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**A MARKET STUDY OF:**

# **SOUTHWOOD APARTMENTS**

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# **SOUTHWOOD APARTMENTS**

6001 Trammell Road  
Morrow, Clayton County, Georgia 30260

Effective Date: August 29, 2017  
Report Date: September 22, 2017

Assignment Code: HAM603V-050

Prepared for:  
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The Hampstead Companies  
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San Diego, CA 92104

Prepared by:  
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September 22, 2017

Mr. Ryan Kucich  
The Hampstead Companies  
3413 30th Street  
San Diego, CA 92104

Re: Market Study - Application for Southwood Apartments, located in Morrow, Clayton County, Georgia

Dear Mr. Kucich:

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

At your request, Novogradac & Company LLP performed a market study of the rental market in the Morrow, Clayton County, Georgia area relative to the above-referenced proposed acquisition/rehabilitation Low Income Housing Tax Credit (LIHTC)/Section 8 project. The purpose of this market study is to assess the viability of the rehabilitation of Southwood Apartments (Subject), an existing 196-unit Section 8 community (Section 8 Contract No. GA06L000092). The Subject offers one, two, and three-bedroom units. Following renovation, the property will be restricted to households earning 60 percent of the Area Median Income (AMI). Of the Subject's 196 units, 163 will continue to benefit from a HAP contract post-renovation, which expires on May 31, 2019. It is assumed the developer will continue to renew the HAP contract for the foreseeable future. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following.

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

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

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

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

Respectfully submitted,  
Novogradac & Company LLP



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# **A. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Southwood Apartments (Subject) will be a renovated family property located in Morrow, Clayton County, Georgia, which consists of 22 two-story, garden style buildings. The Subject was originally constructed in 1972 and renovated with LIHTCs in 1995.

The following table illustrates the proposed unit mix and proposed post renovation rents.

PROPOSED RENTS							
Unit Type	Number of Units	Unit Size (SF)	Asking LIHTC Rent	Utility Allowance (1)	Gross LIHTC Rent	2016 LIHTC Maximum Allowable Gross Rent	Current Net Contract Rents (2)
<i>Section 8/60% AMI</i>							
1BR/1BA	18	810	\$681	\$63	\$744	\$759	\$700
2BR/2BA	88	1,028	\$777	\$84	\$861	\$912	\$799
3BR/2BA	57	1,235	\$883	\$136	\$1,019	\$1,053	\$908
<i>60% AMI</i>							
1BR/1BA	6	810	\$681	\$63	\$744	\$759	N/A
2BR/2BA	16	1,028	\$777	\$84	\$861	\$912	N/A
3BR/2BA	11	1,235	\$883	\$136	\$1,019	\$1,053	N/A
<b>Total</b>	<b>196</b>						

(1) Utility Allowance provided by the developer, based upon the approved Section 8 utility allowance for the Subject, effective 10/1/2016

(2) Rents in effect as of January 1, 2017, per DCA guidelines

Of the 196 units, 163 of the Subject's units will continue to operate with a Section 8 project-based subsidy. Tenants in these units will pay 30 percent of their AMI towards rent, not to exceed the LIHTC rent limits. The Subject's amenity package is considered to be similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly inferior property amenities. The Subject does not offer central air conditioning, exterior storage, microwaves or in-unit washers/dryers, which several of the comparables include. Further, the Subject does not offer an exercise facility, central laundry facilities, tennis courts, or basketball courts, which several of the comparables include. However, the Subject includes a business center/computer lab and recreation areas, which is not offered at the majority of the comparables. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market.

The Subject is proposed for renovation with low income housing tax credits (LIHTC). Renovations will reportedly have hard costs of renovations will reportedly be \$27,188 per unit, or \$5,328,863 for the entire property. The scope of renovation will include, but not be limited to the following: providing new appliances, upgrading kitchen and bathroom cabinets and countertops, new flooring, new doors, sidewalk and curb replacement, exterior and interior paint, drywall patching as necessary, new fixtures, new smoke detectors, new lighting, new asphalt on parking lot, new benches, new landscaping, new computer lab, new community building, new splash pad, gazebo, pavilion with picnic benches and BBQ grills, new playground, and free wireless internet in all units.

### 2. Site Description/Evaluation

The Subject site is located along Trammell Road. The Subject site has fair visibility, but average accessibility from neighborhood thoroughfares. Surrounding uses consist of single-family, multifamily, commercial uses,

as well as undeveloped land. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 10 out of 100. Crime risk indices in the Subject’s area are considered slightly high. The Subject site is considered a desirable location for rental housing. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, which are generally within 3.8 miles of the Subject site.

### 3. Market Area Definition

The PMA generally includes portions of Morrow, Forest Park, Lake City, Conley, Ellenwood, and Rex. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North:	5.6 miles
East:	3.5 miles
South:	3.9 miles
West:	3.9 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 5.6 miles. The secondary market area (SMA) for the Subject is the Atlanta-Sandy Springs-Roswell, Georgia Metropolitan Statistical Area (MSA), which is comprised of 30 counties.

### 4. Community Demographic Data

Between 2000 and 2010 total population in the PMA increased by 1.0 annually, while the SMA experienced a 2.4 percent increase. Population in the PMA is anticipated to continue to grow through 2021, however, at a slower pace than the SMA. The current population of the PMA is 117,462 and is expected to increase slightly to 122,217 by 2021. Renter households are concentrated in the lowest income cohorts, with 36.4 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$0 and \$45,180 for its LIHTC units. However, 163 units will continue to benefit from a Section 8 subsidy post renovation. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 1,758 housing units nationwide was in some stage of foreclosure as of June 2017. The Subject’s zip code (30260) is experiencing a foreclosure rate of one in every 1,241 homes. Further, the city of Morrow is experiencing a foreclosure rate of one in every 1,241 homes, while the state of Georgia is experiencing foreclosure rate of one in every 2,122 homes. Overall, the Subject’s zip code is experiencing a higher foreclosure rate compared to the nation and the state, and a similar rate to the city. The Subject’s neighborhood does not appear to have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

### 5. Economic Data

The largest industries in the PMA are transportation/warehousing, retail trade, and health care/social assistance. Positions in these industries account for 33.0 percent of all jobs in the area. The four largest employers in the area are Clayton County Public Schools, Delta Tech Ops, Gate Gourmet, and Southern Regional Medical Center. The health care/social assistance sector is resilient during periods of economic downturn. This may help mitigate future job losses should the economy enter another period of instability.

The MSA has experienced annual employment growth from 2011 through 2017 year-to-date. In addition, from June 2016 to June 2017, total employment in the MSA increased 4.1 percent, compared to a 1.4

percent increase in the nation as a whole. While the unemployment rate has decreased annually since 2011, the unemployment rate in the MSA remains 40 basis points higher than the national average as of June 2017. Total employment surpassed pre-recession levels in 2014, but the unemployment rate remains higher than that of the nation, it does appear that the economy in the MSA has stabilized. This indicates that the area will have continued demand for workforce and affordable housing for the foreseeable future.

## 6. Project-Specific Affordability and Demand Analysis

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

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Proposed Rents
1BR at 60% AMI/Sec. 8	18	1,035	0	1,035	1.7%	One month	\$681
1BR at 60% AMI	6	415	0	415	4.3%	One month	\$681
2BR at 60% AMI/Sec. 8	88	1,612	0	1,612	5.5%	6-7 months	\$777
2BR at 60% AMI	16	647	0	647	13.6%	8-10 months	\$777
3BR at 60% AMI/Sec. 8	57	1,381	0	1,381	4.1%	One month	\$1,019
3BR at 60% AMI	11	554	0	554	10.3%	One month	\$1,019
Overall - With Subsidy	163	4,028	0	4,028	4.0%	7-9 months	-
Overall - Absent Subsidy	33	1,617	0	1,617	10.1%	10-11 months	-

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

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,905 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average; we have included five comparable properties which offer LIHTC units, four of which are located in within the PMA. One of the comparables, Ashley Woods Apartments, is located just outside of the PMA, within 7.4 miles of the Subject. Due to the lack of “true” LIHTC comparables in the PMA and surrounding areas, it was necessary to utilize this comparable property. We believe these comparables are the most comparable properties in the area as they target families, and are located in generally similar areas in terms of access to amenities and employment opportunities.

Finally, it is of note that 163 of the Subject’s 196 units currently benefit from a Housing Assistance Program (HAP) contract. As such, qualifying tenants will pay only 30 percent of their household income on rent. The comparable affordable properties in the PMA are located between 0.7 and 3.7 miles from the Subject, while the comparable affordable property in the SMA is located 7.4 miles from the Subject.

The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included six market rate properties in the rental

analysis, and all are located in the PMA, within 3.7 miles of the Subject. These comparable market rate properties were built between 1974 and 1999. We were unable to identify any new construction market-rate properties in the area. Overall, we believe the market-rate property we have used in our analysis is the most comparable. Other market-rate properties were excluded based on condition, design or tenancy.

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

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

**SUBJECT COMPARISON TO COMPARABLE RENTS**

Unit Type	Subject Proposed Rent	Surveyed Minimum	Surveyed Maximum	Surveyed Average	Rent Advantage
1BR @ 60%	\$681	\$714	\$952	\$824	17.3%
2BR @ 60%	\$777	\$760	\$1,138	\$970	19.9%
3BR @ 60%	\$883	\$950	\$1,303	\$1,093	19.2%

As illustrated the Subject’s proposed 60 percent rents are well below the surveyed average of the comparable properties. The Subject’s proposed LIHTC rents for two-bedroom units are within the surveyed range of comparable LIHTC and market rents while the one and three-bedroom units are below the range of comparable LIHTC and market rents.

**8. Absorption/Stabilization Estimate**

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2005. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates seven LIHTC properties and six market rate properties that were built since 2010 and were able to provide absorption information.

<b>ABSORPTION</b>						
Property name	City	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	Atlanta	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	Atlanta	LIHTC	Family	2012	40	12
Parkside At Mechanicsville	Atlanta	LIHTC	Family	2012	196	60
Columbia Mill	Atlanta	LIHTC	Family	2014	100	20
Mills Creek Crossing	Scottsdale	LIHTC	Family	2015	200	17
Steelworks	Atlanta	Market	Family	2014	317	21
Square On Fifth	Atlanta	Market	Family	2015	270	45
The Haynes House	Atlanta	Market	Family	2015	186	12
University House	Atlanta	Market	Family	2015	268	30
The Point On Scott	Decatur	Market	Family	2016	250	13
The Reserve At Decatur	Decatur	Market	Family	2016	298	14
<b>Average</b>					<b>202</b>	<b>24</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 24 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. Should the Subject not benefit from a rental subsidy post-renovation, we believe Subject would experience a somewhat slightly lower re-absorption pace of 15 to 18 units per month for an absorption period of approximately ten to twelve months. It should be noted that the Subject is currently 97.4 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

## 9. Overall Conclusion

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables are experiencing a weighted average vacancy rate of 1.6 percent, market rate vacancy is at 7.5 percent, and overall vacancy is at 4.8 percent. Two of the five affordable properties maintain waiting lists. These factors illustrate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit and community amenities in comparison to the LIHTC and market-rate comparable properties. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject’s proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be similar to slightly inferior to the comparable properties. Given the Subject’s anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

## SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY

### Summary Table:

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

Development Name:	Southwood Apartments	Total # Units: 196
Location:	6001 Trammell Road	# LIHTC Units: 196
	Morrow, Clayton County, Georgia 30260	
PMA Boundary:	North: Interstate 285; South: Charles Ed Holcomb Hwy; East: Stagecouach Rd; West: US-41, Interstate 75	
	Farthest Boundary Distance to Subject:	5.6 miles

#### Rental Housing Stock (found on page 51)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	43	7,856	300	96.1%
Market-Rate Housing	30	6,325	277	95.6%
Assisted/Subsidized Housing not to include LIHTC	3	375	4	98.9%
LIHTC	9	1,156	19	98.4%
Stabilized Comps	31	6,285	246	96.1%
Properties in Construction & Lease Up	0	0	N/A	N/A

\*Only includes properties in PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
24	1BR at 60% AMI	1	810	\$681	\$824	\$1.07	17%	\$952	\$1.30
104	2BR at 60% AMI	2	1,028	\$777	\$970	\$0.91	20%	\$1,138	\$1.11
68	3BR at 60% AMI	2	1,235	\$883	\$1,093	\$0.87	19%	\$1,303	\$1.00

#### Demographic Data (found on pages 53 & 111)

	2010		2016		May-19	
Renter Households	17,535	44.5%	19,917	49.0%	20,333	49.1%
Income-Qualified Renter HHs (LIHTC)	4,647	26.5%	5,278	26.5%	5,388	26.5%

#### Targeted Income-Qualified Renter Household Demand (found on pages 60)

Type of Demand	30%	50%	60%	Market-rate	Other: 60%/Sec. 8	Overall*
Renter Household Growth	N/Ap	N/Ap	110	N/Ap	274	274
Existing Households (Overburdened + Substandard)	N/Ap	N/Ap	1,508	N/Ap	3,754	3,754
Homeowner conversion (Seniors)	N/Ap	N/Ap	0	N/Ap	0	0
Total Primary Market Demand	N/Ap	N/Ap	1,618	N/Ap	4,028	4,028
Less Comparable/Competitive Supply	N/Ap	N/Ap	0	N/Ap	0	0
Adjusted Income-qualified Renter HHs**	N/Ap	N/Ap	1,618	N/Ap	4,028	4,028

#### Capture Rates (found on page 61)

Targeted Population	30%	50%	60%	Market-rate	Other: 60%/Sec. 8	Overall
Capture Rate:	N/Ap	N/Ap	10.1%	N/Ap	4.0%	4.0%

\*Includes LIHTC and unrestricted (when applicable)

## **B. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- |   |   |
|---|---|
| <b>1. Project Address and Development Location:</b>             | The Subject is located at 6001 Trammell Road, Morrow, Clayton County, Georgia 30260.  |
| <b>2. Construction Type:</b>                                    | The Subject consists of 22 two-story, garden style buildings. The buildings are wood frame with brick and vinyl siding exteriors and pitched roofs. The Subject was originally constructed in 1972 and was renovated in 1995.   |
| <b>3. Occupancy Type:</b>                                       | Families.   |
| <b>4. Special Population Target:</b>                            | None.   |
| <b>5. Number of Units by Bedroom Type and AMI Level:</b>        | See following property profile.   |
| <b>6. Unit Size, Number of Bedrooms and Structure Type:</b>     | See following property profile.   |
| <b>7. Rents and Utility Allowances:</b>                         | See following property profile.   |
| <b>8. Existing or Proposed Project-Based Rental Assistance:</b> | Currently, the Subject operates as a Section 8/LIHTC development. Following renovations, 163 units will continue to benefit from the HAP contract (Section 8 Contract No. GA06L000092), which expires May 31, 2019, at which point the owner will apply for a one year renewal. |
| <b>9. Proposed Development Amenities:</b>                       | See following property profile.   |

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

**PROPERTY PROFILE - POST-REHAB**

**Southwood Apartments**

<b>Comp #</b>	Subject
<b>Effective Rent</b>	9/5/2017
<b>Date</b>	
<b>Location</b>	6001 Trammell Rd Morrow, GA 30260 Clayton County
<b>Distance</b>	n/a
<b>Units</b>	196
<b>Vacant Units</b>	5
<b>Vacancy Rate</b>	2.6%
<b>Type</b>	Garden (2 stories)
<b>Year Built / Renovated</b>	1972 / Proposed
<b>Marketing Began</b>	n/a
<b>Leasing Began</b>	n/a
<b>Last Unit Leased</b>	n/a
<b>Major Competitors</b>	n/a
<b>Tenant Characteristics</b>	Families
<b>Contact Name</b>	Brittany
<b>Phone</b>	216-482-6741



Market			
<b>Program</b>	LIHTC/Section 8	<b>Leasing Pace</b>	n/a
<b>Annual Turnover Rate</b>	N/A	<b>Change in Rent (Past Year)</b>	None
<b>Units/Month Absorbed</b>	n/a	<b>Concession</b>	None
<b>Section 8 Tenants</b>	N/A		

Utilities			
<b>A/C</b>	not included – wall	<b>Other Electric</b>	not included
<b>Cooking</b>	included – gas	<b>Water</b>	included
<b>Water Heat</b>	included – gas	<b>Sewer</b>	included
<b>Heat</b>	included – gas	<b>Trash Collection</b>	included

Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Garden (2 stories)	6	810	\$681	\$0	@60%	Yes	0	0.0%	no	
1	1	Garden (2 stories)	18	810	\$681	\$0	@60% (Section 8)	Yes	0	0.0%	no	
2	2	Garden (2 stories)	16	1,028	\$777	\$0	@60%	Yes	0	0.0%	no	
2	2	Garden (2 stories)	88	1,028	\$777	\$0	@60% (Section 8)	Yes	4	4.5%	no	
3	2	Garden (2 stories)	11	1,235	\$883	\$0	@60%	Yes	0	0.0%	no	
3	2	Garden (2 stories)	57	1,235	\$883	\$0	@60% (Section 8)	Yes	1	1.8%	no	

Amenities			
<b>In-Unit</b>	Balcony/Patio Blinds Cable/Satellite/Internet Carpeting Coat Closet Dishwasher Ceiling Fan Garbage Disposal Oven Refrigerator Walk-In Closet Washer/Dryer hookup	<b>Security</b>	Limited Access
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Off-Street Parking On-Site Management Picnic Area Playground Recreation Areas Swimming Pool	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	none

**Comments**  
Cable will be included in the rent and common areas will have free wireless internet.

**10. Scope of Renovations:**

The Subject is proposed for renovation with low income housing tax credits (LIHTC). Renovations will reportedly have hard costs of renovations will reportedly be \$27,188 per unit, or \$5,328,863 for the entire property. The scope of renovation will include, but not be limited to the following: providing new appliances, upgrading kitchen and bathroom cabinets and countertops, new flooring, new doors, sidewalk and curb replacement, exterior and interior paint, drywall patching as necessary, new fixtures, new smoke detectors, new lighting, new asphalt on parking lot, new benches, new landscaping, new computer lab, new community building, new splash pad, gazebo, pavilion with picnic benches and BBQ grills, new playground, and free wireless internet in all units.

**11. Current Rents:**

Based on a rent roll received August 23, 2017, the current rents at the Subject are based on 30 percent of resident incomes, as the Subject operates as a Section 8 development. The following table illustrates the Subject’s current rents and unit mix. It should be noted the rent roll did not provide a breakdown of tenant paid rents.

**CURRENT RENTS**

Unit Type	Unit Size (SF)	Number of Units	Vacant Units	Current Contract Rent	Current LIHTC Asking Rent
<i>Section 8/LIHTC</i>					
1BR/1BA	810	18	0	\$700	\$737
2BR/1BA	1,028	88	4	\$799	\$841
3BR/1BA	1,235	57	1	\$908	\$956
<i>LIHTC</i>					
1BR/1BA	810	6	0	N/A	\$737
2BR/1BA	1,028	16	0	N/A	\$841
3BR/1BA	1,235	11	0	N/A	\$956
<b>Total</b>		<b>196</b>	<b>5</b>		

**12. Current Occupancy:**

The Subject is currently 97.4 percent occupied with a short waiting list. According to the Subject’s developer, the Subject has operated with a total vacancy rate (including collection loss) between three and six percent over the past three years.

**13. Current Tenant Income:**

A tenant income audit was not available as of the date of this report. According to the developer, most of the current tenants at the Subject have incomes that would be too low to income-qualify for the Subject without its current Section 8 contract. According to the developer, the majority of the current residents have incomes of less than \$15,000.

**14. Placed in Service Date:**

The Subject was originally constructed in the 1974 and received LIHTC renovations in 1995. Renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are scheduled to be completed in May 2019.

**Conclusion:**

The Subject will be a good-quality brick and vinyl siding two-story walk-up, low-rise apartment complex, comparable to most of the inventory in the area. As a newly renovated property, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

## PROJECT DESCRIPTION

1. **Date of Site Visit and Name of Inspector:** Meg Southern inspected the site on August 29, 2017.

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

**Frontage:**

The Subject site has frontage along the west side of Trammell Road. An aerial photograph of the Subject site is below.



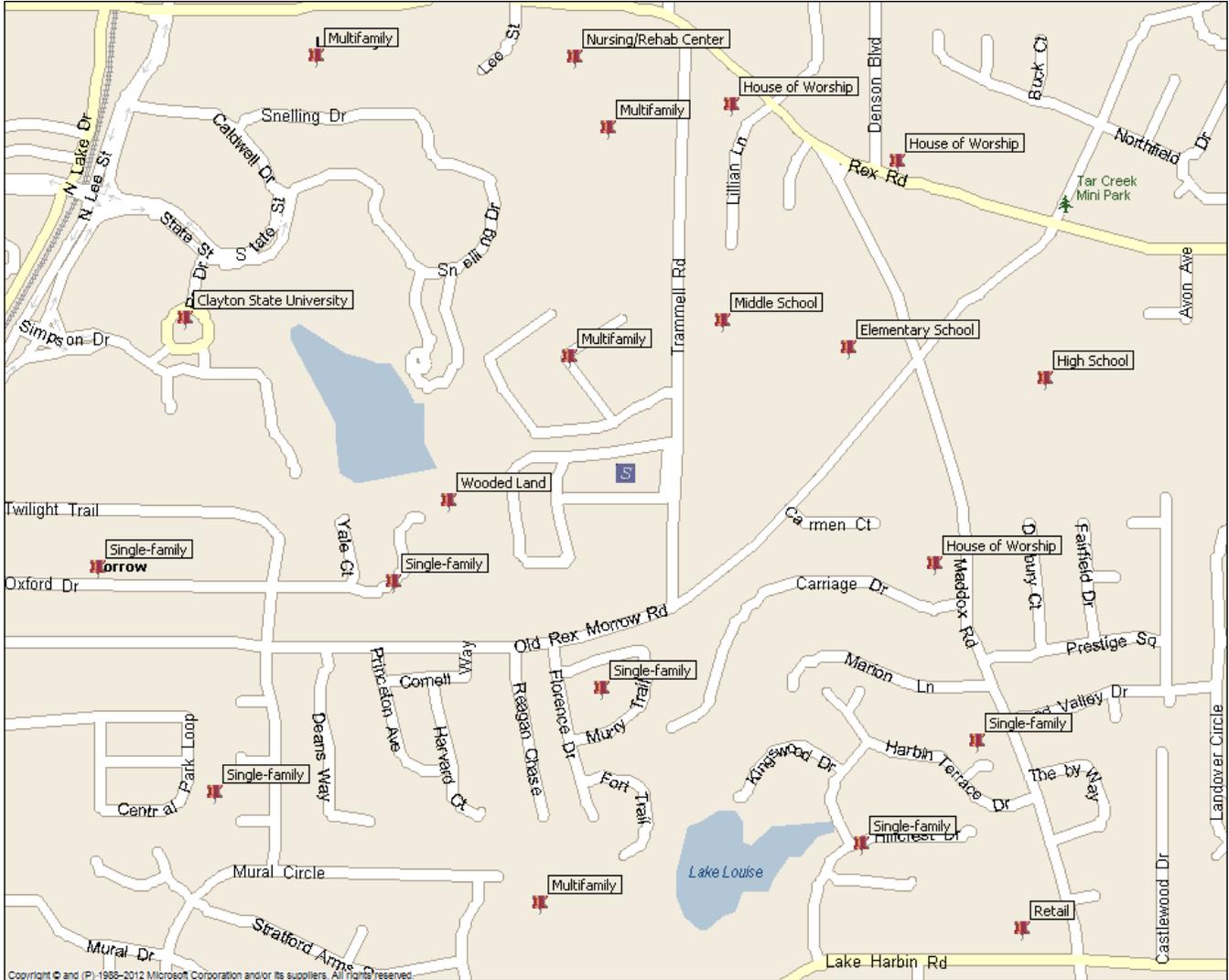
**Visibility/Views:**

The Subject has average visibility from Trammell Road. Views to the north consist of Morrowood Townhouses. Views to the east and a middle school, elementary school, and high school in good condition, and single-family homes in average condition. Views to

the south and east consist of single-family homes in average to good condition. Views are considered average.

**Surrounding Uses:**

The following map illustrates the surrounding land uses.



The Subject site is located along the west side of Trammell Road. Land use adjacent to the north of the site consists of Morrowood Townhouses, a market rate development in average to good condition followed by a house of worship, Regal Forest Apartments and a nursing center in average condition. The land adjacent to the east of the site consists of a middle school, elementary school, and high school in good condition, and single-family homes in average condition. Adjacent to the south of the site are single-family homes in good condition. The land adjacent to the west of the site consists of single-family homes in average to good condition and Swan Lake. To the northwest is the Clayton State University campus. The

Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 10 out of 100. The Subject site is considered to be in a desirable location for rental housing. The Subject site is located in a residential neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, the majority of which are within three miles of the Subject.

**Positive/Negative Attributes of Site:**

The Subject is located within two miles from a variety of retail and light industrial uses. The Subject lacks immediate access to a major interstate. However, this should not be considered a significant negative attribute.

**3. Physical Proximity to Locational Amenities:**

The Subject is located within 3.8 miles of most locational amenities and many employment centers.

**4. Pictures of Site and Adjacent Uses:**

The following are pictures of the Subject site and adjacent uses.



