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**NATIONWIDE VALUATION AND MARKET FEASIBILITY EXPERTS**

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# GILL GROUP

**Need and Demand Analysis For**

**Gateway at LaFayette  
1520 North Main Street  
LaFayette, Georgia 30728**

**Prepared For**

Mr. Jason Freeman  
Gateway Development Corporation  
920 Florence Boulevard  
Florence, Alabama 35630

**Effective Date**

September 6, 2023

**Date of Report**

October 5, 2023



October 5, 2023

Mr. Jason Freeman  
Gateway Development Corporation  
920 Florence Boulevard  
Florence, Alabama 35630

Dear Mr. Freeman:

Following is a market study which was completed for Gateway at LaFayette, according to the guidelines set forth by the Georgia Department of Community Affairs as authorized by The Office of Affordable Housing. The subject is the construction of a proposed multifamily development. The subject site is located at 1520 North Main Street, LaFayette, Georgia. The property will consist of six three-story walk-up buildings containing a total of 150 one-, two- and three-bedroom units. The property will also contain a clubhouse containing an exercise room, computer room and laundry facility. The development will be a Low Income Tax Credit (LIHTC). The rents will be set at 50 and 60 percent of the area median income.

The purpose of the following market study is to determine if the community has a need for the subject units. To do so, the analyst utilized data from the U.S. Census Bureau, Claritas; Ribbon Demographics, and various other demographic resources. Community information and opinion was also utilized. This information was collected during a field survey conducted by Jonathan Richmond while visiting the site. The site was inspected on September 6, 2023, by Jake Epperson, Market Analyst. An attempt was made to survey 100 percent of all housing in the area. The intended users of the report are the Georgia Department of Community Affairs and Gateway Development Corporation.

I certify that there is not now, nor will there, be an identity of interest between or among the applicant, contractor, architect, engineer, attorney, interim lender, subcontractors, material suppliers, equipment lessors or any of their members, directors, officers, stockholders, partners or beneficiaries without prior written identification to the Georgia Department of Community Affairs and written consent to such identity of interest by the Georgia Department of Community Affairs. This statement is given for the purpose of inducing the United States of America to make a loan as requested in the loan pre-application or application of which this statement is a part.

The property was inspected on September 6, 2023. The comparables were confirmed on September 6, 2023. Therefore, the effective date of this analysis is September 6, 2023. The document is assignable to other lenders that are parties to the DCA loan transaction. In addition to this market study, Gill Group, Inc., has also completed an appraisal report.

A handwritten signature in black ink, appearing to read 'Jonathan Richmond'.

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Jonathan Richmond  
Market Analyst



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**CERTIFICATION**

This is to certify that a field visit was made by the market analyst or one of his associates and information was obtained from publications of Federal, State and Local agencies. Interviews were held with apartment owners or managers, local officials and others as appropriate who may be knowledgeable of the housing market in LaFayette.

In accordance with the Georgia Department of Community Affairs, I hereby certify that the information provided in this Market Study was written according to the Georgia Department of Community Affairs' market study requirements and is truthful and accurate to the best of my knowledge and belief. The estimates of demand for family housing made by this report are based on the assumption of a free market situation, unencumbered by local mores, affirmative fair housing marketing or prejudice toward the site location.

This is to affirm that I will receive no fees which are contingent upon approval of the project by the Georgia Department of Community Affairs, before or after the fact, and that I will have no interest in the housing project.

A handwritten signature in black ink, appearing to read 'Jonathan Richmond', written over a horizontal line.

Jonathan Richmond  
Market Analyst

October 5, 2023



### IDENTITY OF INTEREST

I understand and agree that the Georgia Department of Community Affairs will consider an identity of interest to exist between the loan applicant as the party of the first part and general contractors, architects, engineers, attorneys, interim lenders, subcontractors, material suppliers or equipment lessors as parties of the second part under any of the following conditions:

1. When there is any financial interest of the party of the first part in the party of the second part;
2. When one or more of the officers, directors, stockholders or partners of the party of the first part is also an officer, director, stockholder or partner of the party of the second part;
3. When any officer, director, stockholder or partner of the party of the first part has any financial interest whatsoever in the party of the second part;
4. When the party of the second part advances any funds to the party of the first part other than an interim lender advancing funds to enable the applicant to pay for construction and other authorized and legally eligible expenses during the construction period;
5. When the party of the second part provides and pays on behalf of the party of the first part the cost of any legal services, architectural services or interim financing other than those of the survey, general superintendent or engineer employed by a general contractor in connection with obligations under the construction contract;
6. When the party of the second part takes stock or any interest in the party of the first part as part of the consideration to be paid them; and
7. When there exists or comes into being any side deals, agreements, contracts or undertakings entered into thereby altering, amending or canceling any of the required closing documents or approval conditions as approved by the Georgia Department of Community Affairs.

I certify that there is not now, nor will there be, an identity of interest between or among the applicant, contractor, architect, interim lender, subcontractors, material supplies, equipment lessors or any of their members, directors, officers, stockholders, partners or beneficiaries without prior written identification to the Georgia Department of Community Affairs and written consent to such identity of interest by the Georgia Department of Community Affairs. This statement is given for the purpose of inducing the United States of America to make a loan as requested in the loan pre-application or application of which this statement is a part.

There is no identity of interest between the loan applicant and the Market Analyst or Gill Group.

---

Jonathan Richmond  
Market Analyst

October 5, 2023



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NCHMA MEMBER CERTIFICATION



Formerly known as  
National Council of Affordable  
Housing Market Analysts

**NCHMA MEMBER CERTIFICATION**

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

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

---

Jonathan Richmond  
Market Analyst

October 5, 2023



## INTRODUCTION AND SCOPE OF WORK

The Scope of Work Rule requires us to gather and analyze information about those assignment elements that are necessary to properly identify the problem to be solved. According to the Standards Rule 1-2, identification of the problem to be solved requires us to identify the following assignment elements.

- Client and any other intended users: The client for this need and demand analysis assignment is Gateway Development Corporation, and the developer is Gateway Development Corporation. The intended users of the report are Gateway Development Corporation and the Georgia Department of Community Affairs. No other users are intended.
- Intended use of the analyst's opinions and conclusions: The intended use of this Need and Demand Analysis is to apply for Low Income Housing Tax Credits through the Georgia Department of Community Affairs.
- Effective date of the analyst's opinions and conclusions: The effective date of the rental estimate is September 6, 2023.
- Subject of the assignment and its relevant characteristics: The subject property is a proposed 150-unit apartment complex to be known as Gateway at LaFayette. Gateway at LaFayette will be located on the southeast side of North Main Street. The physical address is 1520 North Main Street.
- Assignment conditions: Assignment conditions include assumptions, extraordinary assumptions, hypothetical conditions, supplemental standards, jurisdictional exceptions and other conditions that affect the scope of work. The following assumptions are used in this need and demand analysis assignment: *This need and demand analysis was written under the extraordinary assumption that the property will be constructed as proposed. The market rents in the need and demand analysis were determined under the hypothetical condition that the subject is unrestricted or conventional and not subject to any rent restrictions.*
- An environmental audit was not provided. I am not qualified to complete an environmental audit. The stated opinion of rental rates, demand and capture rates is predicated on the assumption that no hazardous substances or conditions materially affect the subject property.
- The Americans with Disabilities Act (ADA) became effective January 26, 1992. No specific compliance survey or analysis of the identified property has been made to determine whether it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property will not comply with one or more of the requirements of the Act. If so, this fact could have an adverse impact upon the value of the property. Since there is no direct evidence relating to this issue, it is assumed that no substantial immediate outlays will be mandated by governing authorities to meet ADA requirements.
- The third-party estimates and projections included in this analysis were determined by Claritas and Ribbon Demographics. Claritas and Ribbon Demographics uses a customized four-way cross tabulation of data designed specifically by housing market analysts. The data is collectively known as HISTA. No contrary information was found in my analysis of the market area. Therefore, the third-party demographic estimates and projections are reasonable and supportable based on my experience.
- Unemployment statistics are based on the information available from the U.S. Department of Labor Bureau of Labor Statistics. The data shown in this report is based on the data available as of the effective date of the analysis. The Department of Labor will periodically revise the data by incorporating additional information that was not available at the time of the initial publication of the estimates. The initial data is revised twice, first within two months of initial publication in order to incorporate additional sample data from respondents in the survey and recalculate seasonal adjustment factors, and second on an annual basis to incorporate a benchmark revision that estimates nearly complete employment counts available from unemployment insurance tax records.
- The U.S. Census Bureau American Community Survey (ACS) uses a series of monthly samples to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the decennial census long-form sample. Initially, five



- years of samples were required to produce these small-area data. Once the U.S. Census Bureau released its first five-year estimates, new small-area statistics were produced annually. The Census Bureau also produces three-year and one-year data products for larger geographic areas.
- The American Housing Survey (AHS) is sponsored by the Department of Housing and Urban Development (HUD) and conducted by the U.S. Census Bureau. The survey provides up-to-date information about the quality and cost of housing in the United States and major metropolitan areas. It also includes questions about the physical condition of homes and neighborhoods, the cost of financing and maintaining homes and the characteristics of people who live in these homes. The survey is conducted every other year and covers all 50 states and the District of Columbia. The 2015 AHS underwent a major redesign. Prior to this survey, the same households were re-surveyed every two years. A new sample was redrawn in 2015 for the first time since 1985, and new households were asked to participate in the survey. Additionally, the questionnaire was redesigned with some variables added and others dropped or modified. Imputation methods were also streamlined, and the weighting methodology changed. Therefore, some estimates in 2015 are not comparable to previous years.
  - The building improvements meet all governing codes, unless otherwise noted in this report.

An **extraordinary assumption**<sup>1</sup> is defined as:

An assumption, directly related to a specific assignment, which, if found to be false, could alter the analyst's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The analyst has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The analyst complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.<sup>2</sup>

A **hypothetical condition**<sup>3</sup> is defined as:

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market condition or trends; or about the integrity of data used in an analysis.

A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The analyst complies with the disclosure requirements set forth in USPAP for hypothetical conditions.<sup>4</sup>

<sup>1</sup> Uniform Standards of Professional Appraisal Practice, *2020-2021 Edition* (Effective January 1, 2020 through December 31, 2023) (The Appraisal Foundation, 2020), pg. 4

<sup>2</sup> Uniform Standards of Professional Appraisal Practice, *2020-2021 Edition* (Effective January 1, 2020 through December 31, 2023) (The Appraisal Foundation, 2020), pg. 14

<sup>3</sup> Uniform Standards of Professional Appraisal Practice, *2020-2021 Edition* (Effective January 1, 2020 through December 31, 2023) (The Appraisal Foundation, 2020), pg. 4

<sup>4</sup> Uniform Standards of Professional Appraisal Practice, *2020-2021 Edition* (Effective January 1, 2020 through December 31, 2023) (The Appraisal Foundation, 2020), pg. 14



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The following extraordinary assumptions are used in this need and demand analysis consultation assignment: *This need and demand analysis was written under the extraordinary assumption that the property will be constructed as proposed.*

The following hypothetical conditions are used in this need and demand analysis consultation assignment: *The market rents in the need and demand analysis were determined under the hypothetical condition that the subject is unrestricted or conventional and not subject to any rent restrictions.*

This Need and Demand Analysis was completed in accordance with the requirements set forth in the Georgia Department of Community Affairs' 2023 Market Study Guidelines.

Jonathan Richmond, a Market Analyst employed by Gill Group, Inc., oversaw and supervised all data collection and analysis. The following actions were taken to complete this Need and Demand Analysis.

- On September 6, 2023, Jake Epperson, a Market Analyst, conducted an inspection of the subject property to determine the property's physical and functional characteristics. He interviewed Jason Freeman, Developer, to determine the proposed rental rates, services and amenities to be offered to the tenants of the subject property.
- The purpose of this Need and Demand Analysis is to determine if the community has a need for the subject units. To do so, the analyst utilized data from the U.S. Census Bureau, Claritas and Ribbon Demographics and various other demographic resources. Community information and opinion was also utilized. The research retrieved data from several of the following: internet sites, local newspapers and rental publications, town records, owners and managers of local apartment properties, local real estate brokers, fellow analysts and the analyst's office files.
- During the week of September 4, 2023, to September 8, 2023, Jake Epperson inspected the exterior of each comparable property used in the analysis. When available, Jake Epperson inspected the interiors of the comparable properties, if available. Unit sizes were measured when an interior inspection was available or were taken from floor plans (excluding balconies/patios and mechanical areas), if available.
- During the site inspections or in separate phone interviews, Jonathan Richmond talked with the managers of the comparable properties to confirm all data and to collect additional information about each comparable including size, age, amenities, occupancy rates and general market information. The property manager provided floor plans or other information describing the size of comparable units after it was explained that the interior size was needed.
- Jonathan Richmond, the primary market analyst, completed the data and adjustments columns of the Rent Comparability Grids and determined the final estimate of rents. After completing the Rent Comparability Grids, Jonathan Richmond derived an estimated market rent and an estimated achievable rent for each unit type. Jonathan Richmond also completed the demand and capture rate conclusions through analysis of all aspects of the subject, market area and demographic data available to the analyst.



**EXECUTIVE SUMMARY**

**Executive Summary**

It is the opinion of the analyst that a market does exist for the construction of a proposed 150-unit multifamily development designed for families. The proposed development will be viable within the market area. The report was prepared assuming that the project will be completed as detailed in this report.

**Project Description**

The subject, Gateway at LaFayette, is a proposed 150-unit Low Income Housing Tax Credit (LIHTC) development that will be designed for families. The site is located at 1520 North Main Street, LaFayette, Walker County, Georgia, 30728. North Main Street is Business Highway 27, a major thoroughfare in the city.

The subject is a proposed multifamily development. The subject site is located along North Main Street, LaFayette, Georgia. It will consist of six three-story walk-up buildings containing 150 one-, two- and three-bedroom units. The property will also contain a clubhouse containing an exercise room, computer room and laundry facility. The residential buildings contain a total net rentable area of approximately 131,250 square feet. The proposed unit mix is shown in the following table:

Unit Type	# of Units	Square Feet	Total Square Footage
1/1	30	655	19,650
2/1	84	855	71,820
3/2	36	1,105	39,780
	<b>150</b>		<b>131,250</b>

A copy of professional plans were not available.

The following chart lists the subject's proposed unit distribution by unit type, size, income restriction and rent structure.

MAXIMUM LIHTC RENTS AND UTILITY ALLOWANCES							
Unit Type	# of Units	Square Feet	% of Median Income	Maximum LIHTC Rent	Gross Rent	Utility Allowance	Net Rent
1/1	6	655	50%	\$746	\$744	\$109	\$635
1/1	24	655	60%	\$896	\$894	\$109	\$785
2/1	18	855	50%	\$896	\$894	\$139	\$755
2/1	66	855	60%	\$1,075	\$1,074	\$139	\$935
3/2	8	1,105	50%	\$1,035	\$1,033	\$173	\$860
3/2	28	1,105	60%	\$1,242	\$1,238	\$173	\$1,065

Unit amenities will include a refrigerator, range/oven, dishwasher, microwave, washer/dryer hook-ups, carpet and vinyl flooring, blinds, ceiling fans and balcony and/or patio. Project amenities will include a clubhouse, exercise room, playground, gazebo, computer room and laundry facility. The subject's unit mix, unit amenities and project amenities will be somewhat competitive with the majority of the surveyed comparables.

The subject's unit mix of one-, two- and three-bedroom units will be suitable in the market. The subject's one- and two-bedroom unit sizes will be within the comparable range. Therefore, it does not appear that the subject's unit sizes will have a negative impact on the marketability of the units.

The subject property's proposed net rents are below the determined achievable market rents. In addition, the subject's proposed rents are in line with the maximum allowable LIHTC rents. Therefore, the proposed rents were considered achievable.



### Site Description/Evaluation

The subject property is located at 1520 North Main Street. The site consists of one parcel containing a total of 8.32 acres. According to the City of LaFayette, the subject is zoned B-2, Commercial (General Business District). The subject will be a legal, conforming use. There are no negative impact on the market value by the zoning classification. The zoning will be consistent with the Highest and Best Use of the subject. North Main Street is Business Highway 27, a major thoroughfare in the city. Due to the subject's location, it is the opinion of the analyst that the subject will have good visibility/access.

The subject neighborhood is comprised of primary vacant land and is 40 percent built up. Approximately 60 percent of the land use is made up of vacant land. About 20 percent is comprised of commercial properties. Another 15 percent of the land use is made up of multifamily dwellings. The remaining five percent is single-family residences. The area is mostly rural.

The site is located near a major thoroughfare which provides it with average visibility and access. The crime rate for the area is slightly higher than for the State of Georgia; however, the subject is located in close proximity to most major services. There are a few pharmacies, convenience stores, department stores, banks and restaurants within two miles of the site. In addition, schools and health care facilities are located within a reasonable distance from the subject. The subject is a proposed LIHTC development that is designed for families. As complete, the subject will be 100 percent LIHTC, with the rents set at 50 and 60 percent of the area median income. Therefore, the subject will provide affordable housing to residents in the area. The site has no apparent weaknesses.

### Market Area Definition

The market area for the subject consists of Walker County. The market area has the following boundaries: North – Hamilton County; South – Chattooga and Floyd Counties; East – Catoosa and Whitfield Counties; and West – Dade County. The northern boundary is approximately 17.5 miles from the subject. The western boundary is approximately 10.5 miles from the subject, and the southern boundary is approximately 9.8 miles from the subject. The eastern boundary is approximately 6.2 miles from the subject.

### Community Demographic Data

In 2010, this geographic market area contained an estimated population of 68,757. By 2020, population in this market area had decreased by 1.6 percent to 67,654. In 2023, the population in this market area has increased by 1.0 percent to 68,326. It is projected that between 2023 and 2026, population in the market area will increase 0.5 to 68,679. It is projected that between 2023 and 2028, population in the market area will increase 1.3 percent to 69,208.

Between 2010 and 2020, the market area lost 29 households per year. However, the market area gained 99 households per year between 2020 and 2023 and an additional 51 households per year between 2023 and 2026. The market area is projected to continue to gain 77 households per year through 2028. The households in the market area are predominantly owner-occupied. The ratio between owner and renter occupancy has been slightly decreasing since 2010; however, owner-occupied households are projected to keep dominating the households through 2028.

Of the surveyed comparables, one-bedroom units typically range from \$420 to \$899 per month, two-bedroom units typically range from \$445 to \$1,150 per month, and three-bedroom units typically range from \$675 to \$1,950 per month. These rental rates have risen only a small amount over the past few years.

Households who have between one to two persons and annual incomes between \$25,509 and \$31,850 for the one-bedroom units at 50 percent of the area median income. Approximately 10.4 percent of the primary market area tenants are within this range. Households who have between one to two persons and annual incomes between \$30,651 and \$38,220 for the one-bedroom units at 60 percent of the area median income. Approximately 4.9 percent of the primary market area tenants are within this range.



Households who have between two and three persons and annual incomes between \$30,651 and \$35,850 for the two-bedroom units at 50 percent of the area median income. Approximately 4.2 percent of the primary market area tenants are within this range. Households who have between two and three persons and annual incomes between \$36,823 and \$43,020 for the two-bedroom units at 60 percent of the area median income. Approximately 5.8 percent of the primary market area tenants are within this range.

Households who have between three to five persons and annual incomes between \$35,417 and \$43,000 for the three-bedroom units at 50 percent of the area median income. Approximately 9.9 percent of the primary market area tenants are within this range. Households who have between three to five persons and annual incomes between \$42,446 and \$51,600 for the three-bedroom units at 60 percent of the area median income. Approximately 8.4 percent of the primary market area tenants are within this range.

According to [www.realtytrac.com](http://www.realtytrac.com), there are currently 20 properties for sale that are in some stage of foreclosure within the subject's zip code. There are no known properties within the vicinity of the property that have been foreclosed upon. In addition, there are no known negative factors impacting the occupancy of the subject within the market area.

#### Economic Data

The economy of the market area is based on accommodation and food services; construction; educational services; healthcare and social assistance; manufacturing; and retail trade sectors. Each of these industries has experienced reasonable growth within the past few years.

Employment in Walker County has been increasing 0.7 percent per year since 2010. Employment in the State of Georgia has been increasing an average of 1.6 percent per year since 2010. The unemployment rate for Walker County has fluctuated from 3.0 percent to 6.1 percent since 2015. These fluctuations are slightly lower than the unemployment rates for the State of Georgia.

According to the Walker County Development Authority, the following economic development activities have occurred within the couple past years in Walker County:

NEW AND EXPANDING BUSINESSES		
Company	New/Expansion	Employees Added
Roper Corporation	Expansion	600
Lodge at McLemore	New	300
<b>Total:</b>		<b>900</b>

Source: Walker County Development Authority

Overall, it is believed that the economy of LaFayette will remain stable.

#### Project-Specific Affordability and Demand Analysis

The following table uses a 35 percent lease rent-to-income to determine the minimum target income required for each unit and the tax credit income limits to determine the upper range of eligibility for each LIHTC unit. The following table lists the number of households within the required target income for each unit type.

INCOME-ELIGIBLE RENTER HOUSEHOLDS					
	Gross Rent	Lower Range	Upper Range	% Income Qualified	Income-Eligible Households
All Unit Types (All)	\$744	\$25,509	\$51,600	28.0%	2,009
All Unit Types (50%)	\$744	\$25,509	\$43,000	20.5%	1,468
All Unit Types (60%)	\$894	\$30,651	\$51,600	19.4%	1,396
1 BR (50%)	\$744	\$25,509	\$31,850	10.4%	480
1 BR (60%)	\$894	\$30,651	\$38,220	4.9%	228
2 BR (50%)	\$894	\$30,651	\$35,850	4.2%	129
2 BR (60%)	\$1,074	\$36,823	\$43,020	5.8%	178
3 BR (50%)	\$1,033	\$35,417	\$43,000	9.9%	252
3 BR (60%)	\$1,238	\$42,446	\$51,600	8.4%	213

Source: Claritas; Ribbon Demographics and HUD

The following chart indicates the net demand and the capture rates:



AMI	Unit Type	Income Units	Proposed Units	Total Demand	Supply	Net Demand	Capture Rate	Avg. Market Rent	Market Rents Band	Proposed Rent
50% AMI	1 BR	\$25,509-\$31,850	6	568	0	568	1.1%	\$950	N/A	\$635
50% AMI	2 BR	\$30,651-\$35,850	18	421	0	421	4.3%	\$1,050	N/A	\$755
50% AMI	3 BR	\$35,417-\$43,000	8	281	0	281	2.9%	\$1,300	N/A	\$860
60% AMI	1 BR	\$30,651-\$38,220	24	540	18	522	4.6%	\$950	N/A	\$785
60% AMI	2 BR	\$36,823-\$43,020	66	400	90	310	21.3%	\$1,050	N/A	\$935
60% AMI	3 BR	\$42,446-\$51,600	28	267	48	219	12.8%	\$1,300	N/A	\$1,065
Bedroom Overall	1 BR	\$25,509-\$38,220	30	673	18	655	4.6%	\$950	N/A	\$635-\$785
	2 BR	\$30,651-\$43,020	84	334	90	244	34.4%	\$1,050	N/A	\$755-\$935
	3 BR	\$35,417-\$51,600	36	459	48	411	8.8%	\$1,300	N/A	\$860-\$1,065
TOTAL for Project	50% AMI	\$25,509-\$43,000	32	1,270	0	1,270	2.5%	\$950-\$1,300	N/A	\$635-\$860
	60% AMI	\$30,651-\$51,600	118	1,207	156	1,051	11.2%	\$950-\$1,300	N/A	\$785-\$1,065
	Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	All	\$25,509-\$51,600	150	6,669	156	6,513	2.3%	\$950-\$1,300	N/A	\$635-\$1,065

The subject is a proposed 150-unit LIHTC family property and is applying for tax credits at 50 and 60 percent of the area median income. According to DCA guidelines, the subject must have a capture rate of 30 percent or less for all one-bedroom units, 30 percent or less for all two-bedroom units, 40 percent or less for all three-bedroom units, and 50 percent or less for units with four or more bedrooms. Furthermore, the overall capture rate for tax credit and market rate units shall not exceed 30% for Applications in the flexible pool and 35% for Applications in the Rural pool. And lastly, capture rates for each bedroom type within each AMI market segment type (i.e. 30%, 50%, 60% and market) shall not exceed 60 percent. Additionally, there was one LIHTC property in the market area that was not stabilized. In addition, there were no new comparable units planned that will directly compete with the subject and must be considered and subtracted from the demand. This one property has a total of 156 competing units. Therefore, the subject will need to capture 2.3 percent of the renter housing demand, which is far below the maximum allowable capture rates as indicated by the DCA guidelines. Therefore, after considering all factors, it is the opinion of the analyst that the subject is viable within the market area and should be funded.

### Competitive Rental Analysis

There was a total of 14 confirmed apartment complexes in the market area. There were 55 vacant units at the time of the survey out of 840 surveyed, for an overall vacancy rate of 6.5 percent. However, Gateway at Rossville is still in its lease-up period, and Carriage Hill Apartments' vacancies is due to the fire. These units will be available for lease next month. Therefore, without considering these comparables, there were 28 vacant units at the time of the survey out of 633 surveyed, for an overall vacancy rate of 4.4 percent.

There are currently two surveyed properties that directly compete with the subject. The family properties with similar unit types are listed as follows:

- Abbington Linwood Apartments is a LIHTC family property that contains 60 one-, two- and three-bedroom units. The property is 98 percent occupied. There are 20 applicants on the waiting list.
- Gateway at Rossville is a LIHTC family property that contains 156 one-, two- and three-bedroom units. The property is 89 percent occupied as it has not yet reached its lease-up period. It has been leasing approximately 28 units per month.

The amenities of this comparables are relatively similar to the subject's amenities. Therefore, it is believed the subject will be competitive within the market area.

Market rent grids were completed for the existing subject. The analyst determined the achievable market-rents of \$950 per month for one-bedroom units, \$1,050 per month for two-bedroom units and \$1,250 per month for the three-bedroom units. The subject property's proposed rents of \$635 to \$785 per month for the one-bedroom units, \$755 to \$935 per month for the two-bedroom units and \$860 to \$1,065 per month for the three-bedroom units are below the determined achievable market rents. In addition, the subject's proposed rents are lower than the maximum allowable LIHTC rents. Therefore, the proposed rents were considered achievable, and the proposed subject will be competitive with existing properties.



**Absorption/Stabilization Estimate**

The subject is a proposed multifamily development that will contain 150 one-, two- and three-bedroom units. After researching the vacancy rates of the existing units in the area, it is firmly believed that the subject property satisfies a portion of the continued demand for the units within the market. Based on information concerning the vacancy rates and amount of time it takes to fill vacancies, if the subject were unoccupied, it is estimated that a 93 percent occupancy level can be achieved in six to nine months. Interviews with apartment managers substantiate the absorption rate. It is believed that the proposed development will absorb 15 to 20 units per month; therefore, it would reach a stable occupancy level within six to nine months. The following table indicates the average units absorbed per month.

Property Name	City	Year Built	Units per Month
Abbingtion Linwood	LaFayette	2020	14
Gateway at Rossville	Rossville	2023	28
Ty's Place Apartments	Ringgold	2020	16
The RiverPoint Luxury	Rome	2018	16
Ashford Villas	Chattanooga	2020	20
Abby North	Chattanooga	2021	5
Hilltop Lofts	Rome	2022	10
Authentix Cartersville	Cartersville	2022	15
Valley Ridge Apartments	Rossville	2023	56
<b>Average</b>			<b>21</b>

**Conclusion**

The property will be applying for Low Income Housing Tax Credits. The subject will need to capture 2.3 percent of the demand for all units, which is considered good. Therefore, it is believed that the existing subject will continue to be a viable development.



<b>Summary Table:</b> (must be completed by the analyst in the executive summary)			
Development Name:	Gateway at LaFayette		Total #Units: 150
Location:	1520 North Main Street, LaFayette, GA 30728		# LIHTC Units: 150
PMA Boundary:	The primary market area consists of Walker County.		
		Farthest Boundary Distance to Subject:	17.5 Miles

<b>RENTAL HOUSING STOCK (found on page 103)</b>									
Type		# Properties	Total Units	Vacant Units	Average Occupancy				
All Rental Housing		14	840	55	93.5%				
Market-Rate Housing		7	397	22	94.5%				
<i>Assisted/Subsidized Housing not to include LIHTC</i>		5	227	15	93.4%				
<b>LIHTC</b>		2	216	18	91.7%				
Stabilized Comps		10	426	10	97.7%				
Properties in Construction & Lease Up		2	285	33	88.4%				
Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Beds	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1	1	655	\$635	\$950	\$1.45	33.2%	\$899	\$1.49
24	1	1	655	\$785	\$950	\$1.45	17.4%	\$899	\$1.49
18	2	1	855	\$755	\$1,050	\$1.23	28.1%	\$1,150	\$1.00
66	2	1	855	\$935	\$1,050	\$1.23	11.0%	\$1,150	\$1.00
8	3	2	1,105	\$860	\$1,300	\$1.18	33.8%	\$1,950	\$1.11
28	3	2	1,105	\$1,065	\$1,300	\$1.18	18.1%	\$1,950	\$1.11

**NOTE:** 70% or 80% unit designations are not allowed where 70% and 80% rents are at or above market rents.

<b>CAPTURE RATES (found on page 74)</b>						
Targeted Population	30%	50%	60%	Market-rate	Other:	Overall
Capture Rate	N/A	2.5%	11.2%	N/A	N/A	2.3%



**PROJECT DESCRIPTION**

**Project Description**

Project Name: Gateway at LaFayette  
 Location: 1520 North Main Street  
 LaFayette, Walker County, Georgia 30728

Project Type: Family

Construction Type: New Construction

The subject is the proposed construction of a proposed multifamily development. The subject is located at 1520 North Main Street, LaFayette, Georgia. It will consist of six three-story walk-up buildings containing a total of 150 one-, two- and three-bedroom units. The property will also contain a clubhouse containing an exercise room, computer room and laundry facility. The residential buildings contain a total net rentable area of approximately 131,250 square feet. The proposed unit mix is shown in the following table:

Unit Type	# of Units	Square Feet	Total Square Footage
1/1	30	655	19,650
2/1	84	855	71,820
3/2	36	1,105	39,780
	<b>150</b>		<b>131,250</b>

A copy of professional plans were not available.

**Project Design**

The subject is the construction of a proposed multifamily development. It will consist of six three-story walk-up buildings containing a total of 150 one-, two- and three-bedroom units. The property will also contain a clubhouse containing an exercise room, computer room and laundry facility. The buildings will have concrete foundations with wood frame and brick and cement board siding exterior. The roofing is asphalt shingles.

**Unit Features, Project Amenities and Services**

Unit amenities will include a refrigerator, range/oven, dishwasher, microwave, washer/dryer hook-ups, carpet and vinyl flooring, blinds, ceiling fans and balcony and/or patio. Project amenities will include a clubhouse, exercise room, playground, gazebo, computer room and laundry facility.

**Parking**

The subject will contain open parking areas with approximately 228 parking spaces. The parking ratio will be 1.52 open parking spaces per unit.

**Utilities**

The following table describes the project's proposed utility combination.

UTILITY SCHEDULE		
Utility	Type	Who Pays
Heat	Central Electric	Tenant
Air Conditioning	Central Electric	Tenant
Hot Water	Electric	Tenant
Cooking	Electric	Tenant
Other Electric	Electric	Tenant
Cold Water/Sewer	N/A	Tenant
Trash Collection	N/A	Landlord



**Unit Mix, Size and Rent Structure**

The subject will be a LIHTC property. The rents will be set at 50 and 60 percent. The following chart lists the subject's proposed unit distribution by unit type, size, income restriction and rent structure.

MAXIMUM LIHTC RENTS AND UTILITY ALLOWANCES							
Unit Type	# of Units	Square Feet	% of Median Income	Maximum LIHTC Rent	Gross Rent	Utility Allowance	Net Rent
1/1	6	655	50%	\$746	\$744	\$109	\$635
1/1	24	655	60%	\$896	\$894	\$109	\$785
2/1	18	855	50%	\$896	\$894	\$139	\$755
2/1	66	855	60%	\$1,075	\$1,074	\$139	\$935
3/2	8	1,105	50%	\$1,035	\$1,033	\$173	\$860
3/2	28	1,105	60%	\$1,242	\$1,238	\$173	\$1,065

**Eligibility**

Households who have between one to two persons and annual incomes between \$25,509 and \$31,850 for the one-bedroom units at 50 percent of the area median income. Approximately 10.4 percent of the primary market area tenants are within this range. Households who have between one to two persons and annual incomes between \$30,651 and \$38,220 for the one-bedroom units at 60 percent of the area median income. Approximately 4.9 percent of the primary market area tenants are within this range.

Households who have between two and three persons and annual incomes between \$30,651 and \$35,850 for the two-bedroom units at 50 percent of the area median income. Approximately 4.2 percent of the primary market area tenants are within this range. Households who have between two and three persons and annual incomes between \$36,823 and \$43,020 for the two-bedroom units at 60 percent of the area median income. Approximately 5.8 percent of the primary market area tenants are within this range.

Households who have between three to five persons and annual incomes between \$35,417 and \$43,000 for the three-bedroom units at 50 percent of the area median income. Approximately 9.9 percent of the primary market area tenants are within this range. Households who have between three to five persons and annual incomes between \$42,446 and \$51,600 for the three-bedroom units at 60 percent of the area median income. Approximately 8.4 percent of the primary market area tenants are within this range.

The following table shows the maximum income limits at each income level as determined by the U.S. Department of Housing and Urban Development.

LIHTC INCOME LIMITS		
Person in Households	50%	60%
1	\$27,900	\$33,480
2	\$31,850	\$38,220
3	\$35,850	\$43,020
4	\$39,800	\$47,760
5	\$43,000	\$51,600
6	\$46,200	\$55,440

Source: HUD

**Current Occupancy Levels**

The subject is a proposed 150-unit LIHTC property. Therefore, current occupancy levels are not available.



## SITE EVALUATION

### Site Evaluation

### Date of Inspection

September 6, 2023

### Site Inspector

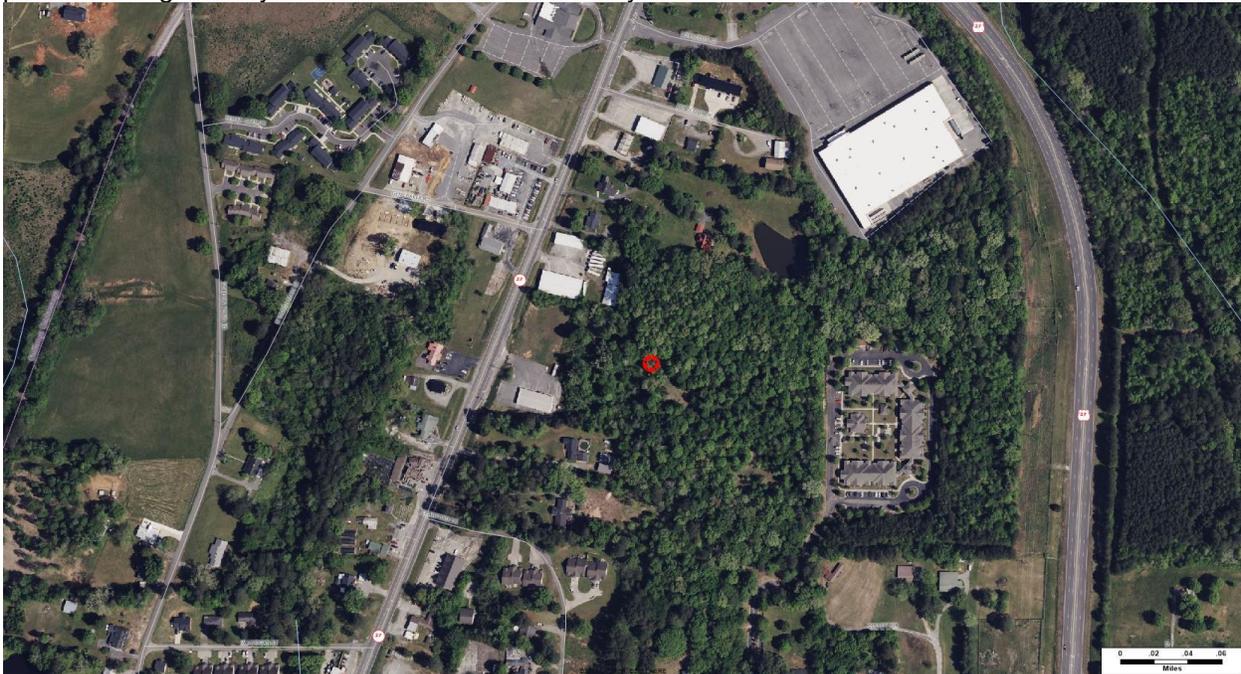
Jake Epperson

### Project Location

The subject property is located at 1520 North Main Street in the northern portion of the City of LaFayette, Georgia. North Main Street is Business Highway 27, a major thoroughfare in the city.

### Site Characteristics

The subject neighborhood is comprised of primary vacant land and is 40 percent built up. Approximately 60 percent of the land use is made up of vacant land. About 20 percent is comprised of commercial properties. Another 15 percent of the land use is made up of multifamily dwellings. The remaining five percent is single-family residences. The area is mostly rural.



### Zoning

According to the City of LaFayette, the subject is zoned B-2, Commercial (General Business District). The subject will be a legal, conforming use. There are no negative impact on the market value by the zoning classification. The zoning will be consistent with the Highest and Best Use of the subject.

### Surrounding Land Uses

Vacant land is located north and south of the site. Lucky Pointe Apartments is located east of the subject. North Main Street is located west of the subject.



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### Developments

Existing market-rate developments within the market area include Grey Parc of Rossville, Town Creek Apartments, Dorell Apartments, Park Trace Apartments, Brown Estates, Valley Ridge Homes and South Flora Street Townhomes. As these properties are market-rate developments, they will not directly compete with the subject.

There are currently two surveyed properties that directly compete with the subject. The family properties with similar unit types are listed as follows:

- Abbington Linwood Apartments is a LIHTC family property that contains 60 one-, two- and three-bedroom units. The property is 98 percent occupied. There are 20 applicants on the waiting list.
- Gateway at Rossville is a LIHTC family property that contains 156 one-, two- and three-bedroom units. The property is 89 percent occupied as it has not yet reached its lease-up period. It has been leasing approximately 28 units per month.



## Regional and Area Data

### Schools

According to AreaVibes, the subject is served by the Walker County School District. There are currently 15 public schools in school district. Approximately 62.2 percent of people in the city have completed high school. The schools that will serve the subject are North LaFayette Elementary School, LaFayette Middle School and LaFayette High School.

### Transportation

Major highways in Walker County include U.S Highway 27 and State Highways 1, 2, 95, 136, 151, 157, 189, 193, 201, 337 and 341. Lafayette is home to Barwick LaFayette Airport. Chattanooga Metropolitan Airport is the nearest major airport and is approximately 28 miles away in Chattanooga, Tennessee. Walker Transit provides public transportation for residents in the county.

### Health Services

CHI Memorial Convenient Care, CHI Memorial Family Practice, LaFayette Ready Clinic, Primary Healthcare Center and Walker County Health Department provide health services to residents in LaFayette. Hutcheson Medical Center is a healthcare facility located in Fort Oglethorpe, approximately 20 miles from LaFayette, that serves the residents of the city and the surrounding area. Parkridge Medical Center, Memorial Health Care System, Erlanger Medical Center, and Kindred Hospital Chattanooga are all healthcare and medical facilities located in Chattanooga, Tennessee, approximately 28 miles from the city.

### Parks and Recreational Opportunities

LaFayette offers many different types of recreational opportunities including museums, walking tours, music venues, fine arts, sports, attractions and family-focused activities. A portion of the recreational opportunities include the following: Rock City Gardens, Lula Lake Land Trust, Chickamauga and Chattanooga National Military Park, Queen City Lake, TAG Railroad Tunnel Trail, Crockford-Pigeon Mountain Wildlife Area, Ellison's Cave, Shirley Miller Wildflower Trail, Pettyjohn's Cave and Lookout Mountain Club-Golf Course.

## Crime

According to AreaVibes, approximately 457 per 100,000 residents are victims of a violent crime annually, and approximately 2,293 per 100,000 residents are victims of a property crime each year. The crime rate for LaFayette is 17.0 percent higher than for the nation. However, the total number of crimes in the city has decreased 11 percent within the past year, according to AreaVibes. There is a 1 in 219 chance of being the victim of a violent crime and a 1 in 44 chance of being the victim of a property crime. The life cycle is generally in the stability stage. Therefore, there are no major adverse influences or hazards observed or known by the appraiser in the immediate surrounding area.

## Visibility/Access

The subject property is located along North Main Street. North Main Street is Business Highway 27, a major thoroughfare in the city. Due to the subject's location near a major thoroughfare, it is the opinion of the analyst that there is good visibility/access to the site.

## Planned Road & Infrastructure Improvements

At the time of the physical inspection, there were no planned road or infrastructure improvements in the area surrounding the subject property.

## Environmental

A copy of a Phase I Environmental Site Assessment was provided to the analyst with this assignment. No environmental hazards were observed on the site on the date of the inspection.



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### Community and Site Strengths and Weaknesses

Strengths – The site is located near a major thoroughfare which provides it with average visibility and access. The existing development will continue to enhance the overall appeal of the neighborhood as it is compatible with the current properties surrounding the site. The family development will continue to provide affordable housing to residents in the area.

Weaknesses – The site has no apparent weaknesses.



Subject Photos



View of Site



View of Site



View of Site



View of Site



View of Site



View of Site



View of Street



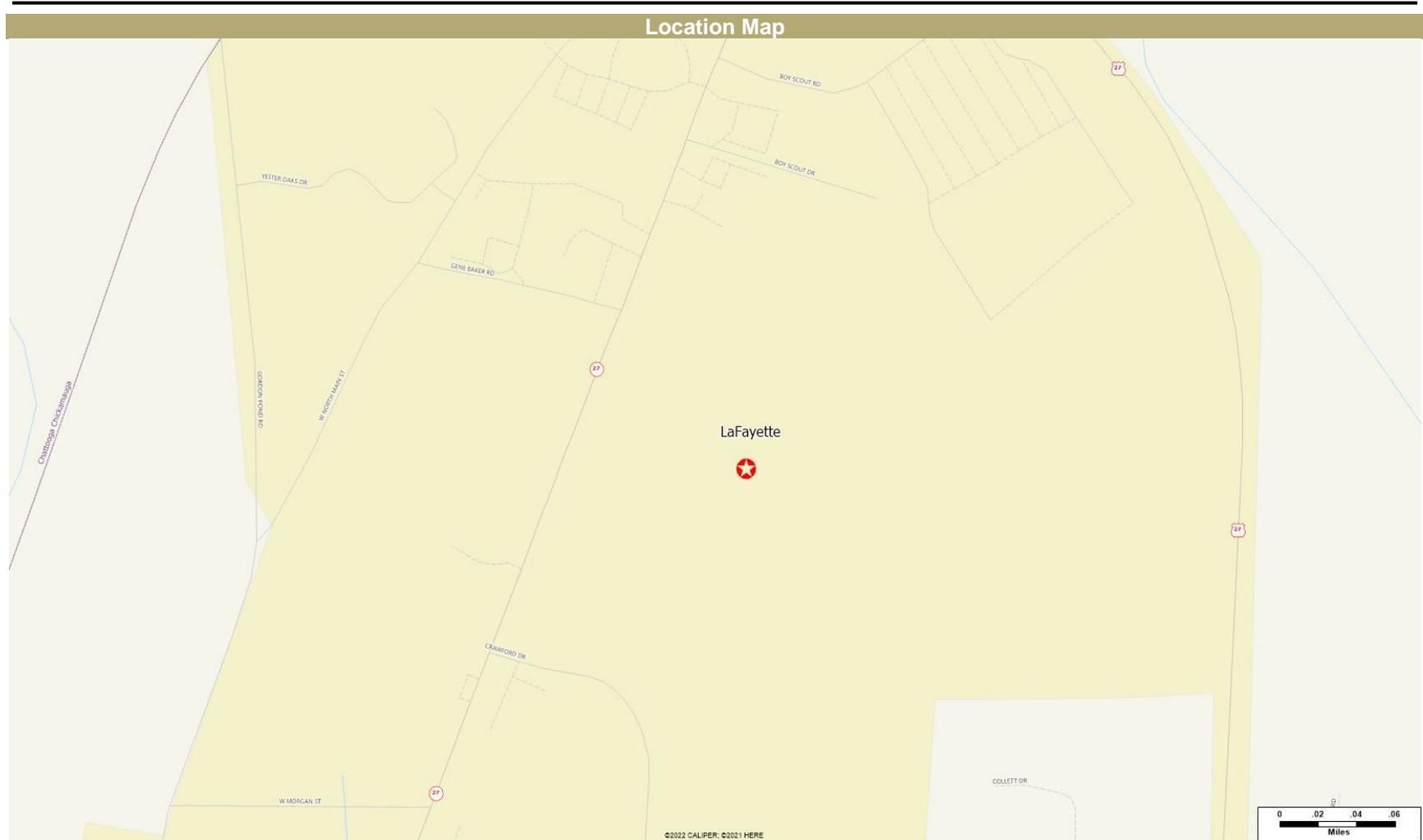
View of Street and West



View to the North

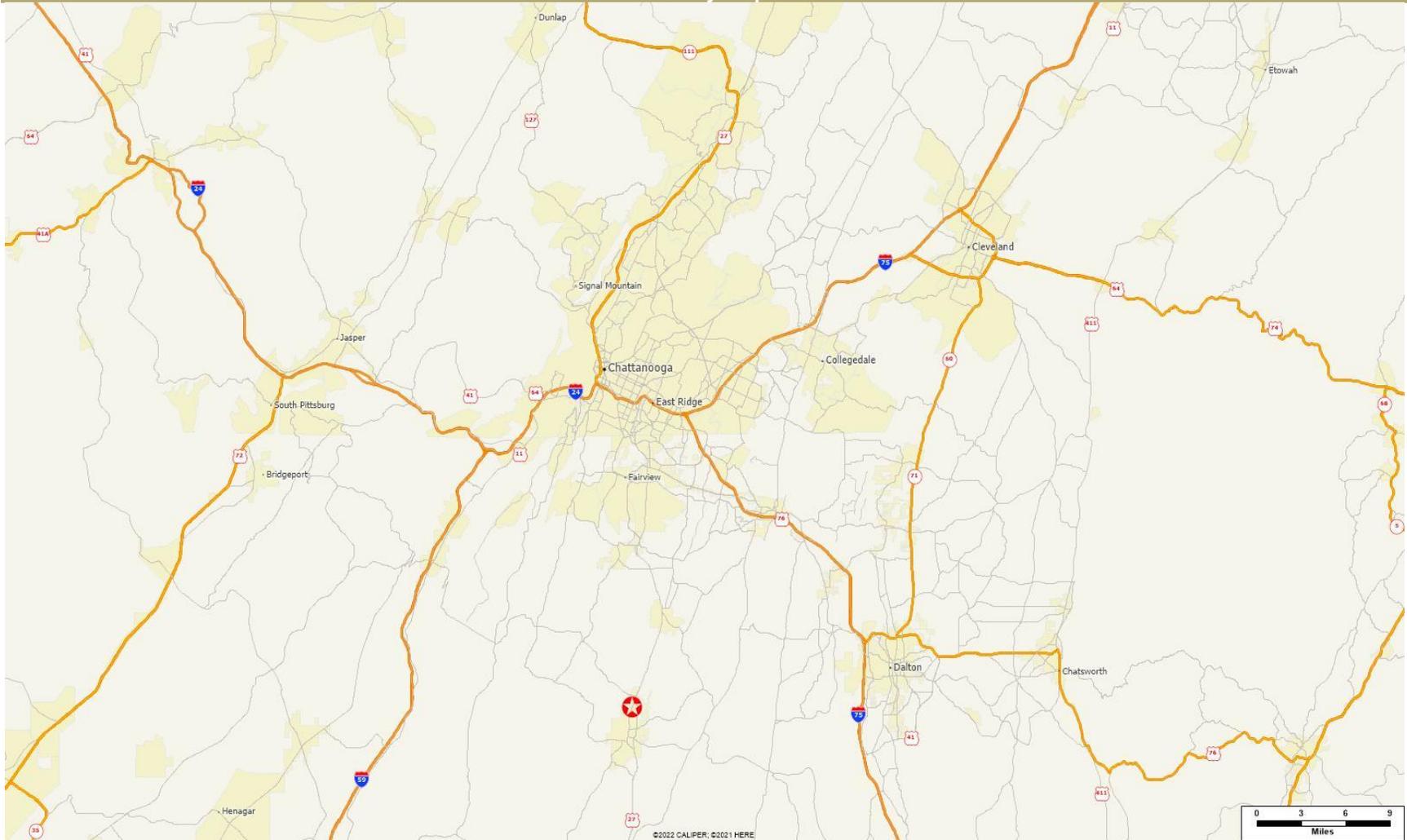


View to the South



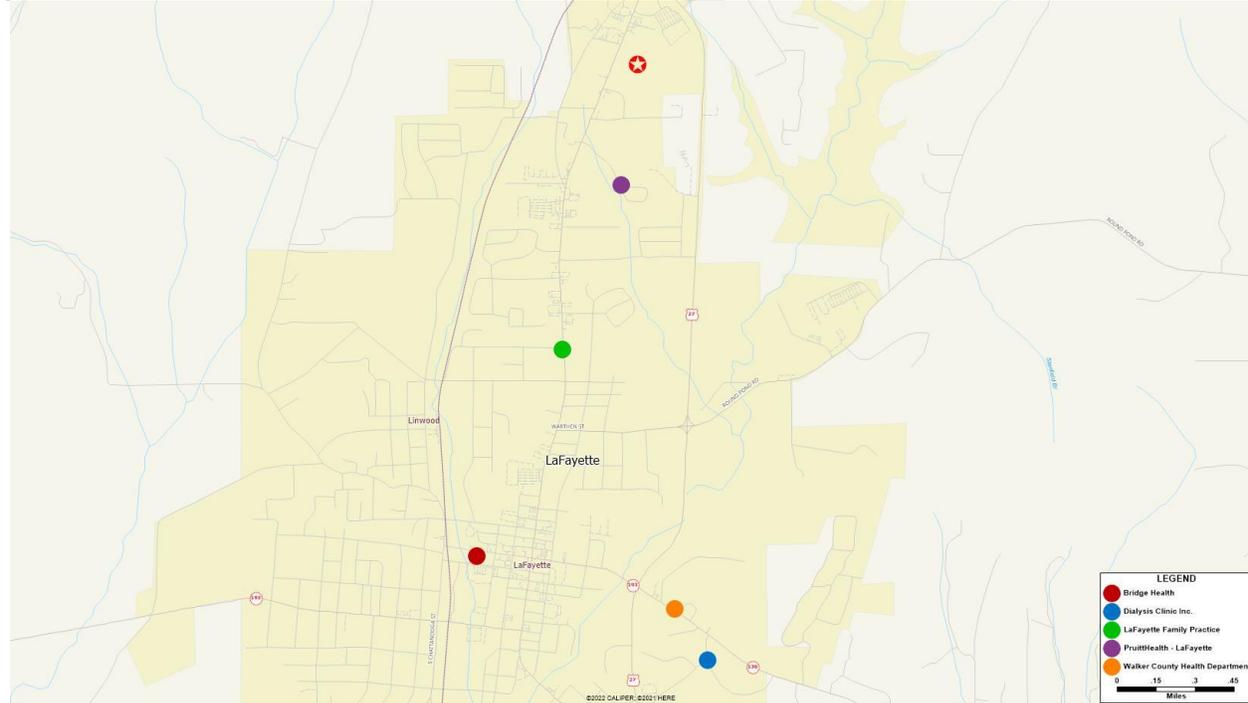


Vicinity Map



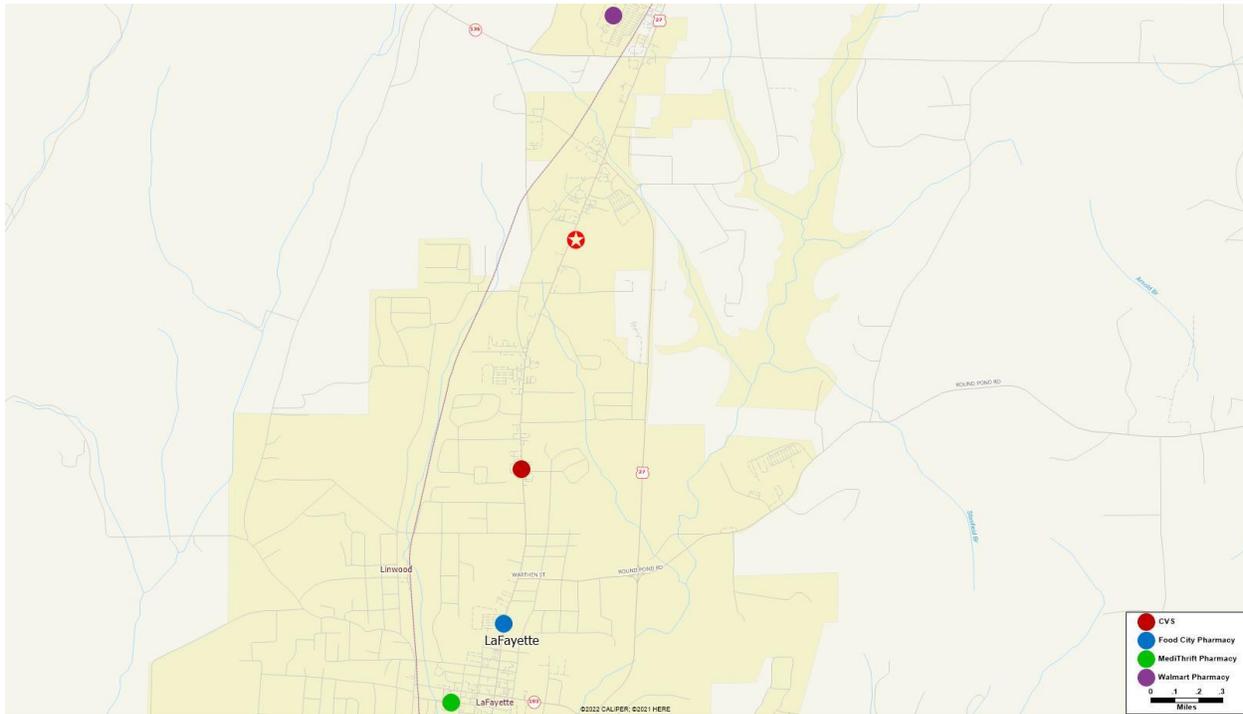


**Community Services Legend and Maps**

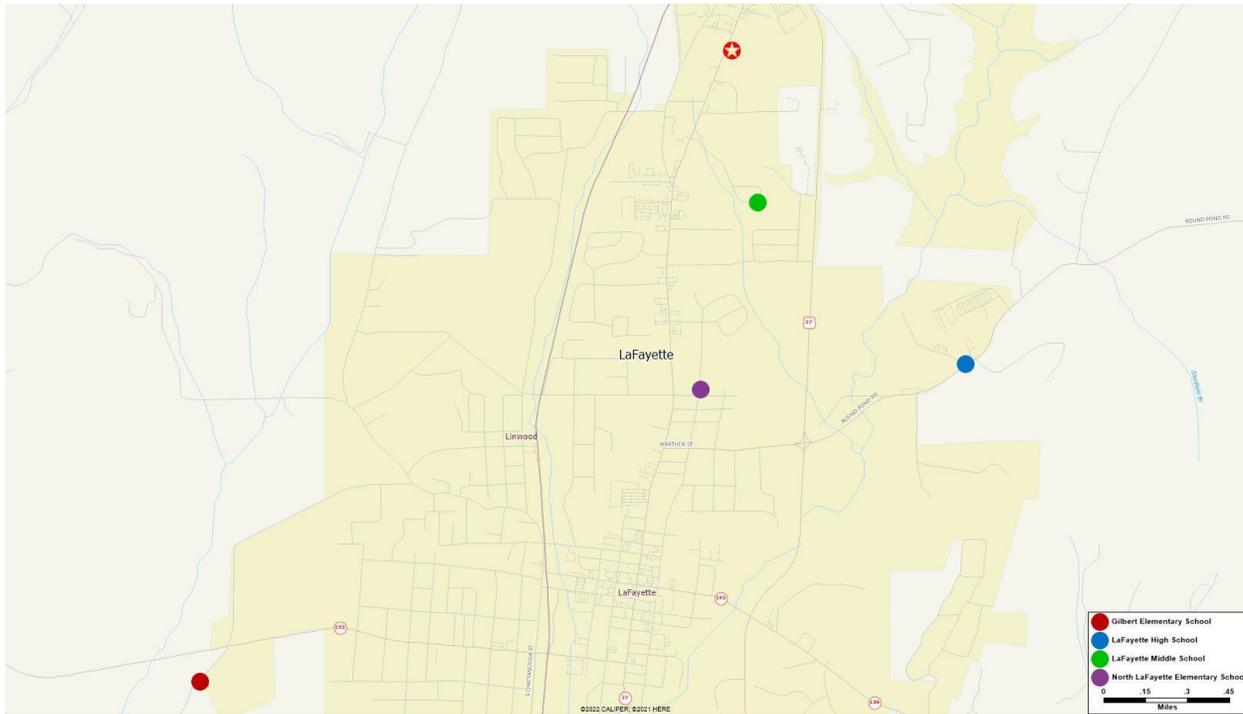


**MEDICAL FACILITIES**

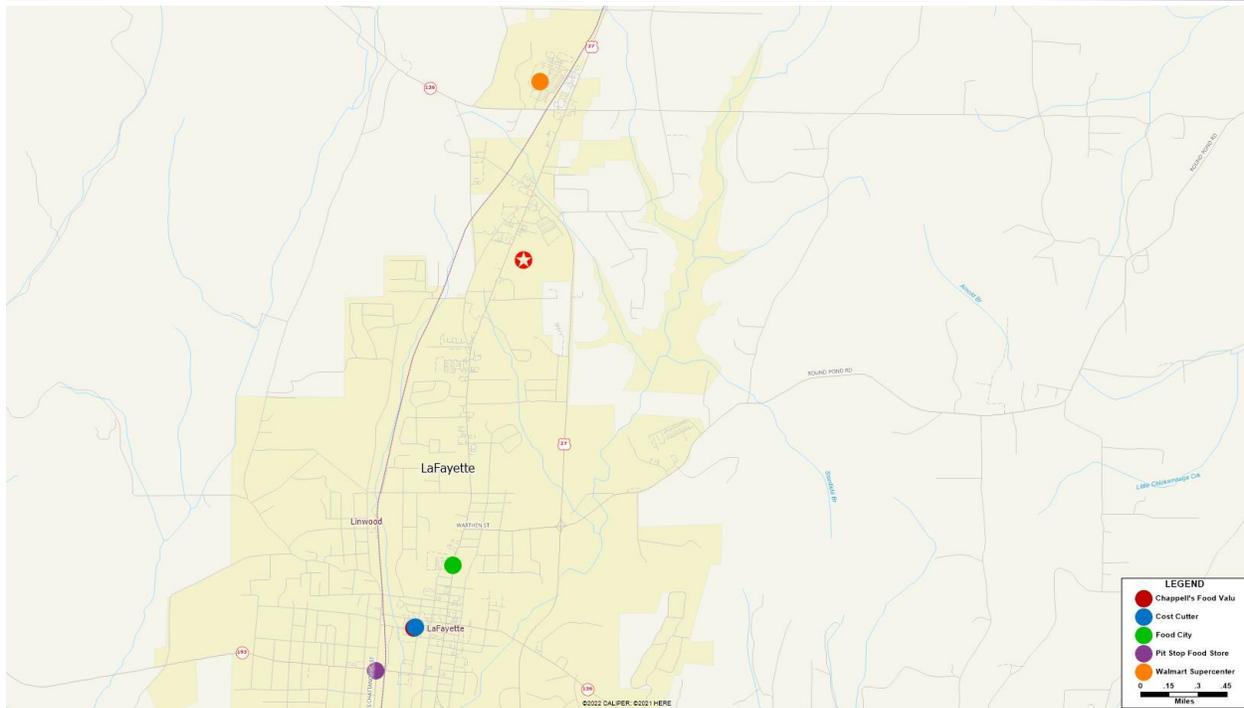
Service	Distance From Site (in Miles)
PruittHealth - LaFayette	0.5
LaFayette Family Practice	1.1
Bridge Health	2.2
Walker County Health Department	3.0
Dialysis Clinic Inc.	3.2



PHARMACIES	
Service	Distance From Site (in Miles)
CVS	1.0
Walmart Pharmacy	1.3
Food City Pharmacy	1.7
MediThrift Pharmacy	2.2

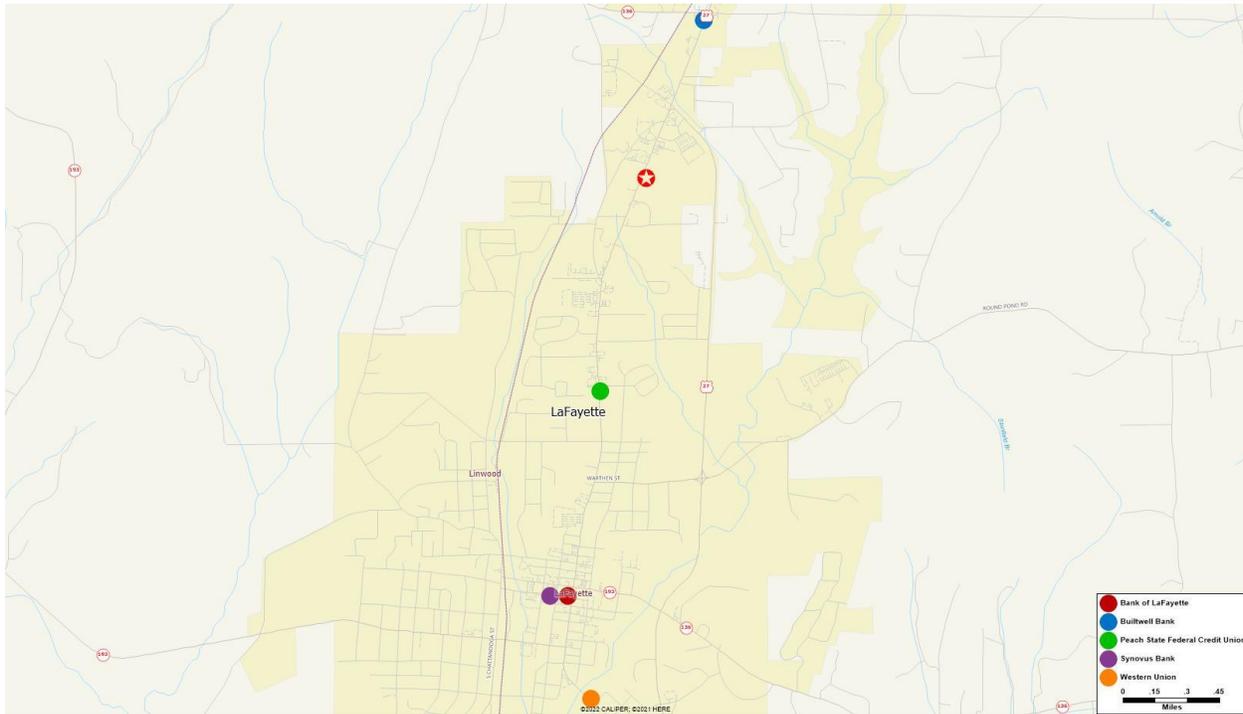


SCHOOLS	
Service	Distance From Site (in Miles)
LaFayette Middle School	0.7
North LaFayette Elementary School	1.3
LaFayette High School	3.0
Gilbert Elementary School	3.9



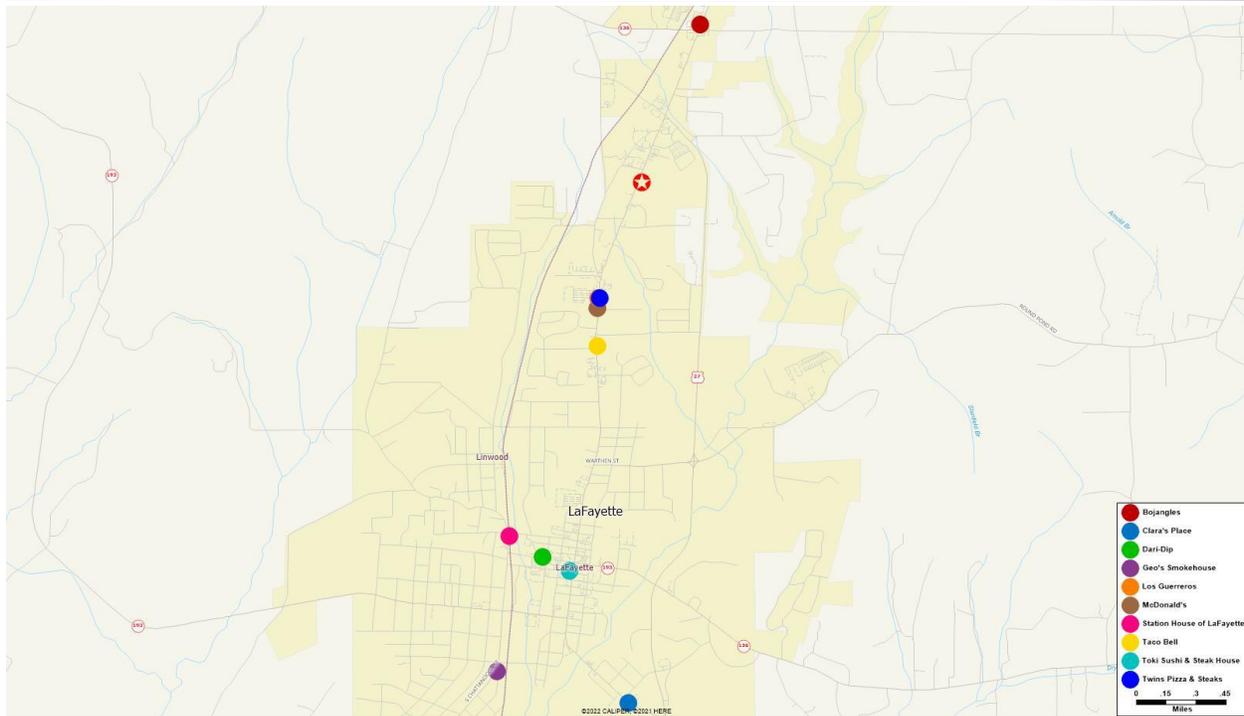
**GROCERY STORES/SUPERMARKETS**

Service	Distance From Site (in Miles)
Cost Cutter	0.4
Walmart Supercenter	1.3
Food City	1.7
Chappell's Food Valu	2.2
Pit Stop Food Store	2.6



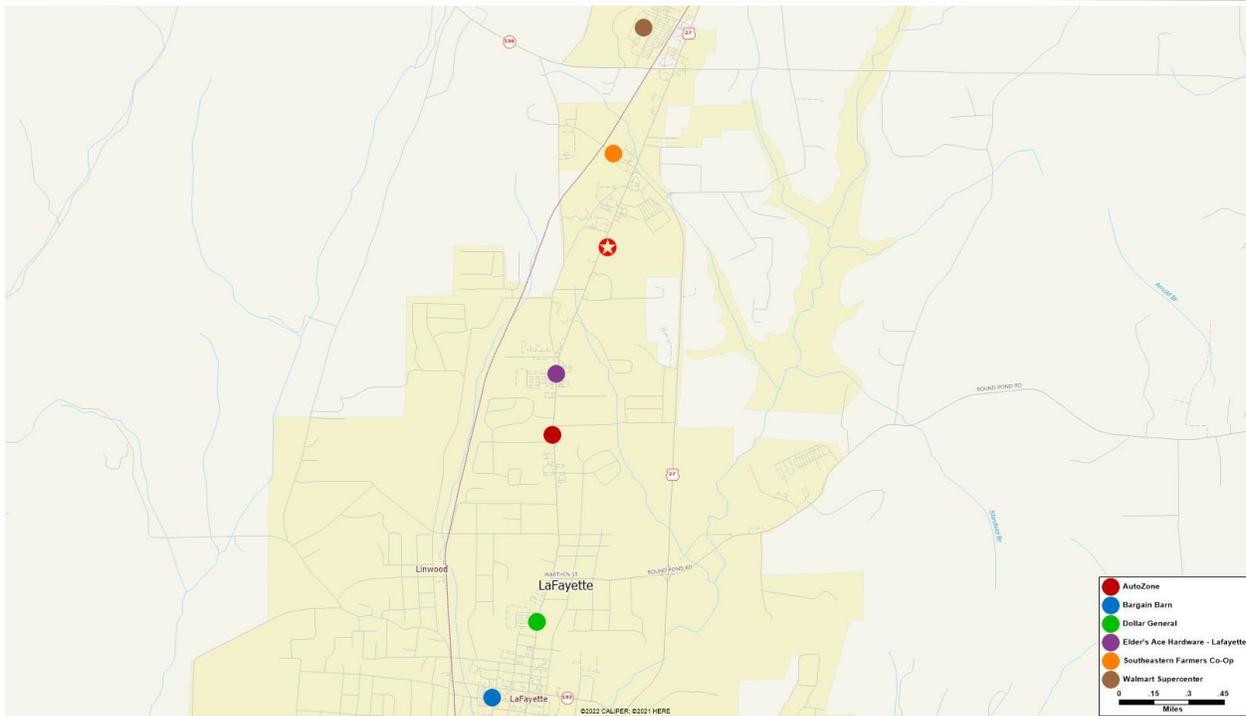
**BANKS/LENDING INSTITUTIONS**

Service	Distance From Site (in Miles)
Builtwell Bank	0.9
Peach State Federal Credit Union	1.0
Bank of LaFayette	2.0
Synovus Bank	2.1
Western Union	2.5



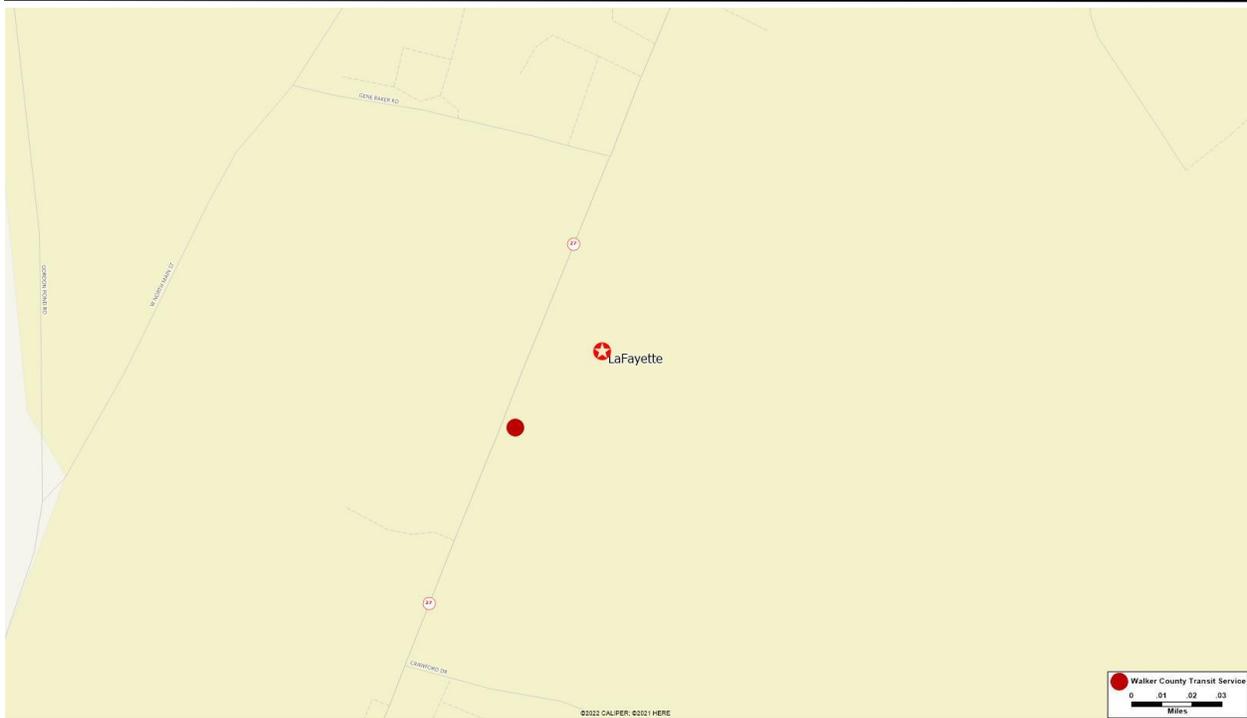
**RESTAURANTS**

Service	Distance From Site (in Miles)
Twins Pizza & Steaks	0.6
Los Guerreros	0.6
McDonald's	0.6
Taco Bell	0.8
Bojangles	1.2
Toki Sushi & Steak House	2.0
Dari-Dip	2.1
Station House of LaFayette	2.3
Geo's Smokehouse	2.9
Clara's Place	3.7

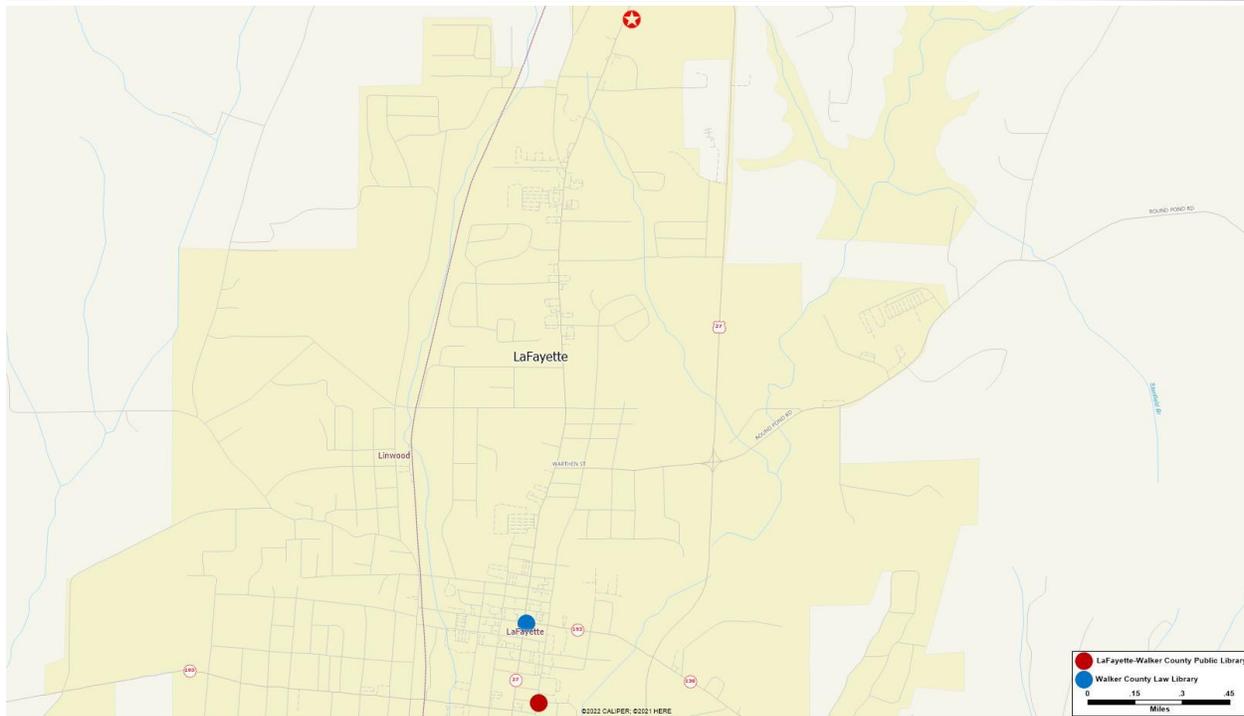


**SHOPPING**

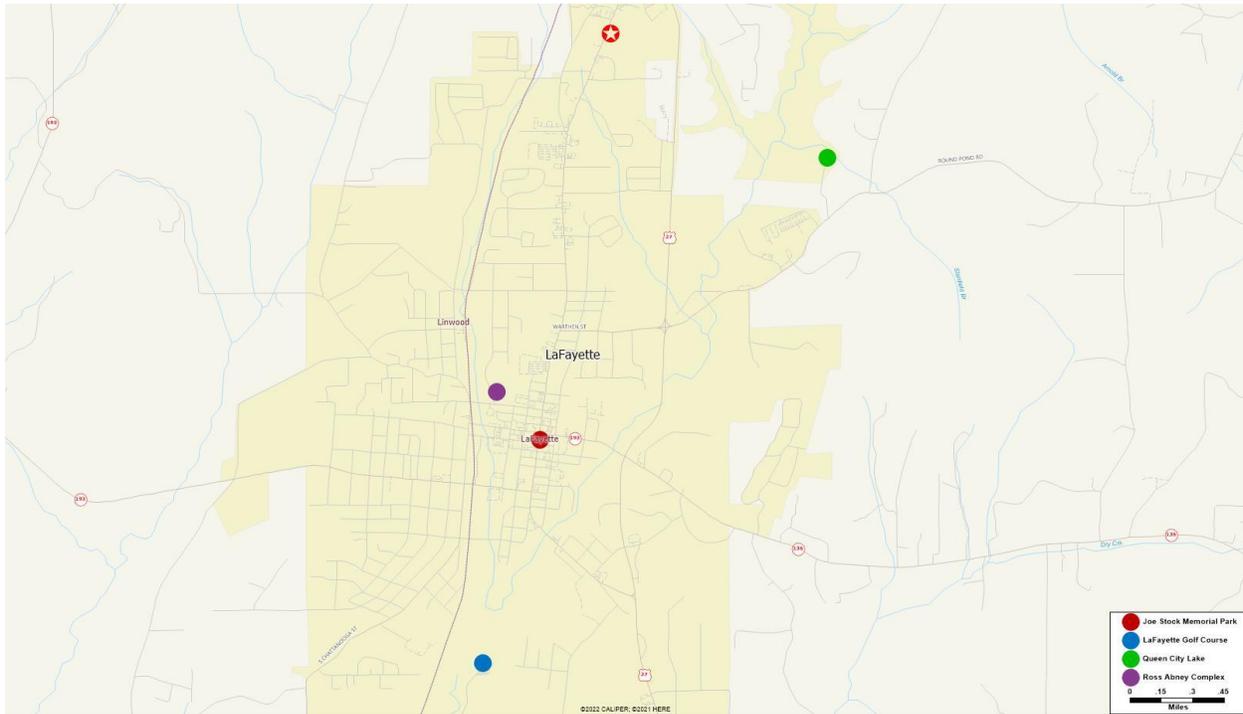
Service	Distance From Site (in Miles)
Southeastern Farmers Co-Op	0.5
Elder's Ace Hardware - Lafayette	0.7
AutoZone	0.8
Walmart Supercenter	1.3
Dollar General	1.7
Bargain Barn	2.2



TRANSPORTATION	
Service	Distance From Site (in Miles)
Walker County Transit Service	0.0

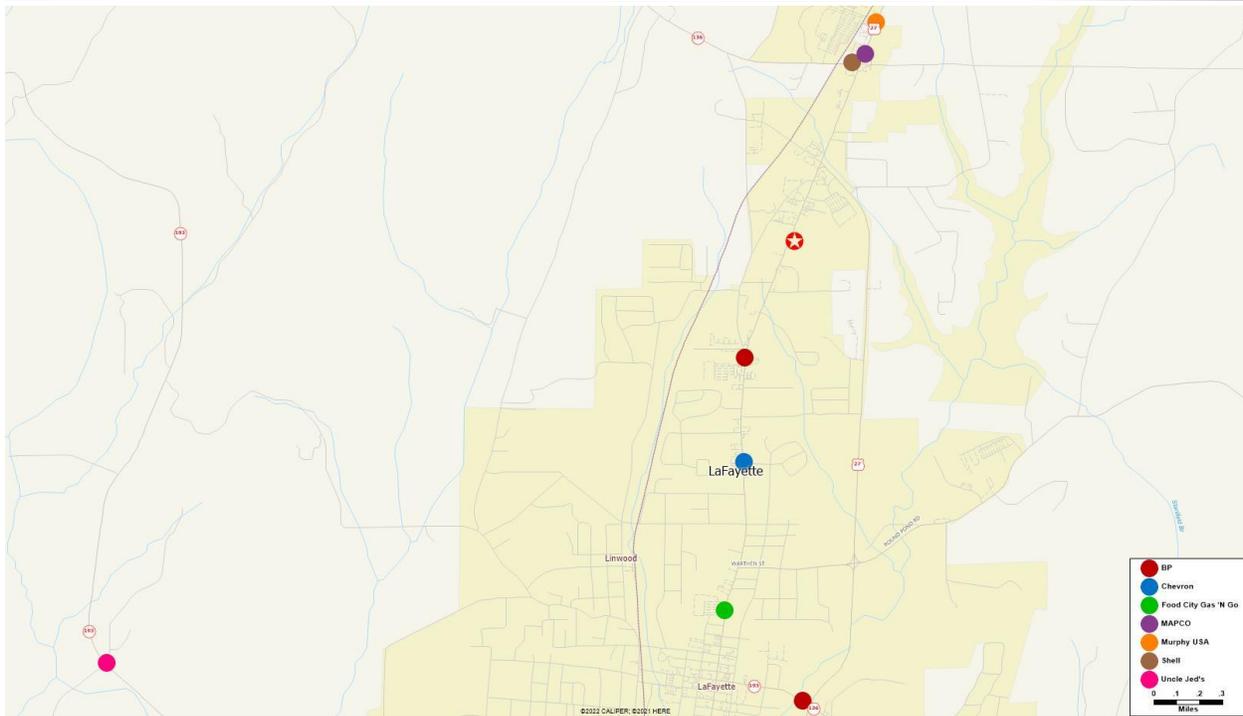


LIBRARIES	
Service	Distance From Site (in Miles)
Walker County Law Library	2.0
LaFayette-Walker County Public Library	2.2



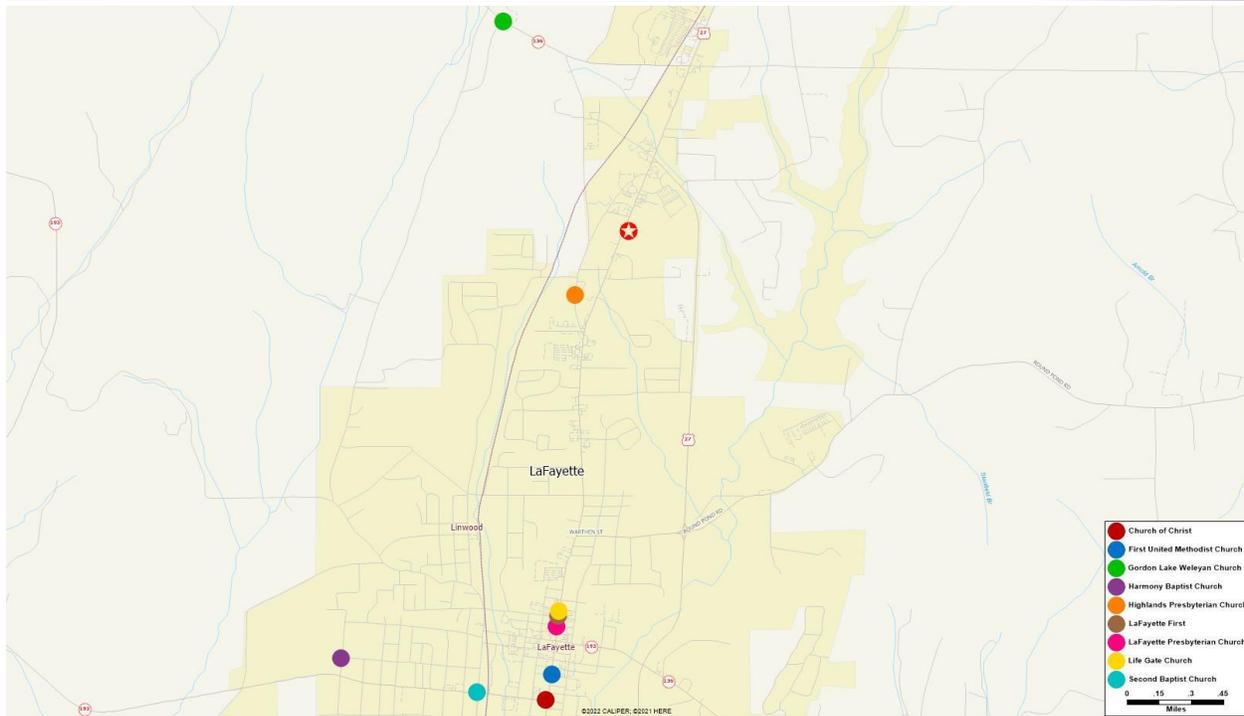
**PARKS/RECREATION**

<b>Service</b>	<b>Distance From Site (in Miles)</b>
Joe Stock Memorial Park	1.7
Ross Abney Complex	1.9
Queen City Lake	3.3
LaFayette Golf Course	4.6



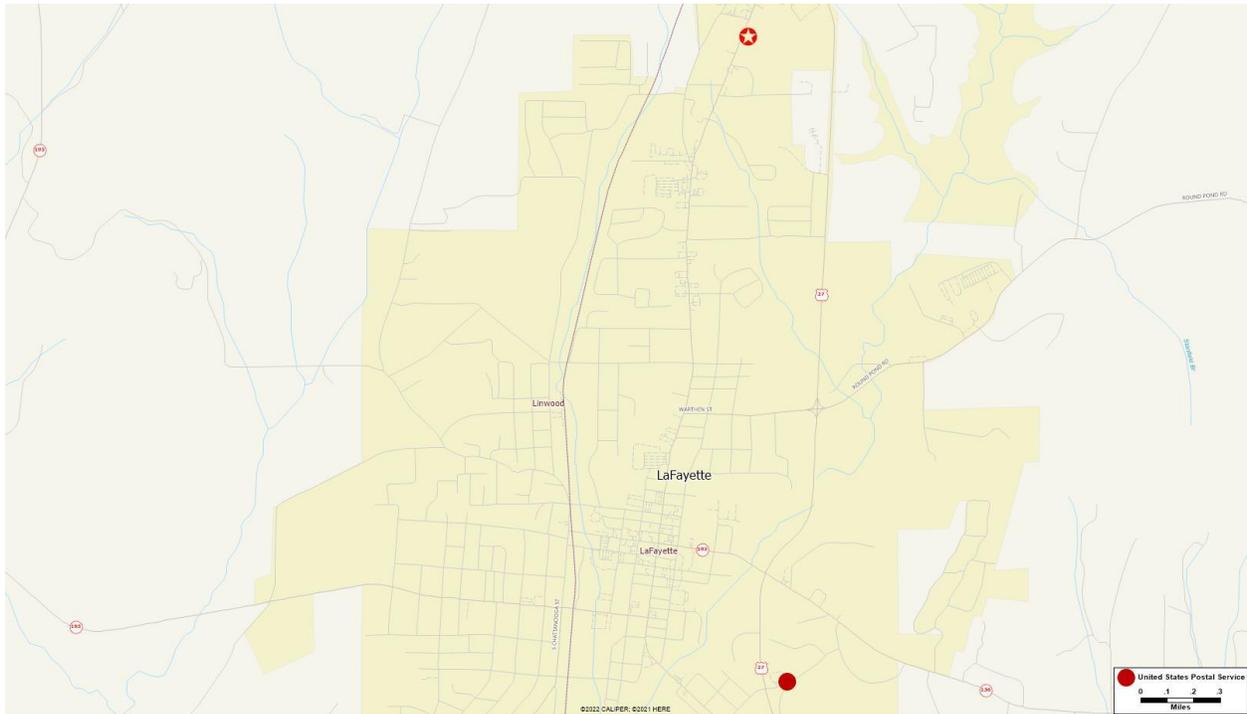
**CONVENIENCE STORES**

Service	Distance From Site (in Miles)
BP	0.5
MAPCO	0.9
Chevron	1.0
Murphy USA	1.1
Shell	1.5
Food City Gas 'N Go	1.7
BP	2.9
Uncle Jed's	5.0



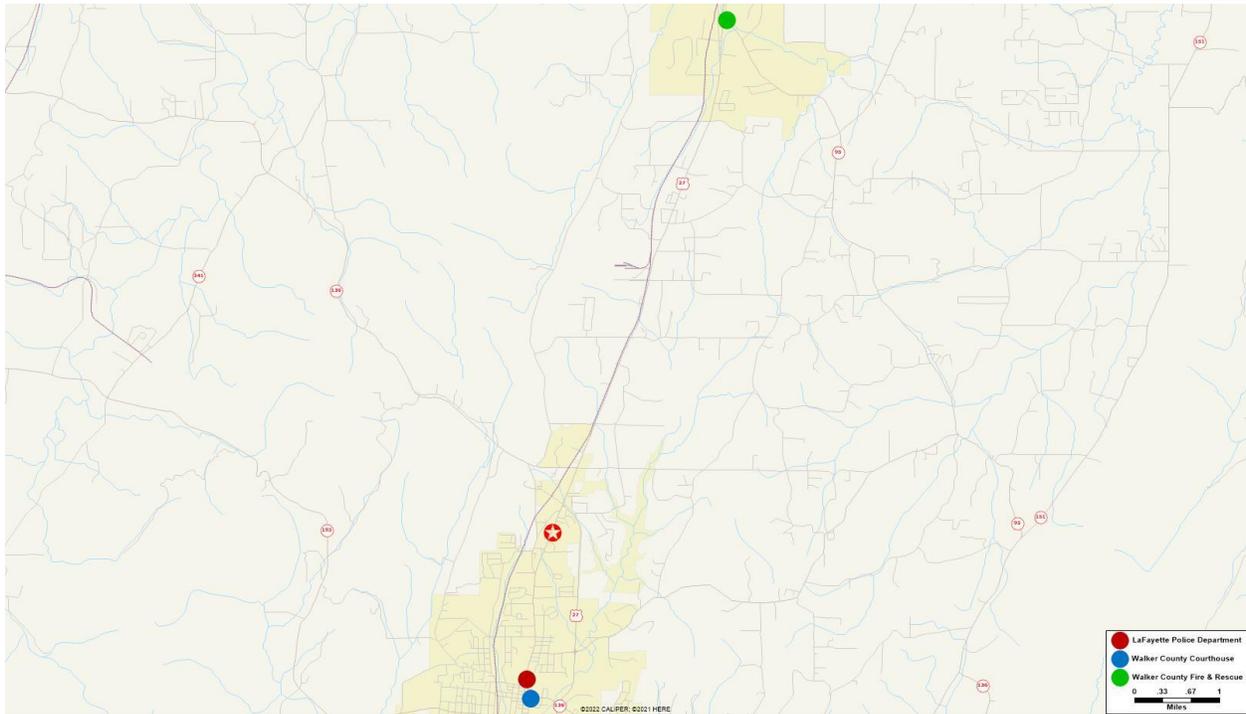
**HOUSES OF WORSHIP**

Service	Distance From Site (in Miles)
Highlands Presbyterian Church	0.6
Life Gate Church	1.8
Gordon Lake Weleyan Church	1.8
LaFayette First	1.8
LaFayette Presbyterian Church	1.9
Church of Christ	2.1
First United Methodist Church	2.1
Second Baptist Church	2.6
Harmony Baptist Church	3.2



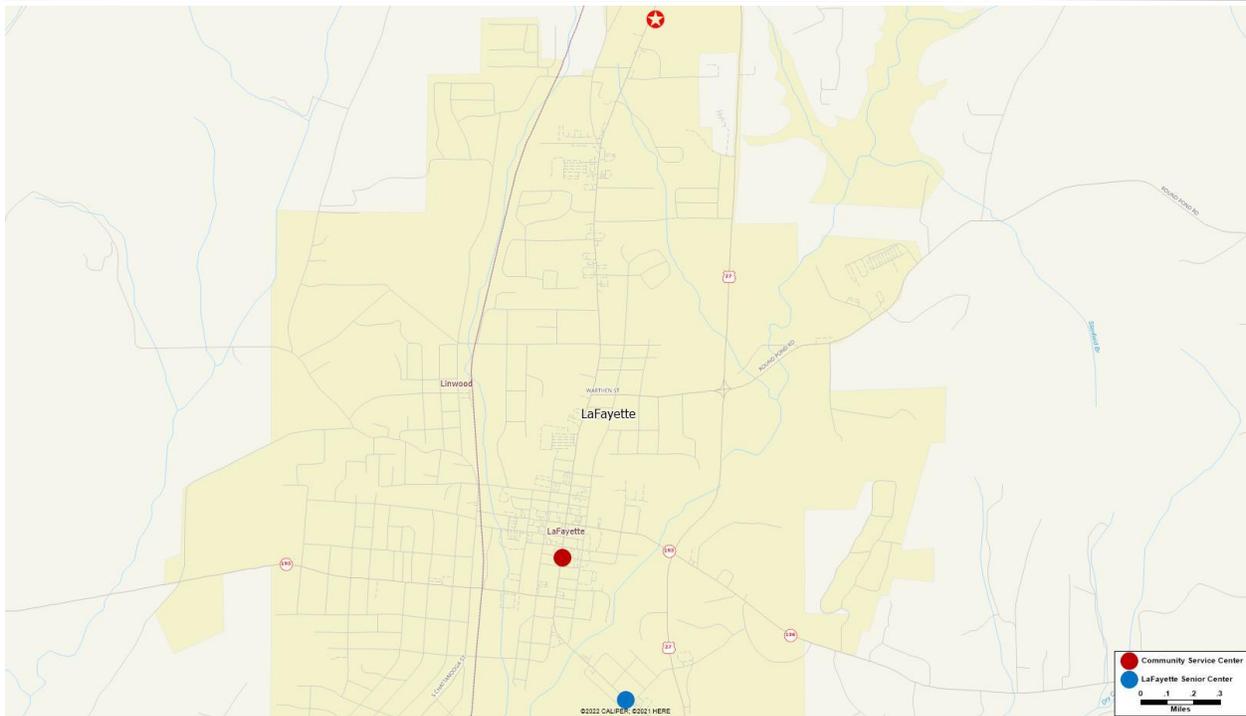
**POST OFFICES**

Service	Distance From Site (in Miles)
United States Postal Service	3.3



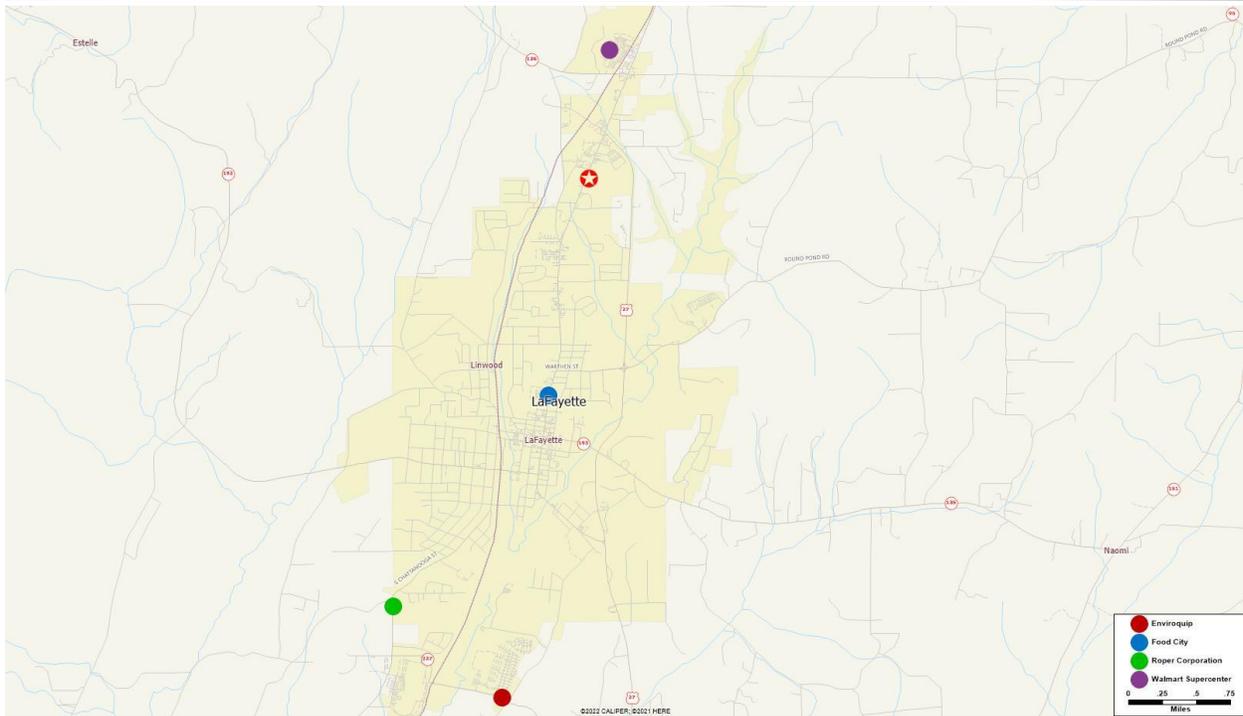
**PUBLIC SAFETY/GOVERNMENT**

Service	Distance From Site (in Miles)
LaFayette Police Department	1.7
Walker County Courthouse	2.0
Walker County Fire & Rescue	6.5



**SOCIAL SERVICES**

Service	Distance From Site (in Miles)
Community Service Center	2.0
LaFayette Senior Center	2.7



**MAJOR EMPLOYERS**

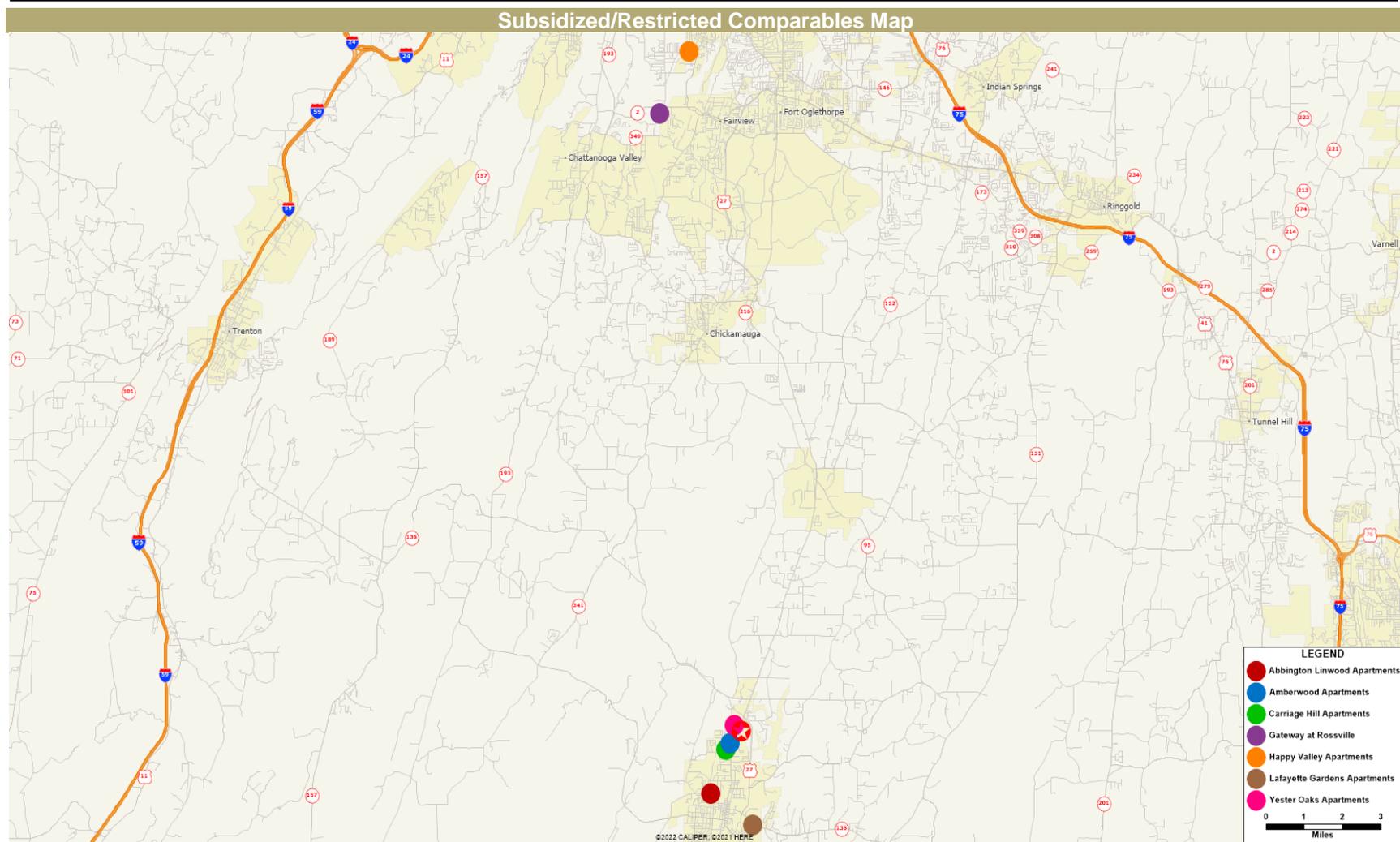
Service	Distance From Site (in Miles)
Walmart Supercenter	1.3
Food City	1.7
Roper Corporation	4.6
Enviroquip	6.5



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**Subsidized/Restricted Legend**

<b>Restricted Comparables</b>	<b>Market Type</b>	<b>Distance to Subject</b>	
Abbingdon Linwood Apartments	LIHTC	2.0	Miles
Gateway at Rossville	LIHTC	18.9	Miles
Carriage Hill Apartments	RD	0.7	Miles
Happy Valley Apartments	Sec. 8	19.8	Miles
Yester Oaks Apartments	RD/TC	0.3	Miles
LaFayette Gardens Apartments	RD/TC	3.4	Miles
Amberwood Apartments	RD	0.4	Miles





## MARKET AREA

### Delineation of Primary Market Area

Following is a list of considerations used when determining the market area:

- **Population and Households Counts:** The number of households in a market area is directly proportionate to its geographic size within an individual market. Total householders residing in a market area can greatly influence demand calculations.
- **General Demographics:** The socio-economic composition of a market area including income, household size and tenure can be largely influenced by the erroneous inclusion or exclusions of non-comparable areas.
- **Demand:** Too large of a market may result in overstating demand for an existing development. Conversely, too conservative of a market area may discount the demand for new product, especially if a lack of quality housing currently exists.
- **Supply Analysis:** While a larger market area generally includes higher household totals, it likewise may include a higher number of directly comparable units. If using demand methodologies that net out recently constructed and comparable rental units from the demand estimate, the increase in the number of comparable units can outweigh the increase in demand.
- **Competitive Stock:** The existing rental stock surveyed for a market study is dependent on the number of rental properties in a given market and therefore the boundaries of a primary market area. If existing developments are going to be used as “comparables”, they should be located in the primary market area, if possible.
- **Attainable Rents:** If the market area includes non-comparable areas, the analysis may use comparables projects that suggest that a project can achieve rents that are significantly higher or lower than the rents its micro-location will support.
- **Location of Competitive Properties:** A primary consideration in defining a market area is identifying those locations that offer alternative opportunities to a potential renter for a subject site. The managers of existing comparable properties near the site are excellent sources in determining those competitive locations.
- **Accessibility:** Available transportation linkages including both traffic arteries and mass transit options can influence the size of the market. Mass transit can have a significant impact on projects addressing very low income households for which transportation options may be limited.
- **Natural Boundaries:** Natural boundaries including rivers and mountains can restrict the movement within a market due to a lack of accessibility.
- **Housing Project Characteristics:** The availability of a unique structure type such as a high rise may alter the typical draw of a potential project.
- **Market Perceptions:** Whether grounded in reality or not, market perceptions can be a significant determinant of market area boundaries. Social stigmas often exist within submarkets, with residents from one side of a submarket not moving to a nearby neighborhood, regardless of housing opportunities. The construction of a new, attractive rental community may not necessarily relieve this perception.
- **Commuting Patterns:** The time spent commuting and employment destination could often reveal distinct patterns. High percentages of workers with long commutes or working in neighboring counties are often indicators of a lack of affordable housing options near employment centers.
- **Target Market:** Proposed developments targeting a special needs population such as seniors generally draw from a larger geographic region. Given the smaller pool of qualified householders, the location and quantity of comparable stock is of additional importance. An acceptable market area for a family oriented rental community will often be too conservative for a rental community targeting senior rental householders.
- **Jurisdictional Boundaries:** Differences in the quality and services provided by school districts, municipalities, or counties often influence consumer location choices.
- **Local Agency Service Boundaries:** The geographic areas covered by local agencies, such as housing authorities, senior citizen centers, community-based organizations, or churches can be a



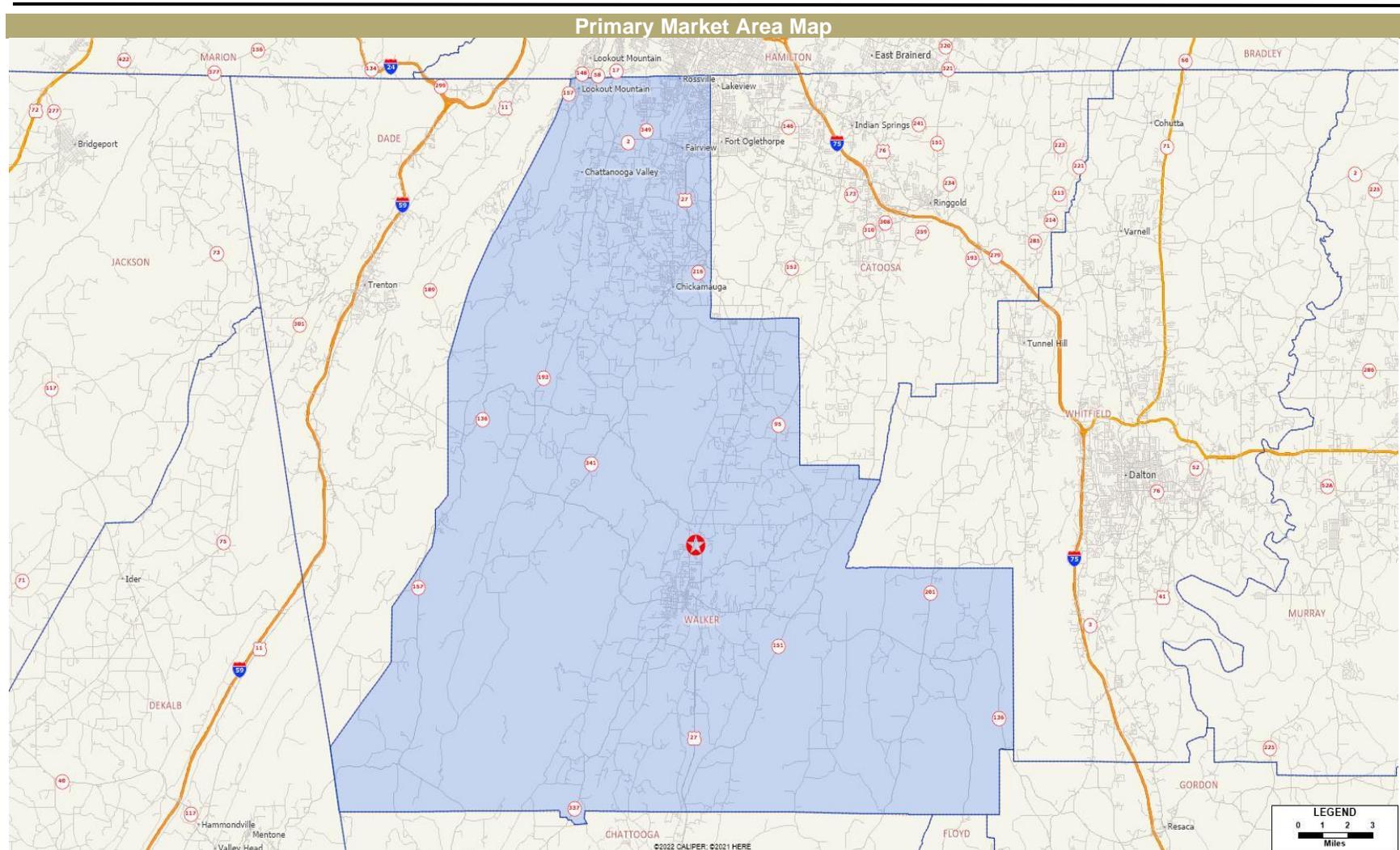
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strong indicator of market area boundaries, especially when the project has a community-based sponsor or cosponsor.

- Non-Geographic Factors: Employees who might be expected to reside in a development as a result of planned or existing job opportunities and special needs households who are served by a multi-jurisdictional agency that covers communities that are clearly distinct market areas.

Our determination of the market area is based on the boundaries between governmental units. In such a method, county, division or city boundaries become the boundaries of the market area. The market area for the subject consists of Walker County. The market area has the following boundaries: North – Hamilton County; South – Chattooga and Floyd Counties; East – Catoosa and Whitfield Counties; and West – Dade County. The northern boundary is approximately 17.5 miles from the subject. The western boundary is approximately 10.5 miles from the subject, and the southern boundary is approximately 9.8 miles from the subject. The eastern boundary is approximately 6.2 miles from the subject.

It is believed the proposed development would draw multifamily residents from the southeastern portion of the city as it is close in proximity to all needed services and public transit. There are 7,178 renter households in the market area in 2023, which is projected to increase to 7,307 by 2028. Therefore, this area indicates a growing population and renter households, indicating a need for additional housing. After considering all factors, the selected market area was deemed the most likely area from which the development will draw residents.





**COMMUNITY DEMOGRAPHIC DATA**

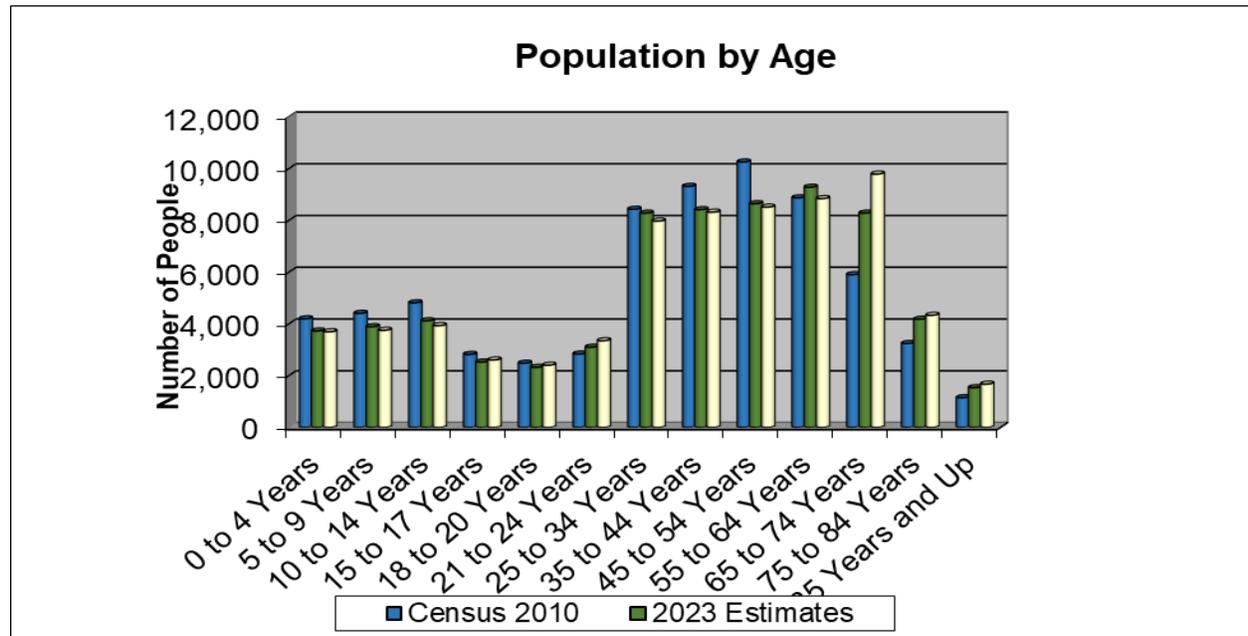
**Community Demographic Data**

**Population Trends**

The housing Market Area for the apartments is an area in which people could locate their residences and have fairly equal access to the same job market, community services and amenities and be in the socio-economic community they choose.

Walker County Population by Age & Sex											
Census 2010				Current Year Estimates - 2023				Five-Year Projections - 2028			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	2,155	2,045	<b>4,200</b>	0 to 4 Years	1,880	1,848	<b>3,728</b>	0 to 4 Years	1,889	1,809	<b>3,698</b>
5 to 9 Years	2,312	2,099	<b>4,411</b>	5 to 9 Years	1,995	1,899	<b>3,894</b>	5 to 9 Years	1,893	1,862	<b>3,755</b>
10 to 14 Years	2,469	2,349	<b>4,818</b>	10 to 14 Years	2,130	1,993	<b>4,123</b>	10 to 14 Years	2,016	1,919	<b>3,935</b>
15 to 17 Years	1,444	1,379	<b>2,823</b>	15 to 17 Years	1,302	1,223	<b>2,525</b>	15 to 17 Years	1,347	1,262	<b>2,609</b>
18 to 20 Years	1,279	1,204	<b>2,483</b>	18 to 20 Years	1,230	1,094	<b>2,324</b>	18 to 20 Years	1,266	1,141	<b>2,407</b>
21 to 24 Years	1,433	1,404	<b>2,837</b>	21 to 24 Years	1,648	1,453	<b>3,101</b>	21 to 24 Years	1,768	1,585	<b>3,353</b>
25 to 34 Years	4,272	4,159	<b>8,431</b>	25 to 34 Years	4,230	4,053	<b>8,283</b>	25 to 34 Years	4,182	3,793	<b>7,975</b>
35 to 44 Years	4,703	4,614	<b>9,317</b>	35 to 44 Years	4,133	4,284	<b>8,417</b>	35 to 44 Years	4,098	4,222	<b>8,320</b>
45 to 54 Years	5,124	5,136	<b>10,260</b>	45 to 54 Years	4,287	4,360	<b>8,647</b>	45 to 54 Years	4,166	4,348	<b>8,514</b>
55 to 64 Years	4,268	4,604	<b>8,872</b>	55 to 64 Years	4,551	4,732	<b>9,283</b>	55 to 64 Years	4,353	4,490	<b>8,843</b>
65 to 74 Years	2,674	3,232	<b>5,906</b>	65 to 74 Years	3,811	4,472	<b>8,283</b>	65 to 74 Years	4,522	5,269	<b>9,791</b>
75 to 84 Years	1,317	1,931	<b>3,248</b>	75 to 84 Years	1,797	2,386	<b>4,183</b>	75 to 84 Years	1,890	2,445	<b>4,335</b>
85 Years and Up	<u>330</u>	<u>821</u>	<u>1,151</u>	85 Years and Up	<u>550</u>	<u>985</u>	<u>1,535</u>	85 Years and Up	<u>608</u>	<u>1,065</u>	<u>1,673</u>
<b>Total</b>	<b>33,780</b>	<b>34,977</b>	<b>68,757</b>	<b>Total</b>	<b>33,544</b>	<b>34,782</b>	<b>68,326</b>	<b>Total</b>	<b>33,998</b>	<b>35,210</b>	<b>69,208</b>
62+ Years	n/a	n/a	12,831	62+ Years	n/a	n/a	16,761	62+ Years	n/a	n/a	18,476
<b>Median Age:</b>			<b>39.7</b>	<b>Median Age:</b>			<b>42.3</b>	<b>Median Age:</b>			<b>43.3</b>

Source: Claritas; Ribbon Demographics



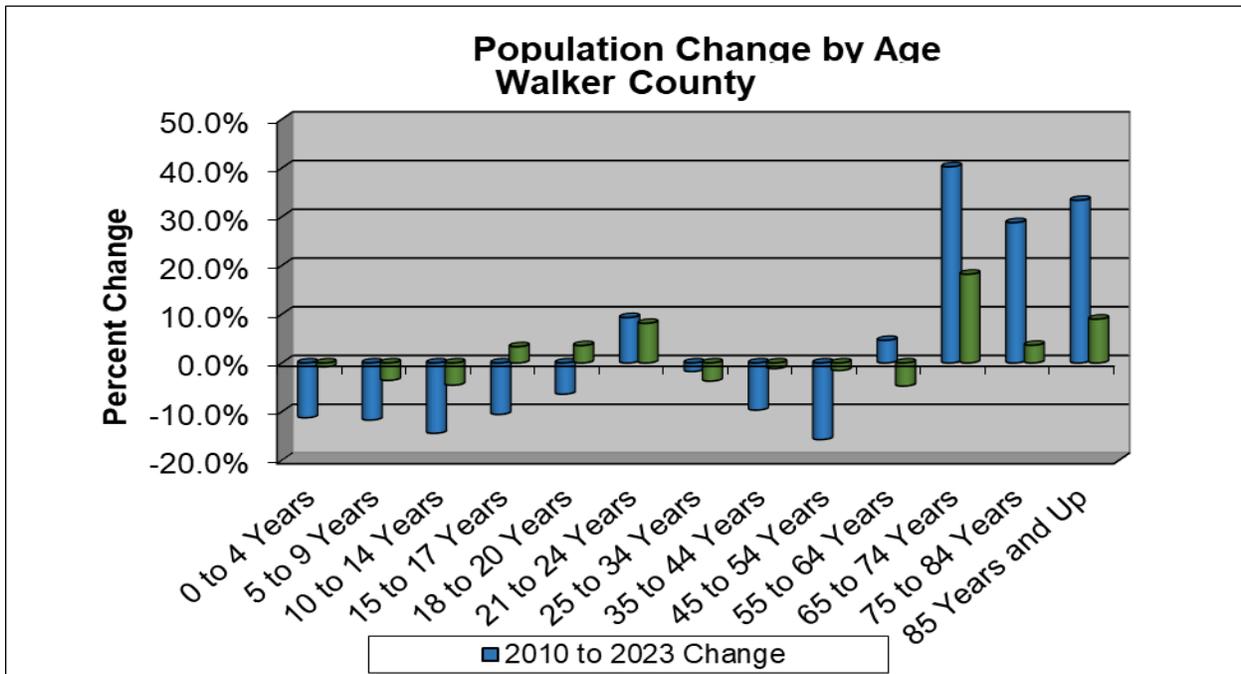
Source: Claritas; Ribbon Demographics



In 2010, this geographic market area contained an estimated population of 68,757. By 2020, population in this market area had decreased by 1.6 percent to 67,654. In 2023, the population in this market area has increased by 1.0 percent to 68,326. It is projected that between 2023 and 2026, population in the market area will increase 0.5 to 68,679. It is projected that between 2023 and 2028, population in the market area will increase 1.3 percent to 69,208. Population estimates and projections are based on the most recent data from Claritas and Ribbon Demographics.

Walker County									
Changes in Population by Age & Sex									
Estimated Change - 2010 to 2023					Projected Change - 2023 to 2028				
Age	Male	Female	Total Change	Percent Change	Age	Male	Female	Total Change	Percent Change
0 to 4 Years	-275	-197	-472	-11.2%	0 to 4 Years	9	-39	-30	-0.8%
5 to 9 Years	-317	-200	-517	-11.7%	5 to 9 Years	-102	-37	-139	-3.6%
10 to 14 Years	-339	-356	-695	-14.4%	10 to 14 Years	-114	-74	-188	-4.6%
15 to 17 Years	-142	-156	-298	-10.6%	15 to 17 Years	45	39	84	3.3%
18 to 20 Years	-49	-110	-159	-6.4%	18 to 20 Years	36	47	83	3.6%
21 to 24 Years	215	49	264	9.3%	21 to 24 Years	120	132	252	8.1%
25 to 34 Years	-42	-106	-148	-1.8%	25 to 34 Years	-48	-260	-308	-3.7%
35 to 44 Years	-570	-330	-900	-9.7%	35 to 44 Years	-35	-62	-97	-1.2%
45 to 54 Years	-837	-776	-1,613	-15.7%	45 to 54 Years	-121	-12	-133	-1.5%
55 to 64 Years	283	128	411	4.6%	55 to 64 Years	-198	-242	-440	-4.7%
65 to 74 Years	1,137	1,240	2,377	40.2%	65 to 74 Years	711	797	1,508	18.2%
75 to 84 Years	480	455	935	28.8%	75 to 84 Years	93	59	152	3.6%
85 Years and Up	220	164	384	33.4%	85 Years and Up	58	80	138	9.0%
<b>Total</b>	<b>-236</b>	<b>-195</b>	<b>-431</b>	<b>-0.6%</b>	<b>Total</b>	<b>454</b>	<b>428</b>	<b>882</b>	<b>1.3%</b>
62+ Years	n/a	n/a	3,930	30.6%	62+ Years	n/a	n/a	1,715	10.2%

Source: Claritas; Ribbon Demographics



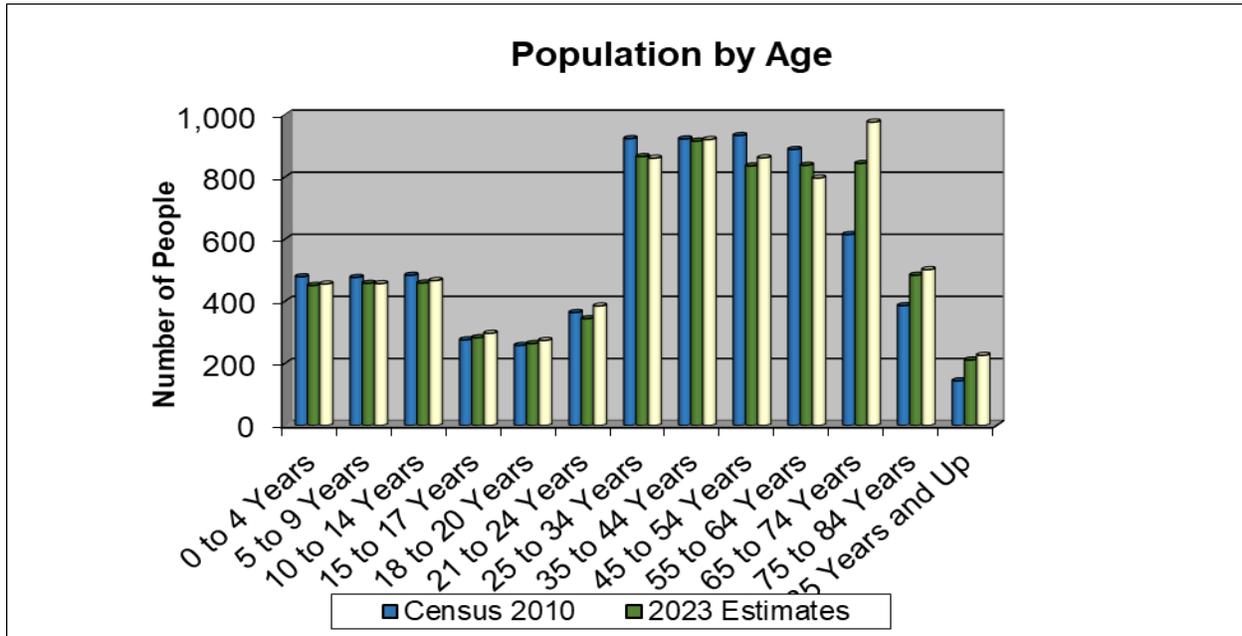
Source: Claritas; Ribbon Demographics



The total population in the market area is increasing at a slower rate as the population for the City of LaFayette. The following tables show the population for the city.

LaFayette Population by Age & Sex											
Census 2010				Current Year Estimates - 2023				Five-Year Projections - 2028			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	238	241	479	0 to 4 Years	223	228	451	0 to 4 Years	230	226	456
5 to 9 Years	251	226	477	5 to 9 Years	236	222	458	5 to 9 Years	229	228	457
10 to 14 Years	233	251	484	10 to 14 Years	233	226	459	10 to 14 Years	241	226	467
15 to 17 Years	131	145	276	15 to 17 Years	143	140	283	15 to 17 Years	150	147	297
18 to 20 Years	138	120	258	18 to 20 Years	140	124	264	18 to 20 Years	143	131	274
21 to 24 Years	170	194	364	21 to 24 Years	177	167	344	21 to 24 Years	200	185	385
25 to 34 Years	464	460	924	25 to 34 Years	423	443	866	25 to 34 Years	437	424	861
35 to 44 Years	477	446	923	35 to 44 Years	429	487	916	35 to 44 Years	427	494	921
45 to 54 Years	455	479	934	45 to 54 Years	403	433	836	45 to 54 Years	406	456	862
55 to 64 Years	405	484	889	55 to 64 Years	394	444	838	55 to 64 Years	383	414	797
65 to 74 Years	260	355	615	65 to 74 Years	365	479	844	65 to 74 Years	415	562	977
75 to 84 Years	125	261	386	75 to 84 Years	180	304	484	75 to 84 Years	195	307	502
85 Years and Up	28	116	144	85 Years and Up	59	152	211	85 Years and Up	65	161	226
<b>Total</b>	<b>3,375</b>	<b>3,778</b>	<b>7,153</b>	<b>Total</b>	<b>3,405</b>	<b>3,849</b>	<b>7,254</b>	<b>Total</b>	<b>3,521</b>	<b>3,961</b>	<b>7,482</b>
62+ Years	n/a	n/a	1,415	62+ Years	n/a	n/a	1,793	62+ Years	n/a	n/a	1,929
<b>Median Age:</b>			<b>38.4</b>	<b>Median Age:</b>			<b>40.5</b>	<b>Median Age:</b>			<b>40.9</b>

Source: Claritas; Ribbon Demographics



Source: Claritas; Ribbon Demographics



### Household Trends

The demand for additional housing in a market area is a function of population growth, household formations, and also a replacement of units lost through demolition and extreme obsolescence. In the case of housing for the elderly, the demand for rental housing is sometimes caused by the inability of the elderly to properly maintain their present ownership housing. Also, within the overall demand are segments of the market asking for more or less expense (related to income) and for ownership or rental.

Some of the demand has been, or will be, satisfied by units which have been built, or will be, by the time the project is renting. The difference between demand and supply, the residual, is the total market of which the project's market will be a share.

The "tenure" of existing housing will be examined first as a guide to the future proportion of ownership and rentals, and then characteristics of the housing stock will be noted.

The most important analysis is that of demand, supply and residual demand which follows. Its product is the number of rental units which will be demanded.

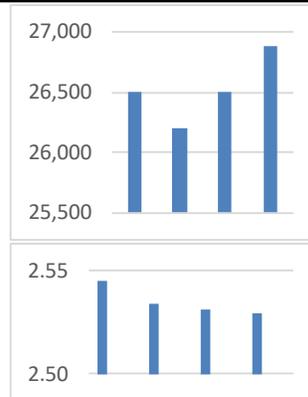
### Tenure

The percentage of renters for Walker County in 2023 is 27.1 percent, and the percentage for LaFayette is 54.2 percent. According to the U.S. Census Bureau, the national rental percentage is 34.6 percent. This percentage is utilized to segment the number of existing households in the demand section of this report. Household estimates and projections are based on the most recent data from Claritas and Ribbon Demographics.

### Walker County

#### Total Households

Census 2010	26,496	
Census 2020	26,206	
Current Year Estimates 2023	26,503	
Five-Year Projections 2028	26,889	
Change 2010 - 2020	-290	-1.1%
Estimated Change 2020 - 2023	297	1.1%
Projected Change 2023 - 2028	386	1.5%
Average Household Size 2010	2.55	
Average Household Size 2020	2.53	
Average Household Size 2023	2.53	
Average Household Size 2028	2.53	



#### Households by Tenure

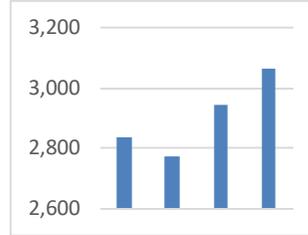
2010 Owner	19,606	74.0%
2010 Renter	6,890	26.0%
2023 Owner	19,325	72.9%
2023 Renter	7,178	27.1%
2028 Owner	19,582	72.8%
2028 Renter	7,307	27.2%

Source: Claritas; Ribbon Demographics



**LaFayette**  
**Total Households**

Census 2010	2,834	
Census 2020	2,775	
Current Year Estimates 2023	2,945	
Five-Year Projections 2028	3,065	
Change 2010 - 2020	-59	-2.1%
Estimated Change 2020 - 2023	170	6.1%
Projected Change 2023 - 2028	120	4.1%
Average Household Size 2010	2.38	
Average Household Size 2020	2.37	
Average Household Size 2023	2.36	
Average Household Size 2028	2.34	



**Households by Tenure**

2010 Owner	1,579	55.7%
2010 Renter	1,255	44.3%
2023 Owner	1,402	47.6%
2023 Renter	1,543	52.4%
2028 Owner	1,453	47.4%
2028 Renter	1,612	52.6%

Source: Claritas; Ribbon Demographics

**Housing Units**

The following tables show significant characteristics of the market area's housing stock in 2023. According to Claritas and Ribbon Demographics, there are 29,452 total housing units in the market area, 26,503 of which are occupied. There are 19,325 owner-occupied households and 7,178 renter-occupied households for 2023. In addition, there are 2,949 total vacant housing units in the market area.

<b>Walker County</b>		
<b>Housing Unit Summary</b>		
<i>Current Year Estimates - 2023</i>		
	<b>Number</b>	<b>Percent</b>
Housing Units	29,452	100.0%
Vacant Housing Units	2,949	10.0%
Renter-Occupied	7,178	27.1%
Owner-Occupied	<u>19,325</u>	<u>72.9%</u>
<b>Total Occupied:</b>	<b>26,503</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas



In 2023, there are 2,944 households constructed prior to 1939. According to Claritas and Ribbon Demographics, 1,459 households were built in 2010 or later.

Walker County		
Housing Units by Year Structure Built		
Current Year Estimates - 2023		
Year	Number	Percent
2014 or Later	937	3.2%
2010 - 2013	522	1.8%
2000 - 2009	4,362	14.8%
1990 - 1999	4,159	14.1%
1980 - 1989	3,679	12.5%
1970 - 1979	4,496	15.3%
1960 - 1969	3,315	11.3%
1950 - 1959	2,636	9.0%
1940 - 1949	2,402	8.2%
1939 or Earlier	<u>2,944</u>	<u>10.0%</u>
<b>Total:</b>	<b>29,452</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas

In 2023, there were 23,285 single-family housing units, 2,619 multifamily housing units and 3,548 mobile homes or other housing in the market area.

Walker County		
Housing Units by Units in Structure		
Current Year Estimates - 2023		
Unit	Number	Percent
I Unit Detached	23,054	78.3%
I Unit Attached	231	0.8%
2 Units	1,108	3.8%
3 to 4 Units	490	1.7%
5 to 19 Units	530	1.8%
20 to 49 Units	258	0.9%
50 or More Units	233	0.8%
Mobile Home	3,548	12.0%
Other	<u>0</u>	<u>0.0%</u>
<b>Total:</b>	<b>29,452</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas



### Rent Overburdened Households

According to the Comprehensive Housing Affordability Strategy (CHAS) published by the Office of Policy Development and Research, in 2019 (the most recent data available), there were 1,015 renter-occupied households in the city with incomes greater than 30 percent and less than or equal to 50 percent that are considered rent overburdened. The rent overburdened households represent 74.6 percent of the households in the city with incomes greater than 30 percent and less than or equal to 50 percent. The percentage of rent-overburdened households was used in the demand analysis to calculate the number of households within the subject's income range that are rent-overburdened.

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total
Household Income <= 30% HAMFI	1,465	1,165	1,895
Household Income >30% to <=50% HAMFI	1,015	190	1,360
Household Income >50% to <=80% HAMFI	365	0	1,845
Household Income >80% to <=100% HAMFI	50	0	540
Household Income >100% HAMFI	45	0	1,675
Total	2,940	1,355	7,315

Source: CHAS 2015-2019 American Community Survey

### Substandard Households

According to the Comprehensive Housing Affordability Strategy (CHAS) published by the Office of Policy Development and Research, in 2019 (the most recent data available), there were 3,155 renter-occupied households in the city with at least one of the four following housing problems: incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room and cost burden greater than 30 percent. This data includes rent-overburdened households which have already been addressed. Therefore, it is necessary to remove the rent-overburdened households from the data to determine the remaining substandard households. The previous table indicates there are 1,360 total rent overburdened households with incomes greater than 30 percent and less than or equal to 50 percent. These 1,360 households that were rent-overburdened were subtracted from the 3,155 households that are substandard. The result of 1,795 households represents 24.5 percent of the total renter households in the city. The percentage of substandard households was used in the demand analysis to calculate the number of households within the subject's income range that are considered substandard.

Housing Problems Overview	Owner	Renter	Total
Household Has At Least 1 of 4 Housing Problems	3,690	3,155	6,845
Household Has None of 4 Housing Problems or Cost Burden Not Available, No Other Problems	14,970	4,160	19,130
Total	18,660	7,315	25,975

Source: CHAS 2015-2019 American Community Survey



**Households Income Trends and Analysis**

<b>Renter Households</b>							
All Age Groups							
Year 2023 Estimates							
	<b>1-Pers</b>	<b>2-Pers</b>	<b>3-Pers</b>	<b>4-Pers</b>	<b>5-Pers</b>	<b>6+-Pers</b>	
	<b>HH</b>	<b>HH</b>	<b>HH</b>	<b>HH</b>	<b>Estimates*</b>	<b>Estimates*</b>	<b>Total</b>
\$0-10,000	357	165	105	29	4	3	<b>663</b>
\$10,000-20,000	844	252	63	113	154	35	<b>1,461</b>
\$20,000-30,000	506	438	184	81	36	17	<b>1,262</b>
\$30,000-40,000	159	142	107	183	74	49	<b>714</b>
\$40,000-50,000	147	269	58	73	67	10	<b>624</b>
\$50,000-60,000	67	233	199	27	101	24	<b>651</b>
\$60,000-75,000	81	197	123	76	16	10	<b>503</b>
\$75,000-100,000	57	208	14	118	58	19	<b>474</b>
\$100,000-125,000	92	100	28	15	66	10	<b>311</b>
\$125,000-150,000	96	63	26	40	40	10	<b>275</b>
\$150,000-200,000	46	23	11	9	9	2	<b>100</b>
\$200,000+	<u>49</u>	<u>35</u>	<u>18</u>	<u>20</u>	<u>10</u>	<u>8</u>	<b>140</b>
<b>Total</b>	<b>2,501</b>	<b>2,125</b>	<b>936</b>	<b>784</b>	<b>635</b>	<b>197</b>	<b>7,178</b>

\* Estimates based on household size ratios; not cross tabulated data

Source: Claritas and Ribbon Demographics

<b>Owner Households</b>							
All Age Groups							
Year 2023 Estimates							
	<b>1-Pers</b>	<b>2-Pers</b>	<b>3-Pers</b>	<b>4-Pers</b>	<b>5-Pers</b>	<b>6+-Pers</b>	
	<b>HH</b>	<b>HH</b>	<b>HH</b>	<b>HH</b>	<b>Estimates*</b>	<b>Estimates*</b>	<b>Total</b>
\$0-10,000	230	228	40	13	7	10	<b>528</b>
\$10,000-20,000	1,076	361	96	77	29	21	<b>1,660</b>
\$20,000-30,000	656	691	192	124	7	22	<b>1,692</b>
\$30,000-40,000	733	1,047	151	193	92	47	<b>2,263</b>
\$40,000-50,000	226	910	284	137	72	48	<b>1,677</b>
\$50,000-60,000	166	521	79	125	90	94	<b>1,075</b>
\$60,000-75,000	295	941	654	277	143	92	<b>2,402</b>
\$75,000-100,000	272	1,130	791	523	354	163	<b>3,233</b>
\$100,000-125,000	118	792	561	453	99	18	<b>2,041</b>
\$125,000-150,000	154	605	176	203	27	15	<b>1,180</b>
\$150,000-200,000	58	260	202	49	119	69	<b>757</b>
\$200,000+	<u>67</u>	<u>344</u>	<u>176</u>	<u>83</u>	<u>93</u>	<u>54</u>	<b>817</b>
<b>Total</b>	<b>4,051</b>	<b>7,830</b>	<b>3,402</b>	<b>2,257</b>	<b>1,132</b>	<b>653</b>	<b>19,325</b>

\* Estimates based on household size ratios; not cross tabulated data

Source: Claritas and Ribbon Demographics



Renter Households							
All Age Groups							
Year 2028 Projections							
	1-Pers	2-Pers	3-Pers	4-Pers	5-Pers	6+-Pers	
	HH	HH	HH	HH	Estimates*	Estimates*	Total
\$0-10,000	339	140	85	25	9	10	608
\$10,000-20,000	681	159	51	86	121	23	1,121
\$20,000-30,000	517	415	193	77	47	15	1,264
\$30,000-40,000	134	114	68	173	59	39	587
\$40,000-50,000	153	317	66	87	64	12	699
\$50,000-60,000	95	238	247	41	120	21	762
\$60,000-75,000	96	171	104	68	25	15	479
\$75,000-100,000	60	219	13	126	60	20	498
\$100,000-125,000	135	115	25	28	81	18	402
\$125,000-150,000	140	103	50	59	59	15	426
\$150,000-200,000	116	56	10	30	11	3	226
\$200,000+	<u>90</u>	<u>58</u>	<u>29</u>	<u>26</u>	<u>21</u>	<u>11</u>	<u>235</u>
<b>Total</b>	<b>2,556</b>	<b>2,105</b>	<b>941</b>	<b>826</b>	<b>677</b>	<b>202</b>	<b>7,307</b>

\* Estimates based on household size ratios; not cross tabulated data  
 Source: Claritas and Ribbon Demographics

Owner Households							
All Age Groups							
Year 2028 Projections							
	1-Pers	2-Pers	3-Pers	4-Pers	5-Pers	6+-Pers	
	HH	HH	HH	HH	Estimates*	Estimates*	Total
\$0-10,000	197	184	29	13	10	6	439
\$10,000-20,000	858	237	56	57	19	10	1,237
\$20,000-30,000	656	661	179	126	3	20	1,645
\$30,000-40,000	611	785	115	122	66	28	1,727
\$40,000-50,000	291	1,032	327	124	63	42	1,879
\$50,000-60,000	210	505	84	140	78	87	1,104
\$60,000-75,000	267	788	501	207	86	54	1,903
\$75,000-100,000	315	1,123	777	516	338	152	3,221
\$100,000-125,000	151	904	656	519	153	18	2,401
\$125,000-150,000	239	768	190	235	16	13	1,461
\$150,000-200,000	135	474	346	95	193	121	1,364
\$200,000+	<u>155</u>	<u>517</u>	<u>216</u>	<u>106</u>	<u>136</u>	<u>71</u>	<u>1,201</u>
<b>Total</b>	<b>4,085</b>	<b>7,978</b>	<b>3,476</b>	<b>2,260</b>	<b>1,161</b>	<b>622</b>	<b>19,582</b>

\* Estimates based on household size ratios; not cross tabulated data  
 Source: Claritas and Ribbon Demographics



The subject's units are most suitable for households with one to five persons which accounts for 86.6 percent of the market area renters. Income is a key characteristic in analyzing housing markets. The previous pages show household incomes for the Market Area for all renter and owner households in 2023 and 2028. However, this analysis is primarily concerned with target incomes of family renters as shown in the following table:

INCOME-ELIGIBLE RENTER HOUSEHOLDS					
	Gross Rent	Lower Range	Upper Range	% Income Qualified	Income-Eligible Households
All Unit Types (All)	\$744	\$25,509	\$51,600	28.0%	2,009
All Unit Types (50%)	\$744	\$25,509	\$43,000	20.5%	1,468
All Unit Types (60%)	\$894	\$30,651	\$51,600	19.4%	1,396
1 BR (50%)	\$744	\$25,509	\$31,850	10.4%	480
1 BR (60%)	\$894	\$30,651	\$38,220	4.9%	228
2 BR (50%)	\$894	\$30,651	\$35,850	4.2%	129
2 BR (60%)	\$1,074	\$36,823	\$43,020	5.8%	178
3 BR (50%)	\$1,033	\$35,417	\$43,000	9.9%	252
3 BR (60%)	\$1,238	\$42,446	\$51,600	8.4%	213

Source: Claritas; Ribbon Demographics and HUD

Target incomes for the different unit types are derived by the analyst. For the low end of the range, the lowest rent charged in an income limit (i.e., 60% AMI) for a unit is divided by 30 percent. The resulting number is then multiplied by 12 to derive an annual income ( $\$744 / 35\% = \$2,125.71 \times 12 = \$25,509$ ). This process is based on the premise that a tenant should not pay more than 35 percent of his annual income on rent. For the high end of the range, the analyst consults the income limits set by the LIHTC program. For example, if the largest unit in an income limit (i.e. 60% AMI) is a two-bedroom unit, the analyst multiplies this number by 1.5 (this is due to the LIHTC program being based on the premise that 1.5 persons per bedroom will occupy rental units) to find how many people could reside in that unit. The analyst then consults the state income limits to set the high end of the range (2 bedroom x 1.5 = 3 people/unit; therefore, the 60% 3-person maximum income would be used).

The following table shows the maximum income limits at each income level as determined by the U.S. Department of Housing and Urban Development.

LIHTC INCOME LIMITS		
Person in Households	50%	60%
1	\$27,900	\$33,480
2	\$31,850	\$38,220
3	\$35,850	\$43,020
4	\$39,800	\$47,760
5	\$43,000	\$51,600
6	\$46,200	\$55,440

Source: HUD



**EMPLOYMENT TRENDS**

**Employment Trends**

The economy of the market area is based on accommodation and food services; construction; educational services; healthcare and social assistance; manufacturing; and retail trade sectors. Each of these industries has experienced reasonable growth within the past few years.

Employment in Walker County has been increasing 0.7 percent per year since 2010. Employment in the State of Georgia has been increasing an average of 1.6 percent per year since 2010. The unemployment rate for Walker County has fluctuated from 3.0 percent to 6.1 percent since 2015. These fluctuations are slightly lower than the unemployment rates for the State of Georgia. The following table shows the number of employees per industry in Walker County since 2012:

AT-PLACE EMPLOYMENT TRENDS											
INDUSTRY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022**
Agriculture, Forestry and Fisheries	N/A*	N/A*	N/A*	N/A*	N/A*	12	14	14	13	13	14
Mining	20	22	22	21	15	12	14	14	13	13	14
Construction	345	289	215	201	208	225	249	288	305	331	399
Manufacturing	3,780	3,967	4,193	4,236	4,356	4,459	4,631	4,511	4,286	4,966	5,356
Transportation and Warehousing	87	79	77	69	99	105	113	127	149	154	162
Utilities	N/A*										
Wholesale Trade	276	307	208	198	163	254	260	277	201	186	205
Retail Trade	1,327	1,279	1,300	1,318	1,372	1,332	1,343	1,396	1,369	1,369	1,389
Leisure and Hospitality	1,092	1,164	1,130	1,110	1,196	1,217	1,171	1,184	1,103	1,132	1,186
Education and Health Services	965	859	842	850	807	817	843	973	910	1,001	972
Professional and Business Services	279	277	272	325	496	644	669	607	628	618	617
Financial Activities	465	461	433	430	462	474	490	494	699	975	1,036
Information	47	48	47	48	47	46	44	37	31	36	44
Other Services	312	327	340	326	313	330	310	327	308	287	240
Public Administration (Local Government)	N/A*	663									

Source: U.S. Bureau of Labor Statistics

\*Data was not available.

\*\*Preliminary Data

LABOR FORCE AND EMPLOYMENT TRENDS FOR GEORGIA					
ANNUALS	CIVILIAN LABOR FORCE*	EMPLOYMENT		UNEMPLOYMENT	
		TOTAL	%	TOTAL	%
2010	4,709,781	4,207,266	89.3%	502,515	10.7%
2011	4,739,281	4,258,833	89.9%	480,448	10.1%
2012	4,770,618	4,339,369	91.0%	431,249	9.0%
2013	4,750,046	4,363,292	91.9%	386,754	8.1%
2014	4,745,859	4,407,067	92.9%	338,792	7.1%
2015	4,734,088	4,446,515	93.9%	287,573	6.1%
2016	4,921,814	4,653,740	94.6%	268,074	5.4%
2017	5,107,889	4,864,813	95.2%	243,076	4.8%
2018	5,126,923	4,922,489	96.0%	204,434	4.0%
2019	5,160,512	4,975,975	96.4%	184,537	3.6%
2020	5,095,696	4,766,734	93.5%	328,962	6.5%
2021	5,179,121	4,977,562	96.1%	201,559	3.9%
2022	5,234,275	5,075,093	97.0%	159,182	3.0%
2023**	5,318,955	5,145,351	96.7%	173,604	3.3%

\* Data based on place of residence.

\*\*Preliminary - based on monthly data through July 2023

Source: U.S. Bureau of Labor Statistics

The State of Georgia reached a high of 10.7 percent in 2010, and a low of 3.0 percent in 2022. The rate for the State of Georgia in July 2023 was 3.3 percent.



LABOR FORCE AND EMPLOYMENT TRENDS FOR WALKER COUNTY					
ANNUALS	CIVILIAN LABOR FORCE*	EMPLOYMENT		UNEMPLOYMENT	
		TOTAL	%	TOTAL	%
2010	31,068	27,822	89.6%	3,246	10.4%
2011	31,016	27,996	90.3%	3,020	9.7%
2012	30,820	28,089	91.1%	2,731	8.9%
2013	30,120	27,705	92.0%	2,415	8.0%
2014	29,356	27,230	92.8%	2,126	7.2%
2015	29,064	27,298	93.9%	1,766	6.1%
2016	29,938	28,247	94.4%	1,691	5.6%
2017	31,170	29,750	95.4%	1,420	4.6%
2018	31,397	30,177	96.1%	1,220	3.9%
2019	31,510	30,340	96.3%	1,170	3.7%
2020	30,661	29,161	95.1%	1,500	4.9%
2021	30,754	29,771	96.8%	983	3.2%
2022	31,180	30,239	97.0%	941	3.0%
2023**	31,929	31,006	97.1%	923	2.9%

\* Data based on place of residence.

\*\*Preliminary - based on monthly data through July 2023

Source: U.S. Bureau of Labor Statistics

Unemployment in the county reached a high of 10.4 percent in 2010 and a low of 3.0 percent in 2022. The annual rate for Walker County in July 2023 was 2.9 percent.

CHANGE IN TOTAL EMPLOYMENT FOR WALKER COUNTY				
PERIOD	NUMBER		PERCENT	
	TOTAL	ANNUAL	TOTAL	ANNUAL
2010-2015	(524)	(105)	-1.9%	-0.4%
2015-2020	2,941	588	10.8%	2.2%

Source: U.S. Bureau of Labor Statistics

The data shows that the number of persons employed in Walker County increased an average of 0.9 percent per year between 2010 and 2020.

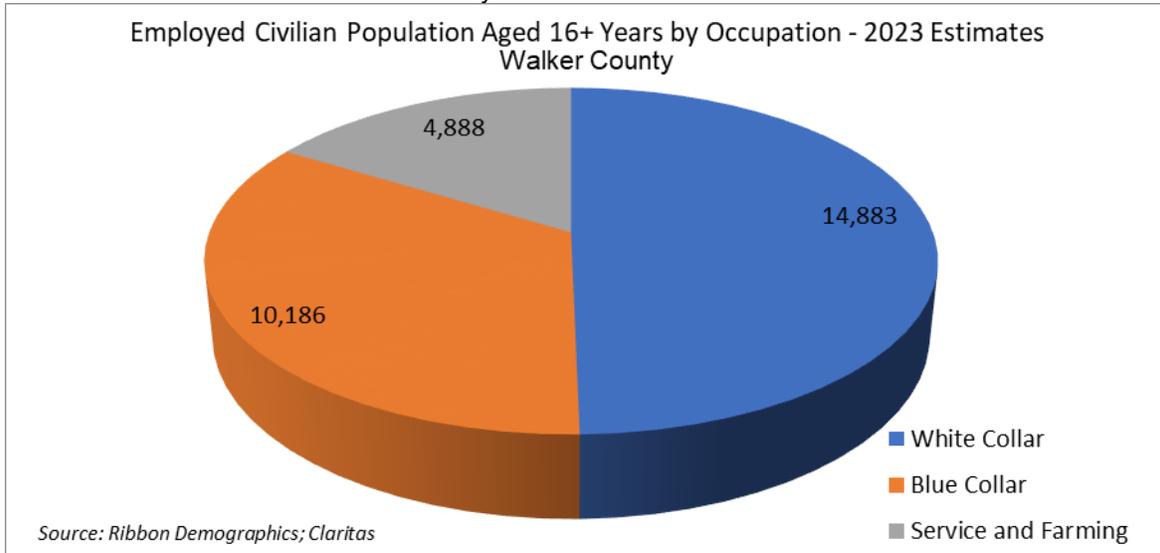
RECENT CHANGES IN EMPLOYMENT FOR WALKER COUNTY			
YEAR	NUMBER EMPLOYED	ANNUAL CHANGE	% OF LABOR FORCE UNEMPLOYED
2015	27,298	68	6.1%
2016	28,247	949	5.6%
2017	29,750	1,503	4.6%
2018	30,177	427	3.9%
2019	30,340	163	3.7%
2020	29,161	(1,179)	4.9%
2021	29,771	610	3.2%
2022	30,239	468	3.0%

Source: U.S. Bureau of Labor Statistics

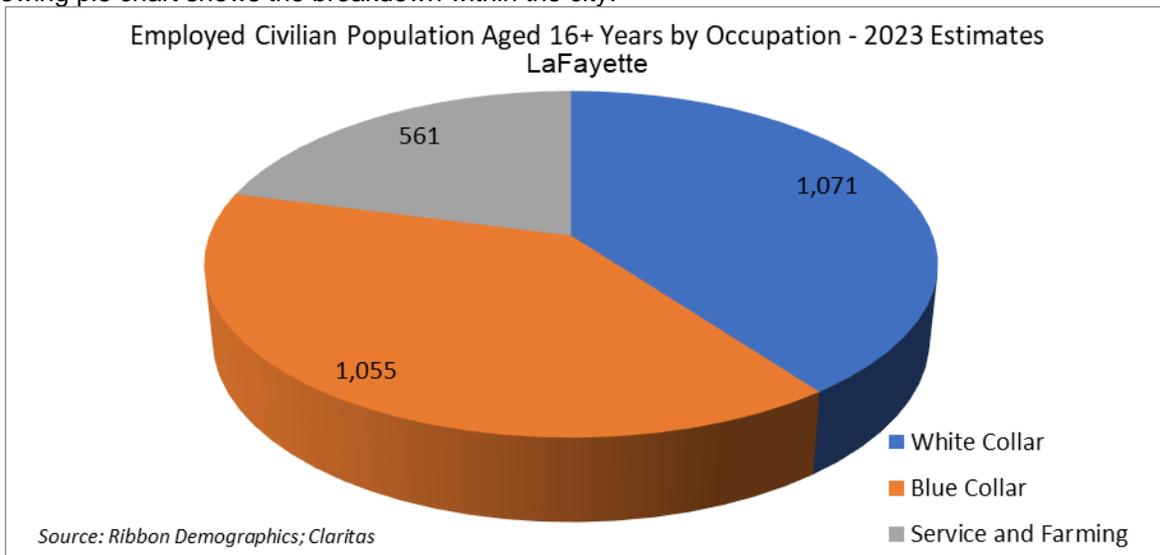
The unemployment rate has fluctuated from 3.0 percent to 6.1 percent since 2015. These fluctuations are slightly lower than the unemployment rates for the State of Georgia



The majority of the civilian population within Walker County are employed in white collar jobs though a significant portion are also employed in service and farming and blue collar positions. The following pie chart shows the breakdown within the county.



The majority of the civilian population within the City of LaFayette are employed in blue collar jobs though a significant portion are also employed in white collar and service and farming and positions. The following pie chart shows the breakdown within the city.





**Major Employers**

Major employers, product or service and number of employees for the LaFayette Metropolitan Area are as follows.

MAJOR EMPLOYERS	
Name	Product/Service
BlueCross BlueShield of Tennessee	Insurance
Enviroquip Parts, LLC	Business Manufacturing & Supply
Food City	Supermarket
Lucent Group, LLC	Environmental, Laundry and Dietary Services
Nissin Brake Georgia	Automotive/Nonautomotive Brake Systems
Roper Corporation	Ranges/Cooktops
See Rock City, Inc.	Recreation
Shaw Industries Group	Flooring Supplier
Walmart	Retail

*Source: Georgia Department of Labor*





**Place of Work Employment**

The following chart shows the number of people employed in different sectors of the county's economy in 2023.

Walker County Employed Civilian Population Aged 16+ Years by Industry Current Year Estimates - 2023		
Industry	Number Employed	Percent Employed
Accommodation/Food Services	1,858	6.2%
Administrative/Support/Waste Management	1,034	3.5%
Agriculture/Forestry/Fishing/Hunting/Mining	388	1.3%
Arts/Entertainment/Recreation	463	1.5%
Construction	2,510	8.4%
Educational Services	2,755	9.2%
Finance/Insurance/Real Estate/Rent/Lease	1,038	3.5%
Health Care/Social Assistance	4,446	14.8%
Information	257	0.9%
Management of Companies and Enterprises	45	0.2%
Manufacturing	6,119	20.4%
Other Services Except Public Administration	1,441	4.8%
Professional/Scientific/Technical Services	940	3.1%
Public Administration	776	2.6%
Retail Trade	3,448	11.5%
Transportation/Warehousing/Utilities	1,884	6.3%
Wholesale Trade	555	1.9%
<b>Total:</b>	<b>29,957</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas

The following chart shows the number of people employed in different sectors of the city's economy in 2023.

LaFayette Employed Civilian Population Aged 16+ Years by Industry Current Year Estimates - 2023		
Industry	Number Employed	Percent Employed
Accommodation/Food Services	191	7.1%
Administrative/Support/Waste Management	111	4.1%
Agriculture/Forestry/Fishing/Hunting/Mining	18	0.7%
Arts/Entertainment/Recreation	41	1.5%
Construction	298	11.1%
Educational Services	202	7.5%
Finance/Insurance/Real Estate/Rent/Lease	62	2.3%
Health Care/Social Assistance	238	8.9%
Information	39	1.5%
Management of Companies and Enterprises	0	0.0%
Manufacturing	704	26.2%
Other Services Except Public Administration	145	5.4%
Professional/Scientific/Technical Services	14	0.5%
Public Administration	83	3.1%
Retail Trade	395	14.7%
Transportation/Warehousing/Utilities	83	3.1%
Wholesale Trade	63	2.3%
<b>Total:</b>	<b>2,687</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas

The above chart shows the number of people employed in different sectors of the City of LaFayette and Walker County economy in 2023. According to interviews conducted by the analyst, employers in the area indicate that the area economy should remain stable in the next two to five years.



**Future Employment Trends**

According to the Walker County Development Authority, the following economic development activities have occurred within the couple past years in Walker County:

NEW AND EXPANDING BUSINESSES		
Company	New/Expansion	Employees Added
Roper Corporation	Expansion	600
Lodge at McLemore	New	300
<b>Total:</b>		<b>900</b>

Source: Walker County Development Authority

Overall, it is believed that the economy of LaFayette will remain stable.

In addition, no WARN notices were issued for the city in the past two years. As the number of new jobs out numbers the number of job losses, it is believed that the economy of LaFayette will remain stable.

The market area’s economic outlook appears stable. There have been some new and/or expanding businesses in the market area. In addition, wages have been increasing, and it appears residents have low commuting times. Therefore, it is anticipated that the economic growth with the city and county will remain stable. Consequently, there are no anticipated changes in the economic growth of the market area. It appears the economic outlook for the city will remain stable and will not have a negative impact on the ability of the subject to achieve a stabilized occupancy rate.

**Wages**

The average annual wage of Walker County employees was \$47,328 in 2022. Wages have been increasing 8.4 percent per year. Wages in construction; manufacturing; retail trade; education and health services; professional and business services; other services; and public administration sectors are within the income limits of the development.

AVERAGE ANNUAL WAGE BY SECTOR			
INDUSTRY	2021	2022**	% INCREASE
Agriculture, Forestry and Fisheries	\$43,378	\$53,275	22.8%
Mining	\$43,378	\$53,275	22.8%
Construction	\$44,989	\$48,558	7.9%
Manufacturing	\$42,420	\$41,874	-1.3%
Transportation and Warehousing	\$51,023	\$57,307	12.3%
Utilities	N/A*	N/A*	N/A*
Wholesale Trade	\$57,634	\$58,970	2.3%
Retail Trade	\$26,038	\$26,789	2.9%
Leisure and Hospitality	\$19,861	\$21,791	9.7%
Education and Health Services	\$34,051	\$39,539	16.1%
Professional and Business Services	\$38,549	\$44,558	15.6%
Financial Activities	\$67,301	\$68,419	1.7%
Information	\$55,386	\$56,639	2.3%
Other Services	\$43,907	\$45,704	4.1%
Public Administration (Local Government)	N/A*	\$45,899	N/A*

Source: U.S. Bureau of Labor Statistics

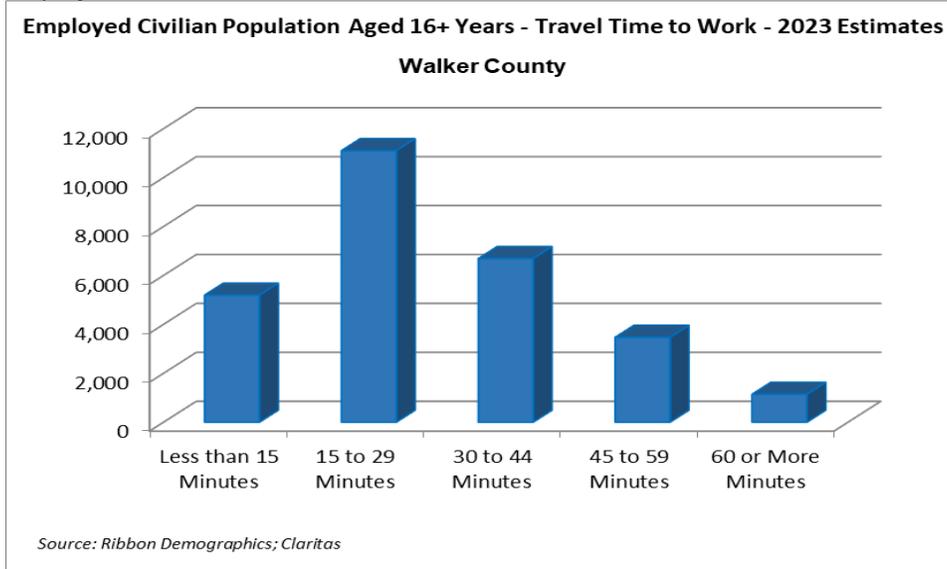
\*Data was not available.

\*\*Preliminary Data



### Employment Outside the County

For residents employed in the market area, the travel time to work from the site will be less than 30 minutes. For the majority of those employed in other parts of the county, the travel time would be within 44 minutes. According to the chart below, 18.8 percent in the market area have a travel time of less than 15 minutes; 40.2 percent have a travel time of 15 to 29 minutes; and 41.0 percent have a travel time of over 30 minutes. This relatively low travel time indicates that the subject site is in an area in close proximity to employment centers.





**PROJECT-SPECIFIC AFFORDABILITY & DEMAND ANALYSIS**

**Household Income Trends and Analysis**

Renters within the target incomes between \$25,509 and \$51,600, or 51.6 percent, qualify for the subject's proposed units. Target incomes for the different unit types are derived by the analyst. For the low end of the range, the lowest gross rent charged in an income limit (i.e. 60% AMI) for a unit is divided by 35 percent. The resulting number is then multiplied by 12 to derive an annual income ( $\$744 / 35\% = \$2,125.71 \times 12 = \$25,509$ ). This process is based on the premise that a tenant should not pay more than 35 percent of his annual income on rent.

For the high end of the range, the analyst consults the income limits set by the state housing authority. For example, if the largest unit in an income limit (i.e. 60% AMI) is a two-bedroom unit, the analyst multiplies this number by 1.5 (this is due to the Low Income Housing Tax Credit (LIHTC) program being based on the premise that 1.5 persons per bedroom will occupy rental units) to find how many people could reside in that unit. The analyst then consults the state income limits to set the high end of the range (2 bedroom x 1.5 = 3 people/unit; therefore, the 60% 3-person maximum income would be used).

**Sources of Demand**

The potential tenants for the existing development include households who now live within the market area. It will appeal to potential tenants who have adequate incomes to pay the proposed rents and find the development more attractive in terms of price, unit features and project amenities than other available rental units. The market area is gaining approximately 77 households per year. In addition, there is a considerably number of rent-overburdened households, 1,015 households.

**Required Unit Mix**

The LIHTC program is based on the premise that 1.5 persons per bedroom will occupy rental units. We expect that 10 percent of one-person households will occupy efficiency units. We expect 90 percent of one-person households and 25 percent of two-person households will occupy one-bedroom units. We expect that 75 percent of two-person households and 50 percent of three-person households will occupy two-bedroom units. We expect that 50 percent three-person households, 75 percent of four-person households and 50 percent of households with five or more persons will occupy three-bedroom units. We expect 25 percent of four-person household, 50 percent of household with five persons, and 100 percent of household with six or more persons will occupy units with four or more bedrooms.

The following tables illustrate the ratio of units required by each household size. These occupancy patterns suggest that efficiency units should account for 3.5 percent of the renter housing demand; one-bedroom units should account for 38.8 percent; two-bedroom units should account for 28.7 percent; three-bedroom units should account for 19.1 percent; and four-bedroom units should account for 9.9 percent.

RENTAL HOUSING DEMAND BY NUMBER OF BEDROOMS						
HOUSEHOLD SIZE	0 BR	1 BR	2 BR	3 BR	4 BR	TOTAL
1 Person	250	2,251	0	0	0	2,501
2 Persons	0	531	1,594	0	0	2,125
3 Persons	0	0	468	468	0	936
4 Persons	0	0	0	588	196	784
5 Persons	0	0	0	318	318	635
6 or More Persons	0	0	0	0	197	197
<b>TOTAL</b>	<b>250</b>	<b>2,782</b>	<b>2,062</b>	<b>1,374</b>	<b>711</b>	<b>7,178</b>
<b>PERCENT</b>	<b>3.5%</b>	<b>38.8%</b>	<b>28.7%</b>	<b>19.1%</b>	<b>9.9%</b>	<b>100.0%</b>

Source: Claritas; Ribbon Demographics



### Eligible Households

The following table uses a 35 percent lease rent-to-income to determine the minimum target income required for each unit and the tax credit income limits to determine the upper range of eligibility for each LIHTC unit. The following table lists the number of households within the required target income for each unit type.

INCOME-ELIGIBLE RENTER HOUSEHOLDS					
	Gross Rent	Lower Range	Upper Range	% Income Qualified	Income-Eligible Households
All Unit Types (All)	\$744	\$25,509	\$51,600	28.0%	2,009
All Unit Types (50%)	\$744	\$25,509	\$43,000	20.5%	1,468
All Unit Types (60%)	\$894	\$30,651	\$51,600	19.4%	1,396
1 BR (50%)	\$744	\$25,509	\$31,850	10.4%	480
1 BR (60%)	\$894	\$30,651	\$38,220	4.9%	228
2 BR (50%)	\$894	\$30,651	\$35,850	4.2%	129
2 BR (60%)	\$1,074	\$36,823	\$43,020	5.8%	178
3 BR (50%)	\$1,033	\$35,417	\$43,000	9.9%	252
3 BR (60%)	\$1,238	\$42,446	\$51,600	8.4%	213

Source: Claritas; Ribbon Demographics and HUD

### Projects Under Construction

According to the City of LaFayette, there are currently no multifamily projects under construction in the market area.

### Planned Projects

According to the Georgia Department of Community Affairs, there are no recently awarded projects in the market area that are currently under construction or in the pipeline.

### New & Pipeline Units

According to the Georgia Department of Community Affairs, there was one development awarded in the market area within the past five years.

- Village at Chickamauga II was awarded tax credits in 2019 for the construction of a 60-unit development designated for Housing for Older Persons. This property has been constructed and contains one- and two-bedroom units with rents set at 50 and 60 percent AMI. Of the 60 units, 12 units are set at 50 percent AMI and 48 units are set at 60 percent of the area median income. Since this is a senior property, the property will not directly compete with the subject.

### Demand and Net Demand

The following are the demand sources as indicated in the Market Study Manual released by the Georgia Department of Community Affairs:

- Demand from New Household:** New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined. This should be forecasted using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as Claritas or State Data Center or the U.S. Census/American Community Survey (ACS). This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.

In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5 persons +). A demand analysis that does not account for this may overestimate demand.

*The market area indicates an increase of 25 renter-occupied households per year in the market area from 2023 to 2028 as shown on the Households by Tenure table on Page 66. The subject's construction and construction will be complete in 2025. Therefore, the increase of 25 renter-occupied households per year was multiplied by two years. The result is 50 renter-occupied households. The renter-occupied household growth between 2023 and 2026 (50) was then multiplied by the percent income qualified previously determined on Page 64. The result is determined to be the new renter-occupied households.*



- b. **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. In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent; and households in substandard housing should be determined based on age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both households that are rent-overburdened or living in substandard housing.

*The table on Page 61 indicates there are 1,015, or 24.5 percent, total substandard households in the primary market area. The percentage of substandard households is multiplied by the percent income qualified as shown on Page 64. The result was determined to be the demand for substandard housing.*

*The table on Page 61 indicates the number of rent overburdened households within each income sector. The number of rent overburdened households was multiplied by the appropriate percent income qualified within each income sector for units at each percent of the area median income as well as the total tax credit units. The result was determined to be the demand for rent overburdened households.*

- c. **Elderly Homeowners likely to convert to rentership:** DCA recognizes that this type of turnover is increasingly becoming a factor in the demand for Elderly tax credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (62 and over) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band in order to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis.

*The subject property is a proposed family facility. Therefore, this category is considered not applicable.*

#### Net Demand, Capture Rate and Stabilization Calculations

The overall demand components were added together to determine total demand. Any vacant competitive units in the current supply or any units constructed in the past two years must be subtracted from the demand to determine a net demand. Comparable units (vacant or occupied) funded, under construction or placed in service in 2020 and 2021 must be subtracted to calculate net demand. In addition, vacancies in projects placed in service prior to 2018 which have not reached stabilized occupancy must also be considered as part of the supply. There was one unstabilized LIHTC units in the market area; however, there were no new comparable units in the pipeline. The following table contain the summary demand estimates in the primary market area for all units.



	HH at 50% AMI (\$25,509 to \$43,000)	HH at 60% AMI (\$30,651 to \$51,600)	All Tax Credit Households (\$25,509 to \$51,600)
Demand from New Household (age and income appropriate)	10	10	14
<b>Plus</b>			
Demand from Existing Renter Households - Substandard Housing	360	342	493
<b>Plus</b>			
Demand from Existing Renter Households - Rent Overburdened Households	1,096	1,042	1,499
<b>Equals Total Demand</b>	1,466	1,394	2,006
<b>Less</b>			
Supply of Current vacant units, under construction and/or newly constructed in past 2 years	0	156	156
<b>Equals Net Demand</b>	1,466	1,238	1,850

### Required Capture Rate

The following chart indicates the net demand and the capture rates:

AMI	Unit Type	Income Units	Proposed Units	Total Demand	Supply	Net Demand	Capture Rate	Avg. Market Rent	Market Rents Band	Proposed Rent
50% AMI	1 BR	\$25,509-\$31,850	6	568	0	568	1.1%	\$950	N/A	\$635
50% AMI	2 BR	\$30,651-\$35,850	18	421	0	421	4.3%	\$1,050	N/A	\$755
50% AMI	3 BR	\$35,417-\$43,000	8	281	0	281	2.9%	\$1,300	N/A	\$860
60% AMI	1 BR	\$30,651-\$38,220	24	540	18	522	4.6%	\$950	N/A	\$785
60% AMI	2 BR	\$36,823-\$43,020	66	400	90	310	21.3%	\$1,050	N/A	\$935
60% AMI	3 BR	\$42,446-\$51,600	28	267	48	219	12.8%	\$1,300	N/A	\$1,065
Bedroom Overall	1 BR	\$25,509-\$38,220	30	673	18	655	4.6%	\$950	N/A	\$635-\$785
	2 BR	\$30,651-\$43,020	84	334	90	244	34.4%	\$1,050	N/A	\$755-\$935
	3 BR	\$35,417-\$51,600	36	459	48	411	8.8%	\$1,300	N/A	\$860-\$1,065
TOTAL for Project	50% AMI	\$25,509-\$43,000	32	1,270	0	1,270	2.5%	\$950-\$1,300	N/A	\$635-\$860
	60% AMI	\$30,651-\$51,600	118	1,207	156	1,051	11.2%	\$950-\$1,300	N/A	\$785-\$1,065
	Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	All	\$25,509-\$51,600	150	6,669	156	6,513	2.3%	\$950-\$1,300	N/A	\$635-\$1,065

The subject is a proposed 150-unit LIHTC family property and is applying for tax credits at 50 and 60 percent of the area median income. According to DCA guidelines, the subject must have a capture rate of 30 percent or less for all one-bedroom units, 30 percent or less for all two-bedroom units, 40 percent or less for all three-bedroom units, and 50 percent or less for units with four or more bedrooms. Furthermore, the overall capture rate for tax credit and market rate units shall not exceed 30% for Applications in the flexible pool and 35% for Applications in the Rural pool. And lastly, capture rates for each bedroom type within each AMI market segment type (i.e. 30%, 50%, 60% and market) shall not exceed 60 percent. Additionally, there was one LIHTC property in the market area that was not stabilized. In addition, there were no new comparable units planned that will directly compete with the subject and must be considered and subtracted from the demand. This one property has a total of 156 competing units. Therefore, the subject will need to capture 2.3 percent of the renter housing demand, which is far below the maximum allowable capture rates as indicated by the DCA guidelines. Therefore, after considering all factors, it is the opinion of the analyst that the subject is viable within the market area and should be funded.



**COMPETITIVE RENTAL ANALYSIS**

**Comparable Profile Pages**

**Multi-Family Lease No. 1**



**Property Identification**

**Record ID** 41433  
**Property Type** Walk-Up  
**Property Name** Grey Parc of Rossville  
**Address** 800 Walker Avenue, Rossville, Walker County, Georgia 30741  
**Market Type** Market  
**Verification** Daniel; 423-558-2737, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	16	719	\$785	\$1.09
2/1	50	1,175	\$990	\$0.84
3/1	44	1,257	\$1,168	\$0.93



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**Multi-Family Lease No. 1 (Cont.)**

<b>Occupancy</b>	100%
<b>Rent Premiums</b>	N
<b>Total Units</b>	110
<b>Unit Size Range</b>	719 - 1,257
<b>Avg. Unit Size</b>	1,141
<b>Monthly Rent Range</b>	\$785 - \$1,168
<b>Avg. Rent/Unit</b>	\$1,031
<b>Avg. Rent/SF</b>	\$0.90

**SF** 125,562

**Physical Data**

<b>No. of Buildings</b>	22
<b>Construction Type</b>	Brick
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/O
<b>Year Built</b>	1971/2020
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Carpet, Wood Composite, Blinds, Coat Closet, Picnic Area, Laundry Facility, On-Site Management, On-Site Maintenance

**Remarks**

The property does not maintain a waiting list, and the annual turnover rate is approximately four percent. The units were updated in 2020 with new flooring, cabinets, appliances, doors and paint.



**Multi-Family Lease No. 2**



**Property Identification**

**Record ID** 11320  
**Property Type** Walk-Up  
**Property Name** Town Creek Apartments  
**Address** 300 Cooper Street, LaFayette, Walker County, Georgia 30728  
**Market Type** Market

**Verification** Management; 706-620-2762, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			<u>Mo. Rent/SF</u>
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	
1/1	12	605	\$899	\$1.49
2/1	36	775	\$999	\$1.29
3/1	12	1,045	\$1,099	\$1.05



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**Multi-Family Lease No. 2 (Cont.)**

<b>Occupancy</b>	93%
<b>Rent Premiums</b>	N
<b>Total Units</b>	60
<b>Unit Size Range</b>	605 - 1,045
<b>Avg. Unit Size</b>	795
<b>Monthly Rent Range</b>	\$899 - \$1,099
<b>Avg. Rent/Unit</b>	\$999
<b>Avg. Rent/SF</b>	\$1.26

**SF** 47,700

**Physical Data**

<b>No. of Buildings</b>	7
<b>Construction Type</b>	Brick
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Electricity, Water, Sewer, Trash Collection
<b>Parking</b>	L/0
<b>Year Built</b>	1971
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Carpet, Vinyl, Ceramic Tile, Blinds, Walk-In Closet (2 BR), Picnic Area, Laundry Facility, On-Site Management, On-Site Maintenance

**Remarks**

The property contains 18 Section 8 units (six one-bedroom units and 12 two-bedroom units). The remaining units are market-rate. The property has a waiting list of 42 applicants, 21 waiting for one-bedroom units and 21 waiting for two-bedroom units. All utilities are provided in the Section 8 units. Water, sewer and trash are the only utilities provided in the market-rate units. The annual turnover rate is approximately 40 percent.



**Multi-Family Lease No. 3**



**Property Identification**

**Record ID** 44315  
**Property Type** Garden  
**Property Name** Dorell Apartments  
**Address** 205 Pearl Street, Chickamauga, Walker County, Georgia 30707  
**Market Type** Market

**Verification** Devin; 423-413-5934, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			<u>Mo. Rent/SF</u>
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	
1/1	4	600	\$650	\$1.08
2/1	6	850	\$750	\$0.88



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**Multi-Family Lease No. 3 (Cont.)**

<b>Occupancy</b>	80%
<b>Rent Premiums</b>	N
<b>Total Units</b>	10
<b>Unit Size Range</b>	600 - 850
<b>Avg. Unit Size</b>	750
<b>Monthly Rent Range</b>	\$650 - \$750
<b>Avg. Rent/Unit</b>	\$710
<b>Avg. Rent/SF</b>	\$0.95

**SF** 7,500

**Physical Data**

<b>No. of Buildings</b>	1
<b>Construction Type</b>	Brick
<b>HVAC</b>	Wall Elec/Window Elec
<b>Stories</b>	1
<b>Utilities with Rent</b>	None
<b>Parking</b>	L/0
<b>Year Built</b>	1970/2012
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Wood, Ceramic Tile, Blinds, Ceiling Fans

**Remarks**

The property does not maintain an active waiting list. The property is typically 100 percent occupied; however, management is currently renovating the vacant units. The square footage of the units was estimated based on the gross building area provided by the Walker County Assessor's Office.



**Multi-Family Lease No. 4**



**Property Identification**

**Record ID** 44317  
**Property Type** Walk-Up  
**Property Name** Park Trace Apartments  
**Address** 730 West James Street, Rossville, Walker County, Georgia 30741  
**Market Type** Market  
**Verification** Lois; 706-858-0140, September 6, 2023

**Unit Mix**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	62	546	\$580	\$1.06
<b>Occupancy</b>	100%			
<b>Rent Premiums</b>	N			
<b>Total Units</b>	62			
<b>Avg. Unit Size</b>	546			
<b>Avg. Rent/Unit</b>	\$580			
<b>Avg. Rent/SF</b>	\$1.06			
<b>SF</b>	33,852			



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**Multi-Family Lease No. 4 (Cont.)**

**Physical Data**

<b>No. of Buildings</b>	2
<b>Construction Type</b>	Concrete Block/Siding
<b>HVAC</b>	Wall Elec/Wall Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Water
<b>Parking</b>	L/0
<b>Year Built</b>	1985
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Carpet, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Coat Closet, Balcony, Patio, Picnic Area, Laundry Facility, On-Site Management, On-Site Maintenance

**Remarks**

There is a waiting list; however, the contact could not verify the number of applicants. The annual turnover rate is approximately two percent.



**Multi-Family Lease No. 5**



**Property Identification**

**Record ID** 11319  
**Property Type** Townhouse  
**Property Name** Brown Estates  
**Address** 74 Brown Estates Drive, LaFayette, Walker County, Georgia 30728  
**Market Type** Market  
**Verification** Thomas; 423-315-1382, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			<u>Mo. Rent/SF</u>
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	
2/2	10	1,100	\$1,100	\$1.00
2/2	10	1,150	\$1,150	\$1.00
3/2	4	1,480	\$1,200	\$0.81



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**Multi-Family Lease No. 5 (Cont.)**

<b>Occupancy</b>	100%
<b>Rent Premiums</b>	N
<b>Total Units</b>	24
<b>Unit Size Range</b>	1,100 - 1,480
<b>Avg. Unit Size</b>	1,184
<b>Monthly Rent Range</b>	\$1,100 - \$1,200
<b>Avg. Rent/Unit</b>	\$1,138
<b>Avg. Rent/SF</b>	\$0.96

**SF** 28,420

**Physical Data**

<b>No. of Buildings</b>	8
<b>Construction Type</b>	Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	None
<b>Parking</b>	L/0, G/0
<b>Year Built</b>	2006
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Walk-In Closet, On-Site Management

**Remarks**

The property does not maintain a waiting list. The larger two-bedroom units and three-bedroom units also contain garage parking.



**Multi-Family Lease No. 6**



**Property Identification**

**Record ID** 44319  
**Property Type** Single-Family Home  
**Property Name** Valley Ridge Homes  
**Address** 10 Draught Street, Rossville, Walker County, Georgia 30741  
**Market Type** Market

**Verification** Daphine; 706-806-9010, September 6, 2023

**Unit Mix**

<b><u>Unit Type</u></b>	<b><u>No. of Units</u></b>	<b><u>Size SF</u></b>	<b><u>Rent/Mo.</u></b>	<b><u>Mo. Rent/SF</u></b>
3/2.5	52	1,749	\$1,950	\$1.11
4/2	27	1,764	\$2,100	\$1.19
4/2.5	32	1,927	\$2,175	\$1.13
5/3	18	2,361	\$2,499	\$1.06



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**Multi-Family Lease No. 6 (Cont.)**

<b>Occupancy</b>	88%
<b>Rent Premiums</b>	Y
<b>Total Units</b>	129
<b>Unit Size Range</b>	1,749 - 2,361
<b>Avg. Unit Size</b>	1,882
<b>Monthly Rent Range</b>	\$1,950 - \$2,499
<b>Avg. Rent/Unit</b>	\$2,114
<b>Avg. Rent/SF</b>	\$1.12

**SF** 242,738

**Physical Data**

<b>No. of Buildings</b>	127
<b>Construction Type</b>	Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	None
<b>Parking</b>	G/0
<b>Year Built</b>	2023
<b>Condition</b>	Good
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Coat Closet, Patio, Stainless Steel Appliances, Granite Countertops

**Remarks**

There is a waiting list; however, the contact could not verify the number of applicants. The property is currently offering the following concession for the four-bedroom/two-bath home: one month free if you look and lease within 24 hours. The developer is still in the process of completing construction. The property was placed in service in August 2023 and has leased 113 units. Therefore, it has been leasing 56 units per month.



**Multi-Family Lease No. 7**



**Property Identification**

**Record ID** 41420  
**Property Type** Townhouse  
**Property Name** South Flora Street Townhomes  
**Address** 202 South Flora Street, LaFayette, Walker County, Georgia 30728  
**Market Type** Market  
**Verification** Trish; 423-225-8504, September 6, 2023

**Unit Mix**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
2/1.5	2	832	\$895	\$1.08
<b>Occupancy</b>	100%			
<b>Rent Premiums</b>	N			
<b>Total Units</b>	2			
<b>Avg. Unit Size</b>	832			
<b>Avg. Rent/Unit</b>	\$895			
<b>Avg. Rent/SF</b>	\$1.08			
<b>SF</b>	1,664			



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**Multi-Family Lease No. 7 (Cont.)**

**Physical Data**

<b>No. of Buildings</b>	1
<b>Construction Type</b>	Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/0
<b>Year Built</b>	1962
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Ceramic Tile, Blinds, Coat Closet, Balcony

**Remarks**

The property does not maintain an active waiting list. The units are updated as needed.



**Multi-Family Lease No. 8**



**Property Identification**

**Record ID** 41434  
**Property Type** Walk-Up  
**Property Name** Abbington Linwood Apartments  
**Address** 10 Probasco Street, LaFayette, Walker County, Georgia 30728  
**Market Type** LIHTC

**Verification** Terri; 706-944-3639, September 6, 2023

**Unit Mix**

<b><u>Unit Type</u></b>	<b><u>No. of Units</u></b>	<b><u>Size SF</u></b>	<b><u>Rent/Mo.</u></b>	<b><u>Mo. Rent/SF</u></b>
1/1 (50%)	21	740	\$600	\$0.81
1/1 (60%)		740	\$700	\$0.95
2/2 (50%)	28	1,018	\$715	\$0.70
2/2 (60%)		1,018	\$815	\$0.80
3/2 (50%)	11	1,247	\$815	\$0.65
3/2 (60%)		1,247	\$920	\$0.74



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**Multi-Family Lease No. 8 (Cont.)**

<b>Occupancy</b>	98%
<b>Rent Premiums</b>	N
<b>Total Units</b>	60
<b>Unit Size Range</b>	740 - 1,247
<b>Avg. Unit Size</b>	963
<b>Monthly Rent Range</b>	\$600 - \$920
<b>Avg. Rent/Unit</b>	\$693
<b>Avg. Rent/SF</b>	\$0.72

**SF** 57,761

**Physical Data**

<b>No. of Buildings</b>	3
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Trash Collection
<b>Parking</b>	L/O
<b>Year Built</b>	2020
<b>Condition</b>	Good
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Coat Closet, Exercise Room, Playground, On-Site Management, On-Site Maintenance, Video Surveillance

**Remarks**

This is a LIHTC multifamily property with the rents set at 50 and 60 percent of the area median income. There are 20 applicants on the waiting list. The utility allowance for the units is as follows: one-bedroom units - \$109; two-bedroom units - \$139; and three-bedroom units - \$173.



**Multi-Family Lease No. 9**



**Property Identification**

**Record ID** 44302  
**Property Type** Walk-Up  
**Property Name** Gateway at Rossville  
**Address** 2563 Happy Valley Road, Rossville, Walker County, Georgia 30741  
**Market Type** LIHTC  
**Verification** Katie; 762-325-3550, September 6, 2023

<b><u>Unit Type</u></b>	<b><u>Unit Mix</u></b>			<b><u>Mo. Rent/SF</u></b>
	<b><u>No. of Units</u></b>	<b><u>Size SF</u></b>	<b><u>Rent/Mo.</u></b>	
1/1 (60%)	18	850	\$769	\$0.90
2/2 (60%)	90	965	\$917	\$0.95
3/2 (60%)	48	1,100	\$1,031	\$0.94



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**Multi-Family Lease No. 9 (Cont.)**

<b>Occupancy</b>	89%
<b>Rent Premiums</b>	N
<b>Total Units</b>	156
<b>Unit Size Range</b>	850 - 1,100
<b>Avg. Unit Size</b>	993
<b>Monthly Rent Range</b>	\$769 - \$1,031
<b>Avg. Rent/Unit</b>	\$935
<b>Avg. Rent/SF</b>	\$0.94

**SF** 154,950

**Physical Data**

<b>No. of Buildings</b>	6
<b>Construction Type</b>	Brick/Cement Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	3
<b>Utilities with Rent</b>	Trash Collection
<b>Parking</b>	L/0
<b>Year Built</b>	2023
<b>Condition</b>	Good
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Garbage Disposal, Dishwasher, Microwave, Washer/Dryer Hook-Ups, Vinyl, Blinds, Ceiling Fans, Walk-In Closet, Coat Closet, Balcony, Patio, Swimming Pool, Exercise Room, Picnic Area, Playground, Business Center, Laundry Facility, On-Site Management, On-Site Maintenance, Gazebo, Sundeck

**Remarks**

This is a LIHTC property with the rents set at 60 percent AMI. It is a Daily Pricing Property. The property was placed in service in April 2023 and has been leasing approximately 28 units per month. The property does not maintain an active waiting list.



**Multi-Family Lease No. 10**



**Property Identification**

**Record ID** 41435  
**Property Type** Walk-Up  
**Property Name** Carriage Hill Apartments  
**Address** 1135 Campbell Avenue, LaFayette, Walker County, Georgia 30728  
**Market Type** Rural Development  
**Verification** Rhonda; 706-638-3332, September 6, 2023

**Unit Mix**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	24	800	\$529	\$0.66
2/1	19	950	\$610	\$0.64
3/2	8	1,200	\$675	\$0.56



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**Multi-Family Lease No. 10 (Cont.)**

<b>Occupancy</b>	80%
<b>Rent Premiums</b>	N
<b>Total Units</b>	51
<b>Unit Size Range</b>	800 - 1,200
<b>Avg. Unit Size</b>	919
<b>Monthly Rent Range</b>	\$529 - \$675
<b>Avg. Rent/Unit</b>	\$582
<b>Avg. Rent/SF</b>	\$0.63

**SF** 46,850

**Physical Data**

<b>No. of Buildings</b>	7
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2,3
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/O
<b>Year Built</b>	1972/2014
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Dishwasher, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, On-Site Management, On-Site Maintenance

**Remarks**

This is a Rural Development property with 49 units receiving Rental Assistance. There are nine applicants on the waiting list. In August 2022, there was a fire in one of the buildings. The developer will have the units ready for rent in October 2023. All of the vacancies are due to the fire.



**Multi-Family Lease No. 11**



**Property Identification**

**Record ID** 41438  
**Property Type** Walk-Up  
**Property Name** Happy Valley Apartments  
**Address** 1209 Indian Avenue, Rossville, Walker County, Georgia 30741  
**Market Type** Section 8

**Verification** Laura; 706-861-3145, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			<u>Mo. Rent/SF</u>
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	
1/1	8	624	\$654	\$1.05
2/1	48	888	\$737	\$0.83
3/1	12	1,019	\$891	\$0.87



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**Multi-Family Lease No. 11 (Cont.)**

<b>Occupancy</b>	95%
<b>Rent Premiums</b>	N
<b>Total Units</b>	68
<b>Unit Size Range</b>	624 - 1,019
<b>Avg. Unit Size</b>	880
<b>Monthly Rent Range</b>	\$654 - \$891
<b>Avg. Rent/Unit</b>	\$754
<b>Avg. Rent/SF</b>	\$0.86

**SF** 59,844

**Physical Data**

<b>No. of Buildings</b>	9
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Gas/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/O
<b>Year Built</b>	1980
<b>Condition</b>	Average
<b>Gas Utilities</b>	Heating, Hot Water, Cooking
<b>Electric Utilities</b>	Cooling, Other Elec

**Amenities**

Refrigerator, Range/Oven, Garbage Disposal, Carpet, Vinyl, Blinds, Coat Closet, Laundry Facility, On-Site Management, On-Site Maintenance

**Remarks**

This is a Section 8 property. There is at least a one-year waiting list for all units types. The utility allowance for the units is as follows: one-bedroom units - \$96; two-bedroom units - \$132; and three-bedroom units - \$160.



**Multi-Family Lease No. 12**



**Record ID** 44303  
**Property Type** Garden/Townhouse  
**Property Name** Yester Oaks Apartments  
**Address** 52 Yester Oaks Drive, LaFayette, Walker County, Georgia 30728  
**Market Type** Rural Development/LIHTC  
**Verification** Angel; 706-638-7461, September 6, 2023

<u>Unit Type</u>	<u>Unit Mix</u>			<u>Mo. Rent/SF</u>
	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	
1/1	16	600	\$420	\$0.70
1/1		600	\$560	\$0.93
2/1	8	850	\$445	\$0.52
2/1		850	\$610	\$0.72
2/1.5	20	1,150	\$445	\$0.39
2/1.5		1,150	\$610	\$0.53



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**Multi-Family Lease No. 12 (Cont.)**

<b>Occupancy</b>	98%
<b>Rent Premiums</b>	N
<b>Total Units</b>	44
<b>Unit Size Range</b>	600 - 1,150
<b>Avg. Unit Size</b>	895
<b>Monthly Rent Range</b>	\$420 - \$610
<b>Avg. Rent/Unit</b>	\$436
<b>Avg. Rent/SF</b>	\$0.49

**SF** 39,400

**Physical Data**

<b>No. of Buildings</b>	8
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	1,2
<b>Utilities with Rent</b>	Electricity, Water, Sewer, Trash Collection
<b>Parking</b>	L/O
<b>Year Built</b>	1991
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Patio, Playground, Basketball Court, Extra Storage, On-Site Management, On-Site Maintenance

**Remarks**

This is a Rural Development/LIHTC property with 29 of the units receiving Rental Assistance. The LIHTC rents are set at 60 percent AMI. There is a small waiting list, and the annual turnover rate is approximately 14 percent.



**Multi-Family Lease No. 13**



**Property Identification**

**Record ID** 41436  
**Property Type** Walk-Up  
**Property Name** LaFayette Gardens Apartments  
**Address** 709 Patterson Road, LaFayette, Walker County, Georgia 30728  
**Market Type** Rural Development/LIHTC

**Verification** Rhonda; 706-638-0335, September 6, 2023

**Unit Mix**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1 (60%)	1	550	\$658	\$1.20
2/1 (60%)	19	750	\$809	\$1.08

**Occupancy** 100%  
**Rent Premiums** N  
**Total Units** 20  
**Unit Size Range** 550 - 750  
**Avg. Unit Size** 740  
**Monthly Rent Range** \$658 - \$809  
**Avg. Rent/Unit** \$801  
**Avg. Rent/SF** \$1.08

**SF** 14,800



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**Multi-Family Lease No. 13 (Cont.)**

**Physical Data**

<b>No. of Buildings</b>	3
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	2
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/0
<b>Year Built</b>	1986/2015
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Coat Closet, Playground, Laundry Facility, On-Site Management, On-Site Maintenance

**Remarks**

This is a Rural Development/LIHTC property with the LIHTC units set at 60 percent AMI. All of the units receive Rental Assistance. There are seven applicants on the waiting list. The utility allowance for the units is as follows: one-bedroom units - \$114 and two-bedroom units - \$140.



**Multi-Family Lease No. 14**



**Property Identification**

**Record ID** 41441  
**Property Type** Garden/Townhouse  
**Property Name** Amberwood Apartments  
**Address** 1212 West North Main Street, LaFayette, Walker County, Georgia 30728  
**Market Type** Rural Development  
**Verification** Sara; 706-638-7567, September 6, 2023

**Unit Mix**

<u>Unit Type</u>	<u>No. of Units</u>	<u>Size SF</u>	<u>Rent/Mo.</u>	<u>Mo. Rent/SF</u>
1/1	16	650	\$615	\$0.95
2/1.5 T	28	1,100	\$680	\$0.62

**Occupancy** 100%  
**Rent Premiums** N  
**Total Units** 44  
**Unit Size Range** 650 - 1,100  
**Avg. Unit Size** 936  
**Monthly Rent Range** \$615 - \$680  
**Avg. Rent/Unit** \$656  
**Avg. Rent/SF** \$0.70  
**SF** 41,200



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**Multi-Family Lease No. 14 (Cont.)**

**Physical Data**

<b>No. of Buildings</b>	8
<b>Construction Type</b>	Brick/Siding
<b>HVAC</b>	Central Elec/Central Elec
<b>Stories</b>	1, 2
<b>Utilities with Rent</b>	Water, Sewer, Trash Collection
<b>Parking</b>	L/0
<b>Year Built</b>	1986
<b>Condition</b>	Average
<b>Gas Utilities</b>	None
<b>Electric Utilities</b>	All

**Amenities**

Refrigerator, Range/Oven, Washer/Dryer Hook-Ups, Carpet, Vinyl, Blinds, Coat Closet, Playground, On-Site Management, On-Site Maintenance

**Remarks**

This is a Rural Development property with 18 units receiving Rental Assistance. There are five applicants on the waiting list, and the annual turnover rate is approximately 11 percent.



**Market-Rate Vacancies**

The field survey was completed during the first week of September 2023. There were 22 vacant units at the time of the survey out of 397 units surveyed, for an overall vacancy rate of 5.5 percent. The market-rate occupancy is 94.5 percent.

MARKET VACANCIES			
Name of Property	# of Units	# of Vacant Units	Vacancy Rate
Grey Parc of Rossville	110	0	0.0%
Town Creek Apartments	60	4	6.7%
Dorell Apartments	10	2	20.0%
Park Trace Apartments	62	0	0.0%
Brown Estates	24	0	0.0%
Valley Ridge Homes	129	16	12.4%
South Flora Street Townhomes	2	0	0.0%
<b>Totals</b>	<b>397</b>	<b>22</b>	<b>5.5%</b>

**Subsidized/Restricted Vacancies**

The field survey was completed during the first week of September 2023. There were 33 vacant units at the time of the survey out of 443 surveyed, for an overall vacancy rate of 7.4 percent. The subsidized/restricted occupancy is 92.6 percent. However, Gateway at Rossville is still in its lease-up period, and Carriage Hill Apartments' vacancies is due to the fire. These units will be available for lease next month. Therefore, without considering these comparables, the vacancy rate is 2.5 percent, or an occupancy rate of 97.5 percent.

AFFORDABLE HOUSING VACANCIES			
Name of Property	# of Units	# of Vacant Units	Vacancy Rate
Abbingtion Linwood Apartments	60	1	1.7%
Gateway at Rossville	156	17	10.9%
Carriage Hill Apartments	51	10	19.6%
Happy Valley Apartments	68	4	5.9%
Yester Oaks Apartments	44	1	2.3%
LaFayette Gardens Apartments	20	0	0.0%
Amberwood Apartments	44	0	0.0%
<b>Totals</b>	<b>443</b>	<b>33</b>	<b>7.4%</b>

**Overall Vacancy**

There was a total of 14 confirmed apartment complexes in the market area. There were 55 vacant units at the time of the survey out of 840 surveyed, for an overall vacancy rate of 6.5 percent. However, Gateway at Rossville is still in its lease-up period, and Carriage Hill Apartments' vacancies is due to the fire. These units will be available for lease next month. Therefore, without considering these comparables, there were 28 vacant units at the time of the survey out of 633 surveyed, for an overall vacancy rate of 4.4 percent.

There are currently two surveyed properties that directly compete with the subject. The family properties with similar unit types are listed as follows:

- Abbingtion Linwood Apartments is a LIHTC family property that contains 60 one-, two- and three-bedroom units. The property is 98 percent occupied. There are 20 applicants on the waiting list.
- Gateway at Rossville is a LIHTC family property that contains 156 one-, two- and three-bedroom units. The property is 89 percent occupied as it has not yet reached its lease-up period. It has been leasing approximately 28 units per month.

The amenities of this comparables are relatively similar to the subject's amenities. Therefore, it is believed the subject will be competitive within the market area.



Existing Housing Map Legend

**MARKET-RATE MAP**

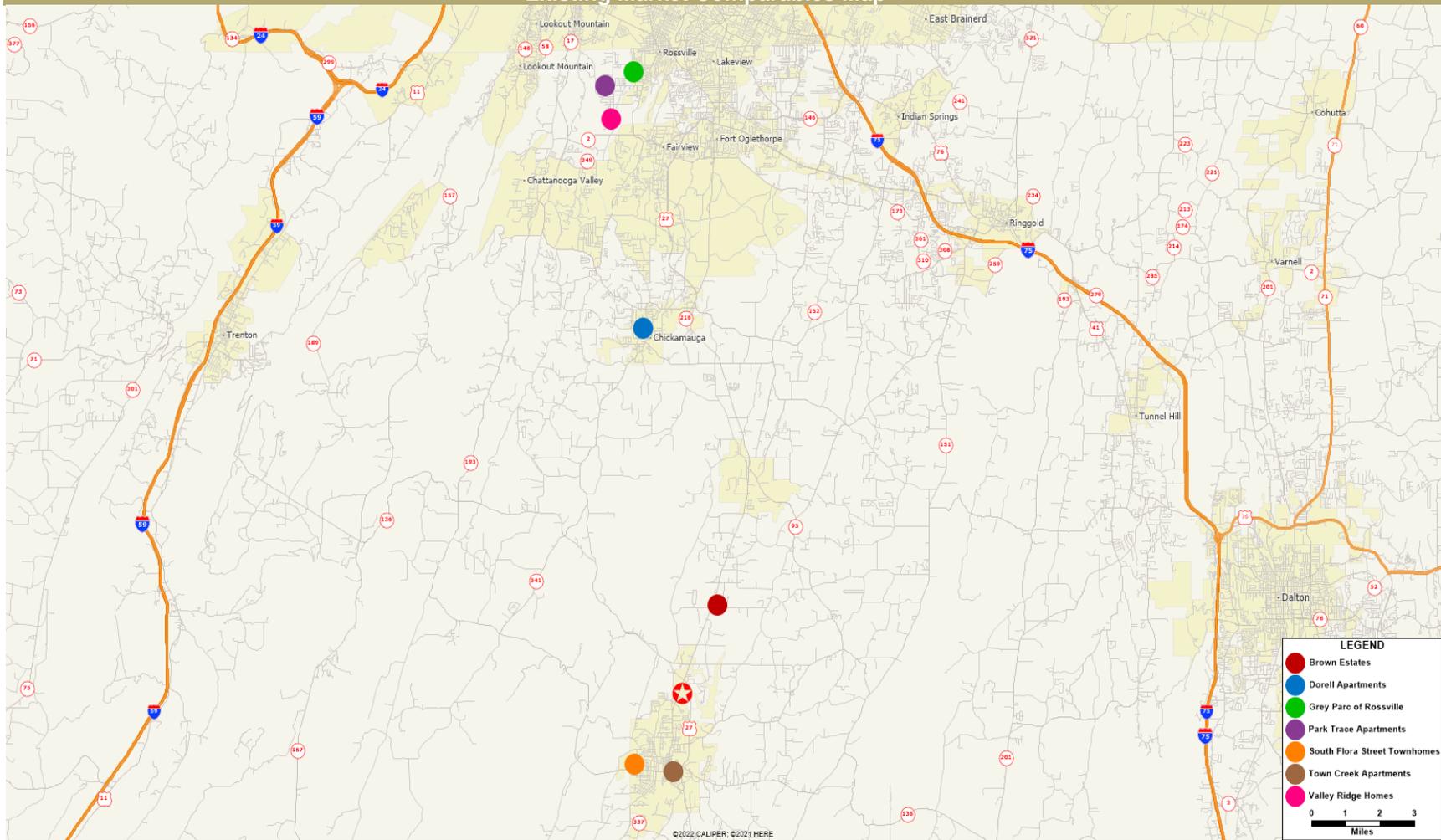
<b>Market Comparables</b>	<b>Market Type</b>	<b>Distance to Subject</b>	
Grey Parc of Rossville	Market	20.0	Miles
Town Creek Apartments	Market	2.4	Miles
Dorell Apartments	Market	12.4	Miles
Park Trace Apartments	Market	20.4	Miles
Brown Estates	Market	2.8	Miles
Valley Ridge Homes	Market	19.2	Miles
South Flora Street Townhomes	Market	3.3	Miles

**RENT-RESTRICTED MAP**

<b>Restricted Comparables</b>	<b>Market Type</b>	<b>Distance to Subject</b>	
Abbingtion Linwood Apartments	LIHTC	2.0	Miles
Gateway at Rossville	LIHTC	18.9	Miles
Carriage Hill Apartments	RD	0.7	Miles
Happy Valley Apartments	Sec. 8	19.8	Miles
Yester Oaks Apartments	RD/TC	0.3	Miles
LaFayette Gardens Apartments	RD/TC	3.4	Miles
Amberwood Apartments	RD	0.4	Miles



### Existing Market Comparables Map







**Additional Developments**

The following comparables in the market area could not be confirmed despite numerous attempts to verify the information.

ADDITIONAL COMPARABLES					
Property Name	Year Built/Renovated	Total Number of Units	Unit Types	Market Type	Reason for Exclusion
The Village at Chickamauga I & II	2022	60	1BR & 2BR	LIHTC	Unverifiable
VOA Apartments	2007	13	1BR	Section 8	Unverifiable
Hillcrest Apartments	1970	42	1BR & 2BR	Market-Rate	Unverifiable
Woodland Apartments	1976	52	1BR, 2BR & 3BR	Market-Rate	Unverifiable
228 Claire Avenue Townhomes	1985	15	2BR	Market-Rate	Unverifiable
402 Hall Street Townhomes	2001	4	1BR	Market-Rate	Unverifiable
98 Sky Crest Lane Townhomes	1997	4	2BR	Market-Rate	Unverifiable
1106 Carline Road Townhomes	2002/2019	7	2BR	Market-Rate	Unverifiable

The following comparables in the market area were not included in this analysis as they are senior properties and will not directly compete with the subject.

ADDITIONAL COMPARABLES					
Property Name	Year Built/Renovated	Total Number of Units	Unit Types	Market Type	Reason for Exclusion
Lucky Pointe Apartments	2009	52	1BR & 2BR	LIHTC	Senior 55+
Woodlands Village I & II	2003	92	1BR & 2BR	LIHTC/HOME	Senior 55+
South Rossville Senior Village	2007	174	1BR & 2BR	LIHTC/Market-Rate	Senior 55+



Comparison of Amenities										
UNIT AMENITIES OF COMPARABLE SURVEYED DEVELOPMENTS										
	Project Type	Year Built	Microwave	Dishwasher	Washer/ Dryer Hook- Ups	Washer/ Dryer	Ceiling Fans	Blinds	Balcony/ Patio	Special Features
Subject	LIHTC	Proposed	x	x	x		x	x	x	
Comp 1	Market	1971/2020						x		
Comp 2	Market	1971						x		
Comp 3	Market	1970/2012					x	x		
Comp 4	Market	1985					x	x	x	
Comp 5	Market	2006	x	x	x			x		
Comp 6	Market	2023	x	x	x		x	x	x	x
Comp 7	Market	1962		x	x			x	x	
Comp 8	LIHTC	2020	x	x	x		x	x		
Comp 9	LIHTC	2023	x	x	x		x	x	x	
Comp 10	RD	1972/2014		x	x			x		
Comp 11	Sec. 8	1980						x		
Comp 12	RD/TC	1991			x			x	x	
Comp 13	RD/TC	1986/2015			x			x		
Comp 14	RD	1986			x			x		

Source: Gill Group Field Survey



PROJECT AMENITIES OF COMPARABLE SURVEYED DEVELOPMENTS												
	Project Type	Year Built	Clubhouse/ Meeting Room	Swimming Pool	Exercise Room	Play Area	Sports Court	Other Rec. Area	Garage/ Covered Parking	Extra Storage	Business Center	Security
Subject	LIHTC	Proposed	x		x	x		x			x	
Comp 1	Market	1971/2020						x				
Comp 2	Market	1971						x				
Comp 3	Market	1970/2012										
Comp 4	Market	1985						x				
Comp 5	Market	2006							x			
Comp 6	Market	2023							x			
Comp 7	Market	1962										
Comp 8	LIHTC	2020			x	x						x
Comp 9	LIHTC	2023		x	x	x		x			x	
Comp 10	RD	1972/2014										
Comp 11	Sec. 8	1980										
Comp 12	RD/TC	1991				x	x			x		
Comp 13	RD/TC	1986/2015				x						
Comp 14	RD	1986				x						

Source: Gill Group Field Survey



**Evaluation of the Proposed Development**

**Location**

The subject is in a mixed-use neighborhood. Its location provides it with average access and visibility. The properties surrounding the site are in average to good condition. The site's access to major arterials, medical facilities and grocery stores is comparable to that of its competitors. Its overall location is comparable to its competitors because the size of the city confers the same locational attributes to all projects.

**Project Design**

The subject is a proposed multifamily development. It will consist of six three-story walk-up buildings containing a total of 150 one-, two- and three-bedroom units. The buildings will have concrete foundations with wood frame and brick and cement board siding exterior. The roofing will be asphalt shingle. The subject's design will be comparable to the other developments in the market area.

**Project Amenities**

Project amenities will include a clubhouse, exercise room, playground, gazebo, computer room and laundry facility. These amenities will be competitive with the competing properties in the market area.

**Unit Amenities**

Unit amenities will include a refrigerator, range/oven, dishwasher, microwave, washer/dryer hook-ups, carpet and vinyl flooring, blinds, ceiling fans and balcony and/or patio. These amenities will be competitive with the competing properties in the market area.

**Tenant Services**

According to the developer, the property will not offer service coordination. None of the comparables offer tenant services.

**Parking**

The subject will contain open parking areas with approximately 228 parking spaces. The parking ratio will be 1.52 open parking spaces per unit. This arrangement is comparable to other developments in the market area.

**Unit Mix**

The subject's unit mix of one-, two- and three-bedroom units will be suitable in a market area.

**Utilities**

Heating and cooling will be central electric, and cooking and hot water will also be electric. The landlord will provide trash. This arrangement will be competitive with the most comparable apartment units in the market area.

**Unit Size**

The average size of the units in the surveyed developments 662 square feet for one-bedroom units, 954 square feet for two-bedroom units, and 1,250 square feet for three-bedroom units. The subject's unit sizes will be smaller than the average unit size; however, all of the proposed unit sizes will be within the comparable range. Therefore, it does not appear that the subject's unit sizes will have a negative impact on the marketability of the units.

AVERAGE APARTMENT SIZE OF COMPARABLE APARTMENTS					
Unit Type	COMPARABLES			Subject (SF)	Subject's Advantage
	Minimum (SF)	Maximum (SF)	Average (SF)		
1 BR	546	850	662	655	-1.1%
2 BR	750	1,175	954	855	-10.4%
3 BR	1,019	1,749	1,250	1,105	-11.6%

Source: Gill Group Field Survey



### Vacancy Rates/Rental Trends

There was a total of 14 confirmed apartment complexes in the market area. There were 55 vacant units at the time of the survey out of 840 surveyed, for an overall vacancy rate of 6.5 percent. However, Gateway at Rossville is still in its lease-up period, and Carriage Hill Apartments' vacancies is due to the fire. These units will be available for lease next month. Therefore, without considering these comparables, there were 28 vacant units at the time of the survey out of 633 surveyed, for an overall vacancy rate of 4.4 percent.

There are currently two surveyed properties that directly compete with the subject. The family properties with similar unit types are listed as follows:

- Abbington Linwood Apartments is a LIHTC family property that contains 60 one-, two- and three-bedroom units. The property is 98 percent occupied. There are 20 applicants on the waiting list.
- Gateway at Rossville is a LIHTC family property that contains 156 one-, two- and three-bedroom units. The property is 89 percent occupied as it has not yet reached its lease-up period. It has been leasing approximately 28 units per month.

The amenities of this comparables are relatively similar to the subject's amenities. Therefore, it is believed the subject will be competitive within the market area.

According to property managers in the area, rental rates have remained stable within the past few years with only small rent increases each year.

The comparables in the market area maintain stabilized occupancy rates. In addition, the majority of the affordable developments in the market maintain waiting lists. Therefore, the construction of the proposed subject will not negatively impact on the vacancy rate or rental rates in the market area. Based on the information verified and included within this analysis, it appears that the occupancy rate will remain stable and rental rates will increase slightly within the next two years.

### Summary of Developments Strength and Weaknesses

**Strengths** – The development is located near a major thoroughfare which will provide it with average visibility and access. In addition, the subject is a proposed LIHTC family development that will contain a total of 150 one-, two- and three-bedroom units. The subject's unit and project amenities will be competitive with the majority of the comparables in the market area, and the subject's design will be compatible with the surrounding properties. The subject's proposed rents are in line with the maximum LIHTC rents and below the determined achievable market rents.

**Weaknesses** – The development has no apparent weaknesses.



HUD-Forms 92273 – As Complete/Stabilized

**One-Bedroom Units (655 SF) – As Complete/Stabilized**  
**Estimates of Market Rent**  
**by Comparison - As Complete/Stabilized**

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(exp. 04/30/2020)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			
		Grey Parc of Rossville 800 Walker Avenue Rossville, Walker, GA			Town Creek Apartments 300 Cooper Street LaFayette, Walker, GA			Dorell Apartments 205 Pearl Street Chickamauga, Walker, GA			Park Trace Apartments 730 West James Street Rossville, Walker, GA			
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	
3. Effective Date of Rental	09/2023	09/2023		09/2023		09/2023		09/2023		09/2023				
4. Type of Project/Stories	WU/3	WU/2		WU/2		G/1		WU/2		WU/2				
5. Floor of Unit in Building	Varies	Varies		Varies		First		Varies		Varies				
6. Project Occupancy %	Proposed	100%		93%		80%		100%		100%				
7. Concessions	N	N		N		N		N		N				
8. Year Built	2025	1971/2020	\$130	1971	\$130	1970/2012	\$265	1985	\$265	1985	\$265			
9. Sq. Ft. Area	655	719	(\$15)	605	\$15	600	\$15	546	\$30	546	\$30			
10. Number of Bedrooms	1	1		1		1		1		1				
11. Number of Baths	1.0	1.0		1.0		1.0		1.0		1.0				
12. Number of Rooms	3	3		3		3		3		3				
13. Balc./Terrace/Patio	Y	N	\$10	N	\$10	N	\$10	Y		Y				
14. Garage or Carport	L/0	L/0		L/0		L/0		L/0		L/0				
15. Equipment a. A/C	C	C		C		W	\$25	W	\$25	W	\$25			
b. Range/Refrigerator	RF	RF		RF		RF		RF		RF				
c. Disposal	N	N		N		N		N		N				
d. Microwave/Dishwasher	MD	N	\$15	N	\$15	N	\$15	N	\$15	N	\$15			
e. Washer/Dryer	HU	L	\$15	L	\$15	N	\$20	L	\$15	L	\$15			
f. Carpet	C	C		C		W		C		C				
g. Drapes	B	B		B		B		B		B				
h. Pool/Rec. Area	ER	R	\$5	R	\$5	N	\$10	R	\$5	R	\$5			
16. Services a. Heat/Type	N/E	N/E		N/E		N/E		N/E		N/E				
b. Cooling	N/E	N/E		N/E		N/E		N/E		N/E				
c. Cook/Type	N/E	N/E		N/E		N/E		N/E		N/E				
d. Electricity	N	N		N		N		N		N				
e. Hot Water	N/E	N/E		N/E		N/E		N/E		N/E				
f. Cold Water/Sewer	N	Y	(\$49)	N		N		N		N				
g. Trash	Y	Y		N	\$16	N	\$16	N	\$16	N	\$16			
17. Storage	N	N		N		N		N		N				
18. Project Location	Average	Similar		Similar		Superior	(\$100)	Similar		Similar				
19. Security	N	N		N		N		N		N				
20. Clubhouse/Meeting Room	C	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5			
21. Special Features	N	N		N		N		N		N				
22. Business Center / Nbhd Netwk	CR	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5			
23. Unit Rent Per Month		\$785		\$899		\$650		\$580		\$580				
24. Total Adjustment			\$121		\$216		\$286		\$381		\$381			
25. Indicated Rent		\$906		\$1,115		\$936		\$961		\$961				
26. Correlated Subject Rent	\$950	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.												
	high rent	\$1,115	low rent	\$906	60% range	\$948	to	\$1,073						
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature 				Date (mm/dd/yyyy) 09/06/23		Reviewer's Signature			Date (mm/dd/yyyy)	

Previous editions are obsolete

form HUD-92273 (07/2003)



**Two-Bedroom Units (855 SF) – As Complete/Stabilized**  
**Estimates of Market Rent**  
**by Comparison - As Complete/Stabilized**

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(exp. 04/30/2020)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered non-sensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 5 (address)		
Two-Bedroom	Gateway at LaFayette 1520 North Main Street LaFayette, Walker, GA	Grey Parc of Rossville 800 Walker Avenue Rossville, Walker, GA			Town Creek Apartments 300 Cooper Street LaFayette, Walker, GA			Dorell Apartments 205 Pearl Street Chickamauga, Walker, GA			Brown Estates 74 Brown Estates Drive LaFayette, Walker, GA		
Characteristics		Data	Adjustments		Data	Adjustments		Data	Adjustments		Data	Adjustments	
			-	+		-	+		-	+		-	+
3. Effective Date of Rental	09/2023	09/2023			09/2023			09/2023			09/2023		
4. Type of Project/Stories	WU/3	WU/2			WU/2			G/1			T/2		
5. Floor of Unit in Building	Varies	Varies			Varies			First			First		
6. Project Occupancy %	Proposed	100%			93%			80%			100%		
7. Concessions	N	N			N			N			N		
8. Year Built	2025	1971/2020		\$130	1971		\$130	1970/2012		\$265	2006		
9. Sq. Ft. Area	855	1,175		(\$75)	755		\$25	850			1,100		(\$60)
10. Number of Bedrooms	2	2			2			2			2		
11. Number of Baths	1.0	1.0			1.0			1.0			2.0		(\$40)
12. Number of Rooms	4	4			4			4			4		
13. Balc./Terrace/Patio	Y	N		\$10	N		\$10	N		\$10	N		\$10
14. Garage or Carport	L/0	L/0			L/0			L/0			L/0		
15. Equipment a. A/C	C	C			C			W		\$25	C		
b. Range/Refrigerator	RF	RF			RF			RF			RF		
c. Disposal	N	N			N			N			N		
d. Microwave/Dishwasher	MD	N		\$15	N		\$15	N		\$15	MD		
e. Washer/Dryer	HU	L		\$15	L		\$15	N		\$20	HU		
f. Carpet	C	C			C			W			C		
g. Drapes	B	B			B			B			B		
h. Pool/Rec. Area	ER	R		\$5	R		\$5	N		\$10	N		\$10
16. Services a. Heat/Type	N/E	N/E			N/E			N/E			N/E		
b. Cooling	N/E	N/E			N/E			N/E			N/E		
c. Cook/Type	N/E	N/E			N/E			N/E			N/E		
d. Electricity	N	N			N			N			N		
e. Hot Water	N/E	N/E			N/E			N/E			N/E		
f. Cold Water/Sewer	N	Y		(\$58)	N			N			N		
g. Trash	Y	Y			N		\$16	N		\$16	N		\$16
17. Storage	N	N			N			N			N		
18. Project Location	Average	Similar			Similar			Superior		(\$115)	Similar		
19. Security	N	N			N			N			N		
20. Clubhouse/Meeting Room	C	N		\$5	N		\$5	N		\$5	N		\$5
21. Special Features	N	N			N			N			N		
22. Business Center / Nbhd Netwk	CR	N		\$5	N		\$5	N		\$5	N		\$5
23. Unit Rent Per Month		\$990			\$999			\$750			\$1,100		
24. Total Adjustment				\$52			\$226			\$256			(\$54)
25. Indicated Rent		\$1,042			\$1,225			\$1,006			\$1,046		
26. Correlated Subject Rent	\$1,050	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.											
	high rent	\$1,225	low rent	\$1,006	60% range \$1,050 to \$1,181								
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.		Appraiser's Signature			Date (mm/dd/yy)			Reviewer's Signature			Date (mm/dd/yyyy)		
					09/06/23								

Previous editions are obsolete

form HUD-92273 (07/2003)



**Three-Bedroom Units (1,105 SF) – As Complete/Stabilized**  
**Estimates of Market Rent**  
**by Comparison - As Complete/Stabilized**

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(exp. 04/30/2020)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)		B. Comparable Property No. 2 (address)		C. Comparable Property No. 6 (address)		D. Comparable Property No. 5 (address)			
Three-Bedroom	Gateway at LaFayette 1520 North Main Street LaFayette, Walker, GA	Grey Parc of Rossville 800 Walker Avenue Rossville, Walker, GA		Town Creek Apartments 300 Cooper Street LaFayette, Walker, GA		Valley Ridge Homes 10 Draught Street Rossville, Walker, GA		Brown Estates 74 Brown Estates Drive LaFayette, Walker, GA			
Characteristics	Data	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments	Data	Adjustments
			- +		- +		- +		- +		- +
3. Effective Date of Rental	09/2023	09/2023		09/2023		09/2023		09/2023			
4. Type of Project/Stories	WU/3	WU/2		WU/2		SF/2		T/2			
5. Floor of Unit in Building	Varies	Varies		Varies		First		First			
6. Project Occupancy %	Proposed	100%		93%		88%		100%			
7. Concessions	N	N		N		N		N			
8. Year Built	2025	1971/2020	\$130	1971	\$130	2023		2006			
9. Sq. Ft. Area	1,105	1,257	(\$40)	1,045	\$15	1,749	(\$160)	1,480	(\$95)		
10. Number of Bedrooms	3	3		3		3		3			
11. Number of Baths	2.0	1.0	\$40	1.0	\$40	2.5	(\$20)	2.0			
12. Number of Rooms	5	5		5		5		5			
13. Balc./Terrace/Patio	Y	N	\$10	N	\$10	Y		N		\$10	
14. Garage or Carport	L/O	L/O		L/O		G/O	(\$25)	L/O, G/O	(\$25)		
15. Equipment a. A/C	C	C		C		C		C			
b. Range/Refrigerator	RF	RF		RF		RF		RF			
c. Disposal	N	N		N		Y		N			
d. Microwave/Dishwasher	MD	N	\$15	N	\$15	MD		MD			
e. Washer/Dryer	HU	L	\$15	L	\$15	HU		HU			
f. Carpet	C	C		C		V		C			
g. Drapes	B	B		B		B		B			
h. Pool/Rec. Area	ER	R	\$5	R	\$5	N	\$10	N	\$10		
16. Services a. Heat/Type	N/E	N/E		N/E		N/E		N/E			
b. Cooling	N/E	N/E		N/E		N/E		N/E			
c. Cook/Type	N/E	N/E		N/E		N/E		N/E			
d. Electricity	N	N		N		N		N			
e. Hot Water	N/E	N/E		N/E		N/E		N/E			
f. Cold Water/Sewer	N	Y	(\$71)	N		N		N			
g. Trash	Y	Y		N	\$16	N	\$16	N	\$16		
17. Storage	N	N		N		N		N			
18. Project Location	Average	Similar		Similar		Similar		Similar			
19. Security	N	N		N		N		N			
20. Clubhouse/Meeting Room	C	N	\$5	N	\$5	N	\$5	N	\$5		
21. Special Features	N	N		N		SS, GC	(\$50)	N			
22. Business Center / Nbhd Netwk	CR	N	\$5	N	\$5	N	\$5	N	\$5		
23. Unit Rent Per Month		\$1,168		\$1,099		\$1,950		\$1,200			
24. Total Adjustment			\$114		\$256		(\$219)		(\$74)		
25. Indicated Rent		\$1,282		\$1,355		\$1,731		\$1,126			
26. Correlated Subject Rent	\$1,300	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.									
	high rent	\$1,731	low rent	\$1,126	60% range	\$1,247	to	\$1,610			
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature 		Date (mm/dd/yyyy) 09/06/23		Reviewer's Signature		Date (mm/dd/yyyy)	

Previous editions are obsolete

form HUD-9273 (07/2003)



***Explanation of Adjustments and Market Rent Conclusions – As Complete/Stabilized***

**Gateway at LaFayette**

**Primary Unit Types – One-Bedroom Units (655 SF), Two-Bedroom Units (855 SF) and Three-Bedroom Units (1,105 SF)**

Rent comparability grids were prepared for the primary unit types with 655, 855 and 1,105 square feet. Comparable apartments used include the following: Grey Parc of Rossville (Comparable 1), Town Creek Apartments (Comparable 2), Dorrell Apartments (Comparable 3), Park Trace Apartments (Comparable 4), Brown Estates (Comparable 5) and Valley Ridge Homes (Comparable 6).

**Structure/Stories** – The subject will be located in three-story walk-up buildings. Comparables 1, 2 and 4 are located in two-story walk-up buildings. Comparable 3 contains one-story garden-style buildings, Comparable 5 contains two-story townhome buildings, and Comparable 6 contains two-story single-family homes. No complex in the market area shows a rent difference based on this particular item. No adjustment was needed.

**Project Occupancy** – The subject is proposed. The occupancy rates of the comparables range from 80 to 100 percent. The occupancy rate for Comparable 3 is lower than typical due to current renovations, and Comparable 6 has not yet reached its lease-up period. No adjustments were needed.

**Concessions** – The subject is proposed. None of the comparables are currently offering concessions relevant this analysis. No adjustment was needed.

**Year Built/Year Renovated** – The subject is proposed. It will undergo a substantial renovation and will be in good condition. Comparable 1 was built in 1971 and renovated in 2020. Comparable 2 was constructed in 1971. Comparable 3 was built in 1970 and renovated in 2012. Comparable 4 was constructed in 1985. Comparable 5 was constructed in 2006, and Comparable 6 was constructed in 2023. Due to the lack of newer properties located in the market area and surrounding markets, it was necessary to utilize older properties and adjust for condition. The following table illustrates the descriptions of the ratings levels considered in the condition/street appeal analysis.

Condition	Description
Excellent	Desirable curb appeal, luxury or high end amenities and finishes, no deferred maintenance
Good	Well maintained or recently renovated property, limited deferred maintenance
Average	Some original finishes and amenities, Only minor upgrades needed
Fair	In need of repair, obvious deferred maintenance
Poor	Substantial need of major repairs or significant deferred maintenance

The subject will be new and in good condition. Comparables 1 and 2 have either been renovated or well-maintained over the building lives and are considered to be in average condition. Comparable 3 has been renovated; however, it was minimal and did not improve the overall condition of the property. Comparable 4 is an older property and has not been maintained. Therefore, Comparables 3 and 4 are in fair condition. Comparables 5 and 6 are newer properties and are in good condition.



The following analysis details the method used to calculate appropriate adjustments for condition/street appeal. Due to the properties not containing similar unit types, the overall average was used for comparison.

Property Name	Rating Level	Average
Dorell Apartments	Fair	\$706
Park Trace Apartments	Fair	\$696
Average Rent		\$712
Brown Estates	Good	\$1,086
Valley Ridge Homes	Good	\$1,731
Average Rent		\$1,237
Difference in Average Rents		\$525
Difference per Rating Level		\$263
50% Difference per Rating Level		\$131

As shown in the previous chart, average difference between the fair rating level and the good rating level is \$529. The difference of \$525 represents two rating levels. Therefore, the result should be divided by two to determine each rating level difference. The result is rounded to the nearest \$5 and \$265 is determined to be difference per rating level. Despite adjusting for the differences between the comparables, it is not always possible to fully account for the differences in rent between comparables as some is due to renter perception or management practices and is not due solely to differences in amenities or condition. If a specific area does not have rents with rent differences based solely on renovation, further analytics are needed. Paired analysis, while not perfect, is one of the best ways to determine adjustments for differences in condition as it factors out all other amenities and utilities differences between properties. However, as stated, paired analysis cannot fully quantify a renter's "perception" of differences in condition. Therefore, it is not appropriate to adjust the full amount determined through paired analysis, particularly when the adjustments will significantly decrease or increase the subject's rent. After considering all factors, Gill Group has elected to multiply the results by a 50 percent adjustment factor. The adjustment factor of 50 percent is subjective and is based on the experience and judgement of the appraiser. Gill Group has appraised multifamily properties for years, and that experience has aided in developing guidelines for determining appropriate adjustments when subjective adjustments are required. While opinions may differ as to what percentage is appropriate, this adjustment percentage is considered appropriate for this analysis. It is not accurate to adjust the full amount of the difference as that could substantially understate or overstate the difference in condition and could result in deflated or inflated rents. Therefore, the adjustment for the difference in rating level is \$130 (\$131, rounded to the nearest \$5). As previously indicated, the subject will be in good condition. Comparables 1 and 2 were rated in average condition and were, therefore, adjusted upward \$130 as indicated in the previous analysis. Comparables 3 and 4 were considered to be in fair condition, and were, therefore, adjusted upward \$265 as indicated in the previous analysis. Comparables 5 and 6 were considered good in condition and were not adjusted.

**SF Area** – The subject and the comparables vary in square footage. Typically, all other variables being equal, a larger unit is more desirable than a smaller unit. However, the value of the additional square footage is mitigated to some degree by the similarity in perceived unit function. There is a diminishing return of value for additional square footage as each additional square foot does not necessarily equal additional functionality. Additionally, the units at the subject are measured as part of the scope of this assignment. However, the contacts at the comparables are often unwilling to allow interior inspections of the units. Therefore, it is necessary to rely on published unit sizes or verbal confirmation of unit sizes from the property contacts. As such, it is impossible to verify the accuracy of this data. In addition, the subject unit sizes are paint-to-paint measurements, while the contacts often report the "marketing" unit size which is sometimes the gross exterior square footage. Therefore, the unit sizes at the comparables are not always a direct comparison to the unit sizes at the subject. For the purpose of this report, a range of comparable rents per square foot was derived. To determine this adjustment, each comparable's dollar



per square foot rental rate was determined for each bedroom type. From these results, a median dollar per square foot rental rate is determined. The median dollar per square foot was then multiplied by 25 percent for each comparable to derive an adjusted dollar per square foot rental rate. The 25 percent was used to account for the diminished return of the larger unit sizes and the potential differences in reported unit sizes of the comparables versus the subject. Next, the difference in square footage between the subject and each comparable is determined. The difference is multiplied by the determined adjusted dollar per square foot rate to arrive at the adjustment for each comparable. The selected dollar per square foot for the one-bedroom comparison is \$0.27, for the two-bedroom comparison is \$0.24 and for the three-bedroom comparison is \$0.25. The result was rounded to the nearest \$5. No adjustments were made to comparables within 25 square feet of the subject because there is no difference in perceived unit function with 25 square feet. The adjustments are reflected on the HUD-Form 92273-S8, which is attached.

**# of Bedrooms** – The subject will contain one-, two- and three-bedroom units. All comparables are similar. No adjustments were needed.

**# of Baths** – The subject will contain one bath in the one- and two-bedroom units and two baths in the three-bedroom units. The majority of the difference in number of baths is accounted for in the unit square footage adjustment. However, an adjustment is made here to consider the added convenience of additional baths. The extra room(s) will enhance marketability of a unit even if the square footage remains the same. There was insufficient market data available for a paired analysis as the majority of properties in this market contain a similar number of baths. Therefore, \$20 half-bath and \$40 full bath per month adjustments were selected.

**Balcony/Patio** – The subject will contain balconies and/or patios. Comparables 4 and 6 will be similar to the subject. None of the remaining comparables contain either amenity and were adjusted upward \$10 per month. Although there is little market data available concerning units with these features versus those without these features, the added amenity is an enhancement to the unit. Due to insufficient market data by which to extrapolate a market-based adjustment for balcony or patio, the appraiser elected to adjust the comparables \$10 per month.

**Parking** – The subject will contain open parking lots with no additional fee. All of the comparables except Comparable 6 will be similar to the subject. Comparable 5 also contains garage parking for no additional fee, and Comparable 6 contains garage parking for no additional fee. Although there is little market data available concerning units with this feature versus those without this feature, the added amenity is an enhancement to the property as garage parking provides some protection from inclement weather. In order to determine an appropriate adjustment for garage parking, the appraiser referred to the *2020 NMHC/Kingsley Apartment Resident Preferences Report* for the metropolitan area of Atlanta, which is the nearest metropolitan area. The report stated residents would be expected to pay on average an additional \$28.36 per month for garage parking. Based on the comparable data and the data contained in the NMHC report, a range of \$0 to \$28.36 was determined for garage parking. An adjustment within this range is considered appropriate. Consequently, \$25 per month for garage parking was deemed appropriate. Therefore, Comparables 5 and 6 were adjusted downward \$25 per month.

**AC: Central/Wall** – The subject will contain central air conditioning, as do all comparables. All of the comparables except Comparables 3 and 4 contain central air conditioning. Comparables 3 and 4 each contain through-the-wall air conditioning. Central air conditioning is more energy-efficient than through-the-wall air conditioning and is a more desirable form of cooling. Although there is little market data available concerning units with central air conditioning versus through-the-wall air conditioning, central air conditioning is the preferred form of cooling. Therefore, properties with this cooling type are considered superior to all other types. Air conditioning in this area of the country is typically used five to six months out of every year and costs more annually than in areas where the temperature is cooler throughout the year. Consequently, central air conditioning was considered a substantial enhancement to the unit. In addition, the *2020 NMHC/Kingsley Apartment Resident Preferences Report* for Atlanta, the nearest metropolitan area, was consulted. According to the *2020 NMHC/Kingsley Apartment Resident*



*Preferences Report*, residents in the metropolitan area indicated they would expect a renter to pay \$41.95 per month for central air conditioning. After considering all factors, an adjustment of \$40 was considered appropriate for central air conditioning. Through-the-wall air conditioning was valued at \$15. Therefore, and adjustment of \$25 was considered appropriate for the difference between central air conditioning and through-the-wall air conditioning.

**Range/Refrigerator** – The subject will contain both amenities. All comparables contain both amenities. No adjustments were needed.

**Garbage Disposal** – The subject will not contain a garbage disposal in the units. None of the comparables except Comparable 6 contain garbage disposals. Since there is no market data concerning units with this feature, no adjustment was given.

**Microwave/Dishwasher** – The subject will contain both a microwave and dishwasher in the units. Comparables 5 and 6 will be similar to the subject. None of the remaining comparables contain either amenity. Microwaves are a relatively inexpensive item and are unlikely to be a deciding factor when a tenant decides which unit to lease. However, because the included amenity is considered an enhancement to the unit, it was considered appropriate to adjust a nominal \$5 per month for microwaves. Dishwashers are more expensive and are more likely to factor into a tenant’s decision on which unit to lease. Therefore, it was considered appropriate to adjust \$10 per month for dishwashers. Consequently, Comparables 1, 2, 3 and 4 were each adjusted upward \$15 per month.

**Washer/Dryer** – The subject will contain washer/dryer hook-ups in the units. Comparables 1, 2 and 4 only have access to a laundry facility, and Comparable 3 does not have any form of laundry equipment. Comparables 5 and 6 will be similar to the subject. The *2020 NMHC/Kingsley Apartment Resident Preferences Report* for Atlanta, the nearest metropolitan area, was consulted. According to the *2020 NMHC/Kingsley Apartment Resident Preferences Report*, residents in the metropolitan area indicated they would expect a renter to pay \$31.39 per month for washer/dryer hook-ups in the unit. After considering all factors, washer/dryer hook-ups were valued at \$20 per month. Laundry facilities on-site are valued at \$5 per month. Therefore, Comparables 1, 2 and 4 were adjusted upward \$15 per month, and Comparable 3 was adjusted upward \$20 per month.

**Carpet** – The subject will contain carpet floor coverings in the units. The comparables contain carpet, wood or vinyl floor coverings. The market did not indicate a rent differential based on floor coverings. Therefore, no adjustments were needed.

**Drapes** – The subject will contain window coverings. All of the comparables contain window coverings. No adjustment was needed.

**Pool/Exercise Room/Recreation Areas** – The following table shows the amenities at the subject and each comparable:

Amenity	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Picnic Area	---	\$5	\$5	---	\$5	---	---
Play Area	\$5	---	---	---	---	---	---
Gazebo	\$5	---	---	---	---	---	---
<b>Total</b>	<b>\$10</b>	<b>\$5</b>	<b>\$5</b>	<b>\$0</b>	<b>\$5</b>	<b>\$0</b>	<b>\$0</b>
<b>Indicated Adjustment</b>		<b>\$5</b>	<b>\$5</b>	<b>\$10</b>	<b>\$5</b>	<b>\$10</b>	<b>\$10</b>

Although there is little market data available concerning units with these features, the added amenities are an enhancement. Swimming pools are typically considered a more desirable feature than other recreation features. Therefore, a \$10 adjustment was determined for swimming pool, and a \$5 adjustment per feature was determined for each additional recreation area. The adjustments for the comparables are shown at the bottom of the table.

**Heat** – The subject will not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.



**Cooling** – The subject will not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

**Cooking** – The subject will not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

**Electricity** – The subject will not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

**Hot Water** – The subject will not have this utility provided. None of the comparables have this utility provided. No adjustment was needed.

**Cold Water/Sewer** – The subject will not provide cold water and sewer. None of the comparables except Comparable 1 have these utilities provided. Therefore, Comparable 1 was adjusted downward \$49 per month for the one-bedroom comparison; \$58 per month for the two-bedroom comparison; and \$71 for the three-bedroom comparison. The adjustments were based on the Allowances for Tenant-Furnished Utilities and Other Services provided for the North Region of Georgia. The amounts were substantiated through local utility providers.

**Trash** – The subject will provide this utility. Comparable 1 will be similar to the subject. All of the remaining comparables were adjusted upward \$16 per month for all comparisons based on the Allowances for Tenant-Furnished Utilities and Other Services provided for the North Region of Georgia. The amount was substantiated through local utility providers.

**Extra Storage** – The subject will not contain extra storage. None of the comparables contain storage. No adjustments were needed.

**Location** – The subject’s location is rated average, with easy access to all services available within the city limits. In order to determine if adjustments were needed for differences in location between the subject and the comparables, several factors were compared. Those factors include livability, amenities available, cost of living, crime factors, employment factors, housing factors, schools in the area, walkscore, population counts, median rent levels, median housing values and median income levels. The comparison between the subject and comparables is shown in the following table:

Location Characteristics			
	LaFayette	Rossville	Chickamauga
<b>Livability</b>	60	52	62
<b>Amenities</b>	F	F	F
<b>Cost of Living</b>	A	A	A
<b>Crime</b>	D	D	A
<b>Employment</b>	F	F	D
<b>Housing</b>	B	A	B
<b>Schools</b>	F	F	C
<b>Walkscore</b>	61	56	42
<b>Population</b>	7,130	4,020	3,122
<b>Median Rent</b>	\$602	\$634	\$667
<b>Median Housing Value</b>	\$82,600	\$79,800	\$126,100
<b>Median Income</b>	\$29,034	\$30,727	\$45,461

Source: AreaVibes and Walkscore

The data shown in the table was verified through [www.areavibes.com](http://www.areavibes.com) and [www.walkscore.com](http://www.walkscore.com). Each category was given a rating of 1 to 5, with 1 being the worst and 5 being the best. The ratings for each category were added together for each comparable, and the total sum was compared to the combined sum for the subject and a percent difference from the subject was determined.



The results are shown in the following table:

Location Weighting Table			
	LaFayette	Rossville	Chickamauga
<b>Livability</b>	3	3	4
<b>Amenities</b>	1	1	1
<b>Cost of Living</b>	5	5	5
<b>Crime</b>	2	2	5
<b>Employment</b>	1	1	2
<b>Housing</b>	4	5	4
<b>Schools</b>	1	1	3
<b>Walkscore</b>	3	3	2
<b>Population</b>	1	1	1
<b>Median Rent</b>	3	3	3
<b>Median Housing Value</b>	2	2	3
<b>Median Income</b>	2	2	3
<b>Total</b>	<b>28</b>	<b>29</b>	<b>36</b>
<b>% Different</b>	---	<b>-3.6%</b>	<b>-28.6%</b>
<b>50% Difference</b>	---	<b>-1.8%</b>	<b>-14.3%</b>

Despite adjusting for the differences between the comparables, it is not always possible to fully account for the differences in rent between comparables as some is due to renter perception or management practices and is not due solely to differences in location. Therefore, it is not appropriate to adjust the full percentage amount determined in the previous analysis, and an adjustment factor of 50 percent was applied to the percentages determined in this analysis. The result is shown in the previous table. The percentage was applied to the unadjusted rent level of the comparables. The result was applied to the comparables for differences in location. After considering all factors, Rossville was considered to be relatively similar to LaFayette and was not adjusted. The comparable in Chickamauga was adjusted downward a rounded 15 percent. The following table shows the calculation for each comparable requiring an adjustment:

Comparable 3			
Bedroom Type	Unadjusted Rent	% Difference	Adjustment
1 BR	\$650	-15.0%	-\$98
2 BR	\$750	-15.0%	-\$113

The comparables were adjusted on each rent grid as indicated in the previous table (rounded to the nearest \$5).

**Security** – The subject will not contain security features. None of the comparables contain security features. No adjustments were needed.

**Clubhouse/Meeting Room/Dining Room** – The subject will contain a clubhouse. None of the comparables contain these features. No complex in the market area shows a rent differential based on these particular items; however, the added amenities are an enhancement. Apartments with these features can command a higher rent in the market area. Therefore, properties without these features were adjusted \$5 per feature compared to properties with any of these features.

**Special Features** – The subject will not contain special features. None of the comparables except Comparable 6 contain special features. Comparable 6 contains stainless steel appliances and granite countertops. Special features such as stainless steel appliances and granite, quartz or solid-surface countertops will typically command a higher rent in the market. Tenants are typically willing to pay a higher premium for these features. Typically, when these features are included in the units, they are considered luxury items, and units are assessed an up charge from the rent that would be charged if unit did not contain these features. The *2020 NMHC/Kingsley Apartment Resident Preferences Report* for Atlanta, the nearest metropolitan area, was consulted. According to the *2020 NMHC/Kingsley Apartment Resident Preferences Report*, residents in the metropolitan area indicated they would expect a renter to pay \$35.64 per month for refrigerators with premium finishes and \$31.41 per month for premium



countertops. After considering all factors, a \$25 adjustment was applied for stainless steel appliances, and a \$25 adjustment was applied for the solid-surface countertops. Therefore, the comparables without either feature were adjusted a total of \$50 per month.

**Business Center/Neighborhood Network** – The subject will contain a computer room. None of the comparables contain this feature. No complex in the market area shows a rent differential based on these particular items; however, the added amenities are an enhancement. Apartments with these features can command a higher rent in the market area. Therefore, properties without these features were adjusted \$5 per feature compared to properties with any of these features.

**Conclusion of Market Rents – As Complete**

The adjusted rents range from \$906 to \$1,115 for the one-bedroom comparison; from \$1,006 to \$1,225 for the two-bedroom comparison; and from \$1,126 to \$1,731 for the three-bedroom comparison. All comparables were given consideration. The appraiser concluded the market rent for the units at the subject as follows:

- **655 SF One-Bedroom Units** - **\$950**
- **855 SF Two-Bedroom Units** - **\$1,050**
- **1,105 SF Three-Bedroom Units** - **\$1,300**

The developer is proposing affordable rents as follows: \$635 and \$785, respectively, for the one-bedroom units; \$755 and \$935, respectively, for the two-bedroom units; and \$860 and \$1,065, respectively, for the three-bedroom units. In addition, the maximum net tax credit rents are \$637 and \$787 for the one-bedroom units; \$757 and \$936 for the two-bedroom units; and \$862 and \$1,069 for the three-bedroom units. The proposed rents are below the achievable rents determined on the rent grids as well as the maximum net tax credit rents. Therefore, the subject’s proposed rents were determined to be competitive.

**Average Rents for Competing Properties and Rent Advantage**

Of the surveyed comparables, one-bedroom units typically range from \$420 to \$899 per month, two-bedroom units typically range from \$445 to \$1,150 per month, and three-bedroom units typically range from \$675 to \$1,950 per month. These rental rates have risen only a small amount over the past few years. In addition, the majority of the housing stock in the market area is of average to older age and will be inferior to similar to the subject in condition. The following table shows the rent advantage for the subject’s proposed rents:

MARKET RENT ADVANTAGE							
Unit Type	% of AMI	# Units per Type	Proposed Rent	Market Rent	% Rent Advantage	Unit %	Weighted Overall Rent Advantage
1/1	50%	6	\$635	\$950	33.2%	4.0%	1.3%
1/1	60%	24	\$785	\$950	17.4%	16.0%	2.8%
2/1	50%	18	\$755	\$1,050	28.1%	12.0%	3.4%
2/1	60%	66	\$935	\$1,050	11.0%	44.0%	4.8%
3/2	50%	8	\$860	\$1,300	33.8%	5.3%	1.8%
3/2	60%	28	\$1,065	\$1,300	18.1%	18.7%	3.4%
<b>Total</b>		<b>150</b>				<b>100.0%</b>	<b>17.5%</b>



## Housing Profile

### Market Area Overview

The rental housing stock in the market area is comprised of market-rate and restricted apartment complexes. The majority of the housing stock was built in the 1980s and 2000s. The market area's rental units have average occupancy rates.

### Housing Inventory

From 2010 through July 2023, permit issuing jurisdictions in Walker County authorized the construction of 2,231 new single-family dwellings. Multifamily units comprise 18.5 percent of the total construction activity.

BUILDING PERMITS ISSUED			
YEAR	SINGLE-FAMILY	MULTIFAMILY	TOTAL
2010	69	6	75
2011	80	6	86
2012	51	0	51
2013	99	45	144
2014	84	0	84
2015	100	4	104
2016	142	2	144
2017	152	8	160
2018	135	0	135
2019	145	88	233
2020	166	65	231
2021	170	172	342
2022	168	10	178
2023*	257	7	264
<b>TOTAL</b>	<b>1,818</b>	<b>413</b>	<b>2,231</b>

\*Preliminary Numbers through July 2023

Source: SOCDS

### Projects Under Construction

According to the City of LaFayette, there are currently no multifamily projects under construction in the market area.

### Planned Projects

According to the Georgia Department of Community Affairs, there are no recently awarded projects in the market area that are currently under construction or in the pipeline.



**Age of Rental Units**

Rental housing construction in the market area peaked during the 2000s and decreased significantly in 2010.

<b>Walker County</b>		
<b>Housing Units by Year Structure Built</b>		
<i>Current Year Estimates - 2023</i>		
<b>Year</b>	<b>Number</b>	<b>Percent</b>
2014 or Later	937	3.2%
2010 - 2013	522	1.8%
2000 - 2009	4,362	14.8%
1990 - 1999	4,159	14.1%
1980 - 1989	3,679	12.5%
1970 - 1979	4,496	15.3%
1960 - 1969	3,315	11.3%
1950 - 1959	2,636	9.0%
1940 - 1949	2,402	8.2%
1939 or Earlier	<u>2,944</u>	<u>10.0%</u>
<b>Total:</b>	<b>29,452</b>	<b>100.0%</b>

Source: Ribbon Demographics; Claritas

**Unit Condition**

The market area's rental housing stock is in varying condition. Overall, the majority of the market-rate developments are of average to older age and are in average condition.

**Bedroom Distribution**

According to the Gill Group survey, 23.6 percent of the market area's rental units were efficiency or one-bedroom units, 44.5 percent were two-bedroom units, and 22.7 percent were three-bedroom units. Dwellings with four or more bedrooms accounted for 9.1 percent of the market area's rental housing. The properties without known number of units were eliminated from this analysis.

<b>BEDROOMS IN OCCUPIED RENTAL UNITS</b>		
<b>TYPE</b>	<b>NUMBER</b>	<b>PERCENT</b>
No Bedrooms	0	0.0%
One-Bedrooms	198	23.6%
Two-Bedrooms	374	44.5%
Three-Bedrooms	191	22.7%
Four-Bedrooms	59	7.0%
Five or More Bedrooms	18	2.1%
<b>TOTAL</b>	<b>840</b>	<b>100.0%</b>

Source: Gill Group Survey



### Rental Vacancy Rates

According to RealtyRates.com Market Survey, the vacancy rate for the South Atlantic Region has fluctuated only slightly. For 2022, the vacancy rate ranged from 5.1 percent to 5.3 percent, with an average of 5.2 percent. The vacancy rate for the region for the third quarter of 2023 was 5.0 percent.

REALTY RATES MARKET SURVEY - REGIONAL VACANCY RATES			
QUARTER	2021	2022	2023
1st Quarter	5.8%	5.3%	5.1%
2nd Quarter	5.6%	5.2%	5.0%
3rd Quarter	5.5%	5.1%	5.0%
4th Quarter	5.4%	5.1%	---

Source: RealtyRates.com Market Survey, South Atlantic Region

### Lease Terms and Concessions

The typical lease term is 12 months. The subject will not offer any concessions. There is one comparable currently offering a concession. Valley Ridge Homes is currently offering the following concession for the four-bedroom/two-bath home: one month free if you look and lease within 24 hours.

### Turnover Rates

An estimated turnover rate of 15.0 percent was deemed reasonable for the market area. This was based on the Institute of Real Estate Management (IREM); 26.7 percent for low rise apartments. The comparables in the market area were also surveyed and indicated an annual turnover range from 2.0 to 40.0 percent, with an average of 14.2 percent. The table below shows the turnover rates of the comparables verified:

TURNOVER RATES	
Property Name	Average Annual Turnover Rate
Grey Parc of Rossville	4.0%
Town Creek Apartments	40.0%
Park Trace Apartments	2.0%
Yester Oaks Apartments	14.0%
Amberwood Apartments	11.0%
<b>Average Annual Turnover</b>	<b>14.2%</b>

### Likely Impact of Proposed Development on Rental Occupancy Rates

The proposed development will not have an adverse impact on the market area. Most of the restricted properties in the market area maintain stabilized occupancy rates and the some have waiting lists. The subject's one-, two- and three-bedroom units will be suitable in the market area.

### Foreclosure/Abandoned/Vacant Housing

According to [www.realtytrac.com](http://www.realtytrac.com), there are currently 20 properties for sale that are in some stage of foreclosure within the subject's zip code. There are no known properties within the vicinity of the property that have been foreclosed upon. In addition, there are no known negative factors impacting the occupancy of the subject within the market area.

### Primary Housing Voids

There are no significant housing voids in the market area. There is sufficient demand for housing in the market area as can be seen in the demand portion of this report.



**ABSORPTION & STABILIZATION RATES**

**Absorption Rates**

The subject is a proposed multifamily development that will contain 150 one-, two- and three-bedroom units. After researching the vacancy rates of the existing units in the area, it is firmly believed that the subject property satisfies a portion of the continued demand for the units within the market. Based on information concerning the vacancy rates and amount of time it takes to fill vacancies, if the subject were unoccupied, it is estimated that a 93 percent occupancy level can be achieved in six to nine months. Interviews with apartment managers substantiate the absorption rate. It is believed that the proposed development will absorb 15 to 20 units per month; therefore, it would reach a stable occupancy level within six to nine months. The following table indicates the average units absorbed per month.

Property Name	City	Year Built	Units per Month
Abbingdon Linwood	LaFayette	2020	14
Gateway at Rossville	Rossville	2023	28
Ty's Place Apartments	Ringgold	2020	16
The RiverPoint Luxury	Rome	2018	16
Ashford Villas	Chattanooga	2020	20
Abby North	Chattanooga	2021	5
Hilltop Lofts	Rome	2022	10
Authentix Cartersville	Cartersville	2022	15
Valley Ridge Apartments	Rossville	2023	56
<b>Average</b>			<b>21</b>



**INTERVIEWS**

**Local Interviews**

**Walker County Development Authority**

According to the Walker County Development Authority, the following economic development activities have occurred within the couple past years in Walker County:

NEW AND EXPANDING BUSINESSES		
Company	New/Expansion	Employees Added
Roper Corporation	Expansion	600
Lodge at McLemore	New	300
<b>Total:</b>		<b>900</b>

*Source: Walker County Development Authority*

Overall, it is believed that the economy of LaFayette will remain stable.

**LaFayette Codes Enforcement**

According to the LaFayette Codes Enforcement, the subject site is zoned B-2, Commercial (General Business District). The subject will be a legal, conforming use. The land surrounding the property is as follows: North – R-1; South – B-2 and R-1; East – R-1; and West – B-2. There is no limit to the number of multifamily permits issued each year. The telephone number for the B-2, Commercial (General Business District) is 706-639-1564.



## RECOMMENDATIONS AND CONCLUSIONS

### Project Evaluation

It is the opinion of the analyst that the subject's proposed improvements, unit mix of one-, two- and three-bedroom units, unit sizes and unit/project amenities will be well suited for the primary market area.

### Site Evaluation

The site's location is considered average. It is located near a major thoroughfare to the city which provides the site with average visibility and access. It is located in relatively close proximity to medical facilities, schools, shopping, employment, local government facilities and recreational facilities. The site and its improvements are similar to those in the area.

### Economic and Demographic Profile

The following describes the demographic and economic profile of the primary market area and the surrounding area:

In 2010, this geographic market area contained an estimated population of 68,757. By 2020, population in this market area had decreased by 1.6 percent to 67,654. In 2023, the population in this market area has increased by 1.0 percent to 68,326. It is projected that between 2023 and 2026, population in the market area will increase 0.5 to 68,679. It is projected that between 2023 and 2028, population in the market area will increase 1.3 percent to 69,208.

Between 2010 and 2020, the market area lost 29 households per year. However, the market area gained 99 households per year between 2020 and 2023 and an additional 51 households per year between 2023 and 2026. The market area is projected to continue to gain 77 households per year through 2028. The households in the market area are predominantly owner-occupied. The ratio between owner and renter occupancy has been slightly decreasing since 2010; however, owner-occupied households are projected to keep dominating the households through 2028.

Employment in Walker County has been increasing 0.7 percent per year since 2010. Employment in the State of Georgia has been increasing an average of 1.6 percent per year since 2010. The unemployment rate for Walker County has fluctuated from 3.0 percent to 6.1 percent since 2015. These fluctuations are slightly lower than the unemployment rates for the State of Georgia.

### Existing Housing

There was a total of 14 confirmed apartment complexes in the market area. There were 55 vacant units at the time of the survey out of 840 surveyed, for an overall vacancy rate of 6.5 percent. However, Gateway at Rossville is still in its lease-up period, and Carriage Hill Apartments' vacancies is due to the fire. These units will be available for lease next month. Therefore, without considering these comparables, there were 28 vacant units at the time of the survey out of 633 surveyed, for an overall vacancy rate of 4.4 percent.

There are currently two surveyed properties that directly compete with the subject. The family properties with similar unit types are listed as follows:

- Abbingtion Linwood Apartments is a LIHTC family property that contains 60 one-, two- and three-bedroom units. The property is 98 percent occupied. There are 20 applicants on the waiting list.
- Gateway at Rossville is a LIHTC family property that contains 156 one-, two- and three-bedroom units. The property is 89 percent occupied as it has not yet reached its lease-up period. It has been leasing approximately 28 units per month.

The amenities of this comparables are relatively similar to the subject's amenities. Therefore, it is believed the subject will be competitive within the market area.



### Adjusted Market Rental Rates

Market rent grids were completed for the existing subject. The analyst determined the achievable market-rents of \$950 per month for one-bedroom units, \$1,050 per month for two-bedroom units and \$1,250 per month for the three-bedroom units. The subject property's proposed rents of \$635 to \$785 per month for the one-bedroom units, \$755 to \$935 per month for the two-bedroom units and \$860 to \$1,065 per month for the three-bedroom units are below the determined achievable market rents. In addition, the subject's proposed rents are lower than the maximum allowable LIHTC rents. Therefore, the proposed rents were considered achievable, and the proposed subject will be competitive with existing properties.

### Demand and Capture Rates

The following table uses a 35 percent lease rent-to-income to determine the minimum target income required for each unit and the tax credit income limits to determine the upper range of eligibility for each Section 8 and LIHTC unit. The following table lists the number of households within the required target income for each unit type.

INCOME-ELIGIBLE RENTER HOUSEHOLDS					
	Gross Rent	Lower Range	Upper Range	% Income Qualified	Income-Eligible Households
All Unit Types (All)	\$744	\$25,509	\$51,600	28.0%	2,009
All Unit Types (50%)	\$744	\$25,509	\$43,000	20.5%	1,468
All Unit Types (60%)	\$894	\$30,651	\$51,600	19.4%	1,396
1 BR (50%)	\$744	\$25,509	\$31,850	10.4%	480
1 BR (60%)	\$894	\$30,651	\$38,220	4.9%	228
2 BR (50%)	\$894	\$30,651	\$35,850	4.2%	129
2 BR (60%)	\$1,074	\$36,823	\$43,020	5.8%	178
3 BR (50%)	\$1,033	\$35,417	\$43,000	9.9%	252
3 BR (60%)	\$1,238	\$42,446	\$51,600	8.4%	213

Source: Claritas; Ribbon Demographics and HUD

The following chart indicates the net demand and the capture rates:

AMI	Unit Type	Income Units	Proposed Units	Total Demand	Supply	Net Demand	Capture Rate	Avg. Market Rent	Market Rents Band	Proposed Rent
50% AMI	1 BR	\$25,509-\$31,850	6	568	0	568	1.1%	\$950	N/A	\$635
50% AMI	2 BR	\$30,651-\$35,850	18	421	0	421	4.3%	\$1,050	N/A	\$755
50% AMI	3 BR	\$35,417-\$43,000	8	281	0	281	2.9%	\$1,300	N/A	\$860
60% AMI	1 BR	\$30,651-\$38,220	24	540	18	522	4.6%	\$950	N/A	\$785
60% AMI	2 BR	\$36,823-\$43,020	66	400	90	310	21.3%	\$1,050	N/A	\$935
60% AMI	3 BR	\$42,446-\$51,600	28	267	48	219	12.8%	\$1,300	N/A	\$1,065
Bedroom Overall	1 BR	\$25,509-\$38,220	30	673	18	655	4.6%	\$950	N/A	\$635-\$785
	2 BR	\$30,651-\$43,020	84	334	90	244	34.4%	\$1,050	N/A	\$755-\$935
	3 BR	\$35,417-\$51,600	36	459	48	411	8.8%	\$1,300	N/A	\$860-\$1,065
TOTAL for Project	50% AMI	\$25,509-\$43,000	32	1,270	0	1,270	2.5%	\$950-\$1,300	N/A	\$635-\$860
	60% AMI	\$30,651-\$51,600	118	1,207	156	1,051	11.2%	\$950-\$1,300	N/A	\$785-\$1,065
	Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	All	\$25,509-\$51,600	150	6,669	156	6,513	2.3%	\$950-\$1,300	N/A	\$635-\$1,065

The subject is a proposed 150-unit LIHTC family property and is applying for tax credits at 50 and 60 percent of the area median income. According to DCA guidelines, the subject must have a capture rate of 30 percent or less for all one-bedroom units, 30 percent or less for all two-bedroom units, 40 percent or less for all three-bedroom units, and 50 percent or less for units with four or more bedrooms. Furthermore, the overall capture rate for tax credit and market rate units shall not exceed 30% for Applications in the flexible pool and 35% for Applications in the Rural pool. And lastly, capture rates for each bedroom type within each AMI market segment type (i.e. 30%, 50%, 60% and market) shall not exceed 60 percent. Additionally, there was one LIHTC property in the market area that was not stabilized. In addition, there were no new comparable units planned that will directly compete with the subject and must be considered and subtracted from the demand. This one property has a total of 156 competing units. Therefore, the subject will need to capture 2.3 percent of the renter housing demand, which is far below the maximum allowable capture rates as indicated by the DCA guidelines. Therefore, after considering all factors, it is the opinion of the analyst that the subject is viable within the market area and should be funded.



### Absorption Rates

The subject is a proposed multifamily development that will contain 150 one-, two- and three-bedroom units. After researching the vacancy rates of the existing units in the area, it is firmly believed that the subject property satisfies a portion of the continued demand for the units within the market. Based on information concerning the vacancy rates and amount of time it takes to fill vacancies, if the subject were unoccupied, it is estimated that a 93 percent occupancy level can be achieved in six to nine months. Interviews with apartment managers substantiate the absorption rate. It is believed that the proposed development will absorb 15 to 20 units per month; therefore, it would reach a stable occupancy level within six to nine months. The following table indicates the average units absorbed per month.

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Abby North	Chattanooga	2021	5
Hilltop Lofts	Rome	2022	10
Authentix Cartersville	Cartersville	2022	15
Valley Ridge Apartments	Rossville	2023	56
<b>Average</b>			<b>21</b>

### Conclusion

The proposed property will be applying for Low Income Housing Tax Credits. The subject will need to capture 2.3 percent of the demand for all units, which is considered good. Therefore, it is believed that the subject will continue to be a viable development.

### Data Sources

Information used in the market study was obtained from various sources including; the U.S. Census Bureau, Claritas; Ribbon Demographics, U.S. Bureau of Labor Statistics, interviews with local town and government officials and interview with local property owners or managers.



---

**CERTIFICATION**

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 existing units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied up 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.

A handwritten signature in black ink, appearing to read 'Jonathan Richmond'.

---

Jonathan Richmond  
Market Analyst

## ADDENDUM A – NCHMA INDEX

### NCHMA Market Study Index

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Page Number(s)
<b>Executive Summary</b>		
1	Executive Summary	13
<b>Scope of Work</b>		
2	Scope of Work	10
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3	Unit mix including bedrooms, bathrooms, square footage, rents and income targeting	20
4	Utilities (and utility sources) included in rent	19
5	Target market/population description	19
6	Project description including unit features and community amenities	19
7	Date of construction/preliminary completion	19
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27	Comparison of subject property to comparable properties	108
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	111

## NCHMA Market Study Index

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Page Number(s)
29	Rental communities under construction, approved, or proposed	122
30	For senior or special needs populations, provide data specific to target market	N/A
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43	Statement of qualifications	Addendum G
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## ADDENDUM B – MARKET STUDY TERMINOLOGY

### **Absorption Period**

The period of time necessary for a newly constructed or renovated property to achieve the Stabilized Level of Occupancy. The Absorption Period begins when the first certificate of occupancy is issued and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. Assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

### **Absorption Rate**

The average number of units rented each month during the Absorption Period.

### **Acceptable Rent Burden**

The rent-to-income ratio used to qualify tenants for both income restricted and non-income restricted units. The Acceptable Rent Burden varies depending on the requirements of funding sources, government funding sources, target markets, and local conditions.

### **Affordable Housing**

Housing where the tenant household pays no more than 30 percent of its annual income on Gross Rent.

### **Amenity**

Tangible or intangible benefits offered to a tenant at no fee, typically on-site recreational facilities or planned programs, services and activities.

### **Annual Demand**

The total estimated demand present in the market in any one year for the type of units proposed.

### **Area Median Income (AMI)**

One-hundred percent of the gross median household income for a specific metropolitan statistical area, county or non-metropolitan area established annually by HUD.

### **Assisted Housing**

Housing where the monthly costs to the tenants are subsidized by federal, state or other programs.

### **Attached Housing**

Two or more dwelling units connected with party walls (e.g. townhouses or flats).

### **Basic Rent**

The minimum monthly rent that tenants who do not have rental assistance pay to lease units developed through the USDA-RD Section 515 Program, the HUD Section 236 Program and HUD Section 223 (d)(3) Below Market Interest Rate Program. The Basic Rent is calculated on the rent as the amount of rent required to operate the property, maintain debt service on a subsidized mortgage with a below-market interest rate, and provide a return on equity to the developer in accordance with the regulatory documents governing the property.

### **Below Market Interest Rate Program (BMIR)**

Program targeted to renters with income not exceeding 80 percent of area median income by limiting rents based on HUD's BMIR Program requirements and through the provision of an interest reduction contract to subsidize the market interest rate to a below-market rate. Interest rates are typically subsidized to effective rates of one percent or three percent.

### **Capture Rate**

The percentage of age, size, and income qualified renter households in the Primary Market Area that the property must capture to achieve the Stabilized Level of Occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. The Capture Rate is calculated by dividing the total number of units at the property by the total number of age, size and income qualified renter households in the Primary Market Area. See Penetration Rate for rate for entire market area.

**Census Tract**

A small, relatively permanent statistical subdivision delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features but may follow governmental unit boundaries and other non-visible features; they always nest within counties. They are designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment. Census tracts average about 4,000 inhabitants.

**Central Business District (CBD)**

The center of commercial activity within a town or city; usually the largest and oldest concentration of such activity.

**Community Development Corporation (CDC)**

Entrepreneurial institution combining public and private resources to aid in the development of socio-economically disadvantaged areas.

**Comparable Property**

A property that is representative of the rental housing choices of the subject's Primary Market Area and that is similar in construction, size, amenities, or age. These Comparables and Competitives are generally used to derive market rent.

**Competitive Property**

A property that is comparable to the subject and that competes at nearly the same rent levels and tenant profile, such as age, family or income.

**Concession**

Discount given to a prospective tenant to induce the tenant to sign a lease. Concessions typically are in the form of reduced rent or free rent for a specified lease term or for free amenities which are normally charged separately (i.e. washer/dryer, parking).

**Condominium**

A form of joint ownership and control of property in which specified volumes of space (for example, apartments) are owned individually while the common elements of the property (for example, outside walls) are owned jointly.

**Contract Rent**

1. The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenants, to the owner, inclusive of all terms of the lease (HUD & RD).
2. The monthly rent agreed to between a tenant and a landlord (Census).

**Demand**

The total number of households in a defined market area that would potentially move into proposed new or renovated housing units. These households must be of the appropriate age, income, tenure and size for a specific proposed development. Components of demand vary and can include household growth; turnover, those living in substandard conditions, rent over-burdened households, and demolished housing units. Demand is project specific.

**Difficult Development Area (DDA)**

An area designated by HUD as an area that has high construction, land, and utility costs relative to the Area Median Gross Income. A project located in a DDA and utilizing the Low Income Housing Tax Credit may qualify for up to 130 percent of eligible basis for the purpose of calculating the Tax Credit allocation.

**Detached Housing**

A freestanding dwelling unit, typically single-family, situated on its own lot.

**Effective Rents**

Contract Rent less concessions.

**Elderly or Senior Housing**

Housing where (1) all the units in the property are restricted for occupancy by persons 62 years of age or older or (2) at least 80 percent of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or older and the housing is designed with amenities and facilities designed to meet the needs of senior citizens.

**Extremely Low Income**

Person or household with income below 30 percent of Area Median Income adjusted for household size.

**Fair Market Rent (FMR)**

The estimates established by HUD of the Gross Rents (Contract Rent plus Tenant Paid Utilities) needed to obtain modest rental units in acceptable condition in a specific county or metropolitan statistical area. HUD generally sets FMR so that 40 percent of the rental units have rents below the FMR. In rental markets with a shortage of lower priced rental units HUD may approve the use of Fair Market Rents that are as high as the 50<sup>th</sup> percentile of rents.

**Garden Apartments**

Apartments in low-rise buildings (typically two to four stories) that feature low density, ample open-space around the buildings, and on-site parking.

**Gross Rent**

The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease plus the estimated cost of all Tenant Paid Utilities.

**High-rise**

A residential building having more than ten stories.

**Household**

One or more people who occupy a housing unit as their usual place of residence.

**Household Trends**

Changes in the number of households for a particular area over a specific period of time, which is a function of new household formations (e.g. at marriage or separation) and in average household size.

**Housing Unit**

House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

**Housing Choice Voucher (Section 8 Program)**

Federal rent subsidy program under Section 8 of the U.S. Housing Act which issues rent vouchers to eligible households to use in the housing of their choice. The voucher payment subsidizes the difference between the Gross Rent and the tenant's contribution of 30 percent of adjusted income (or 10 percent of gross income, whichever is greater). In cases where 30 percent of the tenants' income is less than the utility allowance, the tenant will receive an assistance payment. In other cases, the tenant is responsible for paying his share of the rent each month.

**Housing Finance Agency (HFA)**

State or local agencies responsible for financing housing and administering Assisted Housing programs.

**HUD Section 8 Program**

Federal program that provides project based rental assistance. Under the program HUD contracts directly with the owner for the payment of the difference between the Contract Rent and a specified percentage of tenants adjusted income.

**HUD Section 202 Program**

Federal program, which provides direct capital assistance (i.e. grant) and operating or rental assistance to finance housing designed for occupancy by elderly households who have income not exceeding 50 percent of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization. Units receive HUD project based rental assistance that enables tenants to occupy units at rents based on 30 percent of tenant income.

**HUD Section 811 Program**

Federal program, which provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by persons with disabilities who have income not exceeding 50 percent of Area Median Income. The program is limited to housing owned by 501(c)(3) nonprofit organizations or by limited partnerships where the sole general partner is a 501(c)(3) nonprofit organization.

**HUD Section 236 Program**

Federal program which provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80 percent of area median income who pay rent equal to the greater of Basic Rent of 30 percent of their adjusted income. All rents are capped at a HUD approved market rent.

**Income Band**

The range of incomes of households that can pay a specific rent but do not have more income than is allowed by the Income Limits of a particular housing program. The minimum household income typically is based on a defined Acceptable Rent Burden percentage and the maximum typically is pre-defined by specific programmatic requirements or by general market parameters.

**Income Limits**

Maximum household income by county or Metropolitan Statistical Area, adjusted for household size and expressed as a percentage of the Area Median Income for the purpose of establishing an upper limit for eligibility for a specific housing program. Income Limits for federal, state and local rental housing programs typically are established at 30, 50, 60 or 80 percent of AMI. HUD publishes Income Limits each year for 30 percent median, Very Low Income (50%), and Low-Income (80%), for households with 1 through 8 people.

**Infrastructure**

Services and facilities including roads, highways, water, sewerage, emergency services, parks and recreation, etc. Infrastructure includes both public and private facilities.

**Low Income**

Person or household with gross household income below 80 percent of Area Median Income adjusted for household size.

**Low Income Housing Tax Credit**

A program to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code, as amended. The program requires that a certain percentage of units built by restricted for occupancy to households earning 60 percent or less of Area Median Income, and that the rents on these units be restricted accordingly.

**Low Rise Building**

A building with one to three stories.

**Market Advantage**

The difference, expressed as a percentage, between the estimated market rent for an apartment property without income restrictions and the lesser of (a) the owner's proposed rents or (b) the maximum rents permitted by the financing program for the same apartment property.

**Market Analysis**

A study of real estate market conditions for a specific type of property.

**Market Area or Primary Market Area**

A geographic area from which a property is expected to draw the majority of its residents.

**Market Demand**

The total number of households in a defined market area that would potentially move into new or renovated housing units. Market demand is not project specific and refers to the universe of tenure appropriate households, independent of income. The components of market demand are similar to those used in determining demand.

**Market Rent**

The rent that an apartment, without rent or income restrictions or rent subsidies, would command in the open market considering its location, features, amenities. Market rent should be adjusted for concessions and owner paid utilities included in the rent.

**Market Study**

A comprehensive review of the housing market in a defined market area. A market study can be used to determine the demand for specific proposed development or to examine the overall condition of an area's housing market. Project specific market studies are often used by developers, syndicators, and government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what housing needs, if any, exist within a specific geography. At a minimum, market studies include a review of location, economic conditions, demographics, and existing and proposed housing stock.

**Marketability**

The manner in which the subject fits into the market; the relative desirability of a property (for sale or lease) in comparison with similar or competing properties in the area.

**Market Vacancy Rate – Physical**

Average number of apartment units in any market which are unoccupied divided by the total number of apartment units in the same Market Area, excluding units in properties which are in the lease-up stage.

**Market Vacancy Rate – Economic**

Percentage of rent loss due to concessions and vacancies.

**Metropolitan Statistical Area (MSA)**

A geographic entity defined by the federal Office of Management and Budget, for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban.

**Mid-rise**

A building with four to ten stories.

**Mixed Income Property**

An apartment property containing (1) both income restricted and unrestricted units or (2) units restricted at two or more Income Limits (i.e. Low Income Tax Credit property with income limits of 30, 50 and 60 percent).

**Mobility**

The ease with which people move from one location to another.

**Moderate Income**

Person or household with gross household income between 80 and 120 percent of Area Median Income adjusted for household size.

**Move-up Demand**

An estimate of how many consumers are able and willing to relocate to more expensive or desirable units, such as tenants who move up from Class C properties to Class B; and Class B tenants that move up to Class A properties; and tenants that move from Class C and B properties to a new superior Low Income Tax Credit property.

**Multifamily**

Structures that contain more than two or more housing units.

**Neighborhood**

An area of a city or town with common demographic and economic features that distinguish it from adjoining areas.

**Net Rent (also referred to as Contract or Lease Rent)**

Gross Rent less Tenant Paid Utilities.

**Penetration Rate**

The percentage of age and income qualified renter households in the Primary Market Area that live in all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy. Funding agencies may require restrictions to the qualified households used in the calculation including age, income, living in substandard housing, mover-ship and other comparable factors. See Capture Rate for property specific rate.

**Pent-up Demand**

A market in which there is a scarcity of supply and vacancy rates are very low.

**Population Trends**

Changes in population levels for a particular area over a specific period of time – which is a function of the levels of births, deaths, and net migration.

**Primary Market Area**

See Market Area

**Programmatic Rents**

The proposed rents for a Tax Credit or other income restricted property relative to comparable market rate properties and rents being achieved at another Low Income Housing Tax Credit or other income restricted properties in the market. Can be no greater than maximum rents permitted by the Low Income Housing Tax Credit or other program regulations.

**Project Based Rent Assistance**

Rental assistance from a federal, state or local program that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

**Public Housing or Low Income Conventional Public Housing**

HUD program administered by local (or regional) Housing Authorities which serves Low- and Very-Low Income Households with rent based on the same formula used for HUD Section 8 assistance.

**Qualified Census Tract (QCT)**

Any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income less than 60 percent of Area Median Income or where the poverty rate is at least 25 percent. A project located in a QCT and receiving Low Income Housing Tax Credits may qualify for up to 130 percent of eligible basis for the purpose of calculating the Tax Credit allocation.

**Rural Development (RD) Market Rent**

A monthly rent that can be charged for an apartment under a specific USDA-RD housing program, that reflects the agency's estimate of the rent required to operate the property, maintain debt service on an un-subsidized mortgage and provide an adequate return to the property owner. This rent is the maximum rent that a tenant can pay at an RD property.

**Rural Development (RD) Program**

Federal program which provides low interest loans to finance housing which serves low- and moderate-income persons in rural areas who pay 30 percent of their adjusted income on rent or the basic rent, whichever is the higher (but not exceeding the market rent). The Program may include property based rental assistance and interest reduction contracts to write down the interest on the loan to as low as one percent.

**Redevelopment**

The redesign or rehabilitation of existing properties.

**Rent Burden**

Gross rent divided by gross monthly household income.

**Rent Burdened Households**

Households with Rent Burden above the level determined by the lender, investor, or public program to be an acceptable rent-to-income ratio.

**Restricted Rent**

The rent charged under the restrictions of a specific housing program or subsidy.

**Saturation**

The point at which there is no longer demand to support additional units.

**Secondary Market Area**

The portion of a market area that supplies additional support to an apartment property beyond that provided by the Primary Market Area.

**Single-Family Housing**

A dwelling unit, either attached or detached, designed for use by one household and with direct access to a street. It does not share heating facilities or other essential building facilities with any other dwelling.

**Special Needs Population**

Specific market niche that is typically not catered to in a conventional apartment property. This population should exhibit certain criteria, which can be well defined, in order, for example, to assess the need and demand from this source. Examples of special needs populations include substance abusers, visually impaired person or persons with mobility limitations.

**Stabilized Level of Occupancy**

The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

**State Data Center (SDC)**

A state agency or university facility identified by the governor of each state to participate in the Census Bureau's cooperative network for the dissemination of the census data.

**Subsidy**

Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's Contract Rent and the amount paid by the tenant toward rent.

**Substandard Conditions**

Housing conditions that are conventionally considered unacceptable which may be defined in terms of lacking plumbing facilities, one or more major systems not functioning properly, or overcrowded conditions.

**Target Income Band**

The Income Band from which the subject property will draw tenants.

**Target Population**

Market niche a development will appeal or cater to. State agencies often use Target Population to refer to various income set asides, elderly v. family, etc.

**Tenant**

One who rents real property from another.

**Tenant Paid Utilities**

The cost of utilities necessary for the habitation of a dwelling unit, which are paid by the tenant. Tenant Paid Utilities do not include costs for telephone or cable service.

**Tenure**

The distinction between owner-occupied and renter-occupied housing units.

**Townhouse (or Row House)**

Single-family attached residence separated from another by party walls, usually on a narrow lot offering small front and back-yards; also called a row house.

**Turnover**

1. An estimate of the number of housing units in a Market Area as a percentage of total housing units in the Market Area that will likely change occupants in any one year. See Vacancy Period.
2. **Turnover Period** – The percent of occupants in a given apartment complex that move in one year.

**Unmet Housing Need**

New units required in the Market Area to accommodate household growth, homeless households, and housing in substandard conditions.

**Unrestricted Rents**

The recommended rents for the market rate units at a Mixed-Income Property.

**Vacancy Period**

The amount of time that an apartment remains vacant and available for rent.

**Vacancy Rate – Economic**

Maximum potential revenue less actual rent revenue divided by maximum potential rent revenue.

**Vacancy Rate – Physical**

The number of total habitable units that are vacant divided by the total number of units in the property.

**Very Low Income**

Person or household whose gross household income does not exceed 50 percent of Area Median Income adjusted for household size.

**Zoning**

Classification and regulation of land by local governments according to use categories (zones); often also includes density designations.



**CONCEPTUAL SITE PLAN KEY:**

- 1 Existing Setbacks
- 2 Areas of Tree & Vegetation Preservation
- 3 Water Connection Point
- 4 Sewer Connection Point
- 5 Driveway Access Point
- 6 Walking Access Point
- 7 Accessible Units: (8) Required / (8) Provided
- 8 Accessible Route From Designated Accessible Space
- 9 Illuminated Property Sign
- 10 Dumpster Pad with Screening Fence and Run-Up Apron: at least (1) Dumpster shall be Accessible
- 11 New Landscaping
- 12 Detention Pond
- 13 Existing Wetlands (Not on property)

**CONCEPTUAL SITE SYMBOL KEY:**

- ◆ Parking Space Count (Represents Number of Spaces)
- ◆ 228 Total Parking Spaces



- CONCEPTUAL SITE AMENITIES:**
- 1 Community Building
  - 2 Exterior Gathering Area
  - 3 On-Site Laundry
  - 5 Covered Pavilion w/ Picnic/bbq facility
  - 6 Equipped Playground
  - 7 Equipped Computer Center
  - 8 Furnished Exercise/Fitness Center



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PROPOSED CONCEPTUAL SITE PLAN FOR  
**GATEWAY AT LAFAYETTE**  
 1520 N. MAIN STREET | LAFAYETTE, GEORGIA 30728  
 GATEWAY AT LAFAYETTE, LP

DATE	28 SEP 2023	DESCRIPTION	REVISION
DATE	28 SEP 2023	DESCRIPTION	REVISION
DATE	28 SEP 2023	DESCRIPTION	REVISION
DATE	28 SEP 2023	DESCRIPTION	REVISION

**CS-03**  
 CONCEPTUAL SITE PLAN



**ADDENDUM D – UTILITY ALLOWANCE SCHEDULE**

**Allowances for  
Tenant-Furnished Utilities  
and Other Services**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0169  
(exp. 07/31/2025)

Locality		Unit Type						Date
Georgia North		Low-Rise Apartment						
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	10	15	18	24	31	37	
	b. Bottle Gas	36	56	66	86	112	132	
	c. Electric	12	17	21	27	32	39	
	d. Heat Pump	8	9	12	17	20	22	
Cooking	a. Natural Gas	3	4	5	7	8	10	
	b. Bottle Gas	10	17	20	23	30	36	
	c. Electric	6	8	10	12	16	18	
		-	-	-	-	-	-	
Other Electric		16	22	29	35	45	51	
Air Conditioning		5	7	10	13	15	17	
Water Heating	a. Natural Gas	4	7	9	11	13	16	
	b. Bottle Gas	17	23	33	40	46	60	
	c. Electric	9	14	20	25	30	35	
		-	-	-	-	-	-	
Water		21	25	29	35	41	45	
Sewer		20	24	29	36	44	48	
Trash Collection		16	16	16	16	16	16	
Range/Microwave		11	11	11	11	11	11	
Refrigerator		13	13	13	13	13	13	
Other -								
<b>Actual Family Allowances</b> To be used by the family to compute allowance.					Utility or Service		per month cost	
Complete below for the actual unit rented					Space Heating			
Name of Family					Cooking			
					Other Electric			
					Air Conditioning			
					Water Heating			
Unit Address					Water			
					Sewer			
					Trash Collection			
					Range/Microwave			
Number of Bedrooms					Refrigerator			
					Other			
					Total			

based on form HUD-52667 (04/15)

Previous editions are obsolete

ref. Handbook 7420.8

Effective 01/01/2023

ADDENDUM E – FLOOD MAP

National Flood Hazard Layer FIRMMette



85°16'47"W 34°44'12"N



Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, AB99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard. Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
OTHER FEATURES		Coastal Transect Baseline
		Profile Baseline
OTHER FEATURES		Hydrographic Feature
		Digital Data Available
MAP PANELS		No Digital Data Available
		Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards. The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 9/20/2023 at 1:15 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

ADDENDUM F – AERIAL MAP

**net Walker County, GA**

Search Sales Search Sales List Results Sales Results Report Tax Estimator Field Definitions Home

Parcel ID	Class Code	Taxing District	Acres
1003 046	Commercial	LAFAYETTE	10.24

(Note: Not to be used on legal documents)

Owner	Physical Address	Assessed Value
TEEMS & TEEMS AGENCY INC	1520 NORTH MAIN STREET LAFAYETTE, GA 307280000	N MAIN ST Value \$2396.16

Last 2 Sales	Date	Price	Reason	Qual
	1/5/2005	0	Z	U
	2/24/2003	\$130500	FM	Q

## ADDENDUM G – EXPERIENCE AND QUALIFICATIONS

**Jonathan Richmond**  
512 North One Mile Road  
P.O. Box 784  
Dexter, Missouri 63841  
573-624-6614 (phone)  
573-624-2942 (fax)  
[jon.richmond@gillgroup.com](mailto:jon.richmond@gillgroup.com)

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OVERVIEW	Multifamily and commercial experience specializing in work for private contractors, the Department of Housing and Urban Development (HUD) as well as lenders and developers through the Low-Income Housing Tax Credit (LIHTC) program. Has completed over 100 market studies in the past five years.
ACCREDITATIONS	<b>State Certified Real Estate Appraiser</b> Missouri State License Number 2014040824  <b>Housing Credit Certified Professional (HCCP)</b> <b>National Council of Affordable Housing Market Analysts (NCAHMA)</b>
EMPLOYMENT	<b>Hanley Wood</b> 2001 – 2005 Specialized in Market Research Coordination by providing residential construction information for residential real estate development and new home construction.  <b>Gill Group</b> 2005 – Present Specializes in multi-family market studies, appraisals, and physical inspections.
EDUCATION	<b>Bachelor of Science in Business Administration/Management</b> <i>The University of Phoenix</i> <b>Advanced Microsoft Excel Training</b> <i>New Horizons Microsoft Excel 2003-Level 2</i> <b>State Registered Appraiser of Real Estate</b> <i>Steve W. Velmeier Appraisal School</i> <b>General Education Classes</b> <i>Manatee Community College</i>
EXPERIENCE (2008 TO PRESENT)	Provider of appraisals for HUD, Public Housing Authorities, Property Management Companies, Non-Profit Entities, For-Profit Entities, Commercial Property Chains, Banks and Lenders everywhere.  Inspector for Gill Group  Provides Property Condition Assessments for the following property types: <ul style="list-style-type: none"><li>• Multi-Family</li><li>• Office</li></ul> Provided Inspections for the following property types

- Single-Family
- Multi-Family
  - Conventional
  - Section 8
  - Section 42 w/File Audits
  - Section 202
  - Section 221(d)(3)
  - Section 221(d)(4)
  - Section 236
- Hotels
- Motels
- Department Stores
- Retail Centers
- Warehouse
- Large, Multi-Unit Mini-Storage Facilities

#### **RECENT PROJECTS**

**Proposed 52 Unit Family Complex - Guthrie, OK**  
**43 Unit Multifamily Property - Waggaman, LA**  
**32 Unit Multifamily Property - Waggaman, LA**  
**24 Unit Family Complex - Republic, MO**  
**112 Unit Multifamily Apartment Complex - Santa Clara, CA**  
**28 Senior Unit Property - Ozark, AR**  
**19 New Construction Single Family Homes - Butler, MO**  
**44 Unit Multifamily Property - Nevada, MO**  
**52 Senior Unit Complex - Savannah, MO**  
**36 Unit Multifamily Property - Corbin, KY**