

Market Feasibility Analysis

Hunters Run
701 Lupo Lane
Douglas, Coffee County, Georgia 31533

Prepared For

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Effective Date

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Job Reference Number

17-289 JW



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Section A – Executive Summary

This report evaluates the continued market feasibility of the Hunters Run rental community in Douglas, 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 Rental Assistance (RA) and a Private Rental Assistance (PRA) subsidy is provided, which will effectively allow the majority of the current tenants to continue to income-qualify and remain at the property, post renovations. However, even in the unlikely event that all units were vacated and had to be re-rented simultaneously exclusively under the Tax Credit guidelines, a sufficient base of support would still exist within the Douglas market for the subject project, as evidenced by our demand estimates included in Section G. The subject project is, however, 100.0% occupied and most current tenants will remain post renovations.

1. Project Description:

Hunters Run was originally built in 1992 and has operated under the Rural Development Section 515 (RD 515) program since that time. The project targets senior households ages 62 and older and offers 51 units, 48 of which receive RA directly from Rural Development. The RA requires tenants to pay up to 30% of their adjusted gross incomes towards housing costs (collected rent and tenant-paid utilities). Note that one (1) two-bedroom unit is reserved for management, which has been excluded from the remainder of this analysis. This report analyzes the 50 revenue-producing subject units. According to management, the project is currently 100.0% occupied and maintains a nine-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 senior households with incomes up to 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the RD 515 program and all 48 units of RA will be retained. The developer has also indicated that a 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 subject 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	
44	One-Br.	1.0	Garden	674	60%	\$326/\$454	\$363	\$128	\$491	\$523
6	Two-Br.	1.0	Garden	796	60%	\$358/\$488	\$395	\$147	\$542	\$628
50	Total									

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

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

*Heated square feet

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

2. Site Description/Evaluation:

The subject site is located within a predominantly undeveloped area in Douglas, generally surrounded by wooded land, residential dwellings, and local businesses which are conducive to affordable rental housing. The site is within close proximity to major roadways, which provide easy and convenient access throughout the Douglas and surrounding areas. U.S. Highway 441 in the downtown area of Douglas serves as one of the major commercial corridors, providing the majority of community services, and is 1.3 miles west of the site. Access is considered good, whereas visibility is considered adequate. In addition, the nature of the site property primarily surrounded by wooded areas creates a desirable and comfortable living space for its residents. Overall, the site neighborhood and proximity to community services should contribute to its continued marketability, which is also evidenced by the site’s 100.0% occupancy rate and wait list. An in-depth site evaluation is included in *Section C* of this report.

3. Market Area Definition:

The Douglas Site PMA includes Douglas and Broxton, portions of Ambrose, Pearson, Nicholls, Willacoochee, Pearson and Denton, as well as the surrounding unincorporated areas of Coffee County. Specifically, the boundaries of the Site PMA include U.S. Highway 319, State Route 107/McRae Highway, Douglas Highway/State Route 135 and Gainer Farms Road to the north; Old Bell Telephone Road, Big Oak Road, Harmony Road, North Liberty Street, Flying Hawk Road, Andrew Tanner Road and State Route 64 to the east; Minchew Road, U.S. Highway 82 and North Vickers Street to the south; and Bridgetown Road/State Route 149, Vickers Crossing Road, Pine Street, Wray Street, Eagle Road, Bowen Mills Road/State Route 206, Condor Road and Eagle Road to the west. A map illustrating these boundaries is included on page *D-2* of this report and details the farthest boundary is 21.0 miles from the site.

4. Community Demographic Data:

Overall population and total household growth trends have been positive between 2000 and 2017. It is projected that the population will increase by 391 (0.8%) between 2017 and 2019, while the number of households will increase by 121 (0.7%) during the same time frame. Approximately 43% of the households in the market are age 55 or older, which is the primary group of households that would respond to the project, assuming it operated exclusively under the LIHTC program. The number of renter households age 55 and older is projected to increase by 77 (4.9%) between 2017 and 2019. The overall demographic trends are projected to remain positive over the next couple of years, which will add to the demand for senior housing in the subject market and provide a positive environment for the continued success of the subject project. Additional demographic data is included in *Section E* of this report.

Based on the 2010 Census, of the 2,417 vacant units in the Site PMA, 37.2% were classified as “For Rent”, while “Other Vacant”, which consists of abandoned housing, represented the next largest share (35.4%) of vacant housing in the market. Although rental units comprise the largest share of vacant housing in the market, based on our field survey, it is likely that the high share of vacancies among rental units is among non-conventional rental product, which include mobile/single-family and duplex rentals. Note that among the 586 units surveyed, there were only 10 vacancies, yielding a combined occupancy of 98.3%, illustrating that foreclosed and abandoned properties have not had any adverse impact on the overall rental housing market. It is also of note that no such structures were observed within the immediate site neighborhood. As such, it can be concluded that foreclosed/abandoned homes will not have any tangible impact on the subject's marketability.

5. Economic Data:

Over half of the Site PMA's labor force is employed within Professional, Scientific & Technical Services, Retail Trade and Manufacturing job sectors. The subject project targets low-income senior households. While the subject project is age-restricted, the area employment base has a significant number of wage-appropriate occupations from which the subject project will continue to draw support. The county's employment base has grown by more than 3,600 jobs since 2009 and the unemployment rate has declined seven straight years. The county's latest (May 2017) unemployment rate of 5.5% represents a 10-year low. The market's recent economic trends have been positive and are expected to trend in a positive direction for the foreseeable future. This will have a positive impact on housing demand. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

Two demand scenarios have been analyzed for the subject project. Scenario one assumes all rental assisted units are leasable (and will remain occupied) and also 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 both the retention of Rental Assistance (RA) and the unlikely scenario the property had to operate exclusively under the Tax Credit guidelines. The following table is a summary of our demand calculations:

Demand Component	Scenario One (Less units to remain occupied post renovations)		Scenario Two (Overall Demand Estimates)	
	RD 515/LIHTC w/ RA (\$0 - \$22,320)	RD 515/ LIHTC Without RA (\$14,730 - \$22,320)	RD 515/LIHTC w/ RA (\$0 - \$22,320)	LIHTC Only Without RA (\$14,730 - \$22,320)
Net Demand	500	93	500	134
Subject Units/ Net Demand	0* / 500	1* / 93	50 / 500	50 / 134
Capture Rate	= 0.0%	= 1.1%	= 10.0%	= 37.3%

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

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the subject's overall capture rate of 10.0% as proposed with the retention of RA on the majority of the units is considered achievable. Effectively, however, the subject project will have a capture rate of 1.1% for the one non-RA unit which would need to be re-rented post renovations due to a current tenant that would no longer income-qualify to reside at the subject project under the Tax Credit program.

In the unlikely event the subject project lost RA and operated exclusively as a Tax Credit project, its capture rate would be 37.3%, which is slightly above GDCA's threshold of 35% for projects in rural markets. However, it is important to note that the preceding demand estimates effectively only consider age- and income-qualified renter households based on new renter household growth and those which are existing, but rent overburdened and/or living in substandard housing. When considering that the subject project is an existing property, which does not need to rely on support from new renter household growth, and the fact that the property likely receives a larger share of senior homeowner support than that included in the preceding table, due to the notable share of very low-income (earning below \$25,000) senior homeowners in this market, a larger base of potential support for the subject project is believed to exist within the market than reflected by our demand estimates. In fact, when considering both renters and homeowners, a total of 1,046 age- and income-appropriate households are projected to exist in the market in 2019. This is further evidence that a sufficient base of support will continue to exist for the subject project in this unlikely scenario. In fact, considering that the subject development will offer some of the lowest LIHTC rents targeting similar income levels and the one age-restricted LIHTC project in the market is 100.0% occupied and maintains a waiting list, this will allow the property to attract

a larger than typical share of age- and income-appropriate households in the market. As such, it can be concluded that the subject project's capture rate is much lower than that illustrated in the preceding table.

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 subject units by bedroom type in the following tables:

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 (60%)	60%	1**	56	0	56	1.8%
One-Bedroom	Total	1**	56	0	56	1.8%
Two-Bedroom (40%)	60%	0**	37	0	37	-
Two-Bedroom	Total	0**	37	0	37	-

*Directly comparable units built and/or funded in the project market over the projection period.
 **Assumes all RA 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
RD 515/LIHTC with Rental Assistance (RA)						
One-Bedroom (60%)	60%	44	300	0	300	14.7%
One-Bedroom	Total	44	300	0	300	14.7%
Two-Bedroom (40%)	60%	6	200	0	200	3.0%
Two-Bedroom	Total	6	200	0	200	3.0%
LIHTC Only						
One-Bedroom (60%)	60%	44	80	0	80	55.0%
One-Bedroom	Total	44	80	0	80	55.0%
Two-Bedroom (40%)	60%	6	54	0	54	11.1%
Two-Bedroom	Total	6	54	0	54	11.1%

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

The capture rates by bedroom type and targeted income level range from 1.8% to 55.0% depending upon scenario. These capture rates are low to high, yet all are 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

The subject project will offer one- and two-bedroom units targeting senior households ages 62 and older earning up to 60% of AMHI under the Low-Income Housing Tax Credit (LIHTC) program following renovations. We identified and surveyed one non-subsidized age-restricted LIHTC property within the Site PMA. Given the limited amount of age-restricted LIHTC housing within the market, we selected one family-oriented affordable development that offers first-floor, entry-level one- and two-bedroom units that likely appeal to seniors and represents a reasonable base of comparison for the senior units at the site. In addition, we identified and surveyed two age-restricted LIHTC properties located outside of the Site PMA, but within the region in Waycross that we consider comparable. Note that the two age-restricted LIHTC developments outside of the market will not compete with the subject development, as they derive demographic support from a different geographical region. These two age-restricted LIHTC projects were selected for comparison purposes only. The four comparable LIHTC properties are summarized in the following table, along with the subject development:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Hunters Run	1992 / 2019	50	100.0%	-	9 H.H.	Seniors 62+; 60% AMHI, RD 515
6	Estes Park Apts.	2004	72	100.0%	0.8 Miles	10-13 H.H.	Families; 30%, 50%, & 60% AMHI
8	Pine Meadows	2013	60	100.0%	2.8 Miles	20 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
904	Waring Apts. I	1985 / 1999	40	100.0%	36.5 Miles	15 H.H.	Seniors 62+; 50% & 60% AMHI
905	Waring Apts. II	2003	28*	100.0%	36.3 Miles	15 H.H.	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

H.H. – Households

900 series Map IDs located outside of Site PMA

*Tax Credit units only

The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain waiting lists. This illustrates that pent-up demand exists for additional affordable housing for both families and seniors within the market and region. The subject development will continue to accommodate a portion of this unmet demand.

The gross rents for the comparable LIHTC 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	Hunters Run	\$491/60% (44)	\$542/60% (6)	-	-
6	Estes Park Apts.	\$287/30% (3/0)	\$339/30% (2/0)	\$633/50% (11/0)	None
		\$477/50% (12/0)	\$569/50% (21/0)		
		\$517/60% (5/0)	\$599/60% (13/0)		
8	Pine Meadows*	-	\$322/30% (3/0)	-	None
			\$435/50% (9/0)		
904	Waring Apts. I*	\$464/50% (10/0)	\$556/50% (10/0)	-	None
		\$474/60% (10/0)	\$556/60% (10/0)		
905	Waring Apts. II*	\$469/50% (7/0)	\$571/50% (8/0)	-	None
		\$469/60% (6/0)	\$600/60% (7/0)		

*Age-restricted

900 series Map IDs located outside of Site PMA

The proposed subject gross rents, ranging from \$491 to \$542, will be some of the lowest LIHTC rents targeting similar income levels within both the market and region. This will provide the subject with a market advantage. In addition, a total of 48 of the 50 revenue-producing units will continue to operate with RA, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject development will continue to represent an even greater value to low-income senior households within the Douglas Site PMA.

Comparable/Competitive Tax Credit Summary

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 continue to be marketable. While the subject development will continue to be inferior to the comparable properties in terms of age, unit sizes and amenities offered, it will offer some of the lowest LIHTC rents targeting similar income levels within the market and region. The low proposed rents will offset its design deficiencies and will be perceived as substantial values to low-income senior households. In addition, the subject project will retain RA on 48 of the 50 revenue-producing units, which will represent even greater values to low-income senior households within the Site PMA. This has been considered in our absorption projections.

Average Market Rent

We identified nine market-rate properties within or near the Douglas Site PMA that we consider comparable in terms of age, unit size (square feet) and/or amenities offered to the subject development. 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.
\$498	\$623

The rent advantage for the subject 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.	\$498	- \$363	\$135	/ \$363	37.2%
Two-Br.	\$623	- \$395	\$228	/ \$395	57.7%

As the preceding illustrates, the subject units represent rent advantages ranging from 37.2% to 57.7% 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 subject development's collected rents are available in *Addendum F* of this report.

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

8. Absorption/Stabilization Estimates

It is our opinion that the 50 revenue-producing units at the subject site will reach a stabilized occupancy of 93.0% within approximately four months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 12 units per month.

Regardless, it is important to remember that 48 of the 50 revenue-producing subject units will continue to receive RA following renovations, with tenants of these units continuing to pay up to 30% of their adjusted gross income towards housing costs. In addition, the PRA subsidy to be provided by the developer to any current unassisted tenant will prevent such tenants from experiencing rent increases. Therefore, in reality, the effective absorption period for the subject project will be less than one month, as most current tenants are expected to remain post renovations.

9. Overall Conclusion:

The subject project will continue to be marketable in terms of unit mix and location. Although it is considered limited in terms of age, unit size (square feet and number of bathrooms offered) and amenities relative to the comparable LIHTC projects, it will offer some of the lowest LIHTC rents targeting similar income levels within the market and region, which will offset its design deficiencies. Additionally, the subject's proposed rent levels represent market rent advantages of between 40.2% and 41.0% (as illustrated later in Addendum F of this report), indicating that they will likely represent substantial values to low-income senior households within the market. Further, the subject project is expected to retain Rental Assistance on 48 of the 50 total revenue-producing units, requiring residents to continue to pay up to 30% of their income towards housing costs. As such, the majority of the subject units are expected to remain even greater values within the market.

Given that all comparable affordable age-restricted developments within the market and region are 100.0% occupied and maintain a wait list, the subject project will continue to offer a housing alternative to low-income senior households that is not readily available in the region. As illustrated earlier in this section of the report, with an overall capture rate of 10.0% of age- and income-appropriate households in the market, there is a good base of support for the subject development assuming it retains Rental Assistance on the majority of units. Therefore, it is our opinion that the subject project will have minimal, if any, impact on the existing Tax Credit developments in the Site PMA.

In the unlikely event the subject project was completely vacated and all units had to be re-rented, the subject project should reach a stabilized occupancy of 93% within approximately four months, assuming it operated with its current subsidy. If the subject project lost its subsidy and had to operate exclusively under the LIHTC program, it would likely have a lease-up period of up to six months.

We do not have any recommendation for the subject project.

SUMMARY TABLE

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

Development Name:	Hunters Run	Total # Units:	50
Location:	701 Lupo Lane, Douglas, Georgia 31533	# LIHTC Units:	50
PMA Boundary:	U.S. Highway 319, State Route 107/McRae Highway, Douglas Highway/State Route 135 and Gainer Farms Road to the north; Old Bell Telephone Road, Big Oak Road, Harmony Road, North Liberty Street, Flying Hawk Road, Andrew Tanner Road and State Route 64 to the east; Minchew Road, U.S. Highway 82 and North Vickers Street to the south; and Bridgetown Road/State Route 149, Vickers Crossing Road, Pine Street, Wray Street, Eagle Road, Bowen Mills Road/State Route 206, Condor Road and Eagle Road to the west.		
	Farthest Boundary Distance to Subject:		21.0 Miles

RENTAL HOUSING STOCK (found on page H-3 & 8)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	15	586	10	98.3%
Market-Rate Housing	6	117	4	96.6%
Assisted/Subsidized Housing not to include LIHTC	5	237	0	100.0%
LIHTC	4	232	6	97.4%
Stabilized Comps*	4	200	0	100.0%
Properties in Construction & Lease Up	0	-	-	-

*Includes the comparable properties located outside of 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
44	One	1.0	674	\$363	\$498	\$0.71	37.2%	\$695	\$0.76
6	Two	1.0	796	\$395	\$623	\$0.70	57.7%	\$795	\$0.90

DEMOGRAPHIC DATA (found page E-3 & G-5)

	2012		2017		2019	
Renter Households (Age 62+)	866	19.1%	1,044	20.6%	1,105	20.8%
Income-Qualified Renter HHs (LIHTC)*	N/A	N/A	731	70.0%	795	71.9%
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	64	-6	64	-	-	-8
Existing Households (Overburd + Substand)	426	98	426	-	-	140
Homeowner conversion (Seniors)	10	1	10	-	-	2
Total Primary Market Demand	500	93	500	-	-	134
Less Comparable/Competitive Supply	0	0	0	-	-	0
Adjusted Income-Qualified Renter HHs	500	93	500	-	-	134

CAPTURE RATES (found on page G-5)

Targeted Population	RA Units	Non-RA Units	Overall as Proposed	Market-Rate	Other__	LIHTC Only Scenario
Capture Rate*	0.0%	1.1%	10.0%	-	-	37.3%

*Assumes all RA 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

Hunters Run, located in Douglas, Coffee County, Georgia, was originally built in 1992 and has operated under the Rural Development Section 515 (RD 515) program since that time. The project targets senior households ages 62 and older and offers 51 units, 48 of which receive Rental Assistance (RA) directly from Rural Development. The RA requires tenants to pay up to 30% of their adjusted gross incomes towards housing costs (collected rent and tenant-paid utilities). Note that one (1) two-bedroom unit is reserved for management, which has been excluded from the remainder of this analysis. This report analyzes the 50 revenue-producing subject units. According to management, the project is currently 100.0% occupied and maintains a nine-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 senior households with incomes up to 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the RD 515 program and all 48 units of RA will be retained. 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:** Hunters Run
2. **PROPERTY LOCATION:** 701 Lupo Lane
Douglas, Georgia 31533
(Coffee 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	
44	One-Br.	1.0	Garden	674	60%	\$326/\$454	\$363	\$128	\$491	\$523
6	Two-Br.	1.0	Garden	796	60%	\$358/\$488	\$395	\$147	\$542	\$628
50	Total									

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

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

*Heated square feet

5. **TARGET MARKET:** Senior ages 62 and older
6. **PROJECT DESIGN:** 10 single-story buildings.

7. ORIGINAL YEAR BUILT: 1992

8. ANTICIPATED RENOVATION COMPLETION DATE: 2019

9. UNIT AMENITIES:

- Electric Range
- Refrigerator
- Microwave*
- Central Air Conditioning
- Washer/Dryer Hookups
- Carpet/Vinyl Flooring
- Window Blinds
- Patio
- Emergency Call System

*Amenity to be added post renovations

10. COMMUNITY AMENITIES:

- On-Site Management
- Community Room
- Computer Center*
- Laundry Facility
- Covered Pavilion/Picnic Area*

*Amenity to be added post renovations

11. RESIDENT SERVICES:

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

12. UTILITY RESPONSIBILITY:

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

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

13. RENTAL ASSISTANCE: 48 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:

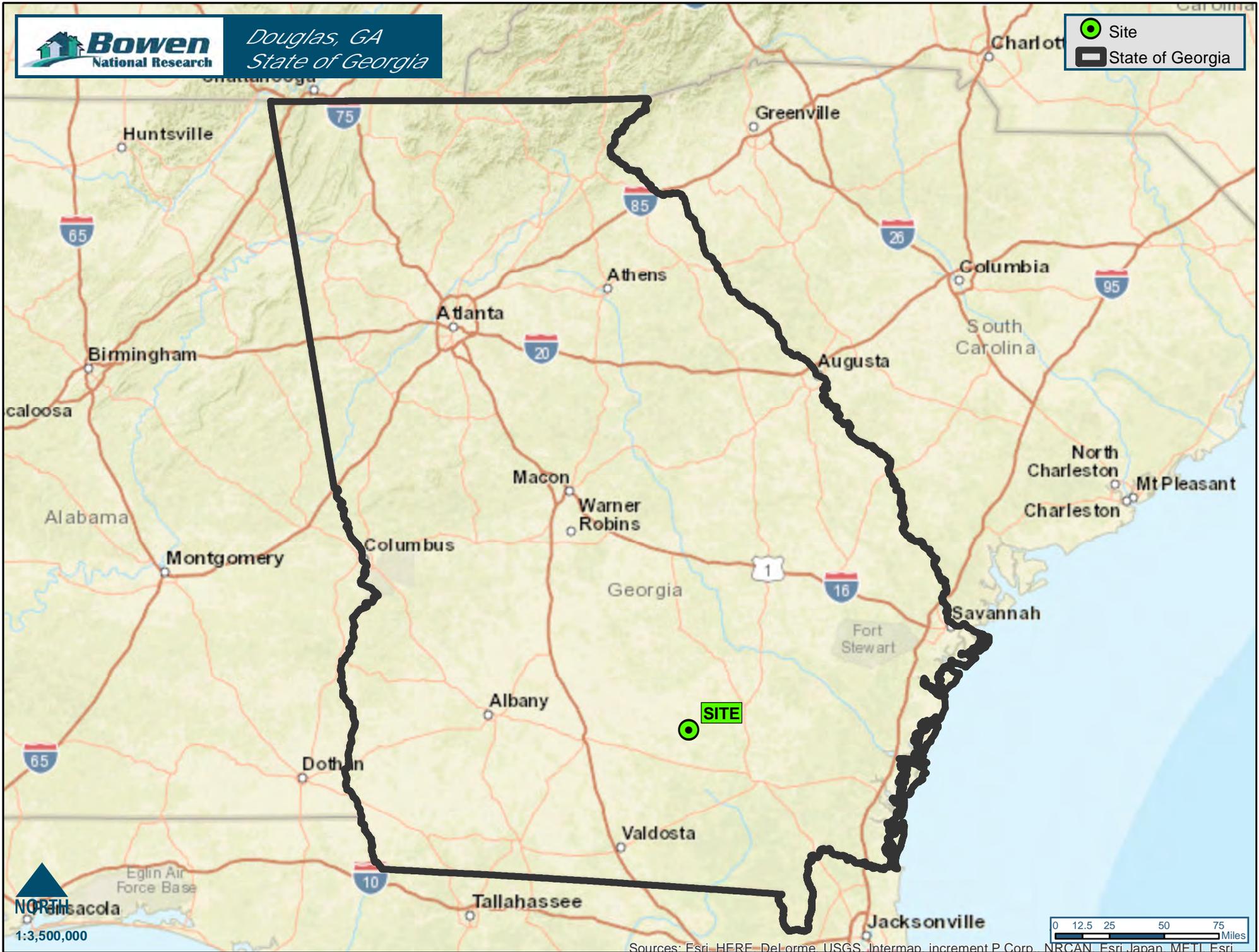
The subject project is an existing age-restricted property that offers 50 revenue-producing one- and two-bedroom units which operate under the RD 515 program, with RA provided to 48 of the 50 subject units. The subject project is 100.0% occupied and maintains a nine-household waiting list. The availability of RA requires tenants of these units to pay up to 30% of their adjusted gross income towards rent. The remaining non-RA 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 within these non-RA units. Currently, no units at the property are occupied by Voucher holders. Based on our review of the current tenant rent roll for the subject project, it was determined that one of the two current non-RA tenants would continue to income-qualify under the LIHTC guidelines post renovations. Assuming the retention of RA, we anticipate that 49 of the 50 current tenants will continue to qualify and remain at the property post renovations. 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:

