



**BOWEN
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RESEARCH**

Market Feasibility Analysis

Carmichael Commons
Adjacent to 1080 Carmichael Road
Madison, Morgan County, Georgia 30650

Prepared For

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&

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Section B – Executive Summary

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

1. Project Description:

Carmichael Commons involves the new construction of 60 apartments adjacent to 1080 Carmichael Road in Madison. The project will target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the LIHTC program. A total of six units will operate as unrestricted market-rate. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by July 2024. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The subject project is located within a predominantly undeveloped area in the southern portion of Madison. Surrounding land uses include single-family homes, a church, local businesses and undeveloped land, with existing structures observed to be in fair to good condition. Visibility of the subject development will be obstructed from State Route 24/U.S. Highways 129/441, arterial roadway that consists of moderate traffic patterns utilized to access the site neighborhood and, as such, promotional signage is recommended to be utilized along this arterial and throughout the market area to increase the subject's awareness during the initial lease-up period. Access to and from the site is considered good, as it is within 1.7 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. The site is located within 3.5 miles of most community services including police and fire departments, retailers, employment opportunities, schools, grocery stores, pharmacies, banks and discount department stores. Overall, the site's location and proximity to community services is expected to have a positive impact on its marketability.

3. Market Area Definition:

The Madison Site Primary Market Area (PMA) includes all of Morgan County, as well as Greensboro and the surrounding unincorporated areas of Greene County, Georgia. The boundaries of the Site PMA include the Morgan County line and the Oconee National Forest to the north; Cunningham Road, Siloam town limits, State Route 15/77 and White Plains town limits to the east; White Plains-Veazey Road, Leslie Mill Road, Walker Church Road, Wrightsville Church Road, Lake Oconee Parkway, Landing Parkway and the Morgan County line to the south; and the Morgan County line to the west. A map illustrating these boundaries is included on page E-3 of this report.

4. Community Demographic Data:

The population base and households within the Madison Site PMA have experienced positive growth since 2000. These trends are projected to remain positive through 2024, increasing by 613 (2.3%) and 238 (2.3%), respectively, from 2022. While senior households between the ages of 65 and 84 are projected to experience the majority of this growth during this time frame, over 64.0% of all households within the market are projected to be under the age of 65 in 2024. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project. Additional demographic data is included in Section F of this report.

5. Economic Data:

Based on information from representatives of the Madison-Morgan Chamber of Commerce and data provided by the State of Georgia Department of Labor, the Morgan County economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, similar to many communities throughout the state and nation. During this time, the Morgan County employment base declined by over 350 jobs, or 3.9%, and its unemployment rate increased by over two percentage points. Specifically, between March and April 2020, the unemployment rate within the county spiked by over seven percentage points. The county employment base has since recovered all jobs lost in 2020 and increased to a total of 9,434 jobs through February 2022, the highest figure in the preceding decade. Annual unemployment has also decreased to 2.9% through February 2022, the lowest annual figure in the preceding decade. These are good indications that the Morgan County economy has fully recovered from the initial impact of the pandemic. This, in turn, will continue to create a stable environment for the local housing market. Additional economic data is included in Section G of this report.

6. Project-Specific Affordability and Demand Analysis:

Typically, under the methodology utilized in this report, overall capture rates below 30% are acceptable, while capture rates under 20% are ideal. As such, the project's overall LIHTC-only capture rate of 22.9% is considered achievable and demonstrates that a good base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true, given the high occupancy rates among the existing LIHTC properties surveyed in the Site PMA. Note that the six market-rate units proposed at the subject site have a capture rate of 2.8%, which is considered low and easily achievable. The subject's *overall* capture rate is **13.9%** ($60 / 432 = 13.9\%$).

7. Competitive Rental Analysis

Tax Credit

We identified and surveyed three non-subsidized family (general-occupancy) Low-Income Housing Tax Credit (LIHTC) rental communities within the Madison Site PMA. These three projects target households with incomes up to 50% and 60% of AMHI; therefore, they are considered competitive properties. Due to the limited supply of directly comparable/competitive LIHTC product within the Madison Site PMA, we also identified and surveyed two additional LIHTC properties outside the Site PMA in the surrounding communities of Eatonton and Monroe. Note that, since these properties are located outside the Site PMA, they are not considered directly competitive with the subject project, as they derive demographic support from a different geographical region. These two LIHTC projects outside of the market were selected for comparability purposes only. The five selected LIHTC properties and the subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Carmichael Commons	2024	54*	-	-	-	Families; 50% & 60% AMHI
1	Canaan Crossing	2022	60**	70.0%***	3.1 Miles	None	Families; 50% & 60% AMHI
9	Mary-Leila Lofts	2014	71	100.0%	20.3 Miles	None	Families; 50% & 60% AMHI
10	Orchard Grove Apts.	2004	60	100.0%	0.5 Miles	24 Months	Families; 50% & 60% AMHI
903	Skyline Trace	2010	59*	100.0%	26.2 Miles	100 HH	Families; 50% & 60% AMHI
904	Sumter Street Station	2017	62	100.0%	21.1 Miles	3 HH	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

*Tax Credit units only

**Units under construction

***Indicates preleased units

900 series Map IDs are located outside the Site PMA

The four *established* comparable LIHTC projects have a combined occupancy rate of 100.0%, three of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market and region. The subject development will be able to accommodate a portion of this unmet demand.

Notably, although still under construction, Canaan Crossing (Map ID 1) began pre-leasing units in April 2022 prior to its planned opening date in June 2022. As of May 2022, the development has pre-leased 42 units. This is considered a very rapid absorption rate for affordable rental communities, illustrating that this type of rental product is being very well received within the Site PMA. This will bode very well in the demand of the subject units.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	\$657/50% (2) \$767/60% (5)	\$790/50% (6) \$910/60% (23)	\$913/50% (4) \$1,033/60% (14)
1	Canaan Crossing	\$626/50% (2*/0) \$626/60% (6*/0)	\$726/50% (6*/0) \$726/60% (26*/0)	\$800/50% (4*/0) \$800/60% (16*/0)
9	Mary-Leila Lofts	\$462/50% (3/0) \$577/60% (11/0)	\$543/50% (8/0) \$680/60% (29/0)	\$612/50% (4/0) \$770/60% (16/0)
10	Orchard Grove Apts.	-	\$617/50% (24/0) \$617/60% (12/0)	\$758/50% (16/0) \$758/60% (8/0)
903	Skyline Trace	\$786/50% (3/0) \$846/60% (3/0)	\$902/50% (10/0) \$962/60% (19/0)	\$1,001/50% (8/0) \$1,046/60% (16/0)
904	Sumter Street Station	\$518/50% (7/0) \$618/60% (5/0)	\$637/50% (19/0) \$737/60% (13/0)	\$758/50% (11/0) \$858/60% (7/0)

900 series Map IDs are located outside the Site PMA

*Units under construction

The proposed subject gross rents, ranging from \$657 to \$1,033, will generally be well above those offered at the comparable LIHTC projects surveyed within the market and region for similar unit types. However, given the fact that all *established* LIHTC properties are fully occupied, the majority of which maintain a waiting list, illustrates that these properties could charge higher rents without having an adverse impact on their marketability. It is also important to point out that two of the comparable LIHTC projects within the *market* are charging similar rents for their bedroom types, regardless of targeted income level. This is also an indication that these developments are underachieving their rent potential, especially for those units set aside at 60% of AMHI. Additionally, the subject's newness will further enable the site to charge higher rents. Lastly, while not selected for this analysis due to differences in target population, we surveyed one age-restricted LIHTC project within the market, Silver Lakes Court (Map ID 12), that is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Based on other market parameters illustrated within this report, it is believed that the proposed LIHTC rents at the site are achievable.

Market Rate

We identified and surveyed two market-rate projects within the Site PMA, which were selected for this comparable analysis. Given the limited amount of market-rate rental properties surveyed within the market, we identified and surveyed three additional properties that offer market-rate units outside of the Site PMA but within the region in Covington and Monroe for this comparable analysis. Note that these three properties located outside of the market are not considered competitive with the subject development, as they derive demographic support from a different geographical region. These three properties outside of the market were selected for comparability purposes only. The five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Waiting List	Rent Special
Site	Carmichael Commons	2024	6*	-	-	-	-
5	Jefferson Ridge Townhomes	2000	22	100.0%	2.1 Miles	3 HH	None
7	Madison Towne Homes	1985	24	100.0%	2.4 Miles	2 HH	None
901	Leaf Stone	2001	232	96.6%	27.6 Miles	None	None
902	Park View	1993 / 2010	100	100.0%	26.4 Miles	None	None
903	Skyline Trace	2010	4*	100.0%	26.2 Miles	None	None

HH – Households

900 series Map IDs are located outside the Site PMA

*Market-rate units only

The five selected market-rate projects have a combined total of 382 units with an overall occupancy rate of 97.9%, a strong rate for market-rate rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development. In fact, both market-rate rental communities surveyed within the *market* are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for additional market-rate rental units within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject project will be at least 24 years newer than the comparable market-rate properties surveyed within the *market*. This will position the subject project at a significant competitive advantage.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	\$937 (1)	\$1,075 (3)	\$1,263 (2)
5	Jefferson Ridge Townhomes	-	\$1,456-\$1,506 (22/0)	-
7	Madison Towne Homes	-	\$1,386 (24/0)	-
901	Leaf Stone	\$1,701 (72/2)	\$1,877 (124/5)	\$2,117 (36/1)
902	Park View	\$946 (10/0)	\$1,102 (55/0)	\$1,206 (35/0)
903	Skyline Trace	\$871 (2/0)	\$972 (2/0)	-

900 series Map IDs are located outside the Site PMA

The proposed subject gross market-rate rents, ranging from \$937 and \$1,263, will be some of the lowest market-rate rents when compared to those offered at the selected market-rate properties surveyed within the market and region. This will position the site at a competitive advantage. Notably, the subject project will be the only rental community to offer market-rate one- and three-bedroom units relative to the bedroom types offered at the comparable market-rate properties within the *Site PMA*. This will also position the subject project at a market advantage, as it will provide a rental housing alternative to higher income renters that appear to be underserved within the market.

An in-depth analysis of the Madison rental housing market is included in Section I of this report.

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2024 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2024.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized projects in the market and region, the preleasing trends of the newest LIHTC rental community within the market, the required capture rate, achievable market rents, the competitiveness of the proposed subject development, its high (yet achievable) LIHTC rents and its location. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 54 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in approximately five to six months. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month. It is anticipated that the six market-rate units at the site will stabilize within the first month of completion.

These absorption projections assume a July 2024 opening date. An earlier/later opening date may have a slowing impact on the project's initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 60 Tax Credit and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Madison rental housing market is performing extremely well, as evidenced by the overall rental market occupancy rate of 100.0%. In fact, nearly all surveyed properties maintain a waiting list, illustrating that significant pent-up demand exists for all types of rental housing within the Madison Site PMA. As such, the proposed Tax Credit and market-rate units at the subject site will help alleviate a portion of this unmet demand. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that the *established* comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), preleased 42 of its units within the first month, a very rapid rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA.

The overall required capture rates of 2.8% and 22.9% for the subject's market-rate and LIHTC units, respectively, are considered achievable, demonstrating that a good base of potential income-appropriate renter support exists for the subject project within the Madison Site PMA. The subject's **overall** capture rate is **13.9%**.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Madison Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

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

Development Name:	Carmichael Commons	Total # Units:	60
Location:	Adjacent to 1080 Carmichael Rd., Madison, GA 30650	# LIHTC Units:	54
PMA Boundary:	Morgan County line and the Oconee National Forest to the north; Cunningham Road, Siloam town limits, State Route 15/77 and White Plains town limits to the east; White Plains-Veazey Road, Leslie Mill Road, Walker Church Road, Wrightsville Church Road, Lake Oconee Parkway, Landing Parkway and the Morgan County line to the south; and the Morgan County line to the west.		
	Farthest Boundary Distance to Subject:		26.1 miles

RENTAL HOUSING STOCK (found on page I-1 & 5)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	11 + 1*	439 + 60*	0	100.0%
Market-Rate Housing	2	46	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	4	161	0	100.0%
LIHTC	5 + 1*	232 + 60*	0	100.0%
Stabilized Comps	2	131	0	100.0%
Properties in Construction & Lease Up	1	60*	-	-

*Under construction

Subject Development					Achievable Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	One	1.0	711	\$530	\$900	\$1.27	41.1%	\$1,570	\$1.92
5	One	1.0	711	\$640	\$900	\$1.27	28.9%	\$1,570	\$1.92
1	One	1.0	711	\$810	\$900	\$1.27	10.0%	\$1,570	\$1.92
6	Two	1.0	984	\$605	\$990	\$1.01	38.9%	\$1,720	\$1.60
23	Two	1.0	984	\$725	\$990	\$1.01	26.8%	\$1,720	\$1.60
3	Two	1.0	984	\$890	\$990	\$1.01	10.1%	\$1,720	\$1.60
4	Three	2.0	1,132	\$645	\$1,110	\$0.98	41.9%	\$1,926	\$1.49
14	Three	2.0	1,132	\$765	\$1,110	\$0.98	31.1%	\$1,926	\$1.49
2	Three	2.0	1,132	\$995	\$1,110	\$0.98	10.4%	\$1,926	\$1.49

CAPTURE RATES (found on page H-5)

Targeted Population	30%	50%	60%	Market-rate	Overall LIHTC	Overall Project
Capture Rate	-	4.7%	26.8%	2.8%	22.9%	13.9%

Section C - Project Description

Project Name:	Carmichael Commons
Location:	Adjacent to 1080 Carmichael Road, Madison, Georgia 30650 (Morgan County)
Census Tract:	103.00
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 60-unit Carmichael Commons rental community adjacent to 1080 Carmichael Road in Madison, Georgia. The project will target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. A total of six units will operate as unrestricted market-rate. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by July 2024. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
2	One-Br.	1.0	Garden	711	50%	\$530	\$127	\$657	\$662
5	One-Br.	1.0	Garden	711	60%	\$640	\$127	\$767	\$795
1	One-Br.	1.0	Garden	711	Market	\$810	\$127	\$937	-
6	Two-Br.	1.0	Townhome	984	50%	\$605	\$185	\$790	\$795
23	Two-Br.	1.0	Townhome	984	60%	\$725	\$185	\$910	\$954
3	Two-Br.	1.0	Townhome	984	Market	\$890	\$185	\$1,075	-
4	Three-Br.	2.0	Townhome	1,132	50%	\$645	\$268	\$913	\$918
14	Three-Br.	2.0	Townhome	1,132	60%	\$765	\$268	\$1,033	\$1,101
2	Three-Br.	2.0	Townhome	1,132	Market	\$995	\$268	\$1,263	-
60	Total								

Source: Woda Cooper Companies, Inc.

AMHI – Area Median Household Income (Morgan County, GA HUD Metro FMR Area; 2021)

Building/Site Information	
Residential Buildings:	Seven (7) one- & two-story buildings
Building Style:	Single-story and townhomes
Community Space:	Stand-alone building
Acres:	15.6

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	July 2023
Begin Preleasing:	Undetermined
Construction End:	July 2024

Unit Amenities		
• Electric Range	• Microwave	• Composite Flooring
• Refrigerator	• Washer/Dryer Hookups	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Patio/Balcony
• Dishwasher	• Ceiling Fans	

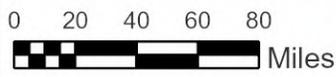
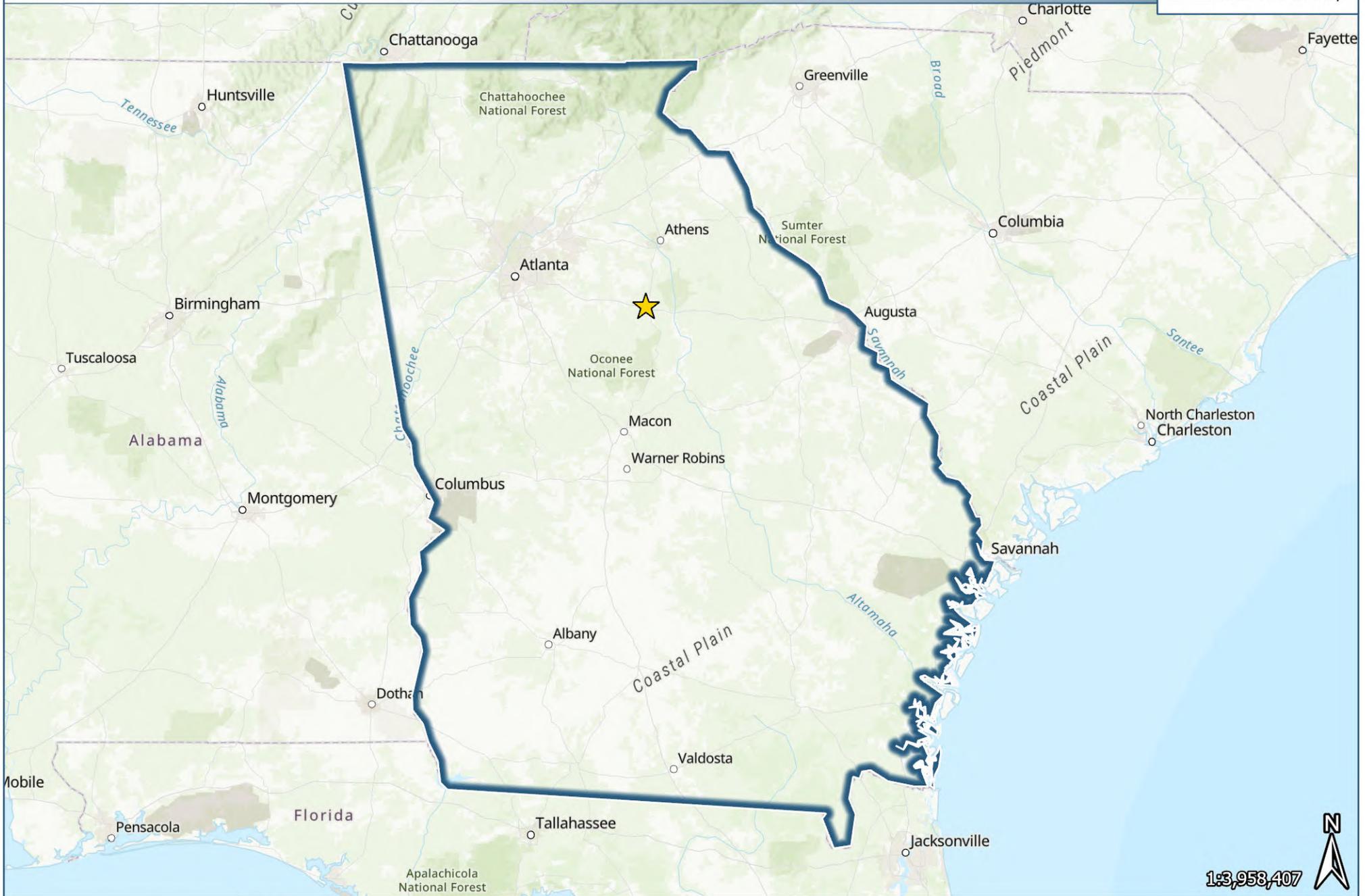
Community Amenities

