

Market Feasibility Analysis

Peaks of Cartersville
640 North Tennessee Street
Cartersville, Bartow County, Georgia 30120

Prepared For

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Table Of Contents

- A. Executive Summary
 - B. Project Description
 - C. Site Description and Evaluation
 - D. Primary Market Area Delineation
 - E. Community Demographic Data
 - F. Economic Trends
 - G. Project-Specific Demand Analysis
 - H. Rental Housing Analysis (Supply)
 - I. Absorption & Stabilization Rates
 - J. Interviews
 - K. Conclusions & Recommendations
 - L. Signed Statement
 - M. Market Study Representation
 - N. Qualifications
- Addendum A – Field Survey of Conventional Rentals
Addendum B – Comparable Property Profiles
Addendum C – Market Analyst Certification Checklist
Addendum D – Methodologies, Disclaimers & Sources
Addendum E – Achievable Market Rent Analysis

Section A – Executive Summary

This report evaluates the market feasibility of the Peaks at Cartersville rental community to be developed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Cartersville, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, as long as it is developed and operated as proposed in this report.

1. Project Description:

The subject project involves the new construction of the 72-unit Peaks of Cartersville rental community to be located on an approximate 5.8-acre site at 640 North Tennessee Street in Cartersville, Georgia. The project will offer 30 one-bedroom and 42 two-bedroom, garden-style units in two (2) three-story, elevator-equipped residential buildings together with a free-standing, 2,000 square-foot community building. The subject project will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income senior (age 55 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI). In addition to the Tax Credit units, 10 of the 72 subject units will operate as unrestricted market-rate units. Monthly collected Tax Credit rents will range from \$500 to \$725, depending on unit size and AMHI level, while the collected market-rate rents will range from \$750 for a one-bedroom unit to \$850 for a two-bedroom unit. Additionally, eight (8) of the subject units will operate under the HUD Section 811 program and target disabled households. Note that these subsidized units will be floating units among the subject units set at 50% of AMHI. The proposed project is expected to be complete by April of 2020. Additional details regarding the proposed project are included in *Section B* of this report.

2. Site Description/Evaluation:

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are not expected to have any negative impact on marketability of the subject site, as most structures in the site area were observed to be in fair to good condition. An electric easement containing a set of high-tension power lines is parallel to the northern boundary of the subject site. Note that this electric easement is also located on the northern portion of the site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property.

The subject site is clearly visible and easily accessible from North Tennessee Street, a moderately traveled roadway with a center turn lane which borders the site to the east. Most area services are located within 2.0 miles of the subject site, with many being located along and easily accessible from U.S. Highway 41, which is accessible within 0.6 miles of the subject site. Overall, the subject site location is considered conducive to age-restricted rental housing and should contribute to the subject's overall marketability within the Cartersville market.

3. Market Area Definition:

The Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn from. The Cartersville Site PMA includes portions of Cartersville and Cassville and outlying unincorporated portions of Bartow County. The boundaries of the Site PMA include Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west. The boundaries of the Site PMA are within 6.6 miles of the subject site. The farthest boundary from the site is 6.6 miles. A map illustrating these boundaries is included on page *D-3* of this report.

4. Community Demographic Data:

Demographic trends within the Cartersville Site PMA have been positive in terms of both population and households since 2000, a trend which is projected to continue between 2018 and 2020. More specifically, a total of 229 households will be added to the market during this time period, which is reflective of a 1.7% increase. Although modest, this household growth is indicative of a stable demographic base within the Site PMA. It is also of note that, senior (age 55 and older) households are projected to increase by 223, or 3.9%, between 2018 and 2020. It is projected that 2,003 senior (age 55 and older) renter households will exist in the market in 2020, reflective of an increase of 80 households, or 4.2%, over 2018 levels. More than 43.0% of all senior renter households are projected to earn below \$35,000 in 2020. Based on the preceding factors, a good and expanding base of potential age- and income-appropriate renter support exists in the Cartersville market for affordable senior-oriented rental product, such as that proposed at the subject site. Additional demographic data is included in *Section E* of this report.

5. Economic Data:

The employment base within the Cartersville Site PMA is relatively well-balanced, as no single industry segment comprises more than 17.1% of the overall labor force. A well-diversified labor force will contribute to the continued strength of the local economy. The Bartow County economy has experienced significant improvement since the end of the national recession, in terms of both total employment and the unemployment rate. Notably, nearly 7,000 jobs have been added to the county since 2009, with the majority of this employment growth occurring over the past few years. The unemployment rate has declined by nearly eight full percentage points since 2010. There are several announcements of new business openings and/or expansions within the area. This will contribute to the continued growth and strength of the local economy within the Bartow County area. Demand for affordable age-restricted housing alternatives, however, is also expected to remain high regardless of economic conditions, as many senior residents in the area are likely to be retired and living on fixed-incomes. Additional economic data is included in *Section F* of this report.

6. Project-Specific Affordability and Demand Analysis:

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall Tax Credit capture rate of 19.1% and market-rate capture rate of 5.1% are both considered achievable within the Cartersville market, which is considered a rural market. This is especially true, given the high occupancy rates and waiting lists maintained among the comparable LIHTC projects surveyed in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 5.3% to 24.2%. Considering the overall capture rates for the subject's Tax Credit and market-rate units, a sufficient base of both age- and income-qualified renter households exists in the market for the subject project as a whole. However, per GDCA methodology, demand from senior homeowners is limited to 2% of total demand. We anticipate a greater percentage of support will generate from homeowners looking to downsize from their homes and seeking a maintenance free housing alternative, especially considering that income-qualified senior homeowners ages 55 and older do not have an affordable rental housing option currently available to them. As such, the overall capture rate is considered conservative.

7. Competitive Rental Analysis

Tax Credit Units

The subject project will offer one- and two-bedroom units targeting seniors (age 55 and older) earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of four (4) properties which at least partially operate under the LIHTC program. Of these four properties, two are age-restricted similar to the subject project, while another is family-oriented (general-occupancy), but offers two-bedroom garden-style units similar to those proposed at the subject site. Thus, these three non-subsidized LIHTC properties have been included in our comparable analysis. It is of note, however, that these three properties offer a very limited number of units set at the 60% AMHI level to be targeted at the subject site. As such, we identified and surveyed two additional properties outside the Site PMA, but within the nearby region, that offer one- and two-bedroom units targeting households earning up to 60% of AMHI. Since these properties are located outside the Site PMA, and are general-occupancy properties, they are not considered competitive with the subject project. Thus, these properties have been included for comparability purposes only.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Cartersville	2020	62*	-	-	-	Seniors 55+; 50% & 60% AMHI & Section 811
5	Etowah Village Apts.	1996	95	100.0%	2.8 Miles	3 Months	Families; 45%, 50%, & 60% AMHI
7	Cove Apts.	2000	60	100.0%	3.4 Miles	13 H.H.	Seniors 62+; 35% & 40% AMHI
12	Shangri-La Park	2011	72	100.0%	3.8 Miles	40 H.H.	Seniors 55+; 50% & 60% AMHI
902	Legacy at Acworth	1997	86*	93.0%	12.9 Miles	1-Br: 3 H.H.	Families; 60% AMHI
904	Somerset Club Apts.	2004	120*	100.0%	4.2 Miles	None	Families; 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

900 Series Map IDs located outside of Site PMA

The five LIHTC projects have a combined occupancy rate of 98.6%. Notably, the three comparable LIHTC properties located in the Site PMA are 100.0% occupied and maintain waiting lists for their next available unit. Note that this indicates two age-restricted properties. This is a clear indication of pent-up demand for age-restricted LIHTC product. The subject project will help alleviate a portion of this pent-up demand.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Cartersville	\$603/50% (6) \$728/60% (20)	\$728/50% (9) \$853/60% (27)	-	-
5	Etowah Village Apts.	-	\$719/45% (19/0) \$719/50% (4/0)	\$822/50% (29/0) \$835/60% (43/0)	None
7	Cove Apts.	\$440/35% (12/0) \$461/40% (36/0)	\$513/35% (4/0) \$528/40% (8/0)	-	None
12	Shangri-La Park	\$566/50% (2/0) \$566/60% (6/0)	\$632/50% (14/0) \$632/60% (50/0)	-	None
902	Legacy at Acworth	\$826/60% (16/0)	\$987/60% (38/0)	\$1,146/60% (32/6)	None
904	Somerset Club Apts.	\$811/60% (30/0)	\$1,011/60% (54/0)	\$1,150/60% (36/0)	None

900 Series Map IDs located outside of Site PMA

The subject's proposed gross Tax Credit rents are within range of, if not lower than, those reported among similar unit types among the comparable LIHTC projects. Note that the one property in the market which offers units at both 50% and 60% of AMHI, Shangri-La Park (Map ID 12), charges the same rent, regardless of AMHI level. Although management was unable to confirm, this is likely due to the fact that the units set at 60% of AMHI effectively have rents restricted to 50% of AMHI. Thus, the units set at 60% of AMHI at this property are not believed to be the most accurate representation of what is truly achievable within this market. Although the two other properties offering units at the 60% AMHI level are located outside the Site PMA, these properties are located within the outlying portions of Cartersville or the nearby Acworth area, which is also within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area. As such, these properties comply with the same rent and income limits as similar properties within the Site PMA and will therefore serve as accurate comparables for the subject project. When compared to these properties located outside the Site PMA, the subject's proposed gross rents are expected to represent a significant value and are considered marketable.

Comparable/Competitive Tax Credit Summary

A total of three non-subsidized LIHTC projects were identified and surveyed within the Site PMA. These three properties are each 100.0% occupied and maintain a waiting list. Due to the limited supply of LIHTC product set at the 60% AMHI level, two additional properties were surveyed outside the Site PMA, which reported a total of only six (6) vacant units. The subject’s proposed gross Tax Credit rents are considered competitive and marketable within the Cartersville market. The subject’s unit designs and amenity packages are also considered competitive and marketable to the targeted senior population within the Site PMA.

Market-Rate Units

In addition to its Tax Credit units, the proposed project will also offer some unrestricted market-rate units. Within the Cartersville Site PMA, we identified and surveyed a total of eight properties which offer unrestricted market-rate units. Of these eight properties, we have selected the five properties which we consider most comparable to the subject project in terms of age, design, unit types offered, and/or amenities offered. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Cartersville	2020	10*	-	-	-
4	Vineyards	1999	152	100.0%	3.8 Miles	None
8	Avonlea Highlands	2002	228	100.0%	1.8 Miles	None
9	Rosewood Apts.	1990	148	98.6%	3.8 Miles	\$150 off first month’s rent (one-bedroom units only)
11	Ivy Mill Apts.	1997	24	100.0%	1.5 Miles	None
15	Glen Apts.	1990	108	100.0%	3.4 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 660 units with an overall occupancy rate of 99.7%, with none of the selected properties reporting individual occupancy rates below 98.6%. These occupancy rates demonstrate that these properties have been well-received within the market and will serve as accurate benchmarks with which to compare the subject site.



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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	\$853 (4)	\$978 (6)	-
4	Vineyards	\$904 (42/0)	\$1,021 (96/0)	\$1,163 (14/0)
8	Avonlea Highlands	\$1,023-\$1,194 (54/0)	\$1,350-\$1,520 (138/0)	\$1,535 (36/0)
9	Rosewood Apts.	\$896-\$926 (56/1)	\$1,057 (84/0)	\$1,216 (8/1)
11	Ivy Mill Apts.	\$861 (8/0)	\$987 (16/0)	-
15	Glen Apts.	\$906-\$966 (32/0)	\$1,032-\$1,142 (52/0)	\$1,216-\$1,266 (24/0)

The subject's proposed gross market-rate rents are the lowest among the comparable properties. Thus, the subject project will likely be perceived as a good value within the Cartersville market.

Comparable Market-Rate Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed development will be competitive with these properties. In fact, the subject project will offer the lowest priced one- and two-bedroom units among the comparable market-rate properties, in terms of gross rents. This will create a competitive advantage for the property.

Average Market Rent

The following table illustrates the weighted average *collected* rents of the comparable market-rate projects by bedroom type, *for units similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$857	\$1,048

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

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent	Rent Advantage
One-Br.	\$857	- \$500 (50%)	\$357	/ \$500 (50%)	71.4%
		- \$625 (60%)	\$232	/ \$625 (60%)	37.1%
		- \$750 (MR)	\$107	/ \$750 (MR)	14.3%
Two-Br.	\$1,048	- \$600 (50%)	\$448	/ \$600 (50%)	74.7%
		- \$725 (60%)	\$323	/ \$725 (60%)	44.6%
		- \$850 (MR)	\$198	/ \$850 (MR)	23.3%

MR – Market-Rate



As the preceding illustrates, the proposed subject units represent rent advantages ranging from 37.1% to 74.7% for the subject's Tax Credit units, and 14.3% to 23.3% for the subject's market-rate units, as compared to the weighted average collected rents of the comparable market-rate projects located in the Site PMA (as identified in *Addendum E*). Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

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

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2020 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2020.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists maintained among the existing comparable LIHTC and market-rate properties in the Cartersville Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate, achievable market rents and assume that the developer and/or management will successfully market the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately eight units per month.

These absorption projections assume an April 2020 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 age-restricted (55+) units proposed at the subject site, assuming it is developed as detailed in this report.

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are minimal and are not expected to have any negative impact on marketability of the subject site. A set of high-tension power lines are parallel to the northern boundary of the subject site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property. The subject site has good visibility and access from North Tennessee Street which borders the site to the east. Most area services are also easily accessible from the subject site and located along U.S. Highway 41 east of the subject site.

Within the Cartersville Site PMA, we identified and surveyed a total of three non-subsidized Tax Credit properties, two of which are age-restricted. These two age-restricted properties are both 100.0% occupied with waiting lists. It is also of note that only one of these two age-restricted properties offers units set at 50% and 60% of AMHI, similar to the subject project. Additionally, this property which targets AMHI levels similar to the subject project charges the same rent, regardless of AMHI level. This is a good indication that the units set at 60% of AMHI are effectively rent restricted to 50% of AMHI. This also indicates that there is lack of traditional age-restricted LIHTC product targeting households earning up to 60% of AMHI. The subject project will also offer some unrestricted market-rate units. Although no age-restricted market-rate properties were surveyed within the Site PMA, the five market-rate properties selected as comparables for the subject project are 99.7% occupied, demonstrating that market-rate product is also in high demand within this market. The subject project is considered marketable and will be competitive in terms of price point (gross rent), unit design, and amenities offered.

In addition to the competitive position of the subject project, a sufficient base of potential age- and income-appropriate renter households exists in the market for the subject project, as evident by the subject's overall Tax Credit capture rate of 19.1% and market-rate capture rate of 5.1%. The subject's capture rates by AMHI level are also achievable, ranging from 5.3% to 24.2%, as detailed in *Section G*.

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

Development Name:	Peaks at Cartersville	Total # Units: 72
Location:	640 North Tennessee Street, Cartersville, GA 30120	# LIHTC Units: 62
PMA Boundary:	Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west.	
	Farthest Boundary Distance to Subject:	6.6 miles

RENTAL HOUSING STOCK (found on page H-1 & 7; A-5)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	1,529	2	99.9%
Market-Rate Housing	8	844	2	99.8%
Assisted/Subsidized Housing not to include LIHTC	5	434	0	100.0%
LIHTC	4	251	0	100.0%
Stabilized Comps	3	227	0	100.0%
Properties in Construction & Lease Up	0	0	0	-

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
6	One	1.0	726	\$500	\$857	\$1.18	71.4%	\$897	\$1.36
20	One	1.0	726	\$625	\$857	\$1.18	37.1%	\$897	\$1.36
4	One	1.0	726	\$750	\$857	\$1.18	14.3%	\$897	\$1.36
9	Two	2.0	1,001	\$600	\$1,048	\$1.05	74.7%	\$1,198	\$1.14
27	Two	2.0	1,001	\$725	\$1,048	\$1.05	44.6%	\$1,198	\$1.14
6	Two	2.0	1,001	\$850	\$1,048	\$1.05	23.3%	\$1,198	\$1.14

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

	2010		2018		2020	
Senior Renter Households 55+	1,414	29.0%	1,923	33.3%	2,003	33.4%
Age- & Income-Qualified Renter HHs-LIHTC	N/A	N/A	450	23.4%	432	21.6%
Income-Qualified Renter HHs (MR)	N/A	N/A	711	37.0%	823	41.1%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other:	Overall
Renter Household Growth	-	-12	-13	112	-	-18
Existing Households (Overburd + Substand)	-	296	228	82	-	368
Homeowner conversion (Seniors)	-	5	4	3	-	7
Total Primary Market Demand	-	289	219	197	-	357
Less Comparable/Competitive Supply*	-	7	25	0	-	32
Adjusted Income-Qualified Renter HHs	-	282	194	197	-	325

*Excludes competitive units expected to be absorbed outside the market

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other:	Overall (LIHTC)
Capture Rate	-	5.3%	24.2%	5.1%	-	19.1%

Section B - Project Description

The subject project involves the new construction of the 72-unit Peaks of Cartersville rental community to be located on an approximate 5.8-acre site at 640 North Tennessee Street in Cartersville, Georgia. The project will offer 30 one-bedroom and 42 two-bedroom, garden-style units in two (2) three-story, elevator-equipped residential buildings together with a free-standing, 2,000 square-foot community building. The subject project will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income senior (age 55 and older) households earning up to 50% and 60% of Area Median Household Income (AMHI). In addition to the Tax Credit units, 10 of the 72 subject units will operate as unrestricted market-rate units. Monthly collected Tax Credit rents will range from \$500 to \$725, depending on unit size and AMHI level, while the collected market-rate rents will range from \$750 for a one-bedroom unit to \$850 for a two-bedroom unit. Additionally, eight (8) of the subject units will operate under the HUD Section 811 program and target disabled households. Note that these subsidized units will be floating units among the subject units set at 50% of AMHI. The proposed project is expected to be complete by April of 2020. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Peaks of Cartersville
2. **Property Location:** 640 North Tennessee Street
Cartersville, Georgia 30120
(Bartow County)
3. **Project Type:** New Construction
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
6	One-Br.	1.0	Garden	726	50%	\$500	\$103	\$603	\$653
20	One-Br.	1.0	Garden	726	60%	\$625	\$103	\$728	\$784
4	One-Br.	1.0	Garden	726	MR	\$750	\$103	\$853	-
9	Two-Br.	2.0	Garden	1,001	50%	\$600	\$128	\$728	\$785
27	Two-Br.	2.0	Garden	1,001	60%	\$725	\$128	\$853	\$942
6	Two-Br.	2.0	Garden	1,001	MR	\$850	\$128	\$978	-
72	Total								

Source: Landbridge Development, LLC

AMHI – Area Median Household Income (Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area; 2017)

Note: Eight (8) units at 50% AMHI will be HUD Section 811 units.

5. **Target Market:** Seniors (age 55 and older)

6. Project Design: Two (2) three-story elevator-equipped residential buildings and one non-residential community building.

7. Original Year Built: Not Applicable; New Construction

8. Projected Opening Date: April 2020

9. Unit Amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Garbage Disposal
- Microwave
- Emergency Call System
- Central Air Conditioning
- Washer/Dryer Hookups
- Vinyl Plank Flooring
- Window Blinds
- Ceiling Fan

10. Community Amenities:

The subject property will include the following community features:

- On-Site Management
- Laundry Facility
- Picnic Area w/Grills
- Wellness Screening Room
- Clubhouse/Community Space
- Elevator
- Covered Porch
- Community Gardens

11. Resident Services:

None

12. Utility Responsibility:

The cost of trash collection will be included in the rent, while tenants will be responsible for the following:

- General Electricity
- Electric Heat
- Water/Sewer
- Electric Water Heat
- Electric Cooking

13. Rental Assistance:

Eight (8) of the 72 proposed units will operate under the HUD Section 811 program and target disabled households. These disabled units will not be restricted to a specific disabled population (i.e. physical, mental, etc.).

14. Parking:

The subject site will offer a surface parking lot containing a total of 144 parking spaces, which equates to 2.0 spaces per unit. This is considered appropriate for senior-oriented rental product such as that proposed at the subject site.

15. Current Project Status:

Not Applicable; New Construction

16. Statistical Area:

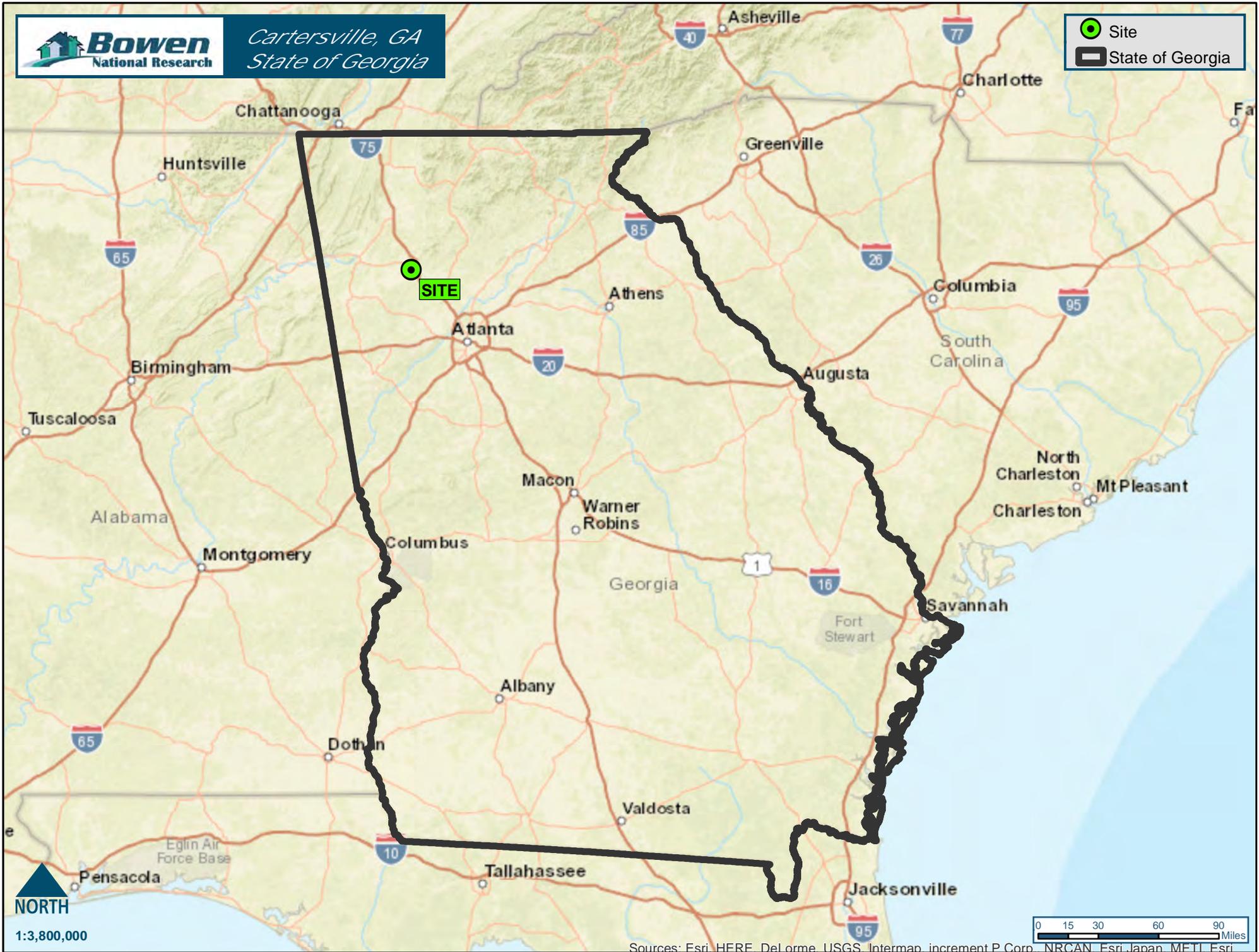
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area (2017)

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



Cartersville, GA
State of Georgia

● Site
▭ State of Georgia



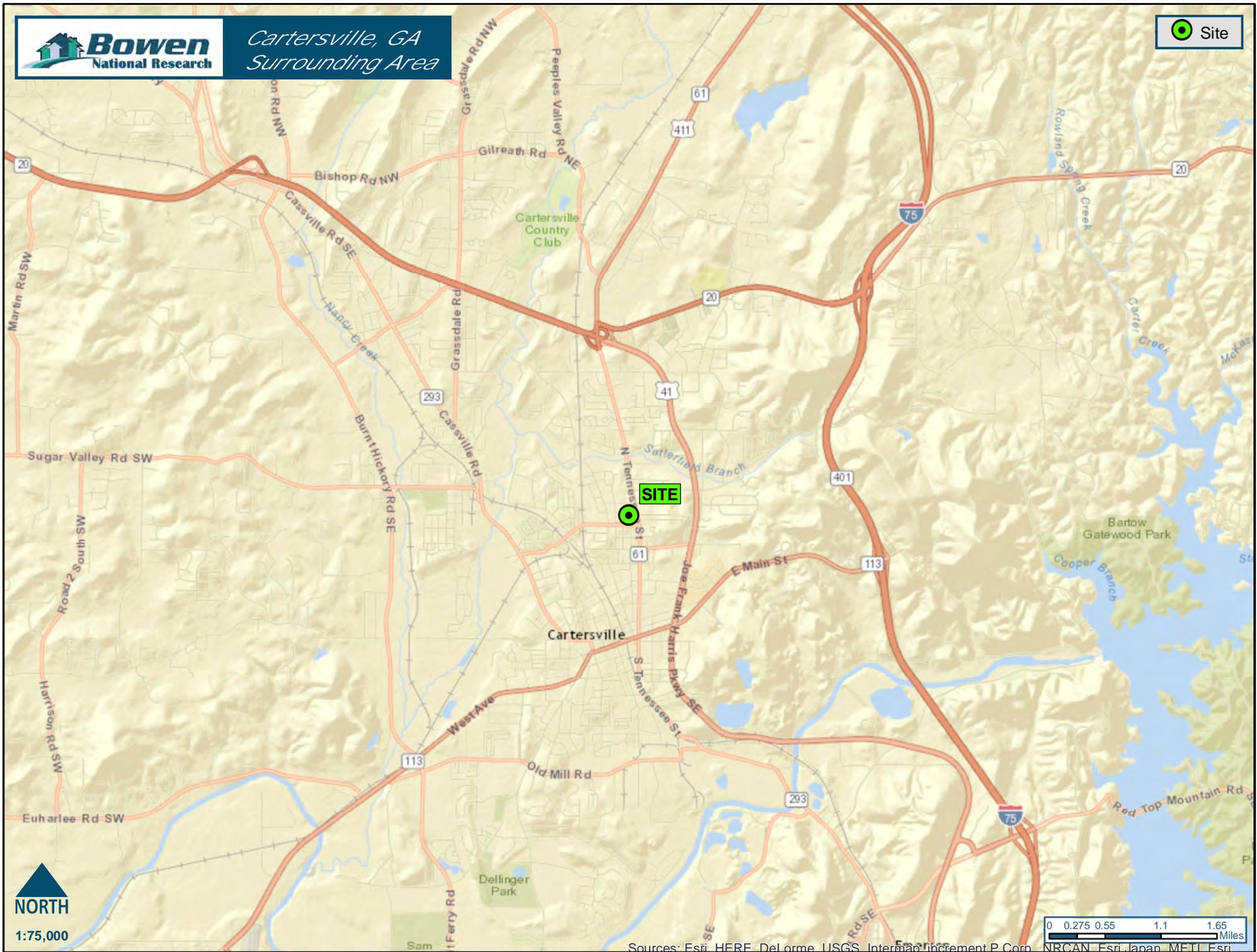
NORTH
1:3,800,000



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



*Cartersville, GA
Surrounding Area*



1:75,000



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



*Cartersville, GA
Site Neighborhood*

Legend
 Site Area




NORTH
1:3,000

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

0 0.015 0.03 0.06 0.09 Miles

Section C – Site Description And Evaluation

1. LOCATION

The subject site is a developed and lightly wooded 5.9-acre parcel located at 640 North Tennessee Street in the central portion of Cartersville, Georgia. The site presently contains a single-family house and an outbuilding. Located within Bartow County, Cartersville is approximately 43.0 miles northwest of Atlanta, Georgia. Christopher Bunch, an employee of Bowen National Research, inspected the site and area apartments during the week of March 19, 2018.

2. SURROUNDING LAND USES

The subject site is within an established area of Cartersville, Georgia. Surrounding land uses generally include single-family homes, a small group of townhomes, wooded and vacant land, retail shops, an electric easement, and various other small businesses. Adjacent land uses are detailed as follows:

North -	The northern boundary of the site is defined by a tree line. An electric easement operated by Georgia Power also runs parallel to the northern border of the site. Note that per a survey map, a portion of this electric easement also occupies the northern portion of the site. Continuing north is a residential neighborhood generally comprised of one- and two-story single-family homes observed to be in average condition. A small Hertz rental car center and Brandi's World Famous Hot Dogs, both observed to be in average condition, extend northeast of the site.
East -	The eastern boundary is defined by North Tennessee Street (State Route 61), a two-lane arterial with a designated center turn lane and moderate vehicular traffic. Located east of North Tennessee Street (State Route 61), are multiple small businesses including, but not limited to, a pet grooming facility, dentist's office, insurance office, and automotive customization center. All these businesses were observed to be in average condition. Extending farther east is a mix of single-family homes in average condition and wooded land.
South -	There are two single-family home structures located near the southeast boundary of the site that are expected to be razed as part of the development of the subject site. Continuing south are residential neighborhoods comprised of single-family homes ranging from less than average to average condition. A small set of townhomes observed to be in less than average condition lies beyond the southwest boundary of the site. In addition, Lifepoint Church, observed to be in good condition, is southeast of the site.

West -

The western boundary of the site is defined by a steep decline in elevation followed by one- and two-story single-family homes observed to be in average condition. Scattered single-family homes and undeveloped wooded land extend farther west.

The subject site is located within a mixed-use area of Cartersville. Structures within the immediate site area are generally in average condition, though there are some single-family homes and townhomes south of the site which were observed to be in less than average condition. Additionally, an electric easement operated by Georgia Power runs parallel to the northern boundary of the subject site. The structures located south of the subject site which were observed to be of less than average condition are not expected to have a significant impact on the marketability of the subject site as these are structures are not blighted structures or in disrepair, rather cosmetically undesirable. The high-tension power lines contained within the easement along the northern boundary of the subject site are also not expected to impact marketability of the subject site, as these power lines are not expected to be directly overhead of any of the subject buildings or community areas. Note that this electric easement also occupies the northern portion of the site. It is our assumption that none of the residential buildings proposed for the site will be located within the electric easement.

3. VISIBILITY AND ACCESS

The subject property maintains full frontage and is clearly visible from North Tennessee Street (State Route 61), which borders the site to the east. There are no tall structures in the immediate area to obstruct views of the site. However, the tree lines/wooded land to the north and south, as well as a steep change in elevation to the west, do slightly obstruct visibility from these aforementioned directions. The obstructed visibility of the subject site from these aforementioned directions is not, however, expected to have any adverse impact on marketability of the subject site due to the fact that the heaviest passerby traffic to the subject site will derive from North Tennessee Street (State Route 61) east of the site. The subject site is clearly visible from this roadway and any signage provided along North Tennessee Street (State Route 61) would adequately promote awareness of the site. Overall, visibility is considered to be good.

The subject site derives access from North Tennessee Street (State Route 61), a two-lane thoroughfare which borders the site to the east and was observed to experience moderate vehicular traffic. Notably, a dedicated center turn lane is provided along North Tennessee Street (State Route 61), which will help mitigate periods of heavier traffic and enhance ingress and egress of the subject site. The subject site is also within proximity of multiple arterial roadways, including U.S. Highway 41 which can be accessed by way of Martin Luther King Jr. Drive approximately 0.6 miles southeast of the site, and U.S. Highway 411 can be accessed approximately 1.7 miles north via North Tennessee Street (State Route 61). Both previously mentioned highways provide access throughout Cartersville.

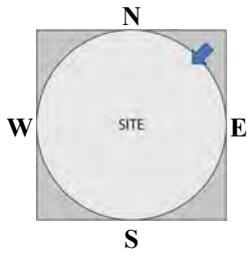
There is no fixed-route public transportation in Cartersville. However, on-call public transit is offered by Bartow County Transit, which is considered beneficial to the low-income senior population targeted at the subject project. Based on the preceding factors, accessibility of the subject site is considered good and should contribute to the subject's marketability within the Cartersville market.

According to area planning and zoning officials, and based on the observations of our analyst, one notable road construction project was underway within the immediate site area. At the time of our site visit, the Georgia Department of Transportation (GDOT) was working on a project to reconstruct the U.S. Highway 411 interchange at State Route 3 and State Route 61 (North Tennessee Street). This project is taking place approximately 2.0 miles north of the site. According to GDOT records, this project will be taking place through 2020. Although this project takes place along North Tennessee Street, due to the distance from the site, it will not adversely impact the marketability of the subject site.

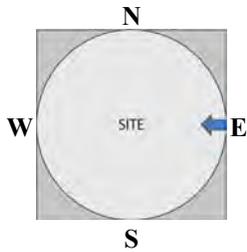
4. SITE PHOTOGRAPHS

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

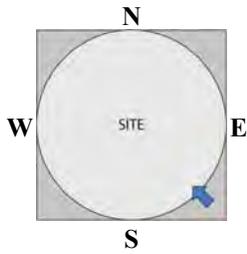
SITE PHOTOGRAPHS



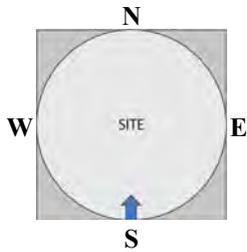
View of site from the northeast



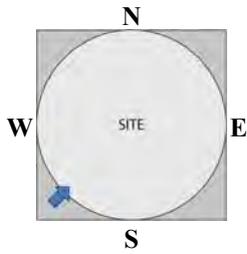
View of site from the east



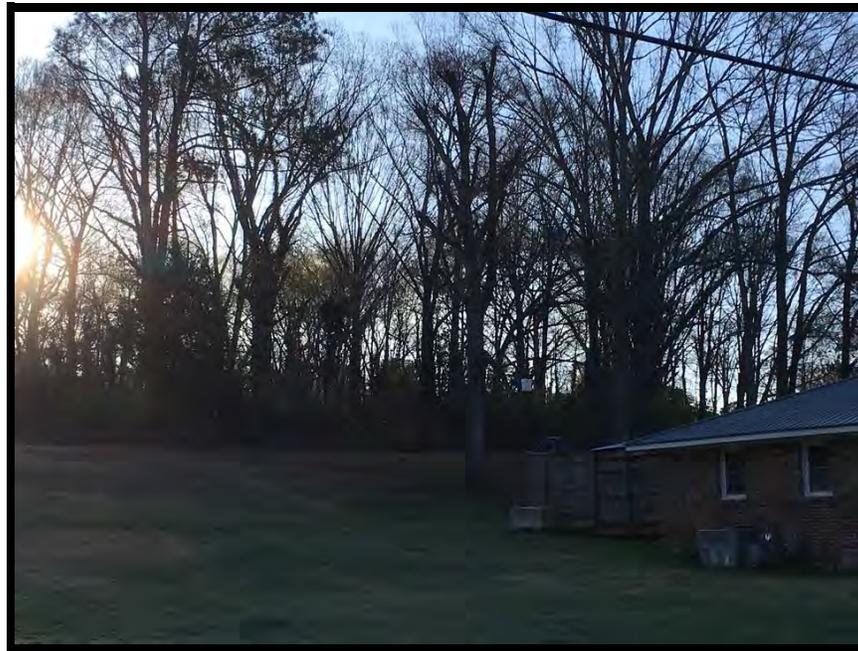
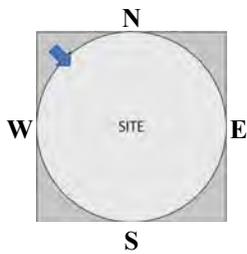
View of site from the southeast



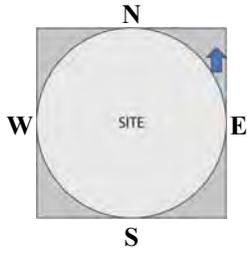
View of site from the south



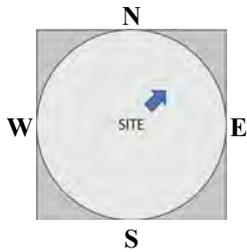
View of site from the southwest



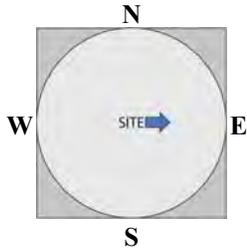
View of site from the northwest



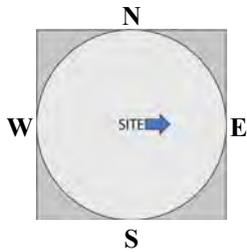
North view from northeast corner



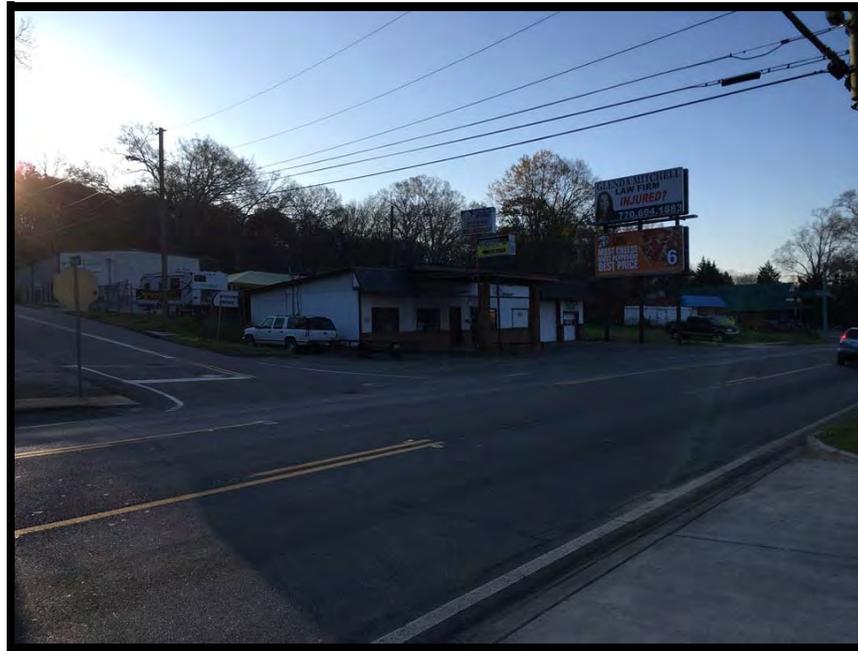
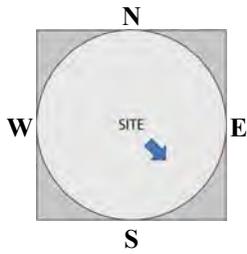
Northeast view from site



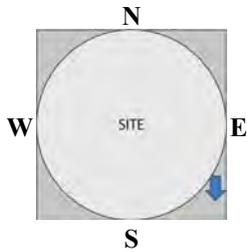
East view from site



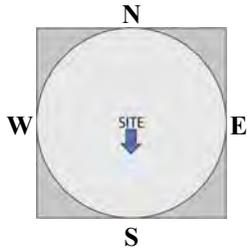
East view from site



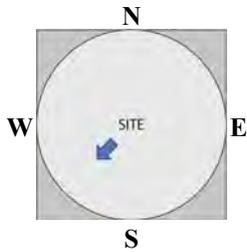
Southeast view from site



South view from southeast corner



South view from site



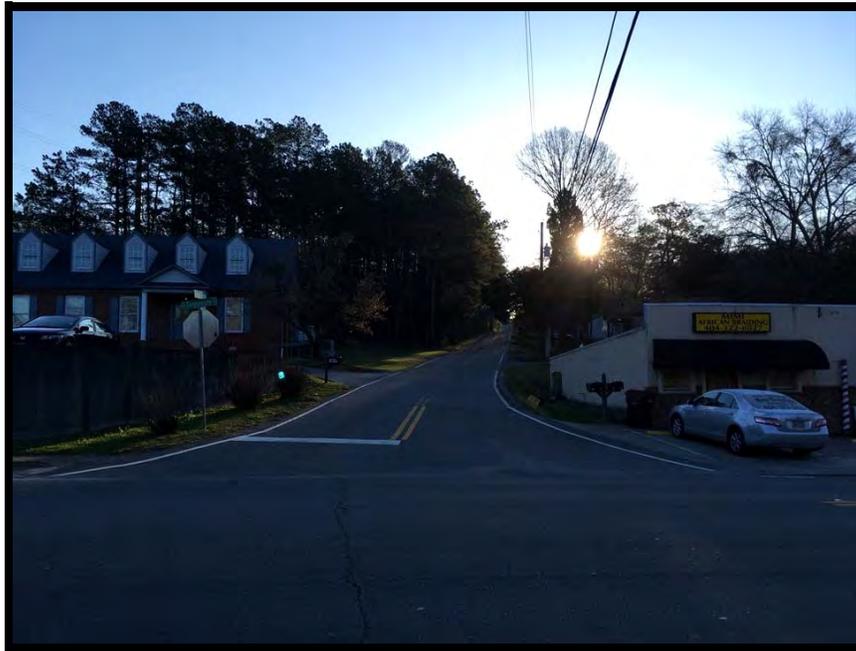
Southwest view from site



Streetscape - North view along North Tennessee Avenue



Streetscape - South view along North Tennessee Street



Streetscape - East view along Fairview Street



West view along electric easement

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 61 (North Tennessee Street) U.S. Highway 41 U.S. Highway 411 Interstate 75	Adjacent East 0.6 Southeast 1.7 North 2.9 Southeast
Public Bus Stop	Bartow County Transit	On-Call
Major Employers/ Employment Centers	Cartersville Medical Center Walmart Supercenter Shaw Industries	1.7 North 2.1 Northeast 7.3 Northeast
Convenience Store	AmPm Food Mart	0.3 South 0.3 South
Grocery	Kroger Market Place Publix Super Market Ingles Market Walmart Supercenter	1.0 South 1.2 Southeast 1.6 Northeast 2.1 Northeast
Discount Department Store	Big Lots Dollar General Walmart Supercenter	0.6 Southeast 0.7 Southeast 2.1 Northeast
Shopping Center/Mall	Market Square Shopping Center Cartersville Plaza Shopping Center Downtown Cartersville Businesses	0.6 Southeast 0.6 Southeast 1.2 Southwest
Schools: Primary Elementary Middle/Junior High High	Cartersville Primary School (K-2) Cartersville Elementary School (3-5) Cartersville Middle School (6-8) Cartersville High School (9-12)	2.9 Southwest 2.8 Southwest 3.7 Southwest 1.1 South
Hospital	Cartersville Medical Center	1.7 North
Police	Cartersville City Police Department	0.4 South
Fire	Cartersville Fire Department	1.1 South
Post Office	U.S. Post Office	1.3 Southeast
Bank	Hamilton State Bank Synovus – Georgia Bank & Trust Century Bank of Georgia BB&T	1.0 South 1.1 South 1.1 South 1.2 South
Recreational Facilities	Aubrey Street Recreation Gym	1.2 Southwest
Gas Station	BP Smart Mart	0.3 South 0.3 South
Pharmacy	CVS Pharmacy Walgreens Kroger Pharmacy	0.9 South 0.9 South 1.0 South
Restaurant	Brandi's World Famous Hot Dogs Dragon Garden Chinese Restaurant McDonald's	0.1 Northwest 0.6 Southeast 0.7 Southeast
Day Care	Step Ahead Learning Center	0.7 South
Library	Cartersville Public Library	1.7 Southwest
Community Center	Aubrey Street Recreation Gym	1.2 Southwest

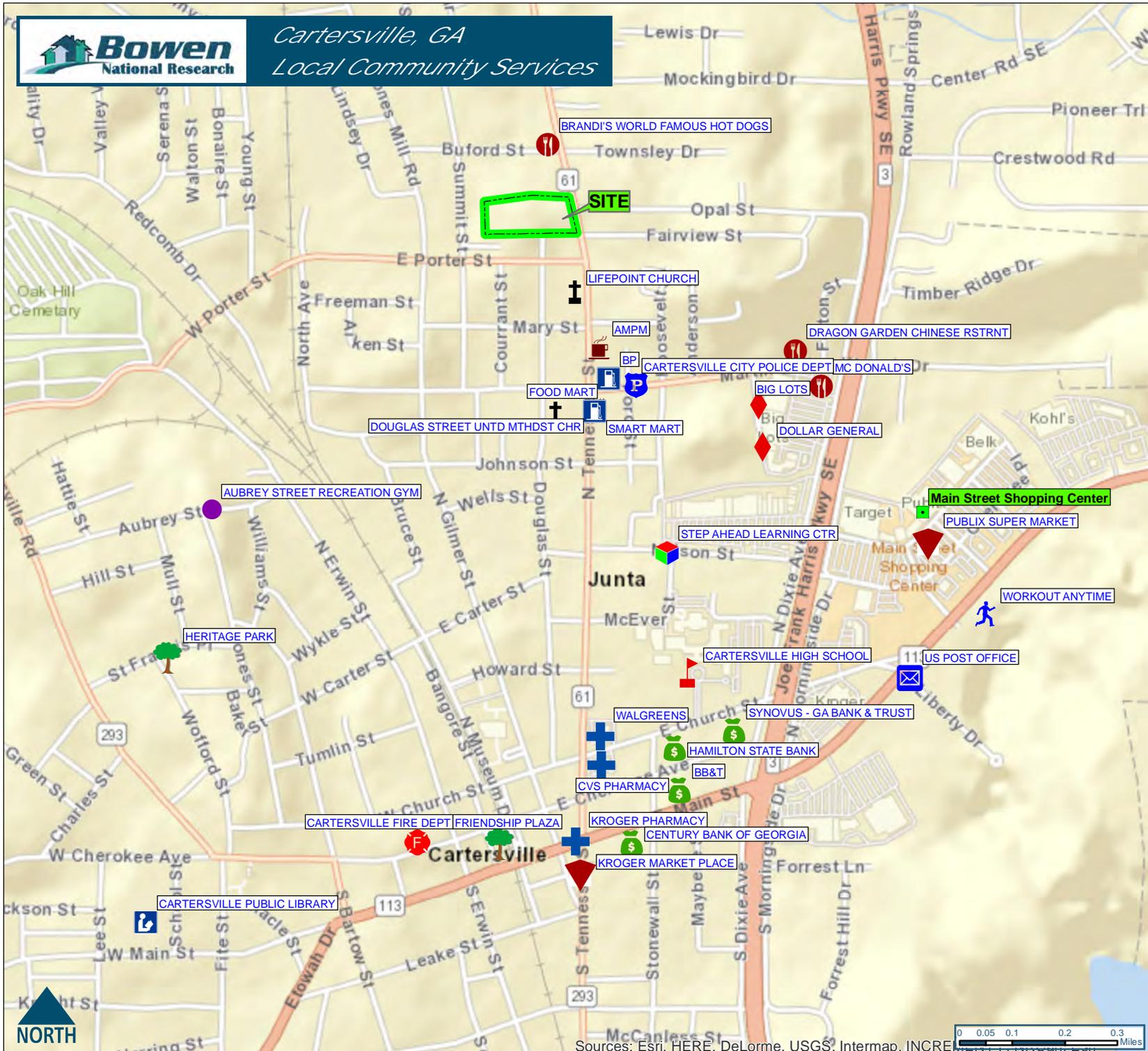
(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Fitness Center	Planet Fitness	1.6 Northeast
	Workout Anytime	1.9 Southeast
Park	Friendship Plaza	1.2 Southwest
	Heritage Park	1.4 Southwest
Church	Lifepoint Church	0.2 South
	Douglas Street United Methodist Church	0.4 South
Senior Center	Zena Senior Center	1.6 Northeast

There are numerous community services located within proximity of the site. Notably, the subject site is near multiple shopping centers which contain such retailers as Kroger Marketplace, Publix, Big Lots, Ingles Market, and a Walmart Supercenter. Additionally, dining establishments, pharmacies, financial institutions, and convenience stores are all located within proximity of the site, which is considered beneficial to the targeted population. Many of the community services are located along U.S. Highway 41 (Joe Frank Harris Parkway), which is accessible within 0.6 miles of the subject site. Downtown Cartersville, located 1.2 miles southwest of the site, features several shops, restaurants, and entertainment venues.

