

**A MARKET CONDITIONS AND  
PROJECT EVALUATION SUMMARY  
OF:  
SPRING GROVE  
APARTMENTS**

# **A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF:**

# **SPRING GROVE APARTMENTS**

66 Lyons Drive  
Rome, Floyd, Georgia 30165

Effective Date: June 22, 2020  
Report Date: July 17, 2020

Prepared for:  
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July 17, 2020

Mike Rodgers  
Senior Vice President  
LHP Development, LLC  
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900 S Gay Street, Suite 2000  
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Re: Application Market Study of Spring Grove Apartments  
66 Lyons Drive  
Rome, Floyd County, Georgia 30165

Dear Mr. Rodgers

At your request, Novogradac Consulting LLP performed a study of the multifamily rental market in the Rome, Floyd County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project. We are concurrently preparing an appraisal on the Subject property.

The purpose of this market study is to assess the viability of the LIHTC renovation of Spring Grove Apartments (Subject), an existing 80-unit Section 8/market apartment property. Following renovation using the LIHTC program, all 80 units will be restricted to households earning 60 percent of the AMI, or less. Further, 77 units will continue to operate with project-based subsidy with a Section 8 Housing Assistance Payment (HAP) contract and tenants will continue to pay 30 percent of their income towards rent. The remaining three units will not have project-based subsidy, although the projected LIHTC rents will be well below maximum allowable levels. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions.

The scope of this report meets the requirements of Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

Novogradac Consulting LLP adheres to the market study guidelines promulgated by the National Council of Housing Market Analysts (NCHMA).

MIKE RODGERS  
LHP CAPITAL, LLC  
JULY 17, 2020

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report is completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

The Stated Purpose of this assignment is for tax credit application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

*In the wake of the COVID-19 pandemic there has been significant turmoil and uncertainty. Governments across the globe are taking dramatic efforts reduce the strain on health care systems. These efforts result in extensive impacts to economic activity. However, governments are also implementing significant economic stimulus packages to help with this economic disruption. At this point is it unclear how long it will be before the emergency restrictions are lifted or loosened or how effectively the stimulus packages will blunt the impact from the emergency measures. Further it is unclear as to how these measures will impact the specific housing market surrounding the Subject. However, some trends are clear:*

- 1) *Clients and market participants throughout the country report April through July collections that were better than expected for all types of multifamily properties. Particularly for affordable and senior housing.*
- 2) *Based upon various conversations with market participants and published articles and webinars many believe that multifamily real estate will be impacted but significantly less so than other sectors. Further, the impact is expected be shorter lived. Many view multifamily as a safer haven during this period of uncertainty. The Subject will likely avoid impact as the vast majority of its units are subsidized, which is somewhat insulated from economic volatility. The Subject will not be completed until November 2021, at which point the market is expected to be stabilized or have less uncertainty.*
- 3) *Novogradac maintains a proprietary database of operating results from our surveys of affordable and market rate properties. The database was implemented in 2005 and contains over 100,000 individual properties. The national occupancy rate for two-bedroom, 60 percent LIHTC properties dipped slightly during the Great Recession, but began a rebound after 2009. In 2008, the occupancy rate was at 96.3 percent and it dropped less than one percentage point during the slowdown, dropping to 95.4 percent in 2009 before beginning a gradual increase that slowed between 2016 and 2018 but continued through 2019. While this recession will undoubtedly be different than the last this performance supports the points made above and illustrates the resilience in the affordable housing sector.*
- 4) *States are starting to plan the reopening over the next several weeks to months and the state of Georgia has already begun loosening restrictions on businesses including eat-in restaurants and barber shops. This will open up various job segments creating more stability and demand in the local economy. Further, the Subject is scheduled to be complete in November 2021, which is considered outside the primary window of the pandemic.*
- 5) *Finally, there have been transactions that were started prior to shut-down that have recently closed without adjustment.*

*All of the comparable properties were interviewed since May 2020. Property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.*

MIKE RODGERS  
LHP CAPITAL, LLC  
JULY 17, 2020

*Local employment and unemployment data is not yet available that reflects the effects of these orders; however, we expect significant employment losses will result in the market, particularly in volatile industries including retail trade and accommodation/food services. Overall, we did not experience significant barriers to local data collection as a result of the pandemic and we believe the quality of data collected in this report*

The authors of this report certify that we are not part of the development team, owner of the Subject property, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject property or the development's partners or intended partners. Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,  
Novogradac Consulting LLP



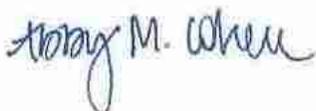
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Addendum

## **B. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

### 1. Project Description

Spring Grove Apartments is an existing affordable apartment property located at 66 Lyons Drive in Rome, Floyd County, Georgia 30165. The Subject property is currently known as the Tamasee Apartments, and it will be renamed Spring Grove Apartments post-renovation. The Subject consists of nine, two-story residential buildings plus one attached, one-story community building, originally constructed in 1978. There are 20, one-bedroom units, 52, two-bedroom units, and eight, three-bedroom units. Post-renovation, the 77 units under the Section 8 HAP contract will continue to operate with project-based subsidy.

The following table illustrates the proposed unit mix and rents.

PROPOSED RENTS								
Unit Type	Unit Size (SF)	Number of Units	Proposed Contract/Asking Rent	Utility Allowance (1)	Gross Rent	2020 LIHTC Maximum Allowable Gross Rent	2020 HUD Fair Market Rents	
@60%								
2BR / 1BA	760	1	\$600	\$104	\$704	\$793	\$755	
3BR / 1BA	996	2	\$675	\$142	\$817	\$915	\$1,013	
@60% (Section 8)								
1BR / 1BA	627	20	\$1,035	\$96	\$1,131	\$660	\$613	
2BR / 1BA	760	51	\$1,100	\$104	\$1,204	\$793	\$755	
3BR / 1BA	996	6	\$1,235	\$142	\$1,377	\$915	\$1,013	
		<b>80</b>						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject’s proposed contract rents are set above the 2020 maximum allowable levels, and tenants in these units will continue to pay 30 percent of their income towards rent. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would have to be lowered to comply with the LIHTC program requirements. The proposed rents for the units without subsidy are well below maximum allowable levels. The Subject will offer slightly inferior to slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior property amenities. The Subject’s renovation scope will add a dishwasher, microwave, and in-unit washer/dryer to each unit. The Subject will offer washer/dryer appliances, which many comparables lack. However, the Subject will not offer an exercise facility, swimming pool, and picnic area, which is offered at several of the comparable developments. Nonetheless, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place.

### 2. Site Description/Evaluation

The Subject is located at 66 Lyons Drive, in Rome, Floyd County, Georgia. The Subject has good access and visibility and views include vacant land, a multifamily property, single-family homes, and retail uses. Based on our inspection of the larger neighborhood, retail appeared to be approximately 90 percent occupied. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 40 out of 100. The uses surrounding the site are in average to good condition overall, and the Subject has good proximity to locational amenities, most of which are within two miles of the Subject.

### 3. Market Area Definition

The PMA is defined by Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road to the north, the Floyd County Line to the east, the Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave

Spring Road to the south, and the Georgia/Alabama State Line to the west. This area includes the cities of Rome, Cave Spring, Lindale, Armuchee, and Shannon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 9.1 miles  
East: 9.0 miles  
South: 16.0 miles  
West: 12.3 miles

The PMA is defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from outside of the county. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16 miles. The SMA is defined as the Rome, GA Metropolitan Statistical Area (MSA), which consists of Floyd County in northwest Georgia and encompasses 518 square miles.

#### **4. Community Demographic Data**

The population in the PMA increased by 3.3 percent between 2010 and 2019, compared to the 3.2 percent increase in the regional MSA and 7.4 percent increase across the overall nation. The current population of the PMA is 101,294 and is expected to be 102,024 in 2021. The current number of households in the PMA is 37,601 and is expected to be 37,886 in 2021. The percentage of renter households in the PMA increased between 2010 and 2019, and is estimated to be 38.1 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. Renter households are concentrated in the lowest income cohorts, with 63.7 percent of renters in the PMA earning less than \$39,999 annually as of 2019. The Subject's LIHTC units will target tenants earning between \$0 and \$38,040 as proposed and \$20,709 to \$38,040 absent subsidy. Overall, the projected growth in the population and households along with the high concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

According to *RealtyTrac* statistics, one in every 9,569 housing units nationwide was in some stage of foreclosure as of April 2020. The city of Rome is experiencing a foreclosure rate of one in every 16,151 homes, while the state of Georgia experienced one foreclosure in every 11,360 housing units. Overall, Rome is experiencing a lower foreclosure rate to the state and nation, indicating a generally healthy housing market. The Subject's neighborhood does not have a significant amount of abandoned or vacant structures that would impact the marketability of the Subject.

#### **5. Economic Data**

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and e retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. The effects of the 2007-2009 recession were more pronounced in the MSA, which experienced a 17.0 percent employment contraction, compared to 4.8 percent across the overall nation. Employment in the MSA remains below pre-recessionary levels as of early 2020.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response.

However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's project-based subsidy on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

## 6. Project-Specific Affordability and Demand Analysis

The following table illustrates the demand and capture rates for the Subject's units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents*
1BR @60%	\$0	\$28,200	20	1,258	16	1,242	1.6%	\$1,035
1BR @60% (Absent Subsidy)	\$20,709	\$28,200	20	473	0	473	4.2%	\$500
2BR @60%	\$0	\$31,740	52	1,258	32	1,226	4.2%	\$600/\$1,100
2BR @60% (Absent Subsidy)	\$25,440	\$31,740	52	455	0	455	11.4%	\$600
3BR @60%	\$0	\$38,040	8	652	16	636	1.3%	\$675/\$1,235
3BR @60% (Absent Subsidy)	\$28,011	\$38,040	8	236	0	236	3.4%	\$675
@60% Overall	\$0	\$38,040	80	3,168	64	3,104	2.6%	-
@60% Overall (Absent Subsidy)	\$20,709	\$38,040	80	1,163	0	1,163	6.9%	-

\*Proposed rents in absent subsidy scenario are the achievable LIHTC rents.

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. All capture rates for the Subject, as proposed, are within Georgia DCA thresholds. Therefore, we believe there is adequate demand for the Subject.

## 7. Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,063 units.

The availability of LIHTC data is considered average. We included three LIHTC and one mixed-income comparables in our analysis. The LIHTC and mixed-income properties target families, and two are located within the PMA. Due to the low number of comparable LIHTC properties in the PMA, we extended our search to Polk County to the southwest. The two comparables located in Polk County also offer units at the 60 percent of AMI level. These comparables are located between 2.8 and 23.6 miles of the Subject. The comparables were built or renovated between 1999 and 2017.

The availability of market rate data is considered good. We include seven conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 1.7 and 6.1 miles from the Subject. These comparables were built or renovated between 1974 and 2005. Overall, we believe the market rate properties used in our analysis are the most comparable.

All of the comparable properties were interviewed since late May 2020. The majority of property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.

Based on the quality of the surveyed comparable properties and the anticipated quality of the Subject, we conclude that the Subject’s achievable LIHTC rental rates are below the achievable market rates for the Subject’s area. The table below illustrates the comparison of the market rents.

When comparing the Subject’s rents to the average comparable rent, we do not include surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we do not include the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60% (Section 8)	\$500	\$399	\$1,145	\$702	29%
2BR / 1BA	@60%	\$600	\$481	\$1,177	\$771	22%
2BR / 1BA	@60% (Section 8)	\$600	\$481	\$1,177	\$771	22%
3BR / 1BA	@60%	\$675	\$537	\$1,365	\$865	22%
3BR / 1BA	@60% (Section 8)	\$675	\$537	\$1,365	\$865	22%

\*Achievable rent assuming no subsidy

The Subject’s achievable 60 percent AMI rent, absent rental subsidy, is below the surveyed average of the comparables, both LIHTC and market rate. It is noted that the 60 percent rents at the LIHTC properties in Polk County are very low, which skews the overall average downward. The Subject’s restricted rent absent subsidy provides an advantage of 22 to 29 percent over the surveyed average of the comparable rents.

Of the comparable market rate properties, Eastland Court is achieving the highest rents. This property was completed over the 2005 to 2007 period and is in good condition, similar to the Subject. Its curb appeal is superior while its location is similar. This property has slightly inferior in-unit amenities as it offers washer/dryer connections, but not appliances. Further, it does not have landlord-paid cable/internet and resident services like the Subject will post-renovation. However, Eastland Court has extensive property amenities as it offers an exercise facility, swimming pool, and optional garage parking. Further, its unit sizes is larger in size and its two and three-bedroom units have two full baths. Accordingly, we believe the Subject’s achievable market rent is below this property. The Subject’s achievable LIHTC rents without subsidy have a significant rent advantage compared to Eastland Court.

Ashton Ridge is a market rate property that was built in 1999 and renovated in 2020. Its rents were increased by \$175 to \$215 upon renovation for new tenants, which was a large increase. Rents for existing tenants will be gradually increased to the new market levels over time. Ashton Ridge is in good condition, similar to the Subject’s condition upon renovation. This property is located 5.5 miles from the Subject in a similar location. Ashton Ridge offers slightly inferior in-unit amenities as it lacks washer/dryer appliances and landlord-paid cable/internet. Its property amenities are slightly superior as it features a newly renovated clubhouse. This property offers larger unit sizes in comparison to the Subject. Further, its two and three-bedroom units have

two full baths. The market rents at Ashton Ridge are approximately 50 percent higher than the Subject’s achievable rents at 60 percent AMI, absent subsidy.

**8. Absorption/Stabilization Estimate**

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we extended our search to other properties throughout the northwest Georgia region.

ABSORPTION					
Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 at Woodstock	Market	Senior	2015	272	15

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Burrell Square is a family LIHTC development located in Rome, and is included in our rent comparable survey. This property offers 84 units and was fully-occupied within four months. Burrell Square is currently 99 percent occupied and maintains a waiting list. We considered all of the properties but given greatest weight to Burrell Square as it has a generally similar location. As of June 22, 2020, the Subject is 97.5 percent occupied with two vacant units, both of which are preleased. The Subject and has a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit. Post-renovation, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 15 to 20 units per month, for an absorption period of four to five months if it were hypothetically vacant. It should be noted that construction on the Subject is not anticipated to be completed until November 2021, which is considered outside the primary window from the COVID-19 pandemic.

**9. Overall Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The stabilized LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered very low. Further, all surveyed LIHTC properties report waiting lists for their units and all of the property managers at these comparables report strong demand for affordable housing in the area. Property managers have not reported a notable change in the market as a result of the COVID-19 pandemic. Post-renovation, the Subject will offer washer/dryer appliances, which are not offered at most comparable properties. Although the Subject will not offer an extensive property amenity package, it is still expected to compete well in this market, given the subsidies in place for 77 of its total 80 units. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject’s anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well. Further, we believe that the Subject’s subsidized operation on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject’s construction will further insulate it from the current COVID-19 pandemic.

**SPRING GROVE APARTMENTS – ROME, GEORGIA – MARKET STUDY**

**Summary Table:**

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

<b>Development Name:</b>	<b>Spring Grove Apartments</b>	<b>Total # Units:</b>	80
<b>Location:</b>	66 Lyons Drive, Rome, GA 30165	<b># LIHTC Units:</b>	80
<b>PMA Boundary:</b>	North: Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road; East: Floyd County Line; South: Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave Spring Road; West: Georgia/Alabama state line		
	<b>Farthest Boundary Distance to Subject:</b>	<u>16.0 miles</u>	

**Rental Housing Stock (found on page 65)**

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	36	2,839	19	99.3%
Market-Rate Housing	12	1,023	8	99.2%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	16	1,218	1	99.9%
LIHTC	8	598	10	98.3%
Stabilized Comps	35	2,773	19	99.3%
Properties in Construction & Lease Up	1	66	66	0.0%

\*Only includes properties in PMA

Subject Development					Average Market Rent*			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Achievable LIHTC Rent**	Per Unit	Per SF	Advantage	Per Unit	Per SF
20	1BR at 60% AMI	1	627	\$500	\$702	\$1.12	40%	\$1,145	\$1.64
52	2BR at 60% AMI	1	760	\$600	\$771	\$1.01	29%	\$1,177	\$1.24
8	3BR at 60% AMI	1	996	\$675	\$865	\$0.87	28%	\$1,365	\$1.24

**Capture Rates (found on page 63)**

Targeted Population	@60% As Proposed	@60% Absent Subsidy				
<b>Capture Rate:</b>	2.6%	6.9%				

\*Includes LIHTC and unrestricted (when applicable)

\*\*Absent subsidy

## **C. PROJECT DESCRIPTION**

## PROJECT DESCRIPTION

- 1. Project Address and Development Location:** The Subject is located at 66 Lyons Drive, Rome, Floyd County, Georgia 30165.
- 2. Construction Type:** The Subject consists of nine, two-story, residential buildings plus one, attached one-story community building. The Subject consists of a proposed renovation of an existing property.
- 3. Occupancy Type:** Families.
- 4. Special Population Target:** None.
- 5. Number of Units by Bedroom Type and AMI Level:** See following property profile.
- 6. Unit Size, Number of Bedrooms and Structure Type:** See following property profile.
- 7. Rents and Utility Allowances:** See following property profile.
- 8. Existing or Proposed Project-Based Rental Assistance:** See following property profile.
- 9. Proposed Development Amenities:** See following property profile.

## SPRING GROVE APARTMENTS – ROME, GEORGIA – MARKET STUDY

Spring Grove Apartments	
Location	66 Lyons Drive Rome, GA 30165 Floyd County
Units	80
Vacant Units	2
Vacancy Rate	2.50%
Type	Garden (2 stories)
Year Built / Renovated	1978 / 2021



Utilities			
A/C	not included – central	Other Electric	not included
Cooking	not included – gas	Water	included
Water Heat	not included – gas	Sewer	included
Heat	not included – gas	Trash Collection	included

Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	
1	1	Garden	20	627	\$1,035	\$0	@60% (Section 8)	Yes	N/A	N/A	N/A	
2	1	Garden	1	760	\$600	\$0	@60%	No	N/A	N/A	no	
2	1	Garden	51	760	\$1,100	\$0	@60% (Section 8)	Yes	N/A	N/A	N/A	
3	1	Garden	2	996	\$675	\$0	@60%	No	N/A	N/A	N/A	
3	1	Garden	6	996	\$1,235	\$0	@60% (Section 8)	Yes	N/A	N/A	N/A	

Amenities			
<b>In-Unit</b>	Blinds Carpeting Central A/C Dishwasher Garbage Disposal Microwave Oven Refrigerator Walk-In Closet Washer/Dryer Washer/Dryer hookup	<b>Property</b>	Clubhouse/Meeting Room/Community Room Central Laundry Off-Street Parking On-Site Management Picnic Area Playground
<b>Security</b>	Patrol Video Surveillance	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	none

**Comments**

The Subject is an existing 80-unit Section 8/affordable development offering one, two, and three-bedroom units contained in nine, two-story garden-style residential buildings and one attached one-story community building. Of the Subject's 80 units, 77 are benefited by a Section 8 HAP contract. The Subject's current HAP contract expires in 2024. The Subject has a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit.

### 10. Scope of Renovations:

The Subject is proposed for renovation with low income housing tax credits (LIHTC). Hard costs of renovations are expected to be \$4,539,650 or \$56,746 per unit. The scope of renovations will include, but are not limited to:

- Installation of new fenced playground with benches
- Replacement of walkway and stair rails
- Replacement of exterior accent siding
- Replacement of roof
- Replacement of interior and exterior doors

- Replacement of windows
- Replacement of flooring
- Install stackable in-unit washers and dryers for all units
- Replacement of kitchen appliances; add dishwasher and microwave In-unit washers and dryers for all units
- Replacement of mailbox and kiosk
- Creation of picnic area
- Replacement of kitchen cabinets and countertops
- Replacement of blinds
- Replacement of bathroom fixtures
- Replacement of HVAC systems
- Repaving of the parking lot
- New security video surveillance

**Current Rents:**

According to information provided by the client, the current rents for 77 units with subsidy are based on 30 percent of resident incomes, as the Subject currently operates as a Section 8/market apartment development. The current contract rents are \$730, \$812, and \$947 for the one, two, and three-bedroom units, respectively. The current rents for the three units without project-based subsidy are \$509 and \$557, for the two and three-bedroom units respectively. The current rents for these three units are lower than the proposed LIHTC rents.

**Current Occupancy:**

Per the rent roll dated May 27, 2020, the Subject is currently 97.5 percent occupied and has two vacant units, both of which are pre-leased. The Subject currently operates as a Section 8/market property where 77 of the total 80 units have subsidy. The Subject maintains a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit.

**Current Tenant Income:**

Average income of the Subject's current tenants is not available. However, all tenants are likely to be income-qualified under the LIHTC program at the 60 percent of AMI level.

**11. Placed in Service Date:**

The Subject was originally built in 1978. Renovations will occur with tenants in place. Therefore, units will be placed back in service on a rolling basis. Renovations are scheduled to begin in December 2020 and be completed in November 2021. We will utilize 2021 as the market entry year for demographic purposes according to the DCA Market Study Manual.

**Conclusion:**

Upon renovation, the Subject will be a good-quality garden-style apartment property, comparable to most of the multifamily inventory in the area. As a renovated development, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical deterioration.

# D.SITE EVALUATION

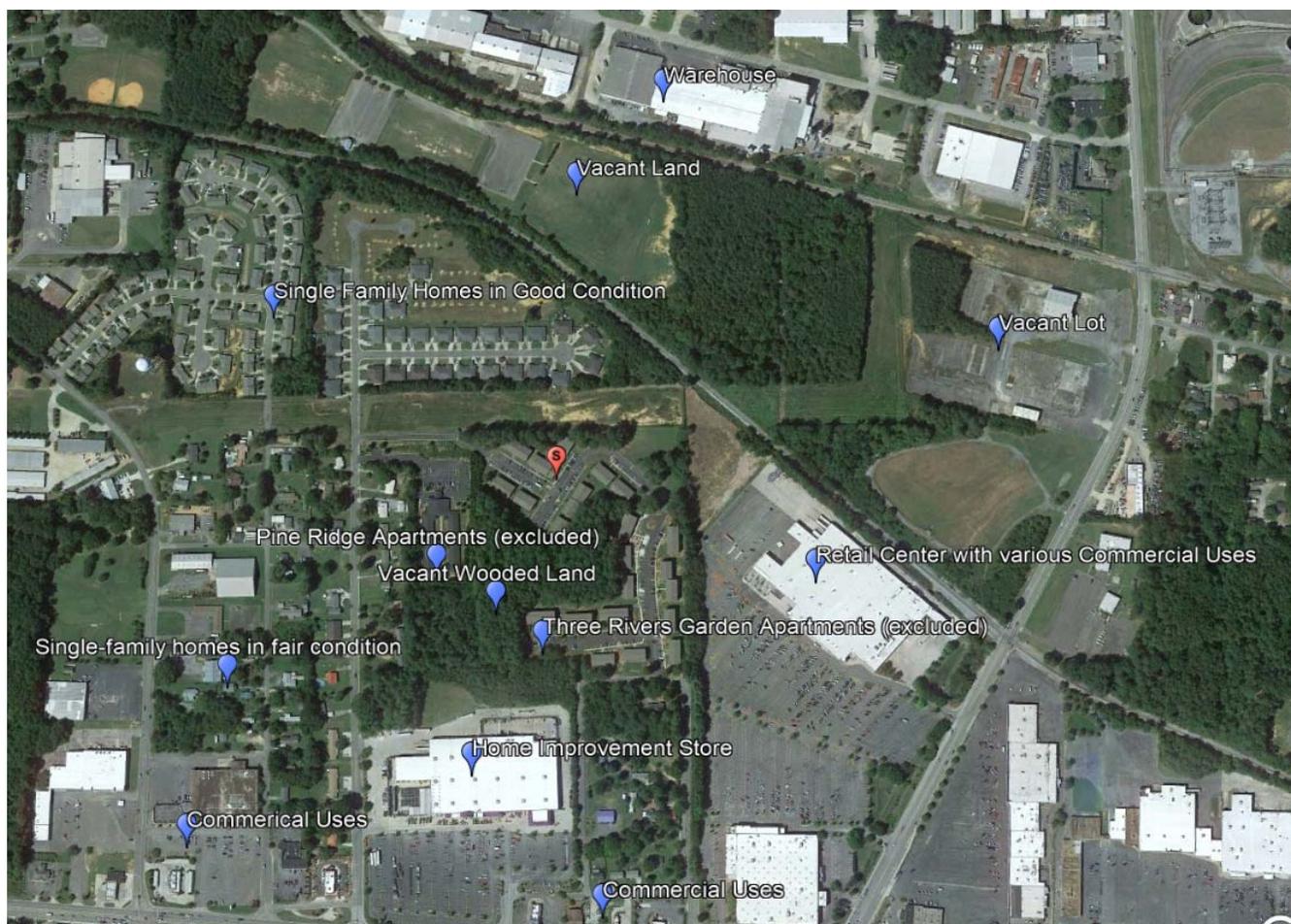
1. **Date of Site Visit and Name of Inspector:** Brian Neukam visited the site on June 22, 2020.

2. **Physical Features of the Site:** The following illustrates the physical features of the site.

**Frontage:** The Subject site has minimal frontage along the east side of Lyons Drive. There is also frontage along Tamassee Lane, which serves as the Subject’s interior street.

**Visibility/Views:** The Subject is located in a mixed-use neighborhood in Rome. Views consist of vacant land and duplex homes in good condition to the north, single-family homes in good condition to the northwest, a Walmart retail store to the east, a Lowe’s home improvement center and single-family homes in average condition to the south, and the Pine Ridge Apartments, a subsidized property, to the west, which is in average condition. This property is excluded as a rent comparable as all of its units have subsidy. Overall, the Subject site has average views and visibility.

**Surrounding Uses:** The following map illustrates the surrounding land uses.



Source: Google Earth, June 2020

The Subject is located at 66 Lyons Drive, in Rome, Floyd County, Georgia. The Subject has average access and visibility. Views include vacant land, multifamily apartments, single-family and duplex homes, and retail uses. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 40 out of 100. The uses surrounding the site are in average to good condition, and the Subject has good proximity to locational amenities, most of which are within two miles of the Subject.

**Positive/Negative Attributes of Site:**

The Subject’s proximity to retail and other locational amenities, as well as its surrounding uses, which are in average condition, are considered positive attributes. Additionally, the Subject site is within close proximity to Highway 20, which provides convenient access to employment centers in downtown Rome. There are no significant negative attributes.

**3. Physical Proximity to Locational Amenities:**

The Subject will continue to be compatible with the existing surroundings. No detrimental influences were identified in the immediate neighborhood. The Subject is physically capable of supporting a variety of legally permissible uses, and is considered an adequate for renovations.

4. Pictures of Site and Adjacent Uses:

The following are pictures of the Subject site and adjacent uses.



View of Subject



View of Subject



View of Subject



View of Subject



View of Subject



View of attached community building



View of access road to Subject



View south of Lyons Road



Laundry room at Subject



Leasing office at Subject



Typical bedroom at Subject property



Typical bedroom at Subject property



Typical kitchen at Subject property



Typical bathroom at Subject property



Typical kitchen at Subject property



Typical kitchen at Subject property



Typical closet at Subject property



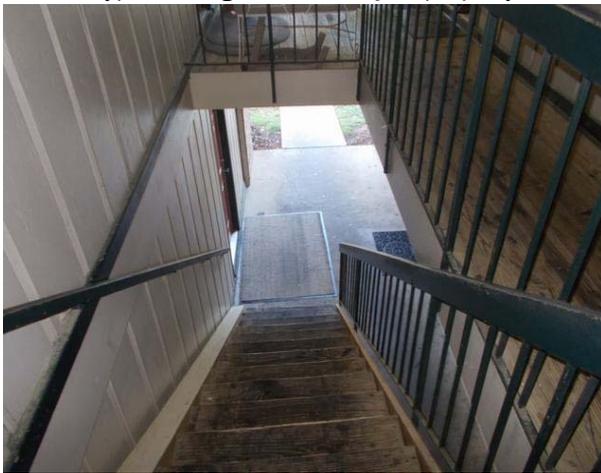
Typical living room at Subject property



Typical living room at Subject property



Typical living room at Subject property



Typical stairway at Subject property



Typical stairway at Subject property



Playground at Subject property



Playground at Subject property



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Duplex home in the Subject's neighborhood



Retail Center South of Subject



Retail center southwest of Subject



Medical facility south of Subject



Commercial use south of subject



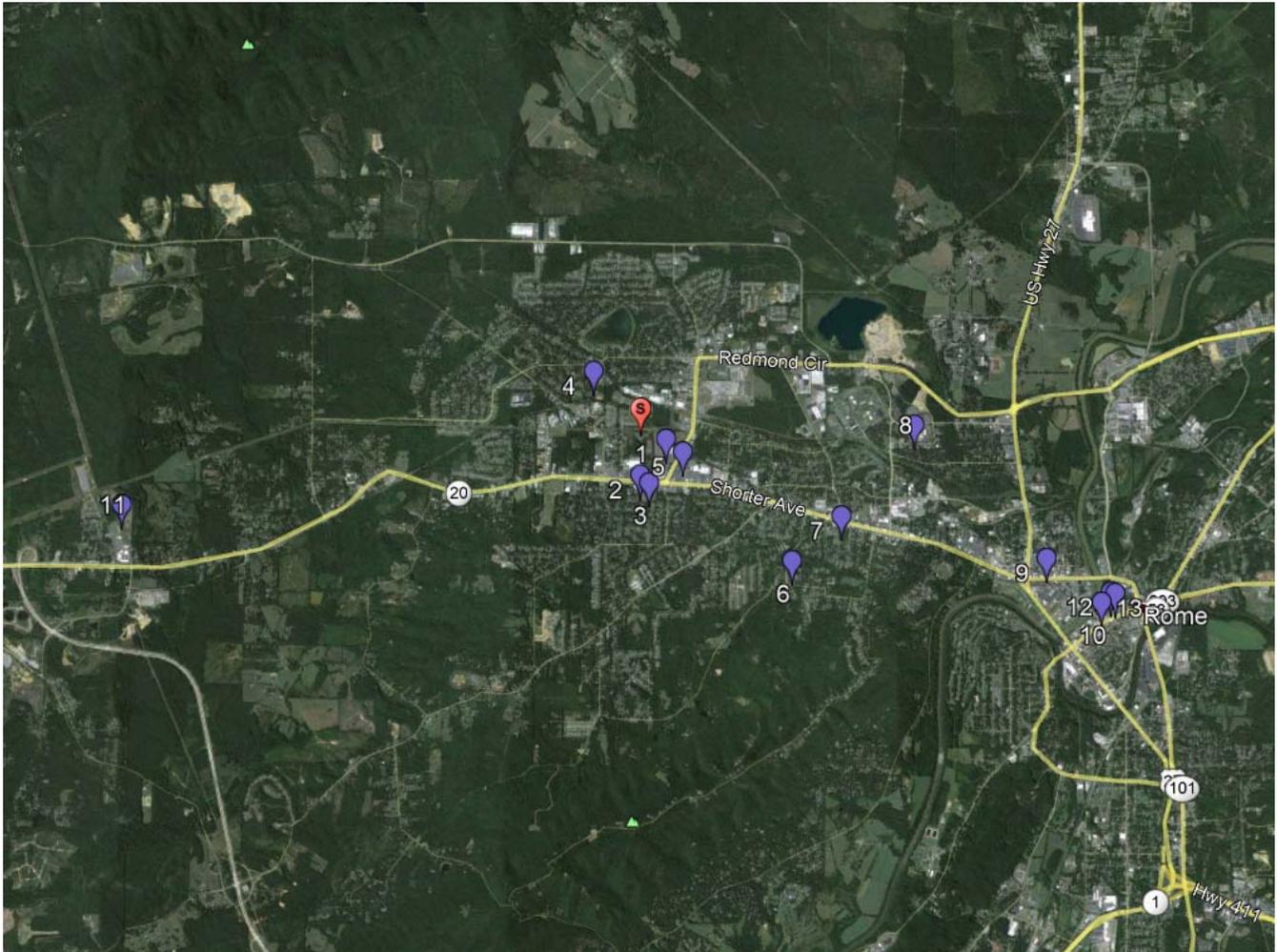
Pharmacy south of Subject



Storage facility south of Subject

**5. Proximity to Locational Amenities:**

The following table details the Subject’s distance from key locational amenities.



Source: Google Earth, June 2020

**LOCATIONAL AMENITIES**

Map #	Service or Amenity	Distance from Subject (Crow)
1	Walmart	0.3 miles
2	Truist	0.4 miles
3	West End Elementary School	0.5 miles
4	Garden Lakes Park	0.5 miles
5	United States Postal Service	0.5 miles
6	Dutchtown High School	1.7 miles
7	CVS	1.8 miles
8	Redmond Regional Medical Center	2.3 miles
9	Publix Super Market	3.5 miles
10	Rome Police Department	4.0 miles
11	Coosa Middle School	4.0 miles
12	Rome Floyd County Library	4.0 miles
13	Rome Fire Department	4.1 miles

**6. Description of Land Uses**

The Subject is located at 66 Lyons Drive, in Rome, Floyd County, Georgia. The Subject has average access and visibility and views include vacant land, multifamily apartments, single-family and duplex homes, and retail uses. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 40 out of 100. Total crime risk indices in the PMA are slightly less than the surrounding MSA. The uses surrounding the site are in average to good condition, and the Subject has good proximity to locational amenities, most of which are within two miles of the Subject.

**7. Crime:**

The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

**2019 CRIME INDICES**

	PMA	Rome, GA Metropolitan Statistical Area
<b>Total Crime*</b>	<b>103</b>	<b>123</b>
<b>Personal Crime*</b>	<b>89</b>	<b>113</b>
Murder	95	115
Rape	78	89
Robbery	63	86
Assault	102	129
<b>Property Crime*</b>	<b>106</b>	<b>125</b>
Burglary	124	143
Larceny	105	126
Motor Vehicle Theft	60	65

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

\*Unweighted aggregations

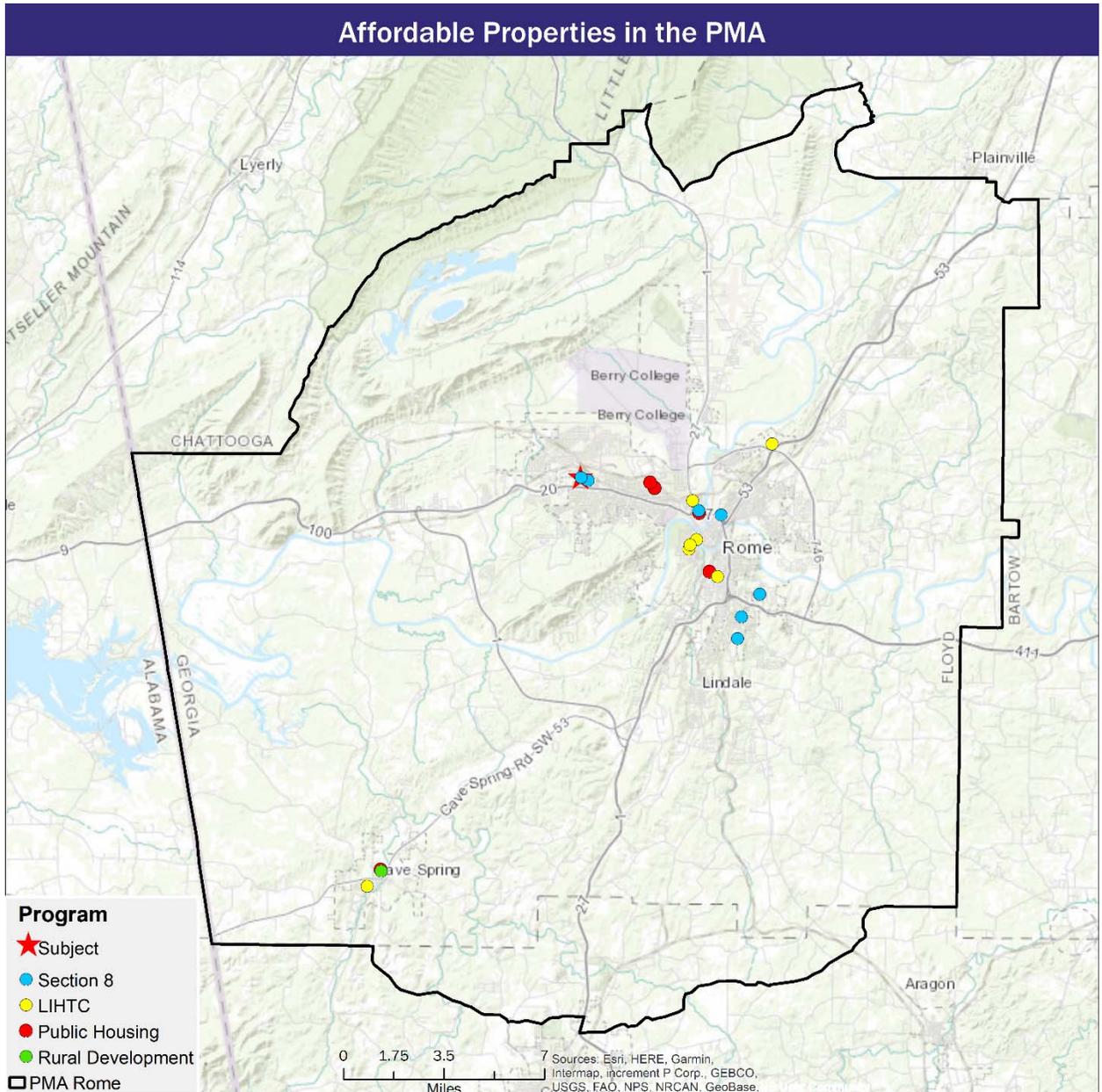
Total crime risk indices in the PMA are similar to the national average and below the MSA. Both geographic areas feature crime risk indices above the overall nation. Post-renovation, the Subject will offer surveillance cameras and a security patrol. The majority of rent comparables have security features that are similar to those to be offered at the Subject.

**8. Existing Assisted Rental Housing Property Map:**

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

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Spring Grove Apartments	LIHTC	Rome	Family	80	97.5%	Star
Altoview Terrace	LIHTC/PBRA	Rome	Family	66	N/A	Yellow
Ashland Park Apartments	LIHTC	Rome	Family	184	100.0%	
Burrell Square	LIHTC	Rome	Family	84	98.8%	
Etowah Terrace	LIHTC/PBRA/Market	Rome	Senior	77	97.4%	
Greystone Apartments	LIHTC/PBRA	Rome	Senior	71	100.0%	
Highland Estates	LIHTC/Market	Rome	Senior	84	91.7%	
Pennington Place	LIHTC/PHA	Rome	Family	8	100.0%	
Spring Haven Apartments	LIHTC (HOME)	Cave Spring	Senior	24	100.0%	
Callier Forest Apartments	Section 8	Rome	Family	130	NA	
Heatherwood Apartments	Section 8	Rome	Senior	68	100.0%	
High Rise	Section 8	Rome	Senior	101	NA	
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	119	NA	
Oak Ridge	PSHP	Rome	Family	35	100.0%	
Park Homes	Section 8	Rome	Family	100	NA	
Pine Ridge Apartments	Section 8	Rome	Homeless	30	96.7%	
The Villas	Section 8	Rome	Family	39	100.0%	
Steve Pettis Court	Rural Development	Cave Spring	Family	31	100.0%	Green
Charles Hight Homes	Public Housing	Rome	Family	202	NA	Red
John Graham Homes	Public Housing	Rome	Family	150	100.0%	
Cave Spring Housing Authority	Public Housing	Cave Spring	Family	20	NA	
Village Green	Public Housing	Rome	Family	10	NA	
Willingham at Division	Public Housing	Rome	Family	27	NA	
Willingham Village	Public Housing	Rome	Family	76	100.0%	



**9. Road, Infrastructure or Proposed Improvements:**

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

**10. Access, Ingress-Egress and Visibility of Site:**

The Subject site can be accessed from both Lyons Drive and Tamasee Lane, which are lightly trafficked two-lane streets. Lyons Drive that traverses north/south and connects to Tamasee Lane south of the Subject and Lyons Drive North West, west of the Subject. Both roads provide access to Highway 20 (Shorter Avenue) approximately 0.2 miles to the south. Highway 20 provides convenient access to other employment centers in downtown Rome

approximately 4.2 miles southeast of the Subject. Overall, access and traffic flow are considered average.

**11. Conclusion:**

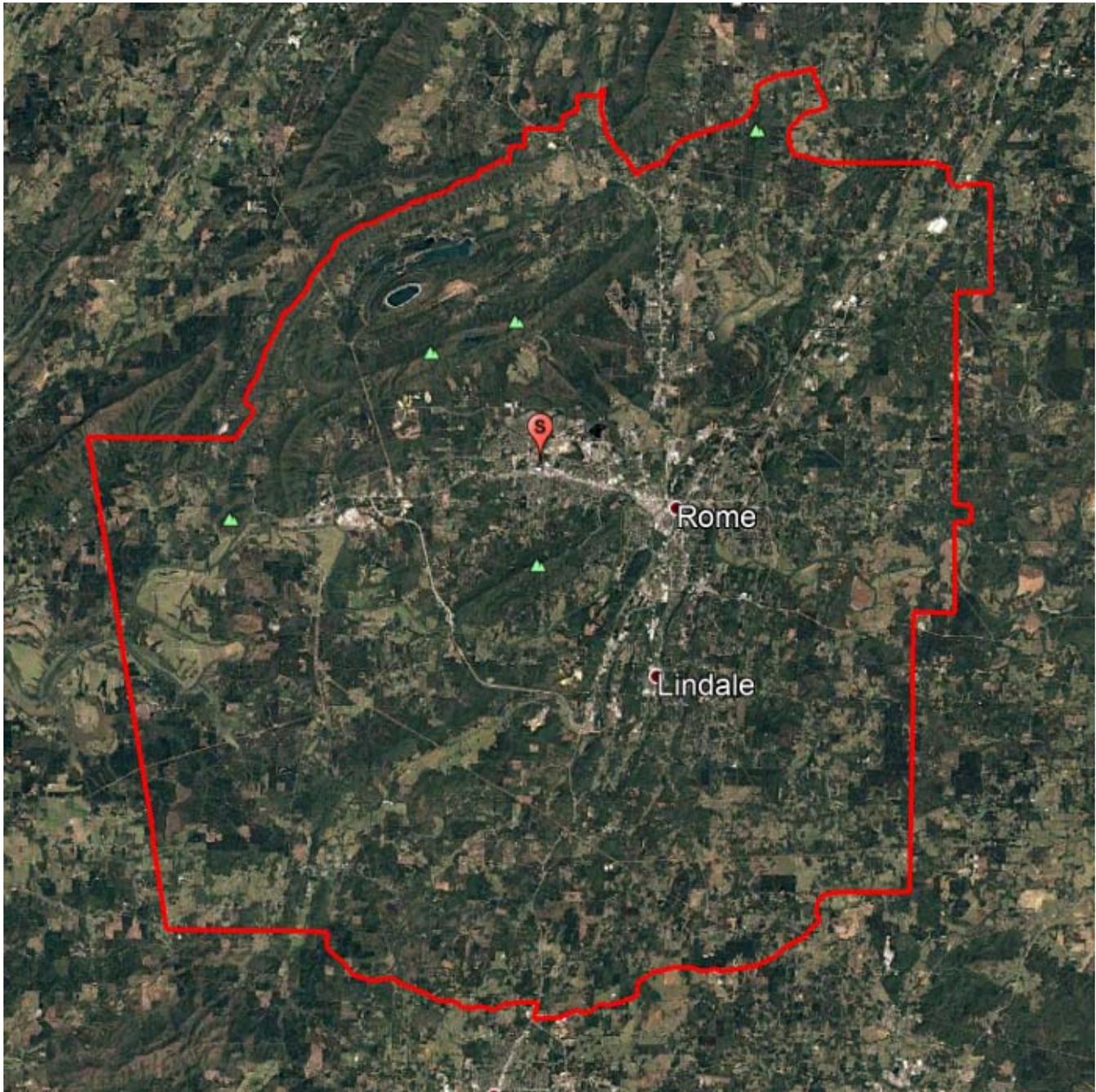
The Subject is located at 66 Lyons Drive, in Rome, Floyd County, Georgia. The Subject has average access. The neighborhood surrounding the Subject consists mostly of retail uses, multifamily use, single-family and duplex homes, as well as vacant land. The Subject site is considered “Car-Dependent” by Walkscore with a rating of 40 out of 100. The uses surrounding the site are in average to good condition, and the Subject has good proximity to locational amenities, most of which are within two miles of the Subject.

# E. MARKET AREA

## PRIMARY MARKET AREA

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

## Primary Market Area Map



Source: Google Earth, June 2020

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Rome, Georgia MSA are areas of growth or contraction.

The PMA is defined by Foster Manning Road, the Floyd County Line, Highway One, Millstone Mountain Road, Haywood Valley Road, Highway 156, and Scott Lake Road to the north, the Floyd County Line to the east, the Floyd County Line, Collard Valley Road, Wyatt Road, Davis Road, Highway One, Cherokee Road, and Cave Spring Road to the south, and the Georgia/Alabama state line to the west. This area includes the cities of Rome, Cave Spring, Lindale, Armuchee, and Shannon. The distances from the Subject to the farthest boundaries of the PMA in each direction are listed as follows:

North: 9.1 miles  
East: 9.0 miles  
South: 16.0 miles  
West: 12.3 miles

The PMA is defined based on interviews with the local housing authority and property managers at comparable properties. Many property managers indicated that a significant portion of their tenants come from outside of the county. While we do believe the Subject will experience leakage from outside the PMA boundaries, per the 2020 market study guidelines, we do not account for leakage in our demand analysis found later in this report. The farthest PMA boundary from the Subject is approximately 16 miles. The SMA is defined as the Rome, GA Metropolitan Statistical Area (MSA), which consists of Floyd County in northwest Georgia and encompasses 518 square miles.

# F. COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA. The Subject’s anticipated completion date is in November 2021.

**1. Population Trends**

The following tables illustrate (a) Total Population and (b) Population by Age Group within the population in the MSA, the PMA and nationally from 2000 through 2024.

**1a. Total Population**

The following table illustrates the total population within the PMA, MSA and nation from 2000 through 2024.

Year	POPULATION					
	PMA		Rome, GA Metropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	90,036	-	88,426	-	281,250,431	-
2010	98,036	0.9%	96,317	0.9%	308,745,538	1.0%
2019	101,294	0.4%	99,453	0.4%	332,417,793	0.8%
Projected Mkt Entry November 2021	102,024	0.3%	100,158	0.3%	338,517,037	0.8%
2024	102,859	0.3%	100,964	0.3%	345,487,602	0.8%

Source: Esri Demographics 2019, Novogradac Consulting LLP, July 2020

Historical population growth in the PMA was similar to the MSA between 2000 and 2010. Both geographic areas experienced population growth slightly below the nation during the same time period. Population growth in the PMA slowed between 2010 and 2019, and was similar to the MSA. Growth in both geographic areas remained below the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 0.3 percent through 2024, similar to projected growth in the MSA. However, growth in both geographic areas is expected to trail the nation.

**1b. Total Population by Age Group**

The following table illustrates the total population within the PMA and MSA and nation from 2000 to 2024.

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2019	Projected Mkt Entry November 2021	2024
0-4	5,998	6,652	6,223	6,253	6,287
5-9	6,268	6,690	6,314	6,290	6,263
10-14	6,404	6,579	6,455	6,488	6,526
15-19	6,471	7,452	6,926	7,062	7,217
20-24	6,574	6,625	6,222	6,087	5,933
25-29	6,128	6,066	6,695	6,218	5,673
30-34	6,246	5,829	6,832	6,783	6,727
35-39	6,752	6,396	6,417	6,690	7,001
40-44	6,758	6,406	5,733	6,004	6,313
45-49	6,125	6,877	6,243	5,996	5,713
50-54	5,504	6,825	6,274	6,258	6,240
55-59	4,539	6,253	6,771	6,514	6,221
60-64	3,831	5,498	6,379	6,496	6,629
65-69	3,491	4,232	5,780	5,917	6,073
70-74	3,159	3,321	4,543	4,863	5,228
75-79	2,627	2,661	3,152	3,526	3,954
80-84	1,727	1,936	2,147	2,331	2,542
85+	1,433	1,738	2,188	2,250	2,320
<b>Total</b>	<b>90,035</b>	<b>98,036</b>	<b>101,294</b>	<b>102,025</b>	<b>102,860</b>

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

POPULATION BY AGE GROUP

Age Cohort	Rome, GA Metropolitan Statistical Area				
	2000	2010	2019	Projected Mkt Entry November 2021	2024
0-4	5,853	6,521	6,104	6,133	6,167
5-9	6,130	6,559	6,185	6,162	6,136
10-14	6,252	6,467	6,321	6,351	6,386
15-19	6,477	7,336	6,816	6,942	7,086
20-24	6,657	6,501	6,133	5,997	5,841
25-29	5,987	5,975	6,574	6,114	5,589
30-34	6,098	5,726	6,691	6,654	6,611
35-39	6,598	6,276	6,311	6,566	6,857
40-44	6,607	6,282	5,624	5,895	6,204
45-49	6,000	6,745	6,118	5,876	5,600
50-54	5,386	6,686	6,150	6,133	6,114
55-59	4,442	6,143	6,639	6,385	6,094
60-64	3,740	5,398	6,247	6,365	6,499
65-69	3,414	4,161	5,676	5,803	5,949
70-74	3,092	3,278	4,463	4,777	5,136
75-79	2,580	2,625	3,107	3,471	3,888
80-84	1,697	1,913	2,125	2,304	2,508
85+	1,416	1,725	2,169	2,230	2,299
<b>Total</b>	<b>88,426</b>	<b>96,317</b>	<b>99,453</b>	<b>100,158</b>	<b>100,964</b>

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

The largest age cohorts in the PMA are between 15 and 19 and 30 and 34, which indicates the presence of families. Further, population in most age groups is expected to grow through 2024.

**2. Household Trends**

The following tables illustrate (a) Total Households and Average Household Size, (b) Household Tenure, (c) Households by Income, (d) Renter Households by Size, within the population in the MSA, the PMA and nationally from 2000 through 2024.

**2a. Total Number of Households and Average Household Size**

The following tables illustrate the total number of households and average household size within the PMA, MSA, and nation from 2000 through 2024.

**HOUSEHOLDS**

Year	PMA		Rome, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	33,834	-	33,149	-	105,409,439	-
2010	36,489	0.8%	35,890	0.8%	116,716,296	1.1%
2019	37,601	0.3%	36,947	0.3%	125,168,557	0.8%
Projected Mkt Entry November 2021	37,886	0.3%	37,220	0.3%	127,231,693	0.7%
2024	38,212	0.3%	37,533	0.3%	129,589,563	0.7%

Source: Esri Demographics 2019, Novogradac Consulting LLP, July 2020

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		Rome, GA Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.56	-	2.55	-	2.59	-
2010	2.57	0.1%	2.57	0.1%	2.58	-0.1%
2019	2.59	0.1%	2.58	0.1%	2.59	0.1%
Projected Mkt Entry November 2021	2.59	0.0%	2.58	0.0%	2.60	0.1%
2024	2.59	0.0%	2.58	0.0%	2.60	0.1%

Source: Esri Demographics 2019, Novogradac Consulting LLP, July 2020

Historical household growth in the PMA was moderate between 2000 and 2010. Both geographic areas experienced household growth below the nation during the same time period. Household growth in the PMA slowed between 2010 and 2019, and was similar to the MSA. Growth in both geographic areas remained below the nation during the same time period. According to ESRI demographic projections, annualized PMA growth is expected to remain relatively stable at 0.3 percent through 2024, similar to projected growth in the MSA.

As of 2019, the average household size in the PMA was similar to the MSA and nation. The average household size is expected to remain unchanged in the PMA through 2024.

## 2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2024.

### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	22,653	67.0%	11,181	33.0%
2019	23,278	61.9%	14,323	38.1%
Projected Mkt Entry November 2021	23,599	62.3%	14,287	37.7%
2024	23,966	62.7%	14,246	37.3%

Source: Esri Demographics 2019, Novogradac Consulting LLP, July 2020

As the table illustrates, households within the PMA reside mostly in owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a slightly larger percentage of renters in the PMA than the nation. This percentage is projected to decrease slightly over the next five years.

## 2c. Household Income

The following table depicts renter household income in the PMA in 2019, market entry, and 2024.

### RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry November 2021		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,419	16.9%	2,324	16.3%	2,216	15.6%
\$10,000-19,999	3,089	21.6%	2,964	20.7%	2,821	19.8%
\$20,000-29,999	2,127	14.9%	2,071	14.5%	2,006	14.1%
\$30,000-39,999	1,511	10.5%	1,476	10.3%	1,436	10.1%
\$40,000-49,999	1,238	8.6%	1,267	8.9%	1,301	9.1%
\$50,000-59,999	967	6.8%	962	6.7%	957	6.7%
\$60,000-74,999	895	6.2%	925	6.5%	959	6.7%
\$75,000-99,999	1,039	7.3%	1,074	7.5%	1,113	7.8%
\$100,000-124,999	336	2.3%	378	2.6%	426	3.0%
\$125,000-149,999	282	2.0%	334	2.3%	393	2.8%
\$150,000-199,999	240	1.7%	285	2.0%	337	2.4%
\$200,000+	180	1.3%	227	1.6%	281	2.0%
<b>Total</b>	<b>14,323</b>	<b>100.0%</b>	<b>14,287</b>	<b>100.0%</b>	<b>14,246</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

**RENTER HOUSEHOLD INCOME DISTRIBUTION - Rome, GA Metropolitan Statistical Area**

Income Cohort	2019		Projected Mkt Entry November 2021		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,398	17.0%	2,305	16.4%	2,198	15.7%
\$10,000-19,999	3,028	21.4%	2,906	20.6%	2,766	19.7%
\$20,000-29,999	2,055	14.6%	1,998	14.2%	1,932	13.8%
\$30,000-39,999	1,480	10.5%	1,446	10.3%	1,407	10.0%
\$40,000-49,999	1,256	8.9%	1,284	9.1%	1,315	9.4%
\$50,000-59,999	973	6.9%	968	6.9%	963	6.9%
\$60,000-74,999	881	6.2%	912	6.5%	947	6.7%
\$75,000-99,999	1,035	7.3%	1,066	7.6%	1,102	7.8%
\$100,000-124,999	321	2.3%	363	2.6%	411	2.9%
\$125,000-149,999	279	2.0%	329	2.3%	387	2.8%
\$150,000-199,999	236	1.7%	281	2.0%	332	2.4%
\$200,000+	180	1.3%	227	1.6%	281	2.0%
<b>Total</b>	<b>14,122</b>	<b>100.0%</b>	<b>14,084</b>	<b>100.0%</b>	<b>14,041</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

The Subject will target LIHTC tenants earning between \$0 and \$38,040 as proposed and \$20,709 to \$38,040 absent subsidy. As the table above depicts, approximately 63.9 percent of renter households in the PMA are earning incomes between \$0 and \$39,999, which is comparable to the 63.5 percent of renter households in the MSA in 2019. For the projected market entry date of November 2021, these percentages are projected to slightly decrease to 61.8 percent and 61.5 percent for the PMA and MSA, respectively.

**2d. Renter Households by Number of Persons in the Household**

The following table illustrates household size for all households in 2019, 2021 and 2024. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households.

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

Household Size	2019		Projected Mkt Entry November 2021		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	5,091	35.5%	5,093	35.6%	5,096	35.8%
2 Persons	3,192	22.3%	3,150	22.0%	3,102	21.8%
3 Persons	2,436	17.0%	2,444	17.1%	2,453	17.2%
4 Persons	1,761	12.3%	1,751	12.3%	1,739	12.2%
5+ Persons	1,843	12.9%	1,849	12.9%	1,856	13.0%
<b>Total Households</b>	<b>14,323</b>	<b>100%</b>	<b>14,287</b>	<b>100%</b>	<b>14,246</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

The majority of renter households in the PMA are one to three-person households. This bodes well for the Subject as it offers one, two, and three-bedroom units.

**Conclusion**

The population in the PMA increased by 3.3 percent between 2010 and 2019, compared to the 3.2 percent increase in the regional MSA and 7.4 percent increase across the overall nation. The current population of the PMA is 101,294 and is expected to be 102,024 in 2021. The current number of households in the PMA is 37,601 and is expected to be 37,886 in 2021. The percentage of renter households in the PMA increased between 2010 and 2019, and is estimated to be 38.1 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. As of 2019, the median income in the PMA is similar

the surrounding MSA. Historical median household income growth in the PMA trailed the MSA between 2000 and 2019. However, both areas experienced median household income growth rates above the overall nation during this time period. In particular, median income in the PMA rose from 51 percent of the national median income in 2000 to 79 percent in 2019. Overall, the combination of rising population and household income levels bodes well for future demand for multifamily housing.

# G. EMPLOYMENT TRENDS

## Employment Trends

The PMA and Floyd County are economically reliant on the healthcare/social assistance, retail trade, and manufacturing sectors. While the retail trade and manufacturing sectors are volatile in times of economic downturn, the healthcare/social assistance sector is traditionally more stable. The local economy appears to be diverse and low paying jobs in the healthcare/social assistance, manufacturing, and retail trade sectors are expected to generate demand for affordable housing in the PMA.

### 1. Covered Employment

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

COVERED EMPLOYMENT		
Floyd County, Georgia		
Year	Total Employment	% Change
2008	47,077	-
2009	44,302	-6.3%
2010	39,750	-11.5%
2011	39,440	-0.8%
2012	39,913	1.2%
2013	39,614	-0.8%
2014	39,753	0.3%
2015	40,002	0.6%
2016	40,895	2.2%
2017	41,930	2.5%
2018	42,368	1.0%
2019 YTD Average	42,846	2.1%
Dec-18	42,796	-
Dec-19	43,392	1.4%

Source: U.S. Bureau of Labor Statistics  
YTD as of Mar 2019

As illustrated in the table above, Floyd County experienced a weakening economy during the 2007-2009 national recession. The county felt the effects of the downturn until 2012, with its first employment increase of 1.2 percent since that recession. Employment growth quickly rebounded and Floyd County exhibited employment growth seven out of eight years from 2012 to 2019. Total employment in Floyd County increased 1.4 percent from December 2018 to December 2019. However, it is important to note that the above data is dated and does not reflect the impact from the COVID-19 pandemic, which is discussed and analyzed in further detail following in this section.

### 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Floyd County as of the second quarter of 2018.

**TOTAL JOBS BY INDUSTRY**  
 Floyd County, Georgia - Q2 2018

	Number	Percent
<b>Total, all industries</b>	<b>33,949</b>	-
Goods-producing	7,428	-
Natural resources and mining	122	0.4%
Construction	881	2.6%
Manufacturing	6,425	18.9%
Service-providing	26,521	-
Trade, transportation, and utilities	7,572	22.3%
Information	648	1.9%
Financial activities	1,135	3.3%
Professional and business services	2,476	7.3%
Education and health services	9,619	28.3%
Leisure and hospitality	4,142	12.2%
Other services	866	2.6%
Unclassified	63	0.2%

Source: Bureau of Labor Statistics, 2019

Education and health services is the largest industry in Floyd County, followed by trade, transportation, and utilities and manufacturing. Manufacturing, trade, and transportation industries are particularly vulnerable in economic downturns and are historically volatile industries, with the exception of utilities. Health services are historically stable during recessionary periods. The following table illustrates employment by industry for the PMA as of 2019 (most recent year available).

2019 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	7,487	16.6%	16,057,876	10.0%
Healthcare/Social Assistance	6,764	15.0%	22,612,482	14.1%
Retail Trade	4,746	10.5%	17,127,172	10.7%
Educational Services	4,598	10.2%	14,565,802	9.1%
Construction	3,509	7.8%	11,245,975	7.0%
Accommodation/Food Services	3,496	7.8%	11,738,765	7.3%
Other Services	3,329	7.4%	8,141,078	5.1%
Public Administration	2,102	4.7%	7,828,907	4.9%
Admin/Support/Waste Mgmt Svcs	1,665	3.7%	6,106,184	3.8%
Prof/Scientific/Tech Services	1,541	3.4%	11,744,228	7.3%
Transportation/Warehousing	1,446	3.2%	7,876,848	4.9%
Finance/Insurance	1,057	2.3%	7,377,311	4.6%
Real Estate/Rental/Leasing	735	1.6%	3,204,043	2.0%
Wholesale Trade	726	1.6%	4,183,931	2.6%
Information	683	1.5%	3,157,650	2.0%
Arts/Entertainment/Recreation	511	1.1%	3,332,132	2.1%
Utilities	408	0.9%	1,276,400	0.8%
Agric/Forestry/Fishing/Hunting	208	0.5%	1,915,709	1.2%
Mgmt of Companies/Enterprises	84	0.2%	237,307	0.1%
Mining	6	0.0%	819,151	0.5%
<b>Total Employment</b>	<b>45,101</b>	<b>100.0%</b>	<b>160,548,951</b>	<b>100.0%</b>

Source: Esri Demographics 2019, Novogradac Consulting LLP, May 2020

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as both industries are historically volatile, and prone to contraction during recessionary periods. Further, the large concentration in manufacturing and retail employment may make the Subject area more susceptible to employment losses from the ongoing COVID-19 pandemic than the nation as a whole. It is noted that the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, other services, and educational services industries. Conversely, the PMA is underrepresented in the professional/scientific/tech services, finance/insurance, and transportation/warehousing industries.

### 3. Major Employers

The table below shows the largest employers in Floyd County, Georgia.

#### MAJOR EMPLOYERS FLOYD COUNTY, GA

#	Employer Name	Industry	# Of Employees
1	Floyd Medical Center	Healthcare/Social Assistance	2,507
2	Redmond Regional Medical Center	Healthcare/Social Assistance	1,200
3	Lowe's RDC	Transportation/Warehousing	820
4	Harbin Clinic	Healthcare/Social Assistance	792
5	Berry College	Educational Services	562
6	Kellog's	Manufacturing	552
7	F & P Georgia	Manufacturing	518
8	International Paper Company	Manufacturing	451
9	Syntec Industries	Manufacturing	<u>350</u>
<b>Totals</b>			<b>7,752</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

The largest employer in Floyd County is the Floyd Medical Center. Seven of the top ten employers in Floyd County are from the healthcare/social assistance and manufacturing sectors. Healthcare/social assistance jobs is a historically stable industry while manufacturing is historically unstable, especially during times of recession and during the current pandemic.

#### Expansions/Contractions

The following table illustrates the layoffs and closures of significance that occurred or were announced since January 1, 2018 in Floyd County according to the Georgia Department of Labor.

#### WARN LISTINGS FLOYD COUNTY, GA

Company	Industry	Employees Affected	Layoff Date
Kindred Specialty Hospital LLC	Healthcare/Social Assistance	78	4/6/2020
Bloomin' Brands	Accommodation/Food Services	82	3/15/2020
Transdev On Demand	Transportation/Warehousing	98	5/1/2018
Sykes	Prof/Scientific/Tech Services	<u>181</u>	7/31/2018
<b>Total</b>		<b>439</b>	

Source: Georgia Department of Labor, retrieved May 2020

As illustrated in the above table, there have been 439 employees in the area impacted by layoffs or closures since 2018. Despite these job losses, employment growth in the area has continued. However, beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during

this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area.

We attempted to contact the Rome-Floyd Chamber of Commerce. As of the date of this report, our calls have yet to be returned. However, we were able to retrieve information on business expansions in the area from the Rome-Floyd Chamber of Commerce website.

**EXPANSIONS/NEW ADDITIONS - FLOYD COUNTY, GA**

Employer Name	Industry	Jobs
The Kerry Group	Manufacturing	100
Ball Aluminum Cups	Manufacturing	145
Ball Corporation	Manufacturing	46
Marglen Industries	Admin/Support/Waste Mgmt Svcs	20
<b>Total</b>		<b>311</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

- The Kerry Group has announced a \$125 million investment for its Rome Plant. This investment will result in the addition of more than 100 new jobs. Construction is expected to be completed in early 2021.
- Ball Aluminum Cups has announced a new manufacturing facility that will be adjacent to Ball’s existing aluminum beverage can manufacturing plant in Rome, Georgia, and is expected to ramp up production in the fourth quarter of 2020. Ball plans to hire approximately 145 new employees for the cups facility to support the multi-year investment of approximately \$200 million.
- Additionally, Ball Corporation announced the addition of a fourth production line to the Floyd County Plant. The company will be adding 46 jobs.
- Marglen Industries announced in 2020 that they would add two new lines to its recycling operations. The Marglen project represents a \$17 million investment that will add approximately 20 jobs.

As illustrated, there are several additions in a variety of industries including manufacturing and waste management. There have recently been 311 new jobs announced, which helps to counteract the 439 layoffs in the county since 2018.

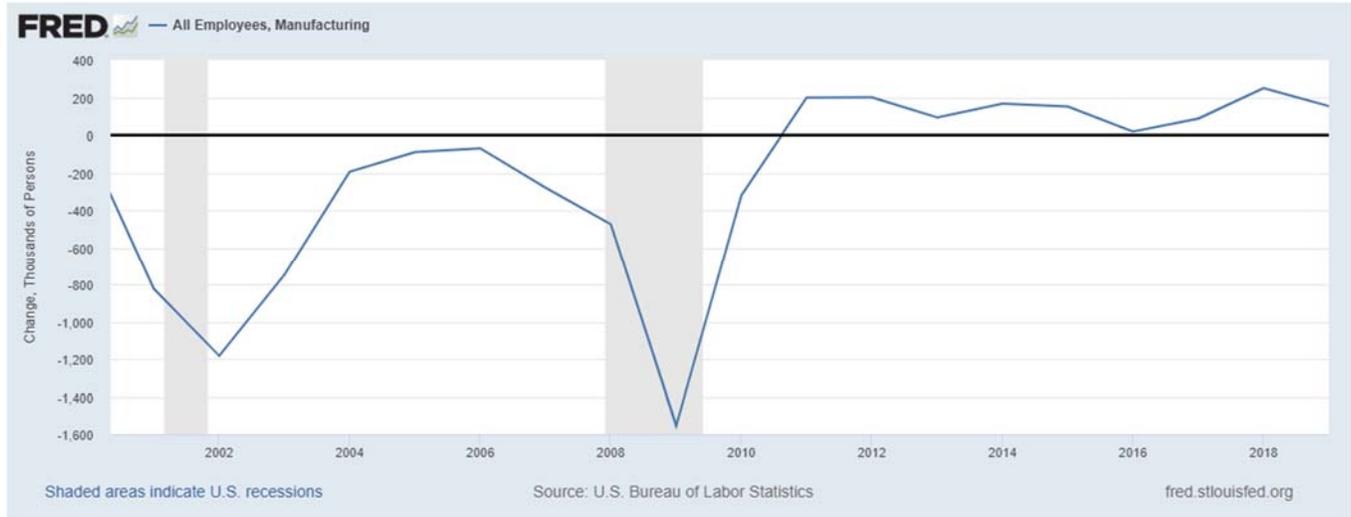
**Manufacturing Sector Trends**

In recent years, manufacturing in the U.S. has grown at a faster rate than the overall economy, a rarity with respect to recent declines in national manufacturing. Unfortunately, U.S. manufacturing has struggled with the onset of globalization and increased foreign manufacturing. Prior to the rapid expansion and refinement of technological capabilities in the late 1990s and the accelerated pace of globalization that accompanied it, foreign countries enjoyed a comparative advantage in manufacturing by leveraging their low labor costs. However, as global markets have become more integrated over time, the foreign labor cost advantage has minimized significantly. Furthermore, the U.S. enjoys relatively low costs of capital, raw materials, and transportation.

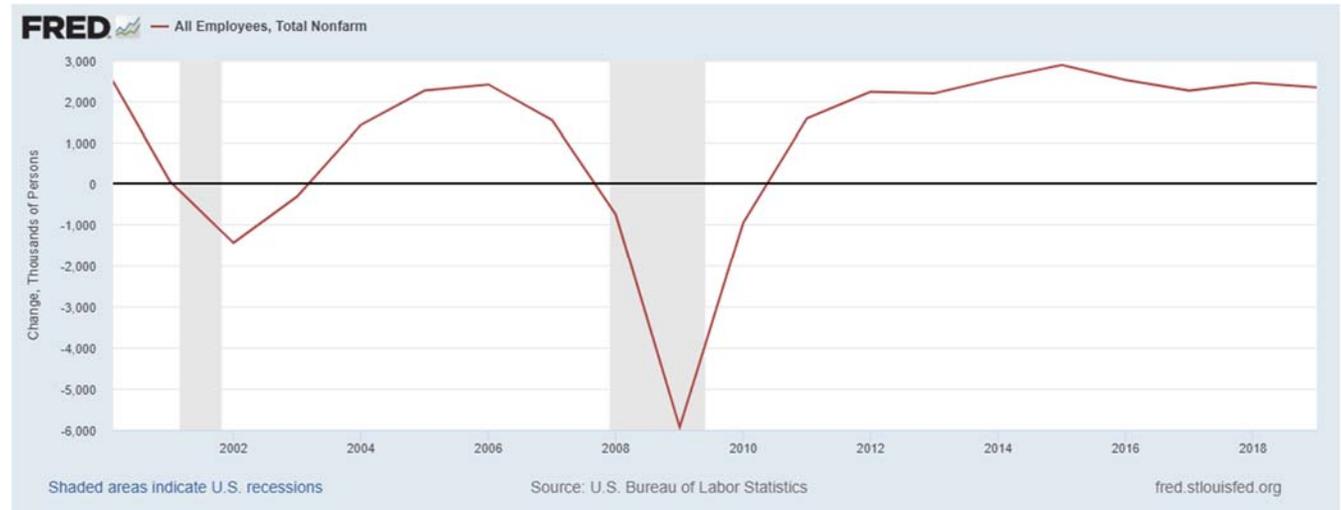
U.S. manufacturing output growth is expected to increase modestly through 2021. The Manufacturers Alliance for Productivity and Innovation (MAPI), a non-profit organization that produces research and projections for the manufacturing industry, publishes periodic economic forecasts. According to their March 2018 publication, U.S. manufacturing is expected to grow at an average of 2.8 percent through 2021.

Although recent employment growth in the U.S. manufacturing sector bodes well for the MSA, the manufacturing sector is still not quite as strong as in the past. With manufacturing accounting for close to 10 percent of the U.S. economy and as a major source of employment for the MSA manufacturing employment should continue to be monitored closely.

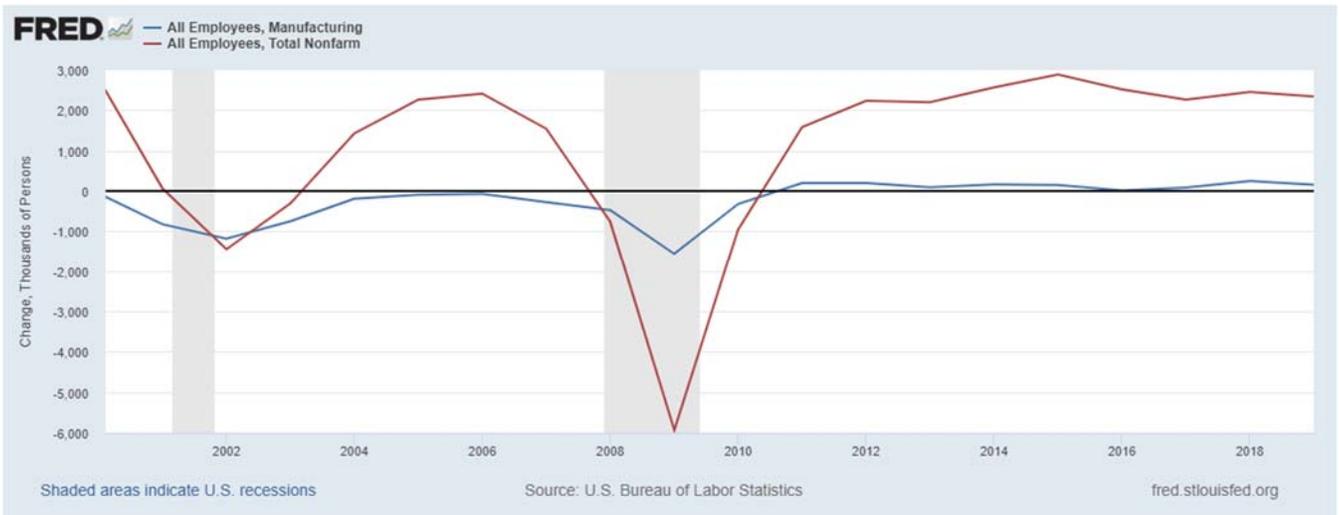
The following graphs details total employment trends in both manufacturing and all industries (non-farm) in the nation since 2000.



Source: Federal Reserve Bank of St. Louis, 1/2020.  
 Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.



Source: Federal Reserve Bank of St. Louis, 1/2020.  
 Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

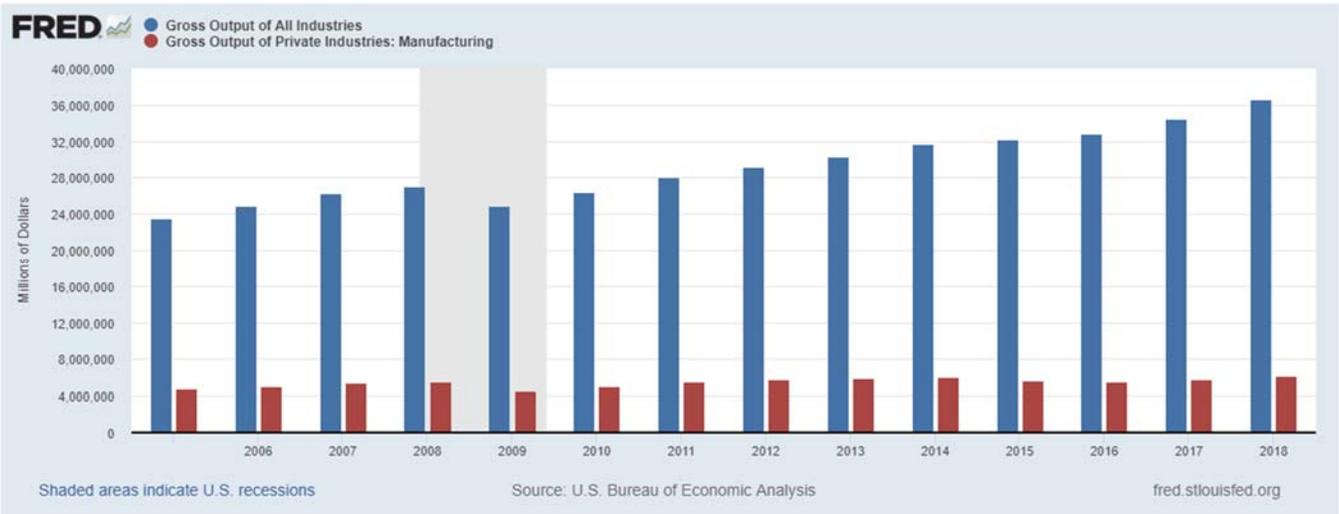


Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions. The employment data is seasonally adjusted.

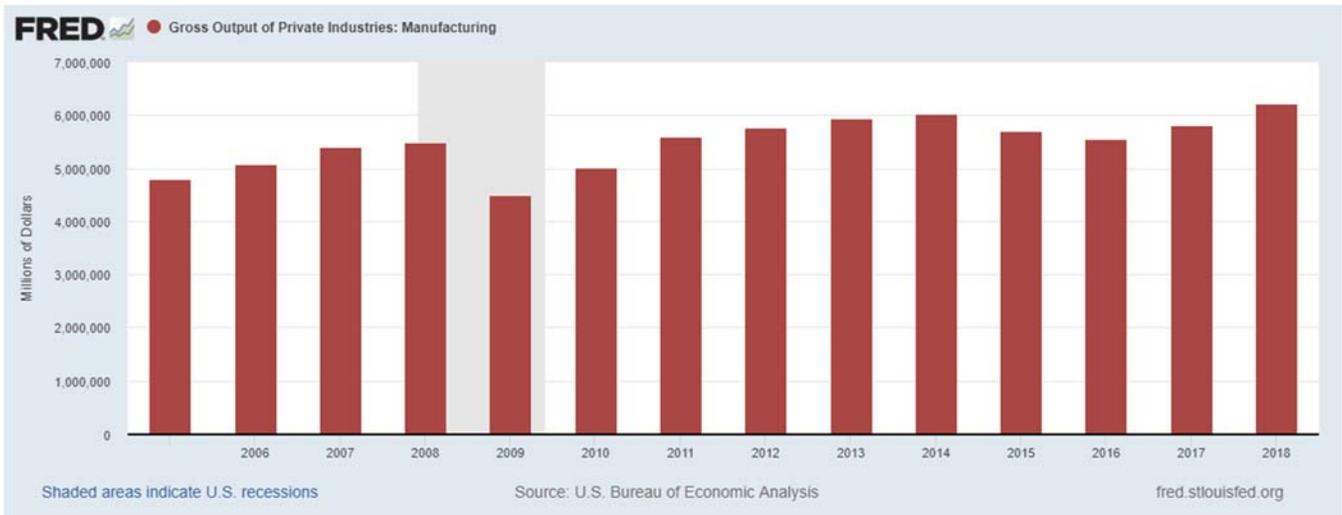
Total employment in the manufacturing sector, as well as the overall non-farm industry sector, declined from 2007 to 2009. Due to the most recent recession, all non-farm industries in the nation, including manufacturing, experienced significant loss. Since the most recent recession, total employment in non-farm industries has steady increased, though the manufacturing sector has experienced a slower recovery than other non-farm industries.

The following charts illustrate U.S. manufacturing gross output compared to that across all industries since 2005.



Source: Federal Reserve Bank of St. Louis, 1/2020.

Note: Shaded area indicates U.S. recessions.



Source: Federal Reserve Bank of St. Louis, 1/2020.  
 Note: Shaded area indicates U.S. recessions.

As illustrated by the previous graphs, manufacturing constitutes approximately 17 percent of the gross output of all private industries and experienced five years of consistent growth starting in 2009. Manufacturing output also surpassed pre-recessionary output levels in 2011, three years following the most recent national recession. However, manufacturing output decreased for both 2015 and 2016.

While the rebound in manufacturing output is noteworthy, this has not necessarily turned into job creation for the national economy. Since the most recent recession, job creation in the manufacturing sector continues to lag the overall economy. According to a November 18, 2016 article published by the *MIT Technology Review*, automation in the manufacturing sector has curtailed employment growth- a trend that is likely to continue through the coming years. As illustrated in the following graph, national employment in the manufacturing sector has been steadily declining since the 1980s, while production has increased. Overall, we believe it is reasonable to assume that the Rome, GA MSA, similar to the rest of the nation, will continue to be negatively impacted by automation in the manufacturing sector, leading to a continued decline in manufacturing employment.

#### 4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Rome, GA MSA from 2004 to March 2020.

##### EMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Rome, GA Metropolitan Statistical Area			USA		
	Total Employment	% Change	Differential from peak	Total Employment	% Change	Differential from peak
2004	46,862	-	-1.4%	139,252,000	-	-11.6%
2005	47,541	1.4%	0.0%	141,730,000	1.8%	-10.0%
2006	47,104	-0.9%	-0.9%	144,427,000	1.9%	-8.3%
2007	47,450	0.7%	-0.2%	146,047,000	1.1%	-7.3%
2008	47,077	-0.8%	-1.0%	145,363,000	-0.5%	-7.7%
2009	44,302	-5.9%	-6.8%	139,878,000	-3.8%	-11.2%
2010	39,750	-10.3%	-16.4%	139,064,000	-0.6%	-11.7%
2011	39,440	-0.8%	-17.0%	139,869,000	0.6%	-11.2%
2012	39,913	1.2%	-16.0%	142,469,000	1.9%	-9.6%
2013	39,614	-0.7%	-16.7%	143,929,000	1.0%	-8.6%
2014	39,753	0.4%	-16.4%	146,305,000	1.7%	-7.1%
2015	39,935	0.5%	-16.0%	148,833,000	1.7%	-5.5%
2016	40,822	2.2%	-14.1%	151,436,000	1.7%	-3.9%
2017	41,842	2.5%	-12.0%	153,337,000	1.3%	-2.7%
2018	42,261	1.0%	-11.1%	155,761,000	1.6%	-1.1%
2019	42,455	0.5%	-10.7%	157,538,000	1.1%	0.0%
2020 YTD Average*	42,843	0.9%	-	150,876,000	-4.2%	-
Mar-2019	42,528	-	-	156,441,000	-	-
Mar-2020	42,518	0.0%	-	155,167,000	-0.8%	-

Source: U.S. Bureau of Labor Statistics, May 2020

##### UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

	Rome, GA Metropolitan Statistical Area			USA		
	Unemployment Rate	Change	Differential from peak	Unemployment Rate	Change	Differential from peak
2004	4.8%	-	0.9%	5.5%	-	1.9%
2005	5.2%	0.4%	1.4%	5.1%	-0.5%	1.4%
2006	4.5%	-0.7%	0.7%	4.6%	-0.5%	1.0%
2007	4.7%	0.2%	0.9%	4.6%	0.0%	1.0%
2008	6.5%	1.8%	2.7%	5.8%	1.2%	2.1%
2009	10.5%	4.1%	6.7%	9.3%	3.5%	5.6%
2010	11.8%	1.3%	8.0%	9.6%	0.3%	6.0%
2011	12.1%	0.2%	8.2%	9.0%	-0.7%	5.3%
2012	10.9%	-1.1%	7.1%	8.1%	-0.9%	4.4%
2013	9.5%	-1.4%	5.7%	7.4%	-0.7%	3.7%
2014	7.9%	-1.6%	4.1%	6.2%	-1.2%	2.5%
2015	6.7%	-1.2%	2.9%	5.3%	-0.9%	1.6%
2016	6.0%	-0.7%	2.2%	4.9%	-0.4%	1.2%
2017	5.2%	-0.8%	1.3%	4.4%	-0.5%	0.7%
2018	4.3%	-0.9%	0.5%	3.9%	-0.4%	0.2%
2019	3.8%	-0.5%	0.0%	3.7%	-0.2%	0.0%
2020 YTD Average*	4.0%	0.2%	-	6.7%	3.0%	-
Mar-2019	3.8%	-	-	3.9%	-	-
Mar-2020	4.4%	0.6%	-	4.5%	0.6%	-

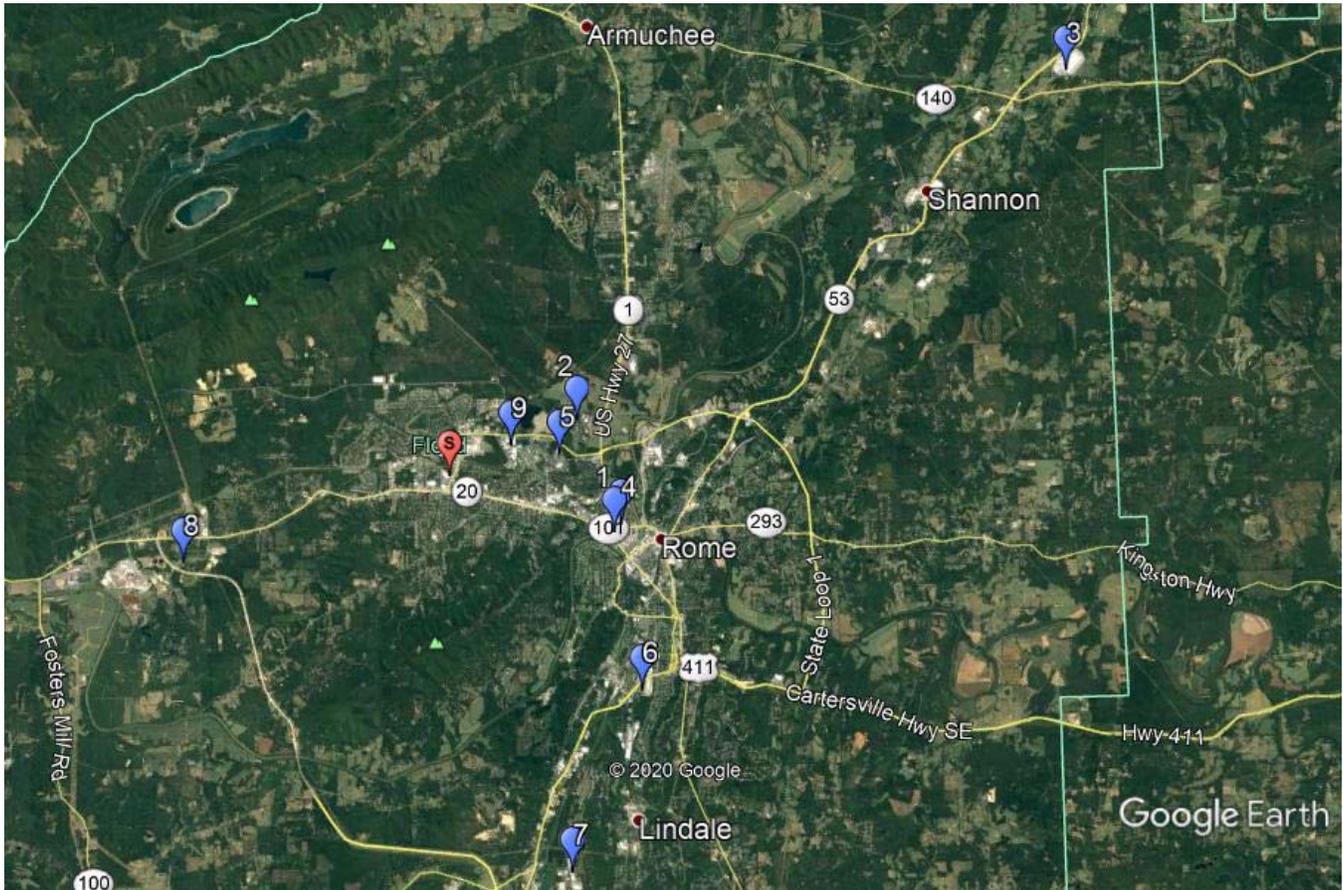
Source: U.S. Bureau of Labor Statistics, May 2020

The MSA experienced employment growth two of three years between 2005 and 2007. After 2007, total employment decreased each year through 2011. This indicates the MSA was slower to recover from the 2007-2009 national recession than the nation as a whole. However, the MSA has begun to recover in recent years, experiencing stronger growth in total employment than the nation in five of six years between 2016 and March 2020. Despite this employment growth in recent years, the employment levels in the MSA remain below pre-recessionary levels and has experienced a pause in the most recent data. The nation entered into a recession in February 2020 due to the COVID-19 pandemic. As a result, it is likely that the local economy has been significantly affected and the near-term employment growth is unclear at this time.

In the years prior to the 2007-2009 national recession, the MSA generally reported a similar unemployment rate to the nation; however, during the national recession the unemployment rate increased significantly, reaching an all-time high of 12.1 percent in 2011. Since the most recent recession, the MSA has reported a higher unemployment rate than the nation every year except for 2020 year-to-date. The most recent data reflects that the unemployment rate in the MSA is ten basis points lower than the nation. It is important to note that the unemployment rate in the MSA has been declining by greater rates than the nation since 2012. However, again due to the COVID-19 pandemic, it is unclear how severely the local economy has been affected and how temporary in nature the increase in unemployment will be for the MSA.

**Map of Site and Major Employment Concentrations**

The following map and table details the largest employers in Floyd County, Georgia.



Source: Google Earth, June 2020

**MAJOR EMPLOYERS  
FLOYD COUNTY, GA**

#	Employer Name	Industry	# Of Employees
1	Floyd Medical Center	Healthcare/Social Assistance	2,507
2	Redmond Regional Medical Center	Healthcare/Social Assistance	1,200
3	Lowe's RDC	Transportation/Warehousing	820
4	Harbin Clinic	Healthcare/Social Assistance	792
5	Berry College	Educational Services	562
6	Kellogg's	Manufacturing	552
7	F & P Georgia	Manufacturing	518
8	International Paper Company	Manufacturing	451
9	Syntec Industries	Manufacturing	350
<b>Totals</b>			<b>7,752</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

**5. Conclusion**

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and e retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment

in manufacturing and retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. The effects of the 2007-2009 recession were more pronounced in the MSA, which experienced a 17.0 percent employment contraction, compared to 4.8 percent across the overall nation. Employment in the MSA remains below pre-recessionary levels as of early 2020.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's project-based subsidy on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

# H. PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by DCA.

### 1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 35 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For income determination purposes, the maximum income is assumed to be 1.5 persons per bedroom rounded up to the nearest whole number. For example, maximum income for a one-bedroom unit is based on an assumed household size of two persons (1.5 persons per bedroom, rounded up). However, very few senior households have more than two persons. Therefore, we assume a maximum household size of two persons in our analysis.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Information Systems, to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

### 2. Affordability

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis. We conducted a demand analysis for the Subject assuming both a subsidy and absent a subsidy. In the absent subsidy scenario, the minimum income limit was based on the achievable LIHTC rents for the Subject’s subsidized units.

**FAMILY INCOME LIMITS - AS PROPOSED**

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@60%		@60% (Section 8)	
1BR	-	-	\$0	\$28,200
2BR	\$25,440	\$31,740	\$0	\$31,740
3BR	\$28,011	\$38,040	\$0	\$38,040

**FAMILY INCOME LIMITS - ABSENT SUBSIDY**

Unit Type	Minimum Allowable Income	Maximum Allowable Income
	@60%	
1BR	\$20,709	\$28,200
2BR	\$25,440	\$31,740
3BR	\$28,011	\$38,040

**3. Demand**

The demand for the Subject will be derived from three sources: new households, existing households and elderly homeowners likely to convert to rentership. These calculations are illustrated in the following tables.

**Demand from New Households**

The number of new households entering the market is the first level of demand calculated. We utilized 2021, the anticipated date of market entry, as the base year for the analysis. Therefore, 2019 household population estimates are inflated to 2021 by interpolation of the difference between 2019 estimates and 2024 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2021. This number takes the overall growth from 2019 to 2021 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

**Demand from Existing Households**

Demand for existing households is estimated by summing two sources of potential tenants. The first source is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using ACS data based on appropriate income levels.

The second source is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

**Demand from Elderly Homeowners likely to Convert to Rentership**

An additional source of demand is also seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that per DCA guidelines, we lower demand from seniors who convert to homeownership to be at or below 2.0 percent of total demand.

**3d. Other**

Per the 2020 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we do not account for leakage from outside the PMA boundaries in our demand analysis.

DCA does not consider household turnover to be a source of market demand. Therefore, we do not account for household turnover in our demand analysis.

We calculated all of our capture rates based on household size. DCA guidelines indicate that properties with over 20 percent of their proposed units in three and four-bedroom units need to be adjusted to considered larger household sizes. Our capture rates incorporate household size adjustments for all of the Subject’s units.

## Net Demand

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2017 to the present.

## Additions to Supply

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we deduct the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that were funded, are under construction, or are in properties that have not yet reached stabilized occupancy
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or are in properties that have not yet reached stabilized occupancy. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

### COMPETITIVE SUPPLY

Property Name	Rent Structure	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under Construction	64
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.8 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. As such, no units are deducted in our demand analysis.
- Three Rivers Apartments, formerly known as Meadow Lane, was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located adjacent to the west of the Subject. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of its 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. As indicated, this is an existing, stabilized property. As such, we have not deducted these units in our demand analysis.
- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families, of which 64 units are one, two, and three-bedroom units. Construction is expected to be completed in June 2021. This development will be located 5.6 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, 64 units will be subsidized but that will be considered directly competitive

with the Subject as proposed. As such, we deducted these units in our demand analysis in the as proposed scenario.

- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 4.3 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units are covered by a Rental Assistance Demonstration (RAD) program where all units receive Section 8 project-based rental assistance (PBRA). Since this is a stabilized property, we have not deducted these units in our demand analysis.
- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 3.7 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). This is an existing stabilized property with a senior tenancy. As such, we have not deducted these units in our demand analysis.
- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property is located 7.1 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized. Since this is an existing stabilized property, we have not deducted these units in our demand analysis.

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area that have been allocated or are not yet stabilized. Note that this table may illustrate non-competitive units and competitive properties that are not deducted from our demand analysis.

**ADDITIONS TO SUPPLY**

Unit Type	50% AMI	60% AMI	Overall
	PBRA	PBRA	
1BR	12	4	16
2BR	6	26	32
3BR	5	11	16
<b>Total</b>	<b>23</b>	<b>41</b>	<b>64</b>

**Rehab Developments and PBRA**

For any properties that are rehab developments, the capture rates will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet.

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

**Capture Rates**

The above calculations and derived capture rates are illustrated in the following tables. Note that the demographic data used in the following tables, including tenure patterns, household size and income distribution through the projected market entry date of 2021 are illustrated in the previous section of this report.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2019		Projected Mkt Entry November 2021		2024	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,419	16.9%	2,324	16.3%	2,216	15.6%
\$10,000-19,999	3,089	21.6%	2,964	20.7%	2,821	19.8%
\$20,000-29,999	2,127	14.9%	2,071	14.5%	2,006	14.1%
\$30,000-39,999	1,511	10.5%	1,476	10.3%	1,436	10.1%
\$40,000-49,999	1,238	8.6%	1,267	8.9%	1,301	9.1%
\$50,000-59,999	967	6.8%	962	6.7%	957	6.7%
\$60,000-74,999	895	6.2%	925	6.5%	959	6.7%
\$75,000-99,999	1,039	7.3%	1,074	7.5%	1,113	7.8%
\$100,000-124,999	336	2.3%	378	2.6%	426	3.0%
\$125,000-149,999	282	2.0%	334	2.3%	393	2.8%
\$150,000-199,999	240	1.7%	285	2.0%	337	2.4%
\$200,000+	180	1.3%	227	1.6%	281	2.0%
<b>Total</b>	<b>14,323</b>	<b>100.0%</b>	<b>14,287</b>	<b>100.0%</b>	<b>14,246</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2019, Novogradac Consulting LLP, June 2020

**60% AMI (As Proposed)**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60% Sect 8**

Minimum Income Limit		\$0		Maximum Income Limit		\$38,040	
Income Category	New Renter Households - Total Change in Households PMA 2019 to Prj Mrkt Entry November 2021		Income Brackets	Percent within Cohort	Renter Households within Bracket		
\$0-9,999	-95	263.6%	\$9,999	100.0%	-95		
\$10,000-19,999	-125	348.1%	\$9,999	100.0%	-125		
\$20,000-29,999	-56	157.1%	\$9,999	100.0%	-56		
\$30,000-39,999	-35	97.4%	\$8,040	80.4%	-28		
\$40,000-49,999	29	-81.8%	\$0	0.0%	0		
\$50,000-59,999	-5	13.0%	\$0	0.0%	0		
\$60,000-74,999	30	-83.1%	\$0	0.0%	0		
\$75,000-99,999	35	-96.1%	\$0	0.0%	0		
\$100,000-124,999	42	-116.9%	\$0	0.0%	0		
\$125,000-149,999	52	-144.2%	\$0	0.0%	0		
\$150,000-199,999	45	-126.0%	\$0	0.0%	0		
\$200,000+	47	-131.2%	\$0	0.0%	0		
<b>Total</b>	<b>-36</b>	<b>100.0%</b>		<b>847.2%</b>	<b>-304</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60% Sect 8**

Minimum Income Limit		\$0		Maximum Income Limit		\$38,040	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,419	16.9%	\$9,999	100.0%	2,419		
\$10,000-19,999	3,089	21.6%	\$9,999	100.0%	3,089		
\$20,000-29,999	2,127	14.9%	\$9,999	100.0%	2,127		
\$30,000-39,999	1,511	10.5%	\$8,040	80.4%	1,215		
\$40,000-49,999	1,238	8.6%	\$0	0.0%	0		
\$50,000-59,999	967	6.8%	\$0	0.0%	0		
\$60,000-74,999	895	6.2%	\$0	0.0%	0		
\$75,000-99,999	1,039	7.3%	\$0	0.0%	0		
\$100,000-124,999	336	2.3%	\$0	0.0%	0		
\$125,000-149,999	282	2.0%	\$0	0.0%	0		
\$150,000-199,999	240	1.7%	\$0	0.0%	0		
\$200,000+	180	1.3%	\$0	0.0%	0		
<b>Total</b>	<b>14,323</b>	<b>100.0%</b>		<b>61.8%</b>	<b>8,850</b>		

**ASSUMPTIONS - @60% Sect 8**

Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	90%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	60%	40%	0%
4	0%	0%	30%	40%	30%
5+	0%	0%	0%	50%	50%

Tenancy	Family	% of Income towards Housing
Rural/Urban	Urban	35%
Maximum # of Occupants		5

**Demand from New Renter Households 2019 to November 2021**

Income Target Population	@60% Sect 8
New Renter Households PMA	-36
Percent Income Qualified	847.2%
<b>New Renter Income Qualified Households</b>	<b>-304</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@60% Sect 8
Total Existing Demand	14,323
Income Qualified	61.8%
Income Qualified Renter Households	8,850
Percent Rent Overburdened Prj Mrkt Entry November 2021	41.0%
<b>Rent Overburdened Households</b>	<b>3,624</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	8,850
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>260</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60% Sect 8
Total Senior Homeowners	0
Rural Versus Urban	2.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households	3,884
Total New Demand	-304
<b>Total Demand (New Plus Existing Households)</b>	<b>3,580</b>

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	35.6%	1,276
Two Persons	22.0%	789
Three Persons	17.1%	612
Four Persons	12.3%	439
Five Persons	12.9%	463
<b>Total</b>	<b>100.0%</b>	<b>3,580</b>

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

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	1149
Of two-person households in 1BR units	20%	158
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	128
Of two-person households in 2BR units	80%	631
Of three-person households in 2BR units	60%	367
Of four-person households in 2BR units	30%	132
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	245
Of four-person households in 3BR units	40%	175
Of five-person households in 3BR units	50%	232
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	132
Of five-person households in 4BR units	50%	232
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>3,580</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	1,258	-	16	=	1,242
2 BR	1,258	-	32	=	1,226
3 BR	652	-	16	=	636
4 BR	-	-	2	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>3,168</b>		<b>66</b>		<b>3,104</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	20	/	1,242	=	1.6%
2 BR	52	/	1,226	=	4.2%
3 BR	8	/	636	=	1.3%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>80</b>		<b>3,104</b>		<b>2.6%</b>

**60% AMI (Absent Subsidy)**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$20,709		Maximum Income Limit		\$38,040	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2019 to Prj Mrkt Entry November 2021						
\$0-9,999	-95	263.6%	\$0	0.0%	0		
\$10,000-19,999	-125	348.1%	-\$710	-7.1%	9		
\$20,000-29,999	-56	157.1%	\$9,999	100.0%	-56		
\$30,000-39,999	-35	97.4%	\$8,040	80.4%	-28		
\$40,000-49,999	29	-81.8%	\$0	0.0%	0		
\$50,000-59,999	-5	13.0%	\$0	0.0%	0		
\$60,000-74,999	30	-83.1%	\$0	0.0%	0		
\$75,000-99,999	35	-96.1%	\$0	0.0%	0		
\$100,000-124,999	42	-116.9%	\$0	0.0%	0		
\$125,000-149,999	52	-144.2%	\$0	0.0%	0		
\$150,000-199,999	45	-126.0%	\$0	0.0%	0		
\$200,000+	47	-131.2%	\$0	0.0%	0		
<b>Total</b>	<b>-36</b>	<b>100.0%</b>		<b>210.8%</b>	<b>-76</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$20,709		Maximum Income Limit		\$38,040	
Income Category	Total Renter Households PMA 2019		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,419	16.9%	\$0	0.0%	0		
\$10,000-19,999	3,089	21.6%	-\$710	-7.1%	-219		
\$20,000-29,999	2,127	14.9%	\$9,999	100.0%	2,127		
\$30,000-39,999	1,511	10.5%	\$8,040	80.4%	1,215		
\$40,000-49,999	1,238	8.6%	\$0	0.0%	0		
\$50,000-59,999	967	6.8%	\$0	0.0%	0		
\$60,000-74,999	895	6.2%	\$0	0.0%	0		
\$75,000-99,999	1,039	7.3%	\$0	0.0%	0		
\$100,000-124,999	336	2.3%	\$0	0.0%	0		
\$125,000-149,999	282	2.0%	\$0	0.0%	0		
\$150,000-199,999	240	1.7%	\$0	0.0%	0		
\$200,000+	180	1.3%	\$0	0.0%	0		
<b>Total</b>	<b>14,323</b>	<b>100.0%</b>		<b>21.8%</b>	<b>3,123</b>		

**ASSUMPTIONS - @60%**

Tenancy		Family		% of Income towards Housing		35%	
Rural/Urban		Urban		Maximum # of Occupants		5	
Persons in Household	OBR	1BR	2BR	3BR	4BR+		
1	0%	90%	10%	0%	0%		
2	0%	20%	80%	0%	0%		
3	0%	0%	60%	40%	0%		
4	0%	0%	30%	40%	30%		
5+	0%	0%	0%	50%	50%		

**Demand from New Renter Households 2019 to November 2021**

Income Target Population	@60% Absent Subsidy
New Renter Households PMA	-36
Percent Income Qualified	210.8%
<b>New Renter Income Qualified Households</b>	<b>-76</b>

**Demand from Existing Households 2019**

**Demand from Rent Overburdened Households**

Income Target Population	@60% Absent Subsidy
Total Existing Demand	14,323
Income Qualified	21.8%
Income Qualified Renter Households	3,123
Percent Rent Overburdened Prj Mrkt Entry November 2021	41.0%
<b>Rent Overburdened Households</b>	<b>1,279</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	3,123
Percent Living in Substandard Housing	2.9%
<b>Households Living in Substandard Housing</b>	<b>92</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60% Absent Subsidy
Total Senior Homeowners	0
Rural Versus Urban	2.0%
<b>Senior Demand Converting from Homeownership</b>	<b>0</b>

**Total Demand**

Total Demand from Existing Households	1,370
Total New Demand	-76
<b>Total Demand (New Plus Existing Households)</b>	<b>1,295</b>

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

**By Bedroom Demand**

One Person	35.6%	462
Two Persons	22.0%	285
Three Persons	17.1%	221
Four Persons	12.3%	159
Five Persons	12.9%	168
<b>Total</b>	<b>100.0%</b>	<b>1,295</b>

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

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	415
Of two-person households in 1BR units	20%	57
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	46
Of two-person households in 2BR units	80%	228
Of three-person households in 2BR units	60%	133
Of four-person households in 2BR units	30%	48
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	89
Of four-person households in 3BR units	40%	63
Of five-person households in 3BR units	50%	84
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	48
Of five-person households in 4BR units	50%	84
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>1,295</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	473	-	0	=	473
2 BR	455	-	0	=	455
3 BR	236	-	0	=	236
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>1,163</b>		<b>0</b>		<b>1,163</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	20	/	473	=	4.2%
2 BR	52	/	455	=	11.4%
3 BR	8	/	236	=	3.4%
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>80</b>		<b>1,163</b>		<b>6.9%</b>

#### 4. Capture Rate Analysis Chart

Our demand analysis is used to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of renter households in the PMA is expected to decrease 0.3 percent between 2021 and 2024.
- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following table illustrates demand and net demand for the Subject’s units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

<b>DEMAND AND NET DEMAND</b>		
DCA Conclusion Tables (Family)	As Proposed - HH at 60% AMI (\$0 to \$38,040)	Absent Subsidy - HH at 60% AMI (\$20,709 to \$38,040)
Demand from New Households (age and income appropriate)	-304	-76
<b>PLUS</b>	+	+
Demand from Existing Renter Households - Substandard Housing	260	92
<b>PLUS</b>	+	+
Demand from Existing Renter Households - Rent Overburdened Households	3,624	1,279
Sub Total	3,580	1,295
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 2% where applicable)	0	0
<b>Equals Total Demand</b>	3,580	1,295
<b>Less</b>	-	-
Competitive New Supply	64	0
<b>Equals Net Demand</b>	3,516	1,295

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Average Market Rents	Minimum Market Rent	Maximum Market Rent	Proposed Rents*
1BR @60%	\$0	\$28,200	20	1,258	16	1,242	1.6%	\$702	\$399	\$1,145	\$1,035
1BR @60% (Absent Subsidy)	\$20,709	\$28,200	20	473	0	473	4.2%	\$702	\$399	\$1,145	\$500
2BR @60%	\$0	\$31,740	52	1,258	32	1,226	4.2%	\$937	\$815	\$1,177	\$600/\$1,100
2BR @60% (Absent Subsidy)	\$25,440	\$31,740	52	455	0	455	11.4%	\$937	\$815	\$1,177	\$600
3BR @60%	\$0	\$38,040	8	652	16	636	1.3%	\$1,109	\$964	\$1,365	\$675/\$1,235
3BR @60% (Absent Subsidy)	\$28,011	\$38,040	8	236	0	236	3.4%	\$1,109	\$964	\$1,365	\$675
@60% Overall	\$0	\$38,040	80	3,168	64	3,104	2.6%	-	-	-	-
@60% Overall (Absent Subsidy)	\$20,709	\$38,040	80	1,163	0	1,163	6.9%	-	-	-	-

\*Proposed rents in absent subsidy scenario are the achievable LIHTC rents.

As the analysis illustrates, the Subject’s capture rate at the 60 percent AMI level, as proposed, is 2.6 percent. The Subject’s capture rate at the 60 percent AMI level, absent subsidy is 6.9 percent. All capture rates for the Subject, as proposed and absent subsidy, are within Georgia DCA thresholds. Therefore, we believe there is adequate demand for the Subject.

# I. COMPETITIVE RENTAL ANALYSIS

## Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 11 “true” comparable properties containing 1,063 units.

The availability of LIHTC data is considered average. We included three LIHTC and one mixed-income comparables in our analysis. The LIHTC and mixed-income properties target families, and two are located within the PMA. Due to the low number of comparable LIHTC properties in the PMA, we extended our search to Polk County to the southwest. The two comparables located in Polk County also offer units at the 60 percent of AMI level, and are the closest LIHTC properties to Rome outside the PMA. These comparables are located between 2.8 and 23.6 miles of the Subject. The comparables were built or renovated between 1999 and 2017.

The availability of market rate data is considered good. We include seven conventional properties in our analysis of the competitive market. All of the market rate properties are located in the PMA, between 1.7 and 6.1 miles from the Subject. These comparables were built or renovated between 1974 and 2005. Overall, we believe the market rate properties used in our analysis are the most comparable.

All of the comparable properties were interviewed since late May 2020. The majority of property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local stay-at-home orders.

A detailed matrix describing the individual competitive properties as well as the to-be-renovated Subject is provided on the following pages. A map illustrating the location of the Subject in relation to comparable properties is also provided on the following pages. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

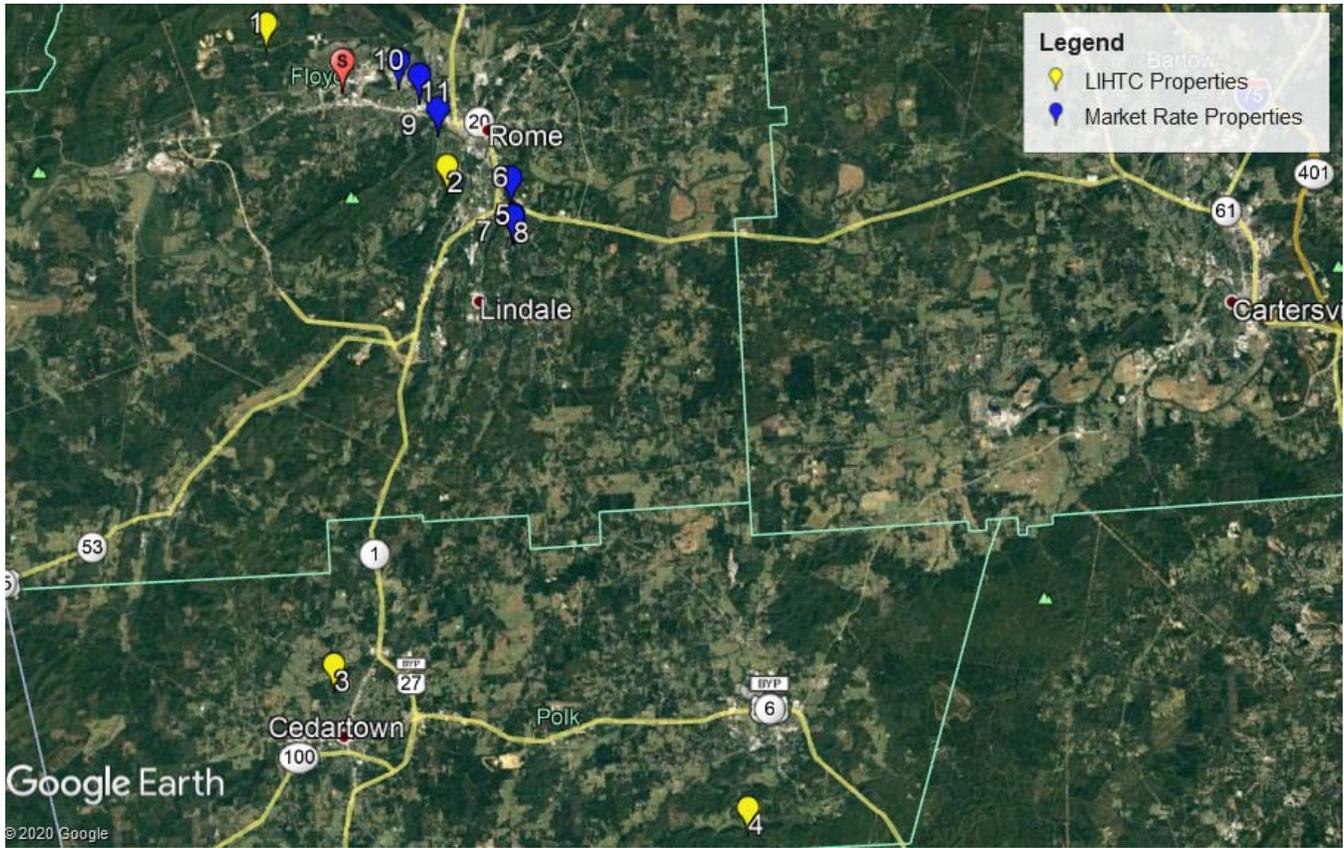
## Excluded Properties

The following table illustrates properties within the PMA that are excluded from our analysis along with their reason for exclusion.

### EXCLUDED PROPERTIES

Property Name	Rent Structure	Location	Tenancy	No. of Units	Reason for Exclusion
Altoview Terrace	LIHTC/PBRA	Rome	Family	66	Under construction
Greystone Apartments	LIHTC/Section 8	Rome	Senior	71	Most units have subsidy
Pennington Place	LIHTC/PBRA	Rome	Family	8	Small scale property
Spring Haven Apartments	LIHTC (HOME)	Cave Spring	Senior	24	Senior tenancy
Charles Hight Homes	Public Housing	Rome	Family	202	Subsidized
John Graham Homes	Public Housing	Rome	Family	150	Subsidized
Cave Spring Housing Authority	Public Housing	Cave Spring	Family	20	Subsidized
Village Green	Public Housing	Rome	Family	10	Subsidized
Willingham at Division	Public Housing	Rome	Family	27	Subsidized
Willingham Village	Public Housing	Rome	Family	76	Subsidized
Steve Pettis Court Apartments	Rural Development	Cave Spring	Family	31	Subsidized
Callier Forest Apartments	Section 8	Rome	Family	130	Subsidized
Heatherwood Apartments	Section 8	Rome	Senior	68	Subsidized
High Rise	Section 8	Rome	Senior	101	Subsidized
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	119	Subsidized
Oak Ridge	PSHP	Rome	Family	35	Subsidized
Park Homes	Section 8	Rome	Family	100	Subsidized
Pine Ridge Apartments	Section 8	Rome	Homeless	30	Subsidized
The Villas	Section 8	Rome	Family	30	Subsidized
Claridge Gate	Market	Rome	Family	32	More similar properties available
Riverpoint Luxury Apartments	Market	Rome	Family	124	More similar properties available
Summer Stone	Market	Rome	Family	32	More similar properties available
Willow Way Apartments	Market	Rome	Family	65	More similar properties available
Riverwood Park	Market	Rome	Family	91	More similar properties available

**Comparable Rental Property Map**



© 2020 Google  
Source: Google Earth, June 2020

**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Distance to Subject
<b>S</b>	<b>Spring Grove Apartments</b>	<b>Rome</b>	<b>LIHTC/Section 8</b>	-
1	Ashland Park Apartments	Rome	LIHTC	2.8 miles
2	Burrell Square	Rome	LIHTC	3.8 miles
3	Evergreen Village*	Cedartown	LIHTC	16.5 miles
4	Park Place Apartments*	Rockmart	LIHTC/ Market	23.6 miles
5	Arbor Terrace Apartments	Rome	Market	6.1 miles
6	Ashton Ridge	Rome	Market	5.5 miles
7	Eastland Court	Rome	Market	6.1 miles
8	Guest House Apartments	Rome	Market	6.1 miles
9	Hamilton Ridge	Rome	Market	2.8 miles
10	Redmond Chase	Rome	Market	1.7 miles
11	The Grove At Six Hundred	Rome	Market	2.2 miles

\*Located outside PMA

**SPRING GROVE APARTMENTS – ROME, GEORGIA – MARKET STUDY**

The following tables illustrate detailed information in a comparable framework for the Subject and the comparable properties.

**SUMMARY MATRIX**

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Spring Grove Apartments 66 Lyons Drive Rome, GA 30165 Floyd County	-	Garden 2-stories 1978 / 2021 Family	Section 8	1BR / 1BA	20	25.0%	627	@60% (Section 8)	\$1,035	N/A	Yes	N/A	N/A
					2BR / 1BA	1	1.3%	760	@60%	\$600	No	No	N/A	N/A
					2BR / 1BA	51	63.8%	760	@60% (Section 8)	\$1,100	N/A	Yes	N/A	N/A
					3BR / 1BA	2	2.5%	996	@60%	\$675	N/A	No	N/A	N/A
					3BR / 1BA	6	7.5%	996	@60% (Section 8)	\$1,235	N/A	Yes	N/A	N/A
					<u>80</u>							2	2.5%	
1	Ashland Park Apartments 10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County	2.8 miles	Garden 3-stories 2005 / n/a Family	@60%	1BR / 1BA	24	13.0%	874	@60%	\$540	No	Yes	0	0.0%
					2BR / 2BA	88	47.8%	1,149	@60%	\$617	No	Yes	0	0.0%
					3BR / 2BA	72	39.1%	1,388	@60%	\$680	No	Yes	0	0.0%
						<u>184</u>								
2	Burrell Square 425 Cherokee Street Rome, GA 30161 Floyd County	3.8 miles	Various 3-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	13	15.5%	750	@50%	\$374	No	Yes	0	0.0%
					1BR / 1BA	9	10.7%	750	@60%	\$486	No	Yes	0	0.0%
					2BR / 2BA	4	4.8%	1,050	@50%	\$470	No	Yes	0	0.0%
					2BR / 2BA	37	44.1%	1,050	@60%	\$580	No	Yes	1	2.7%
					3BR / 2BA	4	4.8%	1,250	@50%	\$525	No	Yes	0	0.0%
					3BR / 2BA	17	20.2%	1,250	@60%	\$655	No	Yes	0	0.0%
					<u>84</u>							1	1.2%	
3	Evergreen Village 110 Evergreen Lane Cedartown, GA 30125 Polk County	16.5 miles	Garden 2-stories 1999 / n/a Family	@50%, @60%	1BR / 1BA	8	14.3%	756	@50%	\$394	No	Yes	N/A	N/A
					1BR / 1BA	8	14.3%	756	@60%	\$399	No	Yes	N/A	N/A
					2BR / 1BA	10	17.9%	915	@50%	\$461	No	Yes	N/A	N/A
					2BR / 1BA	10	17.9%	915	@60%	\$498	No	Yes	N/A	N/A
					3BR / 2BA	10	17.9%	1,136	@50%	\$517	No	Yes	N/A	N/A
					3BR / 2BA	10	17.9%	1,136	@60%	\$537	No	Yes	N/A	N/A
					<u>56</u>							16	28.6%	
4	Park Place Apartments 800 Park Place Circle Rockmart, GA 30153 Polk County	23.6 miles	Garden 3-stories 2003 / n/a Family	@50%, @60%, Market	1BR / 1BA	8	13.3%	677	@50%	\$400	No	Yes	N/A	N/A
					1BR / 1BA	2	3.3%	677	@60%	\$411	No	Yes	N/A	N/A
					1BR / 1BA	2	3.3%	677	Market	\$505	N/A	Yes	N/A	N/A
					2BR / 1BA	14	23.3%	883	@50%	\$466	No	Yes	N/A	N/A
					2BR / 1BA	5	8.3%	883	@60%	\$481	No	Yes	N/A	N/A
					2BR / 1BA	5	8.3%	883	Market	\$610	N/A	Yes	N/A	N/A
					3BR / 2BA	14	23.3%	1,100	@50%	\$525	No	Yes	N/A	N/A
					3BR / 2BA	5	8.3%	1,100	@60%	\$581	No	Yes	N/A	N/A
					3BR / 2BA	5	8.3%	1,100	Market	\$654	N/A	Yes	N/A	N/A
					<u>60</u>							0	0.0%	
5	Arbor Terrace Apartments 50 Chateau Drive SE Rome, GA 30161 Floyd County	6.1 miles	Various 2-stories 1971 / 2018 Family	Market	1BR / 1BA	10	10.1%	560	Market	\$644	N/A	Yes	N/A	N/A
					1BR / 1BA	9	9.1%	680	Market	\$670	N/A	Yes	N/A	N/A
					2BR / 1.5BA	64	64.7%	1,190	Market	\$851	N/A	Yes	N/A	N/A
					3BR / 2BA	16	16.2%	1,320	Market	\$964	N/A	Yes	N/A	N/A
					<u>99</u>							0	0.0%	
6	Ashton Ridge 2522 Callier Springs Road Rome, GA 30161 Floyd County	5.5 miles	Garden 2-stories 1999 / 2020 Family	Market	1BR / 1BA	14	15.9%	708	Market	\$795	N/A	No	N/A	N/A
					2BR / 2BA	37	42.1%	933	Market	\$942	N/A	No	N/A	N/A
					3BR / 2BA	37	42.1%	1,134	Market	\$1,040	N/A	No	N/A	N/A
						<u>88</u>								
7	Eastland Court 40 Chateau Drive Rome, GA 30161 Floyd County	6.1 miles	Garden 4-stories 2005/2007 / n/a Family	Market	1BR / 1BA	21	18.1%	804	Market	\$995	N/A	No	0	0.0%
					1BR / 1BA	4	3.5%	919	Market	\$1,145	N/A	No	0	0.0%
					2BR / 2BA	68	58.6%	1,056	Market	\$1,177	N/A	No	4	5.9%
					3BR / 2BA	23	19.8%	1,516	Market	\$1,365	N/A	No	0	0.0%
					<u>116</u>							4	3.4%	
8	Guest House Apartments 48 Chateau Drive Rome, GA 30161 Floyd County	6.1 miles	Various 2-stories 1989 / 2002/2019 Family	Market	1BR / 1BA	59	78.7%	550	Market	\$785	N/A	Yes	0	0.0%
					2BR / 1.5BA	16	21.3%	1,100	Market	\$992	N/A	Yes	0	0.0%
					<u>75</u>								0	0.0%
9	Hamilton Ridge 72 Hamilton Avenue Rome, GA 30165 Floyd County	2.8 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	20	41.7%	532	Market	\$695	N/A	No	0	0.0%
					2BR / 1BA	20	41.7%	1,000	Market	\$852	N/A	No	0	0.0%
					3BR / 1BA	8	16.7%	1,300	Market	\$1,015	N/A	No	0	0.0%
						<u>48</u>								
10	Redmond Chase 1349 Redmond Circle Rome, GA 30165 Floyd County	1.7 miles	Various 2-stories 1968 / 2017 Family	Market	1BR / 1BA	N/A	N/A	750	Market	\$750	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	950	Market	\$815	N/A	No	0	N/A
					2BR / 1.5BA	N/A	N/A	1,150	Market	\$881	N/A	No	0	N/A
					3BR / 2BA	N/A	N/A	1,150	Market	\$965	N/A	No	0	N/A
					<u>149</u>							0	0.0%	
11	The Grove At Six Hundred 600 Redmond Road NW Rome, GA 30165 Floyd County	2.2 miles	Townhouse 2-stories 1974 / 2017 Family	Market	2BR / 1.5BA	88	84.6%	1,120	Market	\$870	N/A	No	1	1.1%
					3BR / 2BA	16	15.4%	1,320	Market	\$1,195	N/A	No	0	0.0%
					<u>104</u>								1	1.0%

**SPRING GROVE APARTMENTS – ROME, GEORGIA – MARKET STUDY**

<b>RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.</b>							
	Units Surveyed:	1,063	Weighted Occupancy:	99.2%			
	Market Rate	635	Market Rate	98.7%			
	Tax Credit	428	Tax Credit	99.8%			
<b>One Bedroom One Bath</b>		<b>Two Bedroom One Bath</b>		<b>Three Bedroom One Bath</b>			
	Property	Average	Property	Average	Property		
<b>RENT</b>	Eastland Court (Market)	\$1,145	Eastland Court (Market)(2BA)	\$1,177	Eastland Court (Market)(2BA)	\$1,365	
	<b>Spring Grove Apartments (@60%)</b>	<b>\$1,035</b>	<b>Spring Grove Apartments (@60%)</b>	<b>\$1,100</b>	<b>Spring Grove Apartments (@60%)</b>	<b>\$1,235</b>	
	Eastland Court (Market)	\$995	Guest House Apartments (Market)(1.5BA)	\$992	The Grove At Six Hundred (Market)(2BA)	\$1,195	
	Ashton Ridge (Market)	\$795	Ashton Ridge (Market)(2BA)	\$942	Ashton Ridge (Market)(2BA)	\$1,040	
	Guest House Apartments (Market)	\$785	Redmond Chase (Market)(1.5BA)	\$881	Hamilton Ridge (Market)	\$1,015	
	Redmond Chase (Market)	\$750	The Grove At Six Hundred (Market)(1.5BA)	\$870	Redmond Chase (Market)(2BA)	\$965	
	Hamilton Ridge (Market)	\$695	Hamilton Ridge (Market)	\$852	Arbor Terrace Apartments (Market)(2BA)	\$964	
	Arbor Terrace Apartments (Market)	\$670	Arbor Terrace Apartments (Market)(1.5BA)	\$851	Ashland Park Apartments (@60%)(2BA)	\$680	
	Arbor Terrace Apartments (Market)	\$644	Redmond Chase (Market)	\$815	<b>Spring Grove Apartments (@60%)</b>	<b>\$675</b>	
	Ashland Park Apartments (@60%)	\$540	Ashland Park Apartments (@60%)(2BA)	\$617	Burrell Square (@60%)(2BA)	\$655	
	Park Place Apartments (Market)	\$505	Park Place Apartments (Market)	\$610	Park Place Apartments (Market)(2BA)	\$654	
	Burrell Square (@60%)	\$486	<b>Spring Grove Apartments (@60%)</b>	<b>\$600</b>	Park Place Apartments (@60%)(2BA)	\$581	
	Park Place Apartments (@60%)	\$411	Burrell Square (@60%)(2BA)	\$580	Evergreen Village (@60%)(2BA)	\$537	
	Park Place Apartments (@50%)	\$400	Evergreen Village (@60%)	\$498	Burrell Square (@50%)(2BA)	\$525	
	Evergreen Village (@60%)	\$399	Park Place Apartments (@60%)	\$481	Park Place Apartments (@50%)(2BA)	\$525	
	Evergreen Village (@50%)	\$394	Burrell Square (@50%)(2BA)	\$470	Evergreen Village (@50%)(2BA)	\$517	
	Burrell Square (@50%)	\$374	Park Place Apartments (@50%)	\$466			
				Evergreen Village (@50%)	\$461		
	<b>SQUARE FOOTAGE</b>	Eastland Court (Market)	919	Arbor Terrace Apartments (Market)(1.5BA)	1,190	Eastland Court (Market)(2BA)	1,516
		Ashland Park Apartments (@60%)	874	Redmond Chase (Market)(1.5BA)	1,150	Ashland Park Apartments (@60%)(2BA)	1,388
Eastland Court (Market)		804	Ashland Park Apartments (@60%)(2BA)	1,149	Arbor Terrace Apartments (Market)(2BA)	1,320	
Evergreen Village (@60%)		756	The Grove At Six Hundred (Market)(1.5BA)	1,120	The Grove At Six Hundred (Market)(2BA)	1,320	
Evergreen Village (@50%)		756	Guest House Apartments (Market)(1.5BA)	1,100	Hamilton Ridge (Market)	1,300	
Burrell Square (@60%)		750	Eastland Court (Market)(2BA)	1,056	Burrell Square (@60%)(2BA)	1,250	
Burrell Square (@50%)		750	Burrell Square (@60%)(2BA)	1,050	Burrell Square (@50%)(2BA)	1,250	
Redmond Chase (Market)		750	Burrell Square (@50%)(2BA)	1,050	Redmond Chase (Market)(2BA)	1,150	
Ashton Ridge (Market)		708	Hamilton Ridge (Market)	1,000	Evergreen Village (@60%)(2BA)	1,136	
Arbor Terrace Apartments (Market)		680	Redmond Chase (Market)	950	Evergreen Village (@50%)(2BA)	1,136	
Park Place Apartments (@50%)		677	Ashton Ridge (Market)(2BA)	933	Ashton Ridge (Market)(2BA)	1,134	
Park Place Apartments (@60%)		677	Evergreen Village (@60%)	915	Park Place Apartments (Market)(2BA)	1,100	
Park Place Apartments (Market)		677	Evergreen Village (@50%)	915	Park Place Apartments (@60%)(2BA)	1,100	
<b>Spring Grove Apartments (@60%)</b>		<b>627</b>	Park Place Apartments (@60%)	883	Park Place Apartments (@50%)(2BA)	1,100	
Arbor Terrace Apartments (Market)		560	Park Place Apartments (Market)	883	<b>Spring Grove Apartments (@60%)</b>	<b>996</b>	
Guest House Apartments (Market)		550	Park Place Apartments (@50%)	883	<b>Spring Grove Apartments (@60%)</b>	<b>996</b>	
Hamilton Ridge (Market)		532	<b>Spring Grove Apartments (@60%)</b>	<b>760</b>			
			<b>Spring Grove Apartments (@60%)</b>	<b>760</b>			
<b>RENT PER SQUARE FOOT</b>		<b>Spring Grove Apartments (@60%)</b>	<b>\$1.65</b>	<b>Spring Grove Apartments (@60%)</b>	<b>\$1.45</b>	<b>Spring Grove Apartments (@60%)</b>	<b>\$1.24</b>
		Guest House Apartments (Market)	\$1.43	Eastland Court (Market)(2BA)	\$1.11	Ashton Ridge (Market)(2BA)	\$0.92
	Hamilton Ridge (Market)	\$1.31	Ashton Ridge (Market)(2BA)	\$1.01	The Grove At Six Hundred (Market)(2BA)	\$0.91	
	Eastland Court (Market)	\$1.25	Guest House Apartments (Market)(1.5BA)	\$0.90	Eastland Court (Market)(2BA)	\$0.90	
	Eastland Court (Market)	\$1.24	Redmond Chase (Market)	\$0.86	Redmond Chase (Market)(2BA)	\$0.84	
	Arbor Terrace Apartments (Market)	\$1.15	Hamilton Ridge (Market)	\$0.85	Hamilton Ridge (Market)	\$0.78	
	Ashton Ridge (Market)	\$1.12	<b>Spring Grove Apartments (@60%)</b>	<b>\$0.79</b>	Arbor Terrace Apartments (Market)(2BA)	\$0.73	
	Redmond Chase (Market)	\$1.00	The Grove At Six Hundred (Market)(1.5BA)	\$0.78	<b>Spring Grove Apartments (@60%)</b>	<b>\$0.68</b>	
	Arbor Terrace Apartments (Market)	\$0.99	Redmond Chase (Market)(1.5BA)	\$0.77	Park Place Apartments (Market)(2BA)	\$0.59	
	Park Place Apartments (Market)	\$0.75	Arbor Terrace Apartments (Market)(1.5BA)	\$0.72	Park Place Apartments (@60%)(2BA)	\$0.53	
	Burrell Square (@60%)	\$0.65	Park Place Apartments (Market)	\$0.69	Burrell Square (@60%)(2BA)	\$0.52	
	Ashland Park Apartments (@60%)	\$0.62	Burrell Square (@60%)(2BA)	\$0.55	Ashland Park Apartments (@60%)(2BA)	\$0.49	
	Park Place Apartments (@60%)	\$0.61	Park Place Apartments (@60%)	\$0.54	Park Place Apartments (@50%)(2BA)	\$0.48	
	Park Place Apartments (@50%)	\$0.59	Evergreen Village (@60%)	\$0.54	Evergreen Village (@60%)(2BA)	\$0.47	
	Evergreen Village (@60%)	\$0.53	Ashland Park Apartments (@60%)(2BA)	\$0.54	Evergreen Village (@50%)(2BA)	\$0.46	
	Evergreen Village (@50%)	\$0.52	Park Place Apartments (@50%)	\$0.53	Burrell Square (@50%)(2BA)	\$0.42	
	Burrell Square (@50%)	\$0.50	Evergreen Village (@50%)	\$0.50			
			Burrell Square (@50%)(2BA)	\$0.45			

# PROPERTY PROFILE REPORT

## Ashland Park Apartments

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County
<b>Distance</b>	2.8 miles
<b>Units</b>	184
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2005 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Ashton Ridge, Riverwood Park
<b>Tenant Characteristics</b>	Mostly families from the Atlanta area
<b>Contact Name</b>	Diamond
<b>Phone</b>	706-290-1040



### Market Information

<b>Program</b>	@60%
<b>Annual Turnover Rate</b>	7%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	40%
<b>Leasing Pace</b>	Within one weeks
<b>Annual Chg. in Rent</b>	None reported
<b>Concession</b>	None
<b>Waiting List</b>	Yes, 26 households

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	874	\$480	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (3 stories)	88	1,149	\$550	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	72	1,388	\$600	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$480	\$0	\$480	\$60	\$540
<b>2BR / 2BA</b>	\$550	\$0	\$550	\$67	\$617
<b>3BR / 2BA</b>	\$600	\$0	\$600	\$80	\$680

## Ashland Park Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Coat Closet	Dishwasher
Ceiling Fan	Garbage Disposal
Oven	Refrigerator
Walk-In Closet	Washer/Dryer hookup

#### Security

Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab	Car Wash
Clubhouse/Meeting Room/Community	Exercise Facility
Garage(\$50.00)	Central Laundry
Off-Street Parking	On-Site Management
Picnic Area	Playground
Swimming Pool	

#### Premium

None

#### Other

None

### Comments

Rents are below maximum allowable levels, and priced to what the market can bear. A renovation of this property is planned. Renovations for the first 30 units are planned for the second half of 2020. Renovations will include new appliances, flooring, cabinets, countertops, light fixtures, bathroom vanity, and paint. Marketing will soon cease because of this planned renovation. The property will have new owners and management following renovations. The property also provides supportive housing for a small number of units to veterans via the Veterans Affairs Supportive Housing (VASH) program, and these units typically turnover at a greater rate than general occupancy units. During the COVID-19 Pandemic, the property has not experienced a decrease in collections, but did experience a slight decrease in traffic.

# Ashland Park Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## Burrell Square

<b>Effective Rent Date</b>	5/14/2020
<b>Location</b>	425 Cherokee Street Rome, GA 30161 Floyd County
<b>Distance</b>	3.8 miles
<b>Units</b>	84
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.2%
<b>Type</b>	Various (3 stories)
<b>Year Built/Renovated</b>	2017 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mix of local area families from Rome and Floyd CO, some seniors
<b>Contact Name</b>	Cherene
<b>Phone</b>	706-410-2764



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	28%
<b>Units/Month Absorbed</b>	21
<b>HCV Tenants</b>	2%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Inc. 0-2% since 2Q 2019
<b>Concession</b>	None
<b>Waiting List</b>	Yes; unknown length

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	13	750	\$374	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (3 stories)	9	750	\$486	\$0	@60%	Yes	0	0.0%	no	None
2	2	Duplex (2 stories)	4	1,050	\$470	\$0	@50%	Yes	0	0.0%	no	None
2	2	Duplex (2 stories)	37	1,050	\$580	\$0	@60%	Yes	1	2.7%	no	None
3	2	Duplex (2 stories)	4	1,250	\$525	\$0	@50%	Yes	0	0.0%	no	None
3	2	Duplex (2 stories)	17	1,250	\$655	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$374	\$0	\$374	\$0	\$374	<b>1BR / 1BA</b>	\$486	\$0	\$486	\$0	\$486
<b>2BR / 2BA</b>	\$470	\$0	\$470	\$0	\$470	<b>2BR / 2BA</b>	\$580	\$0	\$580	\$0	\$580
<b>3BR / 2BA</b>	\$525	\$0	\$525	\$0	\$525	<b>3BR / 2BA</b>	\$655	\$0	\$655	\$0	\$655

## Burrell Square, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

**Security**

Perimeter Fencing

**Services**

None

**Property**

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Picnic Area

Clubhouse/Meeting Room/Community  
Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

This property consists of three non-contiguous but nearby components, the 34-unit Burrell Square at 425 Cherokee Street, the 23-unit Etowah Bend at 2 Etowah Terrace, and the 27-unit McCall Place at 310 South Broad Street. All were constructed at about the same time and all components are jointly managed. Rents are the same among all three components. For simplicity, we refer to this development as Burrell Square, which has the most units out of the three properties. Rents are below maximum allowable levels, priced to what the market can bear according to the manager. There is one vacant unit, which is not formally preleased. Nonetheless, the manager stated that this unit will be leased by a household from the waiting list, the number of which was not revealed. Turnover is largely the result of evictions according to the manager. A large portion of tenants are younger households, many of which are on their own for the first time.

Photos



# PROPERTY PROFILE REPORT

## Evergreen Village

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	110 Evergreen Lane Cedartown, GA 30125 Polk County
<b>Distance</b>	16.5 miles
<b>Units</b>	56
<b>Vacant Units</b>	16
<b>Vacancy Rate</b>	28.6%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1999 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Park Place
<b>Tenant Characteristics</b>	Majority of tenants are from Rome and Floyd County
<b>Contact Name</b>	Lane Sanders
<b>Phone</b>	770-749-9333



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	7%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	7%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	None reported
<b>Concession</b>	None
<b>Waiting List</b>	Yes, 21 households

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	8	756	\$394	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Garden (2 stories)	8	756	\$399	\$0	@60%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	10	915	\$461	\$0	@50%	Yes	N/A	N/A	no	None
2	1	Garden (2 stories)	10	915	\$498	\$0	@60%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	10	1,136	\$517	\$0	@50%	Yes	N/A	N/A	no	None
3	2	Garden (2 stories)	10	1,136	\$537	\$0	@60%	Yes	N/A	N/A	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$394	\$0	\$394	\$0	\$394	<b>1BR / 1BA</b>	\$399	\$0	\$399	\$0	\$399
<b>2BR / 1BA</b>	\$461	\$0	\$461	\$0	\$461	<b>2BR / 1BA</b>	\$498	\$0	\$498	\$0	\$498
<b>3BR / 2BA</b>	\$517	\$0	\$517	\$0	\$517	<b>3BR / 2BA</b>	\$537	\$0	\$537	\$0	\$537

## Evergreen Village, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Washer/Dryer

**Security**

None

**Services**

None

**Property**

Basketball Court  
Exercise Facility  
Off-Street Parking  
Picnic Area

Clubhouse/Meeting Room/Community  
Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

The owner is planning to renovate the property with new LIHTC equity. It was allocated tax credits in 2018 and construction is expected to begin by the end of 2020. The 16 vacant units are not being marketed due to the upcoming renovation. The property is renovating units in three phases, with phase one including the 16 vacant units. Renovations will include new windows, doors, staircases, wood plank flooring, kitchen cabinets and countertops, new appliances, light fixtures, updated common areas, and a new gazebo. Rents are deliberately held below maximum allowable levels. Previous to the planned renovation, the manager indicated that the property was typically 100 percent occupied with a waiting list. Because of job losses due to the COVID-19 pandemic, two tenants have been unable to pay rent. According to the contact, due to the lack of affordable housing in the area, this property has not seen a decrease in traffic and there has been no effect on demand.

Photos



# PROPERTY PROFILE REPORT

## Park Place Apartments

<b>Effective Rent Date</b>	<b>1/21/2020</b>
<b>Location</b>	800 Park Place Circle Rockmart, GA 30153 Polk County
<b>Distance</b>	23.6 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Edward Management Co.; Privately owned properties
<b>Tenant Characteristics</b>	Singles, couples, families from Polk County
<b>Contact Name</b>	Holly
<b>Phone</b>	678-757-0070



### Market Information

<b>Program</b>	@50%, @60%, Market
<b>Annual Turnover Rate</b>	15%
<b>Units/Month Absorbed</b>	5
<b>HCV Tenants</b>	8%
<b>Leasing Pace</b>	Immediate
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None
<b>Waiting List</b>	Yes, 11 households

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	8	677	\$400	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Garden (3 stories)	2	677	\$411	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Garden (3 stories)	2	677	\$505	\$0	Market	Yes	N/A	N/A	N/A	None
2	1	Garden (3 stories)	14	883	\$466	\$0	@50%	Yes	N/A	N/A	no	None
2	1	Garden (3 stories)	5	883	\$481	\$0	@60%	Yes	N/A	N/A	no	None
2	1	Garden (3 stories)	5	883	\$610	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (3 stories)	14	1,100	\$525	\$0	@50%	Yes	N/A	N/A	no	None
3	2	Garden (3 stories)	5	1,100	\$581	\$0	@60%	Yes	N/A	N/A	no	None
3	2	Garden (3 stories)	5	1,100	\$654	\$0	Market	Yes	N/A	N/A	N/A	None

## Park Place Apartments, continued

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$400	\$0	\$400	\$0	\$400	<b>1BR / 1BA</b>	\$411	\$0	\$411	\$0	\$411
<b>2BR / 1BA</b>	\$466	\$0	\$466	\$0	\$466	<b>2BR / 1BA</b>	\$481	\$0	\$481	\$0	\$481
<b>3BR / 2BA</b>	\$525	\$0	\$525	\$0	\$525	<b>3BR / 2BA</b>	\$581	\$0	\$581	\$0	\$581

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$505	\$0	\$505	\$0	\$505
<b>2BR / 1BA</b>	\$610	\$0	\$610	\$0	\$610
<b>3BR / 2BA</b>	\$654	\$0	\$654	\$0	\$654

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Coat Closet  
 Garbage Disposal  
 Refrigerator  
 Washer/Dryer hookup

Blinds  
 Central A/C  
 Dishwasher  
 Oven  
 Walk-In Closet

#### Security

None

#### Services

None

#### Property

Basketball Court  
 Central Laundry  
 On-Site Management  
 Playground

Clubhouse/Meeting Room/Community  
 Off-Street Parking  
 Picnic Area

#### Premium

None

#### Other

None

### Comments

This mixed income property maintains a waiting list of three households for a units at 50 and 60 percent of AMI and eight households for a market rate unit. It is noted that there is typically little difference in rent between units at 50 and 60 percent of AMI. Rents are held below maximum allowable levels, and priced to what the market can bear according to the manager.

Photos



# PROPERTY PROFILE REPORT

## Arbor Terrace Apartments

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	50 Chateau Drive SE Rome, GA 30161 Floyd County
<b>Distance</b>	6.1 miles
<b>Units</b>	99
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various (2 stories)
<b>Year Built/Renovated</b>	1971 / 2018
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed tenancy, large portion from Cartersville
<b>Contact Name</b>	Kimberly
<b>Phone</b>	706-295-7020



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	24%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased up to ten percent
<b>Concession</b>	None
<b>Waiting List</b>	Yes; eight for three-bedroom units, four for one-bedroom units.

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	10	560	\$599	\$0	Market	Yes	N/A	N/A	N/A	None
1	1	Garden (2 stories)	9	680	\$625	\$0	Market	Yes	N/A	N/A	N/A	None
2	1.5	Townhouse (2 stories)	64	1,190	\$799	\$0	Market	Yes	N/A	N/A	N/A	None
3	2	Garden (2 stories)	16	1,320	\$899	\$0	Market	Yes	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$599 - \$625	\$0	\$599 - \$625	\$45	\$644 - \$670
<b>2BR / 1.5BA</b>	\$799	\$0	\$799	\$52	\$851
<b>3BR / 2BA</b>	\$899	\$0	\$899	\$65	\$964

## Arbor Terrace Apartments, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpet/Hardwood  
Coat Closet  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Refrigerator  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing  
Video Surveillance

#### Services

None

#### Property

Courtyard  
On-Site Management  
Playground

Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

The contact at this market rate property reported that there is no central laundry and only the two and three-bedroom units have washer and dryer hookups. Units were renovated over the past two years, with 50 units being renovated in 2019. Renovations include new cabinets and counters in the kitchens and bathrooms, faucets, fixtures, fans, hardwood flooring, new carpet, and appliances as needed. According to the contact, rents increased by approximately \$85-130 per month, post-renovation. The contact reported that during the COVID-19 pandemic, two tenants have submitted a form for an extension on their rent. Additionally, the amount of traffic and number of inquiries has increased during this time.

Photos



# PROPERTY PROFILE REPORT

## Ashton Ridge

<b>Effective Rent Date</b>	5/14/2020
<b>Location</b>	2522 Callier Springs Road Rome, GA 30161 Floyd County
<b>Distance</b>	5.5 miles
<b>Units</b>	88
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	3.4%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1999 / 2020
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Arbor Terrace, Grove At Six Hundred
<b>Tenant Characteristics</b>	Mostly families
<b>Contact Name</b>	Cheryl
<b>Phone</b>	706-802-0017



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	27%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 30% for new leases
<b>Concession</b>	None
<b>Waiting List</b>	None

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	14	708	\$750	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	37	933	\$890	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	37	1,134	\$975	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	\$45	\$795
2BR / 2BA	\$890	\$0	\$890	\$52	\$942
3BR / 2BA	\$975	\$0	\$975	\$65	\$1,040

## Ashton Ridge, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Walk-In Closet

**Security**

None

**Services**

None

**Property**

Clubhouse/Meeting Room/Community  
Off-Street Parking  
Picnic Area

Central Laundry  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

The property was originally developed as a LIHTC property, but converted to a market rate development in 2014. The property changed ownership in October 2019 and the new owner has begun a renovation, the scope of which includes new kitchens and baths among others. Asking rents increased dramatically for new tenants by \$175 to \$215 from September 2019. Rents for existing tenants will be gradually increased to the new market levels over time. Of the four vacant units, two are preleased.

Photos



# PROPERTY PROFILE REPORT

## Eastland Court

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	40 Chateau Drive Rome, GA 30161 Floyd County
<b>Distance</b>	6.1 miles
<b>Units</b>	116
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	3.4%
<b>Type</b>	Garden (4 stories)
<b>Year Built/Renovated</b>	2005/2007 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mixed-tenancy
<b>Contact Name</b>	April
<b>Phone</b>	706-232-2300



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	0
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two week
<b>Annual Chg. in Rent</b>	Increased 2-6% since 2Q19
<b>Concession</b>	None
<b>Waiting List</b>	None

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	21	804	\$950	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (4 stories)	4	919	\$1,100	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (4 stories)	68	1,056	\$1,125	\$0	Market	No	4	5.9%	N/A	None
3	2	Garden (4 stories)	23	1,516	\$1,300	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$950 - \$1,100	\$0	\$950 - \$1,100	\$45	\$995 - \$1,145
2BR / 2BA	\$1,125	\$0	\$1,125	\$52	\$1,177
3BR / 2BA	\$1,300	\$0	\$1,300	\$65	\$1,365

## Eastland Court, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage(\$75.00)  
Garbage Disposal  
Refrigerator  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Oven  
Vaulted Ceilings  
Washer/Dryer hookup

#### Security

Limited Access  
Perimeter Fencing

#### Services

None

#### Property

Clubhouse/Meeting Room/Community  
Garage(\$120.00)  
On-Site Management  
Playground  
Swimming Pool

Exercise Facility  
Off-Street Parking  
Picnic Area  
Recreation Areas

#### Premium

None

#### Other

None

### Comments

The market rate property is among the most upscale apartment properties in the Rome area. A waiting list has been maintained in the past, but not currently. During the COVID-19 Pandemic, the property has not experienced a decrease in collections. Additionally, the property experienced a small decrease in the amount of inquiries, and closed the office to support social distancing measures.

Photos



# PROPERTY PROFILE REPORT

## Guest House Apartments

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	48 Chateau Drive Rome, GA 30161 Floyd County
<b>Distance</b>	6.1 miles
<b>Units</b>	75
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various (2 stories)
<b>Year Built/Renovated</b>	1989 / 2002/2019
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	None identified
<b>Contact Name</b>	Brittany
<b>Phone</b>	706-234-4872



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	16%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Pre-leased
<b>Annual Chg. in Rent</b>	Increased 3-4% since 2Q19
<b>Concession</b>	None
<b>Waiting List</b>	Yes, four households

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	59	550	\$725	\$0	Market	Yes	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	16	1,100	\$925	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$725	\$0	\$725	\$60	\$785
2BR / 1.5BA	\$925	\$0	\$925	\$67	\$992

### Amenities

#### In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Coat Closet	Dishwasher
Ceiling Fan	Oven
Refrigerator	Walk-In Closet
Washer/Dryer	Washer/Dryer hookup

#### Security

Perimeter Fencing

#### Services

None

#### Property

Clubhouse/Meeting Room/Community	Off-Street Parking
On-Site Management	Picnic Area
Playground	Swimming Pool

#### Premium

None

#### Other

None

## Guest House Apartments, continued

### Comments

The rents shown in the profile are for renovated units. Non-renovated units rent for a discount of approximately \$30 to \$50 per month. Renovations include new stainless steel appliances, plank flooring, and fixtures. The property has renovated over half of the units, and gradually renovating the remaining units as leases expire. During the COVID-19 pandemic, the property has had one tenant default on rent payment. However, the amount of traffic and inquiries on units has doubled at the property.

Photos



# PROPERTY PROFILE REPORT

## Hamilton Ridge

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	72 Hamilton Avenue Rome, GA 30165 Floyd County
<b>Distance</b>	2.8 miles
<b>Units</b>	48
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2002 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	None identified
<b>Contact Name</b>	Linda
<b>Phone</b>	(706) 291-9191



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	N/A
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 3% to 6%
<b>Concession</b>	None
<b>Waiting List</b>	None

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	20	532	\$650	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden (3 stories)	20	1,000	\$800	\$0	Market	No	0	0.0%	N/A	None
3	1	Garden (3 stories)	8	1,300	\$950	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
<b>1BR / 1BA</b>	\$650	\$0	\$650	\$45	\$695
<b>2BR / 1BA</b>	\$800	\$0	\$800	\$52	\$852
<b>3BR / 1BA</b>	\$950	\$0	\$950	\$65	\$1,015

## Hamilton Ridge, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpet/Hardwood  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Oven  
Washer/Dryer hookup

**Security**

Limited Access  
Perimeter Fencing

**Services**

None

**Property**

Central Laundry  
On-Site Management

Off-Street Parking

**Premium**

None

**Other**

None

### Comments

Hamilton Ridge is among the most upscale market rate properties in the Rome area. The property is typically 100 percent occupied. Management has maintained a waiting list in the past, but does not have one currently. During the COVID-19 Pandemic, the property has not experienced a decrease in collections or a decrease in traffic and inquiries. Additional information, such as turnover and a tenant profile, was not provided.

Photos



# PROPERTY PROFILE REPORT

## Redmond Chase

<b>Effective Rent Date</b>	5/14/2020
<b>Location</b>	1349 Redmond Circle Rome, GA 30165 Floyd County
<b>Distance</b>	1.7 miles
<b>Units</b>	149
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Various (2 stories)
<b>Year Built/Renovated</b>	1968 / 2017
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Westminster, Ashland Park
<b>Tenant Characteristics</b>	None identified
<b>Contact Name</b>	Lee
<b>Phone</b>	706-235-0409



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	16%
<b>Units/Month Absorbed</b>	0
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Increased 10-15% since 1Q 2019
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None
<b>Waiting List</b>	None

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	750	\$750	\$0	Market	No	0	N/A	N/A	None
2	1	Garden (2 stories)	N/A	950	\$815	\$0	Market	No	0	N/A	N/A	None
2	1.5	Townhouse (2 stories)	N/A	1,150	\$881	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,150	\$965	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$750	\$0	\$750	\$0	\$750
2BR / 1BA	\$815	\$0	\$815	\$0	\$815
2BR / 1.5BA	\$881	\$0	\$881	\$0	\$881
3BR / 2BA	\$965	\$0	\$965	\$0	\$965

## Redmond Chase, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Refrigerator  
Washer/Dryer hookup

Blinds  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

**Security**

None

**Services**

None

**Property**

Central Laundry  
On-Site Management  
Swimming Pool

Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

The property was formerly known as Heritage Pointe. The property underwent minor renovations in 2017 that included interior and exterior upgrades with repairs to community amenities, new appliances as needed, new flooring, and new management. According to the contact, rents increased by approximately 8-10 percent, or \$51 to \$87 per month post-renovation. The property is fully occupied but management does not maintain a waiting list.

Photos



# PROPERTY PROFILE REPORT

## The Grove At Six Hundred

<b>Effective Rent Date</b>	5/13/2020
<b>Location</b>	600 Redmond Road NW Rome, GA 30165 Floyd County
<b>Distance</b>	2.2 miles
<b>Units</b>	104
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.0%
<b>Type</b>	Townhouse (2 stories)
<b>Year Built/Renovated</b>	1974 / 2017
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Arbor Terrace, Heritage Pointe
<b>Tenant Characteristics</b>	Mostly families
<b>Contact Name</b>	Tina
<b>Phone</b>	706-291-2154



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	11%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased two to three percent
<b>Concession</b>	None
<b>Waiting List</b>	None

### Utilities

<b>A/C</b>	not included – central
<b>Cooking</b>	not included – electric
<b>Water Heat</b>	not included – electric
<b>Heat</b>	not included – electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Townhouse (2 stories)	88	1,120	\$870	\$0	Market	No	1	1.1%	N/A	None
3	2	Townhouse (2 stories)	16	1,320	\$1,195	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$870	\$0	\$870	\$0	\$870
3BR / 2BA	\$1,195	\$0	\$1,195	\$0	\$1,195

### Amenities

In-Unit	Security	Services
Balcony/Patio Carpeting Coat Closet Ceiling Fan Oven Walk-In Closet	Blinds Central A/C Dishwasher Garbage Disposal Refrigerator Washer/Dryer hookup	Patrol None
Property	Premium	Other
Clubhouse/Meeting Room/Community Off-Street Parking Playground	Exercise Facility On-Site Management Swimming Pool	None None

### Comments

The property accepts Housing Choice Vouchers, but there are no tenants currently using them. This property was formerly known as Westminster Townhouse. Minor renovations on the property were completed in 2017 and included updated kitchens and bathrooms with new fixtures, appliances, new flooring, exterior improvements, and a change in management. There are ten units remaining that have not been renovated. The contact stated that rents increased between \$50 and \$100 post-renovation. Rents have been increased \$25 in the past year. During the COVID-19 pandemic, collections have decreased five percent. However, traffic and the number of inquiries have also increased.

Photos



## 1. Housing Choice Vouchers

We were able to speak with Ms. Valencia Jordan, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program in Floyd County. According to Ms. Jordan, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Ms. Jordan also stated that there are 69 families utilizing these Housing Choice Vouchers in Floyd County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list, 51 of which are from Floyd County. The following table illustrates voucher usage at the comparables.

### TENANTS WITH VOUCHERS

Property Name	Rent Structure	Tenancy	Housing Choice Voucher Tenants
Ashland Park Apartments	LIHTC	Family	40%
Burrell Square	LIHTC	Family	2%
Evergreen Village*	LIHTC	Family	7%
Park Place Apartments*	LIHTC/ Market	Family	8%
Arbor Terrace Apartments	Market	Family	0%
Ashton Ridge	Market	Family	0%
Eastland Court	Market	Family	0%
Guest House Apartments	Market	Family	0%
Hamilton Ridge	Market	Family	N/A
Redmond Chase	Market	Family	0%
The Grove At Six Hundred	Market	Family	0%

\*Located outside of the PMA

Housing Choice Voucher usage in this market ranges from two to 40 percent at the LIHTC/mixed income properties. Overall, the affordable properties report a low to moderate reliance on tenants with vouchers. Thus, it appears that the Subject will not need to rely solely on voucher residents in order to maintain a high occupancy level absent subsidy. We believe the Subject would maintain voucher usage of approximately 20 percent or less were it to operate without a subsidy.

## 2. Phased Developments

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

### Lease Up History

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we extended our search to other properties throughout the northwest Georgia region.

### ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 at Woodstock	Market	Senior	2015	272	15

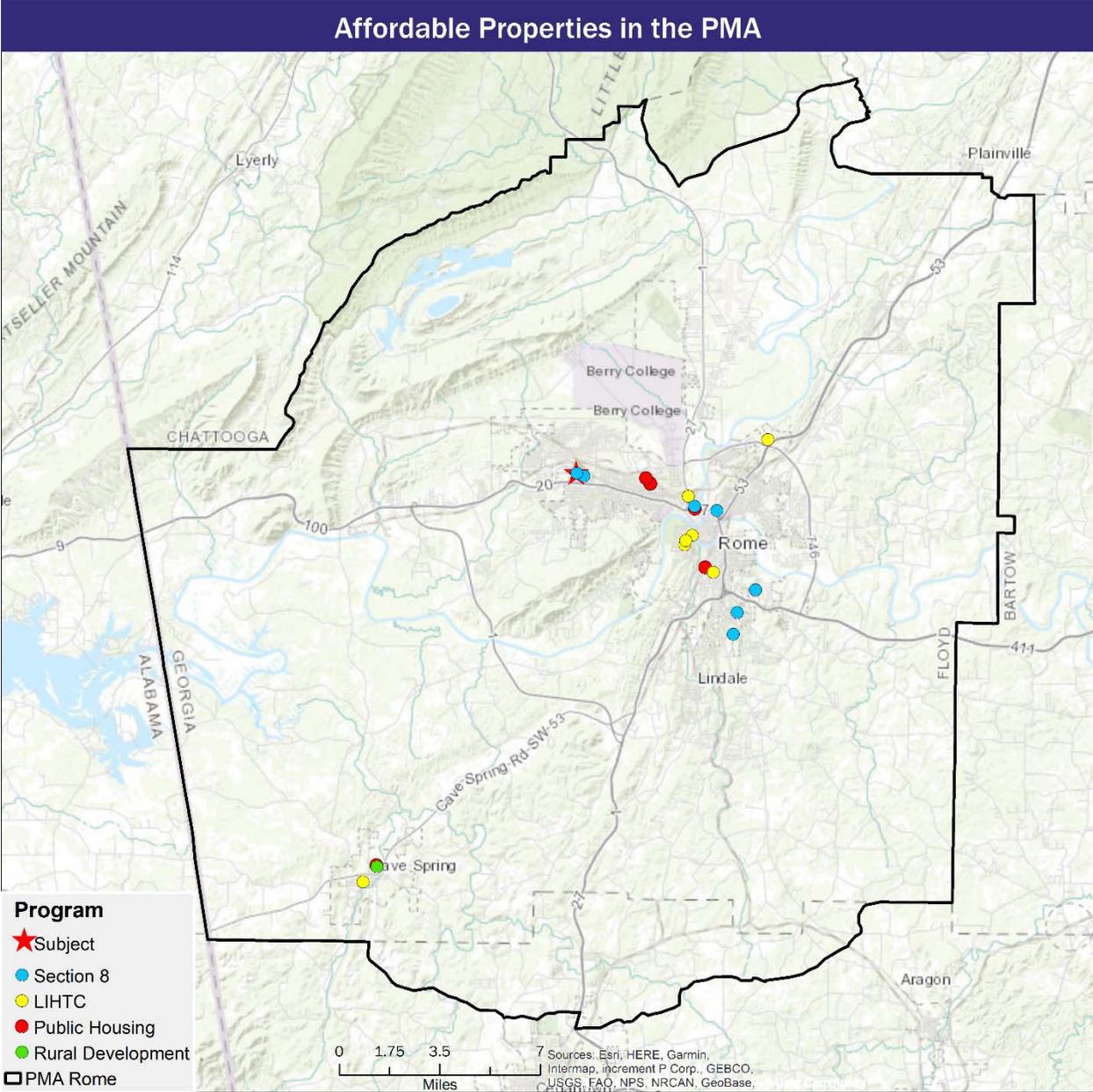
Per DCA guidelines, we calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Burrell Square is a family LIHTC development located in Rome, and is included in our rent comparable survey. This property offers 84 units and was fully-occupied

within four months. Burrell Square is currently 99 percent occupied and maintains a waiting list. We considered all of the properties but given greatest weight to Burrell Square as it has a generally similar location. The Subject is currently 97.5 percent occupied with two vacant units, both of which are preleased. The Subject and has a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit. Post-renovation, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 15 to 20 units per month, for an absorption period of four to five months if it were hypothetically vacant. It should be noted that construction on the Subject is not anticipated to be completed until November 2021, which is considered outside the primary window from the COVID-19 pandemic.

**Competitive Project Map**

**AFFORDABLE PROPERTIES IN THE PMA**

Property Name	Program	Location	Tenancy	# of Units	Occupancy	Map Color
Spring Grove Apartments	LIHTC	Rome	Family	80	97.5%	Star
Altoview Terrace	LIHTC/PBRA	Rome	Family	66	N/A	Yellow
Ashland Park Apartments	LIHTC	Rome	Family	184	100.0%	
Burrell Square	LIHTC	Rome	Family	84	98.8%	
Etowah Terrace	LIHTC/PBRA/Market	Rome	Senior	77	97.4%	
Greystone Apartments	LIHTC/PBRA	Rome	Senior	71	100.0%	
Highland Estates	LIHTC/Market	Rome	Senior	84	91.7%	
Pennington Place	LIHTC/PHA	Rome	Family	8	100.0%	
Spring Haven Apartments	LIHTC (HOME)	Cave Spring	Senior	24	100.0%	
Callier Forest Apartments	Section 8	Rome	Family	130	NA	
Heatherwood Apartments	Section 8	Rome	Senior	68	100.0%	
High Rise	Section 8	Rome	Senior	101	NA	
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	119	NA	
Oak Ridge	PSHP	Rome	Family	35	100.0%	
Park Homes	Section 8	Rome	Family	100	NA	
Pine Ridge Apartments	Section 8	Rome	Homeless	30	96.7%	
The Villas	Section 8	Rome	Family	39	100.0%	
Steve Pettis Court	Rural Development	Cave Spring	Family	31	100.0%	Green
Charles Hight Homes	Public Housing	Rome	Family	202	NA	Red
John Graham Homes	Public Housing	Rome	Family	150	100.0%	
Cave Spring Housing Authority	Public Housing	Cave Spring	Family	20	NA	
Village Green	Public Housing	Rome	Family	10	NA	
Willingham at Division	Public Housing	Rome	Family	27	NA	
Willingham Village	Public Housing	Rome	Family	76	100.0%	



### 3. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below.

SPRING GROVE APARTMENTS – ROME, GEORGIA – MARKET STUDY

AMENITY MATRIX

Subject	Ashland Park	Burrell Square	Evergreen Village	Park Place Apartments	Arbor Terrace	Ashton Ridge	Eastland Court	Guest House Apartments	Hamilton Ridge	Redmond Chase	The Grove At Six Hundred	
Rent Structure	Section 8	LIHTC	LIHTC	LIHTC	LIHTC/	Market	Market	Market	Market	Market	Market	
<b>Building</b>												
Property Type	Garden	Garden	Various	Garden	Garden	Various	Garden	Garden	Various	Garden	Various	Townhouse
# of Stories	2-stories	3-stories	3-stories	2-stories	3-stories	2-stories	2-stories	4-stories	2-stories	3-stories	2-stories	2-stories
Year Built	1978	2005	2017	1999	2003	1971	1999	2005/2007	1989	2002	1968	1974
Year Renovated	2021	n/a	n/a	n/a	n/a	2018	2020	n/a	2002/2019	n/a	2017	2017
Courtyard	no	no	no	no	no	yes	no	no	no	no	no	no
<b>Unit Amenities</b>												
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	no	yes	yes	yes	no	yes	yes
Hardwood	no	no	no	no	no	yes	no	no	no	yes	no	no
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Ceiling Fan	no	yes	yes	yes	no	no	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	no	yes	yes	no	no	no	no
Vaulted Ceilings	no	no	no	no	no	no	no	yes	no	no	no	no
Walk-In Closet	yes	yes	yes	no	yes	yes	yes	yes	yes	no	yes	yes
Washer/Dryer	yes	no	no	yes	no	no	no	no	yes	no	no	no
W/D Hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Kitchen</b>												
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Disposal	no	yes	yes	yes	yes	no	yes	yes	no	yes	no	yes
Microwave	yes	no	no	no	no	no	no	no	no	yes	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>												
Business Center	no	yes	yes	no	no	no	no	no	no	no	no	no
Community Room	yes	yes	yes	yes	yes	no	yes	yes	yes	no	no	yes
Central Laundry	yes	yes	yes	yes	yes	no	yes	no	no	yes	yes	no
On-Site Mgmt	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Recreation</b>												
Basketball Court	no	no	no	yes	yes	no	no	no	no	no	no	no
Exercise Facility	no	yes	yes	yes	no	no	no	yes	no	no	no	yes
Playground	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Swimming Pool	no	yes	no	no	no	yes	no	yes	yes	no	yes	yes
Picnic Area	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no
Recreational Area	no	no	no	no	no	no	no	yes	no	no	no	no
<b>Security</b>												
Limited Access	no	no	no	no	no	yes	no	yes	no	yes	no	no
Patrol	yes	no	no	no	no	no	no	no	no	no	no	yes
Perimeter Fencing	no	yes	yes	no	no	yes	no	yes	yes	yes	no	no
Video Surveillance	yes	no	no	no	no	yes	no	no	no	no	no	no
<b>Parking</b>												
Garage	no	yes	no	no	no	no	no	yes	no	no	no	no
Garage Fee	\$0	\$50	\$0	\$0	\$0	\$0	\$0	\$120	\$0	\$0	\$0	\$0
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Off-Street Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Subject will offer slightly inferior to slightly superior in-unit amenities in comparison to the LIHTC comparable properties and inferior property amenities. The Subject’s renovation scope will add a dishwasher, microwave, and in-unit washer/dryer to each unit. In addition, the Subject will have landlord-paid cable/internet and resident services. The resident services are to include social activities and educational classes among others. The Subject will offer washer/dryer appliances, which many comparables lack. However, the Subject will not offer an exercise facility, swimming pool, and picnic area, which is offered at several of the comparable developments. Nonetheless, we believe that the proposed amenities will allow the Subject to effectively compete in the market, given the subsidies in place.

**4. Comparable Tenancy**

The Subject will target families, and all of the comparable LIHTC properties also targets families.

**Vacancy**

The following table illustrates the vacancy rates in the market. Excluded from this table is one LIHTC comparable, Evergreen Village. This property has 16 of its 56 total units off-line for renovations. Prior to renovation, this property was typically 100 percent occupied with a waiting list.

**OVERALL VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashland Park Apartments	LIHTC	Family	184	0	0.0%
Burrell Square	LIHTC	Family	84	1	1.2%
Park Place Apartments*	LIHTC/ Market	Family	60	0	0.0%
Arbor Terrace Apartments	Market	Family	99	0	0.0%
Ashton Ridge	Market	Family	88	3	3.4%
Eastland Court	Market	Family	116	4	3.4%
Guest House Apartments	Market	Family	75	0	0.0%
Hamilton Ridge	Market	Family	48	0	0.0%
Redmond Chase	Market	Family	149	0	0.0%
The Grove At Six Hundred	Market	Family	104	1	1.0%
<b>Total LIHTC</b>			<b>328</b>	<b>1</b>	<b>0.2%</b>
<b>Total Market Rate</b>			<b>679</b>	<b>8</b>	<b>1.3%</b>
<b>Overall Total</b>			<b>1,007</b>	<b>9</b>	<b>0.8%</b>

\*Located outside of the PMA

\*\*Excludes Evergreen Village

Overall vacancy in the market is low at 0.8 percent and total LIHTC vacancy is lower, at 0.2 percent. Of the three stabilized LIHTC properties, two are fully occupied, which is indicative of a supply-constrained market. All LIHTC comparables report waiting lists, but the time to turn the units has increased during the current COVID-19 pandemic. The Subject will exhibit similar to slightly superior condition to the LIHTC comparables upon completion. Therefore, we believe there is adequate demand for the Subject as proposed.

Over the 2017 to 2019 period, the Subject reported a vacancy and collection loss of 2.0 percent to 2.5 percent. As a newly renovated property with a competitive amenity package with subsidies in place for 77 of its 80 units, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Since the Subject is an existing property with subsidy on all units, we do not believe it will impact the performance of the existing affordable properties if allocated.

## 5. Properties Under Construction and Proposed

### Altoview Terrace

- Location: 14th Street And Maple Avenue, Rome, GA
- Owner: Northwest Georgia Housing Authority
- Total number of units: 66 units
- Unit configuration: One, two, three, and four-bedroom units
- Rent structure: 50 and 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- Estimated market entry: June 2021
- Relevant information: All units will be subsidized and the units at 60 percent AMI will be considered directly competitive to the Subject as proposed with subsidy. As such, we deducted the 64 one, two, and three-bedroom units in our demand analysis in the as proposed scenario.

### Three Rivers Apartments (formerly known as Meadow Lane)

- Location: 22 Tamassee Lane, Rome, GA
- Owner: LHP Development, LLC (developer)
- Total number of units: 119 units
- Unit configuration: One, two, three, and four-bedroom units
- Rent structure: 60 percent AMI, 114 will continue to operate with a Section 8 project-based subsidy

- f. Estimated market entry: 2019
- g. Relevant information: Of the 119 units, 114 will continue to operate with a Section 8 project-based subsidy. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. Since this is a stabilized property, we have not deducted these units in our demand analysis.

#### **Park Homes**

- a. Location: 201 Reservoir Street, Rome, GA
- b. Owner: REA Ventures (developer)
- c. Total number of units: 100 units
- d. Unit configuration: One, two, three, and four-bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: February 2019
- g. Relevant information: All units will be subsidized. Since this is a stabilized property, we have not deducted these units in our demand analysis, we have not deducted these units in our demand analysis.

#### **High Rise**

- a. Location: 906 N 5<sup>th</sup> Avenue, Rome, GA
- b. Owner: REA Ventures (developer)
- c. Total number of units: 101 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: November 2018
- g. Relevant information: All units will be subsidized and will not be considered directly competitive. Further, this property has a senior tenancy. As such, we have not deducted these units in our demand analysis.

#### **Callier Forest Apartments**

- a. Location: 131 Dodd Boulevard SE, Rome, GA
- b. Owner: Unknown
- c. Total number of units: 130 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI, all units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA).
- f. Estimated market entry: November 2020
- g. Relevant information: All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized. Since this is a stabilized property, we have not deducted these units in our demand analysis, we have not deducted these units in our demand analysis.

#### **Ashland Park**

- a. Location: 10 Ashland Park Boulevard NE, Rome, GA
- b. Owner: Northwest Georgia Housing Authority
- c. Total number of units: 184 units
- d. Unit configuration: One, two and three bedroom units
- e. Rent structure: 60 percent AMI,
- f. Estimated market entry: 2020

- g. Relevant information: Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. Since this is a stabilized property, we have not deducted these units in our demand analysis, we have not deducted these units in our demand analysis, no units are deducted in our demand analysis.

## 6. Rental Advantage

The following table illustrates the Subject’s similarity to the comparable properties. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

**SIMILARITY MATRIX**

#	Property Name	Program	Tenancy	Property Amenities	Unit Features	Location	Age / Condition	Unit Sizes	Overall Comparison
1	Ashland Park Apartments	LIHTC	Family	Superior	Slightly Inferior	Similar	Slightly Inferior	Superior	10
2	Burrell Square	LIHTC	Family	Slightly Superior	Slightly Inferior	Similar	Slightly Superior	Superior	15
3	Evergreen Village	LIHTC	Family	Slightly Superior	Slightly Superior	Inferior	Slightly Inferior	Superior	5
4	Park Place Apartments	LIHTC/ Market	Family	Similar	Slightly Inferior	Inferior	Slightly Inferior	Slightly Superior	-15
5	Arbor Terrace	Market	Family	Slightly Superior	Slightly Inferior	Similar	Similar	Slightly Superior	5
6	Ashton Ridge	Market	Family	Similar	Slightly Inferior	Similar	Similar	Slightly Superior	0
7	Eastland Court	Market	Family	Superior	Slightly Inferior	Similar	Slightly Inferior	Superior	10
8	Guest House Apartments	Market	Family	Slightly Superior	Slightly Superior	Similar	Similar	Superior	20
9	Hamilton Ridge	Market	Family	Slightly Inferior	Slightly Inferior	Similar	Slightly Inferior	Superior	-5
10	Redmond Chase	Market	Family	Similar	Slightly Inferior	Similar	Similar	Superior	5
11	The Grove At Six Hundred	Market	Family	Superior	Slightly Inferior	Similar	Similar	Superior	15

\*Inferior=-10, slightly inferior=-5, similar=0, slightly superior=5, superior=10.

The rental rates at the LIHTC properties are compared to the Subject’s proposed 60 percent AMI rents in the following table.

**LIHTC RENT COMPARISON @60%**

Property Name	County	1BR	2BR	3BR	Rents at Max?
<b>Spring Grove Apartments</b>	Floyd	<b>\$1,035</b>	<b>\$600/\$1,100</b>	<b>\$675/\$1,235</b>	No / N/A
2020 LIHTC Maximum Rent (Net)	Floyd	\$564	\$689	\$773	
2019 LIHTC Maximum Rent (Held Harmless)	Floyd	\$581	\$704	\$791	
2020 LIHTC Maximum Rent (Net)	Polk	\$523	\$635	\$711	
Ashland Park Apartments	Floyd	\$540	\$617	\$680	No
Burrell Square	Floyd	\$486	\$580	\$655	No
Evergreen Village	Polk	\$399	\$498	\$537	No
Park Place Apartments	Polk	\$411	\$481	\$581	No
<b>Average</b>		<b>\$459</b>	<b>\$544</b>	<b>\$613</b>	
<b>Achievable LIHTC Rent</b>		<b>\$500</b>	<b>\$600</b>	<b>\$675</b>	<b>No</b>

\*The higher rents are the proposed contract rents where tenants will pay 30 percent of their income towards rent.

The Subject's proposed 60 percent AMI contract rents are set above the 2020 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would not have to be lowered to comply with the LIHTC program requirements. The AMI in Floyd County reached its peak in 2019; therefore, all existing LIHTC comparables in Floyd County are held harmless to slightly higher maximum rent levels.

It is noted that we include two LIHTC comparables in our survey located in Polk County to the southwest. Both of these properties, Evergreen Village and Park Place Apartments, deliberately hold rents below maximum allowable levels. Further, they are less competitive with the Subject due to their location outside Floyd County. Therefore, we do not heavily rely on these comparables in this analysis. We focus on two LIHTC/mixed comparables located in the immediate Rome area, Ashland Park Apartments and Burrell Square.

Ashland Park Apartments is located 2.8 miles from the Subject and offers a similar location. Current rents at Ashland Park are below maximum allowable levels, and are priced to what the market can bear according to the contact. This property was constructed in 2007 and exhibits average condition, which is considered slightly inferior to the anticipated good condition of the Subject upon completion of renovations. It is noted that a renovation is also planned for Ashland Park. This property offers superior property amenities compared to the Subject as it features an exercise room, swimming pool, and computer center. Ashland Park has slightly inferior in-unit amenities compared to the Subject as it offers washer/dryer connections but no appliances. This comparable lacks landlord-paid cable/internet service, unlike the Subject. Ashland Park offers larger unit sizes compared to the Subject. Overall, Ashland Park is considered slightly superior to the Subject as renovated.

Burrell Square is located 3.8 miles from the Subject in a similar location. As with Ashland Park, rents at Burrell Square are below maximum allowable levels, and are priced to what the market can bear. This property was completed in 2017 and is in excellent condition, slightly superior to the Subject as renovated. Property amenities at this comparable are slightly inferior to the Subject as it features an exercise room and computer center but lacks landlord-paid cable/internet. Burrell Square has slightly inferior in-unit amenities compared to the Subject as it offers washer/dryer connections but no appliances. Unit sizes at this property are much larger than those at the Subject. As such, the renovated Subject is slightly inferior to Burrell Square.

The Subject's proposed 60 percent AMI contract rents are set above the 2020 maximum allowable levels. Thus, if the Subject were to lose the rental subsidies, the proposed rents for these units would not have to be lowered to comply with the LIHTC program requirements. As previously noted, both Ashland Park Apartments and Burrell Square are achieving rents below maximum allowable levels at 60 percent of AMI. Both properties report little or no vacancy along with waiting lists, suggesting that rents could be slightly higher without adversely affecting their performance. This is particularly true for Burrell Square where rents are approximately \$25 to \$55 below Ashland Park. Nonetheless, the Subject is slightly inferior to both properties, primarily because of its smaller unit sizes. In summary, we believe the Subject could achieve rents of \$500, \$600, and \$675 for the one, two, and three-bedroom units, respectively. These estimated rents are slightly below Burrell Square and also below Ashland Park and are below maximum allowable levels. Our estimated achievable rents are above Evergreen Village and Park Place Apartments, both of which deliberately hold rents below maximum allowable levels. It is also noted that our achievable two and three-bedroom rents are the same as the developer's proposed rents for these units without subsidy.

#### **Analysis of "Market Rents"**

Per DCA's market study guidelines, "average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not 'Achievable unrestricted market rent.'" In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market-rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market-rate comps. In a small rural market there may be neither tax credit comps nor market-rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.

When comparing the Subject’s rents to the average comparable rent, we do not include surveyed rents at lower AMI levels given that this artificially lowers the average surveyed rent. Including rents at lower AMI levels does not reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers rents at the 50 and 60 percent of AMI levels, and there is a distinct difference at comparable properties between rents at the two AMI levels, we do not include the 50 percent of AMI rents in the average comparable rent for the 60 percent of AMI comparison.

The overall average and the maximum and minimum adjusted rents for the comparable properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Rent Level	Subject Achievable LIHTC Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR / 1BA	@60% (Section 8)	\$500	\$399	\$1,145	\$702	29%
2BR / 1BA	@60%	\$600	\$481	\$1,177	\$771	22%
2BR / 1BA	@60% (Section 8)	\$600	\$481	\$1,177	\$771	22%
3BR / 1BA	@60%	\$675	\$537	\$1,365	\$865	22%
3BR / 1BA	@60% (Section 8)	\$675	\$537	\$1,365	\$865	22%

\*Achievable rent assuming no subsidy

The Subject’s achievable 60 percent AMI rent, absent rental subsidy, is below the surveyed average of the comparables, both LIHTC and market rate. It is noted that the 60 percent rents at the LIHTC properties in Polk County are very low, which skews the overall average downward. The Subject’s restricted rent absent subsidy provides an advantage of 22 to 29 percent over the surveyed average of the comparable rents.

Of the comparable market rate properties, Eastland Court is achieving the highest rents. This property was completed over the 2005 to 2007 period and is in good condition, similar to the Subject. Its curb appeal is superior while its location is similar. This property has slightly inferior in-unit amenities as it offers washer/dryer connections, but not appliances. Further, it does not have landlord-paid cable/internet and resident services like the Subject will post-renovation. However, Eastland Court has extensive property amenities as it offers an exercise facility, swimming pool, and optional garage parking. Further, its unit sizes is larger in size and its two and three-bedroom units have two full baths. Accordingly, we believe the Subject’s achievable market rent is below this property. The Subject’s achievable LIHTC rents without subsidy have a significant rent advantage compared to Eastland Court.

Ashton Ridge is a market rate property that was built in 1999 and renovated in 2020. Its rents were increased by \$175 to \$215 upon renovation for new tenants, which was a large increase. Rents for existing tenants will be gradually increased to the new market levels over time. Ashton Ridge is in good condition, similar to the Subject’s condition upon renovation. This property is located 5.5 miles from the Subject in a similar location. Ashton Ridge offers slightly inferior in-unit amenities as it lacks washer/dryer appliances and landlord-paid cable/internet. Its property amenities are slightly superior as it features a newly renovated clubhouse. This property offers larger unit sizes in comparison to the Subject. Further, its two and three-bedroom units have two full baths. The market rents at Ashton Ridge are approximately 50 percent higher than the Subject’s achievable rents at 60 percent AMI, absent subsidy.

**7. LIHTC Competition – DCA Funded Properties within the PMA**

Capture rates for the Subject are considered low to moderate for all bedroom types and AMI levels. If allocated, the Subject will be similar to superior to the existing LIHTC housing stock. The average LIHTC vacancy rate is

considered very low at 0.2 percent for the stabilized LIHTC properties. It should be noted that all four of the LIHTC comparables reported maintaining waiting lists of up to 26 households, but the time to turn the units has increased during the current COVID-19 pandemic. The low vacancy rates and the presence of waiting lists at these properties indicates there is a strong demand for affordable housing in the area.

According to LIHTC allocation lists provided by the Georgia Department of Community Affairs, there have been six properties allocated tax credits within the Subject’s PMA since 2017. We have identified Ashland Park, Meadow Lane, Altoview Terrace, Park Homes, High Rise, and Callier Forest Apartments as competitive properties in the PMA coming online.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

**COMPETITIVE SUPPLY**

Property Name	Rent Structure	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under Construction	66
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.8 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. As such, no units are deducted in our demand analysis.
- Three Rivers Apartments, formerly known as Meadow Lane, was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located adjacent to the west of the Subject. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of its 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. As indicated, this is an existing, stabilized property. As such, we have not deducted these units in our demand analysis.
- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families, of which 64 units are one, two, and three-bedroom units. Construction is expected to be completed in June 2021. This development will be located 5.6 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, 64 units will be subsidized but that will be considered directly competitive with the Subject as proposed. As such, we deducted these units in our demand analysis in the as proposed scenario.
- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 4.3 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units are covered by a Rental Assistance Demonstration (RAD) program where all units receive Section

8 project-based rental assistance (PBRA). Since this is a stabilized property, we have not deducted these units in our demand analysis.

- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 3.7 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). This is an existing stabilized property with a senior tenancy. As such, we have not deducted these units in our demand analysis.
- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property is located 7.1 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized. Since this is an existing stabilized property, we have not deducted these units in our demand analysis.

t the addition of the Subject to the market will impact these LIHTC properties or the existing LIHTC properties as all are currently performing well.

### 8. Rental Trends in the PMA

The table below depicts household growth by tenure from 2000 through 2024.

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	22,653	67.0%	11,181	33.0%
2019	23,278	61.9%	14,323	38.1%
Projected Mkt Entry November 2021	23,599	62.3%	14,287	37.7%
2024	23,966	62.7%	14,246	37.3%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

TENURE PATTERNS MSA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	22,130	66.8%	11,019	33.2%
2019	22,825	61.8%	14,122	38.2%
Projected Mkt Entry November 2021	23,136	62.2%	14,084	37.8%
2024	23,492	62.6%	14,041	37.4%

Source: Esri Demographics 2019, Novogradac Consulting LLP, June 2020

As the table illustrates, households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a slightly larger percentage of renters in the PMA than the nation. This percentage is projected to remain relatively stable over the next five years.

### Historical Vacancy

The following table details historical vacancy levels for the properties included as comparables.

**HISTORICAL VACANCY**

Property Name	Program	Total Units	2017 Q2	2018 Q2	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2020 Q1	2020 Q2
Ashland Park Apartments	LIHTC	184	0.5%	N/A	N/A	N/A	1.1%	0.0%	0.0%	0.0%
Burrell Square	LIHTC	84	N/A	N/A	N/A	N/A	0.0%	1.2%	3.6%	1.2%
Evergreen Village	LIHTC	56	3.6%	N/A	N/A	N/A	5.4%	12.5%	21.4%	28.6%
Park Place Apartments	LIHTC/ Market	60	3.3%	N/A	N/A	N/A	5.0%	6.7%	0.0%	N/A
Ashton Ridge	Market	88	4.5%	0.0%	N/A	0.0%	0.0%	0.0%	4.5%	3.4%
Eastland Court	Market	116	0.9%	0.9%	0.9%	2.6%	N/A	0.9%	1.7%	3.4%
Guest House Apartments	Market	75	4.0%	N/A	0.0%	1.3%	0.0%	1.3%	4.0%	0.0%
Hamilton Ridge	Market	48	4.2%	0.0%	N/A	N/A	N/A	N/A	0.0%	0.0%
Redmond Chase	Market	149	N/A	N/A	6.7%	2.7%	N/A	0.0%	0.0%	0.0%
The Grove At Six Hundred	Market	104	N/A	N/A	4.8%	1.0%	N/A	1.0%	1.0%	1.0%

It is noted that historical vacancy data at the comparable properties is not available for all periods. The vacancy rate at one comparable, Evergreen Village, has increased as units are not being marketed because of a renovation. Overall, we believe that the current performance of the LIHTC comparable properties, as well as their historically low vacancy rates and the presence of waiting lists, indicate demand for affordable rental housing in the Subject’s market. Additionally, the COVID-19 pandemic has not resulted in an increase in vacancy rates among the LIHTC or market rate properties.

**Change in Rental Rates**

The following table illustrates rental rate increases as reported by the comparable properties.

**RENT GROWTH**

Property Name	Rent Structure	Rent Growth
Ashland Park Apartments	LIHTC	None
Burrell Square	LIHTC	Increased up to 2%
Evergreen Village*	LIHTC	None
Park Place Apartments*	LIHTC/ Market	None
Arbor Terrace Apartments	Market	Increased up to 10%
Ashton Ridge	Market	Increased 30% for new leases
Eastland Court	Market	Increased 2% to 6%
Guest House Apartments	Market	Increased 3% to 4%
Hamilton Ridge	Market	Increased 3% to 6%
Redmond Chase	Market	None
The Grove At Six Hundred	Market	Increased 2% to 3%

\*Located outside of the PMA

One of the LIHTC properties reported increasing rents in the past year. Most market rate properties reported recent rent growth. We anticipate that the Subject will be able to achieve moderate rent growth in the future as a LIHTC property. However, with Section 8 rental assistance in place for 77 units at the Subject, rent increases at the property should not directly impact residents in these units, as they will continue to pay just 30 percent of their income toward rent. For the Subject’s three units without subsidy, rent trends are expected to follow the market as a whole.

**9. Impact of Foreclosed, Abandoned and Vacant Structures**

According to *RealtyTrac* statistics, one in every 9,569 housing units nationwide was in some stage of foreclosure as of April 2020. The city of Rome is experiencing a foreclosure rate of one in every 16,151 homes, while the state of Georgia experienced one foreclosure in every 11,360 housing units. Overall, Rome is experiencing a lower foreclosure rate to the state and nation, indicating a generally healthy housing market. The Subject’s neighborhood does not have a significant amount of abandoned or vacant structures that would

impact the marketability of the Subject. Due to the CARES Act passed in April 2020 in response to the COVID-19 pandemic, lenders are prohibited from foreclosing on homes with federally backed mortgages.

### **10. Effect of Subject on Other Affordable Units in Market**

According to LIHTC allocation lists provided by the Georgia Department of Community Affairs, there have been six properties allocated tax credits within the Subject's PMA since 2017. The surveyed stabilized LIHTC properties are near or at fully occupancy, and all report waiting lists. The low vacancy rates among both the affordable and market rate properties illustrates a strong demand for the addition of affordable housing within the market. As the Subject is an existing, 97.5 percent occupied property, it is not considered an addition to the amount of affordable housing in the market. The need for quality rental housing is further illustrated by the high occupancy rates of the other subsidized properties in the area. In summary, the performance of the comparable LIHTC properties and that fact the Subject is an existing stabilized property with waiting list, all indicate that the Subject will not negatively impact the existing or proposed affordable rental units in the market.

### **Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The stabilized LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered very low. Further, all surveyed LIHTC properties report waiting lists for their units and all of the property managers at these comparables report strong demand for affordable housing in the area. Property managers have not reported a notable change in the market as a result of the COVID-19 pandemic. Post-renovation, the Subject will offer washer/dryer appliances, which are not offered at most comparable properties. Although the Subject will not offer an extensive property amenity package, it is still expected to compete well in this market, given the subsidies in place for 77 of its total 80 units. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject's anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well. Further, we believe that the Subject's subsidized operation on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject's construction will further insulate it from the current COVID-19 pandemic.

# J. ABSORPTION AND STABILIZATION RATES

**ABSORPTION AND STABILIZATION RATES**

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we extended our search to other properties throughout the northwest Georgia region.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 at Woodstock	Market	Senior	2015	272	15

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Burrell Square is a family LIHTC development located in Rome, and is included in our rent comparable survey. This property offers 84 units and was fully-occupied within four months. Burrell Square is currently 99 percent occupied and maintains a waiting list. We considered all of the properties but given greatest weight to Burrell Square as it has a generally similar location. The Subject is currently 97.5 percent occupied with two vacant units, both of which are preleased. The Subject and has a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit. Post-renovation, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 15 to 20 units per month, for an absorption period of four to five months if it were hypothetically vacant. It should be noted that construction on the Subject is not anticipated to be completed until November 2021, which is considered outside the primary window from the COVID-19 pandemic.

# K. INTERVIEWS

## Georgia Department of Community Affairs

We were able to speak with Ms. Valencia Jordan, Director of Operations, of the Georgia Department of Community Affairs regarding the Housing Choice Voucher program. According to Ms. Jordan, the Georgia Departments of Community Affairs allots 16,500 statewide, of which 14,000 are currently in use. Ms. Jordan also stated that there are 69 families utilizing these Housing Choice Vouchers in Floyd County. According to the Georgia DCA website, the waiting list for vouchers was open for one week, from February 1 to 7, 2016, and is currently closed. There are currently approximately 9,000 households on the waiting list, 51 of which are from Floyd County. The payment standards for Floyd County are listed below.

### PAYMENT STANDARDS

Unit Type	Standard
One-Bedroom	\$644
Two-Bedroom	\$793
Three-Bedroom	\$1,064

Source: Georgia Department of Community Affairs, effective January 1, 2020

The Subject’s achievable LIHTC rents (absent subsidy) are below the current payment standards for the two and three-bedroom units. Therefore, tenants with Housing Choice Vouchers would not pay out of pocket for rent for these unit types. It is noted that the current payment standard for a one-bedroom is similar to the achievable LIHTC rent. Of the total 80 units at the Subject, 77 units benefit from a Section 8 contract; as such, tenants will not need to utilize vouchers.

## Planning

We made numerous attempts to contact the Rome-Floyd County Planning and Zoning Department. However, as of the date of this report, our calls have not been returned. We conducted additional online research utilizing LIHTC allocation lists provided by the Georgia Department of Community Affairs and a CoStar new construction report. According to our research, there are six multifamily developments currently planned, proposed, or under construction in the Subject’s PMA, all of which are affordable.

### COMPETITIVE SUPPLY

Property Name	Rent Structure	Location	Tenancy	Status	Competitive Units
Ashland Park	LIHTC	Rome	Family	Under Renovation	0
Three Rivers Apartments	LIHTC/Section 8	Rome	Family	Complete	0
Altoview Terrace	LIHTC/PBRA	Rome	Family	Under Construction	64
Park Homes	LIHTC/PBRA	Rome	Family	Complete	0
High Rise	LIHTC/PBRA	Rome	Senior	Complete	0
Callier Forest Apartments	LIHTC/PBRA	Rome	Family	Under Renovation	0

- Ashland Park was allocated in 2019 for the acquisition/rehab of 184 LIHTC units targeting families. Construction is expected to be completed in 2020. This property will be located 2.8 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. Renovations will occur with tenants in place and income targeting for this property will not change post-renovation. Thus, Ashland Park will not add any new units to the market. As such, no units are deducted in our demand analysis.
- Three Rivers Apartments, formerly known as Meadow Lane, was allocated in 2017 for the acquisition/rehab of 119 Section 8 and LIHTC units targeting families. This property was built in 1974, and renovations were completed in 2019. This property is located adjacent to the west of the Subject. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. Of its 119 units at the 60 percent of AMI level, 114 will continue to operate with a Section 8 project-based subsidy and will not be considered directly competitive. Three of the 60 percent AMI units are three-bedroom and

one of the 60 percent AMI units are four-bedroom while one unit is a non-revenue unit. As indicated, this is an existing, stabilized property. As such, we have not deducted these units in our demand analysis.

- Altoview Terrace was allocated in 2018 for the development of 66 LIHTC units targeting families, of which 64 units are one, two, and three-bedroom units. Construction is expected to be completed in June 2021. This development will be located 5.6 miles from the Subject site in Rome. The property will offer one, two, three and four-bedroom units restricted to the 50 and 60 percent AMI levels. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, 64 units will be subsidized but that will be considered directly competitive with the Subject as proposed. As such, we deducted these units in our demand analysis in the as proposed scenario.
- Park Homes was allocated in 2017 for the acquisition/rehab of 100 LIHTC units targeting families. Renovations were completed in February 2019. This property is located 4.3 miles from the Subject site in Rome. The property offers one, two, three and four-bedroom units restricted to the 60 percent AMI level. All units are covered by a Rental Assistance Demonstration (RAD) program where all units receive Section 8 project-based rental assistance (PBRA). Since this is a stabilized property, we have not deducted these units in our demand analysis.
- High Rise was allocated in 2017 for the acquisition/rehab of 101 LIHTC units targeting seniors. Renovations were completed in November 2018. This project is located 3.7 miles from the Subject site in Rome. The property will offer efficiency, one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Rental Assistance Demonstration (RAD) program where all units will receive Section 8 project-based rental assistance (PBRA). This is an existing stabilized property with a senior tenancy. As such, we have not deducted these units in our demand analysis.
- Callier Forest Apartments was allocated in 2019 for the acquisition/rehab of 130 LIHTC units targeting families. Construction is expected to be completed in November 2020. This property is located 7.1 miles from the Subject site in Rome. The property will offer one, two, and three-bedroom units restricted to the 60 percent AMI level. All units will be covered by a Section 8 program where all units will receive Section 8 project-based rental assistance (PBRA). Thus, all units will be subsidized. Since this is an existing stabilized property, we have not deducted these units in our demand analysis.

### Georgia Department of Economic Development

We attempted to contact the Rome-Floyd Chamber of Commerce. As of the date of this report, our calls have yet to be returned. However, we were able to retrieve information on business expansions in the area from the Rome-Floyd Chamber of Commerce website.

#### EXPANSIONS/NEW ADDITIONS - FLOYD COUNTY, GA

Employer Name	Industry	Jobs
The Kerry Group	Manufacturing	100
Ball Aluminum Cups	Manufacturing	145
Ball Corporation	Manufacturing	46
Marglen Industries	Admin/Support/Waste Mgmt Svcs	20
<b>Total</b>		<b>311</b>

Source: Rome-Floyd Chamber of Commerce, retrieved May 2020

- The Kerry Group has announced a \$125 million investment for its Rome Plant. This investment will result in the addition of more than 100 new jobs. Construction is expected to be completed in early 2021.
- Ball Aluminum Cups has announced a new manufacturing facility that will be adjacent to Ball's existing aluminum beverage can manufacturing plant in Rome, Georgia, and is expected to ramp up production in the fourth quarter of 2020. Ball plans to hire approximately 145 new employees for the cups facility to support the multi-year investment of approximately \$200 million.

- Additionally, Ball Corporation announced the addition of a fourth production line to the Floyd County Plant. The company will be adding 46 jobs.
- Marglen Industries announced in 2020 that they would add two new lines to its recycling operations. The Marglen project represents a \$17 million investment that will add approximately 20 jobs.

As illustrated, there are several additions in a variety of industries including manufacturing and waste management. There have recently been 311 new jobs announced, which helps to counteract the 439 layoffs in the county since 2018.

# L. CONCLUSIONS AND RECOMMENDATIONS

## CONCLUSIONS

### Demographics

The population in the PMA increased by 3.3 percent between 2010 and 2019, compared to the 3.2 percent increase in the regional MSA and 7.4 percent increase across the overall nation. The current population of the PMA is 101,294 and is expected to be 102,024 in 2021. The current number of households in the PMA is 37,601 and is expected to be 37,886 in 2021. The percentage of renter households in the PMA increased between 2010 and 2019, and is estimated to be 38.1 percent as of 2019. This is more than the estimated 33 percent of renter households across the overall nation. Renter households are concentrated in the lowest income cohorts, with 63.7 percent of renters in the PMA earning less than \$39,999 annually as of 2019. The Subject's LIHTC units will target tenants earning between \$0 and \$38,040 as proposed and \$20,709 to \$38,040 absent subsidy. Overall, the projected growth in the population and households along with the high concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

### Employment Trends

Employment in the PMA is concentrated in the manufacturing, healthcare/social assistance, and e retail trade industries, which collectively comprise 42.1 percent of local employment. The large share of PMA employment in manufacturing and retail trade is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. The effects of the 2007-2009 recession were more pronounced in the MSA, which experienced a 17.0 percent employment contraction, compared to 4.8 percent.

Beginning in March 2020, the international pandemic caused by the COVID-19 coronavirus resulted in governments across the globe taking dramatic efforts to slow the spread and flatten the infection curve in order to reduce the strain on our health care system. Consequently, over the past two months there has been a sharp and dramatic increase in layoffs due to the economic restrictions related to the emergency response. However, governments have passed significant economic stimulus packages to help in offsetting the economic impact. Local governments have begun to lift or loosen restrictions and the stimulus passed thus far has blunted some of the impact from the emergency measures. It remains unclear as to how these measures will impact the housing market long term. However, based on the data available through two months, which indicates some multifamily real estate transactions have continued to close without repricing and rent collection losses during this period have declined less than projected, the governmental response has offset a significant portion of the economic losses presented by the emergency. There is evidence that, despite the significant level of recent layoffs, many other area employers are hiring. Overall, we anticipate that the elevated layoff pace will subside now that economic restrictions have been loosened in the Subject's market area. We believe that the Subject's project-based subsidy on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments).

### Capture Rates

The following table illustrates the demand and capture rates for the Subject's units.

CAPTURE RATE ANALYSIS CHART

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Proposed Rents*
1BR @60%	\$0	\$28,200	20	1,258	16	1,242	1.6%	\$1,035
1BR @60% (Absent Subsidy)	\$20,709	\$28,200	20	473	0	473	4.2%	\$500
2BR @60%	\$0	\$31,740	52	1,258	32	1,226	4.2%	\$600/\$1,100
2BR @60% (Absent Subsidy)	\$25,440	\$31,740	52	455	0	455	11.4%	\$600
3BR @60%	\$0	\$38,040	8	652	16	636	1.3%	\$675/\$1,235
3BR @60% (Absent Subsidy)	\$28,011	\$38,040	8	236	0	236	3.4%	\$675
@60% Overall	\$0	\$38,040	80	3,168	64	3,104	2.6%	-
@60% Overall (Absent Subsidy)	\$20,709	\$38,040	80	1,163	0	1,163	6.9%	-

\*Proposed rents in absent subsidy scenario are the achievable LIHTC rents.

We believe these calculated capture rates are reasonable, particularly as these calculations do not consider demand from outside the PMA or standard rental household turnover. All capture rates for the Subject, as proposed, are within Georgia DCA thresholds. Therefore, we believe there is adequate demand for the Subject.

### Absorption

The following table details regional absorption data in the area. It should be noted that only one of the comparables was able to provide recent absorption data, and thus, we extended our search to other properties throughout the northwest Georgia region.

#### ABSORPTION

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Brentwood Senior Apartments	LIHTC	Senior	2019	70	11
Stone Ridge Apartments	LIHTC	Family	2018	64	64
Burrell Square	LIHTC	Family	2017	84	21
Station 92 at Woodstock	Market	Senior	2015	272	15

Per DCA guidelines, we calculated the absorption to 93 percent occupancy. As illustrated in the previous table, the properties were constructed between 2015 and 2019, and reported absorption rates of 11 to 64 units per month, with an average of 28 units per month. Burrell Square is a family LIHTC development located in Rome, and is included in our rent comparable survey. This property offers 84 units and was fully-occupied within four months. Burrell Square is currently 99 percent occupied and maintains a waiting list. We considered all of the properties but given greatest weight to Burrell Square as it has a generally similar location. The Subject is currently 97.5 percent occupied with two vacant units, both of which are preleased. The Subject and has a waiting list of 38 households for a one-bedroom unit, 36 households for a two-bedroom unit, and 25 households for a three-bedroom unit. Post-renovation, all units at the Subject will continue to operate with rental subsidies and tenants will continue to pay 30 percent of their income towards rent. Therefore, it is likely there will be minimal turnover post-renovation. Based on the information above, we believe the Subject would be able to absorb approximately 15 to 20 units per month, for an absorption period of four to five months if it were hypothetically vacant. It should be noted that construction on the Subject is not anticipated to be completed until November 2021, which is considered outside the primary window from the COVID-19 pandemic.

### Vacancy Trends

The following table illustrates the vacancy rates in the market. Excluded from this table is one LIHTC comparable, Evergreen Village. This property has 16 of its 56 total units off-line for renovations. Prior to renovation, this property was typically 100 percent occupied with a waiting list.

**OVERALL VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashland Park Apartments	LIHTC	Family	184	0	0.0%
Burrell Square	LIHTC	Family	84	1	1.2%
Park Place Apartments*	LIHTC/ Market	Family	60	0	0.0%
Arbor Terrace Apartments	Market	Family	99	0	0.0%
Ashton Ridge	Market	Family	88	3	3.4%
Eastland Court	Market	Family	116	4	3.4%
Guest House Apartments	Market	Family	75	0	0.0%
Hamilton Ridge	Market	Family	48	0	0.0%
Redmond Chase	Market	Family	149	0	0.0%
The Grove At Six Hundred	Market	Family	104	1	1.0%
<b>Total LIHTC</b>			<b>328</b>	<b>1</b>	<b>0.2%</b>
<b>Total Market Rate</b>			<b>679</b>	<b>8</b>	<b>1.3%</b>
<b>Overall Total</b>			<b>1,007</b>	<b>9</b>	<b>0.8%</b>

\*Located outside of the PMA

\*\*Excludes Evergreen Village

Overall vacancy in the market is low at 0.8 percent and total LIHTC vacancy is lower, at 0.2 percent. Of the three stabilized LIHTC properties, two are fully occupied, which is indicative of a supply-constrained market. All LIHTC comparables report waiting lists, but the time to turn the units has increased during the current COVID-19 pandemic. The Subject will exhibit similar to slightly superior condition to the LIHTC comparables upon completion. Therefore, we believe there is adequate demand for the Subject as proposed.

Over the 2017 to 2019 period, the Subject reported a vacancy and collection loss of 2.0 percent to 2.5 percent. As a newly renovated property with a competitive amenity package with subsidies in place for 77 of its 80 units, we anticipate that the Subject would perform with a vacancy rate of three percent or less. Based on these factors, we believe that there is sufficient demand for affordable housing in the market. Since the Subject is an existing property with subsidy on all units, we do not believe it will impact the performance of the existing affordable properties if allocated.

**Strengths of the Subject**

Upon completion of renovations, the Subject will be in good condition and will be considered slightly superior in terms of condition to the majority of the comparable properties. As the demand analysis indicated, there is adequate demand for the Subject with a subsidy in place. Further, the Subject is 97.5 percent occupied and both of the two vacant units are pre-leased from the waiting list. Additionally, the Section 8 HAP contract will continue post-renovation on 77 units, with the current 20-year contract expiring in 2024. As such, qualifying tenants will pay only 30 percent of their household income on rent. All of the current tenants are anticipated to income-qualify for the Subject post-renovation. Further, the existing Subject will not add any units to this market. Overall, we believe that the Subject, as renovated, will effectively compete in this market, given the subsidies in place.

**Conclusion**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The stabilized LIHTC comparables are experiencing a weighted average vacancy rate of 0.2 percent, which is considered very low. Further, all surveyed LIHTC properties report waiting lists for their units and all of the property managers at these comparables report strong demand for affordable housing in the area. Property managers have not reported a notable change in the market as a result of the COVID-19 pandemic. Post-renovation, the Subject will offer washer/dryer appliances, which are not offered at most comparable properties. Although the Subject will not offer an extensive property amenity

package, it is still expected to compete well in this market, given the subsidies in place for 77 of its total 80 units. As a comprehensive renovation of an existing property, the Subject will be in good condition upon completion and will be considered similar to slightly superior in terms of condition to the majority of the comparable properties. Given the Subject's anticipated similar to slightly superior condition relative to the competition and the demand for affordable housing evidenced by low vacancy at LIHTC comparable properties, we believe that the Subject is feasible and will perform well. Further, we believe that the Subject's subsidized operation on the vast majority of its units will make it more likely to weather the current economic challenges due to COVID-19 better than average (as compared with other multifamily developments). The timing of the Subject's construction will further insulate it from the current COVID-19 pandemic.

### **Recommendations**

We recommend the Subject as proposed.

# M. SIGNED STATEMENT REQUIREMENTS

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

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

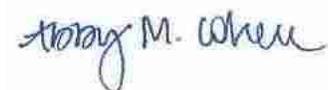
DCA may rely on the representation made in the market study. The document is assignable to other lenders.



H. Blair Kincer, MAI  
Partner  
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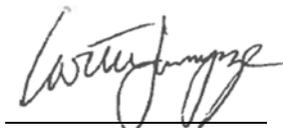
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June 22, 2020

**ADDENDUM A**  
**Assumptions and Limiting Conditions**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the market analyst has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the market analyst did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or market study and are invalid if so used.
11. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the market analyst. Nor shall the market analyst, firm, or professional organizations of which the market analyst is a member be identified without written consent of the market analyst.

12. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional organization with which the market analyst is affiliated.
13. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
14. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
15. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
16. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the market study report.
17. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
18. On all studies, Subject to satisfactory completion, repairs, or alterations, the report and conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time.
19. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the market analyst and contained in this report.
20. The party for whom this report is prepared has reported to the market analyst there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
21. Unless stated otherwise, no percolation tests have been performed on this property. In making the market study, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use.
22. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The market analyst does not warrant the condition or adequacy of such systems.
23. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the property. The market analyst reserves the right to review and/or modify this market study if said insulation exists on the Subject property.
24. Estimates presented in this report are assignable to parties to the development's financial structure.

**ADDENDUM B**  
**Subject and Neighborhood Photographs**

## Photographs of Subject Site and Surrounding Uses



View of Subject



View of Subject



View of Subject



View of Subject



View of Subject



View of attached community building



View of access road to Subject



View south of Lyons Road



Laundry room at Subject



Leasing office at Subject



Typical bedroom at Subject property



Typical bedroom at Subject property



Typical bathroom at Subject property



Typical bathroom at Subject property



Typical kitchen at Subject property



Typical kitchen at Subject property



Typical closet at Subject property



Typical living room at Subject property



Typical living room at Subject property



Typical living room at Subject property



Typical stairway at Subject property



Typical stairway at Subject property



Playground at Subject property



Playground at Subject property



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Single-family home in the Subject's neighborhood



Duplex home in the Subject's neighborhood



Retail Center South of Subject



Retail center southwest of Subject



Medical facility south of Subject



Commercial use south of subject



Pharmacy south of Subject



Storage facility south of Subject

**ADDENDUM C**  
**Qualifications**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

Duquesne University, Pittsburgh, Pennsylvania  
Masters in Business Administration  
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia  
Bachelor of Science in Business Administration  
Graduated Magna Cum Laude

### II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)  
Member, The Counselors of Real Estate (CRE)  
LEED Green Associate  
Member, National Council of Housing Market Analysts (NCHMA)  
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. GA12288 – District of Columbia  
Certified General Real Estate Appraiser, No CG1694 – State of Maine  
Certified General Real Estate Appraiser, No. 1326 – State of Maryland  
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts  
Certified General Real Estate Appraiser, No. 46000039124 – State of New York  
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina  
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania  
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina  
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee  
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia  
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

### III. Professional Experience

**Partner**, Novogradac & Company LLP  
**Vice President/Owner**, Capital Realty Advisors, Inc.  
**Vice President - Acquisitions**, The Community Partners Development Group, LLC  
**Commercial Loan Officer/Work-Out Specialist**, First Federal Savings Bank of Western MD  
**Manager** - Real Estate Valuation Services, Ernst & Young LLP  
**Senior Associate**, Joseph J. Blake and Associates, Inc.  
**Senior Appraiser**, Chevy Chase, F.S.B.  
**Senior Consultant**, Pannell Kerr Forster

#### **IV. Professional Training**

Have presented at and attended various industry conferences regarding the HTC, RETC, NMTC and LIHTC and various market analysis and valuation issues.

Obtained the MAI designation in 1998, maintaining continuing education requirements since. Registered as completing additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings: Commercial
- 3) Valuation of Sustainable Buildings: Residential

#### **V. Real Estate Assignments – Examples**

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered

(LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

The Pennsylvania State University, University Park, PA  
Bachelor of Arts

### II. Licensing and Professional Affiliation

Certified General Appraiser, FL License #RZ4143  
Certified General Appraiser, MD License #40032823  
Certified General Appraiser, NC License #A8127  
Certified General Appraiser, NJ License #42RG00255000  
Certified General Appraiser, SC License #7487

Designated Member of the National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

### III. Professional Experience

Novogradac & Company LLP, Partner  
Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

### IV. Professional Training

7-Hour National USPAP Update for 2020-2021, February 2020  
Appraisal of Fast Food Facilities, February 2020  
Appraisal of Self-Storage Facilities, February 2020  
The Odd Side of Appraisal, February 2020  
Basic Hotel Appraising – Limited Service Hotels, October 2019  
Advanced Hotel Appraising – Full Service Hotels, October 2019  
Appraisal of REO and Foreclosure Properties, October 2019  
Appraisal of Land Subject to Ground Leases, December 2017  
Business Practices and Ethics, January 2017  
General Appraiser Report Writing and Case Studies, February 2015  
General Appraiser Sales Comparison Approach, February 2015  
General Appraiser Site Valuation and Cost Approach, February 2015  
Expert Witness for Commercial Appraisers, January 2015  
Commercial Appraisal Review, January 2015  
Real Estate Finance Statistics and Valuation Modeling, December 2014  
General Appraiser Income Approach Part II, December 2014  
General Appraiser Income Approach Part I, November 2014  
General Appraiser Market Analysis and Highest & Best Use, November 2014  
IRS Valuation Summit, October 2014  
15-Hour National USPAP Equivalent, April 2013  
Basic Appraisal Procedures, March 2013  
Basic Appraisal Principles, January 2013

### V. Publications

Co-authored “Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions,” Novogradac Journal of Tax Credits, March 2016

## VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
BRIAN NEUKAM**

**EDUCATION**

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

**State of Georgia Certified General Real Property Appraiser No.329471**

**State of North Carolina Certified General Appraiser No. 8284**

**State of South Carolina Certified General Appraiser No. 7493**

**State of Illinois Certified General Appraiser No. 553.002704**

**PROFESSIONAL TRAINING**

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

**EXPERIENCE**

**Novogradac & Company LLP, Manager, December 2016-present**

Novogradac & Company LLP, Senior Real Estate Analyst, September 2015- December 2016

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

**REAL ESTATE ASSIGNMENTS**

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income-producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## Robert C. Edwards

### I. Education

George Washington University  
Master of Business Administration, Finance and Investments

St. Bonaventure University  
Bachelor of Science, Economics

### II. Licensure

District of Columbia Certified General Appraiser, License Number GA12355  
Kentucky Certified General Real Property Appraiser, License Number 5235  
Maryland Certified General Real Property Appraiser, License Number 40033019  
Michigan Certified General Appraiser, License Number 1201075824  
New York Certified Real Estate General Appraiser, License Number 46000052142  
Ohio Certified General Appraiser, License Number ACGO.2018000555  
Pennsylvania Certified General Appraiser, License Number GA004299  
Virginia Certified General Appraiser, License Number 4001017477

### III. Professional Experience

Senior Real Estate Analyst, Novogradac & Company LLP, Bethesda, MD  
Senior Associate, Associated Real Estate Advisors, Bethesda, MD  
Review Appraiser, PNC Bank, Pittsburgh, PA  
Project Director, Delta Associates, Alexandria, VA

### IV. Real Estate Assignments

- Provided appraisal assistance on a wide variety of properties including multifamily developments, office, industrial, retail, vacant land, special-use, and proposed new construction. Performed site inspections, and conducted in-depth property, economic and market data research, expense analyses, and revenue projections. Have also reviewed appraisals by others for compliance.
- Performed market studies on over 350 multifamily properties in 47 states, specializing with the Low-Income Housing Tax Credit program. Have also performed analyses on multifamily properties that are HUD subsidized or operated under the USDA Rural Development program. Specialized housing types such as single-room-occupancy, disabled, veterans, and Native American housing, have also been analyzed. Also have provided assistance on over 200 appraisals and over 40 rent comparability studies of multifamily properties.

### V. Professional Training

15-Hour National USPAP Equivalent, 2015  
Basic Appraisal Procedures, 2015  
Basic Appraisal Principals, 2015  
General Appraiser Market Analysis Highest and Best Use, 2016  
Real Estate Statistics and Valuation Modeling, 2016  
General Appraiser Report Writing and Case Studies, 2016  
General Appraiser Sales Comparison Approach, 2016  
General Appraiser Site Valuation and Cost Approach, 2016  
General Appraiser Income Approach, 2016

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## CARTER S. SWAYZE

### I. Education

University of Mississippi - (Ole Miss)  
Bachelor in Business Administration, Managerial Finance  
Bachelor in Business Administration, Banking Finance  
*Cum Laude*

### II. Professional Experience

Junior Analyst, *Novogradac & Company LLP* – February 2020 - Present  
Analyst – Equities Trading, *UBS Investment Bank* – June 2018 – December 2019  
Investment Banking Summer Analyst, *Marlin & Associates* – May 2017 – August 2017

### III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing markets studies of proposed and existing Low-Income Housing Tax Credit (LIHTC) properties.
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and Housing Choice Voucher information.
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

**ADDENDUM D**  
**Summary Matrix**

**SUMMARY MATRIX**

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
<b>Subject</b>	Spring Grove Apartments 66 Lyons Drive Rome, GA 30165 Floyd County	-	Garden 2-stories 1978 / 2021 Family	Section 8	1BR / 1BA	20	25.0%	627	@60% (Section 8)	\$1,035	N/A	Yes	N/A	N/A
					2BR / 1BA	1	1.3%	760	@60%	\$600	No	N/A	N/A	
					2BR / 1BA	51	63.8%	760	@60% (Section 8)	\$1,100	N/A	Yes	N/A	N/A
					3BR / 1BA	2	2.5%	996	@60%	\$675	N/A	No	N/A	N/A
					3BR / 1BA	6	7.5%	996	@60% (Section 8)	\$1,235	N/A	Yes	N/A	N/A
					<u>80</u>							2	2.5%	
1	Ashland Park Apartments 10 Ashland Park Boulevard NE Rome, GA 30165 Floyd County	2.8 miles	Garden 3-stories 2005 / n/a Family	@60%	1BR / 1BA	24	13.0%	874	@60%	\$540	No	Yes	0	0.0%
					2BR / 2BA	88	47.8%	1,149	@60%	\$617	No	Yes	0	0.0%
					3BR / 2BA	72	39.1%	1,388	@60%	\$680	No	Yes	0	0.0%
						<u>184</u>								
2	Burrell Square 425 Cherokee Street Rome, GA 30161 Floyd County	3.8 miles	Various 3-stories 2017 / n/a Family	@50%, @60%	1BR / 1BA	13	15.5%	750	@50%	\$374	No	Yes	0	0.0%
					1BR / 1BA	9	10.7%	750	@60%	\$486	No	Yes	0	0.0%
					2BR / 2BA	4	4.8%	1,050	@50%	\$470	No	Yes	0	0.0%
					2BR / 2BA	37	44.1%	1,050	@60%	\$580	No	Yes	1	2.7%
					3BR / 2BA	4	4.8%	1,250	@50%	\$525	No	Yes	0	0.0%
	<u>84</u>											1	1.2%	
3	Evergreen Village 110 Evergreen Lane Cedartown, GA 30125 Polk County	16.5 miles	Garden 2-stories 1999 / n/a Family	@50%, @60%	1BR / 1BA	8	14.3%	756	@50%	\$394	No	Yes	N/A	N/A
					1BR / 1BA	8	14.3%	756	@60%	\$399	No	Yes	N/A	N/A
					2BR / 1BA	10	17.9%	915	@50%	\$461	No	Yes	N/A	N/A
					2BR / 1BA	10	17.9%	915	@60%	\$498	No	Yes	N/A	N/A
					3BR / 2BA	10	17.9%	1,136	@50%	\$517	No	Yes	N/A	N/A
					3BR / 2BA	10	17.9%	1,136	@60%	\$537	No	Yes	N/A	N/A
	<u>56</u>											16	28.6%	
4	Park Place Apartments 800 Park Place Circle Rockmart, GA 30153 Polk County	23.6 miles	Garden 3-stories 2003 / n/a Family	@50%, @60%, Market	1BR / 1BA	8	13.3%	677	@50%	\$400	No	Yes	N/A	N/A
					1BR / 1BA	2	3.3%	677	@60%	\$411	No	Yes	N/A	N/A
					1BR / 1BA	2	3.3%	677	Market	\$505	N/A	Yes	N/A	N/A
					2BR / 1BA	14	23.3%	883	@50%	\$466	No	Yes	N/A	N/A
					2BR / 1BA	5	8.3%	883	@60%	\$481	No	Yes	N/A	N/A
					2BR / 1BA	5	8.3%	883	Market	\$610	N/A	Yes	N/A	N/A
					3BR / 2BA	14	23.3%	1,100	@50%	\$525	No	Yes	N/A	N/A
					3BR / 2BA	5	8.3%	1,100	@60%	\$581	No	Yes	N/A	N/A
					3BR / 2BA	5	8.3%	1,100	Market	\$654	N/A	Yes	N/A	N/A
						<u>60</u>								
5	Arbor Terrace Apartments 50 Chateau Drive SE Rome, GA 30161 Floyd County	6.1 miles	Various 2-stories 1971 / 2018 Family	Market	1BR / 1BA	10	10.1%	560	Market	\$644	N/A	Yes	N/A	N/A
					1BR / 1BA	9	9.1%	680	Market	\$670	N/A	Yes	N/A	N/A
					2BR / 1.5BA	64	64.7%	1,190	Market	\$851	N/A	Yes	N/A	N/A
					3BR / 2BA	16	16.2%	1,320	Market	\$964	N/A	Yes	N/A	N/A
	<u>99</u>											0	0.0%	
6	Ashton Ridge 2522 Callier Springs Road Rome, GA 30161 Floyd County	5.5 miles	Garden 2-stories 1999 / 2020 Family	Market	1BR / 1BA	14	15.9%	708	Market	\$795	N/A	No	N/A	N/A
					2BR / 2BA	37	42.1%	933	Market	\$942	N/A	No	N/A	N/A
					3BR / 2BA	37	42.1%	1,134	Market	\$1,040	N/A	No	N/A	N/A
	<u>88</u>											3	3.4%	
7	Eastland Court 40 Chateau Drive Rome, GA 30161 Floyd County	6.1 miles	Garden 4-stories 2005/2007 / n/a Family	Market	1BR / 1BA	21	18.1%	804	Market	\$995	N/A	No	0	0.0%
					1BR / 1BA	4	3.5%	919	Market	\$1,145	N/A	No	0	0.0%
					2BR / 2BA	68	58.6%	1,056	Market	\$1,177	N/A	No	4	5.9%
					3BR / 2BA	23	19.8%	1,516	Market	\$1,365	N/A	No	0	0.0%
	<u>116</u>											4	3.4%	
8	Guest House Apartments 48 Chateau Drive Rome, GA 30161 Floyd County	6.1 miles	Various 2-stories 1989 / 2002/2019 Family	Market	1BR / 1BA	59	78.7%	550	Market	\$785	N/A	Yes	0	0.0%
					2BR / 1.5BA	16	21.3%	1,100	Market	\$992	N/A	Yes	0	0.0%
	<u>75</u>											0	0.0%	
9	Hamilton Ridge 72 Hamilton Avenue Rome, GA 30165 Floyd County	2.8 miles	Garden 3-stories 2002 / n/a Family	Market	1BR / 1BA	20	41.7%	532	Market	\$695	N/A	No	0	0.0%
					2BR / 1BA	20	41.7%	1,000	Market	\$852	N/A	No	0	0.0%
					3BR / 1BA	8	16.7%	1,300	Market	\$1,015	N/A	No	0	0.0%
	<u>48</u>											0	0.0%	
10	Redmond Chase 1349 Redmond Circle Rome, GA 30165 Floyd County	1.7 miles	Various 2-stories 1968 / 2017 Family	Market	1BR / 1BA	N/A	N/A	750	Market	\$750	N/A	No	0	N/A
					2BR / 1BA	N/A	N/A	950	Market	\$815	N/A	No	0	N/A
					2BR / 1.5BA	N/A	N/A	1,150	Market	\$881	N/A	No	0	N/A
					3BR / 2BA	N/A	N/A	1,150	Market	\$965	N/A	No	0	N/A
	<u>149</u>											0	0.0%	
11	The Grove At Six Hundred 600 Redmond Road NW Rome, GA 30165 Floyd County	2.2 miles	Townhouse 2-stories 1974 / 2017 Family	Market	2BR / 1.5BA	88	84.6%	1,120	Market	\$870	N/A	No	1	1.1%
					3BR / 2BA	16	15.4%	1,320	Market	\$1,195	N/A	No	0	0.0%
	<u>104</u>											1	1.0%	

**ADDENDUM E**  
**Subject Floor Plans**