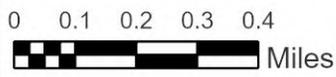
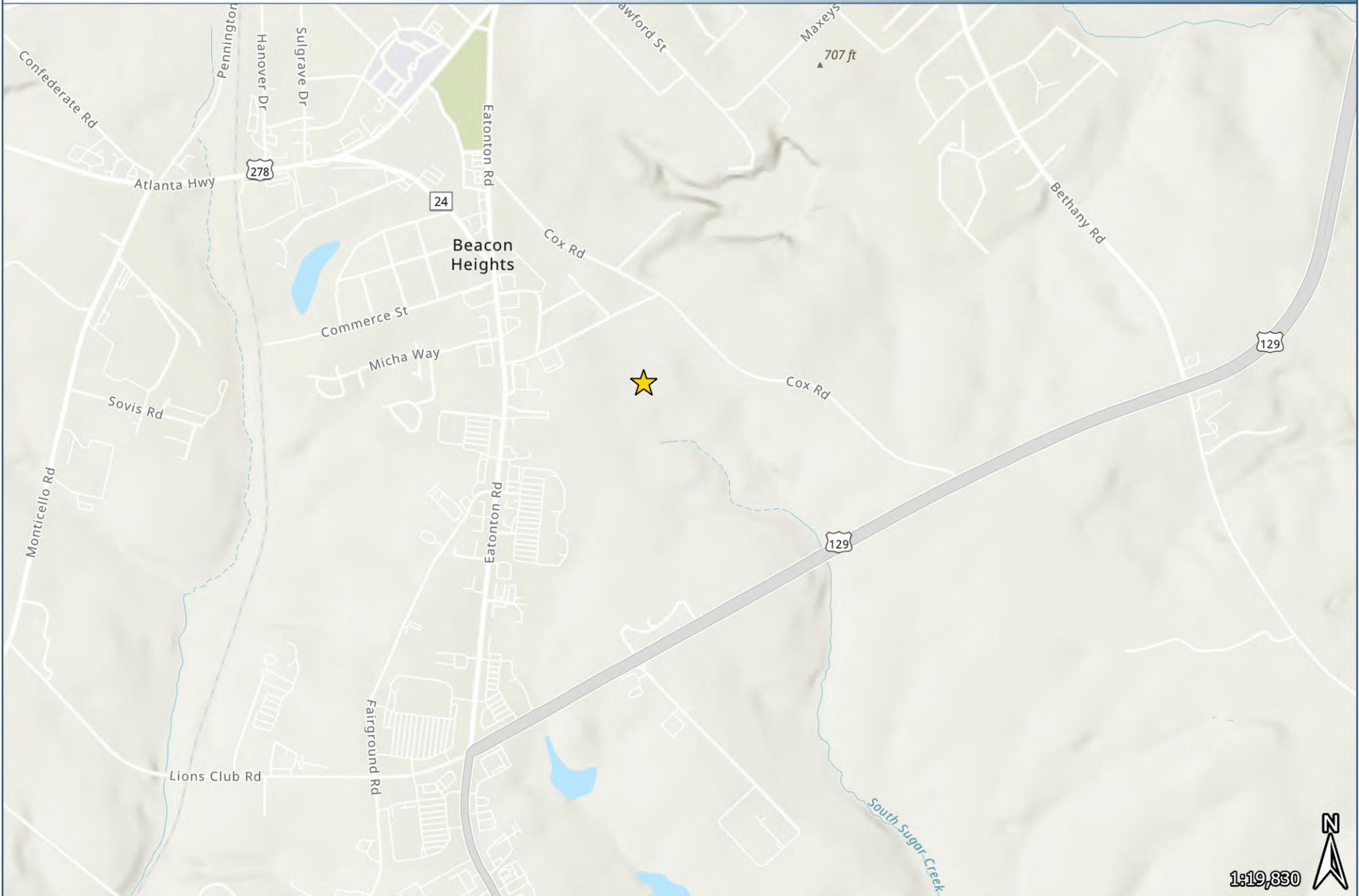
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|----------------------|------------------------------------|---------------------|
| • Bike Racks/Storage | • Clubhouse/Community Room | • Community Kitchen |
| • Gazebo/Pavilion | • On-Site Management | • Laundry Room |
| • Fitness Center | • Grilling Area | • Playground |
| • CCTV/Cameras | • Surface Parking Lot (116 Spaces) | |

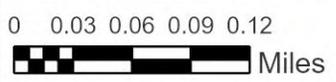
Utility Responsibility

	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

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







Section D – Site Evaluation

1. LOCATION

The subject site consists of undeveloped land located along Carmichael Road in the southern portion of Madison, Georgia. Located within Morgan County, Madison is approximately 28.0 miles south of Athens, Georgia and approximately 59.0 miles east of Atlanta, Georgia. Chris Wilhoit, an employee of Bowen National Research, inspected the site and area apartments during the week of April 11th, 2022

2. SURROUNDING LAND USES

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

North -	Directly north of the site are single-family homes in good condition. Undeveloped land continues and extends farther north, along with additional single-family homes.
East -	Directly east of the site is undeveloped land, followed by single-family homes in fair to good condition. Undeveloped land continues and extends farther south.
South -	Directly south is undeveloped land. Undeveloped land continues and extends farther south, along with single-family homes.
West -	Single-family homes and Beacon Heights Baptist Church border the site to the west, which are in fair to good condition. Continuing west are local businesses along Eatonton Road/State Route 24/U.S. Highways 129/144, a two-lane arterial with a center turn lane that consists of moderate traffic patterns. Continuing and extending farther west are undeveloped land and residential dwellings.

The site is located within a predominantly undeveloped area of Madison, surrounded by single-family homes, a church, local businesses and undeveloped land. All existing structures within the immediate site neighborhood are in fair to good condition, while the surrounding undeveloped land creates a quiet and tranquil atmosphere. Overall, the subject property fits well with the surrounding land uses and they should contribute to its marketability.

3. VISIBILITY AND ACCESS

The subject property is located on the southside of Carmichael Road, a two-lane residential roadway with generally light traffic patterns. Note that traffic is primarily limited to residents and visitors of the immediate site neighborhood. Additionally, the subject project will be obstructed from view of motorists traveling along Eatonton Road/State Route 24/U.S. Highways 129/441, an arterial roadway that consists of moderate traffic patterns utilized to access the site neighborhood. As such, if possible, permanent signage is recommended to be located near the intersection of Eatonton Road/State Route 24/U.S. Highways 129/441 and Carmichael Road. Promotional signage is also recommended to be utilized throughout the market area to increase the subject's awareness during the initial lease-up period.

Ingress and egress are considered convenient, given the light traffic patterns observed along Carmichael Road. Clear lines of sight are provided in both directions of travel. Additionally, the subject site is within 1.7 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. Overall, access to and from the site is considered good.

4. SITE PHOTOGRAPHS

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

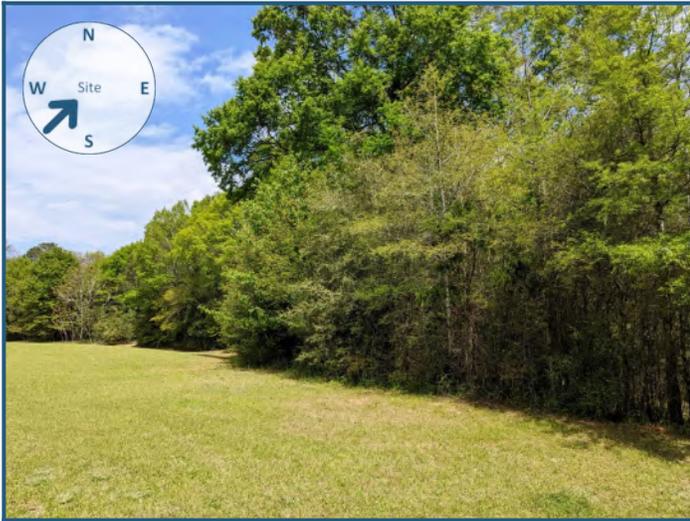
Carmichael Commons



View of site from the north



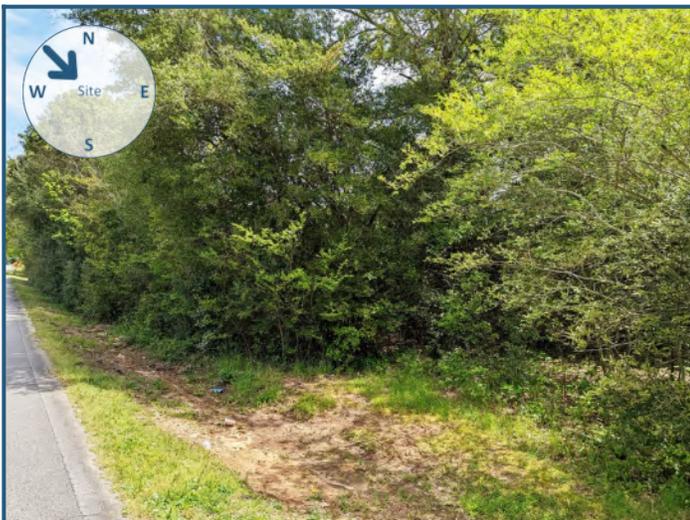
View of site from the northeast



View of site from the southwest



View of site from the west



View of site from the northwest

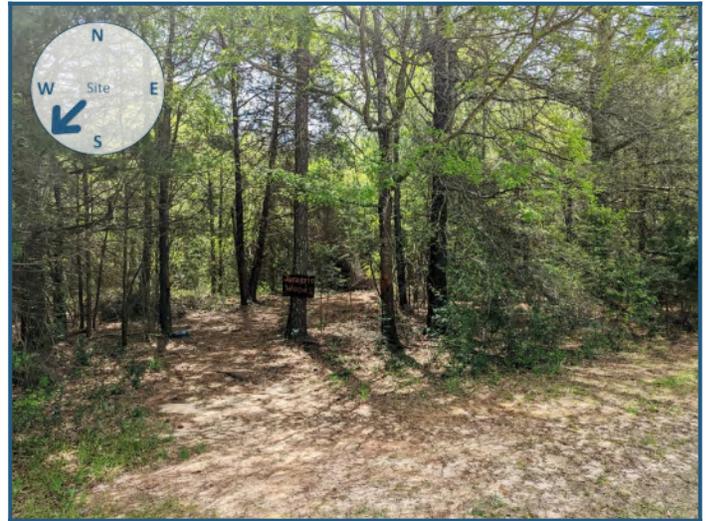


North view from site

Carmichael Commons



Northeast view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: Southwest view of Carmichael Road



Streetscape: Northeast view of Carmichael Road

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 24/U.S. Highways 129/441 U.S Highway 278/State Routes 12/83 Interstate 20	0.2 West 0.8 Northeast 1.7 South
Public Bus Stop	N/A	-
Major Employers/ Employment Centers	Walmart Supercenter Morgan Medical Center Morgan County Board of Education	1.0 Southwest 1.4 South 3.3 Northeast
Convenience Store	Gulf Pilot Travel Center Food Mart	0.4 Northwest 1.3 South 1.5 South
Grocery	Ingles Market Walmart Supercenter	0.4 Southwest 1.0 Southwest
Discount Department Store	Dollar General Goodwill Dollar Tree Walmart Supercenter	0.5 Southwest 0.5 Southeast 0.5 Southeast 1.0 Southwest
Shopping Center/Mall	Beacon Heights	0.5 Southeast
Schools: Elementary Middle/Junior High High	Morgan County Primary School Morgan County Middle School Morgan County High School	3.4 Northeast 3.3 Northeast 3.3 Northeast
Hospital	Urgent Care of Oconee Morgan Medical Center	0.9 South 1.4 South
Police	Madison Police Department	1.9 Northeast
Fire	Madison Fire Department	1.9 Northeast
Post Office	U.S. Post Office	1.9 Northeast
Bank	Regions Bank Bank of Madison Truist	0.4 Southwest 1.8 Northeast 1.9 Northeast
Recreation	Madison Fitness Center Boys and Girls Club of North Central Gilbert Park	0.3 Northwest 1.6 West 2.1 East
Gas Station	Gulf Pilot Travel Center Citgo	0.4 Northwest 1.3 South 1.5 South
Pharmacy	Ingles Pharmacy Walmart Pharmacy	0.4 Southwest 1.0 Southwest
Restaurant	Wing Nights at Benny Pauls Dos Amigos Mexican Grill Chic-fil-A	0.3 West 0.9 South 1.2 Southwest
Day Care	Lemon Tree Academy	0.5 Southwest

N/A – Not Available

As the preceding table illustrates, many community services are located within 2.0 miles of the subject site, including grocery stores, pharmacies, gas stations/ convenience stores, restaurants, and banks. Notably, a Walmart Supercenter is located within 1.0 mile to the southwest.

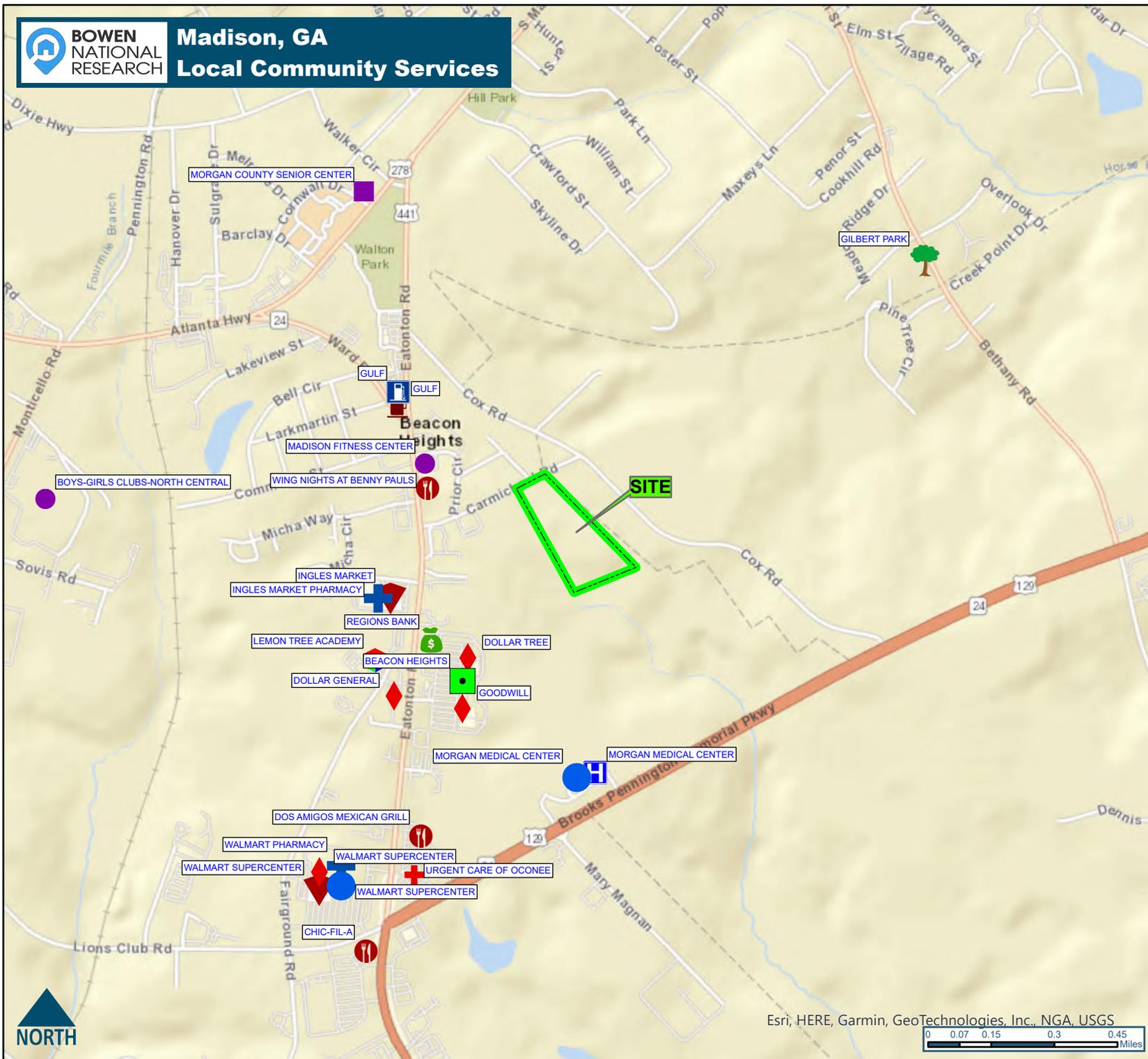
Public safety services are provided by the Madison Police and Fire departments, both located 1.9 miles from the site. A day care and recreational opportunities are accessible within 2.1 miles. The nearest full-service hospital is located 1.4 miles south of the site, while the primary, middle and high schools that serve the site are located within 3.3 miles.

Overall, the site's proximity to community services is considered good and expected to increase the marketability of the site.

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



Madison, GA Local Community Services



- Legend**
- Site Area
 - Bank
 - Child Care
 - Convenience Store
 - Gas
 - Grocery
 - Hospital
 - Medical Center
 - Park
 - Pharmacy
 - Recreation Center
 - Restaurant
 - Senior Services
 - Shopping
 - Employer 1000-5000
 - Shopping Center



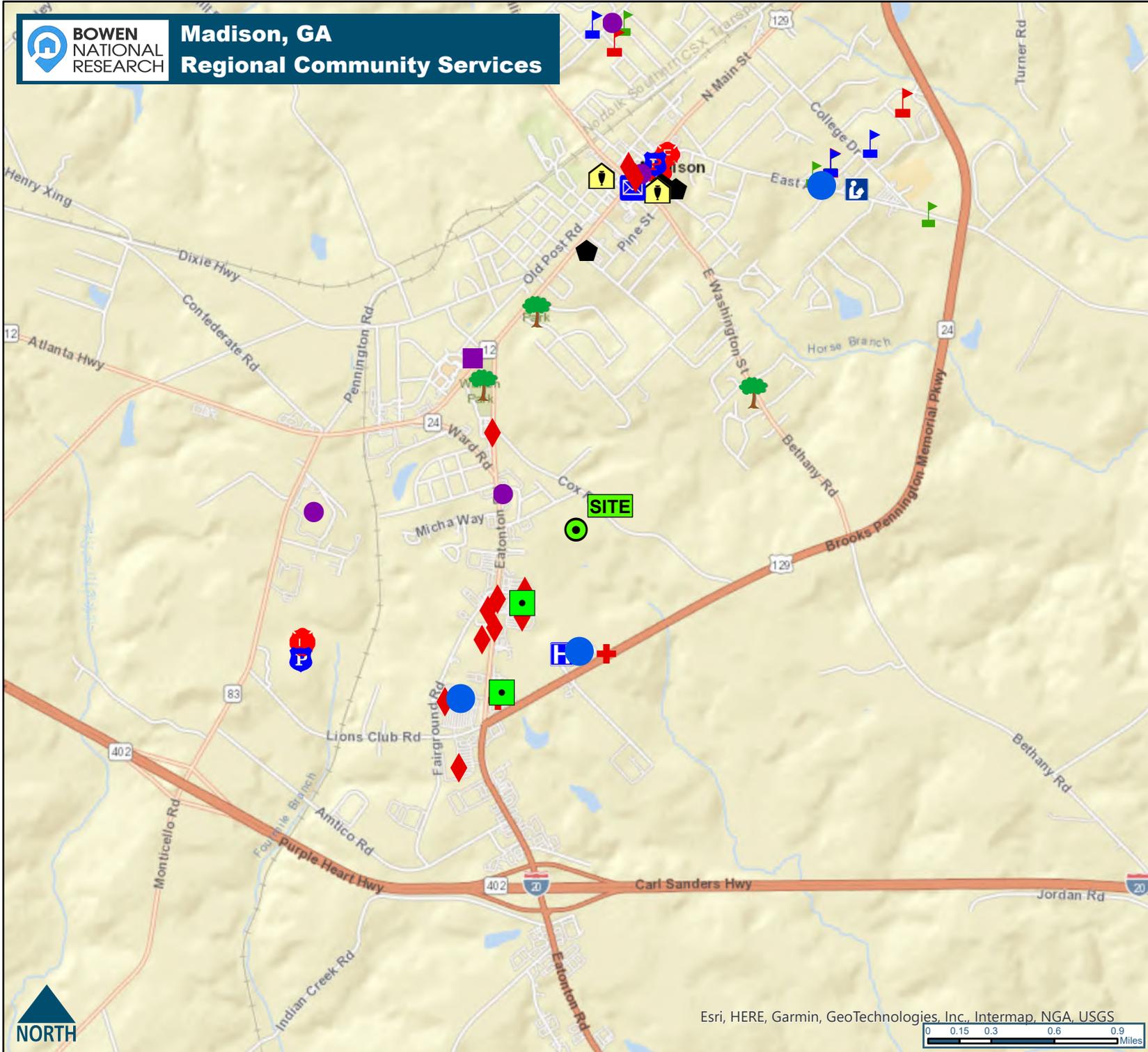
Esri, HERE, Garmin, GeoTechnologies, Inc., NGA, USGS



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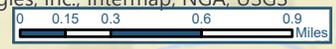
Madison, GA
Regional Community Services



- Legend**
- Site
 - Elementary School
 - Fire
 - High School
 - Historic Site
 - Hospital
 - Library
 - Medical Center
 - Middle School
 - Museum
 - Park
 - Police
 - Post Office
 - Recreation Center
 - Senior Services
 - Shopping
 - Employer 1000-5000
 - Shopping Center



Esri, HERE, Garmin, GeoTechnologies, Inc., Intermap, NGA, USGS



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6. CRIME ISSUES

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

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

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

Total crime risk for the site's ZIP Code is 112, with an overall personal crime index of 66 and a property crime index of 120. Total crime risk for Morgan County is 101, with indexes for personal and property crime of 61 and 108, respectively.