The subject site is provided public safety services by the Cartersville Police and Fire departments, which are located 0.4 miles and 1.1 miles, respectively, from the site. The nearest acute-care hospital is the Cartersville Medical Center which offers an emergency care unit, as well as specializing in numerous medical treatments. Overall, the subject site's proximity to community services should contribute to the overall marketability of the subject site.

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



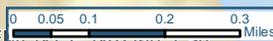
Legend

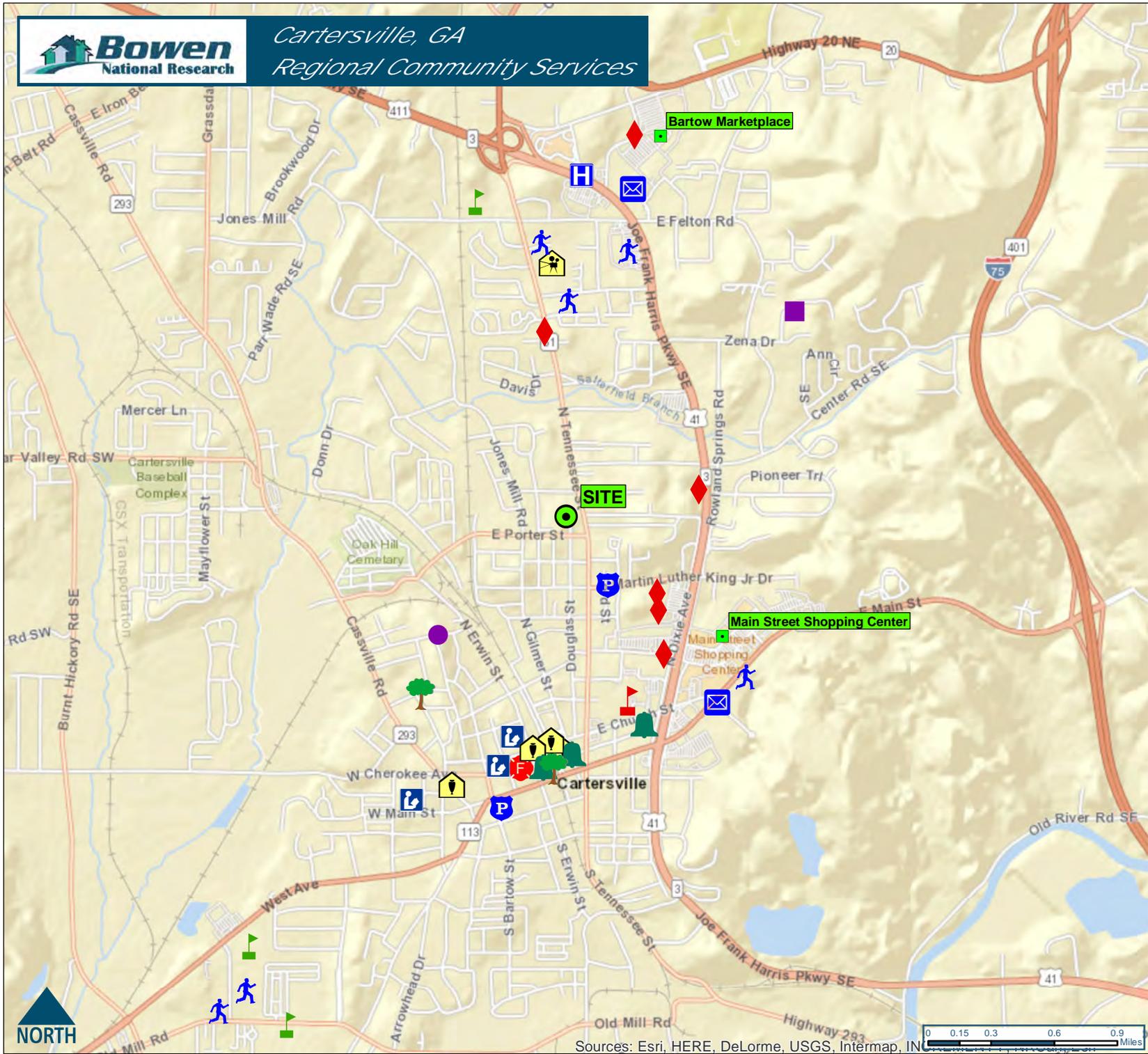
- Site Area
- Bank
- Child Care
- Church
- Convenience Store
- Fire
- Fitness Center
- Gas
- Grocery
- High School
- Library
- Park
- Pharmacy
- Police
- Post Office
- Recreation Center
- Restaurant
- Shopping

Shopping Center

Gross Leasable Area

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





Legend

- Site
- Cinema
- Elementary School
- Fire
- Fitness Center
- High School
- Hospital
- Library
- Museum
- Park
- Police
- Post Office
- Recreation Center
- Senior Services
- Shopping
- University

Shopping Center
Gross Leasable Area

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



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



1:40,000

6. CRIME ISSUES

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

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

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

Total crime risk (111) for the Site ZIP Code is slightly above the national average (100) with an overall personal crime index of 63 and a property crime index of 118. Total crime risk (100) for Bartow County is equal to the national average with indexes for personal and property crime of 59 and 106, respectively.

	Crime Risk Index	
	Site ZIP Code	Bartow County
Total Crime	111	100
Personal Crime	63	59
Murder	78	67
Rape	98	96
Robbery	28	28
Assault	73	67
Property Crime	118	106
Burglary	124	106
Larceny	120	110
Motor Vehicle Theft	88	74

Source: Applied Geographic Solutions

As the preceding illustrates, the crime risk index reported for the Site ZIP Code (111) is slightly higher than that reported for Bartow County (100) as a whole, which is equal to the national average. These average crime rates indicate that there is likely a low perception of crime within the area, which will contribute to the overall marketability of the subject project.

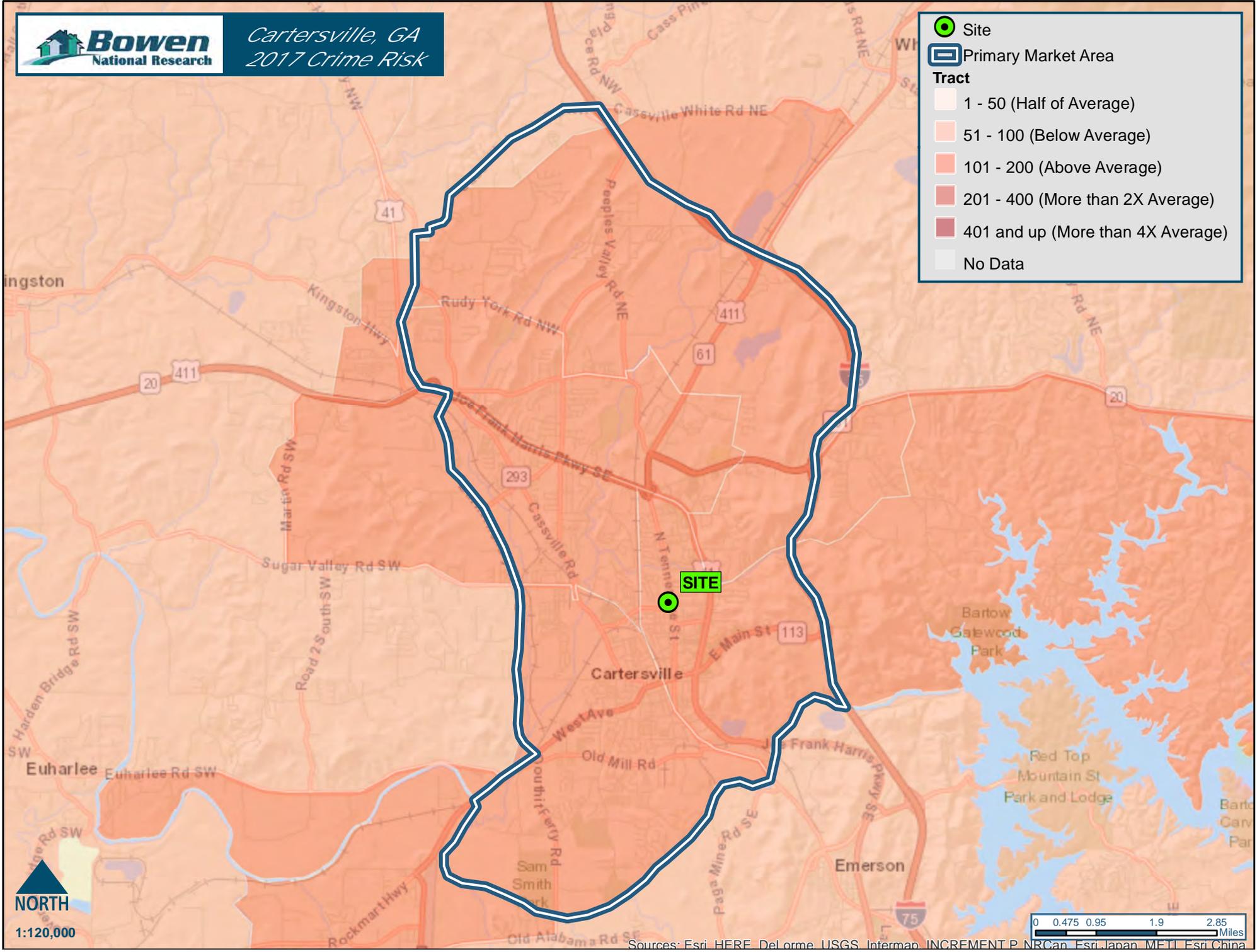
A map illustrating crime risk is on the following page.

● Site

▭ Primary Market Area

Tract

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)
- 401 and up (More than 4X Average)
- No Data



NORTH
1:120,000

0 0.475 0.95 1.9 2.85 Miles

7. OVERALL SITE EVALUATION

The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are not expected to have any negative impact on marketability of the subject site, as most structures in the site area were observed to be in fair to good condition. An electric easement containing a set of high-tension power lines is parallel to the northern boundary of the subject site. Note that this electric easement is also located on the northern portion of the site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property.

The subject site is clearly visible and easily accessible from North Tennessee Street, a moderately traveled roadway with a center turn lane which borders the site to the east. Most area services are located within 2.0 miles of the subject site, with many being located along and easily accessible from U.S. Highway 41, which is accessible within 0.6 miles of the subject site. Overall, the subject site location is considered conducive to age-restricted rental housing and should contribute to the subject's overall marketability within the Cartersville market.

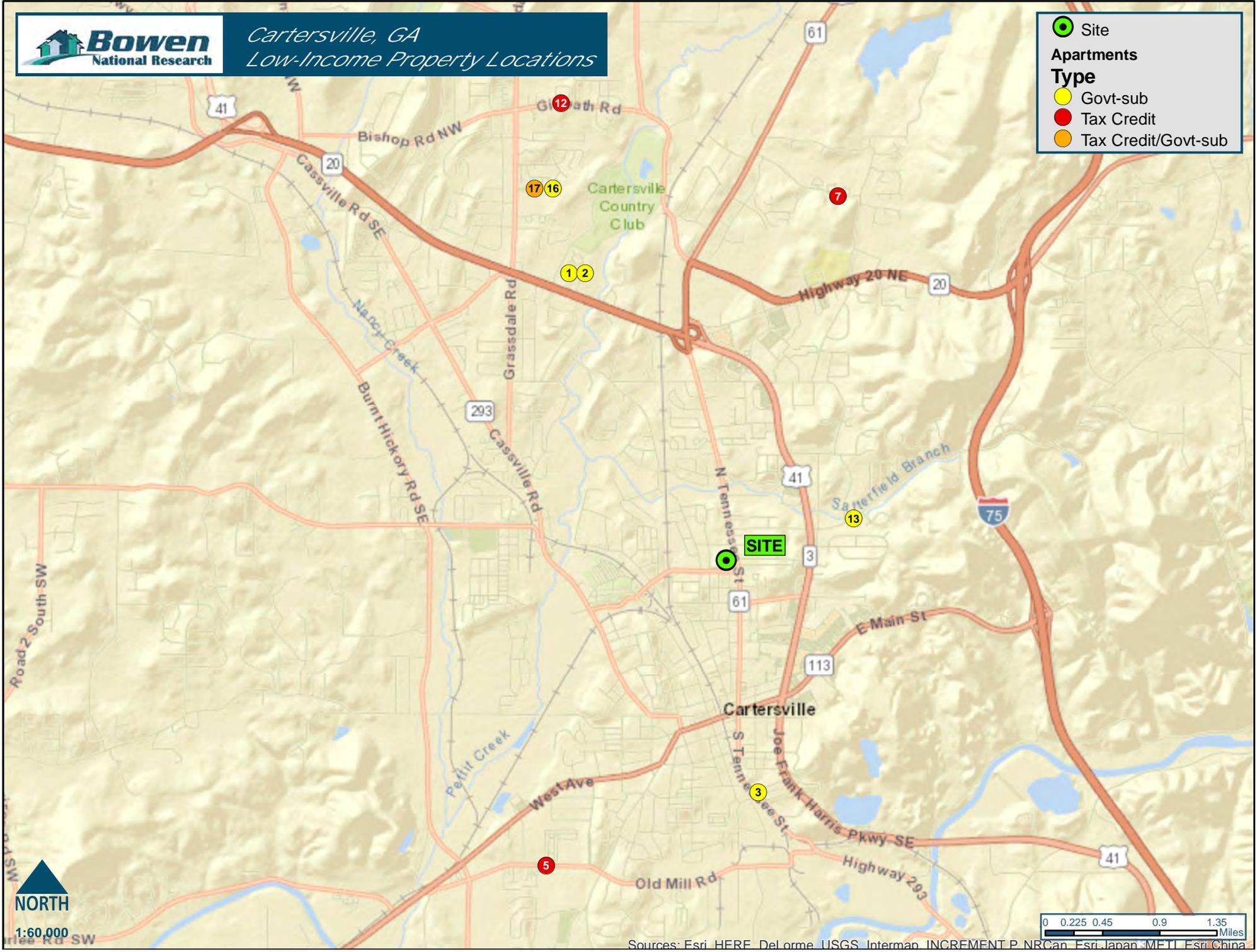
8. MAP OF LOW-INCOME RENTAL HOUSING

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

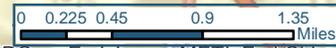


Cartersville, GA
Low-Income Property Locations

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



NORTH
1:60,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri, China

Section D – Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn from. It is also the geographic area expected to generate the most demographic support for the subject development. The Cartersville Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

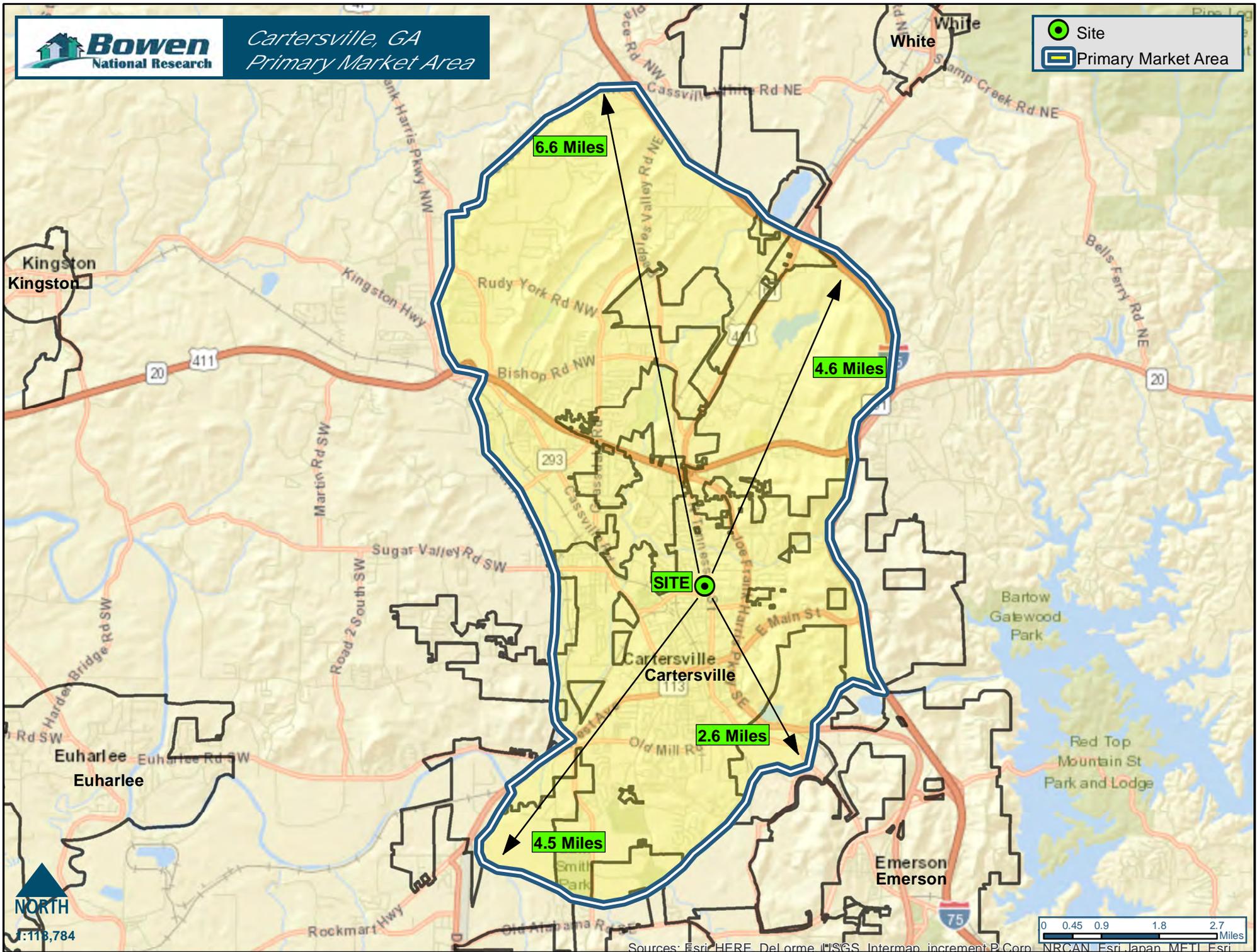
The Cartersville Site PMA includes portions of Cartersville and Cassville and outlying unincorporated portions of Bartow County. The boundaries of the Site PMA include Willow Lane Northwest, Joree Road Northwest, Cass White Road Northwest and Cassville White Road Northwest and Southeast to the north; Interstate 75/State Route 401 to the east; Etowah River to the south; and State Route 113, Burnt Hickory Road, State Route 20 and State Route 3/U.S. Highway 41 to the west. The boundaries of the Site PMA are within 6.6 miles of the subject site.

Mindy Chesser, Site Manager at The Cove Apartments (Map ID 7), estimated that 50% to 75% of tenants at this senior Tax Credit property originate from the Cartersville area. Of those tenants that relocate from outside the area, Ms. Chesser stated that these tenants typically have family members that already reside in the Cartersville area. Bonnie Willis, manager of Crossfield Apartments I & II, stated that approximately 70% of tenants originate from the Cartersville area. Crossfield Apartments contains Tax Credit and government-subsidized units.

Bailey West, Leasing Agent with Rosewood Apartments (Map ID 9), a market-rate community located in the Site PMA, confirmed the Site PMA. Ms. West stated the majority of potential tenants for a new affordable rental property located in Cartersville would likely originate from within the immediate Cartersville area. Ms. West feels that residents of nearby communities, like Rome, Kingston, Euharlee and Emerson, may relocate to Cartersville for affordable housing due to the lack of quality housing within these areas, but they would not make up a large portion of the property. Ms. Bailey stated she does not believe residents from larger communities south of the Site PMA would be willing to relocate to Cartersville.

Though some support for the project will undoubtedly originate from areas outside the Site PMA, the majority of support is expected to derive from within the boundaries of the Site PMA. In addition to their distance from Cartersville, areas outside of the Site PMA have been excluded from the Site PMA as households within these areas would likely gravitate towards similar rental alternatives in the surrounding areas such as Adairsville, Acworth and Kennesaw. It is also of note that areas south of the Site PMA are generally comprised of higher income households which would not likely support affordable housing alternatives in Cartersville. Based on the preceding analysis, we have not considered a secondary market area in this report.

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



Section E – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2018 (estimated) and 2020 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2018 (Estimated)	2020 (Projected)
Population	26,535	35,510	37,548	38,196
Population Change	-	8,975	2,038	648
Percent Change	-	33.8%	5.7%	1.7%

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

The Cartersville Site PMA population base increased by 8,975 between 2000 and 2010. This represents a 33.8% increase over the 2000 population, or an annual rate of 3.0%. Between 2010 and 2018, the population increased by 2,038, or 5.7%. It is projected that the population will increase by 648, or 1.7%, between 2018 and 2020.