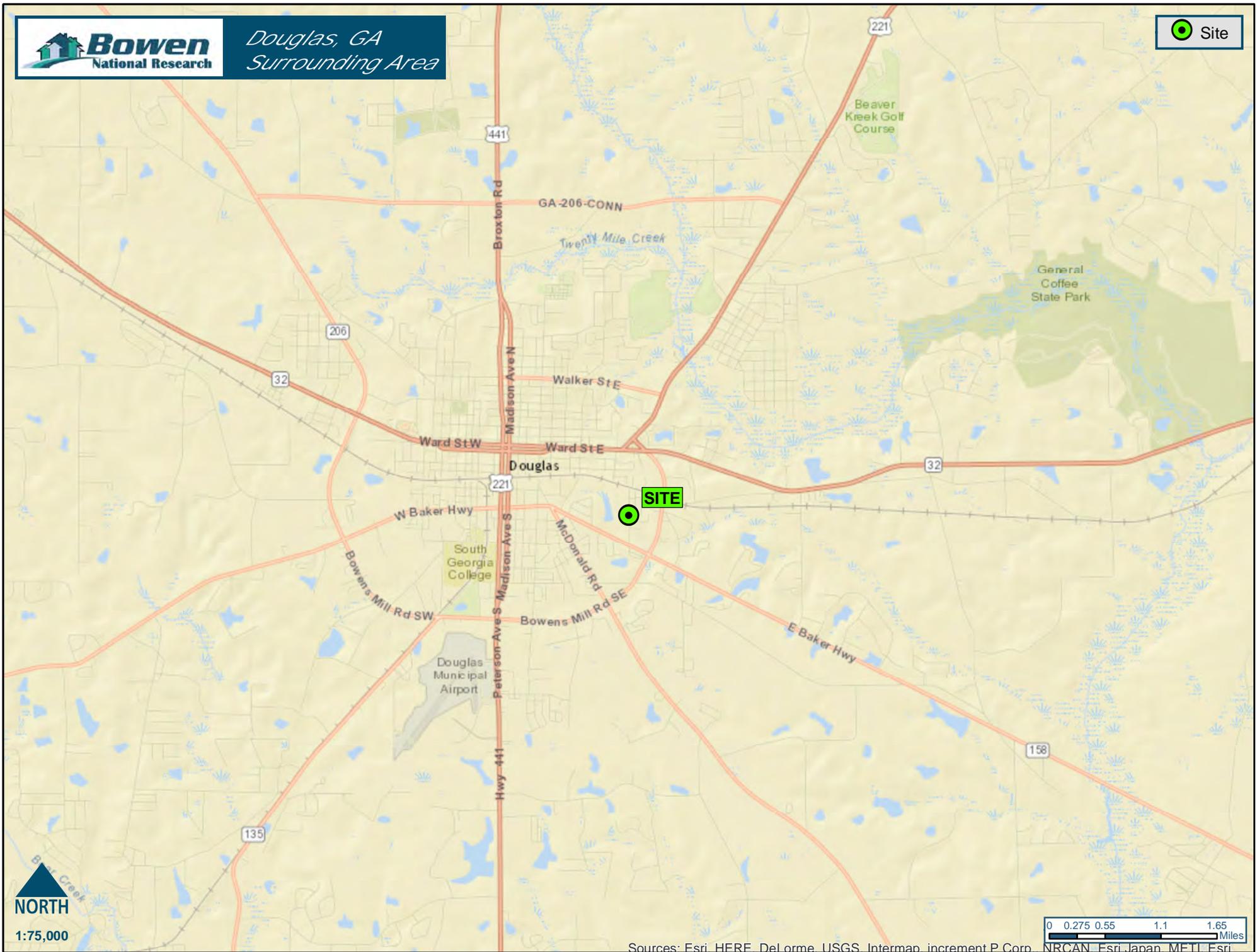
Coffee County, Georgia (2017)

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





Douglas, GA
Surrounding Area



NORTH
1:75,000

0 0.275 0.55 1.1 1.65
Miles



Douglas, GA
Site Neighborhood

Legend
Site Area



Spivey St

Taylor Cir

Ford Ave

Dee St

Alderman Dr

Alderman Hts

Bel Air Cir

Lurpo Ln

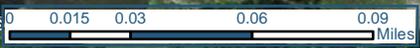
158

EBaker Hwy GA-158



1:3,000

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



Section C – Site Description And Evaluation

1. LOCATION

The subject site is the existing Hunters Run rental community located at 701 Lupo Lane in the eastern portion of Douglas, Georgia. Located within Coffee County, Douglas is approximately 120.0 miles northwest of Jacksonville, Florida and approximately 130.0 miles southwest of Savannah, Georgia. Heather Moore, an employee of Bowen National Research, inspected the site and area apartments during the week of July 31, 2017.

2. SURROUNDING LAND USES

The subject site is within a predominantly undeveloped area of Douglas. Surrounding land uses include single-family homes, churches, local businesses and wooded land. Adjacent land uses are detailed as follows:

North -	The subject site is bordered by wooded land directly to the north, which extends to N & S Enterprise, a distribution facility that is located along Railroad Street Northeast, a lightly traveled roadway primarily used to access local businesses in the immediate area. Farther north are railroad tracks and Spooner Road, a moderately traveled two-lane roadway.
East -	Lupo Lane, a lightly traveled two-lane feeder street, borders the site directly to the east. Located on the east side of Lupo Lane are single-family homes generally in good condition that extend to Rivervalley Road/Bowens Mill Road Southeast.
South -	Wooded land borders the site directly to the south, followed by a single-family home in good condition, and Lott's Marine boat repair located off of East Bakery Highway/State Route 258, a highly traveled, four-lane arterial roadway. Amberwood Apartments (Map ID 15) is located on the south side of East Bakery Highway/State Route 158.
West -	Wooded/agricultural land is located west of the site, which extends to Lakeview Avenue, a lightly traveled two-lane residential roadway. Continuing west are single-family homes generally in good condition, churches, and local commercial and industrial businesses.

The wooded land surrounding the site to the north, south and west will continue to create a tranquil atmosphere, which is considered desirable among the targeted population. The site is within close proximity to major roadways, which provide easy and convenient access throughout the Douglas and surrounding areas. Overall, the subject property fits well with the surrounding land uses and they should contribute to its continued marketability.

3. VISIBILITY AND ACCESS

The subject property is located on the west side of Lupo Lane, a lightly traveled two-lane feeder street that intersects with East Baker Highway/State Route 158, a highly traveled four-lane roadway, to the south. The subject site's access points are located off of Lupo Lane, which mitigates the heavier flow of traffic traveling along East Baker Highway/State Route 158. Furthermore, there are clear lines of sight provided in both directions of travel along Lupo Lane that allow for easy and convenient ingress and egress of the site. In addition, U.S. Highway 441 and Rivervalley Road/Bowens Mill Road Southeast, both major arterial roadways in the area, are both located within 1.3 miles of the site. Overall, access is considered good. There is appropriate signage located along Lupo Lane that is clearly visible to vehicular traffic. The site is slightly obstructed by the surrounding wooded areas; however, the subject property is an established rental community in Douglas and, as such, the residents of Douglas are already familiar with the site's location. Overall, visibility of the subject project is considered adequate.

According to local planning and economic officials there are no planned or proposed infrastructure projects for the immediate site neighborhood.

4. SITE PHOTOGRAPHS

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

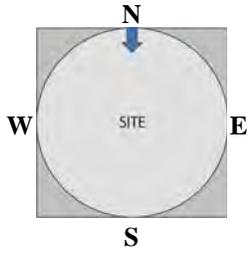
SITE PHOTOGRAPHS



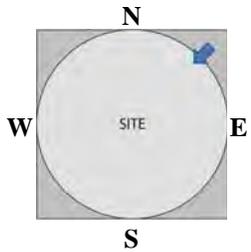
Entryway Signage



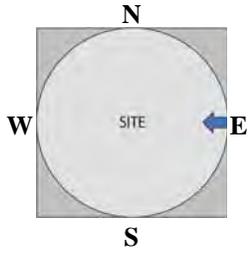
Typical Building Exterior



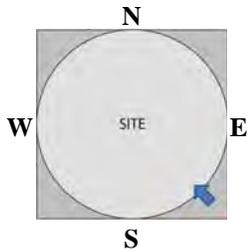
View of site from the north



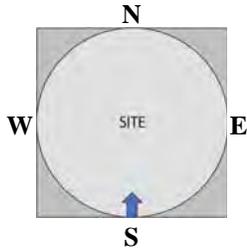
View of site from the northeast



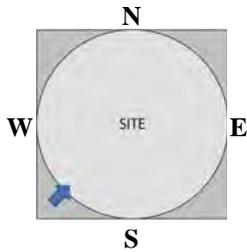
View of site from the east



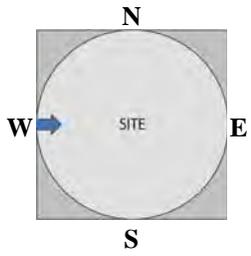
View of site from the southeast



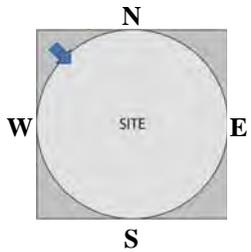
View of site from the south



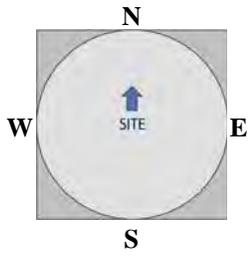
View of site from the southwest



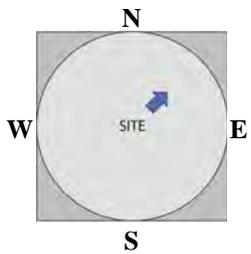
View of site from the west



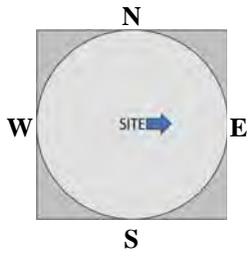
View of site from the northwest



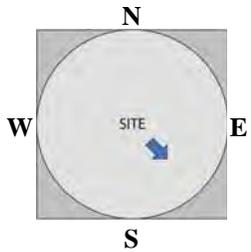
North view from site



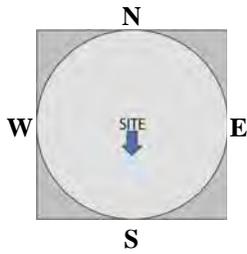
Northeast view from site



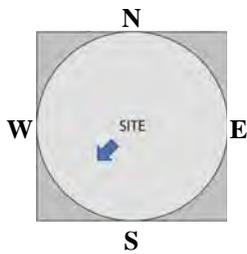
East view from site



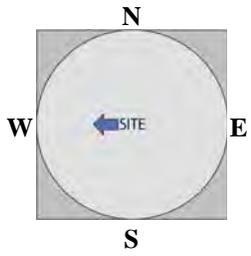
Southeast view from site



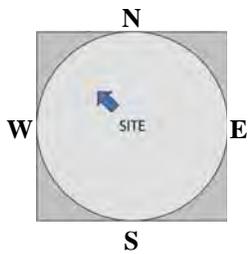
South view from site



Southwest view from site



West view from site



Northwest view from site



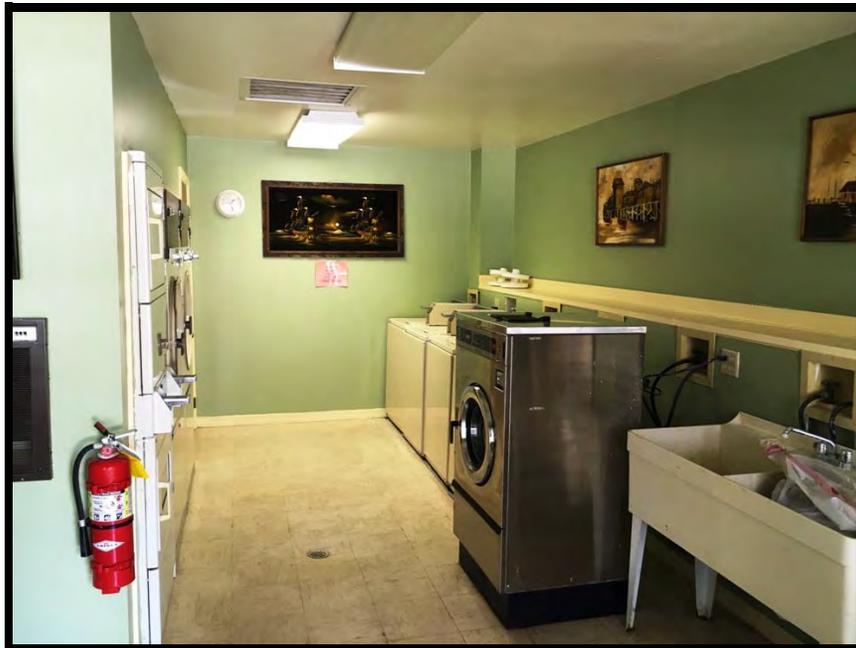
Streetscape: South view of Lupu Lane



Streetscape: North view of Lupu Lane



Gazebo



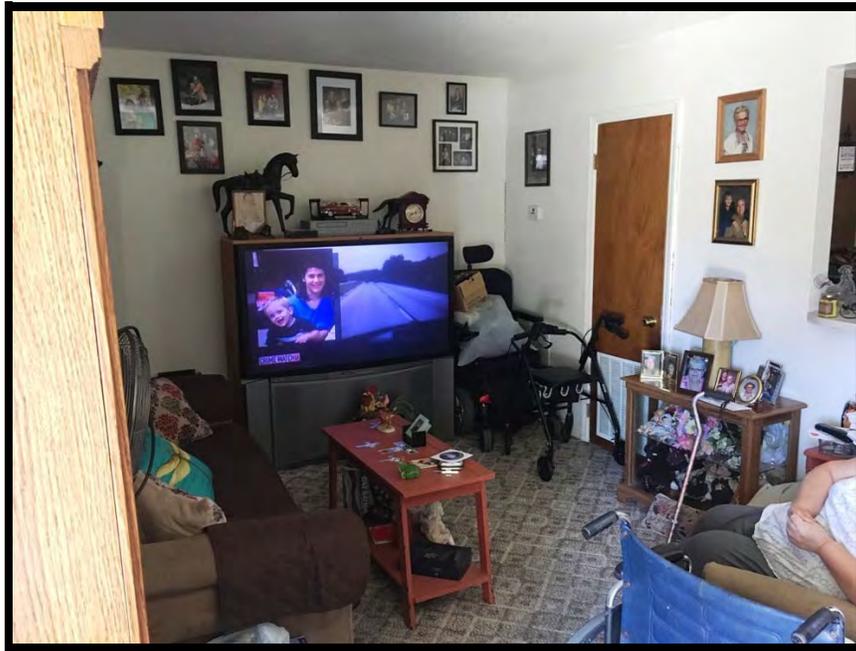
Laundry Facility



Community Room (View 1)



Community Room (View 2)



Typical One-Bedroom: Living Room



Typical One-Bedroom: Kitchen



Typical One-Bedroom: Bedroom (View 1)



Typical One-Bedroom: Bedroom (View 2)



Typical One-Bedroom: Bathroom



Typical Two-Bedroom: Living Room (View 1)



Typical Two-Bedroom: Living Room (View 2)



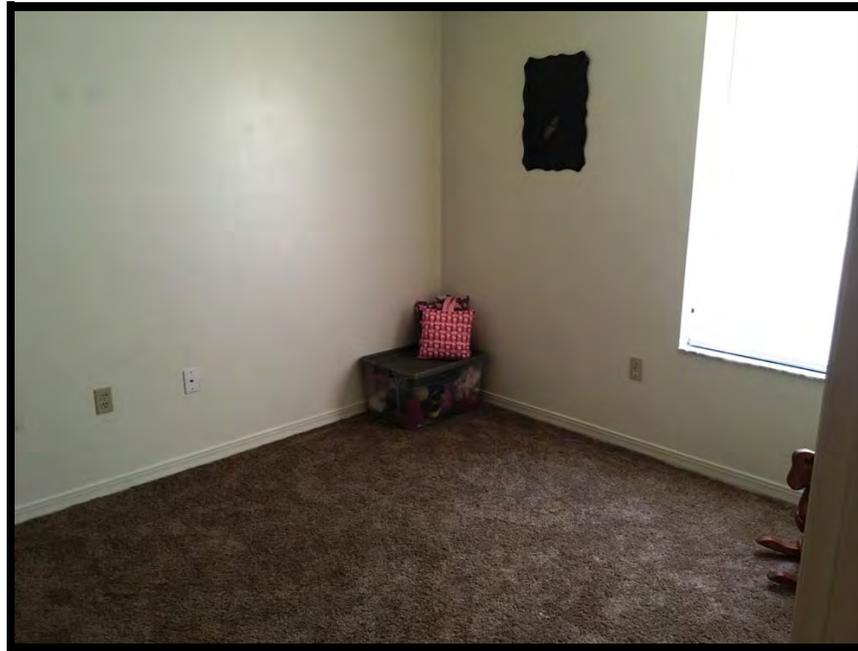
Typical Two-Bedroom: Kitchen



Typical Two-Bedroom: Dining Area



Typical Two-Bedroom: Master Bedroom



Typical Two-Bedroom: Spare Bedroom



Typical Two-Bedroom: Bathroom

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highway(s)	East Baker Highway/State Route 158	0.2 South
	Rivervalley Road/Bowens Mill Road SE	0.4 Southwest
	U.S. Highway 441	1.3 West
Public Bus Stop	N/A	-
Major Employers/ Employment Centers	Budget Car Sales	0.4 Southeast
	Prince Ford of Douglas	0.7 North
	USDA Farm Service Agency	1.0 Northwest
Convenience Store	Aden's Minit Market	0.4 Southwest
	Fred's Store	0.5 Southwest
	Fast Check Foods	0.7 North
Grocery	Save-A-Lot	1.3 West
	Harvey's Supermarket	1.5 West
Discount Department Store	Clemmon's Specialty Store	0.6 Northwest
	Dollar General	1.4 West
	Family Dollar	1.6 West
	Walmart Supercenter	1.8 Southwest
	Goody's	1.9 Southwest
Shopping Center/Mall	Kmart	1.9 Southwest
	The Douglas Mall	1.6 West
Hospital	Coffee Regional Medical Center	2.3 West
Police	Douglas Police Department	1.5 West
Fire	Douglas Fire Department	1.3 West
Post Office	U.S. Post Office	1.4 West
Bank	Ameris Bank	1.4 Northwest
	First National Bank	1.4 West
	Southeastern Bank	1.4 West
Senior Center	Coffee County Senior Center	1.4 Northwest
Gas Station	Flash Foods	1.3 West
	Mr. T's	1.7 Southwest
	Murphy USA	1.8 Southwest
Pharmacy	Walgreen's	1.3 West
	Malcom's Drug Store	1.6 West
	Walmart Pharmacy	1.8 West
	Roy Powell's Drug Store	1.8 Southwest
	KMART Pharmacy	1.9 Southwest
Restaurant	Chicken Right	0.5 Southeast
	Carter's Fried Chicken	0.5 Southeast
	J. Wigs Rib Shack	1.5 West
	Pecking House Chinese	1.5 West
	Dairy Queen	1.5 West
Library	Satilla Regional Library	1.4 Northwest
Park	Roundtree Park & Community Center	1.1 West

N/A – Not Available

The subject site is located within the eastern portion of Douglas, 1.3 miles from the downtown area where the majority of community services are located. The site has easy and convenient access to local community services, as most are located within 2.0 miles of the site, including restaurants, gas stations, banks, shopping, employment and entertainment opportunities. U.S. Highway 441 serves as the area's major commercial corridor in downtown Douglas area. The Douglas Mall is located along this thoroughfare (also called South Madison Avenue), and primarily consists of multiple boutiques, antique stores and similar smaller retailers.