	Crime Risk Index	
	Site Zip Code	Morgan County
Total Crime	112	101
Personal Crime	66	61
Murder	79	69
Rape	60	66
Robbery	39	34
Assault	76	70
Property Crime	120	108
Burglary	114	104
Larceny	132	118
Motor Vehicle Theft	38	38

Source: Applied Geographic Solutions

The crime risk index within the site's ZIP Code (112) is generally similar with those of Morgan County (101) and the nation (100). As such, it is not anticipated that the perception of crime within the site area will have any tangible impact on the subject's marketability.

A map illustrating crime risk is on the following page.



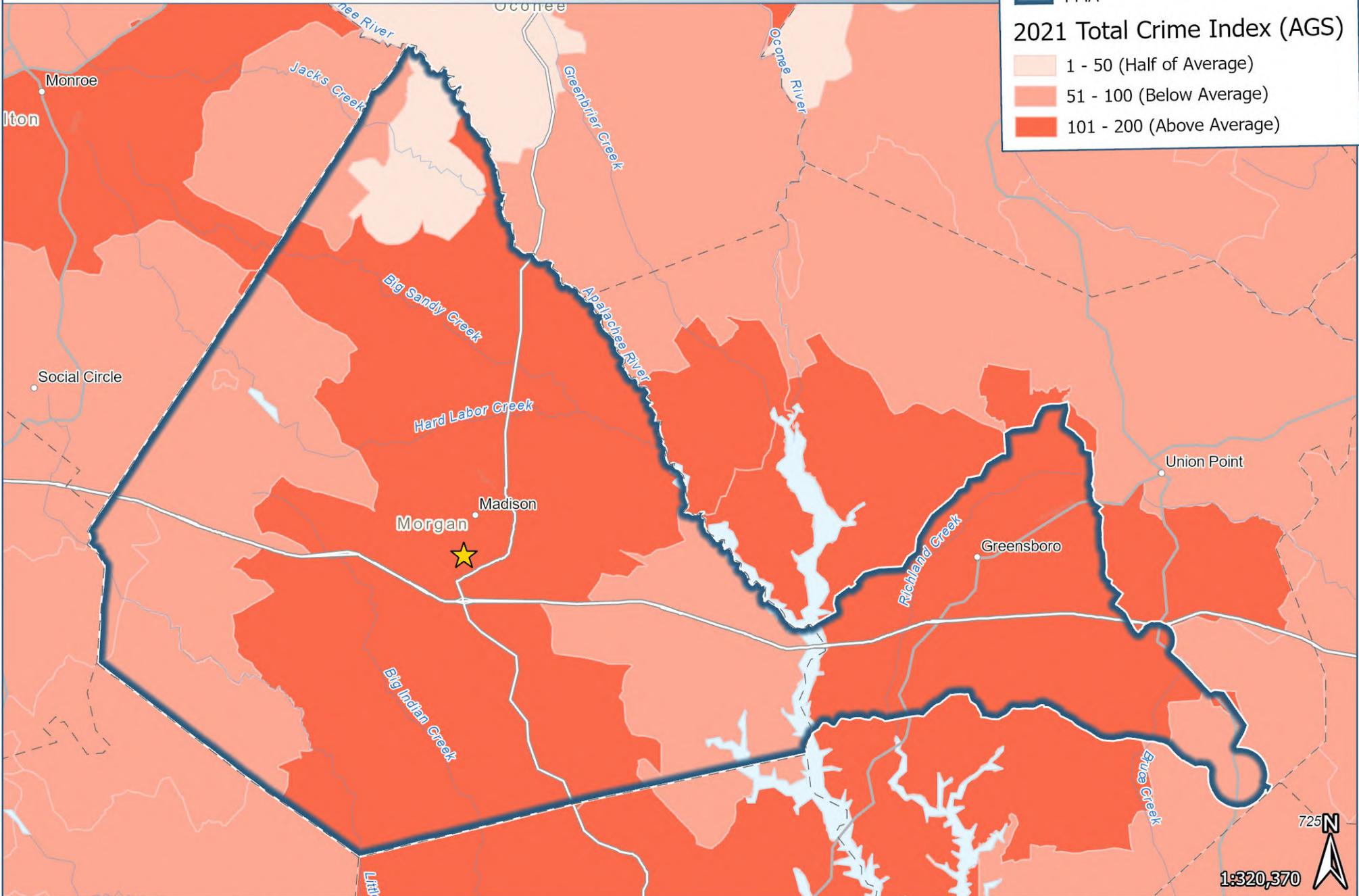
Site



PMA

2021 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)



7. OVERALL SITE EVALUATION

The subject project is located within a predominantly undeveloped area in the southern portion of Madison. Surrounding land uses include single-family homes, a church, local businesses and undeveloped land, with existing structures observed to be in fair to good condition. Visibility of the subject development will be obstructed from State Route 24/U.S. Highways 129/441, arterial roadway that consists of moderate traffic patterns utilized to access the site neighborhood and, as such, promotional signage is recommended to be utilized along this arterial and throughout the market area to increase the subject's awareness during the initial lease-up period. Access to and from the site is considered good, as it is within 1.7 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. The site is located within 3.5 miles of most community services including police and fire departments, retailers, employment opportunities, schools, grocery stores, pharmacies, banks and discount department stores. Overall, the site's location and proximity to community services is expected to have a positive impact on its marketability.

8. MAP OF LOW-INCOME RENTAL HOUSING

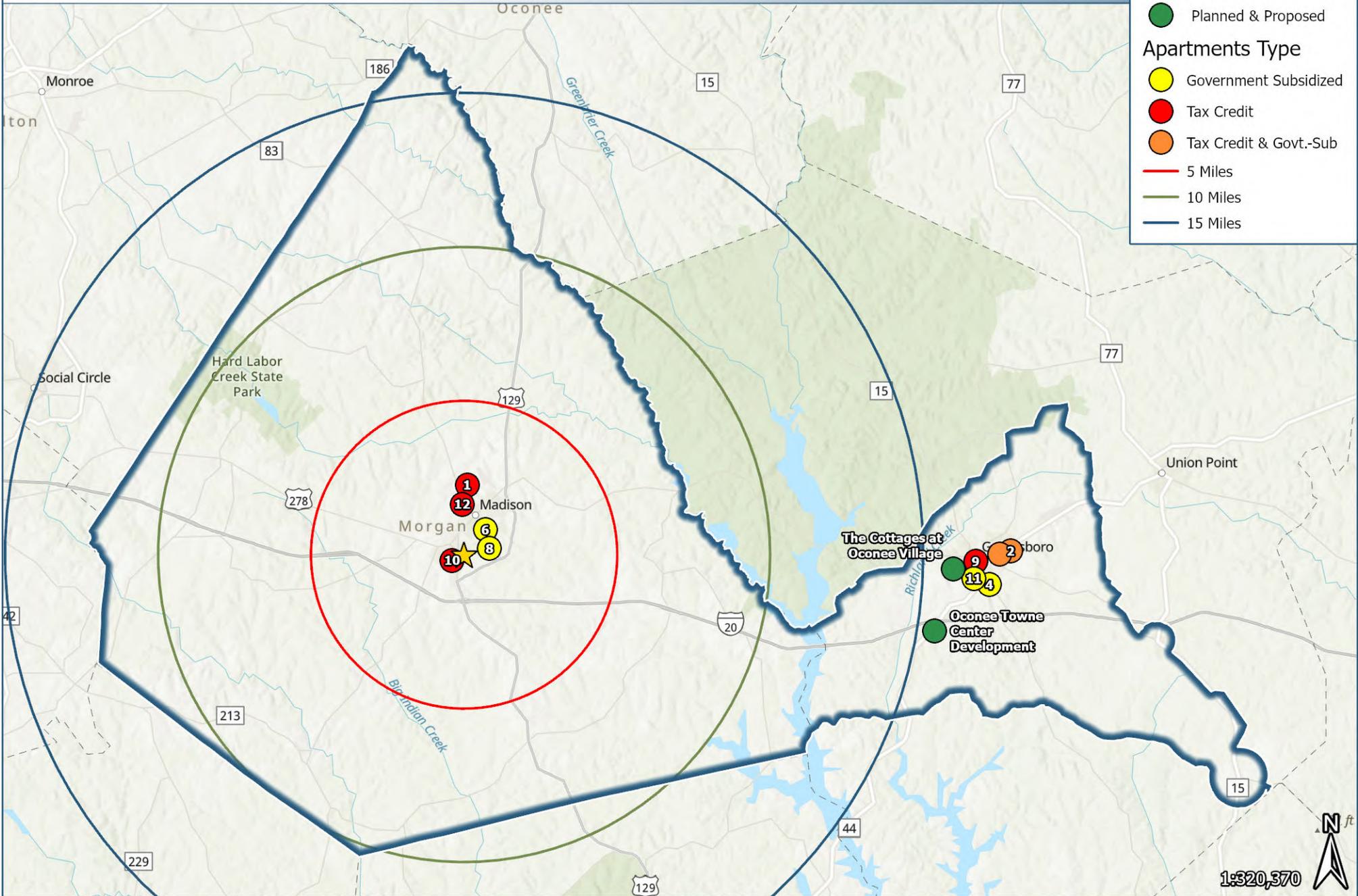
A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

- ★ Site
- PMA
- Planned & Proposed

Apartments Type

- Government Subsidized
- Tax Credit
- Tax Credit & Govt.-Sub

- 5 Miles
- 10 Miles
- 15 Miles



Section E – Market Area

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

The Madison Site PMA includes all of Morgan County, as well as Greensboro and the surrounding unincorporated areas of Greene County, Georgia. The boundaries of the Site PMA include the Morgan County line and the Oconee National Forest to the north; Cunningham Road, Siloam town limits, State Route 15/77 and White Plains town limits to the east; White Plains-Veazey Road, Leslie Mill Road, Walker Church Road, Wrightsville Church Road, Lake Oconee Parkway, Landing Parkway and the Morgan County line to the south; and the Morgan County line to the west.

Thelma Furney, Property Manager of Madison Villas (Map ID 8), a government-subsidized rental community within Madison, confirmed the Site PMA, explaining that most support for her project originates from all over Madison County, as well as the adjacent areas of Greene County, including Greensboro. Ms. Furney believes that a new affordable rental community within Madison will experience similar trends.

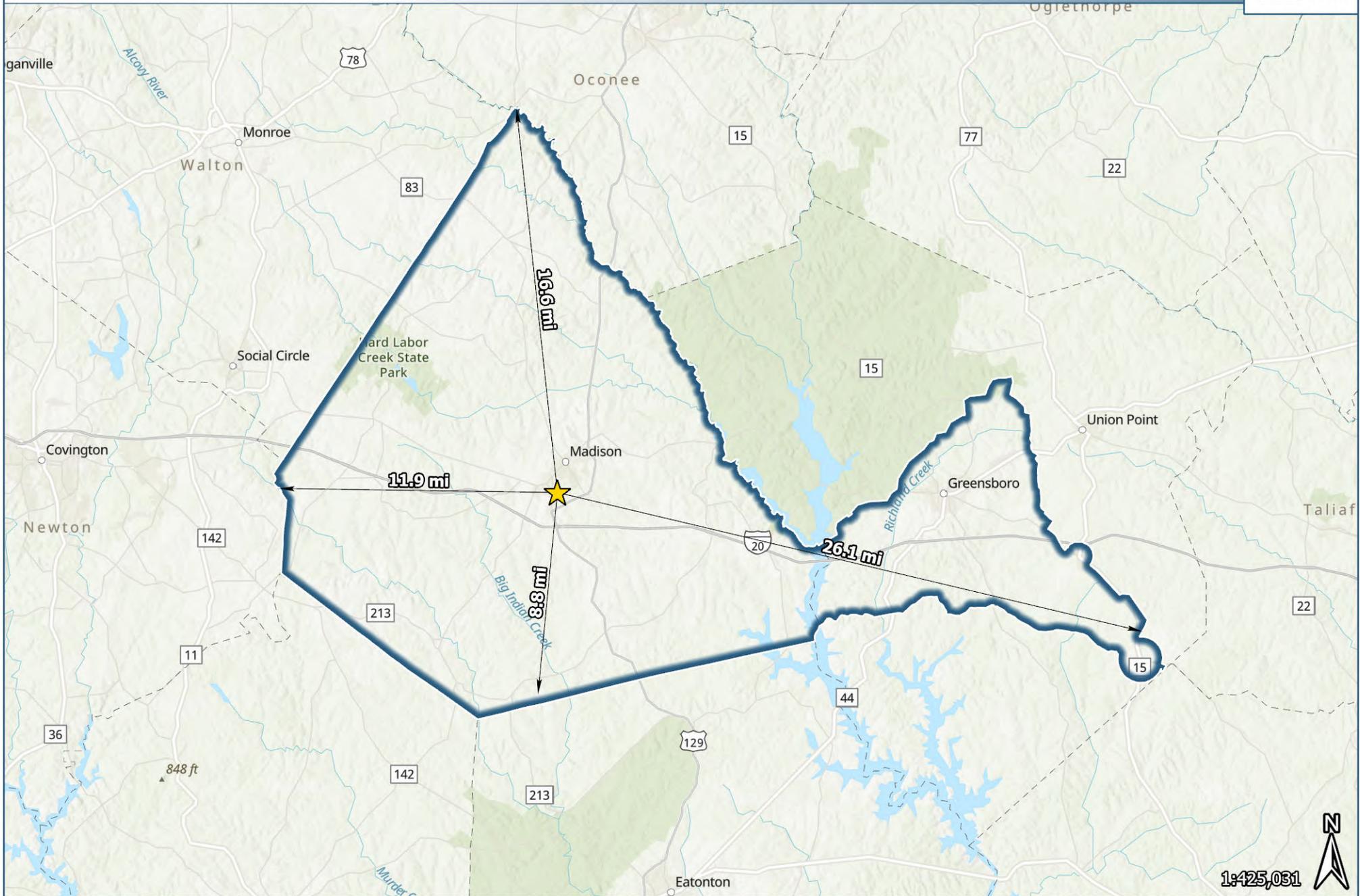
Cynthia Brewer, Property Manager of Silver Lakes Court (Map ID 12), an age-restricted Tax Credit property within Madison, stated that the majority of her property's residents are moving from within both Morgan and Greene counties. As such, Ms. Stidham was in agreement with the established PMA for the subject site.

It should be emphasized that it is recommended that the developer and/or management market the project throughout Morgan County and the adjacent county of Greene during the initial lease-up period and once the project reaches a stabilized occupancy to ensure the success of the proposed development. The inability of the project to attract sufficient support from the entire PMA may adversely impact its initial lease-up and ability to reach a stabilized occupancy.

The Greensboro area in Green County, which is located to the east of Madison, was included in the Site PMA because of a significant population migration, as well as a strong tenant migration from Greensboro to Madison. Greensboro is connected to Madison through Interstate 20, which makes for a convenient move if households relocated to Madison for housing. Madison also offers some community services that Greensboro does not offer such as job opportunities, big box stores, and a better school system.

The area to the north of the Site PMA was excluded due to its proximity to Athens, a large city with existing affordable housing options and numerous community services. The areas to the east and south of the Site PMA are predominantly rural, consisting of owner households that will typically not support affordable rental housing. Areas to the west of the Site PMA were excluded due to its distance to the site and proximity to Covington, a city with existing affordable housing options and numerous community services. Therefore, we have not considered a secondary market area in this report.

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



Section F – Community Demographic Data

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2022 (estimated) and 2024 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2022 (Estimated)	2024 (Projected)
Population	21,409	24,137	27,506	28,125
Population Change	-	2,728	3,369	619
Percent Change	-	12.7%	14.0%	2.3%

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

The Madison Site PMA population base increased by 2,728 between 2000 and 2010. This represents a 12.7% increase from the 2000 population base, or an annual rate of 1.2%. Between 2010 and 2022, the population increased by 3,369, or 14.0%. It is projected that the population will increase by 619, or 2.3%, between 2022 and 2024.

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

Population by Age	2010 (Census)		2022 (Estimated)		2024 (Projected)		Change 2022-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	6,548	27.1%	6,365	23.1%	6,504	23.1%	139	2.2%
20 to 24	1,166	4.8%	1,369	5.0%	1,319	4.7%	-50	-3.7%
25 to 34	2,638	10.9%	3,310	12.0%	3,244	11.5%	-66	-2.0%
35 to 44	3,107	12.9%	3,243	11.8%	3,376	12.0%	134	4.1%
45 to 54	3,599	14.9%	3,443	12.5%	3,446	12.3%	3	0.1%
55 to 64	3,305	13.7%	4,050	14.7%	4,056	14.4%	6	0.1%
65 to 74	2,239	9.3%	3,478	12.6%	3,691	13.1%	212	6.1%
75 & Over	1,535	6.4%	2,248	8.2%	2,489	8.8%	241	10.7%
Total	24,137	100.0%	27,506	100.0%	28,125	100.0%	619	2.3%

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

As the preceding table illustrates, over 51% of the population is expected to be between 25 and 64 years old in 2022. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2000 (Census)	2010 (Census)	2022 (Estimated)	2024 (Projected)
Households	7,691	9,045	10,342	10,580
Household Change	-	1,354	1,297	238
Percent Change	-	17.6%	14.3%	2.3%
Household Size	2.78	2.67	2.64	2.63

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

Within the Madison Site PMA, households increased by 1,354 (17.6%) between 2000 and 2010. Between 2010 and 2022, households increased by 1,297, or 14.3%. By 2024, there will be 10,580 households, an increase of 238 households, or 2.3%, from 2022. This is an increase of approximately 119 households annually over the next two years.

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

Households by Age	2010 (Census)		2022 (Estimated)		2024 (Projected)		Change 2022-2024	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	230	2.5%	229	2.2%	226	2.1%	-3	-1.2%
25 to 34	1,040	11.5%	1,241	12.0%	1,210	11.4%	-31	-2.5%
35 to 44	1,529	16.9%	1,507	14.6%	1,556	14.7%	49	3.3%
45 to 54	1,942	21.5%	1,752	16.9%	1,740	16.4%	-12	-0.7%
55 to 64	1,837	20.3%	2,122	20.5%	2,107	19.9%	-15	-0.7%
65 to 74	1,416	15.7%	2,051	19.8%	2,160	20.4%	110	5.3%
75 to 84	763	8.4%	1,173	11.3%	1,287	12.2%	114	9.7%
85 & Over	288	3.2%	268	2.6%	294	2.8%	26	9.7%
Total	9,045	100.0%	10,342	100.0%	10,580	100.0%	238	2.3%

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

Between 2022 and 2024, the greatest growth among household age groups is projected to be among those between the ages of 65 and 84, increasing by 224, or 6.5%. This projected growth among senior households indicates that there will be an increasing need for housing for seniors in the market. While households under the age of 65 are projected to decline overall during the same time frame, they will still represent over 64.0% of all households within the market by 2024. This demonstrates that a larger number of age-appropriate households will be present within the Site PMA to support the subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2022 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,569	72.6%	7,407	71.6%	7,604	71.9%
Renter-Occupied	2,476	27.4%	2,934	28.4%	2,975	28.1%
Total	9,045	100.0%	10,341	100.0%	10,580	100.0%

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

In 2022, homeowners occupied 71.6% of all occupied housing units, while the remaining 28.4% were occupied by renters. The share of renters is considered typical for rural market, such as the Madison Site PMA, and the 2,934 renter households estimated in 2022 represent a good base of potential support for the subject site.

