

CBRE VALUATION & ADVISORY SERVICES

# MARKET STUDY

NORTHSIDE HILLS  
615 NORTHSIDE DRIVE  
GRIFFIN, GEORGIA 30223  
CBRE FILE NO. CB23US070835-1

CLIENT: LINCOLN AVENUE CAPITAL

**CBRE**

Date of Report: September 19, 2023

Ms. Sarah Robbins  
LINCOLN AVENUE CAPITAL  
401 Wilshire Blvd, Suite 1070  
Santa Monica, California 90401

RE: Market Study of:  
Northside Hills  
615 Northside Drive  
Griffin, Spalding County, Georgia 30223  
CBRE, Inc. File No. CB23US070835-1

Dear Ms. Robbins:

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

The purpose of this market study is to assess the viability of the subject. The subject, referred to as Northside Hills, is an existing 264-unit multifamily development located at 615 Northside Drive, Griffin, GA 30223. The improvements were constructed in 1969. The subject is planned for a renovation which is expected to start in December 2024 and be completed by December 2025. The market entry date is December 2025. The subject is situated on a 25.51-acre.

All 264 units currently benefit from a Project-Based Section 8 HAP Contract, where tenants pay 30% of their income as rent, with the remainder subsidized by the U.S. Department of Housing and Urban Development (HUD). Post renovation, the subject will be rent and income restricted at 60% AMI and will continue to operate with a HAP contract for all units.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

The authors of this report certify that there exists no identity of interest between the analysts and the entity for which the report is prepared, the applicant or its principals (general partners, members, etc.). The recommendations and conclusions are based solely on the professional opinions and best efforts of the analysts. The report was written according to Georgia Department of Community Affairs' (DCA) market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. DCA may rely on the representation made in the market study.

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

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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**ADDENDA**

A Rent Comparable Data Sheets

B Client Contract Information

C Qualifications

## Executive Summary and Conclusions

### Project Description

The subject, referred to as Northside Hills, is an existing 264-unit multifamily development located at 615 Northside Drive, Griffin, GA 30223. The improvements were constructed in 1969. The subject is planned for a renovation which is expected to start in December 2024 and be completed by December 2025. The market entry date is December 2025. The subject is situated on a 25.51-acre.

All 264 units currently benefit from a Project-Based Section 8 HAP Contract, where tenants pay 30% of their income as rent, with the remainder subsidized by the U.S. Department of Housing and Urban Development (HUD). Post renovation, the subject will be rent and income restricted at 60% AMI and will continue to operate with a HAP contract for all units.

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

PROPOSED UNIT MIX AND RENTS								
Type	No. of Units	Units With S8	Unit Size (SF)	Achievable Rent Absent Subsidy	Utility Allowance	Gross Rent	Maximum Allowable Gross Rent	As Is (Mark-to-Market) S8 Contract Rent
1BR/1BA - 60% AMI/Section 8	48	48	762	\$950	\$96	\$1,046	\$1,149	\$1,260
2BR/1BA - 60% AMI/Section 8	108	108	914	\$1,150	\$118	\$1,268	\$1,378	\$1,355
3BR/1BA - 60% AMI/Section 8	88	88	1,006	\$1,275	\$135	\$1,410	\$1,593	\$1,505
4BR/1.5BA - 60% AMI/Section 8	20	20	1,165	\$1,400	\$172	\$1,572	\$1,777	\$1,650
<b>Total/Average:</b>	<b>264</b>	<b>264</b>	<b>936</b>	<b>\$1,174</b>		<b>\$1,298</b>		

Compiled by CBRE

The subject will continue to operate with project-based subsidy following the renovation. We estimate achievable LIHTC rents in the rent analysis section of the report. The LIHTC rents absent subsidy are hypothetical.

The subject will offer the following amenities:

- Blinds, carpeting, ovens, refrigerators, and garbage disposals. Post renovation, the subject will also offer a washer and dryer in each unit.
- On-site management, a community room, and a playground. Post renovation, the subject will also offer a computer lab, fitness center, and a covered pavilion with picnic/barbeque facilities and outdoor gathering area. The subject will offer free community events including afterschool programs and summer lunch programs, and free internet to the residents.
- Gated access and video surveillance as security features.

The subject's amenity package will be generally similar to the comparable market rate properties post renovation. The subject will offer a computer lab, fitness center, free community events including afterschool programs and summer lunch programs, and free internet to the residents. However, most of the market rate comparables offer a dishwasher, patio/balcony, and pool, amenities not offered by the subject.

The subject offers a competitive amenity package when compared to the comparable LIHTC properties. Most comparables offer a playground, barbeque area, clubhouse, computer lab/business center, and fitness center. However, Tranquility at Griffin Apartments also offers a swimming pool and is considered slightly superior to the subject. Post renovation, the subject will also offer a computer lab, fitness center, and a covered pavilion with picnic/barbeque facilities and outdoor gathering area.

**Site Description/Evaluation**

The site has average frontage, ingress/egress, and visibility along Northside Drive. The site is adequate in terms of size and utility for a multifamily development. There are no known detrimental uses in the immediate vicinity; however, crime rates are considered high in the city as a whole. The subject’s neighborhood is an average location for multifamily development. Adequate shopping, services, and recreational amenities are located within a relatively short distance of the subject. There is no fixed-route public transportation, but Three Rivers Regional Transportation offers vans with scheduled pickups. The neighborhood is well suited for this type of multifamily housing. The renovation of the subject will positively impact the neighborhood and will preserve affordable housing in the subject’s PMA.

**Market Area Definition**

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

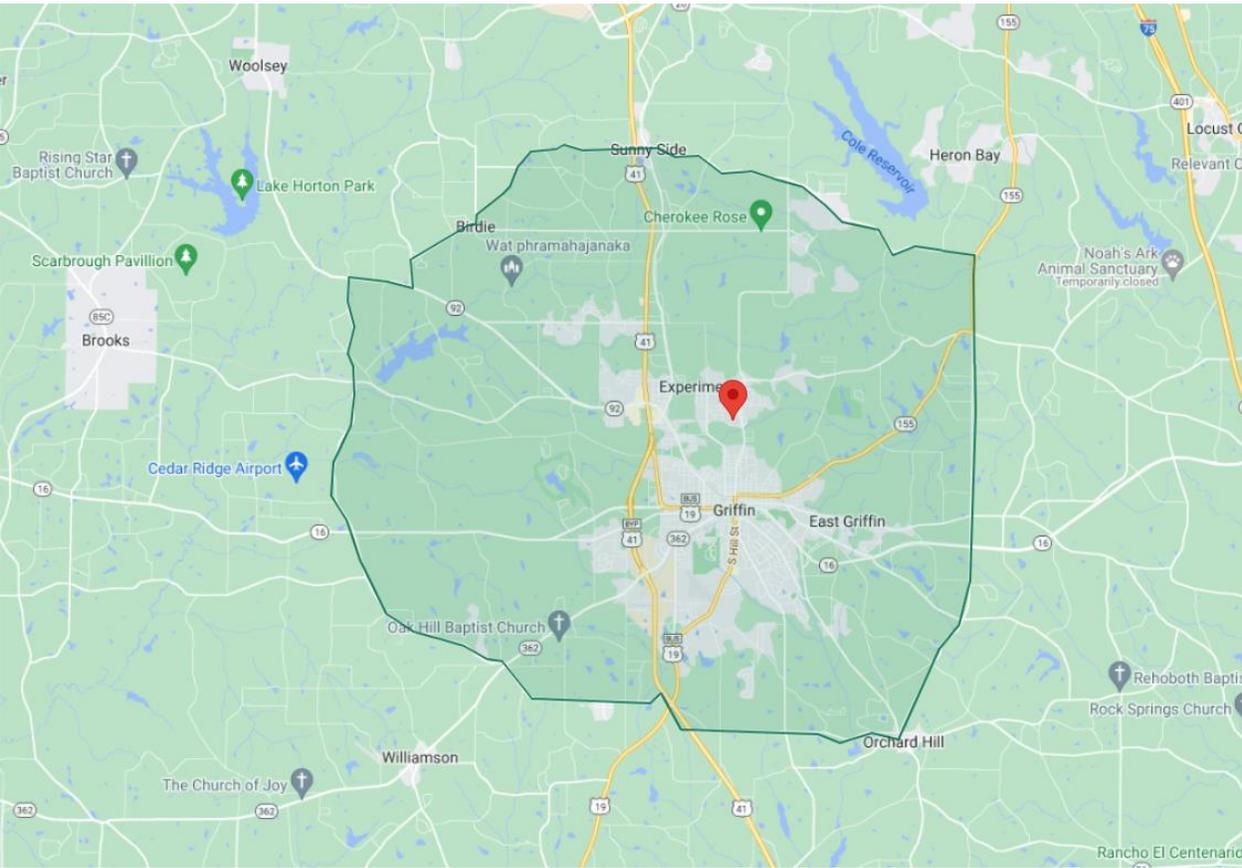
- North: School Road, Teamon Road, and Birdie Road
- South: County Line Road and Moreland Road
- East: McDonough Road
- West: Vaughn Road

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

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

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

Primary Market Area Map

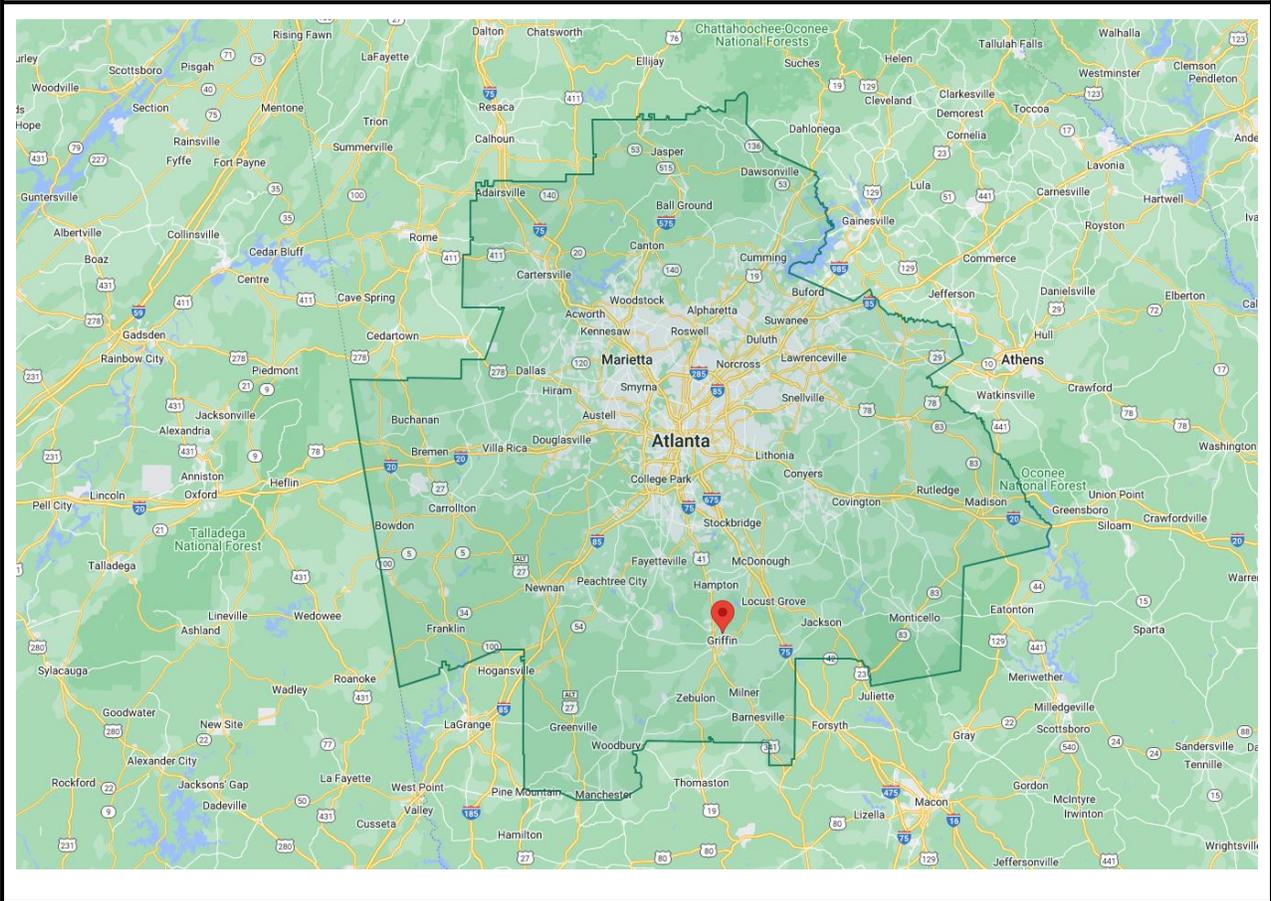


Approximate distance to PMA boundaries:

- North: 5 miles
- South: 5 miles
- East: 4 miles
- West: 7 miles

### Secondary Market Area Map

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



### Community Demographic Data

The population in the PMA increased from 2000 to 2023. Although growth lagged the SMA, positive population growth for a rural location such as the PMA is considered positive. The SMA experienced strong population growth over the same period. The PMA is projected to experience population growth through market entry and 2028 at a slower pace than the SMA. Overall, population growth in the PMA is considered positive.

The PMA and SMA experienced moderate household growth from 2000 to 2023, a trend that is projected to continue through market entry and 2028. However, household formation is expected to slow. Overall, continued household growth for a rural location such as the PMA is considered positive.

The tables below present total households by tenure.

HOUSEHOLDS BY TENURE								
Year	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	9,701	57.5%	7,180	42.5%	1,041,714	66.8%	517,998	33.2%
2010	10,031	55.2%	8,158	44.9%	1,285,062	66.1%	658,819	33.9%
2023	12,087	58.5%	8,574	41.5%	1,533,016	65.2%	818,236	34.8%
Proj. Market Entry	12,319	58.5%	8,739	41.5%	1,560,167	65.2%	832,727	34.8%
2028	12,624	58.5%	8,955	41.5%	1,595,673	65.2%	851,678	34.8%

Source: ESRI Demographics

The largest renter household income cohort in the PMA in 2023 was the \$50,000 to \$74,999 income bracket, followed by the under \$15,000 income bracket. Comparatively, the largest income cohort in the SMA is the \$100,000 to \$149,999 bracket, followed by the \$50,000 to \$74,999 income bracket, which have a combined total of 34.7% of all renter households. Nearly 27.0% of households in the PMA have incomes below \$25,000, indicating strong demand for affordable housing. In the SMA, less than 13.0% of households have incomes below \$25,000.

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

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

**Economic Trends**

Spalding County experienced employment growth from 2016 through 2019 and declined in 2020 because of the COVID-19 pandemic. Overall, the decrease in employment in 2020 is considered nominal compared to the nation as a whole. Since 2021, the county has experienced moderate employment growth and has recovered all lost jobs as a result of the pandemic. The unemployment rate in the county reached 12.4% in 2012 but has gradually decreased to a current unemployment rate of 3.7% in July 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through July 2023. Employment in the PMA is largely provided within the manufacturing, retail trade, and health care/social assistance sectors, totaling 40.7% of all jobs. Most of these sectors are prone to downturns in the economy. However, the PMA also has a significant share of employment in the health care/social assistance and educational services industries, which are historically known to exhibit greater stability during recessionary periods. Overall, the local economy appears to be stable despite its heavy reliance on the manufacturing and retail trade sectors. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

**Affordability and Demand Estimate**

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2023		Projected Market Entry		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$15,000	1,293	15.1%	1,318	15.1%	1,170	13.1%
\$15,000-\$24,999	958	11.2%	977	11.2%	820	9.2%
\$25,000-\$34,999	736	8.6%	750	8.6%	700	7.8%
\$35,000-\$49,999	983	11.5%	1,002	11.5%	918	10.3%
\$50,000-\$74,999	1,910	22.3%	1,947	22.3%	2,010	22.4%
\$75,000-\$99,999	1,216	14.2%	1,239	14.2%	1,409	15.7%
\$100,000-\$149,999	1,030	12.0%	1,049	12.0%	1,311	14.6%
\$150,000-\$199,999	152	1.8%	155	1.8%	226	2.5%
\$200,000 and Over	297	3.5%	303	3.5%	391	4.4%
<b>Total</b>	<b>8,574</b>	<b>100.0%</b>	<b>8,739</b>	<b>100.0%</b>	<b>8,956</b>	<b>100.0%</b>

The following table illustrates the capture rate analysis chart.

CAPTURE RATE ANALYSIS CHART												
Unit Type	Units Proposed	Minimum Income	Maximum Income	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR 60% AMI/S8	48	\$0	\$49,020	796	0	796	6.0%	6 months	\$1,264	\$1,192	\$1,381	\$1,260
1BR 60% AMI	48	\$32,571	\$49,020	396	25	371	13.0%	12 months	\$1,264	\$1,192	\$1,381	\$950
2BR 60% AMI/S8	108	\$0	\$55,140	1382	0	1382	7.8%	6 months	\$1,381	\$1,283	\$1,462	\$1,355
2BR 60% AMI	108	\$39,429	\$55,140	687	40	647	16.7%	12 months	\$1,381	\$1,283	\$1,462	\$1,150
3BR 60% AMI/S8	88	\$0	\$66,180	696	0	696	12.6%	6 months	\$1,601	\$1,458	\$1,897	\$1,505
3BR 60% AMI	88	\$43,714	\$66,180	346	25	321	27.4%	12 months	\$1,601	\$1,458	\$1,897	\$1,275
4BR 60% AMI/S8	20	\$0	\$71,100	470	0	470	4.3%	6 months	\$2,012	\$1,400	\$2,400	\$1,650
4BR 60% AMI	20	\$48,000	\$71,100	234	0	234	8.6%	12 months	\$2,012	\$1,400	\$2,400	\$1,400
Overall - With Subsidy	264	\$0	\$71,100	3345	0	3345	7.9%					
Overall - Without Subsidy	264	\$32,571	\$71,100	1662	90	1572	16.8%					

The subject’s overall annual capture rates are considered low to moderate. This illustrates there is unmet demand within the PMA with significant need for affordable housing, similar to the

subject. Based on the capture rates, it is anticipated that if vacant the subject would absorb quickly within the market. However, the subject is an existing LIHTC/Section 8 development that has experienced high occupancy and accepts tenants with minimum incomes of \$0. Therefore, the demand analysis (absent subsidy) is considered very conservative. According to the developer, most of the tenants will remain income qualified post-renovation. As such, the subject will not need to fully reabsorb and will likely be fully stabilized upon completion of renovations. The capture rates meet the DCA thresholds.

### Competitive Rental Analysis

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

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA						
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units
1	Tranquility at Griffin	2173 North Expressway, Griffin, GA 30223	LIHTC	Family	3.6 miles	120
2	Glencoe Trace Apts	1624 Hallmark Dr, Griffin, GA 30223	LIHTC	Senior	2.7 miles	72
3	Marian Point Apts	416 W. Poplar St, Griffin, GA 30227	LIHTC	Family	2.2 miles	24
4	Poplar Grove Apts	617 Meriwether St, Griffin, GA 30224	LIHTC	Family	2.6 miles	36
5	The Oaks at Park Pointe	420 Park Rd, Griffin, GA 30224	LIHTC	Family	2.6 miles	84
6	Iris at Park Pointe	859 Park Point Dr, Griffin, GA 30224	LIHTC	Senior	3.1 miles	85
7	Terraces at the Park	854 Westbrook St, Griffin, GA 30224	LIHTC	Senior	3.7 miles	68
8	Griffin Village	2101 Williamson Rd, Griffin, GA 30224	LIHTC	Family	4.3 miles	150
9	Nine Oaks Apts/Fairmont	518 9 Oaks Dr, Griffin, GA 30224	LIHTC/PH	Family	2.3 miles	130
10	St. George's Court	110 N. 10th St, Griffin, GA 30223	Section 8	Family	2.0 miles	100
11	Ava Park	1100 W. College Ext, Griffin, GA 30224	Section 8	Family	3.0 miles	80
12	Heritage Apartments	1012 Beck St, Griffin, GA 30224	Section 8	Family	3.1 miles	113
<b>Total</b>						<b>1,062</b>
<b>Total Competitive LIHTC (Not Subsidized)</b>						<b>479</b>
Complied by CBRE						

We surveyed both market rate and affordable housing rental properties. We included five market rate properties and four LIHTC properties. All of the comparable LIHTC and market rate properties are located in Griffin, within five miles of the subject. The comparables are in similar to superior locations based on median incomes, access to amenities, and median home values.

**SUMMARY OF MARKET RATE COMPARABLES**

No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
1	St. Phillips Villas	829 North Hill Street Griffin, GA 30224	2001	97%	60	0.5 Miles
2	Griffin Crossings	1597 West McIntosh Road Griffin, GA 30223	1987	97%	272	1.9 Miles
3	Vineyard Creek	1569 GA-16 W Griffin, GA 30223	1987 / 2023	98%	60	2.3 Miles
4	Vineyard Place	657 Carver Road Griffin, GA 30224	1989	95%	112	3.4 Miles
5	Walden Pointe	701 Carver Road Griffin, GA 30224	1997	90%	216	3.4 Miles
Subj.	Northside Hills	615 Northside Drive Griffin, GA 30223	1969	95%	264	---

Compiled by CBRE

**SUMMARY OF LIHTC COMPARABLES**

Comp. No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Distance from Subj
6	The Oaks at Park Pointe	420 Park Rd Griffin, GA 30224	2015	100%	84	1.9 Miles
7	Poplar Grove	617 Meriwether Street Griffin, GA 30224	1945 / 2012	100%	36	1.8 Miles
8	Tranquility at Griffin	2173 North Expressway Griffin, GA 30223	2019	100%	120	2.3 Miles
9	Griffin Village Apartments	2101 Williamson Road Griffin, GA 30224	2023	100%	60	4.3 Miles
Subj.	Northside Hills	615 Northside Drive Griffin, GA 30223	1969	95%	264	

Compiled by CBRE

ACHIEVABLE RENTS								
No. Units	Unit Type	Unit Size (SF)	Total SF	Achievable Net Rent		Achievable Market Rent		Market Rent Advantage
				\$/Unit	\$/SF	\$/Unit	\$/SF	
48	1BR/1BA - 60% AMI/Section 8	762	36,576	\$950	\$1.25	\$1,300	\$1.71	36.8%
108	2BR/1BA - 60% AMI/Section 8	914	98,712	\$1,150	\$1.26	\$1,450	\$1.59	26.1%
88	3BR/1BA - 60% AMI/Section 8	1,006	88,528	\$1,275	\$1.27	\$1,600	\$1.59	25.5%
20	4BR/1.5BA - 60% AMI/Section 8	1,165	23,300	\$1,400	\$1.20	\$1,750	\$1.50	25.0%
264		936	247,116	\$1,174	\$1.25	\$1,495	\$5.66	

Compiled by CBRE

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

Based on our market research, demographic calculations, and supply analysis, we believe there is adequate demand for the subject. Overall vacancy rates are low in the market and there is only one under construction multifamily development in the PMA. This project is expected to be completed by the end of 2023 and has a significant waiting list. The subject represents an existing LIHTC/Section 8 property that operates with subsidy. It has experienced low vacancy and currently operates with a waiting list. The subsidized properties in the market all reported low vacancy and the presence of waiting lists.

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

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

### Absorption and Stabilization Rates

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

The subject is a proposed renovation of an existing LIHTC/Section 8 property. According to the rent roll, the subject is 95.1% occupied with a waiting list. According to management, there are pending applications for the vacant units. Most of the subject's tenants are expected to remain income qualified post-renovation. Based on the current and historical occupancy, as well as the current waiting list, we have assumed the subject would achieve stabilization upon completion of construction.

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

as the lack of new development occurring in the market. Absent subsidy, we estimate an absorption rate of 12 months, or 22 units per month, which we believe is reasonable given the strong absorption rate of 30 units per month Griffin Village. Further, this property has an extensive waiting list for its under construction units illustrating pent-up demand.

## Interviews

### Housing Authority

A representative of the Griffin Housing Authority indicated that Georgia DCA administers the Housing Choice Voucher program in Spalding County. We contacted Georgia DCA to determine the number of housing choice vouchers currently in use in Spalding County; however, our calls were not returned.

### Planning

We emailed and called Chad Jacobs, Planning and Development Director, with the city of Griffin. However, our calls were not returned.

### Economic Development

We spoke to Heather Robinson, Main Street Manager with the City of Griffin Economic Development Department. According to Ms. Robinson, 26 new businesses opened in the Main Street District in 2023. The new businesses included boutiques, a spa, a salon, a café, small offices, and several other office and retail businesses. She estimated that at least 34 jobs have been created a result of the new businesses. Ms. Robinson indicated that a few businesses moved off of Main Street, but she is not aware of any that have closed.

We contacted Charles Reese, Community Development Director for Spalding County; however, our calls were not returned.

According to the 2022 Annual Report for Spalding County, 163 new businesses opened in 2022 in the county. The Community Development Department issued 1,071 building permits with impact fees of more than \$400,000. The Griffin-Spalding Development Authority manages The Lakes at Green Valley ("the Lake's"), which is a 570-acre mixed-use development located along the Georgia Highway 16 corridor at the intersection of Rehoboth Road in Spalding County, Georgia. It is located three miles east of Griffin, Georgia and along a four-lane highway approximately seven miles from Interstate 75. The Park is also located in close proximity to other industrial areas that include Caterpillar, Inc. and Norcom. The following projects were completed in 2022:

- Project Tank resulted in a \$5 million investment and 10 to 12 new jobs.
- Ecopol, an Italy-based manufacturer of water-soluble and biodegradable film used to wrap consumer goods products, constructed a manufacturing facility resulting in a \$38 million investment and 130 new jobs.

- In addition, the Development Authority donated Site B to Spalding County for the new aquatic center and helped relocate a company (Project Cold) to an existing building, resulting in a \$5 million investment and 10 new jobs.

### Conclusions

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The comparable LIHTC properties have an average occupancy rate of 100.0% and the market rate properties have an average occupancy rate of 94.6%. The subject's proposed renovation will allow the subject to continue to compete within the market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market can support the subject and will help fill a void in the market. Based on historical operations, as well as the current market, we expect the subject to maintain an occupancy rate of at least 93%.

Summary Table

Summary Table					
Development Name:	Northside Hills			Total # Units:	264
Location:	615 Northside Drive, Griffin, GA 30223			# LIHTC Units:	264
PMA Boundary:	North	School Road, Teamon Road, and Birdie Road			
	South	County Line Road and Moreland Road			
	East	McDonough Road			
	West	Vaughn Road			

Rental Housing Stock (found on page 48)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	17	1745	50	97.1%
Market-Rate Housing	6	797	42	94.7%
Assisted/Sub. Housing not to include LIHTC	4	423	6	98.6%
<b>LIHTC</b>	<b>7</b>	<b>525</b>	<b>2</b>	<b>99.6%</b>
Stabilized Comps	17	1745	50	97.1%
Properties in Construction & Lease-Up	1	90	90	0.0%

Subject Development						Achievable Market Rent			Highest Unadjusted Comp Rent	
Type	# Units	# Beds	# Baths	Size (SF)	Achievable LIHTC Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1BR/1BA - 60% AMI/Section 8	48	1	1	762	\$950	\$1,300	\$1.71	36.8%	\$1,325	\$1.33
2BR/1BA - 60% AMI/Section 8	108	2	1	914	\$1,150	\$1,450	\$1.59	26.1%	\$1,395	\$1.09
3BR/1BA - 60% AMI/Section 8	88	3	1	1,006	\$1,275	\$1,600	\$1.59	25.5%	\$1,815	\$1.23
4BR/1.5BA - 60% AMI/Section 8	20	4	1.5	1,165	\$1,400	\$1,750	\$1.50	25.0%	\$2,400	\$1.33

Capture Rates (found on page 56)		
Targeted Population	Overall 60% With Subsidy	Overall 60% W/O Subsidy
Capture Rate	7.9%	16.8%

## Project Description

### Project Address and Location

The site is located at 615 Northside Drive, Griffin, GA 30223.

### Construction Type

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

### Occupancy Type

Family

### Special Population Target

None

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

PROPOSED UNIT MIX AND RENTS								
Type	No. of Units	Units With S8	Unit Size (SF)	Achievable Rent Absent Subsidy	Utility Allowance	Gross Rent	Maximum Allowable Gross Rent	As Is (Mark-to-Market) S8 Contract Rent
1BR/1BA - 60% AMI/Section 8	48	48	762	\$950	\$96	\$1,046	\$1,149	\$1,260
2BR/1BA - 60% AMI/Section 8	108	108	914	\$1,150	\$118	\$1,268	\$1,378	\$1,355
3BR/1BA - 60% AMI/Section 8	88	88	1,006	\$1,275	\$135	\$1,410	\$1,593	\$1,505
4BR/1.5BA - 60% AMI/Section 8	20	20	1,165	\$1,400	\$172	\$1,572	\$1,777	\$1,650
Total/Average:	264	264	936	\$1,174		\$1,298		

Compiled by CBRE

The subject will continue to operate with project-based subsidy following the renovation. The Post Renovation Section 8 Contract Rents are the subject's proposed rents. We estimate achievable LIHTC rents in the rent analysis section of the report. The LIHTC rents absent subsidy are hypothetical.

UTILITY STRUCTURE		
Utility	Type	Paid By
Heating	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	Electric	Tenant
Air Conditioning	Electric	Tenant
Water Heating	Gas	Landlord
Water		Landlord
Sewer		Landlord
Trash		Landlord
Unit Type	Utility Allowance	
1BR	\$96	
2BR	\$118	
3BR	\$135	
4BR	\$172	
Utility Allowance: Provided by Developer		

### Existing or Proposed Project Based Rental Assistance

The subject currently operates with a Project-Based Section 8 HAP Contract for all 264 units. This will remain in place following the renovation.

### Proposed Development Amenities

<b>IMPROVEMENTS SUMMARY AND ANALYSIS</b>		
Property Type	Multifamily	(Multi-Family Garden)
Number of Buildings	33	32 residential and 1 community building
Number of Stories	2	walk-up
Gross Building Area	250,116 SF	
Net Rentable Area	247,116 SF	
Number of Units	264	
Average Unit Size	936 SF	
Development Density	10.3 Units/Acre	
Parking Improvements	Surface	
Parking Spaces:	408	
Parking Ratio (spaces/unit)	1.55	
Year Built	1969	
Actual Age	54 Years	
Effective Age	15 Years	Post Renovation
Total Economic Life	55 Years	
Remaining Economic Life	40 Years	
Age/Life Depreciation	27.3%	
Functional Utility	Typical	

Source: Various sources compiled by CBRE

<b>IMPROVEMENT DESCRIPTION &amp; RATING</b>		
<b>Improvement Summary</b>	<b>Description</b>	<b>Comparative Rating</b>
Foundation	Concrete slab	Good
Frame	Wood frame	Good
Exterior Walls	Brick veneer and vinyl siding	Good
Interior Walls	Textured and painted drywall	Good
Roof	Pitched roofs with composition shingles	Good
Ceiling	Textured and painted drywall	Good
HVAC System	Split HVAC system with an exterior pad mounted condenser unit and interior air handlers	Good
Flooring	Vinyl plank flooring and carpet	Good
Plumbing	Assumed adequate	Good
Stairwells	Exterior stairwells	Good
Elevators	None	Good
Smoke Detectors	Yes	Good
Sprinkler System	No	Good
Parking	Surface parking	Good

Source: Various sources compiled by CBRE

### In-Unit Amenities

The subject offers blinds, carpeting, ovens, refrigerators, and garbage disposals. Post renovation, the subject will also offer a washer and dryer in each unit.

### Property Amenities

The subject offers on-site management, a community room, and a playground. Post renovation, the subject will also offer a computer lab, fitness center, and a covered pavilion with picnic/barbeque facilities and outdoor gathering area. The subject will offer free community

events including afterschool programs and summer lunch programs, and free internet to the residents.

**Security Features**

The subject offers gated access and video surveillance as security features.

There are no amenities that require charge in addition to rent.

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

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

<b>TENANT PAID RENTS</b>				
Unit Type	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent	Current Contract Rent
1 to 4 Bedroom	\$0	\$585	\$123	\$1,110 to \$1,445
Compiled by CBRE, rent roll 3/31/23				

<b>HISTORICAL OCCUPANCY</b>	
Year	Occupancy Rate
2022	95.0%
T-12 (4/2023)	94.3%
Current	94.7%
Compiled by CBRE	

The tenant paid rents are well below the current contract rents, which is typical of properties that operate with project-based subsidy. Occupancy has remained high over the past few years.

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

<b>SCOPE AND COST OF RENOVATION</b>	
Detailed below	
Total Hard Costs	\$16,000,000
Per Unit	\$60,606
Source: Developer	

According to the developer, the renovation of the subject will include the following:

- Unit interior upgrades including flooring, painting, cabinets, and countertops
- New energy star appliances
- Upgraded bathroom amenities and fixtures
- Energy efficient lighting
- New blinds, ceiling fans, and lighting fixtures
- Replaced outlets and covers as needed
- Site Work:

- Parking seal coat and striping
- Concrete repairs throughout
- Site lighting and security upgrades
- Painting and masonry repairs
- Common Area Upgrades:
  - Playground
  - Clubhouse with leasing office and computer room
  - Walking path
  - Covered pavilion with picnic/barbeque facilities and outdoor gathering area
- ADA compliancy throughout units and site paths

### Projected Placed in Service Date

The improvements were constructed in 1969. The subject is planned for a renovation which is expected to start in December 2024 and be completed by December 2025. The placed in service date is December 2025.

According to the developer, the renovation is expected to be completed with tenants in place. Based on anticipated occupancy levels and the availability of suitable, decent, safe, and sanitary temporary replacement housing, the renovation plan will be devised to reflect rehabilitating the project in phases. The intention is for most of the residents to move directly from their units into a newly renovated unit of the same size.

## Site Description/Evaluation

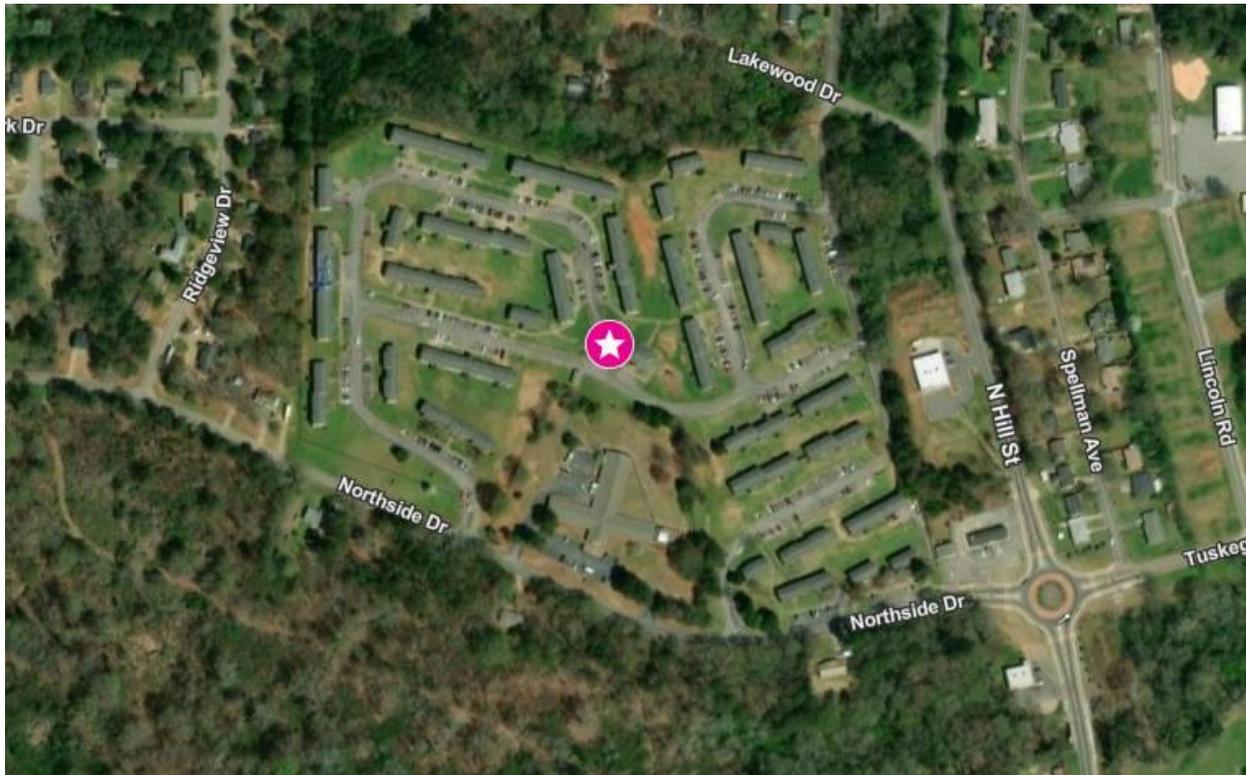
### Date of Site Visit and Name of Inspector

The subject was inspected by Dan Hall on June 20, 2023.

### Physical Features of the Site

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

The site is located at 615 Northside Drive, Griffin, GA 30223.



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**SITE SUMMARY AND ANALYSIS**

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**Physical Description**

Gross Site Area	25.51 Acres	1,111,216 Sq. Ft.
Net Site Area	25.51 Acres	1,111,216 Sq. Ft.
Primary Road Frontage	Northside Drive	1,500 Feet
Shape	Irregular	
Topography	Generally Level	
Zoning District	R-3, Multiple-Family	
Flood Map Panel No. & Date	13255C0069E	7-Jun-17
Flood Zone	Zone X (Unshaded)	
Adjacent Land Uses	Vacant land, commercial, and single-family homes.	

**Comparative Analysis**

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

**Utilities**

Availability

Provider

Water	Yes	City of Griffin
Sewer	Yes	City of Griffin
Natural Gas	Yes	Atlanta Gas Light
Electricity	Yes	Griffin Power
Telephone	Yes	Various
Mass Transit	No	N/A

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Various sources compiled by CBRE

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**Positive/Negative Attributes**

Positive attributes include the subject’s quiet neighborhood and proximity to shopping, services, and schools. It is within a few blocks of an elementary school and within two miles of a variety of retailers including Walmart Supercenter, Ollie’s Bargain Outlet, Regal Griffin movie theater, Walgreen’s Pharmacy, as well as a variety of restaurants and smaller retailers. At the time of our inspection, we did not observe any detrimental influences that would impact on the marketability of the subject.

**Physical Proximity to Locational Amenities**

The subject is located within 2.6 miles of most locational amenities/employers as will be discussed further.

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

The subject is located along Northside Drive, less than one block west of the intersection of North Hill Street. North Hill Street runs south to downtown Griffin, approximately 1.5 miles from the subject. Downtown Griffin has a variety of restaurants, services, and employment options. Primary access to the subject neighborhood is provided by U.S. Highways 19 and 41, as well as State Highway 155. Both U.S. Highways 19 and 41 bisect the area in a north-south direction. Interstate Highway 41 connects to the central portion of Atlanta. U.S. Highway 19 connects with Albany, Georgia to the south.

The subject neighborhood is served by the Griffin Spalding County School System. The district currently has over 9,600 students enrolled in 11 elementary (K-5<sup>th</sup> grade) schools, 4 middle (6<sup>th</sup> - 8<sup>th</sup> grade) schools, and 3 high (9<sup>th</sup> - 12<sup>th</sup> grade) schools. The district has a student-teacher ratio of 14:1, with 82.8% graduation rate.

Wellstar Spalding Medical Center is located approximately 2.4 miles south of the subject and is accessed via Hill Street. The hospital has a total of 160 patient beds and offers a host of health care services.

There is no fixed-route public transportation, but Three Rivers Regional Transportation offers vans with scheduled pickups.

### Pictures of Site and Adjacent Uses

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



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior



Subject exterior (fire damaged units)



Exercise area



Community area



Playground



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



Typical unit interior



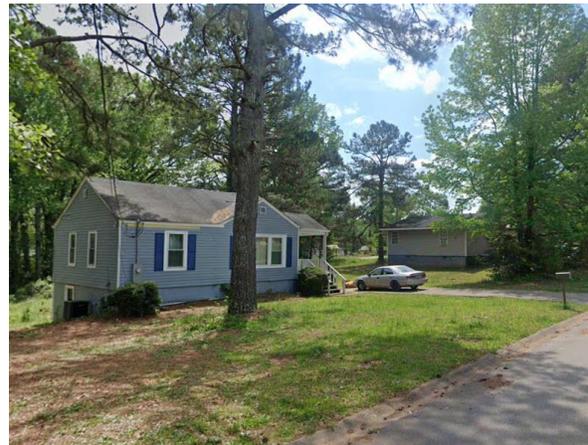
Commercial use to the east



Single-family homes to the north



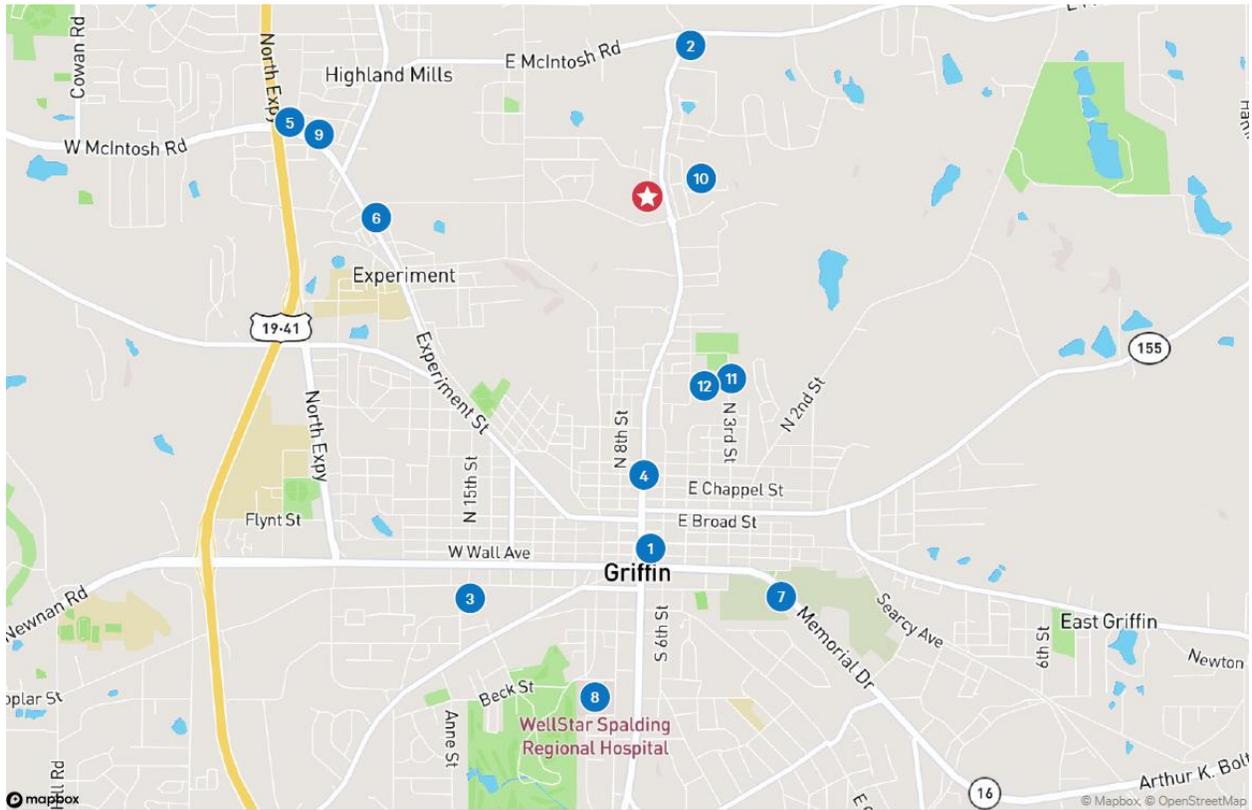
Commercial use to the south



Single-family homes to the west

**Proximity to Locational Amenities**

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



**LOCATIONAL AMENITIES**

Map #	Name	Address	Distance
1	Employment Center - Downtown Griffin	100 S. Hill St, Griffin, GA 30223	1.7 miles
2	A1 Foodmart - grocery store	1650 N Hill St, Griffin, GA 30223	1.1 miles
3	Griffin Police Department	868 W Poplar St, Griffin, GA 30224	2.6 miles
4	Griffin Fire Department	314 N Hill St, Griffin, GA 30223	1.4 miles
5	Walgreens Pharmacy	1602 N Expy, Griffin, GA 30223	2.0 miles
6	USPS	1382 Experiment St, Experiment, GA 30212	1.4 miles
7	Flint River Regional Campus Library	800 Memorial Dr, Griffin, GA 30223	2.5 miles
8	Wellstar Spalding Medical Center	601 S 8th St, Griffin, GA 30224	2.4 miles
9	First National Bank of Griffin	1475 W McIntosh Rd, Griffin, GA 30223	1.9 miles
10	Susie B. Atkinson Elementary School	307 Atkinson Dr, Griffin, GA 30223	0.6 miles
11	Kelsey Avenue Middle School	200 A Z Kelsey Ave, Griffin, GA 30223	1.3 miles
12	A.Z. Kelsey High School	208 Kelsey Ave, Griffin, GA 30223	1.2 miles

Compiled by CBRE

## Description of Land Uses

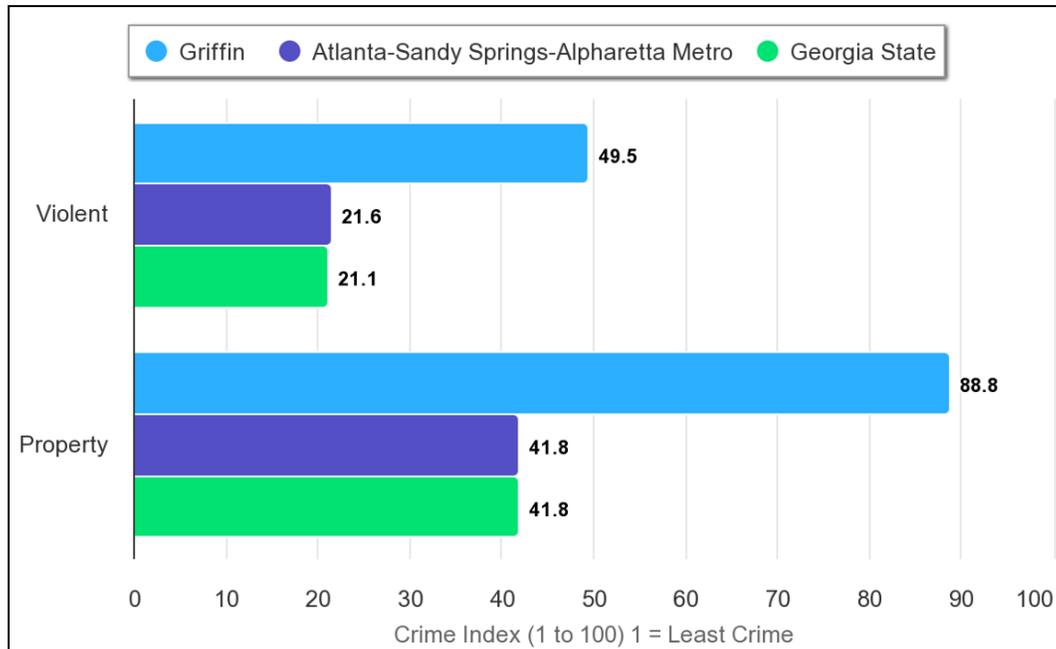
The following details the surrounding land uses and subject neighborhood.

<b>NEIGHBORHOOD AND SURROUNDING USES</b>	
Location:	Rural
Built-Up:	25% - 75%
Life Cycle Stage	Stability
Change in Present Land Use:	Not Likely
Surrounding Uses	
North:	Vacant land and single-family homes
South:	Vacant land and commercial uses
East:	Commercial and single-family homes
West:	Single-family homes
Source: CBRE	

Surrounding uses include single-family homes, multifamily developments along with various commercial and retail establishments along commercial corridors. Single-family homes in the area are generally in average to good condition and range from \$50,000 to \$200,000 with the majority in the \$80,000 range. Commercial and retail uses in the subject's neighborhood are 95 percent occupied and in average to good condition. Overall, the subject's site is located in a mixed-use neighborhood, in close proximity to retail and commercial uses. Most retail and commercial growth has occurred along major commercial thoroughfares such as U.S. Highway 41, McIntosh Road, and State Highway 155.

## Crime Statistics

The following chart illustrates violent and property crimes in the city of Griffin, the Atlanta MSA, and the state of Georgia.

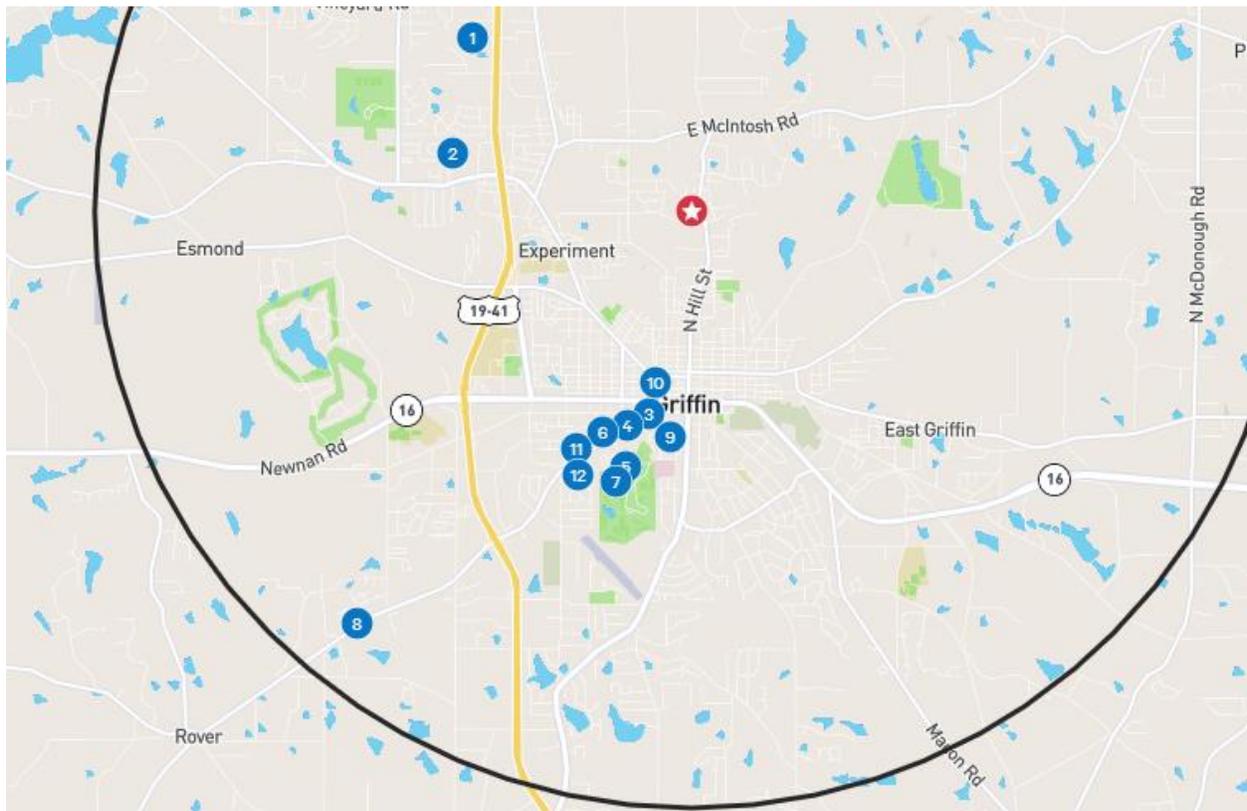


According to Best Places.net, crime is ranked on a scale of 1 (low crime) to 100 (high crime). The city of Griffin has violent crime figure of 49.5 (the U.S. average is 22.7) and property crime figure of 88.8 (the U.S. average is 35.4). As detailed, crime rates are significantly higher in the city of Griffin when compared to the Atlanta MSA and state of Georgia.

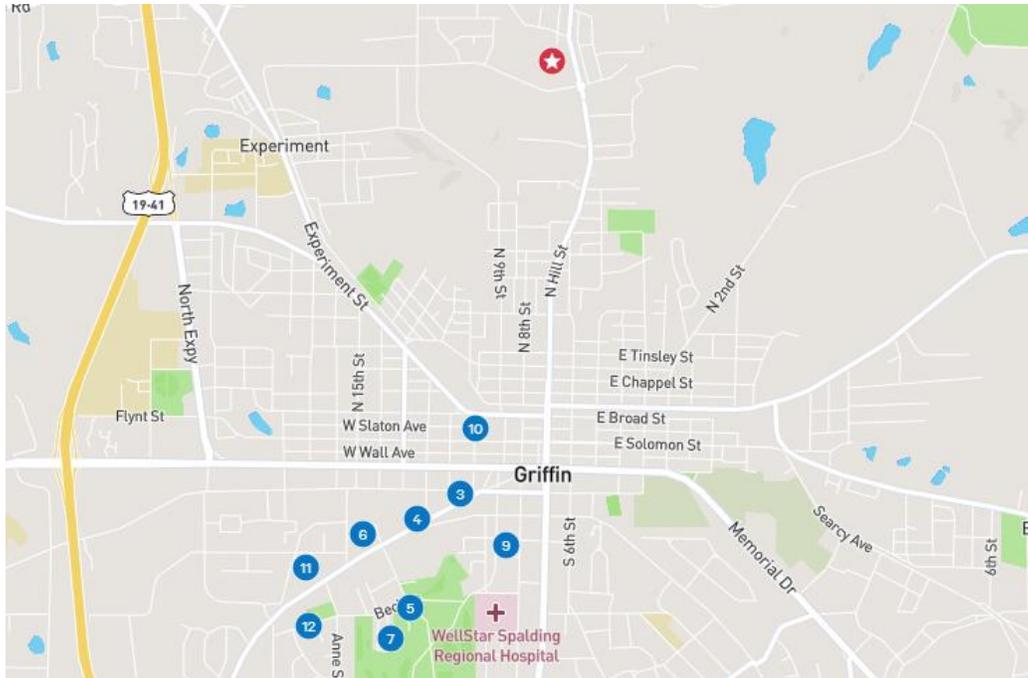
### Existing Assisted Rental Housing Property Map

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

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA						
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units
1	Tranquility at Griffin	2173 North Expressway, Griffin, GA 30223	LIHTC	Family	3.6 miles	120
2	Glencoe Trace Apts	1624 Hallmark Dr, Griffin, GA 30223	LIHTC	Senior	2.7 miles	72
3	Marian Point Apts	416 W. Poplar St, Griffin, GA 30227	LIHTC	Family	2.2 miles	24
4	Poplar Grove Apts	617 Meriwether St, Griffin, GA 30224	LIHTC	Family	2.6 miles	36
5	The Oaks at Park Pointe	420 Park Rd, Griffin, GA 30224	LIHTC	Family	2.6 miles	84
6	Iris at Park Pointe	859 Park Point Dr, Griffin, GA 30224	LIHTC	Senior	3.1 miles	85
7	Terraces at the Park	854 Westbrook St, Griffin, GA 30224	LIHTC	Senior	3.7 miles	68
8	Griffin Village	2101 Williamson Rd, Griffin, GA 30224	LIHTC	Family	4.3 miles	150
9	Nine Oaks Apts/Fairmont	518 9 Oaks Dr, Griffin, GA 30224	LIHTC/PH	Family	2.3 miles	130
10	St. George's Court	110 N. 10th St, Griffin, GA 30223	Section 8	Family	2.0 miles	100
11	Ava Park	1100 W. College Ext, Griffin, GA 30224	Section 8	Family	3.0 miles	80
12	Heritage Apartments	1012 Beck St, Griffin, GA 30224	Section 8	Family	3.1 miles	113
<b>Total</b>						<b>1,062</b>
<b>Total Competitive LIHTC (Not Subsidized)</b>						<b>479</b>
Complied by CBRE						



\*5-mile radius



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

### Road or Infrastructure Improvements

We did not witness any road, infrastructure, or proposed improvements in the subject’s immediate neighborhood during our field work.

### Access, Ingress-Egress, and Visibility of Site

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

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

### Summary

The site has average frontage, ingress/egress, and visibility along Northside Drive. The site is adequate in terms of size and utility for a multifamily development. There are no known detrimental uses in the immediate vicinity; however, crime rates are considered high in the city as a whole. The subject’s neighborhood is an average location for multifamily development. Adequate shopping, services, and recreational amenities are located within a relatively short

distance of the subject. There is no fixed-route public transportation, but Three Rivers Regional Transportation offers vans with scheduled pickups. The neighborhood is well suited for this type of multifamily housing. The renovation of the subject will positively impact the neighborhood and will preserve affordable housing in the subject's PMA.

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## Market Area Definition

### Primary and Secondary Market Area

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

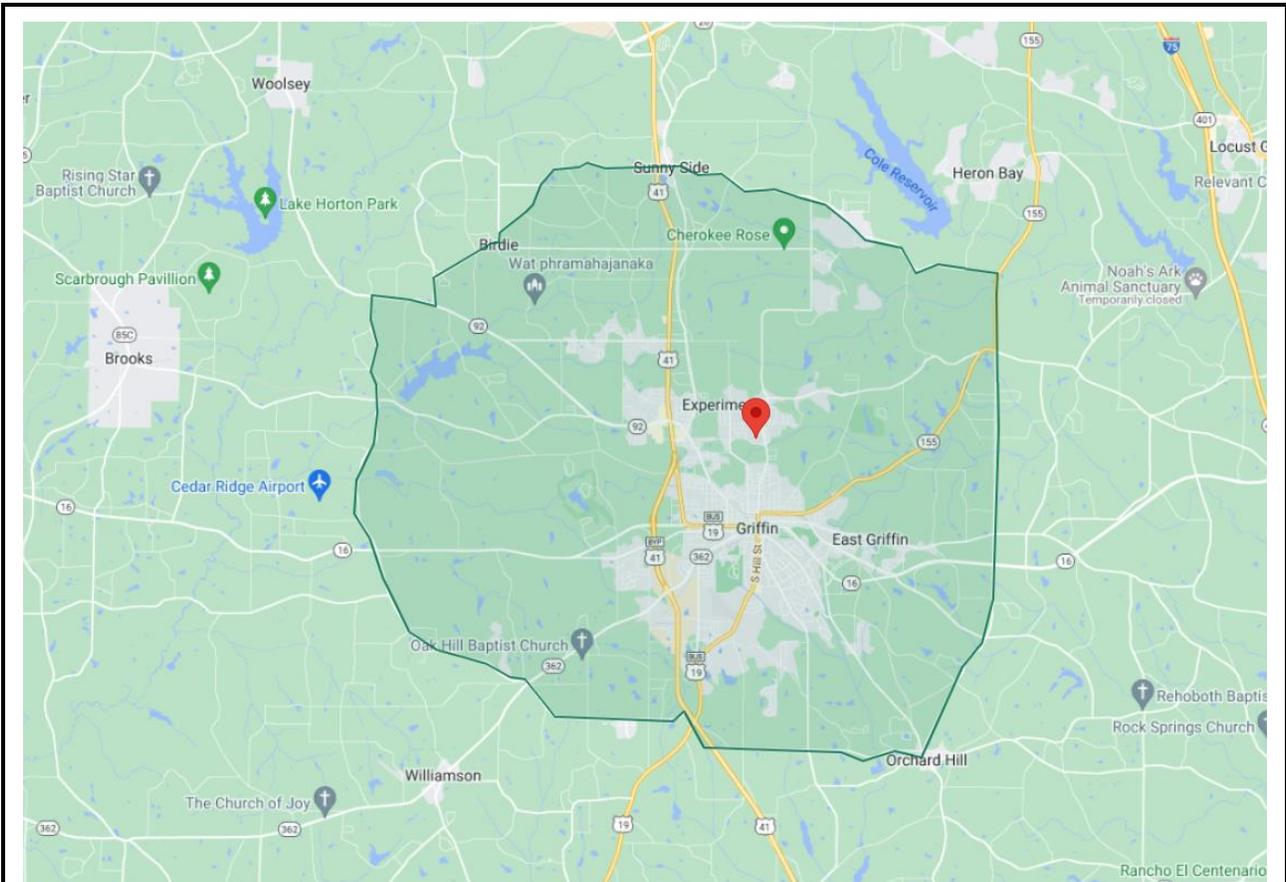
North:	School Road, Teamon Road, and Birdie Road
South:	County Line Road and Moreland Road
East:	McDonough Road
West:	Vaughn Road

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

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

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

### Primary Market Area Map



Approximate distance to PMA boundaries:

North: 5 miles

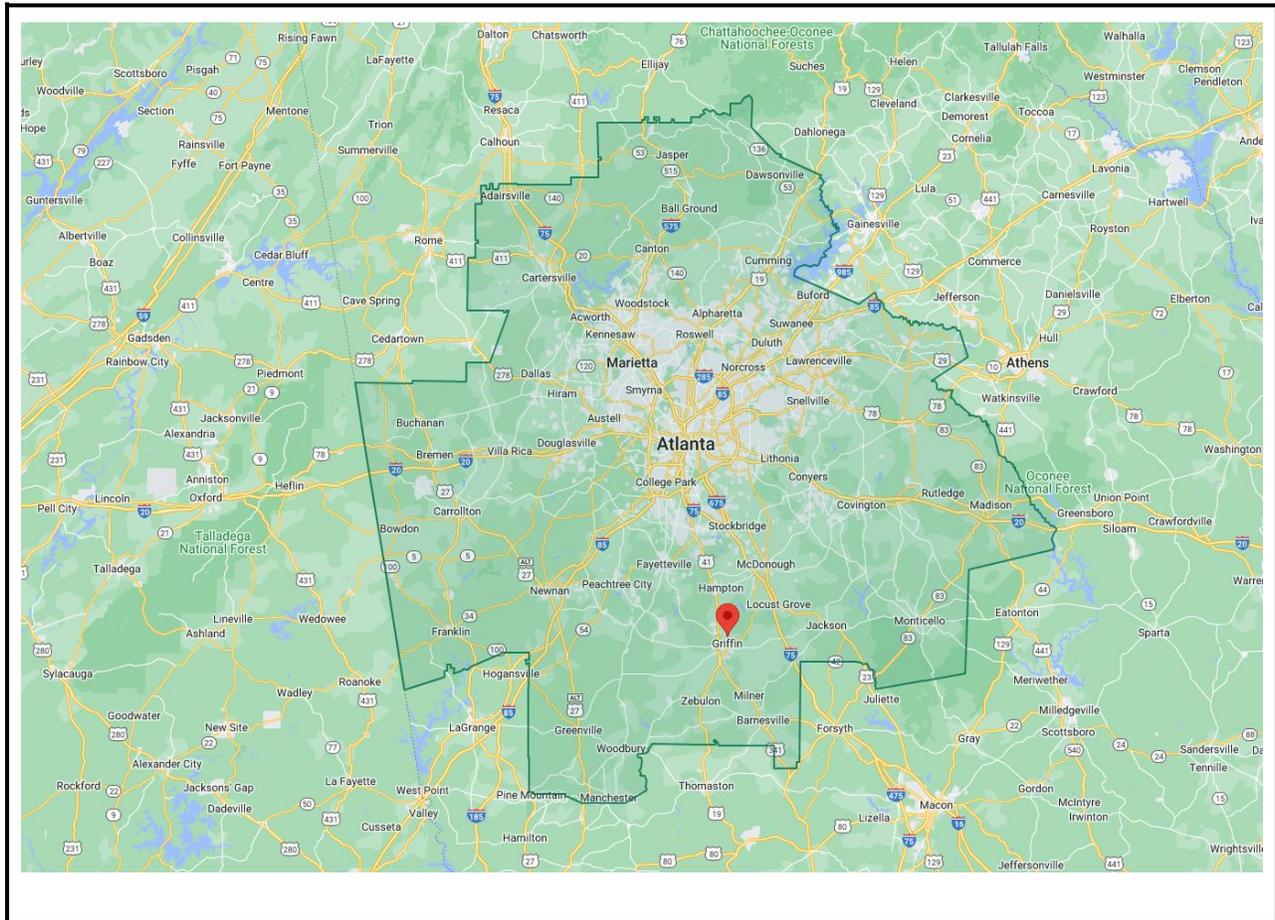
South: 5 miles

East: 4 miles

West: 7 miles

### Secondary Market Area Map

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



## Community Demographic Data

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

According to the developer, the estimated placed in service date for the subject is December 2025. All estimates have been projected to that date.

### Total Population

The table below illustrates total population in the PMA and the SMA from 2000 through 2028, including the projected population at the time of market entry.

<b>TOTAL POPULATION</b>				
Year	PMA		SMA	
	Number	Ann. Chg.	Number	Ann. Chg.
2000	45,456	-	4,263,438	-
2010	49,255	0.84%	5,286,722	2.40%
2023	53,074	0.60%	6,313,755	1.49%
Proj. Market Entry	53,831	0.66%	6,407,844	0.69%
2028	54,820	0.66%	6,530,883	0.69%

Source: ESRI Demographpics

The population in the PMA increased from 2000 to 2023. Although growth lagged the SMA, positive population growth for a rural location such as the PMA is considered positive. The SMA experienced strong population growth over the same period. The PMA is projected to experience population growth through market entry and 2028 at a slower pace than the SMA. Overall, population growth in the PMA is considered positive.

## Population by Age Group

The table below illustrates population by age group in the PMA and SMA from 2023 through 2028. This includes the projected population at the time of market entry.

<b>POPULATION BY AGE - PMA</b>				
Age	2023	%	Proj. at Market Entry	2028
Total	53,074		53,423	54,819
Age 0-4	3,433	6.5%	3,456	3,484
Age 5-9	3,624	6.8%	3,648	3,596
Age 10-14	3,532	6.7%	3,555	3,752
Age 15-19	3,172	6.0%	3,193	3,309
Age 20-24	3,026	5.7%	3,046	2,978
Age 25-29	3,497	6.6%	3,520	3,182
Age 30-34	3,537	6.7%	3,560	3,432
Age 35-39	3,473	6.5%	3,496	3,626
Age 40-44	3,440	6.5%	3,463	3,547
Age 45-49	3,107	5.9%	3,127	3,489
Age 50-54	3,215	6.1%	3,236	3,219
Age 55-59	3,189	6.0%	3,210	3,212
Age 60-64	3,265	6.2%	3,286	3,154
Age 65-69	2,990	5.6%	3,010	3,169
Age 70-74	2,657	5.0%	2,674	2,736
Age 75-79	1,876	3.5%	1,888	2,286
Age 80-84	1,100	2.1%	1,107	1,528
Age 85 and Older	941	1.8%	947	1,120
Median Age	38.9			40.1

Source: ESRI

## Number of Elderly and Non-Elderly

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

<b>ELDERY VS. NON-ELDERLY POPULATION</b>						
Year	Total	PMA		Total	SMA	
		Elderly 65+	Non-Elderly		Elderly 65+	Non-Elderly
2023	53,074	9,564	43,510	6,313,755	865,713	5,448,042
Proj. Market Entry	53,831	9,700	44,130	6,407,844	878,614	5,529,230
2028	54,820	10,839	43,981	6,530,883	1,008,834	5,522,049

Source: ESRI Demographics

As illustrated in the table above, non-elderly population in the PMA is approximately 82%, compared to 86% for the SMA.

## Special Needs Population

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

## Total Households

The table below illustrates total households in the PMA and the SMA from 2000 through 2028, including the projected number of households at the time of market entry.

<b>TOTAL HOUSEHOLDS</b>				
Year	PMA		SMA	
	Number	Ann. Chg.	Number	Ann. Chg.
2000	16,881		1,559,712	
2010	18,189	0.77%	1,943,881	2.46%
2023	20,661	1.05%	2,351,252	1.61%
Proj. Market Entry	21,059	0.89%	2,392,895	0.82%
2028	21,579	0.89%	2,447,351	0.82%

Source: ESRI Demographics

The PMA and SMA experienced moderate household growth from 2000 to 2023, a trend that is projected to continue through market entry and 2028. However, household formation is expected to slow. Overall, continued household growth for a rural location such as the PMA is considered positive.

## Households by Tenure

The tables below present total households by tenure.

<b>HOUSEHOLDS BY TENURE</b>								
Year	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	9,701	57.5%	7,180	42.5%	1,041,714	66.8%	517,998	33.2%
2010	10,031	55.2%	8,158	44.9%	1,285,062	66.1%	658,819	33.9%
2023	12,087	58.5%	8,574	41.5%	1,533,016	65.2%	818,236	34.8%
Proj. Market Entry	12,319	58.5%	8,739	41.5%	1,560,167	65.2%	832,727	34.8%
2028	12,624	58.5%	8,955	41.5%	1,595,673	65.2%	851,678	34.8%

Source: ESRI Demographics

## Average Household Size

The table below illustrates average household size.

<b>HOUSEHOLD SIZE</b>				
Year	PMA		SMA	
	Number	Ann. Chg.	Number	Ann. Chg.
2023	2.53	-	2.65	-
Proj. Market Entry	2.53	0.1%	2.66	0.1%
2028	2.54	0.1%	2.67	0.1%

Source: ESRI Demographics

As illustrated in the table above, the average household size within the PMA is projected to slightly increase through 2028. The SMA has a slightly larger average household size than the PMA.

## Renter Households by Number of Persons in the Household

The tables below illustrate household size by renter tenure.

<b>RENTER HOUSEHOLDS BY NUMBER OF PERSONS</b>						
PMA Household Size	2023		Projected Market Entry		2028	
	Households	Percent	Households	Percent	Households	Percent
1 person	2,130	24.8%	2,171	24.8%	2,225	24.8%
2 persons	2,747	32.0%	2,800	32.0%	2,869	32.0%
3 persons	1,464	17.1%	1,492	17.1%	1,529	17.1%
4 persons	1,213	14.2%	1,237	14.2%	1,267	14.2%
5+ persons	1,020	11.9%	1,039	11.9%	1,065	11.9%
<b>Total Renter HHs</b>	<b>8,574</b>		<b>8,739</b>		<b>8,955</b>	
SMA Household Size	2023		Projected Market Entry		2028	
	Households	Percent	Households	Percent	Households	Percent
1 person	206,883	25.3%	210,547	25.3%	215,339	25.3%
2 persons	247,057	30.2%	251,432	30.2%	257,154	30.2%
3 persons	141,288	17.3%	143,791	17.3%	147,063	17.3%
4 persons	123,423	15.1%	125,609	15.1%	128,468	15.1%
5+ persons	99,585	12.2%	101,348	12.2%	103,655	12.2%
<b>Total Renter HHs</b>	<b>818,236</b>		<b>832,727</b>		<b>851,678</b>	

Source: ESRI Demographics

As detailed in the table above, the number of renter households is projected to increase through 2028. The demographics presented above provide support that there is a stable renter population within the PMA. As rental prices continue to increase, there will be a greater need for affordable housing units. These factors support current and future demand for the proposed subject.

## Household Income Distribution

The following table illustrates household income distribution in 2023, 2028, and estimated annual change from 2023 to 2028 for the PMA and the SMA.

<b>HOUSEHOLD INCOME DISTRIBUTION</b>						
<b>Household Income</b>	<b>PMA</b>			<b>SMA</b>		
	Count	Share	Ann. Chg.	Count	Share	Ann. Chg.
<b>2023 Households</b>	20,661	100.0%		2,351,232	100.0%	
Under \$15,000	3,116	15.1%		169,778	7.2%	
\$15,000-\$24,999	2,309	11.2%		136,601	5.8%	
\$25,000-\$34,999	1,773	8.6%		156,768	6.7%	
\$35,000-\$49,999	2,368	11.5%		231,388	9.8%	
\$50,000-\$74,999	4,603	22.3%		382,392	16.3%	
\$75,000-\$99,999	2,929	14.2%		324,917	13.8%	
\$100,000-\$149,999	2,481	12.0%		433,527	18.4%	
\$150,000-\$199,999	366	1.8%		230,238	9.8%	
\$200,000 and Over	716	3.5%		285,623	12.1%	
<b>Household Income</b>						
<b>2028 Households</b>	21,581	100.0%		2,447,331	100.0%	
Under \$15,000	2,819	13.1%	-1.9%	141,851	5.8%	-3.3%
\$15,000-\$24,999	1,977	9.2%	-2.9%	107,668	4.4%	-4.2%
\$25,000-\$34,999	1,687	7.8%	-1.0%	136,275	5.6%	-2.6%
\$35,000-\$49,999	2,213	10.3%	-1.3%	199,001	8.1%	-2.8%
\$50,000-\$74,999	4,843	22.4%	1.0%	365,922	15.0%	-0.9%
\$75,000-\$99,999	3,396	15.7%	3.2%	342,037	14.0%	1.1%
\$100,000-\$149,999	3,159	14.6%	5.5%	502,538	20.5%	3.2%
\$150,000-\$199,999	545	2.5%	9.8%	309,034	12.6%	6.8%
\$200,000 and Over	942	4.4%	6.3%	343,005	14.0%	4.0%

Source: ESRI

## Renter Household Income Distribution

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

<b>RENTER HOUSEHOLD INCOME DISTRIBUTION</b>						
<b>Household Income</b>	<b>PMA</b>			<b>SMA</b>		
	Count	Share	Ann. Chg.	Count	Share	Ann. Chg.
<b>2023 Households</b>	<b>8,574</b>			<b>818,229</b>		
Under \$15,000	1,293	15.1%		59,083	7.2%	
\$15,000-\$24,999	958	11.2%		47,537	5.8%	
\$25,000-\$34,999	736	8.6%		54,555	6.7%	
\$35,000-\$49,999	983	11.5%		80,523	9.8%	
\$50,000-\$74,999	1,910	22.3%		133,072	16.3%	
\$75,000-\$99,999	1,216	14.2%		113,071	13.8%	
\$100,000-\$149,999	1,030	12.0%		150,867	18.4%	
\$150,000-\$199,999	152	1.8%		80,123	9.8%	
\$200,000 and Over	297	3.5%		99,397	12.1%	
<b>2028 Households</b>	<b>8,956</b>			<b>851,671</b>		
Under \$15,000	1,170	13.1%	-1.9%	49,364	5.8%	-3.3%
\$15,000-\$24,999	820	9.2%	-2.9%	37,468	4.4%	-4.2%
\$25,000-\$34,999	700	7.8%	-1.0%	47,424	5.6%	-2.6%
\$35,000-\$49,999	918	10.3%	-1.3%	69,252	8.1%	-2.8%
\$50,000-\$74,999	2,010	22.4%	1.0%	127,341	15.0%	-0.9%
\$75,000-\$99,999	1,409	15.7%	3.2%	119,029	14.0%	1.1%
\$100,000-\$149,999	1,311	14.6%	5.5%	174,883	20.5%	3.2%
\$150,000-\$199,999	226	2.5%	9.8%	107,544	12.6%	6.8%
\$200,000 and Over	391	4.4%	6.3%	119,366	14.0%	4.0%

Source: ESRI

The largest renter household income cohort in the PMA in 2023 was the \$50,000 to \$74,999 income bracket, followed by the under \$15,000 income bracket. Comparatively, the largest income cohort in the SMA is the \$100,000 to \$149,999 bracket, followed by the \$50,000 to \$74,999 income bracket, which have a combined total of 34.7% of all renter households. Nearly 27.0% of households in the PMA have incomes below \$25,000, indicating strong demand for affordable housing. In the SMA, less than 13.0% of households have incomes below \$25,000.

### Renter Household Income Distribution by Household Size

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

<b>RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA</b>					
<b>Household Income - 2023</b>	<b>1 person</b>	<b>2 persons</b>	<b>3 persons</b>	<b>4 persons</b>	<b>5+ persons</b>
Under \$15,000	321	414	221	183	154
\$15,000-\$24,999	238	307	164	136	114
\$25,000-\$34,999	183	236	126	104	87
\$35,000-\$49,999	244	315	168	139	117
\$50,000-\$74,999	475	612	326	270	227
\$75,000-\$99,999	302	389	208	172	145
\$100,000-\$149,999	256	330	176	146	122
\$150,000-\$199,999	38	49	26	21	18
\$200,000 and Over	74	95	51	42	35
<b>Total</b>	<b>2,130</b>	<b>2,747</b>	<b>1,464</b>	<b>1,213</b>	<b>1,020</b>
<b>Household Income - 2028</b>	<b>1 person</b>	<b>2 persons</b>	<b>3 persons</b>	<b>4 persons</b>	<b>5+ persons</b>
Under \$15,000	291	375	200	166	139
\$15,000-\$24,999	204	263	140	116	98
\$25,000-\$34,999	174	224	120	99	83
\$35,000-\$49,999	228	294	157	130	109
\$50,000-\$74,999	499	644	343	284	239
\$75,000-\$99,999	350	452	241	199	168
\$100,000-\$149,999	326	420	224	186	156
\$150,000-\$199,999	56	72	39	32	27
\$200,000 and Over	97	125	67	55	46
<b>Total</b>	<b>2,225</b>	<b>2,870</b>	<b>1,529</b>	<b>1,267</b>	<b>1,065</b>

Source: ESRI Demographics

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - SMA**

Household Income - 2023	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	14,939	17,839	10,202	8,912	7191
\$15,000-\$24,999	12,019	14,353	8,208	7,171	5786
\$25,000-\$34,999	13,794	16,472	9,420	8,229	6640
\$35,000-\$49,999	20,359	24,313	13,904	12,146	9800
\$50,000-\$74,999	33,646	40,180	22,978	20,073	16196
\$75,000-\$99,999	28,589	34,140	19,524	17,056	13761
\$100,000-\$149,999	38,145	45,553	26,051	22,757	18362
\$150,000-\$199,999	20,258	24,192	13,835	12,086	9751
\$200,000 and Over	25,132	30,012	17,163	14,993	12097
<b>Total</b>	<b>206,881</b>	<b>247,055</b>	<b>141,287</b>	<b>123,422</b>	<b>99,584</b>

Household Income - 2028	1 person	2 persons	3 persons	4 persons	5+ persons
Under \$15,000	12,481	14,905	8,524	7,446	6008
\$15,000-\$24,999	9,474	11,313	6,470	5,652	4560
\$25,000-\$34,999	11,991	14,319	8,189	7,153	5772
\$35,000-\$49,999	17,510	20,910	11,958	10,446	8428
\$50,000-\$74,999	32,197	38,449	21,988	19,208	15498
\$75,000-\$99,999	30,095	35,939	20,553	17,954	14487
\$100,000-\$149,999	44,218	52,804	30,198	26,379	21284
\$150,000-\$199,999	27,191	32,472	18,570	16,222	13089
\$200,000 and Over	30,181	36,041	20,611	18,005	14528
<b>Total</b>	<b>215,337</b>	<b>257,152</b>	<b>147,062</b>	<b>128,467</b>	<b>103,654</b>

Source: ESRI Demographics

**Conclusion**

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

## Employment Trends

### Total Jobs

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

<b>COVERED EMPLOYMENT</b>			
Spalding County, GA			
Year	Labor Force	% Change	Employment
2012	28,080	-	24,612
2013	27,736	-1.2%	24,572
2014	27,238	-1.8%	24,648
2015	26,815	-1.6%	24,622
2016	27,798	3.7%	25,861
2017	28,604	2.9%	26,931
2018	28,677	0.3%	27,315
2019	28,811	0.5%	27,613
2020	28,428	-1.3%	26,272
2021	29,014	2.1%	27,675
2022	29,358	1.2%	28,382
Jul-22	29,453	-	28,422
Jul-23	29,900	1.5%	28,794

Source St. Louis Federal Reserve, 9/2023

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

## Employment by Industry

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

<b>EMPLOYMENT BY INDUSTRY - 2023</b>				
Occupation	PMA	PMA	SMA	SMA
	Employees	Percentage	Employees	Percentage
Agric/Forestry/Fishing/Hunting	144	0.7%	7,510	0.2%
Mining/Quarrying/Oil & Gas Extr	0	0.0%	1,778	0.1%
Construction	1,518	7.3%	215,578	6.8%
Manufacturing	3,057	14.7%	261,711	8.2%
Wholesale Trade	555	2.7%	69,308	2.2%
Retail Trade	2,928	14.0%	337,056	10.6%
Transportation/Warehousing	1,930	9.3%	254,203	8.0%
Utilities	66	0.3%	21,300	0.7%
Information	182	0.9%	84,637	2.7%
Finance/Insurance	607	2.9%	152,433	4.8%
Real Estate/Rental/Leasing	216	1.0%	60,868	1.9%
Prof/Scientific/Tech Services	659	3.2%	366,914	11.5%
Mgmt of Companies/Enterprises	27	0.1%	5,803	0.2%
Admin/Support/Waste Mgmt Svcs	879	4.2%	172,565	5.4%
Educational Services	1,908	9.2%	287,944	9.1%
Health Care/Social Assistance	2,501	12.0%	333,689	10.5%
Arts/Entertainment/Recreation	254	1.2%	61,160	1.9%
Accommodation/Food Services	1,328	6.4%	214,110	6.7%
Other Services (excl Publ Adm)	950	4.6%	136,752	4.3%
Public Administration	1,140	5.5%	134,548	4.2%
<b>Total</b>	<b>20,849</b>	<b>100.0%</b>	<b>3,179,867</b>	<b>100.0%</b>

Source: ESRI

Employment in the PMA is largely provided within the manufacturing, retail trade, and health care/social assistance sectors, totaling 40.7% of all jobs. Most of these sectors are prone to downturns in the economy. However, the PMA also has a significant share of employment in the health care/social assistance and educational services industries, which are historically known to exhibit greater stability during recessionary periods. Relative to the SMA, the PMA is overrepresented in the manufacturing and retail trade sectors while underrepresented in the professional/scientific/tech services, information, and finance/insurance sectors.

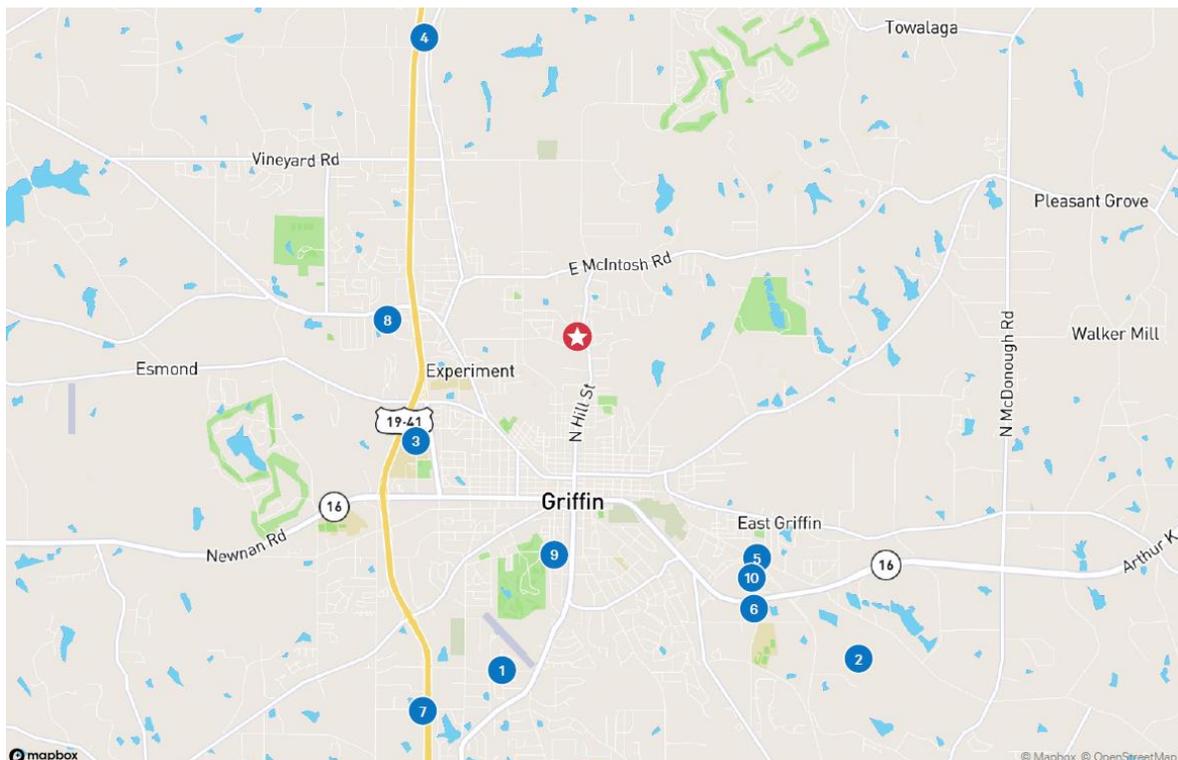
### Major Employers

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

MAJOR EMPLOYERS - SPALDING COUNTY, GA		
Rank	Company	Type
1	1888 Mills	Manufacturing
2	Caterpillar, Inc	Manufacturing
3	Southern Crescent Technical College	Education
4	Homenurse, Inc.	Home Care Services
5	Hoshizaki America, Inc.	Manufacturing
6	Impact Outsourcing Solutions	Business Management Consulting
7	Personnel Options	Employment Agency
8	Walmart	Retail
9	Wellstar Spalding Medical Center	Healthcare
10	Norcom	Manufacturing

Source: Georgia Department of Labor, 2022

Although total employees at each of the major employers was not available, four of the top 10 major employers within the county are in the manufacturing sector. Although education and healthcare-related jobs are typically stable during downturns, the retail trade and manufacturing sectors have historically been subject to fluctuations in the economy. However, Walmart, one of the largest employers in the area, has historically experienced growth during downturns in the economy. The following map details the location of the major employers, all of which are located within a five-mile radius of the subject.



### Employment Expansion/Contraction

We spoke to Heather Robinson, Main Street Manager with the City of Griffin Economic Development Department. According to Ms. Robinson, 26 new businesses opened in the Main Street District in 2023. She estimated that at least 34 jobs have been created a result of the new businesses, most of which are smaller retailers or offices. Ms. Robinson indicated that a few businesses moved off of Main Street, but she is not aware of any that have closed or reduced employment.

According to the 2022 Annual Report for Spalding County, 163 new businesses opened in 2022 in the county. The Community Development Department issued 1,071 building permits with impact fees of more than \$400,000. The Griffin-Spalding Development Authority manages The Lakes at Green Valley ("the Lake's"), which is a 570-acre mixed-use development located along the Georgia Highway 16 corridor at the intersection of Rehoboth Road in Spalding County, Georgia. It is located three miles east of Griffin, Georgia and along a four-lane highway approximately seven miles from Interstate 75. The Park is also located in close proximity to other industrial areas that include Caterpillar, Inc. and Norcom. The following projects were completed in 2022:

- Project Tank resulted in a \$5 million investment and 10 to 12 new jobs.
- Ecopol, an Italy-based manufacturer of water-soluble and biodegradable film used to wrap consumer goods products, constructed a manufacturing facility resulting in a \$38 million investment and 130 new jobs.
- In addition, the Development Authority donated Site B to Spalding County for the new aquatic center and helped relocate a company (Project Cold) to an existing building, resulting in a \$5 million investment and 10 new jobs.

Overall, growth in the county is positive with a significant number of new businesses opening in the past year. We are unaware of any large layoffs occurring in Griffin or Spalding County.

## Unemployment Trends

The following table illustrates unemployment trends in Spalding County.

<b>UNEMPLOYMENT RATE</b>		
Spalding County, GA		
Year	Unemployment	Unemployment Rate
2012	3,468	12.4%
2013	3,164	11.4%
2014	2,590	9.5%
2015	2,192	8.2%
2016	1,937	7.0%
2017	1,673	5.9%
2018	1,362	4.8%
2019	1,198	4.2%
2020	2,156	7.6%
2021	1,339	4.6%
2022	976	3.3%
Jul-22	1,031	3.5%
Jul-23	1,106	3.7%

Source St. Louis Federal Reserve, 9/2023

The unemployment rate in the county reached 12.4% in 2012 but has gradually decreased to a current unemployment rate of 3.7% in July 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through July 2023.

## Conclusion

Spalding County experienced employment growth from 2016 through 2019 and declined in 2020 because of the COVID-19 pandemic. Overall, the decrease in employment in 2020 is considered nominal compared to the nation as a whole. Since 2021, the county has experienced moderate employment growth and has recovered all lost jobs as a result of the pandemic. The unemployment rate in the county reached 12.4% in 2012 but has gradually decreased to a current unemployment rate of 3.7% in July 2023. Although there was an increase in unemployment during the height of the pandemic in 2020, unemployment decreased significantly from 2020 through July 2023. Employment in the PMA is largely provided within the manufacturing, retail trade, and health care/social assistance sectors, totaling 40.7% of all jobs. Most of these sectors are prone to downturns in the economy. However, the PMA also has a significant share of employment in the health care/social assistance and educational services industries, which are historically known to exhibit greater stability during recessionary periods. Overall, the local economy appears to be stable despite its heavy reliance on the manufacturing and retail trade sectors. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

## Affordability and Demand Estimate

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

### Income Restrictions

The subject's minimum and maximum income limits, assuming no subsidy, are as follows by bedroom type:

- The subject will operate with subsidy for all units; therefore, the developer has not estimated post-renovation rents absent subsidy. Therefore, we base the minimum allowable income on our achievable LIHTC rents (absent subsidy), as detailed in the Competitive Rental Analysis section of the report.

<b>FAMILY INCOME LIMITS</b>		
Unit Type	Minimum Allowable Income	Maximum Allowable Income
	60% AMI	
1BR	\$32,571	\$49,020
2BR	\$39,429	\$55,140
3BR	\$43,714	\$66,180
4BR	\$48,000	\$71,100

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

### Affordability

According to DCA guidelines, our analysis assumes families pay no more than 35% of their income towards rent, and seniors pay no more than 40% of their income towards rent. We have utilized these guidelines to calculate the minimum income levels for the subject property. Post-renovation, the subject will continue to be subsidized by a Section 8 HAP contract whereby tenants will contribute 30% of their income towards rent, with some tenants having no income. In the restricted scenario with subsidy, we assume the minimum income is \$0.

### Demand

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

### Demand from New Households

The first component of the demand analysis is the number of new households entering the market, or new units required in the market area due to projected household growth from migration into the market and growth from existing households in the market. The estimated date

of completion is December 2025; therefore, we have utilized this date as the base year for the analysis. Therefore, 2023 household estimates are inflated to December 2025 based on historical trends. This change in households is considered the gross potential demand for the subject property. The gross potential demand is then adjusted or discounted for income eligibility and renter tenure, resulting in a net demand number.

### **Demand from Existing Households**

The second source of demand is projected from rent over-burdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development. We have assumed that the rent-overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent; and households in substandard housing should be determined based on age, income bands and tenure that apply. According to the U.S. Census, 55.0% of renter households are rent over-burdened and 1.9% live in substandard housing.

### **Elderly Homeowners likely to convert to renters**

Not Applicable

### **Net Demand, Capture Rates and Stabilization Conclusions**

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

### **Additions to Supply**

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

Griffin Village Apartments is currently under construction and will consist of 150 LIHTC units when complete in late 2023. According to management, two of the five buildings are open. In total, 60 units are operational and are fully leased. There is a waiting list of 1,200 households for the remaining 90 units. All units are restricted at 60% AMI, but the exact unit mix for the remaining 90 units was not available from management. Therefore, we estimate the unit mix. The 60 operational units at Griffin Village Apartments are used as a rent comparable in this report and a property profile is included in the addenda. Further data is outlined and included in the property profile.

### PMA Occupancy

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

OCCUPANCY IN PMA						
#	Development Name	Program Type	Tenancy	Total Units	Vacant	Occ.
1	Tranquility at Griffin	LIHTC	Family	120	0	100.0%
2	Glencoe Trace Apts	LIHTC	Senior	72	2	97.2%
3	Poplar Grove Apts	LIHTC	Family	36	0	100.0%
4	The Oaks at Park Pointe	LIHTC	Family	84	0	100.0%
5	Iris at Park Pointe	LIHTC	Senior	85	0	100.0%
6	Terraces at the Park	LIHTC	Senior	68	0	100.0%
7	Griffin Village	LIHTC	Family	60	0	100.0%
8	Nine Oaks Apts/Fairmont	LIHTC/Public Housing	Family	130	2	98.5%
9	St. George's Court	Section 8	Family	100	0	100.0%
10	Ava Park	Section 8	Family	80	0	100.0%
11	Heritage Apartments	Section 8	Family	113	4	96.5%
12	St. Phillips Villas	Market Rate	Family	60	2	96.7%
13	Griffin Crossings	Market Rate	Family	272	8	97.1%
14	Vineyard Creek	Market Rate	Family	60	1	98.3%
15	Vineyard Place	Market Rate	Family	112	6	94.6%
16	Walden Pointe	Market Rate	Family	216	21	90.3%
17	Vineyard Villas	Market Rate	Family	77	4	94.8%
Assisted/Sub. Housing				423	6	98.6%
LIHTC				525	2	99.6%
Market Rate				797	42	94.7%
Average				1745	50	97.1%

Complied by CBRE

The overall average occupancy rate indicated is 97.1%. Only one property is operating below 93%. Overall, occupancy is considered strong for both affordable and market rate housing in the PMA.

### Capture Rates

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

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2023		Projected Market Entry		2028	
	Number	Percentage	Number	Percentage	Number	Percentage
Under \$15,000	1,293	15.1%	1,318	15.1%	1,170	13.1%
\$15,000-\$24,999	958	11.2%	977	11.2%	820	9.2%
\$25,000-\$34,999	736	8.6%	750	8.6%	700	7.8%
\$35,000-\$49,999	983	11.5%	1,002	11.5%	918	10.3%
\$50,000-\$74,999	1,910	22.3%	1,947	22.3%	2,010	22.4%
\$75,000-\$99,999	1,216	14.2%	1,239	14.2%	1,409	15.7%
\$100,000-\$149,999	1,030	12.0%	1,049	12.0%	1,311	14.6%
\$150,000-\$199,999	152	1.8%	155	1.8%	226	2.5%
\$200,000 and Over	297	3.5%	303	3.5%	391	4.4%
Total	8,574	100.0%	8,739	100.0%	8,956	100.0%

## Capture Rate – 60% AMI With Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$71,100
Income Cohort	Total Renter Households - Prj		Income	Percent within	Renter Households
	Mrkt Entry		Brackets	Cohort	within Bracket
Under \$15,000	1,318	15%	\$14,999	100%	1,318
\$15,000-\$24,999	977	11%	\$9,999	100%	977
\$25,000-\$34,999	750	9%	\$9,999	100%	750
\$35,000-\$49,999	1,002	11%	\$14,999	100%	1,002
\$50,000-\$74,999	1,947	22%	\$21,100	84%	1,643
\$75,000-\$99,999	1,239	14%		0%	0
\$100,000-\$149,999	1,049	12%		0%	0
\$150,000-\$199,999	155	2%		0%	0
\$200,000 and Over	303	3%		0%	0
<b>Total</b>	<b>8,739</b>	<b>100%</b>		<b>65%</b>	<b>5,690</b>

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$0		Maximum Income Limit		\$71,100
Income Cohort	New Renter Households -		Income	Percent within	Renter Households
	Total Change in Households		Brackets	Cohort	within Bracket
Under \$15,000	25	15%	\$14,999	100%	25
\$15,000-\$24,999	18	11%	\$9,999	100%	18
\$25,000-\$34,999	14	9%	\$9,999	100%	14
\$35,000-\$49,999	19	11%	\$14,999	100%	19
\$50,000-\$74,999	37	22%	\$21,100	84%	31
\$75,000-\$99,999	23	14%	\$0	0%	0
\$100,000-\$149,999	20	12%	\$0	0%	0
\$150,000-\$199,999	3	2%	\$0	0%	0
\$200,000 and Over	6	3%	\$0	0%	0
<b>Total</b>	<b>165</b>	<b>100%</b>		<b>65%</b>	<b>107</b>

ASSUMPTIONS					
Tenancy	Family	% of Income Toward Housing			35%
Urban/Rural	Rural	Maximum # of Occupants			6
Person in Household	1BR	2BR	3BR	4BR	Total
1	70%	30%	0%	0%	100%
2	20%	80%	0%	0%	100%
3	0%	40%	50%	10%	100%
4	0%	10%	70%	20%	100%
5+	0%	0%	20%	80%	100%

**Demand from New Renter Households**

New Renter Households PMA	165
Percent Income Qualified	65%
<b>Total</b>	<b>107</b>

**Demand from Existing Households**

**Demand from Rent Overburdened Households**

Total Existing Demand	8,739
Income Qualified	65%
Income Qualified Renter Households	5,690
Percent Rent Overburdened Prj Mrkt Entry	55%
<b>Rent Overburdened Households</b>	<b>3,129</b>

**Demand from Living in Substandard Household**

Income Qualified Renter Households	5,690
Percent Living in Substandard Housing	1.90%
<b>Households Living in Substandard Housing</b>	<b>108</b>

**Total Demand**

Total Demand from Existing Households		<b>3,237</b>
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		3237
Total New Demand		107
<b>Total Demand (New Plus Existing Households)</b>		<b>3,345</b>

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

**By Bedroom Demand**

One Person	25%	831
Two Persons	32%	1072
Three Persons	17%	571
Four Persons	14%	473
Five Persons	12%	398
<b>Total</b>	<b>100%</b>	<b>3,345</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	70%	582
Of two-person households in 1BR units	20%	214
Of one-person households in 2BR units	30%	249
Of two-person households in 2BR units	80%	857
Of three-person households in 2BR units	40%	228
Of four-person households in 2BR units	10%	47
Of three-person households in 3BR units	50%	286
Of four-person households in 3BR units	70%	331
Of five-person households in 3BR units	20%	80
Of three-person households in 4BR units	10%	57
Of four-person households in 4BR units	20%	95
Of five-person households in 4BR units	80%	318
<b>Total Demand</b>		<b>3,345</b>

Total Demand (Subject Unit Type)	Total Demand	Less Additions	
		to Supply	Net Demand
1BR	796	0	796
2BR	1,382	0	1382
3BR	696	0	696
4BR	470	0	470
<b>Total</b>	<b>3,345</b>		<b>3,345</b>

Developer's Unit Mix		Divided by Net	
		Demand	Capture Rate
1BR	48	796	6.0%
2BR	108	1382	7.8%
3BR	88	696	12.6%
4BR	20	470	4.3%
<b>Total</b>	<b>264</b>	<b>3345</b>	<b>7.9%</b>

## Capture Rate – 60% AMI Absent Subsidy

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$32,571		Maximum Income Limit		\$71,100
Income Cohort	Total Renter Households - Prj Mrkt Entry		Income Brackets	Percent within Cohort	Renter Households within Bracket
Under \$15,000	1,318	15%		0%	0
\$15,000-\$24,999	977	11%		0%	0
\$25,000-\$34,999	750	9%	\$2,428	24%	182
\$35,000-\$49,999	1,002	11%	\$14,999	100%	1,002
\$50,000-\$74,999	1,947	22%	\$21,100	84%	1,643
\$75,000-\$99,999	1,239	14%		0%	0
\$100,000-\$149,999	1,049	12%		0%	0
\$150,000-\$199,999	155	2%		0%	0
\$200,000 and Over	303	3%		0%	0
<b>Total</b>	<b>8,739</b>	<b>100%</b>		<b>32%</b>	<b>2,827</b>

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT					
Minimum Income Limit	\$32,571		Maximum Income Limit		\$71,100
Income Cohort	New Renter Households - Total Change in Households		Income Brackets	Percent within Cohort	Renter Households within Bracket
Under \$15,000	25	15%	\$0	0%	0
\$15,000-\$24,999	18	11%	\$0	0%	0
\$25,000-\$34,999	14	9%	\$2,428	24%	3
\$35,000-\$49,999	19	11%	\$14,999	100%	19
\$50,000-\$74,999	37	22%	\$21,100	84%	31
\$75,000-\$99,999	23	14%	\$0	0%	0
\$100,000-\$149,999	20	12%	\$0	0%	0
\$150,000-\$199,999	3	2%	\$0	0%	0
\$200,000 and Over	6	3%		0%	0
<b>Total</b>	<b>165</b>	<b>100%</b>		<b>32%</b>	<b>53</b>

ASSUMPTIONS					
Tenancy	Family	% of Income Toward Housing			35%
Urban/Rural	Rural	Maximum # of Occupants			6
Person in Household	1BR	2BR	3BR	4BR	Total
1	70%	30%	0%	0%	100%
2	20%	80%	0%	0%	100%
3	0%	40%	50%	10%	100%
4	0%	10%	70%	20%	100%
5+	0%	0%	20%	80%	100%

**Demand from New Renter Households**

New Renter Households PMA		165
Percent Income Qualified		32%
<b>Total</b>		<b>53</b>

**Demand from Existing Households****Demand from Rent Overburdened Households**

Total Existing Demand		8,739
Income Qualified		32%
Income Qualified Renter Households		2,827
Percent Rent Overburdened Prj Mrkt Entry		55%
<b>Rent Overburdened Households</b>		<b>1,555</b>

**Demand from Living in Substandard Household**

Income Qualified Renter Households		2,827
Percent Living in Substandard Housing		1.90%
<b>Households Living in Substandard Housing</b>		<b>54</b>

**Total Demand**

Total Demand from Existing Households		<b>1,609</b>
Adjustment Factor - Leakage from SMA	0%	0
Adjusted Demand from Existing Households		1609
Total New Demand		53
<b>Total Demand (New Plus Existing Households)</b>		<b>1,662</b>

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

**By Bedroom Demand**

One Person	25%	413
Two Persons	32%	533
Three Persons	17%	284
Four Persons	14%	235
Five Persons	12%	198
<b>Total</b>	<b>100%</b>	<b>1,662</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in 1BR units	70%	289
Of two-person households in 1BR units	20%	107
Of one-person households in 2BR units	30%	124
Of two-person households in 2BR units	80%	426
Of three-person households in 2BR units	40%	113
Of four-person households in 2BR units	10%	24
Of three-person households in 3BR units	50%	142
Of four-person households in 3BR units	70%	165
Of five-person households in 3BR units	20%	40
Of three-person households in 4BR units	10%	28
Of four-person households in 4BR units	20%	47
Of five-person households in 4BR units	80%	158
<b>Total Demand</b>		<b>1,662</b>

Total Demand (Subject Unit Type)	Total Demand	Less Additions	
		to Supply	Net Demand
1BR	396	25	371
2BR	687	40	647
3BR	346	25	321
4BR	234	0	234
<b>Total</b>	<b>1,662</b>		<b>1,572</b>

Developer's Unit Mix		Divided by Net	
		Demand	Capture Rate
1BR	48	371	13.0%
2BR	108	647	16.7%
3BR	88	321	27.4%
4BR	20	234	8.6%
<b>Total</b>	<b>264</b>	<b>1338</b>	<b>19.7%</b>

## Conclusions

The following table illustrates the capture rate analysis chart.

CAPTURE RATE ANALYSIS CHART												
Unit Type	Units Proposed	Minimum Income	Maximum Income	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR 60% AMI/S8	48	\$0	\$49,020	796	0	796	6.0%	6 months	\$1,264	\$1,192	\$1,381	\$1,340
1BR 60% AMI	48	\$32,571	\$49,020	396	25	371	13.0%	12 months	\$1,264	\$1,192	\$1,381	\$950
2BR 60% AMI/S8	108	\$0	\$55,140	1382	0	1382	7.8%	6 months	\$1,381	\$1,283	\$1,462	\$1,525
2BR 60% AMI	108	\$39,429	\$55,140	687	40	647	16.7%	12 months	\$1,381	\$1,283	\$1,462	\$1,150
3BR 60% AMI/S8	88	\$0	\$66,180	696	0	696	12.6%	6 months	\$1,601	\$1,458	\$1,897	\$1,720
3BR 60% AMI	88	\$43,714	\$66,180	346	25	321	27.4%	12 months	\$1,601	\$1,458	\$1,897	\$1,275
4BR 60% AMI/S8	20	\$0	\$71,100	470	0	470	4.3%	6 months	\$2,012	\$1,400	\$2,400	\$1,850
4BR 60% AMI	20	\$48,000	\$71,100	234	0	234	8.6%	12 months	\$2,012	\$1,400	\$2,400	\$1,400
Overall - With Subsidy	264	\$0	\$71,100	3345	0	3345	7.9%					
Overall - Without Subsidy	264	\$32,571	\$71,100	1662	90	1572	16.8%					

The subject's overall annual capture rates are considered low to moderate. This illustrates there is unmet demand within the PMA with significant need for affordable housing, similar to the subject. Based on the capture rates, it is anticipated that if vacant the subject would absorb quickly within the market. However, the subject is an existing LIHTC/Section 8 development that has experienced high occupancy and accepts tenants with minimum incomes of \$0. Therefore, the demand analysis (absent subsidy) is considered very conservative. According to the developer, most of the tenants will remain income qualified post-renovation. As such, the subject will not need to fully reabsorb and will likely be fully stabilized upon completion of renovations. The capture rates meet the DCA thresholds.

## Competitive Rental Analysis

### Survey of Comparable Projects

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

We surveyed both market rate and affordable housing rental properties. We included five market rate properties and four LIHTC properties. All of the comparable LIHTC and market rate properties are located in Griffin, within five miles of the subject. The comparables are in similar to superior locations based on median incomes, access to amenities, and median home values.

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

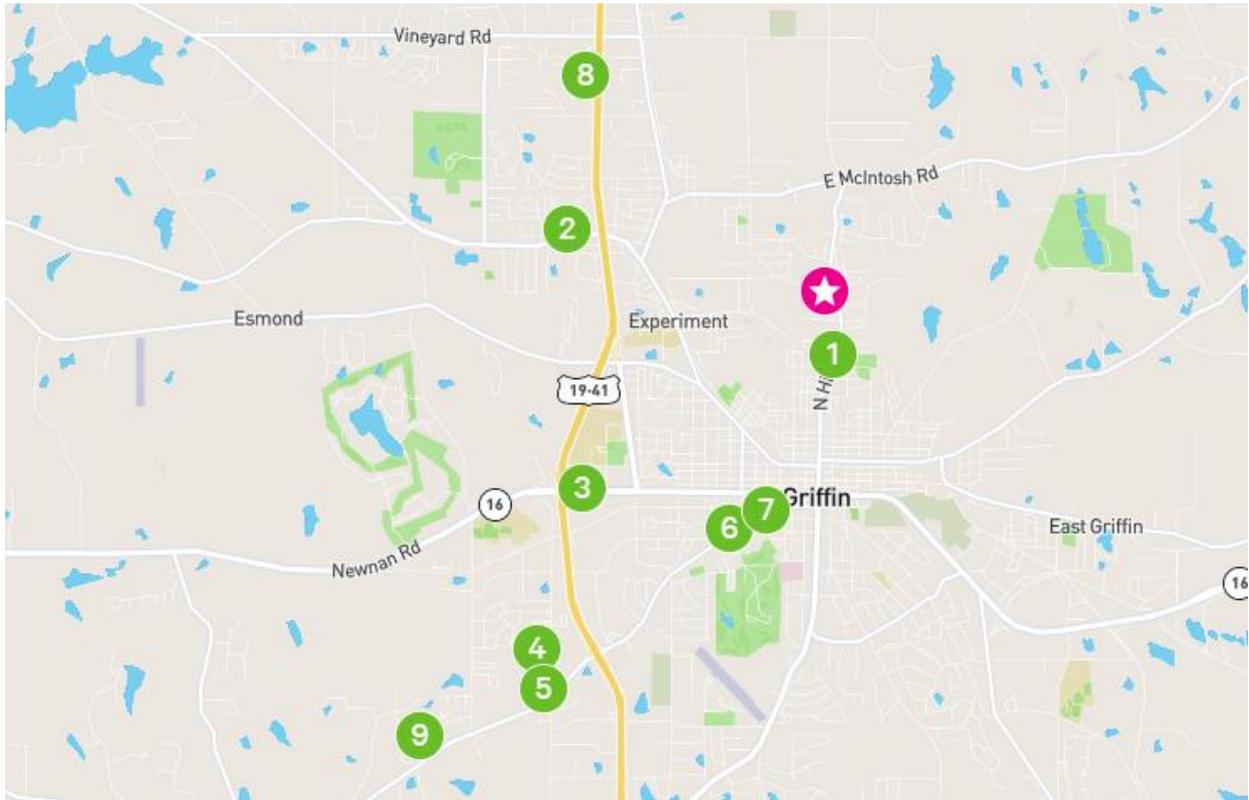
### Excluded Properties

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

<b>EXCLUDED PROPERTIES IN THE PMA</b>					
#	Development Name	Program Type	Tenancy	Reason for Exclusion	Total Units
1	Glencoe Trace Apts	LIHTC	Senior	Tenancy	72
2	Marian Point Apts	LIHTC	Family	Could not obtain info.	24
3	Iris at Park Pointe	LIHTC	Senior	Tenancy	85
4	Terraces at the Park	LIHTC	Senior	Tenancy	68
5	Nine Oaks Apts/Fairmont	LIHTC/Public Housing	Family	Subsidized	130
6	St. George's Court	Section 8	Family	Subsidized	100
7	Ava Park	Section 8	Family	Subsidized	80
8	Heritage Apartments	Section 8	Family	Subsidized	113
<b>Total</b>					<b>672</b>
<b>Total Competitive LIHTC (Not Subsidized)</b>					<b>24</b>
Complied by CBRE					

### Survey of Comparable Projects

The following map and tables detail the comparable properties.



**SUMMARY OF MARKET RATE COMPARABLES**

<b>No.</b>	<b>Property Name</b>	<b>Location</b>	<b>YOC / Reno'd</b>	<b>Occ.</b>	<b>No. Units</b>	<b>Distance from Subj</b>
1	St. Phillips Villas	829 North Hill Street Griffin, GA 30224	2001	97%	60	0.5 Miles
2	Griffin Crossings	1597 West McIntosh Road Griffin, GA 30223	1987	97%	272	1.9 Miles
3	Vineyard Creek	1569 GA-16 W Griffin, GA 30223	1987 / 2023	98%	60	2.3 Miles
4	Vineyard Place	657 Carver Road Griffin, GA 30224	1989	95%	112	3.4 Miles
5	Walden Pointe	701 Carver Road Griffin, GA 30224	1997	90%	216	3.4 Miles
Subj.	Northside Hills	615 Northside Drive Griffin, GA 30223	1969	95%	264	---

Compiled by CBRE

**SUMMARY OF LIHTC COMPARABLES**

<b>Comp. No.</b>	<b>Property Name</b>	<b>Location</b>	<b>YOC / Reno'd</b>	<b>Occ.</b>	<b>No. Units</b>	<b>Distance from Subj</b>
6	The Oaks at Park Pointe	420 Park Rd Griffin, GA 30224	2015	100%	84	1.9 Miles
7	Poplar Grove	617 Meriwether Street Griffin, GA 30224	1945 / 2012	99%	36	1.8 Miles
8	Tranquility at Griffin	2173 North Expressway Griffin, GA 30223	2019	100%	120	2.3 Miles
9	Griffin Village Apartments	2101 Williamson Road Griffin, GA 30224	2023	100%	60	4.4 Miles
Subj.	Northside Hills	615 Northside Drive Griffin, GA 30223	1969	95%	264	

Compiled by CBRE

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

### Market Rate Comparables

#### Rent Comparable One

This comparable rental represents the St. Phillips Villas apartments, a 60-unit garden property at 829 North Hill Street, Griffin, GA. The improvements were originally constructed in 2001 and were considered in average condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 920 square feet. Project/unit amenities include the following: a clubhouse, fitness center, playground, pool, on-site management, surface parking, carpeted flooring, dishwasher, garbage disposal, laminate countertops, private patios / balconies, range / oven, refrigerator, vinyl flooring, washer / dryer connections and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.14 per square foot monthly (\$1,335/unit), based upon typical lease terms of 12 months. No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 97% leased. According to management, turnover is approximately 5 to 10% per year and 20% of tenants are using vouchers. A waiting list is not maintained.

#### Rent Comparable Two

This comparable rental represents the Griffin Crossings apartments, a 272-unit garden property at 1597 West McIntosh Road, Griffin, GA. The improvements were originally constructed in 1987 and were considered in average condition at the time of our research. The structure's exterior walls depict wood construction components and the average unit size is 922 square feet. Project/unit amenities include the following: a barbeque area, clubhouse, courtyard, fitness center, playground, pool, sports court, walking trail, exterior stairwells, on-site management, pitched roofs, surface parking, 8-foot ceilings, carpeted flooring, dishwasher, fireplace, garbage disposal, range / oven, refrigerator, and vinyl flooring. According to the unit mix and asking rates for this property, the average base rental rate is \$1.38 per square foot monthly (\$1,271/unit), based upon typical lease terms of 12 months. No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 97% leased.

#### Rent Comparable Three

This comparable rental represents the Vineyard Creek apartments, a 60-unit garden property at 1569 GA-16 W, Griffin, GA. The improvements were originally constructed in 1987 and were considered in average condition at the time of our research. The structure's exterior walls depict wood construction components and the average unit size is 1,025 square feet. Project/unit amenities include the following: a barbeque area, playground, pool, on-site management, pitched roofs, surface parking, black appliances, carpeted flooring, dishwasher, garbage

disposal, private patios / balconies, range / oven, refrigerator, vinyl flooring, washer / dryer connections and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.23 per square foot monthly (\$1,258/unit), based upon typical lease terms of 12 months. No rent premiums were reported. No utilities are included with the rent and concessions were reported as \$900 off annual rent. The property is currently 98% leased. Management indicated that turnover is below 10%.

### **Rent Comparable Four**

This comparable rental represents the Vineyard Place apartments, a 112-unit garden property at 657 Carver Road, Griffin, GA. The improvements were originally constructed in 1989 and were considered in average condition at the time of our research. The structure's exterior walls depict wood construction components and the average unit size is 1,013 square feet. Project/unit amenities include the following: a business center, clubhouse, fitness center, playground, pool, tennis court, on-site management, pitched roofs, surface parking, black appliances, carpeted flooring, ceiling fans, dishwasher, garbage disposal, laminate countertops, private patios / balconies, range / oven, refrigerator, vinyl flooring, and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.30 per square foot monthly (\$1,311/unit), based upon typical lease terms of 12 months. No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 94.6% leased.

### **Rent Comparable Five**

This comparable rental represents the Walden Pointe apartments, a 216-unit garden property at 701 Carver Road, Griffin, GA. The improvements were originally constructed in 1997 and were considered in good condition at the time of our research. The structure's exterior walls depict fiber cement plank construction components and the average unit size is 1,216 square feet. Project/unit amenities include the following: a barbeque area, dog park / run, fitness center, laundry facility, playground, pool, detached garages, on-site management, pitched roofs, surface parking, carpeted flooring, ceiling fans, dishwasher, laminate countertops, private patios / balconies, range / oven, refrigerator, vinyl flooring, washer / dryer connections and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.18 per square foot monthly (\$1,434/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 90% leased.

## **LIHTC Rent Comparables**

### **Rent Comparable Six**

This comparable rental represents The Oaks at Park Pointe apartments, an 84-unit garden-style multifamily property at 420 Park Rd, Griffin, GA. The improvements were originally constructed in 2015 and were considered in good condition at the time of our research. The structure's

exterior walls depict vinyl siding construction components and the average unit size is 1,162 square feet. Project/unit amenities include the following: a barbeque area, business center, clubhouse, fitness center, laundry facility, on-site management, surface parking, carpeted flooring, dishwasher, laminate countertops, microwave oven, range / oven, refrigerator, vinyl flooring, and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$0.99 per square foot monthly (\$1,145/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 100% leased. Management provided limited information including the current rents and occupancy rate. The waiting list is closed but the length was not available.

### **Rent Comparable Seven**

This comparable rental represents the Poplar Grove apartments, a 36-unit garden-style multifamily property at 617 Meriwether Street, Griffin, GA. The improvements were originally constructed in 1945, renovated in 2012, and were considered in average condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 714 square feet. Project/unit amenities include the following: a barbeque area, business center, clubhouse, fitness center, laundry facility, playground, gated / controlled access, individual split systems, surface parking, dishwasher, garbage disposal, range / oven, refrigerator, and washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$1.35 per square foot monthly (\$965/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are water, sewer, and trash and no concessions are currently offered. The property is currently 99% leased. The manager indicated that the restrictions are floating, and not fixed to specific units, but there are 16 one-bedroom units and 20 two-bedroom units.

### **Rent Comparable Eight**

This comparable rental represents the Tranquility at Griffin Apartments, a 120-unit garden-style multifamily property at 2173 North Expressway, Griffin, GA. The improvements were originally constructed in 2019 and were considered in good condition at the time of our research. Project/unit amenities include the following: a barbeque area, dog park / run, fitness center, playground, pool, on-site management, surface parking, dishwasher, laminate countertops, microwave oven, private patios / balconies, range / oven, refrigerator, washer / dryer, and white / beige appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$0.92 per square foot monthly (\$1,029/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 100% leased. The property consists of 120 one-, two-, and three-bedroom units restricted at 60% AMI. Management indicated that there are no vacancies and the property website reflects accurate rents.

## Rent Comparable Nine

This comparable rental represents the Griffin Village Apartments, a 60-unit multi-unit garden-style multifamily property at 2101 Williamson Road, Griffin, GA. The improvements were originally constructed in 2023 and were considered in excellent condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 1,013 square feet. Project/unit amenities include the following: a barbeque area, business center, dog park / run, laundry facility, playground, on-site management, surface parking, carpeted flooring, dishwasher, laminate countertops, microwave oven, range / oven, refrigerator, vinyl flooring, and washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$1.17 per square foot monthly (\$1,189/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash and no concessions are currently offered. The property is currently 100% leased. Griffin Village Apartments is currently under construction and will consist of 150 units when complete in late 2023. According to management, two of the five buildings are open. In total, 60 units are operational and are fully leased. Some tenants are using vouchers but management could not provide an exact percentage. There is a waiting list of 1,200 households for the remaining 90 units. All units are restricted at 60% AMI and rents are at the maximum allowable levels.

## Housing Choice Vouchers

A representative of the Griffin Housing Authority indicated that Georgia DCA administers the Housing Choice Voucher program in Spalding County. We contacted Georgia DCA to determine the number of housing choice vouchers currently in use in Spalding County; however, our calls were not returned. Although all of the comparable LIHTC properties reported that some tenants utilize vouchers, estimates were not provided. Given that the subject benefits from project-based subsidy for all units, portable vouchers will not be needed.

## Phased Developments

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

## Lease Up History

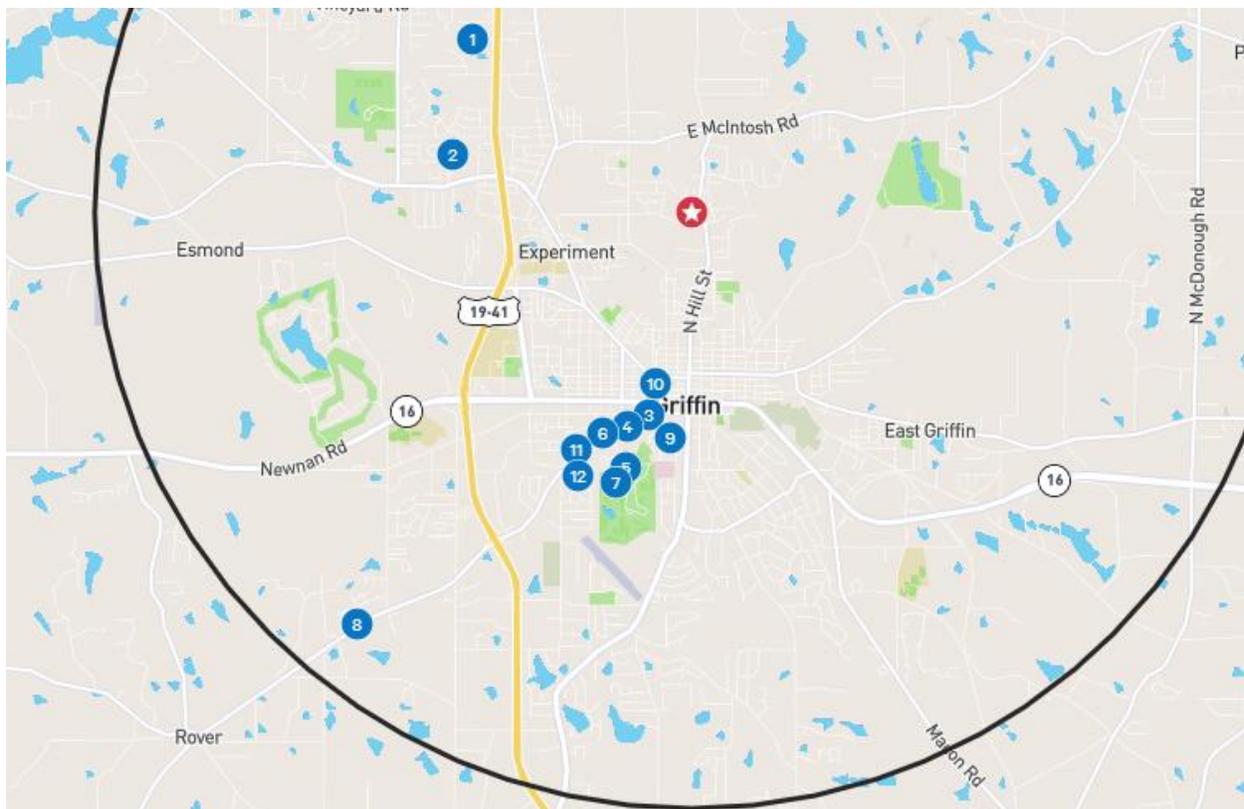
The comparable market rate properties were built 20+ years ago and absorption data is not relevant. Tranquility at Griffin was built in 2019. Although management believed lease-up period was short, the absorption rate was not available. Griffin Village is currently under construction. Two of the buildings, consisting of 60 total units, opened during the summer of 2023 and management reported that these units were leased within a couple months, equating to an absorption rate of approximately 30 units per month. The remaining 90 units, which are expected to be completed by the end of the year, have a 1,200+ household waiting list according to management. The subject is an existing, stabilized property that operates with subsidy. According to the developer, most of the subject's tenants are expected to remain in place following the renovation. We expect a short lease up if any units are vacant upon

completion of the renovation. In a hypothetical scenario where the subject is 100% vacant and operates as a LIHTC property without subsidy, we estimate an absorption period of about 12 months, which equates to an absorption rate of 20 to 25 units per month.

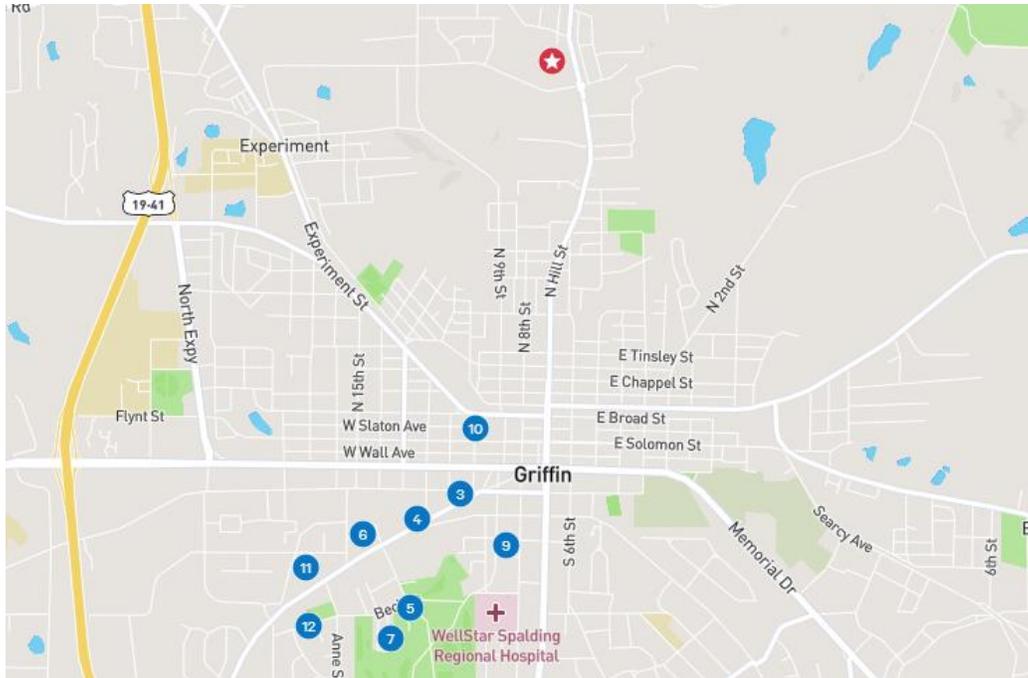
### Competitive Projects Map

EXISTING AFFORDABLE HOUSING PROPERTIES IN THE PMA						
#	Development Name	Address	Program Type	Tenancy	Distance from Subject	Total Units
1	Tranquility at Griffin	2173 North Expressway, Griffin, GA 30223	LIHTC	Family	3.6 miles	120
2	Glencoe Trace Apts	1624 Hallmark Dr, Griffin, GA 30223	LIHTC	Senior	2.7 miles	72
3	Marian Point Apts	416 W. Poplar St, Griffin, GA 30227	LIHTC	Family	2.2 miles	24
4	Poplar Grove Apts	617 Meriwether St, Griffin, GA 30224	LIHTC	Family	2.6 miles	36
5	The Oaks at Park Pointe	420 Park Rd, Griffin, GA 30224	LIHTC	Family	2.6 miles	84
6	Iris at Park Pointe	859 Park Point Dr, Griffin, GA 30224	LIHTC	Senior	3.1 miles	85
7	Terraces at the Park	854 Westbrook St, Griffin, GA 30224	LIHTC	Senior	3.7 miles	68
8	Griffin Village	2101 Williamson Rd, Griffin, GA 30224	LIHTC	Family	4.3 miles	150
9	Nine Oaks Apts/Fairmont	518 9 Oaks Dr, Griffin, GA 30224	LIHTC/PH	Family	2.3 miles	130
10	St. George's Court	110 N. 10th St, Griffin, GA 30223	Section 8	Family	2.0 miles	100
11	Ava Park	1100 W. College Ext, Griffin, GA 30224	Section 8	Family	3.0 miles	80
12	Heritage Apartments	1012 Beck St, Griffin, GA 30224	Section 8	Family	3.1 miles	113
<b>Total</b>						<b>1,062</b>
<b>Total Competitive LIHTC (Not Subsidized)</b>						<b>479</b>

Complied by CBRE



\*5-mile radius



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

### Amenities

The subject's amenity package will be generally similar to the comparable market rate properties post renovation. The subject will offer a computer lab, fitness center, free community events including afterschool programs and summer lunch programs, and free internet to the residents. However, most of the market rate comparables offer a dishwasher, patio/balcony, and pool, amenities not offered by the subject.

The subject offers a competitive amenity package when compared to the comparable LIHTC properties. Most comparables offer a playground, barbeque area, clubhouse, computer lab/business center, and fitness center. However, Tranquility at Griffin Apartments also offers a swimming pool and is considered slightly superior to the subject. Post renovation, the subject will also offer a computer lab, fitness center, and a covered pavilion with picnic/barbeque facilities and outdoor gathering area.

## Overall Comparison

<b>COMPARABLE ANALYSIS - MARKET RATE</b>					
Comparable Name	St. Phillips Villas	Griffin Crossings	Vineyard Creek	Vineyard Place	Walden Pointe
Year Built	2001	1987	1987	1989	1997
Year Renovated	--	--	2023	--	--
Characteristic	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Location	○	▲	○	▲	▲
Age/Condition	▼	▼	▼	▼	○
Design Appeal	○	○	○	○	○
Quality of Construction	○	○	○	○	○
Project Amenities	▲	▲	▲	▲	▲
<b>Overall</b>	○	▲	▼	▲	▲
▼ = Inferior   ○ = Similar   ▲ = Superior					
Source: CBRE					

<b>COMPARABLE ANALYSIS - LIHTC</b>				
Comparable Name	The Oaks at Park Pointe	Poplar Grove	Tranquility at Griffin Apartments	Griffin Village Apartments
Year Built	2015	1945	2019	2023
Year Renovated	--	2012	--	--
Characteristic	Comparable 6	Comparable 7	Comparable 8	Comparable 9
Location	○	○	▲	▲
Age/Condition	▲	▼	▲	▲
Design Appeal	○	○	○	○
Quality of Construction	○	○	○	○
Project Amenities	○	○	▲	○
<b>Overall</b>	▲	▼	▲	▲
▼ = Inferior   ○ = Similar   ▲ = Superior				
Source: CBRE				

## Comparable Tenancy

The subject targets families, similar to the comparables.

## Occupancy

The following table illustrates the occupancy rates in the market.

<b>SUMMARY OF MARKET RATE COMPARABLES</b>				
Comp. No.	Name	Location	Distance from Subject	Occupancy
1	St. Phillips Villas	829 North Hill Street Griffin, GA	0.5 Miles	97.0%
2	Griffin Crossings	1597 West McIntosh Road Griffin, GA	1.9 Miles	97.0%
3	Vineyard Creek	1569 GA-16 W Griffin, GA	2.3 Miles	98.0%
4	Vineyard Place	657 Carver Road Griffin, GA	3.4 Miles	94.6%
5	Walden Pointe	701 Carver Road Griffin, GA	3.4 Miles	90.0%
Subject	Northside Hills	615 Northside Drive, Griffin, Georgia		95.1%

Compiled by CBRE

<b>SUMMARY OF LIHTC COMPARABLES</b>				
Comp. No.	Name	Location	Distance from Subject	Occupancy
6	The Oaks at Park Pointe	420 Park Rd Griffin, GA	1.9 Miles	100.0%
7	Poplar Grove	617 Meriwether Street Griffin, GA	1.8 Miles	100.0%
8	Tranquility at Griffin Apartments	2173 North Expressway Griffin, GA	2.3 Miles	100.0%
9	Griffin Village Apartments	2101 Williamson Road Griffin, GA	4.3 Miles	100.0%
Subject	Northside Hills	615 Northside Drive, Griffin, Georgia		95.1%

Compiled by CBRE

<b>OCCUPANCY CONCLUSIONS</b>	
Atlanta-Sandy Springs-Roswell, GA Market	92.7%
Far South Atlanta Suburbs Submarket	92.8%
Rent Comparables - Market Rate	94.6%
Rent Comparables - Affordable	99.9%
Subject's Current Occupancy	95.1%
Subject's Stabilized Occupancy	95.0%

Compiled by CBRE

It should be noted that Griffin Village's occupancy rate reflects the 60 units that are constructed and operational. The remaining 90 units are still under construction. Details on the market and submarket occupancy rates are detailed later in this section.

The market rate comparables reported occupancy rates ranging from 90.0% to 98.0%, with an average of 94.6%. The LIHTC comparables all reported occupancy rates of 100.0%. The comparables are exhibiting occupancy rates above both the market and submarket. The subject is currently 95.1% occupied, slightly below the rent comparables. The subject has pending applications for the vacant units and maintains a current waiting list. Given the level of subsidy, the current waiting list at the subject property, limited turnover, as well as the recent and current occupancy rates, we do not expect the property to have occupancy issues. Further, we do not believe that the subject will impact the performance of the existing affordable properties if allocated.

### Properties Under Construction and Proposed

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

- According to Georgia DCA, there are no planned or proposed LIHTC properties in the PMA. Griffin Village Apartments is currently under construction and will consist of 150 LIHTC units when complete in late 2023. According to management, two of the five buildings are open. In total, 60 units are operational and are fully leased. There is a waiting list of 1,200 households for the remaining 90 units. All units are restricted at 60% AMI and rents are at the maximum allowable levels. Although the subject will directly compete with Griffin Village, we expect this property to be complete and fully leased prior to the start of the renovation of the subject.
- We emailed and called Chad Jacobs, Planning and Development Director, with the city of Griffin. However, our calls were not returned.
- According to CoStar and Axiometrics, there are no under construction, planned, or proposed multifamily developments in Spalding County.

### Achievable LIHTC Rent

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

The subject will operate with subsidy for all units; therefore, the developer has not estimated post-renovation rents absent subsidy. Therefore, the rental rates at the LIHTC properties are compared to our estimated achievable 60% AMI rents in the following tables. The comparable rents have been adjusted for utilities to reflect the subject's utility convention.

<b>SUMMARY OF COMPARABLE RENTALS</b>				
<b>ONE BEDROOM UNITS</b>				
<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
Poplar Grove	1BR/1BA - 30% AMI	600 SF	\$471	\$0.79
Poplar Grove	1BR/1BA - 50% AMI	600 SF	\$692	\$1.15
Poplar Grove	1BR/1BA - 60% AMI	600 SF	\$853	\$1.42
<b>Subject (Concluded)</b>	<b>1BR/1BA - 60% AMI/Section 8</b>	<b>762 SF</b>	<b>\$950</b>	<b>\$1.25</b>
Tranquility at Griffin Apartments	1BR/1BA - 60% AMI	827 SF	\$955	\$1.15
Griffin Village Apartments	1BR/1BA - 60% AMI	694 SF	\$1,032	\$1.49
Poplar Grove	1BR/1BA - Market Rate	600 SF	\$1,107	\$1.85

Compiled by CBRE

<b>SUMMARY OF COMPARABLE RENTALS</b>				
<b>TWO BEDROOM UNITS</b>				
<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
Poplar Grove	2BR/1BA - 30% AMI	805 SF	\$546	\$0.68
Poplar Grove	2BR/1BA - 50% AMI	805 SF	\$789	\$0.98
Poplar Grove	2BR/1BA - 60% AMI	805 SF	\$1,024	\$1.27
Tranquility at Griffin Apartments	2BR/2BA - 60% AMI	1,064 SF	\$1,066	\$1.00
<b>Subject (Concluded)</b>	<b>2BR/1BA - 60% AMI/Section 8</b>	<b>914 SF</b>	<b>\$1,150</b>	<b>\$1.26</b>
The Oaks at Park Pointe	2BR/2BA - 60% AMI	1,143 SF	\$1,208	\$1.06
Griffin Village Apartments	2BR/2BA - 60% AMI	981 SF	\$1,230	\$1.25
Poplar Grove	2BR/1BA - Market Rate	805 SF	\$1,259	\$1.56

Compiled by CBRE

**SUMMARY OF COMPARABLE RENTALS  
THREE AND FOUR BEDROOM UNITS**

<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
Tranquility at Griffin Apartments	3BR/2BA - 60% AMI	1,249 SF	\$1,181	\$0.95
<b>Subject (Concluded)</b>	<b>3BR/1BA - 60% AMI/Section 8</b>	<b>1,006 SF</b>	<b>\$1,275</b>	<b>\$1.27</b>
The Oaks at Park Pointe	3BR/2BA - 60% AMI	1,672 SF	\$1,339	\$0.80
<b>Subject (Concluded)</b>	<b>4BR/1.5BA - 60% AMI/Section 8</b>	<b>1,165 SF</b>	<b>\$1,400</b>	<b>\$1.20</b>
Griffin Village Apartments	3BR/2BA - 60% AMI	1,205 SF	\$1,413	\$1.17

Compiled by CBRE

The subject is generally similar to The Oaks at Park Pointe and Poplar Grove in terms of location and slightly inferior to Tranquility at Griffin and Griffin Village in terms of location. The Oaks at Park Pointe, Tranquility at Griffin, and Griffin Village were built between 2015 and 2023 and are slightly superior to superior to the renovated subject in terms of age and condition. The subject offers a competitive design, quality, and amenities to the comparables. The one- and two-bedroom unit sizes are within the range of comparables while the three- and four-bedroom unit sizes are smaller than the comparables. We estimate achievable LIHTC rents, absent subsidy, above Poplar Grove and below The Oaks at Park Pointe and Griffin Village. Tranquility at Griffin appears to have somewhat below market rents given its superior age/condition and location. Therefore, less weight is placed on this property.

### Achievable Market Rent

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

<b>SUMMARY OF COMPARABLE RENTALS</b>				
<b>ONE BEDROOM UNITS</b>				
<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
<b>Subject (Concluded)</b>	<b>1BR/1BA - 60% AMI/Section 8</b>	<b>762 SF</b>	<b>\$950</b>	<b>\$1.25</b>
Vineyard Creek	1BR/1BA	575 SF	\$1,192	\$2.07
St. Phillips Villas	1BR/1BA	975 SF	\$1,222	\$1.25
Griffin Crossings	1BR/1BA	824 SF	\$1,252	\$1.52
Vineyard Place	1BR/1BA	745 SF	\$1,257	\$1.69
Vineyard Place	1BR/1BA	805 SF	\$1,282	\$1.59
Walden Pointe	1BR/1BA	998 SF	\$1,381	\$1.38

Compiled by CBRE

<b>SUMMARY OF COMPARABLE RENTALS</b>				
<b>TWO BEDROOM UNITS</b>				
<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
<b>Subject (Concluded)</b>	<b>2BR/1BA - 60% AMI/Section 8</b>	<b>914 SF</b>	<b>\$1,150</b>	<b>\$1.26</b>
Vineyard Creek	2BR/1BA	925 SF	\$1,283	\$1.39
Vineyard Creek	2BR/2.5BA TH	1,150 SF	\$1,323	\$1.15
Griffin Crossings	2BR/2BA	944 SF	\$1,358	\$1.44
Vineyard Place	2BR/1BA	1,003 SF	\$1,378	\$1.37
Vineyard Place	2BR/2BA	1,093 SF	\$1,423	\$1.30
St. Phillips Villas	2BR/2BA	1,175 SF	\$1,441	\$1.23
Walden Pointe	2BR/2BA	1,280 SF	\$1,462	\$1.14

Compiled by CBRE

<b>SUMMARY OF COMPARABLE RENTALS</b>				
<b>THREE AND FOUR BEDROOM UNITS</b>				
<b>Comparable</b>	<b>Plan Type</b>	<b>Size (SF)</b>	<b>Rental Rates*</b>	
			<b>\$/Mo.</b>	<b>\$/SF</b>
<b>Subject (Concluded)</b>	<b>3BR/1BA - 60% AMI/Section 8</b>	<b>1,006 SF</b>	<b>\$1,275</b>	<b>\$1.27</b>
<b>Subject (Concluded)</b>	<b>4BR/1.5BA - 60% AMI/Section 8</b>	<b>1,165 SF</b>	<b>\$1,400</b>	<b>\$1.20</b>
Vineyard Creek	3BR/2BA	1,225 SF	\$1,458	\$1.19
Vineyard Creek	3BR/2.5BA TH	1,240 SF	\$1,508	\$1.22
St. Phillips Villas	3BR/2BA	1,350 SF	\$1,548	\$1.15
Vineyard Place	3BR/2BA	1,240 SF	\$1,548	\$1.25
Griffin Crossings	3BR/2BA	1,090 SF	\$1,648	\$1.51
Walden Pointe	3BR/2BA	1,480 SF	\$1,897	\$1.28

Compiled by CBRE

The comparables offer similar to slightly superior locations to the subject. The subject will undergo a substantial renovation and will be superior St. Phillips Villas, Vineyard Creek, and

Vineyard Place in terms of condition. Griffin Crossings and Walden Pointe offer generally similar condition to the renovated subject. The subject’s amenity package will be similar to the comparable market rate properties post renovation. The subject will offer a business center, free community events including afterschool programs and summer lunch programs, and free internet to the residents. However, most of the market rate comparables offer a dishwasher, patio/balcony, and pool, amenities not offered by the subject. The subject offers somewhat small unit sizes and only one bath in its two- and three-bedroom units. Most of the comparables offer two baths in the two- and three-bedroom units. Based largely on the subject’s newly renovated condition, we estimate achievable one-, two-, and three-bedroom market rents at the upper end of the range of comparables.

The following table illustrates four-bedroom single-family home rentals in the Griffin area.

<b>FOUR-BEDROOM RENTAL HOMES</b>					
Griffin, GA					
Address	Condition	BR/BA	Rent	Size (SF)	Rent per SF
105 Houston St	Average	4BR/2BA	\$1,400	1,200	\$1.17
303 Vineyard Ridge Ln	Average	4BR/2BA	\$1,895	1,868	\$1.01
320 Jefferson St	Good	4BR/2.5BA	\$1,950	2,172	\$0.90
833 Crescent Lane	Good	4BR/3BA	\$2,119	2,255	\$0.94
127 Hunts MI Cir	Good	4BR/3BA	\$2,305	2,375	\$0.97
108 Ison Woods Ct	Good	4BR/2.5BA	\$2,400	1,801	\$1.33

Source: Apartments.com

Most of these homes are significantly larger than the subject, offer two to three bathrooms, and garages. We estimate an achievable four-bedroom market rent on the low end of the comparables.

ACHIEVABLE RENTS								
No. Units	Unit Type	Unit Size (SF)	Total SF	Achievable Net Rent		Achievable Market Rent		Market Rent Advantage
				\$/Unit	\$/SF	\$/Unit	\$/SF	
48	1BR/1BA - 60% AMI/Section 8	762	36,576	\$950	\$1.25	\$1,300	\$1.71	36.8%
108	2BR/1BA - 60% AMI/Section 8	914	98,712	\$1,150	\$1.26	\$1,450	\$1.59	26.1%
88	3BR/1BA - 60% AMI/Section 8	1,006	88,528	\$1,275	\$1.27	\$1,600	\$1.59	25.5%
20	4BR/1.5BA - 60% AMI/Section 8	1,165	23,300	\$1,400	\$1.20	\$1,750	\$1.50	25.0%
264		936	247,116	\$1,174	\$1.25	\$1,495	\$5.66	

Compiled by CBRE

As detailed in the table above, the subject’s market rent advantage exceeds 10% for all unit types and meets DCA’s minimum requirements. The developer’s proforma as is market-to-market Section 8 contract rents are based on an RCS (see table below) completed by Davis Affordable Housing Advisors dated July 28, 2023. Our estimate of market rent is above the RCS concluded rents due to the planned renovation. Based on our estimate of achievable market rents in the previous table, the subject has a significant rent advantage over the achievable LIHTC rents.

MARKET RENTAL RATES - AS-IS					
TYPE	UNITS	SIZE (SF)	CONCLUDED		PREPARED
			\$/UNIT	\$/SF	GRID?
Flat 1 Bed / 1 Bath	48	762	\$1,260	\$1.65	YES
Flat 2 Bed / 1 Bath	108	914	\$1,355	\$1.48	YES
Townhouse 3 Bed / 1 Bath	88	1,006	\$1,505	\$1.50	YES
Townhouse 4 Bed / 1.5 Bath	20	1,165	\$1,650	\$1.42	YES
<b>TOTAL / AVERAGE</b>	<b>264</b>	<b>936</b>	<b>\$1,410</b>	<b>\$1.51</b>	

Source: Davis Affordable Housing Advisors RCS

### Rental Trends in the PMA

The following table illustrates tenure patterns in the PMA.

Year	HOUSEHOLDS BY TENURE							
	PMA				SMA			
	Owner-Occupied		Renter-Occupied		Owner-Occupied		Renter-Occupied	
2000	9,701	57.5%	7,180	42.5%	1,041,714	66.8%	517,998	33.2%
2010	10,031	55.2%	8,158	44.9%	1,285,062	66.1%	658,819	33.9%
2023	12,087	58.5%	8,574	41.5%	1,533,016	65.2%	818,236	34.8%
Proj. Market Entry	12,319	58.5%	8,739	41.5%	1,560,167	65.2%	832,727	34.8%
2028	12,624	58.5%	8,955	41.5%	1,595,673	65.2%	851,678	34.8%

Source: ESRI Demographics

As illustrated, the percentage of renter-occupied housing units in the PMA is much higher than that of the SMA.

The following details rental trends in the market and submarket.

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

### Recent Performance

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

ATLANTA-SANDY SPRINGS-ROSWELL, GA APARTMENT MARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2013	457,858	4,575	424,984	92.8%	\$869	5.02%	8,862
2014	463,471	5,876	433,484	93.5%	\$943	7.49%	8,509
2015	472,397	9,034	444,431	94.1%	\$1,015	6.64%	10,938
2016	481,089	9,454	452,368	94.0%	\$1,078	5.00%	7,926
2017	493,971	12,932	463,542	93.8%	\$1,133	2.98%	11,188
2018	502,500	8,711	475,265	94.6%	\$1,211	4.73%	11,725
2019	511,660	10,018	485,156	94.8%	\$1,273	3.31%	9,873
2020	525,070	13,410	501,599	95.5%	\$1,305	2.16%	16,430
2021	534,113	9,043	518,196	97.0%	\$1,602	21.20%	16,620
Q1 2022	536,682	2,569	520,099	96.9%	\$1,632	1.32%	1,904
Q2 2022	538,700	2,190	515,859	95.8%	\$1,678	2.40%	-4,233
Q3 2022	542,221	3,521	513,104	94.6%	\$1,718	2.06%	-2,736
Q4 2022	545,510	3,289	511,743	93.8%	\$1,694	-1.81%	-1,365
2022	545,510	11,569	511,743	93.8%	\$1,694	4.03%	-6,431
Q1 2023	549,764	4,497	513,370	93.4%	\$1,684	-0.87%	1,605
Q2 2023	554,948	5,408	516,324	93.0%	\$1,692	0.39%	2,952
Q3 2023*	559,534	4,586	522,605	93.4%	\$1,719	1.60%	6,503
Q4 2023*	564,720	5,186	523,495	92.7%	\$1,725	0.35%	891
2023*	564,720	19,677	523,495	92.7%	\$1,725	1.80%	11,807
2024*	586,196	21,476	545,748	93.1%	\$1,767	2.40%	22,253
2025*	601,970	15,774	563,444	93.6%	\$1,813	2.60%	17,695
2026*	612,446	10,476	569,575	93.0%	\$1,862	2.70%	6,131
2027*	624,140	11,694	584,195	93.6%	\$1,913	2.70%	14,620

\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

The Atlanta-Sandy Springs-Roswell, GA apartment market consists of approximately 554,948 units of apartment space. The following observations are noted from the table above:

- As of 2nd Quarter 2023, there were approximately 516,324 units of occupied apartment space, resulting in an occupancy rate of 93.0% for the metro area. This reflects a decrease from the previous quarter's occupancy of 93.4%, and a decrease from an occupancy rate of 93.8% from last year.
- The area experienced positive 2,952 units of net absorption for the current quarter. This indicates an improvement from the previous quarter's positive 1,605 units of net absorption, and an improvement from the negative 6,431 units of net absorption from last year.
- The area had completions of positive 5,408 units for the current quarter, which indicates an increase from the previous quarter's completions of positive 4,497 units, and indicates a decline from completions of positive 11,569 units from last year.

- The area achieved average effective rent of \$1,692 per unit, which indicates an increase from the previous quarter’s effective rent of \$1,684 per unit, and a decrease from the effective rent of \$1,694 per unit from last year.

### Historical Inventory – Market

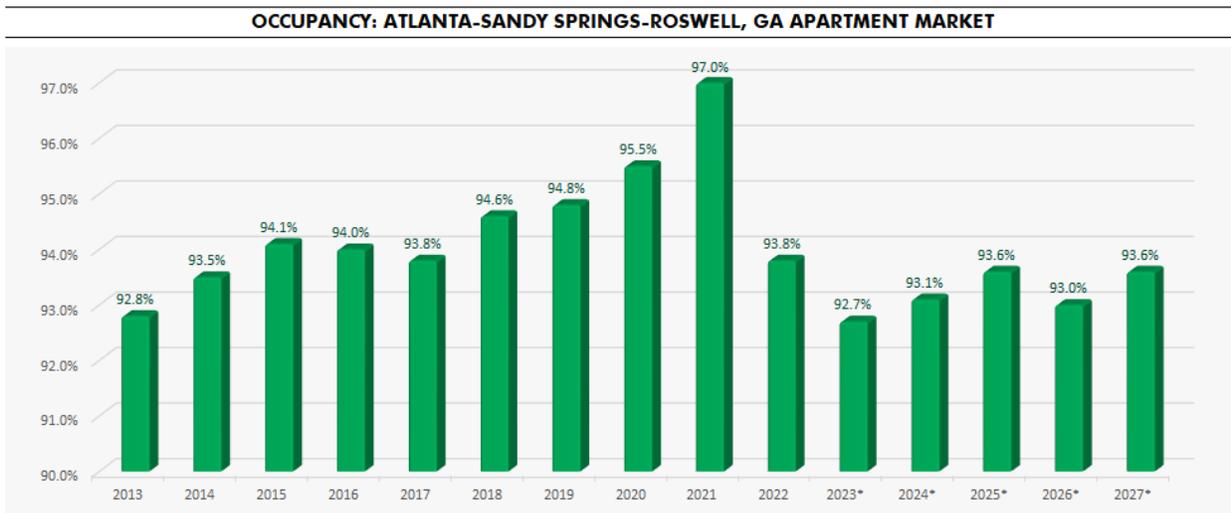


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

Inventory is projected to be 564,720 units at the end of the current year, which represents an increase from the previous year’s inventory of 545,510 units. Inventory for next year is projected to be 586,196 units, reflecting an increase from the current year.

### Historical Occupancy - Market

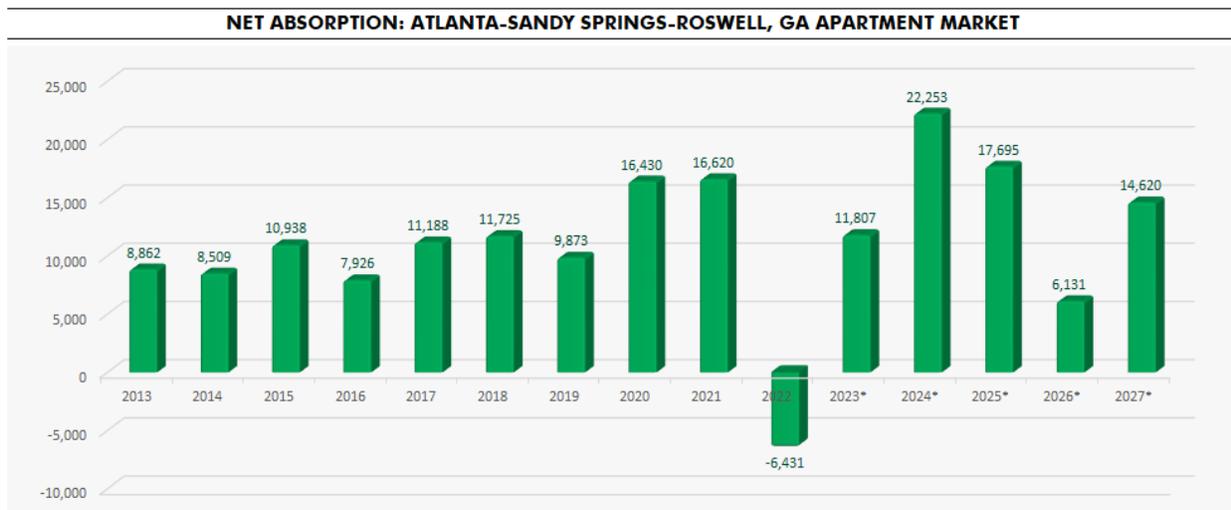


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

At the end of the current year, the occupancy rate is projected to be 92.7%, which reflects a decrease from the 93.8% occupancy rate at the end of last year. Occupancy for next year is projected to be 93.1%, reflecting an increase from the current year.

### Historical Net Absorption - Market

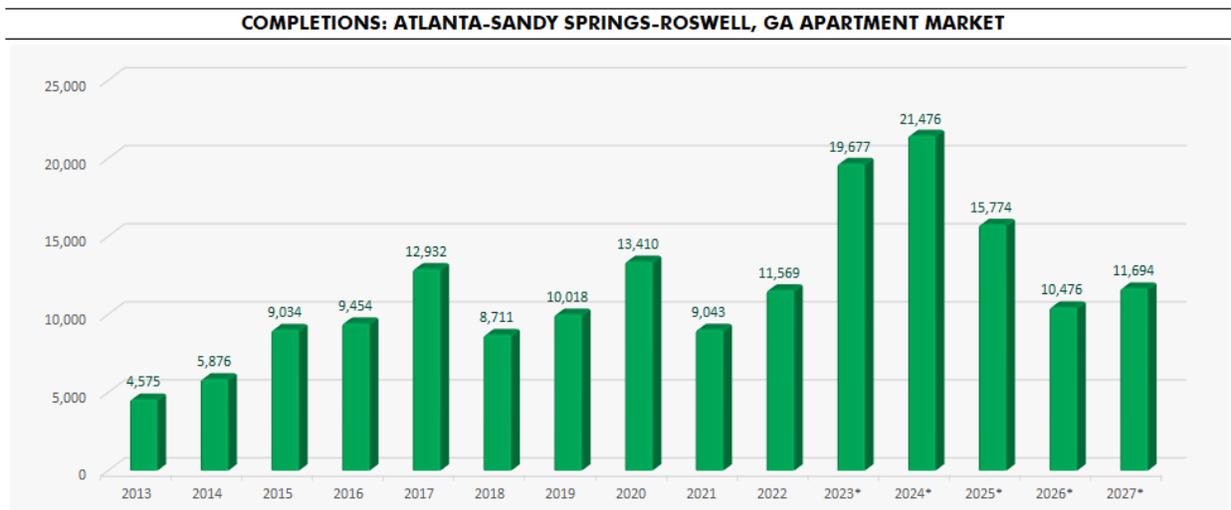


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

At the end of the current year, the area is projected to experience positive 11,807 units of net absorption, which indicates an improvement from the negative 6,431 units of net absorption for the previous year. The area is projected to experience positive 22,253 units of net absorption as of the end of next year, which indicates an improvement from the current year.

### Historical Completions - Market

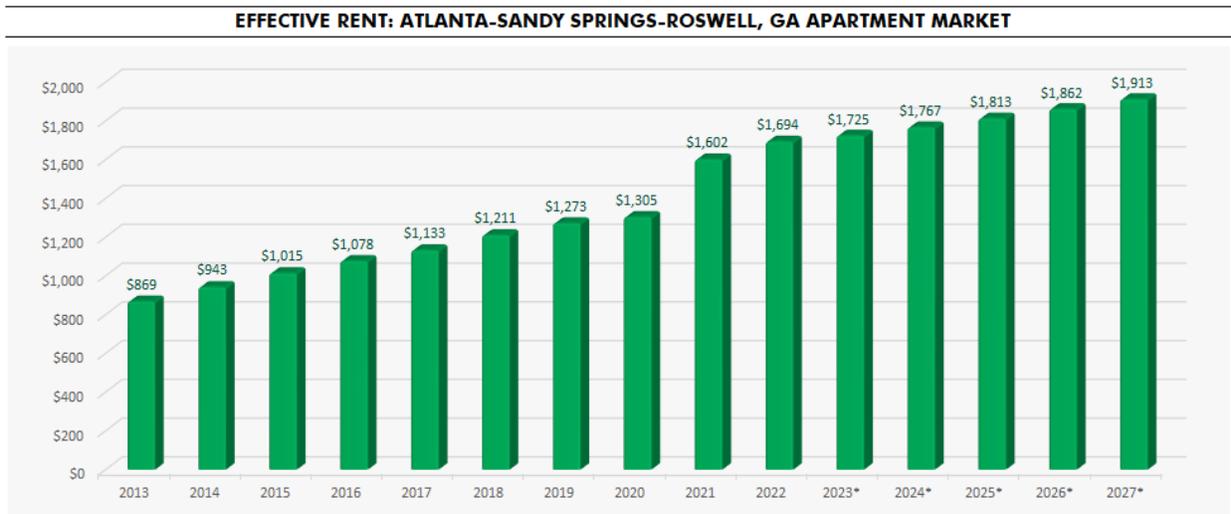


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

The area is projected to achieve completions of positive 19,677 units for the current year, which indicates an improvement from the previous year's completions of positive 11,569 units. The area is projected to experience completions of positive 21,476 units as of the end of next year, which indicates an improvement from the current year.

Historical Effective Rent - Market



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

The area is projected to achieve average effective rent of \$1,725 per unit at the end of the current year, which indicates an increase from the previous year’s effective rent of \$1,694 per unit. The area is projected to achieve effective rent of \$1,767 per unit by the end of next year, indicating an increase from the current year.

## SUBMARKET SNAPSHOT

The following table summarizes the supply of apartment units for each submarket within the Atlanta-Sandy Springs-Roswell, GA market as of 2nd Quarter 2023.

SUBMARKET SNAPSHOT				
Submarket	Inventory (Units)	Completions* (Units)	Effective Rent (\$/Unit / Mo.)	Occupancy
Alpharetta/Cumming	19,392	890	\$1,972	93.9%
Briarcliff	16,187	0	\$1,693	94.0%
Buckhead	26,710	684	\$2,087	93.0%
Chamblee/Brookhaven	16,644	292	\$1,783	94.1%
Clarkston/Tucker	8,948	0	\$1,458	94.6%
Clayton County	19,220	312	\$1,330	92.2%
Decatur	12,793	484	\$1,852	93.1%
Doraville	7,899	320	\$1,520	93.9%
Downtown Atlanta	14,397	590	\$1,978	93.3%
Duluth	14,230	484	\$1,682	93.6%
Dunwoody	8,882	0	\$1,810	92.3%
Far East Atlanta Suburbs	12,100	1,031	\$1,500	94.4%
Far North Atlanta Suburbs	10,901	1,310	\$1,630	93.2%
<b>Far South Atlanta Suburbs</b>	<b>12,312</b>	<b>550</b>	<b>\$1,611</b>	<b>93.8%</b>
Far West Atlanta Suburbs	7,738	191	\$1,549	92.3%
Henry County	13,139	686	\$1,605	91.8%
Johns Creek/Suwanee/Buford	11,185	895	\$1,838	93.5%
Kennesaw/Acworth	12,141	619	\$1,659	93.9%
Midtown Atlanta	26,149	1,885	\$2,131	92.9%
Norcross	19,948	182	\$1,513	94.5%
Northeast Atlanta	17,504	0	\$1,861	92.2%
Northeast Cobb/Woodstock	10,051	38	\$1,693	92.3%
Northeast Gwinnett County	13,885	1,014	\$1,731	93.6%
Roswell	8,627	0	\$1,739	92.1%
Sandy Springs	20,138	0	\$1,770	92.6%
Smyrna	19,133	303	\$1,661	93.6%
South Atlanta	18,967	201	\$1,285	92.5%
South Cobb County/Douglasville	14,819	802	\$1,485	92.7%
South DeKalb County	14,181	240	\$1,309	91.4%
Southeast Atlanta	14,538	1,115	\$1,704	92.5%
Southeast DeKalb County	7,357	0	\$1,440	89.8%
Southeast Gwinnett County	10,295	505	\$1,612	94.7%
Southeast Marietta	14,110	174	\$1,557	92.7%
South Fulton County	15,945	258	\$1,325	91.2%
Southwest Atlanta	9,210	0	\$1,431	91.9%
Stone Mountain	11,266	0	\$1,332	92.3%
Vinings	14,178	179	\$1,857	93.5%
West Atlanta	22,332	481	\$1,873	92.4%
West Marietta	7,497	0	\$1,457	93.2%

\*Completions include trailing 4 quarters

Source: Axiometrics, 2nd Quarter 2023

## Far South Atlanta Suburbs Submarket

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

FAR SOUTH ATLANTA SUBURBS APARTMENT SUBMARKET							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Effective Rent (\$/Unit / Mo.)	Effective Rent Change	Net Absorption (Units)
2013	9,732	0	9,137	93.9%	\$859	6.86%	37
2014	9,812	80	9,225	94.0%	\$881	3.14%	88
2015	10,029	217	9,496	94.7%	\$963	8.95%	272
2016	10,216	187	9,637	94.3%	\$1,042	8.66%	140
2017	10,442	226	9,740	93.3%	\$1,028	-1.78%	103
2018	10,442	0	9,877	94.6%	\$1,097	6.29%	137
2019	10,895	453	10,363	95.1%	\$1,153	5.13%	487
2020	11,527	632	11,113	96.4%	\$1,250	7.20%	750
2021	11,660	133	11,316	97.1%	\$1,544	22.74%	202
Q1 2022	11,741	81	11,456	97.6%	\$1,561	-0.63%	140
Q2 2022	11,762	21	11,355	96.5%	\$1,577	1.08%	-100
Q3 2022	11,821	59	11,230	95.0%	\$1,623	2.59%	-125
Q4 2022	11,956	135	11,203	93.7%	\$1,615	-0.49%	-27
2022	11,956	296	11,203	93.7%	\$1,615	2.62%	-113
Q1 2023	12,172	216	11,363	93.4%	\$1,591	-1.66%	161
Q2 2023	12,312	140	11,552	93.8%	\$1,611	1.21%	190
Q3 2023*	12,414	102	11,682	94.1%	\$1,622	0.68%	133
Q4 2023*	12,468	54	11,570	92.8%	\$1,602	-1.23%	-111
2023*	12,468	512	11,570	92.8%	\$1,602	-0.80%	397
2024*	12,738	270	11,897	93.4%	\$1,615	0.80%	329
2025*	13,130	392	12,329	93.9%	\$1,645	1.90%	405
2026*	13,438	308	12,538	93.3%	\$1,673	1.70%	200
2027*	13,772	334	12,932	93.9%	\$1,711	2.30%	394

\*Future Projected Data according to Axiometrics  
Source: Axiometrics, 2nd Quarter 2023

The Far South Atlanta Suburbs apartment submarket consists of approximately 12,312 units of apartment space. The current submarket inventory represents approximately 2.2% of the overall market inventory. The following observations were noted from the table above:

- As of 2nd Quarter 2023, there were approximately 11,552 units of occupied apartment space, resulting in an occupancy rate of 93.8% for the submarket. This reflects an increase from the previous quarter's occupancy of 93.4%, and a small increase from an occupancy rate of 93.7% from last year. The submarket occupancy is above the 93.0% market occupancy.
- The submarket experienced positive 190 units of net absorption for the current quarter. This indicates an improvement from the previous quarter's positive 161 units of net absorption, and an improvement from the negative 113 units of net absorption from a year ago. Overall, the submarket has experienced positive 351 units of net absorption for the current year-to-date period. The submarket's current net absorption of positive 190 units is below the overall market net absorption of positive 2,952 units.

- The submarket had completions of positive 140 units for the current quarter, which indicates a decrease from the previous quarter’s completions of positive 216 units, and an increase from the completions of positive 21 units from last year.
- The submarket achieved average effective rent of \$1,611 per unit, which indicates an increase from the previous quarter’s effective rent of \$1,591 per unit, and a decrease from the effective rent of \$1,615 per unit from last year. The submarket’s current effective rent of \$1,611 per unit is below the overall market asking rent of \$1,692 per unit.

### Historical Inventory - Submarket

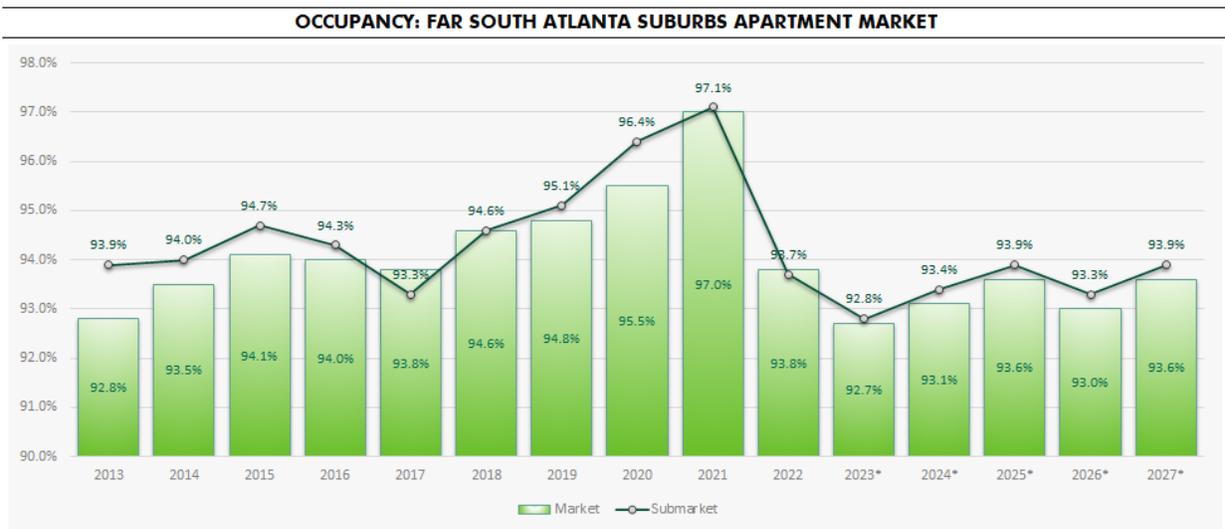


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

Submarket Inventory is projected to be 12,468 units at the end of the current year, which represents a small increase from the previous year’s submarket inventory of 11,956 units. Inventory for next year is projected to be 12,738 units, reflecting a small increase from the current year.

### Historical Occupancy - Submarket



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

Submarket occupancy is projected to be 92.8% at the end of the current year, which represents a decrease from the previous year’s submarket occupancy of 93.7%. Submarket occupancy for next year is projected to be 93.4%, reflecting an increase from the current year.

### Historical Net Absorption - Submarket



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

Net absorption in the submarket is projected to be positive 397 units at the end of the current year, reflecting an improvement from the previous year’s net absorption of negative 113 units. Net absorption for next year is projected to be positive 329 units, indicating a decline from the current year.

### Historical Completions - Submarket

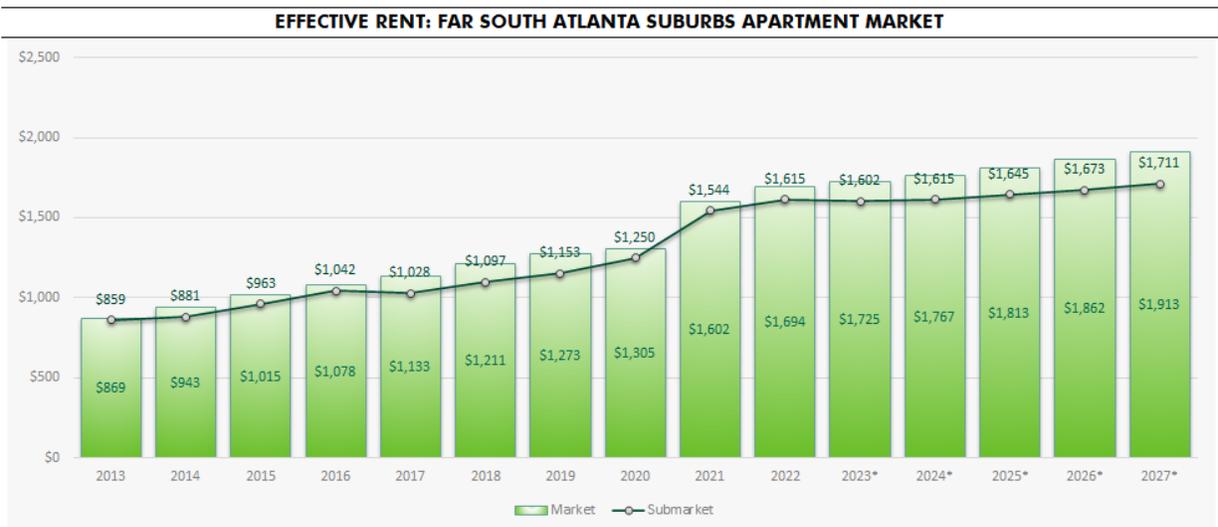


\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

The submarket is projected to achieve completions of positive 512 units at the end of the current year, which indicates an improvement from the previous year’s completions of positive 296 units. The submarket is projecting completions of positive 270 units for next year, which indicates a decline from the current year.

### Historical Effective Rent - Submarket



\* Future Projected Data according to Axiometrics

Source: Axiometrics, 2nd Quarter 2023

The submarket is projected to achieve average effective of \$1,602 per unit at the end of the current year, which represents a decrease from the previous year’s effective rent of \$1,615 per unit. The submarket is projected to achieve average effective rent of \$1,615 per unit, reflecting an increase from the current year.

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

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

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

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

### **Effect of Subject on Other Affordable Units in PMA**

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

### **Conclusion**

Based on our market research, demographic calculations, and supply analysis, we believe there is adequate demand for the subject. Overall vacancy rates are low in the market and there is only one under construction multifamily development in the PMA. This project is expected to be completed by the end of 2023 and has a significant waiting list. The subject represents an existing LIHTC/Section 8 property that operates with subsidy. It has experienced low vacancy and currently operates with a waiting list. The subsidized properties in the market all reported low vacancy and the presence of waiting lists.

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

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

## Absorption and Stabilization Rates

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

The subject is a proposed renovation of an existing LIHTC/Section 8 property. According to the rent roll, the subject is 95.1% occupied with a waiting list. According to management, there are pending applications for the vacant units. Most of the subject's tenants are expected to remain income qualified post-renovation. Based on the current and historical occupancy, as well as the current waiting list, we have assumed the subject would achieve stabilization upon completion of construction.

If the property were to be 100% vacant with no tenant relocation plan upon completion of construction, we believe the property would achieve a stabilized occupancy within six months considering the low vacancy rates and waiting lists at comparable subsidized properties, as well as the lack of new development occurring in the market. Absent subsidy, we estimate an absorption rate of 12 months, or 22 units per month, which we believe is reasonable given the strong absorption rate of 30 units per month Griffin Village. Further, this property has an extensive waiting list for its under construction units illustrating pent-up demand.

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## Interviews

### Housing Authority

A representative of the Griffin Housing Authority indicated that Georgia DCA administers the Housing Choice Voucher program in Spalding County. We contacted Georgia DCA to determine the number of housing choice vouchers currently in use in Spalding County; however, our calls were not returned.

### Planning

We emailed and called Chad Jacobs, Planning and Development Director, with the city of Griffin. However, our calls were not returned.

### Economic Development

We spoke to Heather Robinson, Main Street Manager with the City of Griffin Economic Development Department. According to Ms. Robinson, 26 new businesses opened in the Main Street District in 2023. The new businesses included boutiques, a spa, a salon, a café, small offices, and several other office and retail businesses. She estimated that at least 34 jobs have been created a result of the new businesses. Ms. Robinson indicated that a few businesses moved off of Main Street, but she is not aware of any that have closed. We contacted Charles Reese, Community Development Director for Spalding County; however, our calls were not returned.

According to the 2022 Annual Report for Spalding County, 163 new businesses opened in 2022 in the county. The Community Development Department issued 1,071 building permits with impact fees of more than \$400,000. The Griffin-Spalding Development Authority manages The Lakes at Green Valley ("the Lake's"), which is a 570-acre mixed-use development located along the Georgia Highway 16 corridor at the intersection of Rehoboth Road in Spalding County, Georgia. It is located three miles east of Griffin, Georgia and along a four-lane highway approximately seven miles from Interstate 75. The Park is also located in close proximity to other industrial areas that include Caterpillar, Inc. and Norcom. The following projects were completed in 2022:

- Project Tank resulted in a \$5 million investment and 10 to 12 new jobs.
- Ecopol, an Italy-based manufacturer of water-soluble and biodegradable film used to wrap consumer goods products, constructed a manufacturing facility resulting in a \$38 million investment and 130 new jobs.
- In addition, the Development Authority donated Site B to Spalding County for the new aquatic center and helped relocate a company (Project Cold) to an existing building, resulting in a \$5 million investment and 10 new jobs.

## Conclusions and Recommendations

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The comparable LIHTC properties have an average occupancy rate of 100.0% and the market rate properties have an average occupancy rate of 94.6%. The subject's proposed renovation will allow the subject to continue to compete within the market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market can support the subject and will help fill a void in the market. Based on historical operations, as well as the current market, we expect the subject to maintain an occupancy rate of at least 93%.

## Signed Statement Requirements

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

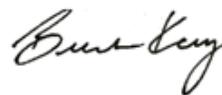
To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with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

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



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## Assumptions and Limiting Conditions

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

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

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

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

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

**ADDENDA**

Addendum A

**RENT COMPARABLE DATA SHEETS**

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

Property Name St. Phillips Villas  
 Address 829 North Hill Street  
 Griffin, GA 30224  
 United States

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

**Unit Mix Detail**

Rate Timeframe	N/A				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	12	20%	975	\$1,150	\$1.18
2BR/2BA	36	60%	1,175	\$1,358	\$1.16
3BR/2BA	12	20%	1,350	\$1,450	\$1.07
Totals/Avg	60			\$1,335	\$1.14

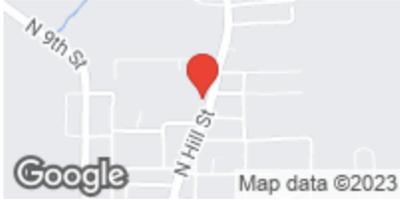
**Improvements**

Land Area	N/A	Status	Existing
Building Area	N/A	Year Built	2001
Total # of Units	60 Unit	Year Renovated	N/A
Average Unit Size	920 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	LIHTC (Low Income Housing Tax Credit), On-Site Management, Surface Parking		
Project Amenities	Clubhouse, Fitness Center, Playground, Pool		
Unit Amenities	Carpeted Flooring, Dishwasher, Garbage Disposal, Laminate Countertops, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections, White / Beige Appliances		

**Rental Survey**

Occupancy	97%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed tenancy	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Aisha - 770-229-4008	Management	Wellspring Prop. Mgnt.

Map & Comments



According to management, turnover is approximately 5 to 10% per year and 20% of tenants are using vouchers. A waiting list is not maintained.

Property Name Griffin Crossings  
 Address 1597 West McIntosh Road  
 Griffin, GA 30223  
 United States

Government Tax Agency Spalding  
 Govt./Tax ID Multiple

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	80	29%	824	\$1,180	\$1.43
2BR/2BA	168	62%	944	\$1,275	\$1.35
3BR/2BA	24	9%	1,090	\$1,550	\$1.42
Totals/Avg	272			\$1,271	\$1.38



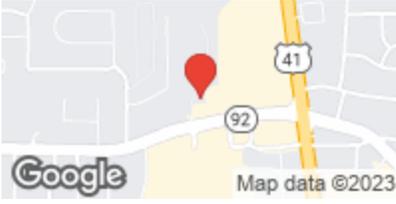
**Improvements**

Land Area	19.984 ac	Status	Existing
Building Area	N/A	Year Built	1987
Total # of Units	272 Unit	Year Renovated	N/A
Average Unit Size	922 sf	Condition	Average
Floor Count	2	Exterior Finish	Wood
Property Features	Exterior Stairwells, On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area, Clubhouse, Courtyard, Fitness Center, Playground, Pool, Sports Court, Walking Trail		
Unit Amenities	8-Foot Ceilings, Carpeted Flooring, Dishwasher, Fireplace, Garbage Disposal, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections		

**Rental Survey**

Occupancy	97%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed tenancy	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Emily - 678-728-9820	Management	Westdale Asset Mgmt

## Map &amp; Comments



This comparable represents a 272-unit apartment property and is one of only two large, typical "metropolitan" apartment properties within the Griffin area. The property, identified as Griffin Crossings, was developed in 1987 and is currently 97% occupied. The property has been well maintained. It is located in the northwestern section of Griffin along West McIntosh Road just off US Hwy 19 & 41 behind the fronting retail development in this commercial corridor. This property utilizes optimizer software (Yieldstar) that determines rates daily based on availability. The property has average access and exposure. The property offers one-, two-, and three-bedroom floor plans, with an average unit size of 922 square feet. There is a rental premium of \$15 per month for units with a fireplace. Units are sub-metered for water and sewer with the tenant responsible for usage. Resident pays \$18.10 per month for trash removal thru the City of Griffin. No concessions are currently being offered.

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

Property Name Vineyard Creek  
 Address 1569 GA-16 W  
 Griffin, GA 30223  
 United States

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

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	8	13%	575	\$1,120	\$1.95
2BR/1BA	20	33%	925	\$1,200	\$1.30
2BR/2.5BA TH	13	22%	1,150	\$1,240	\$1.08
3BR/2BA	8	13%	1,225	\$1,360	\$1.11
3BR/2.5BA TH	11	18%	1,240	\$1,410	\$1.14
Totals/Avg	60			\$1,258	\$1.23

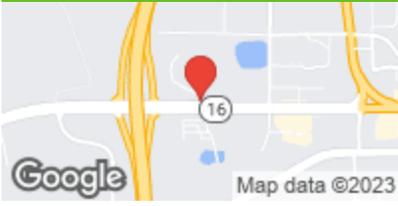
**Improvements**

Land Area	5.870 ac	Status	Existing
Building Area	N/A	Year Built	1987
Total # of Units	60 Unit	Year Renovated	2023
Average Unit Size	1,025 sf	Condition	Average
Floor Count	2	Exterior Finish	Wood
Property Features	On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area, Playground, Pool		
Unit Amenities	Black Appliances, Carpeted Flooring, Dishwasher, Garbage Disposal, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections , White / Beige Appliances		

**Rental Survey**

Occupancy	98%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed tenancy	Concessions	\$900 off annual rent
Survey Date	09/2023	Owner	Gleneagle Partners, LLC
Survey Notes	Kim - 770-233-6895	Management	Home Place Properties

## Map &amp; Comments



The property, identified as Vineyard Creek, was developed in 1987 and is currently 99% occupied. The property is in the process of completing renovations resulting from a tornado in January. Currently, 11 units are offline for renovations. There is one vacant unit that is rent ready. Interiors feature vinyl laminate flooring, black appliances, and upgraded lighting. The comparable offers one-, two-, and three-bedroom floor plans, with an average unit size of 1,025 square feet. Community amenities include a pool and playground. Units feature fully-equipped kitchens; two- and three-bedroom floorplans feature washer/dryer machines. Units are sub-metered for water and sewer with the tenant responsible for usage. Resident pays \$19.98 per month for trash removal thru the City of Griffin. A concession of \$300 off for three months, or \$900 off total, is currently being offered. Management indicated that turnover is below 10%.

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

Property Name Vineyard Place  
 Address 657 Carver Road  
 Griffin, GA 30224  
 United States

Government Tax Agency Spalding  
 Govt./Tax ID 54E-01-166

**Unit Mix Detail**

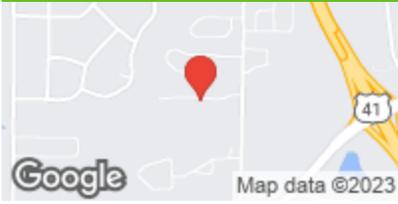
Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	24	21%	745	\$1,185	\$1.59
1BR/1BA	8	7%	805	\$1,210	\$1.50
2BR/1BA	24	21%	1,003	\$1,295	\$1.29
2BR/2BA	32	29%	1,093	\$1,340	\$1.23
3BR/2BA	24	21%	1,240	\$1,450	\$1.17
Totals/Avg	112			\$1,311	\$1.30

**Improvements**

Land Area	12.030 ac	Status	Existing
Building Area	N/A	Year Built	1989
Total # of Units	112 Unit	Year Renovated	N/A
Average Unit Size	1,013 sf	Condition	Average
Floor Count	2	Exterior Finish	Wood
Property Features	On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	Business Center, Clubhouse, Fitness Center, Playground, Pool, Tennis Court		
Unit Amenities	Black Appliances, Carpeted Flooring, Ceiling Fans, Dishwasher, Garbage Disposal, Laminate Countertops, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, White / Beige Appliances		

**Rental Survey**

Occupancy	95%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed tenancy	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Sierra - 770-229-5572	Management	Woodruff

**Map & Comments**

This comparable represents a 112-unit garden style apartment community, located along the west side of Carver Road, north of Williamson Road in the southwestern section of Griffin outside the city limits. The property, identified as Vineyard Place, was developed in 1989 and is 94.6% occupied. This property was formally Ashford Place apartments. The comparable offers one-, two-, and three-bedroom floor plans, with an average unit size of 1,013 square feet. Management is not currently offering any concessions.

Property Name      Walden Pointe  
 Address              701 Carver Road  
                             Griffin, GA 30224  
                             United States

Government Tax Agency      Spalding  
 Govt./Tax ID                  54E-02-011

**Unit Mix Detail**

Rate Timeframe		Monthly			
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	72	33%	998	\$1,325	\$1.33
2BR/2BA	112	52%	1,280	\$1,395	\$1.09
3BR/2BA	32	15%	1,480	\$1,815	\$1.23
Totals/Avg	216			\$1,434	\$1.18



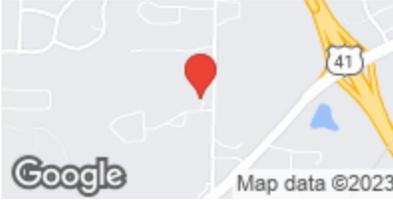
**Improvements**

Land Area	38.280 ac	Status	Existing
Building Area	N/A	Year Built	1997
Total # of Units	216 Unit	Year Renovated	N/A
Average Unit Size	1,216 sf	Condition	Good
Floor Count	2	Exterior Finish	Fiber Cement Plank
Property Features	Detached Garages, On-Site Management, Pitched Roofs, Surface Parking		
Project Amenities	Barbeque Area, Dog Park / Run, Fitness Center, Laundry Facility, Playground, Pool		
Unit Amenities	Carpeted Flooring, Ceiling Fans, Dishwasher, Laminate Countertops, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections , White / Beige Appliances		

**Rental Survey**

Occupancy	90%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed tenancy	Concessions	None
Survey Date	09/2023	Owner	Southwood Realty Company
Survey Notes	Property Contact - 704-869-6024	Management	Southwood Realty

## Map &amp; Comments



This comparable represents a 216-unit garden style apartment property and is the newest, large apartment community in Griffin or the immediate area. The property is located along the west side of Carver Road, just north of Williamson Road in the southwestern section of Griffin outside the city limits. The property, identified as Walden Pointe, was developed in 1997 and is currently 92% occupied. The property offers one-, two-, and three-bedroom floor plans, with an average unit size of 1,216 square feet. Community amenities include a laundry facility, car wash, pool, and playground. Units feature fully equipped kitchens and washer/dryer connections. There is a \$10 per unit premium for lower floor units. The property has detached garages that rent for \$95 per month. Units are sub-metered for water and sewer with the tenant responsible for usage. Valet trash removal and pest control are included in the monthly rental rates. Management is not currently offering any concessions.

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

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

**Unit Mix Detail**

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



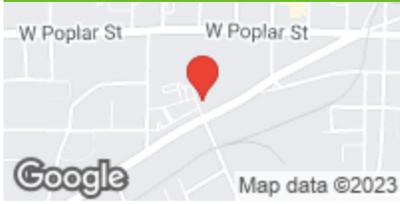
**Improvements**

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

**Rental Survey**

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Management - 678-324-3939	Management	N/A

Map & Comments



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

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

Government Tax Agency Spalding  
 Govt./Tax ID 024 02022

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA - 30% AMI	2	6%	600	\$464	\$0.77
1BR/1BA - 50% AMI	2	6%	600	\$685	\$1.14
1BR/1BA - 60% AMI	6	17%	600	\$846	\$1.41
1BR/1BA - Market	6	17%	600	\$1,100	\$1.83
Rate					
2BR/1BA - 30% AMI	2	6%	805	\$537	\$0.67
2BR/1BA - 50% AMI	2	6%	805	\$780	\$0.97
2BR/1BA - 60% AMI	8	22%	805	\$1,015	\$1.26
2BR/1BA - Market	8	22%	805	\$1,250	\$1.55
Rate					
Totals/Avg	36			\$965	\$1.35



**Improvements**

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

**Rental Survey**

Occupancy	99%	Utilities Included in Rent	Water, sewer, and trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Yashika - 678-688-5388	Management	N/A

**Map & Comments**



This comparable represents a 36-unit LIHTC property in Griffin, Spalding County, Georgia. The property offers one- and two-bedroom units with 30%, 50%, and 60% AML units, as well as market rate units. The manager indicated that the restrictions are floating, and not fixed to specific units, but there are 16 one-bedroom units and 20 two-bedroom units.

Property Name      Tranquility at Griffin Apartments  
 Address              2173 North Expressway  
                             Griffin, GA 30223  
                             United States



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

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA - 60% AMI	12	10%	827	\$899	\$1.09
2BR/2BA - 60% AMI	60	50%	1,064	\$999	\$0.94
3BR/2BA - 60% AMI	48	40%	1,249	\$1,099	\$0.88
Totals/Avg	120			\$1,029	\$0.92

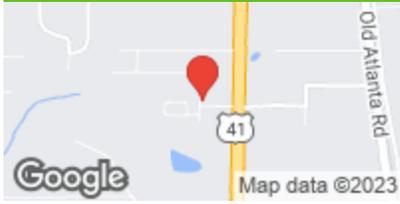
**Improvements**

Land Area	N/A	Status	Existing
Net Rentable Area (NRA)	N/A	Year Built	2019
Total # of Units	120 Unit	Year Renovated	N/A
Average Unit Size	1,114 sf	Condition	Good
Floor Count	3	Exterior Finish	Brick
Property Features	LIHTC (Low Income Housing Tax Credit), On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Dog Park / Run, Fitness Center, Playground, Pool		
Unit Amenities	Dishwasher, Laminate Countertops, Microwave Oven, Private Patios / Balconies, Range / Oven, Refrigerator, Washer / Dryer, White / Beige Appliances		

**Rental Survey**

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Management - 770-615-8600	Management	N/A

Map & Comments



The property consists of 120 one-, two-, and three-bedroom units restricted at 60% AMI. Management indicated that there are no vacancies and the property website reflects accurate rents.

Property Name      Griffin Village Apartments  
 Address              2101 Williamson Road  
                             Griffin, GA 30224  
                             United States

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

**Unit Mix Detail**

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA - 60% AMI	5	8%	694	\$976	\$1.41
2BR/2BA - 60% AMI	40	67%	981	\$1,163	\$1.19
3BR/2BA - 60% AMI	15	25%	1,205	\$1,331	\$1.10
Totals/Avg	60			\$1,189	\$1.17



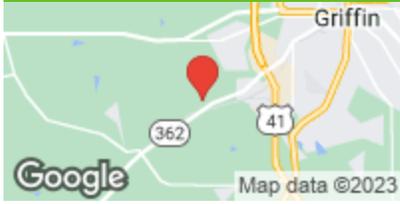
**Improvements**

Land Area	N/A	Status	Existing
Net Rentable Area (NRA)	60,785 sf	Year Built	2023
Total # of Units	60 Unit	Year Renovated	N/A
Average Unit Size	1,013 sf	Condition	Excellent
Floor Count	3	Exterior Finish	Brick
Property Features	LIHTC (Low Income Housing Tax Credit), On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Business Center, Dog Park / Run, Laundry Facility, Playground		
Unit Amenities	Carpeted Flooring, Dishwasher, Laminate Countertops, Microwave Oven, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections		

**Rental Survey**

Occupancy	100%	Utilities Included in Rent	Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	09/2023	Owner	N/A
Survey Notes	Tashanda - 470-745-1776	Management	N/A

Map & Comments



Griffin Village Apartments is currently under construction and will consist of 150 units when complete in late 2023. According to management, two of the five buildings are open. In total, 60 units are operational and are fully leased. Some tenants are using vouchers but management could not provide an exact percentage. There is a waiting list of 1,200 households for the remaining 90 units. All units are restricted at 60% AMI and rents are at the maximum allowable levels.

Addendum B

**CLIENT CONTRACT INFORMATION**

# Proposal and Contract for Services

May 5, 2023

Sarah Robbins  
**LINCOLN AVENUE CAPITAL**  
401 Wilshire Blvd, Suite 1070  
Santa Monica, CA 90401  
Phone: 561.866.0140  
Email: srobbins@lincolnavcap.com

RE: Assignment Agreement  
Market Study  
Northside Hills, 615 Northside Drive  
Griffin, GA 30223

Dear Ms. Robbins:

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

## PROPOSAL SPECIFICATIONS

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

CBRE, Inc.  
4520 Main Street, Suite 600  
Kansas City, Missouri 64111  
[www.cbre.us/valuation](http://www.cbre.us/valuation)

**Matthew Hummel, MAI, AI-GRS**  
Director

<b>Inspection:</b>	CBRE will not conduct a physical inspection of both the interior and exterior of the subject property, as well as its surrounding environs on the effective date of appraisal.
<b>Valuation Approaches:</b>	All traditional approaches to value will be considered.
<b>Report Type:</b>	DCA Market Study
<b>Appraisal Standards:</b>	USPAP
<b>Appraisal Fee:</b>	\$6,000
<b>Expenses:</b>	Fee includes all associated expenses
<b>Retainer:</b>	A retainer is not required for this assignment
<b>Payment Terms:</b>	Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The fee is considered earned upon delivery of the draft report.
<b>Delivery Instructions:</b>	<p>We will invoice you for the assignment in its entirety at the completion of the assignment.</p> <p>CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report.</p> <p>An Adobe PDF file via email will be delivered to srobbins@lincolnavecap.com. The client has requested No (0) bound final copy (ies).</p>
<b>Delivery Schedule:</b>	
<b>Preliminary Value:</b>	Not Required
<b>Draft Report:</b>	Not Required
<b>Final Report:</b>	On or before 3 weeks___
<b>Start Date:</b>	The appraisal process will start upon receipt of your signed agreement, the retainer, and the property specific data.
<b>Acceptance Date:</b>	These specifications are subject to modification if this proposal is not accepted within three business days from the date of this letter.

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

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

Sincerely,

**CBRE, Inc.**  
**Valuation & Advisory Services**



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

## AGREED AND ACCEPTED

### FOR LINCOLN AVENUE CAPITAL ("CLIENT"):

Jordan Richter  
Signature

08/21/23  
Date

Jordan Richter  
Name

VP & Project Partner  
Title

424-222-8404  
Phone Number

jrichter@lincolnavecap.com  
E-Mail Address

## TERMS AND CONDITIONS

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

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

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

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

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

# Proposal and Contract for Services

## SPECIFIC PROPERTY DATA REQUEST

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

1. PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.  
Right-click to select data request list

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

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

Addendum C

# QUALIFICATIONS

# Matt Hummel, MAI, AI-GRS

Director, Kansas City, MO

CBRE



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

4520 Main Street  
Suite 600  
Kansas City, MO 64111

## Experience

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

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

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

## Professional Affiliations/ Accreditations

Appraisal Institute Designated Member (MAI)

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

## Education

**Rockhurst University – Kansas City, Missouri**

- Master of Business Administration - Concentration in Management and International

**University of Missouri-Columbia, Missouri**

- Bachelor of Business Administration - Finance and Banking

## Speaking Engagements

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

# STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

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**394283**

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09/30/2023

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State of Georgia  
Real Estate Commission  
Suite 1000 - International Tower  
229 Peachtree Street, N.E.  
Atlanta, GA 30303-1605



LYNN DEMPSEY  
Real Estate Commissioner

1643601012033407

MATTHEW ALLEN HUMMEL

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LYNN DEMPSEY  
Real Estate Commissioner

1643601012033407

HUMMEL, MATTHEW ALLEN  
3822 W 58TH STREET  
MISSION, KS 66205



VALUATION & ADVISORY SERVICES / PITTSBURGH, PA

## Brendan J. Kelly

Senior Appraiser, Pittsburgh

**T** +1 412 471 3609

**M** +1 412 849 2148

**E** brendan.j.kelly@cbre.com

Licenses:

Pennsylvania, GA004548

Ohio, ACG 2020000829

West Virginia, CG2802

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### Pro Affiliations / Accreditations

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

### Education

- Pennsylvania State University

### Professional Experience

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



APPRAISER / ATLANTA

# Dan Hall

Appraiser, Atlanta  
**M** +1 404 940 8781  
**E** dan.hall1@cbre.com

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## Pro Affiliations / Accreditations

- Licensed Certified General Appraiser in GA and TN

## Education

- BBA in Finance from UGA
- BBA in Real Estate from UGA

## Professional Experience

Dan Hall is an appraiser in the Atlanta office specializing in Multifamily valuation. He joined CBRE's valuation group in 2022, but has been in the valuation industry since 2020. Prior to joining CBRE, Dan was an analyst at Colliers, where he was apart of the multifamily valuation team in Georgia, Alabama and Mississippi, that was in the top 3 producing teams in the country.

Dan is primarily focused on multifamily valuation and consulting for mortgage lenders, banks, equity partners, investment funds, developers, institutional owners and private owners. He specializes in all multifamily types including garden-style, mid-rise, high-rise, mixed-use, student housing, affordable housing, and single-family build-for-rent communities.

Dan received his Bachelor of Business Administration in Finance and Bachelor of Business Administration in Real Estate from the University of Georgia.

# STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

DANIEL BRYANT HALL

416851

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Vice Chairperson

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WILLIAM A. MURRAY

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DANIEL BRYANT HALL

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LYNN DEMPSEY  
Real Estate Commissioner

2062030354622430

DANIEL BRYANT HALL

# 416851  
Status ACTIVE

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LYNN DEMPSEY  
Real Estate Commissioner

2062030354622430

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