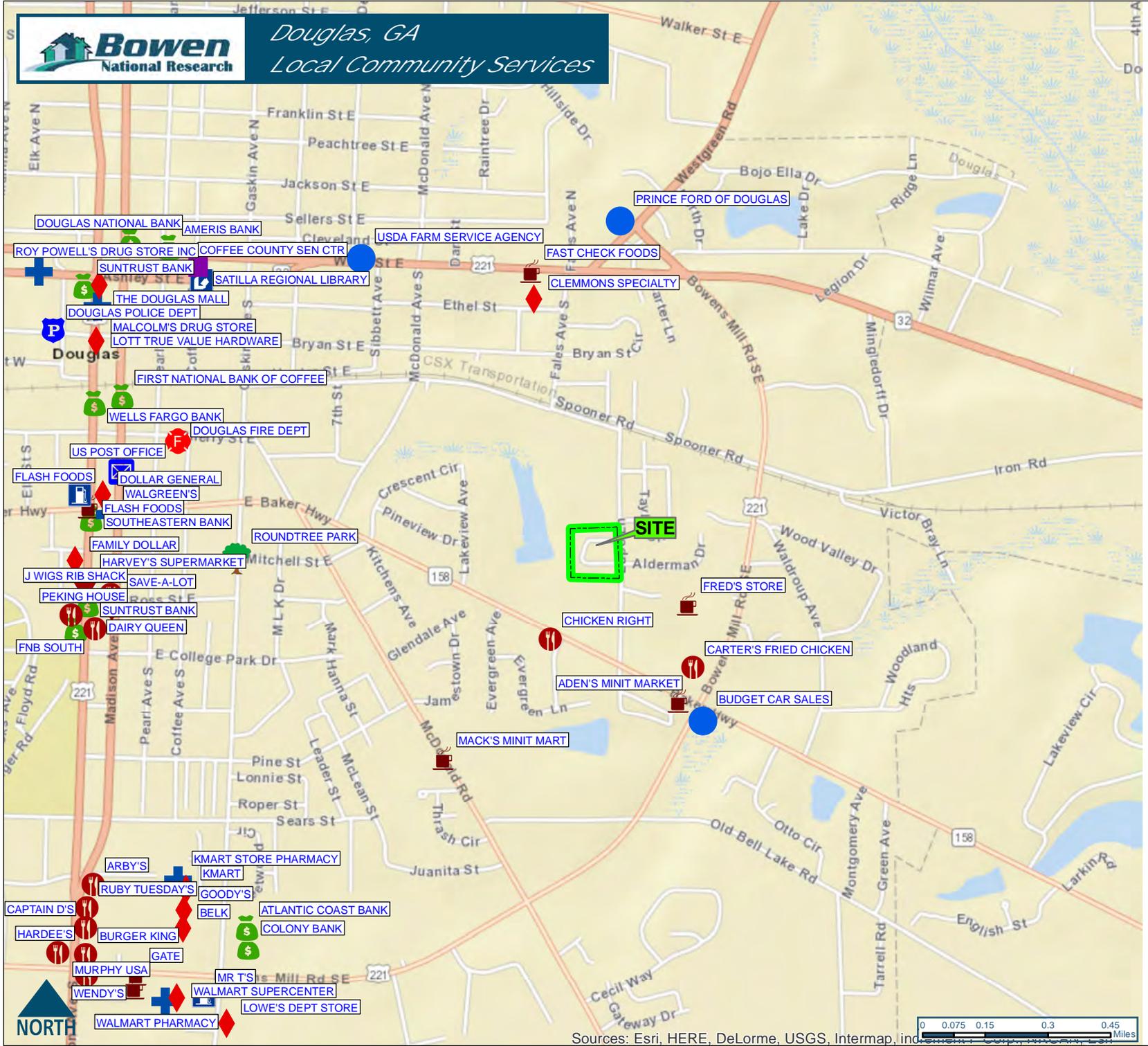
The site is serviced by the Douglas Fire and Police departments, both of which are within 1.5 miles of the site. The area's major hospital is the Coffee Regional Medical Center conveniently located 2.3 miles west.

Coffee County Senior Center is located 1.4 miles northwest of the site and offers an abundance of services including, but not limited to, exercise classes, computer classes, literacy programs, health screenings, arts and crafts, field trips and meals. In addition, the Roundtree Park and community center are also easily accessible 1.1 miles west of the site.

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



Douglas, GA Local Community Services



Legend

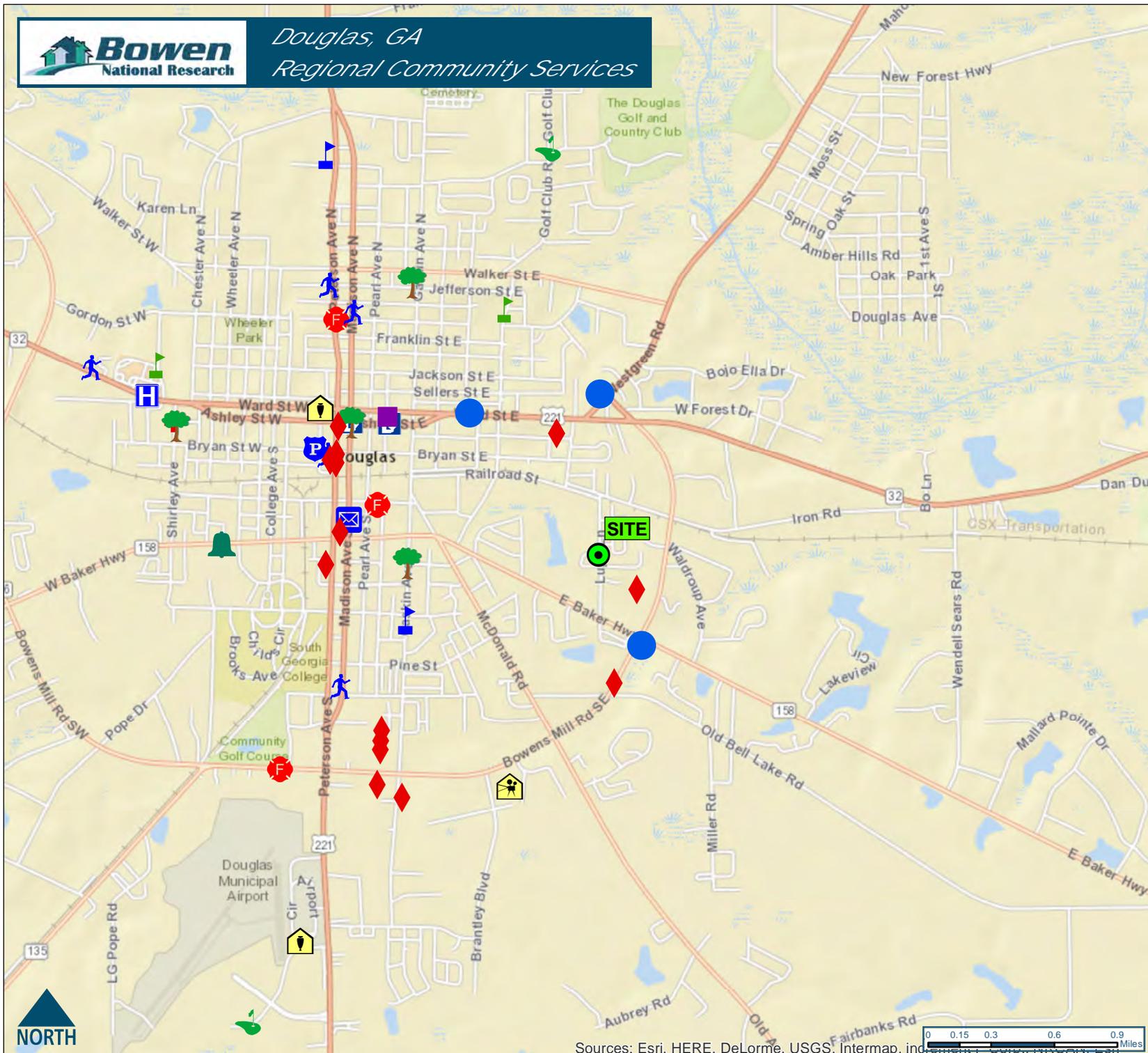
- Site Area
- bank
- convenience store
- fire
- gas
- grocery
- library
- park
- pharmacy
- police
- post office
- restaurant
- senior services
- shopping
- employers_1000_5000



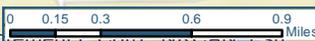
Sources: Esri, HERE, DeLorme, USGS, Intermap, inc



1:20,000



- Legend*
-  Site
 -  cinema
 -  elementary school
 -  fire
 -  fitness center
 -  golf
 -  hospital
 -  library
 -  middle school
 -  museum
 -  park
 -  police
 -  post office
 -  senior services
 -  shopping
 -  university
 -  employers_1000_5000



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 (107) for the Site PMA is above the national average with an overall personal crime index of 97 and a property crime index of 103. Total crime risk (103) for Coffee County is above the national average with indexes for personal and property crime of 92 and 102, respectively.

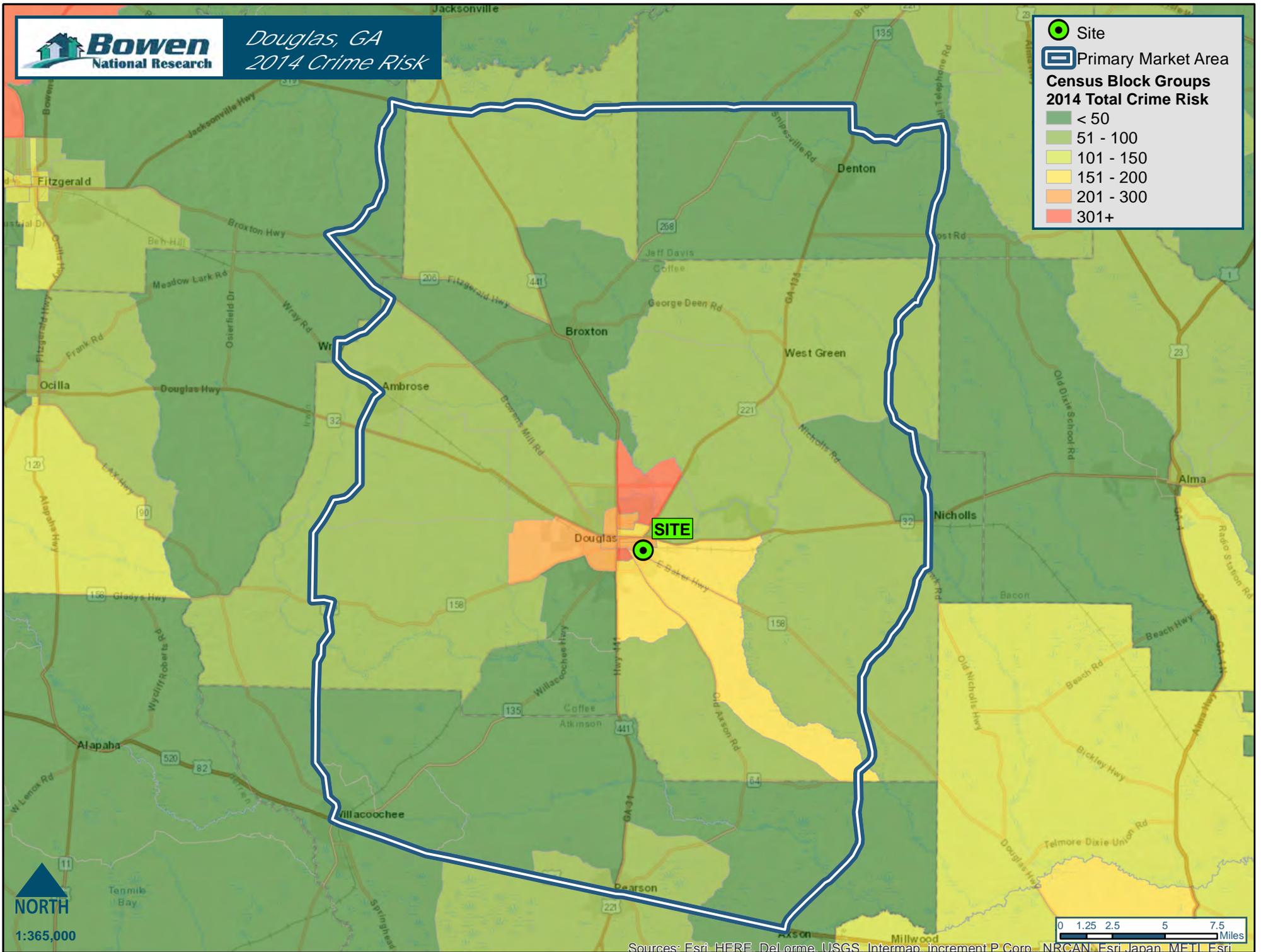
	Crime Risk Index	
	Site PMA	Coffee County
Total Crime	107	103
Personal Crime	97	92
Murder	120	117
Rape	67	64
Robbery	61	57
Assault	153	142
Property Crime	103	102
Burglary	115	117
Larceny	132	130
Motor Vehicle Theft	62	59

Source: Applied Geographic Solutions

As the preceding table illustrates, the crime risk indices for both the Site PMA (107) and Coffee County (103) are similar to the national average (100). As such, the perception of crime is not likely a factor in the marketability of the overall Douglas rental housing market. This is further evidenced by the strong occupancy levels maintained at the majority of the rental properties surveyed within the Site PMA, including the subject project.

A map illustrating crime risk is on the following page.

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



7. OVERALL SITE EVALUATION

The subject site is located within a predominantly undeveloped area in Douglas, generally surrounded by wooded land, residential dwellings, and local businesses which are conducive to affordable rental housing. The site is within close proximity to major roadways, which provide easy and convenient access throughout the Douglas and surrounding areas. U.S. Highway 441 in the downtown area of Douglas serves as one of the major commercial corridors, providing the majority of community services, and is 1.3 miles west of the site. Access is considered good, whereas visibility is considered adequate. In addition, the nature of the site property primarily surrounded by wooded areas creates a desirable and comfortable living space for its residents. Overall, the site neighborhood and proximity to community services should contribute to its continued marketability, which is also evidenced by the site's 100.0% occupancy rate and wait list.

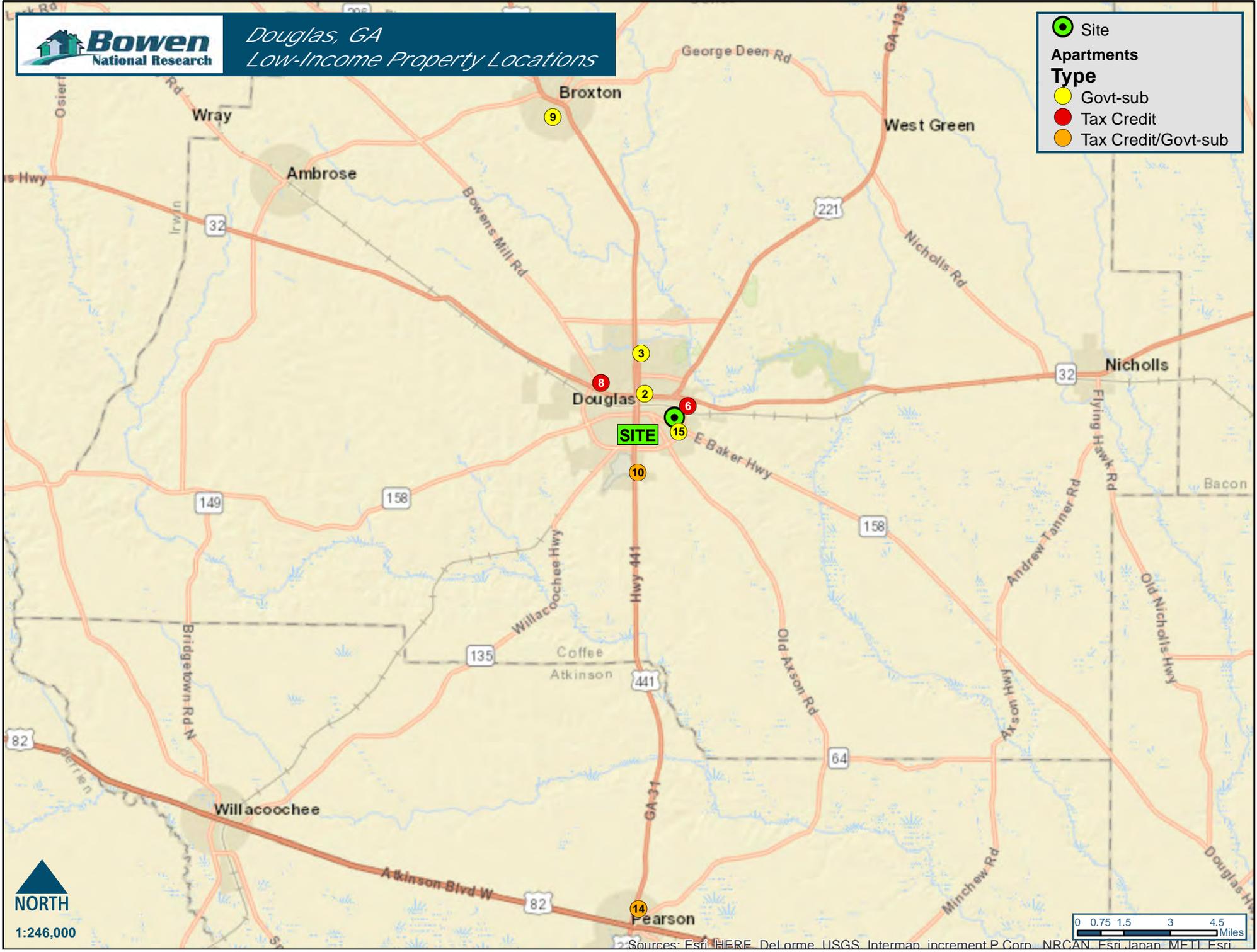
8. MAP OF LOW-INCOME RENTAL HOUSING

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.) surveyed in the Site PMA is included on the following page.



Douglas, GA
Low-Income Property Locations

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



NORTH
1:246,000

0 0.75 1.5 3 4.5 Miles

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 and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Douglas Site PMA was determined through interviews with management at the subject site, area leasing and real estate agents 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 Douglas Site PMA includes Douglas and Broxton, portions of Ambrose, Pearson, Nicholls, Willacoochee, Pearson and Denton, as well as the surrounding unincorporated areas of Coffee County. Specifically, the boundaries of the Site PMA include U.S. Highway 319, State Route 107/McRae Highway, Douglas Highway/State Route 135 and Gainer Farms Road to the north; Old Bell Telephone Road, Big Oak Road, Harmony Road, North Liberty Street, Flying Hawk Road, Andrew Tanner Road and State Route 64 to the east; Minchew Road, U.S. Highway 82 and North Vickers Street to the south; and Bridgetown Road/State Route 149, Vickers Crossing Road, Pine Street, Wray Street, Eagle Road, Bowen Mills Road/State Route 206, Condor Road and Eagle Road to the west.

Wendy Ellis, Property Manager of Hunters Run (subject site), stated that the majority of her property's tenants have originated from the Douglas area, with some support from the surrounding areas of Ambrose, Broxton and Pearson. Ms. Ellis commented that due to the developed area of Douglas, most local residents remain within Douglas for rental housing options, and more persons are relocating to Douglas rather than leaving the area to seek additional rental housing.

Kristyn Martin, Regional Manager, Estes Park Apartments (Map ID 6), a Tax Credit property located in Douglas, stated that the majority of the property's tenants have originated within the Douglas area, with occasional support deriving from the surrounding areas of Douglas.

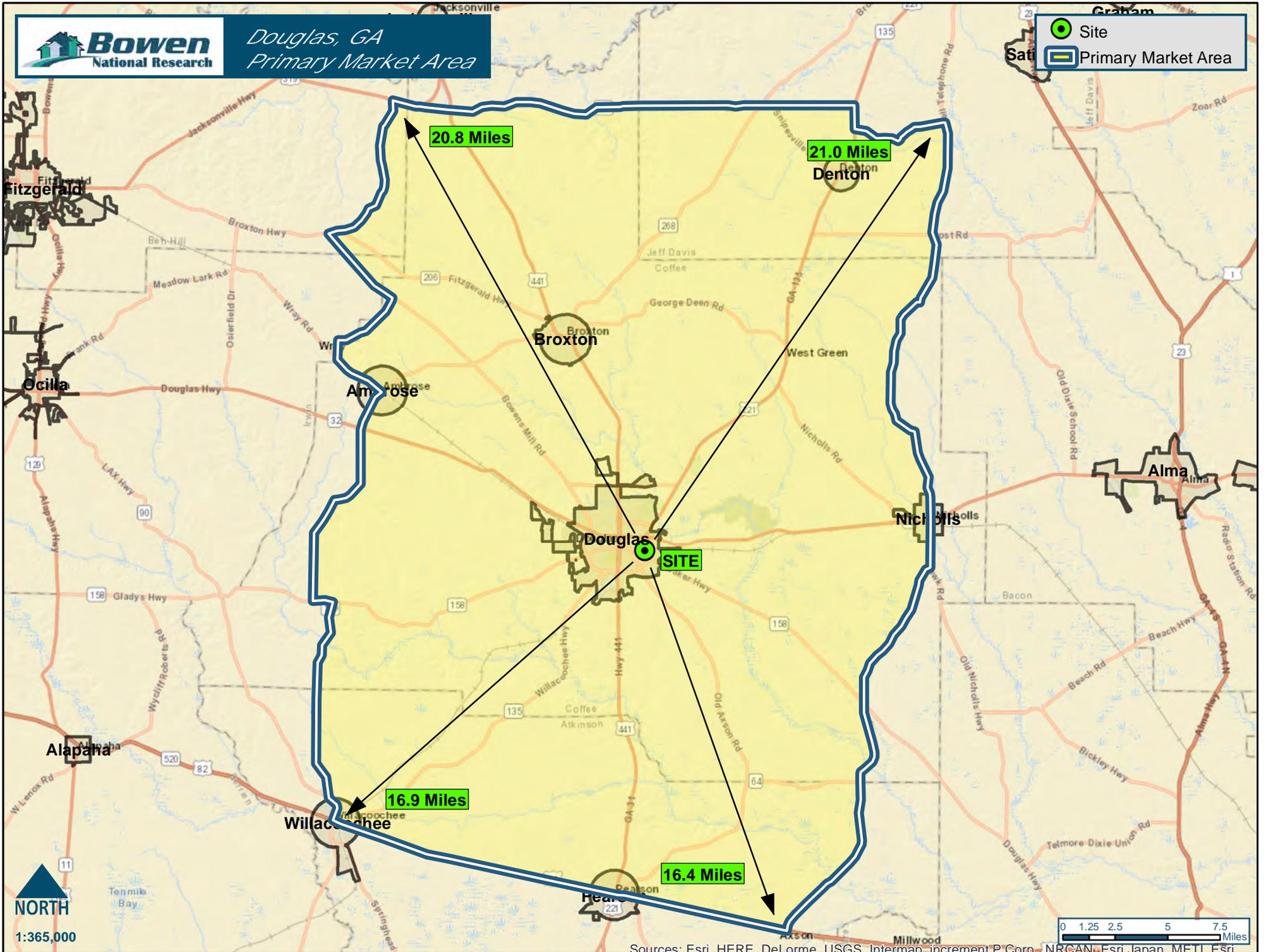
A small portion of support may originate from some of the outlying areas of the Site PMA; we have not, however, considered a secondary market area in this report.

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



Douglas, GA
Primary Market Area

- Site
- Primary Market Area



NORTH
1:365,000

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	40,447	45,679	48,143	48,534
Population Change	-	5,232	2,464	391
Percent Change	-	12.9%	5.4%	0.8%

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

The Douglas Site PMA population base increased by 5,232 between 2000 and 2010. This represents a 12.9% increase over the 2000 population, or an annual rate of 1.2%. Between 2010 and 2017, the population increased by 2,464, or 5.4%. It is projected that the population will increase by 391, 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	13,627	29.8%	13,298	27.6%	13,359	27.5%	62	0.5%
20 to 24	3,175	7.0%	3,366	7.0%	3,255	6.7%	-111	-3.3%
25 to 34	6,143	13.4%	6,685	13.9%	6,576	13.6%	-108	-1.6%
35 to 44	6,321	13.8%	6,340	13.2%	6,331	13.0%	-9	-0.1%
45 to 54	6,200	13.6%	6,324	13.1%	6,303	13.0%	-21	-0.3%
55 to 64	5,082	11.1%	5,661	11.8%	5,797	11.9%	136	2.4%
65 to 74	3,115	6.8%	4,092	8.5%	4,341	8.9%	249	6.1%
75 & Over	2,015	4.4%	2,378	4.9%	2,571	5.3%	194	8.1%
Total	45,678	100.0%	48,143	100.0%	48,534	100.0%	391	0.8%

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

As the preceding table illustrates, over 25% of the population is estimated to be age 55 and older in 2017. Over 13% of the population is age 65 and older. The subject project will continue to target seniors, which represent a good base of the population.

The following compares the PMA's elderly (age 62 and older) and non-elderly population.

Population Type	Year		
	2010 (Census)	2017 (Estimated)	2019 (Projected)
Elderly (Age 62+)	6,553	8,096	8,585
Non-Elderly	39,126	40,047	39,949
Total	45,679	48,143	48,534

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

The elderly population is projected to increase by 489, or 6.0%, between 2017 and 2019. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. **HOUSEHOLD TRENDS**

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

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2019 (Projected)
Households	14,307	15,974	16,599	16,720
Household Change	-	1,667	625	121
Percent Change	-	11.7%	3.9%	0.7%
Household Size	2.83	2.86	2.74	2.75

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

Within the Douglas Site PMA, households increased by 1,667 (11.7%) between 2000 and 2010. Between 2010 and 2017, households increased by 625 or 3.9%. By 2019, there will be 16,720 households, an increase of 121 households, or 0.7%, from 2017. This is an increase of approximately 60 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	770	4.8%	703	4.2%	680	4.1%	-22	-3.2%
25 to 34	2,560	16.0%	2,640	15.9%	2,571	15.4%	-69	-2.6%
35 to 44	3,016	18.9%	2,869	17.3%	2,842	17.0%	-27	-0.9%
45 to 54	3,248	20.3%	3,143	18.9%	3,100	18.5%	-43	-1.4%
55 to 64	2,949	18.5%	3,135	18.9%	3,176	19.0%	42	1.3%
65 to 74	2,027	12.7%	2,540	15.3%	2,669	16.0%	130	5.1%
75 to 84	1,043	6.5%	1,182	7.1%	1,286	7.7%	105	8.9%
85 & Over	361	2.3%	389	2.3%	395	2.4%	6	1.6%
Total	15,974	100.0%	16,599	100.0%	16,720	100.0%	121	0.7%

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

Between 2017 and 2019, all of the household growth is projected to occur among households age 55 and older. These older adult households are projected to increase by 283 over the next two years, adding to the need for senior housing, including the age-restricted subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,017	69.0%	10,808	65.1%	10,869	65.0%
Renter-Occupied	4,957	31.0%	5,791	34.9%	5,851	35.0%
Total	15,974	100.0%	16,599	100.0%	16,720	100.0%

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

In 2017, homeowners occupied 65.1% of all occupied housing units, while the remaining 34.9% were occupied by renters. The share of renters is considered relatively high for a rural market, such as the Douglas Site PMA.

Households by tenure for those age 55 and older in 2010, 2017 (estimated) and 2019 (projected) are distributed as follows:

Tenure Age 55+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	5,163	80.9%	5,660	78.1%	5,865	77.9%
Renter-Occupied	1,217	19.1%	1,585	21.9%	1,662	22.1%
Total	6,380	100.0%	7,246	100.0%	7,527	100.0%

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

A total of 1,585 (21.9%) of all households age 55 and older within the Site PMA were renters in 2017. The number of households age 55 and older are projected to increase by 77, or 4.9%, during the next two years.

Households by tenure for those age 62 and older in 2010, 2017 (estimated) and 2019 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	3,524	81.6%	4,012	79.4%	4,203	79.2%
Renter-Occupied	795	18.4%	1,044	20.6%	1,105	20.8%
Total	4,319	100.0%	5,056	100.0%	5,309	100.0%

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

A total of 1,044 (20.6%) of all households age 62 and older within the Site PMA were renters in 2017. This base of senior households is projected to increase by 61, or 5.8% over the next two years.

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)	7,499	46.9%	6,806	41.0%	6,675	39.9%
Owner-Occupied (Age 62+)	3,524	22.1%	4,012	24.1%	4,203	25.1%
Renter-Occupied (<Age 62)	4,163	26.0%	4,752	28.6%	4,750	28.4%
Renter-Occupied (Age 62+)	795	5.0%	1,044	6.3%	1,105	6.6%
Total	15,981	100.0%	16,613	100.0%	16,734	100.0%

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

Currently, 6.3% of all occupied housing units within the Site PMA are occupied by renters age 62 and older.

The household sizes by tenure for age 55 and older within the Site PMA, based on the 2017 estimates and 2019 projections, were distributed as follows:

Persons Per Renter Household Age 55+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	932	58.8%	979	58.9%	47	5.1%
2 Persons	231	14.5%	242	14.5%	11	4.9%
3 Persons	144	9.1%	150	9.0%	6	4.2%
4 Persons	158	10.0%	165	9.9%	6	4.0%
5 Persons+	121	7.6%	127	7.6%	6	5.0%
Total	1,585	100.0%	1,662	100.0%	77	4.8%

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

Persons Per Owner Household Age 55+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,892	33.4%	1,939	33.1%	47	2.5%
2 Persons	1,802	31.8%	1,878	32.0%	76	4.2%
3 Persons	838	14.8%	871	14.9%	34	4.0%
4 Persons	578	10.2%	603	10.3%	25	4.4%
5 Persons+	551	9.7%	574	9.8%	23	4.2%
Total	5,660	100.0%	5,865	100.0%	205	3.6%

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

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2017 estimates and 2019 projections, were distributed as follows:

Persons Per Renter Household Age 62+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	649	62.2%	692	62.6%	44	6.7%
2 Persons	139	13.4%	146	13.2%	7	4.9%
3 Persons	87	8.4%	92	8.3%	4	5.0%
4 Persons	95	9.1%	100	9.0%	4	4.6%
5 Persons+	73	7.0%	76	6.8%	2	3.3%
Total	1,044	100.0%	1,105	100.0%	62	5.9%

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

Persons Per Owner Household Age 62+	2017 (Estimated)		2019 (Projected)		Change 2017-2019	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,444	36.0%	1,495	35.6%	50	3.5%
2 Persons	1,226	30.6%	1,295	30.8%	68	5.6%
3 Persons	572	14.3%	602	14.3%	30	5.2%
4 Persons	393	9.8%	416	9.9%	22	5.7%
5 Persons+	376	9.4%	397	9.4%	20	5.4%
Total	4,012	100.0%	4,203	100.0%	192	4.8%

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

The subject senior project includes one- and two-bedroom units, which enable it to accommodate the majority of senior households in the market.

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

Household Income	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	4,106	25.7%	3,835	23.1%	4,076	24.4%
\$15,000 to \$24,999	2,728	17.1%	2,754	16.6%	2,741	16.4%
\$25,000 to \$34,999	2,272	14.2%	2,020	12.2%	1,899	11.4%
\$35,000 to \$49,999	2,315	14.5%	2,624	15.8%	2,621	15.7%
\$50,000 to \$74,999	2,394	15.0%	2,489	15.0%	2,500	15.0%
\$75,000 to \$99,999	1,068	6.7%	1,333	8.0%	1,328	7.9%
\$100,000 to \$149,999	734	4.6%	888	5.3%	895	5.4%
\$150,000 to \$199,999	270	1.7%	343	2.1%	349	2.1%
\$200,000 & Over	87	0.5%	317	1.9%	312	1.9%
Total	15,974	100.0%	16,601	100.0%	16,721	100.0%
Median Income	\$30,075		\$33,477		\$33,128	

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

In 2010, the median household income was \$30,075. This increased by 11.3% to \$33,477 in 2017. By 2019, it is projected that the median household income will be \$33,128, a decline of 1.0% from 2017.

The distribution of households by income age 55 and older within the Douglas Site PMA is summarized as follows:

Household Income 55+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	2,050	32.1%	1,969	27.2%	2,148	28.5%
\$15,000 to \$24,999	1,199	18.8%	1,348	18.6%	1,375	18.3%
\$25,000 to \$34,999	952	14.9%	860	11.9%	815	10.8%
\$35,000 to \$49,999	790	12.4%	1,097	15.1%	1,122	14.9%
\$50,000 to \$74,999	743	11.6%	937	12.9%	983	13.1%
\$75,000 to \$99,999	277	4.3%	453	6.2%	470	6.2%
\$100,000 to \$149,999	238	3.7%	346	4.8%	368	4.9%
\$150,000 to \$199,999	107	1.7%	132	1.8%	141	1.9%
\$200,000 & Over	24	0.4%	104	1.4%	105	1.4%
Total	6,380	100.0%	7,246	100.0%	7,527	100.0%
Median Income	\$24,508		\$28,563		\$27,952	

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

In 2010, the median household income for households age 55 and older was \$24,508. This increased by 16.5% to \$28,563 in 2017. By 2019, it is projected that the median household income will be \$27,952, a decline of 2.1% from 2017.

The distribution of households by income age 62 and older within the Douglas Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2017 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	1,426	33.0%	1,385	27.4%	1,534	28.9%
\$15,000 to \$24,999	911	21.1%	1,034	20.4%	1,059	20.0%
\$25,000 to \$34,999	695	16.1%	658	13.0%	629	11.8%
\$35,000 to \$49,999	513	11.9%	799	15.8%	828	15.6%
\$50,000 to \$74,999	421	9.7%	579	11.5%	616	11.6%
\$75,000 to \$99,999	141	3.3%	244	4.8%	257	4.8%
\$100,000 to \$149,999	144	3.3%	220	4.4%	237	4.5%
\$150,000 to \$199,999	56	1.3%	80	1.6%	89	1.7%
\$200,000 & Over	12	0.3%	56	1.1%	59	1.1%
Total	4,319	100.0%	5,056	100.0%	5,309	100.0%
Median Income	\$23,052		\$26,655		\$25,976	

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

In 2010, the median household income for households age 62 and older was \$23,052. This increased by 15.6% to \$26,655 in 2017. By 2019, it is projected that the median household income will be \$25,976, a decline of 2.5% from 2017.

The following tables illustrate renter household income by household size for age 55 and older for 2010, 2017 and 2019 for the Douglas Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	373	117	100	65	81	736
\$15,000 to \$24,999	130	38	32	21	26	247
\$25,000 to \$34,999	44	13	12	8	8	85
\$35,000 to \$49,999	44	15	12	9	10	90
\$50,000 to \$74,999	18	5	5	3	4	35
\$75,000 to \$99,999	1	0	0	0	0	1
\$100,000 to \$149,999	8	3	2	1	1	15
\$150,000 to \$199,999	4	1	1	1	0	7
\$200,000 & Over	1	0	0	0	0	1
Total	623	192	164	108	130	1,217

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	507	124	78	85	67	861
\$15,000 to \$24,999	191	45	28	31	25	320
\$25,000 to \$34,999	67	16	9	11	7	110
\$35,000 to \$49,999	99	26	16	18	14	174
\$50,000 to \$74,999	28	7	5	5	3	48
\$75,000 to \$99,999	10	3	2	2	1	18
\$100,000 to \$149,999	22	7	4	5	3	41
\$150,000 to \$199,999	5	1	1	1	0	7
\$200,000 & Over	4	1	1	1	0	6
Total	932	231	144	158	121	1,585

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	564	136	85	94	74	953
\$15,000 to \$24,999	183	44	27	30	24	307
\$25,000 to \$34,999	52	13	8	8	6	87
\$35,000 to \$49,999	103	27	17	19	15	180
\$50,000 to \$74,999	23	6	4	4	2	40
\$75,000 to \$99,999	9	2	1	1	1	15
\$100,000 to \$149,999	37	12	7	8	6	70
\$150,000 to \$199,999	4	1	0	0	0	6
\$200,000 & Over	3	1	0	0	0	5
Total	979	242	150	165	127	1,662

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 55 and older for 2010, 2017 and 2019 for the Douglas Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	446	385	211	158	114	1,314
\$15,000 to \$24,999	332	275	151	112	82	952
\$25,000 to \$34,999	300	252	138	104	73	867
\$35,000 to \$49,999	225	210	115	87	63	700
\$50,000 to \$74,999	217	218	120	89	64	708
\$75,000 to \$99,999	82	87	48	35	24	276
\$100,000 to \$149,999	69	68	37	28	21	223
\$150,000 to \$199,999	30	31	17	13	9	100
\$200,000 & Over	7	8	4	3	1	23
Total	1,708	1,534	841	629	451	5,163

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	383	346	161	111	106	1,108
\$15,000 to \$24,999	362	318	147	102	97	1,027
\$25,000 to \$34,999	260	235	109	75	71	750
\$35,000 to \$49,999	309	293	136	94	91	923
\$50,000 to \$74,999	281	291	135	93	89	889
\$75,000 to \$99,999	132	145	67	46	45	435
\$100,000 to \$149,999	95	101	47	33	29	305
\$150,000 to \$199,999	39	42	20	13	12	125
\$200,000 & Over	29	33	15	10	10	98
Total	1,892	1,802	838	578	551	5,660

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	408	377	175	120	115	1,195
\$15,000 to \$24,999	371	333	154	107	102	1,068
\$25,000 to \$34,999	251	228	106	74	70	728
\$35,000 to \$49,999	312	300	139	97	94	942
\$50,000 to \$74,999	295	310	144	100	94	943
\$75,000 to \$99,999	137	152	70	49	46	455
\$100,000 to \$149,999	92	99	46	32	29	298
\$150,000 to \$199,999	42	45	21	14	13	135
\$200,000 & Over	30	34	16	11	10	101
Total	1,939	1,878	871	603	574	5,865

Source: ESRI; Urban Decision Group

The following tables illustrate renter household income by household size for age 62 and older for 2010, 2017 and 2019 for the Douglas Site PMA:

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	247	75	64	42	52	480
\$15,000 to \$24,999	96	27	22	15	17	177
\$25,000 to \$34,999	30	9	8	5	5	57
\$35,000 to \$49,999	26	9	7	6	6	54
\$50,000 to \$74,999	9	2	2	2	2	17
\$75,000 to \$99,999	0	0	0	0	0	0
\$100,000 to \$149,999	5	2	1	0	0	8
\$150,000 to \$199,999	2	0	0	0	0	2
\$200,000 & Over	0	0	0	0	0	0
Total	415	124	104	70	82	795

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	352	74	47	51	41	565
\$15,000 to \$24,999	142	29	19	20	16	226
\$25,000 to \$34,999	48	11	6	7	4	77
\$35,000 to \$49,999	68	16	10	11	9	115
\$50,000 to \$74,999	16	4	2	2	2	25
\$75,000 to \$99,999	5	2	1	1	0	8
\$100,000 to \$149,999	13	3	3	3	2	23
\$150,000 to \$199,999	3	0	0	0	0	3
\$200,000 & Over	2	0	0	0	0	2
Total	649	139	87	95	73	1,044

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	401	82	52	56	45	636
\$15,000 to \$24,999	137	28	18	19	15	217
\$25,000 to \$34,999	38	8	5	6	3	60
\$35,000 to \$49,999	72	17	11	12	9	120
\$50,000 to \$74,999	13	3	2	2	1	21
\$75,000 to \$99,999	4	1	0	0	0	7
\$100,000 to \$149,999	22	6	4	4	3	39
\$150,000 to \$199,999	3	0	0	0	0	3
\$200,000 & Over	1	0	0	0	0	1
Total	692	146	92	100	76	1,105

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2017 and 2019 for the Douglas Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	352	263	144	108	79	946
\$15,000 to \$24,999	277	203	111	83	60	734
\$25,000 to \$34,999	240	177	97	73	51	638
\$35,000 to \$49,999	164	130	72	54	39	459
\$50,000 to \$74,999	139	117	65	48	35	404
\$75,000 to \$99,999	47	42	24	17	11	141
\$100,000 to \$149,999	47	39	22	16	12	136
\$150,000 to \$199,999	18	16	9	7	4	54
\$200,000 & Over	4	4	2	2	0	12
Total	1,288	991	546	408	291	3,524

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	305	246	115	79	76	820
\$15,000 to \$24,999	303	241	112	78	74	807
\$25,000 to \$34,999	214	175	81	56	54	581
\$35,000 to \$49,999	244	210	98	67	65	684
\$50,000 to \$74,999	190	174	81	56	53	554
\$75,000 to \$99,999	78	75	35	24	24	236
\$100,000 to \$149,999	66	63	30	20	18	197
\$150,000 to \$199,999	26	25	12	7	7	77
\$200,000 & Over	18	18	8	5	5	55
Total	1,444	1,226	572	393	376	4,012

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	329	271	126	87	83	897
\$15,000 to \$24,999	311	254	117	82	78	842
\$25,000 to \$34,999	207	172	80	55	53	568
\$35,000 to \$49,999	249	219	101	70	68	708
\$50,000 to \$74,999	202	188	88	61	57	595
\$75,000 to \$99,999	83	80	38	25	25	251
\$100,000 to \$149,999	65	64	30	21	19	198
\$150,000 to \$199,999	29	28	13	8	8	86
\$200,000 & Over	19	19	9	6	5	58
Total	1,495	1,295	602	416	397	4,203

Source: ESRI; Urban Decision Group

Overall population and total household growth trends have been positive between 2000 and 2017. It is projected that the population will increase by 391 (0.8%) between 2017 and 2019, while the number of households will increase by 121 (0.7%) during the same time frame. Approximately 43% of the households in the market are age 55 or older, which is the primary group of households that would respond to the project, assuming it operated exclusively under the LIHTC program. The number of renter households age 55 and older is projected to increase by 77 (4.9%) between 2017 and 2019. The overall demographic trends are projected to remain positive over the next couple of years, which will add to the demand for senior housing in the subject market and provide a positive environment for the continued success of the subject project.

Section F – Economic Trends

1. LABOR FORCE PROFILE

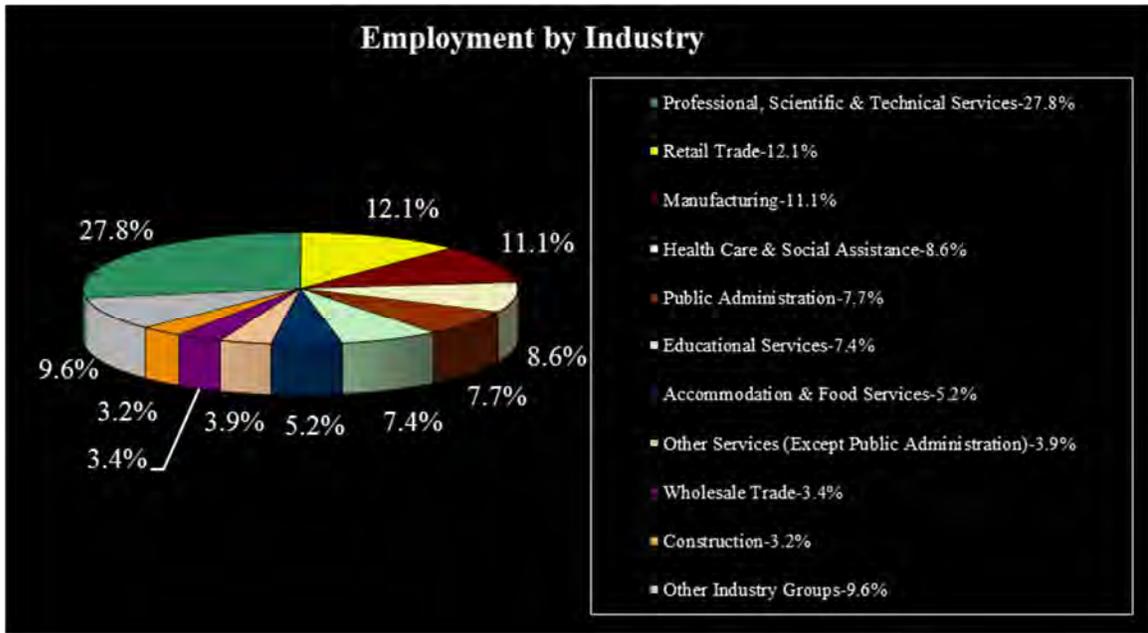
The labor force within the Douglas Site PMA is based primarily in three sectors. Professional, Scientific & Technical Services (which comprises 27.8%), Retail Trade and Manufacturing comprise over 51% of the Site PMA labor force. Employment in the Douglas Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	41	2.3%	282	1.2%	6.9
Mining	0	0.0%	0	0.0%	0.0
Utilities	4	0.2%	83	0.4%	20.8
Construction	93	5.2%	724	3.2%	7.8
Manufacturing	48	2.7%	2,543	11.1%	53.0
Wholesale Trade	67	3.7%	781	3.4%	11.7
Retail Trade	343	19.1%	2,768	12.1%	8.1
Transportation & Warehousing	56	3.1%	496	2.2%	8.9
Information	30	1.7%	188	0.8%	6.3
Finance & Insurance	156	8.7%	456	2.0%	2.9
Real Estate & Rental & Leasing	71	4.0%	207	0.9%	2.9
Professional, Scientific & Technical Services	87	4.8%	6,356	27.8%	73.1
Management of Companies & Enterprises	2	0.1%	50	0.2%	25.0
Administrative, Support, Waste Management & Remediation Services	40	2.2%	264	1.2%	6.6
Educational Services	41	2.3%	1,686	7.4%	41.1
Health Care & Social Assistance	128	7.1%	1,963	8.6%	15.3
Arts, Entertainment & Recreation	24	1.3%	164	0.7%	6.8
Accommodation & Food Services	102	5.7%	1,195	5.2%	11.7
Other Services (Except Public Administration)	282	15.7%	880	3.9%	3.1
Public Administration	127	7.1%	1,755	7.7%	13.8
Nonclassifiable	55	3.1%	13	0.1%	0.2
Total	1,797	100.0%	22,854	100.0%	12.7

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

Typical Wage by Occupation Type		
Occupation Type	South Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$87,480	\$114,210
Business and Financial Occupations	\$56,040	\$71,300
Computer and Mathematical Occupations	\$65,030	\$85,800
Architecture and Engineering Occupations	\$67,370	\$78,820
Community and Social Service Occupations	\$36,620	\$45,460
Art, Design, Entertainment and Sports Medicine Occupations	\$38,050	\$52,710
Healthcare Practitioners and Technical Occupations	\$67,840	\$74,310
Healthcare Support Occupations	\$24,050	\$28,330
Protective Service Occupations	\$32,530	\$36,610
Food Preparation and Serving Related Occupations	\$19,990	\$20,530
Building and Grounds Cleaning and Maintenance Occupations	\$22,980	\$25,010
Personal Care and Service Occupations	\$22,270	\$24,390
Sales and Related Occupations	\$27,190	\$38,060
Office and Administrative Support Occupations	\$30,840	\$35,470
Construction and Extraction Occupations	\$33,540	\$40,540
Installation, Maintenance and Repair Occupations	\$39,830	\$44,550
Production Occupations	\$30,640	\$33,500
Transportation and Moving Occupations	\$29,830	\$33,720

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

Most annual blue-collar salaries range from \$19,990 to \$39,830 within the South Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$68,752. It is important to note that most occupational types within the South Georgia Nonmetropolitan Area have slightly lower typical wages than the State of Georgia's typical wages. While the subject project is age-restricted, the area employment base has a significant number of wage-appropriate occupations from which the subject project will continue to draw support.

2. MAJOR EMPLOYERS

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

Employer	Business Type
Coffee Correctional Facility	Government
Coffee Regional Medical Center, Inc.	Healthcare
Diamond Cargo, LLC	Manufacturer
Pcc Airfoils, Inc.	Manufacturer
Pilgrims Pride Corporation	Food Services
South Georgia State College	Education
Southwire Company	Manufacturer
Walmart	Retail/Grocery
Wing-Zone Corporate Office	Food Industry

Source: Georgia Labor Market Explorer: Local Area Profiles (3rd Quarter 2016)

According to a representative with the Douglas-Coffee County Chamber of Commerce and Economic Development Authority, the Douglas-Coffee County economy continues to improve. The following are summaries of key economic factors impacting the local employment base:

- In 2017, Elixir Industries announced they would be investing \$8 million into a new 70,000 square-foot facility, anticipated to create 100 jobs.
- Premium Peanut announced they will be expanding and investing \$15 million within the county, which is expected to create 80 jobs within the next two years.
- Rock Solid Cargo is bringing 100 jobs to the Douglas area in 2017 by expanding, a \$3 million investment.

- A new Fairfield Inn & Suites opened in Douglas in 2016. The \$6 million project created 25 new jobs in the area.
- In January 2017, it was announced that the Douglas-Coffee Economic Development Authority received \$500,000 in OneGeorgia Equity Grant funding. The funding will go towards the new Perimeter West Industrial Park II.
- Special-Purpose Local-Option Sales Tax (SPLOST) funds were allocated in the amount of \$4.2 million and will also be used for the infrastructure of a new industrial park.

WARN (layoff notices):

According to the Georgia Department of Economic Development, there have been no WARN notices of large-scale layoffs/closures reported for the Coffee County area since January 2016.

3. EMPLOYMENT TRENDS

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

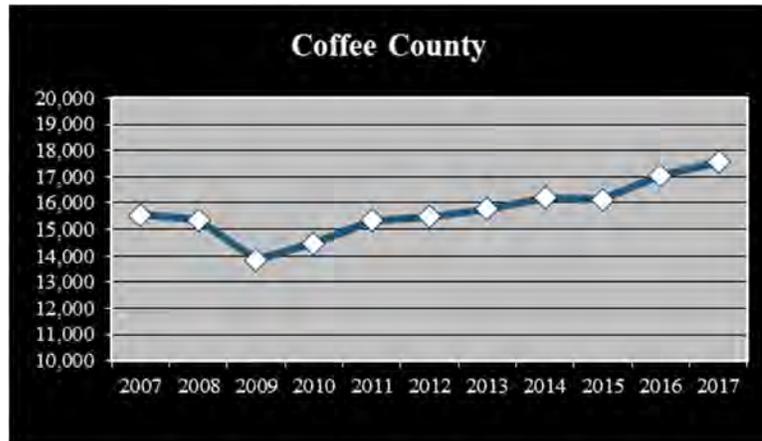
Excluding 2017, the employment base has increased by 10.2% over the past five years in Coffee County, more than the Georgia state increase of 7.1%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Coffee County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	15,547	-	4,597,640	-	146,388,400	-
2008	15,348	-1.3%	4,575,010	-0.5%	146,047,748	-0.2%
2009	13,854	-9.7%	4,311,854	-5.8%	140,696,560	-3.7%
2010	14,484	4.5%	4,202,052	-2.5%	140,469,139	-0.2%
2011	15,336	5.9%	4,263,305	1.5%	141,791,255	0.9%
2012	15,483	1.0%	4,348,083	2.0%	143,621,634	1.3%
2013	15,775	1.9%	4,367,147	0.4%	144,996,474	1.0%
2014	16,214	2.8%	4,418,471	1.2%	147,403,607	1.7%
2015	16,125	-0.5%	4,502,021	1.9%	149,648,686	1.5%
2016	17,056	5.8%	4,656,255	3.4%	152,001,644	1.6%
2017*	17,553	2.9%	4,767,833	2.4%	152,065,874	0.0%

Source: Department of Labor; Bureau of Labor Statistics

*Through May



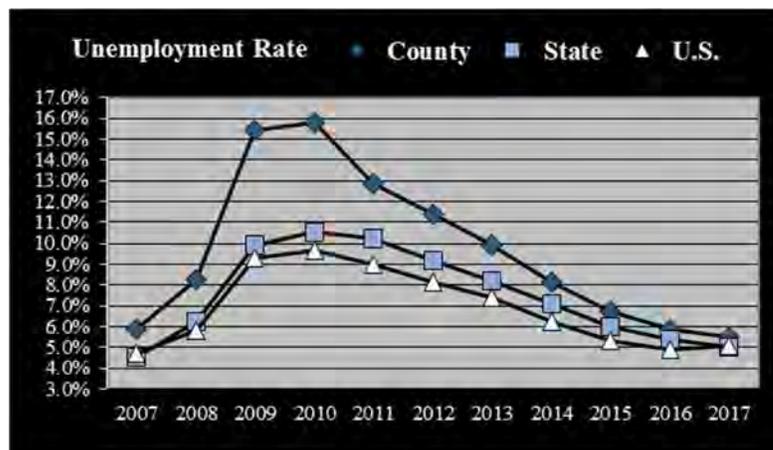
As the preceding illustrates, the Coffee County employment base has increased virtually every year since 2009. There are more persons employed in the county than immediately prior to the recession.

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

Year	Unemployment Rate		
	Coffee County	Georgia	United States
2007	5.9%	4.5%	4.7%
2008	8.3%	6.2%	5.8%
2009	15.4%	9.9%	9.3%
2010	15.8%	10.6%	9.7%
2011	12.9%	10.2%	9.0%
2012	11.4%	9.2%	8.1%
2013	9.9%	8.2%	7.4%
2014	8.1%	7.1%	6.2%
2015	6.7%	6.0%	5.3%
2016	5.9%	5.4%	4.9%
2017*	5.5%	5.0%	5.1%

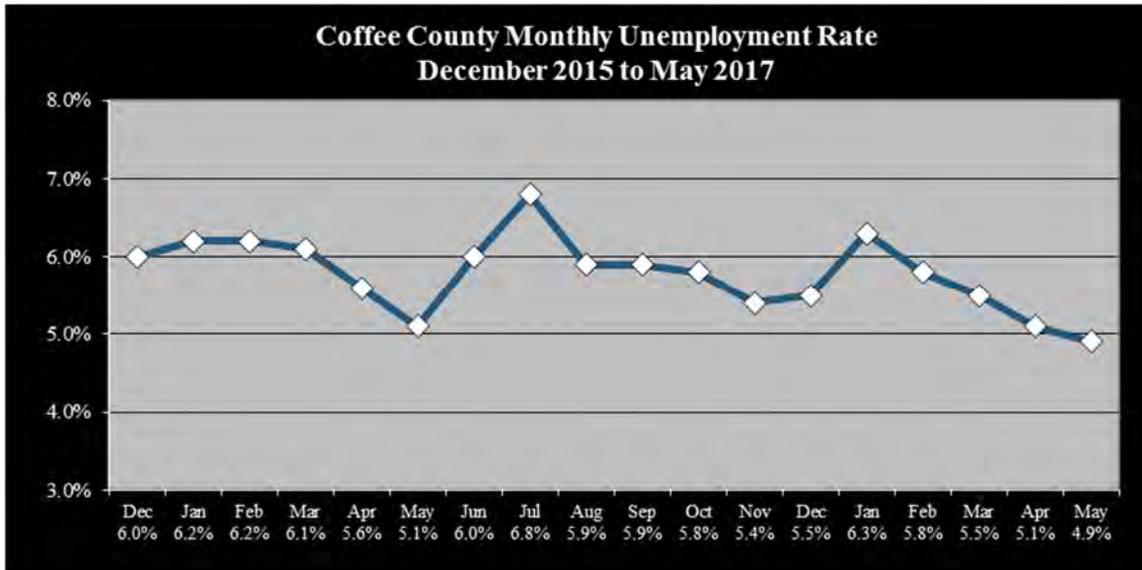
Source: Department of Labor, Bureau of Labor Statistics

*Through May



The unemployment rate in Coffee County has ranged between 5.5% and 15.8%, above both the state and national averages since 2007. After reaching a peak of 15.8% in 2010, the county's unemployment rate has declined seven straight years. The county's 5.5% unemployment rate in May of 2017 represents a 10-year low.

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



While the county's monthly unemployment rate has fluctuated some over the past 18 months, it has generally remained between 5% and 7%, and has trended downward over the past four 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 Coffee County.

In-Place Employment Coffee County			
Year	Employment	Change	Percent Change
2006	17,117	-	-
2007	16,666	-451	-2.6%
2008	16,232	-434	-2.6%
2009	14,434	-1,798	-11.1%
2010	13,630	-804	-5.6%
2011	14,600	970	7.1%
2012	14,542	-58	-0.4%
2013	15,122	580	4.0%
2014	15,678	556	3.7%
2015	15,933	255	1.6%
2016	16,718	785	4.9%

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 Coffee County to be 98.0% of the total Coffee County employment. This means that Coffee County has more employed persons staying in the county for daytime employment than those who work outside of the county. This will continue to contribute to the subject project's marketability, as those senior residents still in the workforce likely have minimal commute times to their place of employment.

4. ECONOMIC FORECAST

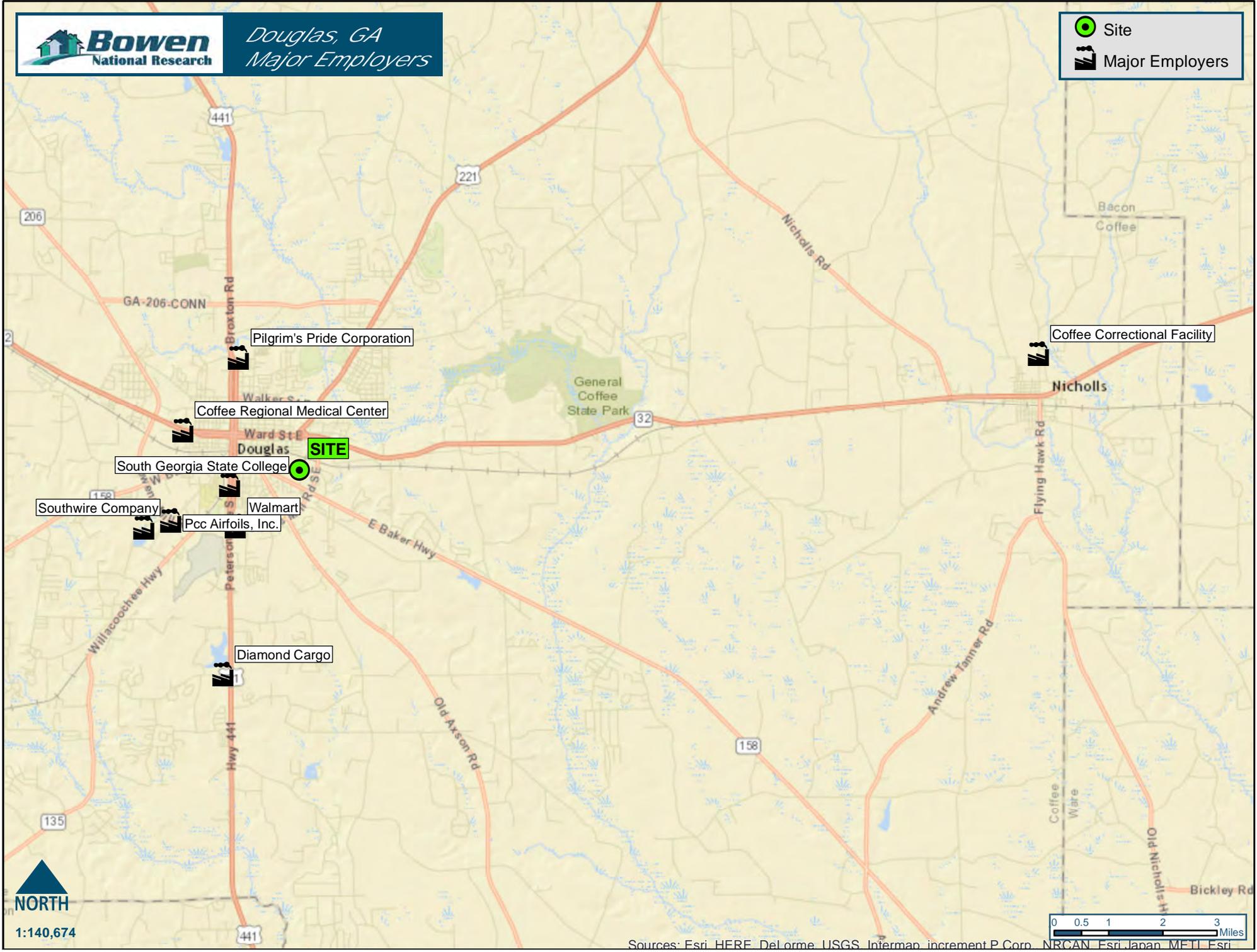
Over half of the Site PMA's labor force is employed within Professional, Scientific & Technical Services, Retail Trade and Manufacturing job sectors. The subject project targets low-income senior households. While the subject project is age-restricted, the area employment base has a significant number of wage-appropriate occupations from which the subject project will continue to draw support. The county's employment base has grown by more than 3,600 jobs since 2009 and the unemployment rate has declined seven straight years. The county's latest (May 2017) unemployment rate of 5.5% represents a 10-year low. The market's recent economic trends have been positive and are expected to trend in a positive direction for the foreseeable future. This will have a positive impact on housing demand.

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



Douglas, GA
Major Employers

- Site
- Major Employers



NORTH
1:140,674



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 Rural Development Section 515 (RD 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. The subject project is restricted to seniors age 62 and older under the RD program. However, in the unlikely event the subject project had to operate exclusively under the Low-Income Housing Tax Credit (LIHTC) program, it would be open to seniors age 55 and older. Therefore, our demand estimates for the project in this unlikely scenario (LIHTC-only) consider senior households age 55 and older.

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 Coffee County, which has a four-person median household income of \$55,200 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	\$19,560
Two-Person	\$22,320

a. Maximum Income Limits

The largest units (two-bedroom) at the subject site are expected to continue to house up to two-person senior households age 62 and older. As such, the maximum allowable income at the subject site is **\$22,320**.

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 LIHTC units will have a lowest gross rent of \$491. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,892. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$14,730**.

Since the subject project will retain RA through Rural Development on 48 units, the project will continue to serve households with little to no income. As such, we have also conducted a capture rate analysis that considers the project to continue to operate with RA.

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 with RA	\$0	\$22,320
LIHTC Only without RA	\$14,730	\$22,320

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 53.1% to 55.5% (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. Due to the lack of available non-subsidized age-restricted affordable product within the market, we believe that the subject development will attract a significant share of income-qualified senior homeowners who are looking to downsize from their home and seek a maintenance free housing alternative. However, conservatively, we limited demand from senior homeowners to account for only 2% of total demand per GDCA guidelines.*

- 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.**

There are no age-restricted 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 assumes all rental assisted units are leasable (and will remain occupied) and also 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 both the retention of Rental Assistance (RA) and the unlikely scenario the property had to operate exclusively under the Tax Credit guidelines. The table on the following page is a summary of our demand calculations.

Demand Component	Scenario One (Less units to remain occupied post renovations)		Scenario Two (Overall Demand Estimates)	
	RD 515/LIHTC w/ RA (\$0 - \$22,320)	RD 515/ LIHTC Without RA (\$14,730 - \$22,320)	RD 515/LIHTC w/ RA (\$0 - \$22,320)	LIHTC Only Without RA (\$14,730 - \$22,320)
Demand From New Renter Households (Income-Appropriate)	795 - 731 = 64	170 - 176 = -6	795 - 731 = 64	242 - 250 = -8
+				
Demand From Existing Households (Rent Overburdened)	731 X 55.5% = 405	176 X 53.1% = 93	731 X 55.5% = 405	250 X 53.1% = 133
+				
Demand From Existing Households (Renters In Substandard Housing)	731 X 2.9% = 21	176 X 2.9% = 5	731 X 2.9% = 21	250 X 2.9% = 7
=				
Demand Subtotal	490	92	490	132
+				
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	10*	1*	10*	2*
=				
Total Demand	500	93	500	134
-				
Supply (Directly Comparable Units Built and/or Funded Since 2015)	0	0	0	0
=				
Net Demand	500	93	500	134
Subject Units	0**	1**	50	50
Subject Units/ Net Demand	0** / 500	1** / 93	50 / 500	50 / 134
Capture Rate	= 0.0%	= 1.1%	= 10.0%	= 37.3%

*Given that demand from existing homeowners cannot exceed 2% of total demand, these numbers were utilized to calculate total demand

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

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the subject's overall capture rate of 10.0% as proposed with the retention of RA on the majority of the units is considered achievable. Effectively, however, the subject project will have a capture rate of 1.1% for the one non-RA unit which would need to be re-rented post renovations due to a current tenant that would no longer income-qualify to reside at the subject project under the Tax Credit program.

In the unlikely event the subject project lost RA and operated exclusively as a Tax Credit project, its capture rate would be 37.3%, which is slightly above GDCA's threshold of 35% for projects in rural markets. However, it is important to note that the preceding demand estimates effectively only consider age- and income-qualified renter households based on new renter household growth and those which are existing, but rent overburdened and/or living in substandard housing. When considering that the subject project is an existing property, which does not need to rely on support from new renter household growth, and the fact that the property likely receives a larger share of senior homeowner support than that included in the

preceding table, due to the notable share of very low-income (earning below \$25,000) senior homeowners in this market, a larger base of potential support for the subject project is believed to exist within the market than reflected by our demand estimates. In fact, when considering both renters and homeowners, a total of 1,046 age- and income-appropriate households are projected to exist in the market in 2019. This is further evidence that a sufficient base of support will continue to exist for the subject project in this unlikely scenario. In fact, considering that the subject development will offer some of the lowest LIHTC rents targeting similar income levels and the one age-restricted LIHTC project in the market is 100.0% occupied and maintains a waiting list, this will allow the property to attract a larger than typical share of age- and income-appropriate households in the market. As such, it can be concluded that the subject project's capture rate is much lower than that illustrated in the preceding table.

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	60%
Two-Bedroom	40%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the subject units by bedroom type and targeted income 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 (60%)	60%	1**	56	0	56	1.8%	<1 Month	\$498	\$400-\$695	\$363
One-Bedroom	Total	1**	56	0	56	1.8%	<1 Month	\$498	\$400-\$695	\$363
Two-Bedroom (40%)	60%	0**	37	0	37	-	-	\$623	\$450-\$795	\$395
Two-Bedroom	Total	0**	37	0	37	-	-	\$623	\$450-\$795	\$395

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

**Assumes all RA 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 within the market 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
RD 515/LIHTC with Rental Assistance (RA)										
One-Bedroom (60%)	60%	44	300	0	300	14.7%	4 Months	\$498	\$400-\$695	\$363
One-Bedroom	Total	44	300	0	300	14.7%	4 Months	\$498	\$400-\$695	\$363
LIHTC Only										
Two-Bedroom (40%)	60%	6	200	0	200	3.0%	<1 Month	\$623	\$450-\$795	\$395
Two-Bedroom	Total	6	200	0	200	3.0%	<1 Month	\$623	\$450-\$795	\$395
LIHTC Only										
One-Bedroom (60%)	60%	44	80	0	80	55.0%	6 Months	\$498	\$400-\$695	\$363
One-Bedroom	Total	44	80	0	80	55.0%	6 Months	\$498	\$400-\$695	\$363
LIHTC Only										
Two-Bedroom (40%)	60%	6	54	0	54	11.1%	<1 Month	\$623	\$450-\$795	\$395
Two-Bedroom	Total	6	54	0	54	11.1%	<1 Month	\$623	\$450-\$795	\$395

*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 within the market as identified in *Addendum F*.

The capture rates by bedroom type and targeted income level range from 1.8% to 55.0% depending upon scenario. These capture rates are low to high, yet all are 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 Douglas 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	15,974	86.9%	16,599	86.0%
Owner-Occupied	11,017	69.0%	10,808	65.1%
Renter-Occupied	4,957	31.0%	5,791	34.9%
Vacant	2,417	13.1%	2,701	14.0%
Total	18,391	100.0%	19,301	100.0%

Source: ESRI, Census 2010

Based on a 2017 update of the 2010 Census, of the 19,301 total housing units in the market, 14.0% were vacant. In 2017, it was estimated that homeowners occupied 65.1% of all occupied housing units, while the remaining 34.9% were occupied by renters. The share of renters is considered relatively high for a rural market, such as the Douglas Site PMA, and the 5,791 renter households estimated in 2017 represent a good base of current and potential renters 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	900	37.2%
For-Sale Only	242	10.0%
Renter/Sold, Not Occ.	124	5.1%
Seasonal or Recreational	295	12.2%
Other Vacant	856	35.4%
Total	2,417	100.0%

Source: 2010 Census

Based on the 2010 Census, of the 2,417 vacant units in the Site PMA, 37.2% were classified as “For Rent”, while “Other Vacant”, which consists of abandoned housing, represented the next largest share (35.4%) of vacant housing in the market. Although rental units comprise the largest share of vacant housing in the market, based on our field survey, it is likely that the high share of vacancies among rental units is among non-conventional rental product, which include mobile/single-family and duplex rentals. Note that among the 586 units surveyed, there were only 10 vacancies, yielding a combined occupancy of 98.3%. This is considered a very strong rate for housing and illustrates that the Douglas conventional rental housing market is actually performing very well.

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	6,817	66.0%	1,864	36.4%
1, Attached	27	0.3%	45	0.9%
2 to 4	5	0.0%	761	14.8%
5 to 9	0	0.0%	265	5.2%
10 to 19	0	0.0%	61	1.2%
20 to 49	0	0.0%	123	2.4%
50+	0	0.0%	29	0.6%
Mobile Homes	3,466	33.6%	1,978	38.6%
Boat, RV, Vans	13	0.1%	0	0.0%
Total	10,328	100.0%	5,126	100.0%

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

As the preceding table illustrates, over 90% of renter-occupied housing consists of single-family/mobile home and two to four-unit rentals, whereas only 4.2% consist of structures with 10 or more units. As such, this demonstrates that there is a limited amount of conventional rental housing units in the market. Therefore, the subject project will continue to provide a rental housing alternative that is currently limited in the Site PMA.

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

	Kitchen Characteristics			
	Owner-Occupied		Renter-Occupied	
	Number	Percent	Number	Percent
Complete Kitchen	10,298	99.7%	5,090	99.3%
Lacking Complete Kitchen	30	0.3%	35	0.7%
Total	10,328	100.0%	5,125	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	10,296	99.7%	5,117	99.8%
Lacking Complete Plumbing	32	0.3%	8	0.2%
Total	10,328	100.0%	5,125	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 0.3% and 0.7%, respectively. It is also of note that 0.2% of renter-occupied housing had incomplete plumbing facilities, compared with 0.3% of owner-occupied housing.

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	10,126	98.0%	4,986	97.3%
1.01 Or More Occupants Per Room	203	2.0%	140	2.7%
Total	10,329	100.0%	5,126	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 2.0% of owner-occupied housing.

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%	5,810	56.3%	1,236	24.1%
20% to 29%	1,731	16.8%	984	19.2%
30% or More	2,498	24.2%	2,020	39.4%
Not Computed	289	2.8%	885	17.3%
Total	10,328	100.0%	5,125	100.0%

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

As the preceding illustrates, 39.4% of renter households in the market pay more than 30% of their income towards rent. This is lower than the national average of 47.9%.

Conventional Rentals

We identified and personally surveyed 15 conventional housing projects (including the subject project) containing a total of 586 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 98.3%, a very strong rate for rental housing. Among these projects, eight are non-subsidized (market-rate and Tax Credit) projects containing 249 units. These non-subsidized units are 98.4% occupied. The remaining seven projects contain 337 government-subsidized units, which are 98.2% occupied.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	6	117	4	96.6%
Tax Credit	2	132	0	100.0%
Tax Credit/Government-Subsidized	2	100	6	94.0%
Government-Subsidized	5	237	0	100.0%
Total	15	586	10	98.3%

As the preceding table illustrates, all rental housing segments surveyed within the market are performing at good occupancy levels, as none are lower than 94.0%. In fact, only six vacancies exist among the affordable housing developments surveyed, illustrating that pent-up demand likely exists for such housing. The subject project will continue to accommodate a portion of this unmet demand.

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	24	20.5%	2	8.3%	\$464
Two-Bedroom	1.0	16	13.7%	0	0.0%	\$594
Two-Bedroom	2.0	77	65.8%	2	2.6%	\$719
Total Market-rate		117	100.0%	4	3.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	20	15.2%	0	0.0%	\$477
Two-Bedroom	1.0	60	45.5%	0	0.0%	\$580
Two-Bedroom	2.0	36	27.3%	0	0.0%	\$569
Three-Bedroom	2.0	16	12.1%	0	0.0%	\$633
Total Tax Credit		132	100.0%	0	0.0%	-

The market-rate units are 96.6% occupied and the Tax Credit units are 100.0% occupied. These strong occupancy levels maintained at the non-subsidized product surveyed further illustrates the strength of the overall Douglas rental housing market.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized 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	37	5.4%
B	2	56	0.0%
B-	2	24	8.3%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	60	0.0%
A-	1	72	0.0%

Regardless of quality, all non-subsidized rental units surveyed are maintaining low vacancy levels, as none are higher than 8.3%. As such, it can be concluded that quality has not had an adverse impact on the overall Douglas rental housing market.

2. SUMMARY OF ASSISTED PROJECTS

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

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Hunters Run (Site)	RD 515	1992	50	100.0%	\$443 - \$571 (44)	\$502 - \$632 (6)	-	-
2	Trowell Housing (Trayce Manor)	SEC 8	1979	1	100.0%	-	-	-	\$166 (1)
3	Georgian Woods Apts.	SEC 8	1982	66	100.0%	-	\$829 (42)	\$997 (24)	-
6	Estes Park Apts.	TAX	2004	72	100.0%	\$287 - \$517 (20)	\$339 - \$599 (36)	\$633 - \$678 (16)	-
8	Pine Meadows	TAX	2013	60	100.0%	-	\$322 - \$580 (60)	-	-
9	Oak Terrace Apts.	RD 515	1985	16	100.0%	\$492 - \$655 (4)	\$559 - \$746 (12)	-	-
10	JT Deerfield	TAX, RD 515, & PBRA	1984 / 2014	76	92.1%	\$434 - \$480 (32)	\$507 - \$563 (44)	-	-
14	Whispering Pines	TAX & RD 515	1991	24	100.0%	\$501 - \$646 (24)	-	-	-
15	Amberwood Apts.	RD 515	1981	104	100.0%	\$447 - \$482 (16)	\$509 - \$544 (61)	\$573 - \$608 (27)	-
Total				469	98.7%				

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
 PBRA – Project-based Rental Assistance

The overall occupancy is 98.7% for these projects, a very strong rate for affordable rental housing. In fact, eight of these projects are 100.0% occupied, nearly all of which maintain waiting lists. This illustrates that significant pent-up demand exists for additional affordable rental housing within the market.

HOUSING CHOICE VOUCHER HOLDERS

According to the Georgia Department of Community Affairs, there are approximately 97 Housing Choice Voucher holders within Coffee County and 135 households on the waiting list for an additional Voucher. This reflects the continuing need for Housing Choice Voucher assistance.

The following table identifies the non-subsidized Tax Credit 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
6	Estes Park Apts	72	10	13.9%
8	Pine Meadows	60	1	1.7%
Total		132	11	8.3%

As the preceding table illustrates, there are a total of approximately 11 Voucher holders residing at the existing non-subsidized Tax Credit properties within the market. This comprises only 8.3% of the 132 total non-subsidized Tax Credit units offered among these projects and is considered a low share of Voucher support. Considering that nearly 92% of the units offered among these properties are currently occupied by non-Voucher holders, it can be concluded that the gross rents at these properties are achievable within the market and that non-subsidized Tax Credit properties 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 - Coffee 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
One-Bedroom	\$482	\$491
Two-Bedroom	\$645	\$542

As the preceding table illustrates, the proposed gross rents are below or slightly above (\$9) the payment standards set by the Georgia Department of Community Affairs (DCA) Rental Assistance Division - Coffee 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 Douglas 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

Based on our online research, it was determined that there is one rental housing project planned within the Site PMA. This planned development is summarized on the following page.

- Heritage Pointe Apartments was recently awarded Tax Credit financing to be located at 903 North Wheler Avenue in Douglas. To be developed by Volunteers of America Southeast, this Tax Credit and market-rate development will offer 52 one-, two- and three-bedroom units targeting households with incomes of up to 50% and 60% of Area Median Household Income (AMHI). Rents will range from \$283 to \$365 for the 50% AMHI units, \$370 to \$485 for the 60% AMHI units and \$463 to \$607 for market-rate units. Based on our in-market observations, construction on this project has not begun.

Given the fact that the aforementioned affordable development within the pipeline will target a different demographic than the subject project, it will have no significant impact on its marketability and has not been included in our demand analysis illustrated earlier in Section G – *Project Specific Demand* of this report.

Building Permit Data

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

Housing Unit Building Permits for Coffee County:										
Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	0	7	0	63	0	0	6	2	0	0
Single-Family Permits	113	75	48	45	40	13	25	33	32	64
Total Units	113	82	48	108	40	13	31	35	32	64

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

As the preceding illustrates, there have been a limited number of multifamily building permits issued in Coffee County since 2010. Given the projected growth among renter households within the market, as illustrated in Section E of this report, and the limited number of multifamily building permits issued, illustrates that there will continue to be a need for rental housing within the region. This is further illustrated by the combined occupancy rate of 98.3% of the surveyed rental developments within the Douglas Site PMA. Although the subject project will not add any new units to the market during renovations, the proposed renovations will provide some much needed updated/modern rental units within this market.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

The subject project will offer one- and two-bedroom units targeting senior households ages 62 and older earning up to 60% of AMHI under the Low-Income Housing Tax Credit (LIHTC) program following renovations. We identified and surveyed one non-subsidized age-restricted LIHTC property within the Site PMA. Given the limited amount of age-restricted LIHTC housing within the market, we selected one family-oriented affordable development that offers first-floor, entry-level one- and two-bedroom units that likely appeal to seniors and represents a reasonable base of comparison for the senior units at the site. In addition, we

identified and surveyed two age-restricted LIHTC properties located outside of the Site PMA, but within the region in Waycross that we consider comparable. Note that the two age-restricted LIHTC developments outside of the market will not compete with the subject development, as they derive demographic support from a different geographical region. These two age-restricted LIHTC projects were selected for comparison purposes only. The four comparable LIHTC properties are summarized in the following table, along with the subject development:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Hunters Run	1992 / 2019	50	100.0%	-	9 H.H.	Seniors 62+; 60% AMHI, RD 515
6	Estes Park Apts.	2004	72	100.0%	0.8 Miles	10-13 H.H.	Families; 30%, 50%, & 60% AMHI
8	Pine Meadows	2013	60	100.0%	2.8 Miles	20 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
904	Waring Apts. I	1985 / 1999	40	100.0%	36.5 Miles	15 H.H.	Seniors 62+; 50% & 60% AMHI
905	Waring Apts. II	2003	28*	100.0%	36.3 Miles	15 H.H.	Seniors 55+; 50% & 60% AMHI

OCC. – Occupancy

H.H. – Households

900 series Map IDs located outside of Site PMA

*Tax Credit units only

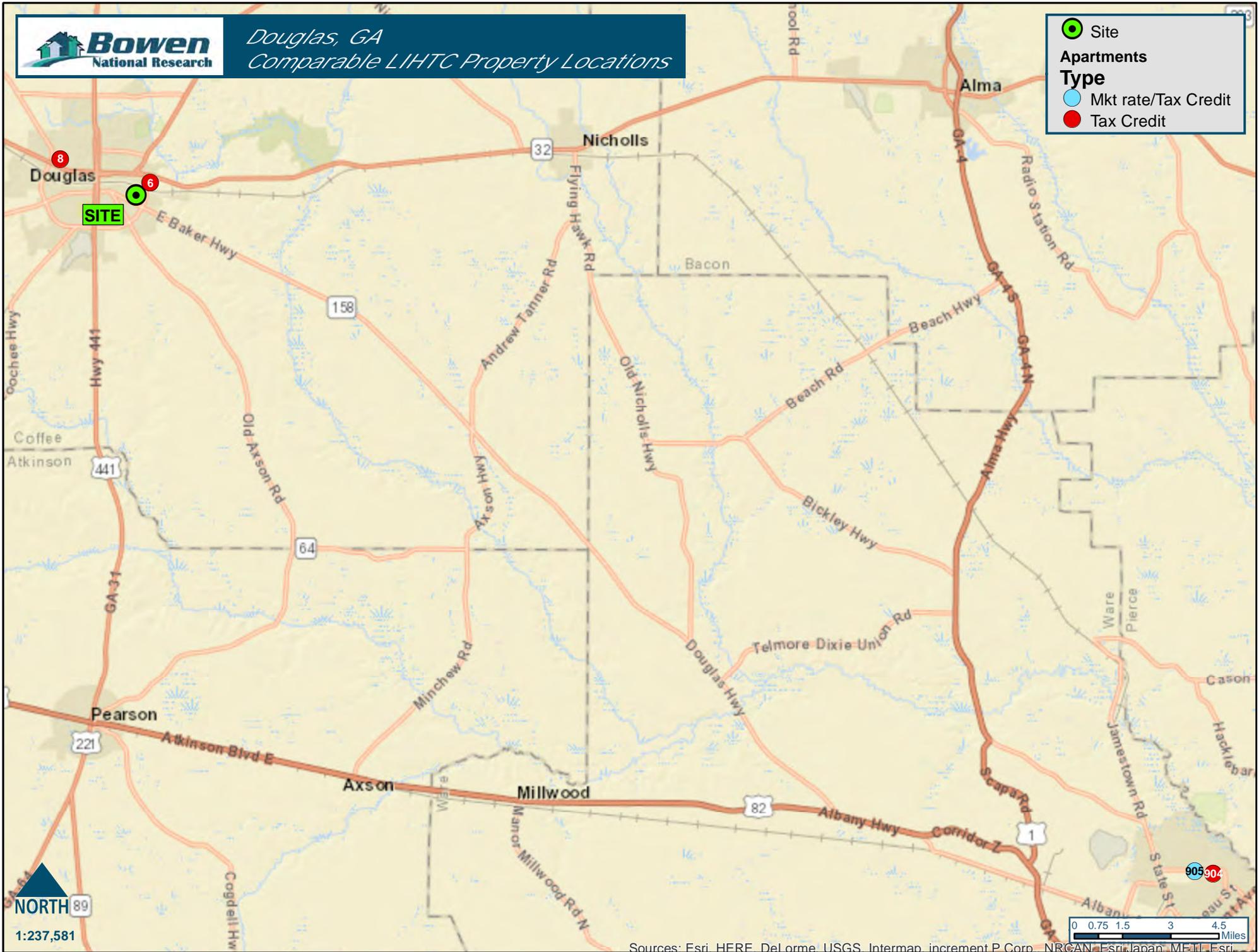
The four LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain waiting lists. This illustrates that pent-up demand exists for additional affordable housing for both families and seniors within the market and region. The subject development will continue to accommodate a portion of this unmet demand.

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



Douglas, GA
Comparable LIHTC Property Locations

 Site
Apartments Type
 Mkt rate/Tax Credit
 Tax Credit




 NORTH
 1:237,581



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

The gross rents for the comparable LIHTC 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:

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	Hunters Run	\$491/60% (44)	\$542/60% (6)	-	-
6	Estes Park Apts.	\$287/30% (3/0) \$477/50% (12/0) \$517/60% (5/0)	\$339/30% (2/0) \$569/50% (21/0) \$599/60% (13/0)	\$633/50% (11/0) \$678/60% (5/0)	None
8	Pine Meadows*	-	\$322/30% (3/0) \$435/50% (9/0) \$525-\$580/60% (48/0)	-	None
904	Waring Apts. I*	\$464/50% (10/0) \$474/60% (10/0)	\$556/50% (10/0) \$556/60% (10/0)	-	None
905	Waring Apts. II*	\$469/50% (7/0) \$469/60% (6/0)	\$571/50% (8/0) \$600/60% (7/0)	-	None

*Age-restricted

900 series Map IDs located outside of Site PMA

The proposed subject gross rents, ranging from \$491 to \$542, will be some of the lowest LIHTC rents targeting similar income levels within both the market and region. This will provide the subject with a market advantage. In addition, a total of 48 of the 50 revenue-producing units will continue to operate with RA, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject development will continue to represent an even greater value to low-income senior households within the Douglas Site PMA.

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

Weighted Average Collected Rent of Comparable LIHTC Units*	
One-Br.	Two-Br.
\$400	\$456

*Only units targeting similar AMHI levels as the subject project within the Site PMA

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

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$400	- \$363	\$37	/ \$363	10.2%
Two-Br.	\$456	- \$395	\$61	/ \$395	15.4%

As the preceding illustrates, the proposed subject's one- and two-bedroom rents represent rent advantages of 10.2% and 15.4%, respectively, as compared to the weighted average collected rents of the comparable LIHTC unit types within the *market*. Please note, however, that this is in comparison to the *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the subject development's collected rents are available in Addendum F of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Hunters Run	674	796	-
6	Estes Park Apts.	783	1,025	1,080
8	Pine Meadows*	-	900	-
904	Waring Apts. I*	650	850	-
905	Waring Apts. II*	650	850	-

*Age-restricted
900 series Map IDs located outside of Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Hunters Run	1.0	1.0	-
6	Estes Park Apts.	1.0	2.0	2.0
8	Pine Meadows*	-	1.0	-
904	Waring Apts. I*	1.0	1.0	-
905	Waring Apts. II*	1.0	1.0	-

*Age-restricted
900 series Map IDs located outside of Site PMA

The subject development will continue to offer some of the smallest unit sizes (square feet) when compared to those offered at the comparable LIHTC projects within the market. However, the unit sizes offered are considered typical of older subsidized rental product. In addition, the subject's 100.0% occupancy rate is a clear indication that the subject's unit designs are appropriate for and marketable to the targeted tenant population. The one bathroom offered in all of the subject units is considered typical of an affordable age-restricted rental development.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.

COMPARABLE PROPERTIES AMENITIES - DOUGLAS, 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
SITE	X	X				X	X		V		X					B	X	S	
905	X	X		X	X		X		C	X	X					B	X	S	
6	X	X	X	X	X		X		C		X					B		S	Exterior Storage
8	X	X	X	X	X	X	X		T		X					B		S	
904	X	X		X	X		X		C	X	X	X	X			B	X	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		X			Covered Pavilion
905		X		X															Gazebo
6		X	X	X		X		X		B				X		X			
8		X	X	X	X	X								X		X			Walking Trail
904		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	

After renovations are complete and additions are made, the subject project's amenities package will continue to be slightly inferior than those offered at the comparable LIHTC projects within the market and region. In terms of unit amenities, while the subject development will be one of two to offer a microwave, it will be the only LIHTC project to not offer a dishwasher or garbage disposal. Regarding project amenities, the subject development does not lack any that would have an adverse impact on its marketability. This is further evidenced by the subject's 100.0% occupancy rate and waitlist.

Comparable/Competitive Tax Credit Summary

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 continue to be marketable. While the subject development will continue to be inferior to the comparable properties in terms of age, unit sizes and amenities offered, it will offer some of the lowest LIHTC rents targeting similar income levels within the market and region. The low proposed rents will offset its design deficiencies and will be perceived as substantial values to low-income senior households. In addition, the subject project will retain RA on 48 of the 50 revenue-producing units, which will represent even greater values to low-income senior households within the Site PMA. This has been considered in our absorption projections.

Comparable/Competitive Housing Impact

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2019
6	Estes Park Apts.	100.0%	95.0%+
8	Pine Meadows*	100.0%	95.0%+

*Age-restricted

The subject project and two comparable LIHTC developments in the Site PMA are 100.0% occupied and maintain a waitlist. The renovation of the subject project will not add any new units to the market. As such, we do not believe the renovation of the subject project will have any tangible impact on the occupancy rates of the comparable LIHTC properties.

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 \$80,577. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for an \$80,577 home is \$485, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$80,577
Mortgaged Value = 95% of Median Home Price	\$76,548
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$388
Estimated Taxes and Insurance*	\$97
Estimated Monthly Mortgage Payment	\$485

*Estimated at 25% of principal and interest

In comparison, the proposed monthly collected Tax Credit and market-rate rents at the subject project range from \$363 to \$395, depending upon bedroom type. As such, the cost of a typical monthly mortgage in the area is at least \$90 more than renting at the subject project. Considering the higher cost of homeownership and the fact that most current and potential tenants of the subject project are likely unable to afford the cost of a typical down payment, utility costs, and/or routine maintenance costs associated with such a home, we do not anticipate any competitive impact on or from the homebuyer market.

Section I – Absorption & Stabilization Rates

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

According to management, the subject project is currently 100.0% occupied and a nine-household wait list is maintained. Based on our review of the most current tenant rent roll and assuming that Rental Assistance (RA) will be retained on the majority of the subject units and a Private Rental Assistance (PRA) subsidy will be provided to all current unassisted tenants, it is anticipated that few 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 of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 50 revenue-producing subject units will be vacated and that all units will have to be re-rented simultaneously, assuming the retention of RA on 48 of the subject units.

It is our opinion that the 50 revenue-producing units at the subject site will reach a stabilized occupancy of 93.0% within approximately four months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 12 units per month. Our absorption projections assume 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. Finally, these absorption projections also assume that RA will be retained following renovations. Should RA not be retained, the 50 Tax Credit units at the subject site would likely have an extended absorption period of up to six months (eight units per month) as this would no longer allow the subject project to target senior households earning below \$14,730, assuming the project operates at the proposed LIHTC rent levels evaluated in this report.

Regardless, it is important to remember that 48 of the 50 revenue-producing subject units will continue to receive RA following renovations, with tenants of these units continuing to pay up to 30% of their adjusted gross income towards housing costs. In addition, the PRA subsidy to be provided by the developer to any current unassisted tenant will prevent such tenants from experiencing rent increases. Therefore, in reality, the effective absorption period for the subject project will be less than one month, as most current tenants are expected to remain post renovations.

Section J – Interviews

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

- According to Andrea Taylor, President of the Douglas-Coffee County Chamber of Commerce and Economic Development Authority, there is absolutely a need for more affordable housing in the area, which is one of their biggest challenges. Ms. Taylor went on to say as being the Chamber President, she receives calls almost daily with persons looking for rental housing as their current stock is always full.
- Wendy Ellis, Property Manager of Hunters Run (subject site), stated that there is definitely a need for more affordable senior housing in the area, as she receives a large number of inquiries a week, and very rarely has vacancies
- Kristyn Martin, Regional Manager at Estes Park Apartments (Map ID 6), a Tax Credit property in Douglas, stated that there is always a need for more affordable housing for both senior and family. Ms. Martin commented that the Douglas economy is always fluctuating and sometimes that impacts her resident's employment, and therefore, increases the demand for affordable rental housing options.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 50 revenue-producing units offered at the existing Hunters Run rental community in Douglas, Georgia, following renovations utilizing financing from the 4% Tax Exempt Bond program. Changes in the project's scope of renovations, rents, amenities and/or renovation completion date may alter these findings.

