

RealPropertyResearchGroup

Baltimore - Atlanta

Market Feasibility Analysis Renaissance on Henderson Marietta, Cobb County, Georgia

Prepared for:
Walton Communities

Effective Date:
June 1, 2011



Table of Contents

I.	Executive Summary	iv
II.	Introduction	1
III.	Location and Neighborhood Context	2
	A. Project Description.....	2
	B. Site Evaluation	6
	Shopping and Cultural Resources.....	11
	Medical.....	11
	Senior Centers.....	12
	Crime Data.....	12
	C. Site Conclusion	12
IV.	Socio-Economic and Demographic Content	13
	A. Primary Market Area Description.....	13
	B. Economic and Employment Trends.....	16
	C. Wages by Occupation.....	25
	D. Commuting Patterns	28
	E. Household and Population Trends	30
	F. Senior Household Trends	32
	G. Demographic Characteristics.....	35
	H. Income Characteristics	42
V.	Project Specific Affordability and Demand Analysis	46
	A. Proposed Unit Mix and Income Restrictions	46
	B. Affordability Analysis	47
	C. Net Demand, Capture Rate, and Stabilization Calculations	51
VI.	Supply Analysis	58
	A. Area Housing Stock	58
	B. Competitive Senior Rental Analysis	61
	C. Competitive General Occupancy Rental Analysis.....	68
	D. Deep Subsidy Analysis	73
	E. Proposed Developments	75
	F. Impact of Foreclosed, Abandoned, or Vacant Single/Multi-family Homes	75
	G. Absorption and Stabilization Rates.....	78
	H. Interviews	79
VII.	Conclusions and Recommendations	80
	A. Findings.....	80
	B. Project Feasibility	84
	C. Final Conclusion and Recommendation.....	86
	Appendix 1 Underlying Assumptions and Limiting Conditions	87
	Appendix 2 Tenant Relocation Spreadsheet	89
	Appendix 3 Analyst Certifications	90
	Appendix 4 NCAHMA Certification	91
	Appendix 5 Resumes	92
	Appendix 6 DCA Market Study Checklist	95
	Appendix 7 NCAHMA Checklist	99
	Appendix 8 Community Photos and Profiles	102

List of Tables

Table 1 Detailed Project Description	4
Table 2 Current Rents and Vacancy Rate, Renaissance on Henderson	5
Table 3 Resident Move in Year, Renaissance on Henderson	5
Table 4 Household Income, Renaissance on Henderson	6
Table 5 Neighborhood Amenities, Renaissance on Henderson	11
Table 6 2009 Crime Rate, Cobb County	12
Table 7 Resident Origin Data, Renaissance on Henderson	14
Table 8 Largest Employers in Cobb County, January 2010	20
Table 9 Business Closings / Layoffs, 1/1/2010 to 5/20/2011	22
Table 10 Labor Force and Unemployment Rates, Cobb County	24
Table 11 Average Annual Wage, 2001-2009	26
Table 12 Commutation Patters, PMA Workers	29
Table 13 Trends in Population and Households, PMA and Cobb County	31
Table 14 Senior Household Trends, PMA.....	33
Table 15 Primary Market Area Building Permits, 2000 - 2010.....	34
Table 16 2011 Age Distribution, PMA and Cobb County.....	36
Table 17 2010 Households by Household Type, PMA and Cobb County.....	37
Table 18 2011 Households by Occupancy Status, PMA and Cobb County.....	38
Table 19 2011 Households by Household Size	39
Table 20 2010 Households by Tenure & Age of Householder, PMA and Cobb County.....	41
Table 21 2011 Income Distribution, PMA and Cobb County	43
Table 22 2011 & 2016 HH Income for HH 62+, Primary Market Area.....	44
Table 23 Senior Income by Tenure, Primary Market Area	45
Table 24 Project Specific LIHTC Rent Limits, Renaissance on Henderson.....	46
Table 25 2013 Affordability Analysis for Renaissance on Henderson.....	48
Table 26 2013 Affordability Analysis for Renaissance on Henderson with PBRA	50
Table 27 Cost Burdened and Substandard Calculation, PMA.....	52
Table 28 Senior Homeowners Converting to Rental Housing	53
Table 29 Overall Demand Estimates, Without PBRA.....	55
Table 30 Overall Demand Estimates, With PBRA.....	56
Table 31 Demand and Capture Rate Analysis Summary Table.....	57
Table 32 2000 Dwelling Units by Units in Structure and Tenure	59
Table 33 Year Property Built.....	60
Table 34 Salient Characteristics, Surveyed Senior LIHTC Rental Communities	63
Table 35 Common Area Amenities, Senior Communities	65
Table 36 Features of Senior Rental Communities	67
Table 37 Rental Summary, Comparable General Occupancy Communities	70
Table 38 Average Market Rent.....	71
Table 39 Rent Advantage Summary.....	72
Table 40 Subsidized Rental Communities, Primary Market Area.....	73
Table 41 Recent Foreclosure Activity, Renaissance on Henderson ZIP CODE: 30064.....	76
Table 42 Foreclosure Rate, Renaissance on Henderson' ZIP CODE 30064, April 2011	77

List of Figures

Figure 1 Site Photos	8
Figure 2 Surrounding Land Use Photos	9
Figure 3 At Place Employment, Cobb County 1990-2010 (Q3).....	17
Figure 4 Total Employment and Employment Change by Sector, Cobb County 2001-2010 (Q3)	18
Figure 5 Employment by Sector Change, Cobb County, 2007-2010 (Q3).....	19
Figure 6 Average Annual Wage by Employment Sector, Cobb County	27

List of Maps

Map 1 Site Location, Renaissance on Henderson	10
Map 2 Primary Market Area	15
Map 3 Major Employers.....	21
Map 4 Surveyed Senior Rental Communities	62
Map 5 Surveyed General Occupancy Rental Communities	69
Map 6 Subsidized Communities, Primary Market Area	74

I. Executive Summary

Real Property Research Group, Inc. has been retained by Walton Communities to conduct a market feasibility analysis of Renaissance on Henderson for submission with an application for Low Income Housing Tax Credits (LIHTC) to the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA's 2011 market study requirements.

1. Project Description:

- Renaissance on Henderson is an existing, 150 unit, senior oriented (62+), Section 8 community located at 55 Henderson Street in Marietta, Cobb County, Georgia. The average unit size is 546 square feet. As proposed, Renaissance on Henderson will be rehabilitated through the use of Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA).
- In addition to restricted rents through the LIHTC program, the proposed rehabilitation will maintain Section 8 Rental Assistance on all 150 units. Tenants will be relocated during renovations and will then return to the property.
- Renaissance on Henderson' will be competitive with surveyed rental communities in the primary market area and region. Each apartment will feature dishwashers and microwaves in the kitchen, as well as central heat and air conditioning. Community amenities will include formal gardens, an activity room including a theater system, multipurpose room, fitness center, fireside room, common laundry room, and library.

2. Site Description / Evaluation:

- Renaissance on Henderson is located at 55 Henderson Street SW in central Marietta. The site is improved with the 8-story residential building and parking lot, and includes green space including community garden plots. The site is located on the south side of Henderson Street, less than one block west of its intersection with South Marietta Parkway, a major north-south arterial. The site is visible from Henderson Street, and no problems with access were identified.
- Surrounding land uses include residential and commercial uses. The site is surrounded by single-family detached homes, a bank, and a YWCA residential facility.
- As the subject property is a proposed renovation of an existing rental community, it will not alter the land use composition of the immediate area. The community is and will remain compatible with surrounding land uses. The site is appropriate for a senior rental community.
- The subject site is located in an established section of Cobb County and offers convenient access to a variety of services and amenities, most of which are located within one to two miles.

3. Market Area Definition:

- The primary market area for Renaissance on Henderson includes the census tracts located in and around downtown Marietta. The boundaries of the primary market area and their approximate distance from the subject site are Barrett Parkway and Piedmont Road to the north (4.4 miles), Roswell Road and Cobb Pkwy S to the east

(2.9 miles), Patt Mell Road to the south (3.3 miles), and Mount Cavalry Road and Cheatham Hill Road to the west (3.3 miles).

- This market area is compared to Cobb County, which is considered the secondary market area.

4. Community Demographic Data:

- Over the next five years, Nielsen projects a 1.1 percent annual rate of household growth in the PMA, and an annual growth rate of 1.2 percent in the county. The primary market area is projected to grow from 33,878 to 35,799 households while Cobb County is expected to increase from 263,258 to 279,866 households.
- Over the next five years, the primary market area is projected to add 413 households with household age 55 and older on an annual basis. This is an annual growth rate of 3.3 percent. Senior householders age 62 and older are projected to increase at an annual rate of 310 householders or 3.7 percent. This will result in a total of 13,680 householders age 55 and older and 9,248 householders age 62 and older in the primary market area as of 2016.
- Based on census data and Nielsen estimates and projections, the age distribution of the primary market area is similar to that of Cobb County as a whole; each area has a median age of 35 as of 2011.
- As of 2011, forty-six percent of households in the primary market area are renter households. The county as a whole has a much lower proportion of renter households at 29 percent. Over the next five years, the proportion of renter households in the primary market area is projected to increase to forty-seven percent.
- Among households with householder age 62+, the renter percentages are lower in both the primary market area (29.4 percent) and Cobb County (15.1 percent) when compared to total households.
- Nielsen estimates that the median household income for all households in the primary market area in 2011 is \$51,425, which is \$17,736 or 25.6 percent below Cobb County's median income of \$69,160.
- Among senior households with householder age 62+, the 2011 median income in the primary market area is \$38,186. Over the next five years, the median income is projected to increase by 6.4 percent – reaching \$40,617 in 2016.
- RPRG estimates that the median income of primary market area senior households by tenure at \$31,743 among renter households and \$41,817 among owner households. Forty percent of senior (62+) renter households in the primary market area earn less than \$25,000 compared to thirty percent of owner households.
- The primary market area contains a modest number of abandoned, vacant, or foreclosed homes. In addition, foreclosures are also fairly common given the current economic climate and housing downturn. We do not expect that foreclosures and/or abandoned homes will significantly impact the primary market area's rental housing market. The sample survey of general occupancy rental communities near the subject site indicate a healthy and even tight rental market, suggesting that the weakness in the for sale market and the general economic uncertainty has led to

increased demand for rental housing, a more affordable and more flexible option with less commitments than purchasing a home.

5. Economic Data:

- Overall, at-place employment within Cobb County has grown since 1990 and has historically been one of the state's most stable economic bases. However, job losses beginning in 2008 have now erased the gains in at place employment that took place since 1999. While the county has not been immune to recent economic conditions, the county has suffered a less severe impact relative to other areas throughout the State of Georgia and the nation.
- From 2007 to the third quarter of 2010, nine of eleven employment sectors reported a net loss in jobs. While sizeable declines were present throughout these nine employment sectors, most of the job loss occurred within Cobb County's two largest industries. Overall, trade-transportation-utilities and professional business contracted at annual rates of 11.6 percent and 13.0 percent, respectively.
- Despite significant increases over the past three years amid a national recession, Cobb County's unemployment rate has consistently remained below both state and national figures since 1990, with one exception in 2010. Though the first quarter of 2010, the county's unemployment rate of 9.3 percent is lower than the Georgia rate of 10.1 percent and the national rate of 9.5 percent.
- According to data provided by the Georgia Department of Labor's Business Closing and Layoffs list, eight companies in Cobb County had layoffs or closings affecting between 34 and 100 workers from January 1, 2010 to May 5, 2011. At the same time, several other companies reported recent or upcoming expansions in Cobb County, most notably GE and Lockheed Martin, both of which are expected to add 400 jobs.
- While recent economic conditions in Cobb County are a concern, the proposed rehabilitation of the senior units at subject property will not add additional rental units to the housing supply. In addition, rental assistance offered on all units removes the minimum income limit on all units, and there is strong demand for this type of housing.

6. Project Specific Affordability and Demand Analysis:

- As proposed, the subject property will include 145 LIHTC units reserved for senior (62+) households earning at or below 50 and 60 percent of the Area Median Income and 5 market rate units. All units also have PBRA, which removes minimum income limits and tenant paid rents.
- Without PBRA and rents at maximum allowable LIHTC rents and at the payment standard amount for the market rate units, 777 renter households age 62+ are income qualified for the proposed units. The income range under this scenario is \$17,970 to \$38,320.
- With PBRA, all senior renter households earning below \$38,320 will be income eligible for the subject property. Under this scenario, 1,426 renter households are income qualified for the proposed units.

- Based on DCA methodology, net demand of 593, 735, 1,095 and 894 exists for 50 percent units, 60 percent units, market rate units, and the overall project, respectively.
- Demand capture rates by AMI level are:
 - Assuming PBRA and only units expected to be vacant: 0.8 percent for 50 percent units, 0.7 percent for 60 percent units, 0.0 percent for the market rate units, and 1.1 percent for all units. This assumes PBRA.
 - Assuming no PBRA and only units expected to be vacant: 3.1 percent for 50 percent units, 3.2 percent for 60 percent units, 0.0 percent for market rate units, and 2.2 percent for all units.
 - Capture rates with PBRA indicate sufficient demand to support the proposed redevelopment with and without tenant retention. Without PBRA, capture rates are elevated, particularly for the 60 percent units.

7. Competitive Rental Analysis:

- Based on a sample survey of eight market rate, general occupancy rental communities in the primary market area, the rental market is tight, with an average vacancy rate of 1.1 percent. All individual property vacancy rates are low, ranging from 0.0 to 2.2 percent. The average rents are \$674 for a one-bedroom unit and \$806 for a two-bedroom unit. One-bedroom rents range from \$555 to \$804.
- The four independent living, age restricted LIHTC and market rate rental communities in the primary market area are also performing well, with an average vacancy rate of 2.2 percent. Demand for deep subsidy senior units is strong as there is a waiting list of 100 households for subsidized units at Retreat at Dorsey Manor. One bedroom unit rents range from \$322 for a 30 percent unit at Legacy at Walton Village to \$850 for a market rate unit at Walton Village.
- RPRG identified one senior pipeline community in the primary market area. Tower at Dorsey Manor is an 80-unit gut rehab project of Columbia Residential and the Marietta Housing Authority. The building has been fully vacated, and is expected to re-open later in June 2011. There is already a waitlist for the 71 subsidized units, and one application has been received for the 9 market rate units.
- Based on the average "market rent" per DCA's market study guide, the average market rent is \$693. This average market rent is based on the most comparable one bedroom market rate rents at two senior LIHTC properties and two general occupancy properties.
- At maximum allowable LIHTC rents and the payment standard amount for market rate units, the subject property would have rent advantages of 35.6 percent for the 50 percent units, 9.8 percent for the 60 percent units, and 78 percent for the market rate units.
- The subject property's amenities (common area and unit) will be improved as a result of the renovation and will be competitive with the existing senior rental communities in the primary market area.
- The current occupancy rate among surveyed rental communities indicates a healthy and even tight rental market. Since the subject property is a renovation of an existing rental community and current residents will return to the property, its proposed renovation does not represent an expansion of the rental stock.

8. Absorption/Stabilization Estimate:

- Renaissance on Henderson would be able to lease up at a minimum rate of ten units per month with the continuation of PBRA needed to lease all its units. However, as only ten are expected to become vacant during the renovation process, Renaissance on Henderson should remain stabilized or become stabilized within one month following the completion of the renovation process. As all units will maintain rental assistance, there would be no difference in lease up time for 50 percent, 60 percent or market rate units.
- Significant turnover is not anticipated as all the existing residents will remain income-eligible for the units post renovation. Given the tightness of the overall rental market, substantial number of income qualified renter households, and deep subsidies on all units, the rehabilitation of Renaissance on Henderson will not negatively impact existing LIHTC rental communities in the primary market area.

9. Overall Conclusion:

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, we believe sufficient demand exists to support the proposed rehabilitation of Renaissance on Henderson with the inclusion project based rental assistance. The continuation of the subject property as a deeply subsidized / rent restricted community will help maintain and improve the primary market area’s rental stock targeting low to moderate income senior renter households. Without the continuation of PBRA, most residents would not be income qualified and the small unit sizes may restrict achievable LIHTC rent levels below proposed levels. We do not expect the renovation of Renaissance on Henderson to negatively impact existing rental communities in the primary market area. The vast majority of the units at the subject property are expected to remain occupied by current tenants and the existing Section 8 contract will be continued. There is demonstrated strong demand for subsidized rental units for seniors in the primary market area, and the renovation of Renaissance on Henderson will ensure that the property can continue to meet this strong demand for years to come.

AMI Target	Unit Size	Min Income Limit	Max Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Market Rent Band	Proposed Rents
50% AMI	OBR	no min\$	\$23,950	23	839	100	739	3.1%	One Month	\$693	\$555-\$850	\$511
60% AMI	OBR	no min\$	\$28,740	122	989	101	888	13.7%	One Month	\$693	\$555-\$850	\$631
LIHTC Total	OBR	no min\$	\$28,740	145	989	201	788	18.4%	One Month			
Market (80% AMI)	OBR	no min\$	\$38,320	5	1,248	0	1,248	0.4%	One Month	\$693	\$555-\$850	\$643
Project Total		no min\$	\$38,320	150	1,248	201	1,047	14.3%	One Month			

II. Introduction

Real Property Research Group, Inc. has been retained by Walton Communities to conduct a market feasibility analysis of Renaissance on Henderson. Renaissance on Henderson is an existing, 150-unit, senior oriented (62+), deeply subsidized community located in Marietta, Cobb County, Georgia. The property is currently known as Henderson Arms. As proposed, Renaissance on Henderson will be rehabilitated through the use of Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA), thereby remaining affordable to low and very low income renter households. **The community will continue to target renter households with householder age 62+, and will continue to be owned and managed by the Marietta Housing Authority.** Project based rental assistance will remain at the property following renovations. Current residents will be relocated during renovations and will be able to return to the property when renovations are completed.

This analysis takes into account pertinent trends in housing supply and demand in a distinct market area delineated with respect to the subject site. Conclusions are drawn on the appropriateness of the proposed rents and projected length of initial absorption.

The report is divided into seven sections. Following the executive summary and this introduction, Section 3 provides a project description and an analysis of local neighborhood characteristics. Section 4 examines the socio-economic and demographic characteristics of the delineated market area. Section 5 contains affordability and demand estimates derived for the project using growth and income distributions. Section 6 presents a discussion of the competitive residential environment. Section 7 discusses conclusions reached from the analysis.

The conclusions reached in a market study are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors including the performance of management, the impact of changes in general and local economic conditions and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions attached as Appendix I and incorporated in this report.

III. Location and Neighborhood Context

A. Project Description

Renaissance on Henderson consists of 150 senior oriented units contained within a single eight-story mid-rise building targeting households with householder age 62 and older. All rental units at Renaissance on Henderson offer one bedroom and one bathroom with 546 square feet of living space. This is in line with standard unit sizes for senior apartments at the time the property was built in 1981. Given that this project is a renovation and will serve low to moderate income seniors, the unit sizes are reasonable. The unit sizes meet Georgia DCA's architectural requirements for efficiency units. For the purposes of this analysis, all units at the subject are classified as efficiency units. This is a conservative approach, as efficiency units have lower rent and income restrictions than one-bedroom units, resulting in more conservative demand estimates. The renovation budget is \$85,000 per unit.

Income targeting for the proposed rehabilitation will include LIHTC units reserved for senior (62+) renter households earning at or below 50 and 60 percent of the Area Median Income (AMI), adjusted for household size. In addition to restricted rents through the LIHTC program, the proposed rehabilitation will maintain project based rental assistance on all 150 units. Following renovations, the building will continue to be owned and managed by the Marietta Housing Authority (MHA) and will continue to receive subsidies. Current residents will be temporarily relocated during renovations, and will return to the property when renovations are complete. Advisory services and assistance will be provided to assist residents in locating a comparable replacement dwelling in an area of Cobb County based on their needs and desires. This can be determined by assessments performed by a relocation consultant.

As the subject property is a Section 8 community, rental assistance will be calculated just as it is now, with resident continuing to pay 30 percent of their adjusted gross income for rent and the remaining rent amount paid by the MHA. A second option is for residents to be relocated to another public housing unit owned by the MHA with no rent increase from that which they are currently paying. The MHA has just completed construction of 14 new public housing units that will be available for relocation of some of the residents. Residents will not be responsible for utility deposits, security deposits, or moving costs.

For the purposes of affordability and demand estimates, the project will be evaluated with and without project based rental assistance. Tenant-paid rent for units with rental assistance is based on a percentage of each tenant's income. As a result, minimum income

limits are not applicable with this additional rental assistance. A detailed summary of the project including the rent and unit configuration is shown in Table 1. Rents include the cost of all utilities.

The project is a gut rehab; all systems will be replaced including the elevator, plumbing and wiring to exceed code and bring everything to Southface's Earthcraft Multifamily standard. The renovated property will have a central heating and air conditioning system. More than 5,000 square feet of amenity space will be located on the first floor of the building. The activity and exercise room will overlook a central courtyard. The lobby will be connected to the community room by a large community library and fitness center. The activity room will include a theatre system, and the multipurpose room could be used to facilitate weekly visits from a hair stylist. Additional amenities will include a kitchen, central laundry room, fireside room and mail room.

Each unit will feature a full kitchen with an electric range, refrigerator, dishwasher, disposal and microwave. Flooring will be a combination of carpet and vinyl.

The estimated date for the start of construction is April 2012, and the estimated completion date is April 2013.

Table 1 Detailed Project Description

Project Name:		Renaissance on Henderson					
Address:		55 Henderson Street SW					
City, County, zip:		Marietta, Cobb County, Georgia				30064	
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
0	1	LIHTC/PBRA 50%	546	23	\$909	\$0	\$909
0	1	LIHTC/PBRA 60%	546	122	\$909	\$0	\$909
0	1	Market/PBRA	546	5	\$909	\$0	\$909
Project Information				Additional Information			
Number of Residential Buildings		One		Construction Start Date		4/2012	
Building Type		Mid-Rise		Date of First Move-In			
Number of Stories		8		Construction Finish Date		4/2013	
Construction Type		Rehab.		Parking Type		Surface	
Design Characteristics (exterior)		Concrete		Parking Cost		\$0	
Community Amenities	Formal gardens, activity room including a theatre system, multipurpose room which could be used to facilitate weekly visits from a hair stylist, fitness center, kitchen, fireside room, library, central laundry room.			Kitchen Amenities			
				Dishwasher		Yes	
				Disposal		Yes	
				Microwave		Yes	
				Range		Yes	
Refrigerator		Yes					
Unit Features	Central heating and air conditioning, carpet and vinyl flooring.			Utilities Included			
				Water/Sewer		Owner	
				Trash		Owner	
				Heat		Owner	
				Heat Source		Elec	
				Hot/Water		Owner	
				Electricity		Owner	
Other:							

At the time of our survey, Renaissance on Henderson reported ten units vacant, a vacancy rate of 6.7 percent. However, the community stopped re-leasing units in February in preparation for the planned renovation. According to the tenant relocation spreadsheet, ten units are expected to remain vacant post-renovation, and all current residents will be income-qualified and able to return to the property when renovations are completed. The current contract rent at Renaissance on Henderson is \$909, which will be maintained post renovation. The actual tenant-paid rent is based on a percentage income and residents do not pay the actual contract rent. All utility costs are included in rent. As the existing rental subsidies are being continued post renovation, existing residents will not experience an increase in housing costs.

Table 2 Current Rents and Vacancy Rate, Renaissance on Henderson

# Bed	# Bath	Units	Vacant	Vacancy	
				Rate	Rent
0	1	150	10	6.7%	\$909

RPRG obtained data from MHA on households currently residing at Renaissance on Henderson (Table 3). The community was placed in service in 1981, or thirty years ago. Of 127 households, approximately 17 percent moved to the property between 1989 and 1999. One fourth of households moved to the community between 2000 and 2005, one third moved between 2009 and 2009, and one fourth moved to the property since 2010. The average move in year is 2005, while the median move in year is 2007.

Table 3 Resident Move in Year, Renaissance on Henderson

Move In Year	# of Households	% of Households
1989-1994	9	7.1%
1995-1999	12	9.4%
2000-2005	32	25.2%
2006-2009	41	32.3%
2010-2011	33	26.0%
Total	127	
Average Move in Year	2005	
Median Move in Year	2007	

Source: Marietta Housing Authority compiled by RPRG

Renaissance on Henderson serves low- to moderate-income senior households (Table 4). Of the 127 households currently residing at the property, more than one third earn between \$9,000 and \$14,999. The average household income is \$12,388 and the median household income is \$10,885.

Table 4 Household Income, Renaissance on Henderson

Income Range	# of Households	% of Households
< \$8,000	6	4.7%
\$8,000-\$8,999	40	31.5%
\$9,000-\$14,999	44	34.6%
\$15,000-\$19,999	26	20.5%
\$20,000-\$36,000	11	8.7%
Total	127	
Average Income	\$12,388	
Median Income	\$10,885	

Source: Marietta Housing Authority compiled by RPRG

B. Site Evaluation

Renaissance on Henderson is located at 55 Henderson Street SW in central Marietta, Cobb County, Georgia. This site is located on the south side of Henderson Street, less than one block west of its intersection with South Marietta Parkway, a major north-south arterial. The site is approximately one block south of Whitlock Avenue, a primary east-west arterial. The community's parking lot is located east of the building, and has entrances from Henderson Street to the north and Crescent Circle to the south. Bordering land uses include:

North: YWCA of Northwest Georgia, 48 Henderson Street. A construction project is underway to expand a transitional housing facility on this site.

East: Flagstar Bank, commercial section of S Marietta Parkway.

South: Small, older single family homes, some of which are used as offices for architects and other professionals.

West: Single-family detached homes, including those that are part of Whitlock Avenue Historic District.

The subject property is located within a primarily residential neighborhood, just west of a commercial section of South Marietta Parkway. The YWCA of Northwest Georgia is located directly north of the subject site, across Henderson Road. Construction work is underway to expand the transitional housing facilities that the YWCA operates there. To the south and west of the subject site are small, old, well maintained single family homes. Some small businesses operate from some of the homes, including architects, lawyers and other professionals. The homes on Wright Street, just northwest of the subject site, are part of the Whitlock Avenue

Historic District. Historic markers state that one of the homes was built in 1927, and another was built in 1891. Both Wright Street and Henderson Street, on which the subject community is located, are two lane roads, while S Marietta Parkway to the east is a large, four-lane arterial plus turn lanes. A bank is located directly east of the subject site. Additional businesses on S. Marietta Parkway near the subject site include fast food restaurants, sit down restaurants, a bagel shop, and a medical office.

Central Marietta and the primary market area are served by public transportation through Cobb County Transit, which also provides paratransit services.

The subject property is located in an established section of Marietta and is within two miles of many community amenities. A few rental communities are located within two miles of the subject with similar surroundings. The subject property's location will not result in a significant competitive advantage or disadvantage relative to other rental communities.

Access to the parking lot of Renaissance on Henderson is available via entrances on Henderson Street and Crescent Circle. As both Henderson Street and Crescent Circle are primarily residential corridors with limited traffic in front of the site, site access is not a concern. No problems with ingress or egress are anticipated.

Additional required site/location analyses and information are as follows:

- No major road or transportation improvements are planned in the subject property's immediate neighborhood.
- No visible environmental or miscellaneous site concerns were identified.
- No significant competitive advantages or disadvantages were identified.
- A physical inspection of the site, subject property and comparables was made by Kara Olsen Salazar on May 24, 2011.

**Figure 1
Views of Subject Site**



Back patio.



Building parking lot.



Community gardens.



Entrance sign.



Front entrance to building.



Gazebo on site.

Figure 2 Views of Surrounding Land Uses



East side of Marietta Parkway, east of site.



Flagstar Bank, east of site, fronting Marietta Parkway.



Single family home on Wright Street, northwest of site.



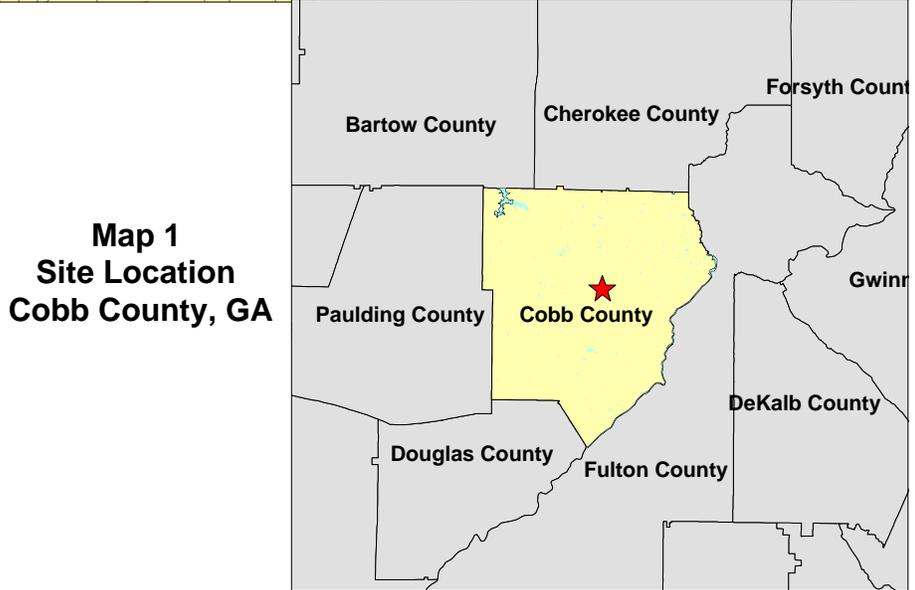
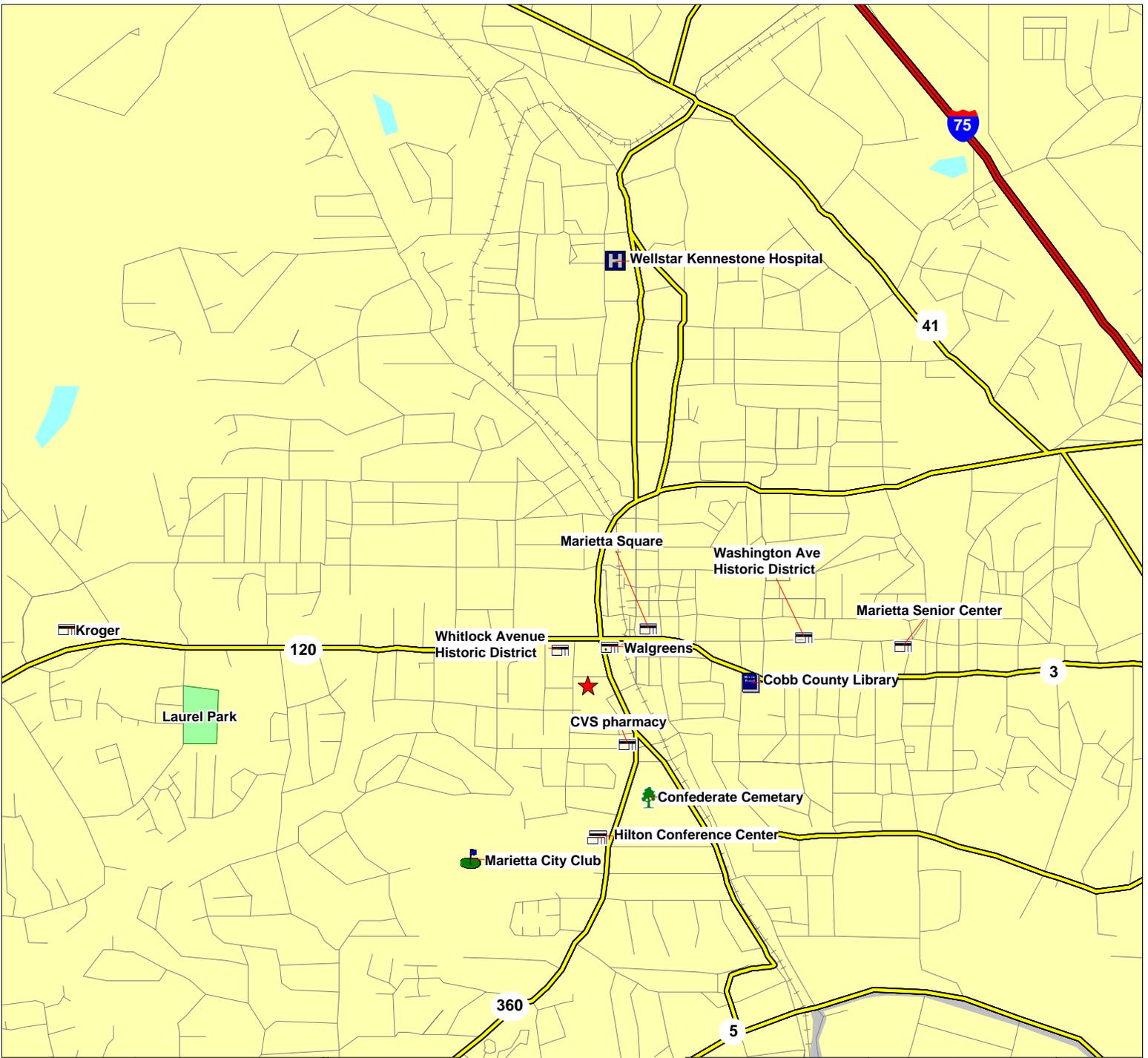
Single family homes behind building.



Single family homes on Wright Street, northwest of site, part of Whitlock Avenue Historic District.



YWCA building under construction on Henderson Street, directly south of site.



**Map 1
Site Location
Cobb County, GA**

Table 5 Neighborhood Amenities, Renaissance on Henderson

Establishment	Type	Address	Distance
Whitlock Avenue Historic District	Cultural	Whitlock Ave & Wright St.	0.0 mi W
Walgreens	Pharmacy	23 S Marietta Pkwy	0.2 mi NE
CVS	Pharmacy	300 Powder Springs Rd	0.3 mi SE
Downtown Marietta	Shopping	Whitlock Ave & Winters St.	0.4 mi NE
City Hall	Government	205 Lawrence St.	0.6 mi NE
Cobb County Public Library	Library	266 Roswell Street SE	0.7 mi E
Fire Station #1	Government	112 Haynes St. SW	0.7 mi NE
Marietta Municipal Court	Government	240 Lemon St.	0.9 mi NE
Marietta Police Department	Government	240 Lemon St.	0.9 mi NE
Marietta Senior Center	Services	32 N Fairground St NE	1.3 mi E
Kroger	Grocery	1000 Whitlock Ave NW	1.7 mi W
Wellstar Kennestone Hospital	Hospital	677 Church St NE	1.8 mi N
Sam's Club & Walmart	Shopping	210 Cobb Pkwy S	2.4 mi E
Dobbins Air Force Base	Military	S. Cobb Drive	5.2 mi SE
Town Center at Cobb	Mall	400 Ernest W. Barrett Pkwy	6.7 mi N

Shopping and Cultural Resources

The subject site is centrally located in Marietta and offers convenient access to a variety of services and amenities. Downtown Marietta is within one half mile of the subject site, and offers many independent establishments typical of a traditional downtown such as antique shops, a hair salon, jeweler, café, bakeries, a clothing store, restaurants and other eateries, and a theatre. There are two pharmacies within one third mile of the subject property and Kroger grocery is less than two miles driving distance on Whitlock Avenue. For comparison shopping, Town Center at Cobb is an indoor shopping center anchored by Sears, JCPenney, Belk and Macy's. The mall is located approximately seven miles north of the subject site in Kennesaw.

