



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Abbington Ridge Apartments

Ball Ground, Cherokee County, Georgia

Prepared for:

Rea Ventures Group, LLC

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1. EXECUTIVE SUMMARY

Rea Ventures Group, LLC has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for Abbington Ridge, a proposed rental community in Ball Ground, Georgia. As proposed, Abbington Ridge will be financed in part with nine percent Low Income Housing Tax Credits (LIHTC) from Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA’s 2018 market study requirements.

1. Project Description

- The subject site is on the north and west sides of Northridge Road near its intersection with Denny Hill Road in southern Ball Ground, Cherokee County.
- Abbington Ridge will comprise 60 general occupancy LIHTC rental units including 12 units targeting households earning up to 50 percent of the Area Median Income (AMI) and 48 units targeting households earning up to 60 percent AMI, adjusted for household size.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below. The rents shown will include trash removal.

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
1	1	50% AMI	850	6	\$603	\$103	\$500
1	1	60% AMI	850	6	\$684	\$103	\$581
2	2	50% AMI	975	4	\$735	\$128	\$607
2	2	60% AMI	975	24	\$842	\$128	\$714
3	2	50% AMI	1,075	2	\$856	\$161	\$695
3	2	60% AMI	1,075	18	\$987	\$161	\$826
Total				60			

Rents include trash removal

Source: Rea Ventures Group, LLC

- In-unit features offered at the subject property will include a range, refrigerator, dishwasher, garbage disposal, microwave, ceiling fans, patio/balcony, and washer and dryer connections. These unit features are superior to unit features at both surveyed LIHTC communities given the subject will be the only LIHTC community to offer a microwave.
- Abbington Ridge will offer a clubhouse/community room, a computer center, an enlarged fitness center with instructional space, laundry facility, covered porch, fenced community garden with 400 square foot planting area, and health screening facility. These amenities will be generally comparable to existing LIHTC and market rate communities in the market area except for a swimming pool. The lack of a swimming pool at Abbington Ridge is acceptable given the affordable nature of the subject property and its small size (60 units) compared to the surveyed communities as only one existing community (Northwood) which offers no amenities will be smaller. The covered porch, community garden, and health screen facility proposed at the subject property will be unique to the market and mitigate the lack of a playground.



2. Site Description / Evaluation:

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, employers, and transportation arteries.

- The subject site is on the north and west sides of Northridge Road roughly one mile south of downtown Ball Ground. Single-family detached homes, agricultural land, and wooded land are the most common surrounding land uses with several neighborhood services and retailers to the north and west along Canton Highway and Howell Bridge Road.
- The site is within roughly two miles of shopping, recreation, a bank, a pharmacy, convenience stores, and medical facilities; a convenience store, pharmacy, and family medicine provider are within one-quarter mile northwest of the site on Howell Bridge Road. Grocery stores and a concentration of shopping options including Walmart and Target are within 10 miles south of the site in Canton via Interstate 575. Interstate 575 is within roughly one-half mile of the site connecting to employment concentrations along the Interstate 575 corridor.
- Abbingtion Ridge will have adequate visibility including partial drive-by visibility from Canton Highway to the west which is one of the most travelled thoroughfares in Ball Ground.
- The crime risk of the site's census tract is comparable to or less than all of the market area including the location of the most comparable rental communities. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.
- The subject site is suitable for the proposed development. RPRG did not identify any negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace.

3. Market Area Definition

- The Abbingtion Ridge Market Area includes census tracts in northeastern Cherokee County and southeastern Pickens County including Ball Ground, the southern portion of Jasper, the northern portion of Canton, and rural areas in both counties. This market area includes the portions of Cherokee and Pickens Counties that are most comparable with the city of Ball Ground; the most comparable rental communities to the subject property are in the Abbingtion Ridge Market Area and residents of this area would likely consider the subject site a suitable shelter location. The market area is split by Interstate 575 / GA Highway 5 which connects Ball Ground to Jasper to the north and Canton to the south. The census tracts which include downtown Canton were not included in the market area due to distance and the residential composition is much denser and not comparable to the less dense city of Ball Ground. Census tracts to the north including much of Jasper were not included in the market area due to the large size of the tracts and concerns over significantly expanding the geographical coverage of the Abbingtion Ridge Market Area. The boundaries of Abbingtion Ridge Market Area and their approximate distance from the subject site are Cove Road / GA Highway 53 (9.8 miles to the north), Dawson County / Forsyth County (7.2 miles to the east), State Highway 20 (5.6 miles to the south), and Burris Road / Pucket Creek (6.0 miles to the west).



4. Community Demographic Data

The Abbingtion Ridge Market Area had strong population and household growth during the previous decade and growth continued at a slower but steady pace over the past eight years. Growth is projected to accelerate over the next two years.

- The market area added 1,265 people (4.8 percent) and 461 households (4.8 percent) per year between the 2000 and 2010 Census counts. Growth continued at a slower pace from 2010 to 2018 with the annual addition of 626 people (1.7 percent) and 214 households (1.6 percent) over the past eight years.
- Annual growth in the market area is expected to accelerate over the next two years to 782 people (2.0 percent) and 269 households (1.9 percent) from 2018 to 2020.
- Working age households (ages 25 to 54) account for the majority (60.9 percent) of renter households in the market area including 26.6 percent ages 25 to 34 years. Approximately 29 percent of market area renters are ages 55 and older and 9.9 percent are younger renters ages 15 to 24.
- Multi-person households accounted for 79.3 percent of market area households including 41.6 percent without children and 37.8 percent with children. Single-person households accounted for approximately 21 percent of market area households.
- Roughly 31 percent of market area households are renters in 2018 compared to 23.9 percent in Cherokee County. The market area added nearly 1,000 renter households (57.9 percent of net household growth) over the past eight years which increased the renter percentage from 27.6 percent in 2010 to 31.3 percent in 2018. The market area's renter percentage is expected to increase to 31.5 percent by 2020 as it is expected to add 198 net renter households (36.8 percent of net household growth) over the next two years.
- Roughly 55 percent of market area renter households contained one or two people including 32.5 percent with one person. Approximately 31 percent of market area renter households had three or four people and 14.3 percent had five or more people.
- The 2018 median household income in the Abbingtion Ridge Market Area is \$54,736 which is \$17,947 or 24.7 percent lower than the \$72,683 median in Cherokee County. RPRG estimates that the median income of renter households in the Abbingtion Ridge Market Area is \$41,288. Roughly 30 percent of renter households in the market area earn less than \$25,000 including 13.5 percent earning less than \$15,000. Approximately 29 percent of market area renter households earn \$25,000 to \$49,999.
- We do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property's ability to lease its units given its affordable nature.

5. Economic Data:

Cherokee County's economy is strong with significant job growth since 2011 and an unemployment rate that is well below state and national levels.

- The county's unemployment rate dropped in each of the past eight years to 3.8 percent in 2017 which is lower than both state (4.7 percent) and national (4.4 percent) rates. The unemployment rate in the county has been below the state and national rates since 2007.



- Cherokee County added jobs in each of the past six years with a net addition of 12,410 jobs from 2011 to 2016. The county added an annual average of 2,591 jobs during the past four years and has added 2,210 jobs through the third quarter of 2017.
- Trade-Transportation-Utilities is the largest employment sector in the county accounting for 23.0 percent of jobs. Four additional sectors (Government, Leisure-Hospitality, Education-Health, and Professional-Business) each account for roughly 10 to 15 percent of the county's jobs.
- Commuting data suggests that residents of the Abbingtion Ridge Market Area work throughout the region with 45.0 percent of market area workers commuting 30 minutes or more and 45.6 percent working outside their county of residence.
- Several large job expansions were completed or announced in Cherokee County in 2017 with an expected 1,600 new jobs.
- Cherokee County's economy is growing with strong job growth and a declining unemployment rate.

6. Project Specific Affordability and Demand Analysis:

- Abbingtion Ridge will contain 60 general occupancy LIHTC rental units including 12 one-bedroom units, 28 two-bedroom units, and 20 three-bedroom units. Twelve units will target households earning up to 50 percent AMI and 48 units will target households earning up to 60 percent AMI.
- The 50 percent units will target renter householders earning from \$20,674 to \$37,650. The 12 proposed units at 50 percent AMI would need to capture 1.2 percent of the 1,041 income-qualified renter households in order to lease-up.
- The 60 percent units will target renter householders earning from \$23,451 to \$45,180. The 48 proposed units at 60 percent AMI would need to capture 4.1 percent of the 1,184 income-qualified renter households in order to lease-up.
- The project's overall affordability capture rate is 4.3 percent. All affordability capture rates are acceptable based on a sufficient number of income-qualified renter households. These capture rates indicate sufficient income-qualified households will exist in the market area to support the proposed units.
- Based on DCA methodology, total net demand in the Abbingtion Ridge Market Area for the project's 60 proposed units is 680 households, resulting in a project-wide capture rate of 8.8 percent. Capture rates by income level are 2.4 percent for the 50 percent AMI units and 8.3 percent for the 60 percent AMI units. Capture rates by floor plan within an AMI level range from 2.5 percent to 19.3 percent and capture rates by floor plan are 4.4 percent for all one-bedroom units, 9.7 percent for all two-bedroom units, and 12.8 percent for all three-bedroom units.
- All capture rates are well below DCA thresholds and indicate more than sufficient demand in the market area to support the proposed Abbingtion Ridge.

7. Competitive Rental Analysis

RPRG surveyed eight multi-family rental communities in the Abbingtion Ridge Market Area including two LIHTC communities. The rental market was performing well with limited vacancies.



- The stabilized surveyed communities have 40 vacancies among 1,391 combined units for an aggregate vacancy rate of 2.9 percent; Canton Mill Lofts (market rate community) has units down for renovations and is not included in stabilized totals. Five of seven stabilized communities have a vacancy rate of less than three percent including three communities that are fully occupied. The LIHTC communities have an aggregate vacancy rate of 2.6 percent among 531 combined units.
- Among the eight surveyed communities, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents average \$847 per month. The average one-bedroom unit size is 709 square feet, resulting in a net rent per square foot of \$1.20.
 - **Two-bedroom** effective rents average \$1,004 per month. The average two-bedroom unit size is 960 square feet, resulting in a net rent per square foot of \$1.05.
 - **Three-bedroom** effective rents average \$1,211 per month. The average three-bedroom unit size is 1,262 square feet, resulting in a net rent per square foot of \$0.96.
 - **LIHTC rents** range are \$684-\$738 for one-bedroom units, \$830-\$883 for two-bedroom units, and \$925-\$1,008 for three-bedroom units.
- The “average market rent” in the market area is \$881 for one-bedroom units, \$1,040 for two-bedroom units, and \$1,292 for three-bedroom units. The subject property’s proposed 50 percent and 60 percent AMI rents are all well below these average market rents with rent advantages ranging from 31.4 percent to 46.2 percent. The project’s overall weighted average market advantage is 35.4 percent.
- No comparable multi-family LIHTC rental communities were identified as planned, approved, or under construction in the market area.

8. Absorption/Stabilization Estimates

- Based on projected household growth, the number of income-qualified renter households projected in the market area, demand estimates, rental market conditions, and the marketability of the proposed site and product, we expect Abbington Ridge to lease-up at a rate of 12 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within five months.
- Given the strong rental market in the Abbington Ridge Market Area and projected renter household growth over the next two years, we do not expect Abbington Ridge to have a negative impact on existing rental communities in the Abbington Ridge Market Area including those with tax credits.

9. Overall Conclusion / Recommendation

Based on projected household growth trends, affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Abbington Ridge Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Abbington Ridge Market Area and the units will be well received by the target market. We recommend proceeding with the project as planned.



DCA Summary Table:

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$20,674 - \$37,650												
One Bedroom Units	\$20,674 - \$26,000	6	8.3%	185		185	0	185	3.2%	2 months	\$881	\$645 - \$1,231	\$500
Two Bedroom Units	\$26,001 - \$31,000	4	6.6%	148		148	0	148	2.7%	2 months	\$1,040	\$768 - \$1,493	\$607
Three Bedroom Units	\$31,001 - \$37,650	2	7.9%	178	45.1%	80	0	80	2.5%	2 months	\$1,292	\$1,025 - \$1,679	\$695
60% Units	\$23,451 - \$45,180												
One Bedroom Units	\$23,451 - \$29,000	6	7.8%	174		174	0	174	3.5%	3 months	\$881	\$645 - \$1,231	\$581
Two Bedroom Units	\$29,001 - \$36,000	24	8.9%	200		200	0	200	12.0%	5 months	\$1,040	\$768 - \$1,493	\$714
Three Bedroom Units	\$36,001 - \$45,180	18	9.2%	207	45.1%	93	0	93	19.3%	5 months	\$1,292	\$1,025 - \$1,679	\$826
By Bedroom													
One Bedroom Units		12	12.2%	274		274	0	274	4.4%	3 months			
Two Bedroom Units		28	12.9%	288		288	0	288	9.7%	5 months			
Three Bedroom Units		20	15.5%	347	45.1%	157	0	157	12.8%	5 months			
Project Total	\$20,674 - \$45,180												
50% Units	\$20,674 - \$37,650	12	22.8%	511			0	511	2.4%	2 months			
60% Units	\$23,451 - \$45,180	48	25.9%	580			0	580	8.3%	5 months			
Total Units	\$20,674 - \$45,180	60	30.4%	680			0	680	8.8%	5 months			

SUMMARY TABLE:	
Development Name:	Abbington Ridge Total # Units: 60
Location:	Howell Bridge Road Extension, Ball Ground, Cherokee County # LIHTC Units: 60
PMA Boundary:	North: Cove Road / GA Highway 53, East: Dawson County / Forsyth County, South: GA Highway 20, West: Burris Road / Pucket Creek
	Farthest Boundary Distance to Subject: 9.8 miles

RENTAL HOUSING STOCK – (found on pages 10, 45, 49-50)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	1,391	40	97.1%
Market-Rate Housing	5	860	26	97.0%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC	2	531	14	97.4%
Stabilized Comps	7	1,391	40	97.1%
Properties in construction & lease up				

Totals above include only stabilized communities (Canton Mill Lofts is undergoing renovations and has units down and is not included in totals).

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	1	1	850	\$500	\$881	\$1.22	43.2%	\$1,231	\$1.58
6	1	1	850	\$581	\$881	\$1.22	34.0%	\$1,231	\$1.58
4	2	2	975	\$607	\$1,040	\$1.07	41.7%	\$1,493	\$1.33
24	2	2	975	\$714	\$1,040	\$1.07	31.4%	\$1,493	\$1.33
2	3	2	1,075	\$695	\$1,292	\$1.03	46.2%	\$1,679	\$1.33
18	3	2	1,075	\$826	\$1,292	\$1.03	36.1%	\$1,679	\$1.33

DEMOGRAPHIC DATA (found on pages 27, 39)						
	2014		2019		2021	
Renter Households	3,975	30.9%	4,464	31.4%	4,663	31.6%
Income-Qualified Renter HHs (LIHTC)	1,502	37.8%	1,379	30.9%	1,394	29.9%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 41)				
Type of Demand	50%	60%		Overall
Renter Household Growth	38	44		51
Existing Households (Overburd + Substand)	472	537		629
Homeowner Conversion (Seniors)				
Secondary Market Demand (10%)				
Total Primary Market Demand	511	580		680
Less Comparable/Competitive Supply	0	0		0
Adjusted Income-qualified Renter HHs	511	580		680

CAPTURE RATES (found on page 41)				
Targeted Population	50%	60%		Overall
Capture Rate	2.4%	8.3%		8.8%



2. INTRODUCTION

A. Overview of Subject

The subject of this report is Abbingtion Ridge, a proposed multi-family rental community in Ball Ground, Cherokee County, Georgia. Abbingtion Ridge will be newly constructed and financed in part with nine percent Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). Abbingtion Ridge will offer 60 LIHTC rental units including 12 units targeting households earning up to 50 percent of the Area Median Income (AMI) and 48 units targeting households earning up to 60 percent AMI, adjusted for household size.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis.

C. Format of Report

The report format is comprehensive and conforms to DCA's 2018 Market Study Manual. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Rea Ventures Group, LLC (Developer). Along with the Client, the Intended Users are DCA, potential lenders, and investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2018 Market Study Manual and Qualified Allocation Plan (QAP).
- The National Council of Housing Market Analysts' (NCHMA) Recommended Model Content.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 5 for a detailed list of DCA requirements as well as the corresponding pages of requirements within the report.
- Brett Welborn (Analyst) conducted a site visit on April 27, 2018.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Ken Patton with the Canton Community Development Department, Michael Chapman with the Cherokee County Planning and Zoning Department and the Ball Ground Planning and Zoning Department, Sonny Underwood with the Jasper Planning and Zoning Department, and staff with the Canton Housing Authority.
- The market study utilizes 2017 HUD Median Income Limits per DCA's 2018 Qualified Allocation Plan (QAP).



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.



3. PROJECT DESCRIPTION

A. Project Overview

Abbingtion Ridge will be on the north and west side of Northridge Road near its intersection with Denny Hill Road in southern Ball Ground. The subject will offer 60 newly constructed general occupancy rental units including 12 units targeting householders earning up to 50 percent of the Area Median Income (AMI) and 48 units targeting householders earning up to 60 percent AMI, adjusted for household size.

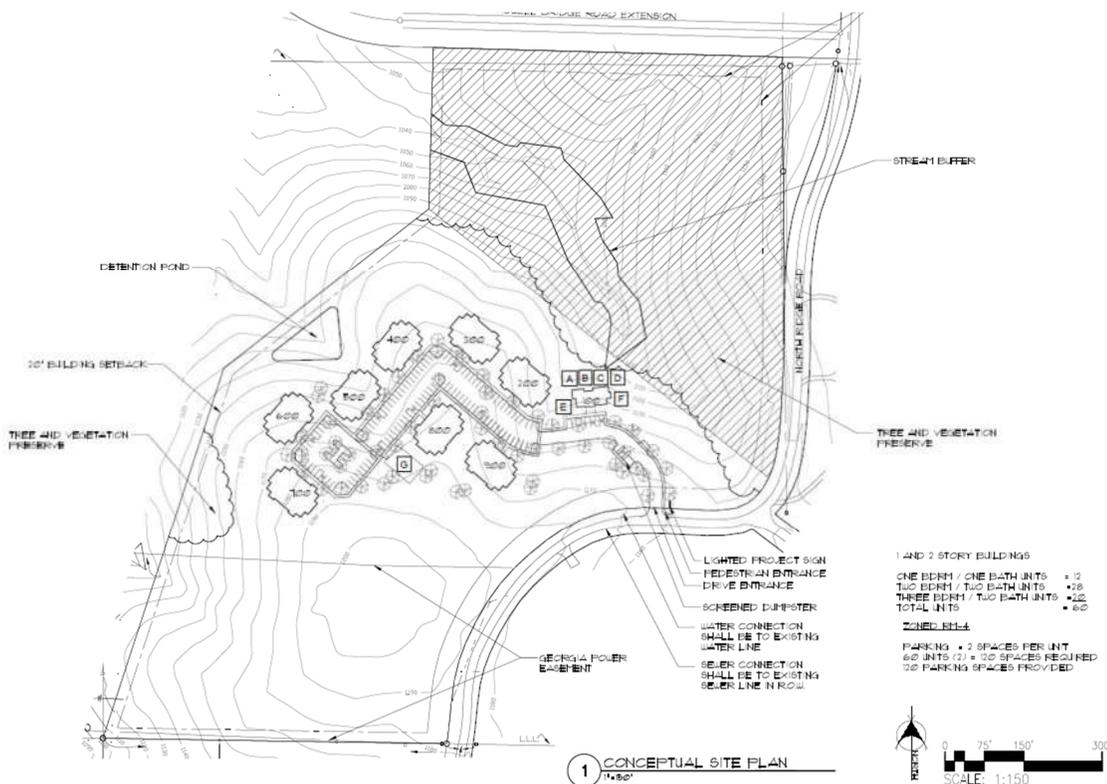
B. Project Type and Target Market

Abbingtion Ridge will target very low to low income renter households. The proposed unit mix of one, two, and three-bedroom units will target a wide range of household types including singles, couples, roommates, and families with children.

C. Building Types and Placement

Abbingtion Ridge will consist of eight two-story garden-style buildings and one single-story clubhouse (Figure 1) with brick and HardiPlank siding exteriors. The clubhouse will house the property’s leasing/management office and interior community amenities. Abbingtion Ridge’s residential buildings and clubhouse will be in the central portion of the site, positioned around a central parking lot and access road that connects to the north side of Northridge Road to the east. Based on information provided by the developer, Howell Bridge Road will be extended to Northridge Road along the site’s northern boundary by the county.

Figure 1 Site Plan



Source: Rea Ventures



D. Detailed Project Description

1. Project Description

- Abbingtion Ridge will offer 12 one-bedroom units, 28 two-bedroom units, and 20 three-bedroom units.
- Proposed unit sizes are 850 square feet for one-bedroom units, 975 square feet for two-bedroom units, and 1,075 square feet for three-bedroom units (Table 1).
- One bedroom units will have one bathroom; two and three-bedroom units will have two bathrooms.
- The proposed rents will include the cost of trash removal. Tenants will bear the cost of all other utilities.
- Proposed unit features and community amenities are detailed in Table 2.

Table 1 Detailed Unit Mix and Rents, Abbingtion Ridge

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
1	1	50% AMI	850	6	\$603	\$103	\$500
1	1	60% AMI	850	6	\$684	\$103	\$581
2	2	50% AMI	975	4	\$735	\$128	\$607
2	2	60% AMI	975	24	\$842	\$128	\$714
3	2	50% AMI	1,075	2	\$856	\$161	\$695
3	2	60% AMI	1,075	18	\$987	\$161	\$826
Total				60			

Rents include trash removal

Source: Rea Ventures Group, LLC

Table 2 Unit Features and Community Amenities

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Kitchens with a refrigerator, dishwasher, garbage disposal, range/oven, and microwave. • Ceiling fans. • Washer and dryer connections. • Patio/balcony. • Carpet in living areas and laminate flooring in kitchen and bathrooms. • Window blinds. • Central heating and air-conditioning. 	<ul style="list-style-type: none"> • Community room. • Computer center. • Enlarged fitness center with instructional space. • Laundry facility. • Covered porch. • Fenced community garden with 400 square foot planting area. • Health screening facility.