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

Population by Age	2010 (Census)		2018 (Estimated)		2020 (Projected)		Change 2018-2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	10,334	29.1%	10,418	27.7%	10,601	27.8%	182	1.8%
20 to 24	2,439	6.9%	2,397	6.4%	2,391	6.3%	-6	-0.3%
25 to 34	4,985	14.0%	5,345	14.2%	5,325	13.9%	-20	-0.4%
35 to 44	5,009	14.1%	4,990	13.3%	5,113	13.4%	122	2.5%
45 to 54	4,837	13.6%	4,831	12.9%	4,796	12.6%	-36	-0.7%
55 to 64	3,644	10.3%	4,257	11.3%	4,372	11.4%	114	2.7%
65 to 74	2,284	6.4%	3,076	8.2%	3,251	8.5%	175	5.7%
75 & Over	1,977	5.6%	2,234	5.9%	2,349	6.1%	115	5.2%
Total	35,509	100.0%	37,548	100.0%	38,196	100.0%	648	1.7%

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

The subject project will be restricted to seniors age 55 and older. Thus, the primary group of potential tenants at the property is the 55 and older age cohort, which is estimated to comprise more than 25.0% of the total population in 2018. This age cohort is also projected to increase by 404 persons, or 4.2%, between 2018 and 2020.

The following compares the Site PMA's elderly (age 55+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2018 (Estimated)	2020 (Projected)
Elderly (Age 55+)	7,905	9,566	9,971
Non-Elderly	27,604	27,982	28,225
Total	35,509	37,548	38,196

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

The elderly population (age 55 and older) is projected to increase by 405, or 4.2%, between 2018 and 2020. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2018 (Estimated)	2020 (Projected)
Households	9,761	13,077	13,759	13,988
Household Change	-	3,316	682	229
Percent Change	-	34.0%	5.2%	1.7%
Household Size	2.72	2.72	2.67	2.68

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

Within the Cartersville Site PMA, households increased by 3,316 (34.0%) between 2000 and 2010. Between 2010 and 2018, households increased by 682, or 5.2%. By 2020, there will be 13,988 households, an increase of 229 households, or 1.7% over 2018 levels. This is an increase of approximately 114 households annually over the next two years.

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

Households by Age	2010 (Census)		2018 (Estimated)		2020 (Projected)		Change 2018-2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	667	5.1%	640	4.7%	645	4.6%	5	0.7%
25 to 34	2,232	17.1%	2,291	16.7%	2,274	16.3%	-17	-0.8%
35 to 44	2,600	19.9%	2,495	18.1%	2,544	18.2%	48	1.9%
45 to 54	2,696	20.6%	2,564	18.6%	2,533	18.1%	-31	-1.2%
55 to 64	2,179	16.7%	2,455	17.8%	2,512	18.0%	56	2.3%
65 to 74	1,446	11.1%	1,896	13.8%	1,995	14.3%	98	5.2%
75 to 84	912	7.0%	1,008	7.3%	1,076	7.7%	68	6.8%
85 & Over	345	2.6%	410	3.0%	410	2.9%	1	0.1%
Total	13,077	100.0%	13,759	100.0%	13,988	100.0%	229	1.7%

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

As previously stated, the primary age group of potential tenants at the age-restricted subject project is the 55 and older age cohort, which is estimated to comprise 41.9% of the total household base in 2018. This age cohort is projected to increase by 223 households, or 3.9%, between 2018 and 2020.

Households by tenure for the general demographic, as well as those ages 55 and older are distributed in the following tables:

Tenure	2010 (Census)		2018 (Estimated)		2020 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,200	55.1%	7,002	50.9%	7,089	50.7%
Renter-Occupied	5,877	44.9%	6,757	49.1%	6,899	49.3%
Total	13,077	100.0%	13,759	100.0%	13,988	100.0%

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

In 2018, homeowners occupied 50.9% of all occupied housing units, while the remaining 49.1% were occupied by renters. Note that renter households are projected to increase by 142, or 2.1%, between 2018 and 2020.

Tenure Age 55+	2010 (Census)		2018 (Estimated)		2020 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	3,468	71.0%	3,846	66.7%	3,989	66.6%
Renter-Occupied	1,414	29.0%	1,923	33.3%	2,003	33.4%
Total	4,882	100.0%	5,769	100.0%	5,992	100.0%

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

A total of 1,923 (33.3%) of all households age 55 and older within the Site PMA were renters in 2018. This is considered a good share of elderly renter households. It is also of note that the number of elderly renter households is projected to increase by 80, or 4.2%, between 2018 and 2020. Although modest, this renter growth is a good indication of an expanding elderly renter base within the Cartersville market.

The household sizes by tenure for those age 55 and older within the Site PMA, based on the 2018 estimates and 2020 projections, were distributed as follows:

Persons Per Renter Household Age 55+	2018 (Estimated)		2020 (Projected)		Change 2018-2020	
	Households	Percent	Households	Percent	Households	Percent
1 Person	954	49.6%	978	48.8%	25	2.6%
2 Persons	384	20.0%	382	19.1%	-2	-0.5%
3 Persons	246	12.8%	259	12.9%	13	5.3%
4 Persons	174	9.0%	178	8.9%	4	2.2%
5 Persons+	166	8.6%	207	10.3%	41	24.6%
Total	1,923	100.0%	2,003	100.0%	80	4.2%

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

Persons Per Owner Household Age 55+	2018 (Estimated)		2020 (Projected)		Change 2018-2020	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,270	33.0%	1,335	33.5%	65	5.1%
2 Persons	1,210	31.5%	1,237	31.0%	27	2.2%
3 Persons	625	16.2%	646	16.2%	21	3.4%
4 Persons	516	13.4%	537	13.5%	20	4.0%
5 Persons+	225	5.8%	234	5.9%	10	4.3%
Total	3,846	100.0%	3,989	100.0%	143	3.7%

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

The one- and two-bedroom units proposed at the subject site are expected to house up to two-person senior (age 55 and older) households. Notably, one- and two-person households are estimated to comprise nearly 70.0% of all senior renter households in the Cartersville market in 2018. Thus, the subject project will be capable of accommodating most senior renters in the market, based on household size.

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

Household Income	2010 (Census)		2018 (Estimated)		2020 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	2,180	16.7%	2,052	14.9%	2,144	15.3%
\$15,000 to \$24,999	1,408	10.8%	1,801	13.1%	1,854	13.3%
\$25,000 to \$34,999	1,737	13.3%	1,626	11.8%	1,650	11.8%
\$35,000 to \$49,999	1,977	15.1%	2,315	16.8%	2,314	16.5%
\$50,000 to \$74,999	2,515	19.2%	2,630	19.1%	2,617	18.7%
\$75,000 to \$99,999	1,311	10.0%	1,395	10.1%	1,426	10.2%
\$100,000 to \$149,999	1,278	9.8%	1,331	9.7%	1,367	9.8%
\$150,000 to \$199,999	540	4.1%	342	2.5%	347	2.5%
\$200,000 & Over	131	1.0%	267	1.9%	269	1.9%
Total	13,077	100.0%	13,760	100.0%	13,989	100.0%
Median Income	\$44,207		\$44,078		\$43,724	

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

In 2010, the median household income was \$44,207. This declined by 0.3% to \$44,078 in 2018. By 2020, it is projected that the median household income will be \$43,724, a decline of 0.8% from 2018.

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

Household Income 55+	2010 (Census)		2018 (Estimated)		2020 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	1,145	23.5%	1,106	19.2%	1,161	19.4%
\$15,000 to \$24,999	751	15.4%	997	17.3%	1,037	17.3%
\$25,000 to \$34,999	698	14.3%	727	12.6%	748	12.5%
\$35,000 to \$49,999	707	14.5%	943	16.3%	947	15.8%
\$50,000 to \$74,999	683	14.0%	920	16.0%	945	15.8%
\$75,000 to \$99,999	333	6.8%	452	7.8%	487	8.1%
\$100,000 to \$149,999	356	7.3%	444	7.7%	477	8.0%
\$150,000 to \$199,999	173	3.5%	99	1.7%	105	1.8%
\$200,000 & Over	36	0.7%	80	1.4%	85	1.4%
Total	4,882	100.0%	5,769	100.0%	5,992	100.0%
Median Income	\$32,808		\$35,875		\$35,792	

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

In 2010, the median household income for households age 55 and older was \$32,808. This increased by 9.3% to \$35,875 in 2018. By 2020, it is projected that the median household income will be \$35,792, a decrease of 0.2% from 2018.

The following tables illustrate renter household income by household size for age 55 and older for 2010, 2018 and 2020 for the Cartersville Site PMA:

Renter Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	365	164	57	66	36	688
\$15,000 to \$24,999	161	76	26	31	17	310
\$25,000 to \$34,999	61	39	14	16	9	138
\$35,000 to \$49,999	69	51	18	21	11	169
\$50,000 to \$74,999	25	19	7	8	4	62
\$75,000 to \$99,999	10	8	3	3	2	25
\$100,000 to \$149,999	4	3	1	1	1	10
\$150,000 to \$199,999	4	3	1	1	1	10
\$200,000 & Over	1	1	0	0	0	2
Total	698	363	125	147	80	1,414

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2018 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	325	121	77	55	52	630
\$15,000 to \$24,999	240	85	54	38	36	454
\$25,000 to \$34,999	78	33	21	15	14	161
\$35,000 to \$49,999	158	71	46	32	31	338
\$50,000 to \$74,999	95	45	29	21	20	210
\$75,000 to \$99,999	42	20	13	9	9	93
\$100,000 to \$149,999	10	5	4	3	3	24
\$150,000 to \$199,999	3	1	1	1	1	6
\$200,000 & Over	2	1	1	1	1	6
Total	954	384	246	174	166	1,923

Source: ESRI; Urban Decision Group

Renter Age 55+ Households	2020 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	320	116	78	54	62	630
\$15,000 to \$24,999	229	79	53	37	42	440
\$25,000 to \$34,999	71	30	20	14	16	150
\$35,000 to \$49,999	169	72	48	33	39	361
\$50,000 to \$74,999	104	46	31	21	25	228
\$75,000 to \$99,999	63	27	19	13	16	139
\$100,000 to \$149,999	15	8	5	4	5	36
\$150,000 to \$199,999	4	2	1	1	1	9
\$200,000 & Over	3	2	1	1	1	9
Total	978	382	259	178	207	2,003

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 55 and older for 2010, 2018 and 2020 for the Cartersville Site PMA:

Owner Age 55+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	174	142	59	55	28	457
\$15,000 to \$24,999	176	133	55	51	26	441
\$25,000 to \$34,999	184	188	78	72	37	560
\$35,000 to \$49,999	151	194	81	74	38	538
\$50,000 to \$74,999	167	228	95	87	44	621
\$75,000 to \$99,999	79	115	48	44	22	308
\$100,000 to \$149,999	80	133	55	51	26	346
\$150,000 to \$199,999	38	63	26	24	12	163
\$200,000 & Over	8	13	5	5	3	34
Total	1,058	1,208	503	464	235	3,468

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2018 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	189	135	70	58	25	476
\$15,000 to \$24,999	221	151	78	65	28	543
\$25,000 to \$34,999	202	171	88	73	32	566
\$35,000 to \$49,999	199	191	98	81	35	605
\$50,000 to \$74,999	221	230	119	98	43	710
\$75,000 to \$99,999	106	119	62	51	22	359
\$100,000 to \$149,999	96	152	79	65	28	420
\$150,000 to \$199,999	21	34	17	14	6	93
\$200,000 & Over	16	28	14	12	5	74
Total	1,270	1,210	625	516	225	3,846

Source: ESRI; Urban Decision Group

Owner Age 55+ Households	2020 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	210	149	78	65	28	531
\$15,000 to \$24,999	243	165	86	72	31	597
\$25,000 to \$34,999	211	180	94	78	34	597
\$35,000 to \$49,999	198	181	94	78	34	586
\$50,000 to \$74,999	228	228	119	99	43	716
\$75,000 to \$99,999	107	113	59	49	21	348
\$100,000 to \$149,999	101	159	83	69	30	441
\$150,000 to \$199,999	21	35	18	15	7	96
\$200,000 & Over	16	28	15	12	5	76
Total	1,335	1,237	646	537	234	3,989

Source: ESRI; Urban Decision Group

Demographic Summary

Demographic trends within the Cartersville Site PMA have been positive in terms of both population and households since 2000, a trend which is projected to continue between 2018 and 2020. More specifically, a total of 229 households will be added to the market during this time period, which is reflective of a 1.7% increase. Although modest, this household growth is indicative of a stable demographic base within the Site PMA. It is also of note that, senior (age 55 and older) households are projected to increase by 223, or 3.9%, between 2018 and 2020. It is projected that 2,003 senior (age 55 and older) renter households will exist in the market in 2020, reflective of an increase of 80 households, or 4.2%, over 2018 levels. More than 43.0% of all senior renter households are projected to earn below \$35,000 in 2020. Based on the preceding factors, a good and expanding base of potential age- and income-appropriate renter support exists in the Cartersville market for affordable senior-oriented rental product, such as that proposed at the subject site.

Section F – Economic Trends

1. LABOR FORCE PROFILE

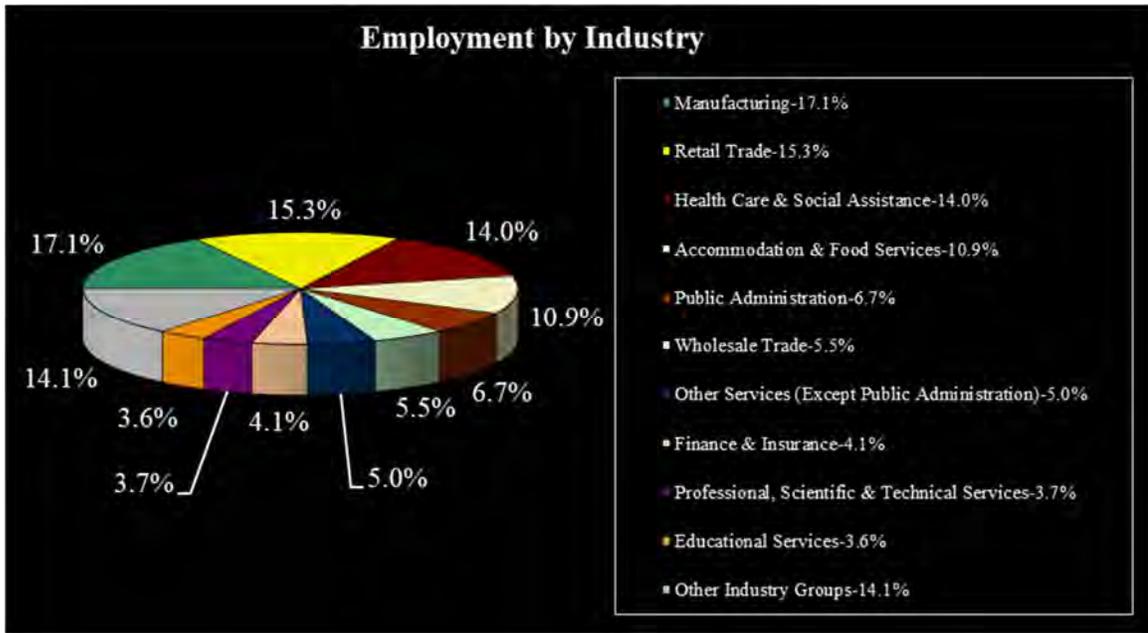
The labor force within the Cartersville Site PMA is based primarily in four sectors. Manufacturing (which comprises 17.1%), Retail Trade, Health Care & Social Assistance and Accommodation & Food Services comprise over 57% of the Site PMA labor force. Employment in the Cartersville Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	6	0.3%	19	0.1%	3.2
Mining	2	0.1%	47	0.2%	23.5
Utilities	5	0.2%	123	0.5%	24.6
Construction	149	6.9%	798	3.5%	5.4
Manufacturing	76	3.5%	3,904	17.1%	51.4
Wholesale Trade	95	4.4%	1,247	5.5%	13.1
Retail Trade	355	16.5%	3,493	15.3%	9.8
Transportation & Warehousing	45	2.1%	392	1.7%	8.7
Information	38	1.8%	364	1.6%	9.6
Finance & Insurance	146	6.8%	934	4.1%	6.4
Real Estate & Rental & Leasing	131	6.1%	704	3.1%	5.4
Professional, Scientific & Technical Services	171	8.0%	846	3.7%	4.9
Management of Companies & Enterprises	2	0.1%	28	0.1%	14.0
Administrative, Support, Waste Management & Remediation Services	63	2.9%	326	1.4%	5.2
Educational Services	36	1.7%	829	3.6%	23.0
Health Care & Social Assistance	210	9.8%	3,186	14.0%	15.2
Arts, Entertainment & Recreation	39	1.8%	413	1.8%	10.6
Accommodation & Food Services	148	6.9%	2,492	10.9%	16.8
Other Services (Except Public Administration)	282	13.1%	1,151	5.0%	4.1
Public Administration	103	4.8%	1,534	6.7%	14.9
Nonclassifiable	45	2.1%	1	0.0%	0.0
Total	2,147	100.0%	22,831	100.0%	10.6

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

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area (MSA) are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	Atlanta-Sandy Springs-Roswell MSA	Georgia
Management Occupations	\$124,820	\$116,180
Business and Financial Occupations	\$75,130	\$71,950
Computer and Mathematical Occupations	\$88,440	\$85,890
Architecture and Engineering Occupations	\$80,600	\$79,150
Community and Social Service Occupations	\$50,470	\$46,610
Art, Design, Entertainment and Sports Medicine Occupations	\$54,830	\$53,840
Healthcare Practitioners and Technical Occupations	\$79,910	\$75,250
Healthcare Support Occupations	\$31,320	\$29,550
Protective Service Occupations	\$39,780	\$38,160
Food Preparation and Serving Related Occupations	\$21,110	\$20,850
Building and Grounds Cleaning and Maintenance Occupations	\$27,140	\$25,830
Personal Care and Service Occupations	\$26,690	\$25,700
Sales and Related Occupations	\$40,110	\$36,940
Office and Administrative Support Occupations	\$37,890	\$35,920
Construction and Extraction Occupations	\$44,180	\$41,690
Installation, Maintenance and Repair Occupations	\$47,420	\$45,380
Production Occupations	\$35,290	\$34,330
Transportation and Moving Occupations	\$36,390	\$34,690

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

Most annual blue-collar salaries range from \$21,110 to \$54,830 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$89,780. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have slightly higher typical wages than the state of Georgia's typical wages. The subject site will be restricted to seniors age 55 and older. Thus, many residents of the subject site are likely to be retired and living on fixed-incomes. Regardless, the area employment base appears to have a significant number of income-appropriate occupations from which potential residents of the subject project still in the workforce could choose.

2. MAJOR EMPLOYERS

The ten largest employers within the Cartersville/Bartow County area are summarized in the following table. Note that specific employment numbers were not available at the time this report was issued.

Industry	Business Type
Shaw Industries Group, Incorporated	Floor Coverings
Bartow County School System	Education
Bartow County Government	Government
Cartersville Medical Center	Health Care
Toyo Tire	Automotive Tires
Anheuser-Busch	Beverage Production
Quest Global Incorporated	Trucking
Cartersville School System	Education
City of Cartersville	City Government
Walmart	Retail

Source: Cartersville-Bartow County Department of Economic Development (2015)

The following are summaries of some notable and recent economic development activity within the Cartersville area:

- In June 2017, Lidle announced they would be investing \$100 million over the next five years in a new warehouse and distribution center in Cartersville. This expansion is expected to create approximately 250 new jobs.
- Belgium-based flooring manufacturer Beaulieu International Group completed construction of a \$200 million campus on 120 acres previously owned by Anheuser-Busch in Cartersville in 2015. The plant will create 350 new jobs over the next five years.
- In January 2017, it was announced that Huhoco Group, a manufacturer of metal products for the automotive and construction industry, would be investing \$24 million for a new 70,000 square-foot facility to be located in Cartersville. This project will create 200 jobs.

- Georgia Highlands broke ground on an academic building in Cartersville in April 2017. The new 52,000 square foot facility is expected to cost \$22.5 million and be completed in fall 2018.
- In October 2017 Shaw Industries Group, Inc. opened their \$24 million 67,000-square-foot Create Center in Cartersville. The new center will be used for a custom design studio and customer service location and is expected to open in late 2017. Shaw Industries Group, Inc. also completed an \$85 million facility in late 2016, known as Shaw Plant T1, in Adairsville. The new facility will create 500 new jobs once it reaches its full capacity.
- Constellium, a metal manufacturing company, opened an 84,000-square-foot facility in Cartersville in May 2017. The \$32 million project will create 150 jobs and have the ability to expand to 220,000 square feet.
- In August 2017, construction was completed on the Dalton Expansion Project. The 115-mile project will connect the Tansco natural gas pipeline to an existing electric facility in northern Georgia as well as a distribution company, Atlanta Gas Light Company, located in Cartersville. The entire project consists of 300 workers and may expand to 800.
- Barnsley Gardens, located near Adairsville, opened the Inn at Barnsley Resort in March 2018. The additional 19,000 square feet of space will be used for meetings and events. The project also includes the addition of 54 new rooms. The project is anticipated to create 100 new jobs.

Infrastructure Projects

- The State Route 20 widening project from U.S. Highway 411 to Interstate 75 in Cartersville is expected to be complete in May 2018.

WARN (layoff notices):

According to the Georgia Department of Labor website, there have been two WARN notices of large-scale layoffs/closures reported for Bartow County since September of 2016. Below is a table summarizing these notices:

Company	Location	Jobs	Notice Date
Trinity Rail	Cartersville	298	1/2017
Gossen	Cartersville	50	10/2016

3. EMPLOYMENT TRENDS

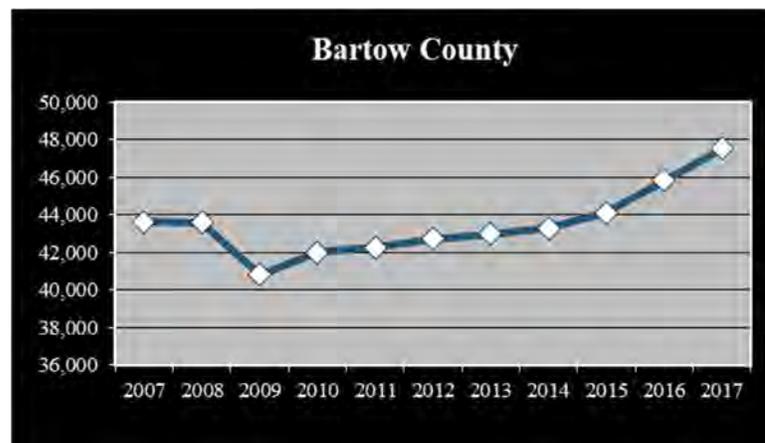
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2017, the employment base has increased by 7.3% over the past five years in Bartow County, more than the Georgia state increase of 7.2%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Bartow County, the state of Georgia and the United States.