The City of Marietta includes five designated National Historic Districts. The subject site is located just east of the Whitlock Avenue Historic District, and just south of the Northwest Marietta Historic District.

Medical

The nearest major medical facility is WellStar Kennestone Hospital, located at 677 Church Street in Marietta, less than two miles driving distance from the subject site to the north. This 633-bed facility offers intensive care, obstetrics, rehabilitation, diabetes services, oncology, senior services, and wellness and prevention programs, among other services.

Senior Centers

The Marietta Senior Center is located on Fairground Street, 1.3 miles east of the subject site. Activities are provided for Cobb County residents age 60 and older. Hot lunches are served daily, and programming includes music, crafts, exercise and special events.

Crime Data

In 2009, a total of 19,388 crimes were reported in Cobb County. Based on a 2009 population of 714,692, the crime rate was 27.13 crimes per 1,000 persons (Table 6). Ninety percent of all crimes reported in Cobb County were burglaries, larceny-theft, or motor vehicle thefts. Ten percent of crimes in the county are violent crimes. Based on observations of the site and surrounding area, crime does not seem to be a major concern for local residents.

Table 6 2009 Crime Rate, Cobb County

Crimes Reported in Cobb County, Georgia in 2009		
Crime	Number	Rate*
Total	19,388	27.13
Murder	24	0.03
Rape	121	0.17
Robbery	634	0.89
Aggravated Assault	1,121	1.57
Burglary	4,847	6.78
Larceny-Theft	11,172	15.63
Motor Vehicle Thefts	1,469	2.06

*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

C. Site Conclusion

Renaissance on Henderson is compatible with surrounding land uses, including residential and commercial establishments. The site is comparable with other multi-family rental communities in the primary market area and will not result in a significant competitive advantage or disadvantage. As the subject property is a renovation of an existing rental community, it will not alter the land use composition of the immediate area.

IV. Socio-Economic and Demographic Content

A. Primary Market Area Description

The primary market area for Renaissance on Henderson includes the census tracts located in and around downtown Marietta. The boundaries of the primary market area and their approximate distance from the subject site are:

<u>North:</u>	Barrett Parkway and Piedmont Road	4.4 mile
<u>East:</u>	Roswell Road and Cobb Pkwy S	2.9 miles
<u>South:</u>	Patt Mell Road	3.3 miles
<u>West:</u>	Mount Calvary Road and Cheatham Hill Rd	3.3 miles

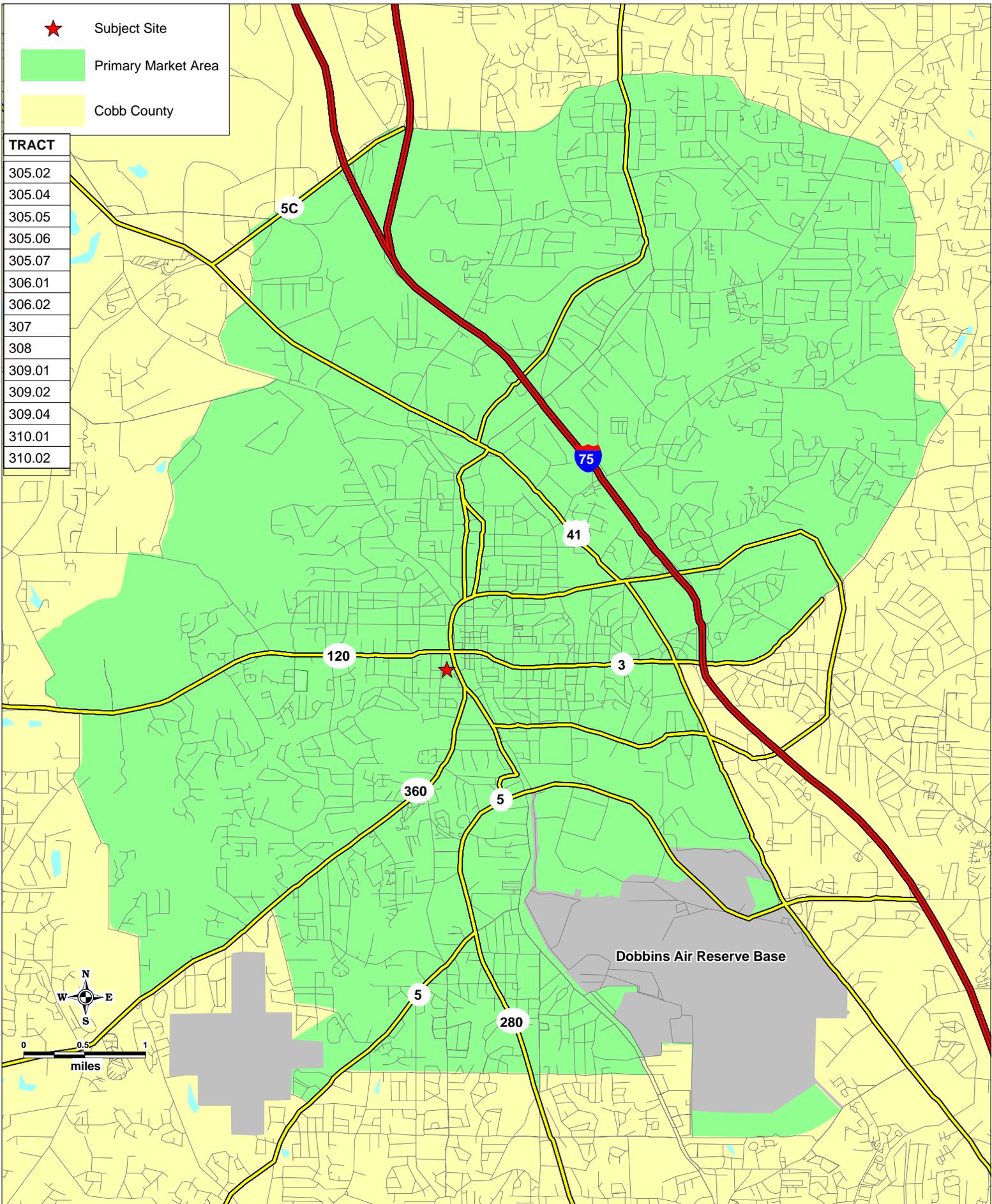
The primary market area for Renaissance on Henderson includes the more established, historic portions of Marietta, including the downtown area, but also includes some of the more newly developed areas to the north of the site and some areas east of I-75. The primary market area boundaries are irregular as they are formed by census tracts. The market area extends as far north as Barrett Parkway and Piedmont Road, and as far east as Roswell Road and Cobb Parkway South. The southern boundary of the market area is formed by Pat Mell Road and Dobbins Air Force Base. The western edge of the market area extends to Mount Calvary Road and Cheatham Hill Road (Map 2).

This primary market is the area from which the majority of local tenants are expected to originate. This market area was defined using resident origin data from current residents at Renaissance on Henderson. MHA provided RPRG with the zip codes from which current residents moved (Table 7). Of these 127 households, 45 percent moved from five zip codes which are included in the primary market area: 30060, 30066, 30062, 30064 (subject's zip code), and 30008. We note that in some cases, only a portion of the zip code is included in the primary market area. Eleven percent of residents came from out of state. The rest came from other areas of Georgia. The resident origin data illustrates that seniors are attracted to Renaissance on Henderson the immediate area surrounding the site, but that the property has a larger geographic reach as well. This is likely due to the fact that deep subsidy housing appropriate for seniors is in high demand and short supply.

Table 7 Resident Origin Data, Renaissance on Henderson

Zip Code	# of Households	% of Households
30060	21	16.5%
30066	12	9.4%
30062	9	7.1%
30064	8	6.3%
30008	7	5.5%
30127	7	5.5%
30080	6	4.7%
30102	5	3.9%
30067	4	3.1%
30106	4	3.1%
30126	4	3.1%
30101	3	2.4%
other	37	29.1%
Total	127	
Included in Primary Market Area		
Source: Marietta Housing Authority compiled by RPRG		

The census tracts that comprise the primary market area are listed on the map on the following page. Demographic data on Cobb County is included for comparison purposes. Cobb County is considered the secondary market area.



Map 2
Primary Market Area
Cobb County, Georgia

B. Economic and Employment Trends

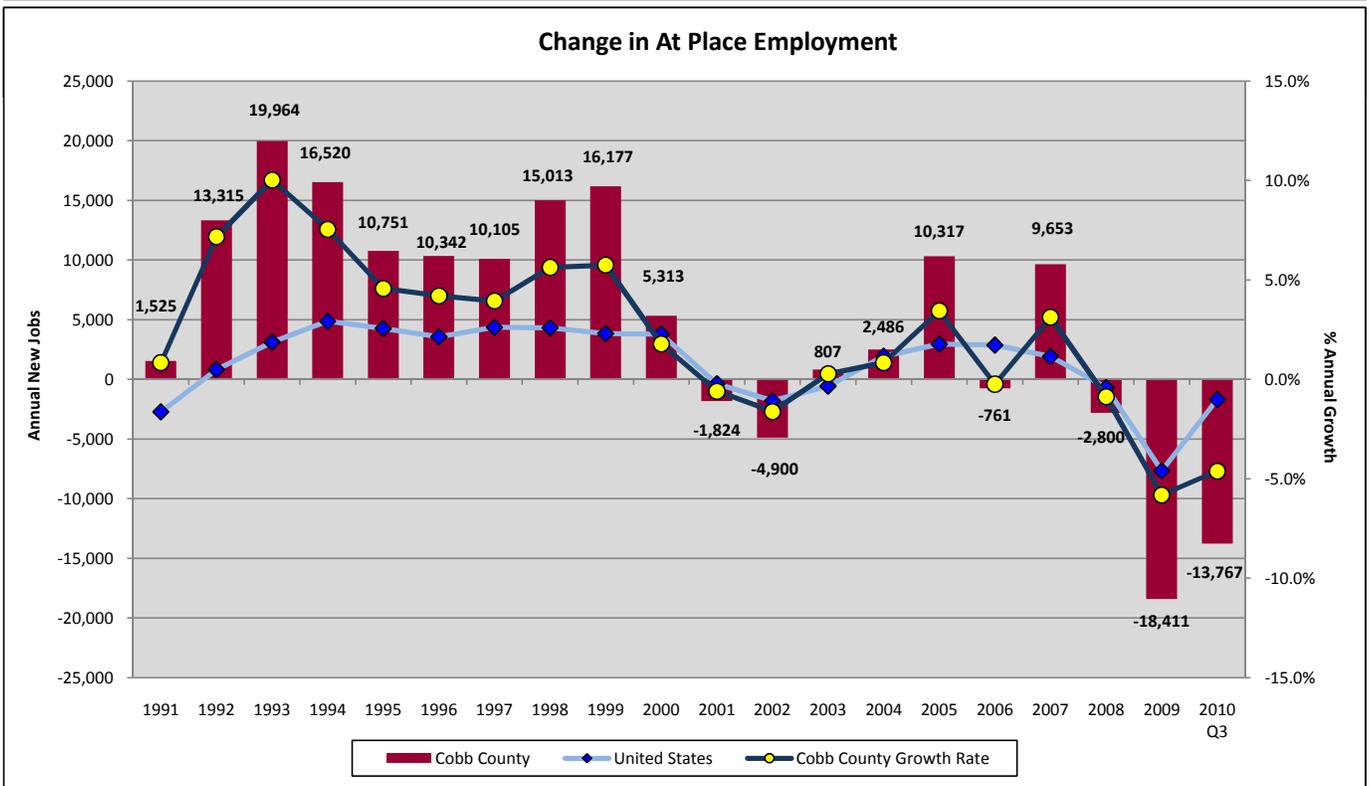
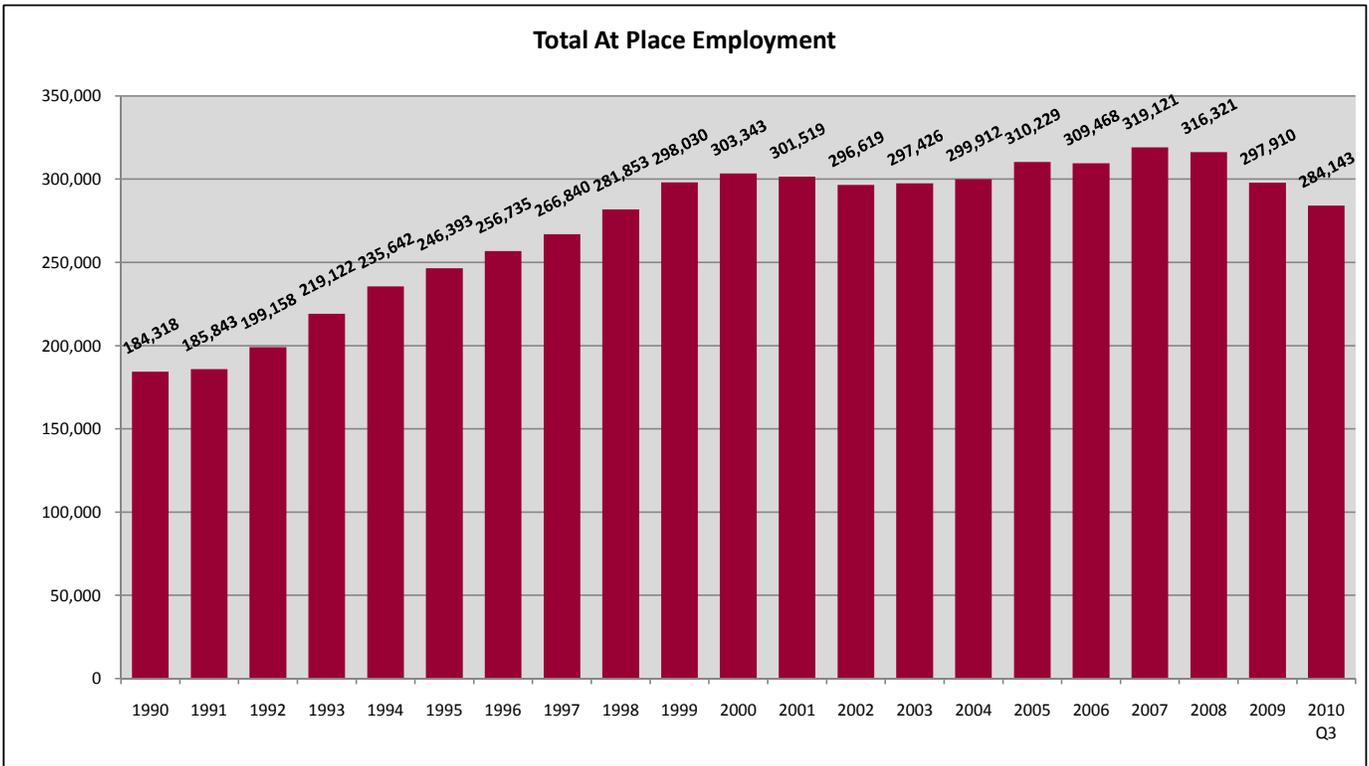
From 1990 to 2000, at-place employment in Cobb County steadily increased each year, adding a total of 119,025 jobs over that span (Figure 3). Following this period of growth, employment within the county declined from 2001 to 2002 before quickly recovering with gains in four of the next five years. Starting in 2008, Cobb County began to feel the effects of the national economic downturn with the loss of 2,800 jobs. While relatively modest initially, substantial declines in employment were more readily apparent in the following year with the loss of an additional 32,200 jobs through the third quarter of 2010. The most recent at-place employment total of 284,143 is in line with 1999 totals, but still significantly higher than the 1990 total of 184,218. While the county has not been immune to recent economic conditions, it has suffered a less severe impact relative to many other areas throughout the State of Georgia and the nation. In addition, Cobb County is a bedroom county to Fulton County which contains many of Metro Atlanta's larger employers and employment centers.

Trade-transportation-utilities and professional-business are the largest employment sectors in Cobb County, accounting for a combined 42.3 percent of all jobs as of the third quarter of 2010 (Figure 4). By comparison, these sectors represent only 32.0 percent of the employment base nationally. Cobb County has a smaller proportion of jobs in the government and education-health sectors compared to the nation as a whole.

Between 2001 and the third quarter of 2010, four of eleven industry sectors experienced annual growth in Cobb County. On a percentage basis, the sector with the largest annual increase was natural resources-mining at 6.0 percent; however, this sector is the smallest in terms of total jobs and had little impact on total at-place employment within the county. The education-health and manufacturing sectors increased by approximately three percent annually, while government increased by 1.7 percent annually. Among sectors suffering annualized losses, the largest declines were 3.4 percent in construction and 5.7 percent in information.

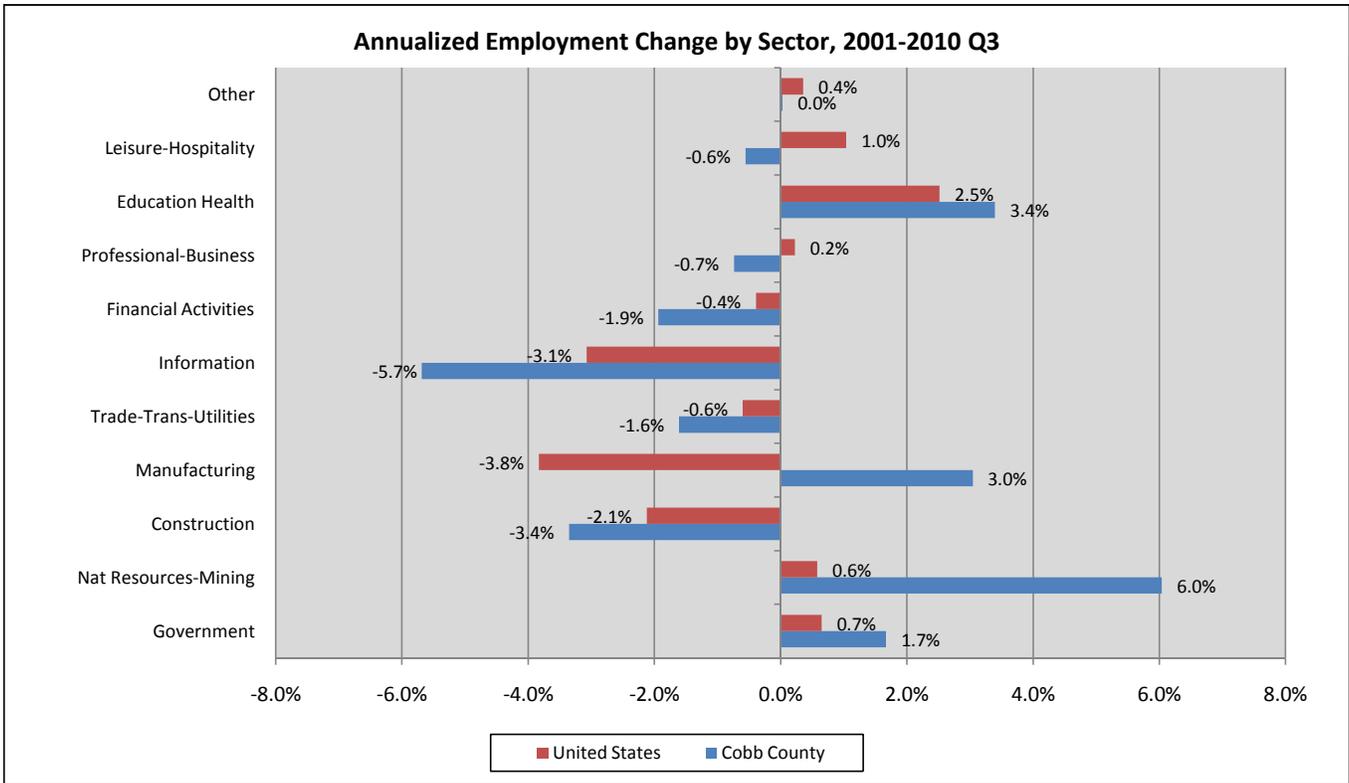
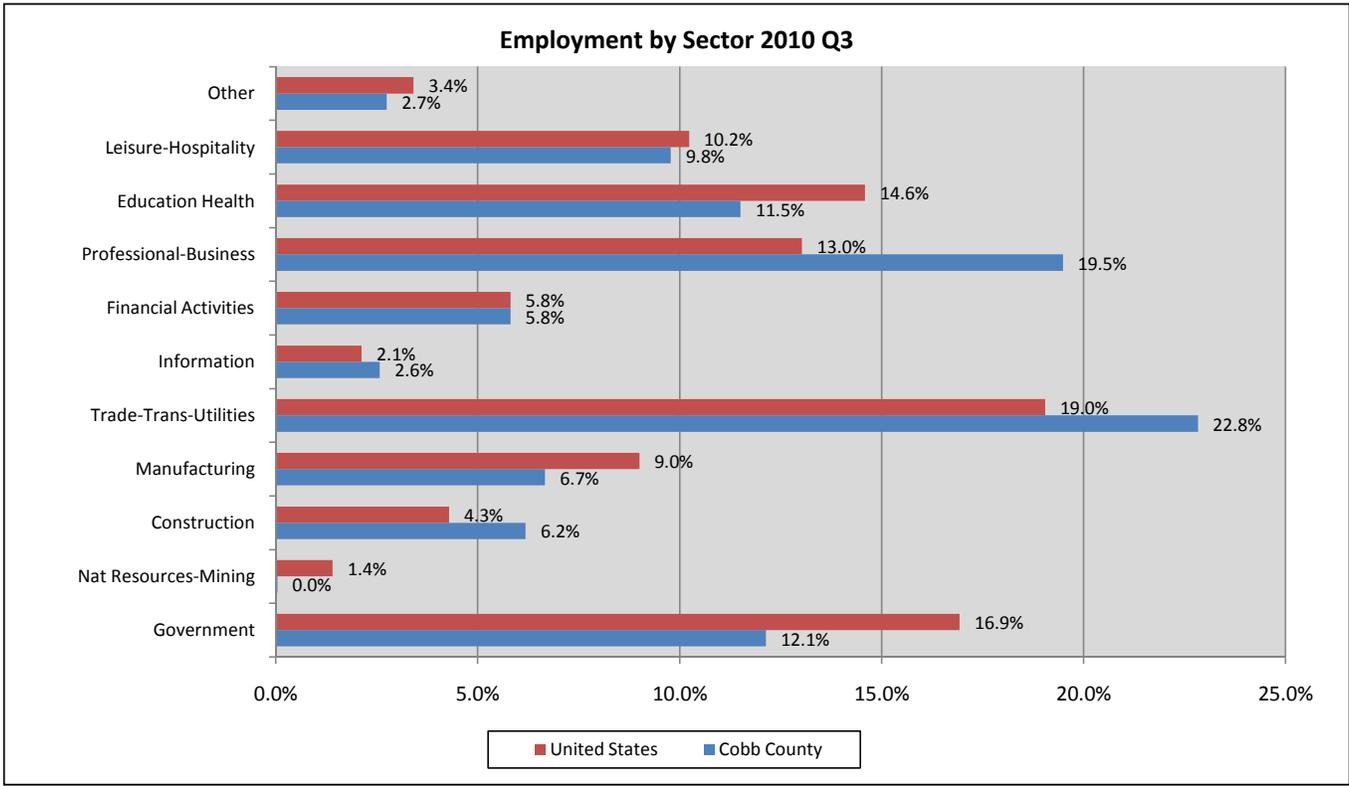
Given the steady growth between 2003 and 2007, the recent job losses are not well illustrated in the employment change by sector over the last decade. As such, Figure 5 details the change in at-place employment by sector between 2007 and the third quarter of 2010. During this approximately four-year period, nine of eleven employment sectors reported a net loss in jobs. While sizeable declines were present throughout all nine employment sectors, most of the job loss occurred within Cobb County's two largest industries. Overall, trade-transportation-utilities and professional business contracted at overall rates of 11.6 percent and

Figure 3
At Place Employment
Cobb County



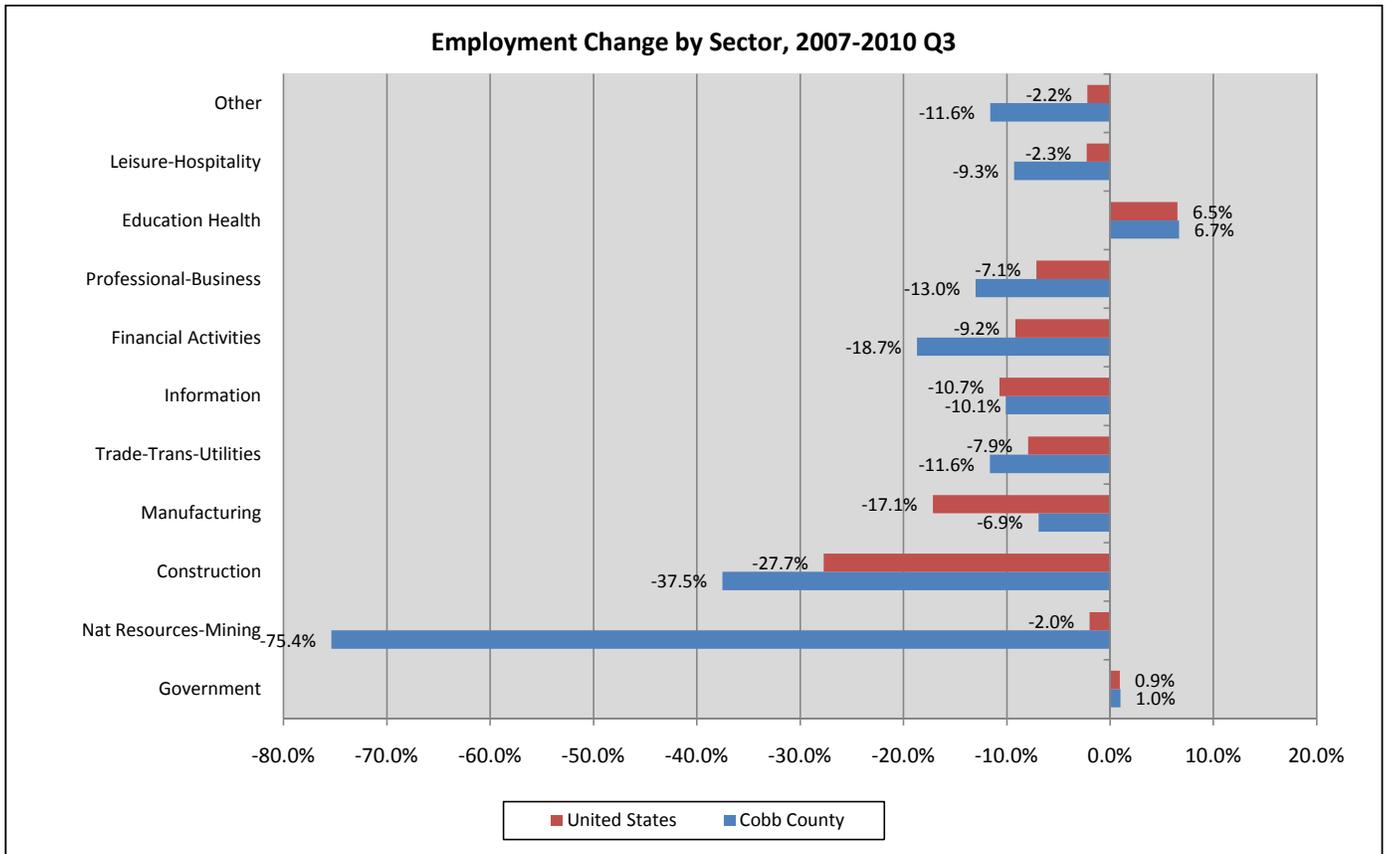
Source: US Department of Labor
 Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

Figure 4
Total Employment and Employment Change by Sector
Cobb County



Source: US Department of Labor
 Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

Figure 5
Employment Change by Sector, 2007 to 2010 Q3
Cobb County



Source: US Department of Labor
 Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

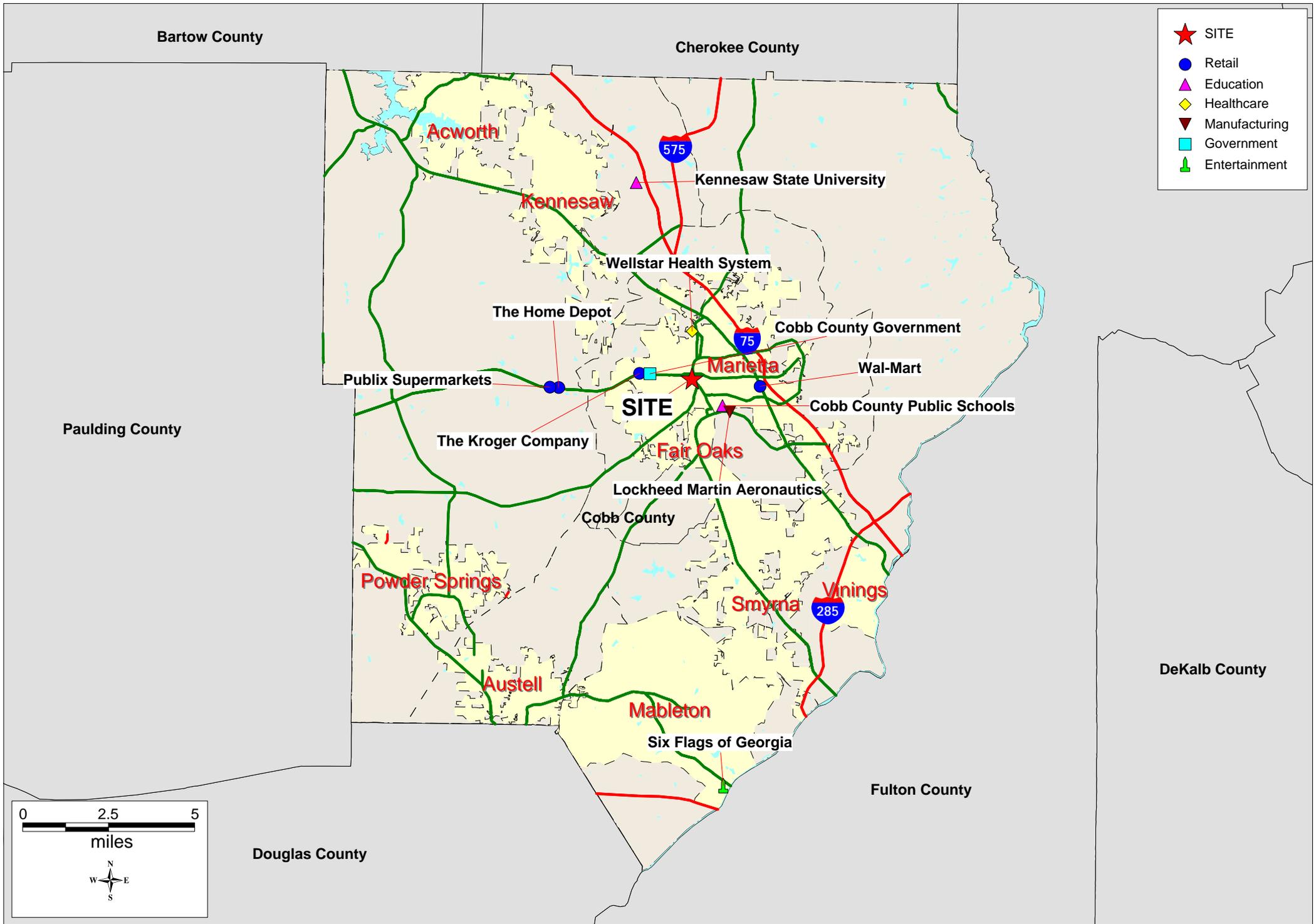
13.0 percent, respectively. These loss rates were greater than national average loss rates in these sectors. The only job increases during this period occurred in the education-health and government sectors, with overall growth rates of 7.7 and 1.0 percent, respectively. These growth rates were in line with national averages.

Major employers in Cobb County generally reflect the prominent at-place employment sectors illustrated within the employment by sector breakdown provided by the Bureau of Labor Statistics (BLS). The sizeable proportion of employment in the trade-transportation-utilities sector is particularly evident as four major retail chains (Home Depot, Publix, Wal-Mart, and Kroger) are among the top ten largest employers (Table 8). **Most of the major employers within the county are located in Marietta and within five miles of the subject site (Map 3).** The closest of these are Kennestone Hospital (part of the Wellstar Health System), and Cobb County Government. The 9th largest employer is Six Flags of Georgia, whose parent company Six Flags emerged from bankruptcy protection in 2010. At that point, the Atlanta branch of the company reported no local reductions.

Table 8 Largest Employers in Cobb County, January 2010

Rank	Name	Industry	Employment
1	The Home Depot	Retail	20,000
2	Cobb County Public Schools	Education	14,027
3	Wellstar Health System	Healthcare	11,785
4	Lockheed Martin Aeronautics	Manufacturing	7,568
5	Cobb County Government	Government	5,223
6	Kennesaw State University	Education	3,400
7	Publix Supermarkets	Retail	2,973
8	Wal-Mart	Retail	2,750
9	Six Flags of Georgia	Entertainment	2,386
10	The Kroger Company	Retail	2,150

Source: Cobb County Chamber of Commerce



Map 3
Major Employers
Cobb County, GA

According to data provided by the Georgia Department of Labor's Business Closing and Layoffs List, recent contractions among employers in the county are provided in below.

Table 9 Business Closings / Layoffs, 1/1/2010 to 5/20/2011

Company Name	City	County	# Employees Affected	Date
Sosi Instrument Management	Marietta	Cobb	90	4/18/2011
The Atlanta Journal Consitution	Kennesaw	Cobb	99	2/24/2011
Alaven Pharmaceutical	Marietta	Cobb	40	11/2/2010
Abott Laboratories	Marietta	Cobb	34	9/23/2010
Cytec	Smyrna	Cobb	100	9/15/2010
Kehe Distributors	Kennesaw	Cobb	99	7/19/2010
American Red Cross	Kennesaw	Cobb	85	7/19/2010
American Express	Atlanta	Cobb	58	1/7/2010

Source: Georgia Department of Labor Business Closings and Layoff List

The following provides summary information on planned business expansions in Kennesaw and Marietta, as reported by the Atlanta Business Chronicle:

- A new GE Energy division located in Marietta in 2010, and will bring 400 jobs over the next three years.
- The Atlanta Business Chronicle reported in February 2011 that Waste Management selected a site in Marietta for a newly consolidated area office and call center, which will employ about 64 customer service employees.
- In February 2011, CCH Small Firm Services announced it would consolidate its national operations and add 200 jobs in Kennesaw in the next 18 months.
- In February 2011, it was reported that Amendia plans to increase its 30-employee staff by as much as double, and invest about \$2 million in a 48,000 square foot manufacturing plant. Amendia is a Marietta-based specialty medical-device maker.
- In March 2011, it was reported that Marietta-based MiMedx plans to add up to 50 jobs and increase its space by up to 20,000 square feet. MiMedx acquired Surgical Biologics Inc. in January 2011.
- The Atlanta Business Chronicle reported in April 2011 that Lockheed Martin, the world's largest defense contractor, will add about 400 jobs as it expands production in Marietta.
- In April 2011, it was reported that Osmotica Pharmaceutical Corp. plans to open operations in Marietta, creating nearly 160 jobs.
- In May 2011, it was reported that Kaiser Permanente of Georgia will open a medical office in Marietta that will employ 15 to 20 people.
- In May 2011, it was reported that the aluminum products giant Novelis Inc. will be relocating 150 jobs from Canada to its new research and development center in Kennesaw.

Cobb County's labor force increased each year from 1990 to 2002, adding a total 98,519 people for an increase of 36.9 percent. After falling by over 5,000 in 2003, the labor force grew in each of the next four years before declining in each of the next three years. Overall, the labor force grew from a total of 267,120 people in 1990 to 368,845 in 2010, an increase of 101,725 or 38.1 percent (Table 10). The labor force has continued to contract through the first quarter of 2011 with the loss of an additional 3,185 workers.

After reaching a seventeen year high of 5.4 percent in 1992, Cobb County's unemployment steadily declined throughout much of the 1990's, resulting in a period low unemployment rate of 2.4 percent by 1999. Following a national decline in which the Atlanta Metropolitan Area was affected more profoundly than the rest of the nation, unemployment rates climbed in four of the next six years reaching a high of 4.7 percent by 2005. From 2006 to 2007, unemployment rates decreased in consecutive years to 4.1 percent before rising each of the next three years to a high of 9.7 percent in 2010, amid the continuing repercussions of the national recession. As of first quarter 2011, Cobb County's unemployment rate had decreased slightly to a still high 9.3 percent. Despite the recent increases, Cobb County's unemployment rate has consistently remained below both State and national levels since 1990, with the exception of 2010, when Cobb's unemployment rate of 9.7 percent was in line with the national rate of 9.6 percent.

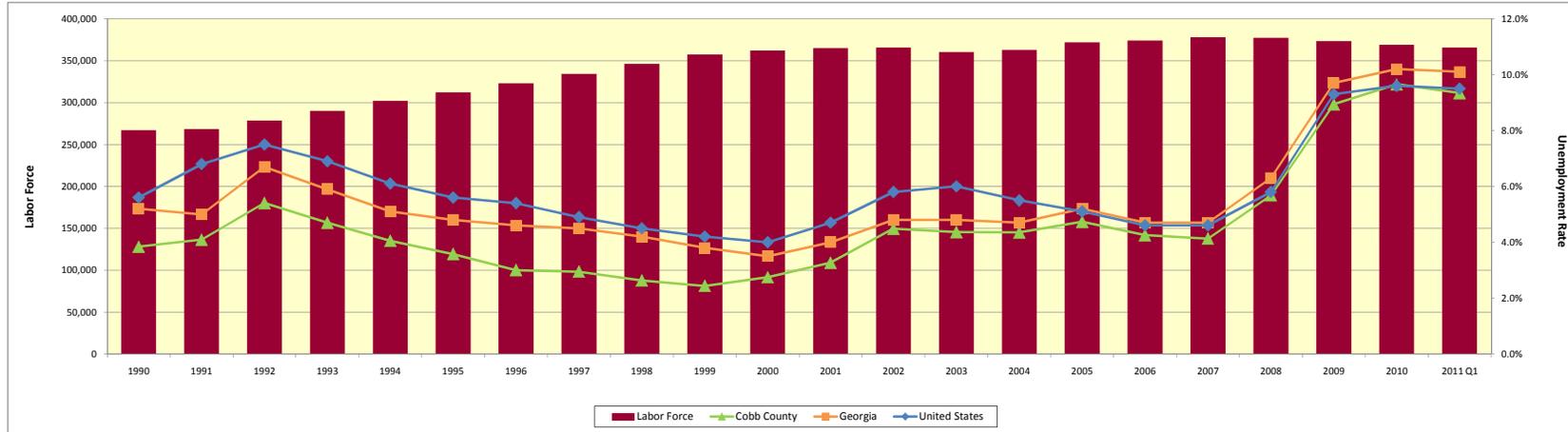
The continued weakness in the economy and the housing market remain a great challenge both locally and nationwide. However, recent surveys of conventional rental communities in metro Atlanta suggest that these rental markets have recovered significantly over the last two years. In fact, rental housing is becoming a more attractive option for individuals who face uncertain job prospects, and as qualifying to purchase a home is becoming increasingly difficult. Given these factors and considering the target market and product to be constructed, we do not believe local economics will negatively impact the ability of Renaissance on Henderson to lease its units in a significant way. We do note that in soft housing markets, it is more difficult for seniors who are looking to downsize to sell their homes. This dynamic can contribute to a slower absorption pace for age restricted rental communities. However, this is not a significant concern for the subject community as it is a renovation of a community with project based rental assistance, the rental assistance will remain in place following completion of renovations, and most residents are expected to return to the property.

Table 10
Labor Force and Unemployment Rates
Cobb County

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 Q1
Labor Force	267,120	268,556	278,484	290,194	302,257	312,376	323,122	334,216	346,392	357,545	362,143	365,103	365,639	360,189	362,751	371,734	373,904	378,103	377,230	373,226	368,845	365,660
Employment	256,858	257,565	263,432	276,558	290,011	301,200	313,419	324,367	337,287	348,831	352,181	353,173	349,251	344,478	346,969	354,151	357,992	362,484	355,805	339,859	333,223	331,478
Unemployment	10,262	10,991	15,052	13,636	12,246	11,176	9,703	9,849	9,105	8,714	9,962	11,930	16,388	15,711	15,782	17,583	15,912	15,619	21,425	33,367	35,622	34,182
Unemployment Rate																						
Cobb County	3.8%	4.1%	5.4%	4.7%	4.1%	3.6%	3.0%	2.9%	2.6%	2.4%	2.8%	3.3%	4.5%	4.4%	4.4%	4.7%	4.3%	4.1%	5.7%	8.9%	9.7%	9.3%
Georgia	5.2%	5.0%	6.7%	5.9%	5.1%	4.8%	4.6%	4.5%	4.2%	3.8%	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.7%	6.3%	9.7%	10.2%	10.1%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.5%

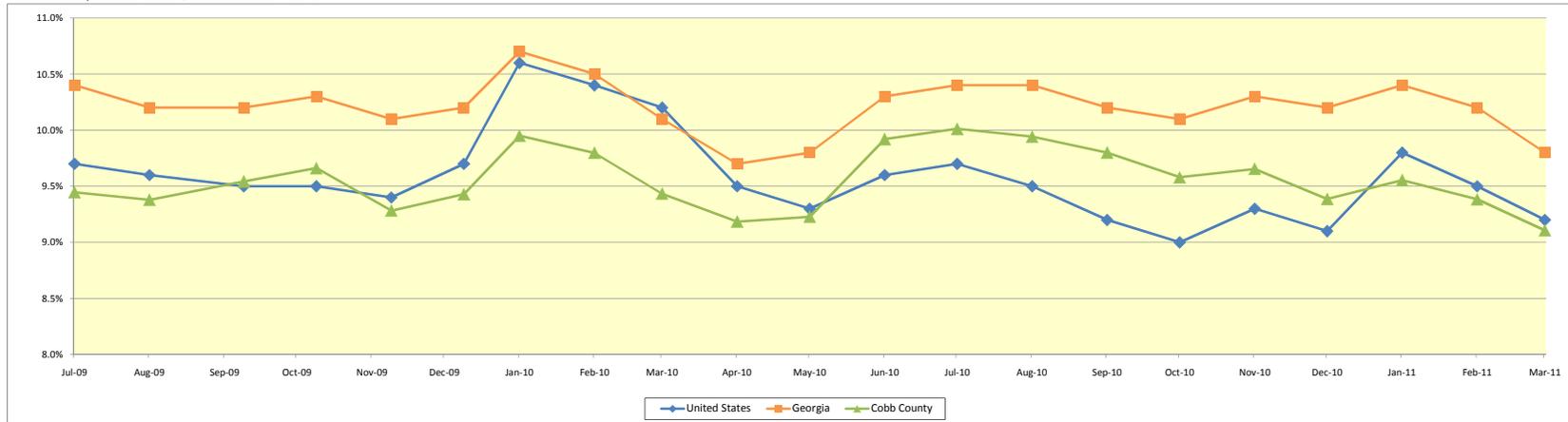
Source: U.S. Department of Labor, Bureau of Labor Statistics



Monthly Unemployment Rates - Not Seasonally Adjusted

Unemployment Rate	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
Labor Force	375,330	371,875	370,414	370,628	370,515	370,047	370,001	369,407	369,416	369,202	368,171	368,949	370,458	369,014	368,084	366,985	368,504	367,946	364,365	365,980	366,635
Employment	339,874	336,995	335,067	334,823	336,125	335,155	333,187	333,213	334,569	335,291	334,193	332,344	333,367	332,328	332,010	331,829	332,927	333,412	329,550	331,638	333,245
Unemployment	35,456	34,880	35,347	35,805	34,390	34,892	36,814	36,194	34,847	33,911	33,978	36,605	37,091	36,686	36,074	35,156	35,577	34,534	34,815	34,342	33,390
Unemployment Rate																					
Cobb County	9.4%	9.4%	9.5%	9.7%	9.3%	9.4%	9.9%	9.8%	9.4%	9.2%	9.2%	9.9%	10.0%	9.9%	9.8%	9.6%	9.7%	9.4%	9.6%	9.4%	9.1%
Georgia	10.4%	10.2%	10.2%	10.3%	10.1%	10.2%	10.7%	10.5%	10.1%	9.7%	9.8%	10.3%	10.4%	10.4%	10.2%	10.1%	10.3%	10.2%	10.4%	10.2%	9.8%
United States	9.7%	9.6%	9.5%	9.5%	9.4%	9.7%	10.6%	10.4%	10.2%	9.5%	9.3%	9.6%	9.7%	9.5%	9.2%	9.0%	9.3%	9.1%	9.8%	9.5%	9.2%

Source: U.S. Department of Labor, Bureau of Labor Statistics



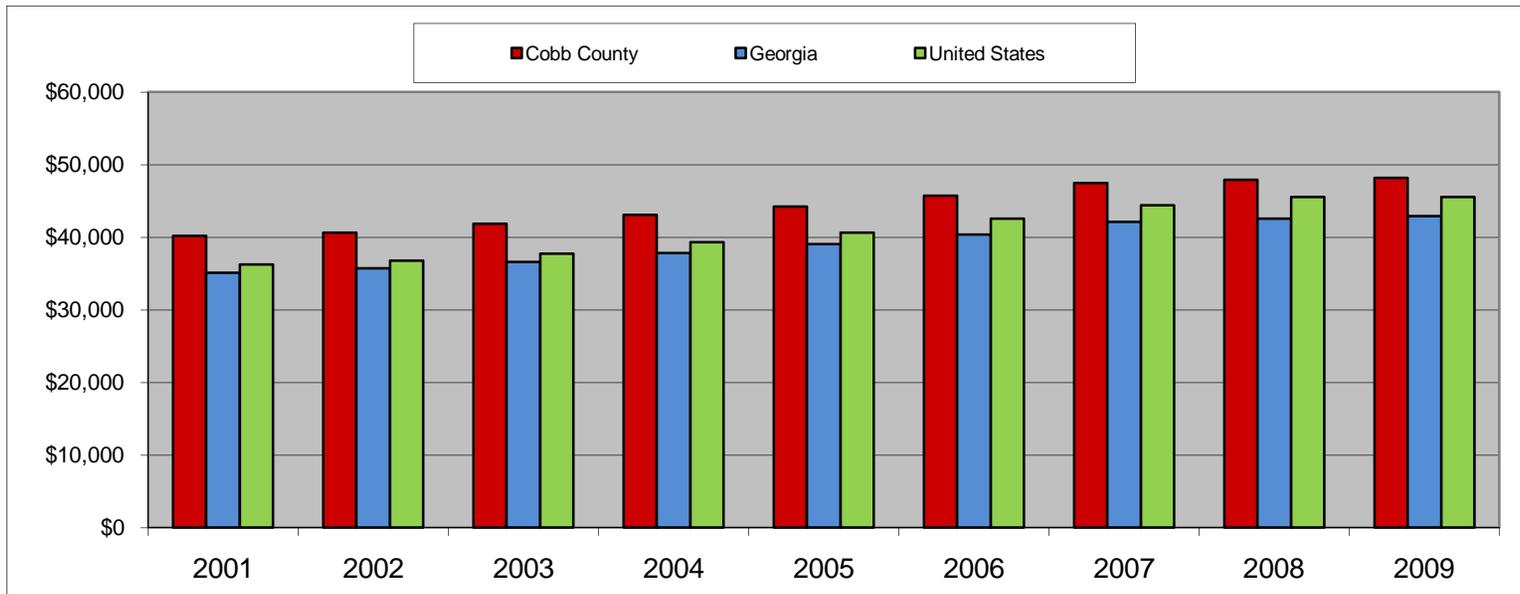
C. Wages by Occupation

The average annual wage in 2009 for Cobb County was \$48,216, which is \$5,314 or 12.4 percent above the \$42,909 average for the state. The state's average wage is \$2,649 or 5.8 percent below the national average (Table 11). Cobb County's average annual wage in 2009 represents an increase of \$8,042 or 20.0 percent since 2001.

The average wage in Cobb County is higher than the national average in five of eleven economic sectors (Figure 6). The highest paying sectors in Cobb County are information, financial activities, and manufacturing. The lowest paying sector in the county is leisure-hospitality.

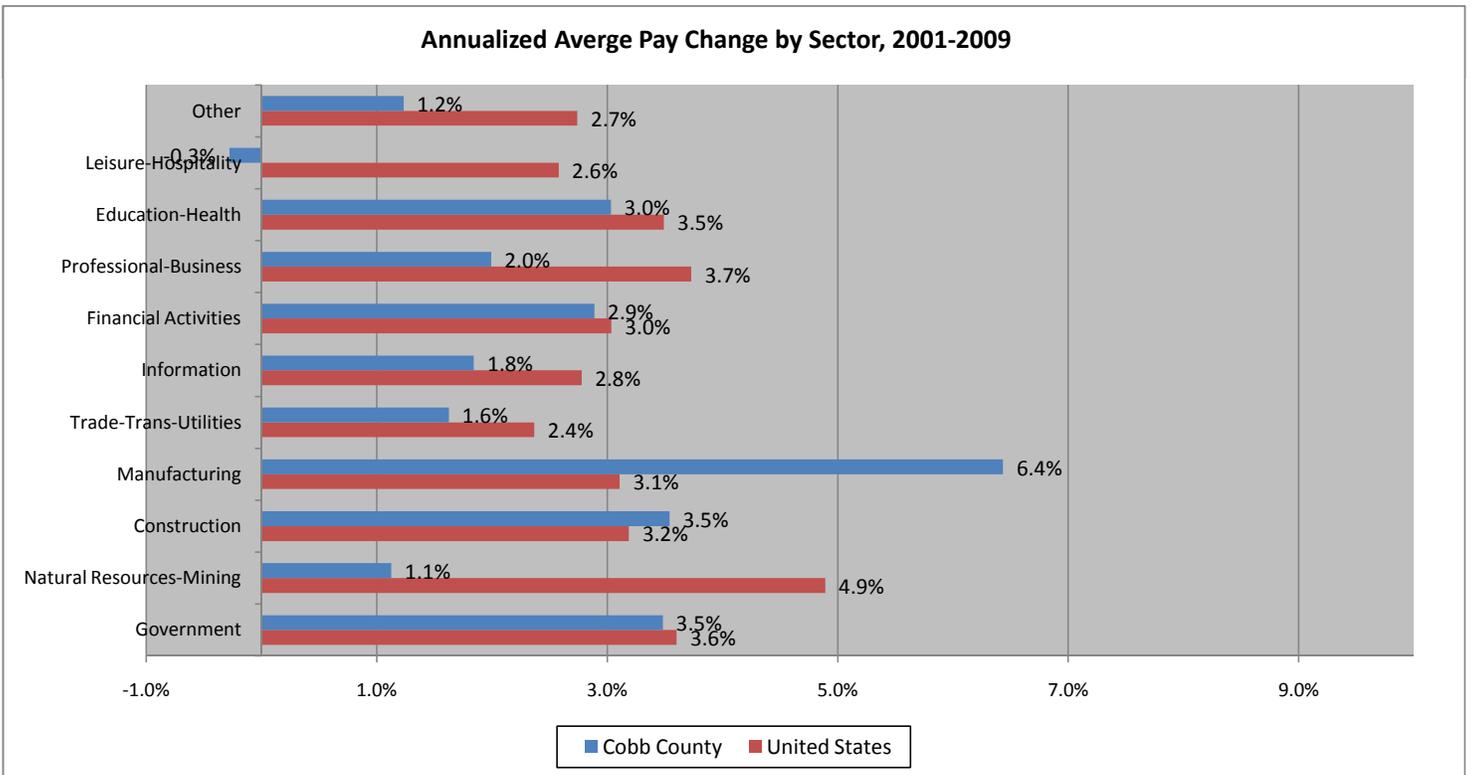
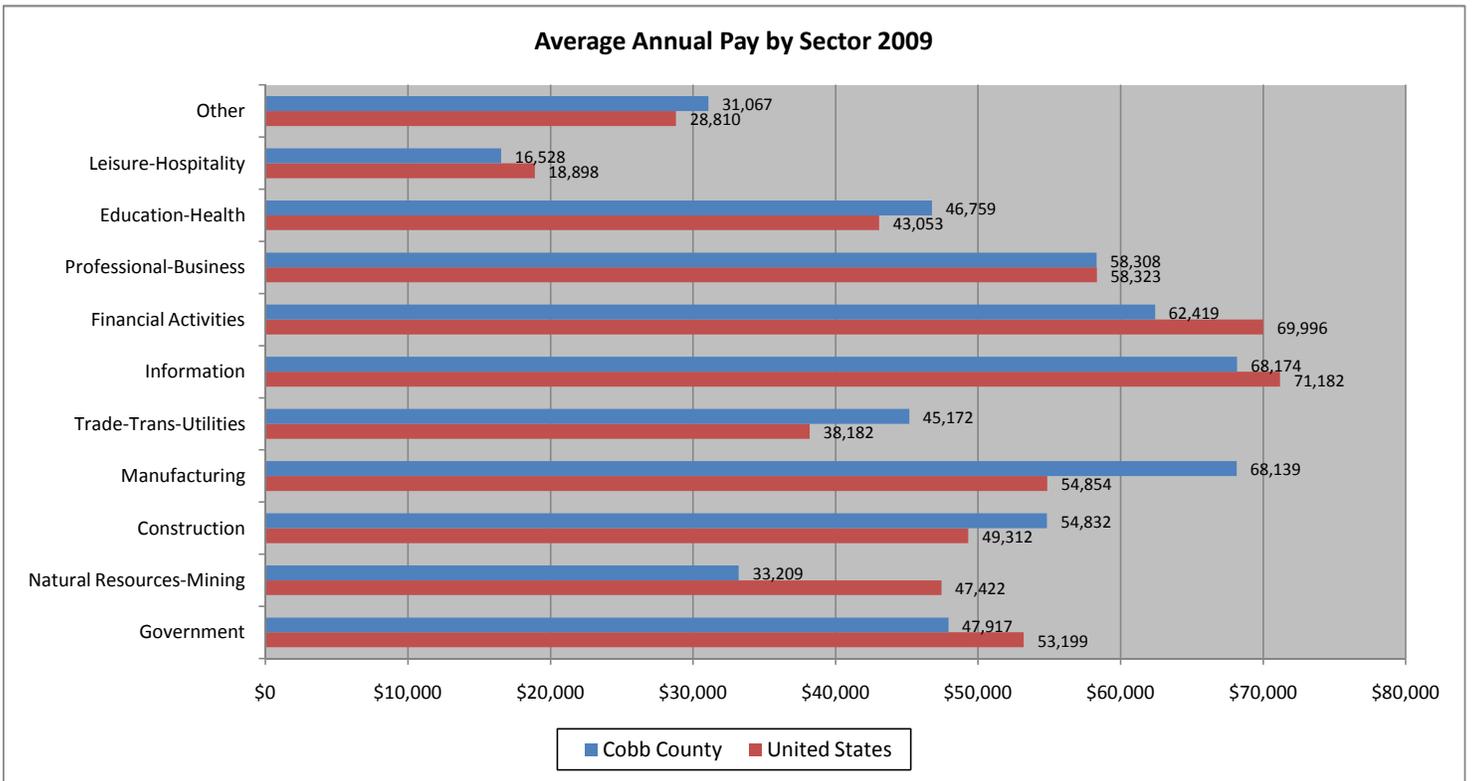
Table 11
Average Annual Pay
Cobb County

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Cobb County	\$40,174	\$40,679	\$41,856	\$43,144	\$44,222	\$45,778	\$47,490	\$47,951	\$48,216
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,551



Source: Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

Figure 6
Annualized Wage Data by Sector
Cobb County



Source: US Department of Labor

D. Commuting Patterns

According to 2000 Census data, approximately one third of primary market area workers (34 percent) commute less than 20 minutes to work (Table 12). An additional one third of workers (34 percent) have a 20-34 minute commute, and 29 percent of PMA workers commute 35 minutes or more.

Sixty-four percent of the primary market area's workers work in Cobb County, while 34 percent work in another Georgia county. One percent of the market area's workers work outside the state of Georgia.

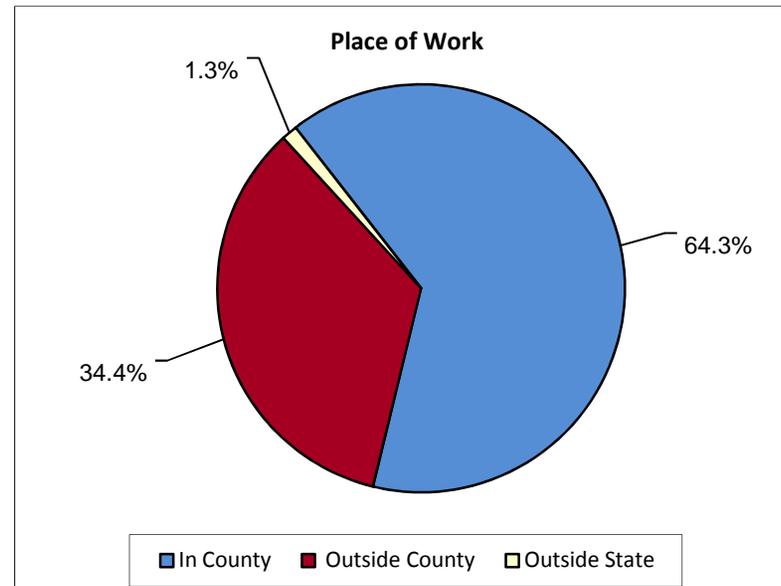
**Table 12
Commutation Data
Primary Market Area**

Travel Time to Work		
Workers 16 years and over	#	%
Did not work at home:	40,073	97.1%
Less than 5 minutes	835	2.0%
5 to 9 minutes	2,978	7.2%
10 to 14 minutes	4,362	10.6%
15 to 19 minutes	6,000	14.5%
20 to 24 minutes	4,763	11.5%
25 to 29 minutes	2,181	5.3%
30 to 34 minutes	7,155	17.3%
35 to 39 minutes	1,146	2.8%
40 to 44 minutes	1,692	4.1%
45 to 59 minutes	4,703	11.4%
60 to 89 minutes	3,293	8.0%
90 or more minutes	965	2.3%
Worked at home	1,188	2.9%
Total	41,261	

Source: 2000 U.S. Census

Place of Work		
Workers 16 years and over	#	%
Worked in state of residence:	40,745	98.7%
Worked in county of residence	26,551	64.3%
Worked outside county of residence	14,194	34.4%
Worked outside state of residence	516	1.3%
Total	41,261	100.0%

Source: 2000 U.S. Census



E. Household and Population Trends

The population and household statistics for the primary market area and Cobb County are based on the 2000 and 2010 Census counts. Estimates and projections were derived by The Nielsen Company, a national data vendor (Table 13).

The primary market area experienced modest population growth over the past decade as its 2010 population of 85,105 represents an increase of 5,023 persons or 6.3 percent since 2000. This translates to an annual increase of 0.6 percent. During the same time period, the population in Cobb County grew from 607,751 to 688,078 persons, an increase of 80,327 or 13.2 percent. The annualized growth rate of 1.2 percent is greater than the market area's growth rate of 0.6 percent. Based on the estimates made by Nielsen, the primary market area and Cobb County are expected to add an additional 956 people (1.1 percent) and 9,036 people (1.3 percent) in 2011, respectively. Over the next five years, Nielsen projects population growth to continue at similar rates in the county and the PMA. The primary market area's population is projected to increase by 4,944 people or 5.7 percent while Cobb County is projected to expand by 46,989 people or 6.7 percent. Relative to the previous year, the annual rates of population growth are projected to remain the same, at 1.1 percent in the primary market area and 1.3 percent in Cobb County.

Based on Census data, the primary market area's household count increased from 31,138 to 33,507 during the 2000's, a gain of 2,369 households or 7.6 percent. During the same decade, Cobb County's household base increased from 227,487 to 260,056, a gain of 32,569 households or 14.3 percent. On an annual percentage basis, households in the primary market area increased at a rate of 0.7 percent while Cobb County households increased by 1.3 percent. Based on Nielsen trends, RPRG estimates annual household growth in the primary market area increased to 1.1 percent from 2010 to 2011, while household growth decreased slightly to 1.2 percent over the same period in Cobb County.

Over the next five years, household growth will continue at the same pace both in the PMA and the county. The primary market area is projected to grow from 33,878 households to 35,799 households while Cobb County is expected to grow from 263,258 to 279,866 households. Annual increases are projected at 384 households or 1.1 percent in the primary market area and 3,322 households or 1.2 percent in Cobb County.

The average household size of the market area decreased between 2000 and 2010, and is projected to remain steady at 2.46 persons over the next five years. In Cobb County, average household size also decreased between 2000 and 2010, and is projected to increase only slightly to 2.61 in 2011, and to remain at 2.61 through 2016.

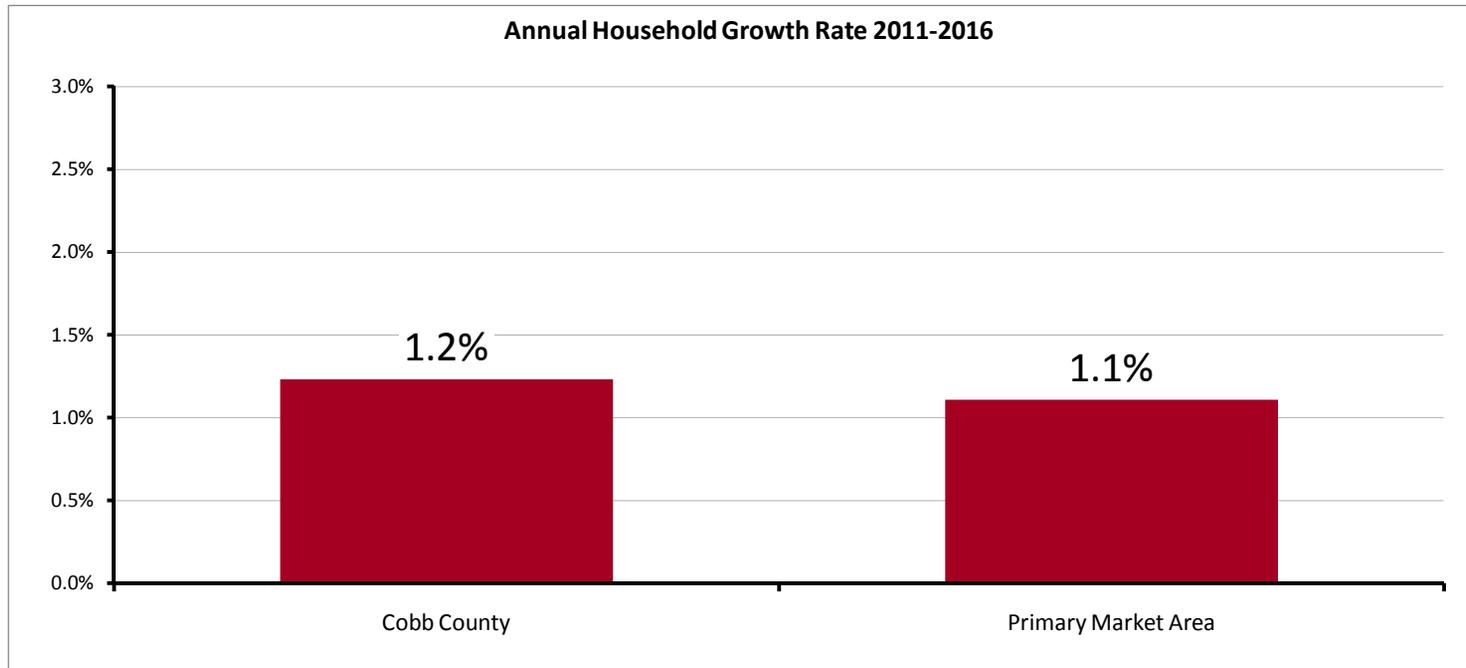
Table 13
Population and Household Trends, 2000 to 2016
Primary Market Area and Cobb County

Cobb County					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016							
	2000		2010		2011		2016		Total		Annual		Total		Annual		Total		Annual	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Population	607,751	688,078	697,114	744,103	80,327	13.2%	8,033	1.2%	9,036	1.3%	9,036	1.3%	46,989	6.7%	9,398	1.3%				
Group Quarters	7,294	11,031	11,241	12,356																
Households	227,487	260,056	263,258	279,866	32,569	14.3%	3,257	1.3%	3,202	1.2%	3,202	1.2%	16,609	6.3%	3,322	1.2%				
Average HH Size	2.64	2.60	2.61	2.61																

Primary Market Area					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016							
	2000		2010		2011		2016		Total		Annual		Total		Annual		Total		Annual	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Population	80,082	85,105	86,061	91,005	5,023	6.3%	502	0.6%	956	1.1%	956	1.1%	4,944	5.7%	989	1.1%				
Group Quarters	1,814	2,563	2,613	2,874																
Households	31,138	33,507	33,878	35,799	2,369	7.6%	237	0.7%	371	1.1%	371	1.1%	1,920	5.7%	384	1.1%				
Average HH Size	2.51	2.46	2.46	2.46																

Note: Annual change is compounded rate.

Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG



F. Senior Household Trends

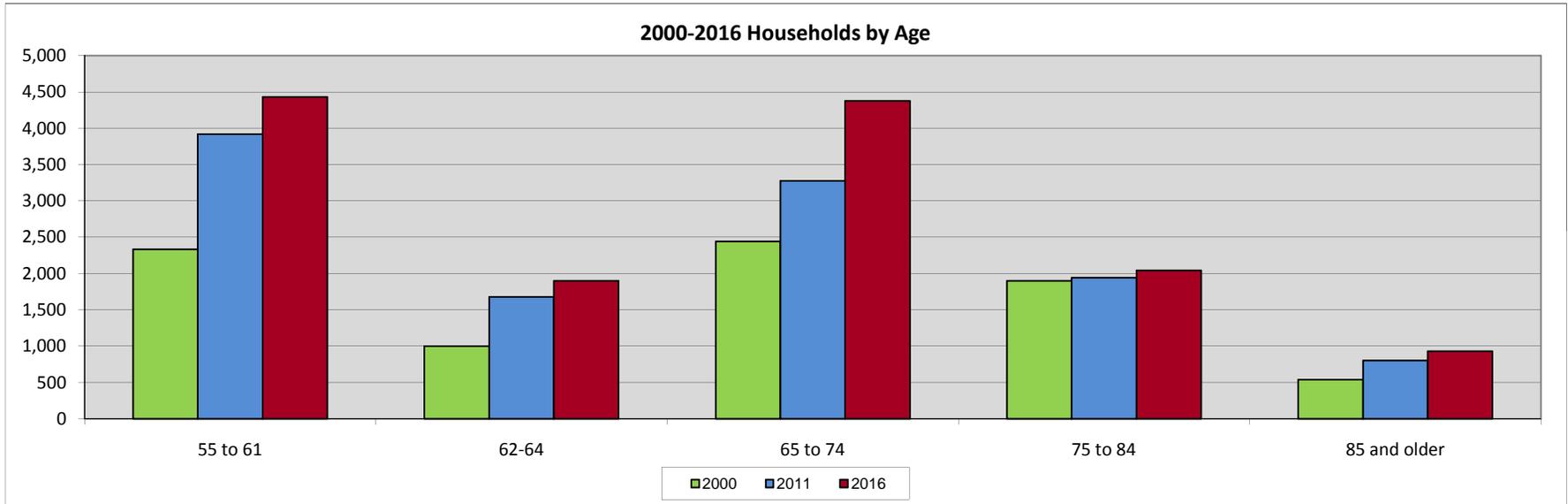
Over the last eleven years, household growth among older adult householders in the primary market area has been stronger than that of the overall household base; much of this growth was likely aging in place (Table 14). Between 2000 and 2011, older adult households with householder age 55 and older increased at an annual rate of 310 households or 3.2 percent. The age cohort with the largest growth was the 55 to 61 cohort, with an annual increase of 144 householders or 4.8 percent. Householders age 62 and older increased at an annual rate of 166 householders or 2.5 percent.

Over the next five years, the growth rate of older adult householders age 55 plus in the primary market area is projected to increase slightly to an annual rate of 3.3 percent. The age cohort with the largest projected growth is the 65 to 74 cohort, with annual growth of 220 householders or 6.0 percent. Householders age 62 and older are projected to increase at an annual rate of 310 householders or 3.7 percent. As of 2016, 13,680 householders in the primary market will be headed by a person age 55 or older, and 9,248 householders will be headed by a person age 62 and older. This growth in older adult householders will only increase demand for housing such as Renaissance on Henderson.

**Table 14
Trends In Senior Households
Primary Market Area**

Primary Market Area	Table 14 Senior Household Trends, PMA						Change 2000 to 2011				Change 2011 to 2016			
	2000		2011		2016		Total		Annual		Total		Annual	
Age of Householder	#	%	#	%	#	%	#	%	#	%	#	%	#	%
55 to 61	2,331	28.4%	3,917	33.7%	4,432	32.4%	1,586	68.0%	144	4.8%	515	13.1%	103	2.5%
62-64	999	12.2%	1,679	14.5%	1,899	13.9%	680	68.0%	62	4.8%	221	13.1%	44	2.5%
65 to 74	2,441	29.7%	3,277	28.2%	4,378	32.0%	836	34.3%	76	2.7%	1,101	33.6%	220	6.0%
75 to 84	1,898	23.1%	1,940	16.7%	2,040	14.9%	42	2.2%	4	0.2%	100	5.2%	20	1.0%
85 and older	537	6.5%	802	6.9%	930	6.8%	265	49.2%	24	3.7%	129	16.0%	26	3.0%
Householders 55+	8,207	100.0%	11,615	100.0%	13,680	100.0%	3,408	41.5%	310	3.2%	2,065	17.8%	413	3.3%
Householders 62+	5,876		7,698		9,248		1,822	31.0%	166	2.5%	1,550	20.1%	310	3.7%

Source: 2000 Census of Population and Housing; The Nielsen Company, RPRG Estimates



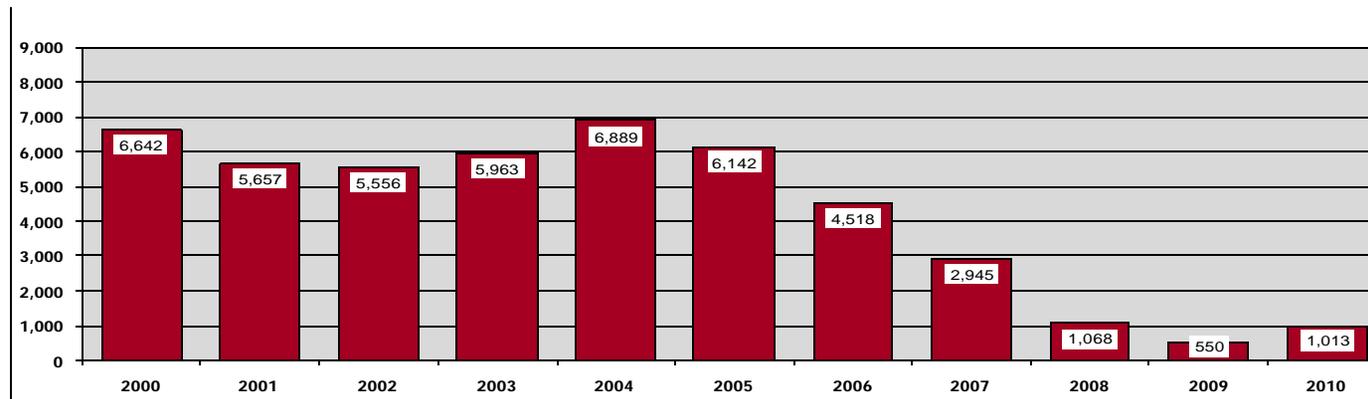
Building permit data indicates that new construction of dwelling units in Cobb County has significantly exceeded household growth over the past decade (Table 15). Overall, the 4,268 average annual units permitted from 2000 to 2010 outpaced annual household growth of 3,257 from 2000 to 2010. The excess number of units permitted versus household growth could be indicative of an overbuilt market; however, the replacement of poor quality housing in some neighborhoods was likely a contributing factor. Less than one fifth (19 percent) of all building permits issued since 2000 have been for multi-family development.

Since 2007, the pace of construction has slowed considerably, reflecting the rapid decline in the housing market and deteriorating economic conditions both locally and nationally. The 550 units permitted in 2009 were the lowest year-end total in Cobb County since at least 1990. Permit activity rebounded to 1,013 units in 2010, but still remains well below the average for the decade of 4,268 units.

Table 15 Building Permits, 2000 - 2010

Cobb County													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-2010	Annual
Single Family	5,455	4,513	4,703	4,993	5,432	5,123	3,346	1,901	727	409	713	37,315	3,392
Two Family	4	6	0	2	2	2	40	64	8	0	10	138	13
3 - 4 Family	24	16	0	0	21	12	144	289	89	35	69	699	64
5 or more Family	1,159	1,122	853	968	1,434	1,005	988	691	244	106	221	8,791	799
Total	6,642	5,657	5,556	5,963	6,889	6,142	4,518	2,945	1,068	550	1,013	46,943	4,268

Source: U.S. Census Bureau, C-40 Building Permit Reports.



G. Demographic Characteristics

Based on census data and Nielsen estimates and projections, the age distribution of the primary market area is similar to that of Cobb County as a whole; each area has a median age of 35 as of 2011. Approximately 25 percent of the PMA population is children under age 18, similar to the countywide proportion of 26 percent. Thirty-one percent of the primary market area population is age 25 to 44, slightly higher than the countywide proportion of 28 percent. The primary market area and county have a similar proportion of seniors age 62 and older, at 14 percent in the PMA compared to 13 percent countywide (Table 16).

The primary market area has a lower proportion of married couples and a higher proportion of single person households compared to Cobb County as a whole. Less than forty percent of the householders in the primary market area are married (38 percent), considerably lower than the countywide proportion of 52 percent (Table 17). Children are present in 28 percent of the primary market area's households, lower than the countywide proportion of 35 percent. Nearly thirty percent of PMA households are individuals living alone (29 percent), higher than the countywide proportion of 23 percent. The PMA also has a higher percentage of non married households without children, at 21 percent compared to the countywide proportion of 16 percent.

According to Nielsen estimates, the primary market area is fairly evenly divided between renter-occupied and owner-occupied households. As of 2011, forty-six percent of households in the primary market area are renter households. The county as a whole has a much lower proportion of renter households at 29 percent (Table 18). Among householders age 62 and older, the renter percentages in both areas are lower compared to that of all households. The 2011 senior renter percentage is 29.4 percent in the primary market area and 15.1 percent in Cobb County.

Sixty-one percent of all renter households in the primary market area contain one or two persons, in line with the countywide proportion of 63 percent (Table 19). An additional 16 percent of both PMA renter households and Cobb County renter households contain three persons. Households with four or more persons account for 23 percent and 21 percent of renter households in the primary market area and Cobb County, respectively.

Table 16
2011 Age Distribution
Primary Market Area and Cobb County

	Cobb County		Primary Market Area	
	Number	Percent	Number	Percent
Under 5 years	53,902	7.7%	6,951	8.1%
5-9 years	51,031	7.3%	6,341	7.4%
10-14 years	47,623	6.8%	5,684	6.6%
15-17 years	29,688	4.3%	2,815	3.3%
18-20 years	25,342	3.6%	3,372	3.9%
21-24 years	35,816	5.1%	4,338	5.0%
25-34 years	87,963	12.6%	11,899	13.8%
35-44 years	109,672	15.7%	14,782	17.2%
45-54 years	110,117	15.8%	11,232	13.1%
55-61 years	56,755	8.1%	6,289	7.3%
TOTAL Non-Senior	607,909	87.2%	73,704	85.6%
62-64 years	24,324	3.5%	2,695	3.1%
65-74 years	39,292	5.6%	4,942	5.7%
75-84 years	18,215	2.6%	3,107	3.6%
85 and older	7,374	1.1%	1,612	1.9%
TOTAL Senior	89,205	12.8%	12,357	14.4%
TOTAL	697,114	100.0%	86,061	100.0%
Median Age	35		35	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

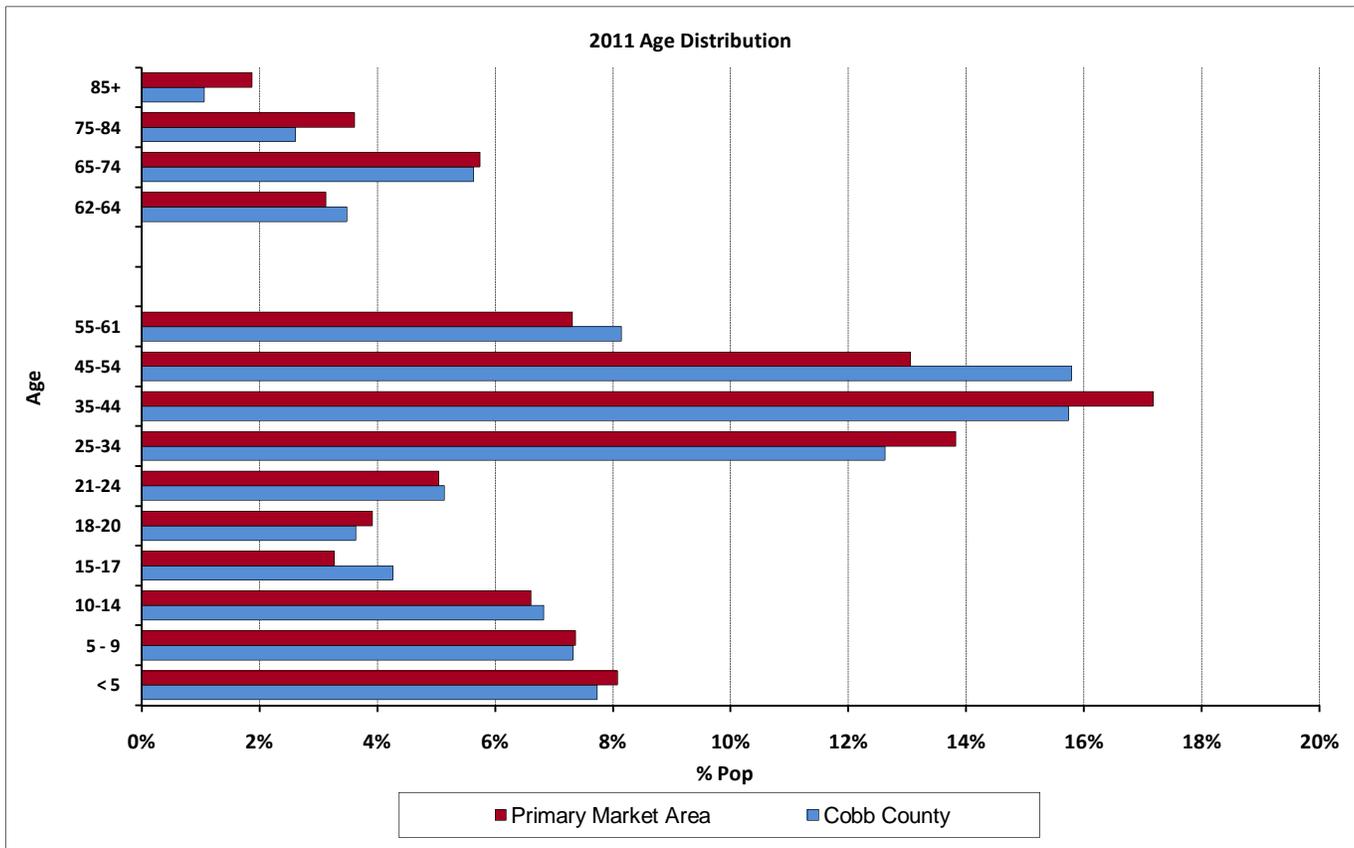


Table 17
2010 Households by Household Type
Primary Market Area and Cobb County

	Cobb County		Primary Market Area	
	#	%	#	%
Married w/ Child	66,751	25.7%	5,620	16.8%
Married w/o Child	67,625	26.0%	7,258	21.7%
Male hhldr w/ Child	5,380	2.1%	805	2.4%
Female hhldr w/ Child	18,180	7.0%	2,896	8.6%
Non Married Households w/o Children	42,048	16.2%	7,066	21.1%
Living Alone	60,072	23.1%	9,862	29.4%
Total	260,056	100.0%	33,507	100.0%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

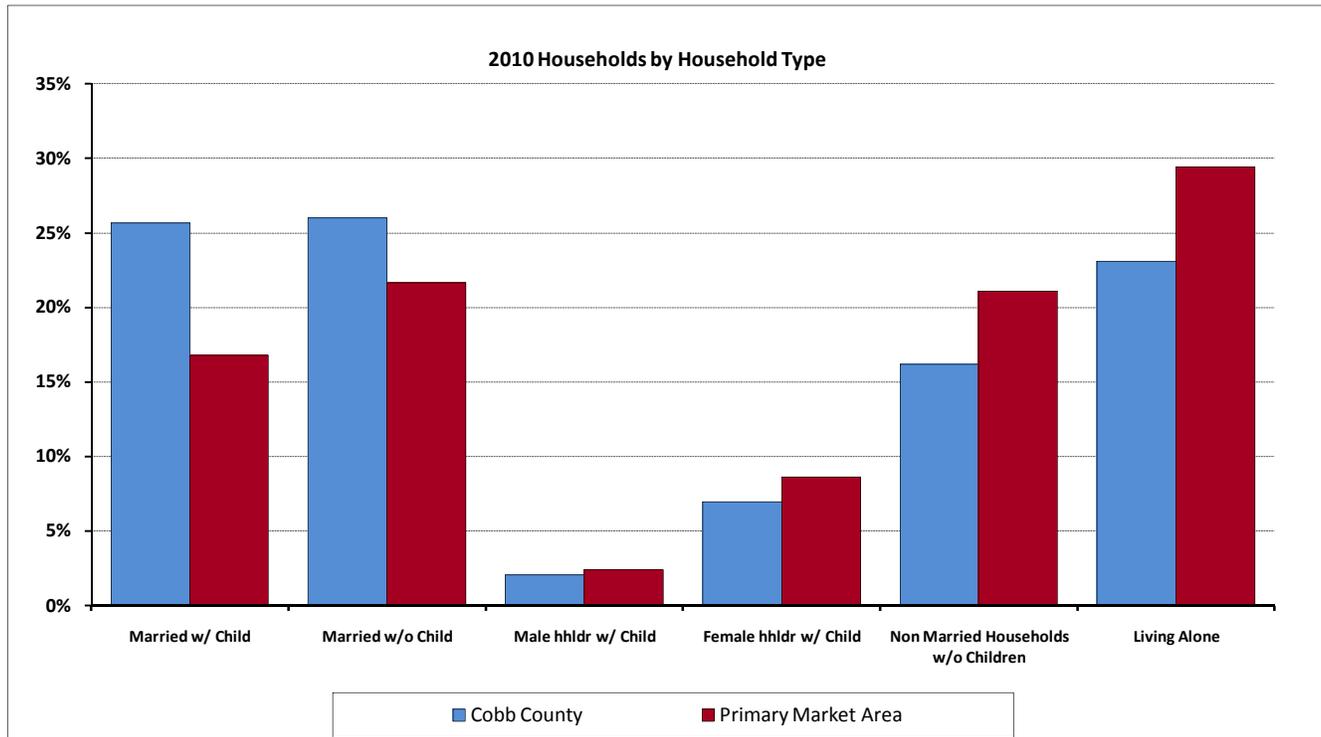
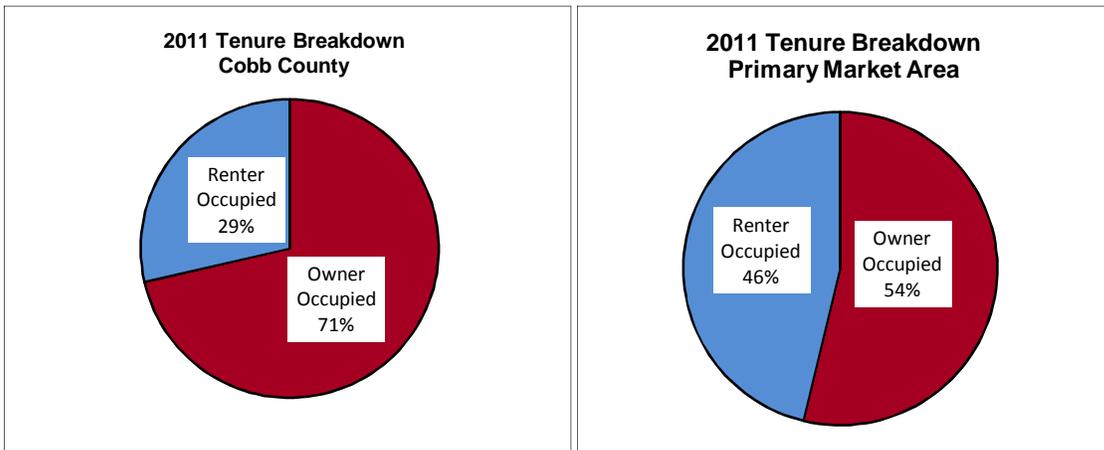


Table 18
2011 Households by Occupancy Status
Primary Market Area and Cobb County

	Cobb County		Primary Market Area	
2011 Households	Number	Percent	Number	Percent
Owner Occupied	187,908	71.4%	18,222	53.8%
Renter Occupied	75,350	28.6%	15,657	46.2%
Total Occupied	263,258	100.0%	33,878	100.0%
Total Vacant	19,596		2,306	
TOTAL UNITS	282,853		36,184	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



	Cobb County		Primary Market Area	
2011 Households	Number	Percent	Number	Percent
Owner Occupied	45,887	84.9%	5,431	70.6%
Renter Occupied	8,189	15.1%	2,267	29.4%
Total Occupied	54,076	100.0%	7,698	100.0%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

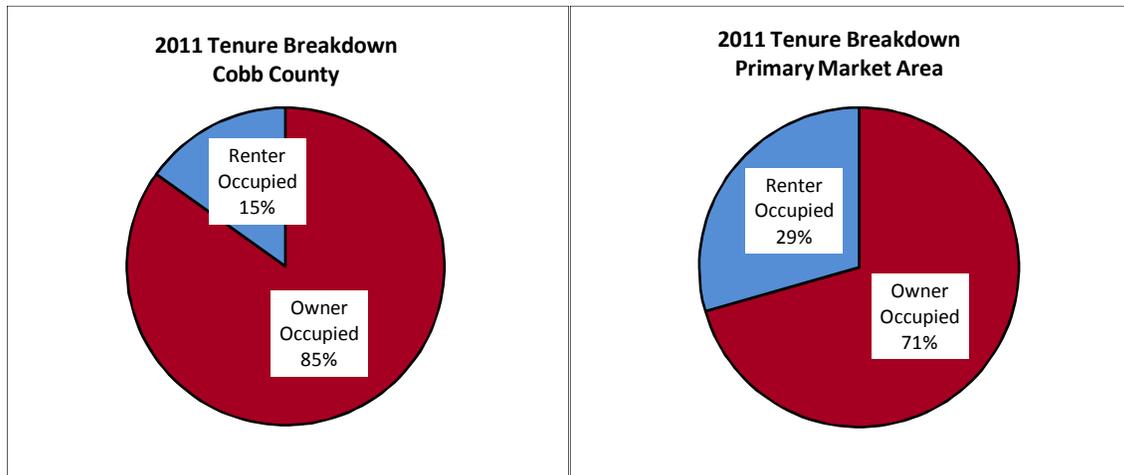
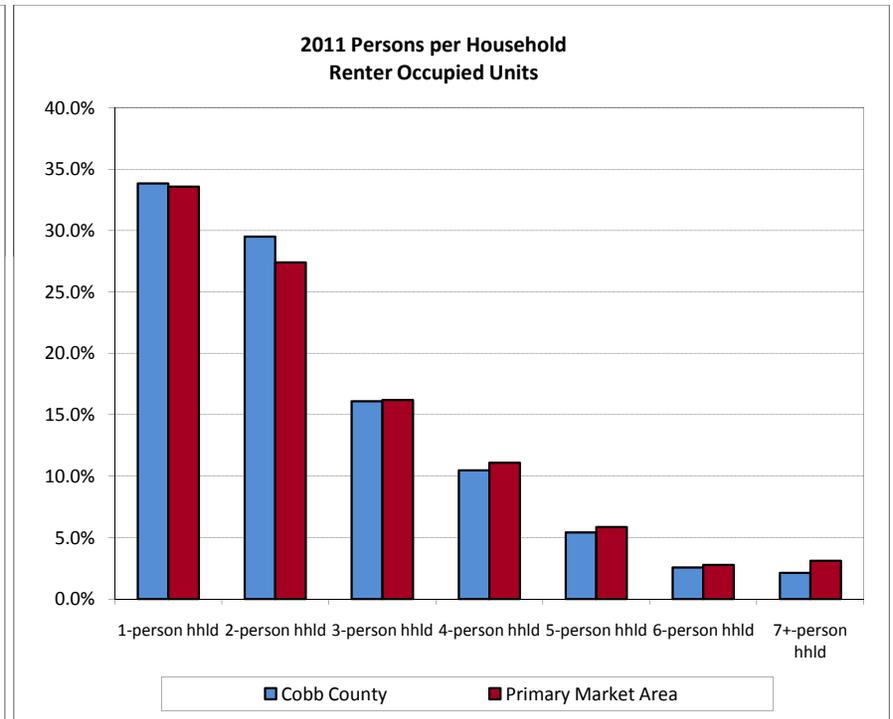
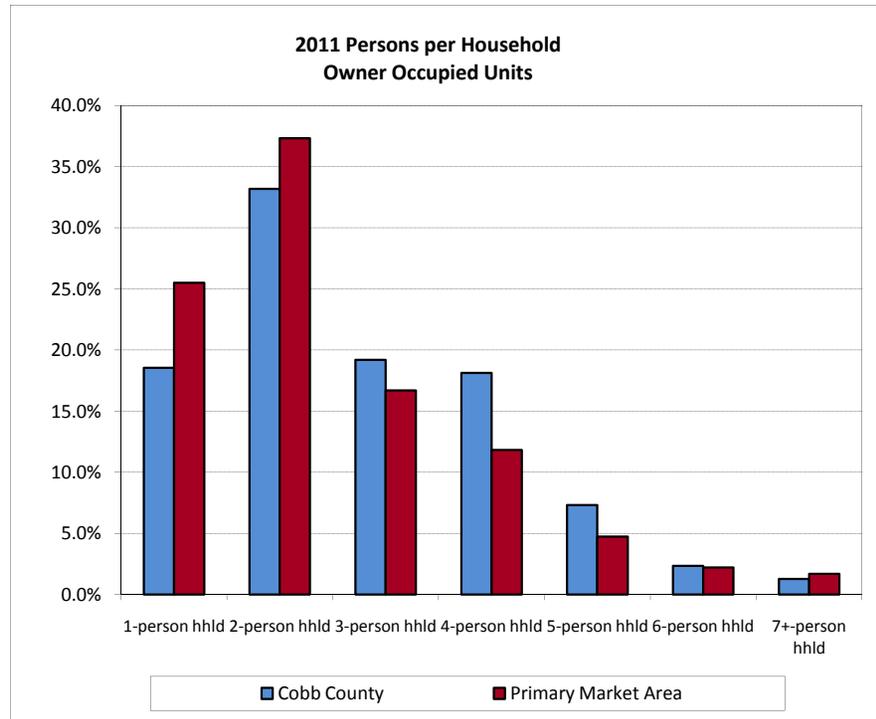


Table 19
2011 Household by Tenure and Persons per Household
Primary Market Area and Cobb County

Owner Occupied	Cobb County		Primary Market Area	
	Number	Percent	Number	Percent
1-person household	34,853	18.5%	4,644	25.5%
2-person household	62,369	33.2%	6,800	37.3%
3-person household	36,091	19.2%	3,042	16.7%
4-person household	34,045	18.1%	2,156	11.8%
5-person household	13,752	7.3%	866	4.8%
6-person household	4,423	2.4%	405	2.2%
7+-person household	2,375	1.3%	308	1.7%
TOTAL	187,908	100.0%	18,222	100.0%

Renter Occupied	Cobb County		Primary Market Area	
	Number	Percent	Number	Percent
1-person household	25,486	33.8%	5,256	33.6%
2-person household	22,223	29.5%	4,287	27.4%
3-person household	12,118	16.1%	2,538	16.2%
4-person household	7,893	10.5%	1,736	11.1%
5-person household	4,090	5.4%	916	5.9%
6-person household	1,938	2.6%	435	2.8%
7+-person household	1,603	2.1%	488	3.1%
TOTAL	75,350	100.0%	15,657	100.0%

Source: The Nielsen Company; U.S. Census of Population and Housing, 2000; Estimates, Real Property Research Group, Inc.



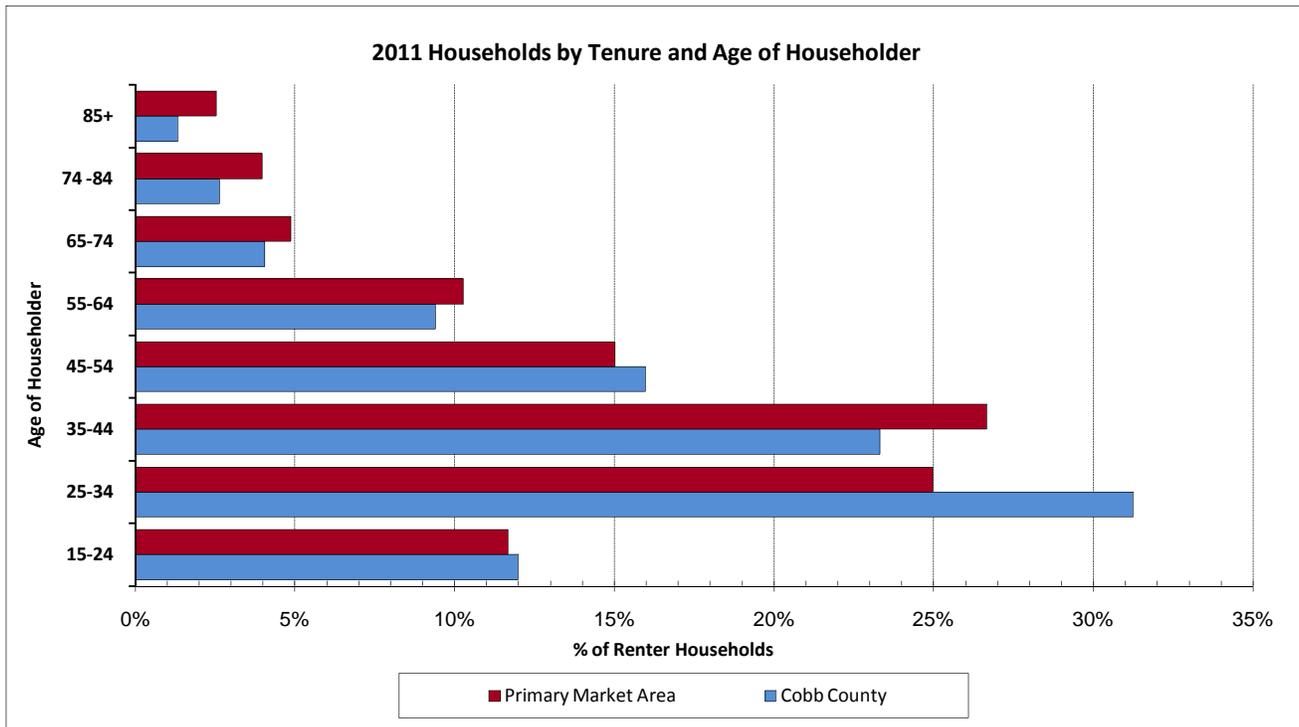
In the primary market area, nearly 46 percent of owner households are between the ages of 35 and 54, and 22 percent are between the ages of 55 and 64 (Table 20). Among renter householders in the primary market area, the majority (52 percent) are considered permanent renters (ages 35 to 64). Another 37 percent of renter householders are classified as young renters (below age 35). In the primary market area, senior renters (age 65 and older) account for 11 percent of all renter householders.

Table 20
2011 Households by Tenure and Age of Householder
Primary Market Area and Cobb County

Owner Households	Cobb County		Primary Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	944	0.5%	88	0.5%
25-34 years	18,197	9.7%	1,616	8.9%
35-44 years	42,022	22.4%	4,014	22.0%
45-54 years	51,139	27.2%	4,281	23.5%
55-64 years	42,456	22.6%	3,988	21.9%
65-74 years	22,094	11.8%	2,513	13.8%
75 to 84 years	8,913	4.7%	1,319	7.2%
85+ years	2,142	1.1%	403	2.2%
Total	187,908	100%	18,222	100%

Renter Households	Cobb County		Primary Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	9,030	12.0%	1,827	11.7%
25-34 years	23,556	31.3%	3,910	25.0%
35-44 years	17,577	23.3%	4,176	26.7%
45-54 years	12,043	16.0%	2,352	15.0%
55-64 years	7,078	9.4%	1,608	10.3%
65-74 years	3,056	4.1%	764	4.9%
75 to 84 years	1,996	2.6%	621	4.0%
85+ years	1,014	1.3%	399	2.5%
Total	75,350	100%	15,657	100%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



H. Income Characteristics

Based on Nielsen estimates, the median household income for all householders in the primary market area in 2011 is \$51,425, which is \$17,736 or 25.6 percent less than Cobb County's median income of \$69,160. Among senior householders age 62 and older, the 2011 estimated median income in the primary market area is \$38,186, which is 74 percent of the overall median (Table 21). Within the primary market area, one third of all senior households (62+) earn less than \$25,000. Nielsen projects that the median income for householders age 62 and older in the primary market area will increase 6.4 percent by 2016 to \$40,617 (Table 22).

Based on Nielsen income projections, the relationship between owner and renter incomes as recorded in the 2000 Census, the breakdown of tenure, and household estimates, RPRG estimates that the median income of senior renters (62+) in the primary market area is \$31,743. This median income is \$10,074 lower than or 75.9 percent of the owner household median of \$41,817 (Table 23). Forty percent of senior renter households in the primary market area earn less than \$25,000 compared to 30 percent of owner households.

Table 21
Estimated 2011 Household Income
Primary Market Area and Cobb County

		Cobb County		Primary Market Area	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	16,034	6.1%	3,363	9.9%
	\$15,000 - \$24,999	15,602	5.9%	3,266	9.6%
	\$25,000 - \$34,999	21,225	8.1%	4,330	12.8%
	\$35,000 - \$49,999	36,362	13.8%	5,577	16.5%
	\$50,000 - \$74,999	55,330	21.0%	7,081	20.9%
	\$75,000 - \$99,999	40,012	15.2%	3,940	11.6%
	\$100,000 - \$124,999	28,840	11.0%	2,435	7.2%
	\$125,000 - \$149,999	18,384	7.0%	1,544	4.6%
	\$150,000 - \$199,999	15,630	5.9%	1,138	3.4%
	\$200,000 over	15,838	6.0%	1,205	3.6%
Total		263,258	100.0%	33,878	100.0%
Median Income		\$69,160		\$51,425	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

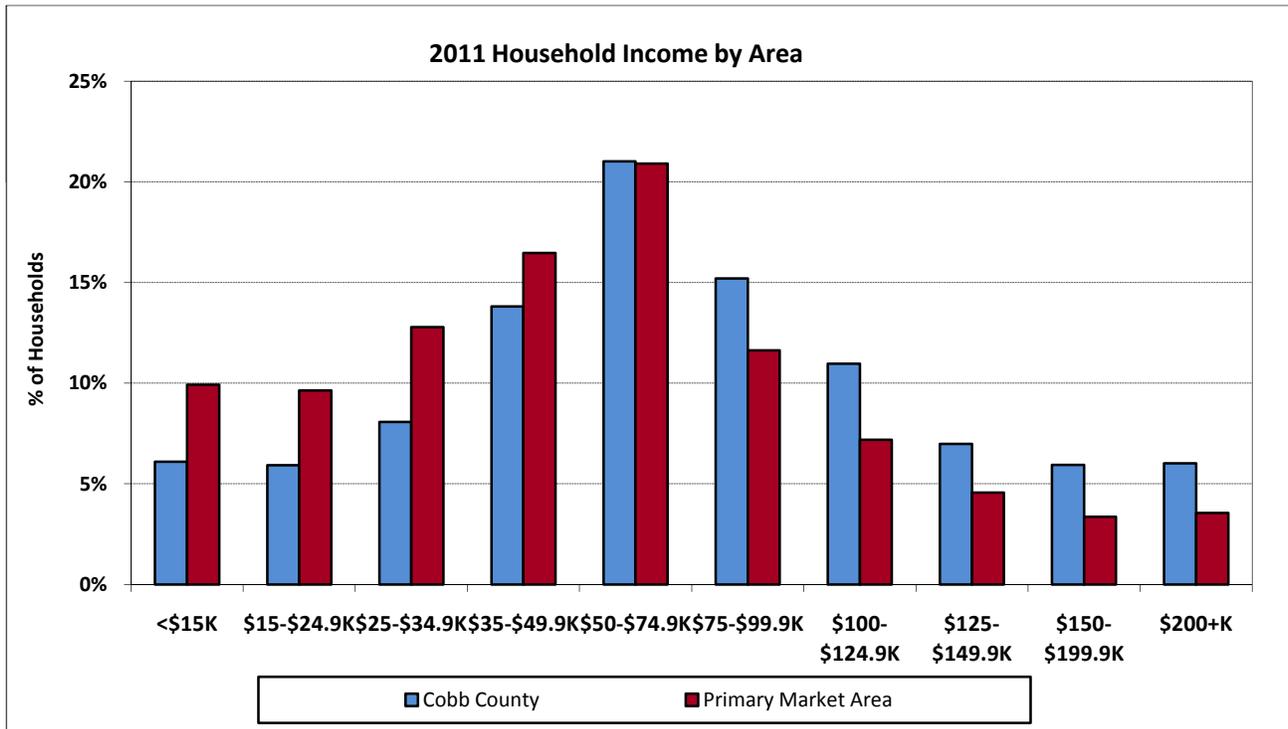


Table 22
2011 & 2016 Income for Householders 62 and Older
Primary Market Area

		2011 Household Income		2016 Household Income	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	1,345	17.5%	1,479	16.0%
	\$15,000 - \$24,999	1,186	15.4%	1,318	14.3%
	\$25,000 - \$34,999	1,055	13.7%	1,259	13.6%
	\$35,000 - \$49,999	1,234	16.0%	1,514	16.4%
	\$50,000 - \$74,999	1,403	18.2%	1,749	18.9%
	\$75,000 - \$99,999	618	8.0%	803	8.7%
	\$100,000 - \$124,999	332	4.3%	455	4.9%
	\$125,000 - \$149,999	226	2.9%	276	3.0%
	\$150,000 - \$199,999	129	1.7%	196	2.1%
	\$200,000 over	169	2.2%	198	2.1%
Total		7,698	100.0%	9,248	100.0%
Median Income		\$38,186		\$40,617	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

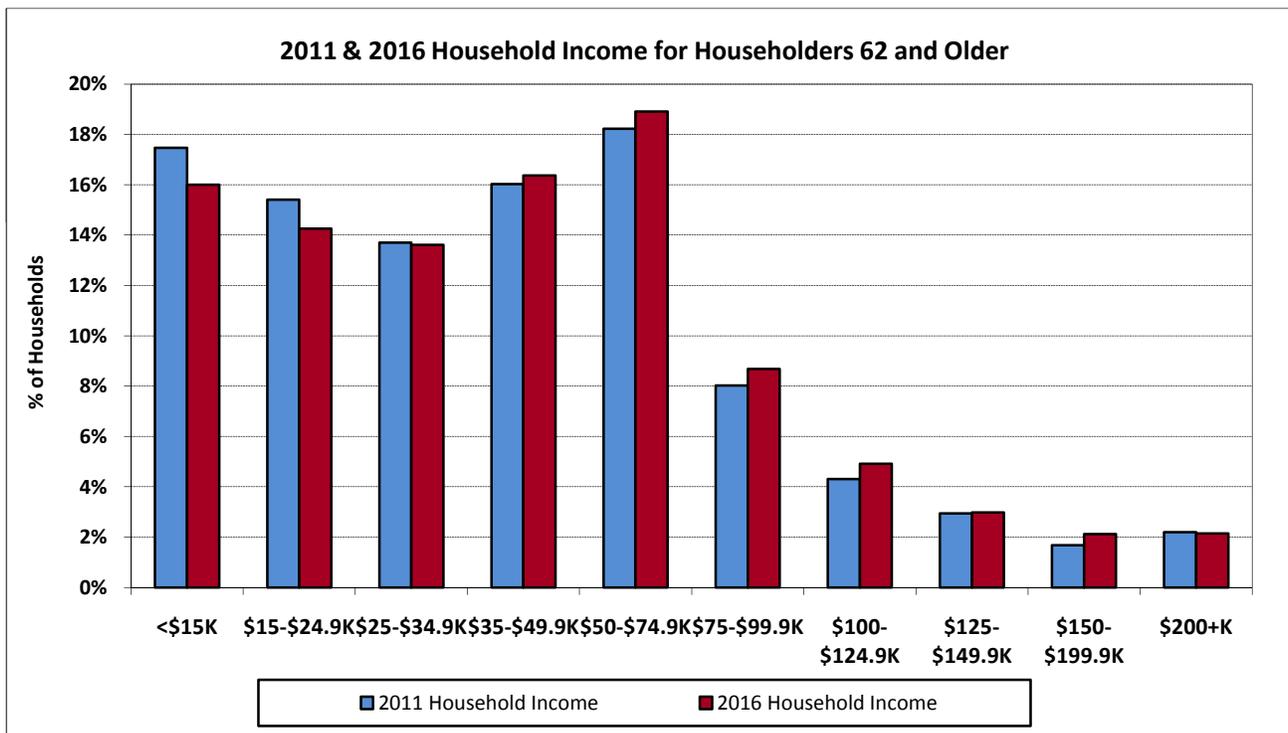
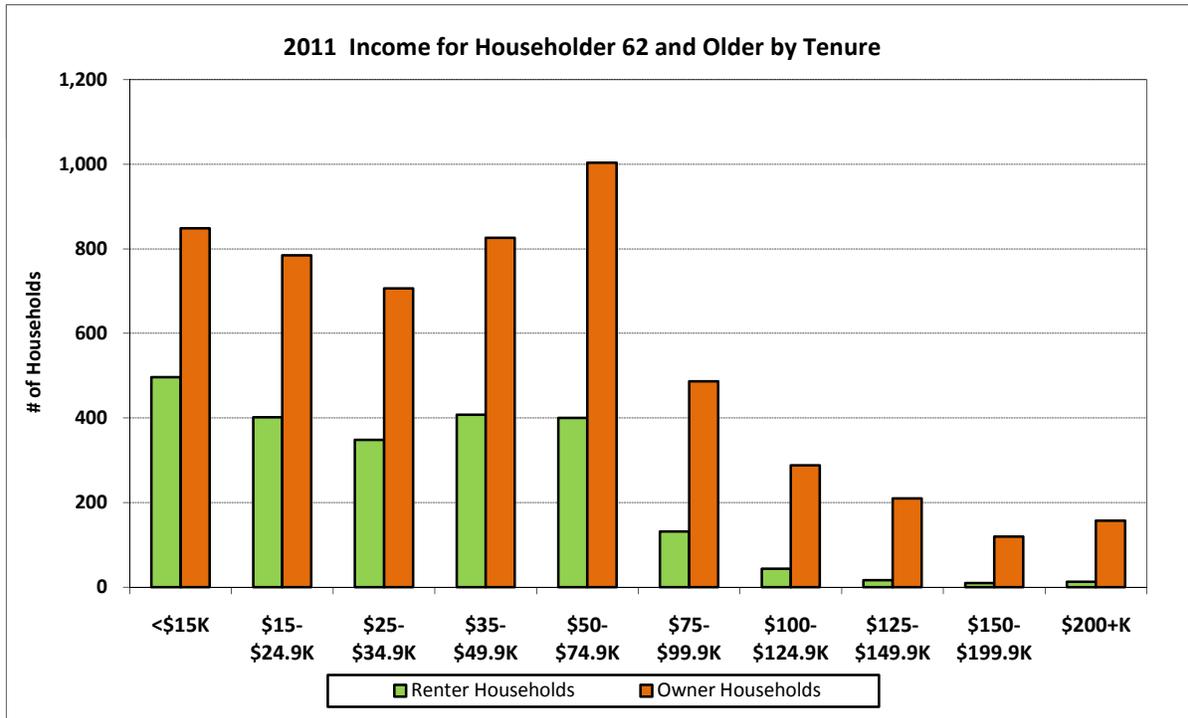


Table 23
2011 Income for Householder 62 and Older by Tenure
Primary Market Area

		Renter Households		Owner Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	497	21.9%	849	15.6%
	\$15,000 - \$24,999	402	17.7%	785	14.4%
	\$25,000 - \$34,999	348	15.4%	707	13.0%
	\$35,000 - \$49,999	407	18.0%	826	15.2%
	\$50,000 - \$74,999	400	17.6%	1,004	18.5%
	\$75,000 - \$99,999	131	5.8%	487	9.0%
	\$100,000 - \$124,999	43	1.9%	288	5.3%
	\$125,000 - \$149,999	16	0.7%	210	3.9%
	\$150,000 - \$199,999	9	0.4%	119	2.2%
	\$200,000 over	12	0.5%	157	2.9%
Total		2,267	100.0%	5,431	100.0%
Median Income		\$31,743		\$41,817	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



V. Project Specific Affordability and Demand Analysis

A. Proposed Unit Mix and Income Restrictions

HUD has computed a 2011 median household income of \$68,300 for Atlanta-Sandy Springs-Marietta MSA, in which the subject site is located. Based on that median income adjusted for household size, the maximum income limit and minimum income requirement is computed for each floor plan in Table 24. The minimum income limit is calculated assuming up to 40 percent of income is spent on total housing cost (rent plus utilities). As the subject's units are classified as efficiencies, the maximum income limit is based on a maximum household size of one person; maximum LIHTC rents are also based on one person per household.

All 150 units at Renaissance on Henderson will also contain project based rental assistance (PBRA). The rent paid by each tenant will be dependent on 30 percent of his or her household income and will not exceed the rents detailed below. As such, income limits and minimum tenant incomes will not be applicable with this additional rental assistance. The minimum income limits in the table below only apply if the property operates as a LIHTC community without additional rental subsidies.

Table 24 Project Specific LIHTC Rent Limits, Renaissance on Henderson

Unit Type	AMI	Units	Bed	Net Rent	Utility Allowance	Gross Rent	Max. Gross Rent	Max. Income	Min. Income
LIHTC/PBRA	50%	23	0	\$909	\$0	\$909	\$599	\$23,950	\$27,270
LIHTC/PBRA	60%	122	0	\$909	\$0	\$909	\$719	\$28,740	\$27,270
Market/PBRA	80%	5	0	\$909	\$0	\$909	\$958	\$38,320	\$27,270
Total		150							

B. Affordability Analysis

To understand the depth of the rental market for affordable housing in the primary market area, we conducted an affordability analysis for the proposed units (Table 25). This capture rate reflects the percentage of age (62+) and income-qualified households in the market area that the subject property must capture in order to gain full occupancy. This analysis is conducted both with and without PBRA. Without PBRA, the rents for the units are assumed to be at maximum allowable LIHTC levels as the contract rent is above maximum LIHTC levels. In the case of the five market rate units, we use a gross rent of \$731, which is the payment standard amount.

- To calculate the income distribution for 2013, we projected incomes based on Nielsen income distributions for 2011 and 2016, and the relationship of owner/renter incomes by income cohort from the 2000 Census. The maximum income limit for the proposed efficiency units at the subject property are based on a maximum household size of one person.
- We walk through the calculations for the 23 efficiencies at 50 percent AMI, shown in the upper row of Table 25. Using a 40 percent rent burden criteria, we determined that the maximum LIHTC gross rent for an efficiency at 50 percent AMI (\$599) would be affordable to senior (62+) households earning a minimum of \$17,970, which includes 6,523 senior (62+) households in the primary market area.
- Based on the 2011 HUD income limits for households at 50 percent of median income, the maximum income allowed for an efficiency unit in this market would be \$23,950. We estimate that 5,782 senior (62+) households within the primary market area have incomes above that maximum.
- Subtracting the 5,782 senior (62+) households with incomes above the maximum income from the 6,523 senior (62+) households that could afford to rent this unit type, we compute that 741 senior (62+) households are income eligible. The 23 proposed efficiency units at 50 percent AMI would require a capture rate of 3.1 percent of all age and income qualified households. Among senior (62+) renter households, the capture rate for this unit type is 9.1 percent.
- For the 122 efficiency units at 60 percent AMI, the required capture rates are 14.4 percent of all age and income qualified households, and 42.4 percent of all age and income qualified renter households. The required capture rates for the 5 efficiency market rate units are 0.3

Table 25
 2013 Affordability Analysis for Renaissance on Henderson - Without PBRA
 Assuming 40% Percent Rent Burden Standard
 Householders 62 and Older

Efficiency Units			
	Base Price	Minimum	Maximum
50% Units	Number of Units	23	
	Net Rent	\$599	
	Gross Rent	\$599	
	% Income Spent for Shelter	40%	
	Income Range	\$17,970	\$23,950
	Range of Qualified Hslds	6,523	5,782
	# Qualified Households		741
	Unit Total HH Capture Rate		3.1%
	Range of Qualified Renters	1,808	1,554
	# Qualified Renter Households		254
Unit Renter HH Capture Rate		9.1%	

	Base Price	Minimum	Maximum
60% Units	Number of Units	122	
	Net Rent	\$719	
	Gross Rent	\$719	
	% Income Spent for Shelter	40%	
	Income Range	\$21,570	\$28,740
	Range of Qualified Hslds	6,077	5,228
	# Qualified Households		849
	Unit Total HH Capture Rate		14.4%
	Range of Qualified Renters	1,655	1,368
	# Qualified Renter Households		287
Unit Renter HH Capture Rate		42.4%	

	Base Price	Minimum	Maximum
Market (80% AMI)	Number of Units	5	
	Net Rent	\$731	
	Gross Rent	\$731	
	% Income for Shelter	40%	
	Income Range	\$21,930	\$38,320
	Range of Qualified Hslds	6,032	4,221
	# Qualified Households		1,811
	Unit Total HH Capture Rate		0.3%
	Range of Qualified Renters	1,640	1,031
	# Qualified Renter Households		609
Unit Renter HH Capture Rate		0.8%	

	# of Units	All Households =8,291				
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate
50% Units	23	<i>Income HHS</i>	\$17,970	\$23,950	741	3.1%
60% Units	122	<i>Income HHS</i>	\$21,570	\$28,740	849	14.4%
Market-80% AMI	5	<i>Income HHS</i>	\$21,930	\$38,320	1,811	0.3%
LIHTC Units	145	<i>Income HHS</i>	\$17,970	\$28,740	1,295	11.2%
Total Units	150	<i>Income HHS</i>	\$17,970	\$38,320	2,302	6.5%

		Renter Households =2,457			
			Band of Qualified Hhlds		# Qualified HHs
50% Units	<i>Income Renter HHS</i>	\$17,970	\$23,950	254	9.1%
60% Units	<i>Income Renter HHS</i>	\$21,570	\$28,740	287	42.4%
Market-80% AMI	<i>Income Renter HHS</i>	\$21,930	\$38,320	609	0.8%
LIHTC Units	<i>Income Renter HHS</i>	\$17,970	\$28,740	440	32.9%
Total Units	<i>Income Renter HHS</i>	\$17,970	\$38,320	777	19.3%

Source: Estimates, Real Property Research Group, Inc.

- percent of all age and income qualified households, and 0.8 percent of all age and income qualified renter households.
- The overall capture rates for the subject community, assuming no PBRA, are 6.5 percent of all age and income qualified households, and 19.3 percent of all age and income qualified renter households.
- With the continuation of PBRA at the subject property, all tenants earning below the maximum LIHTC income of \$28,740 will be eligible for the 145 proposed LIHTC units, and there will be no income restriction for the five market rate units, though in this analysis we apply an artificial income limit of 80 percent AMI. With 4,069 age and income qualified households and 1,426 renter households, affordability capture rates with PBRA are 3.7 percent for all households and 10.5 percent for renter households (Table 26).

All affordability capture rates, both by floor plan and AMI level, are within reasonable and achievable levels with project based rental assistance. Without PBRA, the renter capture rate is somewhat elevated. If the project did not have PBRA, it is likely that rents could not be set at the maximum allowable tax credit rents.

Table 26
 2013 Affordability Analysis for Renaissance on Henderson - With PBRA
 Assuming 40% Percent Rent Burden Standard
 Householders 62 and Older

Efficiency Units		
Base Price	Minimum	Maximum
Number of Units	23	
Net Rent	\$599	
Gross Rent	\$599	
% Income Spent for Shelter	40%	
Income Range	no min\$	\$23,950
Range of Qualified Hslds	8,291	5,782
# Qualified Households		2,508
Unit Total HH Capture Rate		0.9%
Range of Qualified Renters	2,457	1,554
# Qualified Renter Households		903
Unit Renter HH Capture Rate		2.5%

50% Units

60% Units

Market (80% AMI)

	# of Units	All Households =8,291				
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
50% Units	23	<i>Income HHS</i>	no min\$ 8,291	\$23,950 5,782	2,508	0.9%
60% Units	122	<i>Income HHS</i>	no min\$ 8,291	\$28,740 5,228	3,063	4.0%
Market (80% AMI)	5	<i>Income HHS</i>	no min\$ 8,291	\$38,320 4,221	4,069	0.1%
LIHTC Units	145	<i>Income HHS</i>	\$0 8,291	\$28,740 5,228	3,063	4.7%
Total Units	150	<i>Income HHS</i>	\$0 8,291	\$38,320 4,221	4,069	3.7%

		Renter Households =2,457			
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate
50% Units	<i>Income Renter HHS</i>	2,457	1,554	903	2.5%
60% Units	<i>Income Renter HHS</i>	2,457	1,368	1,089	11.2%
Market (80% AMI)	<i>Income Renter HHS</i>	2,457	1,031	1,426	0.4%
LIHTC Units	<i>Income Renter HHS</i>	2,457	1,368	1,089	13.3%
Total Units	<i>Income Renter HHS</i>	2,457	1,031	1,426	10.5%

Base Price	Minimum	Maximum
Number of Units	5	
Net Rent	\$731	
Gross Rent	\$731	
% Income for Shelter	40%	
Income Range	no min\$	\$38,320
Range of Qualified Hslds	8,291	4,221
# Qualified Households		4,069
Unit Total HH Capture Rate		0.1%
Range of Qualified Renters	2,457	1,031
# Qualified Renter Households		1,426
Unit Renter HH Capture Rate		0.4%

Source: Estimates, Real Property Research Group, Inc.

C. Net Demand, Capture Rate, and Stabilization Calculations

The Georgia Department of Community Affairs' demand methodology for senior communities consists of three components:

The first component of demand is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2000 and 2013 (Table 29).

The second component is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to U.S. Census data, the percentage of renter occupied households in the primary market area that are "substandard" is 13.1 percent.

The third component of demand is cost burdened renters, which is defined as those renter households paying more than 40 percent of household income for housing costs. According to Census data, 36.1 percent of primary market area senior (65+) renter households are categorized as cost burdened (Table 27). This percentage is applied to the age 62+ households.

The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2004, 2.1 percent of elderly households move each year in the Atlanta MSA. Of those moving within the past twelve months, 61.9 percent moved from owned to rental housing (Table 28). Given the lack of local information, this source is considered to be the most current and accurate.

Demand from the primary market area is increased by 15 percent to account for secondary market area demand. This estimate is conservative as resident origin data from current residents at Renaissance on Henderson demonstrated that approximately 55 percent of residents moved from outside the primary market area. We note that this data is not exact as it is based on zip codes, and zip code boundaries do not align with market area boundaries, and we did not have addresses to determine exact locations within the zip code.

DCA considers units that have been constructed or renovated since 2000 to have an impact on the future demand for new development. For this reason, the directly comparable units constructed within the past eleven years and those planned within the primary market area are subtracted from the estimate of demand. Assuming no PBRA at the subject, 32 units at 50

Table 27
Renter Cost Burden and Substandardness
Primary Market Area

Rent Cost Burden		
Total Households		
Less than 10.0 percent	920	6.1%
10.0 to 14.9 percent	1,490	9.8%
15.0 to 19.9 percent	2,312	15.2%
20.0 to 24.9 percent	2,077	13.7%
25.0 to 29.9 percent	1,775	11.7%
30.0 to 34.9 percent	1,319	8.7%
35.0 to 39.9 percent	946	6.2%
40.0 to 49.9 percent	1,198	7.9%
50.0 percent or more	2,518	16.6%
Not computed	618	4.1%
Total	15,173	100.0%
> 35% income on rent	4,662	32.0%

Households 55+		
Less than 20.0 percent	591	26.1%
20.0 to 24.9 percent	155	6.9%
25.0 to 29.9 percent	241	10.7%
30.0 to 34.9 percent	243	10.7%
35.0 percent or more	824	36.4%
Not computed	207	9.2%
Total	2,261	100.0%
> 35% income on rent	824	40.1%
> 40% income on rent		31.4%

Households 65+		
Less than 20.0 percent	323	22.3%
20.0 to 24.9 percent	76	5.2%
25.0 to 29.9 percent	143	9.9%
30.0 to 34.9 percent	153	10.6%
35.0 percent or more	595	41.1%
Not computed	158	10.9%
Total	1,448	100.0%
> 35% income on rent	595	46.1%
> 40% income on rent		36.1%

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	15,846
1.00 or less occupants per room	15,366
1.01 or more occupants per room	316
Lacking complete plumbing facilities:	164
Overcrowded or lacking plumbing	480
Renter occupied:	
Complete plumbing facilities:	15,121
1.00 or less occupants per room	12,977
1.01 or more occupants per room	953
Lacking complete plumbing facilities:	1,191
Overcrowded or lacking plumbing	2,144
Substandard Housing	2,624
% Total Stock Substandard	8.1%
% Rental Stock Substandard	13.1%

Source: 2000 U.S. Census

Table 28 Senior Homeowners Converting to Rental Housing

Homeownership to Rental Housing Conversion		
	Atlanta MSA	
Senior Households 65 and over	<i>Number</i>	<i>Percent</i>
Total Households	195,800	
Total Owner Households	162,800	83.1%
Total Renter Households	33,000	16.9%
Tenure of Previous Residence - Renter Occupied Units	<i>Number</i>	<i>Percent</i>
Total Moved from Home, Apartment, Manufactured/Mobile Home	4,200	
Owner Occupied	2,600	61.9%
Renter Occupied	1,500	35.7%
% of Senior Households Moving Within the Past Year		2.1%
% of Senior Movers Converting from Homeowners to Renters		61.9%
% of Senior Households Converting from Homeowners to Renters		1.3%

Source: American Housing Survey, 2004

percent AMI and 66 units at 60 percent AMI, all at Legacy at Walton Village Phase I and II, would be comparables. In addition, the 38 market rate units at Walton Village and the 9 market rate units at Retreat at Dorsey Manor would also be comparables. These units are added to supply in Table 29. Though market rate units have no income restriction, in this analysis we apply an 80 percent AMI rent restriction for the market rate units.

According to DCA's 2011 market study requirements, demand capture rates for rehabilitations are based only on units which are currently or expected to be vacant at the subject property. This includes tenants that will be rent overburdened or no longer income qualified as a result of the proposed rehabilitation. Based on the tenant relocation spreadsheet provided by the applicant, ten units at the subject property are vacant. Thus, the capture rates are based on these ten.

Based on vacant units, the capture rate without PBRA and rents at maximum LIHTC rents is 2.2 percent. Based on all units, the capture rate under this scenario would be 33.2 percent.

With PBRA, the minimum income limit is removed and the number of income-eligible senior renter households increases significantly. In this case, we include comparable units that also have deep subsidies. This consists of 20 units at Legacy at Walton Village, 47 units at Legacy at Walton Village II, 63 units at Retreat at Dorsey Manor, and 71 units at the pipeline project Tower at Dorsey Manor. The total 201 comparable units are divided evenly between the

50 percent and 60 percent columns. Capture rates with PBRA are 1.1 percent among vacant units and 16.8 percent for all units (Table 30).

Capture rates with PBRA indicate sufficient demand to support the proposed redevelopment with and without tenant retention. Without PBRA, capture rates are elevated, particularly for the 60 percent units.

Table 29
Overall Demand Estimates, Without PBRA

<i>Income Target</i>	HH at 50% AMI	HH at 60% AMI	HH at 80% AMI	LIHTC Total	Project Total
<i>Minimum Income Limit</i>	\$17,970	\$21,570	\$21,930	\$17,970	\$17,970
<i>Maximum Income Limit</i>	\$23,950	\$28,740	\$38,320	\$28,740	\$38,320
(A) Renter Income Qualification Percentage	10.3%	11.7%	24.8%	17.9%	31.6%
1.) Demand from New Renter Households <i>Calculation: (C-B)*F*A</i>	73	83	176	127	225
Plus					
2.) Demand from Substandard Housing <i>Calculation: B*D*F*A</i>	24	27	56	41	72
Plus					
3.) Demand from Rent Over-burdened Households <i>Calculation: B*E*F*A</i>	64	73	155	112	197
Plus					
4.) Homeowners Converting to Renters <i>Calculation: B*G*A</i>	8	9	19	14	25
Equals					
Primary Market Area Elderly Demand (62+)	170	192	406	294	519
Plus					
Secondary Market Demand (15%)	25	29	61	44	78
Equals					
Total Demand	195	221	467	338	596
Less					
Comparable Units	32	66	47	98	145
Equals					
Net Demand	163	155	420	240	451
Proposed Units	23	122	5	145	150
Capture Rate - All Units	14.1%	78.9%	1.2%	60.4%	33.2%
Vacant Units	5	5	0	10	10
Capture Rate - Vacant Units	3.1%	3.2%	0.0%	4.2%	2.2%

Demand Calculation Inputs	
B.) 2000 HH 62+	5,876
C.) 2013 HH 62+	8,291
D.) Substandard Housing, 2000	13.1%
E.) Rent Overburdened (65+), 2000	36.1%
F.) Renter Percent (62+) , 2011	29.4%
G.) Owners Converting	1.3%

Table 30
Overall Demand Estimates, With PBRA

<i>Income Target</i>	HH at 50% AMI	HH at 60% AMI	HH at 80% AMI	LIHTC Total	Project Total
<i>Minimum Income Limit</i>	no min\$	no min\$	no min\$	no min\$	no min\$
<i>Maximum Income Limit</i>	\$23,950	\$28,740	\$38,320	\$28,740	\$38,320
(A) Renter Income Qualification Percentage	36.7%	44.3%	58.0%	44.3%	58.0%
1.) Demand from New Renter Households <i>Calculation: (C-B)*F*A</i>	261	315	413	315	413
Plus					
2.) Demand from Substandard Housing <i>Calculation: B*D*F*A</i>	84	101	132	101	132
Plus					
3.) Demand from Rent Over-burdened Households <i>Calculation: B*E*F*A</i>	229	277	362	277	362
Plus					
4.) Homeowners Converting to Renters <i>Calculation: B*G*A</i>	29	35	45	35	45
Equals					
Primary Market Area Elderly Demand (62+)	603	727	952	727	952
Plus					
Secondary Market Demand (15%)	90	109	143	109	143
Equals					
Total Demand	693	836	1,095	836	1,095
Less					
Comparable Units	100	101	0	201	201
Equals					
Net Demand	593	735	1,095	635	894
Proposed Units	23	122	5	145	150
Capture Rate - All Units	3.9%	16.6%	0.5%	22.8%	16.8%
Vacant Units	5	5	0	10	10
Capture Rate - Vacant Units	0.8%	0.7%	0.0%	1.6%	1.1%

Demand Calculation Inputs	
B.) 2000 HH 62+	5,876
C.) 2013 HH 62+	8,291
D.) Substandard Housing, 2000	13.1%
E.) Rent Overburdened (65+), 2000	36.1%
F.) Renter Percent (62+) , 2011	29.4%
G.) Owners Converting	1.3%

Table 31 Demand and Capture Rate Analysis Summary Table

AMI Target	Unit Size	Min Income Limit	Max Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption
50% AMI	0BR	no min\$	\$23,950	23	839	100	739	3.1%	One Month
60% AMI	0BR	no min\$	\$28,740	122	989	101	888	13.7%	One Month
LIHTC Total	0BR	no min\$	\$28,740	145	989	201	788	18.4%	One Month
Market (80% AMI)	0BR	no min\$	\$38,320	5	1,248	0	1,248	0.4%	One Month
Project Total		no min\$	\$38,320	150	1,248	201	1,047	14.3%	One Month

VI. Supply Analysis

A. Area Housing Stock

Historically, the primary market area's rental stock density is similar to that of Cobb County as a whole (Table 32). As of the 2000 Census, forty-one percent of rental units in the primary market area were in buildings with 5 to 19 units, and seventeen percent were in buildings of 20 units or more. An additional 23 percent of the primary market area's rental stock was in the form of single family homes.

As of 2000, the median year built among owner occupied housing units was 1977 in the primary market area and 1984 in Cobb County. The median year built among renter occupied units was 1979 for the primary market area and 1982 for Cobb County. Nearly 19 percent of the rental units in the primary market area were built between 1990 and 2000 compared to nearly 24 percent of Cobb County's rental units.

Table 32

2000 Dwelling Units by Units in Structure and Tenure
Primary Market Area and Cobb County

	Cobb County		Primary Market Area	
Owner Occupied	Number	Percent	Number	Percent
1, detached	140,125	90.4%	13,252	83.2%
1, attached	8,200	5.3%	1,749	11.0%
2	308	0.2%	120	0.8%
3-4	730	0.5%	153	1.0%
5-9	1,170	0.8%	74	0.5%
10-19	708	0.5%	34	0.2%
20+ units	292	0.2%	36	0.2%
Mobile home	3,462	2.2%	493	3.1%
Boat, RV, Van	80	0.1%	17	0.1%
TOTAL	155,075	100.0%	15,928	100.0%

	Cobb County		Primary Market Area	
Renter Occupied	Number	Percent	Number	Percent
1, detached	13,427	18.5%	2,511	16.5%
1, attached	3,345	4.6%	1,020	6.7%
2	2,170	3.0%	745	4.9%
3-4	6,662	9.2%	1,652	10.9%
5-9	15,023	20.7%	3,238	21.3%
10-19	16,574	22.9%	2,999	19.7%
20+ units	13,985	19.3%	2,620	17.2%
Mobile home	1,219	1.7%	418	2.7%
Boat, RV, Van	7	0.0%	7	0.0%
TOTAL	72,412	100.0%	15,210	100.0%

Source: U.S. Census of Population and Housing, 2000, STF3.

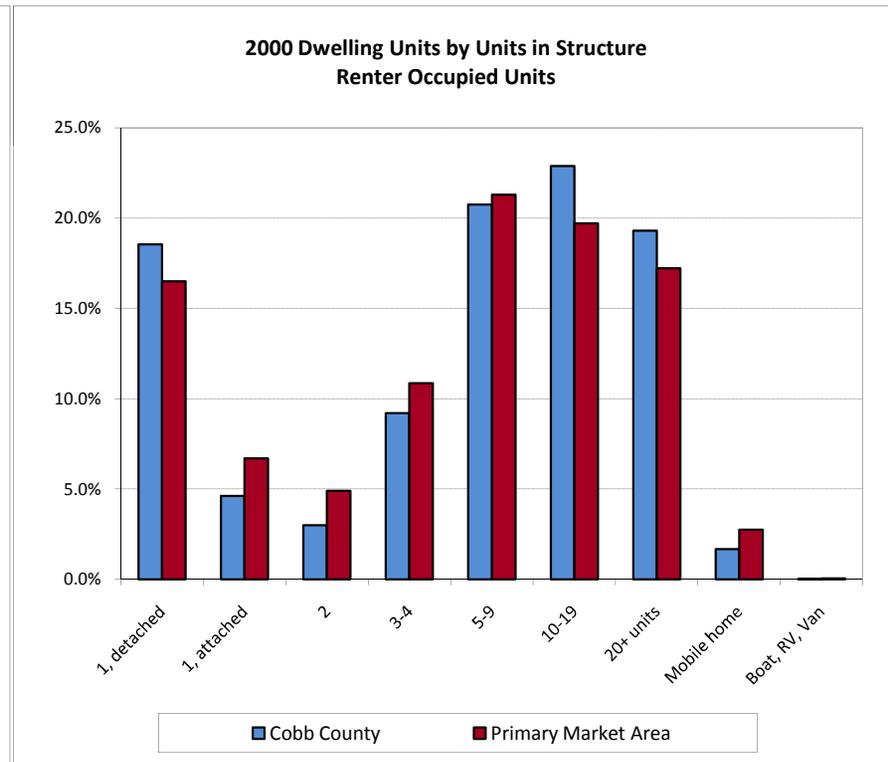
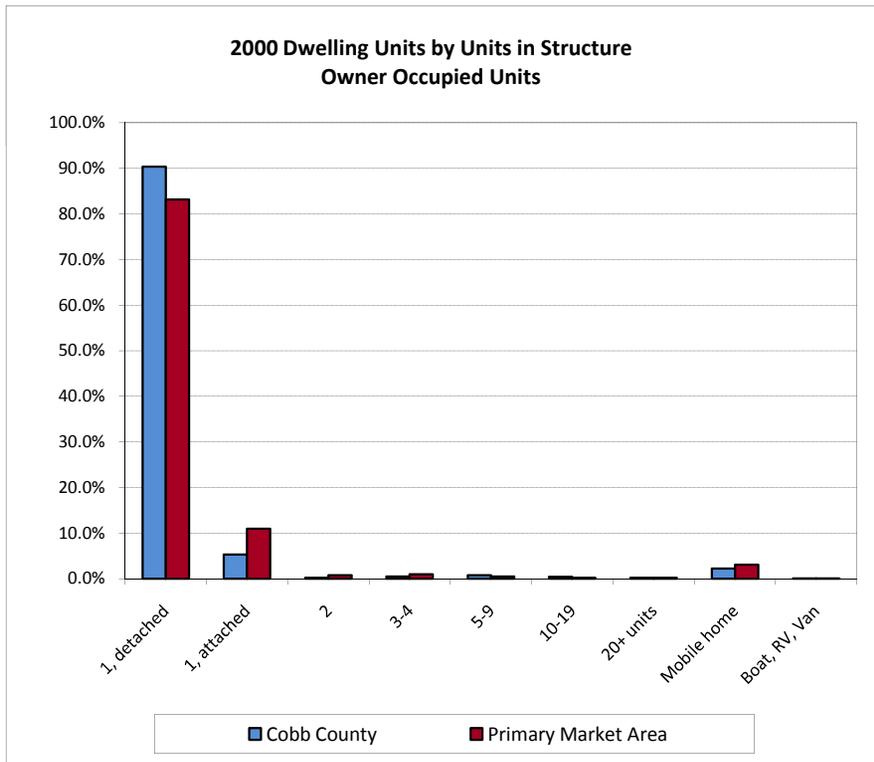
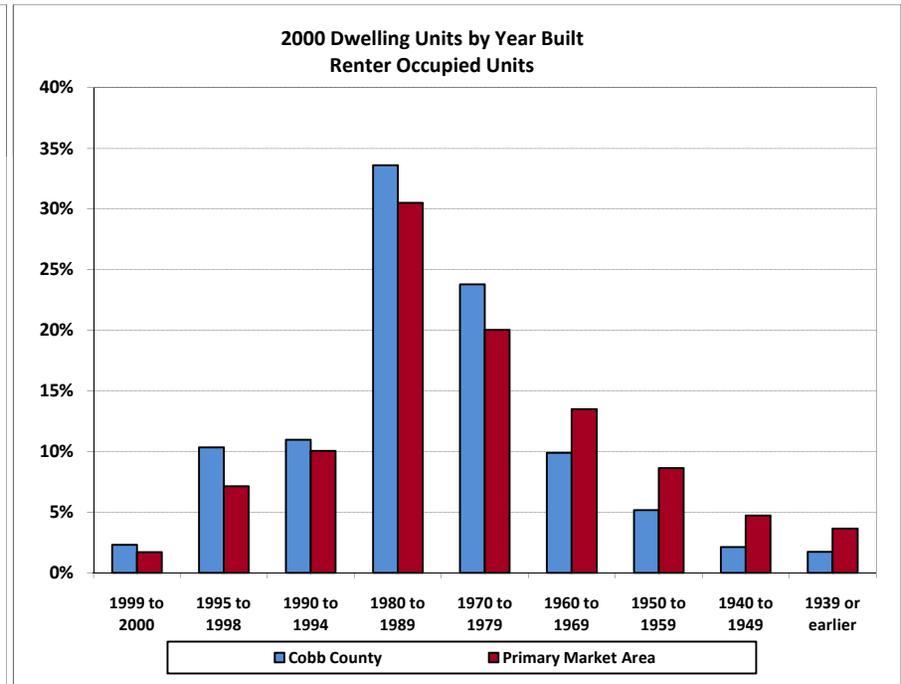
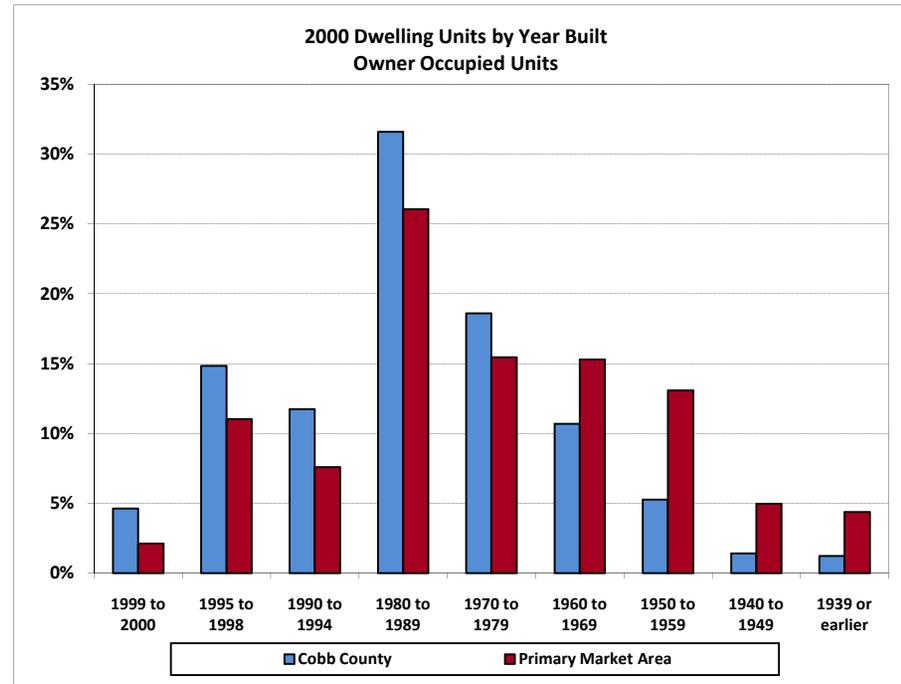


Table 33
2000 Dwelling Units by Year Built and Tenure
Primary Market Area and Cobb County

	Cobb County		Primary Market Area	
Owner Occupied	Number	Percent	Number	Percent
1999 to 2000	7,171	4.6%	337	2.1%
1995 to 1998	23,002	14.8%	1,758	11.0%
1990 to 1994	18,198	11.7%	1,210	7.6%
1980 to 1989	49,008	31.6%	4,151	26.1%
1970 to 1979	28,851	18.6%	2,461	15.5%
1960 to 1969	16,597	10.7%	2,437	15.3%
1950 to 1959	8,165	5.3%	2,083	13.1%
1940 to 1949	2,176	1.4%	792	5.0%
1939 or earlier	1,907	1.2%	699	4.4%
TOTAL	155,075	100.0%	15,928	100.0%
MEDIAN YEAR BUILT	1984		1977	

	Cobb County		Primary Market Area	
Renter Occupied	Number	Percent	Number	Percent
1999 to 2000	1,669	2.3%	260	1.7%
1995 to 1998	7,499	10.4%	1,087	7.1%
1990 to 1994	7,956	11.0%	1,530	10.1%
1980 to 1989	24,340	33.6%	4,640	30.5%
1970 to 1979	17,220	23.8%	3,049	20.0%
1960 to 1969	7,168	9.9%	2,053	13.5%
1950 to 1959	3,754	5.2%	1,313	8.6%
1940 to 1949	1,545	2.1%	721	4.7%
1939 or earlier	1,261	1.7%	557	3.7%
TOTAL	72,412	100.0%	15,210	100.0%
MEDIAN YEAR BUILT	1982		1979	

Source: U.S. Census of Population and Housing, 2000, STF3.



B. Competitive Senior Rental Analysis

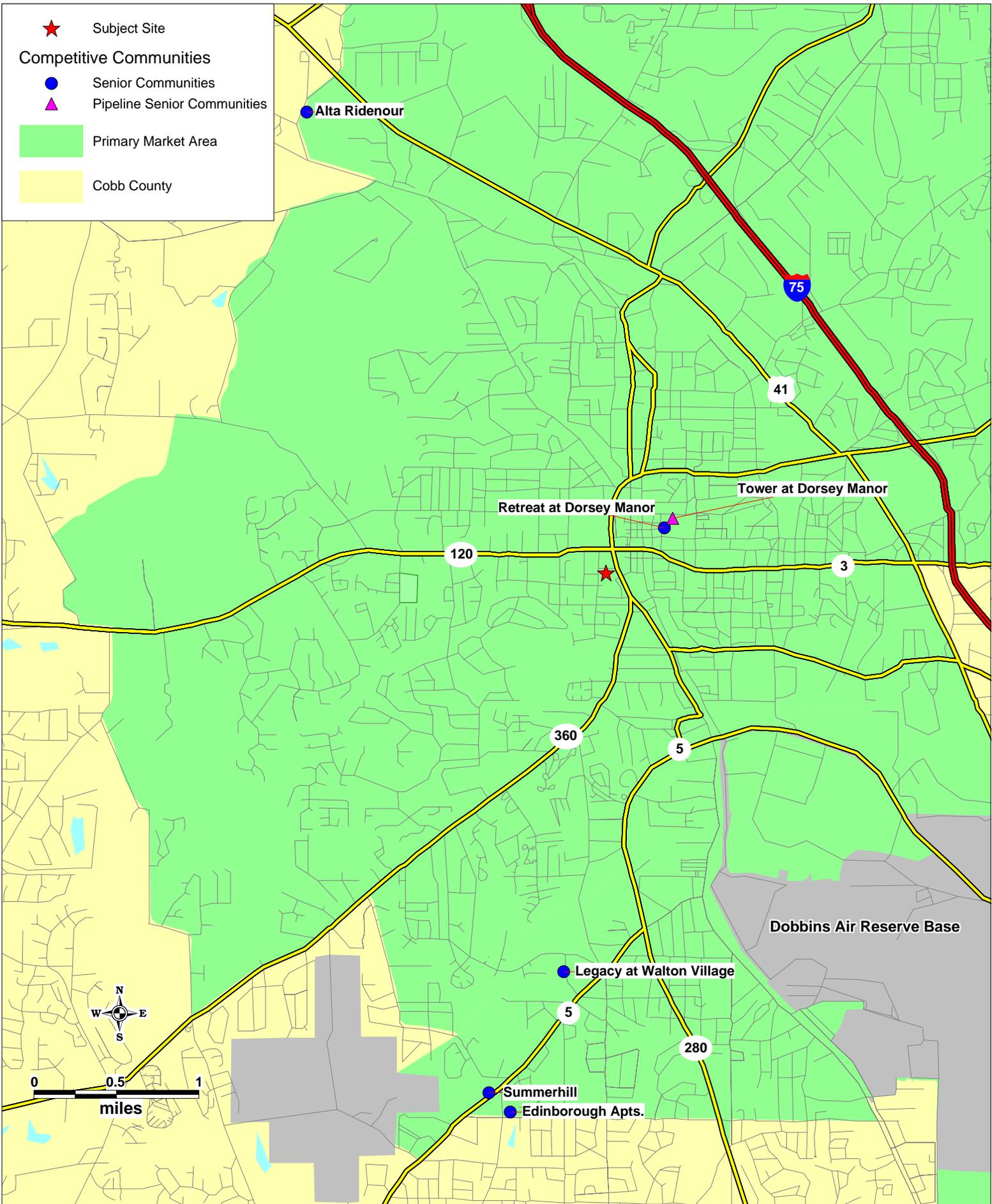
For the purposes of this analysis, RPRG identified and surveyed four independent living, age-restricted rental communities in the primary market area. All properties are located in Marietta. Age-restricted rental communities that offer additional services such as meals, housekeeping and/or health care were excluded from the analysis, as these properties are not directly comparable to the proposed Renaissance on Henderson rental community. Summerhill Apartments in Marietta is also excluded as it is congregate housing for seniors and mature adults in need, and bedrooms are rented individually instead of units. A profile sheet of each community is attached as Appendix 8 Community Photos and Profiles. The location of each community is shown on Map 4. Tower at Dorsey Manor is a pipeline senior property that will be addressed later in the report.

The following is a brief description of the four communities surveyed:

- **Edinborough Apartments** is a 128-unit market rate community for adults age 55 and older. The property was placed in service in 1975, and is not well suited for seniors as it is in the form of two-story, walk up buildings, and residents living on the second floor must navigate metal, outdoor stairways that are not covered.
- **Legacy at Walton Village** is a 125-unit property that opened in 2006, and is managed and owned by Walton Communities. The community offers LIHTC units at 30, 50 and 60 percent units and market rate units.
- **Legacy at Walton Village II** is the 78-unit second phase of Legacy at Walton Village. The property opened in January 2011, and has 31 units at 60 percent AMI and 47 units with deep subsidies.
- **Retreat at Dorsey Manor** is a 72-unit property that opened in downtown Marietta in 2009. The project was developed by Columbia Residential and the Marietta Housing Authority, and offers 63 subsidized units and 9 market rate units.

Combined, the four surveyed senior communities offer 403 total units of which 9 or 2.2 percent were reported vacant (Table 34). Retreat at Dorsey Manor was fully occupied with a wait list of 100 households for the subsidized units. The three remaining properties had vacancy rates ranging from 2.4 to 3.1 percent. Only Edinborough Apartments was offering reduced rents as an incentive.

To evaluate the projects on a consistent basis, we have computed effective rents, which are adjusted for incentives, and to assume that only the utility costs of water/sewer and trash removal are included in rent. The lowest one-bedroom rents are \$322 for a 30 percent unit at Legacy at Walton



Map 4
Senior Communities
Cobb County, Georgia

**Table 34
Salient Characteristics
Senior Rental Communities
Primary Market Area**

Community	Type	Total Units	Vacant Units	Vacancy Rate	Units	One Bedroom Units			Two Bedroom Units			
						Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property-50% AMI	Mid Rise	23			23	\$511	546	\$0.94				
Subject Property-60% AMI	Mid Rise	122			122	\$631	546	\$1.16				
Subject Property-Market	Mid Rise	5			5	\$643	546	\$1.18				
Edinburgh Apts.	Garden	128	4	3.1%	64	\$569	750	\$0.76	64	\$684	950	\$0.72
Year Built: 1975	Market	128			64	\$569	750	\$0.76	64	\$684	950	\$0.72
Legacy at Walton Village	Mid Rise	125	3	2.4%	63	\$670	750	\$0.89	62	\$778	1,100	\$0.71
Year Built: 2006	30% units	20			10	\$322	750	\$0.43	10	\$379	1,100	\$0.34
	50% units	32			16	\$598	750	\$0.80	16	\$711	1,100	\$0.65
	60% units	35			18	\$737	750	\$0.98	17	\$877	1,100	\$0.80
	Market	38			19	\$850	750	\$1.13	19	\$955	1,100	\$0.87
Legacy at Walton Village II	Mid Rise	78	2	2.6%	42	\$815	750	\$1.09	36	\$817	1,283	\$0.64
Year Built: 2011	Section 8 30%	47			42	\$815	750	\$1.09	5	\$886	1270	\$0.70
	60% units	31							31	\$806	1,285	\$0.63
Retreat at Dorsey Manor	Mid Rise	72	0	0.0%	54	\$735	722	\$1.02	18	\$830	971	\$0.85
Year Built: 2009	Market/30%	72			54	\$735	722	\$1.02	18	\$830	971	\$0.85
	Overall Total	403	9	2.2%								
	Total/Average	403			223	\$697	743	\$0.94	180	\$777	1,076	\$0.72
	% of Total	100.0%			55.3%				44.7%			
	30% units	92	22.8%		64	28.7%			28	3.6%		
	50% units	32	7.9%		16	7.2%			16	8.9%		
	60% Units	66	16.4%		18	8.1%			48	26.7%		
	Market	166	41.2%		83	37.2%			83	46.1%		
		356	88%		181	44.9%			175	43.4%		

*Subject rents assume no PBRA and maximum allowable tax credit rents, adjusted to assume water/sewer and trash is included in rent

*Subject units are classified as efficiencies, but are compared to one-bedroom units as there are no efficiency comparables

*Retreat at Dorsey Manor: 9 units are market rate, 63 have deep subsidies.

*Legacy at Walton Village II Section 8 30% units not included in summary.

(1) Rent is adjusted for incentives, and to include only the utility costs of water/sewer and trash removal.

Source: Field Survey, Real Property Research Group, Inc. June 2011.

Village. One-bedroom market rate rents at Edinborough Apartments are an average \$569, and the one-bedroom units at Retreat at Dorsey Manor are \$735 (this is both the market rent and the contract rent for the subsidized units). **One-bedroom units at 50 and 60 percent AMI are \$737 and \$850, respectively, at Legacy at Walton Village.** The lowest two-bedroom rent is \$379 for a 30 percent unit at Legacy at Walton Village, followed by the \$684 market rate units at Edinborough Apartments. The most expensive two-bedroom unit is \$955 for a market rate unit at Legacy at Walton Village.

As all units at the subject have PBRA, we compare the subject's units to existing units in the market assuming maximum allowable tax credit rents, and adjusting to assume that only the utility costs of water/sewer and trash removal is included in rent. For the five market rate units at the subject, we use the payment standard and adjust for utilities, resulting in a rent of \$643.

As there are no efficiency comparables, we compare the subject's units to one-bedroom units in the market. **The subject's efficiency rent of \$511 at 50 percent AMI is lower than the one-bedroom rent of \$598 for the 50 percent units at Legacy at Walton Village. The subject's efficiency rent of \$631 at 60 percent AMI is also below the corresponding rent of \$737 at Legacy at Walton Village (Table 34).** The subject's efficiency market rate rent of \$643 is higher than the market rate units at Edinborough Apartments, but lower than the market rate rents at Legacy at Walton Village and Retreat at Dorsey Manor. On a price per square foot basis, comparable senior LIHTC units averaged \$0.80 a square foot for a one bedroom 50 percent AMI unit and \$0.98 a square foot for a one bedroom 60 percent unit, both at Legacy at Walton Village. Comparable market rent units ranged from \$0.76 to \$1.13 per square foot. The price per square foot values at Renaissance on Henderson are higher (ranging from \$0.94 and \$1.18) because of the small unit size of 546 square feet compared to an average one-bedroom unit size of 743 square feet among market comparables. **The smaller unit sizes at the subject are understandable as the project is a renovation of a building constructed in 1981 as subsidized housing, whereas most of the market comparables are modern LIHTC rental communities and offer unit sizes that are competitive in today's market.** However, we note that affordable rental housing for seniors is primarily need driven, and as such absolute rents are more important than rents per square foot.

All four senior LIHTC communities in the primary market area contain a number of common area amenities (Table 35). **The most common community amenities offered include a multi-purpose room, library and fitness center. Each of these amenities is offered at all four properties.** We note that amenities between the two phases of Legacy at Walton Village are shared. The proposed community amenities at Renaissance on Henderson will be competitive

Table 35
Amenities of Elderly Rental Communities
Primary Market Area

Code	Community	Multipurpose Room	Gardening	Walking Paths	Library	Arts& Crafts	Theatre	Health Room	Fitness Room	Barber Shop	Computer Center
	Subject Property	☒	☒	☐	☒	☐	☒	☐	☒	☒	☐
GA067-010560	Legacy at Walton Village	☒	☐	☒	☐	☒	☒	☐	☒	☒	☒
GA067-015731	Retreat at Dorsey Manor	☒	☐	☒	☒	☐	☒	☐	☒	☐	☒
GA067-015733	Legacy at Walton Village II	☒	☒	☐	☒	☐	☐	☐	☒	☒	☐
GA067-006128	Edinburgh Apts.	☒	☒	☒	☒	☐	☐	☐	☒	☐	☐

Source: Field Survey, Real Property Research Group, Inc. June 2011.

with the existing senior LIHTC rental stock and include an activity room with a theater system, multipurpose room that could facilitate visits from a hair stylist, fitness center, library, fireside room, and formal gardens.

Edinburgh Apartments includes the cost of water, sewer, and trash removal in the price of rent while Legacy at Walton Village I & II include just the cost of trash removal and Retreat at Dorsey Manor includes no utilities in rent (Table 36). Three of four communities contain dishwashers in each unit, and two have microwaves as a standard in unit feature. Three of four properties have washer/dryer connections in each unit.

The long waiting list for subsidized units at Retreat at Dorsey Manor demonstrates strong demand for deep subsidy units for seniors in the market area. Taking this into account, and that Renaissance on Henderson is not adding any new units to the market, the proposed renovation is not expected to have negative long-term impact on current or planned DCA funded projects.

Table 36
Features of Elderly Rental Communities
Primary Market Area

Code	Community	Type	Heat Type	Utilities included in Rent					Dishwasher	Microwave
				Heat	Cooking	Electric	Water	Trash		
	Subject Property	LIHTC-Elderly	Electric	<input checked="" type="checkbox"/>	Standard	Standard				
GA067-010560	Legacy at Walton Village	LIHTC - Elderly	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	
GA067-015731	Retreat at Dorsey Manor	LIHTC - Elderly	Electric	<input type="checkbox"/>	Standard	Standard				
GA067-015733	Legacy at Walton Village II	LIHTC - Elderly	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard
GA067-006128	Edinburgh Apts.	Market Rate - Elderly	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Not Available	

Source: Field Survey, Real Property Research Group, Inc. June 2011.

C. Competitive General Occupancy Rental Analysis

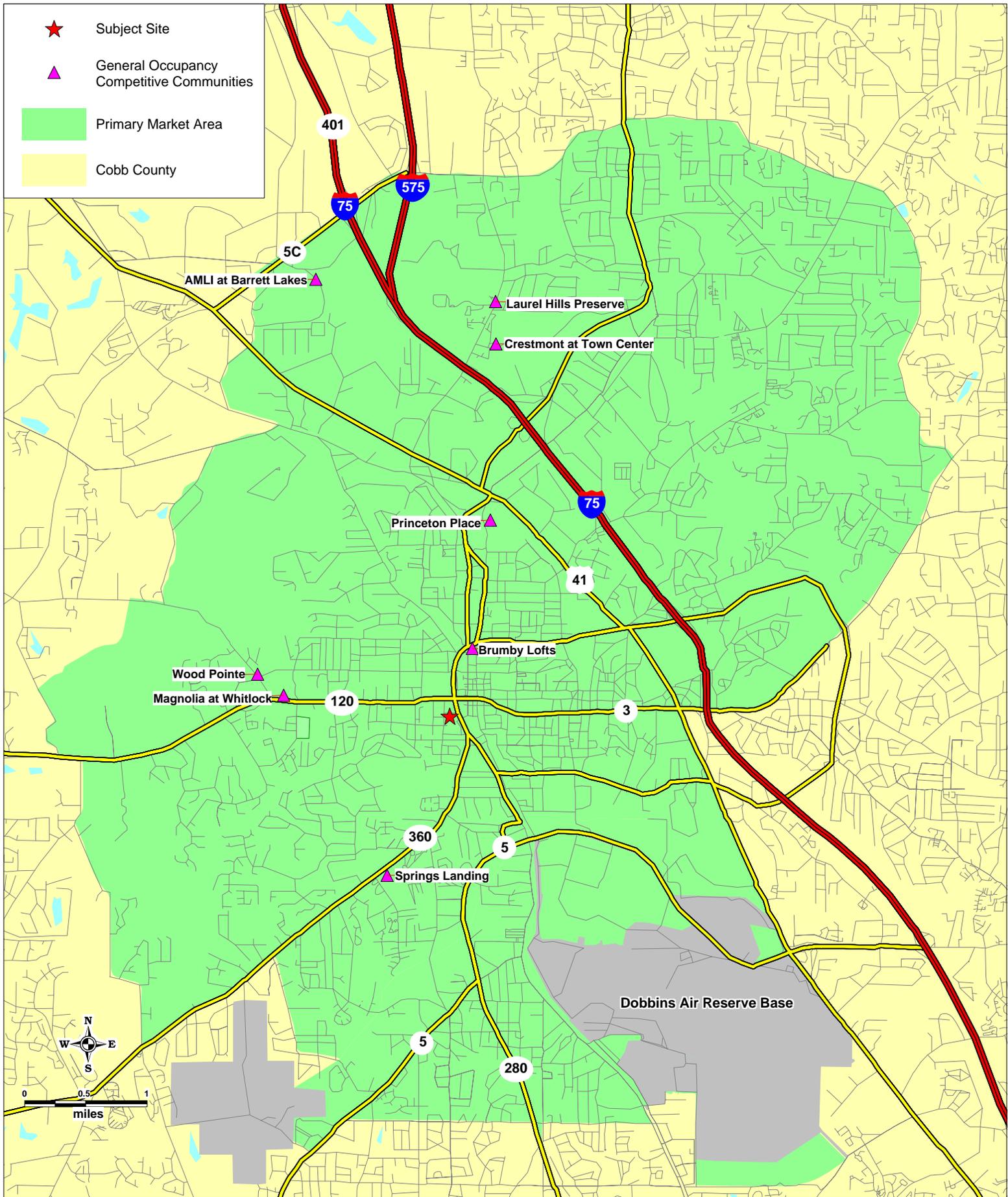
As part of this analysis, Real Property Research Group, Inc. surveyed eight general occupancy communities in the primary market area. Although not directly comparable to the senior oriented units planned at Renaissance on Henderson, these communities provide an indication of the overall rental market as they are an additional rental option for senior renter householders. A profile sheet of each community is attached as Appendix 8 Community Photos and Profiles at the end of this report. The location of each community is shown on Map 5.

Seven of the comparable general occupancy communities offer garden style units only, and one has both garden apartments and loft units. The properties were placed in service between 1969 and 1997, and the average year built is 1987. Four properties reported major renovations occurring since 2007. Given the difference in target market, these general occupancy units are not subtracted from the demand estimates for a senior community.

The eight comparable general occupancy rental communities account for 2,191 dwelling units of which 24 or 1.1 percent were reported vacant (Table 37). Individual property vacancy rates are all low, ranging from 0.0 to 2.2 percent. Three properties offered rent incentives, and one property is on the Yieldstar pricing system in which prices change daily and incentives are included in listed rents.

The average effective rent among comparable general occupancy communities is \$674 for a one bedroom unit and \$806 for a two bedroom unit. Given that there is only one comparable with efficiency units, the subject's units are compared to one-bedroom units in the market area. The proposed rents for the subject (assuming no PBRA) are below the one bedroom market average. Based on the subject product type and target market, the proposed rents at the subject property appear reasonable and appropriate compared to the market rate rents in the area.

To determine average "market rents" as outlined in DCA's 2011 Market Study Manual, market rate rents were averaged at the most comparable communities to the subject property (Table 38). These include two senior LIHTC community and two general occupancy properties in the primary market area. The average market rent among comparable communities is \$693 for a one bedroom unit. Compared to this average market rent, the subject property will have rent advantages of 35.6 percent for the 50 percent units, 9.8 percent for the 60 percent units, and 7.8 percent for the market rate units (Table 39). It is important to note that these average



Map 5
General Occupancy Rental Communities
Cobb County, Georgia

Table 37
Rental Summary
Multifamily Rental Communities
Primary Market Area

Community	Type	Total Units	Vacant Units	Vacancy Rate	One Bedroom Units				Two Bedroom Units				Three Bedroom Units				
					Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	
Subject Property-50% AMI	Mid Rise	23			23	\$511	546	\$0.94									
Subject Property-60% AMI	Mid Rise	122			122	\$631	546	\$1.16									
Subject Property-Market	Mid Rise	5			5	\$643	546	\$1.18									
AMLI at Barrett Lakes	Garden	446	1	0.2%		\$804	770	\$1.04		\$950	1,140	\$0.83		\$1,123	1,384	\$0.81	
Brumby Lofts	Adaptive Reuse/Garden	167	1	0.6%		\$828	845	\$0.98		\$908	1,094	\$0.83					\$0.00
Wood Pointe	Garden	178	4	2.2%	87	\$685	780	\$0.88	67	\$852	1,194	\$0.71	24	\$1,020	1,541	\$0.66	
Springs Landing	Garden	170	3	1.8%	16	\$632	690	\$0.92	144	\$781	1,039	\$0.75	10	\$970	1,285	\$0.75	
Princeton Place	Garden	130	1	0.8%	50	\$646	785	\$0.82	80	\$773	1,092	\$0.71					\$0.00
Laurel Hills Preserve	Garden	720	12	1.7%	343	\$621	722	\$0.86	362	\$766	1,007	\$0.76					\$0.00
Magnolia at Whitlock	Garden	152	0	0.0%		\$624	850	\$0.73		\$719	1,083	\$0.66		\$904	1,350	\$0.67	
Crestmont at Town Center	Garden	228	2	0.9%		\$555	600	\$0.93		\$701	950	\$0.74					\$0.00
	Total/Average	2,191	24	1.1%		\$674	755	\$0.89		\$806	1075	\$0.75		\$1,004	1390	\$0.72	
	Unit Distribution	1,183			496				653				34				
	% of Total	54.0%			41.9%				55.2%				2.9%				

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

*Subject units are classified as efficiencies, but are compared to one-bedroom units as there is only one efficiency comparable in the market (Brumby Lofts).

Source: Field/Phone Surveys, Real Property Research Group, Inc. June 2011.

**Table 38
Average Market Rent**

Community	Type	Total Units	Units	One Bedroom Units			Two Bedroom Units			
				Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property-50% AMI	Mid Rise	23	23	\$511	546	\$0.94				
Subject Property-60% AMI	Mid Rise	122	122	\$631	546	\$1.16				
Subject Property-Market (80% AMI)	Mid Rise	5	5	\$643	546	\$1.18				
Senior Communities										
Legacy at Walton Village	Mid Rise	38	19	\$850	750	\$1.13	19	\$955	1,100	\$0.87
Year Built: 2006	Market	38	19	\$850	750	\$1.13	19	\$955	1,100	\$0.87
Retreat at Dorsey Manor	Mid Rise	9		\$735	722	\$1.02		\$830	971	\$0.85
Year Built: 2009	Market	9		\$735	722	\$1.02		\$830	971	\$0.85
General Occupancy Communities										
Crestmont at Town Center	Garden	228		\$555	600	\$0.93		\$701	950	\$0.74
Year Built: 1975	Market	228		\$555	600	\$0.93		\$701	950	\$0.74
Year Rehabbed: 2010										
Springs Landing	Garden	170	16	\$632	690	\$0.92	144	\$781	1,039	\$0.75
Year Built: 1985	Market	170	16	\$632	690	\$0.92	144	\$781	1039	\$0.75
Average Market Rent				\$693	691	\$1.00		\$817	1,015	\$0.80

*Subject rents assume no PBRA and maximum allowable tax credit rents, adjusted to assume water/sewer and trash is included in rent.

*Subject units are classified as efficiencies, but are compared to one-bedroom units as there is only one efficiency comparable in the market.

*Retreat at Dorsey Manor: 9 units are market rate, 63 have deep subsidies.

(1) Rent is adjusted for incentives, and to include only the utility costs of water/sewer and trash removal.

Source: Field Survey, Real Property Research Group, Inc. June 2011.

Table 39 Rent Advantage Summary

	One Bedroom		
	Rent	Difference	Advantage
Average Market Rent	\$693		
Subject Property-50% AMI	\$511	\$182	35.6%
Subject Property-60% AMI	\$631	\$62	9.8%
Subject Property-Market	\$643	\$50	7.8%

market rents are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. Moreover, as all of the subject's units will retain PBRA, the subject rents evaluated are maximum allowable tax credit rents, and the payment standard for the market rate units.

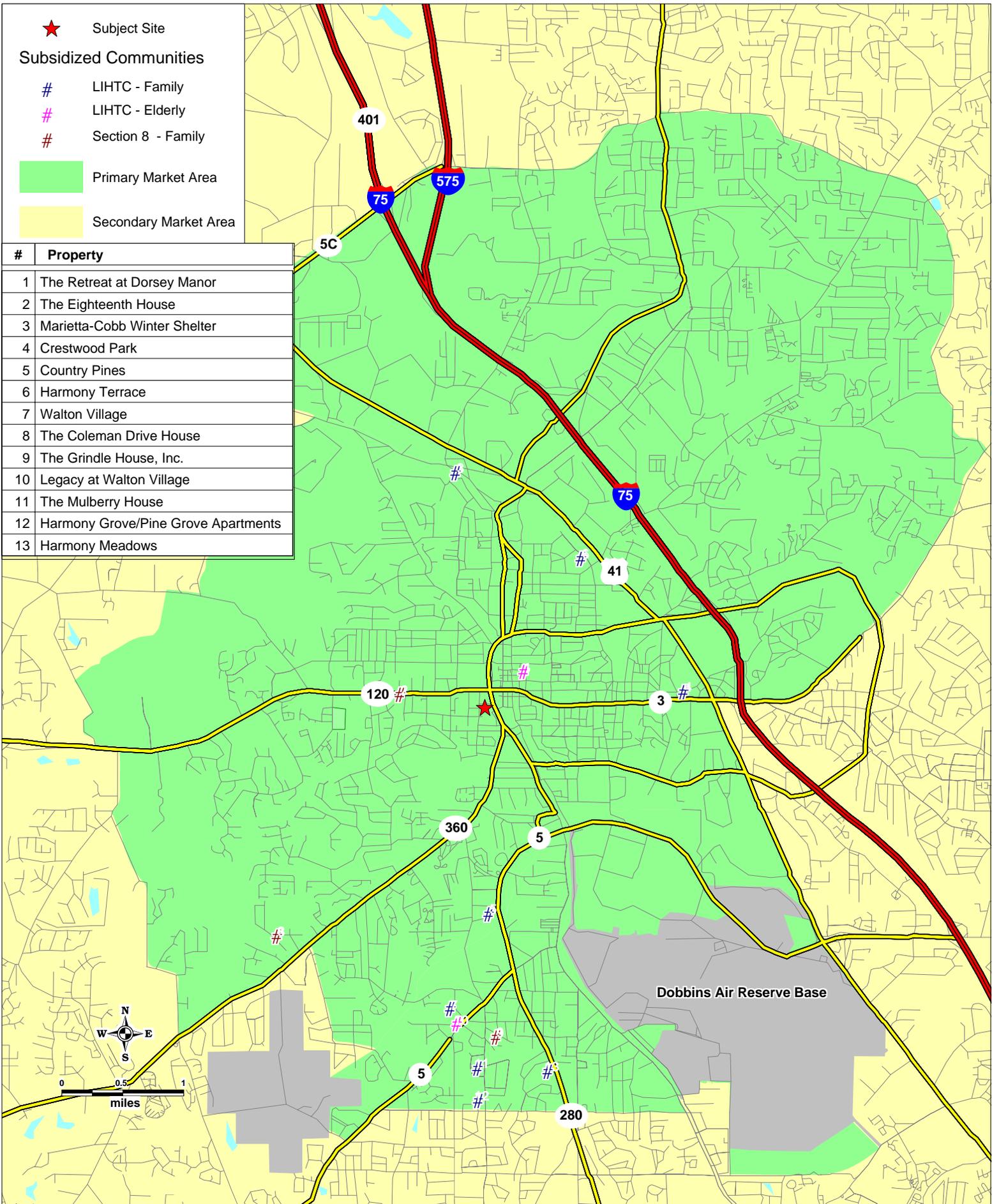
D. Deep Subsidy Analysis

Thirteen subsidized housing communities exist in the primary market area, of which eleven are general occupancy / family oriented properties shown in Table 40 and on Map 6. The two senior LIHTC communities were surveyed for this report. RPRG did not identify other fully subsidized senior rental communities in the primary market area in addition to Renaissance on Henderson.

The City of Marietta operates a Housing Choice Voucher program, but it is not accepting applications at this time. The Marietta Housing Authority's Public Housing Waiting List is closed. MHA is currently providing Housing Choice Vouchers to 1,700 households. The waiting list for vouchers consists of 538 households.

Table 40 Subsidized Rental Communities, Primary Market Area

#	Property	Subsidy	Type	Address	City	Distance
1	The Retreat at Dorsey Manor	LIHTC	Elderly	118 Haynes Street	Marietta	0.7 miles
2	The Eighteenth House	Section 8	Family	25 Highland Ave NW	Marietta	0.8 miles
3	Marietta-Cobb Winter Shelter	LIHTC	Family	1507 Church Street	Marietta	1.9 miles
4	Crestwood Park	LIHTC	Family	925 Gresham Avenue NE	Marietta	1.9 miles
5	Country Pines	LIHTC	Family	15 Booth Road SW	Marietta	2.1 miles
6	Harmony Terrace	LIHTC	Family	658 Kiowa Drive NE	Marietta	2.3 miles
7	Walton Village	LIHTC	Family	1570 Roberta Drive	Marietta	3.1 miles
8	The Coleman Drive House	Section 8	Family	Coleman Drive	Marietta	3.1 miles
9	The Grindle House, Inc.	Section 8	Family	71 Burke Street	Marietta	3.1 miles
10	Legacy at Walton Village	LIHTC	Elderly	1650 Austell Road SW	Marietta	3.2 miles
11	The Mulberry House	Section 8	Family	6 Judy Drive	Marietta	3.3 miles
12	Harmony Grove/Pine Grove Apartments	LIHTC	Family	2016 Olive Springs Road SE	Marietta	3.5 miles
13	Harmony Meadows	LIHTC	Family	1900 South Cobb Drive SE	Marietta	3.5 miles



- ★ Subject Site
- Subsidized Communities**
- # LIHTC - Family
- # LIHTC - Elderly
- # Section 8 - Family
- Primary Market Area
- Secondary Market Area

#	Property
1	The Retreat at Dorsey Manor
2	The Eighteenth House
3	Marietta-Cobb Winter Shelter
4	Crestwood Park
5	Country Pines
6	Harmony Terrace
7	Walton Village
8	The Coleman Drive House
9	The Grindle House, Inc.
10	Legacy at Walton Village
11	The Mulberry House
12	Harmony Grove/Pine Grove Apartments
13	Harmony Meadows

Map 6
Subsidized Communities
Cobb County, Georgia

E. Proposed Developments

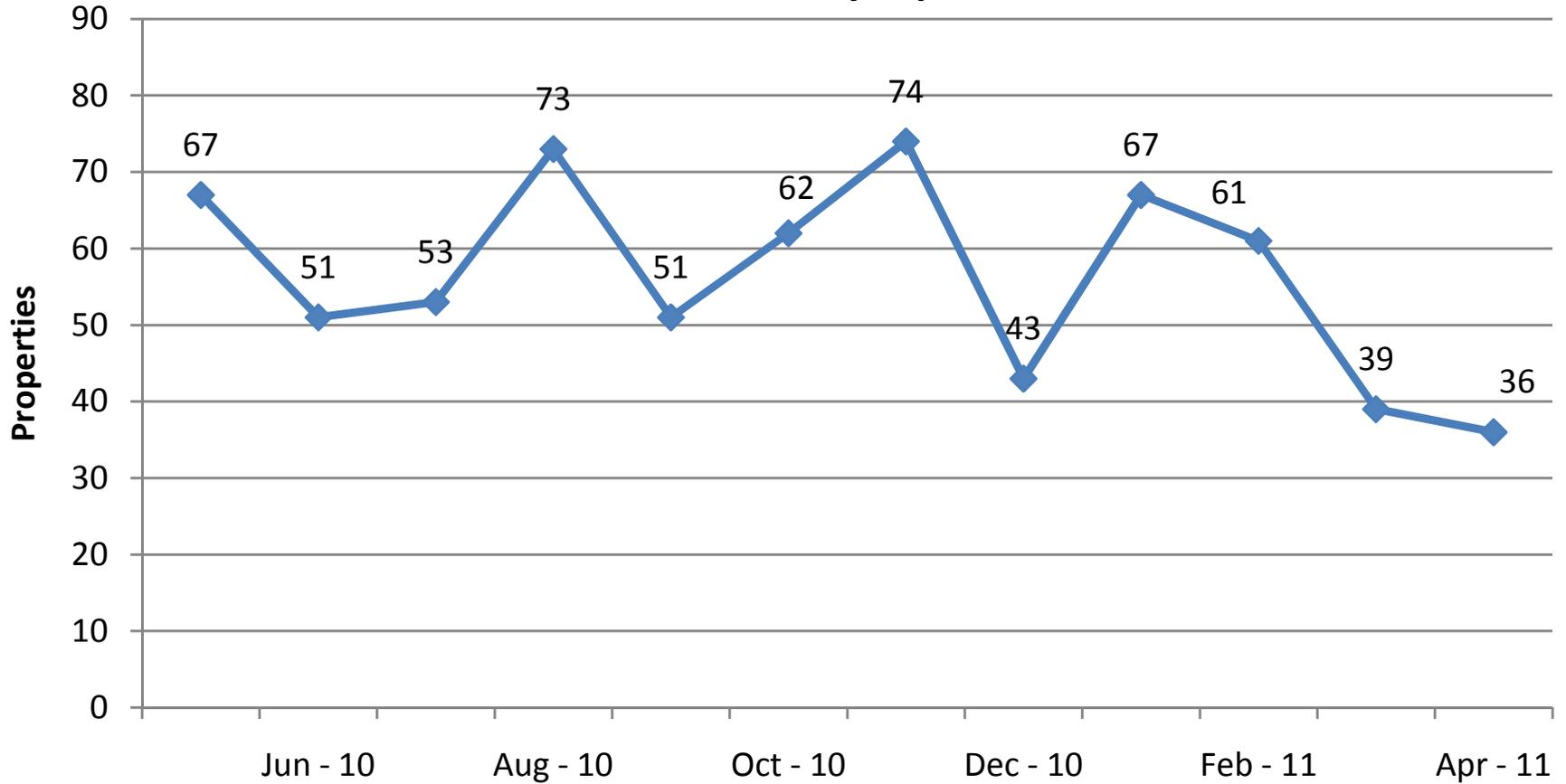
One pipeline age-restricted rental community was identified in the primary market area. Tower at Dorsey Manor is a gut rehab of an 80-unit, nine-story building located at 212 Lemon Street in downtown Marietta, adjacent to Retreat at Dorsey Manor (see Map 4). The building was vacated for renovations, and is expected to open later in June 2011. Nine units are market rate and 71 units are subsidized. There is already a waiting list for the subsidized units, and 64 applicants are being processed. One market rate unit application has been received. The project developers are Columbia Residential and the Marietta Housing Authority. The unit distribution is 25 efficiencies and 55 one-bedroom units. Market rents are \$640 for efficiencies, \$750 for a small one-bedroom and \$800 for a large one-bedroom.

According to Rusty Roth of the City of Marietta Planning and Zoning Department, no additional age-restricted rental communities are planned in the primary market. We also spoke to Rob Hosack of Cobb County Community Development for information on age-restricted communities planned in unincorporated Cobb County. No projects were identified in the primary market area.

F. Impact of Foreclosed, Abandoned, or Vacant Single/Multi-family Homes

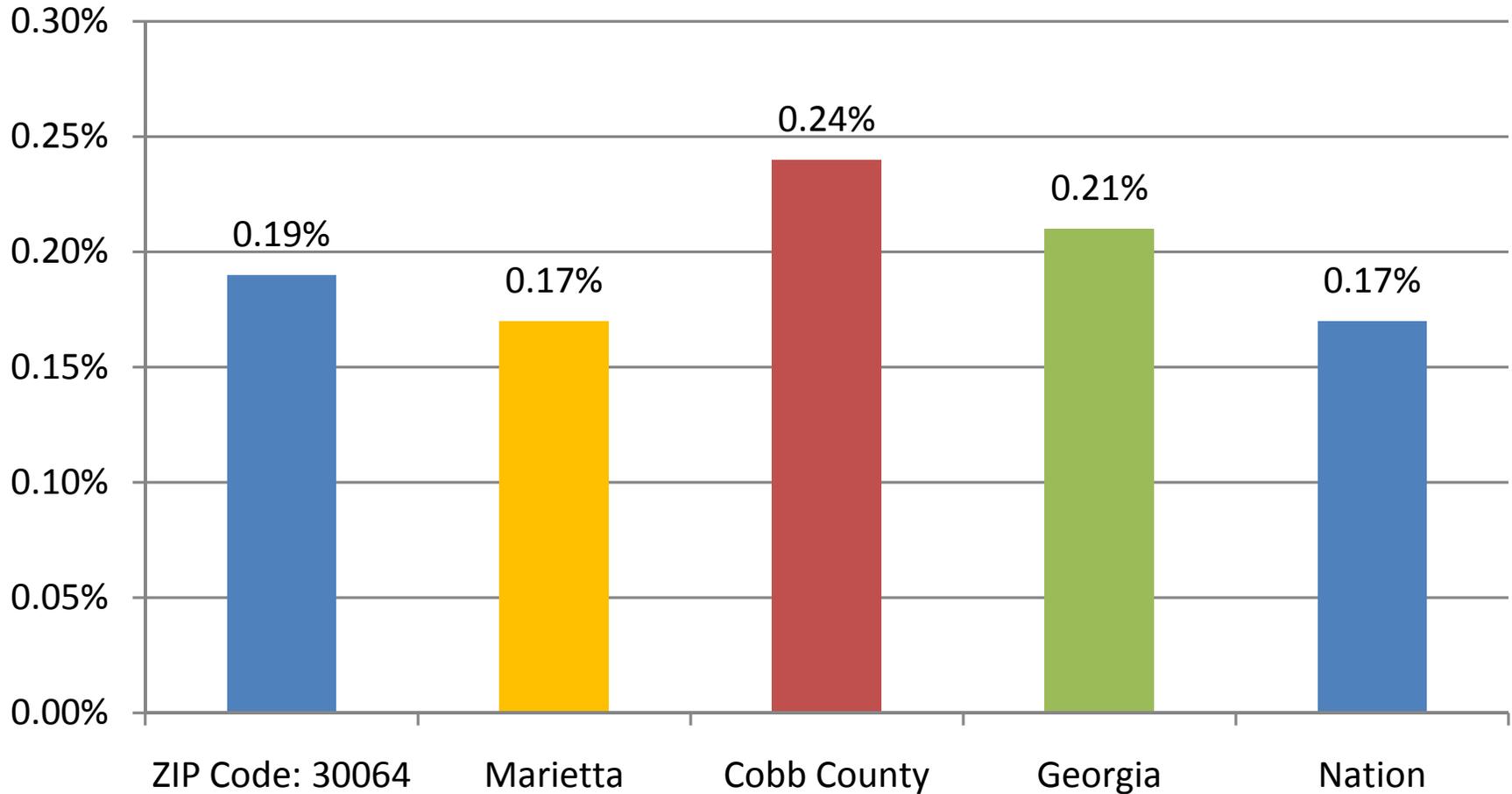
Based on field observations and the age of the existing housing stock, a small percentage of abandoned / vacant single and multi-family homes exist in the primary market area. In addition, foreclosures are also fairly common given the current economic climate and housing downturn. Data provided by RealtyTrac.com indicates an estimated 36 to 74 properties entered or were under foreclosure each month in the subject property's ZIP code between May of 2010 and April of 2011 (Table 41). On a percentage basis, the 36 foreclosures in April of 2011 (relative to the total housing stock) equated to a foreclosure rate of 0.19 percent, similar to the rate of 0.17 percent in Marietta, but lower than the Cobb County rate of 0.24 percent, and the Georgia rate of 0.21 percent. The national rate for April 2011 was 0.17 percent (Table 42). Based on this data, we do not expect that foreclosures and/or abandoned homes will significantly impact the primary market area's rental housing market. The sample survey of general occupancy rental communities in the primary market area indicates a healthy and even tight rental market, with a very low vacancy rate of 1.1 percent. This suggests that the weakness in the for sale market and the general economic uncertainty has led to increased demand for rental housing, a more affordable and more flexible option with less commitments than purchasing a home.

Table 41
Recent Foreclosure Activity, Zip Code 30064



Source: RealtyTrac.com, April 2011

Table 42
Foreclosure Rate, Zip Code 30064, April 2011



Source: RealtyTrac.com, April 2011

G. Absorption and Stabilization Rates

The most recent rental community to lease up in the primary market area is **Legacy at Walton Village II**. This is a newly constructed, 78-unit community that offers 47 one-bedroom units and 31 two-bedroom units. One-bedroom units are restricted to householders age 62 and older, and all these units have project based rental assistance through the Marietta Housing Authority. All two bedroom units are restricted to older adults age 55 and older, and are LIHTC units at 60 percent AMI. **The first 33 units opened on January 15, 2011, and the property had leased 70 of 72 units as of May 24, 2011. This translates to a strong average absorption pace of 16 units per month.**

Another recent senior LIHTC to open in the primary market area is **Retreat at Dorsey Manor**. The 72-unit community opened in downtown Marietta in late September 2009, and was 95 percent leased by August 2010. Thus, **the property leased up at an average pace of 6 units per month.** Nine units at Retreat at Dorsey Manor are market rate and the remainder is subsidized.

While Renaissance on Henderson is a renovation project as opposed to a new construction project, it will be a gut rehab, and as such will essentially be “new” on the inside. The main difference is that units will still be small compared to today’s modern rental units. The property currently has ten vacant units, and all existing residents will be relocated during renovations and will be able to then return to the community. As such, **following completion of renovations, Renaissance on Henderson should only have a small number of rental units to lease, and we expect that they would be quickly filled by households on waiting lists for subsidized rental housing. Given these factors, we estimate that Renaissance on Henderson would be able to lease up at a minimum rate of ten units per month with the continuation of PBRA needed to lease all its units. However, as only ten units are expected to remain vacant during the renovation process, Renaissance on Henderson should remain stabilized or become stabilized within one month following the completion of the renovation process.** Given the stability of the overall rental market, existing occupancy levels, substantial number of income qualified renter households, and deep rental subsidies, **the rehabilitation of Renaissance on Henderson will not negatively impact existing LIHTC or other rent restricted rental communities in the primary market area.**

H. Interviews

Information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included property managers, Rob Hosack with Cobb County Community Development, Pat Bennett and Jim Rattray with the Marietta Housing Authority, and Rusty Roth with City of Marietta Planning and Zoning. All pertinent information obtained was included in the appropriate sections of this report.

VII. Conclusions and Recommendations

A. Findings

Based on this review of economic and demographic characteristics of the primary market area and Cobb County as well as competitive housing trends, we arrive at the following findings:

The subject site is an appropriate location for rental housing for low to moderate income seniors.

- Renaissance on Henderson is located at 55 Henderson Street SW in central Marietta. This existing community is located on the south side of Henderson Street just west of its intersection with State Route 120 (Marietta Parkway).
- Surrounding land uses include residential and commercial uses. The site is surrounded by single-family detached homes, a YWCA residential facility, and a bank.
- As the subject property is a proposed renovation of an existing rental community, it will not alter the land use composition of the immediate area. The community is and will remain compatible with surrounding land uses.

Cobb County traditionally has had an expanding economy, but has suffered recent job losses and unemployment increases as a result of the national recession.

- Overall, at-place employment within Cobb County has grown since 1990 and has historically been one of the state's most stable economic bases. However, job losses beginning in 2008 have now erased the gains in at place employment that took place since 1999. While the county has not been immune to recent economic conditions, **the county has suffered a less severe impact relative to other areas throughout the State of Georgia and the nation.**
- From 2007 to the third quarter of 2010, nine of eleven employment sectors reported a net loss in jobs. While sizeable declines were present throughout these nine employment sectors, most of the job loss occurred within Cobb County's two largest industries. Overall, trade-transportation-utilities and professional business contracted at annual rates of 11.6 percent and 13.0 percent, respectively.
- Despite significant increases over the past three years amid a national recession, Cobb County's unemployment rate has consistently remained below both state and national figures since 1990, with one exception in 2010. Though the first quarter of 2010, the

county's unemployment rate of 9.3 percent is lower than the Georgia rate of 10.1 percent and the national rate of 9.5 percent.

- While recent economic conditions in Cobb County are a concern, the proposed rehabilitation of the senior units at subject property will not add additional rental units to the housing supply. In addition, rental assistance offered on all units removes the minimum income limit on all units, and there is strong demand for this type of housing.

The primary market area experienced modest population and household growth over the past decade. Growth rates are projected to increase slightly over the next five years, and the older adult population is increasing at a faster rate than the population as a whole.

- Over the next five years, Nielsen projects a 1.1 percent annual rate of household growth in the PMA, and an annual growth rate of 1.2 percent in the county. The primary market area is projected to grow from 33,878 to 35,799 households while Cobb County is expected to increase from 263,258 to 279,866 households.
- Over the next five years, the primary market area is projected to add 413 households with household age 55 and older on an annual basis. This is an annual growth rate of 3.3 percent. Senior householders age 62 and older are projected to increase at an annual rate of 310 householders or 3.7 percent. This will result in a total of 13,680 householders age 55 and older and 9,248 householders age 62 and older in the primary market area as of 2016.

While Cobb County is a relatively affluent jurisdiction within the Atlanta metro area, the primary market area's income distribution skews lower than that of the county as a whole, and there is a considerable proportion of low income senior renter householders.

- Based on census data and Nielsen estimates and projections, the age distribution of the primary market area is similar to that of Cobb County as a whole; each area has a median age of 35 as of 2011.
- The primary market area and county have a similar proportion of seniors age 62 and older, at 14 percent in the PMA compared to 13 percent countywide.
- As of 2011, forty-six percent of households in the primary market area are renter households. The county as a whole has a much lower proportion of renter households at 29 percent.

- Nielsen estimates that the median household income for all household in the primary market area in 2011 is \$51,425, which is \$17,736 or 25.6 percent below Cobb County's median income of \$69,160.
- Among senior households with householder age 62+, the 2011 median income in the primary market area is \$38,186. Over the next five years, the median income is projected to increase by 6.4 percent – reaching \$40,617 in 2016.
- RPRG estimates that the median income of primary market area senior households by tenure at \$31,743 among renter households and \$41,817 among owner households. Forty percent of senior (62+) renter households in the primary market area earn less than \$25,000 compared to thirty percent of owner households.

The rental stock in the primary market area is performing well, with low vacancy rates among both general occupancy and age restricted properties.

- Based on a sample survey of eight market rate, general occupancy rental communities in the primary market area, the rental market is tight, with an average vacancy rate of 1.1 percent. All individual property vacancy rates are low, ranging from 0.0 to 2.2 percent.
- The four independent living, age restricted LIHTC and market rate rental communities in the primary market area are also performing well, with an average vacancy rate of 2.2 percent. Demand for deep subsidy senior units is strong as there is a waiting list of 100 households for subsidized units at Retreat at Dorsey Manor.
- RPRG identified one senior pipeline community in the primary market area. Tower at Dorsey Manor is an 80-unit gut rehab project of Columbia Residential and the Marietta Housing Authority. The building has been fully vacated, and is expected to re-open later in June 2011. There is already a waitlist for the 71 subsidized units, and one application has been received for the 9 market rate units.
- Based on the average “market rent” per DCA’s market study guide, the average market rent is \$693. This average market rent is based on the most comparable one bedroom market rate rents at two senior LIHTC properties and two general occupancy properties. We use one-bedroom units as comparables due to the lack of efficiency units in the market.
- At maximum allowable LIHTC rents, the subject property would have rent advantages of 35.6 percent for the 50 percent units, and 9.8 percent for the 60 percent units. Assuming the payment

standard amount of \$643 for the five market rate units, the subject property would have a rent advantage of 7.8 percent.

- The subject property's amenities (common area and unit) will be improved as a result of the renovation and will be competitive with the existing senior rental communities in the primary market area.

B. Project Feasibility

Looking at the proposed renovations at Renaissance on Henderson compared to existing rental alternatives in the market, the project's appeal and strength is as follows:

- **Community Design:** The subject property's updated finishes and amenities post renovation will be competitive with the existing rental stock in the primary market area and will be well received by the target market. The renovation of the subject property will update and preserve an affordable senior oriented rental community in Marietta, for which there is demonstrated strong demand.
- **Location:** The subject property is located in an established section of central Marietta and is compatible with surrounding land uses. The site is located within convenient distance of neighborhood amenities including shopping, public transportation, community facilities (library, senior center), and traffic arteries. The subject site does not have a significant competitive advantage or disadvantage relative to other existing rental communities.
- **Amenities:** Renaissance on Henderson will offer competitive common area and unit amenities relative the existing rental communities. The proposed common area amenities of formal gardens, an activity room with a theater system, multipurpose room, fitness center, fireside room, library, and central laundry room will be competitive in the primary market area. In-unit features including a dishwasher, and microwave will be competitive with existing communities.
- **Unit Mix:** Renaissance on Henderson's units are classified as efficiencies for the purposes of this analysis. While somewhat smaller than typical one-bedroom units, the subject offers a unit configuration comparable to the market. The average unit distribution among senior LIHTC and market rate rental communities in the primary market area is 55 percent one-bedroom and 45 percent two-bedroom. While the current trend in new construction senior rental communities is to provide an increasing number of two-bedroom units, the unit mix at the subject is reasonable considering it is an older property and all units will offer project based rental assistance.
- **Unit Size:** Renaissance on Henderson's average efficiency size of 546 square feet is considerably smaller than the average one-bedroom size of 743 square feet among the four senior LIHTC and market rate properties in the primary market area. The small unit sizes at the subject are understandable given that the property is 30 years old. While not a concern

with the continuation of PBRA, the smaller unit sizes would impact achievable rent levels without this additional rental subsidy.

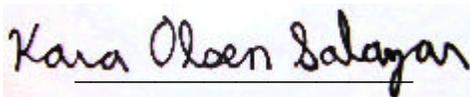
- **Price:** All units will continue to receive project based rental assistance following renovations. As such, residents will not experience a rent increase, but will benefit from significant upgrades to the community and units. Assuming maximum tax credit rents and the payment standard amount for the market rate units, these rents are lower than average market rents per DCA's definition.
- **Demand:** The affordability analysis and DCA demand estimates indicate sufficient demand to support the proposed development with continuation of project based rental assistance on all units. Without PBRA, the property would have to capture a high percentage of age and income qualified renter households. With the continuation of PBRA, the capture rate is 16.8 percent for all units and 1.1 percent for vacant units. Without PBRA, capture rates are 33.2 percent for all units and 2.2 percent for vacant units.

C. Final Conclusion and Recommendation

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, we believe sufficient demand exists to support the proposed rehabilitation of Renaissance on Henderson with the inclusion project based rental assistance. The continuation of the subject property as a deeply subsidized / rent restricted community will help maintain and improve the primary market area's rental stock targeting low to moderate income senior renter households. Without the continuation of PBRA, most residents would not be income qualified and the small unit sizes may restrict achievable LIHTC rent levels below proposed levels.

We do not expect the renovation of Renaissance on Henderson to negatively impact existing rental communities in the primary market area. The vast majority of the units at the subject property are expected to remain occupied by current tenants and the existing Section 8 contract will be continued. There is demonstrated strong demand for subsidized rental units for seniors in the primary market area, and the renovation of Renaissance on Henderson will ensure that the property can continue to meet this strong demand for years to come.

We hope you find this analysis helpful in your decision making process.



Kara Olsen Salazar
Analyst
Real Property Research Group, Inc.



Tad Scepaniak
Principal
Real Property Research Group, Inc.

Appendix 1 Underlying Assumptions and Limiting Conditions

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation which could hinder the development, marketing or operation of the subject project.

The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.

Appendix 2 Tenant Relocation Spreadsheet

Relocation / Displacement Project Spreadsheet

COMMUNITY: HENDERSON ARMS NBR OF UNITS: 150 DATE: _____

Line	A	B	C	D	E	F	G	H		I	J	K	L	M	N	O	P	Q	R
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr of Resi-	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term		Mthly Subsidy Amt	Sub-sidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burdn Y/N	
								Begin	End										
1	101		1	Occ	1	EVARISTO RODRIGUEZ	231	3/8/02	*	678	PBRA	N/A	9,648	23,950	yes		\$241	no	
2	102		1	Occ	1	DELLIA COLLINS	198	9/5/08	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
3	103		1	Occ	1	FRANCES E. BALLEW	198	7/8/09	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
4	104		1	Occ	1	EMMA C. CROMER	318	10/7/00	*	591	PBRA	N/N	19,254	23,950	yes		\$481	no	
5	105		1	Occ	1	BARBARA GARVIN	234	12/17/08	*	675	PBRA	N/A	11,438	23,950	yes		\$286	no	
6	106		1	Vac											yes		\$0	no	
7	107		1	Occ	1	SHIRLEY M. WEIGEL	189	11/16/00	*	720	PBRA	N/A	12,679	23,950	yes		\$317	no	
8	108		1	Occ	1	IRMA F. STEPHENS	205	12/9/96	*	704	PBRA	N/A	12,034	23,950	yes		\$301	no	
9	109		1	Vac											yes		\$0	no	
10	110		1	Occ	1	BARBARA MAUTHE	206	8/1/94	*	703	PBRA	N/A	17,902	23,950	yes		\$448	no	
11	201		1	Occ	1	ROXIE MCKNIGHT	317	2/12/03	*	592	PBRA	N/A	13,884	23,950	yes		\$347	no	
12	202		1	Occ	1	SARAH LEE DAVIS	237	5/22/98	*	672	PBRA	N/A	13,190	23,950	yes		\$330	no	
13	203		1	Occ	1	RONA THOMAS	198	2/18/10	*	711	PBRA	N/A	8,327	23,950	yes		\$208	no	
14	204		1	Occ	1	JANICE K. HARLOW	239	6/22/00	*	670	PBRA	N/A	9,960	23,950	yes		\$249	no	
15	205		1	Occ	1	SUZETTIA SAUNDERS	265	2/1/10	*	644	PBRA	N/A	11,235	23,950	yes		\$281	no	
16	206		1	Occ	1	SAMANTHA JOHNSON	231	5/16/08	*	678	PBRA	N/A	9,648	23,950	yes		\$241	no	
17	207		1	Occ	1	WILLIAM FAGAN	342	2/18/10	*	567	PBRA	N/A	14,820	23,950	yes		\$371	no	
18	208		1	Occ	1	EMERITA VILLARREAL	198	2/19/07	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
19	209		1	Occ	1	MARILYN G. SIMMERMAN	444	8/26/03	*	465	PBRA	N/A	22,402	23,950	yes		\$560	no	
20	210		1	Occ	1	SANDRA J. KYLE	181	4/17/06	*	728	PBRA	N/A	8,197	23,950	yes		\$205	no	
21	211		1	Occ	2	CAROLINE HUNTE	299	1/11/08	*	610	PBRA	N/A	12,348	27,350	yes		\$309	no	
22	212		1	Occ	1	VERDA M. HUDGINS	198	12/16/89	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
23	213		1	Occ	1	ALETHIA ROBINSON	330	2/25/08	*	579	PBRA	N/A	15,187	23,950	yes		\$380	no	
24	214		1	Occ	1	HARRIETT E. WHITE	214	6/8/04	*	695	PBRA	N/A	9,408	23,950	yes		\$235	no	
25	216		1	Occ	1	LINDA HARBOUR	333	6/1/10	*	576	PBRA	N/A	15,217	23,950	yes		\$380	no	
26	218		1	Vac											yes		\$0	no	
27	219		1	Occ	1	DOROTHY L. CARSON	182	8/20/93	*	727	PBRA	N/A	12,912	23,950	yes		\$323	no	
28	220		1	Occ	1	PATRICIA WISE	186	5/15/07	*	723	PBRA	N/A	8,328	23,950	yes		\$208	no	
29	221		1	Occ	1	SARA RODRIGUEZ	205	4/11/05	*	704	PBRA	N/A	9,966	23,950	yes		\$249	no	
30	222		1	Occ	1	NILDA LOPEZ	198	4/1/98	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
31	301		1	Occ	1	ESSIE SAMPLER	254	9/1/00	*	655	PBRA	N/A	13,867	23,950	yes		\$347	no	
32	302		1	Occ	1	FELIPE ESPARZA	204	6/25/08	*	705	PBRA	N/A	8,577	23,950	yes		\$214	no	
33	303		1	Occ	1	JERRY T. ELLIS	198	10/22/07	*	711	PBRA	N/A	8,329	23,950	yes		\$208	no	
34	304		1	Occ	1	OLICIA A. SIMS	271	7/8/97	*	638	PBRA	N/A	11,304	23,950	yes		\$283	no	

Relocation / Displacement Project Spreadsheet

COMMUNITY: **HENDERSON ARMS** NBR OF UNITS: **150** DATE:

Line	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr of Resi-	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term		Mthly Subsidy Amt	Subsidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burden Y/N
								Begin	End									
35	305		1	Occ	1	AMIEE ADAMS	269	7/20/09	*	640	PBRA	N/A	11,148	23,950	yes		\$279	no
36	306		1	Vac											yes		\$0	no
37	307		1	Occ	1	ANNETTE COOK	194	6/1/10	*	715	PBRA	N/A	8,208	23,950	yes		\$205	no
38	308		1	Occ	1	MARY ROBINSON	205	12/19/07	*	704	PBRA	N/A	8,724	23,950	yes		\$218	no
39	309		1	Occ	1	DOROTHY LAWRENCE	359	1/5/98	*	550	PBRA	N/A	17,887	23,950	yes		\$447	no
40	310		1	Occ	2	JONG KEEL KIM	293	2/3/10	*	616	PBRA	N/A	12,132	27,350	yes		\$303	no
41	311		1	Occ	1	CYNTHIA LAWRENCE	197	5/27/09	*	712	PBRA	N/A	8,261	23,950	yes		\$207	no
42	312		1	Occ	1	KUNSOO KIM	80	5/25/07	*	829	PBRA	N/A	3,600	23,950	yes		\$90	no
43	313		1	Occ	1	ETHEL L. PETERSON	198	10/13/09	*	711	PBRA	N/A	8,326	23,950	yes		\$208	no
44	314		1	Occ	1	OZZIE GRANT	193	2/5/10	*	716	PBRA	N/A	9,180	23,950	yes		\$230	no
45	316		1	Occ	1	PANSA BAKER	222	2/1/11	*	687	PBRA	N/A	9,266	23,950	yes		\$232	no
46	318		1	Occ	1	JUANITA REEVES	87	5/21/91	*	822	PBRA	N/A	7,971	23,950	yes		\$199	no
47	319		1	Occ	1	IRENE ADAMES	234	4/15/10	*	675	PBRA	N/A	10,885	23,950	yes		\$272	no
48	320		1	Occ	1	BILLY J. DAVIS	425	2/1/11	*	484	PBRA	N/A	21,238	23,950	yes		\$531	no
49	321		1	Occ	1	ROSEMARY H. JENNER	444	7/23/93	*	465	PBRA	N/A	21,818	23,950	yes		\$545	no
50	322		1	Occ	1	DORIS JORDAN	198	5/19/03	*	711	PBRA	N/A	8,316	23,950	yes		\$208	no
51	401		1	Occ	1	KATHERINE LEWIS	198	4/5/99	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no
52	402		1	Occ	1	KATHLEEN TURNER	261	4/1/08	*	648	PBRA	N/A	14,394	23,950	yes		\$360	no
53	403		1	Occ	1	PAULINE V/ WESTER	162	1/1/90	*	747	PBRA	N/A	10,272	23,950	yes		\$257	no
54	404		1	Occ	1	MARILYN BURNSD	199	6/28/06	*	710	PBRA	N/A	8,340	23,950	yes		\$209	no
55	405		1	Occ	1	EVELYN BALL	204	8/20/96	*	705	PBRA	N/A	8,544	23,950	yes		\$214	no
56	406		1	Occ	1	CHARLIE HALEY	106	10/19/09	*	803	PBRA	N/A	5,604	23,950	yes		\$140	no
57	407		1	Occ	1	BOONSOM CHALALAI	231	3/22/07	*	678	PBRA	N/A	11,304	23,950	yes		\$283	no
58	408		1	Occ	1	PEGGY A. MCELROY	187	4/14/98	*	722	PBRA	N/A	8,328	23,950	yes		\$208	no
59	409		1	Occ	1	CHARLES N. WEEMS	483	11/1/10	*	426	PBRA	N/A	19,728	23,950	yes		\$493	no
60	410		1	Occ	1	HYON A. SHIN	192	11/8/04	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no
61	411		1	Occ	1	JEWELL L. HOLCOMB	199	7/15/09	*	710	PBRA	N/A	9,366	23,950	yes		\$234	no
62	412		1	Occ	1	KYONG HEE YUN	192	8/1/05	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no
63	413		1	Occ	2	JOAN C. MIGNEAULT	776	2/18/10	*	133	PBRA	N/A	35,506	43,750	yes		\$888	no
64	414		1	Occ	1	ANNA GEREGA	192	6/5/08	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no
65	416		1	Occ	1	GLADYS E. MURPHY	465	2/1/11	*	444	PBRA	N/A	19,562	23,950	yes		\$489	no
66	418		1	Occ	1	LELIA J. SHIRLEY	280	7/16/02	*	629	PBRA	N/A	15,078	23,950	yes		\$377	no
67	419		1	Occ	1	ANN DORNELUS	279	6/5/09	*	630	PBRA	N/A	11,605	23,950	yes		\$290	no
68	420		1	Occ	1	KATHRYN DAVIS	747	8/12/96	*	162	PBRA	N/A	30,620	38,300	yes		\$766	no

Relocation / Displacement Project Spreadsheet

COMMUNITY: HENDERSON ARMS NBR OF UNITS: 150 DATE:

Line	A	B	C	D	E	F	G	H		I	J	K	L	M	N	O	P	Q	R
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr of Resi-	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term		Mthly Subsidy Amt	Subsidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burdn Y/N	
								Begin	End										
69	421		1	Occ	1	MARY D. KINGSBURY	169	1/4/11	*	740	PBRA	N/A	7,176	23,950	yes		\$179	no	
70	422		1	Occ	1	MYRTLE J. SUTTON	215	12/19/00	*	694	PBRA	N/A	9,000	23,950	yes		\$225	no	
71	501		1	Occ	1	THELMA PRATT	198	9/10/10	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
72	502		1	Occ	1	LEA PARKER	350	6/21/99	*	559	PBRA	N/A	19,095	23,950	yes		\$477	no	
73	503		1	Occ	1	KATHRYN A. BERRY	198	7/13/04	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
74	504		1	Occ	1	MOHAMMAD A. BAGHERIEH	185	11/19/93	*	724	PBRA	N/A	8,088	23,950	yes		\$202	no	
75	505		1	Occ	1	ELSIE BOOZER	451	8/2/10	*	451	PBRA	N/A	22,771	23,950	yes		\$569	no	
76	506		1	Occ	1	ARCHIE WILLIAMS	220	12/15/05	*	689	PBRA	N/A	9,216	23,950	yes		\$230	no	
77	507		1	Occ	1	NANCY D. FOSTER	198	7/1/05	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
78	508		1	Occ	1	CORINE E. DAVIS	192	7/28/05	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no	
79	509		1	Occ	1	HERBERT KEITH BLACK, JR	202	5/7/09	*	707	PBRA	N/A	8,469	23,950	yes		\$212	no	
80	510		1	Occ	1	JANICE V. WESTBROOKS	278	11/17/05	*	631	PBRA	N/A	14,796	23,950	yes		\$370	no	
81	511		1	Occ	1	JOY OSBORN	198	6/17/09	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
82	512		1	Occ	1	ALBERTA NAPIER	198	10/1/08	*	411	PBRA	N/A	8,328	23,950	yes		\$208	no	
83	513		1	Occ	2	TIMOTHY B. HOY	506	2/1/11	*	403	PBRA	N/A	21,594	27,350	yes		\$540	no	
84	514		1	Occ	1	FRANCES M. HALE	274	7/10/01	*	635	PBRA	N/A	11,340	23,950	yes		\$284	no	
85	516		1	Occ	1	MOLLIE M. GARRETT	221	4/1/05	*	688	PBRA	N/A	9,276	23,950	yes		\$232	no	
86	518		1	Occ	1	CAROL TANNER	436	2/1/10	*	473	PBRA	N/A	18,456	23,950	yes		\$461	no	
87	519		1	Occ	1	ERLINE KNOWELL	192	2/18/08	*	717	PBRA	N/A	8,089	23,950	yes		\$202	no	
88	520		1	Occ	1	ESMERALDA CARDENAS	207	5/11/00	*	702	PBRA	N/A	8,677	23,950	yes		\$217	no	
89	521		1	Occ	1	ORA M. WALKER	198	5/28/06	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
90	522		1	Occ	1	MARY E. ROGERS	227	4/19/99	*	682	PBRA	N/A	15,788	23,950	yes		\$395	no	
91	601		1	Occ	1	MARY K. SHEPHERD	198	3/15/93	*	711	PBRA	N/A	9,096	23,950	yes		\$227	no	
92	602		1	Occ	1	MARTHA CRAWFORD	342	10/1/94	*	567	PBRA	N/A	14,076	23,950	yes		\$352	no	
93	603		1	Vac											yes		\$0	no	
94	604		1	Vac											yes		\$0	no	
95	605		1	Occ	1	BETTY J. ROBERTS	262	3/12/93	*	647	PBRA	N/A	10,896	23,950	yes		\$272	no	
96	606		1	Occ	1	IRENE DEAN	186	3/9/09	*	723	PBRA	N/A	10,766	23,950	yes		\$269	no	
97	607		1	Occ	1	JUNE A. CAREY	187	8/24/05	*	722	PBRA	N/A	8,292	23,950	yes		\$207	no	
98	608		1	Occ	1	FRANCES L. SMITH	213	2/16/10	*	696	PBRA	N/A	8,916	23,950	yes		\$223	no	
99	609		1	Occ	1	ABEL VILLARREAL	198	11/13/08	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
100	610		1	Occ	1	WILLIE B. WHELOCK	176	5/12/95	*	733	PBRA	N/A	11,332	23,950	yes		\$283	no	
101	611		1	Occ	1	JEANNE ADAMS	187	8/23/10	*	722	PBRA	N/A	7,891	23,950	yes		\$197	no	
102	612		1	Occ	1	JOAN B. ALTSHULER	141	12/9/05	*	768	PBRA	N/A	8,328	23,950	yes		\$208	no	

Relocation / Displacement Project Spreadsheet

COMMUNITY: HENDERSON ARMS NBR OF UNITS: 150 DATE:

Line	A	B	C	D	E	F	G	H		I	J	K	L	M	N	O	P	Q	R
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr of Resi-	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term		Mthly Subsidy Amt	Subsidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burden Y/N	
								Begin	End										
103	613		1	Occ	1	BARBARA A. CONTI	308	1/28/08	*	601	PBRA	N/A	13,776	23,950	yes		\$344	no	
104	614		1	Occ	1	CLARA M. ATKINS	140	8/14/07	*	769	PBRA	N/A	8,316	23,950	yes		\$208	no	
105	616		1	Occ	1	ELMA WILLIS	202	7/6/04	*	707	PBRA	N/A	8,592	23,950	yes		\$215	no	
106	618		1	Occ	1	MARIANNE STORY	189	10/1/89	*	720	PBRA	N/A	8,088	23,950	yes		\$202	no	
107	619		1	Occ	1	ANNIE R. MCDANIEL	314	6/9/03	*	595	PBRA	N/A	16,332	23,950	yes		\$408	no	
108	620		1	Occ	1	ALFRED M. FREDERICK	337	12/1/08	*	572	PBRA	N/A	16,176	23,950	yes		\$404	no	
109	621		1	Occ	1	LORENE E. HALE	540	10/3/06	*	369	PBRA	N/A	26,340	38,300	yes		\$659	no	
110	622		1	Occ	1	VERBAL HAIST	111	5/12/98	*	111	PBRA	N/A	9,864	23,950	yes		\$247	no	
111	701		1	Occ	1	CLEO CHADWICK	217	8/7/09	*	217	PBRA	N/A	9,096	23,950	yes		\$227	no	
112	702		1	Occ	1	VINCENT ST. JAMES	359	8/1/06	*	550	PBRA	N/A	15,462	23,950	yes		\$387	no	
113	703		1	Occ	1	DIANA MARTE	192	3/1/07	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no	
114	704		1	Occ	1	ELL M. GAUSE	235	12/16/08	*	674	PBRA	N/A	9,780	23,950	yes		\$245	no	
115	705		1	Occ	1	SHARON K. MAHAN	211	2/4/11	*	698	PBRA	N/A	8,844	23,950	yes		\$221	no	
116	706		1	Occ	1	HAZEL LAMAN	192	1/25/11	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no	
117	707		1	Occ	1	EVELYN POOLE	309	11/1/00	*	600	PBRA	N/A	15,255	23,950	yes		\$381	no	
118	708		1	Occ	1	ELISMENE DUVAL	110	9/23/10	*	799	PBRA	N/A	4,800	23,950	yes		\$120	no	
119	709		1	Vac											yes		\$0	no	
120	710		1	Occ	1	FRANCES D. ANGLIN	333	9/24/01	*	576	PBRA	N/A	17,355	23,950	yes		\$434	no	
121	711		1	Occ	1	DUDLEY G. BARFIELD	467	5/1/07	*	442	PBRA	N/A	22,188	23,950	yes		\$555	no	
122	712		1	Occ	1	BETTY L. TUCKER	201	2/16/10	*	708	PBRA	N/A	15,427	23,950	yes		\$386	no	
123	713		1	Occ	1	MATTIE I. WILLIAMS	271	7/1/02	*	638	PBRA	N/A	11,224	23,950	yes		\$281	no	
124	714		1	Occ	1	BETTY J. VAUGHN	426	1/17/02	*	483	PBRA	N/A	21,050	23,950	yes		\$526	no	
125	716		1	Vac											yes		\$0	no	
126	718		1	Occ	1	SYLVESTER HARRIS	198	2/23/05	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
127	719		1	Occ	1	THOMAS S. HARRISON, JR	389	10/16/07	*	520	PBRA	N/A	16,829	23,950	yes		\$421	no	
128	720		1	Occ	1	UNA B. WOLFE	198	5/6/04	*	711	PBRA	N/A	8,328	23,950	yes		\$208	no	
129	721		1	Occ	1	MARY F. MAY	333	8/28/09	*	576	PBRA	N/A	13,944	23,950	yes		\$349	no	
130	722		1	Occ	2	ROBERT H. WEEMS, JR	376	6/4/08	*	533	PBRA	N/A	15,528	27,350	yes		\$388	no	
131	801		1	Occ	1	MARTHA T. CRAWFORD	267	6/1/04	*	642	PBRA	N/A	13,868	23,950	yes		\$347	no	
132	802		1	Occ	1	OSSIE L. PASCAL	375	7/24/07	*	534	PBRA	N/A	16,904	23,950	yes		\$423	no	
133	803		1	Occ	1	GLADYS ENGLISH	418	8/24/10	*	491	PBRA	N/A	17,113	23,950	yes		\$428	no	
134	804		1	Occ	1	MARY PEAVY	361	6/24/04	*	548	PBRA	N/A	16,732	23,950	yes		\$418	no	
135	805		1	Occ	1	JESSE T. ELLIS	189	8/1/10	*	720	PBRA	N/A	8,749	23,950	yes		\$219	no	
136	806		1	Occ	1	LUZ R. REATAZA	192	3/9/09	*	717	PBRA	N/A	8,088	23,950	yes		\$202	no	

Relocation / Displacement Project Spreadsheet

COMMUNITY: HENDERSON ARMS

NBR OF UNITS: 150

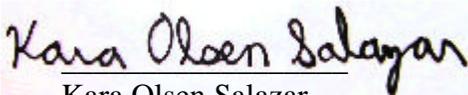
DATE:

Line	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit No.	Bldg No.	Bedrm Size	Occ/Vac	Nbr of Resi-	Resident Name	Current Tenant-Pd Mthly Rent	Lease Term		Mthly Subsidy Amt	Subsidy Type	Mthly UA	Gross Anticipated Income	Maximum Allowable Income	Income Eligible Y/N	Projctd New Rent	30% Income Rent	Rent Burden Y/N
								Begin	End									
137	807		1	Vac							PBRA				yes		\$0	no
138	808		1	Occ	1	MARTHA K. RALSTON	279	5/7/07	*	630	PBRA	N/A	16,120	23,950	yes		\$403	no
139	809		1	Vac											yes		\$0	no
140	810		1	Occ	1	ROBERT E. PRICE	390	4/23/09	*	519	PBRA	N/A	16,649	23,950	yes		\$416	no
141	811		1	Occ	1	GILBERT E. CZIGANS	465	10/1/10	*	444	PBRA	N/A	20,150	23,950	yes		\$504	no
142	812		1	Occ	1	MARTHA AST	368	3/10/10	*	541	PBRA	N/A	15,108	23,950	yes		\$378	no
143	813		1	Occ	1	JAMES L. BURNETTE	330	12/10/04	*	579	PBRA	N/A	15,852	23,950	yes		\$396	no
144	814		1	Occ	1	JANOS SZABO	218	11/21/08	*	691	PBRA	N/A	10,272	23,950	yes		\$257	no
145	816		1	Occ	1	LINDA WILLIAMS	256	9/20/10	*	653	PBRA	N/A	11,484	23,950	yes		\$287	no
146	818		1	Occ	1	MILLIE L. HUNNICUTT	337	11/1/10	*	572	PBRA	N/A	15,488	23,950	yes		\$387	no
147	819		1	Occ	1	GEORGE P. HARRIS	324	1/25/02	*	585	PBRA	N/A	15,456	23,950	yes		\$386	no
148	820		1	Occ	1	GORDON L. CRANE	216	10/22/02	*	693	PBRA	N/A	12,540	23,950	yes		\$314	no
149	821		1	Occ	1	RUTH M. CLEVELAND	442	10/16/07	*	467	PBRA	N/A	22,196	23,950	yes		\$555	no
150	822		1	Occ	1	NORRIS S. TWINING	359	12/16/08	*	550	PBRA	N/A	15,444	23,950	yes		\$386	no
151															no		\$0	no
152															no		\$0	no
153															no		\$0	no
154															no		\$0	no
155															no		\$0	no
156															no		\$0	no
157															no		\$0	no
158															no		\$0	no
159															no		\$0	no
160															no		\$0	no
161															no		\$0	no
162															no		\$0	no
163															no		\$0	no
164															no		\$0	no
165															no		\$0	no
166															no		\$0	no
167															no		\$0	no
168															no		\$0	no
169															no		\$0	no
170															no		\$0	no

Appendix 3 Analyst Certifications

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the market area and property that is the subject of this report.
- The market can support the proposed 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.



Kara Olsen Salazar

Analyst

Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

Appendix 4 NCAHMA Certification

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

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

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepiani

Name

Principal

Title

June 15, 2011

Date



Appendix 5 Resumes

TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has approximately nine years of experience in the field of residential rental market research. Before joining the firm, Tad was president of national firm, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico over the past eight years. He also has experience conducting studies under the HUD 221d program, market rate rental properties, and student housing developments. Along with work for developer clients, Tad has led our research efforts for both the North Carolina and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Tad is a member of the National Council of Affordable Housing Market Analysts' (NCAHMA) Standards Committee and has been involved in the development of the organization's Standard Definitions, Recommended Market Study Content, and various white papers regarding market areas, derivation of market rents, and selection of comparable properties.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions. Mr. Scepaniak not only works with developers in their efforts to obtain tax credit financing, but also has received large contracts with state housing agencies including North Carolina Housing Finance Agency and Georgia Department of Community Affairs.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia.

ROBERT M. LEFENFELD

Mr. Lefenfeld founded Real Property Research Group in February 2001 after more than 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles.

Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. Recent articles have appeared in ULI's Multifamily Housing Trends magazine. Mid-Atlantic Builder.

Bob is currently a member of the National Council of Affordable Housing Market Analysts' executive committee serving as Vice-Chair.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects of these analyses have included for-sale single family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations, and continuing care facilities for the elderly. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for-sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

Education:

Masters of Urban and Regional Planning; The George Washington University.
Bachelor of Arts, Political Science; Northeastern University.

KARA OLSEN SALAZAR

Kara Olsen Salazar entered the field of market research in 2005 as a Research Associate at RPRG, gathering economic, demographic, and competitive data for market feasibility analyses. Kara's background is in affordable housing advocacy and community development, specifically in the Latino community. This included service as an AmeriCorps volunteer in Chicago, where she worked on affordable housing, economic development and employment organizing.

Promoted to Market Analyst in 2008, Kara has completed more than 100 housing market studies. In addition to the areas of concentration listed below, she conducts market studies for student housing, for sale housing, and adaptive reuse projects. In 2010 she completed countywide rental assessments of St. Mary's, Anne Arundel, and Howard Counties in Maryland for the Maryland Department of Housing and Community Development and Howard County Housing.

Kara is currently pursuing a Master of Community Planning at the University of Maryland. She has completed a course in Geographic Information Systems (GIS) as part of the program, and will obtain a specialization in Historic Preservation.

Areas of Concentration:

- **Market Rate Rental:** This area of Kara's practice includes preliminary analyses designed to guide developers in product development and positioning of market rate rental communities. Kara also conducts full studies evaluating the feasibility of market rate rental communities, some of which are mixed-use developments with a commercial component. The District of Columbia is her primary geographic focus, where she conducts ongoing research to evaluate the balance of supply and demand for rental housing in the greater downtown area.
- **Low Income Tax Credit:** Kara prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations. While most of these studies are for new construction product, several examine the feasibility of renovating existing family and senior rental communities. Kara is active throughout the Mid Atlantic including work in Maryland, the District of Columbia, Virginia, Delaware and Pennsylvania.
- **Senior Housing:** Kara prepares reports for proposed senior rental communities. This includes market rate, tax credit, and mixed-income projects.

Education:

Bachelor of Arts – Political Science; Wheaton College, Wheaton, Illinois

Candidate – Master of Community Planning; University of Maryland College Park

Appendix 6 DCA Market Study Checklist

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

The report was written according to DCA's market study requirements, the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: Kara Olsen Salazar Date: June 14, 2011
 Kara Olsen Salazar

A. Executive Summary

1. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-street.....Page(s) iv
 - ii. Construction and Occupancy Types.....Page(s) iv
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowancePage(s) iv
 - iv. Any additional subsidies available, including project based rental assistance (PBRA)Page(s) iv
 - v. Brief description of proposed amenities and how they compare with existing properties.....Page(s) iv
2. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels.....Page(s) iv
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).Page(s) iv
 - iii. A discussion of site access and visibilityPage(s) iv
 - iv. Any significant positive or negative aspects of the subject sitePage(s) iv
 - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etcPage(s) iv
 - vi. An overall conclusion of the site's appropriateness for the proposed development.....Page(s) iv
3. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject sitePage(s) iv
4. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA.....Page(s) v
 - ii. Household tenure including any trends in rental rates.Page(s) v
 - iii. Household income level.Page(s) v
 - iv. Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development.Page(s) v
5. Economic Data:

i.	Trends in employment for the county and/or region.....	Page(s)	v
ii.	Employment by sector for the primary market area.....	Page(s)	v
iii.	Unemployment trends for the county and/or region for the past five years.....	Page(s)	v
iv.	Brief discussion of recent or planned employment contractions or expansions.....	Page(s)	v
v.	Overall conclusion regarding the stability of the county's economic environment.....	Page(s)	v
6.	Project Specific Affordability and Demand Analysis:		
i.	Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households.....	Page(s)	v
ii.	Overall estimate of demand based on DCA's demand methodology.....	Page(s)	v
iii.	Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates.....	Page(s)	v
7.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA.....	Page(s)	vi
ii.	Number of properties.....	Page(s)	vi
iii.	Rent bands for each bedroom type proposed.....	Page(s)	vi
iv.	Average market rents.....	Page(s)	vi
8.	Absorption/Stabilization Estimate:		
i.	Expected absorption rate of the subject property (units per month).....	Page(s)	vii
ii.	Expected absorption rate by AMI targeting.....	Page(s)	vii
iii.	Months required for the project to reach a stabilized occupancy of 93 percent.....	Page(s)	vii
9.	Overall Conclusion:		
i.	A narrative detailing key conclusions of the report including the analyst's opinion regarding the proposed development's potential for success.....	Page(s)	vii
10.	Summary Table.....	Page(s)	iv

B. Project Description

1.	Project address and location.....	Page(s)	4, iv
2.	Construction type.....	Page(s)	4
3.	Occupancy Type.....	Page(s)	1, 4
4.	Special population target (if applicable).....	Page(s)	2, 4
5.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	4
6.	Unit size, number of bedrooms, and structure type.....	Page(s)	2, 4
7.	Rents and Utility Allowances.....	Page(s)	4
8.	Existing or proposed project based rental assistance.....	Page(s)	2
9.	Proposed development amenities.....	Page(s)	2, 4
10.	For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost.....	Page(s)	2- 6
11.	Projected placed-in-service date.....	Page(s)	2, 4

C. Site Evaluation

1.	Date of site / comparables visit and name of site inspector.....	Page(s)	7
2.	Site description		
i.	Physical features of the site.....	Page(s)	6
ii.	Positive and negative attributes of the site.....	Page(s)	6, 7
iii.	Detailed description of surrounding land uses including their condition.....	Page(s)	6
3.	Description of the site's physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	6,11
4.	Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	8 - 9

5. Neighborhood Characteristics	
i. Map identifying the location of the project.	Page(s) 10
ii. List of area amenities including their distance (in miles) to the subject site.	Page(s) 11
iii. Map of the subject site in proximity to neighborhood amenities.	Page(s) 10
6. Map identifying existing low-income housing projects located within the PMA and their distance from the subject site.	Page(s) 74
7. Road or infrastructure improvements planned or under construction in the PMA.	Page(s) 7
8. Discussion of accessibility, ingress/egress, and visibility of the subject site.	Page(s) 7
9. Visible environmental or miscellaneous site concerns.	Page(s) 7
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.	Page(s) 12

D. Market Area

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site	Page(s) 13
2. Map Identifying subject property's location within market area	Page(s) 15

E. Community Demographic Data

1. Population Trends	
i. Total Population.	Page(s) 30, 31
ii. Population by age group.	Page(s) 35, 36
iii. Number of elderly and non-elderly.	Page(s) 35, 36
iv. Special needs population (if applicable)	Page(s) N/A
2. Household Trends	
i. Total number of households and average household size.	Page(s) 30, 31
ii. Household by tenure.	Page(s) 38
iii. Households by income.	Page(s) 42 - 45
iv. Renter households by number of persons in the household.	Page(s) 35

F. Employment Trends

1. Total jobs in the county or region.	Page(s) 16, 17, 18
2. Total jobs by industry – numbers and percentages.	Page(s) 16, 19
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.	Page(s) 20
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.	Page(s) 23, 24
5. Map of the site and location of major employment concentrations.	Page(s) 21
6. Analysis of data and overall conclusions relating to the impact on housing demand.	Page(s) 23

G. Project-specific Affordability and Demand Analysis

1. Income Restrictions / Limits.	Page(s) 46
2. Affordability estimates.	Page(s) 47 - 48
3. Components of Demand	
i. Demand from new households.	Page(s) 51, 53
ii. Demand from existing households.	Page(s) 51, 52, 53
iii. Elderly Homeowners likely to convert to rentership.	Page(s) 51, 53
iv. Secondary market demand.	Page(s) 51, 53
v. Other sources of demand (if applicable).	Page(s) 51, 53

4. Net Demand, Capture Rate, and Stabilization Calculations		
i. Net demand		
1. By AMI Level	Page(s)	53
2. By floor plan	Page(s)	N/A
ii. Capture rates		
1. By AMI level	Page(s)	53
2. By floor plan	Page(s)	N/A
3. Capture rate analysis chart.....	Page(s)	57

H. Competitive Rental Analysis

1. Detailed project information for each competitive rental community surveyed.....	Page(s)	102
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area.	Page(s)	63 - 67
2. Additional rental market information		
i. An analysis of voucher and certificates available in the market area.	Page(s)	61
ii. Lease-up history of competitive developments in the market area.	Page(s)	75, 102
iii. Tenant profile and waiting list of existing phase (if applicable)	Page(s)	5, 6
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).	Page(s)	N/A
3. Map showing competitive projects in relation to the subject property.	Page(s)	62
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.	Page(s)	64-66
5. For senior communities, an overview / evaluation of family properties in the PMA.	Page(s)	68-72
6. Subject property's long-term impact on competitive rental communities in the PMA.	Page(s)	66
7. Competitive units planned or under construction the market area		
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.	Page(s)	74
8. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.	Page(s)	61
i. Average market rent and rent advantage	Page(s)	71, 72
9. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.	Page(s)	54
10. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.	Page(s)	N/A
11. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.	Page(s)	75
12. Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	73

I. Absorption and Stabilization Rates

1. Anticipated absorption rate of the subject property	Page(s)	75
2. Stabilization period.	Page(s)	75

J. Interviews..... Page(s) 79

K. Conclusions and Recommendations

1. Conclusion as to the impact of the subject property on PMA.....	Page(s)	80 - 86
2. Recommendation as the subject property's viability in PMA.....	Page(s)	84 - 86

L. Signed Statement Requirements..... Page(s) 90, 95

Appendix 7 NCAHMA Checklist

Introduction: Members of the National Council of Affordable Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	iv
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	2
3.	Utilities (and utility sources) included in rent	4, 46
4.	Project design description	2
5.	Unit and project amenities; parking	2
6.	Public programs included	1, 2
7.	Target population description	1, 2
8.	Date of construction/preliminary completion	2
9.	If rehabilitation, existing unit breakdown and rents	5
10.	Reference to review/status of project plans	2
Location and Market Area		
11.	Market area/secondary market area description	13
12.	Concise description of the site and adjacent parcels	6
13.	Description of site characteristics	6
14.	Site photos/maps	8
15.	Map of community services	10
16.	Visibility and accessibility evaluation	7
17.	Crime information	12
Employment and Economy		
18.	Employment by industry	16
19.	Historical unemployment rate	24
20.	Area major employers	20
21.	Five-year employment growth	17
22.	Typical wages by occupation	25

23.	Discussion of commuting patterns of area workers	28
Demographic Characteristics		
24.	Population and household estimates and projections	30
25.	Area building permits	34
26.	Distribution of income	43
27.	Households by tenure	40
Competitive Environment		
28.	Comparable property profiles	95
29.	Map of comparable properties	
30.	Comparable property photos	95
31.	Existing rental housing evaluation	61 – 73
32.	Comparable property discussion	61 – 73
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	63
34.	Comparison of subject property to comparable properties	54 - 72
35.	Availability of Housing Choice Vouchers	61
36.	Identification of waiting lists	73
37.	Description of overall rental market including share of market-rate and affordable properties	61 - 68
38.	List of existing LIHTC properties	63
39.	Discussion of future changes in housing stock	58
40.	Discussion of availability and cost of other affordable housing options, including homeownership	63
41.	Tax credit and other planned or under construction rental communities in market area	61
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	53
43.	Calculation and analysis of Penetration Rate	53
44.	Evaluation of proposed rent levels	61
45.	Derivation of Achievable Market Rent and Market Advantage	N/A
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	80 - 86
48.	Market strengths and weaknesses impacting project	84
49.	Recommendation and/or modification to project description	86, if applicable
50.	Discussion of subject property's impact on existing housing	75, 86
51.	Absorption projection with issues impacting performance	75

52.	Discussion of risks or other mitigating circumstances impacting project	86, if applicable
53.	Interviews with area housing stakeholders	61
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	1
56.	Certifications	91
57.	Statement of qualifications	92
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	46

Appendix 8 Community Photos and Profiles

Community	Address	City	Phone Number	Date Surveyed	Contact	Condition
AMLI at Barrett Lakes	1950 Barrett Lakes Road	Kennesaw	770-514-7300	6/1/2011	Property Manager	Good
Brumby Lofts	111 North Marietta Parkway NE	Marietta	770-422-4344	5/31/2011	Leasing Agent	Good
Wood Pointe	1001 Burnt Hickory Road	Marietta	770-423-1999	5/31/2011	Leasing Agent	Good
Springs Landing	825 Powder Springs Street SE	Marietta	770-425-9632	5/31/2011	Jessica Gonzalez - Community Manager	Good
Princeton Place	820 Canton Road NE	Marietta	770-422-7907	5/31/2011	Tiffany - Leasing Agent	Good
Laurel Hills Preserve	1955 Bells Ferry Road	Marietta	770-425-2785	6/1/2011	Leasing Agent	Good
Magnolia at Whitlock	925 Whitlock Avenue SW	Marietta	770-428-0411	6/1/2011	Leasing Agent	Average
Crestmont at Town Center	500 Williams Drive	Marietta	770-428-8008	6/1/2011	Leasing Agent	Average
Edinborough Apartments	300 Pat Mell Road	Marietta	770-436-2447	5/31/2011	Robin Parker - Property Manager	Good
Legacy at Walton Village	1570 Roberta Drive	Marietta	770-590-3981	5/31/2011	Sandy Fern - Property Manager	Good
Legacy at Walton Village II	1570 Roberta Drive	Marietta	770-590-3981	5/31/2011	Sandy Fern - Property Manager	Good
Retreat at Dorsey Manor	118 Haynes Road	Marietta	678-594-0909	5/31/2011	Misty Sullivan - Community Manager	Good

Edinborough Apts.

Senior Community Profile

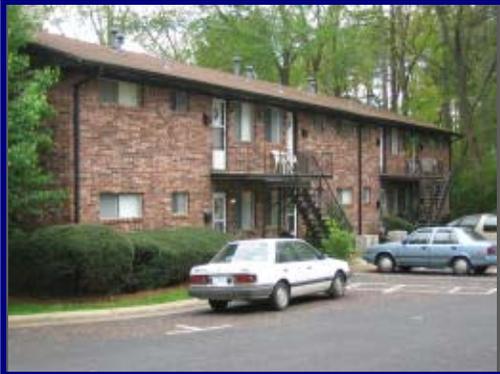
300 Pat Mell Road
Marietta, GA

CommunityType: Market Rate - Elderly

Structure Type: 2-Story Garden

128 Units 3.1% Vacant (4 units vacant) as of 5/31/2011

Last Major Rehab in Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$569	750	\$0.76	<input type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	50.0%	\$684	950	\$0.72	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input checked="" type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Ice Maker; Central A/C; Patio/Balcony; Grabbar; Van/Transportation; Carpet

Select Units: --

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

55+. 20 percent of units can be under 55, but in reality it is less than 5 percent.

2003 renovations - HVAC, furnaces, countertops

This is a 2-story walk up building design. Vacancies are always on 2nd floor, these units are heavily discounted.

Property Manager: --

Owner: --

Floorplans (Published Rents as of 5/31/2011) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Dogwood / Garden	--	1	1	64	\$610	750	\$0.81	Market	5/31/11	3.1%	\$569	\$684	--
Magnolia / Garden	--	2	1	64	\$710	950	\$0.75	Market	3/11/09	4.7%	\$650	\$750	--
									12/19/08	3.9%	\$599	\$699	--
									12/28/07	3.1%	\$584	\$699	--

Adjustments to Rent

Incentives:

Reduced Rents

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Edinborough Apts.

GA067-006128

© 2011 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management

Legacy at Walton Village

Senior Community Profile

1570 Roberta Drive
Marietta, GA

CommunityType: LIHTC - Elderly
Structure Type: 3-Story Mid Rise

125 Units 2.4% Vacant (3 units vacant) as of 5/31/2011

Opened in 2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	50.4%	\$670	750	\$0.89	<input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input checked="" type="checkbox"/>
Two	49.6%	\$778	1,100	\$0.71	Elevator: <input checked="" type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Walking Pth: <input checked="" type="checkbox"/>	Beauty Salon: <input checked="" type="checkbox"/>

Features

Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Grabbar; Emergency Response

Select Units: --

Optional(\$): --

Security: Gated Entry

Parking: Free Surface Parking

Comments

55+. 3 connected buildings. On same campus of a family LIHTC property and a second phase senior building.

13 PBRA units - 2 av. PBRA units are a five year program that ends in 2012.

Property Manager: Walton

Owner: Walton

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	10	\$307	750	\$0.41	LIHTC/ 30%	5/31/11	2.4%	\$670	\$778	--
Garden	--	1	1	16	\$583	750	\$0.78	LIHTC/ 50%	8/28/09	0.0%	\$653	\$773	--
Garden	--	1	1	18	\$722	750	\$0.96	LIHTC/ 60%	3/20/09	0.0%	\$646	\$763	--
Garden	--	1	1	19	\$835	750	\$1.11	Market	3/11/09	0.0%	\$684	\$805	--
Garden	--	2	2	10	\$359	1,100	\$0.33	LIHTC/ 30%					
Garden	--	2	2	16	\$691	1,100	\$0.63	LIHTC/ 50%					
Garden	--	2	2	17	\$857	1,100	\$0.78	LIHTC/ 60%					
Garden	--	2	2	19	\$935	1,100	\$0.85	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Legacy at Walton Village

GA067-010560

© 2011 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management

Legacy at Walton Village II

Senior Community Profile

1570 Roberta Drive
Marietta, GA 30008

CommunityType: LIHTC - Elderly
Structure Type: 4-Story Mid Rise

78 Units 2.6% Vacant (2 units vacant) as of 5/31/2011

Opened in 2011



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	53.8%	\$815	750	\$1.09	<input checked="" type="checkbox"/> Comm Rm:	<input checked="" type="checkbox"/> Library:
One/Den	--	--	--	--	<input checked="" type="checkbox"/> Centrl Lndry:	<input type="checkbox"/> Arts&Crafts:
Two	46.2%	\$817	1,283	\$0.64	<input checked="" type="checkbox"/> Elevator:	<input type="checkbox"/> Health Rms:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/> Fitness:	<input type="checkbox"/> Guest Suite:
Three	--	--	--	--	<input type="checkbox"/> Hot Tub:	<input type="checkbox"/> Conv Store:
Four+	--	--	--	--	<input type="checkbox"/> Sauna:	<input type="checkbox"/> ComputerCtr:
					<input type="checkbox"/> Walking Pth:	<input checked="" type="checkbox"/> Beauty Salon:

Features

Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Grabbar; Emergency Response; Carpet / Vinyl/Linoleum

Select Units: --

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Faux granite laminate counters, black appliances, walk in closets standard. Billiards, chapel.

1 bedrooms are 62+, 2 bedrooms 55+. On same campus as family LIHTC community and phase 1 senior community, amenities are shared between 2 sr phases. This phase is one building and is called Mountain View.

Property Manager: Walton

Owner: Walton

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Voucher-MHA / Mid Rise -	--	1	1	42	\$800	750	\$1.07	Section 8/ 30%	5/31/11	2.6%	\$815	\$817	--
Voucher-MHA / Mid Rise -	--	2	2	5	\$866	1,270	\$.68	Section 8/ 30%					
Mid Rise - Elevator	--	2	2	31	\$857	1,285	\$.67	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Retreat at Dorsey Manor

Senior Community Profile

118 Haynes Road
Marietta, GA 30060

CommunityType: LIHTC - Elderly
Structure Type: 4-Story Mid Rise

72 Units 0.0% Vacant (0 units vacant) as of 5/31/2011

Opened in 2009



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	75.0%	\$735	722	\$1.02	Comm Rm: <input checked="" type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	25.0%	\$830	971	\$0.85	Elevator: <input checked="" type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Walking Pth: <input checked="" type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Dishwasher; Microwave; In Unit Laundry (Hook-ups); Central A/C; Carpet

Select Units: Disposal

Optional(\$): --

Security: --

Parking: Detached Garage

Comments

63 of 72 units have project based vouchers, listed rents are market rents. Waitlist - 100 HH for subsidized.

54 1BR, 18 2BR. 50 LIHTC, 22 Market (all but 9 have subsidy)

62+. Dining hall/activities room, furnished patio. Units have separate dining areas, garden tubs, walk in closets.

Property Manager: Columbia Residential

Owner: Columbia Res/MHA

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	1	1	54	\$710	722	\$.98	Section 8/ 30%	5/31/11	0.0%	\$735	\$830	--
Mid Rise - Elevator	--	2	1	18	\$800	971	\$.82	Section 8/ 30%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Retreat at Dorsey Manor

GA067-015731

© 2011 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management

AMLi at Barrett Lakes

Multifamily Community Profile

1950 Barrett Lakes Road
Kennesaw, GA

Community Type: Market Rate - General

Structure Type: Garden

446 Units 0.2% Vacant (1 units vacant) as of 6/1/2011

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$804	770	\$1.04	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$950	1,140	\$0.83	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	\$1,123	1,384	\$0.81	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony

Select Units: Fireplace

Optional(\$): --

Security: Gated Entry

Parking 1: Detached Garage
Fee: \$125

Parking 2: Free Surface Parking
Fee: --

Property Manager: --
Owner: --



Comments

Attached garage fees are built into rent for those units.

Floorplans (Published Rents as of 6/1/2011) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$737	696	\$1.06	Market	6/1/11	0.2%	\$804	\$950	\$1,123
Garden	--	1	1	--	\$821	843	\$0.97	Market	12/5/07	2.2%	\$768	\$1,010	\$1,166
Garden	--	2	2	--	\$920	1,140	\$0.81	Market					
Garden	--	3	2	--	\$1,088	1,384	\$0.79	Market					

Adjustments to Rent

Incentives:

Specials included in listed rent

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brumby Lofts

Multifamily Community Profile

111 North Marietta Parkway NE
Marietta, GA 30060

Community Type: Market Rate - General

Structure Type: Garden

167 Units 0.6% Vacant (1 units vacant) as of 5/31/2011

Last Major Rehab in 1995 Opened in 1879



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	\$663	605	\$1.10	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	\$828	845	\$0.98	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$908	1,094	\$0.83	Elevator: <input checked="" type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; High Ceilings; Hardwood / Concrete

Select Units: Storage

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: Aderhold Properties
Owner: --

Comments

Hardwood and sealed concrete floors, exposed brick and original windows.

Former Brumby Rocking Chair factory. Loft units renovated in 1995, traditional garden units built in 1995. Courtyard.

Traditional units (36) have balconies, carpet, track lighting, storage space

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	Loft	Eff	1	--	\$650	605	\$1.07	Market	5/31/11	0.6%	\$828	\$908	--
Garden	Loft	1	1	--	\$813	845	\$0.96	Market					
Traditional / Garden	--	2	2	--	\$800	1,000	\$0.80	Market					
Garden	Loft	2	1	--	\$975	1,188	\$0.82	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Crestmont at Town Center

Multifamily Community Profile

500 Williams Drive
Marietta, GA 30066

Community Type: Market Rate - General

Structure Type: 3-Story Garden

228 Units 0.9% Vacant (2 units vacant) as of 6/1/2011

Last Major Rehab in 2010 Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$555	600	\$0.93	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$701	950	\$0.74	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet / Ceramic

Select Units: **Fireplace**

Optional(\$): --

Security: **Patrol**

Parking 1: **Free Surface Parking**
Fee: --

Parking 2: --
Fee: --

Property Manager: **Jupiter Communities**
Owner: --

Comments

Floorplans (Published Rents as of 6/1/2011) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Alpine / Garden	--	1	1	--	\$530	600	\$0.88	Market	6/1/11	0.9%	\$555	\$701	--	
Birch / Garden	--	2	2	--	\$685	1,000	\$0.69	Market						
Evergreen / Garden	--	2	1	--	\$658	900	\$0.73	Market						

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: **Natural Gas**

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Laurel Hills Preserve

Multifamily Community Profile

1955 Bells Ferry Road
Marietta, GA

Community Type: Market Rate - General

Structure Type: Garden

720 Units 1.7% Vacant (12 units vacant) as of 6/1/2011

Last Major Rehab in 2008



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	47.6%	\$621	722	\$0.86	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	50.3%	\$766	1,007	\$0.76	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony

Select Units: **Fireplace**

Optional(\$): --

Security: **Gated Entry**

Parking 1: **Free Surface Parking** Parking 2: --
Fee: -- Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/1/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	181	\$580	640	\$0.91	Market	6/1/11	1.7%	\$621	\$766	--
Garden	--	1	1	162	\$635	813	\$0.78	Market	12/5/07	0.4%	\$683	\$828	--
Garden	--	2	2	171	\$815	1,107	\$0.74	Market					
Garden	--	2	1	191	\$685	917	\$0.75	Market					

Adjustments to Rent

Incentives:
\$200 off 1st month

Utilities in Rent: Heat Fuel: **Electric**

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

© 2011 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

Magnolia at Whitlock

Multifamily Community Profile

925 Whitlock Ave SW
Marietta, GA 30064

Community Type: Market Rate - General

Structure Type: Garden

152 Units 0.0% Vacant (0 units vacant) as of 6/1/2011

Last Major Rehab in 2007 Opened in 1969



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$624	850	\$0.73	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$719	1,083	\$0.66	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$904	1,350	\$0.67	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Carpet

Select Units: Patio/Balcony

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: Fortcap Mgmt
Owner: --

Comments

Floorplans (Published Rents as of 6/1/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$599	850	\$0.70	Market	6/1/11	0.0%	\$624	\$719	\$904
Garden	--	2	1	--	\$649	1,015	\$0.64	Market					
Garden	--	2	2	--	\$729	1,150	\$0.63	Market					
Garden	--	3	2	--	\$869	1,350	\$0.64	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Princeton Place

Multifamily Community Profile

820 Canton Road NE
Marietta, GA 30060

Community Type: Market Rate - General

Structure Type: 2-Story Garden

130 Units 0.8% Vacant (1 units vacant) as of 5/31/2011

Last Major Rehab in 2007 Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse:	<input type="checkbox"/> Pool-Outdr: <input checked="" type="checkbox"/>
One	38.5%	\$646	785	\$0.82	Comm Rm:	<input type="checkbox"/> Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry:	<input type="checkbox"/> Tennis: <input checked="" type="checkbox"/>
Two	61.5%	\$773	1,092	\$0.71	Elevator:	<input type="checkbox"/> Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness:	<input type="checkbox"/> CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub:	<input type="checkbox"/> BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna:	<input type="checkbox"/> ComputerCtr: <input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Carpet / Vinyl/Linoleum

Select Units: Ceiling Fan; Fireplace; Patio/Balcony

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Renovated 2007 with SS appliances, faux granite counters and cherry cabinets

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	10	\$640	712	\$0.90	Market	5/31/11	0.8%	\$646	\$773	--
Garden	--	1	1	40	\$670	803	\$0.83	Market					
Garden	--	2	2	30	\$750	1,032	\$0.73	Market					
Garden	--	2	2	50	\$800	1,128	\$0.71	Market					

Adjustments to Rent

Incentives:

Reduced Rates

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Princeton Place

GA067-015728

Springs Landing

Multifamily Community Profile

825 Powder Springs St SE
Marietta, GA 30064

Community Type: Market Rate - General

Structure Type: Garden

170 Units 1.8% Vacant (3 units vacant) as of 5/31/2011

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	9.4%	\$632	690	\$0.92	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	84.7%	\$781	1,039	\$0.75	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	5.9%	\$970	1,285	\$0.75	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Disposal; In Unit Laundry (Hook-ups); Central A/C; Carpet / Vinyl/Linoleum

Select Units: Dishwasher; Ceiling Fan; Fireplace; Patio/Balcony

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Free WiFi and welcome center/pool. Walk in closets in select units.

Do not accept section 8

Floorplans (Published Rents as of 5/31/2011) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Cove / Garden	--	1	1	8	\$589	690	\$0.85	Market	5/31/11	1.8%	\$632	\$781	\$970
Cove / Garden	--	1	1	8	\$626	690	\$0.91	Market					
Harbor / Garden	--	2	2	44	\$715	1,000	\$0.72	Market					
Harbor / Garden	--	2	2	44	\$756	1,000	\$0.76	Market					
Springs / Garden	--	2	2	28	\$750	1,100	\$0.68	Market					
Springs / Garden	--	2	2	28	\$801	1,100	\$0.73	Market					
Landing / Garden	--	3	2	5	\$910	1,285	\$0.71	Market					
Landing / Garden	--	3	2	5	\$960	1,285	\$0.75	Market					

Adjustments to Rent

Incentives:

Yieldstar

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Springs Landing

GA067-015730

Wood Pointe

Multifamily Community Profile

1001 Burnt Hickory Road
Marietta, GA

Community Type: Market Rate - General

Structure Type: Garden

178 Units 2.2% Vacant (4 units vacant) as of 5/31/2011

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	48.9%	\$685	780	\$0.88	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	37.6%	\$852	1,194	\$0.71	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	13.5%	\$1,020	1,541	\$0.66	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum

Select Units: **Fireplace**

Optional(\$): --

Security: --

Parking 1: **Free Surface Parking** Parking 2: --
Fee: -- Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 5/31/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	46	\$650	698	\$0.93	Market	5/31/11	2.2%	\$685	\$852	\$1,020
Garden	--	1	1	41	\$693	872	\$0.79	Market	12/5/07	4.5%	\$675	\$839	\$1,005
Garden	--	2	2	21	\$835	1,142	\$0.73	Market					
Garden	--	2	2	46	\$830	1,218	\$0.68	Market					
Garden	--	3	2	24	\$995	1,541	\$0.65	Market					

Adjustments to Rent
Incentives: **None**

Utilities in Rent: Heat Fuel: **Electric**

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

© 2011 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.