Source: Rea Ventures Group, LLC

2. Proposed Timing of Development

Abbingtion Ridge is expected to begin construction in 2019 with construction completion and first move-ins in 2020. The subject property’s anticipated placed-in-service year is 2020 for the purposes of this report.

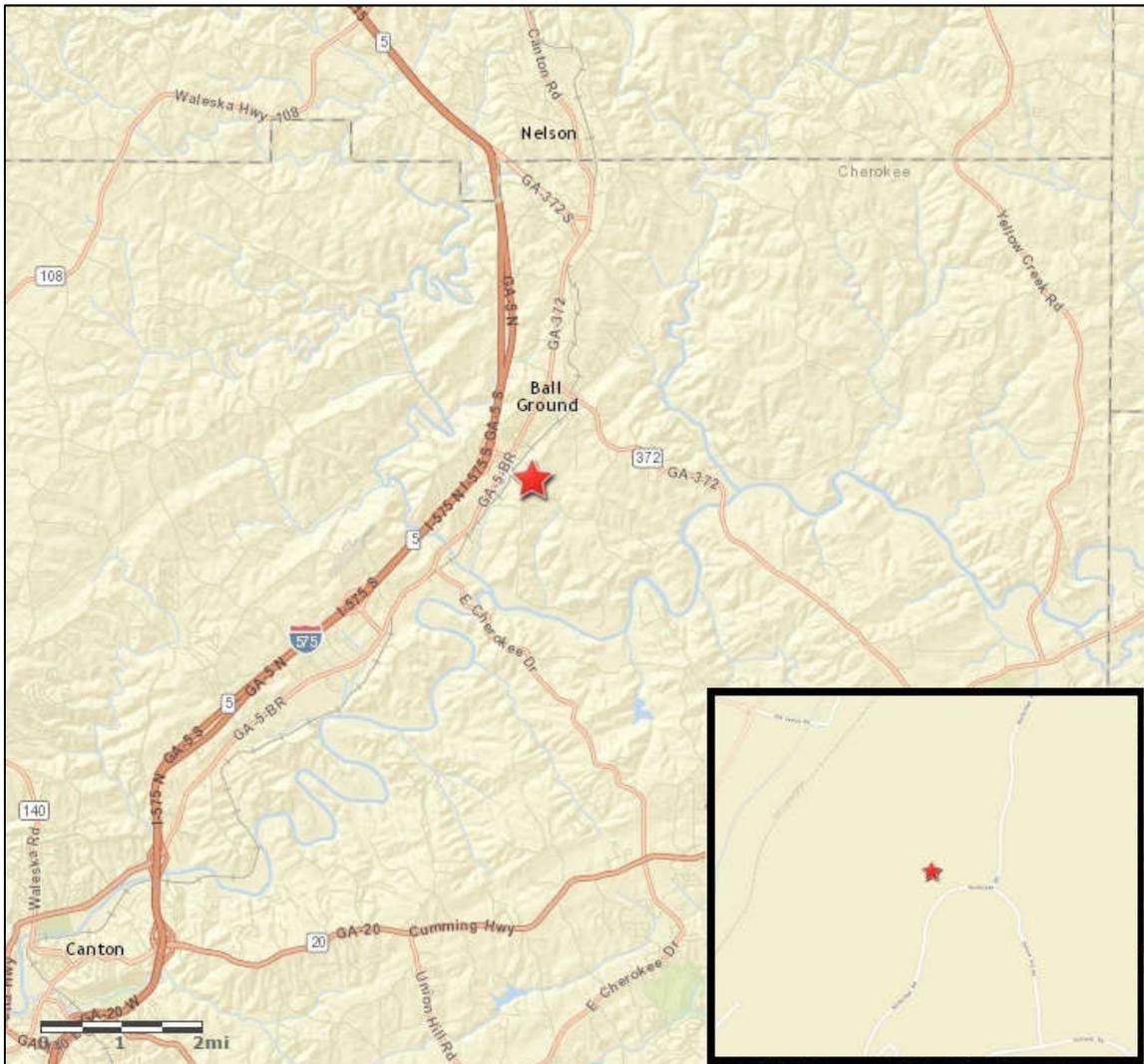
4. SITE EVALUATION

A. Site Analysis

1. Site Location

The subject site is on the north and west sides of Northridge Road near its intersection with Denny Hill Road in southern Ball Ground, Cherokee County, Georgia (Map 1). The subject property will be accessible via an entrance on Northridge Road, which will connect to the Howell Bridge Road Extension (to be provided by the county) adjacent to the site's northern boundary.

Map 1 Site Location



2. Existing and Proposed Uses

The subject site is wooded with no existing structures (Figure 2). Abbingtion Ridge will offer 60 general occupancy garden apartments.

Figure 2 Views of Subject Site



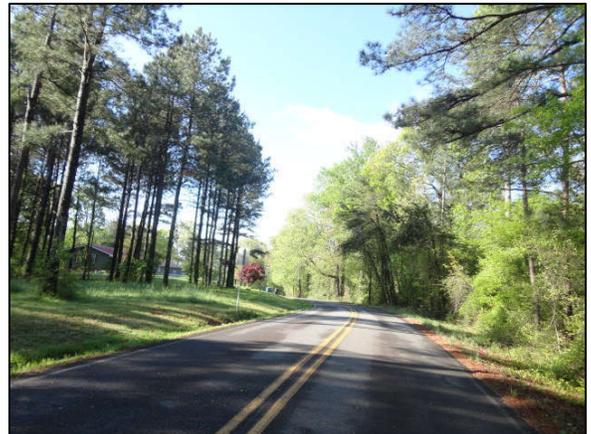
Southern border of the site from Northridge Road.



Northridge Road facing northeast (site on the left).



Site frontage along Northridge Road.



Northridge Road facing south (site on the right).

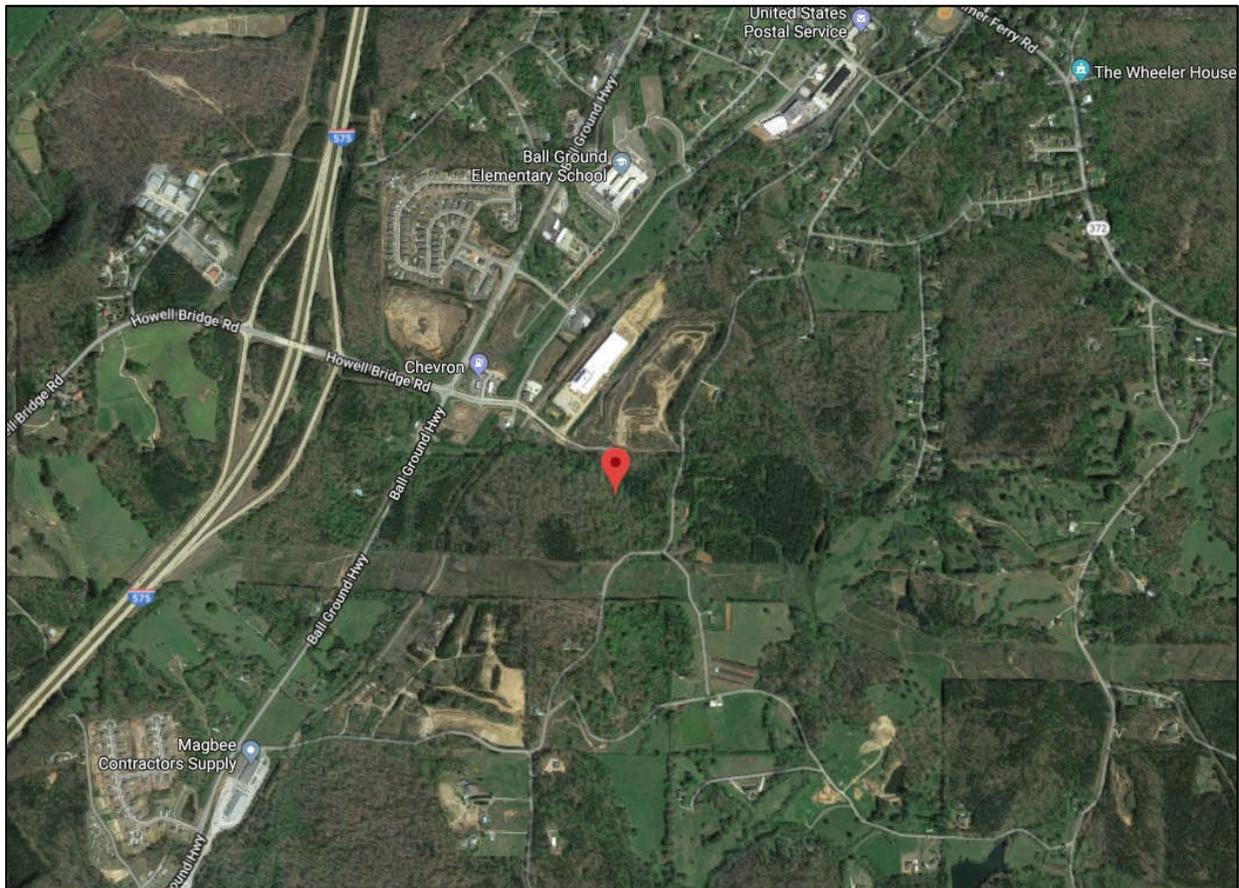


Site frontage along Northridge Road facing west from its intersection with Denney Hill Road.

3. General Description of Land Uses Surrounding the Subject Site

The site is just south of downtown Ball Ground in northern Cherokee County in a residential setting. Land uses in the immediate area include single-family detached homes, agricultural land, large tracts of wooded land, and high-tension power lines (Figure 3). Several small businesses and retail establishments are along Canton Highway to the west and Howell Bridge Road to the north and a newly built UAC (Universal Alloy Corporation) manufacturing facility is north of the site on Howell Bridge Road. Single-family detached homes within one mile of the site are generally well-maintained and range from relatively new moderate value homes to older modest homes.

Figure 3 Satellite Image of Subject Site



4. Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site include (Figure 4):

- **North:** Undeveloped land, UAC manufacturing facility, Ball Ground Pharmacy, and Ball Ground Fire Department.
- **East:** Single-family detached homes.
- **South:** Single-family detached homes, agricultural land, and high tension power lines.
- **West:** Wooded land.



Single-family detached home to the northwest in the Lantern Walk neighborhood.

Figure 4 Views of Surrounding Land Uses



Single-family detached home to the east on Northridge Road.



Ball Ground Pharmacy to the north on Valley Street.



Single-family detached home to the south on Denney Hill Road.



UAC (Universal Alloy Corp.) to the north on Wilhunt Road.



B. Neighborhood Analysis

1. General Description of Neighborhood

Abbingtion Ridge will be in Ball Ground, an exurban city that is primarily residential with commercial uses common along major thoroughfares. Ball Ground is a small city with a small central business district; downtown Ball Ground is just over one mile north of the site featuring several small retailers and community services. Outside of downtown, the general composition of Ball Ground is older and rural; however, several newer residential neighborhoods and retail developments are within a couple of miles of downtown. Single-family detached homes are common surrounding downtown and development becomes sparse roughly two miles outside of downtown; no multi-family rental communities are in or near the city.

2. Neighborhood Planning Activities

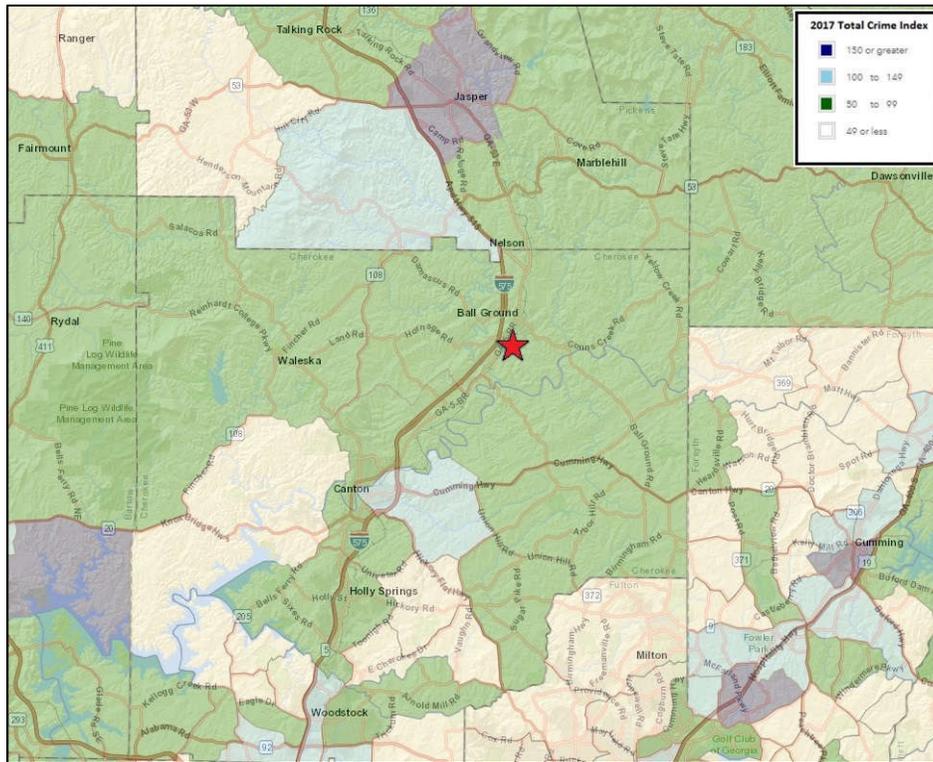
RPRG did not identify any significant planning or redevelopment efforts in the subject property's immediate area. A new for-sale single-family detached home neighborhood (Mountain Brooke North) is being developed in Ball Ground just over two miles north of the site with homes ranging from \$290,000 to \$360,000.

3. Public Safety

CrimeRisk is a census tract level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. An index of 100 reflects a total crime risk on par with the national average, with values below 100 reflecting below average risk and values above 100 reflecting above average risk. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the census tract level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

The 2017 CrimeRisk Index for the census tracts in the general vicinity of the subject site are color coded with the site's census tract being green, indicating a crime risk (50 to 99) below the national average (100) (Map 2). This crime risk is comparable to or less than all of the market area including the location of the most comparable rental communities. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Map 2 Crime Index Map



C. Site Visibility and Accessibility

1. Visibility

Abbingtion Ridge will have primary visibility from Northridge Road, a two-lane road serving nearby single-family homes. Partial visibility will come from Canton Highway as Abbingtion Ridge will be set on a hill; Canton Road is one of Ball Ground’s primary thoroughfares.

2. Vehicular Access

Abbingtion Ridge will be accessed via an entrance on Northridge Road, which is lightly traveled. Problems with accessibility are not anticipated. Northridge Road will connect to Canton Highway roughly one-quarter mile west of the subject site via Howell Bridge Road, which will be extended by the county north of the site.

3. Availability of Public Transit

Ball Ground does not have fixed-route public bus transportation. Cherokee Area Transportation System (CATS) offers demand response public transportation Cherokee County residents.

4. Availability of Inter-Regional Transit

Ball Ground is on the east side of Interstate 575 which connects to Interstate 75 roughly 26 miles to the south. Interstate 75 provides access to many major thoroughfares in the Atlanta Metro Area as well as downtown Atlanta roughly 48 miles to the south. Interstate 575 ends just north of Ball Ground, becoming State Highway 5 which connects to municipalities to the north including Jasper, Ellijay, and



Blue Ridge. State Highway 372 bisects Ball Ground connecting the city to Roswell and Alpharetta to the south.

Hartsfield-Jackson International Airport (the closest passenger airport in the region) is approximately 57 miles south of the subject site via Interstates 575 and 75.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Per the developer, Howell Bridge Road Extension will be constructed by the county and will connect Canton Highway to the west to Northridge Road to the east; the subject’s entrance will be on this newly constructed road.

Transit and Other Improvements under Construction and/or Planned

None.

6. Environmental Concerns

RPRG did not identify any visible environmental site concerns.

D. Residential Support Network

1. Key Facilities and Services near the Subject Site

The appeal of any given community is often based in part to its proximity to those facilities and services required daily. Key facilities and services and their distances from the subject site are listed in Table 3 and their locations are plotted on Map 3.

Table 3 Key Facilities and Services

Establishment	Type	Address	City	Driving Distance
Chevron	Convenience Store	155 Howell Bridge Rd.	Ball Ground	0.2 mile
Medical Associates of North Georgia	Doctor/Medical	470 Valley St.	Ball Ground	0.2 mile
Ball Ground Pharmacy	Pharmacy	470 Valley St.	Ball Ground	0.2 mile
Ball Ground Elementary School	Public School	321 Valley St.	Ball Ground	0.6 mile
Shell	Convenience Store	8615 Ball Ground Hwy.	Ball Ground	0.9 mile
Ball Ground Police Department	Police	210 Valley St.	Ball Ground	1 mile
Regions Bank	Bank	2995 Canton Hwy.	Ball Ground	1.3 miles
Ball Ground Fire Department	Fire	388 Groover St.	Ball Ground	1.4 miles
Calvin Farmer Park	Recreation	250 Civic Dr.	Ball Ground	1.4 miles
Ball Ground Public Library	Library	435 Old Canton Rd.	Ball Ground	1.6 miles
Dollar General	General Retail	10150 Ball Ground Hwy.	Ball Ground	2.3 miles
Walmart	General Retail	1550 Riverstone Pkwy.	Canton	7.5 miles
Publix	Grocery	1451 Riverstone Pkwy.	Canton	8 miles
Aldi	Grocery	553 Riverstone Pkwy.	Canton	8.7 miles
Target	General Retail	2022 Cumming Hwy.	Canton	9.3 miles
Creekview High School	Public School	1550 Owens Store Rd.	Canton	9.4 miles
Creekland Middle School	Public School	1555 Owens Store Rd.	Canton	9.5 miles
Northside Hospital - Cherokee	Hospital	450 Northside Cherokee Blvd.	Canton	10 miles

Source: Field and Internet Survey, RPRG, Inc.



2. Essential Services

Health Care

Northside Hospital – Cherokee opened in May 2017 and is 10 miles southwest of the site in Canton via Interstate 575. This 118-bed medical center offers a wide range of services including emergency medicine and general medical care.

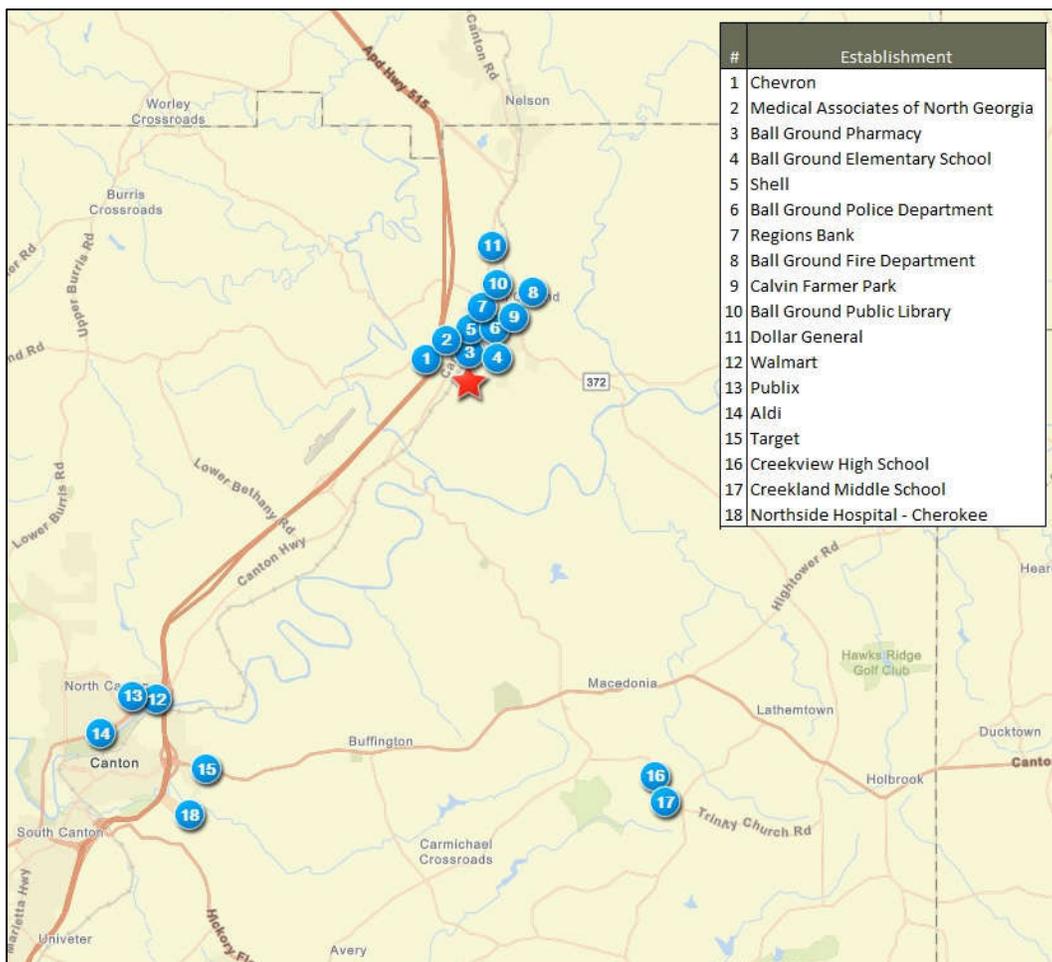
Medical Associates of North Georgia offers family medicine services within one-quarter mile of the site on Valley Street; Medical Associates of North Georgia shares a building with Ball Ground Pharmacy just north of the site.

Education

Abbingtion Ridge will be in the Cherokee County Schools District which includes 39 schools and has an approximate enrollment of 43,000 students. School age children residing at the subject property will attend Ball Ground Elementary School (0.6 mile), Creekland Middle School (9.5 miles), and Creekview High School (9.4 miles).

Reinhardt College has an enrollment of approximately 1,500 students and is roughly 12 miles west of the site in Waleska. Additionally, Chattahoochee Technical College has a campus in Canton.

Map 3 Location of Key Facilities and Services





3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

Two convenience stores (Chevron and Shell), several restaurants, a bank (Regions Bank), and a pharmacy (Ball Ground Pharmacy) are within roughly one mile of the site in Ball Ground including Chevron and Ball Ground Pharmacy which are within one-quarter mile. Two grocery stores (Publix and Aldi) are eight to nine miles southwest of the site in Canton.

Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop.

Dollar General is 2.3 miles north of the site on Ball Ground Highway and Walmart Supercenter is 7.5 miles to the south in Canton. Canton Marketplace is roughly nine miles south of the site in Canton and offers several big box retailers including Lowe’s Home Improvement, Kohl’s, Target, Dick’s Sporting Goods, Bed Bath & Beyond, and T.J. Maxx as well as many smaller retailers. The Outlet Shoppes at Atlanta is 18.5 miles south of the site in Woodstock with nearly 100 retail outlet stores including Nike, Saks Fifth Avenue, Guess, Michael Kors, Gap, Under Armour, Puma, Converse, Cole Haan, Vans, Le Creuset, and Levis.

4. Location of Low Income Housing

A list and map of existing low-income housing in the Abbingdon Ridge Market Area are provided in the Existing Low Income Rental Housing section of this report, starting on page 48.

E. Site Conclusion

The subject site is compatible with surrounding land uses and is convenient to major traffic arteries including Interstate 575 within one-half mile. Neighborhood amenities are convenient to the site including shopping, healthcare facilities, and recreation in Ball Ground or to the south in Canton via Interstate 575. The site is suitable for the proposed development of affordable rental housing.



5. MARKET AREA

A. Introduction

The primary market area for Abbingtion Ridge is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities and dynamics of the local rental housing marketplace.

B. Delineation of Market Area

The Abbingtion Ridge Market Area includes census tracts in northeastern Cherokee County and southeastern Pickens County including Ball Ground, the southern portion of Jasper, the northern portion of Canton, and rural areas in both counties (Map 4). This market area includes the portions of Cherokee and Pickens Counties that are most comparable with the city of Ball Ground; the most comparable rental communities to the subject property are in the Abbingtion Ridge Market Area and residents of this area would likely consider the subject site a suitable shelter location. The market area is split by Interstate 575 / GA Highway 5 which connects Ball Ground to Jasper to the north and Canton to the south. The census tracts which include downtown Canton were not included in the market area due to distance and the residential composition is much denser and not comparable to the less dense city of Ball Ground. Census tracts to the north including much of Jasper were not included in the market area due to the large size of the tracts and concerns over significantly expanding the geographical coverage of the Abbingtion Ridge Market Area.

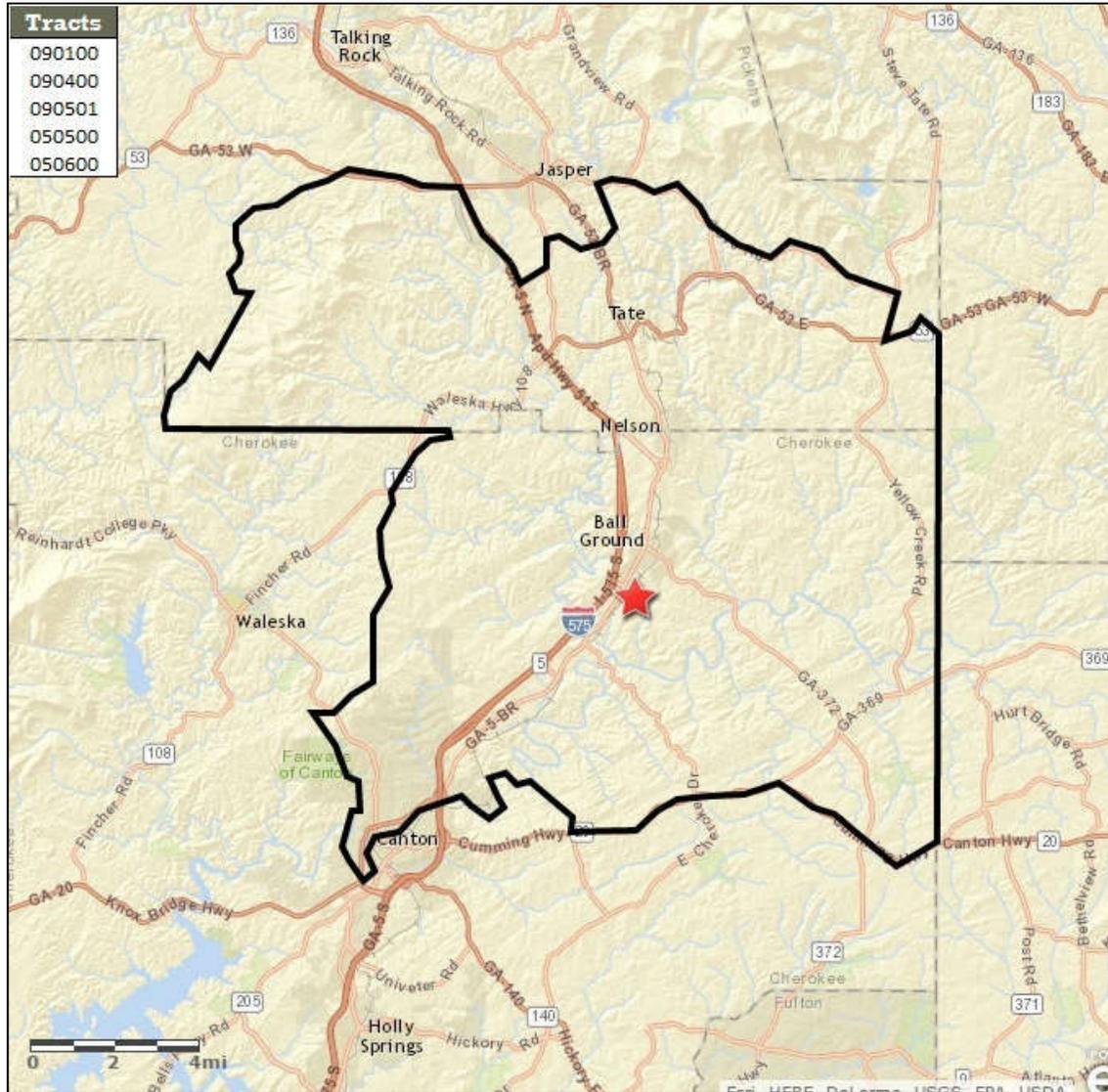
The boundaries of the Abbingtion Ridge Market Area and their approximate distance from the subject site are:

- North:** Cove Road / GA Highway 53 (9.8 miles)
- East:** Dawson County / Forsyth County (7.2 miles)
- South:** GA Highway 20 (5.6 miles)
- West:** Burris Road / Pucket Creek (6.0 miles)

The Abbingtion Ridge Market Area is compared to Cherokee County, which is considered the secondary market area for the purposes of this analysis. Demand estimates are based only on the Abbingtion Ridge Market Area.



Map 4 Abbingdon Ridge Market Area



6. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Abbingtion Ridge Market Area and Cherokee County using several sources. For small area estimates, we examined projections of population and households prepared by Esri, a national data vendor. We compared and evaluated data in the context of decennial U.S. Census data from 2000 and 2010 as well as building permit trend information. Data is presented for 2018 and 2020 per DCA's Market Study Guidelines.

B. Trends in Population and Households

1. Recent Past Trends

The Abbingtion Ridge Market Area had strong population and household growth during the previous decade with the addition of 1,265 people (4.8 percent) and 461 households (4.8 percent) per year between 2000 and 2010 Census counts (Table 4). Annual growth is estimated to have slowed but remained steady over the past eight years at 626 people (1.7 percent) and 214 households (1.6 percent) from 2010 to 2018.

Growth in Cherokee County was also strong in the previous decade but slower when compared to the market area on a percentage basis with annual growth of 7,243 people (4.2 percent) and 2,644 households (4.4 percent) between 2000 and 2010. Growth in the county slowed but was slightly faster than in the market area from 2010 to 2018 with annual growth rates of 1.9 percent among population and 1.7 percent among households over the past eight years.

2. Projected Trends

Based on Esri projections, RPRG projects annual growth to accelerate in the market area over the next two years to 782 people (2.0 percent) and 269 households (1.9 percent) from 2018 to 2020 (Table 4). Annual growth rates in Cherokee County are projected to be the same as in the market area at 2.0 percent among population and 1.9 percent among households.

The average household size in the market area of 2.77 persons per household in 2018 is expected to remain the same through 2020 (Table 5).

3. Building Permit Trends

RPRG examines building permit trends to help determine if the housing supply is meeting demand, as measured by new households. Permit activity in Cherokee County remained relatively steady from 2000 to 2006 with a range from 3,611 permitted units to 4,162 permitted units. Permit activity dropped significantly over the next three years to 407 permitted units in 2009. An average of 3,051 new housing units was authorized each year from 2000 to 2009 in Cherokee County compared to annual household growth of 2,644 households between 2000 and 2010 Census counts (Table 6). The relatively small disparity between building permits and net household growth does not take the replacement of existing housing units into account, thus the market appears to be in relative balance. Permit activity remained below 550 permitted units during each of the next two years before steadily climbing to a 10-year high of 2,494 permitted units in 2016 (Table 6). The county has averaged 2,206 permitted units per year over the past three years which is 72.3 percent of the annual average in the previous decade.

Single-family detached homes accounted for 88 percent of units permitted in Cherokee County since 2000 and 12 percent were for units in multi-family structures with five or more units. The county averaged 452 permitted units in multi-family structures with five or more units before permit activity



dropped to an average of 80 permitted units in these structure types from 2007 to 2013. Permit activity in multi-family structures with five or more units increased to an annual average of 360 units over the past three years which is more in line with the growth period in the first half of the previous decade.

Table 4 Population and Household Projections

		Cherokee County				Abbingtion Ridge Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	141,919					21,057				
2010	214,346	72,427	51.0%	7,243	4.2%	33,704	12,647	60.1%	1,265	4.8%
2018	248,249	33,903	15.8%	4,238	1.9%	38,714	5,010	14.9%	626	1.7%
2020	258,474	10,225	4.1%	5,113	2.0%	40,277	1,564	4.0%	782	2.0%

		Cherokee County				Abbingtion Ridge Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	49,501					7,647				
2010	75,936	26,435	53.4%	2,644	4.4%	12,253	4,606	60.2%	461	4.8%
2018	87,058	11,122	14.6%	1,390	1.7%	13,961	1,708	13.9%	214	1.6%
2020	90,483	3,424	3.9%	1,712	1.9%	14,499	538	3.9%	269	1.9%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

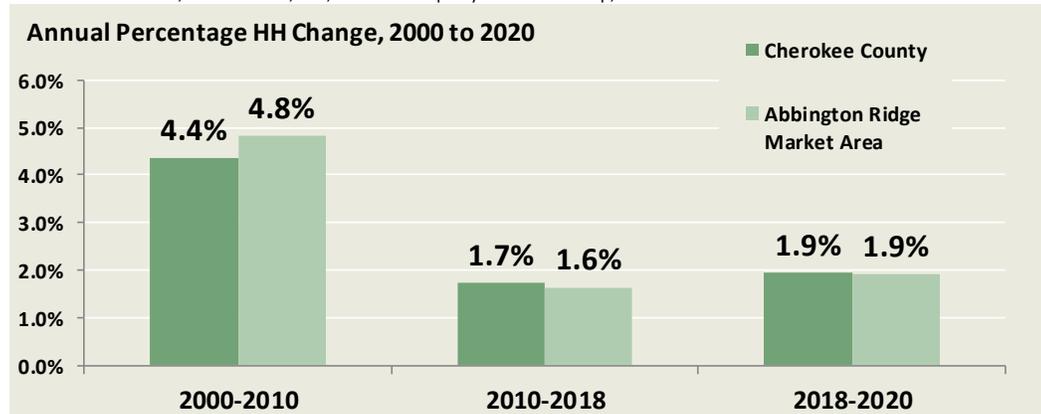


Table 5 Persons per Household, Abbingtion Ridge Market Area

Persons per HH, Abbingtion Ridge Market Area			
Year	2010	2018	2020
Population	33,704	38,714	40,277
Group Quarters	101	101	101
Households	12,253	13,961	14,499
Households Size	2.74	2.77	2.77

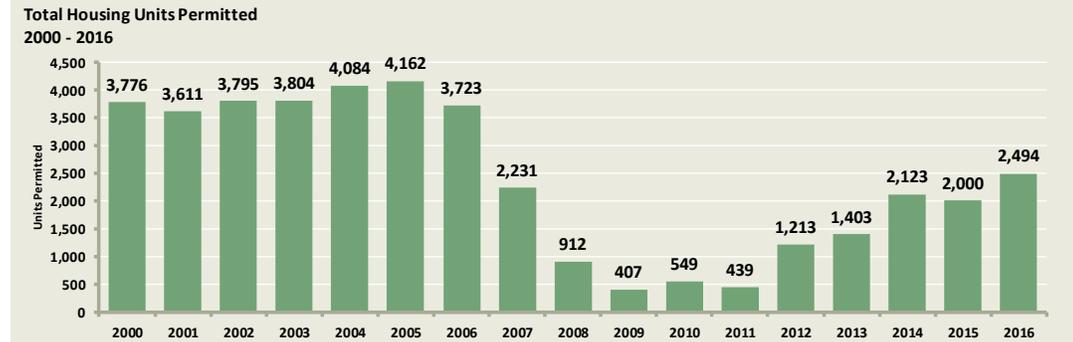
Source: Census, Esri, RPRG



Table 6 Building Permits by Structure Type, Cherokee County

Cherokee County																	2000-2016	Annual Average	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
Single Family	2,882	2,769	3,199	3,442	3,812	4,065	3,485	2,212	908	407	449	439	741	1,403	1,576	1,847	2,100	35,736	2,102
Two Family	6	16	0	6	4	0	24	0	4	0	0	0	10	0	0	2	8	80	5
3 - 4 Family	3	20	27	0	30	3	0	19	0	0	0	0	0	0	0	3	0	105	6
5+ Family	885	806	569	356	238	94	214	0	0	0	100	0	462	0	547	148	386	4,805	283
Total	3,776	3,611	3,795	3,804	4,084	4,162	3,723	2,231	912	407	549	439	1,213	1,403	2,123	2,000	2,494	40,726	2,396

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

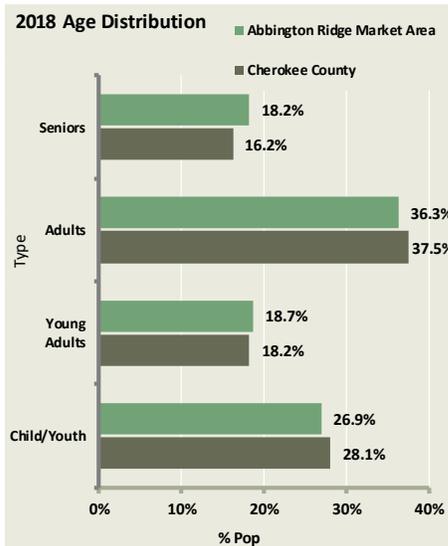
1. Age Distribution and Household Type

The Abbingtion Ridge Market Area’s median age of 37 years reflects the high percentage of family households in the area; Cherokee County’s median population age is also 37 years (Table 7). Adults age 35-61 are the largest component of the population for both the market area at 36.3 percent and county at 37.5 percent. The Abbingtion Ridge Market Area has a large proportion of Children/Youth (26.9 percent) under 20 years old while Young Adults (ages 20 to 34) and Seniors (ages 62 and older) each comprise roughly 18-19 percent of the population. The county has a larger proportion of Adults and Children/Youth and a significantly smaller proportion of Young Adults and Seniors when compared to the market area.

Table 7 Age Distribution

2018 Age Distribution	Cherokee County		Abbingtion Ridge Market Area	
	#	%	#	%
Children/Youth	69,673	28.1%	10,407	26.9%
Under 5 years	16,620	6.7%	2,540	6.6%
5-9 years	18,344	7.4%	2,684	6.9%
10-14 years	18,767	7.6%	2,749	7.1%
15-19 years	15,942	6.4%	2,433	6.3%
Young Adults	45,231	18.2%	7,226	18.7%
20-24 years	13,116	5.3%	2,096	5.4%
25-34 years	32,116	12.9%	5,130	13.3%
Adults	93,207	37.5%	14,042	36.3%
35-44 years	36,446	14.7%	5,322	13.7%
45-54 years	35,313	14.2%	5,302	13.7%
55-61 years	21,449	8.6%	3,419	8.8%
Seniors	40,136	16.2%	7,039	18.2%
62-64 years	9,192	3.7%	1,465	3.8%
65-74 years	20,467	8.2%	3,576	9.2%
75-84 years	8,111	3.3%	1,513	3.9%
85 and older	2,366	1.0%	484	1.3%
TOTAL	248,249	100%	38,714	100%
Median Age	37		37	

Source: Esri; RPRG, Inc.

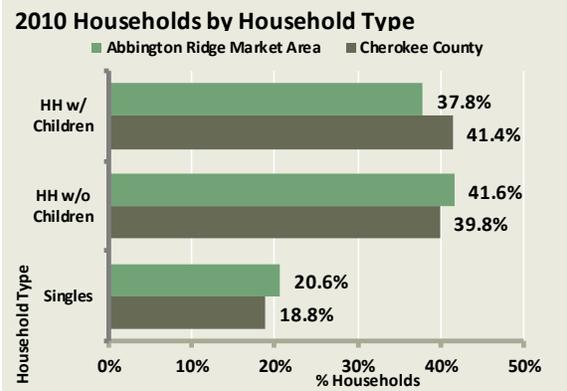




Multi-person households accounted for roughly 79 percent of households in the Abbingtion Ridge Market Area including 41.6 percent without children and 37.8 percent with children (Table 8); the large majority of multi-person households contained married couples. Single-person households accounted for 20.6 percent of market area households. Cherokee County had a significantly higher percentage of households with children when compared to the market area (41.4 percent versus 37.8 percent).

Table 8 Households by Household Type

2010 Households by Household Type	Cherokee County		Abbingtion Ridge Market	
	#	%	#	%
Married w/Children	24,144	31.8%	3,393	27.7%
Other w/ Children	7,260	9.6%	1,241	10.1%
Households w/ Children	31,404	41.4%	4,634	37.8%
Married w/o Children	22,832	30.1%	3,948	32.2%
Other Family w/o Children	3,892	5.1%	654	5.3%
Non-Family w/o Children	3,509	4.6%	491	4.0%
Households w/o Children	30,233	39.8%	5,093	41.6%
Singles	14,299	18.8%	2,526	20.6%
Total	75,936	100%	12,253	100%



Source: 2010 Census; RPRG, Inc.

2. Renter Household Characteristics

The Abbingtion Ridge Market Area has historically been a homeowner market; however, the renter percentage has increased from 21.5 percent in 2000 to 31.3 percent in 2018. Cherokee County’s renter percentage has been lower than the market area at 16.1 percent in 2000 and 23.9 percent in 2018 (Table 9). The market area added nearly 1,000 net renter households (57.9 percent of net household growth) from 2010 to 2018 and is expected to add 198 net renter households (36.8 percent of net household growth) over the next two years increasing the renter percentage to 31.5 percent by 2020.

Table 9 Households by Tenure

Cherokee County	2000		2010		Change 2000-2010		2018		Change 2010-2018		2020		Change 2018-2020	
Housing Units	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Owner Occupied	41,507	83.9%	60,400	79.5%	18,893	71.5%	66,293	76.1%	5,893	53.0%	68,820	76.1%	2,527	73.8%
Renter Occupied	7,994	16.1%	15,536	20.5%	7,542	28.5%	20,765	23.9%	5,229	47.0%	21,663	23.9%	897	26.2%
Total Occupied	49,501	100%	75,936	100%	26,435	100%	87,058	100%	11,122	100%	90,483	100%	3,424	100%
Total Vacant	2,442		6,424				6,773				6,752			
TOTAL UNITS	51,943		82,360				93,831				97,235			

Abbingtion Ridge Market Area	2000		2010		Change 2000-2010		2018		Change 2010-2018		2020		Change 2018-2020	
Housing Units	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Owner Occupied	6,001	78.5%	8,876	72.4%	2,875	62.4%	9,596	68.7%	720	42.1%	9,935	68.5%	340	63.2%
Renter Occupied	1,646	21.5%	3,377	27.6%	1,731	37.6%	4,365	31.3%	988	57.9%	4,564	31.5%	198	36.8%
Total Occupied	7,647	100%	12,253	100%	4,606	100%	13,961	100%	1,708	100%	14,499	100%	538	100%
Total Vacant	494		1,465				1,620				1,651			
TOTAL UNITS	8,141		13,718				15,581				16,150			

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.

Working age households form the core of renter households in the Abbingtion Ridge Market Area as 60.9 percent are ages 25 to 54 including 26.6 percent ages 25 to 34 (Table 10). Roughly 29 percent of market area renters are ages 55 and older and 9.9 percent are younger renters under 25 years old.

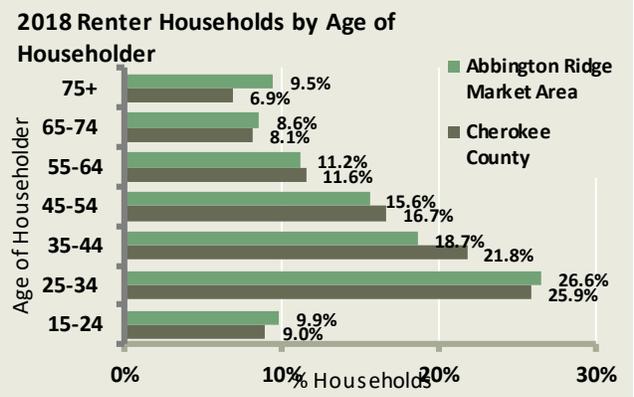


Cherokee County has a larger proportion of renters ages 35 to 64 and a smaller proportion of younger renters under 35 years old and older renters ages 65 and older when compared to the market area.