The subject project will continue to be marketable in terms of unit mix and location. Although it is considered limited in terms of age, unit size (square feet and number of bathrooms offered) and amenities relative to the comparable LIHTC projects, it will offer some of the lowest LIHTC rents targeting similar income levels within the market and region, which will offset its design deficiencies. Additionally, the subject's proposed rent levels represent market rent advantages of between 40.2% and 41.0% (as illustrated later in Addendum F of this report), indicating that they will likely represent substantial values to low-income senior households within the market. Further, the subject project is expected to retain Rental Assistance on 48 of the 50 total revenue-producing units, requiring residents to continue to pay up to 30% of their income towards housing costs. As such, the majority of the subject units are expected to remain even greater values within the market.

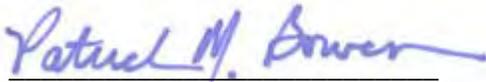
Given that all comparable affordable age-restricted developments within the market and region are 100.0% occupied and maintain a wait list, the subject project will continue to offer a housing alternative to low-income senior households that is not readily available in the region. As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 10.0% of age- and income-appropriate households in the market, there is a good base of support for the subject development assuming it retains Rental Assistance on the majority of units. Therefore, it is our opinion that the subject project will have minimal, if any, impact on the existing Tax Credit developments in the Site PMA.

In the unlikely event the subject project was completely vacated and all units had to be re-rented, the subject project should reach a stabilized occupancy of 93% within approximately four months, assuming it operated with its current subsidy. If the subject project lost its subsidy and had to operate exclusively under the LIHTC program, it would likely have a lease-up period of up to six months.

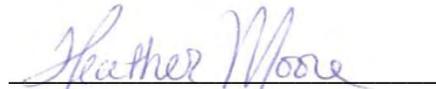
We do not have any recommendation for the subject project.

Section L - Signed Statement

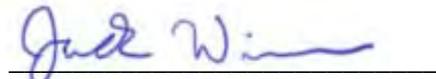
I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any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



Patrick M. Bowen
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Date: August 14, 2017



Heather Moore
Market Analyst
heatherm@bowennational.com
Date: August 14, 2017



Jack Wiseman
Market Analyst
jackw@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

Heather Moore, Market Analyst, has been with Bowen National Research since the fall of 2010. She has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Ms. Moore has a Bachelors of Arts in Marketing from Urbana University.

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

DOUGLAS, 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.

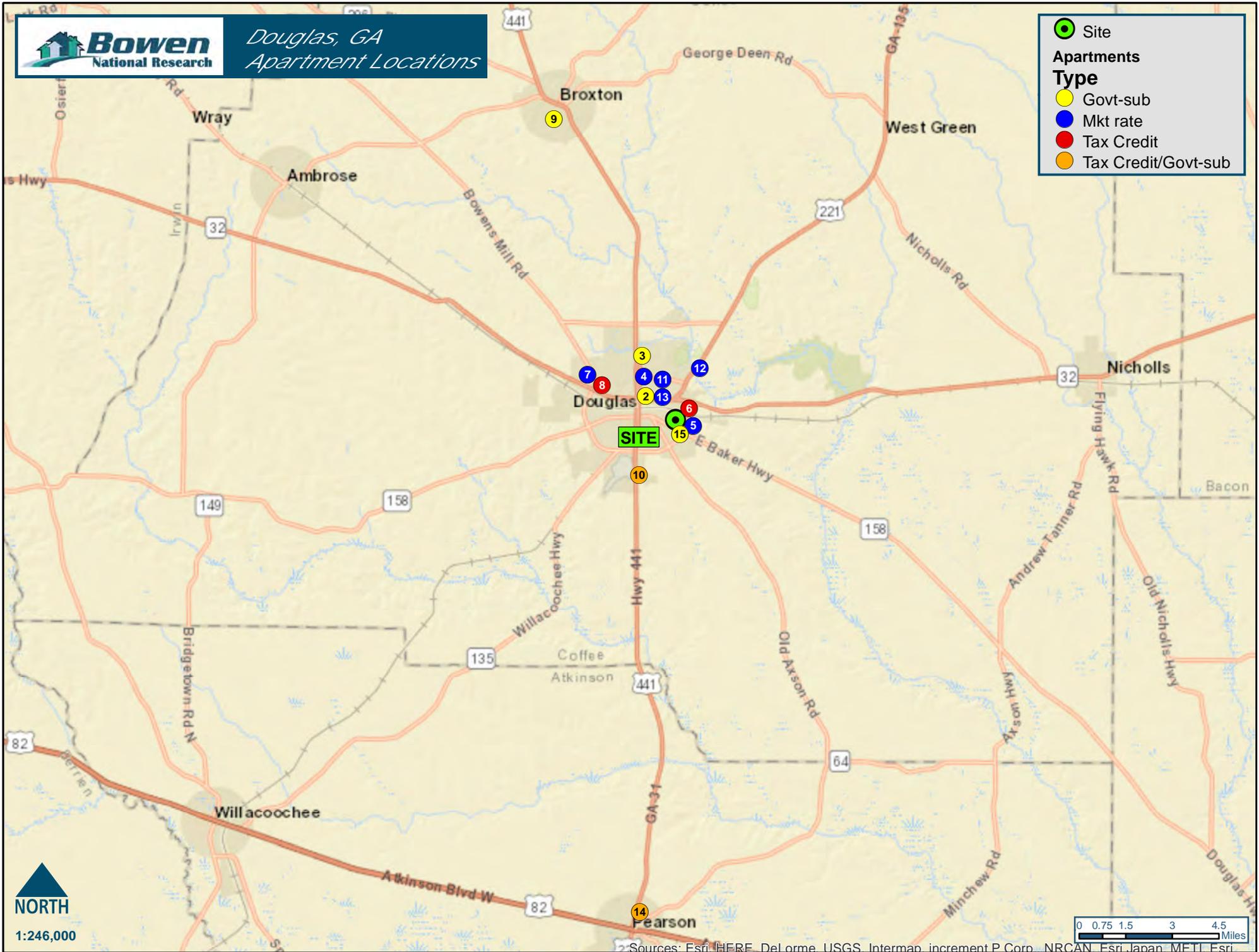
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

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.



Douglas, GA
Apartment Locations

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



NORTH
1:246,000



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

MAP IDENTIFICATION LIST - DOUGLAS, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
◆ 1	Hunters Run (Site)	GSS	B-	1992	50	0	100.0%	-
2	Trowell Housing (Trayce Manor)	GSS	B	1979	1	0	100.0%	1.4
3	Georgian Woods Apts.	GSS	B	1982	66	0	100.0%	2.6
4	Crown Villas	MRR	B+	1980	5	1	80.0%	1.9
5	Douglas Pines Apts.	MRR	B	1987	48	0	100.0%	0.8
6	Estes Park Apts.	TAX	A-	2004	72	0	100.0%	0.8
7	Gables Apts.	MRR	B+	1991	32	1	96.9%	3.0
◆ 8	Pine Meadows	TAX	A	2013	60	0	100.0%	2.8
9	Oak Terrace Apts.	GSS	B	1985	16	0	100.0%	10.3
10	JT Deerfield	TGS	A-	1984	76	6	92.1%	2.4
11	Peachtree Apts.	MRR	B-	1972	8	0	100.0%	1.4
12	Riverwood Apts.	MRR	B-	1965	16	2	87.5%	1.9
13	Treetop Apts.	MRR	B	1981	8	0	100.0%	1.0
◆ 14	Whispering Pines	TGS	B-	1991	24	0	100.0%	14.8
15	Amberwood Apts.	GSS	B-	1981	104	0	100.0%	0.5

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	6	117	4	96.6%	0
TAX	2	132	0	100.0%	0
TGS	2	100	6	94.0%	0
GSS	5	237	0	100.0%	0

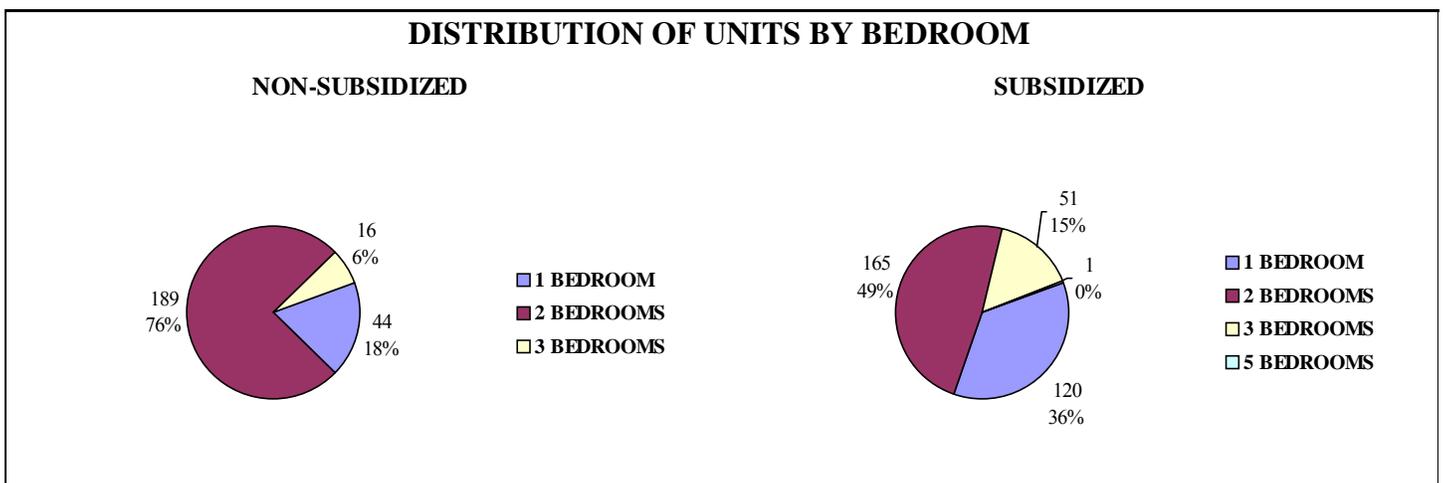
◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

Survey Date: July 2017

DISTRIBUTION OF UNITS - DOUGLAS, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	24	20.5%	2	8.3%	\$464
2	1	16	13.7%	0	0.0%	\$594
2	2	77	65.8%	2	2.6%	\$719
TOTAL		117	100.0%	4	3.4%	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	20	15.2%	0	0.0%	\$477
2	1	60	45.5%	0	0.0%	\$580
2	2	36	27.3%	0	0.0%	\$569
3	2	16	12.1%	0	0.0%	\$633
TOTAL		132	100.0%	0	0.0%	
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	56	56.0%	3	5.4%	N.A.
2	1	44	44.0%	3	6.8%	N.A.
TOTAL		100	100.0%	6	6.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	64	27.0%	0	0.0%	N.A.
2	1	121	51.1%	0	0.0%	N.A.
3	1	27	11.4%	0	0.0%	N.A.
3	1.5	24	10.1%	0	0.0%	N.A.
5	2	1	0.4%	0	0.0%	N.A.
TOTAL		237	100.0%	0	0.0%	
GRAND TOTAL		586	-	10	1.7%	



SURVEY OF PROPERTIES - DOUGLAS, GEORGIA

1 Hunters Run (Site)			
	Address 701 Lupo Ln. Douglas, GA 31533	Phone (912) 384-0002 (Contact in person)	Total Units 50
	Year Built 1992 Comments RD 515, has RA (48 units); Accepts HCV (0 currently); One 2-br manager unit not included in total	Contact Wendy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Senior Restricted (62+) Waiting List 9 households
2 Trowell Housing (Trayce Manor)			
	Address 410 E. Sellers St. Douglas, GA 31533	Phone (912) 384-4497 (Contact in person)	Total Units 1
	Year Built 1979 Comments HUD Section 8; SRO units; 100% disabled	Contact Jennifer	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Waiting List None
3 Georgian Woods Apts.			
	Address 126 McNeal Dr. Douglas, GA 31533	Phone (912) 384-3233 (Contact in person)	Total Units 66
	Year Built 1982 Comments HUD Section 8; Square footage estimated	Contact Latrina	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 8 households
4 Crown Villas			
	Address 319 E. Walker St. Douglas, GA 31533	Phone (912) 384-5555 (Contact in person)	Total Units 5
	Year Built 1980 Comments Does not accept HCV; One unit not in service; Year built & square footage estimated	Contact Julia	Vacancies 1 Occupied 80.0% Floors 1 Quality Rating B+ Waiting List None
5 Douglas Pines Apts.			
	Address 820 Bowens Mill Rd. SE Douglas, GA 31533	Phone (912) 383-4949 (Contact in person)	Total Units 48
	Year Built 1987 Comments Does not accept HCV	Contact Terri	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B Waiting List 10 households

Project Type

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

Survey Date: July 2017

SURVEY OF PROPERTIES - DOUGLAS, GEORGIA

6 Estes Park Apts.			
	Address 122 Bowens Mill Rd. SE Douglas, GA 31533	Phone (912) 383-0908 (Contact in person)	Total Units 72
	Year Built 2004 Comments 30%, 50% & 60% AMHI; HCV (approx. 10 units)	Contact Krytyn	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A- Waiting List 10-13 households
7 Gables Apts.			
	Address 1351 Gordon St. W Douglas, GA 31533	Phone (912) 384-5555 (Contact in person)	Total Units 32
	Year Built 1991 Comments Does not accept HCV; Year built estimated	Contact Jullia	Vacancies 1 Occupied 96.9% Floors 2 Quality Rating B+ Waiting List None
8 Pine Meadows			
	Address 1315 Gordon St. W Douglas, GA 31533	Phone (912) 501-2166 (Contact in person)	Total Units 60
	Year Built 2013 Comments 30%, 50% & 60% AMHI; HCV (1 unit); HOME Funds (17 units at 60% AMHI)	Contact Andrea	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating A Senior Restricted (55+) Waiting List 20 households
9 Oak Terrace Apts.			
	Address 406 Okmulgee St. W Broxton, GA 31519	Phone (912) 384-7001 (Contact in person)	Total Units 16
	Year Built 1985 Comments RD 515, has RA (12 units); Accepts HCV (0 currently)	Contact Steve	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Waiting List 1 household
10 JT Deerfield			
	Address 114 Pincrest Dr. Douglas, GA 31533	Phone (912) 384-9225 (Contact in person)	Total Units 76
	Year Built 1984 Renovated 2014 Comments 50% & 60% AMHI; RD 515, has RA (52 units); PBRA (6 units); Accepts HCV; One manager unit not included in total; Select units have exterior storage	Contact Jennifer	Vacancies 6 Occupied 92.1% Floors 1,2 Quality Rating A- 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 - DOUGLAS, GEORGIA

11 Peachtree Apts.			
	Address 600 E. Peachtree St. Douglas, GA 31533	Phone (912) 384-5555 (Contact in person)	Total Units 8
	Year Built 1972	Contact Julia	Vacancies 0
	Comments Does not accept HCV; Year built & square footage estimated		Occupied 100.0%
			Floors 2
			Quality Rating B-
			Waiting List None
12 Riverwood Apts.			
	Address 934 Westgreen Rd. Douglas, GA 31533	Phone (912) 309-4020 (Contact in person)	Total Units 16
	Year Built 1965	Contact Ms. Spivey	Vacancies 2
	Comments Does not accept HCV; Year built & square footage estimated		Occupied 87.5%
			Floors 1
			Quality Rating B-
			Waiting List None
13 Treetop Apts.			
	Address 215 N. McDonald Ave. Douglas, GA 31535	Phone (912) 384-7001 (Contact in person)	Total Units 8
	Year Built 1981	Contact Dee	Vacancies 0
	Comments Does not accept HCV		Occupied 100.0%
			Floors 2
			Quality Rating B
			Waiting List None
14 Whispering Pines			
	Address 261 Court St. Pearson, GA 31642	Phone (912) 422-7500 (Contact in person)	Total Units 24
	Year Built 1991	Contact Ashley	Vacancies 0
	Comments 50% AMHI; RD 515, has RA (24 units); One 2-br manager unit not included in total		Occupied 100.0%
			Floors 1
			Quality Rating B-
			Senior Restricted (62+) Waiting List 4 households
15 Amberwood Apts.			
	Address 1000 E. Baker Hwy. Douglas, GA 31533	Phone (912) 384-7001 (Contact in person)	Total Units 104
	Year Built 1981	Contact Steve	Vacancies 0
	Comments RD 515, has RA (12 units); HCV (6 units); Majority of units have wood laminate flooring; 48 additional units added in 1985		Occupied 100.0%
			Floors 2
			Quality Rating B-
			Waiting List 2 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 - DOUGLAS, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
4			\$795						
5			\$575						
6		\$170 to \$400	\$195 to \$455	\$460 to \$505					
7		\$695	\$775						
8			\$198 to \$456						
11			\$525						
12		\$400							
13			\$450						

◆	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 - DOUGLAS, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
7	Gables Apts.	1	912	\$812	\$0.89
12	Riverwood Apts.	1	510	\$464	\$0.91
6	Estes Park Apts.	1	783	\$287 to \$517	\$0.37 to \$0.66
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Crown Villas	2	880	\$939	\$1.07
5	Douglas Pines Apts.	2	898	\$719	\$0.80
7	Gables Apts.	2	1020	\$919	\$0.90
11	Peachtree Apts.	1	840	\$669	\$0.80
13	Treetop Apts.	1	810	\$594	\$0.73
6	Estes Park Apts.	2	1025	\$339 to \$599	\$0.33 to \$0.58
8	Pine Meadows	1	900	\$322 to \$580	\$0.36 to \$0.64
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	Estes Park Apts.	2	1080	\$633 to \$678	\$0.59 to \$0.63

◆	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 - DOUGLAS, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.90	\$0.83	\$0.00
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.59	\$0.58	\$0.60
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.76	\$0.70	\$0.60
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT UNITS - DOUGLAS, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Estes Park Apts.	3	783	1	30%	\$170
6	Estes Park Apts.	12	783	1	50%	\$360
10	JT Deerfield	25	653 - 691	1	60%	\$370 - \$416
10	JT Deerfield	7	653 - 691	1	50%	\$370 - \$416
6	Estes Park Apts.	5	783	1	60%	\$400
◆ 14	Whispering Pines	24	600	1	50%	\$437 - \$582
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Estes Park Apts.	2	1025	2	30%	\$195
◆ 8	Pine Meadows	3	900	1	30%	\$198
◆ 8	Pine Meadows	9	900	1	50%	\$311
◆ 8	Pine Meadows	17	900	1	60%	\$401
10	JT Deerfield	6	842	1	50%	\$425 - \$478
10	JT Deerfield	30	918	1	60%	\$425 - \$478
6	Estes Park Apts.	21	1025	2	50%	\$425
10	JT Deerfield	8	842	1	50%	\$425 - \$478
6	Estes Park Apts.	13	1025	2	60%	\$455
◆ 8	Pine Meadows	31	900	1	60%	\$456
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Estes Park Apts.	11	1080	2	50%	\$460
6	Estes Park Apts.	5	1080	2	60%	\$505

◆ - Senior Restricted

QUALITY RATING - DOUGLAS, GEORGIA

MARKET-RATE PROJECTS AND UNITS

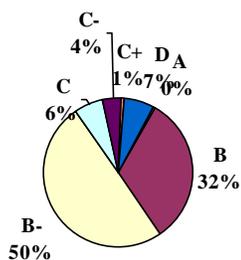
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	2	37	5.4%		\$812	\$919		
B	2	56	0.0%			\$719		
B-	2	24	8.3%		\$464	\$669		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

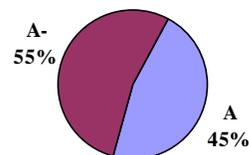
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	60	0.0%			\$580		
A-	1	72	0.0%		\$477	\$569	\$633	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - DOUGLAS, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	16	2	12.5%	16	6.4%
1970 to 1979	1	8	0	0.0%	24	3.2%
1980 to 1989	3	61	1	1.6%	85	24.5%
1990 to 1999	1	32	1	3.1%	117	12.9%
2000 to 2005	1	72	0	0.0%	189	28.9%
2006 to 2010	0	0	0	0.0%	189	0.0%
2011	0	0	0	0.0%	189	0.0%
2012	0	0	0	0.0%	189	0.0%
2013	1	60	0	0.0%	249	24.1%
2014	0	0	0	0.0%	249	0.0%
2015	0	0	0	0.0%	249	0.0%
2016	0	0	0	0.0%	249	0.0%
2017**	0	0	0	0.0%	249	0.0%
TOTAL	8	249	4	1.6%	249	100.0 %

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

** As of July 2017

Survey Date: July 2017

APPLIANCES AND UNIT AMENITIES - DOUGLAS, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	8	100.0%	249
REFRIGERATOR	8	100.0%	249
ICEMAKER	4	50.0%	169
DISHWASHER	7	87.5%	233
DISPOSAL	3	37.5%	180
MICROWAVE	1	12.5%	60
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	7	87.5%	233
AC - WINDOW	1	12.5%	16
FLOOR COVERING	7	87.5%	249
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	7	87.5%	233
PATIO/DECK/BALCONY	5	62.5%	165
CEILING FAN	2	25.0%	64
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	8	100.0%	249
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

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

PROJECT AMENITIES - DOUGLAS, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	1	12.5%	48
ON-SITE MANAGEMENT	4	50.0%	196
LAUNDRY	2	25.0%	132
CLUB HOUSE	2	25.0%	132
MEETING ROOM	1	12.5%	60
FITNESS CENTER	2	25.0%	132
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	1	12.5%	72
COMPUTER LAB	2	25.0%	132
SPORTS COURT	1	12.5%	72
STORAGE	0	0.0%	
LAKE	2	25.0%	64
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	3	37.5%	148
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - DOUGLAS, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	1	0.2%
TENANT			
ELECTRIC	14	585	99.8%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	1	0.2%
TENANT			
ELECTRIC	14	585	99.8%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	1	0.2%
TENANT			
ELECTRIC	14	585	99.8%
			100.0%
ELECTRIC			
LANDLORD	1	1	0.2%
TENANT	14	585	99.8%
			100.0%
WATER			
LANDLORD	5	183	31.2%
TENANT	10	403	68.8%
			100.0%
SEWER			
LANDLORD	5	183	31.2%
TENANT	10	403	68.8%
TRASH PICK-UP			
LANDLORD	5	183	31.2%
TENANT	10	403	68.8%
			100.0%

UTILITY ALLOWANCE - DOUGLAS, GEORGIA

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

GA-Southern Region (1/2017)

Survey Date: July 2017

ADDENDUM B

COMPARABLE PROPERTY PROFILES

4	Crown Villas	1.9 miles to site
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	Address 319 E. Walker St. Douglas, GA 31533
	Phone (912) 384-5555 Contact Julia
	Total Units 5 Vacancies 1 Percent Occupied 80.0%
	Project Type Market-Rate
	Year Open 1980 Floors 1
	Concessions No Rent Specials
	Age Restrictions NONE
	Waiting List NONE
	Ratings: Quality B+ Neighborhood B Access/Visibility
	Remarks Does not accept HCV; One unit not in service; Year built & square footage estimated

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	
2	2	G	5	1	880	\$0.90	\$795	

5 Douglas Pines Apts. 0.8 miles to site



Address	820 Bowens Mill Rd. SE Douglas, GA 31533		
Phone	(912) 383-4949	Contact	Terri
Total Units	48	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1987	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	10 households		
Ratings:	Quality B	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Lake
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2	G	48	0	898	\$0.64	\$575



7	Gables Apts.	3.0 miles to site
		Address 1351 Gordon St. W Douglas, GA 31533
		Phone (912) 384-5555 Contact Jullia
		Total Units 32 Vacancies 1 Percent Occupied 96.9%
		Project Type Market-Rate
		Year Open 1991 Floors 2
		Concessions No Rent Specials
		Age Restrictions NONE
		Waiting List NONE
		Ratings: Quality B+ Neighborhood B Access/Visibility
		Remarks Does not accept HCV; Year built estimated

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	8	0	912	\$0.76	\$695
2	2	G	24	1	1020	\$0.76	\$775

11	Peachtree Apts.	1.4 miles to site
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Address 600 E. Peachtree St. Douglas, GA 31533	
Phone (912) 384-5555	Contact Julia
Total Units 8	Vacancies 0 Percent Occupied 100.0%
Project Type Market-Rate	
Year Open 1972	Floors 2
Concessions No Rent Specials	
Age Restrictions NONE	
Waiting List NONE	
Ratings: Quality B- Neighborhood B Access/Visibility	
Remarks Does not accept HCV; Year built & square footage estimated	

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	1	G	8	0	840	\$0.63	\$525

12 Riverwood Apts. 1.9 miles to site



Address	934 Westgreen Rd. Douglas, GA 31533		
Phone	(912) 309-4020	Contact	Ms. Spivey
Total Units	16	Vacancies	2
		Percent Occupied	87.5%
Project Type	Market-Rate		
Year Open	1965	Floors	1
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B-	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV; Year built & square footage estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Window AC, Carpet, Ceiling Fan, Blinds
Project Amenities	On-site Management, Lake, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	16	2	510	\$0.78	\$400

13 Treetop Apts.

1.0 miles to site



Address	215 N. McDonald Ave. Douglas, GA 31535		
Phone	(912) 384-7001	Contact	Dee
Total Units	8	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1981	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
2	1	G	8	0	810	\$0.56	\$450

901 Central Park

37.2 miles to site



Address 1000 Central Ave.
Waycross, GA 31501

Phone (912) 283-7131 **Contact** Lucreta

Total Units 92 **Vacancies** 2 **Percent Occupied** 97.8%

Project Type Market-Rate

Year Open 1975 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** C- **Neighborhood** B **Access/Visibility** B+/
Remarks HCV (15 units); 3-br have washer/dryer hookups; Rent range based on unit updates; Square footage estimated

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 Swimming Pool, On-site Management, Laundry Facility
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	14	0	770	\$0.64	\$490
2	1 to 2	G	63	2	890 to 1072	\$0.54 - \$0.58	\$520 to \$575
3	2	G	15	0	1200 to 1333	\$0.49 - \$0.55	\$655

902 Sandy Creek Apts.

36.3 miles to site



Address 600 Summit St.
Waycross, GA 31501

Phone (912) 285-1852 **Contact** Tabitha

Total Units 80 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1970 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** C **Neighborhood** B **Access/Visibility** B/B

Remarks HCV (7 units); 3-br units have washer/dryer hookups; Select units have dishwasher; Year built estimated

FEATURES AND UTILITIES

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

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	20	0	724	\$0.69	\$500
2	1 to 2	G	44	0	872 to 1016	\$0.59 - \$0.63	\$550 to \$600
3	2	G	16	0	1229	\$0.53	\$650

903 Spanish Village

36.5 miles to site



Address 512 Bay St.
Waycross, GA 31501

Phone (912) 285-3802 **Contact** Marty

Total Units 40 **Vacancies** 1 **Percent Occupied** 97.5%

Project Type Market-Rate

Year Open 1976 **Floors** 1,2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** C **Neighborhood** B **Access/Visibility** B/B

Remarks Does not accept HCV; Select units have washer/dryer hookups; Studios are furnished; Year built estimated

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Blinds
Project Amenities Swimming Pool, Laundry Facility, Sports Court
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
0	1	G	6	1	350	\$1.50	\$525
1	1	G	18	0	700 to 800	\$0.72 - \$0.82	\$575
2	1	G	7	0	1200	\$0.63	\$750
2	1.5	T	7	0	1000	\$0.70	\$700
3	1	T	2	0	1400	\$0.56	\$785

905 Waring Apts. II

36.3 miles to site



Address	806 E. Waring St. Waycross, GA 31501		
Phone	(912) 283-1233	Contact	Jenny
Total Units	36	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2003	Floors	1
Concessions	No Rent Specials		
Age Restrictions	Senior (55+)		
Waiting List	15 households		
Ratings:	Quality B	Neighborhood B	Access/Visibility B+/-
Remarks	Market-rate (8 units); 50% & 60% AMHI (28 units); HCV (8 units); Waitlist shared with phase I; Unit mix by AMHI estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, E-Call Button
Project Amenities	On-site Management, Club House, Gazebo
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	650	\$0.70	\$454	
1	1	G	6	0	650	\$0.56	\$367	60%
1	1	G	7	0	650	\$0.56	\$367	50%
2	1	G	4	0	850	\$0.55	\$471	
2	1	G	7	0	850	\$0.55	\$471	60%
2	1	G	8	0	850	\$0.52	\$442	50%

6 Estes Park Apts.

0.8 miles to site



Address	122 Bowens Mill Rd. SE Douglas, GA 31533		
Phone	(912) 383-0908	Contact	Krytyn
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2004	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	10-13 households		
Ratings:	Quality A-	Neighborhood B	Access/Visibility A/B
Remarks	30%, 50% & 60% AMHI; HCV (approx. 10 units)		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court, Computer Lab, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	783	\$0.51	\$400	60%
1	1	G	12	0	783	\$0.46	\$360	50%
1	1	G	3	0	783	\$0.22	\$170	30%
2	2	G	13	0	1025	\$0.44	\$455	60%
2	2	G	21	0	1025	\$0.41	\$425	50%
2	2	G	2	0	1025	\$0.19	\$195	30%
3	2	G	5	0	1080	\$0.47	\$505	60%
3	2	G	11	0	1080	\$0.43	\$460	50%

8 Pine Meadows

2.8 miles to site



Address 1315 Gordon St. W
Douglas, GA 31533

Phone (912) 501-2166 **Contact** Andrea

Total Units 60 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2013 **Floors** 1

Concessions No Rent Specials

Age Restrictions Senior (55+)

Waiting List 20 households

Ratings: **Quality** A **Neighborhood** B **Access/Visibility**

Remarks 30%, 50% & 60% AMHI; HCV (1 unit); HOME Funds (17 units at 60% AMHI)

FEATURES AND UTILITIES

- Utilities** Landlord pays Internet
- Unit Amenities** Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Tile Flooring, Washer/Dryer Hook Up, Blinds
- Project Amenities** On-site Management, Laundry Facility, Club House, Meeting Room, Fitness Center, Computer Lab, Picnic Area, Walking Trail
- Parking** Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	1	G	17	0	900	\$0.45	\$401	60%
2	1	G	31	0	900	\$0.51	\$456	60%
2	1	G	9	0	900	\$0.35	\$311	50%
2	1	G	3	0	900	\$0.22	\$198	30%

904 Waring Apts. I

36.5 miles to site



Address	812 E. Waring St. Waycross, GA 31501		
Phone	(912) 285-0373	Contact	Jenny
Total Units	40	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1985	Renovated	1999
		Floors	1
Concessions	No Rent Specials		
Age Restrictions	Senior (62+)		
Waiting List	15 households		
Ratings:	Quality B	Neighborhood B	Access/Visibility B+/ B+
Remarks	50% & 60% AMHI; HCV (16 units); Waitlist shared with phase II; Unit mix estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, E-Call Button, Exterior Storage
Project Amenities	On-site Management, Club House, Gazebo
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	10	0	650	\$0.57	\$372	60%
1	1	G	10	0	650	\$0.56	\$362	50%
2	1	G	10	0	850	\$0.50	\$427	60%
2	1	G	10	0	850	\$0.50	\$427	50%

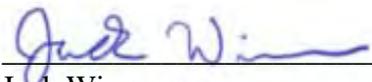
Addendum C – NCHMA Member Certification & Checklist

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 Representativ

*Includes previous Plan I S 8.

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

Addendum F – Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

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

The subject development and the nine selected properties include the following:

Map I.D.	Project Name	Year Built / Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
Site	Hunters Run	1992 / 2019	50	100.0%	-	44 (100.0%)	6 (100.0%)	-
4	Crown Villas	1980	5	80.0%	-	-	5 (80.0%)	-
5	Douglas Pines Apts.	1987	48	100.0%	-	-	48 (100.0%)	-
7	Gables Apts.	1991	32	96.9%	-	8 (100.0%)	24 (95.8%)	-
11	Peachtree Apts.	1972	8	100.0%	-	-	8 (100.0%)	-
12	Riverwood Apts.	1965	16	87.5%	-	16 (87.5%)	-	-
13	Treetop Apts.	1981	8	100.0%	-	-	8 (100.0%)	-
901	Central Park	1975	92	97.8%	-	14 (100.0%)	63 (96.8%)	15 (100.0%)
902	Sandy Creek Apts.	1970	80	100.0%	-	20 (100.0%)	44 (100.0%)	16 (100.0%)
903	Spanish Village	1976	40	97.5%	6 (83.3%)	18 (100.0%)	14 (100.0%)	2 (100.0%)

Occ. - Occupancy

The nine selected market-rate projects have a combined total of 329 units with an overall occupancy rate of 97.9%, a very strong rate for rental housing. This demonstrates that these comparable properties have been generally well received within the market and region and will serve as accurate benchmarks with which to compare to the subject project.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Hunters Run		Gables Apts.		Riverwood Apts.		Central Park		Sandy Creek Apts.		Spanish Village	
701 Lupo Lane		1351 Gordon St. W		934 Westgreen Rd.		1000 Central Ave.		600 Summit St.		512 Bay St.	
Douglas, GA		Douglas, GA		Douglas, GA		Waycross, GA		Waycross, GA		Waycross, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$695		\$400		\$490		\$500		\$575	
2	Date Surveyed	Jul-17		Jul-17		Jul-17		Jul-17		Jul-17	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		88%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$695	0.76	\$400	0.78	\$490	0.64	\$500	0.69	\$575	0.82
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		R/1		WU/2		WU/2		WU/1,2	
7	Yr. Built/Yr. Renovated	1992/2019		1965	\$41	1975	\$31	1970	\$36	1976	\$30
8	Condition/Street Appeal	G		F	\$15	P	\$30	F	\$15	F	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		No		No		No	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	674	(\$44)	510	\$30	770	(\$18)	724	(\$9)	700	(\$5)
14	Balcony/Patio	Y		N	\$5	Y		Y		N	\$5
15	AC: Central/Wall	C		W	\$5	C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/N	(\$5)	N/N	\$5	N/Y	(\$5)	N/N	\$5	N/Y	(\$5)
18	Washer/Dryer	HU/L	\$5	N	\$15	L	\$10	L	\$10	HU/L	
19	Floor Coverings	C/V		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		N		N		N		N	
23	Ceiling Fans/E-call System	N/Y	\$5	Y/N		Y/N		N/N	\$5	N/N	\$5
D.	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	Y		Y		Y		N	\$5
26	Security Features	N		N		N		N		N	
27	Community Space	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
28	Pool/Recreation Areas	N		N		P	(\$10)	P	(\$10)	P/S	(\$13)
29	Computer/Business Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area/Storage	Y/N	\$3	Y/N		N/Y	(\$2)	N/Y	(\$2)	N/N	\$3
31	Library	N		N		N		N		N	
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		Y/Y	(\$38)	Y/Y	(\$38)	Y/Y	(\$38)	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	7	2	9		5	4	7	3	8	3
41	Sum Adjustments B to D	\$41	(\$49)	\$124		\$79	(\$35)	\$79	(\$21)	\$71	(\$23)
42	Sum Utility Adjustments				(\$53)		(\$53)		(\$53)		(\$53)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$8)	\$90	\$71	\$177	(\$9)	\$167	\$5	\$153	(\$5)	\$147
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$687		\$471		\$481		\$505		\$570	
45	Adj Rent/Last rent		99%		118%		98%		101%		99%
46	Estimated Market Rent	\$615		\$0.91 ←		Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Hunters Run 701 Lupo Lane Douglas, GA		Crown Villas 319 E. Walker St. Douglas, GA		Douglas Pines Apts. 820 BOWENS Mill Rd. SE Douglas, GA		Gables Apts. 1351 Gordon St. W Douglas, GA		Peachtree Apts. 600 E. Peachtree St. Douglas, GA		Treetop Apts. 215 N. McDonald Ave. Douglas, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$795		\$575		\$775		\$525		\$450	
2 Date Surveyed		Jul-17		Jul-17		Jul-17		Jul-17		Aug-17	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		80%		100%		96%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$795	0.90	\$575	0.64	\$775	0.76	\$525	0.63	\$450	0.56
B. Design, Location, Condition											
6 Structure / Stories	R/1	R/1		WU/1,2		WU/2		WU/2		WU/2	
7 Yr. Built/Yr. Renovated	1992/2019	1980	\$26	1987	\$19	1991	\$15	1972	\$34	1981	\$25
8 Condition/Street Appeal	G	G		G		G		F	\$15	G	
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities											
11 # Bedrooms	2	2		2		2		2		2	
12 # Baths	1	2	(\$30)	2	(\$30)	2	(\$30)	1		1	
13 Unit Interior Sq. Ft.	796	880	(\$15)	898	(\$18)	1020	(\$39)	840	(\$8)	810	(\$2)
14 Balcony/Patio	Y	Y		Y		Y		Y		N	\$5
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/N	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)	N/Y	(\$5)
18 Washer/Dryer	HU/L	HU	\$5	HU	\$5	HU	\$5	HU	\$5	HU	\$5
19 Floor Coverings	C/V	C		C		C		N	\$10	C	
20 Window Coverings	B	B		B		B		B		B	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	N	N		Y	(\$5)	N		N		N	
23 Ceiling Fans/E-call System	N/Y	N/N	\$5	Y/N		N/N	\$5	N/N	\$5	N/N	\$5
D Site Equipment/ Amenities											
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	N	\$5	Y		N	\$5	N	\$5	N	\$5
26 Security Features	N	N		N		N		N		N	
27 Community Space	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
28 Pool/Recreation Areas	N	N		P	(\$10)	N		N		N	
29 Computer/Business Center	Y	N	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30 Picnic Area/Storage	Y/N	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3
31 Library	N	N		N		N		N		N	
32 Social Services	N	N		N		N		N		N	
E. Utilities											
33 Heat (in rent?/ type)	N/E	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		N/E	
35 Cooking (in rent?/ type)	N/E	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		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	N/N	N/N		N/N		N/N		N/N		N/N	
39 Trash/Recycling	N/N	N/N		N/N		N/N		N/N		N/N	
F. Adjustments Recap											
40 # Adjustments B to D		7	3	5	5	7	3	9	2	8	2
41 Sum Adjustments B to D		\$52	(\$50)	\$35	(\$68)	\$41	(\$74)	\$85	(\$13)	\$56	(\$7)
42 Sum Utility Adjustments											
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$2	\$102	(\$33)	\$103	(\$33)	\$115	\$72	\$98	\$49	\$63
G. Adjusted & Market Rents											
44 Adjusted Rent (5+ 43)		\$797		\$542		\$742		\$597		\$499	
45 Adj Rent/Last rent			100%		94%		96%		114%		111%
46 Estimated Market Rent	\$660	\$0.83 ← Estimated Market Rent/ Sq. Ft									

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

Based on the preceding Rent Comparability Grid, it was determined that the current achievable market rent (aka *CRCU*) for units similar to the subject development are \$615 for a one-bedroom unit and \$660 for a two-bedroom unit.

Bedroom Type	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	\$363	\$615	41.0%
Two-Br.	\$395	\$660	40.2%

The proposed collected rents represent market rent advantages ranging from 40.2% to 41.0%. Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. As such, the proposed rents should represent excellent values for the local market. Additionally, 48 of the 50 revenue-producing subject units will continue to operate with RA, requiring residents to pay up to 30% of their gross adjusted incomes towards housing costs. Therefore, the subject project will continue to represent even greater values to low-income senior households within the Douglas Site PMA.

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.

7. Upon completion of renovations, the subject project will have an effective age of a project built in 2006. The selected properties were built between 1965 and 1991. As such, we have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties.

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

12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$30 per full 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 generally superior than those offered at the selected properties. We have made 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 will offer a project amenities package generally superior than those offered at the selected 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
Hunters Run**

Project: Hunters Run
Developer: Hallmark

Property Summary:
Street Address: 701 Lupo Lane,
City: Douglas GA
County: Coffee
Approx. Year Constructed: 1991
Target Population: Elderly
Total Rentable Units: 50+1mgr
Bldg. Type: Flats
Manager: Marsha Lott
Office Phone: (912) 384-0002
Buildings: 10
Approx. # of parking spaces:

Unit Summary:

Type	Quantity	Sq. Ft.	Bedrooms	Bathrooms
1 BR - Type A (HC)	2.00	674.00	1.00	1.00
1-BR - Type B	42.00	674.00	1.00	1.00
2 BR - Type B	6.00	796.00	2.00	1.00
2 BR - Type Manager	1.00	829.00	2.00	1.00
Totals	51		58	51

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

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

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

Scope of Work :

- | Site Work: |
|---|
| New site development sign (Existing brick posts 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 |
| Provide positive drainage away from all buildings (Per Allowance) |
| Remove existing gazebo, install new 6 post pavilion. Include BBQ Grill and picnic table |
| Replace office directional sign 2'x3'. |
| Steel Handrails at walks/ramps over 1:20 slope as identified on the plans |
| See Electrical section for site lighting |
| Repair wood maintenance fencing & shed: (50% replacement) |

Remove existing steel mail kiosk

All existing sanitary sewer, storm sewer, water service, fire service, electrical, cable, or gas mains are presumed to be free of obstructions and currently functioning properly. Any discovered issues shall be inspected and required measures will be performed to restore proper drainage and will be reflected on a change order. If more than 50% of the utility line is identified as failed, the entire system must be replaced.

Install new crosswalks per plans

Add gates at OLM building fence per plans

Concrete:

Replace damaged sidewalks/curb walks throughout, trip hazards near existing gazebo and building D

Construct wheelchair accessible curb ramps

New ADA compliant sidewalk to new amenities from all Ground floor units.

Provide new ADA compliant Sidewalk to existing amenities from all ground floor units

Install new concrete pad at mailbox location per plans

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 the plans

Provide accessible route from All ground floor units to All other ground floor units and amenities.

0

Building Exteriors:

Storm/screen doors existing at front and back door: take down prior to rehab and reinstall

Replace metal entry doors: door, frame, peep, thresholds (ADA thresholds ground floor units only) & 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.

Install new shutters (color per owner)

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 B

2 BR - Type Manager

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

1 BR - Type A (HC)

1-BR - Type B

2 BR - Type B

2 BR - Type Manager

Replace shoe mold where new vinyl or LVT floors are provided

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

Replace Bath Vanities, (base, c.top,) and Wall hungs over toilet where they currently exist. Full vanities in ground floor units shall be breakaway fronts

Cabinets and Vanities w/ Formica or P-Lam countertop Cabinets in ground floor units shall be breakaway fronts

1 BR - Type A (HC)

1-BR - Type B

2 BR - Type B

2 BR - Type Manager

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

Replace refrigerators with Energy Star certified model per Capex (Capex indicates (0) 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 (19) 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.

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

Infill existing drywall light pocket above sink.

Dishwasher-Elderly property not required

Reconfigure bedroom closet to provide clear floor space at bath door (1 BR units only)

New framing and drywall installation for FHA conversion at BR's and Hallways

Reverse door swings as needed for FFHA requirements

0

HVAC:

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

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

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

New Programmable thermostats. Thermostats in ground floor units shall be lowered to FFHA regulations

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. (Toilets on first floor to be Comfort height.)

Replace 100% of tub/showers and surround (3 piece fiberglass)-Waiver requested for 1-piece (provide age in place backing on all ground floor tubs)

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 (7) 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) (All switches and outlets in ground)
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 run with CAT 5/6 cable. Cable junction to be consolidated to one accessible exterior location for provider access.

Replace all entry lights

Dishwasher outlet - Elderly property not required

Dishwasher circuit wiring - Elderly property not required

Install or replace lighting at property signage

Re-label electrical panel

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 existing community washers and dryers, 5 washers and 4 dryers

Install (1) strobe smoke detector and (1) carbon monoxide detector in the laundry room

0

Office

Install new sheet vinyl flooring (option)

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
Renovate existing lavatory to be ADA compliant per plans
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 existing water heater: same as typical apartment scope
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
Replace water cooler
Install 2 strobe smoke detectors in office and computer room
0

Community Room

Install new sheet vinyl flooring
New shoe mold
New electrical fixtures & devices per above electrical section
Paint throughout
Drywall patch
New interior & exterior doors & hardware as indicated in matrix
Renovate existing lavatory to be ADA compliant per plans
Install new computer desk countertop (with 120 power outlet and data drops at desk)
Follow interior & exterior replacement for HC unit items, when item currently exists in common spaces (doors, cabinets, appliances, etc.)
Kitchen existing in community room
Replace existing water heater: same as typical apartment scope
Replace electric furnace/air handler and A/C at community rooms
0

Unusual Conditions

Backfill around bldg foundations where needed (Allowance)
0