Year	Total Employment					
	Bartow County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	43,620	-	4,597,640	-	146,388,400	-
2008	43,592	-0.1%	4,575,010	-0.5%	146,047,748	-0.2%
2009	40,810	-6.4%	4,311,854	-5.8%	140,696,560	-3.7%
2010	42,007	2.9%	4,202,052	-2.5%	140,469,139	-0.2%
2011	42,279	0.6%	4,263,305	1.5%	141,791,255	0.9%
2012	42,716	1.0%	4,348,083	2.0%	143,621,634	1.3%
2013	42,984	0.6%	4,366,374	0.4%	145,017,562	1.0%
2014	43,302	0.7%	4,416,145	1.1%	147,446,676	1.7%
2015	44,092	1.8%	4,503,150	2.0%	149,733,744	1.6%
2016	45,836	4.0%	4,662,849	3.5%	152,169,822	1.6%
2017	47,550	3.7%	4,821,622	3.4%	154,577,363	1.6%

Source: Department of Labor; Bureau of Labor Statistics

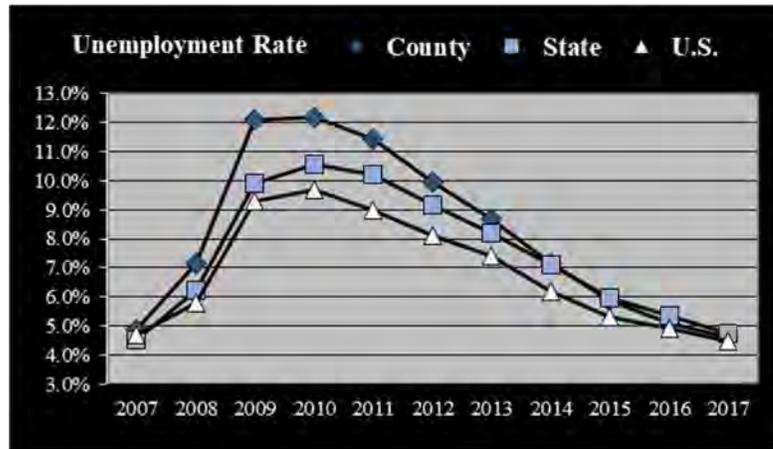


As the preceding illustrates, the Bartow County employment base has steadily increased since 2009, as nearly 7,000 jobs have been added between 2009 and 2017. Notably, much of this employment growth has occurred over the past two years.

Unemployment rates for Bartow County, the state of Georgia and the United States are illustrated as follows:

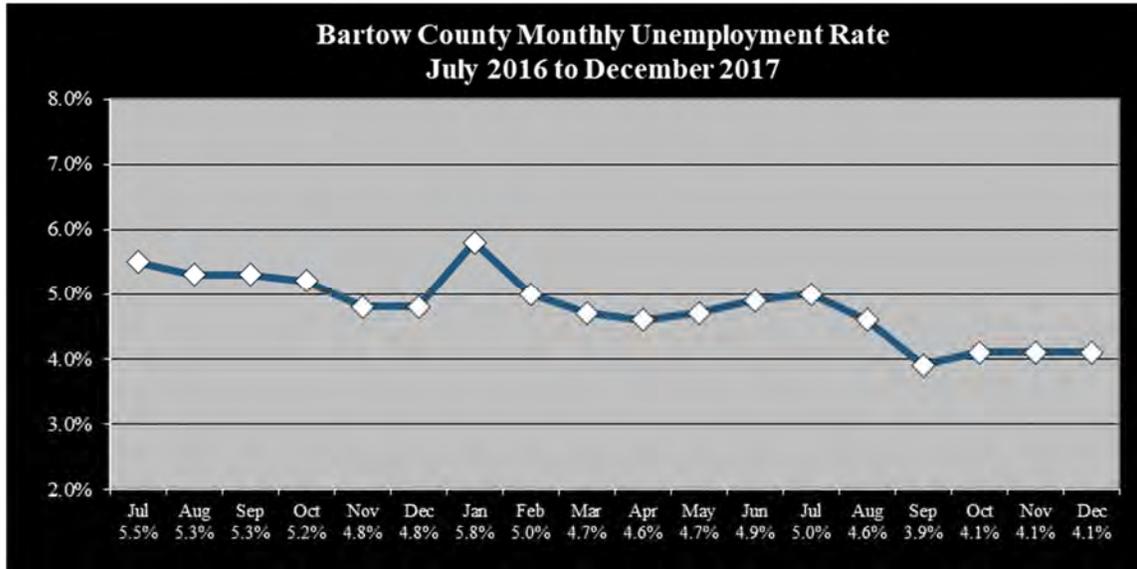
Year	Unemployment Rate		
	Bartow County	Georgia	United States
2007	4.9%	4.5%	4.7%
2008	7.1%	6.2%	5.8%
2009	12.1%	9.9%	9.3%
2010	12.2%	10.6%	9.7%
2011	11.5%	10.2%	9.0%
2012	9.9%	9.2%	8.1%
2013	8.7%	8.2%	7.4%
2014	7.2%	7.1%	6.2%
2015	5.9%	6.0%	5.3%
2016	5.1%	5.4%	4.9%
2017	4.6%	4.7%	4.5%

Source: Department of Labor, Bureau of Labor Statistics



The unemployment rate in Bartow County has declined each year since 2010, by a total of nearly eight full percentage points through 2017. The unemployment rate has also been below the state average each of the past three years.

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



The monthly unemployment rate within Bartow County has remained relatively stable over the past 18-month period, never exceeding 6.0% during this time. Also note that the unemployment rate has remained below 5.0% since August of 2017.

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

In-Place Employment Bartow County			
Year	Employment	Change	Percent Change
2007	34,892	-	-
2008	34,388	-504	-1.4%
2009	31,164	-3,224	-9.4%
2010	30,448	-716	-2.3%
2011	31,410	962	3.2%
2012	31,357	-53	-0.2%
2013	31,393	36	0.1%
2014	32,602	1,209	3.9%
2015	34,328	1,726	5.3%
2016	35,317	989	2.9%
2017*	36,530	1,213	3.4%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2016, the most recent year that year-end figures are available, indicates in-place employment in Bartow County to be 77.1% of the total Bartow County employment. This means that Bartow County has more employed persons leaving the county for daytime employment than those who work in the county. Regardless, the subject project will be restricted to seniors age 55 and older, many of which will likely be retired and thus unaffected by in-place employment trends.

4. **ECONOMIC FORECAST**

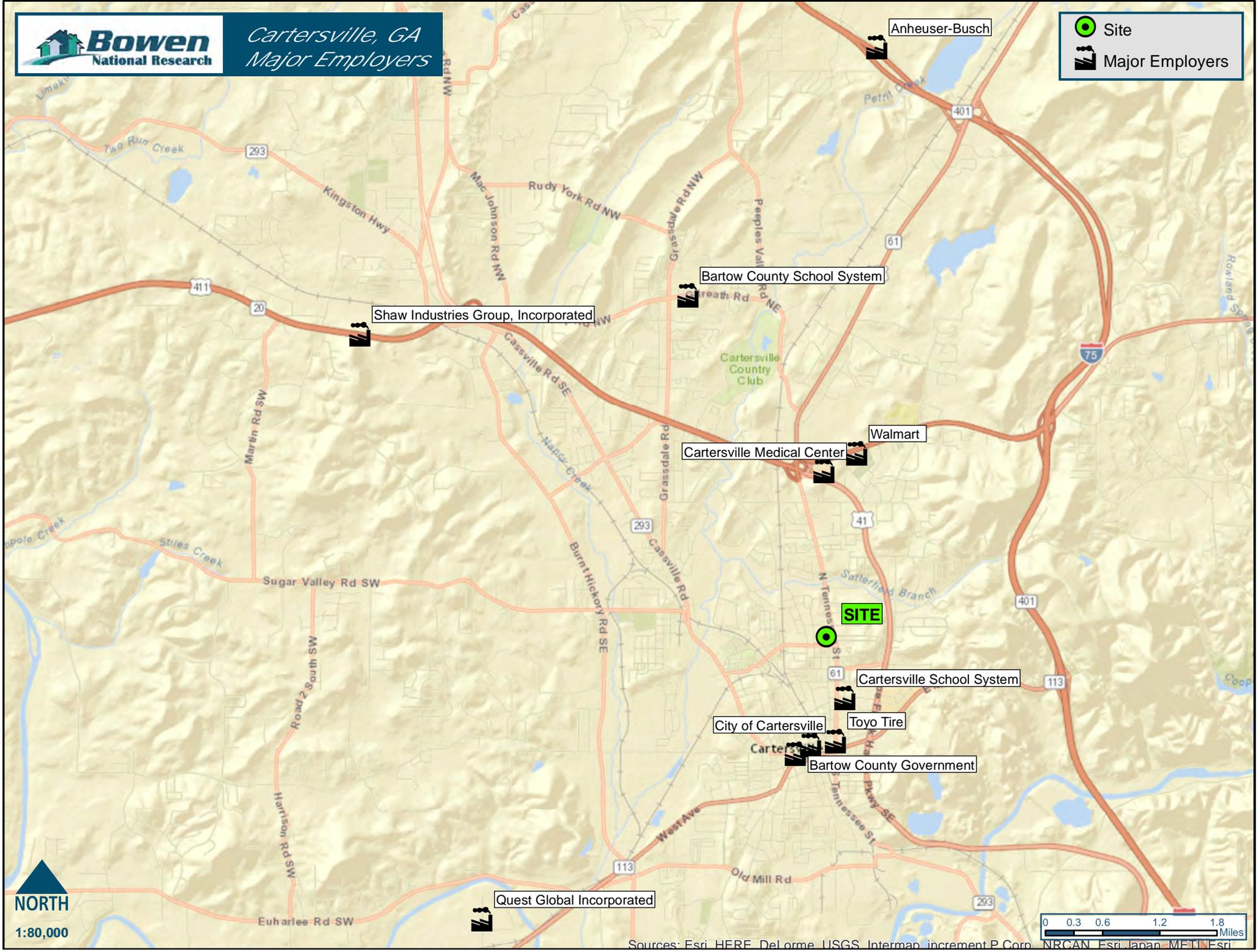
The employment base within the Cartersville Site PMA is relatively well-balanced, as no single industry segment comprises more than 17.1% of the overall labor force. A well-diversified labor force will contribute to the continued strength of the local economy. The Bartow County economy has experienced significant improvement since the end of the national recession, in terms of both total employment and the unemployment rate. Notably, nearly 7,000 jobs have been added to the county since 2009, with the majority of this employment growth occurring over the past few years. The unemployment rate has declined by nearly eight full percentage points since 2010. There are several announcements of new business openings and/or expansions within the area. This will contribute to the continued growth and strength of the local economy within the Bartow County area. Demand for affordable age-restricted housing alternatives, however, is also expected to remain high regardless of economic conditions, as many senior residents in the area are likely to be retired and living on fixed-incomes.

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



*Cartersville, GA
Major Employers*

● Site
■ Major Employers



NORTH
1:80,000



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

Section G – Project-Specific Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area, which has a median four-person household income of \$69,700 for 2017. The Tax Credit units at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Targeted AMHI Maximum Allowable Income	
	50%	60%
One-Person	\$24,400	\$29,280
Two-Person	\$27,900	\$33,480

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior (age 55+) households. As such, the maximum allowable income for the Tax Credit units at the subject site is **\$33,480**. The subject project will also offer some unrestricted market-rate units. These units will not have a maximum allowable income limit. Since our demand estimates are based solely on renter households, we have not capped the income for the subject’s unrestricted market-rate units.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$603 (one-bedroom at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,236. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$18,090.

Utilizing the same methodology, but assuming a lower rent-to-income ratio of 30% (typical of unrestricted market-rate product), the subject’s market-rate units require a minimum annual household income requirement of \$34,120.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 50% and 60% of AMHI, as well as market-rate, is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$18,090	\$27,900
Tax Credit (Limited To 60% Of AMHI)	\$21,840	\$33,480
Tax Credit Overall	\$18,090	\$33,480
Market-Rate	\$34,120	None

Note that the subject project will offer eight (8) units (10% of the property) which will operate under the HUD Section 811 program and be able to target households earning as little as \$0. However, since these units will be restricted to disabled households, our GDCA-formatted demand estimates which consider all income-qualified households regardless of disability status only consider households which will qualify to reside at the property under the LIHTC guidelines only. Supplemental demand estimates for the subject’s HUD Section 811 units have been included later in this section of the report to illustrate demand for the subject units which will target disabled households.

2. METHODOLOGY

Demand

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

- a. Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined. This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include renter-qualified households.**

b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent.*

Based on Table B25074 of the American Community Survey (ACS) 2012-2016 5-year estimates, approximately 4.5% to 75.0% (depending upon targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on Table B25016 of the American Community Survey (ACS) 2012-2016 5-year estimates, 7.1% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.

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

Considering that each of the affordable (Tax Credit and government-subsidized) age-restricted projects surveyed in the market is 100.0% occupied and three of the four maintain waiting lists for their next available units, there is currently a lack of available affordable senior-oriented housing within the market. As such, we believe that the proposed development will attract a

significant share of income-qualified senior homeowners who are looking to downsize from their home and seek a maintenance free housing alternative. However, conservatively, we limited demand from senior homeowners to account for only 2% of total demand per GDCA guidelines.

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

Net Demand

The overall demand components illustrated above are added together and the competitive supply of competitive vacant and/or units constructed in the past two years (2016/2017) is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2016 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

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

As detailed in *Section H*, the existing non-subsidized age-restricted Tax Credit properties surveyed in the market are all 100.0% occupied. However, there is one age-restricted property in the development pipeline that was awarded Tax Credits in 2017 and will be considered competitive with the subject development. Thus, we have included the directly competitive supply units in our following demand estimates.

The competitive LIHTC project is summarized as follows:

Project Name	Year Allocated	Number of Bedrooms	Units At Targeted AMHI		
			50% AMHI	60% AMHI	Market-Rate
Brentwood	2017	One	13	50	0
		Two	2	5	0

Per GDCA market study guidelines, analysts are permitted to exclude a portion of a competitive project’s units from the demand estimates for the subject project if the competitive project is located on the periphery of the subject project’s market area and it is reasonable that this competitive project will draw some support from areas beyond the Site PMA. Brentwood, to be located near the far southwest portion of the Site PMA and approximately 4.5 miles from the subject site, is a newly (2017) allocated age-restricted LIHTC project that will have some competitive impact on and from the proposed subject project. Given its location on the periphery of the Site PMA, this project will likely draw a notable portion of its support from areas outside the Site PMA. In order to quantify this potential support, we drew a 4.5-mile radius around the Brentwood project and compared the total number of senior households within this radius with the number of senior households within the overlapping portion of the Site PMA. It is estimated that approximately 55% of the households within the 4.5-mile radius of the Brentwood project originate from areas that are outside of the Site PMA. As a result, it is reasonable to assume that 55% of the units at the Brentwood project will be filled from households that reside beyond the Site PMA. Based on this analysis, we have only included 32 (45%) of the units at the Brentwood project as competitive supply in our demand analysis.

The following is a summary of our demand calculations:

Demand Component – Age 55+	Percent of Median Household Income			
	50% AMHI (\$18,090 To \$27,900)	60% AMHI (\$21,840 To \$33,480)	Tax Credit Overall (\$18,090 to \$33,480)	Market-Rate (\$34,120+)
Demand from New Household (Age- and Income-Appropriate)	348 - 360 = -12	267 - 280 = -13	432 - 450 = -18	823 - 711 = 112
+				
Demand from Existing Households (Rent Overburdened)	360 X 75.0% = 270	280 X 74.2% = 208	450 X 74.7% = 336	711 X 4.5% = 32
+				
Demand from Existing Households (Renters in Substandard Housing)	360 X 7.1% = 26	280 X 7.1% = 20	450 X 7.1% = 32	711 X 7.1% = 50
=				
Demand Subtotal	284	215	350	194
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	539 X 5.0% = 5*	651 X 5.0% = 4*	719 X 5.0% = 7*	1,593 X 5.0% = 3*
=				
Total Demand	289	219	357	197
-				
Supply (Directly Comparable Units Built and/or Funded Since 2016)**	7	25	32	0
=				
Net Demand	282	194	325	197
Proposed Units / Net Demand	15 / 282	47 / 194	62 / 325	10 / 197
Capture Rate	= 5.3%	= 24.2%	= 19.1%	= 5.1%

*Adjusted to not exceed 2% of total demand, per GDCA guidelines

**Excludes the aforementioned 38 competitive units expected to be absorbed out the Site PMA

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the proposed project's overall Tax Credit capture rate of 19.1% and market-rate capture rate of 5.1% are both considered achievable within the Cartersville market, which is considered a rural market. This is especially true, given the high occupancy rates and waiting lists maintained among the comparable LIHTC projects surveyed in the market. The capture rates by AMHI level are also considered achievable within the Site PMA, ranging from 5.3% to 24.2%. Considering the overall capture rates for the subject's Tax Credit and market-rate units, a sufficient base of both age- and income-qualified renter households exists in the market for the subject project as a whole.

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

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	60.0%
Two-Bedroom	40.0%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Subject Rents
One-Bedroom (60%)	50%	6	173	6	167	3.6%	2 Months	\$857	\$575-\$1,068	\$495
One-Bedroom (60%)	60%	20	131	23	108	18.5%	5 Months	\$857	\$575-\$1,068	\$595
One-Bedroom (60%)	MR	4	118	0	118	3.4%	2 Months	\$857	\$575-\$1,068	\$695
One-Bedroom	Total	30	422	29	393	7.6%	5 Months	-	-	-
Two-Bedroom (40%)	50%	9	116	1	115	7.8%	2 Months	\$1,048	\$675-\$1,368	\$595
Two-Bedroom (40%)	60%	27	88	2	86	31.4%	7 Months	\$1,048	\$675-\$1,368	\$695
Two-Bedroom (40%)	MR	6	79	0	79	7.6%	3 Months	\$1,048	\$675-\$1,368	\$795
Two-Bedroom	Total	42	283	3	280	15.0%	7 Months	-	-	-

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

**Directly comparable units built and/or funded in the project market over the projection period (excluding 38 units expected to be absorbed outside the market)

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

MR – Market-Rate

The capture rates by bedroom type and AMHI level range from 3.4% to 31.4%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a sufficient base of potential age- and income-eligible renter households in the Cartersville market for the proposed subject development. This is especially true when considering the high occupancy rates and waiting lists maintained among the existing comparable LIHTC projects in the market, as evidenced by our Field Survey of Conventional Rentals (*Addendum A*).

Supplemental Disabled Demand Estimates

The subject project will also target disabled households under the Section 811 program, in addition to age-restricted (55+) households, as previously detailed. Since an individual/household could, however, be classified within multiple disabled populations (i.e. physical, mental, vision/hearing, etc.), we have conservatively limited our supplemental demand estimates to physically disabled households. Since data pertaining to the disabled population is not available specific to the Site PMA, we have considered disabled data for Bartow County. According to Table S1810 of the American Community Survey (ACS) 2012-2016 5-Year Estimates, a total of 5,362 persons age 65 and older (age 55+ data not available), or 42.2% of the total 65+ population, in Bartow County are classified as having an ambulatory (physical) disability. Applying this share to the estimated population (age 65+) within the Site PMA results in 2,263 persons age 65 and older with a physical disability within the Site PMA. Assuming these disabled persons all reside within separate households, and applying the renter share for the Site PMA and income-qualified share of renter households for the subject project, results in the total number of qualified disabled households for the subject project. This calculation and the subject's disabled capture rate is summarized in the following table.

Demand Component	Disabled Capture Rate
Physically Disabled Households	2,263
Site PMA Renter Share (65+)	x 24.6%
Subject's Income-Qualified Renter Share (subsidized)	x 70.3%
Total Income-Qualified Physically Disabled Renter Households (65+)	= 391
Proposed Units / Qualified Households	8 / 391
Capture Rate	= 2.0%

Considering the nature of the targeted special needs population and limited supply of affordable rental product actively targeting such households, capture rates up to and sometimes exceeding 100.0% are achievable. Thus, the subject's 2.0% disabled capture rate is considered very low and easily achievable within the Cartersville market. It is also important to note that the preceding demand calculation only considers physically disabled households. Clearly, there are numerous other disabled populations (i.e. mental, hearing, vision, etc.) which could respond to the subject project. Thus, the subject's disabled capture rate is likely even lower than that provided in the preceding table.

Section H – Rental Housing Analysis (Supply)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Cartersville Site PMA in 2010 and 2018 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2018 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	13,077	89.0%	13,759	90.2%
Owner-Occupied	7,200	55.1%	7,002	50.9%
Renter-Occupied	5,877	44.9%	6,757	49.1%
Vacant	1,622	11.0%	1,503	9.8%
Total	14,699	100.0%	15,263	100.0%

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

Based on a 2018 update of the 2010 Census, of the 15,263 total housing units in the market, 9.8% were vacant. Note that the number and share of vacant housing units declined between 2010 and 2018, a good indication of a well-performing housing market within the Site PMA. Nonetheless, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental housing market within the Cartersville Site PMA.

Conventional Rentals

We identified and personally surveyed 17 conventional housing projects containing a total of 1,529 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.9%, an excellent rate for rental housing. Each of the rental housing segments surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	8	844	2	99.8%
Tax Credit	3	227	0	100.0%
Tax Credit/Government-Subsidized	1	24	0	100.0%
Government-Subsidized	5	434	0	100.0%
Total	17	1,529	2	99.9%

A variety of rental product is offered within the Cartersville Site PMA, all of which is performing at a high level as each housing segment surveyed reports an overall occupancy rate of 99.8% or higher. Notably, there are only two (2) vacant units in the market and all Tax Credit units are occupied. This is a clear indication of strong demand for Tax Credit product within the Site PMA.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	212	25.1%	1	0.5%	\$906
Two-Bedroom	1.0	16	1.9%	0	0.0%	\$987
Two-Bedroom	2.0	518	61.4%	0	0.0%	\$1,032
Three-Bedroom	2.0	98	11.6%	1	1.0%	\$1,216
Total Market-Rate		844	100.0%	2	0.2%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	56	24.7%	0	0.0%	\$461
Two-Bedroom	1.0	12	5.3%	0	0.0%	\$528
Two-Bedroom	1.5	23	10.1%	0	0.0%	\$719
Two-Bedroom	2.0	64	28.2%	0	0.0%	\$632
Three-Bedroom	2.0	72	31.7%	0	0.0%	\$835
Total Tax Credit		227	100.0%	0	0.0%	-

The market-rate units are 99.8% occupied and the Tax Credit units are 100.0% occupied, demonstrating strong demand for each type of non-subsidized rental product in the market. The median gross Tax Credit rents reported in the preceding table are significantly lower than the median gross rents reported among similar market-rate product surveyed in the Site PMA. These low median gross rents have likely contributed to the 100.0% occupancy rate reported among non-subsidized Tax Credit product surveyed and are a good indication that such product represents a significant value in the Cartersville Site PMA.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A-	1	228	0.0%
B	4	432	0.5%
B-	3	184	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	2	132	0.0%
B	1	95	0.0%

Non-subsidized Tax Credit properties surveyed are considered to be of relatively good condition, as all three properties surveyed were assigned a rating of “B” or better by our analyst. The subject project is expected to have an excellent quality finish upon completion of construction, which will contribute to the project’s marketability within the Cartersville market.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of nine (9) federally subsidized and/or Tax Credit apartment developments in the Cartersville Site PMA. These projects were surveyed in March of 2018 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occup.	Gross Rent (Unit Mix)				
						Studio	One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Club Court Apts. I	RD 515	1983	58	100.0%	-	\$536 - \$701 (20)	\$602 - \$866 (38)	-	-
2	Club Court Apts. II	RD 515	1986	50	100.0%	-	\$526 - \$666 (40)	\$587 - \$742 (8)	\$646 - \$866 (2)	-
3	Etowah Area Public Housing	P.H.	2003	238	100.0%	-	\$274 (150)	\$327 (88)	-	-
5	Etowah Village Apts.	TAX	1996	95	100.0%	-	-	\$719 (23)	\$822 - \$835 (72)	-
7	Cove Apts.	TAX	2000	60	100.0%	-	\$440 - \$461 (48)	\$513 - \$528 (12)	-	-
12	Shangri-La Park	TAX	2011	72	100.0%	-	\$566 (8)	\$632 (64)	-	-
13	Huntwood Terrace	SEC 8 & 202	1983	40	100.0%	\$1014 (10)	\$1081 (30)	-	-	-
16	Crossfield Apts. I	RD 515	1989	48	100.0%	-	\$500 - \$620 (24)	\$555 - \$752 (24)	-	-
17	Crossfield Apts. II	TAX & RD 515	1995	24	100.0%	-	\$518 - \$638 (16)	\$564 - \$761 (8)	-	-
				Total	685	100.0%				

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

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

P.H. - Public Housing

RD - Rural Development

*Market-rate units not included

The overall occupancy is 100.0% for these affordable projects, illustrating that pent-up demand exists for additional affordable rental housing within the Site PMA.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs (GDCA) Rental Assistance Division – Bartow County, there are approximately 77 Housing Choice Voucher holders within Bartow County and 93 people currently on the waiting list for additional Vouchers. The waiting list is closed and it is unknown when the waiting list will reopen. This reflects the continuing need for affordable housing and/or Housing Choice Voucher assistance within the Bartow County area.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
5	Etowah Village Apts.	95	5	5.3%
7	Cove Apts.	60	1	1.7%
12	Shangri-La Park	72	1	1.4%
Total		227	7	3.1%

As the preceding table illustrates, there are a total of approximately only seven (7) Voucher holders residing at the non-subsidized Tax Credit properties within the market. This comprises just 3.1% of the 227 total non-subsidized Tax Credit units offered among these properties. This is a clear indication that these properties do not rely heavily on support from Voucher holders and that the gross rents reported among these properties are achievable within the market and will serve as accurate benchmarks with which to compare the subject project.

