



REAL PROPERTY **RESEARCH** GROUP

ATLANTA ■ WASHINGTON/BALTIMORE

Market Feasibility Analysis

Covington Square Senior Apartments

Covington, Newton County, Georgia

Prepared for:

Rebuild America

Site Inspection: February 17, 2022

Effective Date: February 23, 2022



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1. EXECUTIVE SUMMARY

Rebuild America has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for the proposed renovation of Covington Square, an existing 114-unit, deeply subsidized, age-restricted rental community in Covington, Newton County, Georgia. As proposed, the subject property will be rehabilitated and will offer 113 LIHTC units targeting households ages 62 and older earning up to 50 percent and 60 percent of the Area Median Income (AMI) under the Low Income Housing Tax Credit (LIHTC) program; select units will be for disabled people ages 18 and older so according to the client, the tenancy is “other tenancy” per DCA definition. The subject property will also offer one non-revenue manager’s unit. All units will continue to benefit from Project Based Rental Assistance (PBRA) through the Section 8 program. The following report is based on DCA’s 2022 market study requirements.

1. Project Description

- The subject property is bordered by Washington Street SW to the north, Brown Street SW to the east, Reynolds Street SW to the south, and Lee Street SW to the west in downtown Covington, Newton County, Georgia. The subject property’s physical address is 2101 Washington Street SW, Covington, GA 30014.
- Covington Square will offer 113 newly renovated age-restricted LIHTC units targeting households ages 62 and older earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size, while one additional unit will be a non-revenue unit designated for the property manager. All units will continue to benefit from Project Based Rental Assistance (PBRA) through the Section 8 program. Select units will be for disabled people ages 18 and older.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below. The rents shown will include all utilities.

Developer Proposed									
# Bed	# Bath	Building Type	Income Target	Units	Gross Sq Ft	Contract Rent	Net Rent	Utility Allowance	Gross Rent
Eff	1	Mid-Rise	50% AMI/PBRA	9	415	\$1,020	\$723	\$0	\$723
Eff	1	Mid-Rise	60% AMI/PBRA	20	415	\$1,020	\$868	\$0	\$868
Eff Subtotal/Avg				29	415	\$823			
1	1	Mid-Rise	50% AMI/PBRA	25	525	\$1,076	\$775	\$0	\$775
1	1	Mid-Rise	60% AMI/PBRA	59	525	\$1,076	\$930	\$0	\$930
1 BR Subtotal/Avg				84	525	\$884			
Total				113					

All utilities included in rent

Source: Rebuild America

Lesser of the proposed contract rent and maximum allowable LIHTC rent

- Covington Square will offer a microwave, grab bars, and emergency call system which is not as extensive as the features offered at the two surveyed LIHTC age restricted communities. The proposed unit features are acceptable given the continuation of PBRA on all units and the limited affordable senior rental options in the market area; the lack of a dishwasher and washer and dryer connections would likely affect the subject property’s attainable rents without the inclusion of PBRA.
- Covington Square will offer a multi-purpose room, fitness center, community garden, and computer area which will be competitive with the surveyed senior communities.



2. Site Description / Evaluation:

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

- The subject property is bordered by Washington Street SW to the north, Brown Street SW to the east, Reynolds Street SW to the south, and Lee Street SW to the west in downtown Covington. Surrounding land uses are compatible with senior rental housing including small business, churches, retailers, and municipal services in downtown and a senior LIHTC community (Harristown Park) directly southwest of the subject property. Modest to moderate value single-family detached homes are common outside of downtown within one-half mile of Covington Square.
- Neighborhood amenities and services are convenient to the subject property with grocery stores, medical facilities, pharmacies, banks, and a senior center within roughly one mile; Newton County Senior Services is one mile west of the subject property on Turner Lake Road. Shopping including Walmart Supercenter is within three miles of Covington Square while the city square is two blocks to the east offering many small retailers and restaurants.
- The subject property is roughly one mile southeast of access to Interstate 20 via U.S. Highway 278. Interstate 20 connects Covington to the Atlanta Metro Area to the west including Interstate 285 within 24 miles and downtown Atlanta within 35 miles. Several state highways connect Covington to the north and south while U.S. Highway 278 runs roughly parallel to Interstate 20 to the east.
- The subject property's census tract has a crime risk (100 to 199) above the national average (100). Much of the market area in and around Covington has a similar crime risk to the site including the location of all surveyed comparable communities so we do not expect crime or the perception of crime to negatively impact the subject property's marketability more so than existing multi-family communities. Furthermore, the subject will have controlled access entrances which will enhance overall security.
- Covington Square has excellent visibility from surrounding streets including Washington Street which has moderate traffic. The subject property is also visible from the city square which is a heavily traveled area of Covington. The subject property has adequate visibility which is reflected by the 100 percent occupancy rate at Covington Square.
- The subject site is suitable for the proposed development. No negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace. As the subject property is an existing senior rental community, its proposed rehabilitation will not alter the land use characteristics of the immediate area.

3. Market Area Definition

- The Covington Square Market Area consists of all census tracts in Newton County including the city of Covington. Interstate 20 crosses through the northern portion of the market area while several state and U.S. Highways provide connectivity to the southern portions of the county/market area. The Covington Square Market Area includes the most comparable multi-family rental communities and senior residents of these areas would likely consider the subject site as an acceptable shelter location. The market area is bound by county lines in every direction.
- The boundaries of the Covington Square Market Area and their approximate distance from the subject site are Walton County to the north (8.6 miles), Morgan County to the east (10.1 miles), Butts County/Jasper County to the south (15.0 miles), and Rockdale County/Henry County to the west (7.7 miles).



4. Community Demographic Data

- The Covington Square Market Area had significant senior household growth (62+) from 2010 to 2022 and growth is expected to remain strong through 2024. Senior household growth in the market area has outpaced total household growth significantly on a percentage basis since 2010 and is expected to continue this trend over the next two years.
 - The Covington Square Market Area’s annual average household growth is projected to accelerate to 556 households or 1.4 percent over the next two years; annual average household growth was 251 households or 3.5 percent over the past 12 years.
 - The Covington Square Market Area added 320 households with householder age 62+ (3.4 percent) per year from 2010 to 2022 and annual growth is projected at 288 households age 62+ (2.5 percent) from 2021 to 2024.
- Seniors (ages 62 and older) comprise 17.5 percent of the Covington Square Market Area’s population while Adults (age 35 to 61) are the most common at 34.2 percent. Children/Youth (under 20 years old) account for a significant percentage (27.6 percent) of the market area’s population. Among renter households, 29.6 percent are ages 55 and older and 18.5 percent are ages 45 to 54.
- Roughly 44 percent of Covington Square Market Area households contained children and 36.8 percent were multi-person households without children including 25.4 percent that were married which includes empty nesters. Single-person households accounted for 19.6 percent of Covington Square Market Area households.
- Twenty-six percent of households in the Covington Square Market Area rent in 2022 compared to 27.9 percent in the Bi-County Area. The Covington Square Market Area’s renter percentage is expected to increase by 339 renter occupied households by 2024.
- The Covington Square Market Area’s 2022 renter percentage among householders aged 62 and older is 18.2 percent compared to 17.6 percent in the Bi-County Area.
- The 2022 median income in the Covington Square Market Area is a moderate \$57,761 per year, \$2,541 or 4.2 percent below the \$60,302 median in the Bi-County Area. RPRG estimates the median income for senior households (age 62 or older) in the Covington Square Market Area is \$33,849 for renters and \$49,559 for owners. Approximately 33 percent of senior renter households (62+) earn less than \$25,000 and 37.7 percent earn \$25,000 to \$49,999.
- We do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units given its age-restricted and affordable nature.

5. Economic Data:

Newton County’s economy has performed well over the past nine years with significant job growth resulting in an all-time high At-Place Employment in 2019 and declining unemployment prior to the onset of the COVID-19 pandemic.

- The county’s unemployment rate steadily declined since 2010 to 4.0 percent in 2019, the lowest level in over 10 years with a significant improvement from the 2010 peak of 12.9 percent. Newton County’s 2019 unemployment rate of 3.9 percent is just above the state rate (3.5 percent) and national rate (3.7 percent). Reflecting the impact of the COVID-19 pandemic, the county’s unemployment spiked to 12.3 percent in April 2020 before steadily declining to 2.7 percent in December which is above the state (2.5 percent) and below the national (4.3 percent) rates.



- Newton County's economy expanded significantly from 2010 to 2019 with the net addition of 6,113 jobs (23.7 percent), reaching an all-time high At-Place Employment of 25,804 jobs in 2019; annual At-Place Employment growth has outpaced the national employment growth rate from 2014 to 2019. Reflecting the impact of the COVID-19 pandemic, the county lost 747 jobs in 2020 and 913 jobs in the first half of 2021.
- Newton County's economy is diverse with six industry sectors representing at least 9.8 percent of total At-Place-Employment. Trade-Transportation-Utilities, Government, and Manufacturing are the county's largest employment sectors accounting for 16.5 to 17.8 percent of jobs; the Manufacturing sector accounts for 16.5 percent of the county's jobs compared to 8.5 percent of jobs nationally.
- Reflecting broad economic expansion, nine of 11 sectors added jobs in Newton County from 2011 to 2020 Q1 despite job loss experienced in 2020 due to the economic impacts of COVID-19. Six sectors grew by at least 28 percent including three sectors with growth of at least 45.9 percent. The Professional-Business sector more than doubled over this period with growth of 174.4 percent while the county's largest sector (Trade-Transportation-Utilities) grew by 40.0 percent.
- Four large job expansions were identified since 2020 in Newton County with more than 500 combined jobs expected to be created over the next several years. In contrast, RPRG identified five WARN notices in 2020 and 2021 with 48 jobs affected.

6. Affordability and Demand Analysis:

- Covington Square will contain 113 LIHTC units reserved for households (62+) earning at or below 50 percent and 60 percent of the Area Median Income (AMI); all units will have Project Based Rental Assistance (PBRA) through the Section 8 program. We have evaluated the units without this additional assistance to test market conditions. The subject property will offer an additional non-revenue manager's unit which is not included in this analysis.
- Without PBRA, the proposed 50 percent AMI units would target renter householders earning from \$21,690 to \$30,350. The 34 proposed units at 50 percent AMI would need to capture 7.6 percent of the 448 age and income-qualified renter households in order to lease-up.
- Without PBRA, the proposed 60 percent AMI units would target renter householders earning from \$26,040 to \$38,820. The 79 proposed units at 60 percent AMI would need to capture 16.1 percent of the 491 age and income-qualified renter households in order to lease-up.
- The project's overall renter capture rates is 17.0 percent without accounting for PBRA. Removing the minimum income limits given the proposed PBRA on all units decreases the overall capture rate to 9.2 percent.
- All renter affordability capture rates (with or without PBRA) are within acceptable levels for an age-restricted rental community indicating that sufficient age and income-qualified renter households exist in the market area to support the proposed units as proposed.
- Without accounting for the proposed PBRA, the project's capture rates by AMI level are 13.7 percent for 50 percent AMI units, 29.0 percent for 60 percent AMI units, and the project's overall capture rate is 12.2 percent. Capture rates by floor plan within each AMI target range from 4.6 to 25.0 percent and capture rates by floor plan are 8.8 percent for efficiency units and 25.0 percent for one-bedroom units.
- Accounting for the proposed PBRA, capture rates by AMI level are 5.0 percent at 50 percent AMI and 11.6 percent at 60 percent AMI. The overall capture rate is 9.1 percent. Capture rates by floor plan within each AMI target range from 1.8 to 8.6 percent.

7. Competitive Rental Analysis

RPRG surveyed two senior LIHTC communities, one market rate senior community, 14 general occupancy communities, and five general occupancy LIHTC communities. The rental market is performing well with limited vacancies including only one vacancy at one surveyed senior LIHTC community reporting occupancy.

Senior Rental Communities:

- Harristown Park is a four-story mid-rise community with interior hallways, secured entrances, and elevators while Harmony at Covington is a three-story mid-rise. Harristown Park was built in 2012 while Harmony at Covington opened in March 2021. Covington Crossings opened its four story senior community in 2021.
- Covington Crossings and Harristown Park are both fully occupied. Harristown Park has a waiting list of more than 200 people. Harmony at Covington just received a Certificate of Occupancy in March 2021, reached stabilization by June 2021, and currently has a vacancy rate of 0.8 percent.
- Average effective rents, unit sizes, and rent per square foot are as follows:
 - **One-bedroom units** average \$832 for an average unit size of 732 square feet resulting in a rent per square foot of \$1.14. The average rent for one bedroom LIHTC senior communities is \$778.
 - **Two-bedroom units** average \$992 for an average unit size of 982 square feet resulting in a rent per square foot of \$1.01. The average rent for two bedroom LIHTC senior communities is \$924.

The highest rents in the market area are at Covington Crossings, with a market rate rent of \$995 for one bedroom units and \$1,195 for two bedroom units. The highest LIHTC rents are at Harmony at Covington with effective 60 percent AMI rents of \$905 for one-bedroom units and \$1,090 for two-bedroom units.

General Occupancy Rental Communities:

- The 14 surveyed general occupancy rental communities including five LIHTC communities have an aggregate vacancy rate of 0.8 percent among 2,380 combined units. LIHTC communities are outperforming the overall market with an aggregate vacancy rate of 0.5 percent based on three of 882 units vacant.
- Among surveyed general occupancy rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **One-bedroom** rents average \$1,135 for 840 square feet or \$1.35 per square foot. The average one-bedroom LIHTC rent is \$923.
 - **Two-bedroom** rents average \$1,352 for 1,070 square feet or \$1.26 per square foot. The average two-bedroom LIHTC rent is \$1,106.
- The estimated market rents for the units at Covington Square are \$1,314 for efficiency units and \$1,410 for one-bedroom units. The proposed 50 percent AMI rents (maximum allowable LIHTC rents) have rent advantages of 45.0 percent while the proposed 60 percent AMI rents (maximum allowable LIHTC rents) have rent advantages of 33.9 and 34.0 percent. It should be noted, all units at the subject property will have PBRA and rents will be based on income so rent advantages will be greater.



- RPRG identified one market rate general occupancy pipeline community in the market area, a 350-unit upscale market rate community (The Cove at Covington Town Center) just started construction in the market area, but this community will not compete with the subject property given a difference in age and income targeting.

8. Absorption/Stabilization Estimates

The projected absorption rate is based on projected senior household growth, age and income-qualified renter households, affordability/demand estimates, rental market conditions, and the marketability of the proposed site and product.

- The Covington Square Market Area is projected to add 170 households with householders age 62+ per year from 2022 to 2027 for annual growth of 1.6 percent.
- Harmony at Covington, a surveyed age restricted LIHTC community, recently received its Certificate of Occupancy in March 2021 and reached stabilization in June 2021. Harristown Park, the other age restricted LIHTC community, is fully occupied with a waiting list of more than 200 households. General occupancy communities are also performing well with an aggregate vacancy rate of 0.8 percent among 2,380 combined units.
- More than 1,200 renter households will be age and income-qualified for one or more of the proposed units at the subject property with the continuation of PBRA.
- Capture rates with and without PBRA are all below the DCA threshold of 35.0 percent and indicate more than sufficient demand in the market area to support the proposed rehabilitation of Covington Square.
- Post rehabilitation, Covington Square will offer an attractive and affordable product that will be well received by the target market in the Covington Square Market Area.

As all current tenants are expected to be retained with the continuation of PBRA, the subject property will not need to lease any units post-renovation. Based on the factors noted above, we estimate Covington Square's units with PBRA will lease-up as quickly as units become available and applications can be processed; we estimate any vacant units to be leased within one to two months. RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market.

9. Interviews

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers and planning officials with the City of Covington and Newton County.



10. Overall Conclusion / Recommendation

Based on an analysis of projected senior household growth trends, affordability, and demand estimates (with and without PBRA), current rental market conditions, and socio-economic and demographic characteristics of the Covington Square Market Area, RPRG believes that the subject property, with the inclusion of PBRA, will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing senior communities in the Covington Square Market Area and the units will be well received by the target market. Capture rates with and without PBRA are all below the DCA threshold of 35.0 percent and indicate more than sufficient demand in the market area to support the proposed rehabilitation of Covington Square. We recommend proceeding with the project as planned.

DCA Summary Table:

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Estimated Market Rent	Market Rents Band	Proposed Rents
50% AMI	no min\$ - \$32,350									
Efficiency Units		9	40.5%	483	0	483	1.9%	\$1,314		\$723
One Bedroom Units		25	44.7%	533	0	533	4.7%	\$1,410	\$931-\$1,505	\$775
60% AMI	no min\$ - \$38,820									
Efficiency Units		20	51.3%	612	0	612	3.3%	\$1,314		\$868
One Bedroom Units		59	54.4%	648	0	648	9.1%	\$1,410	\$931-\$1,505	\$930
By Bedroom										
Efficiency Units		29	51.3%	612	0	612	4.7%	\$1,314		
One Bedroom Units		84	54.4%	648	0	648	13.0%	\$1,410	\$931-\$1,505	
Project Total	no min\$ - \$38,820									
50% AMI	no min\$ - \$32,350	34	44.7%	533	0	533	6.4%			
60% AMI	no min\$ - \$38,820	79	54.4%	648	0	648	12.2%			
Total Units	no min\$ - \$38,820	113	100.0%	1,192	0	1,192	9.5%			



SUMMARY TABLE:			
Development Name:	Covington Square	Total # Units:	114
Location:	2101 Washington St. SW, Covington, Newton County, GA	# LIHTC Units:	113
PMA Boundary:	North: Walton County, East: Morgan County, South: Butts County / Jasper County, West: Rockdale County / Henry County		
	Farthest Boundary Distance to Subject:	15.0 miles	

RENTAL HOUSING STOCK – (found on pages 12, 52, 55-58)									
Type	# Properties	Total Units	Vacant Units	Average Occupancy					
All Rental Housing	14	2,760	19	99.4%					
Market-Rate Housing	6	1,498	14	99.1%					
Assisted/Subsidized Housing not to include LIHTC									
LIHTC	5	882	4	99.5%					
Stabilized Comps	11	2,380	18	99.2%					
Properties in construction & lease up									
Only communities reporting occupancy are included in totals above.									
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
9	Eff	1	415	\$723	\$1,314	\$3.17	45.0%	-	-
20	Eff	1	415	\$868	\$1,314	\$3.17	33.9%	-	-
25	1	1	525	\$775	\$1,410	\$2.68	33.9%	\$1,505	\$1.34
59	1	1	525	\$930	\$1,410	\$2.68	27.5%	\$1,505	\$1.34

All units will have Project Based Rental Assistance (PBRA) and rent is set at maximum allowable 60 percent AMI net rent*

CAPTURE RATES (found on page 47-48)						
Targeted Population	50% with PBRA	60% with PBRA				Overall with PBRA
Capture Rate	6.4%	12.2%				9.5%

2. INTRODUCTION

A. Overview of Subject

The subject of this report is the proposed renovation of Covington Square, an existing 114-unit, deeply subsidized, age-restricted rental community in Covington, Newton County, Georgia. As proposed, the subject property will be rehabilitated and will offer 113 LIHTC units targeting households ages 62 and older earning up to 50 percent and 60 percent of the Area Median Income (AMI) under the Low Income Housing Tax Credit (LIHTC) program; select units will be for disabled people ages 18 and older so according to the client, the tenancy is “other tenancy” per DCA definition. The subject property will also offer one non-revenue manager’s unit. All units will continue to benefit from Project Based Rental Assistance (PBRA) through the Section 8 program.

B. Purpose of Report

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

C. Format of Report

The report format is comprehensive and conforms to DCA’s 2022 Market Study Manual and Qualified Allocation Plan (QAP). The market study also considered the National Council of Housing Market Analysts’ (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Rebuild America (Developer). Along with the Client, the Intended Users are DCA, potential lenders, and investors.

E. Applicable Requirements

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

- DCA’s 2022 Market Study Manual and Qualified Allocation Plan (QAP).
- The National Council of Housing Market Analysts’ (NCHMA) Recommended Model Content.

F. Scope of Work

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

- Please refer to Appendix 5 for a detailed list of DCA requirements as well as the corresponding pages of requirements within the report.
- Summer Wong (Analyst) conducted a site visit and field work on February 17, 2022.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers and planning officials with the City of Covington and Newton County.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.



G. Report Limitations

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

H. Other Pertinent Remarks

None.

3. PROJECT DESCRIPTION

A. Project Overview

Covington Square is located at 2101 Washington Street SW in downtown Covington. The subject property will offer 113 newly renovated age-restricted LIHTC units targeting households ages 62 and older earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. All units will continue to benefit from Project Based Rental Assistance (PBRA) through the Section 8 program. Covington Square will also offer one non-revenue unit designated for the property manager.

B. Project Type and Target Market

Covington Square will target very low to low income senior renter households (62+). The subject property will primarily target singles with a unit mix of efficiency and one bedroom units; some couples may consider the one bedroom units, but the small unit size will limit this target market.

C. Building Types and Placement

Covington Square's 113 rental units are contained within a six-story mid-rise building with secured entrances, interior hallways, and elevator service. The wood-framed building has a brick exterior and is "L" shaped with covered parking under the building as well as surface parking to the south and west (Figure 1). Covered parking and a pick-up/drop-off area are accessible via entrances on Brown Street SW to the east and Washington Street SW to the north while a third entrance is to the south on Reynolds Street SW. Community amenities are integrated into the building.

Figure 1 Site Plan, Covington Square





D. Detailed Project Description

1. Project Description

- Covington Square is a proposed rehabilitation of an existing deeply subsidized age restricted rental community.
- Covington Square will offer 113 units including 29 efficiency units (25.7 percent) and 54 one-bedroom units (74.3 percent). The subject property will also offer a non-revenue two-bedroom manager’s unit.
- Thirty-four units will target senior households (62+) earning up to 50 percent of the Area Median Income (AMI) and 79 units will target senior households (62+) earning up to 60 percent AMI.
- Efficiency units will have one bathroom and 415 heated square feet.
- One-bedroom units will have one bathroom and 525 heated square feet.
- Covington Square’s rents will include all utilities.
- All units will continue to benefit from PBRA and tenants in these units will pay a percentage of their income for rent; minimum income limits and tenant-paid rents will not apply. We utilize the lesser of the proposed contract rent and maximum allowable LIHTC rent (most that could be charged without PBRA) for this analysis.
- Proposed unit features and community amenities are detailed in Table 2.

Table 1 Detailed Unit Mix and Rents, Covington Square

Developer Proposed									
# Bed	# Bath	Building Type	Income Target	Units	Gross Sq Ft	Contract Rent	Net Rent	Utility Allowance	Gross Rent
Eff	1	Mid-Rise	50% AMI/PBRA	9	415	\$1,020	\$723	\$0	\$723
Eff	1	Mid-Rise	60% AMI/PBRA	20	415	\$1,020	\$868	\$0	\$868
Eff Subtotal/Avg				29	415	\$823			
1	1	Mid-Rise	50% AMI/PBRA	25	525	\$1,076	\$775	\$0	\$775
1	1	Mid-Rise	60% AMI/PBRA	59	525	\$1,076	\$930	\$0	\$930
1 BR Subtotal/Avg				84	525	\$884			
Total				113					

All utilities included in rent Source: Rebuild America
 Lesser of the proposed contract rent and maximum allowable LIHTC rent

Table 2 Unit Features and Community Amenities, Covington Square

Unit Features	Community Amenities
<ul style="list-style-type: none"> • Kitchens with a refrigerator, range/oven, and microwave • Ceiling fans • Grab bars and emergency call systems • Window blinds • PTAC heating and air-conditioning 	<ul style="list-style-type: none"> • Community room • Computer area • Fitness center • Laundry facility • Community garden • Elevator



2. Other Proposed Units

None.

3. Scope of Rehabilitation

The proposed rehabilitation hard cost for Covington Square is approximately \$88,000 per unit. The scope of the rehabilitation will be extensive and include upgrades to building exteriors, interior unit finishes and features, mechanical systems, HVAC units, and plumbing systems.

4. Current Property Conditions

According to the property manager (February 17, 2022), the community was fully occupied with a waiting list of 30-35 people. Current contract rents are \$1,037 for efficiency units and \$1,094 for one-bedroom units. The property currently utilizes Project Based Rental Assistance. All residents are expected to remain income-qualified and be retained post renovation given the continuation of PBRA on all units.

Reflecting its age (built in 1985), the subject property is showing signs of deferred maintenance and needs repairs and upgrades.

5. Proposed Timing of Development

Covington Square is expected to begin construction in 2023 and will be completed in 2024.

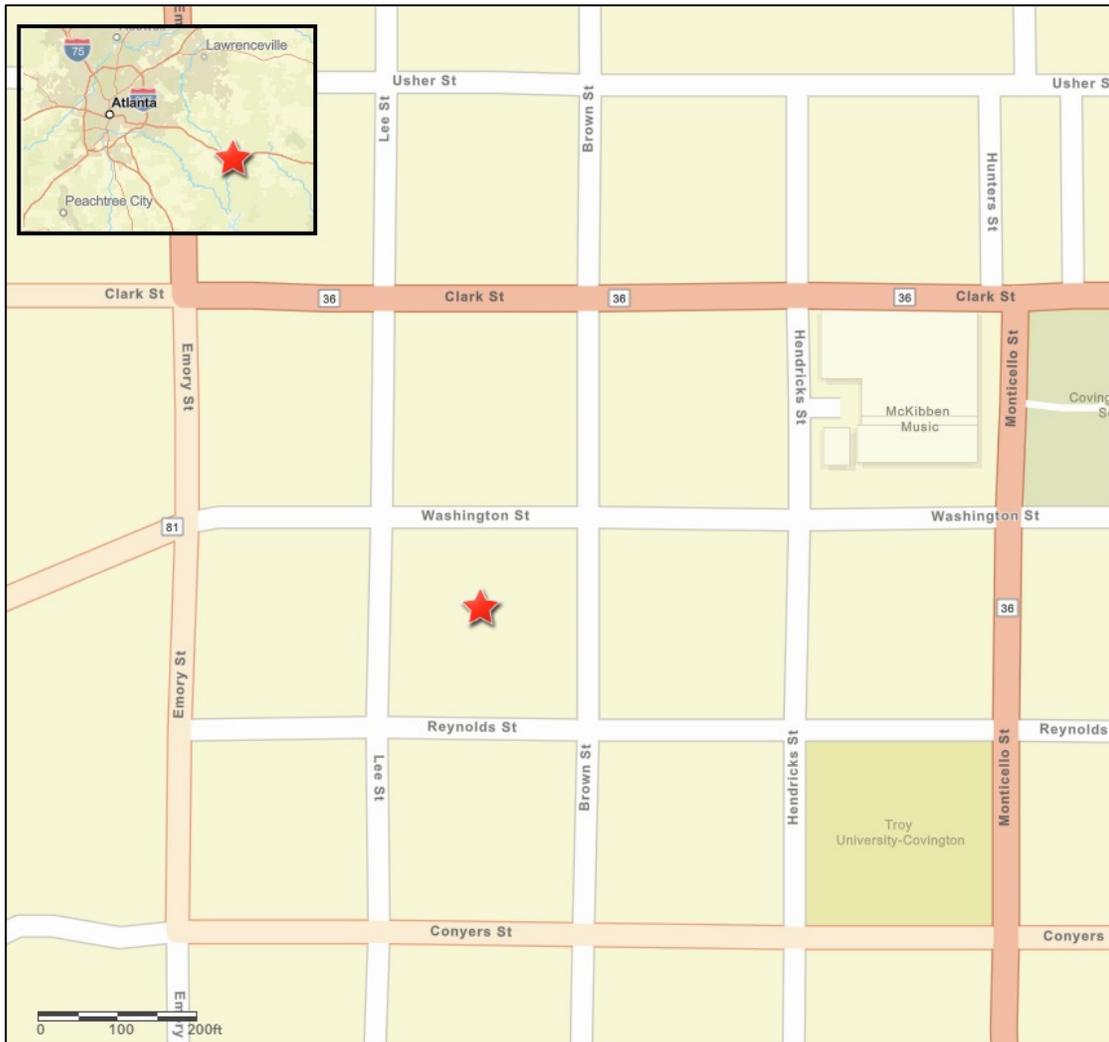
4. SITE EVALUATION

A. Site Analysis

1. Site Location

The subject property is bordered by Washington Street SW to the north, Brown Street SW to the east, Reynolds Street SW to the south, and Lee Street SW to the west in downtown Covington, Newton County, Georgia (Map 1). The subject property's physical address is 2101 Washington Street SW, Covington, GA 30014.

Map 1 Site Location



2. Existing and Proposed Uses

The site includes the existing six-story age-restricted rental community Covington Square (Figure 2); the existing building will remain in place and the community will continue to offer 113 affordable rental units and one non-revenue manager's unit. Summer Wong (Analyst) conducted a site visit on February 17, 2022.

Figure 2 Views of Subject Site



Subject property facing southwest from Brown Street SW and Washington Street SW intersection.



Subject property facing northwest from the intersection of Reynolds and Brown Street.



Subject property facing east from Lee Street SW.



Subject property facing southwest from Reynolds Street SW and Lee Street SW intersection.

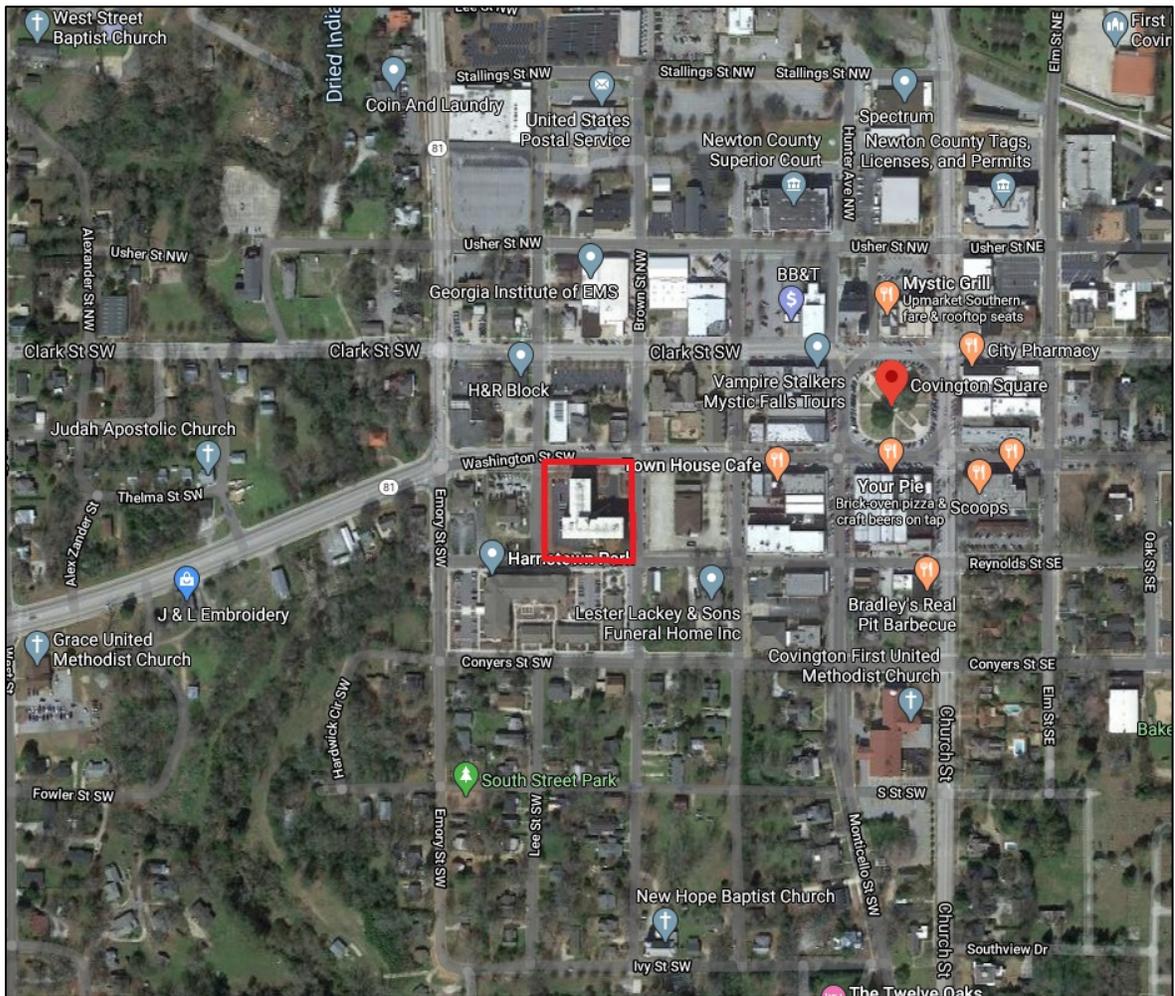


Subject property facing west from Brown Street SW.

3. General Description of Land Uses Surrounding the Subject Site

The subject property is in the southwestern portion of downtown Covington and is surrounded by mixture of land uses. Several small business and municipal offices are to the north and northwest while First Presbyterian Church of Covington is to the northeast across Washington Street (Figure 3). Arts Association-Newton County is directly east of the site while a small auto dealer (C & B Auto Sales) is to the west. Residential uses are common to the south and west including Harristown Park (Age-restricted LIHTC community) directly southwest of Covington Square while modest to moderate value single-family detached homes are common surrounding downtown within one-half mile. The city square is two blocks east of the subject property with many small retailers and restaurants.

Figure 3 Satellite Image of Subject Site



4. Land Uses Surrounding the Subject Site

The land uses surrounding the subject site are as follows (Figure 4):

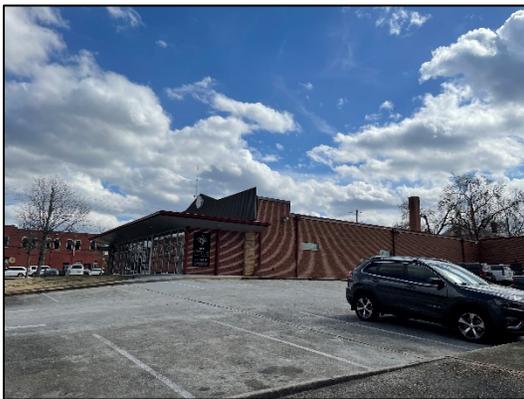
- **North:** First Presbyterian Church of Covington, Covington-Newton County Visitors Bureau, The Center for Community Preservation and Planning, and a small commercial building.
- **East:** Arts Association-Newton County/Covington Regional Ballet.
- **South:** Harristown Park Senior Apartments and single-family detached homes.
- **West:** C & B Auto Sales.



The Center for Community Preservation and Planning and Covington-Newton County Visitors Bureau to the north.



C & B Auto Sales to the west.



Arts Association-Newton County to the east.



First Presbyterian Church of Covington to the northeast.



Harristown Park Senior Apartments to the south.

B. Neighborhood Analysis

1. General Description of Neighborhood

Covington is an exurban city roughly 35 miles east of downtown Atlanta along Interstate 20. The subject property is in the downtown district which is comprised primarily of small business, retailers, restaurants, and municipal services surrounding a city square. Commercial uses are concentrated along U.S. Highway 278 within one mile north of the site while residential uses including primarily modest to moderate value single-family detached homes and multi-family rental communities surround the downtown district and U.S. Highway 278 commercial thoroughfare. A concentration of industrial uses is in the northeastern portion of the city while additional commercial uses including Walmart Supercenter are in this portion of Covington near the Interstate 20 and State Highway 142 interchange.

2. Neighborhood Planning Activities

A 170-acre mixed-use development (Town Center) is planned just over two miles northeast of the site at the Alcovy Road and City Pond Road intersection. The City of Covington approved plans by The Foxfield Company (developer) in January 2020 and gave 100 acres to the developer in exchange for road construction and infrastructure installments. The master plan includes retail outlets, hotels, a movie theater, restaurants, office space, and residential uses including apartments and townhomes. A timeline for the overall project was not identified but the project will be built in phases over several years. The first phase broke ground in December 2020 and will include a 350-unit upscale apartment community (The Cove at Covington Town Center) which is expected to be completed in late 2022.



Source: The Foxfield Company

Plans for a 200 acre mixed-use development comprising several retailers, restaurants, an amphitheater, and 1,162 residential units called Neely Farms will be located at 9135 Martin Luther King Avenue, 1.5 miles (straight line distance) from the site. Neely Farms is intended to be a “live, work, play” destination with commercial spaces that are attractive to the local community. The development will have residential units comprising single family homes, townhomes, estate home, apartments, and condos. The anticipated completion date for this project is late December 2023. The City of Covington and the developer, Neely Farms Family Limited Partnership LLLP have ongoing discussions concerning road improvements on Martin Luther King Avenue (Covington Bypass Road) to mitigate increased traffic.



Source: The Covington News

On Thursday, October 28th, 2021, Governor Brian Kemp announced the opening of a \$73 million semiconductor plant in Newton County located at 3000 SKC Drive in Covington, Georgia, roughly four miles from the site. The semiconductor plant will bring 400 new jobs aimed at hiring high-tech engineers, skilled technicians, and experienced talent to produce glass-based substrates for semiconductor chips and could potentially provide job opportunity for residents of Magnolia Heights. SKC, a subsidiary of SK Group (one of the largest conglomerates in South Korea), plans to start production by late summer 2023. As of February 2022, the company announced that it plans to invest more than \$473 million in this venture.



Source: The Covington News

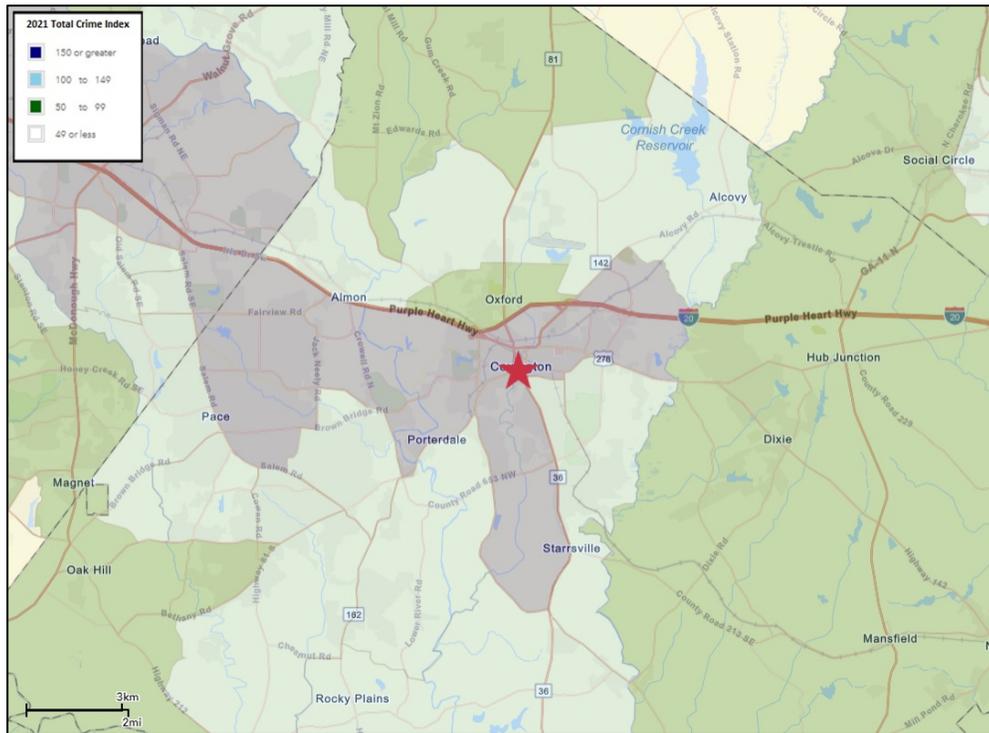
In January 2022, Governor Brian Kemp announced that Cinelease Studios will expand its Georgia operations, Three Ring Studio in Covington inclusive of eight new stages, enhancing the campus to a total of 14 purpose-built sound stages and providing a total of 276,000 square feet of stage space, 100,000 square feet of office space, and an additional 72,800 square feet of flexible space, upon its completion in 2023

3. Public Safety

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

The 2021 CrimeRisk Index for the census tracts in the general vicinity of the subject site are color coded with the site's census tract being green, indicating a crime risk (100 to 199) above the national average (100) (Map 2). The crime risk immediately surrounding the site is higher than the national average. This is indicative to the denser commercial and residential land uses inclusive of downtown Covington and Covington Square. Crime risk decreases substantially moving southeast to lesser developed and wooded areas, and north, where commercial and residential land uses are sparser. Much of the market area in and around Covington has a similar crime risk to the site including the location of all surveyed comparable communities. Overall, the Crime Risk in the region follows development patterns among developed and more urban areas. Based on this data and observations made during our site visit, RPRG does not believe crime, nor the perception of crime will negatively impact the subject property's viability. Furthermore, the subject will have controlled access entrances which will enhance overall security.

Map 2 Crime Index





C. Site Visibility and Accessibility

1. Visibility

Covington Square has excellent visibility from surrounding streets and is visible from the city square two blocks to the east. Additionally, the subject property is one of the tallest buildings in downtown which enhances visibility.

2. Vehicular Access

The subject property is accessible via three entrances. The two primary entrances are on Washington Street SW to the north and Brown Street SW to the east which provide access to the front of the building and parking. A secondary entrance is to the south on Reynolds Street SW providing access to parking adjacent and below the subject property. The surrounding streets have modest to moderate traffic with sufficient traffic breaks; RPRG does not expect any problems with site ingress/egress.

3. Availability of Public Transit and Interregional Transit

Public transportation is not offered in Newton County. The closest public transportation option is a MARTA Park and Ride on Sigman Road in Conyers roughly 14 miles northwest of the subject property. MARTA provides rail lines and bus public transportation in the Atlanta Metro Area. Newton County Senior Services offers transportation to and from the senior center for \$2 per day.

From a regional perspective, the subject site is just over one mile south of access to Interstate 20 via U.S. Highway 278. Interstate 20 connects to the Atlanta Metro Area to the west including Interstate 285 and downtown Atlanta roughly 24 and 35 miles from the subject property, respectively. Interstate 20 also connects to Augusta and Columbia to the east. U.S. Highway 278 begins in Covington and runs roughly parallel to Interstate 20 to the east. Several state highways are also in Covington connecting the city to other municipalities to the north and south. Hartsfield-Jackson International Airport is roughly 38 miles west of the subject site via Interstate 20 to Interstate 285.

4. Pedestrian Access

Neighborhood amenities and services in downtown Covington are walkable from the subject property including the city square less than one-quarter mile to the east.

5. Accessibility Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to this process. Through this research, RPRG did not identify any major roadway or transit improvements that would have a direct impact on the site.

D. Residential Support Network

1. Key Facilities and Services near the Subject Site

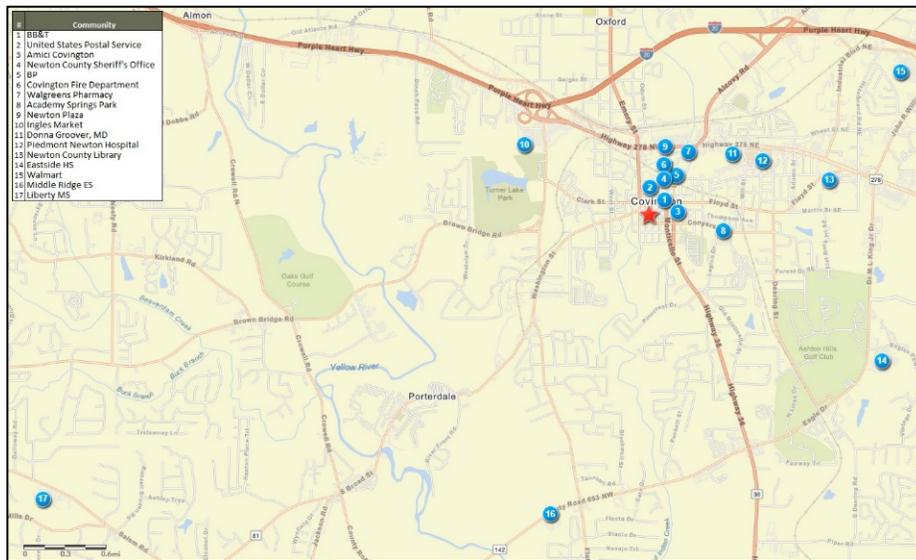
The appeal of any given community is often based in part to its proximity to those facilities and services required daily. Key facilities and services and their distances from the subject site are listed in Table 3 and their locations are plotted on Map 3.

Table 3 Key Facilities and Services

Establishment	Type	Address	Driving Distance
BB&T	Bank	1134 Clark St SW	0.2 mile
United States Postal Service	Post Office	2131 Stallings St NW	0.2 mile
Amici Covington	Restaurant	1116 College Ave	0.2 mile
Newton County Sheriff's Office	Police	1154 Stallings St NW	0.3 mile
BP	Convenience Store	2106 Pace St	0.4 mile
Covington Fire Department	Fire	2101 Pace St	0.5 mile
Walgreens Pharmacy	Pharmacy	3188 Hwy 278 NE	0.7 mile
Academy Springs Park	Public Park	3120 Conyers St SE	0.7 mile
Newton Plaza	Shopping Center	3106 US 278 NW	0.9 mile
Ingles Market	Grocery	7173 Turner Lake Rd NW	1.3 miles
Donna Groover, MD	Family Doctor	4152 Hwy 278 NE Suite A	1.3 miles
Piedmont Newton Hospital	Hospital	5126 Hospital Dr NE	1.6 miles
Newton County Library	Library	7116 Floyd St NE	1.6 miles
Eastside HS	High School	10245 Eagle Dr	3 miles
Walmart	Retail	10300 Industrial Blvd	3 miles
Middle Ridge ES	Elementary School	11649 Bypass Rd	3.1 miles
Liberty MS	Middle School	5225 Salem Rd	6.1 miles

Source: Field and Internet Research, RPRG, Inc.

Map 3 Location of Key Facilities and Services



2. Essential Services

Health Care

Piedmont Newton Hospital is roughly one mile northeast of the subject property on U.S. Highway 278. This 97-bed acute-care hospital offers many services including a 24-hour Emergency Room/Department, women’s services, oncology, surgical, imaging, and general medicine.

Newton Medical Family Practice is roughly one mile east of the subject property near the hospital.



Senior Services

Newton County Senior Services is one mile west of the subject property and offers recreation activities to older adult and seniors ages 55 and older. The center offers activities including driving classes, dancing, book club, wellness checks, nutrition classes, and computer classes. Breakfast and lunch are provided Monday through Friday for \$3 and transportation is provided to and from the senior center for \$2 per day.

3. Commercial Goods and Services

Convenience Goods

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

Three grocery stores (Kroger, Food Depot, and Ingles Market), pharmacies (Walgreens and Citizens Express), banks (BB&T and Synovus), and convenience stores (Pure Food Mart and BP) are within roughly one mile of Covington Square primarily near U.S. Highway 278.

Comparison Goods

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

Dollar General is 1.4 miles northeast of the subject property near the U.S. Highway 278 and Industrial Boulevard intersection and Walmart Supercenter is 2.7 miles to the northeast near Interstate 20. The closest regional shopping mall is The Mall at Stonecrest roughly 16 miles to the northwest via Interstate 20. The mall is anchored by Macy’s, JCPenney, and Dillard’s and also offers many smaller retailers, a movie theater, and a food court.

4. Location of Low-Income Housing

A list and map of existing low-income housing in the Covington Square Market Area are provided in the Existing Low-Income Rental Housing section of this report, starting on page 59.

E. Site Conclusion

Covington Square is in an appealing downtown location and is walkable to retailers and restaurants in or near the city square. Neighborhood amenities and major traffic arteries are convenient to the subject property and surrounding land uses are compatible with multi-family rental housing. RPRG did not identify negative attributes that would impact the ability of Covington Square to successfully lease its units. As the subject property is an existing and fully occupied affordable rental housing community, it is and will remain suitable for its intended use.



5. MARKET AREA

A. Introduction

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

B. Delineation of Market Area

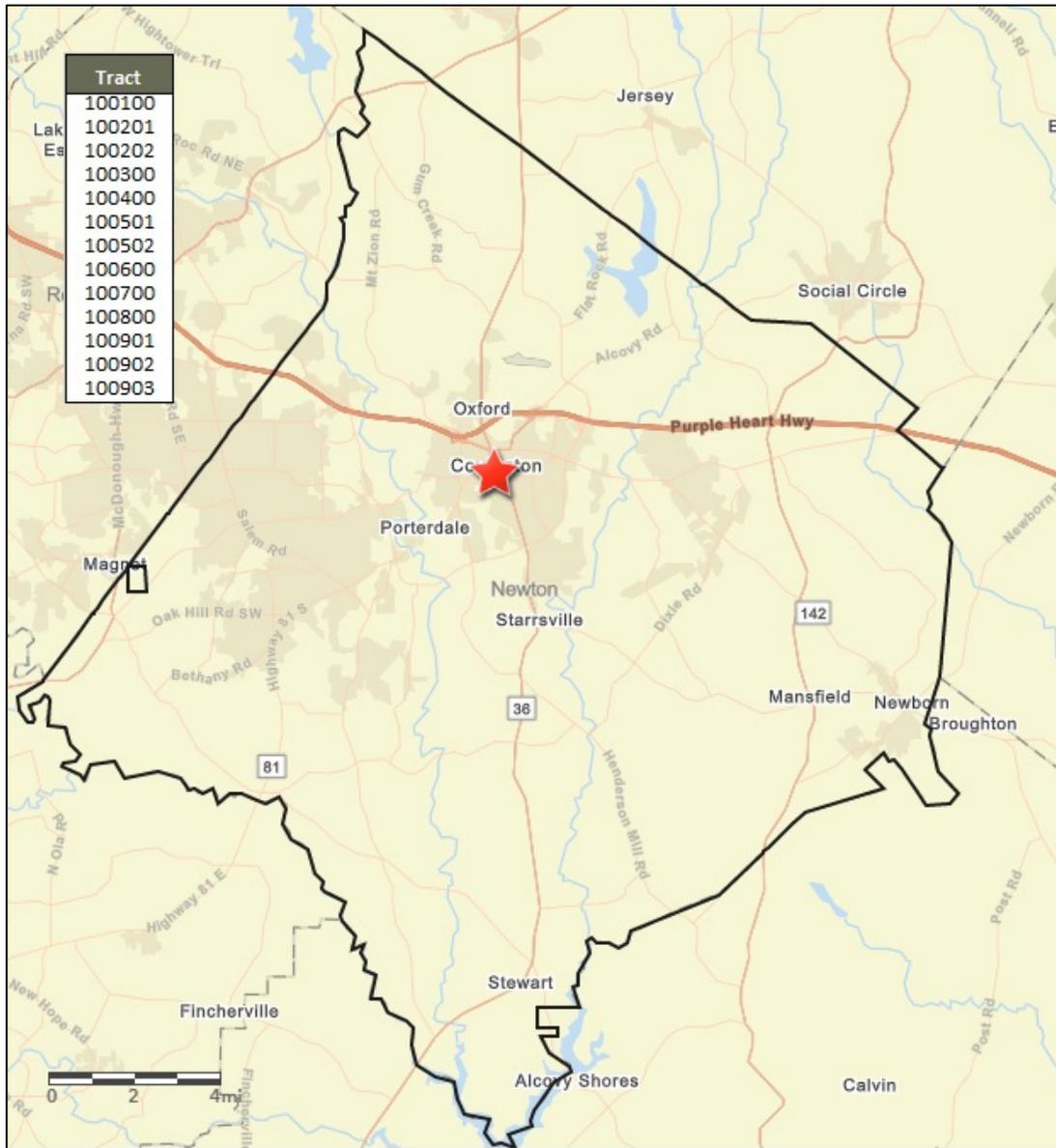
The Covington Square Market Area consists of all census tracts in Newton County including the city of Covington (Map 4). Interstate 20 crosses through the northern portion of the market area while several state and U.S. Highways provide connectivity to the southern portions of the county/market area. The Covington Square Market Area includes the most comparable multi-family rental communities and senior residents of these areas would likely consider the subject site as an acceptable shelter location. The market area is bound by county lines in every direction.

The boundaries of the Covington Square Market Area and their approximate distance from the subject site are:

- North:** Walton County (8.6 miles)
- East:** Morgan County (10.1 miles)
- South:** Butts County / Jasper County. (15.0 miles)
- West:** Rockdale County / Henry County (7.7 miles)

The Covington Square Market Area is compared to a Bi-County Area comprised of Newton and Rockdale counties, which is presented as a secondary market area for demographic purposes. Demand estimates are based only on the Covington Square Market Area.

Map 4 Covington Square Market Area





6. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Covington Square Market Area and the Bi-County Area using several sources. For small area estimates, we examined projections of population and households prepared by Esri, a national data vendor. We compared and evaluated data in the context of decennial U.S. Census data from 2000 and 2010 as well as building permit trend information. Demographic data is presented for 2010, 2022, and 2024 per DCA’s 2022 Market Study Guide.

