

CBRE VALUATION & ADVISORY SERVICES

MARKET STUDY

HERITAGE APARTMENTS
812 BROWNLEE ROAD
JACKSON, GEORGIA 30233
CBRE FILE NO. CB23US029444-1

CLIENT: TISHCO PROPERTIES

CBRE

Date of Report: May 17, 2023

Ms. Laurie Jarvis
TISHCO PROPERTIES
314 N Patterson St
Valdosta, Georgia 31601

RE: Market Study of:
Heritage Apartments
812 Brownlee Road
Jackson, Butts County, Georgia 30233
CBRE, Inc. File No. CB23US029444-1

Dear Ms. Jarvis:

At your request and authorization, CBRE, Inc. has prepared an application market study of the above referenced property.

The purpose of this market study is to assess the viability of the subject. The subject, referred to as Heritage Apartments, is an existing 52 -unit multifamily development located at 812 Brownlee Road, Jackson, GA 30233 in the neighborhood. The improvements were constructed in 1985 and most recently renovated in 2003. The subject is planned for a renovation which is expected to start in July 2024 and be completed by January 2026. The market entry date is January 2026. The subject is situated on a 5.52-acre.

According to the provided LURC dated November 2003, the property has 51 low income units and one management/employee unit. According to the LURC, the low income units are restricted as follows: 33 units restricted to 60% AMI, 18 units at 50% AMI, and 9 units will receive project based rental assistance. Post renovation, the subject will be rent and income restricted with 18 units restricted to 50% AMI, 33 units restricted to 60% AMI, and one non-revenue unit. Of the 52 units, 35 will operate with Rental Assistance post renovation.

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this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

The authors of this report certify that there exists no identity of interest between the analysts and the entity for which the report is prepared, the applicant or its principals (general partners, members, etc.). The recommendations and conclusions are based solely on the professional opinions and best efforts of the analysts. The report was written according to Georgia Department of Community Affairs' (DCA) 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. DCA may rely on the representation made in the market study.

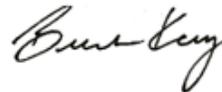
It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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A Rent Comparable Data Sheets

B Client Contract Information

C Qualifications

Executive Summary and Conclusions

Project Description

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According to the provided LURC dated November 2003, the property has 51 low income units and one management/employee unit. According to the LURC, the low income units are restricted as follows: 33 units restricted to 60% AMI, 18 units at 50% AMI, and 9 units will receive project based rental assistance. Post renovation, the subject will be rent and income restricted with 18 units restricted to 50% AMI, 33 units restricted to 60% AMI, and one non-revenue unit. Of the 52 units, 35 will operate with Rental Assistance post renovation.

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

PROPOSED UNIT MIX AND RENTS							
Type	No. of Units	Units With RA	Unit Size (SF)	Unit Net Rent	Utility Allowance	Gross Rent	Maximum Allowable Gross Rent
1BR/1BA - 50% AMI	4	4	672	\$590	\$64	\$654	\$668
1BR/1BA - 60% AMI	8	6	672	\$590	\$64	\$654	\$801
2BR/1BA - 50% AMI	5	5	814	\$680	\$92	\$772	\$802
2BR/1BA - 50% AMI	2	1	840	\$680	\$92	\$772	\$802
2BR/1BA - 60% AMI	5	3	814	\$680	\$92	\$772	\$963
2BR/1BA - 60% AMI	8	6	840	\$680	\$92	\$772	\$963
3BR/1BA - 50% AMI	4	2	1,005	\$780	\$125	\$905	\$926
3BR/1BA - 50% AMI	3	1	1,018	\$780	\$125	\$905	\$926
3BR/1BA - 60% AMI	6	3	1,005	\$780	\$125	\$905	\$1,112
3BR/1BA - 60% AMI	6	4	1,018	\$780	\$125	\$905	\$1,112
3BR/1BA - Manager	1	0	1,018				
Total/Average:	52	35	859	\$683		\$794	

Compiled by CBRE

The subject offers the following amenities: Barbeque Area, Clubhouse, Laundry Facility, Playground, On-Site Management, Surface Parking, Carpeted Flooring, Dishwasher, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator and Washer / Dryer Connections.

The subject's amenity package is similar to superior to the comparable market rate properties because the subject will offer washer/dryer connections, a patio/balcony, a clubhouse, and a playground, most of which are not offered at the comparables. The market rate comparables offer few community amenities. Conversely, the subject's amenity package is generally similar to the comparable LIHTC properties; however, some of the LIHTC comparables offer fitness centers and/or business centers. According to the developer, no new amenities will be offered following the renovation.

Site Description/Evaluation

The site has average frontage, ingress/egress, and visibility along Brownlee Road. The site is adequate in terms of size and utility for a multifamily development. There are no known detrimental uses in the immediate vicinity and crime rates are low. The subject’s neighborhood is an average location for multifamily development. Adequate shopping, services, and recreational amenities are located within a relatively short distance of the subject. There is no fixed-route public transportation, but Jackson County Transit offers three 10-passenger vans with scheduled pickups. The neighborhood is well suited for this type of multifamily housing. The renovation of the subject will positively impact the neighborhood and will preserve affordable housing in the subject’s PMA.

Market Area Definition

The Primary Market Area (PMA) for the subject can be defined as follows:

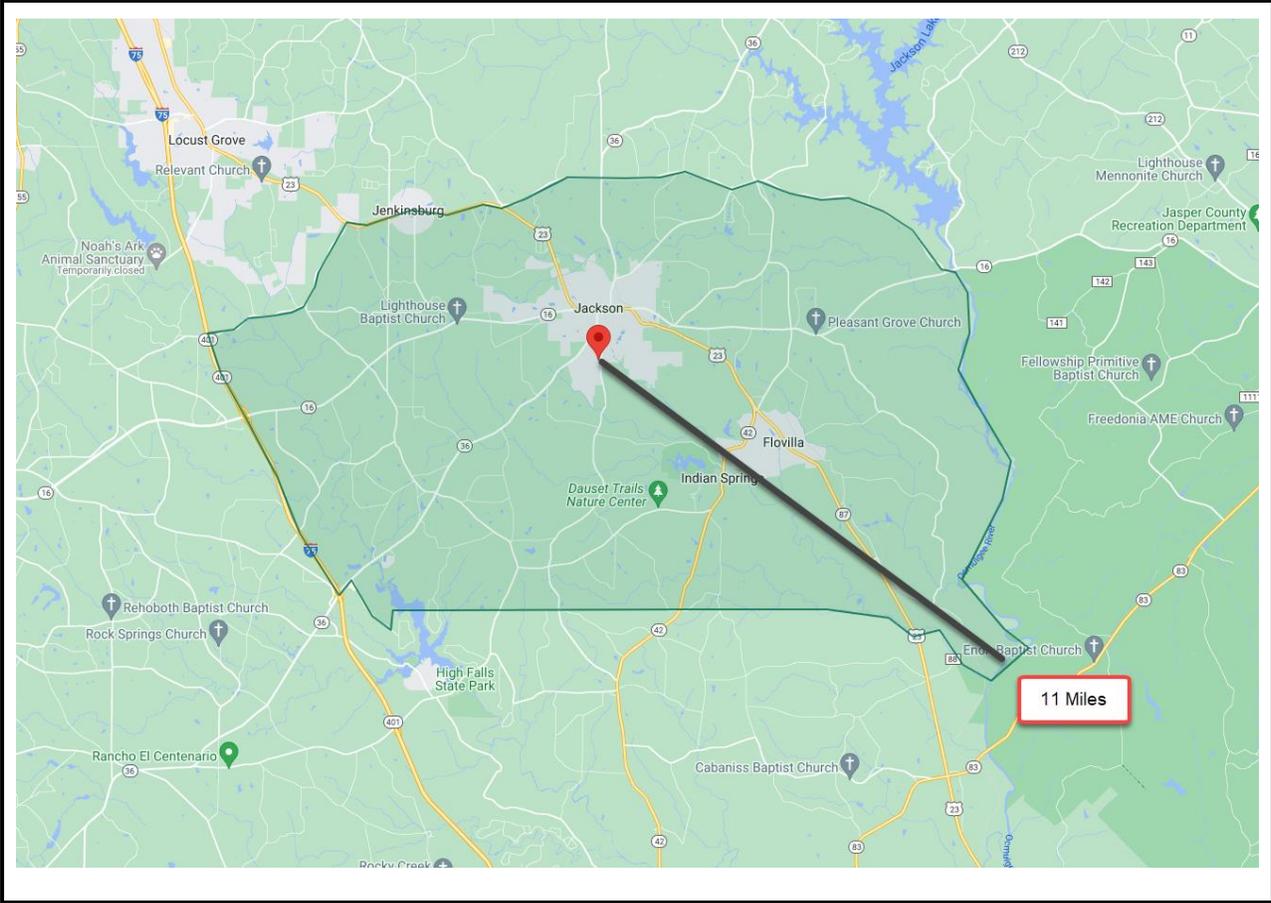
- North: Indian Creek Road, U.S. Highway 23, Old Bethel Road, and Stark Road
- South: Butts County Line
- East: Piedmont National Wildlife Refuge
- West: Interstate 75

The PMA boundaries are based upon an analysis of demographic and socio-economic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation corridors and commute patterns, and market perceptions. We anticipate most demand will be generated from this geographic area. However, leakage is expected from outside the PMA from other parts of the county.

There are no natural boundaries in the area that would inhibit anyone from relocating to the subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the subject.

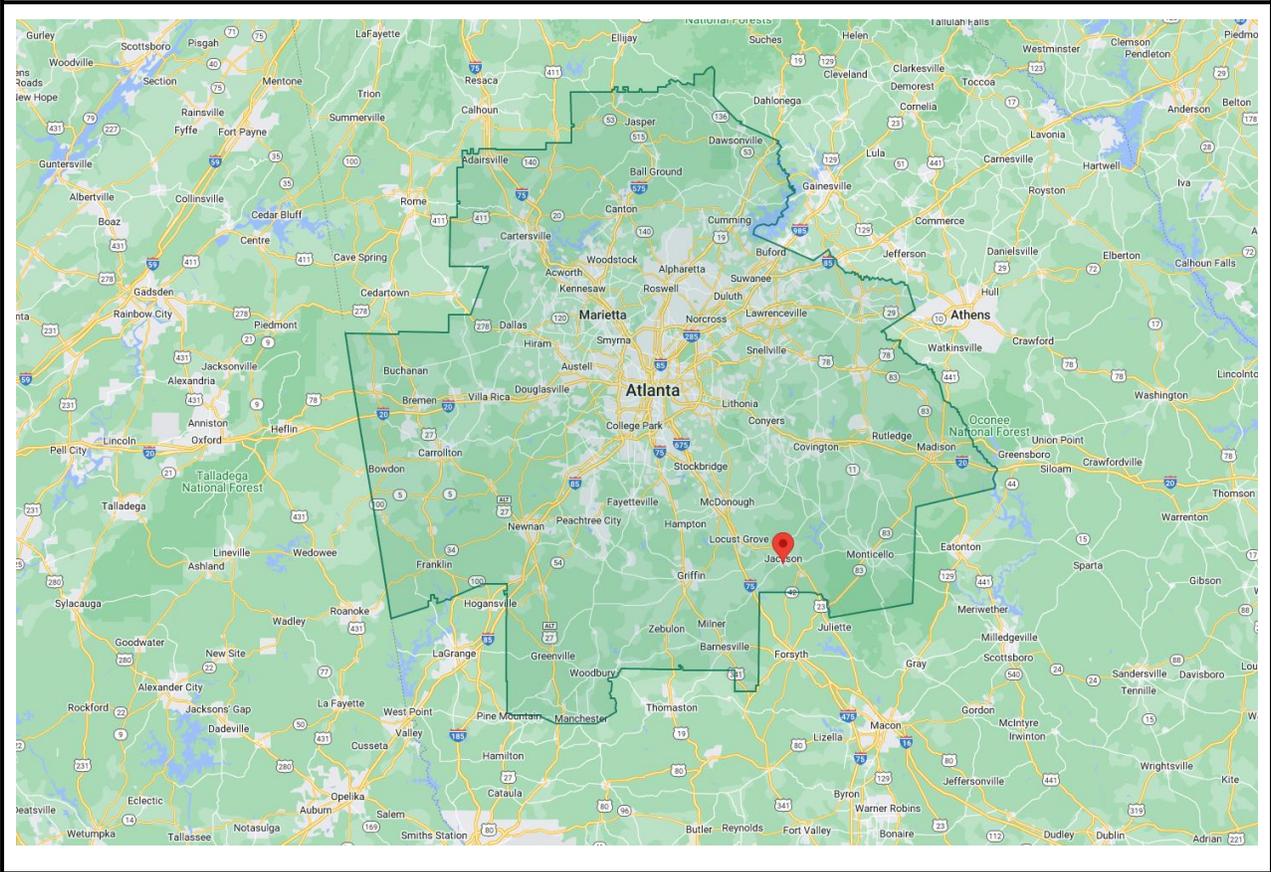
The secondary market area (SMA) for the subject is the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area, which is comprised of 30 counties. Maps outlining the PMA and SMA can be found following.

Primary Market Area Map



Secondary Market Area Map

(Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area)



Community Demographic Data

The population in the PMA increased from 2000 through 2022 at nearly two percent annually, which is considered strong for a rural area such as the subject’s PMA. Similarly, the SMA experienced strong population growth over the same period. The PMA is projected to experience population growth through market entry and 2027 at a slower pace than the SMA as a whole. Overall, population growth in the PMA is considered positive.

The PMA and SMA experienced moderate to strong household growth from 2000 to 2022. Although the PMA is projected to experience household growth through 2027, it will be at a much slower pace. Overall, continued household growth for a rural location such as the subject is positive.

The tables below present total households by tenure.

HOUSEHOLDS BY TENURE								
Year	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	3,053	70.9%	1,254	29.1%	1,041,714	66.8%	517,998	33.2%
2010	3,537	67.8%	1,680	32.2%	1,285,062	66.1%	658,819	33.9%
2022	3,762	67.0%	1,853	33.0%	1,510,186	64.9%	816,757	35.1%
Proj. Market Entry	3,803	67.0%	1,873	33.0%	1,537,895	64.9%	831,743	35.1%
2027	3,841	67.0%	1,892	33.0%	1,563,816	64.9%	845,762	35.1%

Source: ESRI Demographics

The largest renter household income cohort in the PMA in 2022 was the \$35,000 to \$49,999 income bracket, followed by the \$50,000 to \$74,999 income bracket. Combined, these two income cohorts represent 37.8% of the total households in the PMA. Comparatively, the largest income cohort in the SMA is the \$100,000 to \$149,999 bracket, followed by the \$50,000 to \$74,999 income bracket, which have a combined total 35.8% of all renter households. Approximately 56.0% of renter households in the PMA earn less than \$50,000 annually, as such, the subject is sufficiently positioned to continue to compete in the area.

According to RealtyTrac.com, there are a limited number of foreclosures in the city of Jackson. We observed few abandoned and vacant structures in the subject neighborhood that would impact the marketability of the subject.

Demand for rental units in the PMA is expected to come from natural population growth and renter turnover. As the total population and number of households continue to grow, the demand for housing units is expected to continue to increase. The demographics presented in the previous section provide support that there is a stable renter population within the PMA. As rental prices continue to increase, there will be a greater need for affordable housing units. These factors support current and future demand for the proposed subject.

Economic Trends

Butts County experienced employment growth from 2016 through 2019, declined in 2020 due to the impacts of the COVID-19 pandemic, and increased through 2022. The unemployment rate in the county reached 10.1% in 2012 but has gradually decreased to a current unemployment rate of 3.1% in March 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through March 2023. Employment in the PMA is largely provided within the retail trade, health care/social assistance, construction, and manufacturing sectors, totaling 49.6% of all jobs. Except for health care, these sectors are prone to downturns in the local economy. Overall, the local economy appears to be stable despite its heavy reliance on the manufacturing and retail trade sectors. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

Affordability and Demand Estimate

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2022		Projected Market Entry		2027	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$15,000	234	12.6%	236	12.6%	180	9.5%
\$15,000-\$24,999	212	11.5%	214	11.5%	171	9.1%
\$25,000-\$34,999	196	10.6%	198	10.6%	204	10.8%
\$35,000-\$49,999	396	21.4%	400	21.4%	352	18.6%
\$50,000-\$74,999	304	16.4%	307	16.4%	311	16.4%
\$75,000-\$99,999	165	8.9%	166	8.9%	170	9.0%
\$100,000-\$149,999	229	12.4%	232	12.4%	329	17.4%
\$150,000-\$199,999	60	3.2%	61	3.2%	94	5.0%
\$200,000 and Over	57	3.1%	58	3.1%	80	4.2%
Total	1,853	100.0%	1,873	100.0%	1,892	100.0%

The following table illustrates the capture rate analysis chart.

CAPTURE RATE ANALYSIS CHART												
Unit Type	Units Proposed	Minimum Income	Maximum Income	Total Demand	Net Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR 50% AMI/RD	4	\$0	\$28,500	79	0	79	5.1%	3 months	\$718	\$718	\$718	\$590
1BR 50% AMI	4	\$20,229	\$28,500	42	0	42	9.5%	6 months	\$718	\$718	\$718	\$590
1BR 60% AMI/RD	8	\$0	\$34,200	101	0	101	7.9%	3 months	\$718	\$718	\$718	\$590
1BR 60% AMI	8	\$20,229	\$34,200	64	0	64	12.5%	6 months	\$718	\$718	\$718	\$590
2BR 50% AMI/RD	7	\$0	\$32,100	162	0	162	4.3%	3 months	\$874	\$561	\$1,408	\$680
2BR 50% AMI	7	\$23,314	\$32,100	86	0	86	8.2%	6 months	\$874	\$561	\$1,408	\$680
2BR 60% AMI/RD	13	\$0	\$38,520	206	0	206	6.3%	3 months	\$874	\$561	\$1,408	\$680
2BR 60% AMI	13	\$23,314	\$38,520	131	0	131	10.0%	6 months	\$874	\$561	\$1,408	\$680
3BR 50% AMI/RD	7	\$0	\$38,500	107	0	107	6.5%	3 months	\$1,387	\$1,387	\$1,387	\$780
3BR 50% AMI	7	\$26,743	\$38,500	57	0	57	12.3%	6 months	\$1,387	\$1,387	\$1,387	\$780
3BR 60% AMI/RD	12	\$0	\$46,200	136	0	136	8.8%	3 months	\$1,387	\$1,387	\$1,387	\$780
3BR 60% AMI	12	\$26,743	\$46,200	86	0	86	13.9%	6 months	\$1,387	\$1,387	\$1,387	\$780
Overall - 50% AMI	18	\$20,229	\$38,500	185	0	185	9.8%					
Overall - 60% AMI	33	\$20,229	\$46,200	281	0	281	11.8%					
Overall - With Subsidy	51	\$0	\$46,200	791	0	791	6.4%					
Overall - Without Subsidy	51	\$20,229	\$46,200	465	0	465	11.0%					

The subject's overall annual capture rates are considered low. This illustrates there is unmet demand within the PMA with significant need for affordable housing, similar to the subject. Based on the capture rates, it is anticipated that if vacant the subject would absorb quickly within the

market. However, the subject is an existing LIHTC/RD development that has experienced high occupancy and accepts tenants with minimum incomes of \$0. Therefore, the demand analysis (absent subsidy) is considered very conservative. According to the developer, most of the tenants will remain income qualified post-renovation. As such, the subject will not need to fully reabsorb and will likely be fully stabilized upon completion of renovations. The capture rates meet the DCA thresholds.

Competitive Rental Analysis

The following table illustrates the existing affordable housing in the PMA.

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA						
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units
1	Pepperton Villas	127 Harper St, Jackson, GA 30233	LIHTC	Senior	2.0 miles	29
2	Magnolia Grove	336 April Ln, Jackson, GA 30233	Section 8	Senior	2.6 miles	33
3	Mill Lake Apartments	872 Brownlee Rd, Jackson, GA 30233	RD	Family	0.1 miles	36
4	Brook Point Apartments	157 Pulliam Dr, Jackson, GA 30233	RD	Senior	2.5 miles	50
Total						148
Total Competitive						36
Complied by CBRE						

We surveyed both market rate and affordable housing rental properties. We included five market rate properties and four LIHTC properties. As there are no unsubsidized family LIHTC properties in the PMA, we included family LIHTC properties in Griffin and McDonough and located between 14 and 18 miles from the subject. The LIHTC comparables are in similar to superior locations based on median incomes, access to amenities, and median home values. The comparable market rate properties are in Jackson, within 2.4 miles of the subject. These properties offer similar locations to the subject.

SUMMARY OF MARKET RATE COMPARABLES

No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
1	Indian Springs Apartments	480 Brownlee Road Jackson, GA 30233	1974	98%	51	0.3 Miles
2	Walker Street Apartments	168 Walker Street Jackson, GA 30233	1970	90%	40	1.3 Miles
3	The Gardens Townhouse Apartments	1469 North GA-42 Jackson, GA 30233	2001 / 2019	99%	68	2.4 Miles
4	Viewpoint Villas	144 Viewpoint Dr Jackson, GA 30233	2007	94%	55	0.4 Miles
5	860 Harkness Place	860 S Harkness St Jackson, GA 30233	2019	100%	8	1.3 Miles
Subj.	Heritage Apartments	812 Brownlee Road Jackson, GA 30233	1985 / 2003	94%	52	---

Compiled by CBRE

SUMMARY OF LIHTC COMPARABLES

Comp. No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
6	Sable Chase	102 Sable Chase Boulevard McDonough, GA 30253	1997	98%	225	16 Miles
7	Greystone Manor	100 Greystone Drive McDonough, GA 30252	1999	95%	57	14 Miles
8	Poplar Grove	617 Meriwether Street Griffin, GA 30224	1945 / 2012	99%	36	18 Miles
9	The Oaks at Park Pointe	420 Park Rd Griffin, GA 30224	2015	100%	84	18 Miles
Subj.	Heritage Apartments	812 Brownlee Road Jackson, GA 30233	1985 / 2003	94%	52	

Compiled by CBRE

ACHIEVABLE RENTS						
No. Units	Unit Type	Unit Size (SF)	Total SF	Proposed Net	Achievable	Market Rent Advantage
				Rent \$/Unit	Market Rent \$/Unit	
4	1BR/1BA - 50% AMI	672	2,688	\$590	\$750	27.1%
8	1BR/1BA - 60% AMI	672	5,376	\$590	\$750	27.1%
5	2BR/1BA - 50% AMI	814	4,070	\$680	\$875	28.7%
2	2BR/1BA - 50% AMI	840	1,680	\$680	\$875	28.7%
5	2BR/1BA - 60% AMI	814	4,070	\$680	\$875	28.7%
8	2BR/1BA - 60% AMI	840	6,720	\$680	\$875	28.7%
4	3BR/1BA - 50% AMI	1,005	4,020	\$780	\$1,000	28.2%
3	3BR/1BA - 50% AMI	1,018	3,054	\$780	\$1,000	28.2%
6	3BR/1BA - 60% AMI	1,005	6,030	\$780	\$1,000	28.2%
6	3BR/1BA - 60% AMI	1,018	6,108	\$780	\$1,000	28.2%
51		859	43,816	\$710	\$910	

Compiled by CBRE

As detailed in the table above, the subject's rent advantage exceeds 10% for all unit types and meets DCA's minimum requirements.

Based on our market research, demographic calculations, and supply analysis, we believe there is adequate demand for the subject. Overall vacancy rates are low in the market and there are no under construction or planned multifamily developments in the PMA. The subject represents an existing LIHTC/USDA RD property that operates with subsidy. It has experienced low vacancy and currently operates with a waiting list. The subsidized properties in the market all reported low vacancy and the presence of waiting lists.

Based on the demand analysis, market data, as well as interviews with local property managers and developers, there is demand for affordable housing in the PMA. The subject's proposed LIHTC rents offer a significant advantage over the achievable market rents. We anticipate that the subject and the other existing affordable properties will not negatively impact each other's ability to maintain stabilized occupancy and the subject will continue to have a positive impact on the surrounding neighborhood.

The subject will undergo a substantial renovation and will be similar to superior to most of the comparables in the market. The subject offers an average location within close proximity of shopping, services, and employment. Overall, the property will be considered competitive in this market.

Absorption and Stabilization Rates

We have calculated the absorption to 93% occupancy, per DCA guidelines.

The subject is a proposed renovation of an existing LIHTC/RD property. According to the rent roll, the subject is 94.2% occupied with a waiting list. According to management, there are pending applications for the vacant units. Most of the subject's tenants are expected to remain income qualified post-renovation. Based on the current and historical occupancy, as well as the

current waiting list, we have assumed the subject would achieve stabilization upon completion of construction.

If the property were to be 100% vacant with no tenant relocation plan upon completion of construction, we believe the property would achieve a stabilized occupancy within six months considering the low vacancy rates and waiting lists at comparable subsidized properties, as well as the lack of new development occurring in the market.

Interviews

Housing Authority

We contacted the Jackson Housing Authority and the Georgia Department of Community Affairs to determine the number of housing choice vouchers currently in use in Butts County; however, our calls were not returned.

Planning

We spoke with Marjorie Stansell, City Clerk of the City of Jackson, regarding new development in the Jackson area. According to Ms. Stansell, there are no planned, under construction, or newly constructed multifamily developments in the city of Jackson. There are several retail developments including the following:

- Dunkin' Donuts and gas station planned at 717 East 3rd Street
- Tractor Supply under construction at 1631 West 3rd Street
- Dollar General planned at 672 Covington Street
- The second phase of the Garden Walk Subdivision is under construction near 100 Jasmine Drive. The number of new lots was not available. Homes start in the mid-\$200,000s.

Economic Development

We spoke with Bob White, Executive Director of the Butts County Development Authority, regarding business expansion and contraction in the area. According to Mr. White, River Park industrial/commercial development is under construction at Ga. Highway 16 and interstate 75 at Exit 205. River Park was announced last year as the future home of a Proctor & Gamble distribution center. The building alone represents a \$210 million investment in Butts County, not counting the value of the equipment and eventual inventory that will be housed there. Other sites vary in size and are being prepared for buildings as small as 375,000 square feet, up to the largest at 2.25 million. In addition to the industrial part of the development, most of the frontage along Ga. Highway 16 has been sold and will be developed for commercial use, including potential stores, restaurants and more. At completion (2040) – this will be a \$2.07 billion plus premier mixed-use development creating over 10,000 jobs and collecting nearly \$300 million in Real Estate revenue alone.

Conclusions

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The comparable LIHTC properties have an average occupancy rate of 97.9% and the market rate properties have an average occupancy rate of 95.9%. The subject's proposed renovation will allow the subject to continue to compete within the market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market can support the subject and will help fill a void in the market. Based on historical operations, as well as the current market, we expect the subject to maintain an occupancy rate of at least 93%.

Summary Table

Summary Table					
Development Name:	Heritage Apartments			Total # Units:	52
Location:	812 Brownlee Road, Jackson, GA 30233			# LIHTC Units:	51
PMA Boundary:	North	Indian Creek Road, U.S. Highway 23, Old Bethel Road, and Stark Road			
	South	Butts County Line			
	East	Piedmont National Wildlife Refuge			
	West	Interstate 75			

Rental Housing Stock (found on page 47)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	370	10	97.3%
Market-Rate Housing	5	222	9	95.9%
Assisted/Sub. Housing not to include LIHTC	3	119	1	99.2%
LIHTC*	1	29	0	100.0%
Stabilized Comps	9	370	10	97.3%
Properties in Construction & Lease-Up	0			

*Only includes LIHTC in PMA

Subject Development						Achievable Market Rent			Highest Unadjusted Comp Rent	
Type	# Units	# Beds	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1BR/1BA - 50% AMI	4	1	1	672	\$590	\$750	\$1.12	27.1%	\$669	\$0.80
1BR/1BA - 60% AMI	8	1	1	672	\$590	\$750	\$1.12	27.1%	\$669	\$0.80
2BR/1BA - 50% AMI	5	2	1	814	\$680	\$875	\$1.07	28.7%	\$1,350	\$0.90
2BR/1BA - 50% AMI	2	2	1	840	\$680	\$875	\$1.04	28.7%	\$1,350	\$0.90
2BR/1BA - 60% AMI	5	2	1	814	\$680	\$875	\$1.07	28.7%	\$1,350	\$0.90
2BR/1BA - 60% AMI	8	2	1	840	\$680	\$875	\$1.04	28.7%	\$1,350	\$0.90
3BR/1BA - 50% AMI	4	3	1	1,005	\$780	\$1,000	\$1.00	28.2%	\$1,300	\$1.00
3BR/1BA - 50% AMI	3	3	1	1,018	\$780	\$1,000	\$0.98	28.2%	\$1,300	\$1.00
3BR/1BA - 60% AMI	6	3	1	1,005	\$780	\$1,000	\$1.00	28.2%	\$1,300	\$1.00
3BR/1BA - 60% AMI	6	3	1	1,018	\$780	\$1,000	\$0.98	28.2%	\$1,300	\$1.00
3BR/1BA - Manager	1	3	1	1,018	\$0	-	-	-	-	-

Capture Rates (found on page 56)					
Targeted Population	50% w/subsidy	50% w/o subsidy	60% w/subsidy	60% w/o subsidy	Overall
Capture Rate	5.2%	9.8%	7.4%	11.8%	11.0%

Project Description

Project Address and Location

The site is located at 812 Brownlee Road, Jackson, GA 30233.

Construction Type

The subject is the acquisition and renovation of an existing property.

Occupancy Type

Family

Special Population Target

None

Number of Units by Bedroom Type and Income Targeting (AMI); Unit Size, Number of Bedrooms, and Structure; Rents and Utility Allowances

PROPOSED UNIT MIX AND RENTS							
Type	No. of Units	Units With RA	Unit Size (SF)	Net Rent	Utility Allowance	Gross Rent	Maximum Allowable Gross Rent
1BR/1BA - 50% AMI	4	4	672	\$590	\$64	\$654	\$668
1BR/1BA - 60% AMI	8	6	672	\$590	\$64	\$654	\$801
2BR/1BA - 50% AMI	5	5	814	\$680	\$92	\$772	\$802
2BR/1BA - 50% AMI	2	1	840	\$680	\$92	\$772	\$802
2BR/1BA - 60% AMI	5	3	814	\$680	\$92	\$772	\$963
2BR/1BA - 60% AMI	8	6	840	\$680	\$92	\$772	\$963
3BR/1BA - 50% AMI	4	2	1,005	\$780	\$125	\$905	\$926
3BR/1BA - 50% AMI	3	1	1,018	\$780	\$125	\$905	\$926
3BR/1BA - 60% AMI	6	3	1,005	\$780	\$125	\$905	\$1,112
3BR/1BA - 60% AMI	6	4	1,018	\$780	\$125	\$905	\$1,112
3BR/1BA - Manager	1	0	1,018				
Total/Average:	52	35	859	\$683		\$794	

Compiled by CBRE

UTILITY STRUCTURE		
Utility	Type	Paid By
Heating	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	Electric	Tenant
Air Conditioning	Electric	Tenant
Water Heating	Electric	Tenant
Water		Landlord
Sewer		Landlord
Trash		Landlord
Unit Type	Utility Allowance	
1BR	\$64	
2BR	\$92	
3BR	\$125	
Utility Allowance: Provided by Developer		

Existing or Proposed Project Based Rental Assistance

The subject currently operates with USDA Rental Assistance for 35 units. This will remain in place following the renovation.

Proposed Development Amenities

IMPROVEMENTS SUMMARY AND ANALYSIS		
Property Type	Multifamily	(Multi-Family Garden)
Number of Buildings	8	7 residential and 1 community building
Number of Stories	2	walk-up
Gross Building Area	52,324 SF	
Net Rentable Area	44,834 SF	
Number of Units	52	
Average Unit Size	862 SF	
Development Density	9.4 Units/Acre	
Subject Amenities	Barbeque Area, Clubhouse, Laundry Facility, Playground, On-Site Management, Surface Parking, Carpeted Flooring, Dishwasher, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator and Washer / Dryer Connections	
Parking Improvements	Surface	
Parking Spaces:	74	
Parking Ratio (spaces/unit)	1.42	
Year Built / Renovated	1985 / 2003	
Functional Utility	Typical	
Source: Various sources compiled by CBRE		

IMPROVEMENT DESCRIPTION & RATING		
Improvement Summary	Description	Comparative Rating
Foundation	Concrete slab	Good
Frame	Wood frame	Good
Exterior Walls	Brick veneer and vinyl siding	Good
Interior Walls	Textured and painted drywall	Good
Roof	Pitched roofs with composition shingles	Good
Ceiling	Textured and painted drywall	Good
HVAC System	Split HVAC system with an exterior pad mounted condenser unit and interior air handlers	Good
Flooring	Vinyl plank flooring and carpet	Good
Plumbing	Assumed adequate	Good
Stairwells	Exterior stairwells	Good
Elevators	None	Good
Smoke Detectors	Yes	Good
Sprinkler System	No	Good
Amenities	Barbeque Area, Clubhouse, Laundry Facility, Playground, On-Site Management, Surface Parking, Carpeted Flooring, Dishwasher, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator and Washer / Dryer Connections	Good
Parking	Surface parking	Good

Source: Various sources compiled by CBRE

For Rehab Projects – Current Occupancy Levels, Rents being Charged, Tenant Incomes, Scope of Rehab and Hard Cost

The following tables illustrate the subject’s current rents, tenant paid rents, and historical occupancy. All of the units are subsidized with tenants paying 30% of their income in rent.

TENANT PAID RENTS				
Unit Type	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent	Contract Rent
1 to 3 Bedroom	\$50	\$630	\$345	\$364 to \$859

Compiled by CBRE, rent roll 3/13/23

HISTORICAL OCCUPANCY	
Year	Occupancy Rate
2021	96.0%
2022	97.0%
Current	94.0%

Compiled by CBRE

Most of the tenant paid rents are well below the current contract rents. Occupancy has remained high over the past few years.

The scope and hard cost of renovations is detailed as follows:

SCOPE AND COST OF RENOVATION	
Detailed below	
Total Hard Costs	\$5,662,004
Per Unit	\$108,885

Source: Developer

According to the developer, the renovation of the subject will include the demolition of the interior of the units down to the framing. All mechanical, electrical, and plumbing systems will be replaced and upgraded to meet Georgia code and Earth-craft requirements. The interior of the units will be completely renovated including new drywall, paint, flooring, insulation, interior doors, door hardware, and appliances. The roofing, gutters, siding, doors, windows, and ADA walks will be replaced. The parking lot will be striped, and the landscaping will be upgraded. The playground equipment and site pavilion will also be replaced.

Projected Placed in Service Date

The improvements were constructed in 1985 and most recently renovated in 2003. The subject is planned for a renovation which is expected to start in July 2024 and be completed by January 2026. The placed in service date is January 2026.

According to the developer, the renovation is expected to be completed with tenants in place. Based on anticipated occupancy levels and the availability of suitable, decent, safe, and sanitary temporary replacement housing, the renovation plan will be devised to reflect rehabilitating the project in phases. The number of phases and number of tenants to be temporarily relocated is yet to be determined but will be available at the time of full application. The property will implement a leasehold and anticipates having sufficient vacant units onsite to temporarily relocate residents without the need for offsite housing. A leasehold should provide adequate vacant units to house the residents onsite and accommodate the construction phasing plan. The intention is for most of the residents to move directly from their units into a newly renovated unit of the same size.

Site Description/Evaluation

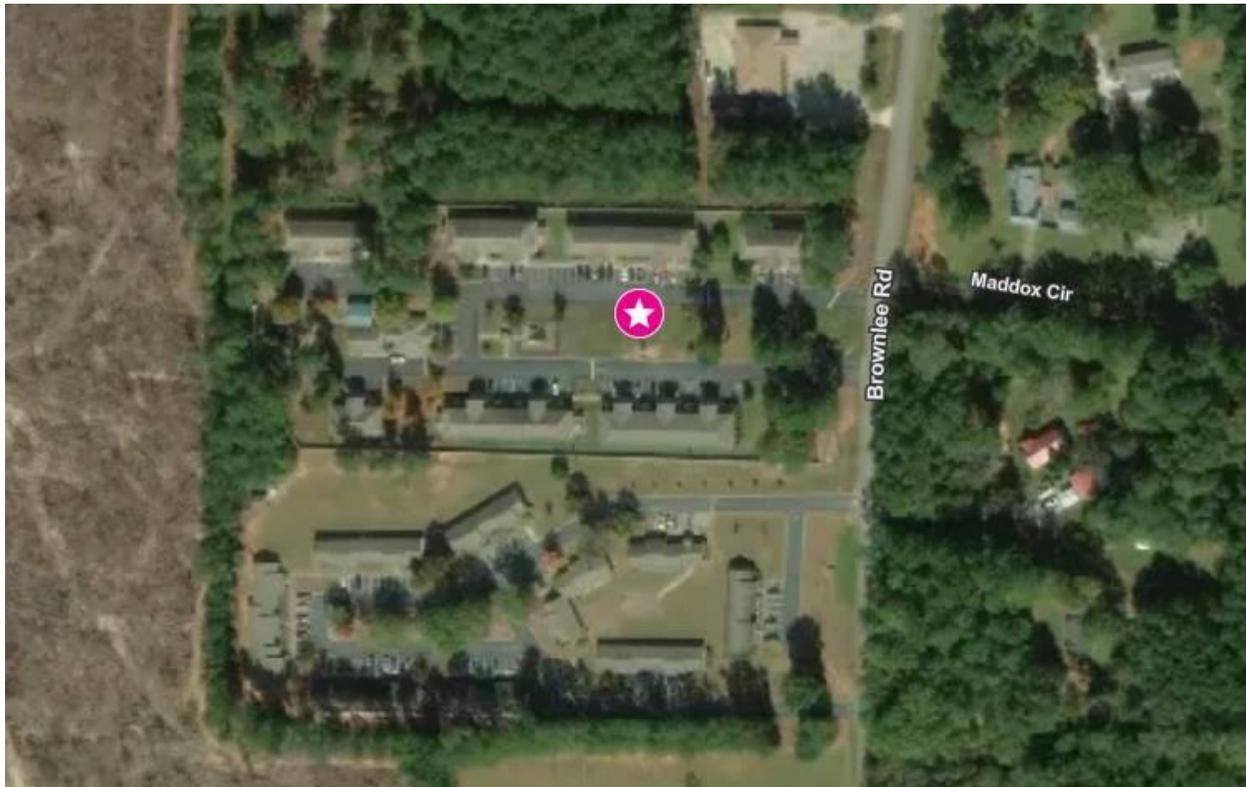
Date of Site Visit and Name of Inspector

The subject was inspected by Melissa Blakely, MAI on April 20, 2023.

Physical Features of the Site

The description of the subject is based upon information obtained at inspection and provided by the sponsor. We believe this information provided is accurate.

The site is located at 812 Brownlee Road, Jackson, GA 30233.



SITE SUMMARY AND ANALYSIS

Physical Description

Gross Site Area	5.52 Acres	240,364 Sq. Ft.
Net Site Area	5.52 Acres	240,364 Sq. Ft.
Primary Road Frontage	Brownlee Road	340 Feet
Shape	Rectangular	
Topography	Generally Level	
Zoning District	R-M	
Flood Map Panel No. & Date	13035C0090D	7-Jun-17
Flood Zone	Zone X (Unshaded)	
Adjacent Land Uses	Multifamily, single-family, industrial, and undeveloped land	
Earthquake Zone	n/a	

Comparative Analysis

	<u>Rating</u>
Visibility	Average
Functional Utility	Assumed Adequate
Traffic Volume	Average
Adequacy of Utilities	Assumed Adequate
Landscaping	Average
Drainage	Assumed Adequate

Utilities

Availability

Provider

Water	Yes	City of Jackson
Sewer	Yes	City of Jackson
Natural Gas	Yes	N/A
Electricity	Yes	City of Jackson
Telephone	Yes	Various
Mass Transit	Yes	Jackson County Transit

Various sources compiled by CBRE

Positive/Negative Attributes

The Subject's proximity to retail and other locational amenities as well as its surrounding uses, which are in average to good condition, are considered positive attributes. At this time, we are unaware of any detrimental influences that would impact on the marketability of the subject.

Physical Proximity to Locational Amenities

The subject is located within 2.1 miles of most locational amenities/employers as will be discussed further.

Physical Proximity to Surrounding Roads, Transit, Amenities, and Employment

Access to the subject neighborhood is good. Georgia Highways 16 and 42 intersect in the neighborhood. Georgia Highway 42 is also U.S. Highway 23. These roadways all provide access to Interstate 75 to the west, and east/west access through the neighborhood.

The neighborhood has experienced positive but limited growth over the past twenty years. The most recent growth mainly consisted of single-family developments located at the periphery of the Jackson CBD. Commercial development has occurred just outside the neighborhood along U.S. Highway 23 in Locust Grove, which is located in southern Henry County. Butts County shares its northeastern border with Henry County, currently the fastest growing county in the Atlanta region. The Atlanta Regional Commission has projected that Henry County will add an additional 150,000 residents by 2050. Some of this growth is likely to spill over into neighboring Butts County.

River Park industrial/commercial development is under construction at Ga. Highway 16 and interstate 75 at Exit 205. River Park was announced last year as the future home of a Proctor & Gamble distribution center. The building alone represents a \$210 million investment in Butts County, not counting the value of the equipment and eventual inventory that will be housed there. Other sites vary in size and are being prepared for buildings as small as 375,000 square feet, up to the largest at 2.25 million. In addition to the industrial part of the development, most of the frontage along Ga. Highway 16 has been sold and will be developed for commercial use, including potential stores, restaurants and more. At completion (2040) – this will be a \$2.07 billion plus premier mixed-use development creating over 10,000 jobs and collecting nearly \$300 million in Real Estate revenue alone

Commercial growth within Jackson and Butts County is limited as the county seat of Jackson is approximately 15 miles from Interstate 75. Jackson and Butts have been overshadowed by Henry County to the north which has had significant growth since the 1980's. As this county has accommodated growth, there has been little reason for Butts County develop in a similar pattern. Thus, it still maintains its small-town character while being just 50 miles from Atlanta.

Pictures of Site and Adjacent Uses

Pictures of the subject and adjacent uses can be found on the following pages.



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Picnic area



Picnic area and playground



Playground



Community building



Laundry



Community room



Community room kitchen



Mail kiosk



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



View toward subject from Brownlee Road



View north of subject



View east of subject



View south of subject



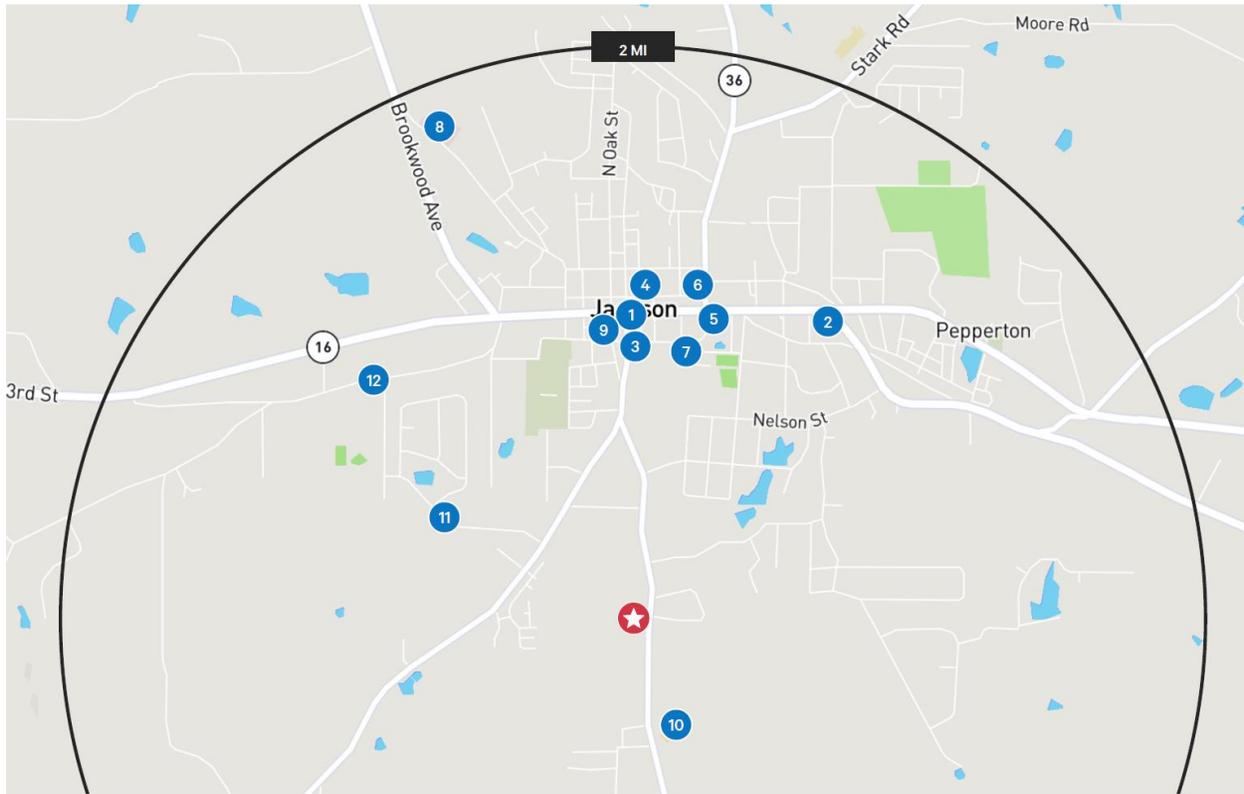
View northwest of subject



View south of subject

Proximity to Locational Amenities

The following map and table illustrate various locational amenities near the subject.



LOCATIONAL AMENITIES

Map #	Name	Address	Distance
1	Employment Center - 3rd Street	102 E 3rd St, Jackson, GA 30233	1.0 mile
2	Piggly Wiggly Grocery Store	1010 E 3rd St, Jackson, GA 30233	1.8 miles
3	Jackson Police Department	116 Byars St, Jackson, GA 30233	1.0 mile
4	Jackson Fire Department	139 N Holley St, Jackson, GA 30233	1.1 miles
5	CVS Pharmacy	506 E 3rd St, Jackson, GA 30233	1.3 miles
6	USPS	461 E 2nd St, Jackson, GA 30233	1.5 miles
7	Jackson-Butts County Library	436 E College St, Jackson, GA 30233	1.2 miles
8	Wellstar Sylvan Grove Medical Center	1050 McDonough Rd, Jackson, GA 30233	2.1 miles
9	Hamilton State Bank	210 Oak St, Jackson, GA 30233	1.0 mile
10	Jackson Elementary School	1105 Brownlee Rd, Jackson, GA 30233	0.4 miles
11	Henderson Middle School	494 George Tate Dr, Jackson, GA 30233	1.5 miles
12	Jackson High School	717 S Harkness St, Jackson, GA 30233	2.0 miles

Compiled by CBRE

Description of Land Uses

The following details the surrounding land uses and subject neighborhood.

NEIGHBORHOOD AND SURROUNDING USES	
Location:	Rural
Built-Up:	25% - 75%
Life Cycle Stage	Stability
Change in Present Land Use:	Not Likely
Surrounding Uses	
North:	Vacant land and commercial uses in average to good condition.
South:	Multifamily in average condition.
East:	Single-family homes in good condition.
West:	Vacant land.
Source: CBRE	

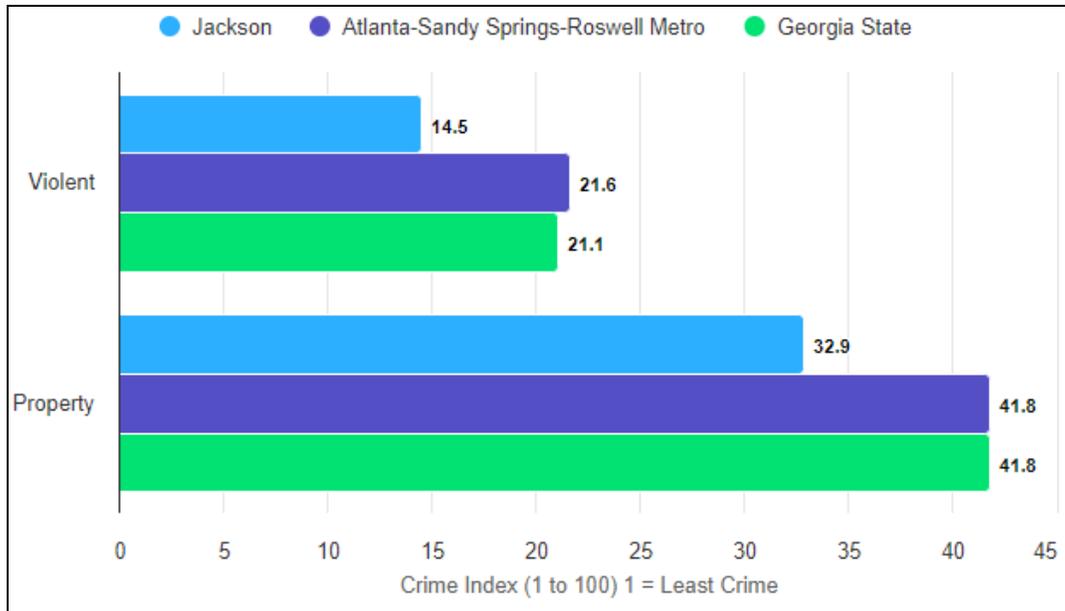
Land uses within the subject neighborhood consist of a mixture of commercial, residential, rural residential, agricultural, and some industrial development. The neighborhood includes the Jackson CBD, with offices and retail located along the square in the CBD, and other small office and retail uses located along GA Hwy 16 to the east and west of downtown as well. The neighborhood is primarily rural in nature, with typical small town industrial developments throughout the area. Most of the single-family residential development within the neighborhood is in the \$100,000-\$300,000 price range. According to information obtained from Claritas, the largest segment of homes were built after 1970 within a 3- and 5-mile radius. The average home value within a 3-mile radius in the neighborhood is \$164,689.

Jackson is a relatively small town of roughly 6,000 persons. It is located within Butts County, which itself is relatively small with a population of approximately 25,000. Jackson is home to a state prison which opened in 1969 that serves as a central location to classify & diagnose inmates before transfer to other facilities within the state. Additionally, the prison is home to Georgia's death row. Otherwise, Butts County is home to the Indian Springs State Park and is near the Piedmont National Wildlife Refuge in adjacent Jasper County. Butts County is also designated as "film ready" by the Georgia Film, Music & Digital Entertainment Office. This designation certifies the local community has been trained to work with and accommodate the film and entertainment industry which is estimated to have generated a \$9.5 Billion impact in 2018 throughout the state. Governor Brian P. Kemp recently announced a chart-topping year for the film and television industry as productions spent \$4.4 billion in Georgia during fiscal year 2022 – a new industry record. The Georgia Film Office, a strategic office within the Georgia Department of Economic Development (GDEcD), reported that the State of Georgia hosted 412

productions, represented by 32 feature films, 36 independent films, 269 television and episodic productions, 42 commercials, and 33 music videos between July 1, 2021 and June 30, 2022. Locally, Jackson is the location of the Netflix series “Stranger Things”.

Crime Statistics

According to Best Places.net, crime is ranked on a scale of 1 (low crime) to 100 (high crime). The city of Jackson has violent crime figure of 14.5 (the U.S. average is 22.7) and property crime figure of 32.9 (the U.S. average is 35.4). The following chart illustrates violent and property crimes in the city of Jackson, the Atlanta MSA, and the state of Georgia.

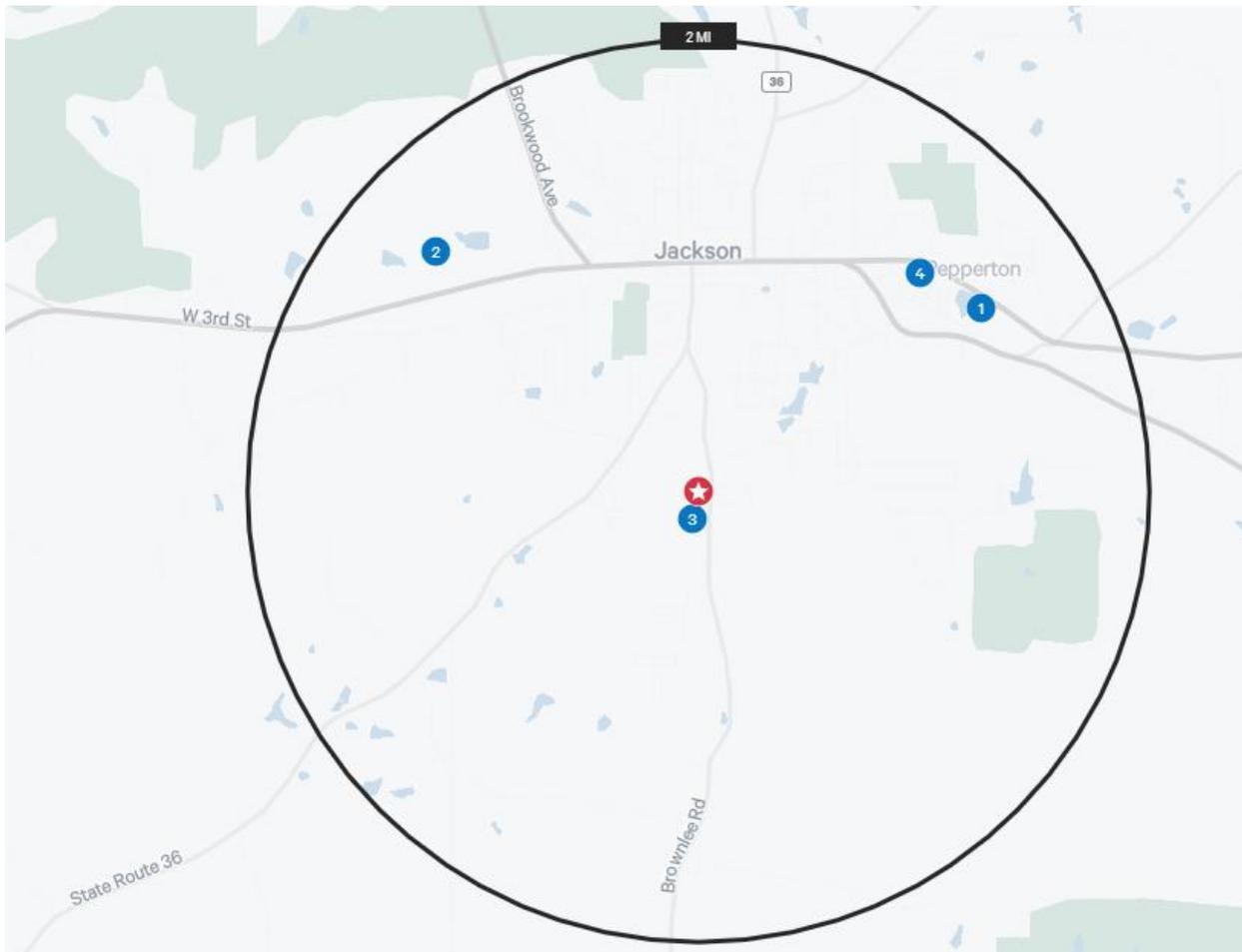


Based on our inspection and conversations with management, crime is not an issue at the subject or in the immediate neighborhood. As detailed above, crime statistics are much lower in the city of Jackson compared to the MSA and state.

Existing Assisted Rental Housing Property Map

The following map and list identify all assisted rental housing properties in the PMA.

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA						
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units
1	Pepperton Villas	127 Harper St, Jackson, GA 30233	LIHTC	Senior	2.0 miles	29
2	Magnolia Grove	336 April Ln, Jackson, GA 30233	Section 8	Senior	2.6 miles	33
3	Mill Lake Apartments	872 Brownlee Rd, Jackson, GA 30233	RD	Family	0.1 miles	36
4	Brook Point Apartments	157 Pulliam Dr, Jackson, GA 30233	RD	Senior	2.5 miles	50
Total						148
Total Competitive						36
Complied by CBRE						



*We illustrate a two-mile radius around the subject to illustrate proximity. The PMA boundaries are between five and 11 miles from the subject and would distort the map. We included all affordable properties within 10 miles of the subject.

Road or Infrastructure Improvements

We did not witness any road, infrastructure, or proposed improvements during our field work.

Access, Ingress-Egress, and Visibility of Site

Comparative Analysis

Visibility

Functional Utility

Traffic Volume

Adequacy of Utilities

Landscaping

Drainage

Rating

Average

Assumed Adequate

Average

Assumed Adequate

Average

Assumed Adequate

The site has average frontage, ingress/egress, and visibility along Brownlee Road. The site is adequate in terms of size and utility for a multifamily development.

Summary

The site has average frontage, ingress/egress, and visibility along Brownlee Road. The site is adequate in terms of size and utility for a multifamily development. There are no known detrimental uses in the immediate vicinity and crime rates are low. The subject’s neighborhood is an average location for multifamily development. Adequate shopping, services, and recreational amenities are located within a relatively short distance of the subject. There is no fixed-route public transportation, but Jackson County Transit offers three 10-passenger vans with scheduled pickups. The neighborhood is well suited for this type of multifamily housing. The renovation of the subject will positively impact the neighborhood and will preserve affordable housing in the subject’s PMA.

Market Area Definition

Primary and Secondary Market Area

The Primary Market Area (PMA) for the subject can be defined as follows:

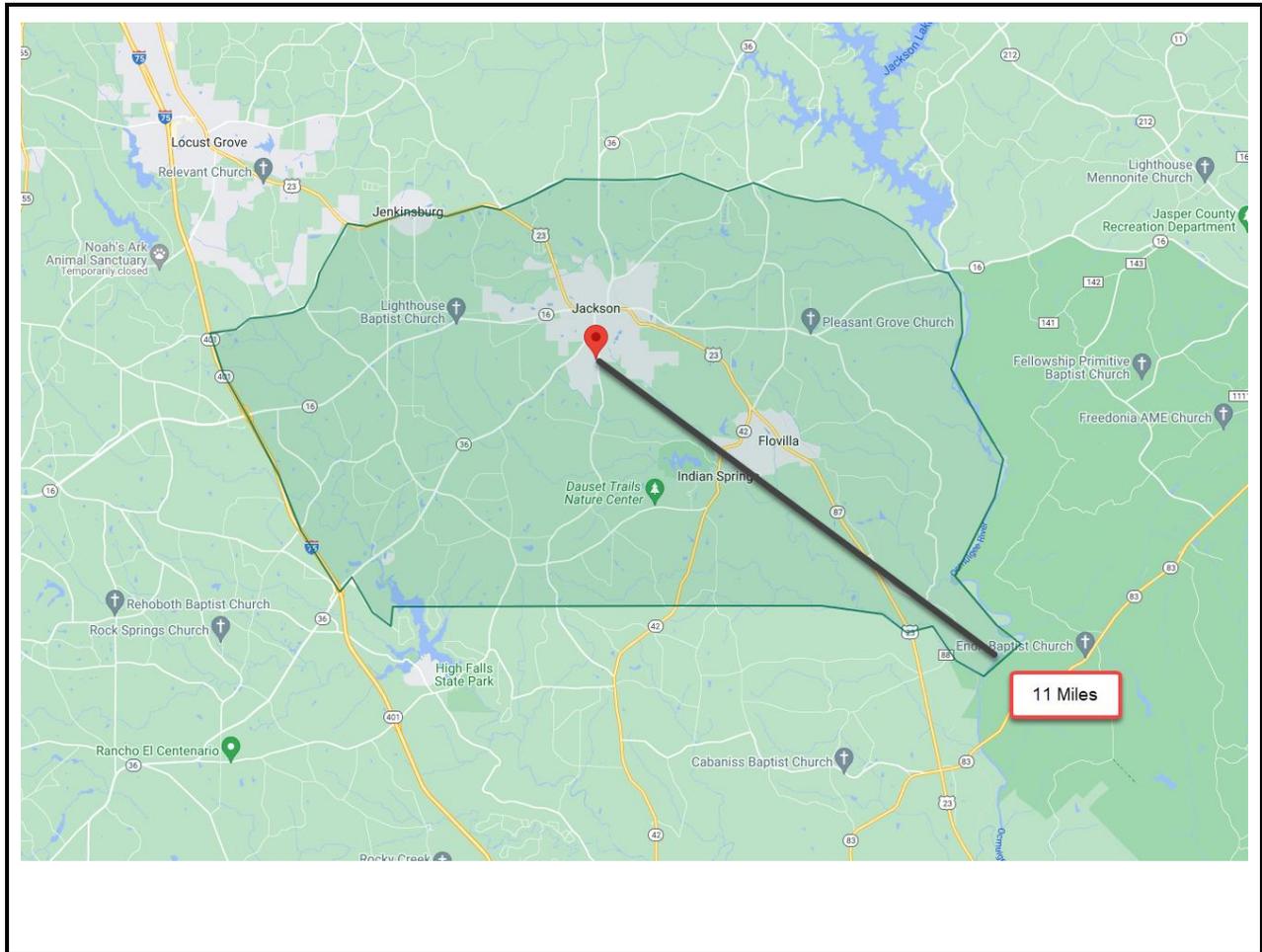
North:	Indian Creek Road, U.S. Highway 23, Old Bethel Road, and Stark Road
South:	Butts County Line
East:	Piedmont National Wildlife Refuge
West:	Interstate 75

The PMA boundaries are based upon an analysis of demographic and socio-economic characteristics, target tenant population, political jurisdictional boundaries, natural boundaries, experience of nearby comparable developments, accessibility to mass transit or key transportation corridors and commute patterns, and market perceptions. We anticipate most demand will be generated from this geographic area. However, leakage is expected from outside the PMA from other parts of the county.

There are no natural boundaries in the area that would inhibit anyone from relocating to the subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the subject.

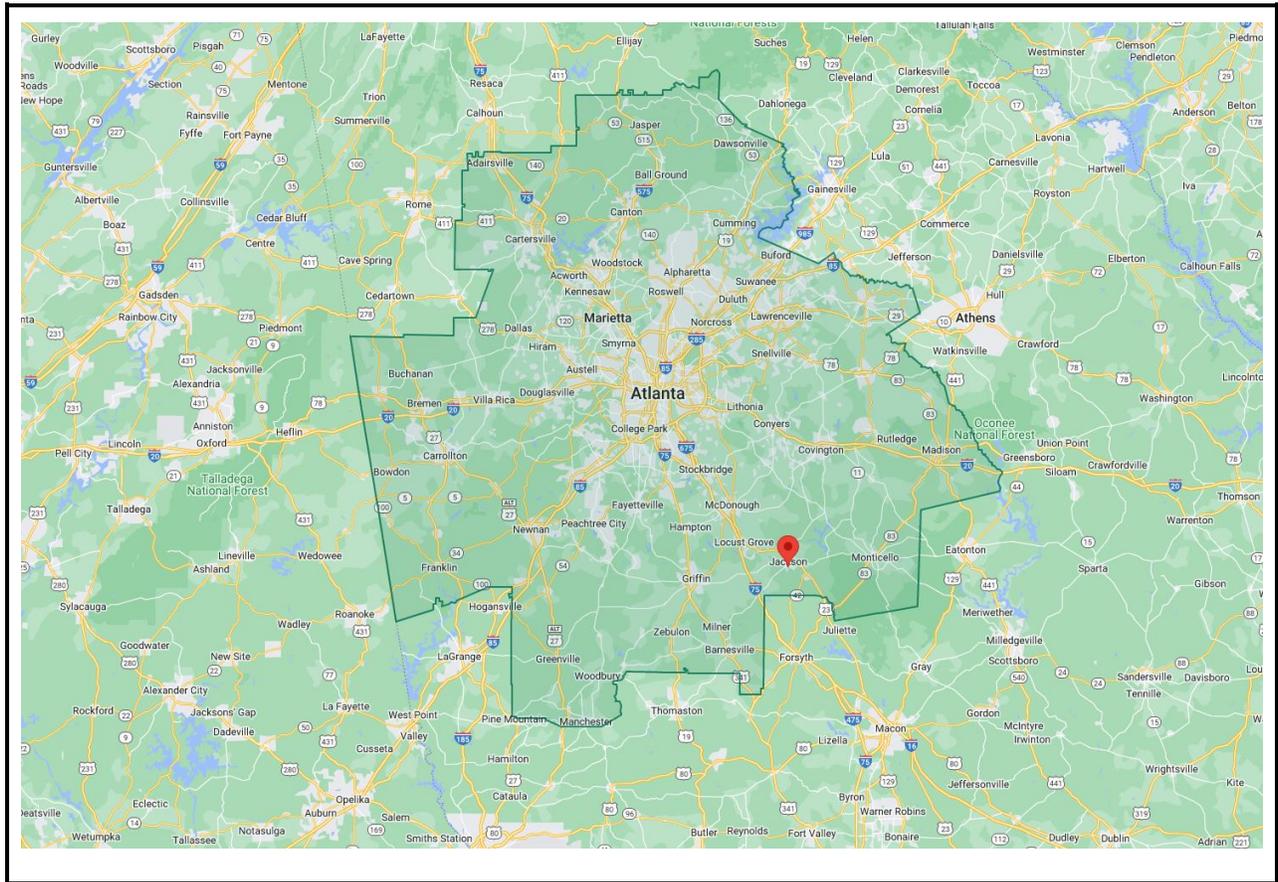
The secondary market area (SMA) for the subject is the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area is comprised of 30 counties. Maps outlining the PMA and SMA can be found following.

Primary Market Area Map



Secondary Market Area Map

(Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area)



Community Demographic Data

This section of the report provides the demographic information for the subject's PMA, giving historical data as well as current data and estimates. Our projections are based on current data, such as census data, ESRI, and American Community Survey as prepared by Claritas. We have also utilized the American Fact Finder for additional US Census data.

According to the developer, the estimated placed in service date for the subject is January 2026. All estimates have been projected to that date.

Total Population

The table below illustrates total population in the PMA and the SMA from 2000 through 2027, including the projected population at the time of market entry.

TOTAL POPULATION					
Year	PMA			SMA	
	Number	Ann. Chg.		Number	Ann. Chg.
2000	13,657	-		4,263,438	-
2010	16,281	1.92%		5,286,722	2.40%
2022	17,720	0.74%		6,268,860	1.55%
Proj. Market Entry	17,848	0.28%		6,380,220	0.69%
2027	17,968	0.28%		6,484,396	0.69%

Source: ESRI Demographics

The population in the PMA increased from 2000 through 2022 at nearly two percent annually, which is considered strong for a rural area such as the subject's PMA. Similarly, the SMA experienced strong population growth over the same period. The PMA is projected to experience population growth through market entry and 2027 at a slower pace than the SMA as a whole. Overall, population growth in the PMA is considered positive.

Population by Age Group

The table below illustrates population by age group in the PMA and SMA from 2022 through 2027. This includes the projected population at the time of market entry.

POPULATION BY AGE - PMA				
Age	2022	%	Proj. at Market Entry	2027
Total	17,720		17,770	17,968
Age 0-4	872	4.9%	874	866
Age 5-9	934	5.3%	937	911
Age 10-14	939	5.3%	942	993
Age 15-19	945	5.3%	948	1,009
Age 20-24	1,177	6.6%	1,180	1,140
Age 25-29	1,428	8.1%	1,432	1,221
Age 30-34	1,404	7.9%	1,408	1,311
Age 35-39	1,334	7.5%	1,338	1,341
Age 40-44	1,212	6.8%	1,215	1,323
Age 45-49	1,182	6.7%	1,185	1,215
Age 50-54	1,135	6.4%	1,138	1,108
Age 55-59	1,159	6.5%	1,162	1,086
Age 60-64	1,081	6.1%	1,084	1,109
Age 65-69	969	5.5%	972	1,023
Age 70-74	780	4.4%	782	866
Age 75-79	546	3.1%	548	667
Age 80-84	310	1.7%	311	435
Age 85 and Older	313	1.8%	314	344
Median Age	39.4			40.7

Source: ESRI

Number of Elderly and Non-Elderly

The table below presents the elderly and non-elderly populations.

ELDERY VS. NON-ELDERLY POPULATION						
Year	Total	PMA		Total	SMA	
		Elderly 65+	Non-Elderly		Elderly 65+	Non-Elderly
2022	17,720	2,918	14,802	6,268,860	839,328	5,429,532
Proj. Market Entry	17,848	2,939	14,909	6,380,220	854,238	5,525,982
2027	17,968	3,335	14,633	6,484,396	980,926	5,503,470

Source: ESRI Demographics

As illustrated in the table above, non-elderly population in the PMA is approximately 84%, compared to 87% for the SMA.

Special Needs Population

The subject is not set-aside for any special needs population.

Total Households

The table below illustrates total households in the PMA and the SMA from 2000 through 2027, including the projected population at the time of market entry.

TOTAL HOUSEHOLDS				
Year	PMA		SMA	
	Number	Ann. Chg.	Number	Ann. Chg.
2000	4,307		1,559,712	
2010	5,217	2.11%	1,943,881	2.46%
2022	5,615	0.64%	2,326,943	1.64%
Proj. Market Entry	5,676	0.42%	2,369,638	0.71%
2027	5,733	0.42%	2,409,578	0.71%

Source: ESRI Demograhpics

The PMA and SMA experienced moderate to strong household growth from 2000 to 2022. Although the PMA is projected to experience household growth through 2027, it will be at a much slower pace. Overall, continued household growth for a rural location such as the subject is positive.

Households by Tenure

The tables below present total households by tenure.

HOUSEHOLDS BY TENURE								
Year	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	3,053	70.9%	1,254	29.1%	1,041,714	66.8%	517,998	33.2%
2010	3,537	67.8%	1,680	32.2%	1,285,062	66.1%	658,819	33.9%
2022	3,762	67.0%	1,853	33.0%	1,510,186	64.9%	816,757	35.1%
Proj. Market Entry	3,803	67.0%	1,873	33.0%	1,537,895	64.9%	831,743	35.1%
2027	3,841	67.0%	1,892	33.0%	1,563,816	64.9%	845,762	35.1%

Source: ESRI Demograhpics

Average Household Size

The table below illustrates average household size.

HOUSEHOLD SIZE				
Year	PMA		SMA	
	Number	Ann. Chg.	Number	Ann. Chg.
2022	2.64	-	2.66	-
Proj. Market Entry	2.90	3.7%	2.68	0.2%
2027	3.13	3.7%	2.69	0.2%

Source: ESRI Demograhpics

As illustrated in the table above, the average household size within the PMA is projected to increase through market entry and 2027. The SMA has a smaller average household size than the PMA.

Renter Households by Number of Persons in the Household

The tables below illustrate household size by renter tenure.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS							
PMA		2022		Projected Market Entry		2027	
Household Size	Households	Percent	Households	Percent	Households	Percent	
1 person	431	23.2%	435	23.2%	440	23.2%	
2 persons	600	32.4%	607	32.4%	613	32.4%	
3 persons	332	17.9%	336	17.9%	339	17.9%	
4 persons	266	14.3%	268	14.3%	271	14.3%	
5+ persons	224	12.1%	227	12.1%	229	12.1%	
Total Renter HHs	1,853		1,873		1,892		
SMA		2022		Projected Market Entry		2027	
Household Size	Households	Percent	Households	Percent	Households	Percent	
1 person	206,509	25.3%	210,298	25.3%	213,843	25.3%	
2 persons	246,610	30.2%	251,135	30.2%	255,368	30.2%	
3 persons	141,033	17.3%	143,620	17.3%	146,041	17.3%	
4 persons	123,200	15.1%	125,461	15.1%	127,575	15.1%	
5+ persons	99,405	12.2%	101,229	12.2%	102,935	12.2%	
Total Renter HHs	816,757		831,743		845,762		

Source: ESRI Demographics

As detailed in the table above, the number of renter households is projected to increase through 2027. The demographics presented above provide support that there is a stable renter population within the PMA. As rental prices continue to increase, there will be a greater need for affordable housing units. These factors support current and future demand for the proposed subject.

Household Income Distribution

The following table illustrates household income distribution in 2022, 2027, and estimated annual change from 2022 to 2027 for the PMA and the SMA.

HOUSEHOLD INCOME DISTRIBUTION						
Household Income	PMA			SMA		
	Count	Share	Ann. Chg.	Count	Share	Ann. Chg.
2022 Households	5,615	100.0%		2,326,923	100.0%	
Under \$15,000	708	12.6%		155,919	6.7%	
\$15,000-\$24,999	643	11.5%		135,461	5.8%	
\$25,000-\$34,999	595	10.6%		153,462	6.6%	
\$35,000-\$49,999	1,199	21.4%		250,342	10.8%	
\$50,000-\$74,999	921	16.4%		406,741	17.5%	
\$75,000-\$99,999	499	8.9%		312,743	13.4%	
\$100,000-\$149,999	694	12.4%		427,125	18.4%	
\$150,000-\$199,999	182	3.2%		223,004	9.6%	
\$200,000 and Over	174	3.1%		262,126	11.3%	
Household Income						
2027 Households	5,733	100.0%		2,409,558	100.0%	
Under \$15,000	546	9.5%	-4.6%	112,227	4.7%	-5.6%
\$15,000-\$24,999	519	9.1%	-3.9%	98,310	4.1%	-5.5%
\$25,000-\$34,999	619	10.8%	0.8%	122,186	5.1%	-4.1%
\$35,000-\$49,999	1,068	18.6%	-2.2%	207,301	8.6%	-3.4%
\$50,000-\$74,999	941	16.4%	0.4%	399,660	16.6%	-0.3%
\$75,000-\$99,999	516	9.0%	0.7%	324,598	13.5%	0.8%
\$100,000-\$149,999	996	17.4%	8.7%	516,868	21.5%	4.2%
\$150,000-\$199,999	286	5.0%	11.4%	304,645	12.6%	7.3%
\$200,000 and Over	242	4.2%	7.8%	323,763	13.4%	4.7%

Source: ESRI

Renter Household Income Distribution

The following table illustrates household income distribution adjusted for renter tenure.

RENTER HOUSEHOLD INCOME DISTRIBUTION						
Household Income	PMA			SMA		
	Count	Share	Ann. Chg.	Count	Share	Ann. Chg.
2022 Households	1,853			816,750		
Under \$15,000	234	12.6%		54,728	6.7%	
\$15,000-\$24,999	212	11.5%		47,547	5.8%	
\$25,000-\$34,999	196	10.6%		53,865	6.6%	
\$35,000-\$49,999	396	21.4%		87,870	10.8%	
\$50,000-\$74,999	304	16.4%		142,766	17.5%	
\$75,000-\$99,999	165	8.9%		109,773	13.4%	
\$100,000-\$149,999	229	12.4%		149,921	18.4%	
\$150,000-\$199,999	60	3.2%		78,274	9.6%	
\$200,000 and Over	57	3.1%		92,006	11.3%	
2027 Households	1,892			845,755		
Under \$15,000	180	9.5%	-4.6%	39,392	4.7%	-5.6%
\$15,000-\$24,999	171	9.1%	-3.9%	34,507	4.1%	-5.5%
\$25,000-\$34,999	204	10.8%	0.8%	42,887	5.1%	-4.1%
\$35,000-\$49,999	352	18.6%	-2.2%	72,763	8.6%	-3.4%
\$50,000-\$74,999	311	16.4%	0.4%	140,281	16.6%	-0.3%
\$75,000-\$99,999	170	9.0%	0.7%	113,934	13.5%	0.8%
\$100,000-\$149,999	329	17.4%	8.7%	181,421	21.5%	4.2%
\$150,000-\$199,999	94	5.0%	11.4%	106,930	12.6%	7.3%
\$200,000 and Over	80	4.2%	7.8%	113,641	13.4%	4.7%

Source: ESRI

The largest renter household income cohort in the PMA in 2022 was the \$35,000 to \$49,999 income bracket, followed by the \$50,000 to \$74,999 income bracket. Combined, these two income cohorts represent 37.8% of the total households in the PMA. Comparatively, the largest income cohort in the SMA is the \$100,000 to \$149,999 bracket, followed by the \$50,000 to \$74,999 income bracket, which have a combined total 35.8% of all renter households. Approximately 56.0% of renter households in the PMA earn less than \$50,000 annually, as such, the subject is sufficiently positioned to continue to compete in the area.

Renter Household Income Distribution by Household Size

The following tables illustrate renter household income distribution by household size.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA					
Household Income - 2022	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	54	76	42	33	28
\$15,000-\$24,999	49	69	38	30	26
\$25,000-\$34,999	46	64	35	28	24
\$35,000-\$49,999	92	128	71	57	48
\$50,000-\$74,999	71	98	54	44	37
\$75,000-\$99,999	38	53	30	24	20
\$100,000-\$149,999	53	74	41	33	28
\$150,000-\$199,999	14	19	11	9	7
\$200,000 and Over	13	19	10	8	7
Total	431	600	332	266	224
Household Income - 2027	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	42	58	32	26	22
\$15,000-\$24,999	40	55	31	25	21
\$25,000-\$34,999	47	66	37	29	25
\$35,000-\$49,999	82	114	63	51	43
\$50,000-\$74,999	72	101	56	44	38
\$75,000-\$99,999	40	55	31	24	21
\$100,000-\$149,999	76	106	59	47	40
\$150,000-\$199,999	22	31	17	14	11
\$200,000 and Over	19	26	14	11	10
Total	440	613	339	271	229

Source: ESRI Demographics

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - SMA

Household Income - 2022	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	13,837	16,524	9,450	8,255	6661
\$15,000-\$24,999	12,022	14,356	8,210	7,172	5787
\$25,000-\$34,999	13,619	16,264	9,301	8,125	6556
\$35,000-\$49,999	22,217	26,531	15,173	13,254	10694
\$50,000-\$74,999	36,097	43,107	24,652	21,535	17376
\$75,000-\$99,999	27,755	33,145	18,955	16,558	13360
\$100,000-\$149,999	37,906	45,267	25,887	22,614	18246
\$150,000-\$199,999	19,791	23,634	13,516	11,807	9527
\$200,000 and Over	23,263	27,780	15,887	13,878	11198
Total	206,508	246,608	141,032	123,199	99,404

Household Income - 2027	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	9,960	11,894	6,802	5,942	4794
\$15,000-\$24,999	8,725	10,419	5,958	5,205	4200
\$25,000-\$34,999	10,844	12,949	7,406	6,469	5220
\$35,000-\$49,999	18,397	21,970	12,564	10,976	8856
\$50,000-\$74,999	35,469	42,356	24,223	21,160	17073
\$75,000-\$99,999	28,807	34,401	19,673	17,186	13866
\$100,000-\$149,999	45,871	54,778	31,327	27,366	22080
\$150,000-\$199,999	27,036	32,286	18,464	16,129	13014
\$200,000 and Over	28,733	34,313	19,623	17,142	13831
Total	213,841	255,366	146,040	127,574	102,934

Source: ESRI Demographics

Conclusion

Demand for rental units in the PMA is expected to come from natural population growth and renter turnover. As the total population and number of households continue to grow, the demand for housing units is expected to continue to increase. The demographics presented in the previous section provide support that there is a stable renter population within the PMA. As rental prices continue to increase, there will be a greater need for affordable housing units. These factors support current and future demand for the proposed subject.

Employment Trends

Total Jobs

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

COVERED EMPLOYMENT			
Butts County, GA			
Year	Labor Force	% Change	Employment
2012	10,336	-	9,292
2013	10,183	-1.5%	9,246
2014	10,011	-1.7%	9,260
2015	10,012	0.0%	9,331
2016	10,379	3.7%	9,788
2017	10,723	3.3%	10,197
2018	10,733	0.1%	10,293
2019	11,015	2.6%	10,629
2020	10,878	-1.2%	10,215
2021	11,150	2.5%	10,749
2022	11,337	1.7%	11,053
Mar-22	11,395	-	11,076
Mar-23	11,551	1.4%	11,193

Source St. Louis Federal Reserve, 5/2023

As illustrated in the table above, Butts County experienced employment growth from 2016 through 2019, though declined in 2020 due to the impacts of the COVID-19 pandemic. Overall, the decrease in employment in 2020 is considered nominal compared to the nation as a whole. Since 2021, the county has experienced moderate employment growth and has recovered all lost jobs as a result of the pandemic.

Employment by Industry

The following table illustrates the distribution of employment sectors by industry within the PMA and SMA.

EMPLOYMENT BY INDUSTRY - 2022				
Occupation	PMA	PMA	SMA	SMA
	Employees	Percentage	Employees	Percentage
Agric/Forestry/Fishing/Hunting	33	0.5%	6,713	0.2%
Mining/Quarrying/Oil & Gas Extr	0	0.0%	1,458	0.0%
Construction	759	11.6%	215,383	6.9%
Manufacturing	756	11.6%	256,274	8.2%
Wholesale Trade	461	7.1%	97,381	3.1%
Retail Trade	912	14.0%	324,398	10.4%
Transportation/Warehousing	520	8.0%	246,712	7.9%
Utilities	97	1.5%	25,559	0.8%
Information	10	0.2%	91,597	2.9%
Finance/Insurance	229	3.5%	167,954	5.4%
Real Estate/Rental/Leasing	50	0.8%	74,833	2.4%
Prof/Scientific/Tech Services	139	2.1%	342,976	10.9%
Mgmt of Companies/Enterprises	16	0.2%	3,000	0.1%
Admin/Support/Waste Mgmt Svcs	209	3.2%	155,481	5.0%
Educational Services	374	5.7%	265,752	8.5%
Health Care/Social Assistance	808	12.4%	344,866	11.0%
Arts/Entertainment/Recreation	6	0.1%	45,279	1.4%
Accommodation/Food Services	583	8.9%	202,092	6.5%
Other Services (excl Publ Adm)	184	2.8%	146,724	4.7%
Public Administration	380	5.8%	118,600	3.8%
Total	6,526	100.0%	3,133,032	100.0%

Source: ESRI

Employment in the PMA is largely provided within the retail trade, health care/social assistance, construction, and manufacturing sectors, totaling 49.6% of all jobs. Most of these sectors are prone to downturns in the local economy. However, the PMA also has a significant share of employment in the health care/social assistance industries, which is historically known to exhibit greater stability during recessionary periods. Relative to the SMA, the PMA is overrepresented in the construction, manufacturing, wholesale trade, and retail trade sectors while underrepresented in the professional/scientific/tech services sector.

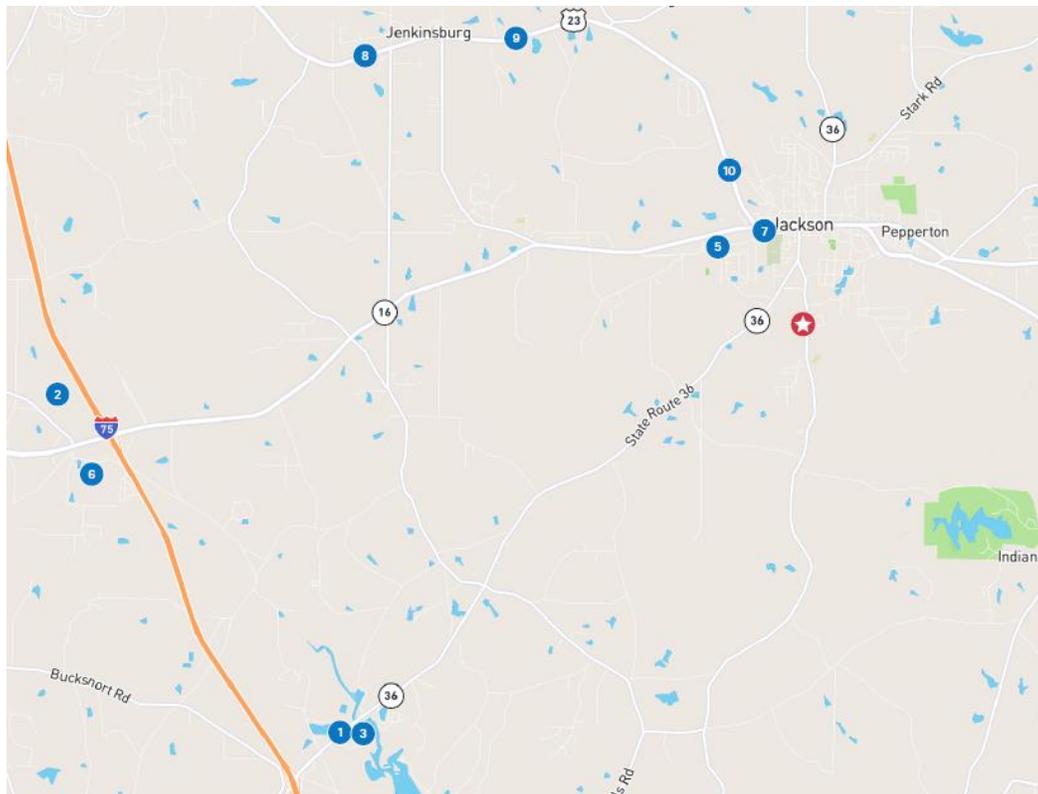
Major Employers

The following chart identifies the largest employers for Butts County, GA.

MAJOR EMPLOYERS			
Rank	Company	Type	# of Employees
1	Georgia Diagnostic and Classification State Prison	Government	750
2	Dollar General (Distribution Center)	Retail Trade	650
3	Ready PAC Foods	Food Manufacturer	600
4	American Woodmark	Manufacturing	500
5	Butts County School District	Education	472
6	MasterBrand Cabinets	Manufacturing	415
7	Butts County Government	Government	201
8	LKQ Corporation	Manufacturing	150
9	Scotts Miracle-Gro Company	Manufacturing	120
10	Advance Tabco	Metal Fabrication	120

Source: Butts County Development Authority, 2023

The largest employers within the county are in the government, retail trade, and manufacturing sectors. Although government-related jobs are typically stable during downturns, the retail trade and manufacturing sectors have historically been subject to fluctuations in the economy. However, Dollar General, the second largest employer in the area, has historically experienced growth during downturns in the economy. The following map details the location of the major employers, all of which are located within an eight-mile radius of the subject.



Employment Expansion/Contraction

According to Georgia Department of Labor, there have been no Worker Adjustment and Retraining Notification (WARN) notices issued in Butts County over the past two years.

River Park industrial/commercial development is under construction at Ga. Highway 16 and interstate 75 at Exit 205. River Park was announced last year as the future home of a Proctor & Gamble distribution center. The building alone represents a \$210 million investment in Butts County, not counting the value of the equipment and eventual inventory that will be housed there. Other sites vary in size and are being prepared for buildings as small as 375,000 square feet, up to the largest at 2.25 million. In addition to the industrial part of the development, most of the frontage along Ga. Highway 16 has been sold and will be developed for commercial use, including potential stores, restaurants and more. At completion (2040) – this will be a \$2.07 billion plus premier mixed-use development creating over 10,000 jobs and collecting nearly \$300 million in Real Estate revenue alone

Commercial growth within Jackson and Butts County is limited as the county seat of Jackson is approximately 15 miles from Interstate 75. Jackson and Butts have been overshadowed by Henry County to the north which has had significant growth since the 1980’s. As this county has accommodated growth, there has been little reason for Butts County to develop in a similar pattern. Thus, it still maintains its small-town character while being just 50 miles from Atlanta.

Unemployment Trends

The following table illustrates unemployment trends in Butts County.

UNEMPLOYMENT RATE		
Butts County, GA		
Year	Unemployment	Unemployment Rate
2012	1,044	10.1%
2013	937	9.2%
2014	751	7.5%
2015	681	6.8%
2016	592	5.7%
2017	525	4.9%
2018	440	4.1%
2019	386	3.5%
2020	664	6.1%
2021	401	3.6%
2022	283	2.5%
Mar-22	319	2.8%
Mar-23	358	3.1%

Source St. Louis Federal Reserve, 5/2023

The unemployment rate in the county reached 10.1% in 2012 but has gradually decreased to a current unemployment rate of 3.1% in March 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through March 2023.

Conclusion

Butts County experienced employment growth from 2016 through 2019, declined in 2020 due to the impacts of the COVID-19 pandemic, and increased through 2022. The unemployment rate in the county reached 10.1% in 2012 but has gradually decreased to a current unemployment rate of 3.1% in March 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through March 2023. Employment in the PMA is largely provided within the retail trade, health care/social assistance, construction, and manufacturing sectors, totaling 49.6% of all jobs. Except for health care, these sectors are prone to downturns in the local economy. Overall, the local economy appears to be stable despite its heavy reliance on the manufacturing and retail trade sectors. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

Affordability and Demand Estimate

Based on the guidelines provide by the Georgia DCA, we analyzed the potential number of qualified households that the subject property would likely capture.

Income Restrictions

The subject's minimum and maximum income limits are as follows by bedroom type:

FAMILY INCOME LIMITS				
Unit Type	Minimum	Maximum	Minimum	Maximum
	Allowable	Allowable	Allowable	Allowable
	Income	Income	Income	Income
	50% AMI		60% AMI	
1BR	\$20,229	\$28,500	\$20,229	\$34,200
2BR	\$23,314	\$32,100	\$23,314	\$38,520
3BR	\$26,743	\$38,500	\$26,743	\$46,200

According to DCA guidelines, the maximum allowable Area Median Income (AMI) level per household for all bedroom types will be based on a standard of 1.5 persons per bedroom for family developments rounded up to the next whole number.

Affordability

According to DCA guidelines, our analysis assumes families pay no more than 35% of their income towards rent, and seniors pay no more than 40% of their income towards rent. We have utilized these guidelines to calculate the minimum income levels for the subject property. Post-renovation, the subject will continue to be subsidized by USDA Rental Assistance whereby tenants will contribute 30% of their income towards rent, with some tenants having no income. In the restricted scenario with subsidy, we assume the minimum income for is \$0.

Demand

The demand for the subject will be derived from three sources: a) new households in the market area, b) existing households, rent overburdened, or in substandard housing, and c) elderly homeowners likely to convert to renters (if relevant).

Demand from New Households

The first component of the demand analysis is the number of new households entering the market, or new units required in the market area due to projected household growth from migration into the market and growth from existing households in the market. The estimated date of completion is January 2026; therefore, we have utilized this date as the base year for the analysis. Therefore, 2022 household estimates are inflated to January 2026 based on historical trends. This change in households is considered the gross potential demand for the subject property. The gross potential demand is then adjusted or discounted for income eligibility and renter tenure, resulting in a net demand number.

Demand from Existing Households

The second source of demand is projected from rent over-burdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development. We have assumed that the rent-overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent; and households in substandard housing should be determined based on age, income bands and tenure that apply.

Elderly Homeowners likely to convert to renters

Not Applicable

Net Demand, Capture Rates and Stabilization Conclusions

The overall demand components added together (demand from new households, demand from existing renter households in substandard housing, demand from existing renter households that are rent overburdened and demand from the secondary market area) less the supply of competitive units that have not stabilized.

Additions to Supply

Per DCA's guidelines we have deducted all competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed. The supply needs to include all competitive units in properties that have not yet reached stabilized occupancy, including those recently funded by DCA, proposed for funding for a bond allocation from DCA, and existing or planned conventional rental properties.

There have been no new projects within the subject's PMA that meet the above requirements in the previous three years.

PMA Occupancy

Per DCA's guidelines, the following table outlines the average occupancy rate based on all available competitive conventional and affordable (including LIHTC) properties in the PMA.

OCCUPANCY IN PMA						
#	Development Name	Program		Total		Occ.
		Type	Tenancy	Units	Vacant	
1	Pepperton Villas	LIHTC	Senior	29	0	100.0%
2	Magnolia Grove	Section 8	Senior	33	0	100.0%
3	Mill Lake Apartments	RD	Family	36	1	97.2%
4	Brook Point Apartments	RD	Senior	50	0	100.0%
5	Indian Springs Apts	Market	Family	51	1	98.0%
6	Walker Street Apts	Market	Family	40	4	90.0%
7	The Gardens TH Apts	Market	Family	68	1	99.0%
8	Viewpoint Villas	Market	Family	55	3	94.0%
9	860 Harkness Place	Market	Family	8	0	100.0%
Assisted/Sub. Housing				119	1	99.2%
LIHTC				29	0	100.0%
Market Rate				222	9	95.9%
Average				370	10	97.3%
Complied by CBRE						

The overall average indicated is 97.3%. Only one property is operating below 93%.

Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2022		Projected Market Entry		2027	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$15,000	234	12.6%	236	12.6%	180	9.5%
\$15,000-\$24,999	212	11.5%	214	11.5%	171	9.1%
\$25,000-\$34,999	196	10.6%	198	10.6%	204	10.8%
\$35,000-\$49,999	396	21.4%	400	21.4%	352	18.6%
\$50,000-\$74,999	304	16.4%	307	16.4%	311	16.4%
\$75,000-\$99,999	165	8.9%	166	8.9%	170	9.0%
\$100,000-\$149,999	229	12.4%	232	12.4%	329	17.4%
\$150,000-\$199,999	60	3.2%	61	3.2%	94	5.0%
\$200,000 and Over	57	3.1%	58	3.1%	80	4.2%
Total	1,853	100.0%	1,873	100.0%	1,892	100.0%

Capture Rate – 50% AMI With Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$38,500
Income Cohort	Total Renter Households - Prj		Income	Percent within	Renter Households
	Mrkt Entry		Brackets	Cohort	within Bracket
Under \$15,000	236	13%	\$14,999	100%	236
\$15,000-\$24,999	214	11%	\$9,999	100%	214
\$25,000-\$34,999	198	11%	\$9,999	100%	198
\$35,000-\$49,999	400	21%	\$3,500	23%	93
\$50,000-\$74,999	307	16%		0%	0
\$75,000-\$99,999	166	9%		0%	0
\$100,000-\$149,999	232	12%		0%	0
\$150,000-\$199,999	61	3%		0%	0
\$200,000 and Over	58	3%		0%	0
Total	1,873	100%		40%	742

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$38,500
Income Cohort	New Renter Households -		Income	Percent within	Renter Households
	Total Change in Households		Brackets	Cohort	within Bracket
Under \$15,000	3	13%	\$14,999	100%	3
\$15,000-\$24,999	2	11%	\$9,999	100%	2
\$25,000-\$34,999	2	11%	\$9,999	100%	2
\$35,000-\$49,999	4	21%	\$3,500	23%	1
\$50,000-\$74,999	3	16%	\$0	0%	0
\$75,000-\$99,999	2	9%	\$0	0%	0
\$100,000-\$149,999	2	12%	\$0	0%	0
\$150,000-\$199,999	1	3%	\$0	0%	0
\$200,000 and Over	1	3%	\$0	0%	0
Total	20	100%		40%	8

ASSUMPTIONS				
Tenancy	Family	% of Income Toward Housing		35%
Urban/Rural	Rural	Maximum # of Occupants		5
Person in Household	1BR	2BR	3BR	Total
1	70%	30%	0%	100%
2	20%	80%	0%	100%
3	0%	60%	40%	100%
4	0%	20%	80%	100%
5+	0%	0%	100%	100%

Demand from New Renter Households

New Renter Households PMA	20
Percent Income Qualified	40%
Total	8

Demand from Existing Households

Demand from Rent Overburdened Households	
Total Existing Demand	1,873
Income Qualified	40%
Income Qualified Renter Households	742
Percent Rent Overburdened Prj Mrkt Entry	44%
Rent Overburdened Households	327

Demand from Living in Substandard Household

Income Qualified Renter Households	742
Percent Living in Substandard Housing	1.75%
Households Living in Substandard Housing	13

Total Demand

Total Demand from Existing Households		340
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		340
Total New Demand		8
Total Demand (New Plus Existing Households)		348

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

By Bedroom Demand

One Person	23%	81
Two Persons	32%	113
Three Persons	18%	62
Four Persons	14%	50
Five Persons	12%	42
Total	100%	348

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	57
Of two-person households in 1BR units	20%	23
Of one-person households in 2BR units	30%	24
Of two-person households in 2BR units	80%	90
Of three-person households in 2BR units	60%	37
Of four-person households in 2BR units	20%	10
Of three-person households in 3BR units	40%	25
Of four-person households in 3BR units	80%	40
Of five-person households in 3BR units	100%	42
Total Demand		348

Total Demand (Subject Unit Type)	Less Additions	
	to Supply	Net Demand
1BR	79	79
2BR	162	162
3BR	107	107
Total	348	348

Developer's Unit Mix	Divided by Net	
	Demand	Capture Rate
1BR	4	5.1%
2BR	7	4.3%
3BR	7	6.5%
Total	18	5.2%

Capture Rate – 50% AMI Absent Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$20,229		Maximum Income Limit		\$38,500
Income Cohort	Total Renter Households - Prj		Income	Percent within	Renter Households
	Mrkt Entry		Brackets	Cohort	within Bracket
Under \$15,000	236	13%		0%	0
\$15,000-\$24,999	214	11%	\$4,770	48%	102
\$25,000-\$34,999	198	11%	\$9,999	100%	198
\$35,000-\$49,999	400	21%	\$3,500	23%	93
\$50,000-\$74,999	307	16%		0%	0
\$75,000-\$99,999	166	9%		0%	0
\$100,000-\$149,999	232	12%		0%	0
\$150,000-\$199,999	61	3%		0%	0
\$200,000 and Over	58	3%		0%	0
Total	1,873	100%		21%	394

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$20,229		Maximum Income Limit		\$38,500
Income Cohort	New Renter Households -		Income	Percent within	Renter Households
	Total Change in Households		Brackets	Cohort	within Bracket
Under \$15,000	3	13%	\$0	0%	0
\$15,000-\$24,999	2	11%	\$4,770	48%	1
\$25,000-\$34,999	2	11%	\$9,999	100%	2
\$35,000-\$49,999	4	21%	\$3,500	23%	1
\$50,000-\$74,999	3	16%	\$0	0%	0
\$75,000-\$99,999	2	9%	\$0	0%	0
\$100,000-\$149,999	2	12%	\$0	0%	0
\$150,000-\$199,999	1	3%	\$0	0%	0
\$200,000 and Over	1	3%	\$0	0%	0
Total	20	100%		21%	4

ASSUMPTIONS				
Tenancy	Family	% of Income Toward Housing		35%
Urban/Rural	Rural	Maximum # of Occupants		5
Person in Household	1BR	2BR	3BR	Total
1	70%	30%	0%	100%
2	20%	80%	0%	100%
3	0%	60%	40%	100%
4	0%	20%	80%	100%
5+	0%	0%	100%	100%

Demand from New Renter Households

New Renter Households PMA	20
Percent Income Qualified	21%
Total	4

Demand from Existing Households

Demand from Rent Overburdened Households

Total Existing Demand	1,873
Income Qualified	21%
Income Qualified Renter Households	394
Percent Rent Overburdened Prj Mrkt Entry	44%
Rent Overburdened Households	173

Demand from Living in Substandard Household

Income Qualified Renter Households	394
Percent Living in Substandard Housing	1.75%
Households Living in Substandard Housing	7

Total Demand

Total Demand from Existing Households		180
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		180
Total New Demand		4
Total Demand (New Plus Existing Households)		185

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

By Bedroom Demand

One Person	23%	43
Two Persons	32%	60
Three Persons	18%	33
Four Persons	14%	26
Five Persons	12%	22
Total	100%	185

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	30
Of two-person households in 1BR units	20%	12
Of one-person households in 2BR units	30%	13
Of two-person households in 2BR units	80%	48
Of three-person households in 2BR units	60%	20
Of four-person households in 2BR units	20%	5
Of three-person households in 3BR units	40%	13
Of four-person households in 3BR units	80%	21
Of five-person households in 3BR units	100%	22
Total Demand		185

Total Demand (Subject Unit Type)		Less Additions to Supply	Net Demand
1BR	42	0	42
2BR	86	0	86
3BR	57	0	57
Total	185		185

Developer's Unit Mix		Divided by Net Demand	Capture Rate
1BR	4	42	9.5%
2BR	7	86	8.2%
3BR	7	57	12.3%
Total	18	185	9.8%

Capture Rate – 60% AMI With Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$46,200
Income Cohort	Total Renter Households - Prj		Income	Percent within	Renter Households
	Mrkt Entry		Brackets	Cohort	within Bracket
Under \$15,000	236	13%	\$14,999	100%	236
\$15,000-\$24,999	214	11%	\$9,999	100%	214
\$25,000-\$34,999	198	11%	\$9,999	100%	198
\$35,000-\$49,999	400	21%	\$11,200	75%	299
\$50,000-\$74,999	307	16%		0%	0
\$75,000-\$99,999	166	9%		0%	0
\$100,000-\$149,999	232	12%		0%	0
\$150,000-\$199,999	61	3%		0%	0
\$200,000 and Over	58	3%		0%	0
Total	1,873	100%		51%	948

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$46,200
Income Cohort	New Renter Households -		Income	Percent within	Renter Households
	Total Change in Households		Brackets	Cohort	within Bracket
Under \$15,000	3	13%	\$14,999	100%	3
\$15,000-\$24,999	2	11%	\$9,999	100%	2
\$25,000-\$34,999	2	11%	\$9,999	100%	2
\$35,000-\$49,999	4	21%	\$11,200	75%	3
\$50,000-\$74,999	3	16%	\$0	0%	0
\$75,000-\$99,999	2	9%	\$0	0%	0
\$100,000-\$149,999	2	12%	\$0	0%	0
\$150,000-\$199,999	1	3%	\$0	0%	0
\$200,000 and Over	1	3%	\$0	0%	0
Total	20	100%		51%	10

ASSUMPTIONS				
Tenancy	Family	% of Income Toward Housing		35%
Urban/Rural	Rural	Maximum # of Occupants		5
Person in Household	1BR	2BR	3BR	Total
1	70%	30%	0%	100%
2	20%	80%	0%	100%
3	0%	60%	40%	100%
4	0%	20%	80%	100%
5+	0%	0%	100%	100%

Demand from New Renter Households	
New Renter Households PMA	20
Percent Income Qualified	51%
Total	10

Demand from Existing Households	
Demand from Rent Overburdened Households	
Total Existing Demand	1,873
Income Qualified	51%
Income Qualified Renter Households	948
Percent Rent Overburdened Prj Mrkt Entry	44%
Rent Overburdened Households	417

Demand from Living in Substandard Household	
Income Qualified Renter Households	948
Percent Living in Substandard Housing	1.75%
Households Living in Substandard Housing	17

Total Demand	
Total Demand from Existing Households	434
Adjustment Factor - Leakage from SMA	0%
Adjusted Demand from Existing Households	434
Total New Demand	10
Total Demand (New Plus Existing Households)	444

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

By Bedroom Demand		
One Person	23%	103
Two Persons	32%	144
Three Persons	18%	80
Four Persons	14%	64
Five Persons	12%	54
Total	100%	444

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	70%	72
Of two-person households in 1BR units	20%	29
Of one-person households in 2BR units	30%	31
Of two-person households in 2BR units	80%	115
Of three-person households in 2BR units	60%	48
Of four-person households in 2BR units	20%	13
Of three-person households in 3BR units	40%	32
Of four-person households in 3BR units	80%	51
Of five-person households in 3BR units	100%	54
Total Demand		444

Total Demand (Subject Unit Type)		Less Additions to Supply	Net Demand
1BR	101	0	101
2BR	206	0	206
3BR	136	0	136
Total	444		444

Capture Rate – 60% AMI Absent Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$20,229		Maximum Income Limit		\$46,200
Income Cohort	Total Renter Households - Prj Mrkt Entry		Income Brackets	Percent within Cohort	Renter Households within Bracket
Under \$15,000	236	13%		0%	0
\$15,000-\$24,999	214	11%	\$4,770	48%	102
\$25,000-\$34,999	198	11%	\$9,999	100%	198
\$35,000-\$49,999	400	21%	\$11,200	75%	299
\$50,000-\$74,999	307	16%		0%	0
\$75,000-\$99,999	166	9%		0%	0
\$100,000-\$149,999	232	12%		0%	0
\$150,000-\$199,999	61	3%		0%	0
\$200,000 and Over	58	3%		0%	0
Total	1,873	100%		32%	599

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$20,229		Maximum Income Limit		\$46,200
Income Cohort	New Renter Households - Total Change in Households		Income Brackets	Percent within Cohort	Renter Households within Bracket
Under \$15,000	3	13%	\$0	0%	0
\$15,000-\$24,999	2	11%	\$4,770	48%	1
\$25,000-\$34,999	2	11%	\$9,999	100%	2
\$35,000-\$49,999	4	21%	\$11,200	75%	3
\$50,000-\$74,999	3	16%	\$0	0%	0
\$75,000-\$99,999	2	9%	\$0	0%	0
\$100,000-\$149,999	2	12%	\$0	0%	0
\$150,000-\$199,999	1	3%	\$0	0%	0
\$200,000 and Over	1	3%		0%	0
Total	20	100%		32%	6

ASSUMPTIONS				
Tenancy	Family	% of Income Toward Housing		35%
Urban/Rural	Rural	Maximum # of Occupants		5
Person in Household	1BR	2BR	3BR	Total
1	70%	30%	0%	100%
2	20%	80%	0%	100%
3	0%	60%	40%	100%
4	0%	20%	80%	100%
5+	0%	0%	100%	100%

Demand from New Renter Households

New Renter Households PMA	20
Percent Income Qualified	32%
Total	6

Demand from Existing Households

Demand from Rent Overburdened Households

Total Existing Demand	1,873
Income Qualified	32%
Income Qualified Renter Households	599
Percent Rent Overburdened Prj Mrkt Entry	44%
Rent Overburdened Households	264

Demand from Living in Substandard Household

Income Qualified Renter Households	599
Percent Living in Substandard Housing	1.75%
Households Living in Substandard Housing	10

Total Demand

Total Demand from Existing Households		274
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		274
Total New Demand		6
Total Demand (New Plus Existing Households)		281

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

By Bedroom Demand

One Person	23%	65
Two Persons	32%	91
Three Persons	18%	50
Four Persons	14%	40
Five Persons	12%	34
Total	100%	281

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	46
Of two-person households in 1BR units	20%	18
Of one-person households in 2BR units	30%	20
Of two-person households in 2BR units	80%	73
Of three-person households in 2BR units	60%	30
Of four-person households in 2BR units	20%	8
Of three-person households in 3BR units	40%	20
Of four-person households in 3BR units	80%	32
Of five-person households in 3BR units	100%	34
Total Demand		281

Total Demand (Subject Unit Type)	Less Additions		Net Demand
		to Supply	
1BR	64	0	64
2BR	131	0	131
3BR	86	0	86
Total	281		281

Developer's Unit Mix	Divided by Net		
		Demand	Capture Rate
1BR	8	64	12.5%
2BR	13	131	10.0%
3BR	12	86	13.9%
Total	33	281	11.8%

Conclusions

The following table illustrates the capture rate analysis chart.

CAPTURE RATE ANALYSIS CHART												
Unit Type	Units Proposed	Minimum Income	Maximum Income	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR 50% AMI/RD	4	\$0	\$28,500	79	0	79	5.1%	3 months	\$718	\$718	\$718	\$590
1BR 50% AMI	4	\$20,229	\$28,500	42	0	42	9.5%	6 months	\$718	\$718	\$718	\$590
1BR 60% AMI/RD	8	\$0	\$34,200	101	0	101	7.9%	3 months	\$718	\$718	\$718	\$590
1BR 60% AMI	8	\$20,229	\$34,200	64	0	64	12.5%	6 months	\$718	\$718	\$718	\$590
2BR 50% AMI/RD	7	\$0	\$32,100	162	0	162	4.3%	3 months	\$874	\$561	\$1,408	\$680
2BR 50% AMI	7	\$23,314	\$32,100	86	0	86	8.2%	6 months	\$874	\$561	\$1,408	\$680
2BR 60% AMI/RD	13	\$0	\$38,520	206	0	206	6.3%	3 months	\$874	\$561	\$1,408	\$680
2BR 60% AMI	13	\$23,314	\$38,520	131	0	131	10.0%	6 months	\$874	\$561	\$1,408	\$680
3BR 50% AMI/RD	7	\$0	\$38,500	107	0	107	6.5%	3 months	\$1,387	\$1,387	\$1,387	\$780
3BR 50% AMI	7	\$26,743	\$38,500	57	0	57	12.3%	6 months	\$1,387	\$1,387	\$1,387	\$780
3BR 60% AMI/RD	12	\$0	\$46,200	136	0	136	8.8%	3 months	\$1,387	\$1,387	\$1,387	\$780
3BR 60% AMI	12	\$26,743	\$46,200	86	0	86	13.9%	6 months	\$1,387	\$1,387	\$1,387	\$780
Overall - 50% AMI	18	\$20,229	\$38,500	185	0	185	9.8%					
Overall - 60% AMI	33	\$20,229	\$46,200	281	0	281	11.8%					
Overall - With Subsidy	51	\$0	\$46,200	791	0	791	6.4%					
Overall - Without Subsidy	51	\$20,229	\$46,200	465	0	465	11.0%					

The subject's overall annual capture rates are considered low. This illustrates there is unmet demand within the PMA with significant need for affordable housing, similar to the subject. Based on the capture rates, it is anticipated that if vacant the subject would absorb quickly within the market. However, the subject is an existing LIHTC/RD development that has experienced high occupancy and accepts tenants with minimum incomes of \$0. Therefore, the demand analysis (absent subsidy) is considered very conservative. According to the developer, most of the tenants will remain income qualified post-renovation. As such, the subject will not need to fully reabsorb and will likely be fully stabilized upon completion of renovations. The capture rates meet the DCA thresholds.

Competitive Rental Analysis

Survey of Comparable Projects

We performed a competitive rental analysis of the local market. To locate comparables properties we utilized the CBRE database, CoStar, Axiometrics, www.Rent.com, and wwwApartments.com, as well as physically driving the market area and speaking to local property managers.

We surveyed both market rate and affordable housing rental properties. We included five market rate properties and four LIHTC properties. As there are no unsubsidized family LIHTC properties in the PMA, we included family LIHTC properties in Griffin and McDonough and located between 14 and 18 miles from the subject. The LIHTC comparables are in similar to superior locations based on median incomes, access to amenities, and median home values. The comparable market rate properties are in Jackson, within 2.4 miles of the subject. These properties offer similar locations to the subject.

A map illustrating the location of the subject in relation to comparable properties is provided on the following pages. The properties are further profiled in the property profiles included in the addenda of this report. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

Excluded Properties

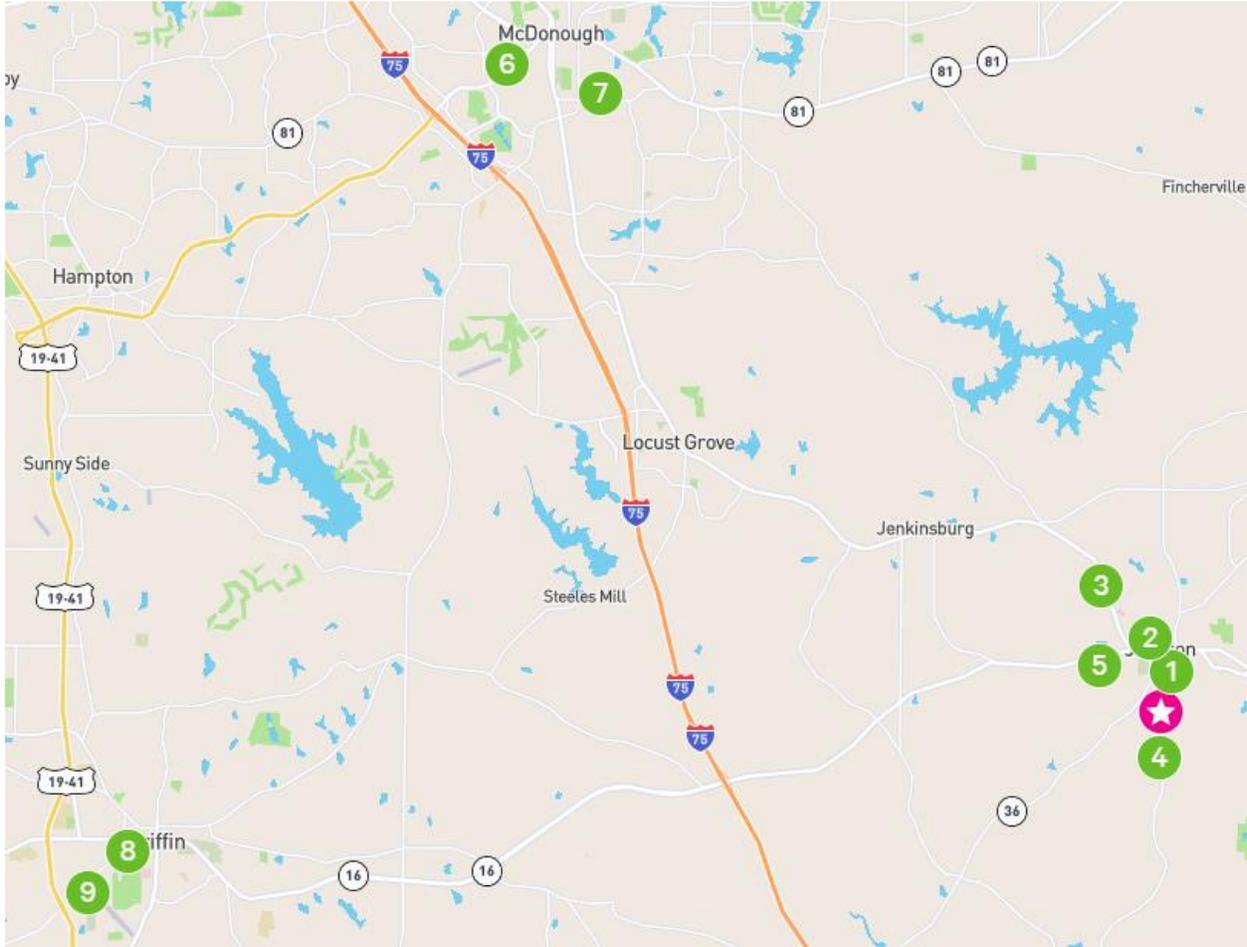
The following table illustrates properties that have been excluded from our analysis.

EXCLUDED PROPERTIES IN THE PMA					
#	Development Name	Program Type	Tenancy	Reason for Exclusion	Total Units
1	Pepperton Villas	LIHTC	Senior	Tenancy	29
2	Magnolia Grove	Section 8	Senior	Subsidized	33
3	Mill Lake Apts	RD	Family	Subsidized	36
4	Brook Point Apartments	RD	Senior	Subsidized	50

Complied by CBRE

Survey of Comparable Projects

The following map and tables detail the comparable properties.



SUMMARY OF MARKET RATE COMPARABLES

No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
1	Indian Springs Apartments	480 Brownlee Road Jackson, GA 30233	1974	98%	51	0.3 Miles
2	Walker Street Apartments	168 Walker Street Jackson, GA 30233	1970	90%	40	1.3 Miles
3	The Gardens Townhouse Apartments	1469 North GA-42 Jackson, GA 30233	2001 / 2019	99%	68	2.4 Miles
4	Viewpoint Villas	144 Viewpoint Dr Jackson, GA 30233	2007	94%	55	0.4 Miles
5	860 Harkness Place	860 S Harkness St Jackson, GA 30233	2019	100%	8	1.3 Miles
Subj.	Heritage Apartments	812 Brownlee Road Jackson, GA 30233	1985 / 2003	94%	52	---

Compiled by CBRE

SUMMARY OF LIHTC COMPARABLES

Comp. No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
6	Sable Chase	102 Sable Chase Boulevard McDonough, GA 30253	1997	98%	225	16 Miles
7	Greystone Manor	100 Greystone Drive McDonough, GA 30252	1999	95%	57	14 Miles
8	Poplar Grove	617 Meriwether Street Griffin, GA 30224	1945 / 2012	99%	36	18 Miles
9	The Oaks at Park Pointe	420 Park Rd Griffin, GA 30224	2015	100%	84	18 Miles
Subj.	Heritage Apartments	812 Brownlee Road Jackson, GA 30233	1985 / 2003	94%	52	

Compiled by CBRE

Complete comparable write-ups have been included within the addenda of this report. The following details pertinent information for each comparable.

Market Rate Comparables

Rent Comparable One

This comparable rental represents Indian Springs Apartments, a 51-unit multi-unit garden-style property at 480 Brownlee Road, Jackson, GA. The improvements were originally constructed in 1974 and were considered in average condition at the time of our research. The structure's exterior walls depict vinyl siding construction components and the average unit size is 913 square feet. Project/unit amenities include the following: a on-site management, pitched roofs, surface parking, dishwasher, range / oven, refrigerator, tub / shower combo, and washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$0.83 per square foot monthly (\$758/unit). No rent premiums were reported. Utilities included with the rent are trash removal and no concessions are currently offered. The property is currently 98% leased.

Rent Comparable Two

This comparable rental represents Walker Street Apartments, a 40-unit multi-unit garden-style property at 168 Walker Street, Jackson, GA. The improvements were originally constructed in 1970 and were considered in average condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 900 square feet. Project/unit amenities include the following: a barbeque area, pitched roofs, surface parking, carpeted flooring, dishwasher, range / oven, and refrigerator. According to the unit mix and asking rates for this property, the average base rental rate is \$0.54 per square foot monthly (\$487/unit). No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 90% leased.

Rent Comparable Three

This comparable rental represents The Gardens Townhouse Apartments, a 68-unit multi-unit garden-style property at 1469 North GA-42, Jackson, GA. The improvements were originally constructed in 2001 and were considered in average condition at the time of our research. The structure's exterior walls depict vinyl siding construction components and the average unit size is 1,201 square feet. Project/unit amenities include the following: a individual split systems, interior stairwells, pitched roofs, surface parking, black appliances, carpeted flooring, ceiling fans, ceramic tile flooring, dishwasher, double-pane windows, garbage disposal, laminate countertops, private patios / balconies, range / oven, refrigerator, vinyl flooring, washer / dryer connections, and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$0.61 per square foot monthly (\$729/unit). No rent premiums were reported. Utilities included with the rent are trash removal and no concessions are currently offered. The property is currently 99% leased.

Rent Comparable Four

This comparable rental represents Viewpoint Villas, a 55-unit multi-unit garden-style property at 144 Viewpoint Dr, Jackson, GA. The improvements were originally constructed in 2007 and were considered in average condition at the time of our research. The structure's exterior walls depict vinyl siding construction components and the average unit size is 1,300 square feet. Project/unit amenities include the following: a pitched roofs, surface parking, 8-foot ceilings, black appliances, dishwasher, microwave oven, quartz countertops, range / oven, refrigerator with icemaker, and vinyl flooring. According to the unit mix and asking rates for this property, the average base rental rate is \$1.00 per square foot monthly (\$1,300/unit). No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 94% leased.

Rent Comparable Five

This comparable rental represents 860 Harkness Place, an 8-unit multi-unit garden-style property at 860 S Harkness St, Jackson, GA. The improvements were originally constructed in 2019 and were considered in good condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 1,350 square feet. Project/unit amenities include the following: a surface parking, dishwasher, microwave oven, range / oven, and refrigerator. According to the unit mix and asking rates for this property, the average base rental rate is \$0.90 per square foot monthly (\$1,350/unit). No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 100% leased.

LIHTC Rent Comparables

Rent Comparable Six

This comparable rental represents Sable Chase, a 225-unit multi-unit property at 102 Sable Chase Boulevard, McDonough, GA. The improvements were originally constructed in 1997 and were considered in good condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 963 square feet. Project/unit amenities include the following: a barbeque area, basketball court, clubhouse, fitness center, laundry facility, playground, pool, tennis court, volleyball court, pitched roofs, surface parking, black appliances, carpeted flooring, dishwasher, laminate countertops, microwave oven, private patios / balconies, range / oven, and refrigerator. According to the unit mix and asking rates for this property, the average base rental rate is \$1.26 per square foot monthly (\$1,221/unit). No rent premiums were reported. Utilities included with the rent are water, sewer, and trash and no concessions are currently offered. The property is currently 97.8% leased. According to management, less than 10% of the tenants use vouchers. A lengthy waiting list is maintained but the number of households was not available. The rents are set below the maximum allowable levels.

Rent Comparable Seven

This comparable rental represents Greystone Manor, a 57-unit multi-unit property at 100 Greystone Drive, McDonough, GA. The improvements were originally constructed in 1999 and were considered in good condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 1,028 square feet. Project/unit amenities include the following: a barbeque area, clubhouse, laundry facility, exterior stairwells, individual split systems, lihtc (low income housing tax credit), on-site management, pitched roofs, surface parking, 8-foot ceilings, black appliances, carpeted flooring, dishwasher, double-pane windows, garbage disposal, laminate countertops, range / oven, refrigerator, vinyl flooring, and washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$1.14 per square foot monthly (\$1,168/unit), based upon typical lease terms of 12. No rent premiums were reported. Utilities included with the rent are water, sewer, and trash and no concessions are currently offered. The property is currently 94.6% leased. According to management, the rents are set at the maximum allowable levels. Turnover is about 20% per year and 20 households (36%) are using vouchers. There are pending applications for the three vacant units and management maintains a waiting list of 22 households. The utility allowances are \$94 and \$113 for the two- and three-bedroom units, respectively.

Rent Comparable Eight

This comparable rental represents Poplar Grove, a 36-unit multi-unit garden-style property at 617 Meriwether Street, Griffin, GA. The improvements were originally constructed in 1945 and were considered in average condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 714 square feet. Project/unit amenities include the following: a barbeque area, business center, clubhouse, fitness center, laundry facility, playground, gated / controlled access, individual split systems, surface parking, dishwasher, range / oven, refrigerator, and washer / dryer connections. No rent premiums were reported. Utilities included with the rent are water, sewer, trash and no concessions are currently offered. The property is currently 99% leased. The manager indicated that the restrictions are floating, and not fixed to specific units, but there are 16 one-bedroom units and 20 two bedroom units.

Rent Comparable Nine

This comparable rental represents The Oaks at Park Pointe, an 84-unit multi-unit garden-style property at 420 Park Rd, Griffin, GA. The improvements were originally constructed in 2015 and were considered in good condition at the time of our research. The structure's exterior walls depict vinyl siding construction components and the average unit size is 1,162 square feet. Project/unit amenities include the following: a business center, clubhouse, dishwasher, microwave oven, range / oven, and refrigerator with icemaker. According to the unit mix and asking rates for this property, the average base rental rate is \$0.99 per square foot monthly (\$1,145/unit).

No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 100% leased. Management provided limited information including the current rents and occupancy rate. The waiting list is closed but the length was not available. Further details were not available.

Housing Choice Vouchers

We contacted the Jackson Housing Authority and the Georgia Department of Community Affairs to determine the number of housing choice vouchers currently in use in Butts County; however, our calls were not returned. None of the market rate properties reported having tenants utilizing vouchers at this time. Two of the four LIHTC comparables reported voucher usage of 10% to 36%, while two could not provide voucher data. Given that the subject benefits from a USDA Rental Assistance, portable vouchers will not be needed.

Phased Developments

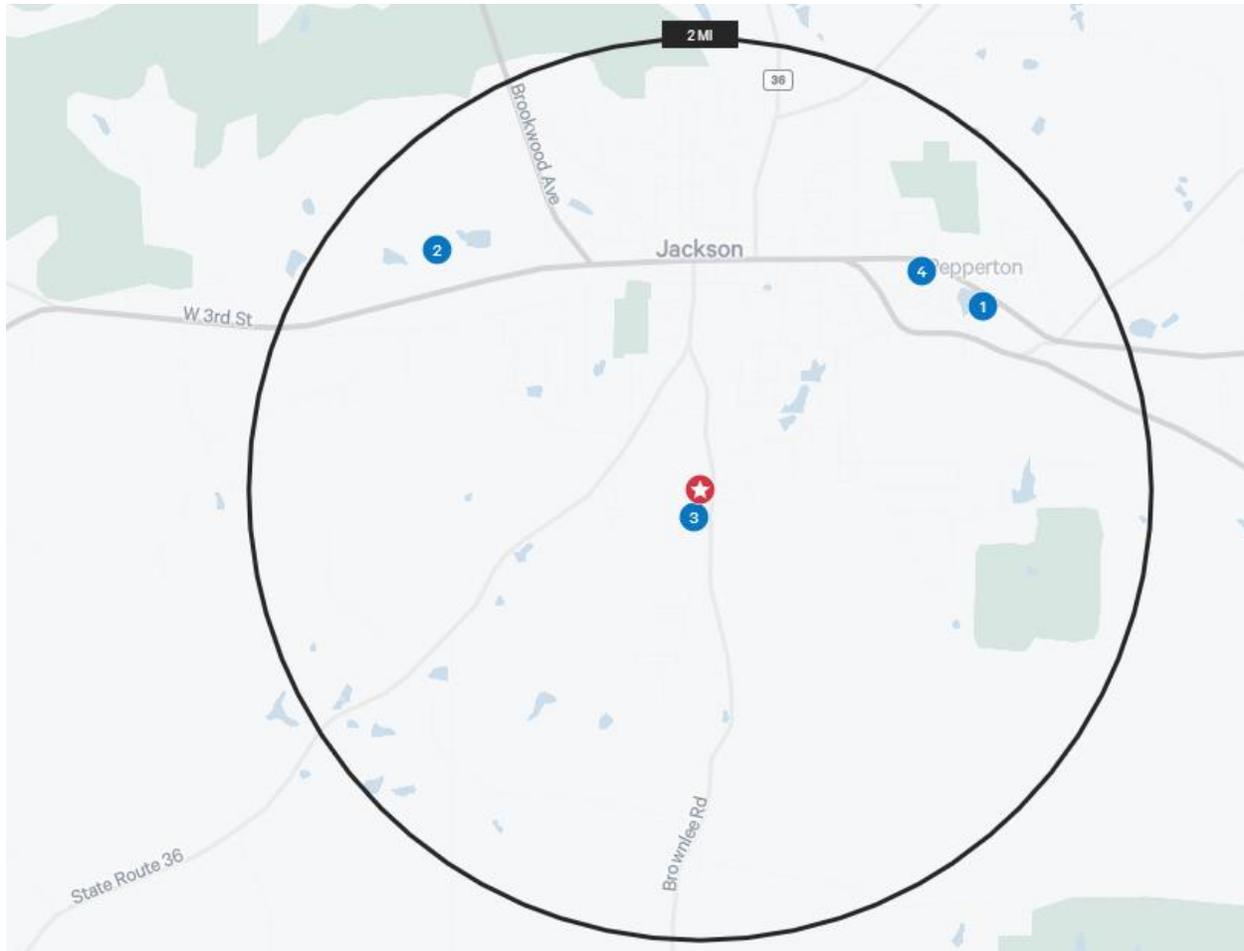
The subject is not part of a multi-phase development.

Lease Up History

Eight of the nine comparables were constructed in 2015 or earlier; therefore, absorption data is irrelevant from these properties. Comparable 5 was built in 2019 but only consists of eight units. We expect that lease up occurred within a few months, but management could not confirm this. The subject is an existing, stabilized property that operates with subsidy. According to the developer, most of the subject's tenants are expected to remain in place following the renovation. We expect a short lease up if any units are vacant upon completion of the renovation.

Competitive Projects Map

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA							
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units	
1	Pepperton Villas	127 Harper St, Jackson, GA 30233	LIHTC	Senior	2.0 miles	29	
2	Magnolia Grove	336 April Ln, Jackson, GA 30233	Section 8	Senior	2.6 miles	33	
3	Mill Lake Apartments	872 Brownlee Rd, Jackson, GA 30233	RD	Family	0.1 miles	36	
4	Brook Point Apartments	157 Pulliam Dr, Jackson, GA 30233	RD	Senior	2.5 miles	50	
Total						148	
Total Competitive						36	
Complied by CBRE							



*We illustrate a two-mile radius around the subject to illustrate proximity. The PMA boundaries are between five and 11 miles from the subject and would distort the map. We included all affordable properties within 10 miles of the subject.

Amenities

The subject's amenity package is similar to superior to the comparable market rate properties because the subject will offer washer/dryer connections, a patio/balcony, a clubhouse, and a playground, most of which are not offered at the comparables. The market rate comparables offer few community amenities. Conversely, the subject's amenity package is generally similar to the comparable LIHTC properties; however, some of the LIHTC comparables offer fitness centers and/or business centers. According to the developer, no new amenities will be offered following the renovation.

Overall Comparison

COMPARABLE ANALYSIS - MARKET RATE					
Comparable Name	Indian Springs Apartments	Walker Street Apartments	The Gardens Townhouse Apartments	Viewpoint Villas	860 Harkness Place
Year Built	1974	1970	2001	2007	2019
Year Renovated	--	--	2019	--	--
Characteristic	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Location	○	○	○	○	○
Age/Condition	▼	▼	▲	○	▲
Design Appeal	○	○	○	○	○
Quality of Construction	○	○	○	▲	○
Project Amenities	▼	▼	▼	▼	▼
Overall	▼	▼	○	○	○
▼ = Inferior ○ = Similar ▲ = Superior					

Source: CBRE

COMPARABLE ANALYSIS - LIHTC				
Comparable Name	Sable Chase	Greystone Manor	Poplar Grove	The Oaks at Park Pointe
Year Built	1997	1999	1945	2015
Year Renovated	--	--	2012	--
Characteristic	Comparable 6	Comparable 7	Comparable 8	Comparable 9
Location	▲	▲	○	○
Age/Condition	▼	▼	▼	▲
Design Appeal	○	○	○	○
Quality of Construction	○	○	○	○
Project Amenities	○	▼	○	▼
Overall	○	▼	▼	○
▼ = Inferior ○ = Similar ▲ = Superior				

Source: CBRE

Comparable Tenancy

The subject targets families, similar to the comparables.

Occupancy

The following table illustrates the occupancy rates in the market.

SUMMARY OF MARKET RATE COMPARABLES				
Comp. No.	Name	Location	Distance from Subject	Occupancy
1	Indian Springs Apartments	480 Brownlee Road Jackson, GA	0.3 Miles	98.0%
2	Walker Street Apartments	168 Walker Street Jackson, GA	1.3 Miles	90.0%
3	The Gardens Townhouse Apartments	1469 North GA-42 Jackson, GA	2.4 Miles	99.0%
4	Viewpoint Villas	144 Viewpoint Dr Jackson, GA	0.4 Miles	94.0%
5	860 Harkness Place	860 S Harkness St Jackson, GA	1.3 Miles	100.0%
Subject	Heritage Apartments	812 Brownlee Road, Jackson, Georgia		94.2%
Compiled by CBRE				

SUMMARY OF LIHTC COMPARABLES				
Comp. No.	Name	Location	Distance from Subject	Occupancy
6	Sable Chase	102 Sable Chase Boulevard McDonough, GA	16 Miles	97.8%
7	Greystone Manor	100 Greystone Drive McDonough, GA	14 Miles	94.6%
8	Poplar Grove	617 Meriwether Street Griffin, GA	18 Miles	99.0%
9	The Oaks at Park Pointe	420 Park Rd Griffin, GA	18 Miles	100.0%
Subject	Heritage Apartments	812 Brownlee Road, Jackson, Georgia		94.2%
Compiled by CBRE				

OCCUPANCY CONCLUSIONS	
Atlanta-Sandy Springs-Roswell, GA Market	93.4%
Far East Atlanta Suburbs Submarket	94.0%
Rent Comparables - Market Rate	95.9%
Rent Comparables - Affordable	97.9%
Subject's Current Occupancy	94.2%
Subject's Stabilized Occupancy	95.0%
Compiled by CBRE	

Details on the market and submarket occupancy rates are detailed later in this section.

The market rate comparables reported occupancy rates ranging from 90.0% to 100.0%, with an average of 95.9%. The LIHTC comparables reported occupancy rates ranging from 94.6% to 100.0%, with an average of 97.9%. The comparables are exhibiting occupancy rates above both the market and submarket. The subject is currently 94.2% occupied, slightly below the rent

comparables. The subject has pending applications for the vacant units and a waiting list of nine households. Given the level of subsidy, the current waiting list at the subject property, limited turnover (12% over the past year), as well as the recent and current occupancy rates, we do not expect the property to have occupancy issues. Further, we do not believe that the subject will impact the performance of the existing affordable properties if allocated.

Properties Under Construction and Proposed

The following section details properties currently planned, proposed or under construction.

- According to Georgia DCA, there are no planned or under construction LIHTC properties in the PMA.
- We spoke with Marjorie Stansell, City Clerk of the City of Jackson, regarding new multifamily development in the area. According to Ms. Stansell, there are no planned, under construction, or newly constructed multifamily developments in the Jackson area.

Achievable Market Rent

The rentals utilized represent the best data available for comparison with the subject. Comparables 1-5 represent conventional market rate properties, and comparables 6-9 represent LIHTC properties.

The rental rates at the LIHTC properties are compared to the subject’s proposed 50% and 60% AMI rents in the following tables. The comparable rents have been adjusted for utilities to reflect the subject’s utility convention.

SUMMARY OF COMPARABLE RENTALS				
ONE BEDROOM UNITS				
Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Poplar Grove	1BR/1BA 30% AMI	600 SF	\$464	\$0.77
Subject	1BR/1BA - 60% AMI	672 SF	\$590	\$0.88
Subject	1BR/1BA - 50% AMI	672 SF	\$590	\$0.88
Poplar Grove	1BR/1BA 50% AMI	600 SF	\$685	\$1.14
Poplar Grove	1BR/1BA 60% AMI	600 SF	\$846	\$1.41
Sable Chase	1 BR/1 BA - 60% AMI	781 SF	\$1,025	\$1.31
Poplar Grove	1BR/1BA Market Rate	600 SF	\$1,100	\$1.83

Compiled by CBRE

**SUMMARY OF COMPARABLE RENTALS
TWO BEDROOM UNITS**

Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Poplar Grove	2BR/1BA 30% AMI	805 SF	\$537	\$0.67
Subject	2BR/1BA - 60% AMI	814 SF	\$680	\$0.84
Subject	2BR/1BA - 60% AMI	840 SF	\$680	\$0.81
Subject	2BR/1BA - 50% AMI	814 SF	\$680	\$0.84
Subject	2BR/1BA - 50% AMI	840 SF	\$680	\$0.81
Poplar Grove	2BR/1BA 50% AMI	805 SF	\$780	\$0.97
Greystone Manor	2 BR/2 BA - 50% AMI	968 SF	\$1,013	\$1.05
Poplar Grove	2BR/1BA 60% AMI	805 SF	\$1,015	\$1.26
The Oaks at Park Pointe	2BR/2BA - 60% AMI	1,143 SF	\$1,157	\$1.01
Greystone Manor	2 BR/2 BA - 60% AMI	968 SF	\$1,167	\$1.21
Sable Chase	2 BR/1 BA - 60% AMI	857 SF	\$1,221	\$1.42
Poplar Grove	2BR/1BA Market Rate	805 SF	\$1,250	\$1.55
Sable Chase	2 BR/2 BA - 60% AMI	968 SF	\$1,402	\$1.45

Compiled by CBRE

**SUMMARY OF COMPARABLE RENTALS
THREE BEDROOM UNITS**

Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Subject	3BR/1BA - 60% AMI	1,018 SF	\$780	\$0.77
Subject	3BR/1BA - 50% AMI	1,005 SF	\$780	\$0.78
Subject	3BR/1BA - 50% AMI	1,018 SF	\$780	\$0.77
Subject	3BR/1BA - 60% AMI	1,005 SF	\$780	\$0.78
Sable Chase	3 BR/2 BA - 60% AMI	1,180 SF	\$1,221	\$1.03
Greystone Manor	3 BR/2 BA - 50% AMI	1,180 SF	\$1,236	\$1.05
The Oaks at Park Pointe	3BR/2BA - 60% AMI	1,672 SF	\$1,273	\$0.76
Greystone Manor	3 BR/2 BA - 60% AMI	1,180 SF	\$1,425	\$1.21

Compiled by CBRE

As detailed in the previous tables, the subject's proposed 50% and 60% AMI rents absent subsidy are well supported by the comparable data.

The rental rates at the market rate properties are compared to the subject's proposed 50% and 60% AMI rents in the following tables. The comparable rents have been adjusted for utilities to reflect the subject's utility convention.

SUMMARY OF COMPARABLE RENTALS				
ONE BEDROOM UNITS				
Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Subject	1BR/1BA - 60% AMI	672 SF	\$590	\$0.88
Subject	1BR/1BA - 50% AMI	672 SF	\$590	\$0.88
Indian Springs Apartments	1BR/1BA	840 SF	\$718	\$0.85
Compiled by CBRE				

The subject will undergo a substantial renovation and will be superior to Indian Springs in terms of age/condition. Indian Springs was built in 1974 and has not undergone any significant renovation. Further, the subject offers a patio/balcony, a clubhouse, and a playground, none of which are offered by Indian Springs. Therefore, an achievable market rent slightly above this property is reasonable. As market rate, we have estimated the subject's one-bedroom rents at \$750 which is slightly above the one comparable with one bedroom units. Further, our estimate is within the lower end of the two-bedroom comparable range. Overall, we believe our estimate is reasonable and well supported.

SUMMARY OF COMPARABLE RENTALS				
TWO BEDROOM UNITS				
Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Walker Street Apartments	2BR/1BA	900 SF	\$561	\$0.62
Subject	2BR/1BA - 50% AMI	840 SF	\$680	\$0.81
Subject	2BR/1BA - 60% AMI	814 SF	\$680	\$0.84
Subject	2BR/1BA - 60% AMI	840 SF	\$680	\$0.81
Subject	2BR/1BA - 50% AMI	814 SF	\$680	\$0.84
The Gardens Townhouse Apartments	2BR/1.5BA	1,175 SF	\$774	\$0.66
The Gardens Townhouse Apartments	2BR/1.5BA	1,225 SF	\$799	\$0.65
Indian Springs Apartments	2BR/1BA	925 SF	\$830	\$0.90
860 Harkness Place	2 Bed / 2 Bath	1,500 SF	\$1,408	\$0.94
Compiled by CBRE				

The subject offers superior age/condition and project amenities when compared to Indian Springs Apartments and Walker Street Apartments; however, these properties offer larger unit sizes. The Gardens Townhouse Apartments offers similar condition to the subject and 860 Harkness Place offers slightly superior condition given it was constructed in 2019. The subject offers superior project amenities to all of the comparable properties. Overall, we conclude to a market rent of \$875 per unit, which is within the comparable range on a per unit basis and considered reasonable given that our estimate assumes the completion of the planned renovation.

**SUMMARY OF COMPARABLE RENTALS
THREE BEDROOM UNITS**

Comparable	Plan Type	Size (SF)	Rental Rates*	
			\$/Mo.	\$/SF
Subject	3BR/1BA - 60% AMI	1,018 SF	\$780	\$0.77
Subject	3BR/1BA - 50% AMI	1,005 SF	\$780	\$0.78
Subject	3BR/1BA - 50% AMI	1,018 SF	\$780	\$0.77
Subject	3BR/1BA - 60% AMI	1,005 SF	\$780	\$0.78
Viewpoint Villas	3 Bed 2.5 Bath	1,300 SF	\$1,387	\$1.07

Compiled by CBRE

The subject offers superior project amenities when compared to Viewpoint Villas but inferior quality of construction because this property offers higher end finishes. Further, Viewpoint Villas offers much larger unit sizes and 2.5 baths, compared to only one bath at the subject. Overall, we conclude to a market rent of \$1,000 per unit, which is below the comparable range on a per unit basis and considered reasonable given that our estimate assumes the completion of the planned renovation.

ACHIEVABLE RENTS

No. Units	Unit Type	Unit Size (SF)	Total SF	Proposed Net	Achievable	Market Rent Advantage
				Rent \$/Unit	Market Rent \$/Unit	
4	1BR/1BA - 50% AMI	672	2,688	\$590	\$750	27.1%
8	1BR/1BA - 60% AMI	672	5,376	\$590	\$750	27.1%
5	2BR/1BA - 50% AMI	814	4,070	\$680	\$875	28.7%
2	2BR/1BA - 50% AMI	840	1,680	\$680	\$875	28.7%
5	2BR/1BA - 60% AMI	814	4,070	\$680	\$875	28.7%
8	2BR/1BA - 60% AMI	840	6,720	\$680	\$875	28.7%
4	3BR/1BA - 50% AMI	1,005	4,020	\$780	\$1,000	28.2%
3	3BR/1BA - 50% AMI	1,018	3,054	\$780	\$1,000	28.2%
6	3BR/1BA - 60% AMI	1,005	6,030	\$780	\$1,000	28.2%
6	3BR/1BA - 60% AMI	1,018	6,108	\$780	\$1,000	28.2%
51		859	43,816	\$710	\$910	

Compiled by CBRE

As detailed in the table above, the subject's rent advantage exceeds 10% for all unit types and meets DCA's minimum requirements.

Rental Trends in the PMA

The following table illustrates tenure patterns in the PMA.

HOUSEHOLDS BY TENURE

Year	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	3,053	70.9%	1,254	29.1%	1,041,714	66.8%	517,998	33.2%
2010	3,537	67.8%	1,680	32.2%	1,285,062	66.1%	658,819	33.9%
2022	3,762	67.0%	1,853	33.0%	1,510,186	64.9%	816,757	35.1%
Proj. Market Entry	3,803	67.0%	1,873	33.0%	1,537,895	64.9%	831,743	35.1%
2027	3,841	67.0%	1,892	33.0%	1,563,816	64.9%	845,762	35.1%

Source: ESRI Demographics

As illustrated, the number of owner-occupied housing units is significantly greater than the renter-occupied housing units. However, the percentage of renter-occupied units is projected to increase through 2027.

The following details rental trends in the market and submarket.

METROPOLITAN ATLANTA-SANDY SPRINGS-ROSWELL, GA APARTMENT MARKET OVERVIEW

Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Atlanta-Sandy Springs-Roswell, GA apartment market, as reported by Axiometrics.

ATLANTA-SANDY SPRINGS-ROSWELL, GA APARTMENT MARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2013	457,704	4,575	425,024	92.9%	\$869	5.03%	8,886
2014	463,317	5,876	433,433	93.6%	\$943	7.47%	8,446
2015	472,243	9,034	444,333	94.1%	\$1,016	6.63%	10,879
2016	480,931	9,450	452,268	94.0%	\$1,078	4.99%	7,922
2017	493,805	12,924	463,436	93.9%	\$1,133	2.98%	11,196
2018	502,319	8,696	475,144	94.6%	\$1,210	4.73%	11,693
2019	511,475	10,014	484,981	94.8%	\$1,273	3.30%	9,862
2020	524,885	13,410	501,370	95.5%	\$1,305	2.16%	16,389
2021	533,917	9,032	517,953	97.0%	\$1,601	21.17%	16,577
Q1 2022	536,459	2,542	519,829	96.9%	\$1,631	1.33%	1,890
Q2 2022	538,462	2,175	515,577	95.8%	\$1,678	2.40%	-4,272
Q3 2022	541,944	3,482	512,679	94.6%	\$1,717	2.10%	-2,888
Q4 2022	545,073	3,129	511,278	93.8%	\$1,694	-1.79%	-1,420
2022	545,073	11,328	511,278	93.8%	\$1,694	4.07%	-6,691
Q1 2023	549,504	4,674	513,017	93.4%	\$1,684	-0.88%	1,752
Q2 2023*	554,326	4,822	521,066	94.0%	\$1,729	2.67%	7,830
Q3 2023*	559,357	5,031	527,474	94.3%	\$1,772	2.49%	6,407
Q4 2023*	564,960	5,603	527,673	93.4%	\$1,760	-0.68%	199
2023*	564,960	20,130	527,673	93.4%	\$1,760	3.90%	16,394
2024*	584,819	19,859	548,560	93.8%	\$1,824	3.60%	20,888
2025*	597,749	12,930	560,091	93.7%	\$1,881	3.10%	11,530
2026*	606,575	8,826	565,328	93.2%	\$1,940	3.10%	5,237
2027*	615,588	9,013	576,806	93.7%	\$1,998	3.00%	11,478

* Future Projected Data according to Axiometrics
Source: Axiometrics, 1st Quarter 2023

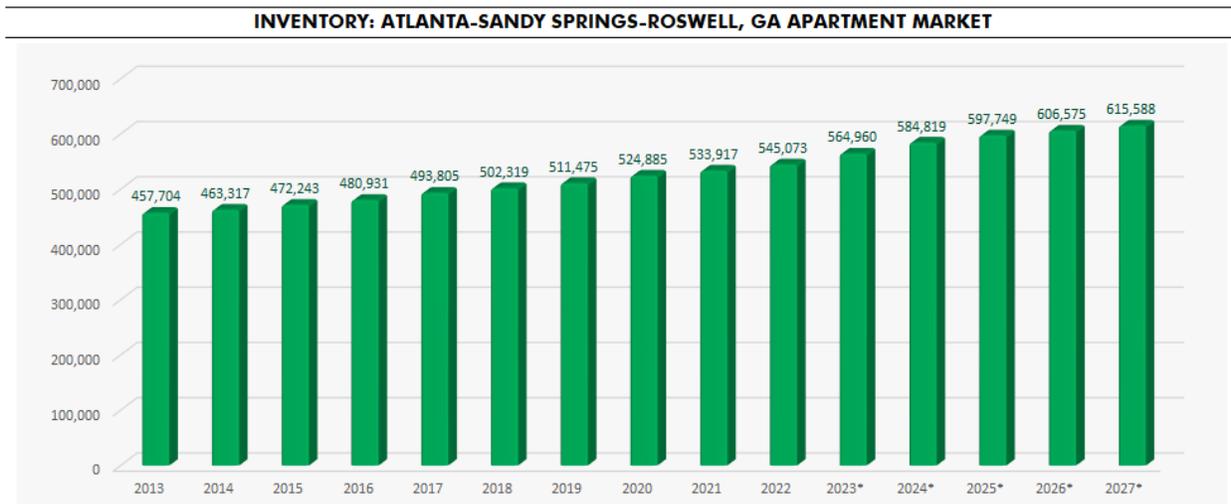
The Atlanta-Sandy Springs-Roswell, GA apartment market consists of approximately 549,504 units of apartment space. The following observations are noted from the table above:

- As of 1st Quarter 2023, there were approximately 513,017 units of occupied apartment space, resulting in an occupancy rate of 93.4% for the metro area. This reflects a decrease from the previous quarter's occupancy of 93.8%, and a small decrease from an occupancy rate of 93.8% from last year.
- The area experienced positive 1,752 units of net absorption for the current quarter. This indicates an improvement from the previous quarter's negative 1,420 units of net

absorption, and an improvement from the negative 6,691 units of net absorption from last year.

- The area had completions of positive 4,674 units for the current quarter, which indicates an increase from the previous quarter’s completions of positive 3,129 units, and indicates a decline from completions of positive 11,328 units from last year.
- The area achieved average effective rent of \$1,684 per unit, which indicates a decrease from the previous quarter’s effective rent of \$1,694 per unit, and a decrease from the effective rent of \$1,694 per unit from last year.

Historical Inventory – Market

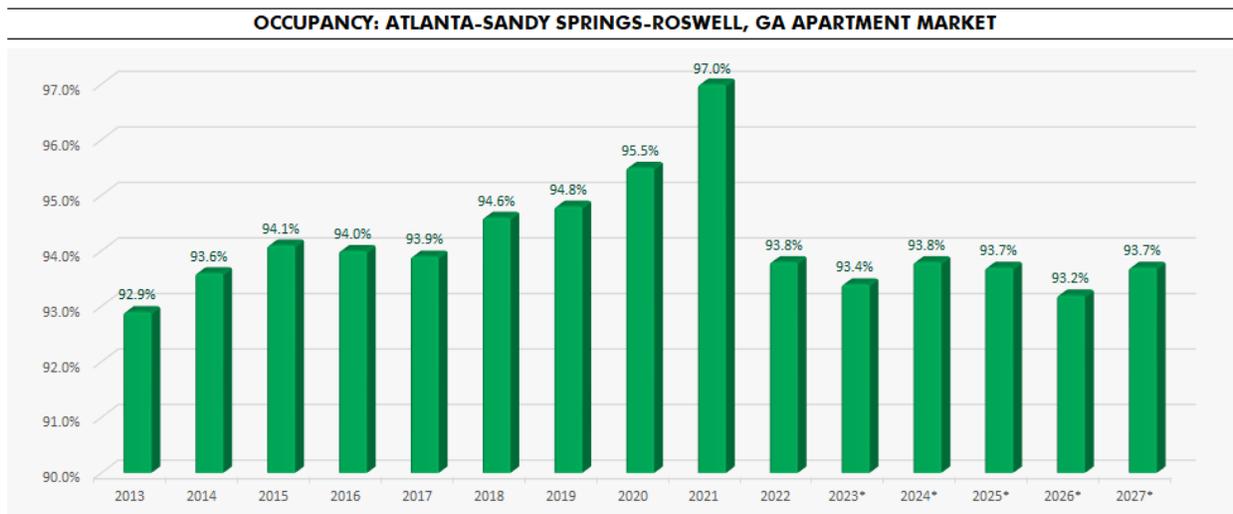


* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

Inventory is projected to be 564,960 units at the end of the current year, which represents an increase from the previous year’s inventory of 545,073 units. Inventory for next year is projected to be 584,819 units, reflecting an increase from the current year.

Historical Occupancy - Market

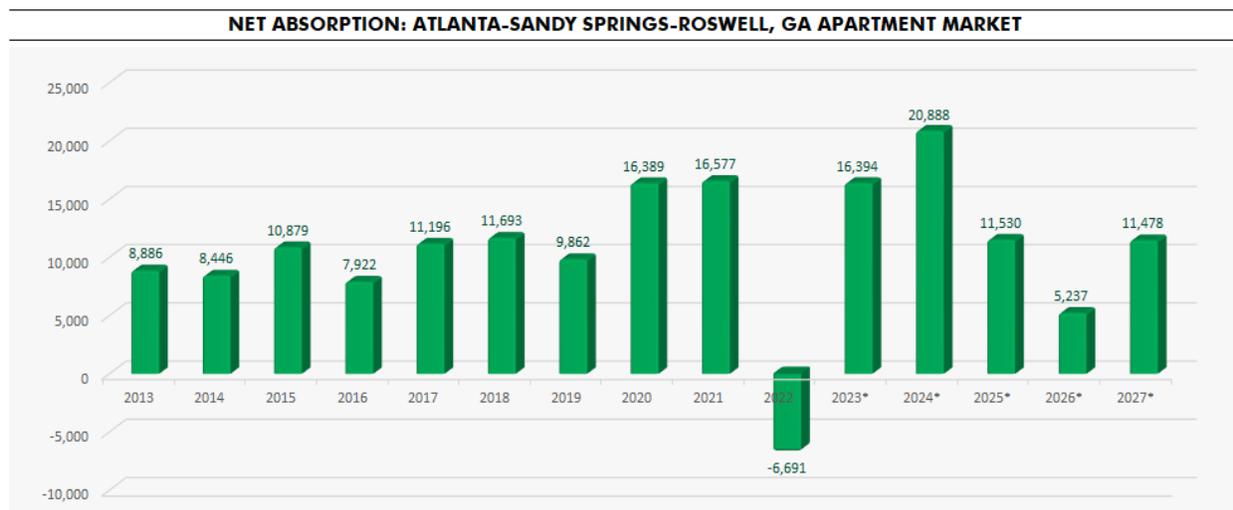


* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

At the end of the current year, the occupancy rate is projected to be 93.4%, which reflects a decrease from the 93.8% occupancy rate at the end of last year. Occupancy for next year is projected to be 93.8%, reflecting an increase from the current year.

Historical Net Absorption - Market

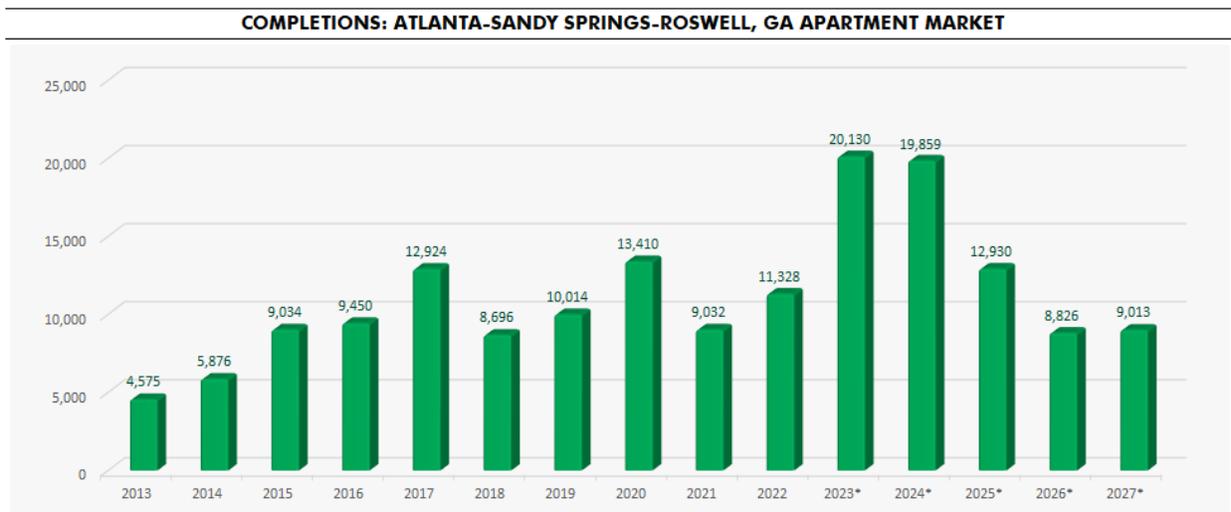


* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

At the end of the current year, the area is projected to experience positive 16,394 units of net absorption, which indicates an improvement from the negative 6,691 units of net absorption for the previous year. The area is projected to experience positive 20,888 units of net absorption as of the end of next year, which indicates an improvement from the current year.

Historical Completions - Market

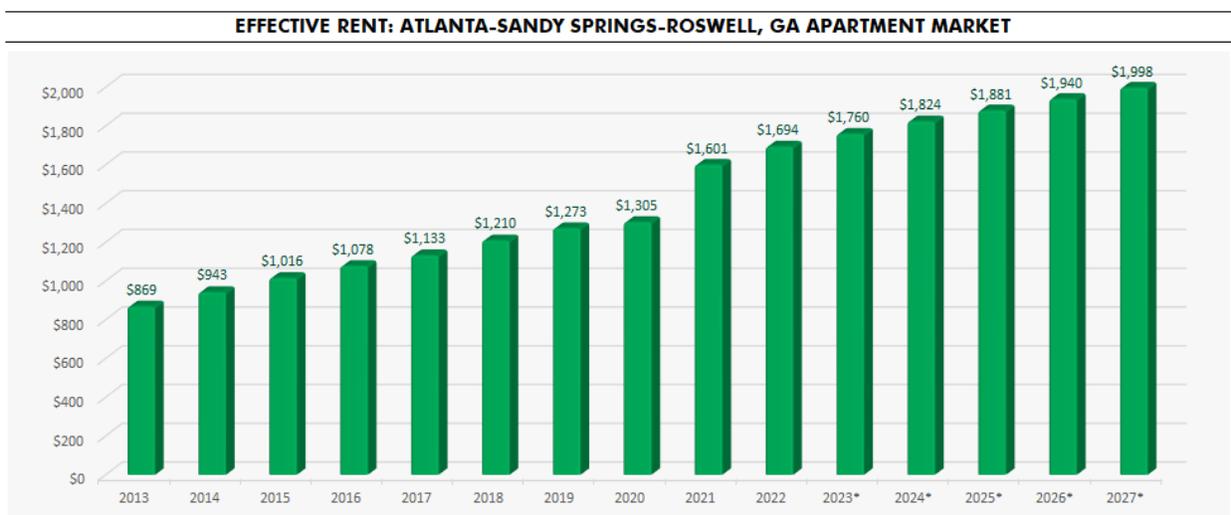


* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

The area is projected to achieve completions of positive 20,130 units for the current year, which indicates an improvement from the previous year’s completions of positive 11,328 units. The area is projected to experience completions of positive 19,859 units as of the end of next year, which indicates a decline from the current year.

Historical Effective Rent - Market



* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

The area is projected to achieve average effective rent of \$1,760 per unit at the end of the current year, which indicates an increase from the previous year’s effective rent of \$1,694 per unit. The area is projected to achieve effective rent of \$1,824 per unit by the end of next year, indicating an increase from the current year.

SUBMARKET SNAPSHOT

The following table summarizes the supply of apartment units for each submarket within the Atlanta-Sandy Springs-Roswell, GA market as of 1st Quarter 2023.

SUBMARKET SNAPSHOT				
Submarket	Inventory (Units)	Completions* (Units)	Effective Rent (\$/Unit / Mo.)	Occupancy
Alpharetta/Cumming	19,198	830	\$1,958	94.3%
Briarcliff	16,187	0	\$1,685	93.9%
Buckhead	26,514	600	\$2,068	92.9%
Chamblee/Brookhaven	16,644	292	\$1,786	94.5%
Clarkston/Tucker	8,948	0	\$1,442	95.4%
Clayton County	19,220	312	\$1,297	92.6%
Decatur	12,728	561	\$1,843	93.3%
Doraville	7,899	320	\$1,485	93.4%
Downtown Atlanta	13,962	309	\$1,941	93.5%
Duluth	14,082	336	\$1,675	93.9%
Dunwoody	8,882	0	\$1,815	92.8%
Far East Atlanta Suburbs	11,715	979	\$1,472	94.3%
Far North Atlanta Suburbs	10,303	712	\$1,625	94.3%
Far South Atlanta Suburbs	12,186	445	\$1,591	93.4%
Far West Atlanta Suburbs	7,701	254	\$1,526	93.0%
Henry County	12,585	228	\$1,607	92.0%
Johns Creek/Suwanee/Buford	10,837	642	\$1,830	94.0%
Kennesaw/Acworth	11,873	372	\$1,690	94.5%
Midtown Atlanta	25,745	1,481	\$2,132	92.9%
Norcross	19,841	83	\$1,486	94.7%
Northeast Atlanta	17,504	208	\$1,870	93.0%
Northeast Cobb/Woodstock	10,013	0	\$1,709	92.8%
Northeast Gwinnett County	13,689	968	\$1,708	94.0%
Roswell	8,615	0	\$1,712	92.7%
Sandy Springs	20,138	0	\$1,753	93.1%
Smyrna	18,980	150	\$1,658	93.0%
South Atlanta	18,847	81	\$1,271	92.9%
South Cobb County/Douglasville	14,458	517	\$1,514	93.4%
South DeKalb County	14,181	240	\$1,304	92.2%
Southeast Atlanta	14,519	1,353	\$1,661	92.7%
Southeast DeKalb County	7,357	0	\$1,444	90.3%
Southeast Gwinnett County	10,133	352	\$1,606	94.5%
Southeast Marietta	14,065	129	\$1,534	93.5%
South Fulton County	15,820	133	\$1,342	92.9%
Southwest Atlanta	9,210	0	\$1,440	92.1%
Stone Mountain	11,266	0	\$1,359	93.2%
Vinings	14,113	218	\$1,835	93.6%
West Atlanta	22,049	355	\$1,828	92.5%
West Marietta	7,497	0	\$1,445	94.3%

*Completions include trailing 4 quarters

Source: Axiometrics, 1st Quarter 2023

Far East Atlanta Suburbs Submarket

Important characteristics of the Far East Atlanta Suburbs apartment market are summarized below:

FAR EAST ATLANTA SUBURBS APARTMENT SUBMARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2013	10,243	0	9,386	91.6%	\$747	4.72%	94
2014	10,431	188	9,657	92.6%	\$769	3.19%	271
2015	10,323	0	9,836	95.3%	\$834	8.36%	179
2016	10,323	0	9,813	95.1%	\$861	3.14%	-22
2017	10,323	0	9,836	95.3%	\$920	7.22%	22
2018	10,365	42	9,917	95.7%	\$1,014	8.63%	82
2019	10,376	11	9,896	95.4%	\$1,049	3.40%	-21
2020	10,376	0	10,068	97.0%	\$1,144	8.66%	171
2021	10,538	162	10,335	98.1%	\$1,377	20.04%	267
Q1 2022	10,736	198	10,406	96.9%	\$1,435	4.17%	73
Q2 2022	11,011	275	10,571	96.0%	\$1,478	2.98%	165
Q3 2022	11,229	218	10,575	94.2%	\$1,478	0.01%	5
Q4 2022	11,448	219	10,786	94.2%	\$1,451	-1.70%	212
2022	11,448	910	10,786	94.2%	\$1,451	4.98%	452
Q1 2023	11,715	267	11,047	94.3%	\$1,472	0.56%	261
Q2 2023*	11,958	243	11,312	94.6%	\$1,526	3.67%	265
Q3 2023*	12,147	189	11,503	94.7%	\$1,541	0.98%	191
Q4 2023*	12,264	117	11,528	94.0%	\$1,524	-1.10%	25
2023*	12,264	816	11,528	94.0%	\$1,524	5.00%	798
2024*	13,031	767	12,301	94.4%	\$1,600	5.00%	768
2025*	13,448	417	12,735	94.7%	\$1,674	4.60%	392
2026*	13,738	290	12,941	94.2%	\$1,745	4.20%	203
2027*	13,994	256	13,252	94.7%	\$1,816	4.10%	310

*Future Projected Data according to Axiometrics
Source: Axiometrics, 1st Quarter 2023

The Far East Atlanta Suburbs apartment submarket consists of approximately 11,715 units of apartment space. The current submarket inventory represents approximately 2.1% of the overall market inventory. The following observations were noted from the table above:

- As of 1st Quarter 2023, there were approximately 11,047 units of occupied apartment space, resulting in an occupancy rate of 94.3% for the submarket. This reflects a small increase from the previous quarter's occupancy of 94.2%, and a small increase from an occupancy rate of 94.2% from last year. The submarket occupancy is above the 93.4% market occupancy.
- The submarket experienced positive 261 units of net absorption for the current quarter. This indicates an improvement from the previous quarter's positive 212 units of net absorption, and a decline from the positive 452 units of net absorption from a year ago. The submarket's current net absorption of positive 261 units is below the overall market net absorption of positive 1,752 units.
- The submarket had completions of positive 267 units for the current quarter, which indicates an increase from the previous quarter's completions of positive 219 units, and an increase from the completions of positive 198 units from last year.

- The submarket achieved average effective rent of \$1,472 per unit, which indicates an increase from the previous quarter’s effective rent of \$1,451 per unit, and an increase from the effective rent of \$1,451 per unit from last year. The submarket’s current effective rent of \$1,472 per unit is below the overall market asking rent of \$1,684 per unit.

Historical Inventory - Submarket

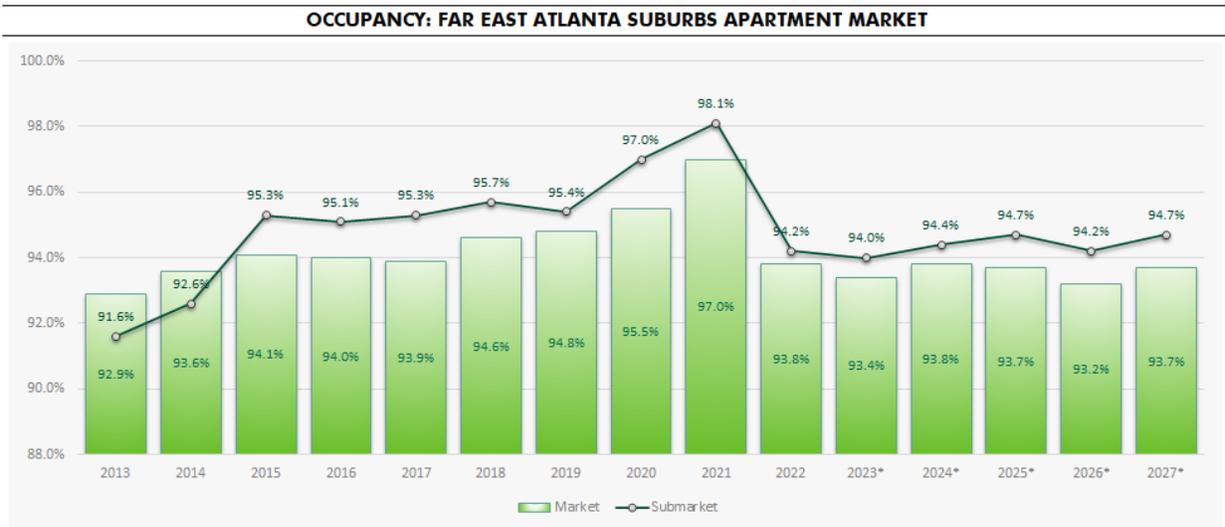


* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

Submarket Inventory is projected to be 12,264 units at the end of the current year, which represents a small increase from the previous year’s submarket inventory of 11,448 units. Inventory for next year is projected to be 13,031 units, reflecting a small increase from the current year.

Historical Occupancy - Submarket



* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

Submarket occupancy is projected to be 94.0% at the end of the current year, which represents a small decrease from the previous year’s submarket occupancy of 94.2%. Submarket occupancy for next year is projected to be 94.4%, reflecting an increase from the current year.

Historical Net Absorption - Submarket



* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

Net absorption in the submarket is projected to be positive 798 units at the end of the current year, reflecting an improvement from the previous year’s net absorption of positive 452 units. Net absorption for next year is projected to be positive 768 units, indicating a decline from the current year.

Historical Completions - Submarket



* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

The submarket is projected to achieve completions of positive 816 units at the end of the current year, which indicates a decline from the previous year’s completions of positive 910 units. The submarket is projecting completions of positive 767 units for next year, which indicates a decline from the current year.

Historical Effective Rent - Submarket



* Future Projected Data according to Axiometrics

Source: Axiometrics, 1st Quarter 2023

The submarket is projected to achieve average effective of \$1,524 per unit at the end of the current year, which represents an increase from the previous year’s effective rent of \$1,451 per unit. The submarket is projected to achieve average effective rent of \$1,600 per unit, reflecting an increase from the current year.

Impact of Foreclosed, abandoned, and vacant, single, and multifamily homes, and commercial properties in the PMA

According to RealtyTrac.com, there are a limited number of foreclosures in the city of Jackson. We observed few abandoned and vacant structures in the subject neighborhood that would impact the marketability of the subject.

DCA funded, proposed, and under construction projects located outside of the PMA but within a reasonable distance from the proposed project.

Based on our research, we did not identify any funded, proposed, or under construction projects located outside of the PMA but within a reasonable distance from the subject that would impact marketability.

Effect of Subject on Other Affordable Units in PMA

As previously mentioned, we do not expect the subject's renovation to impact the long-term success of other affordable units within the subject's PMA given the high occupancy, waiting lists, and low-income demographics, and increasing renter household tenure patterns.

Conclusion

Based on our market research, demographic calculations, and supply analysis, we believe there is adequate demand for the subject. Overall vacancy rates are low in the market and there are no under construction or planned multifamily developments in the PMA. The subject represents an existing LIHTC/USDA RD property that operates with subsidy. It has experienced low vacancy and currently operates with a waiting list. The subsidized properties in the market all reported low vacancy and the presence of waiting lists.

Based on the demand analysis, market data, as well as interviews local property managers and developers, there is demand for affordable housing in the PMA. The subject's proposed LIHTC rents offer a significant advantage over the achievable market rents. We anticipate that the subject and the other existing affordable properties will not negatively impact each other's ability to maintain stabilized occupancy and the subject will continue to have a positive impact on the surrounding neighborhood.

The subject will undergo a substantial renovation and will be similar to superior to most of the comparables in the market. The subject offers an average location within close proximity of shopping, services, and employment. Overall, the property will be considered competitive in this market.

Absorption and Stabilization Rates

We have calculated the absorption to 93% occupancy, per DCA guidelines.

The subject is a proposed renovation of an existing LIHTC/RD property. According to the rent roll, the subject is 94.2% occupied with a waiting list. According to management, there are pending applications for the vacant units. Most of the subject's tenants are expected to remain income qualified post-renovation. Based on the current and historical occupancy, as well as the current waiting list, we have assumed the subject would achieve stabilization upon completion of construction.

If the property were to be 100% vacant with no tenant relocation plan upon completion of construction, we believe the property would achieve a stabilized occupancy within six months considering the low vacancy rates and waiting lists at comparable subsidized properties, as well as the lack of new development occurring in the market.

Interviews

Housing Authority

We contacted the Jackson Housing Authority and the Georgia Department of Community Affairs to determine the number of housing choice vouchers currently in use in Butts County; however, our calls were not returned.

Planning

We spoke with Marjorie Stansell, City Clerk of the City of Jackson, regarding new development in the Jackson area. According to Ms. Stansell, there are no planned, under construction, or newly constructed multifamily developments in the city of Jackson. There are several retail developments including the following:

- Dunkin' Donuts and gas station planned at 717 East 3rd Street
- Tractor Supply under construction at 1631 West 3rd Street
- Dollar General planned at 672 Covington Street
- The second phase of the Garden Walk Subdivision is under construction near 100 Jasmine Drive. The number of new lots was not available. Homes start in the mid-\$200,000s.

Economic Development

We spoke with Bob White, Executive Director of the Butts County Development Authority, regarding business expansion and contraction in the area. According to Mr. White, River Park industrial/commercial development is under construction at Ga. Highway 16 and interstate 75 at Exit 205. River Park was announced last year as the future home of a Proctor & Gamble distribution center. The building alone represents a \$210 million investment in Butts County, not counting the value of the equipment and eventual inventory that will be housed there. Other sites vary in size and are being prepared for buildings as small as 375,000 square feet, up to the largest at 2.25 million. In addition to the industrial part of the development, most of the frontage along Ga. Highway 16 has been sold and will be developed for commercial use, including potential stores, restaurants and more. At completion (2040) – this will be a \$2.07 billion plus premier mixed-use development creating over 10,000 jobs and collecting nearly \$300 million in Real Estate revenue alone.

Conclusions and Recommendations

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The comparable LIHTC properties have an average occupancy rate of 97.9% and the market rate properties have an average occupancy rate of 95.9%. The subject's proposed renovation will allow the subject to continue to compete within the market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market can support the subject and will help fill a void in the market. Based on historical operations, as well as the current market, we expect the subject to maintain an occupancy rate of at least 93%.

Signed Statement Requirements

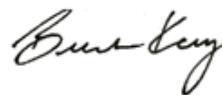
I affirm that I have made a physical inspection of the market area and the subject property, and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and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



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Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

ADDENDA

Addendum A

RENT COMPARABLE DATA SHEETS

Comparable**Residential - Multi-unit Garden****No. 1**

Property Name Indian Springs Apartments
 Address 480 Brownlee Road
 Jackson, GA 30233
 United States

Government Tax Agency Butts
 Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	7	14%	840	\$669	\$0.80
2BR/1BA	44	86%	925	\$772	\$0.83
Totals/Avg	51			\$758	\$0.83

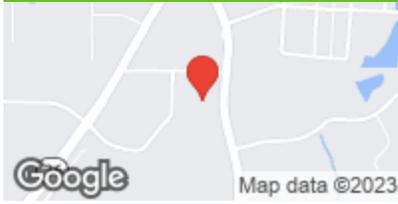
**Improvements**

Land Area	2.670 ac	Status	Existing
Net Rentable Area (NRA)	46,580 sf	Year Built	1974
Total # of Units	51 Unit	Year Renovated	N/A
Average Unit Size	913 sf	Condition	Average
Floor Count	2	Exterior Finish	Vinyl Siding
Property Features	On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	N/A		
Unit Amenities	Dishwasher, Range / Oven, Refrigerator, Tub / Shower Combo, Washer / Dryer Connections		

Rental Survey

Occupancy	98%	Utilities Included in Rent	Trash Removal
Lease Term	6 - 12 Mo(s).	Rent Premiums	None
Tenant Profile	Middle Income Groups	Concessions	None
Survey Date	04/2023	Owner	Billy Beam
Survey Notes	Property Contact: (770) 490-2136	Management	N/A

Map & Comments



This comparable represents a 51-unit garden style property is located off Brownlee Road in Jackson, Georgia. The property, identified as Indian Springs, was developed in 1974 and is currently 98% occupied. The comparable offers one- and two-bedroom floor plans, with an average unit size of 913 square feet. There are no community amenities. Units feature fully equipped kitchens with washer/dryer connections. Units are sub-metered for water and sewer with the tenant responsible for usage. Trash removal is included in the monthly rental rates. No concessions are currently being offered.