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

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (% AMHI)
One-Bedroom	\$861	\$603 (50%)
		\$728 (60%)
		\$853 (MR)
Two-Bedroom	\$996	\$728 (50%)
		\$853 (60%)
		\$978 (MR)

MR – Market-Rate

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

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives, it was determined that there are three rental housing projects planned or proposed within the Site PMA. These planned and proposed developments are summarized as follows:

- Lowcountry Housing Communities was awarded Tax Credits in 2017 for a 50-unit general-occupancy (family) project to be located at East Felton Road near Zena Drive in Cartersville. This Tax Credit project, Havenwood Cartersville, will consist of (14) one-bedroom units, (24) two-bedroom units and (12) three-bedroom units. In addition, 12 units will operate as unrestricted market-rate.
- Glen Apartments, an existing property located at 200 Governor’s Court in Cartersville, had site and construction plans approved in March 2017 for an additional 144 market-rate units. BW Mesa Properties is the developer.
- Brentwood, by Prestwick Development, was allocated Tax Credits in 2017 for a 70-unit age-restricted project. This project will be located on Douthit Ferry Road in Cartersville. The one- and two-bedroom units at this project are expected to target seniors earning up to 50% and 60% of AMHI.

As detailed above, only one of these projects, Brentwood, will target low-income seniors, similar to the subject site. As detailed in *Section G*, some of the units at this project have been included in our demand estimates. The market-rate units detailed above are not expected to be competitive with the age-restricted market-rate units offered at the subject site.

Building Permit Data

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

Housing Unit Building Permits for Cartersville, GA:										
Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	12	0	0	4	0	0	0	0	0	0
Single-Family Permits	128	71	7	6	5	4	20	73	158	194
Total Units	140	71	7	10	5	4	20	73	158	194

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

Housing Unit Building Permits for Bartow County:

Permits	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Multifamily Permits	34	9	0	62	0	0	0	0	0	0
Single-Family Permits	572	351	128	82	77	73	150	221	348	514
Total Units	606	360	128	144	77	73	150	221	348	514

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

As the preceding illustrates, there have been large numbers of single-family building permits issued within the both Cartersville and Bartow County over the past three years. Note, however, that no multifamily building permits have been issued within Cartersville or Bartow County since 2010. This is a good indication that the Cartersville area would benefit from the addition of some modern rental product such as that proposed at the subject site.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The subject project will offer one- and two-bedroom units targeting seniors (age 55 and older) earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Site PMA, we identified and surveyed a total of four (4) properties which at least partially operate under the LIHTC program. Of these four properties, two are age-restricted similar to the subject project, while another is family-oriented (general-occupancy), but offers two-bedroom garden-style units similar to those proposed at the subject site. Thus, these three non-subsidized LIHTC properties have been included in our comparable analysis. It is of note, however, that these three properties offer a very limited number of units set at the 60% AMHI level to be targeted at the subject site. As such, we identified and surveyed two additional properties outside the Site PMA, but within the nearby region, that offer one- and two-bedroom units targeting households earning up to 60% of AMHI. Since these properties are located outside the Site PMA, and are general-occupancy properties, they are not considered competitive with the subject project. Thus, these properties have been included for comparability purposes only.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Peaks of Cartersville	2020	62*	-	-	-	Seniors 55+; 50% & 60% AMHI & Section 811
5	Etowah Village Apts.	1996	95	100.0%	2.8 Miles	3 Months	Families; 45%, 50%, & 60% AMHI
7	Cove Apts.	2000	60	100.0%	3.4 Miles	13 H.H.	Seniors 62+; 35% & 40% AMHI
12	Shangri-La Park	2011	72	100.0%	3.8 Miles	40 H.H.	Seniors 55+; 50% & 60% AMHI
902	Legacy at Acworth	1997	86*	93.0%	12.9 Miles	1-Br: 3 H.H.	Families; 60% AMHI
904	Somerset Club Apts.	2004	120*	100.0%	4.2 Miles	None	Families; 60% AMHI

OCC. – Occupancy

H.H. - Households

*Tax Credit units only

900 Series Map IDs located outside of Site PMA

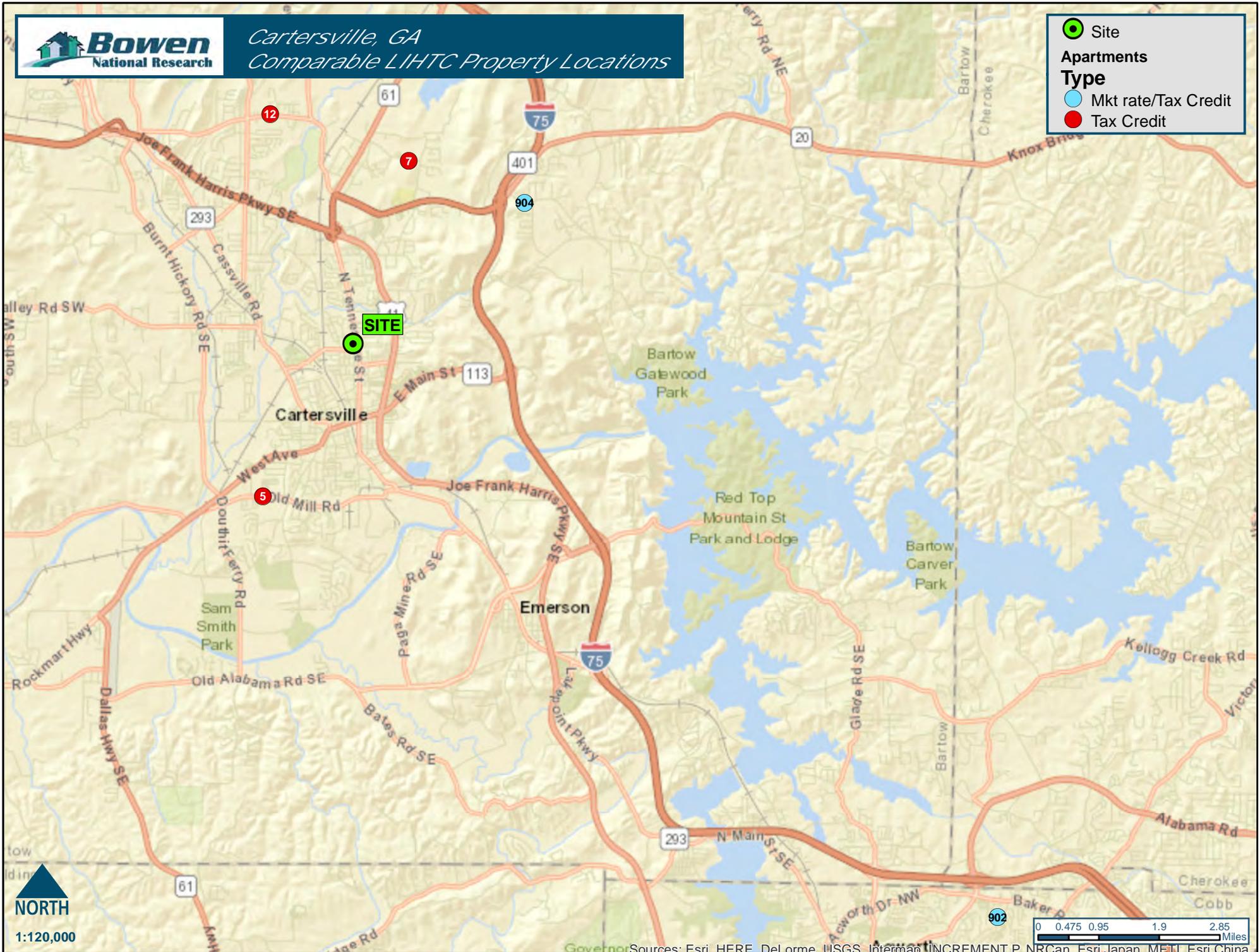
The five LIHTC projects have a combined occupancy rate of 98.6%. Notably, the three comparable LIHTC properties located in the Site PMA are 100.0% occupied and maintain waiting lists for their next available unit. Note that this indicates two age-restricted properties. This is a clear indication of pent-up demand for age-restricted LIHTC product. The subject project will help alleviate a portion of this pent-up demand.

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



*Cartersville, GA
Comparable LIHTC Property Locations*

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



NORTH
1:120,000

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Peaks of Cartersville	\$603/50% (6) \$728/60% (20)	\$728/50% (9) \$853/60% (27)	-	-
5	Etowah Village Apts.	-	\$719/45% (19/0) \$719/50% (4/0)	\$822/50% (29/0) \$835/60% (43/0)	None
7	Cove Apts.	\$440/35% (12/0) \$461/40% (36/0)	\$513/35% (4/0) \$528/40% (8/0)	-	None
12	Shangri-La Park	\$566/50% (2/0) \$566/60% (6/0)	\$632/50% (14/0) \$632/60% (50/0)	-	None
902	Legacy at Acworth	\$826/60% (16/0)	\$987/60% (38/0)	\$1,146/60% (32/6)	None
904	Somerset Club Apts.	\$811/60% (30/0)	\$1,011/60% (54/0)	\$1,150/60% (36/0)	None

900 Series Map IDs located outside of Site PMA

The subject's proposed gross Tax Credit rents are within range of, if not lower than, those reported among similar unit types among the comparable LIHTC projects. Note that the one property in the market which offers units at both 50% and 60% of AMHI, Shangri-La Park (Map ID 12), charges the same rent, regardless of AMHI level. Although management was unable to confirm, this is likely due to the fact that the units set at 60% of AMHI effectively have rents restricted to 50% of AMHI. Thus, the units set at 60% of AMHI at this property are not believed to be the most accurate representation of what is truly achievable within this market. Although the two other properties offering units at the 60% AMHI level are located outside the Site PMA, these properties are located within the outlying portions of Cartersville or the nearby Acworth area, which is also within the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area. As such, these properties comply with the same rent and income limits as similar properties within the Site PMA and will therefore serve as accurate comparables for the subject project. When compared to these properties located outside the Site PMA, the subject's proposed gross rents are expected to represent a significant value and are considered marketable.

The following table illustrates the weighted average *collected* rents of the comparable LIHTC projects by bedroom type, *for unit types (bedroom and AMHI level) similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable LIHTC Units	
One-Br.	Two-Br.
\$455 (50%)	\$521 (50%)
\$676 (60%)	\$734 (60%)

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

Bedrooms	Weighted Avg. Rent (% AMHI)	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$455 (50%)	- \$500 (50%)	-\$45	/ \$500 (50%)	-9.0%
	\$676 (60%)	- \$625 (60%)	\$51	/ \$625 (60%)	8.2%
Two-Br.	\$521 (50%)	- \$600 (50%)	-\$79	/ \$600 (50%)	-13.2%
	\$734 (60%)	- \$725 (60%)	\$9	/ \$725 (60%)	1.2%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from -13.2% to 8.2%, depending upon unit type, as compared to the weighted average collected rents of the comparable LIHTC projects. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	726	1,001	-
5	Etowah Village Apts.	-	1,106	1,237
7	Cove Apts.	722	930	-
12	Shangri-La Park	762	1,078	-
902	Legacy at Acworth	840	1,056	1,254
904	Somerset Club Apts.	864	1,200	1,300

900 Series Map IDs located outside of Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	1.0	2.0	-
5	Etowah Village Apts.	-	1.5	2.0
7	Cove Apts.	1.0	1.0	-
12	Shangri-La Park	1.0	2.0	-
902	Legacy at Acworth	1.0	2.0	2.0
904	Somerset Club Apts.	1.0	2.0	2.0

900 Series Map IDs located outside of Site PMA

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

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

COMPARABLE PROPERTIES AMENITIES - CARTERSVILLE, GEORGIA

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

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
◆ SITE		X	X	X	X							X				X			Wellness Screening Room; Covered Porch; Community Gardens
902	X	X	X	X		X		X								X			CCTV
904	X	X	X		X	X		X					X	X		X			
5		X	X					X		B						X			
◆ 7		X	X		X											X	X		Gazebo
◆ 12		X	X		A	X						X		X		X	X		Shuffleboard

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

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

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

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

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

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

The amenity packages included at the proposed development are relatively competitive with those offered among the comparable LIHTC projects. The subject project will be one of only two properties to include microwaves, which will likely enhance marketability of the property. Most properties offer a patio/balcony area with exterior storage and some also offer fitness centers. While these features would certainly be beneficial, they are not considered necessary at the subject project, especially when considering the lack of available age-restricted LIHTC product in the market and the competitive proposed gross rents at the subject project as compared to similar unit types among the comparable properties in the region. The subject's amenity package is considered appropriate for and marketable to the targeted senior population and does not appear to lack any key amenities that would adversely impact its marketability within the Cartersville market.

Comparable/Competitive Tax Credit Summary

A total of three non-subsidized LIHTC projects were identified and surveyed within the Site PMA. These three properties are each 100.0% occupied and maintain a waiting list. Due to the limited supply of LIHTC product set at the 60% AMHI level, two additional properties were surveyed outside the Site PMA, which reported a total of only six (6) vacant units. The subject's proposed gross Tax Credit rents are considered competitive and marketable within the Cartersville market. The subject's unit designs and amenity packages are also considered competitive and marketable to the targeted senior population within the Site PMA.

Comparable/Competitive Housing Impact

The anticipated occupancy rates of the existing comparable Tax Credit developments in the Site PMA following the first year of occupancy at the subject site is as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2019
3	Cove Apts.	100.0%	95.0%+
5	Etowah Village Apts.	100.0%	95.0%+
12	Shangri-La Park	100.0%	95.0%+

As previously discussed and illustrated in the preceding table, the three comparable LIHTC projects surveyed in the Site PMA are 100.0% occupied and each property maintains a waiting list. Considering the high occupancy rates and waiting lists maintained among the comparable properties, we do not expect the development of the subject project to have any adverse impact on future occupancy rates among the existing comparable LIHTC projects in the market.

Market-Rate Units

In addition to its Tax Credit units, the proposed project will also offer some unrestricted market-rate units. Within the Cartersville Site PMA, we identified and surveyed a total of eight properties which offer unrestricted market-rate units. Of these eight properties, we have selected the five properties which we consider most comparable to the subject project in terms of age, design, unit types offered, and/or amenities offered. These five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Peaks of Cartersville	2020	10*	-	-	-
4	Vineyards	1999	152	100.0%	3.8 Miles	None
8	Avonlea Highlands	2002	228	100.0%	1.8 Miles	None
9	Rosewood Apts.	1990	148	98.6%	3.8 Miles	\$150 off first month's rent (one-bedroom units only)
11	Ivy Mill Apts.	1997	24	100.0%	1.5 Miles	None
15	Glen Apts.	1990	108	100.0%	3.4 Miles	None

*Market-rate units only

The five selected market-rate projects have a combined total of 660 units with an overall occupancy rate of 99.7%, with none of the selected properties reporting individual occupancy rates below 98.6%. These occupancy rates demonstrate that these properties have been well-received within the market and will serve as accurate benchmarks with which to compare the subject site.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	\$853 (4)	\$978 (6)	-
4	Vineyards	\$904 (42/0)	\$1,021 (96/0)	\$1,163 (14/0)
8	Avonlea Highlands	\$1,023-\$1,194 (54/0)	\$1,350-\$1,520 (138/0)	\$1,535 (36/0)
9	Rosewood Apts.	\$896-\$926 (56/1)	\$1,057 (84/0)	\$1,216 (8/1)
11	Ivy Mill Apts.	\$861 (8/0)	\$987 (16/0)	-
15	Glen Apts.	\$906-\$966 (32/0)	\$1,032-\$1,142 (52/0)	\$1,216-\$1,266 (24/0)

The subject's proposed gross market-rate rents are the lowest among the comparable properties. Thus, the subject project will likely be perceived a good value within the Cartersville market.

The following table illustrates the weighted average *collected* rents of the comparable market-rate projects by bedroom type, *for units similar to those proposed at the subject site.*

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$857	\$1,048

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

Bedrooms	Weighted Avg. Rent	Proposed Rent	Difference	Proposed Rent	Rent Advantage
One-Br.	\$857	- \$750	\$107	/ \$750	14.3%
Two-Br.	\$1,048	- \$850	\$198	/ \$850	23.3%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from 14.3% for a one-bedroom unit to 23.3% for a two-bedroom unit, as compared to the weighted average collected rents of the comparable market-rate projects located in the Site PMA. Please note, however, that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore, caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in *Addendum E* of this report.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	726	1,001	-
4	Vineyards	850	1,000	1,200
8	Avonlea Highlands	660 - 912	1,048 - 1,337	1,366 - 1,439
9	Rosewood Apts.	575 - 800	1,140	1,170
11	Ivy Mill Apts.	750	950	-
15	Glen Apts.	701 - 908	938 - 1,305	1,290 - 1,406

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	1.0	2.0	-
4	Vineyards	1.0	2.0	2.0
8	Avonlea Highlands	1.0	2.0	2.0
9	Rosewood Apts.	1.0	2.0	2.0
11	Ivy Mill Apts.	1.0	1.0	-
15	Glen Apts.	1.0	2.0	2.0

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

The following tables compare the amenities of the subject development with the most comparable projects in the market.

COMPARABLE PROPERTIES AMENITIES - CARTERSVILLE, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES													
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X	X	X		V		X		X				B	X	S	
4	X	X		X	X		X		C		X	X	X				B		D(o), S	Exterior Storage
8	X	X	X	X	X		X		C		X	X	X				B		D(o), S	Exterior Storage
9	X	X		X	X		X		C	S	X	S					B		S	Exterior Storage
11	X	X		X	X		X		C		X	X	X				B		S	
15	X	X	X	X	X	X	X		C	O	X	X	X				B		D(o), S	Exterior Storage

MAP ID	PROJECT AMENITIES														OTHER				
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB		LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X							X				X			Wellness Screening Room; Covered Porch; Community Gardens
4	X	X				X		X								X			Sundeck; Dog Park
8	X	X	X	X		X		X		X			X	X		X			CCTV
9	X	X	X			X		X		X						X			
11		X														X			
15	X	X		X		X		X								X			

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

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

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

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

The amenity packages included at the proposed development will be relatively competitive with those offered among the comparable market-rate properties. Some of the comparable properties offer premium features such as swimming pools and fitness centers. However, such features are not considered necessary within a mixed-income age-restricted property such as the subject property. Thus, the lack of these features is not expected to have any adverse impact on marketability of the subject project.

Comparable Market-Rate Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed development will be competitive with these properties. In fact, the subject project will offer the lowest priced one- and two-bedroom units among the comparable market-rate properties, in terms of gross rents. This will create a competitive advantage for the property.

One page profiles of the Comparable/Competitive Tax Credit and market-rate properties are included in *Addendum B* of this report.

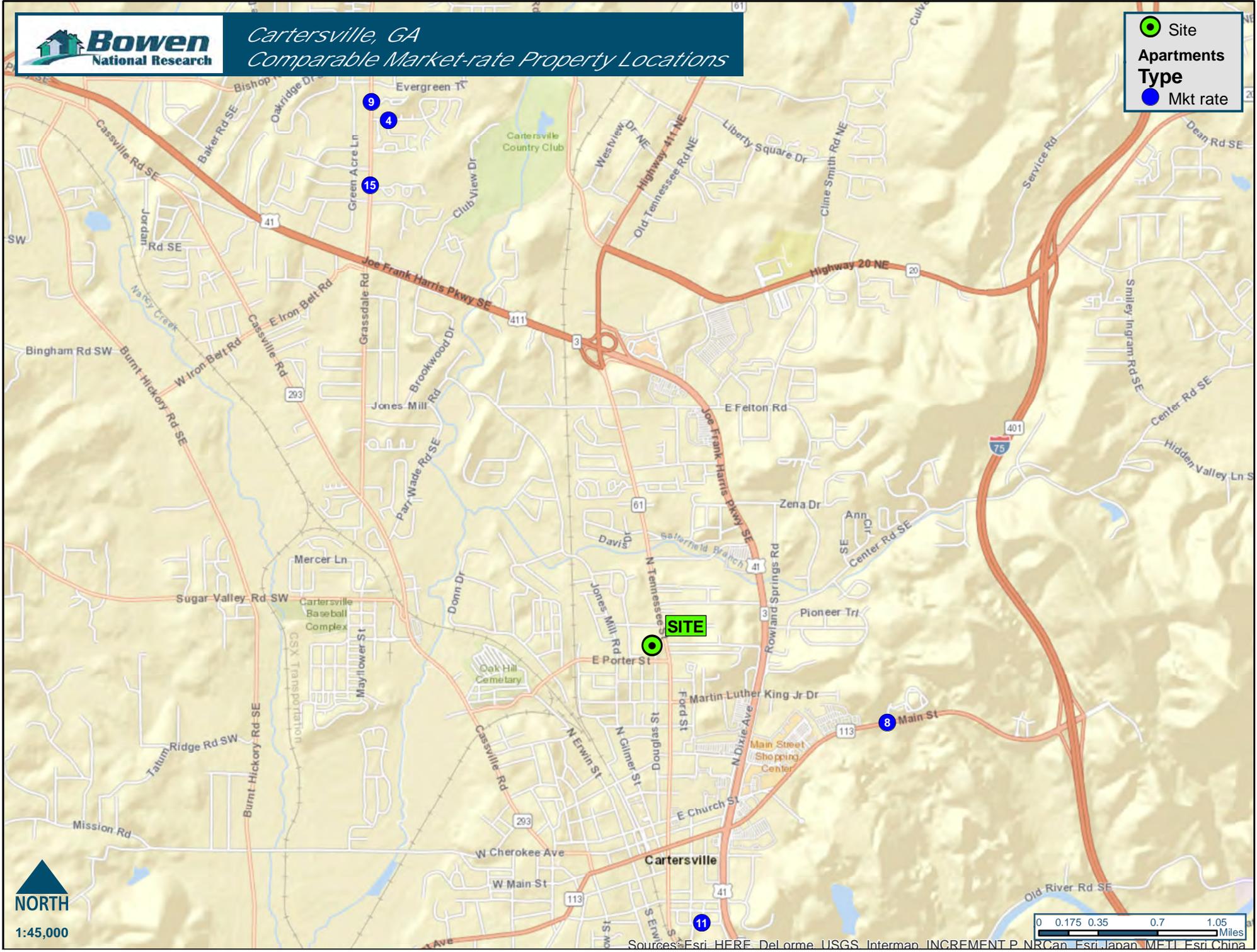
The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location.



