

Market Feasibility Analysis

Wildwood Villas I
50 Wildwood Circle
Statesboro, Bulloch County, Georgia 30458

Prepared For

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Effective Date

August 14, 2017

Job Reference Number

17-300 PB



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Section A – Executive Summary

This report evaluates the continued market feasibility of the Wildwood Villas I rental community in Statesboro, 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 that 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:

Wildwood Villas I, located in Statesboro, Bulloch County, Georgia, was originally built in 1985 and has operated under the Rural Development 515 (RD 515) program since that time. The project contains 53 general-occupancy, none of which receive Rental Assistance (RA) directly from Rural Development. One two-bedroom unit is a manager's unit, which is excluded from the remainder of this report. According to management, the project is currently 100% occupied and maintains a one-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). Notably, the project will continue to operate under the RD 515 program. 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 on the following page, 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	
20	One-Br.	1.0	Garden	671	60%	\$368/\$544	\$404	\$117	\$521	\$562
32	Two-Br.	1.0	Garden	940	60%	\$409/\$595	\$445	\$169	\$614	\$675
52**	Total									

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

AMHI – Area Median Household Income (Bulloch County, GA; 2017)

*Heated square feet

**Excludes one two-bedroom manager’s unit

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, laundry facility, covered pavilion/picnic area, and a playground. Overall, the amenity package offered at the property is slightly more 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% high occupancy rate.

2. Site Description/Evaluation:

The subject site is an existing multifamily property located at 50 Wildwood Circle in the northeastern portion of Statesboro. The site is located within an established area with surrounding land uses that include single-family homes in good condition, additional apartments, a church and wooded land. The surrounding land uses are expected to continue to have a positive effect on the marketability of the site.

Access to the site is via State Route 24, adjacent north of the site. This east/west, two-lane road has light traffic patterns that may increase during peak commute times. Designated areas for ingress and egress are used at the site entryway for access to Wildwood Circle which is traversed by site tenants. U.S. Highway 80, U.S. Highway 301 and Veterans Memorial Parkway (U.S. 301 Bypass) can be accessed within 2.0 miles for travel throughout Statesboro. Coastal Regional Coaches is also available for transit throughout the area.

The site is close to shopping centers, employment, recreation, entertainment and education opportunities. Social services such as a community and senior center and public safety services are all within approximately 2.0 miles. Multiple shopping centers and the Statesboro Mall are within 2.0 miles south, home to stores such as Walmart Supercenter, Big Kmart, T.J. Maxx and a variety of restaurants and retail services. Bulloch County Schools serve the subject site and offer bus transportation for the applicable attendance schools within 6.3 miles. Georgia Southern University, a major employer and collegiate institute, is also within close proximity to the site. East Georgia Regional Medical Center provides emergency care and a full array for medical services 3.3 miles south.

Overall, we consider the site’s location and proximity to community services to have a positive effect on its marketability. An in-depth site evaluation is included in *Section C* of this report.

3. Market Area Definition:

The Statesboro Site PMA includes Statesboro and outlying unincorporated areas. The boundaries of the Site PMA include State Route 17 to the north; State Route 24, Stilson-Leefield Road, Brooklet-Leefield Road, North Parker Avenue and Brooklet-Denmark Road to the east; Interstate 16 to the south; and Excelsior Church Road, Rosemary Church Road, Metter Road, Grady Street South, North Grady Street and Rocky Ford Road to the west. A map illustrating these boundaries is included on page *D-2* of this report and details the farthest boundary is 14.8 miles from the site.

4. Community Demographic Data:

Both the population and total households increased by more than 25% between 2000 and 2017. It is projected that the population will increase by 482, or 0.8%, between 2017 and 2019, while the number of households is projected to increase by 137, or 0.6% over 2017 levels. The 12,475 renter households in the market represent a large base of potential support for the subject project that is projected to increase by 92 over the next two years. This projected renter household growth will add to the demand for rental housing including the ongoing demand for the subject project. Additional demographic data is included in *Section E* of this report.

Also note that based on 2010 Census data, 30.6% are classified as “Seasonal or Recreational”, or “other vacant”, which encompasses foreclosed, dilapidated and abandoned housing. Based on our Field Survey of Conventional Rentals within the Statesboro 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:

Nearly one-half of the labor force is comprised of employees within the Health Care & Social Assistance, Retail Trade 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 subject project will be able to draw support. The Bulloch County employment base has increased in seven consecutive years, adding over 4,700 jobs during this time. The unemployment rate in Bulloch County has ranged between 4.3% and 10.5%, comparable to the state average since 2007. The county's unemployment rate has declined in six consecutive years. These economic trends have been very positive and are expected to remain positive for the foreseeable future. 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. 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 (\$17,863 - \$27,000)	LIHTC Only (\$17,863 - \$27,000)
Net Demand	1,135	1,135
Proposed Units/ Net Demand	38* / 1,135	52 / 1,135
Capture Rate	= 3.3%	4.6%

*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 rates of 3.3% (subsidized scenario) and 4.6% (Tax Credit only scenario) are both considered achievable and demonstrate a sufficient base of support for the subject project under either scenario. These are considered achievable capture rates within the Site PMA, especially when considering the lack of non-subsidized family-oriented LIHTC product in the 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%	15***	397	0	397	3.8%
One-Bedroom	Total	15***	397	0	397	3.8%
Two-Bedroom (45%)	60%	23***	511	0	511	4.5%
Two-Bedroom	Total	23***	511	0	511	4.5%

*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%	20	397	0	397	5.0%
One-Bedroom	Total	20	397	0	397	5.0%
Two-Bedroom (45%)	60%	32	511	0	511	6.3%
Two-Bedroom	Total	32	511	0	511	6.3%

*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.

The capture rates by bedroom type and AMHI level range from 3.8% to 6.3% depending upon scenario and unit type. These capture rates are all considered achievable within the Site PMA utilizing this methodology and demonstrate a sufficient base of support for the subject project under all scenarios.

Detailed demand calculations are provided in *Section G* of this report.

7. Competitive Rental Analysis

Tax Credit Units

We identified one Low-Income Housing Tax Credit (LIHTC) property within the Statesboro Site PMA that could compete with the proposed subject project. In order to expand the base of comparison for the subject project, we also surveyed and analyzed three additional LIHTC projects outside of the Site PMA but within the region. While these properties target family households and provide insight as to market norms, they will not compete directly with the subject project.

These four LIHTC properties and the proposed subject development are summarized as follows.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Wildwood Villas I	1985 / 2019	52	100.0%	-	1 H.H.	Families; 60% AMHI & RD 515
8	Madison Meadows Apts.	2002	96*	100.0%	0.9 Miles	None	Families; 50% & 60% AMHI
914	Ashton Place	1996	48	100.0%	49.6 Miles	50 H.H.	Families; 30%, 50%, & 60% AMHI
917	Royal Oaks	2016	72	100.0%	48.4 Miles	260 H.H.	Families; 50% & 60% AMHI
920	Pines at Willowbrook	2003	64*	100.0%	47.8 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

The four LIHTC projects have a combined occupancy rate of 100.0%, including the only comparable LIHTC project in the Site PMA. Two of the four projects include wait lists, indicating that there is pent-up demand for family LIHTC housing in the region.

The gross rents for the competing 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.	
Site	Wildwood Villas I	\$521/60% (20)	\$614/60% (32)	-	-
8	Madison Meadows Apts.	-	\$635/50% (27/0) \$763/60% (22/0)	\$736/50% (23/0) \$884/60% (24/0)	None
914	Ashton Place	\$290/30% (10/0)	\$562/50% (15/0) \$652/60% (8/0)	\$664/50% (2/0) \$861/60% (13/0)	None
917	Royal Oaks	\$448/50% (12/0)	\$540/50% (6/0) \$651/60% (24/0)	\$625/50% (5/0) \$753/60% (25/0)	None
920	Pines at Willowbrook	\$464/50% (1/0) \$563/60% (5/0)	\$548/50% (11/0) \$666/60% (28/0)	\$627/50% (5/0) \$764/60% (14/0)	None

The proposed subject gross rents, ranging from \$521 to \$614, fall within the range of rents of the other LIHTC units targeting similar income levels in the market and region. In fact, the proposed rents will be the lowest within the Site PMA.

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will be marketable following renovations. The subject project's proposed LIHTC rents are in line with other affordable rentals in the area and the amenity package will be marketable to the targeted low-income households. We have no recommendations for the subject project.

The only competitive LIHTC project in the Site PMA is Madison Meadows. Given that the subject project only involves the renovation of existing units that are fully occupied and does not involve the introduction of new rental units, we do expect the subject project to adversely impact Madison Meadows or any other affordable rental properties in the market.

Average Market Rent

As detailed throughout this report and illustrated by our Field Survey of Conventional Rentals, five conventional unrestricted market-rate rental properties were identified and surveyed in the Statesboro Site PMA 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.
\$597	\$680

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.	\$597	- \$404	\$193	/ \$404	32.3%
Two-Br.	\$680	- \$445	\$235	/ \$445	34.6%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 32.3% to 34.6% 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 Homerville rental housing market is included in *Section H* of this report.

8. Absorption/Stabilization Estimates

It is our opinion that the 52 units at the subject site will reach a stabilized occupancy of 93.0% within eight 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.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 52 units proposed at the subject site, assuming it is renovated and operated as detailed in this report. Changes in the project's scope of renovations, rent, amenities or renovation completion date may alter these findings.

The project will be competitive within the market area in terms of unit amenities and unit sizes, and the proposed rents will be perceived as appropriate for the marketplace. We do not have any recommendations for the subject project.

Given the limited number of affordable developments within the Site PMA, the renovated subject project will offer a housing alternative to low-income households that is not readily available in the area. As shown in the Project Specific Demand Analysis section of this report, with low capture rates, sufficient support exists for the subject development. Because the subject project will not involve introducing any new units into the market, the subject project will not have any adverse impact on the existing and planned Tax Credit developments in the Site PMA.

SUMMARY TABLE (must be completed by the analyst and included in the executive summary)			
Development Name:	Wildwood Villas I	Total # Units:	53
Location:	50 Wildwood Circle, Statesboro, Georgia 30458	# LIHTC Units:	52
PMA Boundary:	State Route 17 to the north; State Route 24, Stilson-Leefield Road, Brooklet-Leefield Road, North Parker Avenue and Brooklet-Denmark Road to the east; Interstate 16 to the south; and Excelsior Church Road, Rosemary Church Road, Metter Road, Grady Street South, North Grady Street and Rocky Ford Road to the west.		
	Farthest Boundary Distance to Subject:		14.8 miles

RENTAL HOUSING STOCK (found on page H-3 & Add. A-4 & 5)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	16	1,158	13	98.9%
Market-Rate Housing*	9	594	11	98.2%
Assisted/Subsidized Housing not to include LIHTC	5	305	2	99.3%
LIHTC*	4	259	0	100.0%
Stabilized Comps**	4	280	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

*Includes mixed-income properties

**Includes three 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
20	One-Br.	1.0	671	\$404	\$597	\$0.89	32.3%	\$710	\$1.04
32	Two-Br.	1.0	940	\$445	\$680	\$0.72-\$0.82	34.6%	\$725	\$0.93

DEMOGRAPHIC DATA (found page E-2 & G-5)						
	2012		2017		2019	
Renter Households	12,245	56.2%	12,475	56.4%	12,567	56.5%
Income-Qualified Renter HHs (LIHTC)*	N/A	N/A	2,011	16.1%	1,996	15.9%
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	-	-	-15	-	-	-15
Existing Households (Overburd + Substand)	-	-	1,150	-	-	1,150
Homeowner conversion (Seniors)	-	-	N/A	-	-	N/A
Total Primary Market Demand	-	-	1,135	-	-	1,135
Less Comparable/Competitive Supply	-	-	0	-	-	0
Adjusted Income-Qualified Renter HHs	-	-	1,135	-	-	1,135

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*	-	-	3.3%	-	-	4.6%

*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

Wildwood Villas I, located in Statesboro, Bulloch County, Georgia, was originally built in 1985 and has operated under the Rural Development 515 (RD 515) program since that time. The project contains 53 general-occupancy, none of which receive Rental Assistance (RA) directly from Rural Development. One two-bedroom unit is a manager's unit, which is excluded from the remainder of this report. According to management, the project is currently 100% occupied and maintains a one-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). Notably, the project will continue to operate under the RD 515 program. 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:** Wildwood Villas I
2. **PROPERTY LOCATION:** 50 Wildwood Circle
Statesboro, Georgia 30458
(Bulloch 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	
20	One-Br.	1.0	Garden	671	60%	\$368/\$544	\$404	\$117	\$521	\$562
32	Two-Br.	1.0	Garden	940	60%	\$409/\$595	\$445	\$169	\$614	\$675
52**	Total									

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

AMHI – Area Median Household Income (Bulloch County, GA; 2017)

*Heated square feet

**Excludes one two-bedroom manager's unit

5. **TARGET MARKET:** General-Occupancy
6. **PROJECT DESIGN:** 10 one- and two-story buildings.
7. **ORIGINAL YEAR BUILT:** 1985
8. **ANTICIPATED RENOVATION COMPLETION DATE:** 2019

9. UNIT AMENITIES:

- Electric Range
- Refrigerator
- Microwave Oven
- 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:

Tenants will be responsible for all utilities and services, including the following:

- Electric Heating
- General Electric
- Cold Water/Sewer
- Electric Water Heating
- Electric Cooking
- Trash Collection

13. RENTAL ASSISTANCE:

None of the units currently receive Rental Assistance. There are currently no 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 52-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 one-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, none 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 14 of the 52 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:

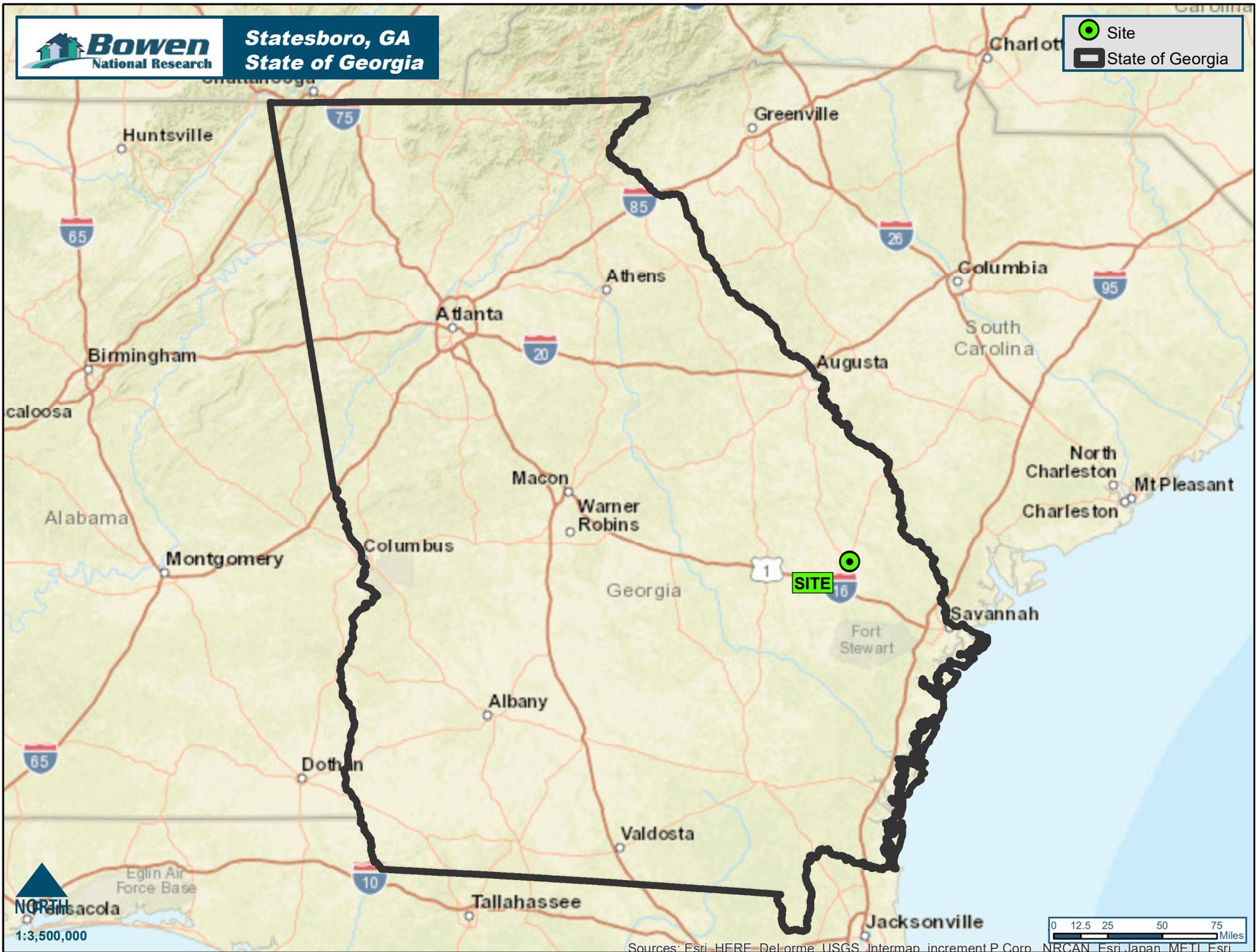
Bulloch County, Georgia (2017)

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



Statesboro, GA
State of Georgia

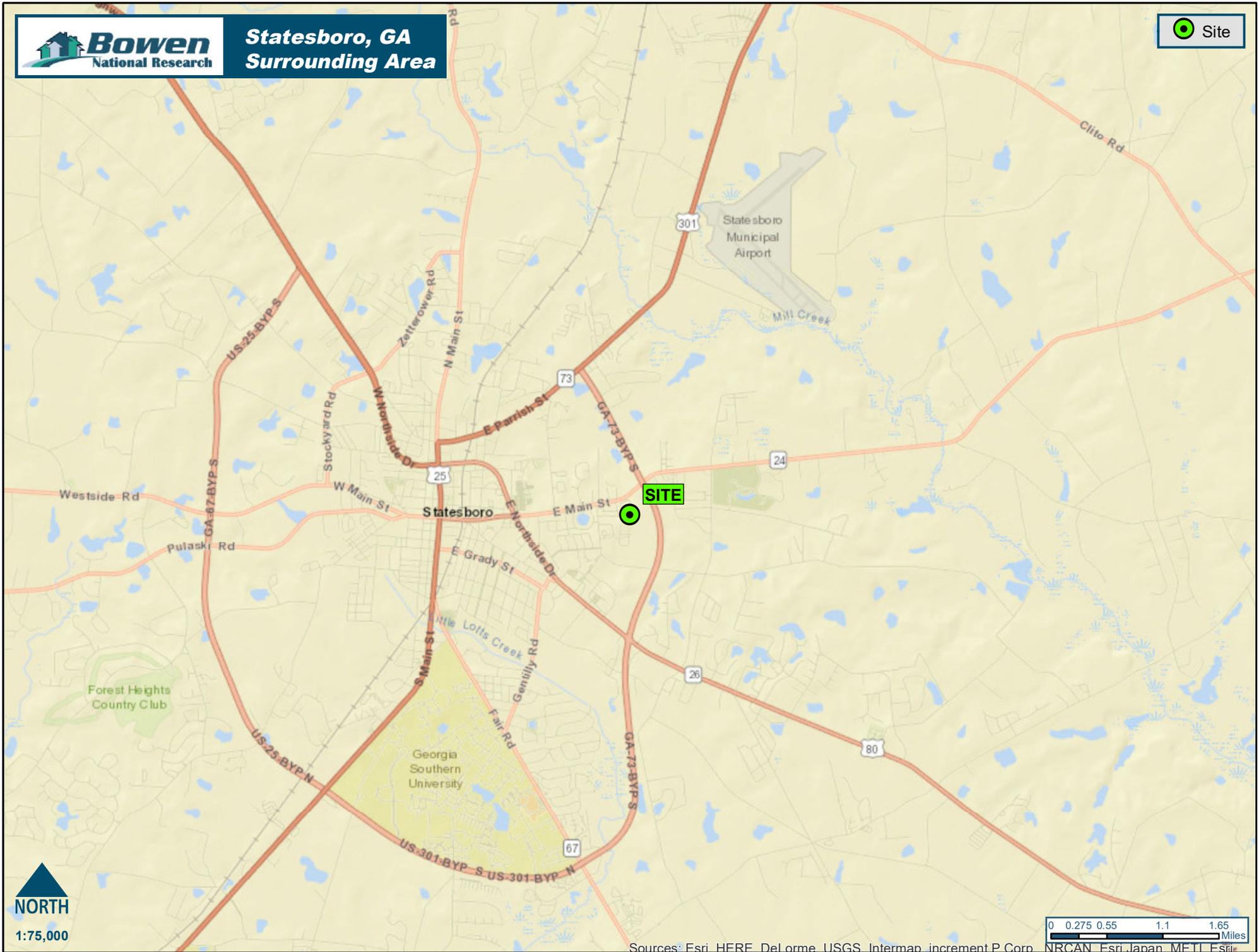
● Site
▭ State of Georgia



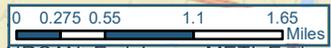
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Statesboro, GA Surrounding Area



