurate benchmarks with which to compare to the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the subject development.

Rent Comparability Grid

Unit Type → **ONE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Piedmont Hills		Holiday Cove		Bristol Park		Estates at Barrington Club		Falls at Spring Creek		Manchester at Wesleyan Apts.	
1001 West Main Street		600 Holiday Cir.		105 Bass Plantation Dr.		301 Barrington Hall Dr.		1900 Wesleyan Dr.		1665 Wesleyan Dr.	
Forsyth, GA		Forsyth, GA		Macon, GA		Macon, GA		Macon, GA		Macon, GA	
Data		Data		Data		Data		Data		Data	
on		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$550		\$755		\$739		\$760		\$713	
2	Date Surveyed	Jul-17		Jul-17		Jul-17		Jul-17		Jul-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$550	0.72	\$755	0.94	\$739	0.91	\$760	0.95	\$713	0.86
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		WU/2		WU/3		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1990/2019		1987 \$18		2002 \$3		1996 \$9		1994 \$11	
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		No (\$38)		No (\$37)		No (\$38)		No (\$36)	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	690	(\$16)	763	(\$16)	800	(\$24)	815	(\$27)	800	(\$24)
14	Balcony/Patio	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/N	(\$10)	Y/Y	(\$10)	N/Y	(\$5)	Y/Y	(\$10)	N/Y	(\$5)
18	Washer/Dryer	HU/L	\$5	HU	\$5	HU/L		HU/L		HU/L	
19	Floor Coverings	V		W		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		Y	(\$3)
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans/Storage	N/Y		Y/N		Y/N	(\$5)	Y/Y	(\$5)	Y/N	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N	(\$5)	Y	(\$5)	N	(\$5)	Y	(\$5)
27	Community Space	N		N	(\$5)	Y	(\$5)	Y	(\$5)	N	(\$5)
28	Pool/Recreation Areas	N	(\$15)	P/F	(\$15)	P/F/S/MT	(\$21)	P/F/S	(\$18)	P/F/S	(\$18)
29	Computer/Business Center	N		N	(\$3)	Y	(\$3)	N	(\$3)	Y	(\$3)
30	Picnic Area	Y		Y		Y		Y	\$3	N	
31	Playground	Y		Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N	(\$38)	Y/Y	(\$38)	Y/Y	(\$38)	N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	2	4	1	8	1	7	2	7	1	10
41	Sum Adjustments B to D	\$23	(\$46)	\$3	(\$106)	\$9	(\$107)	\$14	(\$98)	\$6	(\$115)
42	Sum Utility Adjustments		(\$38)		(\$38)			\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$61)	\$107	(\$141)	\$147	(\$98)	\$116	(\$69)	\$127	(\$94)	\$136
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$489		\$614		\$641		\$691		\$619	
45	Adj Rent/Last rent		89%		81%		87%		91%		87%
46	Estimated Market Rent	\$605	\$0.88	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Piedmont Hills		Holiday Cove		Bristol Park		Estates at Barrington Club		Falls at Spring Creek		Manchester at Wesleyan Apts.	
1001 West Main Street		600 Holiday Cir.		105 Bass Plantation Dr.		301 Barrington Hall Dr.		1900 Wesleyan Dr.		1665 Wesleyan Dr.	
Forsyth, GA		Forsyth, GA		Macon, GA		Macon, GA		Macon, GA		Macon, GA	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$650		\$845		\$734		\$1,000		\$833	
2	Date Surveyed	Jul-17		Jul-17		Jul-17		Jul-17		Jul-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		100%		99%		99%	
5	Effective Rent & Rent/ sq. ft	\$650	0.68	\$845	0.73	\$734	0.70	\$1,000	0.98	\$833	0.72
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		WU/2		WU/3		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1990/2019		1987 \$18		2002 \$3		1996 \$9		1994 \$11	
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		No (\$42)		No (\$37)		No (\$50)	
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1		2 (\$30)		1		1		2 (\$30)	
13	Unit Interior Sq. Ft.	825		950 (\$24)		1152 (\$62)		1051 (\$43)		1020 (\$37)	
14	Balcony/Patio	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/N		Y/Y (\$10)		N/Y (\$5)		Y/Y (\$10)		N/Y (\$5)	
18	Washer/Dryer	HU/L		HU \$5		HU/L		HU/L		HU/L	
19	Floor Coverings	V		W		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		Y (\$3)	
22	Garbage Disposal	N		Y (\$5)		Y (\$5)		Y (\$5)		Y (\$5)	
23	Ceiling Fans/Storage	N/Y		Y/N		Y/N		Y/Y (\$5)		Y/N	
D Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N		N		Y (\$5)		N		Y (\$5)	
27	Community Space	N		N		Y (\$5)		Y (\$5)		N	
28	Pool/Recreation Areas	N		P/F (\$15)		P/F/S/MT (\$21)		P/F/S (\$18)		P/F/S (\$18)	
29	Computer/Business Center	N		N		Y (\$3)		N		Y (\$3)	
30	Picnic Area	Y		Y		Y		Y	\$3	Y	
31	Playground	Y		Y		Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		Y/Y (\$47)		Y/Y (\$47)		N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$15	N/N	\$15
F. Adjustments Recap	Pos	Neg		Pos	Neg			Pos	Neg	Pos	Neg
40	# Adjustments B to D	2	5	1	8	1	7	2	7	1	11
41	Sum Adjustments B to D	\$23	(\$84)	\$3	(\$148)	\$9	(\$123)	\$14	(\$123)	\$6	(\$185)
42	Sum Utility Adjustments		(\$47)		(\$47)			\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$108)	\$154	(\$192)	\$198	(\$114)	\$132	(\$94)	\$152	(\$164)	\$206
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$542		\$653		\$620		\$906		\$669	
45	Adj Rent/Last rent		83%		77%		84%		91%		80%
46	Estimated Market Rent	\$645	\$0.78	← Estimated Market Rent/ Sq. Ft							

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grid, it was determined that the current achievable market rent (aka *CRCU*) for units similar to the subject development are \$605 for a one-bedroom unit and \$645 for a two-bedroom unit.

Bedroom Type	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	\$459	\$605	24.1%
Two-Br.	\$494	\$645	23.4%

The proposed collected rents represent market rent advantages ranging from 23.4% to 24.1%. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. As such, the proposed rents should represent excellent values for the local market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.

7. Upon completion of renovations, the subject project will have an effective age of a project built in 2005. The selected properties were built between 1987 and 2002. We have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.

8. It is anticipated that the subject project will have an improved appearance, once renovations are complete. Regardless, we have made adjustments for those properties that we consider to be of superior or inferior quality compared to the subject development.

10. Due to the lack of comparable market-rate product within the Site PMA, four of the selected market-rate comparables are located outside the Site PMA, in Macon, Georgia. Based on American Community Survey (ACS) data, the Macon market is considered superior to the subject market based on ACS data. Therefore, a negative adjustment of 5% has been applied to each of the comparable properties located in Macon.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package which is slightly inferior to those offered among the selected properties. We have made, however, adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the selected properties do not offer.
- 24.-32. The subject project offers an inferior project amenities package as compared to those offered among the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

Addendum G:
Executed Engagement Letter



July 20, 2017

Ms. Tanya Eastwood
 Greystone Affordable Housing Initiatives LLC
 4025 Lake Boone Trail, Suite 209
 Raleigh, NC 27607-2986
 Sent via email: vanessa.finn@greyco.com

Dear Ms. Eastwood,

Thank you for the opportunity to provide a proposal to conduct multiple market feasibility studies for existing affordable housing projects located in various cities in Georgia. **Each market study will comply with market study guidelines set by the Georgia Department of Community Affairs (GDCA) and by the USDA.**

Below is a listing of the studies requested. Please check the box next to the sites for which you are in need of a market study.

Property Name	Address	City	County	Population	Fee
Plantation I, Plantation II, Plantation III	201 Casey Drive	Richmond Hill	Bryan	Family	
Wildwood Villas I	50 Wildwood Circle	Statesboro	Bulloch	Family	
Wildwood Villas II	54 Wildwood Circle	Statesboro	Bulloch	Senior	
Hilltop Terrace I	4059 Martin Luther King Jr Boulevard	Kingsland	Camden	Family	
Hilltop Terrace II	4059 Martin Luther King Jr Boulevard	Kingsland	Camden	Senior	
Cumberland Village	116 Martha Drive	St Mary's	Camden	Family	
Satilla Villas	1100 Mcdonald Avenue	Woodbine	Camden	Family	
Quail Hollow I	888 Carswell Street	Homerville	Clinch	Senior	
Quail Hollow II	962 Carswell Street	Homerville	Clinch	Family	
Hunters Run	701 Lupo Lane	Douglas	Coffee	Senior	
The Forest I & The Forest II	582 26th Avenue SE	Moultrie	Colquitt	Senior	
The Forest III	2701 5th Street SE	Moultrie	Colquitt	Family	
Chester	400 Wynne Avenue	Chester	Dodge	Family	
Spring Hollow	800 Ash Street Extension	Springfield	Effingham	Family	
Gray Gardens	200 Eatonton Highway	Gray	Jones	Family	
Sandalwood Terrace	23 Fourth Street Northwest	Ludowici	Long	Senior	
Piedmont Hills	1001 West Main Street	Forsyth	Monroe	Family	
Arrowhead	369 Broad Street	Hawkinsville	Pulaski	Family	
Quail Village	199 Memorial Drive	Reidsville	Tattnall	Senior	

Continued)

Property Name	Address	City	County	Population	Fee
Meadow Crossing	408 Spinks Drive	Omega	Tift	Family	
The Grove	303 Jerriel Street	Vidalia	Toombs	Senior	
Yester Oaks	51 Yester Oaks Drive	Lafayette	Walker	Family	
Hillcrest	1503 John Collins Road NE	Pelham	Mitchell	Family	
Total Price					

The purpose of each study is to provide a detailed market analysis focusing on such items as unit-mix, proposed affordable rental levels compared to market rate rents, achievable Tax Credit and market-rate rents, absorption rate to achieve stabilized occupancy, competitive amenity package, market penetration, unit configuration, and a competitive analysis.

Pricing

Because of the amount of studies being ordered concurrently, the fee for each study will not exceed [REDACTED] if the site stands alone and there is no overlap with another county, or [REDACTED] if the site is within the same county as another, or [REDACTED] if the site is located in the same town as another. The total cost of all studies combined will not exceed [REDACTED]. Our fees include all expenses and out of pocket costs. *The fees are payable within 30 days of completion of each market study. Accounts not paid within the terms outlined are subject to a late fee of 1.5% interest per month past due.*

In order to commence work on this assignment, we will require an advance payment of \$ [REDACTED] (20.0% of the total cost). Upon the receipt of this signed proposal, we will immediately commence work on this assignment.

Cancellation Policy: If research has begun, the following is a summary of the percentage of the total cost to be billed based upon the work completed at the time of cancellation:

- In-house research and phone calls: 25.0%
- Fieldwork/Site Work completed: 50.0%
- Partial Writing/Analysis: 75.0%
- Full Analysis Completed: 100.0%

Delivery

Per your request, we will deliver a draft of the first market study by August 4th, which will allow you to review and comment on the contents of the report. Subsequently, we will incorporate any modifications you requested in the first study into all remaining studies. All studies will be delivered no later than August 14th. These delivery data are contingent upon all associated parties providing the necessary information (i.e. site contact information, scope of renovations, proposed rents and utility allowances, rent rolls, etc.) for each subject project by no later than August 2nd.

Please sign and return this contract via email, and we will commence work on each report immediately.

Thank you for contacting us.



Patrick M. Bowen
Bowen National Research



Authorized Signer
Greystone Affordable Housing Initiatives LLC



Printed Name

Date: 7/20/17

Addendum H:

Scope of Renovations

**Scope of Work
Piedmont Hills**

Project: Piedmont Hills
 Developer: Southridge Apartments, Inc.