Cartersville, GA

Comparable Market-rate Property Locations

● Site
● Apartments
● Type
● Mkt rate



NORTH
1:45,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$140,978. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$140,978 home is \$848, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$140,978
Mortgaged Value = 95% of Median Home Price	\$133,929
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$679
Estimated Taxes and Insurance*	\$170
Estimated Monthly Mortgage Payment	\$848

*Estimated at 25% of principal and interest

In comparison, the proposed collected rents for the subject property range from \$500 to \$850 per month. While some tenants of the subject's market-rate units could potentially afford the cost of typical home in the area, we do not anticipate any competitive impact on or from the homebuyer market, as the subject project will target senior households. Considering this targeted age group, we anticipate the subject project will actually attract some senior homeowners looking to downsize to a smaller, maintenance-free rental alternative.

Section I – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2020 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2020.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists maintained among the existing comparable LIHTC and market-rate properties in the Cartersville Site PMA. The subject's competitive position among existing comparable product surveyed, has also been considered in our absorption projections. We also consider the subject's capture rate, achievable market rents and assume that the developer and/or management will successfully market the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 72 proposed units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately eight months of opening. This absorption period is based on an average monthly absorption rate of approximately eight units per month.

These absorption projections assume an April 2020 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Section J – Interviews

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

- According to Randy Mannino, Director at the Cartersville Planning and Zoning department, senior developments are in the highest demand and senior projects are generally approved before general-occupancy (family) developments because of this high demand. Mr. Mannino further stated that there is a need for more affordable housing for seniors throughout Cartersville and that the existing affordable housing stock for seniors does not meet the demand.
- Mindy Chesser, Site Manager with The Cove Apartments (Map ID 7), an age-restricted Tax Credit property in Cartersville, stated that there is a need for more affordable rental housing in Cartersville. Ms. Chesser stated that in the 18 years that she has managed this property, there has only been one true vacancy (i.e. a unit that could not be occupied by someone on the waiting list). The Cove Apartments typically maintains a waiting list containing at least 10 households and generally only has between four and 10 move-outs per year.
- Bonnie Willis, Property Manager with Crossfield Apartments I & II (Map IDs 16 & 17), a Tax Credit and government-subsidized property, stated that there is a need for more affordable housing in Cartersville. Ms. Willis added that there is definitely a need for additional age-restricted Tax Credit units in Cartersville, and a general need for more one-bedroom and two-bedroom units.

Section K – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 72 age-restricted (55+) units proposed at the subject site, assuming it is developed as detailed in this report.

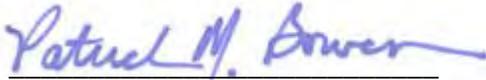
The proposed subject site is situated within an established mixed-use portion of Cartersville and most structures within the immediate site neighborhood were observed to be well-maintained and in average condition. While there are some less desirable properties within the immediate site neighborhood, these structures are minimal and are not expected to have any negative impact on marketability of the subject site. A set of high-tension power lines are parallel to the northern boundary of the subject site. These power lines, however, are not expected to be directly overhead any of the subject buildings or community areas and therefore are not expected to have an adverse impact on marketability of the property. The subject site has good visibility and access from North Tennessee Street which borders the site to the east. Most area services are also easily accessible from the subject site and located along U.S. Highway 41 east of the subject site.

Within the Cartersville Site PMA, we identified and surveyed a total of three non-subsidized Tax Credit properties, two of which are age-restricted. These two age-restricted properties are both 100.0% occupied with waiting lists. It is also of note that only one of these two age-restricted properties offers units set at 50% and 60% of AMHI, similar to the subject project. Additionally, this property which targets AMHI levels similar to the subject project charges the same rent, regardless of AMHI level. This is a good indication that the units set at 60% of AMHI are effectively rent restricted to 50% of AMHI. This also indicates that there is lack of traditional age-restricted LIHTC product targeting households earning up to 60% of AMHI. The subject project will also offer some unrestricted market-rate units. Although no age-restricted market-rate properties were surveyed within the Site PMA, the five market-rate properties selected as comparables for the subject project are 99.7% occupied, demonstrating that market-rate product is also in high demand within this market. The subject project is considered marketable and will be competitive in terms of price point (gross rent), unit design, and amenities offered.

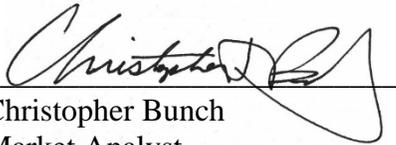
In addition to the competitive position of the subject project, a sufficient base of potential age- and income-appropriate renter households exists in the market for the subject project, as evident by the subject's overall Tax Credit capture rate of 19.1% and market-rate capture rate of 5.1%. The subject's capture rates by AMHI level are also achievable, ranging from 5.3% to 24.2%, as detailed in *Section G*.

Section L - Signed Statement

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



Patrick M. Bowen
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Date: April 11, 2018



Christopher Bunch
Market Analyst
christopherb@bowennational.com
Date: April 11, 2018



Jeff Peters
Market Analyst
jeffp@bowennational.com
Date: April 11, 2018

Section M – Market Study Representation

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

Section N - Qualifications

The Company

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

Company Leadership

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

Desirée Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Christopher T. Bunch, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

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

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

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

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

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

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

Chris Leahy, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Leahy has a Bachelor of Science degree in Financial Management and Business Administration from Franklin University.

Research Staff

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

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

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

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

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

CARTERSVILLE, GEORGIA

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

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

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

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

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

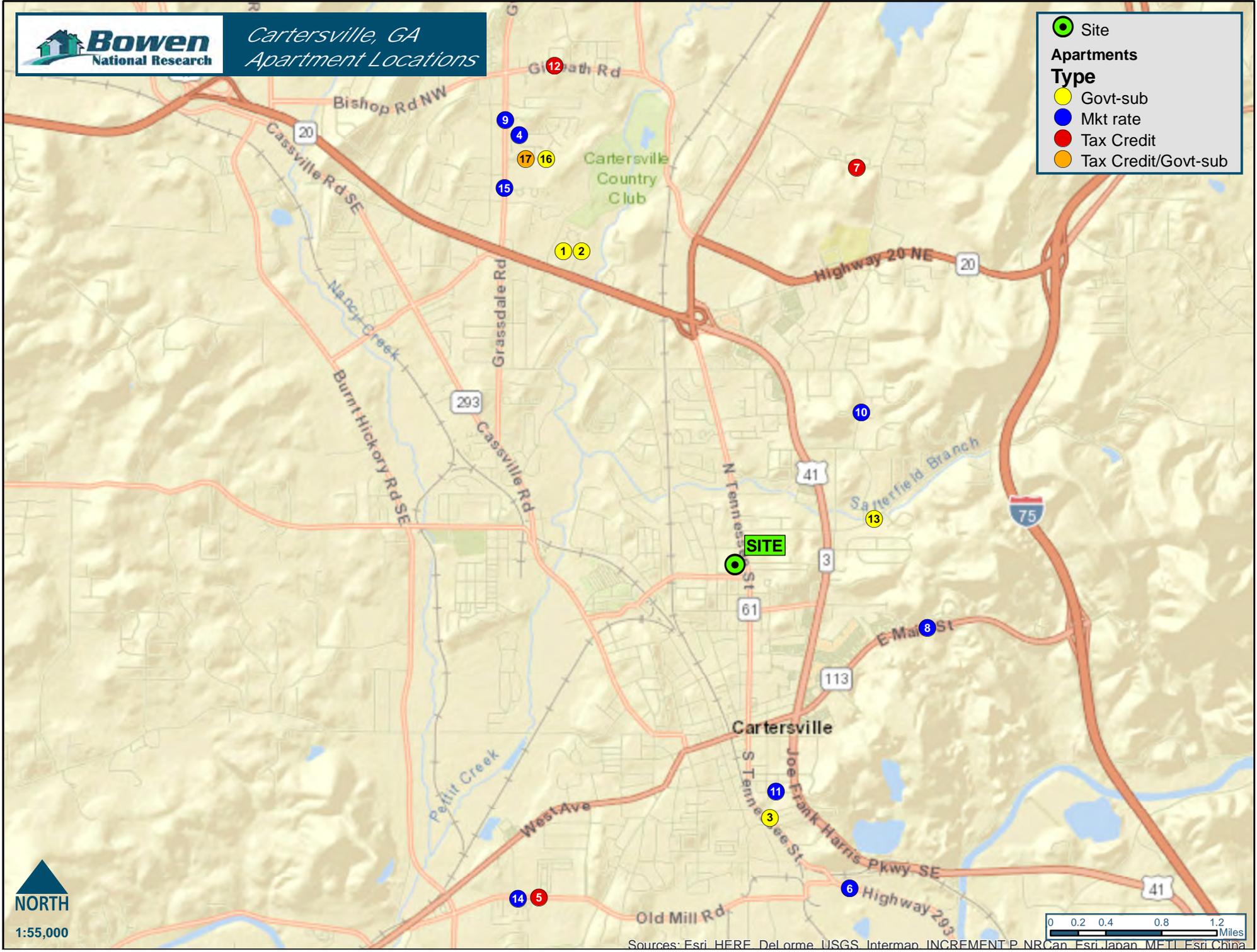


Cartersville, GA Apartment Locations

Site
● Site

Apartments Type

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



NORTH
1:55,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China

MAP IDENTIFICATION LIST - CARTERSVILLE, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Club Court Apts. I	GSS	B-	1983	58	0	100.0%	2.7
2	Club Court Apts. II	GSS	B-	1986	50	0	100.0%	2.7
3	Etowah Area Public Housing	GSS	B-	2003	238	0	100.0%	1.6
4	Vineyards	MRR	B	1999	152	0	100.0%	3.8
5	Etowah Village Apts.	TAX	B	1996	95	0	100.0%	2.8
6	Hannah Apts.	MRR	B-	2003	56	0	100.0%	2.2
7	Cove Apts.	TAX	B+	2000	60	0	100.0%	3.4
8	Avonlea Highlands	MRR	A-	2002	228	0	100.0%	1.8
9	Rosewood Apts.	MRR	B	1990	148	2	98.6%	3.8
10	Morgan Square	MRR	B-	2002	52	0	100.0%	1.8
11	Ivy Mill Apts.	MRR	B	1997	24	0	100.0%	1.5
12	Shangri-La Park	TAX	B+	2011	72	0	100.0%	3.8
13	Huntwood Terrace	GSS	B-	1983	40	0	100.0%	1.2
14	Alexandria Landing	MRR	B-	2000	76	0	100.0%	2.9
15	Glen Apts.	MRR	B	1990	108	0	100.0%	3.4
16	Crossfield Apts. I	GSS	B-	1989	48	0	100.0%	3.7
17	Crossfield Apts. II	TGS	B-	1995	24	0	100.0%	3.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	8	844	2	99.8%	0
TAX	3	227	0	100.0%	0
TGS	1	24	0	100.0%	0
GSS	5	434	0	100.0%	0

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

* - Drive Distance (Miles)

Survey Date: March 2018

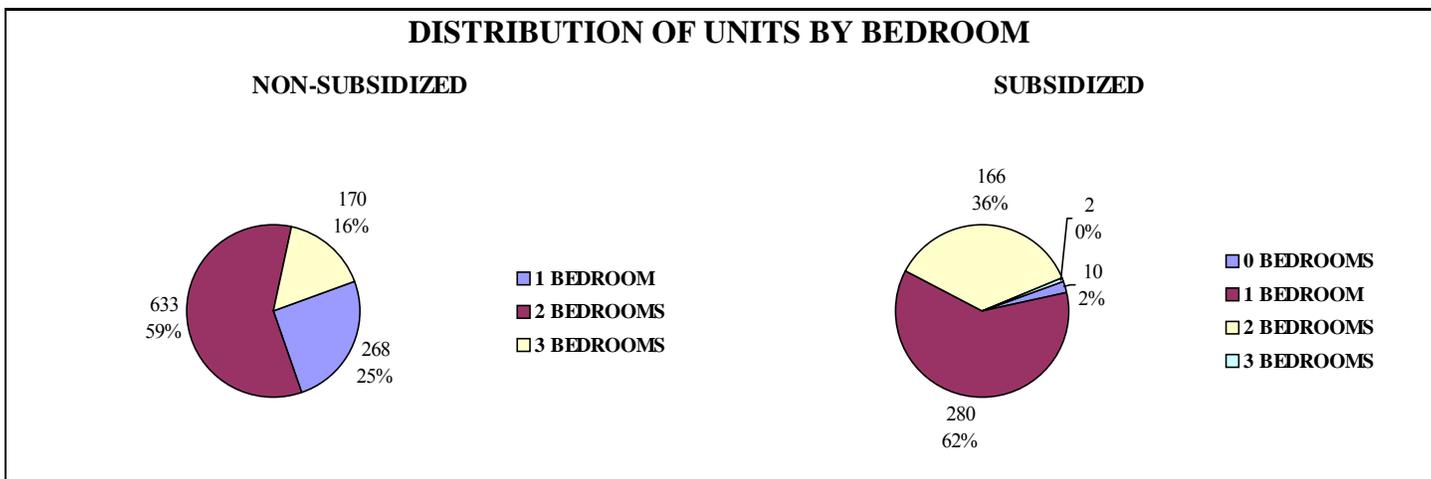
DISTRIBUTION OF UNITS - CARTERSVILLE, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	212	25.1%	1	0.5%	\$906
2	1	16	1.9%	0	0.0%	\$987
2	2	518	61.4%	0	0.0%	\$1,032
3	2	98	11.6%	1	1.0%	\$1,216
TOTAL		844	100.0%	2	0.2%	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	56	24.7%	0	0.0%	\$461
2	1	12	5.3%	0	0.0%	\$528
2	1.5	23	10.1%	0	0.0%	\$719
2	2	64	28.2%	0	0.0%	\$632
3	2	72	31.7%	0	0.0%	\$835
TOTAL		227	100.0%	0	0.0%	

TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	16	66.7%	0	0.0%	N.A.
2	1	8	33.3%	0	0.0%	N.A.
TOTAL		24	100.0%	0	0.0%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
0	1	10	2.3%	0	0.0%	N.A.
1	1	264	60.8%	0	0.0%	N.A.
2	1	122	28.1%	0	0.0%	N.A.
2	1.5	36	8.3%	0	0.0%	N.A.
3	1.5	2	0.5%	0	0.0%	N.A.
TOTAL		434	100.0%	0	0.0%	
GRAND TOTAL		1,529	-	2	0.1%	



SURVEY OF PROPERTIES - CARTERSVILLE, GEORGIA

1 Club Court Apts. I			
	Address 72 Massell Dr. SE Cartersville, GA 30120	Phone (770) 382-4912 (Contact in person)	Total Units 58
	Year Built 1983 Comments RD 515, has RA (12 units); HCV (1 unit); Townhomes have patio storage; Select units have ceiling fan; Waitlist shared with phase II	Contact Lisa	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B- Waiting List 40 households
2 Club Court Apts. II			
	Address 72 Massell Dr. SE Cartersville, GA 30120	Phone (770) 382-4912 (Contact in person)	Total Units 50
	Year Built 1986 Comments RD 515, has RA (22 units); Accepts HCV (0 currently); Select units have ceiling fan; Waitlist shared with ph I	Contact Lisa	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Waiting List 40 households
3 Etowah Area Public Housing			
	Address 10 Garrison Dr. Cartersville, GA 30121	Phone (770) 382-1414 (Contact in person)	Total Units 238
	Year Built 2003 Comments Public Housing; Scattered sites; Select units have ceiling fan; Unit mix estimated	Contact Cindy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Senior Restricted (62+) Waiting List None
4 Vineyards			
	Address 11 Sheffield Pl. Cartersville, GA 30121	Phone (770) 607-0796 (Contact in person)	Total Units 152
	Year Built 1999 Comments Does not accept HCV; Unit mix estimated	Contact Priscilla	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List None
5 Etowah Village Apts.			
	Address 366 Old Mill Rd. Cartersville, GA 30120	Phone (770) 383-9995 (Contact in person)	Total Units 95
	Year Built 1996 Comments 45%, 50% & 60% AMHI; HCV (5 units); One 2-br maintenance unit not included in total	Contact Misty	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 3 months

Project Type

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

Survey Date: March 2018

SURVEY OF PROPERTIES - CARTERSVILLE, GEORGIA

6 Hannah Apts.			
	Address 390 Old Mill Rd. Cartersville, GA 30120	Phone (770) 383-9877 (Contact in person)	Total Units 56
	Year Built 2003 Comments HCV (6 units)	Contact Letty	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B-
			Waiting List 3 households
7 Cove Apts.			
	Address 90 Liberty Square Dr. NE Cartersville, GA 30121	Phone (770) 387-0510 (Contact in person)	Total Units 60
	Year Built 2000 Comments 35% & 40% AMHI; HCV (1 unit); Unit mix estimated	Contact Mindy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B+
			Senior Restricted (62+) Waiting List 13 households
8 Avonlea Highlands			
	Address 950 E. Main St. Cartersville, GA 30121	Phone (770) 387-0900 (Contact in person)	Total Units 228
	Year Built 2002 Comments Does not accept HCV; Rents change daily; Larger 2-br have sunroom	Contact Elaina	Vacancies 0 Occupied 100.0% Floors 3,4 Quality Rating A-
			Waiting List None
9 Rosewood Apts.			
	Address 531 Grassdale Rd. Cartersville, GA 30121	Phone (770) 382-5411 (Contact in person)	Total Units 148
	Year Built 1990 Comments Does not accept HCV; Storage on patio or in sunroom; Smallest 1-br includes stackable washer/dryer; Select units have fireplace	Contact Bailey	Vacancies 2 Occupied 98.6% Floors 2,2.5 Quality Rating B
Rent Special 1-br: \$150 off 1st month's rent			Waiting List None
10 Morgan Square			
	Address 290 E. Felton Rd. Cartersville, GA 30121	Phone (770) 382-2583 (Contact in person)	Total Units 52
	Year Built 2002 Comments Accepts HCV; Select units have fireplace	Contact Melissa	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B-
			Waiting List None

Project Type

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

Survey Date: March 2018

SURVEY OF PROPERTIES - CARTERSVILLE, GEORGIA

11 Ivy Mill Apts.			
	Address 51 Ridge Row Dr. Cartersville, GA 30120	Phone (855) 543-8039 (Contact in person)	Total Units 24
	Year Built 1997 Comments Accepts HCV (0 currently)	Contact Gary	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List None
12 Shangri-La Park			
	Address 69 Gilreath Rd. NW Cartersville, GA 30121	Phone (770) 606-9074 (Contact in person)	Total Units 72
	Year Built 2011 Comments 50% & 60% AMHI; HCV (1 unit); HOME Funds (8 units)	Contact Sabrina	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+ Senior Restricted (55+) Waiting List 40 households
13 Huntwood Terrace			
	Address 71 Center Rd. Cartersville, GA 30121	Phone (770) 387-9296 (Contact in person)	Total Units 40
	Year Built 1983 Comments HUD Section 8 & HUD Section 202	Contact Joy	Vacancies 0 Occupied 100.0% Floors 3 Quality Rating B- Senior Restricted (62+) Waiting List None
14 Alexandria Landing			
	Address 370 Old Mill Rd. Cartersville, GA 30120	Phone (770) 382-2379 (Contact in person)	Total Units 76
	Year Built 2000 Comments Accepts HCV (0 currently); Year built & unit mix estimated	Contact Melissa	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List 4 households
15 Glen Apts.			
	Address 200 Governor's Ct. Cartersville, GA 30121	Phone (678) 719-0415 (Contact in person)	Total Units 108
	Year Built 1990 Comments Does not accept HCV; Small 1 & 2-br do not have fireplace or exterior storage; Select units have exterior storage	Contact Amy	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B Waiting List 23 households

Project Type

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

Survey Date: March 2018

SURVEY OF PROPERTIES - CARTERSVILLE, GEORGIA

16 Crossfield Apts. I			
	<p>Address 7 Crossfield Cir. Cartersville, GA 30121</p> <p>Year Built 1989</p> <p>Comments RD 515, has RA (12 units); Accepts HCV; Waitlist shared with phase II; Square footage estimated</p>	<p>Phone (770) 386-6854 (Contact in person)</p> <p>Contact Bonnie</p>	<p>Total Units 48</p> <p>Vacancies 0</p> <p>Occupied 100.0%</p> <p>Floors 2</p> <p>Quality Rating B-</p> <p>Waiting List 14 households</p>
	17 Crossfield Apts. II		
	<p>Address 7 Crossfield Cir. Cartersville, GA 30121</p> <p>Year Built 1995</p> <p>Comments 60% AMHI; RD 515, no RA; Accepts HCV (0 currently); Random units have tenant installed ceiling fan; Waitlist shared with phase I; Square footage estimated</p>	<p>Phone (770) 386-6854 (Contact in person)</p> <p>Contact Bonnie</p>	<p>Total Units 24</p> <p>Vacancies 0</p> <p>Occupied 100.0%</p> <p>Floors 1,2</p> <p>Quality Rating B-</p> <p>Waiting List 14 households</p>

Project Type

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

Survey Date: March 2018

COLLECTED RENTS - CARTERSVILLE, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
4		\$815	\$910	\$1025					
5			\$610	\$687 to \$700					
6			\$775						
7		\$372 to \$393	\$427 to \$442						
8		\$897 to \$1068	\$1198 to \$1368	\$1349					
9		\$785 to \$815	\$920	\$1045					
10			\$700						
11		\$750	\$850						
12		\$455	\$495						
14		\$575	\$675	\$775					
15		\$795 to \$855	\$895 to \$1005	\$1045 to \$1095					