Table 10 Renter Households by Age of Householder

Renter Households	Cherokee County		Abbingtion Ridge Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	1,864	9.0%	430	9.9%
25-34 years	5,380	25.9%	1,160	26.6%
35-44 years	4,529	21.8%	816	18.7%
45-54 years	3,469	16.7%	680	15.6%
55-64 years	2,403	11.6%	490	11.2%
65-74 years	1,690	8.1%	375	8.6%
75+ years	1,432	6.9%	413	9.5%
Total	20,765	100%	4,365	100%

Source: Esri, Real Property Research Group, Inc.

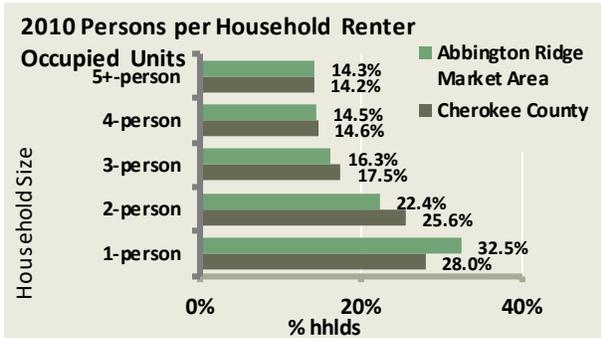


Reflecting the large percentage of multi-person households, the market area comprised a significant percentage of large households. Roughly 55 percent of market area renter households contained one or two people including 32.5 percent with one person as of the 2010 Census (Table 11). Approximately 31 percent of market area renter households had three or four people and 14.3 percent had five or more people. Cherokee County had higher percentage of two and three person renter households and a smaller percentage of single-person renter households when compared to the market area.

Table 11 Renter Households by Household Size

Renter Occupied	Cherokee County		Abbingtion Ridge Market Area	
	#	%	#	%
1-person hhld	4,352	28.0%	1,098	32.5%
2-person hhld	3,981	25.6%	755	22.4%
3-person hhld	2,725	17.5%	552	16.3%
4-person hhld	2,276	14.6%	489	14.5%
5+-person hhld	2,202	14.2%	483	14.3%
TOTAL	15,536	100%	3,377	100%

Source: 2010 Census



3. Income Characteristics

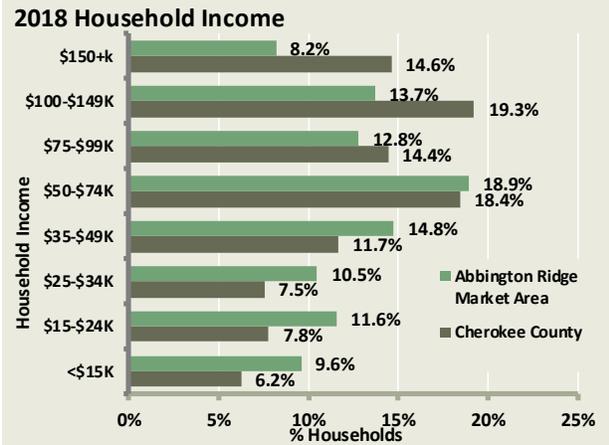
According to income distributions provided by Esri, households in the Abbingtion Ridge Market Area earn a median of \$54,736 per year, 24.7 percent lower than the \$72,683 median in Cherokee County (Table 12). Roughly 32 percent of market area households earn less than \$35,000 including 9.6 percent earning less than \$15,000. Approximately one-third (33.7 percent) of market area households earn moderate incomes of \$35,000 to \$74,999 and 34.7 percent earn upper incomes of at least \$75,000. Cherokee County has a significantly larger proportion of upper income households earning \$75,000 or more when compared to the market area (48.3 percent versus 34.7 percent).



Table 12 Household Income

Estimated 2018 Household Income	Cherokee County		Abbington Ridge Market Area	
	#	%	#	%
less than \$15,000	5,440	6.2%	1,338	9.6%
\$15,000 \$24,999	6,790	7.8%	1,616	11.6%
\$25,000 \$34,999	6,572	7.5%	1,467	10.5%
\$35,000 \$49,999	10,154	11.7%	2,060	14.8%
\$50,000 \$74,999	16,060	18.4%	2,642	18.9%
\$75,000 \$99,999	12,554	14.4%	1,785	12.8%
\$100,000 \$149,999	16,765	19.3%	1,910	13.7%
\$150,000 Over	12,722	14.6%	1,143	8.2%
Total	87,058	100%	13,961	100%
Median Income	\$72,683		\$54,736	

Source: Esri; Real Property Research Group, Inc.

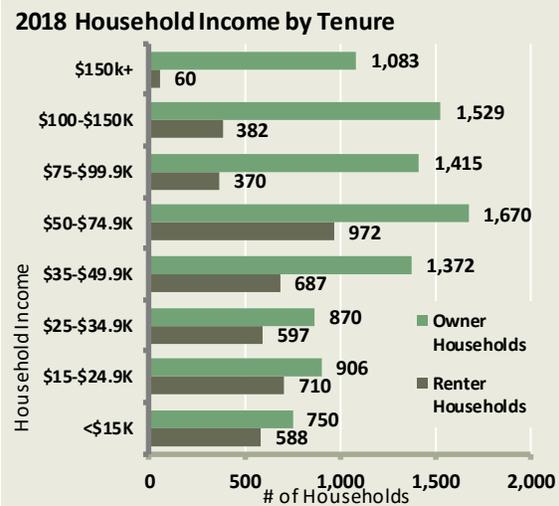


Based on the U.S. Census Bureau’s American Community Survey data, the breakdown of tenure, and household estimates, RPRG estimates that the median income of Abbington Ridge Market Area households by tenure is \$41,288 for renters and \$63,466 for owners (Table 13). Roughly 30 percent of market area renter households earn less than \$25,000 including 13.5 percent earning less than \$15,000. Approximately 29 percent of renter households earn \$25,000 to \$49,999 and 22.3 percent earn \$50,000 to \$74,999.

Table 13 Household Income by Tenure, Abbington Ridge Market Area

Estimated 2018 HH Income	Renter Households		Owner Households	
	#	%	#	%
less than \$15,000	588	13.5%	750	7.8%
\$15,000 \$24,999	710	16.3%	906	9.4%
\$25,000 \$34,999	597	13.7%	870	9.1%
\$35,000 \$49,999	687	15.7%	1,372	14.3%
\$50,000 \$74,999	972	22.3%	1,670	17.4%
\$75,000 \$99,999	370	8.5%	1,415	14.7%
\$100,000 \$149,999	382	8.7%	1,529	15.9%
\$150,000 over	60	1.4%	1,083	11.3%
Total	4,365	100%	9,596	100%
Median Income	\$41,288		\$63,466	

Source: American Community Survey 2012-2016 Estimates, RPRG, Inc.



Roughly 39 percent of renter households in the Abbington Ridge Market Area pay at least 35 percent of income for rent (Table 14). Just over eight percent of renter households are living in substandard conditions which includes only overcrowding and incomplete plumbing.



Table 14 Rent Burdened and Substandard Housing, Abbingdon Ridge Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	146	3.7%
10.0 to 14.9 percent	184	4.7%
15.0 to 19.9 percent	517	13.2%
20.0 to 24.9 percent	579	14.8%
25.0 to 29.9 percent	411	10.5%
30.0 to 34.9 percent	363	9.3%
35.0 to 39.9 percent	361	9.2%
40.0 to 49.9 percent	386	9.9%
50.0 percent or more	673	17.2%
Not computed	293	7.5%
Total	3,913	100.0%
> 35% income on rent	1,420	39.2%

Source: American Community Survey 2012-2016

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	8,757
1.00 or less occupants per room	8,501
1.01 or more occupants per room	256
Lacking complete plumbing facilities:	13
Overcrowded or lacking plumbing	269
Renter occupied:	
Complete plumbing facilities:	3,884
1.00 or less occupants per room	3,593
1.01 or more occupants per room	291
Lacking complete plumbing facilities:	29
Overcrowded or lacking plumbing	320
Substandard Housing	589
% Total Stock Substandard	4.6%
% Rental Stock Substandard	8.2%

7. EMPLOYMENT TREND

A. Introduction

This section of the report discusses economic trends and conditions in Cherokee County, the jurisdiction in which Abbingtion Ridge is located. We have also presented economic trends in Georgia and the nation for comparison purposes.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Cherokee County's labor force has steadily expanded since 2007, adding an average of 1,859 workers per year over the past 10 years (Table 15). The county's labor force rose from 109,716 workers in 2007 to 128,306 workers in 2017, a net increase of 18,590 workers or 16.9 percent. The employed portion of the labor force followed the same trend with the net addition of 17,724 employed workers since 2007 for net growth of 16.8 percent. The overall labor force and employed workers are at 11-year highs in 2017. The number of workers classified as unemployed has been halved from 9,891 unemployed workers in 2010 to 4,834 unemployed workers in 2017.

2. Trends in County Unemployment Rate

The unemployment rate in Cherokee County has dropped in each of the past eight years to 3.8 percent in 2017 from a peak of 8.9 percent in 2009 during the recession. The county's unemployment rate has remained below both state and national rates since at least 2007 including the most recent annual unemployment rate of 3.8 percent in 2017 compared to 4.7 percent in Georgia and 4.4 percent in the nation.

C. Commutation Patterns

According to 2012-2016 American Community Survey (ACS) data, nearly half (45.0 percent) of workers residing in the Abbingtion Ridge Market Area spent 30 minutes or more commuting to work including one-quarter commuting at least 45 minutes. Approximately 31 percent of Abbingtion Ridge Market Area workers commuted 15 to 29 minutes while 17.8 percent commuted less than 15 minutes (Table 16).

The market area's exurban location results in a relatively even balance of workers employed inside (53.5 percent) and outside (45.6 percent) their county of residence. The significant percentage of market area workers working in another Georgia county is also influenced by the Abbingtion Ridge Market Area containing portions of two counties. Roughly one percent of market area workers are employed outside Georgia. The wide range of commute times and large proportion of workers employed outside their county of residence reflects the market area's relative proximity/accessibility to employment concentrations along the Interstate 75 and Interstate 575 corridors as well as the Metro Atlanta area.



Table 15 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Labor Force	109,716	112,409	110,242	112,578	113,843	115,046	115,720	118,102	120,323	124,452	128,306
Employment	105,748	106,486	100,467	102,687	104,542	106,895	108,586	111,619	114,707	119,163	123,472
Unemployment	3,968	5,923	9,775	9,891	9,301	8,151	7,134	6,483	5,616	5,289	4,834
Unemployment Rate											
Cherokee County	3.6%	5.3%	8.9%	8.8%	8.2%	7.1%	6.2%	5.5%	4.7%	4.2%	3.8%
Georgia	4.5%	6.2%	9.9%	10.5%	10.2%	9.2%	8.2%	7.1%	6.0%	5.4%	4.7%
United States	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%

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

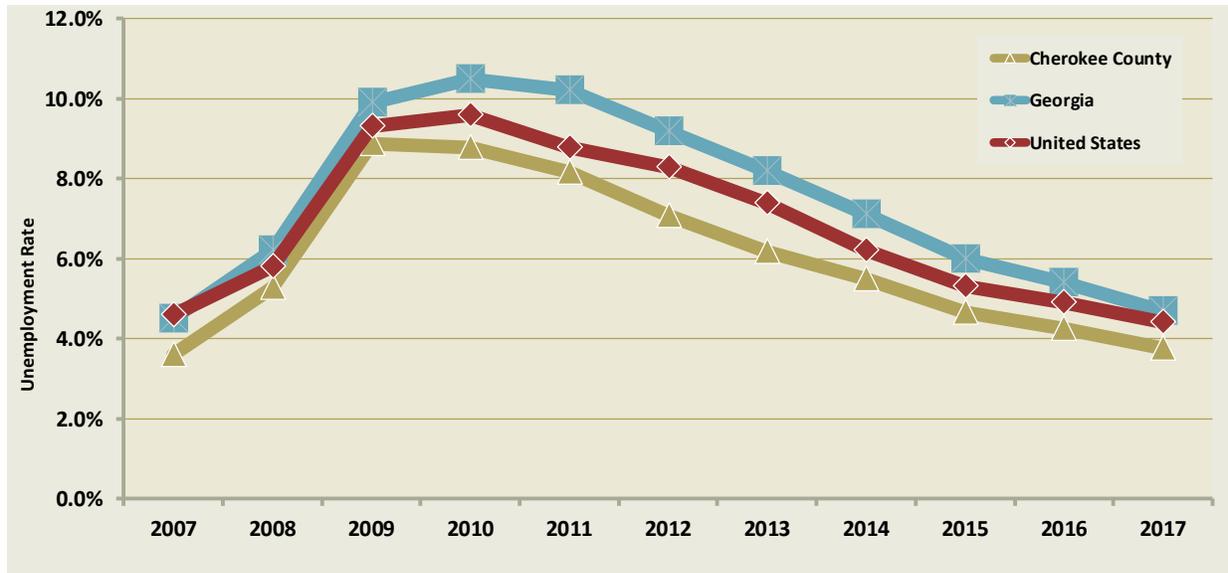
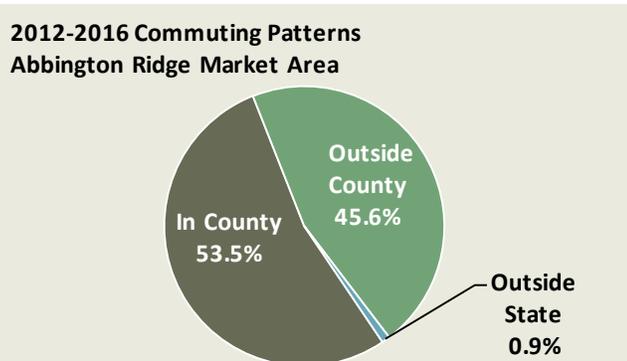


Table 16 Commutation Data, Abbington Ridge Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	15,512	93.4%	Worked in state of residence:	16,452	99.1%
Less than 5 minutes	242	1.5%	Worked in county of residence	8,877	53.5%
5 to 9 minutes	834	5.0%	Worked outside county of residence	7,575	45.6%
10 to 14 minutes	1,886	11.4%	Worked outside state of residence	156	0.9%
15 to 19 minutes	2,806	16.9%	Total	16,608	100%
20 to 24 minutes	1,666	10.0%			
25 to 29 minutes	605	3.6%			
30 to 34 minutes	2,312	13.9%			
35 to 39 minutes	452	2.7%			
40 to 44 minutes	563	3.4%			
45 to 59 minutes	1,845	11.1%			
60 to 89 minutes	1,829	11.0%			
90 or more minutes	472	2.8%			
Worked at home	1,096	6.6%			
Total	16,608				

Source: American Community Survey 2012-2016



Source: American Community Survey 2012-2016



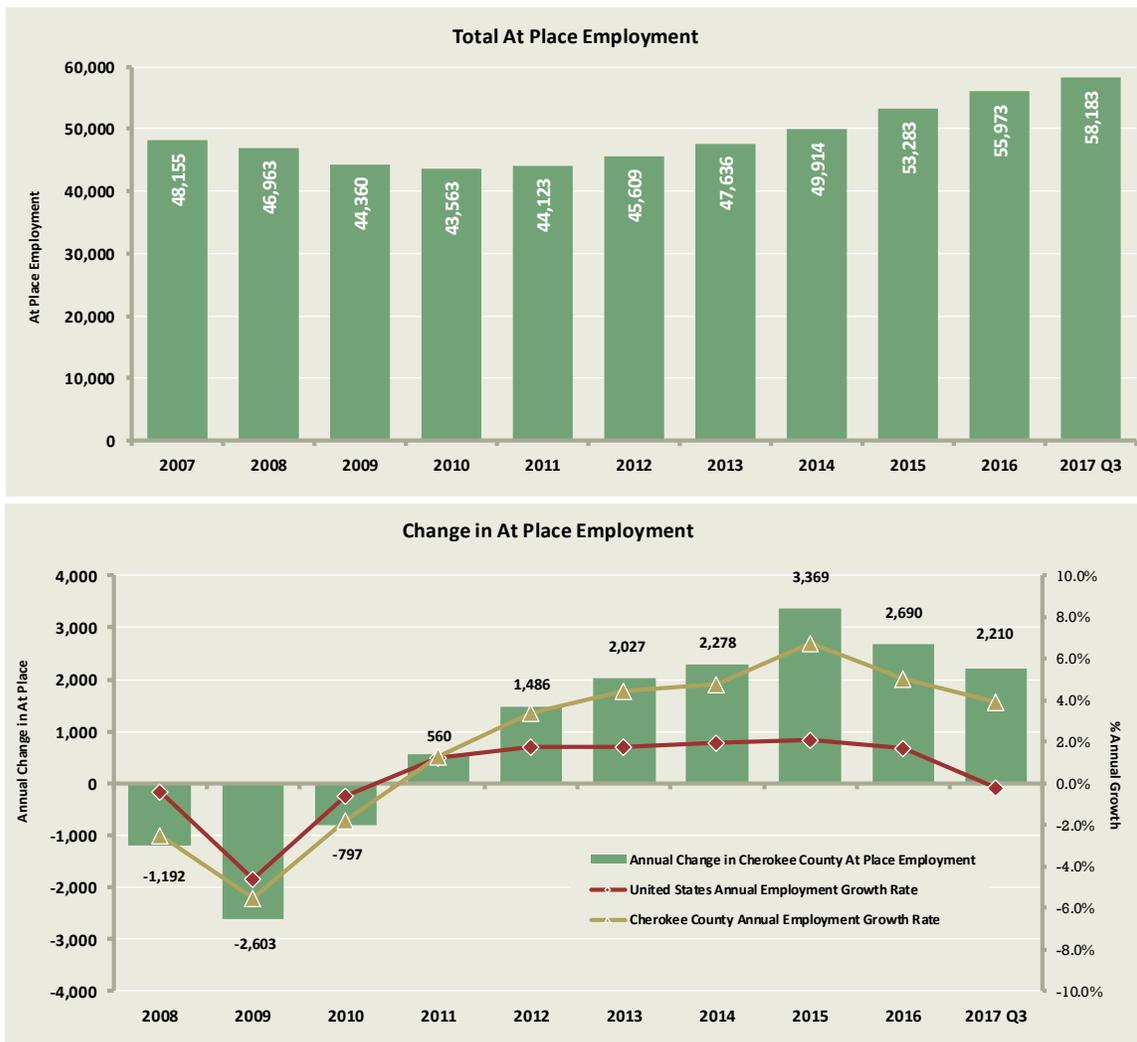
D. At-Place Employment

1. Trends in Total At-Place Employment

Cherokee County added 14,620 jobs from 2011 through the third quarter of 2017, which represents a 33.6 percent net increase in jobs (Figure 5). This recent growth is more than three times the 4,592 jobs lost during the national recession. The county has added an average of roughly 2,600 jobs per year over the past four years and added 2,210 jobs through the third quarter of 2017.

As illustrated by the lines in the bottom portion of Figure 5, Cherokee County’s job growth has significantly outpaced the national growth rate since 2012.

Figure 5 At-Place Employment, Cherokee County



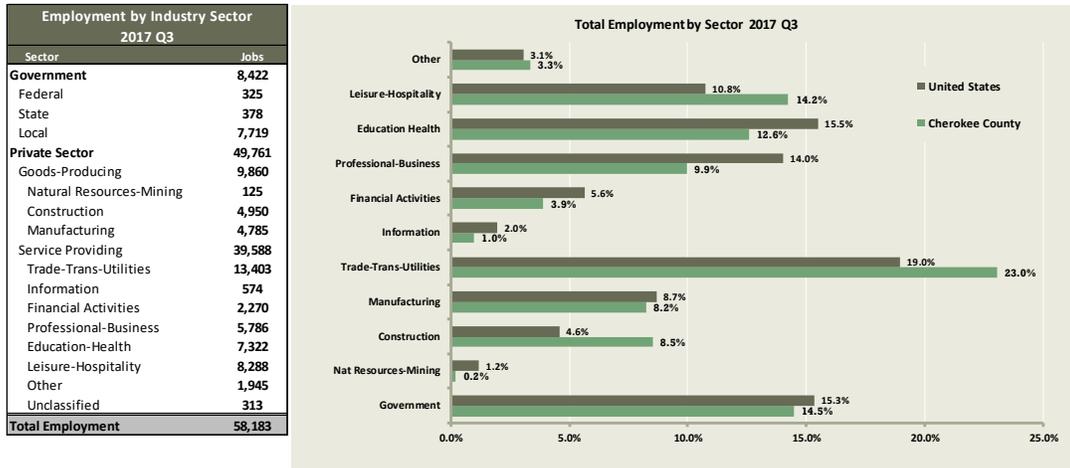
Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



2. At-Place Employment by Industry Sector

Trade-Transportation-Utilities is Cherokee County’s largest employment sector, accounting for 23.0 percent of jobs in the county compared to 19.0 percent of jobs nationally (Figure 6). Six sectors each account for roughly eight to 15 percent of the county’s jobs including Government (14.5 percent), Leisure-Hospitality (14.2 percent), and Education-Health (12.6 percent). The county has significantly larger proportions of jobs in the Leisure-Hospitality and Construction sectors while it has significantly smaller proportions of jobs in the Education-Health and Professional-Business sectors.

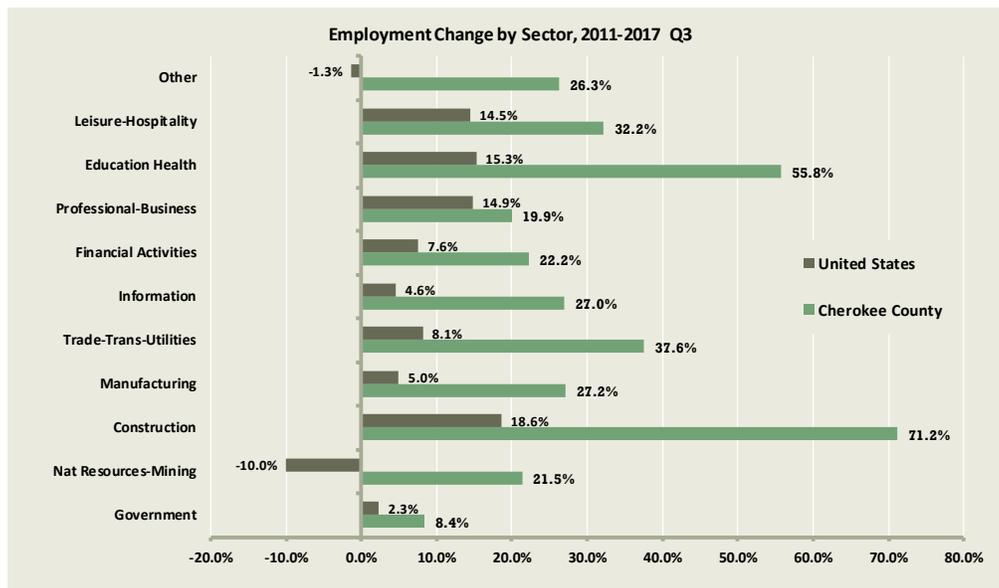
Figure 6 Total Employment by Sector



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

All employment sectors in Cherokee County added jobs from 2011 through 2017 (Q3) (Figure 7). Ten of 11 sectors grew by roughly 20 percent or more including three with net growth of at least 37 percent. The county’s largest sector (Trade-Transportation-Utilities) grew by 37.6 percent while the largest percentage growth was in the Construction sector at 71.2 percent; the county’s fourth largest sector (Education-Health) grew by 55.8 percent.

Figure 7 Employment Change by Sector, 2011-2017 Q3



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



3. Major Employers

Northside Hospital-Cherokee is the largest private employer in the county with 2,145 employees while all remaining major employers have less than 900 employees. The second largest employer (Pilgrim’s Pride) is a food processing company with 835 employees while six manufacturing employers each employ 161 to 882 people (Table 17). Other major employers not included in Table 17 likely include local government and Cherokee County Schools District.

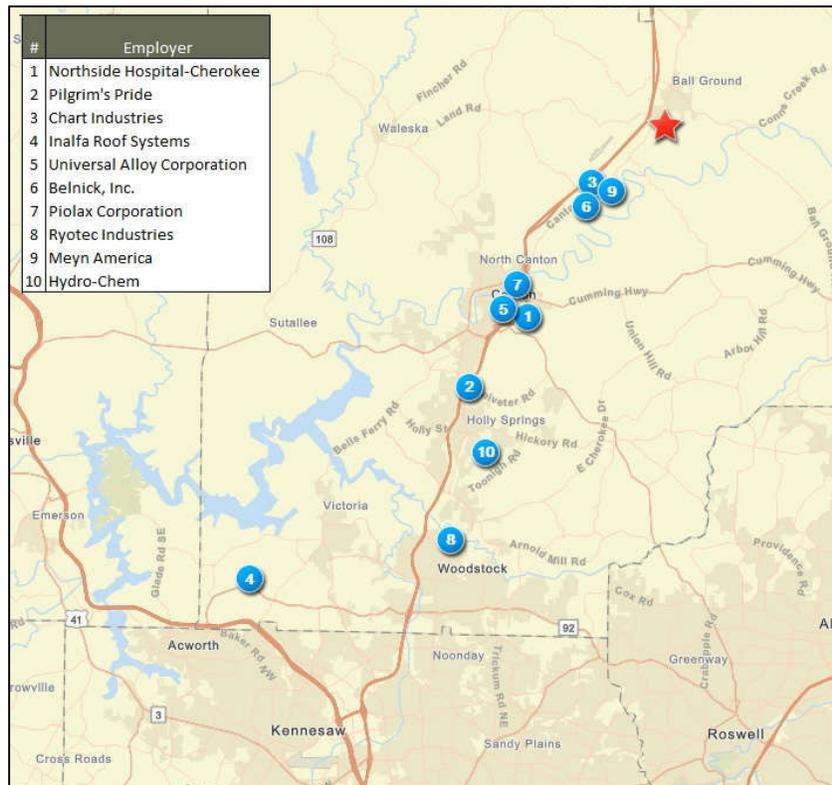
All but one major private employer is along the I-575 corridor making the commute from the subject site convenient due to its proximity to I-575 (Map 5).

Table 17 Major Private Employers, Cherokee County

Rank	Name	Sector	Employment
1	Northside Hospital-Cherokee	Healthcare	2,145
2	Pilgrim's Pride	Agriculture	835
3	Chart Industries	Manufacturing	552
4	Inalfa Roof Systems	Manufacturing	415
5	Universal Alloy Corporation	Manufacturing	415
6	Belnick, Inc.	Distribution	250
7	Piolax Corporation	Manufacturing	250
8	Ryotec Industries	Manufacturing	250
9	Meyn America	Manufacturing	225
10	Hydro-Chem	Manufacturing	161

Source: Cherokee Office of Economic Development

Map 5 Major Private Employers, Cherokee County





4. Recent Economic Expansions and Contractions

According to information provided by the Cherokee County Office of Economic Development, companies announced a net investment of \$178 million in Cherokee County in 2017 with an expected 1,600 new jobs. Notable expansions completed or announced in the county in 2017 were at Northside Hospital – Cherokee (500+ jobs), Adidas (160 jobs), Papa Johns (106 jobs), Jaipur Living (97 jobs), Universal Alloy Corporation (50 jobs), and YANMAR (25 jobs). The largest of these expansions is at Northside Hospital – Cherokee which opened a new hospital in May 2017 with over 500 jobs created. The hospital moved from its old location on Hospital Drive in Canton to its new facility just south of Canton Marketplace on State Highway 20. The hospital is already investing roughly \$50 million in a two-story expansion of the new facility which will add eight beds and two operating rooms. The recently completed expansion at Universal Alloy Corporation (UAC) included development of a new manufacturing facility adjacent to the site in Ball Ground; the facility opened in 2017 and the company expects to employ 50 people at this location. No major layoff or closure announcements were identified in the county since 2017.

E. Conclusions on Local Economics

Cherokee County's economy is growing with strong job growth and a declining unemployment rate. The county added 14,620 jobs since 2011 for net growth of 33.6 percent to reach an 11-year high At-Place-Employment in 2017 (Q3). The unemployment rate in the county has dropped in eight consecutive years to a 10-year low of 3.8 percent in 2017 which is well below state (4.7 percent) and national (4.4 percent) levels. Recent job expansions in the county suggest that the county will likely continue adding jobs in the near term.



8. PROJECT-SPECIFIC AFFORDABILITY & DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of income-qualified households in the market area that the subject community must capture to achieve full occupancy.

The first component of the Affordability Analysis involves looking at the total household income distribution and renter household income distribution among Abbington Ridge Market Area households for the target year of 2020. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2012-2016 American Community Survey along with estimates and projected income growth by Esri (Table 18).

A housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability Analysis, RPRG employs a 35 percent gross rent burden.

HUD has computed a 2017 median household income of \$69,700 for the Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area (2017 income units are used per DCA’s 2018 QAP). Based on that median income, adjusted for household size, the maximum income limit and minimum income requirements are computed for each floor plan (Table 19). The minimum income limits are calculated assuming up to 35 percent of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes are based on an average household size of 1.5 persons per bedroom rounded up to the nearest whole number per DCA requirements. Maximum gross rents, however, are based on the federal regulation of 1.5 persons per bedroom.

Table 18 Total and Renter Income Distribution

Abbington Ridge Market Area		Total Households		Renter Households	
2020 Income		#	%	#	%
less than	\$15,000	1,362	9.4%	614	13.5%
	\$15,000 \$24,999	1,625	11.2%	733	16.1%
	\$25,000 \$34,999	1,444	10.0%	603	13.2%
	\$35,000 \$49,999	2,013	13.9%	689	15.1%
	\$50,000 \$74,999	2,654	18.3%	1,002	21.9%
	\$75,000 \$99,999	1,943	13.4%	413	9.0%
	\$100,000 \$149,999	2,149	14.8%	440	9.6%
	\$150,000 Over	1,309	9.0%	71	1.5%
Total		14,499	100%	4,564	100%
Median Income		\$57,585		\$42,241	

Source: American Community Survey 2012-2016 Projections, RPRG, Inc.



Table 19 LIHTC Income and Rent Limits, Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area

HUD 2017 Median Household Income											
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area											
Very Low Income for 4 Person Household											
2017 Computed Area Median Gross Income											
Utility Allowance:											
1 Bedroom											
2 Bedroom											
3 Bedroom											
Household Income Limits by Household Size:											
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%		
1 Person	\$14,640	\$19,520	\$24,400	\$29,280	\$39,040	\$48,800	\$58,560	\$73,200	\$97,600		
2 Persons	\$16,740	\$22,320	\$27,900	\$33,480	\$44,640	\$55,800	\$66,960	\$83,700	\$111,600		
3 Persons	\$18,840	\$25,120	\$31,400	\$37,680	\$50,240	\$62,800	\$75,360	\$94,200	\$125,600		
4 Persons	\$20,910	\$27,880	\$34,850	\$41,820	\$55,760	\$69,700	\$83,640	\$104,550	\$139,400		
5 Persons	\$22,590	\$30,120	\$37,650	\$45,180	\$60,240	\$75,300	\$90,360	\$112,950	\$150,600		
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):											
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%	
2	1	\$16,740	\$22,320	\$27,900	\$33,480	\$44,640	\$55,800	\$66,960	\$83,700	\$111,600	
3	2	\$18,840	\$25,120	\$31,400	\$37,680	\$50,240	\$62,800	\$75,360	\$94,200	\$125,600	
5	3	\$22,590	\$30,120	\$37,650	\$45,180	\$60,240	\$75,300	\$90,360	\$112,950	\$150,600	
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):											
# Persons		30%		40%		50%		60%		80%	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom		\$392	\$289	\$523	\$420	\$653	\$550	\$784	\$681	\$1,046	\$943
2 Bedroom		\$471	\$343	\$628	\$500	\$785	\$657	\$942	\$814	\$1,256	\$1,128
3 Bedroom		\$543	\$382	\$725	\$564	\$906	\$745	\$1,087	\$926	\$1,450	\$1,289

Source: U.S. Department of Housing and Urban Development

2. Affordability Analysis

The steps in the affordability analysis (Table 20) are as follows:

- Looking at the one-bedroom units at 50 percent AMI (upper left panel), the overall shelter cost at the proposed rent would be \$603 (\$500 net rent plus a \$103 allowance to cover all utilities except water, sewer, and trash removal).
- We determined that a 50 percent AMI one-bedroom unit would be affordable to households earning at least \$20,674 per year by applying a 35 percent rent burden to this gross rent. A projected 12,215 households in the market area will earn at least this amount in 2020.
- The maximum income limit for a one-bedroom unit at 50 percent AMI is \$27,900 based on an average household size of two people. According to the interpolated income distribution for 2020, 11,093 households in the Abbingtion Ridge Market Area will have incomes exceeding this 50 percent AMI income limit.
- Subtracting the 11,093 households with incomes above the maximum income limit from the 12,215 households that could afford to rent this unit, RPRG computes that an estimated 1,122 households in the Abbingtion Ridge Market Area fall within the band of affordability for the subject’s one-bedroom units at 50 percent AMI. The subject property would need to capture 0.5 percent of these income-qualified households to absorb the six proposed one-bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified households that are currently renters and determined that 492 renter households are within the income band for a one-bedroom 50 percent AMI



unit at the subject property. The subject property will need to capture 1.2 percent of income-qualified renter households to absorb the proposed 50 percent AMI one-bedroom units.

- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered at the community. We also computed the capture rates for all units. The remaining renter capture rates by floor plan range from 0.4 percent to 4.9 percent.
- By income level, renter capture rates are 1.2 percent for the 50 percent AMI units, 4.1 percent for the 60 percent AMI units, and the project’s overall renter capture rate is 4.3 percent.

Table 20 Affordability Analysis, Abbington Ridge

50% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	6		4		2	
Net Rent	\$500		\$607		\$695	
Gross Rent	\$603		\$735		\$856	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$20,674	\$27,900	\$25,200	\$31,400	\$29,349	\$37,650
Total Households						
Range of Qualified HHlds	12,215	11,093	11,483	10,588	10,884	9,712
# Qualified Households	1,122		895		1,172	
Total HH Capture Rate	0.5%		0.4%		0.2%	
Renter Households						
Range of Qualified HHlds	3,534	3,042	3,205	2,831	2,955	2,493
# Qualified HHlds	492		374		462	
Renter HH Capture Rate	1.2%		1.1%		0.4%	

60% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	6		24		18	
Net Rent	\$581		\$714		\$826	
Gross Rent	\$684		\$842		\$987	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$23,451	\$33,480	\$28,869	\$37,680	\$33,840	\$45,180
Total Households						
Range of Qualified HHlds	11,764	10,287	10,953	9,708	10,235	8,702
# Qualified Households	1,476		1,245		1,534	
Unit Total HH Capture Rate	0.4%		1.9%		1.2%	
Renter Households						
Range of Qualified HHlds	3,331	2,706	2,984	2,491	2,684	2,147
# Qualified HHlds	624		493		538	
Renter HH Capture Rate	1.0%		4.9%		3.3%	

Income Target	# Units	All Households = 14,499				Renter Households = 4,564				
		Band of Qualified HHlds		# Qualified HHs	Capture Rate	Band of Qualified HHlds		# Qualified HHs	Capture Rate	
50% Units	12	<i>Income Households</i>	\$20,674	\$37,650	2,503	0.5%	\$20,674	\$37,650	1,041	1.2%
60% Units	48	<i>Income Households</i>	\$23,451	\$45,180	3,062	1.6%	\$23,451	\$45,180	1,184	4.1%
Total Units	60	<i>Income Households</i>	\$20,674	\$45,180	3,513	1.7%	\$20,674	\$45,180	1,387	4.3%

Source: Income Projections, RPRG, Inc.



3. Conclusions of Affordability

All affordability capture rates are acceptable based on a sufficient number of income-qualified renter households. These capture rates indicate sufficient income-qualified households will exist in the market area to support the proposed units.

B. Demand Estimates and Capture Rates

1. Methodology

DCA's demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of income-qualified renter households projected to move into the Abbingtion Ridge Market Area between the base year (2018) and the placed-in-service year of 2020, per Georgia DCA market study guidelines.
- The next component of demand is income-qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to ACS data, the percentage of renter households in the primary market area that are "substandard" is 8.2 percent (see Table 14 on page 28). This substandard percentage is applied to current household numbers.
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 39.2 percent of Abbingtion Ridge Market Area renter households are categorized as cost burdened (see Table 14 on page 28).

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 21. Income qualification percentages for demand estimates are derived by using the Affordability Analysis detailed in Table 20, but are adjusted to remove overlap among bedroom sizes within the same AMI level per DCA requirements.

2. Demand Analysis

According to DCA's demand methodology, all comparable units built or approved since 2016 are to be subtracted from the demand estimates to arrive at net demand. No such units exist in the market area.

Capture rates for the subject property are 2.4 percent for the 50 percent AMI units, 8.3 percent for the 60 percent AMI units, and 8.8 percent for the project overall (Table 21). As over twenty percent of the proposed units will be three-bedroom units, the demand analysis by floorplan is refined to account for only larger households of three or more people for the three-bedroom units. Abbingtion Ridge's capture rates by floor plan within an AMI level range from 2.5 percent to 19.3 percent and the capture rates by floor plan are 4.4 percent for all one-bedroom units, 9.7 percent for all two-bedroom units, and 12.8 percent for all three-bedroom units (Table 22).



Table 21 Overall Demand Estimates, Abbington Ridge

	Income Target	50% Units	60% Units	Total Units
	Minimum Income Limit	\$20,674	\$23,451	\$20,674
	Maximum Income Limit	\$37,650	\$45,180	\$45,180
(A) Renter Income Qualification Percentage		22.8%	25.9%	30.4%
Demand from New Renter Households <i>Calculation (C-B) *F*A</i>		38	44	51
PLUS				
Demand from Existing Renter HHs (Substandard) <i>Calculation B*D*F*A</i>		81	93	109
PLUS				
Demand from Existing Renter HHs (Overburdened) <i>- Calculation B*E*F*A</i>		391	444	520
Total Demand		511	580	680
LESS				
Comparable Units Built or Planned Since 2016		0	0	0
Net Demand		511	580	680
Proposed Units		12	48	60
Capture Rate		2.4%	8.3%	8.8%

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2018 Households	13,961
C). 2020 Households	14,499
D). Substandard Housing (% of Rental Stock)	8.2%
E). Rent Overburdened (% of Renter HHs at >35%)	39.2%
F). Renter Percentage (% of all 2018 HHs)	31.3%

Table 22 Demand Estimates by Floor Plan, Abbington Ridge

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate
50% Units	\$20,674 - \$37,650								
One Bedroom Units	\$20,674 - \$26,000	6	8.3%	185		185	0	185	3.2%
Two Bedroom Units	\$26,001 - \$31,000	4	6.6%	148		148	0	148	2.7%
Three Bedroom Units	\$31,001 - \$37,650	2	7.9%	178	45.1%	80	0	80	2.5%
60% Units	\$23,451 - \$45,180								
One Bedroom Units	\$23,451 - \$29,000	6	7.8%	174		174	0	174	3.5%
Two Bedroom Units	\$29,001 - \$36,000	24	8.9%	200		200	0	200	12.0%
Three Bedroom Units	\$36,001 - \$45,180	18	9.2%	207	45.1%	93	0	93	19.3%
By Bedroom									
One Bedroom Units		12	12.2%	274		274	0	274	4.4%
Two Bedroom Units		28	12.9%	288		288	0	288	9.7%
Three Bedroom Units		20	15.5%	347	45.1%	157	0	157	12.8%
Project Total	\$20,674 - \$45,180								
50% Units	\$20,674 - \$37,650	12	22.8%	511			0	511	2.4%
60% Units	\$23,451 - \$45,180	48	25.9%	580			0	580	8.3%
Total Units	\$20,674 - \$45,180	60	30.4%	680			0	680	8.8%

3. DCA Demand Conclusions

All capture rates are well below DCA thresholds and indicate more than sufficient demand in the market area to support the proposed Abbington Ridge.



9. COMPETITIVE RENTAL ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the Abbingtion Ridge Market Area. We pursued several avenues of research to identify multifamily rental projects that are in the planning stages or under construction in the Abbingtion Ridge Market Area. We contacted planners with the Cities of Ball Ground, Canton, and Jasper as well as Cherokee County. We also reviewed the list of recent LIHTC allocations from DCA. The rental survey was conducted in April 2018.

B. Overview of Market Area Housing Stock

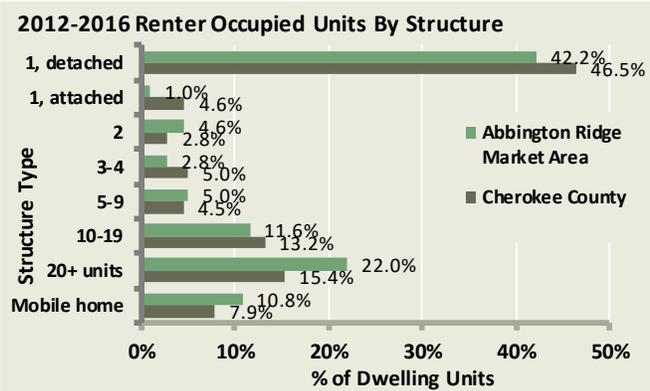
The rental housing stock in the Abbingtion Ridge Market Area is slightly denser than in Cherokee County. Single-family detached homes account for 42.2 percent of market area renter-occupied units and mobile homes account for roughly 11 percent. Forty-six percent of renter-occupied units in the market area are in multi-family structures including 38.6 percent in structures with five or more units (Table 23). The county contains a larger proportion of single-family detached home and townhome rentals when compared to the market area; mobile home rentals and rentals in multi-family structures are more common in the market area. Single-family detached homes account for at least 89 percent of owner occupied units in both areas with the market area containing a significantly larger proportion of owner-occupied mobile homes when compared to the county (9.4 percent versus 2.5 percent).

The housing stock in both areas is relatively new with rentals slightly newer in the market area than in Cherokee County with a median year built of 1995 compared to 1994 in the county. The majority (58.8 percent) of renter-occupied units in the market area were built in the 1990's or 2000's. Roughly 17 percent of market area rentals were built from 1970 to 1989 and 21.8 percent were built prior to 1970 including 12.1 percent built prior to 1940. Owner-occupied units in the market area are also newer than in the county with a median year built of 1998 in the market area and 1996 in the county (Table 24).

According to 2012-2016 ACS data, the median value among owner-occupied housing units in the Abbingtion Ridge Market Area was \$187,792, which is \$16,844 or 8.2 percent lower than the Cherokee County median of \$204,635 (Table 25). ACS estimates home values based upon values from homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight of relative housing values among two or more areas.