Comparable**Residential - Multi-unit Garden****No. 2**

Property Name Walker Street Apartments
 Address 168 Walker Street
 Jackson, GA 30233
 United States

Government Tax Agency Butts
 Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1BA	40	100%	900	\$487	\$0.54
Totals/Avg	40			\$487	\$0.54

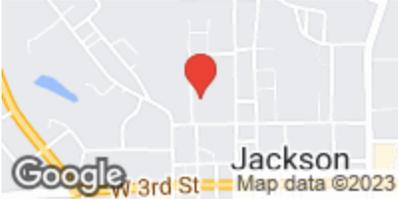
**Improvements**

Land Area	0.270 ac	Status	Existing
Net Rentable Area (NRA)	36,000 sf	Year Built	1970
Total # of Units	40 Unit	Year Renovated	N/A
Average Unit Size	900 sf	Condition	Average
Floor Count	1	Exterior Finish	Brick Veneer
Property Features	Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area		
Unit Amenities	Carpeted Flooring, Dishwasher, Range / Oven, Refrigerator		

Rental Survey

Occupancy	90%	Utilities Included in Rent	None
Lease Term	6 - 12 Mo(s).	Rent Premiums	None
Tenant Profile	Middle Income Groups	Concessions	None
Survey Date	04/2023	Owner	Alice P. Sylvester
Survey Notes	Property Contact: (678) 774-8600	Management	N/A

Map & Comments



This comparable represents a 40-unit garden style property is located off Walker Street in Jackson, Georgia. The property, identified as Walker Street Apartments, was developed in 1970 and is currently 90% occupied. The comparable offers a two-bedroom floor plan with 900 square feet. Community amenities include a grilling area. Units feature fully equipped kitchens. Units are sub-metered for water and sewer with the tenant responsible for usage. No concessions are currently being offered.

Comparable**Residential - Multi-unit Garden****No. 3**

Property Name The Gardens Townhouse Apartments
 Address 1469 North GA-42
 Jackson, GA 30233
 United States

Government Tax Agency Butts
 Govt./Tax ID 00310-006-A00

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/1.5BA	32	47%	1,175	\$716	\$0.61
2BR/1.5BA	36	53%	1,225	\$741	\$0.60
Totals/Avg	68			\$729	\$0.61

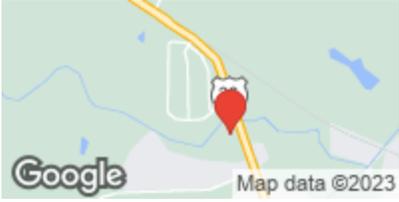
**Improvements**

Land Area	21.708 ac	Status	Existing
Gross Building Area (GBA)	81,700 sf	Year Built	2001
Total # of Units	68 Unit	Year Renovated	2019
Average Unit Size	1,201 sf	Condition	Average
Floor Count	2	Exterior Finish	Vinyl Siding
Property Features	Individual Split Systems, Interior Stairwells, Pitched Roofs, Surface Parking		
Project Amenities	N/A		
Unit Amenities	Black Appliances, Carpeted Flooring, Ceiling Fans, Ceramic Tile Flooring, Dishwasher, Double-Pane Windows, Garbage Disposal, Laminate Countertops, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections, White / Beige Appliances		

Rental Survey

Occupancy	99%	Utilities Included in Rent	Trash Removal
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Middle income groups	Concessions	None
Survey Date	04/2023	Owner	Mark Matheson
Survey Notes	Appraisal	Management	N/A

Map & Comments



This comparable represents a 68-unit garden style property is located off North GA-42 in Jackson, Georgia. The property, identified as The Gardens Townhouse Apartments, was developed in 2001, partially renovated in 2019, and is currently 99% occupied. The comparable offers two-bedroom floor plans, with an average unit size of 1,201 square feet. Units feature fully equipped kitchens, private patio, and washer/dryer connections. Each unit is individually metered for in-unit electric, water, and sewer, with tenants being individually responsible for these expenses based on usage. Trash removal is included in the rental rates. No concessions are currently being offered.

Comparable**Residential - Multi-unit Garden****No. 4**

Property Name Viewpoint Villas
 Address 144 Viewpoint Dr
 Jackson, GA 30233
 United States

Government Tax Agency Butts
 Govt./Tax ID N/A

Unit Mix Detail

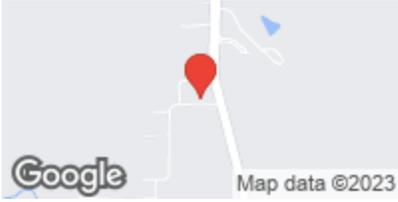
Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
3 Bed 2.5 Bath	55	100%	1,300	\$1,300	\$1.00
Totals/Avg	55			\$1,300	\$1.00

**Improvements**

Land Area	2.750 ac	Status	Existing
Net Rentable Area (NRA)	71,500 sf	Year Built	2007
Total # of Units	55 Unit	Year Renovated	N/A
Average Unit Size	1,300 sf	Condition	Average
Floor Count	2	Exterior Finish	Vinyl Siding
Property Features	Pitched Roofs, Surface Parking		
Project Amenities	N/A		
Unit Amenities	8-Foot Ceilings, Black Appliances, Dishwasher, Microwave Oven, Quartz Countertops, Range / Oven, Refrigerator with Icemaker, Vinyl Flooring		

Rental Survey

Occupancy	94%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed	Concessions	None
Survey Date	04/2023	Owner	N/A
Survey Notes	Property Contact: 678-409-4665	Management	N/A

Map & Comments

This comparable represents a 55-unit townhome style property, located along Viewpoint Drive in Jackson, Georgia. The property, identified as Viewpoint Villas, was built in 2007. Currently, the property is 94% occupied. The comparable is comprised of a three-bedroom floor plan with 1,300 square feet. Current asking rent is \$1,300 per month. No utilities are included in asking rents but are metered for usage. No concessions are currently being offered.

Comparable**Residential - Multi-unit Garden****No. 5**

Property Name 860 Harkness Place
 Address 860 S Harkness St
 Jackson, GA 30233
 United States

Government Tax Agency Butts
 Govt./Tax ID 00320-019-A00

Unit Mix Detail

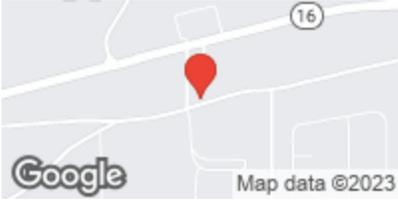
Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2 Bed / 2 Bath	8	100%	1,500	\$1,350	\$0.90
Totals/Avg	8			\$1,350	\$0.90

**Improvements**

Land Area	1.010 ac	Status	Existing
Net Rentable Area (NRA)	N/A	Year Built	2019
Total # of Units	8 Unit	Year Renovated	N/A
Average Unit Size	1,350 sf	Condition	Good
Floor Count	2	Exterior Finish	Brick
Property Features	Surface Parking		
Project Amenities	N/A		
Unit Amenities	Dishwasher, Microwave Oven, Range / Oven, Refrigerator		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Middle Income
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Middle Income Groups	Concessions	None
Survey Date	04/2023	Owner	N/A
Survey Notes	Property Contact: (678) 466-7000	Management	N/A

Map & Comments

This comparable represents an 8-unit townhome property, located in Jackson, Georgia. The property, identified as 860 Harness Place, was developed in 2019. The comparable a two-bedroom floor plan, with a unit size of 1,500 square feet. The site has no community amenities. Units are sub-metered for water and sewer with the tenant responsible for usage. As of the date of this survey, the occupancy is 100%. No concessions are currently being offered.

Property Name Sable Chase
 Address 102 Sable Chase Boulevard
 McDonough, GA 30253
 United States

Government Tax Agency Henry
 Govt./Tax ID 7 156 00 093-0100202

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1 BR/1 BA - 60% AMI	48	21%	781	\$1,025	\$1.31
2 BR/1 BA - 60% AMI	53	24%	857	\$1,221	\$1.42
2 BR/2 BA - 60% AMI	52	23%	968	\$1,402	\$1.45
3 BR/2 BA - 60% AMI	72	32%	1,180	\$1,221	\$1.03
Totals/Avg	225			\$1,221	\$1.26

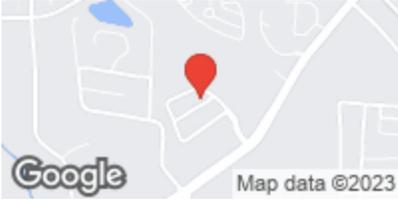


Improvements

Land Area	0.000 ac	Status	Existing
Net Rentable Area (NRA)	216,765 sf	Year Built	1997
Total # of Units	225 Unit	Year Renovated	N/A
Average Unit Size	963 sf	Condition	Good
Floor Count	2	Exterior Finish	Brick Veneer
Property Features	LIHTC (Low Income Housing Tax Credit), Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area, Basketball Court, Clubhouse, Fitness Center, Laundry Facility, Playground, Pool, Tennis Court, Volleyball Court		
Unit Amenities	Black Appliances, Carpeted Flooring, Dishwasher, Laminate Countertops, Microwave Oven, Private Patios / Balconies, Range / Oven, Refrigerator, Tub / Shower Combo, Vinyl Flooring, Washer / Dryer Connections		

Rental Survey

Occupancy	98%	Utilities Included in Rent	Water, sewer, and trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	04/2023	Owner	N/A
Survey Notes	Alicia - 770-954-1254	Management	Davis Property Management

Map & Comments

According to management, less than 10% of the tenants use vouchers. A lengthy waiting list is maintained but the number of households was not available. The rents are set below the maximum allowable levels.

Property Name Greystone Manor
 Address 100 Greystone Drive
 McDonough, GA 30252
 United States

Government Tax Agency Henry
 Govt./Tax ID 108-01030069

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2 BR/2 BA - 50% AMI	18	32%	968	\$1,013	\$1.05
2 BR/2 BA - 60% AMI	23	40%	968	\$1,167	\$1.21
3 BR/2 BA - 50% AMI	7	12%	1,180	\$1,236	\$1.05
3 BR/2 BA - 60% AMI	9	16%	1,180	\$1,425	\$1.21
Totals/Avg	57			\$1,168	\$1.14



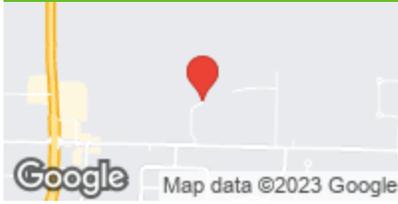
Improvements

Land Area	7.260 ac	Status	Existing
Net Rentable Area (NRA)	58,568 sf	Year Built	1999
Total # of Units	57 Unit	Year Renovated	N/A
Average Unit Size	1,028 sf	Condition	Good
Floor Count	2	Exterior Finish	Brick
Property Features	Exterior Stairwells, Individual Split Systems, LIHTC (Low Income Housing Tax Credit), On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area, Clubhouse, Laundry Facility		
Unit Amenities	8-Foot Ceilings, Black Appliances, Carpeted Flooring, Dishwasher, Double-Pane Windows, Garbage Disposal, Laminate Countertops, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections , White / Beige Appliances		

Rental Survey

Occupancy	95%	Utilities Included in Rent	Water, sewer, and trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	05/2023	Owner	N/A
Survey Notes	Kerrie - 678-583-1812	Management	Davis Property Management

Map & Comments



According to management, the rents are set at the maximum allowable levels. Turnover is about 20% per year and 20 households (36%) are using vouchers. There are pending applications for the three vacant units and management maintains a waiting list of 22 households. The utility allowances are \$94 and \$113 for the two- and three-bedroom units, respectively.

Property Name Poplar Grove
 Address 617 Meriwether Street
 Griffin, GA 30224
 United States

Government Tax Agency Spalding
 Govt./Tax ID 024 02022

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA 30% AMI	N/A	N/A	600	\$464	\$0.77
1BR/1BA 50% AMI	N/A	N/A	600	\$685	\$1.14
1BR/1BA 60% AMI	N/A	N/A	600	\$846	\$1.41
1BR/1BA Market Rate	N/A	N/A	600	\$1,100	\$1.83
2BR/1BA 30% AMI	N/A	N/A	805	\$537	\$0.67
2BR/1BA 50% AMI	N/A	N/A	805	\$780	\$0.97
2BR/1BA 60% AMI	N/A	N/A	805	\$1,015	\$1.26
2BR/1BA Market Rate	N/A	N/A	805	\$1,250	\$1.55
Totals/Avg	0			N/A	N/A



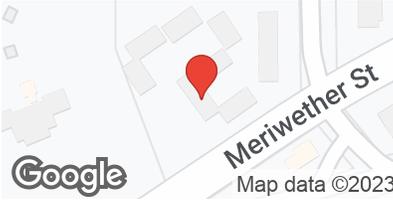
Improvements

Land Area	1.800 ac	Status	Existing
Net Rentable Area (NRA)	25,700 sf	Year Built	1945
Total # of Units	36 Units	Year Renovated	2012
Average Unit Size	714 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	Gated / Controlled Access, Individual Split Systems, Surface Parking		
Project Amenities	Barbeque Area, Business Center, Clubhouse, Fitness Center, Laundry Facility, Playground		
Unit Amenities	Dishwasher, Range / Oven, Refrigerator, Washer / Dryer Connections		

Rental Survey

Occupancy	99%	Utilities Included in Rent	Water, sewer, trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed	Concessions	None
Survey Date	04/2023	Owner	N/A
Survey Notes	Contact: Yashika (678) 688-5388	Management	N/A

Map & Comments



This comparable represents a 36-unit affordable apartment in Griffin, Spalding County, Georgia. The property offers one and two bedroom units with 30%, 50%, and 60% AMI units, as well as market rate units. The manager indicated that the restrictions are floating, and not fixed to specific units, but there are 16 one-bedroom units and 20 two bedroom units. The property's quoted rents include water, and trash removal with tenants responsible for sewer charges.

Cross Street: Merriwether Street & 12th Street
Neighborhood: Central Griffin

Property Name The Oaks at Park Pointe
 Address 420 Park Rd
 Griffin, GA 30224
 United States

Government Tax Agency Spalding
 Govt./Tax ID 024-02-024

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
2BR/2BA - 60% AMI	81	96%	1,143	\$1,141	\$1.00
3BR/2BA - 60% AMI	3	4%	1,672	\$1,257	\$0.75
Totals/Avg	84			\$1,145	\$0.99



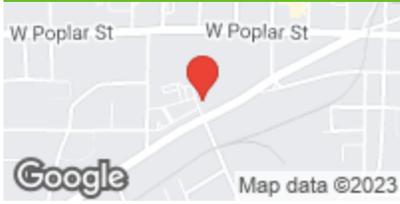
Improvements

Land Area	13.280 ac	Status	Existing
Net Rentable Area (NRA)	N/A	Year Built	2015
Total # of Units	84 Units	Year Renovated	N/A
Average Unit Size	1,162 sf	Condition	Good
Floor Count	2	Exterior Finish	Vinyl Siding
Property Features	N/A		
Project Amenities	Business Center, Clubhouse		
Unit Amenities	Dishwasher, Microwave Oven, Range / Oven, Refrigerator with Icemaker		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	05/2023	Owner	N/A
Survey Notes	Management - 678-324-3939	Management	N/A

Map & Comments



Management provided limited information including the current rents and occupancy rate. The waiting list is closed but the length was not available. Further details were not available.

Addendum B

CLIENT CONTRACT INFORMATION

Proposal and Contract for Services

CBRE, Inc.
4520 Main Street, Suite 600
Kansas City, Missouri 64111
www.cbre.us/valuation

Matthew Hummel, MAI, AI-GRS
Director

March 28, 2023

Laurie Jarvis

TISHCO PROPERTIES

314 N. Patterson Street
Valdosta, GA 31601
Phone: 229.316.2245
Email: laurie.jarvis@fishcollc.com

RE: Assignment Agreement
Multifamily
Heritage Apartments, 812 Brownlee Road
Jackson, GA 30233

Dear Ms. Jarvis:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose:	To estimate the Market Value of the referenced real estate
Premise:	As Is & As Complete
Rights Appraised:	Leased Fee & Fee Simple
Intended Use:	Internal Decision Making purposes and possible submission to DCA.
Intended User:	The intended user is TISHCO PROPERTIES ("Client"), and such other parties and entities (if any) expressly recognized by CBRE as "Intended Users" (as further defined herein).
Reliance:	Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Inspection:	CBRE will conduct a physical inspection of both the interior and exterior of the subject property, as well as its surrounding environs on the effective date of appraisal.
Valuation Approaches:	All applicable approaches to value will be considered.
Report Type:	DCA Appraisal & Market Study [REDACTED]
Appraisal Standards:	USPAP
Appraisal Fee:	[REDACTED]
Expenses:	Fee includes all associated expenses
Retainer:	A retainer is not required for this assignment
Payment Terms:	Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The fee is considered earned upon delivery of the draft report.
Delivery Instructions:	<p>We will invoice you for the assignment in its entirety at the completion of the assignment.</p> <p>CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report.</p> <p>An Adobe PDF file via email will be delivered to laurie.jarvis@tishcollc.com. The client has requested No (0) bound final copy (ies).</p>
Delivery Schedule:	
Preliminary Value:	Not Required
Draft Report:	Not Required
Final Report:	On or before 5 weeks
Start Date:	The appraisal process will start upon receipt of your signed agreement, the retainer, and the property specific data.
Acceptance Date:	These specifications are subject to modification if this proposal is not accepted within three business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Matthew Hummel, MAI, AI-GRS
Director
As Agent for CBRE, Inc.
T: 816.968.5891
matt.hummel@cbre.com

AGREED AND ACCEPTED

FOR TISHCO PROPERTIES ("CLIENT"):

Laurie Jarvis
Signature

3/28/23
Date

Laurie Jarvis
Name

Director of Development
Title

209-316-2245
Phone Number

laurie.jarvis@tishco11c.com
E-Mail Address

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred (including travel expenses to and from the job site), with a minimum charge of \$500. Additional copies of the Appraisal Reports are available at a cost of \$250 per original color copy and \$100 per photocopy (black and white), plus shipping fees of \$30 per report.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship

between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, APPRAISER DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY APPRAISAL REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE EVEN IF KNOWN TO APPRAISER. Furthermore, the conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT

APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.
17. Furthermore, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any Damages claimed by any user or recipient of the Appraisal Report, whether or not an Intended User, (iii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iv) an actual or alleged violation of applicable law by an Intended User (including, without limitation, securities laws) or the negligent or intentional acts or omissions of an Intended User (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.
18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

Proposal and Contract for Services

SPECIFIC PROPERTY DATA REQUEST

In order to complete this assignment under the terms outlined, CBRE, Inc., Valuation & Advisory Services, will require the following specific information for the property:

1. PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.

Right-click to select data request list

If any of the requested data and information is not available, CBRE, Inc., reserves the right to extend the delivery date by the amount of time it takes to receive the requested information or make other arrangements. Please have the requested information delivered to the following:

Matthew Hummel, MAI, AI-GRS
Director
matt.hummel@cbre.com
CBRE, Inc.
Valuation & Advisory Services
4520 Main Street, Suite 600
Kansas City, Missouri 64111

Addendum C

QUALIFICATIONS

Matt Hummel, MAI, AI-GRS

Director, Kansas City, MO

CBRE



T +1 816.968.5891
M +1 816.304.2519
Matt.Hummel@cbre.com

4520 Main Street
Suite 600
Kansas City, MO 64111

Experience

Matt Hummel, MAI, AI-GRS, is a Director and Practice Leader for the CBRE Valuation & Advisory Services National Affordable Group. Mr. Hummel and his team of experienced and specialized appraisal professionals provide comprehensive valuations on complex real estate. Products and services offered extend beyond real property valuation and include market/feasibility studies, Rent Comparability Studies, consulting services, site inspections and due diligence support.

Mr. Hummel has extensive experience and specializes in performing market feasibility studies, appraisals, and consulting services for a broad cross-section of clients in the low-income housing tax credit industry, including developers, lenders, syndicators and state agencies at the national level. Additional areas of expertise include the valuation and analysis of USDA Rural Development properties and those applying for FHA financing through U.S. Department of Housing and Urban Development's MAP program.

Prior to joining CBRE, Mr. Hummel was a manager at Novogradac & Company LLP.

Professional Affiliations/ Accreditations

Appraisal Institute Designated Member (MAI)

State of Kansas Certified General Real Estate Appraiser No. G-2959
State of Arizona Certified General Real Estate Appraiser No. 1005370
State of California Certified General Real Estate Appraiser No. 3002505
State of Missouri Certified General Real Estate Appraiser No. 2014030618
State of Texas Certified General Real Estate Appraiser No. TX1380146-G
State of Illinois Certified General Real Estate Appraiser No. 553.002534
State of Iowa Certified General Real Estate Appraiser No. CG03581
State of Georgia Certified General Real Estate Appraiser No. 394283
State of New York Certified General Real Estate Appraiser No. 46000053122
State of New Jersey Certified General Real Estate Appraiser No. 42RG00277700
State of South Carolina Certified General Real Estate Appraiser No. 7974
State of North Carolina Certified General Real Estate Appraiser No. A8555
State of Virginia Certified General Real Estate Appraiser No. 4001017803
State of Kentucky Certified General Real Estate Appraiser No. 5566
State of Tennessee Certified General Real Estate Appraiser No. 5994
State of Connecticut Certified General Real Estate Appraiser No. RCG.0002066

Education

Rockhurst University – Kansas City, Missouri

- Master of Business Administration - Concentration in Management and International

University of Missouri-Columbia, Missouri

- Bachelor of Business Administration - Finance and Banking

Speaking Engagements

Mississippi Housing Corporation Panel Speaker
Indiana Housing Corporation Panel Speaker
Washington Housing Conference Panel Speaker



VALUATION & ADVISORY SERVICES / PITTSBURGH, PA

Brendan J. Kelly

Senior Appraiser, Pittsburgh

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M +1 412 849 2148

E brendan.j.kelly@cbre.com

Licenses:

Pennsylvania, GA004548

Ohio, ACG 2020000829

West Virginia, CG2802

Pro Affiliations / Accreditations

- Candidate for Designation, Appraisal Institute
- Western Pennsylvania Chapter of the Appraisal Institute

Education

- Pennsylvania State University

Professional Experience

Mr. Brendan Kelly is a Senior Appraiser within the CBRE Valuation & Advisory Services team located in our Midwest Division. Mr. Kelly has over 15 years of multifamily valuation and consulting experience. He has completed appraisals, market studies, rent comparability studies, and expense analyses in 40 states nationwide for a variety of financial institutions, developers, state agencies, and HUD. Mr. Kelly specializes in affordable multifamily housing and has completed assignments for Low Income Housing Tax Credit, Section 8, HOME, USDA Rural Development, public housing, market rate, and mixed-income properties. He has knowledge and experience with various financing programs, including conventional financing, Fannie Mae, Freddie Mac, and HUD Multifamily Accelerated Processing (MAP).

MELISSA BLAKELY, MAI

Vice President, Atlanta

CBRE



T 404.812.5075
Melissa.Blakely@cbre.com

3280 Peachtree Road NE
Suite 1400
Atlanta, GA 30305

Experience

Melissa currently holds the position of Vice President of Valuation and Advisory Services in the Atlanta office of CBRE. Her primary focus is on the valuation of multi-housing properties including affordable housing facilities including LIHTC, Section 8/PBRA, and RAD programs, as well as student housing, and conventional apartment properties.

Prior to joining CBRE, Melissa was in the valuation group at Novogradac & Company, LLP, worked with the Affordable Housing Program at the Federal Home Loan Bank in Atlanta, and worked as a financial analyst for a LIHTC developer in Georgia (Meridian Housing). Melissa received her Bachelors in business management from Georgia Institute of Technology and her MBA in real estate finance from the Emory University. She is a designated member of the Appraisal Institute and certified general real property appraiser in Georgia, Tennessee, South Carolina, North Carolina, Alabama and Mississippi.

Professional Affiliations / Accreditations

Completed three-hundred hours of specialized education required for Certified General Real Property Appraiser classification. In addition, Melissa has completed all advanced education required for MAI designation, including: Advanced Income Capitalization, Advanced Sales Comparison and Cost Approaches, and Advanced Applications.

Designated Member, (MAI), Certification No. 345527

Certified Property Appraiser in:

- Georgia
- Tennessee
- South Carolina
- North Carolina
- Alabama
- Mississippi

Education

Emory University, Master of Business Administration, Real Estate Finance

Georgia Institute of Technology, Bachelor of Science, Management

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

MELISSA K BLAKELY
345527

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

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MELISSA K BLAKELY

345527
Status ACTIVE

END OF RENEWAL
03/31/2024

CERTIFIED GENERAL REAL PROPERTY
APPRAISER

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
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229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



LYNN DEMPSEY
Real Estate Commissioner

1352110643451230

MELISSA K BLAKELY

345527
Status ACTIVE

END OF RENEWAL
03/31/2024

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LYNN DEMPSEY
Real Estate Commissioner

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