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2022 (Estimated)		2024 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	4,160	46.0%	4,067	39.3%	4,054	38.3%
Owner-Occupied (Age 62+)	2,411	26.7%	3,342	32.3%	3,552	33.6%
Renter-Occupied (<Age 62)	1,864	20.6%	2,148	20.8%	2,156	20.4%
Renter-Occupied (Age 62+)	604	6.7%	781	7.6%	813	7.7%
Total	9,039	100.0%	10,338	100.0%	10,575	100.0%

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

Currently, 20.8% of all occupied housing units within the Site PMA are occupied by renters under the age of 62.

The household sizes by tenure within the Site PMA, based on the 2022 estimates and 2024 projections, were distributed as follows:

Persons Per Renter Household	2022 (Estimated)		2024 (Projected)		Change 2022-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	716	24.4%	723	24.3%	7	0.9%
2 Persons	759	25.9%	764	25.7%	5	0.7%
3 Persons	633	21.6%	651	21.9%	18	2.8%
4 Persons	448	15.3%	452	15.2%	4	0.8%
5 Persons+	378	12.9%	386	13.0%	8	2.1%
Total	2,934	100.0%	2,975	100.0%	42	1.4%

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

Persons Per Owner Household	2022 (Estimated)		2024 (Projected)		Change 2022-2024	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,383	18.7%	1,428	18.8%	45	3.2%
2 Persons	2,867	38.7%	2,941	38.7%	74	2.6%
3 Persons	1,214	16.4%	1,242	16.3%	28	2.3%
4 Persons	1,169	15.8%	1,199	15.8%	31	2.6%
5 Persons+	776	10.5%	799	10.5%	23	2.9%
Total	7,409	100.0%	7,609	100.0%	200	2.7%

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

The subject site will offer one-, two- and three-bedroom units, which will generally target up to five-person households. Therefore, the subject site will be able to accommodate nearly all renter households within the Site PMA, based on size.

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

Household Income	2010 (Census)		2022 (Estimated)		2024 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	844	9.3%	622	6.0%	585	5.5%
\$10,000 to \$19,999	1,326	14.7%	894	8.6%	861	8.1%
\$20,000 to \$29,999	927	10.2%	945	9.1%	911	8.6%
\$30,000 to \$39,999	902	10.0%	699	6.8%	652	6.2%
\$40,000 to \$49,999	845	9.3%	1,010	9.8%	973	9.2%
\$50,000 to \$59,999	741	8.2%	866	8.4%	857	8.1%
\$60,000 to \$74,999	914	10.1%	1,077	10.4%	1,056	10.0%
\$75,000 to \$99,999	1,069	11.8%	1,584	15.3%	1,671	15.8%
\$100,000 to \$124,999	583	6.4%	887	8.6%	1,010	9.5%
\$125,000 to \$149,999	315	3.5%	525	5.1%	594	5.6%
\$150,000 to \$199,999	230	2.5%	577	5.6%	667	6.3%
\$200,000 & Over	349	3.9%	657	6.4%	748	7.1%
Total	9,045	100.0%	10,343	100.0%	10,584	100.0%
Median Income	\$46,195		\$61,896		\$66,456	

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

In 2010, the median household income was \$46,195. This increased by 34.0% to \$61,896 in 2022. By 2024, it is projected that the median household income will be \$66,456, an increase of 7.4% from 2022.

The following tables illustrate renter household income by household size for 2010, 2022 and 2024 for the Madison Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	137	132	85	64	63	480
\$10,000 to \$19,999	229	168	109	81	80	668
\$20,000 to \$29,999	107	94	61	45	45	352
\$30,000 to \$39,999	74	75	48	36	35	269
\$40,000 to \$49,999	64	64	41	31	30	230
\$50,000 to \$59,999	39	43	28	21	20	150
\$60,000 to \$74,999	45	53	35	26	25	184
\$75,000 to \$99,999	22	27	17	13	13	92
\$100,000 to \$124,999	7	8	5	4	4	28
\$125,000 to \$149,999	4	4	3	2	2	15
\$150,000 to \$199,999	1	1	1	1	1	4
\$200,000 & Over	2	2	1	1	1	6
Total	730	670	434	323	318	2,476

Source: ESRI; Urban Decision Group

Renter Households	2022 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	91	91	76	54	45	357
\$10,000 to \$19,999	140	121	101	71	60	493
\$20,000 to \$29,999	122	110	92	65	55	445
\$30,000 to \$39,999	67	66	55	39	33	258
\$40,000 to \$49,999	77	86	72	51	43	329
\$50,000 to \$59,999	48	59	49	35	29	219
\$60,000 to \$74,999	56	74	62	44	37	272
\$75,000 to \$99,999	66	89	74	52	44	325
\$100,000 to \$124,999	21	27	23	16	14	101
\$125,000 to \$149,999	11	16	14	10	8	60
\$150,000 to \$199,999	8	9	8	5	5	35
\$200,000 & Over	9	10	9	6	5	39
Total	716	759	633	448	378	2,934

Source: ESRI; Urban Decision Group

Renter Households	2024 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	85	84	71	49	42	332
\$10,000 to \$19,999	136	118	100	69	59	483
\$20,000 to \$29,999	122	109	93	65	55	444
\$30,000 to \$39,999	64	62	53	37	31	247
\$40,000 to \$49,999	77	85	72	50	43	328
\$50,000 to \$59,999	49	59	50	35	30	223
\$60,000 to \$74,999	56	74	63	44	37	274
\$75,000 to \$99,999	75	99	85	59	50	367
\$100,000 to \$124,999	26	34	29	20	17	127
\$125,000 to \$149,999	14	20	17	12	10	74
\$150,000 to \$199,999	8	9	8	5	5	36
\$200,000 & Over	10	10	9	6	5	40
Total	723	764	651	452	386	2,975

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.

Demographic Summary

The population base and households within the Madison Site PMA have experienced positive growth since 2000. These trends are projected to remain positive through 2024, increasing by 613 (2.3%) and 238 (2.3%), respectively, from 2022. While senior households between the ages of 65 and 84 are projected to experience the majority of this growth during this time frame, over 64.0% of all households within the market are projected to be under the age of 65 in 2024. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project.

Section G – Employment Trend

1. LABOR FORCE PROFILE

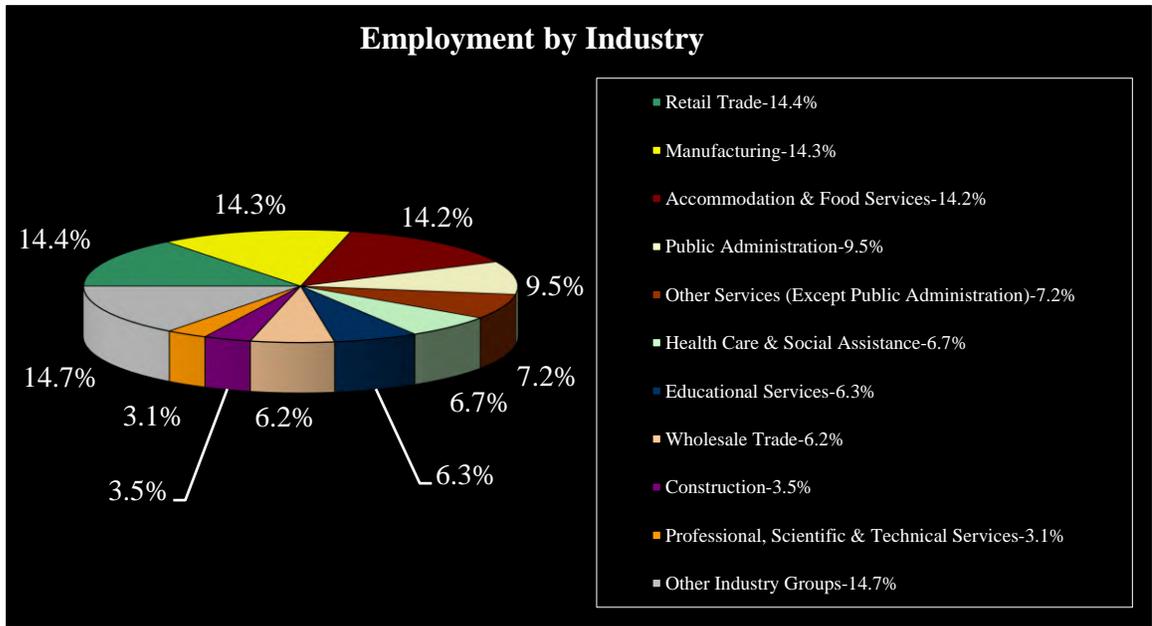
The labor force within the Madison Site PMA is based primarily in three sectors. Retail Trade (which comprises 14.4%), Manufacturing and Accommodation & Food Services comprise nearly 43% of the Site PMA labor force. Employment in the Madison Site PMA, as of 2022, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	16	1.6%	120	1.4%	7.5
Mining	1	0.1%	4	0.0%	4.0
Utilities	3	0.3%	26	0.3%	8.7
Construction	54	5.3%	301	3.5%	5.6
Manufacturing	38	3.8%	1,221	14.3%	32.1
Wholesale Trade	27	2.7%	531	6.2%	19.7
Retail Trade	155	15.3%	1,232	14.4%	7.9
Transportation & Warehousing	24	2.4%	127	1.5%	5.3
Information	21	2.1%	143	1.7%	6.8
Finance & Insurance	55	5.4%	254	3.0%	4.6
Real Estate & Rental & Leasing	45	4.4%	126	1.5%	2.8
Professional, Scientific & Technical Services	63	6.2%	262	3.1%	4.2
Management of Companies & Enterprises	2	0.2%	28	0.3%	14.0
Administrative, Support, Waste Management & Remediation Services	29	2.9%	247	2.9%	8.5
Educational Services	15	1.5%	537	6.3%	35.8
Health Care & Social Assistance	63	6.2%	570	6.7%	9.0
Arts, Entertainment & Recreation	26	2.6%	118	1.4%	4.5
Accommodation & Food Services	90	8.9%	1,211	14.2%	13.5
Other Services (Except Public Administration)	152	15.0%	614	7.2%	4.0
Public Administration	92	9.1%	812	9.5%	8.8
Nonclassifiable	42	4.1%	63	0.7%	1.5
Total	1,013	100.0%	8,547	100.0%	8.4

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

E.P.E. - Average Employees Per Establishment

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



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

Typical Wage by Occupation Type		
Occupation Type	Atlanta-Sandy Springs-Roswell MSA	Georgia
Management Occupations	\$124,850	\$115,210
Business and Financial Occupations	\$81,530	\$77,270
Computer and Mathematical Occupations	\$101,330	\$96,570
Architecture and Engineering Occupations	\$87,920	\$85,660
Community and Social Service Occupations	\$55,580	\$51,460
Art, Design, Entertainment and Sports Medicine Occupations	\$63,570	\$59,610
Healthcare Practitioners and Technical Occupations	\$89,840	\$83,100
Healthcare Support Occupations	\$33,820	\$32,090
Protective Service Occupations	\$47,070	\$44,170
Food Preparation and Serving Related Occupations	\$26,890	\$25,620
Building and Grounds Cleaning and Maintenance Occupations	\$32,480	\$30,420
Personal Care and Service Occupations	\$31,910	\$29,760
Sales and Related Occupations	\$46,700	\$42,520
Office and Administrative Support Occupations	\$42,280	\$39,930
Construction and Extraction Occupations	\$50,300	\$47,840
Installation, Maintenance and Repair Occupations	\$52,670	\$50,570
Production Occupations	\$40,710	\$39,240
Transportation and Moving Occupations	\$42,200	\$39,550

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

Most annual blue-collar salaries range from \$26,890 to \$63,570 within the Atlanta-Sandy Springs-Roswell MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$97,094. It is important to note that most occupational types within the Atlanta-Sandy Springs-Roswell MSA have higher typical wages than the State of Georgia's typical wages.

2. MAJOR EMPLOYERS

The ten largest employers within Morgan County comprise a total of 2,529 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
Board of Education	School System	484
Georgia Pacific	Structural Panels	450
Wal-Mart	General Retail	335
Mannington Mills	Flooring	270
Morgan Memorial Hospital	Healthcare	200
Pennington Seed, Inc.	Pet and Lawn Products	180
Bard Manufacturing	HVAC Equipment	120
Flambeau	Blown and Injected Molding	120
Lowes	Building Materials	80
Cracker Barrel	Restaurant	80
Total		2,529

Source: Madison-Morgan Chamber (April 2021)

According to a representative with the Madison-Morgan Chamber of Commerce, the Madison economy is growing. Morgan County heavily relies on tourism, which was negatively impacted by the COVID-19 pandemic. However, Morgan County’s small businesses fared well during the pandemic, as most local restaurants saw an increase in revenue by adopting online ordering throughout the pandemic and beyond.

There are several notable ongoing economic developments in Morgan County. In January 2022, Rivian Automotive announced a \$5 billion expansion to Morgan and Walton counties. The company’s new plant will span 2,000 acres and include a 20 million square-foot facility. The expansion will create 7,500 jobs and will generate \$100 million in tax revenue, with completion expected by 2024. A medical office park is also planned in Madison, next to the Morgan Medical Center. The 15-acre site of the project was rezoned for development in December 2021. The goal of the project is to expand healthcare services within Morgan County. At the time this report was issued, no further information has been made public.

Infrastructure

There were two major infrastructure projects ongoing within the Site PMA at the time this report was issued, which are summarized in the following table:

Project Name	Scope of Work	Status	Investment
U.S. Highway 441 Widening	Widening U.S. Highway 441, south of Interstate 20 from Madison to Putnam County line	Announced March 2021; Expected to break ground in 2023; ECD March 2024	\$100 million
Pedestrian Accommodations	Construction of approximately 2,500 feet of sidewalk; Demolition and reconstruction of Wellington Park trail	Announced December 2021; ECD N/A	\$430,000

ECD – Estimated Completion Date
N/A – Not Available

WARN (layoff notices):

WARN notices were reviewed in April 2022 and according to the Georgia Department of Labor, there have been no WARN notices reported for Morgan County over the past 12 months.

COVID-19 Vaccination Rates

The following summarizes COVID-19 vaccination rates for Morgan County, the state of Georgia and the United States as of April 2022:

Vaccination Status	Vaccination Rates as of April 2022		
	Morgan County	Georgia	United States
Fully Vaccinated (% of Total Population)	50.2%	54.4%	66.1%
Booster (% of Total Vaccinated)	39.9%	36.4%	45.6%

Source: Centers for Disease Control

3. EMPLOYMENT TRENDS

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

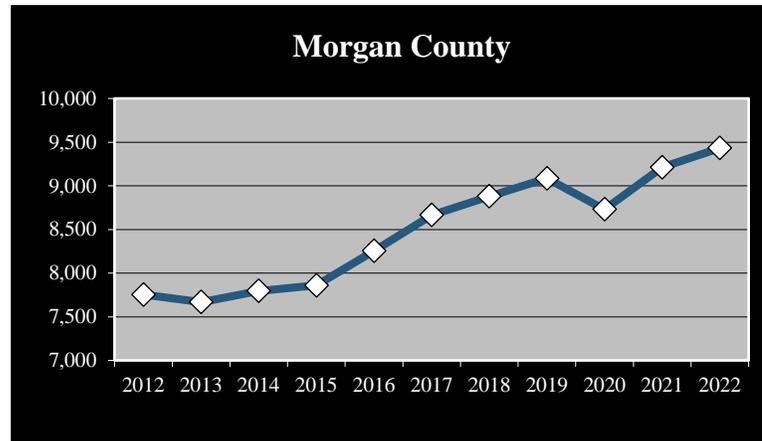
Excluding 2022, the employment base has increased by 6.3% over the past five years in Morgan County, more than the Georgia state increase of 2.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Morgan County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2012	7,754	-	4,339,369	-	143,548,588	-
2013	7,669	-1.1%	4,363,292	0.6%	144,904,568	0.9%
2014	7,796	1.7%	4,407,067	1.0%	147,293,817	1.6%
2015	7,860	0.8%	4,446,515	0.9%	149,540,791	1.5%
2016	8,254	5.0%	4,653,740	4.7%	151,934,228	1.6%
2017	8,665	5.0%	4,864,813	4.5%	154,721,780	1.8%
2018	8,880	2.5%	4,915,713	1.0%	156,709,685	1.3%
2019	9,085	2.3%	4,967,503	1.1%	158,806,263	1.3%
2020	8,732	-3.9%	4,751,105	-4.4%	149,192,714	-6.1%
2021	9,212	5.5%	4,983,732	4.9%	154,178,982	3.3%
2022*	9,434	2.4%	5,114,427	2.6%	157,420,669	2.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through February



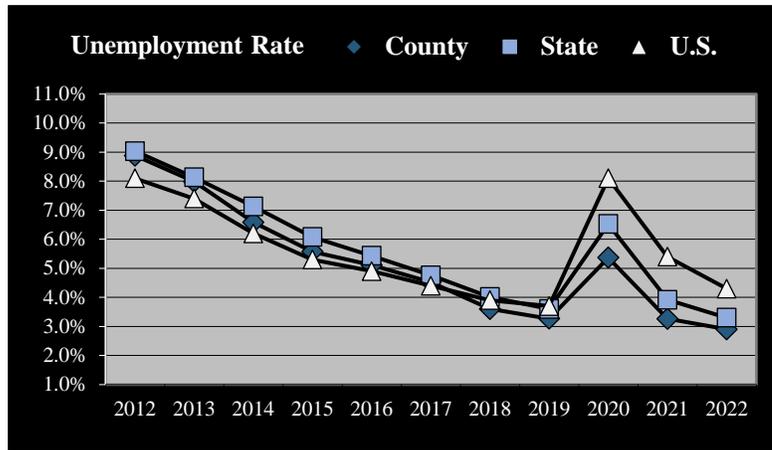
As the preceding illustrates, the Morgan County employment base increased each year between 2013 and 2019 before declining by 353 jobs (3.9%) in 2020 due to the COVID-19 pandemic. In 2021, the county employment base increased by 480 jobs (5.5%) to recover all jobs lost in 2020, increasing to a ten-year high of 9,434 jobs through February 2022. This indicates that the Morgan County employment base has fully recovered from the impact of the pandemic and has resumed pre-pandemic growth trends.

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

Year	Unemployment Rate		
	Morgan County	Georgia	United States
2012	8.9%	9.0%	8.1%
2013	8.0%	8.1%	7.4%
2014	6.6%	7.1%	6.2%
2015	5.6%	6.1%	5.3%
2016	5.1%	5.4%	4.9%
2017	4.5%	4.8%	4.4%
2018	3.6%	4.0%	3.9%
2019	3.3%	3.6%	3.7%
2020	5.4%	6.5%	8.1%
2021	3.3%	3.9%	5.4%
2022*	2.9%	3.3%	4.3%

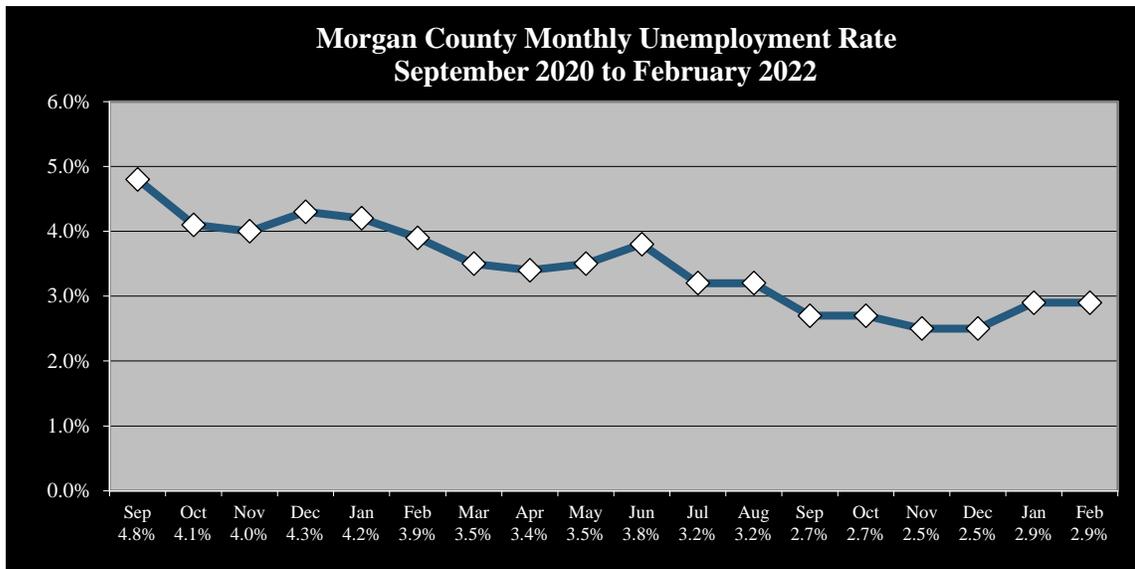
Source: Department of Labor, Bureau of Labor Statistics

*Through February



Between 2012 and 2019, the *annual* unemployment rate within Morgan County declined by nearly six percentage points, then increased by over two percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the county has improved thus far through 2022, declining by 2.5 percentage points to 2.9%. This is the county’s lowest annual unemployment figure within the past decade.