Table 23 Dwelling Units by Structure and Tenure

Renter Occupied	Cherokee County		Abbingtion Ridge Market Area	
	#	%	#	%
1, detached	8,499	46.5%	1,652	42.2%
1, attached	849	4.6%	39	1.0%
2	520	2.8%	179	4.6%
3-4	916	5.0%	108	2.8%
5-9	823	4.5%	196	5.0%
10-19	2,422	13.2%	454	11.6%
20+ units	2,811	15.4%	862	22.0%
Mobile home	1,443	7.9%	423	10.8%
TOTAL	18,283	100%	3,913	100%



Source: American Community Survey 2012-2016



Table 24 Dwelling Units by Year Built and Tenure

Owner Occupied	Cherokee County		Abbington Ridge Market Area	
	#	%	#	%
2014 or later	780	1.3%	147	1.7%
2010 to 2013	1,703	2.7%	106	1.2%
2000 to 2009	23,352	37.6%	3,810	43.4%
1990 to 1999	16,458	26.5%	2,025	23.1%
1980 to 1989	11,214	18.1%	1,148	13.1%
1970 to 1979	5,726	9.2%	528	6.0%
1960 to 1969	1,192	1.9%	408	4.7%
1950 to 1959	647	1.0%	182	2.1%
1940 to 1949	418	0.7%	171	1.9%
1939 or earlier	605	1.0%	245	2.8%
TOTAL	62,095	100%	8,770	100%
MEDIAN YEAR BUILT	1996		1998	

Source: American Community Survey 2012-2016

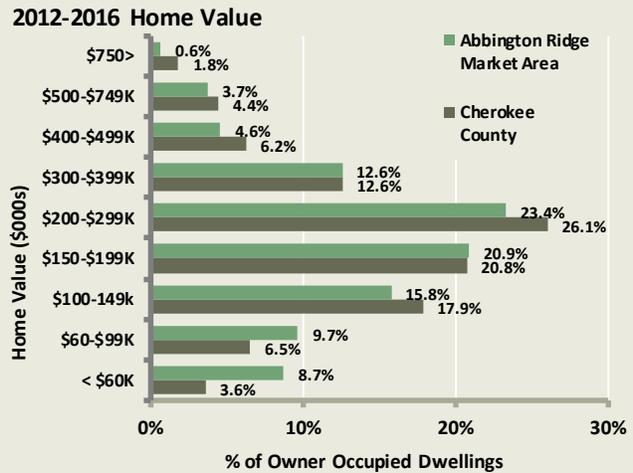
Renter Occupied	Cherokee County		Abbington Ridge Market Area	
	#	%	#	%
2014 or later	106	0.6%	0	0.0%
2010 to 2013	622	3.4%	89	2.3%
2000 to 2009	5,727	31.3%	1,504	38.4%
1990 to 1999	5,289	28.9%	797	20.4%
1980 to 1989	2,529	13.8%	296	7.6%
1970 to 1979	1,823	10.0%	373	9.5%
1960 to 1969	755	4.1%	195	5.0%
1950 to 1959	627	3.4%	64	1.6%
1940 to 1949	265	1.4%	123	3.1%
1939 or earlier	540	3.0%	472	12.1%
TOTAL	18,283	100%	3,913	100%
MEDIAN YEAR BUILT	1994		1995	

Source: American Community Survey 2012-2016

Table 25 Value of Owner Occupied Housing Stock

2012-2016 Home Value		Cherokee County		Abbington Ridge Market Area	
		#	%	#	%
less than \$60,000		2,235	3.6%	766	8.7%
\$60,000 - \$99,999		4,063	6.5%	847	9.7%
\$100,000 - \$149,999		11,104	17.9%	1,385	15.8%
\$150,000 - \$199,999		12,895	20.8%	1,835	20.9%
\$200,000 - \$299,999		16,187	26.1%	2,048	23.4%
\$300,000 - \$399,999		7,843	12.6%	1,103	12.6%
\$400,000 - \$499,999		3,877	6.2%	402	4.6%
\$500,000 - \$749,999		2,755	4.4%	327	3.7%
\$750,000 over		1,136	1.8%	57	0.6%
Total		62,095	100%	8,770	100%
Median Value		\$204,635		\$187,792	

Source: American Community Survey 2012-2016



C. Survey of General Occupancy Rental Communities

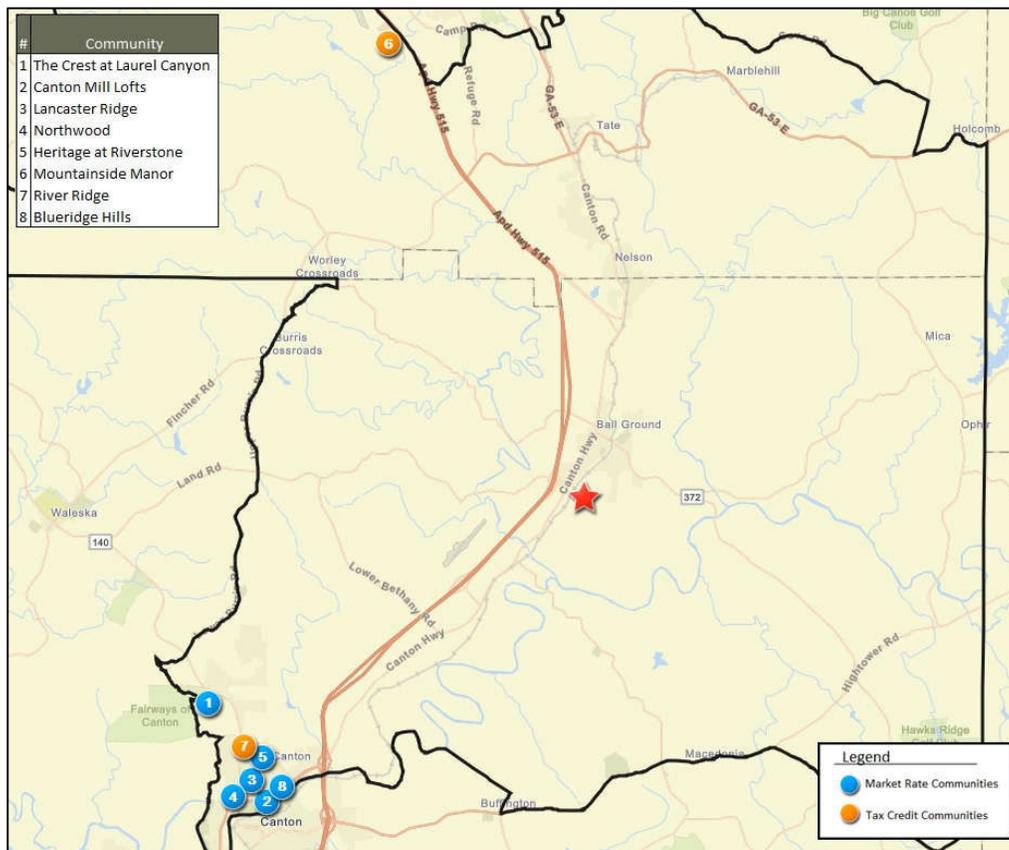
1. Introduction to the Rental Housing Survey

RPRG surveyed eight general occupancy communities in the Abbingdon Ridge Market Area including six market rate communities and two LIHTC communities. The surveyed LIHTC communities are most comparable to the subject property given similar income and rent restrictions. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 6.

2. Location

One surveyed LIHTC community (Mountainside Manor) is roughly 10 miles to the northwest in Jasper and the remaining communities including River Ridge (LIHTC community) are roughly 10 miles to the southwest in Canton (Map 6).

Map 6 Surveyed Rental Communities



3. Size of Communities

The surveyed communities range from 52 to 355 units and average 213 units. The LIHTC communities have 176 units (Mountainside Manor) and 355 units (River Ridge).

4. Age of Communities

The average year built of all surveyed communities is 1999. The Crest at Laurel Canyon was built in 2017 and is the newest community in the market area while all other communities were built prior to



2005. The LIHTC communities are the newest communities in the market outside of The Crest at Laurel Canyon, built in 2003 (River Ridge) and 2004 (Mountainside Manor).

5. Structure Type

Seven of eight surveyed communities offer garden apartments and one community (Canton Mill Lofts) is an adaptive reuse of an old mill.

6. Vacancy Rates

The rental market is performing well with 40 vacancies among 1,391 combined units at stabilized communities for an aggregate vacancy rate of 2.9 percent; Canton Mill Lofts has units down for renovations and is not included in stabilized totals. The two LIHTC communities have 14 vacancies among 531 combined units for an aggregate vacancy rate of 2.6 percent; the LIHTC communities have vacancy rates of 1.1 percent (River Ridge) and 5.7 percent (Mountainside Manor).

7. Rent Concessions

No surveyed communities were offering rental incentives at the time of our survey.

8. Absorption History

The Crest at Laurel Canyon (upscale market rate community) opened in March 2017 and was fully occupied at the time of our survey on April 30, 2018. Management stated that the community leased all 350 units prior to our survey but could not provide reliable timing for when the property reached full occupancy. Assuming The Crest at Laurel Canyon reached full occupancy on our survey date, the community leased an average of 25 units per month over the past 14 months; this estimate is conservative as management stated that the community leased all units prior to our survey.

Table 26 Rental Summary, Surveyed Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI		Gar	12			\$500	\$607	
	Subject 60% AMI		Gar	48			\$581	\$714	
1	The Crest at Laurel Canyon	2017	Gar	350	0	0.0%	\$1,231	\$1,493	None
2	Canton Mill Lofts [^]	2000	Reuse	315	35	11.1%	\$1,013	\$1,210	None
3	Lancaster Ridge	1995	Gar	145	4	2.8%	\$895	\$1,080	None
4	Northwood	1985	Gar	52	0	0.0%	\$800	\$1,000	None
5	Heritage at Riverstone	2000	Gar	240	22	9.2%	\$849	\$917	None
6	Mountainside Manor [*]	2004	Gar	176	10	5.7%	\$775	\$900	None
7	River Ridge [*]	2003	Gar	355	4	1.1%	\$744	\$890	None
8	Blueridge Hills	1989	Gar	73	0	0.0%	\$660	\$788	None
	Total			1,706					
	Stabilized Total			1,391	40	2.9%			
	Average	1999		213			\$871	\$1,035	
	LIHTC Total			531	14	2.6%			
	LIHTC Average	2004		266			\$759	\$895	

(1) Rent is contract rent, and not adjusted for utilities or incentives

(*) Tax Credit Community

Source: Field Survey, RPRG, Inc. April 2018

(^) Units Down For Renovations



D. Analysis of Product Offerings

9. Payment of Utility Costs

Three surveyed communities include the cost of water, sewer, and trash removal and three include trash removal only (Table 27). Two of the highest priced market rate communities include no utilities. Among LIHTC communities, Mountainside Manor includes water, sewer, and trash removal and River Ridge includes trash removal only. Abbingtion Ridge will include the cost of trash removal.

10. Unit Features

All surveyed communities offer a dishwasher in each unit and washer and dryer connections in at least select units; the three highest priced market rate communities offer a washer and dryer in each unit (Table 27). Three market rate communities offer a microwave in at least select units. The LIHTC communities each offer a dishwasher and washer and dryer connections in each unit but no microwave. The Crest at Laurel Canyon offers upscale unit finishes including granite countertops, stainless steel appliances, laminate hardwood flooring, and upgraded lighting and cabinets while the remaining surveyed communities offer generally standard unit finishes such as laminate countertops and white or black appliances. Abbingtion Ridge will offer a dishwasher, microwave, ceiling fans, washer and dryer connections, and a patio/balcony which is superior to the unit features offered at both surveyed LIHTC communities given the subject will be the only LIHTC community to offer a microwave.

Table 27 Utility Arrangement and Unit Features

Community	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
	Heat	Hot Water	Cooking Electric	Water	Trash					
Subject	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
The Crest at Laurel Canyon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	STD-Full
Canton Mill Lofts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		Surface	STD-Full
Lancaster Ridge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Surface	STD-Full
Northwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	Select	Surface	Select - HU
Heritage at Riverstone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Mountainside Manor*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
River Ridge*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Blueridge Hills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups

Source: Field Survey, RPRG, Inc. April 2018

LIHTC Community*

11. Parking

All communities include free surface parking as the standard parking option. Three surveyed communities (including both LIHTC communities) offer optional detached garage parking for an additional monthly fee ranging from \$60 to \$89.



12. Community Amenities

Six of eight surveyed communities offer extensive community amenities while the two smallest market rate communities offer no amenities. The most common amenities are a swimming pool (six properties), a fitness room (six properties), a clubhouse/community room (five properties), and a playground (five properties). A computer/business center is offered at three communities, tennis courts are offered at two communities, and five communities are gated including both LIHTC communities (Table 28). Both LIHTC communities offer a clubhouse/community room, fitness center, swimming pool, playground, computer/business center, and are gated; Mountainside Manor (LIHTC community) also offers tennis courts. Abbingtion Ridge will offer a clubhouse/community room, a computer center, a fitness center, laundry facility, covered porch, community garden, and health screening facility. These amenities will be generally comparable to existing LIHTC and market rate communities in the market area except for a swimming pool. The lack of a swimming pool at Abbingtion Ridge is acceptable given the affordable nature of the subject property and its small size (60 units) compared to the surveyed communities as only one existing community (Northwood) which offers no amenities will be smaller. The covered porch, community garden, and health screen facility proposed at the subject property will be unique to the market and mitigate the lack of a playground.

Table 28 Community Amenities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Crest at Laurel Canyon	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Canton Mill Lofts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Lancaster Ridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Northwood	<input type="checkbox"/>						
Heritage at Riverstone	<input checked="" type="checkbox"/>						
Mountainside Manor*	<input checked="" type="checkbox"/>						
River Ridge*	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Blueridge Hills	<input type="checkbox"/>						

Source: Field Survey, RPRG, Inc. April 2018

LIHTC Community*

13. Unit Distribution

All surveyed communities offer one and two-bedroom units while six of eight communities offer three-bedroom units; the LIHTC communities each offer one, two, and three-bedroom units. Seven of eight surveyed communities reported a unit mix, accounting for 77.7 percent of surveyed units; management at The Crest at Laurel Canyon could not provide a unit distribution. Two-bedroom units are the most common at roughly half (50.3 percent) of surveyed units and one-bedroom units account for 34.9 percent; three-bedroom units are the least common at 14.8 percent of surveyed units (Table 29).

14. Effective Rents

Unit rents presented in Table 29 are net or effective rents, as opposed to street or advertised rents. We applied downward adjustments to street rents to control for current rental incentives. The net



rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where base rents include the cost of trash removal.

Among all surveyed rental communities, net rents, unit sizes, and rents per square foot were as follows:

- **One-bedroom** effective rents average \$847 per month. The average one-bedroom unit size is 709 square feet, resulting in a net rent per square foot of \$1.20. The range for one-bedroom effective rents is \$645 to \$1,231.
- **Two-bedroom** effective rents average \$1,004 per month. The average two-bedroom unit size is 960 square feet, resulting in a net rent per square foot of \$1.05. The range for two-bedroom effective rents is \$768 to \$1,493.
- **Three-bedroom** effective rents average \$1,211 per month. The average three-bedroom unit size is 1,262 square feet, resulting in a net rent per square foot of \$0.96. The range for three-bedroom effective rents is \$925 to \$1,679.

LIHTC rents are among the lowest rents in the market area for all floor plans ranging from \$684 to \$738 for one-bedroom units, \$830 to \$883 for two-bedroom units, and \$925 to \$1,008 for three-bedroom units.

Table 29 Unit Distribution, Size, and Pricing

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	12	6	\$500	850	\$0.59	4	\$607	975	\$0.62	2	\$695	1,075	\$0.65
Subject 60% AMI	48	6	\$581	850	\$0.68	24	\$714	975	\$0.73	18	\$826	1,075	\$0.77
The Crest at Laurel Canyon	350		\$1,231	777	\$1.58		\$1,493	1,125	\$1.33		\$1,679	1,267	\$1.33
Canton Mill Lofts	315	138	\$1,023	800	\$1.28	152	\$1,220	1,100	\$1.11				
Lancaster Ridge	145	24	\$905	850	\$1.06	91	\$1,090	960	\$1.14	30	\$1,305	1,140	\$1.14
Northwood	52	10	\$785	540	\$1.45	40	\$980	913	\$1.07	2	\$1,475	1,240	\$1.19
Mountainside Manor	-	-	\$835	600	\$1.39	-	\$930	705	\$1.32	-	\$1,025	1,293	\$0.79
River Ridge	55	20	\$775	722	\$1.07	29	\$925	1,106	\$0.84	6	\$1,125	1,270	\$0.89
Heritage at Riverstone	240	70	\$849	825	\$1.03	134	\$917	1,122	\$0.82	36	\$1,145	1,326	\$0.86
River Ridge 60% AMI*	300	114	\$738	722	\$1.02	156	\$883	1,106	\$0.80	30	\$1,008	1,270	\$0.79
Mountainside Manor 60% AMI*	176	24	\$684	600	\$1.14	60	\$830	705	\$1.18	92	\$925	1,293	\$0.72
Blueridge Hills	73	62	\$645	650	\$0.99	5	\$768	758	\$1.01				
Total/Average Unit Distribution	1,530	462	\$847	709	\$1.20	667	\$1,004	960	\$1.05	196	\$1,211	1,262	\$0.96
% of Total	86.6%	34.9%				50.3%				14.8%			

(1) Rent is adjusted to include Trash, and Incentives

(*) Tax Credit Community

Source: Field Survey, RPRG, Inc. April 2018

15. Scattered Site Rentals

Scattered site rentals are not expected to be a significant source of competition for the proposed units at Abbingtion Ridge Market Area as all of the proposed units will be rent and income restricted targeting households at or below 50 percent and 60 percent of the Area Median Income (AMI). Furthermore, limited scattered site rentals exist in the market area as only eight three-bedroom rentals were identified in the market area (Table 30). These rentals are single-family detached homes in generally good condition with an average rent of \$1,410 which is well above the rents proposed at the subject property.



Table 30 Scattered Site Rentals, Abbingdon Ridge Market Area

Bed	Bath	Sq. Ft.	Rent	Address	City	Type
3	2	1,930	\$1,669	213 Daybreak Rush	Canton	SFD
3	2	2,800	\$1,540	917 Sardis Rd.	Canton	SFD
3	2.5	2,532	\$1,495	714 Ridgewood Way	Canton	SFD
3	2	1,860	\$1,442	208 Harris Ct.	Ball Ground	SFD
3	3	1,766	\$1,375	224 Bethany Manor Ct.	Canton	SFD
3	3	1,306	\$1,345	336 Old Donladson Rd.	Canton	SFD
3	2	1,844	\$1,325	223 Bethany Manor Ct.	Canton	SFD
3	1	1,300	\$1,090	1369 Reinhardt College Pkwy.	Canton	SFD
Three Bedroom Average:			\$1,410			

Source: Zillow

16. DCA Average Market Rent

To determine average “market rents” as outlined in DCA’s 2018 Market Study Manual, market rate rents were averaged at all surveyed communities with market rate units including one LIHTC community (Mountainside Manor). It is important to note, “average market rents” are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. LIHTC units are not used in this calculation.

The “average market rent” was \$881 for one-bedroom units, \$1,040 for two-bedroom units, and \$1,292 for three-bedroom units (Table 31). The subject property’s proposed 50 percent AMI rents are all at least 41 percent below these averages and the proposed 60 percent AMI rents are all at least 31 percent below average market rents. The project’s overall market advantage is 35.4 percent (Table 32).

Table 31 Average Rents

Community	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
The Crest at Laurel Canyon	\$1,231	777	\$1.58	\$1,493	1,125	\$1.33	\$1,679	1,267	\$1.33
Canton Mill Lofts	\$1,023	800	\$1.28	\$1,220	1,100	\$1.11			
Lancaster Ridge	\$905	850	\$1.06	\$1,090	960	\$1.14	\$1,305	1,140	\$1.14
Northwood	\$785	540	\$1.45	\$980	913	\$1.07	\$1,475	1,240	\$1.19
Mountainside Manor	\$835	600	\$1.39	\$930	705	\$1.32	\$1,025	1,293	\$0.79
River Ridge	\$775	722	\$1.07	\$925	1,106	\$0.84	\$1,125	1,270	\$0.89
Heritage at Riverstone	\$849	825	\$1.03	\$917	1,122	\$0.82	\$1,145	1,326	\$0.86
Blueridge Hills	\$645	650	\$0.99	\$768	758	\$1.01			
Total/Average	\$881	721	\$1.22	\$1,040	974	\$1.07	\$1,292	1,256	\$1.03

(1) Rent is adjusted to include Trash, and Incentives

Source: Field Survey, RPRG, Inc. April 2018

Table 32 Average Market Rent and Rent Advantage Summary

	1 BR	2 BR	3 BR
Average Market Rent	\$881	\$1,040	\$1,292
Proposed 50% AMI Rent	\$500	\$607	\$695
Advantage (\$)	\$381	\$433	\$597
Advantage (%)	43.2%	41.7%	46.2%
Total Units	6	4	2
Proposed 60% AMI Rent	\$581	\$714	\$826
Advantage (\$)	\$300	\$326	\$466
Advantage (%)	34.0%	31.4%	36.1%
Total Units	6	24	18
Overall Market Advantage	35.4%		

Source: Field Survey, RPRG, Inc. April 2018

E. Multi-Family Pipeline

No multi-family rental communities have been awarded Low Income Housing Tax Credits in the market area in over 10 years. Two upscale market rate communities were identified as planned or under construction in the market area:

- **Grand Reserve at Canton** is a 309-unit upscale market rate rental community that just started construction on Reservoir Drive in Canton, across from Teasley Middle School. This community will be roughly 10 miles south of the site and is expected to be completed in the Spring or Summer of 2019. The upscale market rate units at Grand Reserve are not comparable to the income and rent restricted units proposed at the subject property.
- **Laurel Canyon Apartments** is a proposed 266-unit upscale rental community adjacent to the newly opened The Crest at Laurel Canyon. According to Ken Patton with the Canton Community Development Department, the community has received site plan approval and building plans are under review. This market rate community will not be comparable to the subject property given the proposed income and rent restrictions at Abbingdon Ridge.

F. Housing Authority Data

The Canton Housing Authority operates 158 public housing units and holds a lengthy waiting list which is closed. The housing authority does not manage Section 8 Housing Choice Vouchers.

G. Existing Low Income Rental Housing

Three existing affordable rental communities are in the market area including two general occupancy LIHTC communities which were included in our analysis (Table 33). The remaining community is deeply subsidized through the USDA Rural Development program and is not directly comparable to the LIHTC units without deep subsidies proposed at the subject property. The location of these communities relative to the subject site is shown in Map 7.