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

Survey Date: March 2018

PRICE PER SQUARE FOOT - CARTERSVILLE, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Vineyards	1	850	\$904	\$1.06
8	Avonlea Highlands	1	660 to 912	\$1023 to \$1194	\$1.31 to \$1.55
9	Rosewood Apts.	1	575 to 800	\$896 to \$926	\$1.16 to \$1.56
11	Ivy Mill Apts.	1	750	\$861	\$1.15
14	Alexandria Landing	1	695	\$686	\$0.99
15	Glen Apts.	1	701 to 908	\$906 to \$966	\$1.06 to \$1.29
7	Cove Apts.	1	722	\$440 to \$461	\$0.61 to \$0.64
12	Shangri-La Park	1	762	\$566	\$0.74
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Vineyards	2	1000	\$1021	\$1.02
6	Hannah Apts.	2	1050	\$912	\$0.87
8	Avonlea Highlands	2	1048 to 1337	\$1350 to \$1520	\$1.14 to \$1.29
9	Rosewood Apts.	2	1140	\$1057	\$0.93
10	Morgan Square	2	1050	\$837	\$0.80
11	Ivy Mill Apts.	1	950	\$987	\$1.04
14	Alexandria Landing	2	1050	\$812	\$0.77
15	Glen Apts.	2	938 to 1305	\$1032 to \$1142	\$0.88 to \$1.10
5	Etowah Village Apts.	1.5	1106	\$719	\$0.65
7	Cove Apts.	1	930	\$513 to \$528	\$0.55 to \$0.57
12	Shangri-La Park	2	1078	\$632	\$0.59
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Vineyards	2	1200	\$1163	\$0.97
8	Avonlea Highlands	2	1366 to 1439	\$1535	\$1.07 to \$1.12
9	Rosewood Apts.	2	1170	\$1216	\$1.04
14	Alexandria Landing	2	1200	\$946	\$0.79
15	Glen Apts.	2	1290 to 1406	\$1216 to \$1266	\$0.90 to \$0.94
5	Etowah Village Apts.	2	1237	\$822 to \$835	\$0.66 to \$0.68

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

Survey Date: March 2018

**AVERAGE GROSS RENT PER SQUARE FOOT - CARTERSVILLE,
GEORGIA**

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.25	\$1.00	\$0.98
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.65	\$0.60	\$0.67
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.12	\$0.93	\$0.85
TOWNHOUSE	\$0.00	\$0.00	\$0.00

TAX CREDIT UNITS - CARTERSVILLE, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
♦ 7	Cove Apts.	12	722	1	35%	\$372
♦ 7	Cove Apts.	36	722	1	40%	\$393
17	Crossfield Apts. II	16	610	1	60%	\$407 - \$527
♦ 12	Shangri-La Park	6	762	1	60%	\$455
♦ 12	Shangri-La Park	2	762	1	50%	\$455
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
17	Crossfield Apts. II	8	750	1	60%	\$427 - \$624
♦ 7	Cove Apts.	4	930	1	35%	\$427
♦ 7	Cove Apts.	8	930	1	40%	\$442
♦ 12	Shangri-La Park	50	1078	2	60%	\$495
♦ 12	Shangri-La Park	14	1078	2	50%	\$495
5	Etowah Village Apts.	4	1106	1.5	50%	\$610
5	Etowah Village Apts.	19	1106	1.5	45%	\$610
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
5	Etowah Village Apts.	29	1237	2	50%	\$687
5	Etowah Village Apts.	43	1237	2	60%	\$700

♦ - Senior Restricted

QUALITY RATING - CARTERSVILLE, GEORGIA

MARKET-RATE PROJECTS AND UNITS

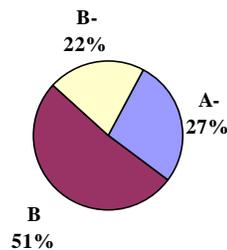
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	228	0.0%		\$1,023	\$1,350	\$1,535	
B	4	432	0.5%		\$904	\$1,032	\$1,216	
B-	3	184	0.0%		\$686	\$837	\$946	

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

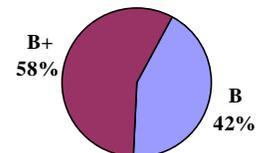
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B+	2	132	0.0%		\$461	\$632		
B	1	95	0.0%			\$719	\$835	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - CARTERSVILLE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	5	527	2	0.4%	527	49.2%
2000 to 2005	5	472	0	0.0%	999	44.1%
2006 to 2010	0	0	0	0.0%	999	0.0%
2011	1	72	0	0.0%	1071	6.7%
2012	0	0	0	0.0%	1071	0.0%
2013	0	0	0	0.0%	1071	0.0%
2014	0	0	0	0.0%	1071	0.0%
2015	0	0	0	0.0%	1071	0.0%
2016	0	0	0	0.0%	1071	0.0%
2017	0	0	0	0.0%	1071	0.0%
2018**	0	0	0	0.0%	1071	0.0%
TOTAL	11	1071	2	0.2%	1071	100.0 %

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

** As of March 2018

Survey Date: March 2018

A-15



APPLIANCES AND UNIT AMENITIES - CARTERSVILLE, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	11	100.0%	1,071
REFRIGERATOR	9	81.8%	943
ICEMAKER	3	27.3%	408
DISHWASHER	11	100.0%	1,071
DISPOSAL	9	81.8%	939
MICROWAVE	2	18.2%	180
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	11	100.0%	1,071
AC - WINDOW	0	0.0%	
FLOOR COVERING	11	100.0%	1,071
WASHER/DRYER	1	9.1%	148
WASHER/DRYER HOOK-UP	11	100.0%	1,071
PATIO/DECK/BALCONY	11	100.0%	1,071
CEILING FAN	8	72.7%	768
FIREPLACE	3	27.3%	308
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	11	100.0%	1,071
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	9.1%	72

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

PROJECT AMENITIES - CARTERSVILLE, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	4	36.4%	636
ON-SITE MANAGEMENT	10	90.9%	1,019
LAUNDRY	5	45.5%	603
CLUB HOUSE	2	18.2%	336
MEETING ROOM	2	18.2%	132
FITNESS CENTER	6	54.5%	784
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	5	45.5%	731
COMPUTER LAB	2	18.2%	300
SPORTS COURT	3	27.3%	471
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	1	9.1%	72
SECURITY GATE	1	9.1%	228
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	3	27.3%	484
PICNIC AREA	9	81.8%	943
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	2	18.2%	132

DISTRIBUTION OF UTILITIES - CARTERSVILLE, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	40	2.6%
GAS	1	238	15.6%
TENANT			
ELECTRIC	14	1,156	75.6%
GAS	1	95	6.2%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	40	2.6%
GAS	1	238	15.6%
TENANT			
ELECTRIC	14	1,156	75.6%
GAS	1	95	6.2%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	40	2.6%
GAS	1	238	15.6%
TENANT			
ELECTRIC	14	1,156	75.6%
GAS	1	95	6.2%
			100.0%
ELECTRIC			
LANDLORD	1	40	2.6%
TENANT	16	1,489	97.4%
			100.0%
WATER			
LANDLORD	3	338	22.1%
TENANT	14	1,191	77.9%
			100.0%
SEWER			
LANDLORD	4	490	32.0%
TENANT	13	1,039	68.0%
TRASH PICK-UP			
LANDLORD	16	1,301	85.1%
TENANT	1	228	14.9%
			100.0%

UTILITY ALLOWANCE - CARTERSVILLE, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$6	\$12		\$8	\$3	\$9	\$2	\$5	\$20	\$18	\$18	\$15	\$20
1	GARDEN	\$10	\$17		\$9	\$4	\$14	\$3	\$8	\$29	\$21	\$22	\$15	\$20
1	TOWNHOUSE	\$11	\$18		\$9	\$4	\$14	\$3	\$8	\$30	\$21	\$22	\$15	\$20
2	GARDEN	\$12	\$20		\$11	\$6	\$19	\$3	\$10	\$37	\$25	\$26	\$15	\$20
2	TOWNHOUSE	\$13	\$23		\$11	\$6	\$19	\$3	\$10	\$38	\$25	\$26	\$15	\$20
3	GARDEN	\$15	\$26		\$16	\$7	\$24	\$4	\$12	\$46	\$30	\$33	\$15	\$20
3	TOWNHOUSE	\$17	\$29		\$16	\$7	\$24	\$4	\$12	\$47	\$30	\$33	\$15	\$20
4	GARDEN	\$20	\$31		\$20	\$8	\$29	\$5	\$15	\$57	\$36	\$40	\$15	\$20
4	TOWNHOUSE	\$21	\$36		\$20	\$8	\$29	\$5	\$15	\$59	\$36	\$40	\$15	\$20

GA-Georgia North (1/2018)

Survey Date: March 2018

ADDENDUM B

COMPARABLE PROPERTY PROFILES

4 Vineyards

3.8 miles to site



Address	11 Sheffield Pl. Cartersville, GA 30121		
Phone	(770) 607-0796	Contact	Priscilla
Total Units	152	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1999	Floors	2
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Unit mix estimated		



Features and Utilities

Utilities	Landlord pays Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Fitness Center, Playground, Picnic Area, Sundeck; Dog Park

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	42	0	850	\$0.96	\$815
2	2	G	96	0	1000	\$0.91	\$910
3	2	G	14	0	1200	\$0.85	\$1025

8 Avonlea Highlands

1.8 miles to site



Address	950 E. Main St. Cartersville, GA 30121		
Phone	(770) 387-0900	Contact	Elaina
Total Units	228	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2002	Floors	3,4
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	A-	Neighborhood Rating	B
Remarks	Offers Tennis; Does not accept HCV; Rents change daily; Larger 2-br have sunroom		

Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	54	0	660 to 912	\$1.17 - \$1.36	\$897 to \$1068
2	2	G	138	0	1048 to 1337	\$1.02 - \$1.14	\$1198 to \$1368
3	2	G	36	0	1366 to 1439	\$0.94 - \$0.99	\$1349

9 Rosewood Apts.

3.8 miles to site



Address	531 Grassdale Rd. Cartersville, GA 30121		
Phone	(770) 382-5411	Contact	Bailey
Total Units	148	Vacancies	2
		Percent Occupied	98.6%
Project Type	Market-Rate		
Year Open	1990	Floors	2,2.5
Concessions	1-br: \$150 off 1st month's rent		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Offers Tennis; Does not accept HCV; Storage on patio or in sunroom; Smallest 1-br includes stackable washer/dryer; Select units have fireplace		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Fireplace, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Sports Court, Car Wash Area, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	56	1	575 to 800	\$1.02 - \$1.37	\$785 to \$815
2	2	G	84	0	1140	\$0.81	\$920
3	2	G	8	1	1170	\$0.89	\$1045

11 Ivy Mill Apts.

1.5 miles to site



Address	51 Ridge Row Dr. Cartersville, GA 30120		
Phone	(855) 543-8039	Contact	Gary
Total Units	24	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1997	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Accepts HCV (0 currently)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	8	0	750	\$1.00	\$750
2	1	G	16	0	950	\$0.89	\$850

15 Glen Apts.

3.4 miles to site



Address	200 Governor's Ct. Cartersville, GA 30121		
Phone	(678) 719-0415	Contact	Amy
Total Units	108	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1990	Floors	2
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	23 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; Small 1 & 2-br do not have fireplace or exterior storage; Select units have exterior storage		

Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	32	0	701 to 908	\$0.94 - \$1.13	\$795 to \$855
2	2	G	52	0	938 to 1305	\$0.77 - \$0.95	\$895 to \$1005
3	2	G	24	0	1290 to 1406	\$0.78 - \$0.81	\$1045 to \$1095

902 Legacy at Acworth

12.9 miles to site



Address	4801 Baker Grover Rd. Acworth, GA 30101		
Phone	(770) 529-1212	Contact	Hailey
Total Units	192	Vacancies	6
		Percent Occupied	96.9%
Project Type	Market-Rate & Tax Credit		
Year Open	1997	Floors	2, 3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	1-br: 3 households		
Quality Rating	B-	Neighborhood Rating	B
Remarks	Market-rate (106 units); 60% AMHI (86 units); Does not accept HCV		

Features and Utilities

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

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	16	0	840	\$0.95	\$800	
1	1	G	16	0	840	\$0.85	\$715	60%
2	2	G	42	0	1056	\$0.88	\$925	
2	2	G	38	0	1056	\$0.80	\$850	60%
3	2	G	48	0	1254	\$0.82	\$1025	
3	2	G	32	6	1254	\$0.78	\$975	60%

904 Somerset Club Apts.

4.2 miles to site



Address	91 Somerset Club Dr. Cartersville, GA 30121		
Phone	(678) 721-3090	Contact	Doreen
Total Units	192	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2004	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Market-rate (72 units); 60% AMHI (120 units); HCV (12 units); Rents change daily; Unit mix by AMHI estimated		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Security Gate, Computer Lab, Car Wash Area, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	N.A.	G	20	0	864	\$0.85	\$738	
1	1	G	30	0	864	\$0.81	\$700	60%
2	2	G	40	0	1200	\$0.73	\$881	
2	2	G	54	0	1200	\$0.73	\$874	60%
3	2	G	36	0	1300	\$0.75	\$979	60%
4	3	G	12	0	1460	\$0.78	\$1135	

5

Etowah Village Apts.

2.8 miles to site



Address	366 Old Mill Rd. Cartersville, GA 30120		
Phone	(770) 383-9995	Contact	Misty
Total Units	95	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1996	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	3 months		
Quality Rating	B	Neighborhood Rating	B
Remarks	45%, 50% & 60% AMHI; HCV (5 units); One 2-br maintenance unit not included in total		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Playground, Sports Court, Picnic Area

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	1.5	G	4	0	1106	\$0.55	\$610	50%
2	1.5	G	19	0	1106	\$0.55	\$610	45%
3	2	G	43	0	1237	\$0.57	\$700	60%
3	2	G	29	0	1237	\$0.56	\$687	50%

7**Cove Apts.**

3.4 miles to site



Address 90 Liberty Square Dr. NE
Cartersville, GA 30121

Phone (770) 387-0510 **Contact** Mindy

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

Project Type Tax Credit

Year Open 2000 **Floors** 1

Concessions No Rent Specials

Parking Surface Parking

Waiting List 13 households

Quality Rating B+ **Neighborhood Rating** B

Remarks 35% & 40% AMHI; HCV (1 unit); Unit mix estimated

**Features and Utilities**

Utilities Landlord pays Water, Sewer, Trash

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

Project Amenities On-site Management, Laundry Facility, Meeting Room, Picnic Area, Social Services, Gazebo

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	36	0	722	\$0.54	\$393	40%
1	1	G	12	0	722	\$0.52	\$372	35%
2	1	G	8	0	930	\$0.48	\$442	40%
2	1	G	4	0	930	\$0.46	\$427	35%

12 Shangri-La Park

3.8 miles to site



Address	69 Gilreath Rd. NW Cartersville, GA 30121		
Phone	(770) 606-9074	Contact	Sabrina
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2011	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	40 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (1 unit); HOME Funds (8 units)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, E-Call Button, Exterior Storage
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Elevator, Computer Lab, Picnic Area, Social Services, Shuffleboard

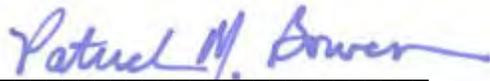
Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	762	\$0.60	\$455	60%
1	1	G	2	0	762	\$0.60	\$455	50%
2	2	G	50	0	1078	\$0.46	\$495	60%
2	2	G	14	0	1078	\$0.46	\$495	50%

Addendum C – NCHMA Member Certification & Checklist

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

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



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

Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Cartersville, Georgia by Peaks of Cartersville Development, LLC (Developer).

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

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

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

Addendum E – Achievable Market Rent Analysis

A. INTRODUCTION

We identified five market-rate properties within the Cartersville Site PMA that we consider comparable in terms of unit and project amenities to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development and the subject property's market advantage. It is important to note that, for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Peaks of Cartersville	2020	72	-	30 (-)	42 (-)	-
4	Vineyards	1999	152	100.0%	42 (100.0%)	96 (100.0%)	14 (100.0%)
8	Avonlea Highlands	2002	228	100.0%	54 (100.0%)	138 (100.0%)	36 (100.0%)
9	Rosewood Apts.	1990	148	98.6%	56 (98.2%)	84 (100.0%)	8 (87.5%)
11	Ivy Mill Apts.	1997	24	100.0%	8 (100.0%)	16 (100.0%)	-
15	Glen Apts.	1990	108	100.0%	32 (100.0%)	52 (100.0%)	24 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 660 units with an overall occupancy rate of 99.7%. None of the comparable properties has an occupancy rate below 98.6%, demonstrating that each of the selected properties is well-received within the Cartersville market and will serve as an accurate benchmark with which to compare the subject project.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Cartersville		Vineyards		Avonlea Highlands		Rosewood Apts.		Ivy Mill Apts.		Glen Apts.	
640 North Tennessee Street		11 Sheffield Pl.		950 E. Main St.		531 Grassdale Rd.		51 Ridge Row Dr.		200 Governor's Ct.	
Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$815		\$897		\$815		\$750		\$795	
2 Date Surveyed		Mar-18		Mar-18		Mar-18		Apr-18		Mar-18	
3 Rent Concessions		None		None		Yes (\$12)		None		None	
4 Occupancy for Unit Type		100%		100%		98%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$815	0.96	\$897	1.36	\$803	1.00	\$750	1.00	\$795	1.13
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/3	WU/2		WU/3,4		WU/2,2,5		WU/2		WU/2	
7 Yr. Built/Yr. Renovated	2020	1999	\$21	2002	\$18	1990	\$30	1997	\$23	1990	\$30
8 Condition/Street Appeal	E	G	\$15	E		G	\$15	G	\$15	G	\$15
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	726	850	(\$34)	660	\$18	800	(\$20)	750	(\$6)	701	\$7
14 Balcony/Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y	
18 Washer/Dryer	HU/L	HU	\$5	HU/L		HU/L		HU	\$5	HU	\$5
19 Floor Coverings	V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Secured Entry	N/N	N		N		N		N		N	
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fans/E-Call System	Y/Y	Y/N	\$5	Y/N	\$5	N/N	\$10	Y/N	\$5	Y/N	\$5
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	N	N		Y	(\$5)	N		N		N	
27 Community Space	Y	N	\$5	Y		N	\$5	N	\$5	Y	
28 Pool/Recreation Areas	G	P/F	(\$12)	P/F/S	(\$15)	P/F/S	(\$15)	N	\$3	P/F	(\$12)
29 Computer/Business Center	N	N		Y	(\$3)	N		N		N	
30 Picnic Area/Storage	Y/N	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/N		Y/N	
31 Library	N	N		N		N		N		N	
32 Social Services	N	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	N/N	N/Y	(\$22)	N/N		N/N		N/N		N/N	
39 Trash/Recycling	Y/N	Y/N		N/N	\$15	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		6	4	4	5	5	4	7	2	5	2
41 Sum Adjustments B to D		\$56	(\$56)	\$46	(\$33)	\$65	(\$45)	\$61	(\$11)	\$62	(\$17)
42 Sum Utility Adjustments			(\$22)	\$15							
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$22)	\$134	\$28	\$94	\$20	\$110	\$50	\$72	\$45	\$79
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$793		\$925		\$823		\$800		\$840	
45 Adj Rent/Last rent			97%		103%		102%		107%		106%
46 Estimated Market Rent	\$830	\$1.14		← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Peaks of Cartersville		Vineyards		Avonlea Highlands		Rosewood Apts.		Ivy Mill Apts.		Glen Apts.	
640 North Tennessee Street		11 Sheffield Pl.		950 E. Main St.		531 Grassdale Rd.		51 Ridge Row Dr.		200 Governor's Ct.	
Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA		Cartersville, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$910		\$1,198		\$920		\$850		\$895	
2 Date Surveyed		Mar-18		Mar-18		Mar-18		Apr-18		Mar-18	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		100%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$910	0.91	\$1,198	1.14	\$920	0.81	\$850	0.89	\$895	0.95
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/3	WU/2		WU/3,4		WU/2,2,5		WU/2		WU/2	
7 Yr. Built/Yr. Renovated	2020	1999	\$21	2002	\$18	1990	\$30	1997	\$23	1990	\$30
8 Condition/Street Appeal	E	G	\$15	E		G	\$15	G	\$15	G	\$15
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	2	2		2		2		2		2	
12 # Baths	2	2		2		2		1	\$30	2	
13 Unit Interior Sq. Ft.	1001	1000	\$0	1048	(\$11)	1140	(\$33)	950	\$12	938	\$15
14 Balcony/Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y	
18 Washer/Dryer	HU/L	HU	\$5	HU/L		HU/L		HU	\$5	HU	\$5
19 Floor Coverings	V	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Secured Entry	N/N	N		N		N		N		N	
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fans/E-Call System	Y/Y	Y/N	\$5	Y/N	\$5	N/N	\$10	Y/N	\$5	Y/N	\$5
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	N	N		Y	(\$5)	N		N		N	
27 Community Space	Y	N	\$5	Y		N	\$5	N	\$5	Y	
28 Pool/Recreation Areas	G	P/F	(\$12)	P/F/S	(\$15)	P/F/S	(\$15)	N	\$3	P/F	(\$12)
29 Computer/Business Center	N	N		Y	(\$3)	N		N		N	
30 Picnic Area/Storage	Y/N	Y/Y	(\$5)	Y/Y	(\$5)	Y/Y	(\$5)	Y/N		Y/N	
31 Library	N	N		N		N		N		N	
32 Social Services	N	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	N/N	N/Y	(\$26)	N/N		N/N		N/N		N/N	
39 Trash/Recycling	Y/N	Y/N		N/N	\$15	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		7	3	3	6	5	4	9	1	5	2
41 Sum Adjustments B to D		\$56	(\$22)	\$28	(\$44)	\$65	(\$58)	\$103	(\$5)	\$70	(\$17)
42 Sum Utility Adjustments			(\$26)	\$15							
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$8	\$104	(\$1)	\$87	\$7	\$123	\$98	\$108	\$53	\$87
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$918		\$1,197		\$927		\$948		\$948	
45 Adj Rent/Last rent			101%		100%		101%		112%		106%
46 Estimated Market Rent	\$950	\$0.95		← Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$830 for a one-bedroom unit and \$950 for a two-bedroom unit, which are illustrated as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$495	\$830	40.4%
One-Br.	60%	\$595	\$830	28.3%
One-Br.	MR	\$750	\$830	9.6%
Two-Br.	50%	\$595	\$950	37.4%
Two-Br.	60%	\$695	\$950	26.8%
Two-Br.	MR	\$850	\$950	10.5%

MR – Market-Rate

Typically, Tax Credit rents should represent at least a 10% market rent advantage to be perceived as a value in the market and ensure a sufficient flow of qualified applicants. Therefore, the proposed subject’s Tax Credit rents set at 50% and 60% of AMHI will likely be perceived as significant values within the market as they represent market rent advantages ranging from 26.8% to 40.4%, depending upon bedroom type and AMHI level. Market-rate rents do not need to represent significant market rent advantages, but should still be near the achievable market-rate rents determined in order to ensure they will be marketable within a given market. Regardless, the subject’s market-rate rents represent market rent advantages ranging from 9.6% to 10.5% depending upon bedroom type. Thus, these unit types will also represent significant values within the Cartersville market.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

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

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1990 and 2002. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent quality finish and appearance upon completion of construction. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package which is relatively competitive with those offered among the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a project amenities package which is considered slightly inferior to those offered among most of the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property as needed. The utility adjustments were based on the local housing authority's utility cost estimates.