Property Summary:
 Street Address: 1001 W Main St #2
 City: Forsyth
 County: Walker
 Approx. Year Constructed: 1989
 Target Population: Family
 Total Rentable Units: 50 + 1 Mgrs
 Bldg. Type: 1 story Garden
 Manager: Karen Bowersox
 Office Phone: (478) 994-9916
 Buildings: 10
 Approx. # of parking spaces:

Unit Summary:

Type	Quantity	Sq. Ft.	Bedrooms	Bathrooms
1 BR - Type A (HC)	1.00	732.00	1.00	1.00
1-BR - Type B	11.00	648.00	1.00	1.00
2 BR - Type A (HC)	2.00	789.00	2.00	1.00
2 BR - Type B	36.00	784.00	2.00	1.00
2 BR - Type Manager	1.00	866.00	2.00	1.00
Totals	51		90	51

The following Preliminary Scope of Work ("SOW") as prepared this 17th day of May 2017 by Greystone Affordable Development LLC ("GAD") is being presented to Hallmark Management, Inc and its successors, affiliates, or assigned "Owner" for review and approval. The included SOW has been prepared based on preliminary information provided to GAD by the Owner regarding the above referenced property.

The work described herein shall be completed in accordance with all regulations and requirements set forth by USDA Rural Housing Service ("RHS") and the Georgia Department of Community Affairs ("DCA"). The documents utilized and referred to during the preparation of this SOW include the 2017 DCA Qualified Allocation Plan and Multifamily Finance Guidelines, and applicable RHS guidelines, to the extent that it pertains to "moderate preservation or rehabilitation". All work shall also comply with all regulatory agencies, lenders, and additional items as prescribed by the developer, as well as any applicable local and state codes, ordinances, and amendments in the jurisdiction of the "Property" or "Owner".

The following SOW described within this document illustrates items typically required by participating governing agencies and GAHI standard SOW items. As efforts continue, GAD will utilize the required Environmental Studies, Capital Needs Assessments, and SOW item comparison to current Capital Expenditure information specific to the above referenced property. The review and comparison of these documents are necessary to ensure that proper action is taken to remediate any existing environmental concerns and to analyze the Estimated Useful Life for the various items that have been recently purchases/installed by Property Management and then to determine the condition and Remaining Useful Life of such items to substantiate or negate the need for item replacements and/or incorporation into the SOW.

Scope of Work :

<u>Site Work:</u>
New site development sign (Brick Columns to remain)
Concrete parking and drive repair per plans (use sealant to repair minor concrete cracks)
Stripe parking lots
Install HC reserve parking signage
Landscaping allowance: (Trim exist. Shrubs and trees as directed, add mulch, redo beds, add additional plantings per drawings.)
Remove and replace existing dumpster enclosure per drawings (6' Vinyl panels)
Remove and replace existing dumpster pads and apron per drawings, add bollards (apron: min 10 ft from front of dumpster.)
Install new mail pedestal at existing location - accessible
Remove existing playground and install new playground (w/ ADA new sidewalk to accessible route)
Provide positive drainage away from all buildings (Per Allowance)
Install new steel handrails at sidewalk per plan
Repaint retaining wall
Install new chainlink fence at retaining wall

Install new backfill material at existing retaining wall
Install new 6 post pavilion, include BBQ Grill and picnic table
Replace office directional sign 2'x3'.
Steel Handrails at walks/ramps over 1:20 slope as identified on the plans
Install new heads (LED) at existing light poles
Repair wood maintenance fencing & shed: (50% replacement)
Power wash existing concrete parking/drive
All existing sanitary sewer, storm sewer, water service, fire service, electrical, cable, or gas mains are presumed to be free of obstructions and currently functioning properly. Any discovered issues shall be inspected and required measures will be performed to restore proper drainage and will be reflected on a change order. If more than 50% of the utility line is identified as failed, the entire system must be replaced.
Clean out 5 drains under sidewalks

Concrete:

Replace damaged sidewalks/curb walks throughout as identified on the plans
Construct wheelchair accessible curb ramps
New ADA compliant sidewalk to new amenities
Provide new ADA compliant Sidewalk to existing amenities
Replace concrete approach into office/laundry
Install new concrete pad at mailbox location per plans
Pour new 5ft observation pad at playground and ADA bench
Install new slab and foundation for Pavilion
Demo existing slab and repair as necessary for plumbing modifications at accessible units and at office bathroom
Pour Concrete slabs at accessible parking spaces to meet 2%
Repair concrete curbs as required as identified on the plans
Install acc ramp at unit 14 (Included Handrail)
0

Building Exteriors:

Replace metal entry doors: door, frame, peep, threshold & hardware (deadbolt+lever pass) (Energy Star Certified)
Exterior storage repair, new metal door, frame, threshold & Hardware (Only 1BR has Storage room)
Install apartment signage in existing location at front of units
Remove exterior hose bibs/ Install (1) regular flush mount with wheel handle hose bib per unit
Paint existing gang meter cans
Tuck point all brick surfaces
Pressure wash all brick surfaces
Replace apt and community bldg. windows with low E energy efficient windows, include screens (Energy Star Certified). Windows must be compliant with egress regulations.
Remove existing siding and replace with vinyl siding (Install building wrap over existing substrate)
No wall sheathing replacement included, any replacement will be handled via change order
Replace soffit and fascia with vinyl to match wall siding

Replace existing and/or provide new gutters and downspouts as needed at front, back, and sides of buildings
Replace roofing with 30 year Architectural shingles and 15# felt as indicated by Capex (Capex indicates the following roofs were recently replaced and will not be included for replacement:)
With roof replacement, replace all vent caps and boots
No roof sheathing replacement included, any replacement will be handled via change order
Replace rear patio door (includes frame and hardware)
Install or replace lighting at property signage
0

Building Interiors:

Retain and store any of the following that are in good condition: Appliances, HVAC units, Cabinetry, Steel doors, Water heaters, and etc. (OPTION)
General Demo: doors per plans, trim, cabinets, plumbing, hvac, appliances, etc.
Replace interior bifold doors with 6-panel masonite or flat panel to match existing doors that remain (include frame & hardware).
Replace all interior door hardware and install new door stops (Round wall mounted)
Install louvered door at mechanical closet where indicated.

Install new draft stops in the attic space if none existing

Install additional blown cellulose insulation to achieve an R-38 rating in the attics of all buildings.

Remove and replace all blinds with new 1" mini-blinds

Drywall repair for trade cuts and Tub repair with moisture resistant drywall

Drywall repair allowance per apartment. (Trade cuts and Tub drywall repair carried separate from allowance)

Painting interiors & ceiling, doors and trim (Low VOC) (one color/one sheen)

1 BR - Type A (HC)

1-BR - Type B

2 BR - Type A (HC)

2 BR - Type B

2 BR - Type Manager

Install Luxury vinyl floors throughout entire unit including stairs with tread cap (material per specification)

1 BR - Type A (HC)

1-BR - Type B

2 BR - Type A (HC)

2 BR - Type B

2 BR - Type Manager

Replace shoe mold where new vinyl or LVT floors are provided

Replace Kitchen Cabinets (base, wall, pantry, c.top,)

Replace Bath Vanities, (base, c.top,) and Wall hungs over toilet where they currently exist.

Cabinets and Vanities w/ Formica or P-Lam countertop

1 BR - Type A (HC)

1-BR - Type B

2 BR - Type A (HC)

2 BR - Type B

2 BR - Type Manager

Replace towel bars w/ 18" min., shower rod, wall mounted toilet paper, med cabinets w/ 16" x 20" mirrors, and vanity mirror.

Replace refrigerators with Energy Star certified model per Capex (Capex indicates (13) Refrigerators were recently replaced and have been removed from the scope.)

Replace 30" range and grease shield (rear wall and side walls as required) per capex. (front control at HC units) (Capex indicates (9) Ranges were recently replaced and have been removed from the scope.)

Install fire suppression systems over ranges. (Range Queens)

Install Microhoods to match existing venting over range.

General reframing to allow for water heater or general requirements in standard units.

Infill existing drywall light pocket above sink.

Dishwasher-Waiver requested

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HVAC:

Replace air handling units, and disconnect per Capex (Energy Star Certified) (Capex indicates (1) Air handlers were recently replaced and have been removed from the scope.)

Replace Condensing unit with a 15 SEER unit with a 8.5 HSPF rating and new suction lines (Energy Star Certified) (Capex indicates (1) Air handlers were recently replaced and have been removed from the scope.)"

Vent condensate lines to exteriors or to floor drain as allowed by AHJ

New Programmable thermostats

New registers/diffusers/return grilles

Flush all condensate drains to remove debris

Clean interiors of ductwork

Level existing concrete a/c pads (75%)

Replace concrete a/c pads (25%)

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Plumbing:

Replace toilets with water sense labeled (1.28 GPF) toilets w/ elongated bowl.

Replace 100% of tub/showers and surround (3 piece fiberglass)-Waiver requested for 1-piece
New tub control, water sense showerhead, diverter and drain at all tubs
Replace electric water heaters with 0.95 energy efficient rated water heater as well as associated piping, disconnect, pan on all floors (Energy Star) (Capex indicates (14) water heaters were recently replaced and have been removed from the scope.)

Install new Kitchen and Lavatory sinks. Lavatory sinks are to be water sense labeled
Repair or install new unit water shut off for each unit
Install hammer arresters at washer boxes
If pressure reducing valve exists install expansion tanks at water heaters
Replace poly butelyne piping from main to water meter.
Replace lift station pumps
Replace existing washer boxes

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Electrical

Electrical switches and outlets to receive new decorative cover plates (Arch faults if mandated by AHJ installed via Change Order)
Replace bath exhaust fans & ducts to exterior with 70cfm Energy Star efficient fan(wire w/ bath light, unit must be on timer)
New energy star light fixtures and bulbs at all locations to include exterior building lights, exit, and emergency lights. Provide energy star E-26 screw in type CFL

GFI outlets in kitchens/bath
Install hardwired smoke detectors w/ battery backup per Code (3ft Away from HVAC grills and Bath door)
New TV Cable at LR's and BR's run with CAT 5/6 cable. Cable junction to be consolidated to one accessible exterior location for provider access.
Replace all entry lights
Dishwasher outlet - waiver requested
Dishwasher circuit wiring - waiver requested
Replace Site Lighting Throughout Site
Re-label electrical panel

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Type A (Handicap) Unit Conversion

Provide HDCP Apt. (see also all general items above for typ. Apts.):

General demo/construction for clearances
Grab bars at toilet
Handheld shower with slide bar
Provide UFAS/ADA compliant cabinets (include in general count)
Pipe wrap at kitchen and bath sinks
Install remote switch for hood fan/light
Install hardwired smoke/strobe detector with battery back up in (2) apt.
Repair non functional call systems.
Plumbing/Elect./HVAC/Appliance handicap packages
New Accessible tub/shower units w/ bars & seats
Provide compliant flooring, transitions, and thresholds
Provide compliant interior & exterior Doors/Frames/hardware and hallway access per drawings.
Repair drywall per reframing requirements
Install new wire shelving at closets, include additional brackets.

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Laundry Room

Remove and replace existing washer boxes including valves, trim ring, and outlet.
Provide and install new permanent folding table
Remove and replace existing laundry sink
New electrical fixtures & devices per above electrical section
New registers/diffusers/return grilles
Install new VCT flooring
Replace exist. Wall heater
Replace windows including sill and blinds

Repalce exhaust fans
Replace existing community washers and dryers, 3 washers and 5 dryers
Install 2 new smoke detectors
Replace furnace/air handler and A/C at office
Replace 75 gal. water heater

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Office

New shoe mold
New electrical fixtures & devices per above electrical section
Paint throughout
Drywall patch
New interior & exterior doors & hardware as indicated in matrix
Renovate existing lavatory to be ADA compliant per plans

No Kitchen existing in office
Replace existing water heater: same as typical apartment scope
Repalce windows including new sills and blinds

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Lift Station repairs

No PB piping discovered but serious water issues (allowance), see plumbing section
Water leak in ground in front of building 8 and lift pump #2 has been disconnected

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