We recognize the impact of the COVID-19 pandemic is fluid and specific to regions or markets specific, thus we have evaluated Esri’s projections considering recent trends, available economic data, and current market conditions. We will present available estimates and projections and evaluate their appropriateness.

B. Trends in Population and Households

1. Recent Past Trends

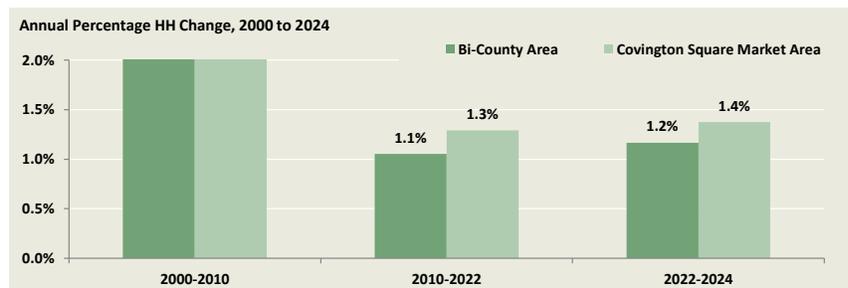
The Covington Square Market Area had strong population and household growth from 2000 to 2010 with the net addition of 37,957 people (61.2 percent) and 12,393 households (56.3 percent) between Census counts (Table 4); annual growth rates were 4.9 percent for population and 4.6 percent for households. Growth has remained steady over the past 12 years with the net addition of 16,792 people (16.8 percent) and 5,732 households (16.7 percent) from 2010 to 2022; annual growth was 1,399 people (1.3 percent) and 478 households (1.3 percent) over this period.

Population and household growth rates in the Bi-County Area were slower over the past 22 years with annual average household growth of 3.4 percent from 2000 to 2010 and 1.0 percent from 2010 to 2022. The Bi-County Area’s net growth over the past 12 years was 24,329 people and 8,635 households.

Table 4 Population and Household Projections

		Bi-County Area				Covington Square Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	132,112					62,001				
2010	185,173	53,061	40.2%	5,306	3.4%	99,958	37,957	61.2%	3,796	4.9%
2022	209,502	24,329	13.1%	2,027	1.0%	116,750	16,792	16.8%	1,399	1.3%
2024	214,383	4,882	2.3%	2,441	1.2%	120,005	3,254	2.8%	1,627	1.4%
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	46,049					21,997				
2010	64,417	18,368	39.9%	1,837	3.4%	34,390	12,393	56.3%	1,239	4.6%
2022	73,052	8,635	13.4%	720	1.1%	40,122	5,732	16.7%	478	1.3%
2024	74,767	1,714	2.3%	857	1.2%	41,234	1,112	2.8%	556	1.4%

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





2. Projected Trends

Growth is expected to accelerate in the Covington Square Market Area over the next two years with the annual addition of 1,627 people (1.4 percent) and 556 households (1.4 percent) from 2022 to 2024. Annual growth rates in the Bi-County Area are projected to remain slower than in the Covington Square Market Area on a percentage basis at 1.2 percent among both population and households over the next two years.

The average household size in the market area of 2.87 persons per household in 2022 is expected to remain at 2.87 persons in 2024 (Table 5).

Table 5 Persons per Household, Covington Square Market Area

Average Household Size			
Year	2010	2022	2024
Population	99,958	116,750	120,005
Group Quarters	1,792	1,569	1,726
Households	34,390	40,122	41,234
Avg. HH Size	2.85	2.87	2.87

Source: 2010 Census; Esri; and RPRG, Inc.

3. Building Permit Trends

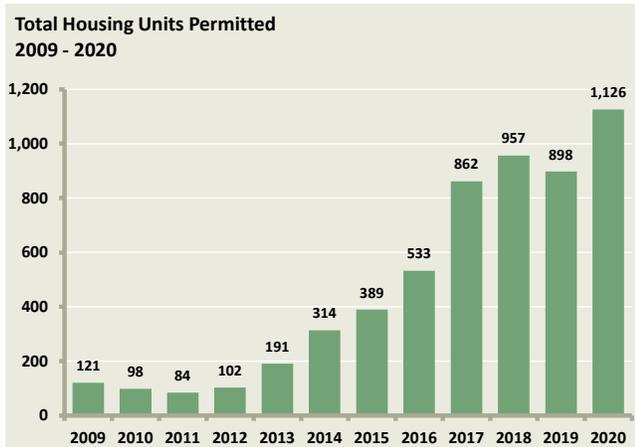
Permitted units in the Bi-County Area dropped to a low of 84 in 2011 during the previous recession-era before steadily increasing to 533 permitted units in 2016 (Table 6). Permit activity from 2017 to 2020 increased significantly to an annual average of 961 permitted units, roughly nine times the annual average from 2009 to 2012 (101 permitted units). The 3,843 combined units permitted between 2017 and 2020 is much higher than the number of permitted units in the prior eight years combined (1,832).

Nearly all (98.1 percent) of permitted units in the Covington Square Market Area are single-family detached homes. Less than two percent of permitted units have been in multi-family structures with at least five units with just 80 such units permitted in the past 11 years.

Table 6 Building Permits by Structure Type, Bi-County Area

Bi-County Area					
Year	Single - Unit	Two Units	3-4 Units	5+ Units	Ann. Total
2009	113	0	0	8	121
2010	98	0	0	0	98
2011	84	0	0	0	84
2012	102	0	0	0	102
2013	163	0	0	28	191
2014	309	0	0	5	314
2015	389	0	0	0	389
2016	527	0	0	6	533
2017	831	0	4	27	862
2018	953	0	4	0	957
2019	892	0	0	6	898
2020	1,109	0	4	13	1,126
2009-2020	5,570	0	12	93	5,675
Ann. Avg.	464	0	1	8	473

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



4. Trends in Older Adult Households

Senior householders (ages 62 and older) have increased significantly faster than total households on a percentage basis in the Covington Square Market Area; senior household growth includes both net migration and aging in place. The Covington Square Market Area had 7,735 households with householder age 62+ as of the 2010 Census and is estimated to have added 320 households with householder age 62+ per year from 2010 to 2022 (3.4 percent annual growth) (Table 7). Households with householder age 62+ are projected to increase at an annual rate of 2.5 percent or 288 households from 2022 to 2024. The rate of senior household growth is projected at roughly double the total household growth rate over the next two years.



Table 7 Trends in Senior Households, Covington Square Market Area

Covington Square Market Area	Change 2010 to 2022						Change 2022 to 2024							
	2010		2022		2024		Total		Annual		Total		Annual	
	Age of HH						#	%	#	%	#	%	#	%
55 to 61	4,178	35.1%	5,146	30.8%	5,257	30.2%	968	23.2%	81	1.8%	111	2.1%	55	1.1%
62-64	1,735	14.6%	2,206	13.2%	2,253	12.9%	471	27.1%	39	2.0%	47	2.1%	24	1.1%
65 to 74	3,667	30.8%	5,836	34.9%	5,963	34.3%	2,169	59.1%	181	3.9%	128	2.2%	64	1.1%
75 and older	2,333	19.6%	3,533	21.1%	3,934	22.6%	1,200	51.5%	100	3.5%	400	11.3%	200	5.5%
Householders 62+	7,735		11,574		12,150		3,840	49.6%	320	3.4%	575	5.0%	288	2.5%
All Households	34,390		40,122		41,234		5,732	16.7%	478	1.3%	1,112	2.8%	556	1.4%

Source: 2010 Census; Esri; RPRG

C. Demographic Characteristics

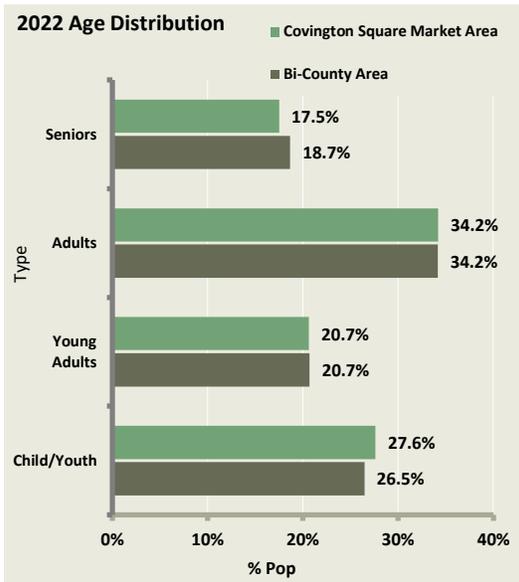
1. Age Distribution and Household Type

The Covington Square Market Area is slightly younger than the Bi-County Area with median ages of 35 and 36, respectively. Reflecting its exurban location and large percentage of families, the Covington Square Market Area has a large proportion of Adults and Children/Youth. Adults age 35-61 comprise the largest percentage of the Covington Square Market Area’s population at 34.2 percent and Children/Youth under the age of 20 account for 27.6 percent of the population (Table 8). Young Adults comprise 20.7 percent of the Covington Square Market Area’s population while Seniors aged 62 and older account for 17.5 percent. The Bi-County Area has a larger proportion of people ages 62 and older when compared to the Covington Square Market Area (18.7 percent versus 17.5 percent) and a smaller proportion of people under 20 years old (26.5 percent versus 27.6 percent).

Table 8 Age Distribution

2022 Age Distribution	Bi-County Area		Covington Square Market Area	
	#	%	#	%
Children/Youth	55,437	26.5%	32,243	27.6%
Under 5 years	13,358	6.4%	7,782	6.7%
5-9 years	13,956	6.7%	8,167	7.0%
10-14 years	14,320	6.8%	8,234	7.1%
15-19 years	13,802	6.6%	8,060	6.9%
Young Adults	43,363	20.7%	24,112	20.7%
20-24 years	12,715	6.1%	7,165	6.1%
25-34 years	30,648	14.6%	16,947	14.5%
Adults	71,586	34.2%	39,942	34.2%
35-44 years	26,182	12.5%	14,741	12.6%
45-54 years	27,074	12.9%	15,565	13.3%
55-61 years	18,330	8.7%	9,636	8.3%
Seniors	39,116	18.7%	20,453	17.5%
62-64 years	7,856	3.7%	4,130	3.5%
65-74 years	19,556	9.3%	10,158	8.7%
75-84 years	9,084	4.3%	4,809	4.1%
85 and older	2,621	1.3%	1,356	1.2%
TOTAL	209,502	100%	116,750	100%
Median Age	36		35	

Source: Esri; RPRG, Inc.



Households with children were the most common household type in the Covington Square Market Area as of the 2010 Census at 43.5 percent. Over one-third (36.8 percent) of Covington Square Market Area households were multi-person households without children including 25.4 percent married households without children. Single-person households were the least common household type in

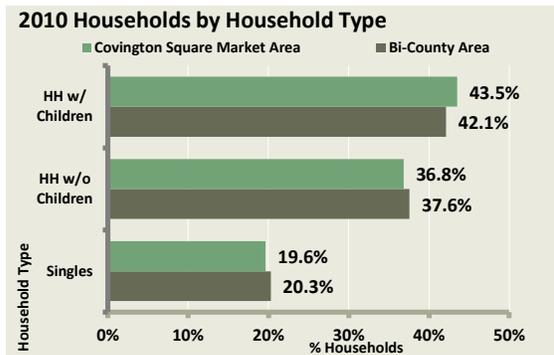


both areas at 19.6 percent in the Covington Square Market Area and 20.3 percent in the Bi-County Area (Table 9). The Bi-County Area has a smaller proportion of households with children and a larger proportion of multi-person households without children when compared to the Covington Square Market Area.

Table 9 Households by Household Type

2010 Households by Household Type	Bi-County Area		Covington Square Market Area	
	#	%	#	%
Married w/Children	16,140	25.1%	8,985	26.1%
Other w/ Children	10,995	17.1%	5,978	17.4%
Households w/ Children	27,135	42.1%	14,963	43.5%
Married w/o Children	16,798	26.1%	8,736	25.4%
Other Family w/o Children	4,965	7.7%	2,595	7.5%
Non-Family w/o Children	2,445	3.8%	1,340	3.9%
Households w/o Children	24,208	37.6%	12,671	36.8%
Singles	13,074	20.3%	6,756	19.6%
Total	64,417	100%	34,390	100%

Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

Just under 30 percent of households in the Covington Square Market Area rent in 2022, at 26.0 percent, the renter percentage is slightly less than the 27.9 percent in the Bi-County Area; renter households increased significantly in both areas since 2000 (Table 10). The annual change in renter households as of 2022 is 3.5 percent in the Covington Square Market Area and 2.8 percent in the Bi-County Area, rates which are higher than the annual growth rates for owner occupied households at 1.9 percent in the Bi-County Market Area and 2.5 percent in the Covington Square Market Area. Renter households accounted for 30.5 percent of household growth in the Covington Square Market Area from 2000 to 2022.

Esri’s projects renter households will account for only 11.0 percent of the Covington Square Market Area’s net household growth over the next two years, a significant departure from past trends and the overall renter percentage. This projection yields annual net renter growth of 24 households over the next two years, below the annual growth of 251 renter households over the past 22 years. Based on our analysis of recent tenure trends, economic conditions, and development activity, RPRG projects household growth by tenure to continue at the same ratios as the past 22 years with renters contributing 30.5 percent of the Covington Square Market Area’s net household growth. This projection yields annual average growth of 68 renter households, less than the trends from the past 22 years.

Table 10 Households by Tenure 2000 - 2022

Bi-County Area	2000		2010		2022		Change 2000-2022				
	#	%	#	%	#	%	Total Change		Annual Change		% of Change 2000 - 2022
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	35,014	76.0%	46,970	72.9%	52,689	72.1%	17,675	50.5%	803	1.9%	65.5%
Renter Occupied	11,035	24.0%	17,447	27.1%	20,364	27.9%	9,329	84.5%	424	2.8%	34.5%
Total Occupied	46,049	100%	64,417	100%	73,052	100%	27,003	58.6%	1,227	2.1%	100%
Total Vacant	2,066		7,197		6,076						
TOTAL UNITS	48,115		71,614		79,128						

Covington Square Market Area	2000		2010		2022		Change 2000-2022				
	#	%	#	%	#	%	Total Change		Annual Change		% of Change 2000 - 2022
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	17,090	77.7%	25,836	75.1%	29,686	74.0%	12,596	73.7%	573	2.5%	69.5%
Renter Occupied	4,907	22.3%	8,554	24.9%	10,436	26.0%	5,529	112.7%	251	3.5%	30.5%
Total Occupied	21,997	100%	34,390	100%	40,122	100%	18,125	82.4%	824	2.8%	100%
Total Vacant	1,036		3,952		3,322						
TOTAL UNITS	23,033		38,342		43,444						

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



Table 11 Households by Tenure, 2022-2024

Covington Square Market Area	2022		2024 Esri HH by Tenure		Esri Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	29,686	74.0%	30,675	74.4%	990	89.0%	198	0.7%
Renter Occupied	10,436	26.0%	10,559	25.6%	122	11.0%	24	0.2%
Total Occupied	40,122	100%	41,234	100%	1,112	100%	222	0.6%
Total Vacant	3,322		3,583					
TOTAL UNITS	43,444		44,817					

Covington Square Market Area	2022		2024 RPRG HH by Tenure		RPRG Change by Tenure		Annual Change by Tenure	
	#	%	#	%	#	%	#	%
Housing Units								
Owner Occupied	29,686	74.0%	30,459	73.9%	773	69.5%	155	0.5%
Renter Occupied	10,436	26.0%	10,775	26.1%	339	30.5%	68	0.7%
Total Occupied	40,122	100%	41,234	100%	1,112	100%	222	0.6%
Total Vacant	3,322		3,583					
TOTAL UNITS	43,444		44,817					

Source: Esri, RPRG, Inc.

Renter percentages are lower among senior households in both the Covington Square Market Area and Bi-County Area. The Covington Square Market Area has an estimated 2,108 senior renter households with householder age 62+ as of 2022, 18.2 percent of the senior household base (Table 12). The Bi-County Area’s senior renter percentage is lower at 17.6 percent.

Table 12 Senior Households by Tenure (62+)

Senior Households 62+	Bi-County Area		Covington Square Market Area	
	#	%	#	%
2022 Households				
Owner Occupied	18,238	82.4%	9,467	81.8%
Renter Occupied	3,902	17.6%	2,108	18.2%
Total Occupied	22,141	100.0%	11,574	100.0%

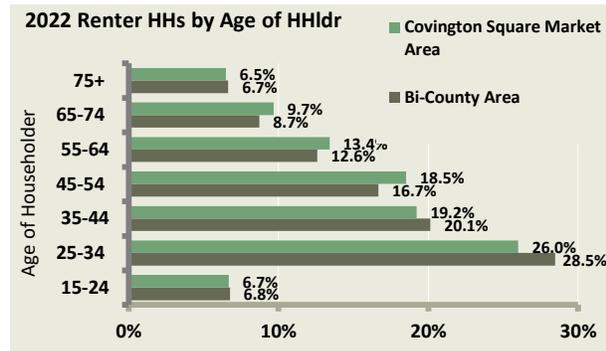
Source: 2000 Census; 2010 Census; ESRI; RPRG

Working age households (ages 25 to 54) form the core of renter households in the Covington Square Market Area at 63.7 percent of renter households including 45.2 percent ages 25-44. A significant percentage (29.6 percent) of Covington Square Market Area renters are ages 55 years and older including 16.2 percent over the age of 65 (Table 13). At 15.4 percent, the Bi-County Area has a comparable percentage of renters over the age of 65 as the Covington Square Market Area.

Table 13 Renter Households by Age of Householder

Renter Households	Bi-County Area		Covington Square Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	1,376	6.8%	698	6.7%
25-34 years	5,794	28.5%	2,713	26.0%
35-44 years	4,099	20.1%	2,005	19.2%
45-54 years	3,397	16.7%	1,933	18.5%
55-64 years	2,565	12.6%	1,399	13.4%
65-74 years	1,777	8.7%	1,009	9.7%
75+ years	1,356	6.7%	679	6.5%
Total	20,364	100%	10,436	100%

Source: Esri, Real Property Research Group, Inc.



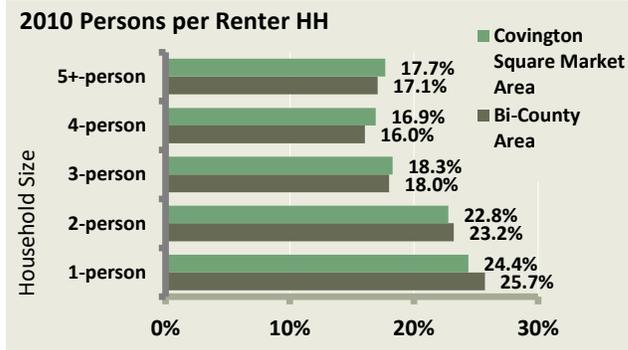


The Covington Square Market Area contained significant proportions of all renter household sizes as of the 2010 Census. Roughly 47 percent of Covington Square Market Area renter households had one or two people (24.4 percent were single-person households), 35.2 percent had three or four people, and 17.7 percent were larger households with five or more people (Table 14). The Bi-County Area had a larger proportion of small renter households with one or two people when compared to the Covington Square Market Area (48.9 percent versus 47.1 percent).

Table 14 Renter Households by Household Size

Renter Occupied	Bi-County Area		Covington Square Market Area	
	#	%	#	%
1-person hhld	4,483	25.7%	2,085	24.4%
2-person hhld	4,048	23.2%	1,947	22.8%
3-person hhld	3,138	18.0%	1,563	18.3%
4-person hhld	2,799	16.0%	1,446	16.9%
5+-person hhld	2,979	17.1%	1,513	17.7%
TOTAL	17,447	100%	8,554	100%

Source: 2010 Census



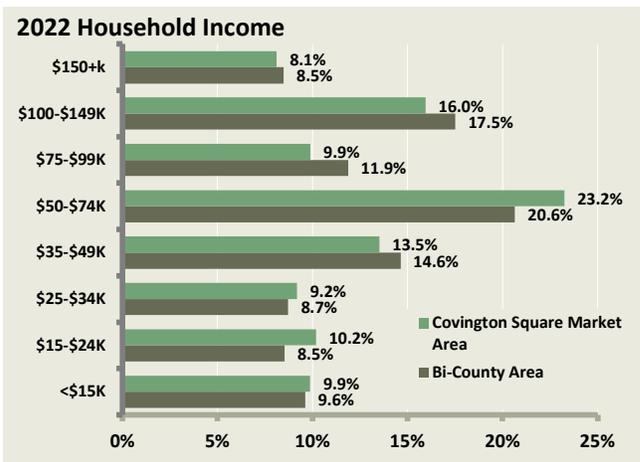
3. Income Characteristics

The 2022 median income in the Covington Square Market Area is a moderate \$57,761 per year, \$2,541 or 4.2 percent below the \$60,302 median in the Bi-County Area (Table 15). Roughly 20 percent of Covington Square Market Area households earn less than \$25,000, 22.7 percent earn \$25,000 to \$49,999, and 23.2 percent earn \$50,000 to \$74,999. Thirty-four percent of Covington Square Market Area households earn upper incomes of at least \$75,000 including 24.1 percent earning \$100,000 or more. The Bi-County Area has a higher percentage of households earning incomes of \$15,000 to \$34,999 as well as \$100,000 or more when compared to the Covington Square Market Area.

Table 15 Household Income

Estimated 2022 Household Income		Bi-County Area		Covington Square Market Area	
		#	%	#	%
less than	\$15,000	7,024	9.6%	3,964	9.9%
	\$15,000	6,230	8.5%	4,085	10.2%
	\$25,000	6,364	8.7%	3,689	9.2%
	\$35,000	10,692	14.6%	5,426	13.5%
	\$50,000	15,083	20.6%	9,328	23.2%
	\$75,000	8,673	11.9%	3,970	9.9%
	\$100,000	12,790	17.5%	6,400	16.0%
	\$150,000	6,197	8.5%	3,259	8.1%
Total		73,052	100%	40,122	100%
Median Income		\$60,302		\$57,761	

Source: Esri; Real Property Research Group, Inc.



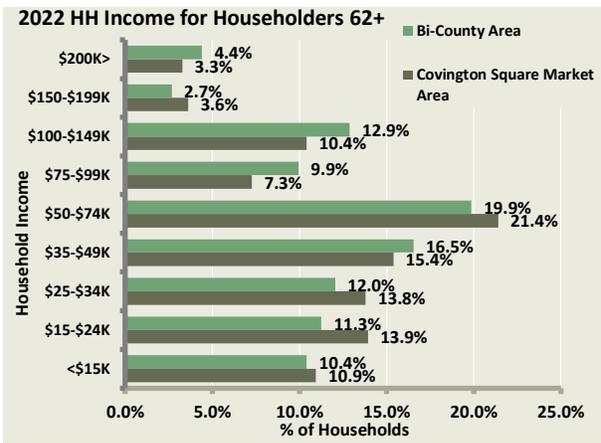
Senior households (62+) in the Covington Square Market Area have a 2022 median income of \$46,059 per year, 8.1 percent lower than the \$49,777 median in the Bi-County Area (Table 16). The Covington Square Market Area includes a significant proportion of modest to moderate income senior households (62+) with 38.7 percent earning less than \$35,000 (24.9 percent earn less than \$25,000)



and 36.8 percent earning \$35,000 to \$74,999. Approximately 25 percent of Covington Square Market Area senior households (62+) earn at least \$75,000.

Table 16 Senior Household Income, Households 62+

2022 HH Income for Householders 62+		Bi-County Area		Covington Square Market Area	
		#	%	#	%
less than \$15,000		2,305	10.4%	1,267	10.9%
\$15,000 \$24,999		2,493	11.3%	1,611	13.9%
\$25,000 \$34,999		2,666	12.0%	1,596	13.8%
\$35,000 \$49,999		3,662	16.5%	1,781	15.4%
\$50,000 \$74,999		4,398	19.9%	2,477	21.4%
\$75,000 \$99,999		2,202	9.9%	841	7.3%
\$100,000 \$149,999		2,852	12.9%	1,205	10.4%
\$150,000 \$199,999		591	2.7%	417	3.6%
\$200,000 over		973	4.4%	379	3.3%
Total		22,141	100%	11,574	100%
Median Income		\$49,777		\$46,059	

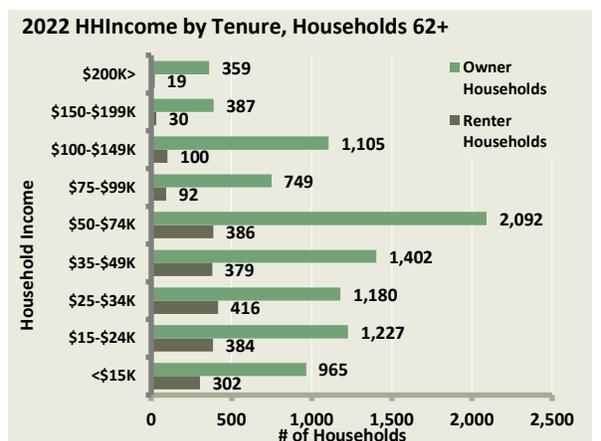


Source: American Community Survey 2015-2019 Estimates, RPRG, Inc.

Based on the U.S. Census Bureau’s American Community Survey (ACS) data and breakdown of tenure and household estimates, the 2022 median income for senior householders (ages 62 and older) in the Covington Square Market Area is \$33,846 for renters and \$49,559 for owners (Table 17). Roughly 33 percent of senior renter households (62+) earn less than \$25,000, 37.7 percent earn \$25,000 to \$49,999, and 18.3 percent earn \$50,000 to \$74,999.

Table 17 Senior Household Income by Tenure, Households 62+

Covington Square Market Area		Renter Households		Owner Households	
Householders 62+		#	%	#	%
less than \$15,000		302	14.3%	965	10.2%
\$15,000 \$24,999		384	18.2%	1,227	13.0%
\$25,000 \$34,999		416	19.7%	1,180	12.5%
\$35,000 \$49,999		379	18.0%	1,402	14.8%
\$50,000 \$74,999		386	18.3%	2,092	22.1%
\$75,000 \$99,999		92	4.4%	749	7.9%
\$100,000 \$149,999		100	4.7%	1,105	11.7%
\$150,000 \$199,999		30	1.4%	387	4.1%
\$200,000 over		19	0.9%	359	3.8%
Total		2,108	100%	9,467	100%
Median Income		\$33,846		\$49,559	



Source: American Community Survey 2015-2019 Estimates, RPRG, Inc.

Approximately 42 percent of senior renter households (65+) in the Covington Square Market Area pay at least 40 percent of income for rent (Table 18). Three percent of renter households are living in substandard conditions; this includes buildings that are overcrowded and have incomplete plumbing.

Table 18 Rent Burdened and Substandard Housing, Covington Square Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	688	5.7%
10.0 to 14.9 percent	855	7.1%
15.0 to 19.9 percent	1,353	11.3%
20.0 to 24.9 percent	1,112	9.3%
25.0 to 29.9 percent	1,347	11.2%
30.0 to 34.9 percent	829	6.9%
35.0 to 39.9 percent	713	5.9%
40.0 to 49.9 percent	984	8.2%
50.0 percent or more	3,557	29.7%
Not computed	546	4.6%
Total	11,984	100%
> 35% income on rent	5,254	45.9%

Households 65+		
Total Households	#	%
Less than 20.0 percent	381	26.3%
20.0 to 24.9 percent	49	3.4%
25.0 to 29.9 percent	80	5.5%
30.0 to 34.9 percent	172	11.9%
35.0 percent or more	655	45.2%
Not computed	111	7.7%
Total	1,448	100%
> 35% income on rent	655	49.0%
> 40% income on rent		42.3%

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	24,955
1.00 or less occupants per room	24,594
1.01 or more occupants per room	361
Lacking complete plumbing facilities:	79
Overcrowded or lacking plumbing	440
Renter occupied:	
Complete plumbing facilities:	11,957
1.00 or less occupants per room	11,620
1.01 or more occupants per room	337
Lacking complete plumbing facilities:	27
Overcrowded or lacking plumbing	364
Substandard Housing	804
% Total Stock Substandard	2.2%
% Rental Stock Substandard	3.0%

Source: American Community Survey 2015-2019



7. EMPLOYMENT TREND

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Newton County, Georgia, the county in which the subject site is located. Economic trends in Georgia and the nation are discussed for comparison purposes.

This section presents the latest economic data available at the local and national levels. The combination of At-Place Employment and Resident Labor Force data provide an indicator of the recent impact of the COVID-19 pandemic on the local economy relative to state and national trends. The full economic impact on any specific market area or county will be dependent on the longevity and severity of the COVID-19 pandemic including the emergence of new variants over the next several months, which may be affected by widespread availability and distribution of vaccines as well as state and local government actions.

B. Labor Force, Resident Employment, and Unemployment

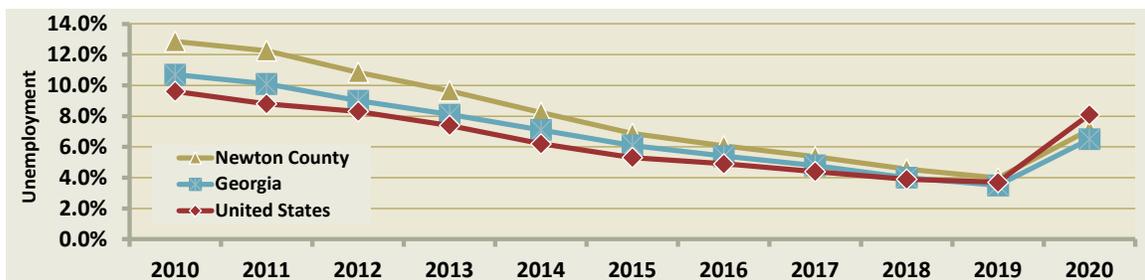
1. Trends in Annual Average Labor Force and Unemployment Data

Newton County’s labor force remained relatively unchanged from 2010 to 2015 with a decrease of 247 workers (0.5 percent) before growing significantly over the past five years with net growth of 4,010 workers (8.4 percent) from 2015 to 2020 (Table 20). The employed portion of the labor force has grown much faster than the overall labor force with net growth of 6,251 employed workers (12.9 percent) since 2010; the number of workers classified as unemployed dropped by 40.2 percent from 6,078 in 2010 to 3,699 in 2020. The overall labor force had a decline in 2020 due to the COVID-19 pandemic with a loss of 982 total workers and 2,577 employed workers (5.1 percent).

Table 19 Annual Average Labor Force and Unemployment Data

Annual Average Unemployment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Labor Force	48,138	48,301	48,130	48,002	47,871	47,891	50,006	51,713	52,056	52,883	51,901
Employment	41,951	42,380	42,907	43,372	43,929	44,597	46,972	48,935	49,687	50,779	48,202
Unemployment	6,187	5,921	5,223	4,630	3,942	3,294	3,034	2,778	2,369	2,104	3,699
Unemployment Rate											
Newton County	12.9%	12.3%	10.9%	9.6%	8.2%	6.9%	6.1%	5.4%	4.6%	4.0%	7.1%
Georgia	10.7%	10.1%	9.0%	8.1%	7.1%	6.1%	5.4%	4.8%	4.0%	3.5%	6.5%
United States	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%

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



Newton County’s unemployment rate decreased significantly over the past nine years from a recession-era high of 12.9 percent in 2010 to 4.0 percent in 2019 which was just above the state (3.5 percent) and national rate (3.7 percent) (Table 20). The county’s 2019 unemployment rate is the lowest level in at least 10 years and is less than one-third the peak unemployment rate in 2010. Due to the effects of COVID-19, the county’s 2020 annual average unemployment rate increased to 7.1 percent, above the state’s 6.5 percent but below the nation’s 8.1 percent.



2. Trends in Recent Monthly Labor Force and Unemployment Data

The total and employed labor force both increased in the first quarter of 2020 before decreasing significantly in April during the onset of the COVID-19 pandemic. The labor force decreased by 3,104 workers from March to April 2020 while the employed portion of the labor force decreased by 7,048 employed workers (13.8 percent) over this period; the number of unemployed workers nearly tripled from 2,257 in March to 6,201 in April 2020 (Table 20). The total and employed labor force has since rebounded with the net addition of 2,740 total workers, 7,503 employed workers, and a reduction of 638 unemployed workers from April to October 2021 (most recent data). The county’s overall labor force in October 2021 is roughly five percent larger than in it was in April 2020, while the employed portion of the labor force is 14.5 percent larger.

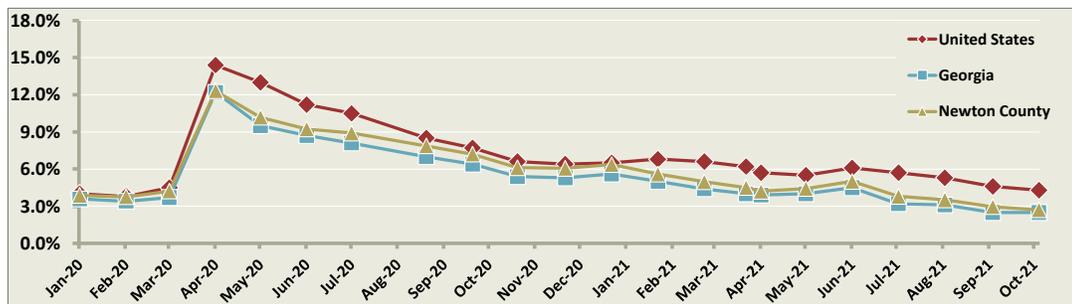
Newton County’s unemployment rate increased slightly during the first quarter of 2020 with an average of 7.2 percent but spiked to 12.3 percent in April; this increase reflects the impact of business-related closures related to the COVID-19 pandemic. The county’s unemployment has improved to 2.7 percent as of October 2021, comparable to the state (2.5 percent) and below the national rate (4.3 percent).

Table 20 Monthly Labor Force and Unemployment Data

2020 Monthly Unemployment	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Labor Force	53,491	53,772	53,441	50,337	51,290	51,024	51,055	50,490	50,459	52,256	52,511	52,692
Employment	51,415	51,753	51,184	44,136	46,062	46,307	46,507	46,519	46,824	49,060	49,323	49,338
Unemployment	2,076	2,019	2,257	6,201	5,228	4,717	4,548	3,971	3,635	3,196	3,188	3,354
Unemployment Rate												
Newton County	3.9%	3.8%	4.2%	12.3%	10.2%	9.2%	8.9%	7.9%	7.2%	6.1%	6.1%	6.4%
Georgia	3.6%	3.4%	3.7%	12.2%	9.5%	8.7%	8.1%	7.0%	6.4%	5.4%	5.3%	5.6%
United States	4.0%	3.8%	4.5%	14.4%	13.0%	11.2%	10.5%	8.5%	7.7%	6.6%	6.4%	6.5%

2021 Monthly Unemployment	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
Labor Force	52,204	52,678	52,838	52,895	52,761	53,231	53,215	52,701	52,880	53,077
Employment	49,286	50,060	50,453	50,670	50,424	50,563	51,192	50,842	51,310	51,639
Unemployment	2,918	2,618	2,385	2,225	2,337	2,668	2,023	1,859	1,570	1,438
Unemployment Rate										
Newton County	5.6%	5.0%	4.5%	4.2%	4.4%	5.0%	3.8%	3.5%	3.0%	2.7%
Georgia	5.0%	4.4%	4.0%	3.9%	4.0%	4.5%	3.2%	3.1%	2.5%	2.5%
United States	6.8%	6.6%	6.2%	5.7%	5.5%	6.1%	5.7%	5.3%	4.6%	4.3%

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



C. Commutation Patterns

Reflecting the exurban location of the Covington Square Market Area, workers in the market area have a wide range of commute times. Roughly half (49.7 percent) of workers residing in the Covington Square Market Area commuted less than 30 minutes while 45.5 percent commuted at least 30 minutes including 26.9 percent commuting at least 45 minutes (Table 21).

The majority (59.6 percent) of workers residing in the Covington Square Market Area worked outside Newton County while 39.3 percent worked in the county. Roughly one percent of Covington Square Market Area workers were employed outside the state. The large proportion of workers commuting

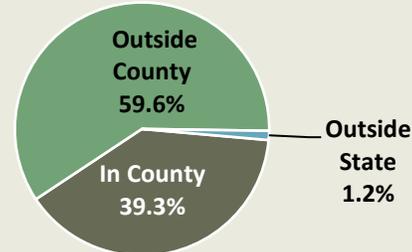
outside Newton County reflects the market area's relative proximity/accessibility to employment concentrations in the region including the Atlanta Metro Area to the west.

Table 21 Commutation Data, Covington Square Market Area

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home:	45,518	95.3%	Worked in state of residence:	47,236	98.8%
Less than 5 minutes	768	1.6%	Worked in county of residence	18,775	39.3%
5 to 9 minutes	1,709	3.6%	Worked outside county of residence	28,461	59.6%
10 to 14 minutes	5,532	11.6%	Worked outside state of residence	551	1.2%
15 to 19 minutes	7,289	15.3%	Total	47,787	100%
20 to 24 minutes	6,096	12.8%			
25 to 29 minutes	2,376	5.0%			
30 to 34 minutes	6,491	13.6%			
35 to 39 minutes	773	1.6%			
40 to 44 minutes	1,637	3.4%			
45 to 59 minutes	4,879	10.2%			
60 to 89 minutes	5,727	12.0%			
90 or more minutes	2,241	4.7%			
Worked at home	2,269	4.7%			
Total	47,787				

Source: American Community Survey 2015-2019

**2015-2019 Commuting Patterns
Covington Square Market Area**



Source: American Community Survey 2015-2019

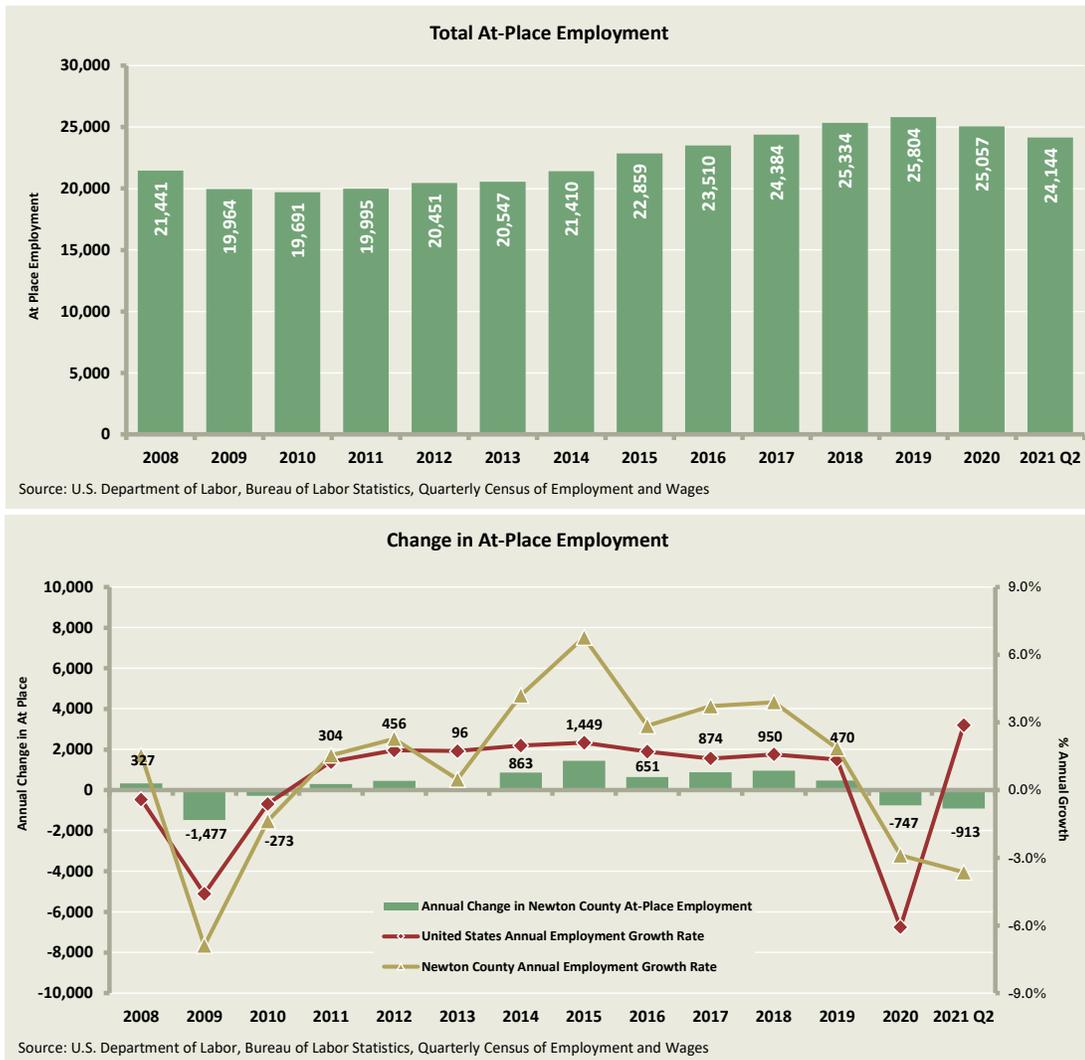
D. At-Place Employment

1. Trends in Total At-Place Employment

Newton County added jobs in nine consecutive years with net growth of 6,113 jobs or 23.7 percent from 2010 to 2019, more than three times the recession-era loss of 1,750 total jobs in 2009 and 2010 (Figure 5). Job loss was limited to two years (2009-2010) during the previous recession-era compared to three years (2008-2010) of job loss nationally; however, nearly all job loss (1,477 jobs) in the county during this period was in 2009. Growth was significant with the addition of at least 470 jobs from 2014 to 2019. As illustrated in the line on the lower panel of Figure 5, growth rates in the county have outpaced the nation on a percentage basis each year between 2014 and 2019. Reflecting the impact of the COVID-19 pandemic, the county lost 747 jobs in 2020 and another 913 jobs in the first half of 2021; Newton County's job loss in 2020 was lower than the nation on a percentage basis at 2.9 percent versus 6.1 percent for the nation. In the first half of 2021, the county experienced a job loss of 3.6 percent, compared to an increase of jobs seen in the nation at 2.9 percent (Figure 5).



Figure 5 At-Place Employment, Newton County

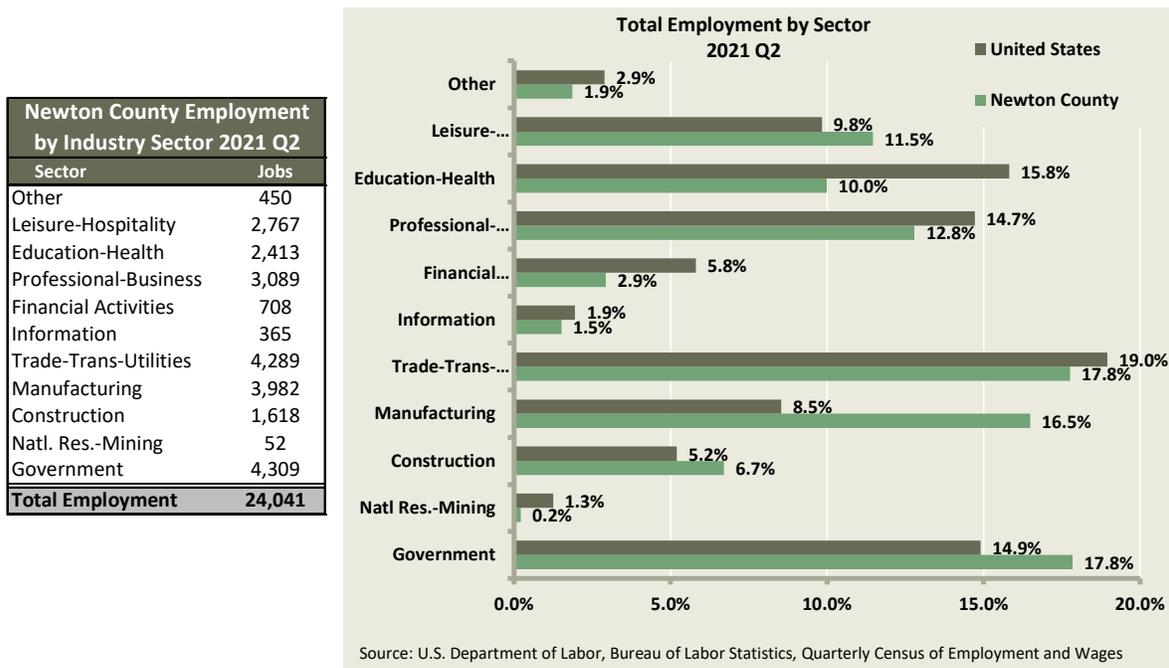


2. At-Place Employment by Industry Sector

Newton County’s economy is well diversified with six sectors each accounting for at least 9.8 percent of the county’s job base. Trade-Transportation-Utilities and Government are the largest employment sectors in Newton County each accounting for 17.8 percent of all jobs in 2021 (Q2) (Figure 6). Four sectors (Leisure-Hospitality, Education-Health, Professional Business, and Manufacturing) each account for 9.8 percent to 16.5 percent of the county’s jobs, while Construction and Financial Activities account for 6.7 percent and 2.9 percent, respectively. The Other, Information, and Natural Resource Mining sectors account for less than 2.0 percent of jobs. The Government, Leisure-Hospitality, and Manufacturing sectors account for larger proportions of the county’s jobs compared to jobs nationally with the largest discrepancy in the Manufacturing sector (16.5 percent versus 8.5 percent).



Figure 6 Total Employment by Sector, Newton County 2021 (Q2)



Nine of eleven employment sectors in Newton County added jobs from 2011 to 2020 Q1 (Figure 7). Six sectors grew by at least 28.5 percent including the largest sector (Trade-Transportation-Utilities) with growth of 40.0 percent while the largest growth rate was in the Professional-Business sector which more than quadrupled in size with 174.4 percent net growth; the Professional-Business sector is the fourth largest sector in the county. Five sectors had net growth of 3.5 to 19.1 percent. Two sectors had job losses of 5.7 percent (Manufacturing) and 7.6 percent (Natural Resource Mining). While the manufacturing sector is the third largest sector in the county, the Natural Resource Mining sector accounts less than one percent of Newton County’s jobs.

Given the rapidly changing economic conditions in 2020, we have isolated At-Place Employment change by sector from the first quarter of 2020 (Pre-Pandemic) to the first half of 2021 (most recent data available) (Figure 8). Over this period, eight of 11 sectors lost jobs in Newton County. The largest declines were in the Trade-Transportation-Utilities (14.0 percent), Professional-Business (8.4 percent), and Education-Health (8.1 percent) sectors while all other sectors lost less than 10 percent of jobs. The Information sector added 130 jobs at 55.5 percent, while the Construction and Other sectors added less than four percent of jobs.



Figure 7 Employment Change by Sector, Newton County 2011 – 2020 (Q1)

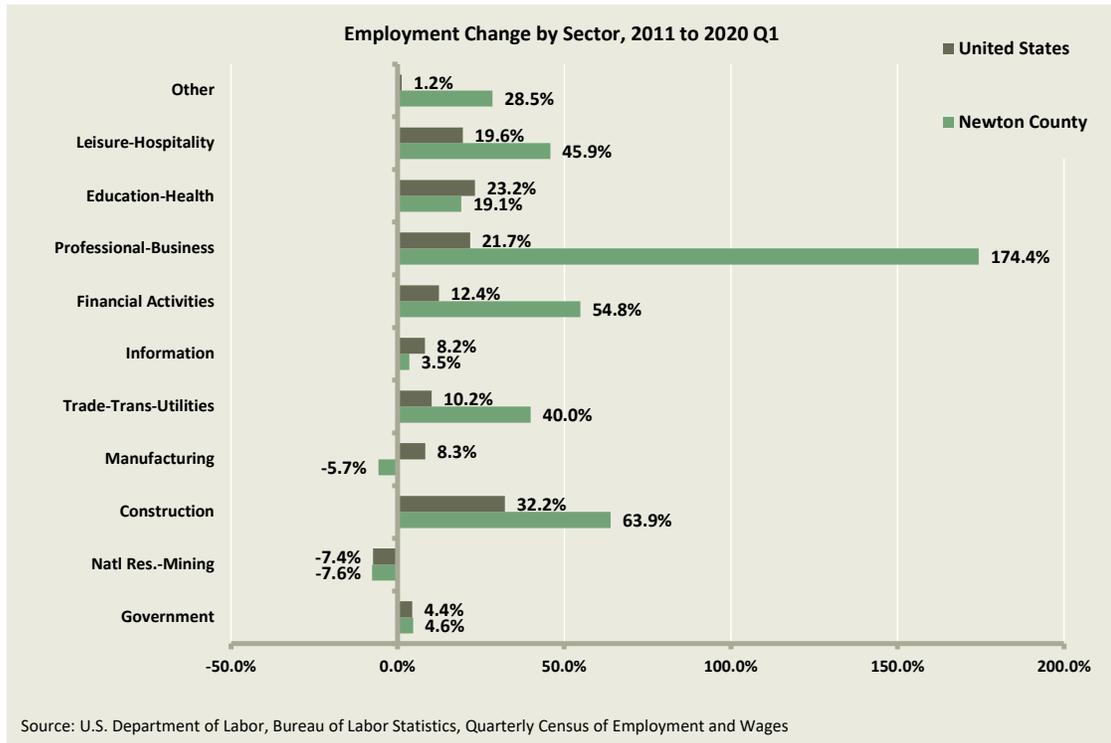
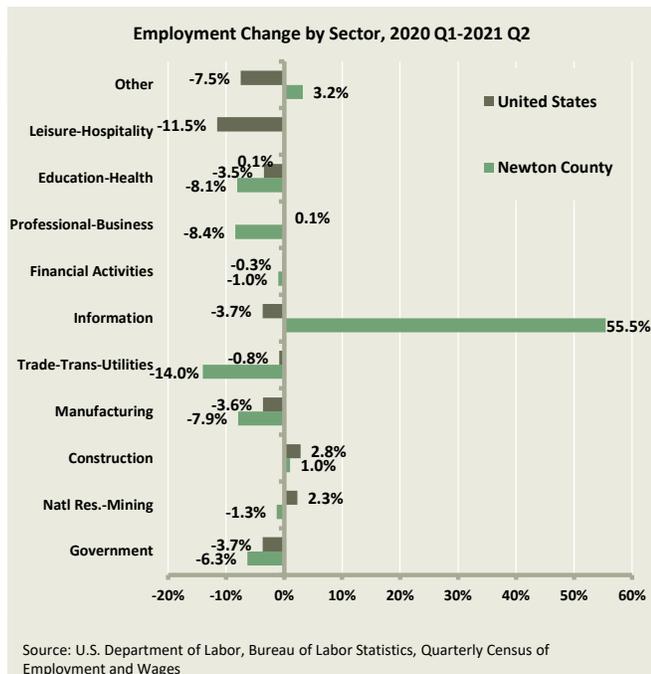


Figure 8 Employment Change by Sector, 2020 Q1 - 2021 Q2

Newton County Employment by Industry Sector 2020 Q1 - 2021 Q2				
Sector	2020 Q1	2021 Q2	# Change	% Change
Other	436	450	14	3.2%
Leisure-Hospitality	2,764	2,767	3	0.1%
Education-Health	2,625	2,413	-212	-8.1%
Professional-Business	3,372	3,089	-283	-8.4%
Financial Activities	715	708	-7	-1.0%
Information	235	365	130	55.5%
Trade-Trans-Utilities	4,988	4,289	-699	-14.0%
Manufacturing	4,323	3,982	-341	-7.9%
Construction	1,602	1,618	17	1.0%
Natl Res.-Mining	53	52	-1	-1.3%
Government	4,600	4,309	-291	-6.3%
Total Employment	25,712	24,041	-1,670	-6.5%





3. Major Employers

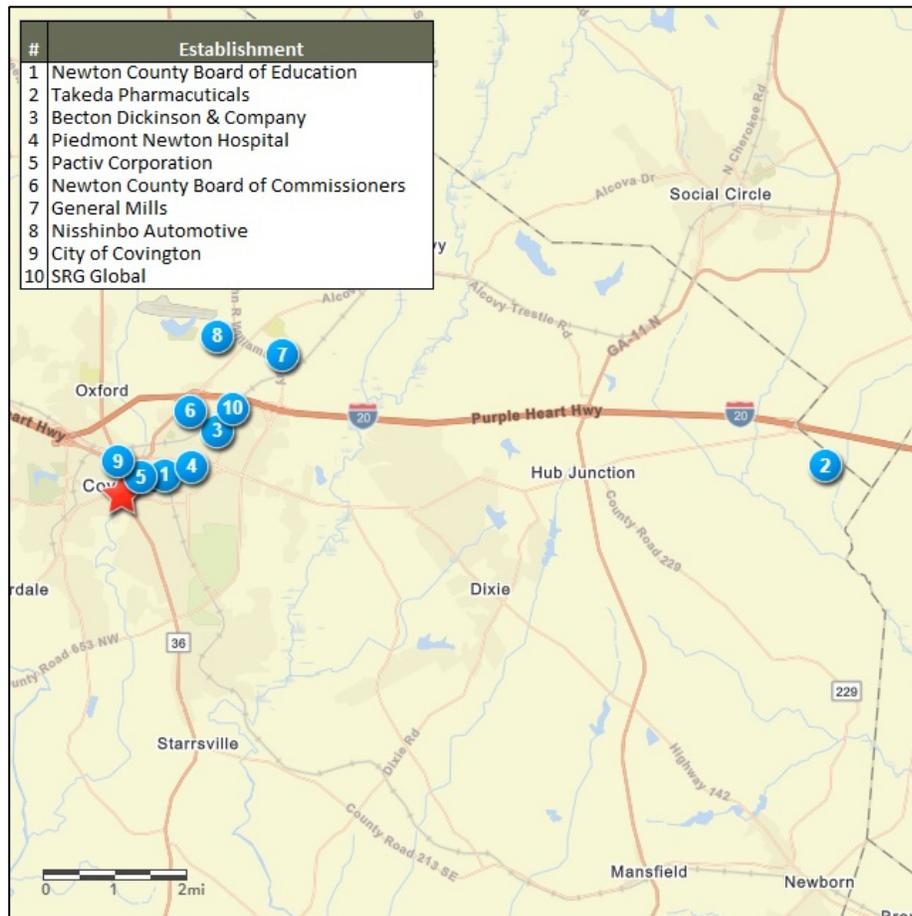
The local public school system is Newton County’s largest single employer with 2,324 employees. The remaining major employers have 310 to 900 employees each and include six manufacturers, Piedmont Newton Hospital, and two local government employers (Table 22). Most major employers are in Covington within three miles of the subject property (Map 5).

Table 22 Major Employers, Newton County

Rank	Name	Sector	Employment
1	Newton County Board of Education	Education	2,324
2	Takeda Pharmaceuticals	Manufacturing	900
3	Becton Dickinson & Company	Manufacturing	942
4	Piedmont Newton Hospital	Healthcare	671
5	Pactiv Corporation	Manufacturing	650
6	Newton County Board of Commissioners	Government	615
7	General Mills	Manufacturing	395
8	Nisshinbo Automotive	Manufacturing	373
9	City of Covington	Government	328
10	SRG Global	Manufacturing	310

Source: Newton Economic Development

Map 5 Major Employers, Newton County



4. Recent Economic Expansions and Contractions

Four major job expansions were identified in Newton County since 2020:

- Facebook announced plans in September 2020 to invest an additional \$250 million in its data center campus in Covington. The company's total investment at the facility (which was originally announced in 2018) will total roughly \$1 billion and is expected to be completed in 2023. Facebook will employ roughly 200 people at the data center upon completion.
- In early 2020, Governor Brian Kemp announced that Lidl would build a regional distribution center in Covington. The company plans to invest \$100 million in a 925,000 square foot facility that will serve as a regional headquarters and a distribution facility. The facility would serve as the regional headquarters and create 270 full time jobs. The headquarters is expected to be completed in June 2022.
- In September of 2020, Three Ring Studios and Cinelease partnered in order to expand the Three Ring Studio facilities located in Covington. Currently, Three Ring Studios encompasses a 36,400 square foot sound stage, 19,900 square feet of stage support, 30,000 square feet among 12 office bungalows, a 60,000 square foot mill space on 50 acres. Phase two is expected to be completed in 2023. The site is located near the 170 acre Covington Town Center where construction is currently underway.
- Governor Brian Kemp announced the opening of a \$73 million semi-conductor plant in Newton County located at 3000 SKC Drive in Covington, Georgia, in late October of 2021. The semiconductor plant will bring 400 new jobs aimed at hiring high-skilled talent. SKC, a subsidiary of SK Group (one of the largest conglomerates in South Korea), plans to start production by late summer 2023.

In contrast, the Worker Adjustment and Retraining Notification (WARN) Act helps ensure advance notice of qualified plant closings and mass layoffs. RPRG identified three WARN notices in 2020 with 28 jobs affected and two WARN notices in 2021 with 20 jobs affected.

E. Conclusions on Local Economics

Newton County has experienced significant and steady economic growth since 2011, outperforming the national economy on a percentage basis from 2014 to 2019, adding at least 470 new jobs each year since 2014. The county's 2019 At-Place Employment was at an all-time high of 25,804 jobs with the net addition of 6,113 jobs since 2010, more than three times the jobs lost during the recession-era (2009-2010). The county's most recent annual average unemployment rate of 7.1 percent is just above state (6.5 percent) and below national (6.5 percent) rates, an increase from unemployment rates in 2019 (4.0 percent in the county, 3.5 percent in the state, and 3.7 percent in the nation) due to the COVID-19 Pandemic. Most recent monthly unemployment rates as of October 2021 are 2.7 percent in Newton County, 2.5 percent in the state, and 4.3 percent in the country, indicative of economic recovery. Newton County's economy is well diversified with six sectors each accounting for at least 9.8 percent of the county's job base. Prior to the COVID-19 pandemic, job growth was expected to continue given the consistent growth over the past 10 years. The county's unemployment rate has recovered significantly according to most recent data, and planned economic expansions suggest the county's economy will continue growing, fueling housing demand.



8. AFFORDABILITY & DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percentage of age (62+) and income-qualified households in the market area that the subject community must capture to achieve full occupancy. The first component of the Affordability Analysis involves looking at the total household income distribution and renter household income distribution among primary market area households 62 and older for the target year of 2024. RPRG calculated the income distribution for both total households and renter households (62+) based on the relationship between owner and renter household incomes by income cohort from the 2015-2019 American Community Survey along with estimates and projected income growth by Esri (Table 23).

A housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For the Affordability Analysis, RPRG employs a 40 percent gross rent burden for seniors aged 62 or older. This rent burden only applies for tenants who do not receive PBRA. As all units at the subject property will have PBRA and minimum income limits will not apply, the affordability analysis has been conducted without this additional subsidy. The maximum allowable LIHTC rent (the most that could be charged without PBRA) was utilized for this analysis as proposed contract rents were above maximum levels. We also performed an affordability analysis with the proposed PBRA on each unit.

HUD has computed a 2021 median household income of \$86,200 for the Atlanta-Sandy Springs-Roswell MSA. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirements are computed for each floor plan (Table 24). The proposed units at Covington Square will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. The minimum income limits are calculated assuming up to 40 percent of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes for LIHTC units are based on a maximum household size of one person for efficiency units and two people for one-bedroom units. Maximum gross rents, however, are based on the federal regulation of 1.0 person per household for efficiency units and 1.5 persons for one-bedroom units.

Table 23 2024 Total and Renter Income Distribution (62+), Covington Square Market Area

Covington Square Market Area		2024 Total Senior Householders aged 62+		2024 Senior Renter Householders aged 62+	
		#	%	#	%
less than	\$15,000	1,246	10.3%	304	13.7%
	\$15,000 - \$24,999	1,596	13.1%	389	17.5%
	\$25,000 - \$34,999	1,627	13.4%	434	19.5%
	\$35,000 - \$49,999	1,834	15.1%	399	17.9%
	\$50,000 - \$74,999	2,650	21.8%	422	19.0%
	\$75,000 - \$99,999	914	7.5%	102	4.6%
	\$100,000 - \$149,999	1,359	11.2%	116	5.2%
	\$150,000 - Over	924	7.6%	59	2.6%
Total		12,150	100%	2,225	100%
Median Income		\$48,141		\$34,668	

Source: American Community Survey 2015-2019 Projections, RPRG, Inc.



Table 24 LIHTC Income and Rent Limits, Atlanta-Sandy Springs-Roswell MSA

HUD 2021 Median Household Income										
Atlanta-Sandy Springs-Roswell, GA HUD Metro FMR Area		\$86,200								
Very Low Income for 4 Person Household		\$43,100								
2021 Computed Area Median Gross Income		\$86,200								
Utility Allowance:		Efficiency		\$0						
		1 Bedroom		\$0						
Household Income Limits by Household Size:										
Household Size	30%	40%	50%	60%	80%	100%	120%	150%	200%	
1 Person	\$18,120	\$24,160	\$30,200	\$36,240	\$48,320	\$60,400	\$72,480	\$90,600	\$120,800	
2 Persons	\$20,700	\$27,600	\$34,500	\$41,400	\$55,200	\$69,000	\$82,800	\$103,500	\$138,000	
Imputed Income Limits by Number of Bedroom (Assuming 1.5 persons per bedroom):										
Persons	# Bed-rooms	30%	40%	50%	60%	80%	100%	120%	150%	200%
1	0	\$18,120	\$24,160	\$30,200	\$36,240	\$48,320	\$60,400	\$72,480	\$90,600	\$120,800
2	1	\$19,410	\$25,880	\$32,350	\$38,820	\$51,760	\$64,700	\$77,640	\$97,050	\$129,400
LIHTC Tenant Rent Limits by Number of Bedrooms (assumes 1.5 persons per bedroom):										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Efficiency	\$453		\$604		\$755		\$906		\$1,208	
1 Bedroom	\$485		\$647		\$808		\$970		\$1,294	

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

2. Affordability Analysis

This analysis looks at the affordability of the proposed units at the subject property without accounting for the proposed PBRA (Table 25):

- Looking at the efficiency units at 50 percent AMI (upper left panel), the overall shelter cost of the proposed units would be \$723.
- We determined that an efficiency unit at 50 percent AMI would be affordable to senior renter households (62+) earning at least \$21,690 per year by applying a 40 percent rent burden to this gross rent. A projected 1,661 senior renter households (62+) in the market area will earn at least this amount in 2024.
- The maximum income limit for an efficiency unit at 50 percent AMI is \$30,200 based on a household size of one person. According to the interpolated income distribution for 2024, 1,307 renter households (62+) in the Covington Square Market Area will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 1,661 renter households (62+) with incomes above the maximum income limit from the 1,307 renter households (62+) that could afford to rent this unit, RPRG computes that a projected 355 renter households (62+) in the Covington Square Market Area will fall within the band of affordability for the subject’s efficiency units at 50 percent AMI. The subject property would need to capture 2.5 percent of these age and income-qualified renter households to absorb the proposed nine efficiency units at 50 percent AMI.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and the subject property overall. Remaining capture rates by floorplan range from 4.7 percent to 14.4 percent.
- Capture rates by income target are 7.6 percent for 50 percent units and 16.1 percent for 60 percent units. The project’s overall capture rate is 17.0 percent.
- Removing the minimum income limits given the proposed PBRA on all units increases the number of age and income-qualified households to 1,229 and decreases the overall capture rate to 9.2 percent (Table 26).



Table 25 Affordability Analysis, Covington Square without PBRA

50% AMI	40% Rent Burden	Efficiency Units		One Bedroom Units	
		Min.	Max.	Min.	Max.
Number of Units		9		25	
Net Rent		\$723		\$775	
Gross Rent		\$723		\$775	
Income Range (Min, Max)		\$21,690	\$30,200	\$23,250	\$32,350
Renter Households					
Range of Qualified Hhlds		1,661	1,307	1,601	1,213
# Qualified Hhlds		355		387	
Renter HH Capture Rate			2.5%	6.5%	

60% AMI	40% Rent Burden	Efficiency Units		One Bedroom Units	
		Min.	Max.	Min.	Max.
Number of Units		20		59	
Net Rent		\$868		\$930	
Gross Rent		\$868		\$930	
Income Range (Min, Max)		\$26,040	\$36,240	\$27,900	\$38,820
Renter Households					
Range of Qualified Hhlds		1,487	1,065	1,407	997
# Qualified Hhlds		422		410	
Renter HH Capture Rate			4.7%	14.4%	

Income Target	# Units	Renter Households = 2,225				
		Band of Qualified Hhlds		# Qualified Hhlds	Capture Rate	
50% AMI	34	<i>Income Households</i>	\$21,690 1,661	\$32,350 1,213	448	7.6%
60% AMI	79	<i>Income Households</i>	\$26,040 1,487	\$38,820 997	491	16.1%
LIHTC Units	113	<i>Income Households</i>	\$21,690 1,661	\$38,820 997	665	17.0%

Source: Income Projections, RPRG, Inc.



Table 26 Affordability Analysis, Covington Square with PBRA

50% AMI	40% Rent Burden	Efficiency Units		One Bedroom Units	
		Min.	Max.	Min.	Max.
Number of Units		9		25	
Net Rent		\$723		\$775	
Gross Rent		\$723		\$775	
Income Range (Min, Max)		no min\$	\$30,200	no min\$	\$32,350
Renter Households					
Range of Qualified Hhlds		2,225	1,307	2,225	1,213
# Qualified Hhlds		919		1,012	
Renter HH Capture Rate		1.0%		2.5%	

60% AMI	40% Rent Burden	Efficiency Units		One Bedroom Units	
Number of Units		20		59	
Net Rent		\$868		\$930	
Gross Rent		\$868		\$930	
Income Range (Min, Max)		no min\$	\$36,240	no min\$	\$38,820
Renter Households					
Range of Qualified Hhlds		2,225	1,065	2,225	997
# Qualified Hhlds		1,160		1,229	
Renter HH Capture Rate		1.7%		4.8%	

Income Target	# Units	Renter Households = 2,225				
		Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
50% AMI	34	<i>Income Households</i>	no min\$	\$32,350	1,012	3.4%
60% AMI	79	<i>Income Households</i>	2,225	997	1,229	6.4%
LIHTC Units	113	<i>Income Households</i>	2,225	997	1,229	9.2%

Source: Income Projections, RPRG, Inc.

3. Conclusions of Affordability

All renter affordability capture rates (with or without PBRA) are within acceptable levels for an age-restricted rental community indicating that sufficient age and income-qualified renter households exist in the market area to support the proposed units as proposed. The lack of directly comparable senior oriented units in the market area reinforces the ability of the subject property to achieve these capture rates.

B. Demand Estimates and Capture Rates

1. Methodology

DCA’s demand methodology for proposed senior community rehabilitations consists of five components:

- The first component of demand is household growth. This number is the number of income-qualified renter households (62+) projected to move into the Covington Square Market Area between the base year (2022) and the placed-in-service year of 2024.

- The next component of demand is income-qualified renter households (62+) living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to ACS data, 3.0 percent of renter occupied are “substandard” (see Table 18 on page 33). This substandard percentage is applied to current senior households (62+).
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 40 percent of household income for housing costs. According to ACS data, 42.3 percent of Covington Square Market Area renter households (65+) are categorized as cost burdened (see Table 18 on page 33). This cost burdened percentage is applied to the current senior household base (62+).
- The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2015, 5.4 percent of elderly households move each year in the United States. Of those moving within the past twelve months and reporting tenure, 11.5 percent moved from owned to rental housing (Table 27). This equates to 1.2 percent of all senior households converting from owners to renters. Given the lack of local information, this source is the most current and accurate. This component of demand is limited to two percent of total demand.

Table 27 Homeownership to Rental Housing Conversion

Homeownership to Rental Housing Conversion			
Tenure of Previous Residence - Renter Occupied Units Senior Households 65+	United States		
	#	%	Annual
Household Members Moving in Past Two Years	34,782,000		
Total 65+ HH Members Moving within the Past Two Years	3,741,000	10.8%	5.4%
Moved from Owner Occupied Housing	1,846,000	49.3%	24.7%
Moved from Renter Occupied Housing	1,895,000	50.7%	25.3%
% of Senior Households Moving Within the Past Year		10.8%	5.4%
% of Senior Movers Converting from Owners to Renters		23.0%	11.5%
% of Senior Households Converting from Homeowners to Renters		2.5%	1.2%

Source: American Housing Survey, 2015

- In the case of a proposed rehabilitation of an existing community such as Covington Square, occupied units with tenants expected to remain age and income qualified post rehabilitation are subtracted from the proposed unit totals given the expected retention of these tenants.

DCA demand estimates are shown both without the proposed PBRA (Table 28, Table 29) and with the proposed PBRA on all units (Table 30, Table 31).

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 28 and Table 30. Income qualification percentages for demand estimates are derived by using the Affordability Analysis detailed in Table 25 (without accounting for PBRA) and Table 26 (with PBRA on all units).

2. Demand Analysis

According to DCA’s demand methodology, all comparable units recently funded by DCA, proposed for funding for a bond allocation from DCA, or any comparable units at communities undergoing lease-up are to be subtracted from the demand estimates to arrive at net demand.

In order to test market conditions, we calculated demand without the proposed PBRA. The project's capture rates by AMI level are 13.7 percent for 50 percent AMI units, 29.0 percent for 60 percent AMI units, and the project's overall capture rate is 12.2 percent (Table 28). Capture rates by floor plan within each AMI target range from 4.6 to 25.0 percent and capture rates by floor plan are 8.8 percent for efficiency units and 25.0 percent for one-bedroom units (Table 29).

Accounting for the proposed PBRA, capture rates by AMI level are 5.0 percent at 50 percent AMI and 11.6 percent at 60 percent AMI. The overall capture rate is 9.1 percent. Capture rates by floor plan within each AMI target range from 1.8 to 8.6 percent (Table 30 and Table 31).

Table 28 Overall Demand Estimates, Covington Square without PBRA

<i>Income Target</i>	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$21,690	\$26,040	\$21,690
<i>Maximum Income Limit</i>	\$32,350	\$38,820	\$0
<i>(A) Renter Income Qualification Percentage</i>	20.1%	22.0%	74.6%
Demand from New Renter Households 62+			
Calculation: (C-B) * A * F	34	37	125
Plus			
Demand from Substandard Households 62+			
Calculation: B * D * F * A	13	14	46
Plus			
Demand from Rent Overburdened Households 62+			
Calculation: B * E * F * A	175	191	648
Plus			
Owners Converting to Renters Households 62+			
Calculation: B * G * A	28	31	104
Equals			
Total PMA Demand	249	273	923
Less			
Comparable Units	0	0	0
Equals			
Net Demand	249	273	923
Proposed Units	34	79	113
Capture Rate	13.7%	29.0%	12.2%

Table 29 Demand Estimates by Floor Plan, Covington Square without PBRA

Efficiency Units	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$21,690	\$26,040	\$21,690
<i>Maximum Income Limit</i>	\$30,200	\$36,240	\$36,240
<i>Renter Income Qualification Percentage</i>	15.9%	19.0%	26.8%
Total Demand 62+	197	234	331
Supply	0	0	0
Net Demand 62+	197	234	331
Units Proposed	9	20	29
Capture Rate	4.6%	8.5%	8.8%
One Bedroom Units	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	\$23,250	\$27,900	\$23,250
<i>Maximum Income Limit</i>	\$32,350	\$38,820	\$38,820
<i>Renter Income Qualification Percentage</i>	17.4%	18.4%	27.1%
Total Demand 62+	215	228	335
Supply	0	0	0
Net Demand 62+	215	228	335
Units Proposed	25	59	84
Capture Rate	11.6%	25.9%	25.0%

Table 30 Overall Demand Estimates, Covington Square with PBRA

<i>Income Target</i>	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	no min\$	no min\$	no min\$
<i>Maximum Income Limit</i>	\$32,350	\$38,820	\$38,820
<i>(A) Renter Income Qualification Percentage</i>	54.5%	55.2%	100.0%
Demand from New Renter Households 62+ Calculation: (C-B) * A * F	91	92	167
Plus			
Demand from Substandard Households 62+ Calculation: B * D * F * A	34	34	62
Plus			
Demand from Rent Overburdened Households 62+ Calculation: B * E * F * A	473	479	868
Plus			
Owners Converting to Renters Households 62+ Calculation: B * G * A	76	77	139
Equals			
Total PMA Demand	674	683	1,236
Less			
Comparable Units	0	0	0
Equals			
Net Demand	674	683	1,236
Proposed Units	34	79	113
Capture Rate	5.0%	11.6%	9.1%

Table 31 Demand Estimates by Floor Plan, Covington Square with PBRA

Efficiency Units	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	no min\$	no min\$	no min\$
<i>Maximum Income Limit</i>	\$30,200	\$36,240	\$36,240
<i>Renter Income Qualification Percentage</i>	41.3%	52.1%	52.1%
Total Demand 62+	510	645	645
Supply	0	0	0
Net Demand 62+	510	645	645
Units Proposed	9	20	29
Capture Rate	1.8%	3.1%	4.5%
One Bedroom Units	50% AMI	60% AMI	Total Units
<i>Minimum Income Limit</i>	no min\$	no min\$	no min\$
<i>Maximum Income Limit</i>	\$32,350	\$38,820	\$38,820
<i>Renter Income Qualification Percentage</i>	45.5%	55.2%	55.2%
Total Demand 62+	562	683	683
Supply	0	0	0
Net Demand 62+	562	683	683
Units Proposed	25	59	84
Capture Rate	4.4%	8.6%	12.3%

3. DCA Demand Conclusions

Without PBRA, the project's capture rates by AMI level are 13.7 percent for 50 percent AMI units, 29.0 percent for 60 percent AMI units, and the project's overall capture rate is 12.2 percent. Accounting for the proposed PBRA, capture rates by AMI level are 5.0 percent at 50 percent AMI and 11.6 percent at 60 percent AMI. The overall capture rate is 9.1 percent. Capture rates with and without PBRA are all below the DCA threshold of 35.0 percent and indicate more than sufficient demand in the market area to support the proposed Covington Square with PBRA.

9. COMPETITIVE RENTAL ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the Covington Square Market Area. We pursued several avenues of research to identify multifamily rental projects that are in the planning stages or under construction in the Covington Square Market Area. We contacted planning and zoning officials with the City of Covington and Newton County, and we reviewed LIHTC allocation lists provided by DCA. The rental survey was conducted in February 2022.

B. Overview of Market Area Housing Stock

The renter occupied housing stock in both the Covington Square Market Area and the Bi-County Area include a large percentage of low-density structures including single-family detached homes at 62.7 percent in the market area and 54.5 percent in the Bi-County Area (Table 32); roughly six percent of Covington Square Market Area renter-occupied units are mobile homes. Approximately 29 percent of renter occupied units in the Covington Square Market Area are contained within multi-family structures including 14.7 percent in structures with 5+ units compared to 20.2 percent of renter occupied units in the Bi-County Area. Roughly 95 percent of owner-occupied units in both areas are single-family detached homes with mobile homes accounting for most of the balance.

Table 32 Occupied Units by Structure Type and Tenure

Structure Type	Owner Occupied				Renter Occupied			
	Bi-County Area		Covington Square Market Area		Bi-County Area		Covington Square Market Area	
	#	%	#	%	#	%	#	%
1, detached	43,292	95.0%	23,654	94.7%	12,219	54.5%	7,519	62.7%
1, attached	564	1.2%	256	1.0%	724	3.2%	280	2.3%
2	84	0.2%	3	0.0%	1,955	8.7%	1,098	9.2%
3-4	56	0.1%	29	0.1%	1,723	7.7%	636	5.3%
5-9	33	0.1%	0	0.0%	1,533	6.8%	318	2.7%
10-19	0	0.0%	0	0.0%	1,549	6.9%	668	5.6%
20+ units	0	0.0%	0	0.0%	1,445	6.4%	771	6.4%
Mobile home	1,561	3.4%	1,026	4.1%	1,290	5.7%	694	5.8%
TOTAL	45,590	100%	24,968	100%	22,438	100%	11,984	100%

Source: American Community Survey 2015-2019

The housing stock in the Covington Square Market Area is slightly newer than in the Bi-County Area with a median year built among renter-occupied units of 1992 compared to 1990 in the Bi-County Area. More than one-quarter (25.7 percent) of renter occupied units in the Covington Square Market Area were built in the 1990's while 30.4 percent have been built since 2000. Approximately 24 percent of Covington Square Market Area renter households were built in the 1970's or 1980's and less than 20 percent were built prior to 1970 (Table 33). The Bi-County Area had a larger percentage of renter-occupied units built from 1970 to 1999 and a smaller percentage of newer rentals built since 2000 and older rentals built prior to 1970 when compared to the Covington Square Market Area. The median year built of owner occupied units is 1997 in the Covington Square Market Area and 1993 in the Bi-County Area. More than two-thirds (67.4 percent) of owner occupied units in the Covington Square Market Area have been built since 1990 including 43.9 percent built since 2000.

According to ACS data, the median value among owner-occupied housing units in the Covington Square Market Area as of 2015-2019 was \$152,564, \$6,655 or 4.2 percent lower than the Bi-County



Area median of \$159,219 (Table 34). This data is a less accurate and reliable indicator of home prices in an area than actual sales data but offers insight on relative housing values among two or more areas.

Table 33 Dwelling Units by Year Built and Tenure

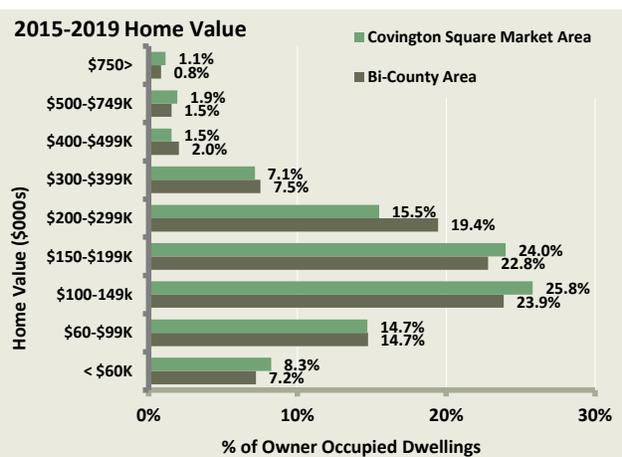
Year Built	Owner Occupied				Renter Occupied			
	Bi-County Area		Covington Square Market Area		Bi-County Area		Covington Square Market Area	
	#	%	#	%	#	%	#	%
2014 or later	1,011	2.2%	732	2.9%	1	0.0%	1	0.0%
2010 to 2013	553	1.2%	268	1.1%	578	2.6%	435	3.6%
2000 to 2009	14,905	32.6%	9,998	39.9%	4,716	21.0%	3,202	26.7%
1990 to 1999	10,369	22.7%	5,874	23.5%	6,067	27.0%	3,081	25.7%
1980 to 1989	7,492	16.4%	2,876	11.5%	4,230	18.9%	1,768	14.8%
1970 to 1979	6,221	13.6%	2,454	9.8%	3,233	14.4%	1,142	9.5%
1960 to 1969	2,356	5.2%	903	3.6%	1,536	6.8%	790	6.6%
1950 to 1959	1,360	3.0%	864	3.5%	883	3.9%	531	4.4%
1940 to 1949	415	0.9%	345	1.4%	359	1.6%	343	2.9%
1939 or earlier	974	2.1%	720	2.9%	835	3.7%	691	5.8%
TOTAL	45,656	100%	25,034	100%	22,438	100%	11,984	100%
MEDIAN YEAR BUILT	1993		1997		1990		1992	

Source: American Community Survey 2015-2019

Table 34 Value of Owner-Occupied Housing Stock

2015-2019 Home Value	Bi-County Area		Covington Square Market Area	
	#	%	#	%
less than \$60,000	3,293	7.2%	2,066	8.3%
\$60,000 - \$99,999	6,724	14.7%	3,681	14.7%
\$100,000 - \$149,999	10,890	23.9%	6,462	25.8%
\$150,000 - \$199,999	10,418	22.8%	6,005	24.0%
\$200,000 - \$299,999	8,879	19.4%	3,877	15.5%
\$300,000 - \$399,999	3,433	7.5%	1,788	7.1%
\$400,000 - \$499,999	932	2.0%	385	1.5%
\$500,000 - \$749,999	702	1.5%	485	1.9%
\$750,000 over	385	0.8%	285	1.1%
Total	45,656	100%	25,034	100%
Median Value	\$159,219		\$152,564	

Source: American Community Survey 2015-2019



C. Survey of Age-Restricted Rental Communities

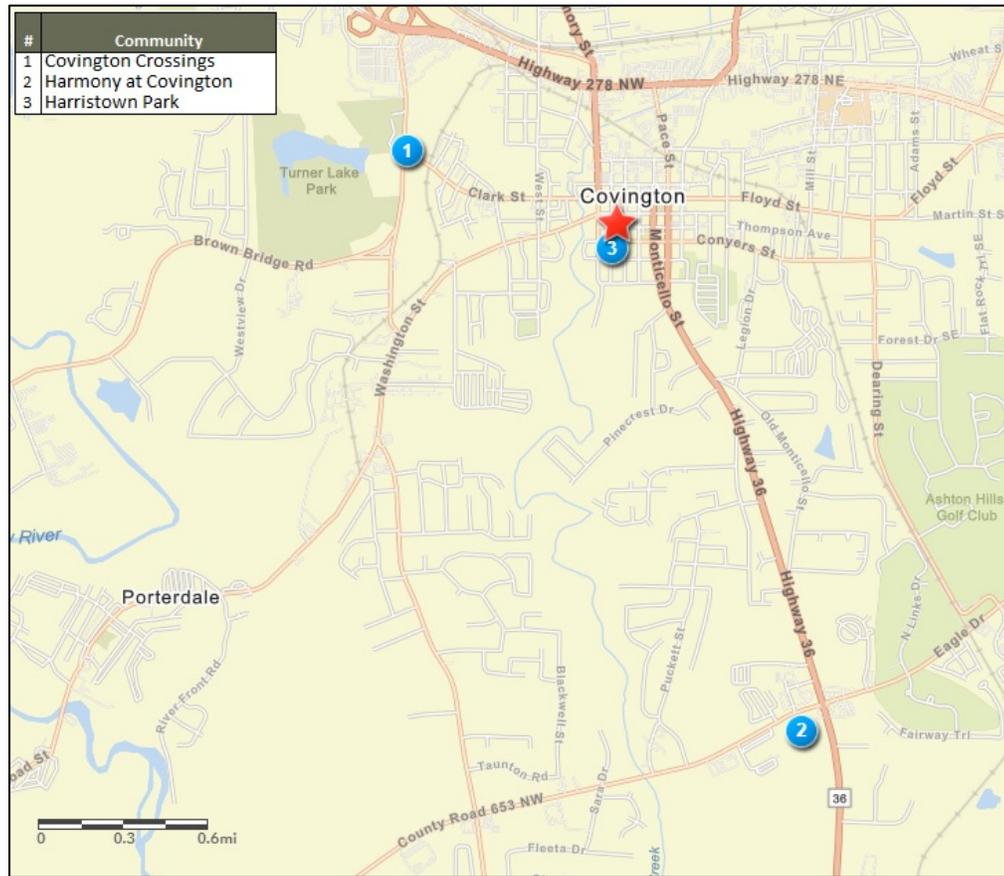
1. Introduction to the Age Restricted Rental Housing Survey

RPRG surveyed two age restricted LIHTC communities and age restricted market rate communities in the market area. Profile sheets with detailed information, including photographs, are attached as Appendix 6.

2. Location

Covington Crossings is roughly 1.5 miles driving distance to the west of the property, Harristown Park is to the southwest across Reynolds Street SW from the subject property and the newly built Harmony ay Covington is roughly two miles to the south (Map 7).

Map 6 Surveyed Senior Communities



3. Age-Restricted Rental Housing Characteristics

Covington Crossings opened in 2021 and offers 198 market rate units within a four story garden building. Harmony at Covington received its Certificate of Occupancy in early March 2021 and offers 122 units in a three-story mid-rise building with interior hallways, elevators, and secured entrances while Harristown Park was built in 2012 and offers 60 units in four-story mid-rise building (Table 35).

4. Unit Distribution and Unit Size

Covington Crossings' 198 units are distributed among one, two, and three bedroom floor plans with an average square footage of 750, 993, and 1,235 square feet, respectively. Harmony at Covington offers 122 units including 20 one-bedroom units and 102 two-bedroom units while the 60 units at Harristown Park include 12 one-bedroom units and 48 two-bedroom units (Table 35). Unit sizes average 732 square feet for one-bedroom units and 982 square feet for two-bedroom units with the largest units at Harmony at Covington (838 square feet for one-bedroom units and 1,034 square feet for two-bedroom units).

Table 35 Rental Summary, Senior Rental Communities

Community	Type	Total Units	Vacant Units	Vacancy Rate	Efficiency Units				One Bedroom Units				Two Bedroom Units			
					Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject - 50% AMI	Mid Rise	34			9	\$723	415	\$1.74	25	\$775	525	\$1.48				
Subject - 60% AMI	Mid Rise	79			20	\$868	415	\$2.09	59	\$930	525	\$1.77				
1. Covington Crossings	Gar	198	0	0.0%					\$995	750	\$1.33		\$1,195	993	\$1.20	
Year Built: 2021	Market	0	0	0.0%					\$995	750	\$1.33		\$1,195	993	\$1.20	
2. Harmony at Covington	Mid Rise	122	1	0.8%					20	\$905	838	\$1.08	102	\$1,090	1,034	\$1.05
Year Built: 2021	60% units	122	1	0.8%					20	\$905	838	\$1.08	102	\$1,090	1,034	\$1.05
3. Harristown Park	Mid Rise	60	0	0.0%					12	\$715	671	\$1.06	48	\$841	950	\$0.88
Year Built: 2012	50% Units	0	0	0.0%					\$699	671	\$1.04		\$834	950	\$0.88	
	60% units	0	0	0.0%					\$730	671	\$1.09		\$847	950	\$0.89	
	Overall Total	380	1	0.3%												
	Unit Distribution	182							32	\$832	732	\$1.14	150	\$992	982	\$1.01
	Average	127							17.6%				82.4%			
	% of Total	100.0%														

(1) Rent is adjusted to include all utilities and incentives

Source: Phone Survey, RPRG, Inc. February 2022/March 2022

5. Vacancy Rates

Covington Crossings and Harristown Park are both fully occupied. Harristown Park currently has a long waiting list of more than 200 households reflecting the high demand of affordable age-restricted rental options in the market area (Table 35). Harmony at Covington has a vacancy rate of 0.8 percent.

6. Recent Absorption History

Harmony at Covington received its Certificate of Occupancy in March 2021 and reached stabilization in June 2021. Covington Crossings opened in July 2021 and leased all of its units by November of the same year. Harristown Park opened in 2012; absorption information is not available nor relevant to the current market.

7. Rents

Rents presented in Table 35 are net or effective rents, as opposed to street or advertised rents. The net rents reflect adjustments to street rents to equalize the impact of the utility policy at Harristown Park. Specifically, the net rents are adjusted to include all utilities as proposed at the subject property.

- **One-bedroom units** average \$832 for an average unit size of 732 square feet resulting in a rent per square foot of \$1.14. The average rent for one bedroom LIHTC senior communities is \$778.
- **Two-bedroom units** average \$992 for an average unit size of 982 square feet resulting in a rent per square foot of \$1.01. The average rent for two bedroom LIHTC senior communities is \$924.

Highest rents are at Covington Crossings, with a market rate rent of \$995 for one bedroom units and \$1,195 for two bedroom units. The highest LIHTC rents are at Harmony at Covington with effective 60 percent AMI rents of \$905 for one-bedroom units and \$1,090 for two-bedroom units.

D. Survey of Age-Restricted Rental Communities

1. Payment of Utility Costs

Harmony at Covington includes water, sewer, and trash removal in the rent while Harristown Park includes trash removal in the cost of rent (Table 36). Covington Square will include all utilities. Covington Crossings includes no utilities in the cost of rent.



2. Unit Features and Services

Both surveyed LIHTC senior communities offer a dishwasher, microwave grab bars, and a washer and dryer in each unit while Harristown Park also offers an emergency call system (Table 36). Covington Square will offer a microwave, grab bars, and emergency call system which is not as extensive as the features offered at the two surveyed communities. The proposed unit features are acceptable given the continuation of PBRA on all units and the limited affordable senior rental options in the market area; the lack of a dishwasher and washer and dryer connections would likely affect the subject property’s attainable rents without the inclusion of PBRA.

Table 36 Utility Arrangement and Unit Features, Senior Rental Communities

Community	Heat Source	Utilities Included in Rent						Dish-washer	Disposal	Micro-wave	In Unit Laundry	Grab Bar	Emergency Pull	Patio/Balcony
		Heat	Hot Water	Cooking	Electric	Water	Trash							
Subject Property	Elec	☒	☒	☒	☒	☒	☒			STD		STD	STD	
Covington Crossings	Elec	☐	☐	☐	☐	☐	☐	STD	STD	STD				STD
Harmony at Covington*	Elec	☐	☐	☐	☐	☒	☒	STD	STD	STD		STD		
Harristown Park*	Elec	☐	☐	☐	☐	☐	☒	STD	STD	STD		STD	STD	STD

Source: Phone Survey, RPRG, Inc. February 2022/March 2022

(*) LIHTC

3. Parking

All surveyed senior communities offer free surface parking as the only parking option.

4. Community Amenities

All surveyed communities offer a multi-purpose room, fitness center, and business/computer center while Harmony at Covington also offers a library (Table 37). As a market rate community Covington Crossings has slightly more extensive amenities, including a theatre. Covington Square will offer a multi-purpose room, fitness center, community garden, and computer area which will be competitive with the surveyed senior communities.

Table 37 Community Amenities, Senior Rental Communities

Community	Multipurpose Room	Fitness Room	Gardening	Walking Paths	Library	Compter Center	Theater
Subject Property	☒	☒	☒	☐	☐	☒	☐
Covington Crossings	☒	☒	☐	☐	☒	☒	☒
Harmony at Covington*	☒	☒	☐	☐	☒	☒	☐
Harristown Park*	☒	☒	☐	☐	☐	☒	☐

Source: Phone Survey, RPRG, Inc. February 2022/March 2022

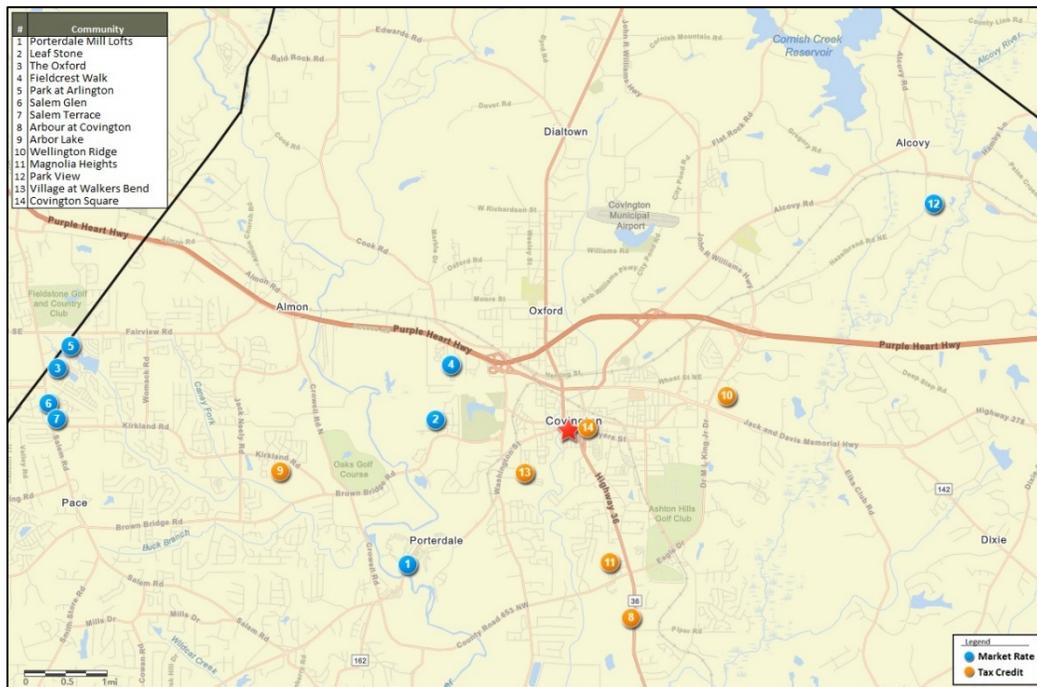


E. Survey of General Occupancy Rental Communities

1. Introduction to the Rental Housing Survey

RPRG surveyed 14 general occupancy multi-family rental communities in the Covington Square Market Area including five LIHTC communities. Although not considered direct competition for the subject property, these general occupancy rental communities represent an alternative rental housing option for seniors in the Covington Square Market Area. Accordingly, we believe these communities can have some impact on the pricing and positioning of the subject community. Their performance also lends insight into the overall health and competitiveness of the rental environment in the market area. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 6. The location of each community relative to the subject site is shown on Map 7.

Map 7 Surveyed General Occupancy Rental Communities



2. Vacancy Rates

The general occupancy rental market is performing well with 18 vacancies among 2,380 combined units for an aggregate vacancy rate of 0.8 percent (Table 38). Thirteen of 14 surveyed communities have a vacancy rate of less than two percent including all LIHTC communities; the highest vacancy rate is 2.5 percent at The Oxford (market rate). LIHTC communities are outperforming the overall market with four vacancies among 882 combined units for an aggregate vacancy rate of 0.5 percent; four of five LIHTC communities are fully occupied.

**Table 38 Rental Summary, Unit Distribution, Size, and Pricing, General Occupancy Communities**

Community	Total Units	Vacant Units	Vacancy Rate	One Bedroom Units				Two Bedroom Units			
				Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Porterdale Mill Lofts	162	1	0.6%		\$1,505	1,122	\$1.34		\$1,852	1,277	\$1.45
Leaf Stone	232	2	0.9%	60	\$1,495	816	\$1.83	138	\$1,775	1,072	\$1.66
The Oxford	240	6	2.5%		\$1,386	679	\$2.04		\$1,737	973	\$1.79
Fieldcrest Walk	250	0	0.0%		\$1,283	864	\$1.48		\$1,475	1,040	\$1.42
Park at Arlington	188	3	1.6%		\$1,316	822	\$1.60		\$1,460	1,148	\$1.27
Salem Glen	256	1	0.4%						\$1,458	1,042	\$1.40
Salem Terrace	70	1	1.4%	30	\$1,090	600	\$1.82	40	\$1,310	820	\$1.60
Arbour at Covington 60% AMI*	180	0	0.0%		\$985	755	\$1.30		\$1,195	1,025	\$1.17
Arbor Lake 60% AMI*	250	1	0.4%	36	\$994	975	\$1.02	166	\$1,185	1,150	\$1.03
Wellington Ridge 60% AMI*	220	0	0.0%	70	\$989	760	\$1.30	122	\$1,181	1,182	\$1.00
Magnolia Heights					\$925	975	\$0.95		\$1,020	1,150	\$0.89
Park View	100	0	0.0%		\$931	736	\$1.26		\$1,061	880	\$1.21
Magnolia Heights 60% AMI*	200	3	1.5%		\$722	975	\$0.74	0	\$862	1,150	0.74957
Village at Walkers Bend 60% AMI*	27	0	0.0%								
Village at Walkers Bend 50% AMI*	5	0	0.0%								
Total/Average	2,380	18	0.8%		\$1,135	840	\$1.35		\$1,352	1,070	\$1.26
Unit Distribution	804			196				466			
% of Total	33.8%			24.4%				58.0%			

(1) Rent is adjusted to include all utilities and Incentives

Source: Phone Survey, RPRG, Inc. February 2022/March 2022

(*) LIHTC

3. Effective Rents

Rents presented in Table 38 are net or effective rents, as opposed to street or advertised rents. The net rents reflect adjustments to street rents to equalize the impact of utility policies across complexes. Specifically, the net rents are adjusted to include all utilities. Average effective rents by floor plan are as follows:

- **One-bedroom** rents average \$1,135 for 840 square feet or \$1.35 per square foot. The average one-bedroom LIHTC rent is \$923.
- **Two-bedroom** rents average \$1,352 for 1,070 square feet or \$1.26 per square foot. The average two-bedroom LIHTC rent is \$1,106.

4. Scattered Site Rentals

Given the proposed income and age restrictions including PBRA on all units, scattered site rentals are not expected to be a significant source of competition for the proposed units at Covington Square.



5. Estimate of Market Rent

To better understand how the proposed rents compare with the rental market, rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. Three market rate communities are included in this analysis and adjustments made are broken down into four classifications. These classifications and an explanation of the adjustments made follows:

Table 39 Estimate of Market Rent Adjustments

- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition. An adjustment of \$25 was utilized to account for the superior mid-rise design at the subject property compared to garden apartments at the three market rate properties.
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. An adjustment of \$20 per variance was applied for condition. Likewise, the neighborhood or location adjustment was \$20 per variance.
 - Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
 - Senior Features – A \$25 adjustment was utilized to account for senior features at the subject property including grab bars and emergency call systems.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$25 for each amenity. An adjustment of \$50 was utilized for the efficiency units at the subject property compared to one-bedroom units at the three market rate communities.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$15 for each amenity.

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Senior Features	\$25.00
Quality/Street Appeal	\$20.00
Building Type	\$25.00
Location	\$20.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$50.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Community Room	\$10.00
Pool	\$15.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

Based on our adjustment calculations, the estimated market rents for the units at Covington Square are \$1,314 for efficiency units (Table 40) and \$1,410 for one-bedroom units (Table 41). The proposed 50 percent AMI rents (maximum allowable LIHTC rents) have rent advantages of 45.0 and 45.0 percent while the proposed 60 percent AMI rents (maximum allowable LIHTC rents) have rent advantages of 33.9 and 34.0 percent (Table 42). It should be noted, all units at the subject property will have PBRA and rents will be based on income so rent advantages will be greater.



Table 40 Adjusted Rent Comparison, Efficiency

Efficiency Units							
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		
Covington Square 2101 Washington St. SW Covington, Newton County	Porterdale Mill Lofts		The Oxford		Leaf Stone		
	2100 Main Street		50 Greenleaf Road		10100 Brown Bridge Road		
	Porterdale	Newton	Conyers	Newton	Covington	Newton	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% LHTC)	\$868	\$1,375	\$0	\$1,495	\$0	\$1,080	\$0
Utilities Included	All	None	\$111	None	\$111	T	\$101
Effective Rent	\$868	\$1,486		\$1,606		\$1,181	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid Rise	Adaptive Reuse	\$25	Garden	\$25	Garden	\$25
Year Built / Condition	2023	2006	\$13	1999	\$18	1987	\$27
Quality/Street Appeal	Above Average	Average	\$20	Above Average	\$0	Above Average	\$0
Location	Excellent	Average	\$40	Average	\$40	Average	\$40
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	Eff	1	(\$50)	1	(\$50)	1	(\$50)
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	415	1,122	(\$177)	679	(\$66)	864	(\$112)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC Type:	Wall	Central	(\$5)	Central	(\$5)	Central	(\$5)
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / No	Yes / Yes	(\$5)	Yes / Yes	(\$5)	No / Yes	\$0
Washer / Dryer: In Unit	No	No	\$0	Yes	(\$25)	No	\$0
Washer / Dryer: Hook-up	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	No	\$10
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	7	3	8	4	6
Sum of Adjustments B to D		\$98	(\$257)	\$83	(\$171)	\$102	(\$187)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$355		\$254		\$289	
<i>Net Total Adjustment</i>		(\$159)		(\$88)		(\$85)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,327		\$1,518		\$1,096	
% of Effective Rent		89.3%		94.5%		92.8%	
Estimated Market Rent	\$1,314						
Rent Advantage \$	\$446						
Rent Advantage %	33.9%						



Table 41 Adjusted Rent Comparison, One-Bedroom

One Bedroom Units							
Subject Property		Comparable Property #1		Comparable Property #2		Comparable Property #3	
Covington Square 2101 Washington St. SW Covington, Newton County		Porterdale Mill Lofts		The Oxford		Leaf Stone	
		2100 Main Street		50 Greenleaf Road		10100 Brown Bridge Road	
		Porterdale	Newton	Conyers	Newton	Covington	Newton
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent (60% LIHTC)	\$930	\$1,375	\$0	\$1,495	\$0	\$1,080	\$0
Utilities Included	All	None	\$130	None	\$130	T	\$120
Effective Rent	\$930	\$1,505		\$1,625		\$1,200	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Mid Rise	Adaptive Reuse	\$25	Garden	\$25	Garden	\$25
Year Built / Condition	2023	2006	\$13	1999	\$18	1987	\$27
Quality/Street Appeal	Above Average	Average	\$20	Above Average	\$0	Above Average	\$0
Location	Average	Average	\$40	Average	\$40	Average	\$40
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	525	1,122	(\$149)	679	(\$39)	864	(\$85)
Balcony / Patio / Porch	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
AC Type:	Wall	Central	(\$5)	Central	(\$5)	Central	(\$5)
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / No	Yes / Yes	(\$5)	Yes / Yes	(\$5)	No / Yes	\$0
Washer / Dryer: In Unit	No	No	\$0	Yes	(\$25)	No	\$0
Washer / Dryer: Hook-up	No	Yes	(\$5)	Yes	(\$5)	Yes	(\$5)
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	No	\$10
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		4	6	3	7	4	5
Sum of Adjustments B to D		\$98	(\$179)	\$83	(\$94)	\$102	(\$110)
F. Total Summary							
Gross Total Adjustment		\$277		\$177		\$212	
Net Total Adjustment		(\$81)		(\$11)		(\$8)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$1,424		\$1,614		\$1,192	
% of Effective Rent		94.6%		99.3%		99.3%	
Estimated Market Rent	\$1,410						
Rent Advantage \$	\$480						
Rent Advantage %	34.0%						

Table 42 Market Rent and Rent Advantage Summary

50% AMI Units	One	
	Efficiency	Bedroom
Subject Rent	\$723	\$775
Est. Market Rent	\$1,314	\$1,410
Rent Advantage (\$)	\$591	\$635
Rent Advantage (%)	45.0%	45.0%
Proposed Units	9	25

60% AMI Units	One	
	Efficiency	Bedroom
Subject Rent	\$868	\$930
Est. Market Rent	\$1,314	\$1,410
Rent Advantage (\$)	\$446	\$480
Rent Advantage (%)	33.9%	34.0%
Proposed Units	20	59

F. Multi-Family Pipeline

According to DCA LIHTC allocation/application lists and interviews with planning officials, there are currently no age restricted LIHTC communities proposed in the Covington Square Market Area. One market rate general occupancy pipeline community was identified in the market area.

The Cove at Covington Town Center broke ground in December 2020 just over three miles northeast of the subject property and will be the first phase of the master-planned Town Center development. The upscale market rate community will offer 350 units and is expected to be completed in 2022. The community is currently pre-leasing units but will not compete with the subject property given a difference in age and income targeting.

G. Housing Authority Data

According to The Covington Housing Authority website, the authority owns and operates 308 public housing units among five communities. The Covington Housing Authority has spent \$1 million in updates and renovations for the current neighborhoods managed. The waitlist for housing is currently closed. The Covington Housing Authority does not manage Section Housing Choice Vouchers.

H. Existing Low-Income Rental Housing

Five general occupancy LIHTC communities and two age restricted LIHTC communities are in the Covington Square Market Area, all of which were included in our analysis (Table 43). The subject property (Covington Square) is deeply subsidized through the Section 8 program. The location of these communities relative to the subject site is shown in Map 8.

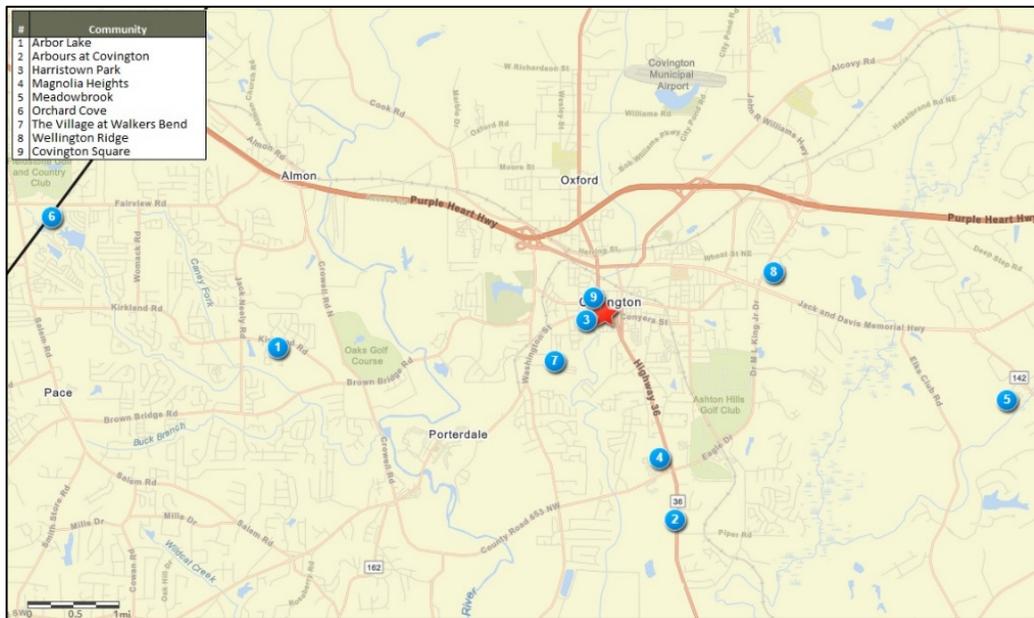


Table 43 Subsidized Communities, Covington Square Market Area

Community	Subsidy	Type	Address	Distance
Arbor Lake	LIHTC	General	431 Kirkland Rd	4.7 miles
Arbours at Covington	LIHTC	General	10544 HWY 36	2.6 miles
Harristown Park	LIHTC	General	2135 Reynolds St SW	0.1 mile
Magnolia Heights	LIHTC	General	10156 Magnolia Heights Cir	2.1 miles
Meadowbrook	LIHTC	General	460 HWY 142	5.4 miles
Orchard Cove	LIHTC	General	30 Grosslake Pkwy	7.7 miles
The Village at Walkers Bend	LIHTC	General	5978 Evertt St SW	1.5 miles
Wellington Ridge	LIHTC	General	9145 Wellington Dr	2.3 miles
Covington Square	LIHTC	Senior	2101 Washington St SW	0.1 mile

Source: HUD

Map 8 Subsidized Rental Communities, Covington Square Market Area



10. FINDINGS AND CONCLUSIONS

A. Key Findings

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

1. Site and Neighborhood Analysis

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

- The subject property is bordered by Washington Street SW to the north, Brown Street SW to the east, Reynolds Street SW to the south, and Lee Street SW to the west in downtown Covington. Surrounding land uses are compatible with senior rental housing including small business, churches, retailers, and municipal services in downtown and a senior LIHTC community (Harristown Park) directly southwest of the subject property. Modest to moderate value single-family detached homes are common outside of downtown within one-half mile of Covington Square.
- Neighborhood amenities and services are convenient to the subject property with grocery stores, medical facilities, pharmacies, banks, and a senior center within roughly one mile; Newton County Senior Services is one mile west of the subject property on Turner Lake Road. Shopping including Walmart Supercenter is within three miles of Covington Square while the city square is two blocks to the east offering many small retailers and restaurants.
- The subject property is roughly one mile southeast of access to Interstate 20 via U.S. Highway 278. Interstate 20 connects Covington to the Atlanta Metro Area to the west including Interstate 285 within 24 miles and downtown Atlanta within 35 miles. Several state highways connect Covington to the north and south while U.S. Highway 278 runs roughly parallel to Interstate 20 to the east.
- Covington Square has excellent visibility from surrounding streets including Washington Street with moderate traffic. The subject property is also visible from the city square which is a heavily traveled area of Covington. The subject property has adequate visibility which is reflected by the 100 percent occupancy rate at Covington Square.
- The subject site is suitable for the proposed development. No negative land uses were identified at the time of the site visit that would affect the proposed development's viability in the marketplace. As the subject property is an existing senior rental community, its proposed rehabilitation will not alter the land use characteristics of the immediate area.

2. Economic Context

Newton County's economy has performed well over the past nine years with significant job growth resulting in an all-time high At-Place Employment in 2019 and declining unemployment prior to the onset of the COVID-19 pandemic.

- The county's unemployment rate steadily declined since 2010 to 4.0 percent in 2019, the lowest level in over 10 years with a significant improvement from the 2010 peak of 12.9 percent. Newton County's 2019 unemployment rate of 3.9 percent is just above the state rate (3.5 percent) and national rate (3.7 percent). Reflecting the impact of the COVID-19 pandemic, the county's unemployment spiked to 12.3 percent in April 2020 before steadily declining to 2.7 percent in December which is above the state (2.5 percent) and below the national (4.3 percent) rates.
- Newton County's economy expanded significantly from 2010 to 2019 with the net addition of 6,113 jobs (23.7 percent), reaching an all-time high At-Place Employment of 25,804 jobs in



2019; annual At-Place Employment growth has outpaced the national employment growth rate from 2014 to 2019. Reflecting the impact of the COVID-19 pandemic, the county lost 747 jobs in 2020 and 913 jobs in the first half of 2021.

- Newton County's economy is diverse with six industry sectors representing at least 9.8 percent of total At-Place-Employment. Trade-Transportation-Utilities, Government, and Manufacturing are the county's largest employment sectors accounting for 16.5 to 17.8 percent of jobs; the Manufacturing sector accounts for 16.5 percent of the county's jobs compared to 8.5 percent of jobs nationally.
- Reflecting broad economic expansion, nine of 11 sectors added jobs in Newton County from 2011 to 2020 Q1 despite job loss experienced in 2020 due to the economic impacts of COVID-19. Six sectors grew by at least 28 percent including three sectors with growth of at least 45.9 percent. The Professional-Business sector more than doubled over this period with growth of 174.4 percent while the county's largest sector (Trade-Transportation-Utilities) grew by 40.0 percent.
- Four large job expansions were identified since 2020 in Newton County with more than 500 combined jobs expected to be created over the next several years. In contrast, RPRG identified five WARN notices in 2020 and 2021 with 48 jobs affected.

3. Population and Household Trends

The Covington Square Market Area had significant senior household growth (62+) from 2010 to 2022 and growth is expected to remain strong through 2024. Senior household growth in the market area has outpaced total household growth significantly on a percentage basis since 2010 and is expected to continue this trend over the next two years.

- The Covington Square Market Area's annual average household growth is projected to accelerate to 556 households or 1.4 percent over the next two years; annual average household growth was 251 households or 3.5 percent over the past 12 years.
- The Covington Square Market Area added 320 households with householder age 62+ (3.4 percent) per year from 2010 to 2022 and annual growth is projected at 288 households age 62+ (2.5 percent) from 2021 to 2024.

4. Demographic Analysis

The population and household base of the Covington Square Market Area is slightly younger, less affluent, and includes a larger proportion of households with children when compared to the Bi-County Area. The Covington Square Market Area has large proportions of low to moderate-income senior renter households (62+).

- Seniors (ages 62 and older) comprise 17.5 percent of the Covington Square Market Area's population while Adults (age 35 to 61) are the most common at 34.2 percent. Children/Youth (under 20 years old) account for a significant percentage (27.6 percent) of the market area's population. Among renter households, 29.6 percent are ages 55 and older and 18.5 percent are ages 45 to 54.
- Roughly 44 percent of Covington Square Market Area households contained children and 36.8 percent were multi-person households without children including 25.4 percent that were married which includes empty nesters. Single-person households accounted for 19.6 percent of Covington Square Market Area households.
- Twenty-six percent of households in the Covington Square Market Area rent in 2022 compared to 27.9 percent in the Bi-County Area. The Covington Square Market Area's renter percentage is expected to increase by 339 renter occupied households by 2024.



- The Covington Square Market Area's 2022 renter percentage among householders aged 62 and older is 18.2 percent compared to 17.6 percent in the Bi-County Area.
- The 2022 median income in the Covington Square Market Area is a moderate \$57,761 per year, \$2,541 or 4.2 percent below the \$60,302 median in the Bi-County Area. RPRG estimates the median income for senior households (age 62 or older) in the Covington Square Market Area is \$33,849 for renters and \$49,559 for owners. Approximately 33 percent of senior renter households (62+) earn less than \$25,000 and 37.7 percent earn \$25,000 to \$49,999.

5. Competitive Housing Analysis

RPRG surveyed two senior LIHTC communities, one market rate senior community, 14 general occupancy communities, and five general occupancy LIHTC communities. The rental market is performing well with limited vacancies including only one vacancy at one surveyed senior LIHTC community reporting occupancy.

Senior Rental Communities:

- Harristown Park is a four-story mid-rise community with interior hallways, secured entrances, and elevators while Harmony at Covington is a three-story mid-rise. Harristown Park was built in 2012 while Harmony at Covington opened in March 2021. Covington Crossings opened its four story senior community in 2021.
- Covington Crossings and Harristown Park are both fully occupied. Harristown Park has a waiting list of more than 200 people. Harmony at Covington just received a Certificate of Occupancy in March 2021, reached stabilization by June 2021 and currently has a vacancy rate of 0.8 percent.
- Average effective rents, unit sizes, and rent per square foot are as follows:
 - **One-bedroom units** average \$832 for an average unit size of 732 square feet resulting in a rent per square foot of \$1.14. The average rent for one bedroom LIHTC senior communities is \$778.
 - **Two-bedroom units** average \$992 for an average unit size of 982 square feet resulting in a rent per square foot of \$1.01. The average rent for two bedroom LIHTC senior communities is \$924.

Highest rents are at Covington Crossings, with a market rate rent of \$995 for one bedroom units and \$1,195 for two bedroom units. The highest LIHTC rents are at Harmony at Covington with effective 60 percent AMI rents of \$905 for one-bedroom units and \$1,090 for two-bedroom units.

General Occupancy Rental Communities:

- The 14 surveyed general occupancy rental communities including five LIHTC communities have an aggregate vacancy rate of 0.8 percent among 2,380 combined units. LIHTC communities are outperforming the overall market with an aggregate vacancy rate of 0.5 percent based on three of 882 units vacant.
- Among surveyed general occupancy rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **One-bedroom** rents average \$1,135 for 840 square feet or \$1.35 per square foot. The average one-bedroom LIHTC rent is \$923.
 - **Two-bedroom** rents average \$1,352 for 1,070 square feet or \$1.26 per square foot. The average two-bedroom LIHTC rent is \$1,106.
- The estimated market rents for the units at Covington Square are \$1,314 for efficiency units and \$1,410 for one-bedroom units. The proposed 50 percent AMI rents (maximum allowable

LIHTC rents) have rent advantages of 45.0 percent while the proposed 60 percent AMI rents (maximum allowable LIHTC rents) have rent advantages of 33.9 and 34.0 percent. It should be noted, all units at the subject property will have PBRA and rents will be based on income so rent advantages will be greater.

- RPRG identified one market rate general occupancy pipeline community in the market area, a 350-unit upscale market rate community (The Cove at Covington Town Center) just started construction in the market area, but this community will not compete with the subject property given a difference in age and income targeting.

B. Product Evaluation

Considered in the context of the competitive environment, the relative position of Covington Square is as follows:

- **Site:** The subject site is acceptable for the continued uses as an affordable rental community targeting very low to low income senior renter households. Surrounding land uses are compatible with multi-family senior-oriented rental housing including a senior LIHTC community (Harristown Park) which is fully occupied with a long waiting list directly south of the subject property. Covington Square will be convenient to major thoroughfares and will have good visibility from surrounding streets in downtown Covington. The walkability to Covington's city square is appealing.
- **Unit Distribution:** Covington Square will offer 29 efficiency units (25.7 percent) and 84 one-bedroom units (74.3 percent). Both surveyed age restricted communities offer one-bedroom units. Efficiency and one-bedroom units are generally common at age-restricted rental communities and are appropriate for the target market of very low to low income senior renter households.
- **Unit Size:** The proposed unit sizes at Covington Square are 415 square feet for efficiency units and 525 square feet for one-bedroom units. The subject's efficiency units will be the smallest units among surveyed communities and the subject's one-bedroom units are 217 square feet smaller than the average unit size among the two surveyed age restricted communities. The smaller unit sizes will have no impact on the subject property's marketability due to the continuation of PBRA on all units. The subject property is fully occupied with a waiting list of 38 people with these unit sizes.
- **Unit Features:** Covington Square will offer a microwave, grab bars, and emergency call system which is not as extensive as the features offered at the two surveyed communities. The proposed unit features are acceptable given the continuation of PBRA on all units and the limited affordable senior rental options in the market area; the lack of a dishwasher and washer and dryer connections would likely affect the subject property's attainable rents without the inclusion of PBRA.
- **Community Amenities:** Covington Square will offer a multi-purpose room, fitness center, community garden, and computer area which will be competitive with the surveyed senior communities.
- **Marketability:** The rehabilitation of the subject property will help preserve an existing affordable senior housing resource and will meet the needs of its intended target market.

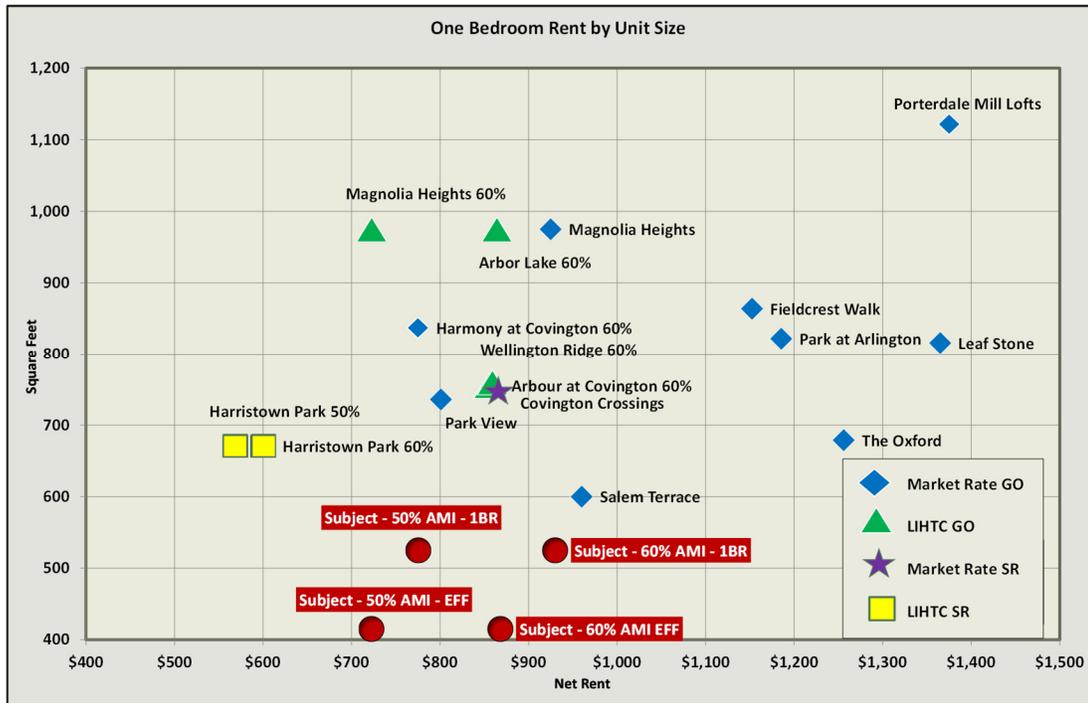
C. Price Position

Given the proposed continuation of PBRA on all units at the subject property, tenants will pay a percentage of income and will not pay the proposed contract rent. Without the proposed PBRA, the maximum allowable LIHTC rents (most that could be charged without PBRA) would be well above rents at comparable AMI levels at the surveyed senior communities. The maximum allowable 50 percent AMI rents would be the lowest rents in the market area among general occupancy



communities and the maximum 60 percent AMI rents would be comparable to existing 60 percent AMI rents at general occupancy communities which are in the bottom half of the market in terms of rent. Maximum allowable LIHTC rents all have rent advantages of at least 21 percent. The maximum allowable LIHTC rents are acceptable without the proposed PBRA given the limited age-restricted rental market at this time. Due to the expansion of the age-restricted rental market, rents may need to be lower than maximum allowable levels without the proposed PBRA given the small unit sizes and limited unit features at the subject property.

Figure 9 Price Position





11. ABSORPTION AND STABILIZATION RATES

A. Absorption Estimate

The projected absorption rate is based on projected senior household growth, age and income-qualified renter households, affordability/demand estimates, rental market conditions, and the marketability of the proposed site and product.

- The Covington Square Market Area is projected to add 170 households with householders age 62+ per year from 2022 to 2027 for annual growth of 1.6 percent.
- Harmony at Covington, a surveyed age restricted LIHTC community, recently received its Certificate of Occupancy in March 2021 and reached stabilization in June 2021. Harristown Park, the other age restricted LIHTC community, is fully occupied with a waiting list of more than 200 households. General occupancy communities are also performing well with an aggregate vacancy rate of 0.8 percent among 2,380 combined units.
- More than 1,200 renter households will be age and income-qualified for one or more of the proposed units at the subject property with the continuation of PBRA.
- Capture rates with and without PBRA are all below the DCA threshold of 35.0 percent and indicate more than sufficient demand in the market area to support the proposed rehabilitation of Covington Square.
- Post rehabilitation, Covington Square will offer an attractive and affordable product that will be well received by the target market in the Covington Square Market Area.

As all current tenants are expected to be retained with the continuation of PBRA, the subject property will not need to lease any units post-renovation. Based on the factors noted above, we estimate Covington Square's units with PBRA will lease-up as quickly as units become available and applications can be processed; we estimate any vacant units to be leased within one to two months. RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market.

B. Impact on Existing and Pipeline Rental Market

Given the strong projected senior household growth and well performing rental market we do not expect the rehabilitation of Covington Square to have a negative impact on existing rental communities in the Covington Square Market Area including those with tax credits. Furthermore, the subject property is not an expansion of the market area's rental housing stock.



12. INTERVIEWS

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers and planning officials with the City of Covington and Newton County.



13. CONCLUSIONS AND RECOMMENDATIONS

Based on an analysis of projected senior household growth trends, affordability, and demand estimates (with and without PBRA), current rental market conditions, and socio-economic and demographic characteristics of the Covington Square Market Area, RPRG believes that the subject property will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following its entrance into the rental market. The subject property will be competitively positioned with existing senior communities in the Covington Square Market Area and the units will be well received by the target market. Capture rates with and without PBRA are all below the DCA threshold of 35.0 percent and indicate more than sufficient demand in the market area to support the proposed rehabilitation of Covington Square. We recommend proceeding with the project as planned.

A handwritten signature in cursive script that reads "Summer Wong".

Summer Wong
Analyst

A handwritten signature in cursive script that reads "Tad Scepaniak".

Tad Scepaniak
Managing Principal



APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

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



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

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



APPENDIX 2 ANALYST CERTIFICATIONS

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

To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

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

Summer Wong

Summer Wong
Analyst
Real Property Research Group, Inc.

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



APPENDIX 3 NCHMA CERTIFICATION

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

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

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

Real Property Research Group, Inc.



Tad Scepaniak
Name

Managing Principal
Title

February 23, 2022
Date



APPENDIX 4 ANALYST RESUMES

TAD SCEPANIAK Managing Principal

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

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

Areas of Concentration:

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

Education:

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



Summer Wong Analyst

Summer Wong joined RPRG in June 2021 after completion of her master's degree at the Georgia Institute of Technology. Prior to joining RPRG, Summer earned a bachelor's degree in Interdisciplinary Social Sciences with an emphasis in Urban Planning from Florida State University. At the Georgia Institute of Technology, she received her master's degree in City and Regional Planning, specializing in Economic Development. Throughout her academic career, she interned with municipal planning departments, economic development agencies, a planning and zoning law firm, and a residential development firm.

At RPRG, Summer focuses on rental market studies.

Education:

Master of City and Regional Planning – Economic Development; Georgia Institute of Technology

Bachelor of Science – Interdisciplinary Social Sciences – Urban and Regional Planning; Florida State University



APPENDIX 5 DCA CHECKLIST

B. Executive Summary

- a. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-street..... Page(s) 1
 - ii. Construction and Occupancy Types Page(s) 1
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance Page(s) 1
 - iv. Any additional subsidies available, including project based rental assistance (PBRA) Page(s) 1
 - v. Brief description of proposed amenities and how they compare with existing properties Page(s) 1
- b. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels Page(s) 2
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural)..... Page(s) 2
 - iii. A discussion of site access and visibility Page(s) 2
 - iv. Any significant positive or negative aspects of the subject site Page(s) 2
 - v. A brief summary of the site’s proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc Page(s) 2
 - vi. A brief discussion of public safety, including comments on local perceptions, maps, or statistics of crime in the area Page(s) 2
 - vii. An overall conclusion of the site’s appropriateness for the proposed development..... Page(s) 2
- c. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject property Page(s) 2
- d. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA..... Page(s) 3
 - ii. Household tenure including any trends in rental rates. Page(s) 3
 - iii. Household income level. Page(s) 3
 - iv. Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development..... Page(s) 3
- e. Economic Data:
 - i. Trends in employment for the county and/or region..... Page(s) 3
 - ii. Employment by sector for the primary market area. Page(s) 3
 - iii. Unemployment trends for the county and/or region for the past five years..... Page(s) 3
 - iv. Brief discussion of recent or planned employment contractions or expansions..... Page(s) 3
 - v. Overall conclusion regarding the stability of the county’s economic environment. Page(s) 3
- f. Project Specific Affordability and Demand Analysis:
 - i. Number of renter households income qualified for the proposed development given retention of current tenants (rehab only), the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households. Page(s) 4
 - ii. Overall estimate of demand based on DCA’s demand methodology..... Page(s) 4
 - iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), by AMI, by bedroom type, and a conclusion regarding the achievability of these capture rates..... Page(s) 4



g.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA.	Page(s)	5
ii.	Number of properties.....	Page(s)	5
iii.	Rent bands for each bedroom type proposed.	Page(s)	5
iv.	Average market rents.....	Page(s)	5
h.	Absorption/Stabilization Estimate:		
i.	An estimate of the number of units expected to be leased at the subject property, on average, per month.....	Page(s)	6
ii.	Number of months required for the project to stabilize at 93% occupancy.	Page(s)	6
iii.	Estimate of stabilization occupancy and number of months to achieve that occupancy rate.....	Page(s)	6
i.	Interviews		
j.	Overall Conclusion:		
i.	Overall conclusion regarding potential for success of the proposed development.....	Page(s)	6
k.	Summary Table.....	Page(s)	7
C.	Project Description		
a.	Project address and location.....	Page(s)	11
b.	Construction type.....	Page(s)	11
c.	Occupancy Type.....	Page(s)	11
d.	Special population target (if applicable).....	Page(s)	N/A
e.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	12
f.	Unit size, number of bedrooms, and structure type.....	Page(s)	12
g.	Rents and Utility Allowances.....	Page(s)	12
h.	Existing or proposed project based rental assistance.....	Page(s)	12
i.	Proposed development amenities.....	Page(s)	12
j.	For rehab proposals, current occupancy levels, rents being charged, and tenant incomes, if available, as well as detailed information with regard to the scope of work planned. Scopes of work should include an estimate of the total and per unit construction cost.....	Page(s)	13
k.	Projected placed-in-service date.....	Page(s)	13
D.	Site Evaluation		
a.	Date of site / comparables visit and name of site inspector.....	Page(s)	9
b.	Physical features of the site and adjacent parcel, including positive and negative attributes.....	Page(s)	14-17
c.	The site's physical proximity to surrounding roads, transportation (including bus stops), amenities, employment, and community services.....	Page(s)	21-23
d.	Labeled photographs of the subject property (front, rear and side elevations, on-site amenities, interior of typical units, if available), of the neighborhood, and street scenes with a description of each vantage point.....	Page(s)	15, 17
e.	A map clearly identifying the project and proximity to neighborhood amenities. A listing of the closest shopping areas, schools, employment centers, medical facilities and other amenities that would be important to the target population and the proximity in miles to each.....	Page(s)	22



f. The land use and structures of the area immediately surrounding the site including significant concentrations of residential, commercial, industrial, vacant, or agricultural uses; comment on the condition of these existing land uses.	Page(s)	16
g. Any public safety issues in the area, including local perceptions of crime, crime statistics, or other relevant information.	Page(s)	20
h. A map identifying existing low-income housing: 4% & 9% tax credit, tax exempt bond, Rural Development, Public Housing, DCA HOME funded, Sec. 1602 Tax Credit Exchange program, USDA financed, Georgia Housing Trust Fund of the Homeless financed properties, and HUD 202 or 811 and Project Based Rental Assistance (PBRA). Indicate proximity in miles of these properties to the proposed site.....	Page(s)	60
i. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	21
j. Vehicular and pedestrian access, ingress/egress, and visibility of site.....	Page(s)	21-21
k. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	23

E. Market Area

a. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	24
b. Map Identifying subject property’s location within market area.....	Page(s)	25

F. Community Demographic Data

a. Population Trends		
i. Total Population.....	Page(s)	26
ii. Population by age group.....	Page(s)	28
iii. Number of elderly and non-elderly.....	Page(s)	27
iv. If a special needs population is proposed, provide additional information on population growth patterns specifically related to the population.....	Page(s)	N/A
b. Household Trends		
i. Total number of households and average household size.....	Page(s)	26-27
ii. Household by tenure (If appropriate, breakout by elderly and non-elderly).....	Page(s)	29
iii. Households by income. (Elderly proposals should reflect the income distribution of elderly households only).....	Page(s)	31-32
iv. Renter households by number of persons in the household.....	Page(s)	31

G. Employment Trends

a. Total jobs in the county or region.....	Page(s)	36
b. Total jobs by industry – numbers and percentages.....	Page(s)	37
c. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	40
d. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past 10 years.....	Page(s)	34
e. Map of the site and location of major employment concentrations.....	Page(s)	40
f. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	41

H. Affordability and Demand Analysis



a. Income Restrictions / Limits	Page(s)	43
b. Affordability estimates	Page(s)	44
c. Demand		
i. Demand from new households.....	Page(s)	47
ii. Occupied households (deduct current tenants who are expected, as per Relocation Plan, to return from property unit count prior to determining capture rates)	Page(s)	47
iii. Demand from existing households.....	Page(s)	47
iv. Elderly Homeowners likely to convert to rentership.....	Page(s)	46
v. Net Demand and Capture Rate Calculations	Page(s)	45-48

I. Competitive Rental Analysis (Existing Competitive Rental Environment

a. Detailed project information for each competitive rental community surveyed		
i. Name and address of the competitive property development	Page(s)	App. 6
ii. Name, title, and phone number of contact person and date contact was made.	Page(s)	App. 6
iii. Description of property.....	Page(s)	App. 6
iv. Photographs.....	Page(s)	App. 6
v. Square footages for each competitive unit type.....	Page(s)	52, 55, App. 5
vi. Monthly rents and the utilities included in the rents of each unit type.....	Page(s)	52, 55, App. 5
vii. Project age and current physical condition.....	Page(s)	55, App. 8
viii. Concessions given if any.....	Page(s)	55
ix. Current vacancy rates, historic vacancy factors, waiting lists, and turnover rates, broken down by bedroom size and structure type.....	Page(s)	55
x. Number of units receiving rental assistance, description of assistance as project or tenant based.....	Page(s)	App. 6
xi. Lease-up history	Page(s)	52

Additional rental market information

2. An analysis of the vouchers available in the Market Area, including if vouchers go unused and whether waitlisted households are income-qualified and when the list was last updated.	Page(s)	59
3. If the proposed development represents an additional phase of an existing housing development, include a tenant profile and information on a waiting list of the existing phase.....	Page(s)	N/A
4. A map showing the competitive projects and all LIHTC and Bond proposed projects which have received tax credit allocations within the market area.....	Page(s)	60
5. An assessment as to the quality and compatibility of the proposed amenities to what is currently available in the market.....	Page(s)	64
6. Consider tenancy type. If comparable senior units do not exist in the PMA, provide an overview of family-oriented properties, or vice versa. Account for differences in amenities, unit sizes, and rental levels.....	Page(s)	N/A
7. Provide the name, address/location, name of owner, number of units, unit configuration, rent structure, estimated date of market entry, and any other relevant market analysis information of developments in the planning, rehabilitation, or construction stages. If there are none, provide a statement to that effect.....	Page(s)	59



8. Provide documentation and diagrams on how the projected initial rents for the project compare to the rental range for competitive projects within the PMA and provide an achievable market rent and rent advantage for each of the proposed unit types.....	Page(s)	52, 56
9. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.....	N/A	
10. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	3
11. Comment on any other DCA funded projects located outside of the primary area, but located within a reasonable distance from the proposed project.....	Page(s)	N/A
12. Note whether the proposed project would adversely impact the occupancy and health of existing properties financed by Credits, USDA, HUD 202, or 811 (as appropriate), DCA or locally financed HOME properties, Sec. 1602 Tax Credit Exchange program, HTF, and HUD 221(d)(3) and HUD 221 (d) (4) and other market rate FHA insured properties (not including public housing properties).....	Page(s)	66
 J. Absorption and Stabilization Rates		
a. Anticipated absorption rate of the subject property.....	Page(s)	66
b. Stabilization period.....	Page(s)	66
c. Projected stabilized occupancy rate and how many months to achieve it.....	Page(s)	66
 K. Interviews.....	Page(s)	67
 L. Conclusions and Recommendations	Page(s)	68

Signed Statement Requirements

Page(s) App 2



APPENDIX 6 RENTAL COMMUNITY PROFILES

Community	Address	City	Survey Date	Phone Number	Contact
Arbor Lake	431 Kirkland Rd.	Covington	2022-02-16	833-442-3755	Property Manager
Arbour at Covington	10544 Highway 36	Covington	2022-03-01	205-535-1742	Property Manager
Covington Crossings	6000 Clark St SW	Covington	2022-03-01	833-648-1254	Property Manager
Covington Square	2101 Washington Street SW	Covington	2022-02-16	770-786-3227	Property Manager
Fieldcrest Walk	10238 Fieldcrest Dr.	Covington	2022-02-16	770-786-0445	Property Manager
Harmony at Covington	11101 Covington Bypass Rd	Covington	2022-02-16	470-663-9432	Property Manager
Harristown Park	2135 Reynolds St SW	Covington	2022-02-16	678-625-3235	Property Manager
Leaf Stone	10100 Brown Bridge Rd.	Covington	2022-02-16	844-881-4659	Property Manager
Magnolia Heights	10156 Magnolia Heights Cir.	Covington	2022-02-16	770-786-0458	Property Manager
Park at Arlington	30 Grosslake Pkwy.	Covington	2022-02-16	678-342-7144	Property Manager
Park View	10920 By Pass Rd	Covington	2022-02-16	770-786-8500	Property Manager
Porterdale Mill Lofts	2100 Main St	Porterdale	2022-02-16	470-327-1892	Property Manager
Salem Glen	100 Salem Glen Way	Conyers	2022-02-16	770-787-0100	Property Manager
Salem Terrace	3400 Salem Rd.	Covington	2022-02-16	770-786-0300	Property Manager
The Oxford	50 Greenleaf Rd.	Conyers	2022-02-16	770-788-1165	Property Manager
Village at Walkers Bend	5978 Evertt St	Covington	2022-02-16	(678)-625-3235	Property Manager
Wellington Ridge	9145 Wellington Dr.	Covington	2022-02-21	678-625-2777	Property Manager

Arbor Lake



ADDRESS
431 Kirkland Rd., Covington, GA, 30016

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
250

VACANCY
0.4 % (1 Units) as of 02/16/22

OPENED IN
2002



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$864	975	\$0.89
Two	0%	\$1,025	1,150	\$0.89
Three	0%	\$1,177	1,266	\$0.93

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Tennis, Playground

Features

Standard	Dishwasher, Disposal, Microwave, Patio Balcony, Cable TV
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops
Community Security	Gated Entry

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	(833) 442-3755
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Comments

Private lake stocked with fish. White appl., laminate counters
36 1BR, 166 2BR, 48 3BR

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$874	975	\$0.90	LIHTC	60%
Garden		1	1.0		\$874	975	\$0.90	LIHTC	60%
Garden		2	2.0		\$1,035	1,150	\$0.90	LIHTC	60%
Garden		2	2.0		\$1,035	1,150	\$0.90	LIHTC	60%
Garden		3	2.0		\$1,187	1,181	\$1.01	LIHTC	60%
Garden		3	2.0		\$1,187	1,350	\$0.88	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/08/21	07/13/21
% Vac	0.4%	0.0%	0.0%
One	\$874	\$874	\$875
Two	\$1,035	\$1,035	\$1,038
Three	\$1,187	\$1,187	\$1,191

Adjustments to Rent

Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Arbor Lake

Arbour at Covington



ADDRESS 10544 Highway 36, Covington, GA, 30014 **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** 3 Story - Garden **UNITS** 180 **VACANCY** 0.0 % (0 Units) as of 03/01/22 **OPENED IN** 2022



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$855	755	\$1.13
Two	0%	\$1,035	1,025	\$1.01
Three	0%	\$1,191	1,202	\$0.99

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Patio Balcony
Hook Ups	In Unit Laundry
Black	Appliances
Laminate	Countertops

Parking	Contacts
Parking Description	Phone 205-535-1742
Parking Description #2	

Comments

Rents are from online. Could not reach community. No lease up info

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$855	755	\$1.13	LIHTC	60%
Garden		2	2.0		\$1,035	1,025	\$1.01	LIHTC	60%
Garden		3	2.0		\$1,191	1,202	\$0.99	LIHTC	60%

Historic Vacancy & Eff. Rent (1)	
Date	03/01/22
% Vac	0.0%
One	\$855
Two	\$1,035
Three	\$1,191

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Arbour at Covington

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Covington Crossings



ADDRESS 6000 Clark St SW, Covington, GA, 30014 **COMMUNITY TYPE** LIHTC - Elderly **STRUCTURE TYPE** 4 Story – Garden **UNITS** 198 **VACANCY** 0.0 % (0 Units) as of 03/01/22 **OPENED IN** 2021



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$865	750	\$1.15
Two	0%	\$1,035	993	\$1.04
Three	0%	\$1,181	1,235	\$0.96

Community Amenities
Clubhouse, Community Room, Fitness Room, Picnic Area

Features

Standard	Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony
Standard - Full	In Unit Laundry
SS	Appliances
Granite	Countertops

Parking	Contacts
Parking Description Free Surface Parking	Phone 833-648-1254
Parking Description #2	

Comments

Opened July 2021 and leased up in Nov 2021.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$865	750	\$1.15	LIHTC	
Garden		2	1.5		\$1,035	976	\$1.06	LIHTC	
Garden		2	2.0		\$1,035	1,010	\$1.03	LIHTC	
Garden		3	2.0		\$1,181	1,235	\$0.96	LIHTC	

Historic Vacancy & Eff. Rent (1)	
Date	03/01/22
% Vac	0.0%
One	\$865
Two	\$1,035
Three	\$1,181

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Covington Crossings

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Covington Square



ADDRESS 2101 Washington Street SW, Covington, GA **COMMUNITY TYPE** LIHTC - General **STRUCTURE TYPE** Mid Rise **UNITS** 114 **VACANCY** 0.0 % (0 Units) as of 02/16/22 **OPENED IN** 1985



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Studio	25%	\$909	415	\$2.19
One	74%	\$946	525	\$1.80

Community Amenities
Clubhouse, Community Room, Central Laundry, Business Center, Computer Center, Elevator Served

Features

Wall Units Air Conditioning
Standard Grabber/Universal Design, In Unit Emergency Call

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	770-786-3227
Parking Description #2	Covered Spaces		

Comments

Waiting list of 38 people.
 Section 8, rent is contract rent.
 One unit is non-revenue and is designated for the property manager.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		0	1.0	29	\$1,020	415	\$2.46	Section 8	
Mid Rise - Elevator		1	1.0	84	\$1,076	525	\$2.05	Section 8	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	07/21/21	03/15/21
% Vac	0.0%	0.0%	0.0%
Studio	\$1,020	\$1,020	\$1,020
One	\$1,076	\$1,076	\$1,076

Adjustments to Rent	
Incentives	None
Utilities in Rent	Heat, Hot Water, Cooking, Electricity, Water/Sewer, Trash
Heat Source	Electric

Covington Square

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Fieldcrest Walk



ADDRESS
10238 Fieldcrest Dr., Covington, GA, 30014

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story – Garden

UNITS
250

VACANCY
0.0 % (0 Units) as of 02/16/22

OPENED IN
1987



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,153	864	\$1.33
Two	0%	\$1,315	1,040	\$1.26

Community Amenities
Clubhouse, Community Room, Central Laundry, Outdoor Pool, Tennis, Car Wash

Features

Standard	Dishwasher, Disposal, Ceiling Fan, Patio Balcony, Cable TV, Broadband Internet
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Select Units	Fireplace
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2

Parking	Contacts
Parking Description Free Surface Parking	Phone 770-786-0445
Parking Description #2	

Comments

Description	Feature	Floorplans							
		BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Dogwood/Flowering Dogwood Garden		1	1.0		\$1,153	864	\$1.33	Market	
Maple/Sunburts Maple Garden		2	1.0		\$1,200	940	\$1.28	Market	
Pine/Whispering Pine Garden		2	2.0		\$1,300	980	\$1.33	Market	
Oak/ Mighty Oak Garden		2	2.0		\$1,445	1,200	\$1.20	Market	

Date	Historic Vacancy & Eff. Rent (1)		
	02/16/22	11/08/21	07/21/21
% Vac	0.0%	0.0%	0.0%
One	\$1,153	\$1,103	\$1,080
Two	\$1,315	\$1,265	\$1,229

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Fieldcrest Walk

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Harmony at Covington



ADDRESS 11101 Covington Bypass Rd, Covington, GA, 30014 **COMMUNITY TYPE** LIHTC - Elderly **STRUCTURE TYPE** 3 Story – Mid Rise **UNITS** 122 **VACANCY** 0.8 % (1 Units) as of 02/16/22 **OPENED IN** 2021



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	16%	\$775	838	\$0.93
Two	84%	\$930	1,034	\$0.90

Community Amenities
 Clubhouse, Community Room, Fitness Room, Business Center, Computer Center, Elevator Served

Features

Standard Dishwasher, Disposal, Microwave, Ceiling Fan, Grabber/Universal Design
Standard - Full In Unit Laundry
Central / Heat Pump Air Conditioning
SS Appliances
Granite Countertops

Parking

Parking Description Free Surface Parking
Parking Description #2

Contacts

Phone 470-663-9432

Comments

100% Occ. Received c/o in early March 2021.
 55+; stabilized June 2021
 4 different 1BR floor plans
 Stainless appliances and granite countertops.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0	20	\$800	838	\$0.96	LIHTC	60%
Mid Rise - Elevator		2	1.0	102	\$960	1,034	\$0.93	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	07/21/21	03/15/21
% Vac	0.8%	0.0%	0.0%
One	\$800	\$749	\$724
Two	\$960	\$865	\$865

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Harmony at Covington

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Harristown Park



ADDRESS
2135 Reynolds St SW, Covington, GA

COMMUNITY TYPE
LIHTC - Elderly

STRUCTURE TYPE
4 Story - Mid Rise

UNITS
60

VACANCY
0.0 % (0 Units) as of 02/16/22

OPENED IN
2012



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$585	671	\$0.87
Two	0%	\$681	950	\$0.72

Community Amenities
Clubhouse, Community Room, Fitness Room, Business Center, Computer Center

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony, Grabber/Universal Design, In Unit Emergency Call
Standard - Full	In Unit Laundry
Central / Heat Pump	Air Conditioning

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	678-625-3235
Parking Description #2			

Comments

Waitlist: 200-300 hhlds_x000d_
 Rent prices are updated once a year on March 1st.
 unit breakdown: 50%: 2 1/1, 7 2br_x000d_
 60%: 10 1/1, 41 2br
 Game room, outdoor patien with grills, picnic pavillion

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Mid Rise - Elevator		1	1.0		\$579	671	\$0.86	LIHTC	50%
Mid Rise - Elevator		1	1.0		\$610	671	\$0.91	LIHTC	60%
Mid Rise - Elevator		2	1.0		\$684	841	\$0.81	LIHTC	50%
Mid Rise - Elevator		2	1.0		\$697	841	\$0.83	LIHTC	60%
Mid Rise - Elevator		2	2.0		\$684	1,059	\$0.65	LIHTC	50%
Mid Rise - Elevator		2	2.0		\$697	1,059	\$0.66	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	07/21/21	03/15/21
% Vac	0.0%	0.0%	0.0%
One	\$595	\$595	\$595
Two	\$691	\$691	\$691

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Harristown Park

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Leaf Stone



ADDRESS 10100 Brown Bridge Rd., Covington, GA, 30014 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 3 Story - Garden **UNITS** 232 **VACANCY** 0.9 % (2 Units) as of 02/16/22 **OPENED IN** 2000



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	26%	\$1,365	816	\$1.67
Two	59%	\$1,615	1,072	\$1.51
Three	15%	\$1,900	1,292	\$1.47

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Playground, Business Center, Car Wash, Computer Center

Features

Standard Dishwasher, Disposal, Microwave, IceMaker, Ceiling Fan, Patio Balcony, Cable TV, Broadband Internet
Hook Ups In Unit Laundry
Standard - In Unit Storage
Vinyl/Linoleum Flooring Type 1
Black Appliances
Laminate Countertops

Parking
Parking Description Free Surface Parking
Parking Description #2 Detached Garage — \$75.00

Contacts
Phone 844-881-4659

Comments
Laminate counters, black/ss appl.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	60	\$1,375	816	\$1.69	Market	
Garden		2	2.0	138	\$1,625	1,072	\$1.52	Market	
Garden		3	2.0	34	\$1,910	1,292	\$1.48	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/08/21	07/13/21
% Vac	0.9%	0.9%	0.0%
One	\$1,375	\$1,450	\$1,225
Two	\$1,625	\$1,705	\$1,695
Three	\$1,910	\$1,755	\$1,595

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Leaf Stone

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Magnolia Heights



ADDRESS
10156 Magnolia Heights Cir., Covington, GA, 30014

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Garden

UNITS
200

VACANCY
1.5 % (3 Units) as of 02/16/22

OPENED IN
2001



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$824	975	\$0.84
Two	0%	\$941	1,150	\$0.82
Three	0%	\$1,052	1,350	\$0.78

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Basketball, Playground

Features	
Standard	Dishwasher, Disposal, IceMaker, Patio Balcony
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
Vinyl/Linoleum	Flooring Type 2
White	Appliances
Laminate	Countertops
Community Security	Gated Entry

Parking	
Parking Description	Free Surface Parking
Parking Description #2	

Contacts	
Phone	770-786-0458

Comments
Laminate counters and white appliances. Waiting list of 10 households for LIHTC units.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$747	975	\$0.77	LIHTC	60%
Garden		1	1.0		\$950	975	\$0.97	Market	
Garden		2	2.0		\$892	1,150	\$0.78	LIHTC	60%
Garden		2	2.0		\$1,050	1,150	\$0.91	Market	
Garden		3	2.0		\$1,024	1,350	\$0.76	LIHTC	60%
Garden		3	2.0		\$1,150	1,350	\$0.85	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	07/13/21	03/15/21
% Vac	1.5%	0.0%	0.0%
One	\$849	\$891	\$841
Two	\$971	\$966	\$964
Three	\$1,087	\$1,112	\$1,120

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Magnolia Heights

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Park at Arlington



ADDRESS
30 Grosslake Pkwy., Covington, GA, 30016

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story – Garden

UNITS
188

VACANCY
1.6 % (3 Units) as of 02/16/22

OPENED IN
2001



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,186	822	\$1.44
Two	0%	\$1,300	1,148	\$1.13
Three	0%	\$1,627	1,343	\$1.21

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Tennis, Playground, Business Center, Computer Center

Features

Standard	Dishwasher, Ceiling Fan, Broadband Internet
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Standard - In Unit	Storage
Black	Appliances
Laminate	Countertops
Community Security	Gated Entry

Parking

Parking Description	Free Surface Parking
Parking Description #2	

Contacts

Phone	678-342-7144
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Comments

Formica counters and black appliances

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$1,186	822	\$1.44	Market	
Garden		2	2.0		\$1,300	1,148	\$1.13	Market	
Garden		3	2.0		\$1,627	1,343	\$1.21	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	09/30/20	08/13/20
% Vac	1.6%	2.7%	1.1%
One	\$1,186	\$1,000	\$975
Two	\$1,300	\$1,223	\$1,238
Three	\$1,627	\$1,525	\$1,550

Adjustments to Rent

Incentives	None
Utilities in Rent	
Heat Source	Electric

Park at Arlington

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Park View



ADDRESS
10920 By Pass Rd, Covington, GA, 30014

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
3 Story – Garden

UNITS
100

VACANCY
0.0 % (0 Units) as of 02/16/22

OPENED IN
1994



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$801	736	\$1.09
Two	0%	\$901	880	\$1.02
Three	0%	\$1,021	1,152	\$0.89

Community Amenities
Clubhouse, Community Room, Fitness Room, Outdoor Pool, Playground

Features	
Standard	Dishwasher, Disposal, Microwave
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Parking	
Parking Description	Free Surface Parking
Parking Description #2	
Contacts	
Phone	(770) 786-8500

Comments
10 1br, 45 2br, & 45 3br

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$826	736	\$1.12	Market	
Garden		2	1.0		\$906	880	\$1.03	Market	
Garden		2	2.0		\$956	880	\$1.09	Market	
Garden		3	2.0		\$1,056	1,152	\$0.92	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/10/21	07/13/21
% Vac	0.0%	0.0%	0.0%
One	\$826	\$826	\$826
Two	\$931	\$931	\$931
Three	\$1,056	\$1,056	\$1,056

Adjustments to Rent	
Incentives	None
Utilities in Rent	Water/Sewer, Trash
Heat Source	Electric

Park View

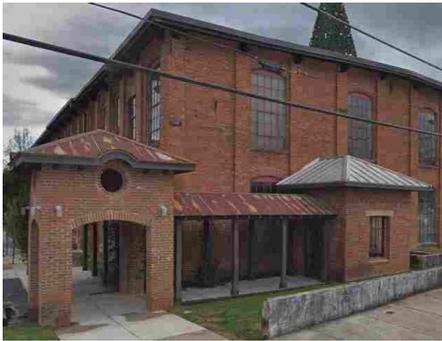
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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Porterdale Mill Lofts



ADDRESS 2100 Main St, Porterdale, GA, 30070 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story – Adaptive Reuse **UNITS** 162 **VACANCY** 0.6 % (1 Units) as of 02/16/22 **OPENED IN** 2006



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,375	1,122	\$1.23
Two	0%	\$1,692	1,277	\$1.32
Three	0%	\$1,975	1,694	\$1.17

Community Amenities
 Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Business Center, Computer Center, Elevator Served

Features

Standard Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony, High Ceilings
Hook Ups In Unit Laundry
Central / Heat Pump Air Conditioning

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	(470) 327-1892
Parking Description #2			

Comments

80 1BR; 37 2/1; 39 2/2; 6 3BR

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Walking Wheel		1	1.0		\$1,200	755	\$1.59	Market	
Rover		1	1.0		\$1,550	1,489	\$1.04	Market	
Cotton Winder		2	1.0		\$1,600	1,105	\$1.45	Market	
Jaquard Loom		2	2.0		\$1,675	1,286	\$1.30	Market	
Bedford Cord Townhouse		2	2.0		\$1,800	1,440	\$1.25	Market	
Spinning Jenny		3	2.0		\$1,975	1,694	\$1.17	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	07/21/21	03/15/21
% Vac	0.6%	0.0%	1.9%
One	\$1,375	\$1,186	\$1,115
Two	\$1,692	\$1,449	\$1,325
Three	\$1,975	\$1,720	\$1,800

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Porterdale Mill Lofts

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Salem Glen



ADDRESS
100 Salem Glen Way, Conyers, GA, 30013

COMMUNITY TYPE
Market Rate - General

STRUCTURE TYPE
2 Story - Garden

UNITS
256

VACANCY
0.4 % (1 Units) as of 02/16/22

OPENED IN
1988



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Two	0%	\$1,298	1,042	\$1.25
Three	0%	\$1,500	1,150	\$1.30

Community Amenities
Clubhouse, Community Room, Central Laundry, Outdoor Pool, Playground

Features	
Standard	Dishwasher, Cable TV, Broadband Internet
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
Carpet	Flooring Type 1
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	770-787-0100
Parking Description #2			

Comments
Laminate counters and white appliances.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		2	2.0		\$1,250	1,033	\$1.21	Market	
Garden		2	2.5		\$1,345	1,050	\$1.28	Market	
Garden		3	2.0		\$1,500	1,150	\$1.30	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/08/21	07/15/21
% Vac	0.4%	0.0%	0.0%
Two	\$1,298	\$1,148	\$1,040
Three	\$1,500	\$1,400	\$1,250

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Salem Glen

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent

(2) Published Rent is rent as quoted by management.

Salem Terrace



ADDRESS 3400 Salem Rd., Covington, GA, 30016 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 2 Story - Garden **UNITS** 70 **VACANCY** 1.4 % (1 Units) as of 02/16/22 **OPENED IN** 1977



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	43%	\$960	600	\$1.60
Two	57%	\$1,150	820	\$1.40

Community Amenities
Playground

Features	
Standard	Dishwasher, Broadband Internet
Central / Heat Pump	Air Conditioning
White	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	770-786-0300
Parking Description #2			

Comments
Laminate counters, white appl.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	30	\$960	600	\$1.60	Market	
Garden		2	1.0	40	\$1,150	820	\$1.40	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	08/13/20	03/13/19
% Vac	1.4%	0.0%	1.4%
One	\$960	\$713	\$695
Two	\$1,150	\$845	\$835

Adjustments to Rent	
Incentives	None
Utilities in Rent	
Heat Source	Electric

Salem Terrace

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

The Oxford



ADDRESS 50 Greenleaf Rd., Conyers, GA, 30013 **COMMUNITY TYPE** Market Rate - General **STRUCTURE TYPE** 3 Story - Garden **UNITS** 240 **VACANCY** 2.5 % (6 Units) as of 02/16/22 **OPENED IN** 1999



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	0%	\$1,256	679	\$1.85
Two	0%	\$1,577	973	\$1.62
Three	0%	\$1,837	1,304	\$1.41

Community Amenities
 Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Tennis, Playground, Business Center, Car Wash, Computer Center

Features

Standard	Dishwasher, Microwave, Ceiling Fan, Patio Balcony, Cable TV, Broadband Internet
Standard - Stacked	In Unit Laundry
Central / Heat Pump	Air Conditioning
Standard - In Unit	Storage
Black	Appliances
Laminate	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	770-788-1165
Parking Description #2	Detached Garage — \$75.00		

Comments

60 1B units, 162 2B units, 18 3B units.
 Laminate counters and black appliances.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0		\$1,256	679	\$1.85	Market	
Garden		2	1.0		\$1,449	894	\$1.62	Market	
Garden		2	2.0		\$1,705	1,051	\$1.62	Market	
Garden		3	2.0		\$1,837	1,304	\$1.41	Market	

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/08/21	07/21/21
% Vac	2.5%	0.4%	0.8%
One	\$1,256	\$1,262	\$1,350
Two	\$1,577	\$1,373	\$1,548
Three	\$1,837	\$1,723	\$1,500

Adjustments to Rent	
Incentives	None; Daily pricing
Utilities in Rent	
Heat Source	Electric

The Oxford

(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
 (2) Published Rent is rent as quoted by management.

Village at Walkers Bend



ADDRESS
5978 Evertt St, Covington, GA

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
Townhouse

UNITS
32

VACANCY
0.0 % (0 Units) as of 02/16/22

OPENED IN
2011



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Three	47%	\$816	1,303	\$0.63
Four+	53%	\$857	1,632	\$0.53

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Playground, Business Center, Computer Center

Features

Standard	Dishwasher, Disposal, Microwave, Ceiling Fan, Patio Balcony
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning

Parking

Parking Description	Attached Garage — \$0.00
Parking Description #2	Free Surface Parking

Contacts

Phone	678-625-3235
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Comments

Waitlist: 300 hhlds
Rent prices update every year on March 1st.
walking path and picnic pavillion

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		3	2.0	13	\$838	1,303	\$0.64	LIHTC	60%
Garden		3	2.0	2	\$745	1,303	\$0.57	LIHTC	50%
Garden		4	2.0	14	\$885	1,632	\$0.54	LIHTC	60%
Garden		4	2.0	3	\$784	1,632	\$0.48	LIHTC	50%

Historic Vacancy & Eff. Rent (1)			
Date	02/16/22	11/08/21	07/21/21
% Vac	0.0%	0.0%	0.0%
Three	\$792	\$792	\$792
Four+	\$835	\$835	\$830

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Village at Walkers Bend

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.

Wellington Ridge



ADDRESS
9145 Wellington Dr., Covington, GA, 30014

COMMUNITY TYPE
LIHTC - General

STRUCTURE TYPE
3 Story - Garden

UNITS
220

VACANCY
0.0 % (0 Units) as of 02/21/22

OPENED IN
2003



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
One	32%	\$859	760	\$1.13
Two	55%	\$1,021	1,182	\$0.86
Three	13%	\$1,164	1,389	\$0.84

Community Amenities
Clubhouse, Community Room, Fitness Room, Central Laundry, Outdoor Pool, Volleyball, Playground, Business Center, Computer Center

Features

Standard	Dishwasher, Disposal, Patio Balcony, Broadband Internet
Hook Ups	In Unit Laundry
Central / Heat Pump	Air Conditioning
White	Appliances
Granite	Countertops

Parking		Contacts	
Parking Description	Free Surface Parking	Phone	678-625-2777
Parking Description #2			

Comments

Granite counters in most units, white appliances, and laminate hardwood flooring.

Floorplans									
Description	Feature	BRs	Bath	# Units	Rent	SqFt	Rent/SF	Program	IncTarg%
Garden		1	1.0	70	\$869	760	\$1.14	LIHTC	60%
Garden		2	2.0	122	\$1,031	1,182	\$0.87	LIHTC	60%
Garden		3	2.0	28	\$1,174	1,389	\$0.85	LIHTC	60%

Historic Vacancy & Eff. Rent (1)			
Date	02/21/22	11/08/21	03/15/21
% Vac	0.0%	0.0%	0.0%
One	\$869	\$868	\$836
Two	\$1,031	\$1,028	\$990
Three	\$1,174	\$1,174	\$1,131

Adjustments to Rent	
Incentives	None
Utilities in Rent	Trash
Heat Source	Electric

Wellington Ridge

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(1) Effective Rent is Published Rent, net of concessions and assumes that no utilities are included in rent
(2) Published Rent is rent as quoted by management.