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



As the preceding table illustrates, the *monthly* unemployment rate within Morgan County has generally trended downward within the preceding 18-month period.

The following table illustrates the monthly unemployment rate since January 2020:

Monthly Unemployment Rate – Morgan County					
Month	Rate	Month	Rate	Month	Rate
2020		2021		2022	
January	3.3%	January	4.2%	January	2.9%
February	3.1%	February	3.9%	February	2.9%
March	3.4%	March	3.5%		
April	10.8%	April	3.4%		
May	8.3%	May	3.5%		
June	6.6%	June	3.8%		
July	6.5%	July	3.2%		
August	5.2%	August	3.2%		
September	4.8%	September	2.7%		
October	4.1%	October	2.7%		
November	4.0%	November	2.5%		
December	4.3%	December	2.5%		

Source: Department of Labor, Bureau of Labor Statistics

The *monthly* unemployment rate in the county increased by over seven full percentage points between March and April 2020 due to the COVID-19 pandemic. However, monthly unemployment has since declined to a rate of 2.9% through February 2022.

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

In-Place Employment Morgan County			
Year	Employment	Change	Percent Change
2011	5,868	-	-
2012	5,919	51	0.9%
2013	5,913	-6	-0.1%
2014	6,297	384	6.5%
2015	6,547	250	4.0%
2016	6,720	173	2.6%
2017	7,047	327	4.9%
2018	7,167	120	1.7%
2019	7,513	346	4.8%
2020	7,287	-226	-3.0%
2021*	8,062	775	10.6%

Source: Department of Labor, Bureau of Labor Statistics

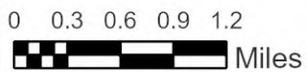
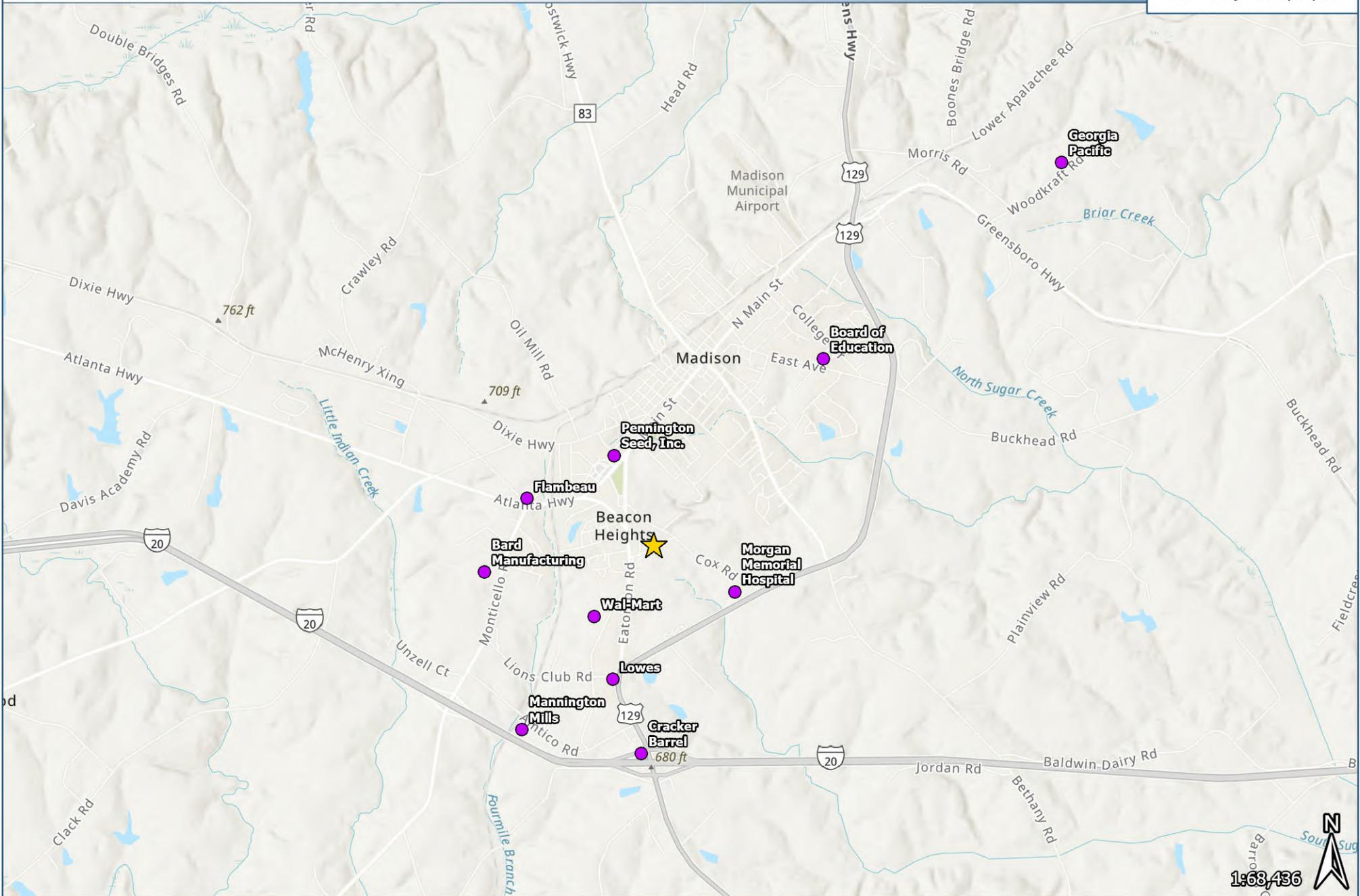
*Through September

Data for 2020, the most recent year that year-end figures are available, indicates in-place employment in Morgan County to be 83.5% of the total Morgan County employment. This means that Morgan County has a high share of employed persons staying in the county for daytime employment. This will have a positive impact on the marketability of the subject site, as it is likely that many of its potential residents will have minimal commute times to their place of employment.

4. ECONOMIC FORECAST

Based on information from representatives of the Madison-Morgan Chamber of Commerce and data provided by the State of Georgia Department of Labor, the Morgan County economy generally experienced growth between 2012 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, similar to many communities throughout the state and nation. During this time, the Morgan County employment base declined by over 350 jobs, or 3.9%, and its unemployment rate increased by over two percentage points. Specifically, between March and April 2020, the unemployment rate within the county spiked by over seven percentage points. The county employment base has since recovered all jobs lost in 2020 and increased to a total of 9,434 jobs through February 2022, the highest figure in the preceding decade. Annual unemployment has also decreased to 2.9% through February 2022, the lowest annual figure in the preceding decade. These are good indications that the Morgan County economy has fully recovered from the initial impact of the pandemic. This, in turn, will continue to create a stable environment for the local housing market.

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



Section H – Affordability & Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Morgan County, Georgia HUD Metro FMR Area, which has a four-person median household income of \$75,500 for 2021. The LIHTC units offered at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$24,750	\$29,700
Two-Person	\$28,250	\$33,900
Three-Person	\$31,800	\$38,160
Four-Person	\$35,300	\$42,360
Five-Person	\$38,150	\$45,780

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$45,780**.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$657. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,884. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$22,526**.

Also note that six (10.0%) of the subject units will be market-rate and operate with no income restrictions. Applying the same methodology in determining the minimum income for the subject’s market-rate units but utilizing a rent-to-income ratio of 30% (typical of market-rate properties), yields a minimum income of **\$37,480** for the site’s non-restrictive units.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate ranges required to live at the proposed project with units built to serve households at 50% and 60% of AMHI, as well as market-rate, are as follows.

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$22,526	\$38,150
Tax Credit (Limited To 60% Of AMHI)	\$26,297	\$45,780
Tax Credit Overall	\$22,526	\$45,780
Market-Rate	\$37,480	-

2. METHODOLOGY

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs (GDCA):

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

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2015-2019 5-year estimates, approximately 5.9% to 47.1% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2015-2019 5-year estimates, 3.1% of all households within the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

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

Net Demand

The overall demand components illustrated above are added together and the supply of competitive vacant and/or pipeline units is subtracted to calculate Net Demand. **GDCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from GDCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

Within the Site PMA, we identified one family (general-occupancy) LIHTC community within the development pipeline, which is summarized as follows:

- Canaan Crossing Apartments (Map ID 1) is currently under construction at 1180 Wheat Street in Madison. Developed by Woda Cooper Companies, Inc., the project was allocated Tax Credit financing in 2019. The development will be 60 units of affordable workforce housing within six buildings, with units restricted to tenants earning up to 50% and 60% of AMHI. The estimated completion date of the development is June 2022. Notably, preleasing began in April 2022, with 70.0% of the units preleased.

The aforementioned project has been included in the demand analysis on the following page. Additionally, we did not identify any vacancies among the competitive LIHTC or market-rate developments surveyed within the market. Therefore, no existing units were included in the following analysis.

Demand Component	Percent of Median Household Income			
	50% AMHI (\$22,526-\$38,150)	60% AMHI (\$26,297-\$45,780)	Tax Credit Overall (\$22,526-\$45,780)	Market Rate (\$37,480+)
Demand from New Households (Income-Appropriate)	539 - 543 = -4	608 - 613 = -5	776 - 781 = -5	1,531 - 1,445 = 86
+				
Demand from Existing Households (Rent Overburdened)	543 X 47.1% = 256	613 X 31.2% = 191	781 X 35.5% = 277	1,445 X 5.9% = 85
+				
Demand from Existing Households (Renters in Substandard Housing)	543 X 3.1% = 17	613 X 3.1% = 19	781 X 3.1% = 24	1,445 X 3.1% = 45
=				
Demand Subtotal	269	205	296	216
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A			
=				
Total Demand	269	205	296	216
-				
Supply (Directly Comparable Vacant and/or Pipeline Units)	12	48	60	0
=				
Net Demand	257	157	236	216
Proposed Units / Net Demand	12 / 257	42 / 157	54 / 236	6 / 216
Capture Rate	= 4.7%	= 26.8%	= 22.9%	= 2.8%

N/A – Not Applicable

Typically, under this methodology, overall capture rates below 30% are acceptable, while capture rates under 20% are ideal. As such, the project’s overall LIHTC-only capture rate of 22.9% is considered achievable and demonstrates that a good base of potential income-eligible renter support exists for the subject project’s affordable units. This is especially true, given the high occupancy rates among the existing LIHTC properties surveyed in the Site PMA. Note that the six market-rate units proposed at the subject site have a capture rate of 2.8%, which is considered low and easily achievable. The subject’s **overall** capture rate is **13.9%** (60 / 432 = 13.9%).

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

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	25.0%
Two-Bedroom	50.0%
Three-Bedroom	25.0%
Total	100.0%

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

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Achievable Market Rent	Market Rents Band Min-Max	Proposed Subject Rents
One-Bedroom (25%)	50%	2	67	2	65	3.1%	\$900	\$815-\$1,570	\$530
	60%	5	51	6	45	11.1%	\$900	\$815-\$1,570	\$640
	MR	1	54	0	54	1.9%	\$900	\$815-\$1,570	\$675
One-Bedroom	Total	8	123	8	115	7.0%	\$900	\$815-\$1,570	\$617***
Two-Bedroom (50%)	50%	6	135	6	129	4.7%	\$990	\$815-\$1,720	\$605
	60%	23	103	26	77	29.9%	\$990	\$815-\$1,720	\$725
	MR	3	108	0	108	2.8%	\$990	\$815-\$1,720	\$750
Two-Bedroom	Total	32	246	32	214	15.0%	\$990	\$815-\$1,720	\$705***
Three-Bedroom (25%)	50%	4	67	4	63	6.3%	\$1,110	\$815-\$1,926	\$645
	60%	14	51	16	35	40.0%	\$1,110	\$815-\$1,926	\$765
	MR	2	54	0	54	3.7%	\$1,110	\$815-\$1,926	\$800
Three-Bedroom	Total	20	123	20	103	19.4%	\$1,110	\$815-\$1,926	\$745***

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

**Directly comparable vacant and/or pipeline units

***Weighted average

Achievable Market Rent as determined in Section I

MR - Market-rate

The capture rates by bedroom type and targeted income level range from 1.9% to 40.0%. Utilizing this methodology, these capture rates are considered achievable and demonstrate that a sufficient base of income-eligible renter household support exists in the Madison Site PMA for each of the unit types proposed at the subject development. This is especially true when considering the high occupancy rates maintained among all existing rental properties surveyed in the market, as evidenced by our Field Survey of Conventional Rentals (Addendum A).

Section I – Competitive Rental Analysis

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Madison Site PMA in 2010 and 2022 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2022 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	9,045	88.0%	10,342	87.7%
Owner-Occupied	6,569	72.6%	7,407	71.6%
Renter-Occupied	2,476	27.4%	2,934	28.4%
Vacant	1,238	12.0%	1,446	12.3%
Total	10,283	100.0%	11,788	100.0%

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

Based on a 2022 update of the 2010 Census, of the 11,788 total housing units in the market, 12.3% were vacant. In 2022, it was estimated that homeowners occupied 71.6% of all occupied housing units, while the remaining 28.4% were occupied by renters. The share of renters is considered typical for a rural market, such as the Madison Site PMA, and the 2,934 renter households estimated in 2022 represent a good base of potential support in the market for the subject development.

Conventional Apartments

We identified and personally surveyed 11 *established* conventional housing projects containing a total of 439 units within the Site PMA. We also identified and surveyed one rental community currently under construction, which will offer 60 units upon completion, Canaan Crossing (Map ID 1). This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. The existing rentals have a combined occupancy rate of 100.0%, a very strong rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	2	46	0	100.0%
Tax Credit	3 + 1*	175 + 60*	0	100.0%
Tax Credit/Government-Subsidized	2	57	0	100.0%
Government-Subsidized	4	161	0	100.0%
Total	11 + 1*	439 + 60*	0	100.0%

*Under construction

As noted, all *established* rental communities broken out by project type are 100.0% occupied, nearly all of which maintain a waiting list for the next available unit. This illustrates that pent-up demand exists for all rental housing types within the Madison Site PMA. The subject development will be able to accommodate a portion of this unmet demand.

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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Two-Bedroom	1.5	24	52.2%	0	0.0%	\$1,386
Two-Bedroom	2.5	22	47.8%	0	0.0%	\$1,481
Total Market-rate		46	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	42	24.0%	0	0.0%	\$755
Two-Bedroom	1.0	24	13.7%	0	0.0%	\$882
Two-Bedroom	2.0	65	37.1%	0	0.0%	\$617
Three-Bedroom	2.0	44	25.1%	0	0.0%	\$758
Total Tax Credit		175	100.0%	0	0.0%	-

As the preceding table illustrates, the median gross Tax Credit gross rents are well below the median gross market-rate rents. As such, Tax Credit product likely represents an excellent value to low-income households within the market. This is further evidenced by the 0.0% combined vacancy rate at all completed non-subsidized Tax Credit units in the market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed a total of ten affordable rental housing projects in the Madison Site PMA. These projects were surveyed in April 2022 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built/Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Canaan Crossing	TAX	2022	60*	0.0%	\$626 (8*)	\$726 (32*)	\$800 (20*)	-
2	Fox Chase One	TAX & RD 515	1992	24	100.0%	\$573 - \$700 (2)	\$634 - \$757 (18)	\$683 - \$824 (4)	-
3	Fox Chase Two	TAX & RD 515	1992	33	100.0%	\$682 - \$822 (32)	\$807 - \$968 (1)	-	-
4	Greensboro Village Apts.	RD 515	1990	33	100.0%	\$618 - \$803 (10)	\$667 - \$842 (23)	-	-
6	Madison Public Housing	P.H.	1959 / 1995	66	100.0%	\$131 (12)	\$157 (20)	\$191 (24)	\$229 - \$260 (10)
8	Madison Villas	RD 515	1996	48	100.0%	\$583 - \$704 (16)	\$651 - \$795 (32)	-	-
9	Mary-Leila Lofts	TAX	2014	71	100.0%	\$462 - \$577 (14)	\$543 - \$680 (37)	\$612 - \$770 (20)	-
10	Orchard Grove Apts.	TAX	2004	60	100.0%	-	\$617 (36)	\$758 (24)	-
11	Park Place Apts.	P.H.	1952	14	100.0%	\$378 (2)	\$469 (6)	\$570 (4)	\$687 (2)
12	Silver Lakes Court	TAX	2016	44	100.0%	\$691 - \$755 (28)	\$795 - \$882 (16)	-	-
Total				393	100.0%				

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

OCCUP. – Occupancy

TAX – Tax Credit

RD 515 – Rural Development Section 515

P.H. – Public Housing

*Under construction

The overall occupancy is 100.0% for these projects, a very strong rate for affordable rental housing. Nearly all of these properties maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the Madison Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

HOUSING CHOICE VOUCHER HOLDERS

Despite numerous attempts, we were unable to receive a response from the local housing authority regarding information on their Housing Choice Voucher (HCV) program at the time this report was issued.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
9	Mary-Leila Lofts	71	N/A	-
10	Orchard Grove Apts.	60	8	13.3%
12	Silver Lakes Court	44	N/A	-
Total		60	8	13.3%

N/A – Not Available (units not included in total)

As the preceding table illustrates, we were only able to obtain HCV utilization at one Tax Credit development within the market, Orchard Grove Apartments (Map ID 10). This property offers 60 units, eight of which are occupied by tenants with a Voucher. This comprises 13.3% of all units offered at this project and demonstrates that the subject project will likely receive some support from Voucher holders. This has been considered in our absorption estimates.

If the rents do not exceed the payment standards established by the local/regional housing authority, households with HCVs may be willing to reside at a Tax Credit project. Established by the Georgia Department of Community Affairs, the regional payment standards, as well as the proposed subject gross Tax Credit rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$720	\$657 (50%)
		\$767 (60%)
Two-Bedroom	\$935	\$790 (50%)
		\$910 (60%)
Three-Bedroom	\$1,215	\$913 (50%)
		\$1,033 (60%)

As the preceding table illustrates, nearly all of the subject's proposed gross Tax Credit rents are below the payment standards for the region. As such, the subject project will be able to rely on support from HCV holders. This will increase the base of income-appropriate renter households within the Madison Site PMA for the subject development and has been considered in our absorption estimates in Section J of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with planning representatives and the observations of our analyst while in the field, it was determined that there are three rental housing projects within the development pipeline in the Site PMA. These projects are summarized as follows:

- Canaan Crossing (Map ID 1), a general-occupancy Tax Credit community, is currently under construction at 1180 Wheat Street in Madison. Developed by Woda Cooper Companies, Inc., the development will include 60 apartments restricted to tenants earning up to 50% and 60% of Area Median Household Income (AMHI). Management began pre-leasing in April 2022 and the project is currently 70.0% pre-leased, with the first units expected to open in June 2022.
- The Cottages at Oconee Village, an age-restricted Tax Credit property, is currently under construction at 1240 Oconee Avenue in Greensboro. Developed by Georgia Communities, Inc., the development will consist of 50 units, including 12 one- and 38 two-bedroom apartments. Units will be restricted to senior households ages 55 and older earning up to 30%, 50%, 60% and 80% of AMHI, with rents ranging from \$234 to \$780 per month. The project was allocated Tax Credit financing in 2020. Completion is estimated for December 2022.
- As of January 2022, a mixed-use development is proposed at the intersection of Interstate 20 and State Route 44 in Greensboro. The project will be part of the Oconee Towne Center project, currently being developed by Jim Baker, Carol Hatfield and Weyerhaeuser. The project will include the construction of commercial, retail and office space, as well as a sports complex, for-sale homes and affordable housing. No further information regarding this development was available at the time this report was issued.

Of the aforementioned rental communities within the development pipeline in the market, Canaan Crossing will target a similar age and income demographic and, as such, is considered directly competitive with the subject development. As such, this development has been considered in our demand estimates illustrated earlier in Section H of this report.

Building Permit Data

The following tables illustrate single-family and multifamily building permits issued within the city of Madison and Morgan County for the past ten years (where data is available):

Housing Unit Building Permits for Madison, GA:

Permits	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Multifamily Permits	0	0	0	0	0	0	0	0	0	146
Single-Family Permits	0	0	0	0	0	0	14	19	22	129
Total Units	0	0	0	0	0	0	14	19	22	275

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

Housing Unit Building Permits for Morgan County:

Permits	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Multifamily Permits	0	0	0	0	0	0	0	0	0	146
Single-Family Permits	34	15	40	52	57	105	125	144	160	303
Total Units	34	15	40	52	57	105	125	144	160	449

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

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit

We identified and surveyed three non-subsidized family (general-occupancy) Low-Income Housing Tax Credit (LIHTC) rental communities within the Madison Site PMA. These three projects target households with incomes up to 50% and 60% of AMHI; therefore, they are considered competitive properties. Due to the limited supply of directly comparable/competitive LIHTC product within the Madison Site PMA, we also identified and surveyed two additional LIHTC properties outside the Site PMA in the surrounding communities of Eatonton and Monroe. Note that, since these properties are located outside the Site PMA, they are not considered directly competitive with the subject project, as they derive demographic support from a different geographical region. These two LIHTC projects outside of the market were selected for comparability purposes only. The five selected LIHTC properties and the subject development are summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Carmichael Commons	2024	54*	-	-	-	Families; 50% & 60% AMHI
1	Canaan Crossing	2022	60**	70.0%***	3.1 Miles	None	Families; 50% & 60% AMHI
9	Mary-Leila Lofts	2014	71	100.0%	20.3 Miles	None	Families; 50% & 60% AMHI
10	Orchard Grove Apts.	2004	60	100.0%	0.5 Miles	24 Months	Families; 50% & 60% AMHI
903	Skyline Trace	2010	59*	100.0%	26.2 Miles	100 HH	Families; 50% & 60% AMHI
904	Sumter Street Station	2017	62	100.0%	21.1 Miles	3 HH	Families; 50% & 60% AMHI

OCC. – Occupancy

HH – Households

*Tax Credit units only

**Units under construction

***Indicates preleased units

900 series Map IDs are located outside the Site PMA

The four *established* comparable LIHTC projects have a combined occupancy rate of 100.0%, three of which maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market and region. The subject development will be able to accommodate a portion of this unmet demand.

Notably, although still under construction, Canaan Crossing (Map ID 1) began pre-leasing units in April 2022 prior to its planned opening date in June 2022. As of May 2022, the development has pre-leased 42 units. This is considered a very rapid absorption rate for affordable rental communities, illustrating that this type of rental product is being very well received within the Site PMA. This will bode very well in the demand of the subject units.

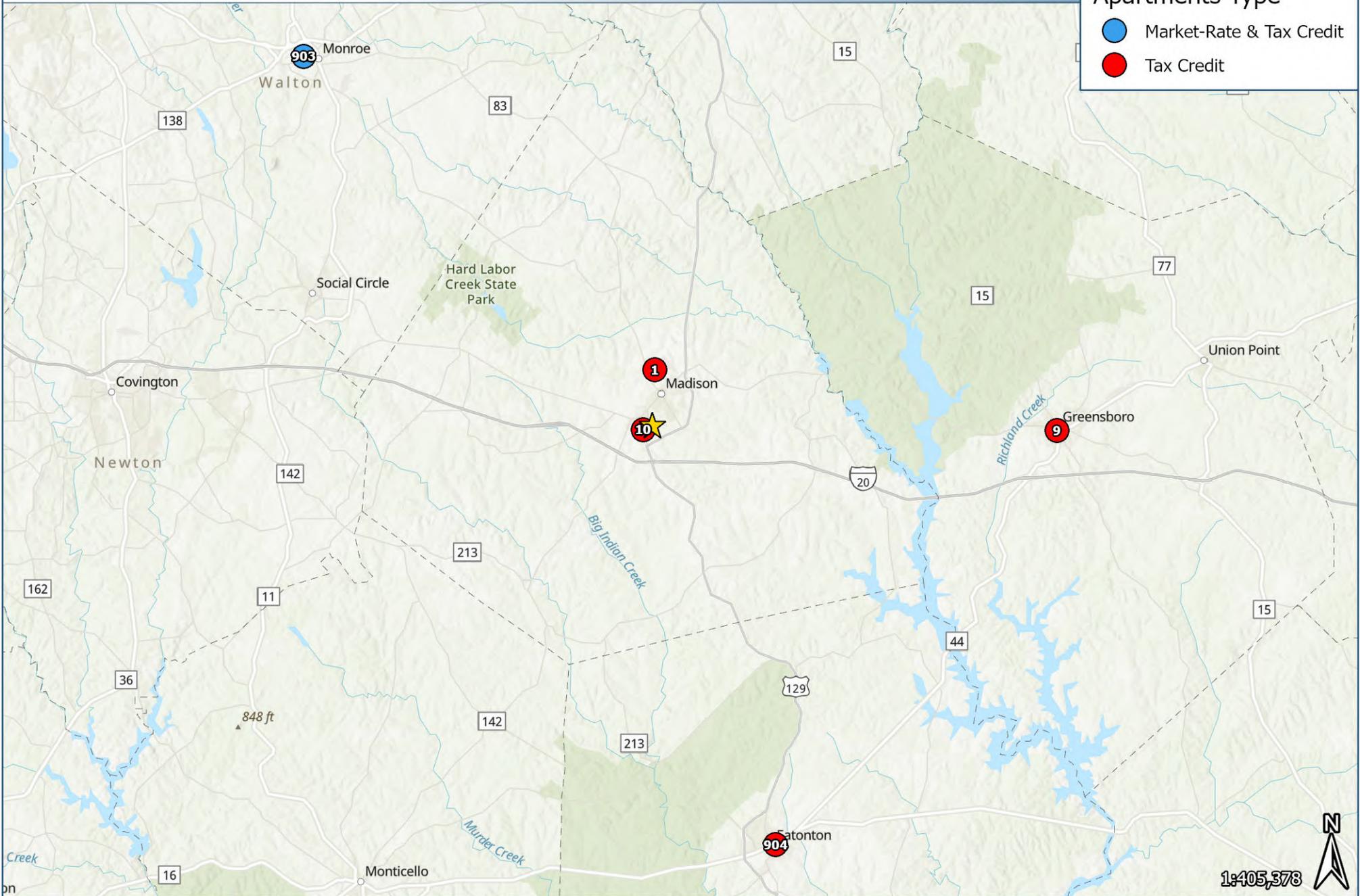
The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed site location.

★ Site

Apartments Type

● Market-Rate & Tax Credit

● Tax Credit



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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	\$657/50% (2) \$767/60% (5)	\$790/50% (6) \$910/60% (23)	\$913/50% (4) \$1,033/60% (14)
1	Canaan Crossing	\$626/50% (2*/0) \$626/60% (6*/0)	\$726/50% (6*/0) \$726/60% (26*/0)	\$800/50% (4*/0) \$800/60% (16*/0)
9	Mary-Leila Lofts	\$462/50% (3/0) \$577/60% (11/0)	\$543/50% (8/0) \$680/60% (29/0)	\$612/50% (4/0) \$770/60% (16/0)
10	Orchard Grove Apts.	-	\$617/50% (24/0) \$617/60% (12/0)	\$758/50% (16/0) \$758/60% (8/0)
903	Skyline Trace	\$786/50% (3/0) \$846/60% (3/0)	\$902/50% (10/0) \$962/60% (19/0)	\$1,001/50% (8/0) \$1,046/60% (16/0)
904	Sumter Street Station	\$518/50% (7/0) \$618/60% (5/0)	\$637/50% (19/0) \$737/60% (13/0)	\$758/50% (11/0) \$858/60% (7/0)

900 series Map IDs are located outside the Site PMA

*Units under construction

The proposed subject gross rents, ranging from \$657 to \$1,033, will generally be well above those offered at the comparable LIHTC projects surveyed within the market and region for similar unit types. However, given the fact that all *established* LIHTC properties are fully occupied, the majority of which maintain a waiting list, illustrates that these properties could charge higher rents without having an adverse impact on their marketability. It is also important to point out that two of the comparable LIHTC projects within the *market* are charging similar rents for their bedroom types, regardless of targeted income level. This is also an indication that these developments are underachieving their rent potential, especially for those units set aside at 60% of AMHI. Additionally, the subject's newness will further enable the site to charge higher rents. Lastly, while not selected for this analysis due to differences in target population, we surveyed one age-restricted LIHTC project within the market, Silver Lakes Court (Map ID 12), that is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Based on other market parameters illustrated within this report, it is believed that the proposed LIHTC rents at the site are achievable.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	711	984	1,132
1	Canaan Crossing	723	907 - 1,060	1,108 - 1,182
9	Mary-Leila Lofts	750	840	1,200
10	Orchard Grove Apts.	-	1,000	1,100
903	Skyline Trace	806	1,056	1,237
904	Sumter Street Station	761	1,051	1,216

900 series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	1.0	1.0	2.0
1	Canaan Crossing	1.0	1.5	2.0
9	Mary-Leila Lofts	1.0	1.0 - 2.0	2.0
10	Orchard Grove Apts.	-	2.0	2.0
903	Skyline Trace	1.0	2.0	2.0
904	Sumter Street Station	1.0	2.0	2.0

900 series Map IDs are located outside the Site PMA

The subject project will offer generally competitive unit sizes (square feet) relative to those offered at the comparable LIHTC projects within the market and region. Given that all comparable LIHTC projects are fully occupied and the fact that the subject's unit sizes are generally within the range of those offered, they are considered appropriately positioned. Conversely, the subject project will be the only LIHTC project within the market and region to lack an additional bathroom within its two-bedroom units. This will position the subject development at a competitive disadvantage and has been considered in our achievable rent analysis illustrated later in this section.

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

Tax Credit Unit Amenities by Map ID							
	Site*	1	9	10	903	904	
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal	X	X	X	X	X	X
	Microwave	X	X	X		X	
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X	X	X	X	X
	W/D			X			X
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom	X	X			X	X
	Basement						
	Ceiling Fan	X	X	X	S	X	X
	Controlled Access			X			
	E-Call System						
	Furnished						
	Walk-In Closet			X	X		
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet			X	X	X	X
	Ceramic Tile						
	Hardwood			X			
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings			X			
	Oversized Windows			X			
Parking	Attached Garage						
	Detached Garage						
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Carmichael Commons

X = All Units, S = Some Units, O = Optional with Fee

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	9	10	903	904
	X					
Bike Racks / Storage	X					
Computer/Business Center			X	X	X	X
Car Care **						
Community Garden		X				
Community	Multipurpose Room	X	X	X	X	X
	Chapel					
	Community Kitchen	X	X			
	Dining Room - Private					
	Dining Room - Public					
	Rooftop Terrace					
	Concierge Service **					
	Convenience Amenities **					
	Covered Outdoor Area **	X				
	Elevator					
Laundry Room	X	X		X	X	
On-Site Management	X	X	X	X	X	
Pet Care **						
Recreation	Basketball					
	Bocce Ball					
	Firepit					
	Fitness Center	X		X	X	X
	Grilling Area	X	X	X	X	X
	Game Room - Billiards					
	Walking Path					
	Hot Tub					
	Library				X	
	Media Room / Theater					
	Playground	X	X	X	X	X
	Putting Green					
	Racquetball					
	Shuffleboard					
	Swimming Pool - Indoor					
	Swimming Pool - Outdoor					X
	Tennis					
Volleyball						
Security	CCTV	X		X		
	Courtesy Officer					
	Security Gate					
	Social Services **		X			
	Storage - Extra					
	Common Space WiFi				X	

◆ - Senior Property

* Proposed Site(s): Carmichael Commons

X = All Units, S = Some Units, O = Optional with Fee

** Details in Comparable Property Profile Report

As the preceding tables illustrate, the subject’s amenities package is considered competitive with those offered at the comparable LIHTC projects surveyed in the market and region. The subject project does not appear to lack any amenity that will hinder its ability to successfully operate as a LIHTC community.

Competitive/Comparable Tax Credit Summary

Based on our analysis of the subject’s unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the subject development will be marketable. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that the *established* comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), preleased 42 of its units within the first month, a very rapid rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject’s proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Combined with the subject’s newness, we believe the proposed rents at the site are achievable.

The anticipated occupancy rates of the comparable Tax Credit developments surveyed in the market during the first year of occupancy at the subject project are illustrated below:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2024
1	Canaan Crossing	70.0%*	95.0%+
9	Mary-Leila Lofts	100.0%	95.0%+
10	Orchard Grove Apts.	100.0%	95.0%+

*Reflective of preleased units

Given the 100.0% occupancy of all *existing* affordable rental communities within the market, we do not expect the subject development to have a significant adverse impact on occupancy levels of the comparable LIHTC projects. We expect that all comparable LIHTC developments within the market will operate at or above 95.0% occupancy if the proposed subject site is developed. This is especially true, considering that the subject project will charge rents well above the competition, as it is likely that potential residents will respond to availability at the other LIHTC communities within the market before considering residency at the subject development.

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

Market-Rate

We identified and surveyed two market-rate projects within the Site PMA, which were selected for this comparable analysis. Given the limited amount of market-rate rental properties surveyed within the market, we identified and surveyed three additional properties that offer market-rate units outside of the Site PMA but within the region in Covington and Monroe for this comparable analysis. Note that these three properties located outside of the market are not considered competitive with the subject development, as they derive demographic support from a different geographical region. These three properties outside of the market were selected for comparability purposes only. The five comparable market-rate properties and the proposed subject development are summarized as follows:

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Waiting List	Rent Special
Site	Carmichael Commons	2024	6*	-	-	-	-
5	Jefferson Ridge Townhomes	2000	22	100.0%	2.1 Miles	3 HH	None
7	Madison Towne Homes	1985	24	100.0%	2.4 Miles	2 HH	None
901	Leaf Stone	2001	232	96.6%	27.6 Miles	None	None
902	Park View	1993 / 2010	100	100.0%	26.4 Miles	None	None
903	Skyline Trace	2010	4*	100.0%	26.2 Miles	None	None

HH – Households

900 series Map IDs are located outside the Site PMA

*Market-rate units only

The five selected market-rate projects have a combined total of 382 units with an overall occupancy rate of 97.9%, a strong rate for market-rate rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development. In fact, both market-rate rental communities surveyed within the *market* are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for additional market-rate rental units within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject project will be at least 24 years newer than the comparable market-rate properties surveyed within the *market*. This will position the subject project at a significant competitive advantage.

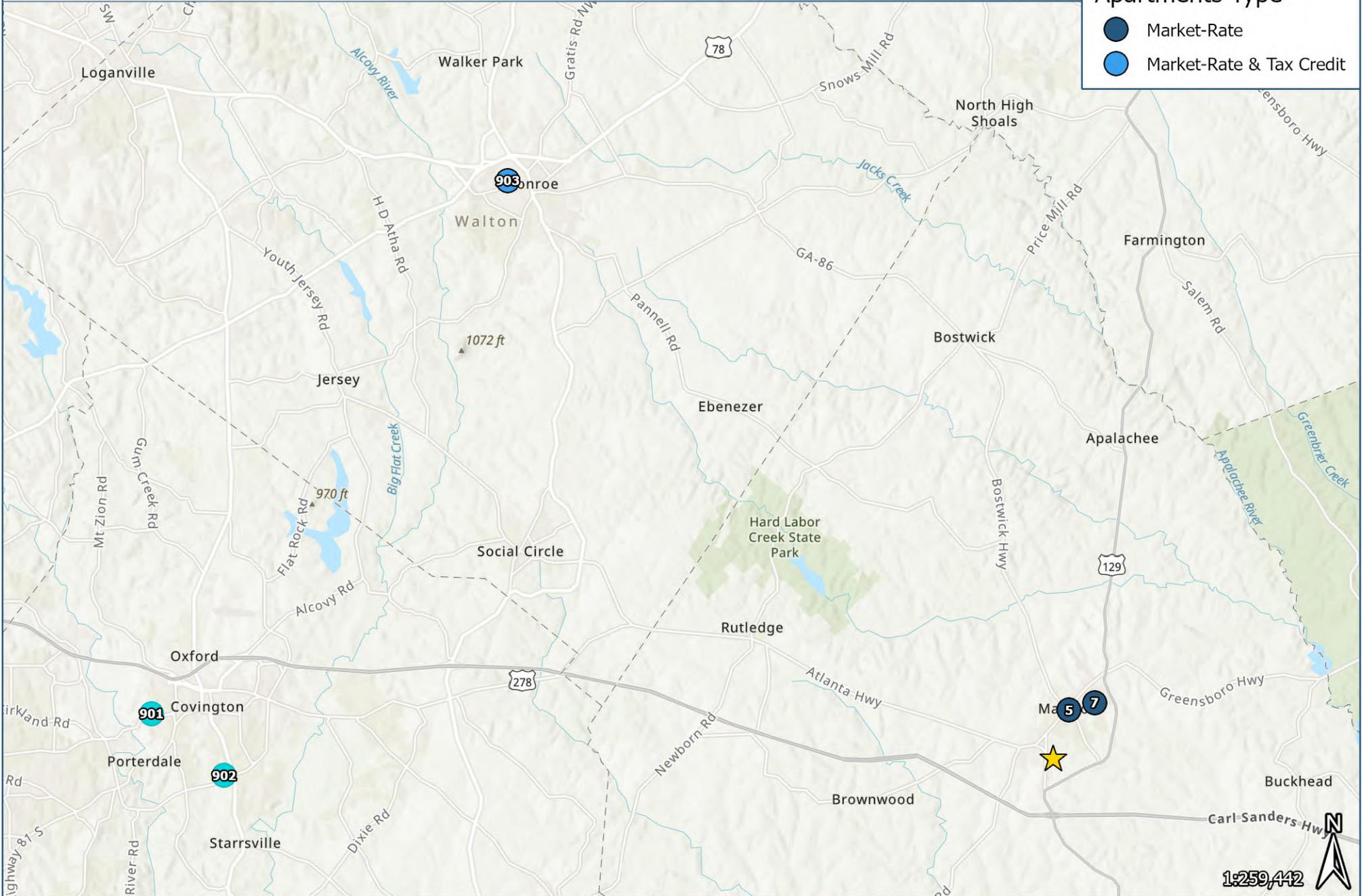
The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location.

★ Site

Apartments Type

● Market-Rate

● Market-Rate & Tax Credit



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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	\$937 (1)	\$1,075 (3)	\$1,263 (2)
5	Jefferson Ridge Townhomes	-	\$1,456-\$1,506 (22/0)	-
7	Madison Towne Homes	-	\$1,386 (24/0)	-
901	Leaf Stone	\$1,701 (72/2)	\$1,877 (124/5)	\$2,117 (36/1)
902	Park View	\$946 (10/0)	\$1,102 (55/0)	\$1,206 (35/0)
903	Skyline Trace	\$871 (2/0)	\$972 (2/0)	-

900 series Map IDs are located outside the Site PMA

The proposed subject gross market-rate rents, ranging from \$937 and \$1,263, will be some of the lowest market-rate rents when compared to those offered at the selected market-rate properties surveyed within the market and region. This will position the site at a competitive advantage. Notably, the subject project will be the only rental community to offer market-rate one- and three-bedroom units relative to the bedroom types offered at the comparable market-rate properties within the *Site PMA*. This will also position the subject project at a market advantage, as it will provide a rental housing alternative to higher income renters that appear to be underserved within the market.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	711	984	1,132
5	Jefferson Ridge Townhomes	-	1,100	-
7	Madison Towne Homes	-	900	-
901	Leaf Stone	816	1,072	1,292
902	Park View	736	880	1,152
903	Skyline Trace	806	1,056	-

900 series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons	1.0	1.0	2.0
5	Jefferson Ridge Townhomes	-	2.5	-
7	Madison Towne Homes	-	1.5	-
901	Leaf Stone	1.0	2.0	2.0
902	Park View	1.0	2.0	2.0
903	Skyline Trace	1.0	2.0	-

900 series Map IDs are located outside the Site PMA

The subject project will offer generally competitive unit sizes (square feet) relative to those offered at the comparable market-rate projects within the market and region. Given that nearly all comparable market-rate projects are fully occupied and the fact that the subject's unit sizes are generally within the range of those offered, they are considered appropriately positioned. Conversely, the subject project will be the only market-rate project within the market and region to lack an additional bathroom within its two-bedroom units. This will position the subject development at a competitive disadvantage and has been considered in our achievable rent analysis illustrated later in this section.

The following tables compare the amenities of the subject development with the comparable market-rate projects in the market and region.

Market-Rate Unit Amenities by Map ID

	Site*	5	7	901	902	903	
Appliances	Dishwasher	X	X	X	X	X	
	Disposal	X			X	X	
	Microwave	X			S	X	
	Range	X	X	X	X	X	
	Refrigerator	X	X	X	X	X	
	W/D Hookup	X	X	X	X	X	
	W/D		S	S	O		
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	
	AC-Other						
	Balcony/ Patio/ Sunroom	X	X	X	X	X	
	Basement						
	Ceiling Fan	X	X	X	X	S	
	Controlled Access						
	E-Call System						
	Furnished						
	Walk-In Closet				X	X	
	Window Treatments	X	X	X	X	X	
	Flooring	Carpet		X		X	X
		Ceramic Tile					
Hardwood			X	X			
Finished Concrete							
Composite/Vinyl/Laminate		X			X	X	
Upgraded	Premium Appliances			X			
	Premium Countertops				X		
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings						
	Oversized Windows						
Parking	Attached Garage						
	Detached Garage			O			
	Street Parking						
	Surface Lot	X	X	X	X	X	
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Carmichael Commons

X = All Units, S = Some Units, O = Optional with Fee

** Details in Comparable Property Profile Report

Continued on Next Page

Market-Rate Property Amenities by Map ID

	Site*	5	7	901	902	903
	Bike Racks / Storage	X				
	Computer/Business Center			X		X
	Car Care **			X		
	Community Garden					
Community	Multipurpose Room	X				X
	Chapel					
	Community Kitchen	X				
	Dining Room - Private					
	Dining Room - Public					
	Rooftop Terrace					
	Concierge Service **					
	Convenience Amenities **			X	X	
	Covered Outdoor Area **	X				
	Elevator			X		
Laundry Room	X			X	X	
On-Site Management	X			X	X	X
Pet Care **				X	X	
Recreation	Basketball					
	Bocce Ball					
	Firepit					
	Fitness Center	X		X	X	X
	Grilling Area	X		X	X	X
	Game Room - Billiards					
	Walking Path					
	Hot Tub					
	Library					
	Media Room / Theater					
	Playground	X		X	X	X
	Putting Green					
	Racquetball					
	Shuffleboard					
	Swimming Pool - Indoor					
	Swimming Pool - Outdoor			X	X	X
Tennis						
Volleyball						
Security	CCTV	X			X	
	Courtesy Officer			X	X	
	Security Gate					
	Social Services **					
	Storage - Extra			X		
Common Space WiFi			X	X		

◆ - Senior Property

X = All Units, S = Some Units, O = Optional with Fee

* Proposed Site(s): Carmichael Commons

** Details in Comparable Property Profile Report

The amenities package to be included at the proposed subject development will be generally similar with those offered at the comparable market-rate rental communities within the market and region. In fact, the subject project will be the only market-rate rental community within the *Site PMA* to offer unit amenities such as a garbage disposal and microwave, and community amenities such as a community room with kitchen, laundry facility, on-site management, a fitness center, grilling area and playground. The inclusion of the aforementioned amenities will position the site at a significant competitive advantage.

Comparable/Competitive Market-Rate Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing market-rate properties within the market and region, it is our opinion that the subject development will be very marketable. In fact, the subject project will be at least 24 years newer than the market-rate communities surveyed within the *Site PMA*, offering some of the lowest rents and superior amenities package. The aforementioned characteristics will position the subject at a significant competitive advantage and has been considered in both our achievable market rent analysis and our absorption projections.

Achievable Market Rent/Market Rent Advantage Analysis

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

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

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

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

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

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Carmichael Commons		Jefferson Ridge Townhomes		Madison Towne Homes		Leaf Stone		Park View		Skyline Trace	
Adjacent to 1080 Carmichael Road		363 E. Jefferson St.		100 Concord Ln.		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.		600 Ridge Rd.	
Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA		Monroe, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,295		\$1,225		\$1,570		\$815		\$740	
2	Date Surveyed	Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		97%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,295	1.18	\$1,225	1.36	\$1,570	1.92	\$815	1.11	\$740	0.92
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	R/1		TH/2		EE/3		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2024	\$24	1985	\$39	2001	\$23	1993/2010	\$22	2010	\$14
8	Condition/Street Appeal	E	\$15	F	\$30	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		No	(\$157)	No	(\$82)	No	(\$37)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1	(\$50)	2	(\$50)	1		1		1	
12	# Baths	1	(\$45)	2.5	(\$15)	1		1		1	
13	Unit Interior Sq. Ft.	711	(\$126)	1100	(\$61)	900	(\$61)	816	(\$34)	736	(\$8)
14	Patio/Balcony/Sunroom	Y		Y		Y		N	\$5	Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L	(\$25)	W/D		HU	\$5	HU/L		HU/L	
19	Floor Coverings	V		C/W		W		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/Y	(\$5)	Y/N		Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		Y		N	\$5
27	Community Space	Y	\$5	N	\$5	N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	F	\$5	N	\$5	P/F	(\$10)	P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	N		N		Y	(\$3)	N		Y	(\$3)
30	Grilling Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10	4	11	3	5	5	4	3	3	4
41	Sum Adjustments B to D	\$75	(\$246)	\$110	(\$126)	\$53	(\$209)	\$47	(\$100)	\$34	(\$81)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$156)	\$336	(\$1)	\$251	(\$141)	\$277	(\$38)	\$162	(\$32)	\$130
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,139		\$1,224		\$1,429		\$777		\$708	
45	Adj Rent/Last rent		88%		100%		91%		95%		96%
46	Estimated Market Rent	\$900	\$1.27 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Carmichael Commons		Jefferson Ridge Townhomes		Madison Towne Homes		Leaf Stone		Park View		Skyline Trace	
Adjacent to 1080 Carmichael Road		363 E. Jefferson St.		100 Concord Ln.		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.		600 Ridge Rd.	
Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA		Monroe, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,295		\$1,225		\$1,720		\$945		\$815	
2	Date Surveyed	Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		96%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,295	1.18	\$1,225	1.36	\$1,720	1.60	\$945	1.07	\$815	0.77
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		TH/2		EE/3		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2024	\$24	1985	\$39	2001	\$23	1993/2010	\$22	2010	\$14
8	Condition/Street Appeal	E	\$15	F	\$30	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		No	(\$172)	No	(\$95)	No	(\$41)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$45)	1.5	(\$15)	2	(\$30)	2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	984	(\$35)	900	\$25	1072	(\$26)	880	\$31	1056	(\$22)
14	Patio/Balcony/Sunroom	Y		Y		Y		N	\$5	Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L	(\$25)	HU	\$5	HU	\$5	HU/L		HU/L	
19	Floor Coverings	V		C/W		W		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/Y	(\$5)	Y/N		Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		Y		N	\$5
27	Community Space	Y	\$5	N	\$5	N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	F	\$5	N	\$5	P/F	(\$10)	P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	N		N		Y	(\$3)	N		Y	(\$3)
30	Grilling Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10	3	12	1	5	6	5	3	3	5
41	Sum Adjustments B to D	\$75	(\$105)	\$135	(\$15)	\$53	(\$246)	\$78	(\$135)	\$34	(\$105)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$15)	\$195	\$135	\$165	(\$178)	\$314	(\$41)	\$228	(\$56)	\$154
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,280		\$1,360		\$1,542		\$904		\$759	
45	Adj Rent/Last rent		99%		111%		90%		96%		93%
46	Estimated Market Rent	\$990	\$1.01	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Carmichael Commons		Jefferson Ridge Townhomes		Madison Towne Homes		Leaf Stone		Park View		Skyline Trace	
Adjacent to 1080 Carmichael Road		363 E. Jefferson St.		100 Concord Ln.		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.		600 Ridge Rd.	
Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA		Monroe, GA	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,295		\$1,225		\$1,926		\$1,015		\$815	
2	Date Surveyed	Apr-22		Apr-22		Apr-22		Apr-22		Apr-22	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		100%		97%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,295	1.18	\$1,225	1.36	\$1,926	1.49	\$1,015	0.88	\$815	0.77
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		TH/2		EE/3		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2024	\$24	1985	\$39	2001	\$23	1993/2010	\$22	2010	\$14
8	Condition/Street Appeal	E	\$15	F	\$30	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		No	(\$193)	No	(\$102)	No	(\$41)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	\$50	2	\$50	3		3		2	\$50
12	# Baths	2	(\$15)	1.5	\$15	2		2		2	
13	Unit Interior Sq. Ft.	1132	\$9	900	\$66	1292	(\$46)	1152	(\$6)	1056	\$22
14	Patio/Balcony/Sunroom	Y		Y		Y		N	\$5	Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L	(\$25)	W/D	\$5	HU	\$5	HU/L		HU/L	
19	Floor Coverings	V		C/W		W		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	Y		Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/Y	(\$5)	Y/N		Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	Y		Y		N	\$5
27	Community Space	Y	\$5	N	\$5	N	\$5	N	\$5	Y	
28	Pool/Recreation Areas	F	\$5	N	\$5	P/F	(\$10)	P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	N		N		Y	(\$3)	N		Y	(\$3)
30	Grilling Area	Y	\$3	N	\$3	Y		Y		Y	
31	Playground	Y	\$3	N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15	N/N	\$15
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	12	2	14		5	5	4	3	5	3
41	Sum Adjustments B to D	\$134	(\$40)	\$241		\$53	(\$256)	\$47	(\$117)	\$106	(\$54)
42	Sum Utility Adjustments	\$15		\$15		\$15		\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$109	\$189	\$256	\$256	(\$188)	\$324	(\$55)	\$179	\$67	\$174
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,404		\$1,481		\$1,738		\$960		\$882	
45	Adj Rent/Last rent		108%		121%		90%		95%		108%
46	Estimated Market Rent	\$1,110	\$0.98	← Estimated Market Rent/ Sq. Ft							

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

Based on the preceding Rent Comparability Grids, it was determined that the present-day achievable market rents for units similar to the proposed subject development are \$900 for a one-bedroom unit, \$990 for a two-bedroom unit and \$1,110 for a three-bedroom unit, which are illustrated as follows:

Bedroom Type	Proposed Collected Rent (AMHI)	Achievable Market Rent	Market Rent Advantage
One-Br.	\$530 (50%)	\$900	41.1%
	\$640 (60%)		28.9%
	\$810 (MR)		10.0%
Two-Br.	\$605 (50%)	\$990	38.9%
	\$725 (60%)		26.8%
	\$890 (MR)		10.1%
Three-Br.	\$645 (50%)	\$1,110	41.9%
	\$765 (60%)		31.1%
	\$995 (MR)		10.4%

MR – Market-Rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Considering that the proposed subject Tax Credit rents represent market rent advantages ranging between 26.8% and 41.9%, they will likely be viewed as excellent values within the Site PMA. The proposed market-rate rents will likely also be viewed as excellent values, as they represent market rent advantages between 10.0% and 10.4%, depending upon unit type. These factors are considered in our absorption rate estimates.

Rent Adjustment Explanations (Rent Comparability Grid)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.
7. The proposed subject project is anticipated to be completed in 2024. As such, we have adjusted the rents at the selected properties by \$1 per (effective) year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have a quality appearance and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality to the subject development.
10. Three of the selected properties are located outside of the Madison Site PMA in Covington and Monroe. The Covington and Monroe markets are significantly larger than Madison in terms of population, community services and apartment selections. Given the differences in markets, the rents that are achievable in Covington and Monroe will not directly translate to the Madison market. Therefore, we have adjusted each collected rent at the one comparable project located in Monroe by approximately 5.0% and each collected rent at the two comparable projects located in Covington by approximately 10.0% to account for these market differences.
11. We have made adjustments for the differences in the number of bedrooms offered at the selected market-rate projects due to the fact that not all of the selected properties offer one- and/or three-bedroom units. A conservative adjustment of \$50 per bedroom was used to reflect this difference.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar-for-dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package generally superior to those offered at the selected properties. We have made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed subject project will offer a project amenity package generally inferior to those offered at the selected properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$258,824. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$258,824 home is \$1,557, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$258,824
Mortgaged Value = 95% of Median Home Price	\$245,883
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,246
Estimated Taxes and Insurance*	\$311
Estimated Monthly Mortgage Payment	\$1,557

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents at the subject property range from \$530 to \$765 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is much greater than the cost of renting at the subject project's Tax Credit units. As such, it is not likely that any of the tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or be able to afford the down payment on such a home. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

Section J – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2024 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2024.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the high occupancy rates and waiting lists reported among existing non-subsidized projects in the market and region, the preleasing trends of the newest LIHTC rental community within the market, the required capture rate, achievable market rents, the competitiveness of the proposed subject development, its high (yet achievable) LIHTC rents and its location. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 54 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% in approximately five to six months. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month. It is anticipated that the six market-rate units at the site will stabilize within the first month of completion.

These absorption projections assume a July 2024 opening date. An earlier/later opening date may have a slowing impact on the project's initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Section K – Interviews

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

- Monica Callahan, Director of the City of Madison Planning and Development Department, stated that there is a need for affordable housing in Madison. Madison has seen a drastic increase of rental pricing in the past year, even Madison’s trailer parks are no longer affordable to Madison residents, recently having increased rents as high as \$900 per month. The lack of affordable housing in Madison is seen as a serious issue, and the demand continues to grow with the cost of living. According to Ms. Callahan, local businesses have little to no employees from Madison, with most of the city’s workforce living 45 minutes away because nobody can afford to live there. On top of this, Madison has a housing shortage. Ms. Callahan believes this is largely due to the fact that no available land in Madison is zoned for multifamily development, meaning that anyone who wants to develop would first have to have the area of their choosing rezoned before they could even begin to plan their development. In addition to this, another hurdle developers face is the cost of building in Madison. Despite this, locals continue to ask for more affordable options and Ms. Callahan hopes to see more affordable housing come to Madison soon.
- Bob Hughes, President of the Madison-Morgan Chamber, stated that there is a need for more affordable housing in Madison and Morgan County. Madison is divided between both a wealthy population and a low-income population. Many wealthy families in Madison oppose affordable housing in their community, as well as rental housing in general, largely due to the fact that they do not want to welcome people they are unfamiliar with to their hometown. In addition to this, zoning laws and a lack of waste-water infrastructure in the area hinders development, creating pressure on annexation, sprawl and infill development. Despite these issues, Madison needs affordable housing developments to combat the rising cost of living. Rents have more than doubled in the past year, and low-income individuals and families who live in Madison can no longer afford the cost of living. This reflects the need for more affordable housing in Madison.
- Chuck Jarrell, Director of Morgan County Planning and Development, stated that Morgan County does need more affordable housing but does not have the infrastructure to support high density housing options at this time.
- Thelma Furney, Property Manager of Madison Villas (Map ID 8), a government-subsidized property within Madison, stated that due to not only her property’s waitlist, but also the lack of affordable family housing in the area, more affordable housing is desperately needed.

- Cynthia Brewer, Property Manager of Silver Lakes Court (Map ID 12), an age-restricted Tax Credit property in Madison, stated that there is a need for more affordable housing in Morgan County. Ms. Brewer pointed to her property's waiting list of up to 38 households for the next available unit, further providing evidence for the need of additional affordable rental housing within the area. Ms. Brewer continued to state that demand is high and keeps going up and there is not nearly enough supply to keep up.

Section L – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 60 Tax Credit and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Madison rental housing market is performing extremely well, as evidenced by the overall rental market occupancy rate of 100.0%. In fact, nearly all surveyed properties maintain a waiting list, illustrating that significant pent-up demand exists for all types of rental housing within the Madison Site PMA. As such, the proposed Tax Credit and market-rate units at the subject site will help alleviate a portion of this unmet demand. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that the *established* comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), preleased 42 of its units within the first month, a very rapid rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA.

The overall required capture rates of 2.8% and 22.9% for the subject's market-rate and LIHTC units, respectively, are considered achievable, demonstrating that a good base of potential income-appropriate renter support exists for the subject project within the Madison Site PMA. The subject's **overall** capture rate is **13.9%**.

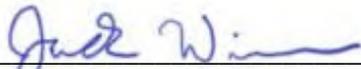
Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Madison Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

Section M - Signed Statement Requirements

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for the proposed units. The report was written according to GDCA's market study requirements, the information included is accurate and the report can be relied upon by GDCA 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 GDCA'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.

GDCA may rely on the representation made in the market study. The document is assignable to other lenders.

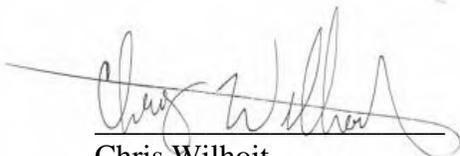


Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: May 24, 2022

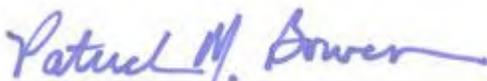


Chris Wilhoit

Market Analyst

chrisw@bowennational.com

Date: May 24, 2022



Patrick M. Bowen

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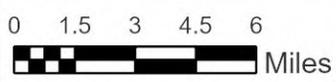
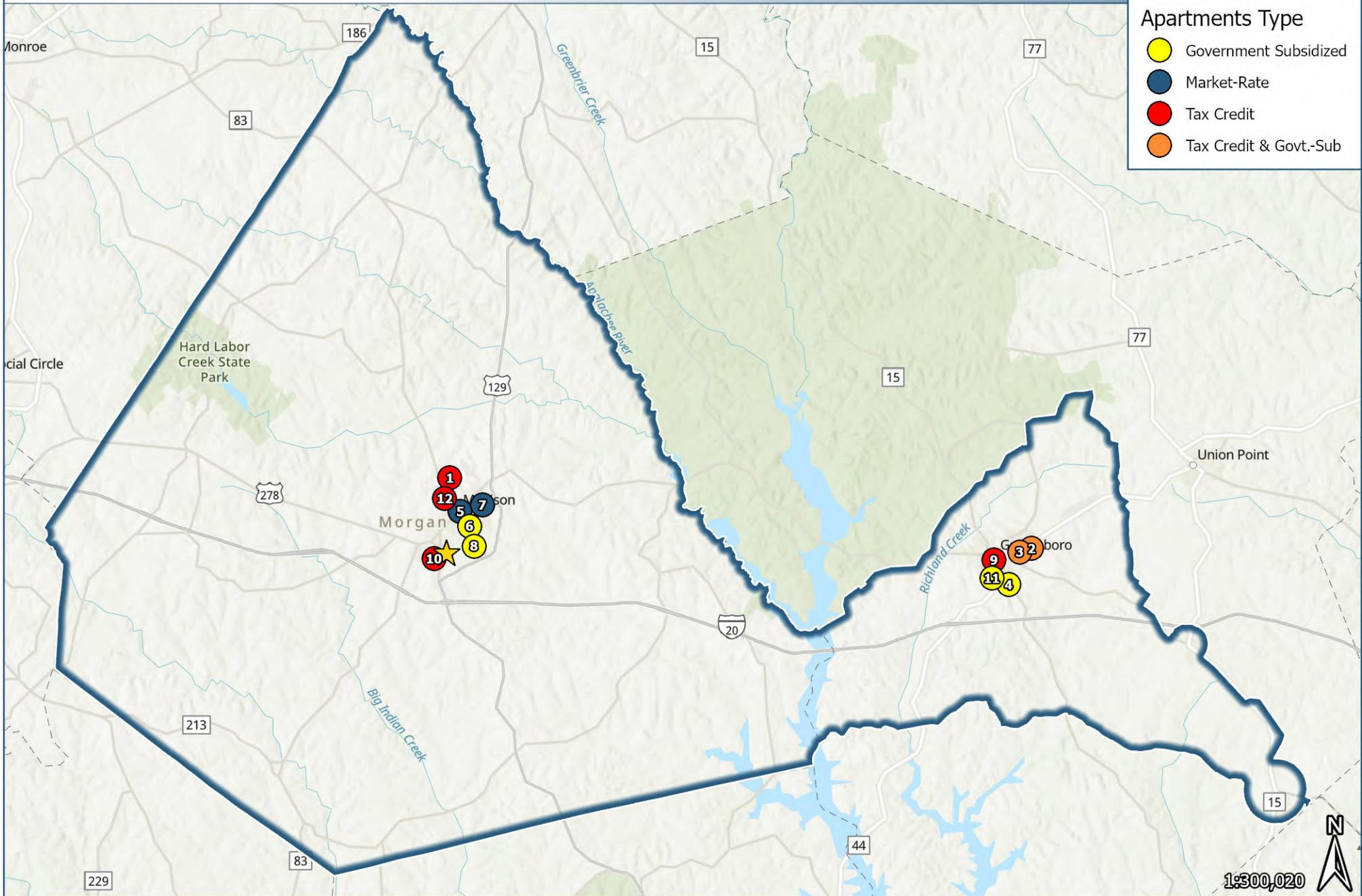
Date: May 24, 2022

ADDENDUM A:
FIELD SURVEY OF
CONVENTIONAL RENTALS



Apartments Type

- Government Subsidized
- Market-Rate
- Tax Credit
- Tax Credit & Govt.-Sub



Esri, CGIAR, USGS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS
Additional Source(s): Bowen National Research

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Canaan Crossing	TAX	B+	2022	0	0		3.1
2	Fox Chase One	TGS	C	1992	24	0	100.0%	21.4
◆ 3	Fox Chase Two	TGS	C	1992	33	0	100.0%	21.4
4	Greensboro Village Apts.	GSS	B	1990	33	0	100.0%	20.0
✓ 5	Jefferson Ridge Townhomes	MRR	B+	2000	22	0	100.0%	2.1
6	Madison Public Housing	GSS	C+	1959	66	0	100.0%	2.2
✓ 7	Madison Towne Homes	MRR	C+	1985	24	0	100.0%	2.4
8	Madison Villas	GSS	B	1996	48	0	100.0%	2.3
✓ 9	Mary-Leila Lofts	TAX	B	2014	71	0	100.0%	20.3
✓ 10	Orchard Grove Apts.	TAX	B+	2004	60	0	100.0%	0.5
11	Park Place Apts.	GSS	C-	1952	14	0	100.0%	19.8
◆ 12	Silver Lakes Court	TAX	B+	2016	44	0	100.0%	2.2
✓ 901	Leaf Stone	MRR	B	2001	232	8	96.6%	27.6
✓ 902	Park View	MRR	B	1993	100	0	100.0%	26.4
✓ 903	Skyline Trace	MRT	B+	2010	63	0	100.0%	26.2
✓ 904	Sumter Street Station	TAX	B+	2017	62	0	100.0%	21.1

*Drive distance in miles

✓ Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	



1	Canaan Crossing 1180 Wheat St, Madison, GA 30650	Contact: Kristie Phone: (614) 396-3200
		<p>Total Units: 0 UC: 60 Occupancy: Stories: 2 Year Built: 2022</p> <p>BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Tax Credit; HOME Funds (11 units); Preleasing 4/2022, 60 units UC, expects to open 6/2022</p>

2	Fox Chase One 11 Fox Chase Cir., Greensboro, GA 30642	Contact: Cici Phone: (706) 453-4690
		<p>Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1992</p> <p>BR: 1, 2, 3 Vacant Units: 0 Waitlist: 12 mos AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Tax Credit; RD 515, has RA (12 units)</p>



3	Fox Chase Two 11 Fox Chase Cir., Greensboro, GA 30642	Contact: Cici Phone: (229) 247-9956
		<p>Total Units: 33 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1992</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: 12 mos AR Year:</p> <p>Target Population: Senior 62+ Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Tax Credit; RD 515, has RA (33 units)</p>

4	Greensboro Village Apts. 108 Rachel St., Greensboro, GA 30648	Contact: Verna Phone: (706) 453-0808
		<p>Total Units: 33 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1990</p> <p>BR: 1, 2 Vacant Units: 0 Waitlist: 8 HH AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: RD 515, has RA (33 units)</p>



5	Jefferson Ridge Townhomes 363 E Jefferson St., Madison, GA 30650	Contact: Jessica Phone: (706) 438-1450
		<p>Total Units: 22 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2000</p> <p>BR: 2 Vacant Units: 0 Waitlist: 3 HH AR Year:</p> <p>Target Population: Family Yr Renovated:</p> <p>Rent Special: None</p> <p>Notes: Rent range based on unit location</p>

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

6	Madison Public Housing 509 Madison Ave., Madison, GA 30650	Contact: Anthony Phone: (770) 267-6591
	Total Units: 66 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1959 BR: 1, 2, 3, 4, 5 Vacant Units: 0 Waitlist: 12 mos AR Year: Target Population: Family Yr Renovated: 1995 Rent Special: None Notes: Public Housing	
7	Madison Towne Homes 100 Concord Ln., Madison, GA 30650	Contact: Jessica Phone: (706) 438-1450
	Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985 BR: 2 Vacant Units: 0 Waitlist: 2 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Random units include washer/dryer	
8	Madison Villas 1061 Bamblewood Dr., Madison, GA 30650	Contact: Thelma Phone: (706) 342-9872
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1996 BR: 1, 2 Vacant Units: 0 Waitlist: 6 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: RD 515, has RA (38 units)	
9	Mary-Leila Lofts 316 S. West St., Greensboro, GA 30642	Contact: Miranda Phone: (706) 454-5047
	Total Units: 71 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2014 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	
10	Orchard Grove Apts. 1070 Micha Way, Madison, GA 30650	Contact: Laurie Phone: (706) 752-1707
	Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2004 BR: 2, 3 Vacant Units: 0 Waitlist: 24 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit	

 Comparable Property	 (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	 (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
 Senior Restricted	 (TAX) Tax Credit	 (INR) Income-Restricted (not LIHTC)
 (MRR) Market-Rate	 (TGS) Tax Credit & Government-Subsidized	 (ING) Income-Restricted (not LIHTC) & Government-Subsidized
 (MRT) Market-Rate & Tax Credit	 (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	 (GSS) Government-Subsidized
 (MRG) Market-Rate & Government-Subsidized	 (TIN) Tax Credit & Income-Restricted (not LIHTC)	 (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
 (MIN) Market-Rate & Income-Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Government-Subsidized	

11	Park Place Apts. 701 S. Main St., Greensboro, GA 30642	Contact: Talesha Phone: (706) 453-7371
		<p>Total Units: 14 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1952 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 12 mos AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Public Housing</p>

12	Silver Lakes Court 439 W Jefferson St, Madison, GA 30650	Contact: Cindy Phone: (706) 717-9593
		<p>Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: 38 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (44 units)</p>

901	Leaf Stone 10100 Brown Bridge Rd., Covington, GA 30014	Contact: Madison Phone: (770) 784-8044
		<p>Total Units: 232 UC: 0 Occupancy: 96.6% Stories: 3 w/Elevator Year Built: 2001 BR: 1, 2, 3 Vacant Units: 8 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes:</p>

902	Park View 10920 Covington Bypass Rd., Covington, GA 30014	Contact: Anesha Phone: (770) 786-8500
		<p>Total Units: 100 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 1993 BR: 1, 2, 3 Vacant Units: 0 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2010 Rent Special: None Notes:</p>

903	Skyline Trace 600 Ridge Rd., Monroe, GA 30655	Contact: Yani Phone: (678) 635-8808
		<p>Total Units: 63 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2010 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 100 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Market-rate (4 units); Tax Credit (59 units)</p>

<ul style="list-style-type: none">  Comparable Property  Senior Restricted  (MRR) Market-Rate  (MRT) Market-Rate & Tax Credit  (MRG) Market-Rate & Government-Subsidized  (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none">  (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized  (TAX) Tax Credit  (TGS) Tax Credit & Government-Subsidized  (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)  (TIN) Tax Credit & Income-Restricted (not LIHTC)  (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none">  (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized  (INR) Income-Restricted (not LIHTC)  (ING) Income-Restricted (not LIHTC) & Government-Subsidized  (GSS) Government-Subsidized  (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
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904	Sumter Street Station 100 E. Sumter St, Eatonton, GA 31024	Contact: Ashley Phone: (706) 623-4311
	Total Units: 62 UC: 0 Occupancy: 100.0% Stories: 2,3 Year Built: 2017	
	BR: 1, 2, 3 Vacant Units: 0 Waitlist: 3 HH AR Year:	
	Target Population: Family Yr Renovated:	
	Rent Special: None	
	Notes: Tax Credit	

Comparable Property	(MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized	(TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income-Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Government-Subsidized	(ING) Income-Restricted (not LIHTC) & Government-Subsidized
(MRT) Market-Rate & Tax Credit	(TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC)	(GSS) Government-Subsidized
(MRG) Market-Rate & Government-Subsidized	(TIN) Tax Credit & Income-Restricted (not LIHTC)	(ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
(MIN) Market-Rate & Income-Restricted (not LIHTC)	(TMG) Tax Credit, Market-Rate & Government-Subsidized	

Source: Georgia Department of Community Affairs
Effective: 01/2022

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	8	12	14	18	24	28	9	13	16	20	26	29
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	30
	Bottled Gas	29	46	53	70	91	107	35	48	62	78	88	99
	Electric	12	17	21	26	31	38	13	18	24	29	36	41
	Heat Pump	8	9	11	16	20	21	8	9	11	16	20	21
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Cooking	Natural Gas	2	3	4	5	6	7	2	3	4	5	6	7
	Bottled Gas	8	13	16	19	24	29	8	13	16	19	24	29
	Electric	5	8	10	12	15	17	5	8	10	12	15	17
Other Electric	16	22	28	34	44	50	16	22	28	34	44	50	
+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0	
Air Conditioning	5	7	9	12	14	17	6	8	10	13	16	19	
Water Heating	Natural Gas	3	5	7	8	10	12	3	5	7	8	10	12
	Bottled Gas	13	19	27	32	37	48	13	19	27	32	37	48
	Electric	9	14	19	24	29	34	9	14	19	24	29	34
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	20	24	27	33	39	43	20	24	27	33	39	43	
Sewer	19	24	28	35	42	46	19	24	28	35	42	46	
Trash Collection	15	15	15	15	15	15	15	15	15	15	15	15	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

ADDENDUM B

COMPARABLE PROPERTY PROFILES

1 **Canaan Crossing** 3.1 miles to site



Address: 1180 Wheat St, Madison, GA 30650
 Phone: (614) 396-3200 Contact: Kristie
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 0 Year Built: 2022
 Vacant Units: 0 *AR Year:
 Occupancy: Yr Renovated:
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B+
 Access/Visibility:

Notes: Tax Credit; HOME Funds (11 units); Preleasing 4/2022, 60 units UC, expects to open 6/2022

Picture
Not
Available

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Composite/Vinyl/Laminate)

Property Amenities: Community Gardens; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Grilling Area, Playground); Social Services (Health Screenings, Wellness Center)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	0	0	723	\$0.71	\$510	50%
1	1	G	0	0	723	\$0.71	\$510	60%
2	1.5	T	0	0	907 - 1,060	\$0.64 - \$0.55	\$580	50%
2	1.5	T	0	0	907 - 1,060	\$0.64 - \$0.55	\$580	60%
3	2	T	0	0	1,108 - 1,182	\$0.56 - \$0.52	\$620	50%
3	2	T	0	0	1,108 - 1,182	\$0.56 - \$0.52	\$620	60%

*Adaptive Reuse

*DTS is based on drive time

5 Jefferson Ridge Townhomes 2.1 miles to site



Address: 363 E Jefferson St., Madison, GA 30650
 Phone: (706) 438-1450 Contact: Jessica
 Property Type: Market Rate
 Target Population: Family
 Total Units: 22 Year Built: 2000
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 3 HH
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/B

Notes: Rent range based on unit location



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Hardwood)

Property Amenities:

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2.5	T	22	0	1,100	\$1.18 - \$1.22	\$1,295 - \$1,345	Market

*Adaptive Reuse

*DTS is based on drive time

7 Madison Towne Homes 2.4 miles to site



Address: 100 Concord Ln., Madison, GA 30650
 Phone: (706) 438-1450 Contact: Jessica
 Property Type: Market Rate
 Target Population: Family
 Total Units: 24 Year Built: 1985
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 2 HH
 Rent Special: None

Ratings
 Quality: C+
 Neighborhood: B
 Access/Visibility: B-/B-

Notes: Random units include washer/dryer



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Range; Refrigerator; Central AC; Ceiling Fan; Fireplace; W/D Hookup; W/D; Window Treatments; Flooring (Hardwood)

Property Amenities:

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	24	0	900	\$1.36	\$1,225	Market

*Adaptive Reuse

*DTS is based on drive time

9 Mary-Leila Lofts 20.3 miles to site



Address: 316 S. West St., Greensboro, GA 30642
 Phone: (706) 454-5047 Contact: Miranda
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 71 Year Built: 2014
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

Ratings
 Quality: B
 Neighborhood: C
 Access/Visibility: B/A-

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate, Hardwood); High/Vaulted Ceilings; Oversized Windows

Property Amenities: On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	L	3	0	750	\$0.53	\$394	50%
1	1	L	11	0	750	\$0.68	\$509	60%
2	1	L	8	0	840	\$0.54	\$456	50%
2	2	L	29	0	840	\$0.71	\$593	60%
3	2	L	4	0	1,200	\$0.42	\$504	50%
3	2	L	16	0	1,200	\$0.55	\$662	60%

*Adaptive Reuse

*DTS is based on drive time

10 Orchard Grove Apts. 0.5 miles to site



Address: 1070 Micha Way, Madison, GA 30650
 Phone: (706) 752-1707 Contact: Laurie (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 60 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 24 mos
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/B

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Library, Playground); CCTV; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	24	0	1,000	\$0.53	\$530	50%
2	2	G	12	0	1,000	\$0.53	\$530	60%
3	2	G	16	0	1,100	\$0.59	\$650	50%
3	2	G	8	0	1,100	\$0.59	\$650	60%

*Adaptive Reuse

*DTS is based on drive time

901 Leaf Stone 27.6 miles to site



Address: 10100 Brown Bridge Rd., Covington, GA 30014
 Phone: (770) 784-8044 Contact: Madison
 Property Type: Market Rate
 Target Population: Family
 Total Units: 232 Year Built: 2001
 Vacant Units: 8 *AR Year:
 Occupancy: 96.6% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: None
 Rent Special: None

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B/B-

Notes:



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Appliances

Property Amenities: Car Care (Car Wash Area); Cafe / Coffee Bar; Elevator; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); Courtesy Officer; Extra Storage; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	72	2	816	\$1.92	\$1,570	Market
2	2	G	124	5	1,072	\$1.60	\$1,720	Market
3	2	G	36	1	1,292	\$1.49	\$1,926	Market

*Adaptive Reuse

*DTS is based on drive time

902 Park View 26.4 miles to site



Address: 10920 Covington Bypass Rd., Covington, GA 30014
 Phone: (770) 786-8500 Contact: Anesha
 Property Type: Market Rate
 Target Population: Family
 Total Units: 100 Year Built: 1993
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated: 2010
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes:



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Walk-In Closet; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate); Premium Countertops

Property Amenities: Cafe / Coffee Bar; Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); CCTV, Courtesy Officer; WiFi

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	10	0	736	\$1.11	\$815	Market
2	2	G	55	0	880	\$1.07	\$945	Market
3	2	G	35	0	1,152	\$0.88	\$1,015	Market

*Adaptive Reuse

*DTS is based on drive time

903 Skyline Trace 26.2 miles to site



Address: 600 Ridge Rd., Monroe, GA 30655
 Phone: (678) 635-8808 Contact: Yani
 Property Type: Market Rate, Tax Credit
 Target Population: Family
 Total Units: 63 Year Built: 2010
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 100 HH
 Rent Special: None

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

Notes: Market-rate (4 units); Tax Credit (59 units)



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	806	\$0.81	\$655	50%
1	1	G	3	0	806	\$0.89	\$715	60%
1	1	G	2	0	806	\$0.92	\$740	Market
2	2	G	10	0	1,056	\$0.71	\$745	50%
2	2	G	19	0	1,056	\$0.76	\$805	60%
2	2	G	2	0	1,056	\$0.77	\$815	Market
3	2	G	8	0	1,237	\$0.65	\$810	50%
3	2	G	16	0	1,237	\$0.69	\$855	60%

*Adaptive Reuse

*DTS is based on drive time

904 Sumter Street Station 21.1 miles to site



Address: 100 E. Sumter St, Eatonton, GA 31024
 Phone: (706) 623-4311 Contact: Ashley
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 62 Year Built: 2017
 Vacant Units: 0 *AR Year: Yr
 Occupancy: 100.0% Renovated:
 Turnover: Stories: 2,3
 Waitlist: 3 HH
 Rent Special: None

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility:

Notes: Tax Credit

Picture
Not
Available

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Range; Refrigerator; Central AC; Ceiling Fan; W/D Hookup; W/D; Window Treatments; Flooring (Carpet, Composite/Vinyl/Laminate)

Property Amenities: Business Center (Computer/Business Center); Multipurpose Room, Clubhouse/Community Room; On-Site Management; Recreation Areas (Grilling Area, Playground)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	7	0	761	\$0.59	\$450	50%
1	1	G	5	0	761	\$0.72	\$550	60%
2	2	G	19	0	1,051	\$0.52	\$550	50%
2	2	G	13	0	1,051	\$0.62	\$650	60%
3	2	G	11	0	1,216	\$0.53	\$650	50%
3	2	G	7	0	1,216	\$0.62	\$750	60%

*Adaptive Reuse *DTS is based on drive time

Addendum C - Market Study Representation

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

Addendum D - Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

Craig Rupert, Market Analyst, has conducted more than 1,000 market feasibility studies throughout the United States since 2010, within both urban and rural markets as well as on various tribal reservations. Mr. Rupert has prepared market studies for numerous types of housing including market-rate, Tax Credit, and various government-subsidized rental product, for-sale product, senior living (assisted living, nursing care, etc.), as well as market studies for retail/commercial space. Market studies prepared by Mr. Rupert have been used for submittal as part of state finance agency Tax Credit and HUD 221 (d)(4) applications, as well as various other financing applications submitted to local, regional, and national-level lenders/financial institutions. Mr. Rupert has a bachelor's degree in Hospitality Management from Youngstown State University.

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

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

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

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

Jonathan Kabat, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Kabat graduated from The Ohio State University with a Bachelor of Art in History and a minor in Geography.

Andrew Lundell, Market Analyst, has an experienced background in customer service and financial analysis. He has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Mr. Lundell has a Bachelor of Arts in Criminal Justice from Ohio University.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

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

Ron Pompey, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

Nathan Stelts, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

Chris Wilhoit, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Wilhoit also has a background in architectural photography.

Research Staff

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

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

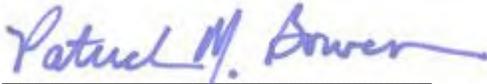
Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary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

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

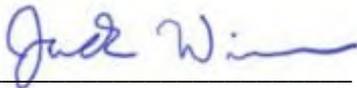
Addendum E – Market Analyst Certification Checklist

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

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



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

Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum F – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Madison, Georgia by Carmichael Commons Limited Partnership (developer).

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

- A detailed demographic and socioeconomic evaluation
- Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
- A drive-time analysis for the site
- Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property. The information in this survey was collected through a variety of methods, including phone surveys, in-person visits, email and fax. The contact person for each property is listed in *Addendum A: Field Survey of Conventional Rentals*.

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

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

3. REPORT LIMITATIONS

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

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

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

4. SOURCES

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

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