NORTH
1:75,000

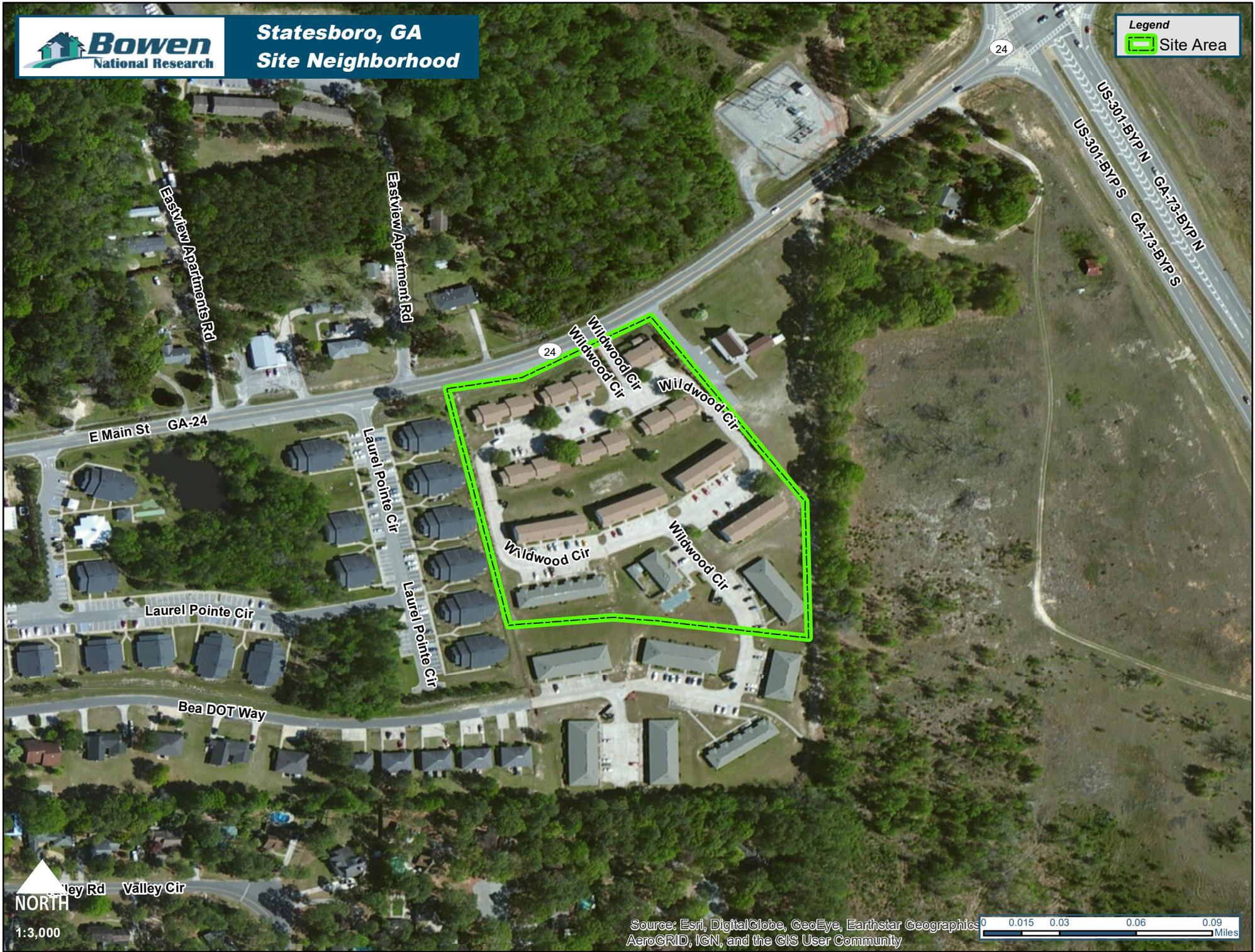


Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



Statesboro, GA Site Neighborhood

Legend
Site Area



NORTH
1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, AeroGRID, IGN, and the GIS User Community
0 0.015 0.03 0.06 0.09 Miles

Section C – Site Description And Evaluation

1. LOCATION

The subject site is an existing multifamily property comprised of one- and two-story buildings located at 50 Wildwood Circle in the northeastern portion of Statesboro, Bulloch County, Georgia. Statesboro is approximately 55 miles northwest of Savannah, Georgia. Greg Piduch, 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 an established area of Statesboro, Georgia. Surrounding land uses include single-family homes, a church, additional multifamily apartments and wooded land. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by State Route 24, a two-lane road with light traffic that may increase during peak commute times. Continuing north is Eastview Apartments appearing in fair condition to the northwest, wooded land and a small Georgia Power substation to the northeast. Wooded land extends beyond.
East -	The eastern boundary is defined by Seventh-Day Adventist Church. Moving east is a buffer of wooded land followed by Veterans Memorial Parkway (U.S. 301 Bypass), a four-lane arterial road with light to moderate traffic. Beyond is Villages at Mill Creek Apartments, Deerwood Apartments, a Dollar General and additional community services.
South -	The southern boundary is defined by Wildwood II Apartments considered to be in good condition. A mixture of wooded land and single-family homes in good condition continue south. Further south is Willingway Hospital (alcoholism and drug addiction center), Statesboro High School and Mill Run Apartments. A variety of community services and shopping centers lie further south.
West -	The western boundary is defined by Laurel Pointe Apartments and single-family homes along Bea Dot Way, all of which are considered to be in excellent condition. Continuing west are a Valero gas station and Jay Food Mart followed by Lester Road, a residential street with light traffic. Pine Needle Pointe Apartments are on the western side of Lester Road followed by wooded land and single-family homes.

Overall, the subject property fits well with the surrounding land uses and they should contribute to the continued marketability of the site.

3. **VISIBILITY AND ACCESS**

The subject property is at 50 Wildwood Circle, a road that extends through the apartment community. State Route 24 is located adjacent north of the site, a two-lane, east/west road on which traffic is light but may increase during weekday business hours. Ingress and egress take place along this road with little difficulty as there is a separate lane for each at the site entryway. Visibility is considered fair due to the forested land and existing apartments that border the site. East/west passerby traffic have clear visibility of the site. Signage along Veterans Memorial Parkway to the east may increase visibility if necessary.

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area. The subject site has convenient access to the aforementioned State Route 24 as well as Veterans Memorial Parkway (U.S. 301 Bypass), U.S. 301 and U.S. 80. Coastal Regional Coaches is also available to area residents, an on-demand service that offers transportation throughout the coastal Georgia area.

4. **SITE PHOTOGRAPHS**

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

SITE PHOTOGRAPHS



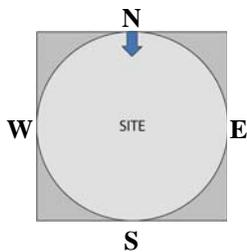
Entryway Signage



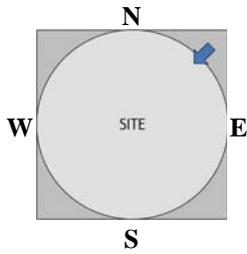
Typical Building - One-Story



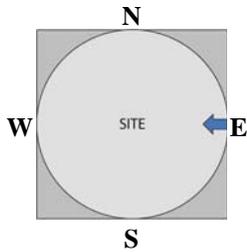
Typical Building - Two-Story



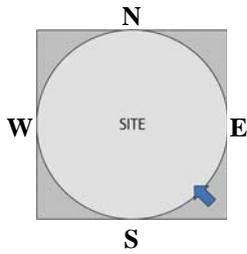
View of site from the north



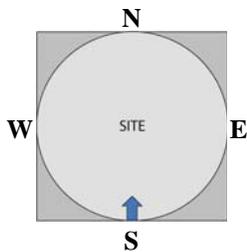
View of site from the northeast



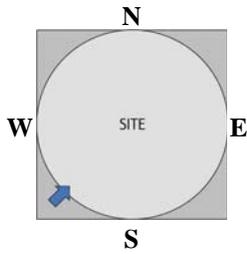
View of site from the east



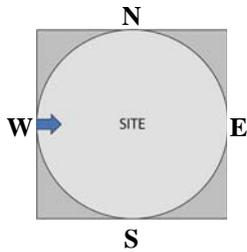
View of site from the southeast



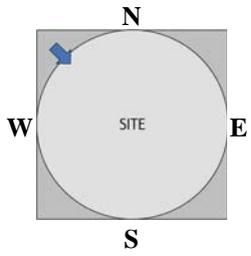
View of site from the south



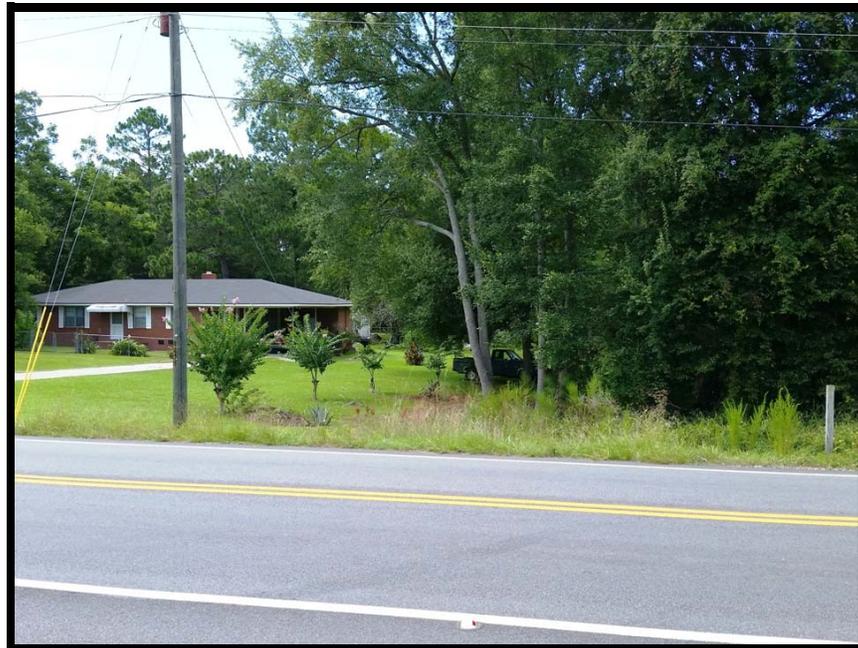
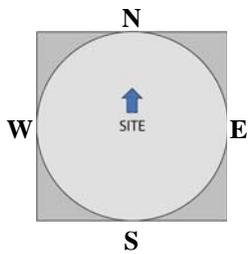
View of site from the southwest



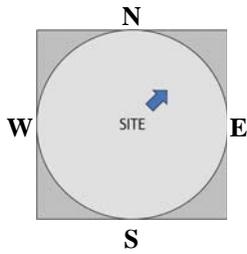
View of site from the west



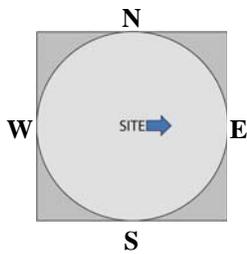
View of site from the northwest



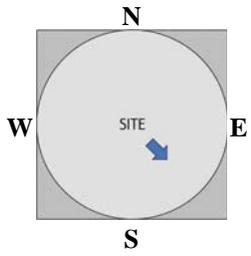
North view from site



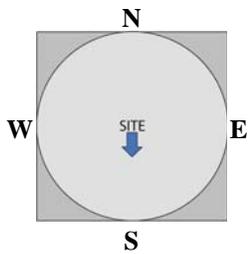
Northeast view from site



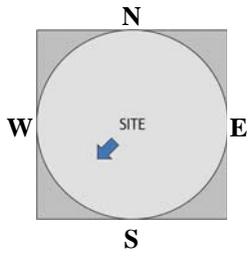
East view from site



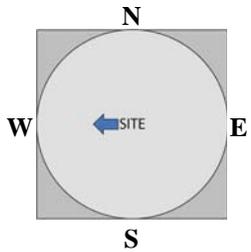
Southeast view from site



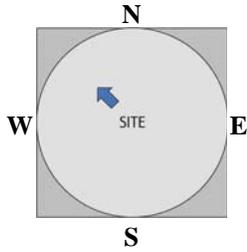
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: East view of State Route 24



Streetscape: West view of State Route 24



Playground



Community Room view 1



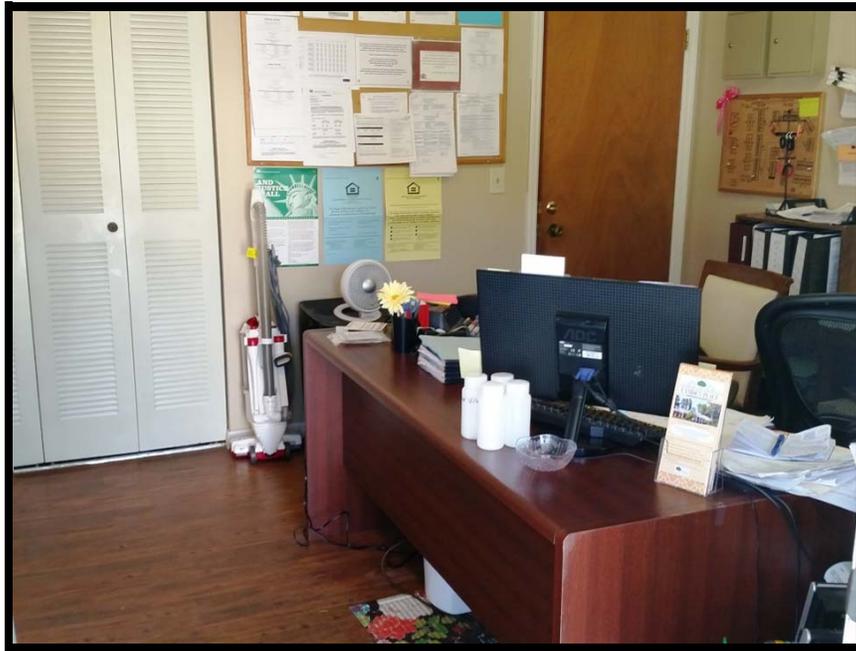
Community Room view 2



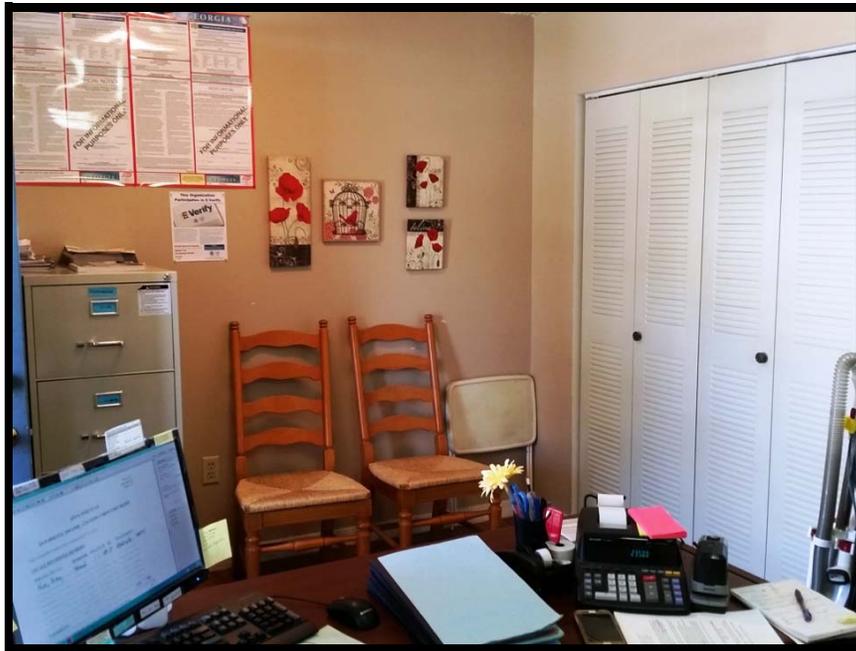
Laundry Room view 1



Laundry Room view 2



Management Office view 1



Management Office view 2



Living Room - One-Bedroom



Dining Area - One-Bedroom



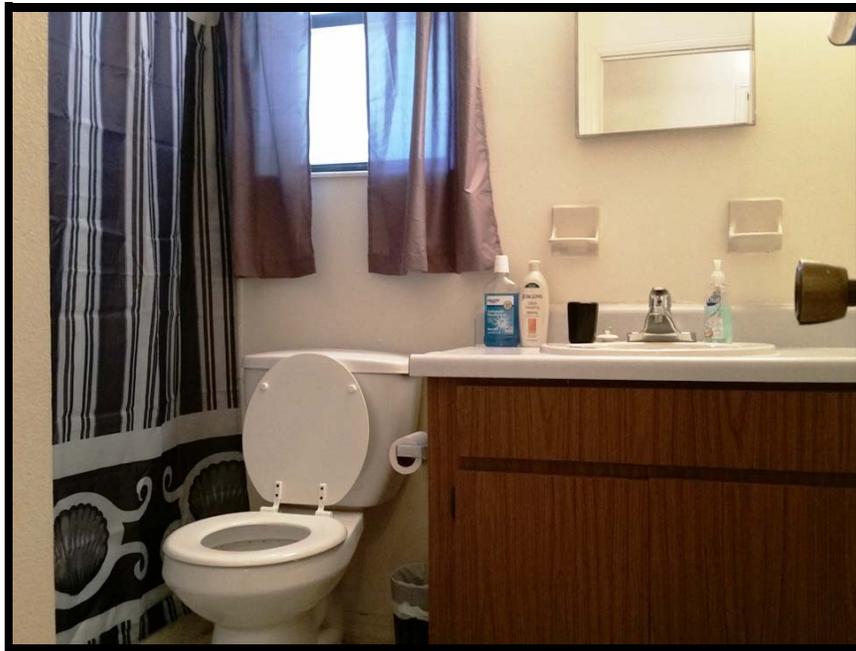
Kitchen view 1 - One-Bedroom



Kitchen view 2 - One-Bedroom



Bedroom - One-Bedroom



Bathroom - One-Bedroom



Living Room view 1 - Two-Bedroom



Living Room view 2 - Two-Bedroom



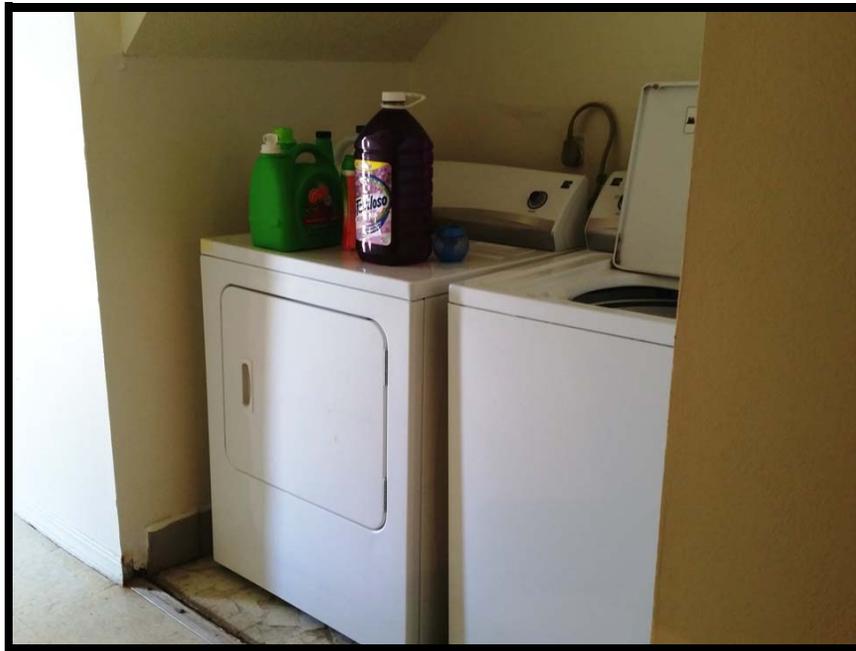
Dining Area - Two-Bedroom



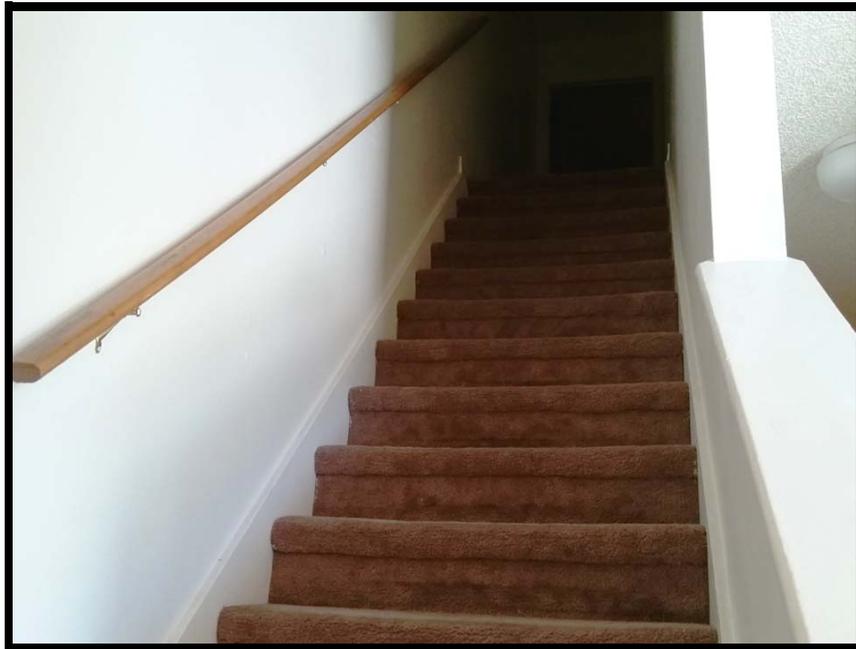
Kitchen view 1 - Two-Bedroom



Kitchen view 2 - Two-Bedroom



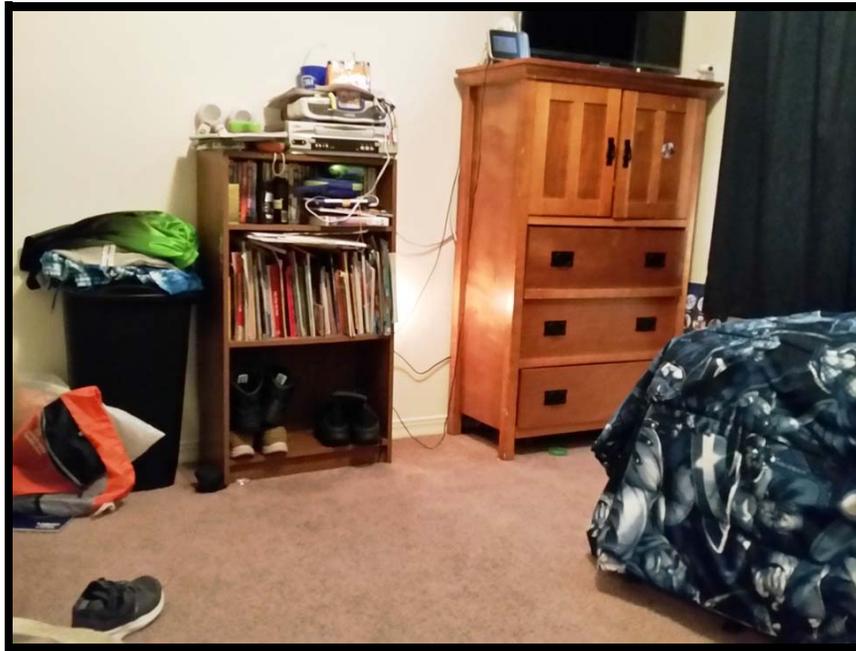
Washer/Dryer Hook Up - Two-Bedroom



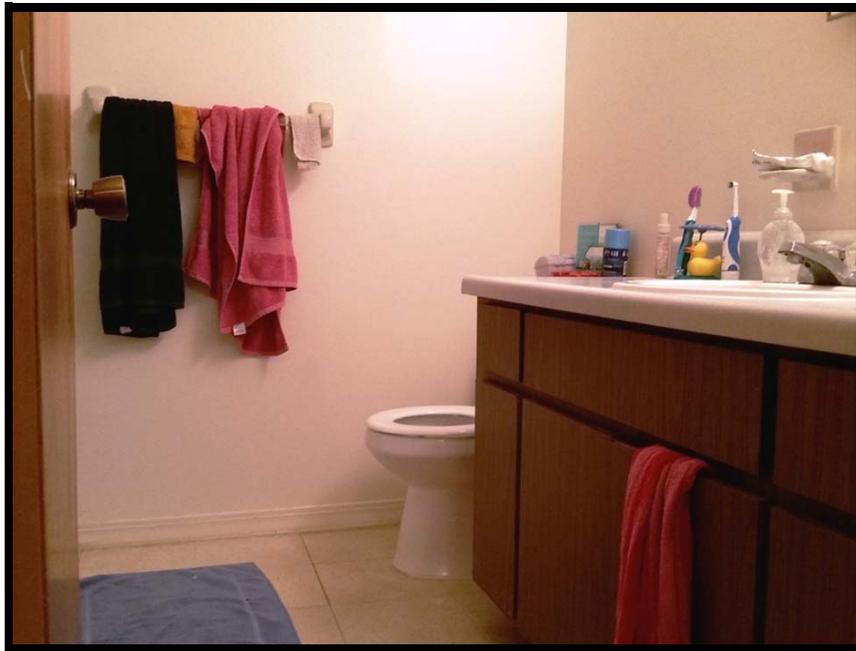
Stairs - Two-Bedroom



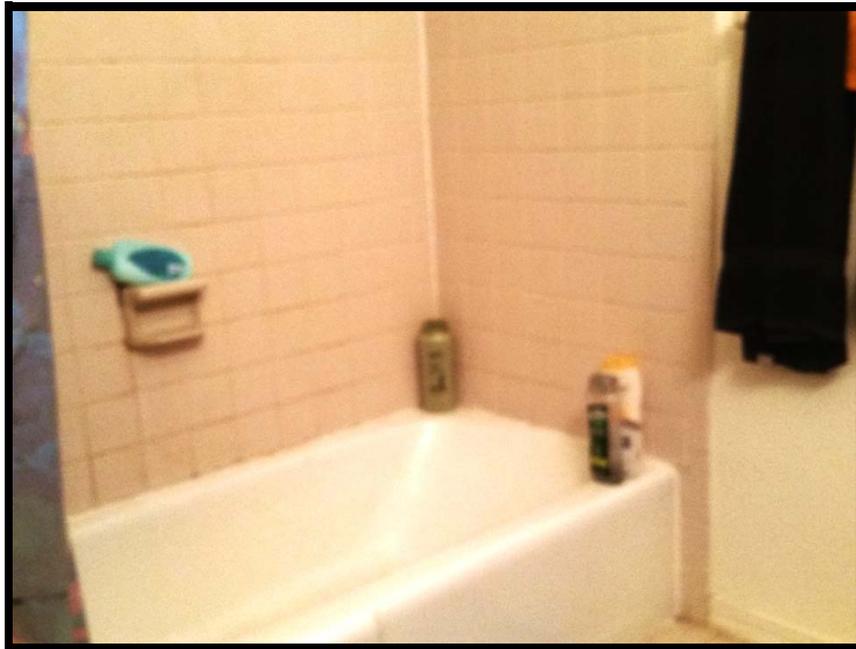
Bedroom One view 1 - Two-Bedroom



Bedroom One view 2 - Two-Bedroom



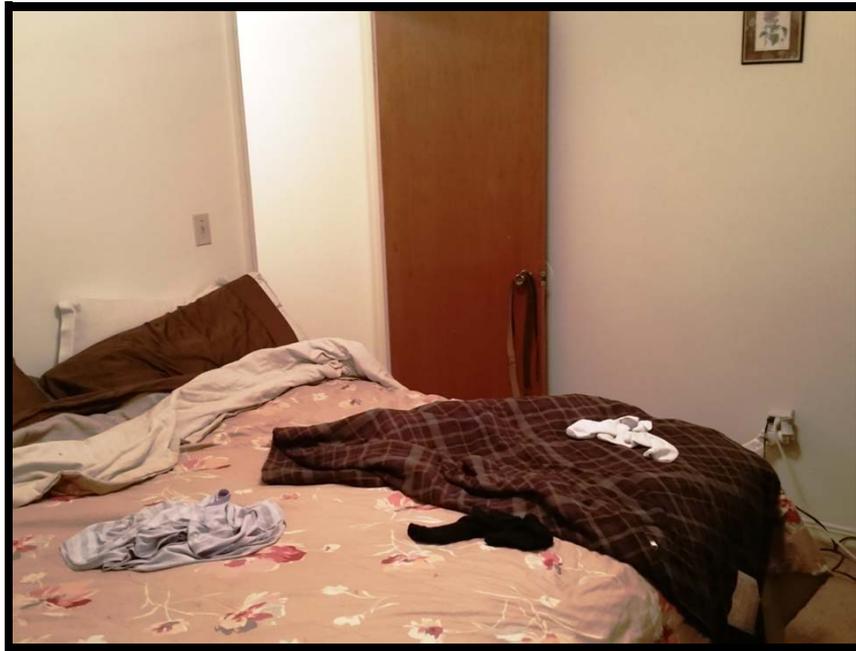
Bathroom view 1 - Two-Bedroom



Bathroom view 2 - Two-Bedroom



Master Bedroom view 1



Master Bedroom view 2 - Two-Bedroom

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 Highway(s)	State Route 24 U.S. 80 U.S. 301	Adjacent North 1.0 West 1.4 North
Public Bus Stop	Coastal Regional Coaches	N/A
Major Employers/ Employment Centers	Bulloch County Schools Walmart Supercenter Georgia Southern University East Georgia Regional Medical Center	0.9 South 1.5 South 2.3 Southwest 3.3 South
Convenience Store	Jay Food Mart Enmark Mill Creek Food Mart	0.5 West 1.2 Southwest 1.2 East
Grocery	Big Kmart Bi-Lo Walmart Supercenter	1.2 South 1.3 South 1.5 South
Discount Department Store	Dollar General Big Lots Dollar Tree	0.4 Northeast 1.1 South 1.2 South
Shopping Center/Mall	Statesboro Square Shopping Center University Commons Statesboro Mall	1.1 South 1.2 Southeast 1.5 South
Schools: Elementary Middle/Junior High High University	Mill Creek Elementary School (PreK-5th) William James Middle School (6th-8th) Statesboro High School (9th-12th) Georgia Southern University	1.0 East 6.3 Northwest 0.9 South 2.3 Southwest
Hospital	East Georgia Regional Medical Center South Georgia Immediate Care Candler Internal Medicine	3.3 South 3.5 South 3.9 South
Police	Statesboro Police Department	2.1 West
Fire	Statesboro Fire Department	2.1 West
Post Office	U.S. Post Office	1.8 West
Bank	Wells Fargo BB&T Sea Island Bank	1.2 Northeast 1.5 South 1.6 West
Senior Center	Honey Bowen Building	2.3 Southwest
Recreational Facilities	Crossfit Boro LOA Fitness for Women Snap Fitness	1.3 East 1.5 West 1.6 Southwest
Gas Station	Valero Enmark Valero	0.5 West 1.2 Southwest 1.2 East
Pharmacy	Rite Aid Walgreens Big KMart	1.2 South 1.2 Northeast 1.2 South

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Restaurant	Ocean Galley Seafood	1.1 South
	Buffalo Wild Wings	1.3 South
	Chow Time Buffet	1.3 Southwest
Day Care	Super Kids Child Care	1.0 Southeast
	Statesboro High Preschool	1.0 Southwest
	Bumble Bees Child Care	1.1 East
Community Center	Honey Bowen Building	2.3 Southwest
Church	Seventh-Day Adventist Church	Adjacent East
	Iglesia Pentacoste	0.5 West
	East Main Street Church of God	0.6 West
Park	Mill Creek Regional Park	1.3 East
Library	Statesboro Regional Library	1.9 West

The subject site is located within an established area of Statesboro. Shopping centers, grocery stores, restaurants, schools, gas stations, recreational facilities and day care centers are among the services that can be accessed within 2.0 miles of the site. The majority of services are located to the south, which site tenants can access via Veterans Memorial Parkway (U.S. 301 Bypass) and U.S. Highway 80. Both of these roads are within approximately 1.0 miles of the site, as is State Route 24 adjacent north. Coastal Regional Coaches, an on-demand rural transportation bus service, is also available for area residents for a small fare.

Several shopping centers are located within 1.5 miles of the site, including University Commons, Statesboro Square Shopping Plaza and the Statesboro Mall. Retail uses among these shopping centers include Walmart Supercenter, Big Kmart, AMC movie theatre, Big Lots, T.J. Maxx and a variety of restaurants and other retail shopping options. Statesboro Mall is home to a variety of retail stores and businesses.

East Georgia Regional Medical Center is located 3.3 miles south of the subject site and provides emergency services, cancer care, surgery and other major medical services. South Georgia Immediate Care and Candler Internal Medicine are within 4.0 miles south for primary and urgent care needs. Statesboro police and fire departments are located 2.1 miles west.

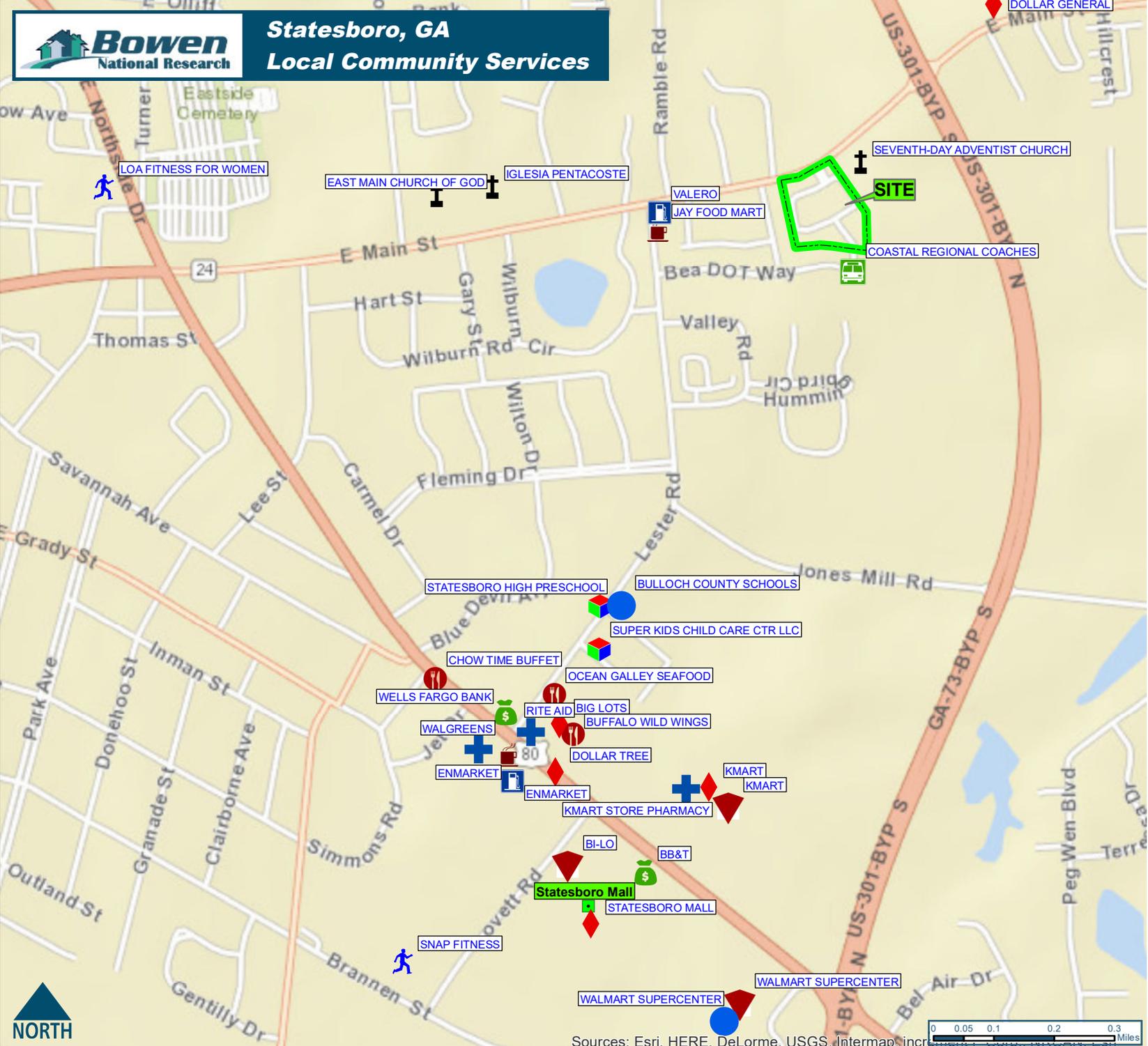
Bulloch County Schools serves the subject site grades Pre-K through twelfth. Mill Creek Elementary School and Statesboro High School are within 1.0 mile of the site while William James Middle School is 6.3 miles northwest. Transportation via bus is available for eligible students. Also located within approximately 2.0 miles is Georgia Southern University, a collegiate institute and major employer of the area.

Recreational facilities within 2.0 miles include Crossfit Boro to the east, Lady of America Fitness for Women and Snap Fitness. The Honey Bowen Building is 2.3 miles southwest of the site which is available to rent and hosts banquets, events and community and senior activities. The Statesboro Regional Library and Mill Creek Regional Park can also be accessed within 2.0 miles.

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



Statesboro, GA Local Community Services



Legend

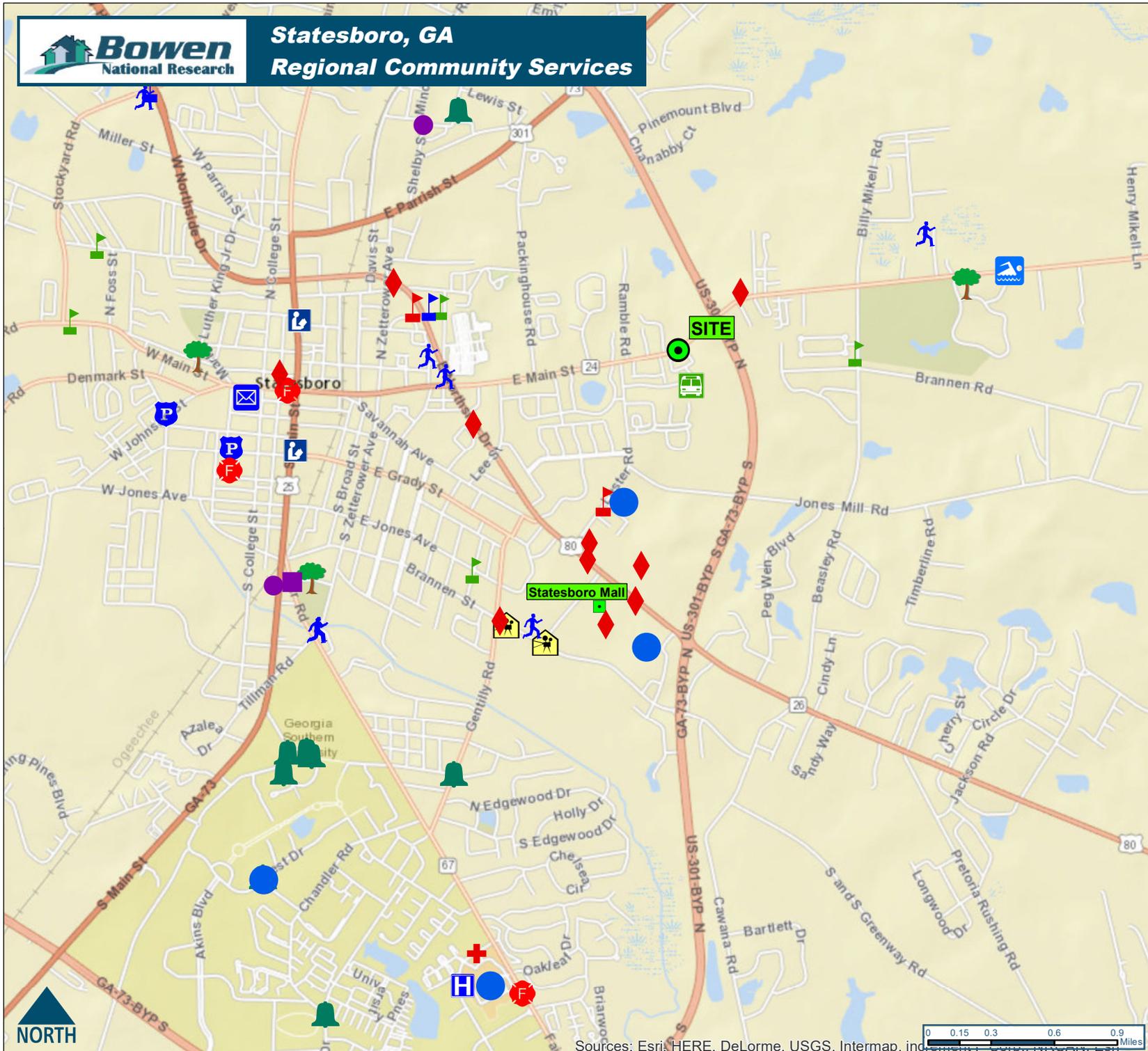
- Site Area
- Bank
- Child Care
- Church
- Convenience Store
- Fitness Center
- Gas
- Grocery
- Pharmacy
- Restaurant
- Shopping
- Transit
- Employer 1000-5000

Shopping Center

Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.





Legend

- Site
- <all other values>
- Cinema
- Elementary School
- Fire
- Fitness Center
- High School
- Hospital
- Library
- Medical Center
- Middle School
- Park
- Police
- Post Office
- Recreation Center
- Senior Services
- Shopping
- Swimming
- Transit
- University
- Employer 1000-5000

Shopping Center
Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



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 (67) for the Site PMA is below the national average with an overall personal crime index of 47 and a property crime index of 79. Total crime risk (59) for Bulloch County is below the national average with indexes for personal and property crime of 43 and 67, respectively.

	Crime Risk Index	
	Site PMA	Bulloch County
Total Crime	67	59
Personal Crime	47	43
Murder	26	31
Rape	51	44
Robbery	52	45
Assault	59	53
Property Crime	79	67
Burglary	85	75
Larceny	118	96
Motor Vehicle Theft	35	31

Source: Applied Geographic Solutions

Given the Site PMA's low crime rate and the subject project's high occupancy rate, we do not expect crime to adversely impact the subject project's marketability.

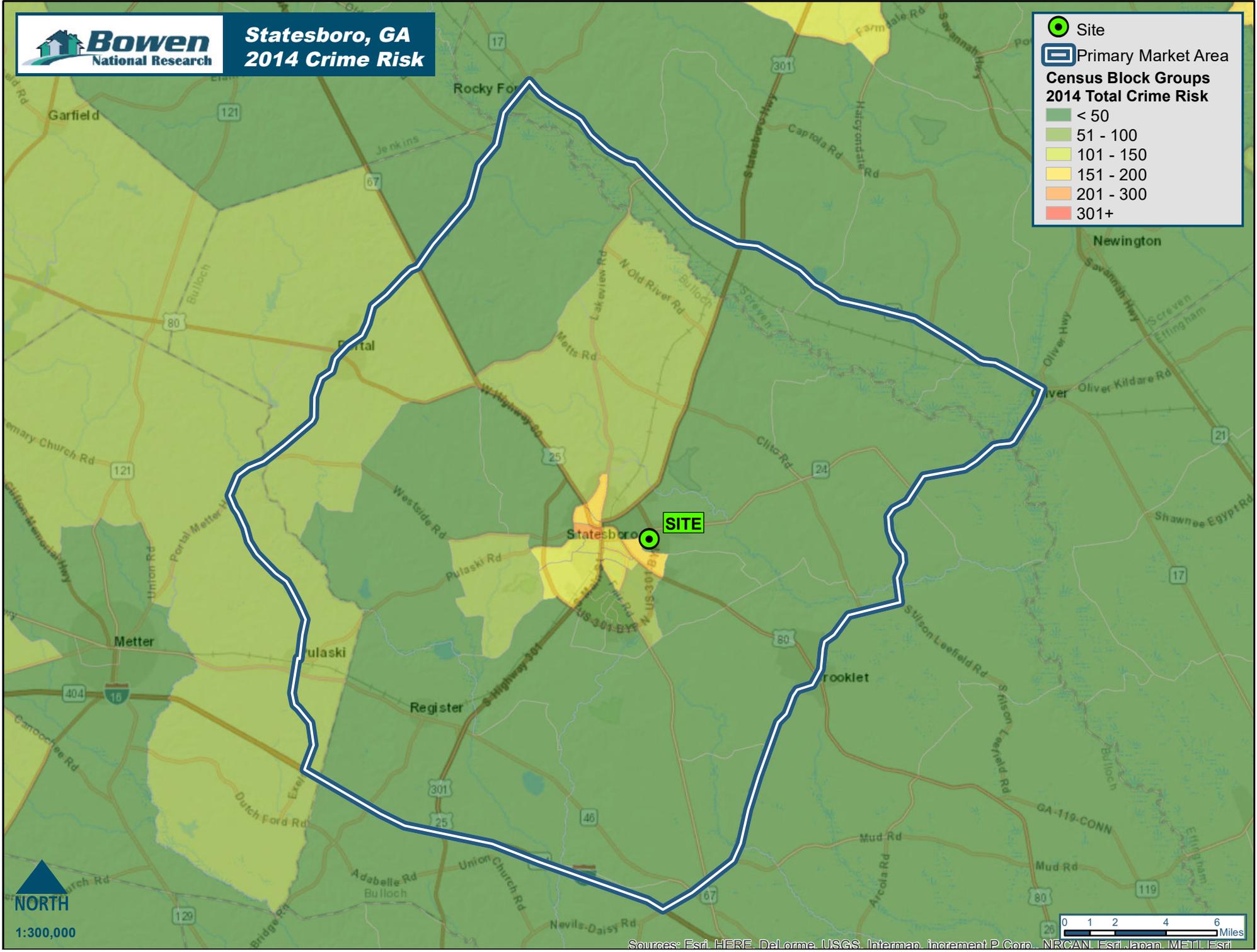
A map illustrating crime risk is on the following page.



Statesboro, GA 2014 Crime Risk

- Site
- Primary Market Area
- Census Block Groups
- 2014 Total Crime Risk

< 50
51 - 100
101 - 150
151 - 200
201 - 300
301+



NORTH
1:300,000

0 1 2 4 6 Miles

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

7. OVERALL SITE EVALUATION

The subject site is an existing multifamily property located at 50 Wildwood Circle in the northeastern portion of Statesboro. The site is located within an established area with surrounding land uses that include single-family homes in good condition, additional apartments, a church and wooded land. The surrounding land uses are expected to continue to have a positive effect on the marketability of the site.

Access to the site is via State Route 24, adjacent north of the site. This east/west, two-lane road has light traffic patterns that may increase during peak commute times. Designated areas for ingress and egress are used at the site entryway for access to Wildwood Circle which is traversed by site tenants. U.S. Highway 80, U.S. Highway 301 and Veterans Memorial Parkway (U.S. 301 Bypass) can be accessed within 2.0 miles for travel throughout Statesboro. Coastal Regional Coaches is also available for transit throughout the area.

The site is close to shopping centers, employment, recreation, entertainment and education opportunities. Social services such as a community and senior center and public safety services are all within approximately 2.0 miles. Multiple shopping centers and the Statesboro Mall are within 2.0 miles south, home to stores such as Walmart Supercenter, Big Kmart, T.J. Maxx and a variety of restaurants and retail services. Bulloch County Schools serve the subject site and offer bus transportation for the applicable attendance schools within 6.3 miles. Georgia Southern University, a major employer and collegiate institute, is also within close proximity to the site. East Georgia Regional Medical Center provides emergency care and a full array for medical services 3.3 miles south.

Overall, we consider the site's location and proximity to community services to have a positive effect on its marketability.

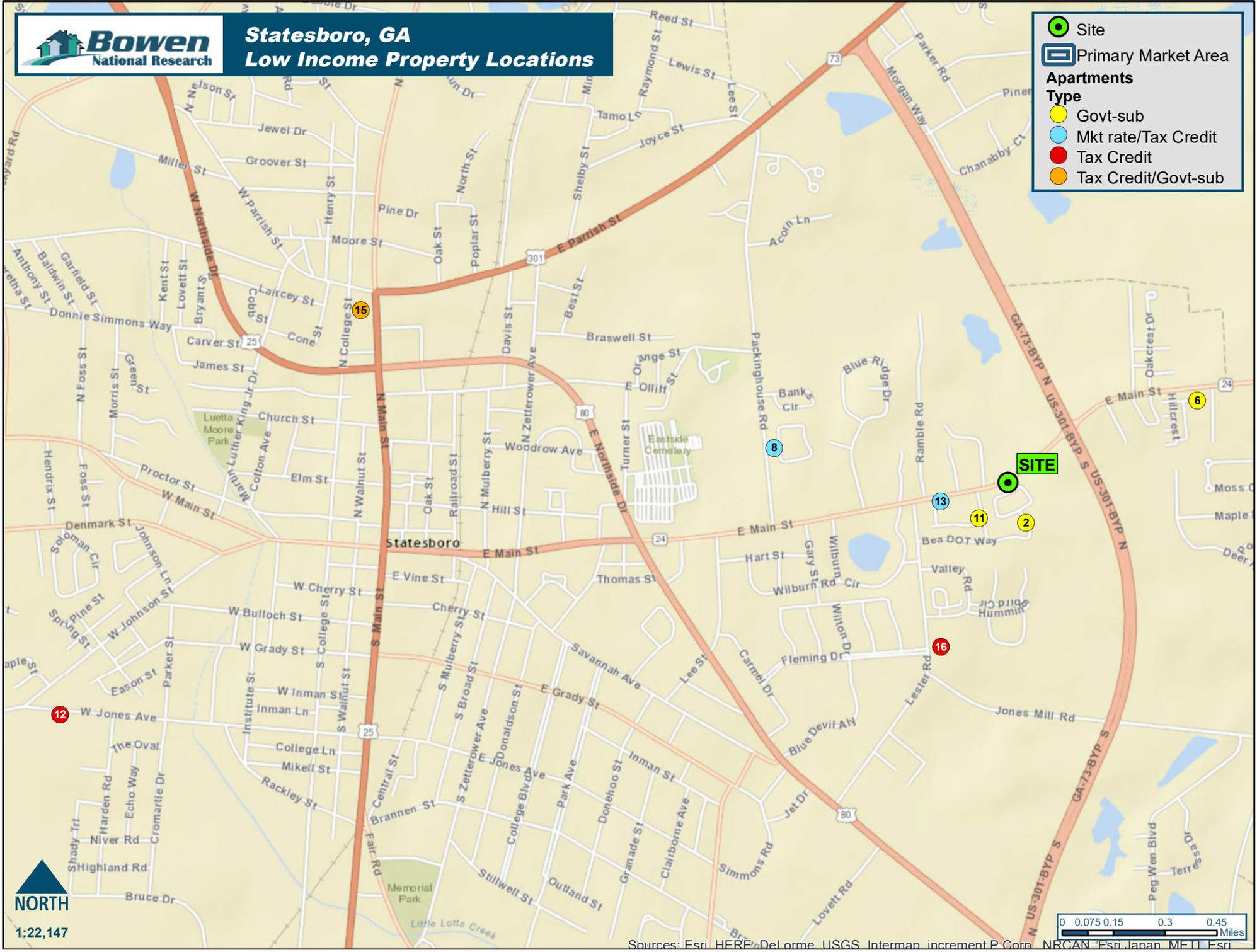
8. MAP OF LOW-INCOME RENTAL HOUSING

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.

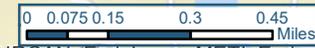


Statesboro, GA Low Income Property Locations

- Site
- Primary Market Area
- Apartments Type**
- Govt-sub
- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:22,147



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

Section D – Primary Market Area Delineation

The Site Primary Market Area (PMA) is the geographical area from which comparable properties are located. It is also the geographic area expected to generate the most demographic support for the subject development. The Statesboro 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.

The Statesboro Site PMA includes Statesboro and outlying unincorporated areas. The boundaries of the Site PMA include State Route 17 to the north; State Route 24, Stilson-Leefield Road, Brooklet-Leefield Road, North Parker Avenue and Brooklet-Denmark Road to the east; Interstate 16 to the south; and Excelsior Church Road, Rosemary Church Road, Metter Road, Grady Street South, North Grady Street and Rocky Ford Road to the west.

- Shelly Parker is the Property Manager at Wildwood Villas I and II. Ms. Parker said that she receives most of her tenants from Statesboro with some from Brooklet and Sylvania, confirming the Site PMA. Her properties post ads in newspapers that are distributed to most of the surrounding communities inside the Site PMA which is why her tenants are predominately from the area.
- Tamekia Bradford is the Property Manager at Madison Meadows Apartments. Ms. Bradford stated that the majority of her tenants are from Statesboro and recalled no one coming from outside the Site PMA. Her property provides housing for families which is in demand in the Statesboro area.

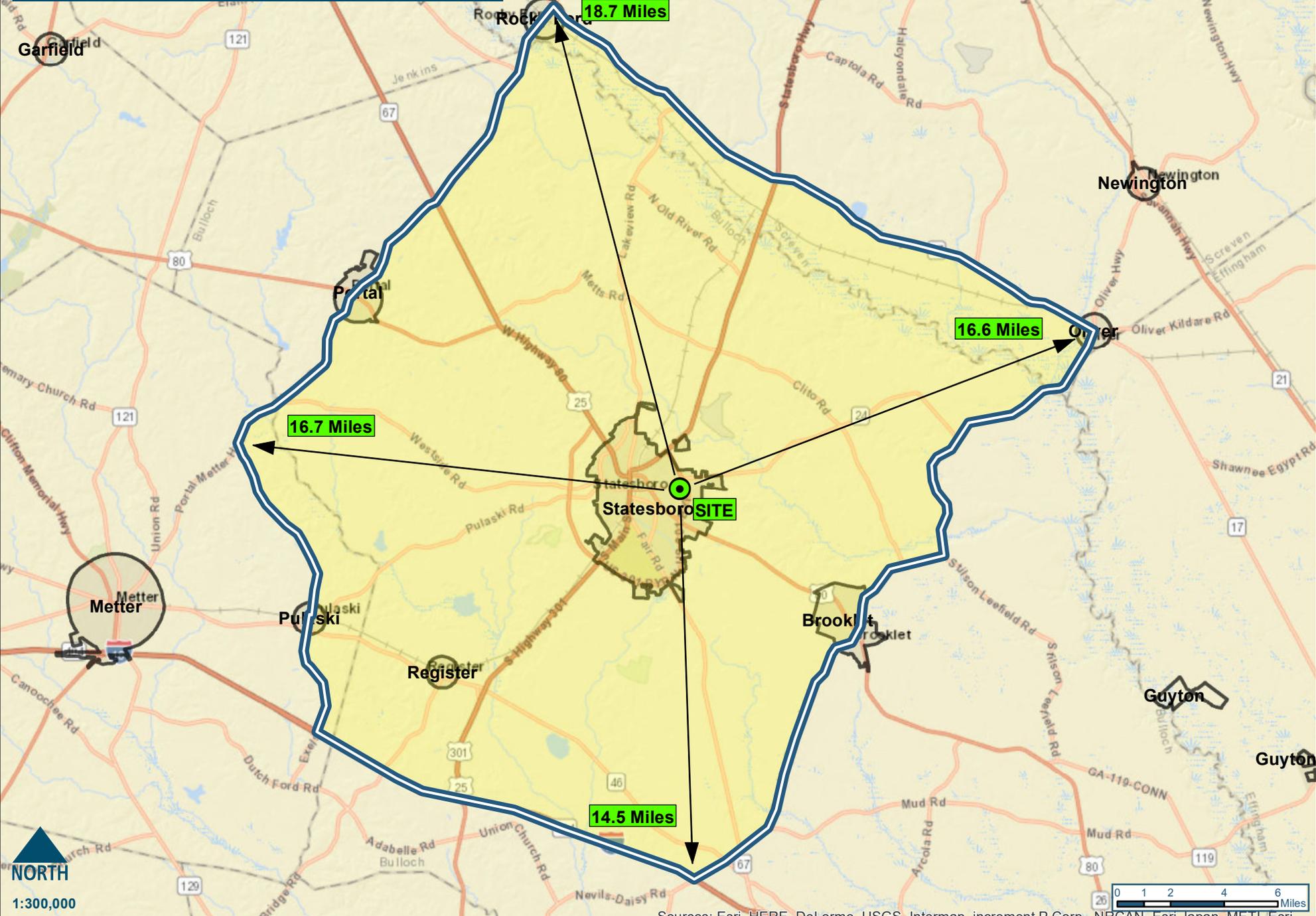
A modest portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered a secondary market area in this report.

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

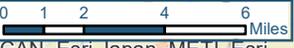


Statesboro, GA Primary Market Area

- Site
- Primary Market Area



NORTH
1:300,000



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	46,612	59,248	61,974	62,455
Population Change	-	12,636	2,726	482
Percent Change	-	27.1%	4.6%	0.8%

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

The Statesboro Site PMA population base increased by 12,636 between 2000 and 2010. This represents a 27.1% increase over the 2000 population, or an annual rate of 2.4%. Between 2010 and 2017, the population increased by 2,726, or 4.6%. It is projected that the population will increase by 482, or 0.8%, 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	17,374	29.3%	17,451	28.2%	17,567	28.1%	116	0.7%
20 to 24	12,740	21.5%	12,916	20.8%	12,611	20.2%	-305	-2.4%
25 to 34	7,416	12.5%	8,435	13.6%	8,579	13.7%	144	1.7%
35 to 44	5,776	9.7%	5,815	9.4%	5,956	9.5%	141	2.4%
45 to 54	5,859	9.9%	5,549	9.0%	5,478	8.8%	-70	-1.3%
55 to 64	4,904	8.3%	5,321	8.6%	5,359	8.6%	38	0.7%
65 to 74	2,974	5.0%	3,936	6.4%	4,165	6.7%	228	5.8%
75 & Over	2,204	3.7%	2,551	4.1%	2,740	4.4%	190	7.4%
Total	59,247	100.0%	61,974	100.0%	62,455	100.0%	482	0.8%

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

As the preceding table illustrates, nearly 41% of the population is expected to be between 25 and 64 years old in 2017. This age group is the primary group of support for the subject project.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	17,404	21,583	22,114	22,251
Household Change	-	4,179	531	137
Percent Change	-	24.0%	2.5%	0.6%
Household Size	2.68	2.75	2.55	2.56

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

Within the Statesboro Site PMA, households increased by 4,179 (24.0%) between 2000 and 2010. Between 2010 and 2017, households increased by 531 or 2.5%. By 2019, there will be 22,251 households, an increase of 137 households, or 0.6% over 2017 levels. This is an increase of approximately 68 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	4,940	22.9%	4,886	22.1%	4,789	21.5%	-96	-2.0%
25 to 34	3,734	17.3%	4,076	18.4%	4,124	18.5%	48	1.2%
35 to 44	3,183	14.7%	3,054	13.8%	3,100	13.9%	46	1.5%
45 to 54	3,301	15.3%	2,963	13.4%	2,897	13.0%	-66	-2.2%
55 to 64	2,973	13.8%	3,054	13.8%	3,041	13.7%	-12	-0.4%
65 to 74	1,908	8.8%	2,399	10.8%	2,510	11.3%	110	4.6%
75 to 84	1,123	5.2%	1,215	5.5%	1,305	5.9%	90	7.4%
85 & Over	425	2.0%	465	2.1%	483	2.2%	18	3.9%
Total	21,587	100.0%	22,113	100.0%	22,250	100.0%	137	0.6%

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

Between 2017 and 2019, the greatest growth among household age groups is projected to be among the households between the ages of 65 and 74. Household growth among households between the ages of 25 and 44 is expected to be positive, with an additional 94 households to be added to the market between 2017 and 2019.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,359	48.0%	9,639	43.6%	9,684	43.5%
Renter-Occupied	11,224	52.0%	12,475	56.4%	12,567	56.5%
Total	21,583	100.0%	22,114	100.0%	22,251	100.0%

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

In 2017, homeowners occupied 43.6% of all occupied housing units, while the remaining 56.4% were occupied by renters. The 12,475 renter households in the market represent a large base of potential support for the subject project.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	6,977	32.3%	5,966	27.0%	5,903	26.5%
Owner-Occupied (Age 62+)	3,389	15.7%	3,678	16.6%	3,787	17.0%
Renter-Occupied (<Age 62)	10,267	47.5%	11,156	50.4%	11,142	50.1%
Renter-Occupied (Age 62+)	964	4.5%	1,324	6.0%	1,429	6.4%
Total	21,597	100.0%	22,125	100.0%	22,262	100.0%

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

Currently, 6.0% of all occupied housing units within the Site PMA are occupied by renters age 62 and older.

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	3,630	29.1%	3,655	29.1%	25	0.7%
2 Persons	3,651	29.3%	3,679	29.3%	28	0.8%
3 Persons	2,526	20.2%	2,543	20.2%	17	0.7%
4 Persons	1,909	15.3%	1,924	15.3%	15	0.8%
5 Persons+	760	6.1%	767	6.1%	6	0.8%
Total	12,477	100.0%	12,568	100.0%	91	0.7%

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	1,893	19.6%	1,898	19.6%	6	0.3%
2 Persons	3,645	37.8%	3,664	37.8%	18	0.5%
3 Persons	1,866	19.4%	1,874	19.4%	8	0.4%
4 Persons	1,506	15.6%	1,513	15.6%	7	0.5%
5 Persons+	728	7.6%	735	7.6%	6	0.9%
Total	9,639	100.0%	9,684	100.0%	45	0.5%

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

The subject project offers one- and two-bedroom units and will continue to be able to accommodate most household sizes.

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

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	5,302	24.6%	6,282	28.4%	6,507	29.2%
\$15,000 to \$24,999	2,924	13.5%	3,203	14.5%	3,179	14.3%
\$25,000 to \$34,999	2,798	13.0%	2,678	12.1%	2,583	11.6%
\$35,000 to \$49,999	2,987	13.8%	2,535	11.5%	2,578	11.6%
\$50,000 to \$74,999	3,341	15.5%	2,893	13.1%	2,894	13.0%
\$75,000 to \$99,999	2,023	9.4%	2,015	9.1%	2,000	9.0%
\$100,000 to \$149,999	1,477	6.8%	1,492	6.7%	1,505	6.8%
\$150,000 to \$199,999	613	2.8%	566	2.6%	567	2.5%
\$200,000 & Over	122	0.6%	452	2.0%	439	2.0%
Total	21,587	100.0%	22,116	100.0%	22,252	100.0%
Median Income	\$34,176		\$30,873		\$30,573	

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

In 2010, the median household income was \$34,176. This declined by 9.7% to \$30,873 in 2017. By 2019, it is projected that the median household income will be \$30,573, a decline of 1.0% over 2017.

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

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,478	1,225	838	647	204	4,392
\$15,000 to \$24,999	668	575	394	304	98	2,039
\$25,000 to \$34,999	551	495	337	261	82	1,726
\$35,000 to \$49,999	467	431	295	227	72	1,492
\$50,000 to \$74,999	302	298	202	155	48	1,005
\$75,000 to \$99,999	107	105	72	56	16	356
\$100,000 to \$149,999	57	58	39	31	9	194
\$150,000 to \$199,999	7	7	5	3	0	22
\$200,000 & Over	1	1	0	0	0	2
Total	3,638	3,195	2,182	1,684	529	11,228

Source: ESRI; Urban Decision Group

Renter Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,528	1,551	1,071	811	326	5,287
\$15,000 to \$24,999	741	662	458	346	138	2,346
\$25,000 to \$34,999	479	498	345	262	104	1,687
\$35,000 to \$49,999	397	405	282	211	86	1,381
\$50,000 to \$74,999	303	323	225	169	67	1,088
\$75,000 to \$99,999	113	131	91	70	28	433
\$100,000 to \$149,999	43	51	34	26	10	164
\$150,000 to \$199,999	14	16	12	8	1	52
\$200,000 & Over	12	13	9	6	0	40
Total	3,630	3,651	2,526	1,909	760	12,477

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,563	1,596	1,102	834	336	5,430
\$15,000 to \$24,999	742	659	455	345	137	2,339
\$25,000 to \$34,999	464	483	334	253	101	1,635
\$35,000 to \$49,999	406	413	287	216	87	1,409
\$50,000 to \$74,999	304	322	224	168	66	1,083
\$75,000 to \$99,999	112	130	90	69	27	428
\$100,000 to \$149,999	38	46	31	23	9	147
\$150,000 to \$199,999	15	17	12	9	2	55
\$200,000 & Over	11	14	9	7	1	41
Total	3,655	3,679	2,543	1,924	767	12,568

Source: ESRI; Urban Decision Group

Both the population and total households increased by more than 25% between 2000 and 2017. It is projected that the population will increase by 482, or 0.8%, between 2017 and 2019, while the number of households is projected to increase by 137, or 0.6% over 2017 levels. The 12,475 renter households in the market represent a large base of potential support for the subject project that is projected to increase by 92 over the next two years. This projected renter household growth will add to the demand for rental housing including the ongoing demand for the subject project.

Section F – Economic Trends

1. LABOR FORCE PROFILE

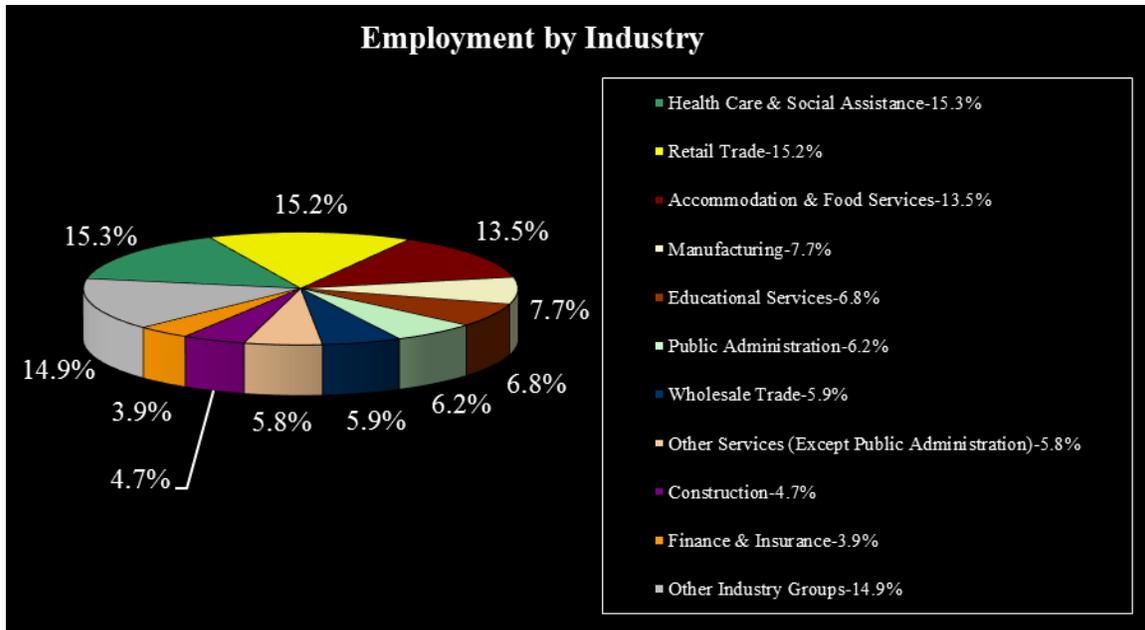
The labor force within the Statesboro Site PMA is based primarily in three sectors. Health Care & Social Assistance (which comprises 15.3%), Retail Trade and Accommodation & Food Services comprise approximately 44% of the Site PMA labor force. Employment in the Statesboro Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	32	1.2%	134	0.5%	4.2
Mining	2	0.1%	7	0.0%	3.5
Utilities	9	0.3%	117	0.5%	13.0
Construction	180	6.9%	1,182	4.7%	6.6
Manufacturing	62	2.4%	1,931	7.7%	31.1
Wholesale Trade	91	3.5%	1,478	5.9%	16.2
Retail Trade	389	15.0%	3,818	15.2%	9.8
Transportation & Warehousing	51	2.0%	455	1.8%	8.9
Information	49	1.9%	761	3.0%	15.5
Finance & Insurance	243	9.4%	993	3.9%	4.1
Real Estate & Rental & Leasing	187	7.2%	773	3.1%	4.1
Professional, Scientific & Technical Services	149	5.7%	740	2.9%	5.0
Management of Companies & Enterprises	2	0.1%	26	0.1%	13.0
Administrative, Support, Waste Management & Remediation Services	95	3.7%	401	1.6%	4.2
Educational Services	47	1.8%	1,709	6.8%	36.4
Health Care & Social Assistance	239	9.2%	3,856	15.3%	16.1
Arts, Entertainment & Recreation	31	1.2%	323	1.3%	10.4
Accommodation & Food Services	166	6.4%	3,396	13.5%	20.5
Other Services (Except Public Administration)	361	13.9%	1,457	5.8%	4.0
Public Administration	130	5.0%	1,570	6.2%	12.1
Nonclassifiable	83	3.2%	20	0.1%	0.2
Total	2,598	100.0%	25,147	100.0%	9.7

*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 East Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	East Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$80,370	\$114,210
Business and Financial Occupations	\$60,360	\$71,300
Computer and Mathematical Occupations	\$57,770	\$85,800
Architecture and Engineering Occupations	\$58,790	\$78,820
Community and Social Service Occupations	\$39,700	\$45,460
Art, Design, Entertainment and Sports Medicine Occupations	\$40,510	\$52,710
Healthcare Practitioners and Technical Occupations	\$60,190	\$74,310
Healthcare Support Occupations	\$23,090	\$28,330
Protective Service Occupations	\$31,120	\$36,610
Food Preparation and Serving Related Occupations	\$19,340	\$20,530
Building and Grounds Cleaning and Maintenance Occupations	\$21,990	\$25,010
Personal Care and Service Occupations	\$20,840	\$24,390
Sales and Related Occupations	\$27,090	\$38,060
Office and Administrative Support Occupations	\$29,480	\$35,470
Construction and Extraction Occupations	\$33,420	\$40,540
Installation, Maintenance and Repair Occupations	\$37,000	\$44,550
Production Occupations	\$29,080	\$33,500
Transportation and Moving Occupations	\$31,480	\$33,720

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

Most annual blue-collar salaries range from \$19,340 to \$40,510 within the East Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$63,496. It is important to note that most occupational types within the East Georgia Nonmetropolitan Area have 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 wage-appropriate occupations from which the subject project will be able to draw support.

2. MAJOR EMPLOYERS

The 10 largest employers within Bulloch 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 East Georgia Nonmetropolitan Area and reflected in the *Typical Wage by Occupation Type* table earlier in this section.

Industry	Business Type
Briggs & Stratton Corp.	Manufacturing
East Georgia Regional Medical Center	Health Care
First Transit, Inc.	Bus Service
Georgia Living at Home	Home Health Care
Georgia Living Management	Business Management
Georgia Southern University	Education
Great Dane Limited Partnership	Tractor Trailer Manufacturing
My Eye Doctor	Health Care
Viracon Georgia	Glass Fabrication
Walmart	Retail

Source: Georgia Labor Market Explorer: Local Area Profiles (Third Quarter 2016)

We were unable to reach any economic development entity at the time of this report; however, below are some positive economic impacts found online.

- Campus Evolution Villages at Statesboro was recently sold to FM Capital. This 528-bed student housing complex will be renovated by FM Capital and rebranded as The Vault at Statesboro. They plan on adding several amenities for the community, such as a community game room with billiards tables, club house and fitness center, private study rooms and computer rooms, as well as a new dog park. These renovations will be completed by 2018, but it is unknown how much has been invested into this project.
- Honey Catering, a catering company which specializes in novelty cheesecakes and also maintains full restaurant plans to open a new storefront in Statesboro. This will be open sometime in August 2017.

WARN (layoff notices):

According to the Georgia Department of Economic Development, there has been one WARN notice of large-scale closures/layoffs reported for Bulloch County since January 2016. Below is a table summarizing this notice.

WARN Notices				
Company	Location	Jobs	Notice Date	Effective Date
Spartan Nash	Statesboro	60	5/8/2016	N/A

Despite this loss of 60 jobs, the county's employment base has expanded over the past couple of years.

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.

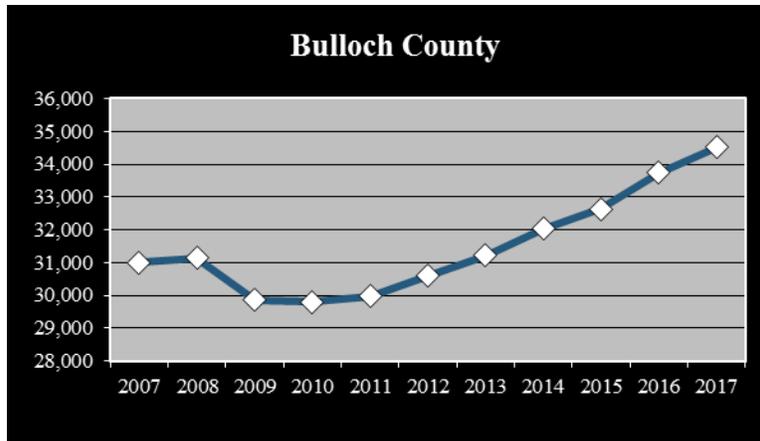
Excluding 2017, the employment base has increased by 10.3% over the past five years in Bulloch County, more than the Georgia state increase of 7.1%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Bulloch County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	30,994	-	4,597,640	-	146,388,400	-
2008	31,140	0.5%	4,575,010	-0.5%	146,047,748	-0.2%
2009	29,867	-4.1%	4,311,854	-5.8%	140,696,560	-3.7%
2010	29,802	-0.2%	4,202,052	-2.5%	140,469,139	-0.2%
2011	29,978	0.6%	4,263,305	1.5%	141,791,255	0.9%
2012	30,602	2.1%	4,348,083	2.0%	143,621,634	1.3%
2013	31,214	2.0%	4,367,147	0.4%	144,996,474	1.0%
2014	32,032	2.6%	4,418,471	1.2%	147,403,607	1.7%
2015	32,628	1.9%	4,502,021	1.9%	149,648,686	1.5%
2016	33,748	3.4%	4,656,255	3.4%	152,001,644	1.6%
2017*	34,510	2.3%	4,767,833	2.4%	152,065,874	0.0%

Source: Department of Labor; Bureau of Labor Statistics

*Through May



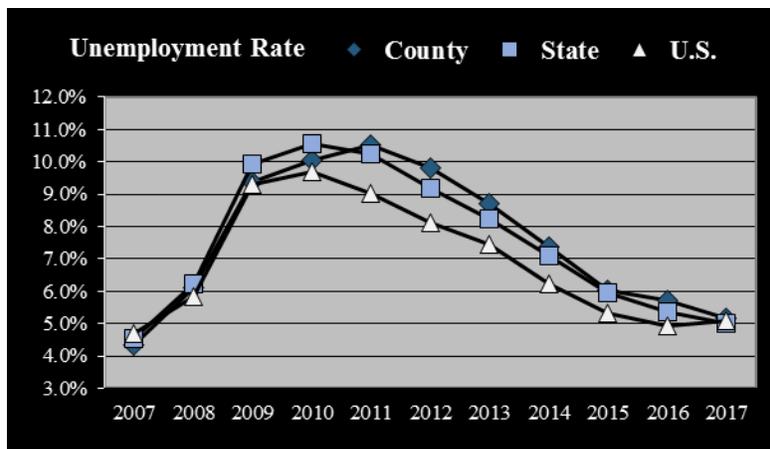
As the preceding illustrates, the Bulloch County employment base has increased in seven consecutive years, adding over 4,700 jobs during this time.

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

Year	Unemployment Rate		
	Bulloch County	Georgia	United States
2007	4.3%	4.5%	4.7%
2008	6.1%	6.2%	5.8%
2009	9.4%	9.9%	9.3%
2010	10.0%	10.6%	9.7%
2011	10.5%	10.2%	9.0%
2012	9.8%	9.2%	8.1%
2013	8.7%	8.2%	7.4%
2014	7.4%	7.1%	6.2%
2015	6.0%	6.0%	5.3%
2016	5.7%	5.4%	4.9%
2017*	5.2%	5.0%	5.1%

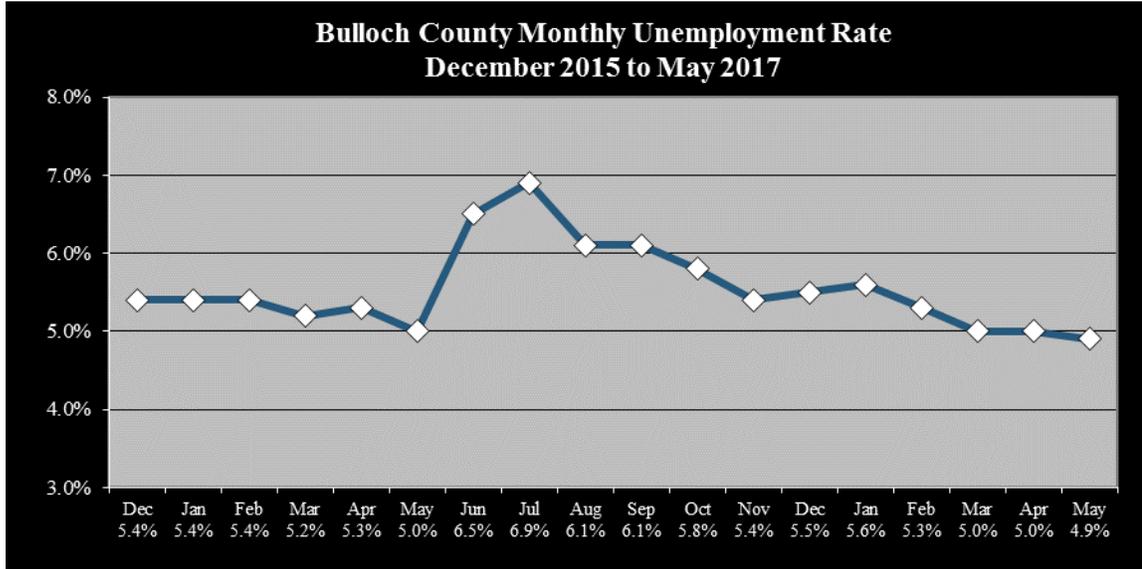
Source: Department of Labor, Bureau of Labor Statistics

*Through May



The unemployment rate in Bulloch County has ranged between 4.3% and 10.5%, comparable to the state average since 2007. The county's unemployment rate has declined in six consecutive years.

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



The county's unemployment rate has generally ranged between 5.0% and 7.0% over the past 18 months.

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 Bulloch County.

In-Place Employment Bulloch County			
Year	Employment	Change	Percent Change
2006	22,949	-	-
2007	23,513	564	2.5%
2008	23,599	86	0.4%
2009	22,700	-899	-3.8%
2010	22,179	-521	-2.3%
2011	22,122	-57	-0.3%
2012	22,044	-78	-0.4%
2013	23,011	967	4.4%
2014	24,057	1,046	4.5%
2015	24,741	684	2.8%
2016	25,194	453	1.8%

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 Bulloch County to be 74.7% of the total Bulloch County employment. This means that Bulloch County has more employed persons leaving the county for daytime employment than those who work in the county.

4. **ECONOMIC FORECAST**

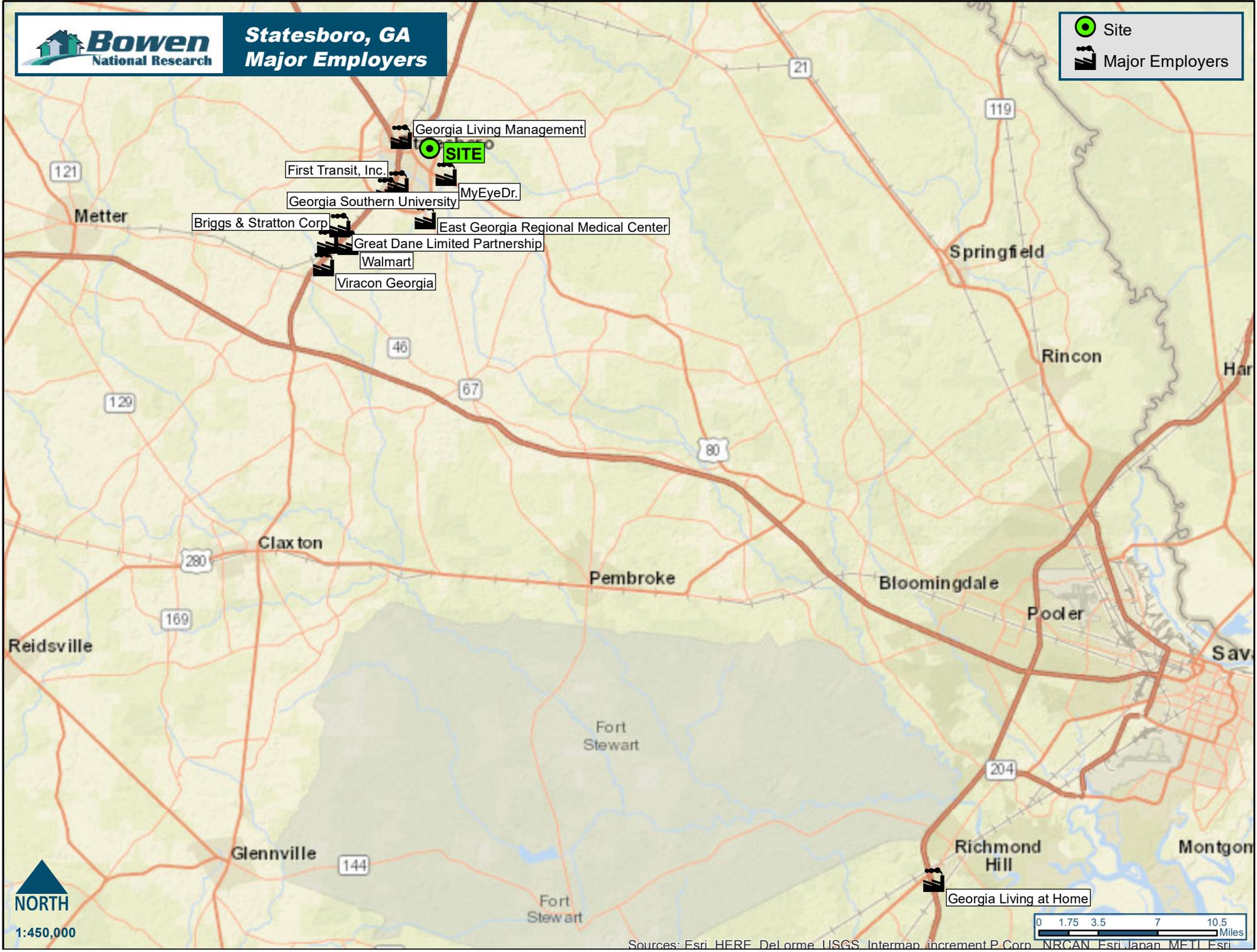
Nearly one-half of the labor force is comprised of employees within the Health Care & Social Assistance, Retail Trade and Accommodation & Food Services job sectors. The proposed project will target low-income households. The area employment base has a significant number of wage-appropriate occupations from which the subject project will be able to draw support. The Bulloch County employment base has increased in seven consecutive years, adding over 4,700 jobs during this time. The unemployment rate in Bulloch County has ranged between 4.3% and 10.5%, comparable to the state average since 2007. The county's unemployment rate has declined in six consecutive years. These economic trends have been very positive and are expected to remain positive for the foreseeable future.

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



Statesboro, GA Major Employers

● Site
🏭 Major Employers



NORTH
1:450,000



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 Bulloch County, which has a four-person median household income of \$50,000 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	\$21,000
Two-Person	\$24,000
Three-Person	\$27,000

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 **\$27,000**.

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 \$521 (at 60% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,252. 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 \$17,863.

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	\$17,863	\$27,000

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 54.3% (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, 2.9% 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 (\$17,863 - \$27,000)	LIHTC Only (\$17,863 - \$27,000)
Demand From New Renter Households (Income-Appropriate)	1,996 - 2,011 = -15	1,996 - 2,011 = -15
+		
Demand From Existing Households (Rent Overburdened)	2,011 X 54.3% = 1,092	2,011 X 54.3% = 1,092
+		
Demand From Existing Households (Renters In Substandard Housing)	2,011 X 2.9% = 58	2,011 X 2.9% = 58
=		
Demand Subtotal	1,135	1,135
+		
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	0	0
=		
Total Demand	1,135	1,135
-		
Supply (Directly Comparable Units Built and/or Funded Since 2015)	0	0
=		
Net Demand	1,135	1,135
Proposed Units	38*	52
Proposed Units/ Net Demand	38* / 1,135	52 / 1,135
Capture Rate	= 3.3%	4.6%

*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 rates of 3.3% (subsidized scenario) and 4.6% (Tax Credit only scenario) are both considered achievable and demonstrate a sufficient base of support for the subject project under either scenario. These are considered achievable capture rates within the Site PMA, especially when considering the lack of non-subsidized family-oriented LIHTC product in the 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%	15***	397	0	397	3.8%	4 months	\$597	\$468-\$625	\$404
One-Bedroom	Total	15***	397	0	397	3.8%	4 months	-	-	-
Two-Bedroom (45%)	60%	23***	511	0	511	4.5%	6 months	\$680	\$546-\$725	\$445
Two-Bedroom	Total	23***	511	0	511	4.5%	6 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.

***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%	20	397	0	397	5.0%	5 months	\$597	\$468-\$625	\$404
One-Bedroom	Total	20	397	0	397	5.0%	5 months	-	-	-
Two-Bedroom (45%)	60%	32	511	0	511	6.3%	8 months	\$680	\$546-\$725	\$445
Two-Bedroom	Total	32	511	0	511	6.3%	8 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 3.8% to 6.3% depending upon scenario and unit type. These capture rates are all considered achievable within the Site PMA utilizing this methodology and demonstrate a sufficient base of support for the subject project under all scenarios.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Statesboro 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	21,583	88.7%	22,114	86.9%
Owner-Occupied	10,359	48.0%	9,639	43.6%
Renter-Occupied	11,224	52.0%	12,475	56.4%
Vacant	2,750	11.3%	3,327	13.1%
Total	24,333	100.0%	25,441	100.0%

Source: ESRI, Census 2010

Based on a 2017 update of the 2010 Census, of the 25,441 total housing units in the market, 13.1% were vacant. In 2017, it was estimated that homeowners occupied 43.6% of all occupied housing units, while the remaining 56.4% were occupied by renters. The share of renters is considered high and the 12,475 renter households represent a large base of potential support in the market for the subject development.

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

Vacant Units	Number	Percent
For Rent	1,459	53.1%
For-Sale Only	316	11.5%
Renter/Sold, Not Occ.	132	4.8%
Seasonal or Recreational	256	9.3%
Other Vacant	587	21.3%
Total	2,750	100.0%

Source: 2010 Census

Based on the 2010 Census, of the 2,750 vacant units in the Site PMA, 30.6% are classified as “Seasonal or Recreational”, or “other vacant”. Just over one-half of all vacant units are “For Rent”. 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	8,104	82.3%	3,832	31.2%
1, Attached	62	0.6%	333	2.7%
2 to 4	124	1.3%	2,654	21.6%
5 to 9	25	0.3%	1,614	13.2%
10 to 19	9	0.1%	1,873	15.3%
20 to 49	41	0.4%	344	2.8%
50+	2	0.0%	212	1.7%
Mobile Homes	1,480	15.0%	1,405	11.5%
Boat, RV, Vans	0	0.0%	0	0.0%
Total	9,847	100.0%	12,267	100.0%

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

Nearly 45% of all renter-occupied housing units are actually single-family or mobile homes.

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	9,806	99.6%	12,180	99.3%
Lacking Complete Kitchen	41	0.4%	87	0.7%
Total	9,847	100.0%	12,267	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	9,813	99.7%	12,242	99.8%
Lacking Complete Plumbing	34	0.3%	26	0.2%
Total	9,847	100.0%	12,268	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 0.4% and 0.7%, respectively, while 0.3% of renter-occupied households had incomplete plumbing facilities compared with the 0.2% of owner-occupied households.

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	9,675	98.3%	11,937	97.3%
1.01 Or More Occupants Per Room	172	1.7%	330	2.7%
Total	9,847	100.0%	12,267	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 2.7% of the households, compared with 1.7% 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%	5,827	59.2%	1,934	15.8%
20% to 29%	1,803	18.3%	2,097	17.1%
30% or More	2,113	21.5%	7,058	57.5%
Not Computed	104	1.1%	1,177	9.6%
Total	9,847	100.0%	12,266	100.0%

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

As the preceding illustrates, 57.5% of renter households in the market pay more than 30% of their income towards rent. This is significantly higher than the national average of 47.9%.

Conventional Rentals

We identified and personally surveyed 16 conventional housing projects containing a total of 1,158 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 98.9%, an extremely high rate for rental housing. Among these projects, 11 are non-subsidized (market-rate and Tax Credit) projects containing 853 units. These non-subsidized units are 98.7% occupied. The remaining five projects contain 305 government-subsidized units, which are 99.3% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	7	555	11	98.0%
Market-rate/Tax Credit	2	192	0	100.0%
Tax Credit	2	106	0	100.0%
Tax Credit/Government-Subsidized	1	98	0	100.0%
Government-Subsidized	4	207	2	99.0%
Total	16	1,158	13	98.9%

Each of the surveyed multifamily rental housing segments in the Site PMA are performing at occupancy levels of 98.0% or higher. There appear to be no weaknesses in the surveyed rental housing market. With no vacant units among the Tax Credit projects in the market, there appears to be an insufficient supply of LIHTC product.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	112	18.9%	8	7.1%	\$682
Two-Bedroom	1.0	122	20.5%	0	0.0%	\$809
Two-Bedroom	2.0	219	36.9%	3	1.4%	\$892
Three-Bedroom	2.0	53	8.9%	0	0.0%	\$772
Four-Bedroom	2.0	44	7.4%	0	0.0%	\$917
Four-Bedroom	3.0	44	7.4%	0	0.0%	\$910
Total Market-rate		594	100.0%	11	1.9%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	47	18.1%	0	0.0%	\$482
Two-Bedroom	1.0	22	8.5%	0	0.0%	\$634
Two-Bedroom	2.0	143	55.2%	0	0.0%	\$583
Three-Bedroom	2.0	47	18.1%	0	0.0%	\$736
Total Tax Credit		259	100.0%	0	0.0%	-

The market-rate units are 98.1% occupied and the Tax Credit units are 100.0% occupied. With only 11 vacant market-rate units and no vacant Tax Credit units, there is very limited availability among the non-subsidized supply in the market. The median gross rents among the Tax Credit supply are well below the corresponding gross rents of the market-rate supply, which is likely contributing to the high demand for affordable rentals.

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+	2	261	3.1%
B	4	89	0.0%
B-	2	100	1.0%
C+	1	144	1.4%

Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	42	0.0%
B+	1	64	0.0%
B	2	153	0.0%

Vacancies are low among all quality levels of the non-subsidized product. The proposed renovations of the subject project should improve its quality and enhance the subject project's marketability.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of nine federally subsidized and/or Tax Credit apartment developments in the Statesboro 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.
1	Wildwood Villas I (Site)	RD 515	1985	52	100.0%	\$485 - \$661 (20)	\$556 - \$742 (32)	-
2	Wildwood Villas II	RD 515	1988	58	100.0%	\$449 - \$593 (46)	\$501 - \$644 (12)	-
6	Twenty Four East Apts.	RD 515	1990	48	95.8%	\$502 - \$662 (16)	\$552 - \$763 (32)	-
8	Madison Meadows Apts.	TAX	2002	96*	100.0%	-	\$635 - \$763 (49)	\$736 - \$884 (47)
11	Eastview Apts.	RD 515	1981	48	100.0%	\$459 - \$543 (24)	\$502 - \$608 (24)	-
12	Grace Crossing Apts.	TAX	2012	64	100.0%	\$454 (8)	\$519 (56)	-
13	Laurel Pointe Apts.	TAX	2003	57*	100.0%	\$482 (19)	\$583 (38)	-
15	Statesboro Summit Apts.	TAX & SEC 8	1978 / 2006	98	100.0%	\$730 (96)	\$812 (2)	-
16	Newport Trace	TAX	2016	42	100.0%	\$489 - \$498 (20)	\$585 - \$634 (22)	-
				Total	564	99.6%		

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 overall occupancy is 99.6% for these projects, indicating strong market demand for affordable rental housing. The proposed project offers units that will continue to target low-income households. As such, it will have some competitive overlap with some of the preceding properties. A competitive analysis of the subject project and the most comparable properties serving low-income households is included later in this section.

HOUSING CHOICE VOUCHER HOLDERS

According to the Georgia Department of Community Affairs, there are approximately 102 Housing Choice Voucher holders within Bulloch County and 147 people on the waiting list for an additional Voucher. This reflects the continuing need for Housing Choice Voucher assistance.

The following table identifies the properties that accept Housing Choice Vouchers as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
8	Madison Meadows Apts.	96*	20	20.8%
12	Grace Crossing Apts.	64	2	3.1%
13	Laurel Pointe Apts.	57*	2	3.5%
16	Newport Trace	42	3	7.1%
Total		259	27	10.4%

*Tax Credit units only

As the preceding table illustrates, there are a total of approximately 27 voucher holders residing at the preceding surveyed properties within the market. This comprises 10.4% of the 259 total non-subsidized LIHTC units. As such, it can be concluded that these projects do not rely heavily on voucher support.

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 - Bulloch 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	\$603	\$521 (60%)
Two-Bedroom	\$780	\$614 (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 - Bulloch County. As such, those who hold Housing Choice Vouchers will likely respond to the non-Rental Assistance (RA) units at the subject development. This will likely increase the base of income-appropriate renter households within the Statesboro Site PMA for the non-RA units at the subject project and has been considered in our absorption estimates in *Section I* of this report.

3. **PLANNED MULTIFAMILY DEVELOPMENT**

We were unable to contact local planning representatives, however through extensive online research and a review of GDCA-allocated projects, 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 Bulloch County for the past ten years:

Housing Unit Building Permits for Bulloch County:										
Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	30	54	60	64	377	291	25	313	42	18
Single-Family Permits	800	328	171	143	149	130	170	208	232	327
Total Units	830	382	231	207	526	421	195	521	274	345

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

Residential building permit activity has been significant over the last several years in Bulloch County. Since 2010, building permits have been issued for more than 1,100 multifamily residential units within the county. Despite this influx of residential units, occupancy rates among the surveyed multifamily residential units are very high.

4. **SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES**

Tax Credit Units

We identified one Low-Income Housing Tax Credit (LIHTC) property within the Statesboro Site PMA that could compete with the proposed subject project. In order to expand the base of comparison for the subject project, we also surveyed and analyzed three additional LIHTC projects outside of the Site PMA but within the region. While these properties target family households and provide insight as to market norms, they will not compete directly with the subject project.

These four LIHTC properties and the proposed subject development are summarized as follows.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Wildwood Villas I	1985 / 2019	52	100.0%	-	1 H.H.	Families; 60% AMHI & RD 515
8	Madison Meadows Apts.	2002	96*	100.0%	0.9 Miles	None	Families; 50% & 60% AMHI
914	Ashton Place	1996	48	100.0%	49.6 Miles	50 H.H.	Families; 30%, 50%, & 60% AMHI
917	Royal Oaks	2016	72	100.0%	48.4 Miles	260 H.H.	Families; 50% & 60% AMHI
920	Pines at Willowbrook	2003	64*	100.0%	47.8 Miles	None	Families; 50% & 60% AMHI

OCC. – Occupancy
H.H. - Households
*Tax Credit units only

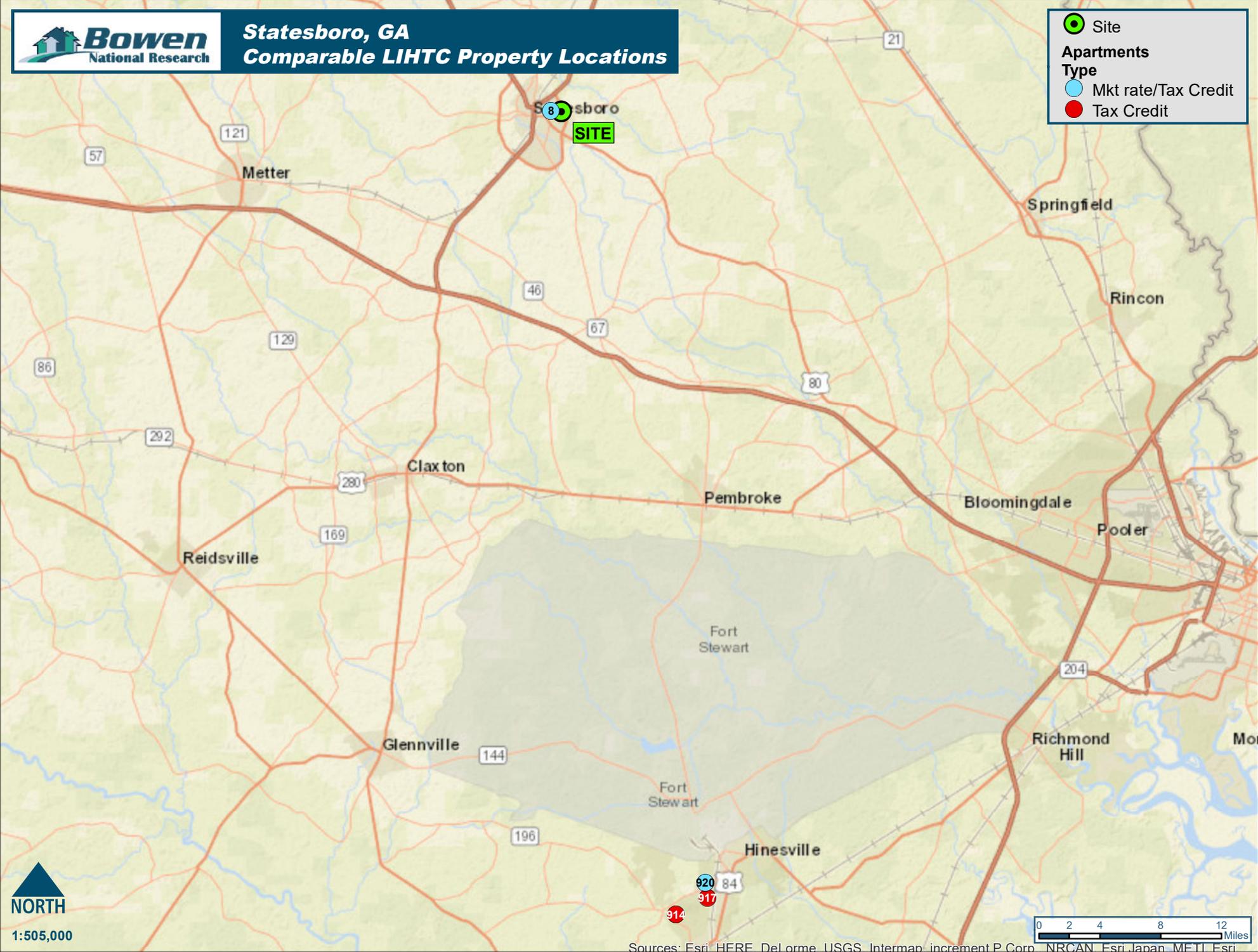
The four LIHTC projects have a combined occupancy rate of 100.0%, including the only comparable LIHTC project in the Site PMA. Two of the four projects include wait lists, indicating that there is pent-up demand for family LIHTC housing in the region.

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



Statesboro, GA Comparable LIHTC Property Locations

- Site
- Apartments Type
- Mkt rate/Tax Credit
- Tax Credit



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

The gross rents for the competing 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.	
Site	Wildwood Villas I	\$521/60% (20)	\$614/60% (32)	-	-
8	Madison Meadows Apts.	-	\$635/50% (27/0) \$763/60% (22/0)	\$736/50% (23/0) \$884/60% (24/0)	None
914	Ashton Place	\$290/30% (10/0)	\$562/50% (15/0) \$652/60% (8/0)	\$664/50% (2/0) \$861/60% (13/0)	None
917	Royal Oaks	\$448/50% (12/0)	\$540/50% (6/0) \$651/60% (24/0)	\$625/50% (5/0) \$753/60% (25/0)	None
920	Pines at Willowbrook	\$464/50% (1/0) \$563/60% (5/0)	\$548/50% (11/0) \$666/60% (28/0)	\$627/50% (5/0) \$764/60% (14/0)	None

The proposed subject gross rents, ranging from \$521 to \$614, fall within the range of rents of the other LIHTC units targeting similar income levels in the market and region. In fact, the proposed rents will be the lowest within the Site PMA.

Per Georgia DCA guidelines, 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	% AMHI	Difference	Proposed Rent	% AMHI	Rent Advantage
One-Br.	\$431	- \$404	60%	\$27	/ \$404	60%	6.7%
Two-Br.	\$576	- \$445	60%	\$131	/ \$445	60%	29.4%

The proposed LIHTC rents at the site represent rent advantages of 6.7% to 29.4%, when compared with other LIHTC projects.

Please note that these are weighted averages of *collected* rents 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 gross rents is available in Addendum F.

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.
Site	Wildwood Villas I	671	940	-
8	Madison Meadows Apts.	-	999 - 1,081	1,148 - 1,229
914	Ashton Place	708	708 - 912	1,134
917	Royal Oaks	756	846	1,105
920	Pines at Willowbrook	703	923 - 960	1,150

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Wildwood Villas I	1.0	1.0	-
8	Madison Meadows Apts.	-	2.0	2.0
914	Ashton Place	1.0	2.0	2.0
917	Royal Oaks	1.0	2.0	2.0
920	Pines at Willowbrook	1.0	1.0 - 2.0	2.0

The proposed development will be competitive with the existing LIHTC projects in the market based on unit size (square footage) and the number of baths offered.

The following tables compare the amenities of the subject

COMPARABLE PROPERTIES AMENITIES - STATESBORO, 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
8	X	X		X	X		X		C		X		X				B		S	
920	X	X		X	X		X		C		X	X					B		S	
914	X	X		X			X		C		X	X	X				B		S	Exterior Storage
917	X	X		X	X	X	X		C		X	X	X				B		S	Exterior Storage

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
8	X	X	X	X		X	X							X		X				Courtesy Officer
920		X	X	X		X	X							X		X				
914		X	X				X									X				
917	X	X	X	X	X		X						X			X	X			Gazebo

◆ 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



With the exception of dishwashers and ceiling fans, the amenity package included at the subject development is very similar to the comparable properties and should be very competitive. The subject development does not appear to lack any amenities that would hinder its ability to operate as a Low-Income Housing Tax Credit project.

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market and region, it is our opinion that the subject development will be marketable following renovations. The subject project’s proposed LIHTC rents are in line with other affordable rentals in the area and the amenity package will be marketable to the targeted low-income households. We have no recommendations for the subject project.

The only competitive LIHTC project in the Site PMA is Madison Meadows. Given that the subject project only involves the renovation of existing units that are fully occupied and does not involve the introduction of new rental units, we do expect the subject project to adversely impact Madison Meadows or any other affordable rental properties in the market.

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 \$141,848. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$141,848 home is \$853, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$141,848
Mortgaged Value = 95% of Median Home Price	\$134,756
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$683
Estimated Taxes and Insurance*	\$171
Estimated Monthly Mortgage Payment	\$853

*Estimated at 25% of principal and interest

The proposed collected rents range from \$404 to \$445 and are well below the typical mortgage payment. Given the subject project targets low-income households, we do not expect 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% occupied and maintains a wait 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 52 subject units will be vacated and that all units will have to be re-rented simultaneously.

It is our opinion that the 52 units at the subject site will reach a stabilized occupancy of 93.0% within eight 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 Statesboro Site PMA.

- Shelly Parker, Property Manager at Wildwood Villas I and II, stated that there is “absolutely a need” for more affordable housing in Statesboro. Ms. Parker continued to say that a lot of people have low incomes in the area or a fixed income. She believes there is a need for both individuals and families.
- Tamekia Bradford, Property Manager at Madison Meadows, stated that there is a need for additional affordable housing in the area. Ms. Bradford added that she receives calls every day about one-bedroom units that she does not have on her property as well as requests for two- and three-bedroom units.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 52 units proposed at the subject site, assuming it is renovated and operated as detailed in this report. Changes in the project's scope of renovations, rent, amenities or renovation completion date may alter these findings.

The project will be competitive within the market area in terms of unit amenities and unit sizes, and the proposed rents will be perceived as appropriate for the marketplace. We do not have any recommendations for the subject project.

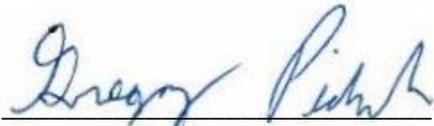
Given the limited number of affordable developments within the Site PMA, the renovated subject project will offer a housing alternative to low-income households that is not readily available in the area. As shown in the Project Specific Demand Analysis section of this report, with low capture rates, sufficient support exists for the subject development. Because the subject project will not involve introducing any new units into the market, the subject project will not have any adverse impact on the existing and planned Tax Credit developments in the Site PMA.

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



Gregory Piduch
Market Analyst
gregp@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

STATESBORO, 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.

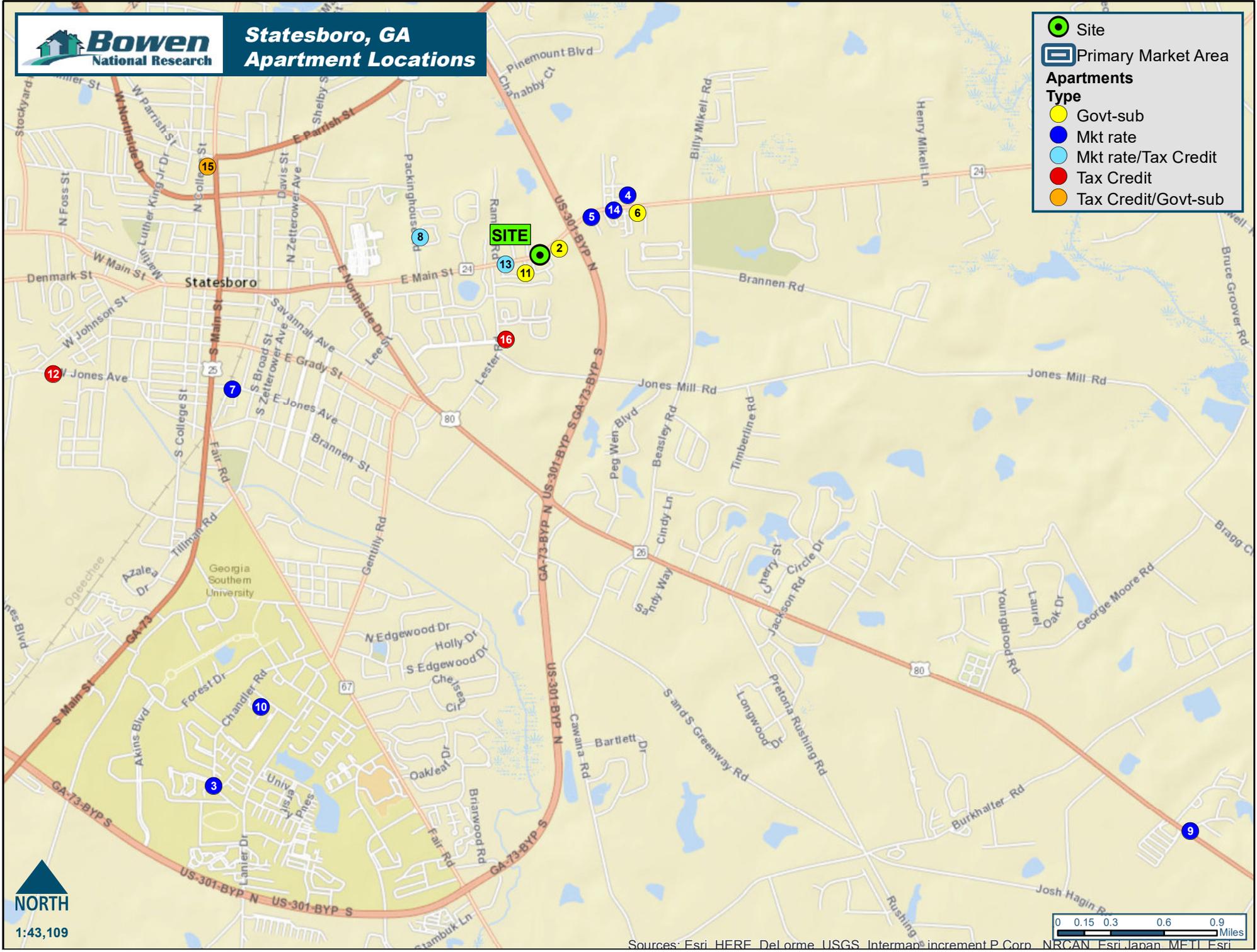
The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- 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.

Site
 Primary Market Area
Apartments Type
 Govt-sub
 Mkt rate
 Mkt rate/Tax Credit
 Tax Credit
 Tax Credit/Govt-sub



MAP IDENTIFICATION LIST - STATESBORO, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Wildwood Villas I (Site)	GSS	B	1985	53	0	100.0%	-
2	Wildwood Villas II	GSS	B	1988	58	0	100.0%	-
3	Chandler Heights	MRR	B+	1989	115	8	93.0%	3.6
4	Hillcrest Apts.	MRR	B-	1987	28	0	100.0%	0.5
5	Village at Mill Creek	MRR	B+	2008	146	0	100.0%	0.4
6	Twenty Four East Apts.	GSS	B+	1990	48	2	95.8%	0.6
7	Little Lott's Creek Apts.	MRR	B-	1997	72	1	98.6%	1.9
8	Madison Meadows Apts.	MRT	B	2002	120	0	100.0%	0.9
9	Starline Heights	MRR	B	1996	12	0	100.0%	5.0
10	University Pointe Apts.	MRR	C+	1978	144	2	98.6%	3.2
11	Eastview Apts.	GSS	C+	1981	48	0	100.0%	0.1
12	Grace Crossing Apts.	TAX	B+	2012	64	0	100.0%	2.7
13	Laurel Pointe Apts.	MRT	B	2003	72	0	100.0%	0.2
14	Deer Wood Apts.	MRR	B	1979	38	0	100.0%	0.5
15	Statesboro Summit Apts.	TGS	B	1978	98	0	100.0%	2.1
16	Newport Trace	TAX	A	2016	42	0	100.0%	0.6

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	7	555	11	98.0%	10
MRT	2	192	0	100.0%	0
TAX	2	106	0	100.0%	0
TGS	1	98	0	100.0%	0
GSS	4	207	2	99.0%	0

Total units does not include units under construction.

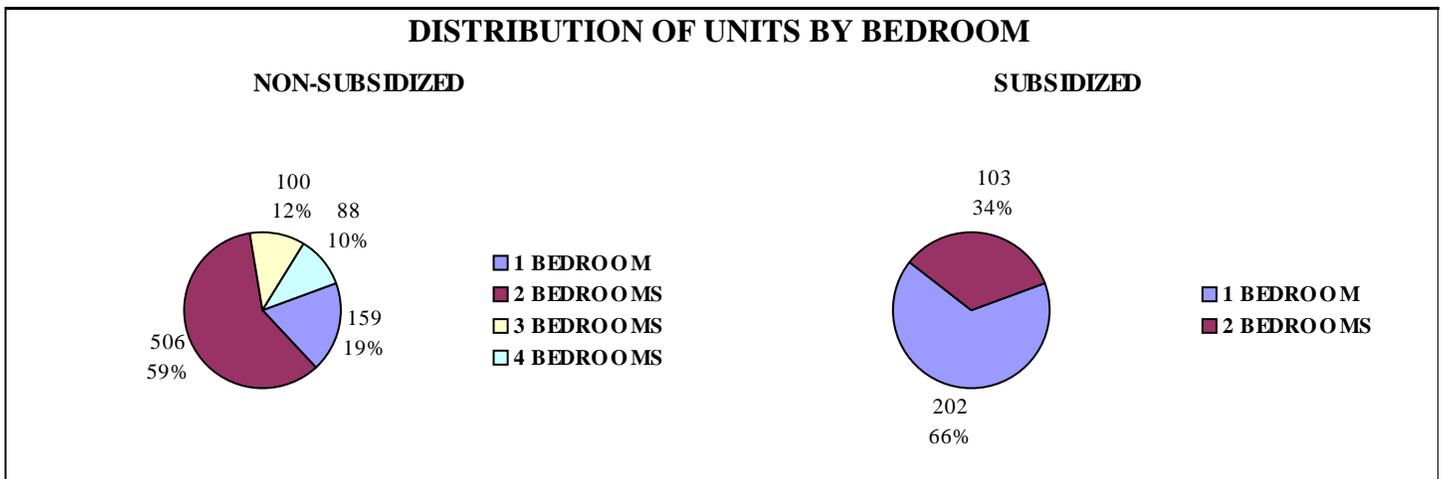
◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

Survey Date: July 2017

DISTRIBUTION OF UNITS - STATESBORO, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	112	18.9%	8	7.1%	\$682
2	1	122	20.5%	0	0.0%	\$809
2	2	219	36.9%	3	1.4%	\$892
3	2	53	8.9%	0	0.0%	\$772
4	2	44	7.4%	0	0.0%	\$917
4	3	44	7.4%	0	0.0%	\$910
TOTAL		594	100.0%	11	1.9%	
10 UNITS UNDER CONSTRUCTION						
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	47	18.1%	0	0.0%	\$482
2	1	22	8.5%	0	0.0%	\$634
2	2	143	55.2%	0	0.0%	\$583
3	2	47	18.1%	0	0.0%	\$736
TOTAL		259	100.0%	0	0.0%	
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	96	98.0%	0	0.0%	N.A.
2	1	2	2.0%	0	0.0%	N.A.
TOTAL		98	100.0%	0	0.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	106	51.2%	1	0.9%	N.A.
2	1	68	32.9%	1	1.5%	N.A.
2	1.5	33	15.9%	0	0.0%	N.A.
TOTAL		207	100.0%	2	1.0%	
GRAND TOTAL		1,158	-	13	1.1%	



SURVEY OF PROPERTIES - STATESBORO, GEORGIA

1 Wildwood Villas I (Site)			
	Address 50 Wildwood Circle Statesboro, GA 30458	Phone (912) 764-7966 (Contact in person)	Total Units 53
	Year Built 1985 Comments RD 515, no RA; Accepts HCV (0 currently)	Contact Shelly	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B
			Waiting List 1 household
2 Wildwood Villas II			
	Address 54 Wildwood Cir. Statesboro, GA 30459	Phone (912) 764-7966 (Contact in person)	Total Units 58
	Year Built 1988 Comments RD 515, has RA (52 units); Accepts HCV (0 currently); One 1-br have washer/dryer hookups	Contact Shelly	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Senior Restricted (62+) Waiting List 12 households
3 Chandler Heights			
	Address 1822 Chandler Rd. Statesboro, GA 30458	Phone (912) 681-7110 (Contact in person)	Total Units 115
	Year Built 1989 Renovated 2003 Comments Does not accept HCV; Year built estimated	Contact Reid	Vacancies 8 Occupied 93.0% Floors 3 Quality Rating B+
			Waiting List None
4 Hillcrest Apts.			
	Address 524 E. Main St. Statesboro, GA 30461	Phone (844) 492-6909 (Contact in person)	Total Units 28
	Year Built 1987 Comments HCV (1 unit)	Contact Shelby	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B-
			Waiting List None
5 Village at Mill Creek			
	Address 552 E. Main St. Statesboro, GA 30461	Phone (912) 489-3044 (Contact in person)	Total Units 146
	Year Built 2008 Comments Does not accept HCV; Rent range due to floor plan & floor level	Contact Kayla	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+
			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

SURVEY OF PROPERTIES - STATESBORO, GEORGIA

6 Twenty Four East Apts.			
	Address 566 E. Main St. Statesboro, GA 30461	Phone (912) 764-7852 (Contact in person)	Total Units 48
	Year Built 1990 Comments RD 515, no RA; HCV (1 unit); Handicap units have E-call button	Contact Billy Jean	Vacancies 2 Occupied 95.8% Floors 1,2 Quality Rating B+
			Waiting List None
7 Little Lott's Creek Apts.			
	Address 14 E. Jones Ave. Statesboro, GA 30458	Phone (912) 764-3982 (Contact in person)	Total Units 72
	Year Built 1997 Comments HCV (10 units, no longer accepts)	Contact Jessica	Vacancies 1 Occupied 98.6% Floors 2,3 Quality Rating B-
			Waiting List None
8 Madison Meadows Apts.			
	Address 10 Packinghouse Rd. Statesboro, GA 30458	Phone (912) 489-1001 (Contact in person)	Total Units 120
	Year Built 2002 Comments Market-rate (24 units); 50% & 60% AMHI (96 units); HCV (20 units)	Contact Tamekia	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List None
9 Starline Heights			
	Address 900 Stephen Dr. Statesboro, GA 30458	Phone (912) 839-2432 (Contact in person)	Total Units 12
	Year Built 1996 Comments Does not accept HCV; Higher rent on units that include washer/dryer	Contact Denise	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B
			Waiting List 3 households
10 University Pointe Apts.			
	Address 109 Harvey Dr. Statesboro, GA 30458	Phone (912) 681-3291 (Contact in person)	Total Units 144
	Year Built 1978 Comments Does not accept HCV; 2-br garden units include water & sewer; Townhomes have dishwasher & disposal; Select units have ceiling fan	Contact Franklin	Vacancies 2 Occupied 98.6% Floors 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

SURVEY OF PROPERTIES - STATESBORO, GEORGIA

11 Eastview Apts.			
	Address 500 Eastview Apartment Rd. Statesboro, GA 30458	Phone (912) 764-7478 (Contact in person)	Total Units 48
	Year Built 1981 Comments RD 515, has RA (40 units); Accepts HCV (0 currently); 2-br have exterior storage	Contact Vicki	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C+
			Waiting List 10 households
12 Grace Crossing Apts.			
	Address 183 Gesmon Neville Ln. Statesboro, GA 30458	Phone (912) 489-6550 (Contact in person)	Total Units 64
	Year Built 2012 Comments 50% & 60% AMHI; HCV (2 units); Opened 6/2012, 100% occupied 2/2013	Contact Sandra	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+
			Senior Restricted (55+) Waiting List 9 months
13 Laurel Pointe Apts.			
	Address 510 E. Main St. Statesboro, GA 30458	Phone (912) 764-9945 (Contact in person)	Total Units 72
	Year Built 2003 Comments Market-rate (15 units); 50% & 60% AMHI (57 units); HCV (2 units); Unit mix estimated	Contact Michelle	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B
			Senior Restricted (55+) Waiting List 4 households
14 Deer Wood Apts.			
	Address 560 E. Main St. Statesboro, GA 30461	Phone (912) 225-9073 (Contact in person)	Total Units 38
	Year Built 1979 Renovated 2016 Comments Accepts HCV (0 currently); Former RD 515 property; 10 units under renovation, completion date 8/2017	Contact Darla	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B
			Waiting List None
15 Statesboro Summit Apts.			
	Address 241 N. Main St. Statesboro, GA 30458	Phone (912) 764-6171 (Contact in person)	Total Units 98
	Year Built 1978 Renovated 2006 Comments 60% AMHI; HUD Section 8	Contact Carolynn	Vacancies 0 Occupied 100.0% Floors 6 Quality Rating B
			Senior Restricted (62+) Waiting List 6 months

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 - STATESBORO, GEORGIA

16 Newport Trace			
	Address Lester Rd. Statesboro, GA 30458	Phone (912) 243-9096 (Contact in person)	Total Units 42 Vacancies 0
	Year Built 2016 Comments 50% & 60% AMHI; HCV (3 units); Opened 6/2016, 100% occupied 10/2016; 4 handicap units have E-call buttons	Contact Christina	Occupied 100.0% Floors 1 Quality Rating A Senior Restricted (55+) Waiting List 63 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

COLLECTED RENTS - STATESBORO, 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		\$625			\$700		\$650		\$700
4			\$550						
5			\$748 to \$795						
7			\$530	\$620					
8			\$506 to \$675	\$578 to \$775					
9			\$710 to \$730						
10		\$555 to \$600	\$700				\$750		
12		\$352	\$390						
13		\$380 to \$468	\$454 to \$546						
14		\$610	\$725						
16		\$407 to \$416	\$481 to \$530						

◆	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 - STATESBORO, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Chandler Heights	1	600	\$742	\$1.24
10	University Pointe Apts.	1	650 to 720	\$637 to \$682	\$0.95 to \$0.98
14	Deer Wood Apts.	1	650	\$674	\$1.04
◆ 13	Laurel Pointe Apts.	1	817	\$482 to \$570	\$0.59 to \$0.70
◆ 12	Grace Crossing Apts.	1	762	\$454	\$0.60
◆ 16	Newport Trace	1	797	\$489 to \$498	\$0.61 to \$0.62
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Chandler Heights	2	700	\$797	\$1.14
4	Hillcrest Apts.	1	720	\$694	\$0.96
5	Village at Mill Creek	2	1072 to 1177	\$892 to \$939	\$0.80 to \$0.83
7	Little Lott's Creek Apts.	2	1056	\$657	\$0.62
9	Starline Heights	2	1035	\$792 to \$812	\$0.77 to \$0.78
10	University Pointe Apts.	1	924 to 994	\$809 to \$862	\$0.87 to \$0.88
14	Deer Wood Apts.	1	925	\$807	\$0.87
8	Madison Meadows Apts.	2	999 to 1081	\$635 to \$804	\$0.64 to \$0.74
◆ 13	Laurel Pointe Apts.	2	982	\$583 to \$675	\$0.59 to \$0.69
◆ 12	Grace Crossing Apts.	2	1078	\$519	\$0.48
◆ 16	Newport Trace	1	1036	\$585 to \$634	\$0.56 to \$0.61
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Little Lott's Creek Apts.	2	1236	\$772	\$0.62
8	Madison Meadows Apts.	2	1148 to 1229	\$736 to \$933	\$0.64 to \$0.76
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Chandler Heights	2	1350	\$917	\$0.68
		3	1325	\$910	\$0.69

◆	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 - STATESBORO, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.00	\$0.82	\$0.66
TOWNHOUSE	\$0.00	\$0.97	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.60	\$0.58	\$0.68
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.89	\$0.74	\$0.67
TOWNHOUSE	\$0.00	\$0.97	\$0.00

TAX CREDIT UNITS - STATESBORO, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 12	Grace Crossing Apts.	5	762	1	60%	\$352
◆ 12	Grace Crossing Apts.	3	762	1	50%	\$352
◆ 13	Laurel Pointe Apts.	6	817	1	50%	\$380
◆ 13	Laurel Pointe Apts.	13	817	1	60%	\$380
◆ 16	Newport Trace	7	797	1	50%	\$407
◆ 16	Newport Trace	13	797	1	60%	\$416
◆ 15	Statesboro Summit Apts.	96	583	1	60%	\$730
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 12	Grace Crossing Apts.	10	1078	2	50%	\$390
◆ 12	Grace Crossing Apts.	46	1078	2	60%	\$390
◆ 13	Laurel Pointe Apts.	26	982	2	60%	\$454
◆ 13	Laurel Pointe Apts.	12	982	2	50%	\$454
◆ 16	Newport Trace	2	1036	1	50%	\$481
◆ 8	Madison Meadows Apts.	27	999 - 1081	2	50%	\$506
◆ 16	Newport Trace	20	1036	1	60%	\$530
◆ 8	Madison Meadows Apts.	22	999 - 1081	2	60%	\$634
◆ 15	Statesboro Summit Apts.	2	700	1	60%	\$812
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
8	Madison Meadows Apts.	23	1148 - 1229	2	50%	\$578
8	Madison Meadows Apts.	24	1148 - 1229	2	60%	\$726

◆ - Senior Restricted

QUALITY RATING - STATESBORO, GEORGIA

MARKET-RATE PROJECTS AND UNITS

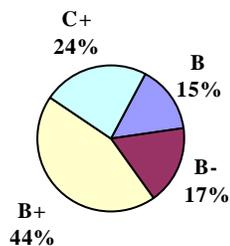
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	2	261	3.1%		\$742	\$892		\$910
B	4	89	0.0%		\$674	\$807	\$933	
B-	2	100	1.0%			\$657	\$772	
C+	1	144	1.4%		\$637	\$809		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

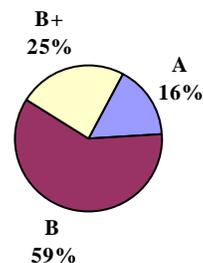
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	42	0.0%		\$498	\$634		
B+	1	64	0.0%		\$454	\$519		
B	2	153	0.0%		\$482	\$635	\$736	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - STATESBORO, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	2	182	2	1.1%	182	21.3%
1980 to 1989	2	143	8	5.6%	325	16.8%
1990 to 1999	2	84	1	1.2%	409	9.8%
2000 to 2005	2	192	0	0.0%	601	22.5%
2006 to 2010	1	146	0	0.0%	747	17.1%
2011	0	0	0	0.0%	747	0.0%
2012	1	64	0	0.0%	811	7.5%
2013	0	0	0	0.0%	811	0.0%
2014	0	0	0	0.0%	811	0.0%
2015	0	0	0	0.0%	811	0.0%
2016	1	42	0	0.0%	853	4.9%
2017**	0	0	0	0.0%	853	0.0%
TOTAL	11	853	11	1.3%	853	100.0 %

YEAR RENOVATED - STATESBORO, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	1	115	8	7.0%	115	75.2%
2006 to 2010	0	0	0	0.0%	115	0.0%
2011	0	0	0	0.0%	115	0.0%
2012	0	0	0	0.0%	115	0.0%
2013	0	0	0	0.0%	115	0.0%
2014	0	0	0	0.0%	115	0.0%
2015	0	0	0	0.0%	115	0.0%
2016	1	38	0	0.0%	153	24.8%
2017**	0	0	0	0.0%	153	0.0%
TOTAL	2	153	8	5.2%	153	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

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

** As of July 2017

APPLIANCES AND UNIT AMENITIES - STATESBORO, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	11	100.0%	853
REFRIGERATOR	11	100.0%	853
ICEMAKER	5	45.5%	435
DISHWASHER	11	100.0%	853
DISPOSAL	6	54.5%	618
MICROWAVE	5	45.5%	405
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	11	100.0%	853
AC - WINDOW	0	0.0%	
FLOOR COVERING	11	100.0%	853
WASHER/DRYER	3	27.3%	273
WASHER/DRYER HOOK-UP	10	90.9%	709
PATIO/DECK/BALCONY	6	54.5%	404
CEILING FAN	7	63.6%	566
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	11	100.0%	853
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	3	27.3%	178

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

PROJECT AMENITIES - STATESBORO, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	3	27.3%	381
ON-SITE MANAGEMENT	9	81.8%	813
LAUNDRY	5	45.5%	442
CLUB HOUSE	2	18.2%	162
MEETING ROOM	2	18.2%	136
FITNESS CENTER	3	27.3%	330
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	18.2%	192
COMPUTER LAB	3	27.3%	226
SPORTS COURT	1	9.1%	251
STORAGE	0	0.0%	
LAKE	1	9.1%	72
ELEVATOR	1	9.1%	64
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	6	54.5%	516
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	9.1%	64

DISTRIBUTION OF UTILITIES - STATESBORO, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	98	8.5%
TENANT			
ELECTRIC	15	1,060	91.5%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	98	8.5%
TENANT			
ELECTRIC	14	988	85.3%
GAS	1	72	6.2%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	98	8.5%
TENANT			
ELECTRIC	14	988	85.3%
GAS	1	72	6.2%
			100.0%
ELECTRIC			
LANDLORD			
	1	98	8.5%
TENANT			
	15	1,060	91.5%
			100.0%
WATER			
LANDLORD			
	4	196	16.9%
TENANT			
	12	962	83.1%
			100.0%
SEWER			
LANDLORD			
	5	238	20.6%
TENANT			
	11	920	79.4%
TRASH PICK-UP			
LANDLORD			
	10	696	60.1%
TENANT			
	6	462	39.9%
			100.0%

UTILITY ALLOWANCE - NONE, GA

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

3 Chandler Heights

3.6 miles to site



Address	1822 Chandler Rd. Statesboro, GA 30458		
Phone	(912) 681-7110	Contact	Reid
Total Units	115	Vacancies	8
		Percent Occupied	93.0%
Project Type	Market-Rate		
Year Open	1989	Renovated	2003
		Floors	3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Year built estimated		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Blinds
Project Amenities	Swimming Pool, On-site Management, Sports Court

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	19	6	600	\$1.04	\$625
2	2	T	8	2	700	\$0.93	\$650
4	2	T	44	0	1350	\$0.52	\$700
4	3	G	44	0	1325	\$0.53	\$700

9 Starline Heights

5.0 miles to site



Address	900 Stephen Dr. Statesboro, GA 30458		
Phone	(912) 839-2432	Contact	Denise
Total Units	12	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1996	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	3 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Higher rent on units that include washer/dryer		

Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2	G	12	0	1035	\$0.69 - \$0.71	\$710 to \$730

14 Deer Wood Apts.

0.5 miles to site



Address	560 E. Main St. Statesboro, GA 30461		
Phone	(912) 225-9073	Contact	Darla
Total Units	38	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1979	Renovated	2016
		Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Accepts HCV (0 currently); Former RD 515 property; 10 units under renovation, completion date 8/2017		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	10	0	650	\$0.94	\$610
2	1	G	28	0	925	\$0.78	\$725

8 Madison Meadows Apts.

0.9 miles to site



Address	10 Packinghouse Rd. Statesboro, GA 30458		
Phone	(912) 489-1001	Contact	Tamekia
Total Units	120	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2002	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Market-rate (24 units); 50% & 60% AMHI (96 units); HCV (20 units)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Courtesy Officer

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	11	0	999 to 1081	\$0.62 - \$0.68	\$675	
2	2	G	22	0	999 to 1081	\$0.59 - \$0.63	\$634	60%
2	2	G	27	0	999 to 1081	\$0.47 - \$0.51	\$506	50%
3	2	G	13	0	1148 to 1229	\$0.63 - \$0.68	\$775	
3	2	G	24	0	1148 to 1229	\$0.59 - \$0.63	\$726	60%
3	2	G	23	0	1148 to 1229	\$0.47 - \$0.50	\$578	50%

13 Laurel Pointe Apts.

0.2 miles to site



Address	510 E. Main St. Statesboro, GA 30458		
Phone	(912) 764-9945	Contact	Michelle
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2003	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	4 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Market-rate (15 units); 50% & 60% AMHI (57 units); HCV (2 units); Unit mix estimated		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, E-Call Button, Storage
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Sports Court, Lake, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	817	\$0.57	\$468	
1	1	G	13	0	817	\$0.47	\$380	60%
1	1	G	6	0	817	\$0.47	\$380	50%
2	2	G	10	0	982	\$0.56	\$546	
2	2	G	26	0	982	\$0.46	\$454	60%
2	2	G	12	0	982	\$0.46	\$454	50%

920 Pines at Willowbrook

47.8 miles to site



Address	841 Willowbrook Dr. Hinesville, GA 31313		
Phone	(912) 877-2162	Contact	Alfred
Total Units	80	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2003	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Market-rate (16 units); 50% & 60% AMHI (64 units); HCV (8 units)		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	703	\$0.92	\$650	
1	1	G	5	0	703	\$0.73	\$512	60%
1	1	G	1	0	703	\$0.59	\$413	50%
2	1 to 2	G	9	0	923 to 960	\$0.85 - \$0.85	\$780 to \$820	
2	1 to 2	G	28	0	923 to 960	\$0.63 - \$0.65	\$601	60%
2	1 to 2	G	11	0	923 to 960	\$0.50 - \$0.52	\$483	50%
3	2	G	5	0	1150	\$0.78	\$900	
3	2	G	14	0	1150	\$0.59	\$684	60%
3	2	G	5	0	1150	\$0.48	\$547	50%

914 Ashton Place

49.6 miles to site



Address	634 Airport Rd. Hinesville, GA 31313		
Phone	(844) 245-3096	Contact	Name not given
Total Units	48	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1996	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	50 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	30%, 50% & 60% AMHI; HCV (9 units)		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Playground, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	708	\$0.32	\$226	30%
2	2	G	8	0	708	\$0.81	\$570	60%
2	2	G	15	0	912	\$0.53	\$480	50%
3	2	G	13	0	1134	\$0.67	\$760	60%
3	2	G	2	0	1134	\$0.50	\$563	50%

917 Royal Oaks

48.4 miles to site



Address	939 Pineland Ave. Hinesville, GA 31313		
Phone	(912) 370-5007	Contact	Lakesha
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2016	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	260 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	50% & 60% AMHI; Accepts HCV (0 currently); Opened 8/2016, 100% occupied 4/2017		

Features and Utilities

Utilities	Landlord pays Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Meeting Room, Playground, Computer Lab, Picnic Area, Social Services, Gazebo

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	12	0	756	\$0.48	\$366	50%
2	2	G	24	0	846	\$0.65	\$547	60%
2	2	G	6	0	846	\$0.52	\$436	50%
3	2	G	25	0	1105	\$0.57	\$625	60%
3	2	G	5	0	1105	\$0.45	\$497	50%

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 Representative

*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 within the Statesboro Site PMA that we consider comparable in terms of unit and project amenities 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 determine rents 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 subject 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.	Four-Br.
Site	Wildwood Villas I	1985 / 2019	52	100.0%	20 (100.0%)	32 (100.0%)	-	-
3	Chandler Heights	1989 / 2003	115	93.0%	19 (68.4%)	8 (75.0%)	-	88 (100.0%)
8	Madison Meadows Apts.	2002	24*	100.0%	-	11 (100.0%)	13 (100.0%)	-
9	Starline Heights	1996	12	100.0%	-	12 (100.0%)	-	-
13	Laurel Pointe Apts.	2003	15*	100.0%	5 (100.0%)	10 (100.0%)	-	-
14	Deer Wood Apts.	1979 / 2016	38 + 10**	100.0%	10 (100.0%)	28 (100.0%)	-	-

Occ. – Occupancy

*Market-rate units only

**Units under construction

The five selected market-rate projects have a combined total of 204 units with an overall occupancy rate of 96.1%. None of the comparable properties has an occupancy rate below 93.0%.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrates the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist among 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	
Wildwood Villas I		Chandler Heights		Madison Meadows Apts.		Starline Heights		Laurel Pointe Apts.		Deer Wood Apts.	
50 Wildwood Circle		1822 Chandler Rd.		10 Packinghouse Rd.		900 Stephen Dr.		510 E. Main St.		560 E. Main St.	
Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$625		\$675		\$710		\$468		\$610	
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	68%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$625	1.04	\$675	0.68	\$710	0.69	\$468	0.57	\$610	0.94
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/1,2		WU/2		R/1		R/1		WU/1,2	
7	Yr. Built/Yr. Renovated	1985/2019		2002		1996	\$6	2003	(\$1)	1979/2016	\$4
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		2	(\$50)	2	(\$50)	1		1	
12	# Baths	1		2	(\$30)	2	(\$30)	1		1	
13	Unit Interior Sq. Ft.	671	\$13	999	(\$62)	1035	(\$69)	817	(\$27)	650	\$4
14	Balcony/Patio	Y	\$5	N	\$5	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)	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)	Y/Y	(\$10)
18	Washer/Dryer	HU/L	(\$25)	HU/L		HU	\$5	HU/L		HU	\$5
19	Floor Coverings	V		C		C		C		W	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		Y	(\$5)	N		Y	(\$5)	N	
23	Ceiling Fans/Storage	N/Y	\$5	Y/N		Y/N		N/Y		Y/Y	(\$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		N	\$5	Y		Y	
26	Security Features	N		Y	(\$5)	N		N		N	
27	Community Space	N		Y	(\$5)	N		Y	(\$5)	N	
28	Pool/Recreation Areas	N	(\$13)	P/F	(\$15)	N		N		N	
29	Computer/Business Center	N		Y	(\$3)	N		N		N	
30	Picnic Area	Y	\$3	Y		N	\$3	Y		N	\$3
31	Playground	Y	\$3	Y		N	\$3	N	\$3	N	\$3
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		N/N		Y/Y	(\$38)	N/N		Y/Y	(\$38)
39	Trash/Recycling	N/N		Y/N	(\$15)	Y/N	(\$15)	Y/N	(\$15)	Y/N	(\$15)
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	3	1	9	5	4	1	5	5	2
41	Sum Adjustments B to D	\$35	(\$48)	\$5	(\$180)	\$22	(\$154)	\$3	(\$43)	\$19	(\$15)
42	Sum Utility Adjustments				(\$15)		(\$53)		(\$15)		(\$53)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$13)	\$83	(\$190)	\$200	(\$185)	\$229	(\$55)	\$61	(\$49)	\$87
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$612		\$485		\$525		\$413		\$561	
45	Adj Rent/Last rent		98%		72%		74%		88%		92%
46	Estimated Market Rent	\$515	\$0.77	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Wildwood Villas I		Chandler Heights		Madison Meadows Apts.		Starline Heights		Laurel Pointe Apts.		Deer Wood Apts.	
50 Wildwood Circle		1822 Chandler Rd.		10 Packinghouse Rd.		900 Stephen Dr.		510 E. Main St.		560 E. Main St.	
Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA		Statesboro, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$650		\$675		\$710		\$546		\$725	
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	75%		100%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$650	0.93	\$675	0.68	\$710	0.69	\$546	0.56	\$725	0.78
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/1,2		WU/2		R/1		R/1		WU/1,2	
7	Yr. Built/Yr. Renovated	1985/2019		2002		1996	\$6	2003	(\$1)	1979/2016	\$4
8	Condition/Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2	(\$30)	2	(\$30)	2	(\$30)	1	
13	Unit Interior Sq. Ft.	940	\$43	999	(\$11)	1035	(\$17)	982	(\$7)	925	\$3
14	Balcony/Patio	Y	\$5	N	\$5	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)	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)	Y/Y	(\$10)
18	Washer/Dryer	HU/L	(\$25)	HU/L		HU	\$5	HU/L		HU	\$5
19	Floor Coverings	V		C		C		C		W	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		N	(\$5)	N		Y	(\$5)	N	
23	Ceiling Fans/Storage	N/Y	\$5	N/N		Y/N		N/Y		Y/Y	(\$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		N	\$5	Y		Y	
26	Security Features	N		N	(\$5)	N		N		N	
27	Community Space	N		N	(\$5)	N		Y	(\$5)	N	
28	Pool/Recreation Areas	N	(\$13)	P/S	(\$15)	N		N		N	
29	Computer/Business Center	N		N	(\$3)	N		N		N	
30	Picnic Area	Y	\$3	N		Y	\$3	Y		N	\$3
31	Playground	Y	\$3	N		Y	\$3	N	\$3	N	\$3
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		N/N		Y/Y	(\$47)	N/N		Y/Y	(\$47)
39	Trash/Recycling	N/N		N/N	(\$15)	Y/N	(\$15)	Y/N	(\$15)	Y/N	(\$15)
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	4	1	8	5	3	1	6	5	2
41	Sum Adjustments B to D	\$65	(\$78)	\$5	(\$79)	\$22	(\$52)	\$3	(\$53)	\$18	(\$15)
42	Sum Utility Adjustments				(\$15)		(\$62)		(\$15)		(\$62)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$13)	\$143	(\$89)	\$99	(\$92)	\$136	(\$65)	\$71	(\$59)	\$95
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$637		\$586		\$618		\$481		\$666	
45	Adj Rent/Last rent		98%		87%		87%		88%		92%
46	Estimated Market Rent	\$600	\$0.64 ←	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 *Conventional Rents for Comparable Units-CRCU*) for units similar to the subject development are \$515 for a one-bedroom unit and \$600 for a two-bedroom unit.

Bedroom Type	Proposed Collected Rent	% AMHI	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$404	60%	\$515	21.6%
Two-Bedroom	\$445	60%	\$600	25.8%

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. The proposed collected rents represent market rent advantages ranging from 21.6% to 25.8%. As such, the proposed rents should represent an excellent for the local market. This is considered in our absorption rate estimates.

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 a more modern effective age. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

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 similar to the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The subject project offers a project amenities package that is generally similar to the selected comparable 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
Wildwood Villas I**

Project:	Wildwood Villas I	
Developer:	Hallmark	
Property Summary:	Street Address:	54 Wildwood Circle
	City:	Statesboro
	County:	Bulloch County
	Approx. Year Constructed:	1984
	Target Population:	Family
	Total Rentable Units:	52+1 Manager
	Bldg. Type	Flats & Townhouses
	Manager:	Marcia Sherrod
	Office Phone:	(912) 764-7966
	Buildings:	10
	Approx. # of parking spaces:	83

Unit Summary:

Type	Quantity	Sq. Ft	Bedrooms	Bathrooms
1 BR - Type A (HC)	3.00	671.00	1.00	1.00
1-BR - Type B	17.00	671.00	1.00	1.00
2 BR - Type C	32.00	940.00	2.00	1.00
2 BR - Manager	1.00	834.00	2.00	1.00
Totals	53		86	53

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:

Site Work:

- New site development sign (New sign board, masonry 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 pedestals at existing location
- Install new playground (w/ ADA new sidewalk to accessible route)
- Provide positive drainage away from all buildings (Per Allowance)
- Investigate Sewer Leaks as reported by management.
- 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 plans
- See Electrical section for site lighting
- Repair wood maintenance fencing & shed: (50% replacement)
- Pressure wash roads and walkways at completion of construction
- Remove existing shrubs at condensing units
- Remove existing abandoned dumpster enclosure
- 0

Concrete:

- Replace damaged sidewalks/curb walks throughout as identified on 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
 Install new slab and foundation for Pavillion
 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 plans
 Replace concrete front and rear porches at all UFAS units
 0

Building Exteriors:

Replace metal entry doors: door, frame, peep, threshold & hardware (deadbolt+lever pass) (Energy Star Certified)
 Exterior storage door repair, new metal door, frame, threshold & Hardware
 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.
 No existing shutters
 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)
 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 C
 2 BR - Manager
Install Luxury vinyl floors throughout entire unit including stairs with tread cap (LVT to be 12mil with 15 year residential warranty and waterproof)
 1 BR - Type A (HC)
 1-BR - Type B
 2 BR - Type C
 2 BR - Manager
 Replace shoe mold where new vinyl or LVT floors are provided
 Install 1/4" underlayment on second story floors and screw down subfloor sheathing
 Allowance for subfloor sheathing replacement (10% replacement)
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 C
 2 BR - 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 (4) 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 (0) Ranges were recently replaced and have been removed from the scope.) (Ranges are 0)
 Install fire suppression systems over ranges. (Range Queens)
 Install Microhoods to match existing venting over range.
 Dishwasher-waiver requested for this site,
 Asbestos found in black mastic under 12x12 gray speckled tile, encapsulate or include abatement where walls are moved.
 Asbestos found in black mastic under tan/gray multisize brick vinyl , encapsulate or include abatement where walls are moved.
 Asbestos found in black mastic under lightwood vinyl floor , encapsulate or include abatement where walls are moved.
 0

HVAC:

Replace air handling units, and disconnect per Capex (Energy Star Certified) (Capex indicates (3) Air handlers were recently replaced and have been removed from the scope.) (AHU's are 0)

Replace Condensing unit with a 15 SEER unit with a 8.5 HSPF rating and new suction lines (Energy Star Certified) (Capex indicates (3) condensing units 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 as needed

0

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 (6) 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

Replace existing washer boxes, trim ring, and valves in units

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

0

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 bulbs for standard unit fixtures, (80% Fluorescent or LED)

New GFI outlets in kitchens/bath/exteriors (Exteriors include new cover)

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. Cable junction to be consolidated to one accessible exterior location for provider access.

Replace all entry lights

Dishwasher outlet-waiver requested for this ite,

Dishwasher circuit-waiver requested for this ite,

Replace Site Lighting Throughout Site

Install or replace lighting at property signage

Re-label electrical panel

Replace all existing Federal Pacific stab lok electrical panels

0

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.

0

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

Install new 80 gal. water heater

Replace exist. Wall heater

Replace windows including sill and blinds

Replace exhaust fans

Replace entry door including frame and hardware

Replace community washers and dryers, 5 washers and 4 dryers

0

Office / Storage

Install LVT throughout 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

Follow interior & exterior replacement for HC unit items, when item currently exists in common spaces (doors, cabinets, appliances, etc.)

No Kitchen existing in office

Replace interior bifold doors with 6-panel masonite or flat panel to match existing doors that remain (include frame & hardware).

Replace windows including new sills and blinds

0