



**BOWEN
NATIONAL
RESEARCH**

Market Feasibility Analysis

Carmichael Commons II
Southeast of Eatonton Road & Carmichael Road
Madison, Morgan County, Georgia 30650

Prepared For

Mr. Denis Blackburne
Woda Cooper Companies, Incorporated
Carmichael Commons II LLC (developer)
50 Meeting Street, Suite D
Savannah, Georgia 31401

Effective Date

May 5, 2023

Job Reference Number

23-247 JW

A. Table of Contents

Section	Contents	Page(s)
A.	Table of Contents	A-1
B.	Executive Summary	B-1 to 7
C.	Project Description	C-1 & 2
D.	Site Evaluation	D-1 to 12
E.	Market Area	E-1 to 3
F.	Community Demographic Data	F-1 to 5
G.	Employment Trend	G-1 to 7
H.	Affordability & Demand Analysis	H-1 to 6
I.	Competitive Rental Analysis	I-1 to 26
J.	Absorption & Stabilization Rates	J-1
K.	Interviews	K-1
L.	Conclusions & Recommendations	L-1
M.	Signed Statement Requirements	M-1
	Addendum A – Field Survey of Conventional Rentals	A-1 to 7
	Addendum B – Comparable Property Profiles	B-1 to 11
	Addendum C – Market Study Representation	C-1
	Addendum D – Qualifications	D-1 to 3
	Addendum E – Market Analyst Certification Checklist	E-1 to 4
	Addendum F – Methodologies, Disclaimers & Sources	F-1 to 3

Section B – Executive Summary

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

1. Project Description:

Carmichael Commons II involves the new construction of 40 single-family rental homes southeast of the intersection of Eatonton Road and Carmichael Road in Madison. The project will target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the LIHTC program. A total of four units will operate as unrestricted market-rate and none of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by September 2025. Note that the first phase of the subject project, Carmichael Commons, has yet to break ground. Additional details regarding the proposed project are included in Section C of this report.

2. Site Description/Evaluation:

The subject project is located within a predominantly undeveloped area in the southern portion of Madison. Surrounding land uses include single-family homes, a church, local businesses and undeveloped land, with existing structures observed to be in fair to good condition. Visibility of the subject development will be obstructed from State Route 24/U.S. Highways 129/441, arterial roadway that consists of moderate traffic patterns utilized to access the site neighborhood and, as such, promotional marketing is recommended to be utilized along this arterial and throughout the market area to increase the subject's awareness during the initial lease-up period. Access to and from the site is considered good, as it is within 1.6 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. The site is located within 1.0 mile of most community services including retailers, employment opportunities, grocery stores, pharmacies, banks and discount department stores. Overall, the site's location and proximity to community services is expected to have a positive impact on its marketability.

3. Market Area Definition:

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

4. Community Demographic Data:

The population base and households within the Madison Site PMA have experienced positive growth since 2000. These trends are projected to remain positive through 2025, increasing by 453 (1.7%) and 218 (2.1%), respectively, from 2023. While senior households ages 65 and older are projected to experience the majority of this growth during this time frame, nearly 64.0% of all households within the market are projected to be under the age of 65 in 2025. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project. Additional demographic data is included in Section F of this report.

5. Economic Data:

Based on data provided by the State of Georgia Department of Labor, the Morgan County economy experienced consistent growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, similar to many communities throughout the state and nation. During this time, the Morgan County employment base declined by approximately 340 jobs, or 3.7%, and its unemployment rate increased by over two percentage points. On a positive note, the county's employment base has since recovered all of the jobs lost in 2020 and annual unemployment has decreased to a rate of 3.0% through February 2023 and is lower than pre-pandemic levels. These are good indications that the Morgan County economy has fully recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market. Additional economic data is included in Section G of this report.

6. Project-Specific Affordability and Demand Analysis:

Typically, under the methodology utilized in this report, overall capture rates below 30% are acceptable, while capture rates under 20% are ideal. As such, the project's overall LIHTC-only capture rate of 22.0% is considered achievable and demonstrates that a good base of potential income-eligible renter support exists for the subject project's affordable units. This is especially true, given the high occupancy rates among the existing LIHTC properties surveyed in the Site PMA. Note that the four market-rate units proposed at the subject site have a capture rate of 0.7%, which is considered very low and easily achievable. The subject's *overall* capture rate is **5.7%** ($40 / 704 = 5.7\%$).

7. Competitive Rental Analysis

Tax Credit

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Carmichael Commons II	2025	36*	-	-	-	Families; 50% & 60% AMHI
1	Canaan Crossing	2022	60	100.0%	3.1 Miles	219 HH	Families; 50% & 60% AMHI
9	Mary-Leila Lofts	2014	71	95.8%	20.1 Miles	None	Families; 50% & 60% AMHI
10	Orchard Grove Apts.	2004	60	100.0%	0.5 Miles	36 Months	Families; 50% & 60% AMHI
906	Skyline Trace	2010	59*	100.0%	26.2 Miles	None	Families; 50% & 60% AMHI
907	Wellington Ridge	2002	220	100.0%	23.1 Miles	None	Families; 60% AMHI

OCC. – Occupancy

HH – Households

900 series Map IDs are located outside Site PMA

*Tax Credit units only

The five LIHTC projects have a combined occupancy rate of 99.4% (a result of only three vacant units), a very strong rate for rental housing. Notably, four of these development are fully occupied, two of which maintain extensive waiting lists and are located within the *market*, illustrating that pent-up demand exists for additional affordable rental housing within the market and region. The subject project will be able to accommodate a portion of this unmet demand.

The newest comparable LIHTC community in the market, Canaan Crossing (Map ID 1), opened in October 2022 and was 100.0% occupied in November 2022, according to management. This yields an absorption rate of approximately 30 units per month, a very high rate for affordable rental housing. It is also important to point out that 42 units were preleased before opening (preleasing began in April 2022). This illustrates that this type of rental product has been very well received within the Site PMA and will bode very well in the demand of the subject units.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Carmichael Commons II	\$735/50% (1) \$855/60% (3)	\$886/50% (4) \$1,026/60% (14)	\$1,024/50% (3) \$1,179/60% (11)	-
1	Canaan Crossing	\$627/50% (2/0) \$627/60% (6/0)	\$732/50% (6/0) \$732/60% (26/0)	\$806/50% (4/0) \$806/60% (16/0)	None
9	Mary-Leila Lofts	\$550/50% (3/0) \$676/60% (11/1)	\$649/50% (8/0) \$800/60% (29/1)	\$737/50% (4/0) \$911/60% (16/1)	None
10	Orchard Grove Apts.	-	\$740/50% (24/0) \$740/60% (12/0)	\$862/50% (16/0) \$862/60% (8/0)	None
906	Skyline Trace	\$833/50% (3/0) \$883/60% (3/0)	\$944/50% (10/0) \$1,004/60% (19/0)	\$1,044/50% (8/0) \$1,089/60% (16/0)	None
907	Wellington Ridge	\$1,102/60% (70/0)	\$1,317/60% (122/0)	\$1,630/60% (28/0)	None

900 series Map IDs are located outside Site PMA

The proposed subject gross rents, while within the range of rents offered at the comparable LIHTC projects for similar unit types within the region, they are well above those offered at the comparable affordable developments within the *market*. As noted, these comparable projects located outside of the market are within the cities of Monroe and Covington. Although these areas are much larger than Madison in terms of total population, they are generally socioeconomically less affluent than Madison in terms of median gross rent, median household income and/or median home value. Therefore, it is likely that LIHTC rents slightly lower if not similar to those offered at these projects outside of the market are achievable within the Madison Site PMA. Additionally, given the fact that nearly all LIHTC properties within the *market* are fully occupied and maintain extensive waiting lists, illustrates that these properties could charge higher rents without having an adverse impact on their marketability. It is also important to point out that the two comparable LIHTC projects within the Site PMA that maintain extensive waiting lists are charging similar rents for their bedroom types, regardless of targeted income level. This is also an indication that these developments are underachieving their rent potential, especially for those units set aside at 60% of AMHI. Additionally, the subject's newness, superior design (single-family rental homes) and larger unit sizes (square feet) will further enable the site to charge higher rents. Lastly, while not selected for this analysis due to differences in target population,

we surveyed one age-restricted LIHTC project within the market, Silver Lakes Court (Map ID 12), that is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject’s proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Based on other market parameters illustrated within this report, it is believed that the proposed LIHTC rents at the site are achievable.

Market Rate

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

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Carmichael Commons II	2025	4*	-	-	-
2	Concord Townhomes	1985	24	91.7%	2.4 Miles	None
5	Jefferson Ridge Townhomes	2000	22	100.0%	2.1 Miles	None
7	Madison Square	2000	58	100.0%	0.4 Miles	None
904	Leaf Stone	2001	232	99.6%	27.1 Miles	None
905	Park View	1993 / 2010	100	97.0%	26.0 Miles	None

900 series Map IDs are located outside Site PMA

*Market-Rate units only

The five selected market-rate projects have a combined total of 436 units with an overall occupancy rate of 98.6%, a very strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development. In fact, two of the market-rate rental communities surveyed within the *market* are fully occupied, illustrating that pent-up demand exists for additional market-rate rental units within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject project will be at least 25 years newer than the comparable market-rate properties surveyed within the *market*. This will position the subject project at a significant competitive advantage.

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	-	\$1,251 (2)	\$1,414 (2)
2	Concord Townhomes	-	\$1,563-\$1,663 (24/2)	-
5	Jefferson Ridge Townhomes	-	\$1,663-\$1,713 (22/0)	-
7	Madison Square	\$1,383 (1/0)	\$1,414 (48/0)	\$1,549 (9/0)
904	Leaf Stone	\$1,538 (72/0)	\$1,784 (124/1)	\$1,959 (36/0)
905	Park View	\$1,333 (10/2)	\$1,514-\$1,564 (55/1)	\$1,799 (35/0)

900 series Map IDs are located outside Site PMA

The proposed subject gross market-rate rents will be well below the rents offered at the selected market-rate properties surveyed within the market and region. This will position the site at a competitive advantage.

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

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2025 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2025.

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

Based on our analysis, it is our opinion that the 36 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 94.0% in less than four months. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month. It is anticipated that the four market-rate units at the site will stabilize within the first month of completion.

These absorption projections assume a September 2025 opening date. An earlier/later opening date may have a slowing impact on the project's initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of voucher support the subject development ultimately receives.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 40 Tax Credit and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Madison rental housing market is performing extremely well, as evidenced by the overall rental market occupancy rate of 99.0%. In fact, nearly all surveyed properties are fully occupied, illustrating that significant pent-up demand exists for all types of rental housing within the Madison Site PMA. As such, the proposed Tax Credit and market-rate units at the subject site will help alleviate a portion of this unmet demand. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that nearly all of the comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), experienced an absorption rate of approximately 30 units per month, a very rapid rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA.

The overall required capture rates of 0.7% and 22.0% for the subject's market-rate and LIHTC units, respectively, are considered achievable, demonstrating that a good base of potential income-appropriate renter support exists for the subject project within the Madison Site PMA. The subject's **overall** capture rate is **5.7%**.

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

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

Development Name:	Carmichael Commons II	Total # Units:	40
Location:	Eatonton & Carmichael Roads, Madison, GA 30650	# LIHTC Units:	36
PMA Boundary:	Morgan County line and the Oconee National Forest to the north; Cunningham Road, Siloam town limits, State Route 15/77 and White Plains town limits to the east; White Plains-Veazey Road, Leslie Mill Road, Walker Church Road, Wrightsville Church Road, Lake Oconee Parkway, Landing Parkway and the Morgan County line to the south; and the Morgan County line to the west.		
	Farthest Boundary Distance to Subject:		27.4 miles

RENTAL HOUSING STOCK (found on pages I-1, 2, 6 & 14)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	12	524	5	99.0%
Market-Rate Housing	3	104	2	98.1%
Assisted/Subsidized Housing not to include LIHTC	3	128	0	100.0%
LIHTC	6	292	3	99.0%
Stabilized Comps	6	295	5	98.3%
Properties in Construction & Lease Up	0	-	-	-

Subject Development					Achievable Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1	One-Br.	1.0	950	\$605	\$1,210	\$1.27	50.0%	\$1,405	\$1.72
3	One-Br.	1.0	950	\$725	\$1,210	\$1.27	40.1%	\$1,405	\$1.72
4	Two-Br.	1.5	1,300	\$725	\$1,410	\$1.08	48.6%	\$1,620	\$1.51
14	Two-Br.	1.5	1,300	\$865	\$1,410	\$1.08	38.7%	\$1,620	\$1.51
2	Two-Br.	1.5	1,300	\$1,090	\$1,410	\$1.08	22.7%	\$1,620	\$1.51
3	Three-Br.	2.0	1,500	\$830	\$1,570	\$1.05	47.1%	\$1,760	\$1.36
11	Three-Br.	2.0	1,500	\$985	\$1,570	\$1.05	37.3%	\$1,760	\$1.36
2	Three-Br.	2.0	1,500	\$1,220	\$1,570	\$1.05	22.3%	\$1,760	\$1.36

CAPTURE RATES (found on page H-5)

Targeted Population	30%	50%	60%	Market-rate	Overall LIHTC	Overall Project
Capture Rate		5.9%	19.7%	0.7%	22.0%	5.7%

Section C - Project Description

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

The subject project involves the new construction of the 40-unit Carmichael Commons II rental community southeast of the intersection of Eatonton Road and Carmichael Road in Madison, Georgia. The project will target family (general-occupancy) households earning up to 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. A total of four units will operate as unrestricted market-rate and none of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by September 2025. Note that the first phase of the subject project, Carmichael Commons, has yet to break ground. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
1	One-Br.	1.0	SFH	950	50%	\$605	\$130	\$735	\$740
3	One-Br.	1.0	SFH	950	60%	\$725	\$130	\$855	\$888
4	Two-Br.	1.5	SFH	1,300	50%	\$725	\$161	\$886	\$888
14	Two-Br.	1.5	SFH	1,300	60%	\$865	\$161	\$1,026	\$1,066
2	Two-Br.	1.5	SFH	1,300	Market	\$1,090	\$161	\$1,251	-
3	Three-Br.	2.0	SFH	1,500	50%	\$830	\$194	\$1,024	\$1,026
11	Three-Br.	2.0	SFH	1,500	60%	\$985	\$194	\$1,179	\$1,231
2	Three-Br.	2.0	SFH	1,500	Market	\$1,220	\$194	\$1,414	-
40	Total								

Source: Woda Cooper Companies, Inc.

AMHI – Area Median Household Income (Morgan County, GA HUD Metro FMR Area; 2022)

SFH – Single-Family Home

Building/Site Information	
Residential Buildings:	40 one- & two-story buildings
Building Style:	Single-family homes
Community Space:	Stand-alone building
Acres:	14.7

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	July 2024
Begin Preleasing:	April 2025
Construction End:	September 2025

Unit Amenities		
• Electric Range	• Microwave	• Composite Flooring
• Refrigerator	• Washer/Dryer Hookups	• Window Blinds
• Garbage Disposal	• Central Air Conditioning	• Ceiling Fans
• Dishwasher	• Patio	• Parking Pad (2 Spaces Per Unit)

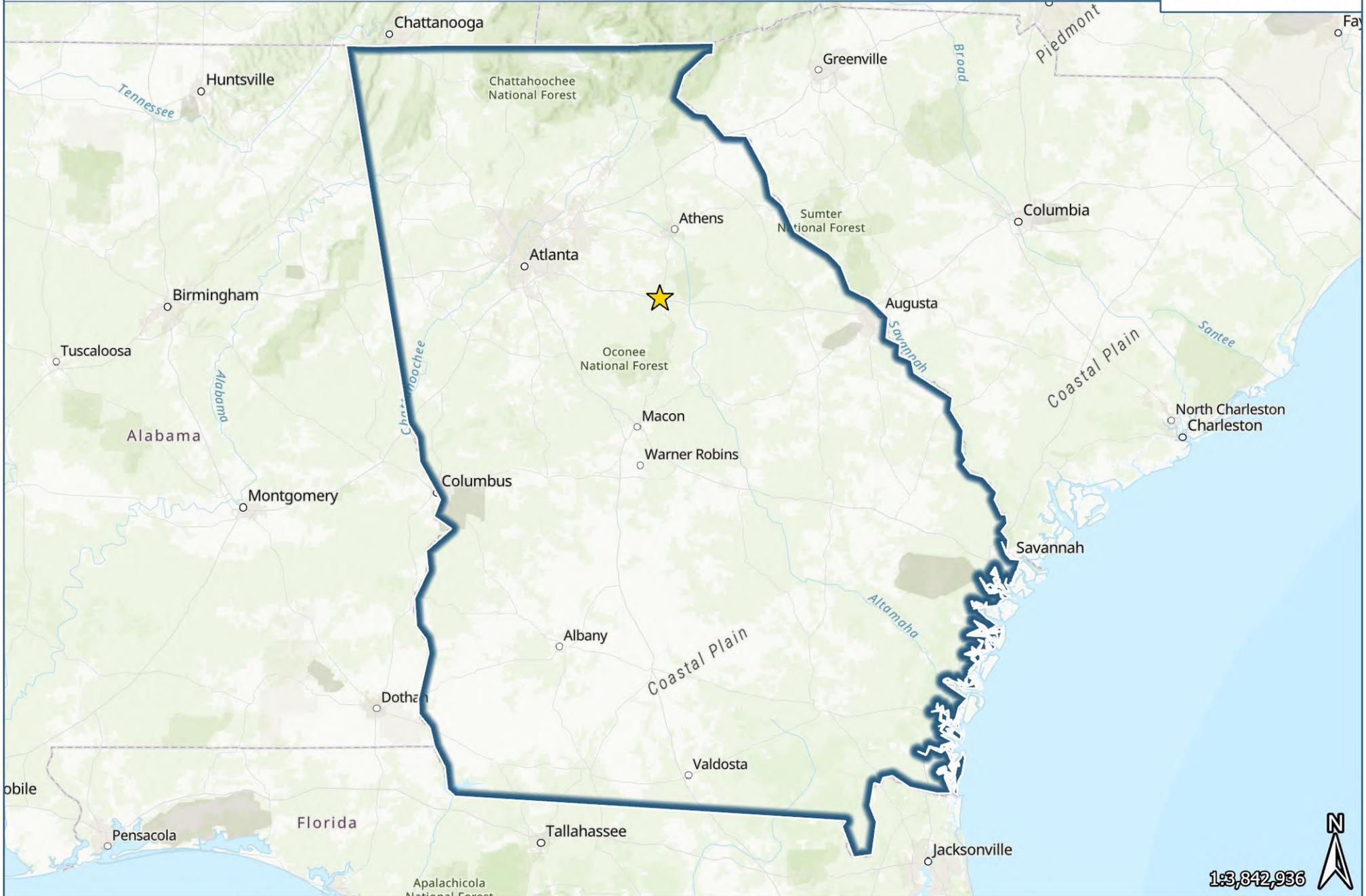
Community Amenities

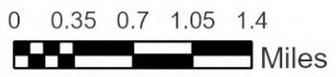
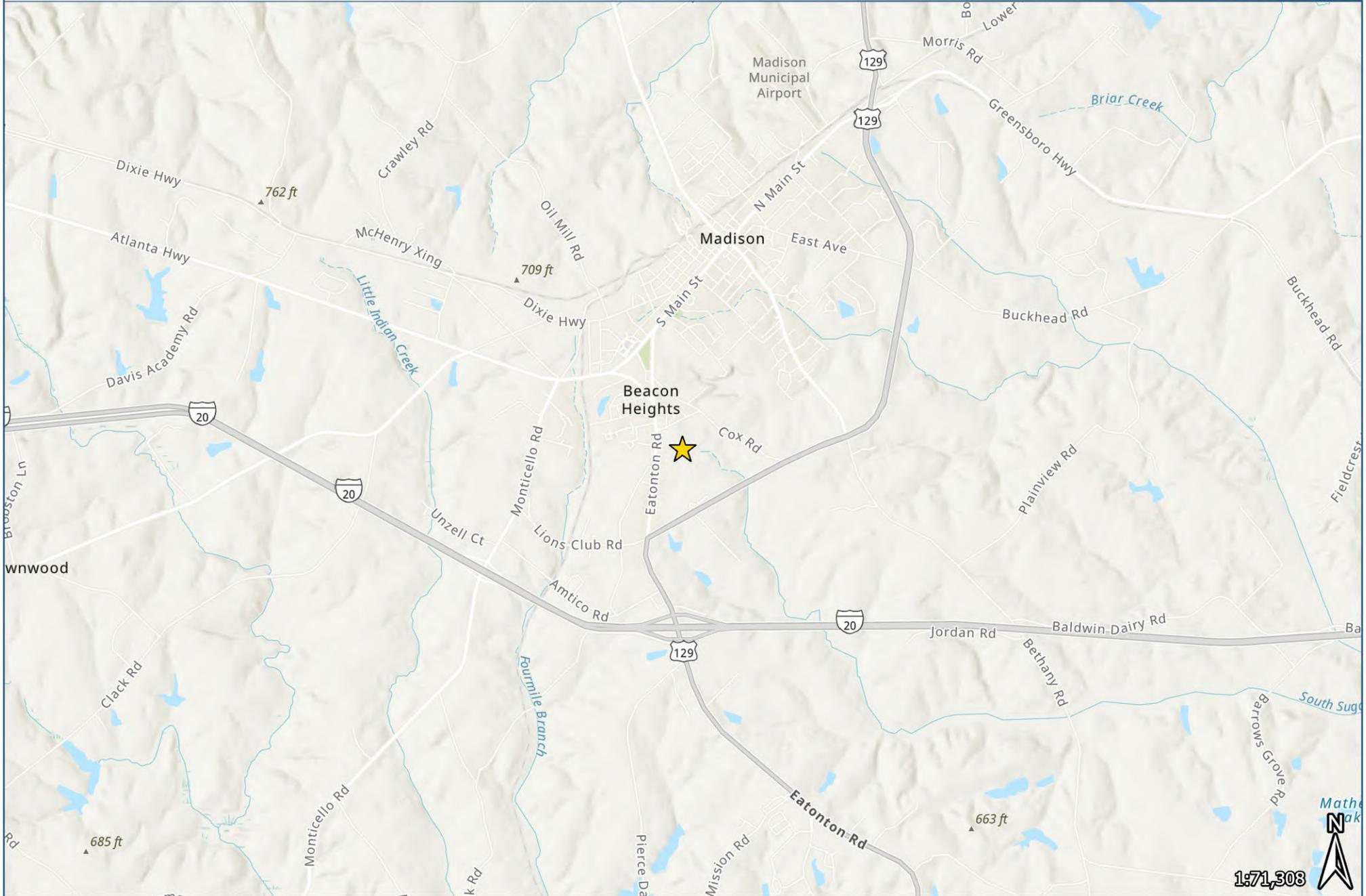
- Bike Racks/Storage
- On-Site Management
- Gazebo/Pavilion
- CCTV/Cameras
- Business/Computer Center
- Common Area Wi-Fi
- Grilling Area
- Clubhouse/Community Room
- Common Patio/Porch
- Laundry Room

Utility Responsibility

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

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







Section D – Site Evaluation

1. LOCATION

The subject site consists of undeveloped land located along Carmichael Road in the southern portion of Madison, Georgia. Located within Morgan County, Madison is approximately 28.0 miles south of Athens, Georgia and approximately 59.0 miles east of Atlanta, Georgia. Jonathan Kabat, an employee of Bowen National Research, inspected the site and area apartments during the week of April 18, 2023.

2. SURROUNDING LAND USES

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

North -	Directly north of the site are wooded land, a single-family home and the Beacon Heights Baptist Church, with existing structures in satisfactory condition. Carmichael Road, a two-lane lightly traveled roadway, immediately follows these land uses, with single-family homes in good condition continuing north. Undeveloped land extends farther north.
East -	Directly east of the site is undeveloped land (future location of Carmichael Commons I), followed by single-family homes in fair to good condition. Undeveloped land continues and extends farther east.
South -	Directly south of the site is undeveloped land, which continues south to the Morgan Medical Center along the U.S. Highway 129 Bypass, a four-lane divided arterial. Extending beyond this highway are local businesses and additional undeveloped land. Directly southwest of the site is the Beacon Heights shopping center.
West -	Directly west of the site are wooded land, Car Bliss, Plainview Storage Units and additional local businesses, immediately followed by Eatonton Road/State Route 24/U.S. Highways 129/144, a two-lane arterial with a center turn lane that consists of moderate traffic patterns. Continuing west are Ingles Market, undeveloped land, and Orchard Grove Apartments and Madison Square (Map IDs 10 and 7, respectively). Farther west is wooded land.

The site is located within a predominantly undeveloped area of Madison, surrounded by single-family homes, a church, local businesses and undeveloped land. All existing structures within the immediate site neighborhood are in fair to good condition. As such, newly built apartments are expected to fit well with the surrounding land uses and should positively contribute to its marketability, as well as the continued development of the neighborhood.

3. VISIBILITY AND ACCESS

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

Ingress and egress are considered convenient, given the light traffic patterns observed along Carmichael Road. Clear lines of sight are provided in both directions of travel. According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area. Additionally, the subject site is within 1.6 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. Overall, access to and from the site is considered good.

4. SITE PHOTOGRAPHS

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

Carmichael Commons II



View of site from the north



View of site from the northeast



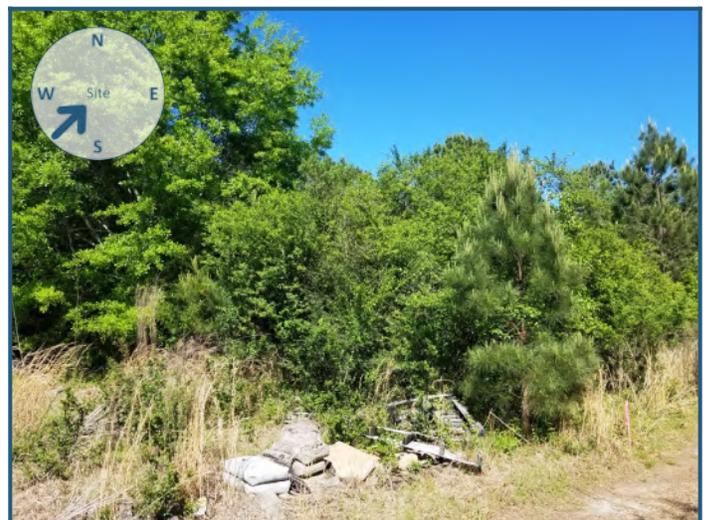
View of site from the east



View of site from the southeast



View of site from the south



View of site from the southwest

Carmichael Commons II



View of site from the west



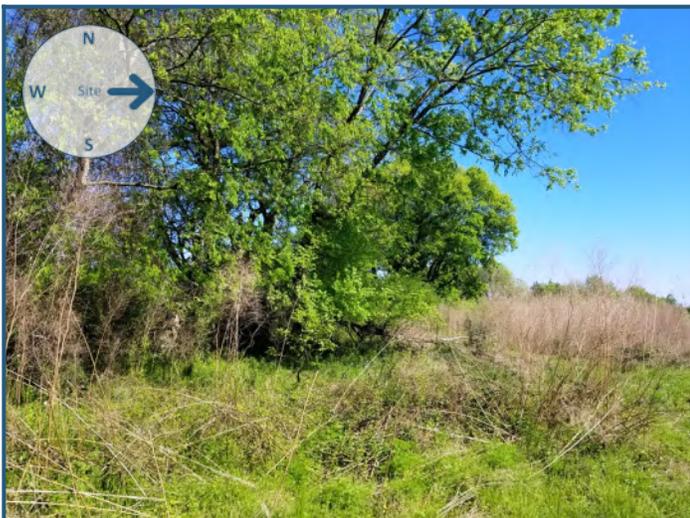
View of site from the northwest



North view from site



Northeast view from site



East view from site



Southeast view from site

Carmichael Commons II



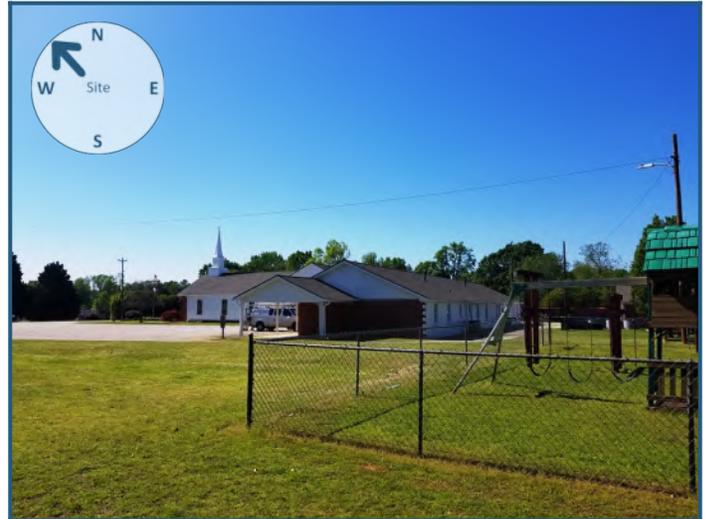
South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view of U.S. Highway 441/Eatonton Road



Streetscape: South view of U.S. Highway 441/Eatonton Road

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	State Route 24/U.S. Highways 129/441 U.S Highway 278/State Routes 12/83 Interstate 20	0.2 West 0.8 Northwest 1.6 South
Public Bus Stop	N/A	-
Major Employers/ Employment Centers	Walmart Supercenter Morgan Medical Center Morgan County Board of Education	0.9 Southwest 1.5 South 2.6 Northeast
Convenience Store	Gulf Pilot Travel Center	0.4 Northwest 1.3 South
Grocery	Ingles Market Walmart Supercenter	0.4 Southwest 1.0 Southwest
Discount Department Store	Goodwill Dollar Tree Ollie's Bargain Outlet Dollar General Walmart Supercenter	0.4 Southwest 0.4 Southwest 0.5 Southwest 0.5 Southwest 0.9 Southwest
Shopping Center/Mall	Beacon Heights Madison Crossing	0.4 Southwest 0.8 Southwest
Schools: Elementary Middle/Junior High High	Morgan County Primary School Morgan County Middle School Morgan County High School	2.6 Northeast 2.8 Northeast 3.3 Northeast
Medical Facilities	Urgent Care of Oconee Morgan Medical Center	0.8 Southwest 1.5 South
Police	Madison Police Department	1.8 Northeast
Fire	Madison Fire Department	1.8 Northeast
Post Office	U.S. Post Office	1.7 Northeast
Bank	Regions Bank Bank of Madison	0.4 Southwest 0.6 Southwest
Recreation	Madison Fitness Center	0.3 Northwest
Gas Station	Gulf Gas Express	0.4 Northwest 0.4 West
Pharmacy	Ingles Pharmacy Walmart Pharmacy	0.4 West 0.9 Southwest
Restaurant	Crowe's Open Air Bar-B-Que and Catering Dos Amigos Mexican Grill Chic-fil-A	0.2 Northwest 0.7 Southwest 1.0 Southwest
Day Care	Lemon Tree Academy	0.5 Southwest
Church	Beacon Heights Baptist Church	Adjacent North
Park	Walton Park Hill Park	0.8 Northwest 1.0 North

N/A – Not Available

As the preceding table illustrates, many community services are located within 1.0 mile of the subject site, including grocery stores, discount shopping, pharmacies, gas stations/convenience stores, restaurants and banks. Notably, a Walmart Supercenter is located within 0.9 mile to the southwest

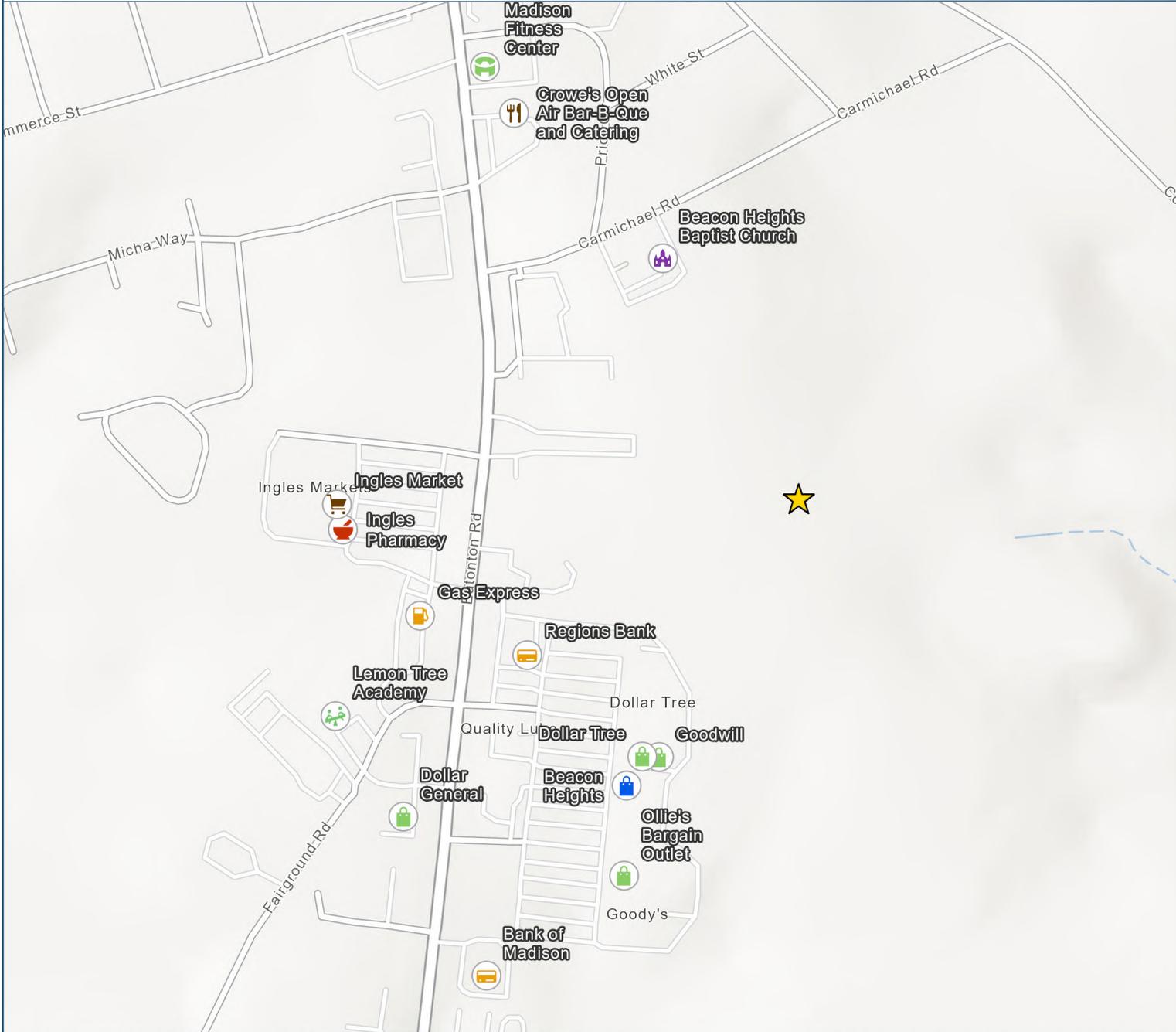
Public safety services are provided by the Madison Police and Fire departments, both located 1.8 miles northeast of the site. The nearest full-service hospital, Morgan Medical Center, is within 1.5 miles, while Urgent Care of Oconee is within 0.8 mile. All applicable attendance schools are located within 3.3 miles.

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

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

Community Services

-  Pharmacy
-  Gas Station
-  Bank
-  Day Care
-  Recreational Facility
-  Church
-  Restaurant
-  Grocery
-  Discount Department Store
-  Shopping Center/Mall

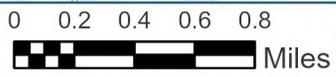
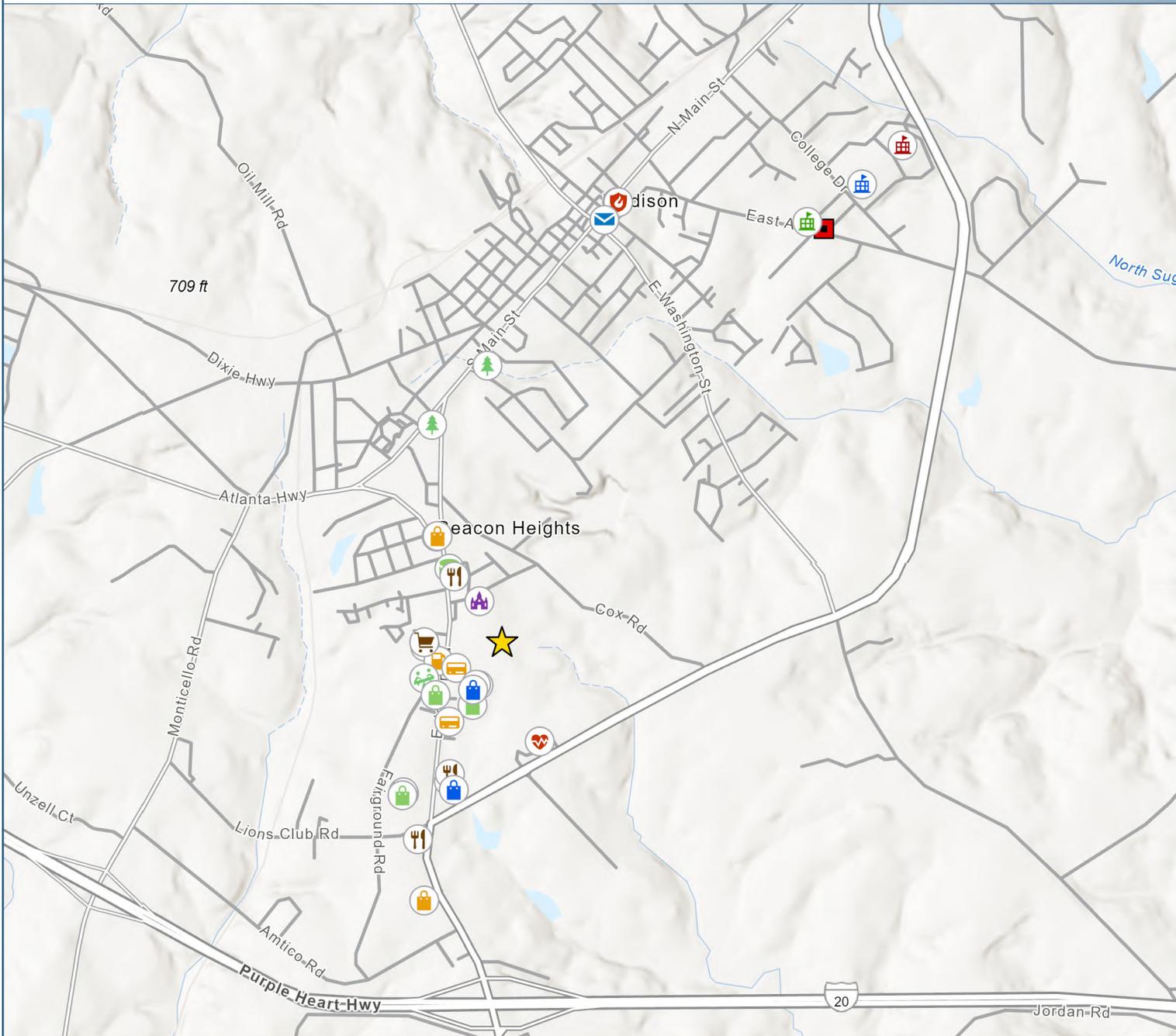


0 0.03 0.06 0.09 0.12

 Miles

Community Services

-  Major Employers/Employment Centers
-  Hospital/Medical Center
-  Police
-  Fire
-  Post Office
-  Pharmacy
-  Gas Station
-  Bank
-  Day Care
-  Schools, Elementary
-  Schools, Middle/Junior High
-  Schools, High
-  Park
-  Recreational Facility
-  Church
-  Restaurant
-  Grocery
-  Convenience Store
-  Discount Department Store
-  Shopping Center/Mall



Esri, NASA, NGA, USGS, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA
 Additional Source(s): Bowen National Research

6. CRIME ISSUES

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

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

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

The following table illustrates the crime risk indexes for the Primary Market Area (PMA) and Morgan County:

	Crime Risk Index	
	PMA	Morgan County
Total Crime Index	96	92
Personal Crime Index	71	59
Murder	75	71
Rape	65	69
Robbery	38	26
Assault	84	69
Property Crime Index	100	97
Burglary	91	86
Larceny	108	107
Motor Vehicle Theft	55	52

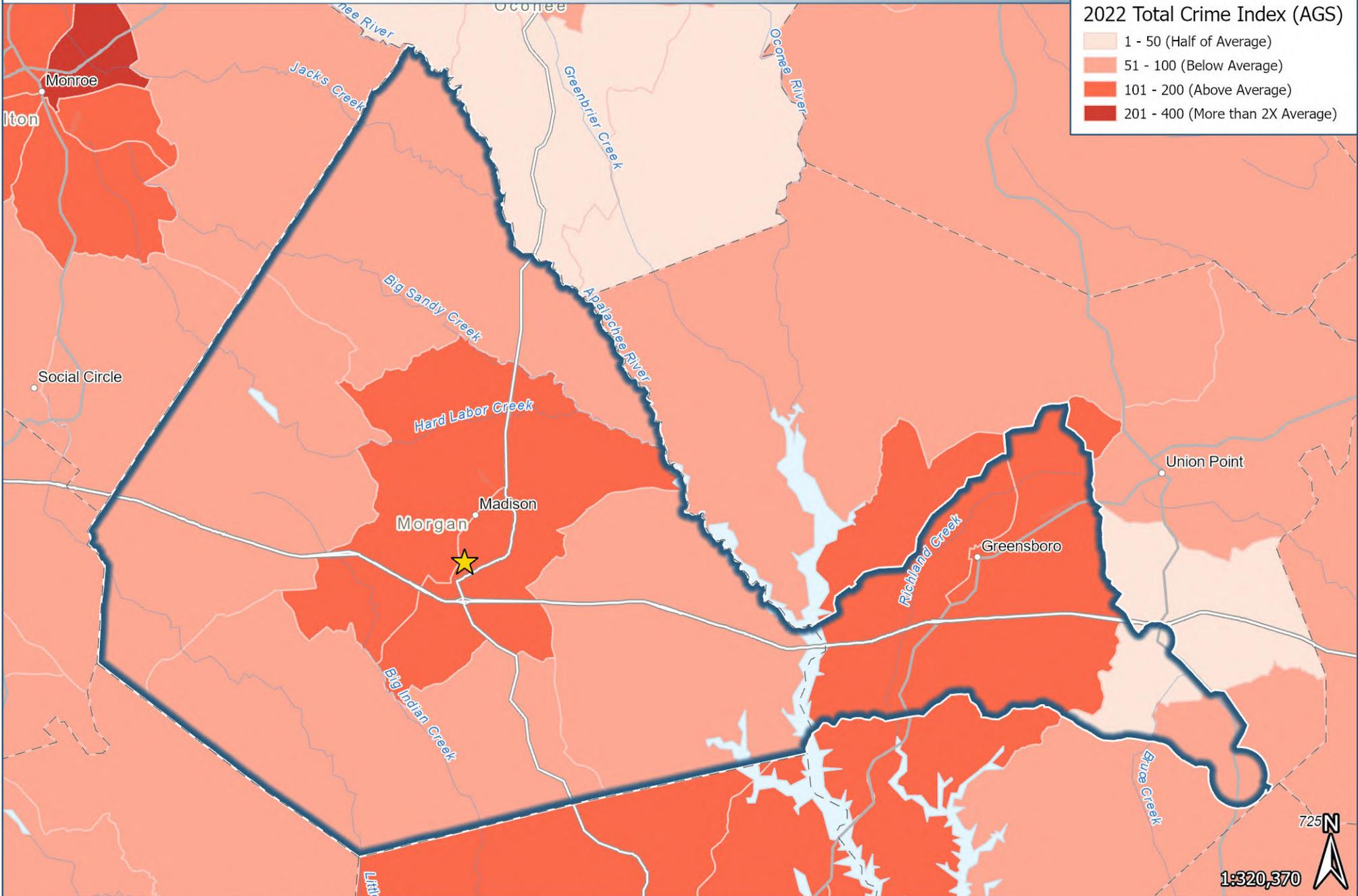
Source: Applied Geographic Solutions, FBI, ESRI

The crime risk index within the PMA (96) is generally similar with that of Morgan County (92), both of which are slightly below the national average (100). As such, it is anticipated that the relatively low perception of crime within the area will have a positive impact on the site's marketability.

A map illustrating crime risk is on the following page.

2022 Total Crime Index (AGS)

- 1 - 50 (Half of Average)
- 51 - 100 (Below Average)
- 101 - 200 (Above Average)
- 201 - 400 (More than 2X Average)



7. OVERALL SITE EVALUATION

The subject project is located within a predominantly undeveloped area in the southern portion of Madison. Surrounding land uses include single-family homes, a church, local businesses and undeveloped land, with existing structures observed to be in fair to good condition. Visibility of the subject development will be obstructed from State Route 24/U.S. Highways 129/441, arterial roadway that consists of moderate traffic patterns utilized to access the site neighborhood and, as such, promotional marketing is recommended to be utilized along this arterial and throughout the market area to increase the subject's awareness during the initial lease-up period. Access to and from the site is considered good, as it is within 1.6 miles of State Routes 12, 24 and 83, U.S. Highways 129, 278 and 441 and Interstate 20. The site is located within 1.0 mile of most community services including retailers, employment opportunities, grocery stores, pharmacies, banks and discount department stores. Overall, the site's location and proximity to community services is expected to have a positive impact on its marketability.

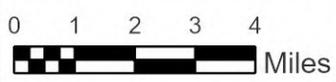
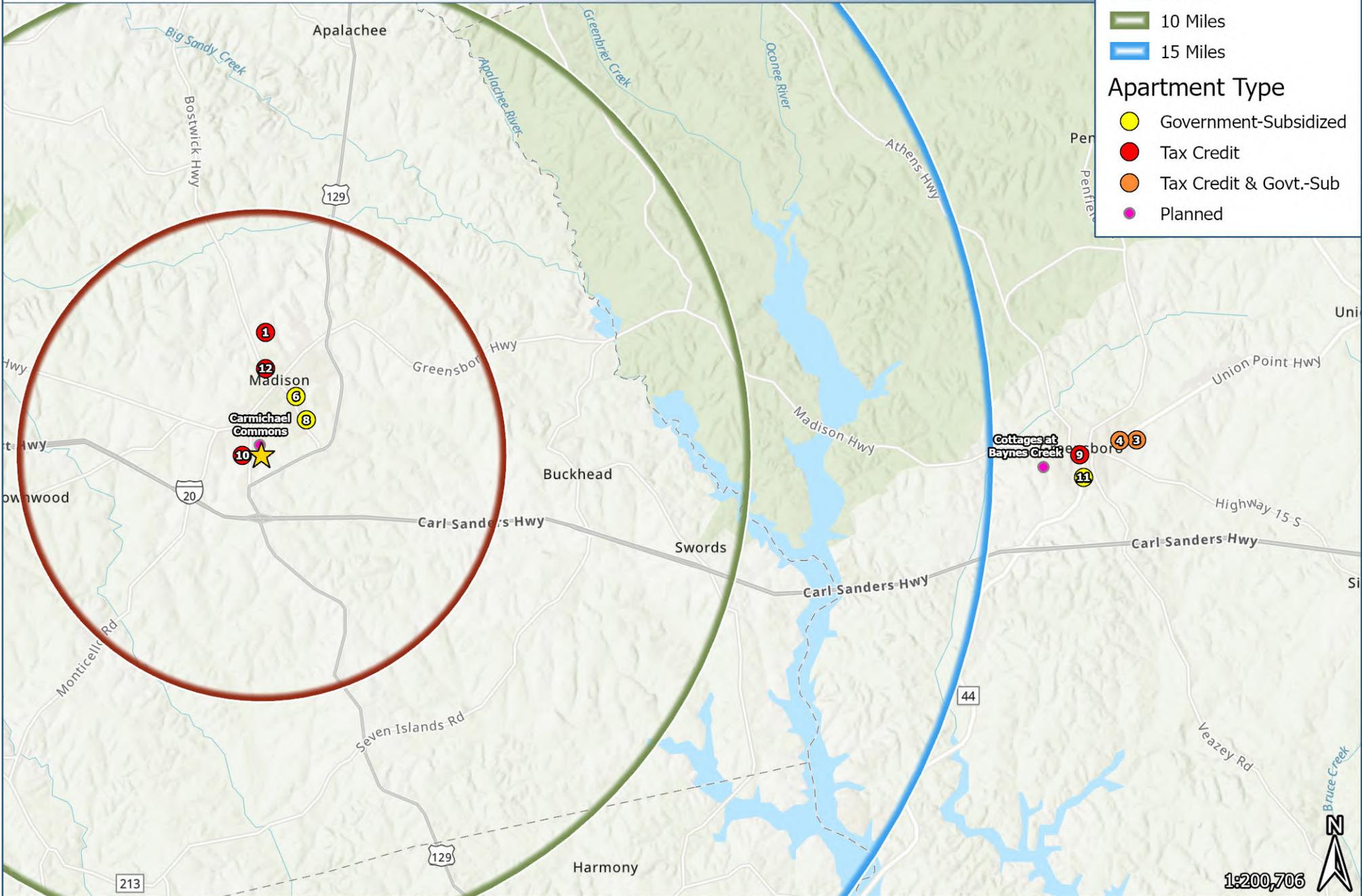
8. MAP OF LOW-INCOME RENTAL HOUSING

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

-  Site
-  5 Miles
-  10 Miles
-  15 Miles

Apartment Type

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



Section E – Market Area

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

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

Cindy Brewer, Property Manager of Canaan Crossing (Map ID 1), a Tax Credit property in Madison, confirmed the Site PMA, indicating that most of the support for her project originates from Greensboro and Madison, the two largest incorporated areas within the PMA.

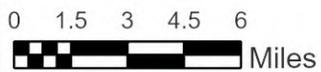
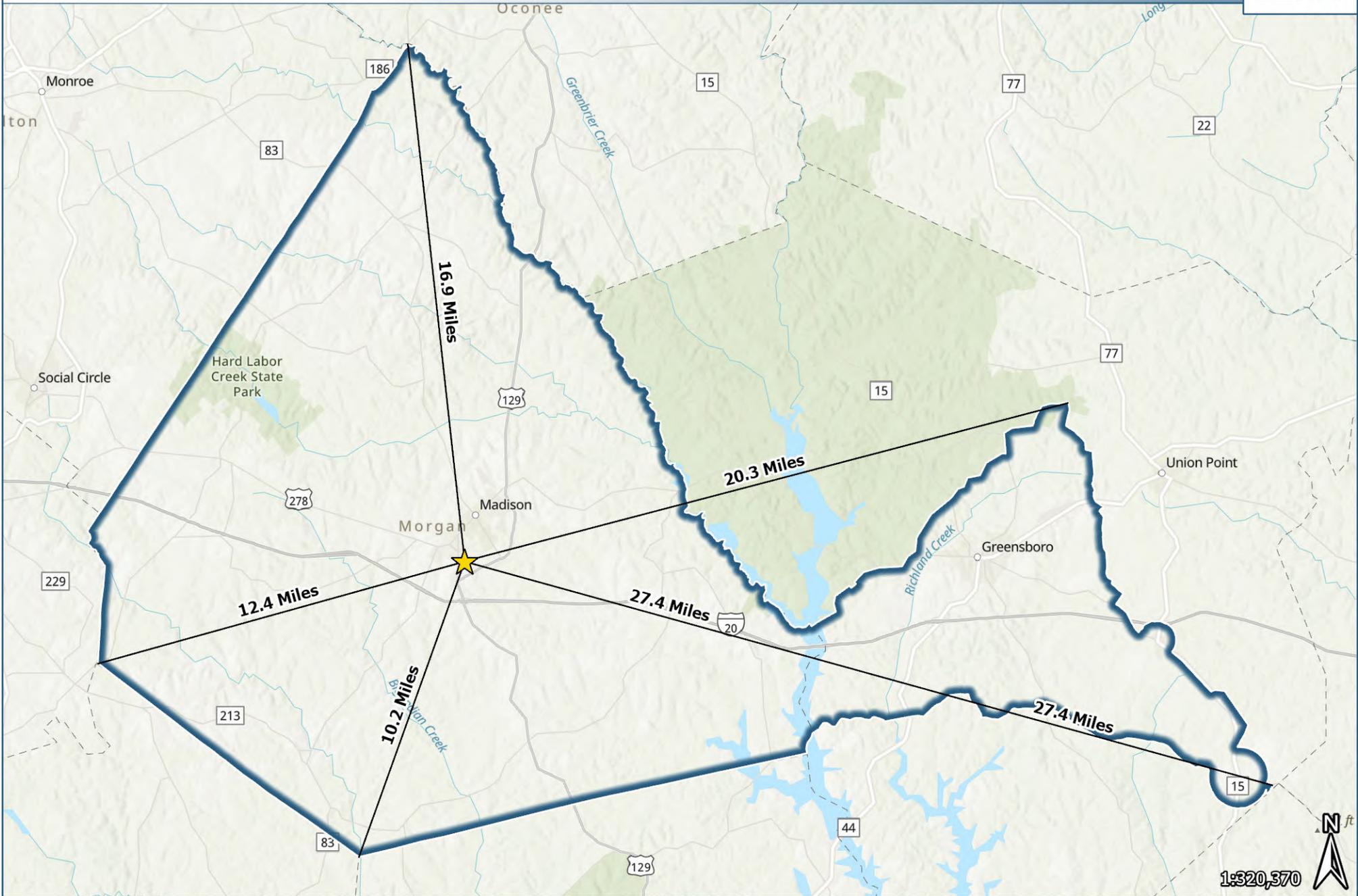
Thelma Furney, Property Manager of Madison Villas (Map ID 8), a government-subsidized rental community within Madison, also confirmed the Site PMA, explaining that most support for her project originates from all over Madison County, as well as the adjacent areas of Greene County, including Greensboro.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

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

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

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

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



Section F – Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all estimates/projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the estimates/projections do not vary more than 1.0%.

1. POPULATION TRENDS

The Site PMA population bases for 2010, 2020, 2023 (estimated), and 2025 (projected) are summarized as follows:

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2025 (Projected)
Population	23,829	26,491	27,402	27,855
Population Change	-	2,662	911	453
Percent Change	-	11.2%	3.4%	1.7%

Source: 2010 & 2020 Census; ESRI; Bowen National Research

The Madison Site PMA population base increased by 2,662 between 2010 and 2020. This represents an 11.2% increase from the 2010 population base, or an annual rate of 1.1%. Between 2020 and 2023, the population base increased by 911, or 3.4%. It is projected that the population will increase by 453, or 1.7%, between 2023 and 2025.

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

Population by Age	2010 (Census)		2023 (Estimated)		2025 (Projected)		Change 2023-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	6,507	27.3%	6,280	22.9%	6,365	22.9%	85	1.4%
20 to 24	1,158	4.9%	1,351	4.9%	1,294	4.6%	-56	-4.2%
25 to 34	2,617	11.0%	3,243	11.8%	3,152	11.3%	-91	-2.8%
35 to 44	3,080	12.9%	3,222	11.8%	3,342	12.0%	120	3.7%
45 to 54	3,560	14.9%	3,427	12.5%	3,416	12.3%	-11	-0.3%
55 to 64	3,221	13.5%	4,043	14.8%	4,018	14.4%	-25	-0.6%
65 to 74	2,177	9.1%	3,518	12.8%	3,721	13.4%	202	5.8%
75 & Older	1,509	6.3%	2,314	8.4%	2,544	9.1%	230	9.9%
Total	23,829	100.0%	27,402	100.0%	27,855	100.0%	453	1.7%

Source: Bowen National Research, ESRI, Census

As the preceding table illustrates, nearly 51.0% of the population is expected to be between 25 and 64 years old in 2023. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

2. HOUSEHOLD TRENDS

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

	Year			
	2010 (Census)	2020 (Census)	2023 (Estimated)	2025 (Projected)
Households	8,950	9,986	10,417	10,634
Household Change	-	1,036	431	218
Percent Change	-	11.6%	4.3%	2.1%
Average Household Size	2.74	2.64	2.61	2.60

Source: Bowen National Research, ESRI, Census

Within the Madison Site PMA, households increased by 1,036, or 11.6%, between 2010 and 2020. Between 2020 and 2023, households increased by 431, or 4.3%. By 2025, there will be 10,634 households, an increase of 218 households, or 2.1% from 2023. This is an increase of approximately 109 households annually over the next five years.

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

Households by Age	2010 (Census)		2023 (Estimated)		2025 (Projected)		Change 2023-2025	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	233	2.6%	214	2.1%	211	2.0%	-4	-1.7%
25 to 34	1,042	11.6%	1,217	11.7%	1,181	11.1%	-36	-3.0%
35 to 44	1,522	17.0%	1,498	14.4%	1,545	14.5%	48	3.2%
45 to 54	1,927	21.5%	1,749	16.8%	1,734	16.3%	-16	-0.9%
55 to 64	1,807	20.2%	2,121	20.4%	2,098	19.7%	-23	-1.1%
65 to 74	1,378	15.4%	2,083	20.0%	2,189	20.6%	106	5.1%
75 & Older	1,043	11.7%	1,534	14.7%	1,676	15.8%	142	9.3%
Total	8,950	100.0%	10,417	100.0%	10,634	100.0%	218	2.1%

Source: Bowen National Research, ESRI, Census

Between 2023 and 2025, the greatest growth among household age groups is projected to be among those ages 65 and older, increasing by 248, or 6.9%. While households under the age of 65 are projected to decline overall during the same timeframe, they will still represent nearly 64.0% of all households within the market by 2025. This demonstrates that a larger number of age-appropriate households will be present within the Site PMA to support the subject project.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,475	72.3%	7,551	72.5%	7,740	72.8%
Renter-Occupied	2,475	27.7%	2,866	27.5%	2,895	27.2%
Total	8,950	100%	10,417	100.0%	10,634	100.0%

Source: Bowen National Research, ESRI, Census

In 2023, homeowners are estimated to occupy 72.5% of all occupied housing units, while the remaining 27.5% are occupied by renters. The share of renters is considered typical for a rural market, such as the Madison Site PMA.

The household sizes by tenure within the Madison Site PMA, based on the 2023 estimates and 2025 projections, were distributed as follows:

Persons per Owner Household	2023 (Estimated)		2025 (Projected)		Change 2023-2025	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,766	23.4%	1,864	24.1%	98	5.5%
2 Persons	2,844	37.7%	2,904	37.5%	59	2.1%
3 Persons	1,106	14.6%	1,099	14.2%	-7	-0.6%
4 Persons	1,101	14.6%	1,128	14.6%	27	2.4%
5+ Persons	733	9.7%	745	9.6%	12	1.6%
Total	7,551	100.0%	7,740	100.0%	189	2.5%

Persons per Renter Household	2023 (Estimated)		2025 (Projected)		Change 2023-2025	
	Households	Percent	Households	Percent	Households	Percent
1 Person	669	23.3%	628	21.7%	-40	-6.0%
2 Persons	1,112	38.8%	1,208	41.7%	96	8.6%
3 Persons	455	15.9%	452	15.6%	-4	-0.8%
4 Persons	230	8.0%	199	6.9%	-30	-13.2%
5+ Persons	400	14.0%	407	14.1%	7	1.7%
Total	2,866	100.0%	2,895	100.0%	29	1.0%

Source: Bowen National Research, ESRI, Census

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

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

Household Income	2010 (Census)		2023 (Estimated)		2025 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$15,000	1,649	18.4%	896	8.6%	817	7.7%
\$15,000 - \$24,999	1,218	13.6%	873	8.4%	805	7.6%
\$25,000 - \$34,999	879	9.8%	597	5.7%	556	5.2%
\$35,000 - \$49,999	1,560	17.4%	1,227	11.8%	1,180	11.1%
\$50,000 - \$74,999	1,456	16.3%	2,076	19.9%	2,110	19.8%
\$75,000 - \$99,999	949	10.6%	1,662	16.0%	1,723	16.2%
\$100,000 - \$149,999	570	6.4%	1,588	15.2%	1,747	16.4%
\$150,000 & Higher	669	7.5%	1,500	14.4%	1,697	16.0%
Total	8,950	100.0%	10,417	100.0%	10,634	100.0%
Median Income	\$42,009		\$69,465		\$73,224	

Source: Bowen National Research, ESRI, Census

In 2023, the median household income is estimated to be \$69,465. By 2025, it is projected that the median household income will be \$73,224, an increase of 5.4% from 2023.

The following tables illustrate renter household income by household size for 2020, 2023, and 2025 for the Madison Site PMA:

Renter Households	2020 (ACS)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	218	194	34	43	54	545
\$15,000 - \$24,999	122	232	40	78	4	476
\$25,000 - \$34,999	45	90	15	59	31	240
\$35,000 - \$49,999	70	90	73	31	52	316
\$50,000 - \$74,999	66	174	184	18	52	493
\$75,000 - \$99,999	98	140	91	30	153	512
\$100,000 - \$149,999	108	44	23	16	41	233
\$150,000 & Higher	3	1	1	2	2	8
Total	729	968	461	275	390	2,824

Source: ESRI, Bowen National Research

Renter Households	2023 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	182	197	30	34	48	491
\$15,000 - \$24,999	101	235	34	61	4	435
\$25,000 - \$34,999	39	96	14	47	28	223
\$35,000 - \$49,999	63	102	69	26	49	310
\$50,000 - \$74,999	62	214	183	15	53	527
\$75,000 - \$99,999	95	184	94	27	162	563
\$100,000 - \$149,999	122	74	29	16	52	293
\$150,000 & Higher	6	10	4	2	4	25
Total	669	1,112	455	230	400	2,866

Source: ESRI, Bowen National Research

Renter Households	2025 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5+Person	Total
Less Than \$15,000	158	199	27	28	43	455
\$15,000 - \$24,999	88	236	31	50	3	408
\$25,000 - \$34,999	34	99	13	40	27	212
\$35,000 - \$49,999	58	111	66	23	48	305
\$50,000 - \$74,999	59	241	182	14	54	550
\$75,000 - \$99,999	94	213	96	25	168	596
\$100,000 - \$149,999	131	94	32	17	59	332
\$150,000 & Higher	8	15	5	3	5	36
Total	628	1,208	452	199	407	2,895

Source: ESRI, Bowen National Research

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

Demographic Summary

The population base and households within the Madison Site PMA have experienced positive growth since 2000. These trends are projected to remain positive through 2025, increasing by 453 (1.7%) and 218 (2.1%), respectively, from 2023. While senior households ages 65 and older are projected to experience the majority of this growth during this time frame, nearly 64.0% of all households within the market are projected to be under the age of 65 in 2025. Further, the subject project will be able to accommodate nearly all renter households based on household size. Overall, the demographic trends contained within this report demonstrate a generally stable base of potential support for the subject project.

Section G – Employment Trend

1. LABOR FORCE PROFILE

The labor force within the Madison Site PMA is based primarily in three sectors. Retail Trade (which comprises 15.7%), Manufacturing, and Accommodation & Food Services comprise over 44.2% of the Site PMA labor force. Employment in the Madison Site PMA, as of 2022, was distributed as follows:

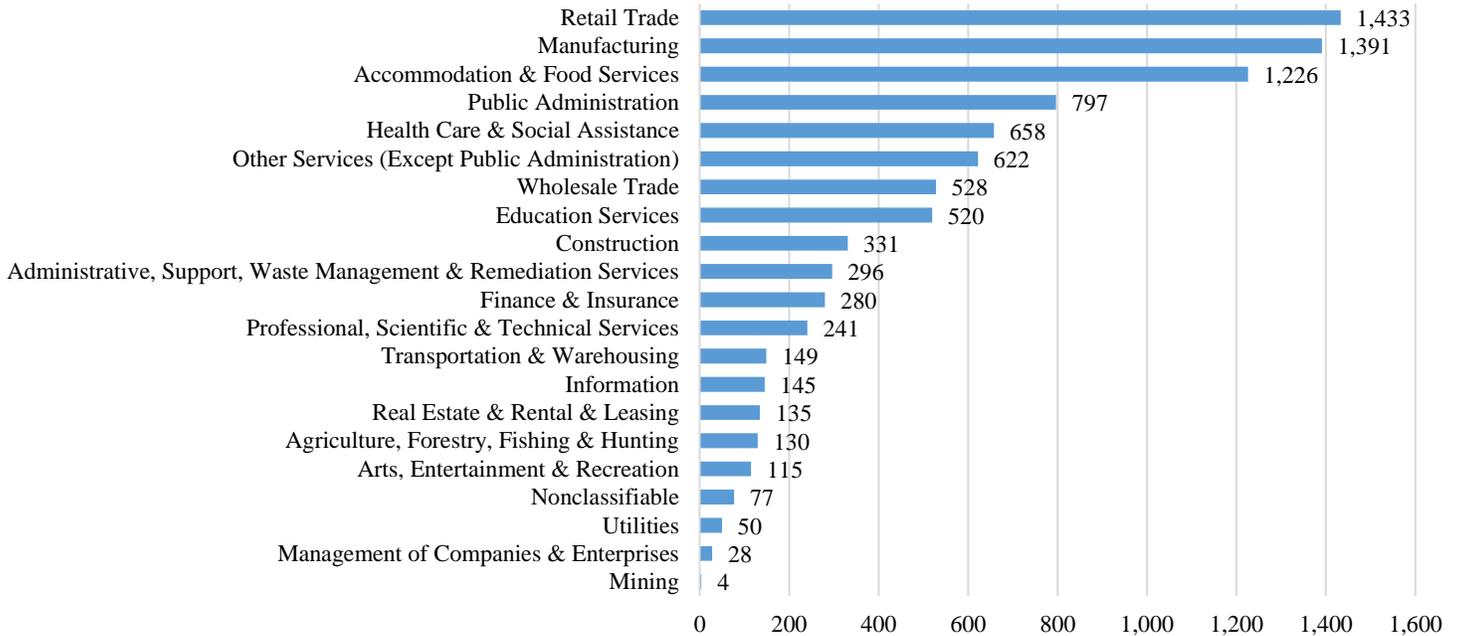
NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	19	1.8%	130	1.4%	7
Mining	1	0.1%	4	< 0.1%	4
Utilities	3	0.3%	50	0.5%	17
Construction	59	5.6%	331	3.6%	6
Manufacturing	40	3.8%	1,391	15.2%	35
Wholesale Trade	30	2.8%	528	5.8%	18
Retail Trade	168	15.9%	1,433	15.7%	9
Transportation & Warehousing	26	2.5%	149	1.6%	6
Information	22	2.1%	145	1.6%	7
Finance & Insurance	56	5.3%	280	3.1%	5
Real Estate & Rental & Leasing	47	4.4%	135	1.5%	3
Professional, Scientific & Technical Services	69	6.5%	241	2.6%	3
Management of Companies & Enterprises	2	0.2%	28	0.3%	14
Administrative, Support, Waste Management & Remediation Services	35	3.3%	296	3.2%	8
Education Services	16	1.5%	520	5.7%	33
Health Care & Social Assistance	64	6.0%	658	7.2%	10
Arts, Entertainment & Recreation	25	2.4%	115	1.3%	5
Accommodation & Food Services	88	8.3%	1,226	13.4%	14
Other Services (Except Public Administration)	147	13.9%	622	6.8%	4
Public Administration	91	8.6%	797	8.7%	9
Nonclassifiable	50	4.7%	77	0.8%	2
Total	1,058	100.0%	9,156	100.0%	9

Source: Bowen National Research, ESRI, Census

E.P.E.- Average Employees Per Establishment

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

Total Employment by Industry



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

Typical Wage by Occupation Type		
Occupation Type	MSA	Georgia
Management Occupations	\$84,482	\$76,798
Business And Financial Occupations	\$70,525	\$65,923
Computer And Mathematical Occupations	\$87,698	\$83,893
Architecture And Engineering Occupations	\$82,400	\$80,581
Community And Social Service Occupations	\$43,071	\$42,280
Art, Design, Entertainment, Sports, and Media Occupations	\$45,928	\$42,055
Healthcare Practitioners and Technical Occupations	\$63,966	\$60,823
Healthcare Support Occupations	\$28,182	\$25,971
Protective Service Occupations	\$42,912	\$41,287
Food Preparation and Serving Related Occupations	\$16,054	\$15,166
Building And Grounds Cleaning and Maintenance Occupations	\$23,693	\$22,037
Personal Care and Service Occupations	\$18,809	\$17,444
Sales And Related Occupations	\$37,833	\$32,936
Office And Administrative Support Occupations	\$36,393	\$33,841
Construction And Extraction Occupations	\$34,440	\$34,066
Installation, Maintenance and Repair Occupations	\$46,589	\$45,401
Production Occupations	\$34,737	\$33,911
Transportation Occupations	\$40,037	\$39,168
Material Moving Occupations	\$25,333	\$25,178

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

As the preceding table illustrates, most typical wages within the MSA have higher typical wages than those of the state overall.

2. MAJOR EMPLOYERS

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

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

Source: Madison-Morgan Chamber (April 2021)

Despite multiple attempts, we were unable to receive a response from area economic development representatives regarding the current status of the local economy at the time this report was issued. The following table summarizes some recent and/or ongoing economic development projects within Morgan County via extensive online research:

Project Name	Investment	Job Creation	Scope of Work/Details
Oconee Beach Club	\$550 million	N/A	Announced September 2022; Oconee 300, LLC is planning a 300-acre mixed-use development; Will include up to 300 single-family homes, up to 150 apartments, an up to 70-room hotel, a miniature stadium, a golf course, marina, restaurants, and camping; Rezoning application temporarily pulled by developer in fall 2022 to address local resident and planning board concerns; ECD December 2031
Facebook Data Center Expansions	\$3.5 billion	200	Announced March 2021; Under construction; Facebook expanding existing data center campus in Stanton Springs industrial park located in Morgan, Newton and Walton counties; Three additional investments totaling nearly \$2 billion proposed to occur between 2028 and 2032
Rivian Expansion	\$5 billion	7,500	Proposed November 2021; Electric automobile manufacturer planning 2,000-acre production plant in Morgan County; Project delayed by county judge in September 2022 due to local opposition (under appeal as of January 2023); Expected to break ground in summer 2023; ECD 2024

N/A- Not Available

ECD – Estimated Completion Date

Infrastructure

There were four major infrastructure projects ongoing within Morgan County at the time this report was issued, which are summarized in the following table:

Project Name	Scope of Work	Status	Investment
U.S. Highway 441 Widening	Widening U.S. Highway 441, south of Interstate 20 from Madison to Putnam County line	Announced March 2019; Expected to break ground in fall 2024	\$100 million
Madison Pedestrian Accommodations	GDOT constructing approximately 2,500 feet of sidewalk within four sections of the city of Madison; Demolition and reconstruction of Wellington Park trail	Announced December 2021; Grant funding received Fall 2022	\$2.4 million
I-20 at CR-249/Old Mill Road Interchange	GDOT planning addition of interchange, bike lanes and two roundabouts at I-20 and Old Mill Road in Walton and Morgan counties	Proposed; Undergoing Environmental Assessment as of May 2022	\$94 million
US 278 Widening and I-20 Frontage Road	Widening US 278, constructing a new frontage road along I-20, and will provide more efficient access to the new Stanton Springs North development and surrounding area	Broke ground late March 2023; ECD 2024	N/A
Broadband Expansion	Tri-County EMC planning an eight-county broadband fiber expansion throughout Jones, Baldwin, Putnam, Jasper, Twiggs, Wilkinson, Morgan and Bibb counties; Will provide service to 22,000 homes	Announced March 2021; ECD Mid-2025	\$47 million

ECD – Estimated Completion Date

N/A – Not Available

WARN (layoff notices):

WARN notices were reviewed in April 2023 and according to the Technical College System of Georgia, there have been no WARN notices reported for Morgan County over the past 12 months.

3. EMPLOYMENT TRENDS

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

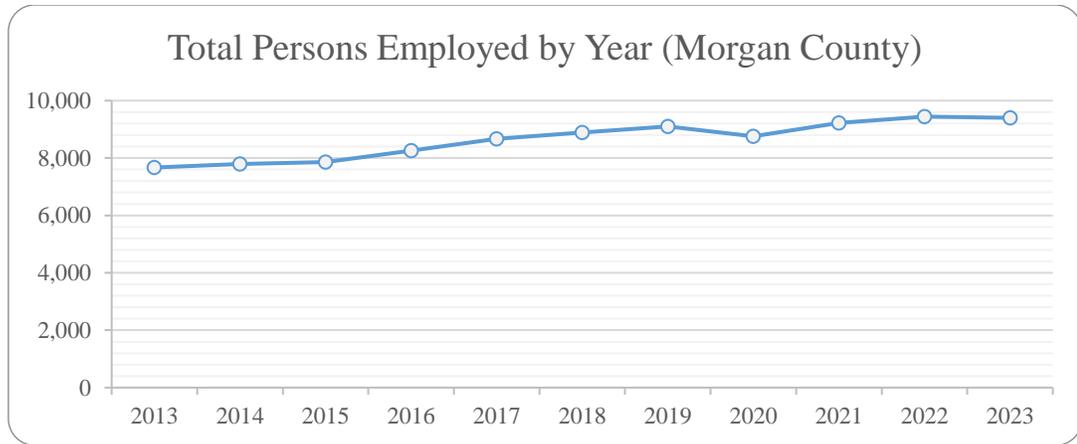
The following illustrates the total employment base for Morgan County, the state of Georgia, and the United States.

Year	Total Employment					
	Morgan County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2013	7,669	-	4,363,292	-	143,929,000	-
2014	7,796	1.7%	4,407,067	1.0%	146,305,000	1.7%
2015	7,860	0.8%	4,446,515	0.9%	148,833,000	1.7%
2016	8,254	5.0%	4,653,740	4.7%	151,436,000	1.7%
2017	8,665	5.0%	4,864,813	4.5%	153,337,000	1.3%
2018	8,893	2.6%	4,922,489	1.2%	155,761,000	1.6%
2019	9,100	2.3%	4,975,975	1.1%	157,538,000	1.1%
2020	8,760	-3.7%	4,766,734	-4.2%	147,795,000	-6.2%
2021	9,223	5.3%	4,977,562	4.4%	152,581,000	3.2%
2022	9,442	2.4%	5,075,093	2.0%	158,291,000	3.7%
2023	9,396*	-0.5%	5,119,210**	0.9%	159,715,000**	0.9%

Source: Bureau of Labor Statistics

*Through February 2023

**Through March 2023



As the preceding illustrates, the Morgan County employment base experienced consistent growth between 2013 and 2019. Between 2019 and 2020, the county’s employment base declined by 3.7% as the result of the COVID-19 pandemic. On a positive note, the county’s economy has generally improved thus far through February 2023, as its employment base increased by 7.3%, more than offsetting all of the jobs lost during the pandemic.

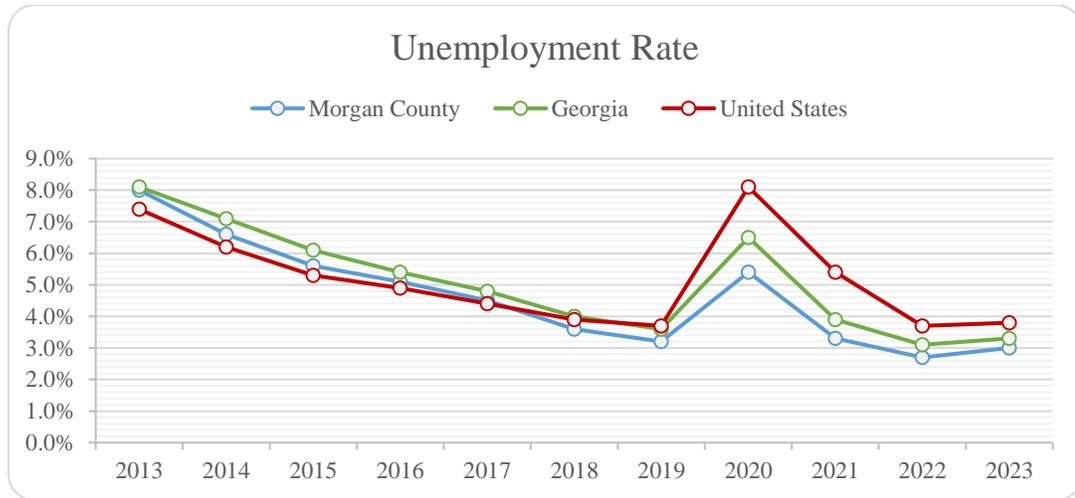
Unemployment rates for Morgan County, the state of Georgia, and the United States are illustrated as follows:

Year	Unemployment Rate		
	Morgan County	Georgia	United States
2013	8.0%	8.1%	7.4%
2014	6.6%	7.1%	6.2%
2015	5.6%	6.1%	5.3%
2016	5.1%	5.4%	4.9%
2017	4.5%	4.8%	4.4%
2018	3.6%	4.0%	3.9%
2019	3.2%	3.6%	3.7%
2020	5.4%	6.5%	8.1%
2021	3.3%	3.9%	5.4%
2022	2.7%	3.1%	3.7%
2023	3.0%*	3.3%**	3.8%**

Source: Department of Labor, Bureau of Labor Statistics

*Through February 2023

**Through March 2023



Between 2013 and 2019, the annual unemployment rate within Morgan County declined by nearly five percentage points, then increased by over two percentage points between 2019 and 2020 as the result of the COVID-19 pandemic. Similar to employment trends, the unemployment rate within the county has improved thus far in 2023, which has declined by over two percentage points and is lower than pre-pandemic levels.

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

In-Place Employment Morgan County			
Year	Employment	Change	Percent Change
2012	5,919	-	-
2013	5,913	-6	-0.1%
2014	6,297	384	6.5%
2015	6,547	250	4.0%
2016	6,720	173	2.6%
2017	7,047	327	4.9%
2018	7,167	120	1.7%
2019	7,513	346	4.8%
2020	7,287	-226	-3.0%
2021	8,217	930	12.8%
2022*	8,518	301	3.7%

Source: Department of Labor, Bureau of Labor Statistics

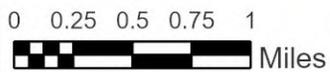
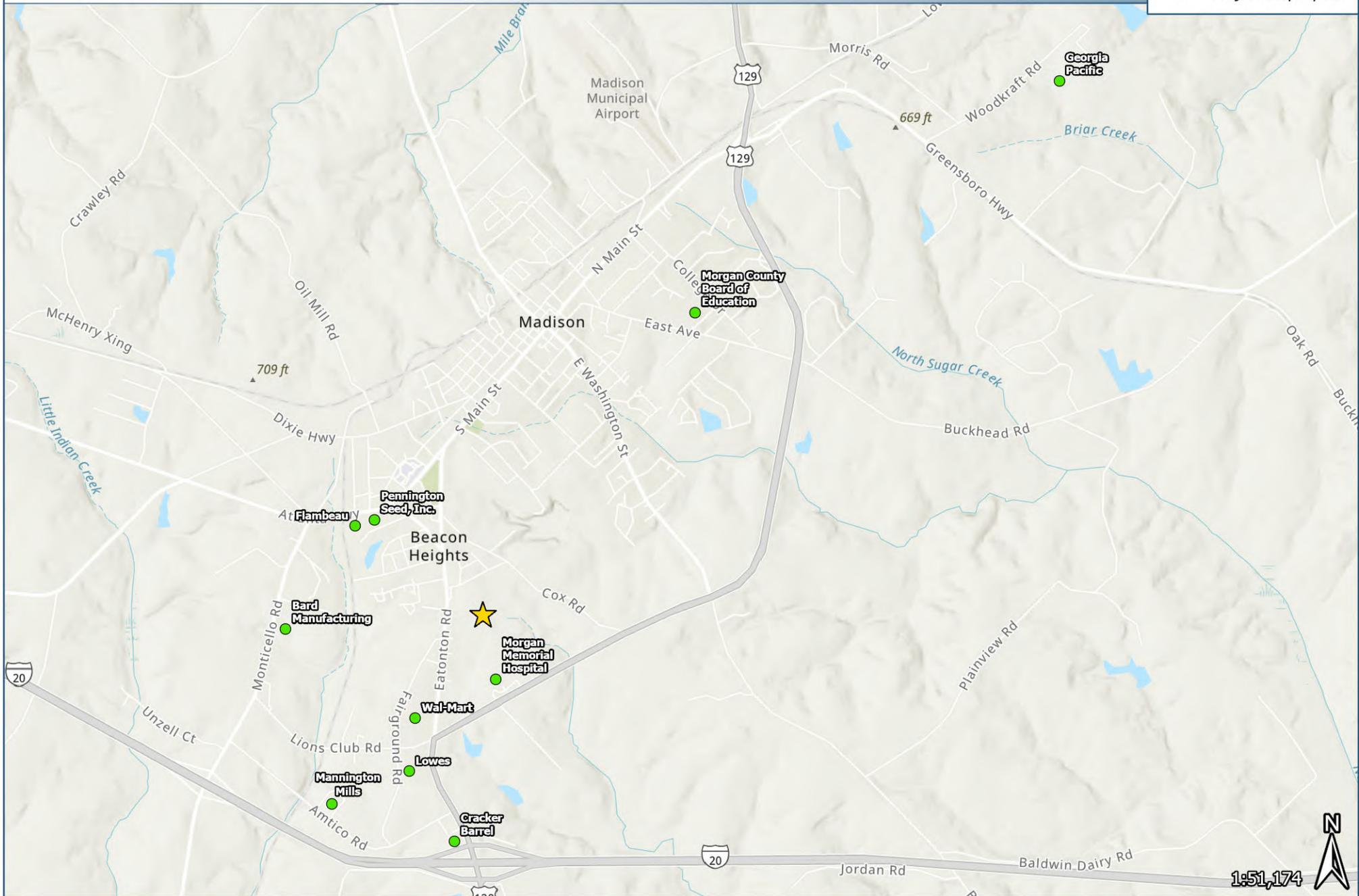
*Through September

Data for 2021, the most recent year that year-end figures are available, indicates in-place employment in Morgan County to be 89.1% of the total Morgan County employment. This means that Morgan County has a high share of employed persons staying in the county for daytime employment. This will have a positive impact on the marketability of the subject site, as it is likely that many of its potential residents will have minimal commute times to their place of employment.

4. ECONOMIC FORECAST

Based on data provided by the State of Georgia Department of Labor, the Morgan County economy experienced consistent growth between 2013 and 2019. However, beginning in 2020, the area was negatively impacted by the COVID-19 pandemic, similar to many communities throughout the state and nation. During this time, the Morgan County employment base declined by approximately 340 jobs, or 3.7%, and its unemployment rate increased by over two percentage points. On a positive note, the county's employment base has since recovered all of the jobs lost in 2020 and annual unemployment has decreased to a rate of 3.0% through February 2023 and is lower than pre-pandemic levels. These are good indications that the Morgan County economy has fully recovered from the initial impact of the pandemic in terms of total employment and unemployment rate. This, in turn, will continue to create a stable environment for the local housing market.

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



Section H – Affordability & Demand Analysis

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within the Morgan County, Georgia HUD Metro FMR Area, which has a four-person median household income of \$85,600 for 2022. The LIHTC units offered at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$27,650	\$33,180
Two-Person	\$31,600	\$37,920
Three-Person	\$35,550	\$42,660
Four-Person	\$39,450	\$47,340
Five-Person	\$42,650	\$51,180

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income for the LIHTC units at the subject site is **\$51,180**.

b. Minimum Income Requirements

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

The proposed LIHTC units will have a lowest gross rent of \$735. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$8,820. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$25,200**.

Also note that four (10.0%) of the subject units will be market-rate and operate with no income restrictions. Therefore, we have factored in all renters in the market with incomes above the maximum allowable LIHTC limit of \$51,181 when evaluating demand for the subject's market-rate units. This minimum income for the market-rate units was conservatively utilized to avoid overlap with the subject's Tax Credits units.

c. Income-Appropriate Range

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$25,200	\$42,650
Tax Credit (Limited To 60% Of AMHI)	\$29,314	\$51,180
Tax Credit Overall	\$25,200	\$51,180
Market-Rate	\$51,181	-

2. METHODOLOGY

Demand

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

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

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2017-2021 5-year estimates, approximately 35.1% of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2017-2021 5-year estimates, 7.6% of all renter households within the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study.*

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

Net Demand

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

Within the Site PMA, we identified two rental communities within the development pipeline expected to be completed during the projection period that will likely directly compete with the subject project. These communities, Carmichael Commons (Phase I of site) and Tranquility Apartments, are expected to offer rental units that will target a similar income level as the subject project. The following table breaks down the potentially competitive units at these projects:

Project Name	Number of Bedrooms	Units at Targeted AMHI		
		50% AMHI	60% AMHI	Market-Rate
Carmichael Commons	One	2	5	1
	Two	6	23	3
	Three	4	14	2
Tranquility Apartments	One	-	-	1
	Two	-	-	51

The aforementioned projects have been included in the following demand analysis. Additionally, we identified three vacancies among the comparable LIHTC properties and two vacancies among the comparable market-rate properties within the market, which were also included in the following analysis.

Demand Component	Percent of Median Household Income			
	50% AMHI (\$25,200-\$42,650)	60% AMHI (\$29,314-\$51,180)	Tax Credit Overall (\$25,200-\$51,180)	Market Rate (\$51,181+)
Demand from New Households (Income-Appropriate)	364 - 377 = -13	452 - 462 = -10	539 - 554 = -15	1,488 - 1,383 = 105
+				
Demand from Existing Households (Rent Overburdened)	377 x 35.1% = 132	462 x 35.1% = 162	554 x 35.1% = 194	1,383 x 32.5% = 449
+				
Demand from Existing Households (Renters in Substandard Housing)	377 x 7.6% = 29	462 x 7.6% = 35	554 x 7.6% = 42	1,383 x 3.3% = 46
=				
Demand Subtotal	148	187	221	600
+				
Demand from Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A			
=				
Total Demand	148	187	221	600
-				
Supply (Directly Comparable Vacant and/or Pipeline Units)	12	45	57	60
=				
Net Demand	136	142	164	540
Proposed Units / Net Demand	8 / 136	28 / 142	36 / 164	4 / 540
Capture Rate	= 5.9%	= 19.7%	= 22.0%	= 0.7%

N/A – Not Applicable

Typically, under this methodology, overall capture rates below 30% are acceptable, while capture rates under 20% are ideal. As such, the project’s overall LIHTC-only capture rate of 22.0% is considered achievable and demonstrates that a good base of potential income-eligible renter support exists for the subject project’s affordable units. This is especially true, given the high occupancy rates among the existing LIHTC properties surveyed in the Site PMA. Note that the four market-rate units proposed at the subject site have a capture rate of 0.7%, which is considered very low and easily achievable. The subject’s **overall** capture rate is **5.7%** (40 / 704 = 5.7%).

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

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

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

Bedroom Size (Share of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Achievable Market Rent	Market Rents Band Min-Max	Proposed Subject Rents
One-Bedroom (25%)	50%	1	37	2	35	2.9%	\$1,305	\$1,200-\$1,405	\$605
	60%	3	46	6	40	7.5%	\$1,305	\$1,200-\$1,405	\$725
One-Bedroom	Total	4	55	8	47	8.5%	\$1,305	\$1,200-\$1,405	\$695***
Two-Bedroom (50%)	50%	4	74	6	68	5.9%	\$1,460	\$1,250-\$1,620	\$725
	60%	14	94	24	70	20.0%	\$1,460	\$1,250-\$1,620	\$865
	MR	2	300	56	244	0.8%	\$1,460	\$1,250-\$1,620	\$1,090
Two-Bedroom	Total	20	411	86	325	6.2%	\$1,460	\$1,250-\$1,620	\$860***
Three-Bedroom (25%)	50%	3	37	4	33	9.1%	\$1,655	\$1,350-\$1,760	\$830
	60%	11	47	15	32	34.4%	\$1,655	\$1,350-\$1,760	\$985
	MR	2	150	2	148	1.4%	\$1,655	\$1,350-\$1,760	\$1,220
Three-Bedroom	Total	16	205	21	184	8.7%	\$1,655	\$1,350-\$1,760	\$985***

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

**Directly comparable vacant and/or pipeline units

***Weighted average

Achievable Market Rent as determined in Section I

MR - Market-rate

The capture rates by bedroom type and targeted income level range from 0.8% to 34.4%. Utilizing this methodology, these capture rates are considered achievable and demonstrate that a sufficient base of income-eligible renter household support exists in the Madison Site PMA for each of the unit types proposed at the subject development. This is especially true when considering the high occupancy rates maintained among nearly all existing rental properties surveyed in the market, as evidenced by our Field Survey of Conventional Rentals (Addendum A).

Section I – Competitive Rental Analysis

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Madison Site PMA in 2010 and 2023, are summarized in the following table:

Housing Status	2010 (Census)		2023 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	8,952	88.4%	10,417	88.9%
Owner-Occupied	6,476	72.3%	7,551	72.5%
Renter-Occupied	2,476	27.7%	2,866	27.5%
Vacant	1,182	11.7%	1,298	11.1%
Total	10,132	100.0%	11,715	100.0%

Source: 2010 Census, ESRI, Bowen National Research

Of the 11,715 total housing units in the market, 11.1% are estimated to be vacant. In 2023, it is estimated that homeowners occupy 72.5% of all occupied housing units, while the remaining 27.5% are occupied by renters.

Conventional Apartments

We identified and personally surveyed 12 conventional housing projects containing a total of 524 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 99.0%, a very strong rate for rental housing. Each rental housing segment surveyed is summarized in the following table:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	3	104	2	98.1%
Tax Credit	4	235	3	98.7%
Tax Credit/Government-Subsidized	2	57	0	100.0%
Government-Subsidized	3	128	0	100.0%
Total	12	524	5	99.0%

All rental housing segments surveyed in the market are performing at very strong occupancy levels at or above 98.1%. In fact, nearly all affordable rental communities surveyed are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for this type of rental housing within the Madison Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	1	1.0%	0	0.0%	\$1,383
Two-Bedroom	1.5	24	23.1%	2	8.3%	\$1,613
Two-Bedroom	2.0	48	46.2%	0	0.0%	\$1,414
Two-Bedroom	2.5	22	21.2%	0	0.0%	\$1,688
Three-Bedroom	2.0	9	8.7%	0	0.0%	\$1,549
Total Market-rate		104	100.0%	2	1.9%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	50	21.3%	1	2.0%	\$715
Two-Bedroom	1.0	24	10.2%	0	0.0%	\$861
Two-Bedroom	1.5	32	13.6%	0	0.0%	\$732
Two-Bedroom	2.0	65	27.7%	1	1.5%	\$740
Three-Bedroom	2.0	64	27.2%	1	1.6%	\$862
Total Tax Credit		235	100.0%	3	1.3%	-

As the preceding table illustrates, the median gross Tax Credit rents are well below the corresponding median gross market-rate rents. Therefore, Tax Credit units likely represent a substantial value to low-income renters within the market. This is further evidenced by the low overall vacancy rate of 0.0% among the Tax Credit units surveyed.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	1	22	0.0%
B-	1	58	0.0%
C+	1	24	8.3%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
B+	3	164	0.0%
B	1	71	4.2%

While vacancy rates are the highest among the lowest quality rental product surveyed, none exceed 8.3%. In fact, these vacancy rates are the result of no more than three vacant units at a single property. As such, it can be concluded that there is no significant correlation between vacancies and appearance within the Madison rental housing market.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed nine federally subsidized and/or Tax Credit apartment developments in the Madison Site PMA. These projects were surveyed in April 2023 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Canaan Crossing	TAX	2022	60	100.0%	\$627 (8)	\$732 (32)	\$806 (20)	-
3	Fox Chase One	TAX & RD 515	1992	24	100.0%	\$623 - \$750 (2)	\$687 - \$810 (18)	\$737 - \$878 (4)	-
4	Fox Chase Two	TAX & RD 515	1992	33	100.0%	\$712 - \$852 (32)	\$840 - \$1001 (1)	-	-
6	Madison Public Housing	P.H.	1959 / 1995	66	100.0%	\$133 (12)	\$164 (20)	\$199 (24)	\$239 - \$269 (10)
8	Madison Villas	RD 515	1996	48	100.0%	\$613 - \$734 (16)	\$684 - \$828 (32)	-	-
9	Mary-Leila Lofts	TAX	2014	71	95.8%	\$550 - \$676 (14)	\$649 - \$800 (37)	\$737 - \$911 (20)	-
10	Orchard Grove Apts.	TAX	2004	60	100.0%	-	\$740 (36)	\$862 (24)	-
11	Park Place Apts.	P.H.	1952	14	100.0%	\$384 (2)	\$478 (6)	\$583 (4)	\$701 (2)
12	Silver Lakes Court	TAX	2016	44	100.0%	\$715 - \$721 (28)	\$788 - \$861 (16)	-	-
Total				420	99.3%				

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

OCCUP. - Occupancy

TAX - Tax Credit

RD - Rural Development

P.H. - Public Housing

The overall occupancy is 99.3% for these projects, a very strong rate for rental housing. In fact, nearly all affordable rental communities surveyed are fully occupied and maintain a waiting list, illustrating that pent-up demand exists for additional affordable rental housing within the market. The subject project will be able to accommodate a portion of this unmet demand.

Housing Choice Voucher (HCV) Holders

Despite numerous attempts to contact representatives with the Georgia Department of Community Affairs (GDCA) regarding information on the HCV program in Morgan County, a response was not received at the time this report was issued.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
1	Canaan Crossing	60	1	1.7%
9	Mary-Leila Lofts	71	0*	0.0%
10	Orchard Grove Apts.	60	6	10.0%
12	Silver Lakes Court	44	0	0.0%
Total		235	7	3.0%

*Does not meet HUD requirements to accept HCVs

As the preceding table illustrates, there are a total of seven voucher holders residing at the four existing non-subsidized LIHTC properties in the Site PMA. This comprises only 3.0% of these 235 total non-subsidized LIHTC units. This illustrates that HCV support is not a significant demand component for the Madison affordable rental housing market.

If the rents do not exceed the payment standards established by the local/regional housing authority, households with HCVs may be willing to reside at a LIHTC project. Established by the GDCA - Rental Assistance Division - Morgan County, the regional payment standards, as well as the proposed subject gross Tax Credit rents, are summarized in the following table:

Bedroom Type	Payment Standards	Proposed Tax Credit Gross Rents (AMHI)
One-Bedroom	\$900	\$735 (50%)
		\$855 (60%)
Two-Bedroom	\$1,185	\$886 (50%)
		\$1,026 (60%)
Three-Bedroom	\$1,460	\$1,024 (50%)
		\$1,179 (60%)

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

3. PLANNED MULTIFAMILY DEVELOPMENT

From interviews with planning representatives who responded to our inquiries, extensive online research and the observations of our analyst while in the field, it was determined that there are three rental housing projects currently in the development pipeline within the Site PMA, which are summarized as follows:

- Carmichael Commons (Phase I of subject site) was allocated Low-Income Housing Tax Credit (LIHTC) funding in 2022 to be located along Carmichael Road in Madison. To be developed by Woda Cooper Companies, Inc. and Parallel Housing, Inc., plans call for 60 one-, two- and three-bedroom units targeting households earning up to 50% and 60% of Area Median Household Income (AMHI). A total of six units will be market-rate. The project is estimated to be completed in summer 2024.
- Tranquility Apartments, a market-rate community, was recently approved as part of a larger mixed-use development known as the West Washington Gateway planned to be built along a portion of West Washington Street in Madison. To be developed by NEWCO, the project will include one (1) one-bedroom unit at 800 square feet and 51 two-bedroom units at 1,000 square feet.
- Cottages at Baynes Creek was allocated LIHTC funding in 2020 and is currently under construction at 1240 Oconee Avenue in Greensboro. This 50-unit, age-restricted (ages 55+) property will include one- and two-bedroom units targeting seniors earning up to 30%, 50%, 60% and 80% AMHI, and will range in size from 716 to 960 square feet. The project is being developed by Georgia Communities, Inc. and Paladin, Inc. and is anticipated to be complete in summer 2023.

Of the aforementioned rental communities within the development pipeline in the market, two will likely compete with the subject development, Carmichael Commons and Tranquility Apartments. Therefore, these rental communities have been considered in our capture rate analysis illustrated earlier in Section H of this report.

Building Permit Data

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

Housing Unit Building Permits for Madison, GA:

Permits	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Multifamily Permits	0	0	0	0	0	0	0	0	146	0
Single-Family Permits	0	0	0	0	0	14	19	22	129	24
Total Units	0	0	0	0	0	14	19	22	275	24

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

Housing Unit Building Permits for Morgan County:

Permits	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Multifamily Permits	0	0	0	0	0	0	0	0	146	0
Single-Family Permits	15	40	52	57	105	125	144	160	303	224
Total Units	15	40	52	57	105	125	144	160	449	224

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

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Carmichael Commons II	2025	36*	-	-	-	Families; 50% & 60% AMHI
1	Canaan Crossing	2022	60	100.0%	3.1 Miles	219 HH	Families; 50% & 60% AMHI
9	Mary-Leila Lofts	2014	71	95.8%	20.1 Miles	None	Families; 50% & 60% AMHI
10	Orchard Grove Apts.	2004	60	100.0%	0.5 Miles	36 Months	Families; 50% & 60% AMHI
906	Skyline Trace	2010	59*	100.0%	26.2 Miles	None	Families; 50% & 60% AMHI
907	Wellington Ridge	2002	220	100.0%	23.1 Miles	None	Families; 60% AMHI

OCC. – Occupancy

HH – Households

900 series Map IDs are located outside Site PMA

*Tax Credit units only

The five LIHTC projects have a combined occupancy rate of 99.4% (a result of only three vacant units), a very strong rate for rental housing. Notably, four of these development are fully occupied, two of which maintain extensive waiting lists and are located within the *market*, illustrating that pent-up demand exists for additional affordable rental housing within the market and region. The subject project will be able to accommodate a portion of this unmet demand.

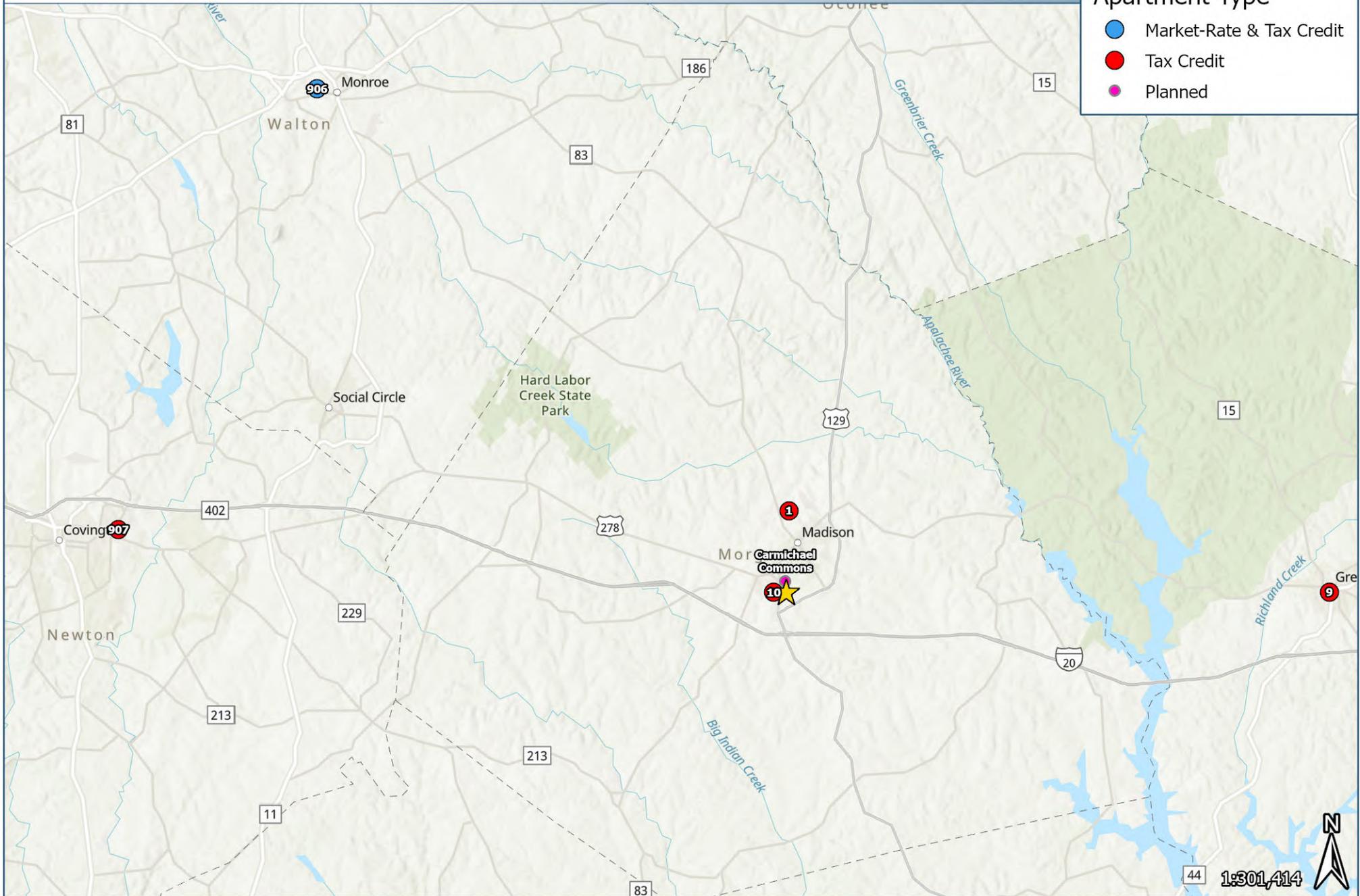
The newest comparable LIHTC community in the market, Canaan Crossing (Map ID 1), opened in October 2022 and was 100.0% occupied in November 2022, according to management. This yields an absorption rate of approximately 30 units per month, a very high rate for affordable rental housing. It is also important to point out that 42 units were preleased before opening (preleasing began in April 2022). This illustrates that this type of rental product has been very well received within the Site PMA and will bode very well in the demand of the subject units.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed site location, including the planned first phase of the subject development.

★ Site

Apartment Type

- Market-Rate & Tax Credit
- Tax Credit
- Planned



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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Carmichael Commons II	\$735/50% (1) \$855/60% (3)	\$886/50% (4) \$1,026/60% (14)	\$1,024/50% (3) \$1,179/60% (11)	-
1	Canaan Crossing	\$627/50% (2/0) \$627/60% (6/0)	\$732/50% (6/0) \$732/60% (26/0)	\$806/50% (4/0) \$806/60% (16/0)	None
9	Mary-Leila Lofts	\$550/50% (3/0) \$676/60% (11/1)	\$649/50% (8/0) \$800/60% (29/1)	\$737/50% (4/0) \$911/60% (16/1)	None
10	Orchard Grove Apts.	-	\$740/50% (24/0) \$740/60% (12/0)	\$862/50% (16/0) \$862/60% (8/0)	None
906	Skyline Trace	\$833/50% (3/0) \$883/60% (3/0)	\$944/50% (10/0) \$1,004/60% (19/0)	\$1,044/50% (8/0) \$1,089/60% (16/0)	None
907	Wellington Ridge	\$1,102/60% (70/0)	\$1,317/60% (122/0)	\$1,630/60% (28/0)	None

900 series Map IDs are located outside Site PMA

The proposed subject gross rents, while within the range of rents offered at the comparable LIHTC projects for similar unit types within the region, they are well above those offered at the comparable affordable developments within the *market*. As noted, these comparable projects located outside of the market are within the cities of Monroe and Covington. Although these areas are much larger than Madison in terms of total population, they are generally socioeconomically less affluent than Madison in terms of median gross rent, median household income and/or median home value. Therefore, it is likely that LIHTC rents slightly lower if not similar to those offered at these projects outside of the market are achievable within the Madison Site PMA. Additionally, given the fact that nearly all LIHTC properties within the *market* are fully occupied and maintain extensive waiting lists, illustrates that these properties could charge higher rents without having an adverse impact on their marketability. It is also important to point out that the two comparable LIHTC projects within the Site PMA that maintain extensive waiting lists are charging similar rents for their bedroom types, regardless of targeted income level. This is also an indication that these developments are underachieving their rent potential, especially for those units set aside at 60% of AMHI. Additionally, the subject's newness, superior design (single-family rental homes) and larger unit sizes (square feet) will further enable the site to charge higher rents. Lastly, while not selected for this analysis due to differences in target population, we surveyed one age-restricted LIHTC project within the market, Silver Lakes Court (Map ID 12), that is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Based on other market parameters illustrated within this report, it is believed that the proposed LIHTC rents at the site are achievable.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	950	1,300	1,500
1	Canaan Crossing	723	907 - 1,060	1,108 - 1,182
9	Mary-Leila Lofts	750	840	1,200
10	Orchard Grove Apts.	-	1,000	1,100
906	Skyline Trace	806	1,056	1,237
907	Wellington Ridge	651 - 902	1,050 - 1,316	1,353 - 1,424

900 series Map IDs are located outside Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	1.0	1.5	2.0
1	Canaan Crossing	1.0	1.5	2.0
9	Mary-Leila Lofts	1.0	1.0 - 2.0	2.0
10	Orchard Grove Apts.	-	2.0	2.0
906	Skyline Trace	1.0	2.0	2.0
907	Wellington Ridge	1.0	2.0	2.0

900 series Map IDs are located outside Site PMA

The subject project will offer some of the largest LIHTC unit sizes (square feet) within the market and nearby region. This will position the subject development at a competitive advantage and enable it to charge higher rents. The additional bathroom to be provided in the subject's two- and three-bedroom units will be appealing to the targeted demographic.

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

Tax Credit Unit Amenities by Map ID							
	Site*	1	9	10	906	907	
Appliances	Dishwasher	X	X	X	X	X	X
	Disposal	X	X	X	X	X	X
	Microwave	X	X	X		X	
	Range	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X
	W/D Hookup	X	X	X	X	X	X
	W/D			X			S
	No Appliances						
Unit Amenities	AC-Central	X	X	X	X	X	X
	AC-Other						
	Balcony/ Patio/ Sunroom	X	X			X	S
	Basement						
	Ceiling Fan	X	X	X	S	X	S
	Controlled Access			X			X
	E-Call System						
	Furnished						
	Walk-In Closet			X	X		X
	Window Treatments	X	X	X	X	X	X
Flooring	Carpet			X	X	X	X
	Ceramic Tile						
	Hardwood			X			
	Finished Concrete						
	Composite/Vinyl/Laminate	X	X	X	X	X	X
Upgraded	Premium Appliances						
	Premium Countertops						
	Premium Cabinetry						
	Premium Fixtures						
	High/Vaulted Ceilings			X			
	Oversized Windows			X			
Parking	Attached Garage						
	Detached Garage						O
	Street Parking						
	Surface Lot	X	X	X	X	X	X
	Carport						
	Property Parking Garage						
	No Provided Parking						

◆ - Senior Property

* Proposed Site(s): Carmichael Commons II

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

** Details in Comparable Property Profile Report

Continued on Next Page

Tax Credit Property Amenities by Map ID

	Site*	1	9	10	906	907	
	X		X				
Bike Racks / Storage	X		X				
Computer/Business Center	X		X	X	X	X	
Car Care **						X	
Community Garden		X					
Community	Multipurpose Room	X	X	X	X	X	
	Chapel						
	Community Kitchen		X	X		X	
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Terrace						
	Concierge Service **					X	
	Convenience Amenities **		X		X	X	
	Covered Outdoor Area **	X					
	Elevator						
Laundry Room	X	X		X	X	X	
On-Site Management	X	X	X	X	X	X	
Pet Care **						X	
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center			X	X	X	X
	Grilling Area	X		X	X	X	X
	Game Room - Billiards						
	Walking Path						
	Hot Tub						
	Library				X		
	Media Room / Theater						
	Playground		X	X	X	X	X
	Putting Green						
	Racquetball						
	Shuffleboard						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor					X	X
	Tennis						
Volleyball							
Security	CCTV	X	X	X	X	X	
	Courtesy Officer						
	Security Gate					X	
	Social Services **		X				
	Storage - Extra					O	
	Common Space WiFi	X	X		X	X	X

◆ - Senior Property

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

* Proposed Site(s): Carmichael Commons II

** Details in Comparable Property Profile Report

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

Competitive/Comparable Tax Credit Summary

Based on our analysis of the subject’s unit sizes (square footage), amenities, location, quality and occupancy rates of the existing LIHTC properties within the market and region, it is our opinion that the subject development will be marketable. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that nearly all comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), experienced an absorption rate of approximately 30 units per month, a very high rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject’s proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA. Combined with the subject’s newness, superior design (single-family rental homes) and larger unit sizes, we believe the proposed rents at the site are achievable.

Affordable Rental Housing Impact

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

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2025
1	Canaan Crossing	100.0%	95.0%+
9	Mary-Leila Lofts	95.8%	95.0%+
10	Orchard Grove Apts.	100.0%	95.0%+

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

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

Market-Rate Units

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

Map I.D.	Project Name	Year Built/ Renovated	Units	Occupancy Rate	Distance to Site	Rent Special
Site	Carmichael Commons II	2025	4*	-	-	-
2	Concord Townhomes	1985	24	91.7%	2.4 Miles	None
5	Jefferson Ridge Townhomes	2000	22	100.0%	2.1 Miles	None
7	Madison Square	2000	58	100.0%	0.4 Miles	None
904	Leaf Stone	2001	232	99.6%	27.1 Miles	None
905	Park View	1993 / 2010	100	97.0%	26.0 Miles	None

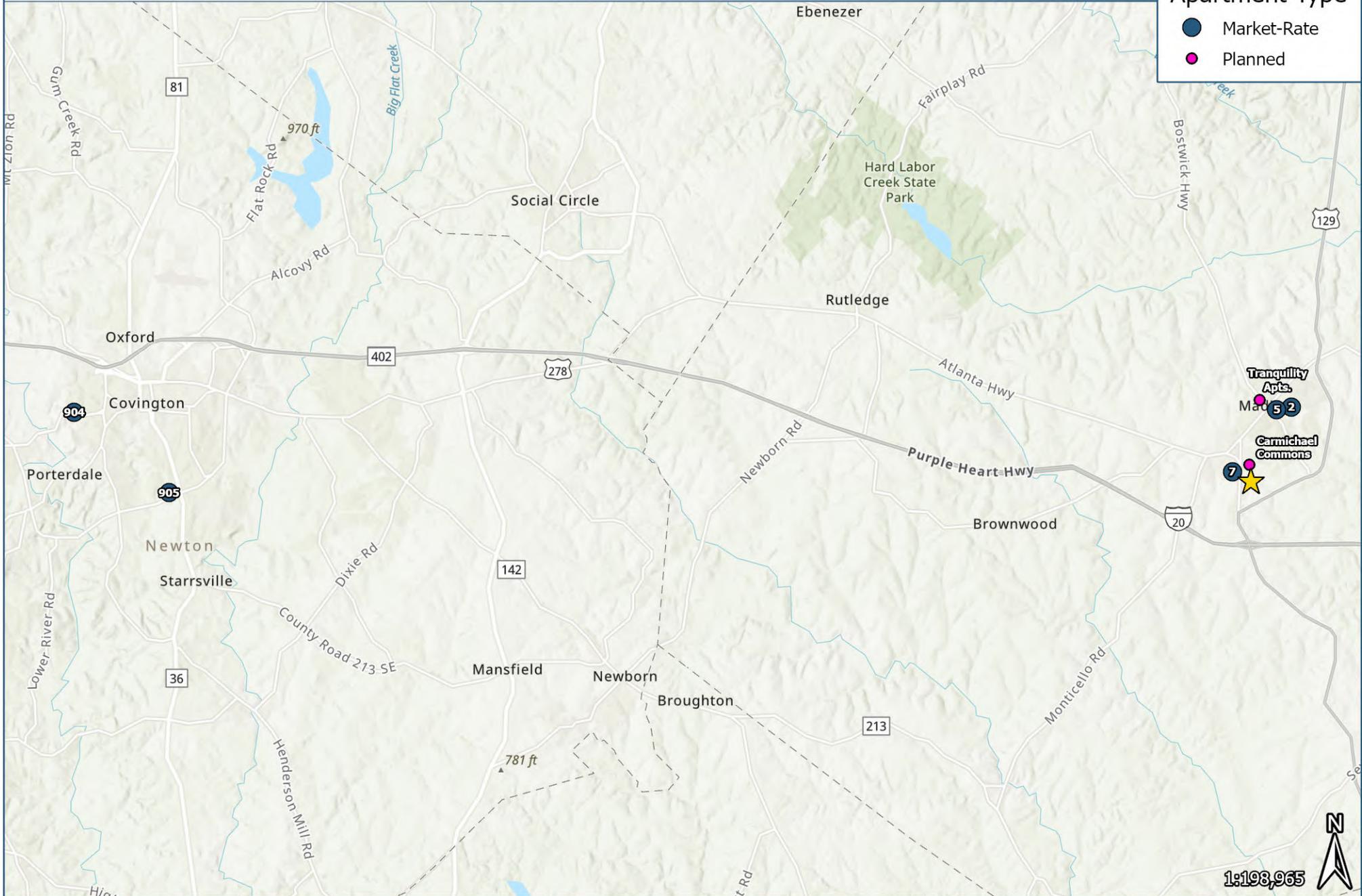
900 series Map IDs are located outside Site PMA

*Market-Rate units only

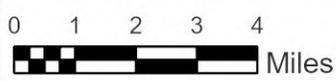
The five selected market-rate projects have a combined total of 436 units with an overall occupancy rate of 98.6%, a very strong rate for rental housing. As such, these market-rate projects will serve as accurate benchmarks with which to compare to the proposed development. In fact, two of the market-rate rental communities surveyed within the *market* are fully occupied, illustrating that pent-up demand exists for additional market-rate rental units within the Site PMA. The subject project will be able to accommodate a portion of this unmet demand.

Also note that the subject project will be at least 25 years newer than the comparable market-rate properties surveyed within the *market*. This will position the subject project at a significant competitive advantage.

The map on the following page illustrates the location of the comparable market-rate properties relative to the proposed subject site location, including the two planned communities within the Site PMA that will offer market-rate units.



1:108,965



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

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

Map I.D.	Project Name	Gross Rent (Number of Units/Vacancies)		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	-	\$1,251 (2)	\$1,414 (2)
2	Concord Townhomes	-	\$1,563-\$1,663 (24/2)	-
5	Jefferson Ridge Townhomes	-	\$1,663-\$1,713 (22/0)	-
7	Madison Square	\$1,383 (1/0)	\$1,414 (48/0)	\$1,549 (9/0)
904	Leaf Stone	\$1,538 (72/0)	\$1,784 (124/1)	\$1,959 (36/0)
905	Park View	\$1,333 (10/2)	\$1,514-\$1,564 (55/1)	\$1,799 (35/0)

900 series Map IDs are located outside Site PMA

The proposed subject gross market-rate rents will be well below the rents offered at the selected market-rate properties surveyed within the market and region. This will position the site at a competitive advantage.

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	-	1,300	1,500
2	Concord Townhomes	-	900	-
5	Jefferson Ridge Townhomes	-	1,100	-
7	Madison Square	850	1,050	1,100
904	Leaf Stone	816	1,072	1,292
905	Park View	736	880	1,152

900 series Map IDs are located outside Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Carmichael Commons II	-	1.5	2.0
2	Concord Townhomes	-	1.5	-
5	Jefferson Ridge Townhomes	-	2.5	-
7	Madison Square	1.0	2.0	2.0
904	Leaf Stone	1.0	2.0	2.0
905	Park View	1.0	1.0 - 2.0	2.0

900 series Map IDs are located outside Site PMA

The subject project will also offer the largest market-rate unit sizes (square feet) within the market and nearby region. This will further position the subject development at a competitive advantage.

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

Market-Rate Unit Amenities by Map ID								
	Site*	2	5	7	904	905		
Appliances	Dishwasher	X	X	X	X	X	X	
	Disposal	X				X	X	
	Microwave	X			S		S	
	Range	X	X	X	X	X	X	
	Refrigerator	X	X	X	X	X	X	
	W/D Hookup	X	X	X	X	X	X	
	W/D		S	S		O		
	No Appliances							
Unit Amenities	AC-Central	X	X	X	X	X	X	
	AC-Other							
	Balcony/ Patio/ Sunroom	X	X	X	X	X		
	Basement							
	Ceiling Fan	X	X	X	X	X	S	
	Controlled Access							
	E-Call System							
	Furnished							
	Walk-In Closet				X	X	X	
	Window Treatments	X	X	X	X	X	X	
	Flooring	Carpet			X	X	X	X
		Ceramic Tile						
Hardwood			X	X				
Finished Concrete								
Composite/Vinyl/Laminate		X			X	X	X	
Upgraded	Premium Appliances				X	X	X	
	Premium Countertops				X		X	
	Premium Cabinetry							
	Premium Fixtures							
	High/Vaulted Ceilings							
	Oversized Windows							
Parking	Attached Garage							
	Detached Garage					O		
	Street Parking							
	Surface Lot	X	X	X	X	X	X	
	Carport							
	Property Parking Garage							
	No Provided Parking							

◆ - Senior Property

* Proposed Site(s): Carmichael Commons II

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

** Details in Comparable Property Profile Report

Continued on Next Page

Market-Rate Property Amenities by Map ID

	Site*	2	5	7	904	905
	Bike Racks / Storage	X				
	Computer/Business Center	X			X	
	Car Care **				X	
	Community Garden					
Community	Multipurpose Room	X			X	X
	Chapel					
	Community Kitchen					
	Dining Room - Private					
	Dining Room - Public					
	Rooftop Terrace					
	Concierge Service **					
	Convenience Amenities **				X	X
	Covered Outdoor Area **	X				
	Elevator				X	
Laundry Room	X				X	
On-Site Management	X	X	X	X	X	
Pet Care **				X	X	
Recreation	Basketball					
	Bocce Ball					
	Firepit					
	Fitness Center				X	X
	Grilling Area	X			X	X
	Game Room - Billiards					
	Walking Path					
	Hot Tub					
	Library					
	Media Room / Theater					
	Playground				X	X
	Putting Green					
	Racquetball					
	Shuffleboard					
	Swimming Pool - Indoor					
	Swimming Pool - Outdoor				X	X
	Tennis					
Volleyball						
Security	CCTV	X				X
	Courtesy Officer				X	X
	Security Gate					
	Social Services **					
	Storage - Extra				X	
	Common Space WiFi	X			X	X

◆ - Senior Property

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

* Proposed Site(s): Carmichael Commons II

** Details in Comparable Property Profile Report

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

Comparable/Competitive Market-Rate Summary

Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing market-rate properties within the market and region, it is our opinion that the subject development will be very marketable. In fact, the subject project will be at least 25 years newer than the market-rate communities surveyed within the *Site PMA*, offering the lowest rents, superior design, larger unit sizes and superior amenities package. The aforementioned characteristics will position the subject at a significant competitive advantage and has been considered in both our achievable market rent analysis and our absorption projections.

Achievable Market Rent/Market Rent Advantage Analysis

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

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

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

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

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

Rent Comparability Grid

Unit Type → **ONE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Carmichael Commons II		Concord Townhomes		Jefferson Ridge Townhomes		Madison Square		Leaf Stone		Park View	
SE of Eatonton Road & Carmichael Road		100 Concord Ln.		363 E Jefferson St.		1092 Micha Way		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.	
Madison, GA		Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$1,395		\$1,495		\$1,250		\$1,405		\$1,200	
2	Date Surveyed	Apr-23		Apr-23		Apr-23		Apr-23		Apr-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	92%		100%		100%		100%		80%	
5	Effective Rent & Rent/ sq. ft	\$1,395	1.55	\$1,495	1.36	\$1,250	1.47	\$1,405	1.72	\$1,200	1.63
B. Design, Location, Condition		Data		Data		Data		Data		Data	
6	Structure / Stories	SFH/1	TH/2	TH/2		R/1		EE/3		WU/2,3	
7	Yr. Built/Yr. Renovated	2025	1985	2000	\$25	2000	\$25	2001	\$24	1993/2010	\$23
8	Condition/Street Appeal	E	F	G	\$30	G	\$15	G	\$15	G	\$15
9	Neighborhood	G	G	G		G		G		G	
10	Same Market?		Yes	Yes		Yes		No	(\$141)	No	(\$120)
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
11	# Bedrooms	1	2	2	(\$50)	1		1		1	
12	# Baths	1	1.5	2.5	(\$15)	1		1		1	
13	Unit Interior Sq. Ft.	950	900	1100	\$19	850	\$38	816	\$51	736	\$82
14	Patio/Balcony/Sunroom	Y	Y	Y		Y		Y		N	\$5
15	AC: Central/Wall	C	C	C		C		C		C	
16	Range/Refrigerator	R/F	R/F	R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	N/Y	N/Y	\$5	Y/Y		N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L	HU	W/D	(\$25)	HU	\$5	HU	\$5	HU/L	
19	Floor Coverings	V	W	C/W		C/V		C/V		C/V	
20	Window Treatments	Y	Y	Y		Y		Y		Y	
21	Secured Entry	N	N	N		N		N		N	
22	Garbage Disposal	Y	N	N	\$5	N	\$5	Y		Y	
23	Ceiling Fan/Storage	Y/N	Y/N	Y/N		Y/N		Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities		Data		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	Y	Y		Y		Y		Y	
26	Security Features	Y	N	N	\$5	N	\$5	Y		Y	
27	Community Space	Y	N	N	\$5	N	\$5	Y		Y	
28	Pool/Recreation Areas	N	N	N		N		P/F	(\$15)	P/F	(\$15)
29	Business/Computer Center	Y	N	N	\$3	N	\$3	Y		N	\$3
30	Grilling Area	Y	N	N	\$3	N	\$3	Y		Y	
31	Playground	N	N	N		N		Y	(\$3)	Y	(\$3)
32	Social Services	N	N	N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E	N/E	N/E		N/E		N/E		N/E	
37	Other Electric	N	N	N		N		N		N	
38	Cold Water/Sewer	N/N	N/N	N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	N/N	N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
40	# Adjustments B to D		10	2		8	4	9		5	3
41	Sum Adjustments B to D		\$120	(\$65)		\$66	(\$177)	\$104		\$100	(\$138)
42	Sum Utility Adjustments		\$16			\$16		\$16		\$16	
			Net	Gross		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		\$71	\$201		(\$95)	\$259	\$120	\$120	(\$48)	\$280
			Adj. Rent			Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted & Market Rents		\$1,466			\$1,400		\$1,370		\$1,357	
45	Adj Rent/Last rent			105%			94%		110%		97%
46	Estimated Market Rent	\$1,210		\$1.27		← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **TWO-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Carmichael Commons II		Concord Townhomes		Jefferson Ridge Townhomes		Madison Square		Leaf Stone		Park View	
SE of Eatonton Road & Carmichael Road		100 Concord Ln.		363 E Jefferson St.		1092 Micha Way		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.	
Madison, GA		Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA	
Data		Data		Data		Data		Data		Data	
on		\$ Adj		\$ Adj		\$ Adj		\$ Adj		\$ Adj	
Subject		\$ Adj		\$ Adj		\$ Adj		\$ Adj		\$ Adj	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,395		\$1,495		\$1,250		\$1,620		\$1,400	
2	Date Surveyed	Apr-23		Apr-23		Apr-23		Apr-23		Apr-23	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	92%		100%		100%		99%		98%	
5	Effective Rent & Rent/ sq. ft	\$1,395	1.55	\$1,495	1.36	\$1,250	1.19	\$1,620	1.51	\$1,400	1.59
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	SFH/1,2		TH/2		R/1		EE/3		WU/2,3	
7	Yr. Built/Yr. Renovated	2025	\$40	2000	\$25	2000	\$25	2001	\$24	1993/2010	\$23
8	Condition/Street Appeal	E	\$30	G	\$15	G	\$15	G	\$15	G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		No	(\$162)	No	(\$140)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.5		2.5	(\$30)	2	(\$15)	2	(\$15)	2	(\$15)
13	Unit Interior Sq. Ft.	1300	\$143	1100	\$72	1050	\$89	1072	\$82	880	\$150
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		N	\$5
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5	Y/Y	
18	Washer/Dryer	HU/L	\$5	W/D	(\$25)	HU	\$5	HU	\$5	HU/L	
19	Floor Coverings	V		W		C/V		C/V		C/V	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y	\$5	N	\$5	N	\$5	Y		Y	
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/Y	(\$5)	Y/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		Y	
27	Community Space	Y	\$5	N	\$5	N	\$5	Y		Y	
28	Pool/Recreation Areas	N		N		N		P/F	(\$15)	P/F	(\$15)
29	Business/Computer Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3
30	Grilling Area	Y	\$3	N	\$3	N	\$3	Y		Y	
31	Playground	N		N		N		Y	(\$3)	Y	(\$3)
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash/Recycling	Y/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10		9	2	9	1	5	5	5	4
41	Sum Adjustments B to D	\$244		\$138	(\$55)	\$155	(\$15)	\$131	(\$200)	\$196	(\$173)
42	Sum Utility Adjustments	\$16		\$16		\$16		\$16		\$16	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$260	\$260	\$99	\$209	\$156	\$186	(\$53)	\$347	\$39	\$385
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,655		\$1,594		\$1,406		\$1,567		\$1,439	
45	Adj Rent/Last rent		119%		107%		113%		97%		103%
46	Estimated Market Rent	\$1,410	\$1.08 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE-BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5		
Carmichael Commons II		Concord Townhomes		Jefferson Ridge Townhomes		Madison Square		Leaf Stone		Park View		
SE of Eatonton Road & Carmichael Road		100 Concord Ln.		363 E Jefferson St.		1092 Micha Way		10100 Brown Bridge Rd.		10920 Covington Bypass Rd.		
Madison, GA		Madison, GA		Madison, GA		Madison, GA		Covington, GA		Covington, GA		
Data		Data		Data		Data		Data		Data		
on		\$ Adj		\$ Adj		\$ Adj		\$ Adj		\$ Adj		
Subject		\$ Adj		\$ Adj		\$ Adj		\$ Adj		\$ Adj		
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
1	\$ Last Rent / Restricted?	\$1,395		\$1,495		\$1,350		\$1,760		\$1,600		
2	Date Surveyed	Apr-23		Apr-23		Apr-23		Apr-23		Apr-23		
3	Rent Concessions	None		None		None		None		None		
4	Occupancy for Unit Type	92%		100%		100%		100%		100%		
5	Effective Rent & Rent/ sq. ft	\$1,395	1.55	\$1,495	1.36	\$1,350	1.23	\$1,760	1.36	\$1,600	1.39	
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
6	Structure / Stories	SFH/1,2		TH/2		R/1		EE/3		WU/2,3		
7	Yr. Built/Yr. Renovated	2025	\$40	1985	\$25	2000	\$25	2001	\$24	1993/2010	\$23	
8	Condition/Street Appeal	E	\$30	F	\$15	G	\$15	G	\$15	G	\$15	
9	Neighborhood	G		G		G		G		G		
10	Same Market?	Yes		Yes		Yes		No	(\$176)	No	(\$160)	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
11	# Bedrooms	3	\$50	2	\$50	3		3		3		
12	# Baths	2	\$15	1.5	(\$15)	2		2		2		
13	Unit Interior Sq. Ft.	1500	\$206	900	\$137	1100	\$137	1292	\$71	1152	\$119	
14	Patio/Balcony/Sunroom	Y		Y		Y		Y		N	\$5	
15	AC: Central/Wall	C		C		C		C		C		
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F		
17	Microwave/Dishwasher	Y/Y	\$5	N/Y	\$5	Y/Y		N/Y	\$5	Y/Y		
18	Washer/Dryer	HU/L	\$5	HU	(\$25)	HU	\$5	HU	\$5	HU/L		
19	Floor Coverings	V		W		C/W		C/V		C/V		
20	Window Treatments	Y		Y		Y		Y		Y		
21	Secured Entry	N		N		N		N		N		
22	Garbage Disposal	Y	\$5	N	\$5	N	\$5	Y		Y		
23	Ceiling Fan/Storage	Y/N		Y/N		Y/N		Y/Y	(\$5)	Y/N		
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		
25	On-Site Management	Y		Y		Y		Y		Y		
26	Security Features	Y	\$5	N	\$5	N	\$5	Y		Y		
27	Community Space	Y	\$5	N	\$5	N	\$5	Y		Y		
28	Pool/Recreation Areas	N		N		N		P/F	(\$15)	P/F	(\$15)	
29	Business/Computer Center	Y	\$3	N	\$3	N	\$3	Y		N	\$3	
30	Grilling Area	Y	\$3	N	\$3	N	\$3	Y		Y		
31	Playground	N		N		N		Y	(\$3)	Y	(\$3)	
32	Social Services	N		N		N		N		N		
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E		
37	Other Electric	N		N		N		N		N		
38	Cold Water/Sewer	N/N		N/N		N/N		N/N		N/N		
39	Trash/Recycling	Y/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D		12		10		2		9		5	4
41	Sum Adjustments B to D		\$372		\$253		(\$40)		\$203		\$120	(\$199)
42	Sum Utility Adjustments		\$16		\$16				\$16		\$16	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	
43	Net/ Gross Adjmts B to E		\$388	\$388	\$229	\$309	\$219	\$219	(\$63)	\$335	\$3	\$359
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		
44	Adjusted Rent (5+ 43)		\$1,783		\$1,724		\$1,569		\$1,697		\$1,603	
45	Adj Rent/Last rent		128%		115%		116%		96%		100%	
46	Estimated Market Rent	\$1,570		\$1.05		← Estimated Market Rent/ Sq. Ft						

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

Based on the preceding Rent Comparability Grids, the subject’s achievable market rents and corresponding market rent advantages are summarized in the following table:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$605	\$1,210	50.0%
	60%	\$725		40.1%
Two-Br.	50%	\$725	\$1,410	48.6%
	60%	\$865		38.7%
	MR	\$1,090		22.7%
Three-Br.	50%	\$830	\$1,570	47.1%
	60%	\$985		37.3%
	MR	\$1,220		22.3%

MR – Market-Rate

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. Considering that the proposed subject Tax Credit rents represent market rent advantages of between 37.3% and 50.0%, they will likely be viewed as substantial values within the Site PMA. The proposed market-rate rents will likely also be viewed as substantial values, as they represent market rent advantages of 22.3% and 22.7%. These factors are considered in our absorption rate estimates.

Rent Adjustment Explanations (Rent Comparability Grid)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions.

7. The proposed subject project is anticipated to be completed in 2025. As such, we have adjusted the rents at the selected properties by \$1 per (effective) year of age difference to reflect the age of these properties.

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

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value in the Site PMA was \$257,845. At an estimated interest rate of 5.89% and a 30-year term (and 95% LTV), the monthly mortgage for a \$257,845 home is \$1,814, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price – ESRI	\$257,845
Mortgaged Value = 95% Of Median Home Price	\$244,953
Interest Rate – Bankrate.Com	5.89%
Term	30
Monthly Principal & Interest	\$1,451
Estimated Taxes & Insurance*	\$363
Estimated Monthly Mortgage Payment:	\$1,814

*Estimated at 25% of principal and interest.

In comparison, the proposed subject rents are well below the cost of a monthly mortgage for a typical home in the area. Therefore, we do not anticipate any competitive impact on or from the homebuyer market and the subject property.

Section J – Absorption & Stabilization Rates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA guidelines that assume a 2025 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2025.

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

Based on our analysis, it is our opinion that the 36 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 94.0% in less than four months. This absorption period is based on an average monthly absorption rate of approximately nine to ten units per month. It is anticipated that the four market-rate units at the site will stabilize within the first month of completion.

These absorption projections assume a September 2025 opening date. An earlier/later opening date may have a slowing impact on the project's initial absorption. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of voucher support the subject development ultimately receives.

Section K – Interviews

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

- Monica Callahan, Director for the City of Madison Planning and Development, stated that there is absolutely a need for more affordable housing in Madison. For starters, there is a lack of housing in Madison. Any apartment community the city does have is, for the most part, 100.0% occupied, and the last rental development that opened in Madison had a waitlist of over 150 applicants as soon as it opened. Additionally, Madison's Public Housing waiting list is over three years long. While the city is working very hard to get more affordable housing built, there have been obstacles. One of the biggest hinderances to development within the city is a lack of land available for purchase. All of the land left with space available to develop in Madison is owned by five people who do not wish to sell. The city would like to buy this land, if the state government would provide the funds to do so, which has been previously requested, but the city itself simply does not have the capital to accomplish this themselves. In addition to this, the cost of building deters some developers. In conclusion, the city of Madison is working diligently to create and encourage the construction of more affordable housing, for which there is a great and undeniable need.
- Tara Cooner, Planner with Morgan County, believes there is a need for more affordable housing in Morgan County. Citizens of the county personally request the addition of affordable housing to the county because their kids cannot afford to come home anymore after they complete their college education and mid-salary, essential employees such as teachers, firefighters, healthcare workers, etc. cannot afford to live here either. People approach Ms. Cooner and her coworkers on the street to inquire about when more affordable housing will become available to them. The cheapest market-rate complexes in the county rent out for approximately \$1,300 on average and the cheapest homes sell for \$350,000. For most people, this is unattainable. This supports the need for more affordable housing in Morgan County.

Section L – Conclusions & Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 40 Tax Credit and market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

The Madison rental housing market is performing extremely well, as evidenced by the overall rental market occupancy rate of 99.0%. In fact, nearly all surveyed properties are fully occupied, illustrating that significant pent-up demand exists for all types of rental housing within the Madison Site PMA. As such, the proposed Tax Credit and market-rate units at the subject site will help alleviate a portion of this unmet demand. While the proposed subject LIHTC rents will generally be well above those offered at the comparable projects for similar unit types, given that nearly all of the comparable properties are fully occupied illustrates that they could likely charge higher rents without adversely impacting their occupancy levels. This is further evidenced by the fact that the newest LIHTC community surveyed, Canaan Crossing (Map ID 1), experienced an absorption rate of approximately 30 units per month, a very rapid rate for affordable rental housing. Lastly, while not competitive with the subject project, the newest age-restricted LIHTC community surveyed in the market, Silver Lakes Court (Map ID 12), is offering gross rents well above those offered at the comparable properties within the *market* and closer to the subject's proposed rents, of which is fully occupied and maintains a waiting list. This illustrates that higher Tax Credit rents are achievable within the Madison Site PMA.

The overall required capture rates of 0.7% and 22.0% for the subject's market-rate and LIHTC units, respectively, are considered achievable, demonstrating that a good base of potential income-appropriate renter support exists for the subject project within the Madison Site PMA. The subject's **overall** capture rate is **5.7%**.

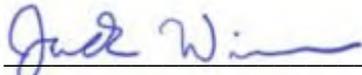
Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable within the Madison Site PMA, as proposed. We do not have any recommendations or modifications to the subject development at this time.

Section M - Signed Statement Requirements

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

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

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



Jack Wiseman (Primary Contact)

Market Analyst

jackw@bowennational.com

Date: May 5, 2023

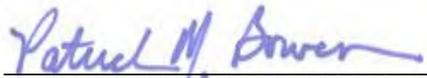


Jonathan Kabat

Market Analyst

jonathank@bowennational.com

Date: May 5, 2023



Patrick M. Bowen

President/Market Analyst

Bowen National Research

155 E. Columbus St., Suite 220

Pickerington, OH 43147

(614) 833-9300

patrickb@bowennational.com

Date: May 5, 2023

ADDENDUM A:

FIELD SURVEY OF CONVENTIONAL RENTALS



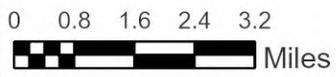
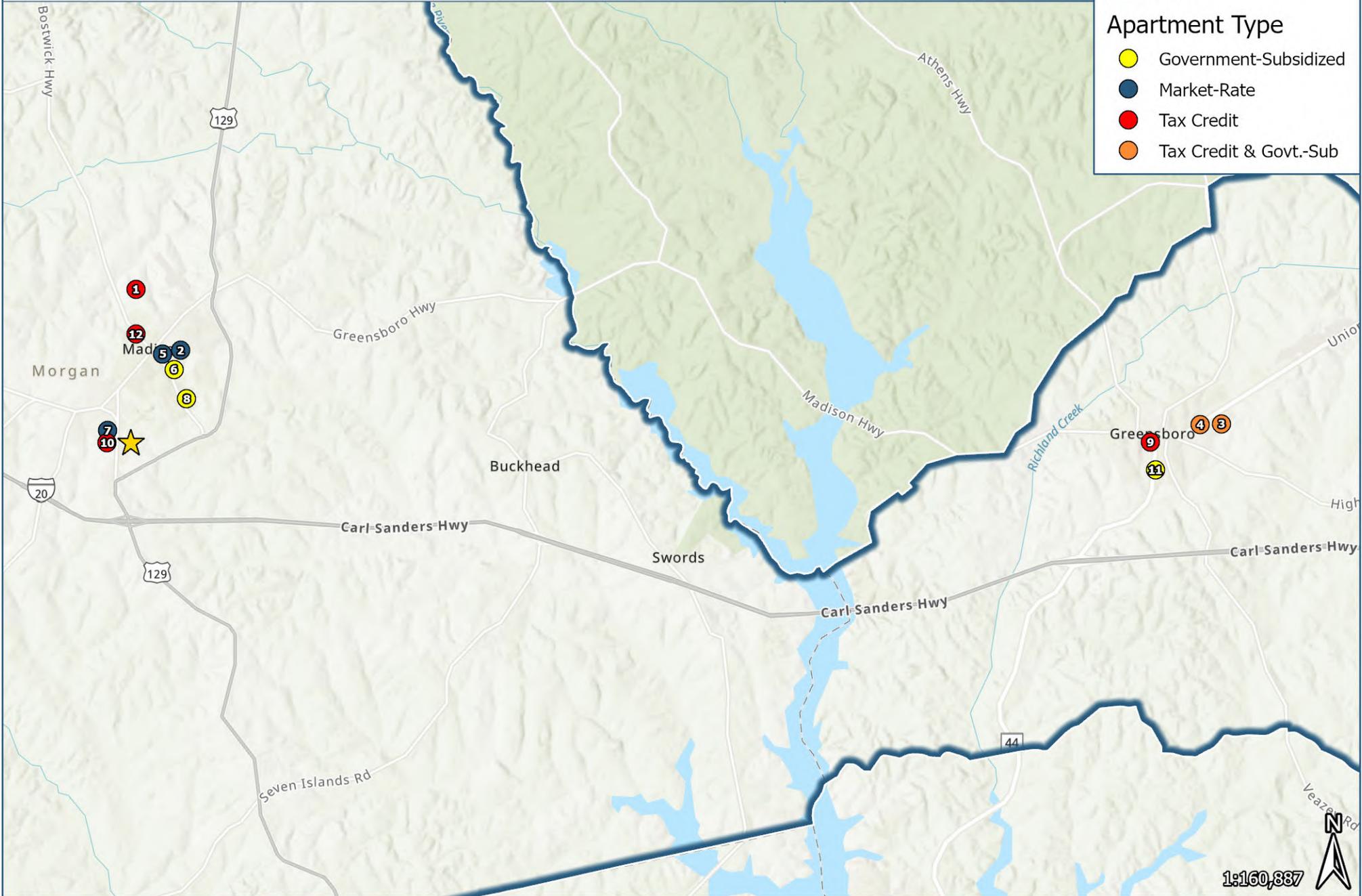
Site



PMA

Apartment Type

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



Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Canaan Crossing	TAX	B+	2022	60	0	100.0%	3.1
✓ 2	Concord Townhomes	MRR	C+	1985	24	2	91.7%	2.4
3	Fox Chase One	TGS	C	1992	24	0	100.0%	21.2
◆ 4	Fox Chase Two	TGS	C	1992	33	0	100.0%	21.2
✓ 5	Jefferson Ridge Townhomes	MRR	B+	2000	22	0	100.0%	2.1
6	Madison Public Housing	GSS	C+	1959	66	0	100.0%	2.2
✓ 7	Madison Square	MRR	B-	2000	58	0	100.0%	0.4
8	Madison Villas	GSS	B	1996	48	0	100.0%	2.7
✓ 9	Mary-Leila Lofts	TAX	B	2014	71	3	95.8%	20.1
✓ 10	Orchard Grove Apts.	TAX	B+	2004	60	0	100.0%	0.5
11	Park Place Apts.	GSS	C-	1952	14	0	100.0%	19.6
◆ 12	Silver Lakes Court	TAX	B+	2016	44	0	100.0%	2.1
✓ 904	Leaf Stone	MRR	B	2001	232	1	99.6%	27.1
✓ 905	Park View	MRR	B	1993	100	3	97.0%	26.0
✓ 906	Skyline Trace	MRT	B+	2010	63	0	100.0%	26.2
✓ 907	Wellington Ridge	TAX	B	2002	220	0	100.0%	23.1

*Drive distance in miles

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



1	Canaan Crossing 1180 Wheat St, Madison, GA 30650	Contact: Cindy Phone: (706) 818-8885
	 <p>Total Units: 60 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2022 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 219 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds units (11 total); Preleasing 4/2022, opened 10/2022, 100% occupied 11/2022</p>	



2	Concord Townhomes 100 Concord Ln., Madison, GA 30650	Contact: Jessica Phone: (706) 438-1450
	 <p>Total Units: 24 UC: 0 Occupancy: 91.7% Stories: 2 Year Built: 1985 BR: 2 Vacant Units: 2 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Rent range based on unit location</p>	

3	Fox Chase One 11 Fox Chase Cir., Greensboro, GA 30642	Contact: Cici Phone: (706) 453-4690
	 <p>Total Units: 24 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1992 BR: 1, 2, 3 Vacant Units: 0 Waitlist: 113 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Tax Credit; RD 515, has RA (12 units)</p>	



4	Fox Chase Two 11 Fox Chase Cir., Greensboro, GA 30642	Contact: Cici Phone: (706) 453-4690
	 <p>Total Units: 33 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1992 BR: 1, 2 Vacant Units: 0 Waitlist: 30 HH AR Year: Target Population: Senior 62+ Yr Renovated: Rent Special: None Notes: Tax Credit; RD 515, has RA (33 units)</p>	



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

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

6	Madison Public Housing 509 Madison Ave., Madison, GA 30650	Contact: Laurie Phone: (770) 267-6591
	Total Units: 66 UC: 0 BR: 1, 2, 3, 4, 5 Target Population: Family Rent Special: None Notes: Public Housing	Occupancy: 100.0% Vacant Units: 0 Stories: 1 Waitlist: Yes Year Built: 1959 AR Year: Yr Renovated: 1995

7	Madison Square 1092 Micha Way, Madison, GA 30650	Contact: Michelle w/ RAC Phone: (706) 410-5952
	Total Units: 58 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Does not keep a WL	Occupancy: 100.0% Vacant Units: 0 Stories: 1 Waitlist: None Year Built: 2000 AR Year: Yr Renovated:

8	Madison Villas 1061 Bamblewood Dr., Madison, GA 30650	Contact: Thelma Phone: (706) 342-9872
	Total Units: 48 UC: 0 BR: 1, 2 Target Population: Family Rent Special: None Notes: RD 515, has RA (38 units)	Occupancy: 100.0% Vacant Units: 0 Stories: 1,2 Waitlist: 14 HH Year Built: 1996 AR Year: Yr Renovated:

9	Mary-Leila Lofts 316 S. West St., Greensboro, GA 30642	Contact: Miranda Phone: (706) 454-5047
	Total Units: 71 UC: 0 BR: 1, 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 95.8% Vacant Units: 3 Stories: 2,3 Waitlist: None Year Built: 2014 AR Year: Yr Renovated:

10	Orchard Grove Apts. 1070 Micha Way, Madison, GA 30650	Contact: Laurie Phone: (706) 752-1707
	Total Units: 60 UC: 0 BR: 2, 3 Target Population: Family Rent Special: None Notes: Tax Credit	Occupancy: 100.0% Vacant Units: 0 Stories: 2 Waitlist: 36 mos Year Built: 2004 AR Year: Yr Renovated:

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

11	Park Place Apts. 701 S. Main St., Greensboro, GA 30642	Contact: Angela Phone: (706) 453-7371
	Total Units: 14 UC: 0 Occupancy: 100.0% Stories: 1 Year Built: 1952 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: Shared; 107 HH AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Public Housing	

12	Silver Lakes Court 555 5th St, Madison, GA 30650	Contact: Cindy Phone: (706) 717-9593
	Total Units: 44 UC: 0 Occupancy: 100.0% Stories: 2,3 w/Elevator Year Built: 2016 BR: 1, 2 Vacant Units: 0 Waitlist: 50 HH AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: None Notes: Tax Credit; HOME Funds (44 units)	

904	Leaf Stone 10100 Brown Bridge Rd., Covington, GA 30014	Contact: Madison Phone: (770) 784-8044
	Total Units: 232 UC: 0 Occupancy: 99.6% Stories: 3 w/Elevator Year Built: 2001 BR: 1, 2, 3 Vacant Units: 1 Waitlist: None AR Year: Target Population: Family Yr Renovated: Rent Special: None Notes: Does not keep a WL	

905	Park View 10920 Covington Bypass Rd., Covington, GA 30014	Contact: Tenisha Phone: (770) 786-8500
	Total Units: 100 UC: 0 Occupancy: 97.0% Stories: 2,3 Year Built: 1993 BR: 1, 2, 3 Vacant Units: 3 Waitlist: None AR Year: Target Population: Family Yr Renovated: 2010 Rent Special: None Notes: 2-br rent range due to the number of bathrooms	

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

<ul style="list-style-type: none"> ✔ Comparable Property ♦ Senior Restricted (MRR) Market-Rate (MRT) Market-Rate & Tax Credit (MRG) Market-Rate & Government-Subsidized (MIN) Market-Rate & Income-Restricted (not LIHTC) 	<ul style="list-style-type: none"> (MIG) Market-Rate, Income-Restricted (not LIHTC) & Govt-Subsidized (TAX) Tax Credit (TGS) Tax Credit & Government-Subsidized (TMI) Tax Credit, Market-Rate, Income-Restricted (not LIHTC) (TIN) Tax Credit & Income-Restricted (not LIHTC) (TMG) Tax Credit, Market-Rate & Government-Subsidized 	<ul style="list-style-type: none"> (TIG) Tax Credit, Income-Restricted (not LIHTC) & Govt-Subsidized (INR) Income-Restricted (not LIHTC) (ING) Income-Restricted (not LIHTC) & Government-Subsidized (GSS) Government-Subsidized (ALL) Tax Credit, Market-Rate, Govt-Subsidized & Income-Restricted
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



907	Wellington Ridge		Contact: Sharon		
	9145 Wellington Dr., Covington, GA 30016		Phone: (678) 625-2777		
	Total Units: 220	UC: 0	Occupancy: 100.0%	Stories: 3,4	Year Built: 2002
	BR: 1, 2, 3		Vacant Units: 0	Waitlist: None	AR Year:
	Target Population: Family				Yr Renovated:
	Rent Special: None				
	Notes: Tax Credit				

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

Source: Georgia Department of Community Affairs
Effective: 01/2023

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	10	15	18	24	31	37	12	17	21	26	34	38
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	36	56	66	86	112	132	43	60	76	96	109	122
	Electric	12	17	21	27	32	39	13	19	24	30	37	42
	Heat Pump	8	9	12	17	20	22	8	9	12	17	20	22
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Cooking	Natural Gas	3	4	5	7	8	10	3	4	5	7	8	10
	Bottled Gas	10	17	20	23	30	36	10	17	20	23	30	36
	Electric	6	8	10	12	16	18	6	8	10	12	16	18
Other Electric	16	22	29	35	45	51	16	22	29	35	45	51	
+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0	
Air Conditioning	5	7	10	13	15	17	6	8	11	13	17	19	
Water Heating	Natural Gas	4	7	9	11	13	16	4	7	9	11	13	16
	Bottled Gas	17	23	33	40	46	60	17	23	33	40	46	60
	Electric	9	14	20	25	30	35	9	14	20	25	30	35
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water	21	25	29	35	41	45	21	25	29	35	41	45	
Sewer	20	24	29	36	44	48	20	24	29	36	44	48	
Trash Collection	16	16	16	16	16	16	16	16	16	16	16	16	
Internet*	20	20	20	20	20	20	20	20	20	20	20	20	
Cable*	20	20	20	20	20	20	20	20	20	20	20	20	
Alarm Monitoring*	0	0	0	0	0	0	0	0	0	0	0	0	

* Estimated- not from source

ADDENDUM B:
COMPARABLE PROPERTY PROFILES

1 **Canaan Crossing** 3.1 miles to site



Address: 1180 Wheat St, Madison, GA 30650
 Phone: (706) 818-8885 Contact: Cindy (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 60 Year Built: 2022 Ratings
 Vacant Units: 0 *AR Year: Quality: B+
 Occupancy: 100.0% Yr Renovated: Neighborhood: B+
 Turnover: Stories: 2 Access/Visibility: B-/B-
 Waitlist: 219 HH
 Rent Special: None

Notes: Tax Credit; HOME Funds units (11 total); Preleasing 4/2022, opened 10/2022, 100% occupied 11/2022

Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	2	0	723	\$0.71	\$510	50%
1	1	G	6	0	723	\$0.71	\$510	60%
2	1.5	T	6	0	907 - 1,060	\$0.64 - \$0.55	\$580	50%
2	1.5	T	26	0	907 - 1,060	\$0.64 - \$0.55	\$580	60%
3	2	T	4	0	1,108 - 1,182	\$0.56 - \$0.52	\$620	50%
3	2	T	16	0	1,108 - 1,182	\$0.56 - \$0.52	\$620	60%

*Adaptive Reuse

*DTS is based on drive time

2 Concord Townhomes 2.4 miles to site



Address: 100 Concord Ln., Madison, GA 30650
 Phone: (706) 438-1450 Contact: Jessica (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 24 Year Built: 1985
 Vacant Units: 2 *AR Year:
 Occupancy: 91.7% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: None
 Rent Special: None

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

Notes: Rent range based on unit location



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	1.5	T	24	2	900	\$1.55 - \$1.66	\$1,395 - \$1,495	Market

*Adaptive Reuse

*DTS is based on drive time

5 Jefferson Ridge Townhomes 2.1 miles to site



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

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

Notes: Rent range based on unit location



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2.5	T	22	0	1,100	\$1.36 - \$1.40	\$1,495 - \$1,545	Market

*Adaptive Reuse

*DTS is based on drive time

7 Madison Square 0.4 miles to site



Address: 1092 Micha Way, Madison, GA 30650
 Phone: (706) 410-5952 Contact: Michelle w/ RAC (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 58 Year Built: 2000
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 1
 Waitlist: None
 Rent Special: None

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

Notes: Does not keep a WL



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

Property Amenities: On-Site Management

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	1	0	850	\$1.47	\$1,250	Market
2	2	G	48	0	1,050	\$1.19	\$1,250	Market
3	2	G	9	0	1,100	\$1.23	\$1,350	Market

*Adaptive Reuse

*DTS is based on drive time

9 Mary-Leila Lofts 20.1 miles to site



Address: 316 S. West St., Greensboro, GA 30642
 Phone: (706) 454-5047 Contact: Miranda (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 71 Year Built: 2014
 Vacant Units: 3 *AR Year:
 Occupancy: 95.8% Yr Renovated:
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Bike Racks / Storage; Multipurpose Room, Community Kitchen, Clubhouse/Community Room; On-Site Management; Recreation Areas (Fitness Center, Grilling Area, Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	L	3	0	750	\$0.58	\$433	50%
1	1	L	11	1	750	\$0.75	\$559	60%
2	1	L	8	0	840	\$0.60	\$501	50%
2	2	L	29	1	840	\$0.78	\$652	60%
3	2	L	4	0	1,200	\$0.46	\$554	50%
3	2	L	16	1	1,200	\$0.61	\$728	60%

*Adaptive Reuse

*DTS is based on drive time

10 Orchard Grove Apts. 0.5 miles to site



Address: 1070 Micha Way, Madison, GA 30650
 Phone: (706) 752-1707 Contact: Laurie (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 60 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist: 36 mos
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

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

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	24	0	1,000	\$0.65	\$650	50%
2	2	G	12	0	1,000	\$0.65	\$650	60%
3	2	G	16	0	1,100	\$0.68	\$750	50%
3	2	G	8	0	1,100	\$0.68	\$750	60%

*Adaptive Reuse

*DTS is based on drive time

904 Leaf Stone 27.1 miles to site



Address: 10100 Brown Bridge Rd., Covington, GA 30014
 Phone: (770) 784-8044 Contact: Madison (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 232 Year Built: 2001
 Vacant Units: 1 *AR Year:
 Occupancy: 99.6% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: None
 Rent Special: None

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

Notes: Does not keep a WL



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

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

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	72	0	816	\$1.72	\$1,405	Market
2	2	G	124	1	1,072	\$1.51	\$1,620	Market
3	2	G	36	0	1,292	\$1.36	\$1,760	Market

*Adaptive Reuse

*DTS is based on drive time

905 Park View 26.0 miles to site



Address: 10920 Covington Bypass Rd., Covington, GA 30014
 Phone: (770) 786-8500 Contact: Tenisha (By Phone)
 Property Type: Market Rate
 Target Population: Family
 Total Units: 100 Year Built: 1993
 Vacant Units: 3 *AR Year:
 Occupancy: 97.0% Yr Renovated: 2010
 Turnover: Stories: 2,3
 Waitlist: None
 Rent Special: None

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

Notes: 2-br rent range due to the number of bathrooms



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	10	2	736	\$1.63	\$1,200	Market
2	1 - 2	G	55	1	880	\$1.53 - \$1.59	\$1,350 - \$1,400	Market
3	2	G	35	0	1,152	\$1.39	\$1,600	Market

*Adaptive Reuse

*DTS is based on drive time

906 Skyline Trace 26.2 miles to site



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

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

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



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: No landlord paid utilities;

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

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

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	3	0	806	\$0.87	\$700	50%
1	1	G	3	0	806	\$0.93	\$750	60%
1	1	G	2	0	806	\$0.96	\$775	Market
2	2	G	10	0	1,056	\$0.74	\$780	50%
2	2	G	19	0	1,056	\$0.80	\$840	60%
2	2	G	2	0	1,056	\$0.80	\$850	Market
3	2	G	8	0	1,237	\$0.68	\$845	50%
3	2	G	16	0	1,237	\$0.72	\$890	60%

*Adaptive Reuse

*DTS is based on drive time

907 Wellington Ridge 23.1 miles to site



Address: 9145 Wellington Dr., Covington, GA 30016
 Phone: (678) 625-2777 Contact: Sharon (In Person)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 220 Year Built: 2002
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3,4
 Waitlist: None
 Rent Special: None

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

Notes: Tax Credit



Features And Utilities

Utility Schedule Provided by: Georgia Department of Community Affairs

Utility Type & Responsibility: Landlord pays Trash

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

Property Amenities: Business Center (Computer/Business Center); Car Care (Car Wash Area); Multipurpose Room, Clubhouse/Community Room; Concierge Services (Dry Cleaning); Laundry Room; On-Site Management; Dog Park/Pet Care; Recreation Areas (Fitness Center, Grilling Area, Playground, Outdoor Swimming Pool); CCTV, Security Gate; Extra Storage; WiFi

Parking Type: Detached Garage; Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	70	0	651 - 902	\$1.51 - \$1.09	\$985	60%
2	2	G	122	0	1,050 - 1,316	\$1.11 - \$0.89	\$1,169	60%
3	2	G	28	0	1,353 - 1,424	\$1.07 - \$1.02	\$1,447	60%

*Adaptive Reuse

*DTS is based on drive time

Addendum C - Market Study Representation

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

Addendum D - Qualifications

The Company

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

Company Leadership

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

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

Market Analysts

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

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

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

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

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

Tanja Hairston, Market Analyst, has extensive property management experience in both the Midwest and northeastern United States. She has assisted low-income, veterans and homeless persons in securing affordable and permanent housing, administered HUD recertifications and reviewed Housing Choice Voucher applications. In addition, she has cultivated relationships with realtors, property managers and brokers. Ms. Hairston holds a Bachelor of Arts degree in Sociology from South Carolina State University.

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

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

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

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

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

Research Staff

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

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

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

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

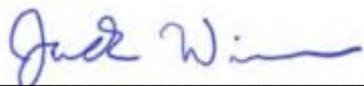
Addendum E – Market Analyst Certification Checklist

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

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



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: May 5, 2023



Jack Wiseman (Primary Contact)
Market Analyst
jackw@bowennational.com
Date: May 5, 2023

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

Market Study Index

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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

Addendum F – Methodologies, Disclaimers & Sources

1. PURPOSE

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

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

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

3. REPORT LIMITATIONS

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

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

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

4. SOURCES

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

- The 2010 and 2020 Census on Housing
- American Community Survey
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs (GDCA)
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives