



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

**THE VILLAGE AT WINDING ROAD
North of the Intersection of Kings Bay Road and County Road 78
St. Mary's, Camden County, Georgia**

**Effective Date: April 26, 2007
Report Date: June 15, 2011**

Prepared For

**Mr. William H. Gross
Kingsland I and III
PO Box 365
Kingsland, Georgia 31548**

Prepared By

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**NOVOGRADAC
& COMPANY** LLP
CERTIFIED PUBLIC ACCOUNTANTS

June 15, 2011

Mr. William H. Gross
Kingsland I and III
PO Box 365
Kingsland, Georgia 31548

Re: Market Study for The Village at Winding Road in St. Mary's, Georgia

Dear Mr. Gross:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the St. Mary's, Camden County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of the proposed The Village at Winding Road, a Housing for Older Persons (HFOP) development consisting of 50 units. Units will be restricted to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less. Additionally, ten percent of the units will be unrestricted. 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 the Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed 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 proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

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 was 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.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company, LLP can be of further assistance. It has been our pleasure to assist you with this project.

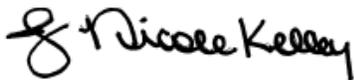
Respectfully submitted,



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Michalena M. Sukenik
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Real Estate Analyst



Kristina V. Garcia
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ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant 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 consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. 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.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. 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.
6. 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.
7. 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. 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 consultant 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.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
9. 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 appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. 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.
12. 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.
13. 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 appraisal report.
14. 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 conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. 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 consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant 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.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. 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 appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

The Village at Winding Road, the Subject, is a proposed senior development to be located north of the intersection of Kings Bay Road and County Road 78 in St. Mary's, Camden County, Georgia. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

NOVOCO PROPOSED RENTS AND UNIT MIX

Unit Type	Number of Units	Square Footage	Asking Rent	Utility Allowance (1)	Gross Rent	2011 LIHTC Maximum Allowable Gross Rent	2011 HUD Fair Market Rents
<i>50% AMI</i>							
1BR/1BA	3	860	\$380	\$142	\$522	\$551	\$558
2BR/2BA	5	1,060	\$445	\$180	\$625	\$662	\$672
<i>60% AMI</i>							
1BR/1BA	13	860	\$410	\$142	\$552	\$662	\$558
2BR/2BA	29	1,060	\$485	\$180	\$665	\$795	\$672
Total	50						

Notes (1) Source of Utility Allowance provided by developer.

The Subject will offer the following amenities: blinds, carpeting, central air conditioning, pull cords, hand rails, dishwashers, ovens/stoves, refrigerators, a community room, a central laundry facility, an on-site management office, off-street parking, a business center, recreation areas, and an exercise facility. The Subject's amenities will be competitive with those offered at the comparable properties.

2. Site Description/Evaluation:

The Subject site is located on the eastern side of County Road 78. Immediate surrounding uses consist of wooded land to the north and west, a church to the east, and a childcare to the south. Medical offices and a pharmacy are located further south of the Subject site along County Road 78. Kings Bay Road, which is located approximately 0.3 miles south of the site, also contains a variety of retail and commercial uses. Retail in the area consists of a Dollar General, a convenience store, and a Wal-Mart Super Center. These uses are in generally good condition and are 90 to 95 percent occupied. Overall, the Subject site is considered a desirable location for senior rental housing as

it is located within close proximity to amenities such as medical care and retail.

3. Market Area Definition:

The Subject's PMA is defined as the Satilla River and Georgia Highway 110 to the north, the Camden County line to the east, the Florida/Georgia state line to the south, and Spanish Creek Road to the west. The furthest PMA boundary from the Subject site is approximately 27.5 miles.

4. Community Demographic Data:

As of 2010, there were 5,857 seniors within the PMA and this number is expected to increase by 4.3 percent between 2010 and July 2013. This growth is strong and bodes well for the Subject, which will target senior tenants. As of 2010, 77.58 percent of seniors in the PMA were homeowners, compared to 22.42 percent renters. Although the majority of seniors in the PMA are homeowners, the percentage of senior renter households in the PMA is still well above the national average of 13 percent. Our demographic analysis indicates that approximately 28.7 percent of seniors in the PMA are earning between \$10,000 and \$29,999 annually. The majority of the seniors in these income cohorts will income qualify for the Subject's units and will create demand for the newly constructed Subject.

As of April 2011, there were only 18 foreclosed properties in the PMA. One in every 522 housing units received a foreclosure filing in the city of St. Marys and one in every 520 housing units received a filing within the county. This is a slightly higher average than the nation, but it is below the state average for Georgia.

5. Economic Data:

Covered employment levels in Camden County increased from 2004 to 2007, but decreased from 2008 through 2010. In 2009, Camden County experienced its highest employment loss of 4.02 percent and then another 6.45 percent in 2009. As of September 2010, the county has lost an additional 4.99 percent of jobs. Within the MSA unemployment decreased slightly in 2006 and in 2007 remained the same. However, from 2008 to 2009 employment decreased within the MSA. Unemployment increased from 2008 through 2010. The April 2011 year to date average indicates that unemployment has not increased. However, from 2010 to April 2011, at least 749 jobs have been lost. Year over form March 2010 to March 2011 employment has decreased by 0.4 percent though. The Camden County Joint Development Authority has

noted expansions in the county, but has been unable to provide exact employment figures. Express Scripts, Johnson Gas, Electric Boat Co, Aerospace Missions and Beach tent Company have all expanded within the last year. This will have a positive economic impact on the general MSA.

The largest industries in the County are the trade, transportation, and utilities industries, with 24.3 percent employment. These industries are followed by the leisure and hospitality and professional/business services industries. The percentage of people employed in the educational services, public administration, and accommodation/food services industries is much higher within the County than the nation.

From 2008 to 2010, total employment losses in the MSA were significantly above the national averages. The decreasing total employment is due to layoffs in the services industries (accommodation/food services and healthcare). However, the local economy appears to be improving as year to date numbers indicate that total employment losses in the MSA are significantly lower than in 2009 and 2010. Although the major employers in the area account for a large percentage of the County's employment, these employers are in industries such as public administration (military) and educational services, which are typically regarded as comparatively stable industries.

6. Project-Specific Affordability And Demand Analysis:

The following table summarizes the demand analysis for the Subject's 50 proposed units.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR 50%	\$15,660-\$23,550	3	111	0	111	2.7%
2BR 50%	\$18,760-\$23,550	5	76	0	76	6.6%
50% Overall	\$15,660-\$23,550	-	187	0	187	4.3%
1BR 60%	\$16,560-\$28,260	13	147	0	147	8.9%
2BR 60%	\$19,950-\$28,260	29	101	0	101	28.8%
60% Overall	\$16,560-\$28,260	-	247	0	247	17.0%
Overall Project	\$15,660-\$28,260	50	275	0	275	18.2%

Our demand analysis illustrates that there are a total of 248 income qualified renter households in the PMA. The

Subject's capture rates at the 50 and 60 percent AMI levels as well as the overall capture rate are within DCA threshold requirements and indicate demand for the Subject. There are currently no senior properties in the PMA that operate without an additional subsidy. Property managers at the four family LIHTC comparables all indicated having senior tenants, and management at Ashton Cove reported that approximately 50 percent of their tenants are seniors and half of the tenants on their 250 household waiting list are seniors. This indicates a need for age restricted rental housing in the market.

As proposed, the Subject will offer 16 one-bedroom units and 34 two-bedroom units. Management at Ashton Cove Apartments indicated that 50 percent of their tenants are seniors and that many of their senior tenants are renting two-bedroom units, as they prefer the additional space. The Subject's proposed two-bedroom 50 percent AMI rents are \$19 below the current two-bedroom rents at Ashton Cove and its proposed two-bedroom 60 percent AMI rents are only \$21 above the current two-bedroom 50 percent AMI rents at Ashton Cove. Therefore it is likely that seniors will also choose to rent the two-bedroom units at the Subject given its new construction design, large unit sizes, and competitive rents. Overall, we believe there is adequate demand in the local market for the Subject as proposed.

7. Competitive Rental Analysis: All properties in the PMA that target senior tenants have an additional subsidy and therefore have been excluded from our analysis. Due to the lack of senior data, we have included four family LIHTC comparables in our analysis. All four properties are located in the Kingsland/St. Mary's area and are between 2.6 and 6.8 miles from the Subject site. All four of the LIHTC comparables reported having senior tenants. While three of the comparables reported senior tenancies between two and 11 percent, Ashton Cove reported a senior tenancy of 50 percent and management indicated that many of these seniors are renting the property's two-bedroom units. We have also included four market rate comparables in our analysis. All four comparables target families and are located in St. Mary's. Most of the comparables reported having a small number of senior tenants. While the availability of family LIHTC and market rate data is considered good, senior data is very limited in the PMA.

As proposed, the Subject will offer 50 units restricted to seniors 55 and older who are earning 50 and 60 percent of the AMI, or less. The Subject's unit mix will consist of 16 one-bedroom units and 34 two-bedroom units. The Subject's proposed 50 percent AMI rents will be similar to the current rents at the comparables while its proposed 60 percent AMI rents will be the lowest in the market and will offer a significant rent advantage.

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison. Average market rents at the 50 percent AMI level are \$535 and \$568 for the one- and two-bedroom units, respectively, and average market rents at the 60 percent AMI level are \$562 and \$621 for the one- and two-bedroom rents, respectively. The Subject's proposed rents are significantly below the market averages and have a 28 to 41 percent rent advantage when compared to the average market rents.

A large portion of the Subject's units will be two-bedroom units. Management at Ashton Cove indicated that many of its senior tenants are currently renting two-bedroom units and they prefer two-bedroom units due to the extra space. The Subject's two-bedroom units will be the largest in the market at 1,060 square feet. Additionally, its 50 percent AMI units have a rent per square foot of \$0.42, which is among the lowest in the market. The Subject's 60 percent AMI two-bedroom units have a rent per square foot of \$0.46. The comparable properties that offer two-bedroom 60 percent AMI units have a rent per square foot between \$0.56 and \$0.63 per unit. The Subject's large units and comparatively low rent per square foot also add to the marketability of the Subject's two-bedroom units and we believe that the Subject's 34 proposed two-bedroom units will be successful in the market.

Overall vacancy in the market is high at 13.30 percent; however, vacancy among the LIHTC comparables is much lower at 5.49 percent, and three of the four LIHTC

comparables have vacancy rates between zero and five percent. The high overall vacancy rate is due to the conventional rental properties, which have a large military tenancy as a result of the naval base in St. Marys. Property managers reported that deployments occur several times a year and vacancy rates increase significantly as a direct result. Military tenants do not qualify to live at LIHTC properties. Therefore, the LIHTC market is more stable than the conventional rental market. Management at the LIHTC property Ashton Cove reported that 50 percent of their current tenants are seniors and approximately half of the households on their 250 household waiting list are seniors. The large number of seniors on the waiting list at this property indicates demand for LIHTC housing in the PMA and we believe that the Subject will maintain a vacancy rate of five percent or less following stabilization.

8. Absorption/Stabilization Estimate:

The property manager at Kings Grant Apartments (formerly Kingsland II) reported that the property began leasing at the end of March 2009 and was stabilized by the end of August 2009. This illustrates an absorption rate of 12 units per month, or five months. Management at the family LIHTC property Ashton Cove reported that 50 percent of their tenants are seniors and that there are a significant number of seniors on their waiting list. All LIHTC property managers reported that a senior LIHTC property containing 50 to 70 units would be successful in the local market. Given the stated need for senior LIHTC housing, we have estimated that the 50 unit Subject will lease approximately eight units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within six months.

9. Overall Conclusion:

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a 50 unit senior LIHTC development in the area. There are no senior LIHTC properties in the PMA that operate without an additional subsidy; however, all four of the family LIHTC comparables indicated having senior tenants. Management at Ashton Cove reported that 50 percent of the tenants at the property are seniors and that approximately half of the households on their 250 household waiting list are seniors. Additionally, management reported that many of their senior tenants are renting two-bedroom units because they prefer the extra space and management believes that two-bedroom units would be successful at a senior property in

the local market. Given the large number of seniors on their waiting list, management at Ashton Cove does not believe that a new senior property in the market would impact their performance.

All four LIHTC property managers reported a need for senior LIHTC housing in the PMA. As new construction, the Subject will be slightly superior to superior to the majority of the existing rental housing in the area and it will also offer the largest units in the market. The Subject's proposed 50 percent AMI rents are similar to those being offered at the comparables while the Subject's proposed 60 percent AMI rents will be the lowest in the market. The Subject's large unit sizes and mid to low range rents yield a low rent per square foot for the Subject's units. This low rent per square foot indicates a significant price value relationship for the Subject and will help to attract senior tenants. The Subject's proposed rents will have a sizeable advantage of 28 to 41 percent over the average market rents, further indicating the Subject's affordability in the local market. Overall, given the stated need for senior LIHTC units in the market and the Subject's new construction design and competitive rents, we believe that the Subject will be successful in the local market as proposed.

Summary Table:

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

Development Name:	The Village at Winding Road	Total # Units: 50
Location:	CR 78 & Kings Bay Road, St. Mary's, GA	# LIHTC Units: 50
PMA Boundary:	North: Satilla River & GA Hwy 110, East: Camden County Line, South: Florida/Georgia state line,	
West: Spanish Creek Road	Farthest Boundary Distance to Subject:	27.5 miles

RENTAL HOUSING STOCK (found on page 86)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	8	1,064	142	86.7%
Market-Rate Housing	4	718	123	82.9%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	N/Ap
LIHTC	4	346	19	94.5%
Stabilized Comps	8	1,064	142	86.7
Properties in Construction & Lease Up	0	0	0	N/Ap

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF*	Advantage	Per Unit	Per SF
3	1BR 50%	1	860	\$380	\$535	\$0.71	41%	\$735	\$0.97
13	1BR 60%	1	860	\$410	\$562	\$0.75	37%	\$735	\$0.97
5	2BR 50%	2	1,060	\$445	\$568	\$0.59	28%	\$920	\$0.89
29	2BR 60%	2	1,060	\$485	\$621	\$0.64	28%	\$920	\$0.89

*Based on Average Square Footage of All Comps

DEMOGRAPHIC DATA (found on pages 50)

	2000		2010		2013	
Renter Households	501	20.82%	811	22.42%	947	23.08%
Income-Qualified Renter HHs (LIHTC)	131	26.2%	212	26.2%	248	26.2%
Income-Qualified Renter HHs (MR) (if applicable)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on pages 44, 47, 50)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall
Renter Household Growth		80	106			117
Existing Households (Overburdened + Substandard)		86	114			126
Homeowner conversion (Seniors)		16	20			25
Secondary Market Area Demand		15	20			23
Less Comparable/Competitive Supply		0	0			0
Net Income-qualified Renter HHs*		197	260			291

CAPTURE RATES (found on page 45, 48, 51)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate		4.3%	17.0%			18.2%

*Does not match demand analysis as this does not take into account bedroom types and persons per household.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

**Project Address and
Development Location:**

The Subject site is located north of the intersection of Kings Bay Road and County Road 78 in St. Mary's, Camden County, Georgia.

Construction Type:

The Subject will be a newly constructed senior development restricted to households 55 and older. It will consist of 13 single story residential buildings and one non-residential building. All buildings will have a brick and vinyl exterior.

Occupancy Type:

HFOP (55+).

Special Population Target:

None.

**Number of Units by Bedroom
Type and AMI Level:**

See following property profile.

Unit Size:

See following property profile.

Structure Type:

See following property profile.

Rents and Utility Allowances:

See following property profile.

**Existing or Proposed
Project Based Rental Assistance:**

None of the units will operate with Project-Based Rental Assistance.

Proposed Development Amenities: See following property profile.

The Village at Winding Road, St. Mary's, GA; Market Study

The Village At Winding Road											
Comp #	Subject										
Effective Rent Date	6/7/2011										
Location	CR 78 St. Mary's, GA 31548 Camden County (verified)										
Distance	2.8 miles										
Units	50										
Vacant Units	N/A										
Vacancy Rate	N/A										
Type	One-story (age-restricted)										
Year Built / Renovated	2013										
											
Market											
Program	50%, 60%					Leasing Pace	n/a				
Annual Turnover Rate	N/A					Change in Rent (Past Year)	n/a				
Units/Month Absorbed	n/a					Concession					
Section 8 Tenants	N/A										
Utilities											
A/C	not included -- central					Other Electric	not included				
Cooking	not included -- electric					Water	not included				
Water Heat	not included -- electric					Sewer	not included				
Heat	not included -- electric					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	One-story	3	860	\$380	\$0	50%	n/a	N/A	N/A	no
1	1	One-story	13	860	\$410	\$0	60%	n/a	N/A	N/A	no
2	2	One-story	5	1,060	\$445	\$0	50%	n/a	N/A	N/A	no
2	2	One-story	29	1,060	\$485	\$0	60%	n/a	N/A	N/A	no

The Village at Winding Road, St. Mary's, GA; Market Study

Amenities			
In-Unit	Balcony/Patio Blinds Carpeting Central A/C Dishwasher Hand Rails Oven Pull Cords Refrigerator	Security	none
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Recreation Areas	Premium	none
Services	none	Other	none
Comments			
Net rents for the Subject will be \$380 and \$445 for the Subject's one- and two-bedroom 50 percent AMI units and \$410 and \$485 for its one- and two-bedroom 60 percent AMI units. Utility allowances will be \$142 and \$180 for a one- and two-bedroom unit, respectively. Gross rents for the Subject are as follows: \$522 and \$625 for a one- and two-bedroom 50 percent AMI unit and \$552 and \$665 for a one- and two-bedroom 60 percent AMI unit.			

- Scope of Renovations:** N/Ap.
- Current Rents:** N/Ap.
- Current Occupancy:** N/Ap.
- Current Tenant Income:** N/Ap.
- Placed in Service Date:** Construction on the Subject is estimated to be completed by July 2013.
- Conclusion:** The Subject will be an excellent quality brick and vinyl siding apartment community consisting of single story buildings. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence. The Subject will offer the largest one- and two-bedroom units in the market. The Subject's large units will add to its marketability.

C. SITE EVALUATION

1. Date of Site Visit and Name of Site Inspector:

Kristina Garcia visited the site on May 12, 2011.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

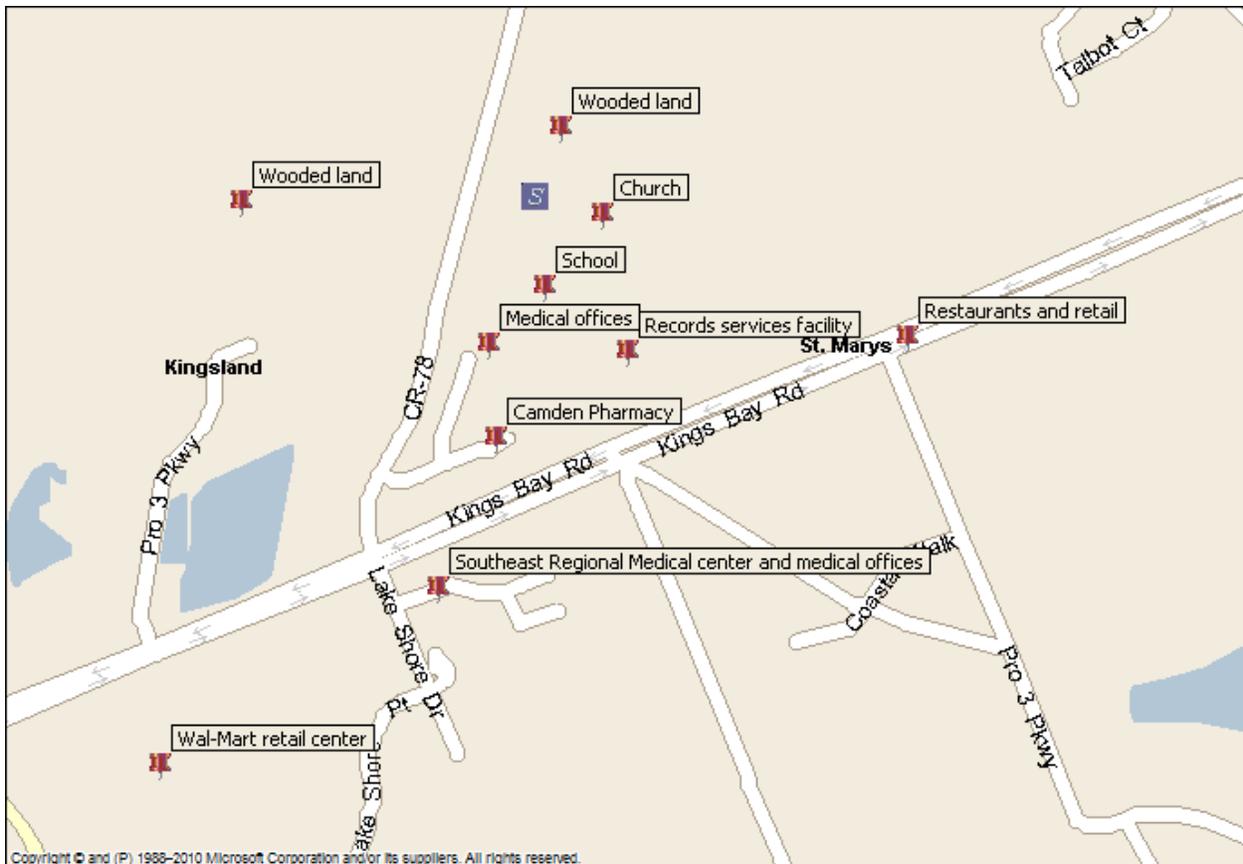
The Subject site has frontage along the eastern side of County Road 78.

Visibility/Views:

The Subject site is located on the eastern side of County Road 78 and has good visibility and views.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject site is located on the eastern side of County Road 78. Immediate surrounding uses consist of wooded land to the north and west, a church to the east, and a childcare to the south. Medical offices and a pharmacy are located further south of the Subject site along County Road 78. Kings Bay Road, which is located approximately 0.3 miles south of the site, also contains a variety of retail and commercial uses. Retail in the area consists of a Dollar

General, a convenience store, and a Wal-Mart. These uses are in generally good condition and are 90 to 95 percent occupied. Overall, the Subject site is considered a desirable location for senior rental housing as it is located within close proximity to amenities such as medical care and retail.

Positive/Negative Attributes of Site: The Subject site is desirable as it is located within close proximity to medical offices, retail, and other locational amenities. We did not witness any negative attributes during our field work.

3. Physical Proximity to Locational Amenities:

The Subject site is located north of the intersection of CR-78 and Kings Bay Road. The site is easily accessible and is located west of Charlie Smith Sr. Highway, north of Kings Bay Rd. and GA Highway 40, and southeast of Colerain Rd. It is also located about six miles from Interstate 95. The Subject will have access to main routes within a mile radius. Additionally, all amenities are less than five miles from the Subject site, with the exception of the police department which is 5.4 miles from the site. Neighborhood retail, including a pharmacy and a grocery store, are within two miles of the Subject site. The Kings Bay Naval Base, an employment hub is 4.8 miles east of the site. The Subject will also be located within close proximity to the hospital and medical offices, which is a strength considering its senior tenancy. Overall, access and traffic flow are good and the Subject site is considered desirable for a senior rental development.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View north on County Road 78



View south on County Road 78



View of church east of Subject site



View of school south of Subject site



Wooded land north



Wooded land west



Wal-Mart south



Medical facility south



Pharmacy south



Daycare facility adjacent to site



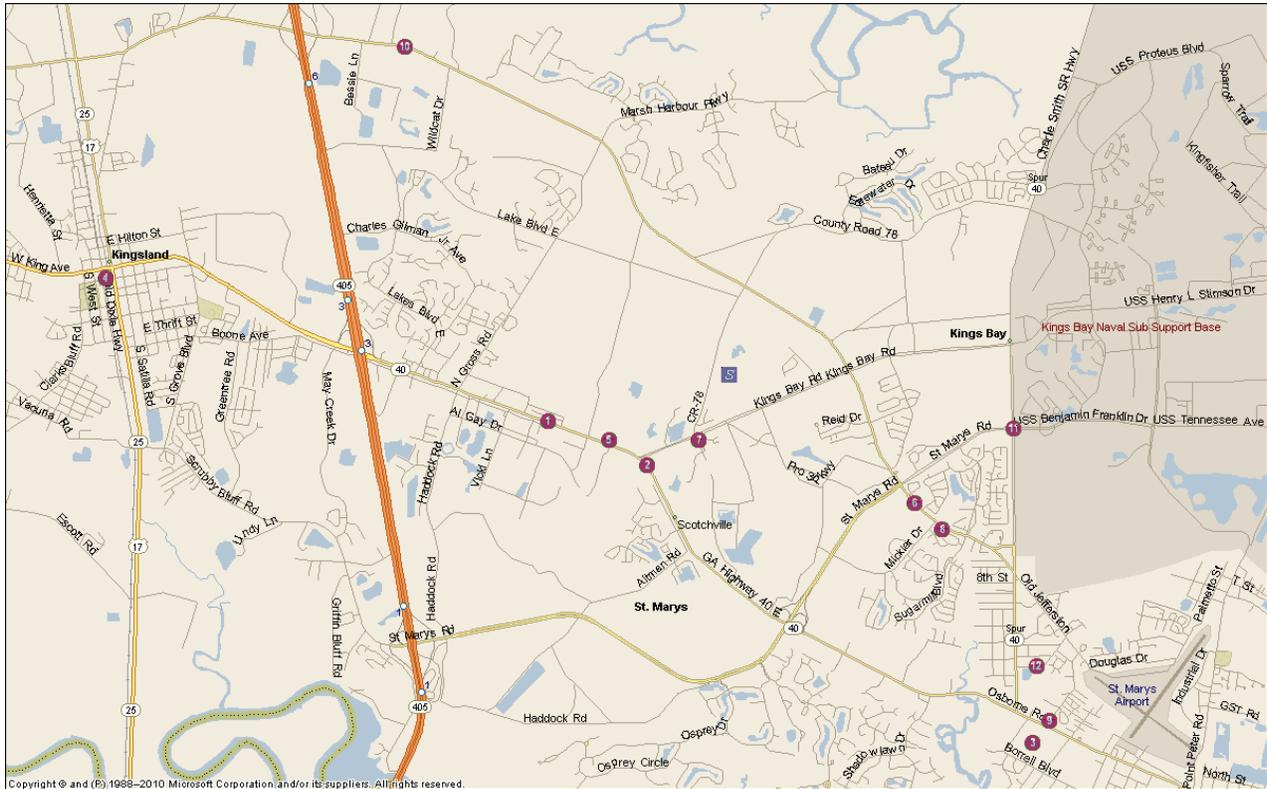
Retail southeast



Commercial south

5. Proximity to Locational Amenities:

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



Locational Amenities

Map #	Amenity	Type of Service	Distance from Subject
1	Publix Supermarket	Grocer	1.7 miles
2	Wal-Mart Supercenter	Retail	1.1 miles
3	City of St. Mary's Library	Library	4.9 miles
4	Kingsland Police Department	Police	5.4 miles
5	Walgreens Pharmacy	Pharmacy	1.3 miles
6	St. Mary's Fire Station	Fire	3.0 miles
7	Southeast GA Health System	Hospital	0.6 miles
8	Mary Lee Clark Elementary School	Elementary School	3.8 miles
9	St. Marys Middle School	Middle School	4.3 miles
10	Camden County High School	High School	4.9 miles
11	Kings Bay Naval Submarine Base	Employment Center	3.8 miles
12	St. Marys Senior Center	Senior Center	4.9 miles
N/A	N/A/v	Public Transportation	N/A

6. Description of Land Uses:

The Subject site is located on the eastern side of County Road 78. Immediate surrounding uses consist of wooded land to the north and west, a church to the east, and a childcare to the south. Medical offices and a pharmacy are located further south of the Subject site along County Road 78. Kings Bay Road, which is located approximately 0.3 miles south of the site, also contains a variety of retail and

commercial uses. Retail in the area consists of a Dollar General, a convenience store, and a Wal-Mart. These uses are in generally good condition and are 90 to 95 percent occupied. Overall, the Subject site is considered a desirable location for senior rental housing as it is located within close proximity to amenities such as medical care and retail.

7. Multifamily Residential within Two Miles:

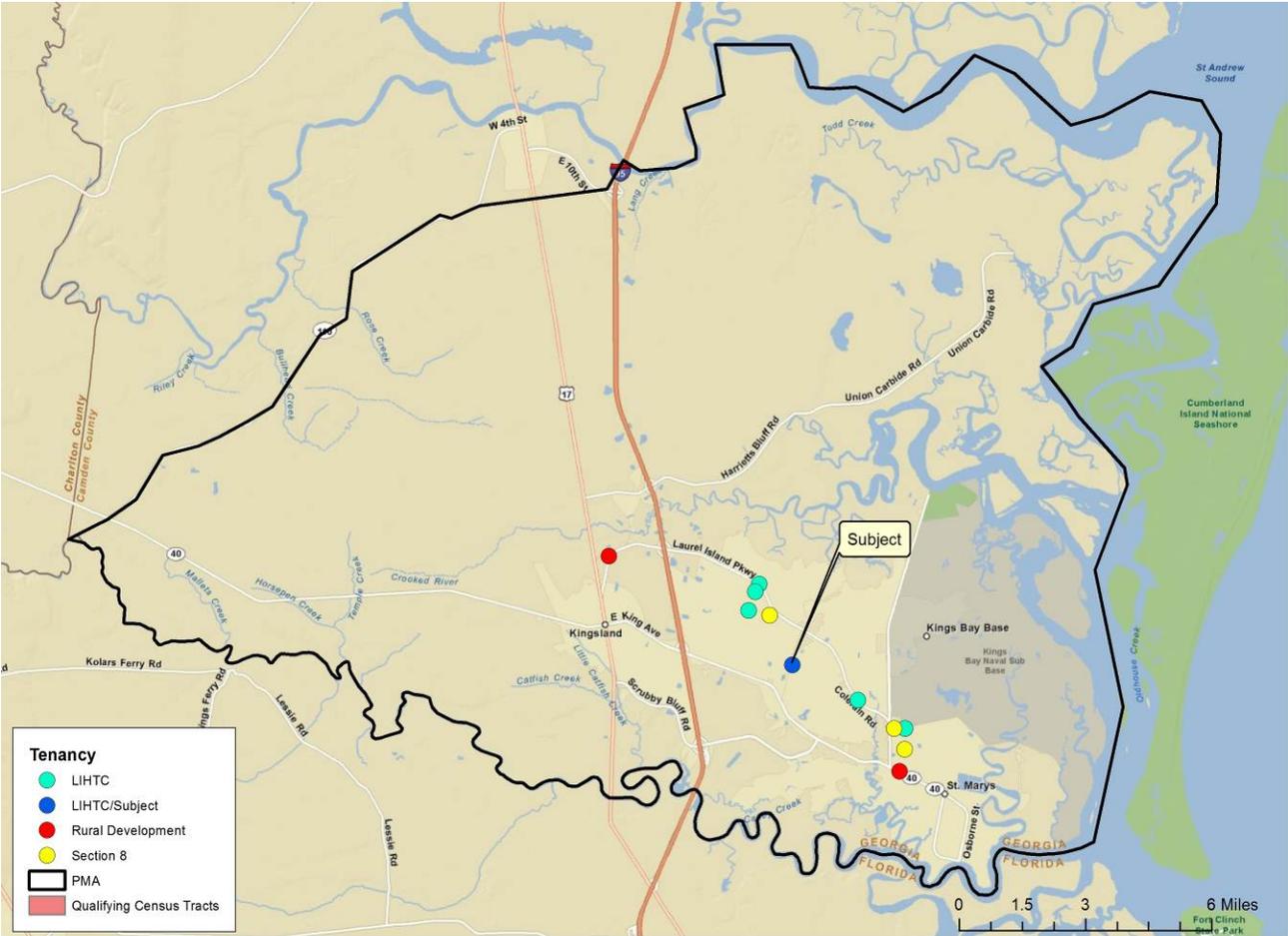
There are no multifamily properties located within two miles of the Subject site.

8. Existing Assisted Rental Housing Property Map:

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

SUBSIDIZED PROPERTIES IN PMA

Name	Address	City	State	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject
Village at Winding Bend	575 CR 78	St. Mary's	GA	LIHTC	Senior		Subject	Subject	Subject
Ashton Pines	11115 Colerain Rd.	St. Mary's	GA	LIHTC	Family		Included	N/Ap	2.6 miles
Ashton Cove Apartments	230 N. Gross Rd.	Kingsland	GA	LIHTC	Family		Included	N/Ap	2.8 miles
Kings Grant Apartments	500 N. Gross Rd.	Kingsland	GA	LIHTC	Family		Included	N/Ap	6.8 miles
Royal Point Apartments	301 N. Gross Rd.	Kingsland	GA	LIHTC	Family		Included	N/Ap	2.8 miles
Old Jefferson Estates	42 Pinehurst Dr.	St. Mary's	GA	LIHTC	Family		Excluded	SFHs; only offers 3-4BR units	4.7 miles
Hilltop Terrace I-II	4059 Martin Luther King Jr. Blvd.	Kingstead	GA	Rural Development	Elderly		Excluded	Rent Subsidized	6.1 miles
Cumberland Village	116 Martha Dr.	St. Mary's	GA	Rural Development	Family		Excluded	Rent Subsidized	4.7 miles
Cottages at Camden	1050 N. Gross Rd.	Kingstead	GA	Section 8	Elderly		Excluded	Rent Subsidized	2.3 miles
Cumberland Oaks Apartments	100 Mary Powell Dr.	St. Mary's	GA	Section 8	Family		Excluded	Rent Subsidized	5.2 miles
The Pines Apartments	208 Old Jefferson Rd	St. Mary's	GA	Section 8	Family		Excluded	Rent Subsidized	5.3 miles



Affordable Properties and QCTs, St. Mary's, GA



9. Road/Infrastructure

Proposed Improvements:

We did not witness any road/infrastructure improvements during our field work.

10. Access, Ingress/Egress and Visibility of site:

The Subject site is located on the eastern side of County Road 78, a lightly trafficked roadway containing a variety of uses. Overall, access and visibility from the Subject site are good.

11. Environmental Concerns:

None visible upon site inspection.

Detrimental Influences:

There are no significant detrimental influences.

12. Conclusion:

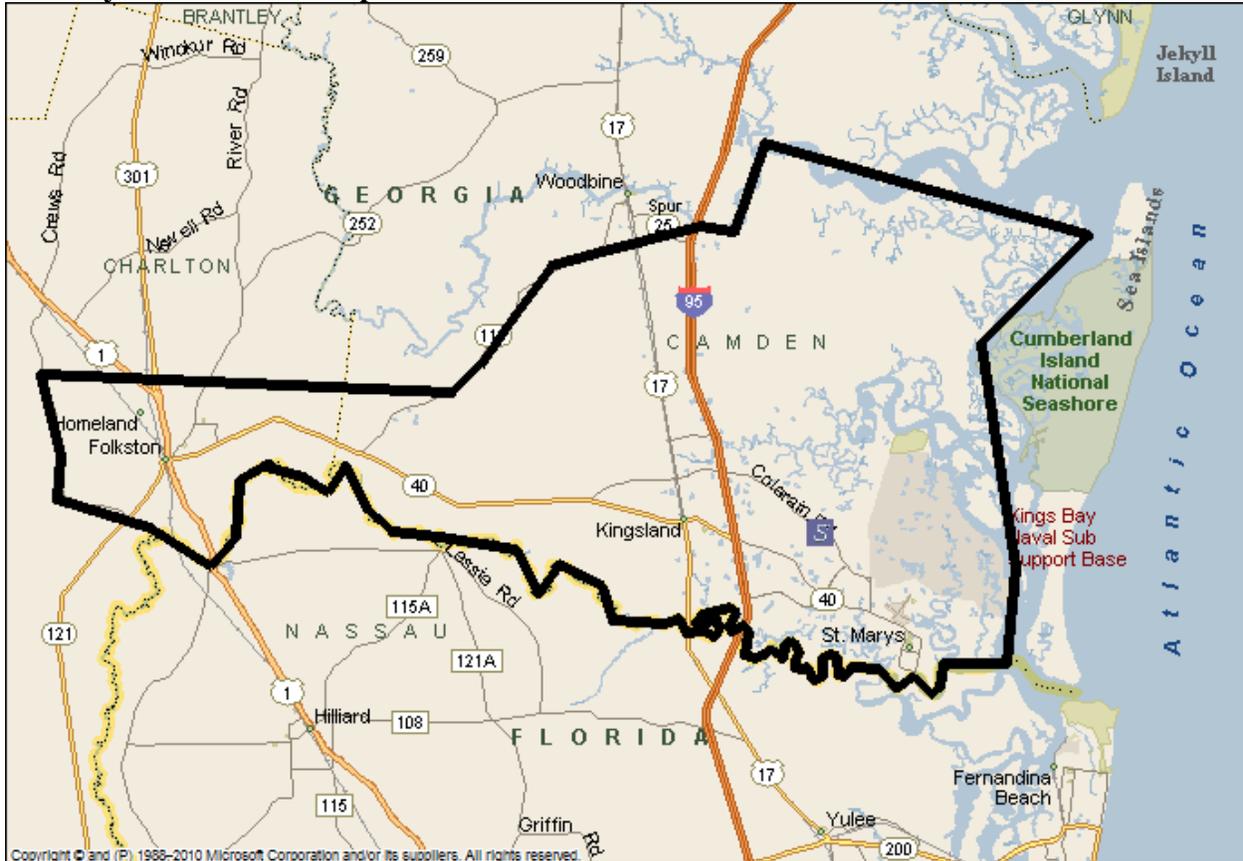
The Subject is located along County Road 78, which contains a variety of uses. The Subject is located within close proximity to amenities such as medical care and retail. Retail in the area is in overall good condition and appears to be 90 to 95 percent occupied. Single family residences in the immediate area are in generally good condition. The Subject will have good visibility and curb appeal. Overall, the Subject site has a desirable location for affordable senior housing and the Subject will have a positive impact on the neighborhood.

D. MARKET AREA

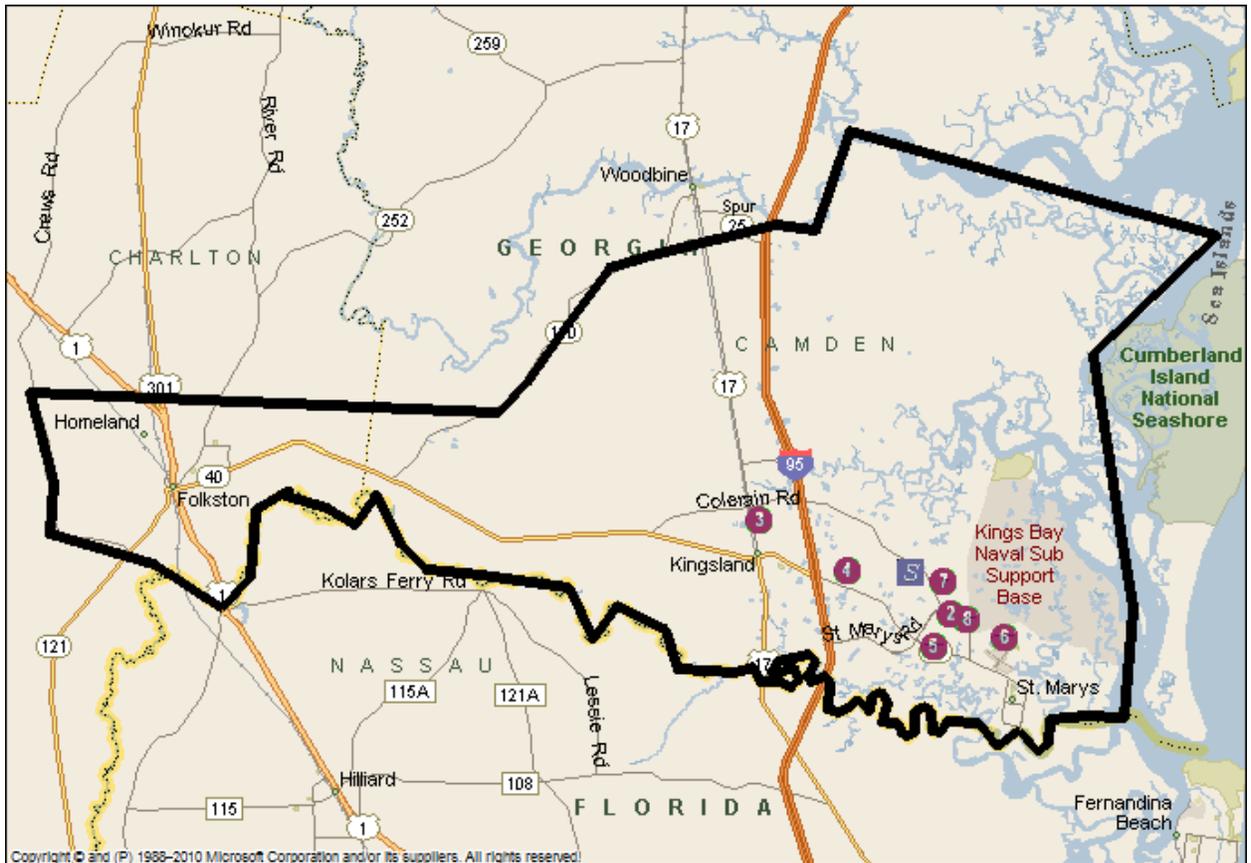
PRIMARY MARKET AREA

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.

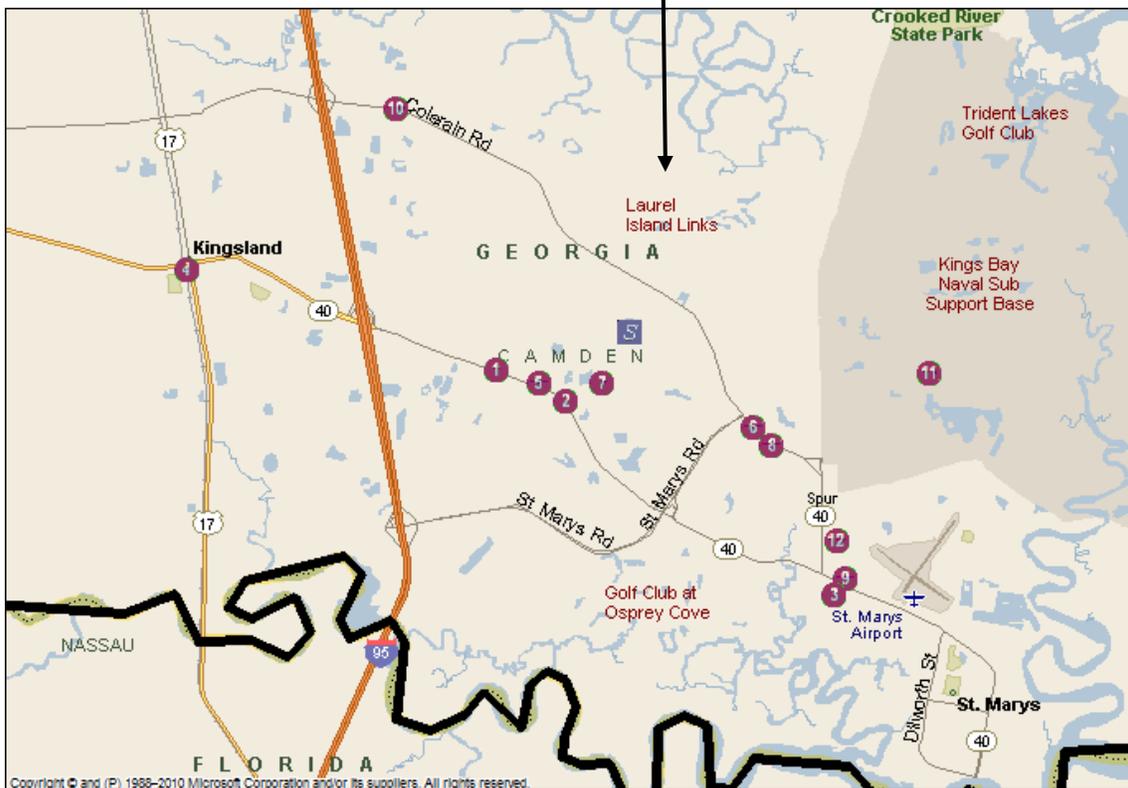
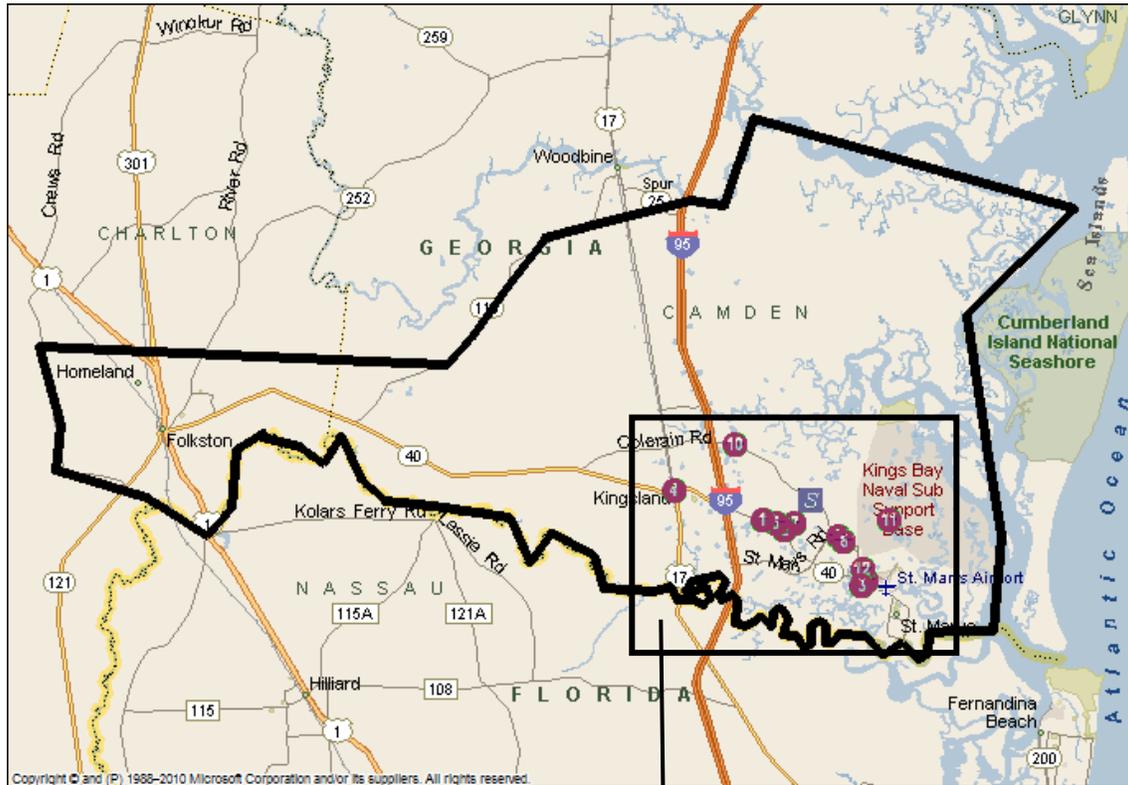
Primary Market Area Map



Comparable Property Map



Locational Amenities Map



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 St. Mary's MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – The Satilla River and Georgia Highway 110

South- The Florida/Georgia state line

East-The Camden County line

West- Spanish Creek Road

The Subject's PMA includes the southern portion of Camden County and a small portion of eastern Charlton County. Management at the family LIHTC comparable Ashton Pines indicated that most of the tenants are from within the St. Mary's and Kingsland areas, both of which are included in our PMA. Management at the LIHTC property Ashton Cove indicated that approximately 50 percent of their tenants are seniors and that some of their senior tenants have come from areas in eastern Charlton County such as Folkston and Homeland due to the lack of available affordable housing in those areas. Therefore, we have also included these areas in our PMA. While both comparables do have a few tenants from Jacksonville, Florida we have not included this area in our PMA. We have drawn the southern boundary of our PMA at the Florida/Georgia state line and we have accounted for leakage of approximately 15 percent from outside the PMA boundaries. Management at Ashton Cove and Ashton Pines indicated that this was an accurate estimate of the percentage of tenants coming from areas in northern Florida such as Jacksonville. While we did interview property managers at conventional rental properties for tenant information, property managers reported that they have a large military population due to the naval base in St. Mary's. Due to the military presence, their tenants are coming from all over the country. Therefore, we have not relied heavily on these properties when concluding to our PMA boundaries. Overall, we believe that 85 percent of the Subject's tenants will originate from within the designated PMA.

E. COMMUNITY DEMOGRAPHIC DATA

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 St. Mary's, GA 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.

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2000 through 2015.

SENIOR POPULATION, 55+

Year	PMA		St. Mary's, GA Micro SA	
	Number	Annual Change	Number	Annual Change
2000	3,873	-	4,814	-
2010	5,857	5.0%	7,187	4.8%
Prj Mrkt Entry				
July 2013	6,617	4.3%	8,088	4.2%
2015	7,123	4.3%	8,689	4.2%

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

POPULATION BY AGE IN 2010

Age Cohort	PMA		St. Mary's, GA Micro SA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	4,343	9.7%	4,596	9.3%	21,296,740	6.8%
5-9	3,719	8.3%	4,023	8.1%	20,832,961	6.7%
10-14	3,241	7.2%	3,590	7.2%	20,369,284	6.5%
15-19	3,203	7.1%	3,562	7.2%	21,883,995	7.0%
20-24	3,645	8.1%	3,889	7.8%	21,459,235	6.9%
25-29	3,863	8.6%	4,099	8.3%	21,517,303	6.9%
30-34	4,239	9.4%	4,454	9.0%	19,852,007	6.4%
35-39	3,604	8.0%	3,920	7.9%	20,531,543	6.6%
40-44	3,271	7.3%	3,599	7.3%	21,232,056	6.8%
45-49	3,237	7.2%	3,614	7.3%	23,163,948	7.4%
50-54	2,651	5.9%	3,069	6.2%	22,315,436	7.2%
55-59	1,965	4.4%	2,326	4.7%	19,742,941	6.3%
60-64	1,489	3.3%	1,814	3.7%	16,544,050	5.3%
65-69	947	2.1%	1,157	2.3%	12,081,110	3.9%
70-74	602	1.3%	773	1.6%	9,033,665	2.9%
75-79	406	0.9%	522	1.1%	7,339,326	2.4%
80-84	260	0.6%	332	0.7%	5,947,153	1.9%
85+	188	0.4%	263	0.5%	6,070,110	2.0%
Total	44,873	100.0%	49,602	100.0%	311,212,863	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

The Village at Winding Road, St. Mary's, GA; Market Study

Year	Number of Elderly and Non-Elderly - PMA			SMA		
	Total Population	Non-Elderly	Elderly (65+)	Total Population	Non-Elderly	Elderly (65+)
1990	26,631	25,537	1,094	30,167	28,618	1,549
2000	39,418	37,619	1,799	43,664	41,387	2,277
2010	44,873	42,470	2,403	49,602	46,555	3,047
Prj Mrkt Entry						
July 2013	46,375	43,617	2,759	51,229	47,750	3,480
2015	47,377	44,381	2,996	52,314	48,546	3,768

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

Annual population growth in the PMA was slightly higher than the SMA at five percent in 2010. The population is expected to increase through the year 2015 with annual projected growth higher than the SA at 4.3 percent annually in 2013 and 2015. The largest age cohorts in the PMA include persons ages 0 to 4 with a high concentration of persons ages 30 to 34. Approximately 13 percent of the population in the PMA is 55 and older. The Subject will target people within these age cohorts. In 2010, the elderly population was slightly lower in the PMA than the MSA. However, the elderly population is expected to increase from 2013 to 2015.

2. Household Trends

2a. Total Number of Households, Average Household Size

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+

Year	PMA		St. Mary's, GA Micro SA	
	Number	Change	Number	Change
2000	2,411	-	3,008	-
2010	3,628	4.9%	4,391	4.5%
Prj Mrkt Entry				
July 2013	4,105	4.4%	4,917	4.0%
2015	4,422	4.4%	5,268	4.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

AVERAGE HOUSEHOLD SIZE

Year	PMA		St. Mary's, GA Micro SA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	2.90	-	2.89	-	2.63	-
2000	2.87	-0.1%	2.84	-0.2%	2.59	-0.1%
2010	2.85	-0.1%	2.82	-0.1%	2.59	0.0%
Prj Mrkt Entry						
July 2013	2.85	0.0%	2.82	0.0%	2.59	0.0%
2015	2.84	0.0%	2.81	0.0%	2.60	0.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

Similar to population trends, annual household growth in the PMA was strong at 4.9 percent annually in 2010. It was higher than the rate of the SA's growth. There is a projected increase of 4.4 percent annually through the years 2013 and 2015. Again, this growth is higher than the SA's

at 4.0 percent. The average household size in the PMA, at 2.85, is slightly higher than the MSA and the nation.

2b. Households by Tenure

The table below depicts household growth by tenure from 1990 through 2010.

TENURE PATTERNS PMA (AGES 55+)

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
1990	-	-	-	-
2000	1,905	79.18%	501	20.82%
2010	2,805	77.58%	811	22.42%
Prj Mrkt Entry				
July 2013	3,146	76.92%	947	23.08%
2015	3,374	76.48%	1,037	23.52%

0

As the table illustrates, households within the PMA are predominately owner-occupied residences. While renter-occupied households are in the minority, the percent of renter-occupied households is projected to increase through 2015.

2c. Households by Income

The following table depicts household income in 2010 for the PMA.

HOUSEHOLD INCOME OF SENIORS 55+ IN 2010

Income Cohort	PMA		St. Mary's, GA Micro SA		USA
	Number	Percentage	Number	Percentage	Percentage
\$0-9,999	517	14.3%	646	14.7%	24.0%
\$10,000-19,999	571	15.8%	701	16.0%	23.3%
\$20,000-29,999	465	12.9%	568	12.9%	15.0%
\$30,000-39,999	399	11.0%	481	11.0%	10.3%
\$40,000-49,999	420	11.6%	486	11.1%	7.2%
\$50,000-59,999	197	5.4%	255	5.8%	5.2%
\$60,000-74,999	391	10.8%	477	10.9%	4.1%
\$75,000-99,999	397	11.0%	477	10.9%	4.7%
\$100,000+	258	7.1%	301	6.9%	6.3%
Total	3,616	100.0%	4,391	100.0%	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, March 2011

The largest income cohort of seniors over 55 was between \$10,000-\$19,999. Approximately 30.11 percent of households earn less than \$19,999 per year. Households within these income cohorts are expected to create demand for the Subject's proposed units.

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

The following table illustrates the number of persons per household among renter households.

Renter Households by Number of Persons - PMA (Ages 55+)								
	2000		2010		Prj Mrkt Entry July 2013		2015	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	326	65.1%	533	65.8%	604	63.8%	651	62.8%
With 2 Persons	125	24.9%	190	23.4%	245	25.9%	282	27.2%
With 3 Persons	37	7.4%	70	8.7%	80	8.4%	86	8.3%
With 4 Persons	4	0.8%	7	0.9%	7	0.7%	7	0.7%
With 5+ Persons	9	1.8%	11	1.3%	11	1.1%	11	1.0%
Total Renter Households	501	100.0%	811	100.0%	947	100.0%	1,037	100.0%

Source: Ribbon Demographics 2007, Novogradac & Company LLP, March 2011

One person households accounted for 65.8 percent of the population in 2010. The number of persons is expected to slightly decrease though the year 2015. However, this will still remain the highest cohort.

2e and f. Elderly and HFOP

Per DCA's guidelines, elderly households populations will be based on households who are 62 years and older and HFOP populations will be based on households who are 55 years or older according to the census.

CONCLUSION

The PMA and MSA have demonstrated that they are areas of growth. The senior population and the number of households are both expected to increase from 2011 to 2015. However, the largest age cohorts are in the 0 to 4 age range and 30-34. Seniors aged 55-64 account for 7.7 percent of the population in the PMA. Senior and elderly households are expected to increase while household size is expected to decrease in the PMA. In 2010, 77.58 percent of the units in the PMA were owner occupied. The largest income cohort of seniors over 55 was between \$10,000-\$19,999 in the PMA and SA. One person households accounted for 65.8 percent of the population in 2010.

F. EMPLOYMENT TRENDS

Employment Trends

The following section provides an analysis of the economic characteristics within the market area. Data such as employment, unemployment, expansions, and major employers will be studied to determine if the Primary Market Area (PMA) and Camden County(GA) are areas of growth or contraction.

Consistent with national trends, the greater MSA and PMA areas have undergone economic contractions over 2008 that are continuing into 2011. Various industries including retail, manufacturing and even historically stable industries such as healthcare and education have experienced layoffs. It is important to note that the local economy is driven by the Kings Bay Naval Submarine Base in which there have been no layoffs that have taken place.

1. Total Jobs

The following table illustrates the total jobs (also known as “covered employment”) in Camden County.

COVERED EMPLOYMENT IN CAMDEN COUNTY

Year	Total Employment	% Change
2001	13,585	
2002	13,690	0.77%
2003	13,511	-1.32%
2004	13,939	3.07%
2005	15,065	7.47%
2006	15,196	0.86%
2007	15,643	2.86%
2008	15,038	-4.02%
2009	14,127	-6.45%
2010 YTD Average*	13,342	-5.88%
Sep-09	14,022	-
Sep-10	13,356	-4.99%

Source: U.S. Bureau of Labor Statistics

*YTD as of Sept 10

Employment levels in Camden County increased from 2004 to 2007, but have decreased from 2008 through 2010. In 2009, Camden County experienced its highest an employment loss of 4.02 percent and then another 6.45 percent in 2009. As of September 2010, the county has lost an additional 4.99 percent of jobs. However, the year to date data indicates that the pace of jobs lost in Camden County is slowing.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the County as of second quarter 2010.

2010 Q2 EMPLOYMENT JOBS BY INDUSTRY

Camden County, GA

Industry	Number Employed	Percent Employed
Construction	309	3.53%
Education and Health Services	949	10.83%
Financial Activities	925	10.55%
Information	143	1.63%
Leisure and Hospitality	1,861	21.23%
Manufacturing	800	9.13%
Natural Resources and Mining	43	0.49%
Other Services	278	3.17%
Professional and Business Services	1,314	14.99%
Public Administration*	-	-
Trade, Transportation, and Utilities	2,130	24.30%
Unclassified	13	0.15%
Total Employment	8,765	100.00%

*Monthly data is not available

Source: U.S. Bureau of Labor Statistics 2010. Covered Employment

The largest industry in the PMA is trade, transportation and utilities followed by leisure and hospitality and professional and business services. Retail trade and leisure and hospitality are historically unstable sectors during economic recession. However, the percentage of people employed in the educational services, public administration and accommodation/food service industries is much higher within the PMA than the nation. The retail industry also has a slightly higher percentage employed than the nation. It should be noted that monthly data was not available for the Public Administration industry.

3. Major Employers

The diversification of the St. Marys economic base is indicated by the following list of Camden County's 16 largest employers.

MAJOR EMPLOYERS

#	Employer	Industry	Number Employed
1	Kings Bay Submarine Base	Military	8,979
2	Camden County School System	Education	1,462
3	Express Scripts	Call Center	525
4	Lockheed Missiles and Space	Manufacturer	479
5	Camden County Government	Government	422
6	Southeast GA - Health Systems	Healthcare	429
7	Wal-Mart Supercenter	Retail	375
8	VT Group	Government	344
9	Publix Super Market	Retail	127
10	Winn Dixie	Retail	90
11	Osprey Cove Golf Course	Recreation	85
12	Georgia Pacific	Manufacturer	84
13	BAE Systems	Tech Services	67
14	K-Mart	Retail	60
15	TDS Telecom	Telecommunications	40
16	General Dynamics	Tech Services	38
TOTAL			13,606

Source: Camden County Chamber of Commerce, June 2011

The Kings Bay Submarine Base is by far the largest employer, with more people than all other industries combined. The military base employers more people than all other industries combined. Other industries are also heavily represented in the major employers in the county including education, manufacturing, government, healthcare, retail and scientific/technology services. In addition the educational services, public administration and the accommodation/food services industries have a greater percentage employed when compared to the nation. The major employers account for a large portion of the total employment within the county.

Expansions/Contractions

Despite the current recession, the Camden County Joint Development Authority has reported several announcements for expansions in recent months. The following list details these expansions:

- Express Scripts will be expanding thorough 2011.
- The US Coast Guard Maritime Force Protection Unit expanded in 2011.
- Johnson Gas expanded from Florida to Georgia and leased a site within the Camden County Industrial Park.
- Electric Boat is expected to increase once again.
- Aerospace Missions opened a new branch in Camden County.
- Beachview Tent Rental Company has relocated to Camden County and should add an additional 45 jobs to the workforce. By year end they a hoping to employ 75 people.

While this announced job growth is notable, it does not reflect actual jobs added to the market in 2010. Additionally, Shannon Nettles, from the Joint Development Authority was unable to provide exact employment numbers added to the workforce. The following table illustrates closures and layoffs in the Camden County from 2010 and 2011 (actual and announced).

The Village at Winding Road, St. Mary's, GA; Market Study

Camden County Business Closures/Layoffs

Effective Date	Company	City	Industry	Number Affected	Reason	Closure/Layoff
4/6/2011	Bayer Cropscience	Woodbine	Manufacturer	80	Economic Conditions	CL
3/1/2010	Electric Boat Corp	Kings Bay	Manufacturer	10	Economic Conditions	LO
N/Av	Camden County School System	Camden County	Education	388	Economic Conditions	LO
N/Av	Lockheed Martin	St.Mary's	Manufacturer	21	Economic Conditions	LO
N/Av	Camden County Government	Camden County	Government	23	Economic Conditions	LO
N/Av	Southwest GA Health Systems	St.Mary's	Healthcare	201	Economic Conditions	LO
N/Av	General Dynamics	St. Mary's	Manufacturer	115	Economic Conditions	LO
TOTAL				839		

Source: Georgia Department of Labor, June, 2011 and Camden County Chamber of Commerce, June, 2011

As illustrated in the above tables, Camden County lost at least 839 jobs from 2010 to 2011 and is projected to lose more. In addition, according to the Chamber of Commerce, in 2009, 77 companies closed their doors in Camden County. While the announced expansions of at least 75 new jobs will mitigate these losses to some extent, the net change is a loss of 794 jobs.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for Guilford County from 2000 to 2011 (through April).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

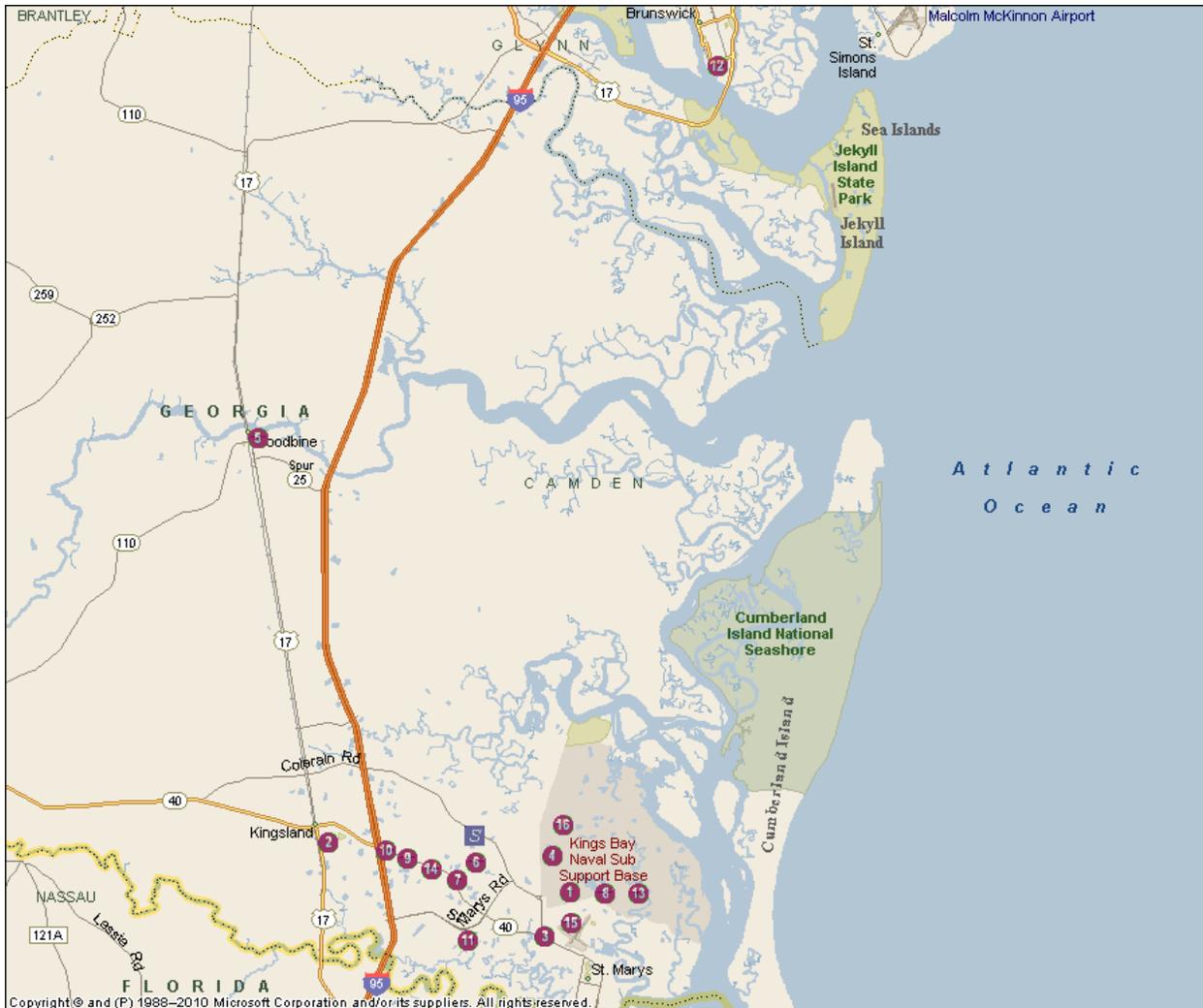
Year	St. Mary's, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2000	17,240	-	3.6%	-	136,891,000	-	4.2%	-
2001	17,297	0.3%	3.7%	0.1%	136,933,000	0.0%	4.0%	-0.2%
2002	17,651	2.0%	4.3%	0.6%	136,485,000	-0.3%	4.7%	0.7%
2003	17,707	0.3%	5.3%	1.0%	137,736,000	0.9%	5.8%	1.1%
2004	18,256	3.1%	4.5%	-0.8%	139,252,000	1.1%	6.0%	0.2%
2005	19,618	7.5%	4.6%	0.1%	141,730,000	1.8%	5.5%	-0.5%
2006	20,074	2.3%	4.1%	-0.5%	144,427,000	1.9%	5.1%	-0.4%
2007	20,583	2.5%	4.1%	0.0%	146,047,000	1.1%	4.6%	-0.5%
2008	19,925	-3.2%	5.7%	1.6%	145,362,000	-0.5%	4.6%	0.0%
2009	18,860	-5.3%	8.7%	3.0%	139,877,000	-3.8%	5.8%	1.2%
2010	17,834	-5.4%	9.9%	1.2%	139,064,000	-0.6%	9.3%	3.5%
2011 YTD Average*	18,129	1.7%	9.9%	0.0%	138,578,750	-0.3%	9.6%	0.3%
Apr-2010	17,902	-	9.4%	-	139,302,000	-	9.6%	-
Apr-2011	18,088	1.0%	9.0%	-0.4%	139,661,000	0.3%	9.6%	0.0%

Source: U.S. Bureau of Labor Statistics, Novogradac & Company LLP, June 2011

Camden County experienced fairly strong employment growth in 2005 and 2007. Conversely, the county has experienced total employment declines and unemployment increases from 2008 to 2010 which negated the growth experienced in the previous years. Job losses in these years were significantly above the national averages and are due to layoffs in the services industries. Additionally, although unemployment has historically been equivalent to or below national levels, the 2010 figures indicate a sizeable increase in the local unemployment rate. Additionally, it is important to note that the 2011 YTD data is an average for the whole year through April 2011. However, the YTD average shows improvement. Employment has increased by 1.7 percent and unemployment has remained the same. The area's unemployment rate increased substantially in the early part of 2009 increasing from an average of 5.7 percent from in 2008 to 8.7 percent unemployment in 2009. The national unemployment rate increased by 1.2 points during the same period. Year over, from April 2010 to April 2011, it is indicated that unemployment has decreased by 0.4 points. This is a positive change and should help stabilize the economy.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Camden County.



Conclusion

Both the population and number of households in the PMA and county have experienced strong growth as they are growing significantly faster than the nation. The income cohort is expected to increase in 2013 and 2015, as well. This strong growth is projected to continue in the future and is likely due to the area's stable Kings Bay Submarine Military Base, as well as the comparatively cheaper, more affordable housing. Kings Bay Naval Base is the largest employer in the county, which bodes well for the Subject and the stability of the local economy. While Camden County's top employers account for a high percentage of the area's total employment, the largest industries in the PMA, military and educational services, are considered stable industries.

Both Camden County and the MSA have stabilizing economies with increasing total employment and decreasing unemployment. In the MSA employment decreased from 2008 to 2010, while unemployment increased slightly from 2008 through 2010. The April 2011 year to date average indicates that unemployment has not increased. Even though there have been a few notable expansions, from 2010 to April 2011, at least 749 jobs have been lost. Year over year employment from March 2010 to March 2011 decreased by 0.4 percent.

PROJECT-SPECIFIC 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 senior 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). However, very few senior households have more than two persons. Therefore, we have used 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.

3. DEMAND

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated in the following tables.

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2013, the anticipated date of market entry, as the base year for the analysis. Therefore, 2010 household population estimates are inflated to 2013 by interpolation of the difference between 2010 estimates and 2015 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. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2013. This number takes the overall growth from 2000 to 2013 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.

3B. DEMAND FROM EXISTING HOUSEHOLDS

Demand for existing households is estimated by summing three sources of potential tenants. The first source (2a.) 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 CHAS data based on appropriate income levels.

The second source (2b.) 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. The third source (2c.) is those 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 we have lowered the demand from seniors who convert to homeownership to be at or below 20 percent. Ashton Cove reported that 50 percent of their tenants are seniors. Of these tenants, management estimated that seven to 10 percent sold homes in order to move to the property. Therefore, we have estimated a homeownership conversion of 10 percent or less in our demand analysis.

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.

3C. SECONDARY MARKET AREA

To accommodate for the secondary market area, the Demand from Existing Qualified Households within the primary market area will be multiplied by 115% to account for demand from the secondary market area. Management at Ashton Pines and Ashton Cove indicated that they have tenants who have moved to the property from Jacksonville, Florida. We have not included this area in our PMA but we have used 15 percent leakage in our demand analysis in order to account for these tenants.

3D. OTHER

DCA does not consider household turnover to be a source of market demand.

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

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 from 2000 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 additions to supply allocated since 2000 to present and those that will be constructed through 2012 that are considered directly competitive. The Subject will target senior tenants 55 and older. None of the comparable properties target seniors. Therefore, they are not directly competitive and have not been removed from our demand analysis.

PMA OCCUPANCY

Per DCA's guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the total competitive units in the PMA.

General Market Overview

Property Name	City	Occupancy Rate	Type	Tenancy	Distance from Subject	Included/Excluded	Reason for Exclusion
Ashton Cove	Kingsland	100.00%	LIHTC	Family	2.8 miles	Included	-
Ashton Pines	St. Marys	100.00%	LIHTC	Family	2.6 miles	Included	-
Kings Grant Apartments	Kingsland	95.00%	LIHTC	Family	6.8 miles	Included	-
Royal Point	Kingsland	88.90%	LIHTC	Family	2.8 miles	Included	-
Old Jefferson Estates	St. Marys	99.00%	LIHTC	Family	4.7 miles	Excluded	SFH design; Does not offer 1BR or 2BR units
Brant Creek	St. Marys	91.80%	Market	Family	4.5 miles	Included	-
Harbor Pines	St. Marys	70.00%	Market	Family	5.8 miles	Included	-
Mission Forest	St. Marys	94.20%	Market	Family	2.4 miles	Included	-
Park Place	St. Marys	81.20%	Market	Family	3.8 miles	Included	-
Camden Way	Kingsland	N/Av	Market	Family	2.5 miles	Excluded	Closer, more comparable properties available
Greenbriar Townhomes	Kingsland	N/Av	Market	Family	5.2 miles	Excluded	Closer, more comparable properties available
Colerain Oaks Rental Homes	St. Marys	N/Av	Market	Family	2.7 miles	Excluded	Management unavailable
Madison Square Apartments	St. Marys	N/Av	Market	Family	3.6 miles	Excluded	Management unavailable
Hilltop Terrace	Kingsland	100.00%	Rural Development	Family	6.1 miles	Excluded	34 out of 55 units pay 30% of income towards rent
Hilltop Terrace II	Kingsland	N/Av	Rural Development	Senior	6.1 miles	Excluded	50 out of 55 units pay 30% of income towards rent
Cumberland Village	St. Marys	N/Av	Rural Development	Family	4.7 miles	Excluded	13 out of 65 units pay 30% of income towards rent
Cottages at Camden	Kingsland	100.00%	Section 8	Senior	2.3 miles	Excluded	Subsidized Units
Cumberland Oaks	St. Marys	95.00%	Section 8	Family	5.2 miles	Excluded	Subsidized Units
The Pines Apartments	St. Marys	N/Av	Section 8	Family	5.3 miles	Excluded	Subsidized Units
Average		92.93%					

NET SUPPLY

The following Competitive Analysis chart may be used to determine the Net Supply number of each bedroom and income category when considering the deduction of properties in the net supply in cases where, for instance, the property is on the edge of the PMA, is a market rate property, or otherwise only partially fulfills the need for units that will be filled by the proposed subject. All properties determined to be competitive with the proposed development will be included in the Competitive Analysis and assigned a Comparability Factor to be used in determining Net Supply in the PMA.

The total Comparability Factor will be applied to each bedroom type for all income segments to determine the number of units to be allocated to the existing property. Total market supply will be comprised of the weighted units supply from the comparable existing properties and all units new to the market area since 2000. As previously stated, there are no senior comparables in the Subject's PMA. All comparables target families whereas the Subject will target seniors 55 and older. Therefore, the existing properties will not directly compete with the Subject and have not been removed from our demand analysis.

Rehab Developments and PBRA

The Subject will be a newly constructed property and it will not operate with rental assistance.

Capture Rates

The above calculations and derived capture rates are illustrated in the following tables.

The Village at Winding Road, St. Mary's, GA; Market Study

Renter Household Income Distribution 2000 to Projected Market Entry July 2013							
Village at Winding Bend							
PMA							
	2000		2010		Pj Mrkt Entry July 2013		Percent Growth
	#	%	#	%	#	%	
\$0-9,999	133	26.5%	212	26.1%	227	24.0%	6.7%
\$10,000-19,999	126	25.1%	230	28.4%	256	27.0%	9.9%
\$20,000-29,999	63	12.7%	128	15.7%	166	17.6%	23.4%
\$30,000-39,999	71	14.3%	73	8.9%	88	9.3%	17.4%
\$40,000-49,999	19	3.8%	50	6.2%	53	5.6%	5.8%
\$50,000-59,999	55	11.0%	60	7.4%	82	8.7%	27.2%
\$60,000-74,999	14	2.8%	22	2.7%	26	2.7%	14.9%
\$75,000-99,999	12	2.4%	22	2.7%	27	2.9%	18.2%
\$100,000+	7	1.4%	14	1.8%	22	2.3%	33.0%
Total	501	100.0%	811	100.0%	947	100.0%	14.4%

Renter Household Income Distribution Projected Market Entry July 2013				
Village at Winding Bend				
PMA				
	Pj Mrkt Entry July 2013		Change 2000 to Pj Mrkt Entry July 2013	
	#	%	#	
\$0-9,999	227	24.0%	107	
\$10,000-19,999	256	27.0%	120	
\$20,000-29,999	166	17.6%	78	
\$30,000-39,999	88	9.3%	41	
\$40,000-49,999	53	5.6%	25	
\$50,000-59,999	82	8.7%	39	
\$60,000-74,999	26	2.7%	12	
\$75,000-99,999	27	2.9%	13	
\$100,000+	22	2.3%	10	
Total	947	100.0%	446	

Tenure Pj Mrkt Entry July 2013	
Renter	23.1%
Owner	76.9%
Total	100.0%

Renter Household Size for Pj Mrkt Entry July 2013		
Size	Number	Percentage
1	604	63.8%
2	245	25.9%
3	80	8.4%
4	7	0.7%
5+	11	1.1%
Total	947	100.0%

Renter Household Size for 2000 55+		
Size	Number	Percentage
1	326	65.1%
2	125	24.9%
3	37	7.4%
4	4	0.8%
5+	9	1.8%
Total	501	100.0%

50% AMI

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		50%			
Minimum Income Limit		\$15,660			
Maximum Income Limit		\$23,550 2 Persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry July 2013		Households within		
	Income Brackets	Percent within Cohort	Bracket		
\$0-9,999	227	24.0%	0	0.0%	0
\$10,000-19,999	256	27.0%	4,339	43.4%	111
\$20,000-29,999	166	17.6%	3,550	35.5%	59
\$30,000-39,999	88	9.3%	0	0.0%	0
\$40,000-49,999	53	5.6%	0	0.0%	0
\$50,000-59,999	82	8.7%	0	0.0%	0
\$60,000-74,999	26	2.7%	0	0.0%	0
\$75,000-99,999	27	2.9%	0	0.0%	0
\$100,000+	22	2.3%	0	0.0%	0
	947	100.0%			170
Percent of renter households within limits versus total number of renter households					17.96%

Does the Project Benefit from Rent Subsidy? (Y/N)	No	
Type of Housing (Family vs Senior)	Senior	
Location of Subject (Rural versus Urban)	Urban	
Percent of Income for Housing	40%	
2000 Median Income	\$41,440	
Prj Mrkt Entry July 2013 Median Income	\$57,909	
Change from 2000 to Prj Mrkt Entry July 2013	\$16,469	
Total Percent Change	39.7%	
Average Annual Change	6.6%	
Inflation Rate	6.6%	
Maximum Allowable Income	\$23,550	
Maximum Allowable Income Inflation Adjusted	\$23,550	
Maximum Number of Occupants	2 Persons	
Rent Income Categories	50%	
Initial Gross Rent for Smallest Unit	\$522	
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$522.00	
	Two year adjustment	1.0000

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	80%	20%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

The Village at Winding Road, St. Mary's, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry July 2013

Income Target Population		50%
New Renter Households PMA		446
Percent Income Qualified		18.0%
New Renter Income Qualified Households		80

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand form Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		947
Income Qualified		18.0%
Income Qualified Renter Households		170
Percent Rent Overburdened Prj Mrkt Entry July 2013		50.0%
Rent Overburdened Households		85

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		170
Percent Living in Substandard Housing		0.6%
Households Living in Substandard Housing		1

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		3146
Rural Versus Urban	0.5%	
Senior Demand Converting from Homeownership		16

Total Demand

Total Demand from Existing Households		102
Adjustment Factor - Leakage from SMA	115%	15
Adjusted Demand from Existing Households		117
Total New Demand		80
Total Demand (New Plus Existing Households)		197

Demand from Seniors Who Convert from Homeownership		16
Percent of Total Demand From Homeownership Conversion		8.0%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	63.8%	126
Two Persons	25.9%	51
Three Persons	8.4%	17
Four Persons	0.7%	1
Five Persons	1.1%	2
Total	100.0%	197

The Village at Winding Road, St. Mary's, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	101
Of two-person households in 1BR units	20%	10
Of one-person households in 2BR units	20%	25
Of two-person households in 2BR units	80%	41
Of three-person households in 2BR units	60%	10
Of three-person households in 3BR units	40%	7
Of four-person households in 3BR units	80%	1
Of five-person households in 3BR units	70%	2
Total Demand		197
Check		OK

Total Demand by Bedroom	50%
1 BR	111
2 BR	76
Total Demand	187

Additions To Supply 2000 to Prj Mrkt Entry July 2013	50%
1 BR	0
2 BR	0
Total	0

Net Demand	50%
1 BR	111
2 BR	76
Total	187

Developer's Unit Mix	50%
1 BR	3
2 BR	5
Total	8

Capture Rate Analysis	50%
1 BR	2.7%
2 BR	6.6%
Total	4.3%

The Village at Winding Road, St. Mary's, GA; Market Study

60%AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%		
Minimum Income Limit			\$16,560		
Maximum Income Limit			\$28,260 2 Persons		
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mkt Entry July 2013		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Households	%			
\$0-9,999	107	24.0%		0.0%	0
\$10,000-19,999	120	27.0%	3,439	34.4%	41
\$20,000-29,999	78	17.6%	8,260	82.6%	65
\$30,000-39,999	41	9.3%		0.0%	0
\$40,000-49,999	25	5.6%		0.0%	0
\$50,000-59,999	39	8.7%		0.0%	0
\$60,000-74,999	12	2.7%		0.0%	0
\$75,000-99,999	13	2.9%		0.0%	0
\$100,000+	10	2.3%		0.0%	0
	446	100.0%			106
Percent of renter households within limits versus total number of renter households					23.81%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%		
Minimum Income Limit			\$16,560		
Maximum Income Limit			\$28,260 2 Persons		
Income Category	Total Renter Households PMA Prj Mkt Entry July 2013		Income Brackets	Percent within Cohort	Households within Bracket
	Households	%			
\$0-9,999	227	24.0%	0	0.0%	0
\$10,000-19,999	256	27.0%	3,439	34.4%	88
\$20,000-29,999	166	17.6%	8,260	82.6%	137
\$30,000-39,999	88	9.3%	0	0.0%	0
\$40,000-49,999	53	5.6%	0	0.0%	0
\$50,000-59,999	82	8.7%	0	0.0%	0
\$60,000-74,999	26	2.7%	0	0.0%	0
\$75,000-99,999	27	2.9%	0	0.0%	0
\$100,000+	22	2.3%	0	0.0%	0
	947	100.0%			225
Percent of renter households within limits versus total number of renter households					23.81%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Prj Mkt Entry July 2013 Median Income

Change from 2000 to Prj Mkt Entry July 2013

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$41,440		
\$57,909		
\$16,469		
39.7%		
6.6%		
6.6%	Two year adjustment	1.0000
\$28,260		
\$28,260		
2 Persons		
60%		
\$552		
\$552.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	80%	20%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

The Village at Winding Road, St. Mary's, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry July 2013

Income Target Population		60%
New Renter Households PMA		446
Percent Income Qualified		23.8%
New Renter Income Qualified Households		106

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		947
Income Qualified		23.8%
Income Qualified Renter Households		225
Percent Rent Overburdened Prj Mrkt Entry July 2013		50.0%
Rent Overburdened Households		113

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		225
Percent Living in Substandard Housing		0.6%
Households Living in Substandard Housing		1

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		3146
Rural Versus Urban	0.6%	
Senior Demand Converting from Homeownership		20

Total Demand

Total Demand from Existing Households		134
Adjustment Factor - Leakage from SMA	115%	20
Adjusted Demand from Existing Households		154
Total New Demand		106
Total Demand (New Plus Existing Households)		261

Demand from Seniors Who Convert from Homeownership		20
Percent of Total Demand From Homeownership Conversion		7.7%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	63.8%	167
Two Persons	25.9%	68
Three Persons	8.4%	22
Four Persons	0.7%	2
Five Persons	1.1%	3
Total	100.0%	261

The Village at Winding Road, St. Mary's, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	133
Of two-person households in 1BR units	20%	14
Of one-person households in 2BR units	20%	33
Of two-person households in 2BR units	80%	54
Of three-person households in 2BR units	60%	13
Of three-person households in 3BR units	40%	9
Of four-person households in 3BR units	80%	2
Of five-person households in 3BR units	70%	2
Of five-person households in 4BR units	30%	1

Total Demand	261
Check	OK

Total Demand by Bedroom	60%
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1 BR	147
2 BR	101
Total Demand	247

Additions To Supply 2000 to Prj Mrkt Entry July 2013	60%
--	-----

1 BR	0
2 BR	0
Total	0

Net Demand	60%
------------	-----

1 BR	147
2 BR	101
Total	247

Developer's Unit Mix	60%
----------------------	-----

1 BR	13
2 BR	29
Total	42

Capture Rate Analysis	60%
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1 BR	8.9%
2 BR	28.8%
Total	17.0%

The Village at Winding Road, St. Mary's, GA; Market Study

Overall

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$15,660		
Maximum Income Limit			\$28,260 2 Persons		
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry July 2013		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	107			
\$10,000-19,999	120	27.0%	4,339	43.4%	52
\$20,000-29,999	78	17.6%	8,260	82.6%	65
\$30,000-39,999	41	9.3%		0.0%	0
\$40,000-49,999	25	5.6%		0.0%	0
\$50,000-59,999	39	8.7%		0.0%	0
\$60,000-74,999	12	2.7%		0.0%	0
\$75,000-99,999	13	2.9%		0.0%	0
\$100,000+	10	2.3%		0.0%	0
	446	100.0%			117
Percent of renter households within limits versus total number of renter households					26.25%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$15,660		
Maximum Income Limit			\$28,260 2 Persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry July 2013		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	227			
\$10,000-19,999	256	27.0%	4,339	43.4%	111
\$20,000-29,999	166	17.6%	8,260	82.6%	137
\$30,000-39,999	88	9.3%	0	0.0%	0
\$40,000-49,999	53	5.6%	0	0.0%	0
\$50,000-59,999	82	8.7%	0	0.0%	0
\$60,000-74,999	26	2.7%	0	0.0%	0
\$75,000-99,999	27	2.9%	0	0.0%	0
\$100,000+	22	2.3%	0	0.0%	0
	947	100.0%			248
Percent of renter households within limits versus total number of renter households					26.25%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Prj Mrkt Entry July 2013 Median Income

Change from 2000 to Prj Mrkt Entry July 2013

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$41,440		
\$57,909		
\$16,469		
39.7%		
6.6%		
6.6%	Two year adjustment	1.0000
\$28,260		
\$28,260		
2 Persons		
Overall		
\$522		
\$522.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	80%	20%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

The Village at Winding Road, St. Mary's, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry July 2013

	Overall
Income Target Population	
New Renter Households PMA	446
Percent Income Qualified	26.2%
New Renter Income Qualified Households	117

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand from Rent Overburdened Households

	Overall
Income Target Population	
Total Existing Demand	947
Income Qualified	26.2%
Income Qualified Renter Households	248
Percent Rent Overburdened Prj Mrkt Entry July 2013	50.0%
Rent Overburdened Households	124

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households	248
Percent Living in Substandard Housing	0.6%
Households Living in Substandard Housing	2

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

	Overall
Income Target Population	
Total Senior Homeowners	3146
Rural Versus Urban	0.8%
Senior Demand Converting from Homeownership	25

Total Demand

Total Demand from Existing Households		151
Adjustment Factor - Leakage from SMA	115%	23
Adjusted Demand from Existing Households		173
Total New Demand		117
Total Demand (New Plus Existing Households)		290

Demand from Seniors Who Convert from Homeownership	25
Percent of Total Demand From Homeownership Conversion	8.6%
Is this Demand Over 20 percent of Total Demand?	No

By Bedroom Demand

One Person	63.8%	185
Two Persons	25.9%	75
Three Persons	8.4%	24
Four Persons	0.7%	2
Five Persons	1.1%	3
Total	100.0%	290

The Village at Winding Road, St. Mary's, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	80%	148
Of two-person households in 1BR units	20%	15
Of one-person households in 2BR units	20%	37
Of two-person households in 2BR units	80%	60
Of three-person households in 2BR units	60%	15
Of three-person households in 3BR units	40%	10
Of four-person households in 3BR units	80%	2
Of five-person households in 3BR units	70%	2
Of five-person households in 4BR units	30%	1
Total Demand		290
Check		OK

Total Demand by Bedroom	Overall
1 BR	163
2 BR	112
Total Demand	275

Additions To Supply 2000 to Prj Mrkt Entry July 2013	Overall
1 BR	0
2 BR	0
Total	0

Net Demand	Overall
1 BR	163
2 BR	112
Total	275

Developer's Unit Mix	Overall
1 BR	16
2 BR	34
Total	50

Capture Rate Analysis	Overall
1 BR	9.8%
2 BR	30.4%
Total	18.2%

Conclusions

We have conducted such an analysis 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 senior households 55 and older in the PMA is expected to increase 4.4 percent between 2010 and 2013. This growth is considered significant and bodes well for the Subject's age restricted units.
- 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.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR 50%	\$15,660-\$23,550	3	111	0	111	2.7%	6 months	\$535	\$395-\$735	\$412
2BR 50%	\$18,760-\$23,550	5	76	0	76	6.6%	6 months	\$568	\$441-\$920	\$485
50% Overall	\$15,660-\$23,550	-	187	0	187	4.3%	6 months	-	\$395-\$920	
1BR 60%	\$16,560-\$28,260	13	147	0	147	8.9%	6 months	\$562	\$441-\$735	\$465
2BR 60%	\$19,950-\$28,260	29	101	0	101	28.8%	6 months	\$621	\$475-\$920	\$525
60% Overall	\$16,560-\$28,260	-	247	0	247	17.0%	6 months	-	\$441-\$920	
Overall Project	\$15,660-\$28,260	50	275	0	275	18.2%	6 months	-	\$395-\$920	-

Demand and Net Demand

	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	80	106	117
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	1	1	2
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	85	113	124
PLUS	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	15	20	23
Sub Total	181	240	265
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	16	20	25
Equals Total Demand	197	261	290
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market between 2000 and the present	0	0	0
Equals Net Demand	197	261	290

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 2.7 to 6.6 percent, with an overall capture rate of 4.3 percent. The Subject's 60 percent AMI capture rates range from 8.9 to 28.8 percent, with an overall capture rate of 17.0 percent. The overall capture rate for the project's 50 and 60 percent units is 18.2 percent. Therefore, we believe there is adequate demand for the Subject. As proposed, the Subject will offer 16 one-bedroom units and 34 two-bedroom units. Management at Ashton Cove Apartments indicated that 50 percent of their tenants are seniors and that many of their senior tenants are renting two-bedroom units, as they prefer the additional space. The Subject's proposed two-bedroom 50 percent AMI rents are \$19 below the current two-bedroom rents at Ashton Cove and its proposed two-bedroom 60 percent AMI rents are only \$21 above the current two-bedroom 50 percent AMI rents at Ashton Cove. Therefore it is likely that seniors will also choose to rent the two-bedroom units at the Subject given its new construction design, large unit sizes, and competitive rents. Overall, we believe there is adequate demand in the local market for the Subject as proposed.

H. 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 eight “true” comparable properties containing 1,064 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. 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.

All properties in the PMA that target senior tenants have an additional subsidy and therefore have been excluded from our analysis. Due to the lack of senior data, we have included four family LIHTC comparables in our analysis. All four properties are located in Kingsland/St. Mary's area and are between 2.6 and 6.8 miles from the Subject site. All four of the LIHTC comparables reported having senior tenants. While three of the comparables reported senior tenancies between two and 11 percent, Ashton Cove reported a senior tenancy of 50 percent. We have also included four market rate comparables in our analysis. All four comparables target families and are located in St. Mary's. Most of the comparables reported having a small number of senior tenants. While the availability of family LIHTC and market rate data is considered good, senior data is very limited in the PMA.

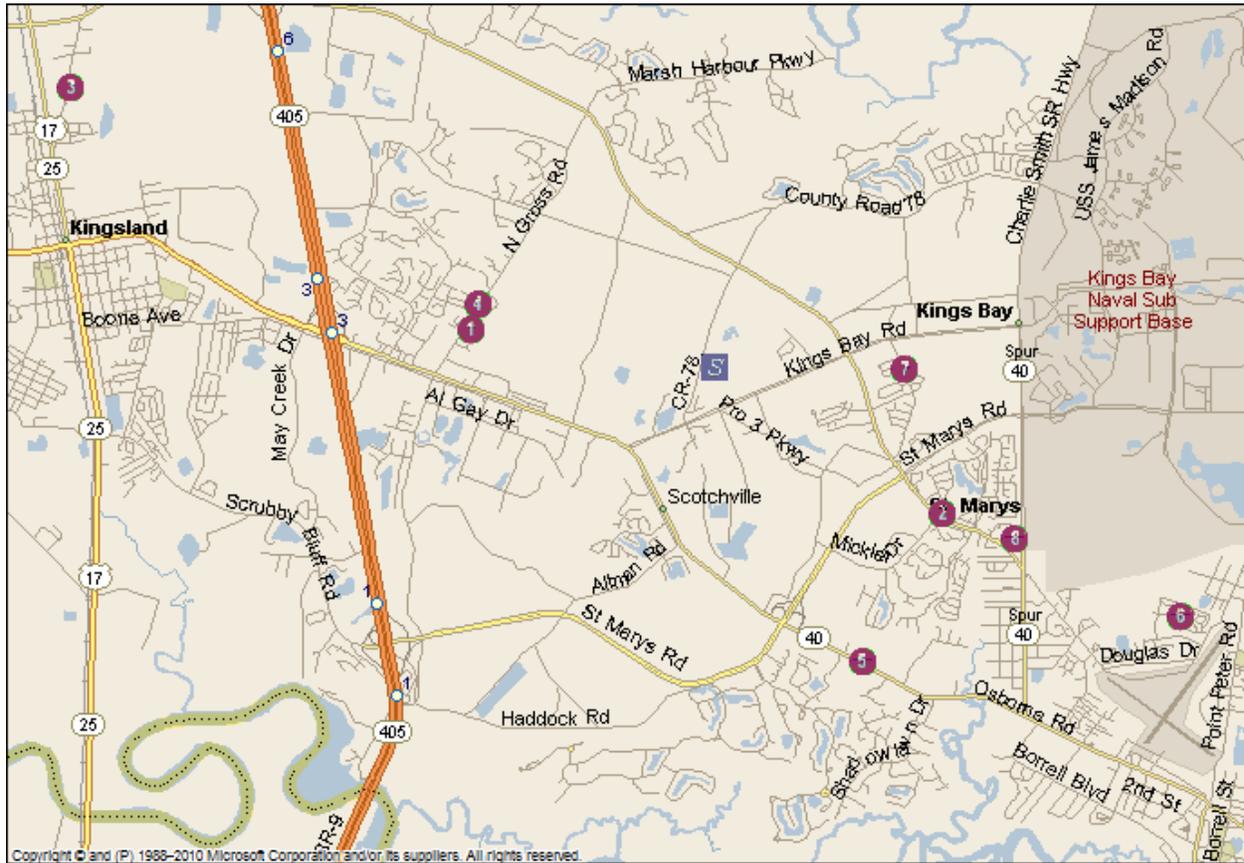
General Market Overview/Included/Excluded Properties

The following table illustrates properties that are within the PMA or similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

General Market Overview

Property Name	City	Occupancy		Type	Tenancy	Distance from		Reason for Exclusion
		Rate				Subject	Included/Excluded	
Ashton Cove	Kingsland	100.00%		LIHTC	Family	2.8 miles	Included	-
Ashton Pines	St. Marys	100.00%		LIHTC	Family	2.6 miles	Included	-
Kings Grant Apartments	Kingsland	95.00%		LIHTC	Family	6.8 miles	Included	-
Royal Point	Kingsland	88.90%		LIHTC	Family	2.8 miles	Included	-
Old Jefferson Estates	St. Marys	99.00%		LIHTC	Family	4.7 miles	Excluded	SFH design; Does not offer 1BR or 2BR units
Brant Creek	St. Marys	91.80%		Market	Family	4.5 miles	Included	-
Harbor Pines	St. Marys	70.00%		Market	Family	5.8 miles	Included	-
Mission Forest	St. Marys	94.20%		Market	Family	2.4 miles	Included	-
Park Place	St. Marys	81.20%		Market	Family	3.8 miles	Included	-
Camden Way	Kingsland	N/Av		Market	Family	2.5 miles	Excluded	Closer, more comparable properties available
Greenbriar Townhomes	Kingsland	N/Av		Market	Family	5.2 miles	Excluded	Closer, more comparable properties available
Colerain Oaks Rental Homes	St. Marys	N/Av		Market	Family	2.7 miles	Excluded	Management unavailable
Madison Square Apartments	St. Marys	N/Av		Market	Family	3.6 miles	Excluded	Management unavailable
Hilltop Terrace	Kingsland	100.00%	Rural Development	Family	6.1 miles	Excluded	34 out of 55 units pay 30% of income towards rent	
Hilltop Terrace II	Kingsland	N/Av	Rural Development	Senior	6.1 miles	Excluded	50 out of 55 units pay 30% of income towards rent	
Cumberland Village	St. Marys	N/Av	Rural Development	Family	4.7 miles	Excluded	13 out of 65 units pay 30% of income towards rent	
Cottages at Camden	Kingsland	100.00%	Section 8	Senior	2.3 miles	Excluded	Subsidized Units	
Cumberland Oaks	St. Marys	95.00%	Section 8	Family	5.2 miles	Excluded	Subsidized Units	
The Pines Apartments	St. Marys	N/Av	Section 8	Family	5.3 miles	Excluded	Subsidized Units	
Average		92.93%						

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashton Cove Apartments	Kingsland	LIHTC	2.8 miles
2	Ashton Pines At Sugar Mill	St Marys	LIHTC	2.6 miles
3	Kings Grant Apartments (aka Kingsland II)	Kingsland	LIHTC	6.8 miles
4	Royal Point Apartments	Kingsland	LIHTC	2.8 miles
5	Brant Creek	St Marys	Market	4.5 miles
6	Harbor Pines Apartments	St Marys	Market	5.8 miles
7	Mission Forest Apartments	St Marys	Market	2.4 miles
8	Park Place	St Marys	Market	3.8 miles

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

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

Effective Rent Date:	Jun-11	Units Surveyed:	1064	Weighted Occupancy:	86.70%
		Market Rate	718	Market Rate	82.90%
		Tax Credit	346	Tax Credit	94.50%

One Bedroom One Bath

Two Bedrooms Two Bath

	Property	Average	Property	Average	Property	Average
RENT	Brant Creek	\$735	Brant Creek	\$920		
	Brant Creek	\$695	Brant Creek	\$865		
	Harbor Pines Apartments	\$475	Park Place	\$606		
	Park Place	\$466	Kings Grant Apartments (aka Kingsland II) * (60%)	\$565		
	Mission Forest Apartments	\$441	Royal Point Apartments * (60%)	\$555		
	The Village At Winding Road * (60%)	\$410	Ashton Pines At Sugar Mill * (60%)	\$537		
	Ashton Cove Apartments * (50%)	\$395	Mission Forest Apartments	\$506		
	The Village At Winding Road* (50%)	\$380	The Village At Winding Road * (60%)	\$485		
	Ashton Cove Apartments * (45%)	\$342	Harbor Pines Apartments	\$475		
			Ashton Cove Apartments * (50%)	\$464		
			Kings Grant Apartments (aka Kingsland II) * (50%)	\$451		
			Ashton Pines At Sugar Mill * (50%)	\$446		
			The Village At Winding Bend * (50%)	\$445		
		Royal Point Apartments * (50%)	\$441			
		Ashton Cove Apartments * (45%)	\$401			
SQUARE FOOTAGE	The Village At Winding Road * (50%)	860	The Village At Winding Road * (50%)	1,060		
	The Village At Winding Road * (60%)	860	The Village At Winding Road * (60%)	1,060		
	Ashton Cove Apartments * (45%)	764	Brant Creek	1,029		
	Ashton Cove Apartments * (50%)	764	Brant Creek	1,029		
	Brant Creek	757	Royal Point Apartments * (50%)	990		
	Brant Creek	757	Royal Point Apartments * (60%)	990		
	Harbor Pines Apartments	750	Ashton Cove Apartments * (45%)	984		
	Mission Forest Apartments	750	Ashton Cove Apartments * (50%)	984		
	Park Place	700	Ashton Pines At Sugar Mill * (50%)	964		
			Ashton Pines At Sugar Mill * (60%)	964		
			Harbor Pines Apartments	950		
			Mission Forest Apartments	950		
			Park Place	950		
		Kings Grant Apartments (aka Kingsland II) * (50%)	900			
		Kings Grant Apartments (aka Kingsland II) * (60%)	900			
RENT PER SQUARE FOOT	Brant Creek	\$0.97	Brant Creek	\$0.89		
	Brant Creek	\$0.92	Brant Creek	\$0.84		
	Park Place	\$0.67	Park Place	\$0.64		
	Harbor Pines Apartments	\$0.63	Kings Grant Apartments (aka Kingsland II) * (60%)	\$0.63		
	Mission Forest Apartments	\$0.59	Royal Point Apartments * (60%)	\$0.56		
	Ashton Cove Apartments * (50%)	\$0.52	Ashton Pines At Sugar Mill * (60%)	\$0.56		
	The Village At Winding Road * (60%)	\$0.48	Mission Forest Apartments	\$0.53		
	Ashton Cove Apartments * (45%)	\$0.45	Kings Grant Apartments (aka Kingsland II) * (50%)	\$0.50		
	The Village At Winding Road * (50%)	\$0.44	Harbor Pines Apartments	\$0.50		
			Ashton Cove Apartments * (50%)	\$0.47		
			Ashton Pines At Sugar Mill * (50%)	\$0.46		
			The Village At Winding Road * (60%)	\$0.46		
			Royal Point Apartments * (50%)	\$0.45		
		The Village At Winding Road * (50%)	\$0.42			
		Ashton Cove Apartments * (45%)	\$0.41			

PROPERTY PROFILE REPORT

Ashton Cove Apartments

Effective Rent Date 3/08/2011
Location 230 N Gross Rd
 Kingsland, GA 31548
 Camden County
Distance 2.8 miles
Units 72
Vacant Units 0
Vacancy Rate 0.0%
Type Garden
Year Built/Renovated 1999 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None
Tenant Characteristics 50% seniors, 50% families
Contact Name Reese
Phone (912) 510-7007



Market Information

Program @45%, @50%
Annual Turnover Rate 6%
Units/Month Absorbed N/A
HCV Tenants 21%
Leasing Pace 1 week
Annual Chg. in Rent Rents increased in January 2011
Concession None

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water not included
Sewer not included
Trash Collection 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	15	764	\$342	\$0	@45%	250 HH	0	0.0%	yes	None
1	1	Garden	3	764	\$395	\$0	@50%	250 HH	0	0.0%	yes	None
2	2	Garden	32	984	\$401	\$0	@45%	250 HH	0	0.0%	yes	None
2	2	Garden	6	984	\$464	\$0	@50%	250 HH	0	0.0%	yes	None
3	2	Garden	13	1,184	\$454	\$0	@45%	250 HH	0	0.0%	yes	None
3	2	Garden	3	1,184	\$527	\$0	@50%	250 HH	0	0.0%	yes	None

Unit Mix

@45%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$342	\$0	\$342	\$0	\$342	1BR / 1BA	\$395	\$0	\$395	\$0	\$395
2BR / 2BA	\$401	\$0	\$401	\$0	\$401	2BR / 2BA	\$464	\$0	\$464	\$0	\$464
3BR / 2BA	\$454	\$0	\$454	\$0	\$454	3BR / 2BA	\$527	\$0	\$527	\$0	\$527

Ashton Cove Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

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

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area
Swimming Pool

Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The property is typically 100 percent occupied with a waiting list. Half of the people on the waiting list are seniors. There is sufficient demand for senior housing in St. Mary's, with an estimated 70 units. Seniors are generally in the one and two bedroom units. Management also indicated that there is demand for additional family units as well, given the large number of families on their waiting list.

Ashton Cove Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q10	1Q11
0.0%	0.0%	0.0%

Trend: @45%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$322	\$0	\$322	\$322
2011	1	0.0%	\$342	\$0	\$342	\$342

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$378	\$0	\$378	\$378
2011	1	0.0%	\$401	\$0	\$401	\$401

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$429	\$0	\$429	\$429
2011	1	0.0%	\$454	\$0	\$454	\$454

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$317	\$0	\$317	\$317
2010	1	0.0%	\$372	\$0	\$372	\$372
2011	1	0.0%	\$395	\$0	\$395	\$395

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$373	\$0	\$373	\$373
2010	1	0.0%	\$438	\$0	\$438	\$438
2011	1	0.0%	\$464	\$0	\$464	\$464

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$421	\$0	\$421	\$421
2010	1	0.0%	\$498	\$0	\$498	\$498
2011	1	0.0%	\$527	\$0	\$527	\$527

Trend: Comments

2Q08 The contact would not comment on market characteristics but reported that the property typically remains 100 percent occupied with a waiting list. Management estimated income restrictions but was unable to provide confirmed AMI restrictions for the property. Management refused to provide additional information during the site visit. Therefore, based on the rents being achieved at the property in comparison to rents at other competing properties in the market, we assumed that this property operates with units at the 50 and 60 percent AMI levels.

1Q10 The property is always 100 percent occupied with a waiting list.

1Q11 The property is typically 100 percent occupied with a waiting list. Half of the people on the waiting list are seniors. There is sufficient demand for senior housing in St. Mary's, with an estimated 70 units. Seniors are generally in the one and two bedroom units. Management also indicated that there is demand for additional family units as well, given the large number of families on their waiting list.

PROPERTY PROFILE REPORT

Ashton Pines At Sugar Mill

Effective Rent Date	6/06/2011
Location	11115 Colerain Rd St Marys, GA 31558 Camden County
Distance	2.6 miles
Units	70
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Kings Landing, Ashton Cove
Tenant Characteristics	Majority of tenants come from Camden Cty; Some from Yulee, FL, Folkston, GA, and Waycross, GA, 11% senior
Contact Name	Reese
Phone	(912) 673-6588



Market Information

Program	@50%, @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	17%
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	17	964	\$446	\$0	@50%	75 HHs	0	0.0%	no	None
2	2	Garden (2 stories)	17	964	\$537	\$0	@60%	75 HHs	0	0.0%	no	None
3	2	Garden (2 stories)	18	1,164	\$500	\$0	@50%	75 HHs	0	0.0%	no	None
3	2	Garden (2 stories)	18	1,164	\$607	\$0	@60%	75 HHs	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$446	\$0	\$446	\$0	\$446	2BR / 2BA	\$537	\$0	\$537	\$0	\$537
3BR / 2BA	\$500	\$0	\$500	\$0	\$500	3BR / 2BA	\$607	\$0	\$607	\$0	\$607

Ashton Pines At Sugar Mill, 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
Off-Street Parking
Playground

Central Laundry
On-Site Management

Premium

None

Other

None

Comments

Management believes maximum rents are not achievable given the current economy. There are a few seniors on the 75 person waiting list, but the property manager indicated there is demand for 70 senior units in St. Mary's given the waiting list at Ashton Cove. All of the seniors want to live at Ashton Cove, according to management. Management indicated that most of the tenants on the waiting list are waiting for 50 percent AMI units.

Ashton Pines At Sugar Mill, continued

Trend Report

Vacancy Rates

2Q08	3Q10	1Q11
0.0%	4.3%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$426	\$0	\$426	\$426
2010	3	5.9%	\$426	\$0	\$426	\$426
2011	1	0.0%	\$446	\$0	\$446	\$446

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$480	\$0	\$480	\$480
2010	3	0.0%	\$480	\$0	\$480	\$480
2011	1	0.0%	\$500	\$0	\$500	\$500

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$517	\$0	\$517	\$517
2010	3	5.9%	\$517	\$0	\$517	\$517
2011	1	0.0%	\$537	\$0	\$537	\$537

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$587	\$0	\$587	\$587
2010	3	5.6%	\$587	\$0	\$587	\$587
2011	1	0.0%	\$607	\$0	\$607	\$607

Trend: Comments

- 2Q08** The contact could not comment on demand in the area since the contact was recently transferred to this property. Management typically does keep a waiting list but the contact has yet to start one. The contact reported that the rents are not at the maximum allowable and did not know whether the maximum allowable LIHTC rents are achievable. However, according to the maximum allowable rent calculator, this property's 50 percent AMI rents are at the maximum allowable levels. The management company for the property is Ambling Management.
- 3Q10** The property is 97 percent occupied and 100 percent leased. There is an estimated 55 households on the waiting list and approximately half are waiting for three-bedroom units. Rents are not set at the maximum allowable levels and the contact indicated that tenants cannot afford the maximum allowable. Due to the economy, turnover has increased and one or two tenants have been evicted from the property due to a loss their jobs at Wal-Mart. Ashton Cove is a sister property and a major competitor as are Kings Grant and Royal Pointe. However, the contact indicated that Royal Pointe is having occupancy issues because the property is not well-maintained and because of management turnover. The contact indicated that Royal Pointe has had five property managers since 2007.
- 1Q11** Management believes maximum rents are not achievable given the current economy. There are a few seniors on the 75 person waiting list, but the property manager indicated there is demand for 70 senior units in St. Mary's given the waiting list at Ashton Cove. All of the seniors want to live at Ashton Cove, according to management. Management indicated that most of the tenants on the waiting list are waiting for 50 percent AMI units.

PROPERTY PROFILE REPORT

Kings Grant Apartments (aka Kingsland II)

Effective Rent Date	3/08/2011
Location	500 N. Grove Blvd Kingsland, GA 31548 Camden County
Distance	6.8 miles
Units	60
Vacant Units	3
Vacancy Rate	5.0%
Type	Garden (2 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	3/28/2009
Last Unit Leased	8/31/2009
Major Competitors	Ashton Cove, Old Jefferson, Ashton Pines
Tenant Characteristics	N/A
Contact Name	Jackie
Phone	912-882-7220



Market Information

Program	@50%, @60%
Annual Turnover Rate	50%
Units/Month Absorbed	11-12
HCV Tenants	40%
Leasing Pace	Prelease
Annual Chg. in Rent	Rents increased in September 2011
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	7	900	\$495	\$0	@50%	2 HH	0	0.0%	no	None
2	2	Garden (2 stories)	20	900	\$609	\$0	@60%	No	3	15.0%	no	None
3	2	Garden (2 stories)	14	1,100	\$565	\$0	@50%	2 HH	0	0.0%	no	None
3	2	Garden (2 stories)	19	1,100	\$648	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$495	\$0	\$495	-\$44	\$451	2BR / 2BA	\$609	\$0	\$609	-\$44	\$565
3BR / 2BA	\$565	\$0	\$565	-\$52	\$513	3BR / 2BA	\$648	\$0	\$648	-\$52	\$596

Kings Grant Apartments (aka Kingsland II), continued

Amenities

In-Unit

Carpeting
Coat Closet
Ceiling Fan
Hand Rails
Oven
Refrigerator

Central A/C
Dishwasher
Garbage Disposal
Microwave
Pull Cords
Washer/Dryer hookup

Security

Patrol

Services

None

Property

Basketball Court
Clubhouse/Meeting
Central Laundry
On-Site Management
Playground
Swimming Pool

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

Premium

None

Other

None

Comments

There is demand for senior one bedroom units, and some senior two bedroom units. Some seniors prefer the second bedroom unit for visiting family members. The vacant units are a result of layoffs and evictions. The property manager indicated that rents could be increased if the economy improves. There are two pending applications on vacant units. Management also reported a need for family LIHTC units in the area, particularly two- and three-bedroom units.

Kings Grant Apartments (aka Kingsland II), continued

Trend Report

Vacancy Rates

1Q10	3Q10	1Q11
5.0%	1.7%	5.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$464	\$0	\$464	\$420
2010	3	0.0%	\$464	\$0	\$464	\$420
2011	1	0.0%	\$495	\$0	\$495	\$451

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	7.1%	\$534	\$0	\$534	\$482
2010	3	0.0%	\$534	\$0	\$534	\$482
2011	1	0.0%	\$565	\$0	\$565	\$513

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	5.0%	\$589	\$0	\$589	\$545
2010	3	0.0%	\$589	\$0	\$589	\$545
2011	1	15.0%	\$609	\$0	\$609	\$565

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	5.3%	\$628	\$0	\$628	\$576
2010	3	5.3%	\$628	\$0	\$628	\$576
2011	1	0.0%	\$648	\$0	\$648	\$596

Trend: Comments

- 1Q10** The contact indicated there was a great need for senior properties in the area, but that this property was not a good fit for seniors because of the lack of elevators. The contact indicated there were between one and two people moving out each month due to the economy; we used two to conservatively estimate the annual turnover rate. Contact indicated the property began leasing March 28, and was leased up by August 2009, but could not give an exact date; therefore, we estimated August 31, 2009. Contact also informed us that rents for three bedrooms at 60% AMI levels decreased from \$672 per month to \$628 per month since opening.
- 3Q10** Management indicated that the property began leasing March 28, and stabilized by September 2009; therefore, we estimated August 31, 2009. Contact also informed us that rents for three bedrooms at 60% AMI levels decreased from \$672 per month to \$628 per month since opening. Management reported that three-bedroom units and units at 50 percent AMI are in high demand and that the property offers mobility impaired units, which can be difficult to lease. If a mobility impaired household resides in a unit but the household is not certified, that household can be given notice if a certified mobility impaired prospective tenant applies. Management indicated that there are no true conventional or unrestricted properties comparables in the area and that Royal Point is not considered a major competitor because of occupancy issues related to high management turnover. Ashton Pines is considered a competitor; however, management at Kings Grant indicated that the property lacks amenities. Overall, management believes there is demand for additional LIHTC housing particularly as an estimated 10 percent of three-bedroom traffic is also looking for four-bedroom units.
- 1Q11** There is demand for senior one bedroom units, and some senior two bedroom units. Some seniors prefer the second bedroom unit for visiting family members. The vacant units are a result of layoffs and evictions. The property manager indicated that rents could be increased if the economy improves. There are two pending applications on vacant units. Management also reported a need for family LIHTC units in the area, particularly two- and three-bedroom units.

PROPERTY PROFILE REPORT

Royal Point Apartments

Effective Rent Date	3/08/2011
Location	301 N Gross Rd Kingsland, GA 31548 Camden County
Distance	2.8 miles
Units	144
Vacant Units	16
Vacancy Rate	11.1%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ashton Cove, Willow Way, Camden Way
Tenant Characteristics	Majority from Camden Cty including St Marys; Avg HH size is 3 persons, 2% senior
Contact Name	Daniel; Jessica
Phone	(912) 729-7135



Market Information

Program	@50%, @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	10%
Leasing Pace	7 days
Annual Chg. in Rent	Rents increased in January 2011 on
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	30	990	\$485	\$0	@50%	None	N/A	N/A	no	None
2	2	Garden (3 stories)	N/A	990	\$599	\$0	@60%	None	N/A	N/A	no	None
3	2	Garden (3 stories)	30	1,189	\$551	\$0	@50%	None	N/A	N/A	yes	None
3	2	Garden (3 stories)	N/A	1,189	\$696	\$0	@60%	None	N/A	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$485	\$0	\$485	-\$44	\$441	2BR / 2BA	\$599	\$0	\$599	-\$44	\$555
3BR / 2BA	\$551	\$0	\$551	-\$52	\$499	3BR / 2BA	\$696	\$0	\$696	-\$52	\$644

Royal Point Apartments, continued

Amenities

In-Unit

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

Carpeting
Coat Closet
Ceiling Fan
Oven
Walk-In Closet

Security

None

Services

None

Property

Basketball Court
Exercise Facility
Off-Street Parking
Playground

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The property manager indicated that occupancy fluctuated between 90 and 98 percent. Some of the seniors are in three bedroom units. According to management seven of the vacant units are pre-leased. Management indicated that there is demand for LIHTC units targeting families as well as seniors.

Royal Point Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q10	3Q10	1Q11
4.2%	13.9%	11.1%	11.1%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$438	\$0	\$438	\$394
2010	1	N/A	\$481	\$0	\$481	\$437
2010	3	N/A	\$481	\$0	\$481	\$437
2011	1	N/A	\$485	\$0	\$485	\$441

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$497	\$0	\$497	\$445
2010	1	N/A	\$548	\$0	\$548	\$496
2010	3	N/A	\$548	\$0	\$548	\$496
2011	1	N/A	\$551	\$0	\$551	\$499

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$558	\$0	\$558	\$514
2010	1	N/A	\$599	\$0	\$599	\$555
2010	3	N/A	\$599	\$0	\$599	\$555
2011	1	N/A	\$599	\$0	\$599	\$555

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$638	\$0	\$638	\$586
2010	1	N/A	\$659	\$0	\$659	\$607
2010	3	N/A	\$659	\$0	\$659	\$607
2011	1	N/A	\$696	\$0	\$696	\$644

Trend: Comments

- 2Q08** The contact reported that there is definite demand for affordable housing as there is inadequate supply in the area. The contact also reported that tenants probably cannot afford higher rents than what is currently offered at the property.
- 1Q10** The contact reported that they are currently leasing to ten applicants in the next two to three weeks. The contact also reported that they will lower the deposit or waive the application fee if the applicants credit report is good.
- 3Q10** The contact reported that the property typically remains 90 percent occupied, a rate that was last achieved in mid-May 2010. Management indicated that the majority of tenants are employed at Wal-Mart or the military base and that neither have appeared to have laid off employees. Management attributed low occupancy at the property to slow traffic. There has only been one eviction in recent months; therefore, nonpayment does not appear to be an issue.
- 1Q11** The property manager indicated that occupancy fluctuated between 90 and 98 percent. Some of the seniors are in three bedroom units. According to management seven of the vacant units are pre-leased. Management indicated that there is demand for LIHTC units targeting families as well as seniors.

PROPERTY PROFILE REPORT

Brant Creek

Effective Rent Date 3/08/2011
Location 4450 Highway 40 East
 St Marys, GA 31558
 Camden County
Distance 4.5 miles
Units 196
Vacant Units 16
Vacancy Rate 8.2%
Type Garden (3 stories)
Year Built/Renovated 2010 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics N/A
Contact Name Amy
Phone (912) 729-3101



Market Information

Program Market
Annual Turnover Rate N/A
Units/Month Absorbed 20
HCV Tenants 0%
Leasing Pace 20 per month
Annual Chg. in Rent Rents increased 1% in November 2010
Concession None

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water not included
Sewer not included
Trash Collection 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)	N/A	757	\$735	\$0	Market	No	0	N/A	N/A	HIGH*
1	1	Garden (3 stories)	56	757	\$695	\$0	Market	No	4	7.1%	N/A	LOW*
2	2	Garden (3 stories)	N/A	1,029	\$920	\$0	Market	No	0	N/A	N/A	HIGH*
2	2	Garden (3 stories)	128	1,029	\$865	\$0	Market	No	12	9.4%	N/A	LOW*
3	2	Garden (3 stories)	12	1,186	\$1,045	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$695 - \$735	\$0	\$695 - \$735	\$0	\$695 - \$735
2BR / 2BA	\$865 - \$920	\$0	\$865 - \$920	\$0	\$865 - \$920
3BR / 2BA	\$1,045	\$0	\$1,045	\$0	\$1,045

Brant Creek, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Carpeting
Dishwasher
Oven
Walk-In Closet

Security

None

Services

None

Property

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground

Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The property initially offered a one month free concession to expedite lease-up. The property manager could not comment on how many seniors there were at the property, but indicated that there were a few. Rents range based on floor and availability.

PROPERTY PROFILE REPORT

Harbor Pines Apartments

Effective Rent Date 3/08/2011
Location 2000 Harbor Pine Dr
 St Marys, GA 31558
 Camden County
Distance 5.8 miles
Units 200
Vacant Units 60
Vacancy Rate 30.0%
Type Garden (2 stories)
Year Built/Renovated 1989 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Park Place
Tenant Characteristics 40% military
Contact Name Anitra; Michelle
Phone (912) 882-7330



Market Information

Program Market
Annual Turnover Rate 60%
Units/Month Absorbed N/A
HCV Tenants 1%
Leasing Pace 2 months
Annual Chg. in Rent Steadily decreasing
Concession Reduced rents

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water not included
Sewer not included
Trash Collection 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)	44	750	\$475	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden (2 stories)	112	950	\$475	\$0	Market	None	N/A	N/A	N/A	None
3	2	Garden (2 stories)	44	1,100	\$575	\$0	Market	None	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$475	\$0	\$475	\$0	\$475
2BR / 2BA	\$475	\$0	\$475	\$0	\$475
3BR / 2BA	\$575	\$0	\$575	\$0	\$575

Harbor Pines Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Refrigerator

Blinds
Central A/C
Exterior Storage
Oven
Washer/Dryer hookup

Security

Patrol

Services

None

Property

Basketball Court
Off-Street Parking
Playground
Tennis Court

Clubhouse/Meeting
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

Management reported that occupancy rates at market rate properties in the area fluctuate significantly throughout the year due to military deployments. Management also stated that the LIHTC rental market is much more stable than the conventional market due to the low military tenancy at these properties.

Harbor Pines Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q10	1Q11
4.0%	25.0%	30.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	4.5%	\$575	\$0	\$575	\$575
2010	1	N/A	\$625	\$125	\$500	\$500
2011	1	N/A	\$475	\$0	\$475	\$475

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	5.4%	\$625	\$0	\$625	\$625
2010	1	N/A	\$675	\$171	\$504	\$504
2011	1	N/A	\$475	\$0	\$475	\$475

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$695	\$0	\$695	\$695
2010	1	N/A	\$775	\$75	\$700	\$700
2011	1	N/A	\$575	\$0	\$575	\$575

Trend: Comments

- 2Q08** The contact reported that demand for housing is stable in the area and that current supply appears to be meeting demand. Turnover is high at the property due to military deployments. Harbor Pines was allocated tax credits in 1987 or 1988 but currently operates as a market rate property.
- 1Q10** Management indicated that the property was 97 to 99 percent occupied in second quarter 2010. However, occupancy has since dropped due to the completion of a project on the military base. An estimated 45 tenants were employed doing temporary contract work, which has been completed. Therefore, management is currently offering a concession in order to lease the units.
- 1Q11** Management reported that occupancy rates at market rate properties in the area fluctuate significantly throughout the year due to military deployments. Management also stated that the LIHTC rental market is much more stable than the conventional market due to the low military tenancy at these properties.

PROPERTY PROFILE REPORT

Mission Forest Apartments

Effective Rent Date	3/04/2011
Location	999 Mission Trace Dr St Marys, GA 31558 Camden County
Distance	2.4 miles
Units	104
Vacant Units	6
Vacancy Rate	5.8%
Type	Garden (2 stories)
Year Built/Renovated	1986 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Park Place, Harbor Pines, Camden Way
Tenant Characteristics	70-75% military; Majority singles or families
Contact Name	Leasing agent
Phone	(912) 882-4444



Market Information

Program	Market
Annual Turnover Rate	46%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	Rents decreased in October 2010
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	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)	16	750	\$475	\$0	Market	None	1	6.2%	N/A	None
2	2	Garden (2 stories)	88	950	\$550	\$0	Market	None	5	5.7%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$475	\$0	\$475	-\$34	\$441
2BR / 2BA	\$550	\$0	\$550	-\$44	\$506

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Dishwasher		
Garbage Disposal		
Refrigerator		
Washer/Dryer hookup		
Carpeting		
Coat Closet		
Ceiling Fan		
Oven		
Walk-In Closet		
Property	Premium	Other
Clubhouse/Meeting	None	None
Off-Street Parking		
Picnic Area		
Sauna		
Central Laundry		
On-Site Management		
Playground		
Swimming Pool		

Mission Forest Apartments, continued

Comments

The high turnover is due to military tenants. Approximately five of the tenants are seniors, or five percent. The property manager believes there is demand for senior housing in St. Marys. Management also stated that while the conventional rental market is saturated, there is demand for additional units targeting low income families. Occupancy was as low as 70 percent during the spring of 2010 due to military deployments.

Mission Forest Apartments, continued

Trend Report

Vacancy Rates

2Q08	1Q11
2.9%	5.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$550	\$0	\$550	\$516
2011	1	6.2%	\$475	\$0	\$475	\$441

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	3.4%	\$600	\$0	\$600	\$556
2011	1	5.7%	\$550	\$0	\$550	\$506

Trend: Comments

2Q08 The contact reported that the property is typically 97 percent occupied and that the estimated \$50 rent increase that occurred in January 2008 is feasible. The contact could not identify where tenants are coming from as the majority are transferred from other military bases.

1Q11 The high turnover is due to military tenants. Approximately five of the tenants are seniors, or five percent. The property manager believes there is demand for senior housing in St. Marys. Management also stated that while the conventional rental market is saturated, there is demand for additional units targeting low income families. Occupancy was as low as 70 percent during the spring of 2010 due to military deployments.

PROPERTY PROFILE REPORT

Park Place

Effective Rent Date 3/08/2011
Location 11919 Colerain Rd
 St Marys, GA 31558
 Camden County
Distance 3.8 miles
Units 218
Vacant Units 41
Vacancy Rate 18.8%
Type Garden (2 stories)
Year Built/Renovated 1988 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None due to superior condition, higher price point
Tenant Characteristics 90% military, Camden Cty Medical Center, schools, police department; Avg is 4 person HH; 2% senior
Contact Name Tina
Phone (912) 673-6001



Market Information

Program Market
Annual Turnover Rate 28%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace 1 week
Annual Chg. in Rent Increased 2-3% Nov 2007
Concession None

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water included
Sewer included
Trash Collection 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)	32	700	\$500	\$0	Market	None	N/A	N/A	N/A	None
2	1	Garden (2 stories)	77	950	\$600	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden (2 stories)	77	950	\$725	\$75	Market	None	N/A	N/A	N/A	None
3	2	Garden (2 stories)	32	1,100	\$825	\$75	Market	None	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$500	\$0	\$500	-\$34	\$466
2BR / 1BA	\$600	\$0	\$600	-\$44	\$556
2BR / 2BA	\$725	\$75	\$650	-\$44	\$606
3BR / 2BA	\$825	\$75	\$750	-\$52	\$698

Park Place, continued

Amenities

In-Unit

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Oven
Vaulted Ceilings
Washer/Dryer hookup

Carpeting
Dishwasher
Ceiling Fan
Microwave
Refrigerator
Walk-In Closet

Security

Patrol

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Tennis Court

Exercise Facility
Off-Street Parking
Swimming Pool

Premium

None

Other

Fishing pond, walking path

Comments

The property has suffered from the poor economy over the past several years; however, management reported that the local economy has begun to improve. The property is currently 96.5 percent pre-leased. The one bedroom units stay full. There are four unleased two bedroom units and one three bedroom unleased unit. The property manager believed there was demand for low income senior and family housing in St. Mary's.

Park Place, continued

Trend Report

Vacancy Rates

2Q08	1Q11
4.1%	18.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	3.1%	\$605	\$0	\$605	\$571
2011	1	N/A	\$500	\$0	\$500	\$466

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	2.6%	\$705	\$0	\$705	\$661
2011	1	N/A	\$600	\$0	\$600	\$556

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	7.8%	\$725	\$0	\$725	\$681
2011	1	N/A	\$725	\$75	\$650	\$606

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$825	\$0	\$825	\$773
2011	1	N/A	\$825	\$75	\$750	\$698

Trend: Comments

- 2Q08** The contact reported that the market has slowed due to the economy as the property is typically 97 percent occupied. The property last maintained a 97 percent occupancy rate in February 2008. The contact attributed the slower market to the economy and tenants moving to affordable properties, for which there is a high demand according to the contact.
- 1Q11** The property has suffered from the poor economy over the past several years; however, management reported that the local economy has begun to improve. The property is currently 96.5 percent pre-leased. The one bedroom units stay full. There are four unleased two bedroom units and one three bedroom unleased unit. The property manager believed there was demand for low income senior and family housing in St. Mary's.

2. The following information is provided as required by DCA:

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Housing Choice Voucher Tenants
Ashton Cove Apartments	LIHTC	21%
Ashton Pines At Sugar Mill	LIHTC	17%
Kings Grant Apartments (aka Kingsland II)	LIHTC	40%
Royal Point Apartments	LIHTC	10%
Brant Creek	Market	0%
Harbor Pines Apartments	Market	1%
Mission Forest Apartments	Market	0%
Park Place	Market	0%
Average		11%

Average voucher tenancy in the market is low at 11 percent. The four LIHTC properties reported a voucher tenancy of 22 percent, which is above the overall market average. Kings Grant Apartments reported the highest voucher tenancy at 40 percent, with the other LIHTC properties reporting voucher tenancies between 10 and 21 percent. Overall, it does not appear that the local market is dependent on voucher holders and we do not anticipate that the Subject will be dependent on voucher holders in order to maintain a stabilized occupancy of 93 percent.

Lease Up History

The property manager at Kings Grant Apartments (formerly Kingsland II) reported that the property began leasing at the end of March 2009 and was stabilized by the end of August 2009. This illustrates an absorption rate of 12 units per month, or five months. Management at the family LIHTC property Ashton Cove reported that 50 percent of their tenants are seniors and that there are a significant number of seniors on their waiting list. All LIHTC property managers reported that a senior LIHTC property containing 50 to 70 units would be successful in the local market. Given the stated need for senior LIHTC housing, we have estimated that the 50 unit Subject will lease approximately eight units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within six months.

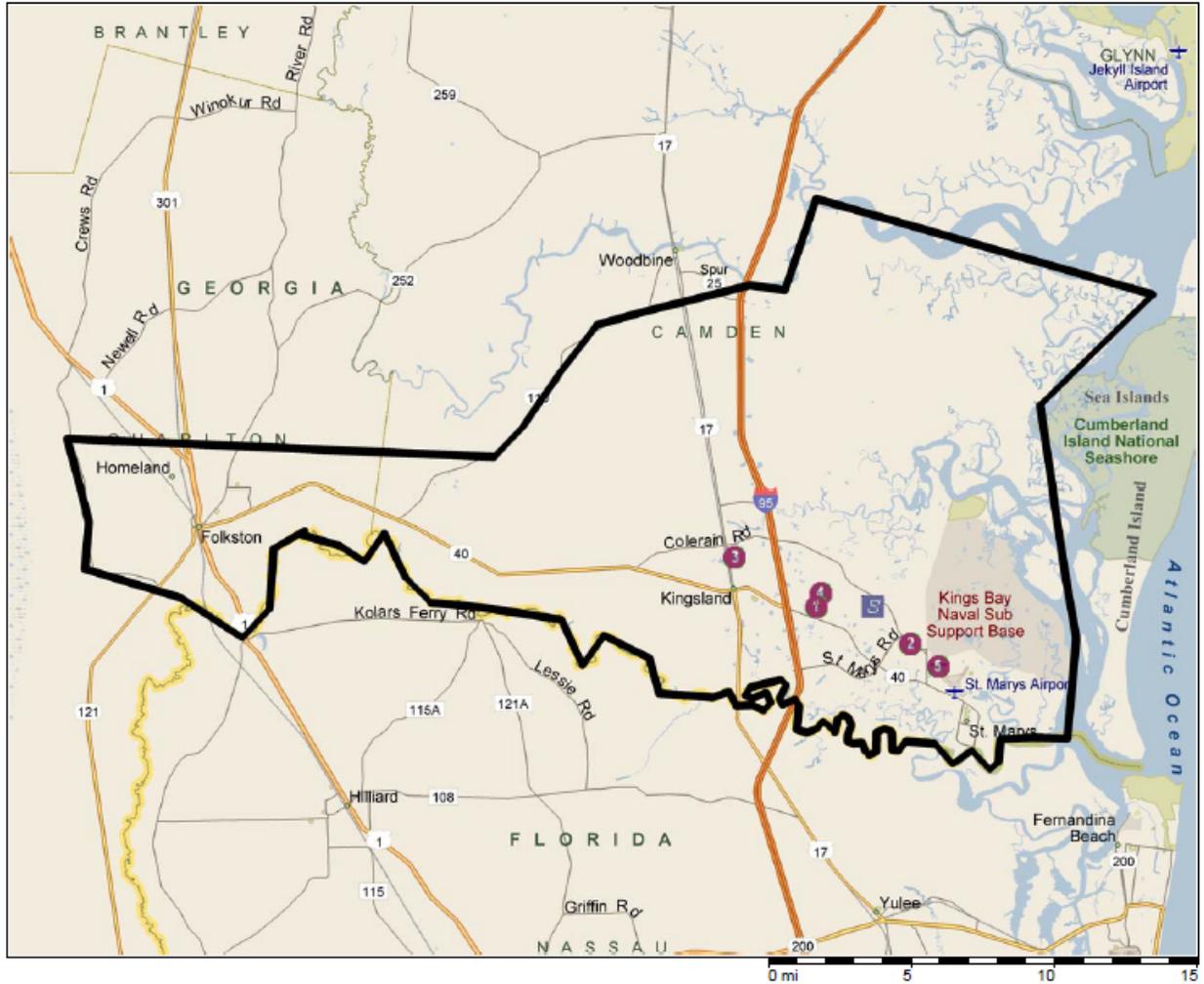
Phased Developments

N/Ap.

Rural Areas

Although the Subject is located in a rural area, there are sufficient rental comparables within the PMA. Therefore, it was not necessary to use classifieds or single family home rentals in our supply analysis.

3. COMPETITIVE PROJECT MAP



LIHTC in PMA

#	Property Name	City	Type	Distance
1	Ashton Cove Apartments	Kingsland	LIHTC	2.8 miles
2	Ashton Pines At Sugar Mill	St Marys	LIHTC	2.6 miles
3	Kings Grant Apartments (aka Kingsland II)	Kingsland	LIHTC	6.8 miles
4	Royal Point Apartments	Kingsland	LIHTC	2.8 miles
5	Old Jefferson Estates	St. Mary's	LIHTC	4.7 miles

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in grey, while those properties that do not offer an amenity that the Subject does offer are shaded in blue. Thus, the inferior properties can be identified by the blue and the superior properties can be identified by the red.

The Village at Winding Road, St. Mary's, GA; Market Study

UNIT MATRIX REPORT

	The Village At Winding Bend	Ashton Cove Apartments	Ashton Pines At Sugar Mill	Kings Grant Apartments (aka Kingsland II)	Royal Point Apartments	Brant Creek	Harbor Pines Apartments	Mission Forest Apartments	Park Place
Comp #	Subject	1	2	3	4	5	6	7	8
Property Information									
Property Type	One-story (age-restricted)	Garden	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated	2013	1999	1997	2009	2000	2010	1989	1986	1988
Market (Conv.)/Subsidy Type	50%, 60%	45%, 50%	50%, 60%	50%, 60%	50%, 60%	Market	Market	Market	Market
In-Unit Amenities									
Balcony/Patio	yes	yes	yes	no	no	yes	yes	no	no
Blinds	yes	yes	yes	no	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	yes	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	no	no	yes	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	no	no	no	yes	no	yes
Ceiling Fan	no	yes	yes	yes	yes	no	no	yes	yes
Garbage Disposal	no	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	no	no	yes	no	no	no	no	no
Microwave	no	no	no	yes	no	no	no	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	no	no	yes	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes
Walk-In Closet	no	no	yes	no	yes	yes	no	yes	yes
Washer/Dryer hookup	no	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities									
Basketball Court	no	no	no	yes	yes	no	yes	no	no
Business Center/Computer Lab	yes	no	no	yes	no	no	no	no	no
Car Wash	no	no	no	no	no	yes	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exercise Facility	yes	no	no	yes	yes	yes	no	no	yes
Garage	no	no	no	no	no	yes	no	no	no
Central Laundry	yes	yes	yes	yes	yes	yes	no	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	no	yes	no	yes	no	yes	no
Playground	no	yes	yes	yes	yes	yes	yes	yes	no
Recreation Areas	yes	no	no	no	no	no	no	no	no
Sauna	no	no	no	no	no	no	no	yes	no
Sport Court	no	no	no	yes	no	no	no	no	no
Swimming Pool	no	yes	no	yes	yes	yes	yes	yes	yes
Tennis Court	no	no	no	no	no	no	yes	no	yes
Services									
Security									
Patrol	no	no	no	yes	no	no	yes	no	yes
Premium Amenities									
Other Amenities									
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Fishing pond, walking path

The Subject's amenities are considered slightly inferior to those at the comparables due to the Subject's lack of in unit washer/dryer connections and a swimming pool. However, all of the comparables target families whereas the Subject will target senior households 55 and older. Property managers indicated that these amenities would not be as important to senior tenants and that a senior property in the area could be successful without either amenity. Overall, we believe that the Subject's proposed amenities will appeal to senior tenants and allow the Subject to effectively compete in the local market.

5. Percentage of Senior Tenants at the Comparables

The Subject will target senior households aged 55 and older. There are no senior LIHTC properties in the Subject's PMA or in the surrounding markets. Due to the lack of senior properties, we have included family properties as comparables. The following table illustrates the percent of senior tenants at the family properties used as comparables in our analysis.

Percent of Senior Tenants

Property	Type	Tenancy	% Senior Tenants
Ashton Cove Apartments	LIHTC	Family	50%
Ashton Pines At Sugar Mill	LIHTC	Family	11%
Kings Grant Apartments (aka Kingsland II)	LIHTC	Family	10%
Royal Point Apartments	LIHTC	Family	2%
Brant Creek	Market	Family	5%
Harbor Pines Apartments	Market	Family	3%
Mission Forest Apartments	Market	Family	5%
Park Place	Market	Family	2%

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashton Cove Apartments	LIHTC	72	0	0.00%
Ashton Pines At Sugar Mill	LIHTC	70	0	0.00%
Kings Grant Apartments (aka Kingsland II)	LIHTC	60	3	5.00%
Royal Point Apartments	LIHTC	144	16	11.10%
Brant Creek	Market	196	16	8.20%
Harbor Pines Apartments	Market	200	60	30.00%
Mission Forest Apartments	Market	104	6	5.80%
Park Place	Market	218	41	18.80%
Total LIHTC	-	346	19	5.49%
Total Market	-	718	123	17.13%
Overall Vacancy	-	1,064	142	13.30%

Overall vacancy in the market is high at 13.30 percent; however, vacancy among the LIHTC comparables is much lower at 5.49 percent. Four of the five LIHTC comparables have vacancy rates between zero and five percent. Management at Royal Point Apartments indicated that

vacancy at the property has fluctuated between two and 10 percent over the last year. Currently, seven of the 16 vacancies are pre-leased, for an effective vacancy rate of 6.25 percent. Management at Kings Grant Apartments reported that there are two applications pending on the property's three vacant units. Management at Ashton Cove indicated that the property is typically 100 percent occupied and maintains a waiting list. The current waiting list contains approximately 250 households and management indicated that half of these are seniors. Management also indicated that 50 percent of the current tenants at the property are seniors and that there is sufficient demand in the market for a senior LIHTC property that will operate without an additional subsidy. Property managers at Ashton Pines and Kings Grant Apartments also reported sufficient demand for a senior property of approximately 50 to 70 units. Ashton Pines currently has no vacant units and has a waiting list of 75 households. There are two properties in the PMA that target senior tenants, Cottages of Camden and Hilltop Terrace II. Because both properties operate with an additional subsidy, they have been excluded as comparables from our analysis. We did however interview them in order to ascertain whether there is sufficient demand for senior rental housing in the PMA. Both property managers indicated that they do not have any vacant units and both properties have waiting lists. The strong performance of these senior properties further indicates a need for senior rental housing in the local area.

Vacancy among the market rate comparables is high at 17.13 percent. The high vacancy is typical for conventional properties in the area due to their heavy reliance on military tenants. The two properties with the highest vacancy rates, Harbor Pines and Park Place, reported military tenancies between 40 and 90 percent, respectively and property managers indicated that there was recently a military deployment which has increased their vacancy rates significantly. Property managers reported that because the majority of their tenants are in the military, their vacancy rates can fluctuate significantly from month to month depending on when the deployments are scheduled. It should be noted that while management at Park Place reported a vacancy rate of 18.8 percent, all but 10 of the vacancies are pre-leased for an effective vacancy rate of 4.6 percent. As a senior LIHTC property, the Subject will not have active military tenants at its property and will not be impacted by deployments.

7. Properties Under Construction and Proposed

There are no new LIHTC or market rate properties that are proposed or under construction in the PMA.

8. 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

The Village at Winding Road, St. Mary's, GA; Market Study

Similarity Matrix

#	Property Name	Type	Property		Location	Age / Condition	Unit Size	Overall Comparison
			Amenities	Unit Features				
1	Ashton Cove Apartments	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Slightly Inferior	-10
2	Ashton Pines At Sugar Mill	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Slightly Inferior	-10
3	Kings Grant Apartments (aka Kingsland II)	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Similar	Inferior	-5
4	Royal Point Apartments	LIHTC	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Slightly Inferior	-10
5	Brant Creek	Market	Slightly Superior	Slightly Superior	Slightly Inferior	Similar	Slightly Inferior	0
6	Harbor Pines Apartments	Market	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Inferior	-15
7	Mission Forest Apartments	Market	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Inferior	-15
8	Park Place	Market	Slightly Superior	Slightly Superior	Slightly Inferior	Inferior	Inferior	-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 50 and 60 percent AMI rents in the following table. It should be noted that there are no senior LIHTC properties in the Subject's market or the surrounding areas. Therefore, we have used family LIHTC properties within Camden County. All LIHTC comparables are within the Subject's PMA.

LIHTC Rent Comparison - @50%

Property Name	1BR	2BR
The Village At Winding Bend (Subject)	\$380	\$445
2011 LIHTC Maximum (Net)	\$409	\$482
Kings Grant Apartments (aka Kingsland II)	N/Ap	\$451
Royal Point Apartments	N/Ap	\$441
Ashton Cove Apartments	\$395	\$464
Ashton Pines At Sugar Mill	N/Ap	\$446
Average (excluding Subject)	\$395	\$451

LIHTC Rent Comparison - @60%

Property Name	1BR	2BR
The Village At Winding Bend (Subject)	\$410	\$485
2011 LIHTC Maximum (Net)	\$520	\$615
Royal Point Apartments	N/Ap	\$555
Kings Grant Apartments (aka Kingsland II)	N/Ap	\$565
Ashton Pines At Sugar Mill	N/Ap	\$537
Average (excluding Subject)	N/Ap	\$552

All four LIHTC comparables with rents at the 50 percent AMI level have rents below the maximum allowable levels. Ashton Cove reported that 50 percent of their tenants are seniors. This property is currently 100 percent occupied and has a 250 household waiting list. The large

percentage of senior tenants and the high occupancy at this property indicate that its current rents are achievable for senior tenants in the local market. As new construction, the Subject will be superior to all of the LIHTC comparables, with the exception of Kings Grant Apartments, which was built in 2009. The Subject's proposed 50 percent AMI rents are generally similar to the current 50 percent AMI rents at the comparables and will be affordable in the local market.

None of the LIHTC comparables offer one-bedroom units at 60 percent AMI. Property managers indicated that most of their vacancies are in the 60 percent AMI units and management at Ashton Pines indicated that most of their senior tenants are renting the property's 50 percent AMI units, as the current 60 percent AMI rents are difficult for seniors on fixed incomes to afford. Management indicated that rents approximately \$50 to \$75 below the current 60 percent AMI rents at this property would be affordable to seniors in the area. . Property managers at the other LIHTC comparables also confirmed that a senior LIHTC property could not achieve rents as high as those targeting families. The Subject's proposed 60 percent AMI rents are \$48 to \$80 below the current 60 percent AMI rents at all of the family LIHTC comparables. Therefore, we believe that the Subject's proposed 60 percent AMI rents will be affordable to senior tenants in the market.

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 market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

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

Subject Comparison To Market Rents

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average*	Subject Rent Advantage
1 BR 50%	\$380	\$395	\$735	\$535	41%
2 BR 50%	\$445	\$441	\$920	\$568	28%
1 BR 60%	\$410	\$441	\$735	\$562	37%
2 BR 60%	\$485	\$475	\$920	\$621	28%

*Includes both LIHTC and market rate comparables.

As illustrated, the Subject's proposed rents are all well below the surveyed average rents, yielding a rent advantage of 28 to 41 percent for the Subject. This rent advantage is significant and further illustrates the affordability of the Subject's proposed rents. As new construction, the Subject will be superior to all of the comparables in terms of age and condition, with the exception of Kings Grant Apartments and Grant Creek Apartments, and the Subject will also offer the largest units in the market. Overall, the Subject will have a positive price value relationship.

9. LIHTC Competition – Recent Allocations within Two Miles

According to information on Georgia Department of Community Affairs LIHTC allocation lists, there have been no senior properties allocated in the PMA in the past two years.

10. Rental Trends in the PMA

The following table is a summary of the tenure patterns of the housing stock in the PMA from 1990 to 2015.

TENURE PATTERNS PMA (AGES 55+)

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
1990	-	-	-	-
2000	1,905	79.18%	501	20.82%
2010	2,805	77.58%	811	22.42%
Prj Mrkt Entry				
July 2013	3,146	76.92%	947	23.08%
2015	3,374	76.48%	1,037	23.52%

0

As the table illustrates, households within the PMA are predominately owner-occupied residences. While renter-occupied households are in the minority, the percent of renter-occupied households is projected to increase through 2015.

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	8,786	78.6%	2,387	21.4%
2009	8,683	76.8%	2,619	23.2%
2012 – Mkt Entry				
2014	8,530	75.2%	2,815	24.8%

Source: ESRI Demographics 2009; Novogradac & Company LLP, January 2010

As the table illustrates, households within the PMA are predominately owner-occupied residences. However, the percentage of owner-occupied homes is expected to increase, and the percentage of renter-occupied homes is projected to decrease through 2013 and 2015. Nationally, approximately two-thirds of households are homeowners and one-third are renters. The PMA has a lower percentage of renter households than the nation as a whole. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people.

Historical Vacancy

The following table illustrates the historical vacancy at the comparable properties when available.

Historical Vacancy					
Comparable Property	Type	Total Units	2QTR 2008	1QTR 2010	1QTR 2011
Ashton Cove Apartments	LIHTC	72	0.00%	0.00%	0.00%
Ashton Pines At Sugar Mill	LIHTC	70	0.00%	N/Av	0.00%
Kings Grant Apartments (aka Kingsland II)	LIHTC	60	N/Av	5.00%	5.00%
Royal Point Apartments	LIHTC	144	4.20%	13.90%	11.10%
Brant Creek	Market	196	N/Av	N/Av	8.20%
Harbor Pines Apartments	Market	200	4.00%	25.00%	30.00%
Mission Forest Apartments	Market	104	2.90%	N/Av	5.80%
Park Place	Market	218	4.10%	N/Av	18.80%
Average Vacancy		1,064	-	-	13.30%

As illustrated, vacancy among three of the four LIHTC properties has remained low at five percent or less since the second quarter of 2008. Vacancy at Royal Point Apartments increased between 2008 and 2010 but has begun to decrease in 2011. Management reported that seven of the 16 vacancies at this property are currently pre-leased for an effective vacancy rate of 6.25 percent. As previously mentioned, vacancy among the market rate properties fluctuates due to military deployments at the local naval base. Conventional property managers indicated that vacancy at their properties can fluctuate greatly depending on the time of year and when the military deploys its personnel. Therefore, vacancy rates can be low during one quarter and high the next. Overall, the local LIHTC market appears to be healthy and all property managers indicated demand for senior LIHTC units in the market.

Change in Rental Rates

The following table illustrates rental rate changes at the comparables over the last year.

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Ashton Cove Apartments	LIHTC	Increase
Ashton Pines At Sugar Mill	LIHTC	None
Kings Grant Apartments (aka Kingsland II)	LIHTC	Increase
Royal Point Apartments	LIHTC	Increase on select units
Brant Creek	Market	Increase of 1%
Harbor Pines Apartments	Market	Decrease
Mission Forest Apartments	Market	Increase
Park Place	Market	None

Three of the four LIHTC comparables reported rental increases over the past year. The Subject's proposed rents are below the maximum allowable 50 and 60 percent AMI levels and are among the lowest in the market. Given the stated need for senior LIHTC housing in the market, it is possible that the Subject will experience rental increases following stabilization.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to www.realtytrac.com, as of April 2011, there were 8,479 foreclosure properties in all of Georgia. One in every 479 housing units has received a foreclosure filing. This is higher than the national average of one in every 593 properties. There are 18 foreclosed properties in the city of St Mary's or one in every 522 housing units. The foreclosure rate is slightly lower in the city. The county reported that one in every 520 housing units received a foreclosure filing in April. The county and city average is lower than the state average, but not the national average.

12. Primary Housing Void

There are no senior LIHTC properties in the local market that operate without an additional subsidy. Management at Ashton Cove reported that 50 percent of their current tenants are seniors and approximately half of the households on their 250 household waiting list are seniors. The significant number of seniors living at Ashton Cove as well as the large number of seniors on the waiting list indicate a need for LIHTC units that specifically target this age cohort. The Subject will provide 50 LIHTC units restricted to households 55 and older and will help to fill the senior housing void in the market.

13. Affect of Subject on Other Affordable Units in Market

As proposed, the Subject will be a LIHTC property with no additional subsidies that will target senior tenants 55 and older. There are currently no senior properties in the PMA that operate without an additional subsidy. All four LIHTC comparables used in our analysis target families; however, all four properties reported having senior tenants. While three of the comparables reported small senior tenancies between two and 11 percent, management at Ashton Cove indicated that 50 percent of the tenants at their property are seniors. All four property managers indicated a need for senior LIHTC units in the area and estimated that the market could support a senior development containing approximately 50 to 70 units. Management at Ashton Cove indicated that the addition of a senior LIHTC property to the market would not likely impact their performance even though they have a significant number of senior tenants. According to management, the property has a waiting list of approximately 250 households, of which half are seniors. Therefore, management anticipates that a new senior property would serve those seniors who are currently waiting for housing. Because the Subject will not directly compete with the existing family comparables and given the large number of seniors on the waiting list at Ashton Cove, we do not believe that the addition of the Subject to the market will impact the performance of the existing family LIHTC properties.

Conclusions

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a 50 unit senior LIHTC development in the area. There are no senior LIHTC properties in the PMA that operate without an additional subsidy; however, all four of the family LIHTC comparables indicated having senior tenants. Management at Ashton Cove reported that 50 percent of the tenants at the property are seniors and that approximately half of the households on their 250 household waiting list are seniors. Additionally, management reported that many of their senior tenants are renting two-bedroom units because they prefer the extra space and management believes that two-bedroom units would be successful at a senior property in the local market. Given the large number of seniors on their waiting list, management at Ashton Cove does not believe that a new senior property in the market would impact their performance.

All four LIHTC property managers reported a need for senior LIHTC housing in the PMA. As new construction, the Subject will be slightly superior to superior to the majority of the existing rental housing in the area and it will also offer the largest units in the market. The Subject's proposed 50 percent AMI rents are similar to those being offered at the comparables while the Subject's proposed 60 percent AMI rents will be the lowest in the market. The Subject's large unit sizes and mid to low range rents yield a low rent per square foot for the Subject's units. This low rent per square foot indicates a significant price value relationship for the Subject and will help to attract senior tenants. The Subject's proposed rents will have a sizeable advantage of 28 to 41 percent over the average market rents, further indicating the Subject's affordability in the local market. Overall, given the stated need for senior LIHTC units in the market and the Subject's new construction design and competitive rents, we believe that the Subject will be successful in the local market as proposed.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

The property manager at Kings Grant Apartments (formerly Kingsland II) reported that the property began leasing at the end of March 2009 and was stabilized by the end of August 2009. This illustrates an absorption rate of 12 units per month, or five months. Management at the family LIHTC property Ashton Cove reported that 50 percent of their tenants are seniors and that there are a significant number of seniors on their waiting list. All LIHTC property managers reported that a senior LIHTC property containing 50 to 70 units would be successful in the local market. Given the stated need for senior LIHTC housing, we have estimated that the 50 unit Subject will lease approximately eight units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within six months.

J. INTERVIEWS

Georgia Department of Community Affairs, Carrollton Regional Office

According to Courtney Milles, of the Georgia Department of Community Affairs Waycross Regional Office, the department currently has 154 Housing Choice Vouchers under contract in Camden County. There are 11 people currently searching for homes and an additional 38 on the waitlist. The current payment standard for Camden County can be found in the following table.

Payment Standards	
1BR	\$565
2BR	\$681
3BR	\$991
4BR	\$1,195

Payment standards for the county are 110 percent of FMR. The Subject’s gross rents at 50 and 60 percent AMI are well below the payment standard.

Planning

We interviewed Shannon Nettles from the Camden County Joint Development Authority. She stated that there are no multi-family developments either proposed or under construction. The only recent development is of Camden County Industrial Park located off Highway 40 in Kingsland. These are commercial buildings for local businesses. In addition, Altamaha Technical College selected a site for development of a new college campus near Exit 7 off Interstate 95. A survey and a Phase 1 are in progress at this time. Ms. Nettles also stated that all available information can be found on the Camden County’s JDA website.

Additional interviews can be found in the comments section of the property profiles.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- Both the population and number of households in the PMA and MSA have experienced strong growth as they are growing slightly faster than the nation. This strong growth is projected to continue in the future and is likely due to the area's close proximity to Kings Bay Naval base and location near the coast, St Mary's has grown due to tourism and military industries. The largest age cohorts are between 0 to 4 and 30 to 34, indicating a strong family population. The majority of people earn between \$10,000 and \$19,999 annually. As the area continues to grow, the need for quality, affordable housing will also increase, which bodes well for the Subject. Camden County's top employers only account for a high percentage of the area's total employment, but there is a diverse economy which is not overly dependent on a single business or industry.
- The MSA and Camden County have improving economies with increasing total employment and decreasing unemployment. The local economy is driven by the Kings Bay Naval Submarine Base, which reported 8,979 employees in First Quarter 2011. Between 2005 and 2007, total employment increased, but then decreased from 2008 to 2010.

However, historically Camden County's unemployment rate has been in line with that of the nation. Although a few expansions have occurred from 2010 to 2011, there have still been at least 749 jobs lost from 2010 to 2011. This was preceded by 77 companies closing in 2009. While the area has no doubt experienced contradictions and increased unemployment, the unemployment has slowed and employment has improved as well.

- As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 2.7 to 6.6 percent, with an overall capture rate of 4.3 percent. The Subject's 60 percent AMI capture rates range from 8.9 to 28.8 percent, with an overall capture rate of 17.0 percent. The overall capture rate for the project's 50 and 60 percent units is 18.2 percent. Therefore, we believe there is adequate demand for the Subject. As proposed, the Subject will offer 16 one-bedroom units and 34 two-bedroom units. Management at Ashton Cove Apartments indicated that 50 percent of their tenants are seniors and that many of their senior tenants are renting two-bedroom units, as they prefer the additional space. The Subject's proposed two-bedroom 50 percent AMI rents are \$19 below the current two-bedroom rents at Ashton Cove and its proposed two-bedroom 60 percent AMI rents are only \$21 above the current two-bedroom 50 percent AMI rents at Ashton Cove. Therefore it is likely that seniors will also choose to rent the two-bedroom units at the Subject given its new construction design, large unit sizes, and competitive rents. Overall, we believe there is adequate demand in the local market for the Subject as proposed.
- The property manager at Kings Grant Apartments (formerly Kingsland II) reported that the property began leasing at the end of March 2009 and was stabilized by the end of August 2009. This illustrates an absorption rate of 12 units per month, or five months. Management at the family LIHTC property Ashton Cove reported that 50 percent of their tenants are seniors and that there are a significant number of seniors on their waiting list. All LIHTC property managers reported that a senior LIHTC property containing 50

to 70 units would be successful in the local market. Given the stated need for senior LIHTC housing, we have estimated that the 50 unit Subject will lease approximately eight units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within six months.

- Overall vacancy in the market is high at 13.30 percent; however, vacancy among the LIHTC comparables is much lower at 5.49 percent. Four of the five LIHTC comparables have vacancy rates between zero and five percent. Management at Royal Point Apartments indicated that vacancy at the property has fluctuated between two and 10 percent over the last year. Currently, seven of the 16 vacancies are pre-leased, for an effective vacancy rate of 6.25 percent. Management at Kings Grant Apartments reported that there are two applications pending on the property's three vacant units. Management at Ashton Cove indicated that the property is typically 100 percent occupied and maintains a waiting list. The current waiting list contains approximately 250 households and management indicated that half of these are seniors. Management also indicated that 50 percent of the current tenants at the property are seniors and that there is sufficient demand in the market for a senior LIHTC property that will operate without an additional subsidy. Property managers at Ashton Pines and Kings Grant Apartments also reported sufficient demand for a senior property of approximately 50 to 70 units. Ashton Pines currently has no vacant units and has a waiting list of 75 households. There are two properties in the PMA that target senior tenants, Cottages of Camden and Hilltop Terrace II. Because both properties operate with an additional subsidy, they have been excluded as comparables from our analysis. We did however interview them in order to ascertain whether there is sufficient demand for senior rental housing in the PMA. Both property managers indicated that they do not have any vacant units and both properties have waiting lists. The strong performance of these senior properties further indicates a need for senior rental housing in the local area.

Vacancy among the market rate comparables is high at 17.13 percent. The high vacancy is typical for conventional properties in the area due to their heavy reliance on military tenants. The two properties with the highest vacancy rates, Harbor Pines and Park Place, reported military tenancies between 40 and 90 percent, respectively and property managers indicated that there was recently a military deployment which has increased their vacancy rates significantly.

- The LIHTC properties Ashton Pines and Ashton Cove reported waiting lists of 75 and 250 households, respectively. Further, management at Ashton Cove indicated that approximately half of the tenants on their waiting list are seniors. The significant number of seniors on this waiting list indicates a need for senior LIHTC units in the local market. The family LIHTC property Kings Grant also reported a short waiting list of two households for its 50 percent AMI units.
- Strengths of the Subject will include its new construction design, its unit sizes, and the fact that it will target senior tenants. There are currently no properties in the PMA or the surrounding areas that target seniors and operate without an additional subsidy. Property managers at all four family LIHTC comparables reported having senior tenants, with management at Ashton Cove reporting the highest senior tenancy at 50 percent. Management at this property also indicated that approximately half of the households on

the 250 household waiting list are seniors. The significant number of seniors on the waiting list at this property indicates a need for affordable senior rental housing in the local market. As proposed, the Subject will offer 50 units targeting seniors 55 and older who are earning 50 and 60 percent of the AMI, or less and will help to fill this housing void. Another strength of the Subject will be its rents. While the Subject's 50 percent AMI rents will be similar to the current rents at the comparables, its proposed 60 percent AMI rents will be the lowest in the market. These rents are \$48 to \$80 below the current rents at the family LIHTC comparables and will be affordable to senior tenants.

- Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a 50 unit senior LIHTC development in the area. There are no senior LIHTC properties in the PMA that operate without an additional subsidy; however, all four of the family LIHTC comparables indicated having senior tenants. Management at Ashton Cove reported that 50 percent of the tenants at the property are seniors and that approximately half of the households on their 250 household waiting list are seniors. Additionally, management reported that many of their senior tenants are renting two-bedroom units because they prefer the extra space and management believes that two-bedroom units would be successful at a senior property in the local market. Given the large number of seniors on their waiting list, management at Ashton Cove does not believe that a new senior property in the market would impact their performance.

All four LIHTC property managers reported a need for senior LIHTC housing in the PMA. As new construction, the Subject will be slightly superior to superior to the majority of the existing rental housing in the area and it will also offer the largest units in the market. The Subject's proposed 50 percent AMI rents are similar to those being offered at the comparables while the Subject's proposed 60 percent AMI rents will be the lowest in the market. The Subject's large unit sizes and mid to low range rents yield a low rent per square foot for the Subject's units. This low rent per square foot indicates a significant price value relationship for the Subject and will help to attract senior tenants. The Subject's proposed rents will have a sizeable advantage of 28 to 41 percent over the average market rents, further indicating the Subject's affordability in the local market. Overall, given the stated need for senior LIHTC units in the market and the Subject's new construction design and competitive rents, we believe that the Subject will be successful in the local market as proposed.

Recommendations

- We believe that the Subject will help to fill the senior housing void in the market and we recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can (cannot) 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.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-15-2011

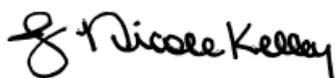
Date



Michalena M. Sukenik
Principal

6-15-2011

Date



J. Nicole Kelley
Real Estate Analyst

6-15-2011

Date



Kristina V. Garcia
Real Estate Analyst

6-15-2011

Date

M. MARKET STUDY REPRESENTATION

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-15-2011

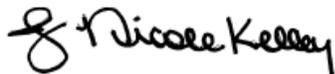
Date



Michalena M. Sukenik
Principal

6-15-2011

Date



J. Nicole Kelley
Real Estate Analyst

6-15-2011

Date



Kristina V. Garcia
Real Estate Analyst

6-15-2011

Date

N. 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)
Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No. 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
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. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President, 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 IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since.

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.

H. Blair Kincer

Qualifications

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- 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.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MICHALENA M. SUKENIK

I. Education

Union College, Schenectady, New York
Bachelor of Arts in Cultural Anthropology
Union College Study Abroad, St. Lucy, Barbados

II. Professional Experience

Principal, Novogradac & Company LLP (Start date: September 2002 - present)
Dallas / Fort Worth and Atlanta Research Manager, CoStar Group, Inc.
Senior Research Analyst / Newswire Editor, CoStar Group, Inc.

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Attended HUD Community Development Block Grant (CDBG) 30th Anniversary Conference, September 13-14, 2004, Washington, DC
Successfully completed "Introduction to Commercial Real Estate Analysis" and "Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- 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.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Assisted in preparing an approved HUD Consolidated Plan for the City of Gainesville, GA; which included a housing and homeless needs assessment, market analysis, non-housing needs analysis, and a strategic plan, which conformed to 24CFR Part 91, Consolidated Plan Regulations for the ensuing five-year period (2004-2009).
- Assisted in preparing a comprehensive senior housing study in Seattle, Washington for the Seattle Housing Authority. This study evaluated the Seattle Housing Authority's affordable senior housing project for their position within the entire city's senior housing market. The research involved analysis of the senior population by neighborhood, income, household size, racial composition, and tenure.
- Conducted market studies for senior projects in Alabama, Alaska, Arizona, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Washington, and Wisconsin.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS NICOLE KELLEY

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration
Auburn University, Auburn, Alabama
Mater of Business Administration

II. Professional Experience

Analyst, Novogradac & Company LLP (Start Date: May 2006 – Present)
Intern, Bullock Mannelly Partners
Graduate Assistant, Auburn University College of Business

III. Research Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Assisted with market studies of proposed new construction and existing Low-Income Housing Tax Credit (LIHTC) properties. Market analysis includes preliminary property screenings, market analysis, comparable rent surveys, and demand analysis.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

KRISTINA V. GARCIA

I. Education

Emory University, Atlanta, Georgia
Bachelor of Arts

II. Professional Experience

Researcher, Novogradac & Company LLP (April 2007 – Present)

III. Assignments

- Conducts and assists with market feasibility studies of proposed new construction and existing Low-Income Housing Tax Credit (LIHTC) properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Market analysis typically includes: physical inspection of site and market, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Assists with appraisals of existing and proposed Low-Income Housing Tax Credit properties, Rural Development properties, and Section 8 properties.
- Conducts and assists with the preparation of Rent Comparability Studies according to HUD guidelines.

REPRESENTATIVE SAMPLE OF ENGAGEMENTS

Market Study Experience—Proposed LIHTC New Construction and Rehabilitation Developments:

Analyst has conducted research for market studies within the following states and U.S. territories:

- Alabama
- Arizona
- Arkansas
- California
- Florida
- Georgia
- Guam
- Illinois
- Indiana
- Kentucky
- Louisiana
- Massachusetts
- Michigan
- Mississippi
- New York
- New Jersey
- North Carolina
- North Dakota
- Oklahoma
- Pennsylvania
- Puerto Rico
- Rhode Island
- South Carolina
- Tennessee
- Texas
- Utah
- Virginia
- Washington
- West Virginia

HUD Rent Comparability Study Experience:

Analyst has conducted research for rent comparability studies within the following states:

- Alabama
- Florida
- Georgia
- New York
- South Carolina
- Texas

Appraisal Research Experience:

Analyst has conducted research for appraisals within the following states:

- Alabama
- Florida
- Georgia
- Louisiana
- New York
- South Carolina
- Virginia

Miscellaneous Housing Studies:

- Conducted research for a comprehensive citywide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Conducted research for comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. regarding housing needs and economic trends Pre- and Post- Hurricane Katrina
- Conducted research for mixed-use HOPE VI redevelopment plan for Tindall Heights Macon Housing Authority's Tindall Heights Public Housing