View of the Subject



View of the Subject



View of the Subject



View of the Subject



View of the Subject signage



View of Subject mailboxes



View of the Subject parking lot



View of management office



View of management office



View of common area



View of common area



View of community space



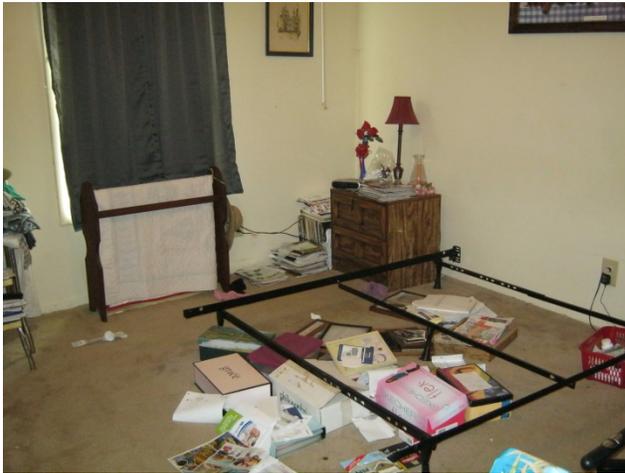
View of computer area



View of community kitchen



Living room



Bedroom



Bedroom closet



Bathroom



Kitchen



Kitchen



Bedroom



Coat closet



Bedroom



Bathroom



Bedroom



Kitchen



Bathroom



Bathroom



Living Room



Bedroom



View of swimming pool



View of playground



View of maintenance room



View of adjacent school



View of adjacent single-family homes



View of retail in Subject's neighborhood



View of commercial to the northeast



View of gas station to the northwest



View of retail center to the north



View of retail center to the north

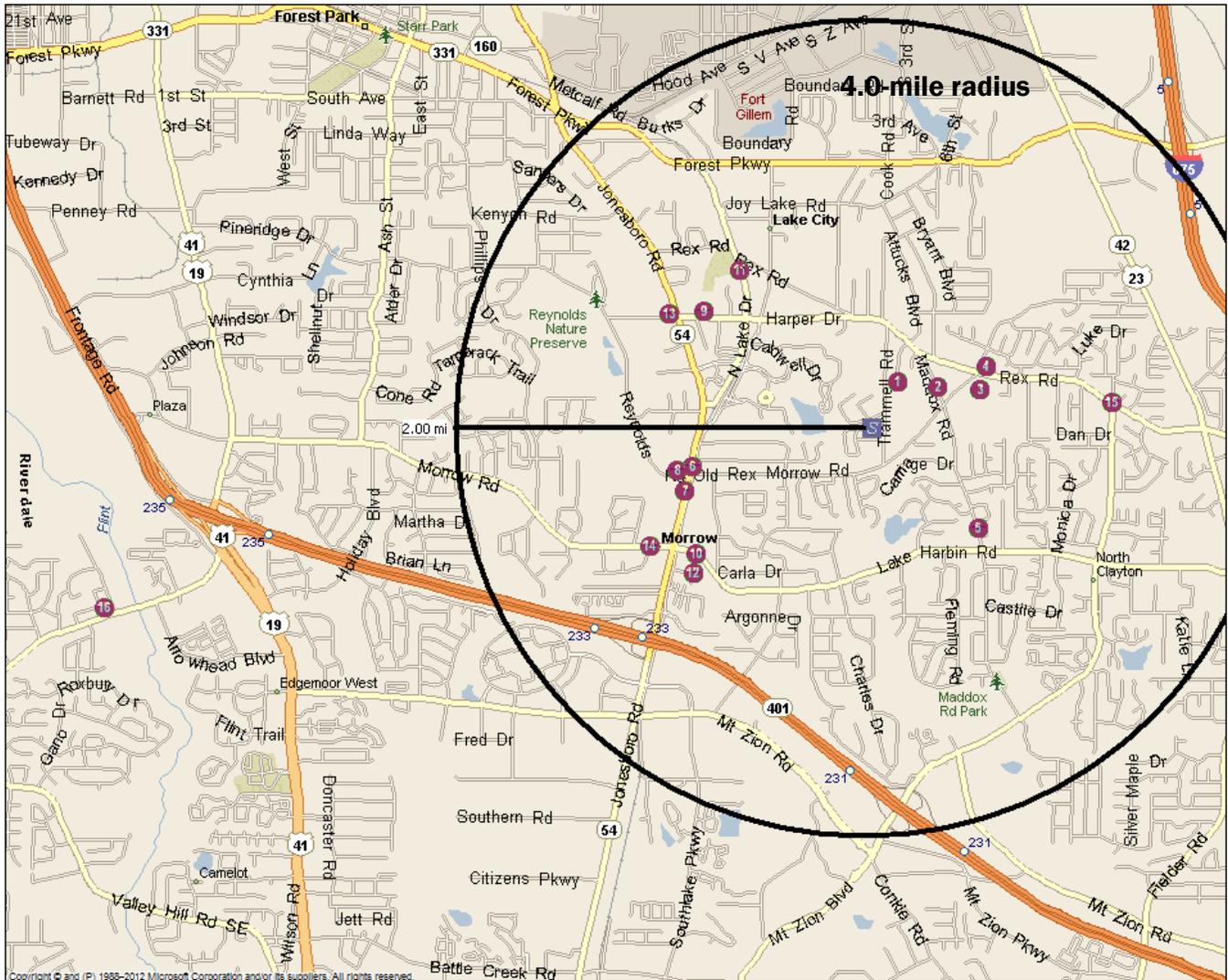


View of Trammell Road to the south



View of Trammell Road to the north

**5. Proximity to Locational Amenities:** The following table details the Subject’s distance from key locational amenities.



LOCAL AMENITIES					
#	Service or Amenity	Distance	#	Service or Amenity	Distance
1	Morrow Middle School	0.3 miles	9	Kroger Grocery Store	1.0 miles
2	Thurgood Marshall Elementary School	0.4 miles	10	U.S. Post Office	1.0 miles
3	Morrow High School	0.5 miles	11	Morrow Lake City Recreation Center	1.0 miles
4	Tar Creek Mini-Park	0.6 miles	12	Morrow Police Department	1.1 miles
5	Morrow Public Library	0.7 miles	13	Walgreens Pharmacy	1.1 miles
6	Bus Stop	0.8 miles	14	Morrow Fire Department	1.2 miles
7	Regions Bank	0.9 miles	15	BP Gas Station	1.2 miles
8	Walmart Super Center	0.9 miles	16	Southern Regional Medical Center	3.8 miles

**6. Description of Land Uses**

The Subject neighborhood consists primarily of single-family homes in average condition, multifamily uses, educational uses, as well as commercial/retail buildings in fair to good condition. Land use adjacent to the north of the site consists of Morrowood Townhouses, a market rate development in average to good condition followed by a house of worship, Regal Forest Apartments and a nursing center in average condition. The land adjacent to the east of the site consists of a middle school, elementary school, and high school in good condition, and single-family homes in average condition. Adjacent to the south of the site are single-family homes in good condition. The land adjacent to the west of the site consists of single-family homes in average to good condition and Swan Lake. To the northwest is the Clayton State University campus. According to www.Zillow.com, single-family homes in the Subject’s neighborhood are listed for sale between \$50,000 and \$450,000, with the majority of homes listed between \$100,000 and \$200,000. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 10 out of 100. The Subject site is considered to be in a desirable location for rental housing. The Subject site is located in a residential neighborhood. The uses surrounding the Subject are in fair to average condition and the site has good proximity to locational amenities, the majority of which are within three miles of the Subject.

**7. Crime:**

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

**2016 CRIME INDICES**

	PMA	MSA
<b>Total Crime*</b>	<b>185</b>	<b>139</b>
<b>Personal Crime*</b>	<b>147</b>	<b>130</b>
Murder	128	155
Rape	124	88
Robbery	190	163
Assault	128	118
<b>Property Crime*</b>	<b>190</b>	<b>140</b>
Burglary	190	147
Larceny	184	134
Motor Vehicle Theft	242	178

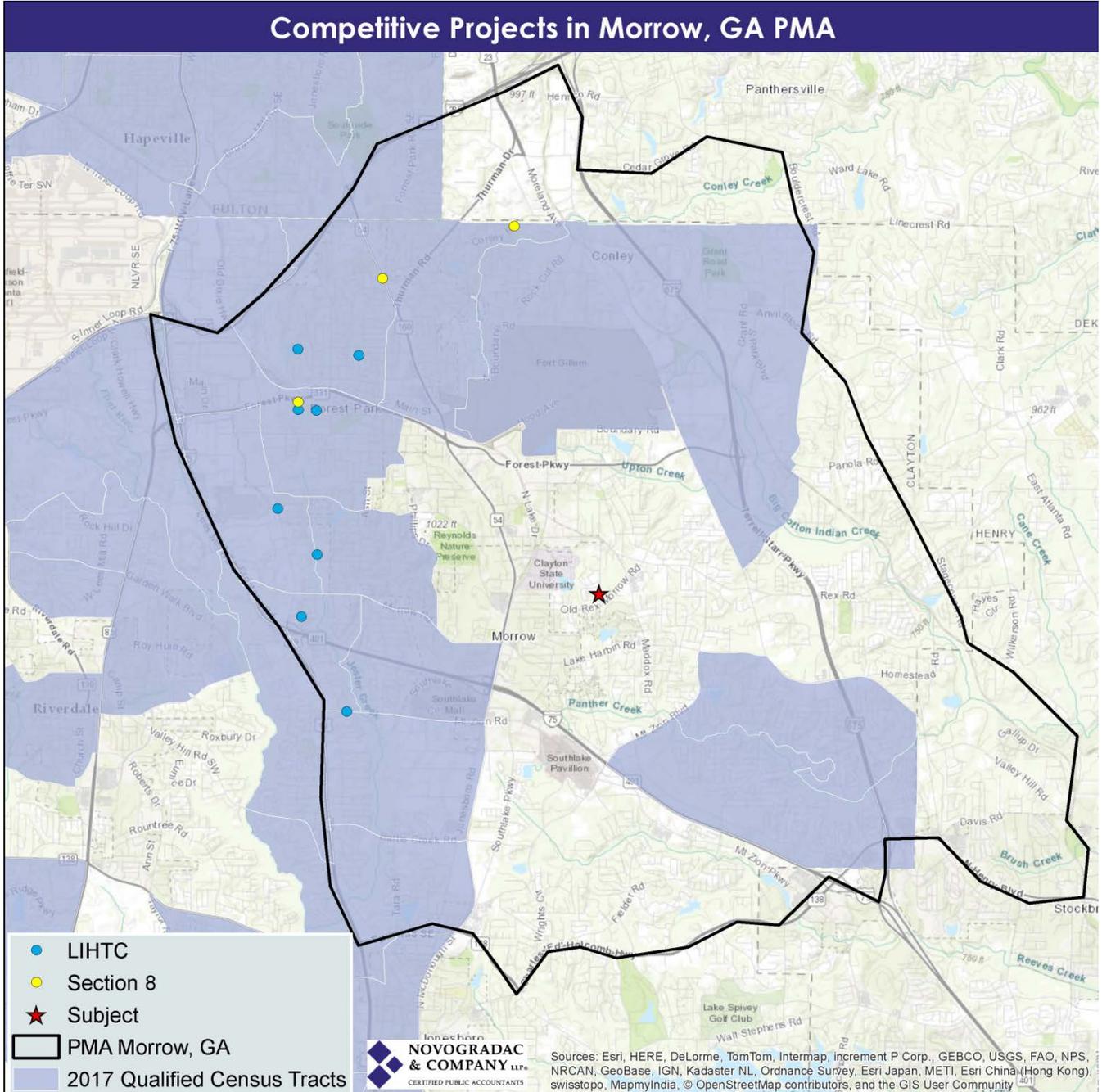
Source: Esri Demographics 2016, Novogradac & Company LLP, August 2017

\*Unweighted aggregations

The crime risk indices shown above are based on the national average, which would be indicated as the number 100 in the table above. Any numbers shown deviating from the number 100 would thus be considered to be either above or below the national average. That is, an index of 125 would be 25 percent higher than the national average and an index of 75 would be 25 percent lower than the national average. As illustrated in the previous table, the most recent data indicates total crime within the PMA is slightly above that of the MSA and above the national average. None of these crime indices are considered cause for concern. The Subject offers

limited access. Most of the comparables also offer security features. Overall, the Subject’s security features will be market oriented.

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



<b>RENT ASSISTED PROPERTIES IN PMA</b>										
Property Name	Address	City	State	Zip		Rent Structure	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion
				Code						
Ashton Walk Senior Apartments	4950 Governors Drive	Forest Park	GA	30297		LIHTC	Senior		Excluded	Tenancy
Breckenridge Apartments	5530 Old Dixie Highway	Forest Park	GA	30297		LIHTC	Family		Included	N/A
Cambridge Pointe	3384 Mr. Zion Rd	Stockbridge	GA	30281		LIHTC/Market	Family		Included	N/A
Park At Mount Zion Apartments	701 Mount Zion Road	Jonesboro	GA	30236		LIHTC	Family		Included	N/A
Regal Park	461 Old Dixie Way	Forest Park	GA	30297		LIHTC	Family		Included	N/A
Taj Mahal Homes	514 Bridge Ave	Forest Park	GA	30297		LIHTC	Family		Excluded	Inferior
Tracewood Apartments	482 Sylvia Drive	Forest Park	GA	30297		LIHTC	Family		Excluded	Differing rent levels
Waldorf Creek Apartments	4663 Waldrop Drive	Forest Park	GA	30297		LIHTC	Family		Excluded	Inferior
Water's Edge Apartments	417 Barton Drive	Forest Park	GA	30297		LIHTC/Market	Family		Excluded	Differing rent levels
Governor's Terrace	4947 Governors Drive	Forest Park	GA	30297		Section 8	Family		Excluded	Subsidized
Lexington Square Townhouses	1625-I Conley Rd	Conley	GA	30288		Section 8	Family		Excluded	Subsidized
Parkside Crossing	4233 Jonesboro Rd	Forest Park	GA	30297		Section 8	Family		Excluded	Subsidized

**9. Road, Infrastructure or Proposed Improvements:** We did not witness any road, infrastructure or proposed improvements during our fieldwork.

**10. Access, Ingress-Egress and Visibility of Site:** The Subject site can be accessed via Trammell Road, lightly traveled neighborhood street. Trammell Road provides access to Rex Road to the north and Old Rex Morrow Road to the south. Rex Road is a moderately traveled, two-lane, connector street that provides access to Interstate 675 to the east. Old Rex Morrow Road is a lightly traveled, two-lane, connector street that provides access to Jonesboro Road to the east. Jonesboro Road is a moderately traveled arterial that provides access to Interstate 75 to the south and Interstate 285 to the northwest. Interstate 285 traverses in a loop around the greater Atlanta area, and provides access to Interstate 75 to the north and Interstate 85 to the south. Interstate 75 traverses northwest/southeast and provides access to Chattanooga to the northwest. Interstate 85 traverses northeast/southwest and provides access to Montgomery, AL to the southwest. Overall, access to the site is considered average, while visibility is considered fair.

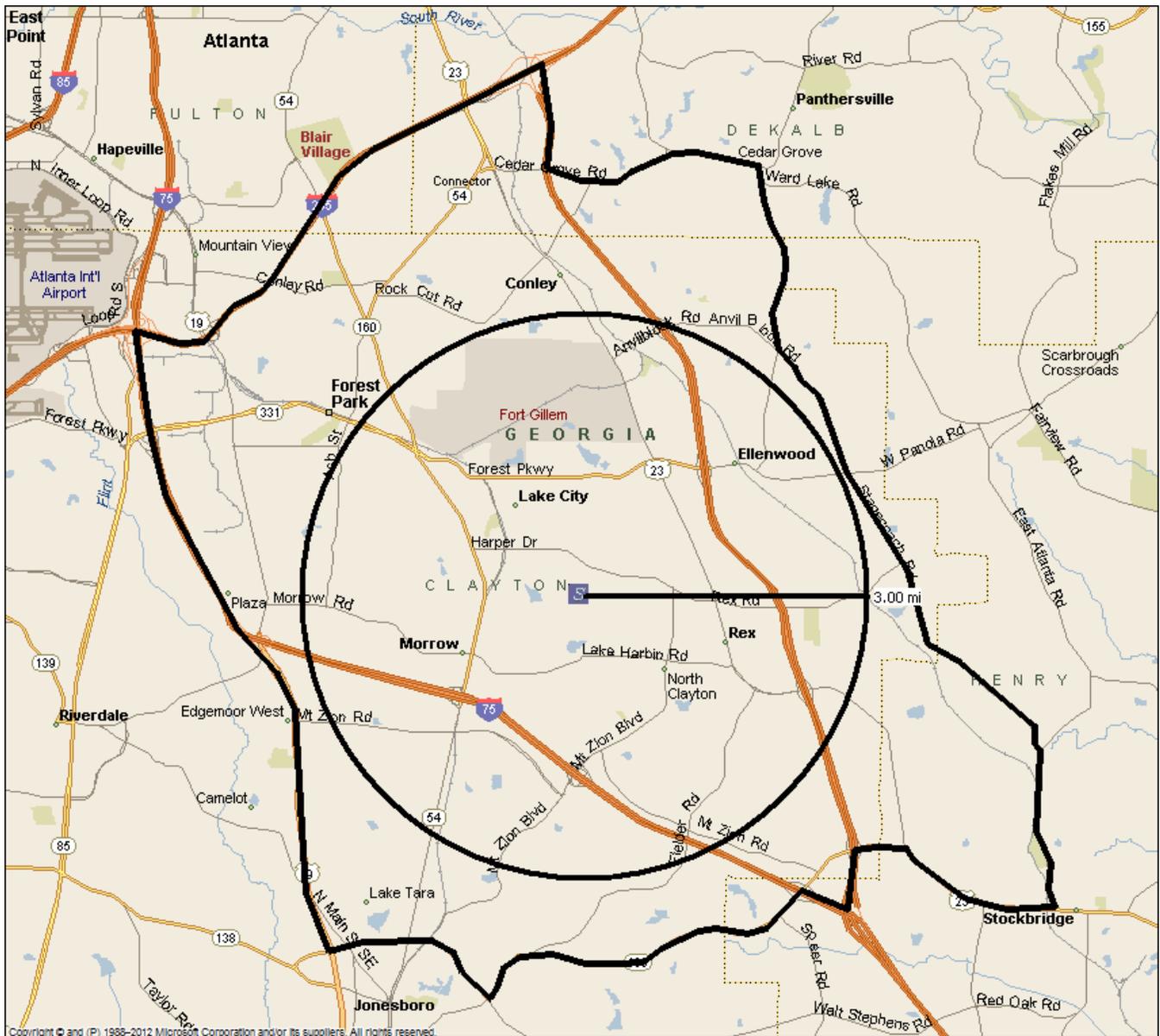
**11. Conclusion:** The Subject site is located along Etheridge Drive NW. The Subject site has fair visibility, but average accessibility from neighborhood thoroughfares. Surrounding uses consist of single-family, multifamily, and educational uses. The Subject site is considered “Car-Dependent” by *Walkscore* with a rating of 10 out of 100. Crime risk indices in the Subject’s area are considered slightly higher than average. The Subject site is considered a desirable location for rental housing. The uses surrounding the Subject are in average to good condition and the site has good proximity to locational amenities, which are generally within 3.8 miles of the Subject site.

## **D. MARKET AREA**

## PRIMARY MARKET AREA

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

### Primary Market Area Map



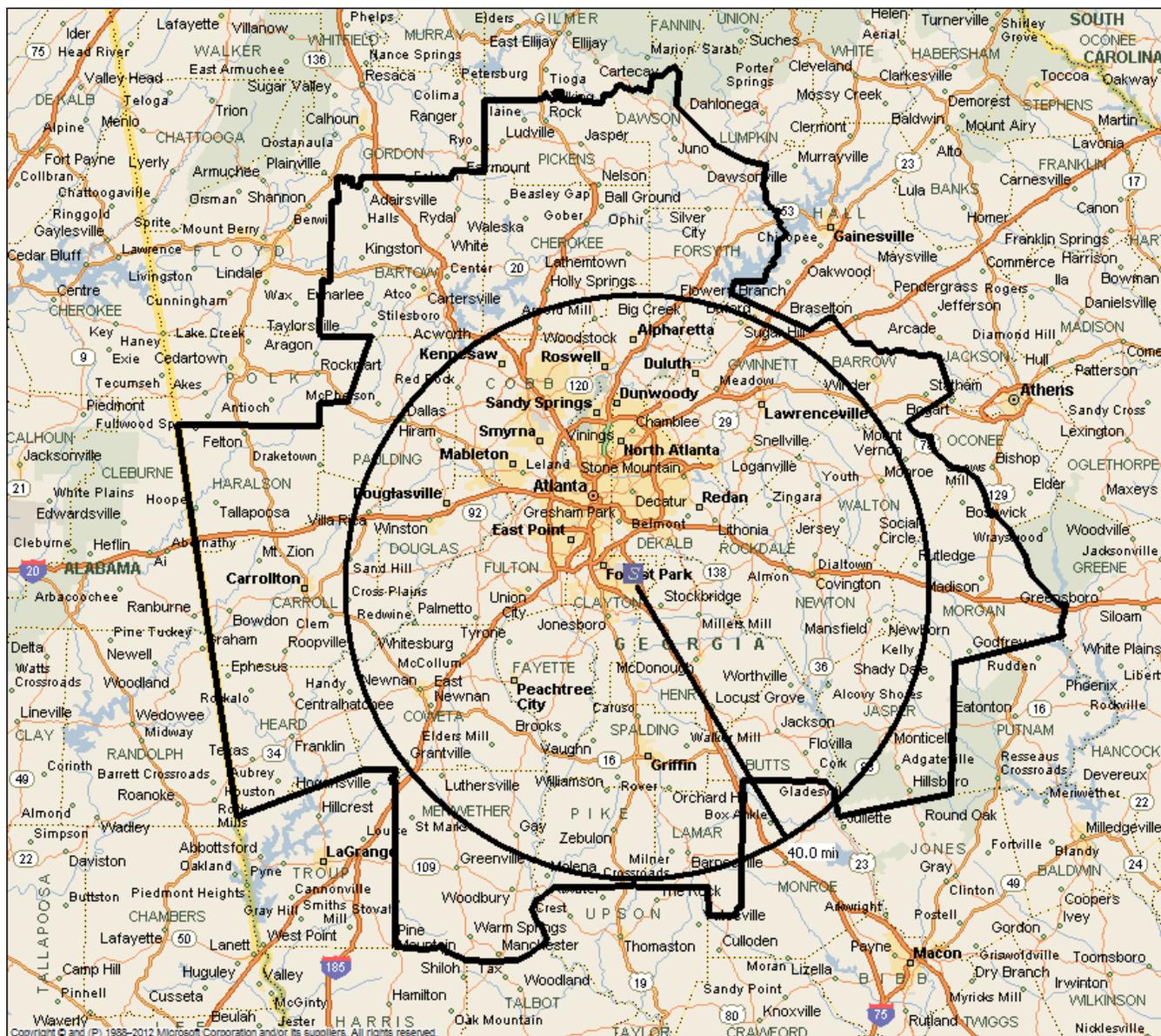
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Secondary Market Area (SMA) are areas of growth or contraction.

The PMA generally includes portions of Morrow, Forest Park, Lake City, Conley, Ellenwood, and Rex. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North:	5.6 miles
East:	3.5 miles
South:	3.9 miles
West:	3.9 miles

The PMA was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2017 market study guidelines, we have not accounted for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 5.6 miles. The secondary market area (SMA) for the Subject is the Atlanta-Sandy Springs-Roswell, Georgia Metropolitan Statistical Area (MSA), which is comprised of 30 counties. A map of the SMA follows.

Secondary Market Area Map



**E. COMMUNITY DEMOGRAPHIC  
DATA**

## COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and the Secondary Market Area (SMA) are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and the SMA. The developer’s estimated market entry date is May 2019.

### 1. Population Trends

The following tables illustrate (a) Total Population, and (b) Population by Age Group within the population in the MSA, the PMA and nationally from 2000 through 2021.

#### 1a. Total Population

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

Year	PMA		SMA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	102,793	-	4,263,438	-	281,421,906	-
2010	112,776	1.0%	5,286,728	2.4%	308,745,538	1.0%
2016	117,462	0.7%	5,665,958	1.1%	323,580,626	0.8%
Projected Mkt Entry	120,157	0.8%	5,891,123	1.4%	331,369,738	0.8%
2021	122,217	0.8%	6,063,308	1.4%	337,326,118	0.8%

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

Between 2000 and 2010 total population in the PMA increased by 1.0 annually while the SMA experienced a 2.4 percent increase. Population in the PMA is anticipated to continue to grow through 2021, however, at a slower pace than the SMA. The populatoin in the SMA is also anticipated to continue to grow through 2021, but at a faster pace than the nation. Overall, sustained population growth in the PMA and SMA is a positive indication of continued demand for the Subject.

### 1b. Total Population by Age Group

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

#### POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2016	Projected Mkt Entry May 2019	2021
0-4	8,533	9,846	9,558	9,653	9,726
5-9	8,770	9,054	9,058	9,139	9,201
10-14	8,064	8,343	8,556	8,812	9,007
15-19	7,811	8,599	8,323	8,587	8,789
20-24	8,702	8,887	9,502	9,507	9,510
25-29	9,721	9,090	9,901	10,107	10,265
30-34	9,071	8,779	8,978	9,375	9,678
35-39	8,785	9,042	8,285	8,552	8,757
40-44	7,569	8,286	8,302	8,080	7,911
45-49	6,265	7,918	7,710	7,661	7,623
50-54	5,284	6,808	7,299	7,195	7,116
55-59	4,022	5,500	6,344	6,499	6,617
60-64	2,973	4,313	5,195	5,498	5,729
65-69	2,489	3,002	4,058	4,374	4,616
70-74	1,908	1,987	2,679	3,062	3,355
75-79	1,456	1,491	1,702	1,933	2,110
80-84	815	1,033	1,106	1,183	1,241
85+	554	798	906	940	966
<b>Total</b>	<b>102,792</b>	<b>112,776</b>	<b>117,462</b>	<b>120,157</b>	<b>122,217</b>

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

POPULATION BY AGE GROUP

Age Cohort	SMA				
	2000	2010	2016	Projected Mkt Entry May 2019	2021
0-4	318,972	380,735	380,008	390,346	398,252
5-9	326,062	394,306	392,983	397,630	401,183
10-14	314,313	390,992	406,441	413,700	419,251
15-19	290,180	378,372	385,702	398,412	408,131
20-24	289,654	341,650	389,646	386,909	384,816
25-29	364,046	377,057	408,658	428,957	444,480
30-34	382,158	386,120	403,640	432,840	455,170
35-39	396,792	417,987	399,148	420,078	436,084
40-44	360,050	415,233	415,330	413,853	412,724
45-49	307,308	411,635	404,741	403,394	402,364
50-54	267,500	364,330	397,839	397,723	397,635
55-59	186,754	301,331	359,211	371,341	380,616
60-64	131,059	252,453	296,741	322,367	341,963
65-69	101,856	170,690	241,279	262,088	278,000
70-74	82,809	114,130	160,967	194,200	219,614
75-79	65,303	81,144	100,456	120,861	136,464
80-84	42,357	57,082	63,423	71,835	78,267
85+	36,265	51,481	59,745	64,589	68,294
<b>Total</b>	<b>4,263,438</b>	<b>5,286,728</b>	<b>5,665,958</b>	<b>5,891,123</b>	<b>6,063,308</b>

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

The largest age cohorts in the PMA, in 2016, are between the ages of 25 through 29, zero through four, and 20 through 24, which indicate the presence of families.

## 2. Household Trends

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size within the population in the MSA, the PMA and nationally from 2000 through 2021.

### 2a. Total Number of Households and Average Household Size

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

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs- Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	35,311	-	1,559,712	-	105,480,101	-
2010	39,391	1.2%	1,943,885	2.5%	116,716,292	1.1%
2016	40,610	0.5%	2,065,785	1.0%	121,786,233	0.7%
Projected Mkt Entry	41,436	0.7%	2,142,688	1.3%	124,567,453	0.8%
2021	42,067	0.7%	2,201,496	1.3%	126,694,268	0.8%

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

The total number of households in the PMA, from 2000 through 2010 increased at a rate of 1.2 percent per annum, compared to an increase of 2.5 percent annually in the total number of households in the SMA. Over the next five years, growth in the PMA is expected to lag behind growth in the SMA and the nation.

### AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.87	-	2.68	-	2.59	-
2010	2.83	-0.1%	2.68	0.0%	2.58	-0.1%
2016	2.86	0.2%	2.70	0.1%	2.59	0.1%
Projected Mkt Entry	2.87	0.1%	2.71	0.1%	2.60	0.1%
2021	2.87	0.1%	2.72	0.1%	2.60	0.1%

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

The average household size in the PMA is slightly larger than that of the SMA, and larger than that of the nation. Over the next five years, the average household size in the PMA is projected to remain stable.

## 2b. Households by Tenure

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

### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	20,417	57.8%	14,894	42.2%
2010	21,856	55.5%	17,535	44.5%
2016	20,693	51.0%	19,917	49.0%
Projected Mkt Entry	21,103	50.9%	20,333	49.1%
2021	21,416	50.9%	20,651	49.1%

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

### TENURE PATTERNS SMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	1,041,714	66.8%	517,998	33.2%
2010	1,285,066	66.1%	658,819	33.9%
2016	1,282,688	62.1%	783,097	37.9%
Projected Mkt Entry	1,329,411	62.0%	813,277	38.0%
2021	1,365,140	62.0%	836,356	38.0%

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

As the table illustrates, households within the PMA reside in predominately owner-occupied residences, while in the SMA, households reside in predominately owner-occupied residences. In 2016, 49.0 percent of households in the PMA are renter occupied, compared to only 37.9 percent of households being renter

occupied in the SMA. Over the next five years, the number of renter-occupied residences in the PMA and SMA are expected to increase slightly.

## 2c. Household Income

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

### HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2016		Projected Mkt Entry May 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	4,106	10.1%	4,046	9.8%	4,000	9.5%
\$10,000-19,999	4,989	12.3%	4,839	11.7%	4,724	11.2%
\$20,000-29,999	5,683	14.0%	5,578	13.5%	5,497	13.1%
\$30,000-39,999	5,167	12.7%	5,143	12.4%	5,124	12.2%
\$40,000-49,999	4,599	11.3%	4,598	11.1%	4,597	10.9%
\$50,000-59,999	3,723	9.2%	3,789	9.1%	3,840	9.1%
\$60,000-74,999	4,070	10.0%	4,228	10.2%	4,349	10.3%
\$75,000-99,999	4,087	10.1%	4,299	10.4%	4,462	10.6%
\$100,000-124,999	2,239	5.5%	2,493	6.0%	2,687	6.4%
\$125,000-149,999	946	2.3%	1,161	2.8%	1,326	3.2%
\$150,000-199,999	715	1.8%	859	2.1%	970	2.3%
\$200,000+	285	0.7%	402	1.0%	491	1.2%
<b>Total</b>	<b>40,610</b>	<b>100.0%</b>	<b>41,436</b>	<b>100.0%</b>	<b>42,067</b>	<b>100.0%</b>

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

### HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA

Income Cohort	2016		Projected Mkt Entry May 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	139,219	6.7%	138,887	6.5%	138,634	6.3%
\$10,000-19,999	183,021	8.9%	180,483	8.4%	178,542	8.1%
\$20,000-29,999	194,000	9.4%	193,267	9.0%	192,706	8.8%
\$30,000-39,999	195,214	9.4%	195,043	9.1%	194,913	8.9%
\$40,000-49,999	187,287	9.1%	187,817	8.8%	188,223	8.5%
\$50,000-59,999	161,841	7.8%	166,001	7.7%	169,182	7.7%
\$60,000-74,999	207,295	10.0%	212,267	9.9%	216,069	9.8%
\$75,000-99,999	248,532	12.0%	259,024	12.1%	267,047	12.1%
\$100,000-124,999	174,646	8.5%	185,535	8.7%	193,862	8.8%
\$125,000-149,999	114,069	5.5%	125,545	5.9%	134,321	6.1%
\$150,000-199,999	120,311	5.8%	133,177	6.2%	143,016	6.5%
\$200,000+	140,351	6.8%	165,642	7.7%	184,982	8.4%
<b>Total</b>	<b>2,065,785</b>	<b>100.0%</b>	<b>2,142,688</b>	<b>100.0%</b>	<b>2,201,496</b>	<b>100.0%</b>

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

The Subject will target tenants earning between \$0 and \$47,940. As the table above depicts, approximately 36.4 percent of renter households in the PMA are earning incomes that are less than \$30,000. Similarly, 25.0 percent of renter households in the SMA are also earning less than \$30,000. For the projected market entry date of May 2019, these percentages are projected to decrease slightly to 34.9 percent in the PMA, and decrease slightly in the SMA to 23.9 percent.

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

The following table illustrates household size for all households in 2000, 2010, 2016, and 2021. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA**

	2000		2010		2016		Projected Mkt Entry May 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	3,413	22.9%	5,187	29.6%	6,018	30.2%	6,172	30.4%	6,289	30.5%
With 2 Persons	3,734	25.1%	4,160	23.7%	4,483	22.5%	4,518	22.2%	4,544	22.0%
With 3 Persons	2,951	19.8%	2,975	17.0%	3,457	17.4%	3,533	17.4%	3,592	17.4%
With 4 Persons	2,452	16.5%	2,377	13.6%	2,696	13.5%	2,759	13.6%	2,807	13.6%
With 5+ Persons	2,344	15.7%	2,836	16.2%	3,263	16.4%	3,352	16.5%	3,420	16.6%
<b>Total Renter</b>	<b>14,894</b>	<b>100.0%</b>	<b>17,535</b>	<b>100.0%</b>	<b>19,917</b>	<b>100.0%</b>	<b>20,333</b>	<b>100.0%</b>	<b>20,651</b>	<b>100.0%</b>

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

The majority of renter households in the PMA are one and two-person households.

## Conclusion

Between 2000 and 2010 total population in the PMA increased by 1.0 annually, while the SMA experienced a 2.4 percent increase. Population in the PMA is anticipated to continue to grow through 2021, however, at a slower pace than the SMA. The current population of the PMA is 117,462 and is expected to increase slightly to 122,217 by 2021. Renter households are concentrated in the lowest income cohorts, with 36.4 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$0 and \$45,180 for its LIHTC units. However, 163 units will continue to benefit from a Section 8 subsidy post renovation. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

## **F. EMPLOYMENT TRENDS**

## EMPLOYMENT TRENDS

The PMA is economically reliant on the transportation/warehousing, retail trade, and health care/social assistance sectors. Employment levels decreased during the national recession. Total employment in Clayton County has increased at a moderate average rate of 1.3 percent a year since 2002. Total employment surpassed pre-recession highs in 2014 and has shown consistent year-over-year growth.

### 1. Total Jobs

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

Year	Total Employment	% Change
2006	127,426	-
2007	128,444	0.80%
2008	126,243	-1.71%
2009	117,459	-6.96%
2010	108,243	-7.85%
2011	109,948	1.58%
2012	112,343	2.18%
2013	111,623	-0.64%
2014	113,137	1.36%
2015	115,708	2.27%
2016 YTD Average	130,597	12.87%
Dec-15	117,501	-
Dec-16	122,512	4.26%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2016

As illustrated in the previous table, the total jobs in Clayton County between 2006 and December 2016 has fluctuated several times. The most notable declines in total jobs occurred during the national recession, from 2008 through 2010. It is important to note that more recently in 2014 and 2015 the total jobs in Clayton County have increased. From December 2015 to December 2016, total jobs in Clayton County increased approximately 4.3 percent, which indicates that the county is experiencing growth.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Clayton County as of January 2017, the most recent information available.

**January 2017 Covered Employment**  
Clayton County, Georgia

	Number	Percent
<b>Total, all industries</b>	<b>105,988</b>	-
<b>Goods-producing</b>	-	-
Natural resources and mining	299	0.28%
Construction	3,169	2.99%
Manufacturing	3,969	3.74%
<b>Service-providing</b>	-	-
Trade, transportation, and utilities	58,649	55.34%
Information	681	0.64%
Financial activities	2,969	2.80%
Professional and business services	13,167	12.42%
Education and health services	9,109	8.59%
Leisure and hospitality	11,776	11.11%
Other services	1,983	1.87%
Unclassified	217	0.20%

Source: Bureau of Labor Statistics, 2016

Employment in Clayton County is largely concentrated in the trade, transportation, and utilities sector, which accounts for over half of the total employment in the county. The high concentration of employment within the trade, transportation, and utilities sector is due to the fact that the Hartsfield-Jackson Atlanta International Airport (ATL) is located within Clayton County. ATL is the busiest airport in the nation and experienced a total of 899,000 total enplanements in 2016. The trade, transportation, and utilities sector is considered a stable sector and it is likely that even during times of economic uncertainty, this airport will continue to be an airport to serve as a layover or final destination. The trade, transportation, and utilities industry is followed by professional and business services and leisure and hospitality. The following table illustrates employment by industry for the PMA as of 2016 (most recent year available).

2016 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Transportation/Warehousing	5,868	12.6%	6,128,217	4.0%
Retail Trade	5,150	11.0%	17,169,304	11.3%
Health Care/Social Assistance	4,400	9.4%	21,304,508	14.1%
Accommodation/Food Services	4,411	9.4%	11,574,403	7.6%
Construction	4,316	9.2%	9,342,539	6.2%
Educational Services	3,604	7.7%	14,359,370	9.5%
Manufacturing	3,044	6.5%	15,499,826	10.2%
Public Administration	2,701	5.8%	7,093,689	4.7%
Other Services (excl Publ Adm)	2,516	5.4%	7,463,834	4.9%
Admin/Support/Waste Mgmt Svcs	2,338	5.0%	6,511,707	4.3%
Prof/Scientific/Tech Services	1,737	3.7%	10,269,978	6.8%
Finance/Insurance	1,704	3.7%	6,942,986	4.6%
Wholesale Trade	1,649	3.5%	4,066,471	2.7%
Real Estate/Rental/Leasing	1,417	3.0%	2,946,196	1.9%
Information	888	1.9%	2,862,063	1.9%
Arts/Entertainment/Recreation	546	1.2%	3,416,474	2.3%
Utilities	202	0.4%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	97	0.2%	2,253,044	1.5%
Mining	44	0.1%	749,242	0.5%
Mgmt of Companies/Enterprises	52	0.1%	89,612	0.1%
<b>Total Employment</b>	<b>46,684</b>	<b>100.0%</b>	<b>151,387,682</b>	<b>100.0%</b>

Source: Esri Demographics 2010, Novogradac & Company LLP, August 2017

The largest industries in the PMA are transportation/warehousing, retail trade, and health care/social assistance. Positions in these industries account for 33.0 percent of all jobs in the area. The transportation/warehousing, construction, and accommodation/food services sectors are over represented in the PMA. Industries under-represented in the PMA include health care/social assistance, manufacturing, and professional/scientific/tech services sectors. As will be demonstrated in the employment discussion, the manufacturing and retail trade industries have been affected by numerous layoffs and employment decreases. Nationwide, these industries have also been affected by the recession.

### 3. Major Employers

The chart below shows the largest employers in Clayton County, GA.

**MAJOR EMPLOYERS - CLAYTON COUNTY, GA**

#	Company	Industry	Number of Employees
1	Clayton County Public Schools	Education	7,100
2	Delta Tech Ops	Transportation	6,000
3	Gate Gourmet	Catering/Airline Food	1,710
4	Southern Regional Medical Center	Healthcare	1,100
5	JCPenney	Retail Distribution	850
6	FedEx Ground	Freight	800
7	Fresh Express, Inc.	Food Packaging	800
8	TOTO USA	Manufacturing	700
9	Clayton State University	Education	675
10	Kroger Distribution Center	Retail Distribution	579
11	Standard Parking	Airport Parking	562
12	R+L Carriers	Freight	530

Source: Clayton County, Georgia Economic Development, September 2017

Clayton County is home to the world’s busiest airport, Hartsfield-Jackson Atlanta International Airport. It stands to reason that many of the major employers in the county are directly involved with the airport. Other major employers represent a variety of sectors including education, healthcare, distribution, and manufacturing. While healthcare and education are historically stable industries, industries tied to the airport, distribution and manufacturing are historically unstable, especially during times of recession.

**Expansions/Contractions**

The following table illustrates business closures and layoffs within Clayton County since 2015, according to the Georgia Department of Labor’s Worker Adjustment and Retraining Notification (WARN) filings. It should be noted, no WARN notices have been issued for Morrow, GA.

**WARN NOTICES - CLAYTON COUNTY, GA**

Company	Date	City	Industry	Number Affected	Layoff/Closure
<i>2017</i>					
Sheraton Atlanta Airport Hotel	5/12/2017	Atlanta	Hotel	145	Layoff
Dollar Express	6/30/2017	Lake City	Retail	8	Closure
hgregg	5/31/2017	Ellenwood	Retail	58	Layoff
<b>Total</b>				<b>211</b>	
<i>2016</i>					
Experience Works	12/1/2016	Forest Park	Employment Training	7	Layoff
<b>Total</b>				<b>7</b>	
<i>2015</i>					
Kmart Distribution Center	3/31/2015	Forest Park	Retail Distribution	150	Closure
United Airlines	5/17/2015	Atlanta	Transportation	87	Layoff
Delta Global Services	10/1/2015	Atlanta	Transportation	N/Av	Layoff
<b>Total</b>				<b>237</b>	
<b>Grand Total</b>				<b>455</b>	

Source: Georgia Department of Labor, Novogradac & Company LLP, August 2017

As illustrated in the above table, there have been 455 employees in the area impacted by layoffs or closures since 2015. Despite these job losses that have been reported, there has been growth occurring in the area.

We gathered information on recent local business expansions from the Clayton County Economic Development Annual Report from 2016, the most recent available, which are detailed following.

**BUSINESS EXPANSIONS IN 2016**

Company	Industry	# of New Jobs
Food Depot	Grocery Store	66
Diversified Utilities Services	Utilities	200
Waste Eliminator	Waste Mgmt.	30
Logisticare Expansion (College Park)	Med. Transport.	35
KW International	Logistics	30
JCPenny (Distribution)	Retail Distrib.	110
Clorox	Manufacturing	85
DTO	Transportation	200
Clayton Fixtures	Manufacturing	15
American Insulated Glass	Manufacturing	14
Source HOV	Information Tech.	20
Southside Sheetmetal	Manufacturing	10
CL Services	Logistics	29
Love's Tire Retread	Transportation	30
Southern Tire Company	Transportation	40
YRC Trucking	Logistics	60
Xpress Trucking Repair	Logistics	40
Chime Solutions	Call Center	<u>1,000</u>
<b>Total</b>		<b><u>2,014</u></b>

Source: Clayton County Economic Development, September 2017

As illustrated, there were several additions in a variety of industries including retail, utilities, waste management, transportation, logistics, and manufacturing.

Additionally, a film studio is scheduled to break ground in Clayton County at the end of summer 2017. The 20-acre studio, which will be located between Lake City and Morrow, represents a \$12 million private investment. The first phase of construction will include five sound stages, as well as, production offices, post-production space, a green screen, mill and construction space, and a commissary. The economic development department is expecting the film studio to attract new businesses to Clayton County.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Atlanta-Sandy Springs-Roswell, GA MSA from 2003 to 2017 year-to-date.

**EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2003	2,347,173	-	4.9%	-	136,933,000	-	4.7%	-
2004	2,382,163	1.5%	4.8%	-0.1%	136,485,000	-0.3%	5.8%	1.1%
2005	2,445,674	2.7%	5.4%	0.6%	137,736,000	0.9%	6.0%	0.2%
2006	2,538,141	3.8%	4.7%	-0.7%	139,252,000	1.1%	5.5%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	141,730,000	1.8%	5.1%	-0.4%
2008	2,606,822	-0.5%	6.2%	1.7%	144,427,000	1.9%	4.6%	-0.5%
2009	2,452,057	-5.9%	9.9%	3.8%	146,047,000	1.1%	4.6%	0.0%
2010	2,440,037	-0.5%	10.3%	0.4%	145,362,000	-0.5%	5.8%	1.2%
2011	2,486,895	1.9%	9.9%	-0.4%	139,877,000	-3.8%	9.3%	3.5%
2012	2,545,474	2.4%	8.8%	-1.1%	139,064,000	-0.6%	9.6%	0.3%
2013	2,573,040	1.1%	7.8%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2014	2,620,911	1.9%	6.8%	-1.0%	142,469,000	1.9%	8.1%	-0.8%
2015	2,684,068	2.4%	5.7%	-1.1%	143,929,000	1.0%	7.4%	-0.7%
2016	2,788,476	3.9%	5.1%	-0.6%	146,305,000	1.7%	6.2%	-1.2%
2017 YTD Average*	2,867,124	2.8%	4.8%	-0.3%	151,435,833	3.5%	5.3%	-0.9%
Jun-2016	2,775,986	-	5.3%	-	151,990,000	-	5.1%	-
Jun-2017	2,889,697	4.1%	4.9%	-0.4%	154,086,000	1.4%	4.5%	-0.6%

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

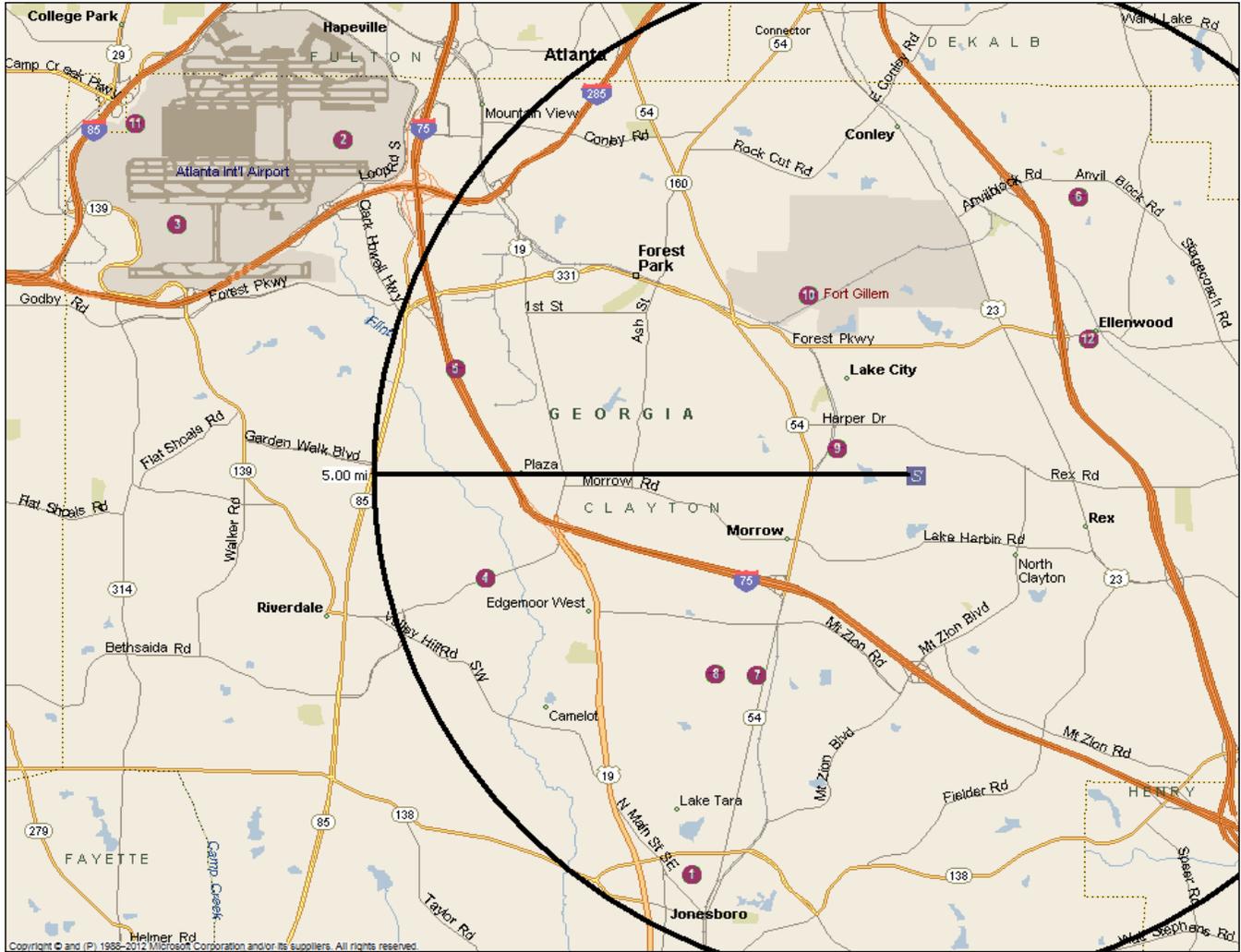
\*2017 data is through June

The MSA experienced moderate employment growth prior to the onset of the recession in 2008. The area experienced the negative effects of economic downturn from 2008 to 2010. The most significant loss occurred in 2009. However, the MSA has experienced annual employment growth from 2011 through 2017 year-to-date. In addition, from June 2016 to June 2017, total employment in the MSA increased 4.1 percent, compared to a 1.4 percent increase in the nation as a whole.

Historically, the unemployment rate in the SMA has been slightly higher than the national unemployment rate. During the recession, the MSA's unemployment rate increased at a slightly faster pace than national unemployment rate. The MSA's unemployment rate peaked in 2010 at 10.3 percent, which was 70 basis points higher than the national unemployment rate during this same year. While the unemployment rate has decreased annually since 2011, the unemployment rate in the MSA remains 40 basis points higher than the national average as of May 2017. Total employment surpassed pre-recession levels in 2014, but the unemployment rate remains higher than that of the nation, it does appear that the economy in the MSA has stabilized. This indicates that the area will have continued demand for workforce and affordable housing for the foreseeable future.

### 5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Clayton County, Georgia.



**MAJOR EMPLOYERS - CLAYTON COUNTY, GA**

#	Company	Location	Industry	Number of Employees
1	Clayton County Public Schools	Jonesboro	Education	7,100
2	Delta Tech Ops	Atlanta	Transportation	6,000
3	Gate Gourmet	Atlanta	Catering/Airline Food	1,710
4	Southern Regional Medical Center	Riverdale	Healthcare	1,100
5	JCPenney	Forest Park	Retail Distribution	850
6	FedEx Ground	Ellenwood	Freight	800
7	Fresh Express, Inc.	Morrow	Food Packaging	800
8	TOTO USA	Morrow	Manufacturing	700
9	Clayton State University	Morrow	Education	675
10	Kroger Distribution Center	Ellenwood	Retail Distribution	579
11	Standard Parking	Atlanta	Airport Parking	562
12	R+L Carriers	Ellenwood	Freight	530

Source: Clayton County, Georgia Economic Development, September 2017

## 6. Conclusion

The largest industries in the PMA are transportation/warehousing, retail trade, and health care/social assistance. Positions in these industries account for 33.0 percent of all jobs in the area. The four largest employers in the area are Clayton County Public Schools, Delta Tech Ops, Gate Gourmet, and Southern Regional Medical Center. The health care/social assistance sector is resilient during periods of economic downturn. This may help mitigate future job losses should the economy enter another period of instability.

The MSA has experienced annual employment growth from 2011 through 2017 year-to-date. In addition, from June 2016 to June 2017, total employment in the MSA increased 4.1 percent, compared to a 1.4 percent increase in the nation as a whole. While the unemployment rate has decreased annually since 2011, the unemployment rate in the MSA remains 40 basis points higher than the national average as of June 2017. Total employment surpassed pre-recession levels in 2014, but the unemployment rate remains higher than that of the nation, it does appear that the economy in the MSA has stabilized. This indicates that the area will have continued demand for workforce and affordable housing for the foreseeable future.

# **G. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS**

## PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by DCA.

### 1. Income Restrictions

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

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom).

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

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

### 2. Affordability

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

FAMILY INCOME LIMITS				
Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	60% AMI		60% AMI/Section 8	
1BR/1BA	\$25,509	\$33,480	\$0	\$33,480
2BR/2BA	\$29,520	\$37,680	\$0	\$37,680
3BR/2BA	\$34,937	\$45,180	\$0	\$45,180

### 3. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated in the following tables.

#### 3a. Demand from New Households

The number of new households entering the market is the first level of demand calculated. We have utilized 2019, the anticipated date of market entry, as the base year for the analysis. Therefore, 2016 household

population estimates are inflated to 2019 by interpolation of the difference between 2016 estimates and 2019 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2019. This number takes the overall growth from 2016 to 2019 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **3b. Demand from Existing Households**

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

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

### **3c. Other**

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

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

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

## **4. New Demand, Capture Rates and Stabilization Conclusions**

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

### **Additions to Supply**

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

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

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development. We were unable to identify any competitive units in the PMA which have been allocated, placed in service, or stabilizing between 2014 and present.

**PMA Occupancy**

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

<b>OVERALL PMA OCCUPANCY</b>			
Property Name	Program	Tenancy	Occupancy
Breckenridge Apartments*	LIHTC	Family	99.0%
Cambridge Pointe*	LIHTC/Market	Family	98.9%
Park At Mount Zion Apartments*	LIHTC	Family	94.8%
Regal Park*	LIHTC	Family	100.0%
Ashton Walk Senior Apartments	LIHTC	Senior	100.0%
Taj Mahal Homes	LIHTC	Family	N/Av
Tracewood Apartments	LIHTC	Family	N/Av
Waldorf Creek Apartments	LIHTC	Family	94.5%
Water's Edge Apartments	LIHTC/Market	Family	N/Av
Governor's Terrace	Section 8	Family	100.0%
Lexington Square Townhouses	Section 8	Family	100.0%
Parkside Crossing Apartments	Section 8	Family	98.4%
Hampton Downs Apartments*	Market	Family	98.0%
Hidden Creek*	Market	Family	94.0%
Level At Mt. Zion*	Market	Family	98.3%
Magnolia Woods*	Market	Family	87.9%
Park At Tara Lake*	Market	Family	90.0%
The Fields Baywood*	Market	Family	90.0%
Arbor Estates	Market	Family	N/Av
Avenue 33 Apartments	Market	Family	90.1%
Averly Apartments	Market	Family	99.6%
Battle Creek Village	Market	Family	96.0%
Brentwood Manor	Market	Family	N/Av
Briarwood Forest	Market	Family	97.4%
Camden Stockbridge	Market	Family	94.7%
Cameron Landing	Market	Family	95.1%
Carrington Park	Market	Family	94.9%
Colonial Village At Stockbridge	Market	Family	N/Av
Delta Victory Lake	Market	Family	93.2%
Fieldstone Glen	Market	Family	94.1%
Forest Park Manor	Market	Family	N/Av

Harmony Crossroads	Market	Family	97.8%
Indian Lake Apartments	Market	Family	100.0%
Marquis Grand Apartments	Market	Family	89.6%
Olivia Place	Market	Family	97.5%
Park Manor Apartments	Market	Family	100.0%
Pinewood Manor	Market	Family	99.3%
River's Edge	Market	Family	93.0%
Sheraton House	Market	Family	N/Av
Southlake Cove	Market	Family	94.0%
The Grove At Southlake	Market	Family	96.2%
Willow Park	Market	Family	N/Av
Wingate Apartments	Market	Family	N/Av
<b>Average</b>			<b>95.9%</b>

\*Utilized as a comparable

The average occupancy rate of competitive developments in the PMA is 95.9 percent.

#### **Rehab Developments and PBRA**

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

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

***Of the Subject's 196 units, 163 will benefit from Section 8 rental assistance and these units are therefore presumed leasable. The remaining 33 units will operate as LIHTC units and these units are also presumed leasable.***

#### **5. Capture Rates**

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2010		2016		Projected Mkt Entry May 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,115	12.1%	3,193	16.0%	3,157	15.5%	3,130	15.2%
\$10,000-19,999	2,690	15.3%	3,052	15.3%	2,976	14.6%	2,918	14.1%
\$20,000-29,999	2,930	16.7%	3,477	17.5%	3,430	16.9%	3,394	16.4%
\$30,000-39,999	2,963	16.9%	2,659	13.4%	2,665	13.1%	2,669	12.9%
\$40,000-49,999	2,259	12.9%	2,237	11.2%	2,271	11.2%	2,297	11.1%
\$50,000-59,999	1,393	7.9%	1,685	8.5%	1,762	8.7%	1,821	8.8%
\$60,000-74,999	1,535	8.8%	1,569	7.9%	1,672	8.2%	1,750	8.5%
\$75,000-99,999	929	5.3%	988	5.0%	1,103	5.4%	1,191	5.8%
\$100,000-124,999	361	2.1%	498	2.5%	585	2.9%	651	3.2%
\$125,000-149,999	166	0.9%	200	1.0%	236	1.2%	264	1.3%
\$150,000-199,999	83	0.5%	235	1.2%	287	1.4%	326	1.6%
\$200,000+	110	0.6%	123	0.6%	190	0.9%	241	1.2%
<b>Total</b>	<b>17,535</b>	<b>100.0%</b>	<b>19,917</b>	<b>100.0%</b>	<b>20,333</b>	<b>100.0%</b>	<b>20,651</b>	<b>100.0%</b>

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

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% WITH SUBSIDY**

Minimum Income Limit		\$0		Maximum Income Limit		\$45,180
Income Category	New Renter Households - Total Change in Households PMA 2016 to Prj Mrkt Entry May 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket	
\$0-9,999	64.58	15.5%	9,999	100.0%	65	
\$10,000-19,999	60.88	14.6%	9,999	100.0%	61	
\$20,000-29,999	70.16	16.9%	9,999	100.0%	70	
\$30,000-39,999	54.51	13.1%	9,999	100.0%	55	
\$40,000-49,999	46.46	11.2%	5,180	51.8%	24	
\$50,000-59,999	36.05	8.7%				
\$60,000-74,999	34.20	8.2%				
\$75,000-99,999	22.56	5.4%				
\$100,000-124,999	11.96	2.9%				
\$125,000-149,999	4.83	1.2%				
\$150,000-199,999	5.86	1.4%				
\$200,000+	3.88	0.9%				
<b>Total</b>	<b>416</b>	<b>100.0%</b>			<b>274</b>	

**POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT - 60% WITH SUBSIDY**

Minimum Income Limit		\$0		Maximum Income Limit		\$45,180
Income Category	Total Renter Households PMA Prj Mrkt Entry May 2019		Income Brackets	Percent within Cohort	Households within Bracket	
\$0-9,999	3,157	15.5%	\$9,999	100.0%	3,157	
\$10,000-19,999	2,976	14.6%	\$9,999	100.0%	2,976	
\$20,000-29,999	3,430	16.9%	\$9,999	100.0%	3,430	
\$30,000-39,999	2,665	13.1%	\$9,999	100.0%	2,665	
\$40,000-49,999	2,271	11.2%	\$5,180	51.8%	1,177	
\$50,000-59,999	1,762	8.7%				
\$60,000-74,999	1,672	8.2%				
\$75,000-99,999	1,103	5.4%				
\$100,000-124,999	585	2.9%				
\$125,000-149,999	236	1.2%				
\$150,000-199,999	287	1.4%				
\$200,000+	190	0.9%				
<b>Total</b>	<b>20,333</b>	<b>100.0%</b>			<b>13,404</b>	

**ASSUMPTIONS - 60% AMI WITH SUBSIDY**

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

**Demand from New Renter Households 2016 to Prj Mrkt Entry April 2019**

Income Target Population		60% - With Subsidy
New Renter Households PMA		416
Percent Income Qualified		65.9%
<b>New Renter Income Qualified Households</b>		<b>274</b>

**Demand from Existing Households 2017**

**Demand form Rent Overburdened Households**

Income Target Population		60% - With Subsidy
Total Existing Demand		20,333
Income Qualified		65.9%
Income Qualified Renter Households		13,404
Percent Rent Overburdened Prj Mrkt Entry May 2019		27.6%
<b>Rent Overburdened Households</b>		<b>3,695</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households		13,404
Percent Living in Substandard Housing		0.4%
<b>Households Living in Substandard Housing</b>		<b>59</b>

**Senior Households Converting from Homeownership**

Income Target Population		60% - With Subsidy
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
<b>Senior Demand Converting from Homeownership</b>		<b>0</b>

**Total Demand**

Total Demand from Existing Households		3,754
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		3754
Total New Demand		274
<b>Total Demand (New Plus Existing Households)</b>		<b>4,028</b>

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

**By Bedroom Demand**

One Person	30.4%	1,223
Two Persons	22.2%	895
Three Persons	17.4%	700
Four Persons	13.6%	547
Five Persons	16.5%	664
<b>Total</b>	<b>100.0%</b>	<b>4,028</b>

**Capture Rate: 60% - Subsidy in Place**

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	70%	856
Of two-person households in 1BR units	20%	179
Of one-person households in 2BR units	30%	367
Of two-person households in 2BR units	80%	716
Of three-person households in 2BR units	60%	420
Of four-person households in 2BR units	20%	109
Of three-person households in 3BR units	40%	280
Of four-person households in 3BR units	80%	437
Of five-person households in 3BR units	100%	664
<b>Total Demand</b>		<b>4,028</b>

	Total Demand (Subject Unit Type)		Additions to Supply		Net Demand
1BR	1,035	-	0	=	1,035
2BR	1,612	-	0	=	1,612
3BR	1,381	-	0	=	1,381
<b>Total</b>	<b>4,028</b>		<b>0</b>		<b>4,028</b>

	Developers Unit Mix		Net Demand		Capture Rate
1BR	18	/	1,035	=	1.7%
2BR	88	/	1,612	=	5.5%
3BR	57	/	1,381	=	4.1%
<b>Total</b>	<b>163</b>		<b>4,028</b>		<b>4.0%</b>

### 60% AMI – Absent Subsidy

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% ABSENT SUBSIDY**

Minimum Income Limit	\$25,509		Maximum Income Limit	\$45,180	
Income Category	New Renter Households - Total Change in Households PMA 2016 to Prj Mrkt Entry April 2019		Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	64.58	15.5%			
\$10,000-19,999	60.88	14.6%			
\$20,000-29,999	70.16	16.9%	4,490	44.9%	32
\$30,000-39,999	54.51	13.1%	9,999	100.0%	55
\$40,000-49,999	46.46	11.2%	5,180	51.8%	24
\$50,000-59,999	36.05	8.7%			
\$60,000-74,999	34.20	8.2%			
\$75,000-99,999	22.56	5.4%			
\$100,000-124,999	11.96	2.9%			
\$125,000-149,999	4.83	1.2%			
\$150,000-199,999	5.86	1.4%			
\$200,000+	3.88	0.9%			
<b>Total</b>	<b>416</b>	<b>100.0%</b>			<b>110</b>

**POTENTIAL HOUSEHOLD DEMAND BY INCOME COHORT - 60% ABSENT SUBSIDY**

Minimum Income Limit	\$25,509		Maximum Income Limit	\$45,180	
Income Category	Total Renter Households PMA Prj Mrkt Entry April 2019		Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	3,157	15.5%			
\$10,000-19,999	2,976	14.6%			
\$20,000-29,999	3,430	16.9%	\$4,490	44.9%	1,540
\$30,000-39,999	2,665	13.1%	\$9,999	100.0%	2,665
\$40,000-49,999	2,271	11.2%	\$5,180	51.8%	1,177
\$50,000-59,999	1,762	8.7%			
\$60,000-74,999	1,672	8.2%			
\$75,000-99,999	1,103	5.4%			
\$100,000-124,999	585	2.9%			
\$125,000-149,999	236	1.2%			
\$150,000-199,999	287	1.4%			
\$200,000+	190	0.9%			
<b>Total</b>	<b>20,333</b>	<b>100.0%</b>			<b>5,382</b>

### ASSUMPTIONS - 60% AMI ABSENT SUBSIDY

Tenancy	Family	% of Income Towards Housing	35%
Urban/Rural	Urban	Maximum # of Occupants	5
Persons In Household	1BR	2BR	3BR
1	70%	30%	0%
2	20%	80%	0%
3	0%	60%	40%
4	0%	20%	80%
5+	0%	0%	100%

**Demand from New Renter Households 2016 to Prj Mrkt Entry May 2019**

Income Target Population	60% - Absent Subsidy
New Renter Households PMA	416
Percent Income Qualified	26.5%
<b>New Renter Income Qualified Households</b>	<b>110</b>

**Demand from Existing Households 2017**

**Demand form Rent Overburdened Households**

Income Target Population	60% - Absent Subsidy
Total Existing Demand	20,333
Income Qualified	26.5%
Income Qualified Renter Households	5,382
Percent Rent Overburdened Prj Mrkt Entry May 2019	27.6%
<b>Rent Overburdened Households</b>	<b>1484</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	5,382
Percent Living in Substandard Housing	0.4%
<b>Households Living in Substandard Housing</b>	<b>24</b>

**Senior Households Converting from Homeownership**

Income Target Population	60% - Absent Subsidy
Total Senior Homeowners	0
Rural Versus Urban	2.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households	1,507
Total New Demand	110
<b>Total Demand (New Plus Existing Households)</b>	<b>1,617</b>

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

**By Bedroom Demand**

One Person	30.4%	491
Two Persons	22.2%	359
Three Persons	17.4%	281
Four Persons	13.6%	219
Five Persons	16.5%	267
<b>Total</b>	<b>100.0%</b>	<b>1,617</b>

**Capture Rate: 60% - Absent Subsidy**

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	70%	344
Of two-person households in 1BR units	20%	72
Of one-person households in 2BR units	30%	147
Of two-person households in 2BR units	80%	287
Of three-person households in 2BR units	60%	169
Of four-person households in 2BR units	20%	44
Of three-person households in 3BR units	40%	112
Of four-person households in 3BR units	80%	176
Of five-person households in 3BR units	100%	267
<b>Total Demand</b>		<b>1,617</b>

	Total Demand (Subject Unit Type)		Additions to Supply		Net Demand
1BR	415	-	0	=	415
2BR	647	-	0	=	647
3BR	554	-	0	=	554
<b>Total</b>	<b>1,617</b>		<b>0</b>		<b>1,617</b>

	Developers Unit Mix		Net Demand		Capture Rate
1BR	18	/	415	=	4.3%
2BR	88	/	647	=	13.6%
3BR	57	/	554	=	10.3%
<b>Total</b>	<b>163</b>		<b>1,617</b>		<b>10.1%</b>

## Conclusions

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

- The number of renter households in the PMA is expected to increase by 0.05 percent between 2016 and 2021. This represents an increase of 734 households.
- The Subject is able to attract a wide range of household sizes in offering one, two, and three-bedroom units.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject’s units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

**Demand and Net Demand**

	HH at 60% AMI - With Subsidy (\$0 to \$45,180 income)	HH at 60% AMI - Absent Subsidy (\$25,509 to \$45,180 income)
Demand from New Households (age and income appropriate)	274	110
<b>PLUS</b>		+
Demand from Existing Renter Households - Substandard Housing	59	24
<b>PLUS</b>		+
Demand from Existing Renter Households - Rent Overburdened Households	3,695	1,484
<b>PLUS</b>		+
<b>Secondary Market Demand adjustment IF ANY Subject to 15% Limitation</b>	<b>0</b>	<b>0</b>
<b>Sub Total</b>	<b>4,028</b>	<b>1,617</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0
<b>Equals Total Demand</b>	<b>4,028</b>	<b>1,617</b>
<b>Less</b>	<b>-</b>	<b>-</b>
Competitive New Supply	0	0
<b>Equals Net Demand</b>	<b>4,028</b>	<b>1,617</b>

CAPTURE RATE ANALYSIS CHART

Unit Type	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 60% AMI/Sec. 8	18	1,035	0	1,035	1.7%	One month	\$824	\$714	\$952	\$681
1BR at 60% AMI	6	415	0	415	4.3%	One month	\$824	\$714	\$952	\$681
2BR at 60% AMI/Sec. 8	88	1,612	0	1,612	5.5%	6-7 months	\$970	\$760	\$1,138	\$777
2BR at 60% AMI	16	647	0	647	13.6%	8-10 months	\$970	\$760	\$1,138	\$777
3BR at 60% AMI/Sec. 8	57	1,381	0	1,381	4.1%	One month	\$1,093	\$950	\$1,303	\$1,019
3BR at 60% AMI	11	554	0	554	10.3%	One month	\$1,093	\$950	\$1,303	\$1,019
Overall - With Subsidy	163	4,028	0	4,028	4.0%	7-9 months	-	-	-	-
Overall - Absent Subsidy	33	1,617	0	1,617	10.1%	10-11 months	-	-	-	-

As the analysis illustrates, the Subject's capture rates at the 60 percent AMI level with subsidy will range from 1.7 to 5.5 percent, with an overall capture rate of 4.0 percent. Absent subsidy, the Subject's capture rates at the 60 percent AMI level will range from 4.3 to 13.6 percent, with an overall capture rate of 10.1 percent. Therefore, we believe there is adequate demand for the Subject.

# **H. COMPETITIVE RENTAL ANALYSIS**

## COMPETITIVE RENTAL ANALYSIS

### Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,905 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered average; we have included five comparable properties which offer LIHTC units, four of which are located in within the PMA. One of the comparables, Ashley Woods Apartments, is located just outside of the PMA, within 7.4 miles of the Subject. Due to the lack of “true” LIHTC comparables in the PMA and surrounding areas, it was necessary to utilize this comparable property. We believe these comparables are the most comparable properties in the area as they target families, and are located in generally similar areas in terms of access to amenities and employment opportunities.

Finally, it is of note that 163 of the Subject’s 196 units currently benefit from a Housing Assistance Program (HAP) contract. As such, qualifying tenants will pay only 30 percent of their household income on rent. The comparable affordable properties in the PMA are located between 0.7 and 3.7 miles from the Subject, while the comparable affordable property in the SMA is located 7.4 miles from the Subject. The selected LIHTC properties are included in the following list of properties.

SURVEYED LIHTC COMPARABLES					
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate	Wait List
Ashley Woods Apartments*	LIHTC/HOME	128	0	0.0%	No
Breckenridge Apartments	LIHTC	208	2	1.0%	No
Cambridge Pointe	LIHTC/Market	180	2	1.1%	Yes - 2 to 3 months
Park At Mount Zion Apartments	LIHTC	193	10	5.2%	No
Regal Park	LIHTC	168	0	0.0%	Yes - 6 households
<b>Total in PMA</b>		<b>749</b>	<b>14</b>	<b>1.9%</b>	
<b>Total</b>		<b>877</b>	<b>14</b>	<b>1.6%</b>	

\*Located outside PMA

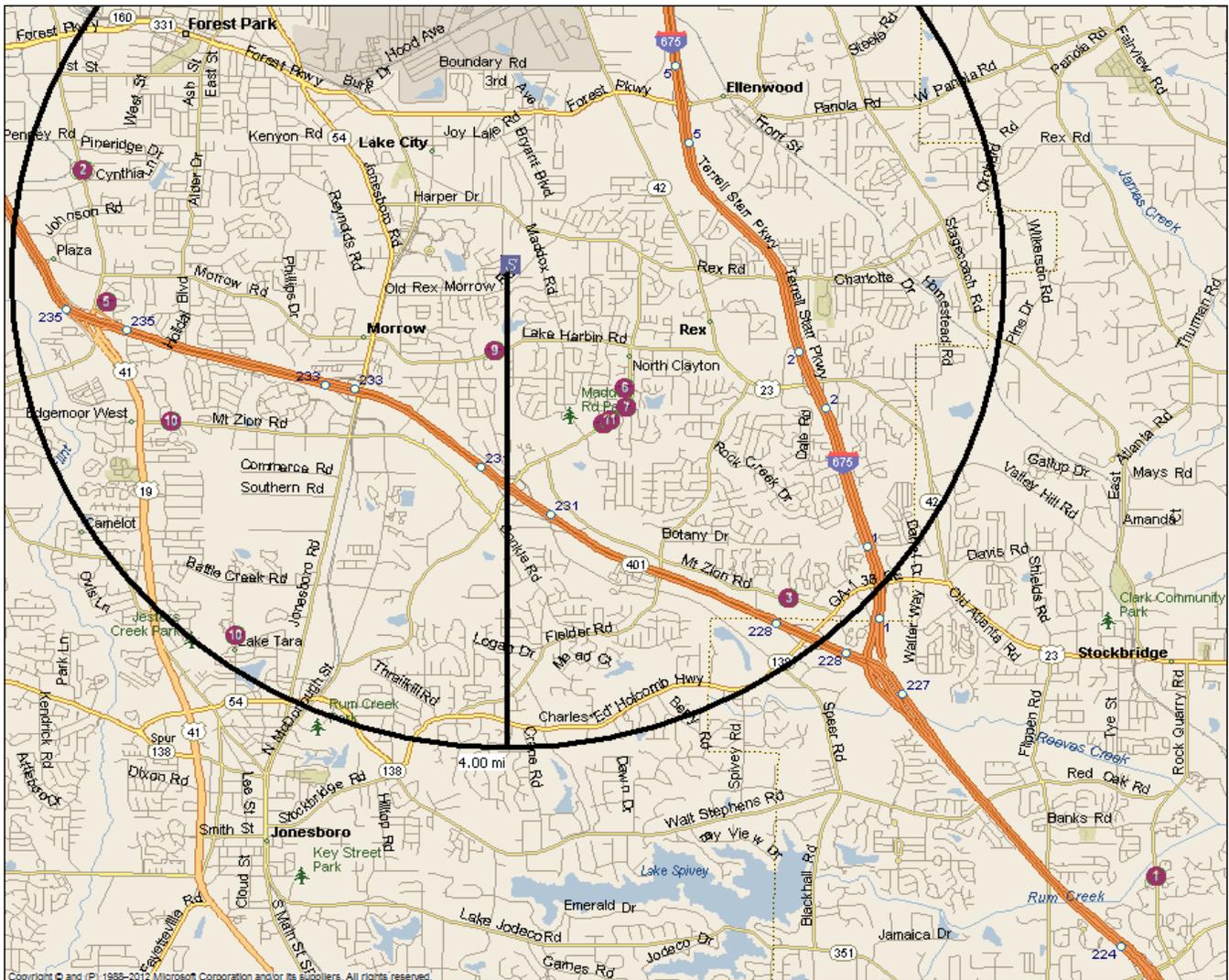
The availability of market rate data is considered good as there are a sufficient number of market rate properties that are located within the PMA. We have included six market rate properties in the rental analysis, and all are located in the PMA, within 3.7 miles of the Subject. These comparable market rate properties were built between 1974 and 1999.

## Excluded Properties

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

EXCLUDED PROPERTIES						
Property	Address	City	Rent Structure	Tenancy	Reason for Exclusion	# of Units
Ashton Walk Senior Apartments	4950 Governors Drive	Forest Park	LIHTC	Senior	Senior tenancy	150
Taj Mahal Homes	514 Bridge Ave	Forest Park	LIHTC	Family	More comparable properties	32
Tracewood Apartments	482 Sylvia Drive	Forest Park	LIHTC	Family	More comparable properties	85
Waldorf Creek Apartments	4663 Waldrop Drive	Forest Park	LIHTC	Family	More comparable properties	92
Water's Edge Apartments	417 Barton Drive	Forest Park	LIHTC/Market	Family	More comparable properties	48
Governor's Terrace	4947 Governors Drive	Forest Park	Section 8	Family	Subsidized	49
Lexington Square Townhouses	1625-I Conley Rd	Conley	Section 8	Family	Subsidized	76
Parkside Crossing Apartments	4233 Jonesboro Road	Forest Park	Section 8	Family	Subsidized	250
Arbor Estates	260 Main St.	Forest Park	Market	Family	More comparable properties	20
Avenue 33 Apartments	3386 Mount Zion Road	Stockbridge	Market	Family	More comparable properties	284
Averyly Apartments	100 Chase Lake Drive	Jonesboro	Market	Family	More comparable properties	262
Battle Creek Village	1174 Battle Creek Road	Jonesboro	Market	Family	More comparable properties	250
Brentwood Manor	5738 Old Dixie Hwy	Forest Park	Market	Family	More comparable properties	157
Briarwood Forest	890 Conley Road	Forest Park	Market	Family	More comparable properties	56
Camden Stockbridge	1000 Peridot Parkway	Stockbridge	Market	Family	More comparable properties	304
Cameron Landing	3470 Mount Zion Road	Stockbridge	Market	Family	More comparable properties	368
Carrington Park	2650 Mount Zion Parkway	Jonesboro	Market	Family	More comparable properties	330
Colonial Village At Stockbridge	50 Evergreen Way	Stockbridge	Market	Family	More comparable properties	240
Delta Victory Lake	4241 Hendrix Drive	Forest Park	Market	Family	More comparable properties	218
Fieldstone Glen	2615 Mount Zion Pky	Jonesboro	Market	Family	More comparable properties	216
Forest Park Manor	507 Georgia Avenue	Forest Park	Market	Family	More comparable properties	112
Harmony Crossroads	8050 Tara Boulevard	Jonesboro	Market	Family	More comparable properties	134
Indian Lake Apartments	100 Indian Lake Drive	Morrow	Market	Family	More comparable properties	243
Marquis Grand Apartments	6726 Tara Blvd.	Jonesboro	Market	Family	More comparable properties	328
Olivia Place	5220 Henry Blvd	Stockbridge	Market	Family	More comparable properties	120
Park Manor Apartments	460 Main St.	Forest Park	Market	Family	More comparable properties	52
Pinewood Manor	6903 Tara Boulevard	Jonesboro	Market	Family	More comparable properties	460
River's Edge	7001 Tara Boulevard	Jonesboro	Market	Family	More comparable properties	228
Sheraton House	1409 Rockcut Road	Forest Park	Market	Family	More comparable properties	80
Southlake Cove	7509 Jonesboro Road	Jonesboro	Market	Family	More comparable properties	346
The Grove At Southlake	7290 Southlake Pkwy	Morrow	Market	Family	More comparable properties	260
Willow Park	1466 Rockcut Road	Forest Park	Market	Family	More comparable properties	108
Wingate Apartments	4735 Courtney Drive	Forest Park	Market	Family	More comparable properties	211

Comparable Rental Property Map



COMPARABLE PROPERTIES

Map #	Property Name	Location	Program	Distance
1	Ashley Woods Apartments*	Stockbridge	LIHTC/HOME	7.4 miles
2	Breckenridge Apartments	Forest Park	LIHTC	3.5 miles
3	Cambridge Pointe	Stockbridge	LIHTC/Market	3.6 miles
4	Park At Mount Zion Apartments	Jonesboro	LIHTC	2.9 miles
5	Regal Park	Forest Park	LIHTC	3.2 miles
6	Hampton Downs Apartments	Morrow	Market	1.4 miles
7	Hidden Creek	Morrow	Market	1.5 miles
8	Level At Mt. Zion	Morrow	Market	1.5 miles
9	Magnolia Woods	Morrow	Market	0.7 miles
10	Park At Tara Lake	Jonesboro	Market	3.7 miles
11	The Fields Baywood	Morrow	Market	1.5 miles

\*Located outside of the PMA

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

**1. The following tables illustrate detailed information in a comparable framework for the Subject and the comparable properties.**

SUMMARY MATRIX														
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Southwood Apartments 6001 Trammell Rd Morrow, GA 30260 Clayton County	n/a	Garden (2 stories) 1972 / Proposed	LIHTC/Section 8	1BR / 1BA	6	3.1%	@60%	\$681	810	no	Yes	0	0.0%
					1BR / 1BA	18	9.2%	@60% (Section 8)	\$681	810	no	Yes	0	0.0%
					2BR / 2BA	16	8.2%	@60%	\$777	1,028	no	Yes	0	0.0%
					2BR / 2BA	88	44.9%	@60% (Section 8)	\$777	1,028	no	Yes	4	4.5%
					3BR / 2BA	11	5.6%	@60%	\$883	1,235	no	Yes	0	0.0%
					3BR / 2BA	57	29.1%	@60% (Section 8)	\$883	1,235	no	Yes	1	1.8%
						196	100%							
1	Ashley Woods Apartments 1050 Rock Quarry Road Stockbridge, GA 30281 Henry County	7.4 miles	Garden (3 stories) 1991 / 2008	LIHTC/HOME	1BR / 1BA	1	0.8%	@50% (HOME)	\$566	748	no	No	0	0.0%
					1BR / 1BA	13	10.2%	@60%	\$716	748	no	No	0	0.0%
					1BR / 1BA	2	1.6%	@60% (HOME)	\$677	748	no	No	0	0.0%
					2BR / 2BA	1	0.8%	@50% (HOME)	\$606	1,010	no	No	0	0.0%
					2BR / 2BA	60	46.9%	@60%	\$831	1,010	no	No	0	0.0%
					2BR / 2BA	3	2.3%	@60% (HOME)	\$676	1,010	no	No	0	0.0%
					3BR / 2BA	45	35.2%	@60%	\$1,003	1,134	no	No	0	0.0%
	3	2.3%	@60% (HOME)	\$931	1,134	no	No	0	0.0%					
	128	100%										0	0.0%	
2	Breckenridge Apartments 5530 Old Dixie Highway Forest Park, GA 30297 Clayton County	3.5 miles	Garden (2 stories) 1971 / 2005	LIHTC	2BR / 1BA	N/A	N/A	@60%	\$767	1,040	no	No	2	N/A
					2BR / 2BA	N/A	N/A	@60%	\$792	1,040	no	No	0	N/A
					3BR / 1.5BA	N/A	N/A	@60%	\$892	1,240	no	No	0	N/A
					3BR / 2BA	N/A	N/A	@60%	\$907	1,240	no	No	0	N/A
						208	100%							
3	Cambridge Pointe 3384 Mt. Zion Road Stockbridge, GA 30281 Clayton County	3.6 miles	Garden (3 stories) 2001 / 2016	LIHTC/Market	1BR / 1BA	N/A	N/A	@60%	\$758	809	yes	Yes	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$945	843	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	@60%	\$906	1,074	yes	No	2	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,109	1,074	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	@60%	\$1,077	1,197	yes	Yes	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,303	1,197	n/a	No	0	N/A
					4BR / 3BA	N/A	N/A	@60%	\$1,112	1,448	yes	Yes	0	N/A
					4BR / 3BA	N/A	N/A	Market	\$1,459	1,448	n/a	No	0	N/A
	180	100%										2	1.1%	
4	Park At Mount Zion Apartments 701 Mount Zion Road Jonesboro, GA 30236 Clayton County	2.9 miles	Various (2 stories) 1973 / 2003	LIHTC	2BR / 1.5BA (Townhouse)	48	24.9%	@60%	\$907	1,114	yes	No	N/A	N/A
					2BR / 2BA (Garden)	72	37.3%	@60%	\$907	1,056	yes	No	N/A	N/A
					3BR / 2BA (Garden)	64	33.2%	@60%	\$1,035	1,216	yes	No	N/A	N/A
					3BR / 2.5BA (Townhouse)	9	4.7%	@60%	\$1,035	1,404	yes	No	N/A	N/A
						193	100%							
5	Regal Park 461 Old Dixie Way Forest Park, GA 30297 Clayton County	3.2 miles	Garden (3 stories) 2005 / n/a	LIHTC	1BR / 1BA	28	16.7%	@60%	\$756	874	no	Yes	0	0.0%
					2BR / 2BA	84	50.0%	@60%	\$842	1,114	no	Yes	0	0.0%
					3BR / 2BA	56	33.3%	@60%	\$977	1,388	no	No	0	0.0%
						168	100%							
6	Hampton Downs Apartments 100 Sandlewood Dr Morrow, GA 30260 Clayton County	1.4 miles	Garden (2 stories) 1990 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$921	720	n/a	None	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,092	960	n/a	None	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,138	1,050	n/a	None	N/A	N/A
						201	100%							
7	Hidden Creek 6595 Mount Zion Blvd Morrow, GA 30260 Clayton County	1.5 miles	Garden (3 stories) 1999 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$854	744	n/a	No	1	N/A
					1BR / 1BA	N/A	N/A	Market	\$952	790	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,036	1,012	n/a	No	1	N/A
					2BR / 2BA	N/A	N/A	Market	\$997	1,035	n/a	No	2	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,047	1,046	n/a	No	1	N/A
					2BR / 2BA	N/A	N/A	Market	\$984	1,190	n/a	No	1	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,213	1,338	n/a	No	1	N/A
	116	100%										7	6.0%	

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

SUMMARY MATRIX														
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
8	Level At Mt. Zion 6668 Mount Zion Morrow, GA 30260 Clayton County	1.5 miles	Garden (3 stories) 1980s (est.) / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$763	628	n/a	No	0	N/A
					2BR / 1BA	N/A	N/A	Market	\$869	785	n/a	No	1	N/A
					3BR / 1BA	N/A	N/A	Market	\$971	987	n/a	No	1	N/A
														2
9	Magnolia Woods 2070 Lake Harbin Rd Morrow, GA 30260 Clayton County	0.7 miles	Various 1974 / Ongoing	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$714	704	n/a	No	N/A	N/A
					1BR / 1BA (Garden)	N/A	N/A	Market	\$754	720	n/a	No	N/A	N/A
					1BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$724	800	n/a	No	N/A	N/A
					2BR / 1BA (Garden)	N/A	N/A	Market	\$760	960	n/a	No	N/A	N/A
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$810	1,080	n/a	No	N/A	N/A
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$860	1,320	n/a	No	N/A	N/A
					3BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$955	1,480	n/a	No	N/A	N/A
										29	12.1%			
10	Park At Tara Lake 7545 Tara Road Jonesboro, GA 30236 Clayton County	3.7 miles	Garden (3 stories) 1998 / 2016	Market	1BR / 1BA	50	21.7%	Market	\$785	804	n/a	No	N/A	N/A
					2BR / 2BA	50	21.7%	Market	\$929	1,044	n/a	No	N/A	N/A
					2BR / 2BA	50	21.7%	Market	\$948	1,079	n/a	No	N/A	N/A
					3BR / 2BA	80	34.8%	Market	\$950	1,244	n/a	No	N/A	N/A
												23	10.0%	
11	The Fields Baywood 6655 Mount Zion Blvd Morrow, GA 30260 Clayton County	1.5 miles	Garden (2 stories) 1995/1996 / 2017	Market	2BR / 2BA	48	40.0%	Market	\$996	1,004	n/a	No	N/A	N/A
					3BR / 2BA	32	26.7%	Market	\$1,126	1,153	n/a	No	N/A	N/A
					3BR / 2BA	40	33.3%	Market	\$1,136	1,201	n/a	No	N/A	N/A

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.</b>						
Effective Rent Date:		Sep-17	Units Surveyed:	1,905	Weighted Occupancy:	95.2%
			Market Rate	1,028	Market Rate	92.5%
			Tax Credit	877	Tax Credit	98.4%
One Bedroom One Bath		Two Bedrooms Two Bath		Three Bedrooms Two Bath		
RENT	Property	Average	Property	Average	Property	Average
	Hidden Creek	\$952	Hampton Downs Apartments	\$1,138	Cambridge Pointe * (M)	\$1,303
	Cambridge Pointe * (M)	\$945	Cambridge Pointe * (M)	\$1,109	Hidden Creek	\$1,213
	Hampton Downs Apartments	\$921	Hampton Downs Apartments	\$1,092	The Fields Baywood	\$1,136
	Hidden Creek	\$854	Hidden Creek	\$1,047	The Fields Baywood	\$1,126
	Park At Tara Lake	\$785	Hidden Creek	\$1,036	Cambridge Pointe * (60%)	\$1,077
	Level At Mt. Zion	\$763	Hidden Creek	\$997	Park At Mount Zion Apartments * (60%)	\$1,035
	Cambridge Pointe * (60%)	\$758	The Fields Baywood	\$996	Ashley Woods Apartments * (60%)	\$1,003
	Regal Park * (60%)	\$756	Hidden Creek	\$984	Regal Park * (60%)	\$977
	Magnolia Woods	\$754	Park At Tara Lake	\$948	Level At Mt. Zion (1BA)	\$971
	Ashley Woods Apartments * (60%)	\$716	Park At Tara Lake	\$929	Magnolia Woods (2.5BA)	\$955
	Magnolia Woods	\$714	Park At Mount Zion Apartments * (60%)	\$907	Park At Tara Lake	\$950
	<b>Southwood Apartments * (60%)</b>	<b>\$681</b>	Cambridge Pointe * (60%)	\$906	Ashley Woods Apartments * (60%)	\$931
	<b>Southwood Apartments * (60%)</b>	<b>\$681</b>	Level At Mt. Zion (1BA)	\$869	Breckenridge Apartments * (60%)	\$907
	Ashley Woods Apartments * (60%)	\$677	Magnolia Woods (2.5BA)	\$860	<b>Southwood Apartments * (60%)</b>	<b>\$883</b>
	Ashley Woods Apartments * (50%)	\$566	Regal Park * (60%)	\$842	<b>Southwood Apartments * (60%)</b>	<b>\$883</b>
			Ashley Woods Apartments * (60%)	\$831		
			Breckenridge Apartments * (60%)	\$792		
			<b>Southwood Apartments * (60%)</b>	<b>\$777</b>		
			<b>Southwood Apartments * (60%)</b>	<b>\$777</b>		
			Ashley Woods Apartments * (60%)	\$676		
			Ashley Woods Apartments * (50%)	\$606		
SQUARE FOOTAGE	Regal Park * (60%)	874	Magnolia Woods (2.5BA)	1,320	Magnolia Woods (2.5BA)	1,480
	Cambridge Pointe * (M)	843	Hidden Creek	1,190	Regal Park * (60%)	1,388
	<b>Southwood Apartments * (60%)</b>	<b>810</b>	Regal Park * (60%)	1,114	Hidden Creek	1,338
	<b>Southwood Apartments * (60%)</b>	<b>810</b>	Park At Tara Lake	1,079	Park At Tara Lake	1,244
	Cambridge Pointe * (60%)	809	Cambridge Pointe * (60%)	1,074	Breckenridge Apartments * (60%)	1,240
	Park At Tara Lake	804	Cambridge Pointe * (M)	1,074	<b>Southwood Apartments * (60%)</b>	<b>1,235</b>
	Hidden Creek	790	Park At Mount Zion Apartments * (60%)	1,056	<b>Southwood Apartments * (60%)</b>	<b>1,235</b>
	Ashley Woods Apartments * (50%)	748	Hampton Downs Apartments	1,050	Park At Mount Zion Apartments * (60%)	1,216
	Ashley Woods Apartments * (60%)	748	Hidden Creek	1,046	The Fields Baywood	1,201
	Ashley Woods Apartments * (60%)	748	Park At Tara Lake	1,044	Cambridge Pointe * (60%)	1,197
	Hidden Creek	744	Breckenridge Apartments * (60%)	1,040	Cambridge Pointe * (M)	1,197
	Hampton Downs Apartments	720	Hidden Creek	1,035	The Fields Baywood	1,153
	Magnolia Woods	720	<b>Southwood Apartments * (60%)</b>	<b>1,028</b>	Ashley Woods Apartments * (60%)	1,134
	Magnolia Woods	704	<b>Southwood Apartments * (60%)</b>	<b>1,028</b>	Ashley Woods Apartments * (60%)	1,134
	Level At Mt. Zion	628	Hidden Creek	1,012	Level At Mt. Zion (1BA)	987
			Ashley Woods Apartments * (50%)	1,010		
			Ashley Woods Apartments * (60%)	1,010		
			Ashley Woods Apartments * (60%)	1,010		
			The Fields Baywood	1,004		
			Hampton Downs Apartments	960		
			Level At Mt. Zion (1BA)	785		

**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.</b>								
Effective Rent Date:		Sep-17	Units Surveyed:		1,905	Weighted Occupancy:	95.2%	
			Market Rate		1,028	Market Rate		92.5%
			Tax Credit		877	Tax Credit		98.4%
One Bedroom One Bath			Two Bedrooms Two Bath		Three Bedrooms Two Bath			
	Property	Average	Property	Average	Property	Average		
<b>RENT PER SQUARE FOOT</b>	Hampton Downs Apartments	\$1.28	Hampton Downs Apartments	\$1.14	Cambridge Pointe * (M)	\$1.09		
	Level At Mt. Zion	\$1.21	Level At Mt. Zion (1BA)	\$1.11	Level At Mt. Zion (1BA)	\$0.98		
	Hidden Creek	\$1.21	Hampton Downs Apartments	\$1.08	The Fields Baywood	\$0.98		
	Hidden Creek	\$1.15	Cambridge Pointe * (M)	\$1.03	The Fields Baywood	\$0.95		
	Cambridge Pointe * (M)	\$1.12	Hidden Creek	\$1.02	Hidden Creek	\$0.91		
	Magnolia Woods	\$1.05	Hidden Creek	\$1.00	Cambridge Pointe * (60%)	\$0.90		
	Magnolia Woods	\$1.01	The Fields Baywood	\$0.99	Ashley Woods Apartments * (60%)	\$0.88		
	Park At Tara Lake	\$0.98	Hidden Creek	\$0.96	Park At Mount Zion Apartments * (60%)	\$0.85		
	Ashley Woods Apartments * (60%)	\$0.96	Park At Tara Lake	\$0.89	Ashley Woods Apartments * (60%)	\$0.82		
	Cambridge Pointe * (60%)	\$0.94	Park At Tara Lake	\$0.88	Park At Tara Lake	\$0.76		
	Ashley Woods Apartments * (60%)	\$0.91	Park At Mount Zion Apartments * (60%)	\$0.86	Breckenridge Apartments * (60%)	\$0.73		
	Regal Park * (60%)	\$0.86	Cambridge Pointe * (60%)	\$0.84	<b>Southwood Apartments * (60%)</b>	<b>\$0.71</b>		
	<b>Southwood Apartments * (60%)</b>	<b>\$0.84</b>	Hidden Creek	\$0.83	<b>Southwood Apartments * (60%)</b>	<b>\$0.71</b>		
	<b>Southwood Apartments * (60%)</b>	<b>\$0.84</b>	Ashley Woods Apartments * (60%)	\$0.82	Regal Park * (60%)	\$0.70		
	Ashley Woods Apartments * (50%)	\$0.76	Breckenridge Apartments * (60%)	\$0.76	Magnolia Woods (2.5BA)	\$0.65		
			<b>Southwood Apartments * (60%)</b>	<b>\$0.76</b>				
			<b>Southwood Apartments * (60%)</b>	<b>\$0.76</b>				
			Regal Park * (60%)	\$0.76				
			Ashley Woods Apartments * (60%)	\$0.67				
			Magnolia Woods (2.5BA)	\$0.65				
			Ashley Woods Apartments * (50%)	\$0.60				

# PROPERTY PROFILE REPORT

## Ashley Woods Apartments

Effective Rent Date	9/11/2017
Location	1050 Rock Quarry Road Stockbridge, GA 30281 Henry County
Distance	7.4 miles
Units	128
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1991 / 2008
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	North Park, Hyde Park
Tenant Characteristics	30% from out of state; work at airport, fast food restaurants or in healthcare; mostly families; avg income approx \$35k
Contact Name	Ronyelle
Phone	770.474.8444



### Market Information

Program	@50% (HOME), @60%, @60% (HOME)
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	25%
Leasing Pace	Within ten days
Annual Chg. in Rent	None
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	1	748	\$551	\$0	@50% (HOME)	No	0	0.0%	no	None
1	1	Garden (3 stories)	13	748	\$701	\$0	@60%	No	0	0.0%	no	None
1	1	Garden (3 stories)	2	748	\$662	\$0	@60% (HOME)	No	0	0.0%	no	None
2	2	Garden (3 stories)	1	1,010	\$587	\$0	@50% (HOME)	No	0	0.0%	no	None
2	2	Garden (3 stories)	60	1,010	\$812	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	3	1,010	\$657	\$0	@60% (HOME)	No	0	0.0%	no	None
3	2	Garden (3 stories)	45	1,134	\$980	\$0	@60%	No	0	0.0%	no	None
3	2	Garden (3 stories)	3	1,134	\$908	\$0	@60% (HOME)	No	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$551	\$0	\$551	\$15	\$566	1BR / 1BA	\$662 - \$701	\$0	\$662 - \$701	\$15	\$677 - \$716
2BR / 2BA	\$587	\$0	\$587	\$19	\$606	2BR / 2BA	\$657 - \$812	\$0	\$657 - \$812	\$19	\$676 - \$831
						3BR / 2BA	\$908 - \$980	\$0	\$908 - \$980	\$23	\$931 - \$1,003

## Ashley Woods Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Patrol	None
Cable/Satellite/Internet	Carpeting	Perimeter Fencing	
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

### Comments

The contact reported the property has LIHTC and HOME units and pricing is set with LRO software. She noted rents fluctuate often as long as they do not go over the maximum allowable rents but typically stay just under the max rents.

# Ashley Woods Apartments, continued

## Trend Report

### Vacancy Rates

1Q15	2Q16	4Q16	3Q17
4.7%	0.0%	0.0%	0.0%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$498	\$0	\$498	\$513
2016	2	0.0%	\$551	\$0	\$551	\$566
2016	4	0.0%	\$551	\$0	\$551	\$566
2017	3	0.0%	\$551	\$0	\$551	\$566

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$587	\$0	\$587	\$606
2016	2	0.0%	\$587	\$0	\$587	\$606
2016	4	0.0%	\$587	\$0	\$587	\$606
2017	3	0.0%	\$587	\$0	\$587	\$606

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	0.0%	\$612 - \$660	\$0	\$612 - \$660	\$627 - \$675
2016	2	0.0%	\$662 - \$701	\$0	\$662 - \$701	\$677 - \$716
2016	4	0.0%	\$662 - \$701	\$0	\$662 - \$701	\$677 - \$716
2017	3	0.0%	\$662 - \$701	\$0	\$662 - \$701	\$677 - \$716

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	3.2%	\$655 - \$798	\$0	\$655 - \$798	\$674 - \$817
2016	2	0.0%	\$657 - \$812	\$0	\$657 - \$812	\$676 - \$831
2016	4	0.0%	\$657 - \$812	\$0	\$657 - \$812	\$676 - \$831
2017	3	0.0%	\$657 - \$812	\$0	\$657 - \$812	\$676 - \$831

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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2015	1	8.3%	\$794 - \$818	\$0	\$794 - \$818	\$817 - \$841
2016	2	0.0%	\$908 - \$980	\$0	\$908 - \$980	\$931 - \$1,003
2016	4	0.0%	\$908 - \$980	\$0	\$908 - \$980	\$931 - \$1,003
2017	3	0.0%	\$908 - \$980	\$0	\$908 - \$980	\$931 - \$1,003

## Trend: Comments

1Q15	Rents for 60 percent one and two-bedroom units increased 0.3 and 2.1 percent, respectively. Rents for 60 percent three-bedroom units decreased 0.3 percent. Management reported that demand for affordable housing in the area is high and that vacancies are due to potential tenants being over qualified.
2Q16	The contact reported the property has LIHTC and HOME units and pricing is set with LRO software. She noted rents fluctuate often as long as they do not go over the maximum allowable rents.
4Q16	The contact reported the property has LIHTC and HOME units and pricing is set with LRO software. She noted rents fluctuate often as long as they do not go over the maximum allowable rents but typically stay just under the max rents.
3Q17	N/A

Photos



# PROPERTY PROFILE REPORT

## Breckenridge Apartments

Effective Rent Date	8/30/2017
Location	5530 Old Dixie Highway Forest Park, GA 30297 Clayton County
Distance	3.5 miles
Units	208
Vacant Units	2
Vacancy Rate	1.0%
Type	Garden (2 stories)
Year Built/Renovated	1971 / 2005
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Hunters Bay, Bradford Ridge
Tenant Characteristics	Tenants are mostly families, most work in Forest Park
Contact Name	Devin
Phone	404-361-8448



### Market Information

Program	@60%
Annual Turnover Rate	17%
Units/Month Absorbed	N/A
HCV Tenants	80%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 5-7% since 2Q 2016
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	N/A	1,040	\$685	\$0	@60%	No	2	N/A	no	None
2	2	Garden (2 stories)	N/A	1,040	\$710	\$0	@60%	No	0	N/A	no	None
3	1.5	Garden (2 stories)	N/A	1,240	\$795	\$0	@60%	No	0	N/A	no	None
3	2	Garden (2 stories)	N/A	1,240	\$810	\$0	@60%	No	0	N/A	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1BA	\$685	\$0	\$685	\$82	\$767
2BR / 2BA	\$710	\$0	\$710	\$82	\$792
3BR / 1.5BA	\$795	\$0	\$795	\$97	\$892
3BR / 2BA	\$810	\$0	\$810	\$97	\$907

## Breckenridge Apartments, continued

### Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	None	Afterschool Program
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool			

### Comments

The contact had no additional comments.

## Breckenridge Apartments, continued

### Trend Report

#### Vacancy Rates

4Q10	2Q14	2Q16	3Q17
11.1%	4.3%	0.0%	1.0%

### Trend: @60%

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$700	\$116	\$584	\$666
2014	2	N/A	\$700	\$11	\$689	\$771
2016	2	N/A	\$645	\$0	\$645	\$727
2017	3	N/A	\$685	\$0	\$685	\$767

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$725	\$121	\$604	\$686
2014	2	N/A	\$725	\$11	\$714	\$796
2016	2	N/A	\$670	\$0	\$670	\$752
2017	3	N/A	\$710	\$0	\$710	\$792

#### 3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$830	\$105	\$725	\$822
2014	2	N/A	\$830	\$17	\$813	\$910
2016	2	N/A	\$745	\$0	\$745	\$842
2017	3	N/A	\$795	\$0	\$795	\$892

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	4	N/A	\$845	\$95	\$750	\$847
2014	2	N/A	\$845	\$18	\$827	\$924
2016	2	N/A	\$770	\$0	\$770	\$867
2017	3	N/A	\$810	\$0	\$810	\$907

### Trend: Comments

4Q10	N/A
2Q14	The contact could not give the number of vacant units broken down by bedroom type but did state the occupancy rate of 96 percent.
2Q16	The contact stated that there was a wait list; however, he was unable to provide the number of households on the waiting list.
3Q17	The contact had no additional comments.

# PROPERTY PROFILE REPORT

## Cambridge Pointe

Effective Rent Date	9/18/2017
Location	3384 Mt. Zion Road Stockbridge, GA 30281 Clayton County
Distance	3.6 miles
Units	180
Vacant Units	2
Vacancy Rate	1.1%
Type	Garden (3 stories)
Year Built/Renovated	2001 / 2016
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Veronica
Phone	770-389-5161



### Market Information

Program	LIHTC/Market
Annual Turnover Rate	33%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one month
Annual Chg. in Rent	Kept at max; increased 1-2%
Concession	See comments

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	809	\$743	\$0	@60%	Yes	0	N/A	yes	None
1	1	Garden (3 stories)	N/A	843	\$930	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,074	\$904	\$17	@60%	No	2	N/A	yes	None
2	2	Garden (3 stories)	N/A	1,074	\$1,090	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,197	\$1,054	\$0	@60%	Yes	0	N/A	yes	None
3	2	Garden (3 stories)	N/A	1,197	\$1,280	\$0	Market	No	0	N/A	N/A	None
4	3	Garden (3 stories)	N/A	1,448	\$1,083	\$0	@60%	Yes	0	N/A	yes	None
4	3	Garden (3 stories)	N/A	1,448	\$1,430	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$743	\$0	\$743	\$15	\$758	1BR / 1BA	\$930	\$0	\$930	\$15	\$945
2BR / 2BA	\$904	\$17	\$887	\$19	\$906	2BR / 2BA	\$1,090	\$0	\$1,090	\$19	\$1,109
3BR / 2BA	\$1,054	\$0	\$1,054	\$23	\$1,077	3BR / 2BA	\$1,280	\$0	\$1,280	\$23	\$1,303
4BR / 3BA	\$1,083	\$0	\$1,083	\$29	\$1,112	4BR / 3BA	\$1,430	\$0	\$1,430	\$29	\$1,459

Amenities

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

Comments

The property maintains a waiting list for the one and three-bedroom tax credit units that is approximately two to three months in length. All of the market rate units are being renovated as they become available. The renovations began in August 2016, and approximately 20 units have been renovated thus far. The renovations include new flooring, appliances, cabinets, fixtures, and paint. The base rents for the market rate units are shown in the profile. The one-bedroom market rate units range from \$930 to \$970, the two-bedroom market rate units range from \$1,090 to \$1,130, the three-bedroom market rate units range from \$1,280 to \$1,320, and the four-bedroom market rate units range from \$1,430 to \$1,470. The rents range based on floor level, type of flooring, and view. In-unit washer/dryers are included in all units. The property accepts Housing Choice Vouchers; however, the contact was not sure how many vouchers are currently being utilized.

# PROPERTY PROFILE REPORT

## Park At Mount Zion Apartments

Effective Rent Date	8/30/2017
Location	701 Mount Zion Road Jonesboro, GA 30236 Clayton County
Distance	2.9 miles
Units	193
Vacant Units	10
Vacancy Rate	5.2%
Type	Various (2 stories)
Year Built/Renovated	1973 / 2003
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Regal Park, Flint River Crossing, Windsor
Tenant Characteristics	Majority families from local area; approximately five percent of residents are seniors
Contact Name	Virginia
Phone	(770) 968-0311



### Market Information

Program	@60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	21%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None reported
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Townhouse (2 stories)	48	1,114	\$840	\$0	@60%	No	N/A	N/A	yes	None
2	2	Garden	72	1,056	\$840	\$0	@60%	No	N/A	N/A	yes	None
3	2	Garden	64	1,216	\$953	\$0	@60%	No	N/A	N/A	yes	None
3	2.5	Townhouse (2 stories)	9	1,404	\$953	\$0	@60%	No	N/A	N/A	yes	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$840	\$0	\$840	\$67	\$907
2BR / 2BA	\$840	\$0	\$840	\$67	\$907
3BR / 2BA	\$953	\$0	\$953	\$82	\$1,035
3BR / 2.5BA	\$953	\$0	\$953	\$82	\$1,035

## Park At Mount Zion Apartments, continued

### Amenities

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

### Comments

The contact was unsure why the vacancy rate is relatively high.

## Park At Mount Zion Apartments, continued

### Trend Report

#### Vacancy Rates

2Q14	1Q15	2Q17	3Q17
0.0%	0.0%	1.6%	5.2%

### Trend: @60%

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$715	\$0	\$715	\$782
2015	1	N/A	\$695	\$0	\$695	\$762
2017	2	N/A	\$840	\$0	\$840	\$907
2017	3	N/A	\$840	\$0	\$840	\$907

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$695	\$0	\$695	\$762
2015	1	N/A	\$675	\$0	\$675	\$742
2017	2	N/A	\$840	\$0	\$840	\$907
2017	3	N/A	\$840	\$0	\$840	\$907

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$990	\$0	\$990	\$1,072
2015	1	N/A	\$820	\$0	\$820	\$902
2017	2	N/A	\$953	\$0	\$953	\$1,035
2017	3	N/A	\$953	\$0	\$953	\$1,035

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	N/A	\$885	\$0	\$885	\$967
2015	1	N/A	\$735	\$0	\$735	\$817
2017	2	N/A	\$953	\$0	\$953	\$1,035
2017	3	N/A	\$953	\$0	\$953	\$1,035

### Trend: Comments

2Q14	This property is formerly known as Providence Place. The property is 100 percent occupied. The manger did not know annual turnover or the number of Section 8 Tenants.
1Q15	The contact indicated that the property is in the process of being sold and changing management. The property accepts Housing Choice Vouchers, but the contact was unable to provide a percent of tenants using vouchers. The property manager was unable to provide details regarding the significant decrease in rents. The property was exhibiting a vacancy rate of zero percent in the second quarter of 2014, with the higher rent level. Therefore, we are unsure why the property decided to decrease rents; however, the impending sale of the property and change in management might have had an impact.
2Q17	The contact stated that there is a strong demand for affordable housing in the local area.
3Q17	The contact was unsure why the vacancy rate is relatively high.

# PROPERTY PROFILE REPORT

## Regal Park

Effective Rent Date	9/11/2017
Location	461 Old Dixie Way Forest Park, GA 30297 Clayton County
Distance	3.2 miles
Units	168
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Breckenridge
Tenant Characteristics	Tenants come from all over Atlanta metro area
Contact Name	Joseph
Phone	404-362-5224



### Market Information

Program	@60%
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	7%
Leasing Pace	Within four days
Annual Chg. in Rent	Increased 2-3% since 2Q 2016
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	28	874	\$700	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	84	1,114	\$775	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	56	1,388	\$895	\$0	@60%	No	0	0.0%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$700	\$0	\$700	\$56	\$756
2BR / 2BA	\$775	\$0	\$775	\$67	\$842
3BR / 2BA	\$895	\$0	\$895	\$82	\$977

## Regal Park, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Vaulted Ceilings		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		

### Comments

The property maintains a waiting list for the one-bedroom units consisting of two households and a waiting list consisting of four households for two-bedroom units.

## Regal Park, continued

### Trend Report

#### Vacancy Rates

2Q14	2Q16	4Q16	3Q17
1.2%	8.9%	2.4%	0.0%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$610	\$0	\$610	\$666
2016	2	10.7%	\$675	\$0	\$675	\$731
2016	4	0.0%	\$695	\$0	\$695	\$751
2017	3	0.0%	\$700	\$0	\$700	\$756

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	1.2%	\$659	\$0	\$659	\$726
2016	2	6.0%	\$725	\$0	\$725	\$792
2016	4	1.2%	\$750	\$0	\$750	\$817
2017	3	0.0%	\$775	\$0	\$775	\$842

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	1.8%	\$705	\$0	\$705	\$787
2016	2	12.5%	\$835	\$0	\$835	\$917
2016	4	5.4%	\$855	\$0	\$855	\$937
2017	3	0.0%	\$895	\$0	\$895	\$977

### Trend: Comments

2Q14	Contact could not provide annual turnover.
2Q16	The property is currently offering reduced rates, which are the rents listed in this profile. The non-concessed asking rents are reportedly at the maximum allowable levels. The contact reported an average vacancy rate between 93 and 95 percent at the property and several of the vacant units are pre-leased. The property maintains a wait list for one and two-bedroom units; however, the contact was unable to state the length of the wait list.
4Q16	The contact had no additional comments.
3Q17	The property maintains a waiting list for the one-bedroom units consisting of two households and a waiting list consisting of four households for two-bedroom units.

# PROPERTY PROFILE REPORT

## Hampton Downs Apartments

Effective Rent Date	8/30/2017
Location	100 Sandlewood Dr Morrow, GA 30260 Clayton County
Distance	1.4 miles
Units	201
Vacant Units	4
Vacancy Rate	2.0%
Type	Garden (2 stories)
Year Built/Renovated	1990 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Melinda
Phone	770-961-1987



### Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	None reported
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	720	\$850	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	960	\$1,010	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,050	\$1,056	\$0	Market	None	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$850	\$0	\$850	\$71	\$921
2BR / 2BA	\$1,010 - \$1,056	\$0	\$1,010 - \$1,056	\$82	\$1,092 - \$1,138

## Hampton Downs Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	In-Unit Alarm	None
Carpeting	Central A/C	Patrol	
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Off-Street Parking		
On-Site Management	Playground		
Swimming Pool	Tennis Court		
Volleyball Court			

### Comments

The contact confirmed that the property does not offer a central laundry facility. The property no longer accepts Housing Choice Vouchers, and they are being phased out of the property.

# Hampton Downs Apartments, continued

## Trend Report

### Vacancy Rates

1Q10	2Q17	3Q17
44.8%	3.0%	2.0%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$460	\$0	\$460	\$531
2017	2	N/A	\$905	\$0	\$905	\$976
2017	3	N/A	\$850	\$0	\$850	\$921

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$655 - \$690	\$0	\$655 - \$690	\$737 - \$772
2017	2	N/A	\$1,141 - \$1,194	\$0	\$1,141 - \$1,194	\$1,223 - \$1,276

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	N/A	\$1,010 - \$1,056	\$0	\$1,010 - \$1,056	\$1,092 - \$1,138

## Trend: Comments

1Q10	Management could not provide an explanation for the severely low occupancy rate. No units are being held offline. The contact confirmed that the property does not offer a central laundry facility.
2Q17	The contact confirmed that the property does not offer a central laundry facility. Additionally, management does not accept Housing Choice Vouchers.
3Q17	The contact confirmed that the property does not offer a central laundry facility. The property no longer accepts Housing Choice Vouchers, and they are being phased out of the property.

# PROPERTY PROFILE REPORT

## Hidden Creek

Effective Rent Date	9/08/2017
Location	6595 Mount Zion Blvd Morrow, GA 30260 Clayton County
Distance	1.5 miles
Units	116
Vacant Units	7
Vacancy Rate	6.0%
Type	Garden (3 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Marquis at Mount Zion
Tenant Characteristics	Tenants come from all over Atlanta metro area
Contact Name	Rosemary
Phone	678-422-6063



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Changes Daily
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	744	\$783	\$0	Market	No	1	N/A	N/A	None
1	1	Garden (3 stories)	N/A	790	\$881	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,012	\$954	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,035	\$915	\$0	Market	No	2	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,046	\$965	\$0	Market	No	1	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,190	\$902	\$0	Market	No	1	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,338	\$1,116	\$0	Market	No	1	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$783 - \$881	\$0	\$783 - \$881	\$71	\$854 - \$952
2BR / 2BA	\$902 - \$965	\$0	\$902 - \$965	\$82	\$984 - \$1,047
3BR / 2BA	\$1,116	\$0	\$1,116	\$97	\$1,213

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Perimeter Fencing	
Coat Closet	Dishwasher		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Garage		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Swimming Pool	Tennis Court		

### Comments

The 1,035-square foot two-bedroom units on the first floor rent for a \$10 monthly premium; the base rent is shown in the profile. A few garages are available to rent; however, the contact was unsure of the monthly charge. The property does not accept Housing Choice Vouchers.

## Hidden Creek, continued

### Trend Report

#### Vacancy Rates

1Q10	2Q14	2Q17	3Q17
10.3%	0.0%	3.4%	6.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$670 - \$680	\$0	\$670 - \$680	\$741 - \$751
2014	2	N/A	\$650 - \$680	\$0	\$650 - \$680	\$721 - \$751
2017	2	N/A	\$776 - \$881	\$0	\$776 - \$881	\$847 - \$952
2017	3	N/A	\$783 - \$881	\$0	\$783 - \$881	\$854 - \$952

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$750 - \$820	\$0 - \$110	\$640 - \$785	\$722 - \$867
2014	2	N/A	\$750 - \$820	\$0	\$750 - \$820	\$832 - \$902
2017	2	N/A	\$1,000 - \$1,100	\$0	\$1,000 - \$1,100	\$1,082 - \$1,182
2017	3	N/A	\$902 - \$965	\$0	\$902 - \$965	\$984 - \$1,047

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$925	\$100	\$825	\$922
2014	2	N/A	\$925	\$0	\$925	\$1,022
2017	2	N/A	\$1,150	\$0	\$1,150	\$1,247
2017	3	N/A	\$1,116	\$0	\$1,116	\$1,213

### Trend: Comments

1Q10	The contact reported that there is one computer available for tenant use; therefore, we have not indicated that the property offers a business center. The property offers a clubhouse but tenants may not lease the clubhouse area for private use.
2Q14	The property is 100 percent occupied. The property uses a Lead to Lease program, therefore, rents change daily. The contact did not know annual turnover and or number of Section 8 tenants.
2Q17	The contact noted the property uses LRO rent system which repriced rents daily based on demand. This property does not accept Housing Choice Vouchers.
3Q17	The 1,035-square foot two-bedroom units on the first floor rent for a \$10 monthly premium; the base rent is shown in the profile. A few garages are available to rent; however, the contact was unsure of the monthly charge. The property does not accept Housing Choice Vouchers.

# PROPERTY PROFILE REPORT

## Level At Mt. Zion

Effective Rent Date	9/05/2017
Location	6668 Mount Zion Morrow, GA 30260 Clayton County
Distance	1.5 miles
Units	121
Vacant Units	2
Vacancy Rate	1.7%
Type	Garden (3 stories)
Year Built/Renovated	1980s (est.) / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	Krisia
Phone	770-961-5008



### Market Information

Program	Market
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	1%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 0-4% since 2Q 2017
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	628	\$748	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (3 stories)	N/A	785	\$850	\$0	Market	No	1	N/A	N/A	None
3	1	Garden (3 stories)	N/A	987	\$948	\$0	Market	No	1	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$748	\$0	\$748	\$15	\$763
2BR / 1BA	\$850	\$0	\$850	\$19	\$869
3BR / 1BA	\$948	\$0	\$948	\$23	\$971

## Level At Mt. Zion, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	Patrol	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
On-Site Management	Picnic Area		
Playground	Swimming Pool		

### Comments

The property was formerly known as Regal Pointe Apartments. The rents shown in the profile for the two and three-bedroom units are for units that have been upgraded with new appliances. The units that have not been upgraded rent for \$50 to \$55 less per month.

## Level At Mt. Zion, continued

### Trend Report

#### Vacancy Rates

1Q10	2Q14	2Q17	3Q17
9.1%	38.0%	1.7%	1.7%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$521	\$41	\$480	\$495
2014	2	N/A	\$550	\$9	\$541	\$556
2017	2	N/A	\$675	\$0	\$675	\$690
2017	3	N/A	\$748	\$0	\$748	\$763

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$576	\$45	\$531	\$550
2014	2	N/A	\$650	\$10	\$640	\$659
2017	2	N/A	\$775	\$0	\$775	\$794
2017	3	N/A	\$850	\$0	\$850	\$869

#### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$684	\$54	\$630	\$653
2014	2	N/A	\$735	\$15	\$720	\$743
2017	2	N/A	\$850	\$0	\$850	\$873
2017	3	N/A	\$948	\$0	\$948	\$971

### Trend: Comments

1Q10	The property manager cut the interview short and could not provide market characteristics, year built, or the year the property was renovated. Management charges a flat fee of \$26, \$31, and \$39 for water, sewer, and trash services, which have been added to the rents.
2Q14	The property is currently 62 percent occupied. According to management there have been a large number of evictions due to non-payment. There is rent specials on the the bedrooms. Contact did not know annual turnover rate.
2Q17	Rents at this property have experienced strong growth since our previous survey in 2014. At that time, vacancy was reported to be more than 35 percent (which the on-site manager then attributed to evictions). The contact reported that rental demand is currently strong, and pointed to strong rent growth and low vacancy as evidence of this. It should be noted occupancy reported in our 2014 survey was elevated at more than 35 percent. The manager at that time attributed the elevated vacancy to evictions. An estimate for the property turnover rate was not available.
3Q17	The property was formerly known as Regal Pointe Apartments. The rents shown in the profile for the two and three-bedroom units are for units that have been upgraded with new appliances. The units that have not been upgraded rent for \$50 to \$55 less per month.

# PROPERTY PROFILE REPORT

## Magnolia Woods

Effective Rent Date	9/05/2017
Location	2070 Lake Harbin Rd Morrow, GA 30260 Clayton County
Distance	0.7 miles
Units	240
Vacant Units	29
Vacancy Rate	12.1%
Type	Various
Year Built/Renovated	1974 / Ongoing
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Tenants from Jonesboro, Forest Park, Stockbridge
Contact Name	Tamisha
Phone	770-961-5635



### Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	6%
Leasing Pace	Within one month
Annual Chg. in Rent	N/A
Concession	\$200 off 1st month

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	N/A	704	\$660	\$17	Market	No	N/A	N/A	N/A	None
1	1	Garden	N/A	720	\$700	\$17	Market	No	N/A	N/A	N/A	None
1	1.5	Townhouse	N/A	800	\$670	\$17	Market	No	N/A	N/A	N/A	None
2	1	Garden	N/A	960	\$695	\$17	Market	No	N/A	N/A	N/A	None
2	1.5	Townhouse	N/A	1,080	\$745	\$17	Market	No	N/A	N/A	N/A	None
2	2.5	Townhouse	N/A	1,320	\$795	\$17	Market	No	N/A	N/A	N/A	None
3	2.5	Townhouse	N/A	1,480	\$875	\$17	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$660 - \$700	\$17	\$643 - \$683	\$71	\$714 - \$754
1BR / 1.5BA	\$670	\$17	\$653	\$71	\$724
2BR / 1BA	\$695	\$17	\$678	\$82	\$760
2BR / 1.5BA	\$745	\$17	\$728	\$82	\$810
2BR / 2.5BA	\$795	\$17	\$778	\$82	\$860
3BR / 2.5BA	\$875	\$17	\$858	\$97	\$955

Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Clubhouse/Meeting Room/Community	Central Laundry	None	None
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool	Tennis Court		

Comments

Only the two and three-bedroom townhome units offer washer/dryer connections. The contact reported that the property will soon begin renovations on their three-bedroom units. The renovations have started yet; however, all of the three-bedrooms will be completely gutted and redone. The contact noted that the slightly elevated vacancy rate was typical for the property.

## Trend Report

## Vacancy Rates

1Q10	2Q17	3Q17
52.1%	16.7%	12.1%

## Trend: Market

## 1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$630	\$131	\$499	\$570
2017	2	N/A	\$700	\$0	\$700	\$771
2017	3	N/A	\$670	\$17	\$653	\$724

## 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$575 - \$595	\$116 - \$136	\$459	\$530
2017	2	N/A	\$650 - \$660	\$0	\$650 - \$660	\$721 - \$731
2017	3	N/A	\$660 - \$700	\$17	\$643 - \$683	\$714 - \$754

## 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$745	\$126	\$619	\$701
2017	2	N/A	\$745	\$0	\$745	\$827
2017	3	N/A	\$745	\$17	\$728	\$810

## 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$695	\$166	\$529	\$611
2017	2	N/A	\$695	\$0	\$695	\$777
2017	3	N/A	\$695	\$17	\$678	\$760

## 2BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$795	\$136	\$659	\$741
2017	2	N/A	\$795	\$0	\$795	\$877
2017	3	N/A	\$795	\$17	\$778	\$860

## 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$875	\$106	\$769	\$866
2017	2	N/A	\$875	\$0	\$875	\$972
2017	3	N/A	\$875	\$17	\$858	\$955

## Trend: Comments

1Q10	The contact reported that the property is undergoing renovation but could not report the number of units being held offline, if any. Only the two- and three-bedroom townhouse units offer washer/dryer connections.
2Q17	Only the two and three-bedroom townhome units offer washer/dryer connections. The contact reported that the property is undergoing renovation but could not report the number of units being held offline, if any. Additionally, estimates for turnover rate and rent growth over the past year were not available. The manager provided no commentary regarding the current vacancy rate, which is elevated at approximately 16 percent.
3Q17	Only the two and three-bedroom townhome units offer washer/dryer connections. The contact reported that the property will soon begin renovations on their three-bedroom units. The renovations have started yet; however, all of the three-bedrooms will be completely gutted and redone. The contact noted that the slightly elevated vacancy rate was typical for the property.

# PROPERTY PROFILE REPORT

## Park At Tara Lake

Effective Rent Date 9/06/2017

Location 7545 Tara Road  
Jonesboro, GA 30236  
Clayton County  
Intersection: Tara Road and O'Hara Drive

Distance 3.7 miles

Units 230

Vacant Units 23

Vacancy Rate 10.0%

Type Garden (3 stories)

Year Built/Renovated 1998 / 2016

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Chase Village and Highland Grand

Tenant Characteristics Mixed tenancy

Contact Name Nikita

Phone (770) 472-5228



### Market Information

Program Market

Annual Turnover Rate 31%

Units/Month Absorbed N/A

HCV Tenants 0%

Leasing Pace Within one week

Annual Chg. in Rent Changes Daily

Concession 1/2 off pro-rated rent

### Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water included

Sewer included

Trash Collection included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	50	804	\$825	\$55	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	50	1,044	\$975	\$65	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	50	1,079	\$995	\$66	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	80	1,244	\$1,000	\$73	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$825	\$55	\$770	\$15	\$785
2BR / 2BA	\$975 - \$995	\$65 - \$66	\$910 - \$929	\$19	\$929 - \$948
3BR / 2BA	\$1,000	\$73	\$927	\$23	\$950

## Park At Tara Lake, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Limited Access	None
Carpeting	Central A/C	Patrol	
Coat Closet	Dishwasher	Perimeter Fencing	
Exterior Storage	Ceiling Fan		
Garbage Disposal	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting Room/Community	Exercise Facility	None	None
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		

### Comments

The property was formerly known as Pointe Clear Apartments. As of August 2016, the property is no longer a tax credit property as its compliance period has ended. The reason for the elevated vacancy rate is because the units are still being leased up from when the development changed from being tax credit to market rate. The renovated rents are shown in the profile. Non-renovated units rent for \$100 to \$195 less per month. Renovations include new appliances, cabinets, flooring, and countertops. The concession is one-half off the pro-rated rent. The concession was figured based on the profile's date. The property does not accept Housing Choice Vouchers.

## Park At Tara Lake, continued

### Trend Report

#### Vacancy Rates

2Q16	4Q16	2Q17	3Q17
0.0%	0.0%	21.7%	10.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$635	\$0	\$635	\$650
2017	2	26.0%	\$700	\$0	\$700	\$715
2017	3	N/A	\$825	\$55	\$770	\$785

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$745	\$0	\$745	\$764
2017	2	22.0%	\$800	\$0	\$800	\$819
2017	3	N/A	\$975 - \$995	\$65 - \$66	\$910 - \$929	\$929 - \$948

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2016	4	0.0%	\$850	\$0	\$850	\$873
2017	2	18.8%	\$855	\$0	\$855	\$878
2017	3	N/A	\$1,000	\$73	\$927	\$950

### Trend: Comments

2Q16	The property maintains a wait list that is one to two months in length. The contact reported that tenants come from the Clayton County area, as well as Fairburn, Peachtree, and Stone Mountain.
4Q16	The property was formerly known as Pointe Clear Apartments. As of August 2016, the property is no longer a tax credit property. The rents change daily using an LRO system, and range based on a variety of factors, none of which the contact could specifically indicate. The rents provided in the profile are base rents. One-bedroom units range in rent from \$635 to \$650, two-bedroom units range in rent from \$745 to \$795, and three-bedroom units range in rent from \$850 to \$865. The property does not accept Housing Choice Vouchers.
2Q17	The property was formerly known as Pointe Clear Apartments. As of August 2016, the property is no longer a tax credit property as its compliance period has ended. The reason for the elevated vacancy rate is because 20 units are being renovated and 30 units are still being leased up from when the development changed from being tax credit to market rate. As a LIHTC property, the development operated with a vacancy rate below five percent. The property utilizes an LRO system to determine rents on a daily basis.
3Q17	The property was formerly known as Pointe Clear Apartments. As of August 2016, the property is no longer a tax credit property as its compliance period has ended. The reason for the elevated vacancy rate is because the units are still being leased up from when the development changed from being tax credit to market rate. The renovated rents are shown in the profile. Non-renovated units rent for \$100 to \$195 less per month. Renovations include new appliances, cabinets, flooring, and countertops. The concession is one-half off the pro-rated rent. The concession was figured based on the profile's date. The property does not accept Housing Choice Vouchers.

Photos



# PROPERTY PROFILE REPORT

## The Fields Baywood

Effective Rent Date	9/08/2017
Location	6655 Mount Zion Blvd Morrow, GA 30260 Clayton County Intersection: Baywood Circle and Mt. Zion Boulevard
Distance	1.5 miles
Units	120
Vacant Units	12
Vacancy Rate	10.0%
Type	Garden (2 stories)
Year Built/Renovated	1995/1996 / 2017
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Regal Point, Sandalwood, and Hidden Creek
Tenant Characteristics	Mostly families and singles
Contact Name	Shannon
Phone	770.968.3268



### Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 13-15%
Concession	None

### Utilities

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

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	48	1,004	\$983	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	32	1,153	\$1,110	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	40	1,201	\$1,120	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$983	\$0	\$983	\$13	\$996
3BR / 2BA	\$1,110 - \$1,120	\$0	\$1,110 - \$1,120	\$16	\$1,126 - \$1,136

## The Fields Baywood, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpet/Hardwood	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Basketball Court	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		

### Comments

The property was formerly known as Baywood Park Apartments and was a tax credit property. The property is now in the process of converting to market rate. The contact noted that the relatively high vacancy rate was due to the ongoing conversion to market rate. Likewise, the relatively high turnover rate is due to the conversion to market rate as well. Renovations began in January 2017 and consist of new flooring, appliances, countertops, back-splash, and cabinets. The renovated rents are shown in the profile. Units that have not been renovated rent for \$75 to \$93 less per month.

## The Fields Baywood, continued

### Trend Report

#### Vacancy Rates

2Q07	1Q08	2Q14	3Q17
8.3%	3.3%	10.0%	10.0%

### Trend: Market

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	N/A	\$983	\$0	\$983	\$996

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2017	3	N/A	\$1,110 - \$1,120	\$0	\$1,110 - \$1,120	\$1,126 - \$1,136

### Trend: Comments

2Q07	Management noted that the current vacancy rate is higher than average as the property is usually between 95 and 98 percent occupied. Management attributed the high vacancy rate to recent evictions as well as people moving now that the school year is coming to an end. The property is not offering concessions because management believes that the property will fill its current vacancies quickly with its current rents.
1Q08	The contact reported that rents have remained the same over the past year but occupancy has increased. The contact reported that the property is typically 94 percent occupied but it is currently 97 percent occupied, which the contact attributed to the increasing foreclosure rate that has in turn increased demand for rental units in the market. The contact could not estimate the number of households using Housing Choice Vouchers but management limits the Housing Choice Voucher rate to 30 percent. The Housing Choice Voucher rate listed is current as of April 2007. The management company is NorSouth.
2Q14	The property is currently 90 percent occupied but 95.8 percent leased.
3Q17	The property was formerly known as Baywood Park Apartments and was a tax credit property. The property is now in the process of converting to market rate. The contact noted that the relatively high vacancy rate was due to the ongoing conversion to market rate. Likewise, the relatively high turnover rate is due to the conversion to market rate as well. Renovations began in January 2017 and consist of new flooring, appliances, countertops, back-splash, and cabinets. The renovated rents are shown in the profile. Units that have not been renovated rent for \$75 to \$93 less per month.

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

**Housing Choice Vouchers**

We spoke with Janet Wiggins, Housing Choice Voucher Manager for the Jonesboro Housing Authority. Ms. Wiggins indicated that the Jonesboro Housing Authority is responsible for issuing Housing Choice Vouchers for the City of Jonesboro and Clayton County. She stated that they issue 1,722 Housing Choice Vouchers, all of which are tenant-based vouchers. According to Ms. Wiggins, the waiting list for vouchers is currently closed and was last opened in October 2016. Finally, Ms. Wiggins said she believe there is significant demand for affordable housing in the area. Specifically, she reported increased demand for one-bedroom affordable housing units. The payment standards for Clayton County are listed below.

PAYMENT STANDARDS	
Unit Type	Standard
1 Bedroom	\$772
2 Bedroom	\$891
3 Bedroom	\$1,169

The Subject’s proposed rents are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent. However, as noted, 163 of the Subject’s units will also benefit from a Section 8 HAP contract; as such, vouchers will not be needed. Tenants in the remaining LIHTC units with Housing Choice Vouchers will not pay out of pocket for rent.

TENANTS WITH VOUCHERS		
Comparable Property	Type	Housing Choice Voucher Tenants
Ashley Woods Apartments*	LIHTC/HOME	25%
Breckenridge Apartments	LIHTC	80%
Cambridge Pointe	LIHTC/Market	0%
Park At Mount Zion Apartments	LIHTC	21%
Regal Park	LIHTC	7%
Hampton Downs Apartments	Market	0%
Hidden Creek	Market	0%
Level At Mt. Zion	Market	1%
Magnolia Woods	Market	6%
Park At Tara Lake	Market	0%
The Fields Baywood	Market	10%
<b>Average</b>		<b>14%</b>

\*Located outside the PMA

As illustrated in the table, four of the LIHTC properties reported having a portion of Housing Choice Voucher tenants, while three of the market rate properties reported Housing Choice Voucher usage. The average portion of voucher tenants at the LIHTC properties is 27 percent and the overall average is just 14 percent. The voucher usage in the local market appears to be significant. Given that the majority of the Subject’s units currently benefit from a HAP contract, it is not necessary that qualifying households have a voucher in order to benefit from subsidized rent. However, should the Subject no longer operate without a HAP Contract, it is likely that the Subject would maintain a voucher usage of approximately 25 percent following renovations.

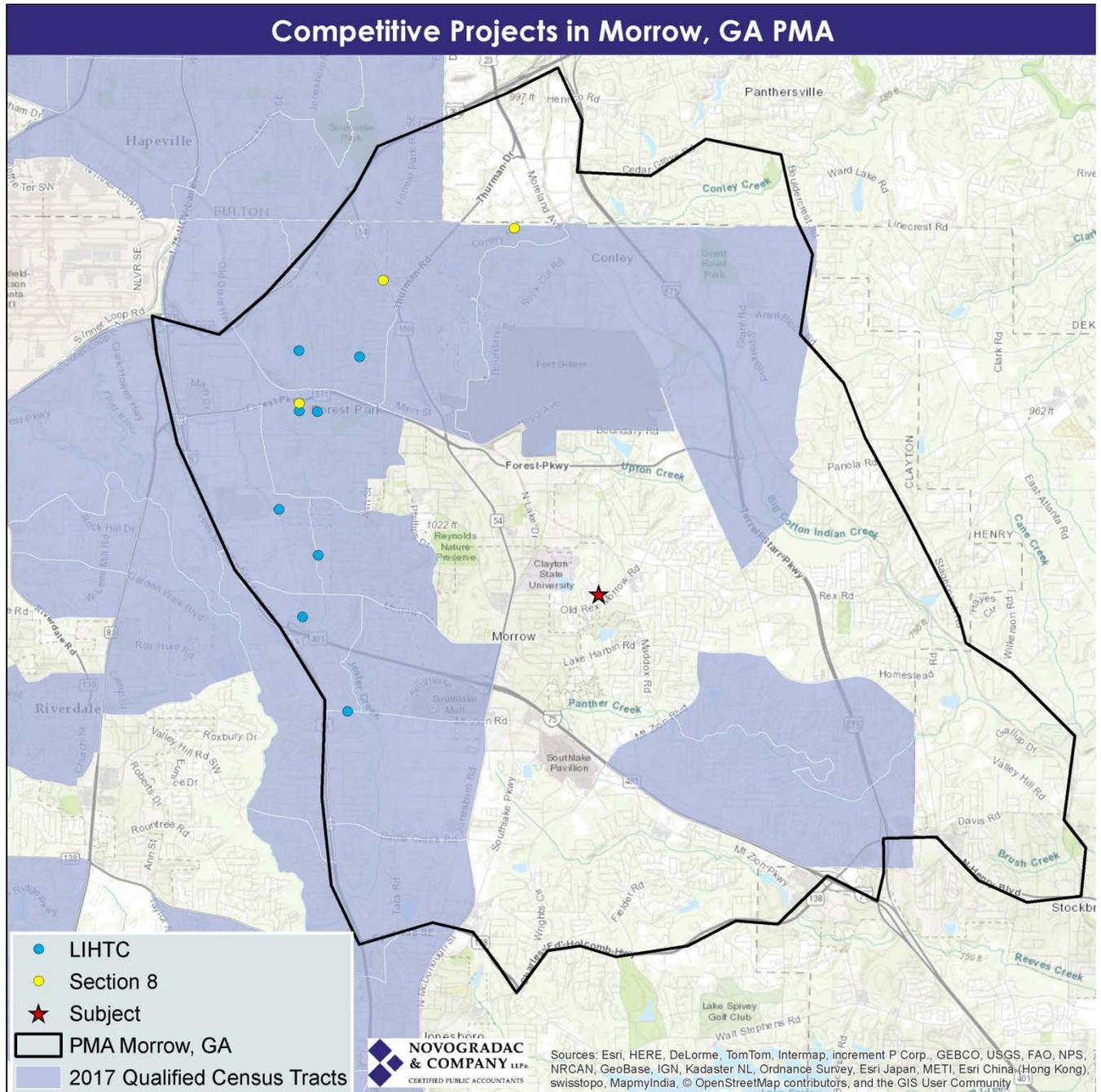
**Phased Developments**

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

**Rural Areas**

The Subject is not located in a rural area.

**3. Competitive Project Map**



**SOUTHWOOD APARTMENTS – MORROW, GEORGIA– MARKET STUDY**

RENT ASSISTED PROPERTIES IN PMA										
Property Name	Address	City	State	Zip		Rent Structure	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion
				Code	Code					
Ashton Walk Senior Apartments	4950 Governors Drive	Forest Park	GA	30297		LIHTC	Senior		Excluded	Tenancy
Breckenridge Apartments	5530 Old Dixie Highway	Forest Park	GA	30297		LIHTC	Family		Included	N/A
Cambridge Pointe	3384 Mr. Zion Rd	Stockbridge	GA	30281		LIHTC/Market	Family		Included	N/A
Park At Mount Zion Apartments	701 Mount Zion Road	Jonesboro	GA	30236		LIHTC	Family		Included	N/A
Regal Park	461 Old Dixie Way	Forest Park	GA	30297		LIHTC	Family		Included	N/A
Taj Mahal Homes	514 Bridge Ave	Forest Park	GA	30297		LIHTC	Family		Excluded	Inferior
Tracewood Apartments	482 Sylvia Drive	Forest Park	GA	30297		LIHTC	Family		Excluded	Differing rent levels
Waldorf Creek Apartments	4663 Waldrop Drive	Forest Park	GA	30297		LIHTC	Family		Excluded	Inferior
Water's Edge Apartments	417 Barton Drive	Forest Park	GA	30297		LIHTC/Market	Family		Excluded	Differing rent levels
Governor's Terrace	4947 Governors Drive	Forest Park	GA	30297		Section 8	Family		Excluded	Subsidized
Lexington Square Townhouses	1625-I Conley Rd	Conley	GA	30288		Section 8	Family		Excluded	Subsidized
Parkside Crossing	4233 Jonesboro Rd	Forest Park	GA	30297		Section 8	Family		Excluded	Subsidized

### 4. Amenities

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

UNIT MATRIX REPORT												
	Southwood Apartments	Ashley Woods Apartments	Breckenridge Apartments	Cambridge Pointe	Park At Mount Zion Apartments	Regal Park	Hampton Downs Apartments	Hidden Creek	Level At Mt. Zion	Magnolia Woods	Park At Tara Lake	The Fields Baywood
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11
<b>Property Information</b>												
Property Type	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	Various (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Various (3 stories)	Garden (3 stories)	Garden (2 stories)
Year Built / Renovated	1972 / n/a	1991 / 2008	1971 / 2005	2001 / 2016	1973 / 2003	2005 / n/a	1990 / n/a	1999 / n/a	1980s / n/a	1974 / Ongoing	1998 / 2016	1995/1996 / 2017
Market (Conv./Subsidy Type)	LIHTC/Section 8	LIHTC/HOME	LIHTC	LIHTC/Market	LIHTC	LIHTC	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>												
Cooking	yes	no	no	no	no	no	no	no	no	no	no	no
Water Heat	yes	no	no	no	no	no	no	no	no	no	no	yes
Heat	yes	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no
Water	yes	yes	no	yes	no	no	no	no	no	no	yes	yes
Sewer	yes	yes	no	yes	no	no	no	no	yes	no	yes	yes
Trash Collection	yes	yes	no	yes	yes	yes	no	no	yes	no	yes	yes
<b>In-Unit Amenities</b>												
Balcony/Patio	yes	yes	yes	no	yes	yes	yes	yes	no	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	yes	yes	no	no	no	no	no	no	no	no	no	no
Carpet/Hardwood	no	no	no	no	no	no	no	no	no	no	no	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Central A/C	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	yes	yes	no	no	no	yes	yes
Ceiling Fan	yes	yes	yes	yes	no	yes	yes	no	yes	yes	yes	yes
Garbage Disposal	yes	no	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	no	no	no	yes	no	no	no	no	no	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	yes	no	no	no	no	no	no
Walk-In Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Washer/Dryer	no	yes	no	yes	yes	no	no	no	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	no	no	yes	yes	yes	no	yes	yes	yes
<b>Property Amenities</b>												
Basketball Court	no	no	yes	no	no	no	no	no	no	no	no	yes
Business Center/Computer Lab	yes	no	no	yes	no	yes	yes	yes	no	no	no	no
Car Wash	no	no	no	no	no	yes	no	no	no	no	no	no
Clubhouse/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes
Exercise Facility	no	no	yes	yes	yes	yes	yes	yes	no	no	yes	yes
Garage	no	no	no	no	no	yes	no	yes	no	no	no	no
Central Laundry	no	yes	no	no	yes	yes	no	yes	yes	yes	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	yes	no	yes	yes	yes	no	yes	yes	yes	yes	yes
Playground	yes	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
Recreation Areas	yes	no	no	no	no	no	no	no	no	no	no	no
Swimming Pool	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Tennis Court	no	no	no	no	no	yes	yes	yes	no	yes	no	no
Volleyball Court	no	no	no	yes	no	no	yes	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$85.00	N/A	N/A	N/A	N/A	N/A	N/A
<b>Services</b>												
After-school Program	no	no	yes	no	no	no	no	no	no	no	no	no
<b>Security</b>												
In-Unit Alarm	no	no	no	no	no	no	yes	no	no	no	no	no
Limited Access	yes	no	no	no	yes	yes	no	yes	no	no	yes	no
Patrol	no	yes	no	no	no	no	yes	no	yes	yes	yes	no
Perimeter Fencing	no	yes	no	no	yes	no	no	yes	no	no	yes	yes

The Subject will offer similar to slightly inferior in-unit amenities in comparison to the LIHTC and market-rate comparable properties and slightly inferior property amenities. The Subject does not offer central air conditioning, exterior storage, microwaves or in-unit washers/dryers, which several of the comparables include. Further, the Subject does not offer an exercise facility, central laundry facilities, tennis courts, or basketball courts, which several of the comparables include. However, the Subject includes a business center/computer lab and recreation areas, which is not offered at the majority of the comparables. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the market.

## 5. Comparable Tenancy

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

## 6. Vacancy

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashley Woods Apartments*	LIHTC/HOME	128	0	0.0%
Breckenridge Apartments	LIHTC	208	2	1.0%
Cambridge Pointe	LIHTC/Market	180	2	1.1%
Park At Mount Zion Apartments	LIHTC	193	10	5.2%
Regal Park	LIHTC	168	0	0.0%
Hampton Downs Apartments	Market	201	4	2.0%
Hidden Creek	Market	116	7	6.0%
Level At Mt. Zion	Market	121	2	1.7%
Magnolia Woods	Market	240	29	12.1%
Park At Tara Lake	Market	230	23	10.0%
The Fields Baywood	Market	120	12	10.0%
<b>Total LIHTC</b>		<b>877</b>	<b>14</b>	<b>1.6%</b>
<b>Total Market</b>		<b>1,028</b>	<b>77</b>	<b>7.5%</b>
<b>Total</b>		<b>1,905</b>	<b>91</b>	<b>4.8%</b>

\*Located outside the PMA

As illustrated, vacancy rates in the market range from zero to 12.1 percent, averaging 4.8 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 5.2 percent, with an average vacancy rate of 1.6 percent and two LIHTC properties reported no vacant units. The market rate comparables are experiencing vacancy rates ranging from 1.7 percent to 12.1 percent with an average vacancy rate of 7.5 percent. Further, two of the LIHTC comparables report maintaining waiting lists. None of the comparable market rate units maintain waiting lists. Three comparable properties located inside of the PMA, Magnolia Woods, Park At Tara Lake, and The Fields Baywood, reported a vacancy rate greater than seven percent. It should be noted that Magnolia Woods offers 240 total units; however, all 20 vacant units are offline due to renovations. The property managers at Park At Tara Lake and The Fields Baywood reported that the properties were formerly LIHTC developments that have recently converted to market rate, and indicated the high vacancy rate is due to tenants leaving that no longer income qualify to live at the properties. Excluding these three properties, the market rate comparables are experiencing an average vacancy rate of 3.0 percent, and the overall average vacancy rate is 2.1 percent.

According to the rent roll dated August 23, 2017, the Subject was 97.4 percent occupied with five vacant units, one of which is pre-leased. The low to moderate vacancy rate at the comparable properties indicates that there is demand for rental housing in the Subject's PMA. As a newly renovated property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Given that the Subject is an existing property that maintains a short waiting list, we do not believe that the Subject will impact the performance of the existing affordable properties if allocated.

## 7. Properties Under Construction and Proposed

We have attempted to contact the City of Morrow Planning Department multiple times in order to gather information on multifamily project either in the planning stages or currently under construction. At this time none of our phone calls have been returned. Further, we searched CoStar to identify any proposed, planned, or under construction multifamily developments within the PMA. According to CoStar, there are no proposed, planned, or under construction multifamily developments in the PMA.

## 8. Rental Advantage

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

Similarity Matrix								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashley Woods Apartments*	LIHTC/HOME	Similar	Slightly Inferior	Slightly Superior	Slightly Inferior	Slightly Superior	0
2	Breckenridge Apartments	LIHTC	Slightly Inferior	Similar	Slightly Inferior	Similar	Similar	-10
3	Cambridge Pointe	LIHTC/Market	Slightly Inferior	Slightly Inferior	Slightly Superior	Slightly Inferior	Similar	-10
4	Park At Mount Zion Apartments	LIHTC	Slightly Inferior	Similar	Slightly Inferior	Similar	Similar	-10
5	Regal Park	LIHTC	Slightly Inferior	Slightly Inferior	Slightly Inferior	Slightly Inferior	Slightly Inferior	-25
6	Hampton Downs Apartments	Market	Slightly Inferior	Slightly Inferior	Similar	Slightly Inferior	Slightly Superior	-10
7	Hidden Creek	Market	Slightly Superior	Slightly Inferior	Similar	Similar	Slightly Inferior	-5
8	Level At Mt. Zion	Market	Slightly Superior	Slightly Superior	Similar	Similar	Slightly Superior	15
9	Magnolia Woods	Market	Similar	Similar	Similar	Slightly Superior	Slightly Inferior	0
10	Park At Tara Lake	Market	Similar	Slightly Inferior	Slightly Inferior	Slightly Superior	Similar	-5
11	The Fields Baywood	Market	Similar	Slightly Inferior	Similar	Similar	Slightly Superior	0

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

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

LIHTC RENT COMPARISON - @60%			
Property Name	1BR	2BR	3BR
Southwood Apartments (Subject)	\$681	\$777	\$883
<b>2016 LIHTC Maximum (Net)</b>	<b>\$696</b>	<b>\$828</b>	<b>\$917</b>
<b>Hold Harmless LIHTC Maximum (Net)</b>	<b>\$769</b>	<b>\$915</b>	<b>\$1,017</b>
Ashley Woods Apartments	\$716 \$677	\$831 \$676	\$1,003 \$931
Breckenridge Apartments	-	\$792 \$767	\$907 \$892
Cambridge Pointe	\$758	\$906	\$1,077
Park At Mount Zion Apartments	-	\$907 \$907	\$1,035 \$1,035
Regal Park	\$756	\$842	\$977
<b>Average (excluding Subject)</b>	<b>\$727</b>	<b>\$829</b>	<b>\$982</b>
<b>NOVOCO's Achievable LIHTC Rent</b>	<b>\$696</b>	<b>\$828</b>	<b>\$917</b>

The Subject’s proposed rents are within the range and below average of the rents at the comparables. Considering the Section 8 subsidy that will be in place for the majority of the Subject’s units, tenants will pay just 30 percent of their income toward rents, making the Subject very affordable. The Subject’s proposed LIHTC rents are set below the maximum allowable levels at the 60 percent AMI threshold. Two of the

comparables reported achieving the maximum allowable levels at 60 percent AMI. Further, two of the LIHTC comparables are 100 percent occupied while two reported waiting lists for their LIHTC units.

The Subject, upon renovation, will be considered the most similar to Ashley Woods Apartments and Breckenridge Apartments among the LIHTC comparables. These comparables reported vacancy rates of zero percent and 1.0 percent, respectively. The low vacancy rates at the most similar LIHTC comparables indicates demand in the local area for affordable housing.

The Subject will offer similar community amenities compared to Ashley Woods Apartments and slightly inferior community amenities compared to Breckenridge Apartments. Further, the Subject will offer slightly inferior unit features compared to Ashley Woods Apartments, but similar unit features compared to Breckenridge Apartments. The Subject offers a slightly superior location to Ashley Woods Apartments and a slightly inferior location than Breckenridge Apartments; however, will exhibit similar to slightly inferior condition, upon renovation. Additionally, the Subject offers similar unit sizes compared to Breckenridge Apartments, and slightly superior unit sizes compared to Ashley Woods Apartments. Overall, given the strong occupancy rates of the comparables and several comparables reporting achieving the maximum allowable rents at 60 percent AMI; we believe the Subject’s 60 percent rents are achievable at the maximum allowable level.

**Analysis of “Market Rents”**

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

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

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

**SUBJECT COMPARISON TO COMPARABLE RENTS**

Unit Type	Subject Proposed Rent	Surveyed Minimum	Surveyed Maximum	Surveyed Average	Rent Advantage
1BR @ 60%	\$681	\$714	\$952	\$824	17.3%
2BR @ 60%	\$777	\$760	\$1,138	\$970	19.9%
3BR @ 60%	\$883	\$950	\$1,303	\$1,093	19.2%

As illustrated the Subject’s proposed 60 percent rents are well below the surveyed average of the comparable properties. The Subject’s proposed LIHTC rents for two-bedroom units are within the surveyed

range of comparable LIHTC and market rents while the one and three-bedroom units are below the range of comparable LIHTC and market rents.

### 9. LIHTC Competition – DCA Funded Properties within the PMA

Capture rates for the Subject affordable units range from 1.7 to 5.5 percent as proposed, which is considered good. Capture rates for the Subject, absent a rental subsidy, are considered fair, as the 60 percent AMI level units have a capture rate of 10.1 percent. If allocated, the Subject will be slightly inferior to inferior to the existing LIHTC housing stock. The average LIHTC vacancy rate is also considered excellent at 1.6 percent.

According to the DCA Program Awards Database, there have been no properties allocated tax credits in the last five years within the Subject’s PMA.

The Subject property is currently 97.4 percent occupied with a waiting list and 163 of the Subject’s 196 units will continue to benefit from a property based rental subsidy. Additionally, existing LIHTC, and other affordable properties in the PMA, that are targeted toward families maintain high occupancy rates. Given this information, we do not believe that the renovation of the Subject utilizing tax credits will impact the existing LIHTC properties in the area that are in overall good condition and currently performing well. However, it is possible that the Subject will draw tenants from the older LIHTC, or public housing properties that suffer from deferred maintenance and those that are currently underperforming the market.

### 10. Rental Trends in the PMA

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

<b>TENURE PATTERNS PMA</b>				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	20,417	57.8%	14,894	42.2%
2010	21,856	55.5%	17,535	44.5%
2016	20,693	51.0%	19,917	49.0%
Projected Mkt Entry May 2019	21,103	50.9%	20,333	49.1%
2021	21,416	50.9%	20,651	49.1%

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

As the table illustrates, renter occupied households comprise 49.0 percent of households in the PMA in 2016. Further, the percentage of renters in the PMA is expected to increase through market entry and through 2021 by 0.1 percent. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, a significantly larger percentage of renters exist in the PMA than the nation.

### Historical Vacancy

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

		<b>HISTORICAL VACANCY</b>								
Comparable Property	Type	Total	1QTR	3QTR	4QTR	2QTR	1QTR	2QTR	2QTR	3QTR
		Units	2010	2012	2013	2014	2015	2016	2017	2017
Ashley Woods Apartments*	LIHTC/HOME	128	N/A	3.1%	5.5%	N/A	4.7%	0.0%	N/A	0.0%
Breckenridge Apartments	LIHTC	208	11.1%	N/A	N/A	4.3%	N/A	0.0%	N/A	1.0%
Cambridge Pointe	LIHTC/Market	180	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.1%
Park At Mount Zion Apartments	LIHTC	193	20.7%	N/A	N/A	0.0%	0.0%	N/A	1.6%	5.2%
Regal Park	LIHTC	168	10.1%	N/A	N/A	1.2%	N/A	8.9%	N/A	0.0%
Hampton Downs Apartments	Market	201	44.8%	N/A	N/A	N/A	N/A	N/A	3.0%	2.0%
Hidden Creek	Market	116	10.3%	N/A	N/A	0.0%	N/A	N/A	3.4%	6.0%
Level At Mt. Zion	Market	121	9.1%	N/A	N/A	38.0%	N/A	N/A	1.7%	1.7%
Magnolia Woods	Market	240	52.1%	N/A	N/A	N/A	N/A	N/A	16.7%	12.1%
Park At Tara Lake	Market	230	13.9%	23.9%	N/A	66.1%	22.6%	0.0%	21.7%	10.0%
The Fields Baywood	Market	120	N/A	N/A	N/A	10.0%	N/A	N/A	N/A	10.0%
<b>Average</b>		<b>1,905</b>	<b>21.5%</b>	<b>13.5%</b>	<b>5.5%</b>	<b>17.1%</b>	<b>9.1%</b>	<b>2.2%</b>	<b>8.0%</b>	<b>4.3%</b>

\*Located outside the PMA

In general, the comparable properties experienced decreasing vacancy from first quarter 2010 through the third quarter of 2017. Hampton Downs Apartments experienced the largest decrease in vacancies, decreasing to 2.0 percent currently, from 44.8 percent in the first quarter of 2010. The remaining affordable properties demonstrate an historic trend of generally low vacancy rates. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low to moderate vacancy rates, indicate demand for affordable rental housing in the Subject's market.

### Change in Rental Rates

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

<b>RENT GROWTH</b>		
Comparable Property	Rent Structure	Rent Growth
Ashley Woods Apartments*	LIHTC/HOME	None
Breckenridge Apartments	LIHTC	Increased 5-7% since 2Q 2016
Cambridge Pointe	LIHTC/Market	Kept at max; increased 1-2%
Park At Mount Zion Apartments	LIHTC	None reported
Regal Park	LIHTC	Increased 2-3% since 2Q 2016
Hampton Downs Apartments	Market	None reported
Hidden Creek	Market	Changes Daily
Level At Mt. Zion	Market	Increased 0-4% since 2Q 2017
Magnolia Woods	Market	None
Park At Tara Lake	Market	Changes Daily
The Fields Baywood	Market	Increased 13-15%

\*Located outside the PMA

Five of the comparables reported increases in market rents ranging from one to 15 percent, four of the comparables reported no increases, while two reported that rents change daily. The Subject's rents are

slightly below the maximum allowable rent level and future increases in rent will not be directly dependent on growth in the Clayton County AMI. With the Section 8 rental assistance in place at the Subject, rent increases at the property should not directly impact residents, as they will continue to pay just 30 percent of their income toward rent.

### **11. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 1,758 housing units nationwide was in some stage of foreclosure as of June 2017. The Subject's zip code (30260) is experiencing a foreclosure rate of one in every 1,241 homes. Further, the city of Morrow is experiencing a foreclosure rate of one in every 1,241 homes, while the state of Georgia is experiencing foreclosure rate of one in every 2,122 homes. Overall, the Subject's zip code is experiencing a higher foreclosure rate compared to the nation and the state, and a similar rate to the city. The Subject's neighborhood does not appear to have a significant amount of abandoned or vacancy structures that would impact the marketability of the Subject.

### **12. Primary Housing Void**

Two of the five affordable comparable properties maintain waiting lists that range in length from two to three months in length. Further, two of the affordable properties reported achieving the maximum allowable rent levels. The average vacancy among the affordable comparables is 1.6 percent. The presence of waiting lists and high occupancy rates at the affordable properties indicate demand for affordable housing in the market.

Additionally, of all renter households in the PMA, 62.2 percent earn less than \$40,000 annually indicating a need for affordable housing in the immediate area. This percentage of renter households is projected to increase through projected market entry.

### **13. Effect of Subject on Other Affordable Units in Market**

As previously noted, there are no LIHTC developments currently under construction in the PMA. Further, due to the low vacancy rate among both the affordable and market rate properties, the presence of waiting lists at two of the five affordable comparables, illustrates a strong demand for the addition of affordable housing within the market. As the Subject is an existing, 97.4 percent occupied property, it is not considered an addition to the amount of affordable housing in the market. The vacancy rate among the existing affordable comparables is good, at 1.6 percent. The need for quality rental housing is further illustrated by the generally diminishing vacancy rates of the comparable properties, and the high occupancy rates of the other subsidized properties in the area. In summary, the performance of the comparable LIHTC properties, the existence of waiting lists for affordable units, and that the Subject is an existing, 97.4 occupied, subsidized property, all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables are experiencing a weighted average vacancy rate of 1.6 percent, market rate vacancy is at 7.5 percent, and overall vacancy is at 4.8 percent. Two of the five affordable properties maintain waiting lists. These factors illustrate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit and community amenities in comparison to the LIHTC and market-rate comparable properties. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be similar to slightly inferior to the comparable properties. Given the Subject's anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing

evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

# **I. ABSORPTION AND STABILIZATION RATES**

## ABSORPTION AND STABILIZATION RATES

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2005. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates seven LIHTC properties and six market rate properties that were built since 2010 and were able to provide absorption information.

<b>ABSORPTION</b>						
Property name	City	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	Atlanta	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	Atlanta	LIHTC	Family	2012	40	12
Parkside At Mechanicsville	Atlanta	LIHTC	Family	2012	196	60
Columbia Mill	Atlanta	LIHTC	Family	2014	100	20
Mills Creek Crossing	Scottdale	LIHTC	Family	2015	200	17
Steelworks	Atlanta	Market	Family	2014	317	21
Square On Fifth	Atlanta	Market	Family	2015	270	45
The Haynes House	Atlanta	Market	Family	2015	186	12
University House	Atlanta	Market	Family	2015	268	30
The Point On Scott	Decatur	Market	Family	2016	250	13
The Reserve At Decatur	Decatur	Market	Family	2016	298	14
<b>Average</b>					<b>202</b>	<b>24</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 24 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. Should the Subject not benefit from a rental subsidy post-renovation, we believe Subject would experience a somewhat slightly lower re-absorption pace of 15 to 18 units per month for an absorption period of approximately ten to twelve months. It should be noted that the Subject is currently 97.4 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

# **J. INTERVIEWS**

## INTERVIEWS

### Jonesboro Housing Authority

We spoke with Janet Wiggins, Housing Choice Voucher Manager for the Jonesboro Housing Authority. Ms. Wiggins indicated that the Jonesboro Housing Authority is responsible for issuing Housing Choice Vouchers for the City of Jonesboro and Clayton County. She stated that they issue 1,722 Housing Choice Vouchers, all of which are tenant-based vouchers. According to Ms. Wiggins, the waiting list for vouchers is currently closed and was last opened in October 2016. Finally, Ms. Wiggins said she believe there is significant demand for affordable housing in the area. Specifically, she reported increased demand for one-bedroom affordable housing units. The payment standards for Clayton County are listed below.

PAYMENT STANDARDS	
Unit Type	Standard
1 Bedroom	\$772
2 Bedroom	\$891
3 Bedroom	\$1,169

The Subject's proposed rents are set below the current payment standards. Therefore, tenants with Housing Choice Vouchers will not pay out of pocket for rent. However, as noted, 163 of the Subject's units will also benefit from a Section 8 HAP contract; as such, vouchers will not be needed. Tenants in the remaining LIHTC units with Housing Choice Vouchers will not pay out of pocket for rent.

### Planning

We attempted to speak to the City of Morrow Planning Department regarding recently completed, under construction, or proposed multifamily developments in the PMA; however, our phone calls and emails have not been returned.

We consulted a CoStar report's new construction listing; however, there were no planned or under construction developments in the PMA.

According to the Georgia Department of Community Affairs' list of LIHTC developments and award listings, there are no proposed or recently completed LIHTC properties in the Subject's PMA, nor have any projects been allocated funding within the last three years.

### Clayton County Office of Economic Development

We spoke with Mr. William Keir, Deputy Director with the Clayton County Office of Economic Development. He stated that most of the economic development in the Morrow area is predominantly within single-family residential development. However, Mr. Keir noted the increase economic activity related to the film industry. Overall, Mr. Keir said he sees opportunity for economic growth in the county.

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

## **K. CONCLUSIONS AND RECOMMENDATIONS**

## CONCLUSIONS

### Demographics

Between 2000 and 2010 total population in the PMA increased by 1.0 annually, while the SMA experienced a 2.4 percent increase. Population in the PMA is anticipated to continue to grow through 2021, however, at a slower pace than the SMA. The current population of the PMA is 117,462 and is expected to increase slightly to 122,217 by 2021. Renter households are concentrated in the lowest income cohorts, with 36.4 percent of renters in the PMA earning less than \$30,000 annually. The Subject will target households earning between \$0 and \$45,180 for its LIHTC units. However, 163 units will continue to benefit from a Section 8 subsidy post renovation. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

The largest industries in the PMA are transportation/warehousing, retail trade, and health care/social assistance. Positions in these industries account for 33.0 percent of all jobs in the area. The four largest employers in the area are Clayton County Public Schools, Delta Tech Ops, Gate Gourmet, and Southern Regional Medical Center. The health care/social assistance sector is resilient during periods of economic downturn. This may help mitigate future job losses should the economy enter another period of instability.

The MSA has experienced annual employment growth from 2011 through 2017 year-to-date. In addition, from June 2016 to June 2017, total employment in the MSA increased 4.1 percent, compared to a 1.4 percent increase in the nation as a whole. While the unemployment rate has decreased annually since 2011, the unemployment rate in the MSA remains 40 basis points higher than the national average as of June 2017. Total employment surpassed pre-recession levels in 2014, but the unemployment rate remains higher than that of the nation, it does appear that the economy in the MSA has stabilized. This indicates that the area will have continued demand for workforce and affordable housing for the foreseeable future.

### Capture Rates

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

CAPTURE RATE ANALYSIS CHART

Unit Type	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Minimum Market Rent	Maximum Market Rent	Proposed Rents
1BR at 60% AMI/Sec. 8	18	1,035	0	1,035	1.7%	One month	\$824	\$714	\$952	\$681
1BR at 60% AMI	6	415	0	415	4.3%	One month	\$824	\$714	\$952	\$681
2BR at 60% AMI/Sec. 8	88	1,612	0	1,612	5.5%	6-7 months	\$970	\$760	\$1,138	\$777
2BR at 60% AMI	16	647	0	647	13.6%	8-10 months	\$970	\$760	\$1,138	\$777
3BR at 60% AMI/Sec. 8	57	1,381	0	1,381	4.1%	One month	\$1,093	\$950	\$1,303	\$1,019
3BR at 60% AMI	11	554	0	554	10.3%	One month	\$1,093	\$950	\$1,303	\$1,019
Overall - With Subsidy	163	4,028	0	4,028	4.0%	7-9 months	-	-	-	-
Overall - Absent Subsidy	33	1,617	0	1,617	10.1%	10-11 months	-	-	-	-

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

## Absorption

None of the comparable properties were constructed recently. Additionally, we are unaware of any LIHTC properties in the PMA that have been completed since 2005. Therefore, we have extended our search for absorption data to the greater Atlanta metropolitan area. The properties are located within a 20 mile radius of the Subject site. The following table illustrates seven LIHTC properties and six market rate properties that were built since 2010 and were able to provide absorption information.

<b>ABSORPTION</b>						
Property name	City	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Retreat At Edgewood	Atlanta	LIHTC	Family	2011	100	20
Retreat At Edgewood Phase II	Atlanta	LIHTC	Family	2012	40	12
Parkside At Mechanicsville	Atlanta	LIHTC	Family	2012	196	60
Columbia Mill	Atlanta	LIHTC	Family	2014	100	20
Mills Creek Crossing	Scottdale	LIHTC	Family	2015	200	17
Steelworks	Atlanta	Market	Family	2014	317	21
Square On Fifth	Atlanta	Market	Family	2015	270	45
The Haynes House	Atlanta	Market	Family	2015	186	12
University House	Atlanta	Market	Family	2015	268	30
The Point On Scott	Decatur	Market	Family	2016	250	13
The Reserve At Decatur	Decatur	Market	Family	2016	298	14
<b>Average</b>					<b>202</b>	<b>24</b>

As illustrated, absorption rates range from 12 to 60 units per month, with an overall average of 24 units per month. Per DCA guidelines, we have calculated the absorption rate for the Subject to achieve 93 percent occupancy. If the Subject were 100 percent vacant following the renovations with Section 8 subsidies in place for all the units, we would expect the Subject to experience an absorption pace of 20 units per month, which equates to an absorption period of approximately nine months for the Subject to reach 93 percent occupancy. Should the Subject not benefit from a rental subsidy post-renovation, we believe Subject would experience a somewhat slightly lower re-absorption pace of 15 to 18 units per month for an absorption period of approximately ten to twelve months. It should be noted that the Subject is currently 97.4 percent occupied and 100 percent of the existing tenants are expected to continue to income qualify to reside at the Subject.

## Vacancy Trends

The following table illustrates the vacancy rates in the market.

<b>OVERALL VACANCY</b>				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashley Woods Apartments*	LIHTC/HOME	128	0	0.0%
Breckenridge Apartments	LIHTC	208	2	1.0%
Cambridge Pointe	LIHTC/Market	180	2	1.1%
Park At Mount Zion Apartments	LIHTC	193	10	5.2%
Regal Park	LIHTC	168	0	0.0%
Hampton Downs Apartments	Market	201	4	2.0%
Hidden Creek	Market	116	7	6.0%
Level At Mt. Zion	Market	121	2	1.7%
Magnolia Woods	Market	240	29	12.1%
Park At Tara Lake	Market	230	23	10.0%
The Fields Baywood	Market	120	12	10.0%
<b>Total LIHTC</b>		<b>877</b>	<b>14</b>	<b>1.6%</b>
<b>Total Market</b>		<b>1,028</b>	<b>77</b>	<b>7.5%</b>
<b>Total</b>		<b>1,905</b>	<b>91</b>	<b>4.8%</b>

\*Located outside the PMA

As illustrated, vacancy rates in the market range from zero to 12.1 percent, averaging 4.8 percent. The LIHTC comparable properties have vacancy rates ranging from zero to 5.2 percent, with an average vacancy rate of 1.6 percent and two LIHTC properties reported no vacant units. The market rate comparables are experiencing vacancy rates ranging from 1.7 percent to 12.1 percent with an average vacancy rate of 7.5 percent. Further, two of the LIHTC comparables report maintaining waiting lists. None of the comparable market rate units maintain waiting lists. Three comparable properties located inside of the PMA, Magnolia Woods, Park At Tara Lake, and The Fields Baywood, reported a vacancy rate greater than seven percent. It should be noted that Magnolia Woods offers 240 total units; however, all 20 vacant units are offline due to renovations. The property managers at Park At Tara Lake and The Fields Baywood reported that the properties were formerly LIHTC developments that have recently converted to market rate, and indicated the high vacancy rate is due to tenants leaving that no longer income qualify to live at the properties. Excluding these three properties, the market rate comparables are experiencing an average vacancy rate of 3.0 percent, and the overall average vacancy rate is 2.1 percent.

According to the rent roll dated August 23, 2017, the Subject was 97.4 percent occupied with five vacant units, one of which is pre-leased. The low to moderate vacancy rate at the comparable properties indicates that there is demand for rental housing in the Subject's PMA. As a newly renovated property with a competitive amenity package, we anticipate that the Subject would perform with a vacancy rate of five percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Given that the Subject is an existing property that maintains a short waiting list, we do not believe that the Subject will impact the performance of the existing affordable properties if allocated.

## Strengths of the Subject

The Subject is also located in close proximity to locational amenities and employment centers. Single-family homes in the general vicinity appear to have been built in the 1950s and 1960s; however, generally exhibit fair to average condition. Post renovation, the Subject will still have slightly superior to inferior common area amenities when compared to other tax credit and market rate properties in the local market. It will have

slightly inferior to inferior in-unit amenities, as the Subject does not offer dishwashers, ceiling fans, walk-in closets or washer/dry hookups, which the majority of comparables include. According to rent roll dated August 23 3, 2017, the current occupancy rate at the Subject is 97.4 percent, and the contact at the Subject reports that the property maintains a waiting list, which is typical in the local market. As the demand analysis indicated, there is adequate demand for the Subject based on our calculations for the 60 percent AMI units both with and without a subsidy in place. Further, the Subject is 97.4 percent occupied with five vacant units, one of which has been pre-leased. Additionally, 163 of the Subject's 196 units currently benefit from a Housing Assistance Program (HAP) contract. As such, qualifying tenants will pay only 30 percent of their household income on rent. The majority of current tenants are anticipated to income-qualify for the Subject post-renovation.

### **Conclusion**

The Subject is also located in close proximity to locational amenities and employment centers. Single-family homes in the general vicinity appear to have been built in the 1950s and 1960s; however, generally exhibit fair to average condition. Post renovation, the Subject will still have slightly superior to inferior common area amenities when compared to other tax credit and market rate properties in the local market. It will have similar to slightly inferior in-unit amenities, as the Subject does not offer central air conditioning, exterior storage, microwaves or in-unit washers/dryers, which several of the comparables include. According to rent roll dated August 23, 2017, the current occupancy rate at the Subject is 97.4 percent, and the contact at the Subject reports that the property maintains a waiting list, which is typical in the local market. As the demand analysis indicated, there is adequate demand for the Subject based on our calculations for the 60 percent AMI units both with and without a subsidy in place. Further, the Subject is 97.4 percent occupied with five vacant units, one of which has been pre-leased. Additionally, 163 of the Subject's 196 units currently benefit from a Housing Assistance Program (HAP) contract. As such, qualifying tenants will pay only 30 percent of their household income on rent. The majority of current tenants are anticipated to income-qualify for the Subject post-renovation.

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The affordable comparables are experiencing a weighted average vacancy rate of 1.6 percent, market rate vacancy is at 7.5 percent, and overall vacancy is at 4.8 percent. Two of the five affordable properties maintain waiting lists. These factors illustrate demand for affordable housing. The Subject will offer generally similar to slightly inferior in-unit and community amenities in comparison to the LIHTC and market-rate comparable properties. Overall, we believe that the proposed amenities will allow the Subject to effectively compete in the family LIHTC market. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. The Subject's proposed unit sizes will be competitive with the comparable properties. In general, the Subject will be similar to slightly inferior to the comparable properties. Given the Subject's anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible as proposed. We believe that it will fill a void in the market and will perform well.

### **Recommendations**

We recommend the Subject as proposed.

# **L. SIGNED STATEMENT REQUIREMENTS**

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



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Meg Southern  
Researcher

September 22, 2017  
Date

# **M. MARKET STUDY REPRESENTATION**

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



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Meg Southern  
Researcher

September 22, 2017  
Date

**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

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

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

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

**ADDENDUM B**  
**SUBJECT AND NEIGHBORHOOD PHOTOGRAPHS**

## Photographs of Subject Site and Surrounding Uses



View of the Subject



View of the Subject



View of the Subject



View of the Subject



View of the Subject signage



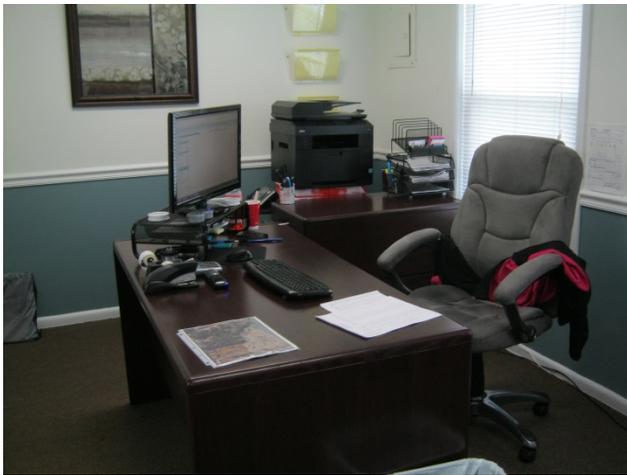
View of Subject mailboxes



View of the Subject parking lot



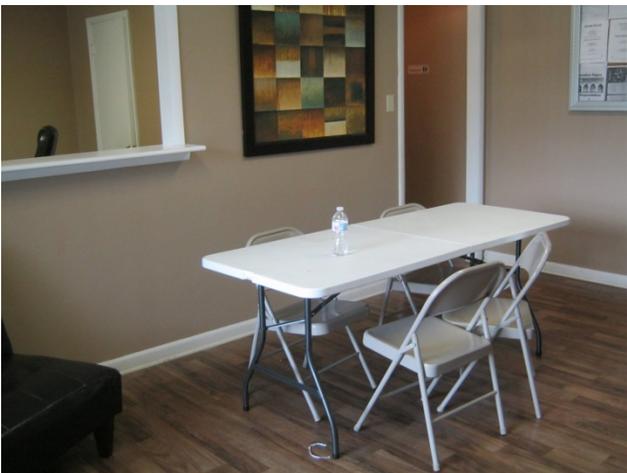
View of management office



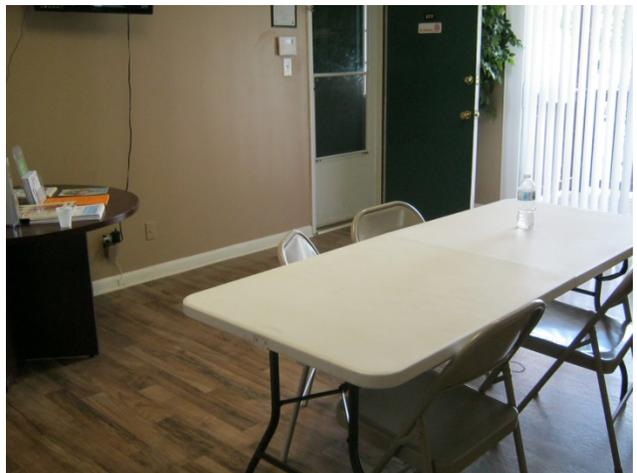
View of management office



View of common area



View of common area



View of community space



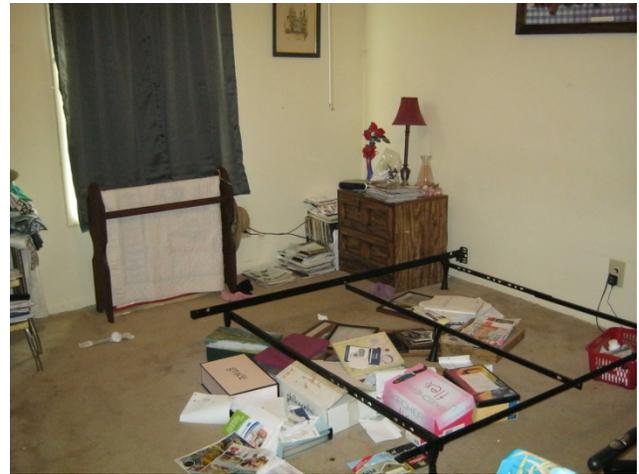
View of computer area



View of community kitchen



Living room



Bedroom



Bedroom closet



Bathroom



Kitchen



Kitchen



Bedroom



Coat closet



Bedroom



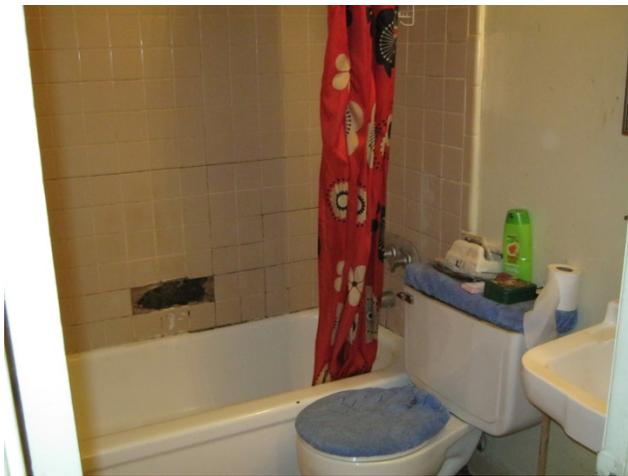
Bathroom



Bedroom



Kitchen



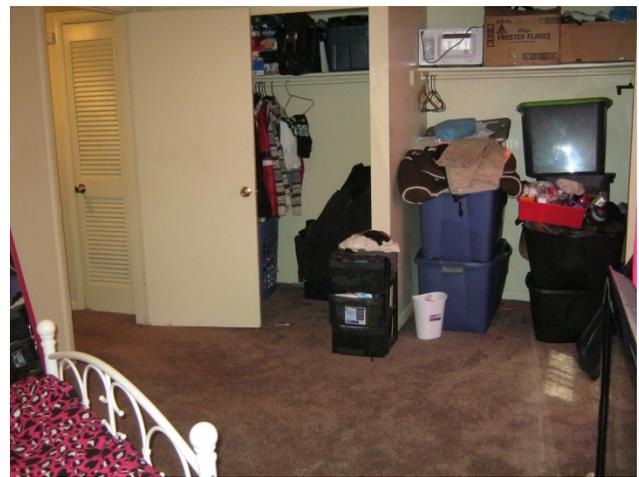
Bathroom



Bathroom



Living Room



Bedroom



View of swimming pool



View of playground



View of maintenance room



View of adjacent school



View of adjacent single-family homes



View of retail in Subject's neighborhood



View of commercial to the northeast



View of gas station to the northwest



View of retail center to the north



View of retail center to the north



View of Trammell Road to the south



View of Trammell Road to the north

**ADDENDUM C**  
**Qualifications**

**STATEMENT OF PROFESSIONAL QUALIFICATIONS**  
**REBECCA S. ARTHUR, MAI**

**I. Education**

University of Nebraska, Lincoln, Nebraska  
Bachelor of Science in Business Administration – Finance

Appraisal Institute  
Designated Member (MAI)

**II. Licensing and Professional Affiliation**

Member of Kansas Housing Association  
Board of Directors 2017 - Present  
Designated Member of the Appraisal Institute (MAI)  
Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014  
Member of National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

State of Arkansas Certified General Real Estate Appraisal No. CG2682  
State of Arizona Certified General Real Estate Appraisal No. 31992  
State of California Certified General Real Estate Appraiser No. AG041010  
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047  
State of Iowa Certified General Real Estate Appraiser No. CG03200  
State of Indiana Certified General Real Estate Appraiser No. CG41300037  
State of Kansas Certified General Real Estate Appraiser No. G-2153  
State of Minnesota Certified General Real Estate Appraiser No. 40219655  
State of Missouri Certified General Real Estate Appraiser No. 2004035401  
State of Louisiana Certified General Real Estate Appraiser No. 4018  
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

**III. Professional Experience**

Partner, Novogradac & Company LLP  
Principal, Novogradac & Company LLP  
Manager, Novogradac & Company LLP  
Real Estate Analyst, Novogradac & Company LLP  
Corporate Financial Analyst, Deloitte & Touche LLP

**IV. Professional Training**

Various Continuing Education Classes as required by licensing, 2016 & 2017  
USPAP Update, January 2016  
Forecasting Revenue, June 2015  
Discounted Cash Flow Model, June 2015  
Business Practices and Ethics, April 2015  
HUD MAP Training – June 2013  
The Appraiser as an Expert Witness: Preparation & Testimony, April 2013  
How to Analyze and Value Income Properties, May 2011  
Appraising Apartments – The Basics, May 2011  
HUD MAP Third Party Tune-Up Workshop, September 2010

HUD MAP Third Party Valuation Training, June 2010  
HUD LEAN Third Party Training, January 2010  
National Uniform Standards of Professional Appraisal Practice, April 2010  
MAI Comprehensive Four Part Exam, July 2008  
Report Writing & Valuation Analysis, December 2006  
Advanced Applications, October 2006  
Highest and Best Use and Market Analysis, July 2005  
HUD MAP – Valuation Advance MAP Training, April 2005  
Advanced Sales Comparison and Cost Approaches, April 2005  
Advanced Income Capitalization, October 2004  
Basic Income Capitalization, September 2003  
Appraisal Procedures, October 2002  
Appraisal Principals, September 2001

**V. Real Estate Assignments**

A representative sample of Valuation or Consulting Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with

HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.

- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

## **VI. Speaking Engagements**

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- Midwest FHA Lenders Conference: Annual Meetings
- Southwest FHA Mortgage Association Lenders Conference: Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- National Council of State Housing Agencies: Housing Credit Connect Conferences
- National Leased Housing Association: Annual Meeting
- Nebraska's County Assessors: Annual Meeting
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing (CCAH) Meetings

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## MATTHEW A. HUMMEL

### I. EDUCATION

#### **Rockhurst University – Kansas City, Missouri**

Master of Business Administration - Concentration in Management and International, 2008

#### **University of Missouri-Columbia**

Bachelor of Business Administration - Finance and Banking, 2006

### II. LICENSING AND PROFESSIONAL AFFILIATION

Appraisal Institute Candidate for Designation

State of Kansas Certified General Real Estate Appraiser No. G-2959  
State of Washington Certified General Real Estate Appraiser No. 1102285  
State of California Certified General Real Estate Appraiser No. 3002505  
State of Missouri Certified General Real Estate Appraiser No. 2014030618  
State of Texas Certified General Real Estate Appraiser No. TX1380146-G  
State of New Mexico Certified General Real Estate Appraiser No. 03446-L  
State of Michigan Certified General Real Estate Appraiser No. 201075419  
State of Minnesota Certified General Real Estate Appraiser No. 40460257  
State of Illinois Certified General Real Estate Appraiser No. 553.002534

### III. PROFESSIONAL EXPERIENCE

Manager - Novogradac & Company LLP  
Real Estate Analyst - Novogradac & Company LLP  
Researcher - Novogradac & Company LLP  
December 2010 to Present

Investor Reporting Analyst - KeyBank Real Estate Capital  
Insurance Specialist - KeyBank Real Estate Capital  
May 2009 to December 2010

### IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute

- Basic Appraisal Principles - March 2012
- Basic Appraisal Procedures - December 2012
- Statistics, Modeling, and Finance - April 2013
- General Appraiser Market Analysis Highest and Best Use - April 2013
- National Uniform Standards of Professional Appraisal Practice - May 2013
- General Appraiser Sales Comparison Approach - June 2013
- General Appraiser Site Valuation and Cost Approach - July 2013
- General Report Writing and Case Studies - August 2013
- General Appraiser Income Approach - September 2013
- Commercial Appraisal Review - September 2013
- Expert Witness for Commercial Appraisers - October 2013
- Supervisor - Trainee Course - December 2014
- The Nuts and Bolts of Green Building - March 2015
- Even Odder - More Oddball Appraisal - March 2015
- Mortgage Fraud - April 2015
- 2014-2015 National USPAP Course - April 2015
- 2016-2017 National USPAP Course - March 2017

## V. REAL ESTATE ASSIGNMENTS

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

- Prepared and managed market studies and appraisals for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Prepared and managed Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Performed and managed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

## VI. SPEAKING ENGAGEMENTS

- Novogradac LIHTC 101 Workshop
- Mississippi Housing Corporation Panel Speaker
- Indiana Housing Corporation Panel Speaker

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ANDREA M. STRANGE

### I. EDUCATION

University of Missouri-Kansas City – Kansas City, Missouri  
*Bachelor of Arts – Communications, 2012*

### II. PROFESSIONAL EXPERIENCE

Real Estate Analyst – Novogradac & Company LLP  
*December 2015 to Present*

Researcher – Novogradac & Company LLP  
*February 2014 to December 2015*

Public Relations Coordinator – Sullivan Higdon & Sink  
*September 2012 to February 2014*

### III. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low Income Housing Tax Credit properties. Analysis included property screenings, valuation analysis, capitalization rate analysis, expense comparability analysis, determination of market rents, and general market analysis.
- Prepared market studies and assisted in appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Conducted more than 40 site inspections for market studies and appraisals throughout the United States for various reports including proposed new construction and rehabilitation multifamily projects.

## STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

### I. Education

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

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

### II. Professional Experience

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

### III. Research Assignments

A representative sample of work on various types of projects:

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

**ADDENDUM D**  
Summary Matrix

**SUMMARY MATRIX**

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	Southwood Apartments 6001 Trammell Rd Morrow, GA 30260 Clayton County	n/a	Garden (2 stories) 1972 / Proposed	LIHTC/Section 8	1BR / 1BA	6	3.1%	@60%	\$681	810	no	Yes	0	0.0%				
					1BR / 1BA	18	9.2%	@60% (Section 8)	\$681	810	no	Yes	0	0.0%				
					2BR / 2BA	16	8.2%	@60%	\$777	1,028	no	Yes	0	0.0%				
					2BR / 2BA	88	44.9%	@60% (Section 8)	\$777	1,028	no	Yes	4	4.5%				
					3BR / 2BA	11	5.6%	@60%	\$883	1,235	no	Yes	0	0.0%				
					3BR / 2BA	57	29.1%	@60% (Section 8)	\$883	1,235	no	Yes	1	1.8%				
					196	100%						5	2.6%					
1	Ashley Woods Apartments 1050 Rock Quarry Road Stockbridge, GA 30281 Henry County	7.4 miles	Garden (3 stories) 1991 / 2008	LIHTC/HOME	1BR / 1BA	1	0.8%	@50% (HOME)	\$566	748	no	No	0	0.0%				
					1BR / 1BA	13	10.2%	@60%	\$716	748	no	No	0	0.0%				
					1BR / 1BA	2	1.6%	@60% (HOME)	\$677	748	no	No	0	0.0%				
					2BR / 2BA	1	0.8%	@50% (HOME)	\$606	1,010	no	No	0	0.0%				
					2BR / 2BA	60	46.9%	@60%	\$831	1,010	no	No	0	0.0%				
					2BR / 2BA	3	2.3%	@60% (HOME)	\$676	1,010	no	No	0	0.0%				
					3BR / 2BA	45	35.2%	@60%	\$1,003	1,134	no	No	0	0.0%				
					3BR / 2BA	3	2.3%	@60% (HOME)	\$931	1,134	no	No	0	0.0%				
					128	100%						0	0.0%					
2	Breckenridge Apartments 5530 Old Dixie Highway Forest Park, GA 30297 Clayton County	3.5 miles	Garden (2 stories) 1971 / 2005	LIHTC	2BR / 1BA	N/A	N/A	@60%	\$767	1,040	no	No	2	N/A				
					2BR / 2BA	N/A	N/A	@60%	\$792	1,040	no	No	0	N/A				
					3BR / 1.5BA	N/A	N/A	@60%	\$892	1,240	no	No	0	N/A				
					3BR / 2BA	N/A	N/A	@60%	\$907	1,240	no	No	0	N/A				
					208	100%						2	1.0%					
3	Cambridge Pointe 3384 Mt. Zion Road Stockbridge, GA 30281 Clayton County	3.6 miles	Garden (3 stories) 2001 / 2016	LIHTC/Market	1BR / 1BA	N/A	N/A	@60%	\$758	809	yes	Yes	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$945	843	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	@60%	\$906	1,074	yes	No	2	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,109	1,074	n/a	No	0	N/A				
					3BR / 2BA	N/A	N/A	@60%	\$1,077	1,197	yes	Yes	0	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,303	1,197	n/a	No	0	N/A				
					4BR / 3BA	N/A	N/A	@60%	\$1,112	1,448	yes	Yes	0	N/A				
					4BR / 3BA	N/A	N/A	Market	\$1,459	1,448	n/a	No	0	N/A				
										180	100%						2	1.1%
					4	Park At Mount Zion Apartments 701 Mount Zion Road Jonesboro, GA 30236 Clayton County	2.9 miles	Various (2 stories) 1973 / 2003	LIHTC	2BR / 1.5BA (Townhouse)	48	24.9%	@60%	\$907	1,114	yes	No	N/A
2BR / 2BA (Garden)	72	37.3%	@60%	\$907						1,056	yes	No	N/A	N/A				
3BR / 2BA (Garden)	64	33.2%	@60%	\$1,035						1,216	yes	No	N/A	N/A				
3BR / 2.5BA (Townhouse)	9	4.7%	@60%	\$1,035						1,404	yes	No	N/A	N/A				
					193	100%						10	5.2%					
5	Regal Park 461 Old Dixie Way Forest Park, GA 30297 Clayton County	3.2 miles	Garden (3 stories) 2005 / n/a	LIHTC	1BR / 1BA	28	16.7%	@60%	\$756	874	no	Yes	0	0.0%				
					2BR / 2BA	84	50.0%	@60%	\$842	1,114	no	Yes	0	0.0%				
					3BR / 2BA	56	33.3%	@60%	\$977	1,388	no	No	0	0.0%				
					168	100%						0	0.0%					
6	Hampton Downs Apartments 100 Sandlewood Dr Morrow, GA 30260 Clayton County	1.4 miles	Garden (2 stories) 1990 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$921	720	n/a	None	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,092	960	n/a	None	N/A	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,138	1,050	n/a	None	N/A	N/A				
					201	100%						4	2.0%					
7	Hidden Creek 6595 Mount Zion Blvd Morrow, GA 30260 Clayton County	1.5 miles	Garden (3 stories) 1999 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$854	744	n/a	No	1	N/A				
					1BR / 1BA	N/A	N/A	Market	\$952	790	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,036	1,012	n/a	No	1	N/A				
					2BR / 2BA	N/A	N/A	Market	\$997	1,035	n/a	No	2	N/A				
					2BR / 2BA	N/A	N/A	Market	\$1,047	1,046	n/a	No	1	N/A				
					2BR / 2BA	N/A	N/A	Market	\$984	1,190	n/a	No	1	N/A				
					3BR / 2BA	N/A	N/A	Market	\$1,213	1,338	n/a	No	1	N/A				
					116	100%						7	6.0%					
8	Level At Mt. Zion 6668 Mount Zion Morrow, GA 30260 Clayton County	1.5 miles	Garden (3 stories) 1980s (est.) / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$763	628	n/a	No	0	N/A				
					2BR / 1BA	N/A	N/A	Market	\$869	785	n/a	No	1	N/A				
					3BR / 1BA	N/A	N/A	Market	\$971	987	n/a	No	1	N/A				
					121	100%						2	1.7%					
9	Magnolia Woods 2070 Lake Harbin Rd Morrow, GA 30260 Clayton County	0.7 miles	Various 1974 / Ongoing	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$714	704	n/a	No	N/A	N/A				
					1BR / 1BA (Garden)	N/A	N/A	Market	\$754	720	n/a	No	N/A	N/A				
					1BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$724	800	n/a	No	N/A	N/A				
					2BR / 1BA (Garden)	N/A	N/A	Market	\$760	960	n/a	No	N/A	N/A				
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$810	1,080	n/a	No	N/A	N/A				
					2BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$860	1,320	n/a	No	N/A	N/A				
3BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$955	1,480	n/a	No	N/A	N/A									
					240	100%						29	12.1%					
10	Park At Tara Lake 7545 Tara Road Jonesboro, GA 30236 Clayton County	3.7 miles	Garden (3 stories) 1998 / 2016	Market	1BR / 1BA	50	21.7%	Market	\$785	804	n/a	No	N/A	N/A				
					2BR / 2BA	50	21.7%	Market	\$929	1,044	n/a	No	N/A	N/A				
					2BR / 2BA	50	21.7%	Market	\$948	1,079	n/a	No	N/A	N/A				
					3BR / 2BA	80	34.8%	Market	\$950	1,244	n/a	No	N/A	N/A				
					230	100%						23	10.0%					
11	The Fields Baywood 6655 Mount Zion Blvd Morrow, GA 30260 Clayton County	1.5 miles	Garden (2 stories) 1995/1996 / 2017	Market	2BR / 2BA	48	40.0%	Market	\$996	1,004	n/a	No	N/A	N/A				
					3BR / 2BA	32	26.7%	Market	\$1,126	1,153	n/a	No	N/A	N/A				
					3BR / 2BA	40	33.3%	Market	\$1,136	1,201	n/a	No	N/A	N/A				
					120	100%						12	10.0%					

**ADDENDUM E**  
**Subject Floor Plans**