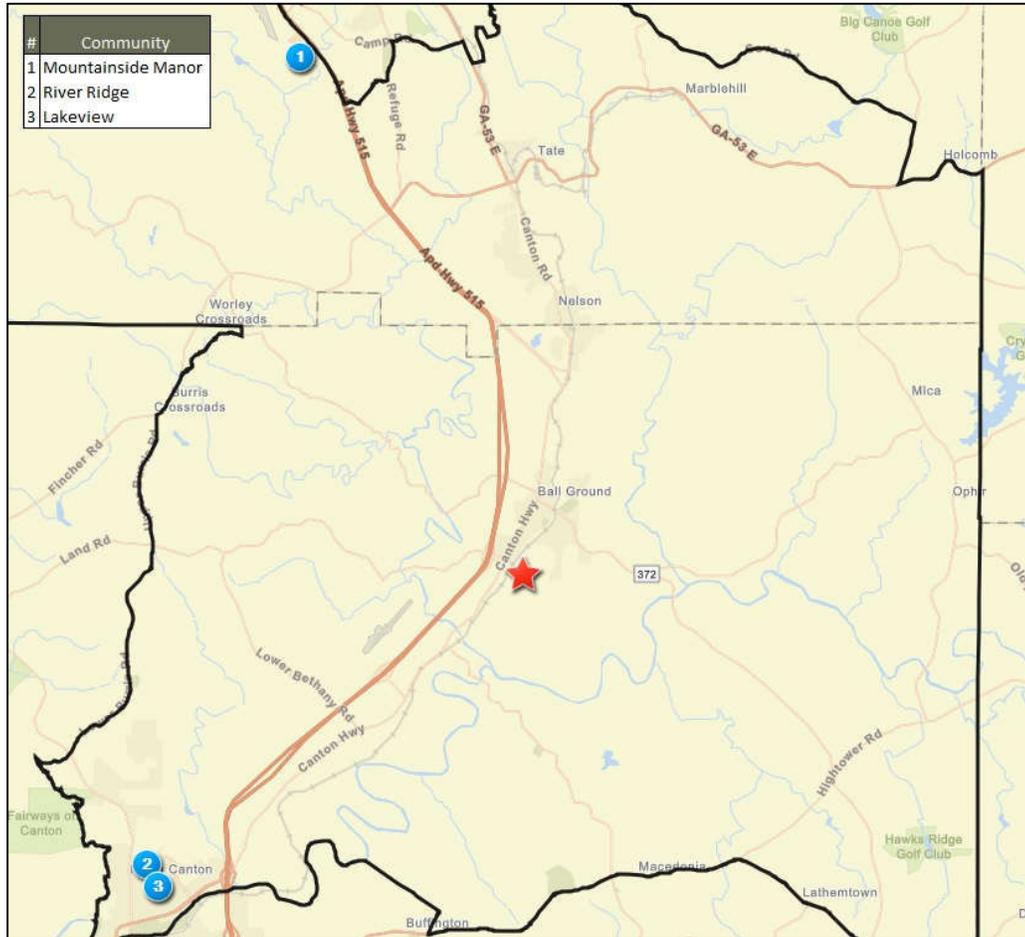


Table 33 Subsidized Communities, Abbingtion Ridge Market Area

Community	Subsidy	Type	Address	City	Distance
Mountainside Manor	LIHTC	Family	264 Bill Hasty Blvd.	Jasper	8.9 miles
River Ridge	LIHTC	Family	100 River Ridge Dr.	Canton	7.5 miles
Lakeview	USDA	Family	383 Lakeview Dr.	Canton	7.6 miles

Source: GA DCA, HUD, USDA

Map 7 Subsidized Rental Communities



H. Impact of Abandoned, Vacant, or Foreclosed Homes

Based on field observations, limited abandoned / vacant single and multi-family homes exist in the Abbingtion Ridge Market Area. In addition, to understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner’s grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30107 in which the subject property



will be located and the broader areas of Ball Ground, Cherokee County, Georgia, and the United States for comparison purposes.

Our RealtyTrac search revealed March 2018 foreclosure rates of 0.10 percent in the subject property’s ZIP Code (30107) and Ball Ground, 0.04 percent in Cherokee County, 0.05 percent in Georgia, and 0.06 percent in the nation (Table 34). The monthly number of foreclosures in the subject site’s ZIP Code ranged from none to five units over the past year.

While the conversion of foreclosure properties can affect the demand for new multi-family rental housing in some markets, the impact on an affordable housing community is typically limited due to their tenant rent and income restrictions. Furthermore, current foreclosure activity in the subject site’s ZIP Code was not significant over the past year. As such, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units.

Table 34 Foreclosure Rate, ZIP Code 30107, March 2018

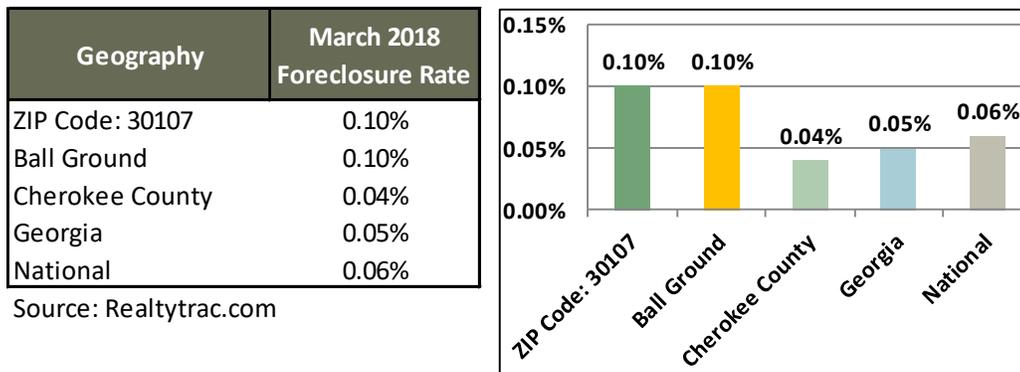
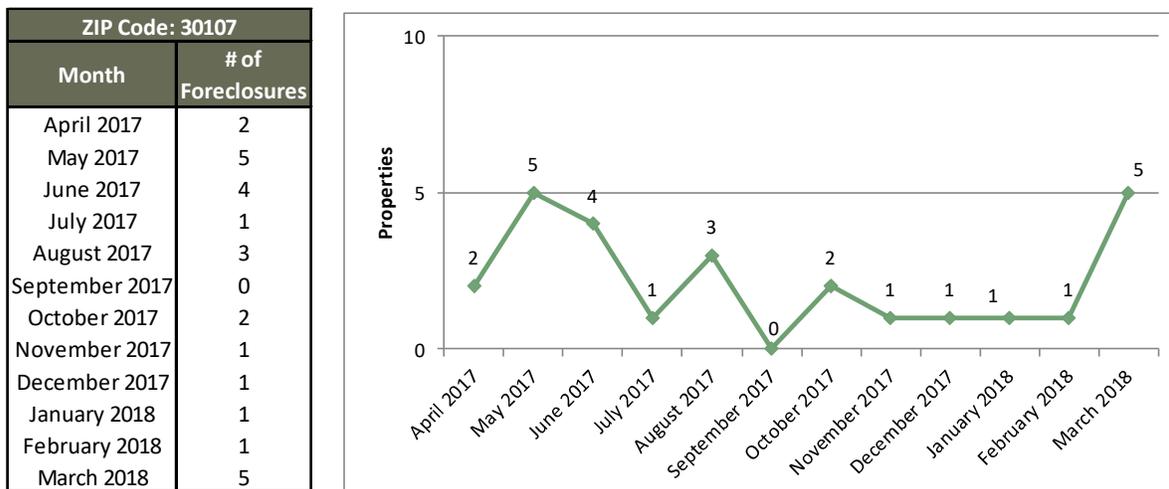


Table 35 Recent Foreclosure Activity, ZIP Code 30107



10. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Abbingtion Ridge Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, services, employers, and transportation arteries.

- The subject site is on the north and west sides of Northridge Road roughly one mile south of downtown Ball Ground. Single-family detached homes, agricultural land, and wooded land are the most common surrounding land uses with several neighborhood services and retailers to the north and west along Canton Highway and Howell Bridge Road.
- The site is within roughly two miles of shopping, recreation, a bank, a pharmacy, convenience stores, and medical facilities; a convenience store, pharmacy, and family medicine provider are within one-quarter mile northwest of the site on Howell Bridge Road. Grocery stores and a concentration of shopping options including Walmart and Target are within 10 miles south of the site in Canton via Interstate 575. Interstate 575 is within roughly one-half mile of the site connecting to employment concentrations along the Interstate 575 corridor.
- Abbingtion Ridge will have adequate visibility including partial drive-by visibility from Canton Highway to the west which is one of the most travelled thoroughfares in Ball Ground.
- The subject site is suitable for the proposed development. RPRG did not identify any negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace.

2. Economic Context

Cherokee County's economy is strong with significant job growth since 2011 and an unemployment rate that is well below state and national levels.

- The county's unemployment rate dropped in each of the past eight years to 3.8 percent in 2017 which is lower than both state (4.7 percent) and national (4.4 percent) rates. The unemployment rate in the county has been below the state and national rates since 2007.
- Cherokee County added jobs in each of the past six years with a net addition of 12,410 jobs from 2011 to 2016. The county added an annual average of 2,591 jobs during the past four years and has added 2,210 jobs through the third quarter of 2017.
- Trade-Transportation-Utilities is the largest employment sector in the county accounting for 23.0 percent of jobs. Four additional sectors (Government, Leisure-Hospitality, Education-Health, and Professional-Business) each account for roughly 10 to 15 percent of the county's jobs.
- Commuting data suggests that residents of the Abbingtion Ridge Market Area work throughout the region with 45.0 percent of market area workers commuting 30 minutes or more and 45.6 percent working outside their county of residence.
- Several large job expansions were completed or announced in Cherokee County in 2017 with an expected 1,600 new jobs.
- Cherokee County's economy is growing with strong job growth and a declining unemployment rate.

3. Population and Household Trends

The Abbingtion Ridge Market Area had strong population and household growth during the previous decade and growth continued at a slower but steady pace over the past eight years. Growth is projected to accelerate over the next two years.

- The market area added 1,265 people (4.8 percent) and 461 households (4.8 percent) per year between the 2000 and 2010 Census counts. Growth continued at a slower pace from 2010 to 2018 with the annual addition of 626 people (1.7 percent) and 214 households (1.6 percent) over the past eight years.
- Annual growth in the market area is expected to accelerate over the next two years to 782 people (2.0 percent) and 269 households (1.9 percent) from 2018 to 2020.

4. Demographic Analysis

The population and household base of the Abbingtion Ridge Market Area is less affluent, more likely to rent, and has a smaller proportion of households with children when compared to Cherokee County. The market area has large proportions of low to moderate-income renter households.

- Working age households (ages 25 to 54) account for the majority (60.9 percent) of renter households in the market area including 26.6 percent ages 25 to 34 years. Approximately 29 percent of market area renters are ages 55 and older and 9.9 percent are younger renters ages 15 to 24.
- Multi-person households accounted for 79.3 percent of market area households including 41.6 percent without children and 37.8 percent with children. Single-person households accounted for approximately 21 percent of market area households.
- Roughly 31 percent of market area households are renters in 2018 compared to 23.9 percent in Cherokee County. The market area added nearly 1,000 renter households (57.9 percent of net household growth) over the past eight years which increased the renter percentage from 27.6 percent in 2010 to 31.3 percent in 2018. The market area's renter percentage is expected to increase to 31.5 percent by 2020 as it is expected to add 198 net renter households (36.8 percent of net household growth) over the next two years.
- Roughly 55 percent of market area renter households contained one or two people including 32.5 percent with one person. Approximately 31 percent of market area renter households had three or four people and 14.3 percent had five or more people.
- The 2018 median household income in the Abbingtion Ridge Market Area is \$54,736 which is \$17,947 or 24.7 percent lower than the \$72,683 median in Cherokee County. RPRG estimates that the median income of renter households in the Abbingtion Ridge Market Area is \$41,288. Roughly 30 percent of renter households in the market area earn less than \$25,000 including 13.5 percent earning less than \$15,000. Approximately 29 percent of market area renter households earn \$25,000 to \$49,999.

5. Competitive Housing Analysis

RPRG surveyed eight multi-family rental communities in the Abbingtion Ridge Market Area including two LIHTC communities. The rental market was performing well with limited vacancies.

- The stabilized surveyed communities have 40 vacancies among 1,391 combined units for an aggregate vacancy rate of 2.9 percent; Canton Mill Lofts (market rate community) has units down for renovations and is not included in stabilized totals. Five of seven stabilized communities have a vacancy rate of less than three percent including three communities that

are fully occupied. The LIHTC communities have an aggregate vacancy rate of 2.6 percent among 531 combined units.

- Among the eight surveyed communities, net rents, unit sizes, and rents per square foot were as follows:
 - **One-bedroom** effective rents average \$847 per month. The average one-bedroom unit size is 709 square feet, resulting in a net rent per square foot of \$1.20.
 - **Two-bedroom** effective rents average \$1,004 per month. The average two-bedroom unit size is 960 square feet, resulting in a net rent per square foot of \$1.05.
 - **Three-bedroom** effective rents average \$1,211 per month. The average three-bedroom unit size is 1,262 square feet, resulting in a net rent per square foot of \$0.96.
 - **LIHTC rents** range are \$684-\$738 for one-bedroom units, \$830-\$883 for two-bedroom units, and \$925-\$1,008 for three-bedroom units.
- The “average market rent” in the market area is \$881 for one-bedroom units, \$1,040 for two-bedroom units, and \$1,292 for three-bedroom units. The subject property’s proposed 50 percent and 60 percent AMI rents are all well below these average market rents with rent advantages ranging from 31.4 percent to 46.2 percent. The project’s overall weighted average market advantage is 35.4 percent.
- No comparable multi-family LIHTC rental communities were identified as planned, approved, or under construction in the market area.

B. Product Evaluation

Considered in the context of the competitive environment, the relative position of Abbingtion Ridge is as follows:

- **Site:** The subject site is acceptable for a rental housing development targeting very low to low income renter households. Surrounding land uses are compatible with multi-family development and are appropriate for an affordable rental community. The site is convenient to Interstate 575, employment concentrations (along the Interstate 575 corridor), and neighborhood amenities. Jasper and Ball Ground are considered comparable locations for a multi-family rental development while the surveyed communities in Canton have a superior location when compared to the site. Canton offers a larger concentration of neighborhood amenities and services and is more convenient to Atlanta and employment centers outside of Cherokee County to the south. Given its affordable nature and smaller size of the proposed Abbingtion Ridge, the subject site’s location is acceptable.
- **Unit Distribution:** The proposed unit mix for Abbingtion Ridge includes 12 one-bedroom units (20 percent), 28 two-bedroom units (46.7 percent), and 20 three-bedroom units (33.3 percent). One, two, and three-bedroom floor plans are common in the market area with the surveyed rental stock offering 34.9 percent one-bedroom units, 50.3 percent two-bedroom units, and 14.8 percent three-bedroom units. The subject property will offer a larger proportion of three-bedroom units when compared to the existing market which is appropriate given the large proportion of families in the market area (multi-person households account for 79.4 percent of market area households including 37.8 percent with children) and the high percentage of large renter households in the market area (45.1 percent of renter households have three or more people). Furthermore, the small size of the subject property (60 units) nets just 20 three-bedroom units. The proposed unit mix will be well received in the market area.
- **Unit Size:** The proposed unit sizes at Abbingtion Ridge are 850 square feet for one-bedroom units, 975 square feet for two-bedroom units, and 1,075 square feet for three-bedroom units. The proposed one and two-bedroom units are larger than market averages. The proposed



three-bedroom unit size will be among the smallest three-bedroom units in the market area; however, the low proposed rents result in rents per square foot at or near the bottom of the market. The proposed unit sizes will be competitive in the market at the proposed price points.

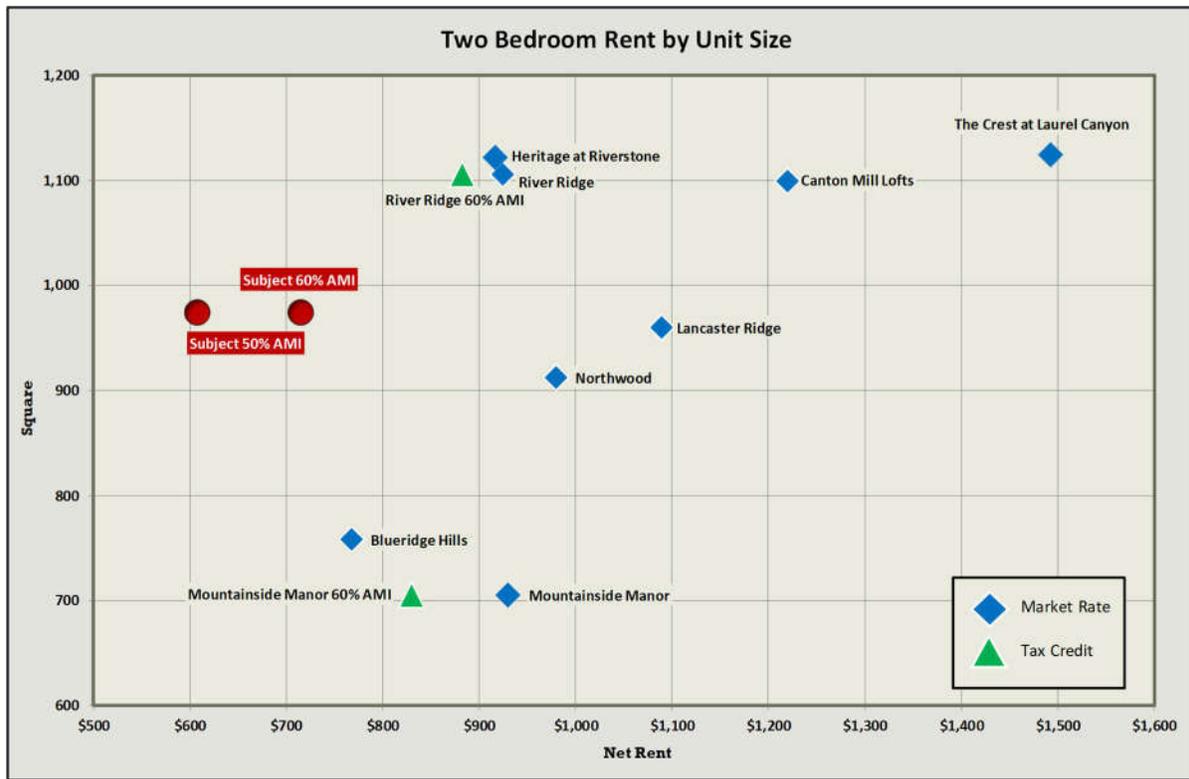
- Unit Features:** In-unit features offered at the subject property will include a range, refrigerator, dishwasher, garbage disposal, microwave, ceiling fans, patio/balcony, and washer and dryer connections. These unit features are superior to unit features at both surveyed LIHTC communities given the subject will be the only LIHTC community to offer a microwave.
- Community Amenities:** Abbingtion Ridge will offer a clubhouse/community room, a computer center, an enlarged fitness center with instructional space, a laundry facility, covered porch, a fenced community garden with a 400 square foot planting area, and health screening facility. These amenities will be generally comparable to existing LIHTC and market rate communities in the market area except for a swimming pool. The lack of a swimming pool at Abbingtion Ridge is acceptable given the affordable nature of the subject property and its small size (60 units) compared to the surveyed communities as only one existing community (Northwood) which offers no amenities will be smaller. The covered porch, community garden, and health screen facility proposed at the subject property will be unique to the market and mitigate the lack of a playground.
- Marketability:** The subject property will offer an attractive product that is suitable for the target market. Abbingtion Ridge will be the first LIHTC rental community built in the market area in roughly 15 years which will be appealing to very low and low income renters.

C. Price Position

The proposed rents will be the lowest in the market for all three floor plans and will be appealing to very low and low income renters (Figure 8).

Figure 8 Price Position







11. ABSORPTION AND STABILIZATION RATES

A. Absorption Estimate

The Crest at Laurel Canyon (market rate) opened in March 2017 and leased a monthly average of at least 25 units over the past 14 months; no comparable LIHTC communities have opened in the market area recently. Absorption estimates are based on a variety of factors including:

- The Abbingtion Ridge Market Area is projected to add 538 net households from 2018 to 2020 including 198 renter households.
- Roughly 1,400 renter households will be income-qualified for at least one of the proposed units at the subject property. The project's overall affordability renter capture rate is 4.3 percent.
- All DCA demand capture rates overall and by floor plan are well below DCA thresholds with an overall demand capture rate of 8.8 percent indicating significant demand for the units proposed at the subject property.
- The rental market in the Abbingtion Ridge Market Area is strong with an overall stabilized vacancy rate of 2.9 percent. LIHTC communities have 14 vacancies among 531 combined units for an aggregate vacancy rate of 2.6 percent.
- Abbingtion Ridge will offer the newest affordable rental product in the market area by roughly 15 years and will have superior unit features when compared to existing LIHTC communities in the market. The proposed product will be well received at the proposed price points.

Based on the product to be constructed and the factors discussed above, we expect Abbingtion Ridge to lease-up at a rate of 12 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within five months.

B. Impact on Existing and Pipeline Rental Market

Given the strong rental market in the Abbingtion Ridge Market Area and projected renter household growth over the next two years, we do not expect Abbingtion Ridge to have a negative impact on existing rental communities in the Abbingtion Ridge Market Area including those with tax credits.



12. INTERVIEWS

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Ken Patton with the Canton Community Development Department, Michael Chapman with the Cherokee County Planning and Zoning Department as well as the Ball Ground Planning and Zoning Department, Sonny Underwood with the Jasper Planning and Zoning Department, and staff with the Canton Housing Authority.



13. CONCLUSIONS AND RECOMMENDATIONS

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Large Household Size Adjustment (3+ Persons)	Adjusted Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
50% Units	\$20,674 - \$37,650												
One Bedroom Units	\$20,674 - \$26,000	6	8.3%	185		185	0	185	3.2%	2 months	\$881	\$645 - \$1,231	\$500
Two Bedroom Units	\$26,001 - \$31,000	4	6.6%	148		148	0	148	2.7%	2 months	\$1,040	\$768 - \$1,493	\$607
Three Bedroom Units	\$31,001 - \$37,650	2	7.9%	178	45.1%	80	0	80	2.5%	2 months	\$1,292	\$1,025 - \$1,679	\$695
60% Units	\$23,451 - \$45,180												
One Bedroom Units	\$23,451 - \$29,000	6	7.8%	174		174	0	174	3.5%	3 months	\$881	\$645 - \$1,231	\$581
Two Bedroom Units	\$29,001 - \$36,000	24	8.9%	200		200	0	200	12.0%	5 months	\$1,040	\$768 - \$1,493	\$714
Three Bedroom Units	\$36,001 - \$45,180	18	9.2%	207	45.1%	93	0	93	19.3%	5 months	\$1,292	\$1,025 - \$1,679	\$826
By Bedroom													
One Bedroom Units		12	12.2%	274		274	0	274	4.4%	3 months			
Two Bedroom Units		28	12.9%	288		288	0	288	9.7%	5 months			
Three Bedroom Units		20	15.5%	347	45.1%	157	0	157	12.8%	5 months			
Project Total	\$20,674 - \$45,180												
50% Units	\$20,674 - \$37,650	12	22.8%	511			0	511	2.4%	2 months			
60% Units	\$23,451 - \$45,180	48	25.9%	580			0	580	8.3%	5 months			
Total Units	\$20,674 - \$45,180	60	30.4%	680			0	680	8.8%	5 months			

Based on projected household growth trends, affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Abbington Ridge Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing rental communities in the Abbington Ridge Market Area and the units will be well received by the target market. We recommend proceeding with the project as planned.

Brett Welborn
Analyst

Tad Scepianiak
Managing Principal



14. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



15. APPENDIX 2 ANALYST CERTIFICATIONS

I certify that, to the best of my knowledge and belief:

- I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.
- To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.
- DCA may rely on the representation made in the market study provided and the document is assignable to other lenders that are parties to the DCA loan transaction.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.

A handwritten signature in black ink, appearing to read 'Brett Welborn', written over a horizontal line.

Brett Welborn
Analyst
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



16. APPENDIX 3 NCHMA CERTIFICATION

This market study has been prepared by Real Property Research Group, Inc., 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 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 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.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepianiak
Name

Managing Principal
Title

April 27, 2018
Date



17. APPENDIX 4 ANALYST RESUMES

TAD SCEPANIAK Managing Principal

Tad Scepaniak assumed the role of Real Property Research Group's Managing Principal in November 2017 following more than 15 years with the firm. Tad has extensive experience conducting market feasibility studies on a wide range of residential and mixed-use developments for developers, lenders, and government entities. Tad directs the firm's research and production of feasibility studies including large-scale housing assessments to detailed reports for a specific project on a specific site. He has extensive experience analyzing affordable rental communities developed under the Low Income Housing Tax Credit (LIHTC) program and market-rate apartments developed under the HUD 221(d)(4) program and conventional financing. Tad is the key contact for research contracts many state housing finance agencies, including several that commission market studies for LIHTC applications.

Tad is National Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as Vice Chair and Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

- Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.
- Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.
- Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.
- Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas, and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ROBERT M. LEFENFELD
Founding Principal

Mr. Lefenfeld, Founding Principal of the firm, with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in 2001, Bob served as an officer of research subsidiaries of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting residential market studies throughout the United States. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob provides input and guidance for the completion of the firm's research and analysis products. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively about residential real estate market analysis. Bob has created and teaches the market study module for the MBA HUD Underwriting course and has served as an adjunct professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He is the past National Chair of the National Council of Housing Market Analysts (NCHMA) and currently chairs its FHA Committee.

Areas of Concentration:

- **Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- **Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- **Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



BRETT WELBORN
Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett progressed to serve as Analyst for RPRG for the past four years and has conducted market studies for LIHTC and market rate communities.

Areas of Concentration:

- **Low Income Housing Tax Credit Rental Housing:** Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.
- **Market Rate Rental Housing** – Brett has conducted projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



18. APPENDIX 5 DCA CHECKLIST

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

The report was written according to DCA's market study requirements, that the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: 

Date: April 27, 2018

Brett Welborn

A. Executive Summary

- 1. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-street.....Page(s) 1
 - ii. Construction and Occupancy TypesPage(s) 1
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowancePage(s) 1
 - iv. Any additional subsidies available, including project based rental assistance (PBRA)Page(s) 1
 - v. Brief description of proposed amenities and how they compare with existing propertiesPage(s) 1
- 2. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels.....Page(s) 2
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....Page(s) 2
 - iii. A discussion of site access and visibilityPage(s) 2
 - iv. Any significant positive or negative aspects of the subject site.....Page(s) 2
 - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etcPage(s) 2
 - vi. A bried discussion of public safety, including comments on local perceptions, maps, or statistics of crime in the areaPage(s) 2
 - vii. An overall conclusion of the site's appropriateness for the proposed development.....Page(s) 2
- 3. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject propertyPage(s) 2
- 4. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA.....Page(s) 3
 - ii. Household tenure including any trends in rental rates.Page(s) 3



- iii. Household income level..... Page(s) 3
- iv. Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development..... Page(s) 3
- 5. Economic Data:
 - i. Trends in employment for the county and/or region..... Page(s) 3
 - ii. Employment by sector for the primary market area..... Page(s) 3
 - iii. Unemployment trends for the county and/or region for the past five years..... Page(s) 3
 - iv. Brief discussion of recent or planned employment contractions or expansions..... Page(s) 4
 - v. Overall conclusion regarding the stability of the county’s economic environment..... Page(s) 4
- 6. Project Specific Affordability and Demand Analysis:
 - i. Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households..... Page(s) 4
 - ii. Overall estimate of demand based on DCA’s demand methodology..... Page(s) 4
 - iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), bi AMI targeting, by bedroom type, and a conclusion regarding the achievability of these capture rates..... Page(s) 4
- 7. Competitive Rental Analysis
 - i. An analysis of the competitive properties in the PMA..... Page(s) 4
 - ii. Number of properties..... Page(s) 4
 - iii. Rent bands for each bedroom type proposed..... Page(s) 4
 - iv. Average market rents..... Page(s) 5
- 8. Absorption/Stabilization Estimate:
 - i. Expected absorption rate of the subject property (units per month)..... Page(s) 5
 - ii. Expected absorption rate by AMI targeting..... Page(s) 5
 - iii. Months required for the project to reach a stabilized occupancy of 93 percent..... Page(s) 5
- 9. Overall Conclusion:
 - i. A narrative detailing key conclusions of the report including the analyst’s opinion regarding the potential for success of the proposed development..... Page(s) 5
- 10. Summary Table..... Page(s) 5-6

B. Project Description

- 1. Project address and location..... Page(s) 11
- 2. Construction type..... Page(s) 9
- 3. Occupancy Type..... Page(s) 9
- 4. Special population target (if applicable)..... Page(s) 9
- 5. Number of units by bedroom type and income targeting (AMI)..... Page(s) 10
- 6. Unit size, number of bedrooms, and structure type..... Page(s) 10
- 7. Rents and Utility Allowances..... Page(s) 10
- 8. Existing or proposed project based rental assistance..... Page(s) 10
- 9. Proposed development amenities..... Page(s) 10
- 10. For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost..... Page(s) N/A
- 11. Projected placed-in-service date..... Page(s) 10

C. Site Evaluation

- 1. Date of site / comparables visit and name of site inspector..... Page(s) 7
- 2. Site description



i. Physical features of the site	Page(s)	12
ii. Positive and negative attributes of the site.....	Page(s)	19
iii. Detailed description of surrounding land uses including their condition.....	Page(s)	13
3. Description of the site’s physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	16-19
4. Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	12, 14
5. Neighborhood Characteristics		
i. Map identifying the location of the project.....	Page(s)	11
ii. List of area amenities including their distance (in miles) to the subject site.....	Page(s)	17
iii. Map of the subject site in proximity to neighborhood amenities.....	Page(s)	18
6. Describe the land use and structures of the area immediately surrounding the site including significant concentrations of residential, commercial, industrial, vacant, or agricultural uses; comment on the condition of these existing land uses.....	Page(s)	13
7. Discuss any public safety issues in the area	Page(s)	15
8. Map identifying existing low-income housing in the market area	Page(s)	49
9. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	17
10. Discussion of accessibility, ingress/egress, and visibility of the subject site.....	Page(s)	16,16
11. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	19

D. Market Area

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	20
2. Map Identifying subject property’s location within market area.....	Page(s)	21

E. Community Demographic Data

1. Population Trends		
i. Total Population.....	Page(s)	22-23
ii. Population by age group.....	Page(s)	24
iii. Number of elderly and non-elderly.....	Page(s)	N/A
iv. Special needs population (if applicable).....	Page(s)	N/A
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	22
ii. Household by tenure.....	Page(s)	25
iii. Households by income.....	Page(s)	26-27
iv. Renter households by number of persons in the household.....	Page(s)	26

F. Employment Trends

1. Total jobs in the county or region.....	Page(s)	31
2. Total jobs by industry – numbers and percentages.....	Page(s)	32
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	33, 34
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.....	Page(s)	29



5. Map of the site and location of major employment concentrations.	Page(s)	33
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	34

G. Project-specific Affordability and Demand Analysis

1. Income Restrictions / Limits.	Page(s)	36
2. Affordability estimates.	Page(s)	35-38
3. Components of Demand		
i. Demand from new households.....	Page(s)	38-39
ii. Demand from existing households.....	Page(s)	38-39
iii. Elderly Homeowners likely to convert to rentership.	Page(s)	38-39
iv. Other sources of demand (if applicable).	Page(s)	N/A
4. Net Demand, Capture Rate, and Stabilization Calculations		
i. Net demand		
1. By AMI Level	Page(s)	39
2. By floor plan	Page(s)	39
ii. Capture rates		
1. By AMI level	Page(s)	39
2. By floor plan	Page(s)	39
5. Capture rate analysis chart	Page(s)	39

H. Competitive Rental Analysis (Existing Competitive Rental Environment)

1. Detailed project information for each competitive rental community surveyed		
i. Name and address of the competitive property development.	Page(s)	App. 7
ii. Name, title, and phone number of contact person and date contact was made.	Page(s)	App. 7
iii. Description of property.	Page(s)	App. 7
iv. Photographs of each competitive development.	Page(s)	App. 7
v. Square footages for each competitive unit type.	Page(s)	43
vi. Monthly rents and the utilities included in the rents of each unit type.	Page(s)	44, 46, App. 7
vii. Project age and current physical condition.....	Page(s)	43, App. 7
viii. Concessions given if any.....	Page(s)	43
ix. Current vacancy rates, historic vacancy factors, waiting lists, and turnover rates, broken down by bedroom size and structure type.....	Page(s)	43
2. Additional rental market information		
i. An analysis of voucher and certificates available in the market area.....	Page(s)	48
ii. Lease-up history of competitive developments in the market area.	Page(s)	43
iii. Tenant profile and waiting list of existing phase (if applicable)	Page(s)	N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).	Page(s)	46
3. Map showing competitive projects in relation to the subject property.	Page(s)	42
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.	Page(s)	44-44
5. For senior communities, an overview / evaluation of family properties in the PMA.	Page(s)	N/A
6. Subject property's long-term impact on competitive rental communities in the PMA.....	Page(s)	56
7. Competitive units planned or under construction the market area		
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.	Page(s)	48



8.	Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.....	Page(s)	43-45, 53
i.	Average market rent and rent advantage.....	Page(s)	47
9.	Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.....	Page(s)	38-39
10.	Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.	Page(s)	N/A
11.	Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	49
12.	Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	N/A
13.	Note whether or not the proposed project adversely impacts the long term occupancy and health of existing assisted rental housing projects in the PMA.	Page(s)	56
I.	Absorption and Stabilization Rates		
1.	Anticipated absorption rate of the subject property.....	Page(s)	56
2.	Stabilization period.....	Page(s)	56
J.	Interviews.....	Page(s)	57
K.	Conclusions and Recommendations		
1.	Conclusion as to the impact of the subject property on PMA.....	Page(s)	56
2.	Recommendation as the subject property's viability in PMA.....	Page(s)	58
L.	Signed Statement Requirements.....	Page(s)	App. 2
M.	Market Study Representation.....	Page(s)	App. 2



19. APPENDIX 6 RENTAL COMMUNITY PROFILES

Community	Address	City	State	Phone Number	Date Surveyed	Contact
Blueridge Hills	237 Ball Ground Hwy.	Canton	GA	770-479-5730	4/25/2018	Property Manager
Canton Mill Lofts	200 Riverstone Pkwy	Canton	GA	678-493-2012	4/23/2018	Property Manager
Lancaster Ridge	800 Hickory Knoll Dr.	Canton	GA	770-720-2368	4/23/2018	Property Manager
Heritage at Riverstone	101 Heritage Dr.	Canton	GA	770-704-6757	4/25/2018	Property Manager
River Ridge	100 River Ridge Dr.	Canton	GA	678-493-8280	4/23/2018	Property Manager
Northwood	234 Marietta Hwy.	Canton	GA	770-720-2600	4/23/2018	Property Manager
Mountainside Manor	264 Bill Hasty Blvd.	Jasper	GA	678-454-4050	4/23/2018	Property Manager
The Crest at Laurel Canyon	30 Laurel Canyon Village Cir.	Canton	GA	678-905-0026	4/30/2018	Property Manager

Blueridge Hills

Multifamily Community Profile

237 Ball Ground Hwy
Canton, GA 30114

Community Type: Market Rate - General

Structure Type: Garden

73 Units 0.0% Vacant (0 units vacant) as of 4/25/2018

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	8.2%	\$529	500	\$1.06	<input type="checkbox"/>	<input type="checkbox"/>
One	84.9%	\$660	650	\$1.02	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	6.8%	\$788	758	\$1.04	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 4/25/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	Eff	1	6	\$529	500	\$1.06	Market	4/25/18	0.0%	\$660	\$788	--
Single story	--	1	1	62	\$660	650	\$1.02	Market	9/14/15	0.0%	\$578	\$688	--
Single story	--	2	1	3	\$780	750	\$1.04	Market	5/1/15	0.0%	\$589	\$688	--
Single story	--	2	2	2	\$800	770	\$1.04	Market					

Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/>				Cooking: <input type="checkbox"/>				Wtr/Swr: <input checked="" type="checkbox"/>					
Hot Water: <input type="checkbox"/>				Electricity: <input type="checkbox"/>				Trash: <input checked="" type="checkbox"/>					

Canton Mill Lofts

Multifamily Community Profile

200 Riverstone Pkwy
Canton, GA 30114

Community Type: Market Rate - General

Structure Type: Adaptive Reuse

315 Units 11.1% Vacant (35 units vacant) as of 4/23/2018

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	7.9%	\$973	650	\$1.50	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	43.8%	\$1,038	800	\$1.30	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	48.3%	\$1,240	1,100	\$1.13	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Tribridge Residential Owner: --	

Comments

Mill was originally built in 1924.

Select units being renovated and are not available for rent, management could not provide the number of down units.

Former LIHTC community.

Floorplans (Published Rents as of 4/23/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	25	\$950	650	\$1.46	Market	4/23/18	11.1%	\$1,038	\$1,240	--
Mid Rise - Elevator	--	1	1	138	\$1,013	800	\$1.27	Market	9/15/15	4.1%	\$715	\$825	--
Mid Rise - Elevator	--	2	1	15	\$1,025	1,100	\$.93	Market	4/29/15	6.0%	\$725	\$850	--
Mid Rise - Elevator	--	2	2	137	\$1,230	1,100	\$1.12	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Canton Mill Lofts

GA057-004736

Heritage at Riverstone

Multifamily Community Profile

101 Heritage Dr.
Canton, GA 30114

Community Type: Market Rate - General

Structure Type: 4-Story Garden

240 Units 9.2% Vacant (22 units vacant) as of 4/25/2018

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	29.2%	\$864	825	\$1.05	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	55.8%	\$937	1,122	\$0.84	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	15.0%	\$1,170	1,326	\$0.88	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet	
Select Units: Fireplace	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$89
Property Manager: Woodward Mgt. Part Owner: --	

Comments

Tanning, valet trash, picnic pavillion. White & black appliances.

Email: manager@heritagewmp.com.

Floorplans (Published Rents as of 4/25/2018) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	70	\$849	825	\$1.03	Market	4/25/18	9.2%	\$864	\$937	\$1,170	
Garden	--	2	2	134	\$917	1,122	\$0.82	Market	9/15/15	2.5%	\$954	\$979	\$1,156	
Garden	--	3	2	36	\$1,145	1,326	\$0.86	Market	5/1/15	0.8%	\$814	\$1,044	\$1,151	
									9/7/12	6.3%	--	--	--	

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Heritage at Riverstone

GA057-017387

Lancaster Ridge

Multifamily Community Profile

800 Hickory Knoll Dr.
Canton, GA 30114

CommunityType: Market Rate - General

Structure Type: Garden

145 Units 2.8% Vacant (4 units vacant) as of 4/23/2018

Opened in 1995



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	16.6%	\$920	850	\$1.08	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	62.8%	\$1,110	960	\$1.16	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.7%	\$1,330	1,140	\$1.17	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Carpet	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Dominium Owner: --	

Comments

White appliances.

Email: lrige@dominiuminc.com

Floorplans (Published Rents as of 4/23/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$895	850	\$1.05	Market	4/23/18	2.8%	\$920	\$1,110	\$1,330
Garden	--	2	2	91	\$1,080	960	\$1.13	Market	9/15/15	8.3%	\$857	\$847	\$1,227
Garden	--	3	2	30	\$1,295	1,140	\$1.14	Market	4/29/15	0.0%	\$781	\$982	\$1,049
									9/7/12	4.8%	--	--	--

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>

Lancaster Ridge

GA057-004763

Mountainside Manor

Multifamily Community Profile

264 Bill Hasty Blvd.
Jasper, GA 30143

Community Type: LIHTC - General

Structure Type: Garden

176 Units 5.7% Vacant (10 units vacant) as of 4/23/2018

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$775	600	\$1.29	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$900	705	\$1.28	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	\$1,000	1,293	\$0.77	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$60
Property Manager: -- Owner: --	

Comments

24 1B units, 60 2B units, 92 3B units. Unit breakdown by LIHTC/Market unavailable.

Floorplans (Published Rents as of 4/23/2018) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$699	600	\$1.17	LIHTC/ 60%	4/23/18	5.7%	\$775	\$900	\$1,000
Garden	--	1	1	--	\$850	600	\$1.42	Market	4/30/15	0.0%	\$600	\$705	\$745
Garden	--	2	2	--	\$950	705	\$1.35	Market					
Garden	--	2	2	--	\$850	705	\$1.21	LIHTC/ 60%					
Garden	--	3	3	--	\$950	1,293	\$.73	LIHTC/ 60%					
Garden	--	3	3	--	\$1,050	1,293	\$.81	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Northwood

Multifamily Community Profile

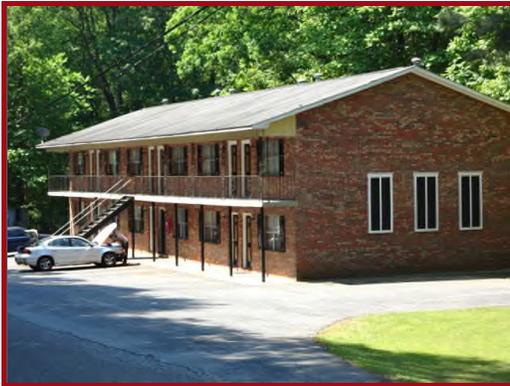
234 Marietta Hwy.
Canton, GA 30114

CommunityType: Market Rate - General

Structure Type: Garden

52 Units 0.0% Vacant (0 units vacant) as of 4/23/2018

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	19.2%	\$800	540	\$1.48	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	76.9%	\$1,000	913	\$1.10	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	Elevator:	Volleyball:
Three	3.8%	\$1,500	1,240	\$1.21	Fitness:	CarWash:
Four+	--	--	--	--	Hot Tub:	BusinessCtr:
					Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Central A/C	
Select Units: Microwave; In Unit Laundry	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Washer & dryer available for an additional \$40 per month.

Floorplans (Published Rents as of 4/23/2018) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	1	1	10	\$800	540	\$1.48	Market	4/23/18	0.0%	\$800	\$1,000	\$1,500	
Garden	--	2	1	40	\$1,000	913	\$1.10	Market	9/15/15	0.0%	\$570	\$740	\$1,050	
Garden	--	3	2	2	\$1,500	1,240	\$1.21	Market	4/30/15	0.0%	\$660	\$820	\$1,200	

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

River Ridge

Multifamily Community Profile

100 River Ridge Dr.
Canton, GA 30114

CommunityType: LIHTC - General

Structure Type: Garden

355 Units 1.1% Vacant (4 units vacant) as of 4/23/2018

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	37.7%	\$759	722	\$1.05	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	52.1%	\$910	1,106	\$0.82	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	10.1%	\$1,053	1,270	\$0.83	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hooks); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit)	
Select Units: --	
Optional(\$): --	
Security: Unit Alarms; Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$75
Property Manager: -- Owner: --	

Comments

Dog park, jogging trail, picnic areas.

Floorplans (Published Rents as of 4/23/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	114	\$738	722	\$1.02	LIHTC/ 60%	4/23/18	1.1%	\$759	\$910	\$1,053
Garden	--	1	1	20	\$775	722	\$1.07	Market	9/15/15	0.3%	\$694	\$824	\$979
Garden	--	2	2	156	\$883	1,106	\$.80	LIHTC/ 60%	5/1/15	0.6%	\$622	\$728	\$883
Garden	--	2	2	29	\$925	1,106	\$.84	Market	9/7/12	16.9%	--	--	--
Garden	--	3	2	30	\$1,008	1,270	\$.79	LIHTC/ 60%					
Garden	--	3	2	6	\$1,125	1,270	\$.89	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

The Crest at Laurel Canyon

Multifamily Community Profile

30 Laurel Canyon Village Cir.
Canton, GA 30114

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

350 Units 0.0% Vacant (0 units vacant) as of 4/30/2018

Opened in 2017



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$1,246	777	\$1.60	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$1,513	1,125	\$1.35	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$1,704	1,267	\$1.34	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

Opened in March 2017 and management could not provide absorption timing.

Putting green, outdoor kitchens, fire pit.

Granite countertops and stainless steel appliances. Laminate wood flooring and upgraded lighting and cabinets.

Floorplans (Published Rents as of 4/30/2018) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$1,231	777	\$1.58	Market	4/30/18	0.0%	\$1,246	\$1,513	\$1,704
Garden	--	2	2	--	\$1,493	1,125	\$1.33	Market					
Garden	--	3	2	--	\$1,679	1,267	\$1.33	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash: