
Part I - Introduction

Self Contained Narrative Appraisal
Abbington at Haw Creek Site
Between 1415 and 1479 Buford Highway
8.0 Acres, 48 Proposed Units
Cumming, Georgia 30041

Prepared as of

May 25, 2015

Prepared for

Bill Rea
Rea Ventures Group, LLC
2964 Peachtree Road, NW, Suite 640
Atlanta, Georgia 30305

Prepared by

Southeastern Consulting Group
Real Estate Appraisers and Market Analysts
William F. Cantrell, MAI, CCIM
6030 Bethelview Road, Suite 104
Cumming, Georgia 30040

Southeastern Consulting Group

Real Estate Appraisers & Market Analysts
4920 Highway 9, PMB #441 / Alpharetta, Georgia 30004
Email: scgbill@Bellsouth.net / Phone: (770) 781-5202 / Fax: (770) 781-5261
www.secgrp.net

June 1, 2015

Bill Rea
Rea Ventures Group, LLC
2964 Peachtree Road, NW, Suite 640
Atlanta, Georgia 30305

Re: Land Appraisal
Abbington at Haw Creek Site
48 Proposed Units, 8.0 Acres of Land
Between 1415 and 1479 Buford Highway
Cumming, Forsyth County, Georgia

Dear Mr. Rea:

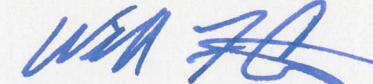
As requested, SCG has inspected the site in order to appraise the above captioned property. The purpose of the appraisal has been to estimate the value of the fee simple interest in the property as of May 25, 2015. Submitted herewith is the narrative appraisal report which contains the pertinent data, analyses, and opinions upon which the final value estimate is predicated. Certifications and Qualifications of the Appraiser are also contained therein. Specific reference is made to the Assumptions and Limiting Conditions, and the Purpose and Date of Appraisal sections of the report, as these report sections set forth presumptions that may limit or qualify the expressed value estimate. Additionally, the value estimate reported for the subject is a cash equivalent current value as of the date of the appraisal. It is SCG's opinion, based upon prevailing market conditions, that the market value of the fee simple interest in Abbington at Haw Creek Site, on a cash equivalent basis and based on market conditions as of May 25, 2015, would be:

ONE MILLION SEVEN HUNDRED THOUSAND
(\$1,700,000.00) U.S. DOLLARS

If additional information is required, please advise.

Respectfully submitted,

SOUTHEASTERN CONSULTING GROUP



William F. Cantrell, MAI, CCIM
President

Table of Contents

Part I - Introduction and Summary

Title Page	i
Letter of Transmittal	ii
Table of Contents	iii
Executive Summary	iv
Assumptions and Limiting Conditions	v

Part II - Factual Data

Identification of the Property	1
Property History	1
Intended Use and User	1
Architectural Data	1
Exposure Time	1
Purpose, Function and Date of Appraisal	5
Scope of the Appraisal	6
Market Characteristics and Overview	7
Neighborhood Data	26
Site Data	31
Photographs of Site	34
Ad Valorem Taxes	37

Part III - Analyses and Conclusions

Highest and Best Use Analysis	39
Appraisal Procedure and Methodology	41
Land Valuation	42
Sales Comparison Approach	42
Reconciliation	44
Certification of Appraisers	46

Part IV - Exhibits and Addenda

Exhibit A - Legal Description	48
Exhibit B - Qualifications of Appraisers	49
Exhibit C - Comparable Vacant Land Sales	50
Exhibit D - Qualifications of Appraisers	55

Executive Summary of Findings

Abbington at Haw Creek Site Apartments

Location	Between 1415 and 1479 Buford Highway Cumming, Forsyth County, Georgia 30041
Site Data	
Size	8.0 Total Acres
Zoning / Status	R-3 / Conforming Use
Development Density	6.0 du / acre
Proposed Units	48 LIHTC Units
Ad Valorem Tax Data - As-Complete	
2014 Real Estate Tax Value	\$433,310
2014 Real Estate Taxes	\$921.56
Value & Inspection Date	May 25, 2015
Value Indications	
Sales Comparison Approach	\$1,700,000 (\$215,500 per acre, \$35,417 per unit)
Reconciled Market Value	\$1,700,000 (\$215,500 per acre, \$35,417 per unit)
Appraiser / Analyst	William F. Cantrell, MAI, CCIM C. Creed Crutchfield Jessica E. Betz

Assumptions and Limiting Conditions

The value estimate expressed herein is predicated upon certain general and specific conditions and assumptions, which may or may not have any effect upon the value of the appraised property. These are included below and on the following pages. Acceptance of, and / or use of, this appraisal report constitutes acceptance of the following conditions.

1. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable. Normal mortgage loan encumbrances and utility easements are considered to exist. The legal description included in this report (Exhibit A) is assumed to be correct.
2. The appraisers assume no liability for structural features not visible on ordinary careful inspection, nor is any responsibility assumed for sub-surface or foundation conditions. Information regarding the location or existence of public utilities has been obtained through a verbal inquiry to the appropriate utility, or has been ascertained from visual evidence. No warranty has been made regarding the exact location or capabilities of public utility systems.
3. Certain information used in this appraisal has been furnished by others. The sources and the information are considered to be reliable, but cannot be guaranteed. The appraisers are not obligated to give testimony of any kind nor appear in any court as a result of having completed this appraisal, unless arrangements to that effect were made prior to the initiation of the appraisal assignment.
4. The value estimate expressed herein assumes competent and aggressive management and / or marketing of the subject property. The contents of the appraisal are for limited private use only. If this report becomes the property of any party other than the addressee or the person who has paid the fee connected herewith, permission must be obtained from the original addressee for reproduction or additional copies, and additional fees will be charged for any further consultation, reappraisal, or review of the property. Southeastern Consulting Group has no responsibility to any party other than the addressee. It has been assumed that the client or representative thereof, if soliciting funds for this project, has furnished to the user of this report complete plans, specifications, survey, and photographs of the land and improvements.

Assumptions and Limiting Conditions (continued)

5. This appraisal was obtained from Southeastern Consulting Group or related companies and/or its individuals and consists of “trade secrets and commercial or financial information” which is privileged and confidential. Notify the Appraiser(s) signing the report or an officer of Southeastern Consulting Group of any request to reproduce this appraisal in whole or part. It is strongly recommended that the reader rely upon authorized copies only of this report. Authorized copies are printed on white paper, with the letter of transmittal printed on gray stationery bearing the “Classic Crest” watermark, a navy and maroon letterhead, and original signatures in blue ink. Any copy that does not have the above features is unauthorized and could have been altered. Any reader who is uncertain of the authenticity of this report should contact Southeastern Consulting Group.

6. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of the appraisal and / or the report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute, Southeastern Consulting Group, or to the MAI, SRA or CCIM designations) shall be disseminated to the public through advertising media, public relations media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned.

7. Opinions of value contained herein are estimates, and there are no guarantees, either written or implied, that the property would sell for the expressed estimate of value. The property history has been provided by conversations with various individuals involved with the chain of title, and if available, various documents such as contracts, deeds, leases, and closing statements. Southeastern Consulting Group has not performed a title search, nor does Southeastern Consulting Group warrant that the history, as presented herein, is completely accurate since Southeastern Consulting Group has relied upon the information of others. Any person or entity contemplating an interest in the subject property should rely solely upon a title search and opinion prepared by a qualified attorney-at-law.

Assumptions and Limiting Conditions (continued)

8. This appraisal and value estimate in no way implies a warranty of the structural integrity of the improvements (or street improvements) which are the subject of the appraisal. The improvements are concluded to be of suitable construction. Unless otherwise noted herein, working order of the mechanical equipment is assumed; however, the appraisers in no way warrant the adequacy, design, and sufficiency of mechanical features. The appraisers presume that the improvements, either existing or to be built, meet the fire safety requirements of all applicable state and local building codes. It is assumed that a certificate of occupancy and acceptance has been issued by the State Fire Marshal and the local supervisory building inspector.
9. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the subject improvements, such as the presence of urea formaldehyde foam insulation and / or existence of toxic waste, which may or may not be present on the property, has not been considered. The appraisers are not qualified to detect such substances and recommend that the client retain an expert in this field. No termite inspection has been made, nor is a termite report available to the appraisers. It is assumed that there is no termite infestation and that a termite bond supplementing annual inspections is in effect.
10. The estimated value is subject to change with market changes over time; value is highly related to interest rates, exposure, time, promotional effort, supply and demand, terms for sale, motivations and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace. The estimate of value in this report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised. In the event this appraisal includes the capitalization of income, the estimate of value is a reflection of benefits and our interpretation of income and yields and other factors which were derived from general and specific market information. Estimates are as of the date of the estimate of value and as a result, they are subject to change as the market is dynamic and may change over time.

Assumptions and Limiting Conditions (continued)

11. Liability of the firm and employees is limited to the fee collected for preparation of the appraisal. There is no accountability or liability to any third party. The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report. Acceptance of, and / or use of, this appraisal report constitutes acceptance of the above conditions.

Identification of the Property

The property which has been reported herein is in land lot 365 2nd District of the 1st Section located between 1415 and 1479 Buford Highway, Cumming, Forsyth County, Georgia 30041. A 48 unit apartment complex is to be situated on the 8.0 acre site to be constructed in 2015 - 2016. Refer to the survey of the property and overall development plan in the site description and Exhibit A - Legal Description.

Property History

The subject 8.0 acres is a portion of the larger 9.70 acre Madelyn Cheek site. The entire 9.7 acres was placed under contract to Sutherlin Nissan for \$3,050,000 or \$314,433 per acre. The contract recently (a couple of months ago) fell through and was cut into a 2.0 acre parcel with the old home site and the subject 8.0 acres. The subject contract is dated May 2015 from Madelyn E. Cheek to RVLH Acquisitions, LLC for \$1,600,000 or \$200,000 per acre or \$33,333 per planned unit plus \$80,000 buyer paid commission to total \$1,680,000 or \$219,000 per acre or \$35,000 per unit. A 48 unit senior LIHTC rental apartment is planned for the site with construction starting by year end 2015 and completing next year. To the best of Southeastern Consulting Group's knowledge, the site has not been involved in any other "Arms Length" sales transactions over the past three years.

Intended Use and User

The intended use of this appraisal is for DCA to approve tax credits for the property.

Architectural Data

The survey prepared by Richard Webb and Associates, job 05157 revised July 19, 2007, and is included in the site data section.

Exposure Time

Exposure time is the estimated length of time the subject property would have to be offered prior to a hypothetical market value sale at the appraisal amount under the hypothetical assumptions and limiting conditions set forth in the appraisal as of the date of the appraisal. Exposure time is a retrospective estimate based upon analysis of historic facts and events predicated upon an open and competitive market. Exposure time is also predicated upon adequate, sufficient, reasonable and professional marketing effort.

Exposure Time (continued)

Exposure time is not intended to be a prediction of a date of sale and is a function of price, time and use. Exposure time is different for various types of real estate and under various market conditions. To estimate an exposure period for Abbington at Haw Creek Site, SCG investigated the following information sources:

- statistical information about days on the market;
- information gathered through sales comparable verification; and
- interviews with market participants and knowledgeable real estate professionals.

The table below page summarizes the information collected and studied by SCG.

Exposure Time - Apartment Properties		
	Exposure Time (Months)	
Data Source	Range	Average
KORPACZ First Quarter 2015 National	1.00-9.00	4.1
KORPACZ First Quarter 2015 Region	1.00-6.00	3.0

Based upon the foregoing analysis, an exposure time of six to twelve months is reasonable assuming Abbington at Haw Creek Site would be competitively priced, professionally marketed and aggressively promoted on a regional basis.

Marketing Time

Marketing time as used in this appraisal report is defined by the Dictionary of Real Estate Appraisal as:

“An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period of immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, “Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions” address the determination of reasonable exposure and marketing time.)”

Referencing the above, the value is premised upon a six to twelve month marketing time after the effective date of the appraisal.

National Apartment Market

Although most surveyed investors believe that current conditions in the national apartment market favor sellers, they also cite certain challenges for future investments in this market. This quarter's Survey reveals that 70.0% of our participants feel sellers hold the advantage in negotiations, while 30.0% of them believe that the market is neutral – equally favoring buyers and sellers.

In the coming year, potential roadblocks for investors include extreme competition for quality investments, an overabundance of available capital, and in some markets, oversupply of apartment product. "There is still a lot of competitive capital, creating

aggressive pricing on the part of buyers in order to secure deals," shares an investor.

Despite these concerns, investors are drawn to this market's ongoing strength. For instance, the fourth quarter 2014 vacancy rate for the U.S. apartment sector was 4.2%, compared to 4.6% two years prior, as per Reis. Further, the year-over-year change in average effective rent stood at 3.6% in the fourth quarter, up from 3.3% a year ago. Lastly, the need to offer free rent on one-year leases has diminished as rental rates have grown. This quarter, 50.0% of surveyed investors report using free rent – a decline from 83.0% last quarter. ♦

KEY 1Q15 SURVEY STATS*

Total Vacancy Assumption:

Average	6.0%	=
Range	2.0% to 15.0%	

Months of Free Rent⁽¹⁾:

Average	0.7	=
Range	0 to 2	
% of participants using	50.0%	▼

Market Conditions Favor:

Buyers	0.0%	=
Sellers	70.0%	=
Neither	30.0%	=

* ▼, ▲, = change from prior quarter
 (1) on a one-year lease

Table 29
NATIONAL APARTMENT MARKET
 First Quarter 2015

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)^a					
Range	5.50% – 10.00%	5.50% – 10.00%	6.00% – 14.00%	5.25% – 14.00%	6.50% – 14.00%
Average	7.33%	7.34%	8.17%	8.28%	10.18%
Change (Basis Points)		-1	-84	-95	-285
OVERALL CAP RATE (OAR)^a					
Range	3.50% – 8.00%	3.50% – 8.00%	3.50% – 10.00%	3.75% – 10.00%	5.00% – 11.00%
Average	5.36%	5.36%	5.79%	5.83%	7.85%
Change (Basis Points)		0	-43	-47	-249
RESIDUAL CAP RATE					
Range	4.25% – 8.50%	4.25% – 9.00%	4.25% – 9.50%	4.50% – 9.75%	5.00% – 11.00%
Average	5.96%	6.03%	6.23%	6.25%	8.01%
Change (Basis Points)		-7	-27	-29	-205
MARKET RENT CHANGE^b					
Range	0.00% – 8.00%	0.00% – 8.00%	0.00% – 8.00%	(2.00%) – 8.00%	(10.00%) – 3.00%
Average	2.83%	2.83%	2.73%	2.73%	(0.91%)
Change (Basis Points)		0	+10	+10	+374
EXPENSE CHANGE^b					
Range	1.00% – 4.00%	1.00% – 4.00%	1.00% – 3.50%	1.00% – 4.00%	0.00% – 4.00%
Average	2.74%	2.74%	2.70%	2.62%	2.55%
Change (Basis Points)		0	+4	+12	+19
MARKETING TIME^c					
Range	1 – 9	1 – 9	0 – 12	0 – 18	1 – 18
Average	4.1	4.1	5.0	5.3	8.1
Change (▼, ▲, =)		=	▼	▼	▼

a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months

Regional Apartment Markets

Five cities located in the Mid-Atlantic, Pacific, and Southeast region apartment markets ranked as top-15 metros in terms of total sales volume for 2014, as per Real Capital Analytics (RCA). These cities included Raleigh/Durham in the Mid-Atlantic region, Atlanta and Orlando in the Southeast region, and Seattle and San Francisco in the Pacific region. Overall, RCA reports sales of \$114.0 billion for 2014, a 9.0% increase from 2013.

The highest single-asset sale in 2014 occurred in the Pacific region. Maximus RE Partners acquired Villas Parkmerced, a 3,221-unit property in San Francisco, for \$1.3 billion. The buyer plans to redevelop the site

with 6,000 residential units, 310,000 square feet of commercial space, and parking. Two transactions in the Mid-Atlantic region were also top-25 apartment deals and included TIAA-CREF's purchase of The Woodley and Louis at 14th, both located in Washington, DC.

Due to investors' strong desire to acquire apartment assets, the average overall cap rate slips in two of the three Survey regions this quarter. As shown in Tables 30 and 31, the average overall cap rate falls eight basis points to 4.77% in the Pacific region and declines five basis points to 5.45% in the Southeast region. The Mid-Atlantic region's average overall cap rate inches up to 5.46%. In the next six months,

surveyed investors unanimously foresee cap rates holding steady in the three regions.

Even though investors remain optimistic, they appear more conservative. While the average initial-year market rent change rate holds steady in the Mid-Atlantic and Pacific regions, it falls 20 basis points in the Southeast region this quarter. An investor active in the Mid-Atlantic region states, "New supply makes it difficult to assess exit pricing, so our underwriting has become more conservative." Another participant echoes, "Strong growth projections going forward may be too aggressive relative to the region's changing supply/demand balance." ♦

Table 30
SOUTHEAST REGION APARTMENT MARKET
 First Quarter 2015

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO
DISCOUNT RATE (IRR)^a				
Range	6.00% – 10.00%	6.00% – 10.00%	6.50% – 10.00%	6.50% – 11.00%
Average	7.60%	7.60%	7.85%	8.40%
Change (Basis Points)		0	- 25	- 80
OVERALL CAP RATE (OAR)^a				
Range	3.75% – 7.25%	3.75% – 7.25%	4.50% – 7.25%	5.00% – 7.00%
Average	5.45%	5.50%	5.65%	5.86%
Change (Basis Points)		- 5	- 20	- 41
RESIDUAL CAP RATE				
Range	5.00% – 7.00%	5.00% – 7.00%	5.25% – 7.50%	5.50% – 9.75%
Average	6.10%	6.10%	6.30%	6.64%
Change (Basis Points)		0	- 20	- 54
MARKET RENT CHANGE^b				
Range	1.00% – 4.00%	2.00% – 4.00%	2.00% – 4.00%	(10.00%) – 10.00%
Average	2.95%	3.15%	3.05%	2.25%
Change (Basis Points)		- 20	- 10	+ 70
EXPENSE CHANGE^b				
Range	2.00% – 3.00%	2.00% – 3.00%	2.00% – 4.00%	1.00% – 3.00%
Average	2.80%	2.80%	3.00%	2.36%
Change (Basis Points)		0	- 20	+ 44
MARKETING TIME^c				
Range	1 – 6	1 – 6	1 – 12	1 – 18
Average	3.0	3.0	4.0	6.0
Change (▼, ▲, =)		=	▼	▼
a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months				

Purpose, Function and Date of Appraisal

The purpose and function of this appraisal is to estimate the market value of the vacant site, as of May 25, 2015.

The definition of “market value” is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;*
- (2) both parties are well informed or well advised, and each acting in what he considers his own best interest;*
- (3) a reasonable time is allowed for exposure in the open market;*
- (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Scope of the Appraisal

An appraisal is generally defined as an estimate or estimates of market value or values based upon the parameters of the assignment as of a specified date or dates. The valuation of real estate is based upon a process of data collection, analysis and conclusions from a disinterested third party standpoint. The purpose and dates of the appraisal, along with the property rights appraised, have been previously defined. The following outlines the Scope of the Appraisal based upon these definitions. Vacant land is best valued through the application of the Market Data or Sales Comparison Approach.

The initial step in the appraisal process is the market research phase, whereby basic data is collected and refined from all available sources. Sources of basic data include local municipal governments, public records, chambers of commerce, private real estate professionals, owners of / investors in comparable properties, on-site management and leasing agents at comparable properties, the actual subject property history and real estate publications. This information is verified and cross checked for accuracy and applicability.

Information about the Abbington at Haw Creek Site is also collected to include ad valorem tax data, zoning information, utility availability and other factors which could have an impact on the property. Abbington at Haw Creek Site's site is inspected to ascertain the physical features of the property, including topography, cover, frontage, access and existing improvements. The site plans are reviewed (if available), existing improvements inspected, and the site plan studied as to the relationship of the site and the improvements. Other properties in the neighborhood are reviewed to develop an overall opinion of the character, composition, life stage, and future trends and prospects for the submarket. The consideration of all these factors, acting in concert, leads to a conclusion of the highest and best use for the subject property, which is the basis of the valuation methodology.

The Sales Comparison Approach is based upon the theory of substitution and is derived by direct comparison of the Abbington at Haw Creek Site with properties that have recently sold in the local market and in other comparable metropolitan markets. These comparables are verified and inspected, with differences between the comparables and the subject property noted. The comparable sales are analyzed and the sale prices are delineated on a per apartment unit, and per acre. The sale price per unit reflects the relationship between sale price per acre and value per apartment.

Forsyth County / Metro Atlanta Market Overview

This section contains a description of the Metropolitan Atlanta area and the county in which the property is located, Forsyth County, with regard to the real estate environment and the factors that impact it, such as the economy, geographic location, schools, shopping, medical services, transportation, and recreation, among others. These support services define demand factors that reflect the scale and character of growth in the market area.

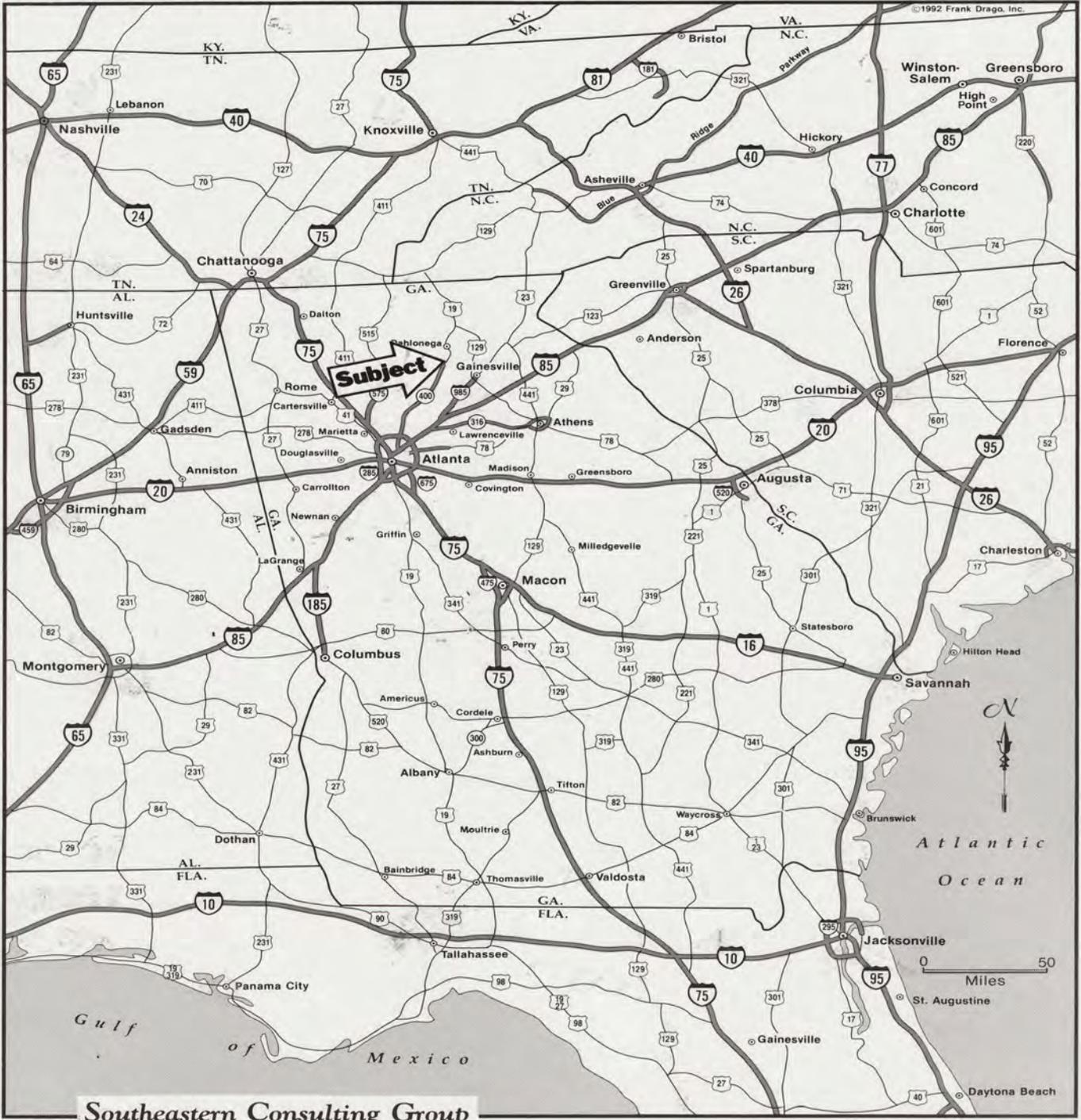
Background Sources
ESRI Business Analyst Online
REIS Observer and Metro Trend Reports
Forecast of Georgia and Atlanta, Georgia State University
Georgia Business and Economic Conditions, University of Georgia
Atlanta Regional Commission Population & Housing Report
Cumming-Forsyth County Chamber of Commerce
Georgia Department of Labor
Market Feasibility Analysis - Real Property Research Group, May 20, 2015
Research Department at Southeastern Consulting Group

Location

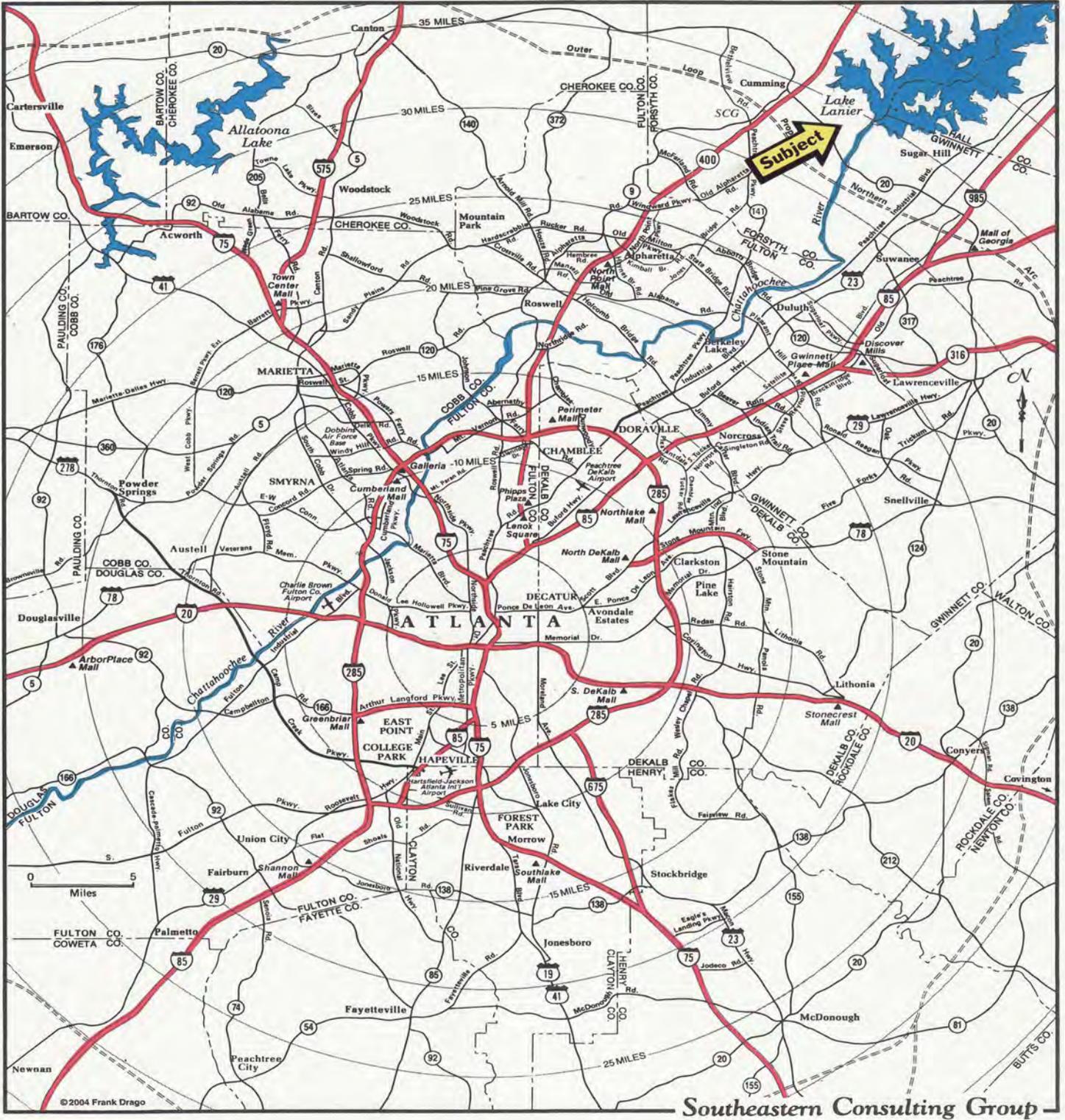
The Abbington at Haw Creek Site is located near the City of Cumming, in Forsyth County. The is located between 1415 and 1479 Buford Highway. Although Forsyth County is not part of the Atlanta Region, Fulton County and a major portion of the Atlanta metropolitan area are included in the Atlanta Region, which consists of ten core counties (in order of population): Fulton (which includes most of the City of Atlanta); DeKalb (which includes the eastern extremities of the City of Atlanta); Cobb; Gwinnett; Clayton; Cherokee; Henry; Douglas; Fayette; and Rockdale. In addition to those ten counties, 18 adjoining counties, including Forsyth, make up the Atlanta - Sandy Springs - Marietta Metropolitan Statistical Area (Atlanta MSA), This area analysis will primarily concentrate on the Atlanta MSA and Forsyth County and additional information will be provided regarding the market area around the subject site. A regional location map is included on the next page, illustrating the central location of Atlanta in regard to the southeastern United States. A Metropolitan Atlanta map is included on page 9 and an area location map is included on page 10, illustrating the location of the Abbington at Haw Creek Site within those parameters. Additional reference is made to the market feasibility analysis dated May 20, 2015, prepared by Real Property Research Group.

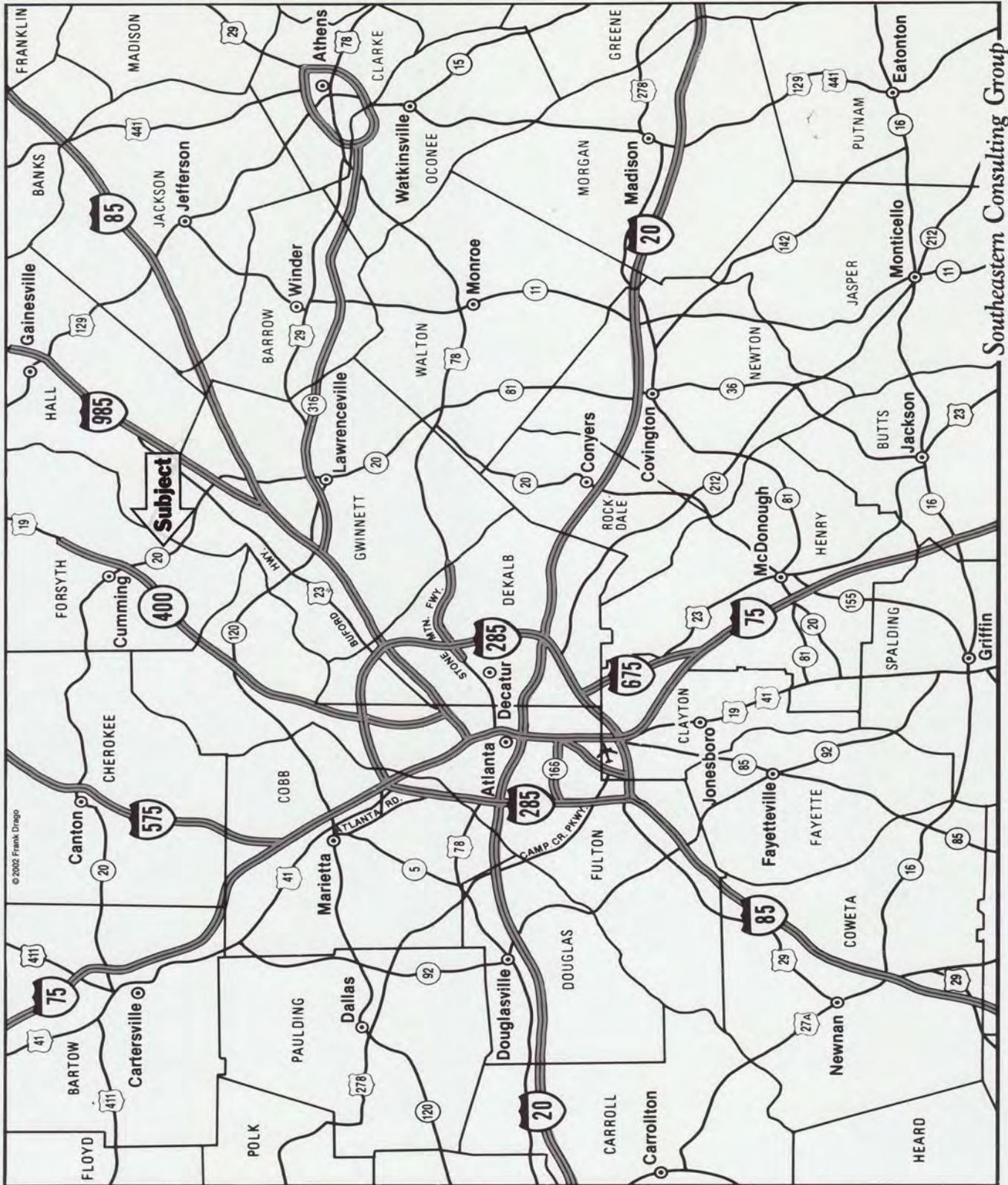
Regional Location Map

Southeast United States

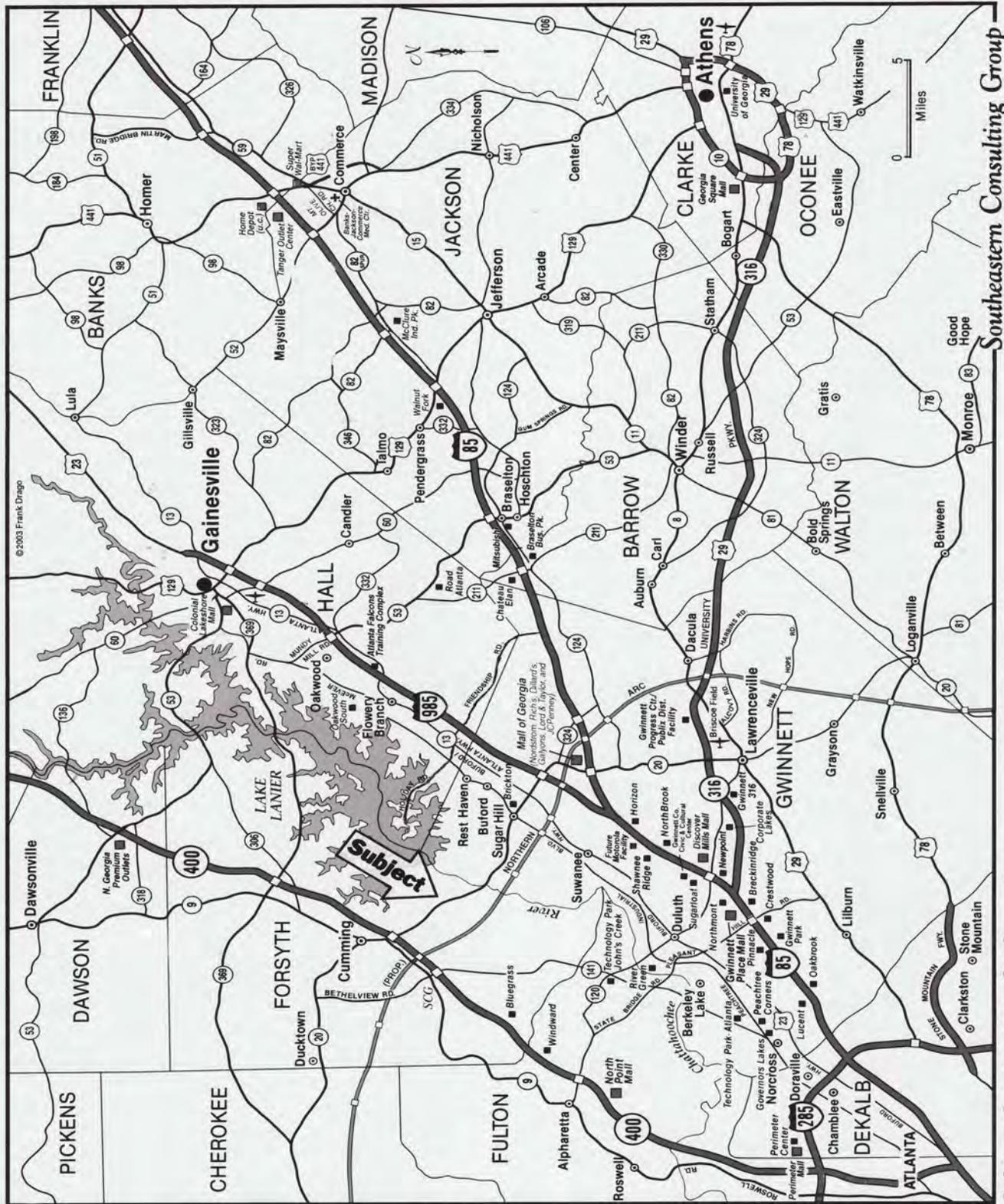


Metropolitan Atlanta





Southeastern Consulting Group



Climate

The Atlanta metro area is a natural breakpoint in the southeastern part of the United States, at 275 miles from the Atlantic Ocean, 250 miles from the Gulf of Mexico, and with the northern end of the metro area at the foothills of the Appalachian Mountains. Atlanta is situated at 1,050 feet above sea level which, combined with the city's proximity to the Appalachian Mountains, the Atlantic Ocean and the Gulf of Mexico, creates moderation in the climate. Annual precipitation averages about 51 inches, with the relative humidity in the range of 57% to 83% and an annual temperature averaging approximately 61 degrees. Atlanta's climate permits year-round business operation, having a demonstrable impact on lower fuel consumption and lower construction and maintenance costs in comparison to other parts of the nation.

Transportation

Atlanta sits at the junction of three major interstate highways (I-20, I-75 and I-85), which provide access to markets throughout the United States and also serve as the engine for regional growth. In addition to these three interstates, Georgia State Road 400 (Georgia 400) traverses Fulton and Forsyth Counties, providing commuters with direct access to the City of Atlanta. The 64-mile Interstate Highway 285 (also known as the Perimeter Highway) circles Atlanta, linking the other three interstates, as well as Georgia 400, and providing access to the suburban areas. Hartsfield-Jackson International Airport, located about 40 miles from the center of Forsyth County and about ten miles south of downtown Atlanta, in Clayton County, is in constant competition with Chicago's O'Hare International Airport as the world's busiest airport and is an important stimulus for the area's growth. The Abbingdon at Haw Creek Site is in close vicinity to Georgia 400, providing easy access to the north sides of the City of Atlanta, as well as Hartsfield-Jackson.

Another major component of Atlanta's transportation infrastructure is the Metropolitan Atlanta Rapid Transit Authority (MARTA) rail and bus transit system. The MARTA rail system extends from a central location downtown to the east, the west, the north, with an extension to the northeast, and all the way to the airport to the south. The Georgia Regional Transportation Authority (GRTA) recently started offering bus service for Forsyth County residents, providing a limited schedule of bus routes directly to several MARTA stations and to downtown Atlanta. Freight rail service in Atlanta is provided by Norfolk Southern and CSX Transportation, and Amtrak passenger rail service is available from Atlanta. The Atlanta transportation network is extensive but crowded. Expansions of the infrastructure are ongoing and should help absorb the continued growth of the area.

Utilities

Utilities are adequate and generally conducive to growth. Georgia Power, with generating capabilities of 14.5 million kilowatts, provides electricity to most of Georgia and all of Atlanta. Sawnee Electric Membership Corporation, a member-owned electric energy provider, provides service to much of Forsyth County including the area where Abbington at Haw Creek Site will be located. Buford Dam, located at Lake Lanier in Forsyth County, impounds the Chattahoochee River and serves as a source of hydroelectric power for the area. The dam produces more than 175,000 megawatts of electricity, which is equivalent to the needs of approximately 25,000 homes. The natural gas industry was deregulated in Georgia in 1999, allowing for competition in the selection of gas suppliers. Atlanta Gas Light Company, formerly the sole provider in the Atlanta area, still operates its pipeline systems and remains the largest provider of natural gas to residential, commercial and light industrial customers. Water and sewer services are provided by local municipalities. Lake Lanier and the Chattahoochee River are the primary water sources in the area and are considered satisfactory. Lake Lanier supplies over three million residents in Georgia with fresh drinking water. Sewer capacity is adequate, but restricted in some of the faster-growing northern suburbs, which could impede future growth in these areas.

Recreation

The areas surrounding the subject property benefits from an array of recreational opportunities. Area residents can enjoy numerous parks in close vicinity for all types of sporting events, walking /jogging trails, picnic areas, swimming, playgrounds, bike trails, horseback riding and more. Lake Lanier, a 39,000-acre lake with 540 miles of shoreline in Forsyth, Gwinnett, and Hall Counties, is a top draw, bringing in millions of visitors and dollars of revenue to the area each year. Lake Lanier is considered one of the most visited Corps of Engineer projects in the nation, offering relaxation and water sports just a short drive from the urban area of Atlanta. Lake Lanier Islands, a development by the State of Georgia and the Corps of Engineers, is a major resort area on the lake. The Islands complex provides picnicking, camping, beach areas, a water theme park, tennis courts, golf courses, rental boats, restaurants, hotel and conference accommodations. The City of Atlanta offers its own wide array of cultural, recreational and sporting activities, including the opportunity to attend college and professional baseball, basketball, football and other sporting events, as well as major concerts and theatrical productions that are not available in smaller, less metropolitan markets. Area recreational and cultural opportunities are considered well-rounded and diverse.

Health Care

Northside Hospital of Atlanta dates back to 1970, with the main hospital located in northeast Atlanta. The medical staff includes over 1,700 physicians and health care professionals who are board-certified in numerous specialties and fields of practice. Multiple campuses are located throughout the metro Atlanta area, with one campus in Forsyth County. Northside Hospital - Forsyth is a 78-bed acute care facility formerly known as Baptist Medical Center, with 400 employees and 175 physicians serving the counties of Forsyth, Dawson, North Fulton, west Gwinnett, east Cherokee, and parts of Hall counties.

North Fulton Regional Hospital, a member of the Tenet Health Care System, is a 167-bed acute care community medical center located in the Roswell / Alpharetta area in North Fulton County. Established in 1983, North Fulton Regional Hospital has an affiliated medical staff of over 400 physicians and an additional 900 healthcare professionals. The hospital offers services in cardiac care, emergency trauma, imaging and diagnostics, radiation oncology and women's health, along with providing community health seminars and screenings. The area has an ample and growing number of private specialty and family physicians and dental care providers, with medical services in the area considered to be good and supportive of continued growth.

Grady Memorial Hospital, located in the heart of downtown Atlanta, is just a 30- minute drive from Forsyth County. Grady has 1,000 inpatient beds and has served the Atlanta area for over 100 years. Serving as the primary teaching hospital of the Emory University School of Medicine, Grady is a tertiary care center for trauma, burns, neonatal and high-risk obstetrical services, renal dialysis and poison control. In addition, the emergency care center at Grady is the largest emergency department in the State of Georgia.

Communications

The Atlanta Journal and Constitution serves Metro Atlanta on a daily basis, with two local papers, *The Forsyth County News* and *The Forsyth Herald* also distributed in Forsyth County neighborhoods. Fourteen local television stations also serve Atlanta, as well as 34 AM and 32 FM radio stations. Cable television is provided primarily by AT&T and Adelphia, which is now Comcast, with many areas being able to upgrade to digital media. A number of telephone companies provide residential and / or cellular telephone service throughout Metro Atlanta, including BellSouth, AT&T, MCI and Verizon, to name a few. In addition, numerous Internet providers offer area residents dial-up, DSL, T-1 and cable connections to the World Wide Web.

Education

The public school system in Forsyth County is considered good for the area. Due to the fast growth in the area, the system is constantly adding new schools to provide for the educational needs of area school children. The local schools are provided with the latest in educational technology and student test scores have been among the highest in the state in recent years. Opportunities for higher learning typically within a 30-minute drive of the subject property are diverse and include Georgia State University, Georgia Institute of Technology, Clark Atlanta University, Morehouse College and Spelman College, located in the downtown Atlanta area, with Emory University, Kennesaw State University, Mercer University, Morris Brown College and Oglethorpe University located in areas on the outskirts of Atlanta. The University of Georgia is located in Athens, approximately a 90-minute drive from Forsyth and North Fulton counties. Gainesville College and North Georgia College and State University are also within 30 minutes of the subject property. In addition, there are technical and vocational institutions in close vicinity, such as the main campus of Lanier Technical School, located in Forsyth County. Educational opportunities in the area are good and serve as a catalyst for continued growth.

Population

According to the Atlanta Regional Commission's (ARC) *Population & Housing Report: A Primer*, dated August 2011, the ten-county Atlanta Region reflected an increase of 712,921 residents over the 2000 Census. The Atlanta Regional Commission (ARC) reported a 2011 population of 4,142,300 for the ten-county "Core" Atlanta area. The ten-county metro region had a one year increase (between 2010 and 2011) of 34,550 new residents (or 0.84% increase). In addition to including the City of Atlanta, the "Core" Atlanta metropolitan area consists of Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Fulton, Gwinnett, Henry, Rockdale. The "external" ten counties of the Atlanta Region include Barrow, Bartow, Carroll, Coweta, Forsyth, Hall, Newton, Spalding, Spaulding, and Walton. According to the August 2011 ARC report, the one year increase of 34,550 new residents in the ten-county Atlanta region reflects the slowest annual growth this decade since 2008, which is due mostly to the effects of the national slowdown in home-building and the general economic slowdown. Still, the ten-county Atlanta region has averaged almost 84,000 new residents each year since 2000, and its population of 4,142,300 is larger than that of 24 states.

Fulton is the most populous county in the ten-county region with 928,200 residents in 2011. Gwinnett ranks second with 814,100, and DeKalb County is third with a population of 731,200 residents. DeKalb County is next in line relative to total population, with 694,400 residents.

Population (continued)

Although these four counties comprise just over half of the land area in the Atlanta Region, they account for 75.6% of the 2010 population in the ten-county region. All ten core counties in the Atlanta Region, as well as the City of Atlanta, experienced population growth in 2011. In the past few years, the City of Atlanta has undergone a renaissance with more than 4,226 new residents moving into the city limits from 2000 to 2011. Historically, the most dominant growth in the market area had been in the northern section of Atlanta. This trend saw a shift after 2000 as traffic congestion and land prices increased in the northern areas.

Nearly 75% of the Region's population growth during the 1980's was in the four northern sectors (ENE, NNE, NNW, WNW). In the 1990's, the trend continued, with those four sectors capturing 72% of the population growth. Since 2000, only around 44% of the population growth has occurred in those four sectors.

An article in the AJC, states that births are driving up population as migration lags. The ARC reports that the metro area added 37,200 new residents through "natural increase" or new babies. Between April 2011 and April 2012 the Atlanta region grew significantly slower than the boom years (1990 to 2006) before the recession struck. The region routinely added 100,000 people per year during the 2000's. Cobb County added 11,734 new residents per year between 1990 to 2010 but only grew 5,900 between 2011 to 2012. The ARC contends that the flatness in the economy is directly tied to the economic downturn and expects the region to get three million more people by 2040 or in excess of seven million people.

The ENE sector, which includes Gwinnett County, still leads the Region in net population gain since 2000. According to ARC's *2011 Population and Housing Report*, close to 80 percent of the expanded 20-county area's population lives in the "core" ten counties. This means that almost 75 percent of the 20-county area's 2011 population resides in one of the ten "external" counties, up from 19 percent in 2000. Table 1, on the following page, demonstrates the population growth experienced in the ten-county Atlanta Region since 1960, according to the ARC studies. Additionally, refer to Table 1, on the next page, for an historical review of the population growth in the ten-county Atlanta Region and the City of Atlanta.

Population (continued)

Table 1 - Atlanta Region Population Trends			
Year	Population	Average Annual Increase	
		Number	Percent
1960	1,093,220	----	----
1970	1,500,823	40,760	3.2%
1980	1,896,182	39,556	2.4%
1990	2,557,800	66,142	3.0%
2000	3,429,379	87,158	3.0%
2005	3,813,700	76,864	2.1%
2006	3,925,400	111,700	2.9%
2007	4,029,400	104,000	2.6%
2008	4,099,600	70,200	1.7%
2010	4,107,750	8,150	0.2%
2011	4,142,300	34,550	0.8%
2013	4,219,600	38,650	0.1%
2014	4,272,300	52,700	1.3%

Source: ARC's 2011 Population & Housing Report: A Primer (August 2014)

The overall Atlanta area has shown steady population growth from 2000 to 2011, with an estimated 2011 population for the ten-county Atlanta Region of 4,142,300 (ARC) and an estimated 2008 population of 5,484,304 (ESRI) for the 28-county Atlanta MSA. ESRI forecasts continued population growth for the 28-county Atlanta MSA as illustrated in Table 1, above. The Atlanta region's population is estimated at 4,272,300 in 2014.

Historically, the most dominant growth in the market area has been in the northern “platinum triangle” of Atlanta. The north / northwest, north / northeast and east / northeast quadrants along the I-75, Georgia 400 and I-85 arteries are receiving the largest share of population and employment growth. The relentless growth has spurred unprecedented housing growth in the metro area.

Table 2, on the next page, shows that Cobb County had the largest increase in population from 1980-1990 (a 4.3% increase). From 1990-2000 the population in Cobb County increased from 453,400 to 607,751, representing a 3.0% increase. The population in Cobb County continued to increase from 2000 to 2010 but at a slower rate of 1.3% and increased from 2010 to 2011 at 0.8%.

Table 2- Population By County - Atlanta Region						
Population (Ten Core-County Survey & City of Atlanta)						
Year	1970	1980	1990	2000	2010	2014
Atlanta Region	1,500,823	1,896,182	2,557,800	3,429,379	4,107,750	4,272,300
Cherokee County	31,059	51,699	91,000	141,903	214,346	227,500
Clayton County	98,126	150,357	184,100	236,517	259,424	264,700
Cobb County	196,793	297,718	453,400	607,751	688,078	717,100
DeKalb County	415,387	483,024	553,800	665,865	691,893	712,900
Douglas County	28,659	54,573	71,700	92,174	132,403	136,000
Fayette County	11,364	29,043	62,800	91,263	106,567	109,500
Fulton County	605,210	589,904	670,800	816,006	920,581	958,100
Gwinnett County	72,349	166,808	356,500	588,488	805,321	844,100
Henry County	23,724	36,309	59,200	119,341	203,922	214,500
Rockdale County	18,152	36,747	54,500	70,111	85,215	87,900
City of Atlanta	495,039	424,922	415,200	416,474	420,003	426,900
Net Annual Change						
	1970-1980	1980-1990	1990-2000	2000-2010	2010-2014	2000-2014
Atlanta Region	39,536	66,162	87,158	67,837	41,138	---
Cherokee County	2,064	3,930	5,090	7,244	3,289	---
Clayton County	5,223	3,374	5,242	2,291	1,319	---
Cobb County	10,093	15,568	15,435	8,033	7,256	---
DeKalb County	6,764	7,078	11,207	2,603	5,251	---
Douglas County	2,591	1,713	2,047	4,023	899	---
Fayette County	1,768	3,376	2,846	1,530	733	---
Fulton County	(1,531)	8,090	14,521	10,458	9,380	---
Gwinnett County	9,446	18,969	23,195	21,683	9,695	---
Henry County	1,259	2,289	6,014	8,458	2,645	---
Rockdale County	1,860	1,775	1,561	1,510	671	---
City of Atlanta	(7,012)	(972)	127	127	1,724	---
Avg Annual Increase (%)						
	1970-1980	1980-1990	1990-2000	2000-2010	2010-2014	2000-2014
Atlanta Region	2.4%	3.0%	3.0%	2.0%	1.0%	---
Cherokee County	5.2%	5.8%	4.5%	5.1%	1.5%	---
Clayton County	4.4%	2.0%	2.5%	1.0%	0.5%	---
Cobb County	4.2%	4.3%	3.0%	1.3%	1.1%	---
DeKalb County	1.5%	1.4%	1.9%	0.4%	0.8%	---
Douglas County	6.7%	2.8%	2.5%	4.4%	0.7%	---
Fayette County	9.8%	8.0%	3.8%	1.7%	0.7%	---
Fulton County	-0.3%	1.3%	2.0%	1.3%	1.0%	---
Gwinnett County	8.7%	7.9%	5.1%	3.7%	1.2%	---
Henry County	4.3%	5.0%	7.3%	7.1%	1.3%	---
Rockdale County	7.3%	4.0%	2.6%	2.2%	0.8%	---
City of Atlanta	-1.5%	-0.2%	0.0%	0.0%	0.4%	---
Source: Atlanta Regional Commission Population and Housing Report: A Primer - August 2014						

Population (continued)

As shown in the following Table 3, Forsyth County’s population, according to ESRI Business Analyst Online, grew by 12.32% annually between 1990 and 2000 and 7.84% between 2000 and 2010, Forsyth still consistently ranks high on the list of the fastest-growing counties in the entire United States. The county’s growth in population should continue to outpace the rates of growth for both the MSA and the State of Georgia, as demonstrated by Table 3, below.

Table 3 - Population Trends and Projections						
Year	Forsyth County	% Annual Increase	Atlanta MSA	% Annual Increase	State of Georgia	% Annual Increase
1990	44,083	---	2,959,950	---	6,478,216	---
2000	98,407	12.32%	4,247,981	4.35%	8,186,453	2.64%
2010	175,511	7.84%	5,286,728	2.45%	9,687,653	1.83%
2015	205,465	3.41%	5,527,230	0.91%	10,044,421	0.74%
2020	242,526	3.37%	5,852,718	1.15%	10,505,627	0.90%
Source: U.S. Census Bureau and ESRI Online						

The ESRI projections include several additional counties such as Forsyth, which accounts for the larger MSA 2015 number of 5,527,230. The Atlanta MSA should grow to over six million over the next ten years. Table 4, on the following page, illustrates the median ages and educational levels of the residents of the county, the Atlanta MSA and the State of Georgia. The median ages of the areas’ residents reflect the national trend of increasing due to the aging of the nation’s “Baby Boomers” as well as improvements in health care and longer life expectancies.

Table 4, on the next page, illustrates the median ages and age group distribution within Forsyth County, Atlanta MSA and the state as a whole. Forsyth County residents are older than residents of the city and then the overall State of Georgia residents, with the median ages also reflected in Table 3. Forsyth County has a current median age of 37.4 in comparison to Atlanta MSA at 35.9 and the State of Georgia at 36.2. In 2020, Forsyth County is expected to continue to have the highest median age at 37.6 with Atlanta MSA residents still slightly younger at 35.9. The MSA and state have a higher percentage of high school graduates with 20.7%. The State of Georgia has 23.4% high school graduates. Forsyth County has a higher amount of college graduates at 52.1% than Atlanta MSA at 43.3% population of college graduates, both higher than the state at 36.2%.

Table 4 - Age Distribution and Trends			
Category	Forsyth County	Atlanta MSA	Georgia
Median Age - 2010	36.7	34.9	35.3
Median Age - 2015	37.4	35.9	36.2
Median Age - 2020	37.6	36.4	36.9
% High School Graduates	17.2%	20.7%	23.4%
% College Graduates	52.1%	43.3%	36.2%
2015 Age Distribution:			
0 - 4	7.2%	7.2%	6.7%
5 - 9	8.4%	7.5%	6.9%
10 - 14	9.2%	7.4%	6.9%
15 - 24	11.4%	13.6%	14.1%
25 - 34	10.3%	14.4%	13.9%
35 - 44	15.9%	15.8%	13.4%
45 - 54	16.4%	14.7%	13.7%
55 - 64	10.7%	10.5%	12.0%
65 - 74	6.8%	5.4%	7.8%
75 - 84	2.7%	2.6%	3.4%
85+	0.9%	1.0%	1.3%
18+	70.7%	73.5%	75.7%
Source: STDB Online			

Population growth creates a demand for housing units. As further demonstration of Atlanta’s rapid growth, there were 721,266 housing units in the metropolitan region in 1980 and by 1990, the number had grown to 1,052,430 units, a 45.9% total increase or 4.59% per year. In 2000, total housing units for the metro Atlanta area increased by approximately 2.65% per year to 1,331,264 and by 2008, the ten core-county area and the City of Atlanta, grew to 1,651,114 (a growth of 26.79% since 2000, or 3.35% per year). In the eight-year period from 2000 to 2008, the number of housing units in Fulton grew by 28.9%, or an annual rate of 3.61%. Table 5, below, illustrates the Atlanta Region’s increase in housing since 2000 according to housing data supplied by the Atlanta Regional Commission (as of January 2009). It is highly unlikely that future housing growth will be anywhere near these historical numbers in the near-term due to the number of current foreclosures in the Atlanta area.

Table 5 - Housing Units by County (Ten-County Area)				
County (*Subject County)	Multi-Family Units 2000	Single-Family Units 2000	Occupied Residences	All Housing Net Change (2000-2014)
Cherokee	2,733	45,144	98,168	50,291
Clayton	25,327	57,265	121,125	38,533
Cobb	59,986	172,359	317,952	85,607
DeKalb	90,256	170,026	342,358	82,076
Douglas	4,515	27,550	59,997	27,932
Fayette	2,462	28,909	45,762	14,391
Fulton	150,516	196,508	489,491	142,467
Gwinnett	42,766	161,896	339,715	135,053
Henry	3,148	36,881	91,257	51,228
Rockdale	3,031	20,978	37,021	61,030
City of Atlanta	91,032	95,036		
Atlanta Region	384,740	917,516	1,942,846	640,590
Source: ARC Population and Housing Report: A Primer - January 2014				

Household Characteristics

Table 6, on the next page, illustrates the number of households for the county, MSA and state, as well as median home values and percentages of owners versus renters. Households in Forsyth County increased from 59,433 to 68,786 in 2010 and are forecast to increase to 80,830 by 2020. The median home value in Forsyth County, at \$301,902, is higher than that of the Atlanta MSA, at \$195,231, and more than \$100,000 higher than that of the State of Georgia as a whole, at \$168,265. The range of neighborhood housing is from \$160,000 (townhouses) to \$1,000,000 plus.

In addition, a much higher percentage of Forsyth County residents are homeowners, with 77.6% of the housing units in the county occupied by owners and 15.5% occupied by renters. In comparison, 56.3% of the housing units in the MSA are occupied by owners and 33.6% are occupied by renters, while 54.6% of the housing units in the state are occupied by owners and 33.0% are occupied by renters.

Household Characteristics (continued)

Category	Forsyth County	Atlanta MSA	Georgia
Households - 2000	34,565	1,504,871	3,006,369
Households - 2010	59,433	1,943,885	3,585,584
Households - 2015	68,786	2,033,479	3,723,621
Households - 2020	80,830	2,156,032	3,900,308
2015 – No. of Housing Units	73,892	2,262,939	4,253,831
% of Owner-Occupied Units	77.6%	56.3%	54.6%
% of Renter-Occupied Units	15.5%	33.6%	33.0%
% of Vacant Units	6.9%	10.1%	12.5%
Median Home Value - 2015	\$301,902	\$195,231	\$168,265
Median Home Value - 2020	\$323,749	\$232,452	\$202,727

Source: ESRI Online

Forsyth County is very fast growing with increasing housing costs. The area is very much dominated by expensive owner occupied single family housing.

Economic Considerations

According to the most recent numbers available from the *U. S. Bureau of Labor Statistics (BLS)*, as of **April 2015**, the unemployment rate for the Atlanta MSA was **5.9%**, compared to Forsyth County and the State of Georgia at **4.5%** and **6.3%**. The US unemployment rate was **5.4%**. Daily news reports indicate that unemployment continues to rise all around the nation; therefore, the next release of numbers from the *BLS* is likely to reflect even higher unemployment. Recent reports from the Georgia Department of Labor indicate that Georgia’s unemployment rate was the highest ever recorded for the state since 1976 when the measurement became standardized.

Table 7, on the next page, shows the distribution of household income for the county, the MSA and the state, as well as the median household income for 2010, 2015 and 2020, and the per capita income and average household size for each of those areas in 2015. As evidenced by the information provided by ESRI in Table 7, household income is higher for Forsyth County residents than those of the MSA and the state. The 2015 median household income for Forsyth County is estimated at \$96,465, and it is projected to increase to \$107,504 by 2020. The per capita income for the county, at \$40,027, is also higher than that of the MSA, at \$29,318, and the state, at \$25,470. The higher income levels and larger household sizes contribute to the higher ratio of owner occupied residences.

Table 7 - Household Economic Profile Characteristics			
Category	Forsyth County	Atlanta MSA	Georgia
% Dist. of 2015 Households by Income			
Less than \$15,000	4.9%	11.3%	14.9%
\$15,000 to \$24,999	3.9%	9.1%	11.0%
\$25,000 to \$34,999	5.0%	10.0%	11.0%
\$35,000 to \$49,999	8.6%	13.2%	13.6%
\$50,000 to \$74,999	14.6%	18.0%	17.45
\$75,000 to \$99,999	14.7%	13.1%	12.1%
\$100,000 to \$149,999	22.0%	14.1%	11.7%
\$150,000 to \$199,999	13.7%	5.7%	4.2%
\$200,000+	12.7%	5.7%	4.0%
Median Household Income - 2015	\$96,465	\$56,889	\$49,210
Median Household Income - 2020	\$107,504	\$66,764	\$56,489
Per Capita Income 2015	\$40,027	\$29,318	\$25,470
Average Household Size 2015	2.98	3.25	3.18
Source: ESRI Online			

The Atlanta metropolitan area has had one of the strongest economies of any major urban area in the United States and typically leads the entire country in new job growth. Serving as the geographical and economic center of the South, the Atlanta MSA has grown from a three-county block consisting of DeKalb, Fulton and Cobb counties in 1950 to its current size of 28 counties and it consistently ranks in the top ten metropolitan areas of the United States. Because of its location and network of communication and transportation facilities, Atlanta originally served as the major distribution center through which goods and services were channeled to the rest of the Southeastern United States. Distribution and associated industrial activity are gradually being transferred to other urban centers in the southeast, while Atlanta, to an ever-increasing extent, has become a major provider of more sophisticated functions, skills and financial services previously provided from outside the region.

According to the Cumming-Forsyth County Chamber of Commerce, Forsyth County is progressive in the incentives it offers to attract new businesses and to assist existing businesses in expanding their current county operations. Among the tax incentives the county offers are: low taxes due to one of the lowest millage rates in the metro area; no inventory taxes for manufacturers; job tax credits; child care credits; sales tax exemptions for manufacturing equipment; and taxable and tax exempt industrial revenue bond financing. Labor incentives include an ample pool of available skilled, semi-skilled and unskilled labor, free customized pre- and post-employment training offered through the state’s Quick Start Program, and the presence of Lanier Technical College’s Forsyth Campus, which offers state-of-the-art customizable training programs for area employers.

Summary

The county’s infrastructure also offers many inducements for new and existing businesses, such as the availability of high-reliance electricity sources and water and sewer capacity, the presence of numerous business parks offering a variety of amenities, including miles of high-speed voice and data communication fiber optic lines available in most of the area’s top business parks, and the close proximity to Georgia 400 and thus to the other major traffic arteries in the Metro Atlanta area, as well as to downtown Atlanta and the airport. In addition, the quality of life in Forsyth County is enhanced by the area’s proximity to Lake Lanier and the North Georgia Mountains as well as to downtown Atlanta. There are over 30 golf course communities in the immediate area and over 65 in the Atlanta area, as well as equestrian villages, estate lots, lake homes, and tennis communities to choose from in the over 170 neighborhoods located in the county.

The Forsyth County School System is also known as a progressive, results-oriented system whose schools are equipped with the latest technology and it consistently ranks in the top five state school systems on test scores. The area’s industries and employment opportunities are diverse and well rounded, as indicated by the top firms and corporations, which are shown in the following Table 8. Forsyth County School System is the largest employer with 4,182 employees, with Northside Hospital the second largest with 1,500 employees.

Table 8 - Forsyth County Top Firms and Corporations	
Employer	Employees
Forsyth County School System	4,182
Northside Hospital - Forsyth	1,500
Tyson Foods, Inc	1,200
Forsyth County Government	1,109
Koch Foods	1,100
Scientific Games, Inc.	1,098
Siemens Energy & Automation, Inc.	1,000
Wal-Mart	400
L-3 Communication	286
American BOA, Inc.	281

Source: Cumming-Forsyth Chamber of Commerce

Since the mid-1960's, Atlanta has experienced a rapid growth of real estate development within suburban portions of the metropolitan area, including the northern suburbs, where the subject property is located.

Summary (continued)

Although all sectors of the metropolitan area have undergone development expansion, the predominance of development has occurred in the northern, "platinum triangle" sections of Atlanta, with the quality of development in that area typically superior to that found in the southern sections of the metropolitan area. Traditionally, this development has been oriented to the corridors along I-75, I-85 and Georgia 400, and the east /west corridor along the northern section of I-285. As previously stated, the U.S. Census Bureau has ranked Forsyth County as the one of the fastest-growing counties in the U.S. several times over the last few years. Building permits in the area certainly reflect this growth. Although Georgia State University's forecast suggests that the strong permit numbers seen over the last several years cannot be sustained, it is anticipated that the northward-oriented development trend will continue to be predominant over at least the next 15 to 20 years. Population and employment levels have grown at substantial rates, and this growth should continue in the future, although probably at a slower pace. Atlanta is, and will remain, the economic focal point of the Southeast Region. The economic base is well diversified and the area has experienced higher than typical rates of growth in most sectors of the economy over the past 20 years. Metropolitan Atlanta and the northern suburbs, including Forsyth County, are considered to provide viable general characteristics regarding location for virtually all types of well-conceived real estate development.

The Forsyth County / Atlanta MSA area has a good business climate and a relatively low cost of living. This creates a favorable environment and generates jobs, which correspondingly attracts new residents. The Forsyth County / Atlanta MSA area continues to experience population and household growth. The economic base continues to diversify and expand, and local government and private developers are working to provide needed infrastructure. Utilities are adequate in supply to allow future growth. Transportation to the area is rated as average, with tourism, education and recreation offering something for almost everyone in the area. **As of April 2015, the unemployment rate for Forsyth County was 4.5%, Atlanta MSA rate was 5.9% while the State of Georgia unemployment was at 6.3% and the national rate was 5.4%.** Occupancy should continue to rise. Income levels in the area are good, with buying income expanding over the past few years. The historical growth patterns of the past few years are expected to continue in all areas affecting the economic base of Forsyth County / Atlanta MSA. It is SCG's conclusion that the Forsyth County / Atlanta MSA area provides a viable location for most types of well conceived real estate development. This conclusion is based primarily upon its highway transportation, the availability of correlative goods and services, and a continuing moderate diversification of the economy that should enhance the long range economic outlook for the area.

Neighborhood / Submarket Delineation and Analysis

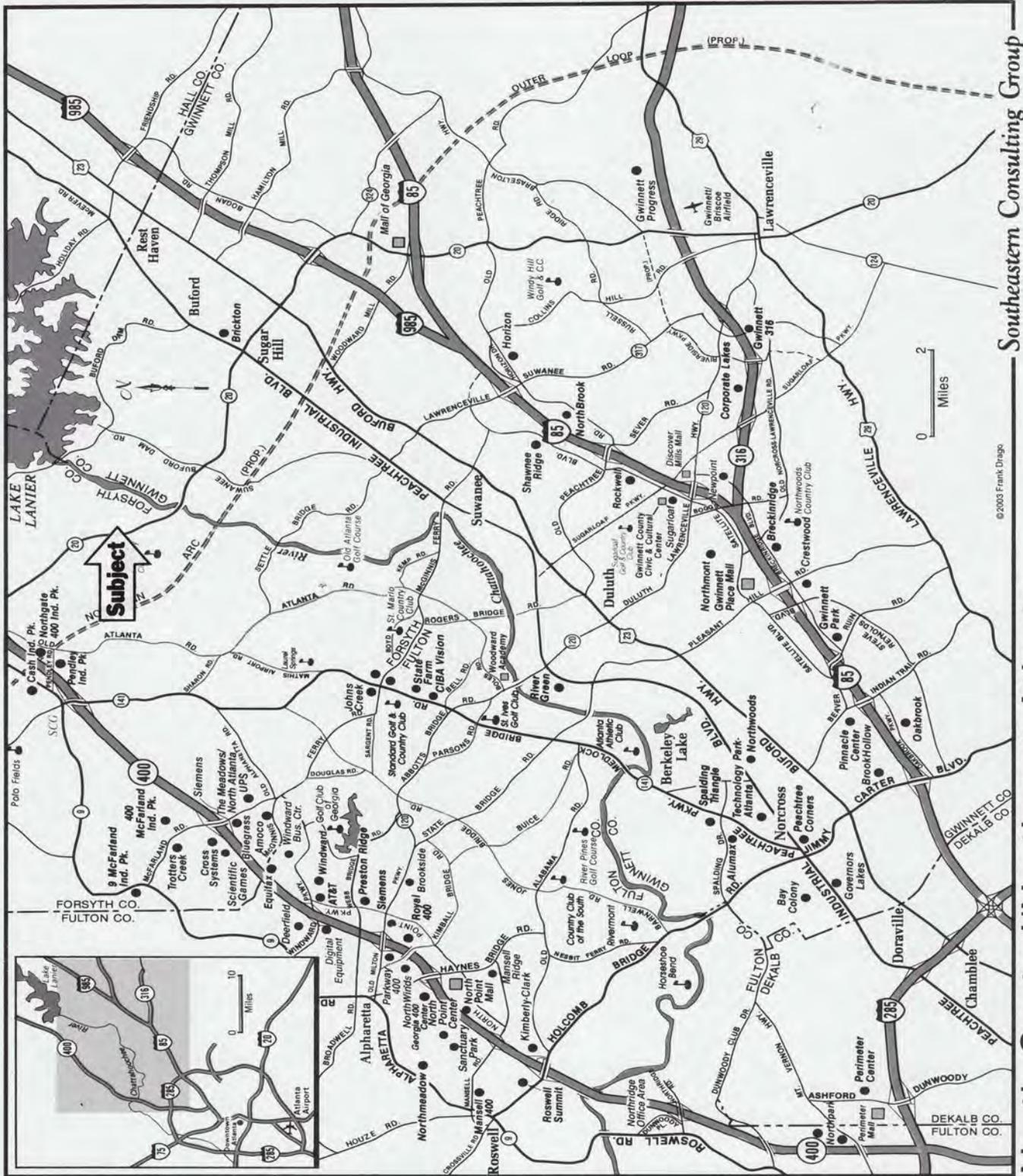
Real estate is an immobile asset greatly impacted by its surrounding environment, especially neighborhood. Within a community, there is a marked tendency toward the grouping of land uses. These areas devoted to these various uses are termed physical “neighborhoods.” Any property is an integral part of the neighborhood, with its value greatly affected by shifts or changes creating the environment. “Neighborhood” and “submarket” are used interchangeably in this context. “Neighborhood” used in this context is further defined as follows:

A portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises. Inhabitants of a neighborhood usually have a more than casual community of interest and a similarity of economic level or cultural background. Neighborhood boundaries may consist of well defined natural or man-made barriers or they may be more or less well defined by a distinct change in land use or in the character of the inhabitants.

The subject submarket is the southeast side of Cumming with the northwest side of the neighborhood formed by the Georgia 400 (US 19) corridor. Lake Lanier forms the north / northeast boundary with the eastside of the neighborhood along the Chattahoochee River / county line. The southern boundary is along Sharon Road and the north edges of Johns Creek. Refer to the maps on the following two pages.

Publix (Cruse Market Place) is just southeast of the subject site at Buford Highway (GA 20) and Samples Road. Refer to photograph on page 29. The frontage along Buford Highway is dominated by highway commercial. Single family owner occupied residents are located on the secondary roads off Buford Highway. Also refer to the typical neighborhood residential on page 29. Mashburn and Haw Creek Elementary schools are nearby, although the subject will be age restricted, therefore, will most likely not have school age children. Lakeside Middle School is also closeby with neighborhood high school students attending Central High School. Public buses are provided for the school children. There is no public transportation in Forsyth County, but senior citizens have access to a shuttle bus.

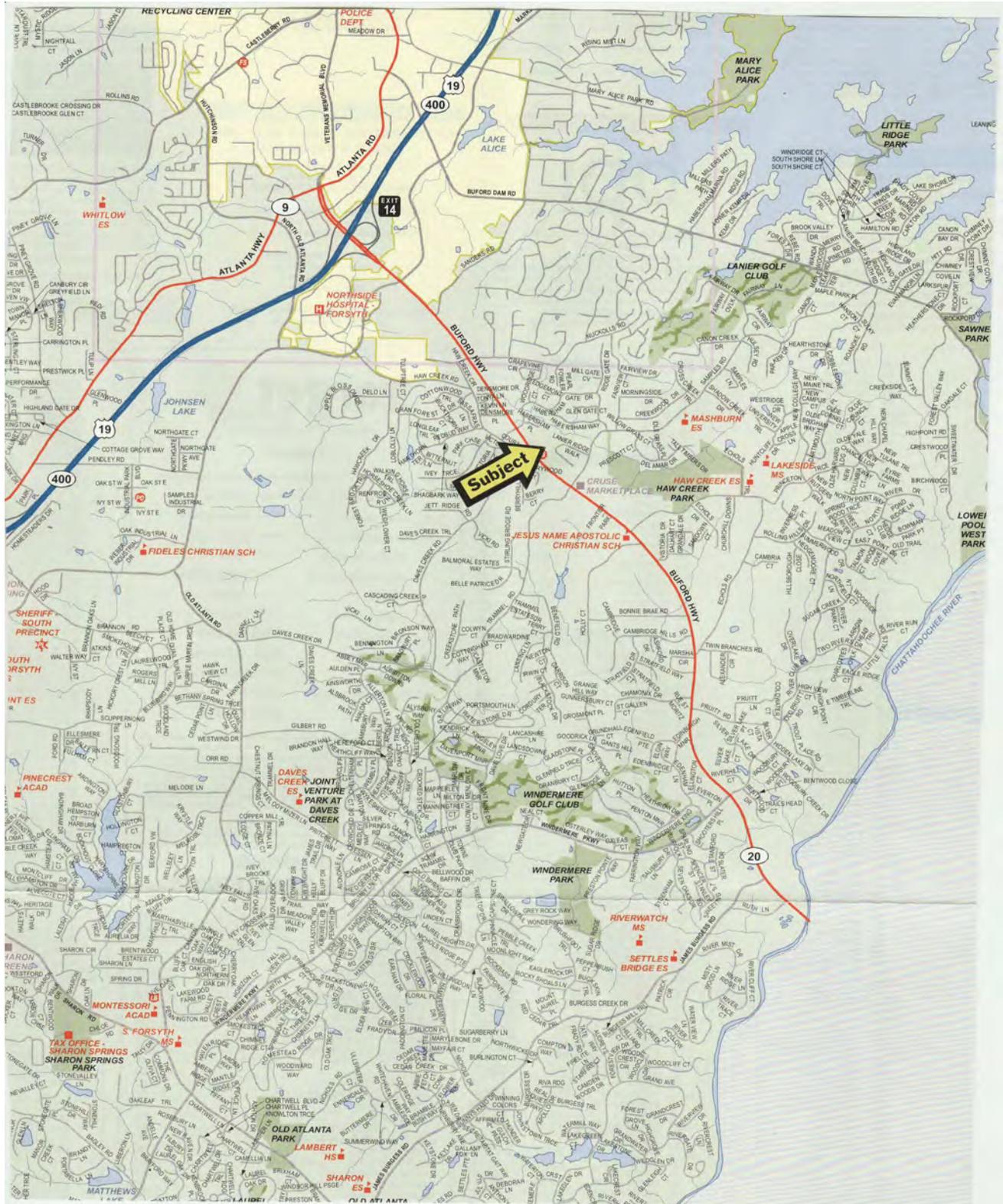
As expected the growth in Forsyth is pushing in from the south as evidenced by the map on the following page. The growth has pushed in from the south along GA 400 and is now moving up into nearby Dawson County. The continued march north is putting a real burden on the county’s infrastructure, utilities and school. The county is simply growing too fast to keep up with the needed improvements. Forsyth County has also always allowed new development to continue unabated with limited long range planning.



Southeastern Consulting Group

North Central/Northeast Atlanta

ABBINGTON AT HAW CREEK SITE
CUMMING, GEORGIA – SCG FILE # 15126



Neighborhood / Submarket Photos



Neighborhood Shopping & Neighborhood Residential

Neighborhood Summary

Public utilities available to the Abbington at Haw Creek Site include electricity, telephone, cable, natural gas, sewer and potable water. Fire protection and police protection are provided by Forsyth County. The neighborhood store grocery is a Publix, located at the intersection of Samples Road and Buford Highway. Ingles and Walmart are close by. Other retail in the area includes restaurants, convenience stores / gas stations, and several existing and new small strip shopping centers. As mentioned in the market overview section, Forsyth County is one of the fastest growing counties in the United States. The neighborhood has experienced unprecedented growth over the past decade and a half. Residential development has exploded. Further, the area is one of the more affluent, which also contributes to the upward spiral in land prices. Multi-family permits (5 or more units) have fluctuated since 2004. In 2006, 579 permits were issued making 2006 the highest reporting year, 2014 reported 565 permits making it the second highest reporting year. Single family permits have averaged about 2,322 permit per year from 2004 to 2014. As of April 2015, 15 multi-family permits have been issued and 965 single family permits.

Year	Single-Family	2 Units	3-4 Units	5 or More Units	Total
2004	2,937	22	48	65	3,072
2005	4,165	0	8	0	4,173
2006	4,183	0	8	579	4,770
2007	2,877	0	0	0	2,877
2008	1,259	4	0	215	1,478
2009	825	0	0	0	825
2010	1,125	0	0	0	1,125
2011	1,174	0	0	0	1,174
2012	1,862	0	0	411	2,273
2013	2,560	0	0	215	2,775
2014	2,576	6	47	565	3,194
2015*	965	6	0	15	986

Source: U.S. Census Bureau, Building Permit Data (*April)

In summary, the typical neighborhood resident is older than the typical Georgia resident. Population and household growth have been moderate but positive, along with income growth. Shopping, schools and employment are nearby and supportive of residential development. Population and household growth are expected to be great enough to create demand for additional units in the subject submarket. Multi-family construction has been almost non-existent. In addition, the income brackets in the area support the rental rates at the subject property. Based on the statistical data presented earlier in this section of the report, trends in the Forsyth County area indicate continued growth over the next five-year period. Consequently, Southeastern Consulting Group feels that the subject’s submarket provides viable characteristics regarding location for most types of limited real estate development.

Project Analysis - Site Data

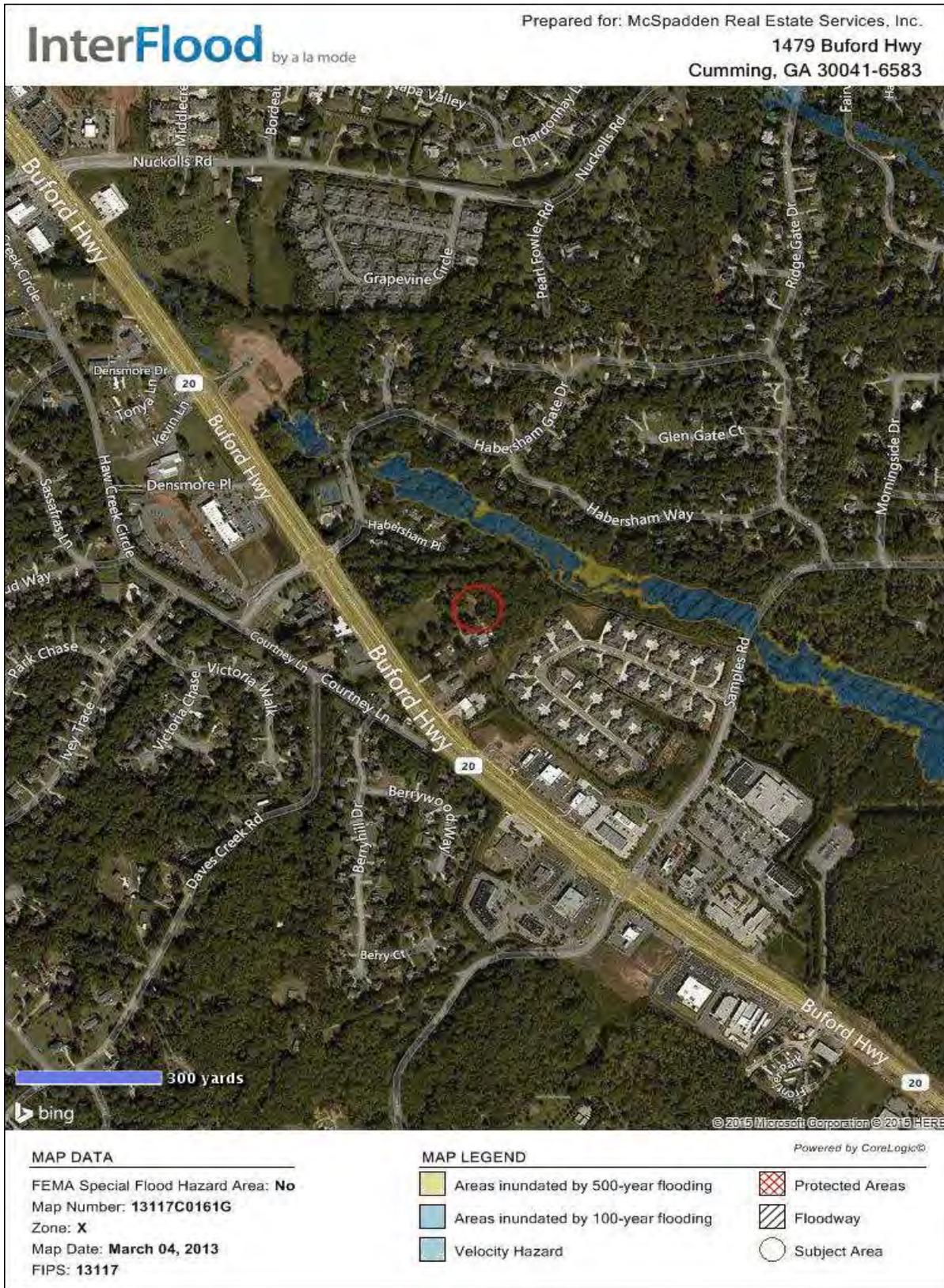
The Abbington at Haw Creek Site is 8.0 acres. Road frontage is about 313.28 feet along Buford Highway, with ingress / egress provided via one double lane drive from Buford Highway. Refer to the survey, which is included on the following page.

Site Characteristics	
Land area - acres (square feet)	8.0 Acres or 348,480 Square Feet
Frontage	313.28 feet Along Buford Highway
Development Density	6.23 Units per acre (based upon 48 units)
Topography / Cover	Mostly cleared
Access to property	Double drive from Buford Highway
Flood map reference and date	FEMA Map 13117C0161G, Dated March 4, 2013
Census Tract reference	1305.08

Topographically, the site is at street grade and is cleared and generally level. The subject parcel which will be built on appears to be located within Flood Zone X, an area outside the flood zone, according to FEMA Map 13117C0161G, Dated March 4, 2013. Police and fire protection services are provided by Forsyth County and are both available to the subject. Public utilities available to the property will include electricity, telephone, water and sewer. The subject site is considered to possess good overall physical utility for residential development. This opinion is based upon its usable shape, topography, accessibility, exposure and location.

Public Utilities Available To Site		
Utility	Vendor	Phone #
Potable Cold Water	Forsyth County Water and Sewer	(770) 781-2160
Sanitary Sewer	Forsyth County Water and Sewer	(770) 781-2160
Telephone	Multiple Providers	---
Electricity	Sawnee EMC	(770) 887-2363
Cable Television	Multiple Providers	---
Natural Gas	Multiple Providers	---

Flood Map



Photographs of Buford Highway (Site)



(1) Frontage, Site on Right & (2) View of Site from Buford Highway

Photographs of Buford Highway(Site) (continued)



(3) & (4) Interior Views of Site

Photographs of Buford Highway (Site) (continued)



(5) Swimming Pool & (6) Warehouse

Zoning

The Abbingtion at Haw Creek Site will be subject to use control by Forsyth County and is zoned R-3, Multifamily Residential District. The purpose of the R-3 district is to permit a variety of residential uses. Additional requirements in the R-3 zoning district are outlined below. The subject will be considered a **legal, conforming use**. Refer to zoning letter on the next page. The subject zoning file number is ZA 833.

R-3, Multifamily Residential District		
Item	Requirements	Conforms
Front Setback	20 Feet	Yes
Side Setback	10 Feet	Yes
Rear Setback	25 Feet	Yes
Maximum Building Height	35 Feet	Yes
Parking	1.0 spaces for one-bedroom, 1.5 spaces for two-bedrooms and 2.0 spaces for three-bedrooms	Yes
Source: Forsyth County Planning and Community Development		

Ad Valorem Taxes

The property is subject to taxation by Forsyth County. The 2014 ad valorem tax millage rate was \$26.474 per \$100 of assessed value. The current total tax value is \$433,310 and the total taxes were \$921.56 for 2014.

Current Ad Valorem Taxes - 2014			
Parcel Number	Appraised Value	Tax Rate	Taxes
174 056	\$433,310	\$26.474	\$921.56
Source: Forsyth County Tax Assessor - (770) 781-2110			



Forsyth County Department of Planning and Community Development

PLANNING•BUILDING INSPECTIONS•BUSINESS LICENSE

May 26, 2015

TO: Rea Ventures
Attn: Trey Coogle
2964 Peachtree Road, Suite 640
Atlanta, GA 30305

RE: Tax Map 174, Parcel 056
1479 Buford Highway
Forsyth County

To Whom It May Concern:

This is to verify that the above referenced property is currently zoned R3 (Multi-Family Residential District) with conditions (ZA833). This property is located in the Buford Highway Overlay District.

This certification is valid as of the date of this letter and will continue to be valid until modified by official action of the Forsyth County Board of Commissioners through rezoning or revision of the Zoning Ordinances.

The foregoing statement is given without warranty, express or implied, or recourse upon the undersigned and/or Forsyth County.

If you have any questions, please call.

Sincerely,

A handwritten signature in black ink that reads 'Thomas W. Brown'.

Tom Brown, AICP
Director

TB:ckm

Highest and Best Use Analysis

Highest and best use may be defined as the most probable, possible and permissive use for which a property may be used and is capable of being used. The Appraisal Institute's Fourth Edition Dictionary defines highest and best use as follows:

- (1) That reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value.
- (2) The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum productivity.

Highest and best use is referred to as the most probable likely use of the Abbington at Haw Creek Site or that use which yields the greatest net return to the property. There are five key tests in the highest and best use analysis of a property: (1) physically possible; (2) legally permissible; (3) reasonably probable; (4) timely in occurrence; and (5) highest present value. In order for any use to be considered, it must be physically possible to develop that use on the site. The principal question is whether or not the physical characteristics of the site would support a particular land use. The site, consisting of 8.0 acres could be used for retail or residential.

The second factor in determining the highest and best use of the Abbington at Haw Creek Site is the legal permissibility of a site confined by the zoning regulations. The current zoning is R-3 which allows for multi-family development. **Abbington at Haw Creek Site will be a legal conforming use.** The central question in any highest and best use analysis involves the particular type of use which could be physically developed on the site. This analysis carries with it possible uses regarding the existing units and zoning of R-3. In the case of Abbington at Haw Creek Site, the two possible uses are for multi-family development or retail development with rezoning.

Based on this, it is SCG's opinion that the most reasonably probable use of the subject property is for multi-family residential or commercial development. In order for uses to be seriously considered, the potential use of the property must be likely to occur within the near future. In essence, the trends must be obvious and indicate immediate potential for the use. These uses should not be speculative or conjectural, but readily apparent within the marketplace. A review of the predominant land uses in the neighborhood support a steady and continued demand for residential and commercial uses which should continue into the near future. Abbington at Haw Creek Site's immediate area is predominantly single-family residences on secondary streets, with commercial, office and retail uses located along Buford Highway.

Highest and Best Use Analysis (continued)

Land uses in the immediate area of Abbington at Haw Creek Site are dominated by single-family uses on secondary streets, with commercial and retail uses located along Buford Highway. Based on this, it is SCG's opinion that the most reasonably probable use of the subject property is for some type of residential or retail development. In order for uses to be seriously considered, the potential use of the property must be likely to occur within the near future. In essence, the trends must be obvious and indicate immediate potential for the use. These uses should not be speculative or conjectural, but readily apparent within the marketplace. A review of the predominant land uses in the neighborhood support a steady and continued demand for residential uses which should continue into the near future. Abbington at Haw Creek Site's immediate area is predominantly single and multi-family on secondary streets, with commercial, office and retail uses also located on major roadways.

The next test of highest and best use of a property is an overall analysis of a number of potential uses which might satisfy all the criteria noted above, and the selection of only one which would yield the highest net present value for the property. This selected alternative is considered the highest and best use of the land. The five key elements in the analysis of highest and best use clearly define the issues involved. The highest present value of the land, as if vacant and available for development, is the first step in the highest and best use analysis, and is also the premise under which the land value analysis is conducted. The property zoning allows for multi-family residential and rezoning would allow retail development and is located in a neighborhood characterized as an established retail and single-family residential area. There appears to be demand for multi-family development based on the occupancy levels experienced by the surrounding apartment properties, which is in conformity with the zoning. This premise was confirmed by the market study. The decision now relates to which use would actually generate the highest value to the subject property. The site is located in a stable neighborhood and has good accessibility, which appears to be the major criteria for multi-family development of the market area. These factors assist in marketing the property for rental purposes. Therefore, based upon these analytical criteria, the highest and best use of the site, as if vacant, is reflected as a multi-family residential or commercial development.

A property providing the maximum net return on and of the improvements on the land would be considered typically the highest and best use of the land. The subject site will be improved with significant multi-family residential structures reflecting average quality construction features and functional utility. Therefore, there is no obvious alternative use of the existing improvements that would provide a greater monetary return to the property and, as currently improved, the property value exceeds the value of the underlying land, as if unimproved and available for any reasonable alternative use.

Highest and Best Use Analysis (continued)

It is Southeastern Consulting Group's opinion that the highest and best use of the property, as improved, is the utilization of the property as proposed, in that it represents the maximum possible utilization of the site, considering zoning, market forces, and use restrictions, while retaining the necessary features to make the project marketable. Therefore, the entire property, considered both as vacant and as improved, has a highest and best use as a residential / multi-family development.

Appraisal Procedure and Methodology

Sales Comparison Approach

The indications of value from the Sales Comparison or Market Data Approach are derived by direct comparison of the Abbington at Haw Creek Site with similar properties that have recently sold along Buford Highway for commercial use. The sales of multifamily tracts are also considered in both Forsyth and North Fulton counties. The units of comparison are the sale price per acre and also on the multifamily tracts sale price per unit.

Land Valuation

In order to estimate the market value of the subject underlying land, SCG has given consideration to market data relative to recent sales of similar land parcels located in the general subject area (and within comparable market areas). All data utilized has been converted to a cash equivalent price in accordance with Appraisal Institute reporting requirements. The SCG analysis of the market data has used the sale price per acre and per dwelling unit as the most appropriate units of comparison, with adjustments included for various dissimilar features that influence value. These factors include size, location, physical utility, use potential, zoning, date of sale, and terms of sale. The land sales occurred from 2013 to 2015 and are the most recent land comparables in the surrounding market area.

Land Sale #1 is just west of the subject site with frontage on both Buford Highway and Nuckolls Road. Corner location and in more commercial area. The sale price is \$4,410,000 or \$450,000 per acre (9.8 acres).

Land Sale #2 is located in Milton and was sold for \$11,200,000 or \$450,342 per acre. The parcel is in PUD with higher density (22.52 du / ac) which raises the price per acre and lowers the price per unit.

Land Sale #3 sale has frontage on both Peachtree Corners Circle and Medlock Bridge Road. The sale is across from the Forum in Norcross and is the oldest sale utilized. The sale is located at 5200 Peachtree Corners Circle in Norcross.

Land Sale #4 is located between Westside parkway and GA 400 in Alpharetta. The sale is across GA 400 from Northpoint Mall. Buyers broker indicated that only 9.0 acres were considered usable. The property sold for \$2,200,000 or \$244,444 per acre or \$27,500 per unit.

Land Sales #5 was purchased for development of 320 units City Walk. Improved at the time of sale with 152 unit Frazier Street Apartments. Total price includes demo costs for the old complex.

Land Sales #6 was purchased for a new car dealership just west of the subject site and had been rough graded. Sales #6 is located at 1015 Buford Highway in Cumming.

The subject 8.0 acres is a portion of the larger 9.70 acre Madelyn Cheek site. The entire 9.7 acres was placed under contract to Sutherlin Nissan for \$3,050,000 or \$314,433 per acre. The contract recently (a couple of months ago) fell through and was cut into a 2.0 acre parcel with the old home site and the subject 8.0 acres. The subject contract is dated May 2015 from Madelyn E. Cheek to RVLH Acquisitions, LLC for \$1,680,000 or \$210,000 per acre or \$35,000 per planned unit.

Comparable Land Sales Chart

Index / Identification / Location	Grantor / Grantee Seller / Buyer	Sale Date	Total Sale Price	Size (Acres)	Price / Unit Price / Acre
1. SEQ Buford Highway @ Nuckolls Rd	Pendley to Any Credit Concern	5/15	\$4,410,000	9.8	\$450,000
Remarks: Offering is just west of the subject site with frontage on both Buford Highway and Nuckolls Road. Corner location and in more commercial area. The sale price is \$4,410,000 or \$450,000 per acre (9.8 acres).					
2. ES Strickland and Bethany Bend, Milton	WB Holdings to JLB Deerfield	9/14	\$11,200,000	24.87 ac 22.52 du/ac	\$450,342 \$20,000
Remarks: The parcel is in PUD with higher density (22.52 a / ac) which raises the price per acre and lowers the price per unit.					
3. 5200 Peachtree Corners Circle, Norcross	Roberts to Lennar Multifamily	2/13	\$7,590,000	20.61 ac 12.28 du/ac	\$368,268 \$30,000
Remarks: The sale has frontage on both Peachtree Corners Circle and Medlock Bridge Road. The sale is across from the Forum in Norcross and is the oldest sale utilized. The sale is located at 5200 Peachtree Corners Circle in Norcross.					
4. Between Westside Pkwy & GA 400 Alpharetta	RLBB-GM to Pensco Trust	9/14	\$2,200,000	9.00 ac 8.89 du/ac	\$244,444 \$27,500
Remarks: Good mixed use area between Westside Parkway and GA 400. The sale is across GA 400 from Northpoint Mall. Buyers broker indicated that only 9.0 acres were considered usable.					
5. Roswell City Walk Frazier Street, Roswell	Roswell Commons to GGT LMI City Walk	11/13	\$8,450,000*	10.68 ac 29.68 du/ac	\$791,199 \$26,406
Remarks: Purchased for development of 320 units City Walk. Improved at the time of sale with 152 unit Frazier Street Apartments. *Total price includes demo costs for the old complex.					
6. 1015 Buford Hwy.	Cummings Lanier partners to Monir Lou Sobh	9/13	\$3,700,000	11.70	\$316,239
Remarks: purchased for a new car dealership just west of the subject site and had been rough graded. Sales #6 is located at 1015 Buford Highway in Cumming.					

Sales Comparison Approach Summary

The recent contract on the entire 9.7 acres was for \$314,433 per acre. The current subject (including real estate commission) contract is at \$210,000 per acre or \$35,000 per planned unit. The subject's density will only be 6.00 units per acre which lowers the per acre prices especially for substantially higher density sales. The sales were all higher density at \$244,449 to \$791,199 per acre and between 8.89 and 29.69 units per acre. The highest per acre price of \$791,199 was reflected by sale 5 at 29.69 units per acre. The lowest density sale was at \$244,444 per acre. The prices per unit ranged from \$20,000 to \$30,000 per unit at higher densities. The subject site would be expected to be at the low end of the per acre indications and the high end of the per units. The value indications are supported by the current contract. Based on market data and SCG's analysis thereof, it is SCG's opinion that the current market value of the underlying 8.0 acres of land is best reflected by a per acre value of \$225,000 or \$32,500 per unit.

8.0 Acres Land Value		
8.0 Acres @ \$225,000 / Acre	=	\$1,800,000
48 Proposed Units @ \$32,500 / Unit	=	\$1,560,000
Reconciled to \$35,417 per Unit	(R)	\$1,700,000

Reconciliation and Final Value Estimate

The most appropriate approaches to value have provided market indications for Abbington at Haw Creek Site Apartments as follows:

Market Value (05/25/15)	
Sales Comparison Approach	\$1,700,000

The Sales Comparison or Market Approach was based upon the recent sale and offerings along Buford Highway. SCG also considered the recent sale of multi-family sites in North Fulton and Forsyth Counties. The subject 8.0 acres is a portion of the larger 9.70 acre Madelyn Cheek site. The entire 9.7 acres was placed under contract to Sutherlin Nissan for \$3,050,000 or \$314,433 per acre. The contract recently (a couple of months ago) fell through and was cut into a 2.0 acre parcel with the old home site and the subject 8.0 acres. The subject contract is dated May 2015 from Madelyn E. Cheek to RVLH Acquisitions, LLC for \$1,600,000 plus \$80,000 real estate commission or \$1,680,000 or \$210,000 per acre or \$35,000 per planned unit. A 48 unit senior LIHTC rental apartment is planned for the site with construction starting by year end 2015 and completing next year. To the best of Southeastern Consulting Group’s knowledge, the site has not been involved in any other “Arms Length” sales transactions over the past three years.

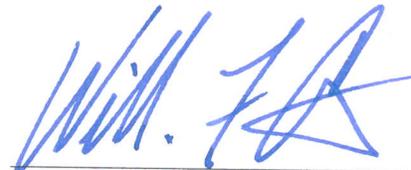
Therefore, it is SCG’s opinion that the market value of the fee simple interest in Abbington at Haw Creek Site Apartments, based upon these parameters and the assumptions and limiting conditions, and based on market conditions as of May 25, 2015, was:

Market Value (05/25/15)
ONE MILLION SEVEN HUNDRED (\$1,700,000.00) U.S. DOLLARS

Certification of Appraisers

The appraisers hereby certify that:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions. SCG has no undisclosed interest in the property, the subject of the report, either past, present, or contemplated. SCG has no present or prospective interest or bias with respect to the subject matter of this appraisal report or the parties involved. SCG's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
2. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. As of the date of this report, William F. Cantrell has completed the requirements of the continuing education program of the Appraisal Institute. William F. Cantrell is currently certified through December 31, 2018. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The employment and compensation of the appraisers for rendering the opinions expressed herein are not contingent upon the values expressed, nor upon any other factor, other than the preparation and delivery of this report for the predetermined fee. This report has been made in conformity with and is subject to the requirements of the Code of Ethics and Standards of Professional Conduct of the Appraisal Institute. SCG's reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and FIRREA Guidelines. William F. Cantrell has not previously appraised this property.
3. Neither the appraisal assignment nor the appraisal was rendered on the basis of a requested minimum valuation, a specific valuation, or approval of a loan. The appraisers have previously appraised similar properties to comply with the competency provisions. A personal inspection of the property which is the subject of this report was made by William F. Cantrell on May 25, 2015.
4. No one provided significant professional assistance to the persons signing this report. All significant contributions to the opinions and conclusions expressed in the appraisal report were made by the undersigned. To the best of SCG's knowledge and belief, the statements of fact contained within this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct; also, this report sets forth all limiting conditions and assumptions affecting the analyses, opinions, and conclusions contained within this report.
5. The principal appraiser, William F. Cantrell holds appropriate State of Georgia certifications allowing the performance of real estate appraisals in connection with federally related transactions. William F. Cantrell is currently a Georgia Real Estate Appraiser Board Certified Appraiser #C000095. This license was issued April 24, 1991, and will renew on August 31, 2015.



William F. Cantrell, MAI, CCIM
President
GA Certification C000095
May 25, 2015

Exhibit A - Legal Description

All that certain tract or parcel of land situate lying and being part of land lot 365 of the 2nd District, 1st section of Forsyth County, Georgia and being more particularly described as follows:

Begin at the northeast corner of land lot 365 and go south 57 degrees 43 minutes 57 seconds west a distance of 938.44 feet to a point; go thence north 32 degrees 16 minutes 03 seconds west a distance of 220.20 feet to a point; go thence south 57 degree 12 minutes 46 seconds west a distance of 339.70 feet to the northeast right-of-way of Buford Hwy (GA Hwy 20); go thence north 32 degrees 47 minutes 14 seconds west along the right-of-way of Buford Hwy (GA Hwy 20) a distance of 246.16 feet to a point; thence leaving said right-of-way, go north 56 degrees 06 minutes 03 seconds east a distance of 508.24 feet to a point; go thence north 89 degrees 28 minutes 20 seconds east a distance of 908.15 feet to the point of beginning.

Said tract or parcel contains 8.000 acres.

Exhibit B - Survey

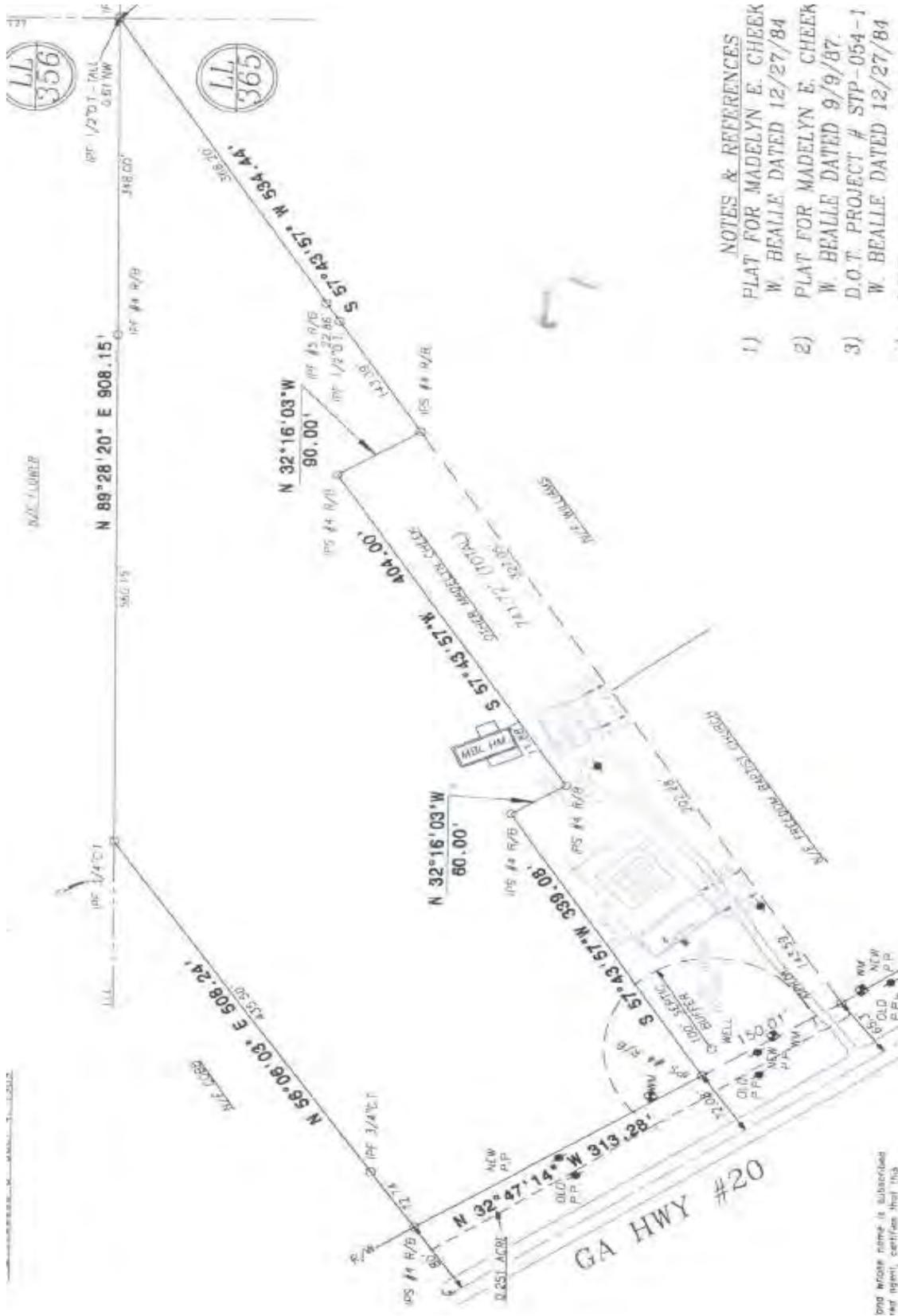


Exhibit C - Comparable Vacant Land Sale No. 1



Name & Address	Pendley Real Estate, SEQ Buford Highway & Nuckolls Road, Cumming, Georgia
Grantor / Seller	Pendley Real Estate
Grantee / Buyer	To Any Credit Concern
Sale Date	May 2015
Sale Price	\$4,410,000
No. of Units	118
Price per Unit	\$37,500
Land Area	9.80 Acres
Density	12.00
Price per Acre	\$450,000

Comments: Current offering just west of the subject. Offering surveyed to 9.8 acres and is still zoned agriculture. The property is now listed with Chris Holland at (678) 232-1606. The parcel has about 700' of frontage on both GA 20 (Buford Highway) and Nuckolls Road. Site is mostly cleared and slightly rolling.

Exhibit C - Comparable Vacant Land Sale No. 2



Name & Address	Eastside of Strickland Road North of Bethany Bend Road, Milton, Forsyth County, Georgia
Grantor / Seller	WB Holdings Windward
Grantee / Buyer	J.L.B. Deerfield
Sale Date	September 15, 2014
Sale Price	\$11,200,000
No. of Units	560
Price per Unit	\$20,000
Land Area	24.87 Acres
Density	22.52 Units per Acre
Price per Acre	\$450,342 Per Acre

Comments: Purchased for development of 560 unit apartment complex. Parcel is located in 500 acre Deerfield PUD which is in both Fulton and Forsyth Counties. The sale tract is a portion of a 164 acre section to be known as Deerfield Township with 283 single family homes, 560 apartments (sale property), 400 senior housing units and 250k in retail and office. Mostly cleared and rolling with a very small amount of flood plain.

Exhibit C - Comparable Vacant Land Sale No. 3



Name & Address	5200 Peachtree Corners Circle, SEQ Peachtree Parkway (GA 141), Norcross, Georgia
Grantor / Seller	Roberts Properties (Charlie Roberts)
Grantee / Buyer	Lennar Multifamily Investors
Sale Date	February 7, 2013
Sale Price	\$7,590,000
No. of Units	253
Price per Unit	\$30,000
Land Area	20.61 Acres
Density	12.28 Units per Acre
Price per Acre	\$368,268 Per Acre

Comments: Approved for development of 253 unit apartment complex. The sale has frontage on both Peachtree Corners Circle and Medlock Bridge Road. The tract is mostly wooded with a creek along the southwest boundary. A cell tower is located at the northern section with a ground lease and access easement. The tract is very lightly rolling.

Exhibit C - Comparable Vacant Land Sale No. 4



Name & Address	West Side Parkway at Encore Parkway, Alpharetta, Georgia
Grantor / Seller	RL BB-GA LLC
Grantee / Buyer	Pensco Trust Company
Sale Date	September 9, 2014
Sale Price	\$8,200,000
No. of Units	80
Price per Unit	\$27,500
Land Area	9.00 Acres
Density	8.89 Units per Acre
Price per Acre	\$244,444 Per Acre

Comments: Purchased for development of 80 unit townhouse development. Good mixed use area of Alpharetta across GA 400 from Northpoint Mall. The sale included three parcels between West Side Parkway and GA 400. The sale is mostly wooded and relatively level. The buyer's broker indicated that only 9.0 acres was considered usable.

Exhibit C - Comparable Vacant Land Sale No. 5



Name & Address	Roswell City Walk, Frazier Street at Norcross Street, Roswell, Georgia
Grantor / Seller	Roswell Commons
Grantee / Buyer	GGT LMI City Walk GA
Sale Date	November 15, 2013
Sale Price	\$8,450,000
No. of Units	320
Price per Unit	\$26,406
Land Area	10.68 Acres
Density	29.96 Units per Acre
Price per Acre	\$791,199 Per Acre

Comments: Purchased for development of 320 unit Roswell City Walk. Site was improved at the time of sale with 152 unit Frazier Street Apartments which were razed. Located just east of Alpharetta Street near downtown Roswell. This area is experiencing some redevelopment and has good access and exposure. The sale was slightly irregular and was gently rolling. The purchase price was \$8,000,000 plus \$450,000 to raze and remove Frazier Street Apartments.

Exhibit C - Comparable Vacant Land Sale No. 6



Name & Address	Lou Sobh Car Dealership, 1015 Buford Highway at Nuckolls Road, Cumming, Georgia
Grantor / Seller	Cumming Lanier Partners
Grantee / Buyer	Monir Lou Sobh
Sale Date	September 17, 2013
Sale Price	\$3,700,000
Land Area	11.70 Acres
Price per Acre	\$316,239 Per Acre

Comments: Purchased for development of a new car dealership. Site was relatively level (had been rough graded) with frontage on both Buford Highway and Nuckolls Road. Zoning CBD (Commercial Business District). Slightly stronger commercial area.

Exhibit D - Qualifications of William F. Cantrell

President, Southeastern Consulting Group, a real estate appraisal and market analysis firm, with offices in Atlanta, Georgia. Forty-two years of real estate experience in the appraisal and consultation of a variety of investment grade property types on a national basis. Typical properties include retail, residential, office, industrial, hotels / motels, special purpose properties, and preservation easements. Also participated as a general partner in real estate ventures involving commercial and multi-family residential properties in North Carolina, Georgia, and Tennessee.

Professional Affiliations

MAI, Member of the Appraisal Institute, MAI Certificate #6264, SRA, Senior Residential Appraiser / RM Certificate #1296. Past member of the Society of Real Estate Appraisers (SRPA-Senior Real Property Appraiser), Chapter Vice President, Chapter President. Georgia State Certified General Appraiser Number C000095. General Certified Real Estate Appraiser also in Alabama, North Carolina, South Carolina, Mississippi and Tennessee.

CCIM, Certified Commercial Investment Member, Commercial Investment Real Estate Institute. Institute Affiliate member of the Atlanta Commercial Board of Realtors. Licensed Real Estate Broker in the States of Georgia and North Carolina. Member of the Atlanta Apartment Association, the Georgia Apartment Association and the National Apartment Association. Member of the Southeast Mortgage Advisory Council.

Educational Background

Bachelor of Science Degree (BS), Real Estate and Finance (1968-1972), University of Tennessee, Knoxville, Tennessee. Graduate School, City Planning and Real Estate (1976-1977), University of Tennessee, Knoxville, Tennessee.

Appraisal Institute, Course IA, Appraisal Principles (now Courses 110 and 120), Course IB, Capitalization Theory and Techniques (now Courses 310 and 510), Course II, Case Studies and Report Writing (now Courses 540 and 550), Course VI, Computer Assisted Investment Analysis (now Course E-6), Standards of Professional Practice, Course 10, Market Analysis, Course 710, Condemnation Appraising.

Institute of Real Estate Management (IREM) Course 400, Management of Investment Real Estate, and Course 101 Apartment Site Management. Commercial Investment Real Estate Institute, Course 101, Financial Analysis for Commercial Investment Real Estate, Course 102, Market Analysis for Commercial Investment Real Estate, Course 103, Decision Analysis for Commercial Investment Real Estate and Course 104, Financial Analysis for Commercial Investment Real Estate.

Assignments Completed in

North Carolina, Tennessee, Kentucky, South Carolina, Georgia, Florida, West Virginia, District of Columbia, Maryland, Alabama, Kansas, Missouri, California, Texas, Indiana, Connecticut, Ohio, Colorado, Oklahoma, Louisiana, Mississippi, Virginia, and Massachusetts.

Professional Contributions

Contributing author published in (A) The Real Estate Appraiser and Analyst professional journal and (B) Right of Way magazine. Taught appraisal courses in the state community college system. Served on state, regional, and national committees of various appraisal organizations. Served as National Co-Vice Chairman Appraisal Institute Non-residential Demonstration Appraisal Report Subcommittee and Board of Examiners Appraisal Reports.

Exhibit D - Qualifications of C. Creed Crutchfield

Associate Appraiser and Real Estate Consultant with Southeastern Consulting Group, a real estate appraisal and market analysis firm, with offices in Atlanta, Georgia. Twelve years of experience in the appraisal and consultation of a variety of investment grade property on a regional basis. Partner with SCG Real Estate, Atlanta, Georgia. Realtor with Keller Williams Realtors, Atlanta, Georgia.

Educational Background

Bachelor of Science in Business Management (2004), University of Phoenix, Atlanta, Georgia

Appraisal Institute courses completed or challenged and passed:

Course 110 / 100GR, Basic Appraisal Principles, September 2007

Course 120 / 101GR, Basic Appraisal Procedures, October 2007

Course 15-Hour USPAP, Standards of Professional Practice, October 2007

Course 203R, Residential Report Writing & Case Studies, November 2007

Basic Income Capitalization, Part A / 1, 2009

Commercial Investment Real Estate Institute courses completed or challenged and passed:

Introduction to Commercial Properties, August 2007

CCIM Course CI 101, Financial Analysis, February 2014

Professional Affiliations

Appraisal Institute, Associate Member

Commercial Investment Real Estate Institute, CCIM Candidate

Realtor, member of the Local, State and National Boards of Realtors

Assignments Completed in

Georgia, Alabama, Arkansas, South Carolina, Mississippi, North Carolina, Tennessee, Florida and Louisiana.

Property Types Appraised

Apartment Complexes, Assisted Living Facilities, Adaptive Reuse Historical Buildings and Shopping Centers.